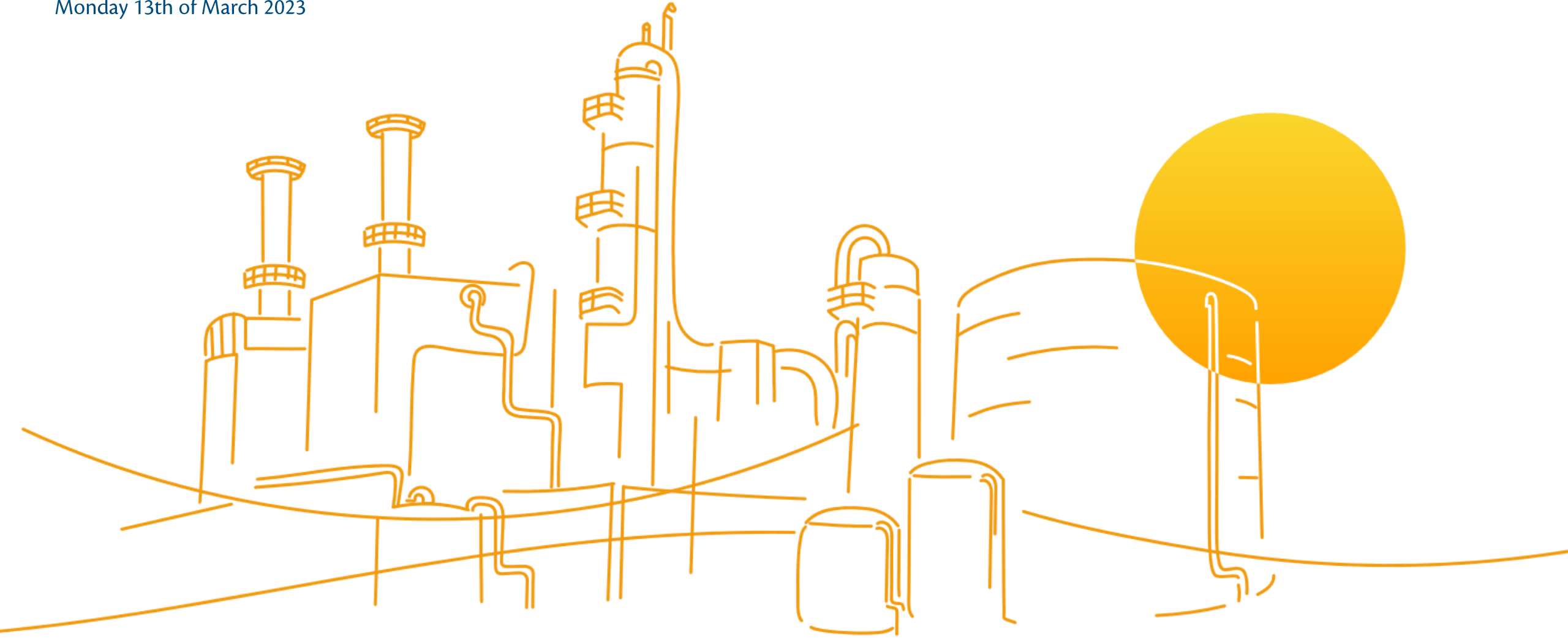


SIPCHEM's EARNINGS CALL 2022

Monday 13th of March 2023



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SOLID FUNDAMENTALS DELIVERING STRONG RESULTS

1

Clear and compelling strategic vision, strong foresight and agile decision-making

2

Enhanced resilience for a volatile economic environment through diversified portfolio

3

Continued focus on EHSS, reliability and manufacturing excellence

4

World class agile marketing capabilities across different geographies

5

Continuous realization of above-target synergies from the Sipchem-Sahara merger

2022 EARNINGS HIGHLIGHTS

EBITDA¹

4,970

Million Saudi Riyal
USD 1,325m

NET INCOME

3,595

Million Saudi Riyal
USD 959m

EARNING PER SHARE

4.96

Saudi Riyal
USD 1.32

DIVIDENDS

2,359

Million Saudi Riyal
USD 629m

FREE CASH FLOW²

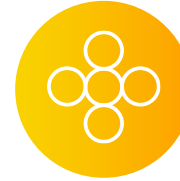
4,688

Million Saudi Riyal
USD 1,250m

DEBT REDUCTION

2,043

Million Saudi Riyal
USD 545m



3% Higher production volumes compared to 2021 driven by manufacturing excellence



Resilient financial performance despite challenging economic environment



Maximizing shareholder returns with record dividends distribution



Navigating high interest rate environment by maintaining financial discipline

2022 KEY PRIORITIES REVIEW



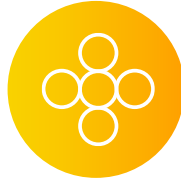
Strategy



Substantial progress on de-bottleneck projects and organic/in-organic growth ambitions

