

**ADVANCED PETROCHEMICAL COMPANY AND
ITS SUBSIDIARIES**
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**



**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
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INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

To the Shareholders of
Advanced Petrochemical Company
(A Saudi Joint Stock Company)
Dammam, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Advanced Petrochemical Company, a Saudi Joint Stock Company (the "Company") and its subsidiaries (together the "Group") as at 31 March 2025, and the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three months period then ended and the interim condensed consolidated statements of changes in equity and cash flows for the three months period then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated condensed financial statements in accordance with International Accounting Standard ("IAS") 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.


Conclusion

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

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2024 and interim condensed consolidated financial statements for the three months period ended 31 March 2025 were audited and reviewed by another auditor who expressed an unmodified opinion and an unmodified conclusion on those statements as on 05 March 2025 (corresponding to 05 Ramadhan 1446H) and 16 May 2024 (corresponding to 08 Dul Al- Qidah 1445H) respectively.

Deloitte and Touche & Co
Chartered Accountants


Abdul Rahman S. Al-Suwayegh
License No 461
29 Shawwal, 1446H
27 April 2025



ADVANCED PETROCHEMICAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)



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INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025
(All amounts in Saudi Riyals thousands unless otherwise stated)

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Sales	614,132	321,230
Cost of sales	(506,828)	(294,215)
GROSS PROFIT	107,304	27,015
Selling and distribution expenses	(5,584)	(7,358)
General and administration expenses	(28,451)	(44,997)
OPERATING PROFIT (LOSS)	73,269	(25,340)
Finance costs	(4,409)	(1,179)
Share in results of an associate	-	(34,463)
Other income, net	2,303	502
PROFIT (LOSS) BEFORE ZAKAT AND INCOME TAX	71,163	(60,480)
Zakat and income tax		
<i>Zakat</i>	(1,830)	-
<i>Income tax</i>	1,070	-
PROFIT (LOSS) FOR THE PERIOD	70,403	(60,480)
Attributable to:		
Equity holders of the Parent Company	71,701	(58,369)
Non-controlling interest	(1,298)	(2,111)
	70,403	(60,480)
Basic and diluted earnings per share		
- Earnings per share from profit for the period attributable to equity holders of the Parent Company	0.277	(0.226)

KHALIFA A. AL-MULHEM
Chairman of the Board

FAHAD S. AL-MATRAFI
President & CEO

ABDULAZIZ S. AL-ARDHI
Chief Financial Officer

The attached notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.


ADVANCED PETROCHEMICAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)



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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025
(All amounts in Saudi Riyals thousands unless otherwise stated)

	31 March 2025	31 March 2024
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
PROFIT (LOSS) FOR THE PERIOD	70,403	(60,480)
OTHER COMPREHENSIVE (LOSS) INCOME		
<i>Other comprehensive loss to be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of investment in an associate	-	(8,206)
<i>Net other comprehensive loss to be reclassified to profit or loss in subsequent periods</i>	-	(8,206)
<i>Other comprehensive (loss) income not to be reclassified to profit or loss in subsequent periods:</i>		
Unrealized fair value (loss) gain on equity investment at fair value through other comprehensive income	(29,783)	57,329
<i>Net other comprehensive (loss) income not to be reclassified to profit or loss in subsequent periods</i>	(29,783)	57,329
OTHER COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD	(29,783)	49,123
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	40,620	(11,357)
Total comprehensive income (loss)		
Attributable to:		
Equity holders of the Parent Company	41,918	(9,246)
Non-controlling interest	(1,298)	(2,111)
	40,620	(11,357)


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ADVANCED PETROCHEMICAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)



