

# SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026  
WITH INDEPENDENT AUDITOR'S REVIEW REPORT

SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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## Report on review of interim condensed financial statements

To the shareholders of Saudi Kayan Petrochemical Company (Saudi Kayan)  
(A Saudi Joint Stock Company)

### Introduction

We have reviewed the accompanying interim condensed statement of financial position of Saudi Kayan Petrochemical Company (Saudi Kayan) (the “Company”) as of 31 March 2026 and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - “Interim Financial Reporting” (IAS 34), as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity”, as endorsed in the Kingdom of Saudi Arabia. A review of 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, as 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 interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34, as endorsed in the Kingdom of Saudi Arabia.

### PricewaterhouseCoopers

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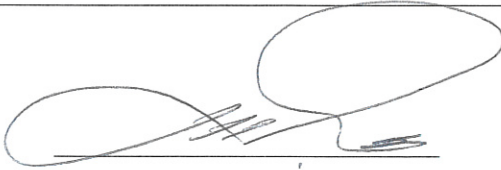
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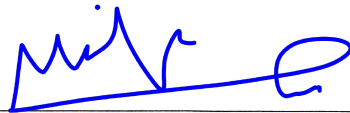
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SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION  
(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	17,794,786	18,269,271
Right-of-use assets	6	161,817	172,665
Intangible assets		141,962	146,949
Other assets and receivables		106,710	110,058
<b>Total non-current assets</b>		<b>18,205,275</b>	<b>18,698,943</b>
<b>Current assets</b>			
Inventories	7	1,821,980	1,370,809
Trade receivables		1,557,099	2,050,529
Prepayments		62,922	88,722
Other assets and receivables		326,489	344,786
Cash and cash equivalents		233,335	171,036
<b>Total current assets</b>	1	<b>4,001,825</b>	<b>4,025,882</b>
<b>Total assets</b>		<b>22,207,100</b>	<b>22,724,825</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		15,000,000	15,000,000
Other components of equity	1	-	620,874
Actuarial reserve		55,870	80,009
Accumulated losses		(6,514,766)	(6,521,035)
<b>Total equity</b>		<b>8,541,104</b>	<b>9,179,848</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Debt	8	7,768,015	7,763,791
Lease liabilities		177,789	181,789
Employees' benefits		910,426	859,705
<b>Total non-current liabilities</b>		<b>8,856,230</b>	<b>8,805,285</b>
<b>Current liabilities</b>			
Current portion of debt	8	1,287,497	1,176,306
Current portion of lease liabilities		16,453	18,864
Current portion of employees' benefits		135,902	131,336
Trade payables		2,054,618	2,346,317
Accruals and other current liabilities		1,313,022	1,057,367
Zakat provision	4	2,274	9,502
<b>Total current liabilities</b>	1	<b>4,809,766</b>	<b>4,739,692</b>
<b>Total liabilities</b>		<b>13,665,996</b>	<b>13,544,977</b>
<b>Total equity and liabilities</b>		<b>22,207,100</b>	<b>22,724,825</b>

  
Abdullah Al-Shehri  
(General Manager Finance and  
Planning)

  
Sameeh Al-Sahafi  
(Company's President)


  
Majed Nouraddin  
(Designated Member)


The accompanying notes from 1 to 11 form an integral part of these interim condensed financial statements.

SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)

	Note	For the three-month period ended	
		31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Revenue	1	1,487,717	2,061,790
Cost of revenue		(1,771,978)	(2,450,443)
<b>Gross loss</b>		<b>(284,261)</b>	<b>(388,653)</b>
Selling and distribution expenses		(84,120)	(66,124)
General and administrative expenses		(94,756)	(128,801)
Other operating income (loss), net		1,279	(65,282)
<b>Operating loss</b>		<b>(461,858)</b>	<b>(648,860)</b>
Finance income		707	2,578
Finance cost		(153,055)	(129,461)
<b>Loss before zakat</b>		<b>(614,206)</b>	<b>(775,743)</b>
Zakat expense		(399)	(39)
<b>Loss for the period</b>		<b>(614,605)</b>	<b>(775,782)</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Re-measurement of defined benefit plans		(24,139)	4,304
<b>Other comprehensive (loss) income for the period</b>		<b>(24,139)</b>	<b>4,304</b>
<b>Total comprehensive loss for the period</b>		<b>(638,744)</b>	<b>(771,478)</b>
<b>Loss per share</b>			
Number of shares outstanding (in thousands)		1,500,000	1,500,000
Basic and diluted loss per share attributable to the shareholders of the Company (Saudi Riyals)		(0.41)	(0.52)

