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 AND SIX MONTHS PERIOD ENDED 30 JUNE 2026

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 AND SIX MONTHS PERIOD ENDED 30 JUNE 2026

INDEX	**PAGES**

Deloitte.

Deloitte and Touche & Co.
Chartered Accountants
(Professional Simplified Joint Stock Company)
Paid-up capital ⃁ 5,000,000
Building 6332 King Saud Road, 3261
Al Hussam Dist.
P.O. Box: 182, Dammam 34223
Kingdom of Saudi Arabia
C.R. No. 2050114110

Tel: +966 11 508 8911
www.deloitte.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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(the "Company") and its subsidiaries (together the "Group") as at 30 June 2026, and the related statement of profit or loss and other comprehensive income for the three months and six months period then ended, and the related statements of changes in equity and cash flows for the six months period then ended, and material accounting policy information and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard 34 Interim Financial Reporting (IAS 34) as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim financial information 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 financial information is not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

Deloitte and Touche & Co
Chartered Accountants

Abdul Rahman S. Al-Suwayegh
Certified Public Accountant
License No 461
13 Safar, 1448H
July 27, 2026

CR.: 2050114110
Deloitte and Touche & Co.
Dammam Branch
Chartered Accountants

المتقدمة
Advanced

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFT OR LOSS
FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2026

(All amounts in Saudi ⃁ thousands unless otherwise stated)

	Notes	For the three-months period ended 30 June 2026 (Unaudited)	For the three-months period ended 30 June 2025 (Unaudited)	For the six-months period ended 30 June 2026 (Unaudited)	For the six-months period ended 30 June 2025 (Unaudited)
Sales		827,329	698,405	1,906,400	1,312,537
Cost of sales		(754,010)	(564,497)	(1,655,515)	(1,071,325)
GROSS PROFIT		73,319	133,908	250,885	241,212
Selling and distribution expenses		(17,099)	(7,673)	(33,184)	(13,257)
General and administration expenses		(39,055)	(33,781)	(76,969)	(62,232)
OPERATING PROFIT		17,165	92,454	140,732	165,723
Finance costs		(115,910)	(3,756)	(235,970)	(8,165)
Other income, net	18	2,423	3,697	29,747	6,000
(LOSS) PROFIT BEFORE ZAKAT AND INCOME TAX		(96,322)	92,395	(65,491)	163,558
Zakat and income tax expense					
Zakat		(1,957)	(2,202)	(2,164)	(4,032)
Income tax		(134)	(19)	(134)	1,051
(LOSS) PROFIT FOR THE PERIOD		(98,413)	90,174	(67,789)	160,577
(Loss) profit attributable to:					
Owners of the parent company		(98,413)	81,613	(68,508)	153,314
Non-controlling interest		-	8,561	719	7,263
		(98,413)	90,174	(67,789)	160,577
Earnings (losses) per share attributable to owners of the parent company					
- Basic and diluted earnings (losses) per share	16	(0.380)	0.316	(0.264)	0.593

KHALIFA A. AL-MULHEM Chairman of the Board	MAMDOUH H. AL-AMRI President & CEO	ABDULAZIZ S. AL-ARDHI Chief Financial Officer

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

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

المتقدمة
Advanced

INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS AND SIX MONTHS PERIOD ENDED 30 JUNE 2026

(All amounts in Saudi ⃁ thousands unless otherwise stated)