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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	11,102,714	10,846,998
Right-of-use assets		169,080	170,906
Investment in an unconsolidated subsidiary		376	376
Equity investment at fair value through other comprehensive income	7	348,443	378,226
Other non-current assets	10	168,057	179,568
TOTAL NON-CURRENT ASSETS		11,788,670	11,576,074
CURRENT ASSETS			
Inventories		244,626	216,089
Trade receivables		579,779	481,078
Prepayments and other current assets		289,299	236,850
Cash and cash equivalents		166,723	140,057
TOTAL CURRENT ASSETS		1,280,427	1,074,074
TOTAL ASSETS		13,069,097	12,650,148
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1	2,600,000	2,600,000
Treasury shares	1	(79,301)	(79,301)
Other components of equity	8	(165,026)	(135,243)
Retained earnings		559,081	487,380
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		2,914,754	2,872,836
Non-controlling interest		367,714	369,012
TOTAL EQUITY		3,282,468	3,241,848
NON-CURRENT LIABILITIES			
SIDF loan	11	2,826,928	2,819,459
Long term murabaha loans	11	2,290,000	-
Islamic loan facilities	11	3,080,869	2,762,256
Non-current portion of lease liabilities		163,344	161,810
Employees' defined benefit liabilities and other benefits		217,450	215,188
Deferred tax liabilities, net		-	1,157
TOTAL NON-CURRENT LIABILITIES		8,578,591	5,959,870
CURRENT LIABILITIES			
Current portion of Islamic loan facilities	11	428,391	428,391
Short term murabaha loans	11	-	2,290,000
Current portion of lease liabilities		12,526	22,584
Trade payables		157,200	169,041
Accruals and other current liabilities		372,655	304,287
Retentions payable		218,386	217,163
Zakat and income tax provision		14,745	12,829
Dividends payable		4,135	4,135
TOTAL CURRENT LIABILITIES		1,208,038	3,448,430
TOTAL LIABILITIES		9,786,629	9,408,300
TOTAL EQUITY AND LIABILITIES		13,069,097	12,650,148

KHALIFA A. AL-MULHEM
Chairman of the Board

FAHAD S. AL-MATRAM
President & CEO

ABDULAZIZ S. AL-ARDHI
Chief Financial Officer

The attached notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.



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(All amounts in Saudi Riyals thousands unless otherwise stated)

	Other components of equity						
	Share capital	Treasury shares	Statutory reserve	Fair value reserve	Foreign currency translation reserve	Share-based payment reserve	
At 1 January 2024	2,600,000	(79,301)	481,898	28,933	(67,164)	7,809	
Loss for the period	-	-	-	-	-	-	
Other comprehensive income for the period	-	-	-	57,329	(8,206)	-	
Total comprehensive loss for the period	-	-	-	57,329	(8,206)	-	
Share-based payment reserve	-	-	-	-	-	1,150	
Transfer of Statutory Reserve	-	-	(481,898)	-	-	-	
As at 31 March 2024 (unaudited)	2,600,000	(79,301)	-	86,262	(75,370)	8,959	
At 1 January 2025	2,600,000	(79,301)	-	(53,711)	(100,013)	18,481	
Profit for the period	-	-	-	-	-	-	
Other comprehensive loss for the period	-	-	-	(29,783)	-	-	
Total comprehensive income for the period	-	-	-	(29,783)	-	-	
As at 31 March 2025 (unaudited)	2,600,000	(79,301)	-	(83,494)	(100,013)	18,481	

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FAHAD S. AL-MATRAFI
President & CEO

ABDULAZIZ S. AL-ARDHI
Chief Financial Officer

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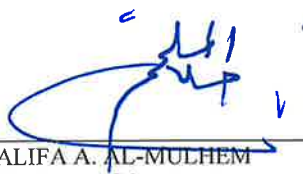
ADVANCED PETROCHEMICAL COMPANY AND ITS SUBSIDIARIES
(A SAUDI JOINT STOCK COMPANY)



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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025
(All amounts in Saudi Riyals thousands unless otherwise stated)

