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# SAUDI BASIC INDUSTRIES CORPORATION (SABIC)

(A SAUDI JOINT STOCK COMPANY)

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024  
AND INDEPENDENT AUDITOR'S REPORT



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## *Independent auditor's report to the shareholders of Saudi Basic Industries Corporation (SABIC)*

*(A Saudi Joint Stock Company)*

### *Report on the audit of the consolidated financial statements*

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#### *Our opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Saudi Basic Industries Corporation ("SABIC" or the "Company") and its subsidiaries (together the "Group") as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

#### **What we have audited**

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of income for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## *Independent auditor’s report to the shareholders of Saudi Basic Industries Corporation (SABIC) (continued)*

### **Independence**

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the “Code”), that is relevant to our audit of the consolidated financial statements and we have fulfilled our other ethical responsibilities in accordance with the Code’s requirements.

### *Our audit approach*

#### **Overview**

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Key audit matter	• Impairment assessment of property, plant and equipment
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As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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#### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Independent auditor's report to the shareholders of Saudi Basic Industries Corporation (SABIC) (continued)

Key audit matter	How our audit addressed the Key audit matter
<p><b><i>Impairment assessment of property, plant and equipment</i></b></p> <p>As at 31 December 2024, the consolidated statement of financial position includes property, plant and equipment amounting to Saudi Riyals (SR) 112.6 billion. At each reporting date, management assesses whether there is any indication that its Cash-Generating Units (CGUs) of property, plant and equipment may be impaired.</p> <p>If indicators are identified, management estimates the recoverable amounts for the relevant CGUs. At 31 December 2024, management identified impairment indicators relating to certain CGUs of property, plant and equipment and carried out an exercise to calculate the recoverable amounts of these CGUs.</p> <p>The recoverable amounts were determined based on value-in-use calculations derived using discounted cash flow models. The models were based on the most recent financial plans and included 5-year projection periods with terminal value projections thereafter.</p> <p>Based on the exercise, the recoverable amounts were higher than the carrying amounts of the relevant CGUs and no impairment loss was recorded relating to the relevant CGUs for the year ended 31 December 2024.</p> <p>We considered this to be a key audit matter for property, plant and equipment CGUs where impairment indicators were identified given the significant judgement and estimates involved in determining recoverable amounts and the uncertainty inherent in the underlying forecasts and assumptions. The key inputs and assumptions in determining the recoverable amounts included the cash flows projections, terminal values, and discount rates.</p> <p><i>Refer to Note 3.1.1, Note 6.9 and Note 7 to the consolidated financial statements for further information.</i></p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• We considered the appropriateness of management's determination of CGUs, based on the requirements of International Accounting Standard ("IAS") 36 'Impairment of Assets', that is endorsed in the Kingdom of Saudi Arabia.</li> <li>• We considered the reasonableness of management's assessments of impairment indicators considering our knowledge of internal and external factors.</li> <li>• We considered the completeness of the carrying amounts considered as part of the impairment tests for the relevant CGUs.</li> <li>• With input from internal valuation experts, where considered necessary, we performed the following procedures on management's value-in-use calculations: <ul style="list-style-type: none"> <li>- Assessed the reasonableness of the assumptions used in the cash flow projections, including look back analysis;</li> <li>- Assessed the reasonableness of the approach and inputs used to determine the terminal values;</li> <li>- Evaluated the reasonableness of the discount rates used by cross-checking the underlying assumptions against observable market data;</li> <li>- Tested the mathematical accuracy and logical integrity of the value-in-use calculations; and</li> <li>- Tested management's sensitivity analyses that considered the impact of changes in assumptions on the outcome of the impairment assessments.</li> </ul> </li> <li>• We considered the appropriateness of the related accounting policies and disclosures in the consolidated financial statements.</li> </ul>



## *Independent auditor's report to the shareholders of Saudi Basic Industries Corporation (SABIC) (continued)*

### *Other information*

Management is responsible for the other information. The other information comprises the Integrated Annual Report, but does not include the consolidated financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Integrated Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of management and those charged with governance for the consolidated financial statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Group's financial reporting process.



## *Independent auditor's report to the shareholders of Saudi Basic Industries Corporation (SABIC) (continued)*

### *Auditor's responsibilities for the audit of the consolidated financial statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



## *Independent auditor's report to the shareholders of Saudi Basic Industries Corporation (SABIC) (continued)*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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### **PricewaterhouseCoopers**



Bader I. Benmohareb  
License No. 471  
25 February 2025



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

All amounts in thousands of Saudi Riyals unless otherwise stated

As at 31 December	Note	2024	2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	112,580,575	115,122,579
Right-of-use assets	8	4,835,543	5,578,572
Intangible assets	9	19,141,633	19,763,009
Investments in associates and joint ventures	10	35,435,785	41,237,301
Investments in debt instruments	11	332,458	332,458
Investments in equity instruments	12	253,402	236,485
Deferred tax assets	31	2,365,609	1,749,286
Derivative financial instruments	13	3,669,688	3,745,176
Other assets and receivables	14	8,020,234	6,011,266
<b>Total non-current assets</b>		<b>186,634,927</b>	<b>193,776,132</b>
<b>Current assets</b>			
Inventories	16	18,813,581	18,332,223
Trade receivables	17	20,439,823	19,295,374
Other assets and receivables	14	10,298,362	5,295,155
Short-term investments	11	7,668,807	9,842,617
Cash and cash equivalents	18	30,539,668	32,414,996
		<b>87,760,241</b>	<b>85,180,365</b>
Assets held for sale	34, 35	3,623,625	15,423,954
<b>Total current assets</b>		<b>91,383,866</b>	<b>100,604,319</b>
<b>Total assets</b>		<b>278,018,793</b>	<b>294,380,451</b>

 EVP Corporate Finance
  Chief Executive Officer
  Chairman of the Board of Directors

The accompanying notes from 1 to 42 form an integral part of these consolidated financial statements.

As at 31 December	Note	2024	2023
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	19	30,000,000	30,000,000
General reserve	20	110,889,032	110,889,032
Other reserves	20	(4,112,475)	(1,576,557)
Retained earnings		20,056,576	28,116,139
<b>Equity attributable to equity holders of the Parent</b>		<b>156,833,133</b>	<b>167,428,614</b>
Non-controlling interests	21	27,085,026	27,853,926
<b>Total equity</b>		<b>183,918,159</b>	<b>195,282,540</b>
<b>Non-current liabilities</b>			
Debt	22	26,165,086	23,255,179
Lease liabilities	22	3,983,960	4,622,459
Employee benefits	23	13,507,010	12,894,392
Deferred tax liabilities	31	611,582	814,942
Derivative financial instruments	13	1,975,894	2,011,144
Provisions	24	870,565	1,090,489
Other liabilities	25	1,605,249	1,608,940
<b>Total non-current liabilities</b>		<b>48,719,346</b>	<b>46,297,545</b>
<b>Current liabilities</b>			
Short-term borrowings	22	2,080,922	2,414,233
Current portion of debt	22	2,022,996	2,301,534
Current portion of lease liabilities	22	945,105	903,362
Trade payables	26	19,793,604	20,087,016
Provisions	24	137,248	1,175,962
Other liabilities	25	19,695,999	18,198,349
Income tax payable	31	587,075	604,302
Zakat payable	31	118,339	1,414,718
		<b>45,381,288</b>	<b>47,099,476</b>
Liabilities directly associated with assets held for sale	34, 35	-	5,700,890
<b>Total current liabilities</b>		<b>45,381,288</b>	<b>52,800,366</b>
<b>Total liabilities</b>		<b>94,100,634</b>	<b>99,097,911</b>
<b>Total equity and liabilities</b>		<b>278,018,793</b>	<b>294,380,451</b>

# CONSOLIDATED STATEMENT OF INCOME

All amounts in thousands of Saudi Riyals unless otherwise stated

For the years ended 31 December	Note	2024	2023
Revenue	27	139,980,500	141,537,187
Cost of sales	28	(114,356,732)	(119,463,105)
<b>Gross profit</b>		<b>25,623,768</b>	22,074,082
General and administrative expenses	28	(9,909,146)	(9,119,995)
Research and development expenses	28	(2,063,168)	(1,893,085)
Selling and distribution expenses	28	(8,416,807)	(7,751,912)
Results from integral joint ventures	10	765,158	931,459
Other operating income	29	1,360,075	1,237,303
Other operating expenses	29	(1,622,501)	(1,757,459)
<b>Income from operations</b>		<b>5,737,379</b>	3,720,393
Results from associates and non-integral joint ventures*	10	(434,634)	(208,457)
Finance income	30	1,933,971	3,626,328
Finance cost	30	(2,820,297)	(2,614,650)
<b>Income before zakat and income tax</b>		<b>4,416,419</b>	4,523,614
Zakat expense	31	(213,827)	(1,269,160)
Income tax benefit	31	77,929	438,208
<b>Net income from continuing operations</b>		<b>4,280,521</b>	3,692,662
Net loss from discontinued operation	34	(557,386)	(4,076,939)
<b>Net income (loss)</b>		<b>3,723,135</b>	(384,277)



EVP Corporate Finance



Chief Executive Officer



Chairman of the Board of Directors

The accompanying notes from 1 to 42 form an integral part of these consolidated financial statements.

\* Includes impairment losses of SR 1,387 million (2023: SR 398 million).

For the years ended 31 December	Note	2024	2023
Net income from continuing operations			
Attributable to:			
• Equity holders of the Parent		2,095,928	1,304,657
• Non-controlling interests		2,184,593	2,388,005
		4,280,521	3,692,662
Net income (loss)			
Attributable to:			
• Equity holders of the Parent		1,538,542	(2,772,282)
• Non-controlling interests		2,184,593	2,388,005
		3,723,135	(384,277)
Basic and diluted earnings per share from net income (loss) attributable to equity holders of the Parent (Saudi Riyals)	32		
• Net income from continuing operations		0.70	0.43
• Net income (loss)		0.51	(0.92)

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

All amounts in thousands of Saudi Riyals unless otherwise stated

For the years ended 31 December	Note	2024	2023
Net income (loss)		3,723,135	(384,277)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to the consolidated statement of income</i>			
• Re-measurement gain (loss) on defined benefit plans	23	323,152	(555,672)
• Share of other comprehensive (loss) income of associates and joint ventures	10, 20	(135,099)	128,501
• Net change on revaluation of investments in equity instruments classified as fair value through other comprehensive income	20	(19,297)	(2,384)
• Tax benefit	31	36,794	5,925
		205,550	(423,630)
<i>Items that may be reclassified subsequently to the consolidated statement of income</i>			
• Exchange difference on translation	20	(1,255,981)	538,423
• Share of other comprehensive (loss) income of associates and joint ventures	10, 20	(847,156)	329,008
		(2,103,137)	867,431
<i>Reclassification of other comprehensive income related to discontinued operation</i>			
• Share of other comprehensive loss of a joint venture	34	(2,111)	-
		(2,111)	-
<b>Net movement of other comprehensive income</b>		<b>(1,899,698)</b>	<b>443,801</b>
<b>Total comprehensive income</b>		<b>1,823,437</b>	<b>59,524</b>

For the years ended 31 December	2024	2023
Total comprehensive (loss) income		
Attributable to:		
• Equity holders of the Parent	(395,481)	(2,417,684)
• Non-controlling interests	2,218,918	2,477,208
	1,823,437	59,524
Total comprehensive income (loss) attributable to equity holders of the Parent		
• Continuing operations	72,930	1,799,263
• Discontinued operation	(468,411)	(4,216,947)
	(395,481)	(2,417,684)





EVP Corporate Finance      Chief Executive Officer      Chairman of the Board of Directors

The accompanying notes from 1 to 42 form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

All amounts in thousands of Saudi Riyals unless otherwise stated

Note	Attributable to the equity holders of the Parent					Total	Non-controlling interests	Total equity
	Share capital	Statutory reserve	General reserve	Other reserves	Retained earnings			
Balance as at 1 January 2023	30,000,000	15,000,000	110,889,032	(1,931,155)	32,088,421	186,046,298	31,570,961	217,617,259
Net (loss) income	-	-	-	-	(2,772,282)	(2,772,282)	2,388,005	(384,277)
Other comprehensive income	-	-	-	354,598	-	354,598	89,203	443,801
Total comprehensive income (loss)	-	-	-	354,598	(2,772,282)	(2,417,684)	2,477,208	59,524
Transfer of statutory reserve	-	(15,000,000)	-	-	15,000,000	-	-	-
Dividends and others 40	-	-	-	-	(16,200,000)	(16,200,000)	(6,194,243)	(22,394,243)
Balance as at 31 December 2023	30,000,000	-	110,889,032	(1,576,557)	28,116,139	167,428,614	27,853,926	195,282,540
Balance as at 1 January 2024	30,000,000	-	110,889,032	(1,576,557)	28,116,139	167,428,614	27,853,926	195,282,540
Net income	-	-	-	-	1,538,542	1,538,542	2,184,593	3,723,135
Other comprehensive (loss) income	-	-	-	(1,934,023)	-	(1,934,023)	34,325	(1,899,698)
Total comprehensive (loss) income	-	-	-	(1,934,023)	1,538,542	(395,481)	2,218,918	1,823,437
Reclassification of re-measurement gain on defined benefit plans related to discontinued operation 20	-	-	-	(601,895)	601,895	-	-	-
Dividends and others 40	-	-	-	-	(10,200,000)	(10,200,000)	(2,987,818)	(13,187,818)
Balance as at 31 December 2024	30,000,000	-	110,889,032	(4,112,475)	20,056,576	156,833,133	27,085,026	183,918,159

  
EVP Corporate Finance

  
Chief Executive Officer

  
Chairman of the Board of Directors

The accompanying notes from 1 to 42 form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

All amounts in thousands of Saudi Riyals unless otherwise stated

For the years ended 31 December	Note	2024	2023
<b>Operating activities</b>			
Income (loss) before zakat and income tax			
• from continuing operations		4,416,419	4,523,614
• from discontinued operation	34	(513,053)	(3,961,642)
Adjustment to reconcile income (loss) before zakat and income tax to net cash from operating activities:			
• Depreciation of property, plant and equipment	7	11,494,649	12,414,684
• Depreciation of right-of-use assets	8	1,155,390	1,348,817
• Amortisation of intangible assets and other assets		359,066	450,874
• Impairments and write-offs of property, plant and equipment	7,8,9	720,359	1,844,422
• Fair value re-measurement on assets held for sale	34	304,129	2,931,042
• Gain on sale of assets held for sale	35.2	(291,359)	-
• Results of associates and non-integral joint ventures	10	434,634	208,457
• Results of integral joint ventures	10	(765,158)	(931,459)
• Loss on disposals of property, plant and equipment		38,693	41,059
• Finance income	30	(1,933,971)	(3,644,535)
• Finance costs	30	2,820,297	2,785,876
Change in operating assets and liabilities:			
Decrease in other non-current assets and receivables		278,093	488,482
(Increase) decrease in inventories		(967,296)	5,988,176
(Increase) decrease in trade receivables		(1,166,810)	1,863,250
Decrease in other current assets and receivables		1,986,411	47,093
(Decrease) increase in other non-current liabilities		(6,796)	334,951
(Decrease) increase in provisions		(1,258,522)	1,323,021
Decrease in trade payables		(668,661)	(1,921,939)
Increase in employee benefits		307,597	526,145
Increase (decrease) in other current liabilities		399,486	(750,824)
		17,143,597	25,909,564



For the years ended 31 December	Note	2024	2023
Dividend received from integral joint ventures	10	1,756,390	1,787,474
Interest received		1,906,610	1,738,327
Interest paid		(2,130,000)	(1,989,138)
Zakat and income tax paid	31	(2,318,001)	(2,993,307)
<b>Net cash from operating activities</b>		<b>16,358,596</b>	<b>24,452,920</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

For the years ended 31 December	Note	2024	2023
<b>Investing activities</b>			
Purchase of property, plant and equipment		(10,114,320)	(10,456,518)
Purchase of investments in equity instruments	12	(42,124)	(29,770)
Proceeds on the maturity of investments in debt	11	50,000	286,978
Additions of intangible assets		(85,909)	(36,757)
Proceeds from sale of property, plant and equipment		33,343	81,168
Capital contribution and acquisition in associates and joint ventures	10	(1,047,703)	(1,467,340)
Dividend received from associates and non-integral joint ventures	10	841,891	1,136,841
Proceeds from sale and divestiture of equity investments	10, 12	855	101,621
Short-term investments, net		2,160,060	(1,380,968)
Proceeds from sale of discontinued operation	34	1,163,045	-
Cash and cash equivalents transferred	34	(1,365,147)	-
Net cash flow from disposal of discontinued operation		(202,102)	-
Proceeds from sale of assets held for sale	35.2	562,424	-
Cash and cash equivalents transferred	35.2	(142,781)	-
Net cash flow from disposal of assets held for sale		419,643	-
<b>Net cash used in investing activities</b>		<b>(7,986,366)</b>	<b>(11,764,745)</b>

For the years ended 31 December	Note	2024	2023
<b>Financing activities</b>			
Proceeds from debt	18	12,643,750	9,000,000
Repayment of debt	18	(10,405,275)	(9,706,174)
Lease payments	18	(1,075,329)	(1,480,851)
Dividends paid to shareholders	18	(10,100,547)	(11,400,961)
Dividends paid to non-controlling interests	18	(2,618,770)	(5,316,568)
<b>Net cash used in financing activities</b>		<b>(11,556,171)</b>	<b>(18,904,554)</b>
Decrease in cash and cash equivalents		(3,183,941)	(6,216,379)
Net foreign exchange loss on cash and cash equivalents		(75,025)	(27,381)
Cash and cash equivalents at the beginning of the year	18	33,795,375	40,039,135
<b>Cash and cash equivalents at the end of the year</b>	18	<b>30,536,409</b>	<b>33,795,375</b>
Cash and cash equivalents	18	30,539,668	32,414,996
Cash and cash equivalents (included in assets held for sale)	34, 35	-	1,383,646
Less: Short-term borrowings (bank overdrafts)		(3,259)	(3,267)
<b>Cash and cash equivalents at the end of the year</b>		<b>30,536,409</b>	<b>33,795,375</b>
Cash flows of discontinued operation	34		

 EVP Corporate Finance
  Chief Executive Officer
  Chairman of the Board of Directors

The accompanying notes from 1 to 42 form an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in thousands of Saudi Riyals unless otherwise stated

## 1. CORPORATE INFORMATION

Saudi Basic Industries Corporation (“SABIC” or “the Parent”) is a Saudi Joint Stock Company established pursuant to Royal Decree Number M/66 dated 13 Ramadan 1396H (corresponding to 6 September 1976) registered in Riyadh under commercial registration No. 1010010813 dated 14 Muharram 1397H (corresponding to 4 January 1977). The registered office is located at Qurtubah district, P.O. Box 5101, Riyadh 11422, Kingdom of Saudi Arabia (“KSA”).

Saudi Arabian Oil Company (“Saudi Aramco”) owns 70% of SABIC through one of its subsidiaries, Aramco Chemicals Company. The Saudi Arabian Government is largest shareholder by 81.48% direct shareholding in Saudi Aramco. The remaining 30% of SABIC shares are held by the private sector.

SABIC and its subsidiaries (collectively the “Group”) are engaged in the manufacturing, marketing and distribution of chemicals, polymers, plastics and agri-nutrients products in global markets.

The consolidated financial statements of the Group for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 25 February 2025.

## 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and its interpretations as endorsed in KSA and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) (collectively referred to as “IFRS as endorsed in KSA”).

The Group has prepared these consolidated financial statements on the basis that it will continue to operate as a going concern.

These consolidated financial statements are prepared under the historical cost convention, except for certain items, which are primarily investment in securities, derivatives and post-employment benefit plan assets. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services at the time of the transaction.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date, regardless whether that price is directly observable or estimated using another technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market

participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of IFRS 16 ‘*Leases*’, and measurements that have some similarities to fair value but are not, such as net realizable value in IAS 2 ‘*Inventories*’, value in use in IAS 36 ‘*Impairment of Assets*’ or net present value for employee benefits in IAS 19 ‘*Employee Benefits*’.

The Group has categorised its financial assets and liabilities into a three-level fair value hierarchy, based on the degree to which the lowest level inputs to fair value measurement are observable and the significance of the inputs to the fair value measurement as a whole, which are described as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 2. BASIS OF PREPARATION (CONTINUED)

### 2.1 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of SABIC and subsidiaries controlled by SABIC, besides joint operations which are consolidated based on the Group's relative share in the arrangement.

Consolidation of a subsidiary begins when SABIC obtains control over the subsidiary and ceases when SABIC loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed during the period are included in the consolidated financial statements from the date SABIC gains control until the date SABIC ceases to control the subsidiary. Refer Note 3.2.3 for judgements applied by SABIC to assess control. SABIC re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to the elements of control.

Net income or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the Parent of the Group and to the non-controlling interests ("NCI"), 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 in line with the Group's accounting policies. All intra-group asset and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of financial position, consolidated statement of income, consolidated statement of comprehensive income and consolidated statement of changes in equity. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction between shareholders.

If SABIC loses control over a subsidiary, it de-recognises the related assets (including goodwill, if applicable), liabilities, non-controlling interests and other components of equity, while any resulting gain or loss is recognised in the consolidated statement of income.

### 2.2 FOREIGN CURRENCIES

The consolidated financial statements are presented in Saudi Riyals ("SR" and / or "ﷲ"), which is the functional currency of the Parent and all amounts are rounded to the nearest thousand ("ﷲ '000"), except when otherwise indicated. For each entity, the Group determines the functional currency and items included in their financial statements using that functional currency.

### TRANSACTIONS AND BALANCES

Transactions in foreign currencies are initially recognised by the Group's entities at their respective functional currencies' spot rates at transaction date. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on

settlement or translation of monetary items are recognised in the consolidated statement of income.

Non-monetary items that are measured at historical cost in a foreign currency are recognised using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are recognised using the exchange rates at the date when the fair value is applied. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item. Foreign exchange gains and losses that relate to debt/borrowings, cash and cash equivalents and short-term investments are presented in the consolidated statement of income within finance income or finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of income within other operating income or expenses.

### GROUP'S COMPANIES

On consolidation, the assets and liabilities of foreign operations are translated into Saudi Riyals at the rate of exchange prevailing at reporting date and their statements of income are translated at exchange rates prevailing at the transactions dates. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the consolidated statement of income.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 2. BASIS OF PREPARATION (CONTINUED)

### 2.2 FOREIGN CURRENCIES (CONTINUED)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at reporting date.

The rates for SABIC’s major currencies are as follows:

	2024		2023	
	Spot rates at 31 December	Average rates	Spot rates at 31 December	Average rates
- USD	3.75	3.75	3.75	3.75
- EUR	3.90	4.06	4.14	4.06
- GBP	4.71	4.79	4.77	4.66
- CNY	0.51	0.52	0.53	0.53

## 3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Preparation of the Group’s consolidated financial statements requires management to make judgements, estimates and assumptions at reporting date that affect the reported amounts of revenues, expenses, assets and liabilities, and disclosures. However, uncertainty about these assumptions and estimates could result in outcomes that could require material adjustments in the future to the carrying amount of the asset or liability affected.

The estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, if the changed estimates affect both current and future periods.

Other disclosures relating to the Group’s exposure to risks and uncertainties include:

- capital management, financial instrument risk management and policies (refer Notes 38 and 37); and
- sensitivity analysis disclosures (refer Note 37).

### 3.1 ESTIMATES AND ASSUMPTIONS

The Group used assumptions and estimates on the basis available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The key assumptions concerning the future and other key sources of estimation uncertainty, that have a significant risk of causing material differences in the carrying amounts of

assets and liabilities within the next financial period, are disclosed in the next paragraphs.

#### 3.1.1 IMPAIRMENT OF NON-FINANCIAL ASSETS (REFER NOTE 7)

Impairment exists when the carrying value of an asset or Cash Generating Unit (“CGU”) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal is based on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs for disposing the asset. The value in use is based on a Discounted Cash Flow (“DCF”) model. The cash flows are derived from the approved budget and business plan for the next five years and do not include restructuring activities or significant future investments that will enhance the performance of the CGU being tested or other initiatives that the Group is not yet committed to. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future net cash-inflows and the growth rate used for extrapolation purposes.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

#### 3.1 ESTIMATES AND ASSUMPTIONS (CONTINUED)

##### 3.1.2 INCREMENTAL BORROWING RATE FOR LEASE AGREEMENTS (REFER NOTES 8 AND 22)

The Group cannot readily determine the interest rate implicit in the lease agreement. Therefore, it uses its Incremental Borrowing Rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available, such as for subsidiaries that do not enter into financing transactions or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs, such as market interest rates when available and is required to make certain entity-specific estimates.

##### 3.1.3 MEASUREMENT OF FINANCIAL INSTRUMENTS (REFER NOTES 11, 12, 13, 15 AND 17)

The Group is required to make judgements about the basis to determine the fair value of its investments in equity instruments or financial derivatives, in reference to similar kind of investments being sold in the market. The selection

of the investments or derivatives to determine the basis requires judgement by management to recognise investments in equity instruments and financial derivatives. For fair value determination, these investments qualify as Level 2 or 3 (refer Note 2).

##### 3.1.4 PROVISIONS (REFER NOTE 24)

SABIC is subject to legal, environmental and regulatory risks. These may include non-compliance with competition and anti-trust laws, export controls, data protection, intellectual property rights, tax and environmental legislations. Furthermore, litigation and regulatory proceedings are unpredictable, and legal or regulatory proceedings in which SABIC is or becomes involved, or settlements thereof, could result in substantial penalties, which may not be recovered by insurance policies.

By their nature, provisions are dependent upon estimates and assessments whether the criteria for recognition have been met, including estimates of the probability of cash outflows. Management's estimates related to provisions for environmental matters are based on an estimate of the costs, taking into account legal advice and other information. Provisions for termination benefits and exit costs, if any, also involve management's judgement in estimating the expected cash outflows for severance payments and site closures or other exit costs.

Provisions for onerous contracts involve management's best estimate for the amount / measurement of unavoidable costs.

##### 3.1.5 DEFINED EMPLOYEE BENEFIT PLANS (REFER NOTE 23)

Post-employment defined benefits plans, end-of-service benefits plans, legal indemnity liabilities and other long-term employee related liabilities, represent obligations that will be settled in the future due to services provided by the employees. These arrangements require actuarial valuations to measure these obligations. The Group is required to make assumptions regarding variables such as discount rates, rate of salary increase, longevity, attrition rates and future healthcare costs, as applicable. Changes in key assumptions can have a significant impact on the projected benefit obligations and subsequent employee defined benefit costs. The assumptions are reviewed at each reporting date.

Defined benefit obligations are discounted at a rate set by reference to relevant market yields at the end of the reporting period on high quality corporate or government bonds, if there is no deep market in such high quality corporate bonds. Significant judgement is required when setting the criteria for bonds to be included in the population from which the yield curve is derived. The most significant criteria considered for the selection of bonds include the size of the bonds, quality of the corporate bonds and the identification of outliers which are excluded, if any.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

#### 3.1 ESTIMATES AND ASSUMPTIONS (CONTINUED)

##### 3.1.6 ACCOUNTING FOR INCOME TAX (REFER NOTE 31)

As part of the process of preparing consolidated financial statements, the Group estimates income tax in each of the jurisdictions it operates. This process involves estimating current and deferred tax expenses. Temporary differences result in deferred tax assets and liabilities, which are included in the consolidated statement of financial position.

Significant judgement is required in assessing the recoverability of deferred tax assets recognised on deductible temporary differences, tax credits and tax losses carried forward. The Group performs analyses of profitability forecasts for future years, which may include scheduled future reversals of taxable temporary differences and available tax planning strategies. Recoverability of deferred tax assets is contingent on the ability of the Group to adhere to its business plan, refer to Note 31.

The Group is exposed to tax risks and uncertainty over complex tax treatments in the many jurisdictions in which it operates. Significant management judgement is required

in the recognition and measurement of uncertain tax positions, whereby positive and negative evidence are weighted with regard to the facts and circumstances of each case, technical arguments and case law decision or rulings on similar issues.

##### 3.1.7 INVESTMENTS IN EQUITY INSTRUMENTS (REFER NOTES 12 AND 13)

For all equity investments, SABIC assesses such financial assets measured at fair value, whether gains and losses are recognised either in consolidated statement of income ("FVIS") or consolidated statement of comprehensive income ("FVOCI") through an irrevocable election at the time of initial recognition.

For investments in equity instruments which are measured as FVIS, further elaborations on the judgements made are disclosed below.

##### FINANCIAL DERIVATIVES ON EQUITY INSTRUMENTS

Put and call options offer contract parties the right to exercise them or to refrain from exercising the option rights. Call, put options and forward contracts on the equity instruments are derivative financial instruments recognised at FVIS. Put options and forward contracts are recognised at the present value of the best estimated amount to be paid at the end of the agreement. Call options are recognised at their fair value.

Due to the nature of these derivatives, the fair values of financial assets and financial liabilities recognised in the consolidated statement of financial position cannot be measured based on quoted prices in active markets. Therefore, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and dividend yield. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments (refer Note 15).