	Notes	**For the three-months period ended 30 June 2026**	For the three-months period ended 30 June 2025	**For the six-months period ended 30 June 2026**	For the six-months period ended 30 June 2025
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
(LOSS) PROFIT FOR THE PERIOD		**(98,413)**	**90,174**	**(67,789)**	160,577
OTHER COMPREHENSIVE INCOME					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange difference on the translation of investment in an associate reclassified to profit or loss on disposal of foreign operation	9	-	-	**100,013**	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		-	-	**100,013**	-
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:					
Unrealized fair value (loss) income on equity investment at fair value through other comprehensive income (loss)		**(6,701)**	8,936	**(6,701)**	(20,847)
Net other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods		**(6,701)**	8,936	**(6,701)**	(20,847)
OTHER COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD		**(6,701)**	8,936	**93,312**	(20,847)
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE PERIOD		**(105,114)**	99,110	**25,523**	139,730
Total comprehensive (loss) income attributable to:					
Owners of the parent company		**(105,114)**	90,549	**24,804**	132,467
Non-controlling interest		**-**	8,561	**719**	7,263
		(105,114)	99,110	**25,523**	139,730

KHALIFA A. AL-MULHEM	MAMDOUH H. AL-AMRI	ABDULAZIZ S. AL-ARDHI
Chairman of the Board	President & CEO	Chief Financial Officer

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

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

المتقدمة
Advanced

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

(All amounts in Saudi ⃁ thousands unless otherwise stated)

	Notes	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	12,275,316	12,154,728
Right-of-use assets		159,930	163,593
Investment in an unconsolidated subsidiary		376	376
Equity investment at fair value through other comprehensive income	7	336,532	343,233
Other non-current assets	10	135,211	142,447
TOTAL NON-CURRENT ASSETS		12,907,365	12,804,377
CURRENT ASSETS			
Inventories		446,720	320,752
Trade receivables		817,004	773,507
Prepayments and other current assets		205,171	355,255
Cash and cash equivalents		112,916	102,588
TOTAL CURRENT ASSETS		1,581,811	1,552,102
TOTAL ASSETS		14,489,176	14,356,479
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1	2,600,000	2,600,000
Treasury shares	1	(47,089)	(79,301)
Other components of equity	8	(87,265)	(166,521)
Retained earnings		423,748	736,454
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		2,889,394	3,090,632
Non-controlling interest		-	374,704
TOTAL EQUITY		2,889,394	3,465,336
NON-CURRENT LIABILITIES			
SIDF loan	11	2,679,073	2,764,144
Islamic loan facilities	11	3,244,143	3,450,773
Murabaha loans	11	1,890,000	890,000
Non-current portion of lease liabilities		159,851	157,667
Retentions payable		15,530	9,230
Employees' defined benefit liabilities and other benefits		186,328	184,243
TOTAL NON-CURRENT LIABILITIES		8,174,925	7,456,057
CURRENT LIABILITIES			
Current portion of SIDF loan	11	231,180	121,180
Current portion of Islamic loan facilities	11	413,750	417,644
Current portion of Murabaha loans	11	800,000	1,600,000
Current portion of lease liabilities		11,003	11,765
Trade payables		526,059	368,711
Accruals and other current liabilities		711,074	669,590
Payable on the acquisition of additional equity interest from non-controlling interest, net		484,805	-
Retentions payable		228,217	224,211
Zakat and income tax provision		14,639	17,850
Dividends payable		4,130	4,135
TOTAL CURRENT LIABILITIES		3,424,857	3,435,086
TOTAL LIABILITIES		11,599,782	10,891,143
TOTAL EQUITY AND LIABILITIES		14,489,176	14,356,479

KHALIFA A. AL-MULHEM	MAMDOUH H. AL-AMRI	ABDULAZIZ S. AL-ARDHI
Chairman of the Board	President & CEO	Chief Financial Officer

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi ⃁ thousands unless otherwise stated)

