



SIIG
المجموعة السعودية

Saudi Industrial Investment Group

Q2 2025 Earnings Presentation

12th August, 2025



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Strong operational performance and lower feedstock costs support earnings in a challenging market environment

- Sustained robust operational performance in Q2, with increased sales volumes and consistently strong utilization
- Most product prices slipped lower in Q2 after a brief recovery seen in Q1
- Overall demand remains weak on sluggish macroeconomic scenario
- Additional allocation of Ethane and A182/187 feed to drive production increase in the coming years
- Undertaking new projects to improve efficiency and expand production capacity on new feed allocation
- Remain committed to prioritizing shareholder returns
- Product prices outlook remains stable to weak for the remaining year, with recovery expected from 2026

Sales Volume (Kmt)*



943
YoY +9% QoQ +1%

Share of Profits from Jvs



₹32mn
YoY -59% QoQ +1%

Earnings (loss) Per Share



₹0.03
YoY -68% QoQ +13%

Cashflow from Operations



₹55mn
YoY +61% QoQ +51%



Market Updates

US Tariff Impact

- US-China tariff redirected polyethylene exports from China to Southeast Asia and Europe as uncertainty persists despite temporary tariff pause.
- Reciprocal US-China propane tariffs redirected propane cargoes to Southeast Asia, while impacting propane dehydrogenation-based production in China.
- US-China and US-EU tariffs led to diversification of trade partners; Europe exported benzene to Asia, while US styrene exports rose to Europe.

Demand and Supply

- Styrene supply was constrained in early part of quarter due to widespread maintenance outages. Margins were pressured due to weak demand.
- Polyethylene prices declined across all regions due to over supply and rising inventories. New capacity addition in China and US aggravated the over supply situation.
- New Polypropylene capacity additions in China intensified oversupply, putting downward pressure on prices and margins. Demand remains muted amid economic and geopolitical uncertainty.



Investing to strengthen the core operations to drive incremental earnings

Additional feedstock to boost production

Allocation



Capacity Expansion Project

Timelines:
Q1 2029 – Commissioning and start-up

Funding Sources

Plan to finance through external debt funding at the JV level

Heat Recovery System to improve efficiency

Implementing heat recovery system to improve energy efficiency, reduce operational costs, and lower carbon intensity

Timelines:

Jan 2027 – Site construction
March 2027 – Commissioning and start-up

System is being implemented in Aromatics and is expected to result in saving in utilities and fixed cost, leading to positive impact on earnings

Funding

The project will also be funded through external debt at the JV level

Total Capex (JV level)

~\$1,013 mn

Incremental net profit# (SIIG share)

>\$470 mn

Capex (JV level)

~\$196 mn

Annual Cost savings## (JV level)

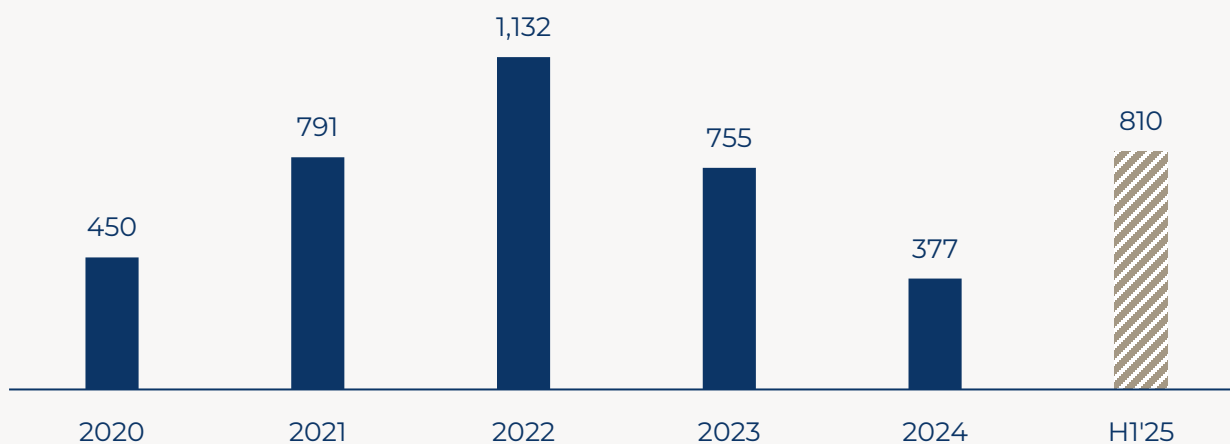
>\$19 mn

Remain committed to stable shareholder returns in the current challenging market environment

