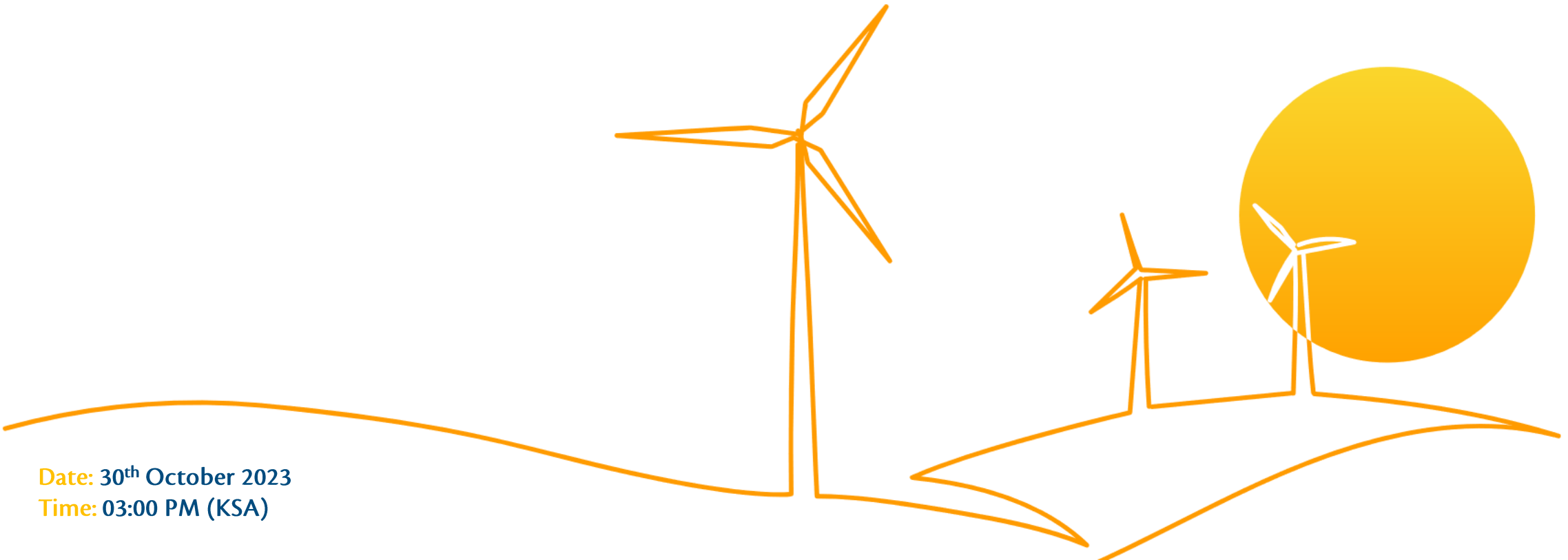


Sipchem Q3 2023 Earnings Call

“Committed to achieving strategic objectives”



Date: 30th October 2023

Time: 03:00 PM (KSA)

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Opening Remarks With CEO

Q3 2023 earnings declined amid challenging market environment

EBITDA¹

532

Million Saudi Riyal
(USD 142m)

NET INCOME

233

Million Saudi Riyal
(USD 62m)

EPS

0.32

Saudi Riyal
(USD 0.09)



