

SHAREHOLDERS' CIRCULAR



# SHAREHOLDERS' CIRCULAR



## The Shareholders' Circular Prepared by Rabigh Refining and Petrochemical Company, and Presented to the Extraordinary General Assembly to be Held on 07/04/1447H (corresponding to 29/09/2025G) Regarding the Capital Increase Through the Issuance of new Class B Ordinary Shares, by Way of Private Placement Without Listing Such Shares

This Shareholders' Circular (the "**Circular**") has been prepared by Rabigh Refining and Petrochemical Company, a Saudi joint stock company registered under the unified number. 7001486898 dated 15/08/1426H (corresponding to 19/09/2005G) in Rabigh (hereinafter referred to as "**Petro Rabigh**" or the "**Company**" or the "**Issuer**"), in connection with the recommendation of the Company's Board of Directors to increase the Company's share capital from sixteen billion seven hundred ten million (SAR 16,710,000,000) Saudi Riyals, divided into one billion six hundred seventy-one million (1,671,000,000) ordinary shares with a nominal value of ten (SAR 10) Saudi Riyals per share, to twenty-one billion nine hundred seventy-three million six hundred forty-nine thousand nine hundred eighty (SAR 21,973,649,980) Saudi Riyals, divided into: (a) one billion six hundred seventy-one million (1,671,000,000) ordinary shares of a single class ("**Existing Shares**" or "**Class A Ordinary Shares**"), and (b) five hundred twenty-six million three hundred sixty-four thousand nine hundred ninety-eight (526,364,998) ordinary shares of a different class, Class B (referred to as the "**New Shares**" or "**Class B Ordinary Shares**"), through the issuance of five hundred twenty-six million three hundred sixty-four thousand nine hundred ninety-eight (526,364,998) Class B Ordinary Shares, by way of private placement and without listing such shares, representing an increase of thirty-one and a half percent (31.5%) of the Company's current share capital, at an issue price of ten (SAR 10) Saudi Riyals per share, for a total value of five billion two hundred sixty-three million six hundred forty-nine thousand nine hundred eighty (SAR 5,263,649,980) Saudi Riyals, and will be allocated to Saudi Arabian Oil Company ("**Saudi Aramco**") and Sumitomo Chemical Company, Limited ("**Sumitomo**"), and together referred to as the "**Founding Shareholders**" or the "**Subscribers**") (the "**Capital Increase**").

Petro Rabigh Refining and Petrochemical Company is a Saudi joint stock company registered with the unified number. 7001486898 dated 15/08/1426H (corresponding to 19/09/2005G) in Rabigh, Kingdom of Saudi Arabia, where its head office is located. As of the date of this Circular, the capital of the Company is sixteen billion, seven hundred ten million (SAR 16,710,000,000) Saudi Riyals divided into one billion, six hundred seventy-one million (1,671,000,000) ordinary shares, each with a nominal value of ten (SAR 10) Saudi Riyals.

Petro Rabigh was incorporated on 15/08/1426H (corresponding to 19/09/2005G) by Saudi Aramco and Sumitomo, with a share capital of seven hundred fifty million (SAR 750,000,000) Saudi Riyals. On 30/12/1426H (corresponding to 30/01/2006G), the Company increased its share capital from seven hundred fifty million (SAR 750,000,000) Saudi Riyals to two billion, six hundred twenty-five million (SAR 2,625,000,000) Saudi Riyals by issuing new shares to the Founding Shareholders in exchange for cash consideration. On 18/01/1428H (corresponding to 06/02/2007G), the Company increased its share capital from two billion, six hundred twenty-five million (SAR 2,625,000,000) Saudi Riyals to five billion, two hundred fifty million (SAR 5,250,000,000) Saudi Riyals by issuing new shares to the Founding Shareholders in exchange for cash consideration, and then on 28/03/1428H (corresponding to 16/04/2007G) it increased its share capital from five billion, two hundred fifty million (SAR 5,250,000,000) Saudi Riyals to six billion, five hundred seventy million (SAR 6,570,000,000) Saudi Riyals by issuing new shares to the Founding Shareholders in exchange for cash consideration. Following this and on 18/01/1429H (corresponding to 27/01/2008G), the Company increased its share capital as part of an initial public offering from six billion, five hundred seventy million (SAR 6,570,000,000) Saudi Riyals to eight billion, seven hundred sixty million (SAR 8,760,000,000) Saudi Riyals, by offering two hundred nineteen million (219,000,000) new shares for public subscription. Further, on 09/11/1443H (corresponding to 08/06/2022G), the Company's extraordinary general assembly approved the increase of its share capital by way of rights issue offering from eight billion, seven hundred sixty million (SAR 8,760,000,000) Saudi Riyals to sixteen billion, seven hundred ten million (SAR 16,710,000,000) Saudi Riyals.

On 06/03/1447H (corresponding to 29/08/2025G), the Company's Board of Directors issued its recommendation to increase the Company's capital from sixteen billion, seven hundred ten million (SAR 16,710,000,000) Saudi Riyals divided into one billion, six hundred seventy-one million (1,671,000,000) ordinary shares, with a nominal value of ten (SAR 10) Saudi Riyals per share, to twenty-one billion, nine hundred seventy-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 21,973,649,980) Saudi Riyals divided into (i) one billion, six hundred seventy-one million (1,671,000,000) ordinary shares of one class (the "**Existing Shares**" or "**Class A Ordinary Shares**"), and (ii) five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) ordinary shares of a different class ("**New Shares**" or "**Class B Ordinary Shares**"). The Class B Ordinary Shares will be issued at an issuance price of ten (SAR 10) Saudi Riyals (the "**Issuance Price**"), including a fully paid nominal value of ten (SAR 10) Saudi Riyals.

The Capital Increase represents a thirty-one point five percent (31.5%) increase in the current capital of the Company. Before the Capital Increase, the Company has only one type and class of shares. After the Capital Increase, the Company will have one type of shares, being ordinary shares, but will have two classes of ordinary shares, being: the Existing Shares which will be labelled "**Class A**" and the New Shares, which will be labelled "**Class B**". There will be no change to any right or obligation of the Existing Shares. The Class B Ordinary Shares will have the rights and features described in this Circular. In particular, the Class B Ordinary Shares will not have any voting powers and

will have certain rights over dividends and a senior ranking in liquidation, as detailed further in Section (4.3) ("**The features and rights of the Class B Ordinary Shares**").

On 07/03/1447H (corresponding to 30/08/2025G), the Company entered into a subscription agreement with the Founding Shareholders (the "**Subscription Agreement**"), whereby the Founding Shareholders agreed to subscribe to the Class B Ordinary Shares, subject to the terms of the Subscription Agreement summarized in Section (4.2) ("**Summary of the Subscription Agreement**"). The Class B Ordinary Shares will be offered through a private placement to Founding Shareholders only, and will not be offered or marketed to any other person.

The Class B Ordinary Shares will be issued following the approval of the Capital Increase EGM on (i) the Capital Increase, (ii) the amendments of the Company's bylaws (the "**Bylaws**") to reflect the features and rights of the Class B Ordinary Shares and the Capital Increase and the other amendments, as shown in Annex (A-1) of this Circular (iii) the suspension of the Existing Shareholders pre-emptive right to subscribe in the New Shares, (iv) the terms of the Subscription Agreement, and (v) the delegation of the Company's Board of Directors to take all necessary actions in relation to the Capital Increase, the Class B Ordinary Shares issuance and the Subscription Agreement (the EGM being referred to as the "**Capital Increase EGM**" and the aforementioned resolutions being the "**Capital Increase Resolution**"). The Capital Increase EGM is scheduled to be held on 07/04/1447H (corresponding to 29/09/2025G). In the event that Capital Increase Resolution are approved and the conditions precedent set out in the Subscription Agreement (as outlined in Section (4.2) ("**Summary of the Subscription Agreement**") are satisfied, the Founding Shareholders must deposit the Subscription Proceeds into the Company's bank account within fifteen (15) Business Days. After the Subscription Proceeds are deposited, the Company must complete the issuance of the Class B Ordinary Shares and deposit them with the Securities Depository Center (Edaa). The subscription is considered complete at 10:00 AM on the day the Class B Ordinary Shares are deposited under the names of the Subscribers with Edaa (and in their investment portfolios, if applicable) ("**Subscription Completion**" or "**Completion**", and the date referred to as the "**Completion Date**"). On the Completion Date, or within no more and in any event no later than two Business Days thereafter, the Company must deliver a certified copy of the shareholders' register, dated as of the Completion Date, showing the Subscribers as holders of the Class B Ordinary Shares with Edaa.

The Class B Ordinary Shares will not be listed on the Exchange. The Class B Ordinary Shares will be subject to a contractual lock-up period of two (2) years following the Subscription Completion, during which holders of the Class B Ordinary Shares will be prohibited from selling, assigning or disposing of their Class B Ordinary Shares (the "**Contractual Lock-up Period**"), with the exception that Saudi Aramco may transfer ownership of its Class B Ordinary Shares to one of its Solely Controlled Affiliates during the Contractual Lock-up Period. After the Contractual Lock-up Period, holders of Class B Ordinary Shares may dispose of them in accordance with the secondary market provisions under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority (the "**CMA**") pursuant to CMA Board Resolution No. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended ("**ROSCOs**"). Please refer to Section (4.8) ("**Secondary market**") for further details on the secondary market provisions.

The Subscription Proceeds will be five billion, two hundred sixty-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 5,263,649,980) Saudi Riyals (the "**Subscription Proceeds**"). The Subscription Proceeds will be used by the Company to partially prepay its Phase II Project Facilities and its Equity Bridge Loans and bring down the Company's debt levels, in line with the Company's views of the long-term sustainable structure. For more details regarding the use of the Subscription Proceeds, please refer to Section (3) ("**Use of Subscription Proceeds**").

The Board of Directors has recommended the Capital Increase as it believes it would enhance the Company's financial position and assist it to achieve its growth and turnaround strategy. The Directors believe that the Capital Increase is in the best interest of the Company and its Shareholders. The Board has selected the proposed structure, which involves issuing new Class B Ordinary Shares that do not carry voting rights and have specific and limited rights to dividends. The aim is to enhance capital contribution while minimizing the impact on Existing Shareholders. For more details regarding the Company's current status and the rationale of the Capital Increase, please refer to Section (2.2) ("**Rationale of the Capital Increase**").

Both Subscribers are Related Parties to the Company, as they are both Substantial Shareholders in the Company. As of the date of this Circular, each Founding Shareholder maintains an ownership stake of thirty-seven point five percent (37.5%) of the Company's Existing Shares. On 03/02/1446H (corresponding to 07/08/2024G), Saudi Aramco and Sumitomo entered into a sale and purchase agreement pursuant to which Saudi Aramco will acquire from Sumitomo three hundred and seventy-five million, nine hundred and seventy-four thousand, nine hundred and ninety-eight (375,974,998) Existing Shares in the Company, representing approximately twenty-two point five percent (22.5%) of the current share capital of the Company (the "**Sale Transaction**"). Upon completion of the Sale Transaction, Saudi Aramco will own approximately sixty percent (60%) of the Existing Shares of the Company and Sumitomo will own fifteen percent (15%). The remaining shareholders will continue to own the remaining

approximately twenty-five percent (25%) of the Existing Shares. The Sale Transaction remains subject to conditions and has not been completed as of the date of this Circular. The approval of the EGM on the Capital Increase Resolutions is one of the conditions for completing the Sale Transaction, which in turn is a condition precedent for the issuance of the Class B Ordinary Shares. Accordingly, following the approval of the Capital Increase Resolution by the EGM, the Founding Shareholders will complete the Sale Transaction, after which the Subscription Proceeds will be paid, and the Company will issue the Class B Ordinary Shares.

The following table sets out the number of shares and ownership of the Substantial Shareholders in the Company, pre- and post the Capital Increase:

Shareholder	Pre-Capital Increase		Post the Sale Transaction and Capital Increase	
	Number of Shares	% of Ownership	Number of Shares	% of Ownership
Class A Ordinary Shares				
Saudi Aramco	626,624,998	37.5%	1,002,599,996	60%
Sumitomo	626,624,998	37.5%	250,650,000	15%
Shareholders, other than the Substantial Shareholders	417,750,004	25.0%	417,750,004	25%
<b>Total</b>	<b>1,671,000,000</b>	<b>100%</b>	<b>1,671,000,000</b>	<b>100%</b>
Class B Ordinary Shares				
Saudi Aramco	N/A	N/A	263,182,499	50%
Sumitomo	N/A	N/A	263,182,499	50%
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>526,364,998</b>	<b>100%</b>

**Note:** The percentages are approximate.

The Company has obtained a waiver, from the CMA, from Paragraph (a) of Article 55 of the ROSCOs, in order for the Company to issue Class B Ordinary Shares and privately offer them to the Founding Shareholders without listing them on the Exchange.

Shareholders must fully read this Circular and review all of its sections carefully, especially "Important notices" Section on page (i) and Section (1) ("Risk factors") before voting in the Capital Increase EGM.

This Circular contains information guided by the Rules on the Offer of Securities and Continuing Obligations issued by the CMA's Board pursuant to Resolution No. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended. The Directors, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The Authority and the Saudi Stock Exchange Company do not take any responsibility for the contents of this Circular, do not make any representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Circular. If any of the contents of this Circular is difficult to understand, an authorized financial advisor must be consulted

### Financial Advisor



This Circular is an unofficial English translation of the official Arabic Circular and is provided for information purposes only. The Arabic Circular on the Company's website ([www.petro-rabigh.com](http://www.petro-rabigh.com)) remains the only official, legally binding version and shall prevail in the event of any conflict between the two versions.

This Circular was issued on 16/03/1447H (corresponding to 08/09/2025G).



## Important notice

This Circular has been prepared by the Company for the purpose of providing the Company's shareholders with information related to the Capital Increase, to enable them to make an informed and knowledgeable decision when voting at the Capital Increase EGM. The Capital Increase and the issuance of the new Class B Ordinary Shares are subject to shareholders' approval. An invitation to the Capital Increase EGM was published on 16/03/1447H (corresponding to 08/09/2025G), which is scheduled to be held on 07/04/1447H (corresponding to 29/09/2025G). Shareholders should be aware that if their approval is not obtained, the issuance and offering of the New Shares will not take place. In such a case, this Circular will be considered void, and shareholders will be notified accordingly.

By the publication of this Circular, the Company's shareholders are deemed to be aware of the information contained herein, and their decisions and votes at the Capital Increase EGM will be treated on that basis. Copies of the Circular may be obtained from the head office of the Company, the Company's website ([www.petrorabigh.com](http://www.petrorabigh.com)), and the Financial Advisor's website ([www.riyadcapital.com](http://www.riyadcapital.com)).

The Company has appointed Riyad Capital Company as a financial advisor in relation to the Capital Increase (the "**Financial Advisor**"), and Zeyad Sameer Khoshaim Company (Professional Limited Liability Company) as the legal advisor in relation to the Capital Increase ("**the Legal Advisor**").

The information, data, and statements contained in this Circular have been presented as of the date of publication of this Circular, unless another date is specified for any such information, data, or statements. Accordingly, this information is subject to change after the date of publication. The publication of this Circular does not necessarily imply that none of the facts or information contained herein have changed. In particular, the Company's financial position and the value of its shares may be adversely affected by future developments such as inflation, interest rates, taxation, changes in laws and regulations, and other economic, political, or external factors beyond the Company's control, in addition to various market-specific, Company-specific, and Capital Increase-related factors. This Circular, and any oral or written information relating to the Capital Increase, should not be regarded, interpreted, or relied upon in any way as a promise, assurance, or representation regarding the achievement of any revenues, results, or future events by the Company.

The Company will not amend or update any forward-looking statements contained in this Circular, except as required pursuant to the CMA laws and regulations, specifically the ROSCOs. The Company undertakes to prepare and publish a supplementary shareholders' circular if, at any time after the publication of this Circular and before the Capital Increase EGM, it becomes aware of: (a) any material change in the substantive matters contained in this Circular; or (b) the emergence of any material matters that should have been included in this Circular.

All the information contained in this Circular is of a general nature and has been prepared without considering the individual investment objectives, financial situation, or investment needs of any specific shareholder. Accordingly, the Company and its Board of Directors emphasize the importance of shareholders reading and carefully reviewing all information contained in this Circular. In case of any doubt regarding the decision to be made by any shareholder at the Capital Increase EGM, such shareholder must seek independent financial advice from a financial advisor licensed by the Capital Market Authority and rely on their own assessment of the Capital Increase to determine the suitability of the Capital Increase and the information contained in this Circular in light of their individual investment objectives, financial situation, and needs.

It should be noted that no person has been authorized to provide any information or statements on behalf of the Company's Board of Directors other than what is disclosed in this Circular. Accordingly, no reliance should be placed on any information or statements issued by other parties as if they were issued by the Company or any of its advisors in relation to the Capital Increase.

This Circular does not, and should not be considered to, constitute legal, financial, zakat, or tax advice. In case of any doubt regarding the legal, financial, zakat, or tax implications, consequences, or rulings, specialized advice should be sought from licensed legal, financial, and tax advisors in relation to such matters.

## Publication and distribution restrictions

This Circular is addressed to the shareholders of Petro Rabigh, subject to any restrictions under the laws and regulations of any restricted jurisdiction. This Circular does not constitute an offer to sell or a solicitation of an offer to purchase any securities to any person. The New Shares have not been, and will not be, registered with the Capital Market Authority in the Kingdom of Saudi Arabia, nor under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "FIEA") and there will be no offer or sell any New Share, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organized under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## Notice to the Shareholders residing outside Saudi Arabia

While all shareholders of the Company are entitled to attend the Capital Increase EGM and vote on the Capital Increase Resolution, shareholders of the Company residing outside the Kingdom of Saudi Arabia should note that this Circular has not been submitted to or registered with any regulatory authority. Accordingly, if any shareholder resides in a jurisdiction whose laws require the Company to take specific steps in order for such shareholder to lawfully vote on the Capital Increase Resolution, it should be noted that the Company has not taken such steps. Therefore, the relevant shareholder should refrain from participating in the vote on the proposed Capital Increase Resolution at the Capital Increase EGM. In the event that the shareholder nonetheless votes on the Capital Increase Resolution, the Company reserves the right to disregard such shareholder's votes.

## Forecasts and forward-looking statements

This Circular contains forward-looking statements. Such forward-looking statements can be identified through the use of future-oriented vocabulary and phrases, such as, without limitation, "anticipate", "target", "expect", "estimate", "intend", "plan", "will", "believe", "aim", "may", "would", "could" or "should", or other words of similar meaning or the negative thereof. Forward-looking statements in this Circular include, without limitation, statements relating to the benefits expected from the Capital Increase, the forecast of financial performance and conditions, and other future events; and the dates on which such events are expected to occur.

The forward-looking statements appearing in this Circular reflect the current point of view of the Company and its management. They are based on numerous assumptions, including assumptions regarding the present and future business strategies of the Company and the regulatory environment in which it will operate in the future. Forward-looking statements are not a promise or a guarantee of future events, given several known and unknown factors that may affect the future, causing it to materially differ from the expectations expressed or implied in this Circular. The risks relating to forward-looking statements are beyond the Company's control and cannot be estimated precisely, such as future market conditions and the behaviors of other market participants. Therefore, the recipient of this Circular should read these forward-looking statements in light of this notice and should not rely on such statements. For more details regarding the risks related to the Capital Increase and the issuance of the New Shares, please refer to Section (1) ("**Risk factors**").

All oral or written forward-looking statements made by the Company or any person acting on its behalf are expressly qualified in their entirety by the important notice contained in this Section.

## Financial, statistical and other information

Some of the financial information in this Circular was obtained from the Company's audited financial statements for the years ended 31 December 2022G, 2023G and 2024G which have been prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by SOCPA in the Kingdom of Saudi Arabia as well as other standards and pronouncements issued by SOCPA. The unaudited condensed interim financial statements for the three-month and six-month periods ended 30 June 2025G which have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia.

The financial information of the Company for the years ended 31 December 2022G, 2023G and 2024G has been derived from the Company's audited financial statements for the years ended 31 December 2022G, 2023G and 2024G, respectively. The financial information for the six-month ended 30 June 2024G and 30 June 2025G has been derived from the unaudited condensed interim financial statements for the three-month and six-month periods ended 30 June 2025G (which includes the unaudited condensed interim comparative financial information for the three-month and six-month periods ended 30 June 2024G).

All values contained in this Circular are presented in SAR. The figures presented may be rounded to the nearest decimal point and, accordingly, the figures shown may differ from those contained in this Circular as a result of rounding of figures. It should also be noted that some figures and percentages contained in this Circular are approximate figures and percentages. Therefore, figures shown for the same category presented in different tables may be slightly different, and figures shown as a total in some tables may not represent an arithmetic average or total of the previous figures.

Dates are presented in this Circular in both Gregorian and Hijri format. There could be a slight difference between the dates in Hijri and Gregorian given that converting the dates might not be fully accurate in the past or the future given the moon cycle affecting Hijri years.

Any reference to a 'Business Day' in this Circular shall mean the common business days in the Kingdom, Japan, and New York, whereas a 'Trading Day' shall mean the business days in the Kingdom, and a 'Calendar Day' or 'Day' shall mean all days of the year. For further details regarding Business Day, Trading Day, and Calendar Day, please refer to Section ("Definitions").

