



SIIG
المجموعة السعودية

Saudi Industrial Investment Group

Q1 2025 Earnings Presentation

20th May, 2025



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Strong operational performance in Q1 2025 offset by lower product margins

- Strong operational performance with high utilization levels in Q1
- Product prices remained weak, tracking the weakness in crude prices
- SIIG continues to generate positive cash flow from operations
- Macroeconomic uncertainty and slower global growth estimates due to tariff war
- Studying opportunities and impact of potential long-term changes in supply chains
- Focus is to maintain strong operational excellence to protect margins

Sales Volume (Kmt)*

893

▲ +33% year-on-year

Share of Profits from Jvs (ﷲ Mn)

31

▼ -34% year-on-year

Net Profit (ﷲ Mn)

18

▼ -34% year-on-year

Dividend Received from JVs (ﷲ Mn)

73

▼ -46% year-on-year

Cashflow from Operations (ﷲ Mn)

36

▼ -65% year-on-year

Cash & Cash Equivalents (ﷲ Mn)

986

▲ +4% year-to-date

Market Updates

US China Trade Tariffs:

- Significant uncertainty about the final tariff rates, and products that will be excluded from the rules
- The tariffs announcement has led to lower global GDP growth expectations, driving crude and petrochemical prices lower
- The tariffs will lead to higher cost for fuel imported from US by Chinese players, pushing their costs higher
- However, there are concerns over negative impact on end-product demand from China
- Polyethylene trade flows from US rerouted to other markets creating surplus in certain regions and shortage in China

Demand and Supply

- Styrene demand remained soft during the quarter, offset by lower supply due to turnarounds and production outages in Europe
- Some Styrene capacity reduction in Europe
- Polymers remain oversupplied, and demand remained soft. Lower crude prices led to lower fuel costs, putting pressure on prices

Red Sea situation

- Major shipping lines remain cautious and continue rerouting around the Cape of Good Hope
- US– Houthi ceasefire agreement along with Egypt's Suez Canal Authority fee discount of 15%, will attract vessels back to Suez Canal route in coming months

Capital prioritization

Priority 1 **Essential Capex**

Sustaining the current business operations

Priority 2 **Shareholder Returns**

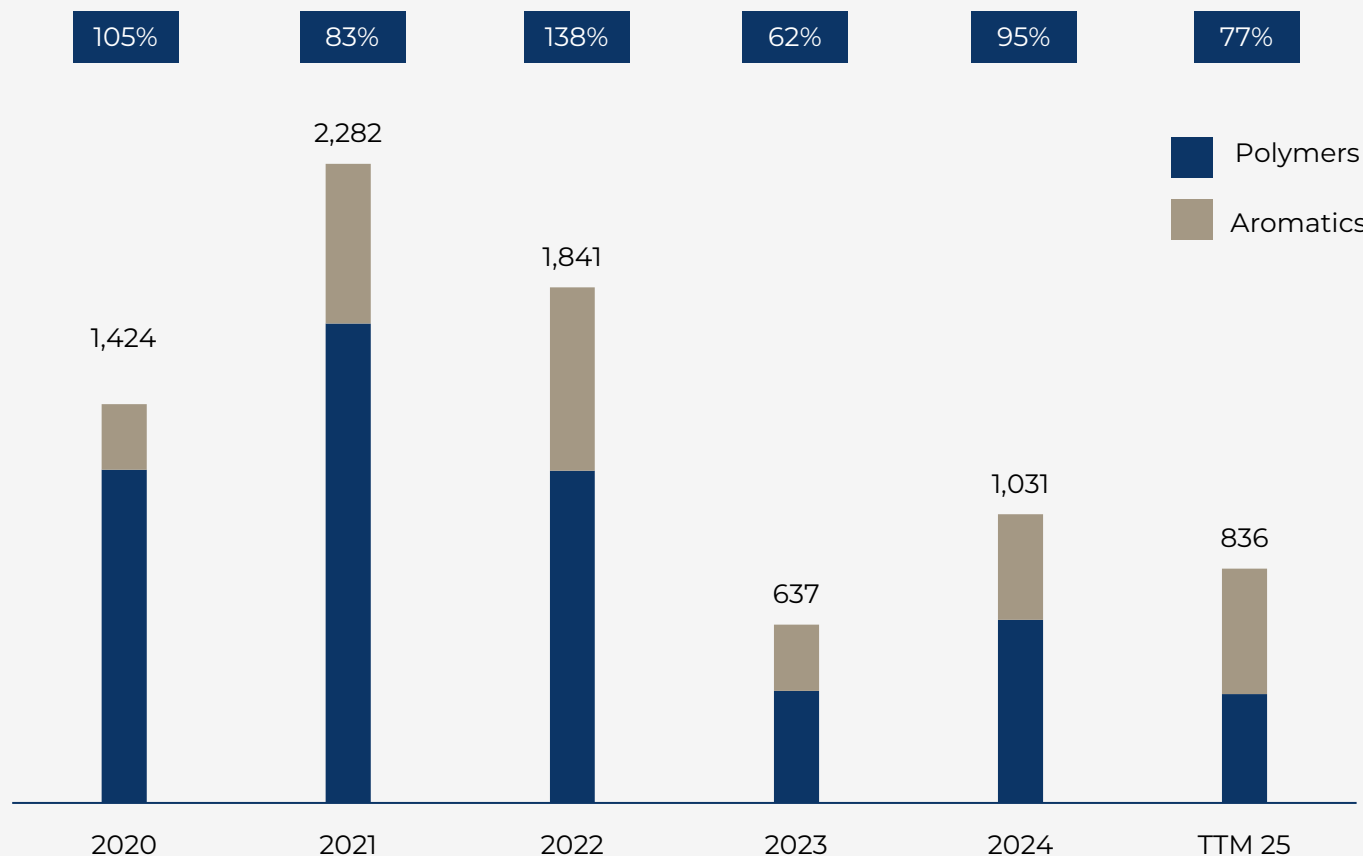
Providing stable returns to shareholders in terms of dividends, share repurchases and capital reduction

Priority 3 **More value creation**

- Investments in current operations to maximize utilization of current assets
- New investments in non-correlated sectors

Continue to generate positive cash flows and maintain a solid cash conversion rate through the cycle

SIIG's attributable CFO (Mn) from JVs and conversion rate (%)



Highlights

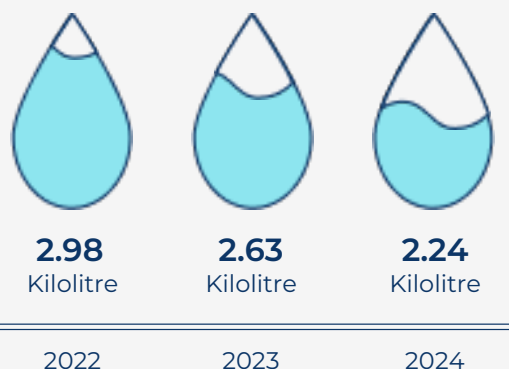
- Generating positive cash flow from operations in weak environment
- Maintaining strong cash conversion
- Diversified product portfolio
- Diversified feedstock exposure

