

CHEMISTRY THAT MATTERS™

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sabic

SABIC EARNINGS CALL

Q3 2023

November 2nd, 2023



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THIRD QUARTER 2023 EARNINGS HIGHLIGHTS

KEY MESSAGES



Highest **EBITDA** achieved during 2023 with improved **EBITDA Margin** of **16%**



Higher **Revenue** by **6%** supported by higher sales volumes



Ranked First on the manufacturing list of Forbes Middle East's **Sustainable 100 List**



Generated **\$1.4 billion** free cash flow



Hadeed divestment will enable us to focus on our strategic business portfolio

Q3 2023 PERFORMANCE (in USD billion)

9.6

Revenue



1.5

EBITDA¹



0.1

Net Income from Continuing Operations



-0.8

Net Income²



0.14

Synergy value creation with Saudi Aramco



ACCELERATING ENERGY TRANSITION

BREAKTHROUGH IN THE INDUSTRY ON THE JOURNEY TO CARBON NEUTRALITY

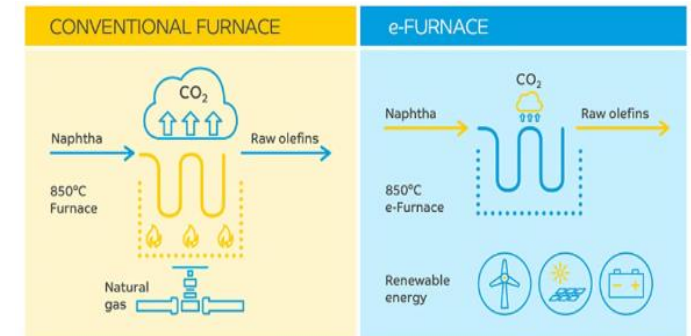


SABIC, BASF AND LINDE REACH FINAL STEPS IN THE CONSTRUCTION OF THE DEMONSTRATION PLANT FOR ELECTRICALLY HEATED STEAM CRACKER FURNACES

- Enabling 90% CO₂ emission reduction compared to conventional technologies



The last transformer is lifted by crane and placed and aligned with millimeter precision at the demonstration plant.



3D graphic of world's first demonstration plant for large scale electrically heated steam cracker furnaces in Ludwigshafen

ADVANCING SUSTAINABILITY AND INNOVATION

AWARDS & RECOGNITIONS



RECOGNIZED FOR OUR INNOVATIVE SOLUTIONS IN THE MECHANICAL/MATERIALS CATEGORY

EFFECTIVE GOVERNANCE COMPLIANCE PROCEDURES



CONTINUED ADVANCEMENT IN THE BIOECONOMY OF PLASTICS

BIO-BASED NORLYL™ RESINS
Certified Polyphenylene ether (PPE) blends with bio-circular content

Helping industries meet their sustainability goals

BROAD RANGE OF PHYSICAL PROPERTIES
Dimensional stability
Hydro stability
Dielectric resistance

SUPPORTING THE NEEDS OF MARKETS
Electrification: EV, Solar, Wind
Energy Management : Batteries and components
Water Management, Building & Construction, Automotive, and Appliances

Customers can select from multiple levels of bio-based content in their chosen NORLYL™ product