## Corporate directory

### The Company

#### Rabigh Refining and Petrochemical Company

P.O. Box 101  
Rabigh 21911  
Kingdom of Saudi Arabia  
Tel: +966 (12) 425 8887  
Website: [www.petrorabigh.com](http://www.petrorabigh.com)  
E-mail: [investor.Relations@petrorabigh.com](mailto:investor.Relations@petrorabigh.com)



### Company's Representatives

#### Othman A. Al-Ghamdi

President and CEO, and Board Member  
Rabigh Refining and Petrochemical Company  
P.O. Box 101  
Rabigh 21911  
Kingdom of Saudi Arabia  
Tel: 0124258888  
E-mail: [ghamdioa@petrorabigh.com](mailto:ghamdioa@petrorabigh.com)

#### Fahad Hesham Al-Muhaisin

Chief Financial Officer  
Rabigh Refining and Petrochemical Company  
P.O. Box 101  
Rabigh 21911  
Kingdom of Saudi Arabia  
Tel: 0124258833  
E-mail: [muhafh0a@petrorabigh.com](mailto:muhafh0a@petrorabigh.com)

### Financial Advisor

#### Riyad Capital

Granada Business Park 2414, Al Shohda District  
Unit No. 69  
Riyadh 13241-7279  
Kingdom of Saudi Arabia  
Tel: +966 (11) 486 5649  
Website: [www.riyadcapital.com](http://www.riyadcapital.com)  
E-mail: [ask@riyadcapital.com](mailto:ask@riyadcapital.com)



### Legal Advisor

#### Zeyad Sameer Khoshaim Company (Professional Limited Liability Company)

17th Floor, Tower B, Olaya Towers, Olaya District  
P.O. Box 230667, Riyadh 11321  
Kingdom of Saudi Arabia  
Tel: +966 (11) 461 8700  
Website: [www.khoshaim.com](http://www.khoshaim.com)  
E-mail: [info@khoshaim.com](mailto:info@khoshaim.com)



**Auditor for the Financial Years Ended on 31 December 2022G, 2023G, 2024G and the Three (3) Month Period Ended on 31 March 2025G**

#### KPMG Professional Services Company

Zahrán Business Center  
P.O. Box 55078, Jeddah 21534  
Kingdom of Saudi Arabia  
Tel: +966 (12) 6989595  
Website: [www.kpmg.com.sa](http://www.kpmg.com.sa)  
E-mail: [marketingsa@kpmg.com](mailto:marketingsa@kpmg.com)



## Auditor for the Three (3) and Six (6) Month Periods Ended on 30 June 2025G

**PricewaterhouseCoopers Public Accountants Company**

2091 Prince Mohammed Bin Abdulaziz Street,  
Al Andalus District  
P.O. Box 23326, Jeddah 8909  
Tel. +966 (12) 6104400  
Fax. +966 (12) 6104411  
E-mail: ali.alotaibi@pwc.com  
Website: www.pwc.com/m1/en



## Depository Center

**Securities Depository Center Company (Edaa)**

Financial Blvd – Al Aqiq 3229  
Unit no. 1.17  
Riyadh 13519  
Kingdom of Saudi Arabia  
Tel.: +966 92002 6000  
Website: www.edaa.com.sa  
Email: cc@edaa.com.sa



من مجموعة تداول السعودية  
From Saudi Tadawul Group

**Note:** All the above Advisors and auditors have given and not withdrawn their written consent to the publication of their names, addresses, logos and statements in the Circular (as applicable). None of them has withdrawn such approval as of the date of this Circular, and none of their employees (who are working for the Company) or their relatives holds any shares or has any interest in the Company that may affect their independence.

## Capital increase summary

This Section is intended to provide the Company's shareholders with an overview of the Capital Increase. As such, reading this Section does not substitute reading the other sections of this Circular. Shareholders should read this Section as an introduction to the Circular. It is also important to read this Circular and the information contained herein carefully and not only this summary, especially "Important notice" Section on page (i) and Section (1) ("Risk factors") prior to making any decision related to voting on the Capital Increase Resolution in the Capital Increase EGM.

<b>Company name, description and incorporation information</b>	<p>Rabigh Refining and Petrochemical Company is a Saudi joint stock company registered under the unified number 7001486898 dated 15/08/1426H (corresponding to 19/09/2005G) in Rabigh, Kingdom of Saudi Arabia, where its head office is located.</p>
<b>Company's activities</b>	<p>The Company owns and operates a world-scale, integrated refining and petrochemical facility located in Rabigh on the west coast of the Kingdom of Saudi Arabia. The Company produces refined and petrochemical products.</p> <p>The activities of the Company, as set out in the Company's Bylaws are the following:</p> <ol style="list-style-type: none"> <li>1- Development, construction and operation of an integrated petroleum refining and petrochemical complex, including the manufacturing of refined petroleum products, petrochemical products and other hydrocarbon products, which include the following: Liquefied Petroleum Gas, Naphtha, Gasoline, Vacuumed Gas Oil, Treated Vacuumed Gas oil, Diesel, Kerosene (jet fuel), Fuel Oil, Hydrogen, Nitrogen, Petroleum Slop, Sulfur and Sludge. Ethylene, Propylene, Mono Ethylene Glycol, Propylene Oxide, Benzene, Para Xylene, Cumene, Phenol, Acetone, Isobutylene, Methyl tert-butyl ether, Methyl Methacrylate, n-Butene, Heavy Aromatics, Toluene, Mixed Xylene, Heavy Ethylene Glycols, Raffinates, Low Density Polyethylene, Ethylene Vinyl Acetate, Linear Low Density Polyethylene, High Density Polyethylene, Polypropylene Homo Polymer, Polypropylene Block Copolymer, High Density polyethylene Wax, Poly (methyl methacrylate), Ethylene Propylene Diene Monomer Rubber, Thermo Plastic Olefins, Nylon 6 (Polyamide 6) and Polyether Polyols; and</li> <li>2- Owning, developing and operating industrial complexes for conversion industries.</li> </ol> <p>The activities of the Company, as set out in the Company's commercial register are the following:</p> <ol style="list-style-type: none"> <li>1- Production of kinds of liquid fuel (oil refinery products);</li> <li>2- Production of kinds of gas fuel, includes (Ethane, Butane, Propane, etc.);</li> <li>3- Manufacture of basic organic chemicals, includes Astelin except azotic fertilizers and compounds (nitrogen);</li> <li>4- Production of primary gases, includes (oxygen and hydrogen, etc.);</li> <li>5- Manufacture of inorganic acids;</li> <li>6- Manufacture of chemical materials;</li> <li>7- Manufacture of plastics in primary forms;</li> <li>8- Manufacture of synthetic rubber taken from oils in their primary forms;</li> <li>9- Manufacture of synthetic rubber and natural rubber mixtures;</li> <li>10- Manufacture of propylene;</li> <li>11- Manufacture of polyethylene;</li> <li>12- Manufacture of basic oils;</li> <li>13- Chemical modification of oils and fats; and</li> <li>14- Manufacture of semi-finished plastic products, includes ( ts, slices, sheets, tapes, pipes, hoses and supplies, etc.).</li> </ol>



Substantial Shareholders, and their ownership and shares, including the types and classes before and after the Capital Increase	The following sets out the number of shares and ownership of the Substantial Shareholders in the Company, pre- and post the Capital Increase:				
	Shareholder	Pre-Capital Increase		Post the Sale Transaction and Capital Increase	
		Number of Shares	% of Ownership	Number of Shares	% of Ownership
	Class A Ordinary Shares				
	Saudi Aramco	626,624,998	37.5%	1,002,599,996	60%
	Sumitomo	626,624,998	37.5%	250,650,000	15%
	Shareholders, other than the Substantial Shareholders	417,750,004	25.0%	417,750,004	25%
	<b>Total</b>	<b>1,671,000,000</b>	<b>100%</b>	<b>1,671,000,000</b>	<b>100%</b>
	Class B Ordinary Shares				
	Saudi Aramco	N/A	N/A	263,182,499	50%
	Sumitomo	N/A	N/A	263,182,499	50%
	<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>526,364,998</b>	<b>100%</b>
<b>Note:</b> The percentages are approximate.					
Company's share capital before the Capital Increase	Sixteen billion, seven hundred ten million (SAR 16,710,000,000) Saudi Riyals.				
Company's share capital after the Capital Increase	Twenty-one billion, nine hundred seventy-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 21,973,649,980) Saudi Riyals.				
Number of shares, including the type and class before the Capital Increase	One billion, six hundred seventy-one million (1,671,000,000) fully paid-up shares, all ordinary shares of the same class.				
Number of shares, including the type and classes after the Capital Increase	Two billion, one hundred ninety-seven million, three hundred sixty-four thousand, nine hundred ninety-eight (2,197,364,998) ordinary shares, in two classes: a- One billion, six hundred seventy-one million (1,671,000,000) ordinary shares of one class, Class A. b- Five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) ordinary shares of a different class, Class B.				
Nominal Value per Share	All Shares have a nominal value of ten (SAR 10) Saudi Riyals per Share.				
Total of the New Shares	Five hundred twenty-six million three hundred sixty-four thousand nine hundred ninety-eight (526,364,998) Class B Ordinary Shares.				
Total of the New Shares that the Founding Shareholders will Subscribe for	The Founding Shareholders committed to subscribe for five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) fully paid-up Class B Ordinary Shares. This will be equally distributed between the Founding Shareholders. The Class B Ordinary Shares will be offered through a private placement to the Founding Shareholders only. There will be no surplus, and no refunds will be made to the Founding Shareholders.				
Percentage of New Shares to the Issuer's Capital	The Class B Ordinary Shares represent an increase of thirty-one point five percent (31.5%) of the Company's share capital, and will represent, after the Capital Increase, twenty-three point ninety-five percent (23.95%) of the total shares (including Class A Ordinary Shares and Class B Ordinary Shares).				

Issuance Price of the New Shares	Ten (SAR 10) Saud Riyals per share.												
Total value of the issuance (Subscription Proceeds)	Five billion, two hundred sixty-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 5,263,649,980) Saudi Riyals.												
Use of Subscription Proceeds	The Subscription Proceeds will be used by the Company to partially prepay certain facilities related to the Phase II Project Facilities and its Equity Bridge Loans and bring down the Company's debt levels, in line with the Company's views of the long-term sustainable structure. The following table sets out a breakdown of the use of the Subscription Proceeds:												
	<table><thead><tr><th>Description</th><th>Amount (in SAR)</th><th>Percentage of Subscription Proceeds</th></tr></thead><tbody><tr><td>Partial prepayment of Phase II Project Facilities</td><td>3,684,554,986</td><td>70%</td></tr><tr><td>Partial prepayment of the Equity Bridge Loans</td><td>1,579,094,994</td><td>30%</td></tr><tr><td>Total</td><td>5,263,649,980</td><td>100%</td></tr></tbody></table>	Description	Amount (in SAR)	Percentage of Subscription Proceeds	Partial prepayment of Phase II Project Facilities	3,684,554,986	70%	Partial prepayment of the Equity Bridge Loans	1,579,094,994	30%	Total	5,263,649,980	100%
	Description	Amount (in SAR)	Percentage of Subscription Proceeds										
	Partial prepayment of Phase II Project Facilities	3,684,554,986	70%										
	Partial prepayment of the Equity Bridge Loans	1,579,094,994	30%										
Total	5,263,649,980	100%											
For more details regarding the use of Subscription Proceeds, please refer to Section (3) ("Use of Subscription Proceeds").													
Expenses of the Capital Increase	The Company will bear all expenses related to the Capital Increase, which are estimated at approximately nineteen million, five hundred thousand. (SAR 19,500,000) Saudi Riyals. These costs will not be deducted from the Subscription Proceeds. They include fees of the Financial Advisor, Legal Advisor, auditors and other related expenses. It should be noted that these figures are estimates and were determined prior to the completion of all relevant procedures. Accordingly, the actual costs may increase upon finalization of such procedures. For more details regarding the Costs please refer to Section (8) ("Expenses").												
Rationale of the Capital Increase	The Board of Directors has recommended the Capital Increase as it believes it would enhance the Company's financial position and assist it to achieve its growth and turnaround strategy. The Directors believe that the Capital Increase is in the best interest of the Company and its Shareholders. The Board has selected the proposed structure, which involves issuing new Class B Ordinary Shares that do not carry voting rights and have specific and limited rights to dividends. The aim is to enhance capital contribution while minimizing the impact on Existing Shareholders. For more details regarding the Company's current status and the rationale of the Capital Increase, please refer to Section (2.2) ("Rationale of the Capital Increase").												
Shares previously listed by the Company, including the type and class	The Company has one billion, six hundred seventy-one million (1,671,000,000) Class A Ordinary Shares of one class that are listed on the Saudi Exchange.												

<b>Class B Ordinary Shares dividends entitlement</b>	<p>a- Cumulative dividends shall accrue annually on the Class B Ordinary Shares from the date of issuance at a rate equal to: (i) zero percent (0%) of the nominal value of the outstanding Class B Ordinary Shares per annum until 31 December 2027; (ii) six percent (6%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2028 until 31 December 2031; and (iii) seven percent (7%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2032 (the "Dividend Rate"), provided that the maximum aggregate amount of cumulative dividends accrued on the Class B Ordinary Shares shall not exceed the nominal value paid for the Class B Ordinary Shares then outstanding and thereafter the dividends shall be non-cumulative.</p> <p>b- If the Company declares dividends, then the Class B Ordinary Shares shall only be entitled to the lower of:</p> <ul style="list-style-type: none"> <li>- thirty percent (30%) of the amount to be declared as a dividend by the Company, whether annual or interim; and</li> <li>- the dividends actually accumulated and unpaid (in the current year and previous years) on the Class B Ordinary Shares at such point in time,</li> </ul> <p>c- Under no circumstance will the Company owe any amount of undeclared dividends to the Class B Ordinary Shares holders.</p> <p>d- The Class B Ordinary Shares are not entitled to in-kind dividends or bonus shares.</p> <p>It should be noted that dividends are declared for the benefit of all shareholders; therefore, dividends shall not be declared to one class of shares to the exclusion of another. In the event of a declaration, payment of dividends on Class B Ordinary Shares shall take priority over the payment of any dividends due on Class A Ordinary Shares. This means that, in the event of liquidation, for example, priority of payment will be given to any declared but unpaid dividends on the Class B Ordinary Shares.</p>
<b>Existing Shares voting rights (Class A Ordinary Shares)</b>	<p>Holders of the Existing Shares (Class A Ordinary Shares) are entitled to one vote per Existing Share. Each holder of the Existing Shares has the right to attend and vote at the general assembly meeting, and none of the holders of the Existing Shares enjoys any preferential voting rights in respect of the Existing Shares.</p>
<b>Class B Ordinary Shares voting rights</b>	<p>Class B Ordinary Shares do not carry any voting rights under any circumstances, except in their own special general assembly, and the powers of such assemblies are limited to the following:</p> <ul style="list-style-type: none"> <li>a- any amendments to the rights pertaining to the Class B Ordinary Shares as described in the Company's bylaws, including conversion to another class, split and cancellation, subject to the requisite approval of the other class having been obtained;</li> <li>b- any issuance, conversion or buyback of a new class of shares other than Class A Ordinary Shares or Class B Ordinary Shares, if such issuance, conversion or buyback prejudices the rights pertaining to the Class B Ordinary Shares as described in the Company's Bylaws; and</li> <li>c- any in-kind or bonus shares dividends for the Class A Ordinary Shares.</li> </ul>
<b>Restrictions on the Class A Ordinary Shares</b>	<p>There are no restrictions on the Class A Ordinary Shares other than those applicable to shares listed on the Exchange.</p> <p>It is worth noting that, pursuant to the Company's initial public offering (IPO) prospectus, dated 06/12/1428H (corresponding to 16/12/2007G), the Founding Shareholders were subject to (i) a lock-up period of three years from the establishment of the Company or the commencement of the project's commercial operations (which period has ended) and (ii) a restriction on their Class A Ordinary Shares requiring the CMA's approval prior to selling such shares, due to the pledge of their shares to the Company's lenders under the facilities granted to the Company. This restriction has been lifted, and the Founding Shareholders' shares are currently not subject to any special restrictions or lock-up. In this regard, the Founding Shareholders have committed to the CMA to complete the necessary steps for registering the pledge with Edaa in accordance with the applicable rules.</p>
<b>Restrictions on the Class B Ordinary Shares</b>	<p>The Class B Ordinary Shares will not be listed on the Exchange. The Class B Ordinary Shares will be subject to a Contractual Lock-up Period of two (2) years following the Subscription Completion, during which holders of the Class B Ordinary Shares will be prohibited from selling, assigning or disposing of their Class B Ordinary Shares, with the exception that Saudi Aramco may transfer ownership of its Class B Ordinary Shares to one of its Solely Controlled Affiliates during the Contractual Lock-up Period. After the end of the Contractual Lock-up period, the holders of Class B Ordinary Shares may dispose of them in accordance with the secondary market provisions of the ROSCOs. Please refer to Section (4.8) ("<b>Secondary market</b>") for further details on the secondary market provisions.</p>
<b>Related Parties</b>	<p>Both Subscribers (i.e., Saudi Aramco and Sumitomo) are Related Parties to the Company, as they are both Substantial Shareholders in the Company.</p>
<b>Dilution of Existing Shareholders as a result of the Capital Increase</b>	<p>The Existing Shareholders will not be diluted on the level of the Class A Ordinary Shares, as the number of the Class A Ordinary Shares will not be impacted by the Class B Ordinary Shares issuance. The Existing Shareholders, except the Founding Shareholders, will not own any Class B Ordinary Shares after the Capital Increase.</p>

**Shareholders' approval**

The Capital Increase is subject to the approval of the Company's Capital Increase EGM.

**Note:** The "Important notice" Section on page (i) and Section (1) ("Risk factors") should be read thoroughly prior to making any decision related to voting on the Capital Increase Resolution in the Capital Increase EGM.

## Key dates and milestones

The following includes the expected sequence of the events in relation to the Capital Increase. The dates below are approximate, and the Company will announce when actual events that are required to be announced occur on the Saudi Exchange (Tadawul) website; in accordance with the relevant laws and regulations, including any changes to the timetable.

Event	Timeline/ Date
<b>1- Actions required in relation to the EGM</b>	
Publication of the invitation to the Capital Increase EGM on the Saudi Exchange (Tadawul) website (with a reference to the possibility of holding a second meeting within an hour after the end of the time of the first meeting if the first meeting was not quorate).	8 September 2025G
Publication of the Shareholders Circular.	8 September 2025G
Making documents available for inspection.	8 September 2025G
The start of the electronic voting for shareholders on the agenda items in the Capital Increase EGM.	25 September 2025G
The Capital Increase EGM (first meeting) – quorum required is shareholders representing at least 66% of the shares entitled to vote.	29 September 2025G
The Capital Increase EGM (second meeting) – if the quorum for the first meeting is not met. The quorum required for the second meeting is shareholders representing at least 25% of the shares entitled to vote.	One hour after the time of the first inquorate meeting.
Publication of the resolution made at the Capital Increase EGM (first or second meeting) on the Saudi Exchange (Tadawul) website (or, if the EGM was inquorate, the announcement of such fact).	30 September 2025G
<b>2- Actions required in the event that the first and second EGMs are inquorate</b>	
Publication of the invitation to the Capital Increase EGM (third meeting).	1 October 2025G
Electronic voting commences for the Capital Increase EGM (third meeting).	18 October 2025G

Event	Timeline/ Date
The Capital Increase EGM (third meeting) – which will be valid irrespective of the number of shares represented in the meeting.	22 October 2025G
Publication of the resolution made at the third meeting of the Capital Increase EGM on the Saudi Exchange (Tadawul) website.	23 October 2025G

### 3- Capital Increase completion steps

Completion of the Sale Transaction between Saudi Aramco and Sumitomo.	<p>Within fifteen (15) Business Days from the date of the Capital Increase EGM's approval of the Capital Increase Resolution. The completion is expected to occur no later than:</p> <p>27 October 2025G in the event the Capital Increase is approved at the first or second EGM meeting.</p> <p>19 November 2025G in the event the Capital Increase is approved at the third EGM meeting.</p>
Deposit by Saudi Aramco and Sumitomo of the Subscription Proceeds into the Company's bank account.	<p>Following the completion of the Sale Transaction, and in any case within fifteen (15) Business Days from the date of the Capital Increase EGM's approval of the Capital Increase Resolution. This is expected to occur no later than:</p> <p>27 October 2025G in the event the Capital Increase is approved at the first or second EGM meeting.</p> <p>19 November 2025G in the event the Capital Increase is approved at the third EGM meeting.</p>
Issuance of the Class B Ordinary Shares and their deposit with Edaa (Subscription Completion).	<p>Expected within two to five (2-5) Trading Days following the deposit of the Subscription Proceeds, which is expected to take place no later than 3 November 2025G.</p>
Amending the Company's commercial registration to reflect the Capital Increase, and depositing the amended bylaws with the Ministry of Commerce.	<p>Within fifteen (15) Calendar Days from the Subscription Completion.</p>

## Key announcements

The following outlines the expected timeline of key announcements related to the Capital Increase. The dates set out below are approximate. The Company will announce the actual occurrence of any report events on the Saudi Exchange's website, in accordance with the applicable laws and regulations.