¹EBITDA = Operating profit plus depreciation, amortization and impairment

Market is at low with recovery taking more time than expected



China's Economic
Recovery
Improving
Demand



Growth In
Emerging
Markets Leading
GDP Growth



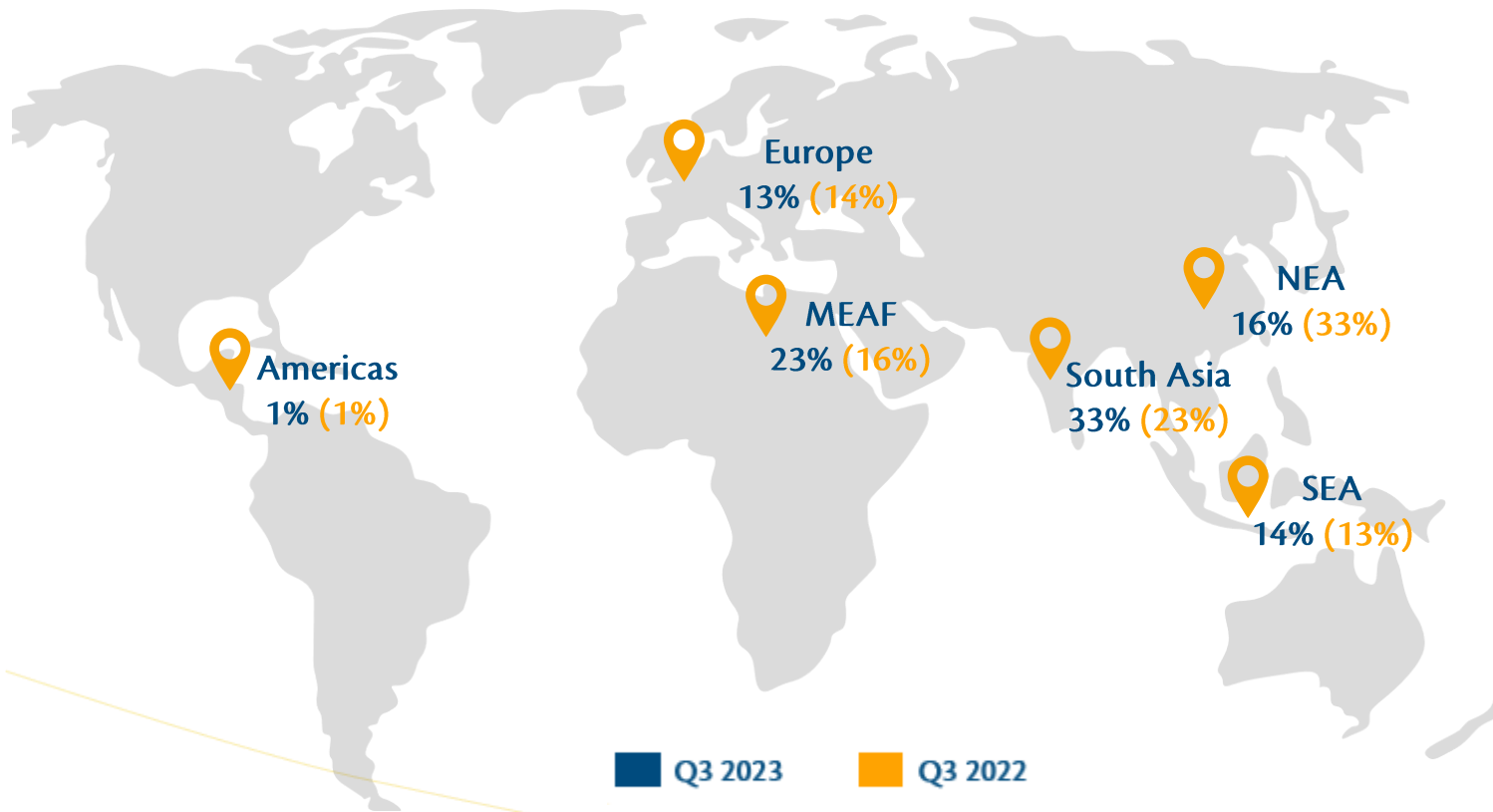
Operating Rates
In The Winter
Season Reducing
Supply



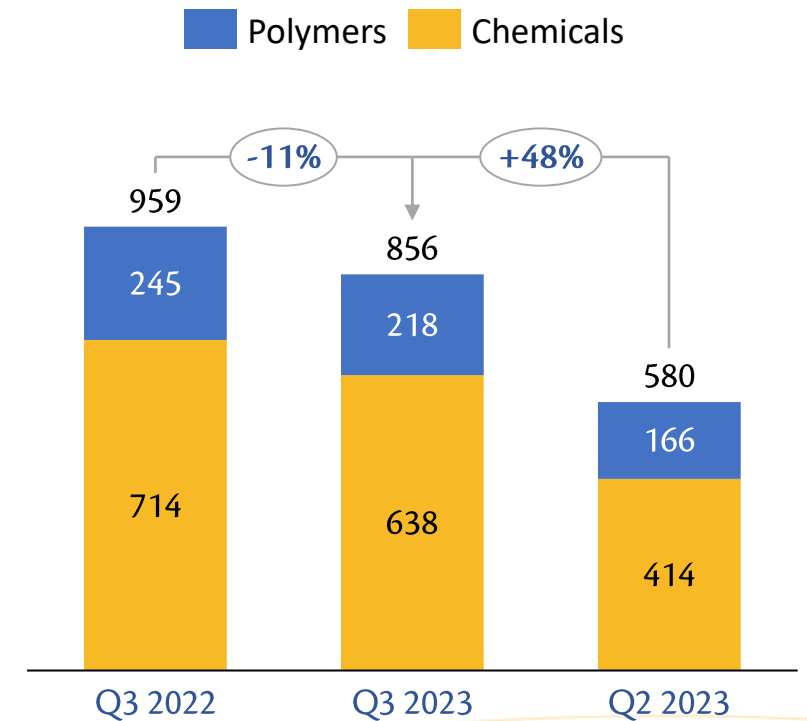
Geopolitical
Uncertainty
Impacting Market
Environment

