

Aramco announces third quarter 2022 results

Q3 net income rises 39% YoY to \$42.4 billion; free cash flow increases to a record \$45.0 billion

- Q3 earnings reflect Aramco's ability to generate significant value
- Net income: \$42.4 billion (Q3 2021: \$30.4 billion)
- Cash flow from operating activities: \$54.0 billion (Q3 2021: \$36.3 billion)
- Free cash flow¹: \$45.0 billion (Q3 2021: \$28.7 billion)
- Gearing ratio^{1,2}: -4.1% as at September 30, 2022, compared to 12.0% at end of 2021
- Q2 dividend of \$18.8 billion paid in the third quarter; Q3 dividend of \$18.8 billion to be paid in the fourth quarter
- Partnership with F2 and F3 highlights work on advanced low-carbon transport solutions
- World's first independent certifications of blue ammonia and hydrogen production

"Aramco's strong earnings and record free cash flow in the third quarter reinforce our proven ability to generate significant value through our low cost, lower-carbon intensity Upstream production and strategically integrated Upstream and Downstream businesses. While global crude oil prices during this period were affected by continued economic uncertainty, our long-term view is that oil demand will continue to grow for the rest of the decade given the world's need for more affordable and reliable energy.

"Against the backdrop of global underinvestment in our sector, we are extending our long-term oil and gas production capabilities while also working towards our previously stated ambition to achieve net-zero Scope 1 and Scope 2 greenhouse gas emissions from our wholly-owned operated assets.

"Our plans for our Downstream expansion continue to move forward as we seek to leverage the significant potential of our products to meet rising global demand for petrochemicals, which will be critical to the materials transition that is required to support a lower-carbon future. In addition, we continue to develop new, lower-carbon energy solutions as we work to be part of a more practical, stable and inclusive energy transition."



Amin H. Nasser
President and CEO

Key financial results

	Third quarter ended September 30				Nine months ended September 30			
	SAR		USD*		SAR		USD*	
All amounts in millions unless otherwise stated	2022	2021	2022	2021	2022	2021	2022	2021
Net income	159,115	114,093	42,430	30,425	488,784	290,998	130,342	77,600
EBIT ¹	301,810	214,744	80,482	57,265	909,618	550,249	242,565	146,733
Capital expenditures	33,895	28,466	9,038	7,591	97,423	87,292	25,979	23,278
Free cash flow ¹	168,617	107,738	44,965	28,730	413,274	260,944	110,207	69,585
Dividends paid	70,329	70,327	18,754	18,754	210,988	210,977	56,263	56,261
ROACE ^{1,3}	32.6%	20.6%	32.6%	20.6%	32.6%	20.6%	32.6%	20.6%
Average realized crude oil price (\$/barrel)	n/a	n/a	101.7	72.8	n/a	n/a	104.3	67.2

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

1. Non-IFRS measure: refer to *Non-IFRS measures reconciliations and definitions* section for further details.

2. Gearing ratios have been amended to reflect Aramco's revised gearing definition. Please refer to *Non-IFRS measures reconciliations and definitions* section for further details.

3. Calculated on a 12-month rolling basis.

Third quarter highlights

Market conditions slightly softened in the third quarter as continued economic uncertainty driven by inflationary pressures slowed crude oil demand growth. Despite this, Aramco delivered strong earnings and record free cash flow reflecting its ability to generate significant value through its low-cost Upstream production and strategically integrated Downstream business. In line with its commitment to maximize total shareholder returns, Aramco declared a cash dividend of SAR 70.33 billion (\$18.76 billion) for the third quarter.

Aramco's long-term view is that oil demand will likely continue to grow for the rest of the decade, as will the world's need for more affordable, reliable, and sustainable energy. Aramco intends to meet this growing demand by capturing unique growth opportunities and expanding its Maximum Sustainable Capacity (MSC), while enhancing integration of its Upstream and Downstream businesses and growing its liquids-to-chemicals capabilities. In the third quarter, capital expenditures were SAR 33.9 billion (\$9.0 billion), up 19.1% compared to the same period in 2021.

Upstream

In line with its focus on maintaining its Upstream preeminence, Aramco continued to progress its gas expansion strategy to meet growing domestic demand, and increase MSC to 13.0 mmbpd by 2027. Through its vast reserves, operational capabilities and spare capacity, Aramco will seek to capture global supply gap opportunities when needed with its low-cost, lower-carbon intensity Upstream production.

During the quarter, total hydrocarbon production was 14.4 mmboed, reflecting Aramco's efficient and reliable operations.

Key Upstream developments include the following:

- The compression projects at the Haradh and Hawiyah fields have started commissioning activities, with initial production planned by the end of 2022 and full capacity expected in 2023; and
- The Hawiyah Gas Plant expansion, part of the Haradh Gas increment program, has started pre-commissioning activities and is expected to be on-stream in 2023.

Downstream

The Downstream business remains focused on capturing additional value across the hydrocarbon chain and expanding its sources of earnings.

During the quarter, the Company continued to demonstrate its excellent track record of dependable operations, achieving 99.9% supply reliability. In the first nine months of the year, Downstream consumed approximately 42% of Aramco's crude oil production.

Key Downstream developments include the following:

- In August, SASREF and SABIC Agri-Nutrients received the world's first independent certifications for production of blue ammonia and hydrogen. The certifications, granted by a leading independent agency, verify that a significant amount of the CO₂ associated with the manufacturing process of blue ammonia and hydrogen has been captured and utilized in downstream applications instead of emitted. This milestone is an important step towards the Company's target to produce up to 11 million tons of blue ammonia annually by 2030; and

- Aramco and SATORP have obtained the International Sustainability & Carbon Certification Plus (ISCC+) credential for their joint waste plastic recycling initiative. The two entities join SABIC in holding the ISCC+ certification, which is a global standard for recycled and bio-based materials. The initiative aims to establish the first petrochemical circular value chain in the Kingdom to produce polymers from plastic waste, reducing the impact of single-use plastic on the environment.

Sustainability

As part of its role in supporting the global energy transition, Aramco seeks to explore new low-carbon transportation solutions. In September, the Company signed a Memorandum of Understanding with Formula Motorsport Limited to introduce the use of alternative, lower-carbon fuels in the Formula 2 and Formula 3 racing championships beginning in 2023. Through this collaboration, Aramco aims to demonstrate the potential of liquid synthetic fuels to reduce emissions both in motorsport and the broader transportation sector.

Aramco supports the development of artificial intelligence (AI) technologies in the Kingdom and embraces the use of AI as a means to create a sustainable competitive advantage. During the quarter, the Company and a private sector partner established a Global AI Corridor to build local capacity and grow talent, nurture Saudi AI startups, and attract high-impact intellectual property and capital investment to the Kingdom that will support economic growth and create employment opportunities. The Corridor will launch several initiatives in the domains of AI research, solutioning, upskilling, training, and venturing that augments other Aramco and Kingdom initiatives to create a vibrant Saudi AI ecosystem.

Financial performance

Summary of financial performance

All amounts in millions unless otherwise stated	Third quarter					Nine months				
	SAR		USD*		%	SAR		USD*		%
	2022	2021	2022	2021		2022	2021	2022	2021	
Income before income taxes and zakat	302,279	212,158	80,607	56,576	42.5%	909,890	542,214	242,637	144,591	67.8%
Income taxes and zakat	(143,164)	(98,065)	(38,177)	(26,151)	46.0%	(421,106)	(251,216)	(112,295)	(66,991)	67.6%
Net income	159,115	114,093	42,430	30,425	39.5%	488,784	290,998	130,342	77,600	68.0%

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Financial Results

Key factors affecting Aramco's financial results

- Aramco's results of operations and cash flows are primarily driven by market prices and volumes sold of hydrocarbons as well as refined and chemicals products. Global demand for petroleum products remained strong in the first nine months of 2022, which resulted in higher prices and volumes sold for hydrocarbons and improved refining margins, compared to the same period in 2021.

Third quarter

Net income

Net income for the third quarter of 2022 was SAR 159,115 (\$42,430), compared to SAR 114,093 (\$30,425) for the same quarter in 2021. The increase in net income was primarily driven by higher crude oil prices and volumes sold. This was partially offset by increased production royalties largely attributable to higher average effective royalty rate resulting from stronger crude oil prices, and higher sales volume.

Income taxes and zakat

The charge for income taxes and zakat for the third quarter of 2022 was SAR 143,164 (\$38,177), compared to SAR 98,065 (\$26,151) for the same quarter in 2021. The increase principally reflects the impact of higher earnings in the third quarter of 2022.

Nine months

Net income

Net income for the first nine months of 2022 was SAR 488,784 (\$130,342), compared to SAR 290,998 (\$77,600) for the same period in 2021. The increase predominantly reflects the impact of stronger crude oil prices and volumes sold, and higher refining margins. This was partially offset by an increase in production royalties mainly resulting from higher average effective royalty rate driven by stronger crude oil prices, and higher sales volume.

Income taxes and zakat

The charge for income taxes and zakat for the first nine months of 2022 was SAR 421,106 (\$112,295), compared to SAR 251,216 (\$66,991) for the same period in 2021. This increase was in line with stronger earnings in the first nine months of 2022.

For non-IFRS measures, refer to the *Non-IFRS measures reconciliations and definitions* section.

Saudi Aramco

Third quarter and nine months interim report 2022

All amounts in millions unless otherwise stated

Upstream financial performance

	Third quarter					Nine months				
	SAR		USD*		%	SAR		USD*		%
All amounts in millions unless otherwise stated	2022	2021	2022	2021		change	2022	2021	2022	
Earnings before interest, income taxes and zakat	293,996	205,926	78,399	54,914	42.8%	852,261	526,112	227,270	140,297	62.0%
Capital expenditures - cash basis	27,209	21,759	7,256	5,802	25.0%	76,770	66,265	20,472	17,671	15.9%

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Third quarter

Earnings before interest, income taxes and zakat (EBIT) for the third quarter of 2022 was SAR 293,996 (\$78,399), compared to SAR 205,926 (\$54,914) for the same quarter in 2021. This robust performance was primarily attributable to improved average realized crude oil prices and increased crude oil volumes sold, partially offset by higher crude oil production royalties.

Capital expenditures for the third quarter of 2022 were SAR 27,209 (\$7,256), an increase of 25.0%

compared to SAR 21,759 (\$5,802) for the same period in 2021. This is mainly due to increased development activity for crude oil increments and gas projects.

