

# Earnings Call

1<sup>st</sup> Half 2025

Aug 4<sup>th</sup>, 2025

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A portrait of Samer Al-Hokail, President & CEO, wearing a white thobe and ghutra. He is smiling and wearing glasses. The background features an industrial facility with tall distillation columns and piping under a blue sky with diagonal light rays.

# Samer Al-Hokail

President & CEO

# Foundation for Growth

# 2025

(1) Total Recordable Incident Rate  
(2) Calculated based on unplanned shutdowns during the year



## Driving Operational Excellence

### 01 Safe Operations

**TRIR<sup>(1)</sup> 0.0**      **40.1 MM**  
More than 5 Years      Man-hours without LTI

### 02 Reliability

**98.4%**      **ICFR**  
Mechanical Availability<sup>(2)</sup>      Program



## Delivering Value

### 01 Initiatives



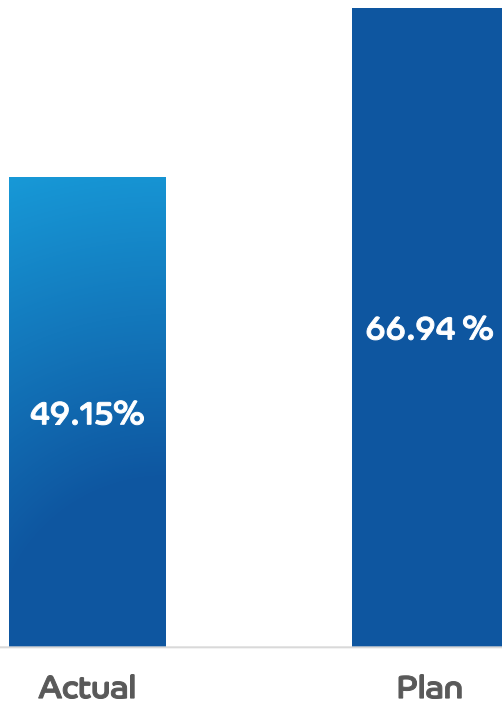
### 02 Social Responsibility





# Yanbu Growth II Project Progress Overview

**Project Current Overall Progress:  
Plan vs. Actual (%)**  
as of June 2025



The project achieved an 8% progress from Q1 to Q2. Despite continued delays in our procurement efforts in H1, 2025. A recovery plan is actively underway, focused on mitigating earlier impacts and regaining schedule alignment.



Capex of SR 113 million has been incurred in the first half of 2025. The total planned Capex is estimated at ~SR 250-350 million in 2025.