##### EQUITY INVESTMENTS MEASURED AT FAIR VALUE LESS COSTS OF DISPOSAL

For some listed equity investments, the Group has significant influence and ability to affect decisions in general meetings of shareholders due to its relative share in the company without being able to control it. If sources of impairment indicate that an impairment test is required, impairment testing of these listed equity investments, require determining the premium over fair value less costs of disposal as quoted on stock exchanges, due to the Group's significant influence. The premium is determined, based on market data to capture a reasonable range as premium paid upon business acquisitions for similar partial acquisitions in the same industry. At each reporting date the Group has to assess its share in income due to a time lag in the availability of public information.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

### 3.2 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING STANDARDS

In addition to the application of the judgement in the above-mentioned estimates and assumptions, the following critical judgements have the most significant effect on the amounts recognised in the consolidated financial statements:

#### 3.2.1 PRINCIPAL VS AGENT CONSIDERATION FOR THE SALE OF GOODS

A certain portion of SABIC's revenue is derived from marketing agreements, whereby in some cases, SABIC purchases products from its related parties, and sells these to end customers. There is significant judgement whether SABIC controls the products before they are transferred to the customer. It has been concluded that SABIC is 'the principal' in these arrangements due to the following factors, as SABIC:

- is exposed to fulfilment risk and is the primary obligor for the goods;
- has a direct relationship with the customer and controls the underlying products before they are transferred to the end customers; and
- remains solely responsible for the quality of the goods and customers hold a substantive right of return which results in the Group being exposed to inventory risk.

#### 3.2.2 PRINCIPAL VS AGENT CONSIDERATION FOR LOGISTICS SERVICES

For sales contracts with C-class incoterms, revenue from logistics and freight services is recognised as a separate performance obligation. For these contracts, SABIC considers itself to be 'the principal'. There is significant judgement whether SABIC controls the freight and logistics services prior to transferring this to the customer. It has been concluded that SABIC is 'the principal' in these arrangements due to the following factors, as SABIC:

- is exposed to fulfilment risk and is the primary obligor for the freight and logistic service provided;
- is exposed to the risk of losses in relation to the service not being fulfilled; and
- has a direct relationship with the customer and controls the underlying service before it is transferred to the end customers.

#### 3.2.3 DETERMINATION OF CONTROL, JOINT CONTROL AND SIGNIFICANT INFLUENCE

Subsidiaries are all equity investments over which the Group has control. Management considers that it controls an investee when the Group is exposed to or has rights to the majority of the variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of those returns through its power to direct the relevant activities of the investees.

The determination about whether the Group has power depends on the way decisions about the relevant activities are made and the rights the Group has, over the investees. In contrast, there are certain cases where the Group owns less than 50% of voting rights but considers it has control by directing the relevant activities of the investee as it has de-facto control or there are contractual arrangements which allow the Group to exercise control.

It is generally presumed that the Group has significant influence when the Group has 20% shareholding. Judgement is required, particularly where the Group owns shareholding and voting rights of more or less than 20% and where the Group has assessed to have 'significant influence' over such investees.

#### 3.2.4 DETERMINING THE LEASE TERM OF CONTRACTS WITH RENEWAL AND TERMINATIONS OPTIONS

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

### 3.2 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING STANDARDS (CONTINUED)

#### 3.2.4 DETERMINING THE LEASE TERM OF CONTRACTS WITH RENEWAL AND TERMINATIONS OPTIONS (CONTINUED)

The Group has several lease contracts that include extension and termination clauses. The Group applies judgement in evaluating if it is reasonably certain whether or not to exercise the option to renew or terminate the lease. All relevant factors that create an economic incentive for the Group and its contract partners to exercise either the renewal or termination are considered. Such facts and circumstances include a long term preferential rental rates availability, existence of significant penalty on terminations, substantial lease hold improvements etc. The Group reassesses the lease term if there is a significant event or change in the circumstances that affects its ability to exercise or not to exercise the option to renew or to terminate the contract.

## 4. CHANGES IN ACCOUNTING POLICIES

The amendments to IFRS, which are relevant to the Group and that have been applied on 1 January 2024 by the Group are described below:

### 4.1 AMENDMENT TO IAS 1: CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

Amendment to IAS 1: 'Classification of Liabilities as Current or Non-current' elaborates the requirements of 'right to defer settlement' by clarifying the meaning of right to defer and how the classification is unaffected by the likelihood that an entity will exercise such deferral right. The amendments published in 2020 and 2022 respectively, clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement for at least 12 months at the reporting date. The right needs to exist at the reporting date and must have substance. Only covenants with which a company must comply on or before the reporting date may affect this right.

Covenants to be complied with after the reporting date do not affect the classification of a liability as current or non-current at the reporting date.

This amendment does not have any material impact on the Group's consolidated financial statements.

## 5. IFRS ISSUED BUT NOT YET EFFECTIVE

The IFRS that are issued and relevant for the Group, but not yet effective, are elaborated below. These standards will be adopted by the Group when they become effective or endorsed by the local jurisdiction.

### 5.1 AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (AMENDMENTS TO IFRS 9 – '*FINANCIAL INSTRUMENTS*' AND IFRS 7 – '*FINANCIAL INSTRUMENTS: DISCLOSURES*') )

The amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception.

The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date.

Additionally, the amendment clarify with further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) test which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. These amendments also introduce new disclosure requirements and update others. The amendment is effective for annual reporting periods beginning on or after 1 January 2026 and will be adopted by the Group when applicable.

This amendment will not have any material impact on the Group's consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 5. IFRS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

### 5.2 IFRS 18 'PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS'

IFRS 18 is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes. The new standard also requires disclosures in the financial statements for certain management-defined performance measures that are reported outside an entity's financial statements and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The new standard is effective for annual reporting periods beginning on or after 1 January 2027 and will modify the Group's income statement presentation, specifically the presentation of share of results of integral and non-integral JVs. The new standard will be adopted when applicable.

### 5.3 Amendments to IFRS 9 and IFRS 7 with respect to Power Purchase Agreements (PPAs)

On December 18, 2024 IASB issued highly anticipated and deliberated amendment to lend clarity on the accounting exemption and hedge application on the nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs).

The IASB has now clarified vide targeted amendments to IFRS 9: Financial Instruments, the application of "own use" exemptions to such PPAs. Additionally, IASB has also permitted hedge accounting if these agreements are used as hedging instruments. Consequently, IASB has amended IFRS 7 Financial Instruments: Disclosures to add disclosure requirements to enable investors to understand the effect of these PPAs on a company's financial performance and cash flows.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application of the amendments is permitted. The new standard will be adopted when applicable. This amendment will not have any material impact on the Group's consolidated financial statements.

## 6. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted by the Group in preparing these consolidated financial statements are applied consistently and are elaborated below including amendments to IFRS as elaborated in Note 4 that have to be applied from 1 January 2024 onwards.

### 6.1 BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for by applying the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred which is measured at fair value on the acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the consolidated statement of income when incurred.

When the Group acquires a business, it assesses the financial assets acquired and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument is measured at fair value with the changes in fair value recognised in the consolidated statement of income or OCI.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed. If the reassessment still results in excess, the gain is recognised in the consolidated statement of income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if applicable. For the purpose of impairment testing, goodwill acquired in a business combination is, from acquisition date, allocated to each of the Group's CGUs that are expected to benefit from synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

### 6.2 INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS

#### INVESTMENTS IN ASSOCIATES

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of

the investee, but is not control or joint control over those policies.

#### INVESTMENTS IN JOINT ARRANGEMENTS

Investments in joint arrangements are classified as either joint operations or joint ventures ("JVs"). The classification depends on the legal structure of the joint arrangement and also contractual rights and obligations of each investor. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

- *Joint operations*

A joint operation is an arrangement whereby the parties that have joint control on the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held assets or incurred liabilities, revenues and expenses for its joint operations.

- *Joint ventures*

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

Under the equity method of accounting, the investments in an associate or joint venture are initially recognised at cost

and adjusted thereafter to recognise the Group's share of the post-acquisition results in the consolidated statement of income, and the Group's share of movements in OCI in the consolidated statement of comprehensive income. Dividends received from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it is liable due to constructive or legal obligations on behalf of the entity.

Income from operations include share of results of integral joint ventures. Integral joint ventures are the joint ventures which are integral to and support SABIC's core operating activities. Al-Jubail Petrochemical Company ("KEMYA"), Saudi Yanbu Petrochemical Company ("YANPET") and Eastern Petrochemical Company ("SHARQ") are considered to be integral joint ventures. For integral joint ventures SABIC manages the production, logistics, feedstock and shared services. All other joint ventures are classified as non-integral joint ventures. Share of results of non-integral joint ventures is recognised separately as results from non-integral joint ventures.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.2 INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of income.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in OCI are reclassified to the consolidated statement of income.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts

previously recognised in OCI, except for the items that will not be reclassified to the consolidated statement of income, are reclassified to the consolidated statement of income, where appropriate.

### 6.3 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Group presents assets and liabilities in the consolidated statement of financial position based on current and non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or

- there is no right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### 6.4 ZAKAT AND TAX

#### ZAKAT

Zakat is levied based on adjusted income subject to zakat and the zakat base in accordance with the Regulations of the Zakat, Tax and Customs Authority ("ZATCA") in KSA. The zakat provision is charged to the consolidated statement of income. Differences, if any, resulting from the final assessments are adjusted in the period of their finalisation.

#### CURRENT INCOME TAX

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the relevant tax authorities.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.4 ZAKAT AND TAX (CONTINUED)

#### UNCERTAIN ZAKAT AND TAX POSITIONS

Uncertain positions relate to risk or uncertainty over complex zakat and tax treatments. Such uncertain zakat and tax positions are measured using the single most likely amount or the expected value method, depending on which method is expected to better predict the resolution of the uncertainty.

#### DEFERRED TAX

Deferred tax is provided for using the balance sheet method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax law enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets and current tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient

taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

### 6.5 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such costs include the cost of replacing part of plant and equipment and borrowing costs for long-term construction projects, when recognition criteria are met. When significant parts of plant and equipment are required to be replaced in intervals, the Group recognises and depreciates them separately based on its specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement when the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the consolidated statement of income when incurred. The present value of the expected cost for demolishing the asset after its use, is included in the cost of the respective asset when the recognition criterion for a provision are met.

Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

- Buildings	13 to 40 years
- Plant and equipment	4 to 50 years
- Furniture, fixtures and vehicles	3 to 10 years

Assets under construction, which are not ready for their intended use, and land are not depreciated.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising on de-recognising the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in the consolidated statement of income when the asset is de-recognised.

The assets' residual values, useful lives and methods of depreciation are periodically reviewed, and adjusted prospectively in case of a significant change in the assets technological capabilities or estimated planned use.

### 6.6 RIGHT-OF-USE ASSETS

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, if any, and adjusted for any re-measurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land and buildings	13 to 99 years
- Plant and equipment	4 to 50 years
- Storage and tanks	20 to 30 years
- Vessels and vehicles	4 to 25 years

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 6.7 LEASES

The Group assesses at contract inception whether a contract is or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### GROUP AS LESSEE

Leases are recognised as right-of-use assets along with their corresponding liabilities at the date of which the leased assets are available for use by the Group. Each lease payment is allocated between the liability and finance cost.

Lease liabilities include, if applicable, the net present value of fixed payments including in-substance fixed payments, less any lease incentives receivables, variable lease payment that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

##### SHORT-TERM AND LOW VALUE ASSETS' LEASES

Short-term leases are leases with a contract term of 12 months or less. Low-value assets are items that do not

meet the Group's capitalisation threshold and are considered to be insignificant for the statement of financial position for the Group as a whole. Payments for short-term leases and leases of low-value assets are recognised on a straight-line basis in the consolidated statement of income.

##### VARIABLE LEASE PAYMENTS

Some leases contain variable payments that are linked to the usage or performance of the leased asset. Such payments are recognised in the consolidated statement of income.

##### EXTENSION AND TERMINATION OPTIONS

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options, if there is a significant event or significant change in circumstances within control.

##### GROUP AS A LESSOR

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an

asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### 6.8 INTANGIBLE ASSETS

Intangible assets are measured at cost upon initial recognition. Intangible assets acquired in a business combination are measured at fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indicator that the intangible asset may be impaired. The estimated useful life is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for prospectively.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.8 INTANGIBLE ASSETS (CONTINUED)

Research costs are expensed as incurred. Development expenditures on projects are recognised as an intangible asset when the Group can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Amortisation of the intangible asset begins when development is complete and the asset is available for its intended use. It is amortised over the period of expected future benefits. The amortisation or impairment losses on intangible assets are recognised in the consolidated statement of income in the expense category that is consistent with the function the intangible asset serves. During the period of development, the asset is tested for impairment annually.

The amortisation period for intangible assets with a finite useful life is as follows:

- Software and IT development	3 to 5 years
- Licenses, including trademarks	5 to 22 years
- (Un)patented technology and customer lists	3 to 18 years

### 6.9 IMPAIRMENT OF NON-CURRENT ASSETS

The Group assesses each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing is required, the Group estimates the assets' recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

The Group's impairment calculation is based on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU's to which the individual assets are allocated. These budgets and forecast

calculations are generally covering a five-year period. A long-term growth rate is calculated and applied to project future cash flows after the budget period using a terminal value.

Impairment losses of continuing operations are recognised in the consolidated statement of income in those expense categories consistent with the function of the impaired asset.

For assets other than goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. Such reversal is recognised in the consolidated statement of income.

Goodwill is tested for impairment annually or when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU's) to which the goodwill relates. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future years.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.10 FINANCIAL ASSETS

Classification of financial assets depends on the Group's business model for managing its financial assets and the contractual terms of the cash flows. The Group classifies its financial assets as:

- financial assets measured at amortised cost; or
- financial assets measured at fair value.

Gains or losses of financial assets measured at fair value will be recognised either through the consolidated statement of income or through the consolidated statement of OCI.

Loans receivables which are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interests, are measured at amortised cost.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Certain sales contracts have a provisional pricing clause with the final pricing based on an average market price over a specific period. Such trade receivables are measured at fair value because the contractual cash flows are not solely payments of principal and interest. Other trade receivables meet these criteria and are measured at amortised cost.

#### INITIAL MEASUREMENT

Financial assets are initially measured at their fair value plus transaction costs. Transaction costs of financial assets carried at fair value through income statement are recognised in the consolidated statement of income. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows meet the requirements as solely payment of principal and interest.

#### SUBSEQUENT MEASUREMENT

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (Debt Instruments)

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

- Financial assets at 'Fair Value through Other Comprehensive Income' ("FVOCI") with recycling of cumulative gains and losses (Debt Instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of income and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon de-recognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (Equity Instruments)

SABIC measures all equity investments at fair value and presents changes in fair value of equity investments in OCI. Dividends from such investments continue to be recognised in the consolidated statement of income as other income when the SABIC's right to receive payments is established. Gains and losses on these financial assets are never recycled to the consolidated statement of income. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.10 FINANCIAL ASSETS (CONTINUED)

- Financial assets at FVIS

Financial assets that do not meet the criteria for subsequent recognition at amortised cost or FVOCI, are measured at FVIS. A gain or loss on a debt investment that is subsequently measured at fair value through the income statement and which is not part of a hedging relationship is recognised and presented net in the consolidated statement of income in the period in which it arises.

#### DE-RECOGNITION

A financial asset or a part of a financial asset is de-recognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement, and either:
  - a. The Group has transferred substantially all the risks and rewards of the asset; or

- b. The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

#### IMPAIRMENT

Management assesses on a forward-looking basis the Expected Credit Losses (“ECL”) associated with its debt instruments as part of its financial assets, which are carried at amortised cost and FVOCI.

The ECL is based on a 12-month ECL or a lifetime ECL. The 12-month ECL results from default events on a financial instrument that are possible within 12 months after the reporting date. When there has been a significant increase in credit risk since initial recognition, the allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (the lifetime ECL).

For trade receivables, management applies the simplified approach in calculating ECL’s. Therefore, management does not track changes in credit risk, but instead recognised a loss allowance base on lifetime ECL’s at each reporting date. Management has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### 6.11 FINANCIAL LIABILITIES

#### INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities are classified under either of the below two classes:

- Financial liabilities at FVIS; and
- Other financial liabilities measured at amortised cost using the EIR method.

The category of financial liability at FVIS has two sub-categories:

- Designated: A financial liability that is designated by the entity as a liability at FVIS upon initial recognition; and
- Held for trading: A financial liability classified as held for trading, such as an obligation for securities borrowed in a short sale, which have to be returned in the future. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are classified as held for trading.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.11 FINANCIAL LIABILITIES (CONTINUED)

All financial liabilities are recognised initially when the Group becomes party to contractual provisions and obligations under the financial instrument. The liabilities are recognised at fair value, and in the case of loans and borrowings and payables, the proceeds received net of directly attributable transaction costs.

#### SUBSEQUENT MEASUREMENT

Financial liabilities at FVIS continue to be recognised at fair value with changes being recognised in the consolidated statement of income.

For other financial liabilities, including loans and borrowings, after initial recognition, these are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of income when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR method. The EIR amortisation is included as finance costs in the consolidated statement of income.

### TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

### FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value adjusted for transaction costs that are directly attributable to the issuance of the guarantee. The fair value of financial guarantee is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

### DE-RECOGNITION

A financial liability is de-recognised when the obligation under the liability is settled or discharged. When an existing financial liability is replaced by another from the

same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of income.

### 6.12 OPTIONS AND FORWARD CONTRACTS ON (OWN) EQUITY INSTRUMENTS

Call and put options on equity instruments are derivative financial instruments to be recognised at fair value through income statement. When there are call or put options on an entity's equity instruments controlled by the shareholder, the shareholder is assumed to have options on its own equity instruments with specific recognition requirements. Due to the nature of the stipulations in (option) agreements, the shareholder has no present ownership interest in the shares subject to these options and therefore, a non-controlling interest will be recognised.

#### PUT AND CALL OPTIONS

Put options are recognised at the present value of the best estimated amount to be paid at the end of the agreement. Call options are recognised at their fair value. Subsequent re-measurement of put and call options will be recognised through statement of income as financial income and expense. Put and call options offer contract parties the right to exercise them or to refrain from exercising the option rights.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

#### 6.12 OPTIONS AND FORWARD CONTRACTS ON (OWN) EQUITY INSTRUMENTS (CONTINUED)

If put options are being exercised, the financial liability, as re-measured immediately before the transaction, is extinguished by payment of the exercise price and the non-controlling interest purchased is derecognised against equity attributable to the owners of the parent. If the put option expires unexercised, the financial liability is reclassified to retained earnings.

If call options are being exercised, the fair value of the call option will be recognised as part of the consideration paid for the acquisition of the non-controlling interest. If call option expires unexercised, it is derecognised through income statement as a finance expense.

#### FORWARD SHARE PURCHASE CONTRACTS

Forward share purchase contract are commitments to purchase the shares subject to the contract stipulations in due time. Therefore, the present value of the best estimated amount to be paid at the end of the agreement is recognised as a liability. The subsequent movement in liability is recognised in the consolidated statement of income.

#### 6.13 OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is disclosed in the consolidated statement of financial position if there is a currently enforceable legal right to offset recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

#### 6.14 INVENTORIES

Inventories include raw materials, work in progress, finished goods, and consumables, spare parts and are measured at the lower of cost i.e. historical purchase prices based on the weighted average principle plus directly attributable costs and the net realisable value. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Inventories of work in progress and finished goods include cost of materials, labour and an appropriate proportion of direct overheads.

#### 6.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at banks and fixed term deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. Fixed term deposits with an original maturity of greater than three months but less than twelve-months, are included as part of short-term investments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and fixed term deposits, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

#### 6.16 CASH DIVIDEND PAID TO EQUITY HOLDERS OF THE PARENT

The Group recognises a liability for cash dividend distribution to equity holders of the Parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. In accordance with the Companies Law in KSA, a distribution is authorised when it is approved by the shareholders. Interim dividends, if any, are recognised when approved by the Board of Directors. A corresponding amount is recognised directly in the consolidated statement of changes in equity.

#### 6.17 PROVISIONS

Provisions are recognised when the Group has a present obligation, either legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.17 PROVISIONS (CONTINUED)

#### ENVIRONMENTAL AND REMEDIATION COSTS

In accordance with the Group’s environmental policy and applicable legal requirements, the Group recognises a provision when the amount of cash outflow can be reasonably estimated. Environmental and remedial provisions are recognised for expected costs of environmental remediation and rehabilitating contaminated sites across the regions.

#### ONEROUS CONTRACTS

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost meeting its obligation under the contract. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

#### ASSET DEMOLISHING AND SITE RESTORATION COSTS

The Group recognises a provision for demolishing costs of manufacturing facilities when an obligation exists.

Demolition costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax risk free rate that reflects the risks specific to this liability. The unwinding of the discount is expensed as incurred and recognised in the consolidated statement of income as finance cost. The estimates for this provision is reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

### 6.18 EMPLOYEE BENEFITS

#### LONG-TERM EMPLOYEE BENEFITS OBLIGATIONS

Long-term employee benefit obligations are measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method and recognised as non-current liabilities. Consideration is given to expected future salary increase and historic attrition rates. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate or government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of changes in actuarial assumptions are recognised in the consolidated statement of comprehensive income. The Group offers various post-employment schemes, including both defined contribution and defined benefit

plans, and post-employment medical and life insurance plans for eligible employees and their dependents.

#### DEFINED CONTRIBUTION PLANS

A defined contribution plan is a post-employment benefit plan under which the Group pays contributions into a separate entity, trust or fund, and has no other legal or constructive obligation. The contributions are recognised as employee benefit expense in the consolidated statement of income when they are due.

#### DEFINED BENEFIT PLANS

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group primarily has end of service benefits, defined benefit pension plans and post-retirement medical and life insurance plans, which qualify as defined benefit plans.

#### END OF SERVICE BENEFITS AND PENSION PLANS

In KSA, for the liability for employees’ end of service benefits, the actuarial valuation process takes into consideration the provisions of the Saudi Labour Law as well as the Group’s policy. In other countries, the respective labour laws are taken into consideration.

The net pension asset or liability recognised in the consolidated statement of financial position in respect of defined benefit post-employment plans is the present value of the projected Defined Benefits Obligation (“DBO”) less the fair value of plan assets at reporting date, if any.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.18 EMPLOYEE BENEFITS (CONTINUED)

When the fair value of plan assets exceeds the DBO, the Group assesses whether asset ceiling should be applied; if not, the net balance will be presented as other non-current financial assets.

DBO is re-measured on a periodic basis by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used. The net interest cost are calculated by applying the discount rate to the net balance of the DBO and the fair value of plan assets.

Service costs are calculated, using the actuarially determined cost rate at the end of the prior year, adjusted for significant market fluctuations and for any significant one-off events, such as plan amendments, curtailments and settlements. In the absence of such significant market fluctuations and one-off events, the actuarial liabilities are rolled forward based on the assumptions as at the beginning of the year. If there are significant changes to the assumptions or arrangements during the year,

consideration is given to re-measure such liabilities and the related costs.

Re-measurement gains and losses arising from changes in actuarial assumptions are recognised in the period in which they occur in OCI. Changes in the present value of the DBO resulting from plan amendments or curtailments are recognised immediately in the consolidated statement of income as past service costs.

When the benefit plans are amended, the portion of the change in benefit relating to the past service by employees is recognised as an expense or income; if applicable, on a straight-line basis over the average period until the benefits become vested in the consolidated statement of income. To the extent that benefits vest immediately, the expense or income, if applicable is recognised immediately in the consolidated statement of income.

Current and past service costs related to post-employment benefits are recognised immediately in the consolidated statement of income while unwinding of the liability at discount rates used are recognised as financial cost. Any changes in net liability due to actuarial valuations and changes in assumptions are taken as re-measurement in OCI.

### EMPLOYEE SAVING PLAN

The Group operates a saving plan to encourage its Saudi employees to make savings. The saving contributions from the participants are deposited in a separate bank account other than the Company's normal operating bank

accounts. Employee saving plan represents the contribution made by the employee and SABIC in accordance with the Group HR policy and is presented as current liabilities.

### EMPLOYEE HOME OWNERSHIP PROGRAM ("HOP")

Certain companies within the Group have established employee's HOP that offer eligible employees the opportunity to buy residential units constructed by these subsidiaries through a series of payments over a particular number of years. Ownership of the houses is transferred upon completion of full payment.

Under the HOP, the amounts paid by the employee towards the house are repayable back to the employee in case the employee discontinues employment and the house is returned back to the Group. HOP is recognised as a non-current prepayment asset at time the residential units are allocated to the employees and are amortised over the repayment period of the facility due from employees.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.18 EMPLOYEE BENEFITS (CONTINUED)

#### Employee Home Loan Program (“HLP”)

The Group provides interest free home loan to its eligible employees for purposes related to purchase or building of a house or apartment. The loan is repaid in monthly instalment by deduction of employee’s pay.

HLP is recognised as a non-current financial asset initially at fair value and subsequently measured at amortised cost using the EIR method. The difference between the fair value and the actual amount of cash given to the employee is recognised as a “non-current prepaid employee benefit” and is amortised as an expense equally over the period of service. The same amount is also amortised as finance income against the receivables from employees.

### 6.19 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Revenue arrangements are assessed against specific criteria to determine whether the Group is acting as a principal or agent.

For certain revenue contracts, an intermediary is used to provide the goods and services. The Group assesses

whether it is an agent or principal in these arrangements. The Group acts as a principal when it controls the specified good or service prior to transfer. When the Group acts as a principal the revenue recognised is the gross amount billed. Certain other arrangements with certain customer are such that the Group's responsibility is to arrange for a third party to provide a specified good or service to the client. If the Group is acting as an agent and does not control the relevant good or service before it is transferred to the customer. If the Group is acting as an agent, the revenue is recognised at the net amount retained.

### SALES REVENUE

The Group recognises revenue when control of the products sold, transfers to the customer, which shall be considered in the context of a five-step approach and applying the applicable shipping terms.

### RIGHTS OF RETURN

When a contract with a customer provides a right of return of the good within a specified period, the Group accounts for the right of return when requested by the customer and contractual conditions are met.

### ALLOCATION OF PERFORMANCE OBLIGATIONS

In certain instances, the Group determines delivery services as separately identifiable and distinct from the sale of goods. These are when the Group transfers control

of goods at the Group’s loading site and provides delivery services to the buyer’s site. The Group allocates a portion of the total transaction price to delivery services based on a best estimate of a similar stand-alone service.

### PROVISIONAL PRICING

Certain revenue contracts with customers include provisional pricing at the time of shipment. Initially, revenue on these contracts is recognised based on the estimate of the final price at the time control is transferred to the customer. The final pricing is based on the actual average market indexed price. Any difference between the estimate and the final price is recognised as a change in fair value of the related receivables, as part of revenue, in the consolidated statement of income. The associated trade receivables related to contracts with provisional pricing arrangements are subsequently measured at FVIS.

### VARIABLE PRICING - VOLUME REBATES

The Group provides retrospective volume rebates to its customers on products purchased by the customer once the quantity of products purchased during the period exceeds a threshold specified in the contract. The Group estimates the expected volume rebates using a prudent assessment of the expected amount of rebates, reviewed and updated on a regular basis. These amounts will subsequently be repaid in cash to the customer or are offset against amounts payable by the customer, if allowed by the contract.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.19 REVENUE RECOGNITION (CONTINUED)

Volume rebates give rise to variable consideration. The Group considers the “most likely amount” method to be the best estimate of this variable consideration.

### RENDERING OF SERVICES

#### LOGISTIC SERVICES

In certain instances, the Group provides the delivery services for goods sold based on the C-class incoterms. The service is considered as a separate performance obligation. The separate transaction price is not explicitly available in the contract and SABIC uses estimation method to allocate the transaction price to such performance obligation. The estimation is based on standalone selling price. This service is satisfied over the period of delivery.

#### RENTAL INCOME

The Group also provides services pertaining to storage and warehousing as well as terminal services for some of the goods handled by Group Companies. Rental income from

these arrangements is recognised on systematic basis over the contract term.

### 6.20 RESEARCH AND DEVELOPMENT EXPENSES

Research and development (“R&D”) activities include expenses to:

- develop and improve our existing materials, products, solutions and processes,
- improve ecological footprint

These activities focus on delivering differentiated and sustainable product and application solutions and sustainable cost-advantaged process innovation to meet the needs of our customers and the value chain over the near, mid-, and long term horizon.