Announcement	Expected Date
The Company's announcement of the Board's recommendation in relation to the Capital Increase	31 August 2025G
The Company's announcement of the Capital Increase EGM invite, including the publication of the Circular	8 September 2025G
The Company's announcement of the results of the Capital Increase EGM	30 September 2025G
The Company's announcement of the Completion of the Sale Transaction between Saudi Aramco and Sumitomo	After 30 September 2025G, and no later than 28 October 2025G
The Company's announcement of the Subscription Completion	After the satisfaction of the conditions, and no later than 4 November 2025G



## Table of Content

<b>1.</b>	<b>Risk factors</b>	<b>05</b>
1.1	Risks relating to the reduction in dividends entitlement and the Company's ability to distribute dividends	05
1.2	Risks relating to the priority of Class B Ordinary Shares	06
1.3	Risks relating to the buyback of Class B Ordinary Shares from the Company	06
1.4	Risks relating to the powers of the Class B Ordinary Shares Special Assemblies	06
1.5	Risks relating to the Company's negative financial position, its accumulated losses and achieving its trans-formation strategy	07
1.6	Risks relating to the Company's debt	07
1.7	Risks relating to the closing of the Sale Transaction and the changes related to it	08
1.8	Risks relating to obtaining required third party consents	09
1.9	Risks relating to the Issuance of Class B Ordinary Shares to Related Parties	09
1.10	Risks relating to future financing and structuring constraints	09
1.11	Risks relating to the impact on earnings per share (EPS)	10
1.12	Risks relating to the transfer and sale of the Class B Ordinary Shares	10
1.13	Risks relating to the novelty of the structure and associated legal challenges	10
1.14	Risks relating to market perception of the Class B Ordinary Shares	11
1.15	Risks relating to tax and zakat	11
<b>2.</b>	<b>The Capital Increase</b>	<b>13</b>
2.1	Overview of the Capital Increase	13
2.2	Rationale of the Capital Increase	13
2.3	Board ownership	14
2.4	Ownership structure before and after the Capital Increase	15
<b>3.</b>	<b>Use of Subscription Proceeds</b>	<b>17</b>
3.1	The agreed use of Subscription Proceeds	17
3.2	Overview of the Phase II Project Facilities and the Equity Bridge Loans	17

3.2.1	Phase II Project Facilities	17
3.2.2	Equity Bridge Loans	17
3.3	Impact on the capital structure	18
<b>4.</b>	<b>Legal information</b>	<b>20</b>
4.1	Declarations	20
4.2	Summary of the Subscription Agreement	20
4.2.1	Obligations of the Parties	20
4.2.2	Conditions	21
4.2.3	Completion	21
4.2.4	Cost and taxation	21
4.2.5	Contractual Lock-up Period	22
4.2.6	Warranties	22
4.2.7	Use of Subscription Proceeds	22
4.2.8	Other terms and conditions	23
4.2.9	Termination	23
4.3	The features and rights of the Class B Ordinary Shares	23
4.4	Related Parties and conflict of interest	25
4.5	Bylaws amendments	25
4.6	Approvals and resolutions for the Capital Increase	25
4.7	Restrictions on the shares	25
4.7.1	Restrictions on Class A Ordinary Shares	25
4.7.2	Restrictions on Class B Ordinary Shares	25
4.8	Secondary market	25
4.9	Disclosures related to Class B Ordinary Shares after the Capital Increase	26
4.10	Events of non-completion of the Capital Increase and actions to be taken in this regard	26
<b>5.</b>	<b>Financial information</b>	<b>28</b>
5.1	Summary of financial information	28
5.2	Financial impact and dividends distribution mechanism	30
5.3	Change in the share price	34

<b>6.</b>	<b>Expert statements</b>	<b>36</b>
<b>7.</b>	<b>Waivers</b>	<b>38</b>
<b>8.</b>	<b>Expenses</b>	<b>40</b>
<b>9.</b>	<b>Documents available for inspection</b>	<b>42</b>
<b>Annex A</b>		<b>44</b>

## Tables

Table (2.1):	Board ownership	14
Table (2.2):	Ownership structure	15
Table (3.1):	Use of Subscription Proceeds	17
Table (3.2):	Impact on the capital structure	18
Table (5.1):	Summary of the Company's statement of profit or loss and other comprehensive income for the financial years ended 31 December 2022, 2023, and 2024	28
Table (5.2):	Summary of the statement of financial position for the financial years ended 31 December 2022, 2023, and 2024	29
Table (5.3):	Summary of the statement of cash flows for the financial years ended 31 December 2022, 2023, and 2024	29
Table (5.4):	The key performance indicators for the financial years ended 31 December 2022, 2023, and 2024	29
Table (5.5):	Rabigh Refining and Petrochemical Company total Shareholders' Equity and Equity Structure following Capital Increase through the Issuance of Class B Shares	30
Table (5.6):	Rabigh Refining and Petrochemical Company Dividend Distribution Illustration Post Capital Increase Through Issuance of Class B Ordinary Shares (Numbers are rounded up to the nearest integer and totals may not match the sum of the individual numbers due to rounding)	31

# Definitions





## Definitions

<b>Affiliate</b>	<p>For the purposes of the CMA regulations, a person who Controls another person, or is Controlled by that other person, or who is under common Control with that person by a third person. In any of the preceding, Control could be direct or indirect. However, the use of such term in the context of the Subscription Agreement has a different agreed definition.</p> <p>For the purposes of the Subscription Agreement, a person who Controls another person or is Controlled by that other person, or who is under common Control with that person by a third person; provided that, in respect of Saudi Aramco, (a) only the companies which are controlled by Saudi Aramco shall be considered to be "Affiliates" of Saudi Aramco, and (b) the Government of the Kingdom, its ministries, agencies, authorities, institutions or other companies owned or controlled by the Government of the KSA shall not be considered to be an "Affiliate" of Saudi Aramco.</p>
<b>Business Day</b>	Any day (excluding Friday, Saturday and Sunday) on which banks are generally open in the KSA, Japan and New York for the transaction of normal banking business.
<b>Bylaws</b>	The Bylaws of the Company.
<b>Calendar Day / Day</b>	Any calendar day, whether it is a Business Day or not.
<b>Capital Increase / Capital Increase and issuance of Class B Ordinary Shares</b>	The Company's capital increase from sixteen billion, seven hundred and ten million (SAR 16,710,000,000) Saudi Riyals divided into one billion, six hundred and seventy-one million (1,671,000,000) ordinary shares, with a nominal value of ten (SAR 10) Saudi Riyals per share, to twenty-one billion, nine hundred and seventy-three million, six hundred and forty-nine thousand, nine hundred and eighty (SAR 21,973,649,980) Saudi Riyals divided into (i) one billion, six hundred and seventy-one million (1,671,000,000) Class A Ordinary Shares, and (ii) five hundred and twenty-six million, three hundred and sixty-four thousand, nine hundred and ninety-eight (526,364,998) Class B Ordinary Shares, in exchange for cash, by way private placement to the Founding Shareholders, and without listing such shares.
<b>Capital Increase Resolution</b>	The following resolutions, or any amendments thereto as may be agreed with the Founding Shareholders or required by the CMA, which will be presented as one (1) agenda item in the Capital Increase EGM: (i) the Capital Increase, (ii) the amendments of the Company's bylaws (the " <b>Bylaws</b> ") to reflect the features and rights of the Class B Ordinary Shares and the Capital Increase and the amendments, as shown in Annex (A-1) of this Circular (iii) the suspension of the Existing Shareholders pre-emptive right to subscribe in the New Shares, (iv) the terms of the Subscription Agreement, and (v) the delegation of the Company's Board of Directors to take all necessary actions in relation to the Capital Increase, the Class B Ordinary Shares issuance and the Subscription Agreement.
<b>Capital Increase EGM</b>	The EGM where the Capital Increase Resolution are presented and voted on.
<b>Circular / Shareholders' Circular</b>	This Circular, which was prepared and published in relation to the Capital Increase.
<b>CMA</b>	The Capital Market Authority of the Kingdom.
<b>CML / Capital Market Law</b>	The Capital Market Law issued pursuant to Royal Decree no. M/30 dated 02/05/1424H (corresponding to 31/07/2003G), as amended.
<b>Companies Law</b>	The Companies Law issued pursuant to Royal Decree no. M/132 dated 01/12/1443H (corresponding to 30/06/2022G), as amended.
<b>Company / Issuer / Petro Rabigh</b>	Rabigh Refining and Petrochemical Company.
<b>Completion / Subscription Completion</b>	At 10:00 AM on the day the Class B Ordinary Shares are deposited under the names of the Subscribers with Edaa (and into their investment portfolios, if applicable), following the approval of the Capital Increase EGM and the satisfaction of the conditions precedent set forth in the Subscription Agreement.

<b>Contractual Lock-up Period</b>	Two years following the Subscription Completion, during which holders of the Class B Ordinary Shares will be prohibited from selling, assigning or disposing of their Class B Ordinary Shares, with the exception of that Saudi Aramco may transfer ownership of its Class B Ordinary Shares to a Solely Controlled Affiliate, either before or during the Contractual Lock-up Period. Please see Section (4.2.5) (" <b>Contractual Lock-up Period</b> ") for more details.
<b>Control</b>	<p>For the purposes of the CMA regulations, the ability to, directly or indirectly, influence the acts or decisions of another person, individually or collectively with a Relative or Affiliate, through any of the following: (i) holding thirty percent (30%) or more of the voting rights in a company; or (ii) the right to appoint thirty percent (30%) or more of the members of the governing body.</p> <p>For the purposes of the Subscription Agreement, where another person, either directly or indirectly through one or more other Controlled persons: (i) holds a majority of the voting rights in the other person; (ii) is a member or shareholder of the other person and has the right to appoint or remove a majority of that other person's board of directors or equivalent managing body; (iii) is a member or shareholder of the other person and, pursuant to an agreement with other shareholders or members, is able to hold or direct a majority of the voting rights in the other person; or (iv) has the right to exercise a dominant influence over the other person pursuant to its constitutional documents or otherwise pursuant to a contract.</p>
<b>CGRs</b>	The Corporate Governance Regulations issued pursuant to the CMA's board resolution no. 8-16-2017 dated 16/05/1438H (corresponding to 13/02/2017G), as amended.
<b>Directors / Board of Directors / Board</b>	The members of the Company's Board of Directors elected by the General Assembly and whose names appear in Table (2-1).
<b>Edaa</b>	The Saudi Securities Depository Center Company (Edaa).
<b>EGM</b>	An extraordinary general assembly of the Company's shareholders convened in accordance with the Companies Law and the Company's Bylaws.
<b>Equity Bridge Loans</b>	Means (i) the equity bridge loan dated 16 March 2023 entered into between Aramco Overseas Company B.V. as lender and the Company as borrower (as amended from time to time) and guaranteed by Saudi Aramco, and the equity bridge loan dated 16 March 2015 (as amended on 13 November 2017, 30 June 2019 and 29 June 2020 and amended and restated on 1 October 2020, 25 September 2022 and 20 March 2023) entered into between, among others, certain financial institutions as lenders and the Company as borrower (as further amended from time to time) and guaranteed by Saudi Aramco; and (ii) the equity bridge loan dated 16 March 2015 (as amended on 13 November 2017, 30 June 2019 and 29 June 2020 and amended and restated on 1 October 2020, 25 September 2022 and 20 March 2023) entered into between, among others, certain financial institutions as lenders and the Company as borrower (as further amended from time to time) and guaranteed by Sumitomo.
<b>Exchange</b>	The Saudi stock exchange, the market in which Saudi securities (such as shares) are traded, which is regulated by the CMA and operated by the Saudi Exchange.
<b>Existing Shareholders</b>	Holders of the Class A Ordinary Shares from time to time.
<b>Existing Shares / Class A Ordinary Shares</b>	The current shares issued by the Company, being one billion, six hundred seventy-one million (1,671,000,000) ordinary shares of one class, all of which are listed.
<b>Financial Advisor</b>	Riyad Capital, in its capacity as financial advisor to the Company in relation to the Capital Increase.
<b>Founding Shareholders / Subscribers</b>	Saudi Aramco and Sumitomo.
<b>H</b>	The Hijri calendar.
<b>IFRS</b>	The International Financial Reporting Standards that are endorsed in the Kingdom and other standards and pronouncement issued by SOCPA.
<b>Implementing Regulation of the Companies Law</b>	The Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued pursuant to the CMA's board resolution no. 8-127-2016 dated 16/01/1438H (corresponding to 17/10/2016G), as amended.

<b>Instructions Related to Listed Companies With Accumulated Losses Reaching 20% or More of Their Share Capital</b>	Instructions Related to Listed Companies With Accumulated Losses Reaching 20% or More of Their Share Capital, issued pursuant to the CMA's board resolution no. 4-48-2013 dated 15/01/1435H (corresponding to 18/11/2013G).
<b>Issuance Price</b>	Ten (SAR 10) Saudi Riyals per share.
<b>Kingdom / KSA</b>	The Kingdom of Saudi Arabia.
<b>Legal Advisor</b>	Zeyad Sameer Khoshaim Company (Professional Limited Liability Company), in its capacity as the legal advisor for the Company in relation to the Capital Increase.
<b>New Shares / Class B Ordinary Shares</b>	The new shares the Company is issuing, and which are the subject of this Circular, will be allocated to the Founding Shareholders without being listed. These consist of five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) ordinary shares of a different class than the Existing Shares.
<b>Parties</b>	The Company, Saudi Aramco, and Sumitomo, unless the context requires otherwise.
<b>Phase II Project Facilities</b>	The Phase II project facilities granted to the Company pursuant to the the intercreditor agreement dated 2 March 2006 (as amended and restated on 16 March 2015 and 23 September 2020 and as may be further amended and/or restated or supplemented from time to time), between, the Company, MUFG Bank Ltd. as the global intercreditor agent and Rabigh II project agent, and others.
<b>Related Party / Related Parties</b>	Means any of the following: 1- Affiliates of the Issuer except for wholly owned companies. 2- Substantial Shareholders of the Issuer. 3- Directors and Senior Executives of the Issuer. 4- Directors of an Affiliate of the Issuer. 5- Directors and Senior Executives of the Issuer's Substantial Shareholders. 6- any relatives of the persons described in paragraphs 1, 2, 3, 4 or 5 above. In this context, "relative" means parents, spouse and children. 7- any company Controlled by any person described in paragraphs 1, 2, 3, 4, 5 or 6 above.
<b>Relatives</b>	Spouse and minor children.
<b>ROSCOs</b>	The Rules on the Offer of Securities and Continuing Obligations issued pursuant to the CMA's board resolution no. 3-123-2017 dated 09/04/1439H (corresponding to 27/12/2017G), as amended.
<b>Sale Transaction</b>	The sale transaction between Saudi Aramco and Sumitomo, pursuant to which Saudi Aramco will acquire from Sumitomo three hundred and seventy-five million, nine hundred and seventy-four thousand, nine hundred and ninety-eight (375,974,998) Existing Shares in the Company, representing approximately twenty-two point five percent (22.5%) of the current share capital of the Company.
<b>SAR / Saudi Riyal</b>	The Saudi Riyal, the lawful currency of the Kingdom.
<b>Saudi Aramco</b>	Saudi Arabian Oil Company, a Saudi public joint stock company incorporated under the laws of the KSA and established by Royal Decree No. M/8 dated 04/04/1409H (corresponding to 13/11/1988G), with commercial registration number 2052101150, having a paid-in share capital of SAR 90,000,000,000 with its head office at P.O. Box 5000 Dhahran 31311, KSA.
<b>Saudi Exchange</b>	The Saudi Exchange Company, which is a wholly owned subsidiary by Saudi Tadawul Group, and which manages and operates the Exchange.
<b>Shareholder</b>	Any holder of Shares in the Company from time to time.
<b>Shares</b>	The Existing Shares and the New Shares.
<b>SOCPA</b>	The Saudi Organization for Chartered and Professional Accountants.

<b>Solely Controlled Affiliate</b>	For the purposes of the Subscription Agreement, an Affiliate of a Founding Shareholder that is solely controlled by such Founding Shareholder, as such term is generally understood under applicable antitrust or competition laws, rules, regulations, or decrees.
<b>Special Assembly</b>	Special assembly held with the attendance of holders of a class of the company's ordinary, preferred, or redeemable shares, in accordance with the provisions of the Companies Law, the Implementing Regulation of the Companies Law and the Company's bylaws.
<b>Subscription Agreement</b>	The Subscription Agreement entered into between the Company, Saudi Aramco and Sumitomo in relation to the Capital Increase and the issuance of the Class B Ordinary Shares, on 07/03/1447H (corresponding to 30/08/2025G).
<b>Subscription Proceeds</b>	The subscription proceeds that will be collected from the Founding Shareholders, Shareholders in consideration of their Subscription for the Class B Ordinary Shares, being five billion, two hundred and sixty-three million, six hundred and forty-nine thousand, nine hundred and eighty (SAR 5,263,649,980) Saudi Riyals.
<b>Substantial Shareholder</b>	Any person owning five percent (5%) or more of the Company's Shares or voting rights.
<b>Sumitomo</b>	Sumitomo Chemical Company Limited, a kabushiki kaisha incorporated in Japan and whose principal office is at Tokyo Nihombashi Tower, 2-7-1, Nihonbashi, Chuo-ku, Tokyo 103-6020, Japan.
<b>Trading Day</b>	Any Day (excluding Fridays, Saturdays and official holidays) on which securities are trading on the Exchange.

## Risk Factors





# 1. Risk factors

The Existing Shareholders should carefully consider all information provided in this Circular, including the following risk factors, prior to voting on the Capital Increase Resolution in the Capital Increase EGM.

The occurrence of any of these risks may have a material adverse effect on the Company's financial position and future prospects, and may result in a decline in the share price, weaken the Company's ability to distribute dividends to shareholders, and lead to investors losing part or all of their investment in the Company's shares.

The risks mentioned in this Section include material risks related to the Capital Increase and the issuance of Class B Ordinary Shares and do not cover any commercial or legal risks related to the Company's business or risks related to the market and sector in which the Company operates that are not related to the Capital Increase, as well as other economic, political, and regulatory risks. Therefore, all shareholders must carefully evaluate the risks associated with the Capital Increase and not rely on them as general risks about the Company. In addition, the risks listed below are not arranged in order of importance or expected impact. The Directors acknowledge that, to the best of their knowledge and belief, there are no other material risks as of the date of this Circular, other than those set out below, that may affect the shareholders' decision in relation to the Capital Increase.

The risks and uncertainties described below do not necessarily constitute all the risks that could arise because of the Capital Increase, especially given its novelty and untested nature of the structure. There may be additional risks and uncertainties that are not currently known to the Company, or which the Company does not currently consider material. The occurrence of any such risks may materially and adversely affect the Company's financial position and future prospects, and may result in a decline in the share price, weaken the Company's ability to distribute dividends to shareholders, and lead to investors losing part or all of their investment in the Company's shares.

## 1.1 Risks relating to the reduction in dividends entitlement and the Company's ability to distribute dividends

The Class B Ordinary Shares have a different dividend structure than the Existing Shares. The dividend rate on Class B Ordinary Shares is zero percent (0%) until 31 December 2027G, then six percent (6%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2028 to 31 December 2031 and then increases to seven percent (7%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2032 onwards. This dividend accrues, and becomes permanently non-cumulative once the total accumulated dividends reach the nominal value paid for the Class B Ordinary Shares.

If the Company declares dividends, then the Class B Ordinary Shares will only be entitled to the lower of: (a) thirty percent (30%) of the amount to be declared as a dividend by the Company, whether annual or interim; or (b) the dividends actually accumulated and unpaid (in the current year and previous years) on the Class B Ordinary Shares at such point in time.

As such, the Class B Ordinary Shares entitle their holders to receive a specific portion of the Company's dividends from 2028 onwards. Although this is capped at thirty percent (30%) of the distributed dividends. For more details regarding the mechanism of distributing dividends to the holders of the Class B Ordinary Shares, please refer to Section (5.2) ("**Financial impact and dividends distribution mechanism**").

Given that the Class B Ordinary Shares are entitled to specific and limited cumulative dividends, such entitlement will still reduce the dividends the Existing Shareholders will receive and therefore their economic interest in the Company's profits. Also, it could potentially also reduce the value of the Existing Shares and subsequently their price.

Further, future distribution of dividends in any case depends on several factors including, among other things, future earnings, financial conditions, cash flows, working capital requirements, capital expenditures and distributable reserves of the Company. The Company has not distributed dividends since May 2018G and may not be able to pay dividends in the future. Additionally, the Directors may not recommend the distribution of dividends even if profits are achieved, and the shareholders may not approve the payment of dividends. The Company may incur expenses or liabilities that would reduce or eliminate the cash available for distribution of dividends. If the Company does not pay dividends, all Shareholders may not receive any return on investment unless they sell their Shares at a price higher than the price at the time of purchase.