  
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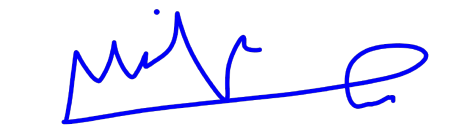
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SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
(A SAUDI JOINT STOCK COMPANY)  
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY  
(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)

	Share capital	Statutory reserve	Other components of equity	Actuarial reserve	Accumulated losses	Total
As at 1 January 2025 (audited)	15,000,000	288,470	620,874	109,125	(4,515,622)	11,502,847
Loss for the period	-	-	-	-	(775,782)	(775,782)
Other comprehensive income for the period	-	-	-	4,304	-	4,304
<b>Total comprehensive loss for the period</b>	-	-	-	4,304	(775,782)	(771,478)
Transfer from statutory reserve	-	(288,470)	-	-	288,470	-
As at 31 March 2025 (unaudited)	15,000,000	288,470	620,874	113,429	(5,002,934)	10,731,369
As at 1 January 2026 (audited)	15,000,000	-	620,874	80,009	(6,521,035)	9,179,848
Loss for the period	-	-	-	-	(614,605)	(614,605)
Other comprehensive loss for the period	-	-	-	(24,139)	-	(24,139)
<b>Total comprehensive loss for the period</b>	-	-	-	(24,139)	(614,605)	(638,744)
Transfer of other components of equity (Note 1)	-	-	(620,874)	-	620,874	-
As at 31 March 2026 (unaudited)	15,000,000	-	-	55,870	(6,514,766)	8,541,104

  
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SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
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INTERIM CONDENSED STATEMENT OF CASH FLOWS  
(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)

For the three-month period ended	Note	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
<b>Cash flows from operating activities</b>			
Loss before zakat		(614,206)	(775,743)
<i>Adjustment for:</i>			
Depreciation of property, plant and equipment and right-of-use assets	5, 6	586,954	587,817
Amortisation of intangible assets		4,987	5,977
Employees' benefits		25,725	35,954
Loss on disposal of property, plant and equipment		-	1,325
Write-off of property, plant and equipment		-	-
Finance cost		153,055	129,461
Finance income		(707)	(2,578)
		<u>155,808</u>	<u>(17,787)</u>
<i>Changes in:</i>			
Inventories		(451,171)	29,374
Trade receivables		493,430	242,722
Prepayments		25,800	45,041
Other current and non-current assets		22,040	9,024
Trade payables		(291,699)	(717,640)
Accruals and other current liabilities		255,656	(71,032)
<b>Cash generated from (used in) operations</b>		<b>209,864</b>	<b>(480,298)</b>
Insurance proceeds received for business interruption losses		-	74,555
Finance cost paid		(25,969)	(108,930)
Finance income received		695	2,578
Employees' benefits paid		(6,632)	(23,176)
Zakat paid		(7,627)	-
<b>Net cash generated from (used in) operations</b>		<b>170,331</b>	<b>(535,271)</b>
<b>Cash flows from investing activity</b>			
Additions to property, plant and equipment	5	(105,016)	(64,490)
<b>Net cash used in investing activity</b>		<b>(105,016)</b>	<b>(64,490)</b>

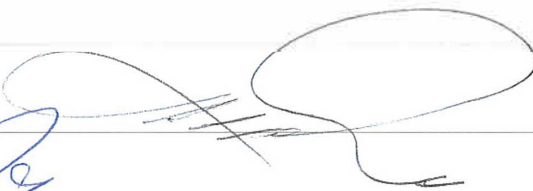
SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
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INTERIM CONDENSED STATEMENT OF CASH FLOWS (CONTINUED)  
(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)