SABIC OFFERS BIO-BASED VERSIONS OF ALL NORLYL™ RESIN GRADES TO FURTHER ADVANCE THE BIOECONOMY OF PLASTICS

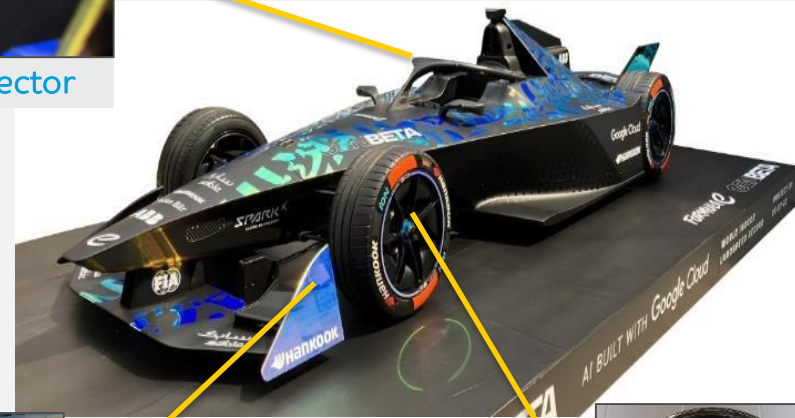
PARTNERING WITH EV WINNERS

SABIC APPLICATIONS ON THE GENBETA CAR, THE REVOLUTIONARY ELECTRIC RACE CAR



Wind Deflector

GENBETA
218.71 KPH
FASTEST SPEED ACHIEVED BY A VEHICLE INDOORS



Front wing end plate



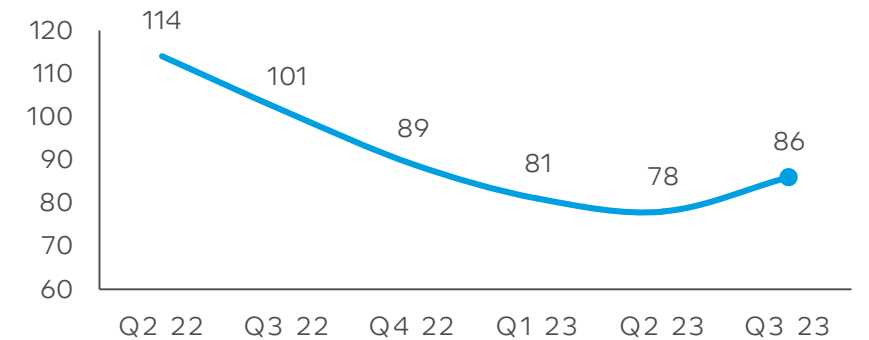
Wheel Fins

THIRD QUARTER 2023 BUSINESS ENVIRONMENT

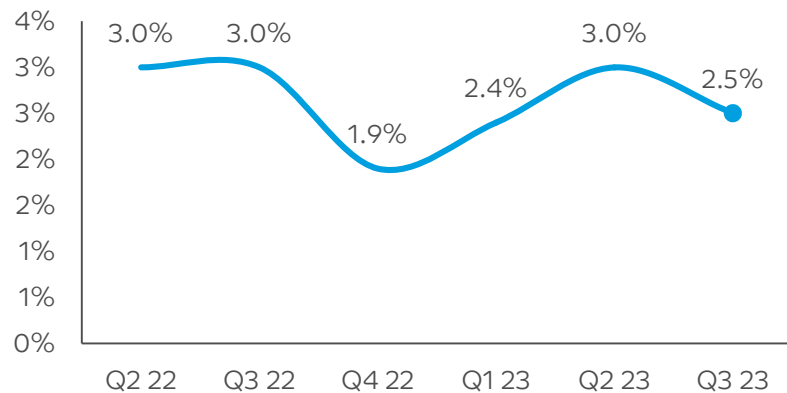


Global GDP growth still encountering persistent challenges from inflation, tighter financial conditions and escalating geopolitical tensions.

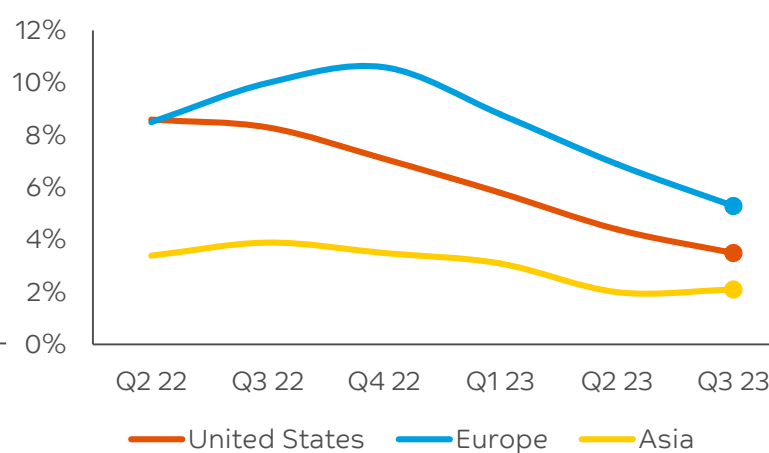
Oil Price (\$/Barrel)



