



SABIC EARNINGS

THIRD QUARTER 2024

November 04, 2024



1.0

THIRD QUARTER 2024 HIGHLIGHTS



Revenue of SAR 36.88 billion [US\$ 9.83 billion], an increase of 3% quarter-over-quarter and 3% year-over-year.



EBITDA² of SAR 5.69 billion [US\$ 1.52 billion], a decrease of 0.2% quarter-over-quarter and an increase of 1% year-over-year.



Income from operations (EBIT¹) of SAR 2.48 billion [US\$ 0.66 billion], 18% higher than the prior quarter's EBIT of SAR 2.10 billion [US\$ 0.56 billion] and 47% higher than the SAR 1.68 billion [US\$ 0.45 billion] EBIT of the third quarter of 2023.



Net income from continuing operations³ of SAR 1.08 billion [US\$ 0.29 billion], a decrease of 51% relative to the prior quarter's net income of SAR 2.23 billion [US\$ 0.59 billion] and an increase of 102% compared to the net income from continuing operations of SAR 0.54 billion [US\$ 0.14 billion] in the third quarter of 2023.



Net income³ of SAR 1.00 billion [US\$ 0.27 billion], a decrease of 54% relative to the prior quarter's Net Income of SAR 2.18 billion [US\$ 0.58 billion] and an increase of 135% relative to the Net Loss of SAR 2.87 billion [US\$ 0.77 billion] in the third quarter of 2023.



Net debt position of SAR 0.41 billion [US\$ 0.11 billion] as of September 30, 2024, compared to a net cash position of SAR 2.01 billion [US\$ 0.54 billion] as of June 30, 2024.

From June 16th, 2020, (the date on which Saudi Aramco formally acquired 70% of SABIC shares) through till September 30th, 2024, the captured value of SABIC's association with Saudi Aramco amounted to SAR 9 billion [US\$ 2.4 billion] including synergies of SAR 1.24 billion [US\$ 0.33 billion] realized in the third quarter 2024.

Table 1 – Summary Financial Results

Item	Three Months Ended			Nine Months Ended		
	Sep 30, 2024	Jun 30, 2024	Change %	Sep 30, 2024	Sep 30, 2023	Change %
Revenue	36.88	35.72	3%	105.28	106.51	-1%
Income from operations (EBIT ¹)	2.48	2.10	18%	5.79	5.08	14%
EBITDA ²	5.69	5.70	-0.2%	15.90	15.67	1.5%
Net (Loss) Income ³	1.00	2.18	-54%	3.43	-1.04	-
Net income (Loss) from Continuing Operations ³	1.08	2.23	-52%	3.95	2.78	42%
Earnings Per Share ³	0.33	0.73	-55%	1.14	-0.35	-
Earnings Per Share from Continuing Operations ³	0.36	0.74	-51%	1.32	0.93	42%
Free cash flow ⁴	3.92	-1.44	-	2.14	9.39	-

1. Earnings before interest and tax
2. Income from operations (EBIT) plus depreciation, amortization and impairment
3. Attributable to equity holders of the parent
4. Net cash from operating activities minus capital expenditure

All amounts in SAR billion unless otherwise stated. The USD/SAR conversion rate used is 3.75. Absolute amounts and percentages shown in this document have been subject to rounding adjustments. Certain prior-quarter and prior-year figures have been subject to reclassifications. Please refer to the third quarter 2024 Financial Statements.

2.0

THIRD QUARTER 2024
PERFORMANCE

Saudi Basic Industries Corporation ("SABIC") (2010-SA) today announced its financial results for the third quarter of 2024.

The company maintained its EBITDA level despite market challenges.

Revenue in the third quarter of 2024 amounted to SAR 36.88 billion [US\$ 9.83 billion], a 3% increase compared to the previous quarter. Largely by leveraging our global footprint, we increased sales volume by 4%, which was partially offset by 1% lower average selling prices.

At SAR 7 billion [US\$ 1.87 billion], gross profit was 3% lower than previous quarter. This reflects higher feedstock costs and lower average selling prices.

The EBITDA margin decreased to 15.4% in Q3 of 2024 from 16.0% in the previous quarter.

