

CHEMISTRY THAT MATTERS™



FOURTH QUARTER 2020 EARNINGS PRESENTATION

31 January 2021



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FOURTH QUARTER EARNINGS HIGHLIGHTS

KEY MESSAGES



SUCCESSFUL BUSINESS MODEL AND ROBUST OPERATIONAL PERFORMANCE



SUSTAINED ECONOMIC RECOVERY AND HEALTHY S/D BALANCE TRANSLATED INTO HIGHER PRICES



SUSTAINABILITY AND INNOVATION
PLATINUM MEDAL FROM **ecovadis**

Q4 2020 PERFORMANCE (In USD Bn)



VALUE CREATION AND SYNERGY WITH SAUDI ARAMCO



AS THE CHEMICALS ARM OF

aramco



EXPECTED RECURRING ANNUAL VALUE¹

\$1.5 - \$1.8 Billion

(SABIC Share)

SHORT TO MID TERM: 80% OF THE VALUE COMING FROM SIX BUSINESS FOCUS AREAS

Procurement

Sales and
Marketing

Supply Chain

Stream
Integration

Feedstock
Optimization

Maintenance

A BROADER LONG TERM STRATEGY AND PARTNERSHIP, INCLUDING:

Growth Projects
Optimization

Joint Venture
Management

One Service
Delivery Model

¹By 2025.

KEY HIGHLIGHTS OF 2020

TRANSFORMATION AGENDA

PETROCHEMICALS

- Strategy will be accelerated with Saudi Aramco as a majority shareholder
- Growth projects on track

AGRI-NUTRIENTS

- Completion of SABIC & SAFCO transaction

SPECIALTIES

- Standalone business
- Increase in Clariant stake

CAPITAL ALLOCATION

- Capex -29% (YoY)
- Stable dividends

FINANCIAL STRENGTH

- One of the highest credit ratings on a standalone basis (A+/A1 from major rating agencies¹)

OPERATIONAL PERFORMANCE

- Sales volumes +1% (YoY) shows resiliency
- SG&A -1% (YoY) demonstrates cost controls

COVID-19

- Operated as an essential industry with seamless operations and a resilient supply chain
- 274 global CSR programs benefiting 35 million people

ESG & INNOVATION DRIVE

- Construction begins on first advanced recycling commercial unit (TRUCIRCLE™)
- World's first chemical plant to operate on 100% renewable power
- World's first blue ammonia shipment
- Retained B-score CDP² climate rating
- Platinum medal from **ecovadis**

¹ By all three Credit Rating Agencies. ² Formerly known as Carbon Disclosure Program.

FINANCIAL PERFORMANCE

> ROBUST OPERATIONAL PERFORMANCE

(USD Bn)	Q4 20	Q3 20	% Var	Q4 19 ¹	% Var	2020 ¹	2019 ¹	2020 ¹ vs 2019 ¹
Sales	8.76	7.81	12%	8.45	4%	31.19	36.11	-14%
EBITDA	1.78	1.51	18%	1.54	15%	5.38	7.90	-32%
Income (loss) from Operations	0.99	0.56	76%	-0.38	356%	1.19	3.07	-61%
Net Income	0.59	0.29	104%	-0.24	349%	0.01	1.39	-99%
Free Cash Flow ²	0.82	0.74	11%	1.43	-43%	2.26	4.05	-44%

