

CHEMISTRY THAT MATTERS™



# FIRST QUARTER 2022 EARNINGS PRESENTATION

12 May 2022



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# FIRST QUARTER EARNINGS HIGHLIGHTS

## KEY MESSAGES



**STRONG FINANCIAL PERFORMANCE**



**PRODUCT PRICES BENEFITED FROM DIVERSIFIED PORTFOLIO AND GLOBAL REACH**



**GCGV PROJECT SUCCESSFUL START-UP AHEAD OF SCHEDULE**



**BEST ESG AWARD BY SAUDI CAPITAL MARKET**

### Q1 2022 PERFORMANCE (in USD billion)



14.0



3.4



1.7

Revenue

EBITDA<sup>1</sup>

Net Income<sup>2</sup>



## 2022 KEY PRIORITIES



### Strategy

Drive Profitable Growth  
Deliver on Synergy benefits with Saudi Aramco



### Operational Resilience

Advance Competitiveness  
Strengthen Operating Model



### Future of Work

Employee well being,  
Winning & Agile culture



### Financial Excellence

Stable to growing dividends  
Maintain Strong standalone credit rating



### Accelerate Sustainability & Innovation

Carbon neutrality ,  
Circular commitments,  
ESG reporting

# Q1 2022 - SUSTAINABILITY AND INNOVATION



## ESG RECOGNITION

BEST ESG AWARD AT SAUDI CAPITAL MARKET FORUM



- In recognition of SABIC's commitment to adopting the highest ESG standards



## INNOVATION & SUSTAINABILITY



### TRUCIRCLE INTO TOY PRODUCTS

- Certified renewable SABIC polymers across Mattel's products.

Consumers



### SEAFOOD PACKAGING SOLUTIONS

- Certified circular polyethylene from Ocean Bound Plastic.

Packaging



### SMARTPHONES BATTERY COVER

- ISCC+ certified bio-based LNP™ ELCRIN™ copolymer resin.

Electronics



### LARGE METAL PIPE LINING SOLUTIONS

- PE pipe grade for the rehabilitation of old metal pipelines and protection of new ones from corrosion.

Construction



## CIRCULAR CARBON & RENEWABLE ENERGY

### SECURED 300 GWH RENEWABLE WIND POWER FOR GELEEN SITE, THE NETHERLANDS

- The long-term power purchase agreement will provide 30% of SABIC's annual power demand.