Nine months

EBIT for the first nine months of 2022 was SAR 852,261 (\$227,270), compared to SAR 526,112 (\$140,297) for the same period in 2021. These earnings are driven by global energy demand growth resulting in stronger average realized crude prices, reinforced by

higher crude oil volumes sold. This was partly offset by increased crude oil production royalties.

Capital expenditures for the first nine months of 2022 were SAR 76,770 (\$20,472), an increase by 15.9%, compared to SAR 66,265 (\$17,671) for the same period in 2021. This was principally attributable to drilling activities related to increasing crude oil MSC, development of crude oil increments, and gas projects.

Downstream financial performance

	Third quarter					Nine months				
	SAR		USD*		%	SAR		USD*		%
All amounts in millions unless otherwise stated	2022	2021	2022	2021		change	2022	2021	2022	
Earnings (losses) before interest, income taxes and zakat	(4,246)	14,837	(1,132)	3,957	(128.6)%	81,774	48,752	21,806	13,001	67.7%
Capital expenditures - cash basis	6,365	6,213	1,697	1,657	2.4%	19,404	19,488	5,174	5,197	(0.4)%

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Third quarter

EBIT for the third quarter of 2022 was a loss of SAR 4,246 (\$1,132), compared to a profit of SAR 14,837 (\$3,957) for the same quarter in 2021. This result was largely driven by inventory re-valuation losses as refined product prices, while higher compared to the same period in 2021, experienced a significant decline in the third quarter of 2022.

Capital expenditures for the third quarter of 2022 were SAR 6,365 (\$1,697)

compared to SAR 6,213 (\$1,657) for the third quarter in 2021, remaining relatively flat with the prior period.

Nine months

EBIT for the first nine months of 2022 was SAR 81,774 (\$21,806), compared to SAR 48,752 (\$13,001) for the same period in 2021. This financial performance is primarily the result of higher refining margins compared to the same period in 2021.

Capital expenditures for the first nine months of 2022 were SAR 19,404 (\$5,174), in line with expenditures of SAR 19,488 (\$5,197) in the same period of 2021.

Non-IFRS measures reconciliations and definitions

This Interim Report includes certain non-IFRS financial measures (ROACE, free cash flow, EBIT, and gearing), which Aramco uses to make informed decisions about its financial position and operating performance or liquidity. These non-IFRS financial measures have been included in this Interim Report to facilitate a better understanding of Aramco's historical trends of operation and financial position.

Aramco uses non-IFRS financial measures as supplementary information

to its IFRS-based operating performance and financial position. The non-IFRS financial measures are not defined by, or presented in accordance with, IFRS. The non-IFRS financial measures are not measurements of Aramco's operating performance or liquidity under IFRS and should not be used instead of, or considered as alternatives to, any measures of performance or liquidity under IFRS. The non-IFRS financial measures relate to the reporting periods described in this Interim Report and are not intended to be predictive of future

results. In addition, other companies, including those in Aramco's industry, may calculate similarly titled non-IFRS financial measures differently from Aramco. Because companies do not necessarily calculate these non-IFRS financial measures in the same manner, Aramco's presentation of such non-IFRS financial measures may not be comparable to other similarly titled non-IFRS financial measures used by other companies.

ROACE

ROACE measures the efficiency of Aramco's utilization of capital. Aramco defines ROACE as net income before finance costs, net of income taxes and zakat, as a percentage of average capital employed, calculated on a 12-month rolling basis. Average capital employed is the average of total borrowings plus total equity at the beginning and end of

the applicable period. Aramco utilizes ROACE to evaluate management's performance and demonstrate to its shareholders that capital has been used effectively.

ROACE for the 12 months ended September 30, 2022, was 32.6%, compared to 20.6% for the same

period in 2021. The increase in ROACE was predominantly driven by higher earnings, mainly reflecting stronger crude oil prices and volumes sold, and improved refining margins. This was partially offset by higher average capital employed during the period.

	Twelve months ended September 30			
	SAR		USD*	
	2022	2021	2022	2021
All amounts in millions unless otherwise stated				
Net income	610,182	343,453	162,714	91,588
Finance costs, net of income taxes and zakat	5,214	6,330	1,391	1,688
Net income before finance costs, net of income taxes and zakat	615,396	349,783	164,105	93,276
As at period start:				
Non-current borrowings	421,998	411,552	112,533	109,747
Current borrowings	115,287	96,770	30,743	25,805
Total equity	1,231,404	1,113,737	328,375	296,997
Capital employed	1,768,689	1,622,059	471,651	432,549
As at period end:				
Non-current borrowings	319,952	421,998	85,320	112,533
Current borrowings	70,321	115,287	18,752	30,743
Total equity	1,618,212	1,231,404	431,523	328,375
Capital employed	2,008,485	1,768,689	535,595	471,651
Average capital employed	1,888,587	1,695,374	503,623	452,100
ROACE	32.6%	20.6%	32.6%	20.6%

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Saudi Aramco

Third quarter and nine months interim report 2022

All amounts in millions unless otherwise stated

Free cash flow

Aramco uses free cash flow to evaluate its cash available for financing activities, including dividend payments. Aramco defines free cash flow as net cash provided by operating activities less capital expenditures.

Free cash flow for the third quarter of 2022 was SAR 168,617 (\$44,965), compared to SAR 107,738 (\$28,730) for the same quarter in 2021, an increase of SAR 60,879 (\$16,235). This was largely a reflection of higher operating cash flows as a result of higher earnings and favorable movements in working capital, partially offset by an

increase in cash paid for the settlement of income, zakat and other taxes. Capital expenditures increased by SAR 5,429 (\$1,447) in the third quarter of 2022, compared to the same period in 2021, mainly due to higher Upstream capital expenditures reflecting increased development activity for crude oil increments and gas projects.

Free cash flow for the first nine months of 2022 was SAR 413,274 (\$110,207), compared to 260,944 (\$69,585), for the same period in 2021. The increase of SAR 152,330 (\$40,622) was predominantly driven by higher

operating cash flows representing stronger earnings. This is partially offset by unfavorable working capital movements, and higher cash paid for the settlement of income, zakat and other taxes. Capital expenditures for the first nine months of 2022 increased by SAR 10,131 (\$2,701) compared to the same period in 2021, due to higher Upstream capital expenditures principally attributable to drilling activities related to increasing crude oil MSC, development of crude oil increments, and gas projects.

All amounts in millions unless otherwise stated	Third quarter				Nine months			
	SAR		USD*		SAR		USD*	
	2022	2021	2022	2021	2022	2021	2022	2021
Net cash provided by operating activities	202,512	136,204	54,003	36,321	510,697	348,236	136,186	92,863
Capital expenditures	(33,895)	(28,466)	(9,038)	(7,591)	(97,423)	(87,292)	(25,979)	(23,278)
Free cash flow	168,617	107,738	44,965	28,730	413,274	260,944	110,207	69,585

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Earnings before interest, income taxes and zakat (EBIT)

Aramco defines EBIT as net income plus finance costs and income taxes and zakat, less finance income. Aramco believes EBIT provides useful information regarding its financial performance to analysts and investors.

EBIT for the third quarter ended September 30, 2022, was SAR 301,810 (\$80,482), compared to SAR 214,744

(\$57,265) during the same quarter in 2021. This increase of SAR 87,066 (\$23,217) mainly represents the impact of higher crude oil prices and volumes sold, partially offset by an increase in production royalties.

EBIT for the nine months ended September 30, 2022, was SAR 909,618 (\$242,565), compared to SAR 550,249

(\$146,733) during the same period in 2021, reflecting an increase of SAR 359,369 (\$95,832). This is largely attributable to stronger crude oil prices and volumes sold, and higher refining margins, partially offset by an increase in production royalties.

All amounts in millions unless otherwise stated	Third quarter				Nine months			
	SAR		USD*		SAR		USD*	
	2022	2021	2022	2021	2022	2021	2022	2021
Net income	159,115	114,093	42,430	30,425	488,784	290,998	130,342	77,600
Finance income	(2,562)	(331)	(683)	(88)	(7,644)	(967)	(2,038)	(258)
Finance costs	2,093	2,917	558	777	7,372	9,002	1,966	2,400
Income taxes and zakat	143,164	98,065	38,177	26,151	421,106	251,216	112,295	66,991
Earnings before interest, income taxes and zakat	301,810	214,744	80,482	57,265	909,618	550,249	242,565	146,733

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Gearing

Gearing is a measure of the degree to which Aramco's operations are financed by debt. Aramco's gearing definition has been revised and is now defined as the ratio of net (cash) / debt (total borrowings less cash and cash equivalents, short-term investments, investments in debt securities (current and non-current), and non-current cash investments) to total equity

and net (cash) / debt. The revised gearing definition better reflects available liquidity held in current and non-current investments and cash management instruments. Management believes that gearing is widely used by analysts and investors in the oil and gas industry to indicate a company's financial health and flexibility.

Aramco's revised gearing ratio as at September 30, 2022, was (4.1)% (net cash position), compared to 12.0% as at December 31, 2021. The decrease in gearing was driven by lower net debt and higher total equity, reflecting stronger earnings as a result of higher crude oil prices and volumes sold, and improved refining margins.

	SAR		USD*	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
All amounts in millions unless otherwise stated				
Total borrowings (current and non-current)	390,273	510,921	104,072	136,246
Cash and cash equivalents	(274,710)	(299,579)	(73,256)	(79,888)
Short-term investments	(171,126)	(27,073)	(45,634)	(7,219)
Investments in debt securities (current and non-current) ¹	(8,143)	(8,966)	(2,171)	(2,391)
Non-current cash investments	-	-	-	-
Net (cash) / debt	(63,706)	175,303	(16,989)	46,748
Total equity	1,618,212	1,280,668	431,523	341,512
Total equity and net (cash) / debt	1,554,506	1,455,971	414,534	388,260
Gearing	(4.1)%	12.0%	(4.1)%	12.0%

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

1. As at September 30, 2022, investments in debt securities (current and non-current) are comprised of SAR 1,605 (\$428) and SAR 6,538 (\$1,743) which form part of other assets and receivables under current assets, and investments in securities under non-current assets, respectively. As at December 31, 2021, the investments in debt securities (current and non-current) are comprised of SAR 1,515 (\$404) and SAR 7,451 (\$1,987) which form part of other assets and receivables under current assets, and investments in securities under non-current assets, respectively.

The following table reflects Aramco's gearing ratio in line with its previously disclosed definition. Accordingly, excluding the impact of short-term

investments, investment in debt securities (current and non-current), and non-current cash investments, Aramco's gearing ratio is 6.7% and 14.2% as at

September 30, 2022, and December 31, 2021, respectively.