ESG and sustainability Initiatives

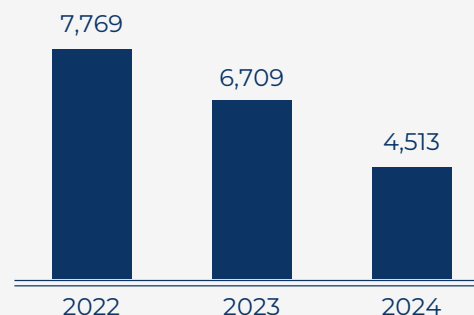
Alignment to UN SDGs



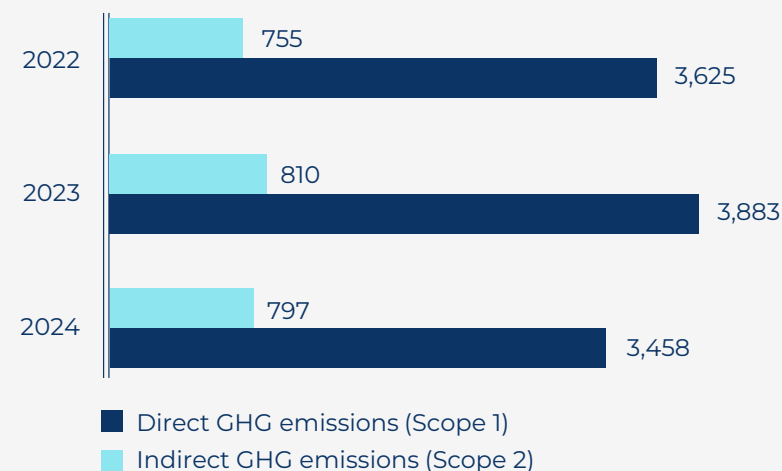
Potable water usage



Hazardous waste generated



GHG Emissions (Thousand tons)

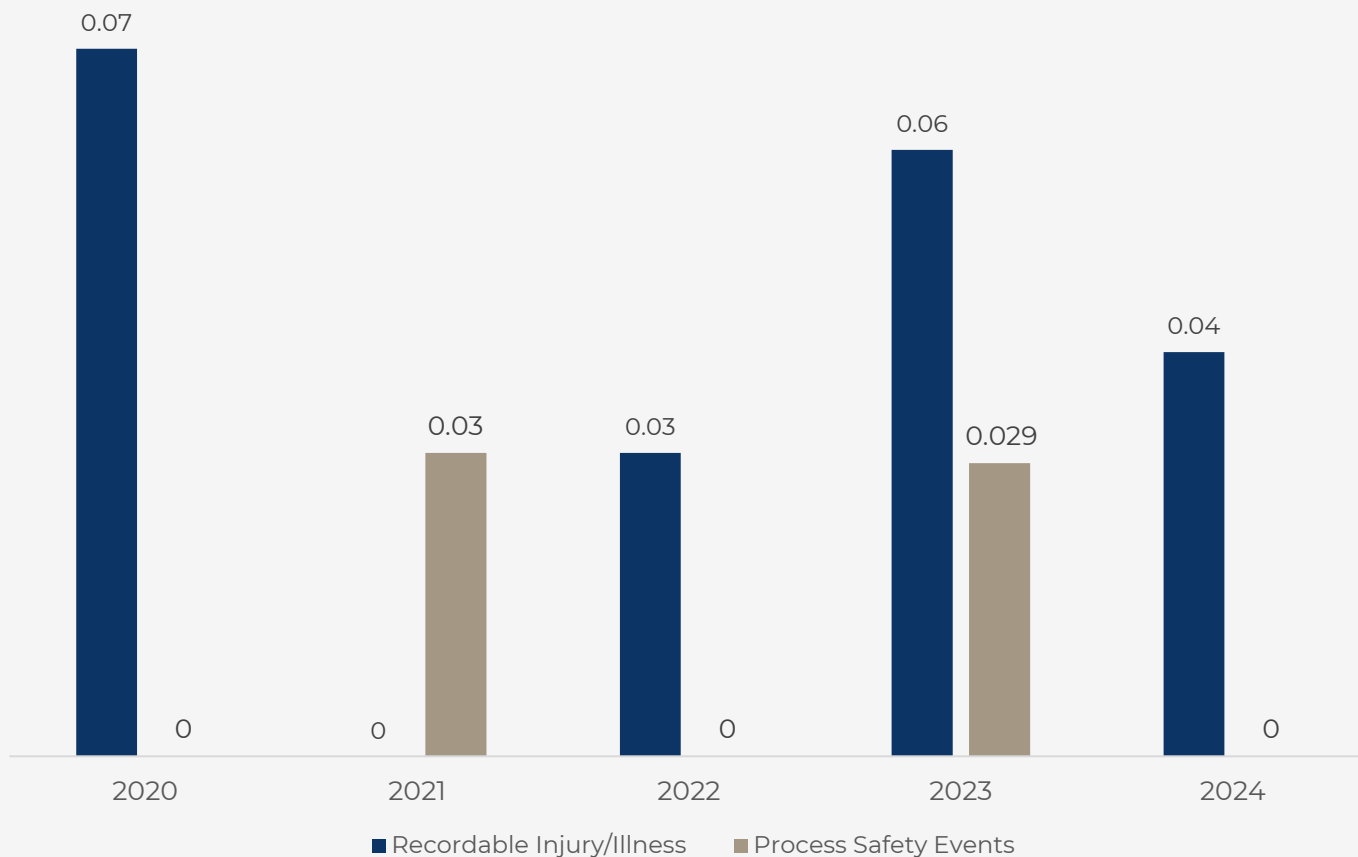


Materiality Assessment

- Governance & Business Ethics
- Occupational Health & Safety
- Economic Performance
- Climate Change & Energy Mngt.
- Human Capital Development
- Diversity, Equity & Inclusion
- Resource Handling & Efficiency
- Supply Chain Management
- Air Quality & Emissions
- Data Privacy & Security
- Talent Attraction & Retention
- Digitalization & Tech Advancement
- Customer Experience
- Waste Management
- Water management
- Community Engagement

Outstanding safety performance record

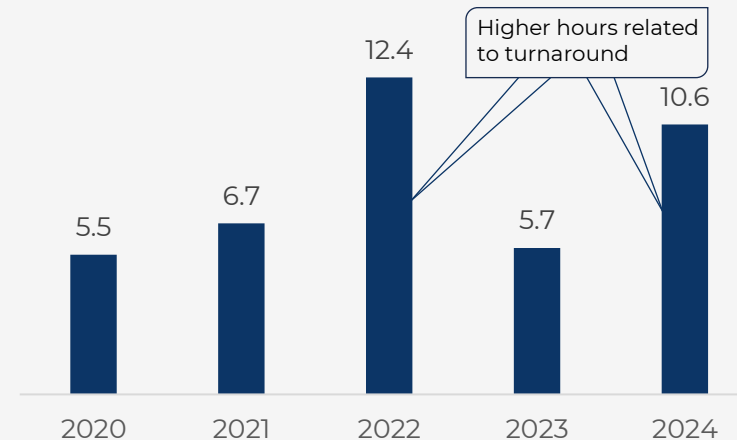
Injuries per 200,000 hours worked



Highlights

- JVs reached over 800 days without a Tier 1 & more than 1,300 days without a Tier 2 Process Safety Event
- Continued commitment to safe working environment

