

Saudi Kayan Second Quarter 2022 Earnings

Second Quarter 2022 Highlights:

- Revenue of SAR 3,406.82 million [\$ 908.49 million], a 9% increase quarter-over-quarter and a 16% increase year-over-year.
- EBITDA of SAR 842.33 million [\$ 224.62 million], a 5% decrease quarter-over-quarter and a 35% decrease year-over-year.
- Income from operations of SAR 246.20 million [\$ 65.65 million] decreased by 19% compare to income from operations of SAR 304.33 million [\$ 81.15 million] in the previous quarter and decreased by 73% compare to income from operations of SAR 901.23 million [\$ 240.33 million] in the same quarter last year.
- Net income of SAR 150.13 million [\$ 40.03 million] decreased by 28% compare to net income of SAR 209.38 million [\$ 55.83 million] in the previous quarter and by 81% compare to net income of SAR 780.99 million [\$ 208.26 million] in the same quarter last year.

Comparisons with the second quarter of 2022 are available in the following table:

Table 1 – Summary Financial Results

Item	Three Months Ended			Six Months Ended		
	30-Jun-22	31-Mar-22	Change %	30-Jun-22	30-Jun-21	Change %
Revenue	3,406.82	3,137.89	9%	6,544.71	5,657.04	16%
EBITDA	842.33	886.07	-5%	1,728.40	2,659.29	-35%
Income (loss) from operations	246.20	304.33	-19%	550.52	1,494.35	-63%
Net Income (loss)	150.13	209.38	-28%	359.50	1,273.89	-72%
Earnings (Loss) Per Share ²	0.10	0.14	-29%	0.24	0.85	-72%
Free Cash flow	806	1,049	-23%	1,855	1,972	-6%

All amounts in SAR million unless otherwise stated, USD/SAR conversion used is 3.75. Certain figures and percentages included in this document have been subject to rounding adjustments.

Saudi Kayan Petrochemical Company (“SAUDI KAYAN”) today announced its financial results for the second quarter of 2022. The company’s revenue reached SAR 3,406.82 million [\$ 908.49 million] in the second quarter of 2022, an increase of 9% compare with the first quarter of 2022.

The second quarter of 2022 saw an increase in average sales prices of 6% compare to the first quarter of 2022. Sales volumes increased by 3% in the second quarter of 2022 compared to the first quarter of 2022. For the first half of 2022, average sale prices decreased by 6% and sales volumes increased by 23% compare to the first half of 2021.

The cost of sales of SAR 2,971.37 million [\$ 792.37 million] in the second quarter of 2022, an increase of 11% compared with the first quarter of 2022 and for the first half of 2022 SAR 5,640.47 million [\$ 1,504.12 million] due mainly to an increase butane prices by approximately 16% in the second quarter of 2022 compared with the first quarter of 2022 and increase first half of 2022 butane increased by 56% compared with previous half 2021.

EBITDA amounted to SAR 842.33 million [\$ 224.62 million] in the second quarter of 2022, representing a decrease of 5%, quarter-over-quarter. This was due primarily to higher average cost of feedstock.

Net income in the second quarter of 2022 was SAR 150.13 million [\$ 40.03 million], or SAR 0.10 per share [\$ 0.03 per share] which was lower than the net income of SAR 209.38 million [\$ 55.83 million], or SAR 0.14 per share [\$ 0.04 per share] achieved during the first quarter of 2022.

Operational Performance

Sales volume during the period ending on June 2022, was higher than the same period of last year by 23%, mainly due to increase in production and global recovery in the supply chain. Sales volumes in the Second quarter of 2022 were higher by 3% than first quarter of 2022

A comparison table for prices and sales volumes

	Prices	Sales Volumes
Q2 2022 vs. Q1 2022	6%	3%
Q2 2022 vs. Q2 2021	-11%	29%
YTD 2022 vs. YTD 2021	-6%	23%

For further information, please contact Saudi Kayan Investor Relations at khateebaba@saudikayan.sabir.com

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