**Turnaround and Pre-Commissioning Schedule:**

Turnaround	Pre-Commissioning
Nov to Dec 2025	Jan 2026



# Crack Margins Within Historical Average

Base Oil Price

﷼ 3,550/Mt



Feedstock Cost

﷼ 1,722/Mt

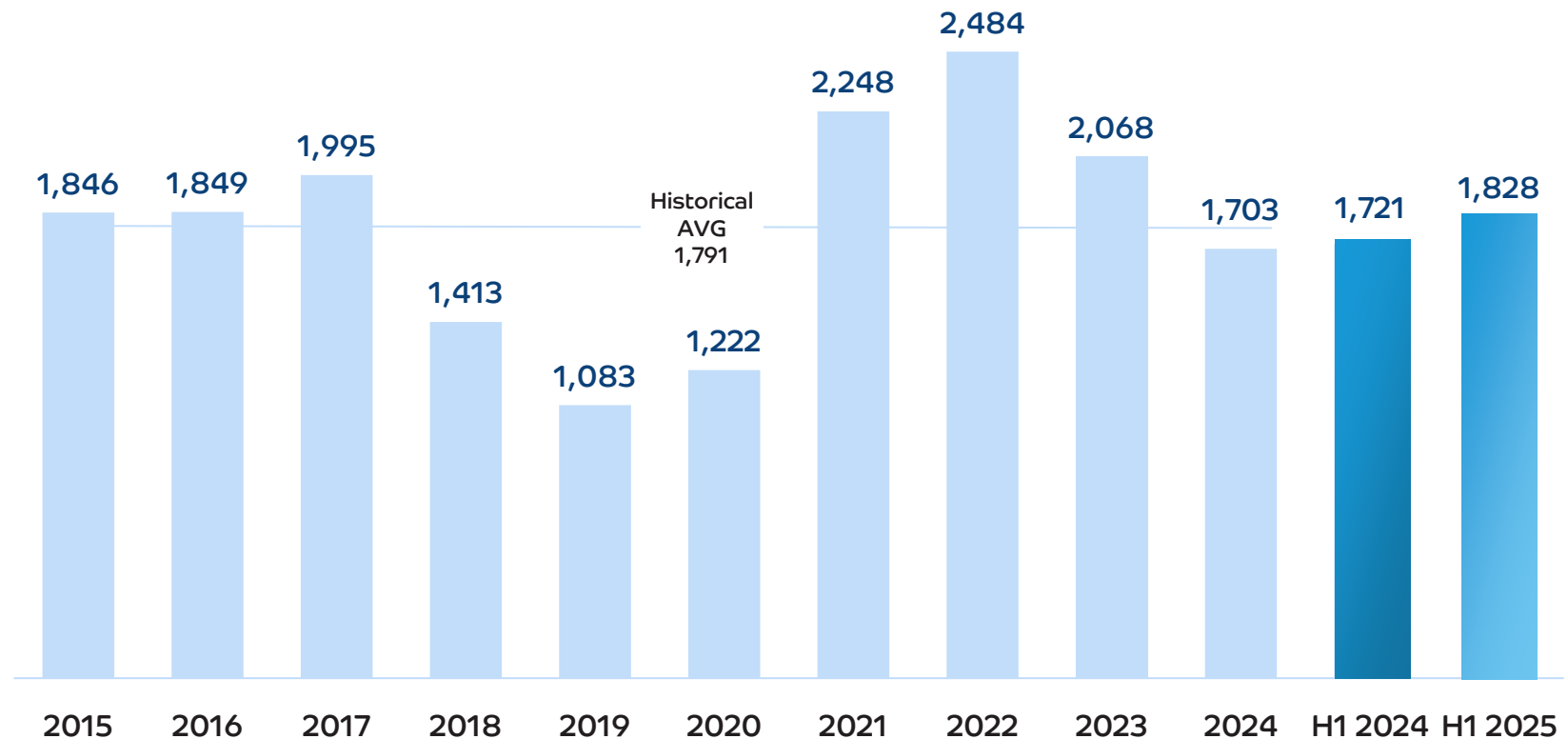


Crack Margin

﷼ 1,828/Mt

H1 2025 Crack Margin

Base Oil Crack Margins (﷼ /Mt)



A portrait of Saud Kamakhi, Chief Financial Officer, wearing a white thobe and ghutra. He is standing with his arms crossed in front of a blue background featuring a stylized industrial facility with tall distillation columns and piping. The image has a modern, corporate feel with diagonal blue lines and a gradient sky.

