



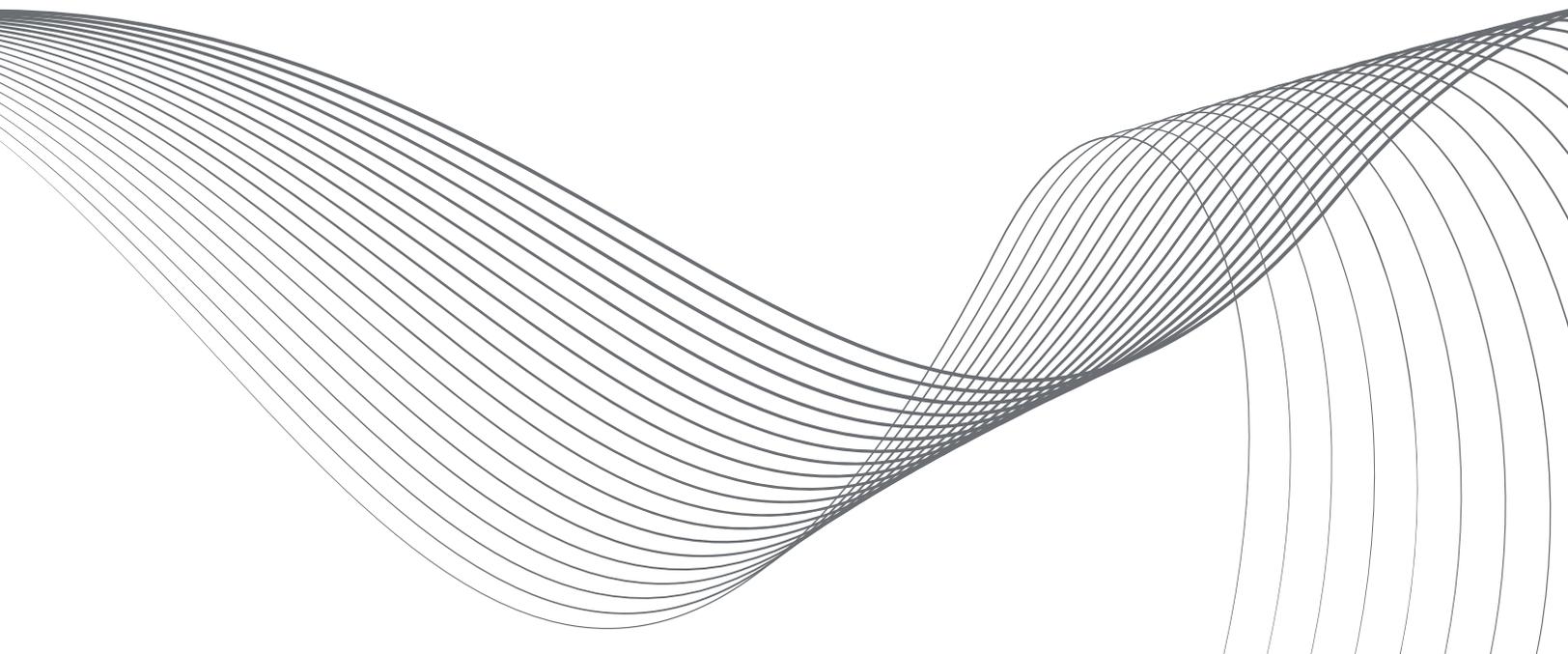
# 2022

---

## Saudi Aramco First quarter interim report

---

For the period ended March 31, 2022





# Contents

## 1

### Aramco highlights

Aramco at a glance.....	04
President and CEO's statement.....	05
Key results.....	05
First quarter highlights.....	06
Financial performance.....	08
Summary of financial performance.....	08
Upstream financial performance.....	09
Downstream financial performance.....	09

## 2

### Condensed consolidated interim financial report

For the three-month period ended March 31, 2022 (unaudited)

Independent auditor's review report.....	12
Condensed consolidated statement of income.....	13
Condensed consolidated statement of comprehensive income.....	14
Condensed consolidated balance sheet.....	15
Condensed consolidated statement of changes in equity.....	16
Condensed consolidated statement of cash flows.....	17
Notes to the condensed consolidated interim financial report.....	18

## 3

### Non-IFRS measures reconciliations and additional information

Non-IFRS measures reconciliations and definitions.....	32
Terms and abbreviations.....	35
Glossary.....	36
Disclaimer.....	37

# 1

## Aramco highlights

Aramco at a glance.....	04
President and CEO's statement.....	05
Key results.....	05
First quarter highlights.....	06
Financial performance.....	08
Summary of financial performance.....	08
Upstream financial performance.....	09
Downstream financial performance.....	09



# Aramco at a glance

First quarter 2022

## Financial highlights

<b>Net income</b> (billion)	<b>EBIT*</b> (billion)	<b>Free cash flow*</b> (billion)	<b>Net cash provided by operating activities</b> (billion)
SAR <b>148.0</b> \$39.5	SAR <b>279.6</b> \$74.6	SAR <b>114.9</b> \$30.6	SAR <b>143.3</b> \$38.2
<b>Capital expenditures</b> (billion)	<b>Dividends paid</b> (billion)	<b>Dividends paid per share</b>	<b>ROACE*</b> (%)
SAR <b>28.4</b> \$7.6	SAR <b>70.33</b> \$18.76	SAR <b>0.35</b> \$0.09	<b>27.2</b>
<b>Gearing*</b> (%)	<b>Earnings per share</b> (basic and diluted)	<b>Average realized crude oil price</b> (\$/barrel)	
<b>8.0</b>	SAR <b>0.65</b> \$0.17	<b>97.7</b>	

\* Non-IFRS measure: refer to the *Non-IFRS measures reconciliations and definitions* section for further details.

## President and CEO's statement

### President and CEO Amin H. Nasser



Against the backdrop of increased volatility in global markets, we remain focused on helping meet the world's demand for energy that is reliable, affordable and increasingly sustainable.

Energy security is vital and we are investing for the long term, expanding our oil and gas production capacity to meet anticipated demand growth and creating long-term shareholder value by capitalizing on our low lifting cost, low upstream carbon intensity, and integrated downstream business.

During the first quarter, our strategic downstream expansion progressed further in both Asia and Europe, and we continue to develop opportunities that complement our growth objectives.

As we collaborate with domestic and international partners to explore new and emerging technologies and solutions, from developing cleaner transport technologies to establishing low-carbon hydrogen and ammonia value chains, I am more optimistic than ever about the positive contribution we can make, both to our customers and to the ongoing global energy transition.

## Key results

### Financial results

All amounts in millions unless otherwise stated	First quarter ended March 31			
	SAR		USD*	
	2022	2021	2022	2021
Net income	148,026	81,440	39,473	21,717
EBIT	279,565	153,680	74,550	40,982
Capital expenditures	28,435	30,750	7,583	8,200
Free cash flow	114,856	68,549	30,628	18,279
Dividends paid	70,331	70,325	18,755	18,753
ROACE <sup>1</sup>	27.2%	14.2%	27.2%	14.2%
Average realized crude oil price (\$/barrel)	n/a	n/a	97.7	60.2

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

1. Calculated on a 12-month rolling basis.

## First quarter highlights

Global crude oil prices rose in the first quarter of 2022, driven by strengthening energy demand, low crude and refined product inventories globally, and the impact of geopolitical events. These higher prices, coupled with Aramco's low-cost upstream production and strategically integrated Downstream business, led to exceptional quarterly earnings and cash flows and enabled the Company to declare a cash dividend of SAR 70.34 billion (\$18.76 billion) for the first quarter. This strong financial performance is supported by Aramco's operational excellence and its ability to capitalize on improved market conditions.

Additionally, the Company's Extraordinary General Assembly on May 12, 2022, approved the Board of Directors' recommendation to capitalize SAR 15.0 billion (\$4.0 billion) of the Company's retained earnings to support the distribution of bonus shares to shareholders, in the amount of one share for every 10 shares held. This resulted in an increase of issued ordinary shares from 200 billion to 220 billion. The distribution of bonus shares aims to maximize total returns for shareholders by delivering sustainable and progressive dividends, consistent with Aramco's future growth prospects.

In response to under-investment in the industry, anticipated rising global energy demand, and in line with Aramco's strategy to provide affordable, reliable, and sustainable energy to the world, Aramco expects capital expenditures to be between SAR 150.0 to 187.5 billion (\$40.0 to 50.0 billion) for 2022, compared to SAR 119.6 billion (\$31.9 billion) in 2021. This level of investment is enabled by Aramco's robust balance sheet, which provides the flexibility to capture growth opportunities and create long-term value for shareholders across oil price cycles.

Aramco remains focused on optimizing its portfolio and redeploying capital to higher-return investments. In February, Aramco completed one of the world's largest energy infrastructure deals with a consortium of leading institutional investors acquiring a 49% stake in Aramco Gas Pipelines Company (AGPC), a subsidiary of Aramco, for SAR 58.1 billion (\$15.5 billion). As part of this lease and leaseback deal, Aramco will continue to retain full legal ownership and operational control of its gas pipelines network, and the transaction does not impose any restrictions on Aramco's gas production volumes. This transaction demonstrates continued investor confidence in Aramco's long-term outlook, as well as the attractiveness of the Kingdom to institutional investors.

Also in February, the Government transferred eight billion ordinary shares, or 4% of the Company's share capital, to the Public Investment Fund (PIF), the sovereign wealth fund of the Kingdom. Following the transfer, the Government remains the Company's largest shareholder, retaining a 94.19% direct shareholding. This private transfer did not affect the Company's total number of issued shares and does not have any impact on the Company's operations, strategy, dividend distribution policy, or governance framework.

## Upstream

Aramco demonstrated strong Upstream performance fueled by the continued recovery of global oil demand, achieving a total hydrocarbon production of 13.0 mmbod.

Key Upstream developments in the first quarter of 2022:

- The compression projects at the Haradh and Hawiyah fields progressed towards completion, with both due to come on-stream by the end of 2022, adding 1.3 bscfd of raw gas;
- The Hawiyah Gas Plant expansion, part of the Haradh Gas increment program, is in an advanced stage of construction and expected to be on-stream in 2023; and
- The Manifa field development project was recognized as the Upstream Project of the Year at the 2022 Middle East Energy Awards. Aramco continues to show its leadership in both operational excellence and environmental protection through its careful development, management, and production of the Manifa field, which includes innovative solutions for protecting the fragile marine ecosystem.

## Downstream

The Downstream segment progressed its long-term strategy to enhance integration with Aramco's upstream operations, optimize its portfolio, and grow its presence in high-growth and strategic geographies. In doing so, Aramco captures additional value across the hydrocarbon chain, expands its sources of earnings, and provides resilience to oil price volatility.