SALES DRIVERS

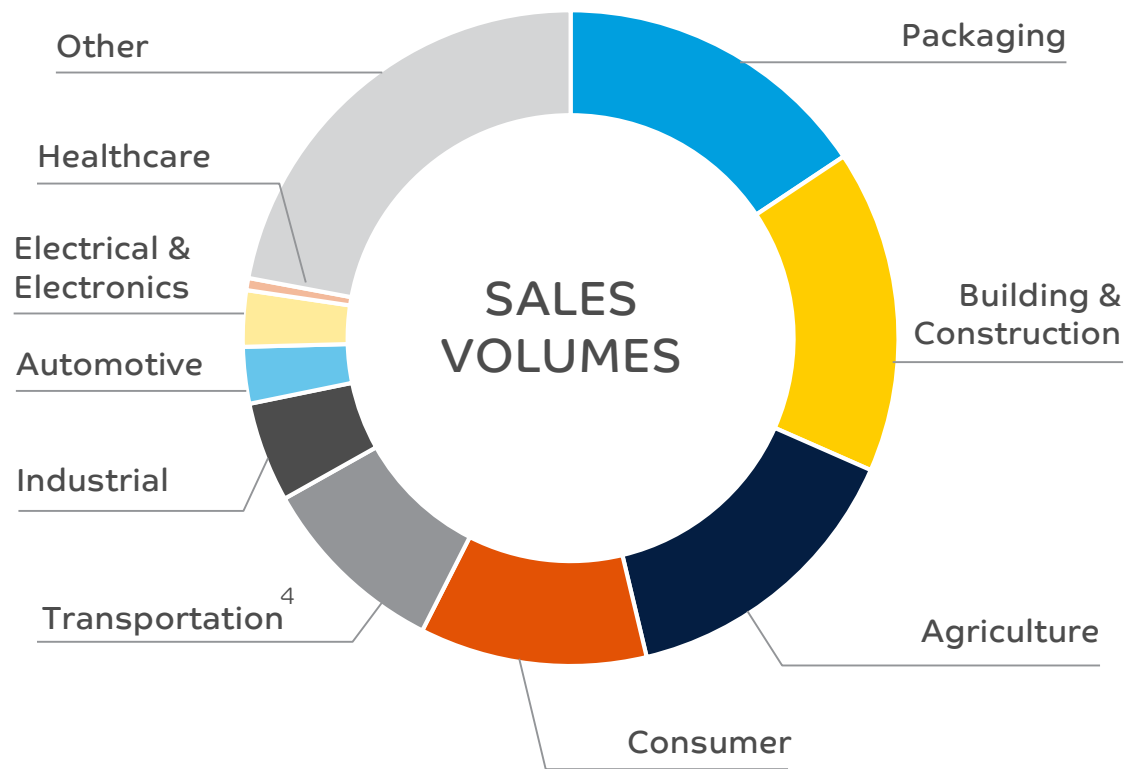
	Volumes	Prices ³
Q4 20 vs. Q3 20	↓ 1%	↑ 13%
Q4 20 vs. Q4 19 ¹	↑ 3%	↑ 1%










KEY RATIOS

	Q4 20	Q3 20	Q4 19 ¹	2020 ¹	2019 ¹
EBITDA margin (%)	20%	19%	18%	17%	22%
Net Debt / EBITDA (x)	0.3	0.4	0.1	0.3	0.1

¹ Restated figures due to change in accounting treatment as announced in Q2 2020. ²Free Cash Flow = net cash from operating activities minus capital expenditure. Capital expenditure = Purchase of tangibles and intangibles, net. ³ Includes FX & other factors. For reference, Brent oil averaged \$44 /bbl in Q420, \$43 /bbl in Q3 20, \$63 /bbl in Q4 19, \$42 in 2020 and \$64 /bbl in 2019.

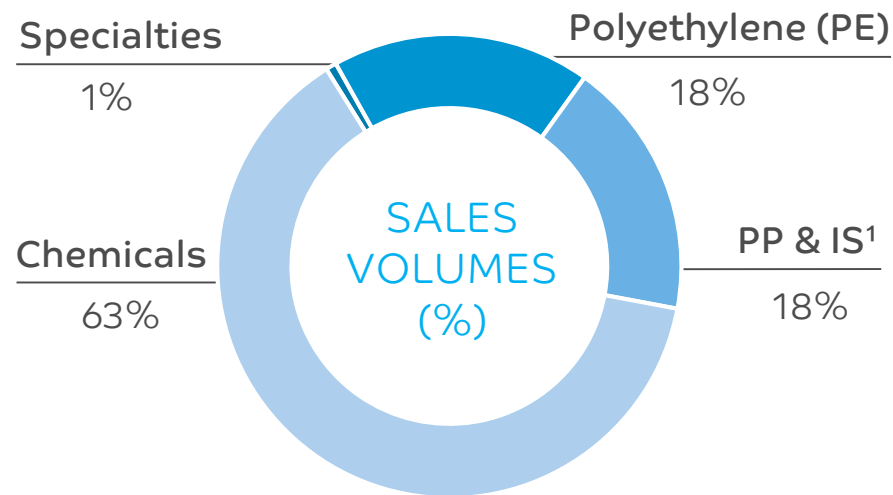
SABIC: KEY END INDUSTRY¹ AND TRENDS



END INDUSTRY	DEMAND ²	FUTURE TREND ³
 Packaging	●	●
 Building & Construction	●	●
 Agriculture	●	●
 Consumer	●	●
 Transportation ⁴	●	●
 Industrial	●	●
 Automotive	●	●
 Electrical & Electronics	●	●
 Healthcare	●	●