Finalization of de-carbonization strategy

Record year for Sipchem in terms of profitability



Manufacturing Excellence



On-stream days 1.8% higher compared to last year

Optimization of TAM related activities & costs

Record year in terms of production due to improved reliability and availability of plants



Financial Discipline



Record dividend distribution of SAR 3.25 per share

Highest dividend yield in the industry

Significant reduction in debt-to-equity ratio <0.20x

Working capital optimization



Innovation



Substantial progress in deploying digital infrastructure

Performance-based culture

R&D developed new polymer grades for new applications

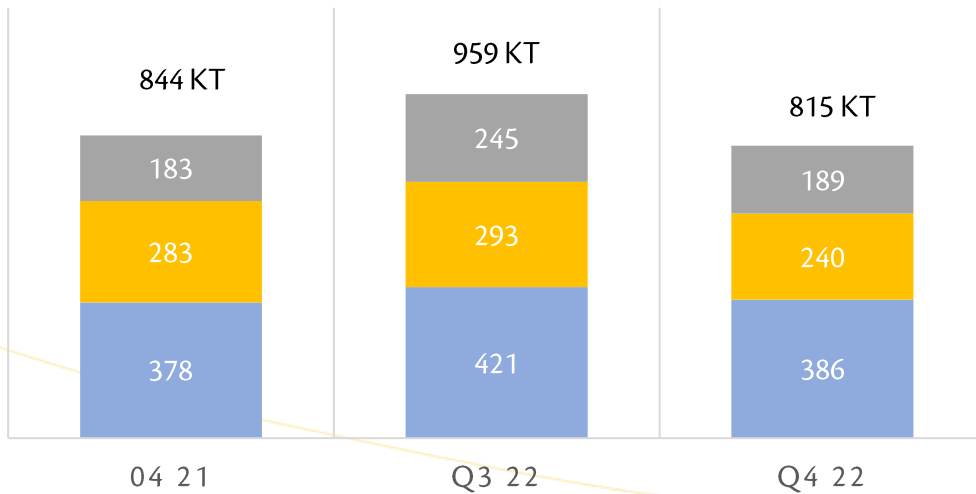
MARKETING PERFORMANCE

Key drivers of sales

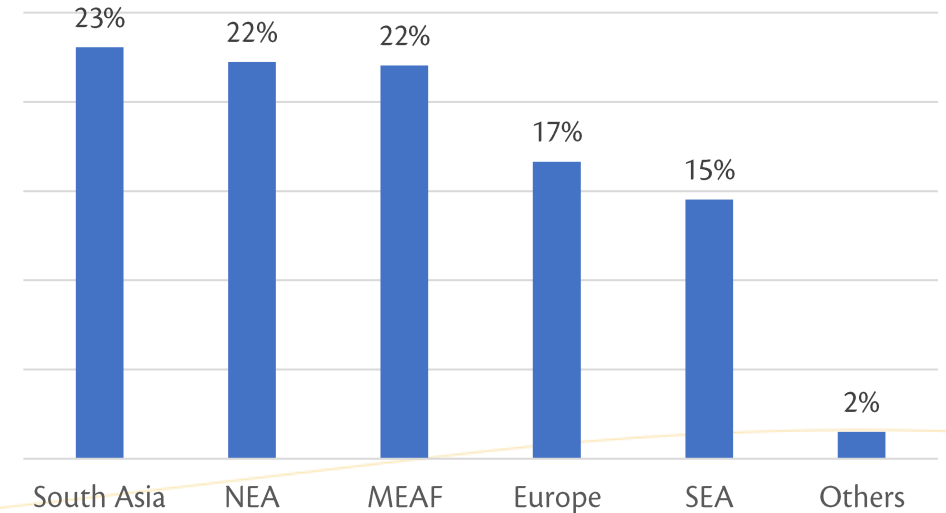
- Marginally higher external sales volumes in 2022 compared to 2021 due to improved reliability and availability of plants
- Agility in diverting products to high-performing netback regions while maintaining contractual obligations
- Developed customer base and sales into new geographies

Segment wise sales volumes [External Sales only]