Agile marketing capabilities with strong footprint in key markets

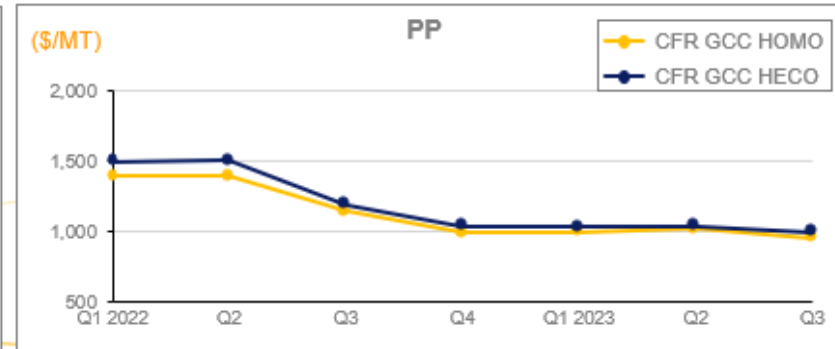
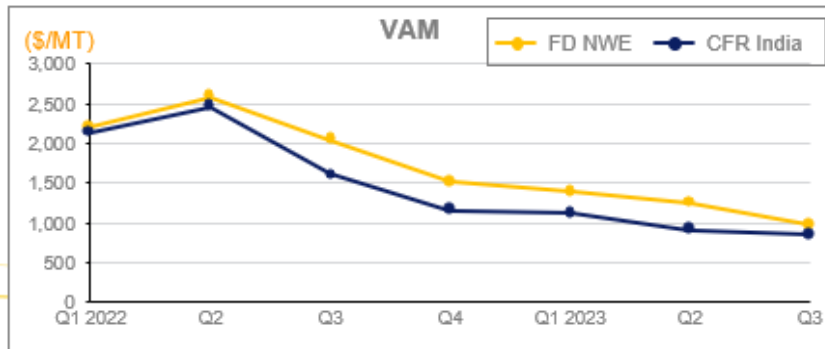
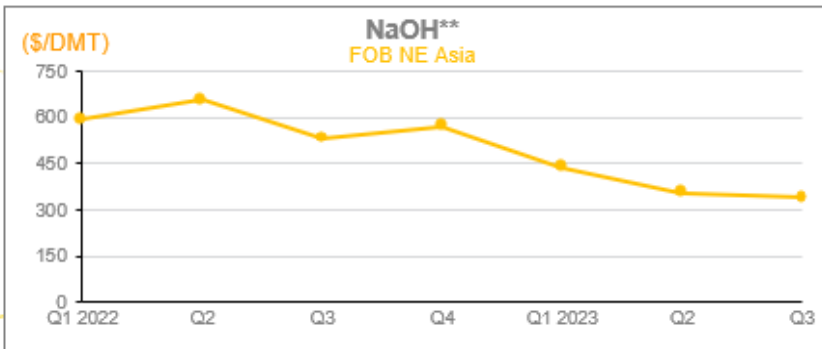
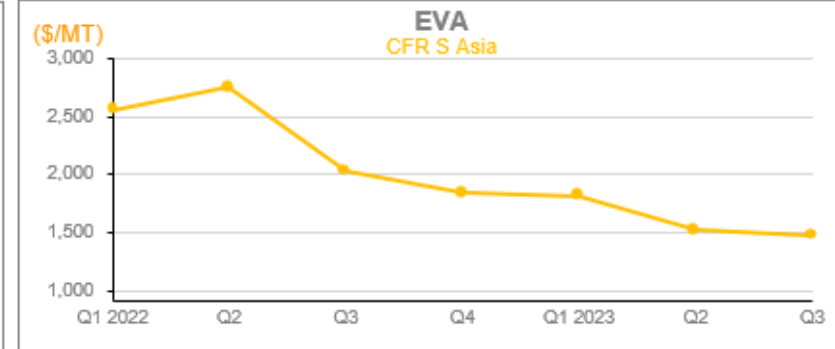
