Alujain Corporation
Saudi Joint Stock Company

Alujain Corporation Q2’2026 Earnings Release

Key Highlights

Total Revenue amounted to ⃁ **541.9m** for **Q2’26, a 71%** increase over the same period last year.

Net Profit reached ⃁ **133.9m**, driven by strong top-line growth and marginally lower selling and marketing expenses, despite higher propane and logistics costs.

Earnings and margins improved on the back of strong performance from **NATPET** and the downstream subsidiaries, driven by higher realized prices amid supply disruptions related to current geopolitical conditions.

Cash Generated from Operating Activities stood at ⃁ **86.8m** in **Q2’26.**

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Riyadh, 2 August 2026 — Alujain Corporation posted healthy revenue growth of 71%, with revenue rising to ⃁ 541.9m in Q2'26 from ⃁ 316.2m in Q2'25. The increase was driven primarily by a 68% rise in polypropylene sales, supported by improved pricing amid current geopolitical conditions.

Despite a 33% increase in cost of revenue, strong sales growth lifted gross profit from ⃁ 23.8m in Q2'25 to ⃁ 152.0m in Q2'26.

It is also worth noting that, in Q2'26, IRIC was classified as a disposal group held for sale and as a discontinued operation upon completion of the subscription by the Belgian partner, Beaulieu Fibres International NV (BFI), with no impairment recognised. This infrastructure subsidiary is preparing to announce a joint venture with BFI, marking an important step in expanding the Group's downstream presence and supporting its long-term ambition to develop an integrated plastics hub.

The Group improved its profitability in Q2'26, posting an operating profit of ⃁ 127.6m, up from ⃁ 4.2m in the same quarter last year. In addition to higher sales, this was supported by lower selling and marketing expenses (⃁ 3.8m versus ⃁ 4.5m in Q2'25). These gains were partially offset by marginally higher general and administrative expenses (⃁ 18.1m versus ⃁ 17.6m) and an increase in other operating expenses (⃁ 2.5m versus ⃁ 2.0m), largely due to project development and insurance-related costs.

In Q1'25, the Group obtained a short-term Murabaha loan facility of ⃁ 250m from a commercial bank. Driven by these proceeds and strong operational performance, cash and cash equivalents increased to ⃁ 226.3m in Q2'26 from ⃁ 148.8m at the end of 2025. Cash generated from operating activities stood at ⃁ 86.8m, compared with ⃁ 68.8m in Q2'25. The working-capital position improved on the back of inventory reductions and higher trade payables and accruals, partially offset by higher trade receivables and advances/prepayments.

Capital work-in-progress rose by ⃁ 251m, reflecting the ongoing project development and early work of the propane dehydrogenation (PDH) plant and the polypropylene production plant in Yanbu (the new PDH/PP Complex).

Commenting on Alujain's Q2 2026 performance, Eng. **Khalid Mohammed Aldawood** stated

"Our second-quarter results reflect our agility and the quality of our team when market conditions are favorable. This is evidenced by our revenue increasing 71% year-on-year to 541.9 million, driven primarily by higher polypropylene sales and improved pricing amid ongoing geopolitical conditions. This translated into a significant improvement in profitability, with gross profit reaching 152.0 million and operating profit 127.6 million, compared with 23.8 million and 4.2 million, respectively, in Q2 2025."

"Our financial position remained resilient, supported by strong operating cash generation of 86.8 million and continued disciplined working-capital management. We also made strong progress on our new PDH/PP Complex and Plastics Hub project in Yanbu, with capital work-in-progress increasing by more than 250 million during the quarter."

"During the quarter, we advanced our downstream strategy through the joint venture with our Belgian partner Beaulieu Fibres International NV (BFI), further supporting our ambition to build a more integrated and diversified plastics hub."

In conclusion, Eng. Aldawood added: "Looking ahead, we remain encouraged by the strong operational and financial performance achieved during the quarter, while remaining mindful of current global uncertainty, changes in market structure and short-term regional volatility. Our focus remains on maintaining operational excellence, advancing our strategic growth projects and strengthening our downstream capabilities. We remain committed to delivering sustainable value to our shareholders."