	Note	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before zakat and income tax		71,163	(60,480)
Adjustments for:			
Depreciation of property, plant and equipment	6	46,230	44,704
Depreciation of right-of-use assets		1,424	1,831
Finance costs		4,409	1,179
Share in results of an associate	9	-	34,463
Share-based payment expense		-	1,150
Employees' defined benefits liabilities and other benefits		10,290	9,802
		<u>133,516</u>	<u>32,649</u>
Changes in operating assets and liabilities:			
Inventories		(28,537)	(28,711)
Trade receivables		(98,701)	137,225
Prepayments and other current assets		(52,449)	7,376
Trade payables		(11,841)	(11,847)
Accruals and other current liabilities		68,368	(13,015)
Cash generated from operations		<u>10,356</u>	<u>123,677</u>
Employees' defined benefits liabilities and other benefits paid		(8,028)	(1,795)
Finance costs paid		(39,370)	(66,724)
Net cash (used in) generated from operating activities		<u>(37,042)</u>	<u>55,158</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for purchase of property, plant and equipment		(259,115)	(687,463)
Net movement in long term retentions payable		1,223	11,165
Net movement in other non-current assets		11,511	6,432
Net cash used in investing activities		<u>(246,381)</u>	<u>(669,866)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term murabaha loans		318,613	550,000
Payments of long term murabaha loans		-	(1,050,000)
Net movement in commercial loans		-	308,905
Payment of lease liabilities		(8,524)	(255)
Net cash generated from (used in) financing activities		<u>310,089</u>	<u>(191,350)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		<u>26,666</u>	<u>(806,058)</u>
Cash and cash equivalents at the beginning of the period		<u>140,057</u>	<u>923,664</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		<u>166,723</u>	<u>117,606</u>
SIGNIFICANT NON-CASH TRANSACTIONS:			
Finance costs on loans charged to capital work in progress		40,747	72,800
Financial charges on lease liabilities against right-of-use assets charged to capital work in progress		1,682	1,840
Depreciation of right-of-use assets charged to capital work in progress		402	554


KHALIFA A. AL-MULHEM
Chairman of the Board


FAHAD S. AL-MATRAFI
President & CEO


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Chief Financial Officer

The attached notes 1 to 19 form an integral part of these interim condensed consolidated financial statements.

1. CORPORATE INFORMATION

Advanced Petrochemical Company (the “Company” or the “Parent Company”) is a Saudi joint stock company registered in Dammam city, Kingdom of Saudi Arabia under commercial registration number 2050049604 dated 27 Sha’ban, 1426H (corresponding to 1 October 2005) and unified number is 7001484653. The paid-up share capital of the Company is SR 2,600,000,000 divided into 260,000,000 shares of SR 10 each (2024: SR 2,600,000,000 divided into 260,000,000 shares of SR 10 each).

During the Company’s Extraordinary General Assembly meeting held on 17 Sha’aban 1443H (corresponding to 20 March 2022), an increase in share capital by 20.11% was approved by the shareholders by way of issuance of one bonus share for every 5 shares held by the existing shareholders. The increase in share capital was funded by way of capitalizing retained earnings and statutory reserve amounting to SR 174.1 million and SR 261.2 million, respectively, of the Company. The number of shares increased from Two Hundred Sixteen Million Four Hundred Seventy Three Thousand Four Hundred (216,473,400) shares to Two Hundred Sixty Million (260,000,000) shares.

Further during 2022, the shareholders approved the purchase of the Company’s own shares, with a maximum of (1,500,000) shares, for the purpose of allocating them to the Company’s employees within the Employees Share Incentive Program, provided that the purchase of these shares are to be financed through the Company’s own resources. Further, the shareholders authorized the Board of Directors (or whomever it delegates) to complete the purchase within (12 months) from the date of the extraordinary general assembly’s approval, and to determine the terms of the program and its implementation, including determination of the allocation for consideration or not, and to be kept no longer than (10) years from the date of approval as a maximum until the shares are allocated to eligible employees. Upon the end of mentioned period, the Company will follow the rules and procedures stipulated in the relevant laws and regulations. During 2023, the Company completed the purchase of 1,500,000 of its own shares amounting to SR 79.3 million.

Further, in the Company’s Extraordinary General Assembly meeting held on 18 Ramadan 1445H (corresponding to 28 March 2024), the shareholders approved transferring the statutory reserve balance amounting to SR 482 million to the retained earnings, which was completed and reflected in the consolidated financial statements for the year ended 31 December 2024 and the legal formalities were completed.