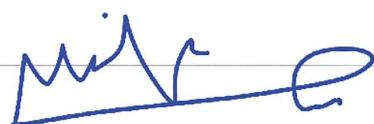
For the three-month period ended	Note	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
<b>Cash flows from financing activities</b>			
Net debt proceeds		-	7,998,750
Repayment of debt		-	(7,155,448)
Repayment of the principal portion of lease liabilities		(3,016)	(9,345)
<b>Net cash (used in) / generated from financing activities</b>		<b>(3,016)</b>	<b>833,957</b>
<b>Net increase in cash and cash equivalents</b>			
Cash and cash equivalents at the beginning of the period		171,036	296,353
<b>Cash and cash equivalents at the end of the period</b>		<b>233,335</b>	<b>530,549</b>

**Non-cash transactions**

Transfer of other components of equity		620,874	-
Additions to right-of-use assets and lease liabilities		-	317
Derecognition of right-of-use assets	6	3,395	1,011
Transaction cost adjusted against debt proceeds		-	106,850

  
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**SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**  
**(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)**

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## 1 Corporate information

Saudi Kayan Petrochemical Company (Saudi Kayan) ("the Company") is a Saudi Joint Stock Company registered under Commercial Registration No. 2055008450 issued in Al Jubail on 26 Jumada'I 1428 H (12 June 2007G). The registered address of the Company is P.O. Box 10302, Al Jubail Industrial City, the Kingdom of Saudi Arabia. 35% of the Company's shares are owned by Saudi Basic Industries Corporation ("SABIC") and the remaining held by the general public.

The Company is engaged in the production of polypropylene, propylene, acetone, polyethylene, ethoxylate, ethylene, ethylene glycol, bisphenol, ethanolamine, industrial fatty alcohol, polycarbonate and other petrochemical products under an industrial license No. 1428100189898 ending on 7 Rabi' al-Awwal 1452H (corresponding to 8 July 2030G) issued by the Ministry of Energy, Industry and Mineral Resources.

The Company has 33.33% interest in Saudi Butanol Company (Sabuco), a Saudi Arabian Mixed Limited Liability Company. Sabuco's principal activities comprise of a Butanol plant in Jubail for the production of N-Butanol and Iso-Butanol. All of the N-Butanol and Iso-Butanol produced by Sabuco is sold to the parties to the joint arrangement (i.e. the Company and other shareholders of Sabuco). Based on these facts and circumstances, it was assessed that the Company has rights to the assets and obligations for the liabilities relating to Sabuco and has therefore been classified as a joint operation. The Company has accounted for its share of assets, liabilities, income and expenses based on its 33.33% shareholding interest.

### Going concern

During three-month period ended 31 March 2026, the netback prices of the Company's certain products have recovered, however, the Company has still incurred a loss before zakat amounting to Saudi Riyals 614.2 million primarily due to decrease in quantities sold of the Company's products (31 March 2025: Saudi Riyals 775.7 million). The accumulated losses as at 31 March 2026 amounted to Saudi Riyals 6,514.8 million (31 December 2025: Saudi Riyals 6,521.0 million) representing 43% (31 December 2025: 43%) of its share capital.

Further, as at 31 March 2026, the Company's current liabilities exceeded its current assets by Saudi Riyals 787.9 million (31 December 2025: Saudi Riyals 713.8 million) primarily due to expected scheduled debt repayments of Saudi Riyals 1,287.5 million (31 December 2025: Saudi Riyals 1,176.3 million) over the next twelve months which include Saudi Riyals 998.6 million (31 December 2025: Saudi Riyals 998.3 million) as current liability relating to the revolving credit facility ("RCF").

The Company's management has prepared a business plan which has been approved by the Board of Directors in 2025. As per the business plan, the management expects improvement in the financial performance mainly on account of improved sales prices and margins of the Company's products. Further, management obtained an additional ethane allocation from the Ministry of Energy, which is expected to be made available to the Company from mid of 2026 or earlier depending upon availability of ethane, which is anticipated to further reduce costs and improve margins in 2026 and beyond.

In addition, the management has also prepared the cashflow forecast and considered the Company's ability to coordinate the timing of payments of amounts due to a related party, which constitute significant short-term cash outflows, as a measure to better manage potential working capital requirements.

