

YANSAB EARNINGS QUARTER SECOND

27 July 2025

2025



Key Highlights Q2 2025

Financial Summary

	Three months ended			Six months ended		
	30 Jun 2025	31 Mar 2025	Change %	30 Jun 2025	30 Jun 2024	Change %
Revenue	1,394	1,512	(8)%	2,906	3,047	(5)%
EBITDA ¹	290	279	4%	568	894	(36)%
Income from operations	48	8	500%	56	308	(82)%
Net income	45	14	221%	58	324	(82)%
Earning per share (1 SAR)	0.08	0.02	300%	0.10	0.58	(83)%
Free cash flow	154	227	(32)%	381	396	(4)%

All figures are rounded off to nearest million SAR

¹ Earnings Before Interest, Taxes, Depreciation, and Amortization



The average selling prices decreased by 1% in Q2 2025 compared to the previous quarter, while sales volumes declined by 7%. Compared to Q2 2024, average selling prices dropped by 10%, and sales volumes declined by 6%.



Revenues for the quarter amounted to SAR 1,394 million (USD 372 million), representing an 8% decrease compared to the previous quarter. This decline is primarily attributed to the lower average selling prices for most products and a 7% reduction in sales volumes, despite the Company achieved distinguished levels of plant reliability, which supported consistent operation performance.



(EBITDA) reached SAR 290 million (USD 77 million) in Q2 2025, marking a 4% increase compared to the previous quarter. This improvement is due to better profit margins and lower selling and distribution expenses.



Net profit for the second quarter amounted to SAR 45 million (USD 12 million), a 221% increase compared to the previous quarter. This increase is primarily driven by the lower cost of some production inputs, despite the Company achieved distinguished levels of plant reliability, which supported consistent operation performance.



Free cash flow for Q2 2025 stood at SAR 154 million (USD 41 million), a 32% decrease compared to the previous quarter, during which free cash flow amounted to SAR 227 million (USD 61 million).

Financial Performance

Q2 2025

Income Statement

	Q2 2025	Q1 2025		
Revenue	1,394	1,512	8%	▼
Gross profit	185	154	20%	▲
Income from operations	48	8	500%	▲
EBITDA	290	279	4%	▲
Net income	45	14	221%	▲
Earnings per share (SAR)	0.08	0.02	300%	▲

All figures are rounded off to nearest million 兆

Production & Sales

	Production	Sales	Selling prices
Q2 2025 vs. Q1 2025	0% —	7% ▼	1% ▼
Q2 2025 vs. Q2 2024	5% ▼	6% ▼	10% ▼
H1 2025 vs. H1 2024	4% ▼	3% ▲	7% ▼

Balance Sheet Statement

Total assets	13,656	14,124	3% ▼
Total liabilities	2,358	2,888	18% ▼
Shareholder' equity	11,298	11,236	1% ▲
Total liabilities & Shareholder' equity	13,656	14,124	3% ▼

2025 as end of 31 December 2024

All figures are rounded off to nearest million 兆

Cash Flow Statement

Net cash from operating activities	486	525	7% ▼
Cash used in financing activities	(565)	(430)	31% ▲
Free cash flow	381	396	4% ▼

2025 2024

Operational Performance For Q2 2025

YANSAB delivered outstanding operational performance, supported by high levels of operational stability (OSF) and operational reliability exceeding 99%, reflecting the company's strong asset management and readiness to handle challenges. The company also maintained operations free from unplanned shutdowns (Free UPSD), thanks to the effective implementation of preventive maintenance and reliability programs. As part of its efforts to create additional value, YANSAB implemented more than 54 targeted initiatives that contributed to cost reduction, revenue growth, improved plant reliability, enhanced operational integration, automation of processes, improved working capital efficiency, and optimized capital expenditures.

YANSAB ranks in the top quartile in operational efficiency benchmarking across the industry, including energy consumption, operating costs, and unit productivity. This performance aligns with the company's vision to be the world's best petrochemical complex, driven by sustainable operational excellence and the adoption of industry best practices.

Operation Clean Sweep (OCS) certification

YANSAB obtained the Operation Clean Sweep (OCS) certification, as part of the Gulf Petrochemicals and Chemicals Association (GPCA) initiatives. YANSAB is the first company in the Middle East and Gulf region to obtain this certification. OCS is a global initiative in the petrochemical manufacturing sector aimed at reducing the loss and waste of polymer pellets in the environment. The program is designed to implement measures that prevent the loss and leakage of polymer pellets, flakes, and powder during production, transportation, and use while ensuring they do not enter the marine environment.

This initiative has been adopted by major global petrochemical companies in over 60 countries around the world.

It underscores our firm commitment to environmental preservation, safe working conditions, and enhancing sustainability across the polymer supply chains.



President's Message

Global economic growth remains resilient despite ongoing geopolitical tensions. The Purchasing Managers' Index (PMI) reached its highest levels in the United States and Europe in three years, while China also showed notable improvement driven by rising demand.