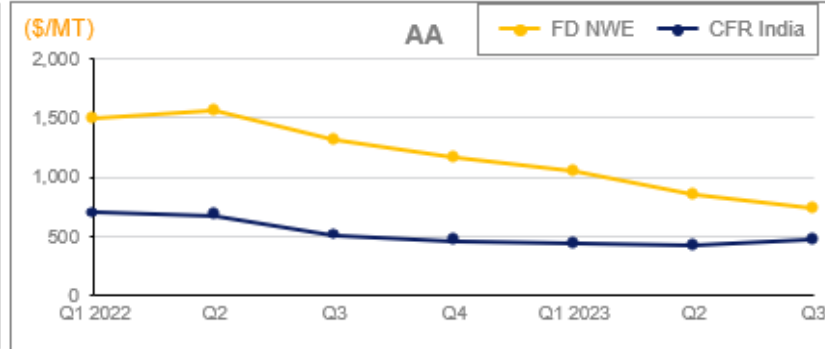
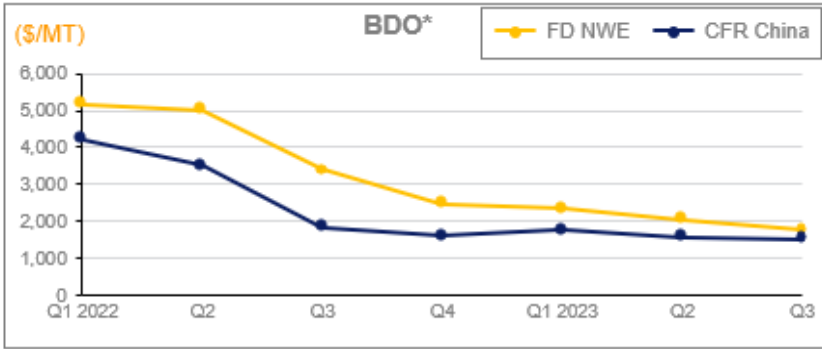
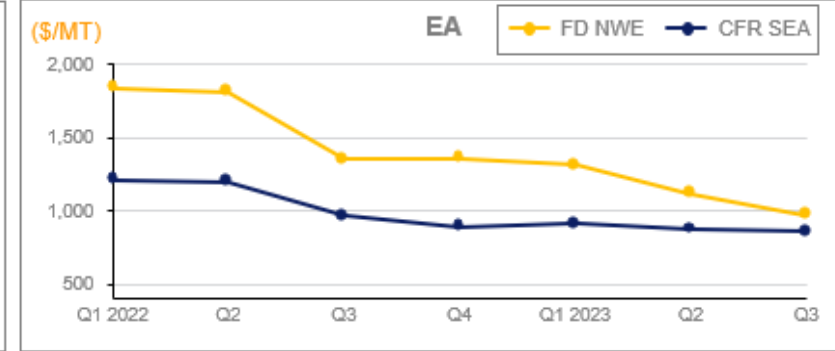
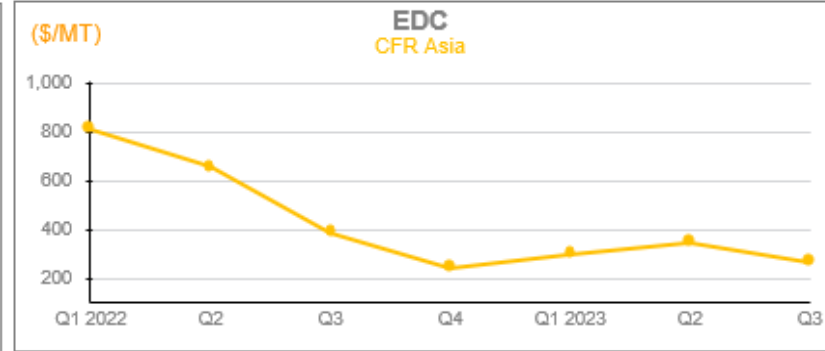
Geographical Mix



Segment Wise Sales Volume (KMT)