PETROCHEMICALS AND SPECIALTIES

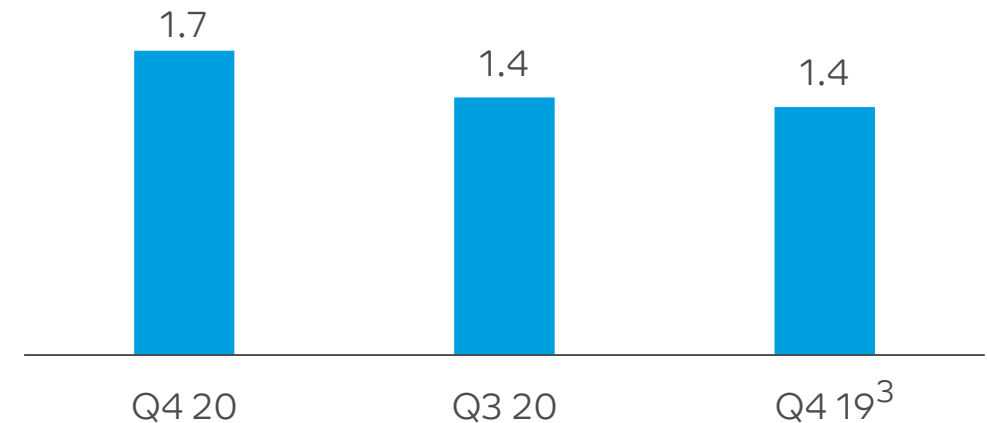
> HIGHER PRODUCT PRICES AND SALES VOLUMES



SALES DRIVERS

	Volumes	Prices²
Q4 20 vs. Q3 20	↑ 2%	↑ 11%
Q4 20 vs. Q4 19³	↑ 7%	↔ 0%

EBITDA (USD Bn)