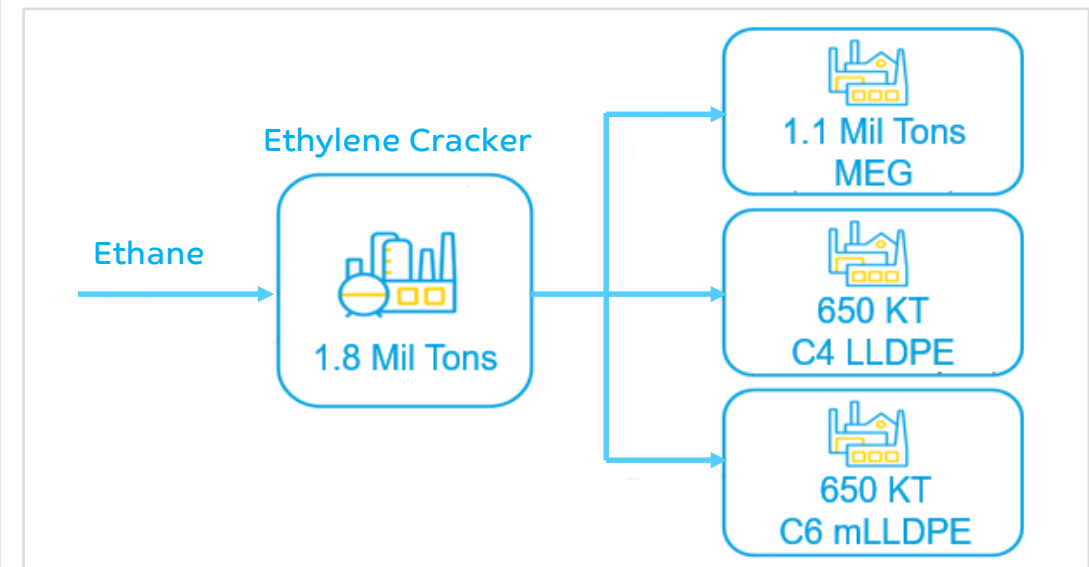




# SUCCESSFUL START-UP OF GULF COAST COMPLEX



- ✓ START-UP ANNOUNCED IN JAN 2022
- ✓ 6 MONTHS AHEAD OF SCHEDULE
- ✓ COMPLETED WITHIN BUDGET



# FINANCIAL PERFORMANCE

## HEALTHY FINANCIAL PERFORMANCE

(USD billion)	Q1 22	Q4 21	% Var	Q1 21	% Var
Revenue	14.04	13.66	3%	10.01	40%
EBITDA	3.41	3.45	-1%	2.77	23%
Income from Operations	2.48	2.27	10%	1.86	33%
Net Income	1.73	1.32	30%	1.30	33%
Free Cash Flow <sup>1</sup>	1.55	2.78	-44%	1.26	23%

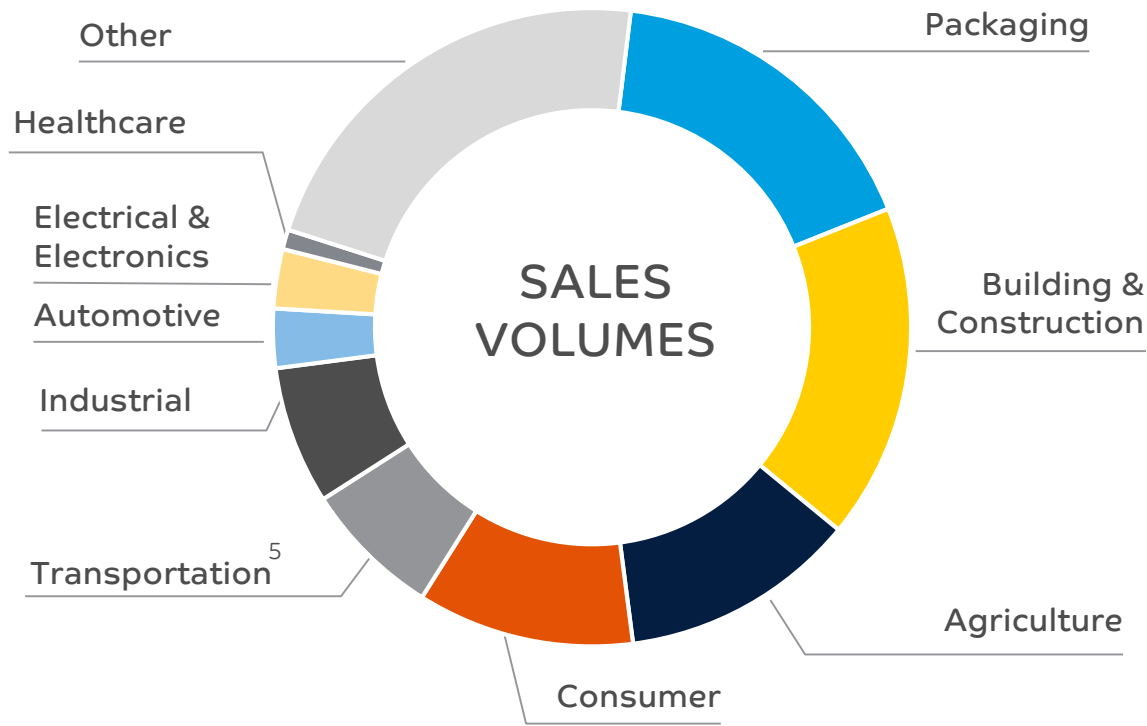
### SALES DRIVERS










	Volumes	Prices <sup>2</sup>
Q1 22 vs. Q4 21 (QOQ)	↓ 1%	↑ 3%
Q1 22 vs. Q1 21 (YOY)	↑ 10%	↑ 30%

### KEY RATIOS

	Q1 22	Q4 21	Q1 21
EBITDA Margin (%)	24%	25%	28%
Net Debt / EBITDA	-0.24	-0.15	0.03