In the first quarter of 2022, Downstream consumed 44.6% of Aramco's crude oil production.

The Company continued to demonstrate its excellent track record of supply reliability by achieving 99.9% reliability in the first quarter of 2022.

Key Downstream developments in the first quarter of 2022:

- Aramco signed agreements with Polish refiner and fuel retailer PKN Orlen to expand Aramco's presence in the European downstream sector and increase its crude exports to Poland through investments in Poland's refining, wholesale, and jet fuel marketing segments. Aramco has agreed to acquire equity stakes of 30% in a 210 mbpd refinery, 100% in an associated wholesale business, and 50% in a jet fuel marketing joint venture. Completion of the transaction is subject to regulatory approvals;
- Aramco announced a partnership with the Aston Martin Cognizant Formula One™ Team to harness the shared commitment to engineering excellence and innovation. Through the partnership, Aramco aims to drive development of high performance sustainable fuels and advanced lubricants, grow awareness of its high-quality products, and support its ambition to supply premium fuels and lubricants to the global automotive sector; and
- Aramco made a final investment decision to participate in the development of a major integrated refinery and petrochemical complex in northeast China. The Huajin Aramco Petrochemical Company (HAPCO) joint venture, which is comprised of Aramco, North Huajin Chemical Industries Group Corporation, and Panjin Xincheng Industrial Group, will develop the liquids-to-chemicals complex to include a 300 mbpd refinery and petrochemical units. This project, expected to be operational in 2024, presents an opportunity for Aramco to supply up to 210 mbpd of crude oil feedstock to the complex. The transaction is subject to finalization of transaction documentation, regulatory approvals, and closing conditions.

## Environmental, social and governance

Aramco maintains its multi-generational commitment to responsible development of the Kingdom's resources by focusing on reducing emissions and supporting the global energy transition, safe operations and people development, minimizing environmental impacts, and growing societal value.

In March, Aramco signed a Memorandum of Understanding (MoU) to become one of five inaugural partners of the Middle East and North Africa regional Voluntary Carbon Market (VCM) established by the Public Investment Fund. The VCM is the first of its kind in the region and will serve as a platform for participants to buy, sell and trade verified carbon equivalent credit certificates. The MoU is an important step that supports Aramco's ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions across wholly-owned operated assets by 2050.

Preserving the environment and enhancing biodiversity are essential components of the Company's sustainability approach. During the quarter, Aramco completed the second phase of its million trees initiative, bringing the total number of native trees planted in-Kingdom to two million.

Through its flagship In-Kingdom Total Value-Add (iktva) program, Aramco is facilitating the development of a diverse, sustainable, and globally competitive in-Kingdom energy sector. In January, the sixth iktva Forum and Exhibition was held in Dhahran, Saudi Arabia, to drive domestic value creation and maximize long-term economic growth. During the three-day event, 50 new MoUs were signed by Aramco to further enhance the Company's supply chain resiliency and benefit the Saudi economy.

As part of its focus and investment in technology, Aramco seeks to diversify its product portfolio by developing and expanding the use of sustainable, non-metallic solutions in the building and construction sector. In January, Aramco and the China Building Materials Academy launched NEXCEL, a new Non-Metallic Excellence and Innovation Center in Beijing, China. NEXCEL will create a global collaboration platform to expand and accelerate the use of non-metallic materials in structures to reduce their carbon footprint and improve their sustainability, durability, and longevity.

# Financial performance

## Summary of financial performance

All amounts in millions unless otherwise stated	First quarter ended March 31				
	SAR		USD*		% change
	2022	2021	2022	2021	
<b>Income before income taxes and zakat</b>	<b>277,817</b>	151,380	<b>74,084</b>	40,368	83.5%
Income taxes and zakat	<b>(129,791)</b>	(69,940)	<b>(34,611)</b>	(18,651)	85.6%
<b>Net income</b>	<b>148,026</b>	81,440	<b>39,473</b>	21,717	81.8%

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

### Financial results

#### Key factors affecting Aramco's financial results

- Aramco's results of operations and cash flows are primarily driven by market prices and volumes sold of hydrocarbons and refined and chemicals products. Global demand for petroleum products rose in the first quarter of 2022, which resulted in higher prices and volumes sold for hydrocarbons, and improved downstream margins compared to the same period in 2021.
- In January 2022, Aramco made a partial prepayment of SAR 28,579 (\$7,621) of the deferred consideration related to the SABIC acquisition. This reduced the principal amounts of two promissory notes by a total of SAR 30,000 (\$8,000) that were payable on or before April 7, 2024, and April 7, 2026.
- In February 2022, Aramco completed its SAR 58.1 billion (\$15.5 billion) energy infrastructure deal relating to a 20-year lease and leaseback agreement for its gas pipelines network. This resulted in an increase in cash and cash equivalents and non-controlling interest during the period.

#### Net income

Net income for the first quarter of 2022 was SAR 148,026 (\$39,473), compared to SAR 81,440 (\$21,717) for the same quarter of 2021. The increase was mainly driven by higher crude oil prices and volumes sold, and improved downstream margins. This was partially offset by an increase in production royalties largely resulting from stronger crude oil prices and a higher average effective royalty rate.

#### Income taxes and zakat

The charge for income taxes and zakat for the first quarter of 2022 was SAR 129,791 (\$34,611), compared to SAR 69,940 (\$18,651) for the same quarter in 2021. The increase was predominantly driven by higher taxable income in the first quarter of 2022.

For non-IFRS measures, refer to the Non-IFRS measures reconciliations and definitions section.

## Upstream financial performance

All amounts in millions unless otherwise stated	First quarter ended March 31				
	SAR		USD*		% change
	2022	2021	2022	2021	
Earnings before interest, income taxes and zakat	263,750	150,130	70,333	40,035	75.7%
Capital expenditures - cash basis	21,835	24,355	5,823	6,495	(10.3)%

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

**Earnings before interest, income taxes and zakat (EBIT)** for the first quarter of 2022 was SAR 263,750 (\$70,333), compared to SAR 150,130 (\$40,035) for the same quarter in 2021. This outstanding performance was mainly driven by an increase in average realized crude oil prices supported by higher crude oil volumes sold, and was partially offset by higher crude oil production royalties.

**Capital expenditures** for the first quarter of 2022 decreased by 10.3%, compared to the same period in 2021, from SAR 24,355 (\$6,495) to SAR 21,835 (\$5,823), mainly due to certain gas projects nearing completion.

## Downstream financial performance

All amounts in millions unless otherwise stated	First quarter ended March 31				
	SAR		USD*		% change
	2022	2021	2022	2021	
Earnings before interest, income taxes and zakat	38,256	16,660	10,202	4,443	129.6%
Capital expenditures - cash basis	6,174	5,864	1,646	1,564	5.3%

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

**Earnings before interest, income taxes and zakat (EBIT)** for the first quarter of 2022 was SAR 38,256 (\$10,202), compared to SAR 16,660 (\$4,443) for the same quarter in 2021. These strong financial results were mainly driven by strengthening global energy markets leading to improved downstream margins and inventory movement gains.

**Capital expenditures** for the first quarter of 2022 increased by 5.3%, compared to the same period in 2021, from SAR 5,864 (\$1,564) to SAR 6,174 (\$1,646), primarily due to increased expenditure on distribution networks, partly offset by projects nearing completion.

# 2

## Condensed consolidated interim financial report

For the three-month period ended March 31, 2022 (unaudited)

Independent auditor's review report.....	12
Condensed consolidated statement of income.....	13
Condensed consolidated statement of comprehensive income.....	14
Condensed consolidated balance sheet.....	15
Condensed consolidated statement of changes in equity.....	16
Condensed consolidated statement of cash flows.....	17
Notes to the condensed consolidated interim financial report.....	18





## *Report on review of the condensed consolidated interim financial report*

To the shareholders of Saudi Arabian Oil Company

### **Introduction**

We have reviewed the accompanying condensed consolidated balance sheet of Saudi Arabian Oil Company and its subsidiaries as at March 31, 2022 and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and other explanatory notes (the “condensed consolidated interim financial report”). Management is responsible for the preparation and presentation of this condensed consolidated interim financial report in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’, that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed consolidated interim financial report 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’, that is 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, 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 condensed consolidated interim financial report is not prepared, in all material respects, in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’, that is endorsed in the Kingdom of Saudi Arabia.

### **PricewaterhouseCoopers**

A handwritten signature in blue ink, appearing to read 'Omar M. Al Sagga', is written over the printed name.

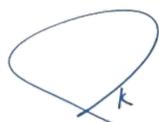
Omar M. Al Sagga  
License Number 369

May 13, 2022

## Condensed consolidated statement of income

	Note	SAR		USD*	
		1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Revenue	10	467,003	272,072	124,534	72,553
Other income related to sales		49,894	28,085	13,305	7,489
<b>Revenue and other income related to sales</b>		<b>516,897</b>	<b>300,157</b>	<b>137,839</b>	<b>80,042</b>
Royalties and other taxes		(67,527)	(24,055)	(18,007)	(6,415)
Purchases		(106,746)	(73,910)	(28,465)	(19,709)
Producing and manufacturing		(22,106)	(15,707)	(5,895)	(4,189)
Selling, administrative and general		(19,665)	(12,403)	(5,244)	(3,307)
Exploration		(1,346)	(1,053)	(359)	(281)
Research and development		(854)	(878)	(228)	(234)
Depreciation and amortization	5,6	(20,948)	(20,264)	(5,586)	(5,404)
<b>Operating costs</b>		<b>(239,192)</b>	<b>(148,270)</b>	<b>(63,784)</b>	<b>(39,539)</b>
<b>Operating income</b>		<b>277,705</b>	<b>151,887</b>	<b>74,055</b>	<b>40,503</b>
Share of results of joint ventures and associates		1,843	1,787	491	477
Finance and other income		602	329	160	88
Finance costs		(2,333)	(2,623)	(622)	(700)
<b>Income before income taxes and zakat</b>		<b>277,817</b>	<b>151,380</b>	<b>74,084</b>	<b>40,368</b>
<b>Income taxes and zakat</b>	7	<b>(129,791)</b>	<b>(69,940)</b>	<b>(34,611)</b>	<b>(18,651)</b>
<b>Net income</b>		<b>148,026</b>	<b>81,440</b>	<b>39,473</b>	<b>21,717</b>
<b>Net income attributable to</b>					
Shareholders' equity		142,012	78,590	37,869	20,957
Non-controlling interests		6,014	2,850	1,604	760
		<b>148,026</b>	<b>81,440</b>	<b>39,473</b>	<b>21,717</b>
<b>Earnings per share (basic and diluted)</b>	18	<b>0.65</b>	<b>0.36</b>	<b>0.17</b>	<b>0.10</b>