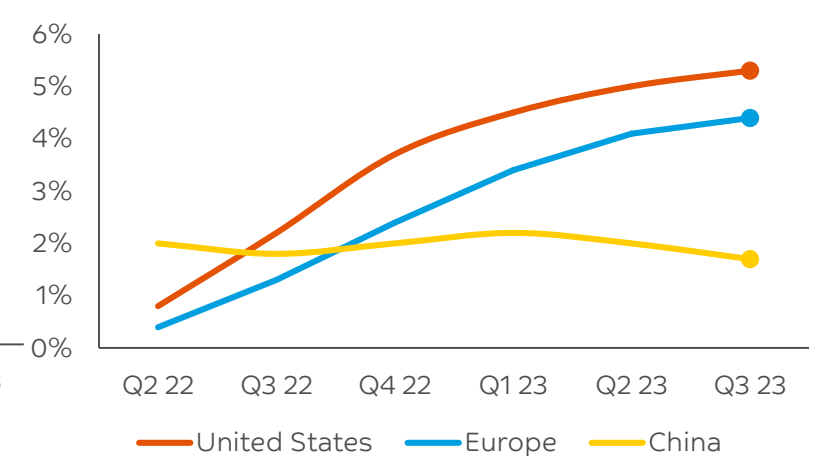
Global GDP Growth



Inflation

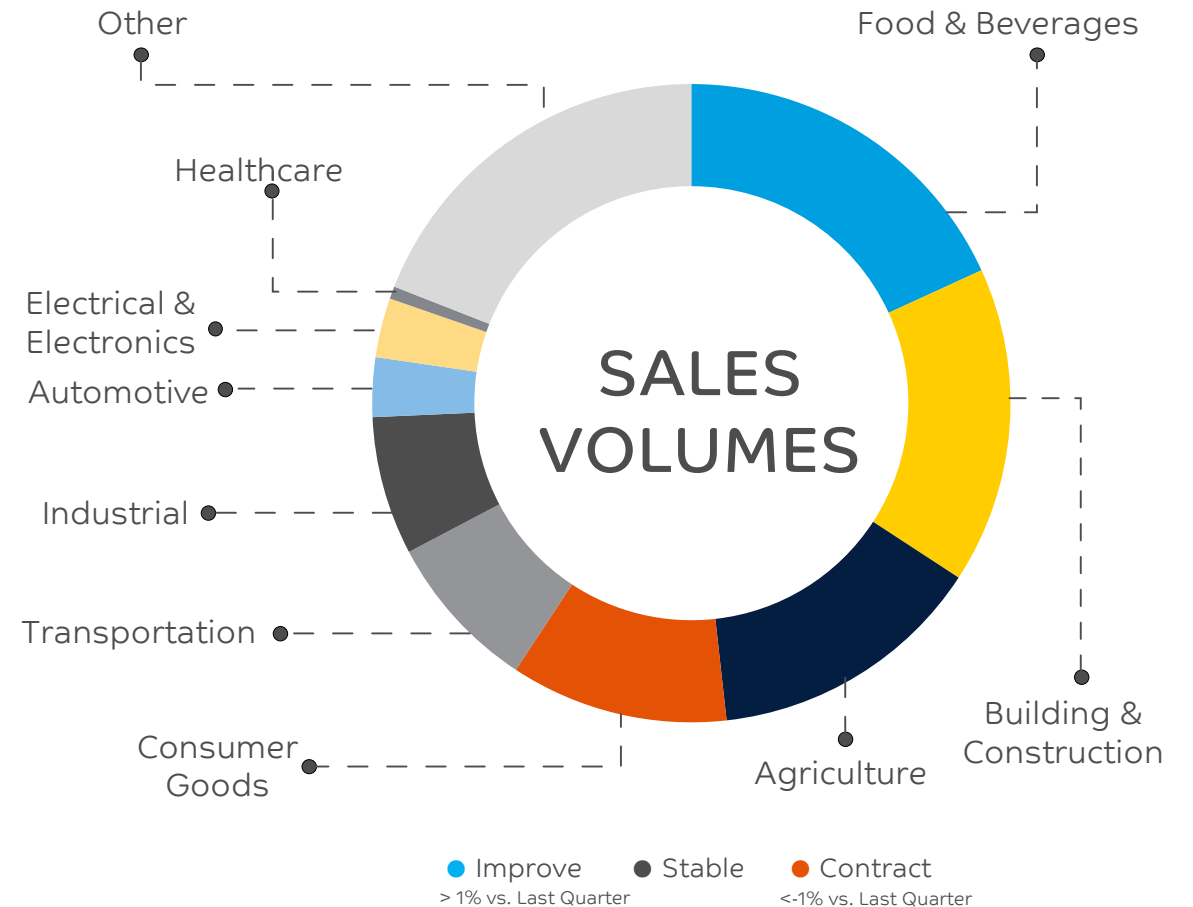


Interest Rate



SABIC: KEY END INDUSTRY¹ AND TRENDS

END INDUSTRY	Q3 Demand Trend ² (QOQ)	Q4 Demand Trend ³ (QOQ)
Food & Beverages	●	●
Building & Construction	●	●
Agriculture	●	●
Consumer Goods	●	●
Transportation	●	●
Industrial	●	●
Automotive	●	●
Electrical & Electronics	●	●
Pharmaceutical	●	●



