



# SAUDI BASIC INDUSTRIES CORPORATION (SABIC) AND ITS SUBSIDIARIES

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD AND YEAR ENDED 31 DECEMBER 2021 AND  
INDEPENDENT AUDITOR'S REVIEW REPORT



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**Independent auditor's review report on the interim condensed consolidated financial statements to the shareholders of Saudi Basic Industries Corporation (SABIC)**  
**(A Saudi Joint Stock Company)**

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Saudi Basic Industries Corporation ("SABIC") and its subsidiaries (collectively with SABIC referred to as "the Group") as at 31 December 2021, and the related interim condensed consolidated statements of income and comprehensive income for the three-month period and year ended 31 December 2021, and the related interim condensed consolidated statement of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

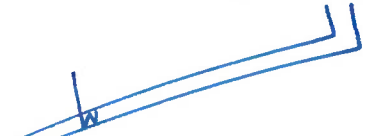
**Scope of Review**

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" endorsed in the Kingdom of Saudi Arabia. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

  
Fahad M. Al-Toaimi  
Certified Public Accountant  
License No. (354)

Riyadh: 1 Rajab 1443H  
(2 February 2022)



## Interim condensed consolidated statement of financial position

(All amounts in Saudi Riyals '000 unless otherwise stated)

	Notes	As at 31 December 2021	As at 31 December 2020
<b>ASSETS</b>			
<b>Non-current assets:</b>			
Property, plant and equipment		130,998,296	136,179,720
Right-of-use assets		6,224,021	5,623,854
Intangible assets		19,856,510	20,662,197
Investments in associates and joint ventures		42,049,601	40,578,670
Other non-current assets and receivables	5	11,408,517	11,031,457
<b>Total non-current assets</b>		<b>210,536,945</b>	<b>214,075,898</b>
<b>Current assets:</b>			
Inventories		28,673,686	19,311,198
Trade receivables		26,375,546	16,927,713
Prepayments and other current assets		5,808,584	6,141,597
Short-term investments		5,066,554	5,855,928
Cash and bank balances		41,404,207	33,156,216
<b>Total current assets</b>		<b>107,328,577</b>	<b>81,392,652</b>
<b>TOTAL ASSETS</b>		<b>317,865,522</b>	<b>295,468,550</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to equity holders of the Parent		179,844,888	167,626,374
Non-controlling interests		31,665,556	26,610,751
<b>Total equity</b>		<b>211,510,444</b>	<b>194,237,125</b>
<b>Non-current liabilities:</b>			
Long-term debt and lease liabilities		32,153,761	37,996,470
Employee benefits		18,616,456	19,655,985
Provisions and other non-current liabilities	6	6,568,189	6,086,060
<b>Total non-current liabilities</b>		<b>57,338,406</b>	<b>63,738,515</b>
<b>Current liabilities:</b>			
Short-term borrowings, current portion of long-term debt and lease liabilities		6,254,718	7,989,565
Trade payables and other current liabilities		42,761,954	29,503,345
<b>Total current liabilities</b>		<b>49,016,672</b>	<b>37,492,910</b>
<b>Total liabilities</b>		<b>106,355,078</b>	<b>101,231,425</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>317,865,522</b>	<b>295,468,550</b>

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Vice Chairman & CEO



Authorised Board of Directors Member

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

## Interim condensed consolidated statement of income

(All amounts in Saudi Riyals '000 unless otherwise stated)