Net income from continuing operations in the third quarter of 2024 was SAR 1.08 billion [US\$ 0.29 billion], or SAR 0.36 per share [US\$ 0.09 per share]. This compares to SAR 2.23 billion [US\$ 0.59 billion], or SAR 0.74 per share [US\$ 0.20 per share], achieved during the second quarter of 2024.

The net income of SAR 1.00 billion [US\$ 0.27 billion], or SAR 0.33 per share [US\$ 0.09 per share], in the third quarter of 2024 was 54% lower than the previous quarter, when a favorable retroactive zakat provision was recognized.

Free cash flow in the third quarter of 2024 totaled SAR 3.92 billion [US\$ 1.05 billion], versus the prior quarter's free cash flow of SAR -1.44 billion [US\$ -0.38 billion].

Our sales volume of Petrochemicals & Specialties in third quarter of 2024 was 10.02 MMT, higher than the 9.51 MMT achieved in the previous quarter. Our Agri-Nutrients sales volume in the third quarter was around 1.84 MMT, compared to 1.85 MMT in the previous quarter.



3.0

CEO AND EXECUTIVE
BOARD MEMBER QUOTE



Abdulrahman Al-Fageeh
Chief Executive Officer and
Executive Board Member

Eng. Abdulrahman Al-Fageeh, Chief Executive Officer and Executive Board member, said:

"Global GDP experienced a modest growth of 2.7%, despite some major economies encountering slowdowns. As inflationary pressures have started to ease, several central banks have initiated interest rate reductions, potentially offering further stimulus to the global economy. In the petrochemicals sector, however, overcapacity continues to weigh on the market. Current utilization rates remain below long-term averages. Furthermore, PMI data indicated a decline in global economic conditions. Notwithstanding these challenges, we successfully increased our sales volume in the third quarter, demonstrating resilience in a difficult economic environment."

Remarking on SABIC's current business priorities, Eng. Al-Fageeh said: "We will continue to optimize our portfolio to maximize our shareholder returns, focusing on enhancing returns of our core business and reallocating capital to higher-margin opportunities. The divestment of Hadeed, the sale of our shareholding in Aluminium Bahrain (Alba) and the divestment of our Functional Forms Business are examples of our commitment to this journey."

Eng. Al-Fageeh also added: "Our commitment to sustainability and innovation is at the core of everything we do at SABIC. Through initiatives like the Sustainability Champions Initiative, we are not only driving change within our own operations but also empowering other corporates across the value chain to elevate their sustainability performance."

4.0

OUTLOOK

Looking ahead, a global GDP growth of 2.7% is expected in 2024. At SABIC, our long-term focus remains on strategic portfolio optimization, restructuring of underperforming assets, and prioritizing sustainability and innovation. We maintain a disciplined approach in managing our CAPEX¹, projecting an expenditure in the range of US\$ 3.3 to 3.9 billion for 2024.



1. Including growth CAPEX in associate & JVs

5.0

INNOVATION AND SUSTAINABILITY

SABIC continues to lead the way in driving sustainability and innovation within the petrochemical industry, with several key initiatives and projects aimed at advancing circular solutions and supporting Saudi Arabia's sustainability goals.

SABIC's exemplary performance qualified the company to become a "Sustainability Champion" in the Sustainability Champions Initiative of the Ministry of Economy and Planning. The initiative tasks top-performing Saudi companies, called "Sustainability Champions", with assisting other companies in their sectors to improve their sustainability performance. The initiative aims to elevate sustainability practices across local value chains.

SABIC's focus on innovation is driving impactful progress in both recycling technology and carbon-capture projects, contributing to global and local environmental goals. One key achievement in this regard is the mechanical completion of its pioneering mixed-plastic-waste pyrolysis unit in Geleen, the Netherlands. This advanced recycling unit, developed in partnership with Plastic Energy, is the first of its kind to operate at a commercial scale. This milestone represents another step toward our commitment for sustainable solutions through our TRUCIRCLE™ initiative.