Polypropylene (PP) demand improved in China and NAM, However, the prices of all products were low, although spreads increased slightly.

Polyethylene global demand slightly up on restocking in Europe and lower US prices helping local demand. Asia demand lower on decreased exports of finished goods. Prices lower on weaker naphtha prices and bearish sentiment.

MEG Better demand in Asia on China-US tariff pause. Muted Europe demand on competitive PET imports. Prices declined in Q2 as the demand from the polyester sector retreated.

Looking ahead to the third quarter, we expect improved demand for both (PP) and (PE) in Asia, with relative price stability, Additionally, (MEG) prices are expected to strengthen.

Despite the challenges, the Company delivered a positive performance during the second quarter, with no operational shutdowns recorded — which contributed to achieving a net income of SAR 45 million, marking a 221% increase compared to the previous quarter. EBITDA for the quarter reached SAR 290 million, reflecting a 4% increase from the previous quarter.

In line with YANSAB's ongoing commitment to the safety of its operations, the company maintained its excellent safety record with a Total Recordable Incident Rate (TRIR) of zero — underscoring the strong safety culture embedded across all operations and our prioritization of the safety of our people, assets, and operations.

YANSAB also remains committed to operational reliability through preventive and proactive programs, focusing on early risk detection, regular maintenance, and continuous asset improvement to ensure sustainable and safe plant operations.

As part of its sustainability strategy to enhance operational efficiency and rationalize natural resource consumption, YANSAB continued achieving its environmental targets, including reductions in emissions, energy, and water usage. The company also made steady progress in meeting the targets set by the Saudi Energy Efficiency Center (SEEC).

Moreover, YANSAB advanced its circular economy initiatives and was awarded the (ISCC PLUS) certification, which allows it to produce and market certified circular and sustainable polymers — reaffirming the company's commitment to reducing waste and promoting recycling.

In conclusion, YANSAB continues to maintain its financial resilience amid market challenges by enhancing operational efficiency, controlling costs, and focusing on the sale of higher-value and higher-margin products in the most profitable markets — all in support of achieving our strategic objectives and maximizing shareholder value.



Eng. Wazen
bin Mubarak Al-Solami

YANSAB President

Areas of Focus

Safety & Environment



YANSAB continues to enhance its integrated safety management system through periodic reviews of procedures and risk assessments, contributing to improved readiness and emergency response. The Company also fosters a strong safety culture through ongoing training and increased awareness among employees across all operational levels.

Sustainability & Innovation



YANSAB is continuously committed to delivering and developing innovative and sustainable product solutions and applications, while improving processes that help reduce emissions and lower costs. These efforts aim to meet customer needs and support the entire value chain. The company also works closely with industry partners to enhance performance and minimize environmental impact—from producing recyclable or recycled materials to implementing process improvements that cut emissions.

Reliability



YANSAB is working to enhance reliability in order to improve the overall performance of its assets, reinforce high production rate principles, extend asset life cycles, reduce operating costs, and minimize any unplanned shutdowns or interruptions.

Digitalization



Digital transformation is a key enabler for YANSAB, enhancing operational efficiency through the integration of advanced technologies into production systems and processes. This transformation supports performance improvements, faster data accessibility, and fosters innovation and sustainable growth.

Market and Industry Overview

The global petrochemical industry continues to face mounting pressures due to a combination of influential factors—most notably, market oversupply and a slowdown in industrial demand, particularly in Asia and Europe, which have led to declining profit margins. These challenges have been further exacerbated by rising shipping costs and ongoing disruptions in supply chains, in addition to escalating geopolitical tensions that have deepened the sense of uncertainty across global markets.



Future Outlook

Despite ongoing market challenges, YANSAB maintains a strong financial position and remains committed to monitoring market trends, managing costs, and optimizing expenditures. The company will continue to work on enhancing revenues and margins, delivering high-quality products, and relying on reliable operations, global safety standards, and a focused approach to sustainability and innovation—reinforcing its position as a trusted partner in the petrochemical industry.

YANSAB is also working to strengthen its competitive edge by improving asset management and adhering to international standards through innovation, digital transformation, and the integration of artificial intelligence technologies into manufacturing operations. This is aimed at increasing operational efficiency and better meeting market demands.

Sustainability is embedded in the company's strategy, with a commitment to adopting leading Environmental, Social, and Governance (ESG) practices to drive long-term value for shareholders and society. YANSAB is targeting a 20% reduction in greenhouse gas emissions by 2030, compared to 2018 levels, covering both direct and indirect emissions from its operations. In addition, the company will continue exploring solutions to achieve carbon neutrality across all operations by 2050, in line with global, regional, and national goals and initiatives.

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Yanbu National Petrochemical Company
(YANSAB)
P.O. Box 31961
Yanbu Industrial City 41912
Kingdom of Saudi Arabia
Tel +966 14 325 9000

E-mail: shares@yansab.sabic.com