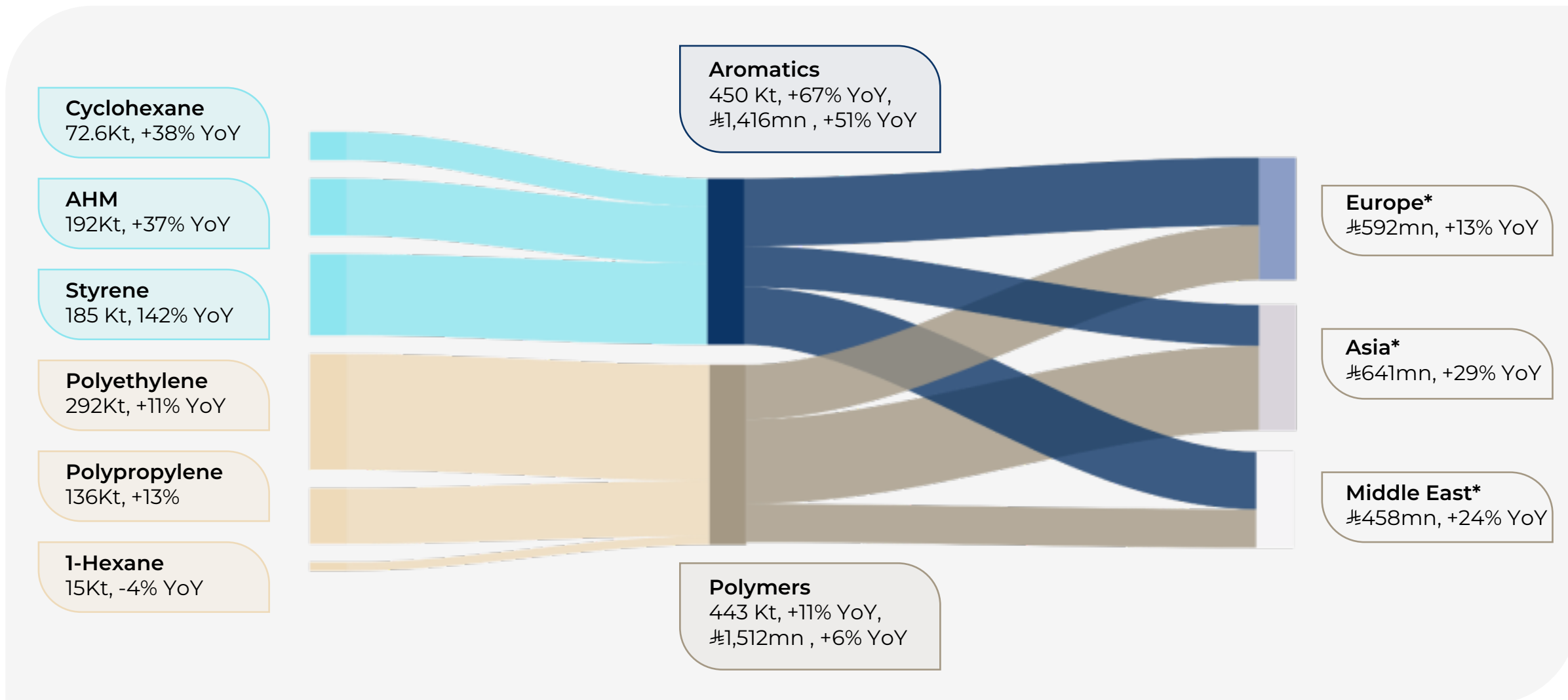
Employee Worked Hours (millions)



Operational Updates

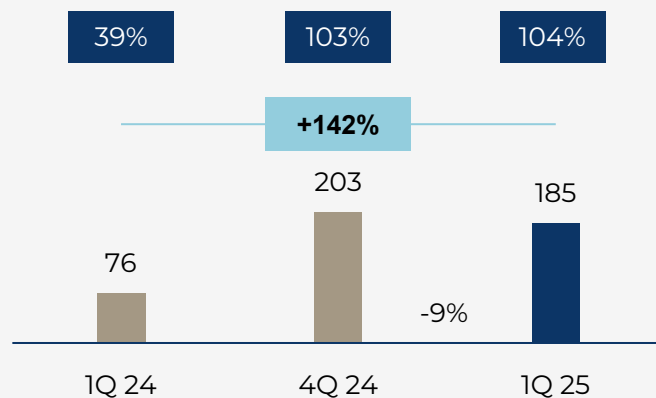


Sales distribution by products and region

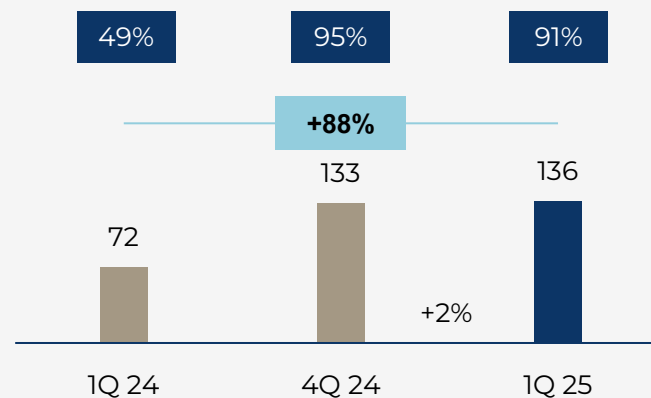


Aromatics: Strong volume growth, but lower product prices offset the top line growth

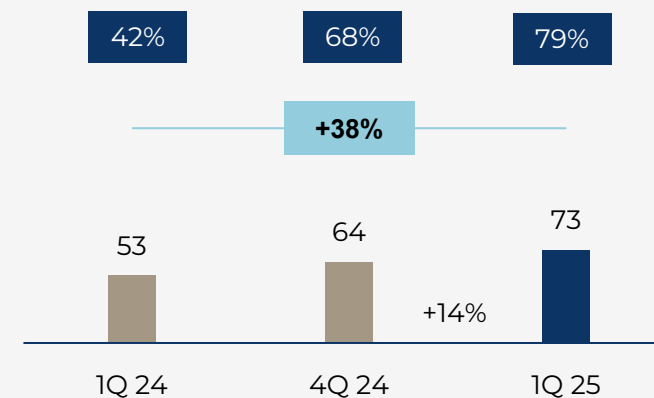
Styrene Sales (Kmt) and Utilization (%)



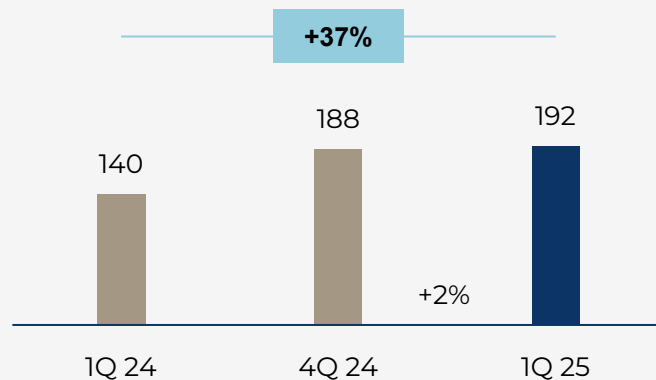
Benzene Sales (Kmt) and Utilization (%)



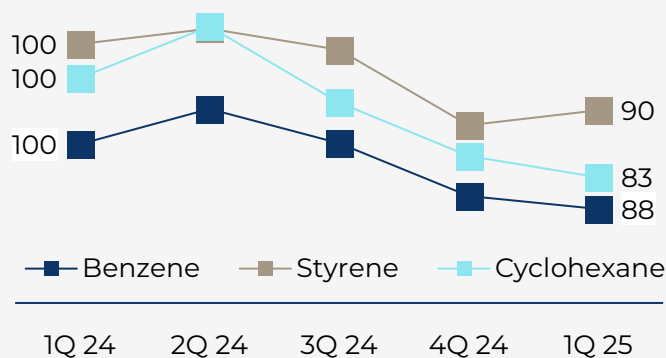
Cyclohexane Sales (Kmt) and Utilization (%)



AHM Sales (Kmt)