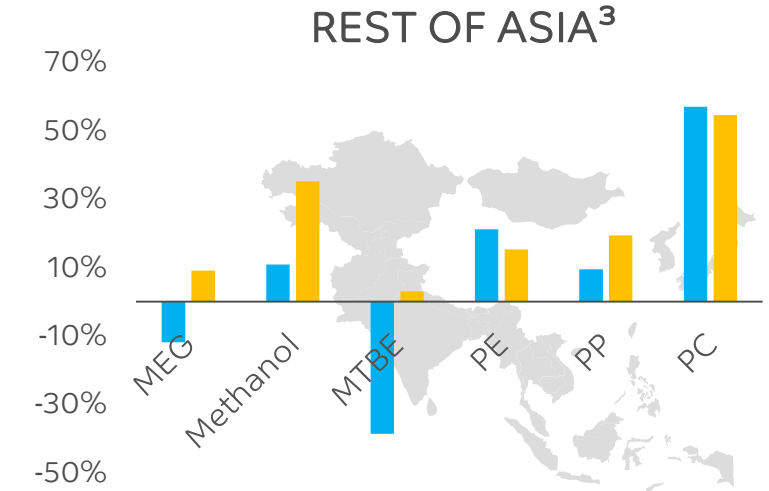
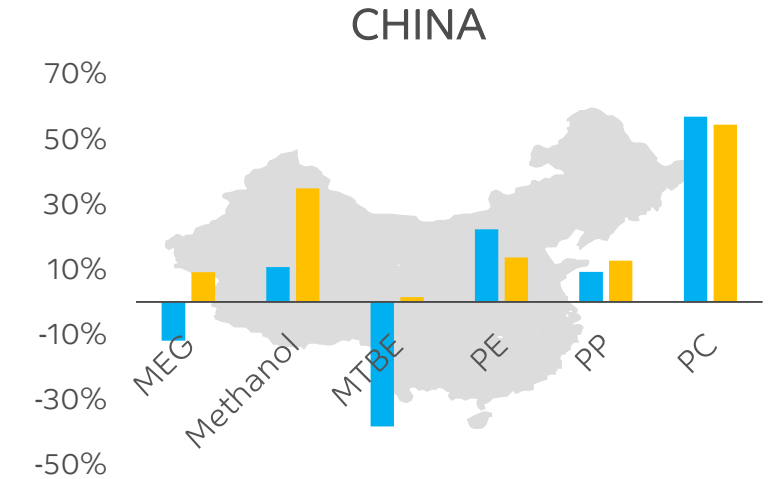
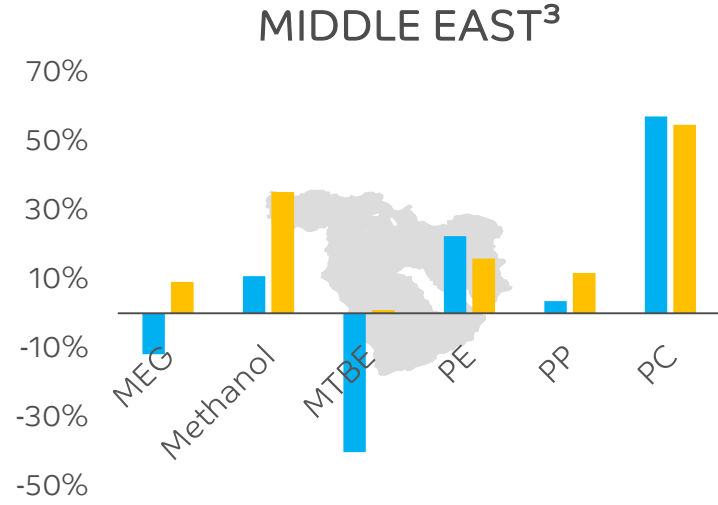
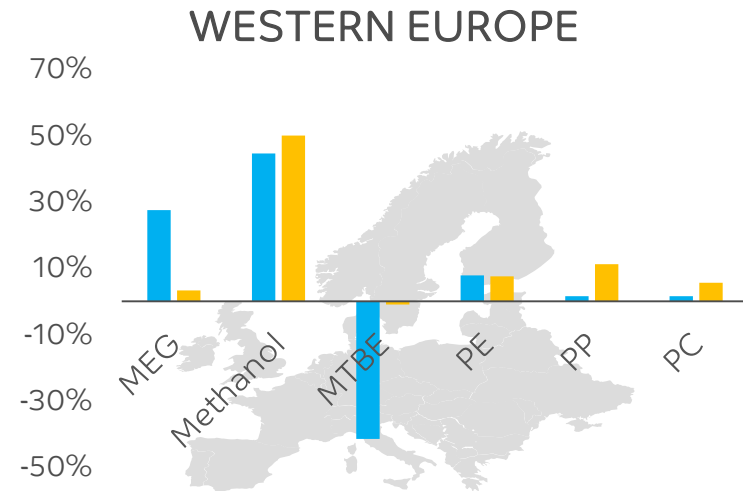
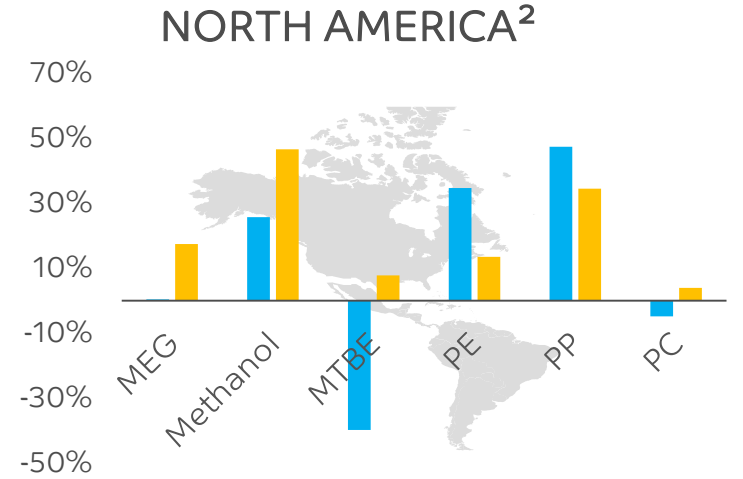