Prices for most of the products bottomed out in the last two quarters



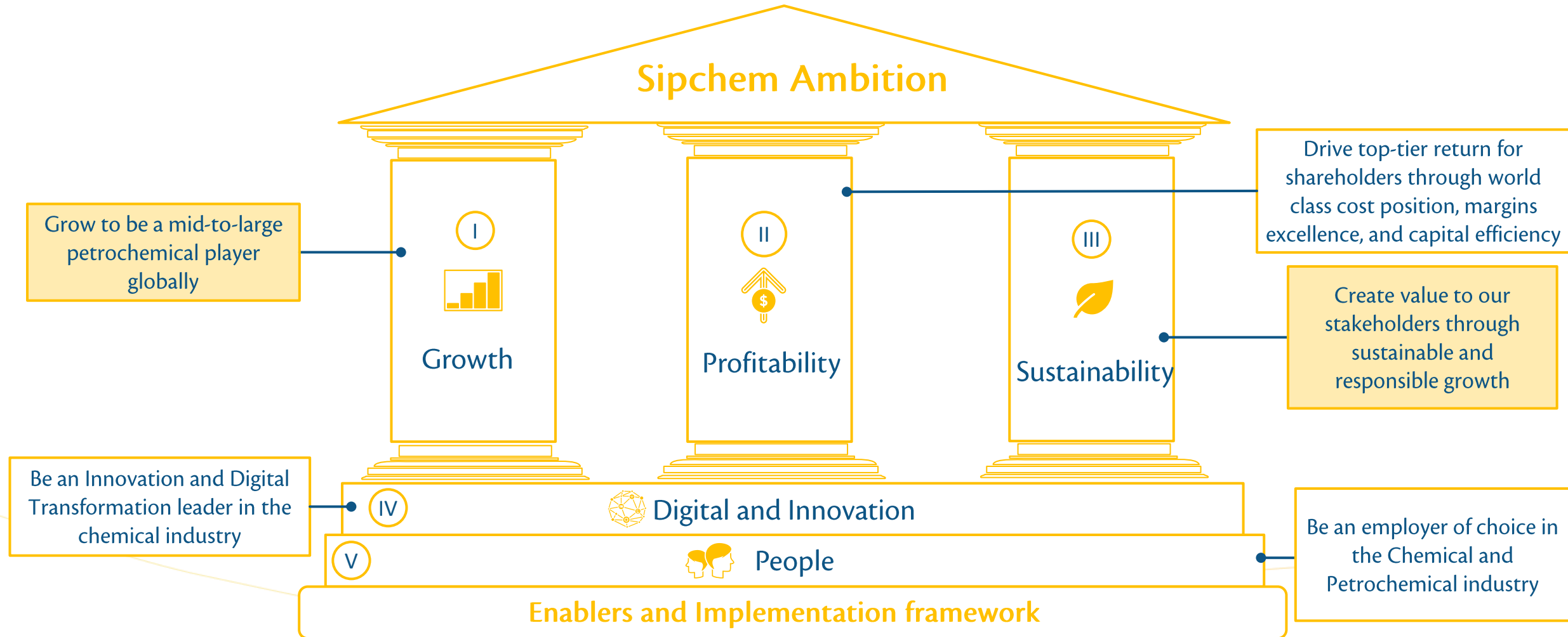
Source: ICIS, except *WMC, **CMA

Reduced netbacks pressurized margins and profitability

(SAR million)

	Q3 2023	YTD Sep 2023	QoQ ¹	YoY(3) ²	YoY(9) ³
Revenue	1,789	5,578	5%	(37%)	(33%)
EBITDA	532	1,887	(7%)	(54%)	(54%)
Net Profit	233	1,016	(26%)	(70%)	(67%)
Free Cash Flow	318	1,157	142%	(78%)	(69%)
Earnings per Share (SR/share)	0.32	1.40	(26%)	(70%)	(67%)

Long-term Strategy remains Management's center of focus



Sizeable progress towards growth ambition

De-bottleneck projects



- Expected increase in capacity by ~15-30% of the respective plants

Organic Growth



- Sipchem received feedstock allocation to construct and operate a 1.2 million metric ton blue ammonia plant
- The project will play a pivotal role in achieving sustainability-related strategic ambition of Sipchem

Sipchem InnoVent



- Establishment of Sipchem InnoVent Investment company to drive sustainable Innovation

Sustainability reporting adhering to global standards



"Unlocking Our Sustainable Future: Embracing Responsibility and Accountability in our recently published 2022 sustainability report "



Available on our website & IR APP

Targets established towards achieving KSA sustainability vision



Aligned with Kingdom's vision to reduce environmental impact to net zero by 2050



- -15% Scope 1 and Scope 2 emissions intensity by 2030 vs. 2019 baseline
- Net zero by 2050



- Recycle and reuse 75% of our industrial wastewater by 2030
- Reducing our waste landfill by 85% by 2035



- Up to 200 kilotons per year of circular products by 2030, considering 2019 baseline



- <0.1 Lost Time injury as per OSHA by 2025



- Gender diversity by 2030
- >80% Saudization rate (Nitaqat platinum) from 2022 onwards



- Focus on Building Responsible procurement Principles with our suppliers and customers

Key Takeaways



Tangible progress in realizing our growth ambition..... with **dedicated focus** towards **sustainable growth** and increasing the asset footprint of the company through organic and inorganic initiatives supported by strong balance sheet.