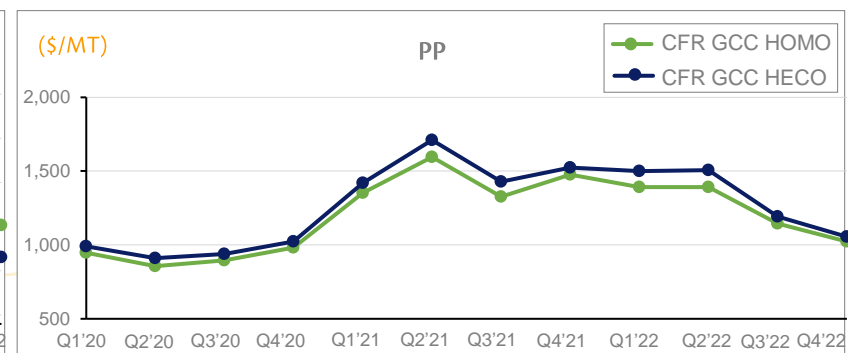
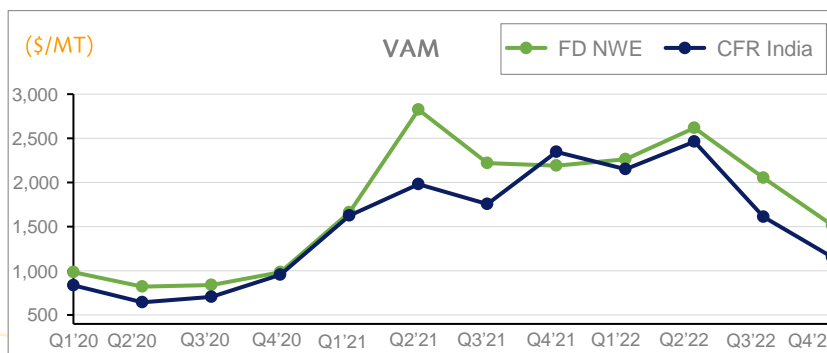
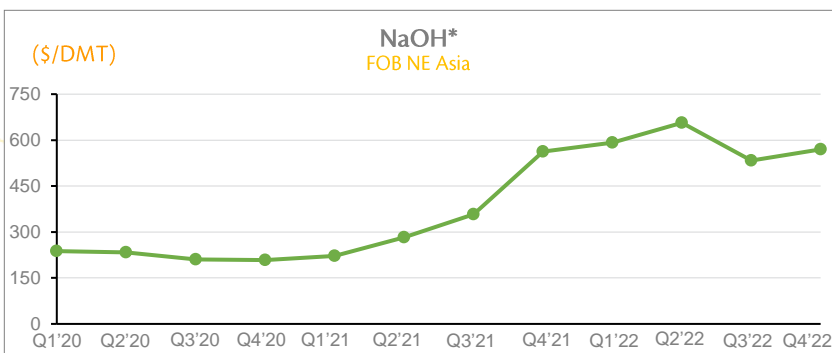
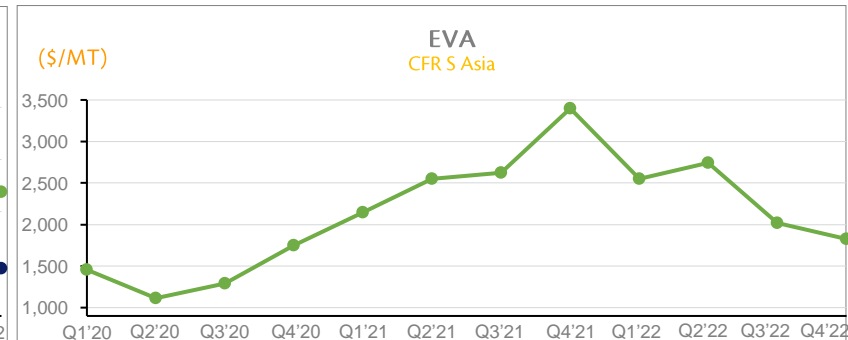
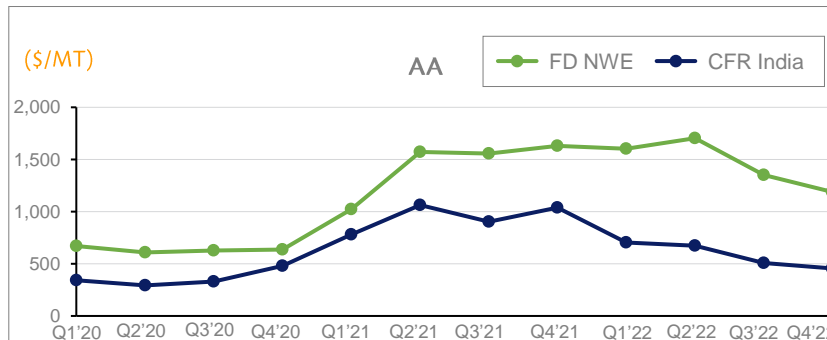