HIGHLIGHTS

- **Chemicals** – Higher prices especially for methanol benefited from outages
- **PE** – Healthy demand and tight supplies were supportive of prices
- **PP & IS¹**– PP⁴ price supported by healthy demand while PC⁵ prices profited from outages

MAJOR PETROCHEMICALS PRICES¹ CHANGES ACROSS THE KEY REGIONS IN Q4 20

% change Q4 20 vs Q4 19
% change Q4 20 vs Q3 20



REGION /GLOBAL SALES VOLUME FOR SABIC

	Americas	Europe	MEAF	China	Rest of Asia
MEG					
Methanol					
MTBE					
PE					
PP					
PC					

<15%

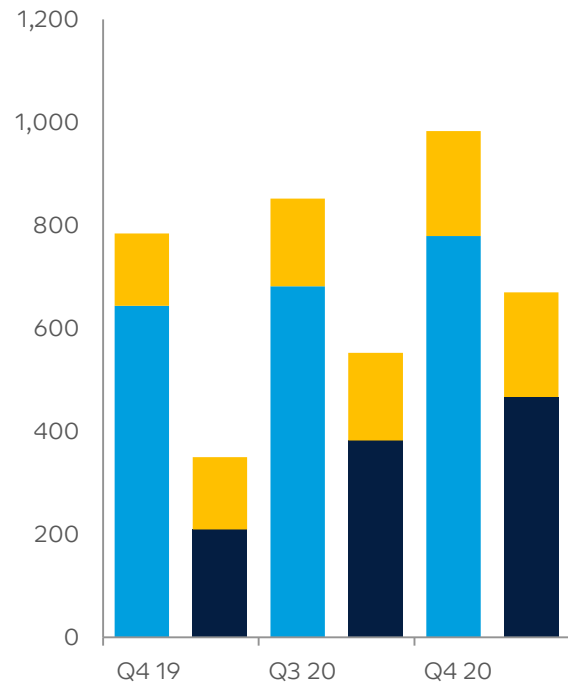
15%-50%

>50%

SPREADS¹ FOR KEY PRODUCTS

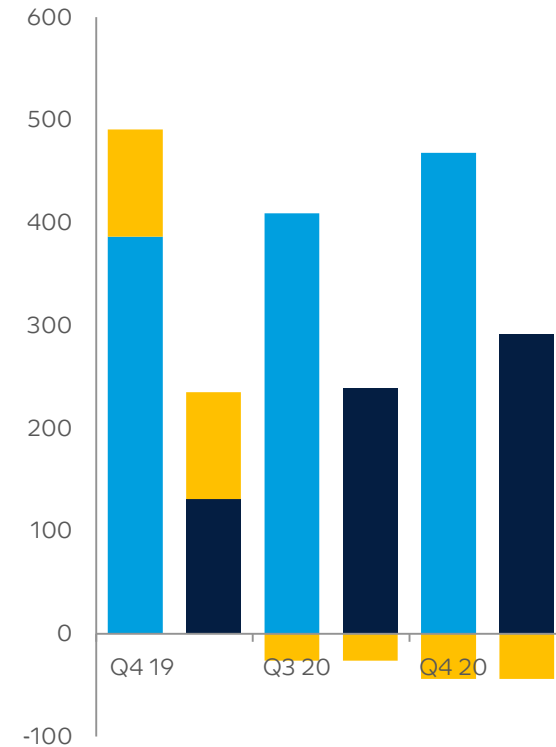
PE² Spread (USD/Ton)

■ Ethylene/Ethane ■ Ethylene/Naphtha
■ PE/Ethylene



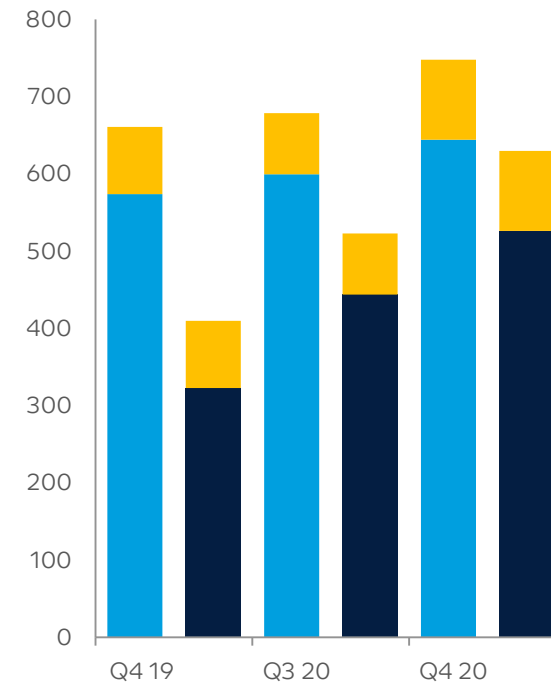
MEG² Spread (USD/Ton)

