

# 2024 Results

# President & CEO Statement



## Strengthening Leadership & Driving Growth

As we reflect on 2024, Luberef has demonstrated remarkable resilience and agility, achieving increased sales volumes despite geopolitical challenges in the region. Through strategic market positioning and optimized logistics, we ensured a reliable supply to key markets, reinforcing our leadership in the base oil industry.

Operational reliability and safety remain at the heart of our success. In 2024, we upheld impeccable safety standards, achieving a Zero Total Recordable Incident Rate (TRIR) for the fifth consecutive year, with over 38 million man-hours worked without a Lost Time Incident (LTI). This achievement reflects our unwavering commitment to a world-class safety culture and operational excellence.

In recognition of our strong financial performance, we are pleased to announce the Board's recommendation to the Company's General Assembly for the distribution of a cash dividend of 3.08 SAR per share for the second half of 2024. We extend our sincere appreciation to our shareholders for their continued trust and support.

Looking ahead to 2025, our primary focus is the successful execution of the Yanbu Growth II project, a cornerstone of our expansion strategy. This milestone will enable us to produce Group III base oils, making Luberef the sole producer of all three groups of base oil in the region. Additionally, this project enhances our production flexibility, allowing us to maximize capacity utilization and capture opportunities in high-netback lubricant markets.

As we embark on 2025, we remain dedicated to growth, and operational excellence, ensuring long-term value creation for our stakeholders.

Luberef today is well-positioned to capitalize on strategic growth opportunities and reinforce its global leadership in the base oil industry. This success is driven by an exceptional dedicated team, a clear vision, and strategic execution.

**Samer Abdulaziz Al-Hokail**  
Luberef's President & CEO



# 2024 Achievements



## Record Production

1,280 M MT



## Record Sales

1,295 M MT



## Zero

Total Recordable Incident Rate for 5 Years



## Reliability

Maintain high level of Mechanical Availability & utilization



## OEM

Obtained 1500+ OEM approved formulations for our base oils



## Recognition

6 Prestigious Awards\*

\* First Place for Most Improved Investor Relations Program in the GCC  
 \* Second Place for Leading Corporate Investor Relations in Saudi Arabia  
 \* Silver Corporate Social Responsibility (CSR) Award

\* Aramco President's Excellence Award for best performance in Reliability & Maintenance  
 \* Aramco President's Excellence Award for best performance in the Safety category  
 \* International Equity Capital Markets Deal of the Year

# Annual Key Financial Highlights

## Net Income

**972** SAR  
Million

12M 2023 **1,510** -36%

## Free Cash Flow

**1,606** SAR  
Million

12M 2023 **2,108** -24%

## Earnings Per Share

**5.78** SAR /  
Share

12M 2023 **8.98** -36%

## EBITDA

**1,272** SAR  
Million

12M 2023 **1,912** -33%

## ROACE

**22%**

12M 2023 **30%** -8 PP

## Gearing

**(3%)**

12M 2023 **(1%)** +2 PP

## Base Oil Crack Margins

**1,703** SAR /  
Ton

12M 2023 **2,068** -18%

## Base Oil Sales Volume<sup>(1)</sup>

**1,295** Thousand  
Metric Ton

12M 2023 **1,251** +4%

## Capex

**203** SAR  
Million

12M 2023 **213** -5%

## Capex Breakdown

SAR Million

	12M 2024	12M 2023
Sustaining	<b>118</b>	<b>79</b>
Turnaround	<b>32</b>	<b>74</b>
Growth	<b>53</b>	<b>60</b>

Notes: Numbers are rounded. (1) Excluding Base Oil Alliance and Imported volumes

# Financial Performance

Saudi Aramco Base Oil Company — Luberef announced its 2024 annual financial results, reporting total revenue of approximately SAR 10 Billion and net income of approximately SAR 972 Million. However, annual net income decreased by 36% compared to the same period of 2023 mainly due to decrease in base oils and by-products crack margins, despite the increase in sales volumes.

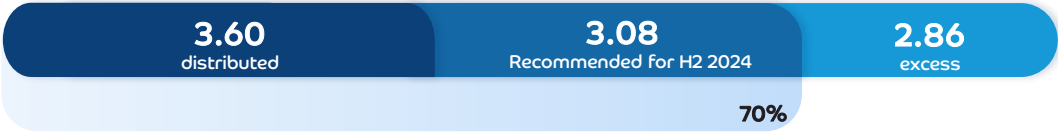
Comparing to the fourth quarter of 2023, net income decreased by 23%, due to decrease in base oils crack margins, despite the increase in base oils sales volumes and by-products crack margins.

Sequentially, net income decreased by 8% compared to Q3. The decrease was due to decrease in base oil crack margins, despite in the increase in base oil sales volume and by-products crack margins.

During 2024, the Company generated free Cash flow (FCF) of SAR 1,606 million, lower than 2023 by 24% mainly as a result of 23% decrease in cash from operations due to lower net income.

**\*FCF/Share**

**SAR 9.54**



\*The above illustration highlights total FCF/share outstanding for the 12 Months of 2024, and indicates the available cash for distribution following the announced Dividend Policy. This is not a declaration or distribution of dividends, nor a guarantee of any such distribution in the future.