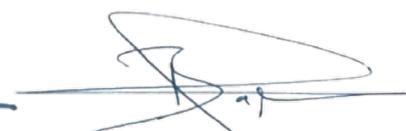
\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



**Amin H. Nasser**  
Director,  
President & Chief Executive Officer



**Ziad T. Al Murshed**  
Chief Financial Officer &  
Senior Vice President

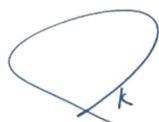


**Bassam M. Asiri**  
Controller

## Condensed consolidated statement of comprehensive income

	Note	SAR		USD*	
		1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
<b>Net income</b>		<b>148,026</b>	81,440	<b>39,473</b>	21,717
<b>Other comprehensive income (loss), net of tax</b>	8				
<b>Items that will not be reclassified to net income</b>					
Remeasurement of post-employment benefit obligations		<b>11,544</b>	12,996	<b>3,078</b>	3,466
Share of post-employment benefit obligations remeasurement from joint ventures and associates		<b>97</b>	-	<b>26</b>	-
Changes in fair value of equity investments classified as fair value through other comprehensive income		<b>1,038</b>	843	<b>277</b>	225
<b>Items that may be reclassified subsequently to net income</b>					
Cash flow hedges and other		<b>447</b>	(176)	<b>119</b>	(47)
Changes in fair value of debt securities classified as fair value through other comprehensive income		<b>(200)</b>	(512)	<b>(53)</b>	(136)
Share of other comprehensive income (loss) of joint ventures and associates		<b>798</b>	(715)	<b>213</b>	(191)
Currency translation differences		<b>(1,171)</b>	(746)	<b>(312)</b>	(199)
		<b>12,553</b>	11,690	<b>3,348</b>	3,118
<b>Total comprehensive income</b>		<b>160,579</b>	93,130	<b>42,821</b>	24,835
<b>Total comprehensive income attributable to</b>					
Shareholders' equity		<b>154,241</b>	90,402	<b>41,131</b>	24,108
Non-controlling interests		<b>6,338</b>	2,728	<b>1,690</b>	727
		<b>160,579</b>	93,130	<b>42,821</b>	24,835

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



**Amin H. Nasser**  
Director,  
President & Chief Executive Officer



**Ziad T. Al Murshed**  
Chief Financial Officer &  
Senior Vice President

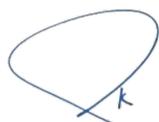


**Bassam M. Asiri**  
Controller

## Condensed consolidated balance sheet

	Note	SAR		USD*	
		March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	5	1,253,590	1,244,316	334,291	331,818
Intangible assets	6	160,695	160,668	42,852	42,845
Investments in joint ventures and associates		71,265	69,559	19,004	18,549
Deferred income tax assets		14,445	14,969	3,852	3,992
Other assets and receivables		38,406	37,776	10,242	10,073
Investments in securities		26,215	24,161	6,990	6,443
		<b>1,564,616</b>	<b>1,551,449</b>	<b>417,231</b>	<b>413,720</b>
<b>Current assets</b>					
Inventories		96,343	74,703	25,691	19,921
Trade receivables		200,901	140,373	53,574	37,433
Due from the Government		51,225	41,317	13,660	11,018
Other assets and receivables		34,952	28,196	9,321	7,519
Short-term investments		35,498	27,073	9,466	7,219
Cash and cash equivalents		357,870	299,579	95,432	79,888
		<b>776,789</b>	<b>611,241</b>	<b>207,144</b>	<b>162,998</b>
<b>Total assets</b>		<b>2,341,405</b>	<b>2,162,690</b>	<b>624,375</b>	<b>576,718</b>
<b>Equity and liabilities</b>					
<b>Shareholders' equity</b>					
Share capital		60,000	60,000	16,000	16,000
Additional paid-in capital		26,981	26,981	7,195	7,195
Treasury shares		(2,648)	(2,828)	(706)	(754)
Retained earnings:					
Unappropriated		1,101,095	1,018,443	293,625	271,585
Appropriated		6,000	6,000	1,600	1,600
Other reserves	8	5,922	4,661	1,579	1,243
		<b>1,197,350</b>	<b>1,113,257</b>	<b>319,293</b>	<b>296,869</b>
<b>Non-controlling interests</b>		<b>229,496</b>	<b>167,411</b>	<b>61,199</b>	<b>44,643</b>
		<b>1,426,846</b>	<b>1,280,668</b>	<b>380,492</b>	<b>341,512</b>
<b>Non-current liabilities</b>					
Borrowings	9	410,412	436,371	109,443	116,366
Deferred income tax liabilities		86,171	74,850	22,979	19,960
Post-employment benefit obligations		21,563	40,729	5,750	10,861
Provisions and other liabilities		26,350	26,244	7,027	6,998
		<b>544,496</b>	<b>578,194</b>	<b>145,199</b>	<b>154,185</b>
<b>Current liabilities</b>					
Trade and other payables		146,352	124,689	39,028	33,251
Obligations to the Government:					
Income taxes and zakat	7	113,477	90,525	30,261	24,140
Royalties		39,093	14,064	10,425	3,750
Borrowings	9	71,141	74,550	18,970	19,880
		<b>370,063</b>	<b>303,828</b>	<b>98,684</b>	<b>81,021</b>
<b>Total liabilities</b>		<b>914,559</b>	<b>882,022</b>	<b>243,883</b>	<b>235,206</b>
<b>Total equity and liabilities</b>		<b>2,341,405</b>	<b>2,162,690</b>	<b>624,375</b>	<b>576,718</b>

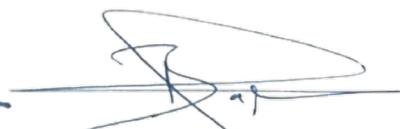
\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



**Amin H. Nasser**  
Director,  
President & Chief Executive Officer



**Ziad T. Al Murshed**  
Chief Financial Officer &  
Senior Vice President

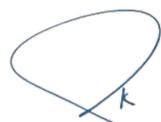


**Bassam M. Asiri**  
Controller

## Condensed consolidated statement of changes in equity

	SAR								USD*
	Shareholders' equity								Total
	Share capital	Additional paid-in capital	Treasury shares	Retained earnings		Other reserves (Note 8)	Non-controlling interests	Total	
Unappropriated				Appropriated					
<b>Balance at January 1, 2021</b>	60,000	26,981	(3,264)	895,273	6,000	5,858	110,246	1,101,094	293,625
Net income	-	-	-	78,590	-	-	2,850	81,440	21,717
Other comprehensive income (loss)	-	-	-	-	-	11,812	(122)	11,690	3,118
<b>Total comprehensive income</b>	-	-	-	78,590	-	11,812	2,728	93,130	24,835
Transfer of post-employment benefit obligations remeasurement	-	-	-	12,218	-	(12,218)	-	-	-
Treasury shares issued to employees	-	-	141	-	-	-	-	141	38
Share-based compensation	-	-	-	-	-	22	-	22	5
Dividends (Note 18)	-	-	-	(70,325)	-	-	-	(70,325)	(18,753)
Change in ownership interest of subsidiary	-	-	-	(679)	-	-	679	-	-
Dividends to non-controlling interests and other	-	-	-	-	-	-	(553)	(553)	(147)
<b>Balance at March 31, 2021</b>	60,000	26,981	(3,123)	915,077	6,000	5,474	113,100	1,123,509	299,603
<b>Balance at January 1, 2022</b>	60,000	26,981	(2,828)	1,018,443	6,000	4,661	167,411	1,280,668	341,512
Net income	-	-	-	142,012	-	-	6,014	148,026	39,473
Other comprehensive income	-	-	-	-	-	12,229	324	12,553	3,348
<b>Total comprehensive income</b>	-	-	-	142,012	-	12,229	6,338	160,579	42,821
Transfer of post-employment benefit obligations remeasurement (Note 8)	-	-	-	10,924	-	(10,924)	-	-	-
Transfer of share of post-employment benefit obligation remeasurement from joint ventures and associates (Note 8)	-	-	-	97	-	(97)	-	-	-
Treasury shares issued to employees	-	-	180	(49)	-	(5)	-	126	33
Share-based compensation	-	-	-	(1)	-	58	-	57	15
Dividends (Note 18)	-	-	-	(70,331)	-	-	-	(70,331)	(18,755)
Sale of non-controlling equity interest in a subsidiary (Note 16)	-	-	-	-	-	-	58,125	58,125	15,500
Dividends to non-controlling interests and other	-	-	-	-	-	-	(2,378)	(2,378)	(634)
<b>Balance at March 31, 2022</b>	60,000	26,981	(2,648)	1,101,095	6,000	5,922	229,496	1,426,846	380,492