As part of SABIC's sustainability strategy to play a leading role in the energy transition, SABIC is collaborating with industry leaders in various industrial sectors. SABIC officially inaugurated the world's largest solar installation using fully recyclable materials at SABIC's site in Genk. The innovative solar panels from Dutch manufacturer Solarge are 100% recyclable and significantly lighter than traditional solar panels. ENGIE was responsible of the installation and financing. SABIC, ENGIE and Solarge are celebrating a world first in Genk, with the inauguration of an innovative solar installation. The installation consists of 4,600 solar panels. A unique feature of these solar panels is that they are composed of fully separable layers, so all components can be disassembled and reused. Thanks to the use of innovative polymers - produced by SABIC in Genk - these solar panels also contain no glass and very little aluminum, making them half as light and reducing the carbon footprint by 25% compared to traditional solar panels.

SABIC has also been recognized for its sustainability and innovation leadership through prestigious industry awards. The world's first large-scale electrically heated steam-cracking furnace, which SABIC developed in collaboration with BASF and Linde, won the 2024 Innovation Award from Independent Commodity Intelligence Services (ICIS) for Best Process Innovation from a large company. The furnace, which was recognized as the ICIS competition's "overall winner", demonstrates how renewable electricity can substantially reduce CO₂ emissions and enhance the efficiency of chemical processes, showcasing SABIC's contribution to a circular carbon economy.

In addition, SABIC won the R&D 100 Award in the mechanical/materials category for its LNP™ STAT-KON™ High Electrically Conductive Compound. This plastic-based material, which can be used in the mass production of light electrode plates for batteries, enhances the efficiency of energy-storage solutions of the renewable-energy industry. Such recognitions demonstrate the strength of SABIC's commitment to making the global petrochemical industry more sustainable.



6.0

SABIC BUSINESS RESULTS DISCUSSION BY REPORTING SEGMENT

6.1 PETROCHEMICALS



Table 2 – Petrochemicals Financial Overview

Item	Three Months Ended			Nine Months Ended		
	Sep 30, 2024	Jun 30, 2024	Change %	Sep 30, 2024	Sep 30, 2023	Change %
Revenue	34.08	33.33	2%	97.84	99.11	-1%
Income from operations (EBIT ¹)	1.67	1.51	11%	3.66	2.53	45%
EBITDA ²	4.67	4.88	-4%	13.11	12.48	5%

All amounts are in SAR billion unless otherwise stated. The USD/SAR conversion rate used is 3.75. Absolute amounts and percentages shown in this document have been subject to rounding adjustments. Certain prior-quarter and prior-year figures have been subject to reclassifications. Please refer to the third quarter 2024 Financial Statements.

1. Earnings before interest and tax
2. Income from operations (EBIT) plus depreciation, amortization and impairment

The Petrochemicals segment covers three SABIC businesses: Chemicals, Polymers, and Specialties.

In the third quarter of 2024, revenue of the Petrochemicals segment amounted to SAR 34.08 billion [US\$ 9.09 billion], representing a quarter-over-quarter increase of 2%. This increase was largely driven by higher sales volume of polyethylene and polypropylene. Overall, the volumes sold in the quarter amounted to around 10 million metric tons.

The segment's EBITDA of SAR 4.67 billion [US\$ 1.25 billion] in the third quarter of 2024 was 4% lower than the SAR 4.88 billion [US\$ 1.30 billion] earned in the second quarter of 2024 the result of squeezed products margins.

Methyl tert-butyl ether global prices decreased during Q3 due to lower demand for gasoline at the end of summer driving season.

Global methanol prices were stable in Q3 2024., driven by outages in multiple regions.

The global price of mono ethylene glycol rose, driven by tight supply, higher demand, and declining inventories.

Polyethylene prices were slightly lower in north-east Asia partially due to low demand during the summer season in addition to high supply and inventories. Globally, prices were flat compared to Q2 2024.

Polypropylene global prices rose due to decreasing propylene supplies, which led to a tighter market and increased costs.

Polycarbonate global prices slightly increased in Q3 2024 as a result of rising production costs and a slight demand recovery, especially in North America.