The condensed consolidated financial statements as at 31 March 2025 and 2024 include the financial statements of the Company and its following subsidiaries (collectively referred to as the “Group”):

Effective ownership directly and indirectly

Advanced Global Marketing Company (“AGMC”) - note (a)	100%
Advanced Global Investment Company (“AGIC”) - note (b) and its following subsidiary	100%
Advanced Polyolefins Industry Company (“APOC”) – note (c)	85%

Notes:

a- Advanced Global Marketing Company (“AGMC”), is a single shareholder Limited Liability Company registered in Jubail, Kingdom of Saudi Arabia under commercial registration No. 2055015327 dated 27 Rabi’I 1433H (corresponding to 19 February 2012) and is 100% owned by the Company.

b- Advanced Global Investment Company (“AGIC”) is a single shareholder Limited Liability Company registered in Jubail, Kingdom of Saudi Arabia under commercial registration No. 2055017024 dated 12 Ramadan 1433H (corresponding to 1 August 2012) and is 100% owned by the Company.

c- Advanced Polyolefins Industry Company (“APOC”) is a Saudi mixed closed joint stock company incorporated in 2021 and is registered in Jubail, Kingdom of Saudi Arabia under commercial registration No. 20550130313 dated 14 Ramadan 1442H (corresponding to 26 April 2021) and is 85% owned by AGIC (remaining 15% is owned by SK Gas Petrochemical Pte. Ltd., a company organized and existing under the laws of Republic of Singapore). The subsidiary has not commenced its commercial operations as its plants are under the construction phase, which are expected to be completed by the end of second quarter of 2025.

During 2014, AGIC made 100% investment in Advanced Global Holding Limited (“AGHL”), a Limited Liability Company incorporated in Luxembourg. AGHL has not been consolidated in these consolidated financial statements due to immaterial financial position.



1. CORPORATE INFORMATION (CONTINUED)

The Group is licensed to engage in the production and selling of Propylene, Polypropylene, Isopropyl Alcohol, Polysilicon and Polysilicon downstream products which includes Photovoltaic cells and Photovoltaic, and establishing, operating and investing in industrial projects including petrochemical, chemical, basic and conversion industries and industries relating to renewable energy both within and outside the Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These interim condensed consolidated financial statements have been prepared using the historical cost convention except for equity investments at fair value through other comprehensive income ("FVOCI") and Employees' defined benefit liabilities and, which is measured at the present value of future obligations using the projected Units Credit Method. These interim condensed consolidated financial statements are prepared in Saudi Riyals, which is both the functional and presentation currency of the Group. These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and requirements of the laws and regulations in the kingdom of Saudi Arabia.

These interim condensed consolidated financial statements include all the disclosures required for interim condensed consolidated financial statements but do not include all of the disclosures required for the consolidated annual financial statements and should therefore be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

An interim period is considered an integral part of the whole fiscal year, however, the results of operations for the interim period may not be a fair indication of the results of the full year operations.

Basis of consolidation

These interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.



2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE (CONTINUED)

Profit or loss and each component of other comprehensive income (OCI) are attributed to the shareholders of the Group to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating from transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in preparing the Group's annual consolidated financial statements for the year ended 31 December 2024.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and accompanying disclosures, and the disclosure of contingent liabilities. The accounting estimates and assumptions used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements of the Group for the year ended 31 December 2024.

5. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

New and amended standards adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards, interpretations and amendments as of 1 January 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments apply, but do not have an impact on the interim condensed consolidated financial statements of the Group:

- Amendment to IAS 21 – Lack of exchangeability (effective from January 1, 2025).

There has been no material impact on the interim condensed consolidated financial statements of the Group upon adoption of the above amended standards.



5. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

New and amended standards not effective and not yet adopted by the Group

At the date of the interim condensed consolidated financial statements, the following other standards, amendments and interpretations are not yet effective and have not been early adopted by the Group:

- IFRS 18 Presentation and Disclosures in Financial Statements (effective date January 1, 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective date January 1, 2027)

Management anticipates that the application of the above amendments in future periods will have no material impact on the interim condensed consolidated financial statements of the Group in the period of initial application.