المتقدمة
Advanced

	Share capital	Treasury shares	Other components of equity: Fair value reserve	Other components of equity: Foreign currency translation reserve	Other components of equity: Share-based payment reserve	Retained earnings	Total controlling interest	Non-controlling interest	Total equity
At 1 January 2025	2,600,000	(79,301)	(53,711)	(100,013)	18,481	487,380	2,872,836	369,012	3,241,848
Profit for the period	-	-	-	-	-	153,314	153,314	7,263	160,577
Other comprehensive loss for the period	-	-	(20,847)	-	-	-	(20,847)	-	(20,847)
Total comprehensive income (loss) for the period	-	-	(20,847)	-	-	153,314	132,467	7,263	139,730
Share-based payment reserve	-	-	-	-	405	-	405	-	405
As at 30 June 2025 (unaudited)	2,600,000	(79,301)	(74,558)	(100,013)	18,886	640,694	3,005,708	376,275	3,381,983
At 1 January 2026	**2,600,000**	**(79,301)**	**(88,704)**	**(100,013)**	**22,196**	**736,454**	**3,090,632**	**374,704**	**3,465,336**
(Loss) profit for the period	-	-	-	-	-	**(68,508)**	**(68,508)**	**719**	**(67,789)**
Other comprehensive (loss) income for the period	-	-	**(6,701)**	**100,013**	-	-	**93,312**	-	**93,312**
Total comprehensive (loss) income for the period	-	-	**(6,701)**	**100,013**	-	**(68,508)**	**24,804**	**719**	**25,523**
Share-based payment reserve	-	-	-	-	**3,699**	-	**3,699**	-	**3,699**
Adjustments arising from change in non-controlling interest (note 9)	-	-	-	-	-	**(229,741)**	**(229,741)**	**(375,423)**	**(605,164)**
Equity adjustment on the settlement of share- based incentives using treasury shares (note 1)	-	**32,212**	-	-	**(17,755)**	**(14,457)**	-	-	-
As at 30 June 2026 (unaudited)	**2,600,000**	**(47,089)**	**(95,405)**	-	**8,140**	**423,748**	**2,889,394**	-	**2,889,394**

KHALIFA A. AL-MULHEM
Chairman of the Board

MAMDOUH H. AL-AMRI
President & CEO

ABDULAZIZ S. AL-ARDHI
Chief Financial Officer

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

المتقدمة
Advanced

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi ⃁ thousands unless otherwise stated)

	Note	30 June 2026 *(Unaudited)*	30 June 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) profit before zakat and income tax		**(65,491)**	163,558
Adjustments for:			
Depreciation of property, plant and equipment	6	**278,546**	92,427
Depreciation of right-of-use assets		**3,663**	3,652
Finance costs		**235,970**	8,165
Provision for doubtful trade receivables		**-**	1,000
Provision for slow-moving inventories		**2,901**	5,187
Share-based payment expense		**3,699**	405
Employees' defined benefits liabilities and other benefits		**13,549**	22,267
Gain on disposal of investment in an associate		**(120,359)**	-
Foreign exchange loss reclassified to interim condensed consolidated statement of profit or loss on disposal of foreign operation / associate	9 and 18	**100,013**	-
		452,491	296,661
Changes in operating assets and liabilities:			
Inventories		**(128,869)**	(107,832)
Trade receivables		**(43,497)**	(82,281)
Prepayments and other current assets		**150,084**	(24,296)
Trade payables		**157,348**	(47,141)
Accruals and other current liabilities		**41,395**	282,607
Cash generated from operations		**628,952**	317,718
Employees' defined benefits liabilities and other benefits paid		**(15,845)**	(10,257)
Finance costs paid		**(226,650)**	(75,188)
Zakat and income tax paid		**(5,509)**	(455)
Net cash generated from operating activities		**380,948**	231,818
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(380,550)**	(781,655)
Net movement in retentions payable		**10,306**	6,222
Net movement in other non-current assets		**7,236**	13,031
Net cash used in investing activities		**(363,008)**	(762,402)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds of SIDF loans	11	**15,562**	-
Repayment of SIDF loans	11	**(5,590)**	-
Proceeds from Long Term Murabaha loans	11	**1,200,000**	200,000
Repayments of Long Term Murabaha loans	11	**(1,000,000)**	-
Proceeds from Islamic loans	11	**-**	481,701
Repayment of Islamic loans	11	**(217,026)**	-
Payment of lease liabilities		**(553)**	(20,600)
Dividends paid	13	**(5)**	-
Net cash (used in) generated from financing activities		**(7,612)**	661,101
NET CHANGE IN CASH AND CASH EQUIVALENTS		**10,328**	130,517
Cash and cash equivalents at the beginning of the period		**102,588**	140,057
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**112,916**	270,574

