

CHEMISTRY THAT MATTERS™



FIRST QUARTER 2020 EARNINGS PRESENTATION

04 MAY 2020



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FIRST QUARTER EARNINGS HIGHLIGHTS

KEY MESSAGES



SAFE AND RELIABLE OPERATIONS IN CHALLENGING CONDITIONS AMID COVID-19



LOWER SALES VOLUMES AND PRODUCT PRICES DUE TO COVID-19 AND RELATED IMPACT OF OIL PRICES



COMMITTED TO CAPITAL DISCIPLINE AND STRATEGIC INITIATIVES



SUSTAINABILITY AND INNOVATION – CONTINUOUS FOCUS

Q1 2020 PERFORMANCE (In USD Bn)



OUR COMMITMENT TO OVERCOME COVID-19



Protect People and Communities

Commitment to operate as Essential Industry

Secure supply of Basic & Critical Goods



Safe & Healthy Employees

Safety, health & job security is a priority – adapted globally Work from home – minimum onsite and office requirement for critical operations



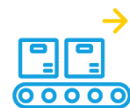
Support Communities

Direct contributions, employee volunteering, product supply, innovative solutions, security of supply especially to applications like medical & food packaging



Operations

Safe and reliable operations – an essential industry for many critical applications



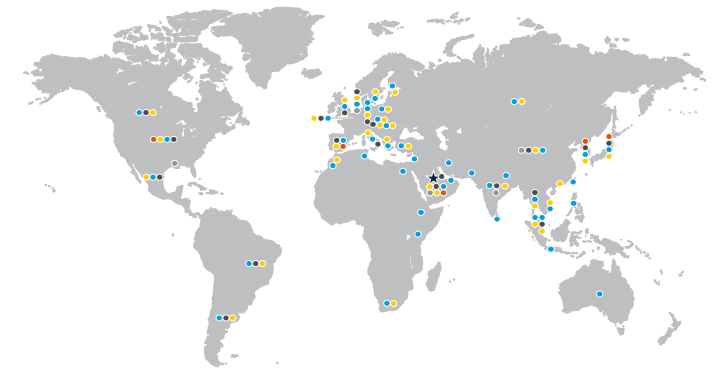
Supply Chain

Continuity of supply, healthy inventory levels and risk mitigation options



Secure Financial Health

Strong focus on cash flow, working capital and capital discipline



	MENA	Americas	Europe	Asia
Employees	20,800	3,800	5,200	2,800
Manufacturing Sites	18	12	14	10

OUR COMMITMENT TO OVERCOME COVID-19



Protect People and Communities

Commitment to operate as Essential Industry

Secure supply of Basic & Critical Goods



Safe & Healthy Employees

61%
Employees working from home

+64%
Employees with SABIC Telemedicine service

3.5 Mn
Surgical masks for Employees



Support Communities

~ 100
Covid19 Collaboration Programs with SABIC material

~ 30
Applications Supported with SABIC material

+11.700 Mt
Chemicals to support local sanitizer manufacturing

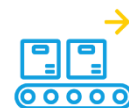


Operations

+11.000
Customers

50
Countries of Operations

140+
Countries of Sales



Supply Chain

~200
Distribution Centres

~500
Logistic Centres

25
Critical suppliers business continuity audited YTD



Secure Financial Health

A+ / A1
Standalone Credit Rating

\$1.21 Bn¹
Net Debt

2.6¹
Current Ratio



¹ At the end of Q1 2020.

GROWTH THROUGH SUSTAINABILITY AND STRATEGIC INITIATIVES



SUSTAINABILITY



WORLD ECONOMIC FORUM: COLLABORATIVE INNOVATION FOR LOW-CARBON EMITTING TECHNOLOGIES

- CEO led initiative to accelerate the development and upscale of low-carbon emitting technologies for chemical production.
- SABIC will lead the Waste Processing technology cluster.

SABIC IS MAKING PUBLIC ITS CDP DISCLOSURE RATING ON CLIMATE CHANGE



- SABIC maintains the 'B' score in 2019 with the aim to improve our climate change performance in the coming years.
- One of the best performers in the Middle East and in the top 17% of responding companies worldwide.
- Confirmation that SABIC is taking coordinated actions on managing climate issues.