	SAR		USD*	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
All amounts in millions unless otherwise stated				
Total borrowings (current and non-current)	390,273	510,921	104,072	136,246
Cash and cash equivalents	(274,710)	(299,579)	(73,256)	(79,888)
Net debt	115,563	211,342	30,816	56,358
Total equity	1,618,212	1,280,668	431,523	341,512
Total equity and net debt	1,733,775	1,492,010	462,339	397,870
Gearing	6.7%	14.2%	6.7%	14.2%

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.

Terms and abbreviations

Currencies

SAR/Saudi Riyal

Saudi Arabian riyal, the lawful currency of the Kingdom

\$/USD/Dollar

U.S. dollar

Units of measurement

Barrel (bbl)

Barrels of crude oil, condensate or refined products

boe

Barrels of oil equivalent

bpd

Barrels per day

bscf

Billion standard cubic feet

bscfd

Billion standard cubic feet per day

GW

Gigawatts

mboed

Thousand barrels of oil equivalent per day

mbpd

Thousand barrels per day

mmbbl

Million barrels

mmboe

Million barrels of oil equivalent

mmboed

Million barrels of oil equivalent per day

mmbpd

Million barrels per day

mmBTU

Million British thermal units

mmscf

Million standard cubic feet

mmscfd

Million standard cubic feet per day

mmtpa

Million metric tonnes per annum

per day

Volumes are converted into a daily basis using a calendar year (Gregorian)

scf

Standard cubic feet

tscf

Trillion standard cubic feet

Technical terms

CO₂

Carbon dioxide.

Condensate

Light hydrocarbon substances produced with raw gas which condenses into liquid at normal temperatures and pressures associated with surface production equipment.

Hydrocarbons

Crude oil and other hydrogen and carbon compounds in liquid or gaseous state.

Natural gas

Dry gas produced at Aramco's gas plants and sold within the Kingdom.

NGL

Natural gas liquids, which are liquid or liquefied hydrocarbons produced in the manufacture, purification and stabilization of natural gas. For purposes of reserves, ethane is included in NGL. For purposes of production, ethane is reported separately and excluded from NGL.

Reliability

Total products volume shipped/delivered within 24 hours of the scheduled time, divided by the total products volume committed. Any delays caused by factors that are under the Company's control (e.g. terminal, pipeline, stabilization, or production) negatively affect the score, whereas delays caused by conditions that are beyond the Company's control, such as adverse weather, are not considered. A score of less than 100 percent indicates there were issues that negatively impacted reliability.

Scope 1 greenhouse gas (GHG) emissions

Direct emissions, which include GHG emissions from onsite fuel combustion, flaring, venting, and fugitive emissions.

Scope 2 greenhouse gas (GHG) emissions

Indirect emissions, which account for GHG emissions from offsite power generation including electricity and steam.

Glossary

Affiliate

Except with respect to financial information, the term Affiliate means a person who controls another person or is controlled by that other person, or who is under common control with that person by a third person. In any of the preceding, control could be direct or indirect.

With respect to financial information, the term Affiliate means the Company's subsidiaries, joint arrangements and associate, each as defined by IFRS.

Associate

As defined by IFRS, means an entity over which the Company has significant influence but does not control, generally reflected by a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Company

Saudi Arabian Oil Company.

Control

As defined by IFRS, a company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

COVID-19

The coronavirus disease 2019.

Domestic

Refers to the Kingdom of Saudi Arabia.

EBIT

Earnings (losses) before interest, income taxes and zakat.

General Assembly

Any Ordinary General Assembly or Extraordinary General Assembly.

Government

The Government of the Kingdom (and "Governmental" shall be interpreted accordingly).

H

Hijri calendar.

IAS

International Accounting Standard(s).

IFRS

International Financial Reporting Standard(s) that are endorsed in the Kingdom and other standards and pronouncements endorsed by SOCPA.

Joint arrangement

As defined by IFRS, refers to either a joint operation or a joint venture.

Joint operation

As defined by IFRS, arises where the investors have rights to the assets and obligations for the liabilities of a joint arrangement.

Joint venture

As defined by IFRS, means a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

Kingdom

Kingdom of Saudi Arabia.

MENA

Middle East and North Africa.

MSC

Maximum Sustainable Capacity, the average maximum number of barrels per day of crude oil that can be produced for one year during any future planning period, after taking into account all planned capital expenditures and maintenance, repair and operating costs, and after being given three months to make operational adjustments. The MSC excludes Aramco Gulf Operations Company Ltd.'s crude oil production capacity.

PIF

Public Investment Fund of Saudi Arabia.

ROACE

Return on average capital employed.

SABIC

Saudi Basic Industries Corporation.

SABIC Agri-Nutrients

SABIC Agri-Nutrients, a Saudi joint stock company and a non-wholly owned subsidiary of Aramco.

SASREF

Saudi Aramco Jubail Refinery Company, a subsidiary of Aramco, formerly known as Saudi Aramco Shell Refinery Company.

SATORP

Saudi Aramco Total Refining and Petrochemical Company, a joint venture established by Aramco and Total Refining Saudi Arabia SAS in 2008.

Saudi Aramco/Aramco

Saudi Arabian Oil Company, together with its consolidated subsidiaries, and where the context requires, its joint operations, joint ventures and associates.

Any reference to "us", "we" or "our" refers to Saudi Aramco / Aramco except where otherwise stated.

Unless otherwise stated, the text does not distinguish between the activities and operations of the Company and those of its subsidiaries.

Shareholder

Any holder of shares.

SOCPA

Saudi Organization for Chartered and Professional Accountants.

Disclaimer

This Interim Report may contain certain forward-looking statements with respect to Aramco's financial position, results of operations and business and certain of Aramco'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.

Investors and prospective investors should be aware that forward-looking statements are not guarantees of future performance and that Aramco'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 Aramco'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 Aramco's expectations are contained in cautionary statements in this Interim Report and include, among other things, the following:

- Supply, demand and price fluctuations with respect to oil and gas, and Aramco's other products;
- Global economic market conditions;
- Natural disasters and public health pandemics or epidemics (such as COVID-19), and weather conditions (including those associated with climate change);
- Competition in the industries in which Aramco operates;

- Climate change concerns and related impacts on the global demand for hydrocarbons and hydrocarbon-based products, as well as risks related to Aramco's ESG goals and targets;
- 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 Aramco's growth and risks related to its strategic growth objectives;
- Risks in connection with projects under development and recent and future acquisitions and joint ventures, including with respect to SABIC;
- Aramco's dependence on the reliability and security of its IT systems;
- Managing Aramco's subsidiaries, joint operations, joint ventures, associates and entities in which it holds a minority interest;
- Aramco'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 Aramco operates;
- Risks related to litigation, including international trade litigation, disputes or agreements; and
- Risks related to the Kingdom.

Disclaimer – Risk Factors

For a discussion of our risk factors, please see Aramco's Annual Report 2021, available through the investor relations section of Aramco's website at www.aramco.com/en/investors/reports-and-presentations.

We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. 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 Interim Report.

Aramco's financial information herein has been extracted from Aramco's condensed consolidated interim financial report for the three and nine month periods ended September 30, 2022, which is prepared and presented in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

In addition, this document includes certain "non-IFRS financial measures." These measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of Aramco's results of operations, cash flow and financial position from management's perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of Aramco's financial information reported under IFRS.

A reconciliation of non-IFRS measures is included in the Non-IFRS measures reconciliations and definitions section of this Interim Report.

Condensed consolidated interim financial report

For the three-month and nine-month periods ended September 30, 2022 (unaudited)

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Report on review of the condensed consolidated interim financial report

To the shareholders of Saudi Arabian Oil Company

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Saudi Arabian Oil Company and its subsidiaries as at September 30, 2022 and the related condensed consolidated statements of income, comprehensive income and cash flows for the three-month and nine-month periods then ended and the related condensed consolidated statement of changes in equity for the nine-month period then ended and other explanatory notes (the “condensed consolidated interim financial report”). Management is responsible for the preparation and presentation of this condensed consolidated interim financial report in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’, that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this condensed consolidated interim financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, ‘Review of interim financial information performed by the independent auditor of the entity’, that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial report is not prepared, in all material respects, in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’, that is endorsed in the Kingdom of Saudi Arabia.

PricewaterhouseCoopers

A blue ink signature of Omar M. Al Sagga, written in Arabic script, is placed over the PricewaterhouseCoopers logo.

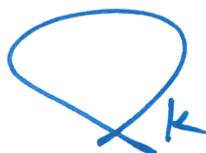
Omar M. Al Sagga
License Number 369

October 31, 2022

Condensed consolidated statement of income

	Note	SAR				USD*			
		3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Revenue	10	543,712	359,092	1,572,783	943,517	144,990	95,758	419,409	251,605
Other income related to sales		70,223	46,290	206,422	111,972	18,726	12,344	55,046	29,859
Revenue and other income related to sales		613,935	405,382	1,779,205	1,055,489	163,716	108,102	474,455	281,464
Royalties and other taxes		(91,177)	(39,282)	(271,393)	(94,589)	(24,314)	(10,475)	(72,372)	(25,224)
Purchases		(148,856)	(96,936)	(400,203)	(258,641)	(39,694)	(25,850)	(106,720)	(68,971)
Producing and manufacturing		(29,219)	(19,555)	(69,012)	(49,984)	(7,792)	(5,214)	(18,403)	(13,329)
Selling, administrative and general		(19,615)	(12,411)	(63,919)	(39,118)	(5,231)	(3,309)	(17,045)	(10,431)
Exploration		(1,401)	(1,375)	(4,550)	(3,430)	(374)	(367)	(1,214)	(915)
Research and development		(939)	(888)	(2,805)	(2,626)	(251)	(237)	(748)	(700)
Depreciation and amortization	5,6	(22,494)	(22,129)	(64,895)	(63,293)	(5,998)	(5,901)	(17,305)	(16,878)
Operating costs		(313,701)	(192,576)	(876,777)	(511,681)	(83,654)	(51,353)	(233,807)	(136,448)
Operating income		300,234	212,806	902,428	543,808	80,062	56,749	240,648	145,016
Share of results of joint ventures and associates		130	1,872	4,946	6,103	34	499	1,318	1,627
Finance and other income		4,008	397	9,888	1,305	1,069	105	2,637	348
Finance costs		(2,093)	(2,917)	(7,372)	(9,002)	(558)	(777)	(1,966)	(2,400)
Income before income taxes and zakat		302,279	212,158	909,890	542,214	80,607	56,576	242,637	144,591
Income taxes and zakat	7	(143,164)	(98,065)	(421,106)	(251,216)	(38,177)	(26,151)	(112,295)	(66,991)
Net income		159,115	114,093	488,784	290,998	42,430	30,425	130,342	77,600
Net income attributable to									
Shareholders' equity		156,068	109,072	471,875	278,564	41,618	29,086	125,833	74,284
Non-controlling interests		3,047	5,021	16,909	12,434	812	1,339	4,509	3,316
		159,115	114,093	488,784	290,998	42,430	30,425	130,342	77,600
Earnings per share (basic and diluted)	18	0.71	0.50	2.15	1.27	0.19	0.13	0.57	0.34