المتقدمة
Advanced

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026
(All amounts in Saudi ⃁ thousands unless otherwise stated)

	Note	**30 June 2026**	30 June 2025
SIGNIFICANT NON-CASH TRANSACTIONS:			
Payable on the acquisition of additional equity interest from non-controlling interest, net (note 1 and 9)		**484,805**	-
Finance costs on loans charged to capital work in progress		**18,584**	81,669
Financial charges on lease liabilities against right-of-use assets charged to capital work in progress		**-**	1,684
Depreciation of right-of-use assets charged to capital work in progress		**-**	401

KHALIFA A. AL-MULHEM
Chairman of the Board

MAMDOUH H. AL-AMRI
President & CEO

ABDULAZIZ S. AL-ARDHI
Chief Financial Officer

The accompanying notes 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 ⃁ 2,600,000,000 divided into 260,000,000 shares of ⃁ 10 each (2025: ⃁ 2,600,000,000 divided into 260,000,000 shares of ⃁ 10 each).

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 Incentives Program, provided that the purchase of these shares is 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 the 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 ⃁ 79.3 million.

During the period, the Company transferred 609,298 treasury shares to eligible employees under the employees' shares incentives program. The weighted average number of ordinary shares used in the calculation of earnings per share has been adjusted to reflect the impact of the shares transferred during the period (refer to note 16).

The interim condensed consolidated financial statements as at 30 June 2026 and 31 December 2025 include the financial statements of the Company and its following subsidiaries (collectively referred to as the "Group"):

	Effective ownership directly and indirectly 30 June 2026	Effective ownership directly and indirectly 31 December 2025
Advanced Global Marketing Company ("AGMC") - note (a)	**100%**	100%
Advanced Global Investment Company ("AGIC") - note (b)	**100%**	100%
Advanced Polyolefins Industry Company ("APOC") – note (c)	**100%**	85%
Advanced Global Marketing Company B.V ("AGMC B.V") - note (d)	**100%**	100%

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 February 19, 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 August 1, 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 100% owned by AGIC as of 30 June 2026. (At December 31, 2025 - 85% owned by AGIC & 15% was owned by SK Gas Petrochemical Pte. Ltd., a company organized and existing under the laws of the Republic of Singapore).

1. CORPORATE INFORMATION (CONTINUED)

Notes (continued)
During the period, the Group, through its subsidiary "AGIC", acquired an additional 15% equity interest in APOC from SK Gas Petrochemical Pte. Ltd. The agreed purchase consideration for this acquisition was ⃁ 605 million. The legal formalities associated with respect to updating commercial registration and related documents are in process as of 30 June 2026. At the acquisition date, the carrying amount of the non-controlling interest attributable to the additional equity interest acquired was ⃁ 375 million. The difference between the agreed purchase consideration and the carrying amount of non-controlling interest was recognised directly in the retained earnings as this transaction did not result in a loss of control.

d- Advanced Global Marketing Company B.V ("AGMC B.V"), is a single-shareholder limited liability company registered in Amsterdam, Netherlands, under commercial registration No. 868214279 dated 12 Muharram 1447AH (corresponding to July 7, 2025) and is 100% owned by AGMC. During the period, AGMC B.V has been consolidated in these interim condensed consolidated financial statements.

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

The Group is licensed to engage in the production and sale of Propylene, Polypropylene, Isopropyl Alcohol, Polysilicon, and Polysilicon downstream products, which include 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.