Further, the master facility agreement for the RCF is valid until 16 November 2027 and based on the terms of the agreement, a cash settlement cannot be enforced by the lender except in the case of non-compliance with the underlying covenants, a situation that management considers to be an unlikely event given the nature of these covenants. Accordingly, management of the Company believes that the repayment date of amounts due under the RCF will continue to be rolled over beyond the twelve-month period, as was done by the Bank in the prior years, and that the Company will have sufficient liquidity available over the next twelve months.

**SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**  
**(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)**

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**1 Corporate information (continued)**

Based on the above, management believes that the Company will be able to continue its operations and meet its obligations as they fall due within the next twelve months from the date of approval of these interim condensed financial statements and have prepared these interim condensed financial statements on a going concern basis.

Furthermore, in accordance with relevant laws and regulations applicable to the Company, if the accumulated losses of the Company amount to half of the issued capital, the Board of Directors shall require to announce the losses and the recommendations relating thereto, and call for an extraordinary general assembly meeting to consider the continuation of the Company by taking measures necessary to resolve such losses or the dissolution of the Company within a specified period of time.

*Middle East conflict*

The sustained geopolitical conflict in the Middle East has created widespread disturbances in economic conditions and business environments. Saudi Kayan is monitoring risks and uncertainties related to its operations, including disruptions of transport routes to customers, plant underutilizations or shutdowns, asset conditions, elevated logistical cost as well as feedstock supply dynamics, besides upward price movements of certain finished products. In response to the geopolitical tensions, Saudi Kayan continues to leverage its global operating model, operational flexibility, resilient supply chain network, and integration with Saudi Aramco to mitigate respective risks.

Saudi Kayan has assessed its accounting estimates, assumptions, and judgments mainly regarding the Company's exposure to impairment considerations, recoverability of trade receivables, inventory valuation and respective gross margin developments. As of 31 March 2026, these factors have not had a material impact on the condensed consolidated interim financial statements.

As of the date of approval of these interim condensed financial statements, the geopolitical circumstances remain volatile and uncertain. Based on current assessments, implications on Saudi Kayan's future financial performance and position are likely with the prospect of a continuous closure of the Strait of Hormuz, potential threats to Saudi Kayan manufacturing facilities and unstable feedstock supply. While Saudi Kayan will continue to monitor the developments and will actively mitigate respective exposures, the potential financial impact of these factors cannot be reliably estimated at this time in light of the prevailing uncertainties.

*Transfer of other components of equity*

During the three-month period ended 31 March 2026, the General Assembly of the Company in an extraordinary assembly meeting held on 11 Shawwal 1447H (corresponding to 30 March 2026) approved the transfer of other components of equity balance related to subordinated loan provided by a shareholder amounting to Saudi Riyals 620.9 million to the accumulated losses reducing the accumulated losses balance as at 31 March 2026.

These interim condensed financial statements have been approved on 6 Dhu al-Qa`dah 1447H (corresponding to 23 April 2026G).

## 2 Basis of preparation

### 2.1 Statement of compliance

These condensed interim financial statements 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 and disclosures required in a full set of annual financial statements and should therefore be read in conjunction with the Company's annual financial statements for the year ended 31 December 2025. 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.

### 2.2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in preparing the annual financial statements for the year ended 31 December 2025.

There are no new standards, amendments or interpretations that are effective for annual periods beginning on or after 1 January 2026 that have a material impact on the condensed interim financial statements.

The Company has not early adopted any new standard, interpretation or amendment that have been issued but which are not yet effective.

**SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)**  
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**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**  
**(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)**

### 3 Related party transactions and balances

The immediate controlling party of the Company is SABIC (a listed company registered in the Kingdom of Saudi Arabia). Saudi Aramco owns 70% of SABIC through one of its subsidiaries, "Aramco Chemicals Company". The Saudi Arabian Government is the largest shareholder of Saudi Aramco by 81.484% direct shareholding. Related parties comprise the shareholders, directors, associated companies (representing entities directly or indirectly controlled by or under the significant influence of the Company's shareholders or ultimate controlling party) and key management personnel of the Company.