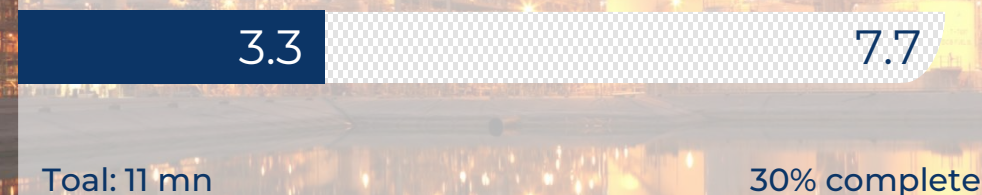
Capital Allocation Strategy



Shareholder Payouts# | ٢٠٢٥ Mn



Share Buyback | Mn Shares

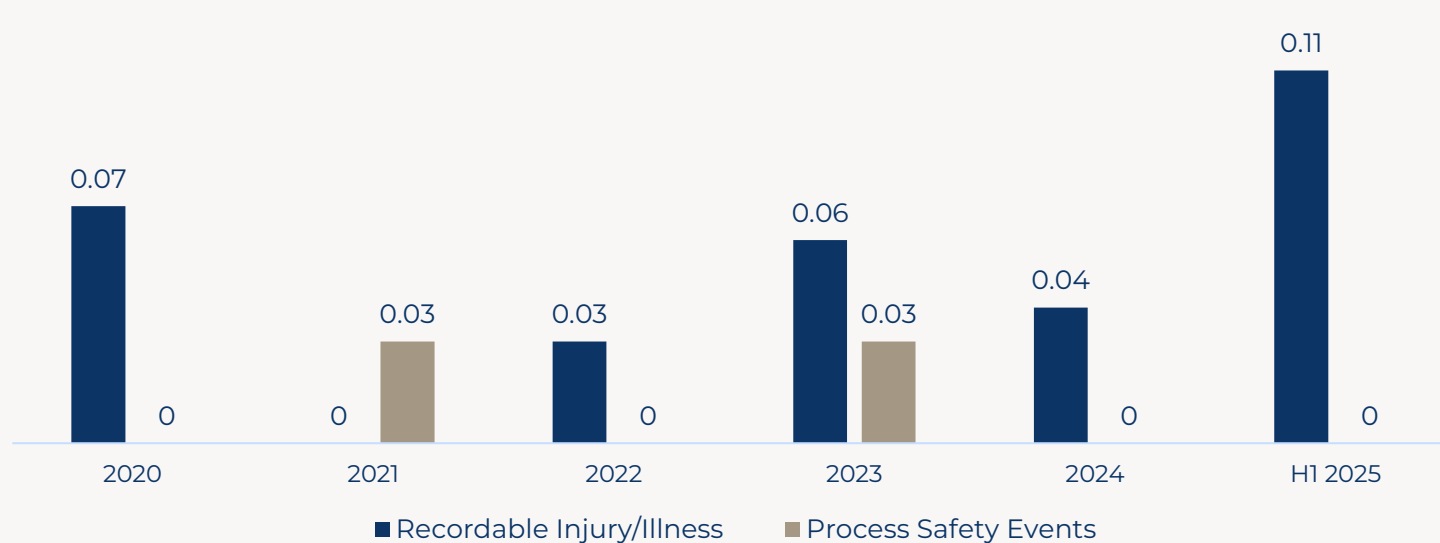


Outstanding safety performance record

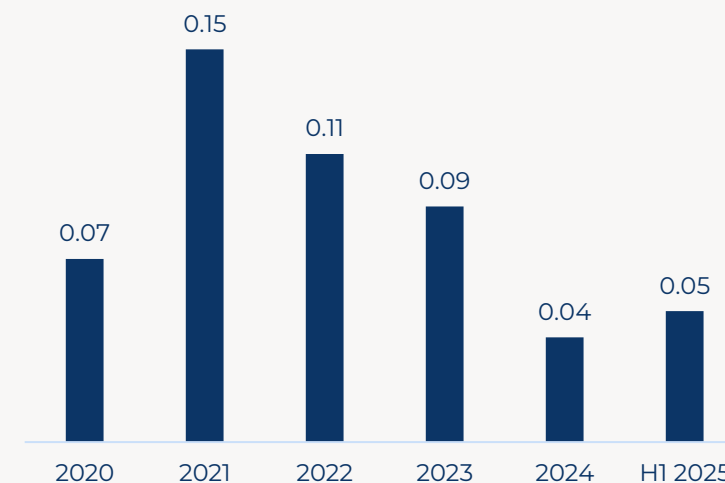
Highlights

- S-Chem reached 913 days without a Tier 1 & 1,407 days without a Tier 2 Process Safety Event.
- Continued commitment to safe working environment

Injuries per 200,000 hours worked



S-Chem High Potential Consequence Events (HIPO)

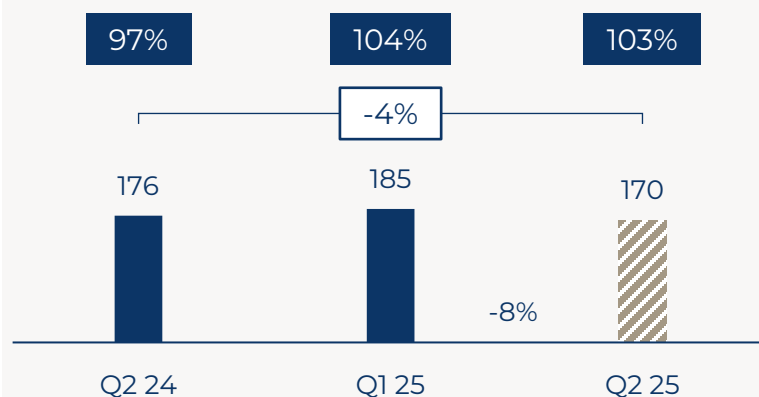


Operational Updates

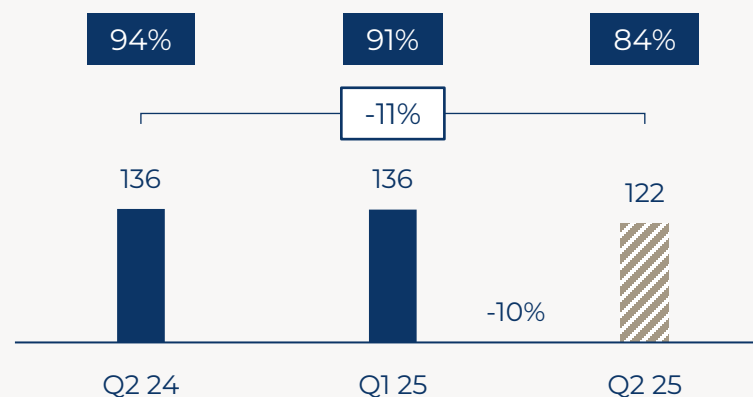


Aromatics Segment: Products saw pricing pressure amid muted demand

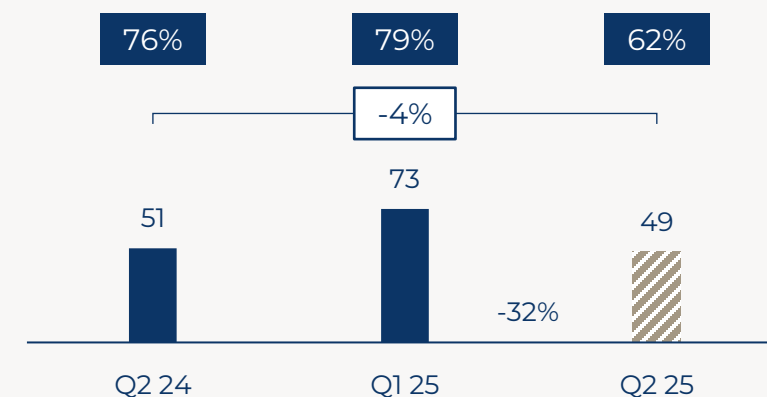
Styrene Sales; Capacity Utilization | Kmt; %



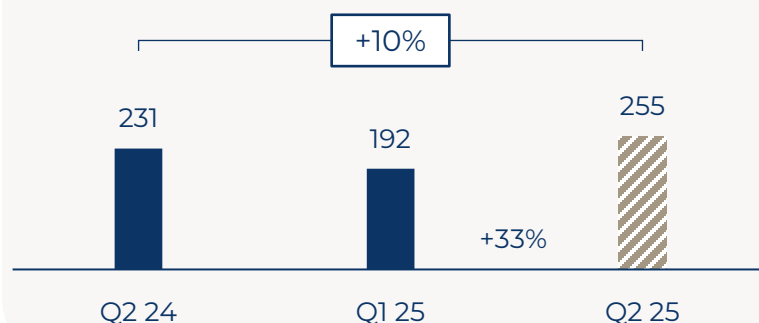
Benzene Sales; Capacity Utilization# | Kmt; %



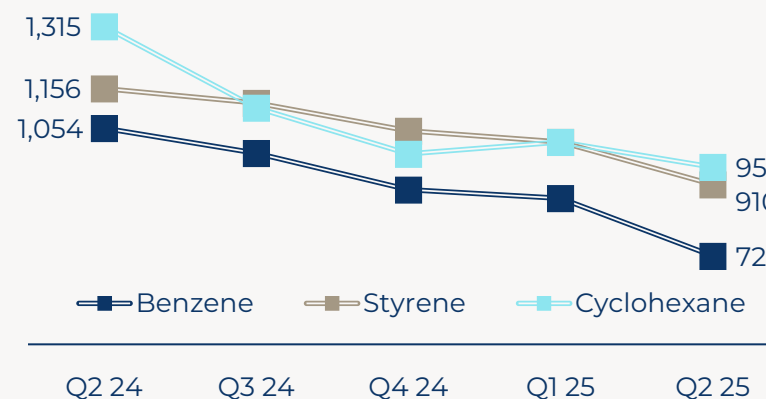
Cyclohexane Sales; Capacity Utilization | Kmt; %