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



Amin H. Nasser
Director,
President & Chief Executive Officer



Ziad T. Al Murshed
Chief Financial Officer &
Senior Vice President

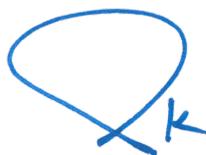


Bassam M. Asiri
Controller

Condensed consolidated statement of comprehensive income

	Note	SAR				USD*			
		3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Net income		159,115	114,093	488,784	290,998	42,430	30,425	130,342	77,600
Other comprehensive income (loss), net of tax	8								
Items that will not be reclassified to net income									
Remeasurement of post-employment benefits		4,774	8	21,318	10,801	1,273	2	5,685	2,880
Share of post-employment benefits remeasurement from joint ventures and associates		180	-	256	-	48	-	68	-
Changes in fair value of equity investments classified as fair value through other comprehensive income		(131)	814	(205)	1,667	(34)	217	(54)	444
Items that may be reclassified subsequently to net income									
Cash flow hedges and other		268	20	1,234	(25)	71	6	329	(6)
Changes in fair value of debt securities classified as fair value through other comprehensive income		(86)	(4)	(465)	(495)	(23)	(1)	(124)	(132)
Share of other comprehensive (loss) income of joint ventures and associates		(580)	101	(649)	(310)	(155)	27	(173)	(83)
Currency translation differences		(3,953)	(1,742)	(8,170)	(2,304)	(1,054)	(465)	(2,179)	(614)
		472	(803)	13,319	9,334	126	(214)	3,552	2,489
Total comprehensive income		159,587	113,290	502,103	300,332	42,556	30,211	133,894	80,089
Total comprehensive income attributable to									
Shareholders' equity		157,008	109,112	486,103	288,798	41,868	29,096	129,627	77,013
Non-controlling interests		2,579	4,178	16,000	11,534	688	1,115	4,267	3,076
		159,587	113,290	502,103	300,332	42,556	30,211	133,894	80,089

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



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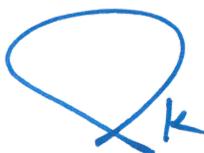


Bassam M. Asiri
Controller

Condensed consolidated balance sheet

	Note	SAR		USD*	
		September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Assets					
Non-current assets					
Property, plant and equipment	5	1,273,904	1,244,316	339,707	331,818
Intangible assets	6	161,586	160,668	43,090	42,845
Investments in joint ventures and associates		75,424	69,559	20,113	18,549
Deferred income tax assets		13,490	14,969	3,597	3,992
Post-employment benefits		22,587	-	6,023	-
Other assets and receivables		31,838	37,776	8,490	10,073
Investments in securities		24,606	24,161	6,562	6,443
		1,603,435	1,551,449	427,582	413,720
Current assets					
Inventories		107,808	74,703	28,749	19,921
Trade receivables		194,557	140,373	51,882	37,433
Due from the Government		72,680	41,317	19,381	11,018
Other assets and receivables		32,268	28,196	8,605	7,519
Short-term investments		171,126	27,073	45,634	7,219
Cash and cash equivalents		274,710	299,579	73,256	79,888
		853,149	611,241	227,507	162,998
Total assets		2,456,584	2,162,690	655,089	576,718
Equity and liabilities					
Shareholders' equity					
Share capital		75,000	60,000	20,000	16,000
Additional paid-in capital		26,981	26,981	7,195	7,195
Treasury shares		(2,384)	(2,828)	(636)	(754)
Retained earnings:					
Unappropriated		1,283,766	1,018,443	342,338	271,585
Appropriated		6,000	6,000	1,600	1,600
Other reserves	8	(345)	4,661	(92)	1,243
		1,389,018	1,113,257	370,405	296,869
Non-controlling interests		229,194	167,411	61,118	44,643
		1,618,212	1,280,668	431,523	341,512
Non-current liabilities					
Borrowings	9	319,952	436,371	85,320	116,366
Deferred income tax liabilities		103,433	74,850	27,583	19,960
Post-employment benefits		30,533	40,729	8,142	10,861
Provisions and other liabilities		29,651	26,244	7,907	6,998
		483,569	578,194	128,952	154,185
Current liabilities					
Trade and other payables		138,903	124,689	37,041	33,251
Obligations to the Government:					
Income taxes and zakat	7	119,971	90,525	31,992	24,140
Royalties		25,608	14,064	6,829	3,750
Borrowings	9	70,321	74,550	18,752	19,880
		354,803	303,828	94,614	81,021
Total liabilities		838,372	882,022	223,566	235,206
Total equity and liabilities		2,456,584	2,162,690	655,089	576,718

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



Amin H. Nasser
Director,
President & Chief Executive Officer



Ziad T. Al Murshed
Chief Financial Officer &
Senior Vice President



Bassam M. Asiri
Controller

Saudi Aramco

Third quarter and nine months interim report 2022

All amounts in millions of Saudi Riyals unless otherwise stated

Condensed consolidated statement of changes in equity

	SAR								USD*
	Shareholders' equity								Total
	Share capital	Additional		Retained earnings		Other reserves (Note 8)	Non-controlling interests	Total	
		paid-in capital	Treasury shares	Unappropriated	Appropriated				
Balance at January 1, 2021	60,000	26,981	(3,264)	895,273	6,000	5,858	110,246	1,101,094	293,625
Net income	-	-	-	278,564	-	-	12,434	290,998	77,600
Other comprehensive income (loss)	-	-	-	-	-	10,234	(900)	9,334	2,489
Total comprehensive income	-	-	-	278,564	-	10,234	11,534	300,332	80,089
Transfer of post-employment benefits remeasurement	-	-	-	10,435	-	(10,435)	-	-	-
Treasury shares issued to employees	-	-	312	(5)	-	(68)	-	239	64
Share-based compensation	-	-	-	(11)	-	164	-	153	41
Dividends (Note 18)	-	-	-	(210,977)	-	-	-	(210,977)	(56,261)
Sale of non-controlling equity interest in a subsidiary	-	-	-	-	-	-	46,547	46,547	12,412
Change in ownership interest of a subsidiary	-	-	-	(679)	-	-	679	-	-
Dividends to non-controlling interests and other	-	-	-	-	-	-	(5,984)	(5,984)	(1,595)
Balance at September 30, 2021	60,000	26,981	(2,952)	972,600	6,000	5,753	163,022	1,231,404	328,375
Balance at January 1, 2022	60,000	26,981	(2,828)	1,018,443	6,000	4,661	167,411	1,280,668	341,512
Net income	-	-	-	471,875	-	-	16,909	488,784	130,342
Other comprehensive income (loss)	-	-	-	-	-	14,228	(909)	13,319	3,552
Total comprehensive income	-	-	-	471,875	-	14,228	16,000	502,103	133,894
Transfer of post-employment benefits remeasurement (Note 8)	-	-	-	19,235	-	(19,235)	-	-	-
Transfer of share of post-employment benefits remeasurement from joint ventures and associates (Note 8)	-	-	-	256	-	(256)	-	-	-
Treasury shares issued to employees	-	-	444	(49)	-	18	-	413	110
Share-based compensation	-	-	-	(3)	-	239	-	236	63
Dividends (Note 18)	-	-	-	(210,988)	-	-	-	(210,988)	(56,263)
Bonus shares issued (Note 18)	15,000	-	-	(15,000)	-	-	-	-	-
Sale of non-controlling equity interest in a subsidiary (Note 16)	-	-	-	-	-	-	58,125	58,125	15,500
Acquisition of non-controlling interests in subsidiaries (Note 17(g))	-	-	-	(3)	-	-	(227)	(230)	(62)
Dividends to non-controlling interests and other	-	-	-	-	-	-	(12,115)	(12,115)	(3,231)
Balance at September 30, 2022	75,000	26,981	(2,384)	1,283,766	6,000	(345)	229,194	1,618,212	431,523

* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



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President & Chief Executive Officer



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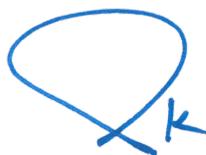