# Saud Kamakhi

Chief Financial Officer

# H1 2025 at a Glance

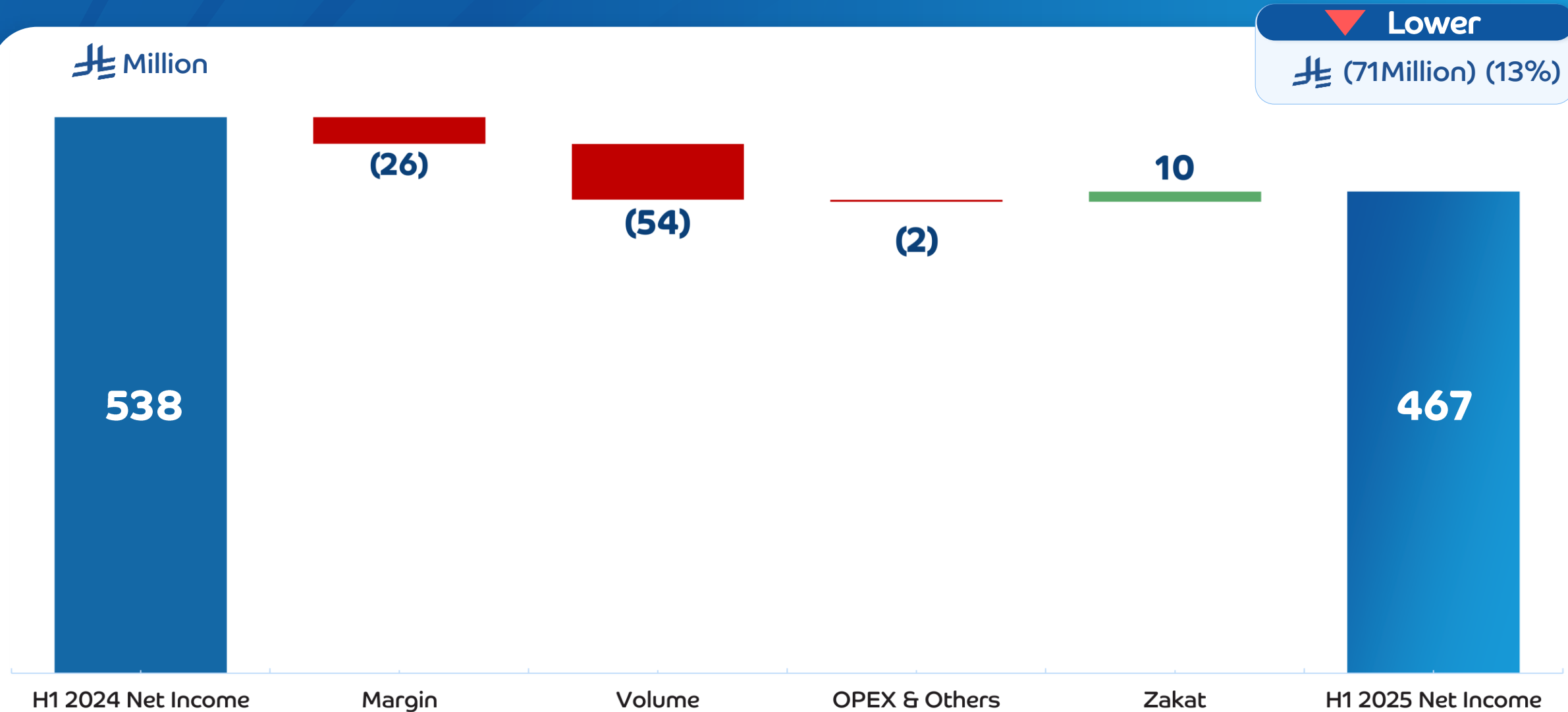
	H1 2025	H1 2024		H1 2025	H1 2024
 <b>Base Oil Sales Volume<sup>(1)</sup></b> (Thousand MT)	580	607	 <b>Operating Cash Flow</b> (ﷲ Million)	459	959
 <b>Base Oil Crack Margin<sup>(2)</sup></b> (ﷲ /MT)	1,828	1,721	 <b>Capex</b> (ﷲ Million)	221	80
 <b>Revenue</b> (ﷲ Million)	4,377	4,914	 <b>Capex Breakdown</b> (ﷲ Million)	<div>Sustaining91</div> <div>Turnaround17</div> <div>Growth113</div>	<div>58</div> <div>3</div> <div>19</div>
 <b>EBITDA</b> (ﷲ Million)	609	707	 <b>Free Cash Flow</b> (ﷲ Million)	238	879
 <b>Net Income</b> (ﷲ Million)	467	538	 <b>Cash Conversion<sup>(4)</sup></b> (%)	39%	124%
 <b>ROACE<sup>(3)</sup></b> (%)	21%	25%	 <b>Gearing<sup>(5)</sup></b> (%)	4%	(1%)

\* Numbers are rounded  
(1) Luberef products only.  
(2) Realized Base Oil Sales Price \$/MT – Freight \$/MT – Feedstock Cost \$/MT