6. PROPERTY, PLANT AND EQUIPMENT

	31 March 2025	31 December 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
Net book value at the beginning of the period / year	10,846,998	8,614,556
Additions, net	301,946	2,415,468
Depreciation for the period / year	(46,230)	(182,857)
Net disposals/write offs	-	(169)
Net carrying value at the end of the period / year	11,102,714	10,846,998

7. EQUITY INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 March 2025	31 December 2024
	<i>(Unaudited)</i>	<i>(Audited)</i>
Cost:		
At the beginning and end of the period / year	431,937	431,937
Valuation adjustments:		
At the beginning of the period / year	(53,711)	28,933
Net movement during the period / year	(29,783)	(82,644)
At the end of the period / year	(83,494)	(53,711)
Net carrying value at the end of the period / year	348,443	378,226

As at 31 March 2025, the equity investment at fair value through other comprehensive income comprises a strategic investment in a Saudi listed entity (National Industrialization Company "TASNEE") and has been presented at related fair value. The equity investment at fair value through other comprehensive income has been measured and presented in Saudi Riyals.



8. OTHER COMPONENTS OF EQUITY

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
Fair value reserve	(83,494)	(53,711)
Foreign currency translation reserve	(100,013)	(100,013)
Share-based payment reserve	18,481	18,481
	(165,026)	(135,243)

9. INVESTMENT IN AN ASSOCIATE

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
At the beginning of the period / year	-	377,538
Share in results of an associate for the period / year	-	(133,394)
Exchange differences on translation of investment in an associate for the period / year	-	(32,849)
Share in results of other comprehensive loss for the period / year	-	788
Impairment loss for the period / year	-	(212,083)
Net carrying value at the end of the period / year	-	-

The Group has an investment in SK Advanced Co. Limited through its subsidiary AGIC, in which AGIC owns 30% shareholding, and is classified as an investment in an associate in these interim condensed consolidated financial statements. It was incorporated in South Korea in accordance with the Commercial Act of the Republic of Korea. The ownership of the associated Company is divided between AGIC with 30%, SK Gas Co. Limited with 45% and Petrochemical Industries Company K.S.C with 25%. It operates a PDH Plant with nameplate capacity of 600,000 MT per annum.

In 2024, the Group recognized a full impairment provision of SR 212 million on SK investment and this was disclosed in the financial statements in accordance with the requirements under IAS-36 including the key assumptions used for the analysis. As at 31 March 2024, the Group's share of loss from investment in SK Advanced Co. Limited amounted to SR 34.5 million and for the three months period ended 31 March 2025, amounted to SR 27.7 million. However, in accordance with IAS 28 (investment in Associates and Joint ventures), the Group has not recognized this loss in the interim condensed consolidated financial statements for the three months period ended 31 March 2025 due to the following:

- The carrying amount of Investment in associates have been reduced to zero.
- The Group has no obligation to provide further support to the investment as per the agreement.

10. OTHER NON-CURRENT ASSETS

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
Employees' home ownership program and employee's loans	168,057	179,568

It represents balances related to employees' Home Ownership Program (HOP) and employee's loans. The Group started building residential houses for its employees in 2013. In May 2016, completed housing units were distributed to direct hire Saudi employees under a long-term repayment agreement in Phase-I. Further, in July 2019, additional completed housing units were distributed in Phase-II. During 2020, remaining completed housing units were also distributed to employees related to Phase-II. The employees pay 17% of their monthly basic salary in addition to their housing allowance which is being applied as a loan repayment/installment until the total HOP loan is fully repaid. As at the reporting date, SR 168.06 million (2024: SR 179.57 million) represents the non-current portion and SR 16.56 million (2024: SR 16.56 million) represents the current portion.



11. BORROWINGS

a) SIDF LOAN

During 2022, the Group obtained a term loan facility from Saudi Industrial Development Fund ("SIDF") with total amount of SR 3 billion to finance the construction of new PDH and PP Project. Up-front and administrative fees are charged by SIDF under the loan agreement, amortized as finance cost using the effective interest rate and presented as unamortized transaction costs deducted from the loan. As at 31 March 2025, the full amount of SR 3 billion (2024: SR 3.0 billion) was withdrawn by the Group from the loan facility. The loan is secured by a mortgage over the property, plant and equipment of APOC ("a subsidiary") amounting to SR 9.3 billion (2024: SR 9.0 billion) and by promissory notes. The loan is payable in 16 un-equal semi-annual instalments, with first instalment payable on 15 Safar 1448H (corresponding to 29 July 2026). The facility agreement with SIDF contains certain covenants, which requires among other things, certain financial ratios to be maintained. As at 31 March 2025, the Group was compliant with covenants.