AHM Sales | Kmt



Price trend*

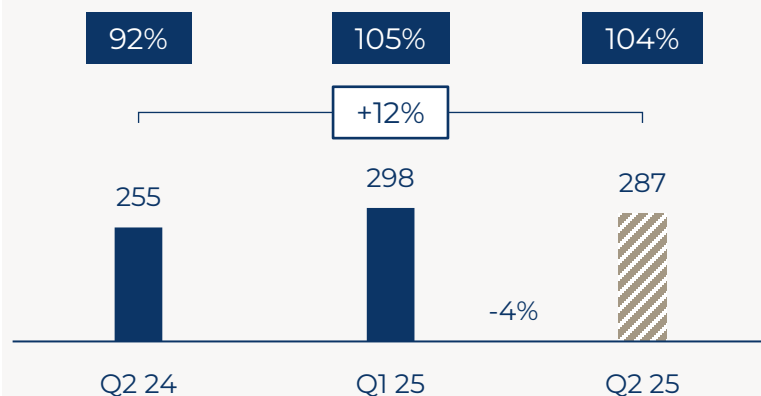


Highlights

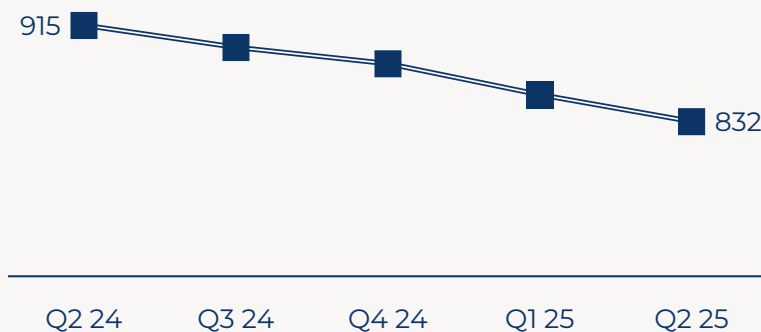
- Styrene volumes slippage on logistical delays
- Cyclohexane volumes down on weak end-market demand due to tariff concerns
- AHM sales volumes improved on feed availability and plant optimization
- Market prices for Styrene, Cyclohexane and Benzene slipped lower on supply/demand imbalance

Polymers Segment: Increased utilization on feedstock availability but product prices remained weak

Polyethylene Sales; Capacity Utilization | Kmt; %



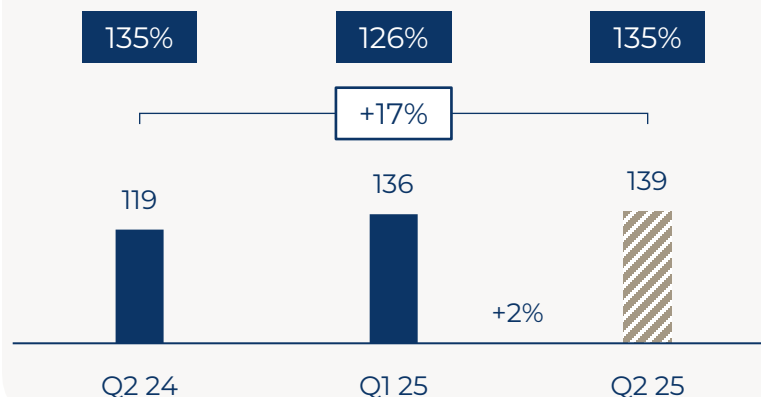
PE price trend*



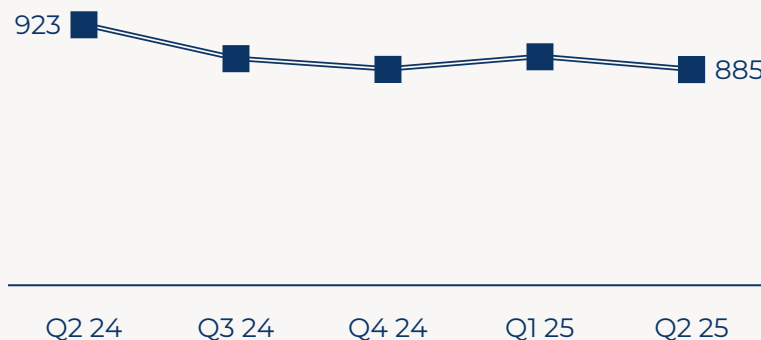
Highlights

- Polymer plant utilization remained strong on feed availability and cracker optimization
- Product prices remain under pressure due to oversupply and macro uncertainty of tariff war, combined with sluggish economic growth
- Oversupply is aggravated by new capacity in China going live by end of 2025