Bassam M. Asiri
Controller

Condensed consolidated statement of cash flows

	Note	SAR				USD*			
		3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Income before income taxes and zakat		302,279	212,158	909,890	542,214	80,607	56,576	242,637	144,591
Adjustments to reconcile income before income taxes and zakat to net cash provided by operating activities									
Depreciation and amortization	5,6	22,494	22,129	64,895	63,293	5,998	5,901	17,305	16,878
Exploration and evaluation costs written off		183	287	654	715	48	77	174	191
Loss on disposal of property, plant and equipment		476	-	1,894	-	127	-	505	-
Share of results of joint ventures and associates		(130)	(1,872)	(4,946)	(6,103)	(34)	(499)	(1,318)	(1,627)
Finance income		(2,562)	(331)	(7,644)	(967)	(683)	(88)	(2,038)	(258)
Finance costs		2,093	2,917	7,372	9,002	558	777	1,966	2,400
Dividends from investments in securities		(234)	(71)	(540)	(327)	(62)	(19)	(144)	(87)
Change in fair value of investments through profit or loss		157	9	428	554	42	2	114	148
Change in joint ventures and associates inventory									
profit elimination		(208)	(67)	(282)	270	(56)	(18)	(76)	72
Other		310	(1,414)	(8)	(387)	83	(377)	(2)	(103)
Change in working capital									
Inventories		8,465	(6,076)	(33,105)	(17,928)	2,257	(1,620)	(8,828)	(4,780)
Trade receivables		26,286	(9,925)	(54,184)	(49,996)	7,009	(2,647)	(14,449)	(13,333)
Due from the Government		14,010	(8,355)	(31,363)	(18,032)	3,737	(2,228)	(8,363)	(4,809)
Other assets and receivables		2,096	(1,256)	(2,867)	(3,667)	559	(335)	(765)	(978)
Trade and other payables		(17,329)	7,404	13,667	22,203	(4,622)	1,975	3,644	5,921
Royalties payable		(20,103)	1,359	11,544	4,882	(5,360)	362	3,079	1,302
Other changes									
Other assets and receivables		(280)	591	2,957	(492)	(75)	157	788	(132)
Provisions and other liabilities		3,552	8	3,126	243	947	3	834	65
Post-employment benefits		1,139	(378)	3,401	1,613	304	(101)	907	430
Settlement of income, zakat and other taxes	7(c)	(140,182)	(80,913)	(374,192)	(198,854)	(37,381)	(21,577)	(99,784)	(53,028)
Net cash provided by operating activities		202,512	136,204	510,697	348,236	54,003	36,321	136,186	92,863
Net cash used in investing activities									
Capital expenditures	4	(33,895)	(28,466)	(97,423)	(87,292)	(9,038)	(7,591)	(25,979)	(23,278)
Acquisition of affiliates, net of cash acquired	17(e)	-	-	(402)	-	-	-	(107)	-
Distributions from joint ventures and associates		1,092	1,972	3,047	2,891	292	526	813	771
Additional investments in joint ventures and associates		(296)	(262)	(1,396)	(438)	(79)	(70)	(372)	(117)
Dividends from investments in securities		234	71	540	327	62	19	144	87
Interest received		1,782	252	3,060	754	475	67	816	201
Net investments in securities		(899)	(723)	(1,943)	(1,731)	(240)	(192)	(519)	(461)
Net purchases of short-term investments		(75,638)	(2,984)	(144,053)	(2,941)	(20,171)	(796)	(38,415)	(784)
Net cash used in investing activities		(107,620)	(30,140)	(238,570)	(88,430)	(28,699)	(8,037)	(63,619)	(23,581)
Net cash used in financing activities									
Dividends paid to shareholders of the Company	18	(70,329)	(70,327)	(210,988)	(210,977)	(18,754)	(18,754)	(56,263)	(56,261)
Dividends paid to non-controlling interests in subsidiaries		(2,807)	(95)	(9,757)	(3,069)	(749)	(25)	(2,602)	(818)
Proceeds from sale of non-controlling equity interest in a subsidiary	16	-	-	58,125	46,547	-	-	15,500	12,412
Acquisition of non-controlling interests in subsidiaries	17(g)	(49)	-	(230)	-	(14)	-	(62)	-
Proceeds from issue of treasury shares		145	81	408	273	39	21	109	73
Proceeds from borrowings		248	913	5,089	24,279	67	244	1,357	6,475
Repayments of borrowings		(3,263)	(3,604)	(123,255)	(27,012)	(870)	(962)	(32,868)	(7,204)
Principal portion of lease payments		(3,082)	(2,967)	(9,045)	(8,873)	(822)	(791)	(2,412)	(2,366)
Interest paid		(2,020)	(1,419)	(7,343)	(5,967)	(538)	(378)	(1,958)	(1,591)
Net cash used in financing activities		(81,157)	(77,418)	(296,996)	(184,799)	(21,641)	(20,645)	(79,199)	(49,280)
Net increase (decrease) in cash and cash equivalents		13,735	28,646	(24,869)	75,007	3,663	7,639	(6,632)	20,002
Cash and cash equivalents at beginning of the period		260,975	253,593	299,579	207,232	69,593	67,625	79,888	55,262
Cash and cash equivalents at end of the period		274,710	282,239	274,710	282,239	73,256	75,264	73,256	75,264

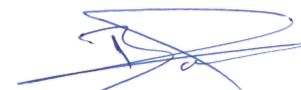
* Supplementary information is converted at a fixed rate of U.S. dollar 1.00 = SAR 3.75 for convenience only.



Amin H. Nasser
Director,
President & Chief Executive Officer



Ziad T. Al Murshed
Chief Financial Officer &
Senior Vice President



Bassam M. Asiri
Controller

Notes to the condensed consolidated interim financial report

1. General information

The Saudi Arabian Oil Company (the “Company”), with headquarters located in Dhahran, Kingdom of Saudi Arabia (the “Kingdom”), is engaged in prospecting, exploring, drilling and extracting hydrocarbon substances (“Upstream”) and processing, manufacturing, refining and marketing these hydrocarbon substances (“Downstream”). The Company was formed on November 13, 1988 by Royal Decree No. M/8; however, its history dates back to May 29, 1933 when the Saudi Arabian Government (the “Government”) granted a concession to the Company’s predecessor for the right to, among other things, explore the Kingdom for hydrocarbons. Effective January 1, 2018, Council of Minister’s Resolution No. 180, dated 1/4/1439H (December 19, 2017), converted the Company to a Saudi Joint Stock Company with new Bylaws.

On December 11, 2019, the Company completed its Initial Public Offering (“IPO”) and its ordinary shares were listed on the Saudi Stock Exchange (“Tadawul”). In connection with the IPO, the Government, being the sole owner of the Company’s shares at such time, sold an aggregate of 3.45 billion ordinary shares, or 1.73% of the Company’s share capital.

On February 13, 2022, the Government transferred 8 billion ordinary shares, or 4% of the Company’s share capital, to the Public Investment Fund (“PIF”), the sovereign wealth fund of the Kingdom. Following the transfer, the Government remains the Company’s largest shareholder, retaining a 94.19% direct shareholding.

The condensed consolidated interim financial report of the Company and its subsidiaries (together “Saudi Aramco”) was approved by the Board of Directors on October 31, 2022.

2. Basis of preparation and other significant accounting policies

The condensed consolidated interim financial report has been prepared in accordance with International Accounting Standard 34 (“IAS 34”), Interim Financial Reporting, that is endorsed in the Kingdom, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”). This condensed consolidated interim financial report is consistent with the accounting policies and methods of computation and presentation set out in Saudi Aramco’s consolidated financial statements for the year ended December 31, 2021, except for new and amended standards disclosed below.

The results for the interim periods are unaudited and include all adjustments necessary for a fair presentation of the results for the periods presented. This condensed consolidated interim financial report should be read in conjunction with the consolidated financial statements and related notes for the year ended December 31, 2021, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) that are endorsed in the Kingdom, and other standards and pronouncements issued by SOCPA. The consolidated financial statements for the year ended December 31, 2021 are also in compliance with IFRS as issued by the International Accounting Standards Board (“IASB”).

Translations from SAR to USD presented as supplementary information in the Condensed Consolidated Statement of Income, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Balance Sheet, Condensed Consolidated Statement of Changes in Equity, and Condensed Consolidated Statement of Cash Flows at September 30, 2022 and December 31, 2021 and for the three-month and nine-month periods ended September 30, 2022 and 2021, are for convenience and were calculated at the rate of USD 1.00 = SAR 3.75 representing the exchange rate at the balance sheet dates.

New or amended standards

- (i) Saudi Aramco adopted the following IASB pronouncement, as endorsed in the Kingdom, effective for annual periods beginning on or after January 1, 2022:

Amendment to IAS 16, Property, Plant and Equipment

In May 2020, the IASB issued an amendment to IAS 16, Property, Plant and Equipment, which prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while the entity is preparing the asset for its intended use. Instead, the proceeds from selling such items, and the costs of producing those items, are recognized in profit or loss. There is no material impact on the condensed consolidated interim financial report from adopting this amendment to IAS 16.

- (ii) Saudi Aramco has not early adopted any new accounting standards, interpretations or amendments that are issued but not yet effective.

3. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. Management believes that the fair values of Saudi Aramco's financial assets and liabilities that are measured and recognized at amortized cost are not materially different from their carrying amounts at the end of the reporting period.

The following table presents Saudi Aramco's assets and liabilities measured and recognized at fair value at September 30, 2022 and December 31, 2021, based on the prescribed fair value measurement hierarchy on a recurring basis. Saudi Aramco did not measure any financial assets or financial liabilities at fair value on a non-recurring basis at September 30, 2022 and December 31, 2021. There were no changes made to any of the valuation techniques and valuation processes applied as of December 31, 2021 and changes in unobservable inputs are not expected to materially impact the fair values.

Assets	Level 1 ⁱ	Level 2 ⁱⁱ	Level 3 ⁱⁱⁱ	Total
September 30, 2022				
Investments in securities:				
Equity securities at Fair Value Through Other Comprehensive Income ("FVOCI")	9,414	104	1,305	10,823
Debt securities at FVOCI	40	7,504	-	7,544
Equity securities at Fair Value Through Profit or Loss ("FVPL")	288	1,365	5,592	7,245
Debt securities at FVPL	-	-	5	5
Trade receivables related to contracts with provisional pricing arrangements	-	-	137,501	137,501
	<u>9,742</u>	<u>8,973</u>	<u>144,403</u>	<u>163,118</u>
Other assets and receivables:				
Interest rate swaps	-	706	-	706
Commodity swaps	177	5,181	8	5,366
Currency forward contracts	-	72	-	72
Financial assets - option rights	-	-	2,429	2,429
	<u>177</u>	<u>5,959</u>	<u>2,437</u>	<u>8,573</u>
Total assets	9,919	14,932	146,840	171,691
December 31, 2021				
Investments in securities:				
Equity securities at FVOCI	9,134	88	1,340	10,562
Debt securities at FVOCI	37	7,846	-	7,883
Equity securities at FVPL	359	1,861	3,928	6,148
Debt securities at FVPL	53	-	-	53
Trade receivables related to contracts with provisional pricing arrangements	-	-	109,440	109,440
	<u>9,583</u>	<u>9,795</u>	<u>114,708</u>	<u>134,086</u>
Other assets and receivables:				
Interest rate swaps	-	9	-	9
Commodity swaps	-	1,489	83	1,572
Currency forward contracts	-	32	-	32
Financial assets - option rights	-	-	2,390	2,390
	<u>-</u>	<u>1,530</u>	<u>2,473</u>	<u>4,003</u>
Total assets	9,583	11,325	117,181	138,089

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3. Fair value estimation continued

Liabilities	Level 1 ⁱ	Level 2 ⁱⁱ	Level 3 ⁱⁱⁱ	Total
September 30, 2022				
Trade and other payables:				
Interest rate swaps	-	20	-	20
Commodity swaps	-	2,661	96	2,757
Currency forward contracts	-	376	-	376
Provisions and other liabilities:				
Financial liability - options and forward contracts	-	-	3,477	3,477
Total liabilities	-	3,057	3,573	6,630
December 31, 2021				
Trade and other payables:				
Interest rate swaps	-	427	-	427
Commodity swaps	201	1,755	43	1,999
Currency forward contracts	-	151	-	151
Provisions and other liabilities:				
Financial liability - options and forward contracts	-	-	3,301	3,301
Total liabilities	201	2,333	3,344	5,878

i. Quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii. Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

iii. Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The changes in Level 3 investments in securities for the nine-month period ended September 30, 2022 and the year ended December 31, 2021 are as follows:

	September 30, 2022	December 31, 2021
Beginning	5,268	4,970
Net additions (disposals)	1,516	(5)
Net movement in unrealized fair value	79	407
Realized gain (loss)	39	(104)
Ending	6,902	5,268

The movement in trade receivables related to contracts with provisional pricing arrangements mainly relates to sales transactions, net of settlements, made during the period, resulting from contracts with customers (Note 10). Unrealized fair value movements on these trade receivables are not significant.