STRATEGIC INITIATIVES



SABIC INCREASES ITS STAKE IN CLARIANT

- SABIC increased the stake to 31.5%
- The transaction is subject to regulatory approvals
- This is inline with SABIC's growth strategy in Specialties

FINANCIAL PERFORMANCE

➤ CHALLENGING MARKET CONDITIONS

(USD Bn)	Q1 20	Q4 19	% Var	Q1 19	% Var
Sales	8.22	8.75	-6%	9.97	-18%
EBITDA	1.52	1.90	-20%	2.71	-44%
Income from Operations	0.13	-0.21	NM	1.64	-92%
Net Income	-0.25	-0.21	NM	0.91	NM
Free Cash Flow ¹	0.62	1.30	-53%	1.54	-60%

SALES DRIVERS

	Volumes	Prices ³
Q1 20 vs. Q4 19	↓ 4%	↓ 2%
Q1 20 vs. Q1 19	↓ 5%	↓ 13%

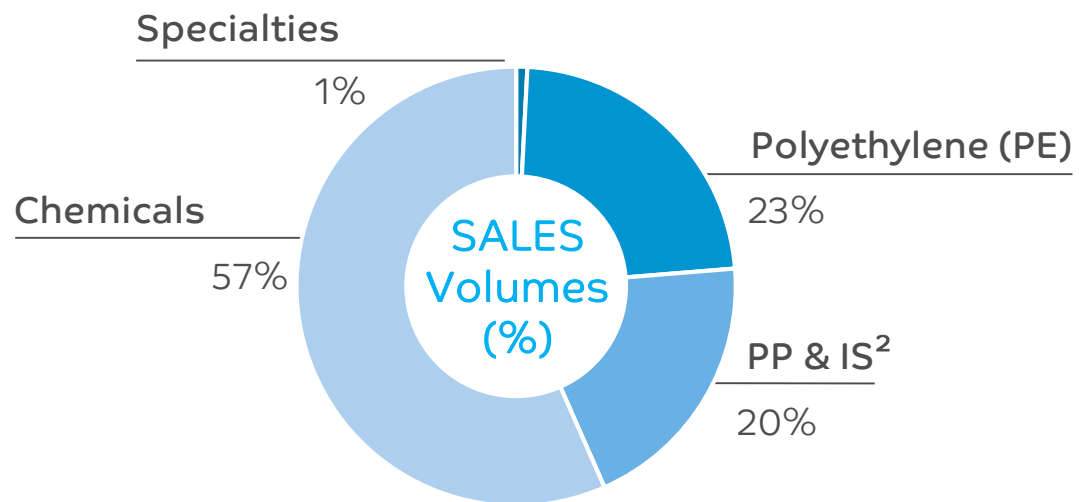
KEY RATIOS

	Q1 20	Q4 19	Q1 19	2019	2018
EBITDA margin (%)	18%	22%	27%	25%	31%
ROIC ² (%)	0%	-2%	12%	7%	20%
Net Debt / EBITDA (x)	0.20	0.21	-0.04	0.17	-0.10

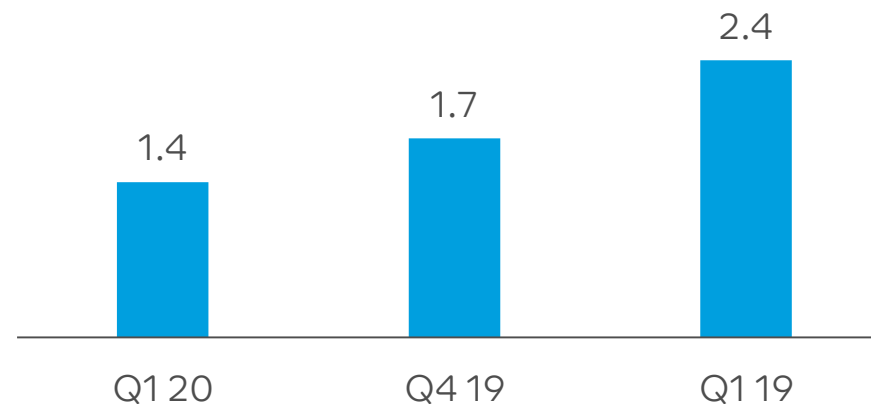
¹ Free Cash Flow = operating cash flow minus capital expenditure. ² ROIC = NOPAT/Avg. Invested Capital; NOPAT = Income from operations minus zakat & income taxes. IC = Net debt plus shareholders equity for SABIC. ³ Includes FX & other factors.