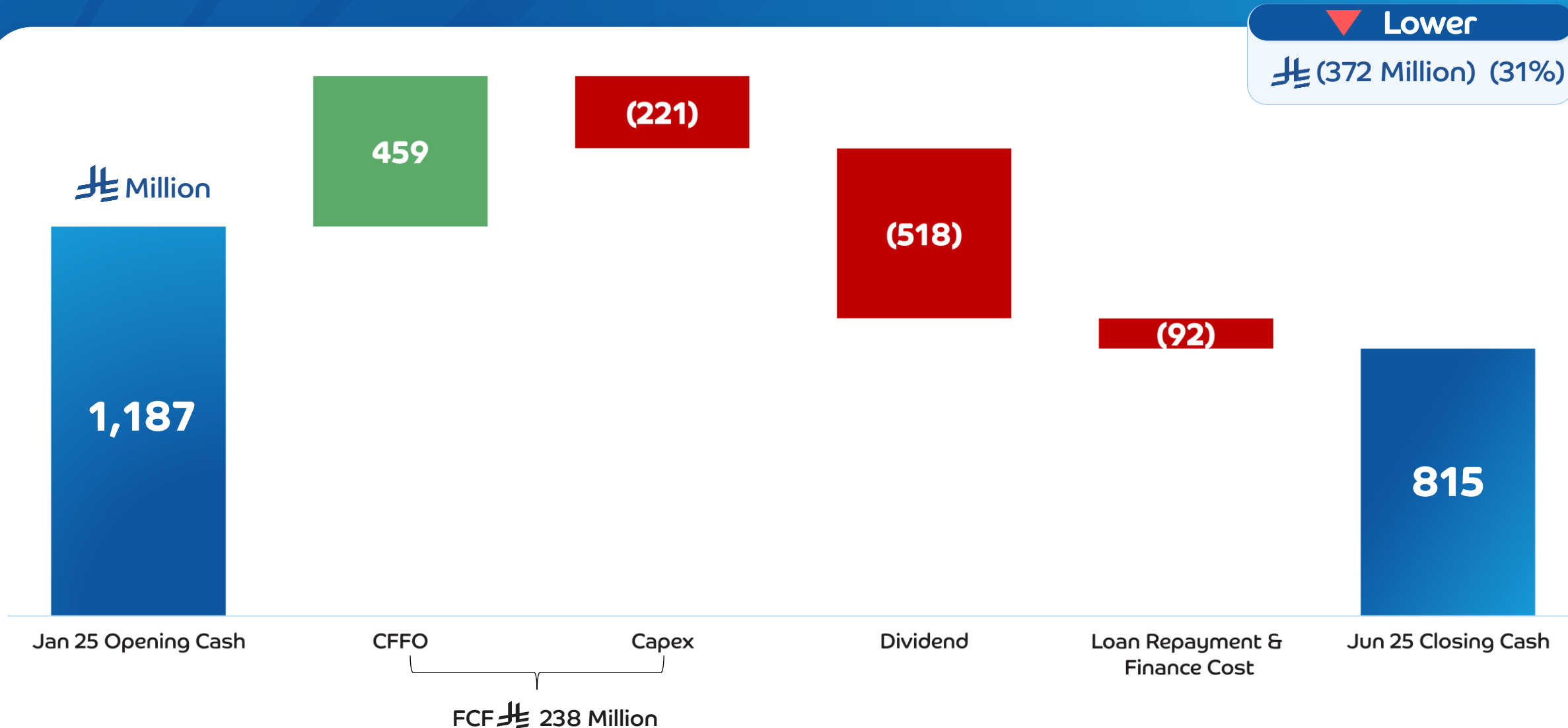
(3) 12-month rolling net operating profit after tax / (average net financial debt + average book value of equity)  
(4) Free cash flow divided by EBITDA  
(5) Net financial debt divided by total capital employed. Net financial debt = total debt + lease liabilities - cash and cash equivalents – Short-term deposits



# Lower Net Income Due to Declining Base Oil Sales Volume



# Healthy Cash Performance Despite Headwinds



# 2025 Guidance



## Base Oil Volumes, Turnaround & Shutdown

- The volume for 2025 has been revised to 1.05 million MT, due to an unplanned shutdown, a scheduled turnaround, and a catalyst replacement shutdown.
- Domestic market targeted to account for ~30% of total base oil volumes in 2025
- HVGO supply from SAMREF resumed in Q2, quantity of 1500 ton/month, contingent on the availability of a compatible feedstock stream for base oil production.
- Yanbu turnaround is scheduled to begin in mid-November 2025 and is expected to be completed by December 2025.



## Base Oil Prices & Crack Spreads

- Product prices calculated using a benchmark price and adding a premium.
- Key IHS benchmarks used for base oil product prices:
  - Domestic - Asian benchmark.
  - Export - Based on destination.
- Domestic price premiums for base oil products expected to be in the range of **SR375-750/Mt.** Company intends to maximize price premiums for exports.
- Feedstock prices expected to continue to be in-line with 380 CST HSFO Singapore 3.5%.



## Capex

- Sustaining Capex expected to be **~SR 100-140 Mn.**
- Turnaround Capex **SR 170-190 Mn** (include ~110 Mn for catalyst)
- Capex for Yanbu Growth II project estimated at **~SR 250-350 Mn** in 2025.



## Dividend

- Dividend of **SR 168 Mn** will be **distributed** for H1, 2025 performance.