Following is the list of the major related parties of the Company:

<u>Name of related party</u>	<u>Nature of relationship</u>
Saudi Aramco	Ultimate parent company
SABIC	Parent company
SABIC affiliates	Associated companies
Power and Water Utility Company for Jubail and Yanbu ("Marafiq")	Associate of the parent and the ultimate parent company
Saudi Butanol Company ("Sabuco")	Joint operation

The following table provides the significant transactions that have been entered into with related parties:

<u>Related party</u>	<u>Nature of Transaction</u>	<u>For the three-month period ended</u>	
		<u>31 March 2026</u>	<u>31 March 2025</u>
		<u>(Unaudited)</u>	<u>(Unaudited)</u>
SABIC	Sales	1,428,940	1,980,176
	Marketing fee	58,648	81,217
	Purchase of materials and other services	179,678	119,178
	Shared services charges	32,108	35,922
	Technology and innovation cost	26,431	40,495
	Purchase of insurance policies through the parent company	8,557	9,249
Saudi Aramco	Purchase of materials and other services	951,003	1,104,231
Marafiq	Purchase of utilities	17,045	14,742
SABIC affiliates	Sales	128	397
	Purchase of inventory, capital goods and services	22,479	14,227
	Supply chain services	38,402	40,050
Entities controlled by Saudi government	Purchases of goods and services	86,958	86,955
	Finance costs on loans	96,803	82,767
	Interest of lease	1,703	1,766

SAUDI KAYAN PETROCHEMICAL COMPANY (SAUDI KAYAN)  
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FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026  
(EXPRESSED IN SAUDI RIYALS IN THOUSANDS, UNLESS OTHERWISE STATED)

### 3 Related party transactions and balances (continued)

The following table provides the related party balances as at 31 March 2026 and 31 December 2025:

	31 March 2026	31 December 2025
	(Unaudited)	(Audited)
<b>a. Trade receivables (due from related parties)</b>		
SABIC	1,542,174	2,031,814
SABIC affiliates	14,925	18,715
	<b>1,557,099</b>	<b>2,050,529</b>
<b>b. Advances and other receivables (due from related parties)</b>		
SABIC	194,239	173,156
SABIC affiliates	16,392	21,016
	<b>210,631</b>	<b>194,172</b>
<b>c. Trade payables (due to related parties)</b>		
SABIC	1,530,542	1,732,165
Saudi Aramco	306,871	346,052
SABIC affiliates	175,292	179,437
Entities controlled by the Saudi government	10,096	37,476
	<b>2,022,801</b>	<b>2,295,130</b>
<b>d. Accruals and other current liabilities (due to related parties)</b>		
SABIC	541,144	355,185
Saudi Aramco	356,769	321,037
Marafiq	4,375	3,944
SABIC affiliates	141,515	100,158
Entities controlled by the Saudi government	27,492	31,077
	<b>1,071,295</b>	<b>811,401</b>
<b>e. Loans, leases and cash and cash equivalents with entities controlled by Saudi government</b>		
Debts	6,569,595	6,542,345
Leases liabilities	106,604	114,035
Cash and cash equivalents held with banks	21,585	11,422
	<b>6,697,784</b>	<b>6,667,802</b>

#### *Terms and conditions of transactions with related parties*

The sales to and purchases from related parties are made at terms agreed by the management. Outstanding balances at 31 March 2026 and 31 December 2025 are unsecured, interest free and to be settled in cash. For the three-month periods ended 31 March 2026 and 31 March 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken by examining the financial position of the related party and the market in which the related party operates.

Significant transactions with related parties are described as follows:

- i) The Company has a service level agreement with SABIC (Shared Services Organization – SSO) for the provision of accounting, warehousing, human resources, information technology (ERP/SAP), transporting and arranging for delivery of materials related to the Company's spare parts, engineering, procurement and related services and other general services to the Company. The Company also has a logistics service agreement with SABIC.
- ii) Advances to SABIC represent the amount paid by the Company according to shared service agreement to finance the purchase of the Company's materials and services from SABIC and its affiliates.