Product price (Indexed to 100) *

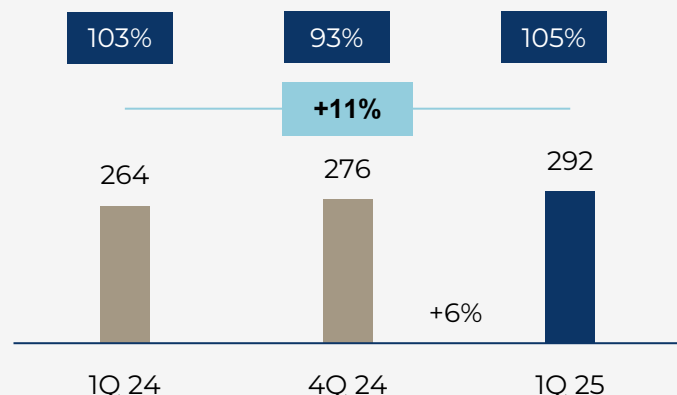


Highlights

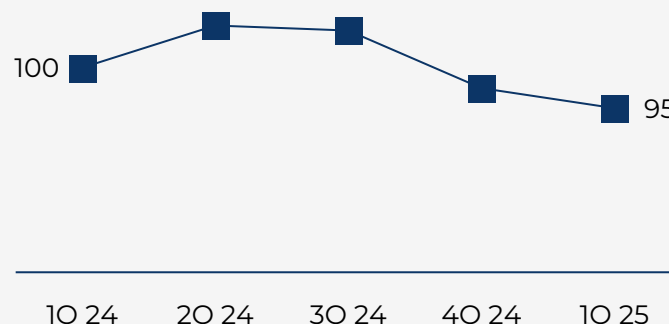
- Q1 2025 Styrene sales volumes were impacted by logistical challenges near the end of quarter
- Cyclohexane utilization is low on demand weakness
- Overall product prices remained weak on soft demand, but Styrene prices rose due to supply issues in Europe
- Aramco feedstock price was up 3% YoY.

Polymers: Improved utilization was offset by lower product margins for the Polymer business

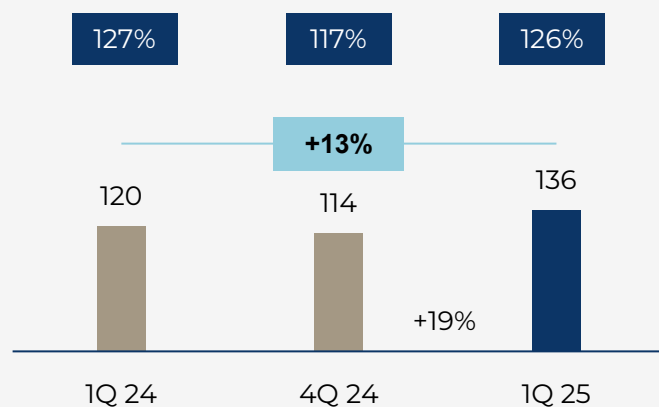
Polyethylene Sales (Kmt) and Utilization (%)



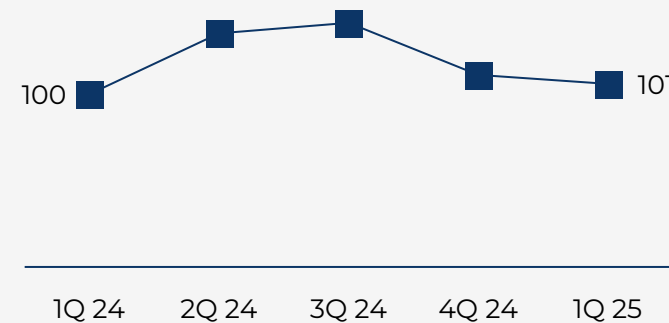
PE price trend (Indexed to 100) *



Polypropylene Sales (Kmt) and Utilization (%)



PP price trend (Indexed to 100) *



Highlights

- Utilization remained strong supported by cracker optimization
- Polyethylene (PE) and Polypropylene (PP) volumes grew on QoQ basis, as Q4 2024 was impacted by power outage
- Prices were under pressure from weakness in crude prices
- Overall, market remains oversupplied from new capacity coming from the US and China over the last few years
- Ethane price increased by 20% from Jan 1, 2025

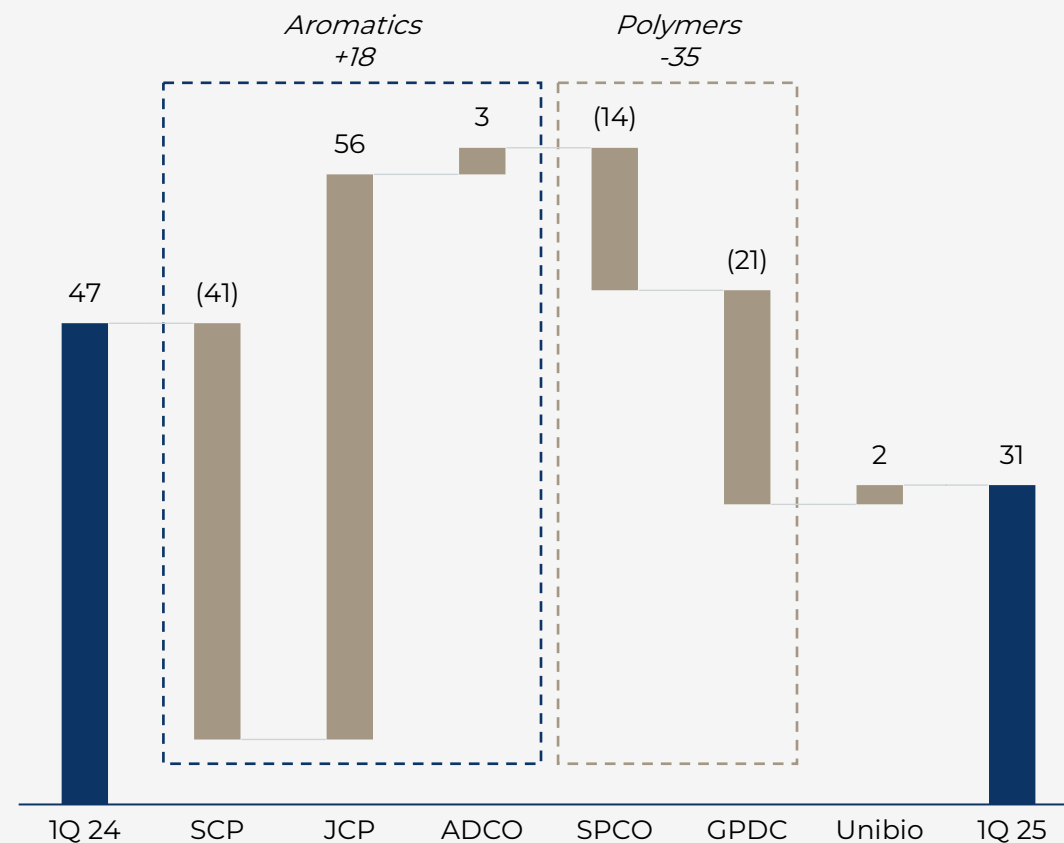


Financial Results

Share of profits from JVs declined due to lower margins in the Polymers business, tricking down to the bottom line

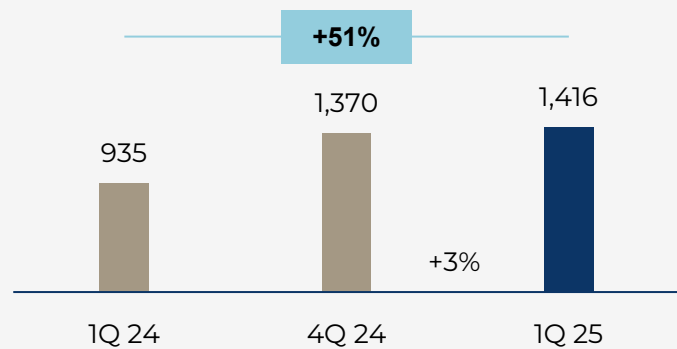
₹ Mn	1Q 2025	1Q 2024	Δ%	4Q 2024	Δ%
Income Statement					
Share of Profits (loss) from JVs	31	47	-34%	(67)	-147%
General & administrative expenses	(12)	(12)	-1%	(21)	-45%
Operating profit (loss)	20	35	-44%	(89)	-122%
Finance income	9	6	+45%	9	-0%
Profit before Zakat	29	42	-31%	(80)	-136%
Zakat	(10)	(14)	-26%	91	-111%
Net Profit	18	28	-34%	11	+62%
EPS	0.02	0.04	-34%	0.02	+62%