	For the three months period ended 31 December		For the year ended 31 December	
	2021	2020	2021	2020
Revenue	51,276,491	32,841,642	174,924,275	116,949,287
Cost of sales	(37,160,370)	(24,712,515)	(123,775,195)	(94,311,132)
<b>Gross profit</b>	<b>14,116,121</b>	<b>8,129,127</b>	<b>51,149,080</b>	<b>22,638,155</b>
General and administrative expenses	(2,933,184)	(2,409,239)	(10,394,769)	(9,771,400)
Selling and distribution expenses	(3,377,763)	(2,436,073)	(10,715,491)	(9,301,800)
	<b>7,805,174</b>	<b>3,283,815</b>	<b>30,038,820</b>	<b>3,564,955</b>
Share of results of integral joint ventures	829,439	506,521	3,280,935	1,008,982
<b>Income from operations</b>	<b>8,634,613</b>	<b>3,790,336</b>	<b>33,319,755</b>	<b>4,573,937</b>
Share of results of non-integral joint ventures and associates	913,267	232,863	2,333,440	66,071
Finance income	75,302	89,533	292,446	569,106
Finance cost	(1,077,365)	(513,856)	(2,286,599)	(1,860,667)
	<b>(1,002,063)</b>	<b>(424,323)</b>	<b>(1,994,153)</b>	<b>(1,291,561)</b>
Other (expense) income, net	(96,656)	(142,886)	415,958	(71,190)
<b>Income before zakat and income tax</b>	<b>8,449,161</b>	<b>3,455,990</b>	<b>34,075,000</b>	<b>3,277,257</b>
Zakat expense	(526,824)	(187,845)	(1,960,393)	(1,682,560)
Income tax expense, net	(303,114)	(458,018)	(1,625,813)	(338,468)
<b>Net income for the period</b>	<b>7,619,223</b>	<b>2,810,127</b>	<b>30,488,794</b>	<b>1,256,229</b>
<b>Attributable to:</b>				
Equity holders of the Parent	4,933,535	2,248,222	23,033,722	66,825
Non-controlling interests	2,685,688	561,905	7,455,072	1,189,404
	<b>7,619,223</b>	<b>2,810,127</b>	<b>30,488,794</b>	<b>1,256,229</b>
<b>Basic and diluted earnings per share (Saudi Riyals):</b>				
Earnings per share from net income attributable to equity holders of the Parent	<b>1.64</b>	<b>0.75</b>	<b>7.68</b>	<b>0.02</b>

  
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Authorised Board of Directors Member

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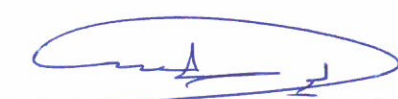
## Interim condensed consolidated statement of comprehensive income

(All amounts in Saudi Riyals '000 unless otherwise stated)

	For the three months period ended 31 December		For the year ended 31 December	
	2021	2020	2021	2020
Net income for the period	7,619,223	2,810,127	30,488,794	1,256,229
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified to the consolidated statement of income (net of tax):</i>				
- Re-measurement gain (loss) on defined benefit plans and others	797,088	(1,633,417)	1,480,839	(3,126,741)
- Share of other comprehensive income (loss) of associates and joint ventures	123,736	(108,305)	266,487	(174,727)
<i>Items that will be reclassified to the consolidated statement of income (net of tax):</i>				
- Exchange difference on translation of foreign operations and others	(436,724)	1,042,010	(1,687,157)	1,625,205
- Share of other comprehensive income (loss) of associates and joint ventures	187,825	792,919	(347,082)	1,133,351
<b>Movement of other comprehensive income (loss)</b>	671,925	93,207	(286,913)	(542,912)
<b>Total comprehensive income for the period</b>	8,291,148	2,903,334	30,201,881	713,317
<b>Attributable to:</b>				
Equity holders of the Parent	5,485,444	2,586,005	22,561,335	(2,110)
Non-controlling interests	2,805,704	317,329	7,640,546	715,427
	8,291,148	2,903,334	30,201,881	713,317



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## Interim condensed consolidated statement of changes in equity

(All amounts in Saudi Riyals '000 unless otherwise stated)

	Attributable to the equity holders of the Parent					
	Share capital	Statutory reserve	General reserve	Other reserves	Retained earnings	Non-controlling interests
Balance as at 1 January 2020	30,000,000	15,000,000	110,889,032	(3,265,084)	26,097,576	28,091,139
Net income	-	-	-	-	66,825	1,189,404
Other comprehensive loss	-	-	-	(68,935)	-	(473,977)
Total comprehensive (loss) income	-	-	-	(68,935)	66,825	715,427
Acquisition of non-controlling interests	-	-	-	-	6,960	101,708
Dividends and others	-	-	-	-	(11,100,000)	(2,297,523)
Balance as at 31 December 2020	30,000,000	15,000,000	110,889,032	(3,334,019)	15,071,361	26,610,751
Balance as at 1 January 2021	30,000,000	15,000,000	110,889,032	(3,334,019)	15,071,361	26,610,751
Net income	-	-	-	-	23,033,722	7,455,072
Other comprehensive (loss) income	-	-	-	(472,387)	-	185,474
Total comprehensive (loss) income	-	-	-	(472,387)	23,033,722	7,640,546
Changes in shareholdings of subsidiaries (Note 4.1)	-	-	-	-	(1,016,196)	1,016,196
Derecognition of forward contract (Note 6)	-	-	-	-	423,375	-
Dividends and others	-	-	-	-	(9,750,000)	(3,601,937)
Balance as at 31 December 2021	30,000,000	15,000,000	110,889,032	(3,806,406)	27,762,262	31,665,556