PETROCHEMICALS AND SPECIALTIES

TOUGH ENVIRONMENT UNDERPINNED BY COVID-19



EBITDA (USD Bn)



SALES DRIVERS

	Volumes	Prices ¹
Q1 20 vs. Q4 19	↓ 4%	↓ 2%
Q1 20 vs. Q1 19	↓ 6%	↓ 12%

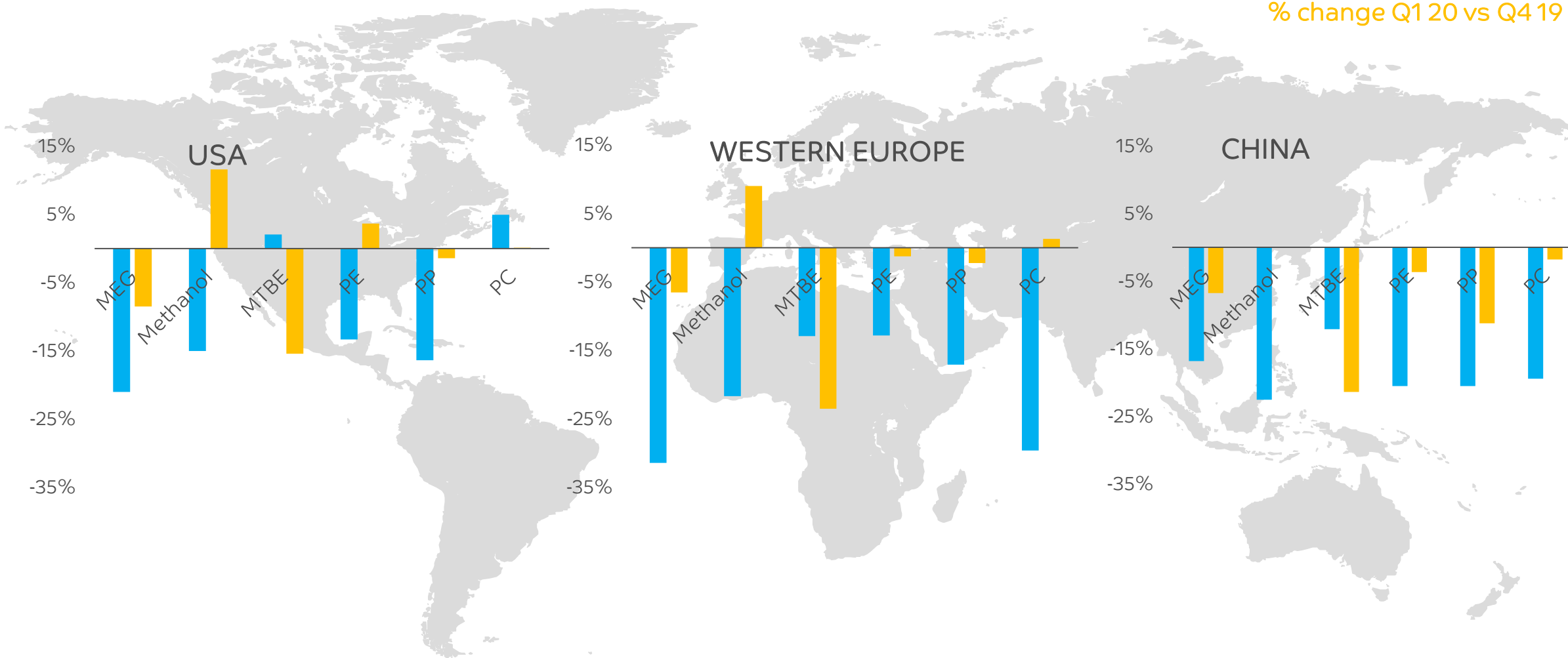
HIGHLIGHTS

- **Chemicals** – Negatively impacted by COVID-19
- **PE** – Higher demand of packaging and medical supplies driven by COVID-19
- **PP & IS²** – Negatively impacted by lower demand from key industry segments

