SAUDI ARAMCO BASE OIL COMPANY - LUBEREF
(A Saudi Joint Stock Company)

CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the three-month and six-month periods ended June 30, 2026
together with the
INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS

SAUDI ARAMCO BASE OIL COMPANY - LUBEREF
(A Saudi Joint Stock Company)

CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the three-month and six-month periods ended June 30, 2026

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P. O. Box 55078
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Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
مركز زهران للأعمال
شارع الأمير سلطان
ص. ب. ٥٥٠٧٨
جده ٢١٥٣٤
المملكة العربية السعودية
سجل تجاري رقم ٤٠٣٠٢٩٠٧٩٢

المركز الرئيسي في الرياض

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

To the Shareholders of Saudi Aramco Base Oil Company - Luberef

Introduction

We have reviewed the accompanying June 30, 2026 condensed interim financial statements of Saudi Aramco Base Oil Company - Luberef ("the Company") which comprises:

- the condensed interim statement of financial position as at June 30, 2026;
- the condensed interim statement of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2026;
- the condensed interim statement of changes in equity for the six-month period ended June 30, 2026;
- the condensed interim statement of cash flows for the six-month period ended June 30, 2026; 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 statements 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 June 30, 2026 condensed interim financial statements of Saudi Aramco Base Oil Company - Luberef 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

Abdullah Oudah Althagafi
License No. 455

Jeddah, August 3, 2026
Corresponding to Safar 20, 1448H

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
(All amounts in Saudi Riyals thousands, unless otherwise stated)

	Notes	As at June 30, 2026 (Unaudited)	As at December 31, 2025 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	4	**5,063,830**	4,917,823
Right-of-use assets		**173,303**	143,535
Intangible assets		**23,702**	26,567
Loans to employees		**13,592**	14,869
Total non-current assets		**5,274,427**	5,102,794
Current assets			
Inventories		**825,683**	643,757
Trade receivables	5	**1,717,096**	415,563
Prepayments and other assets		**33,857**	71,139
Short-term deposits	6	**147,644**	385,763
Cash and cash equivalents		**1,602,019**	987,383
Total current assets		**4,326,299**	2,503,605
Total assets		**9,600,726**	7,606,399
Equity and liabilities			
Equity			
Share capital		**1,687,500**	1,687,500
Treasury shares		**(48,190)**	(48,682)
Retained earnings		**3,328,481**	2,943,628
Total equity		**4,967,791**	4,582,446
Liabilities			
Non-current liabilities			
Borrowings, non-current portion	7	**581,522**	651,304
Lease liabilities, non-current portion		**164,860**	133,831
Employee benefit obligations		**384,314**	349,599
Provision for decommissioning obligation		**47,809**	47,059
Other non-current liabilities		**1,174**	505
Total non-current liabilities		**1,179,679**	1,182,298
Current liabilities			
Trade and other payables	8	**2,884,581**	1,414,269
Accrued expenses and other liabilities		**370,926**	238,806
Borrowings, current portion	7	**139,677**	133,867
Lease liabilities, current portion		**29,879**	30,061
Zakat payable	12	**28,193**	24,652
Total current liabilities		**3,453,256**	1,841,655
Total liabilities		**4,632,935**	3,023,953
Total equity and liabilities		**9,600,726**	7,606,399

The accompanying notes from 1 to 17 form an integral part of these condensed interim financial statements.

Yasser Mahdi Mufti Chairman of the Board	Samer Abdulaziz Al-Hokail President & Chief Executive Officer	Saud Fouad Kamakhi Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

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

		Three-month period ended June 30,		Six-month period ended June 30,	
	Notes	**June 30, 2026**	June 30, 2025	**June 30, 2026**	June 30, 2025
Revenue	10	**3,418,578**	2,249,108	**5,576,985**	4,377,066
Cost of revenue	11	**(2,561,576)**	(1,928,826)	**(4,391,702)**	(3,769,237)
Gross profit		**857,002**	320,282	**1,185,283**	607,829
Selling and distribution expenses		**(12,873)**	(9,185)	**(20,850)**	(14,614)
General and administrative expenses		**(64,788)**	(48,229)	**(114,699)**	(102,166)
Impairment loss on financial assets	5	**(30,875)**	(5,731)	**(37,963)**	(7,568)
Operating profit		**748,466**	257,137	**1,011,771**	483,481
Finance income		**14,121**	8,787	**28,690**	23,158
Finance cost		**(9,541)**	(15,591)	**(22,797)**	(31,215)
Profit before Zakat		**753,046**	250,333	**1,017,664**	475,424
Zakat expense	12	**(18,949)**	(5,136)	**(25,599)**	(8,719)
Profit for the period		**734,097**	245,197	**992,065**	466,705
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Re-measurement gain / (loss) on employee benefit obligations		**(22,200)**	10,950	**(18,299)**	(14,744)
Total comprehensive income for the period		**711,897**	256,147	**973,766**	451,961
Basic and diluted earnings per share	13	**4.36**	1.46	**5.90**	2.77