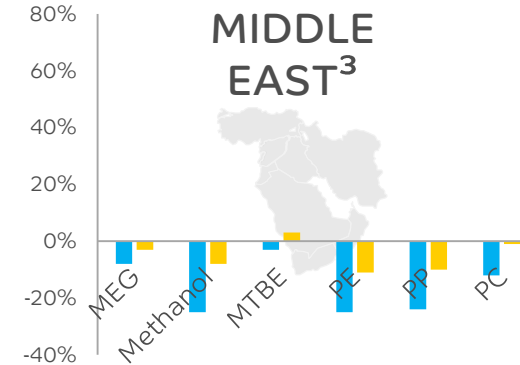
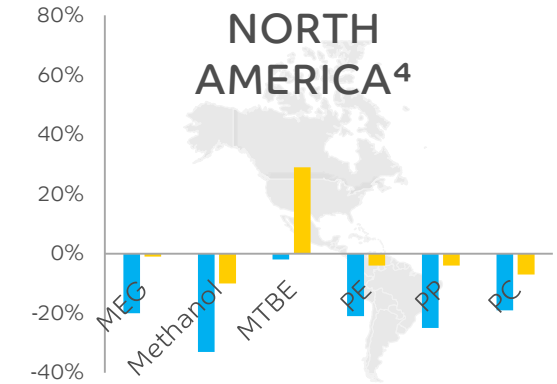
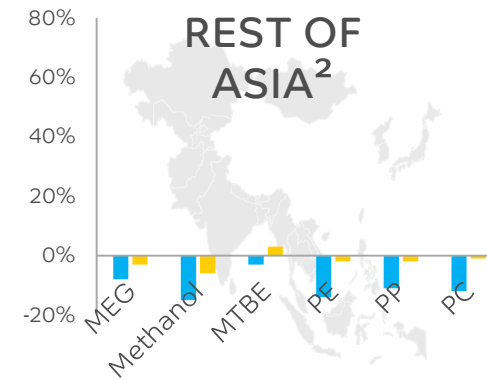
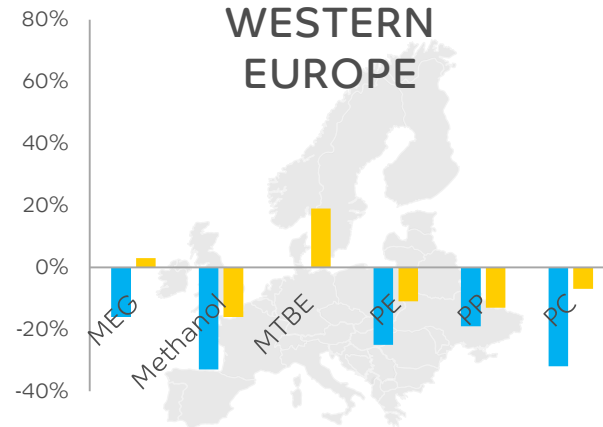
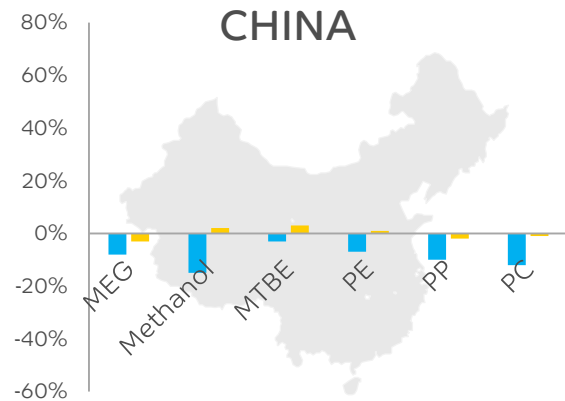
The comparison of the quarter demand trend is based on the expected volume output trend for the segments/ industries.
 Source: SABIC. ¹Direct or indirect sales. ² Industry Demand Trend in Q3 23 vs Q2 23. ³ Industry Future Trend in Q4 23 vs Q3 23.

