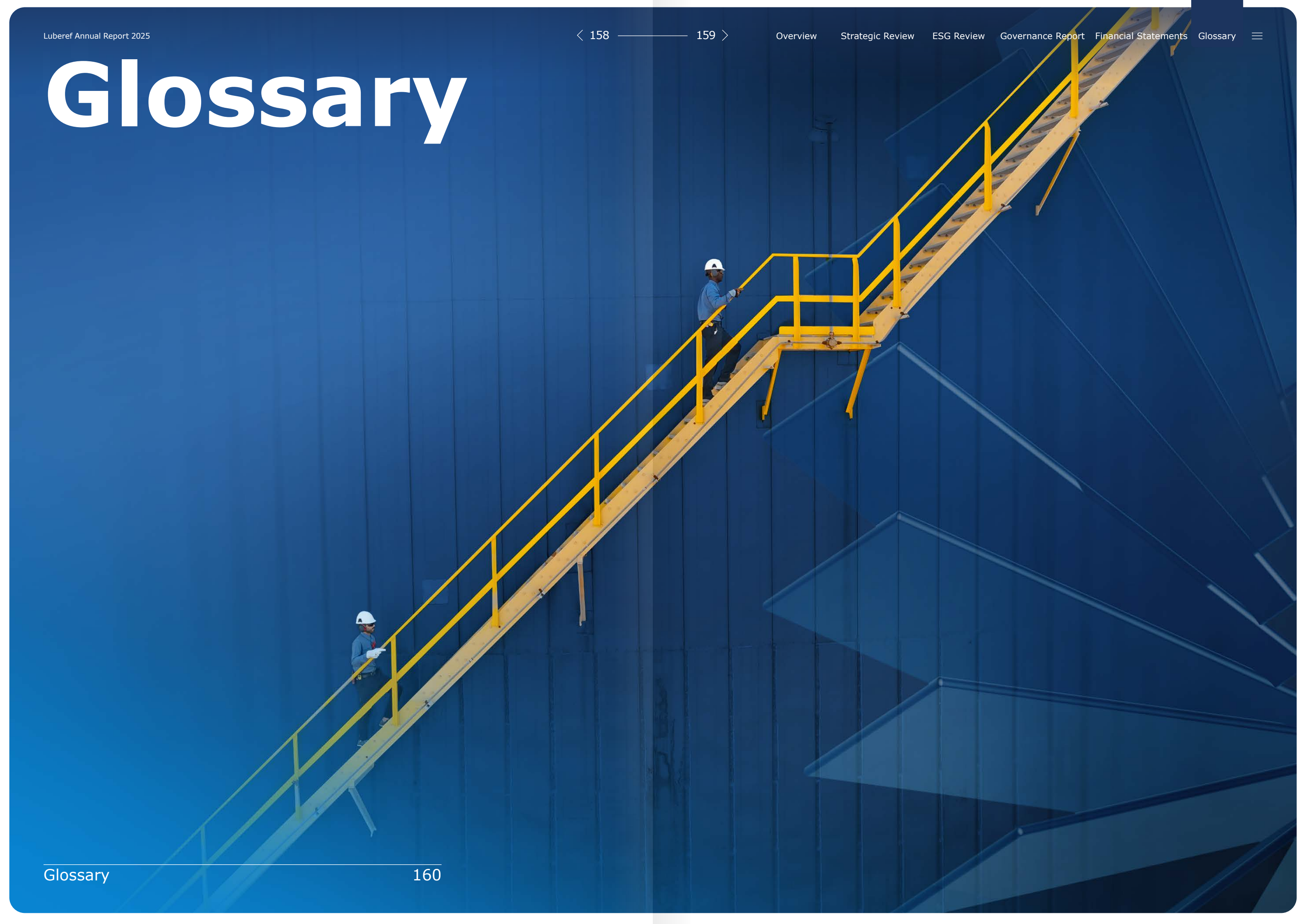


Glossary



Glossary

- Bright Stock** – High-Viscosity Base Oil
- CO₂e** – Carbon Dioxide Equivalent
- CSR** – Corporate Social Responsibility
- ERM** – Enterprise Risk Management
- ESG** – Environmental, Social, and Governance
- FEU** – Furfural Extracting Unit
- FLEET** – Fuel Lubricants Efficient Engine Technology
- FTEs** – Full-Time Employees
- GHG** – Greenhouse Gas
- HVGO** – Heavy Vacuum Gas Oil
- IFRS** – International Financial Reporting Standards
- KPI** – Key Performance Indicator
- KSA** – Kingdom of Saudi Arabia
- LTi** – Lost Time Incident
- LVGO** – Light Vacuum Gas Oil
- LubeHUB** – An Industrial Value Park
- m³** – Cubic Meter
- MHFO** – Marine Heavy Fuel Oil

- MHRSD** – Ministry of Human Resources and Social Development
- MLDW** – Mobile Lube De-waxing Unit
- MT** – Metric Tons
- NCA** – National Cybersecurity Authority
- NGO Engagements** – Engagements with Non-Governmental Organization
- OEM** – Original Equipment Manufacturer
- PDA** – Propane De-asphalting Unit
- RCO** – Reduced Crude Oil
- SOCPA** – Saudi Organization for Chartered and Professional Accountants
- TRIR** – Total Recordable Incident Rate
- UCO** – Unconverted Oil
- ULSD** – Ultra-Low Sulfur Diesel
- uODS** – Ultrasonically Assisted Oxidative Desulfurization
- VDU** – Vacuum Distillation Unit
- VGO** – Vacuum Gas Oil

Non-IFRS Measures and Definitions

- **Operating Capacity** – The maximum volume of feedstock that Luberef can process under ideal operating conditions considering equipment limitations and typical base oil slate based on current allocated feedstock. This measure reflects the refinery’s potential throughput under optimal circumstances.
- **Mechanical Availability** – The percentage of time that Luberef’s refining equipment and infrastructure are operational, excluding downtime due to scheduled maintenance. A higher mechanical availability indicates improved reliability and reduced unplanned disruptions.
- **Capacity Utilization** – The ratio of total actual production to nameplate capacity, expressed as a percentage. This metric measures how efficiently Luberef operates relative to its designed production capability.