The accompanying notes from 1 to 17 form an integral part of these condensed interim financial statements.

Yasser Mahdi Mufti Chairman of the Board	Samer Abdulaziz Al-Hokail President & Chief Executive Officer	Saud Fouad Kamakhi Chief Financial Officer

SAUDI ARAMCO BASE OIL COMPANY - LUBEREF
(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	Treasury shares	Retained earnings	Total equity
Balance as at January 1, 2025 (Audited)	1,687,500	506,250	(49,238)	2,252,947	4,397,459
Profit for the period	--	--	--	466,705	466,705
Other comprehensive loss for the period	--	--	--	(14,744)	(14,744)
Total comprehensive income for the period	--	--	--	451,961	451,961
Transfer	--	(506,250)	--	506,250	--
Treasury shares issued to employees	--	--	556	--	556
Transactions with owners:					
Dividends	--	--	--	(518,226)	(518,226)
Balance as at June 30, 2025 (Unaudited)	1,687,500	--	(48,682)	2,692,932	4,331,750
Balance as at January 1, 2026 (Audited)	**1,687,500**	--	**(48,682)**	**2,943,628**	**4,582,446**
Profit for the period	--	--	--	**992,065**	**992,065**
Other comprehensive loss for the period	--	--	--	**(18,299)**	**(18,299)**
Total comprehensive income for the period	--	--	--	**973,766**	**973,766**
Treasury shares issued to employees	--	--	**492**	--	**492**
Transactions with owners:					
Dividends (Note 16)	--	--	--	**(588,913)**	**(588,913)**
Balance as at June 30, 2026 (Unaudited)	**1,687,500**	--	**(48,190)**	**3,328,481**	**4,967,791**

The accompanying notes from 1 to 17 form an integral part of these condensed interim financial statements.

Yasser Mahdi Mufti	Samer Abdulaziz Al-Hokail	Saud Fouad Kamakhi
Chairman of the Board	President & Chief Executive Officer	Chief Financial Officer

SAUDI ARAMCO BASE OIL COMPANY - LUBEREF
(A Saudi Joint Stock Company)

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CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
(All amounts in Saudi Riyals thousands, unless otherwise stated)

	Notes	Six-month period ended June 30, 2026	June 30, 2025
Cash flows from operating activities:			
Profit before Zakat		**1,017,664**	475,424
Adjustments for:			
Depreciation of property, plant and equipment	4	**156,222**	114,992
Depreciation of right-of-use assets		**13,378**	7,908
Amortisation of intangible assets		**2,865**	2,921
Finance income		**(28,690)**	(23,158)
Non-cash employee expenses		**1,246**	1,240
Finance cost		**22,797**	31,215
Provision for employee benefits obligations		**18,566**	18,751
Loss on disposal of property, plant and equipment		--	36
Impairment loss on financial assets	5	**37,963**	7,568
Allowance for inventory obsolescence		**1,216**	1,051
Changes in:			
Inventories		**(183,142)**	(45,303)
Trade receivables		**(1,339,496)**	58,795
Prepayments and other assets		**37,547**	(69,330)
Trade and other payables		**1,479,863**	(107,940)
Accrued expenses and other liabilities		**129,688**	(8,296)
Cash generated from operations		**1,367,687**	465,874
Finance income received		**32,459**	26,547
Employee benefit obligations paid		**(11,701)**	(7,709)
Zakat paid		**(22,058)**	(25,787)
Net cash generated from operating activities		**1,366,387**	458,925
Cash flows from investing activities:			
Purchase of property, plant and equipment		**(302,229)**	(205,364)
Purchase of intangible assets		--	(15,140)
Investment in short-term deposits		**(146,769)**	(390,000)
Withdrawals from short-term deposits		**383,084**	740,149
Collection against employees' loans		**2,221**	3,568
Disbursement of employees' loans		**(828)**	(918)
Net cash (used in) / generated from investing activities		**(64,521)**	132,295
Cash flows from financing activities:			
Repayment of borrowings		**(63,967)**	(58,163)
Dividends paid	16	**(588,913)**	(518,226)
Repayment of principal portion of lease liabilities		**(12,299)**	(4,348)
Finance costs paid on lease liabilities		**(5,097)**	(3,069)
Finance cost paid		**(16,954)**	(27,364)
Net cash used in financing activities		**(687,230)**	(611,170)
Net increase / (decrease) in cash and cash equivalents		**614,636**	(19,950)
Cash and cash equivalents at the beginning of the period		**987,383**	735,171
Cash and cash equivalents at the end of the period		**1,602,019**	715,221