MARKET MAJOR PETROCHEMICALS PRICES

Major Petrochemicals Prices¹ Changes Across the Key Regions in Q3 2023

% change Q3 23 vs Q3 22 (YoY)

% change Q3 23 vs Q2 23 (QoQ)



REGION SALES/GLOBAL SALES VOLUME FOR SABIC

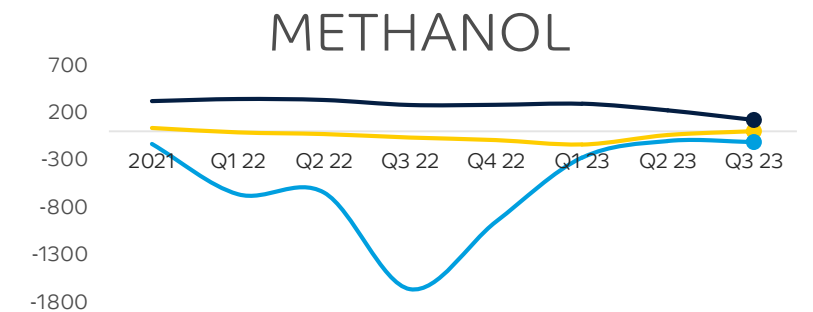
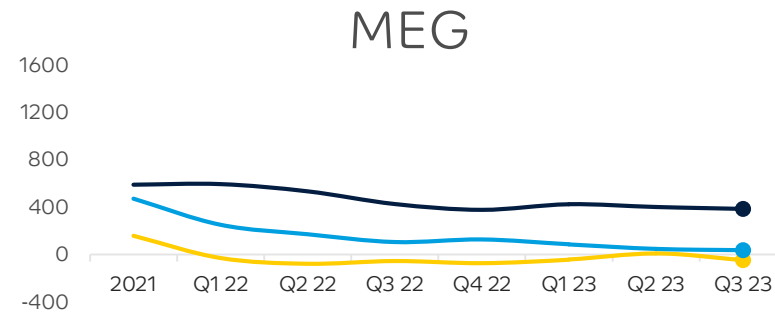
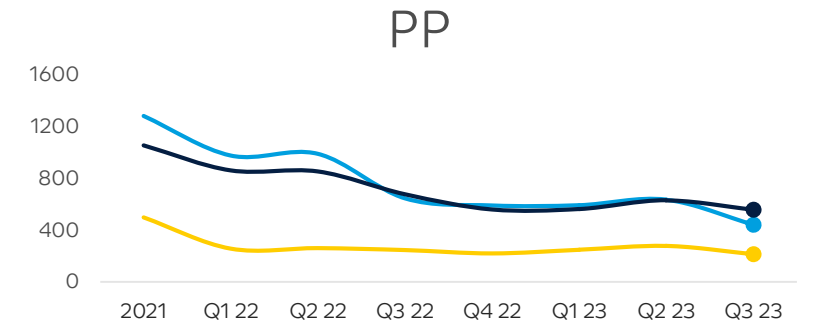
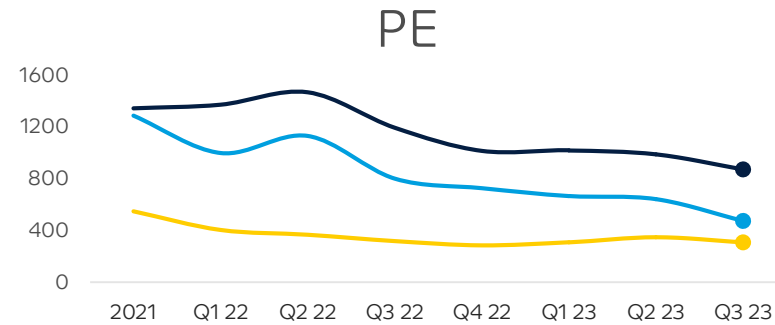
	Americas	Europe	MEAF	China	Rest of Asia
MEG	<15%	15%-50%	>50%	>50%	>50%
Methanol	<15%	15%-50%	>50%	>50%	>50%
MTBE	<15%	15%-50%	>50%	>50%	>50%
PE	<15%	15%-50%	>50%	>50%	>50%
PP	<15%	15%-50%	>50%	>50%	>50%
PC	<15%	15%-50%	>50%	>50%	>50%