# Q4 Financial Highlights

## Net Income

**208** SAR  
Million

Q4 2023 **269** -23%

## Free Cash Flow

**554** SAR  
Million

Q4 2023 **371** +49%

## Earnings Per Share

**1.24** SAR /  
Share

Q4 2023 **1.60** -23%

## EBITDA

**285** SAR  
Million

Q4 2023 **354** -20%

## Base Oil Crack Margins

**1,644** SAR /  
Ton

Q4 2023 **1,810** -9%

## Base Oil Sales Volume<sup>(1)</sup>

**367** Thousand  
Metric Ton

Q4 2023 **333** +10%

## Capex

**61** SAR  
Million

Q4 2023 **28** +117%

## Capex Breakdown

SAR Million

	Q4 2024	Q4 2023
Sustaining	<b>29</b>	<b>24</b>
Turnaround	<b>19</b>	<b>3</b>
Growth	<b>13</b>	<b>1</b>

# Company Highlights



As part of our ongoing transformational journey, we successfully commissioned Jeddah Wax Storage System. This will boost our storage capacity for various Wax materials. Which will unlock opportunities to capture additional market premiums by maximizing Wax sales.



For the second year in a row, Luberef participated in the Voluntary Carbon Auction (VCA) at COP29 in Baku, Azerbaijan, where VCM also launched its exchange platform. Luberef's participation comes from its commitment towards achieving Net Zero emissions.



Luberef sponsored the 19th ICIS Middle Eastern Base Oils and Lubricants Conference, engaging with industry professionals on global and regional market trends and executing five MoUs with key partners in re-refining, finished lubricants, and logistics.



# Disclaimer Statement

The Information provided in this press release and any written or verbal accompanying communication regarding or by Saudi Aramco Base Oil Company – Luberef (“Luberef” or the “Company”) (collectively, the “Information”) is provided for information purposes only. The Information is qualified in its entirety by the information contained in the Company’s financial statements and annual board reports. Certain financial and statistical information in this press release has been subject to rounding off adjustments. Accordingly, the sum of certain data may not conform to the expressed total.

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This press release may contain certain forward-looking statements with respect to Luberef’s financial position, results of operations and business and certain Luberef’s plans, intentions, expectations, assumptions, goals and beliefs regarding such items. These statements include all matters that are not historical fact and generally, but not always, may be identified by the use of words such as “believes”, “expects”, “are expected to”, “anticipates”, “intends”, “estimates”, “should”, “will”, “shall”, “may”, “is likely to”, “plans”, “outlook” or similar expressions, including variations and the negatives thereof or comparable terminology. Such forward-looking statements are based on numerous assumptions and cannot be ascertained, as they involve known and unknown risks, uncertainties and other factors within or beyond the Company’s control that could cause the Company’s actual results, performance or achievements to be materially different from the expected results, performance, or achievements expressed or implied by such forward-looking statements.

Prospective investors should be aware that forward-looking statements are not guarantees of future performance and that Luberef’s actual financial position, results of operations and business and the development of the industries in which it operates may differ significantly from those made in or suggested by these forward-looking statements. In addition, even if Luberef’s financial position, results of operations and business and the development of the industries in which it operates are consistent with these forward-looking statements, those results or developments may not be indicative of results or developments in subsequent periods.

Factors that could cause actual results to differ materially from Luberef’s expectations include, among other things, the following: supply, demand and price fluctuations with respect to feedstock and base oils, market conditions; natural disasters and

public health pandemics or epidemics (such as COVID19), and weather conditions (including those associated with climate change); competition in the industries in which Luberef operates; climate change concerns and related impacts on the global demand for base oils and hydrocarbon-based products; conditions affecting the transportation of products; operational risk and hazards common in the oil and gas, refining and petrochemicals industries; the cyclical nature of the oil and gas, refining and petrochemicals industries; terrorism and armed conflict, political and social instability and unrest, and actual or potential armed conflicts in the MENA region and other areas; managing Luberef’s growth and risks related to its strategic growth objectives; risks in connection with projects under development and; asset dispositions or impairments; government mandated sales, recapitalizations, taxes and tax audits, tariffs, sanctions, changes in fiscal terms or; material reductions in corporate liquidity and access to debt markets; the receipt of required Board/Shareholder authorizations to pay future dividends; Luberef’s dependence on the reliability and security of its IT systems, Luberef’s exposure to interest rate risk and foreign exchange risk; risks related to operating in a regulated industry and changes to oil, gas, environmental or other regulations that impact the industries in which Luberef operates; risks related to litigation, including international trade litigation, disputes or agreements; and risks related to the Kingdom. For additional information on the potential risks and uncertainties that could cause actual results to differ from the results predicted please see our latest periodic reports filed with the Saudi Exchange. In light of these risks, uncertainties and assumptions, the forward-looking events described in this press release may not occur.

The Information, including but not limited to forward-looking statements, applies only as of the date it speaks and is not intended to give any assurances as to future results. We undertake no obligation to update, correct or revise the Information, including any financial data or forward-looking statements, as a result of new information, future events or otherwise, unless required by applicable law or regulation.

All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this press release. In addition, this press release includes certain “non-IFRS financial measures.” These measures are not recognized measures under IFRS and do not have standard meanings prescribed by IFRS. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from Management’s perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of the Company’s financial information reported under IFRS. These measures are not audited, and might not be comparable to similarly titled measures presented by other companies.



# Investor Relations

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