# SABIC: KEY END INDUSTRY<sup>1</sup> AND TRENDS



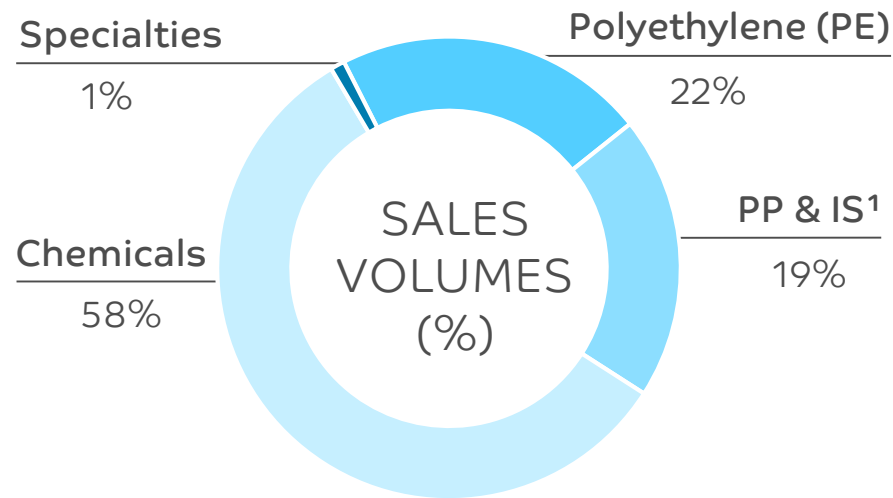
END INDUSTRY	Q1 DEMAND TREND <sup>2</sup> (YOY)	Q1 DEMAND TREND <sup>3</sup> (QOQ)	Q2 DEMAND TREND <sup>4</sup> (QOQ)
 Packaging	●	●	●
 Building & Construction	●	●	●
 Agriculture	●	●	●
 Consumer	●	●	●
 Transportation <sup>5</sup>	●	●	●
 Industrial	●	●	●
 Automotive	●	●	●
 Electrical & Electronics	●	●	●
 Healthcare	●	●	●

Source: SABIC. <sup>1</sup>Direct or indirect sales. <sup>2</sup> Industry Demand Q1 22 vs Q1 21. <sup>3</sup> Industry Future Trend in Q1 22 vs Q4 21. <sup>4</sup> Industry Future Trend in Q2 22 vs Q1 22. <sup>5</sup> Including fuel additives



# PETROCHEMICALS AND SPECIALTIES

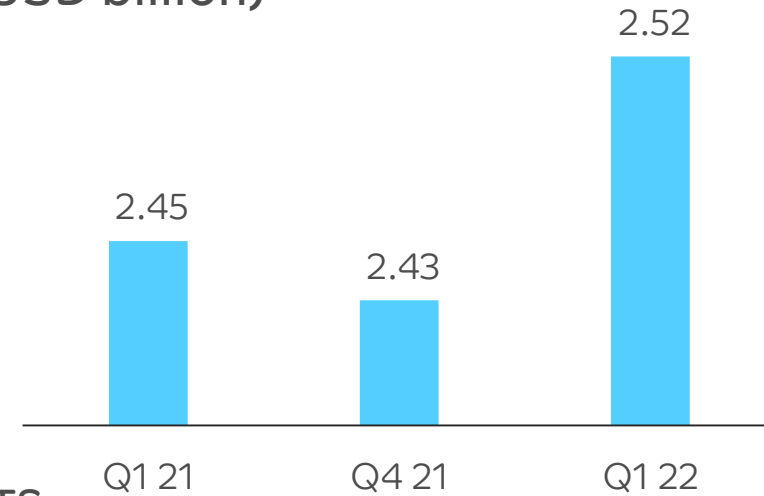
## HIGHER PRODUCT PRICES



### SALES DRIVERS

	Volumes	Prices <sup>2</sup>
Q1 22 vs. Q4 21 (QOQ)	↓ 1%	↑ 4%
Q1 22 vs. Q1 21 (YOY)	↑ 8%	↑ 27%