The change in commodity swaps primarily relates to purchase and sales derivative contracts including recognition of a gain or loss that results from adjusting a derivative to fair value. Fair value movements on these commodity swaps are not significant.

The movements in Financial assets - option rights and Financial liability - options and forward contracts, which are related to put, call and forward contracts on Saudi Aramco's own equity instruments in certain subsidiaries, are due to changes in the unrealized fair value during the period.

4. Operating segments

Saudi Aramco is engaged in prospecting, exploring, drilling, extracting, processing, manufacturing, refining and marketing hydrocarbon substances within the Kingdom and has interests in refining, petrochemical, distribution, marketing and storage facilities outside the Kingdom.

Saudi Aramco's operating segments are established on the basis of those components that are evaluated regularly by the CEO, considered to be the Chief Operating Decision Maker. The Chief Operating Decision Maker monitors the operating results of Saudi Aramco's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, costs and a broad range of key performance indicators in addition to segment profitability.

For management purposes, Saudi Aramco is organized into business units based on the main types of activities. At September 30, 2022, Saudi Aramco had two reportable segments, Upstream and Downstream, with all other supporting functions aggregated into a Corporate segment. Upstream activities include crude oil, natural gas and natural gas liquids exploration, field development and production. Downstream activities consist primarily of refining and petrochemical manufacturing, supply and trading, distribution and power generation, logistics, and marketing of crude oil and related services to international and domestic customers. Corporate activities include primarily supporting services including Human Resources, Finance and IT not allocated to Upstream and Downstream. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

There are no differences from the consolidated financial statements for the year ended December 31, 2021 in the basis of segmentation or in the basis of measurement of segment earnings before interest, income taxes and zakat.

Information by segments for the three-month period ended September 30, 2022 is as follows:

	Upstream	Downstream	Corporate	Eliminations	Consolidated
External revenue	268,626	274,628	458	-	543,712
Other income related to sales	26,466	43,757	-	-	70,223
Inter-segment revenue	120,930	11,007	70	(132,007)	-
Earnings (losses) before interest, income taxes and zakat	293,996	(4,246)	(4,984)	17,044	301,810
Finance income					2,562
Finance costs					(2,093)
Income before income taxes and zakat					302,279
Capital expenditures - cash basis	27,209	6,365	321	-	33,895

Information by segments for the three-month period ended September 30, 2021 is as follows:

	Upstream	Downstream	Corporate	Eliminations	Consolidated
External revenue	174,982	183,860	250	-	359,092
Other income related to sales	20,280	26,010	-	-	46,290
Inter-segment revenue	79,792	10,856	58	(90,706)	-
Earnings (losses) before interest, income taxes and zakat	205,926	14,837	(1,949)	(4,070)	214,744
Finance income					331
Finance costs					(2,917)
Income before income taxes and zakat					212,158
Capital expenditures - cash basis	21,759	6,213	494	-	28,466

Information by segments for the nine-month period ended September 30, 2022 is as follows:

	Upstream	Downstream	Corporate	Eliminations	Consolidated
External revenue	797,137	774,278	1,368	-	1,572,783
Other income related to sales	68,443	137,979	-	-	206,422
Inter-segment revenue	362,165	33,334	213	(395,712)	-
Earnings (losses) before interest, income taxes and zakat	852,261	81,774	(13,757)	(10,660)	909,618
Finance income					7,644
Finance costs					(7,372)
Income before income taxes and zakat					909,890
Capital expenditures - cash basis	76,770	19,404	1,249	-	97,423

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4. Operating segments continued

Information by segments for the nine-month period ended September 30, 2021 is as follows:

	Upstream	Downstream	Corporate	Eliminations	Consolidated
External revenue	452,997	489,649	871	-	943,517
Other income related to sales	45,519	66,453	-	-	111,972
Inter-segment revenue	205,960	25,657	187	(231,804)	-
Earnings (losses) before interest, income taxes and zakat	526,112	48,752	(8,719)	(15,896)	550,249
Finance income					967
Finance costs					(9,002)
Income before income taxes and zakat					542,214
Capital expenditures - cash basis	66,265	19,488	1,539	-	87,292

5. Property, plant and equipment

	Land and land improvements	Buildings	Oil and gas properties	Plant, machinery and equipment	Depots, storage tanks and pipelines	Fixtures, IT and office equipment	Construction-in-progress	Total
Cost								
January 1, 2022	53,099	86,411	596,495	878,043	84,110	19,554	246,175	1,963,887
Additions ¹	314	333	281	9,897	251	100	92,245	103,421
Acquisition (Note 17(e))	42	39	-	61	-	17	14	173
Construction completed	1,459	3,420	34,796	32,846	5,049	1,106	(78,676)	-
Currency translation differences	(1,186)	(1,346)	-	(12,144)	(1,181)	(255)	(849)	(16,961)
Transfers and adjustments	346	(272)	386	(462)	356	45	(1,608)	(1,209)
Transfer of exploration and evaluation assets	-	-	-	-	-	-	537	537
Retirements and sales	(50)	(302)	(994)	(4,360)	(360)	(324)	(85)	(6,475)
September 30, 2022	54,024	88,283	630,964	903,881	88,225	20,243	257,753	2,043,373
Accumulated depreciation								
January 1, 2022	(17,989)	(38,603)	(225,273)	(382,413)	(43,679)	(11,614)	-	(719,571)
Charge for the period	(1,069)	(2,520)	(14,610)	(42,030)	(1,843)	(990)	-	(63,062)
Currency translation differences	14	764	-	7,272	504	205	-	8,759
Transfers and adjustments	(6)	143	(19)	(227)	(42)	(25)	-	(176)
Retirements and sales	20	256	250	3,395	340	320	-	4,581
September 30, 2022	(19,030)	(39,960)	(239,652)	(414,003)	(44,720)	(12,104)	-	(769,469)
Property, plant and equipment - net, September 30, 2022	34,994	48,323	391,312	489,878	43,505	8,139	257,753	1,273,904

1. Borrowing costs capitalized during the nine-month period ended September 30, 2022, amounting to SAR 3,593, were calculated using an average annualized capitalization rate of 3.3%.

Additions to right-of-use assets during the three-month and nine-month periods ended September 30, 2022 were SAR 2,909 and SAR 7,720, respectively. Acquisition of right-of-use assets during the three-month and nine-month periods ended September 30, 2022 were nil and SAR 25, respectively. The following table presents depreciation charges and net carrying amounts of right-of-use assets by class of assets.

	Depreciation expense for the nine-month period ended September 30, 2022	Net carrying amount at September 30, 2022
Land and land improvements	148	4,281
Buildings	405	3,256
Oil and gas properties	11	14
Plant, machinery and equipment	7,796	35,387
Depots, storage tanks and pipelines	217	2,231
Fixtures, IT and office equipment	93	372
	8,670	45,541

6. Intangible assets

	Goodwill	Exploration and evaluation	Brands and trademarks	Franchise/customer relationships	Computer software	Other ¹	Total
Cost							
January 1, 2022	100,188	19,219	22,874	19,720	5,149	2,929	170,079
Additions	-	3,172	-	-	239	56	3,467
Acquisition (Note 17(e))	418	-	-	-	399	-	817
Currency translation differences	(31)	-	(201)	(33)	(45)	(233)	(543)
Transfers and adjustments	-	-	(190)	(174)	11	(3)	(356)
Transfer of exploration and evaluation assets	-	(537)	-	-	-	-	(537)
Retirements and write offs	-	(654)	-	-	(20)	(4)	(678)
September 30, 2022	100,575	21,200	22,483	19,513	5,733	2,745	172,249
Accumulated amortization							
January 1, 2022	-	-	(2,235)	(2,367)	(3,721)	(1,088)	(9,411)
Charge for the period ²	-	-	(295)	(736)	(266)	(536)	(1,833)
Currency translation differences	-	-	12	5	48	148	213
Transfers and adjustments	-	-	190	95	(11)	86	360
Retirements and write offs	-	-	-	-	4	4	8
September 30, 2022	-	-	(2,328)	(3,003)	(3,946)	(1,386)	(10,663)
Intangible assets - net, September 30, 2022	100,575	21,200	20,155	16,510	1,787	1,359	161,586

- Other intangible assets comprise patents and intellectual property having a net book value of SAR 767 and licenses, technology and usage rights having a net book value of SAR 592 as at September 30, 2022.
- Saudi Aramco recognized a write-down of SAR 330 on certain other intangible assets during the nine-month period ended September 30, 2022.

7. Income taxes and zakat

(a) Kingdom income tax rates

The Company is subject to an income tax rate of 20% on its Downstream activities and on the activities of exploration and production of non-associated natural gas, including gas condensates, as well as the collection, treatment, processing, fractionation and transportation of associated and non-associated natural gas and their liquids, gas condensates and other associated elements. All other activities are subject to an income tax rate of 50%, in accordance with the Saudi Arabian Income Tax Law of 2004 and its amendments (the "Tax Law"). The 20% income tax rate applicable to the Downstream activities is conditional on the Company separating its Downstream activities under the control of one or more separate wholly owned subsidiaries before December 31, 2024, otherwise the Company's Downstream activities will be retroactively taxed at 50%. The Company expects to transfer all its Downstream activities into a separate legal entity or entities within the period specified.

Additionally, according to the Tax Law, shares held directly or indirectly in listed companies on Tadawul by taxpayers engaged in oil and hydrocarbon activities are exempt from the application of corporate income tax. As a result, the Company's ownership interests in such companies are subject to zakat.