The accompanying notes from 1 to 17 form an integral part of these condensed interim financial statements.

Yasser Mahdi Mufti Chairman of the Board	Samer Abdulaziz Al-Hokail President & Chief Executive Officer	Saud Fouad Kamakhi Chief Financial Officer

1. GENERAL INFORMATION

Saudi Aramco Base Oil Company – Luberef (the "Company") is a Saudi Joint Stock Company registered in the Kingdom of Saudi Arabia. The Company commenced its operations in Jeddah in 1978 and in Yanbu in 1998. The purpose of the Company is to construct, own and operate refineries of base oils and to purchase, sell, transport, market, import and export base oils, additives, base oil blending stocks, by-products and other related petroleum products.

The Company is registered under Commercial Registration ("CR") number 4030010447 having unified number 7000875133 issued in Jeddah on Ramadan 3, 1396H (corresponding to August 28, 1976). The Company was converted from a limited liability company to a closed joint stock company pursuant to resolution number 1173 dated Muharram 20, 1444H (corresponding to August 18, 2022) issued by the Ministry of Commerce. On December 28, 2022, the Company completed its Initial Public Offering and its ordinary shares were listed on the Saudi Stock Exchange ("Tadawul").

The condensed interim financial statements include the financial information of the Company's head office in Jeddah, its branch operations in Yanbu and Hamriyah Free Zone Authority, United Arab Emirates (UAE). The CR number of Yanbu branch is 4700004941. The license certificate number of 11857 for operations in Hamriyah was issued with a status of Free Zone Establishment Company ("the Establishment") by the Government of Sharjah (UAE), on Rabi-ul-Awal 26, 1435H (corresponding to January 27, 2014). The Company has treated the Free Zone Establishment as a branch in these condensed interim financial statements as it owns 100% paid up capital of the Establishment.

Saudi Arabian Oil Company ("Saudi Aramco") owned 70% shareholding of the Company until March 31, 2026. Effective from April 1, 2026, the 70% shareholding has been transferred from Saudi Aramco to Aramco Downstream Company making it the immediate parent of the Company. Aramco Downstream Company is wholly owned by Saudi Aramco and the Saudi Arabian Government holds 81.48% direct shareholding in Saudi Aramco. The Company is ultimately controlled by the Government of Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34 – "Interim Financial Reporting" ("IAS 34"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("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, 2025. 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.

2. BASIS OF PREPARATION (continued)

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost basis, except for defined benefit obligations which are recognised at the present value of future obligations using the Projected Unit Credit Method and lease liabilities measured at their discounted present value. These condensed interim financial statements are presented in thousands in Saudi Arabian Riyals ("Saudi Riyals") being the functional and presentation currency of the Company.

2.3 New and amended standards

Standards, interpretations and amendments adopted

The Company has applied the following amendments for the first time for the annual reporting period commencing January 1, 2026:

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 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	January 1, 2026
Annual Improvements to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Amendments to: • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; • IFRS 9 Financial Instruments; • IFRS 10 Consolidated Financial Statements; and • IAS 7 Statement of Cash flows.	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026

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

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

2. BASIS OF PREPARATION (continued)

2.3 New and amended standards (continued)

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 18	Presentation and Disclosure in Financial Statements.	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IAS 21	The effects of changes in foreign exchange rates	January 1, 2027
IAS 28	Investments in Associates and Joint Ventures	January 1, 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	January 1, 2029
IFRS 10 and IAS 28	Sale or contribution of assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures	To be determined

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

IFRS 18 Presentation and Disclosure will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after January 1, 2027. The Company is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its financial statements.