Geopolitical Developments
The sustained geopolitical conflict in the Middle East has created widespread disturbances in economic conditions and business environments. The Group is monitoring risks and uncertainties related to its operations, including disruptions of transport routes to customers, plant underutilization or shutdowns, elevated logistical costs as well as Propane supply dynamics, besides volatile price movements of finished products. The Group has assessed its accounting estimates, assumptions, and judgments mainly regarding the Company's exposure to impairment considerations, recoverability of trade receivables and inventory valuation, and respective gross margin developments. As of 30 June 2026, these factors did not have a material impact on the interim condensed consolidated financial statements except for the preponement of some of the scheduled periodic maintenance activities and lower production volumes due to shortage of Propane supply.

As of the date of approval of these condensed interim financial statements, the geopolitical circumstances remain volatile and uncertain. Based on current assessments, implications on the Group's future financial performance and position are likely, with the prospect of a continuous closure of the Strait of Hormuz and unstable Propane supply. While the Group will continue to monitor the developments and will actively mitigate respective exposures, the potential financial impact of these factors cannot be reliably estimated at this time in light of the prevailing uncertainties.

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, which are 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 the 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 2025.

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 30 June 2026. 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 period 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)

Basis of consolidation (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 flow 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 2025.

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 2025.

5. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

New Standards, Amendments to Standards and Interpretations

There are new standards and a number of amendments to standards which are effective from 1 January 2026 and have been explained in the Group's annual Consolidated Financial Statements, but they do not have a material effect on the Group's Condensed Consolidated Interim Financial Statements.

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The Group has not early adopted the new accounting standard in preparing these interim financial statements; however, earlier application is permitted.

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements.

a) Presentation of Consolidated Statement of Profit & Loss

IFRS 18 requires entities to classify income and expenses into specified categories within the statement of profit or loss, namely operating, investing, financing, zakat and income tax, and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Group determined that it does not have a specified main business activity pertaining to investments in assets and/or providing financing to customers.

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

New Standards, Amendments to Standards and Interpretations (continued)

a) Presentation of Consolidated Statement of Profit & Loss (continued)

Neither Profit/Loss for the Period nor net Assets/total Equity are expected to change as a result of adopting IFRS 18. IFRS 18 introduces two newly defined subtotals, which are 'Operating Profit or Loss' and 'Profit or Loss Before Financing and Zakat and Income taxes'. However, operating profit currently presented in the consolidated statement of profit or loss differs from the operating profit or losses that will be presented after adoption of IFRS 18.

Based on the information currently available, it is expected that the following reclassification within the consolidated statement of profit or loss will be made to align with the new presentation requirements under IFRS 18:

- A new subtotal, 'income before financing and zakat and income taxes' will be presented;
- Bank charges and other charges not related to raising finance will be reclassified and presented under the operating category;
- 'Dividend income from investments in equity instruments' will be reclassified and presented under the investing category;
- Foreign exchange differences shall be classified in the same category as the income and expenses from the items that give rise to the foreign currency differences;
- Fair value gain/loss on financial instruments held at fair value through profit and loss will be reclassified as part of the investing category;
- Finance costs on 'lease liabilities', interest expense on 'employees' defined benefit liabilities', and interest expenses on debt instruments will be presented under the investing category; and
- 'Share of results from equity accounted investees' and "finance income on short-term investments' and cash and cash equivalents' will be presented under the investing category.

b) Principles of Aggregation and Disaggregation

IFRS 18 provides enhanced guidance on the principles of aggregation and disaggregation, which focus on grouping items based on their shared characteristics, including specific presentation or disclosure matters identified through management implementation assessment. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

Management is assessing the characteristics of the assets, liabilities, equity items, income, expense and cash flows when determining which information should be aggregated and what information should be disaggregated. Based on this, management will present line items in the primary financial statements that provide useful structured summaries and disclose additional information in the notes.

The Group is also assessing line items currently labelled as 'other' and will use more informative labels.

c) Consolidated statement of cash flows

IFRS 18 introduces amendments to IAS 7 that require that, under the indirect method, operating profit or loss shall be adjusted to determine the net cash flow from operating activities, instead of profit before zakat and income tax currently used to determine net cash flow from operating activities.