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



**Amin H. Nasser**  
Director,  
President & Chief Executive Officer



**Ziad T. Al Murshed**  
Chief Financial Officer &  
Senior Vice President



**Bassam M. Asiri**  
Controller

## Condensed consolidated statement of cash flows

	Note	SAR		USD*	
		1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
<b>Income before income taxes and zakat</b>		<b>277,817</b>	<b>151,380</b>	<b>74,084</b>	<b>40,368</b>
<b>Adjustments to reconcile income before income taxes and zakat to net cash provided by operating activities</b>					
Depreciation and amortization	5,6	20,948	20,264	5,586	5,404
Exploration and evaluation costs written off		291	316	78	84
Loss on disposal of property, plant and equipment		477	-	127	-
Share of results of joint ventures and associates		(1,843)	(1,787)	(491)	(477)
Finance income		(585)	(323)	(156)	(86)
Finance costs		2,333	2,623	622	700
Dividends from investments in securities		(17)	(3)	(4)	(1)
Change in fair value of investments through profit or loss		84	632	22	169
Change in joint ventures and associates inventory profit elimination		11	121	2	33
Other		156	721	41	193
<b>Change in working capital</b>					
Inventories		(21,640)	(6,875)	(5,770)	(1,833)
Trade receivables		(60,528)	(23,477)	(16,141)	(6,261)
Due from the Government		(9,908)	(2,015)	(2,642)	(538)
Other assets and receivables		(6,890)	(778)	(1,837)	(208)
Trade and other payables		20,563	8,032	5,484	2,141
Royalties payable		25,029	1,267	6,675	338
<b>Other changes</b>					
Other assets and receivables		(630)	(997)	(169)	(266)
Provisions and other liabilities		31	117	9	31
Post-employment benefit obligations		1,359	1,239	362	330
Settlement of income, zakat and other taxes	7(c)	(103,767)	(51,158)	(27,671)	(13,642)
<b>Net cash provided by operating activities</b>		<b>143,291</b>	<b>99,299</b>	<b>38,211</b>	<b>26,479</b>
<b>Net cash used in investing activities</b>					
Capital expenditures	4	(28,435)	(30,750)	(7,583)	(8,200)
Distributions from joint ventures and associates		729	513	195	136
Additional investments in joint ventures and associates		(291)	(136)	(77)	(36)
Dividends from investments in securities		17	3	4	1
Interest received		481	244	128	66
Net investments in securities		(942)	(1,024)	(251)	(274)
Net (purchases) maturities of short-term investments		(8,425)	693	(2,247)	185
<b>Net cash used in investing activities</b>		<b>(36,866)</b>	<b>(30,457)</b>	<b>(9,831)</b>	<b>(8,122)</b>
<b>Net cash used in financing activities</b>					
Dividends paid to shareholders of the Company	18	(70,331)	(70,325)	(18,755)	(18,753)
Dividends paid to non-controlling interests in subsidiaries		(2,261)	(542)	(603)	(144)
Proceeds from sale of non-controlling equity interest in a subsidiary	16	58,125	-	15,500	-
Proceeds from issue of treasury shares		126	98	34	26
Proceeds from borrowings		3,825	2,394	1,020	638
Repayments of borrowings		(33,278)	(393)	(8,875)	(105)
Principal portion of lease payments		(3,049)	(2,809)	(813)	(749)
Interest paid		(1,291)	(1,487)	(344)	(396)
<b>Net cash used in financing activities</b>		<b>(48,134)</b>	<b>(73,064)</b>	<b>(12,836)</b>	<b>(19,483)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>58,291</b>	<b>(4,222)</b>	<b>15,544</b>	<b>(1,126)</b>
Cash and cash equivalents at beginning of the period		299,579	207,232	79,888	55,262
<b>Cash and cash equivalents at end of the period</b>		<b>357,870</b>	<b>203,010</b>	<b>95,432</b>	<b>54,136</b>

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



**Amin H. Nasser**  
Director,  
President & Chief Executive Officer



**Ziad T. Al Murshed**  
Chief Financial Officer &  
Senior Vice President



**Bassam M. Asiri**  
Controller

# Notes to the condensed consolidated interim financial report

## 1. General information

The Saudi Arabian Oil Company (the "Company"), with headquarters located in Dhahran, Kingdom of Saudi Arabia (the "Kingdom"), is engaged in prospecting, exploring, drilling and extracting hydrocarbon substances ("Upstream") and processing, manufacturing, refining and marketing these hydrocarbon substances ("Downstream"). The Company was formed on November 13, 1988 by Royal Decree No. M/8; however, its history dates back to May 29, 1933 when the Saudi Arabian Government (the "Government") granted a concession to the Company's predecessor the right to, among other things, explore the Kingdom for hydrocarbons. Effective January 1, 2018, Council of Minister's Resolution No. 180, dated 1/4/1439H (December 19, 2017), converted the Company to a Saudi Joint Stock Company with new Bylaws.

On December 11, 2019, the Company completed its Initial Public Offering ("IPO") and its ordinary shares were listed on the Saudi Stock Exchange ("Tadawul"). In connection with the IPO, the Government, being the sole owner of the Company's shares at such time, sold an aggregate of 3.45 billion ordinary shares, or 1.73% of the Company's share capital.

On February 13, 2022, the Government transferred 8 billion ordinary shares, or 4% of the Company's share capital, to the Public Investment Fund ("PIF"), the sovereign wealth fund of the Kingdom. Following the transfer, the Government remains the Company's largest shareholder, retaining a 94.19% direct shareholding.

The condensed consolidated interim financial report of the Company and its subsidiaries (together "Saudi Aramco") was approved by the Board of Directors on May 13, 2022.

## 2. Basis of preparation and other significant accounting policies

The condensed consolidated interim financial report has been prepared in accordance with International Accounting Standard 34 ("IAS 34"), Interim Financial Reporting, that is endorsed in the Kingdom, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). This condensed consolidated interim financial report is consistent with the accounting policies and methods of computation and presentation set out in Saudi Aramco's consolidated financial statements for the year ended December 31, 2021, except for new and amended standards disclosed below.

The results for the interim periods are unaudited and include all adjustments necessary for a fair presentation of the results for the periods presented. This condensed consolidated interim financial report should be read in conjunction with the consolidated financial statements and related notes for the year ended December 31, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") that are endorsed in the Kingdom, and other standards and pronouncements issued by SOCPA. The consolidated financial statements for the year ended December 31, 2021 are also in compliance with IFRS as issued by the International Accounting Standards Board ("IASB").

Translations from SAR to USD presented as supplementary information in the Condensed Consolidated Statement of Income, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Changes in Equity, and Condensed Consolidated Statement of Cash Flows at March 31, 2022 and December 31, 2021 and for the three-month periods ended March 31, 2022 and 2021, are for convenience and were calculated at the rate of USD 1.00 = SAR 3.75 representing the exchange rate at the balance sheet dates.

The global economy continued to experience a strong recovery in the first quarter of 2022, reflecting increased mobility and the resumption of business activities. The global energy demand remained robust which resulted in a steady increase in crude oil prices. Given that crude oil sales account for a substantial portion of the Company's revenue, the increased prices positively impacted Saudi Aramco's financial performance during the current period.

### New or amended standards

- (i) Saudi Aramco adopted the following IASB pronouncement, as endorsed in the Kingdom, effective for annual periods beginning on or after January 1, 2022:

#### Amendment to IAS 16, Property, Plant and Equipment

In May 2020, the IASB issued an amendment to IAS 16, Property, Plant and Equipment, which prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while the entity is preparing the asset for its intended use. Instead, an entity needs to recognize the proceeds from selling such items, and the costs of producing those items, in profit or loss. There is no material impact on the condensed consolidated interim financial report from adopting the amendment to IAS 16.

- (ii) Saudi Aramco has not early adopted any new accounting standards, interpretations or amendments that are issued but not yet effective.

### 3. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. Management believes that the fair values of Saudi Aramco's financial assets and liabilities that are measured and recognized at amortized cost are not materially different from their carrying amounts at the end of the reporting period.

The following table presents Saudi Aramco's assets and liabilities measured and recognized at fair value at March 31, 2022 and December 31, 2021, based on the prescribed fair value measurement hierarchy on a recurring basis. Saudi Aramco did not measure any financial assets or financial liabilities at fair value on a non-recurring basis at March 31, 2022 and December 31, 2021. There were no changes made to any of the valuation techniques and valuation processes applied as of December 31, 2021 and changes in unobservable inputs are not expected to materially impact the fair value.

<b>Assets</b>	Level 1 <sup>i</sup>	Level 2 <sup>ii</sup>	Level 3 <sup>iii</sup>	<b>Total</b>
<b>March 31, 2022</b>				
Investments in securities:				
Equity securities at Fair Value Through Other Comprehensive Income ("FVOCI")	10,769	81	1,357	12,207
Debt securities at FVOCI	41	7,600	-	7,641
Equity securities at Fair Value Through Profit or Loss ("FVPL")	372	1,682	4,607	6,661
Debt securities at FVPL	-	53	6	59
Trade receivables related to contracts with provisional pricing arrangements	-	-	151,830	151,830
	<b>11,182</b>	<b>9,416</b>	<b>157,800</b>	<b>178,398</b>
Other assets and receivables:				
Interest rate swaps	-	172	-	172
Commodity swaps	93	4,583	8	4,684
Currency forward contracts	-	78	-	78
Financial assets - option rights	-	-	2,540	2,540
	<b>93</b>	<b>4,833</b>	<b>2,548</b>	<b>7,474</b>
<b>Total assets</b>	<b>11,275</b>	<b>14,249</b>	<b>160,348</b>	<b>185,872</b>
<b>December 31, 2021</b>				
Investments in securities:				
Equity securities at FVOCI	9,134	88	1,340	10,562
Debt securities at FVOCI	37	7,846	-	7,883
Equity securities at FVPL	359	1,861	3,928	6,148
Debt securities at FVPL	53	-	-	53
Trade receivables related to contracts with provisional pricing arrangements	-	-	109,440	109,440
	<b>9,583</b>	<b>9,795</b>	<b>114,708</b>	<b>134,086</b>
Other assets and receivables:				
Interest rate swaps	-	9	-	9
Commodity swaps	-	1,489	83	1,572
Currency forward contracts	-	32	-	32
Financial assets - option rights	-	-	2,390	2,390
	<b>-</b>	<b>1,530</b>	<b>2,473</b>	<b>4,003</b>
<b>Total assets</b>	<b>9,583</b>	<b>11,325</b>	<b>117,181</b>	<b>138,089</b>

## 3. Fair value estimation continued

Liabilities	Level 1 <sup>i</sup>	Level 2 <sup>ii</sup>	Level 3 <sup>iii</sup>	Total
<b>March 31, 2022</b>				
Trade and other payables:				
Interest rate swaps	-	135	-	135
Commodity swaps	-	4,477	73	4,550
Currency forward contracts	-	181	-	181
Provisions and other liabilities:				
Financial liability - options and forward contracts	-	-	3,317	3,317
<b>Total liabilities</b>	<b>-</b>	<b>4,793</b>	<b>3,390</b>	<b>8,183</b>
<b>December 31, 2021</b>				
Trade and other payables:				
Interest rate swaps	-	427	-	427
Commodity swaps	201	1,755	43	1,999
Currency forward contracts	-	151	-	151
Provisions and other liabilities:				
Financial liability - options and forward contracts	-	-	3,301	3,301
<b>Total liabilities</b>	<b>201</b>	<b>2,333</b>	<b>3,344</b>	<b>5,878</b>

i. Quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii. Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

iii. Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The changes in Level 3 investments in securities for the three-month period ended March 31, 2022 and the year ended December 31, 2021 are as follows:

	March 31, 2022	December 31, 2021
<b>Beginning</b>	<b>5,268</b>	4,970
Net additions (disposals)	549	(5)
Net movement in unrealized fair value	133	407
Realized gain (loss)	20	(104)
<b>Ending</b>	<b>5,970</b>	5,268

The movement in trade receivables related to contracts with provisional pricing arrangements mainly relates to sales transactions, net of settlements, made during the period, resulting from contracts with customers (Note 10). Unrealized fair value movements on these trade receivables are not significant.