Polypropylene Sales Kmt ; Capacity Utilization | Kmt; %



PP price trend*



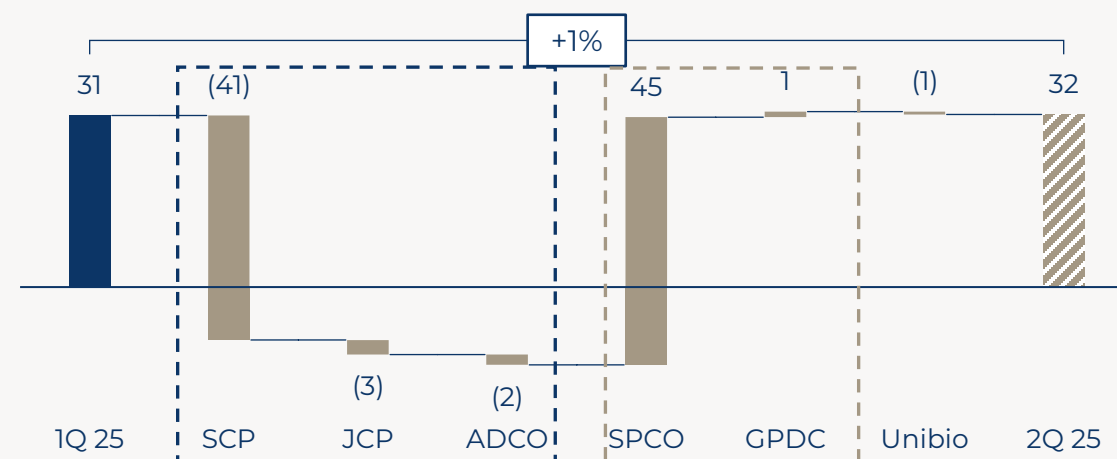
Financial Results



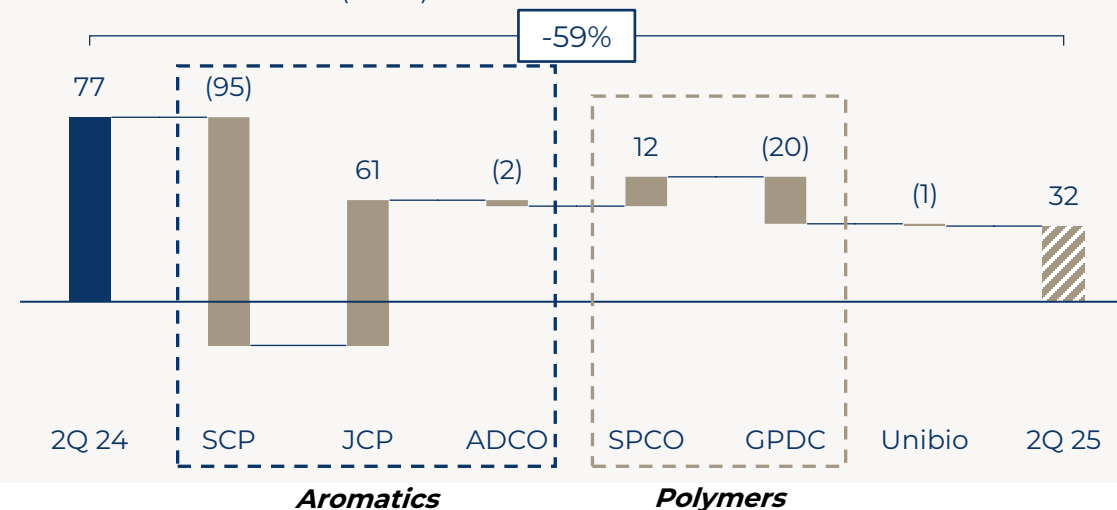
Share of profits from JVs was stable QoQ, but declined YoY due to lower product margins

٢٠٢٥ Mn	Q2 2025	Q1 2025	Δ%	Q2 2024	Δ%
Income Statement					
Share of Profits from JVs	32	31	+1%	77	-59%
General & administrative expenses	(19)	(12)	+60%	(15)	+23%
Operating profit (loss)	13	20	-34%	62	-79%
Finance income from murabaha deposits	10	9	+18%	8	+25%
Profit (loss) before zakat	23	29	-18%	70	-67%
Zakat expense	(4)	(10)	-63%	(6)	-37%
Net Profit	20	18	+8%	64	-70%
Other comprehensive income for the period	0	0		0	
Total comprehensive income (loss) for the period	20	18	+8%	64	-70%
Earnings (loss) per share Basic & diluted	0.03	0.02	+13%	0.09	-68%

Share of Profits from JVs (Q-o-Q) | ٢٠٢٥ Mn

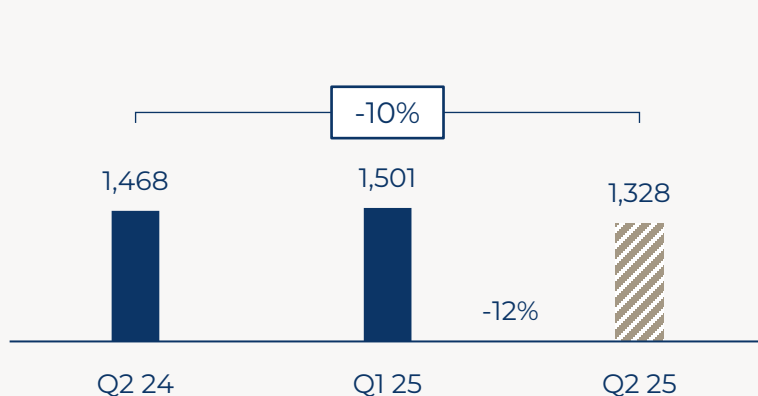


Share of Profits from JVs (Y-o-Y) | ٢٠٢٥ Mn

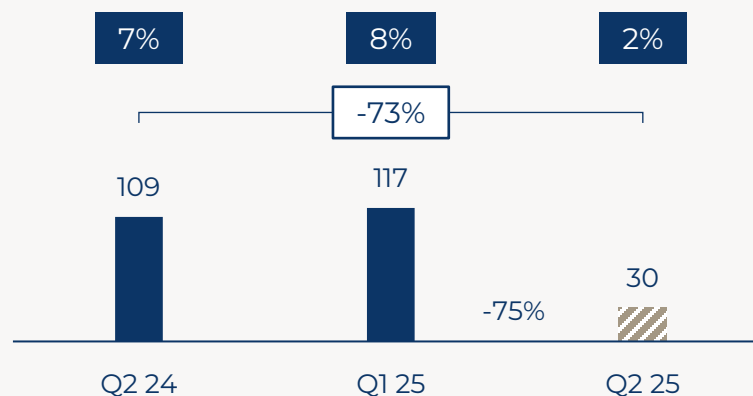


Aromatics: Profits declined on weak product demand and prices

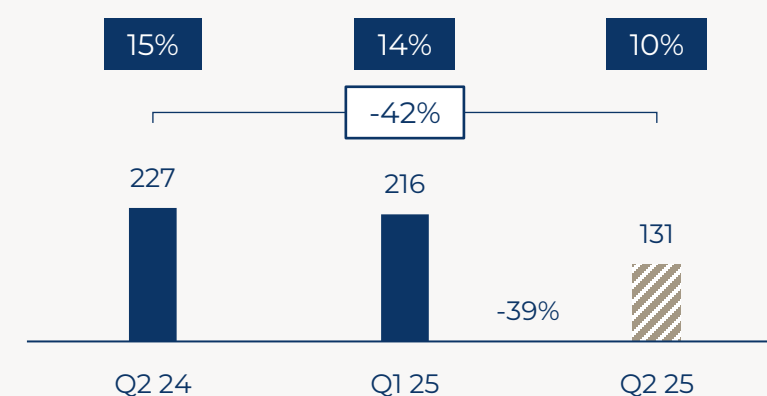
Revenue (external) | ٬ Mn



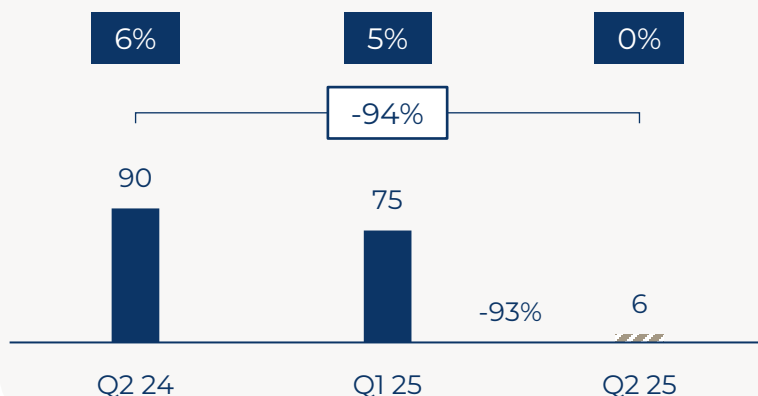
Gross Profit; Gross Profit Margin | ٬ Mn; %