### EBITDA (USD billion)



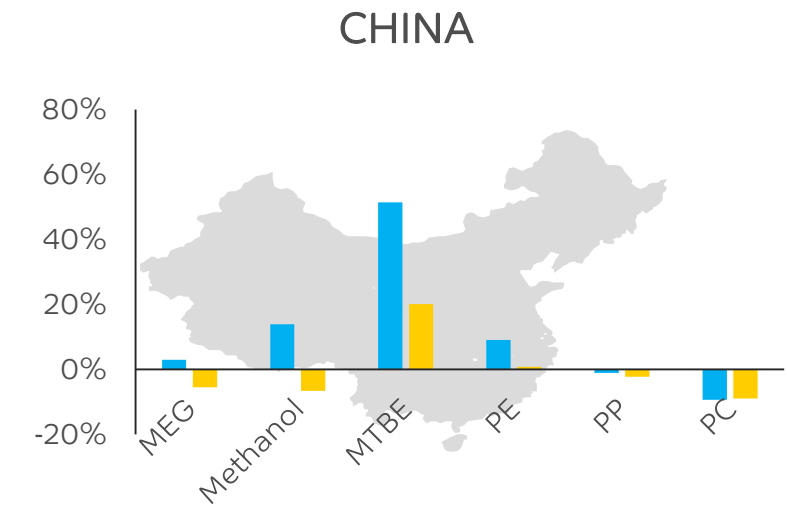
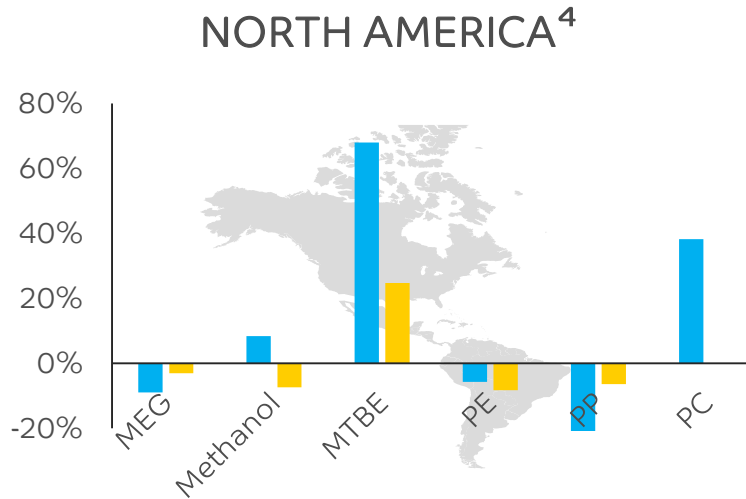
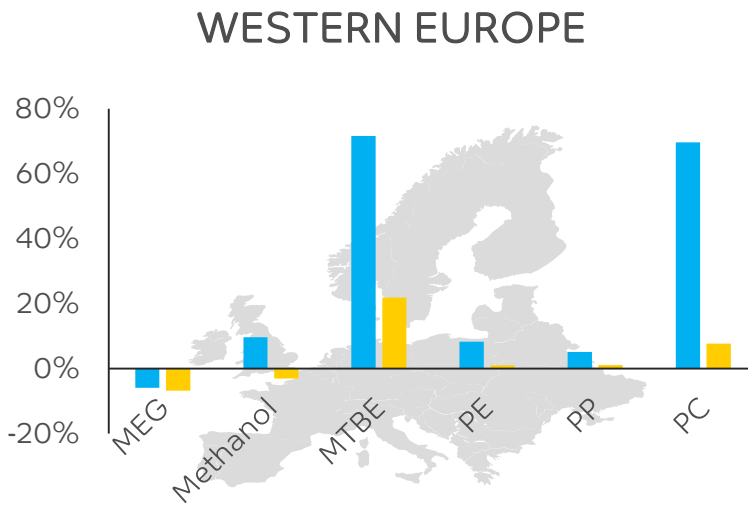