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### 3 Related party transactions and balances (continued)

*Terms and conditions of transactions with related parties (continued)*

- iii) The Company's annual contribution to SABIC for research and technology is computed as 2% of total sales, which is charged to general and administrative expenses in the interim condensed statement of profit or loss and other comprehensive income.
- iv) Majority of the Company's products are sold to SABIC ("the Marketer") under marketing and off-take agreements. Upon delivery of the product, sales are recorded at net provisional price which are subsequently adjusted to actual selling prices received by SABIC from its customers after deducting shipping, distribution and selling cost, and 4% of marketing fee to cover all other marketing expenses.
- v) The Company has a gas allocation agreement, through which the Company can purchase a pre-set amount of gas from Saudi Aramco on a yearly basis.
- vi) As of 31 March 2026, the Company has an outstanding balance of guarantee issued amounting to Saudi Riyals 4.1 million (31 December 2025: Saudi Riyals 4.1 million) in favor of Saudi Aramco.
- vii) The government transactions are presenting mainly Royal Commission for Jubail and Yanbu, Saudi Energy Company and Saudi National Bank.

Prices and terms of payments for the above transactions are approved by the Company's management.

### 4 Zakat

The Company has filed its zakat returns with ZATCA, received the zakat certificates, settled the zakat dues up to the year ended 31 December 2024. As at 31 March 2026, the Company cleared its zakat assessments with ZATCA for all years up to 31 December 2023. Zakat return for 2024 were still under ZATCA's review as at 31 March 2026

During the year ended 31 December 2025, ZATCA has issued an assessment of SR 7.7 million to the Company relating to the year 2023 against which provision for whole amount was recognised during the year ended 31 December 2025. The said assessment was cleared after the payment of the assessed amount during the three-month period 31 March 2026.

### 5 Property, plant and equipment

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

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
Carrying value at the beginning of the period / year	<b>18,269,271</b>	19,918,406
Additions	<b>105,016</b>	688,221
Write-offs, net of accumulated depreciation	-	(18,530)
Transfer to intangible assets	-	(1,119)
Depreciation for the period / year	<b>(579,501)</b>	(2,317,707)
Carrying value at the end of the period / year	<b>17,794,786</b>	18,269,271

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## 5 Property, plant and equipment (continued)

### *Impairment assessment*

As at 31 March 2026, the Company's management identified certain impairment indicators and accordingly, carried out an impairment assessment to determine the recoverable amount of the Company's single cash generated unit ("CGU"). As a result of such assessment and taking into account a range of plausible changes in key variables, no impairment loss was identified as at 31 March 2026.

In determining the recoverable amount of the CGU, management estimated the value-in-use of the CGU based on the latest available five-year business plan as approved by the Company's Board of Directors in 2025 which reflect management's view of the external market conditions and certain key internal variables.

The key assumptions and judgments, including discount rate, sales growth rate, EBITDA margin, terminal growth rate and determination of single CGU, used in this analysis were consistent with those disclosed in the Company's financial statements for the year ended 31 December 2025. The management believes that all constructed plants were pre-conditioned with the gas allocation agreement, and the Company does not have the option to curtail/discontinue any one of these plants without approvals from the regulator. Accordingly, the lowest level of identifiable cash inflows that are largely independent of the cash inflows from other assets or group of assets are the cash inflows generated by all plants together. Therefore, the Company as a whole is considered as a single cash generating unit for the purpose of impairment testing. The group of assets relating to the Company's interest in SABUCO, a jointly controlled operation, are considered a separate cash generating unit as those assets are not bound the gas allocation agreement referred to above.

### *Assets under construction*

The carrying value of property plant and equipment includes balances amounting to Saudi Riyals 926.7 million (31 December 2025: Saudi Riyals 859.4 million) relating to asset under construction which relates to major turnaround costs, site projects and other support facilities.

## 6 Right-of-use assets

The movement of right of use assets is as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Carrying value at the beginning of the period / year	172,665	216,081
Additions	-	3,348
Re-measurement of lease terms	-	(2,375)
Derecognition, net of accumulated depreciation	(3,395)	(6,978)
Depreciation for the period / year	(7,453)	(37,411)
Carrying value at the end of the period / year	161,817	172,665

## 7 Inventories

As at 31 March 2026, certain inventories were written down to their net realizable value resulting in a write-down of Saudi Riyals 184.7 million (31 December 2025: Saudi Riyals 172.7 million).