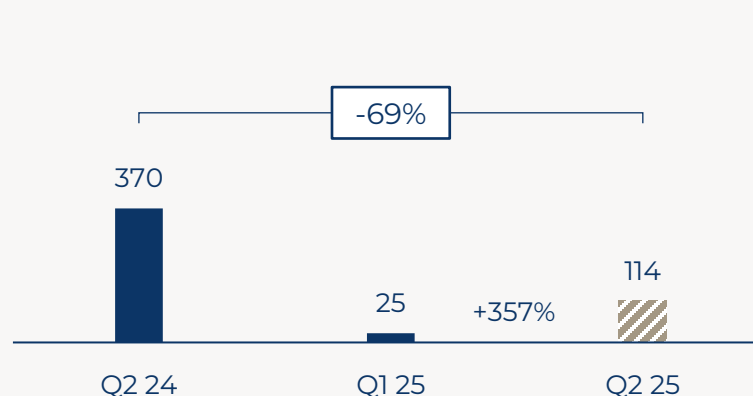
EBITDA; EBITDA Margin | ٬ Mn; %



Net Profit; Net Profit Margin | ٬ Mn; %



Cash Flow from Operations | ٬ Mn

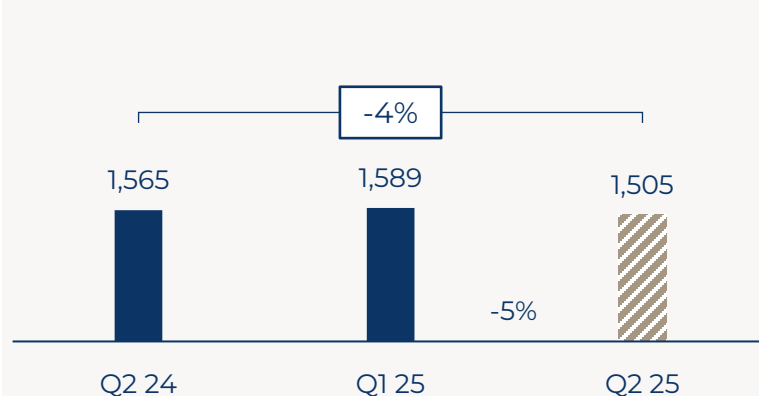


Highlights

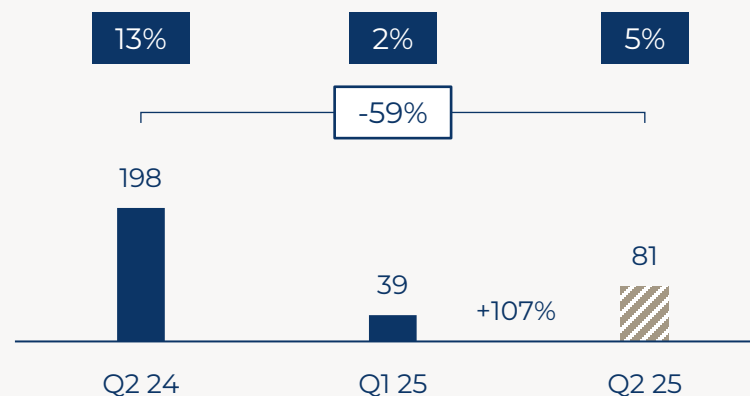
- Revenue declined on lower volumes of Styrene and Cyclohexane, along with lower prices across products
- Margins and profitability were impacted by weak pricing environment and lower utilization rates for some products
- Cash flow from operations boosted by positive working capital movement

Polymers: Bottomline improved on lower feedstock costs

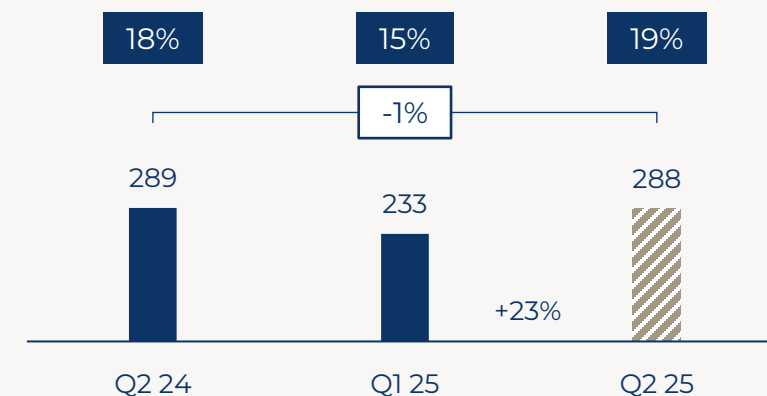
Revenue (external) | ٢٥ Mn



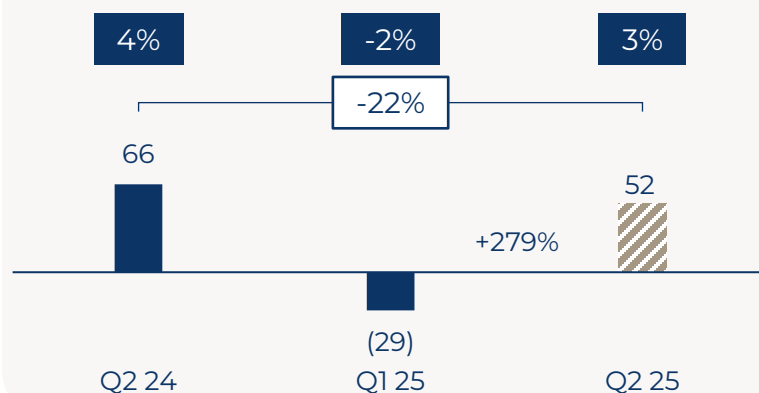
Gross Profit; Gross Profit Margin | ٢٥ Mn; %