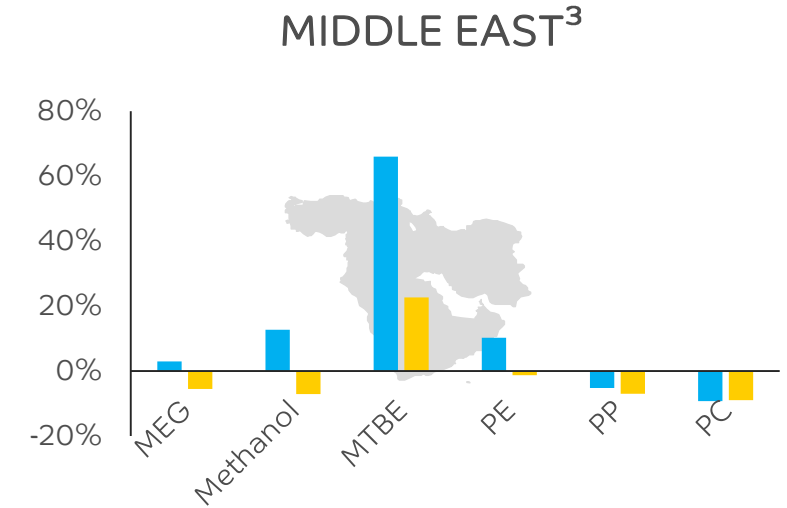
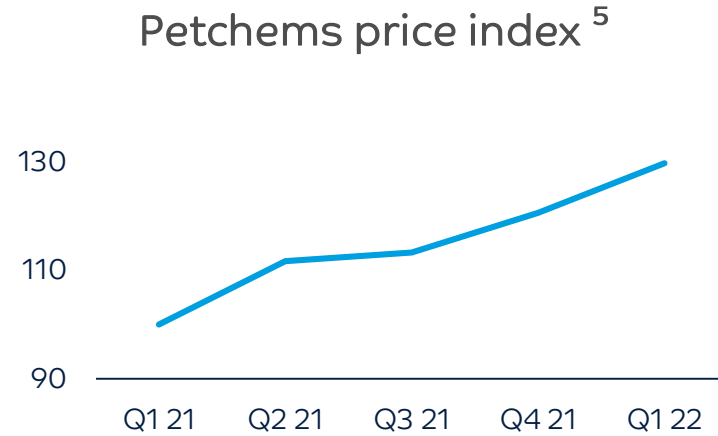
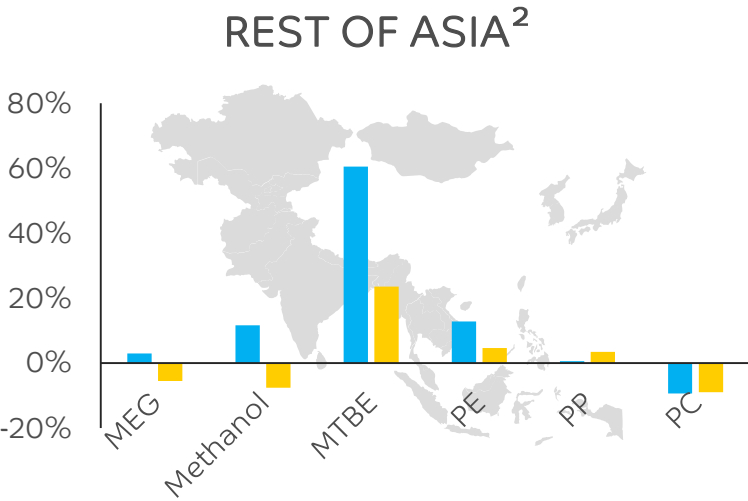
### HIGHLIGHTS