## 1.2 Risks relating to the priority of Class B Ordinary Shares

The Class B Ordinary Shares will rank ahead of the Class A Ordinary Shares in the payment of dividends and in event of liquidation. This means that Class B Ordinary Shares will be entitled to receive their portion of the liquidation proceeds before any distribution is made to holders of the Class A Ordinary Shares. It is worth noting that dividends are declared for all shareholders, therefore, dividends will not be declared to one class of shares without the other. In the event of a declaration, the payment of dividends on the Class B Ordinary Shares shall take priority over the payment of any dividends due on the Class A Ordinary Shares. This means that, in the event of liquidation, for example, priority will be given to the unpaid declared dividends on the Class B Ordinary Shares.

As such, in the event of insolvency or winding up of the Company, and if the Company did not have sufficient residual proceeds to cover all of its equity base, including the holders of the Class B Ordinary Shares, this priority may reduce or eliminate the liquidation proceeds recovered by holders of the Class A Ordinary Shares.

## 1.3 Risks relating to the buyback of Class B Ordinary Shares from the Company

The Class B Ordinary Shares do not have a maturity date and are perpetual. However, at any time, the Company has the right, but not the obligation, and may, by giving notice in writing to the Class B Shareholders, to buy back any Class B Ordinary Shares at a price equal to the nominal value per Class B Share plus any accrued but unpaid dividends in relation to such Class B ordinary share.

Accordingly, The Company may exercise this right in the future, partially or fully, if it has sufficient retained earnings and after it obtains the relevant regulatory and shareholders' approvals, including those set out under Article 17 of the Implementing Regulations of the Companies Law, including the approval of the general assembly featuring the holders of the Class A Ordinary Shares.

If the Company exercises this right, it may result in a significant outflow of cash or other resources to effect the buy back. This could adversely impact the Company's liquidity position and its ability to fund operations, pursue growth initiatives, or distribute dividends to Class A Shareholders.

## 1.4 Risks relating to the powers of the Class B Ordinary Shares Special Assemblies

The Class B Ordinary Shares do not hold voting powers. However, Class B Ordinary Shares Special Assemblies, in accordance with Articles 89, 90 and 110 of the Companies Law These special assemblies decide only on:

- a- any amendments to the rights pertaining to the Class B Ordinary Shares as described in these Bylaws, including conversion to another class, split and cancellation, subject to the requisite approval of the other class having been obtained;
- b- any issuance, conversion or buy back of a new class of shares other than Class A Ordinary Shares or Class B Ordinary Shares, if such issuance, conversion or buy back prejudices the rights pertaining to the Class B Ordinary Shares as described in these Bylaws (e.g., changes to the dividend distribution policy or the liquidation preference order); and
- c- any in-kind or bonus shares dividends for the Class A Ordinary Shares (noting that the Class B Ordinary Shares are not entitled to in-kind dividends or bonus shares).

Therefore, while Class B Ordinary Shares are non-voting in the ordinary and extraordinary general assemblies, their holders retain the ability to influence certain corporate actions through their special assemblies. This may, in specific circumstances, limit the Company's ability to take actions that would otherwise be within the exclusive purview of the general assembly of Class A Ordinary Shares shareholders.

For Class A Ordinary Shares shareholders, this means that certain strategic or financial decisions, particularly those involving new share classes or in-kind dividends, may be subject to additional procedural requirements or constraints arising from the rights of the holders of the Class B Ordinary Shares. Further, capital restructuring through the issuance of or the conversion to a new class or shares other than Class A and Class B, or decisions that alter or prejudice the Class B Ordinary Shares' rights such as changes to the dividend policy, or liquidation preference would be subject to the Class B Ordinary Shares shareholders' approval and may not be approved. This may delay or restrict the Company's ability to respond swiftly to market opportunities or capital structure adjustments, and will reduce the ability of the Existing Shareholders to vote on such resolutions, potentially impacting the overall value proposition for the holders of the Class A Ordinary Shares.

## 1.5 Risks relating to the Company's negative financial position, its accumulated losses and achieving its transformation strategy

The Company has experienced significant losses in the past due to depressed market demand, and a challenging economic climate. The Company reported a net comprehensive loss of SAR 972,054,482, SAR 4,704,152,129 and SAR 4,543,567,383 for the financial years ended 31 December 2022, 2023 and 2024, and SAR 2,056,766,134 for the six months ended 30 June 2025. The Company may continue to face such losses, and may not achieve profitability in the near future. Such losses impact the Company's operations, business, ability to declare dividends and to grow its operations, and its ability to satisfy its obligations.

Further, the Company's accumulated losses as of 30 June 2025 reached 43.90% of the Company's share capital. As the Company's accumulated losses reached 20% of the Company's capital, the Company is subject to the Instructions Related to Listed Companies With Accumulated Losses Reaching 20% or More of Their Share Capital which imposes requirements on the Company including public disclosures. If such accumulated losses reach 50% of the Company's share capital, the Company will be subject to more stringent requirements as described in Article 132 of the Companies Law which requires the Board to disclose such accumulated losses and its recommendations with regards to such losses, and to invite the EGM to meet to resolve to continue the company and take any necessary measures to address the accumulated losses or to dissolve the Company.

The Capital Increase and issuance of Class B Ordinary Shares are part of the Company's transformation plan, and are being undertaken to support the Company's strategic objectives, which include strengthening the capital base, prepaying partial debt of the Company and reducing financing cost and supporting the Company's financial position. However, as the Capital Increase is primarily intended to reduce the Company's debt, the Capital Increase alone will not be sufficient to address the Company's financial position. Moreover, the Company's plan and the measures it intends to implement may also not be sufficient, as the success of any strategic improvement plan depends on a number of factors, including the Company's performance, market conditions, competition and other factors.

As such, the Company's losses may continue, even after the Capital Increase, and the Company may incur additional costs as a result of the Capital Increase or due to the ongoing management of a more complex capital structure. which would have a material adverse effect on the Company's business, operations, financial position, cash flows and future prospects, and therefore on the value of Class A Ordinary Shares. If the benefits of the Capital Increase are not realized at the same level anticipated, Class A Shareholders may face a decrease in the value of their shares, without corresponding value creation, reduced returns, and potential misalignment between the capital structure and business needs.

## 1.6 Risks relating to the Company's debt

The Company's debt service coverage ratio was 0.000470:1, (0.090715:1), (0.114880:1) and (0.070796:1) as of 31 December 2022G, 31 December 2023G, 31 December 2024G and 30 June 2025G, respectively. The Company is subject to certain financial covenants and other restrictive covenants under the terms of its indebtedness that limit its ability to, among other things, declare dividends, borrow money, create liens, give guarantees or sell or otherwise dispose of assets. The terms of the Company's indebtedness also require it to operate within certain specified financial ratios. These covenants restrict the Company's ability to take certain actions which could affect the Company's operations and its ability to expand its activities.

The Company intends to use the Subscription Proceeds to partially prepay certain of its Phase II Project Facilities and partially prepay its Equity Bridge Loans and bring down the Company's debt levels, in line with the Company's views of the long-term sustainable structure. For more details regarding the use of Subscription Proceeds, please refer to Section (3) "**Use of Subscription Proceeds**". However, the Company will still have significant indebtedness following the Subscription Completion, including the remaining amounts due under the Phase II Project Facilities and Equity Bridge Loans as well as other loans and borrowings..

Furthermore, significant operational or financial difficulties in the future may cause the Company to breach its financial covenants or other provisions or curtails the Company's ability to pay amounts due under these agreements for any reason, which would give rise to an event default under the terms of the Company's indebtedness. This would allow the lenders to demand immediate early repayment of the relevant loans and enable them to enforce their security if the outstanding amount is not repaid in full (including possible exercise of their rights to step in and operate the Petro Rabigh Project through a nominated agent or sell the Petro Rabigh Project to third parties). If the Company breaches any of its financial covenants or if the Company is not able to prepay the loans for any reason under one of its financing arrangements, the Company might be in breach of other financing arrangements by virtue of a cross-default clause would be in breach of the cross-default clauses under its other financing arrangements; which could result in all of its indebtedness becoming due and payable immediately.

Additionally, the Company's operations may require the Company to seek additional financing in the future. In the event the Company is not able to obtain such financing on acceptable terms, this might affect the Company's ability to conduct its business in accordance with its strategy which will in turn affect the Company's business and future prospects adversely.

If any of the above materialises, the Company might be required to prepay the loans immediately or secure financing by other means which might not be possible or might entail high cost and high interest rate, which would have a material adverse effect on the Company's business, operations, financial position, cash flows and future prospects. .

## 1.7 Risks relating to the closing of the Sale Transaction and the changes related to it

Since the IPO of the Company in 2008, each Founding Shareholder has maintained ownership of 37.5% of the Company's Existing Shares. On 7 August 2024, Saudi Aramco and Sumitomo entered into a sale and purchase agreement pursuant to which Saudi Aramco will acquire from Sumitomo 375,974,998 Existing Shares in the Company, representing approximately 22.5% of the current share capital of the Company. Upon completion of the Sale Transaction, Saudi Aramco will own approximately 60% of the Existing Shares of the Company and Sumitomo will own 15%. The public will continue to own the remaining 25%. The Sale Transaction is still subject to closing conditions and has not closed as of the date of this Circular. The Capital Increase EGM approval is a condition to the closing of the Sale Transaction, which in turn is a condition for the Class B Ordinary Shares issuance and the Capital Increase taking effect.

The Founding Shareholders currently have the ability to influence all matters requiring shareholders' approval, including the election of the Board, declaration of dividends, material transactions, bylaws amendments and other shareholders' level decisions, and thereby the ability to influence the Company in a manner that could have an effect on the Company's business, operations, financial position, cash flows and future prospects, and be exercised in a manner not in the best interest of the Shareholders and not aligned with their strategy. After the Sale Transaction, Saudi Aramco will own 60% of the Existing Shares. Any change in either Founding Shareholder's business strategy or policies towards the Company may have a material adverse effect on the Company's business, operations, financial position, cash flows and future prospects, and therefore on the Class A Ordinary Shares value.

In addition, the Sale Transaction involves other conditions that may affect the Company, particularly in relation to marketing rights, secondments, taxes, and zakat, as follows:

- 1- Both Founding Shareholders market the Company's products under marketing agreements. Upon completion of the Sale Transaction, Sumitomo's marketing rights will be transferred to Saudi Aramco. This transition may negatively impact the Company due to potential disruptions in its operations. Furthermore, it would result in the Company becoming fully dependent on Saudi Aramco for marketing its products, which could weaken its negotiating position and increase risks related to concentration, influence, or reputational issues associated with Saudi Aramco.
- 2- The Company has secondment and service agreements with both Founding Shareholders. Upon completion of the Sale Transaction, it is expected that a number of key personnel seconded by Sumitomo will be replaced by personnel seconded from Saudi Aramco. Changes in the management team, if not efficiently managed, may negatively affect the Company due to potential disruptions in its operations or its management team.
- 3- Additionally, as part of the Sale Transaction, the Founding Shareholders and the Company have agreed to sign a termination side letter regarding zakat and tax, under which the Founding Shareholders will cease paying the Company for the zakat and tax borne by the Company on their shareholdings. According to the Company's accounting policy, and unlike other shareholders, the Founding Shareholders reimburse the Company for zakat and income tax paid by the Company on their shares, and this is reflected accordingly in their equity accounts. After signing this termination side letter which will be signed concurrently with the completion of the Sale Transaction, the Founding Shareholders will cease such reimbursement going forward (without prejudice to any prior periods before the signing of the letter, which will still be reimbursed). This side letter will come into effect regardless of the completion of the Capital Increase. This change is expected to negatively impact the equity line item. During the fiscal years ended December 31, 2022G, 2023G, and 2024G, the zakat and income tax amounts paid by the Company including payments related to prior years' assessments finalization with ZATCA and the amounts reimbursed by the Founding Shareholders were as follows (respectively):
  - Year 2022 Financials: SAR 42,895,665 (zakat), with reimbursement received of SAR 18,846,530.
  - Year 2023 Financials: SAR 5,340,715 (zakat), with nil reimbursement.
  - Year 2024 Financials: SAR 1,722,911 (zakat), with reimbursement yet to be received by the Company of SAR 913,262.

The change in ownership, and the resulting conditions, may negatively affect the Company's business, operations, financial position, cash flows, and future prospects, which may in turn impact the value of the Class A Ordinary Shares.

## 1.8 Risks relating to obtaining required third party consents

The Company is a party to several contracts, some of which are material and others immaterial to its operations. Some of these contracts may contain restrictions or conditions that could be interpreted as requiring the counterparty's consent or notification for the Capital Increase or the Sale Transaction, the closing of which is in turn a condition to completing the Capital Increase.

The Company has obtained a conditional approval from the lenders under the Phase II Project Facilities for the Capital Increase and the Sale Transaction. This approval is subject to the fulfilment of customary requirements, such as submission of copies of the resolutions relating to the Capital Increase and legal opinions. The Company has also obtained the approvals it was able to identify as necessary, which include approvals from three of its local bank lenders and another contracting party.

If the Company is unable to identify all required contractual consents, or fails to obtain them or satisfy the conditions for them, and the Company and the Founding Shareholders decide to proceed with the Capital Increase regardless, the Company may be considered in breach of its obligations under the relevant contracts and financing. The consequences of such a breach vary depending on the terms and conditions of each contract. For example, a contract may grant the counterparty the right to terminate the agreement, claim compensation, or pursue other remedies.

The realization of any of these risks would have a material adverse effect on the Company's contracts, operations, financial position, cash flows, and future outlook, and would therefore negatively impact the holders of the Class A Ordinary Shares.

## 1.9 Risks relating to the Issuance of Class B Ordinary Shares to Related Parties

The issuance of a new class of shares and their allocation to the Founding Shareholders involves an element of risk, as they are Related Parties to the Company. The Founding Shareholders have undertaken not to vote on the Capital Increase Resolution, not vote on any items related to the rights of the Class B Ordinary Shares at the general assemblies of the holders of the Class A Ordinary Shares, for as long as they hold Class B Ordinary Shares.

However, the Founding Shareholders, as holders of the majority of the Class A Ordinary Shares, have the right to vote on future resolutions relating to dividend distributions, capital increases and reductions and other matters presented to the General Assembly, which may result in resolutions that do not take into consideration the positions of other shareholders. This influence constitutes a potential risk relating to the balance of rights of other shareholders, particularly in the event of their absence or failure to vote at the General Assembly meetings.

## 1.10 Risks relating to future financing and structuring constraints

The issuance of the Class B Ordinary Shares introduces structural complexity into the Company's capital structure that may limit future strategic flexibility.

In particular, the presence of a distinct class of shares—non-voting, unlisted, entitled to fixed cumulative dividends and a prior ranking in the event of liquidation—may constrain the Company's ability to raise additional equity capital in the future. Prospective investors may view the dual-class structure as less favourable or more difficult to value, especially if future offerings involve hybrid instruments or equity-linked securities. Regulatory approvals for subsequent capital increases involving preferred or non-standard share classes may also be subject to additional disclosures and other requirements by the relevant governmental bodies and authorities, particularly given the multiple classes of the Company's shares and the differing rights attached to each class.

Moreover, future conversion or restructuring scenarios – whether voluntary or due to external pressures—may result in a shift in control dynamics, dividend rights, or relative participation in the Company's performance. Any such changes would require the approval of both Shareholder classes as well as the CMA.

Accordingly, while the issuance of Class B Ordinary Shares may serve as a financial measure to current economic pressures, it also introduces long-term structural and governance considerations that could affect the Company's flexibility in raising capital, implementing corporate transactions, or maintaining its financial profile; all of which cannot be assessed fully currently. Existing Shareholders should consider these potential future implications when evaluating the Capital Increase and its long-term impact on the Company.



### 1.11 Risks relating to the impact on earnings per share (EPS)

From an accounting perspective, while the dividends on Class B Ordinary Shares may not affect the Company's income statement or reported net profit or any line item in the Company's income statement, it will impact the EPS calculation of the holders of Class A Ordinary Shares, beginning in 2028, in accordance with the requirements of International Accounting Standard (IAS) 33 (Earnings per Share). As a result, the issuance of Class B Ordinary Shares may affect how investors and analysts evaluate the Company's performance in the future.

As such, the issuance of Class B Ordinary Shares will impact the Company's reported calculation of EPS beginning in 2028. Under IAS 33 (Earnings Per Share), the amount of accrued but unpaid dividends on Class B Ordinary Shares must be deducted from the earnings available to ordinary shareholders for the purpose of calculating basic EPS.

As a result, the dividends payable to the holders of the Class B Ordinary Shares will not appear as an expense on the Company's income statement, but they will reduce the reported EPS calculation attributable to Class A Shareholders once they begin accruing at 6% per annum from 1 January 2028 (increasing to 7% from 1 January 2032 onward), and for each financial period thereafter.

This adjustment only impacts EPS calculation. However, lower reported EPS may still influence investor perceptions, analyst assessments, and valuation metrics. In particular, the EPS impact may adversely affect the Company's share price performance on the Exchange, resulting in less favorable analyst coverage, weaken investor sentiment or appetite in future capital raisings, and impact the Company's inclusion in EPS-weighted stock indices.

Class B dividends are contractually fixed at 0% until 31 December 2027. However, beginning in 2028, of the accrual of Class B dividends will reduce earnings available to Class A Shareholders for EPS calculation purposes, even if no cash payment is made. Accordingly, Existing Shareholders should consider the medium- to long-term reporting effects of the Class B structure, particularly in the context of valuation metrics and investor communications.

### 1.12 Risks relating to the transfer and sale of the Class B Ordinary Shares

The holders of the Class B Ordinary Shares are not allowed to transfer, assign, or otherwise dispose of their Class B Ordinary Shares before the expiry of two (2) years from the Completion Date. However, with the exception that, during and after this Contractual Lock-up Period, Saudi Aramco may elect to transfer its Class B Ordinary Shares to one or more of its Solely Controlled Affiliates.

After this Contractual Lock-up Period, any Class B Shareholder may transfer its Class B Ordinary Shares to any qualified or institutional clients, as per the provisions of Article 14 of the ROSCOs. For more details regarding the transfer of the Class B Ordinary Shares, please refer to Section (4.8) ("**Secondary market**").

For the holders of the Class A Ordinary Shares, these transfer provisions introduce potential risks related to future changes in the composition and influence of the holders of the Class B Ordinary Shares. Although Class B Ordinary Shares are non-voting, their rights, particularly in relation to dividends and liquidation, may become concentrated in the hands of new investors whose interests may not align with those of holders of the Class A Ordinary Shares. Additionally, the eventual transfer of Class B Ordinary Shares to third parties could affect market perception, introduce uncertainty regarding the Company's long-term strategy, and potentially impact the valuation and attractiveness of Class A Ordinary Shares.

### 1.13 Risks relating to the novelty of the structure and associated legal challenges

As of the date of this Circular, the CMA rules do not clearly govern the issuance and offering of different classes of shares for listed companies. The issuance of the Class B Ordinary Shares therefore represents a novel application of the current regulatory framework, and is the first of its kind in the Saudi capital markets, and therefore is subject to evolving regulatory expectations, interpretive uncertainty, and unforeseen legal challenges.

The absence of a developed body of precedent or administrative practice means that the legal interpretation of certain structural features, such as dividend rights, non-voting status, and restricted transferability, may shift over time. Regulatory authorities may adopt new views regarding the treatment or permissibility of specific terms, or may update or refine disclosure and governance requirements for future offerings of this nature.

Any such developments could affect the enforceability, regulatory status, or market perception of the Class B Ordinary Shares, including their eligibility for future restructuring, conversion, or buy back, which could impact the Company's relationship with the holders of the Class B Ordinary Shares and the terms of the Class B Ordinary Shares may be interpreted in the future, or

develop, more in favour of the holders of the Class B Ordinary Shares, and therefore may negatively impact Class A Ordinary Shares value. The Company may also face increased scrutiny or information requests from regulators, investors, or third parties in connection with the rights, treatment, or classification of Class B Ordinary Shares under applicable regulations, which could impact the Company as a whole and especially the holders of the Class A Ordinary Shares.

Existing Shareholders should also recognize that, due to the novelty of this structure, there remains limited market data or precedent regarding how similar instruments are priced, valued, or traded—if at all—in the market. Accordingly, the introduction of Class B Ordinary Shares without a fully developed regulatory framework carries inherent legal and regulatory risk. These risks may affect the Company's compliance, governance profile, and capital structure flexibility, and could ultimately impact the value of the Class A Ordinary Shares.

### 1.14 Risks relating to market perception of the Class B Ordinary Shares

Since Class B Ordinary Shares are new and unprecedented for a listed company in the Kingdom, market perception and speculation regarding Class B Ordinary Shares may significantly influence investors' decisions and could create uncertainty and speculation in the market. Negative speculation about the Class B Ordinary Shares, such as concerns about their dividend structure or voting rights, could cause market reactions that may affect the Company's overall reputation.

Because the use of dual-class equity structures is uncommon in the Saudi capital markets, their treatment may be viewed cautiously or even unfavourably by certain market players. Negative perception or speculation about the Class B Ordinary Shares could impact the Company in several ways, as it could affect the Company's overall reputation and investor confidence, could impair the Company's ability to raise capital in the future, or could genuinely be misunderstood and valued incorrectly in the overall Company valuation of the Class A Ordinary Shares.