SIIG Share of Net Profit Movement YoY (₹ Mn)

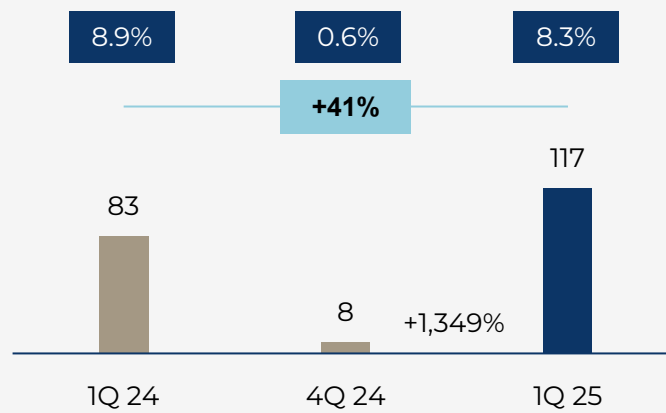


Aromatics: Financial performance marred by weak product margins

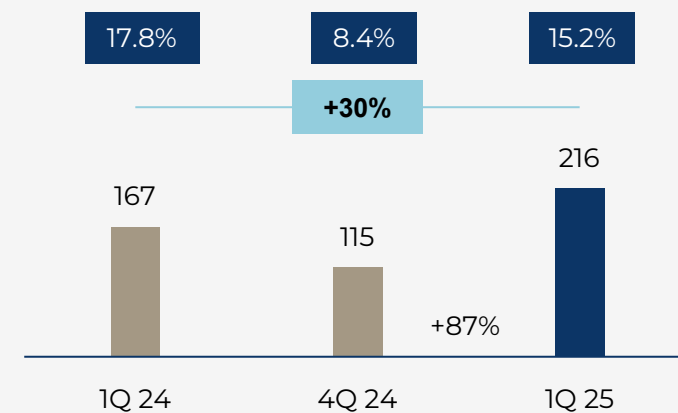
Revenues (external) (ﷲ Mn)



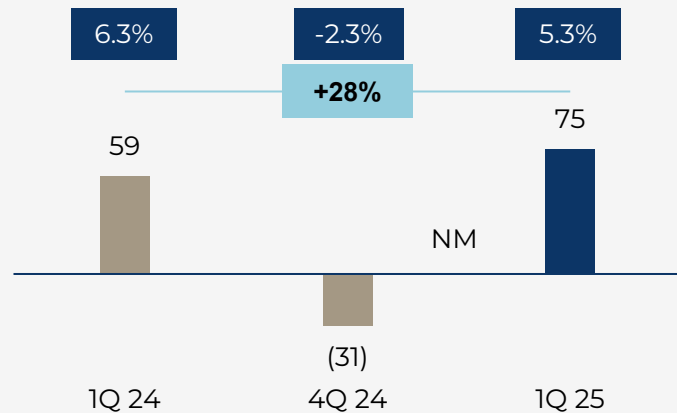
Gross Profit (ﷲ Mn) and Margins (%)



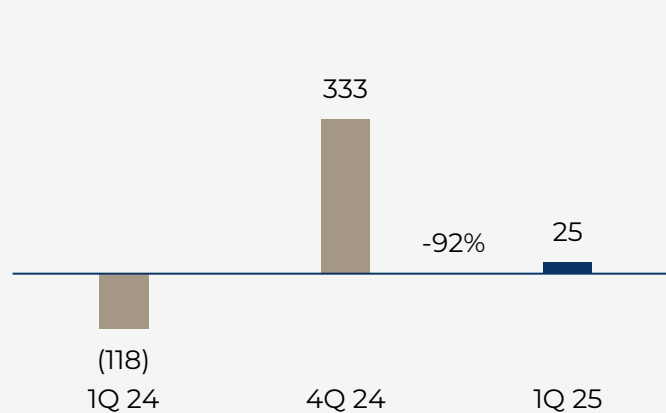
EBITDA (ﷲ Mn) and Margins (%)



Net Profit (ﷲ Mn) and Margins (%)



Cash from Operations (ﷲ Mn)

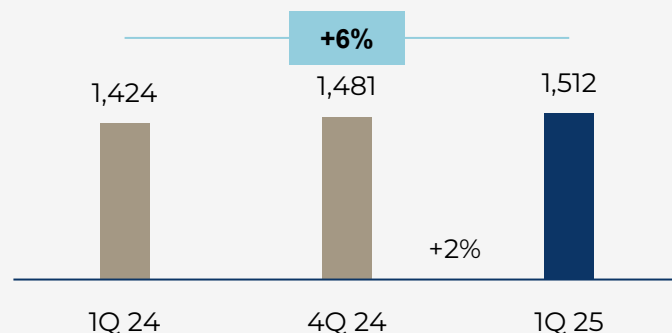


Highlights

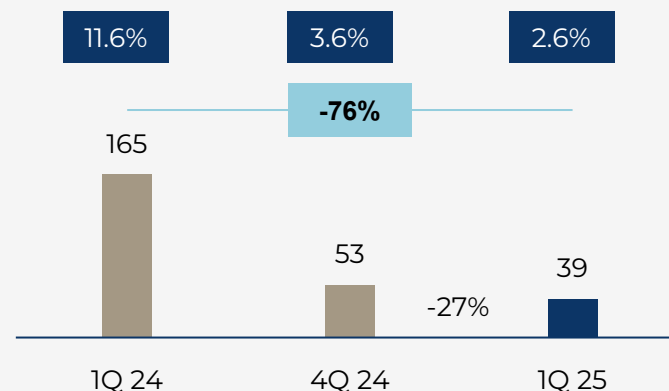
- Revenues was driven by volume growth, offset by lower product prices
- In a weak product price environment, profit margins were supported by higher capacity utilization
- Cash flow from operating was impacted by unfavourable working capital movements

Polymers: Financial performance hit by higher feedstock costs in a weak pricing environment

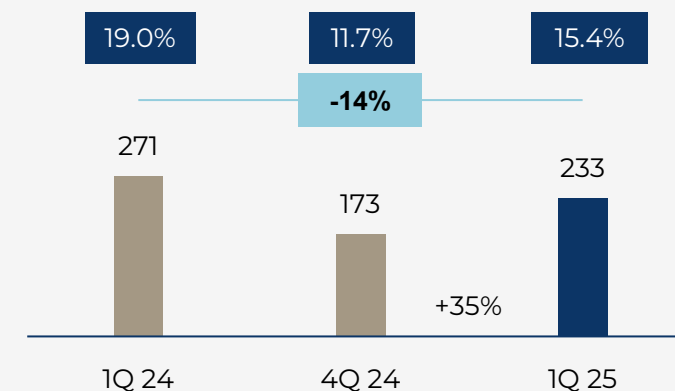
Revenues (external) (ﷲ Mn)



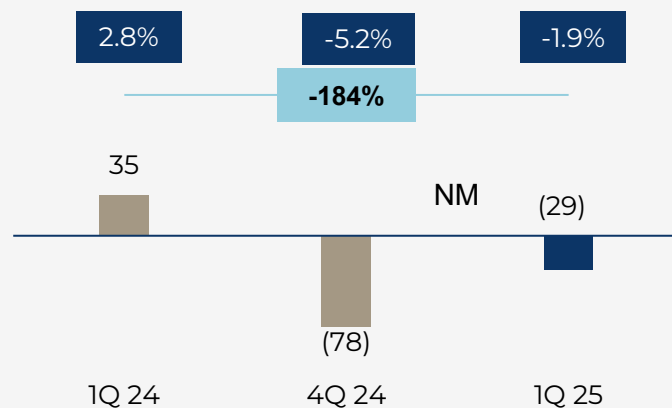
Gross Profit (ﷲ Mn) and Margins (%)