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## Interim condensed consolidated statement of cash flows

(All amounts in Saudi Riyals '000 unless otherwise stated)

	For the year ended 31 December 2021	For the year ended 31 December 2020
<b>Operating activities:</b>		
Income before zakat and income tax	34,075,000	3,277,257
<i>Adjustments to reconcile income before zakat and income tax to net cash from operating activities:</i>		
- Depreciation, amortisation and impairment	14,947,182	15,642,577
- Finance costs	1,116,037	1,030,968
- Share of results of non-integral joint ventures and associates	(2,333,440)	(66,071)
- Provisions and other movements, net	322,847	874,490
<i>Changes in operating assets and liabilities:</i>		
Decrease (increase) in other non-current assets	1,768,387	(3,332,583)
Working capital changes	(10,539,678)	4,887,346
Increase in net employee benefits obligations	854,532	1,231,649
Other assets and liabilities changes	3,263,019	2,374,284
<b>Cash from operations</b>	<b>43,473,886</b>	<b>25,919,917</b>
Finance cost paid	(1,036,072)	(1,034,687)
Zakat and income tax paid	(2,133,371)	(2,739,313)
<b>Net cash from operating activities</b>	<b>40,304,443</b>	<b>22,145,917</b>
<b>Investing activities:</b>		
Purchase of tangible and intangible assets	(11,562,519)	(13,255,646)
Short-term investments, net	702,836	(812,626)
Investments in associates and joint ventures, net	504,037	(791,950)
Other assets movements	305,960	896,570
<b>Net cash used in investing activities</b>	<b>(10,049,686)</b>	<b>(13,963,652)</b>
<b>Financing activities:</b>		
Proceeds from debt	486,242	6,600,182
Proceeds against acquisition of non-controlling interests	1,687,500	1,687,500
Debt and lease repayments	(6,427,699)	(9,011,924)
Dividends to shareholders and non-controlling interests	(13,512,111)	(13,800,622)
<b>Net cash used in financing activities</b>	<b>(17,766,068)</b>	<b>(14,524,864)</b>
Net increase (decrease) in cash and cash equivalents	12,488,689	(6,342,599)
Net foreign exchange loss on cash and cash equivalents	(36,297)	(11,250)
Cash and cash equivalents at the beginning of the period	28,938,469	35,292,318
<b>Cash and cash equivalents at the end of the period</b>	<b>41,390,861</b>	<b>28,938,469</b>
Cash and bank balances	41,404,207	33,156,216
Less: bank overdrafts	(13,346)	(4,217,747)
<b>Cash and cash equivalents</b>	<b>41,390,861</b>	<b>28,938,469</b>

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Authorised Board of Directors Member

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



## Notes to the interim condensed consolidated financial statements

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 1. Corporate information

Saudi Basic Industries Corporation ("SABIC" or "the Parent") is a Saudi Joint Stock Company established pursuant to Royal Decree Number M/66 dated 13 Ramadan 1396H (corresponding to 6 September 1976) registered in Riyadh under commercial registration No. 1010010813 dated 14 Muharram 1397H (corresponding to 4 January 1977). The registered office is located at Qurtubah district, P.O. Box 5101, Riyadh 11422, Kingdom of Saudi Arabia ("KSA").

Saudi Arabian Oil Co. ("Saudi Aramco") owns 70% of SABIC through one of its subsidiaries, "Aramco Chemicals Company". The other 30% ownership is held by the private sector.

SABIC and its subsidiaries (collectively the "Group") are engaged in the manufacturing, marketing and distribution of chemicals, polymers, plastics, agri-nutrients, and metal products in global markets.