■ Ethylene/Ethane ■ Ethylene/Naphtha
■ MEG/Ethylene



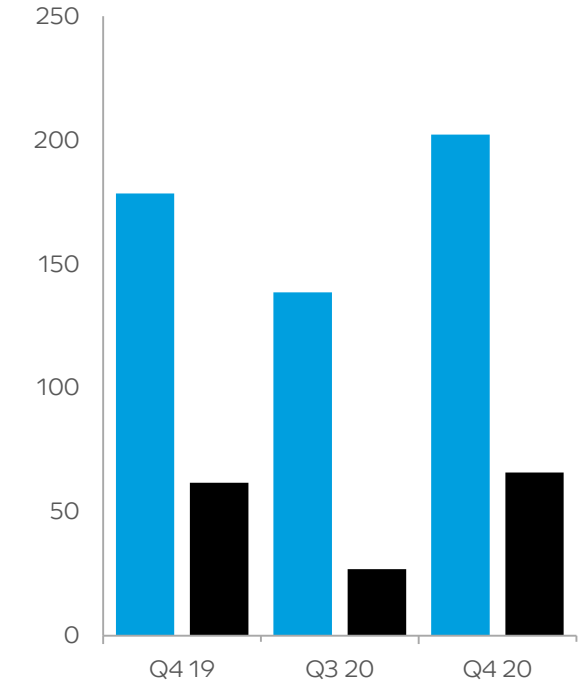
PP² Spread (USD/Ton)

■ Propylene/Propane ■ Propylene/Naphtha
■ PP/Propylene



Methanol² Spread (USD/Ton)

■ Methanol/Methane ■ Methanol/Other³

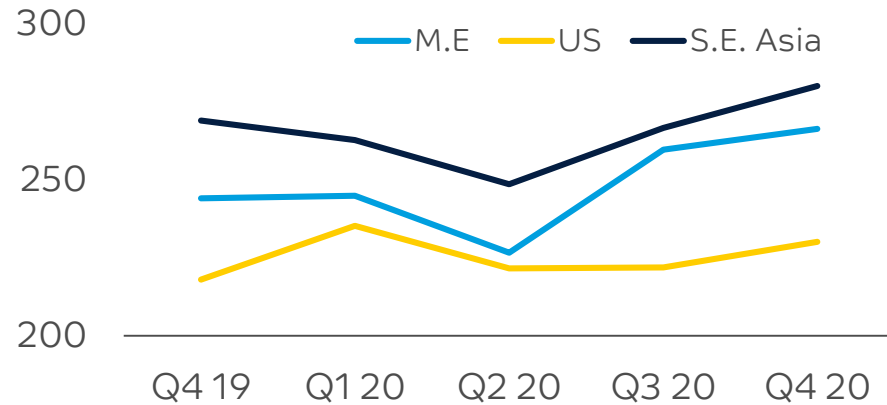


¹Spread = Product price (PE, MEG, PP and Methanol) minus feedstock price (Methane, Ethane, Propane, Naphtha and Coal). ²PE, MEG, PP and Methanol prices are aligned to prices in China. For Methane, Ethane and Propane, prices are aligned to prices in KSA. Ethylene and propylene prices are aligned to prices in N.E. Asia. Naphtha prices are aligned to prices in Asia. ³ Other is coal used as a feedstock. Coal prices are aligned to prices in China. Sources of prices are ICIS, S&P Global Platts ©2020 by S&P Global.