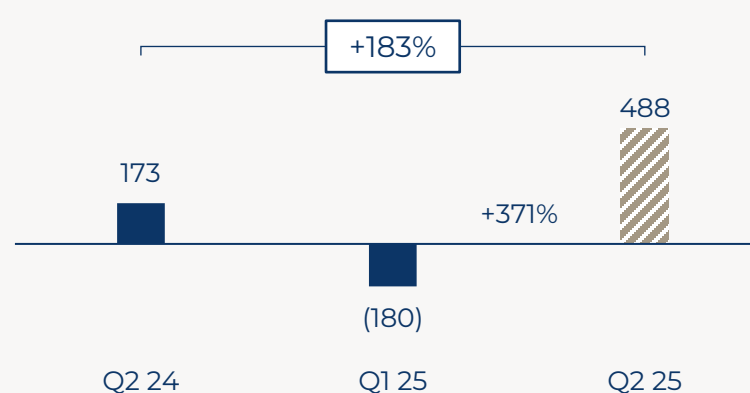
EBITDA; EBITDA Margin | ٢٥ Mn; %



Net Profit; Net Profit Margin | ٢٥ Mn; %



Cash Flow from Operations | ٢٥ Mn

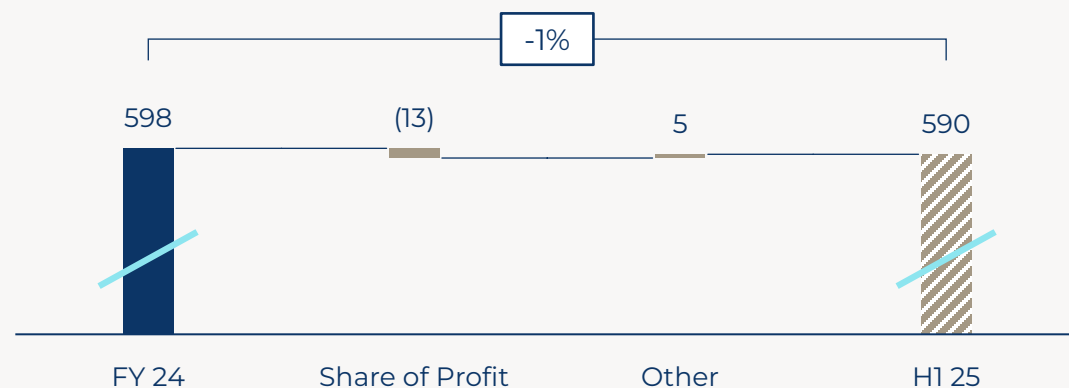


Highlights

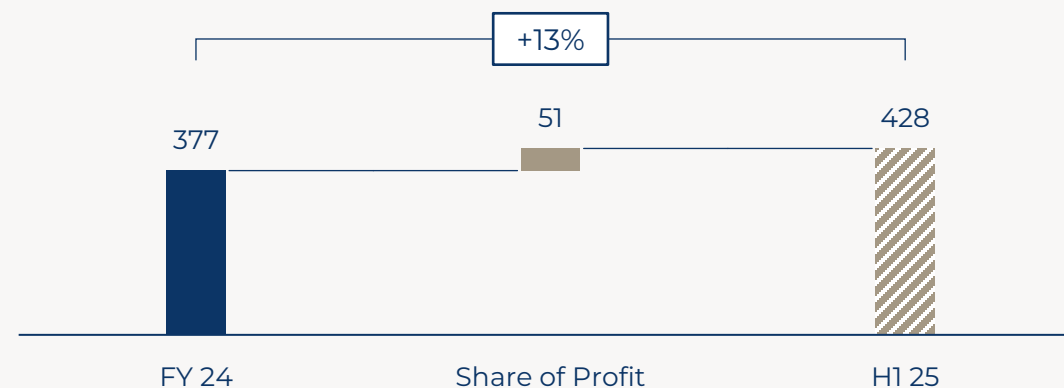
- Revenue declined sequentially on lower volumes, and decline in 1-Hexane prices
- Profit margin improved sequentially as additional ethane supply led to lower proportion of propane, thus reducing feedstock costs
- Cashflow from operation jumped as payments from distributors normalized after a change in business model had a one-time impact

Received healthy dividend from GPDC

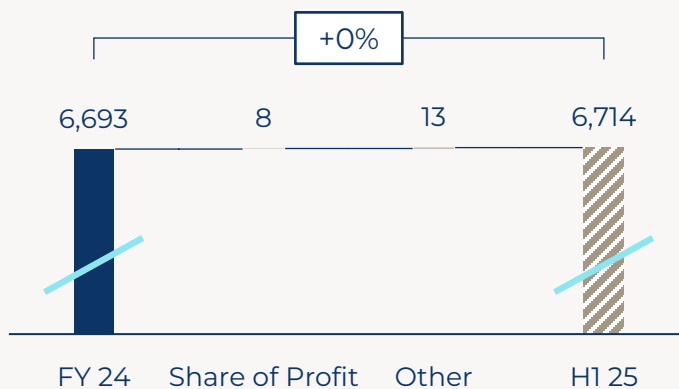
SCP: Investment Value | ١٠٠ Mn



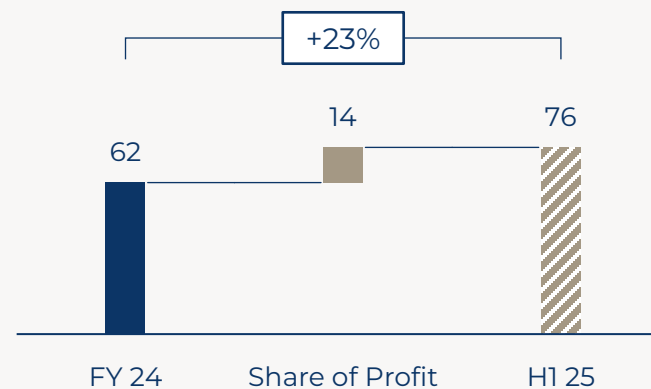
JCP: Investment Value | ١٠٠ Mn



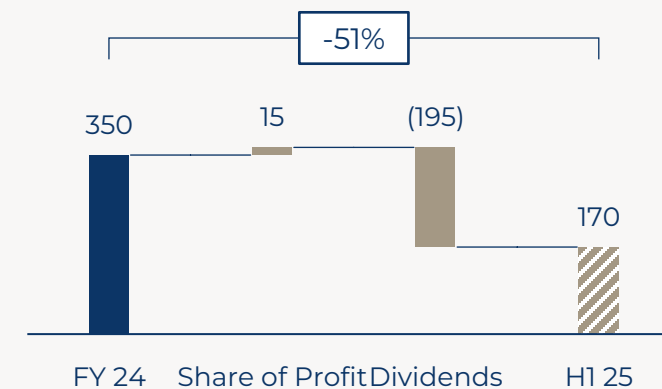
Spco: Investment Value | ١٠٠ Mn



ADCO: Investment Value | ١٠٠ Mn



GPDC: Investment Value | ١٠٠ Mn



Outlook

View

- **Styrene** over supply combined with weak demand pressuring prices. Styrene demand remains weak globally in 2025, with eurozone manufacturing and construction declining, and Asian appliances production softening. Albeit significant regional cutbacks, plant closures and operating rate reductions in North American and Europe, rising Chinese capacity exacerbates oversupply, keeping prices under pressure.
- **Polyethylene (PE)** Supply-Demand imbalance expected to continue with lower expectations of price recovery during the year. New capacity coming live in US and China in 2025 while demand is likely to be weak due to economic stagnation and low consumer confidence.
- **Polypropylene (PP)** market faces mixed trends but ongoing uncertainty suggests continued price weakness. In the Americas, seasonal increase in demand is expected; Europe sees slow domestic demand growth (<1%); and Asia struggles with oversupply and weak demand. New capacity to become operational, reducing import demand.
- **Cyclohexane** prices are expected to remain weak in Q3 on muted demand and lower Benzene prices
- **AHM** prices expected to closely track the movement in naphtha and crude prices