### 6.21 FINANCE INCOME

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as investments in equity instruments at FVOCI, finance income is recognised using the EIR. EIR is the rate that discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

### 6.22 FINANCE COST

Finance expense is recognised for interest portion paid to the lender of all financial instruments measured at amortised cost. Finance expense is also recognised for the time value of money considered while discounting the liability to its present value. The finance expense is recognised using the EIR for liabilities measured at amortised cost. EIR is the rate that discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability. Typical financial instruments include bonds, conventional notes, murabaha, etc. Additionally, the finance expense also includes time value of money for all the lease liabilities recognised. For the purpose of consolidated statement of cash flows, finance cost paid is presented as part of the operating activities.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 6. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### 6.23 DISPOSAL GROUPS HELD FOR SALE AND DISCONTINUED OPERATIONS

A discontinued operation is a component of the entity that has been classified as held for sale and that represents a separate major line of business and is part of a single co-ordinated plan to dispose of such a line of business. Group of non-current assets under such discontinued operation, referred as disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. The held for sale classification also includes investments that meets the criteria of IFRS 5 '*Non-current Assets Held for Sale and Discontinued Operations*'. Such disposal group is measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the disposal group to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of the disposal group, but not in excess of any cumulative impairment loss previously recognised. Non-current assets that are part of a disposal group are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

The assets of a disposal group classified as held for sale are presented separately from the other assets in consolidated statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the consolidated statement of financial position. The results of discontinued operations are presented separately in the consolidated statement of income.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 7. PROPERTY, PLANT AND EQUIPMENT

	For the year ended 31 December 2024					
	Land and buildings	Plant and equipment (i)	Furniture and fixtures	Vehicles	Assets under construction	Total
<b>Cost:</b>						
As at the beginning of the year	28,495,745	256,591,969	1,048,873	662,483	14,284,682	301,083,752
Additions	60,503	2,390,320	14,719	10,850	8,027,071	10,503,463
Transfers (ii)	187,163	4,916,685	39,718	34,589	(5,250,572)	(72,417)
Disposals and retirements	(35,171)	(1,386,270)	(5,771)	(2,594)	(43,118)	(1,472,924)
Reclassified to assets held for sale	(48,825)	(913,335)	(1,541)	(2,125)	(8,305)	(974,131)
Foreign currency translation adjustment	(297,616)	(1,407,022)	(9,233)	(791)	(158,846)	(1,873,508)
<b>As at the end of the year</b>	<b>28,361,799</b>	<b>260,192,347</b>	<b>1,086,765</b>	<b>702,412</b>	<b>16,850,912</b>	<b>307,194,235</b>
<b>Accumulated depreciation and impairment:</b>						
As at the beginning of the year	(14,570,862)	(169,075,725)	(761,804)	(452,465)	(1,100,317)	(185,961,173)
Charge for the year	(823,074)	(10,531,954)	(91,433)	(48,188)	-	(11,494,649)
Transfers (ii)	(2,692)	33,956	(477)	254	(31,041)	-
Impairment and write-offs	(54,066)	(25,390)	-	-	(530,531)	(609,987)
Disposals and retirements	33,944	1,358,739	5,583	2,586	36	1,400,888
Reclassified to assets held for sale	36,151	664,357	1,342	1,888	25	703,763
Foreign currency translation adjustment	234,308	1,096,169	6,566	759	9,696	1,347,498
<b>As at the end of the year</b>	<b>(15,146,291)</b>	<b>(176,479,848)</b>	<b>(840,223)</b>	<b>(495,166)</b>	<b>(1,652,132)</b>	<b>(194,613,660)</b>
<b>Net book value:</b>						
<b>As at 31 December 2024</b>	<b>13,215,508</b>	<b>83,712,499</b>	<b>246,542</b>	<b>207,246</b>	<b>15,198,780</b>	<b>112,580,575</b>
As at 1 January 2024	13,924,883	87,516,244	287,069	210,018	13,184,365	115,122,579

- (i) Property, plant and equipment includes assets leased to related and third parties. The opening and closing cost of these leased assets amounted to ₪ 2,453 million and ₪ 2,453 million respectively whereas, the opening and closing accumulated depreciation amounted to ₪ 839 million and ₪ 968 million respectively. The movement during the year mainly related to depreciation charge for the year amounting to ₪ 129 million.
- (ii) Transfers represent the capitalisation of assets under construction, transfers to intangible assets and transfers of HOP related assets to "Other assets and receivables" within non-current assets and are non-cash in nature.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	For the year ended 31 December 2023					
	Land and buildings	Plant and equipment (i)	Furniture and fixtures	Vehicles	Assets under construction	Total
<b>Cost:</b>						
As at the beginning of the year	31,900,190	270,377,143	1,153,531	726,232	13,670,959	317,828,055
Additions	267,259	3,576,231	1,377	2,826	6,649,878	10,497,571
Transfers (ii)	277,561	5,420,012	12,252	49,849	(5,329,901)	429,773
Disposals and retirements	(228,598)	(2,514,369)	(69,824)	(47,523)	(82,216)	(2,942,530)
Reclassified to assets held for sale	(3,867,922)	(21,404,347)	(49,814)	(69,270)	(741,366)	(26,132,719)
Foreign currency translation adjustment	147,255	1,137,299	1,351	369	117,328	1,403,602
As at the end of the year	28,495,745	256,591,969	1,048,873	662,483	14,284,682	301,083,752
<b>Accumulated depreciation and impairment:</b>						
As at the beginning of the year	(16,076,318)	(172,978,841)	(806,122)	(457,270)	(712,504)	(191,031,055)
Charge for the year	(877,081)	(11,416,095)	(68,120)	(53,388)	-	(12,414,684)
Transfers (ii)	935	(841,823)	(1,441)	(46,135)	-	(888,464)
Impairment and write-offs	(104,692)	(1,361,955)	-	-	(377,775)	(1,844,422)
Disposals and retirements	228,319	2,484,186	65,162	47,523	-	2,825,190
Reclassified to assets held for sale	2,362,805	15,836,860	49,758	57,167	-	18,306,590
Foreign currency translation adjustment	(104,830)	(798,057)	(1,041)	(362)	(10,038)	(914,328)
As at the end of the year	(14,570,862)	(169,075,725)	(761,804)	(452,465)	(1,100,317)	(185,961,173)
<b>Net book value:</b>						
As at 31 December 2023	13,924,883	87,516,244	287,069	210,018	13,184,365	115,122,579
As at 1 January 2023	15,823,872	97,398,302	347,409	268,962	12,958,455	126,797,000

- (i) Property, plant and equipment includes assets leased to related and third parties. The opening and closing cost of these leased assets amounted to ₪ 2,453 million and ₪ 2,453 million respectively whereas, the opening and closing accumulated depreciation amounted to ₪ 704 million and ₪ 839 million respectively. The movement during the year mainly related to depreciation charge for the year amounting to ₪ 135 million.
- (ii) Transfers represent the capitalisation of assets under construction, transfers to intangible assets and transfers of HOP related assets to "Other assets and receivables" within non-current assets and are non-cash in nature. In addition, it includes reclassification of certain assets classes between cost and accumulated depreciation. This change has no impact on the total reported carrying values or depreciation expense.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 7. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

### ALLOCATION OF DEPRECIATION CHARGE

For the years ended 31 December	2024	2023
Cost of sales	10,704,845	11,039,638
General and administrative expenses	562,990	452,161
Research and development expenses	186,272	186,177
Selling and distribution expenses	40,542	39,364
	11,494,649	11,717,340
Reclassified to discontinued operation	-	697,344
	11,494,649	12,414,684

### LAND AND BUILDINGS

Land and buildings include an amount of ₪ 2,251 million as at 31 December 2024 (2023: ₪ 2,122 million) representing the cost of freehold land.

### ASSETS UNDER CONSTRUCTION

Assets under construction mainly represents the expansion of existing plants and new projects being executed by certain legal entities. The related capital commitments are reported in Note 39.

### CAPITALISED BORROWING COSTS

The borrowing cost capitalised during the year ended 31 December 2024 amounted to nil (2023: ₪ 18 million). The

Group used the capitalisation rate of 4.5% in 2023 to determine the amount of borrowing costs eligible for capitalisation.

### PLEDGED PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment of certain subsidiaries in the KSA are pledged to the Saudi Industrial Development Fund (“SIDF”) as security for its term loans amounting to ₪ 23,883 million (2023: ₪ 25,739 million).

### IMPAIRMENT AND WRITE-OFFS OF PLANT AND EQUIPMENT

#### Impairment

During the year ended 31 December 2024, as a result of the changed global market conditions which affected the profitability of the related Cash Generating Units (CGUs), management performed a detailed impairment assessment of its underperforming CGUs. As a result of such assessment, the value of recoverable amount is higher than the value of carrying amount. With respect to the assessment of the value in use, management believes that reasonably possible changes in its used assumptions would not cause the carrying value of its CGUs to exceed its recoverable amount.

During the year ended 31 December 2023, impairment losses were ₪ 1,467 million, the impairment mainly related to certain Polymers assets in the Petrochemicals segment in the European and Americas regions amounting to ₪ 941 million and one production line in the Cartagena industrial complex was permanently suspended, leading to an

impairment loss of ₪ 328 million. The value in use of the respective cash generating unit in 2023 was calculated based on post-tax WACC rate of 8.5%, pre-tax WACC rate of 10.2% and a growth rate of 2.4%.

#### Write-off

During the year ended 31 December 2024, write-off of ₪ 531 million (2023: ₪ 378 million) was recorded related to an impairment provision of certain capital assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 8. RIGHT-OF-USE ASSETS

	For the year ended 31 December 2024				
	Land and buildings (i)	Plant and equipment	Storage and tanks	Vessels and vehicles	Total
<b>Cost:</b>					
As at the beginning of the year	3,719,757	2,299,920	1,222,781	2,914,706	10,157,164
Additions (ii)	120,612	102,010	73,456	548,790	844,868
Re-measurement (ii)	(188,401)	-	-	-	(188,401)
Disposals and retirements (ii)	(91,655)	(190,368)	(72,563)	(555,582)	(910,168)
Reclassified to assets held for sale	(117,916)	(59,942)	(1,183)	(1,764)	(180,805)
Foreign currency translation adjustment	(40,282)	(16,001)	(57,604)	(57,255)	(171,142)
<b>As at the end of the year</b>	<b>3,402,115</b>	<b>2,135,619</b>	<b>1,164,887</b>	<b>2,848,895</b>	<b>9,551,516</b>
<b>Accumulated depreciation and impairment:</b>					
As at the beginning of the year	(1,002,031)	(1,179,529)	(802,129)	(1,594,903)	(4,578,592)
Charge for the year	(302,153)	(170,420)	(187,539)	(495,278)	(1,155,390)
Impairment	-	(21,396)	-	-	(21,396)
Disposals and retirements	110,702	186,797	67,196	544,576	909,271
Reclassified to assets held for sale	13,040	4,941	158	664	18,803
Foreign currency translation adjustment	16,189	11,764	43,117	40,261	111,331
<b>As at the end of the year</b>	<b>(1,164,253)</b>	<b>(1,167,843)</b>	<b>(879,197)</b>	<b>(1,504,680)</b>	<b>(4,715,973)</b>
<b>Net book value:</b>					
<b>As at 31 December 2024</b>	<b>2,237,862</b>	<b>967,776</b>	<b>285,690</b>	<b>1,344,215</b>	<b>4,835,543</b>
As at 1 January 2024	2,717,726	1,120,391	420,652	1,319,803	5,578,572

(i) The land on which plant and related facilities of certain subsidiaries in KSA are constructed are leased from the Royal Commission for Jubail and Yanbu, an agency of Saudi Arabian government. The Group has similar kind of arrangements and terms for some of its major sites in Europe.

(ii) Additions, re-measurement and disposals and retirements are non-cash in nature.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 8. RIGHT-OF-USE ASSETS (CONTINUED)

	For the year ended 31 December 2023				
	Land and buildings (i)	Plant and equipment	Storage and tanks	Vessels and vehicles	Total
<b>Cost:</b>					
As at the beginning of the year	4,128,298	2,621,724	1,060,069	3,031,244	10,841,335
Additions (ii)	411,913	81,025	153,925	478,449	1,125,312
Re-measurement (ii)	81,913	-	-	-	81,913
Disposals and retirements (ii)	(389,985)	(66,573)	(21,151)	(611,539)	(1,089,248)
Reclassified to assets held for sale	(531,043)	(346,890)	-	(14,752)	(892,685)
Foreign currency translation adjustment	18,661	10,634	29,938	31,304	90,537
As at the end of the year	3,719,757	2,299,920	1,222,781	2,914,706	10,157,164
<b>Accumulated depreciation and impairment:</b>					
As at the beginning of the year	(1,089,803)	(1,256,174)	(597,100)	(1,591,539)	(4,534,616)
Charge for the year	(340,070)	(194,655)	(207,056)	(607,036)	(1,348,817)
Disposals and retirements	297,225	66,315	21,006	607,688	992,234
Reclassified to assets held for sale	137,218	211,148	-	11,371	359,737
Foreign currency translation adjustment	(6,601)	(6,163)	(18,979)	(15,387)	(47,130)
At the end of the year	(1,002,031)	(1,179,529)	(802,129)	(1,594,903)	(4,578,592)
<b>Net book value:</b>					
As at 31 December 2023	2,717,726	1,120,391	420,652	1,319,803	5,578,572
As at 1 January 2023	3,038,495	1,365,550	462,969	1,439,705	6,306,719

- (i) The land on which plant and related facilities of certain subsidiaries in KSA are constructed are leased from the Royal Commission for Jubail and Yanbu, an agency of Saudi Arabian government. The Group has similar kind of arrangements and terms for some of its major sites in Europe.
- (ii) Additions, re-measurement and disposals and retirements are non-cash in nature.

### ALLOCATION OF DEPRECIATION CHARGE

	For the years ended 31 December	2024	2023
Cost of sales		571,905	629,081
General and administrative expenses		203,258	233,390
Research and development expenses		21,505	20,979
Selling and distribution expenses		358,722	408,416
		1,155,390	1,291,866
Reclassified to discontinued operation		-	56,951
		1,155,390	1,348,817

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 9. INTANGIBLE ASSETS

	For the year ended 31 December 2024					
	Goodwill (i)	Software and IT development	Licenses	Others	Intangibles under development	Total
<b>Cost:</b>						
As at the beginning of the year	17,937,205	1,903,021	9,117,052	409,837	180,548	29,547,663
Additions	-	11,891	4,414	17,711	89,393	123,409
Transfers (ii)	-	43,081	24,924	8,810	(69,096)	7,719
Disposals and retirements	-	(746,713)	(8,017)	-	-	(754,730)
Reclassified to assets held for sale	-	(197)	(81,022)	(679)	-	(81,898)
Foreign currency translation adjustment	(264,867)	(20,849)	(78,415)	(451)	-	(364,582)
<b>As at the end of the year</b>	<b>17,672,338</b>	<b>1,190,234</b>	<b>8,978,936</b>	<b>435,228</b>	<b>200,845</b>	<b>28,477,581</b>
<b>Accumulated amortisation and impairment:</b>						
As at the beginning of the year	-	(1,786,509)	(7,886,281)	(82,996)	(28,868)	(9,784,654)
Charge for the year	-	(25,342)	(311,211)	(22,513)	-	(359,066)
Disposals and retirements	-	746,674	7,568	-	-	754,242
Impairment	-	-	(21,670)	-	(67,306)	(88,976)
Reclassified to assets held for sale	-	197	80,456	678	-	81,331
Foreign currency translation adjustment	-	20,255	40,360	560	-	61,175
<b>As at the end of the year</b>	<b>-</b>	<b>(1,044,725)</b>	<b>(8,090,778)</b>	<b>(104,271)</b>	<b>(96,174)</b>	<b>(9,335,948)</b>
<b>Net book value:</b>						
<b>As at 31 December 2024</b>	<b>17,672,338</b>	<b>145,509</b>	<b>888,158</b>	<b>330,957</b>	<b>104,671</b>	<b>19,141,633</b>
As at 1 January 2024	17,937,205	116,512	1,230,771	326,841	151,680	19,763,009

- (i) This includes goodwill amounting to ₪ 8,888 million as a result of exercising option to purchase the remaining shares held by another investor in some of the SABIC subsidiaries, out of which ₪ 3,186 million related to Saudi Petrochemical Company ("SADAF") and ₪ 5,702 million related to Saudi Methanol Company ("AR-RAZI"). Effective 1 October 2019, SADAF merged with Arabian Petrochemical Company ("PETROKEMYA").
- (ii) Includes transfers within intangible assets, transfers from property, plant and equipment and transfers from / to other assets, which are non-cash in nature.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 9. INTANGIBLE ASSETS (CONTINUED)

For the year ended 31 December 2023						
	Goodwill (i)	Software and IT development	Licenses	Others	Intangibles under development	Total
<b>Cost:</b>						
As at the beginning of the year	17,713,384	1,919,537	9,248,575	423,328	158,764	29,463,588
Additions	-	113	14,860	-	21,784	36,757
Transfers (ii)	-	857	3,152	(13,226)	-	(9,217)
Disposals and retirements	-	(28,445)	(13,883)	-	-	(42,328)
Reclassified to assets held for sale	-	-	(166,613)	-	-	(166,613)
Foreign currency translation adjustment	223,821	10,959	30,961	(265)	-	265,476
As at the end of the year	17,937,205	1,903,021	9,117,052	409,837	180,548	29,547,663
<b>Accumulated amortisation and impairment:</b>						
As at the beginning of the year	-	(1,780,253)	(7,613,709)	(27,994)	(28,868)	(9,450,824)
Charge for the year	-	(24,287)	(404,956)	(63,991)	-	(493,234)
Disposals and retirements	-	28,424	11,450	9,135	-	49,009
Reclassified to assets held for sale	-	-	146,048	-	-	146,048
Foreign currency translation adjustment	-	(10,393)	(25,114)	(146)	-	(35,653)
As at the end of the year	-	(1,786,509)	(7,886,281)	(82,996)	(28,868)	(9,784,654)
<b>Net book value:</b>						
As at 31 December 2023	17,937,205	116,512	1,230,771	326,841	151,680	19,763,009
As at 1 January 2023	17,713,384	139,284	1,634,866	395,334	129,896	20,012,764

- (i) This includes goodwill amounting to ₪ 8,888 million as a result of exercising option to purchase the remaining shares held by another investor in some of the SABIC subsidiaries, out of which ₪ 3,186 million related to Saudi Petrochemical Company ("SADAF") and ₪ 5,702 million related to Saudi Methanol Company ("AR-RAZI"). Effective 1 October 2019, SADAF merged with Arabian Petrochemical Company ("PETROKEMYA").
- (ii) Includes transfers within intangible assets, transfers from property, plant and equipment and transfers from / to other assets, which are non-cash in nature.

### ALLOCATION OF AMORTISATION CHARGE

For the year ended 31 December	2024	2023
Cost of sales	64,615	93,138
General and administrative expenses	268,876	375,963
Research and development expenses	24,020	12,232
Selling and distribution expenses	1,555	2,563
	359,066	483,896
Reclassified to discontinued operation	-	9,338
	359,066	493,234

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 9. INTANGIBLE ASSETS (CONTINUED)

#### GOODWILL

Goodwill has been allocated to the Group's operating segments that represent its CGUs at which the goodwill is managed. For goodwill impairment testing, these CGUs are Petrochemicals and Specialties. The goodwill allocated to Petrochemicals amounts to ₪15,028 million (2023: ₪15,229 million) and for Specialties CGU amounts to ₪2,644 million (2023: ₪2,708 million).

The post-tax WACC rate applied at Group's level is 8.8% for Petrochemicals (2023: 9.2%) and for Specialties 8.75% (2023: 8.75%). The pre-tax WACC rate is 9.6% (2023: 11.3%) for Petrochemicals and 10.6% (2023: 10.5%) for Specialties.

The WACC is calculated based on long-term moving monthly average assumptions that reflect market assessments of the risk specific to each CGU. Segment specific risk is incorporated by applying average beta factors. The beta factors are evaluated annually based on publicly available market data of SABIC's peers. The average effective zakat rate is assumed to be 3% (2023: 3%) for MEA region and the average effective tax rate is assumed to be 23%-26% (2023: 24%-26%) for rest of the world. The cash flow projections are derived from the respective business plans covering a period of 5 years. Cash flow projections beyond the five-year business plan are extrapolated taking into account an assumed growth rate of 2.4% (2023: 2.4%) for Petrochemicals and 2.4% (2023: 2.4%) for Specialties.

No impairment loss was recognised for 2024 and 2023 respectively.

With respect to the assessment of the value in use, management believes that a reasonably possible change in its used assumptions would not cause the carrying value of its goodwill to exceed its recoverable amount.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The table below outlines the Group’s investments in associates:

	Ownership %	Place of business/ country of incorporation	Nature of activities	31 December 2024	31 December 2023
Clariant AG (“CLARIANT”) (refer Note 10.1)	31.50	Switzerland	Specialty Chemical	5,687,701	7,520,449
Ma’aden Phosphate Company (“MPC”)	30.00	KSA	Agri-Nutrients	4,036,409	3,763,486
Ma’aden Wa’ad Al Shamal Phosphate Company (“MWSPC”)	15.00	KSA	Agri-Nutrients	2,300,311	2,205,971
Power and Water Utilities Company for Jubail and Yanbu (“MARAFIQ”)	17.50	KSA	Utilities	1,455,220	1,414,926
Gulf Petrochemical Industries Company (“GPIC”) (iii)	33.33	Bahrain	Agri-Nutrients, Petrochemicals	997,158	985,413
National Chemical Carrier Company (“NCC”)	20.00	KSA	Transportation	709,080	562,704
Saudi Arabian Industrial Investment Company (“DUSSUR”)	25.00	KSA	Investments	620,252	540,996
ARG mbH & Co KG (“ARG”) entities	25.00	Germany	Transportation	128,933	171,117
Nusaned Fund I, Nusaned Fund II	50.00, 60.00	KSA	Equity Investments	39,656	38,701
German Pipeline Development Company GMBH (“GPDC”)	39.00	Germany	Transportation	33,914	33,141
Aluminium Bahrain BSC (“ALBA”) (ii)	20.62	Bahrain	Aluminium	-	3,664,441
Gulf Aluminium Rolling Mill Company (“GARMCO”)	14.90	Bahrain	Aluminium	-	9
				16,008,634	20,901,354

- (i) Determination of the classification of these investments as associates is based on underlying agreements and constitutive documents.
- (ii) During the year, the group classified its investment in ALBA as ‘assets held for sale’ (refer Note 35.1).
- (iii) GPIC is owned 33.33% by SABIC Agri-Nutrients Company (known as “SABIC AN”) and SABIC’s effective share is 16.70%.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The table below outlines the Group’s investments in joint ventures:

	Ownership %	Place of business/ country of incorporation	Nature of activities	31 December 2024	31 December 2023
Al-Jubail Petrochemical Company (“KEMYA”)	50.00	KSA	Petrochemicals	5,429,981	5,854,859
Eastern Petrochemical Company (“SHARQ”)	50.00	KSA	Petrochemicals	4,482,082	4,830,729
Saudi Yanbu Petrochemical Company (“YANPET”)	50.00	KSA	Petrochemicals	2,804,067	2,953,068
Sinopec Sabic Tianjin Petrochemical Company (“SSTPC”)	50.00	China	Petrochemicals	2,702,316	3,238,476
ETG Inputs Holdco Limited (“EIHL”) (refer Note 10.2) (ii)	49.00	UAE	Agri-Nutrients	1,200,854	1,266,222
SABIC Fujian Petrochemicals Co., Ltd. (“FUJIAN”)	51.00	China	Petrochemicals	1,152,017	477,628
Sabic SK Nexlene Company Pte. Ltd. (“SSNC”)	50.00	Singapore	Petrochemicals	742,557	849,623
Cosmar Company (“COSMAR”)	50.00	USA	Petrochemicals	522,916	444,516
Utility Support Group B.V. (“USG”)	50.00	Netherlands	Utilities	306,356	299,213
SABIC Plastic Energy Advanced Recycling BV (“SPEAR”)	50.00	Netherlands	Petrochemicals	77,008	94,962
Isotopes Company (“IHC”)	13.44	KSA	Machinery Equipment	6,997	6,493
Saudi Pallet Manufacturing Company (“SPMC”)	38.00	KSA	Logistics	-	20,158
				19,427,151	20,335,947
				35,435,785	41,237,301

- (i) Determination of the classification of these investments as joint venture is based on underlying agreements and constitutive documents.
- (ii) SABIC made investment of ~~SR~~ 1,208 million in EIHL during the year ended 31 December 2023. EIHL is owned 49.00% by SABIC Agri-Nutrients Company (known as “SABIC AN”) and SABIC’s effective share is 25.55%.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The movement of investments in associates is as follows:

	CLARIANT	MPC	ALBA	MWSPC	MARAFIQ	GPIC	NCC	DUSSUR	ARG	NUSANED FUNDS	GPDC	GARMCO	Total
As at 1 January 2024	7,520,449	3,763,486	3,664,441	2,205,971	1,414,926	985,413	562,704	540,996	171,117	38,701	33,141	9	20,901,354
Capital contribution	-	-	-	-	-	-	-	137,500	-	13,474	-	-	150,974
Share of results (i)	208,251	531,673	278,753	94,340	56,079	92,468	206,376	(58,244)	24,432	(9,140)	2,790	-	1,427,778
Impairment and fair value remeasurement loss (refer Notes 10.1 and 35.1)	(1,170,336)	-	(200,634)	-	-	-	-	-	-	-	-	-	(1,370,970)
Movements in OCI	(688,067)	-	(18,616)	-	-	(5,723)	-	-	(9,050)	-	(2,017)	(9)	(723,482)
Dividends received	(182,596)	(258,750)	(100,319)	-	(15,785)	(75,000)	(60,000)	-	(57,566)	-	-	-	(750,016)
Reclassified to assets held for sale (refer Note 35.1)	-	-	(3,623,625)	-	-	-	-	-	-	-	-	-	(3,623,625)
Others	-	-	-	-	-	-	-	-	-	(3,379)	-	-	(3,379)
As at 31 December 2024	5,687,701	4,036,409	-	2,300,311	1,455,220	997,158	709,080	620,252	128,933	39,656	33,914	-	16,008,634

(i) The Group's share of results in associates' net income is recognised after fair value adjustments and changes in estimated results.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The movement of investments in joint ventures is as follows:

	KEMYA	SHARQ	SSTPC	YANPET	EIHL	SSNC	COSMAR	FUJIAN	USG	SPEAR	SPMC	IHC	Total
As at 1 January 2024	5,854,859	4,830,729	3,238,476	2,953,068	1,266,222	849,623	444,516	477,628	299,213	94,962	20,158	6,493	20,335,947
Capital contributions (i)	-	-	-	-	-	-	152,538	743,041	-	-	-	1,150	896,729
Share of results (ii) (iii)	517,294	(282,646)	(452,574)	530,510	68,640	12,312	(74,138)	(36,952)	25,083	(13,009)	(3,691)	(646)	290,183
Impairment	-	-	-	-	-	-	-	-	-	-	(16,467)	-	(16,467)
Movements in OCI	10,933	12,665	(83,586)	15,200	(42,133)	(119,378)	-	(31,700)	(17,940)	(4,945)	-	-	(260,884)
Dividends received (iv)	(945,074)	(85,000)	-	(726,316)	(91,875)	-	-	-	-	-	-	-	(1,848,265)
Others	(8,031)	6,334	-	31,605	-	-	-	-	-	-	-	-	29,908
As at 31 December 2024	5,429,981	4,482,082	2,702,316	2,804,067	1,200,854	742,557	522,916	1,152,017	306,356	77,008	-	6,997	19,427,151

- (i) The total capital contributions in associates and joint ventures is amounting to ₪ 1,048 million (2023: ₪ 1,467 million).
- (ii) The Group’s share of results in joint ventures’ net income is recognised after fair value adjustments and changes in estimated results.
- (iii) Share of results includes the share of results of integral joint ventures related to SHARQ, YANPET and KEMYA amounting to ₪ 765 million (2023: ₪ 931 million) and this has been presented in the consolidated statement of income before income from operations.
- (iv) Dividends received from the integral joint ventures is amounting to ₪ 1,756 million (2023: ₪ 1,787 million) and from the associates and non-integral joint ventures is ₪ 842 million (2023: ₪ 1,137 million).



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The movement of investments in associates is as follows:

	CLARIANT	MPC	ALBA	MWSPC	MARAFIQ	GPIC	NCC	DUSSUR	ARG	NUSANED FUNDS	GPDC	MALLINDA	GARMCO	Total
As at 1 January 2023	8,076,945	3,883,110	3,738,418	2,091,643	1,455,221	869,901	379,455	593,715	154,895	34,168	32,138	912	-	21,310,521
Capital contribution	-	-	-	-	-	-	-	-	-	7,697	-	-	37	7,734
Share of results (i)	(619,805)	330,376	215,203	170,578	55,955	109,789	183,249	(52,719)	33,981	(3,164)	-	-	(1)	423,442
Impairment (refer Note 10.1)	(367,500)	-	-	-	-	-	-	-	-	-	-	(912)	-	(368,412)
Movements in OCI	612,559	-	(1,282)	-	-	5,723	-	-	5,208	-	1,003	-	(27)	623,184
Dividends received	(181,750)	(450,000)	(287,898)	(56,250)	(96,250)	-	-	-	(17,036)	-	-	-	-	(1,089,184)
Others	-	-	-	-	-	-	-	-	(5,931)	-	-	-	-	(5,931)
As at 31 December 2023	7,520,449	3,763,486	3,664,441	2,205,971	1,414,926	985,413	562,704	540,996	171,117	38,701	33,141	-	9	20,901,354

(i) The Group’s share of results in associates’ net income is recognised after fair value adjustments and changes in estimated results.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The movement of investments in joint ventures is as follows:

	KEMYA	SHARQ	SSTPC	YANPET	SSNC	COSMAR	FUJIAN	USG	TAKAMUL	SPEAR	AESSC	SPMC	IHC	EIHL	Total
As at 1 January 2023	6,158,686	5,370,901	3,721,375	3,002,952	730,076	460,552	326,418	272,700	173,142	97,438	33,734	25,334	2,934	-	20,376,242
Capital contribution (i)	-	-	-	-	-	67,112	180,760	-	-	-	-	-	4,050	-	251,922
Acquisitions (i)	-	-	-	-	-	-	-	-	-	-	-	-	-	1,207,684	1,207,684
Share of results (ii) (iii)	705,606	(340,579)	(375,508)	566,432	168,068	(83,148)	(14,319)	27,680	-	(5,397)	(4,016)	(5,176)	(491)	58,538	697,690
Impairment	-	-	-	-	-	-	-	-	-	-	(29,718)	-	-	-	(29,718)
Movements in OCI	(15,097)	(17,779)	(107,391)	(11,067)	(11,021)	-	(15,231)	8,990	-	2,921	-	-	-	-	(165,675)
Dividends received (iv)	(1,008,684)	(181,814)	-	(596,976)	(37,500)	-	-	(10,157)	-	-	-	-	-	-	(1,835,131)
Others	14,348	-	-	(8,273)	-	-	-	-	-	-	-	-	-	-	6,075
Reclassified to assets held for sale	-	-	-	-	-	-	-	-	(173,142)	-	-	-	-	-	(173,142)
As at 31 December 2023	5,854,859	4,830,729	3,238,476	2,953,068	849,623	444,516	477,628	299,213	-	94,962	-	20,158	6,493	1,266,222	20,335,947

- (i) The total capital contributions and acquisitions in associates and joint ventures is amounting to ﷲ1,467 million (2022: ﷲ749 million).
- (ii) The Group's share of results in joint ventures' net income is recognised after fair value adjustments and changes in estimated results.
- (iii) Share of results includes the share of results of integral joint ventures related to SHARQ, YANPET and KEMYA amounting to ﷲ931 million (2022: ﷲ1,722 million) and this has been presented in the consolidated statement of income before income from operations.
- (iv) Dividends received from the integral joint ventures is amounting to ﷲ1,787 million (2022: ﷲ2,538 million) and from the associates and non-integral joint ventures is ﷲ1,137 million (2022: ﷲ1,293 million).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

### 10.1 INVESTMENT IN CLARIANT A.G. (“CLARIANT”)

SABIC owns 31.50% of the shares in CLARIANT, a global specialty chemicals company listed at the Swiss stock exchange (“SIX”). The investment is accounted for as an associate using the equity method in these consolidated financial statements.