- **Chemicals** – EBITDA increased due to higher product prices and lower operating cost in Q1 22 (QoQ)
- **PE** – EBITDA increased due to higher sales volume and lower operating cost in Q1 22 (QoQ)
- **PP & IS<sup>1</sup>** – EBITDA decreased due to higher feedstock costs, partially offset by lower operating cost in Q1 22 (QoQ)

<sup>1</sup>Performance Polymers and Industrial Solutions. <sup>2</sup> Including FX & other factors.

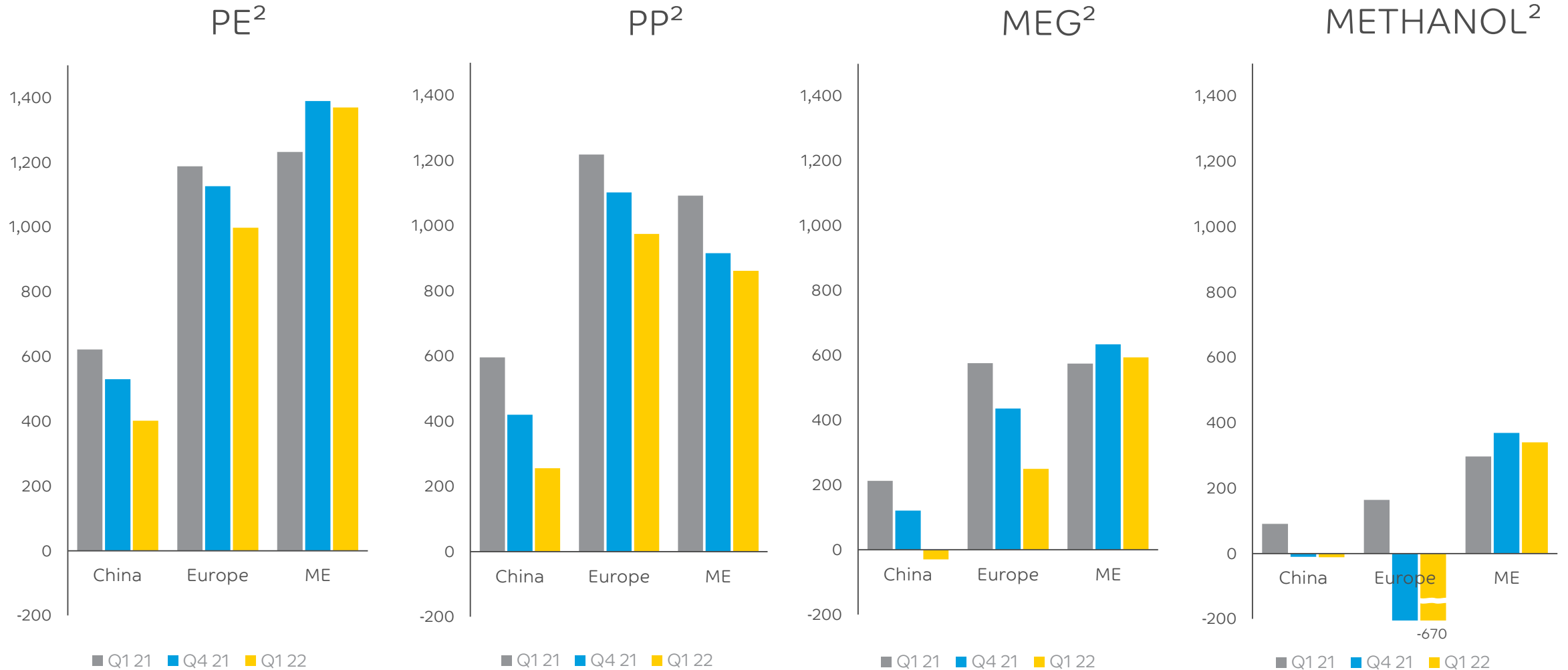
# MAJOR PETROCHEMICALS PRICES<sup>1</sup> CHANGES ACROSS THE KEY REGIONS IN Q1 22

% change Q1 22 vs Q1 21 (YoY)  
 % change Q1 22 vs Q4 21 (QoQ)



<sup>1</sup> Prices Reference CFR/ FOB/CIF from ICIS, IHS and S&P Global Platts ©2022 by S&P Global Inc. and Wood Mackenzie. MEG: Mono Ethylene Glycol; MTBE: Methyl Tertiary Butyl Ether; PE: Polyethylene; PP: Polypropylene; PC: Polycarbonate. <sup>2</sup> MEG and PC price are aligned to China. <sup>3</sup> MEG and PC price are aligned to China, Methanol price =avg. (Rest of Asia, China), MTBE price =avg. (W. Europe, rest of Asia). <sup>4</sup> Prices are aligned to USA region. <sup>5</sup> Q1 21 price rebased to 100. Weighted average price by SABIC product mix and regions.