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
Saudi Industrial Development Fund ("SIDF")	3,000,000	3,000,000
Less: unamortised transaction costs	(173,072)	(180,541)
	2,826,928	2,819,459

b) ISLAMIC LOAN FACILITIES

During 2022, APOC ("a subsidiary") signed multiple Islamic loan facilities with a consortium of financial institutions with a total amount of SR 6.1 billion to finance the construction of new the PDH, PP and IPA plant. These loans are secured by promissory notes and Debt Service Undertaking of USD 250 million from the Parent Company and carry a commission which is commensurate with prevailing commercial rates which are mainly SIBOR based plus agreed margins. These loans are repayable in unequal semi-annual installments and maturities of these facilities are based on their respective repayment schedules spread up to 2035, with the first instalment payable on 31 May 2025. These loan agreements include covenants to maintain certain financial ratios after the commencement of commercial operation. As at 31 March 2025, an amount of SR 3.58 billion (31 December 2024: SR 3.2 billion) was withdrawn from the loan facility.

	31 March 2025	31 December 2024
	(Unaudited)	(Audited)
Non-current portion	3,080,869	2,762,256
Current portion	428,391	428,391
	3,509,260	3,190,647

c) LONG TERM MURABAHA LOANS

During 2023, the Group signed a Murabaha Facilities Agreement for a period of 5 years, with a local commercial bank amounting to SR 2 billion, bearing a commission rate of SIBOR plus specified margin. These facilities are intended to settle outstanding short-term loans, finance equity requirements and capital expenditures for APOC ("a subsidiary") and are secured by promissory note. Each Murabaha period for a transaction shall be the same term as the initial Murabaha transaction, up to a maximum of 5 years tenure. During the current period, no amount was withdrawn and the loan outstanding amount is SR 690 million and will be full paid by 28 May 2028.

In 27 September 2023, the Group signed a sharia-compliant Islamic credit facility for an amount of SR 1.6 billion from the Saudi National Bank to finance its general corporate purposes. The tenure of the facility is for a period of 5 years with a commission rate of SIBOR plus specified margin rate. In 2023 and 2024, full amount of the facility of SR 1.6 billion was withdrawn by the Group. During the current period, no amount was withdrawn, and the loan outstanding amount is SR 1.6 billion. These loan agreements include covenants to maintain certain financial ratios. As at 31 March 2025, the Group was compliant with the covenants.



11. BORROWINGS (CONTINUED)

d) SHORT TERM MURABAHA LOANS

In 2023, the Group signed a Murabaha Facility Agreement, with a local commercial bank amounting to SR 200 million, bearing a commission rate of SIBOR plus specified margin. This facility is intended to finance the working capital requirements of the Company and is secured by promissory note. Each Murabaha period for a transaction shall be the same term as the initial Murabaha transaction, up to a maximum of 12 months tenure. As at 31 March 2025, no amount is withdrawn by the Group.

12. RELATED PARTY TRANSACTION AND BALANCES

Related parties include the Company's major shareholders, associated companies and their shareholders, key management personnel, Directors, and entities controlled, jointly controlled or significantly influenced by such parties.

During the period, no significant transactions with the related parties resulted in balances due from or to related parties.

Compensation of key management personnel

Below are the details of key management personnel compensation recorded during the period;

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Short-term employee benefits	3,506	14,402
Long-term employee benefits	666	2,888
	4,172	17,290

13. DIVIDENDS

On 20 February 2023, the Board of Directors resolved to distribute interim cash dividend for the fourth quarter of 2022 of SAR 0.55 per share (totaling SAR 142.5 million). The distribution date was 28 May 2023.