The interim condensed consolidated financial statements of the Group for the three months period and year ended 31 December 2021 were authorised for issue in accordance with a resolution of the Board of Directors on 2 February 2022.

### 2. Basis of preparation

These interim condensed consolidated financial statements for the three months and year ended 31 December 2021 have been prepared in accordance with International Accounting Standard 34 '*Interim Financial Reporting*' ("IAS 34") as endorsed in the KSA and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should therefore be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2020.

An interim period is considered as 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.

Certain prior period's figures have been reclassified to conform to the current period's presentation.

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 3. Summary of significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparing the Group's annual consolidated financial statements for the year ended 31 December 2020.

#### 3.1 Amendments to IFRS

The following amendments to IFRS are relevant for SABIC and have been applied by the Group since 1 January 2021:

- Early adopting the amendments to IAS 16 *'Property, Plant and Equipment: Proceeds before Intended Use'*, which prohibits entities from deducting from the cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. The amendment is required to be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendment did not have an impact for the Group on the comparatives, as no projects were commissioned where proceeds were deducted from the cost of property, plant and equipment.
- *'Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16'*: The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:
  - A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as *changes* to a floating interest rate, equivalent to a movement in a market rate of interest.
  - Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
  - Provide temporary relief to entities from having to meet the separately identifiable requirement when a RFR instrument is designated as a hedge of a risk component.

These amendments have no impact on these interim condensed consolidated financial statements of the Group, as the Group:

- Does not have floating interest rate nominated loans or derivatives, except for the ones that are USD LIBOR based. The RFR for these will become available by mid-2023 and therefore, no reliable estimate can be made for the impact of the result of future negotiations.
- Applies its Incremental Borrowing Rates (IBR) to discount leases, which are not derived or IBOR based
- Has no significant insurance contracts subject to any IBOR referred rate

The Group intends to use the practical expedients in future periods if they become applicable.

The Group has not early adopted any new standard, interpretation or amendment that have been issued but which are not yet effective, except for the amendment to IAS 16 *'Property, Plant and Equipment: Proceeds before Intended Use'* as explained above.

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 4. Significant matters during the period

#### 4.1. Changes in shareholding of subsidiaries

- On 4 January 2021 (corresponding to 20 Jamad'ul Awwal 1442H), SABIC Agri-Nutrients Company (formally Saudi Arabian Fertilizer Company or "SAFCO") acquired 100% of the issued share capital of SABIC Agri-Nutrients Investment Company ("SANIC") from SABIC. The total value of shares in SANIC is set at SR 4,808,867,778, the consideration paid for which 59,368,738 ordinary shares in SAFCO were issued to SABIC valued at SR 81 per share thereby increasing the ownership by SABIC of SAFCO from 42.99% to 50.10%. Under the terms of the transaction, the settlement of working capital and net debt at SANIC since the transaction reference date, amounted to SR 1.81 million. This transaction has been recognised as a pooling of interest transaction and impact has been recognised in the retained earnings. The accounting impact of the transaction can be summarised as follows:

Fair value of consideration transferred to SAFCO	4,808,868
Equity movement of SANIC till date of closing	56,823
Net consideration transferred to SAFCO	4,865,691
Less: increase in net assets	(2,133,444)
Less: reversal of pooling of interest result	(1,765,442)
Net loss to the shareholders of Parent company	966,805

- On 2 November 2021, SABIC disposed 17% of its interest in one of its subsidiaries, Jubail Chemicals Storage and Services Company ("Chemtank") for consideration of SR 186 million. As the disposal of shares does not result in change in control over Chemtank, the transaction is accounted for as equity transaction in these interim condensed consolidated financial statements resulting in a decrease in retained earnings due to the sale of 17% of shares in Chemtank amounting to SR 49 million. As at 31 December 2021, SABIC indirectly holds 58% shares in Chemtank. (refer to Note 6)

#### 4.2 Restructuring of asset portfolio and impairment

During the year ended 31 December 2021, an impairment charge of SR 944 million relating to plant and equipment including a provision of onerous contracts SR 158 million was recorded. The impairment mainly relates to positioning certain Petrochemical SBU assets in the European region and is driven by the Group's continuous efforts to strengthen synergies in its asset base and operating model and following ongoing changes in the market conditions and competitive environment.