# Q&A

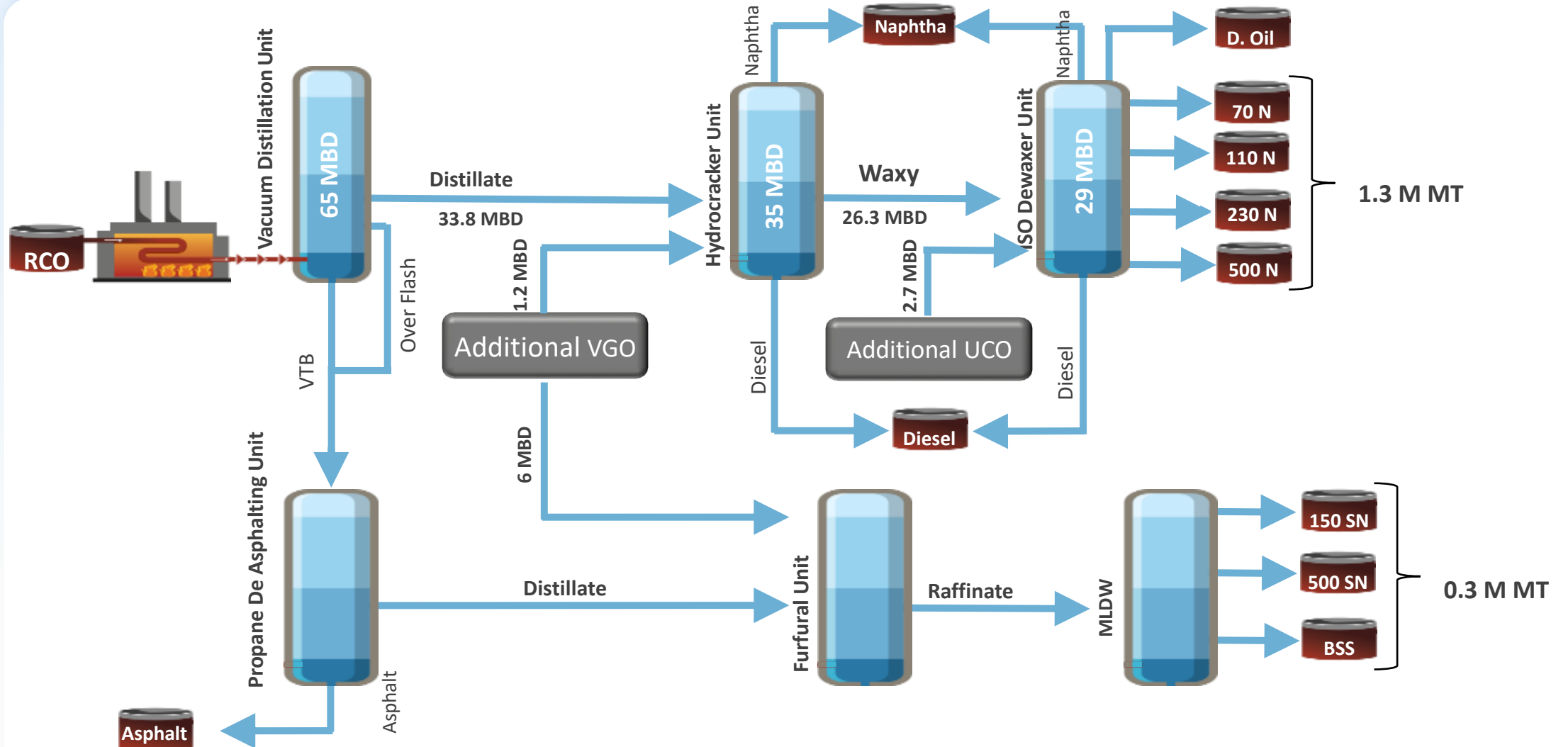
## H1 Earnings Call 2025



Thank You



# Unlocking Future Value: Growth Potential for Yanbu facility\*



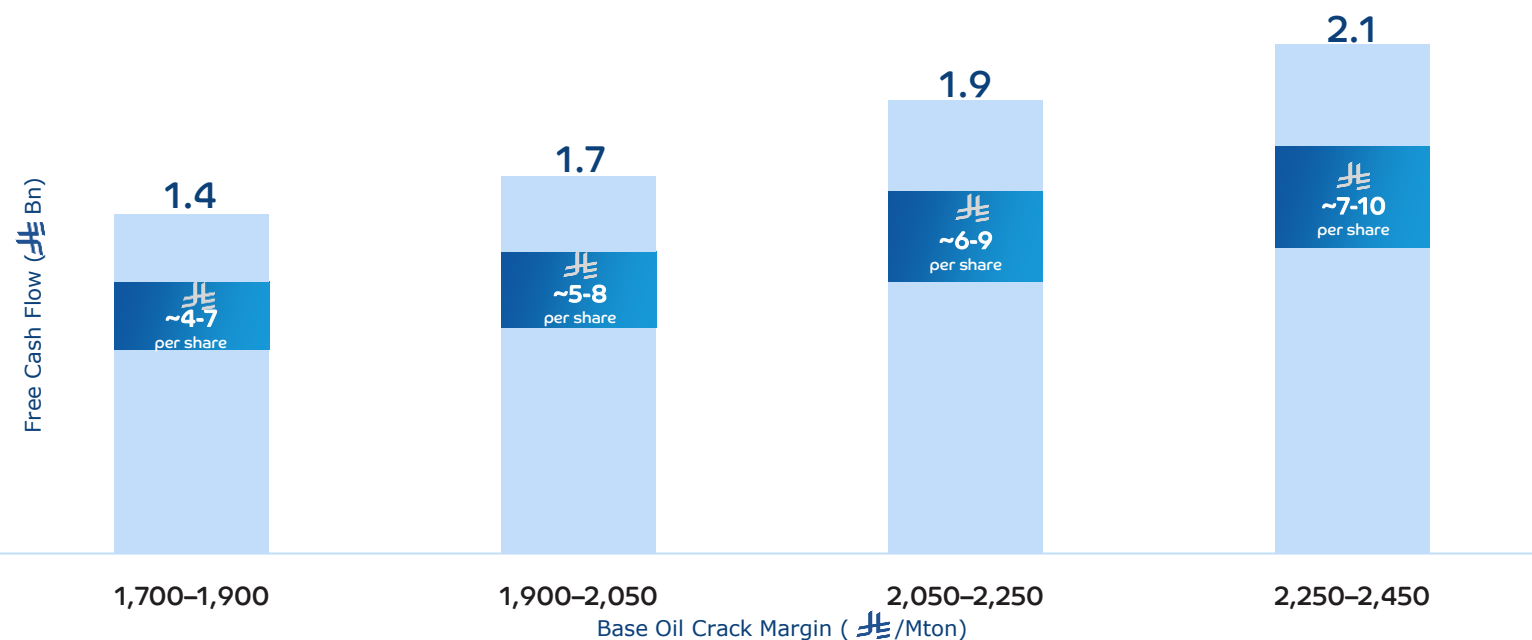
\* Depends on securing the additional feedstock and completion of growth II project with targeted capacity



# Sustainable and Attractive Distributions Across Base Oil Crack Margin Environments

Based on 1.3 Million Tons (Dividend / Share)

Dividends Range 60%–80% of FCF



Assumptions:

- 1.No Gain/Loss from White & Byproducts.
- 2.No Change in working Capital
- 3.Capex SAR 146MM

# Q2 2025 at a Glance

	Q2 2025	Q2 2024		Q2 2025	Q2 2024
<div><div></div><div>Base Oil Sales Volume <sup>(1)</sup> (Thousand MT)</div></div>	308	336	<div><div></div><div>Operating Cash Flow (¥ Million)</div></div>	59	813
<div><div></div><div>Base Oil Crack Margin <sup>(2)</sup> (¥ /MT)</div></div>	1,893	1,803	<div><div></div><div>Capex (¥ Million)</div></div>	112	46
<div><div></div><div>Revenue (¥ Million)</div></div>	2,249	2,729	<div><div></div><div>Capex Breakdown (¥ Million)</div></div>	<div>Sustaining22</div> <div>Turnaround12</div> <div>Growth79</div>	<div>28</div> <div>2</div> <div>16</div>
<div><div></div><div>EBITDA (¥ Million)</div></div>	320	383	<div><div></div><div>Free Cash Flow (¥ Million)</div></div>	(53)	768
<div><div></div><div>Net Income (¥ Million)</div></div>	245	299	<div><div></div><div>Cash Conversion <sup>(3)</sup> (%)</div></div>	(17%)	201%

\*Some numbers are rounded  
(1) Luberef products only.  
(2) Realized Base Oil Sales Price \$/MT – Freight \$/MT – Feedstock Cost \$/MT  
(3) Free cash flow divided by EBITDA