These amendments also provide specific guidance on the classification of interest cash flows. The Group will classify cash outflows from interest paid as financing activities rather than operating activities under this guidance.

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

New Standards, Amendments to Standards and Interpretations (continued)

d) Notes to the consolidated financial statements

Disclosure related to depreciation, amortization, employee benefits, impairment losses or reversals, if any, and write-downs and reversals of write-downs of inventories to be added along with the nature of category, if related to within operating activities.

e) Management- defined performance measures (MPMs)

MPMs are defined as a subtotal of income and expenses used in public communications outside the financial statements that communicate the management's view of an aspect of the financial performance of the Group as a whole. Such measures will be required to be disclosed within a single note to the financial statement together with explanations of their purpose and reconciliations to the most directly comparable IFRS-defined totals or subtotals.

Based on the initial assessment performed to date, the Group has not identified any MPMs that are not already presented in the consolidated statement of profit and loss. However, management's assessment will continue as public communications relating to the reporting period in which IFRS 18 is first applied become available. Any measures subsequently identified as MPMs will be subject to the disclosures and reconciliation requirements of IFRS 18.

6. PROPERTY, PLANT AND EQUIPMENT

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
Net book value at the beginning of the period / year	**12,154,728**	10,756,297
Additions, net	**399,134**	1,740,380
Depreciation for the period / year	**(278,546)**	(341,949)
Net carrying value at the end of the period / year	**12,275,316**	12,154,728

7. EQUITY INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
Cost:		
At the beginning and end of the period / year	**431,937**	431,937
Valuation adjustments:		
At the beginning of the period / year	**(88,704)**	(53,711)
Net movement during the period / year	**(6,701)**	(34,993)
At the end of the period / year	**(95,405)**	(88,704)
Net carrying value at the end of the period / year	**336,532**	343,233

As at 30 June 2026, 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

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
Fair value reserve	**(95,405)**	(88,704)
Foreign currency translation reserve (note 9 and 18)	-	(100,013)
Share-based payment reserve	**8,140**	22,196
	(87,265)	(166,521)

9. INVESTMENT IN AN ASSOCIATE

The Group had an investment in SK Advanced Co. Limited through its subsidiary AGIC, in which AGIC owns a 30% shareholding, which was classified as an investment in an associate in these interim condensed consolidated financial statements. It was incorporated and operating in South Korea in accordance with the Commercial Act of the Republic of Korea. The ownership of the associated Company was divided between AGIC with 30%, SK Gas Co. Limited with 45% and Petrochemical Industries Company K.S.C with 25%. In prior years, the entire carrying amount of the investment was impaired.

As at 31 March 2026, the Group entered into definitive agreements with SK Gas Petrochemical Pte. Ltd., an indirect affiliate of SK Gas Co. Ltd., to execute a transaction in line with the strategic objectives of both parties. Under the terms of the transaction, the Group acquired an additional 15% equity interest in Advanced Polyolefins Co. Ltd. from SK Gas Petrochemical Pte. Ltd. The agreed purchase consideration for this acquisition was ⃁ 605 million, which comprised of a net cash consideration of ⃁ 485 million and disposal of 30% shareholding in SK Advanced Co at an agreed fair value. Consequently, the Group's investment in SK Advanced Co. Ltd. was disposed of at a non-cash consideration of ⃁ 120 million.

Upon disposal of this foreign operation, the cumulative exchange differences of ⃁ 100 million previously recognised in the foreign currency translation reserve that was attributable to the owners of the parent company is reclassified to the interim condensed consolidated statement of profit or loss (note 18).

10. OTHER NON-CURRENT ASSETS

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
Employees' home ownership program and employee's loans	**135,211**	142,447

This mainly 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, the 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 loan repayment/installment until the total HOP loan is fully repaid. As at reporting date, ⃁ 135.21 million (2025: ⃁ 142.45 million) represents the non-current portion and ⃁ 10.79 million (2025: ⃁ 19.45 million) represents the current portion.