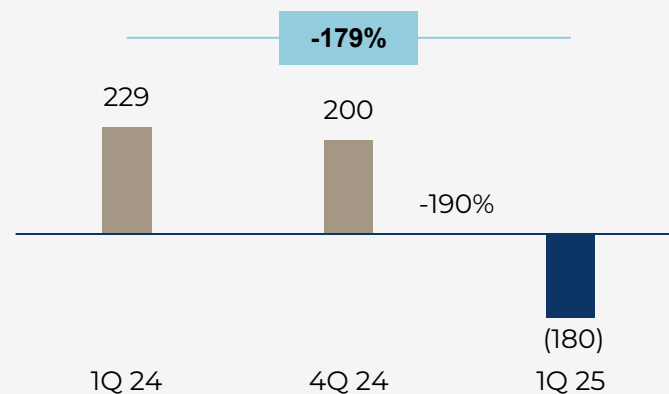
EBITDA (ﷲ Mn) and Margins (%)



Net Profit (ﷲ Mn) and Margins (%)



Cash from Operations (ﷲ Mn)

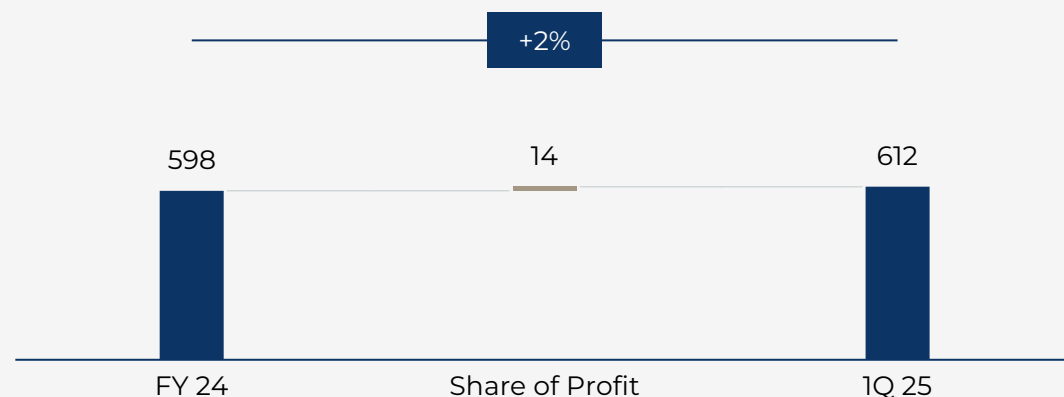


Highlights

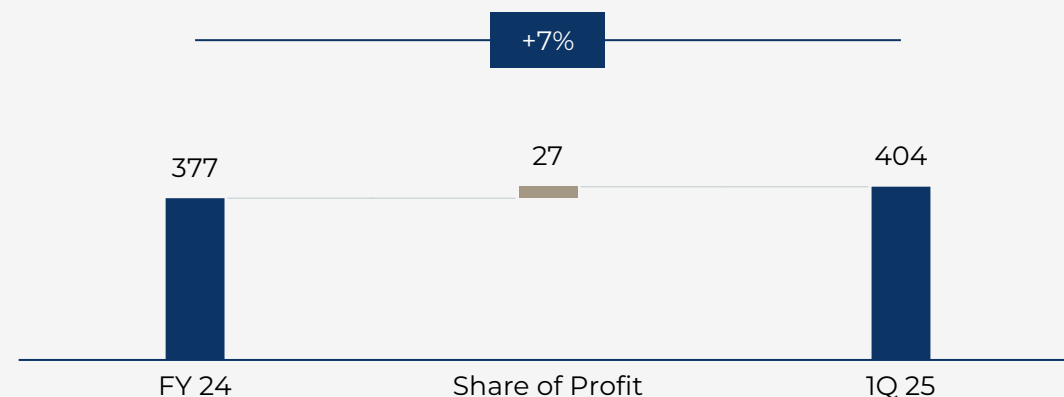
- Revenues were slightly higher on YoY basis as higher volumes were offset by lower product prices
- Profit margins declined as feedstock prices increased, resulting in lower margins
- Cash flow from operations was one-time change in sales model, creating a one month lag in cash inflow, which will normalize in the next quarter

Received healthy dividends from the JVs due to low capex requirements

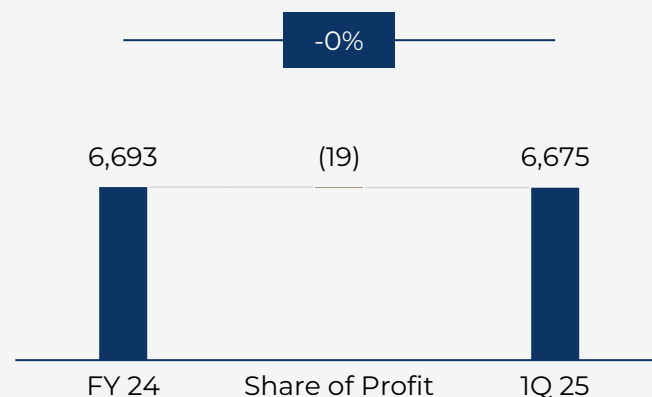
SCP: Investment Value (ﷲ Mn)



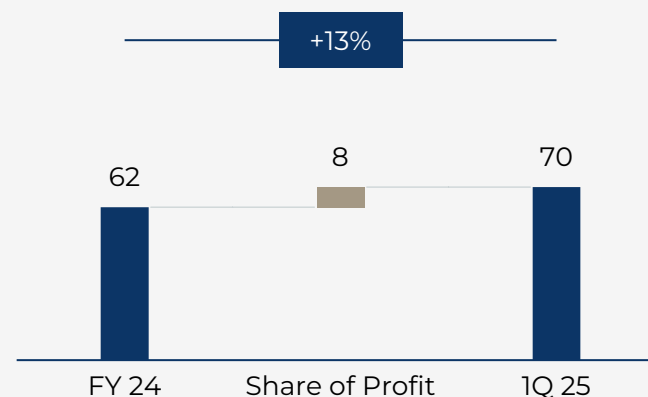
JCP: Investment Value (ﷲ Mn)



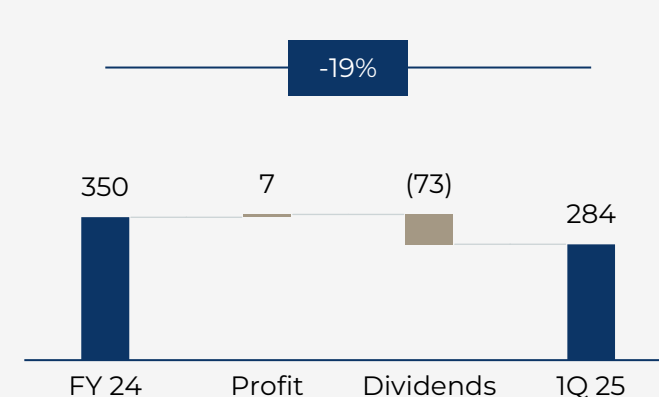
SPCo: Investment Value (ﷲ Mn)



ADCO: Investment Value (ﷲ Mn)



GPDC: Investment Value (ﷲ Mn)



Outlook



Outlook

View

- Petrochemical product prices likely to be weak in the next quarter, despite easing tariff concerns
- Styrene prices likely to be stable in the next quarter, but additional capacity from China to exert downward pressure on prices in the long term
- Cyclohexane prices expected to be weaker in Q2 on lower Benzene prices and subdued auto demand
- AHM prices expected to be lower in the next quarter, following the weakness in naphtha and crude prices, resulting in stable margins
- Polyethylene prices under pressure from lower naphtha prices, and weakness in demand due to tariff announcement
- Global polyethylene and polypropylene overcapacity remains a challenge, with operating rates expected to continue below 80% in the medium term.