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 4. Significant matters during the period (continued)

#### 4.3 COVID-19 assessment

The global economy is recovering faster than was expected at the beginning of the year, and the number of people vaccinated against COVID-19 is increasing. In addition, protective measures and contact restrictions are relaxed. Uncertainties remain, however, with the prospect of further COVID outbreaks as a result of new variants, for instance.

In response to the spread of the Covid-19 in Gulf Cooperation Council ('GCC') and other regions where the Group operates and its resulting potential disruptions to the social and economic activities in those markets, management had proactively assessed its impacts on its operations and took a series of preventive measures, including the creation of on-going crisis management teams and processes, to ensure the health and safety of its employees, customers and the wider community as well as to ensure the continuity of supply of its products throughout its markets. Further, management has implemented active prevention programs at its sites and contingency plans in order to minimize the impact of risks related to COVID-19 and to safeguard the continuity of its business operations.

Based on this assessment, no significant adjustments were required in the interim condensed consolidated financial statements for the year ended 31 December 2021.

The COVID-19 pandemic remains an evolving situation, which may lead to increased risks concerning value creation and asset valuation, such as potential impairment of non-current assets, trade accounts receivable and inventories. The uncertainties in the global economy may adversely impact suppliers, customers, and other business partners, which may interrupt our supply chain, limit the ability to collect receivables and require other changes to operations. Management will continue to closely monitor the effects of the pandemic, including the impact on non-current assets, inventory valuations, and trade accounts receivable during 2022 and beyond.

### 5. Other non-current assets and receivables

	As at 31 December 2021	As at 31 December 2020
Employee advances	4,770,732	3,326,950
Financial assets - option rights	2,389,875	1,863,375
Receivables from related parties	2,077,931	2,237,956
Investments in debt instruments	759,977	1,019,942
Deferred tax assets	565,092	1,028,753
Investments in equity instruments and funds	283,030	781,494
Finance lease receivable	187,560	251,653
Others	374,320	521,334
	<b>11,408,517</b>	<b>11,031,457</b>



## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 6. Provisions and other non-current liabilities

	As at 31 December 2021	As at 31 December 2020
Financial liabilities – options and forward contracts *	3,300,827	2,685,672
Payable to related parties	1,421,535	1,581,782
Deferred tax liabilities	734,602	650,827
Provisions	870,387	891,838
Others	240,838	275,941
	<b>6,568,189</b>	<b>6,086,060</b>

\* Upon disposal of 17% of its interest in Chemtank (Note 4.1), SABIC entered into new joint venture agreement in respect of Chemtank, which resulted in expiry of forward contract under the previous joint venture agreement. As a result, SABIC has derecognized financial liability relating to the forward contract amounting to SR 423 million through equity as per the accounting policy of SABIC.

### 7. Fair value measurement

Description of valuation techniques used and key inputs to valuation of investments in equity instruments, financial assets and financial liabilities is as follows:

Valuation technique	Significant non-observable input	Range
Market approach	<ul style="list-style-type: none"> <li>Put options, forward contracts and equity instruments                             <ul style="list-style-type: none"> <li>Equity value to EBITDA multiple</li> <li>Midpoint Price to Book multiple</li> </ul> </li> <li>Call option valuation:                             <ul style="list-style-type: none"> <li>Implied volatility</li> <li>Assumed dividend yield</li> <li>Risk free rate</li> </ul> </li> </ul>	<p>5.2 to 11</p> <p>2.9</p> <p>25% to 35%</p> <p>8.7% to 12.9%</p> <p>1.5% to 2.1%</p>

The Group assessed fair value of trade receivables, short-term investments, cash and bank balances, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 8. Related party transactions and balances

The significant related party transactions and balances are broken down as follows:

	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties	Loans to related parties	Loans from related parties
	For the year ended 31 December 2021		As at 31 December 2021		As at 31 December 2021	
Associates	243,105	4,933,985	31,971	473,585	35,135	-
Joint ventures and partners*	16,173,326	24,161,514	3,370,226	6,285,441	609,375	-
Saudi Aramco and its subsidiaries**	9,630,421	32,034,949	947,233	6,285,678	-	-
	For the year ended 31 December 2020		As at 31 December 2020		As at 31 December 2020	
Associates	123,696	3,521,250	23,006	286,056	35,135	-
Joint ventures and partners*	11,948,335	17,099,294	2,912,710	5,057,505	684,375	-
Saudi Aramco and its subsidiaries [effective from 16 June]	2,669,635	8,931,962	754,666	3,873,074	-	-

\* Amount owed by and owed to related parties include current and non-current receivables and payables including amounts, in relation to Joint Operation and Production Agreements (JOPA) with certain joint ventures.