¹ Including FX & other factors. ² Performance Polymers and Industrial Solutions

MAJOR PETROCHEMICALS PRICES¹ CHANGES ACROSS THE KEY REGIONS IN Q1 20

% change Q1 20 vs Q1 19
 % change Q1 20 vs Q4 19

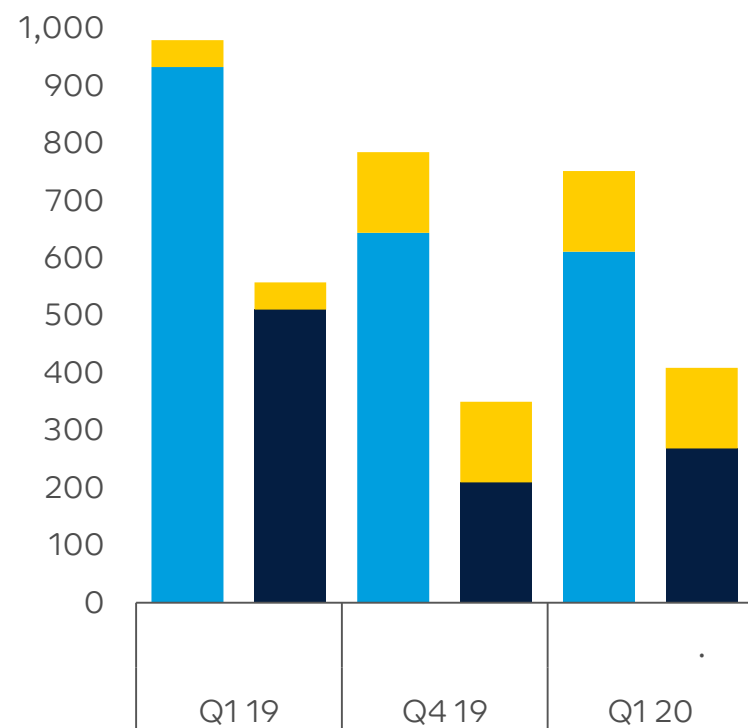


¹Prices Reference CFR/ FOB/CIF from ICIS, S&P Global Platts ©2020 by S&P Global Inc. and Wood Mackenzie. MEG: Mono Ethylene Glycol; MTBE: Methyl Tertiary Butyl Ether; PE: Polyethylene; PP: Polypropylene; PC: Polycarbonate.

SPREADS¹ FOR KEY PRODUCTS

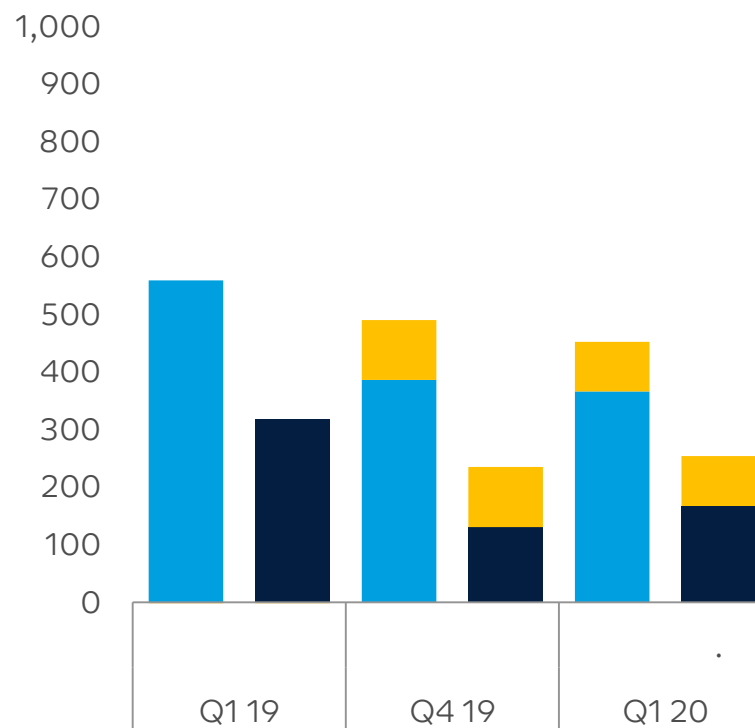
PE² Spread (USD/Ton)