AGRI-NUTRIENTS

IMPROVEMENT IN UREA PRICE OFFSET BY LOWER SALES VOLUMES

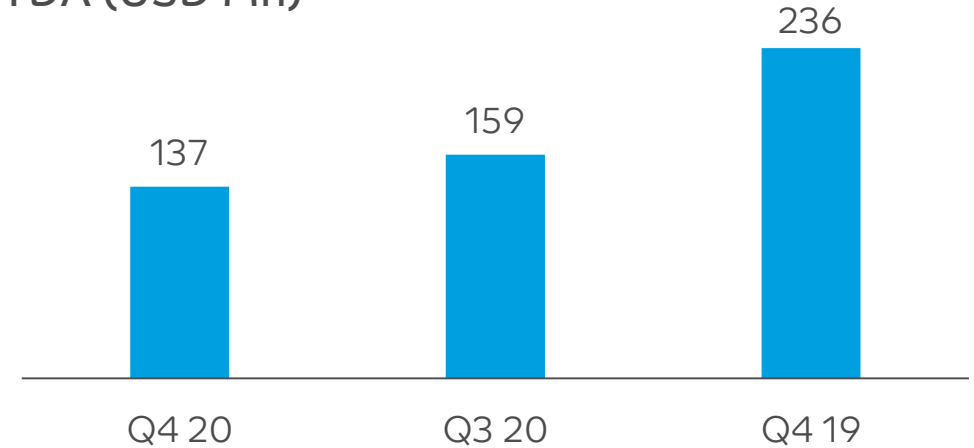
UREA PRICE¹ (USD/T)



SALES DRIVERS

	Volumes		Prices ²	
Q4 20 vs. Q3 20	↓	10%	↑	6%
Q4 20 vs. Q4 19	↓	10%	↓	8%

EBITDA (USD Mn)



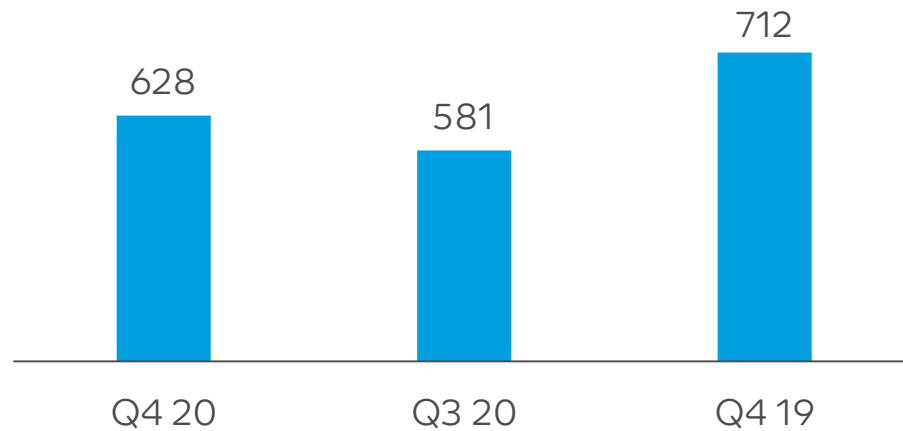
HIGHLIGHTS

- Urea prices improved supported by better demand especially starting from middle of Q4
- Indian tenders remained the key urea demand drivers

HADEED

>> IMPROVEMENT IN EBITDA

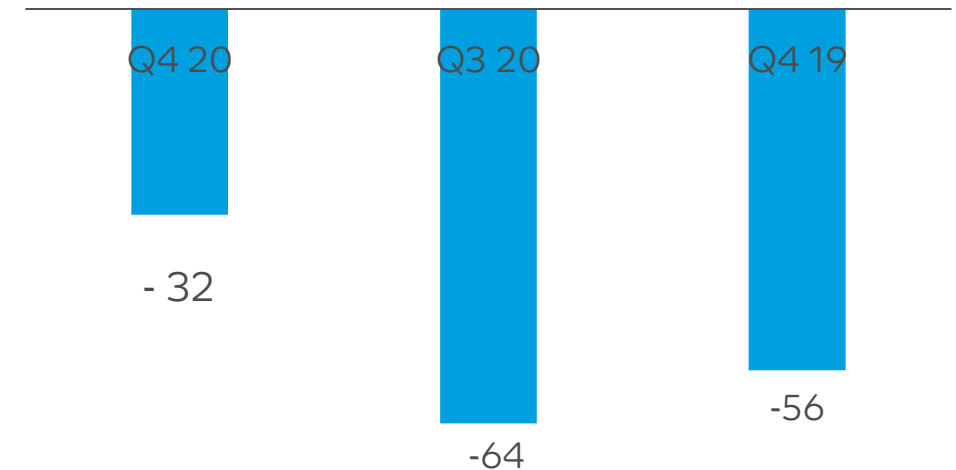
SALES (USD Mn)