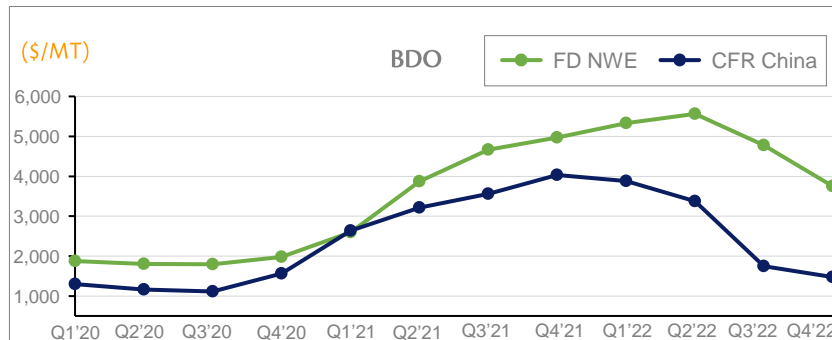
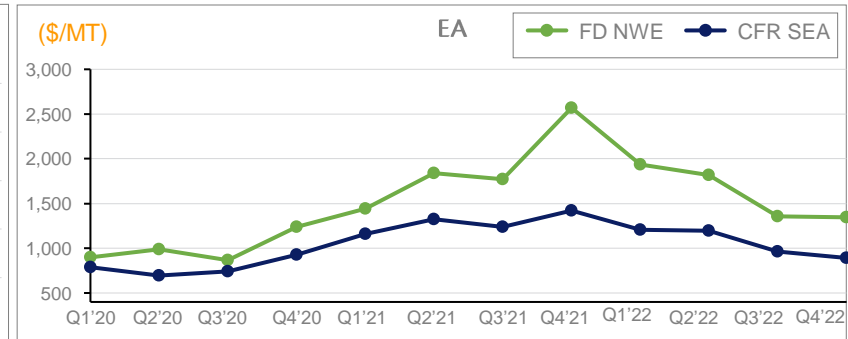
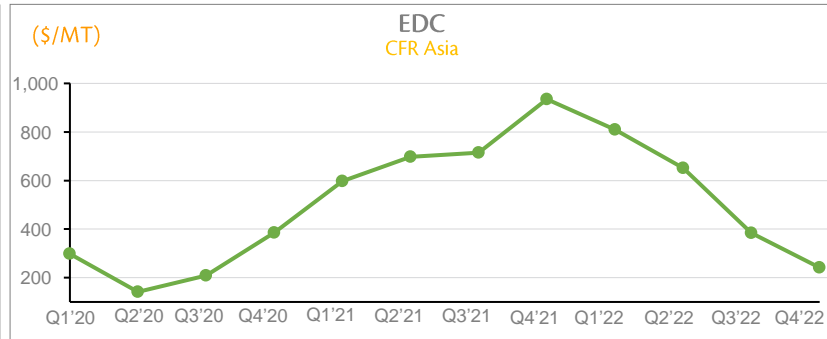
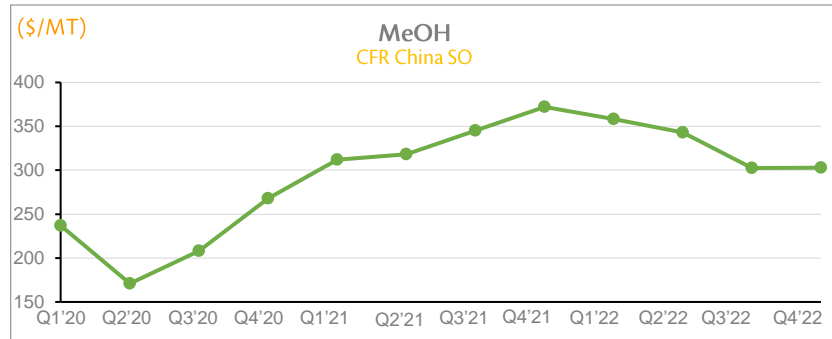
Basic chemicals Intermediate chemicals Polymers



