Dividend Distribution Policy

Saudi Kayan Petrochemical COMPANY

A Saudi Joint Stock Company (Listed)

Approved by the Board of Directors on 19 February 2025.

Objective:

This policy aims to define the criteria governing the distribution of the Company's dividends in a manner that achieves balance between distributing sustainable dividends to investors and enhancing the Company's ability to achieve its objectives and grow its business, while taking into account the provisions set forth in the Company's Bylaws, the Companies Law, and the Capital Market Law and their implementing regulations.

Principles and Rules Governing Dividend Distribution:

In light of the provisions governing dividend distributions as stipulated in the Companies Law, the Corporate Governance Regulations, the Company's Bylaws, and the Implementing Regulations for Listed Joint Stock Companies, dividend distribution shall be carried out in accordance with the following principles and rules:

1.The Company's General Assembly shall have the authority, based on the Board of Directors' recommendation, to distribute dividends.

2. The Company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis after fulfilling the regulatory requirements, and it may delegate the Board of Directors to do so in accordance with the controls issued by the Capital Market Authority. The General Assembly may also allocate any amount from the Company's funds available for cash distributions to a general reserve, for social purposes of the Company's employees (or its subsidiaries), or for other purposes related to the Company, as the Board of Directors deems to be in the Company's best interest. The Company shall inform the Authority and the public immediately and without any delay of making a decision to distribute interim dividends.

3. Due consideration shall be given to the restrictions set forth in applicable laws and regulations, internal bylaws, and agreements concluded with holders of debt instruments, financing instruments, creditors, and other lending entities, in addition to other legal and regulatory considerations, any restrictions imposed on dividend distributions, and any other matters that the Company's Board of Directors deems important when announcing dividend distributions.

4. Consideration shall be given to the requirements of growth plans, future expansions, investment opportunities, Company's needs, cash flow and capital requirements, capital adequacy ratios, and other relevant factors. The balance between providing funds through internal financing sources and external financing sources shall be assessed accordingly. Thereupon, the Board of Directors shall submit a proposal to the Ordinary General Assembly to allocate a percentage of profits for such purposes.

5. Dividend distribution shall be based on several criteria, including the net profits achieved, the availability and adequacy of cash flows, the Company's financial position, market conditions, the general economic climate, and other relevant factors.

Effectiveness:

- This policy shall become effective as of the date of its approval by the Board of Directors, and the Chief Executive Officer or his authorized representative shall be liable for its implementation.
- The Board of Directors shall review this policy on a periodic basis to ensure its suitability in light of any changes that may arise in the nature of the Company's business, its strategic objectives, and the relevant laws and regulations.