### 1.15 Risks relating to tax and zakat

Under the Subscription Agreement, the Company shall bear and be responsible for paying all taxes imposed on the Company in the Kingdom that arise from or relate to the Subscription Agreement, or that result from or are connected to the Company's activities under the Subscription Agreement. The Company has agreed to indemnify and hold the Founding Shareholders harmless from all claims and liabilities related to taxes imposed on the Company under applicable laws in the Kingdom, to the extent such taxes are imposed on them.

The Zakat, Tax and Customs Authority may interpret certain provisions or procedures differently, which could result in unexpected future tax or zakat liabilities being imposed on the Company.

In addition, new tax or zakat laws and regulations may be issued or existing ones may be amended in the Kingdom in the future. Such regulations may cover transactions or activities that were not previously subject to tax or zakat. If these regulations are applied retroactively or in a manner that encompasses the Subscription Agreement or the issuance of Class B Ordinary Shares, this could result in additional unexpected costs for the Company, which may impact its financial position and adversely affect the market price of the Class A Ordinary Shares.



# The Capital Increase



## 2. The Capital Increase

### 2.1 Overview of the Capital Increase

On 06/03/1447H (corresponding to 29/08/2025G), the Company's Board of Directors issued its recommendation to increase the Company's capital from sixteen billion, seven hundred ten million (SAR 16,710,000,000) Saudi Riyals divided into one billion, six hundred seventy-one million (1,671,000,000) ordinary shares, with a nominal value of ten (SAR 10) Saudi Riyals per share, to twenty-one billion, nine hundred seventy-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 21,973,649,980) Saudi Riyals divided into (i) one billion, six hundred seventy-one million (1,671,000,000) Class A Ordinary Shares, and (ii) five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) Class B Ordinary Shares. The Class B Ordinary Shares will be issued at an issue price of ten (SAR 10) Saudi Riyals per share, inclusive of the fully paid nominal value of ten (SAR 10) Saudi Riyals per share and will not be listed.

On 07/03/1447H (corresponding to 30/08/2025G), the Company entered into a Subscription Agreement with Saudi Aramco and Sumitomo, pursuant to which they committed to subscribe for the Class B Ordinary Shares, in accordance with the terms of the Subscription Agreement summarized in Section (4.2) ("**Summary of the Subscription Agreement**")

Upon Subscription Completion, the Subscription Proceeds will amount to five billion, two hundred sixty-three million, six hundred forty nine thousand, nine hundred eighty (SAR 5,263,649,980) Saudi Riyals and will be used by the Company to partially prepay certain facilities related to the Phase II Project Facilities and the Equity Bridge Loans granted to the Company, with the aim of reducing the Company's debt levels in line with its view of a sustainable capital structure. Please refer to Section (3) ("**Use of Subscription Proceeds**") for further details.

### 2.2 Rationale of the Capital Increase

The Company is facing operational and financial challenges due to unfavorable market conditions, which have led to prolonged periods of declining profit margins and sales, in addition to rising feedstock and other key input costs, among other factors. The Company's accumulated losses amounted to (SAR 1,702 million), representing 10.19% of the share capital; (SAR 6,406 million), representing 38.34% of the share capital; (SAR 7,154 million), representing 42.81% of the share capital; and (SAR 7,335 million), representing 43.9% of the share capital, for the financial years ended December 31, 2022, 2023, and 2024, and for the six-month period ended June 30, 2025, respectively.

In light of the Company's financial and operational position, the Company, with the support of the Founding Shareholders, has developed a transformational strategic plan aimed at improving its operational performance, strengthening its financial position, reducing debt levels, and enhancing its ability to grow, expand and create value for all of its shareholders.

Currently, Saudi Aramco and Sumitomo each own thirty-seven point five percent (37.5%) each of the Existing Shares, totalling seventy five percent (75%) of the Existing Shares. Saudi Aramco entered into a sale and purchase agreement with Sumitomo, under which Saudi Aramco will acquire three hundred seventy-five million, nine hundred seventy-four thousand, nine hundred ninety-eight (375,974,998) shares from Sumitomo, representing approximately twenty-two point five percent (22.5%) of the Existing Shares. Upon completion of this transaction, Saudi Aramco will become the largest shareholder in the Company, holding approximately sixty percent (60%) of the Existing Shares, while Sumitomo will remain a shareholder with a fifteen (15%) stake.

In the context of the Sale Transaction, the Founding Shareholders agreed to take specific steps aimed at improving the Company's financial position and supporting its transformational strategy. These steps include: (a) the waiver of shareholder loans provided by the Founding Shareholders and their affiliates to the Company, totalling five billion, six hundred twenty-five million (SAR 5,625,000,000) Saudi Riyals; and (b) the injection of an additional five billion, two hundred sixty-three million (SAR 5,263,000,000) Saudi Riyals, equally by the Founding Shareholders, through a mechanism to be agreed upon with the Company.

Between August 2024G and January 2025G, the Founding Shareholders successfully completed a two-phase debt waiver process that resulted in the Founding Shareholders waiving a total of five billion, six hundred twenty-five million (SAR 5,625,000,000) Saudi Riyals of their debts, which reduced the Company's accumulated losses to forty-three-point nine percent (43.9%) of its share capital as of 30 June 2025G.

A key term of the Sale Transaction is the injection of the new cash into the Company per the above, which includes Sumitomo's injection of the proceeds of the Sale Transaction (being SAR 2,631,824,986) into the Company, and the injection of the same amount by Saudi Aramco.

Following its assessment of available capital contribution structures and negotiations with the Founding Shareholders, the Company resolved to implement the Capital Increase described in this Circular through the issuance of a new class of ordinary shares that will not be listed and generally carry no voting rights (in order to avoid diluting the voting power of Existing Shareholders). Additionally, the entitlement of these shares to dividends has been structured such that they will only participate in profit distributions if dividends are declared for all shareholders generally. This approach is intended to maximize the level of support provided to the Company while minimizing its impact on the other shareholders.

The Company's transformational strategic plan includes the partial repayment of a substantial portion of its debt using the Subscription Proceeds from the Subscription for the Class B Ordinary Shares. This is intended to reduce the Company's debt burden and associated financing costs, thereby supporting its broader strategic objectives, which include strengthening its capital base, prepaying part of its outstanding debt, reducing financing costs, and enhancing the Company's overall financial position.

Accordingly, on 06/03/1447H (corresponding to 29/08/2025G), the Board of Directors of the Company issued its recommendation to increase the Company's capital and issue the Class B Ordinary Shares without listing them. Thereafter, the Company entered into the binding Subscription Agreement with the Founding Shareholders on 07/03/1447H (corresponding to 30/08/2025G).

Following the Subscription Completion, the Company intends to reduce its share capital in order to further offset accumulated losses. 08/03/1447H (corresponding to 31/08/2025G), the Company announced the Board of Directors' recommendation regarding this capital reduction. The Company intends to submit the application file to the CMA as soon as possible after the Capital Increase EGM approves the Capital Increase. The capital reduction is subject to the applicable regulatory requirements, including the approval of the CMA and the approval of the Company's shareholders.

## 2.3 Board ownership

The following shows each Board member's direct ownership and indirect ownership in the Company's Shares. There would be no change to such ownership as a result of the Capital Increase. All shares below are Class A Ordinary Shares, and none of the Directors own directly or indirectly in the Class B Ordinary Shares.

**Table (2.1): Board ownership**

Director	Position	Status	Direct Ownership		Indirect Interest <sup>(1)</sup>	
			Number of Shares	Percentage of Existing Shares	Number of Shares	Percentage of Existing Shares
1- Eng. Ibrahim Qassim Al-Buainain	Chairman	Non-executive	N/A	N/A	N/A	N/A
2- Mr. Noriaki Takeshita	Vice Chairman	Non-executive	N/A	N/A	N/A	N/A
3- Eng. Mohammed Abdullatif Al-Omair	Member	Independent	12	0.0000007%	N/A	N/A
4- Mr. Motassim A. Al-Maashouq	Member	Independent	N/A	N/A	N/A	N/A
5- H.E. Dr. Khalid S. Al-Sultan	Member	Independent	100	0.000006%	N/A	N/A
6- Eng. Seiji Takeuchi	Member	Non-executive	N/A	N/A	N/A	N/A
7- Mr. Tetsuo Takahashi	Member	Non-executive	N/A	N/A	N/A	N/A
8- Eng. Hussain A. Al-Qahtani	Member	Non-executive	N/A	N/A	N/A	N/A
9- Eng. Othman Ali Al-Ghamdi	Member	Executive	N/A	N/A	N/A	N/A

<sup>(1)</sup> Indirect interest means ownership of the Director's Relatives, or the Director's Controlled companies.

Source: the Company

## 2.4 Ownership structure before and after the Capital Increase

The following shows the details of the Substantial Shareholders' ownership in the Company before and after the Capital Increase.

**Table (2.2): Ownership structure**

Shareholder	Pre-Capital Increase		Post the Sale Transaction and Capital Increase	
	Number of Shares	% of Ownership	Number of Shares	% of Ownership
<b>Class A Ordinary Shares</b>				
Saudi Aramco	626,624,998	37.5%	1,002,599,996	60%
Sumitomo	626,624,998	37.5%	250,650,000	15%
Shareholders, other than the Substantial Shareholders	417,750,004	25.0%	417,750,004	25%
<b>Total</b>	<b>1,671,000,000</b>	<b>100%</b>	<b>1,671,000,000</b>	<b>100%</b>
<b>Class B Ordinary Shares</b>				
Saudi Aramco	N/A	N/A	263,182,499	50%
Sumitomo	N/A	N/A	263,182,499	50%
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>526,364,998</b>	<b>100%</b>

Note: The percentages are approximate.



# Use of Subscription Proceeds



## 3. Use of Subscription Proceeds

### 3.1 The agreed use of Subscription Proceeds

The Founding Shareholders will subscribe for a total of five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) Class B Ordinary Shares at an issue price of ten (SAR 10) Saudi Riyals per share, inclusive of the nominal value of ten (SAR 10) Saudi Riyals per share. Accordingly, each Founding Shareholder will pay an amount of two billion, six hundred thirty-one million, eight hundred twenty-four thousand, nine hundred ninety (SAR 2,631,824,990) Saudi Riyals, resulting in total Subscription Proceeds of five billion, two hundred sixty-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 5,263,649,980) Saudi Riyals ("**Subscription Proceeds**").

The Company has committed to using the Subscription Proceeds to partially prepay the Phase II Project Facilities and Equity Bridge Loans granted to the Company, within a period not exceeding sixty (60) Days from the completion of the Sale Transaction for the Phase II Project Facilities and by December 2025 for the Equity Bridge Loans (which is the due date of the next payment). The table below sets out a summary of the agreed use of the Subscription Proceeds:

**Table (3.1): Use of Subscription Proceeds**

Description	Amount (SAR)	Percentage of the Subscription Proceeds	Estimated time of use
Partial prepayment of Phase II Project Facilities	3,684,554,986	70%	Within sixty (60) Days from the completion of the Sale Transaction
Partial prepayment of Equity Bridge Loans	1,579,094,994	30%	December 2025G
<b>Total</b>	<b>5,263,649,980</b>	<b>100%</b>	

### 3.2 Overview of the Phase II Project Facilities and the Equity Bridge Loans

During 2015G, the Company entered into senior debt facilities, which are a suite of senior secured loan agreements with export credit agencies, commercial banks and other financial institutions for the project financing of the Phase II Expansion Project ("**Phase II Project Facilities**"). The facilities available under the Phase II Project Facilities amounted to nineteen billion, three hundred eighty million (SAR 19,380,000,000) Saudi Riyals and were utilized in full by the Company. The Company also entered into the Equity Bridge Loans of eleven billion, two hundred fifty million (SAR 11,250,000,000) Saudi Riyals, which are guaranteed by the Founding Shareholders (the "**Equity Bridge Loans**").

#### 3.2.1 Phase II Project Facilities

The Phase II Project Facilities are repayable in semi-annual instalments from June 2019G to June 2031G. The creditors under these facilities are: Japan Bank for International Cooperation (with the largest exposure), Public Investment Fund, and commercial banks.

On 25 December 2019 the Company entered into a three billion, six hundred million (SAR 3,600,000,000) Saudi Riyals senior secured loan agreement with the Saudi Industrial Development Fund (SIDF). The proceeds of this loan were utilised in full and used to prepay a portion of the project financing loans in an amount of three billion, three hundred twelve million (SAR 3,312,000,000) Saudi Riyals. As of 30 June 2025G, the outstanding amounts under the Phase II Project Facilities amounted to seven billion, six hundred seventy-seven million, eight hundred sixty-five thousand, six hundred seventy-two (SAR 7,677,865,672) Saudi Riyals.

#### 3.2.2 Equity Bridge Loans

During the year ended December 31, 2022G, the Equity Bridge Loans guaranteed by the Founding Shareholders were partially repaid in an amount of one billion, nine hundred forty million, four hundred eighty-six thousand, two hundred fifty (SAR 1,940,486,250) Saudi Riyals using the proceeds of the rights issue carried out by the Company in the year 2022G. The Equity Bridge Loans are due to mature on December 20, 2027 upon which, all amounts outstanding will become due and payable. The Equity Bridge Loans are financed by commercial banks and a Related Party (Aramco Overseas Company B.V., a wholly owned subsidiary of Saudi Aramco). The Equity Bridge Loan agreements allow for interim voluntary partial repayments to be made. As of 30 June 2025G, the outstanding amount under the Equity Bridge Loans amounted to nine billion, two hundred thirty-nine million, five hundred sixty-one thousand, twenty-five (SAR 9,239,561,025) Saudi Riyals.

The creditors under these facilities are: Sumitomo Mitsui Banking Corporation (SMBC), Saudi British Bank and Aramco Overseas Company, a wholly owned subsidiary of Saudi Aramco.

### 3.3 Impact on the capital structure

The following shows the expected change in capital structure of the debt and equity pre and post the Capital Increase, calculated as at 30 June 2025G:

**Table (3.2): Impact on the capital structure**

As of 30 June 2025G	Pre-Capital Increase		Post-Capital Increase	
	Debt	Equity	Debt	Equity
Value in capital structure (SAR)	20,035,656,506	9,621,533,151	14,772,006,526	14,885,183,131
Percentage of capital structure (%)	67.56%	32.44%	49.81%	50.19%

The above assumes the following:

- debt includes short-term borrowings, long-term loans (including Equity Bridge Loans pre-Capital Increase), and other long-term liabilities; and
- equity includes shareholder equity.



## Legal Information



## 4. Legal information

### 4.1 Declarations

The Directors declare the following:

- 1- The issuance of the Class B Ordinary Shares does not violate the relevant laws and regulations in the KSA.
- 2- All material legal information related to the Capital Increase have been disclosed in this Circular.
- 3- There is no other material legal information in this Section that the omission of which would cause the other statements to become misleading.
- 4- The Issuer is not subject to any lawsuits or claims that, individually or in the aggregate, could have a material effect on its business or financial position."
- 5- The Directors of the Issuer are not subject to any lawsuits or legal proceedings that, individually or in the aggregate, could materially affect the Company's business or financial position.
- 6- There has been no interruption in the business of the Company that has significantly impacted, or might have impacted, notably the Company's financial position during the last twelve (12) months.
- 7- There has not been any material adverse change in the financial or trading position of the Issuer during the year immediately preceding the date of this Circular.
- 8- No commissions, discounts, brokerages, or other non-cash compensation have been granted by the Issuer during the year immediately preceding the date of this Circular in connection with the issuance or offering of any shares.
- 9- Except as disclosed in Section (1.8) ("**Risks relating to obtaining required third party consents**"), the Capital Increase does not breach any contracts or agreements to which the Company is a party.
- 10- Except as disclosed in (2-1) ("**Board ownership**") of this Circular, neither the Directors nor any of their Relatives hold any shares or interests of any kind in the Company.
- 11- None of the Directors has been declared bankrupt or has been subject to bankruptcy proceedings at any time.
- 12- None of the members of the Board of Directors has been appointed to an executive or supervisory position in any company that has declared bankruptcy or insolvency during the five years preceding the date of this circular.
- 13- The members of the Board of Directors acknowledge that the Company is subject to the ongoing obligations in accordance with the ROSCOs, and that the Company is committed to notifying the CMA of any material developments relating to Class B Ordinary Shares.

### 4.2 Summary of the Subscription Agreement

The Company and the Founding Shareholders entered into a Subscription Agreement on 07/03/1447H (corresponding to 30/08/2025G), which outline the terms pertaining to the steps and procedures related to the Capital Increase and the issuance of, and subscription for, the Class B Ordinary Shares. Pursuant to the Subscription Agreement, the Company undertakes to issue the Class B Ordinary Shares, and the Founding Shareholders undertake to subscribe to the Class B Ordinary Shares, in accordance with and subject to the terms and conditions of the Subscription Agreement. The following is a summary of the key terms and conditions in the Subscription Agreement.

#### 4.2.1 Obligations of the Parties

The Founding Shareholders have committed to subscribe for a total of 526,364,998 Class B Ordinary Shares. The Parties agreed that the issue price of the Class B Ordinary Shares is based on their nominal value of SAR 10 per share. Accordingly, each Founding Shareholder will pay two billion, six hundred thirty-one million, eight hundred twenty-four thousand, nine hundred ninety (SAR 2,631,824,990) Saudi Riyals, resulting in total Subscription Proceeds of five billion, two hundred sixty-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 5,263,649,980) Saudi Riyals.

The issue price shall not be subject to change after the date of the Subscription Agreement and shall not change or vary based on any trading pattern or market price of the Existing Shares.

The Subscription Proceeds shall be paid by the Founding Shareholders free from any set-off, counterclaim, or other deduction or withholding of any nature whatsoever. If any deductions or withholdings are required by Law to be made from any such payments, the amount of the payment shall be increased by such amount so as to, after the deduction or withholding has been made, leave the Company with the same amount of Subscription Proceeds as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding.

#### 4.2.2 Conditions

The Subscription Completion is subject to the following conditions:

- a- **Regulatory Approval(s) and Filing(s):** All required approvals, notifications and/or waivers (as applicable) for the issuance and allocation of the Class B Ordinary Shares from the CMA, the Saudi Exchange and/or any other regulatory authority of the KSA (as applicable) being obtained and/or granted. Please refer to Section (4.6) ("**Approvals and resolutions for the Capital Increase**") for further details on the approvals under which the Capital Increase will take place.
- b- **Sale Transaction:** The Subscribers having completed the Shares Sale. It is worth noting that the Sale Transaction is scheduled to be executed and completed following the approval of the Extraordinary General Assembly regarding the Capital Increase. The Sale Transaction is expected to be completed within fifteen (15) Business Days from the date of such approval.
- c- **Shareholders' Approval:** The Company's Shareholders having issued their approval in a duly convened Capital Increase EGM on the Capital Increase Resolution.
- d- **Phase II Project Facilities:** The consent of the lenders of the Phase II Project Facilities on the Sale Transaction and the Capital Increase. The conditional consent was obtained by the Company on 16/12/1447H (corresponding to 12/06/2025G). Please refer to Section (1.8) ("**Risks relating to obtaining required third party consents**") for further details on this conditional approval and the related risks.
- e- **Other Approvals:** The consent of four counterparties with whom the Company has contracted in relation to the Sale Transaction and the Capital Increase (as applicable), including three local commercial banks and a commercial counterparty under a licensing agreement with the Company. These approvals have been obtained.
- f- **No Breach of Warranties:** All warranties provided by the Company, Saudi Aramco and Sumitomo (as applicable) under the Subscription Agreement being true and accurate in all material aspects as of the date of the Completion. Please refer to Section (4.2.6) ("**Warranties**") for further details regarding warranties.

Except as required by law, the conditions may be waived by agreement among the parties, or, in the case of a breach of warranty, may be waived by the non-breaching party (as applicable). The Parties agree to cooperate to satisfy the conditions as soon as possible prior to the expiry date of the Subscription Agreement and agree to keep each other informed of developments relating to the conditions.

#### 4.2.3 Completion

Following the approval of the Capital Increase EGM and the satisfaction of all applicable conditions, the Founding Shareholders shall deposit the Subscription Proceeds into the bank account designated by the Company within fifteen (15) Business Days.

Once the Subscription Proceeds are deposited, the Company must issue the Class B Ordinary Shares and arrange for their registration with Edaa. Completion will occur at 10:00 a.m. on the day the Class B Ordinary Shares are deposited in the names of the Subscribers with Edaa (and in their respective portfolios, if such deposit was applicable). On the same day, or no later than two Business Days thereafter, the Company will provide the Founding Shareholders with a certified copy of the shareholder register, issued by Edaa and dated as of the Completion date, which records the Subscribers as the holders of the Class B Ordinary Shares registered with Edaa.

#### 4.2.4 Cost and taxation

- a- The Company is responsible for and shall pay when due any and all taxes imposed, levied or assessed upon the Company in the KSA as a result of, or related to, or arising out of the Company's activities under, the Subscription Agreement. The Company has agreed to indemnify and hold the Founding Shareholders harmless from and against any and all claims, assessments, and liabilities, for taxes imposed upon the Company by applicable law in the KSA, if and to the extent that such taxes are asserted against, or sought to be enforced against, them.