Structure of the Statement of Profit or Loss

IFRS 18 requires an entity to classify income and expenses included in the statement of profit or loss into operating, investing, financing, zakat and income taxes, and discontinued operations based on the main business activities. The Company has determined it does not have specified main activities of investing in assets or providing financing to customers.

The Company does not expect the adoption of IFRS 18 to have an impact on its net profit. The Company will be required to present a new subtotal which is "profit or loss before financing and zakat expense". As per preliminary assessment, the Company expect the following changes to the current structure of the statement of profit or loss:

2. BASIS OF PREPARATION (continued)

2.3 New and amended standards (continued)

Structure of the Statement of Profit or Loss (continued)

- Interest expense on defined benefit obligations is currently disclosed under “employee related cost”, which will be classified to finance costs, under financing category.
- Finance income will be presented within investing category.
- Finance costs will be presented within financing category.

Management-defined performance measures

Management-defined performance measures are subtotals of income and expenses that are used in public communications outside the financial statements that communicate to users management’s view of an aspect of the entity’s financial performance as a whole. The Company will be required to disclose specific information about these measures in a single note in the financial statements. The Company is in the process of determining which public communications should be considered when identifying these measures.

Impact on Statement of Cash Flows

IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Company currently uses profit before zakat as the starting point of the reconciliation to cash flows from operating activities. The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows. The Company will classify cash flows from interest received as investing activities rather than operating activities under this guidance. Cash flows for interest and dividends paid will continue to be classified under financing activities.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these condensed interim financial statements, management has made judgements and estimates that affect determination and application of accounting policies and the reported amounts of assets and liabilities, income and expense and accompanying disclosures. Uncertainty about 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 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 were the same as those described in the last annual financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Geopolitical developments

During the six-month period ended June 30, 2026, regional geopolitical developments in parts of the Middle East increased uncertainty in the economic environment. The situation continues to evolve and has had secondary impacts in several countries across the Middle East, causing disruption to some business and economic activities. This has brought about additional uncertainties in the economic environment. Management has closely monitored these requirements and performed a preliminary assessment of the potential impact and has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios. The Company's business continuity planning framework and other risk management practices remain in place to respond to any potential operational or business disruption arising from the evolving regional situation.

Based on the above assessment the management has concluded that these developments do not result in any adjustments to the balances or disclosures recognised in the condensed interim financial statements for the period ended June 30, 2026. Furthermore, based on the information available up to the date of approval of the condensed interim financial statements, management has not identified any material indicators that could adversely affect the Company's ability to continue as a going concern. Management will continue to monitor relevant developments and take appropriate actions as necessary.

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

4. PROPERTY, PLANT AND EQUIPMENT

The movement in property, plant and equipment is as follows:

	Manufacturing plants	Buildings and leasehold improvements	Furniture and fixtures	Other machinery and equipment	Motor vehicles	Capital work-in-progress	Total
Cost:							
At January 1, 2026 (Audited)	7,891,712	334,021	27,367	247,796	2,663	914,561	9,418,120
Additions	--	--	--	--	--	302,229	302,229
Transfers	429,641	1,097	--	2,998	--	(433,736)	--
At June 30, 2026 (Unaudited)	**8,321,353**	**335,118**	**27,367**	**250,794**	**2,663**	**783,054**	**9,720,349**
Accumulated depreciation:							
At January 1, 2026 (Audited)	3,952,749	297,323	27,218	220,374	2,633	--	4,500,297
Charge for the period	151,193	2,801	34	2,164	30	--	156,222
At June 30, 2026 (Unaudited)	**4,103,942**	**300,124**	**27,252**	**222,538**	**2,663**	--	**4,656,519**
Net book value:							
At June 30, 2026 (Unaudited)	**4,217,411**	**34,994**	**115**	**28,256**	**--**	**783,054**	**5,063,830**
At December 31, 2025 (Audited)	3,938,963	36,698	149	27,422	30	914,561	4,917,823

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

5. TRADE RECEIVABLES

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Trade receivables		**529,749**	240,823
Related parties - net	9	**1,237,696**	187,126
		1,767,445	427,949
Allowance for impairment loss		**(50,349)**	(12,386)
		1,717,096	415,563

The related parties' balances disclosed above are presented after offsetting Saudi Riyals 388.23 million (December 31, 2025: Saudi Riyals 335.31 million) against the related parties' trade payables in the condensed interim statement of financial position (refer note 8).