The change in commodity swaps primarily relates to purchase and sales derivative contracts including recognition of a gain or loss that results from adjusting a derivative to fair value. Fair value movements on these commodity swaps are not significant.

The movement in the financial asset and liability against options, which are related to put, call and forward contracts on Saudi Aramco's own equity instruments in certain subsidiaries, is due to the change in the unrealized fair value during the period.

#### 4. Operating segments

Saudi Aramco is engaged in prospecting, exploring, drilling, extracting, processing, manufacturing, refining and marketing hydrocarbon substances within the Kingdom and has interests in refining, petrochemical, distribution, marketing and storage facilities outside the Kingdom.

Saudi Aramco's operating segments are established on the basis of those components that are evaluated regularly by the CEO, considered to be the Chief Operating Decision Maker. The Chief Operating Decision Maker monitors the operating results of Saudi Aramco's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, costs and a broad range of key performance indicators in addition to segment profitability.

For management purposes, Saudi Aramco is organized into business units based on the main types of activities. At March 31, 2022, Saudi Aramco had two reportable segments, Upstream and Downstream, with all other supporting functions aggregated into a Corporate segment. Upstream activities include crude oil, natural gas and natural gas liquids exploration, field development and production. Downstream activities consist primarily of refining and petrochemical manufacturing, supply and trading, distribution and power generation, logistics, and marketing of crude oil and related services to international and domestic customers. Corporate activities include primarily supporting services including Human Resources, Finance and IT not allocated to Upstream and Downstream. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

There are no differences from the consolidated financial statements for the year ended December 31, 2021 in the basis of segmentation or in the basis of measurement of segment earnings before interest, income taxes and zakat.

Information by segments for the three-month period ended March 31, 2022 is as follows:

	Upstream	Downstream	Corporate	Eliminations	Consolidated
External revenue	242,779	223,904	320	-	467,003
Other income related to sales	15,373	34,521	-	-	49,894
Inter-segment revenue	110,211	10,785	75	(121,071)	-
Earnings (losses) before interest, income taxes and zakat	263,750	38,256	(3,658)	(18,783)	279,565
Finance income					585
Finance costs					(2,333)
Income before income taxes and zakat					277,817
Capital expenditures - cash basis	21,835	6,174	426	-	28,435

Information by segments for the three-month period ended March 31, 2021 is as follows:

	Upstream	Downstream	Corporate	Eliminations	Consolidated
External revenue	130,836	140,949	287	-	272,072
Other income related to sales	10,031	18,054	-	-	28,085
Inter-segment revenue	60,521	7,118	78	(67,717)	-
Earnings (losses) before interest, income taxes and zakat	150,130	16,660	(3,536)	(9,574)	153,680
Finance income					323
Finance costs					(2,623)
Income before income taxes and zakat					151,380
Capital expenditures - cash basis	24,355	5,864	531	-	30,750

## 5. Property, plant and equipment

	Land and land improvements	Buildings	Oil and gas properties	Plant, machinery and equipment	Depots, storage tanks and pipelines	Fixtures, IT and office equipment	Construction-in-progress	Total
<b>Cost</b>								
January 1, 2022	53,099	86,411	596,495	878,043	84,110	19,554	246,175	1,963,887
Additions <sup>1</sup>	-	106	76	1,336	50	24	28,823	30,415
Construction completed	459	1,251	9,212	19,214	2,313	471	(32,920)	-
Currency translation differences	(129)	(124)	-	(1,362)	(142)	(22)	(8)	(1,787)
Transfers and adjustments	(10)	(8)	28	369	54	11	(98)	346
Transfer of exploration and evaluation assets	-	-	-	-	-	-	180	180
Retirements and sales	(4)	(103)	(6)	(1,740)	(254)	(170)	(23)	(2,300)
<b>March 31, 2022</b>	<b>53,415</b>	<b>87,533</b>	<b>605,805</b>	<b>895,860</b>	<b>86,131</b>	<b>19,868</b>	<b>242,129</b>	<b>1,990,741</b>
<b>Accumulated depreciation</b>								
January 1, 2022	(17,989)	(38,603)	(225,273)	(382,413)	(43,679)	(11,614)	-	(719,571)
Charge for the period	(347)	(836)	(4,732)	(13,642)	(586)	(305)	-	(20,448)
Currency translation differences	1	72	-	799	58	18	-	948
Transfers and adjustments	(4)	5	(3)	124	(16)	(9)	-	97
Retirements and sales	3	89	-	1,327	235	169	-	1,823
<b>March 31, 2022</b>	<b>(18,336)</b>	<b>(39,273)</b>	<b>(230,008)</b>	<b>(393,805)</b>	<b>(43,988)</b>	<b>(11,741)</b>	<b>-</b>	<b>(737,151)</b>
<b>Property, plant and equipment - net, March 31, 2022</b>	<b>35,079</b>	<b>48,260</b>	<b>375,797</b>	<b>502,055</b>	<b>42,143</b>	<b>8,127</b>	<b>242,129</b>	<b>1,253,590</b>

1. Borrowing cost capitalized during the three-month period ended March 31, 2022, amounted to SAR 1,039, calculated using an average capitalization rate of 3.1%.

Additions to right-of-use assets during the three-month period ended March 31, 2022 were SAR 1,121. The following table presents depreciation charges and net carrying amounts of right-of-use assets by grouping of assets.

	Depreciation expense for the three-month period ended March 31, 2022	Net carrying amount at March 31, 2022
Land and land improvements	47	3,706
Buildings	186	3,387
Oil and gas properties	4	21
Plant, machinery and equipment	2,529	35,700
Depots, storage tanks and pipelines	72	2,176
Fixtures, IT and office equipment	31	433
	<b>2,869</b>	<b>45,423</b>

## 6. Intangible assets

	Goodwill	Exploration and evaluation	Brands and trademarks	Franchise/ customer relationships	Computer software	Other <sup>1</sup>	Total
<b>Cost</b>							
January 1, 2022	100,188	19,219	22,874	19,720	5,149	2,929	170,079
Additions	-	935	-	-	66	52	1,053
Currency translation differences	(4)	-	(46)	(25)	(7)	(31)	(113)
Transfers and adjustments	-	-	-	-	-	14	14
Transfer of exploration and evaluation assets	-	(180)	-	-	-	-	(180)
Retirements and write offs	-	(291)	-	-	(10)	(8)	(309)
<b>March 31, 2022</b>	<b>100,184</b>	<b>19,683</b>	<b>22,828</b>	<b>19,695</b>	<b>5,198</b>	<b>2,956</b>	<b>170,544</b>
<b>Accumulated amortization</b>							
January 1, 2022	-	-	(2,235)	(2,367)	(3,721)	(1,088)	(9,411)
Charge for the period	-	-	(100)	(246)	(87)	(67)	(500)
Currency translation differences	-	-	22	21	4	16	63
Transfers and adjustments	-	-	-	(79)	-	78	(1)
<b>March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>(2,313)</b>	<b>(2,671)</b>	<b>(3,804)</b>	<b>(1,061)</b>	<b>(9,849)</b>
<b>Intangible assets - net, March 31, 2022</b>	<b>100,184</b>	<b>19,683</b>	<b>20,515</b>	<b>17,024</b>	<b>1,394</b>	<b>1,895</b>	<b>160,695</b>

1. Other intangible assets include patents and intellectual property having a net book value of SAR 1,238 and licenses, technology and usage rights having a net book value of SAR 657 as at March 31, 2022.

## 7. Income taxes and zakat

### (a) Kingdom income tax rates

The Company is subject to an income tax rate of 20% on its Downstream activities and on the activities of exploration and production of non-associated natural gas, including gas condensates, as well as the collection, treatment, processing, fractionation and transportation of associated and non-associated natural gas and their liquids, gas condensates and other associated elements. All other activities are subject to an income tax rate of 50%, in accordance with the Saudi Arabian Income Tax Law of 2004 and its amendments (the "Tax Law"). The 20% income tax rate applicable to the Downstream activities is conditional on the Company separating its Downstream activities under the control of one or more separate wholly owned subsidiaries before December 31, 2024, otherwise the Company's Downstream activities will be retroactively taxed at 50%. The Company expects to transfer all its Downstream activities into a separate legal entity or entities within the period specified.

Additionally, according to the Tax Law, shares held directly or indirectly in listed companies on the Tadawul by taxpayers engaged in oil and hydrocarbon activities are exempt from the application of corporate income tax. As a result, the Company's ownership interests in such companies are subject to zakat.

The reconciliation of tax charge at the Kingdom statutory rates to consolidated tax and zakat expense is as follows:

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Income before income taxes and zakat	277,817	151,380
Less: Income subject to zakat	(7,267)	(6,548)
Income subject to income tax	270,550	144,832
Income taxes at the Kingdom's statutory tax rates	132,360	69,045
Tax effect of:		
(Income) loss not subject to tax at statutory rates and other	(3,109)	392
Income tax expense	129,251	69,437
Zakat expense	540	503
<b>Total income tax and zakat expense</b>	<b>129,791</b>	<b>69,940</b>

## 7. Income taxes and zakat continued

## (b) Income tax and zakat expense

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Current income tax - Kingdom	125,795	66,951
Current income tax - Foreign	490	193
Deferred income tax - Kingdom	1,085	2,043
Deferred income tax - Foreign	1,881	250
Zakat - Kingdom	540	503
	<b>129,791</b>	<b>69,940</b>

## (c) Income tax and zakat obligation to the Government

	2022	2021
<b>January 1</b>	<b>90,525</b>	<b>42,059</b>
Provided during the period	126,335	67,454
Payments during the period by the Company (Note 14)	(59,948)	(22,387)
Payments during the period by subsidiaries and joint operations	(1,419)	(81)
Settlements of due from the Government	(40,931)	(27,256)
Other settlements	(1,085)	(1,227)
<b>March 31</b>	<b>113,477</b>	<b>58,562</b>

## 8. Other reserves

	Currency translation differences	Investments in securities at FVOCI	Post- employment benefit obligations	Share-based compensation reserve	Cash flow hedges and other	Share of other comprehensive income (loss) of joint ventures and associates		Total
						Foreign currency translation gains (losses)	Cash flow hedges and other	
<b>January 1, 2022</b>	(564)	5,769	-	139	(397)	733	(1,019)	<b>4,661</b>
Current period change	(1,171)	983	-	58	447	411	387	<b>1,115</b>
Remeasurement gain <sup>1</sup>	-	-	20,428	-	-	-	97	<b>20,525</b>
Transfer to retained earnings	-	-	(10,924)	(5)	-	-	(97)	<b>(11,026)</b>
Tax effect	-	(145)	(8,884)	-	-	-	-	<b>(9,029)</b>
Less: amounts related to non-controlling interests	421	-	(620)	-	(5)	(120)	-	<b>(324)</b>
<b>March 31, 2022</b>	<b>(1,314)</b>	<b>6,607</b>	<b>-</b>	<b>192</b>	<b>45</b>	<b>1,024</b>	<b>(632)</b>	<b>5,922</b>

1. The remeasurement gain is primarily due to the net impact arising from changes in discount rates used to determine the present value of the post-employment benefit obligations and changes in the fair value of post-employment benefit plan assets.