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## 8 Debt

The details of debt are as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
<b>Long term debt</b>		
Murabaha long term loans – syndicate	7,930,015	7,925,791
<b>Short term debt - revolving credit facility</b>	998,567	998,345
<b>Finance cost payable</b>	126,930	15,961
<b>Total</b>	<b>9,055,512</b>	<b>8,940,097</b>
<b>Total non-current portion</b>	<b>7,768,015</b>	<b>7,763,791</b>
<b>Total current portion</b>	<b>1,287,497</b>	<b>1,176,306</b>

### *Murabaha long term loans*

During 2025, the Company obtained long term murabaha financing from a syndicate of banks which includes Saudi National Bank (acting as the investment agent), Bank Saudi Fransi and Alinma Bank. The total facility amounted to Saudi Riyals 8,100 million before taking into account the upfront transaction fee of Saudi Riyals 106.9 million. The facility was fully utilised as at 31 March 2026 and 31 December 2025. Repayment of the facility is due through unequal instalments over the next ten years ending in December 2034. The financial charges associated with the new facility is SAIBOR plus an agreed margin and the principal repayments started on 31 December 2025 as per the loan repayment schedule.

The facility requires the Company to maintain certain non-financial covenants including cross default clause on any financial indebtedness (except where such financial indebtedness is subordinate to the claims of the Murabaha facility or principal thereof is below a predefined amount) and is secured by pledge over certain bank accounts. Further, as at 31 March 2026, the Company was in compliance with such covenant.

### *Revolving credit facility*

During 2022, the Company entered into a multi-currency Murabaha Revolving Credit Facility (RCF) agreement with a local commercial bank amounting to US dollars 800.0 million (Saudi Riyals 3.0 billion) to finance working capital requirements. During the year ended 31 December 2025, the Company has renegotiated the terms of the loan and reduced the total limit of the facility to US dollars 266.7 million (Saudi Riyals 1.0 billion). The loan bears financial charges based on SIBOR / SOFR plus an agreed margin. Each transaction have an extension option up to a maximum tenor of 12 months. The RCF maturity date is 16 November 2027. As at 31 March 2025 and 31 December 2025, the facility is fully utilised.

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## 9 Fair value measurement

Fair value of trade receivables related to contracts with provisional pricing arrangements is disclosed below.

	<b>Fair value – Level 3</b>	
	<b>31 March 2026 (Unaudited)</b>	<b>31 December 2025 (Audited)</b>
Trade receivables related to contracts with provisional pricing arrangements	<b>1,542,174</b>	2,031,814

The classification methodology used in this disclosure is in line with the annual financial statements for the year ended December 31, 2025. There were no transfers between Level 1, Level 2 or Level 3 during the three-month period ended 31 March 2026 and 2025.

The Company has a number of financial instruments which are measured at amortised cost and the fair value of all of these instruments approximate their carrying values. Management assessed that the fair value of cash and cash equivalents, other receivables, trade and other payables and accruals approximates their carrying amounts largely due to the short-term maturities of these instruments.

The valuation technique of trade receivables carried at fair value through profit or loss is based on marked-to-market observable inputs of the underlying commodities. The fair value of receivables is directly related to commodity prices and if the underlying prices as at 31 March 2026 increased / decreased by 5% with all other variables held constant, the loss before zakat for the period and trade receivables as at 31 March 2026, would have been lower / higher by Saudi Riyals 77.1 million (31 December 2025: Saudi Riyals 101.6 million).

## 10 Segment information

A segment is a distinguishable component of the Company that is engaged in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

The Company's President and Board of Directors monitors the results of the Company's operations and have been collectively identified as the Chief Operating Decision Maker (CODM). The net results of the Company are reported to the CODM for the Company as a whole. The various expenses which are included in the measurement of the net result for the Company are disclosed in the respective notes to the financial statements.

The Company operates a fully integrated petrochemical facility. The Company analyzes the financial information of its operations as a whole. Accordingly, segmental analysis of the statement of profit or loss and other comprehensive income and statement of financial position is not carried out. The CODM consider the Company to be a single operating segment based on the nature of its operations and products as substantial portion of the Company's sales are made to one customer based in the Kingdom of Saudi Arabia and all of the Company's operations are related to one operating segment which is petrochemicals.

## 11 Subsequent events

No significant subsequent event occurred between 31 March 2026 and the date of authorisation of these interim condensed financial statements by the Board Audit Committee, which may have a material impact on these interim condensed financial statements.