# SPREADS<sup>1</sup> FOR KEY PRODUCTS

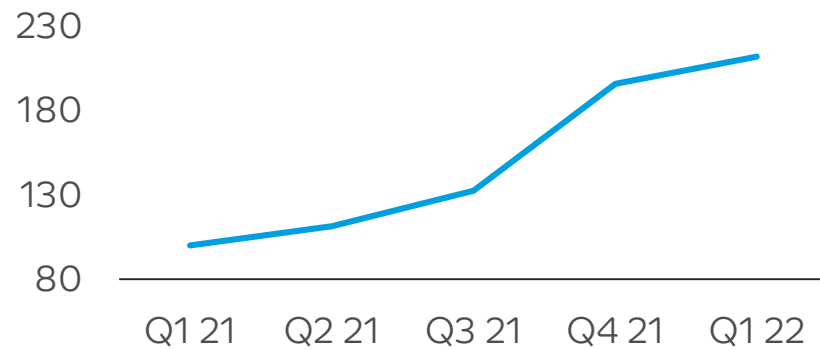


<sup>1</sup>Spread = Product price (PE, MEG, PP and Methanol) minus feedstock price (Methane, Ethane, Propane, Naphtha and Coal).<sup>2</sup> For PE, PP and MEG, feedstock used for spread calculation is Naphtha for China and Europe. For ME, feedstock used for spread calculation for PE, MEG is KSA ethane while for PP it is KSA propane. For methanol, feedstock used for spread calculation is KSA methane for ME, NG for Europe and coal in China. Sources of prices are ICIS, S&P Global Platts ©2022 by S&P Global.

# AGRI-NUTRIENTS

## STRONG AGRI-NUTRIENTS PRICE

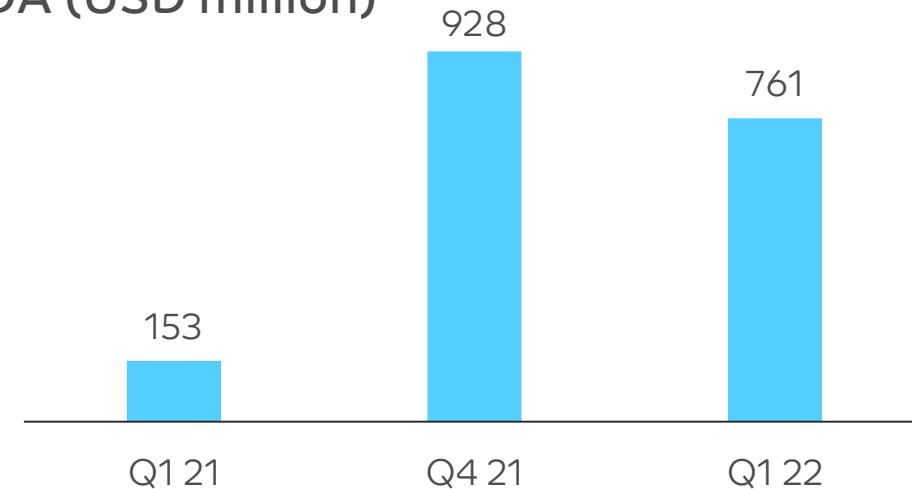
AGRI-NUTRIENTS PRICE Index<sup>1</sup> (USD/T)



### SALES DRIVERS

	Volumes	Prices <sup>2</sup>
Q1 22 vs. Q4 21 (QOQ)	↓ 23%	↑ 2%
Q1 22 vs. Q1 21 (YOY)	↑ 7%	↑ 113%

EBITDA (USD million)