¹Prices Reference CFR/ FOB/CIF from ICIS and S&P Global Platts ©2023 by S&P Global Inc. MEG: Mono Ethylene Glycol; MTBE: Methyl Tertiary Butyl Ether; PE: Polyethylene; PP: Polypropylene; PC: Polycarbonate. ² MEG and PC price are aligned to China. ³ MEG and PC price are aligned to China, Methanol price =avg. (Europe, China), MTBE price =avg. (W. Europe, rest of Asia). ⁴ Prices are aligned to USA region.

MARKET SPREADS FOR KEY PRODUCTS

Spreads¹ for Key Products²

- Middle East
- China
- Europe



¹ Spread = Product price (PE, MEG, PP and Methanol) minus feedstock price (Methane, Ethane, Propane, Naphtha and Coal). ² 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 ©2023 by S&P Global.

FINANCIAL PERFORMANCE

USD BILLION	Q3 23	Q2 23	% Var	Q3 22	% Var	9M 23	9M 22	% Var
Revenue	9.59	9.09	6%	11.55	-17%	28.40	38.28	-26%
Income from Operations (EBIT)	0.45	0.44	2%	0.90	-50%	1.36	5.97	-77%
EBITDA	1.50	1.35	11%	1.75	-15%	4.18	8.53	-51%
Net Income from Continuing Operations	0.14	0.39	-63%	0.44	-67%	0.74	4.12	-82%
Net Income	-0.77	0.31	-	0.49	-	-0.28	4.33	-
Free Cash Flow ¹	1.40	0.11	-	1.79	-22%	2.50	4.76	-47%

SALES DRIVERS

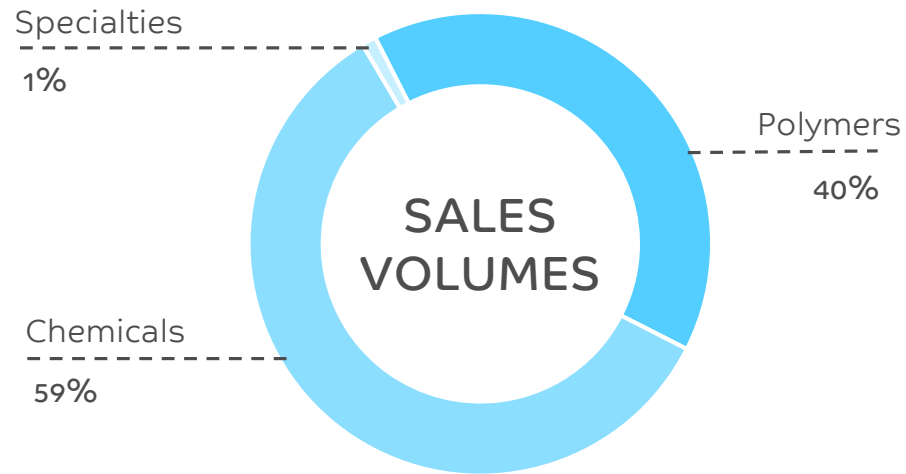
	Volumes	Prices
Q3 23 vs. Q2 23 (QoQ)	7% ↑	1% ↓
Q3 23 vs. Q3 22 (YoY)	2% ↑	20% ↓