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
At the beginning of the period / year	4,135	4,159
Payments during the period / year	-	(24)
At the end of the period / year	4,135	4,135

14. COMMITMENTS AND CONTINGENCIES

Commitments

As at 31 March 2025, Capital commitments contracted but not yet incurred amounted to SR 1.4 billion in respect of the new PDH and PP project (31 December 2024: SR 1.63 billion).

The Group has signed a five-year agreement for the purchase of 80,000 MT per annum of propylene (an intermediate product) which has been used in the production of polypropylene since 1 October 2014. In 2017, this agreement was extended up to 31 July 2023 with an increase in the quantity to 100,000 MT per annum. In 4 January 2022, this agreement was extended up to 31 December 2025 with an increase in quantity to 120,000 MT.



14. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Contingencies

The Group's banker has given payment guarantees on behalf of the Group in favor of Jubail Commercial Port for a land lease amounting to SR 1.31 million (31 December 2024: SR 1.31 million).

The Group's banker has given payment guarantees on behalf of the Group in favor of Royal Commission for beach camp amounting to SR 50,000 (31 December 2024: SR 50,000).

The Group's banker has given payment guarantees on behalf of the Group in favor of Saudi Aramco, for securing propane and gas supply amounting to USD 191.7 Million (31 December 2024: USD 37.18 Million).

15. SEGMENT INFORMATION

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

The Group's management is of the view that all activities and operations of the Group comprise of a single operating segment for the purpose of decision making with respect to performance appraisal and resources allocation.

A substantial portion of the Group's sales are made to the marketers and Group's operations are related to one operating segment. Accordingly, segmental analysis by geographical and operating segment has not been presented.

Operating assets of the Group are located in the KSA. The sales are geographically distributed between domestic sales in the Kingdom representing 9% of the total sales and overseas sales representing 91% of the total sales.

16. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Parent Company by the weighted average number of ordinary shares during the period.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	31 March 2025	31 March 2024
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Profit for the period attributable to equity holders of the Parent Company	<u>71,701</u>	<u>(58,369)</u>
Weighted average number of ordinary shares ('000)	<u>258,500</u>	<u>258,500</u>
Earnings Per Share (SR)	<u>0.277</u>	<u>(0.226)</u>

There has been no significant item of dilution affecting the weighted average number of ordinary shares.



17. FAIR VALUE

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in transaction. As the interim condensed consolidated financial statements are prepared under the historical cost convention, differences can arise between the book values and fair value estimates. Management believes that the fair values of the financial assets and liabilities are not materially different from their carrying values.

The Group has categorized its financial assets and liabilities into a three-level fair value hierarchy, based on the nature of the inputs used in determining fair value. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

Following is a description of each category in the fair value hierarchy and the financial assets and liabilities of the Group that are included in each category at 31 March 2025.

- Level 1: Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market.
- Level 2: Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.
- Level 3: Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>SR '000</i>	<i>SR '000</i>	<i>SR '000</i>
Period ended 31 March 2025			
<i>Assets measured at fair value</i>			
Equity investment at fair value through other comprehensive income	348,443	-	-
	<u>348,443</u>	<u>-</u>	<u>-</u>
Year ended 31 December 2024			
<i>Assets measured at fair value</i>			
Equity investment at fair value through other comprehensive income	378,226	-	-
	<u>378,226</u>	<u>-</u>	<u>-</u>

The Group has not disclosed the fair value of financial instruments such as cash and cash equivalent, trade receivables, trade payable, accruals, other current liabilities, SIDF loan, Murabaha loans and lease liabilities, because their carrying amounts are a reasonable approximation of fair values.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Floating-rate borrowings approximate their carrying amounts largely due to the fact that the floating rate approximates the market interest rate.
- The fair value of loans from banks and other financial indebtedness as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt or similar terms and remaining maturities.



18. SUBSEQUENT EVENTS

In the opinion of management, there have been no significant subsequent events since the period ended 31 March 2025 that would have a material impact on the financial position of the Group as reflected in these interim condensed consolidated financial statements.

19. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

This interim condensed consolidated financial information for the three-months period ended 31 March 2025 were approved for issuance by the Board of Directors of the Group on 27 April 2025.