- b- In the event that any holders of the Class B Ordinary Shares transfers any of its Class B Ordinary Shares, such shareholder shall be responsible for any tax liability applicable to it under applicable law arising out of such transfer.
- c- The Company will deduct and withhold any taxes legally required from the payments made to any holder of the Class B Ordinary Shares under the Subscription Agreement. Such withheld taxes shall be paid to ZATCA as required by applicable law. Each holder of the Class B Ordinary Shares acknowledges and agrees that any payment due to it from the Company shall in no circumstances whatsoever be increased or grossed-up to take into account the withholding tax deduction (or any part thereof).
- d- Each party will be responsible for the cost of its own advisors relating to the negotiations of and entry into the Subscription Agreement and the performance of its obligations thereunder, and the Company will be responsible for the regulatory expenses in relation to the Capital Increase (if applicable) and the costs of its advisors. Please refer to Section (8) ("**Expenses**") for further details regarding the expenses.

#### 4.2.5 Contractual Lock-up Period

The Class B Ordinary Shares will not be listed on the Exchange. The Class B Ordinary Shares will be subject to a lock-up period of two years following Subscription Completion, during which holders of the Class B Ordinary Shares will be prohibited from selling, assigning or disposing of their Class B Ordinary Shares. However, Saudi Aramco may transfer ownership of its Class B Ordinary Shares to one of its Solely Controlled Affiliates during the Contractual Lock-up Period. After the expiry of this Contractual Lock-up Period, the holders of the Class B Ordinary Shares will be able to dispose of them in accordance with the secondary market provisions under ROSCOs. For more details about the secondary market, please refer to Section (4.8) ("**Secondary market**")

#### 4.2.6 Warranties

##### 4.2.6.1 All Parties warranties

Each of the Company and each Founding Shareholder warranted and represented to the other Parties that the following statements are true and correct as of the date of the Subscription Agreement and shall be true and correct as of Completion:

- a- it is duly organized and validly existing under the laws of its incorporation and has full corporate power to carry on its business as currently conducted;
- b- save for the conditions stated in the Subscription Agreement, it has all necessary power and authority to enter into and perform its obligations under the Subscription Agreement;
- c- save for the conditions stated in the Subscription Agreement, the Subscription Agreement constitutes, assuming due authorization, execution and delivery by the other parties, legal, valid and binding obligations on it;
- d- save for the conditions stated in the Subscription Agreement, the execution and delivery of the Subscription Agreement by it and the performance of its obligations thereunder, will not result in a breach of or constitute a default under any provision of its constitutional documents; or any order, judgment or decree of any court or government authority by which it is bound; or any other authorization or permit; or require any consent, approval, authorization or permit of, or filing with or notification to, any government authority or other person; and
- e- it is not insolvent or bankrupt under any applicable law, there is nothing to indicate that it is unable to pay its debts as they fall due, and it is not subject to any proceedings relating to bankruptcy or settlement with creditors.

##### 4.2.6.2 Company warranties

The Company warranted to the Founding Shareholders that:

- a- it has not granted rights to any person to require the Company to allot, issue, sell, transfer or convert any new share capital under any option or other agreement (including conversion rights) and no encumbrance has been created by the Company in favour of any person affecting any unissued shares or debentures or other unissued securities of the Company; and
- b- when issued, the Class B Ordinary Shares will be free from all encumbrances imposed by the Company.

#### 4.2.7 Use of Subscription Proceeds

The Company has committed to using the Subscription Proceeds to partially prepay the Phase II Project Facilities (70%) and Equity Bridge Loans (30%) granted to the Company, within a period not exceeding sixty (60) Days from the completion of the Sale Transaction for the Phase II Project Facilities and by December 2025 for the Equity Bridge Loans (which is the due date of the next payment). For more details regarding the use of the Subscription Proceeds, please refer to Section (3) ("**Use of Subscription Proceeds**").

#### 4.2.8 Other terms and conditions

- a- Each Founding Shareholder acknowledges that the Company cannot grant any rights to the Class B Ordinary Shares which are not specified in the Bylaws, and that the Class B Ordinary Shares' rights might be changed (by addition or reduction) in case a duly convened special Class B Ordinary Shares assembly, and a duly convened Class A Ordinary Shares assembly, approve the same per applicable law. The Founding Shareholders shall adhere to such variation, and agree that such variation shall be incorporated as if it was part of the Subscription Agreement, and shall not be deemed in any way a breach on part of the Company.
- b- The Founding Shareholders have undertaken not to vote on the Capital Increase Resolution. Unless otherwise permitted by the CMA, the Founding Shareholders shall not vote on any items related to the rights of the Class B Ordinary Shares at the general assemblies of the holders of the Class A Ordinary Shares, for as long as they hold Class B Ordinary Shares (although, for clarity, the Founding Shareholders are not restricted from exercising their voting rights as holders of the Class (B) Ordinary Shares, including at any special assembly meetings of the Class (B) Ordinary Shares). They have also undertaken to ensure that any transferee of the Class B Ordinary Shares complies with the same obligation, and that such transferee secures the compliance of its own transferee, and so forth.
- c- The Parties have agreed to confidentiality provisions pursuant to a separate confidentiality agreement entered into between them.
- d- Except as the Parties specifically agree in writing, no party shall assign, transfer, charge, or otherwise deal with all or any of its rights under the Subscription Agreement (including to an Affiliate or otherwise), nor grant, declare, create, or dispose of any right or interest in it.
- e- Notwithstanding the foregoing, and without prejudice to the Contractual Lock-up Period, the Founding Shareholders may assign the Subscription Agreement to their respective Solely Controlled Affiliates without the consent of any other party; provided that, at or prior to such assignment, the assigning party: (a) transfers all of its Class B Ordinary Shares to such Solely Controlled Affiliate (after obtaining all necessary governmental and other approvals and consents required for any such transfer if any); and (b) the liabilities under the Subscription Agreement of the non-assigning party and its Affiliates to the assigning party and its Affiliates shall be no greater than such liabilities would have been if the assignment had not occurred.
- f- The Subscription Agreement is governed by the laws of the Kingdom. Disputes must be settled amicably and, failing such settlement, must be referred to the Saudi Center for Commercial Arbitration in accordance with its arbitration rules.

#### 4.2.9 Termination

Subject to certain provisions surviving (such as dispute resolution and other customary provisions), prior to Completion each Party is permitted to terminate the Subscription Agreement by written notice to the other Parties if:

- a- any law is brought into force that makes the consummation of Completion illegal;
- b- any judgement, injunction, order or decree of any government authority enjoins the parties from consummating Completion; or
- c- a Party is in material breach of any obligation on its part under the Subscription Agreement and, where that breach is capable of remedy, it is not remedied within thirty (30) Days to the non-breaching party's satisfaction.

In addition, the Subscription Agreement shall terminate if the conditions are not satisfied within a maximum period of eight months from the date of its execution (i.e., by 30/04/2026G), unless otherwise agreed by the Parties.

### 4.3 The features and rights of the Class B Ordinary Shares

#### Voting

The Class B Ordinary Shares shall not have any voting rights attached to them, except in a special assembly of the Class B Ordinary Shares (as further described under Special Assemblies, below). The Class B Ordinary Shares shall not bestow the right to attend, vote or otherwise participate in any proceedings or decisions of the Board.

<b>Special Assemblies</b>	<p>Class B Ordinary Shares have special assemblies, per the Companies Law. These special assemblies decide only on:</p> <ul style="list-style-type: none"> <li>any amendments to the rights pertaining to the Class B Ordinary Shares as described in the Company's Bylaws, including conversion to another class, split and cancellation, subject to the requisite approval of the other class having been obtained;</li> <li>any issuance, conversion or buyback of a new class of shares other than Class A Ordinary Shares or Class B Ordinary Shares, if such issuance, conversion or buyback prejudices the rights pertaining to the Class B Ordinary Shares as described in the Company's Bylaws; and</li> <li>any in-kind or bonus shares dividends for the Class A Ordinary Shares.</li> <li>The quorum of these special assemblies shall be the same as that required for an extraordinary general assembly of the Company, provided that for the avoidance of doubt, the quorum for the first meeting shall be two-thirds (2/3) of the Class B Ordinary Shares. If this quorum is not met, a second meeting may be convened, provided that the invite of the first meeting expressly permits it; the second meeting shall be valid with the presence of one-quarter (1/4) of the Class B Ordinary Shares. If the quorum is not met in the second meeting, a third meeting may be invited and shall be valid regardless of the number of Class B Ordinary Shares represented. The approval threshold shall be at least two-thirds (2/3) of the Class B Ordinary Shares represented at the special assembly.</li> </ul>
<b>Pre-Emptive Rights</b>	Holders of Class B Ordinary Shares enjoy pre-emptive rights to issuance of the same Class B Ordinary Shares, but not on any other class or type of equity of the Company.
<b>Ranking</b>	The rights attaching to any Class B Share shall rank pari passu in all respects with all other Class B Ordinary Shares but shall rank senior to the rights of the Class A Ordinary Shares with respect to dividends and liquidation.
<b>Dividends</b>	<p>a- Cumulative dividends shall accrue annually on the Class B Ordinary Shares from the date of issuance at a rate equal to: (i) zero percent (0%) of the nominal value of the outstanding Class B Ordinary Shares per annum until 31 December 2027; (ii) six percent (6%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2028 until 31 December 2031; and (iii) seven percent (7%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2032 (the "Dividend Rate"), provided that the maximum aggregate amount of cumulative dividends accrued on the Class B Ordinary Shares shall not exceed the nominal value paid for the Class B Ordinary Shares then outstanding and thereafter the dividends shall be non-cumulative.</p> <p>b- If the Company declares dividends, then the Class B Ordinary Shares shall only be entitled to the lower of:</p> <ul style="list-style-type: none"> <li>thirty percent (30%) of the amount to be declared as a dividend by the Company, whether annual or interim; and</li> <li>the dividends actually accumulated and unpaid (in the current year and previous years) on the Class B Ordinary Shares at such point in time,</li> </ul> <p>c- Under no circumstance will the Company owe any amount of undeclared dividends to the Class B Ordinary Shares holders.</p> <p>d- The Class B Ordinary Shares are not entitled to in-kind dividends or bonus shares.</p> <p>e- It should be noted that dividends are declared for the benefit of all shareholders; therefore, dividends shall not be declared to one class of shares to the exclusion of another. In the event of a declaration, payment of dividends on Class B Ordinary Shares shall take priority over the payment of any dividends due on Class A Ordinary Shares. This means that, in the event of liquidation, for example, priority of payment will be given to any declared but unpaid dividends on the Class B Ordinary Shares.</p>
<b>Buy-back</b>	<p>The Class B Ordinary Shares shall not have any maturity date and shall be perpetual. At any time, the Company shall have the right, but not the obligation, by giving notice in writing to the relevant party, to buy back any Class B Ordinary Shares held by such party, at a price per Class B Share equal to the nominal value per Class B Share plus any accrued but unpaid dividends in relation to such Class B Share.</p> <p>The Company may exercise this right as it would in any share buyback transaction, following the receipt of the relevant approvals, including those set out under Article 17 of the Implementing Regulations of the Companies Law, including the approval of the Extraordinary General Assembly of the holders of Class A Ordinary Shares.</p>
<b>Taxes</b>	In the event that any holder of the Class B Ordinary Shares transfers any of its Class B Ordinary Shares, such holder of the Class B Ordinary Shares shall be responsible for any tax liability applicable to it in the Kingdom arising out of such transfer. The payment of any dividends by the Company on the Class B Ordinary Shares to any holder of the Class B Ordinary Shares deemed non-resident in the Kingdom will be subject to applicable withholding tax. The Company shall make payment of any dividends to any non-resident holder of the Class B Ordinary Shares after the deduction of such withholding tax as required by applicable law from time to time and shall not be required by such holder of the Class B Ordinary Shares to make any additional payment to such holder of the Class B Ordinary Shares to cover any shortfall in the amount received as a result of such deduction.

#### 4.4 Related Parties and conflict of interest

Both Subscribers (Saudi Aramco and Sumitomo) are Related Parties as they are Substantial Shareholders. No Director has personal interest in the Subscription Agreement.

#### 4.5 Bylaws amendments

As part of the Capital Increase Resolution, amendments to the Bylaws will be presented to include the Class B Ordinary Shares rights and features in the Bylaws. These amendments are outlined in Annex (A-1) of this Circular. In addition, other amendments to the Bylaws, which were agreed upon as a condition to the Subscription Agreement, are also shown in Annex (A-2).

#### 4.6 Approvals and resolutions for the Capital Increase

- On 05/03/1447H (corresponding to 28/08/2025G), the CMA notified the Company of the issuance of a waiver from Paragraph (a) of Article 55 of the ROSCOs, allowing the Company to issue and privately offer Class B Ordinary Shares to the Founding Shareholders without listing them on the Exchange.
- On 06/03/1447H (corresponding to 29/08/2025G), the Company's Board of Directors issued its recommendation to increase the Company's capital.
- The Capital Increase EGM will be held on 07/04/1447H (corresponding to 29/09/2025G) to vote on the Capital Increase Resolution.

#### 4.7 Restrictions on the shares

##### 4.7.1 Restrictions on Class A Ordinary Shares

There are no restrictions on the Class A Ordinary Shares other than those applicable to shares listed on the Exchange. It is worth noting that, pursuant to the Company's initial public offering (IPO) prospectus, dated 06/12/1428H (corresponding to 16/12/2007G), the Founding Shareholders were subject to (i) a lock-up period of three years from the establishment of the Company or the commencement of the project's commercial operations (which period has ended) and (ii) a restriction on their Class A Ordinary Shares requiring the CMA's approval prior to selling such shares, due to the pledge of their shares to the Company's lenders under the facilities granted to the Company. This restriction has been lifted, and the Founding Shareholders' shares are currently not subject to any special restrictions or lock-up. In this regard, the Founding Shareholders have committed to the CMA to complete the necessary steps for registering the pledge with Edaa in accordance with the applicable rules.

##### 4.7.2 Restrictions on Class B Ordinary Shares

The Class B Ordinary Shares will not be listed on the Exchange. The Class B Ordinary Shares will be subject to a Contractual Lock-up Period of two (2) years following the Subscription Completion, during which holders of the Class B Ordinary Shares will be prohibited from selling, assigning or disposing of their Class B Ordinary Shares, with the exception that Saudi Aramco may transfer ownership of its Class B Ordinary Shares to one of its Solely Controlled Affiliates during the Contractual Lock-up Period. After the end of the Contractual Lock-up Period, the holders of Class B Ordinary Shares may dispose of them in accordance with the secondary market provisions of the ROSCOs. Please refer to Section (4.8) ("**Secondary market**") for further details on the secondary market provisions.

#### 4.8 Secondary market

Class B Ordinary Shares will not be listed on the Exchange and will be subject to a two-year Contractual Lock-up Period following Subscription Completion, during which holders of the Class B Ordinary Shares are prohibited from selling, assigning, or otherwise disposing of their Class B Ordinary Shares, with the exception that Saudi Aramco may transfer ownership of its Class B Ordinary Shares to one of its Solely Controlled Affiliates during the Contractual Lock-up Period. After the end of the Contractual Lock-up Period, the holders of Class B Ordinary Shares may dispose of them in accordance with the secondary market provisions of the ROSCOs.

After the Contractual Lock-up Period, holders of Class B Ordinary Shares may dispose of them in accordance with the secondary market provisions listed under Article 14 of the ROSCOs, which regulates the secondary market activity for privately offered

securities, and as of the date of this Circular, include the following key conditions:

- 1- Class B Ordinary Shares may not be offered or transferred to any person (a “**transferee**”) unless the offer or sale is made through a Capital Market Institution and where one of the following requirements is met:
  - a- The price to be paid for the Class B Ordinary Shares in any one transaction does not exceed two hundred thousand (SAR 200,000) Saudi Riyals or an equivalent amount;
  - b- The offer or sale is made to a Qualified Client or Institutional Client (as defined in the Glossary of Terms Used in the Regulations and Rules of the Capital Market Authority);
  - c- Any other cases as determined by the CMA.
- 2- If the requirement in paragraph (a) above cannot be fulfilled because the price of the securities being offered or sold to the transferee has increased since the date of the original private placement, the transferor may offer or sell securities to the transferee if their purchase price during the period of the original private placement did not exceed two hundred thousand (SAR 200,000,000) Saudi Riyals or an equivalent amount. If this condition also cannot be fulfilled, the transferor may offer or sell the securities if they sell all of their holdings to a single transferee.
- 3- The above provisions shall apply to each subsequent transferee.
- 4- The abovementioned restrictions shall cease to apply upon approval of listing on the Exchange of securities of the same class as the securities that are subject to such restrictions.

Additionally, any transfer must be registered with Edaa, as it is the entity with which the Class B Ordinary Shares are deposited.

#### 4.9 Disclosures related to Class B Ordinary Shares after the Capital Increase

The Company will commit to the following disclosures in relation to the Class B Ordinary Shares:

- 1- Periodic disclosures in the financial statements and the Board of Directors’ report, in accordance with Articles 66 and 67 of the ROSCOs and Article 87 of the CGRs.
- 2- Disclosure of any material event or development that may affect the Company’s assets, liabilities, financial position, or overall business trajectory, and that could reasonably be expected to lead to a change in the price of the Class A Ordinary Shares, in accordance with Article 64 of the ROSCOs, and the disclosure at specific events listed under Article 65(a) of the ROSCOs. For example, full disclosure must be made regarding dividend distributions, including the entitlement of both share classes, any recommendation to repurchase or cancel them in the future, along with the resolutions of their respective Special Assemblies in this regard.

The Company will also comply with all continuing obligations applicable to it as a currently listed company with respect to all of its issued shares, including disclosure obligations in accordance with Articles 63, 64, and 65 of the ROSCOs Rules, and the obligation to provide the CMA with documents and records in accordance with Article 69 of the ROSCOs.

#### 4.10 Events of non-completion of the Capital Increase and actions to be taken in this regard

The Capital Increase is conditional upon the approval of the shareholders at the Capital Increase EGM. Accordingly, if the shareholders do not approve the Capital Increase, it will not proceed, and this Circular shall be deemed void.

In addition, the completion of the Capital Increase is subject to other conditions, the most important of which, yet to be fulfilled as of the date hereof, is the completion of the Sale Transaction between Saudi Aramco and Sumitomo. For further details regarding the conditions for completing the Subscription, please refer to Section (4.2.2) (“**Conditions**”).

The Sale Transaction is scheduled to be completed following the approval of the Capital Increase EGM on the Capital Increase Resolution, as this approval is one of the conditions for the transaction.

Furthermore, the Capital Increase may be cancelled if the Subscription Agreement is terminated or expires. For example, if the period specified in the agreement for fulfilling the conditions expires without the conditions being met and the parties do not agree to extend the period. For more details regarding the termination and expiration of the Subscription Agreement, please refer to Section (4.2.9) (“**Termination**”).

If the Subscription is not completed for any of the reasons mentioned above, the Capital Increase will not proceed, the Class B Ordinary Shares will not be issued, and this Circular shall be deemed void. In such case, the Company will announce this to the shareholders and notify the CMA accordingly.





# Financial Information





## 5. Financial information

### 5.1 Summary of financial information

The Company's financial information set out below was derived from the audited financial statements for the financial years ended 31 December 2022, 2023, and 2024, prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed in the Kingdom and other standards and pronouncements issued by the SOCPA. The Company's selected financial information and key performance indicators set out below should be read together with the audited financial statements for the financial years ended 31 December 2022, 2023, and 2024 which are published on the website of the Saudi Exchange.

**Table (5.1): Summary of the Company's statement of profit or loss and other comprehensive income for the financial years ended 31 December 2022, 2023, and 2024**

Financial Year Ended 31 December			
Currency: SAR'000	2022	2023	2024
Sales	55,952,481	44,603,993	39,349,068
Cost of sales	(54,268,748)	(45,182,492)	(40,334,090)
<b>Gross Profit (loss)</b>	<b>1,683,733</b>	<b>(578,499)</b>	<b>(985,022)</b>
Other income, net	101,164	92,513	101,619
Selling and marketing expenses	(962,990)	(1,093,315)	(855,681)
General and administrative expenses	(809,679)	(1,023,652)	(832,106)
<b>Operating profit (loss)</b>	<b>12,228</b>	<b>(2,602,953)</b>	<b>(2,571,190)</b>
Financial charges	(1,359,448)	(2,217,061)	(2,195,368)
Financial income	280,293	27,036	20,522
<b>Net loss before Zakat and tax</b>	<b>(1,066,927)</b>	<b>(4,792,978)</b>	<b>(4,746,036)</b>
Zakat	(42,896)	(5,341)	(1,773)
Tax	(5,058)	105,586	203,282
<b>Net loss after Zakat and tax</b>	<b>(1,114,881)</b>	<b>(4,692,733)</b>	<b>(4,544,527)</b>
(Loss) per share	(0.79)	(2.81)	(2.72)
<b>Other Comprehensive income (loss)</b>			
Re-measurements of Employee Benefits Obligation	154,406	(12,345)	1,038
Tax effect	(11,580)	926	(78)
<b>Other Comprehensive income (loss) for the Year</b>	<b>142,826</b>	<b>(11,419)</b>	<b>960</b>
<b>Total Comprehensive loss for the Year</b>	<b>(972,055)</b>	<b>(4,704,152)</b>	<b>(4,543,567)</b>

Source: The audited financial statements for the financial years ended 31 December 2022, 2023 and 2024.