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



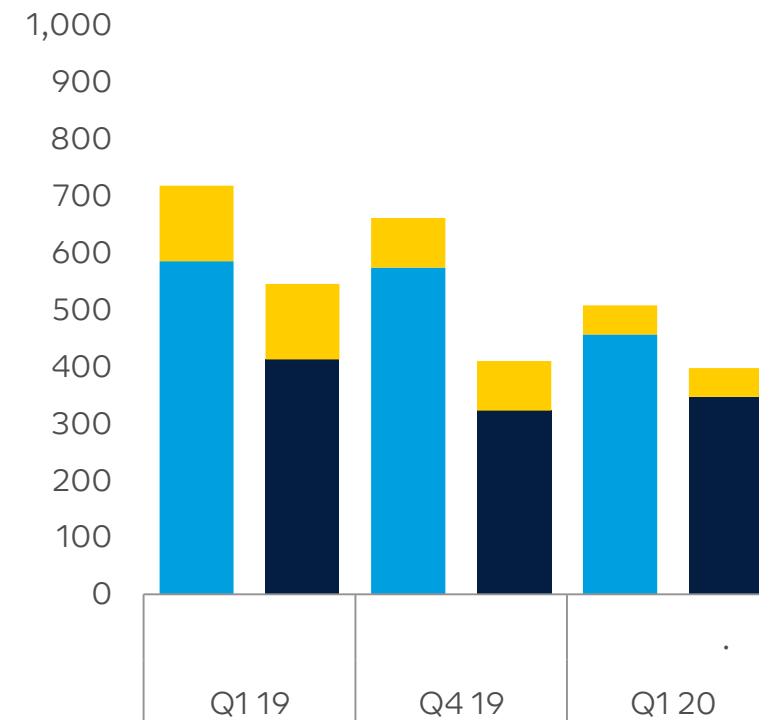
MEG² Spread (USD/Ton)

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



PP² Spread (USD/Ton)

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

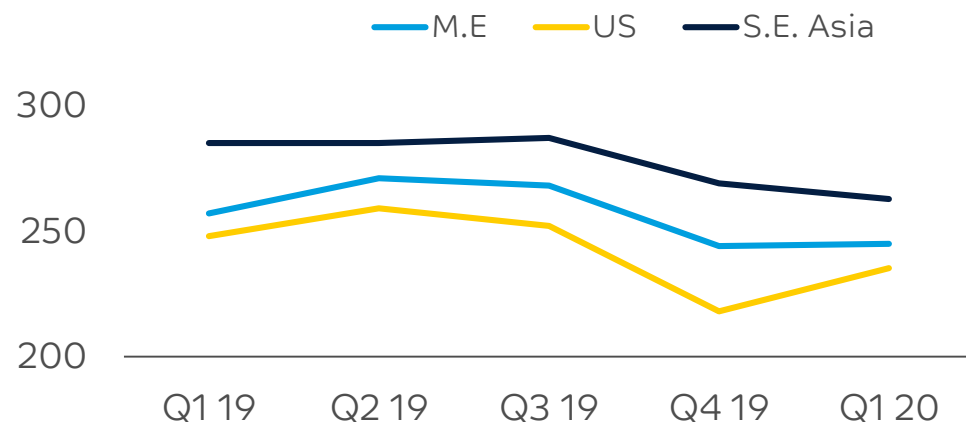


¹Spread = Product price (PE, MEG, PP) minus feedstock price (ethane, propane, naphtha). For ethane and propane, prices are aligned to prices in KSA. Naphtha prices are aligned to prices in Asia. ²PE, MEG and PP prices are aligned to prices in China. Ethylene and propylene prices are aligned to prices in N.E. Asia. Sources of prices are ICIS, S&P Global Platts ©2020 by S&P Global

AGRI-NUTRIENTS

➤ ➤ LOWER EBITDA

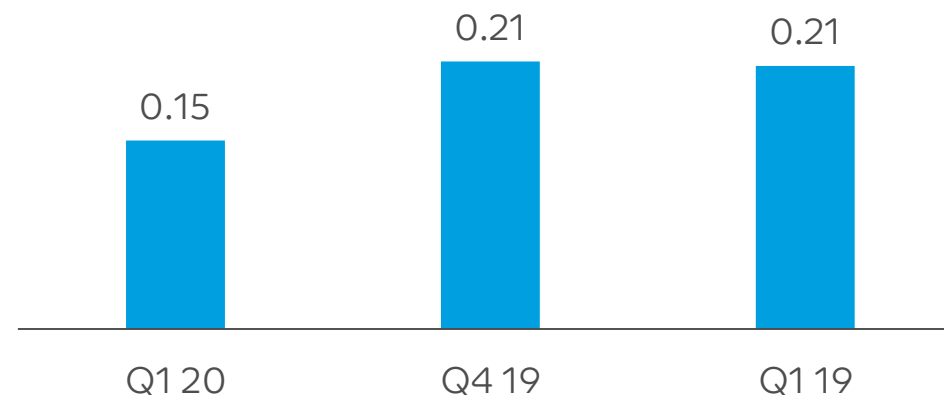
UREA PRICE¹ (USD/T)