11. BORROWINGS

a) SIDF LOAN

During 2022, APOC ("a subsidiary") obtained a term loan facility from Saudi Industrial Development Fund ("SIDF") with a total amount of ⃁ 3 billion to finance the construction of a 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 30 June 2026, the full amount of ⃁ 3 billion (2025: ⃁ 3 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 ⃁ 10.5 billion (2025: ⃁ 10.4 billion) and by promissory notes. The loan is payable in 16 unequal semi-annual instalments, with the first instalment payable on 15 Safar 1448H (corresponding to July 29, 2026).

In 2025, SIDF granted a term loan facility to the Company amounted to ⃁ 55.9 million, and the facility was partially disbursed with an amount of ⃁ 35.8 million, net of an upfront payment of ⃁ 3.12 million at 31 December 2025. The purpose of the loan is to finance energy efficiency improvements and investments in software units designed to collect data related to management, human capital, logistics, and production. The loan is secured by a mortgage over the Group's property, plant, and equipment, as well as by promissory notes. The loan is repayable in 10 equal semi-annual installments.

During the period, the Group withdrew the remaining loan amount of ⃁ 15.6 million, after deducting an upfront payment of ⃁ 1.35 million. The first installment of ⃁ 5.6 million was also repaid during the period.

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
Saudi Industrial Development Fund ("SIDF")	**3,050,310**	3,038,985
Less: unamortised transaction costs	**(140,057)**	(153,661)
	2,910,253	2,885,324

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 ⃁ 6.1 billion to finance the construction of the new PDH, PP and IPA plant. Up-front and administrative fees are charged by lenders under the loan agreement, amortized as finance cost using the effective interest rate and presented as unamortized transaction costs deducted from the loan. 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. During the period, no amount was drawn down under these facilities, and ⃁ 217 million was repaid during the period.

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
Islamic loan facilities	**3,728,895**	3,945,921
Less: unamortised transaction costs	**(71,002)**	(77,504)
	3,657,893	3,868,417
Current portion	**413,750**	417,644
Non- current portion	**3,244,143**	3,450,773
Total	**3,657,893**	3,868,417

11. BORROWINGS (CONTINUED)

c) LONG TERM MURABAHA LOANS

During 2023, the Company signed a Murabaha Facilities Agreement for a period of 5 years, with a local commercial bank amounting to ⃁ 2 billion, bearing a commission rate of SIBOR plus a 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 a 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 period ended, an amount of ⃁ 1,000 million was withdrawn, and the total outstanding loan amounted to ⃁ 1,890 million, which is required to be repaid by 28 May 2028.

In September 2023, the Company signed a sharia-compliant Islamic credit facility for an amount of ⃁ 1.6 billion from another local commercial 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 a specified margin rate. In 2023 and 2024, the full amount of the facility of ⃁ 1.6 billion was withdrawn by the Group. During the period ended, an amount of ⃁ 1,000 million was repaid while an amount of ⃁ 200 million was withdrawn, and the total loan outstanding amount as at 30 June 2026 is ⃁ 800 million.

12. RELATED PARTY TRANSACTIONS 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;

	30 June 2026	30 June 2025
	(Unaudited)	*(unaudited)*
Short-term employee benefits	**7,073**	7,772
Long-term employee benefits	**1,050**	1,385
	8,123	9,157

13. DIVIDENDS

	30 June 2026	31 December 2025
	(Unaudited)	*(Audited)*
At the beginning of the period / year	**4,135**	4,135
Payments during the period / year	**(5)**	-
At the end of the period / year	**4,130**	4,135

14. COMMITMENTS AND CONTINGENCIES

Commitments

At 30 June 2026, Capital commitments contracted but not yet incurred amounted to ⃁ 306 million (2025: ⃁ 475 million) in respect of the new IPA plant.