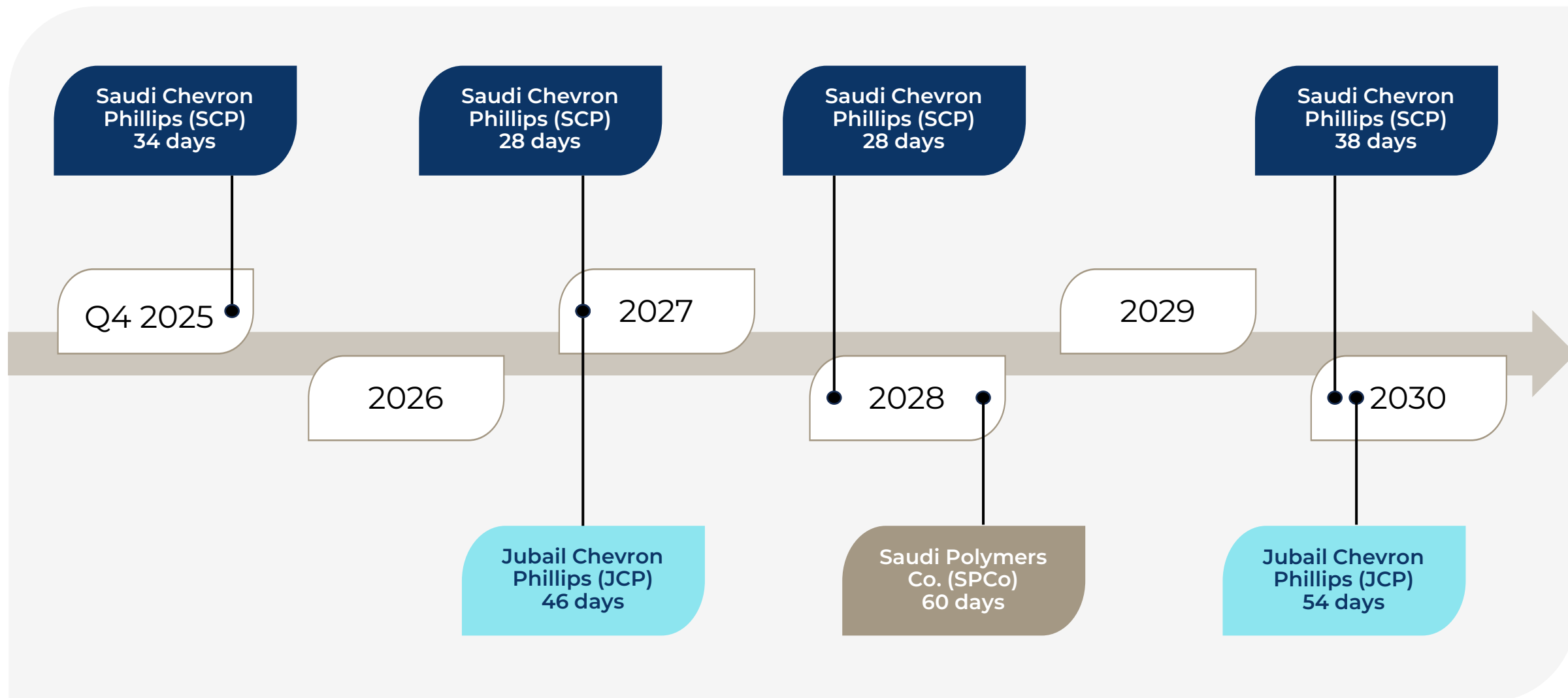


Q&A



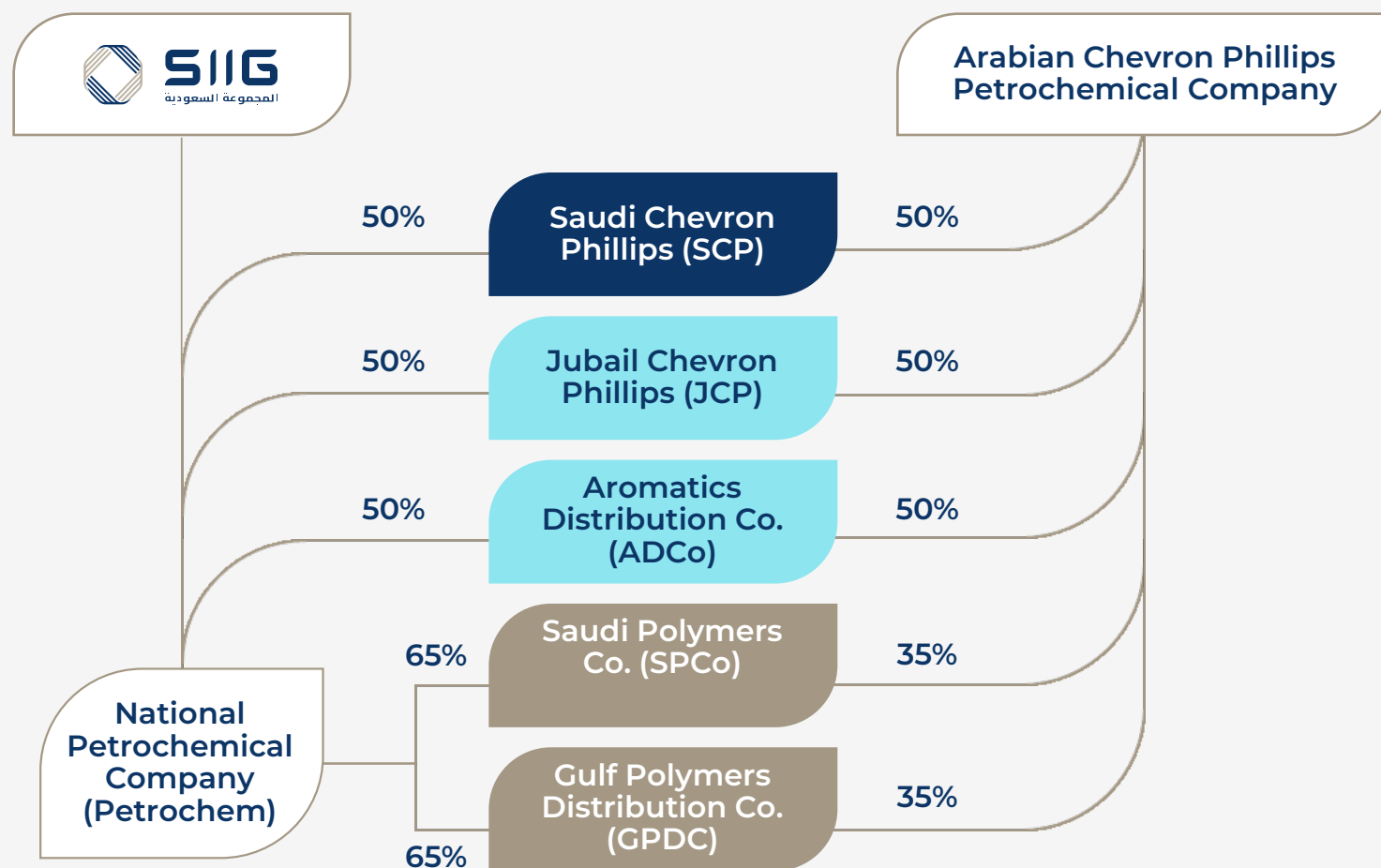
Appendix

Planned turnaround schedule

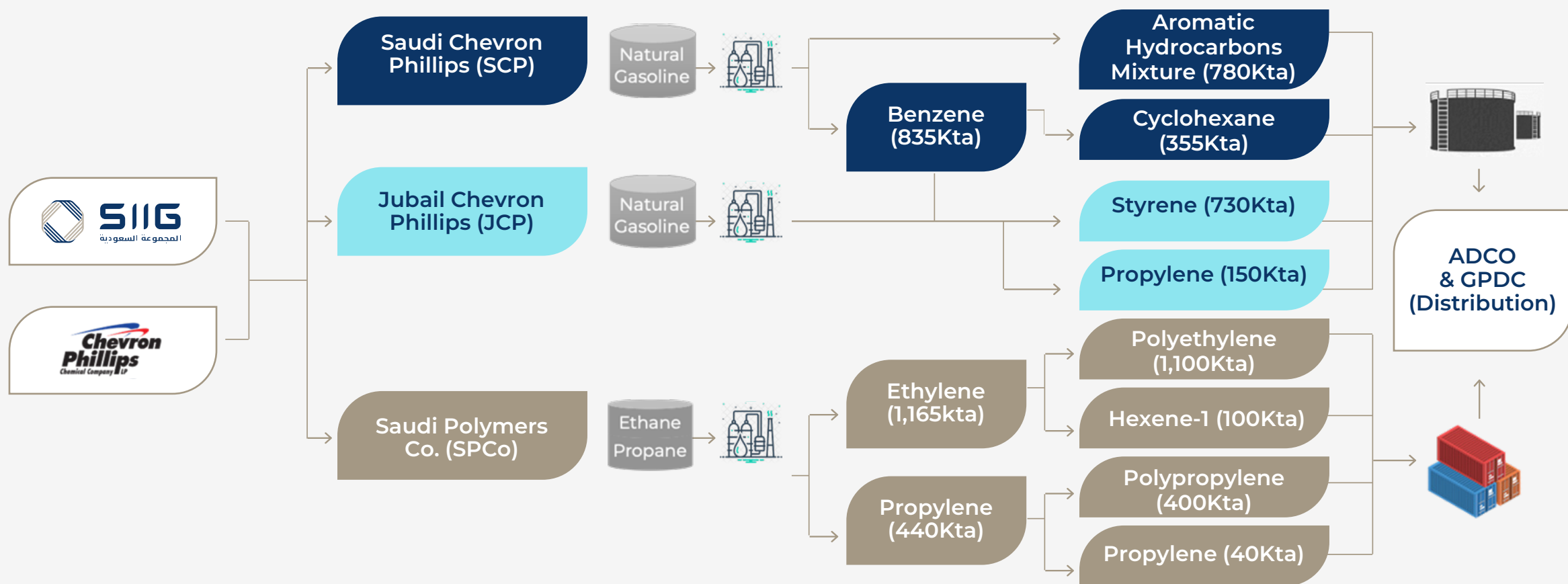


SIIG: Three decades of growth

- Established in 1996, Saudi Industrial Investment Group is an investment holding company
- Primarily invested in petrochemical manufacturing assets in Saudi Arabia
- Successful partnership of nearly three decades with technology partner Chevron Phillips
- Operates three petchem manufacturing entities, and two distribution entities, under a joint venture structure
- We continue to be a top tier when it comes to safety, with multiple awards both locally and internationally



SIIG's Petrochemical complex projects are complementary to each other



Financial Statements – Income Statement

₹ Mn	1Q 2025	4Q 2024	Δ%	1Q 2024	Δ%
Income Statement					
Share of Profits from JVs	31	(67)	-147%	47	-34%
General & administrative expenses	(12)	(21)	-45%	(12)	-1%
Operating profit (loss)	20	(89)	NM	35	-44%
Finance income from murabaha deposits	9	9	-0%	6	+45%
Profit (loss) before zakat	29	(80)	NM	42	-31%
Zakat expense	(10)	91	NM	(14)	-26%
Net Profit	18	11	+62%	28	-34%
Other comprehensive income for the period	0	(12)	-100%	0	
Total comprehensive income (loss) for the period	18	(1)	NM	28	-34%
Earnings (loss) per share Basic & diluted	0.02	0.02	+62%	0.04	-34%

Financial Statements – Cash Flow Statement

₹ Mn	1Q 2025	4Q 2024	Δ%	1Q 2024	Δ%
Cash Flow Statement					
Cash flows from operating activities					
Profit (loss) before zakat	29	(80)	-136%	42	-31%
Depreciation	0	0	+45%	0	+13%
Share of net (profit) loss of investments accounted for using the equity method	(31)	67	-147%	(47)	-34%
Finance income from murabaha deposits	(9)	(9)	-0%	(6)	+45%
Provision for employee benefit obligations	1	1	+33%	1	-22%
Changes in operating assets & liabilities:	(14)	13	-209%	(10)	+44%
Cash utilized in operations	(25)	(8)	+223%	(20)	+21%
Finance income from murabaha deposits received	9	9	-0%	6	+45%
Zakat paid	(21)	(8)	+151%	(15)	+37%
Employee benefit obligations paid	0	0	-100%	0	