**Table (5.2): Summary of the statement of financial position for the financial years ended 31 December 2022, 2023, and 2024**

Financial Year Ended 31 December			
Currency: SAR'000	2022	2023	2024
Total Current Assets	12,260,809	11,938,963	11,069,351
Total Non-current Assets	53,317,923	51,263,916	49,167,216
<b>Total Assets</b>	<b>65,578,732</b>	<b>63,202,879</b>	<b>60,236,567</b>
Total Current Liabilities	26,931,280	22,756,224	21,736,082
Total Non-Current Liabilities	23,392,591	29,895,974	28,697,185
<b>Total Liabilities</b>	<b>50,323,871</b>	<b>52,652,198</b>	<b>50,433,267</b>
<b>Total Equity</b>	<b>15,254,861</b>	<b>10,550,681</b>	<b>9,803,300</b>
<b>Total Equity and Liabilities</b>	<b>65,578,732</b>	<b>63,202,879</b>	<b>60,236,567</b>

Source: The audited financial statements for the financial years ended 31 December 2022, 2023, and 2024.

**Table (5.3): Summary of the statement of cash flows for the financial years ended 31 December 2022, 2023, and 2024**

Financial Year Ended 31 December			
Currency: SAR'000	2022	2023	2024
Net Cash Generated from (used in) Operating Activities	4,461,330	(1,614,099)	4,195,139
Net Cash Used in Investing Activities	(889,933)	(1,071,947)	(921,279)
Net Cash (used in) generated from Financing activities	(5,498,565)	2,013,394	(3,216,962)
Cash and Bank Balances at Beginning of Year	3,971,961	2,044,793	1,372,141
Cash and Cash Equivalents for End of Year	2,044,793	1,372,141	1,429,039

Source: The audited financial statements for the financial years ended 31 December 2022, 2023, and 2024.

**Table (5.4): The key performance indicators for the financial years ended 31 December 2022, 2023, and 2024**

Financial Year Ended 31 December			
	2022	2023	2024
Gross Profit Margin (%)	3.0%	-1.3%	-2.5%
Net Profit Margin (%)	-2.0%	-10.5%	-11.5%
Return on Assets (%)	-1.6%	-7.3%	-7.4%
Return on Equity (%)	-9.5%	-36.4%	-44.7%
Current Assets to Current Liabilities	0.5	0.5	0.5
Liabilities to Equity	3.3	5.0	5.1

Source: The Company

## 5.2 Financial impact and dividends distribution mechanism

Cumulative dividends shall accrue annually on the Class B Ordinary Shares from the date of issuance at a rate equal to: (i) zero percent (0%) of the nominal value of the outstanding Class B Ordinary Shares per annum until 31 December 2027; (ii) six percent (6%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2028 until 31 December 2031; and (iii) seven percent (7%) of the nominal value of the outstanding Class B Ordinary Shares per annum from 1 January 2032 (the **"Dividend Rate"**), provided that the maximum aggregate amount of cumulative dividends accrued on the Class B Ordinary Shares shall not exceed the nominal value paid for the Class B Ordinary Shares then outstanding and thereafter the dividends shall be non-cumulative.

If the Company declares dividends, then the Class B Ordinary Shares shall only be entitled to the lower of:

- thirty percent (30%) of the amount to be declared as a dividend by the Company, whether annual or interim; and
- the dividends actually accumulated and unpaid (in the current year and previous years) on the Class B Ordinary Shares at such point in time.

Under no circumstance will the Company owe any amount of undeclared dividends to the Class B Ordinary Shares holders.

The Class B Ordinary Shares are not entitled to in-kind dividends or bonus shares.

It should be noted that dividends are declared for the benefit of all shareholders; therefore, dividends shall not be declared to one class of shares to the exclusion of another. In the event of a declaration, payment of dividends on Class B Ordinary Shares shall take priority over the payment of any dividends due on Class A Ordinary Shares. This means that, in the event of liquidation, for example, priority of payment will be given to any declared but unpaid dividends on the Class B Ordinary Shares.

One of the most significant financial implications of issuing Class B Ordinary Shares is that the accumulation of dividends on Class B Ordinary Shares will reduce the earnings available to the holders of the Class A Ordinary Shares for the purposes of calculating EPS, starting from 2028G, even if such dividends are not paid in cash. For example, if the Company's net income amounts to SAR 1,000 million in 2029G, the earnings per share would be SAR 0.4093. This is calculated by deducting the unpaid dividends due for 2029G, amounting to SAR 316 million, from the net income of SAR 1,000 million to determine the profits attributable to the holders of the Class A Ordinary Shares. The profits available to the holders of the Class A Ordinary Shares would then be divided by the total number of outstanding Class A Ordinary Shares, which amounts to 1,671 million, to arrive at the Company's earnings per share for 2029G. For more details on the related risks, please refer to Section (1.11) (**"Risks relating to the transfer and sale of the Class B Ordinary Shares"**).

In addition, the table below illustrates the various possible scenarios for Class B Ordinary Share dividends and the method of calculating them.

**Table (5.5): Rabigh Refining and Petrochemical Company total Shareholders' Equity and Equity Structure following Capital Increase through the Issuance of Class B Shares**

Description	Units	Value
<b>Current Capital Structure</b>		
Number of issued Class A Ordinary Shares <sup>1</sup>	Million Shares	1,671
Nominal value of Class A Ordinary Shares	SAR	10
Class A share capital	SAR Millions	16,710
<b>Post-Issuance of Class B Ordinary Shares (Ordinary shares referred to as Class A)</b>		
Nominal value of Class A Ordinary Shares	Million Shares	1,671
Nominal value of Class A Ordinary Shares	SAR	10
Class A Ordinary Shares share capital	SAR Millions	16,710
Nominal value of Class B Ordinary Shares	Million Shares	526

Description	Units	Value
Nominal value of Class B Ordinary Shares <sup>2</sup>	SAR	10
Class B Ordinary Shares share capital	SAR Millions	5,260
<b>Total capital after the issuance of Class B Ordinary Shares<sup>2</sup></b>	<b>SAR Millions</b>	<b>21,974</b>

<sup>1</sup> Currently, the company has **1,671 million Class A Ordinary Shares** with a nominal value of **10 SAR per share**.

<sup>2</sup> **Class B Ordinary Shares** will be issued with a nominal value of **10 SAR per share**.

<sup>3</sup> The **total capital will increase** after the issuance of Class B Ordinary Shares by the amount of the newly issued Class B Ordinary Shares.

**Table (5.6): Rabigh Refining and Petrochemical Company Dividend Distribution Illustration Post Capital Increase Through Issuance of Class B Ordinary Shares (Numbers are rounded up to the nearest integer and totals may not match the sum of the individual numbers due to rounding)**

Description	Units	Value
<b>Scenario 1: Dividend declaration by PRC Between 2025 - 2027<sup>1</sup></b>		
<b>Assumptions:</b>		
Assumed dividend declaration year <sup>3</sup>	Year	2027
Assumed dividend declaration - (A) <sup>4</sup>	SAR Millions	1,000
Class A dividend share in dividends declared - (B)	%	100%
Class B dividend share in dividends declared - (C)	%	0%
<b>Dividend Entitlement &amp; Payment</b>		
Class A - (A x B)	SAR Millions	1,000
Class B - (A x C)	SAR Millions	0
<b>Scenario 1 (continued): Dividend declaration by PRC between 2028 - 2031<sup>2</sup></b>		
<b>Assumptions:</b>		
Assumed dividend declaration year <sup>3</sup>	Year	2031
Assumed dividend declaration - (A) <sup>4</sup>	SAR Millions	1,000
Class A dividend share in dividends declared = (B)	%	70%
Class B dividend share in dividends declared = (C)	%	30%
<b>Class B Instrument Terms:</b>		
Class B cumulative dividend accrual rate as per the Subscription Agreement = (D) <sup>5</sup>	%	6.0%
Annual cumulative dividend accrual (nominal value of Class B Ordinary Shares x dividend rate) = (E)	SAR Millions	316
<b>Dividend Entitlement Based on Declaration Assumptions</b>		
Class A - (A x B)	SAR Millions	700
Class B - (A x C = F)	SAR Millions	300
<b>Class B Dividend Payment Based on Declaration Assumptions</b>		
Unpaid accumulated dividend until 2031 (assuming dividend declaration in 2031 and immediately prior to any dividend payment) - (G) <sup>6</sup>	SAR Millions	1,263
Dividend payment for the year: <sup>7</sup> - (Lower of F and G = H)	SAR Millions	300

Description	Units	Value
<b>Lower of:</b>		
1- dividend entitlement for the year = (F)	SAR Millions	300
2- dividend accumulated and unpaid (current and previous) - (G)	SAR Millions	1,263
<b>Class B Unpaid Accumulated Dividend Accrual Balance after Dividend Payment</b>		
Remaining unpaid accumulated dividend accrual post dividend distribution at end of 2031 (after the 2031 dividend payment) – (G – H)	SAR Millions	963
<b>Scenario 1 (continued): Dividend declaration by PRC post 2032</b>		
<b>Assumptions:</b>		
Assumed dividend declaration year <sup>3</sup>	Year	2035
Assumed dividend declaration = (A) <sup>4</sup>	SAR Millions	1,000
Class A dividend share in dividends declared = (B)	%	70%
Class B dividend share in dividends declared = (C)	%	30%
<b>Class B Instrument Terms:</b>		
Class B cumulative dividend accrual rate as per the Subscription Agreement <sup>5</sup> = (D)	%	7.0%
Class B annual cumulative dividend accrual (nominal value of Class B Ordinary Shares x dividend rate) = (E)	SAR Millions	368
<b>Dividend Entitlement Based on Declaration Assumptions</b>		
Class A = (A x B)	SAR Millions	700
Class B = (A x C = F)	SAR Millions	300
<b>Class B Dividend Payment Based on Declaration Assumptions</b>		
Remaining unpaid accumulated dividend accrual post dividend distribution at end of 2031 (after the 2031 dividend payment) – (G)	SAR Millions	963
Class B dividend accumulated during the period 2032-2035 – (E) x 4 = (H)	SAR Millions	1,474
Unpaid accumulated dividend until 2035 (assuming dividend declaration in 2031 & 2035 and immediately prior to any dividend payment for 2035) – (G + H = I) <sup>6</sup>	SAR Millions	2,437
Dividend payment for the year: <sup>7</sup> – (Lower of F and I = J)	SAR Millions	300
<b>Lower of:</b>		
1- dividend entitlement for the year = (F)	SAR Millions	300
2- dividend accumulated and unpaid (current and previous) = (I)	SAR Millions	2,437
<b>Class B Unpaid Accumulated Dividend Accrual Balance after Dividend Payment</b>		
Remaining unpaid accumulated dividend accrual post dividend distribution (after the 2035 dividend payment) = (I – J)	SAR Millions	2,137
<b>Scenario 2: No Dividend Declaration till Max Accumulation Scenario (2027 Onwards)</b>		
<b>Assumptions:</b>		
Assumed dividend declaration year <sup>3</sup>	Year	2043

Description	Units	Value
Assumed dividend declaration = (A) <sup>4</sup>	SAR Millions	1,000
Class A dividend share in dividends declared = (B)	%	70%
Class B dividend share in dividends declared = (C)	%	30%
<b>Class B Instrument Terms:</b>		
Class B cumulative dividend accrual rate between 2028-2031 as per the Subscription Agreement - (D) <sup>5</sup>	%	6.0%
Annual cumulative dividend accrual between 2028-2031 (nominal value of Class B Ordinary Shares x dividend rate) - (E)	SAR Millions	316
Total cumulative dividend accrual between 2028-2031 - (E x 4 = F)	SAR Millions	1,263
Class B cumulative dividend accrual rate from 2032 & onwards as per the Subscription Agreement - (G) <sup>5</sup>	%	7.0%
Annual cumulative dividend accrual from 2032 & onwards (nominal value of Class B Ordinary Shares x dividend rate) - (H)	SAR Millions	368
Total cumulative dividend accrual from 2032 onwards - (H x 11) = FF <sup>10</sup>	SAR Millions	4,000 <sup>10</sup>
<b>Dividend Entitlement Based on Declaration Assumptions</b>		
Class A - (A x B)	SAR Millions	700
Class B - (A x C = J)	SAR Millions	300
<b>Class B Dividend Payment Based on Declaration Assumptions</b>		
Unpaid accumulated dividend accrual till 2042 - (Lower of: (1) F + FF = (I) and (2) nominal par value of Class B Ordinary Shares of 5,264) = (K) <sup>8</sup>	SAR Millions	5,264
<b>Dividend payment for the year:<sup>7</sup></b>		
<b>Lower of:</b>		
1- dividend entitlement for the year - (J)	SAR Millions	300
2- dividend accumulated and unpaid (current and previous) - (K)	SAR Millions	5,264
Remaining unpaid accumulated dividend accrual post dividend distribution (after the 2043 dividend payment) <sup>9</sup>	SAR Millions	4,964

<sup>1</sup> Until the end of FY27, Class B shareholders will not be entitled to any dividends even if the Company declares dividends from profits

<sup>2</sup> Post FY27 and until the end of FY31, Class B shareholders will be entitled to an accrued annual dividend at the rate of 6.0% of Class B Ordinary Shares par value. Post FY27, the dividend rate will increase to 7.0%

<sup>3</sup> Assumed dividend announcement year for illustration purposes

<sup>4</sup> Assumed dividend amount for illustration purposes

<sup>5</sup> Contractual accrued dividend entitlement rate for Class B Ordinary Shares will be 6.0% between 2028-2031

<sup>6</sup> The dividends shall continue to accrue at the start of each year it reaches the outstanding nominal par value of Class B Ordinary Shares outstanding, but shall only be paid if the Company announces general dividends for all shareholders

<sup>7</sup> The actual cash dividend payment to Class B shareholders shall be limited to the lower of: 1) dividend entitlement for the year; and 2) unpaid accumulated dividend, noting that if dividends due for a given year are paid, they shall be deducted from the cumulative dividends, except that once the unpaid cumulative dividends reach the par value of the outstanding ordinary Class B Ordinary Shares, the dividends shall permanently cease to be cumulative.

<sup>8</sup> Accumulate unpaid dividends shall not exceed the nominal par value of Class B Ordinary Shares outstanding

<sup>9</sup> Once the unpaid accumulated dividends reach the nominal par value of Class B Ordinary Shares outstanding; the dividends shall become permanently non-cumulative

<sup>10</sup> The unpaid cumulative dividends have reached the nominal value of the outstanding Class B Ordinary Shares. As the cumulative dividends for the period from 2028 to 2031 amount to SAR 1,264 million, the cumulative dividends from 2032 onwards must not exceed SAR 4,000 million, in order for the total cumulative dividends to remain within the nominal value of the Class B Ordinary Shares. Therefore, this amount represents the cumulative dividend required in 2043 to reach the nominal value of the Class B Shares (of SAR 5,264m) 264 million after factoring in the previous cumulative dividends already accumulated from 2028- to 2031.



### 5.3 Change in the share price

There will be no adjustment by the Saudi Exchange Company to the current share price, and trading will continue in the normal course.

# Expert Statments



## 6. Expert statements

As at the date hereof, the Financial Advisor and Legal Advisor listed **page (iv)** have given and not withdrawn their written consent to the publication of their names, addresses, logos and statements in the Circular (as applicable). None of them has withdrawn such approval as of the date of this Circular, and none of their employees (who are working for the Company) or their relatives holds any shares or have any interest of any kind in the Company that may affect their independence.



# Waivers



## 7. Waivers

The Company has obtained a waiver, from the CMA, from Paragraph (a) of Article 55 of the ROSCOs, allowing it to issue and privately offer Class B Ordinary Shares to the Founding Shareholders without listing them on the Exchange. This waiver is limited to this Capital Increase and issuance of Class B Ordinary Shares.



# Expenses





## 8. Expenses

The Company will bear all expenses related to the Capital Increase, which are estimated at approximately nineteen million, five hundred thousand (SAR 19,500,000) Saudi Riyals and will not be deducted from the Subscription Proceeds. These expenses include the fees of the Financial Advisor and Legal Advisor, auditors as well as other related costs. It should be noted that these fees are estimates determined prior to the completion of all related procedures and may increase upon finalization of such procedures.

**Documents  
Available for  
Inspection**



## 9. Documents available for inspection

The following documents will be available for inspection at the Company's main office located in Rabigh, Kingdom of Saudi Arabia at the following address: P.O. Box: 101, Rabigh 21911, Kingdom of Saudi Arabia, during official business hours from 8:00AM to 2:00PM, starting from the first day after the date of inviting the Capital Increase EGM, provided that this period is not less than 14 Days before the date of such EGM. These documents will remain available for inspection until the day of the Capital Increase EGM.

- 1- A copy of the waiver that the Company obtained from the CMA, for more details regarding the obtained waiver, please refer to Section (7) ("**Waivers**").
- 2- the Company's Board of Directors' resolution recommending the Capital Increase dated 06/03/1447H (corresponding to 29/08/2025G);
- 3- the Company's Bylaws;
- 4- the Company's commercial registration certificate;
- 5- the Subscription Agreement; and
- 6- the letters of consent to the use of the name, logo and statement (as applicable) from:
  - a- Riyadh Capital (the Financial Advisor);
  - b- Zeyad Sameer Khoshaim Company (Professional Limited Liability Company)(the Legal Advisor);
  - c- KPMG Professional Services Company (the auditor for for the financial years ended on 31 December 2022G, 2023G, 2024G and the three (3) month period ended on 31 March 2025G); and
  - d- PricewaterhouseCoopers Public Accountants Company (the auditor for the three (3) and six (6) month periods ended on 30 June 2025G).).



# Annex A



## Annex A

### Bylaws Amendments

The amendments below are indicative, as all bylaws amendments will need to be made through the portal of the Saudi Business Center ("SBC"), which allows for amendments in a certain format. As such, the language could be adjusted to accommodate for the styling and format of SBC, without material change in substance. In addition, the overall structure and format of the Bylaws (including for example the numbers and titles of articles) will be different in light of the need to process the bylaws through the SBC portal.