During the year ended 31 December 2024, the share price of CLARIANT has declined from CHF 12.42 as at 31 December 2023 to CHF 10.09 as at 31 December 2024, mainly due to global market challenges.

The reduction of the share price to CHF 10.09, being the first source for investment assessment, triggered an impairment of ₪1,170 million during the year ended 31 December 2024 (2023: ₪368 million), which has been recognised and presented within ‘share of results of non-integral joint ventures and associates’ in the consolidated statement of income and consolidated statement of cash flows.

As at 31 December 2024, the carrying amount of investment in CLARIANT is ₪5,688 million (2023: ₪7,520 million), which also represents its recoverable amount.

### 10.2 ACQUISITION OF JOINT VENTURE

On 19 Ramadan 1444H (corresponding to 10 April 2023), SABIC Agri-Nutrients Investment Company (“SANIC”), a subsidiary of SABIC Agri-Nutrients Company completed the acquisition procedure of 49% shareholding in ETG Inputs Holdco Limited (“EIHL”) by virtue of receipt of regulatory approvals in compliance with the terms and conditions of acquisition agreement.

The investment is recognised as a joint venture investment under equity method of accounting.

During the year ended 31 December 2024, the Group concluded the provisional price exercise to determine the fair values of the net identifiable assets attributable to the acquisition of 49% shareholding in EIHL and its subsidiaries.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

### 10.3 SUMMARISED FINANCIAL INFORMATION OF MATERIAL ASSOCIATES

The tables below provide summarised financial information of the material associates of the Group. The information disclosed reflects the amounts presented in the available financial statements of the relevant investee and not SABIC's share of those amounts.

As at 31 December 2024	MPC	MARAFIQ (i)	MWSPC	Clariant (ii)
<b>Current assets</b>				
Cash and cash equivalents	4,707,225	1,194,342	3,023,019	1,531,206
Others	3,672,510	2,346,708	3,169,071	8,095,889
Total current assets	8,379,735	3,541,050	6,192,090	9,627,095
Non-current assets	11,873,697	19,408,372	23,104,827	16,747,826
<b>Current liabilities</b>				
Financial liabilities (excluding trade and other payables)	3,593,664	1,169,402	812,929	2,879,829
Others	2,082,191	1,682,947	3,038,511	3,323,838
Total current liabilities	5,675,855	2,852,349	3,851,440	6,203,667
Non-current liabilities	1,005,668	11,995,819	13,310,782	10,423,820
Net assets	13,571,909	8,101,254	12,134,695	9,747,434

<b>Reconciliation:</b>				
Group's share	30%	17.5%	15%	31.5%
Group's share in associate	4,071,573	1,417,719	1,820,204	3,070,442
Intangible / goodwill	-	-	468,423	6,655,763
Impairment	-	-	-	(4,062,465)
Estimated year end result / dividends paid (iii) / others	(35,164)	37,501	11,684	23,961
Carrying amount	4,036,409	1,455,220	2,300,311	5,687,701

For the year ended 31 December 2024	MPC	MARAFIQ (i)	MWSPC	Clariant (ii)
Revenue	7,816,570	5,175,111	7,399,773	8,589,693
Depreciation and amortisation	(915,951)	(926,126)	(1,111,961)	493,804
Interest income	205,332	51,796	155,758	74,693
Interest expense	(295,161)	(377,847)	(897,272)	(91,291)
Zakat and Income tax expense	(155,179)	(40,655)	(103,612)	(203,331)
Net income for the year	2,130,900	294,115	1,052,050	730,331
Other comprehensive income for the year	(5,517)	(33,236)	(11,691)	647,339
Total comprehensive income for the year	2,125,383	260,879	1,040,359	1,377,670

<b>Reconciliation:</b>				
Group's share	30%	17.50%	15%	31.5%
Group's share in associate	639,270	51,470	157,808	230,054
Share in earnings (iii)	531,673	56,079	94,340	208,251

- (i) The information provided for MARAFIQ is as at 30 September 2024 and for the 9 months ended 30 September 2024, being the last financial period publicly available.
- (ii) The information provided for CLARIANT is as at 30 June 2024 and for the 6 months ended 30 June 2024, being the last financial period publicly available.
- (iii) Carrying amount of the investments and Group's share in associates are based on estimated results and include inter-group profit elimination, zakat, income tax and other adjustments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

### 10.3 SUMMARISED FINANCIAL INFORMATION OF MATERIAL ASSOCIATES (CONTINUED)

As at 31 December 2023	MPC	MARAFIQ (i)	ALBA	MWSPC (ii)	Clariant (iii)
Current assets					
Cash and cash equivalents	1,817,047	1,136,890	589,192	1,191,334	1,189,003
Others	4,848,374	2,044,709	5,739,170	4,431,352	8,068,532
Total current assets	6,665,421	3,181,599	6,328,362	5,622,686	9,257,535
Non-current assets	12,085,018	19,939,237	18,902,020	23,968,252	14,430,740
Current liabilities					
Financial liabilities (excluding trade and other payables)	1,429,187	837,678	2,022,196	617,924	2,569,915
Others	573,459	1,449,494	1,652,301	2,817,527	3,496,086
Total current liabilities	2,002,646	2,287,172	3,674,497	3,435,451	6,066,001
Non-current liabilities	4,551,267	12,667,803	3,877,432	14,571,835	6,992,171
Net assets	12,196,526	8,165,861	17,678,453	11,583,652	10,630,103
Reconciliation:					
Group's share	30.00%	17.50%	20.62%	15.00%	31.50%
Group's share in associate	3,658,958	1,429,026	3,645,297	1,737,548	3,348,482
Intangible / goodwill	-	-	-	468,423	8,094,449
Impairment	-	-	-	-	(2,860,755)
Estimated year end result / dividends paid (iv) / others	104,528	(14,100)	19,144	-	(1,061,727)
Carrying amount	3,763,486	1,414,926	3,664,441	2,205,971	7,520,449

For the year ended 31 December 2023	MPC	MARAFIQ (i)	ALBA	MWSPC (ii)	Clariant (iii)
Revenue	6,770,362	4,766,019	15,254,537	7,313,593	9,528,711
Depreciation and amortisation	(1,142,455)	(875,374)	(1,322,847)	(1,081,192)	(500,633)
Interest income	134,748	81,425	-	162,439	54,235
Interest expense	(265,225)	(401,476)	(614,862)	(995,751)	(187,737)
Zakat and Income tax expense	(121,166)	(37,464)	(1,650)	(320,333)	166,878
Net income for the year	761,627	454,157	1,166,142	1,259,410	959,546
Reconciliation:					
Group's share	30.00%	17.50%	20.62%	15.00%	31.50%
Group's share in associate	228,488	79,477	240,458	188,912	302,257
Share in earnings (iv)	330,376	55,955	215,203	170,578	(619,805)

- (i) The information provided for MARAFIQ is as at 30 September 2023 and for the 9 months ended 30 September 2023, being the last financial period publicly available.
- (ii) The Group's investment in MWSPC includes additional contribution made to one of the shareholders in relation to mineral rights.
- (iii) The information provided for CLARIANT is as at 30 June 2023 and for the 6 months ended 30 June 2023, being the last financial period publicly available.
- (iv) Carrying amount of the investments and Group's share in associates are based on estimated results and include inter-group profit elimination, zakat, income tax and other adjustments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

### 10.4 SUMMARISED FINANCIAL INFORMATION OF MATERIAL JOINT VENTURES

The tables below provide the summarised financial information of material joint ventures of the Group. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not SABIC's share of those amounts.

As at 31 December 2024	SSTPC	SHARQ	YANPET	KEMYA	EIHL (i)
<b>Current assets</b>					
Cash and cash equivalents	276,723	267,357	665,268	156,315	497,934
Others	2,356,169	4,180,648	3,444,185	3,563,853	2,711,465
<b>Total current assets</b>	<b>2,632,892</b>	<b>4,448,005</b>	<b>4,109,453</b>	<b>3,720,168</b>	<b>3,209,399</b>
<b>Non-current assets</b>	<b>8,898,987</b>	<b>9,254,081</b>	<b>4,406,656</b>	<b>9,427,721</b>	<b>464,651</b>
<b>Current liabilities</b>					
Financial liabilities (excluding trade and other payables)	2,089,796	18,297	14,158	198,694	1,332,034
Others	1,645,208	2,314,401	1,654,884	1,314,897	732,450
<b>Total current liabilities</b>	<b>3,735,004</b>	<b>2,332,698</b>	<b>1,669,042</b>	<b>1,513,591</b>	<b>2,064,484</b>
<b>Non-current liabilities</b>	<b>2,382,226</b>	<b>2,429,774</b>	<b>1,214,201</b>	<b>1,321,831</b>	<b>89,452</b>
<b>Net assets</b>	<b>5,414,649</b>	<b>8,939,614</b>	<b>5,632,866</b>	<b>10,312,467</b>	<b>1,520,114</b>
<b>Reconciliation:</b>					
Group's share	50.00%	50.00%	50.00%	50.00%	49.00%
Group's share in joint venture	2,707,325	4,469,807	2,816,433	5,156,234	744,856
Intangible / goodwill	-	-	-	-	417,848
Impairment	-	-	-	-	-
Estimated year end result / dividends paid / others	(5,009)	12,275	(12,366)	273,747	38,151
<b>Carrying amount</b>	<b>2,702,316</b>	<b>4,482,082</b>	<b>2,804,067</b>	<b>5,429,981</b>	<b>1,200,854</b>

For the year ended 31 December 2024	SSTPC	SHARQ	YANPET	KEMYA	EIHL (i)
Revenue	10,271,830	8,179,415	5,749,491	8,280,591	5,218,700
Depreciation and amortisation	(675,541)	(1,540,032)	(601,257)	(804,619)	(23,218)
Interest income	-	5,503	37,415	8,237	-
Interest expense	(77,609)	(46,103)	(61,946)	(38,304)	(137,473)
Net income before income tax and zakat (ii)	(895,675)	(474,353)	1,095,862	1,072,136	261,856
Zakat and income tax benefit / (expense)	-	(8,418)	(167,055)	(159,233)	(7,618)
Net (loss) income for the year	(895,675)	(482,771)	928,807	912,903	254,238
Other comprehensive income (loss)	-	-	-	-	-
<b>Total comprehensive income</b>	<b>(895,675)</b>	<b>(482,771)</b>	<b>928,807</b>	<b>912,903</b>	<b>254,238</b>
<b>Reconciliation:</b>					
Group's share	50.00%	50.00%	50.00%	50.00%	49.00%
Group's share of earnings in joint venture	(447,837)	(241,386)	464,404	456,452	124,577
Share of earnings (ii)	(452,574)	(282,646)	530,510	517,294	68,640

- (i) For EIHL, the excess consideration pertains to difference between the book value of the share of net assets and the consideration paid by the Group to acquire the investment.
- (ii) For the KSA based joint ventures, namely SHARQ, YANPET and KEMYA the net income has been adjusted with zakat expenses to reflect the carrying value of the investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

### 10.4 SUMMARISED FINANCIAL INFORMATION OF MATERIAL JOINT VENTURES (CONTINUED)

As at 31 December 2023	SSTPC	SHARQ	YANPET	KEMYA	EIHL (i)
Current assets					
Cash and cash equivalents	1,575,967	479,829	830,702	501,988	309,862
Others	1,301,016	3,045,505	3,420,111	3,947,653	2,749,113
Total current assets	2,876,983	3,525,334	4,250,813	4,449,641	3,058,975
Non-current assets	9,936,994	10,244,932	4,556,050	10,021,270	317,227
Current liabilities					
Financial liabilities (excluding trade and other payables)	900,801	3,574	8,118	5,130	989,365
Others	2,365,346	1,613,895	1,548,241	1,864,248	823,851
Total current liabilities	3,266,147	1,617,469	1,556,359	1,869,378	1,813,216
Non-current liabilities	3,050,437	2,583,208	1,190,981	1,355,224	80,454
Net assets	6,497,393	9,569,589	6,059,523	11,246,309	1,482,532
Reconciliation:					
Group's share	50.00%	50.00%	50.00%	50.00%	49.00%
Group's share in joint venture	3,248,697	4,784,795	3,029,762	5,623,155	726,441
Intangible / goodwill	-	-	-	-	417,848
Impairment	-	-	-	-	-
Estimated year end result / dividends paid / others	(10,221)	45,934	(76,694)	231,704	121,933
Carrying amount	3,238,476	4,830,729	2,953,068	5,854,859	1,266,222

For the year ended 31 December 2023	SSTPC	SHARQ	YANPET	KEMYA	EIHL (i)
Revenue	9,818,820	7,489,422	5,594,163	8,973,967	3,628,072
Depreciation and amortisation	(695,339)	(1,391,437)	(557,719)	(791,555)	-
Interest income	60,163	1,309	27,154	12,620	6,359
Interest expense	(108,463)	(43,956)	(64,575)	(60,657)	(74,159)
Net income before income tax and zakat (ii)	(971,162)	(630,430)	1,217,431	1,541,126	163,315
Zakat and income tax benefit / (expense)	224,432	31,438	(175,843)	(138,043)	25,227
Net (loss) income for the year	(746,730)	(598,992)	1,041,588	1,403,083	188,542
Other comprehensive income (loss)	-	(32,002)	(19,919)	(27,175)	(58,531)
Total comprehensive income	(746,730)	(630,994)	1,021,669	1,375,908	130,011
Reconciliation:					
Group's share	50.00%	50.00%	50.00%	50.00%	49.00%
Group's share of earnings in joint venture	(373,365)	(299,496)	520,794	701,542	92,386
Share of earnings (ii)	(375,508)	(340,579)	566,432	705,606	58,538

- (i) For EIHL, the excess consideration pertains to difference between the book value of the share of net assets and the consideration paid by the Group to acquire the investment.
- (ii) For the KSA based joint ventures, namely SHARQ, YANPET and KEMYA the net income has been adjusted with zakat expenses to reflect the carrying value of the investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 10. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

### 10.5 FINANCIAL PERFORMANCE OF INVESTMENTS IN INDIVIDUALLY IMMATERIAL ASSOCIATES AND JOINT VENTURES

For the years ended 31 December	2024		2023	
	Individually immaterial associates	Individually immaterial joint ventures	Individually immaterial associates	Individually immaterial joint ventures
Net income for the year	1,164,600	329,054	1,161,456	96,465
Other comprehensive (loss) income	(58,572)	(660,167)	40,486	(28,085)
<b>Total comprehensive income (loss)</b>	<b>1,106,028</b>	<b>(331,113)</b>	<b>1,201,942</b>	<b>68,380</b>

### 10.6 MARKET VALUE OF LISTED ASSOCIATES

The market value of the Group's investment in CLARIANT and MARAFIQ based on its trading price at 31 December 2024 is ₪ 4,378 million and ₪ 2,398 million respectively (2023: ₪ 5,782 million and ₪ 2,835 million respectively).

## 11. INVESTMENTS IN DEBT INSTRUMENTS AND SHORT-TERM INVESTMENTS

### INVESTMENTS IN DEBT INSTRUMENTS

As at 31 December	Remaining Maturity	Interest rate	2024	2023
<b>Non-conventional</b>				
Fixed rate long-term debt instruments	18 years	5.06%	187,429	187,429
Floating rate long-term debt instruments	13 years	SAIBOR variable rate plus margin	145,029	145,029
<b>Total investments in debt instruments</b>			<b>332,458</b>	<b>332,458</b>

### SHORT-TERM INVESTMENTS

As at 31 December	Remaining Maturity	Interest rate	2024	2023
<b>Non-conventional</b>				
Fixed rate long-term debt instruments	Less than 12 months	5.06%	3,637	471
Floating rate long-term debt instruments (i)	Less than 12 months	SAIBOR variable rate plus margin	487	54,062
Murabaha (including fixed term deposits)	Greater than 3 months and less than 12 months	Fixed rate	6,745,142	9,012,670
<b>Total non-conventional</b>			<b>6,749,266</b>	<b>9,067,203</b>
<b>Conventional</b>				
Conventional fixed term deposits			681,767	615,188
Certificates of deposits			237,774	160,226
<b>Total conventional</b>			<b>919,541</b>	<b>775,414</b>
<b>Total short-term investments</b>			<b>7,668,807</b>	<b>9,842,617</b>

(i) During the year ended 31 December 2024, Saudi Electric Company SUKUK was matured amounting to ₪ 50 million.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 11. INVESTMENTS IN DEBT INSTRUMENTS AND SHORT-TERM INVESTMENTS (CONTINUED)

### LONG-TERM DEBT CURRENCY EXPOSURE

	2024	2023
SR	145,516	196,084
USD	191,066	190,907
	336,582	386,991

## 12. INVESTMENTS IN EQUITY INSTRUMENTS

Carrying value of the investments in equity instruments are as follows:

As at 31 December	2024	2023
<b>Unlisted securities</b>		
Equity securities measured at FVOCI	253,402	232,794
<b>Listed securities</b>		
Investment in equity fund measured at FVIS	-	3,691
	253,402	236,485

During the years ended 31 December 2024 and 2023, no investment was reclassified from 'investments in equity instruments' to 'investments in associates and joint ventures'.

Movement in the equity instruments measured at fair value for the years ended 31 December 2024 and 2023 is as follows:

	2024	2023
As at 1 January	236,485	235,419
Additions	42,124	29,770
Foreign currency translation difference	(4,853)	329
Sale of equity instrument	(447)	(23,659)
Change in fair value	(19,297)	(2,384)
Transfer from / to debt instruments and other assets	(610)	(2,990)
<b>As at 31 December</b>	<b>253,402</b>	<b>236,485</b>

## 13. DERIVATIVE FINANCIAL INSTRUMENTS

As at 31 December	2024	2023
Financial assets - option rights	3,669,688	3,745,176
	3,669,688	3,745,176
Financial liabilities – options and forward contracts	1,095,000	1,438,875
Obligations to acquire the remaining shares of certain subsidiaries	880,894	572,269
	1,975,894	2,011,144

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 14. OTHER ASSETS AND RECEIVABLES

As at 31 December	2024	2023
<b>Non-current:</b>		
Employee advances and receivables (i)	3,523,623	3,399,222
Receivable from PIF (ii)	1,793,503	-
Receivables from related parties (iii)	1,216,692	1,467,811
Loan receivables from related parties (refer Note 33) (iv)	736,920	649,326
Finance lease receivables (refer Note 39)	119,678	202,490
Receivables against dilution of investment	-	101,845
Miscellaneous (v)	629,818	190,572
	8,020,234	6,011,266
<b>Current:</b>		
Receivable from PIF (ii)	3,032,588	-
Tax receivable	2,223,915	1,681,945
Prepaid expenses	1,981,447	1,754,700
Receivables from related parties (iii)	1,741,192	836,789
Employee advances and receivables (i)	313,222	569,433
Trade advances	221,329	97,068
Current portion of loan receivable from related parties (refer Note 33) (iv)	37,086	13,934
Miscellaneous (v)	747,583	341,286
	10,298,362	5,295,155

- (i) Employee advances and receivables represent receivables from employees mainly related to Housing Ownership Program (“HOP”) and employee home loans.
- (ii) Receivables from PIF, to be received in next two years, are presented net of discounting impact and recognised as a 'financial asset at amortised cost' in accordance with IFRS 9 'Financial Instruments'.
- (iii) Receivables from related parties mainly relate to operations and production advances, under Joint Ownership and Production Agreement with integral joint ventures. These production advances are amortised on a straight-line basis over the estimated useful life of the related assets (refer Note 25 (i)).
- (iv) Loans receivable from certain associates and joint ventures are at normal market rates.
- (v) Miscellaneous include long-term receivable against sale of Film & Sheet (“F&S”) business amounting to ﷲ 375 million (refer note 35.2) and insurance claims.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

As at 31 December 2024

	Notes	Total	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVIS	Financial assets at FVOCI	Fair value	Level I	Level II	Level III
<b>Financial assets</b>									
Investments in debt instruments:									
- Fixed	11	191,066	191,066	-	-	191,066	-	191,066	-
- Floating	11	145,516	145,516	-	-	145,516	-	145,516	-
Investment in equity instruments	12	253,402	-	-	253,402	253,402	-	38,390	215,012
Trade receivables (i)	17	20,439,823	20,439,823	-	-	N/A	-	-	-
Short-term investments:									
- Fixed term deposits	11	7,426,909	7,426,909	-	-	N/A	-	-	-
- Certificates of deposits	11	237,774	-	237,774	-	237,774	-	237,774	-
Cash and cash equivalents:									
- Cash and bank balances	18	9,133,745	9,133,745	-	-	N/A	-	-	-
- Fixed term deposits	18	21,405,923	21,405,923	-	-	N/A	-	-	-
Derivatives financial instruments	13	3,669,688	-	3,669,688	-	3,669,688	-	-	3,669,688
Other financial assets (ii)		9,223,333	9,223,333	-	-	N/A	-	-	-
		72,127,179	67,966,315	3,907,462	253,402	4,497,446	-	612,746	3,884,700
<b>Financial liabilities</b>									
Debt	22	30,269,004	30,269,004	-	-	29,231,085	6,510,019	22,721,066	-
Lease liabilities	22	4,929,065	4,929,065	-	-	N/A	-	-	-
Trade payables	26	19,793,604	19,793,604	-	-	N/A	-	-	-
Derivatives financial instruments	13	1,095,000	-	1,095,000	-	1,095,000	-	-	1,095,000
Obligations to acquire the remaining shares of certain subsidiaries	13	880,894	-	880,894	-	880,894	-	-	880,894
Other financial liabilities (ii)		8,693,436	8,693,436	-	-	N/A	-	-	-
		65,661,003	63,685,109	1,975,894	-	31,206,979	6,510,019	22,721,066	1,975,894

The Group assessed fair value of short-term investments, cash and cash equivalents, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(i) The trade receivables are disclosed net of expected credit losses.

(ii) Other financial assets mainly include receivable from PIF, finance lease receivables and loans to related parties, net of expected credit losses, where applicable. Other financial liabilities mainly include dividend payable.

N/A = not applicable

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

As at 31 December 2023

	Notes	Total	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVIS	Financial assets at FVOCI	Fair value	Level I	Level II	Level III
<b>Financial assets</b>									
Investments in debt instruments:									
- Fixed	11	187,900	187,900	-	-	176,719	-	176,719	-
- Floating	11	199,091	199,091	-	-	199,091	-	199,091	-
Investment in equity instruments	12	236,485	-	3,691	232,794	236,485	3,691	35,555	197,239
Trade receivables (i)	17	19,295,374	19,295,374	-	-	N/A	-	-	-
Short-term investments:									
- Fixed term deposits	11	9,627,858	9,627,858	-	-	N/A	-	-	-
- Certificates of deposits	11	160,226	-	160,226	-	160,226	-	160,226	-
Cash and cash equivalents:									
- Cash and bank balances	18	11,474,217	11,474,217	-	-	N/A	-	-	-
- Fixed term deposits	18	20,940,779	20,940,779	-	-	N/A	-	-	-
Derivatives financial instruments	13	3,745,176	-	3,745,176	-	3,745,176	-	-	3,745,176
Other financial assets (ii)		3,816,759	3,816,759	-	-	N/A	-	-	-
		69,683,865	65,541,978	3,909,093	232,794	4,517,697	3,691	571,591	3,942,415
<b>Financial liabilities</b>									
Debt	22	27,970,946	27,970,946	-	-	26,979,194	6,640,257	20,338,937	-
Lease liabilities	22	5,525,821	5,525,821	-	-	N/A	-	-	-
Trade payables	26	20,087,016	20,087,016	-	-	N/A	-	-	-
Derivatives financial instruments	13	1,438,875	-	1,438,875	-	1,438,875	-	-	1,438,875
Obligations to acquire the remaining shares of certain subsidiaries	13	572,269	-	572,269	-	572,269	-	-	572,269
Other financial liabilities (ii)		7,645,800	7,645,800	-	-	N/A	-	-	-
		63,240,727	61,229,583	2,011,144	-	28,990,338	6,640,257	20,338,937	2,011,144

The Group assessed fair value of short-term investments, cash and cash equivalents, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(i) The trade receivables are disclosed net of expected credit losses.

(ii) Other financial assets include lease receivables, loans to related parties, net of expected credit losses, where applicable. Other financial liabilities include dividend payable and payables to related parties.

N/A = not applicable

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

The Group's exposure to various risks associated with the financial instruments is discussed in Note 37. The maximum exposure to credit risk at the end of the reporting year is the carrying amount of each class of financial assets mentioned above.

The following methods and assumptions were used to estimate the fair values:

- Fair value of the quoted bonds is the respective market price at the reporting date. The fair value of unquoted debt instruments, loans from banks and other financial liabilities as well as other non-current financial liabilities is estimated by discounting future cash flows using market rates for debt instruments with similar terms, credit risk and maturities.
- When there are no quoted prices in the market to determine the fair value of equity instruments, the Group makes certain assumptions in valuation for model inputs, including information derived from comparable transactions. The probabilities of the various estimates within a range can be reasonably assessed in the Group's estimate of fair value for these unquoted equity investments. Fair values of quoted equity investments are derived from quoted prices in active markets, when a proxy is required.

The following table summarises the information about the significant non-observable inputs used in level 3 fair value measurements:

Description	Valuation technique	Significant non-observable input	Range	
			2024	2023
Derivative financial instruments	Market approach	<b>Put options and forward contracts:</b>		
		Equity value to EBITDA multiple	5.97	5.4
		<b>Call option valuation:</b>		
		Implied volatility	25% to 28%	25% to 30%
		Assumed dividend yield	8.5% to 14.2%	8.5% to 14.2%
		Risk free rate	4.5% to 5.1%	3.9% to 4.3%

A change in the assumptions underlying the valuation of the options of +/- 10% would reflect in a change in the value of the call option up to approximately +/- ₪ 680 million and approximately +/- ₪ 180 million in the value of the put/call options (31 December 2023: change of approximately +/- ₪ 654 million and +/- ₪ 206 million in value of call option and put/call options respectively).

There is no material unquoted equity instrument at FVOCI to be disclosed separately.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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### 15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

The following table presents the changes in level 3 items for the years ended 31 December 2024 and 31 December 2023:

	Unlisted equity instruments	Derivatives financial assets	Derivatives financial liabilities	Obligations to acquire the remaining shares of certain subsidiaries
As at 1 January 2023	197,517	2,687,250	(2,373,750)	(554,860)
Additions	29,770	-	-	-
Sale of equity instrument	(5,599)	-	-	-
Net movement in unrealised fair value gain (loss)	(21,725)	1,057,926	934,875	(17,409)
Net movement in unrealised foreign currency translation	329	-	-	-
Net movement in realised fair value loss	(3,053)	-	-	-
As at 31 December 2023	197,239	3,745,176	(1,438,875)	(572,269)
Additions	40,265	-	-	-
Sale of equity instrument	(5)	-	-	-
Net movement in unrealised fair value (loss) gain	(17,633)	(75,488)	343,875	(308,625)
Net movement in unrealised foreign currency translation	(4,854)	-	-	-
As at 31 December 2024	215,012	3,669,688	(1,095,000)	(880,894)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 16. INVENTORIES

As at 31 December	2024	2023
Finished goods	12,186,150	12,085,716
Spare parts	3,952,236	3,841,443
Raw materials	2,452,960	2,931,752
Goods in transit	1,693,019	1,134,260
	20,284,365	19,993,171
Less: Provision for slow moving and obsolete items	(1,470,784)	(1,660,948)
	18,813,581	18,332,223

During the year ended 31 December 2024, net reversal of write-downs of finished goods amounted to ₪ 16 million (2023: net reversal of write-downs of finished goods amounted to ₪ 613 million) which were recognised in cost of sales.

Movements in the provision for slow moving and obsolete inventories were as follows:

	2024	2023
As at 1 January	1,660,948	1,840,588
(Release) charge for the year, net	(190,164)	41,972
Reclassified to assets held for sale	-	(221,612)
As at 31 December	1,470,784	1,660,948

The reversal is essentially due to consumption or utilisation of certain inventory items.

## 17. TRADE RECEIVABLES

As at 31 December	2024	2023
Trade receivables	17,721,406	15,573,135
Due from related parties (refer Note 33)	2,862,177	3,920,479
	20,583,583	19,493,614
Less: Allowance for expected credit losses	(143,760)	(198,240)
	20,439,823	19,295,374

Accounts receivables are non-interest bearing and are generally between 30 – 120 days terms.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 17. TRADE RECEIVABLES (CONTINUED)

As at 31 December the ageing analysis of trade receivables along with related expected credit loss is as follows:

31 December 2024	Total	Current	Less than 60 days	60-90 days	91-180 Days	181-365 days	More than one year
Expected credit loss rate	0.70%	0.03%	0.35%	8.61%	1.56%	6.62%	34.12%
Gross carrying amount	20,583,583	19,046,583	453,612	21,585	443,789	302,657	315,357
Expected credit loss	143,760	5,737	1,585	1,858	6,942	20,026	107,612

31 December 2023	Total	Current	Less than 60 days	60-90 days	91-180 Days	181-365 days	More than one year
Expected credit loss rate	1.02%	0.07%	0.58%	3.48%	18.28%	75.33%	95.30%
Gross carrying amount	19,493,614	18,612,715	623,425	3,048	62,827	61,948	129,651
Expected credit loss	198,240	12,767	3,597	106	11,482	46,665	123,623

Movements in the allowance for expected credit losses were as follows:

	2024	2023
As at 1 January	198,240	185,940
Charge for the year	-	26,317
Reversals during the year	(54,480)	(13,593)
Reclassified to assets held for sale	-	(424)
As at 31 December	143,760	198,240



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents can be broken down as follows:

As at 31 December	2024	2023
Cash in hand	869	1,277
Call account	2	2
Murabaha call accounts	938,054	461,112
Non-conventional current accounts	4,485,193	7,714,636
Conventional current accounts	3,709,627	3,297,190
	9,132,876	11,472,940
Conventional fixed term deposits	157,670	112,500
Murabaha fixed term deposits	21,248,253	20,828,279
	21,405,923	20,940,779
	30,539,668	32,414,996
Conventional cash and cash equivalents	3,867,299	3,409,693
Non-conventional cash and cash equivalents	26,672,369	29,005,303
	30,539,668	32,414,996

At 31 December 2024, the Group has funds amounting to ₪1,126 million (31 December 2023: ₪ 977 million) that are held in separate bank accounts within KSA related to unclaimed dividend and cannot be used as part of normal business operations.