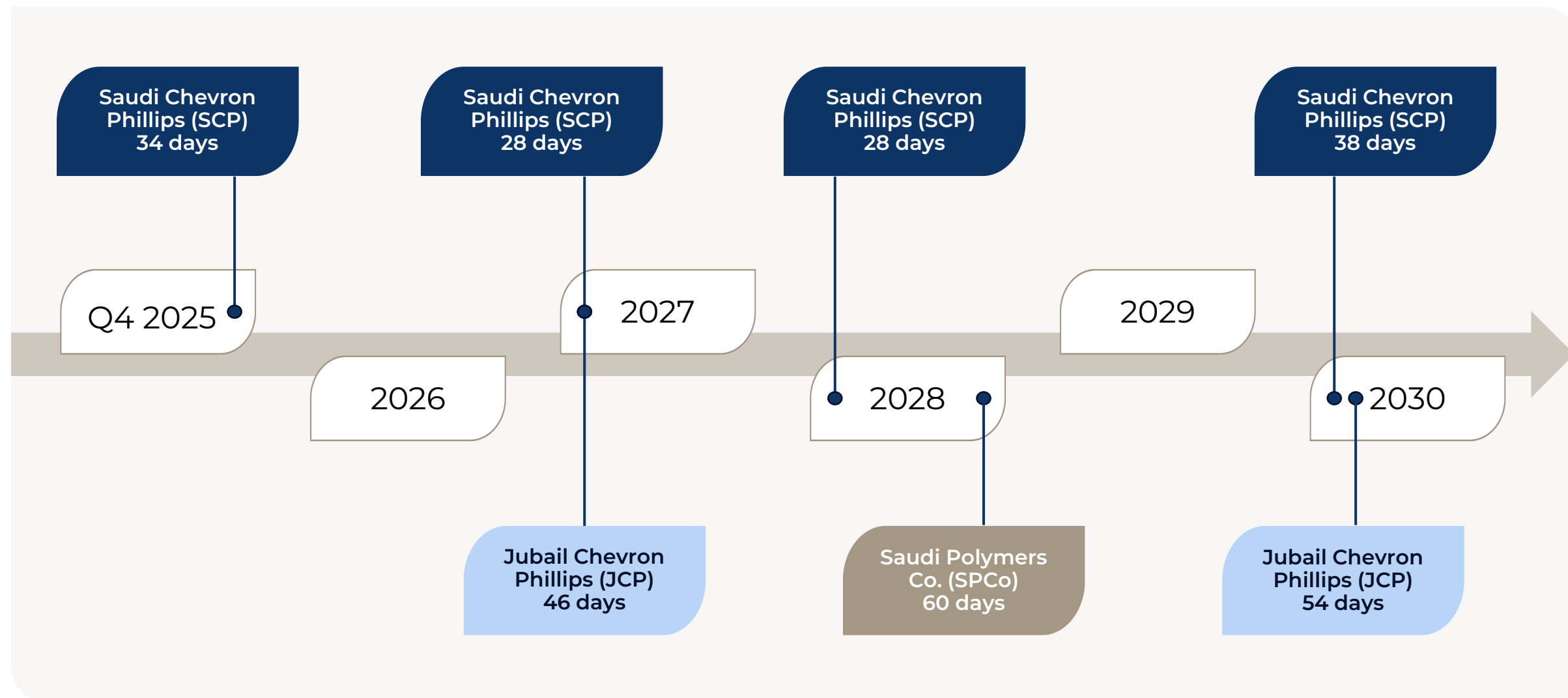
Q&A



Appendix



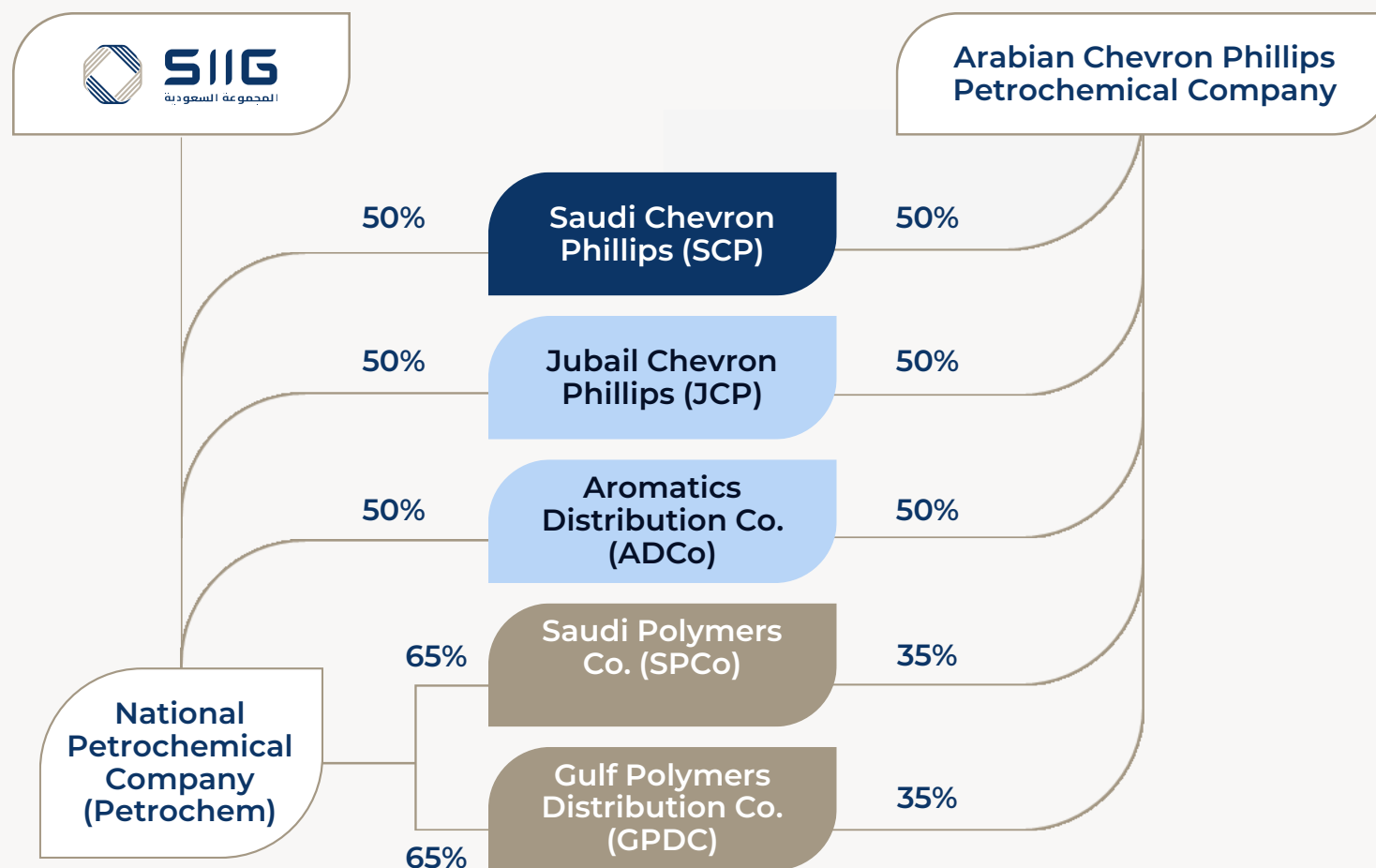
Planned turnaround schedule



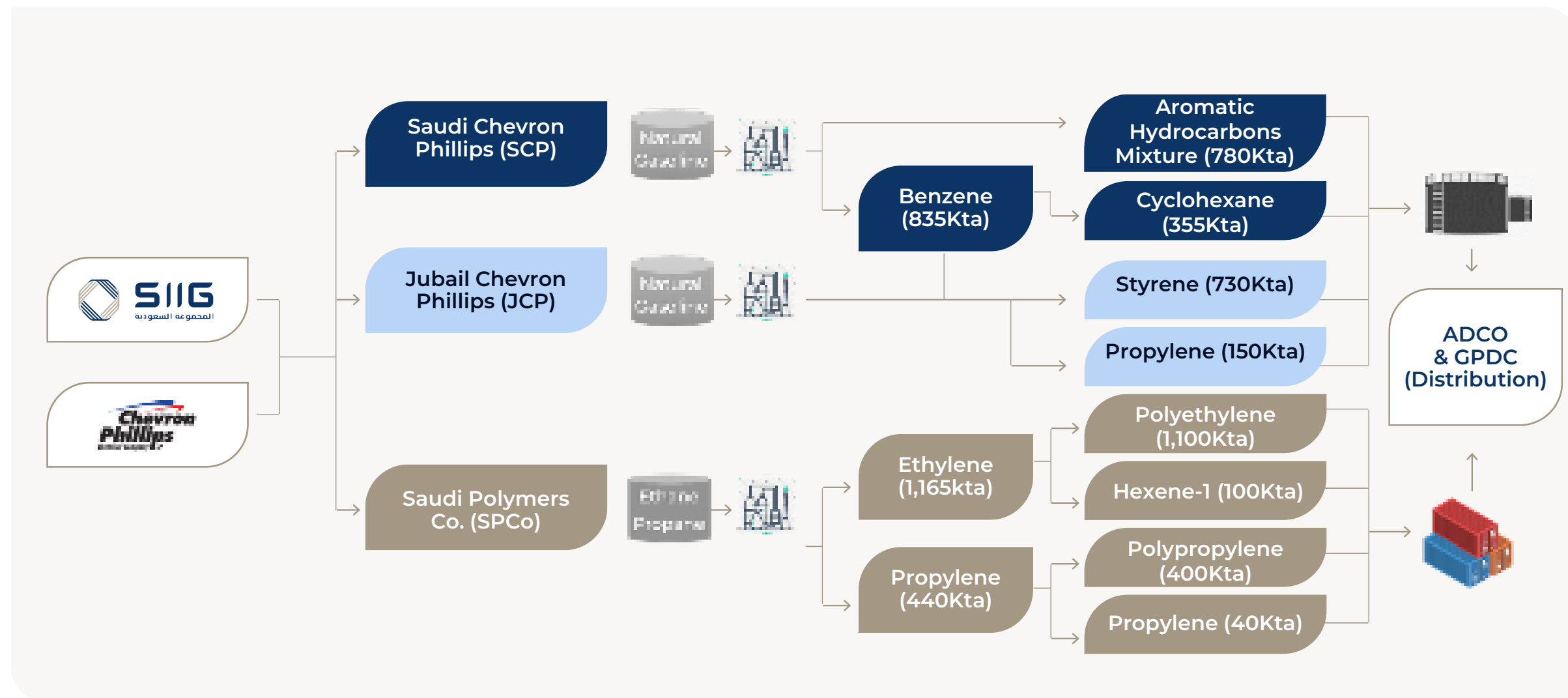
SIIG: Three decades of growth



- 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	H1 2025	H1 2024	Δ%	Q2 2025	Q1 2025	Δ%	Q2 2024	Δ%
Income Statement								
Share of Profits from JVs	63	125	-49%	32	31	+1%	77	-59%
General & administrative expenses	(30)	(27)	+12%	(19)	(12)	+60%	(15)	+23%
Operating profit (loss)	33	98	-66%	13	20	-34%	62	-79%
Finance income from murabaha deposits	19	14	+33%	10	9	+18%	8	+25%
Profit (loss) before zakat	52	112	-54%	23	29	-18%	70	-67%
Zakat expense	(14)	(20)	-30%	(4)	(10)	-63%	(6)	-37%
Net Profit	38	92	-59%	20	18	+8%	64	-70%
Other comprehensive income for the period	0	0		0	0		0	
Total comprehensive income (loss) for the period	38	92	-59%	20	18	+8%	64	-70%
Earnings (loss) per share Basic & diluted	0.05	0.12	-58%	0.03	0.02	+13%	0.09	-68%

Financial Statements – Cash Flow Statement

₹ Mn	H1 2025	H1 2024	Δ%	Q2 2025	Q1 2025	Δ%	Q2 2024	Δ%
Cash Flow Statement								
Cash flows from operating activities								
Profit (loss) before zakat	52	112	-54%	23	29	-18%	70	-67%
Depreciation	0	0	+15%	0	0	+1%	0	+17%
Changes in operating assets & liabilities:	(20)	(15)	+32%	(6)	(14)	-55%	(6)	+12%
Dividends received from joint ventures	195	210	-7%	122	73	+67%	75	+63%
Others	(136)	(167)		(84)	(51)		(106)	
Cashflow from Operations	91	140	-34%	55	36	+51%	34	+61%
Cash flows from investing activities								
Payment for purchase of property & equipment	(0)	(0)	-77%	(0)	0	-	0	-
Maturities of short-term murabaha deposits	30	251	-88%	0	30	-100%	0	-
Proceeds from a related party	49	98	-50%	49	0	-	98	-50%