The reconciliation of tax charge at the Kingdom statutory rates to consolidated tax and zakat expense is as follows:

	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Income before income taxes and zakat	302,279	212,158	909,890	542,214
Less: Income subject to zakat	(5,240)	(6,340)	(23,194)	(20,236)
Income subject to income tax	297,039	205,818	886,696	521,978
Income taxes at the Kingdom's statutory tax rates	145,230	98,835	429,473	250,211
Tax effect of:				
Income not subject to tax at statutory rates and other	(2,499)	(1,338)	(9,952)	(437)
Income tax expense	142,731	97,497	419,521	249,774
Zakat expense	433	568	1,585	1,442
Total income tax and zakat expense	143,164	98,065	421,106	251,216

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7. Income taxes and zakat continued

(b) Income tax and zakat expense

	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Current income tax - Kingdom	134,841	92,653	401,084	234,897
Current income tax - Foreign	138	293	1,108	658
Deferred income tax - Kingdom	7,196	3,922	12,618	12,617
Deferred income tax - Foreign	556	629	4,711	1,602
Zakat - Kingdom	433	568	1,585	1,442
	143,164	98,065	421,106	251,216

(c) Income tax and zakat obligation to the Government

	2022	2021
January 1	90,525	42,059
Provided during the period	402,669	236,339
Payments during the period by the Company (Note 14)	(182,064)	(96,468)
Payments during the period by subsidiaries and joint operations	(7,759)	(3,206)
Settlements of due from the Government	(179,569)	(95,371)
Other settlements	(3,831)	(3,131)
September 30	119,971	80,222

8. Other reserves

	Currency translation differences	Investments in securities at FVOCI	Post-employment benefits	Share-based compensation reserve	Cash flow hedges and other	Share of other comprehensive income (loss) of joint ventures and associates		Total
						Foreign currency translation gains (losses)	Cash flow hedges and other	
January 1, 2022	(564)	5,769	-	139	(397)	733	(1,019)	4,661
Current period change	(8,170)	(638)	-	239	1,234	(1,612)	963	(7,984)
Remeasurement gain ¹	-	-	35,928	-	-	-	256	36,184
Transfer to retained earnings	-	-	(19,235)	18	-	-	(256)	(19,473)
Tax effect	-	(32)	(14,610)	-	-	-	-	(14,642)
Less: amounts related to non-controlling interests	2,595	1	(2,083)	-	(5)	401	-	909
September 30, 2022	(6,139)	5,100	-	396	832	(478)	(56)	(345)

1. The remeasurement gain is primarily due to the net impact arising from changes in discount rates used to determine the present value of the post-employment benefit obligations and changes in the fair value of post-employment benefit plan assets.

9. Borrowings

	September 30, 2022	December 31, 2021
Non-current:		
Deferred consideration	80,701	188,723
Commercial borrowings	50,077	52,280
Debentures	94,692	98,449
Sukuk	34,446	34,560
Lease liabilities	37,274	38,108
Other financing arrangements	22,762	24,251
	319,952	436,371
Current:		
Deferred consideration	40,763	33,544
Short-term bank financing	10,824	17,351
Commercial borrowings	8,905	10,556
Debentures	-	3,750
Sukuk	264	266
Lease liabilities	9,565	9,083
	70,321	74,550

9. Borrowings continued

On January 24, 2022, the Company, in agreement with PIF, made a partial prepayment of SAR 28,579 (\$7,621), which has reduced the principal amounts of two promissory notes payable on or before April 7, 2024 and April 7, 2026, by SAR 26,250 (\$7,000) and SAR 3,750 (\$1,000), respectively. In addition, on June 30, 2022, the Company made a partial prepayment of SAR 38,192 (\$10,185), which has reduced the principal amount of a promissory note payable on or before April 7, 2025 by SAR 9,375 (\$2,500) and further reduced the principal amount of the promissory note payable on or before April 7, 2026 by SAR 35,625 (\$9,500). These partial prepayments resulted in a net gain of SAR 3,064 (\$817), which was recognized in the Condensed Consolidated Statement of Income.

On April 4, 2022, the Company entered into a new five-year common terms agreement for unsecured revolving credit facilities aggregating to SAR 37,500 (\$10,000), to replace facilities which expired during the period. The new facilities comprise USD denominated conventional facilities of SAR 30,000 (\$8,000) and a SAR denominated Shari'a compliant Murabaha facility of SAR 7,500 (\$2,000). The conventional facilities also incorporate a SAR 7,500 (\$2,000) swingline sublimit facility in support of the Company's establishment of a U.S. commercial paper program. The common terms agreement provides the framework and common lending terms for the facilities and the Company has the option of up to two extensions of one year each. The Company shall apply all amounts advanced to it under these facilities for general corporate purposes and towards its general working capital requirements. No amounts have been drawn against these facilities as at the date of the condensed consolidated interim financial report.

10. Revenue

	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Revenue from contracts with customers	545,768	357,088	1,568,420	937,067
Movement between provisional and final prices	(3,365)	463	416	3,169
Other revenue	1,309	1,541	3,947	3,281
	543,712	359,092	1,572,783	943,517

Revenue from contracts with customers is measured at a transaction price agreed under the contract and the payment is due within 10 to 120 days from the invoice date depending on specific terms of the contract.

Transaction prices are not adjusted for the time value of money as Saudi Aramco does not have any contracts where the period between the transfer of product to the customer and payment by the customer exceeds one year.

Disaggregation of revenue from contracts with customers

Saudi Aramco's revenue from contracts with customers according to product type and source is as follows:

	3 rd quarter 2022			Total
	Upstream	Downstream	Corporate	
Crude oil	257,226	40,837	-	298,063
Refined and chemical products	-	224,560	-	224,560
Natural gas and NGLs	14,217	5,376	-	19,593
Metal products	-	3,552	-	3,552
Revenue from contracts with customers	271,443	274,325	-	545,768
Movement between provisional and final prices	(3,017)	(348)	-	(3,365)
Other revenue	200	651	458	1,309
External revenue	268,626	274,628	458	543,712

	3 rd quarter 2021			Total
	Upstream	Downstream	Corporate	
Crude oil	161,649	16,024	-	177,673
Refined and chemical products	-	162,636	-	162,636
Natural gas and NGLs	12,823	869	-	13,692
Metal products	-	3,087	-	3,087
Revenue from contracts with customers	174,472	182,616	-	357,088
Movement between provisional and final prices	426	37	-	463
Other revenue	84	1,207	250	1,541
External revenue	174,982	183,860	250	359,092

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10. Revenue continued

	Nine months 2022			Total
	Upstream	Downstream	Corporate	
Crude oil	750,405	88,348	-	838,753
Refined and chemical products	-	654,101	-	654,101
Natural gas and NGLs	45,971	17,650	-	63,621
Metal products	-	11,945	-	11,945
Revenue from contracts with customers	796,376	772,044	-	1,568,420
Movement between provisional and final prices	461	(45)	-	416
Other revenue	300	2,279	1,368	3,947
External revenue	797,137	774,278	1,368	1,572,783

	Nine months 2021			Total
	Upstream	Downstream	Corporate	
Crude oil	415,121	41,668	-	456,789
Refined and chemical products	-	433,874	-	433,874
Natural gas and NGLs	34,544	2,281	-	36,825
Metal products	-	9,579	-	9,579
Revenue from contracts with customers	449,665	487,402	-	937,067
Movement between provisional and final prices	3,059	110	-	3,169
Other revenue	273	2,137	871	3,281
External revenue	452,997	489,649	871	943,517

11. Non-cash investing and financing activities

Investing and financing activities for the three-month and nine-month periods ended September 30, 2022 include additions to right-of-use assets of SAR 2,909 and SAR 7,720 (September 30, 2021: SAR 3,022 and SAR 10,289), respectively, asset retirement provisions of SAR 119 and SAR 281 (September 30, 2021: SAR 105 and SAR 273), respectively, and equity awards issued to employees of SAR 3 and SAR 63 (September 30, 2021: SAR 7 and SAR 37), respectively. Further, investing activities during the three-month period ended September 30, 2022 include an additional investment in Rabigh Refining and Petrochemical Company ("Petro Rabigh") as part of a subscription to a rights issuance offering through conversion of a non-current loan receivable of SAR 2,981 (Note 12(b)).

12. Commitments

(a) Capital commitments

Capital expenditures contracted for but not yet incurred were SAR 163,500 and SAR 159,145 at September 30, 2022 and December 31, 2021, respectively. In addition, leases contracted for but not yet commenced were SAR 14,858 and SAR 10,309 at September 30, 2022 and December 31, 2021, respectively.

(b) Petro Rabigh

In December 2021, the Company signed a commitment letter to fully exercise its right to subscribe to its 37.5% share in the Petro Rabigh Rights Issue Offering, representing 298 million shares, for a maximum commitment of SAR 2,981. After obtaining necessary approvals from the competent authorities, the shareholders of Petro Rabigh approved the capital increase through offering 795 million shares for a total amount of SAR 7,950, at the Extraordinary General Meeting held on June 8, 2022. The rights issuance closed on July 6, 2022 and the Company and Sumitomo Chemical Co. Ltd., the founding shareholders, subscribed to their proportionate share in the offering, funded through debt-to-equity conversion of their non-current loan receivable from Petro Rabigh. Upon closing of the rights issuance, the loan receivable of SAR 2,981 was converted to an equity investment. Further, out of the proceeds of the rights issuance, Petro Rabigh repaid SAR 1,940 of its equity bridge loans ("the EBLs"), which were guaranteed by the two founding shareholders. The final maturity date of October 1, 2022 for the remaining EBLs of SAR 9,310 was extended to December 20, 2022, with an option to further extend up to March 20, 2023.

13. Contingencies

Saudi Aramco has contingent assets and liabilities with respect to certain disputed matters, including claims by and against contractors and lawsuits and arbitrations involving a variety of issues. These contingencies arise in the ordinary course of business. It is not anticipated that any material adjustments will result from these contingencies.