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 upto 31 July 2023 with an increase in the quantity to 100,000 MT per annum. On 4 January 2022, this agreement was extended upto 31 December 2025 with an increase in quantity to 120,000 MT. This agreement has been automatically extended upto 31 December 2026 with the same quantity.

Contingencies

The Group's banker has given payment guarantees on behalf of the Group in favor of Jubail Commercial Port for land lease amounting to ⃁ 1.31 million (2025: ⃁ 1.31 million).

The Group's banker has given payment guarantees on behalf of the Group in favor of the Royal Commission for beach camp amounting to ⃁ 50,000 (2025: ⃁ 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 (2025: USD 191.7 million).

During the period, the Group's banker has given a standby payment guarantee on behalf of the Group in favor of SK Gas Petrochemical Pte Ltd. for securing contractual payment obligations as per the shareholders' agreement amendment to USD 129.99 million (2025: nil).

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 a single operating segment for the purpose of decision-making with respect to performance appraisal and resource allocation.

A substantial portion of the Group's sales are made to the marketers, and the Group's operations are related to one operating segment. Accordingly, segmental analysis by geographical and operating segments 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 13% (30 June 2025: 13%) of the total sales, and overseas sales representing 87% (30 June 2025: 87%) of the total sales.

16. EARNINGS PER SHARE

Basic earnings (losses) per share amounts are calculated by dividing net profit for the period attributable to owners of the Parent Company by the weighted average number of ordinary shares during the period.

The following reflects the earnings (losses) and shares data used in the basic and diluted earnings (losses) per share computations:

	For the three-months period ended 30 June 2026	For the three-months period ended 30 June 2025	**For the six-months period ended 30 June 2026**	For the six-months period ended 30 June 2025
	(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
(Loss) profit for the period attributable to the Owners of the Parent Company	**(98,413)**	81,613	**(68,508)**	153,314
Weighted average number of ordinary shares ("000")	**258,929**	258,500	**258,715**	258,500
Earnings (losses) per share ("⃁")	**(0.380)**	0.316	**(0.264)**	0.593

During the period, the Company transferred 609,298 treasury shares to eligible employees under the Employees' Shares Incentive Program. The weighted average number of ordinary shares used in the calculation of earnings (losses) per share has been adjusted to reflect the impact of the shares transferred.

17. FAIR VALUE

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in a 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 30 June 2026.

- 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.

17. FAIR VALUE (CONTINUED)

Period ended 30 June 2026	**⃁ '000**	***Level 1*** **⃁ '000**	***Level 2*** **⃁ '000**	***Level 3*** **⃁ '000**
Assets measured at fair value				
Equity investment at fair value through other comprehensive income	**336,532**	**336,532**	**-**	**-**

Year ended 31 December 2025	⃁ '000	*Level 1* ⃁ '000	*Level 2* ⃁ '000	*Level 3* ⃁ '000
Assets measured at fair value				
Equity investment at fair value through other comprehensive income	343,233	343,233	-	-

The Group has not disclosed the fair value of financial instruments such as cash and cash equivalents, trade receivables, trade payable, accruals, other current liabilities, SIDF loan, Islamic loan facilities 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. OTHER INCOME, NET

	30 June 2026 ***(Unaudited)***	30 June 2025 *(Audited)*
Gain on disposal of investment in an associate (note 9)	**120,359**	-
Foreign exchange loss reclassified to interim condensed consolidated statement of profit or loss on disposal of foreign operation / associate (note 9)	**(100,013)**	-
Others	**9,401**	6,000
	29,747	6,000

19. SUBSEQUENT EVENTS

In the opinion of management, there have been no significant subsequent events since the period ended 30 June 2026, that would have a material impact on the financial position of the Group as reflected in these interim condensed consolidated financial statements. Refer to note 1 for a brief commentary on the geopolitical situation.

20. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2026 were approved by the Audit Committee for issuance on behalf of the Board of Directors on 27 July 2026, in accordance with the delegation of authority.