Article	Before	After
<b>Section 1 – Amendments related to the Capital Increase and Issuance of Class B Ordinary Shares</b>		
Article (6) – Capital of the Company	The share capital of the Company shall be sixteen billion and seven hundred ten million (16,710,000,000) Saudi riyals divided into one billion and six hundred seventy one million (1,671,000,000) shares of equal nominal value of ten Saudi Riyals (SAR 10) each, all of which are cash and ordinary shares representing the entire paid-up capital of the Company.	The share capital of the Company is twenty-one billion, nine hundred seventy-three million, six hundred forty-nine thousand, nine hundred eighty (SAR 21,973,649,980) Saudi Riyals divided into (i) one billion, six hundred seventy-one million (1,671,000,000) ordinary Class A Shares with the rights specified in Article ([7]), and (ii) five hundred twenty-six million, three hundred sixty-four thousand, nine hundred ninety-eight (526,364,998) ordinary Class B Shares with the rights specified in Article ([8]). Each Class A Share and Class B Share has an equal nominal value of SAR 10.
New Article – Class A Shares	None, new article.	Class A Shares shall have all rights and features of ordinary voting shares under the Companies Law and implementing regulations.
New Article – Class B Shares	None, new article.	<p>Class B Shares shall have only the following features and rights:</p> <ol style="list-style-type: none"> <li>1- The Class B Shares shall not have any voting rights attached to them, except in a special assembly of the Class B Shares (as further described in article [•])(“Class B Special General Assemblies”) The Class B Shares shall not bestow the right to attend, vote or otherwise participate in any proceedings or decisions of the Board.</li> <li>2- The Class B Shares have special assemblies, per the Companies Law and the terms of these bylaws.</li> <li>3- The Class B Shares enjoy pre-emptive rights to issuance of the same Class B Shares, but not on any other class or type of equity of the Company.</li> <li>4- The rights attaching to any Class B Share shall rank pari passu in all respects with all other Class B Shares but shall rank senior to the rights of the Class A Shares with respect to (a) dividends (subject to the limitations set out in this clause) and (b) liquidation.</li> </ol>

Article	Before	After
New Article – Class B Shares	None, new article.	<p>5- Dividends:</p> <p>a- Cumulative dividends shall accrue annually on the Class B Shares from the date of issuance at a rate equal to: (i) zero percent (0%) of the nominal value of the outstanding Class B Shares per annum until 31 December 2027; (ii) six percent (6%) of the nominal value of the outstanding Class B Shares per annum from 1 January 2028 until 31 December 2031; and (iii) seven percent (7%) of the nominal value of the outstanding Class B Shares per annum from 1 January 2032 (the "Dividend Rate"), provided that the maximum aggregate amount of cumulative dividends accrued on the Class B Shares shall not exceed the nominal value paid for the Class B Shares and, after such cumulative dividend limit is reached, dividends on the Class B Shares shall thereafter be permanently non-cumulative.</p> <p>b- If the Company declares dividends, then the Class B Shares shall only be entitled to the lower of:</p> <ul style="list-style-type: none"> <li>- thirty per cent (30%) of the amount to be declared as a dividend by the Company, whether annual or interim; and</li> <li>- the dividends actually accumulated and unpaid (in the current year and previous years) on the Class B Shares at such point in time,</li> </ul> <p>which amount shall rank in priority to the payment of any dividend on the Class A Shares.</p> <p>c- Under no circumstance will the Company owe any amount of undeclared dividends to the Class B Shares holders.</p> <p>d- The Class B Shares are not entitled to in-kind dividends or bonus shares.</p> <p>6- The Class B Shares shall not have any maturity date and shall be perpetual. At any time, the Company shall have the right, but not the obligation, by giving notice in writing to the relevant party, to buy back any Class B Shares held by such party, at a price per Class B Share equal to the nominal value per Class B Share plus any accrued but unpaid dividends in relation to such Class B Share.</p> <p>7- In the event that any Class B Shareholder transfers any of its Class B Shares, such Class B Shareholder shall be responsible for any tax liability applicable to it in the Kingdom of Saudi Arabia ("KSA") arising out of such transfer. The payment of any dividends by the Company on the Class B Shares to any Class B Shareholder deemed non-resident in the KSA will be subject to applicable withholding tax. The Company shall make payment of any dividends to any non-resident Class B Shareholder after the deduction of such withholding tax as required by applicable law from time to time and shall not be required by such Class B Shareholder to make any additional payment to such Class B Shareholder to cover any shortfall in the amount received as a result of such deduction.</p>



Article	Before	After
Article (8) – Shares Classes	<p>1. The Extraordinary General Assembly of the Company may issue preferred or redeemable shares or purchase such preferred or redeemable shares provided that: (a) the approval of shareholders who are prejudiced by such issuance convened in a Special Assembly in accordance with the Companies Law has been obtained; (b) the preferred shares must not exceed 10% of the Company's share capital; and (c) the Company's share capital must be fully paid.</p> <p>2. Preferred Shares grant their holders the right to obtain a larger proportion of the Company's net profits than the holders of ordinary shares, but shall not grant its holders the right to vote in General Assemblies unless the Company fails to pay to holders of such Shares the specified percentage of the Company's net profits after deduction of reserves (if any) for three (3) consecutive years.</p> <p>3. As an exception from the provision of paragraph (2) of this Article, the Preferred Shares shall be granted the right to vote in the General Assembly of shareholders if the resolution of the General Assembly results in the reduction of the Company's share capital, liquidation of the Company, or the sale of its assets. Each Preferred Share shall have one vote in the General Assembly meeting.</p>	<p>1. The Extraordinary General Assembly of the Company may issue preferred or redeemable shares or purchase such preferred or redeemable shares, and may issue different types of shares and may issue different classes of shares under each type, and buy them back, in accordance with applicable laws, provided that: (a) the approval of shareholders who are prejudiced by such issuance convened in a Special Assembly in accordance with the Companies Law has been obtained; (b) the preferred shares must not exceed 10% of the Company's share capital; and (c) the Company's share capital must be fully paid.</p> <p>2. Preferred Shares grant their holders the right to obtain a larger proportion of the Company's net profits than the holders of ordinary shares, but shall not grant its holders the right to vote in General Assemblies unless the Company fails to pay to holders of such Shares the specified percentage of the Company's net profits after deduction of reserves (if any) for three (3) consecutive years.</p> <p>3. As an exception from the provision of paragraph (2) of this Article, the Preferred Shares shall be granted the right to vote in the General Assembly of shareholders if the resolution of the General Assembly results in the reduction of the Company's share capital, liquidation of the Company, or the sale of its assets. Each Preferred Share shall have one vote in the General Assembly meeting.</p>

Article	Before	After
Article (8) – Shares Classes	<p>4. In cases where the Company has shares of different types or classes, it may convert one type or class of shares into another type or class of shares in accordance with the following rules: (a) the Extraordinary General Assembly's approval is required, unless the decision issuing those shares stipulates that they are automatically converted into another type or class upon satisfying certain conditions or upon the lapse of a specified period; (b) the approval of shareholders who are prejudiced by such conversion convened in a Special Assembly in accordance with the Companies Law is obtained; (c) the Company's share capital must be fully paid; and (d) the Board shall submit to the General Assembly a statement about the conversion of shares, containing the mechanism for calculating the conversion ratio, the impact of the conversion on shareholders who hold the same class to which the conversion will be made, and the impact of the conversion on other shareholders.</p> <p>5. In case of issuance of Redeemable Shares, the resolution of the Extraordinary General Assembly shall include the terms and conditions for the redemption of such shares. Such terms and conditions may allow the Company, upon agreement between the Company and the shareholder, to pay the value of redemption of the shares after the date of its redemption. Without prejudice to the provisions for capital reduction in the Companies Law and its Executive Regulations, Redeemable Shares are deemed to be cancelled after its redemption.</p>	<p>4. In cases where the Company has shares of different types or classes, it may convert one type or class of shares into another type or class of shares in accordance with and subject to <a href="#">applicable law and regulations, the rights of each class and type and the approval of the relevant Extraordinary/Special Assembly as applicable</a>. <del>the following rules: (a) the Extraordinary General Assembly's approval is required, unless the decision issuing those shares stipulates that they are automatically converted into another type or class upon satisfying certain conditions or upon the lapse of a specified period; (b) the approval of shareholders who are prejudiced by such conversion convened in a Special Assembly in accordance with the Companies Law is obtained; (c) the Company's share capital must be fully paid; and (d) the Board shall submit to the General Assembly a statement about the conversion of shares, containing the mechanism for calculating the conversion ratio, the impact of the conversion on shareholders who hold the same class to which the conversion will be made, and the impact of the conversion on other shareholders.</del></p> <p><del>5. In case of issuance of Redeemable Shares, the resolution of the Extraordinary General Assembly shall include the terms and conditions for the redemption of such shares. Such terms and conditions may allow the Company, upon agreement between the Company and the shareholder, to pay the value of redemption of the shares after the date of its redemption. Without prejudice to the provisions for capital reduction in the Companies Law and its Executive Regulations, Redeemable Shares are deemed to be cancelled after its redemption.</del></p>
Article (12) – Increase of Capital	<p>[.] 2. Shareholders holding shares as at the date of the resolution of the Extraordinary General Assembly to increase the capital shall have a pre-emptive right to subscribe to new cash shares. Such Shareholders shall be notified of their right, the resolution to increase the capital, the subscription conditions, the subscription period and the starting and ending dates by publication on the Saudi Exchange.</p> <p>None, new provision.</p>	<p>[.] 2. Shareholders holding shares as at the date of the resolution of the Extraordinary General Assembly to increase the capital shall have a pre-emptive right to subscribe to new cash shares, <a href="#">considering the type and class of the shares owned by them</a>. Such Shareholders shall be notified of their right, if any, the resolution to increase the capital, the subscription conditions, the subscription period and the starting and ending dates, <a href="#">considering the type and class of shares owned by them</a>, by publication on the Saudi Exchange.</p> <p><a href="#">[.] The Extraordinary General Assembly may suspend shareholders' pre-emptive rights to subscribe for cash shares in the Company's capital and/or grant such rights to third parties who are not shareholders, if the Extraordinary General Assembly deems it to be in the interest of the Company.</a></p>

Article	Before	After
Article (29) – Manner of Convening General Assemblies	General and Special Assemblies shall be convened at the invitation of the Board of Directors. The Board of Directors shall convene a meeting of the Ordinary General Assembly within thirty (30) days if requested to do so by the Auditor, the Audit Committee or a number of Shareholders representing at least ten percent (10%) of the Company's capital. [...]	General and Special Assemblies shall be convened at the invitation of the Board of Directors. The Board of Directors shall convene a meeting of the Ordinary General Assembly within thirty (30) days if requested to do so by the Auditor, the Audit Committee or a number of Shareholders representing at least ten percent (10%) of the Company's <a href="#">shares with voting rights capital</a> . [...]
Article (31) – Quorum of Ordinary General Assembly	A meeting of the Ordinary General Assembly shall be valid only if attended by Shareholders representing at least fifty percent (50%) of the Company's capital. [...]  In all cases, the second meeting shall be deemed valid irrespective of the number of shares represented therein.	A meeting of the Ordinary General Assembly shall be valid only if attended by Shareholders representing at least fifty percent (50%) of the Company's <a href="#">shares with voting rights capital</a> . [...]  In all cases, the second meeting shall be deemed valid irrespective of the number of <a href="#">voting</a> shares represented therein.
Article (32) – Quorum of Extraordinary General Assembly	A meeting of the Extraordinary General Assembly shall be valid only if attended by Shareholders representing at least two-thirds (2/3) of the Company's capital. If such quorum cannot be attained at the first meeting, then an invitation shall be sent for a second meeting to be convened in the same manner prescribed in Article (29) of these Bylaws.  In all cases, the second meeting shall not be valid unless attended by a number of the Shareholders representing at least one quarter (1/4) of the Company's capital. If the required quorum is not reached in the second meeting, an invitation for a third meeting shall be sent in the same manner prescribed in Article (29) of these Bylaws. The third meeting shall be valid regardless of the number of shares represented therein.	A meeting of the Extraordinary General Assembly shall be valid only if attended by Shareholders representing at least two-thirds (2/3) of the Company's <a href="#">shares with voting rights capital</a> . If such quorum cannot be attained at the first meeting, then an invitation shall be sent for a second meeting to be convened in the same manner prescribed in Article ([29]) of these Bylaws.  In all cases, the second meeting shall not be valid unless attended by a number of the Shareholders representing at least one quarter (1/4) of the Company's <a href="#">shares with voting rights capital</a> . If the required quorum is not reached in the second meeting, an invitation for a third meeting shall be sent in the same manner prescribed in Article ([29]) of these Bylaws. The third meeting shall be valid regardless of the number of <a href="#">voting</a> shares represented therein.
Article (33) – Voting Rights	Votes at the meetings of Ordinary and Extraordinary General Assemblies shall be computed on the basis of one vote for each share represented at the meeting. The cumulative voting method shall be followed for the election of Board members in the General Assembly. Board members shall be prohibited from voting on resolutions relating to their discharge from liability with respect to their term of office, business and contracts in which they have a direct or indirect interest, or that involve a conflict of interest.	Votes at the meetings of Ordinary and Extraordinary General Assemblies shall be computed on the basis of one vote for each voting share represented at the meeting. The cumulative <a href="#">voting</a> method shall be followed for the election of Board members in the General Assembly. Board members shall be prohibited from voting on resolutions <a href="#">at any Ordinary and Extraordinary General Assemblies</a> relating to their discharge from liability with respect to their term of office, business and contracts in which they have a direct or indirect interest, or that involve a conflict of interest.

Article	Before	After
New Article – Class B Special General Assemblies	None, new article.	<p>Class B Shares have special assemblies, per the Companies Law and these Bylaws. These special assemblies decide only on:</p> <ul style="list-style-type: none"> <li>a- any amendments to the rights pertaining to the Class B Shares as described in these Bylaws, including conversion to another class, split and cancellation, subject to the requisite approval of the other class having been obtained;</li> <li>b- any issuance, conversion or buyback of a new class of shares other than Class A Shares or Class B Shares, if such issuance, conversion or buyback prejudices the rights pertaining to the Class B Shares as described in these Bylaws; and</li> <li>c- any in-kind or bonus shares dividends for the Class A Shares.</li> </ul> <p>The quorum of these special assemblies shall be the same as an extraordinary general assembly of the Company, provided that for the avoidance of doubt, the quorum for the first meeting to convene a given meeting shall be two-thirds (2/3) of the Class B Shares. The approval threshold shall be at least two-thirds (2/3) of the Class B Shares represented at the special assembly.</p>
Article (43) – Distribution of Profits and Reserves Formation	<p>After deducting all general expenses and other costs, including taxes and zakat imposed under Shari'a, the Company's annual net profits shall be allocated as follows:</p> <p>The Ordinary General Assembly may, upon the recommendation of the Board of Directors, set aside a percentage of the annual net profits to form a cash reserve to be allocated for the purpose or purposes decided by the Ordinary General Assembly</p> <ol style="list-style-type: none"> <li>1. The Ordinary General Assembly may resolve to form other reserves to the extent they serve the Company's interests, or to ensure the distribution of fixed dividends – so far as possible – to the Shareholders. The Ordinary General Assembly may also deduct amounts from the net profit to create social institutions for the Company's employees, or to support existing institutions of such kind.</li> <li>2. A percentage of no less than 1% of the remaining amounts of the annual net profits shall be distributed to the Shareholders unless the Ordinary General Assembly decides otherwise.</li> <li>3. The Company may distribute interim dividends on a quarterly or semi-annual basis in accordance with the provisions of Article 10 of the Implementing Regulations of the Companies Law.</li> </ol>	<p>After deducting all general expenses and other costs, including taxes and zakat imposed under Shari'a, the Company's annual net profits shall be allocated as follows:</p> <ol style="list-style-type: none"> <li>1. The Company may declare interim or annual dividends, in accordance with applicable laws, regulations, and the rights of Class B Shares set out in these Bylaws.</li> <li>2. The Ordinary General Assembly may, upon the recommendation of the Board of Directors, <b>without prejudice to the Class B Shares rights</b>, set aside a percentage of the annual net profits to form a cash reserve to be allocated for the purpose or purposes decided by the Ordinary General Assembly.</li> <li>3. <b>Without prejudice to the Class B Shares rights</b>, the Ordinary General Assembly may resolve to form other reserves to the extent they serve the Company's interests, or to ensure the distribution of fixed dividends – so far as possible – to the Shareholders. The Ordinary General Assembly may also deduct amounts from the net profit to create social institutions for the Company's employees, or to support existing institutions of such kind.</li> </ol> <p><del>2. A percentage of no less than 1% of the remaining amounts of the annual net profits shall be distributed to the Shareholders unless the Ordinary General Assembly decides otherwise.</del></p> <ol style="list-style-type: none"> <li>3. The Company may distribute interim dividends on a quarterly or semi-annual basis in accordance with the provisions of <b>Article 10</b> of the Implementing Regulations of the Companies Law.</li> </ol>

## Section 2 – Other amendments

Article	Before	After
Article (34) – Resolutions	<p>Resolutions of the Ordinary General Assembly shall be adopted by a majority vote of at least seventy-five percent (75%) of the shares represented at the meeting.</p> <p>Resolutions of the Extraordinary General Assembly shall be adopted by a majority vote of at least two-thirds (2/3) of the shares represented at the meeting, unless the resolution is related to an increase or decrease of the capital, a merger of the Company with another company or splitting the Company into two or more companies, in which case the resolution is valid only if adopted by three-quarters (3/4) of the shares represented at the meeting.</p>	<p>Resolutions of the Ordinary General Assembly shall be adopted by a majority vote of at least seventy-five percent (75%) of the <b>voting</b> shares represented at the meeting [...] Resolutions of the Extraordinary General Assembly shall be adopted by a majority vote of at least two-thirds (2/3) of the voting shares represented at the meeting, unless:</p> <p>a- the resolution is related to an increase or decrease of the capital, a merger of the Company with another company or splitting the Company into two or more companies, in which case the resolution is valid only if adopted by three-quarters (3/4) of the <b>voting</b> shares represented at the meeting; <b>or</b></p> <p>b- the resolution is related to an amendment to the Bylaws in respect of any of the following matters:</p> <ol style="list-style-type: none"> <li>the composition of the board of directors under [Article 14];</li> <li>powers of the board of directors under [Article 17]; or</li> <li>the voting thresholds for the adoption of resolutions of the board of directors under [Articles 21 and 22],</li> </ol> <p><b>in which case the resolution is valid only if adopted by at least eighty per cent. (80%) of the voting shares represented at the meeting.</b></p>
Article (27) – Ordinary General Assembly	<p>Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall attend to all matters concerning the Company, including:</p> <p>[...]</p> <p>7. Amending the Company's Bylaws, except for matters prohibited from being amended by law. ...</p>	<p>Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall attend to all matters concerning the Company, including:</p> <p>[...]</p> <p><b>7. Amending the Company's Bylaws, except for matters prohibited from being amended by law.</b></p>
Article (15) – Termination of Membership	<p>Membership on the Board of Directors shall be terminated upon the expiration of the Director's appointment term, or upon the expiration of the member's mandate according to any law or valid instructions in the Kingdom. Based on a recommendation from the Board of Directors, the Ordinary General Assembly may terminate the membership of any member who has been absent from attending three (3) consecutive meetings or five (5) total meetings during his/her membership period without a valid excuse accepted by the Board of Directors.</p> <p>The Ordinary General Assembly may dismiss all or some members of the Board of Directors, and in this case, the Ordinary General Assembly shall appoint a new Board of Directors or replace the dismissed member(s) (as appropriate) in accordance with the provisions of the Companies Law.</p>	<p>Membership on the Board of Directors shall be terminated upon the expiration of the Director's appointment term, or upon the expiration of the member's mandate according to any law or valid instructions in the Kingdom. Based on a recommendation from the Board of Directors, the Ordinary General Assembly may terminate the membership of any member who has been absent from attending three (3) consecutive meetings or five (5) total meetings during his/her membership period without a valid excuse accepted by the Board of Directors.</p> <p><b>Without prejudice to the right of the dismissed member to hold the Company liable if the dismissal has taken place without acceptable justification or at an improper time, the Ordinary General Assembly may dismiss all or some members of the Board of Directors, and in this case, the Ordinary General Assembly shall appoint a new Board of Directors or replace the dismissed member(s) (as appropriate) in accordance with the provisions of the Companies Law.</b></p>
New Article: Information Sharing	None, new article.	The Company shall furnish Saudi Aramco with any information or documents requested at any time, in accordance with the conditions and restrictions set out in Article 4.2 of Saudi Aramco's Bylaws.

Article	Before	After
Article (17) (p) – Powers of the Board of Directors	<p>Without prejudice to the powers conferred on the General Assembly, the Board of Directors shall be vested with full powers to manage the business of the Company to achieve its objectives, to set its policies and the level of its investments, and to supervise its affairs within and outside the Kingdom of Saudi Arabia.</p> <p>The Board of Directors is empowered, for example and without limitation, to:</p> <p>[...]</p> <p>(p) except for agreements and transactions in which a Director has a direct or indirect interest, approve, modify or amend any agreement in connection with, and the entry of the Company into, transactions with Shareholders or related persons; and</p> <p>[...]</p>	<p>Without prejudice to the powers conferred on the General Assembly, the Board of Directors shall be vested with full powers to manage the business of the Company to achieve its objectives, to set its policies and the level of its investments, and to supervise its affairs within and outside the Kingdom of Saudi Arabia.</p> <p>The Board of Directors is empowered, for example and without limitation, to:</p> <p>[...]</p> <p>(p) <del>except for agreements and transactions in which a Director has a direct or indirect interest,</del> subject to the conflicts of interest rules in the Companies Law and implementing regulations and the Corporate Governance Regulations, approve, modify or amend any agreement in connection with, and the entry of the Company into, transactions with Shareholders or related persons; and</p> <p>[...]</p>
Article (26) – General Assembly	<p>A General Assembly duly convened shall be deemed representing all the Shareholders, and shall be held in the city of Rabigh. Each Shareholder, regardless of the number of shares held, shall have the right to attend the General Assembly. Each Shareholder may authorize in writing another person, other than the members of the Board of Directors and the employees of the Company, to attend the General Assembly on his/its behalf.</p>	<p>A General Assembly duly convened shall be deemed representing all the Shareholders, <del>and shall be held in the city of Rabigh.</del> Each Shareholder, regardless of the number of shares held, shall have the right to attend the General Assembly. Each Shareholder may authorize in writing another person, other than the members of the Board of Directors <del>and the employees</del> of the Company, to attend the General Assembly on his/its behalf.</p>
Article (30) – Record of Attendance at the Meetings of the General Assembly	<p>Before the time specified for the General or Special Assembly meeting, a statement shall be prepared showing the names of the Shareholders present or by representatives, their places of residence, and the number of shares held in person or by proxy, and the number of votes to which they are entitled.</p>	<p>Removal.</p>



Article	Before	After
Article (45) – Distribution of Dividends for Preferred Shares	If the Company fails to pay holders of Preferred Shares the specified percentage of the Company's net profits after deduction of reserves (if any) for three (3) consecutive years, the Special Assembly of holders of Preferred Shares, held in accordance with the provisions of the Companies Law, may resolve to allow them to attend the Company's General Assembly and participate in voting until the Company is able to pay all profits allocated to holders of such Shares from all previous years. Each Preferred Share shall have one vote in the General Assembly, and the holder of a Preferred Share may, in this case, vote on all agenda items of the General Assembly without any exceptions.	Removal.
Article (47) – Derivative Action	Each Shareholder shall have the right to file a liability action, vested on behalf of the Company, against the members of the Board of Directors if they have committed a wrongful act that would cause some personal damage to such Shareholder, provided that the Company's right to file such action is still valid. The Shareholder shall notify the Company of his/its intention to file such action.	Title: <b>Personal Derivative</b> Action Each Shareholder shall have the right to file a <b>liability personal</b> action, <del>vested on behalf of the Company,</del> against the members of the Board of Directors if they have committed a wrongful act that would cause some personal damage to such Shareholder, <del>provided that the Company's right to file such action is still valid. The Shareholder shall notify the Company of his/its intention to file such action.</del>

بترو رابغ  
Petro Rabigh



[petrorabigh.com](http://petrorabigh.com)