SALES DRIVERS

	Volumes	Prices ¹
Q4 20 vs. Q3 20	↓ 10%	↑ 18%
Q4 20 vs. Q4 19	↓ 11%	↓ 1%

EBITDA (USD Mn)



HIGHLIGHTS

- Improvement in EBITDA driven by higher sales prices partially offset by lower sales volumes

¹ Including FX and other factors.

4TH QUARTER SUMMARY AND OUTLOOK 2021

SUMMARY



0.2
Earnings
per share¹



0.8
Free cash
flow



A+/A1
Strong
standalone
credit ratings²

FINANCIAL PERFORMANCE



(Amounts in USD Bn)

OUTLOOK 2021

GLOBAL GDP GROWTH

Global GDP
Growth Rate³

4.5% - 5.0% (YoY)

SABIC - FINANCIALS

Sales Volume

Higher⁴ (YoY)

EBITDA

Higher⁵ (YoY)

CAPEX

Flat⁶

SABIC – NON FINANCIALS

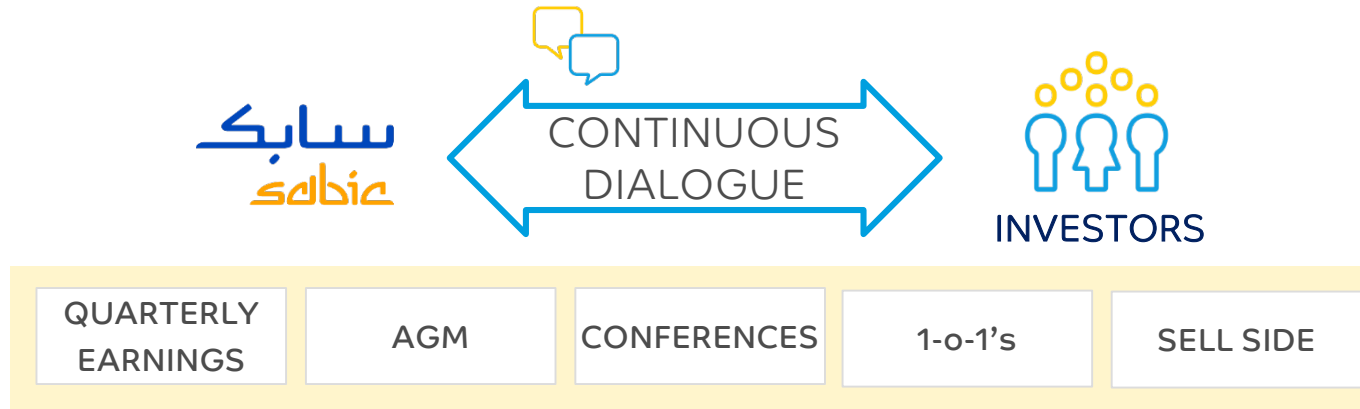
ESG⁷

- Towards Science Based Targets (SBT) commitment in 2021
- ESG-linked leadership incentives



THANK YOU

SABIC INVESTOR RELATIONS ENGAGEMENT



Events' Focus



Chemicals, Specialties & Agriculture



Developed Markets, Emerging Markets & Saudi Arabia



ESG & Innovation



UPCOMING BROKER CONFERENCES

February 2021 (virtual format)

- 2 CI Capital MENA Investor Conference
- 18 Morgan Stanley Chemicals/Packaging Corporate Access Days
- 25 Alembic Global Chemical Conference
- 25 Goldman Sachs Tadawul Saudi Arabia Conference

March 2021 (virtual format)

- 1 EFG Hermes Virtual Investor Conference
- 3 BAML Global Agriculture and Materials Conference
- 11 Gabelli R. Specialty Chemicals Conference
- 11 Goldman Sachs European Chemicals Conference
- 22 Citi MENA Road Ahead-Recovery, Reopening & Rotation
- 25 Morgan Stanley ChemTech Day



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