Net cash inflow (outflow) from investing activities	79	349	-77%	49	30	+62%	98	-50%
Cash flows from financing activity								
Dividends paid	0	(370)	-100%	0	0	-	0	-
Payment for reduction of share capital	(56)	0	-	(56)	0	-	0	-
Payment for purchase of treasury shares	(755)	0	-	(755)	0	-	0	-
Net cash inflow (outflow) from financing activities	(810)	(370)	+119%	(810)	0		0	
Net increase in cash & cash equivalents	(640)	118	-640%	(707)	67	-1161%	132	-637%
Cash & cash equivalents at beginning of the period	919	576	+60%	986	919	+7%	563	+75%
Cash & cash equivalents at end of the period	279	694	-60%	279	986	-72%	694	-60%

Financial Statements – Balance Sheet

₹ Mn	Q2 2025	Q1 2025	Δ%	2024	Δ%
Balance Sheet					
Property & equipment	1	2	-12%	2	-21%
Investments accounted for using the equity method 5	8,216	8,288	-1%	8,330	-1%
Other assets	9	8	+16%	6	+40%
Total Non-current assets	8,226	8,298	-1%	8,338	-1%
Prepayments & other current assets	22	15	+53%	9	+163%
Due from related parties	757	806	-6%	806	-6%
Short-term murabaha deposits	0	0		30	-100%
Cash & cash equivalents	279	986	-72%	919	-70%
Total current assets	1,058	1,806	-41%	1,763	-40%
Total assets	9,285	10,103	-8%	10,101	-8%
Share capital	6,793	7,548	-10%	7,548	-10%
Share premium	7,971	7,971	+0%	7,971	+0%
Acquisition reserve	(6,349)	(6,349)	+0%	(6,349)	+0%
Retained earnings	703	683	+3%	665	+6%
Treasury shares	(56)	0		0	
Total equity	9,062	9,853	-8%	9,835	-8%
Employee benefit obligations	30	29	+3%	28	+5%
Accrued & other liabilities	39	37	+7%	43	-9%
Due to a related party	0	0		0	
Zakat provision	153	185	-17%	195	-22%
Total current liabilities	193	221	-13%	238	-19%
Total Liabilities	223	251	-11%	267	-17%
Total Equity & liabilities	9,285	10,103	-8%	10,101	-8%

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