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Income Statement Summary

	For the three-month period ended 30 June (⃁ 000s)		YoY %
	2026	2025	
	(Unaudited)	(Unaudited)	
Revenue	541,850	316,239	71%
Cost of revenue	(389,892)	(292,476)	33%
Gross profit	**151,958**	**23,763**	**539%**
Selling and marketing expenses	(3,783)	(4,485)	-16%
General and administrative expenses	(18,069)	(17,638)	2%
Other operating expenses	(2,537)	(2,045)	24%
Other operating income	41	4,598	-99%
Profit from operations	**127,610**	**4,193**	**2,943%**
Finance cost	(3,478)	(820)	324%
Finance income	2,907	1,104	163%
Dividend income	775	775	-
Fair value gain on financial assets at FVTPL	2,932	4,759	-38%
Share of net profit of investment accounted for using the equity method	10,046	4,305	133%
Profit before zakat and income tax	**140,792**	**14,316**	**883%**
Zakat and income tax expense	(12,339)	(2,415)	411%
Net profit for the period from continuing operations	**128,453**	**11,901**	**979%**
Discontinued operations			
Net profit for the period from discontinued operations	5,492	2,861	92%
Net profit for the period	**133,945**	**14,762**	**807%**
Other comprehensive income	-	-	-
Total comprehensive income for the period	**133,945**	**14,762**	**807%**
Net profit for the period attributable to:			
Shareholders of the Parent Company	91,873	12,425	639%
Non-controlling interests	42,072	2,337	1,700%
	133,945	**14,762**	**807%**
Total comprehensive income for the period attributable to:			
Shareholders of the Parent Company	91,873	12,425	639%
Non-controlling interests	42,072	2,337	1,700%
	133,945	**14,762**	**807%**
Profit per share attributable to the shareholders of the Parent Company			
Basic and diluted profit per share (⃁ / share)	1.33	0.18	639%

Revenue increased 71% year-on-year to ⃁ 541.9m in Q2’26 from ⃁ 316.2m in Q2’25. This top-line growth was mainly driven by a 68% increase in polypropylene sales, which reached ⃁ 536.8m, as prices maintained an upward trajectory during the quarter amid ongoing regional geopolitical tensions. Although cost of revenue rose 33% to ⃁ 389.9m, revenue growth significantly outpaced the increase in costs, resulting in gross profit of ⃁ 152.0m, compared with ⃁ 23.8m in the same period last year.

Profit from operations improved substantially to ⃁ 127.6m in Q2’26, compared with ⃁ 4.2m in Q2’25. The improvement was primarily driven by stronger gross profit and a 16% reduction in selling and marketing expenses to ⃁ 3.8m from ⃁ 4.5m. This was partially offset by a 2% increase in general and administrative expenses to ⃁ 18.1m, a 24% increase in other operating expenses to ⃁ 2.5m, and a sharp decline in other operating income to ⃁ 0.04m from ⃁ 4.6m in Q2’25.

Net profit for the period increased to ⃁ 133.9m in Q2’26 from ⃁ 14.8m in Q2’25, reflecting strong operating performance and higher contributions from investments accounted for using the equity method, which rose to ⃁ 10.0m from ⃁ 4.3m. Finance income also increased to ⃁ 2.9m from ⃁ 1.1m, while dividend income was unchanged at ⃁ 0.8m. These gains were partly offset by higher finance costs of ⃁ 3.5m (up from ⃁ 0.8m) and lower fair value gains on financial assets at fair value through profit or loss of ⃁ 2.9m (down from ⃁ 4.8m). The Group also recognised ⃁ 5.5m of net profit from discontinued operations, up from ⃁ 2.9m in Q2’25.