## 9. Borrowings

	March 31, 2022	December 31, 2021
<b>Non-current:</b>		
Deferred consideration	161,312	188,723
Commercial borrowings	54,689	52,280
Debentures	99,134	98,449
Sukuk	34,566	34,560
Lease liabilities	36,809	38,108
Other financing arrangements	23,902	24,251
	<b>410,412</b>	<b>436,371</b>
<b>Current:</b>		
Deferred consideration	33,735	33,544
Short-term bank financing	16,939	17,351
Commercial borrowings	7,197	10,556
Debentures	3,750	3,750
Sukuk	264	266
Lease liabilities	9,256	9,083
	<b>71,141</b>	<b>74,550</b>

On January 24, 2022, Saudi Aramco, in agreement with PIF, made a partial prepayment of SAR 28,579 (\$7,621), which has reduced the principal amounts of two promissory notes by SAR 26,250 (\$7,000) and SAR 3,750 (\$1,000) payable on or before April 7, 2024 and April 7, 2026, respectively.

## 10. Revenue

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Revenue from contracts with customers	463,403	269,833
Movement between provisional and final prices	2,543	1,335
Other revenue	1,057	904
	<b>467,003</b>	<b>272,072</b>

Revenue from contracts with customers is measured at a transaction price agreed under the contract and the payment is due within 10 to 120 days from the invoice date depending on specific terms of the contract.

Transaction prices are not adjusted for the time value of money as Saudi Aramco does not have any contracts where the period between the transfer of product to the customer and payment by the customer exceeds one year.

### Disaggregation of revenue from contracts with customers

Saudi Aramco's revenue from contracts with customers according to product type and source is as follows:

	1 <sup>st</sup> quarter 2022			Total
	Upstream	Downstream	Corporate	
Crude oil	224,622	15,095	-	239,717
Refined and chemical products	-	200,628	-	200,628
Natural gas and NGLs	15,731	3,012	-	18,743
Metal products	-	4,315	-	4,315
<b>Revenue from contracts with customers</b>	<b>240,353</b>	<b>223,050</b>	<b>-</b>	<b>463,403</b>
Movement between provisional and final prices	2,349	194	-	2,543
Other revenue	77	660	320	1,057
<b>External revenue</b>	<b>242,779</b>	<b>223,904</b>	<b>320</b>	<b>467,003</b>

## 10. Revenue continued

### Disaggregation of revenue from contracts with customers continued

	1 <sup>st</sup> quarter 2021			Total
	Upstream	Downstream	Corporate	
Crude oil	119,368	11,443	-	130,811
Refined and chemical products	-	125,442	-	125,442
Natural gas and NGLs	10,067	532	-	10,599
Metal products	-	2,981	-	2,981
<b>Revenue from contracts with customers</b>	<b>129,435</b>	<b>140,398</b>	<b>-</b>	<b>269,833</b>
Movement between provisional and final prices	1,308	27	-	1,335
Other revenue	93	524	287	904
<b>External revenue</b>	<b>130,836</b>	<b>140,949</b>	<b>287</b>	<b>272,072</b>

Revenue from contracts with customers includes local sales at Kingdom regulated prices as follows:

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Crude oil	547	483
Refined and chemical products	18,715	13,215
Natural gas and NGLs	3,600	1,368
	<b>22,862</b>	<b>15,066</b>

## 11. Non-cash investing and financing activities

Investing and financing activities for the three-month period ended March 31, 2022 include additions to right-of-use assets of SAR 1,121 (March 31, 2021: SAR 2,852), asset retirement provisions of SAR 75 (March 31, 2021: SAR 68) and equity awards issued to employees of SAR 54 (March 31, 2021: SAR 15).

## 12. Commitments

### Capital commitments

Capital expenditures contracted for but not yet incurred were SAR 182,537 and SAR 159,145 at March 31, 2022 and December 31, 2021, respectively. In addition, leases contracted for but not yet commenced were SAR 10,406 and SAR 10,309 at March 31, 2022 and December 31, 2021, respectively.

## 13. Contingencies

Saudi Aramco has contingent assets and liabilities with respect to certain disputed matters, including claims by and against contractors and lawsuits and arbitrations involving a variety of issues. These contingencies arise in the ordinary course of business. It is not anticipated that any material adjustments will result from these contingencies.

## 14. Payments to the Government by the Company

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Income taxes (Note 7(c))	59,948	22,387
Royalties	55,369	24,480
Dividends	66,269	69,084

**15. Related party transactions and balances****(a) Transactions**

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
<b>Joint ventures:</b>		
Revenue from sales	6,683	5,993
Other revenue	8	19
Interest income	15	19
Purchases	8,284	4,579
Service expenses	4	4
<b>Associates:</b>		
Revenue from sales	21,090	13,215
Other revenue	86	225
Interest income	53	23
Purchases	18,735	12,589
Service expenses	23	30
Lease expenses	49	60
<b>Government, semi-Government and other entities with Government ownership or control:</b>		
Revenue from sales	4,403	3,000
Other income related to sales	49,894	28,085
Other revenue	176	233
Purchases	2,621	2,490
Service expenses	101	308
Lease expenses	150	109

**(b) Balances**

	March 31, 2022	December 31, 2021
<b>Joint ventures:</b>		
Other assets and receivables	5,741	5,943
Trade receivables	5,190	4,755
Interest receivable	240	233
Trade and other payables	7,301	6,803
<b>Associates:</b>		
Other assets and receivables	6,825	6,813
Trade receivables	17,284	14,794
Trade and other payables	9,765	7,916
Borrowings	15	15
<b>Government, semi-Government and other entities with Government ownership or control:</b>		
Other assets and receivables	525	509
Trade receivables	3,923	3,056
Due from the Government	51,225	41,317
Trade and other payables	2,190	2,959
Borrowings	200,415	229,525

**(c) Compensation of key management personnel**

Compensation policies for and composition of key management personnel remain consistent with 2021.

## 16. Sale of equity interest in subsidiary - Aramco Gas Pipelines Company (“AGPC”)

On February 23, 2022, the Company closed the transaction for a sale of a 49% equity interest in Aramco Gas Pipelines Company (“AGPC”), a newly formed wholly owned subsidiary of the Company, to GreenSaif Pipelines Bidco S.à r.l. (formerly, GEPIF III Finance III Lux S.à r.l.) (“GreenSaif”) for upfront proceeds of SAR 58,125 (\$15,500) in cash.

GreenSaif is an entity owned by a consortium of investors led by affiliates of BlackRock Real Assets and Hassana Investment Company, the investment management arm of the General Organization for Social Insurance (“GOSI”) in the Kingdom. GreenSaif, as a shareholder of AGPC, is entitled to receive quarterly distributions of its pro rata share of AGPC’s available cash when the Company pays discretionary dividends to its ordinary shareholders. Given the discretionary nature of distributions to GreenSaif, in line with the principles outlined in Note 2(d) of Saudi Aramco’s consolidated financial statements for the year ended December 31, 2021, GreenSaif’s shareholding represents a non-controlling interest and, therefore, the upfront sale proceeds are recognized in the condensed consolidated interim financial report as a non-controlling interest within equity.

Immediately prior to the closing of the transaction, the Company leased the usage rights to its gas pipelines network to AGPC for a 20-year period. Concurrently, AGPC granted the Company the exclusive right to use, operate and maintain the pipelines network during the 20-year period in exchange for a quarterly, volume-based tariff payable by the Company to AGPC. The tariff is backed by minimum volume commitments. The Company will at all times retain title to, and operational control of, the pipelines.

## 17. Investments in affiliates

### (a) PKN Orlen

On January 12, 2022, Saudi Aramco signed sale and purchase agreements for the acquisition of a 30% equity interest in the Gdansk Refinery joint venture with PKN Orlen, a 100% ownership of Grupa Lotos S.A.’s wholesale business, and a 50% equity interest in the jet fuel joint venture with Air BP. The transaction, with a total purchase price of SAR 2,063, is expected to close in 2022, subject to obtaining the required regulatory approvals and other terms and conditions of the acquisition agreements.

### (b) Tuwaiq Casting & Forging Company (“TCFC”)

On January 12, 2022, TCFC was formed as a limited liability company under the laws of the Kingdom, to engage in activities to support the Kingdom’s industrial, energy and maritime sectors through the manufacturing and smelting of iron and other metals. Saudi Aramco, through its wholly owned subsidiary, Saudi Aramco Development Company (“SADCO”), acquired a 15% ownership interest in TCFC, and indirectly through the Saudi Arabian Industrial Investment Company (“Dussur”), acquired an additional 70% ownership interest, with the remaining 15% ownership interest directly held by Doosan Heavy Industries & Construction (“Doosan”). Saudi Aramco’s total beneficial ownership interest in TCFC is 44.75%. The total investment in TCFC is expected to be up to SAR 718, of which SADCO’s share is expected to be up to SAR 108. At March 31, 2022, SAR 450 has been drawn down by TCFC, of which SADCO’s share is SAR 68.

### (c) ETG Inputs Holdco Limited (“ETG Inputs”)

On January 24, 2022, SABIC Agri-Nutrients Company (“SABIC AN”), a subsidiary of SABIC, signed a binding agreement to acquire 49% of the share capital of ETG Inputs. The transaction is subject to obtaining the required regulatory approvals and other terms and conditions of the acquisition agreement.

### (d) Cognite AS (“Cognite”)

On February 8, 2022, Saudi Aramco, through its wholly owned subsidiary, Aramco Overseas Company B.V. (“AOC B.V.”), acquired a 7.37% ownership interest in Cognite for SAR 443. Cognite was formed on December 19, 2016 as a private limited liability company under the laws of Norway, to provide software and industrial internet of things (“IIoT”) services to industrial companies.

## 18. Dividends

Dividends declared and paid on ordinary shares are as follows:

	1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021	SAR per share	
			1 <sup>st</sup> quarter 2022	1 <sup>st</sup> quarter 2021
Quarter:				
March <sup>1</sup>	70,331	70,325	0.35	0.35
Total dividends declared and paid	70,331	70,325	0.35	0.35
Dividends declared on May 13, 2022 and May 3, 2021 <sup>2,3</sup>	70,335	70,325	0.32	0.35

1. Dividends of SAR 70,331 paid in 2022 relate to 2021 results. Dividends of SAR 70,325 paid in 2021 relate to 2020 results.