The table below provides details of amounts placed in various currencies:

As at 31 December	2024	2023
SR	17,731,102	14,252,806
USD	10,638,751	16,010,074
Others	2,169,815	2,152,116
	30,539,668	32,414,996

## CASH FLOWS RELATED DISCLOSURES

Cash and cash equivalents can be broken down as follows:

As at 31 December	2024	2023
Cash and cash equivalents	30,539,668	32,414,996
Less: Short-term borrowings (bank overdraft, refer Note 22)	(3,259)	(3,267)
	30,536,409	32,411,729

Bank overdrafts are used in the normal business operations of the Group and represent cash balances that cannot be legally off-set.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 18. CASH AND CASH EQUIVALENTS (CONTINUED)

### CASH FLOWS RELATED DISCLOSURES (CONTINUED)

Change in liabilities arising from financing activities can be broken down as follows:

	As at 1 January 2024	Cash inflows	Cash outflows	Interest paid	Other non-cash movements	As at 31 December 2024
Debt (i)	27,967,679	12,643,750	(10,405,275)	(1,875,754)	1,935,345	30,265,745
Lease (ii)	5,525,821	-	(1,075,329)	(254,246)	732,819	4,929,065
Dividends to shareholders (iii)	5,933,460	-	(10,100,547)	-	10,200,000	6,032,913
Dividends to non-controlling interests (iv)	1,069,875	-	(2,618,770)	-	2,987,818	1,438,923
	40,496,835	12,643,750	(24,199,921)	(2,130,000)	15,855,982	42,666,646

	As at 1 January 2023	Cash inflows	Cash outflows	Interest paid	Other non-cash movements	As at 31 December 2023
Debt (i)	28,419,052	9,000,000	(9,706,174)	(1,733,426)	1,988,227	27,967,679
Lease (ii)	6,374,077	-	(1,480,851)	(255,712)	888,307	5,525,821
Dividends to shareholders (iii)	1,134,421	-	(11,400,961)	-	16,200,000	5,933,460
Dividends to non-controlling interests (iv)	192,200	-	(5,316,568)	-	6,194,243	1,069,875
	36,119,750	9,000,000	(27,904,554)	(1,989,138)	25,270,777	40,496,835

- (i) Other non-cash movements mainly refer to interest attributable to debt.
- (ii) Other non-cash movements mainly refer to additions to leases, interest expenses, foreign exchange differences, remeasurement and lease liabilities reclassified to liabilities directly associated with assets held for sale.
- (iii) Other non-cash movements mainly refer to appropriation for dividends from retained earnings.
- (iv) Other non-cash movements mainly refer to appropriation for NCI dividends.

## 19. SHARE CAPITAL

As at 31 December	2024	2023
Authorised shares:		
Ordinary shares of ﷵ10 each (‘000)	3,000,000	3,000,000
Ordinary shares issued and fully paid of ﷵ10 each (‘000)	3,000,000	3,000,000
Issued and paid capital	30,000,000	30,000,000

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 20. RESERVES

### GENERAL RESERVE

In accordance with SABIC’s By-Laws, the General Assembly can establish a general reserve as an appropriation of retained earnings. This general reserve can be increased or decreased by a resolution of the shareholders and is available for distribution.

### OTHER RESERVES

The following table shows a breakdown of other reserves and the movements during the year:

	Equity instruments	Foreign currency translation	Actuarial gain (loss)	Cash flow hedge	Total
As at 1 January 2024	44,551	(3,750,814)	2,110,741	18,965	(1,576,557)
Exchange difference on translation	-	(1,255,981)	-	-	(1,255,981)
Re-measurement gain on defined benefit plans, net of tax	-	-	325,621	-	325,621
Net change on revaluation of investments in equity instruments classified as FVOCI	(19,297)	-	-	-	(19,297)
Share of other comprehensive loss of associates and joint ventures	-	(837,411)	(135,099)	(11,856)	(984,366)
Other comprehensive (loss) income for the year	(19,297)	(2,093,392)	190,522	(11,856)	(1,934,023)
Reclassification of re-measurement gain on defined benefit plans related to discontinued operation	-	-	(601,895)	-	(601,895)
As at 31 December 2024	25,254	(5,844,206)	1,699,368	7,109	(4,112,475)

	Equity instruments	Foreign currency translation	Actuarial gain (loss)	Cash flow hedge	Total
As at 1 January 2023	46,935	(4,630,029)	2,621,190	30,749	(1,931,155)
Exchange difference on translation	-	538,423	-	-	538,423
Re-measurement loss on defined benefit plans, net of tax	-	-	(638,950)	-	(638,950)
Net change on revaluation of investments in equity instruments classified as FVOCI	(2,384)	-	-	-	(2,384)
Share of other comprehensive income (loss) of associates and joint ventures	-	340,792	128,501	(11,784)	457,509
Other comprehensive (loss) income for the year	(2,384)	879,215	(510,449)	(11,784)	354,598
As at 31 December 2023	44,551	(3,750,814)	2,110,741	18,965	(1,576,557)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 21. NON-CONTROLLING INTERESTS

Below is the summarised financial information disclosed for each consolidated subsidiary in which the Group has less than full ownership with non-controlling interests that are significant to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations:

As at 31 December 2024	YANSAB	AR-RAZI	IBN RUSHD	SABIC AN	SAUDI KAYAN	GAS	UNITED	IBN ZAHR
Current assets	5,680,299	1,609,628	1,029,065	14,143,339	4,491,659	754,295	2,155,831	3,267,228
Current liabilities	1,855,468	777,328	1,289,602	3,562,165	7,613,235	368,017	1,126,268	1,352,321
<b>Net current assets (liabilities)</b>	<b>3,824,831</b>	<b>832,300</b>	<b>(260,537)</b>	<b>10,581,174</b>	<b>(3,121,576)</b>	<b>386,278</b>	<b>1,029,563</b>	<b>1,914,907</b>
Non-current assets	8,443,877	2,985,599	953,756	11,375,228	20,377,631	4,282,993	6,517,376	3,898,168
Non-current liabilities	1,032,047	699,266	2,977,599	2,448,378	5,753,210	952,520	1,694,337	767,116
<b>Net non-current assets (liabilities)</b>	<b>7,411,830</b>	<b>2,286,333</b>	<b>(2,023,843)</b>	<b>8,926,850</b>	<b>14,624,421</b>	<b>3,330,473</b>	<b>4,823,039</b>	<b>3,131,052</b>
<b>Net assets (liabilities)</b>	<b>11,236,661</b>	<b>3,118,633</b>	<b>(2,284,380)</b>	<b>19,508,024</b>	<b>11,502,845</b>	<b>3,716,751</b>	<b>5,852,602</b>	<b>5,045,959</b>
Accumulated non-controlling interests (i)	5,383,157	794,646	(1,246,389)	10,056,794	7,087,922	975,999	1,457,990	1,074,182

As at 31 December 2023	YANSAB	AR-RAZI	IBN RUSHD	SABIC AN	SAUDI KAYAN	GAS	UNITED	IBN ZAHR
Current assets	5,393,903	1,005,623	1,154,946	13,702,986	4,555,474	721,440	2,502,415	3,423,299
Current liabilities	1,859,645	564,965	1,321,896	3,711,174	6,321,565	381,383	1,472,012	1,748,262
<b>Net current assets (liabilities)</b>	<b>3,534,258</b>	<b>440,658</b>	<b>(166,950)</b>	<b>9,991,812</b>	<b>(1,766,091)</b>	<b>340,057</b>	<b>1,030,403</b>	<b>1,675,037</b>
Non-current assets	9,387,983	2,864,151	1,005,267	11,600,543	22,125,320	4,674,060	6,933,676	3,948,685
Non-current liabilities	1,021,438	756,270	3,097,381	2,793,047	7,075,153	1,096,665	1,902,513	806,264
<b>Net non-current assets (liabilities)</b>	<b>8,366,545</b>	<b>2,107,881</b>	<b>(2,092,114)</b>	<b>8,807,496</b>	<b>15,050,167</b>	<b>3,577,395</b>	<b>5,031,163</b>	<b>3,142,421</b>
<b>Net assets (liabilities)</b>	<b>11,900,803</b>	<b>2,548,539</b>	<b>(2,259,064)</b>	<b>18,799,308</b>	<b>13,284,076</b>	<b>3,917,452</b>	<b>6,061,566</b>	<b>4,817,458</b>
Accumulated non-controlling interests (i)	5,683,789	738,700	(1,233,315)	9,712,115	8,237,524	999,494	1,515,370	963,930

(i) Accumulated non-controlling interests includes adjustments such as inter-group profit elimination, absorption of income tax in non-controlling interests and others.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 21. NON-CONTROLLING INTERESTS (CONTINUED)

### SUMMARISED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024	YANSAB	AR-RAZI	IBN RUSHD	SABIC AN	SAUDI KAYAN	GAS	UNITED	IBN ZAHR
Revenue	6,160,537	3,499,008	2,004,687	11,061,291	8,726,026	1,562,559	4,718,222	7,983,419
Net income (loss) for the year	420,331	1,427,768	(25,998)	3,442,233	(1,803,718)	415,790	3,985	1,016,511
Other comprehensive income (loss)	40,522	15,333	(374)	(85,030)	22,488	8,676	17,051	16,260
Total comprehensive income (loss)	460,853	1,443,101	(26,372)	3,357,203	(1,781,230)	424,466	21,036	1,032,771
Net income (loss) attributable to non-controlling interests (i)	219,065	268,897	(13,426)	1,973,029	(1,164,219)	107,962	(4,143)	203,257
Dividends to non-controlling interests	528,722	295,313	-	1,620,250	-	135,200	57,500	180,000

  

For the year ended 31 December 2023	YANSAB	AR-RAZI	IBN RUSHD	SABIC AN	SAUDI KAYAN	GAS	UNITED	IBN ZAHR
Revenue	4,532,731	3,723,391	1,860,558	11,033,429	8,170,642	1,523,625	4,825,711	9,128,549
Net (loss) income for the year	(485,144)	1,791,394	(394,909)	3,864,110	(2,136,474)	285,886	285,373	2,081,832
Other comprehensive income (loss)	22,594	(22,811)	(19,955)	(81,422)	(56,736)	(19,985)	(22,665)	(35,808)
Total comprehensive (loss) income	(462,550)	1,768,583	(414,864)	3,782,688	(2,193,210)	265,901	262,708	2,046,024
Net (loss) income attributable to non-controlling interests (i)	(244,890)	357,944	(203,894)	2,477,375	(1,382,264)	72,942	75,224	396,061
Dividends to non-controlling interests	808,673	508,125	-	3,847,968	-	139,017	137,500	446,250

(i) Net (loss) income attributable to non-controlling interests includes adjustments such as inter-group profit elimination, absorption of income tax in non-controlling interests and others.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 21. NON-CONTROLLING INTERESTS (CONTINUED)

### SUMMARISED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024	YANSAB	AR-RAZI	IBN RUSHD	SABIC AN	SAUDI KAYAN	GAS	UNITED	IBN ZAHR
Cash flow from (used in) operating activities	1,593,181	1,873,169	(394,540)	4,110,794	2,276,796	676,106	228,610	1,432,831
Cash flow (used in) from investing activities	(952,405)	(466,794)	82,858	2,497,467	(761,834)	(220,072)	(343,688)	(567,498)
Cash used in financing activities	(993,205)	(790,371)	(3,201)	(3,037,175)	(1,773,220)	(566,929)	(401,387)	(813,673)
Net (decrease) increase in cash and cash equivalents	(352,429)	616,004	(314,883)	3,571,086	(258,258)	(110,895)	(516,465)	51,660

For the year ended 31 December 2023	YANSAB	AR-RAZI	IBN RUSHD	SABIC AN	SAUDI KAYAN	GAS	UNITED	IBN ZAHR
Cash flow from (used in) operating activities	971,622	2,221,893	(209,521)	5,679,990	884,517	851,820	1,395,128	2,341,061
Cash flow from (used in) investing activities	520,807	(302,772)	(12,529)	(4,527,961)	(787,645)	(154,415)	(478,450)	(389,616)
Cash (used in) from financing activities	(1,274,782)	(1,888,351)	(9,533)	(5,528,113)	42,902	(583,887)	(731,275)	(2,123,171)
Net increase (decrease) in cash and cash equivalents	217,647	30,770	(231,583)	(4,376,084)	139,774	113,518	185,403	(171,726)

During the year ended 31 December 2022, certain equity transactions were incurred. These transactions and their impact are elaborated in the next paragraphs as changes in shareholding of subsidiaries and acquisition of non-controlling interests.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 22. DEBT

Total debt can be broken down as follows:

As at 31 December	Interest rate	2024	2023
<b>Non-current portion of debt</b>			
Bonds	2.15% to 4.50%	7,466,527	7,458,700
Related party loans and borrowings	USD SOFR plus margin	7,396,268	3,746,812
Commercial loans	USD SOFR & SAIBOR variable rates plus margin	89,482	225,898
Conventional Loans		14,952,277	11,431,410
Murabaha	USD SOFR & SAIBOR variable rates plus margin	10,923,718	11,395,566
Saudi Industrial Development Fund	Commission fee	289,091	428,203
Non-Conventional loans		11,212,809	11,823,769
<b>Total non-current portion of debt</b>		<b>26,165,086</b>	<b>23,255,179</b>
<b>Short-term borrowings</b>			
Murabaha	USD SOFR & SAIBOR variable rates plus margin	2,077,663	2,410,966
Conventional short-term bank borrowings (bank overdraft)		3,259	3,267
<b>Total short-term borrowings</b>		<b>2,080,922</b>	<b>2,414,233</b>
<b>Current portion of debt</b>			
Commercial loans	USD SOFR & SAIBOR variable rates plus margin	148,788	201,953
Bonds	4%	66,669	66,669
Related party loans and borrowings	USD SOFR plus margin	42,715	31,279
Conventional loans		258,172	299,901
Murabaha	USD SOFR & SAIBOR variable rates plus margin	1,658,994	1,790,746
Saudi Industrial Development Fund	Commission fee	105,830	210,887
Non-conventional loans		1,764,824	2,001,633
<b>Total current portion of debt</b>		<b>2,022,996</b>	<b>2,301,534</b>
<b>Total debt</b>		<b>30,269,004</b>	<b>27,970,946</b>

## BONDS

The following bonds were outstanding as at 31 December 2024:

- In October 2018, the Group through its subsidiary, SABIC Capital II BV, issued a 10-year USD 1,000 million, unsecured bond with a coupon rate of 4.5%. The bonds are issued in accordance with Rule 144A/Reg S offering requirements under the U.S. Securities Act of 1933, as amended. The bonds are listed on the Irish Stock Exchange (Euronext Dublin) and the proceeds were used for refinancing maturing debt.
- In September 2020, the Group, through its subsidiary, SABIC Capital I BV, issued a 10-year and 30-year USD 500 million bond each, equivalent to total ₪ 3,750 million. These bonds are unsecured and carry coupon rates of 2.15% and 3.00% for those maturing in 10 and 30 years, respectively. The bonds are issued in accordance with Regulation S offering requirements under the U.S. Securities Act of 1933, as amended. Both bonds are listed on the Irish Stock Exchange (Euronext Dublin) and the 30-year bond is dual listed in Taipei Exchange in Taiwan. The proceeds were used for general purpose and refinancing maturing debt.

## RELATED PARTY BORROWING

In August 2024, the three-year revolving credit facility (“RCF”) with Aramco Overseas Company (“AOC”), is increase from ₪ 3,750 million up to ₪ 11,250 million which carries a floating interest rate based on the prevailing market interest rates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 22. DEBT (CONTINUED)

The movement in debt can be broken down as follows:

	As at 1 January 2024	Borrowings	Repayments	Others	As at 31 December 2024
Short-term	3,267	-	-	(8)	3,259
Murabaha	15,597,278	5,237,493	(6,207,810)	33,414	14,660,375
Bonds	7,525,369	-	-	7,827	7,533,196
Saudi Industrial Development Fund	639,090	-	(261,000)	16,831	394,921
Related party	3,778,091	3,843,757	(187,500)	4,635	7,438,983
Others	427,851	3,562,500	(3,748,965)	(3,116)	238,270
	27,970,946	12,643,750	(10,405,275)	59,583	30,269,004

	As at 1 January 2023	Borrowings	Repayments	Others	As at 31 December 2023
Short-term	20,196	-	(17,649)	720	3,267
Murabaha	15,773,907	1,500,000	(1,817,855)	141,226	15,597,278
Bonds	11,198,576	-	(3,750,000)	76,793	7,525,369
Saudi Industrial Development Fund	855,856	-	(184,213)	(32,553)	639,090
Related party	-	3,750,000	-	28,091	3,778,091
Others	590,713	3,750,000	(3,936,457)	23,595	427,851
	28,439,248	9,000,000	(9,706,174)	237,872	27,970,946

## MURABAHA

Similar to commercial loans, the Group has previously borrowed from various financial institutions in order to mainly finance its growth projects and acquisitions, which are repayable either in bullet or instalments at varying profit rates in conformity with the applicable borrowing agreements.

## DEBT REPAYABLE TO SAUDI INDUSTRIAL DEVELOPMENT FUND (SIDF)

The SIDF term loans are generally repayable in semi-annual instalments and finance charges on these loans are at various rates. SIDF is a Saudi Arabian government's financial institution.

In securing the SIDF loans, certain property, plant and equipment has been pledged as mortgaged assets. The carrying values of non-financial assets pledged as security for current and non-current borrowings are disclosed in Note 7. There are certain financial covenants attached to this loan relating to current ratio and total liabilities to tangible net assets of respective subsidiary which are in compliance as at 31 December 2024 (refer Note 38.1).

## COMMERCIAL LOANS

The Group has previously borrowed from various financial institutions in order to mainly finance its growth projects and acquisitions, which are repayable either in bullet or instalments at varying interest rates in conformity with the applicable loan agreements.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 22. DEBT (CONTINUED)

### DEBT MOVEMENTS

During the year ended 31 December 2024, the Group has repaid maturing bank borrowings through the use of related party borrowing and through cash generated from operations.

### UNDRAWN BORROWING FACILITIES

As at 31 December 2024, the group has committed credit facilities amounting to ₪ 22,875 million (2023: ₪ 11,625 million) out of which undrawn commitment amounted to ₪ 12,585 million (2023: ₪ 8,261 million).

### LEASE LIABILITIES

Lease liabilities can be broken down as follows:

As at 31 December	2024	2023
<b>Non-current</b>		
Lease liabilities	3,983,960	4,622,459
<b>Current</b>		
Lease liabilities	945,105	903,362
	4,929,065	5,525,821

All addition to leases are recognised as right-of-use assets which are disclosed in Note 8.

There are no residual value guarantees and no leases yet commenced, to which SABIC is committed.

The following lease related amounts recognised in consolidated statement of income:

For the years ended 31 December	2024	2023
Depreciation expense of right-of-use assets (refer Note 8)	1,155,390	1,291,866
Interest expense on lease liabilities (refer Note 30)	254,242	256,120
Expense related to short-term leases	7,895	19,205
Expense related to leases of low-value assets	866	11,930
Variable lease payments	1,903	8,589

The Group had total cash outflows for leases of ₪ 1,329 million during the year ended 31 December 2024 (2023: ₪ 1,736 million). The Group also had non-cash additions to right-of-use assets and lease liabilities of ₪ 845 million in 2024 (2023: ₪ 1,125 million). The future cash flows relating to lease receivables are disclosed in Note 39.

The maturity of the lease obligation and debt are further elaborated in liquidity risk (refer Note 37).

## 23. EMPLOYEE BENEFITS

The provision for employee benefits can be broken down as follows:

As at 31 December	2024	2023
<b>Defined benefit obligations</b>		
End of service benefits	11,027,748	10,613,240
Defined benefits pension schemes	1,249,720	1,287,037
Post-retirement medical benefits	1,122,300	881,699
	13,399,768	12,781,976
<b>Other long-term employee benefits and termination benefits</b>		
Long-term service awards	67,076	63,990
Early retirement plans	40,166	48,426
	107,242	112,416
	13,507,010	12,894,392

Management monitors the risks of all its pension plans and works with local fiduciaries and trustees regarding the governance and risk management of these pension plans, particularly with regard to the funding of the pension plans and the portfolio structure of the existing plan assets. The obligations and plan assets, used to fund the obligations, are subject to demographic, legal and economic risks. Economic risks are primarily due to unforeseen developments in goods and capital markets. Most plans with defined benefits are closed for future service, limiting the Group's exposure to risk with regard to future benefit levels.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

### DEFINED BENEFITS OBLIGATION

The Group provides end of service and pension benefits to its employees taking into consideration the local labour laws, employment market and tax laws of the countries where the companies are located. Outside KSA, the Group limits the risks of changing financial market conditions and demographic developments by offering a defined contribution scheme to most employees.

### END OF SERVICE BENEFITS

End of service benefits are mandatory for all KSA based employees under the Saudi Labour Law and the Group's employment policies. End of service benefit is based on employees' compensation and accumulated period of service and is payable upon termination, resignation or retirement, the Group provides End of Service benefits in excess of the statutory requirement. The Defined Benefit Obligation ("DBO") in respect of employees' end of service benefits is calculated by estimating the future benefit payment that employees have earned in return for their service. An appropriate discount rate is then applied to determine the present value of the Group's obligation. This is an unfunded plan.

Re-measurements are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to consolidated statement of income in subsequent periods.

### DEFINED BENEFIT PENSION PLANS

The Group has a number of defined benefit pension plans outside KSA. The most significant plans are located in the United States of America ("USA") and in the United Kingdom ("UK"). These plans are funded pension plans. Other pension plans include plans in Germany, Austria, Japan, Taiwan and Belgium, most of which are also funded. The benefits provided by these pension plans are based primarily on years of service and employee compensation.

The funding of the plans is consistent with local law and regulations in the countries of establishment. Generally, pension obligations are subject to a government regulation, including minimum funding requirements. Furthermore, the investment of assets is also regulated. This could result in fluctuating employer contributions, additional financing requirements and the assumption of obligations in favour of the pension fund to comply with these regulatory requirements.

Below is a brief description of the Group's main defined benefit pension plans:

#### UNITED STATES OF AMERICA

In the USA, the Group has a number of qualified legacy defined benefit pension plans, all of which are closed for all future benefit accrual. These plans are subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The funding policy for the USA Plans is to make regular contributions each year in such amounts that are necessary to meet or exceed the minimum funding standard as set forth in employee benefit and tax laws in the USA. The Group also

has a supplementary non-qualified pension plan, also closed to future benefit accrual.

These defined benefit pension plans are administered by fiduciaries, who represents the interests of the beneficiaries and ensure that the benefits can be paid in the future.

#### UNITED KINGDOM

In the UK, the Group maintained final salary pension plans that have been closed to further increases in benefits for future years of service. A part of the UK workforce still accrues pension benefits due to salary increases. Since the closure of service accrual, all employees have had the opportunity to participate in a defined contribution plan.

The defined benefit pension plans are administered by trusts, where Boards of Trustees, according to the trustees' agreement and law, represent the interests of the beneficiaries to ensure that the benefits can be paid in the future. The required funding is determined using technical valuations according to local regulations every three years. Pensions are adjusted each year to compensate for increases in the cost of living.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

### OTHER LONG-TERM EMPLOYEE BENEFITS

#### LONG-TERM SERVICE AWARDS

The Group offers a long-term service award to its employees depending on years of service, which is measured similarly to a DBO.

#### EARLY RETIREMENT PLANS

Employee early retirement plan costs are provided for in accordance with the Group's employee benefit policies. If an instalment-based compensation is agreed on, the obligation is initially discounted to its present value and then unwound through the period of compensation, which can be up to the regular retirement age of the employee.

The following table represents the movement of the defined benefit obligation position:

	2024	2023
As at 31 December	12,781,976	13,860,645
Reclassification net pension assets and asset ceiling	(61,212)	-
As at 1 January	12,720,764	13,860,645
Current service cost	812,699	864,133
Past service cost	(70,936)	-
Finance cost, net	613,415	656,196
Actuarial changes arising due to:		
- financial assumptions	(744,763)	644,307
- demographic changes	(5,506)	(106,008)
- experience adjustments	177,375	334,916
- actual return on plan assets	53,064	(456,250)
	(519,830)	416,965
Effect of onerous liability	128,783	-
Benefits paid during the year	(566,968)	(579,643)
Employer contributions into pension plans	(111,111)	(243,438)
Foreign currency translation adjustment and others	260,997	512,582
Net defined benefit obligation	13,267,813	15,487,440
Reclassified to liabilities associated with assets held for sale	-	(2,766,676)
Reclassification net pension assets and asset ceiling	131,955	61,212
As at 31 December	13,399,768	12,781,976

### NET BENEFIT EXPENSE

For the years ended 31 December	2024	2023
Current service cost	812,699	756,603
Past service cost	(70,936)	-
Reclassified to discontinued operation	-	107,530
Net service and past service cost	741,763	864,133

### FINANCE COST ON BENEFIT OBLIGATION

For the years ended 31 December	2024	2023
Net benefit expense	613,415	567,207
Reclassified to discontinued operation	-	88,989
Net benefit expense	613,415	656,196

### RE-MEASUREMENT LOSS (GAIN) ON DEFINED BENEFIT PLANS

For the years ended 31 December	2024	2023
Re-measurement (gain) loss on defined benefit plans	(323,152)	555,672
Tax benefit	(36,794)	(5,925)
	(359,946)	549,747
Less: Re-measurement loss on defined benefit plans related to discontinued operation	-	(139,132)
	(359,946)	410,615
Add: Re-measurement loss on defined benefit plans related to discontinued operation till August 2023	-	6,350
Add: Asset ceiling	(31,101)	-
	(391,047)	416,965

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 23. EMPLOYEE BENEFITS (CONTINUED)

Following table represents the components of the employee benefits in the KSA:

	End of service	Post-retirement medical	Total
As at 1 January 2024	10,613,240	881,699	11,494,939
Current service cost	738,929	61,082	800,011
Past service cost	44,968	(116,791)	(71,823)
Finance cost	531,248	41,240	572,488
Actuarial changes arising due to:			
- financial assumptions	(670,352)	255,181	(415,171)
- demographic adjustments	-	314	314
- experience adjustments	177,273	20,659	197,932
	(493,079)	276,154	(216,925)
Benefits paid during the year	(523,600)	(28,627)	(552,227)
Others	116,042	7,543	123,585
<b>As at 31 December 2024</b>	<b>11,027,748</b>	<b>1,122,300</b>	<b>12,150,048</b>

	End of service	Post-retirement medical	Total
As at 1 January 2023	11,570,963	936,044	12,507,007
Current service cost	784,031	67,656	851,687
Finance cost	553,778	44,532	598,310
Actuarial changes arising due to:			
- financial assumptions	223,146	57,178	280,324
- demographic adjustments	-	(30,207)	(30,207)
- experience adjustments	299,480	54,892	354,372
	522,626	81,863	604,489
Benefits paid during the year	(492,383)	(87,061)	(579,444)
Others	229,694	49,873	279,567
Reclassification to discontinued operation	(2,555,469)	(211,208)	(2,766,677)
<b>As at 31 December 2023</b>	<b>10,613,240</b>	<b>881,699</b>	<b>11,494,939</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 23. EMPLOYEE BENEFITS (CONTINUED)

Following table represents the components of the DBO outside KSA at 31 December 2024:

	USA	UK	Others	Total
As at 1 January 2024	2,173,913	1,794,726	621,847	4,590,486
Current service cost	1,080	-	11,608	12,688
Past service cost	-	732	155	887
Finance cost	103,843	85,678	19,901	209,422
Benefits paid during the year	(152,288)	(73,949)	(25,193)	(251,430)
Actuarial changes arising due to:				
- financial assumptions	(168,712)	(159,219)	(1,661)	(329,592)
- demographic changes	-	(4,210)	(1,610)	(5,820)
- experience adjustments	(24,196)	(6,355)	9,994	(20,557)
	(192,908)	(169,784)	6,723	(355,969)
Effect of onerous liability (ii)	-	128,783	-	128,783
Foreign currency and others	-	178,639	(70,175)	108,464
Defined benefit obligation	1,933,640	1,944,825	564,866	4,443,331
Reclassification to other non-current financial assets (i)	(1,530,386)	-	-	(1,530,386)
Asset ceiling for plan assets (i)	-	(1,624,017)	-	(1,624,017)
<b>As at 31 December 2024</b>	<b>403,254</b>	<b>320,808</b>	<b>564,866</b>	<b>1,288,928</b>

(i) USA funded plans and an UK plan were overfunded at year-end. For the USA plans, the Company is eligible for a refund if the funds would be liquidated. Therefore, the net pension asset is reclassified to other non-current financial assets. For the UK plan, the Company does not have the right for any refund upon any liquidation of the fund.