14. Payments to the Government by the Company

	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Income taxes (Note 7(c))	50,704	40,388	182,064	96,468
Royalties	109,160	36,930	273,935	89,496
Dividends	66,266	69,084	198,801	207,252

15. Related party transactions and balances

(a) Transactions

	3 rd quarter 2022	3 rd quarter 2021	Nine months 2022	Nine months 2021
Joint ventures:				
Revenue from sales	6,855	7,898	21,720	20,303
Other revenue	12	11	23	34
Interest income	41	26	90	71
Purchases	5,378	4,848	22,249	14,306
Service expenses	4	-	8	8
Associates:				
Revenue from sales	10,882	16,878	57,765	47,396
Other revenue	22	165	86	495
Interest income	11	12	90	98
Purchases	7,215	13,534	48,394	39,244
Service expenses	34	22	79	90
Lease expenses	36	79	150	139
Government, semi-Government and other entities with Government ownership or control:				
Revenue from sales	5,539	5,588	16,635	13,054
Other income related to sales	70,223	46,290	206,422	111,972
Other revenue	292	161	866	585
Purchases	3,821	3,000	9,334	9,068
Service expenses	135	87	304	488
Lease expenses	165	109	424	315

(b) Balances

	September 30, 2022	December 31, 2021
Joint ventures:		
Other assets and receivables	5,618	5,943
Trade receivables	5,903	4,755
Interest receivable	308	233
Trade and other payables	7,091	6,803
Associates:		
Other assets and receivables	1,526	6,813
Trade receivables	19,841	14,794
Trade and other payables	10,793	7,916
Borrowings	19	15
Government, semi-Government and other entities with Government ownership or control:		
Other assets and receivables	533	509
Trade receivables	7,313	3,056
Due from the Government	72,680	41,317
Trade and other payables	2,711	2,959
Borrowings	126,290	229,525

(c) Compensation of key management personnel

Compensation policies for and composition of key management personnel remain consistent with 2021.

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All amounts in millions of Saudi Riyals unless otherwise stated

16. Sale of equity interest in subsidiary - Aramco Gas Pipelines Company ("AGPC")

On February 23, 2022, the Company closed the transaction for a sale of a 49% equity interest in Aramco Gas Pipelines Company ("AGPC"), a newly formed wholly owned subsidiary of the Company, to GreenSaif Pipelines Bidco S.à r.l. (formerly, GEPIF III Finance III Lux S.à r.l.) ("GreenSaif") for upfront proceeds of SAR 58,125 (\$15,500) in cash.

GreenSaif is an entity owned by a consortium of investors led by affiliates of BlackRock Real Assets and Hassana Investment Company, the investment management arm of the General Organization for Social Insurance ("GOSI") in the Kingdom. GreenSaif, as a shareholder of AGPC, is entitled to receive quarterly distributions of its pro rata share of AGPC's available cash when the Company pays discretionary dividends to its ordinary shareholders. Given the discretionary nature of distributions to GreenSaif, in line with the principles outlined in Note 2(d) of Saudi Aramco's consolidated financial statements for the year ended December 31, 2021, GreenSaif's shareholding represents a non-controlling interest and, therefore, the upfront sale proceeds are recognized in the condensed consolidated interim financial report as a non-controlling interest within equity.

Immediately prior to the closing of the transaction, the Company leased the usage rights to its gas pipelines network to AGPC for a 20-year period. Concurrently, AGPC granted the Company the exclusive right to use, operate and maintain the pipelines network during the 20-year period in exchange for a quarterly, volume-based tariff payable by the Company to AGPC. The tariff is backed by minimum volume commitments. The Company will at all times retain title to, and operational control of, the pipelines.

17. Investments in affiliates

(a) PKN Orlen S.A.

On January 12, 2022, Saudi Aramco signed sale and purchase agreements for the acquisition of a 30% equity interest in the Gdansk Refinery joint venture with PKN Orlen, a 100% ownership of Grupa Lotos S.A.'s wholesale business, and a 50% equity interest in the jet fuel joint venture with Air BP. The transaction, with a total purchase price of approximately SAR 2,063, is expected to close in 2022, subject to obtaining the required regulatory approvals and other terms and conditions of the acquisition agreements.

(b) Tuwaiq Casting & Forging Company ("TCFC")

On January 12, 2022, TCFC was formed as a limited liability company under the laws of the Kingdom, to engage in activities to support the Kingdom's industrial, energy and maritime sectors through the manufacturing and smelting of iron and other metals. Saudi Aramco, through its wholly owned subsidiary, Saudi Aramco Development Company ("SADCO"), acquired a 15% ownership interest in TCFC, and indirectly through the Saudi Arabian Industrial Investment Company ("Dussur"), acquired an additional 70% ownership interest, with the remaining 15% ownership interest directly held by Doosan Heavy Industries & Construction ("Doosan"). Saudi Aramco's total beneficial ownership interest in TCFC is 44.75%. At September 30, 2022, the total investment in TCFC of SAR 880 has been fully drawn down, of which SADCO's share is SAR 132.

(c) ETG Inputs Holdco Limited ("ETG Inputs")

On January 24, 2022, SABIC Agri-Nutrients Company ("SABIC AN"), a subsidiary of Saudi Basic Industries Corporation ("SABIC"), signed a binding agreement to acquire 49% of the share capital of ETG Inputs. The transaction is subject to obtaining the required regulatory approvals and other terms and conditions of the acquisition agreement.

(d) Cognite A.S. ("Cognite")

On February 8, 2022, Saudi Aramco, through its wholly owned subsidiary, Aramco Overseas Company B.V. ("AOC B.V."), acquired a 7.37% ownership interest in Cognite for SAR 443. Cognite was formed on December 19, 2016 as a private limited liability company under the laws of Norway, to provide software and industrial internet of things ("IIoT") services to industrial companies.

(e) Scientific Design

On April 14, 2022, SABIC acquired the remaining 50% equity interest in the Scientific Design group of companies ("Scientific Design") from Clariant AG ("Clariant") for a cash consideration of SAR 523. Scientific Design is a leading licensor of high-performance process technologies and a catalysts producer. This transaction gives SABIC full ownership of Scientific Design, which was previously an equally owned joint venture between SABIC and Clariant. On increasing its ownership, SABIC remeasured its existing investment to fair value and recognized a gain of SAR 365, which is reflected in the Condensed Consolidated Statement of Income. The purchase price allocation, as performed by an independent valuer, has not been concluded. Based on the preliminary fair values of the total identifiable net assets and liabilities of SAR 628, including cash acquired of SAR 121, goodwill of SAR 418 has been recognized.

17. Investments in affiliates continued

(f) Middle East Cloud and Digital Transformation Company Limited (“CNTXT”)

On April 14, 2022, CNTXT was formed as a limited liability company under the laws of the Kingdom as a joint venture with Cognite to become the exclusive reseller of Cognite’s proprietary data fusion platform, Cognite Data Fusion, in the Middle East and North Africa (“MENA”) region and to become the exclusive reseller of Google Cloud Platform products in the Kingdom. Saudi Aramco, through its wholly owned and directly held subsidiary, SADCO, acquired a 51% ownership interest in CNTXT with the remaining 49% ownership interest held by Cognite. The total investment in CNTXT is expected to be up to SAR 310, of which SADCO’s share is SAR 158. At September 30, 2022, SAR 68 had been drawn down, of which SADCO’s share was SAR 35.

(g) National Industrial Gases Company (“GAS”) and Mt. Vernon Phenol Plant Partnership (“MVPP”)

On June 15, 2022, SABIC acquired an additional 4% equity interest in GAS, a non-wholly owned subsidiary, for cash consideration of SAR 181. As a result, SABIC’s shareholding increased from 70% to 74% with no change in control, and the impact of the transaction has been reflected in the Condensed Consolidated Statement of Changes in Equity. In addition, SABIC acquired the remaining 49% shareholding in MVPP, now integrated into SABIC Innovative Plastics Mt. Vernon, LLC, a wholly owned subsidiary. SABIC paid consideration amounting to SAR 49.

(h) Valvoline Global Products

On July 31, 2022, Saudi Aramco signed an equity purchase agreement to acquire Valvoline Inc.’s global products business (“Valvoline Global Products”). Valvoline Global Products is a leading worldwide independent producer and distributor of premium branded automotive, commercial and industrial lubricants, and automotive chemicals. The transaction, with a total purchase price of SAR 9,938 (\$2,650), is expected to close by early 2023, subject to customary closing conditions and regulatory approvals.

18. Dividends

Dividends declared and paid on ordinary shares are as follows:

	Nine months 2022	Nine months 2021	SAR per share	
			Nine months 2022	Nine months 2021
Quarter:				
March ¹	70,331	70,325	0.35	0.35
June ²	70,328	70,325	0.32	0.35
September ²	70,329	70,327	0.32	0.35
Total dividends declared and paid	210,988	210,977	0.99	1.05
Dividends declared on October 31, 2022 and October 28, 2021 ^{2,3}	70,330	70,328	0.32	0.35

- Dividends of SAR 70,331 paid in 2022 relate to 2021 results. Dividends of SAR 70,325 paid in 2021 relate to 2020 results.
- Dividends per share of SAR 0.32, declared on May 13, 2022, August 12, 2022 and October 31, 2022, reflect the effect of the issuance of the bonus shares as described below.
- The condensed consolidated interim financial report does not reflect a dividend to shareholders of approximately SAR 70,330, which was declared on October 31, 2022 (October 28, 2021: SAR 70,328). This dividend will be deducted from unappropriated retained earnings in the year ending December 31, 2022 and relates to results for the three-month period ended September 30, 2022.

On May 12, 2022, after obtaining necessary approvals from the competent authorities, the Extraordinary General Assembly (“EGA”) approved the increase of the Company’s share capital by SAR 15,000 and the commensurate increase of the number of the Company’s issued ordinary shares by 20 billion without par value. Such increase was effected through capitalization of the Company’s retained earnings. Each shareholder was granted one (1) bonus share for every ten (10) shares owned. The Company’s share capital after the increase is SAR 75,000, is fully paid and is divided into 220 billion ordinary shares with equal voting rights without par value.

Accordingly, earnings per share for the nine-month period ended September 30, 2022 and the three-month and nine-month periods ended September 30, 2021 have been calculated by retrospectively adjusting the weighted average number of outstanding shares to reflect the effect of the issuance of the above bonus shares.

19. Events after the reporting period

Power and Water Utility Company for Jubail and Yanbu (“Marafiq”)

On October 2, 2022, Marafiq, an associate of Saudi Aramco, announced its intention to proceed with an IPO and list its shares on Tadawul. The IPO comprises shares being offered by the majority shareholders of Marafiq, including Saudi Aramco Power Company and SABIC, in proportion to their shareholding. Upon completion of the IPO, the aggregate equity ownership of the aforementioned Saudi Aramco subsidiaries in Marafiq will reduce from 49.62% to 35%. The carrying value of the investment in Marafiq in the condensed consolidated interim financial report at September 30, 2022, was SAR 4,138 (December 31, 2021: SAR 3,924).

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About Aramco

Aramco, headquartered in the city of Dhahran, is one of the world's largest integrated energy and chemicals companies; its Upstream operations are primarily based in the Kingdom of Saudi Arabia while the Downstream business is global.

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