\*\* For the year ended 31 December 2021, SABIC and Saudi Aramco entered into a framework agreement, whereby, SABIC markets the petrochemical and polymers products of certain affiliates of Saudi Aramco. The purchase and sale transactions of these agreements are disclosed as related party transactions.

Transactions and balances with the entities controlled by Saudi Government can be shown as follows:

	For the three months period ended 31 December		For the year ended 31 December	
	2021	2020	2021	2020
Purchases of goods and services	1,190,282	1,149,709	5,515,383	5,631,490
Sales of goods and services	1,092,033	334,370	3,257,372	1,139,696
	As at 31 December 2021		As at 31 December 2020	
Due to entities controlled by Saudi Government	278,906		219,804	
Due from entities controlled by Saudi Government	394,928		10,174	

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 9. Segment information

For management purposes, the Group is organised into three Strategic Business Units ("SBUs") and Hadeed, a wholly owned manufacturing business, which based on its products are grouped in three reporting segments.

Based on a management decision and in line with changes in management reporting, the income, expenses, assets and liabilities relating to 'Corporate' segment, in prior years, has been allocated over the Petrochemicals & Specialties and Agri-nutrients SBUs and Hadeed according to an internally agreed consistent basis. All intercompany transactions within the reporting segments have been appropriately eliminated.

The segments' financial details are shown below:

	For the three months period ended 31 December 2021			
	Petrochemicals & Specialties	Agri-nutrients	Hadeed	Consolidated
Revenue	42,967,968	5,089,268	3,219,255	51,276,491
Depreciation, amortisation and impairment	(3,795,835)	(322,419)	(301,266)	(4,419,520)
Income from operations	5,454,825	3,138,162	41,626	8,634,613
Share of results of non-integral joint ventures and associates	411,647	501,620	-	913,267
Finance cost, net				(1,002,063)
Other expenses, net				(96,656)
Income before zakat and income tax				8,449,161

	For the three months period ended 31 December 2020			
	Petrochemicals & Specialties	Agri-nutrients	Hadeed	Consolidated
Revenue	28,607,569	1,706,630	2,527,443	32,841,642
Depreciation, amortisation and impairment	(2,426,808)	(203,229)	(278,162)	(2,908,199)
Income (loss) from operations	3,787,947	355,131	(352,742)	3,790,336
Share of results of non-integral joint ventures and associates	114,303	118,560	-	232,863
Finance cost, net				(424,323)
Other expenses, net				(142,886)
Income before zakat and income tax				3,455,990

	For the year ended 31 December 2021			
	Petrochemicals & Specialties	Agri-nutrients	Hadeed	Consolidated
Revenue	149,964,317	12,149,346	12,810,612	174,924,275
Depreciation, amortisation and impairment	(12,854,537)	(956,405)	(1,136,240)	(14,947,182)
Income from operations	27,360,359	5,561,980	397,416	33,319,755
Share of results of non-integral joint ventures and associates	1,402,301	931,139	-	2,333,440
Finance cost, net				(1,994,153)
Other income, net				415,958
Income before zakat and income tax				34,075,000

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 9. Segment information (continued)

	For the year ended 31 December 2020			
	Petrochemicals & Specialties	Agri-nutrients	Hadeed	Consolidated
Revenue	100,637,849	6,790,184	9,521,254	116,949,287
Depreciation, amortisation and impairment	(13,664,755)	(829,723)	(1,148,099)	(15,642,577)
Income (loss) from operations	4,433,442	1,673,708	(1,533,213)	4,573,937
Share of results of non-integral joint ventures and associates	79,184	(13,113)	-	66,071
Finance cost, net				(1,291,561)
Other expenses, net				(71,190)
Income before zakat and income tax				3,277,257

	As at 31 December 2021			
	Petrochemicals & Specialties	Agri-nutrients	Hadeed	Consolidated
Total assets	286,491,046	13,205,006	18,169,470	317,865,522
Total liabilities	97,665,724	2,199,082	6,490,272	106,355,078