KEY RATIOS

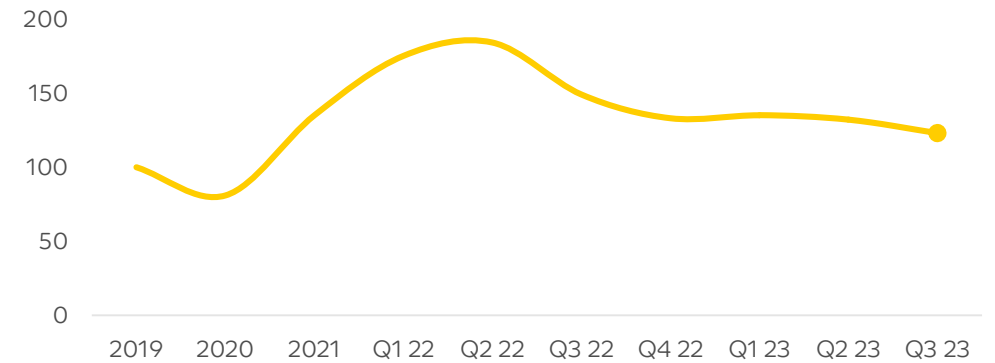
	Q3 23	Q2 23	Q3 22	9M 23	9M 22
EBITDA Margin	16%	15%	15%	15%	22%
Net Debt / EBITDA	-0.49	-0.39	-0.52	-0.52	-0.21

¹ Free Cash Flow = net cash from operating activities minus capital expenditure. Capital expenditure = Purchase of tangibles and intangibles, net.

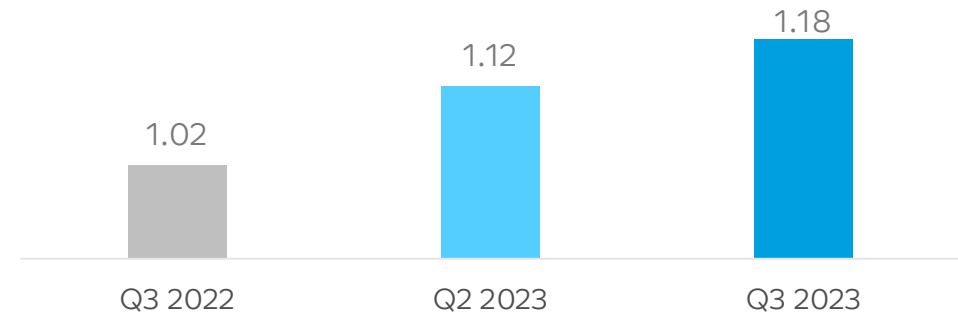
PETROCHEMICALS



Petrochemicals Price Index²



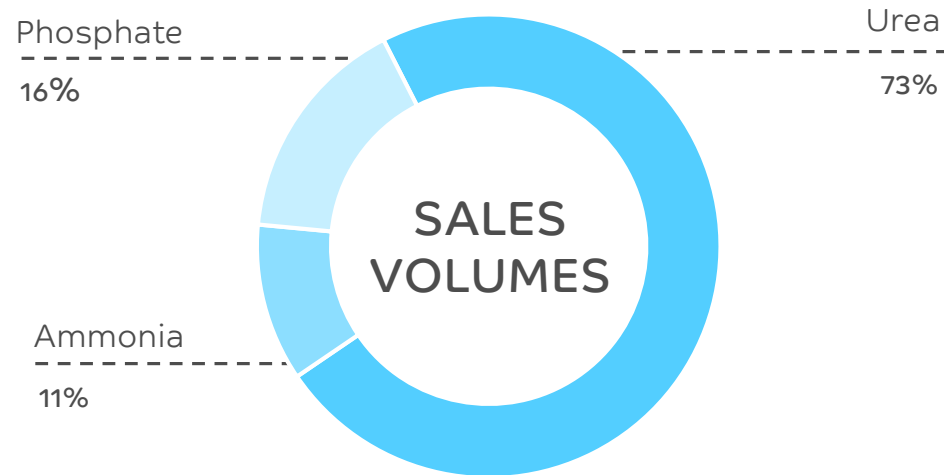
EBITDA (USD billion)