2. The condensed consolidated interim financial report does not reflect a dividend to shareholders of approximately SAR 70,335, which was approved in May 2022 (May 2021: SAR 70,325). This dividend will be deducted from unappropriated retained earnings in the year ending December 31, 2022 and relates to results for the three-month period ended March 31, 2022.

3. Dividend per share of SAR 0.32, declared on May 13, 2022, reflects the effect of the issuance of the bonus shares as described below.

On May 12, 2022, after obtaining necessary approvals from the competent authorities, the Extraordinary General Assembly ("EGA") approved the increase of the Company's share capital by SAR 15,000 and the commensurate increase of the number of the Company's issued ordinary shares by 20 billion without par value. Such increase was effected through capitalization of the Company's retained earnings. Each shareholder will be granted one (1) bonus share for every ten (10) shares owned.

Accordingly, earnings per share for the three-month periods ended March 31, 2022 and 2021 have been calculated by retrospectively adjusting the weighted average number of outstanding shares to reflect the effect of the issuance of the above bonus shares.

## 19. Events after the reporting period

### (a) Revolving credit facilities

On April 4, 2022, the Company entered into a five-year common terms agreement to renew certain unsecured revolving credit facilities aggregating to SAR 37,500 (\$10,000). The new facilities comprise USD denominated conventional facilities of SAR 30,000 (\$8,000) and a SAR denominated Shari'a compliant Murabaha facility of SAR 7,500 (\$2,000). The conventional facilities also incorporate a SAR 7,500 (\$2,000) swingline sublimit facility in support of the Company's establishment of a U.S. commercial paper program. The common terms agreement provides the framework and common lending terms for the facilities and the Company has the option of up to two extensions of one year each. The Company shall apply all amounts advanced to it under these facilities for general corporate purposes and towards its general working capital requirements. No amounts have been drawn against these facilities as at the date of the condensed consolidated interim financial report.

### (b) Scientific Design

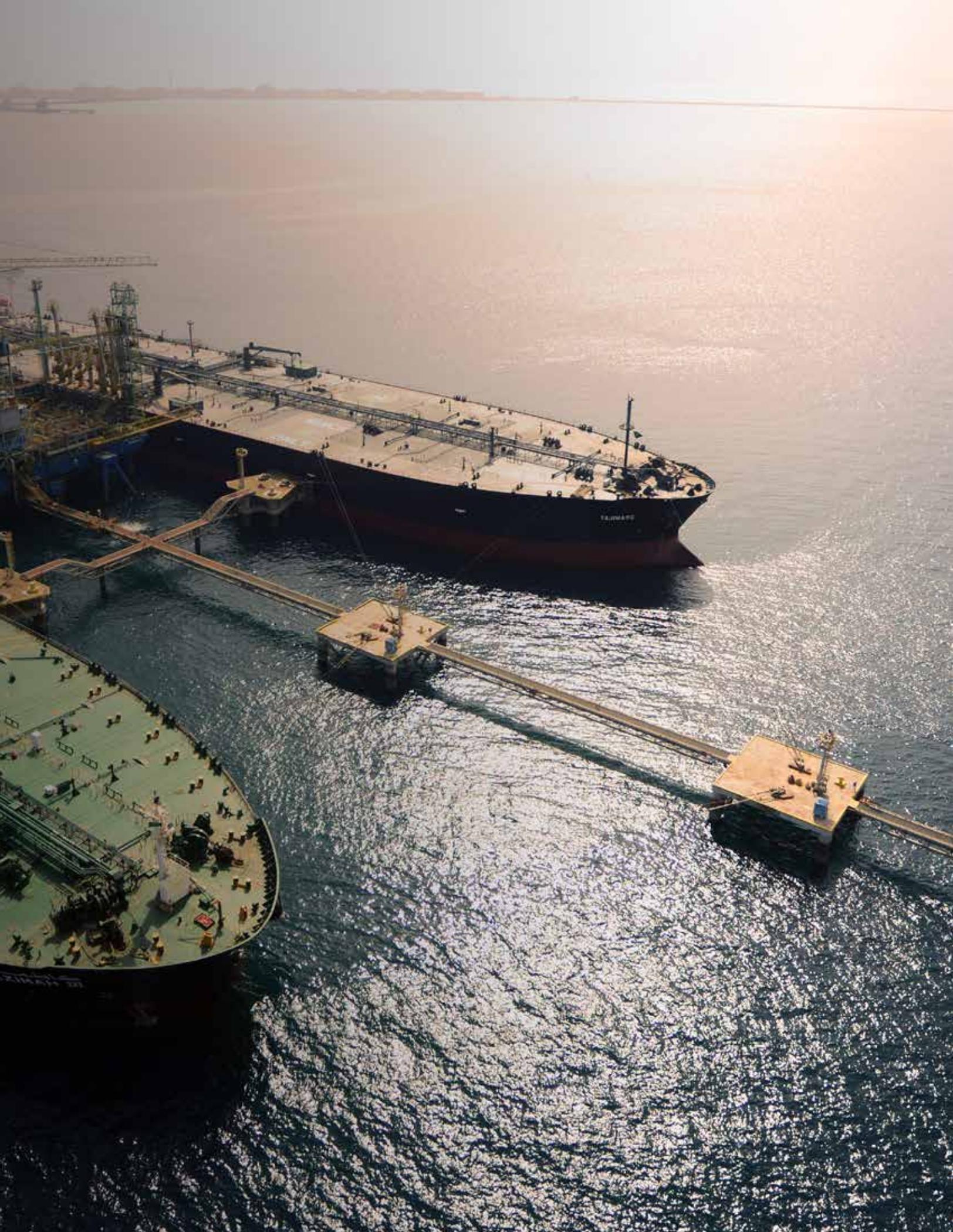
On April 14, 2022, SABIC announced the completion of the purchase of Clariant AG's ("Clariant") 50% equity interest in a specialties company, Scientific Design, which is a leading licensor of high-performance process technologies and a catalysts producer. This transaction gives SABIC full ownership of Scientific Design, which was an equally owned joint venture between SABIC and Clariant.



# 3

## Non-IFRS measures reconciliations and additional information

Non-IFRS measures reconciliations and definitions.....	32
Terms and abbreviations.....	35
Glossary.....	36
Disclaimer.....	37



## Non-IFRS measures reconciliations and definitions

This Interim Report includes certain non-IFRS financial measures (ROACE, free cash flow, gearing and EBIT) which Aramco uses to make informed decisions about its financial position and operating performance or liquidity. These non-IFRS financial measures have been included in this Interim Report to facilitate a better understanding of Aramco's historical trends of operation and financial position.

Aramco uses non-IFRS financial measures as supplementary information to its IFRS based operating performance and financial position.

The non-IFRS financial measures are not defined by, or presented in accordance with, IFRS. The non-IFRS financial measures are not measurements of Aramco's operating performance or liquidity under IFRS and should not be used instead of, or considered as alternatives to, any measures of performance or liquidity under IFRS. The non-IFRS financial measures relate to the reporting periods described in this Interim Report and are not intended to be predictive of future results. In addition, other companies, including those in Aramco's industry, may calculate

similarly titled non-IFRS financial measures differently from Aramco. Because companies do not necessarily calculate these non-IFRS financial measures in the same manner, Aramco's presentation of such non-IFRS financial measures may not be comparable to other similarly titled non-IFRS financial measures used by other companies.

### ROACE

ROACE measures the efficiency of Aramco's utilization of capital. Aramco defines ROACE as net income before finance costs, net of income taxes and zakat, as a percentage of average capital employed, calculated on a 12-month rolling basis. Average capital employed is the average of total borrowings plus total equity at the beginning and end of the applicable period. Aramco utilizes ROACE to evaluate management's performance and

demonstrate to its shareholders that capital has been used effectively.

average capital employed during the period.

ROACE for the first quarter ended March 31, 2022, was 27.2%, compared to 14.2% for the same period in 2021. The increase in ROACE was primarily driven by higher earnings, mainly reflecting stronger crude oil prices and volumes sold, and improved downstream margins. This was partially offset by higher

	Twelve months ended March 31			
	SAR		USD*	
	2022	2021	2022	2021
All amounts in millions unless otherwise stated				
Net income	478,982	202,725	127,728	54,059
Finance costs, net of income taxes and zakat	5,884	5,802	1,569	1,548
<b>Net income before finance costs, net of income taxes and zakat</b>	<b>484,866</b>	<b>208,527</b>	<b>129,297</b>	<b>55,607</b>
<b>As at period start:</b>				
Non-current borrowings	472,308	154,466	125,949	41,191
Current borrowings	66,528	30,783	17,740	8,209
Total equity	1,123,509	1,079,539	299,603	287,877
<b>Capital employed</b>	<b>1,662,345</b>	<b>1,264,788</b>	<b>443,292</b>	<b>337,277</b>
<b>As at period end:</b>				
Non-current borrowings	410,412	472,308	109,443	125,949
Current borrowings	71,141	66,528	18,970	17,740
Total equity	1,426,846	1,123,509	380,492	299,603
<b>Capital employed</b>	<b>1,908,399</b>	<b>1,662,345</b>	<b>508,905</b>	<b>443,292</b>
<b>Average capital employed</b>	<b>1,785,372</b>	<b>1,463,567</b>	<b>476,099</b>	<b>390,285</b>
<b>ROACE</b>	<b>27.2%</b>	<b>14.2%</b>	<b>27.2%</b>	<b>14.2%</b>

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

## Free cash flow

Aramco uses free cash flow to evaluate its cash available for financing activities, including dividend payments. Aramco defines free cash flow as net cash provided by operating activities less capital expenditures.

Free cash flow for the first quarter of 2022 was SAR 114,856 (\$30,628), compared to

SAR 68,549 (\$18,279) for the same quarter in 2021, an increase of SAR 46,307 (\$12,349). This was largely due to higher operating cash flow, mainly driven by higher earnings, partially offset by higher cash paid for the settlement of income, zakat and other taxes, and unfavorable movements in working capital. Capital expenditures decreased by

SAR 2,315 (\$617) in the first quarter of 2022, compared to the same period in 2021, principally due to lower Upstream capital expenditures.