	As at 31 December 2020			
	Petrochemicals & Specialties	Agri-nutrients	Hadeed	Consolidated
Total assets	266,750,886	12,213,908	16,503,756	295,468,550
Total liabilities	93,463,651	2,507,673	5,260,101	101,231,425

### Geographical distribution of revenue

	For the three months period ended 31 December 2021		For the three months period ended 31 December 2020	
KSA	8,562,434	17%	5,490,541	17%
China	8,372,022	16%	6,447,417	20%
Rest of Asia	11,682,421	23%	7,190,395	22%
Europe	10,892,101	21%	7,174,018	22%
Americas	4,896,259	10%	2,827,530	8%
Others	6,871,254	13%	3,711,741	11%
	51,276,491	100%	32,841,642	100%



## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 9. Segment information (continued)

#### Geographical distribution of revenue (continued)

	For the year ended 31 December 2021		For the year ended 31 December 2020	
KSA	30,121,149	17%	19,278,179	17%
China	27,783,449	16%	22,302,086	19%
Rest of Asia	39,587,962	23%	27,160,720	23%
Europe	38,508,872	22%	26,589,015	23%
Americas	15,141,146	9%	10,619,759	9%
Others	23,781,697	13%	10,999,528	9%
	<b>174,924,275</b>	<b>100%</b>	<b>116,949,287</b>	<b>100%</b>

The revenue information above is based on the locations of the customers.

#### Geographical distribution for non-current assets excluding financial assets and deferred tax assets

	As at 31 December 2021		As at 31 December 2020	
KSA	115,022,522	71%	119,736,085	72%
Europe	20,305,362	12%	22,090,907	13%
Americas	23,655,765	15%	21,245,323	13%
Asia	2,849,245	2%	2,695,053	2%
Others	16,665	-	25,352	-
	<b>161,849,559</b>	<b>100%</b>	<b>165,792,720</b>	<b>100%</b>

### 10. Appropriations

The Annual General Assembly ("AGA"), in its meeting held on 1 Ramadan 1442H (corresponding to 13 April 2021), approved cash dividends of SR 9 billion (at SR 3 per share), which includes the interim cash dividends amounting to SR 4.5 billion (at SR 1.5 per share) for the first half of 2020, which has been recognised in equity. The remaining of the dividend declared of SR 4.5 billion has been recognised in the interim condensed consolidated financial statements for the period ended 31 December 2021.

On 12 Dhul Al Qidah 1442H (corresponding to 22 June 2021), SABIC declared interim cash dividends for the first half of the year 2021 amounting to SR 5.25 billion (at SR 1.75 per share), which has been recognised in these interim condensed consolidated financial statements for the period ended 31 December 2021.

On 11 Jamad'ul Awwal 1443H (corresponding to 15 December 2021), the Board of Directors proposed a distribution of cash dividends for the second half of the year 2021 amounting to SR 6.75 billion (at SR 2.25 per share). The proposed dividends are subject to approval of the shareholders in the upcoming AGA in April 2022.

## Notes to the interim condensed consolidated financial statements (continued)

(All amounts in Saudi Riyals '000 unless otherwise stated)

### 11. Subsequent events

On 20 January 2022, loans of 'Arabian Industrial Fibers Company', a subsidiary of SABIC amounting to SAR 2.88 billion have been refinanced for 10 years with an interest rate of SAIBOR plus 0.7% per annum. As at 31 December 2021, these loans were recorded as current liabilities.

On 24 January 2022, 'SABIC Agri-Nutrients Company', a subsidiary of SABIC has signed binding agreement to acquire 49% in the share capital of ETG Inputs Holdco Limited, the transaction is subject to obtaining the required regulatory approvals and other terms and conditions of acquisition agreement.

Early February 2022, SABIC and Clariant agreed on a sale/purchase agreement for SABIC to purchase 50% interest in specialties company Scientific Design, a 50/50 joint venture between SABIC and Clariant. The deal is subject to regulatory approval that is expected mid-2022.

In the opinion of management, there have been no further significant subsequent events since the period ended 31 December 2021, which would have a material impact on the financial position of the Group as reflected in these interim condensed consolidated financial statements.