(ii) The onerous liability recorded during the year represents the statutory funding requirements to eliminate any funding shortfall for the UK plan.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

The development of plan assets for these major plans in the different regions can be shown as follows:

	USA	UK	Others	Total
Plan assets as at 1 January 2024	1,736,771	1,597,812	30,077	3,364,660
Interest income	81,011	86,468	1,016	168,495
Employer’s contribution	40,032	60,017	11,062	111,111
Return on plan assets (excluding interest income)	(61,200)	7,762	374	(53,064)
Benefits paid during the year	(152,288)	(73,949)	(10,452)	(236,689)
Administrative expenses	(4,232)	-	85	(4,147)
Foreign currency and others	-	(22,992)	(1,808)	(24,800)
	1,640,094	1,655,118	30,354	3,325,566
Reclassification to other non-current financial assets (i)	(1,631,240)	-	-	(1,631,240)
Asset ceiling for plan assets (i)	-	(1,655,118)	-	(1,655,118)
<b>Plan assets as at 31 December 2024</b>	<b>8,854</b>	<b>-</b>	<b>30,354</b>	<b>39,208</b>
<b>Net defined benefit obligation as at 31 December 2024</b>	<b>394,400</b>	<b>320,808</b>	<b>534,512</b>	<b>1,249,720</b>

- (i) USA funded plans and an UK plan were overfunded at year-end. For the USA plans, the Company is eligible for a refund if the funds would be liquidated. Therefore, the net pension asset is reclassified to other non-current financial assets. For the UK plan, the Company does not have the right for any refund upon any liquidation of the fund.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

Following table represents the components of the DBO outside the KSA at 31 December 2023:

	USA	UK	Others	Total
As at 1 January 2023	2,154,746	1,795,324	307,840	4,257,910
Current service costs	1,316	-	11,130	12,446
Finance costs	107,326	90,529	20,909	218,764
Benefits paid during the year	(173,558)	(76,121)	(23,837)	(273,516)
Settlements paid	-	-	(200)	(200)
Actuarial changes arising due to:				
- financial assumptions	53,939	23,428	286,616	363,983
- demographic changes	(8,750)	(67,051)	-	(75,801)
- experience adjustments	38,894	(63,784)	5,434	(19,456)
	84,083	(107,407)	292,050	268,726
Foreign currency and others	-	92,401	13,955	106,356
Defined benefit obligation	2,173,913	1,794,726	621,847	4,590,486
Reclassification to other non-current financial assets (i)	(1,570,773)	-	-	(1,570,773)
Asset ceiling for plan assets (i)	-	(32,833)	-	(32,833)
As at 31 December 2023	603,140	1,761,893	621,847	2,986,880

(i) USA funded plans and an UK plan were overfunded at year-end. For the USA plans, the Company is eligible for a refund if the funds would be liquidated. Therefore, the net pension asset is reclassified to other non-current financial assets. For the UK plan, the Company does not have the right for any refund upon any liquidation of the fund.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 23. EMPLOYEE BENEFITS (CONTINUED)

The development of plan assets for major plans in the different regions can be shown as follows:

	USA	UK	Others	Total
Plan assets as at 1 January 2023	1,597,448	1,601,293	(294,469)	2,904,272
Interest income	78,083	81,781	1,012	160,876
Employer's contribution	117,436	98,530	27,472	243,438
Return on plan assets (excluding interest income)	121,775	14,612	319,863	456,250
Benefits paid during the year	(173,558)	(76,121)	(23,837)	(273,516)
Administrative expenses	(4,413)	-	(880)	(5,293)
Foreign currency and others	-	(122,283)	916	(121,367)
	1,736,771	1,597,812	30,077	3,364,660
Reclassification to other non-current financial assets (i)	(1,620,399)	-	-	(1,620,399)
Asset ceiling for plan assets (i)	-	(44,418)	-	(44,418)
Plan assets as at 31 December 2023	116,372	1,553,394	30,077	1,699,843
Net defined benefit obligation as at 31 December 2023	486,768	208,499	591,770	1,287,037

- (i) USA funded plans and an UK plan were overfunded at year-end. For the USA plans, the Company is eligible for a refund if the funds would be liquidated. Therefore, the net pension asset is reclassified to other non-current financial assets. For the UK plan, the Company does not have the right for any refund upon any liquidation of the fund.

For the years ended 31 December	2024	2023
<b>Net benefit expense</b>		
Current service cost	812,699	864,133
Past service cost	(70,936)	-
Finance cost on benefit obligation	613,415	656,196
Net benefit expense	1,355,178	1,520,329



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

### EMPLOYEE PENSION PLAN ASSETS

The following table represents the categories of plan assets for the major pension plans outside KSA:

For the year ended 31 December 2024	USA	UK	Others
<b>Quoted and unquoted</b>			
Equity	5.90%	18.20%	-
Debt securities	89.47%	8.04%	-
- Government debtors	-	8.04%	-
- Other debtors	89.47%	-	-
Investment funds and insurance companies	-	54.59%	96.65%
Other investments	4.13%	6.88%	3.35%
Cash and cash equivalents	0.50%	12.29%	-
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

For the year ended 31 December 2023	USA	UK	Others
<b>Quoted and unquoted</b>			
Equity	15.00%	9.17%	-
Debt securities	84.50%	11.38%	-
- Government debtors	-	11.38%	-
- Other debtors	84.50%	-	-
Investment funds and insurance companies	-	40.67%	94.60%
Other investments	-	9.12%	5.40%
Cash and cash equivalents	0.50%	29.66%	-
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

The major economic and actuarial assumptions used in benefits liabilities computation can be shown as follows:

For the year ended 31 December 2024	KSA	USA	UK
Discount rate	5.60%	5.45%	5.55%
Average salary increase	"Exec: 4.50% Non-Exec: 6.00%"	-	3.61%
Pension in payment increase	N/A	N/A	2.95%
Inflation rate (health care cost)	9% in 2025 & 8% thereafter	N/A	N/A
Duration of benefits plan	11 years	11 years	15 years

For the year ended 31 December 2023	KSA	USA	UK
Discount rate	5.00%	4.78%	4.80%
Average salary increase	4.50% - 6.00%	-	3.51%
Pension in payment increase	N/A	N/A	2.90%
Inflation rate (health care cost)	9% in 2023 decreasing to 5% in 2027+	N/A	N/A
Duration of benefits plan	11 years	12 years	14 years

N/A = not applicable

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

### SENSITIVITY ANALYSIS

The table below illustrates the approximate impact on the DBO if the Group were to change one key assumption, while the other actuarial assumptions remain unchanged. The sensitivity analysis is intended to illustrate the inherent uncertainty in the valuation of the DBO under market conditions at the measurement date. These results cannot be extrapolated due to non-linear effects that changes in key actuarial assumptions may have on the total DBO. The sensitivities only apply to the DBO and not to the net amounts recognised in the consolidated statement of financial position. Movements in the fair value of plan assets would, to a certain extent, be expected to offset movements in the DBO resulting from changes in the given assumptions.

For the year ended 31 December 2024	KSA	USA	UK	Others
<b>Increase</b>				
Discount rate (25 bps)	(330,242)	(56,820)	(50,492)	(17,354)
Salary (25 bps)	296,210	-	8,063	5,029
Pension (25 bps)	-	-	52,031	12,528
Health care costs (25 bps)	48,973	-	-	-
<b>Decrease</b>				
Discount rate (25 bps)	345,137	59,581	52,728	18,291
Salary (25 bps)	(285,314)	-	(7,822)	(4,894)
Pension (25 bps)	-	-	(41,091)	(11,949)
Health care costs (25 bps)	(46,525)	-	-	-

  

For the year ended 31 December 2023	KSA	USA	UK	Others
<b>Increase</b>				
Discount rate (25 bps)	(310,464)	(69,045)	(60,502)	(20,431)
Salary (25 bps)	285,703	-	9,167	6,052
Pension (25 bps)	-	-	58,902	14,036
Health care costs (25 bps)	36,511	-	-	-
<b>Decrease</b>				
Discount rate (25 bps)	323,478	72,626	63,395	21,623
Salary (25 bps)	(275,888)	-	(8,888)	(5,875)
Pension (25 bps)	-	-	(48,184)	(13,382)
Health care costs (25 bps)	(34,849)	-	-	-

N/A = not applicable

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 23. EMPLOYEE BENEFITS (CONTINUED)

Expected total benefit payments can be broken down as follows:

	31 December 2024	
	KSA	Outside KSA
Within 1 year	703,139	232,951
1 – 2 years	555,189	223,762
2 – 3 years	626,499	222,377
3 – 4 years	743,625	221,564
4 – 5 years	782,053	220,728
Next 5 years	5,526,025	1,075,371
<b>Total</b>	<b>8,936,530</b>	<b>2,196,753</b>

Expected total benefit payments can be broken down as follows:

	31 December 2023	
	KSA	Outside KSA
Within 1 year	588,947	238,991
1 – 2 years	546,412	239,563
2 – 3 years	560,452	230,759
3 – 4 years	619,207	228,921
4 – 5 years	742,859	226,759
Next 5 years	4,856,489	1,102,582
<b>Total</b>	<b>7,914,366</b>	<b>2,267,575</b>

## 24. PROVISIONS

As at 31 December	2024	2023
<b>Non-current:</b>		
Demolition and site restoration (i)	317,199	529,485
Environmental obligations (ii)	80,422	86,676
Litigation claims (iii)	39,026	166,014
Restructuring (iv)	12,879	172,250
Miscellaneous (v)	421,039	136,064
	<b>870,565</b>	1,090,489
<b>Current: (vi)</b>		
Restructuring (iv)	50,678	184,395
Demolition and site restoration (i)	12,058	39,994
Environmental obligations (ii)	884	3,642
Miscellaneous (v)	73,628	947,931
	<b>137,248</b>	1,175,962
	<b>1,007,813</b>	2,266,451

- (i) Demolition and site restoration provision represents the provision for cost of dismantling and site restoration of certain manufacturing sites of the Group subsidiaries. The Group recognises a provision when an obligation arises as a consequence of a legal or constructive obligation.
- (ii) Environmental obligation represents the expected costs of environmental remediation and rehabilitating contaminated sites across the different manufacturing sites.
- (iii) Provision for litigation obligations represents pending legal claims. Management do not believe that any currently pending or threatened litigation, either individually or in the aggregate, is likely to have a significant adverse effect on its financial position or results of operations. It also includes provisions for damage claims, warranties and similar obligations.
- (iv) Restructuring provisions represent mainly onerous contracts, decommissioning and severance costs relating to specific restructuring projects.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 24. PROVISIONS (CONTINUED)

- (v) Miscellaneous provisions relate to various risks and commitments including constructive obligations arising from a construction project mostly provided for in 2023 and settled in 2024.
- (vi) The amount and timing of settlement in respect of these provisions are uncertain and dependent on various factors that are not always within management's control.

The movement in total provisions has been broken down as follows:

	Demolition and site restoration	Restructuring	Litigation claims	Environmental obligations	Miscellaneous	Total
As at 1 January 2023	380,887	158,593	124,413	86,266	193,271	943,430
Additions	217,120	191,700	51,844	10,396	1,092,852	1,563,912
Utilization	(29,950)	(19,417)	-	(8,368)	(113,642)	(171,377)
Reversals	(598)	23,507	(22,771)	(241)	(75,001)	(75,104)
Others	2,020	2,262	12,528	2,265	(13,485)	5,590
As at 31 December 2023	569,479	356,645	166,014	90,318	1,083,995	2,266,451
Additions	23,570	26,819	3,000	261,067	422,070	736,526
Utilization	(122,281)	(312,473)	(100,629)	(10,852)	(881,117)	(1,427,352)
Reversals	(126,327)	-	(27,000)	(255,764)	(86,543)	(495,634)
Others	(15,184)	(7,434)	(2,359)	(3,463)	(43,738)	(72,178)
As at 31 December 2024	329,257	63,557	39,026	81,306	494,667	1,007,813

## 25. OTHER LIABILITIES

As at 31 December	2024	2023
<b>Non-current:</b>		
Payable to related parties (i)	1,267,029	1,298,543
Contract liability (ii)	139,964	153,609
Miscellaneous	198,256	156,788
	1,605,249	1,608,940
<b>Current:</b>		
Dividends payable (refer Note 18)	7,471,836	7,003,335
Accrued liabilities	5,285,127	6,568,645
Employees related liabilities	2,535,016	1,948,654
Employee saving plan	2,063,250	1,895,808
Sales and other tax payables	1,058,050	402,867
Payable to related parties (i)	912,319	126,587
Trade advances	221,329	97,068
Miscellaneous	149,072	155,385
	19,695,999	18,198,349

- (i) Payable to related parties mainly relate to the operations and production advances, under Joint Ownership and Production Agreement with integral joint ventures. The amortisation of these production advance liability is recorded under ‘revenue’ amounting to ₪ 180 million (refer Note 14 (iii)).
- (ii) Contract liability represents the payable against the asset received from third party under the tolling agreement.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 26. TRADE PAYABLES

Trade payables can be broken down as follows:

As at 31 December	2024	2023
Trade accounts payables	8,872,068	7,805,597
Due to related parties (refer Note 33)	10,921,536	12,281,419
	19,793,604	20,087,016

Trade payables are non-interest bearing and are settled within normal commercial terms.

The Group's exposure to currency and liquidity risk related to accounts payables is disclosed in Note 37.

## 27. REVENUE

Revenue can be broken down as follows:

For the years ended 31 December	2024	2023
Sales of goods	135,907,132	136,932,514
Logistic services	3,464,618	4,049,776
Rental income	608,750	554,897
	139,980,500	141,537,187

No significant revenue was recognised in 2024 from performance obligations satisfied in previous years. All unfulfilled remaining performance obligations as at 31 December 2024 are expected to be satisfied in the next year and in future years.

Revenue from Logistic services is recognized over-time and revenue from sales of goods is recognised at-a-point in time.

Refer Note 36 for the segment and geographical distribution of revenue.

## 28. EXPENSES

Based on their nature, cost of sales, general and administrative expenses, research and development expenses and selling and distribution expenses can be broken down as follows:

### 28.1 COST OF SALES

Cost of sales can be broken down as follows:

For the years ended 31 December	2024	2023
Changes in inventories of finished products, raw materials and consumables used	79,155,806	82,759,188
Depreciation and amortisation (i)	11,341,365	11,597,090
Utilities	8,692,646	8,538,609
Employee related costs	7,426,895	7,029,409
Logistic service-related costs	3,464,618	4,049,776
Repairs and maintenance	4,229,544	4,035,618
Impairments and write-offs of plant and equipment	45,858	1,453,415
	114,356,732	119,463,105

(i) Depreciation and amortisation includes the amortisation charge of certain other assets.

### 28.2 GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses can be broken down as follows:

For the years ended 31 December	2024	2023
Employee related expenses	5,535,734	5,021,052
Admin and corporate support service	2,494,565	2,234,261
Depreciation and amortisation	1,035,124	1,183,392
Maintenance	564,838	459,399
Miscellaneous	278,885	221,891
	9,909,146	9,119,995

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 28. EXPENSES (CONTINUED)

### 28.3 RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses can be broken down as follows:

For the years ended 31 December	2024	2023
Employee related expenses	1,327,714	1,214,755
Administrative support	280,562	240,937
Depreciation and amortisation	231,797	219,394
Maintenance	180,214	211,976
Miscellaneous	42,881	6,023
	2,063,168	1,893,085

### 28.4 SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses can be broken down as follows:

For the years ended 31 December	2024	2023
Transportation and shipping	5,681,276	5,063,250
Employee related expenses	1,715,198	1,543,877
Marketing related expenses	619,514	693,919
Depreciation and amortisation	400,819	450,866
	8,416,807	7,751,912

## 29. OPERATING INCOME AND EXPENSES

Other operating income can be broken down as follows:

For the years ended 31 December	2024	2023
Services rendered to integral JVs	946,577	916,479
Gain on sale of F&S business (refer Note 35.2)	291,359	-
Miscellaneous	122,139	320,824
	1,360,075	1,237,303

Other operating expenses can be broken down as follows:

For the years ended 31 December	2024	2023
Demolition, restructuring and miscellaneous provisions	320,120	1,147,007
Impairment of non-operating assets	599,419	391,007
Foreign currency exchange expenses	188,740	40,070
Donations	61,353	79,460
Loss from disposal of plant and equipment	38,693	37,363
Miscellaneous	414,176	62,552
	1,622,501	1,757,459

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 30. FINANCE INCOME AND COST

Finance income and finance cost can be broken down by conventional and non-conventional as follows:

For the years ended 31 December	2024	2023
<b>Finance income</b>		
- Conventional call account	120	6,119
- Conventional fixed term deposits	16,899	42,802
- Interest income from loans and borrowings – related party	37,881	50,668
- Derivative financial instruments	-	1,975,392
- Conventional financial income on receivable from third parties	307,046	150,782
- Others	8,642	9,449
<b>Total conventional finance income</b>	<b>370,588</b>	<b>2,235,212</b>
- Current Murabaha (including fixed term deposits)	1,542,674	1,358,402
- SUKUK	20,335	31,913
- Others	374	801
<b>Total non-conventional finance income</b>	<b>1,563,383</b>	<b>1,391,116</b>
<b>Total finance income</b>	<b>1,933,971</b>	<b>3,626,328</b>

For the years ended 31 December	2024	2023
<b>Finance cost</b>		
- Commercial loans	66,264	88,963
- Bonds / notes	265,313	381,563
- Lease liabilities	254,242	256,120
- Net interest on employee benefits	615,269	567,207
- Derivative financial instruments	40,238	-
- Net foreign exchange differences for borrowings	13,632	68,762
- Interest expense on loans and borrowings – related party	265,707	31,279
- Others	218,056	140,740
<b>Total conventional finance cost</b>	<b>1,738,721</b>	<b>1,534,634</b>
- Murabaha	1,058,731	1,049,481
- SIDF	17,252	24,167
- Others	5,593	6,368
<b>Total non-conventional finance cost</b>	<b>1,081,576</b>	<b>1,080,016</b>
<b>Total finance cost</b>	<b>2,820,297</b>	<b>2,614,650</b>
<b>Conventional financial result</b>	<b>(1,368,133)</b>	<b>700,578</b>
<b>Non-conventional financial result</b>	<b>481,807</b>	<b>311,100</b>
<b>Financial result</b>	<b>(886,326)</b>	<b>1,011,678</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 31. ZAKAT AND INCOME TAX

The movement in the net zakat and income tax payable can be shown as follows:

	Zakat	Income Tax	Total
As at 1 January 2024	1,414,718	217,346	1,632,064
Provided during the year	213,827	825,383	1,039,210
Paid during the year, net	(1,503,982)	(814,019)	(2,318,001)
Other movements (foreign currency translations and reclassification)	(6,224)	(22,872)	(29,096)
As at 31 December 2024	118,339	205,838	324,177

Presentation in the consolidated statement of financial position can be broken down as follows:

As at 31 December 2024	Zakat	Income Tax	Total
Receivable	-	381,237	381,237
Payable	118,339	587,075	705,414
Net payable	118,339	205,838	324,177

	Zakat	Income Tax	Total
As at 1 January 2023	2,160,763	742,662	2,903,425
Provided during the year	1,355,054	583,933	1,938,987
Paid during the year, net	(1,881,753)	(1,111,554)	(2,993,307)
Other movements (foreign currency translations and reclassification)	(1,515)	2,305	790
Reclassified to liabilities directly associated with assets held for sale	(217,831)	-	(217,831)
As at 31 December 2023	1,414,718	217,346	1,632,064

Presentation in the consolidated statement of financial position can be broken down as follows:

As at 31 December 2023	Zakat	Income Tax	Total
Receivable	-	386,956	386,956
Payable	1,414,718	604,302	2,019,020
Net payable	1,414,718	217,346	1,632,064

### 31.1 ZAKAT

Zakat returns of SABIC and wholly owned subsidiaries are submitted to the ZATCA based on separate financial statements prepared for zakat purposes only. Other non-wholly owned subsidiaries file their zakat returns separately. SABIC has filed its zakat returns with ZATCA, received the zakat certificates, settled the zakat dues up to the year ended 31 December 2021. SABIC cleared its zakat assessments with ZATCA up to the year ended 31 December 2018, and the years 2019 through 2021 are under review by the ZATCA.

Reconciliation of zakat expense due to reclassification of Hadeed to discontinued operation is as follows:

For the years ended 31 December	2024	2023
Current zakat expense		
Current year	213,827	1,355,054
Reclassified to discontinued operation	-	(85,894)
	213,827	1,269,160

The Group reported net zakat expense of ₪ 214 million for the year ended on 31 December 2024 (31 December 2023: zakat expense of ₪ 1,269 million).

The reduced zakat expense in the current year resulted from a reassessment of the zakat positions in the current and previous years, following the new zakat regulations published during 2024.

The net loss from discontinued operation in the consolidated statement of income includes a zakat expense of ₪ 44,333 (2023: ₪ 115,297).



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 31. ZAKAT AND INCOME TAX (CONTINUED)

### 31.2 INCOME TAX

The major components of income tax in the consolidated statement of income can be broken down as follows:

For the years ended 31 December	2024	2023
<b>Current income tax</b>		
Current year	722,475	506,633
Adjustments in respect of current income tax of previous year	102,908	77,300
<b>Deferred income tax</b>		
Origination and reversals of temporary differences	(903,312)	(1,022,141)
<b>Income tax benefit</b>	<b>(77,929)</b>	<b>(438,208)</b>

The following deferred income tax related items charged or credited directly to equity, and reported in the consolidated statement of comprehensive income, can be broken down as follows for the years ended 31 December:

For the years ended 31 December	2024	2023
Tax benefit on re-measurement of defined benefit plans	(36,794)	(5,925)
<b>Deferred income tax benefit recognised in other comprehensive income</b>	<b>(36,794)</b>	<b>(5,925)</b>

The relationship between the domestic (Saudi Arabia) income tax expense and the effective tax expense is as follows for the years ended 31 December:

For the years ended 31 December	2024	2023
Income before zakat and income tax from continuing operations	4,416,419	4,523,614
Exclude: income subject to Zakat	(8,844,097)	(12,814,111)
Income (loss) subject to income tax	(4,427,678)	(8,290,497)
<b>Domestic income tax rate (KSA)</b>	<b>20%</b>	<b>20%</b>
<b>Income tax at domestic tax rate</b>	<b>(885,536)</b>	<b>(1,658,099)</b>
Tax effects of:		
- Current year tax benefits not recognised	1,398,072	1,550,749
- Deviating rates	(401,384)	(444,959)
- Tax rate changes	-	(407)
- Foreign currency results	(379,486)	113,165
- Tax-exempt results on associates and joint ventures	162,838	184,784
- Non-tax deductible expenses	24,138	64,435
- Prior year adjustments and other tax-exempt items	(35,807)	136,725
- Tax charge due to other liabilities	(111,035)	(485,267)
- Deferred income tax on outside basis differences	(21,867)	(35,283)
- State, local and other income taxes	172,138	135,949
<b>Income tax benefit</b>	<b>(77,929)</b>	<b>(438,208)</b>
<b>Zakat expense</b>	<b>213,827</b>	<b>1,269,160</b>
<b>Total income tax and zakat expense from continuing operations</b>	<b>135,898</b>	<b>830,952</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 31. ZAKAT AND INCOME TAX (CONTINUED)

### 31.2 INCOME TAX (CONTINUED)

Review of the major drivers for the current year effective tax expense and zakat expense:

The effective tax and zakat rate is 3% (2023: 18%).

The effective tax benefit is negatively impacted mainly by current year tax benefits not recognised for losses in Luxembourg and the United States of America. Other negative impacts included, tax exempt results on associates and joint ventures, and local income and withholding taxes.

Favourable impact to the effective tax benefit included deviating local statutory tax rates on current year losses, taxable foreign currency exchange losses in the Netherlands and reserve releases for uncertain tax positions.

Management's re-assessment of uncertain tax and zakat positions resulted from legislation changes, discussions with local tax authorities and other relevant facts and circumstances.

The deferred income tax assets / (liabilities) presented in the consolidated statement of financial position are as follows:

As at 31 December	2024	2023
Deferred income tax assets	2,365,609	1,749,286
Deferred income tax liabilities	(611,582)	(814,942)
	1,754,027	934,344

Components of deferred income tax are as follows:

	Consolidated statement of financial position		Consolidated statement of income	
	2024	2023	2024	2023
- Property, plant and equipment and intangible assets	(1,877,004)	(1,969,906)	(85,645)	(60,922)
- Right-of-use assets	(647,542)	(754,507)	(83,493)	(71,124)
- Inventories	(3,853)	(4,499)	(646)	1,228
- Outside basis differences	(232,505)	(256,101)	(21,867)	(35,283)
- Others	(3,512)	(55,718)	(52,206)	44,076
<b>Deferred income tax liabilities</b>	<b>(2,764,416)</b>	<b>(3,040,731)</b>		
Set-off with deferred income tax assets	2,152,834	2,225,789		
<b>Net deferred income tax liabilities</b>	<b>(611,582)</b>	<b>(814,942)</b>		
- Tax loss carry forward	15,354,664	12,338,316	(3,109,320)	(2,643,746)
- Property, plant and equipment and intangible assets	268,168	124,924	(143,244)	1,013
- Employee benefits	279,951	262,695	545	14,753
- Lease liabilities	689,465	763,977	48,328	94,465
- Deferred charges	433,804	376,782	(55,733)	(31,098)
- Provisions on receivables and inventories	143,888	131,320	(15,101)	(37,076)
- Interest carry forward	3,545,113	2,138,328	(1,485,949)	(120,932)
- Tax credits carry forward	328,214	330,290	(5,385)	(13,692)
- Others	362,835	519,020	105,144	(177,272)
<b>Deferred income tax assets</b>	<b>21,406,102</b>	<b>16,985,652</b>		
Unrecognised deferred income tax assets	(16,887,659)	(13,010,577)	4,001,260	2,013,469
Set-off with deferred income tax liabilities	(2,152,834)	(2,225,789)		
<b>Net deferred income tax assets</b>	<b>2,365,609</b>	<b>1,749,286</b>		
<b>Deferred income tax benefit</b>			<b>(903,312)</b>	<b>(1,022,141)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 31. ZAKAT AND INCOME TAX (CONTINUED)

### 31.2 INCOME TAX (CONTINUED)

The Group has not recognised ₪16,888 million (2023: ₪13,011 million) of deferred income tax assets, largely related to tax losses carry forward in various jurisdictions, as no sufficient evidence exists to support the Group’s ability to realise such assets.

Based on the assessment of profitability forecasts for future years, the Group has recognised deferred income tax assets related to its tax losses carry forward in Saudi Arabia of ₪5 million (2023: ₪8 million), in the Netherlands of ₪1,755 million (2023: ₪1,143 million), in the United Kingdom of ₪234 million (2023: ₪148 million), in Spain of ₪45 million (2023: ₪139 million) and in the United States of America of ₪479 million (2023: ₪425 million).

Recoverability of deferred tax assets is contingent on the ability of the Group to adhere to its business plan, which includes key assumptions like average selling prices and volumes. Management believes that a reasonably possible change in its used assumptions would not cause a significant impact, as the Group’s major deferred tax assets recognised are in the Netherlands, which has an indefinite carry forward period for tax losses.

An overview of the Group’s recognised tax loss carry forward is shown below:

As at 31 December	2024	2023	Expiration ranges
Saudi Arabia	26,331	39,510	Indefinite
Netherlands	6,800,654	4,911,802	Indefinite
United States of America	2,046,086	1,817,320	2027 – Indefinite
United Kingdom	937,700	592,100	Indefinite
Spain	181,880	555,869	Indefinite
Others	494,469	32,792	Various
Total	10,487,120	7,949,393	Indefinite

In addition, the Group has unrecognised tax losses carry forward available of ₪52,475 million (2023: ₪42,699 million), mainly in Luxembourg, Netherlands and the United States of America and which can be applied against future taxable income. In certain jurisdictions, these tax losses are pending completion of tax filings and/or acceptance of tax filings by tax authorities.

The Group has recognised a deferred income tax liability of ₪233 million (2023: ₪256 million) for withholding taxes that would be payable on the distribution of unremitted earnings of its subsidiaries, joint ventures and associates.

### GLOBAL MINIMUM TAX

SABIC, being part of the Saudi Aramco Group, is in scope of OECD Pillar Two model rules and has performed an assessment of its exposure to Pillar Two income taxes. An assessment of the potential exposure to Pillar Two income taxes has been made for the jurisdictions where Pillar Two legislation has been enacted or substantively enacted as at the reporting date. The estimation of the Pillar Two income tax exposure is based on historical country-by-country reporting and financial data for the constituent entities.

Based on this assessment, for most of the jurisdictions in which SABIC and the Saudi Aramco Group operate, SABIC and the Saudi Aramco Group are expected to qualify for the transitional CBCR safe harbour relief. However, there are a limited number of jurisdictions where the transitional CBCR safe harbour relief does not apply. SABIC does not expect a material exposure to Pillar Two income taxes in those jurisdictions based on the facts and information available as at the reporting date.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 32. BASIC AND DILUTED EARNINGS PER SHARE

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

Diluted earnings per share amounts are calculated by dividing the net profit for the year attributable to ordinary equity holders of the (Parent) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

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

For the years ended 31 December	2024	2023
Net income (loss) attributable to equity holders of the Parent (ﷲ '000)	1,538,542	(2,772,282)
Weighted average number of ordinary shares ('000)	3,000,000	3,000,000
Earnings per share from net income (loss) attributable to equity holders of the Parent (ﷲ)	0.51	(0.92)
Net income from continuing operations attributable to equity holders of the Parent (ﷲ '000)	2,095,928	1,304,657
Weighted average number of ordinary shares ('000)	3,000,000	3,000,000
Earnings per share from net income from continuing operations attributable to equity holders of the Parent (ﷲ)	0.70	0.43

There are no instruments that have diluted the weighted average number of ordinary shares.