### HIGHLIGHTS

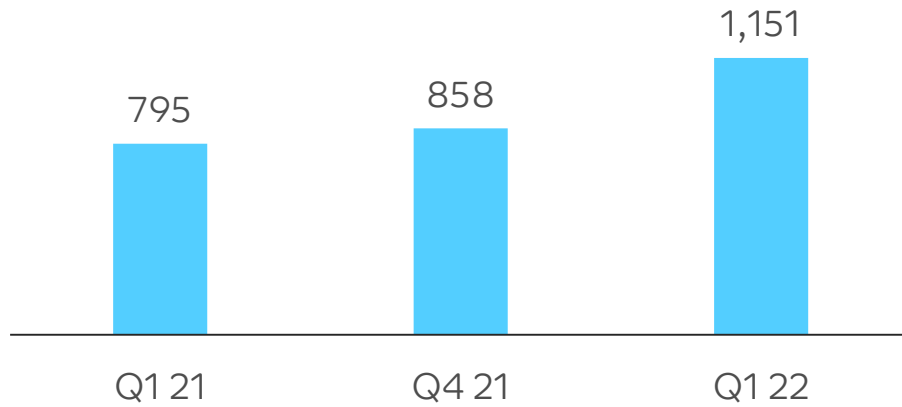
- Lower EBITDA in Q1 22 (QoQ) driven by lower sales volumes which was offset by higher product prices

<sup>1</sup>Q1 21 rebased to 100. Weighted average price by AN product mix and regions. <sup>2</sup> Including FX and other effects.

# HADEED

## >> HIGHER SALES VOLUME

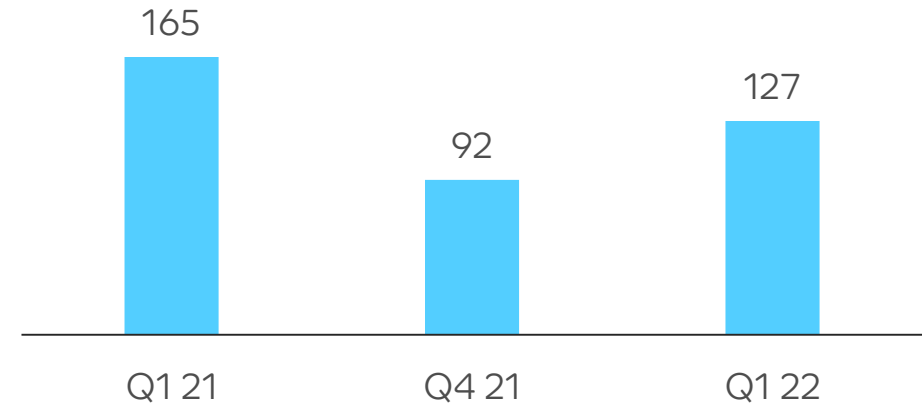
REVENUE (USD million)



### SALES DRIVERS

	Volumes	Prices <sup>1</sup>
Q1 22 vs. Q4 21 (QOQ)	↑ 39%	↓ 5%
Q1 22 vs. Q1 21 (YOY)	↑ 32%	↑ 13%

EBITDA (USD million)



### HIGHLIGHTS

- EBITDA improved supported by higher sales volumes in Q1 22 (QoQ)

<sup>1</sup> Including FX and other factors.

# FIRST QUARTER SUMMARY AND OUTLOOK 2022

## SUMMARY



0.6  
Earnings per share<sup>1</sup>



1.6  
Free cash flow



A+ / A1  
Strong standalone credit ratings<sup>2</sup>

## FINANCIAL PERFORMANCE



(Amounts in USD billion)

## OUTLOOK 2022

### GLOBAL GDP GROWTH

Global GDP Growth Rate <sup>3</sup>	3.2 % - 3.6% (YoY)
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### SABIC – FINANCIALS

Sales Volume	Higher (YoY)
EBITDA	Flat (YoY)
CAPEX	Higher (YoY)

### SABIC – NON FINANCIALS

ESG <sup>4</sup>	Deliver on the Carbon Neutrality Roadmap announced in Q3 2021 with an interim target of 20% reduction by 2030 versus 2018
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THANK YOU





# SABIC INVESTOR RELATIONS ENGAGEMENT



Find more information on  
[www.sabic.com/en/investors](http://www.sabic.com/en/investors)

## UPCOMING BROKER CONFERENCES

### May 2022

- Arqaam Capital MENA Investors Conference
- Morgan Stanley Saudi Arabia Conference
- Morgan Stanley MENA Conference
- FII Institute ESG Summit - Inclusive ESG for Emerging Markets, London

### June 2022

- BofA 2022 Emerging Markets Debt & Equity Conference

### August 2022

- Jefferies 2022 Industrial Conference
- Annual Alembic Global Chemical Conference