Movement in allowance for impairment losses of trade receivables is as follows:

	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	December 31, 2025 (Audited)
Opening balance	**12,386**	13,795	13,795
Charge / (reversal) for the period* / year	**37,963**	7,568	(1,409)
Closing balance	**50,349**	21,363	12,386

* During the period, the Company has made a specific provision on certain related party balances amounting to Saudi Riyals 29.67 million.

As at June 30, 2026, the allowance for impairment loss for related parties' trade receivables amounted to Saudi Riyals 44.84 million (December 31, 2025: Saudi Riyals 12.18 million) and for third parties' trade receivables amounted to Saudi Riyals 5.51 million (December 31, 2025: Saudi Riyals 0.21 million).

6. SHORT-TERM DEPOSITS

At June 30, 2026, the Company invested Saudi Riyals 146.77 million (December 31, 2025: Saudi Riyals 383.08 million) in Murabaha deposit and as of that date the accrued profit from Murabaha deposit amounted to Saudi Riyals 0.88 million (December 31, 2025: Saudi Riyals 2.68 million). This short-term deposit, with maturity period of 141 days, are held with commercial bank and is due to mature by October 8, 2026.

At June 30, 2026, the short-term Murabaha deposits placed with banks owned by Saudi government entities amounted to Saudi Riyals Nil (December 31, 2025: Saudi Riyals 240 million).

The Murabaha deposits are held with banks having sound credit ratings. The fair value at each reporting date is estimated to be the same as their carrying value as they are short-term in nature and profit on Murabaha deposits is based on market prevailing rates.

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

7. BORROWINGS

Borrowings comprise of the following:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Islamic banking facilities (Murabaha)	**721,199**	785,171
Less: current portion of borrowings	**(139,677)**	(133,867)
	581,522	651,304

Currency denomination of the borrowings is as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)
Saudi Riyals	**372,401**	405,431
United States Dollars ("USD")	**348,798**	379,740
	721,199	785,171

The long-term borrowing agreements contain certain covenants, which among other things, require the Company to maintain net debt to equity and certain other financial ratios. As at June 30, 2026 and December 31, 2025, the Company was compliant with all the covenants with the banks.

As at June 30, 2026, the Company has two Islamic credit facilities from local commercial banks for managing its working capital amounting to Saudi Riyals 345 million (December 31, 2025: Saudi Riyals 345 million). There are no financial covenants applicable to the Company under such facilities with the respective bank. The facilities are unsecured. The maturity of the Islamic credit facilities is within twelve months. Total unused credit facilities available to the Company as at June 30, 2026 is Saudi Riyals 345 million (December 31, 2025: Saudi Riyals 345 million).

8. TRADE AND OTHER PAYABLES

	Note	**June 30, 2026 (Unaudited)**	December 31, 2025 (Audited)
Related parties - net	9	**2,790,262**	1,340,248
Third parties		**48,408**	24,758
Others		**45,911**	49,263
		2,884,581	1,414,269

The related parties' balances disclosed above are presented after offsetting Saudi Riyals 388.23 million (December 31, 2025: Saudi Riyals 335.31 million) against the related parties' trade receivables in the condensed interim statement of financial position (refer note 5).

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

9. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise the shareholders and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Moreover, the Company is ultimately controlled by the Government of the Kingdom of Saudi Arabia (refer note 1). The Company applies the exemption in IAS 24 Related Party Disclosures that allows to present reduced related party disclosures regarding transactions with government related parties.

Transactions with key management personnel

Key management personnel include all the heads of departments and key personnel involved in the Company's operations. Compensation of the Company's key management personnel includes salaries and other employee benefits.

	Three-month period ended June 30,		**Six-month period ended June 30,**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Short-term employee benefits	**13,867**	7,069	**27,992**	24,024
Provision for employee benefit obligations	**1,136**	856	**2,411**	2,403
Board of Directors' remuneration	**3,159**	943	**3,368**	1,179

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

9. RELATED PARTY TRANSACTION AND BALANCE (continued)

Significant transactions and balances with related parties in the ordinary course of the business included in the financial statements are summarized below:

Related party	Nature of transaction	Transactions: Three-month period ended June 30, 2026 (Unaudited)	Transactions: Three-month period ended June 30, 2025 (Unaudited)	Transactions: Six-month period ended June 30, 2026 (Unaudited)	Transactions: Six-month period ended June 30, 2025 (Unaudited)	Balance as at June 30, 2026 (Unaudited)	Balance as at December 31, 2025 (Audited)
Due from related parties							
Saudi Aramco	Sales of by-products	**1,186,273**	815,240	**2,210,563**	1,691,414	**709,395**	74,838
SAMREF	Sales of by-products	**199,955**	203,284	**387,059**	312,572	**156,183**	58,372
S-Oil Singapore Pte. Ltd.	Sales of base oil	**558,949**	189,529	**652,959**	435,021	**225,984**	1,562
S-Oil Corporation	Sales of base oil	--	18,799	--	53,393	--	270
S-Oil Europe B.V.	Sales of base oil	**192,100**	--	**216,508**	--	**124,222**	23,735
Motiva Trading LLC	Sales of base oil	--	3,673	**23,684**	25,157	**10,876**	10,876
Aramco Lubricants and Retail Co.	Sales of base oil	**1,991**	10,376	**10,519**	17,273	**4,002**	16,846
Valvoline Arabia Lubricants Co.	Sales of base oil	**6,117**	--	**6,117**	--	**7,034**	
Rabigh Refining & Petrochemical Company	Technical and management support services	--	--	--	--	--	627
						1,237,696	187,126
Due to related parties							
Saudi Aramco	Purchase of feedstock, materials and utilities	**1,997,522**	1,466,051	**3,753,671**	3,119,045	**2,740,037**	1,264,281
	Technical and management support services	**12,016**	5,354	**27,309**	11,575	**50,225**	25,987
	Lease rental for Jeddah refinery land and Yanbu refinery pipeline	**661**	661	**1,322**	1,322	--	--
	Dividend paid	--	363,825	--	363,825	--	--
Aramco Downstream Company	Dividend paid	**413,438**	--	**413,438**	--	--	--
SAMREF	Technical and management support services	**554**	--	**554**	--	--	--
	Purchase of materials	--	10,264	**5,849**	18,413	--	10,536
S-Oil Corporation	Purchase of base oil	**27,442**	12,470	**43,861**	12,822	--	19,115
Motiva Trading LLC	Purchase of base oil	--	15,923	--	15,923	--	17,551
Other related parties	Other services	--	--	--	--	--	2,778
						2,790,262	1,340,248

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

9. RELATED PARTY TRANSACTION AND BALANCE (continued)

All related party transactions were made on terms as specified in the agreements with the related parties. The credit terms with all related parties range from 30 to 90 days. Please refer to note 5 for the allowance for impairment loss for related parties' trade receivables as at June 30, 2026 and December 31, 2025.

The Company has Saudi Riyals 13.64 million (December 31, 2025: Saudi Riyals 10.45 million) as cash with banks owned by Saudi government entities. The Company also has Saudi Riyals 600 million (December 31, 2025: Nil) as Murabaha deposits with banks owned by Saudi government entities, classified under cash and cash equivalents.

10. REVENUE

The Company derives revenue from the transfer of goods at a point in time and revenue from freight and services over a period of time. The Company has the following major product lines:

	Three-month period ended June 30,		**Six-month period ended June 30,**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Revenue from base oil sales	**1,953,493**	1,224,723	**2,858,687**	2,285,395
Revenue from by-products sales	**1,465,085**	1,024,385	**2,718,298**	2,091,671
	3,418,578	2,249,108	**5,576,985**	4,377,066
Revenue from freight services (included in base-oil revenue above)	**49,303**	40,509	**75,655**	76,046

The management has categorized its geographical operations as follows:

	Three-month period ended June 30,		**Six-month period ended June 30,**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Geographic information				
Revenues from local sales				
Kingdom of Saudi Arabia	**2,026,930**	1,342,976	**3,542,305**	2,709,491
Revenues from export sales				
United Arab Emirates	**436,742**	472,055	**744,113**	795,129
India	**352,877**	132,280	**517,347**	292,577
South Africa	**261,035**	220,077	**350,938**	242,159
Netherlands	**135,691**	--	**146,906**	--
Egypt	**66,631**	38,669	**82,154**	52,969
Singapore	**67,721**	26,759	**67,721**	93,275
Others	**70,951**	16,292	**125,501**	191,466
Total	**3,418,578**	2,249,108	**5,576,985**	4,377,066