Interests in subsidiaries are set out in Note 42.

## 33. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are legal entities or individuals that can exercise influence on SABIC and its subsidiaries and entities over which SABIC can exercise control or joint control, or a significant influence. These primarily include joint ventures and associates, and Saudi Aramco (being Parent), its subsidiaries, joint ventures and associates.

As part of its normal course of business, SABIC and its subsidiaries and integrated joint ventures enters into various related party contracts and transactions. These principally include sales and purchases, providing and receiving services, and giving and receiving loans.

The following tables show the volume of business with related parties:

	For the year ended 31 December 2024		As at 31 December 2024	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Associates	80,170	5,068,133	16,726	480,736
Joint ventures	7,731,316	20,362,330	4,211,562	6,082,154
Saudi Aramco	26,022	21,869,054	26,560	3,890,254
Saudi Aramco's subsidiaries, joint ventures and associates	11,583,463	23,355,266	906,294	2,503,127

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 33. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	For the year ended 31 December 2023		As at 31 December 2023	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Associates	100,123	5,356,852	22,052	525,347
Joint ventures	7,222,654	15,962,367	4,368,145	5,506,494
Saudi Aramco	13,191	19,178,341	4,543	3,856,450
Saudi Aramco's subsidiaries, joint ventures and associates	13,932,075	24,380,410	1,823,502	3,496,446

	As at 31 December 2024		As at 31 December 2023	
	Loans to related parties	Loan from related parties	Loans to related parties	Loan from related parties
Associates	28,256	-	32,739	-
Joint ventures	688,623	-	625,795	-
Entities (FVOCI equity accounted)	57,127	-	48,749	-
Saudi Aramco's subsidiary	-	7,438,960	-	3,778,091

### TERMS AND CONDITIONS OF TRANSACTIONS WITH RELATED PARTIES

The sales to and purchases from related parties are made at agreed terms and conditions. Outstanding balances are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the years ended 31 December 2024 and 2023, the Group has not recognised any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

### GOVERNMENT, SEMI-GOVERNMENT AND OTHER ENTITIES WITH GOVERNMENT OWNERSHIP OR CONTROL

Transactions and balances with entities controlled by the Saudi government can be shown as follows:

For the years ended 31 December	2024	2023
Purchases of goods and services	2,060,740	3,012,601
Sales of goods and services	2,597,105	14,298

As at 31 December	2024	2023
Payables	144,613	321,812
Receivables (i)	5,485,010	6,837
Short-term investments with banks	2,748,900	3,670,500
Cash and cash equivalents held with banks	7,313,817	11,223,067
Borrowings	12,439,622	13,438,156
Lease liabilities	1,448,537	1,467,067

- (i) During the year ended 31 December 2024, the group obtained all approvals related to the divestment of Hadeed to PIF (an entity controlled by the Saudi government). The Hadeed business was presented as discontinued operation prior to closing of the transaction in these annual consolidated financial statements (refer Note 34).

Following balances as presented above are related party transactions with Hadeed, an entity controlled by the Saudi government:

- receivable from PIF amounting to ₪ 4,826 million.
- receivable from Hadeed against the services amounting to ₪ 647 million.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise state

### 33. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

#### KEY MANAGEMENT PERSONNEL COMPENSATION

In addition to remunerations to key management personnel, the Group also provides non-cash benefits to directors and executive officers, and contributes to a post-employment defined benefit plan on their behalf.

Remuneration of key management can be shown as follows:

For the years ended 31 December	2024	2023
Short-term employee benefits	38,425	44,731
Post-employment benefits	8,182	10,243
Other long-term benefits	30,439	33,603
<b>Total</b>	<b>77,046</b>	<b>88,577</b>

### 34. DISCONTINUED OPERATION

On 3 September 2023, the Group announced signing an agreement with the ‘Public Investment Fund’ (“PIF”) to acquire all SABIC shares in the ‘Saudi Iron and Steel Company’ (“Hadeed”).

Following the signing of the agreement, Hadeed has been presented as ‘discontinued operation’ under IFRS 5 ‘*Non-current Assets Held for Sale and Discontinued Operations*’. The assets and liabilities of the disposal group are therefore classified and presented separately as ‘held for sale’ in these consolidated financial statements. These are measured at lower of their carrying amount and fair value less costs to sell (based on the agreement) and depreciation is ceased on relevant assets from the date of their classification as ‘held for sale’.

As per 31 May 2024, SABIC had obtained all approvals from the relevant authorities and satisfied all conditions related to the transfer of the ownership of Hadeed to PIF.

### 34.1 FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION

Following table presents the financial performance of discontinued operation for the following periods:

For the years ended 31 December	2024	2023
Revenue	5,214,495	13,053,749
Depreciation and amortisation	-	(763,633)
Cost of sales and other expenses, net	(5,360,409)	(13,167,150)
Finance income and expenses	(63,010)	(153,019)
Results from non-integral joint ventures and associates	-	(547)
<b>Loss before zakat</b>	<b>(208,924)</b>	<b>(1,030,600)</b>
Zakat expense	(44,333)	(115,297)
<b>Loss after zakat</b>	<b>(253,257)</b>	<b>(1,145,897)</b>
Fair value re-measurement on assets held for sale	(304,129)	(2,931,042)
<b>Loss from discontinued operation</b>	<b>(557,386)</b>	<b>(4,076,939)</b>
Items that will not be reclassified to the statement of income	91,086	(140,008)
Reclassification of other comprehensive loss	(2,111)	-
<b>Total comprehensive loss from discontinued operation</b>	<b>(468,411)</b>	<b>(4,216,947)</b>

Following table presents the cash flow information of discontinued operation for the following periods:

For the years ended 31 December	2024	2023
Net cash generated from operating activities	71,792	926,710
Net cash from (used in) investing activities	45,850	(596,704)
Net cash used in financing activities	(136,141)	(289,409)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(18,499)</b>	<b>40,597</b>

Loss before zakat and income tax from discontinued operations, as presented in the consolidated statement of cash flows, amounted to ₪ 513,053 million including the fair value re-measurement on assets held for sale.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 34. DISCONTINUED OPERATIONS (CONTINUED)

### 34.2 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

The carrying amounts of assets and liabilities of disposal group classified as held for sale were:

	As at 31 December 2023
<b>Assets held for sale</b>	
Property, plant and equipment, right-of-use assets and intangible assets (i)	5,334,816
Inventories	3,904,243
Trade receivables	2,765,103
Other non-current and current assets	2,036,146
Cash and cash equivalents	1,383,646
Total assets	15,423,954
<b>Liabilities directly associated with assets held for sale</b>	
Employee benefits	2,957,098
Other current and non-current liabilities	2,214,757
Trade payables	529,035
Total liabilities	5,700,890
Net assets	9,723,064

- (i) The fair value re-measurement has been entirely allocated to ‘Property, plant and equipment, right-of-use assets and intangible assets’.

### 34.3 LOSS ON SALE OF HADEED

Consideration received or receivable:	
Cash	1,163,045
Long-term and current receivables (i)	4,826,091
Total sale consideration	5,989,136
Less: carrying amount of net assets sold	(9,224,307)
<b>Loss on sale of Hadeed (ii)</b>	<b>(3,235,171)</b>

- (i) Receivables from PIF, to be received in next two years, are presented net of discounting impact and recognised as a ‘financial asset at amortised cost’ in accordance with IFRS 9 ‘Financial Instruments’.
- (ii) Loss on sale of Hadeed includes fair value re-measurement loss recorded during the year ended 31 December 2024 amounting to ﷲ 304 million (2023: ﷲ 2,931 million).

The following represents the carrying amounts of assets and liabilities of Hadeed at the date of disposal:

	As at 31 May 2024
<b>Assets held for sale</b>	
Property, plant and equipment, right-of-use assets and intangible assets	8,270,493
Other assets	9,436,438
Cash and cash equivalents	1,365,147
Total assets	19,072,078
<b>Liabilities directly associated with assets held for sale</b>	
Employee benefits	2,900,962
Other liabilities	6,946,809
Total liabilities	9,847,771
Net assets	9,224,307

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 35. ASSETS HELD FOR SALE

### 35.1 SALE OF SHARES IN ALUMINIUM BAHRAIN BSC (“ALBA”) – CLASSIFIED AS ASSET HELD FOR SALE

On 14 Rabi’ul Awwal 1446 AH (corresponding to 17 September 2024), the group announced the signing by SABIC Industrial Investment Company, a wholly owned subsidiary of SABIC, of an agreement for the sale of its holding of 292,804,000 ordinary shares in ALBA (representing 20.62% of its issued share capital) to Saudi Arabian Mining Company (“Ma’aden”). The divestment will enable SABIC to optimise its portfolio, focus on its core business, and further strengthen its growth in the chemicals industry.

The sale proceeds will be BHD 363 million (approximately ₪3,624 million). The investment was part of Petrochemicals segment and has been classified as ‘assets held for sale’ since the sale is highly probable within twelve months.

The investment has been measured at the lower of its carrying amount and its fair value less costs to sell (based on the agreement), resulting in a fair value remeasurement loss amounting to ₪201 million which has been recorded under results from associates and non-integral joint ventures in the consolidated statement of income.

As at 31 December 2024, the completion of the transaction is subject to customary approvals from the relevant regulatory authorities and the satisfaction of certain conditions precedent contained in the share sale and purchase agreement.

### 35.2 SALE OF FILM & SHEET BUSINESS – DISPOSAL GROUP

During the period ended 30 June 2024, the assets and liabilities of F&S business, part of Petrochemicals segment, were reclassified to ‘assets held for sale’ and ‘liabilities directly associated with assets held for sale’ in the consolidated statement of financial position, as a result of operational and structural changes.

On 1 September 2024, SABIC has satisfied all customary conditions and has obtained regulatory approvals. First instalment of total sale consideration was received in the third quarter of 2024. In line with the agreement, the final amount of the total sale consideration will be determined once the completion accounts are concluded, which is expected during the

first quarter of 2025. The resulting gain on sale of F&S business is recorded under other operating income in the consolidated statement of income.

Consideration received or receivable:	
Cash	562,424
Long-term receivables	375,000
Total sale consideration	937,424
Less: carrying amount of net assets sold	(646,065)
Gain on sale of assets held for sale	291,359

The carrying amounts of assets and liabilities of F&S business at the date of disposal were:

	As at 1 September 2024
<b>Assets held for sale</b>	
Property, plant and equipment, right-of-use assets and intangible assets	432,937
Inventories	268,940
Trade receivables	199,833
Other assets	34,351
Cash and cash equivalents	142,781
Total assets	1,078,842
<b>Liabilities directly associated with assets held for sale</b>	
Employee benefits	41,386
Other liabilities	252,363
Trade payables	139,028
Total liabilities	432,777
Net assets	646,065



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 36. SEGMENT INFORMATION

For management purposes, the Group is organised into two operating segments.

The **Petrochemicals** segment is comprised of two primary product categories: Chemicals and Polymers.

- **Chemicals** products are manufactured from a variety of hydrocarbon feedstock, including Methane, Ethane, Propane, Butane, and light Naphtha. The product range includes Olefins, Methanol, Aromatics, Glycols, Carbon Dioxide, Methyl Tert-Butyl Ether (MTBE).
- **Polymers** products include Polyethylene (PE), Polypropylene (PP), Polycarbonate (PC), specialities products and other Polymers:
  - The PE product range encompasses linear low-density polyethylene (LLDPE), low-density polyethylene (LDPE), and high-density polyethylene (HDPE).
  - The PP product lines include homo, random, and impact Polypropylene, as well as Polypropylene compounds, homo polymer, random copolymer, impact copolymer, and specialty automotive grades.
  - The Specialties product range includes NORYL™, ULTEM™, EXTEM™, and SILTEM™ resins, a range of LNP™ compounds and copolymers, and a variety of thermosets and additives. As of April 19, 2024, the Specialties business was repositioned and integrated into the Polymers business. There is no change to the operating segments and previously reported segment information.
  - Other notable products include Polycarbonate (PC), Polyvinyl Chloride (PVC), Polyethylene Terephthalate (PET), Polystyrene (PS) and Acrylonitrile Butadiene Styrene (ABS).

The **Agri-Nutrients** segment consists of a range of fertiliser products; including Urea, Ammonia, Phosphate, as well as compound fertilisers.

**Hadeed**, a wholly-owned manufacturing business was concerned with production of steel products; long products and flat products. Hadeed has been reported as 'discontinued operation' in these annual consolidated financial statements (refer Note 34).

The Chief Executive Officer monitors the results of its segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on income statement and is measured consistently with profit or loss in the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 36. SEGMENT INFORMATION (CONTINUED)

The segments' financial details are shown below:

	For the year ended 31 December 2024		
	Petrochemicals	Agri-nutrients	Continuing operations
Revenue	129,497,484	10,483,016	139,980,500
Depreciation and amortisation	(12,115,270)	(893,835)	(13,009,105)
Impairments and write-offs	(720,359)	-	(720,359)
Income from operations	2,712,734	3,024,645	5,737,379
Share of results of associates and non-integral joint ventures	(1,221,755)	787,121	(434,634)
Finance income			1,933,971
Finance cost			(2,820,297)
Income before zakat and income tax			4,416,419

	For the year ended 31 December 2023		
	Petrochemicals	Agri-nutrients	Continuing operations
Revenue	131,257,832	10,279,355	141,537,187
Depreciation and amortisation	(12,574,482)	(876,260)	(13,450,742)
Impairments and write-offs	(1,844,422)	-	(1,844,422)
Income from operations	198,078	3,522,315	3,720,393
Share of results of associates and non-integral joint ventures	(819,201)	610,744	(208,457)
Finance income			3,626,328
Finance cost			(2,614,650)
Income before zakat and income tax			4,523,614

	As at 31 December 2024		
	Petrochemicals	Agri-nutrients	Continuing operations
Total assets	250,095,170	24,299,998	274,395,168
Capital expenditure	9,427,133	773,096	10,200,229
Investments in associates and joint ventures	26,901,051	8,534,734	35,435,785
Total liabilities	89,192,915	4,907,719	94,100,634

	As at 31 December 2023		
	Petrochemicals	Agri-nutrients	Continuing operations
Total assets	260,315,379	18,641,118	278,956,497
Capital expenditure	8,967,834	899,570	9,867,404
Investments in associates and joint ventures	33,016,209	8,221,092	41,237,301
Total liabilities	89,772,173	3,624,848	93,397,021

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 36. SEGMENT INFORMATION (CONTINUED)

### GEOGRAPHICAL DISTRIBUTION OF REVENUE

	For the year ended 31 December 2024		For the year ended 31 December 2023	
		%		%
KSA	18,618,566	13	19,807,715	14
China	25,022,603	18	27,192,924	19
Rest of Asia	31,203,075	22	31,156,327	22
Europe	28,571,179	20	29,532,746	21
Americas	16,291,992	12	14,720,382	10
Africa	9,427,763	7	7,656,434	5
Others	10,845,322	8	11,470,659	9
	139,980,500	100	141,537,187	100

The revenue information above is based on the locations of the customers.

### GEOGRAPHICAL DISTRIBUTION FOR NON-CURRENT ASSETS EXCLUDING FINANCIAL ASSETS AND DEFERRED TAX ASSETS

	As at 31 December 2024		As at 31 December 2023	
		%		%
KSA	97,104,675	69	99,600,827	69
Europe	18,162,212	13	18,711,114	13
Americas	22,046,922	16	22,608,242	16
Asia	2,745,573	2	2,902,078	2
Africa	21,992	-	41,121	-
	140,081,374	100	143,863,382	100

## 37. FINANCIAL RISK MANAGEMENT

### OVERVIEW

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

### RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures,

aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

### 37.1 CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. The maximum exposure to credit risk is the carrying value of these assets.

The Group's policies limit the amount of credit exposure to any individual counterparty based on their credit rating as well as other factors. Moreover, the Group's policies require that cash and cash equivalents and short-term investments be invested with a diversified group of financial institutions, in the majority of cases with investment grade credit ratings. The Group ensures that each counterparty is of an acceptable credit quality by relying on quantitative and qualitative measures compiled from internal and third party rating models.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 37. FINANCIAL RISK MANAGEMENT (CONTINUED)

### 37.1 CREDIT RISK (CONTINUED)

	For the year ended 31 December 2024										Carry value in the statement of financial position
	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	Other	
Bank balances and fixed term deposits	-	8,930	419,076	1,437,608	24,403,846	3,840,774	153	-	4,499	423,913	30,538,799
Investments in equity instruments	-	-	-	-	-	-	-	-	-	253,402	253,402
Investments in debt instruments	-	-	-	187,500	-	-	-	-	-	149,082	336,582
Short-term investments (i)	-	-	259,512	245,735	4,279,377	2,653,413	-	-	-	226,646	7,664,683
Other financial assets	-	-	-	4,826,091	-	-	-	-	-	4,397,242	9,223,333
	-	8,930	678,588	6,696,934	28,683,223	6,494,187	153	-	4,499	5,450,285	48,016,799

	For the year ended 31 December 2023										Carry value in the statement of financial position
	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	Other	
Bank balances and fixed term deposits	-	-	65,780	7,074,108	20,836,251	4,308,173	1,951	-	-	127,456	32,413,719
Investments in equity instruments	-	3,691	-	-	-	-	-	-	-	232,794	236,485
Investments in debt instruments	-	-	-	-	241,961	-	-	-	-	145,030	386,991
Short-term investments (i)	-	-	-	614,906	5,460,670	3,552,282	-	-	-	160,226	9,788,084
	-	3,691	65,780	7,689,014	26,538,882	7,860,455	1,951	-	-	665,506	42,825,279

(i) Excludes investments in debt instruments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

### 37. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 37.1 CREDIT RISK (CONTINUED)

##### TRADE RECEIVABLES

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the customer demographics, including default risk of the industry and country in which customer operates, as these factors may have an influence on credit risk. Due to the global activities and diversified customer structure of the Group, there is no significant concentration of credit default risk.

The Group takes credit risk on trades with recognised, credit worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. Credit quality of the customer is assessed based on an extensive internal credit rating scorecard by taking into account the payment behaviour, company legal structure, financial and non-financial profile and external data where available. Credit limits are established accordingly and frequently monitored in accordance with the established policy. Payment terms are generally agreed upon individually with customers and, as a rule, are within 30-120 days. The Group considers additional measures to mitigate credit risk when deemed appropriate by means of letter of credits, credit insurance, bank guarantees or parent company guarantees.

The Group applies the simplified approach allowed by IFRS 9 '*Financial Instruments*' in providing for expected credit

losses for trade receivables which uses the lifetime expected credit loss provision for all trade receivables. Such credit losses have historically been nominal and the loss allowance for trade receivables (refer Note 17) is not material.

#### 37.2 LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities, as they fall due. Liquidity risk mainly relates to trade and other payables, borrowings, leases liabilities, and financial instruments. SABIC's approach to managing liquidity risk is to maintain sufficient cash and cash equivalents and short-term investments, and through ensuring the availability of adequate banking facilities (refer Note 22).

At the group level liquidity risk is managed through, setting an appropriate liquidity framework, monitoring cash flow forecasts to ensure overall liquidity is available, maintaining a sufficient portfolio of assets that can be easily liquidated and through the use of a global cash pooling mechanisms.

The Group invests surplus funds in current accounts, fixed term deposits, money market deposits and marketable securities. The Group prioritizes security and liquidity over yield.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 37. FINANCIAL RISK MANAGEMENT (CONTINUED)

### 37.2 LIQUIDITY RISK (CONTINUED)

The table below summaries the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	31 December 2024				
	Within 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
Debt (excludes lease liabilities)	1,768,422	3,761,221	14,414,977	8,110,000	28,054,620
Short-term borrowings	2,080,922	-	-	-	2,080,922
Interest on loans and borrowings (i)	1,209,466	892,653	1,803,029	1,949,145	5,854,293
Trade payables	19,793,604	-	-	-	19,793,604
Lease liabilities	1,148,117	795,754	1,536,982	6,791,128	10,271,981
Dividend payable	7,471,836	-	-	-	7,471,836
Other liabilities	2,851	-	-	-	2,851
Obligations to acquire the remaining shares of certain subsidiaries	-	-	-	880,894	880,894
Financial liabilities - derivatives financial instruments	-	-	-	1,095,000	1,095,000
	33,475,218	5,449,628	17,754,988	18,826,167	75,506,001

	31 December 2023				
	Within 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
Debt (excludes lease liabilities)	2,077,080	1,972,559	14,248,707	10,035,898	28,334,244
Short-term borrowings	2,414,233	-	-	-	2,414,233
Interest on loans and borrowings (i)	1,474,001	1,247,628	1,385,860	1,156,602	5,264,091
Trade payables	20,087,016	-	-	-	20,087,016
Lease liabilities	1,083,698	896,887	1,547,773	7,162,544	10,690,902
Dividend payable	7,003,335	-	-	-	7,003,335
Other liabilities	6,907	-	-	-	6,907
Obligations to acquire the remaining shares of certain subsidiaries	-	-	-	572,269	572,269
Financial liabilities - derivatives financial instruments	-	-	-	1,438,875	1,438,875
	34,146,270	4,117,074	17,182,340	20,366,188	75,811,872

(i) Excludes interest on lease.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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## 37. FINANCIAL RISK MANAGEMENT (CONTINUED)

### 37.3 MARKET RISK

Market risk is the risk that changes in market prices, such as foreign equity prices, exchange rates and interest rates and will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group has derivatives, and also incurs financial liabilities, in order to manage market risks. All such transactions are carried out within the guidelines set by the Risk Management Committee.

#### EQUITY PRICE RISK

The Group’s exposure to equity price risk arises from investments in equity instruments. To manage its price risk arising from these investments, the Group diversifies its investment portfolio. Diversification of the investment portfolio is in accordance with the limits set by the Group.

#### CURRENCY EXCHANGE RATE RISK

The Group’s foreign currency risk management objective is to protect future cash flows in Saudi Riyals and in USD. Cash flow foreign currency risk exposures are considered at the Group level and these primarily consist of currency exchange risks from account payables and receivables.

SABIC management centrally manage currency risk and monitor currency exposures through applying a value-at-risk (VaR) methodology which is based on a Monte Carlo simulation, at a 97.5% confidence level, a 12-month time horizon is considered. If a foreign currency exposure breaches certain thresholds then the Group will apply risk management activities. There is no exposure of Saudi Riyal to USD, as the Saudi Riyal is pegged to the USD.

#### INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To lower volatility and increase predictability of interest expenses, the Group may enter into simple financial derivatives such as interest rate swaps. During the years ended 2023 and 2022, the Group had no interest rate swaps outstanding.

Debt interest rate classification between fixed and variable rate borrowings is disclosed under Note 22. The total value of variable rate borrowings were ₪ 22,337 million (2023: ₪ 19,803 million) and the total value of fixed rate borrowings were ₪ 7,928 million (2023: ₪ 8,164 million).

The following table demonstrates the sensitivity of the Group to a reasonably possible change in interest rates, with all other variables held constant, of the Groups profit before tax (through the impact on floating rate borrowings):

	31 December 2024	
	Gains (losses) through income and equity	
	+100 bps	-100 bps
1M SAIBOR	(3,217)	3,217
6M SAIBOR	(2,072)	2,072
6M SOFR	(4,663)	4,663

	31 December 2023	
	Gains (losses) through income and equity	
	+100 bps	-100 bps
1M SAIBOR	(2,222)	2,222
3M SAIBOR	31	(31)
6M SAIBOR	(3,603)	3,603
6M SOFR	(5,142)	5,142

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 38. CAPITAL MANAGEMENT

The primary objective to the Group's capital management is to support its business and maximise shareholder value.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group manages its capital structure and makes adjustments to it, in light of change in economic conditions.

The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, and non-controlling interests. There were no changes in the Group's approach to capital management during the year. The Board of Directors also monitors the level of dividends to ordinary shareholders and capital management. Neither the Group nor any of its subsidiaries are subject to externally imposed capital requirements.

SABIC defines net debt as total borrowings net of cash and cash equivalents and short-term fixed term deposits.

The Group's net debt to equity ratio at the end of the reporting years is as follows:

As at 31 December	2024	2023
Gross debt	35,198,069	33,496,767
Less: Cash and cash equivalents	(30,539,668)	(32,414,996)
Less: Short-term fixed term deposits	(7,668,807)	(9,842,617)
Net debt	(3,010,406)	(8,760,846)
Total equity	183,918,159	195,282,540
Net debt to equity ratio	(2)%	(4)%

### 38.1 COMPLIANCE WITH COVENANTS

The Group owes total borrowing, with carrying amount of ₪ 22,732 million as at 31 December 2024 (31 December 2023: ₪ 20,122 million), which is subject to certain covenants.

The Group was in compliance with covenants at 31 December 2024 and 31 December 2023. There are no indications that there would be any difficulties complying with these covenants when they will be next tested at the interim date.

## 39. COMMITMENTS AND CONTINGENCIES

### 39.1 COMMITMENTS

At 31 December 2024, the Group had commitments of ₪ 8,715 million (31 December 2023: ₪ 9,238 million) relating to capital expenditures.

SABIC has an equity contribution commitment towards its 15% interest in MWSPC. As at 31 December 2024, the outstanding commitment toward this investment amounts

to ₪ 74 million (31 December 2023: ₪ 74 million). Pursuant to the terms of agreements with the other shareholders and external lenders, SABIC has agreed to contribute additional funds to the project, under certain circumstances and to the extent required, in the event of project cost over-runs.

NUSANED has equity contribution commitments towards its 50% interest in NUSANED Fund I and 60% interest in NUSANED Fund II. As of 31 December 2024, the outstanding commitment toward these investments amounts to ₪ 13.6 million and ₪ 431 million respectively (31 December 2023: ₪ 13.6 million and ₪ 446 million respectively).

On 9 Rajab 1445H (corresponding to 21 January 2024), SABIC decided to move forward with the development of a world scale Petrochemical complex located in Fujian (China) in partnership with 'Fujian Fuhua Gulei Petrochemical Co., Ltd.', the joint venture partner. SIIC, a subsidiary of SABIC, has 51% ownership in the joint venture 'SABIC Fujian Petrochemicals Co., Ltd.' ("FUJIAN"). The estimated cost of the complex is approximately ₪ 24,000 million (equivalent to USD 6,400 million), and the construction of the project, as expected, began during the first half of the year 2024. As of 31 December 2024, the outstanding equity commitments toward FUJIAN's capital is ₪ 2,826 million.

### 39.2 GUARANTEES

SABIC issues financial guarantee contracts to make specified payments to reimburse holders for losses incurred due to certain associates and joint ventures failing to make payments when due, in accordance with original or modified terms of the debt instrument, such as a loan



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 39. COMMITMENTS AND CONTINGENCIES (CONTINUED)

agreement modified terms of the debt instrument, such as a loan agreement.

There are no outstanding financial guarantees as at 31 December 2024 (31 December 2023: ₪ nil).

### 39.3 CONTINGENT LIABILITIES

In the ordinary course of business, SABIC has a number of legal claims. After having obtained appropriate legal advice, management is of the opinion that these claims will not have a significant adverse impact on the financial position of SABIC or its future results, other than those that have been accrued for.

The Group's bankers have issued, on its behalf, bank guarantees amounting to ₪ 1,150 million (31 December 2023: ₪ 1,263 million) in the normal course of business, mainly related to its integral joint ventures.

### 39.4 LEASES

The Group is deemed as a lessor in certain supply contracts where the agreements convey the right to use related equipment, mainly gas pipelines and other related accessories. The duration of the lease agreements are between 15 to 20 years which are a significant majority of the useful lives of the related assets. The lessor is responsible for maintenance and insurance of the assets.

Generally, there are minimum payments due from the lessee regardless of potential termination of the agreements. Renewal of lease agreements are possible but are subject to mutual agreement.

Minimum lease payment receivables on leases are as follows:

	31 December 2024	31 December 2023
Within 1 year	36,276	38,177
1 – 2 years	35,497	36,276
2 – 3 years	32,894	35,497
3 – 4 years	31,907	32,894
4 – 5 years	31,322	31,907
More than 5 years	164,851	196,173
	332,747	370,924

## 40. APPROPRIATIONS

On 23 Sha'ban 1445H (corresponding to 4 March 2024), SABIC distributed interim cash dividends amounting to ₪ 4,800 million (at ₪ 1.60 per share) for the second half of financial year 2023, resulting in a full year cash dividend distribution of ₪ 10,200 million (at ₪ 3.40 per share).

On 21 Rabi' al-Awwal 1446H (corresponding to 24 September 2024), SABIC distributed interim cash dividends amounting to ₪ 5,100 million (at ₪ 1.70 per share) for the first half of the year 2024.

On 21 Jumada Al-thani 1446H (corresponding to 22 December 2024), SABIC declared interim cash dividends amounting to ₪ 5,100 million (at ₪ 1.70 per share) for the second half of year 2024.

The total interim dividends for the year 2024 are amounting to ₪ 10,200 million (at ₪ 3.40 per share).

Both interim dividends were recorded in these consolidated financial statements. In total, the interim dividends during the year 2024 are translating into a multiple of 4.87 of the net income from continuing operations attributable to equity holders of the Parent.

## 41. SUBSEQUENT EVENTS

On 20 Sha'ban 1446H (corresponding to 19 February 2025) SABIC has announced the completion of sale of shares in ALBA and obtaining sales proceeds of BHD 363 million (equivalent to approximately ₪ 3,612 million).