- **Unit Cost of Production** – Total production costs (excluding depreciation and amortization) divided by the base oil quantity (net of imports) sold. This measure reflects the cost efficiency of producing and selling refined base oil products.
- **EBITDA** – Earnings before interest, income taxes, zakat, depreciation, and amortization. This metric provides a clear view of the Company’s operating profitability before non-cash and financing costs.
- **ROACE (Return On Average Capital Employed)** – A 12-month rolling net operating profit after tax (NOPAT) divided by the average of net financial debt and the average book value of equity. This measure evaluates Luberef’s profitability in relation to its capital base.
- **Free Cash Flow (FCF)** – Cash flow from operating activities (CFFO) minus capital expenditures (CapEx). This metric indicates the cash available for strategic investments, debt service, or shareholder returns after maintaining operations.
- **Cash Conversion** – Free cash flow divided by EBITDA. This ratio measures the efficiency of converting operating profits into available cash flow.
- **Gearing** – Net financial debt divided by total capital employed. This measure assesses Luberef’s financial leverage and capital structure.
- **Net Financial Debt** = Total Debt + Lease Liabilities – Cash and cash equivalents includes short term deposits.
- **Crack Margin** – Realized sales price (net of freight and rebate) (\$/MT) minus feedstock cost (\$/MT). This metric represents the refining margin per metric ton of product sold.
- **GHG** – Scope 1 and 2 (GRI-305 – GRI-305-2a) total direct emissions measured on CO₂ equivalent from operations covered under the defined boundaries and Indirect GHG emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the organization.
- **Water Discharge (GRI 303-4)** – Total water discharged to third parties and directly to the sea.
- **Water Withdrawal (GRI 303-3-a)** – Water withdrawn from the sea (total) and from third-parties (total).
- **Sustaining Capex to PPE** – Sustaining Capex / Average (Begining balance + Ending balance of PPE and right of use).
- **Return on PPE** – Net income / Average (Begining balance + Ending balance of PPE and right of use).