Overall “**Stable demand**” and “**Improved market sentiment**” going forward for the **producers with cost advantage** after witnessing **challenging market conditions** in Q3 impacting product margins and profitability



Committed to invest in efforts and resources to achieve the **sustainability targets** and ensure ESG reporting / disclosure adhering to global standards.

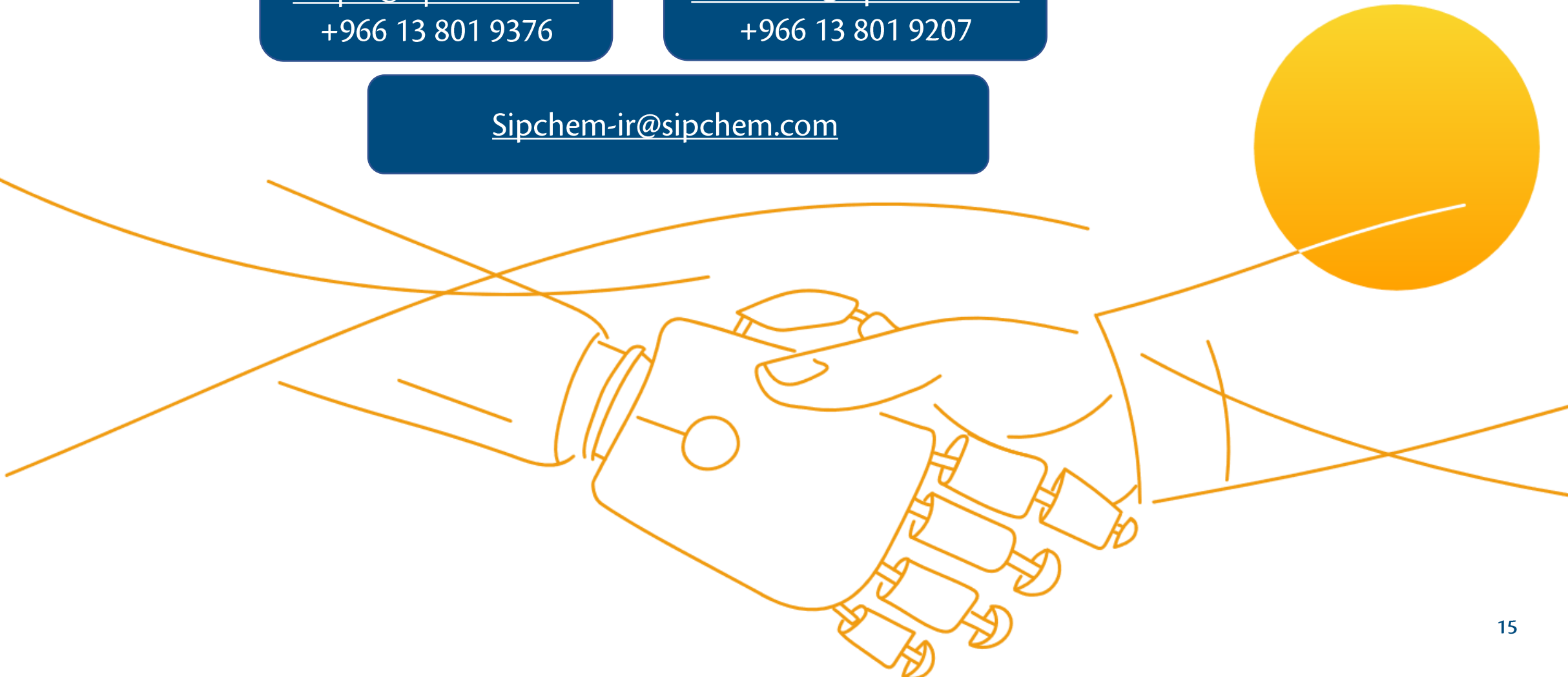
Q&A Session

For Further Inquires Contact IR Team

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Thank You