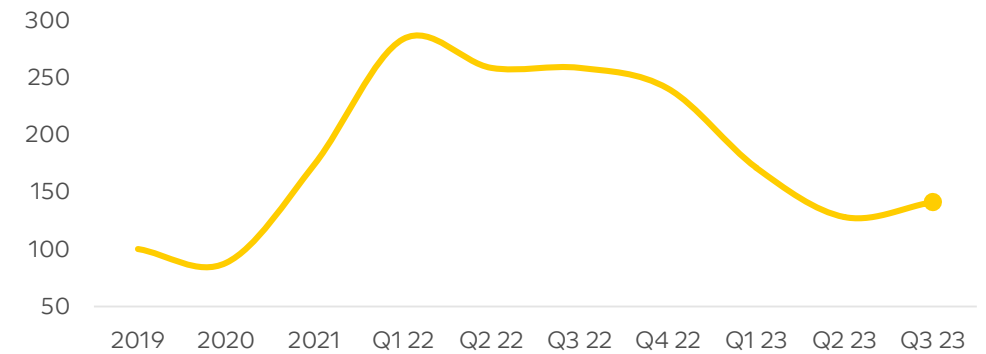
Sales Drivers	Volumes	Prices ¹
Q3 23 vs. Q2 23 (QoQ)	11% ↑	5% ↓
Q3 23 vs. Q3 22 (YoY)	2% ↑	16% ↓

¹ Including FX & other factors. ² 2019 rebased to 100. Weighted average price for Petchem major products mix and regions

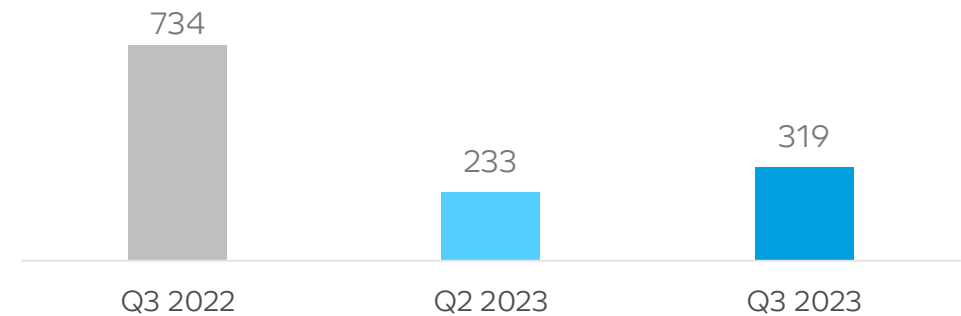
AGRI-NUTRIENTS



Agri-Nutrients Price Index²



EBITDA (USD million)



Sales Drivers	Volumes	Prices ¹
Q3 23 vs. Q2 23 (QoQ)	12% ↓	11% ↑
Q3 23 vs. Q3 22 (YoY)	2% ↑	44% ↓

¹ Including FX and other effects. ² 2019 rebased to 100. Weighted average price for AN products mix and regions

SUMMARY

Q3 RESULTS SUMMARY



\$0.05

EPS from continuing operations¹



16%

EBITDA Margin



A+/A1

Strong standalone credit ratings²



+7%

Sales volumes



\$2.91B

Net Cash Position



\$1.44B

Returns to our shareholders

OUTLOOK



2023 Outlook
Global GDP at
2.5%



Margins to be continuously under pressure in Q4



Capex Outlook
\$3.5 – \$3.8 billion

FOCUS AREAS

- **Safety** towards our people, society and environment remains on our top priority.
- We continue to focus on our **operational excellence**.
- **Capital discipline** remain as one of our focus pillars.
- We will continue to **capture value** from our synergy with Saudi Aramco.
- **E-cracker** expected to be completed by end of 2023.

¹Earnings per Share = Net Income from continuing operations attributable to equity holders of the parent in USD/ Number of Shares. ²By all three Credit Rating Agencies.



THANK YOU