6.2 AGRI-NUTRIENTS



Table 3 – Agri-Nutrients Financial Overview

Item	Three Months Ended			Nine Months Ended		
	Sep 30, 2024	Jun 30, 2024	Change %	Sep 30, 2024	Sep 30, 2023	Change %
Revenue	2.80	2.39	17%	7.45	7.39	1%
Income from operations (EBIT ¹)	0.81	0.59	37%	2.13	2.55	-16%
EBITDA ²	1.02	0.82	24%	2.79	3.19	-13%

All amounts in SAR billion unless otherwise stated. The USD/SAR conversion rate used is 3.75. Absolute amounts and percentages shown in this document have been subject to rounding adjustments. Certain prior-quarter and prior-year figures have been subject to reclassification. Please refer to the third quarter 2024 Financial Statements.

1. Earnings before interest and tax
2. Income from operations (EBIT) plus depreciation, amortization, and impairment

In the third quarter of 2024, the revenue of the Agri-Nutrients segment was SAR 2.80 billion [US\$ 0.75 billion], representing a quarter-over-quarter increase of 17%. The revenue increase was driven by a 17% rise in prices (largely due to urea supply tightness), which was partially offset by a 1% decline in sales volume.

Total sales volume in Q4 2024 was around 1.84 million metric tons, compared to 1.85 million metric tons in the previous quarter.

EBITDA in the third quarter of 2024 amounted to SAR 1.02 billion [US\$ 0.27 billion], representing an increase of 24% compared with the second quarter of 2024.

Urea prices were higher in Q3 as a result of tight supply

For further information, please contact SABIC Investor Relations at IR@SABIC.com and / or visit <https://www.sabic.com/en/investors>

7.0

DISCLAIMER

By reading this earning release, you recognize and agree to be bound by the following limitations.

This earning release has been prepared for information and background purposes only. It does not constitute or form part of, and should not be construed as, an offer of, a solicitation of an offer to buy, or an invitation to subscribe for, underwrite or otherwise acquire, any securities of SABIC (the "Company") or any other existing or future member of the SABIC Group (the "Group") or any other company including Saudi Arabian Oil Co. ("Saudi Aramco") or any other existing or future member of the Saudi Aramco Group, nor should it or any part of it form the basis of, or be relied on in connection with, any contract to purchase or subscribe for any securities of any such company or with any other contract or commitment whatsoever. This earning release does not constitute a prospectus in whole or in part, and any decision to invest in securities should be made solely on the basis of the information to be contained in a prospectus and on an independent analysis of the information contained therein.

Any assumptions, views or opinions contained in this earning release represent the assumptions, views or opinions of the Company as of the date indicated and are subject to change without notice. All information not separately sourced is from Company data and estimates. Information contained in this earning release related to past performance is not an indication of future performance and is not intended to predict actual results, and no assurances are given with respect thereto. The information contained in this earning release has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein, and no reliance should be placed on it. Neither the Company nor its affiliates, advisers, connected persons or any other person accepts any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this earning release or its contents or otherwise arising in connection with this earning release. This shall not, however, restrict or exclude or limit any duty or liability to a person under any applicable law or regulation of any jurisdiction which may not lawfully be disclaimed.

This earning release may include statements that are, or may be deemed to be, "forward-looking statements." These statements often contain words such as "anticipate," "believe," "intend," "estimate," "expect" "outlook," "will," "will be," "will Continue," "would" and similar expressions, and variations or negatives of these words or phrases.

All statements other than statements of historical facts included in this earning release are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the market environment in which the Company will operate in the future. These forward-looking statements speak only as of the date of this earning release. Each of the Company and its affiliates and their respective shareholders, agents, employees and advisers, expressly disclaims any obligation or undertaking to update any forward-looking statements contained herein. You are urged to consider these factors carefully in evaluating the forward-looking statements in this earning release and not to place undue reliance on such statements.

This earning release is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation of such jurisdiction or which would require any registration or licensing within such jurisdiction. Any failure to comply with these restrictions may constitute a violation of the laws of other jurisdictions.

Average sales prices stated in this earning release includes FX and other factors.

The information contained in this earning release is provided as of the date of this earning release and is subject to change without notice.