Geographical mix of External sales volumes 2022



PRICING BENCHMARK: ICIS and IHS



FINANCIAL HIGHLIGHTS

	Q4 2022	Y2022	QoQ ¹	YoY ⁽³⁾ ²	YoY ⁽¹²⁾ ³
Revenue	1,955 mSAR	10,254 mSAR	-33%	-35%	+6%
EBITDA	854 mSAR	4,970 mSAR	-27%	-52%	-9%
Net Income	479 mSAR	3,595 mSAR	-38%	-64%	+0%
Free cash flow	1,002 mSAR	4,688 mSAR	-31%	-29%	+11%
Earnings per share	0.67 SAR/share	4.96 SAR/share	-38%	-64%	+0%

- EBITDA margin of 43.7% for Q4 2022 [Q3 2022: 39.7%, Y2022: 48.5%]
- Return on capital employed of 21.3% compared to 22.2% in 2021
- Debt to equity ratio reduced from 0.34x to 0.20x by end of 2022
- Current ratio of 1.99x with strong cash position of SAR 2,456m
- Free cash flow of SAR 4,688m generated during the year compared to SAR 4,230m in 2021
- Dividend payout of SAR 3.25 per share in 2022 compared to SAR 2.25 per share in 2021

¹QoQ is a comparison between Q4 2022 vs Q3 2022, ²YoY(3) is a comparison between Q4 2022 vs Q4 2021, ³YoY(12) is a comparison between Y2022 vs Y2021

CHEMICALS INDUSTRY OUTLOOK

- 1 China opening as they retreat from zero-COVID policy
- 2 High natural gas costs in Europe might result in some production cuts in the region
- 3 Geopolitical uncertainty and volatile market conditions
- 4 Supply chain disruptions have eased out markedly
- 5 Chemicals overcapacity to continue

KEY TAKE AWAYS

1

Sipchem's financial performance remain resilient despite challenging market conditions

2

Continuous improvement in operating rates of the plants and reliability practices

3

Strengthening balance sheet with continuous emphasis on debt reduction

Questions & Answers Session

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FOR FURTHER INQUIRIES CONTACT IR TEAM



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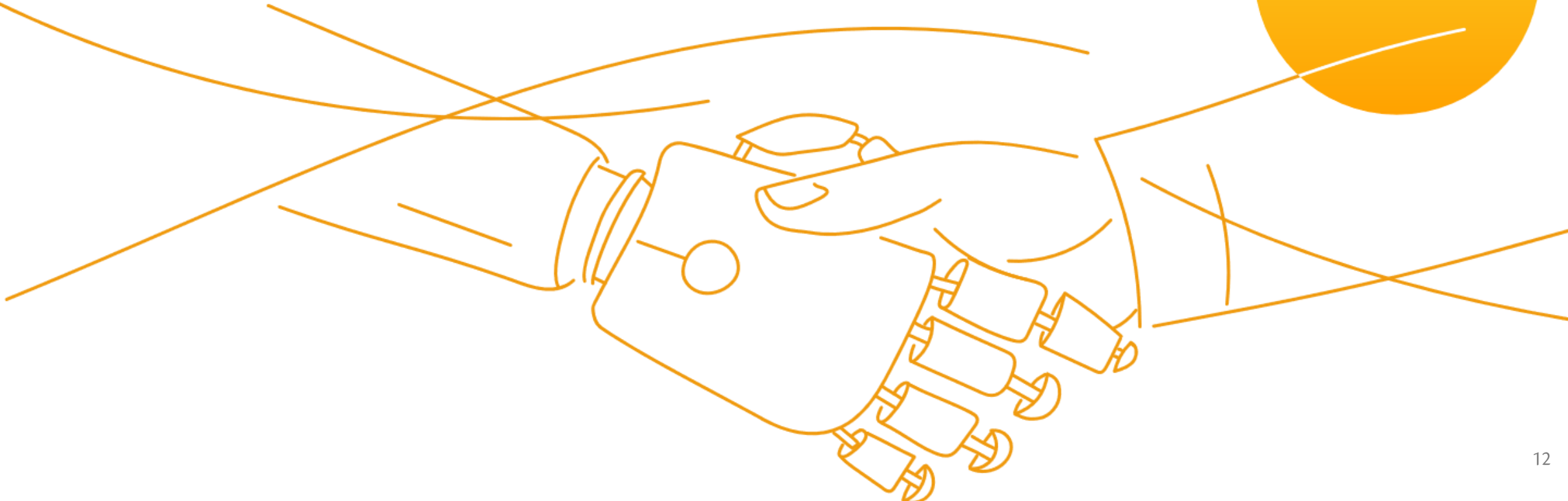
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THANK YOU