Dividends received from joint ventures	73	469	-84%	135	-46%
Zakat reimbursed to joint ventures	0	0	-100%	0	
Cashflow from Operations	36	462	-92%	106	-65%
Cash flows from investing activities					
Payment for purchase of property & equipment	0	(1)	-100%	(0)	-100%
Maturities of short-term murabaha deposits	30	0		251	-88%
Placement of short-term murabaha deposits	0	10	-100%	0	
Payment for investment in an associate	0	0		0	
Proceeds from a related party	0	0		0	
Net cash inflow (outflow) from investing activities	30	10	+210%	251	-88%
Cash flows from financing activity					
Dividends paid	0	(7)	-100%	(370)	-100%
Net cash inflow (outflow) from financing activities	0	(7)	-100%	(370)	-100%
Net increase in cash & cash equivalents	67	464	-86%	(13)	-604%
Cash & cash equivalents at beginning of the period	919	455	+102%	576	+60%
Cash & cash equivalents at end of the period	986	919	+7%	563	+75%

Financial Statements – Balance Sheet

١٠ Mn	1Q 2025	4Q 2024	Δ%	1Q 2024	Δ%
Balance Sheet					
Property & equipment	2	2	-11%	2	-3%
Investments accounted for using the equity method 5	8,288	8,330	-1%	8,939	-7%
Other assets	8	6	+20%	5	+49%
Total Non-current assets	8,298	8,338	-0%	8,946	-7%
Prepayments & other current assets	15	9	+72%	6	+162%
Due from related parties	806	806	+0%	903	-11%
Short-term murabaha deposits	0	30	-100%	0	
Cash & cash equivalents	986	919	+7%	563	+75%
Total current assets	1,806	1,763	+2%	1,471	+23%
Total assets	10,103	10,101	+0%	10,417	-3%
Share capital	7,548	7,548	+0%	7,548	+0%
Share premium	7,971	7,971	+0%	7,971	+0%
Acquisition reserve	(6,349)	(6,349)	+0%	(6,349)	+0%
Retained earnings	683	665	+3%	881	-22%
Total equity	9,853	9,835	+0%	10,050	-2%
Employee benefit obligations	29	28	+3%	26	+11%
Accrued & other liabilities	37	43	-15%	36	+1%
Due to a related party	0	0		0	
Zakat provision	185	195	-5%	304	-39%
Total current liabilities	221	238	-7%	340	-35%
Total Liabilities	251	267	-6%	367	-32%
Total Equity & liabilities	10,103	10,101	+0%	10,417	-3%

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