SALES DRIVERS

	Volumes	Prices ²
Q1 20 vs. Q4 19	↓ 9%	↓ 11%
Q1 20 vs. Q1 19	↑ 6%	↓ 25%

EBITDA (USD Bn)



HIGHLIGHTS

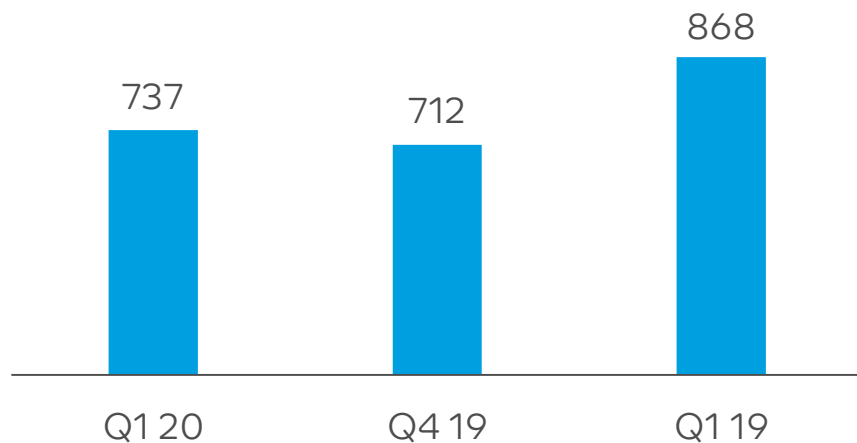
- **Urea:** Demand drivers were - strong US spring season, Indian tender, and active buying in Australia that offset lower demand in S.E. Asia & China in Q1 2020

¹ Pricing reference CFR / FOB from CRU Group. ² Including FX and other effects.

HADEED

SEQUENTIAL IMPROVEMENT IN SALES VOLUMES

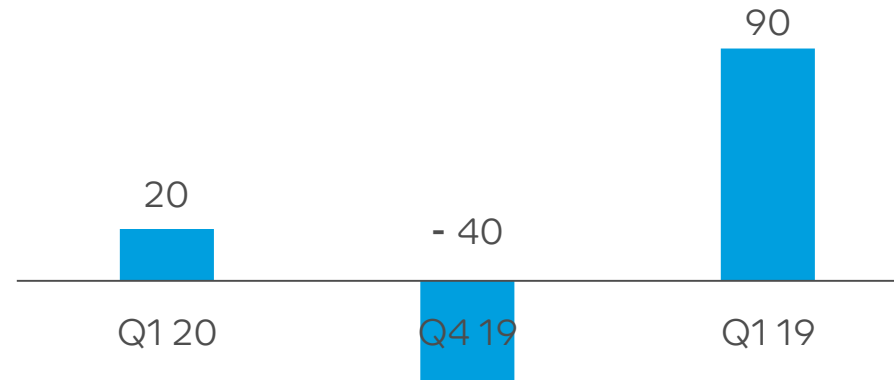
SALES (USD Mn)



SALES DRIVERS

	Volumes	Prices ¹
Q1 20 vs. Q4 19	↑ 8%	↓ 4%
Q1 20 vs. Q1 19	↓ 8%	↓ 7%

EBITDA (USD Mn)



HIGHLIGHTS

- **EBITDA** higher than previous quarter, driven by higher sales volumes and lower feedstock cost, which offset a decrease in product prices

¹ Including FX and other factors.

1ST QUARTER SUMMARY AND OUTLOOK

SUMMARY



-0.1

Earnings per Share¹



0.6

Free Cash Flow



Positioning for Sustainable Growth

OUTLOOK



2020 Global GDP Growth rate is Expected to be Negative Underpinned by COVID-19

FINANCIAL PERFORMANCE



Oversupply in our Key Products will Put Further Pressure on Product Prices and Margins

(Amounts in USD Bn)

¹Earnings per Share = Net Income attributable to equity holders of the parent / Number of Shares



THANK YOU