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

11. COST OF REVENUE

	Three-month period ended June 30,		Six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Cost of materials	**2,306,205**	1,740,546	**3,931,459**	3,374,542
Employee related costs	**66,201**	53,778	**137,301**	116,904
Depreciation of property, plant and equipment	**89,380**	57,522	**156,100**	114,801
Freight cost	**61,963**	45,999	**99,694**	104,483
Others	**37,827**	30,981	**67,148**	58,507
	2,561,576	1,928,826	**4,391,702**	3,769,237

12. ZAKAT AND INCOME TAX

12.1 Charge for the period

The charge for the periods ended June 30, consists of the following:

	Three-month period ended June 30,		Six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Zakat charge	**18,949**	5,136	**25,599**	8,719

12.2 Provision for Zakat

The movement in Zakat payable is as follows:

	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	December 31, 2025 (Audited)
Opening balance	**24,652**	31,820	31,820
Prior year reversal	--	--	(3,427)
Charge for the period / year	**25,599**	8,719	22,047
Payment	**(22,058)**	(25,787)	(25,788)
Closing balance	**28,193**	14,752	24,652

12.3 Status of certificates and final assessments

The Company has filed its Zakat return up to the year ended December 31, 2025, and obtained the required certificates. Zakat assessments for years up to the year ended December 31, 2024, have been finalized with Zakat, Tax and Customs Authority.

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

13. EARNINGS PER SHARE

Earnings per share has been calculated by dividing the net profit attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period.

	Three-month period ended June 30,		Six-month period ended June 30,	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Net profit attributable to owners of the Company	**734,097**	245,197	**992,065**	466,705
Weighted average number of shares	**168,266**	168,253	**168,266**	168,253
Basic / diluted earnings per share (Saudi Riyals per share)	**4.36**	1.46	**5.90**	2.77

As at June 30, 2026 and 2025, the Company does not have any potential ordinary shares.

14. OPERATING SEGMENT

The Company is engaged to construct, own and operate refineries of base oils and to purchase, sell, transport, market, import and export lubricating oils, additives, lubricating oil blending stocks, by-products and other related petroleum products. The Company operates in Jeddah and Yanbu region of Saudi Arabia and has an operation in Al-Hamriyah in the United Arab Emirates. For management purposes, the Company is organized as a single business unit aligned with its principal business activity.

The Company has determined that the Company's Board of Directors and the President & CEO, being Chief Operating Decision Maker ("CODM") and are responsible for making decisions regarding the allocation of resources and assessment of performance of the Company. The CODM monitors the operating results of the Company as a whole for the purpose of making decisions about resource allocation and performance assessment of the Company's business. The CODM evaluates the performance on the basis of revenues, total operating expenses, Earning Before Interest, Tax and Depreciation (EBITDA), net income and return on equity.

Geographical information of the Company's revenues is disclosed in note 10. The Company's property, plant and equipment assets are located in the Kingdom of Saudi Arabia. Saudi Aramco and S-Oil Singapore Pte. Ltd. are the Company's major customers exceeding the 10% revenue threshold.

15. COMMITMENTS AND CONTINGENCIES

15.1 Commitments

As at June 30, 2026, the Company had outstanding capital commitments of Saudi Riyals 897.47 million (December 31, 2025: Saudi Riyals 1,052.62 million) in respect of additions to property, plant and equipment at its Jeddah and Yanbu refineries.

15. COMMITMENTS AND CONTINGENCIES (continued)

15.2 Contingencies

As at June 30, 2026 the letters of guarantees issued by banks on behalf of the Company amounted to Saudi Riyals 3.61 million (December 31, 2025: Saudi Riyals 3.61 million) and letters of credit issued by banks on behalf of the Company is Saudi Riyals 39.72 million (December 31, 2025: Saudi Riyals 58.28 million).

16. DIVIDEND

On April 13, 2026 (corresponding to Shawal 25, 1447H), the shareholders of the Company approved in the General Assembly the distribution of annual dividend for the year ended December 31, 2025 of Saudi Riyals 3.5 per share amounting to Saudi Riyals 588.91 million. The payments were made on April 30, 2026.

Further, on July 30, 2026 (corresponding to Safar 16, 1448H), the Board of Directors as authorised by General Assembly meeting held on April 13, 2026 (corresponding to Shawal 25, 1447H) approved the distribution of interim dividend for the six-month period ended June 30, 2026 of Saudi Riyals 4 per share amounting to Saudi Riyals 673.06 million.

17. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved and authorized for issue by the Board of Directors of the Company on July 30, 2026, corresponding to Safar 16, 1448H.