In the opinion of management, there have been no further significant subsequent events, other than those disclosed in these consolidated financial statements, since the year ended 31 December 2024, which would have a material impact on the financial position of the Group as reflected in these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS

SUBSIDIARIES OF THE GROUP ARE SET OUT BELOW:

	Country of incorporation	Country of operation	Principal business activity (ii)	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
SABIC International Holdings B.V. and its subsidiaries	Netherlands	Netherlands	Petrochemicals	100.00	100.00	727,907	426,192	31,930,806	7,180
Sabic Investment and Local Content Development Company ("NUSANED") and its subsidiaries	KSA	KSA	Investment	100.00	100.00	336,200	-	-	1,761
SABIC Industrial Investments Company ("SIIC") and its subsidiaries	KSA	KSA	Investments	100.00	100.00	30,000	-	509,028	-
SABIC Capital B.V. and its subsidiaries	Netherlands	Netherlands	Financing	100.00	100.00	87	-	214,712	906
SABIC Agri-Nutrients Company ("SABIC AN") and its subsidiaries (iii)	KSA	KSA	Agri-Nutrients	50.10	50.10	4,760,354	-	86,924	-
Arabian Petrochemical Company ("PETROKEMYA")	KSA	KSA	Petrochemicals	100.00	100.00	1,955,540	-	471,328	-
SABIC Luxembourg S.à r.l.	Luxembourg	Luxembourg	Petrochemicals	100.00	100.00	34,388	58,005	13,050,076	-
National Global Business Services Company	KSA	KSA	Shared Service	100.00	100.00	100	100	-	-
Saudi European Petrochemical Company ("IBN ZAHR")	KSA	KSA	Petrochemicals	80.00	80.00	1,025,666	-	135,739	-
Jubail United Petrochemical Company ("UNITED")	KSA	KSA	Petrochemicals	75.00	75.00	2,495,620	-	81,136	60
Saudi Methanol Company ("AR-RAZI")	KSA	KSA	Petrochemicals	75.00	75.00	259,000	-	270,624	-
National Industrial Gases Company ("GAS")	KSA	KSA	Utilities	74.00	74.00	248,000	-	72,481	13,249
Yanbu National Petrochemical Company ("YANSAB") (iii)	KSA	KSA	Petrochemicals	52.08	52.08	5,625,000	-	105,154	33

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

SUBSIDIARIES OF THE GROUP ARE SET OUT BELOW:

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
National Methanol Company ("IBN-SINA")	KSA	KSA	Petrochemicals	50.00	50.00	558,000	-	70,412	-
Arabian Industrial Fibers Company ("IBN RUSHD")	KSA	KSA	Petrochemicals	50.49	48.37	2,000,000	-	50,550	-
Saudi Kayan Petrochemical Company ("SAUDI KAYAN") (iii)	KSA	KSA	Petrochemicals	35.00	35.00	15,000,000	-	236,013	120

Notes:

- (i) Determination of the control over entities is based on underlying agreements and constitutive documents.
- (ii) The principal activities of majority of the Group's subsidiaries are manufacturing, marketing and distribution of petrochemicals, specialties and related products except for SABIC AN, AL BAYRONI and IBN AL-BAYTAR that are involved in agri-nutrients business.
- (iii) YANSAB, SABIC AN, and SAUDI KAYAN are publicly traded companies and listed on the Saudi Exchange (Tadawul).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC CAPITAL B.V.

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
Subsidiaries									
SABIC Capital I B.V.	Netherlands	Netherlands	Financing	100.00	100.00	87	6,310,334	34,454,820	705,912
SABIC Capital II B.V.	Netherlands	Netherlands	Financing	100.00	100.00	87	1,301,999	8,914,217	9,343

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC INTERNATIONAL HOLDINGS B.V.

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
SABIC US Holdings LP	USA	USA	Petrochemicals	100.00	100.00	13,971,335	2,178,773	-	-
SABIC Innovative Plastics US LLC	USA	USA	Petrochemicals	100.00	100.00	9,766,152	2,012	13,379,218	-
SABIC Innovative Plastics Mt. Vernon, LLC	USA	USA	Petrochemicals	100.00	100.00	7,593,775	793,532	2,529	-
SABIC Innovative Plastics Espana ScpA (i)	Spain	Spain	Petrochemicals	100.00	100.00	2,603,643	322,844	1,235,495	28,520
SABIC UK Petrochemicals Ltd.	UK	UK	Petrochemicals	100.00	100.00	2,576,265	-	837,723	21,622
SABIC Innovative Plastics Holding Singapore Pte. Ltd.	Singapore	Singapore	Petrochemicals	100.00	100.00	1,902,551	86,858	-	5,022
SHPP Singapore Pte. Ltd.	Singapore	Singapore	Specialties	100.00	100.00	1,827,525	733,106	22,168	33,728
SABIC Tees Holdings Ltd.	UK	UK	Petrochemicals	100.00	100.00	1,245,003	364	1,428,337	1,194
SABIC Europe B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	747,092	1,941,732	3,154	44,034
SABIC Innovative Plastics B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	648,567	6,270	4,002,388	1,631
SHPP (Shanghai) Co., Ltd.	China	China	Specialties	100.00	100.00	432,713	232,105	6,002	2,315
SABIC Innovative Plastics (China) Co., Ltd.	China	China	Petrochemicals	100.00	100.00	392,226	549,150	9,139	4,423
Exatec, LLC	USA	USA	Petrochemicals	100.00	100.00	380,614	11,548	-	-
SABIC Innovative Plastics South America - Indústria e Comércio de Plásticos Ltda.	Brazil	Brazil	Petrochemicals	100.00	100.00	318,816	43,449	91,059	4,087
SABIC Innovative Plastics Hong Kong Ltd.	Hong Kong	Hong Kong	Petrochemicals	100.00	100.00	279,709	42,379	-	1,946
SHPP Japan LLC	Japan	Japan	Specialties	100.00	100.00	276,755	106,902	1,626	2,412
SABIC Innovatve Plastics (SEA) Pte. Ltd.	Singapore	Singapore	Petrochemicals	100.00	100.00	265,596	88,779	7	3,345
SABIC R&T Pvt Ltd.	India	India	Petrochemicals	100.00	100.00	259,653	52,840	350	165
SABIC Ventures US Holdings LLC	USA	USA	Petrochemicals	100.00	100.00	231,046	62,992	-	20,903
SABIC Belgium NV	Belgium	Belgium	Petrochemicals	100.00	100.00	210,064	2,770	37,860	7
SHPP Canada, Inc.	Canada	Canada	Specialties	100.00	100.00	209,100	9,322	63	876
SABIC Petrochemicals B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	192,086	1,050	3,989,694	31,641

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC INTERNATIONAL HOLDINGS B.V. (CONTINUED)

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
SABIC (China) Research & Development Co. Ltd.	China	China	Petrochemicals	100.00	100.00	170,589	33,110	57	171
SABIC Global Ltd.	UK	UK	Petrochemicals	100.00	100.00	166,298	220,580	-	10,513
SABIC Innovative Plastics Chongqing Co., Ltd.	China	China	Petrochemicals	100.00	100.00	112,500	11,012	179,384	191
SABIC Australia Pty Ltd.	Australia	Australia	Petrochemicals	100.00	100.00	110,155	24,128	-	1,117
SABIC Taiwan Holding Ltd. (Hong Kong)	Hong Kong	Hong Kong	Petrochemicals	100.00	100.00	92,724	42,303	-	2,206
SABIC Korea Ltd.	Korea	Korea	Petrochemicals	100.00	100.00	86,659	89,389	3,335	501
SHPP Manufacturing UK Ltd	UK	UK	Specialties	100.00	100.00	80,052	22,258	564	1,073
SHPP Thailand Co. Ltd.	Thailand	Thailand	Specialties	100.00	100.00	70,904	44,451	52	5
Scientific Design Co. Inc.	USA	USA	Specialties	100.00	100.00	69,163	29,514	6,935	526
SHPP Korea Ltd.	Korea	Korea	Specialties	100.00	100.00	63,634	29,201	271	296
SABIC US Projects LLC	USA	USA	Petrochemicals	100.00	100.00	56,250	1,061,107	781,418	-
SHPP South America-Comércio de Plásticos Ltda	Brazil	Brazil	Specialties	100.00	100.00	44,317	28,552	410	173
SABIC Innovative Plastics Mexico S de RL de CV	Mexico	Mexico	Petrochemicals	100.00	100.00	36,215	41,713	237,455	2,946
SABIC Innovative Plastics India Private Ltd.	India	India	Petrochemicals	100.00	100.00	34,372	110,568	454	233
SABIC Innovative Plastics Argentina SRL	Argentina	Argentina	Petrochemicals	100.00	100.00	33,460	18,610	-	3,090
SABIC (Thailand) Co. Ltd.	Thailand	Thailand	Petrochemicals	100.00	100.00	28,785	22,126	681	-
SABIC Innovative Plastics SIT Holding Ltd.	Hong Kong	Hong Kong	Petrochemicals	100.00	100.00	27,358	495	-	-
SABIC Innovative Plastics Ltd.	UK	UK	Petrochemicals	100.00	100.00	17,478	31,940	-	1,619
SABIC (Shanghai) Trading Co. Ltd.	China	China	Petrochemicals	100.00	100.00	16,912	295,249	-	1,011

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC INTERNATIONAL HOLDINGS B.V. (CONTINUED)

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
High Performance Plastics Manufacturing Mexico S de RL de CV	Mexico	Mexico	Specialties	100.00	100.00	13,839	12,240	227	773
Petrochemical Pipeline Services B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	13,559	19,482	5,871	561
SHPP Hong Kong	Hong Kong	Hong Kong	Specialties	100.00	100.00	12,652	37,607	1	1,635
NV Pijpleiding Antwerpen-Limburg-Luik (PALL)	Belgium	Belgium	Support services	100.00	100.00	12,345	3,743	-	89
SHPP France S.A.S.	France	France	Specialties	100.00	100.00	9,834	7,628	187	369
SABIC Innovative Plastics Malaysia Sdn Bhd	Malaysia	Malaysia	Petrochemicals	100.00	100.00	162,251	12,093	-	470
SABIC Americas LLC	USA	USA	Petrochemicals, Agri-Nutrients	100.00	100.00	7,000	741,479	32,070	-
JVSS Holding Co Inc. (ii)	USA	USA	Specialties	-	100.00	-	-	-	-
SABIC Innovative Plastics France S.A.S.	France	France	Petrochemicals	100.00	100.00	4,527	77,077	831	3,013
SABIC Petrochemicals Japan LLC	Japan	Japan	Petrochemicals	100.00	100.00	3,631	14,017	14,898	4
SABIC India Pvt. Ltd.	India	India	Petrochemicals	100.00	100.00	3,346	18,208	4,313	-
SABIC Innovative Plastics Finland OY	Finland	Finland	Petrochemicals	100.00	100.00	3,024	13,319	51	481
SABIC High Performance Plastic ("SHPP") Argentina SRL	Argentina	Argentina	Specialties	100.00	100.00	3,006	940	-	-
SABIC Nordic A/S	Denmark	Denmark	Petrochemicals	100.00	100.00	2,004	16,300	134	604
SABIC France S.A.S.	France	France	Petrochemicals	100.00	100.00	1,898	68,657	591	2,406
SABIC Vietnam Company Ltd.	Vietnam	Vietnam	Petrochemicals	100.00	100.00	1,875	3,818	419	-
SABIC Innovative Plastics Poland Sp. Z o.o.	Poland	Poland	Petrochemicals	100.00	100.00	1,817	41,361	374	2,310
Saudi Innovative Plastics Sweden AB	Sweden	Sweden	Petrochemicals	100.00	100.00	1,619	11,026	-	437
SABIC Innovative Plastics International Trading (Shanghai) Ltd.	China	China	Petrochemicals	100.00	100.00	1,162	36,520	-	147

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All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC INTERNATIONAL HOLDINGS B.V. (CONTINUED)

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
SHPP Malaysia Sdn Bhd	Malaysia	Malaysia	Specialties	100.00	100.00	904	2,912	-	-
SABIC (China) Holding Co., Ltd	China	China	Petrochemicals	100.00	100.00	750	1,617,536	353,546	11,332
SABIC Italia Srl	Italy	Italy	Petrochemicals	100.00	100.00	514	82,216	3,759	2,988
SABIC Sales Europe B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	498	4,063	52,593	25,672
SABIC Innovative Plastics GmbH	Germany	Germany	Petrochemicals	100.00	100.00	478	210,205	1,066	8,483
SHPP Vietnam Co Ltd	Vietnam	Vietnam	Specialties	100.00	100.00	375	9,865	125	-
SABIC Marketing Ibérica S.A.	Spain	Spain	Petrochemicals	100.00	100.00	329	38,582	295	2,345
SABIC Innovative Plastics Holding Germany GmbH	Germany	Germany	Petrochemicals	100.00	100.00	254	-	101,881	329
SABIC Asia Pacific Pte Ltd ("SAPPL")	Singapore	Singapore	Petrochemicals, Agri-Nutrients	100.00	100.00	226	1,364,381	1,110,906	38,686
SABIC Polyolefine GmbH	Germany	Germany	Petrochemicals	100.00	100.00	127	265,664	35,664	14,061
SABIC Deutschland GmbH	Germany	Germany	Petrochemicals	100.00	100.00	125	136,082	1,756	12,097
SABIC Holding Deutschland GmbH	Germany	Germany	Petrochemicals	100.00	100.00	125	83,744	643,933	2,938
SHPP Germany GmbH	Germany	Germany	Specialties	100.00	100.00	105	35,333	1,014	1,213
SABIC Licensing B.V.	Netherlands	Netherlands	License Company	100.00	100.00	99	552,964	29,979	17,584
SD Verwaltungs GmbH	Germany	Germany	Administrative Company	100.00	100.00	99	922	-	-
SABIC Ventures B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	98	205,290	-	13,029
SABIC Innovative Plastics Holding B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	92	329,377	-	16,661
SABIC Innovative Plastics GP B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	92	39,616	-	2,058
SABIC Global Technologies B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	92	276,175	621	20,158
SABIC Mining B.V. (iii)	Netherlands	Netherlands	Petrochemicals	100.00	100.00	91	195,921	-	10,162



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC INTERNATIONAL HOLDINGS B.V. (CONTINUED)

Subsidiaries	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
SABIC Limburg B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	90	21,306	-	49
SABIC Greece M.E.P.E. (ii)	Greece	Greece	Petrochemicals	-	100.00	-	-	-	-
SABIC Innovative Plastics Denmark Aps	Denmark	Denmark	Petrochemicals	100.00	100.00	69	21,335	186	1,318
SABIC Innovative Plastics Kereskedelmi Kft.	Hungary	Hungary	Petrochemicals	100.00	100.00	66	22,449	167	1,872
SABIC Poland Sp. Z o.o.	Poland	Poland	Petrochemicals	100.00	100.00	50	16,552	967	836
SABIC Hungary Kft.	Hungary	Hungary	Petrochemicals	100.00	100.00	40	5,571	51	401
SHPP Italy Srl	Italy	Italy	Specialties	100.00	100.00	44	21,559	129	592
SHPP Sales Italy Srl	Italy	Italy	Specialties	100.00	100.00	44	8,074	451	299
SABIC Sales Italy Srl	Italy	Italy	Petrochemicals	100.00	100.00	41	9,590	654	392
SHPP Hungary Kft.	Hungary	Hungary	Specialties	100.00	100.00	37	1,290	2	115
SABIC Innovative Plastics Czech s.r.o.	Czech Republic	Czech Republic	Petrochemicals	100.00	100.00	37	9,016	326	415
SHPP Petrokimya Ticaret Ltd Sirketi	Turkey	Turkey	Specialties	100.00	100.00	34	1,380	-	-
High Performance Plastics India Pvt Ltd.	India	India	Specialties	100.00	100.00	19	19,586	23,388	1
SHPP Manufacturing Spain SL	Spain	Spain	Specialties	100.00	100.00	13	1,736	135	34
SHPP Marketing Plastics SL	Spain	Spain	Specialties	100.00	100.00	13	3,711	235	231
SABIC Sales Spain SL	Spain	Spain	Petrochemicals	100.00	100.00	12	14,387	154	600
SHPP Finland OY	Finland	Finland	Specialties	100.00	100.00	11	1,015	113	114
SHPP Poland Sp. Z o.o.	Poland	Poland	Specialties	100.00	100.00	5	6,370	179	208
SHPP Holding B.V.	Netherlands	Netherlands	Specialties	100.00	100.00	2	59,035	-	2,252
SHPP Czech s.r.o.	Czech Republic	Czech Republic	Specialties	100.00	100.00	2	3,134	26	109
SABIC Innovative Plastics Rus Z.o.o	Russia	Russia	Petrochemicals	100.00	100.00	1	1,824	791	-
SHPP Capital B.V.	Netherlands	Netherlands	Financing	100.00	100.00	1	1,967	-	700

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All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SABIC INTERNATIONAL HOLDINGS B.V. (CONTINUED)

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
LLC SABIC Eastern Europe	Russia	Russia	Petrochemicals	100.00	100.00	1	7,122	346	-
SHPP Russia OOO	Russia	Russia	Specialties	100.00	100.00	1	11	144	-
SHPP Sales B.V.	Netherlands	Netherlands	Specialties	100.00	100.00	1	6,669	-	1,145
SHPP Sales UK Ltd.	UK	UK	Specialties	100.00	100.00	1	-	117	130
SHPP Ventures B.V.	Netherlands	Netherlands	Specialties	100.00	100.00	1	185	-	270
SHPP B.V.	Netherlands	Netherlands	Specialties	100.00	100.00	1	4	586,166	4,405
SHPP Global Technologies B.V.	Netherlands	Netherlands	Specialties	100.00	100.00	1	3,664	-	770
SHPP Capital I B.V.	Netherlands	Netherlands	Financing	100.00	100.00	1	467,650	476,185	130,615
SHPP Capital II B.V.	Netherlands	Netherlands	Financing	100.00	100.00	1	210,918	216,848	11,792
SHPP US LLC	USA	USA	Specialties	100.00	100.00	1	212,086	426,195	1,764
SABIC Innovative Plastics Utilities B.V.	Netherlands	Netherlands	Petrochemicals	100.00	100.00	1	2,787	-	129
SABIC UK Ltd.	UK	UK	Petrochemicals	100.00	100.00	-	28,375	1,035	4,839
SABIC US Methanol LLC (ii)	USA	USA	Petrochemicals	-	100.00	-	-	-	-
SABIC UK Pension Trustee Ltd.	UK	UK	Petrochemicals	100.00	100.00	1	-	-	-
SABIC Petrochemicals Holding US, LLC	USA	USA	Petrochemicals	100.00	100.00	1	4	337,987	-
SABIC Canada, Inc.	Canada	Canada	Petrochemicals	100.00	100.00	750	35,908	35	808
SABIC Manufacturing Geleen BV (iv)	Netherland	Netherland	Petrochemicals	100.00	-	1	-	-	-

Notes:

- (i) SABIC Innovative Plastics España ScpA changed its name into SABIC Innovative Plastics España SL.
- (ii) JVSS Holding Company, SABIC Greece M.E.P.E. and SABIC US Methanol LLC were liquidated during 2024.
- (iii) SABIC Mining B.V. is under liquidation and it is now referenced as SABIC Mining B.V. i.l.
- (iv) SABIC Manufacturing Geleen BV is newly incorporated during 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES OF SIIC

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
SABCAP Insurance Limited	Guernsey	Guernsey	Insurance	100.00	100.00	187,500	933,002	-	-
SABIC Petrokemya Ticaret Limited	Turkey	Turkey	Petrochemicals	100.00	100.00	931	65,024	-	5,579
SABIC Pakistan (Pvt.) Ltd.	Pakistan	Pakistan	Petrochemicals	100.00	100.00	907	14,650	76	3,599
SABIC Kenya	Kenya	Kenya	Petrochemicals	100.00	100.00	883	3,111	1,529	29
SABIC Tunisia	Tunisia	Tunisia	Petrochemicals	100.00	100.00	763	3,064	-	52
SABIC Morocco	Morocco	Morocco	Petrochemicals	100.00	100.00	437	23,135	-	-
SABIC Africa for Trade & Marketing ("S.A.E.") (i)	Egypt	Egypt	Petrochemicals	-	100.00	-	-	-	-
SABIC Middle East Offshore Company ("SABIC MIDDLE EAST") (ii)	Lebanon	Lebanon	Petrochemicals	100.00	100.00	75	299	-	-
SABIC Middle East Business Management LLC	Jordan	Jordan	Petrochemicals	100.00	100.00	76	11,891	745	-
SABIC Global Mobility ("GMC LLC") (i)	UAE	UAE	Personnel and other support services	-	100.00	-	-	-	-
SABIC Global Mobility Company FZ LLC ("GMC")	UAE	UAE	Personnel and other support services	100.00	100.00	1	1	-	-
SABIC South Africa Proprietary Ltd.	South Africa	South Africa	Petrochemicals	100.00	100.00	1	2,252	4,264	66
SABIC East Africa for Trade and Marketing LLC	Egypt	Egypt	Petrochemicals	99.99	99.99	47	8,960	3,061	-
International Shipping and Transportation Co. ("ISTC")	KSA	KSA	Supply chain	99.00	99.00	40,000	-	430,896	-
SABIC Supply Chain Services Limited Company ("SSCS")	KSA	KSA	Supply chain	99.00	99.00	500	-	147,559	-
SABIC Terminal Services ("SABTANK")	KSA	KSA	Supply chain	90.00	90.00	30,000	-	9,517	-
Jubail Chemical Storage and Services Company ("CHEMTANK")	KSA	KSA	Supply chain	58.00	58.00	466,250	-	57,892	-

Notes:

(i) S.A.E. and GMC LLC were liquidated in 2024.

(ii) SABIC Middle East is under liquidation.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS OF SABIC AN (I)

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Subsidiaries</b>									
Al-Jubail Fertiliser Company ("AL BAYRONI")	KSA	KSA	Agri-Nutrients	50.00	50.00	671,500	-	52,592	-
National Chemical Fertiliser Company ("IBN AL-BAYTAR")	KSA	KSA	Agri-Nutrients	100.00	100.00	494,700	-	53,277	-
SABIC Agri-Nutrients Investment Company ("SANIC")	KSA	KSA	Agri-Nutrients	100.00	100.00	25	-	-	-
<b>Associates</b>									
Gulf Petrochemical Industries Company ("GPIC")	Bahrain	Bahrain	Agri-Nutrients, Petrochemicals	33.33	33.33	600,000	-	-	-
<b>Joint Ventures</b>									
ETG Inputs Holdco Limited ("EIHL") (Refer note 10.2)	UAE	UAE	Agri-Nutrients	49.00	49.00	229	-	-	-

Note:

(i) SABIC AN owns 100% (direct and indirect) in SANIC and IBN AL-BAYTAR, 50% in AL-BAYRONI, 33.33% in GPIC and 49% in EIHL.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### INVESTMENTS IN ASSOCIATES AND JOINT VENTURES OF NUSANED

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Joint ventures (i)</b>									
Advanced Energy Storage System Investment Company ("AESSIC") (ii)	KSA	KSA	Renewable Energy	100.00	48.72	-	-	-	-
Saudi Pallet Manufacturing Company ("SPMC") (iii)	KSA	KSA	Logistic	38.00	38.00	-	-	-	-
Isotopes Company ("IHC")	KSA	KSA	Machinery Equipment	13.44	13.44	23,354	31	5,452	-
<b>Associates (i)</b>									
Nusaned Fund I	KSA	KSA	Equity Investments	50.00	50.00	71,550	40,000	-	2,936
Nusaned Fund II	KSA	KSA	Equity Investments	60.00	60.00	18,872	15,429	201	-

Notes:

- (i) Determination of the classification of these investments as associates and joint ventures is based on underlying agreements and constitutive documents.
- (ii) AESSIC is a limited liability company and as per share exchange agreement, Nusaned has acquired remaining 51.28% equity stake in in AESSIC during 2024 and it is under liquidation.
- (iii) The investment in SPMC has been written-off during 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### GROUP'S INVESTMENTS IN ASSOCIATES:

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Associates (i)</b>									
Clariant AG ("CLARIANT")	Switzerland	Switzerland	Specialty chemical	31.50	31.50	2,422,500	1,531,206	2,879,829	74,693
Ma'aden Phosphate Company ("MPC")	KSA	KSA	Agri-Nutrients	30.00	30.00	6,208,480	-	180,826	-
Bahrain Aluminium Company BSC ("ALBA") (ii)	Bahrain	Bahrain	Aluminium	20.62	20.62	1,412,900	-	3,704,237	-
Power and Water Utilities Company for Jubail and Yanbu ("MARAFIQ")	KSA	KSA	Utilities	17.50	17.50	2,500,000	-	2,877,298	-
Ma'aden Wa'ad Al Shamal Phosphate Company ("MWSPC")	KSA	KSA	Agri-Nutrients	15.00	15.00	7,942,502	-	-	-
National Chemical Carrier Company ("NCC")	KSA	KSA	Transportation	20.00	20.00	610,000	-	-	-
Saudi Arabian Industrial Investment Company ("DUSSUR")	KSA	KSA	Investments	25.00	25.00	3,850,000	-	-	-
ARG mbH & Co KG ("ARG") (iii)	Germany	Germany	Transportation	25.00	25.00	6,049	-	-	-
ARG Verwaltungs GmbH (iii)	Germany	Germany	Administrative company	16.67	25.00	-	-	-	-
German Pipeline Development Company GMBH ("GPDC")	Germany	Germany	Transportation	39.00	39.00	33,911	4,026	23,024	-
Mallinda, Inc. ("MALLINDA") (iv)	USA	USA	Ventures	26.20	26.20	-	-	-	-
Gulf Aluminium Rolling Mill Company ("GARMCO") (iv)	Bahrain	Bahrain	Aluminium	14.90	14.90	551,823	-	-	-

Notes:

- (i) Determination of the classification of these investments as associates is based on underlying agreements and constitutive documents.
- (ii) During the year, the group classified its investment in ALBA as 'assets held for sale' (refer Note 35.1).
- (iii) ARG includes ARG Verwaltungs GmbH which is administrative and non-operating company based in Germany.
- (iv) Investment in Mallinda and GARMCO has been fully written-off during 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

All amounts in thousands of Saudi Riyals unless otherwise stated

## 42. SUBSIDIARIES AND INVESTMENTS IN ASSOCIATES AND JOINT ARRANGEMENTS (CONTINUED)

### GROUP'S INVESTMENTS IN JOINT ARRANGEMENTS:

	Country of incorporation	Country of operation	Principal business activity	% Shareholding (direct and indirect) at 31 December 2024	% Shareholding (direct and indirect) at 31 December 2023	Share capital at 31 December 2024	Conventional financial assets at 31 December 2024	Conventional financial liabilities at 31 December 2024	Interest income from conventional financial assets for the year ended 31 December 2024
<b>Joint ventures (i)</b>									
Eastern Petrochemical Company ("SHARQ")	KSA	KSA	Petrochemicals	50.00	50.00	1,890,000	-	190,021	5,503
Saudi Yanbu Petrochemical Company ("YANPET")	KSA	KSA	Petrochemicals	50.00	50.00	4,596,000	-	226,034	37,415
Al-Jubail Petrochemical Company ("KEMYA")	KSA	KSA	Petrochemicals	50.00	50.00	2,149,200	-	351,908	8,237
SINOPEC/SABIC Tianjin Petrochemical Company Limited ("SSTPC")	China	China	Petrochemicals	50.00	50.00	5,558,039	276,723	2,089,796	-
SABIC SK Nexlene Company Pte. Ltd. ("SSNC")	Singapore	Singapore	Petrochemicals	50.00	50.00	1,125,038	382,500	183,750	-
Cosmar Company ("COSMAR")	USA	USA	Petrochemicals	50.00	50.00	-	56,629	-	-
Utility Support Group ("USG") B.V. (ii)	Netherlands	Netherlands	Utilities	50.00	50.00	181,472	-	-	-
SABIC Plastic Energy Advanced Recycling BV ("SPEAR") (iii)	Netherlands	Netherlands	Petrochemicals	50.00	50.00	97,566	10,821	328,693	-
SABIC Fujian Petrochemicals Co., Ltd. ("FUJIAN")	China	China	Petrochemicals	51.00	51.00	967,235	460,308	3,461,543	4,011
<b>Joint operations (iv)</b>									
Saudi Methacrylates Company ("SAMAC") (v)	KSA	KSA	Petrochemicals	50.00	50.00	1,350,000	-	607,190	-
Gulf Coast Growth Venture LLC ("GCGV") (vi)	USA	USA	Petrochemicals	50.00	50.00	24,701,497	906,114	-	-
Saudi Acrylic Butanol Company ("SABUCO") (vii)	KSA	KSA	Petrochemicals	11.67	11.67	-	-	-	-
Geismar (viii)	USA	USA	Petrochemicals	11.50	11.50	-	-	-	-

#### Notes:

- (i) Determination of the classification of these investments as associates is based on underlying agreements and constitutive documents.
- (ii) USG (Geleen, Netherlands), which is operated jointly with other stakeholders to produce utilities for a production site.
- (iii) SPEAR is a joint venture and engaged in plastic recycling, located in Sittard-Geleen, Netherlands.
- (iv) The Group holds a joint control in each of these joint operations with the respective partners. The partners ensure the ongoing financing of the companies, either by the product and utility directly sold to the partners or sharing the costs. Refer Note 6.2 which explains the classification of these investments as joint operations based on underlying agreements and constitutive document.
- (v) SAMAC is a Limited Liability Company, registered in KSA and involved in production and selling of Methyl Methacrylate ("MMA") and Poly Methyl Methacrylate ("PMMA").
- (vi) Gulf Coast Growth Venture LLC ("GCGV") is a joint venture established with Exxon Mobil (a foreign partner) for the production of petrochemicals products.
- (vii) SABUCO, a Saudi based mixed limited liability company, having principal activities comprise of Butanol plant in Jubail for production of N-Butanol and Iso-Butanol. SABUCO is owned 33.33% by SAUDI KAYAN and SABIC share is 11.67%.
- (viii) Geismar, Louisiana, USA, is a cooperation with NOVA Chemicals to produce ethylene. The Group holds 11.5% share in this joint operation and controls it jointly with the partner.