Balance Sheet Summary	30-Jun-26 (Unaudited) ⃁ 000s	31-Dec-25 (Audited) ⃁ 000s	vs FY25 %
Assets			
Non-current assets			
Property, plant and equipment	1,413,692	1,530,586	-8%
Capital work-in-progress	1,273,923	1,022,923	25%
Right-of-use assets	12,943	14,050	-8%
Intangible assets	31,323	31,909	-2%
Investment accounted for using the equity method	116,146	102,833	13%
Financial assets at fair value through profit or loss	122,474	122,010	–
Total non-current assets	**2,970,501**	**2,824,311**	**5%**
Current assets			
Inventories	303,941	336,451	-10%
Advances, prepayments and other assets	83,711	77,164	8%
Trade and other receivables	530,153	368,974	44%
Financial assets at fair value through profit or loss	131,662	197,285	-33%
Cash and cash equivalents	226,296	148,763	52%
Total current assets	**1,275,763**	**1,128,637**	**13%**
Assets held for sale	148,476	–	–
Total assets	**4,394,740**	**3,952,948**	**11%**
Equity and liabilities			
Equity			
Share capital	692,000	692,000	–
Other reserve	288,075	288,075	–
Retained earnings	1,579,761	1,527,614	3%
Equity attributable to shareholders of Alujain Corporation (Parent Company)	**2,559,836**	**2,507,689**	**2%**
Non-controlling interest	1,065,599	1,021,648	4%
Total equity	**3,625,435**	**3,529,337**	**3%**

Balance Sheet Summary			
	30-Jun-26	31-Dec-25	vs FY25 %
	(Unaudited) ⃁ 000s	(Audited) ⃁ 000s	
Non-current liabilities			
Employee benefit obligations	77,772	79,143	-2%
Lease liabilities	14,316	15,533	-8%
Decommissioning provision	14,184	14,200	–
Deferred tax liabilities	10,907	5,365	103%
Total non-current liabilities	**117,179**	**114,241**	**3%**
Current liabilities			
Short-term borrowings	255,663	–	–
Current portion of lease liabilities	1,140	567	101%
Accrued and other liabilities	187,193	141,712	32%
Trade and other payables	157,505	145,680	8%
Zakat and income tax payable	15,250	21,352	-29%
Derivative financial instrument	–	59	
Total current liabilities	**616,751**	**309,370**	**99%**
Liabilities relating to assets held for sale	35,375	–	–
Total liabilities	**769,305**	**423,611**	**82%**
Total equity and liabilities	**4,394,740**	**3,952,948**	**11%**

At the end of Q2’26, total assets reached ⃁ 4,394.7m, an increase of 11% from ⃁ 3,952.9m at the end of 2025, driven by a 5% increase in non-current assets and a 13% increase in current assets, together with the reclassification of ⃁ 148.5m to assets held for sale.

Current assets increased to ⃁ 1,275.8m from ⃁ 1,128.6m, mainly due to a 44% rise in trade and other receivables to ⃁ 530.2m from ⃁ 368.9m and a 52% increase in cash and cash equivalents to ⃁ 226.3m from ⃁ 148.8m. Advances, prepayments and other assets also increased 8% to ⃁ 83.7m. These were partly offset by a 33% decline in current financial assets at fair value through profit or loss to ⃁ 131.7m and a 10% decrease in inventories to ⃁ 303.9m.

Non-current assets rose 5% to ⃁ 2,970.5m from ⃁ 2,824.3m, driven by a 25% rise in capital work-in-progress to ⃁ 1,273.9m from ⃁ 1,022.9m and a 13% increase in investments accounted for using the equity method to ⃁ 116.1m from ⃁ 102.8m.

Total liabilities rose 82% to ⃁ 769.3m from ⃁ 423.6m, mainly reflecting the recognition of ⃁ 255.7m in short-term borrowings, a 32% increase in accrued and other liabilities to ⃁ 187.2m, and an 8% rise in trade and other payables to ⃁ 157.5m. Total current liabilities nearly doubled to ⃁ 616.8m from ⃁ 309.4m, while total non-current liabilities increased 3% to ⃁ 117.2m, driven primarily by higher deferred tax liabilities.

Total equity increased 3% to ⃁ 3,625.4m from ⃁ 3,529.3m. Equity attributable to shareholders of the Parent Company rose 2% to ⃁ 2,559.8m, and retained earnings increased 3% to ⃁ 1,579.8m. Non-controlling interest increased 4% to ⃁ 1,065.6m.

Additional Information

Auditor's Opinion

The consolidated financial statements present fairly, in all material respects, the consolidated financial position of Alujain Corporation (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2026, and its consolidated financial performance and consolidated cash flows for the period then ended, in accordance with International Financial Reporting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

Alujain Corporation's financial statements, earnings release and investor presentation, together with further relevant materials, are available on the Investor Relations website:
https://alujain.sa/en/investor-relations/

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