All amounts in millions unless otherwise stated	First quarter ended March 31			
	SAR		USD*	
	2022	2021	2022	2021
Net cash provided by operating activities	143,291	99,299	38,211	26,479
Capital expenditures	(28,435)	(30,750)	(7,583)	(8,200)
<b>Free cash flow</b>	<b>114,856</b>	<b>68,549</b>	<b>30,628</b>	<b>18,279</b>

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

## Gearing

Gearing is a measure of the degree to which Aramco's operations are financed by debt. Aramco defines gearing as the ratio of net debt (total borrowings less cash and cash equivalents) to net debt plus total equity. Management believes that gearing is widely used by analysts and investors in the oil and

gas industry to indicate a company's financial health and flexibility.

Aramco's gearing ratio as at March 31, 2022, was 8.0%, compared to 14.2% as at December 31, 2021. The decrease in gearing was a result of higher cash and cash equivalents primarily

attributable to stronger operating cash flows and cash proceeds in connection with Aramco's gas pipeline transaction, and an increase in total equity mainly driven by improved earnings.

All amounts in millions unless otherwise stated	SAR		USD*	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	Total borrowings (current and non-current)	481,553	510,921	128,413
Cash and cash equivalents	(357,870)	(299,579)	(95,432)	(79,888)
<b>Net debt</b>	<b>123,683</b>	<b>211,342</b>	<b>32,981</b>	<b>56,358</b>
Total equity	1,426,846	1,280,668	380,492	341,512
<b>Total equity and net debt</b>	<b>1,550,529</b>	<b>1,492,010</b>	<b>413,473</b>	<b>397,870</b>
<b>Gearing</b>	<b>8.0%</b>	<b>14.2%</b>	<b>8.0%</b>	<b>14.2%</b>

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

## Earnings before interest, income taxes and zakat (EBIT)

Aramco defines EBIT as net income plus finance costs and income taxes and zakat, less finance income. Aramco believes EBIT provides useful information regarding its financial performance to analysts and investors.

EBIT for the first quarter ended March 31, 2022, was SAR 279,565 (\$74,550), compared to SAR 153,680 (\$40,982) during the same quarter in 2021. This increase of SAR 125,885 (\$33,568) primarily reflects the impact of

higher crude oil prices and volumes sold and improved downstream margins, partly offset by an increase in production royalties.

All amounts in millions unless otherwise stated	First quarter ended March 31			
	SAR		USD*	
	2022	2021	2022	2021
Net income	148,026	81,440	39,473	21,717
Finance income	(585)	(323)	(156)	(86)
Finance costs	2,333	2,623	622	700
Income taxes and zakat	129,791	69,940	34,611	18,651
<b>Earnings before interest, income taxes and zakat</b>	<b>279,565</b>	<b>153,680</b>	<b>74,550</b>	<b>40,982</b>

\* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

# Terms and abbreviations

## Currencies

### SAR/Saudi Riyal

Saudi Arabian riyal, the lawful currency of the Kingdom

### \$/USD/Dollar

U.S. dollar

## Units of measurement

### Barrel (bbl)

Barrels of crude oil, condensate or refined products

### boe

Barrels of oil equivalent

### bpd

Barrels per day

### bscf

Billion standard cubic feet

### bscfd

Billion standard cubic feet per day

### GW

Gigawatts

### mboed

Thousand barrels of oil equivalent per day

### mbpd

Thousand barrels per day

### mmbbl

Million barrels

### mmboe

Million barrels of oil equivalent

### mmboed

Million barrels of oil equivalent per day

### mmbpd

Million barrels per day

### mmBTU

Million British thermal units

### mmscf

Million standard cubic feet

### mmscfd

Million standard cubic feet per day

### mmtpa

Million metric tonnes per annum

### per day

Volumes are converted into a daily basis using a calendar year (Gregorian)

### scf

Standard cubic feet

### tscf

Trillion standard cubic feet

## Technical terms

### CO<sub>2</sub>

Carbon dioxide.

### Condensate

Light hydrocarbon substances produced with raw gas which condenses into liquid at normal temperatures and pressures associated with surface production equipment.

### Greenhouse gas (GHG) emissions

Any gaseous compound in the atmosphere that is capable of absorbing infrared radiation. Generally, consists of water vapor, CO<sub>2</sub>, methane, nitrous oxide, hydro fluorocarbons, perfluorocarbons and sulfur hexafluoride. Aramco's inventory includes CO<sub>2</sub>, methane and nitrous oxide.

### Hydrocarbons

Crude oil and other hydrogen and carbon compounds in liquid or gaseous state.

### Liquids

Crude oil, condensate and NGL.

### Natural gas

Dry gas produced at Aramco's gas plants and sold within the Kingdom.

### NGL

Natural gas liquids, which are liquid or liquefied hydrocarbons produced in the manufacture, purification and stabilization of natural gas. For purposes of reserves, ethane is included in NGL. For purposes of production, ethane is reported separately and excluded from NGL.

### Reliability

Total products volume shipped/delivered within 24 hours of the scheduled time, divided by the total products volume committed. Any delays caused by factors that are under the Company's control (e.g. terminal, pipeline, stabilization, or production) negatively affect the score, whereas delays caused by conditions that are beyond the Company's control, such as adverse weather, are not considered. A score of less than 100 percent indicates there were issues that negatively impacted reliability.

### Scope 1 GHG emissions

Direct emissions, which include GHG emissions from onsite fuel combustion, flaring, venting and fugitive emissions.

### Scope 2 GHG emissions

Indirect emissions, which account for GHG emissions from offsite power generation including electricity and steam.

## Glossary

### **Associate**

As defined by IFRS, means an entity over which the Company has significant influence but does not control, generally reflected by a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

### **Company**

Saudi Arabian Oil Company.

### **Control**

As defined by IFRS, a company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

### **COVID-19**

The coronavirus disease 2019.

### **Domestic**

Refers to the Kingdom of Saudi Arabia.

### **EBIT**

Earnings (losses) before interest, income taxes and zakat.

### **General Assembly**

Any Ordinary General Assembly or Extraordinary General Assembly.

### **Government**

The Government of the Kingdom (and "Governmental" shall be interpreted accordingly).

### **H**

Hijri calendar.

### **IAS**

International Accounting Standard(s).

### **IFRS**

International Financial Reporting Standard(s) that are endorsed in the Kingdom and other standards and pronouncements endorsed by SOCPA.

### **iktva**

In-Kingdom total value add.

### **Joint arrangement**

As defined by IFRS, refers to either a joint operation or a joint venture.

### **Joint operation**

As defined by IFRS, arises where the investors have rights to the assets and obligations for the liabilities of a joint arrangement.

### **Joint venture**

As defined by IFRS, means a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

### **Kingdom**

Kingdom of Saudi Arabia.

### **PIF**

Public Investment Fund of Saudi Arabia.

### **ROACE**

Return on average capital employed.

### **SABIC**

Saudi Basic Industries Corporation.

### **Saudi Aramco/Aramco**

Saudi Arabian Oil Company, together with its consolidated subsidiaries, and where the context requires, its joint operations, joint ventures and associates.

Any reference to "us", "we" or "our" refers to Saudi Aramco/Aramco except where otherwise stated.

Unless otherwise stated, the text does not distinguish between the activities and operations of the Company and those of its subsidiaries.

### **Shareholder**

Any holder of shares.

### **SOCPA**

Saudi Organization for Chartered and Professional Accountants.

# Disclaimer

This Interim Report may contain certain forward-looking statements with respect to Aramco's financial position, results of operations and business and certain of Aramco's plans, intentions, expectations, assumptions, goals and beliefs regarding such items. These statements include all matters that are not historical fact and generally, but not always, may be identified by the use of words such as "believes", "expects", "are expected to", "anticipates", "intends", "estimates", "should", "will", "shall", "may", "is likely to", "plans", "outlook" or similar expressions, including variations and the negatives thereof or comparable terminology.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance and that Aramco's actual financial position, results of operations and business and the development of the industries in which it operates may differ significantly from those made in or suggested by these forward-looking statements. In addition, even if Aramco's financial position, results of operations and business and the development of the industries in which it operates are consistent with these forward-looking statements, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from Aramco's expectations are contained in cautionary statements in this Interim Report and include, among other things, the following:

- Supply, demand and price fluctuations with respect to oil and gas, and Aramco's other products;
- Global economic market conditions;
- Natural disasters and public health pandemics or epidemics (such as COVID-19), and weather conditions (including those associated with climate change);
- Competition in the industries in which Aramco operates;
- Climate change concerns and related impacts on the global demand for hydrocarbons and hydrocarbon-based products;
- Conditions affecting the transportation of products;
- Operational risk and hazards common in the oil and gas, refining and petrochemicals industries;
- The cyclical nature of the oil and gas, refining and petrochemicals industries;

- Terrorism and armed conflict, political and social instability and unrest, and actual or potential armed conflicts in the MENA region and other areas;
- Managing Aramco's growth and risks related to its strategic growth objectives;
- Risks in connection with projects under development and recent and future acquisitions and joint ventures, including with respect to SABIC;
- Aramco's dependence on the reliability and security of its IT systems;
- Managing Aramco's subsidiaries, joint operations, joint ventures, associates and entities in which it holds a minority interest;
- Aramco's exposure to interest rate risk and foreign exchange risk;
- Risks related to operating in a regulated industry and changes to oil, gas, environmental or other regulations that impact the industries in which Aramco operates;
- Risks related to litigation, including international trade litigation, disputes or agreements; and
- Risks related to the Kingdom.

## Disclaimer – Risk Factors

For a discussion of our risk factors, please see Aramco's Annual Report 2021, available through the investor relations section of Aramco's website at [www.aramco.com/en/investors/reports-and-presentations](http://www.aramco.com/en/investors/reports-and-presentations).

We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Interim Report.

Aramco's financial information herein has been extracted from Aramco's condensed consolidated interim financial report for the three-month period ended March 31, 2022, which is prepared and presented in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

In addition, this document includes certain "non-IFRS financial measures." These measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of Aramco's results of operations, cash flow and financial position from management's perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of Aramco's financial information reported under IFRS.

A reconciliation of non-IFRS measures is included in the Non-IFRS measures reconciliations and definitions section of this Interim Report.

## About Aramco

Aramco, headquartered in the city of Dhahran, is one of the world's largest integrated energy and chemicals companies; its Upstream operations are primarily based in the Kingdom of Saudi Arabia while the Downstream business is global.

[www.aramco.com/investors](http://www.aramco.com/investors)

**International media:**  
[international.media@aramco.com](mailto:international.media@aramco.com)

**Domestic media:**  
[domestic.media@aramco.com](mailto:domestic.media@aramco.com)

**Investor relations:**  
[investor.relations@aramco.com](mailto:investor.relations@aramco.com)