INVESTOR PRESENTATION

Q2 2019
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SABIC OVERVIEW
SABIC AT A GLANCE

Top 3
Largest global chemical companies¹

100+
Countries of sales

50
Countries of operations

85
USD Bn
Total Assets FY 2018

45
USD Bn
Annual Sales FY 2018

~6
USD Bn
Net Income FY 2018

97
USD Bn
Market Capitalization⁴

Top 3
Chemical Brand Value²

A+/A1
Highest standalone credit rating³

Most
Profitable global chemical company⁵

Source: ¹Forbes 2018, ²Brand Finance 2018. Notes: ³By all three ratings agencies, ⁴As of 11 March 2019, ⁵ICIS 100 Chemical companies 2018, All figures are rounded to the nearest billion. SAR/USD Rate: 0.2666.
SABIC’S GROWTH SINCE ITS INCEPTION

In addition to SABIC’s organic growth, we have successfully acquired and integrated several businesses since establishment.

- **1983** | Hadeed, Al-Bayroni and Ar-Razi
- **1984** | Gas
- **1985** | Sadaf, Yanpet, Petrokemya, Kemya, Sharq and Ibn Sina
- **2000** | CAGR 10.7% sales increase
- **2002** | DSM Petrochemicals
- **2006** | Huntsman Petrochemicals
- **2007** | GE Plastics
- **2010** | Yansab and Sharq
- **2011 / 2012** | Saudi Kayan
- **2017** | Ibn Sina POM
- **2018** | SAMAC
- **2020** | MMT

**SALES USD Billion**

**CAGR 10.7%**
SABIC’S 2025 STRATEGY - WORLD LEADER IN CHEMICALS

OUR VISION:

TO BE THE PREFERRED WORLD LEADER IN CHEMICALS by delivering Chemistry that Matters™

More global...more integrated...more differentiated...ambitious growth

FINANCIAL
World class financial performance
• Grow revenues faster than global GDP
• Leading EBITDA margin in our industry

MARKET
Adapt to / differentiate in markets
• Closer to products with high value add
• Growth driven by differentiated offerings and innovative solutions

FEEDSTOCK
Increase flexibility & competitiveness
• Access to diversified, global competitive feedstock around the world
• Energy & feedstock optimization

TECHNOLOGY
Creating a competitive edge
• Best in class productivity and efficiency
• Leadership in select technologies

SUSTAINABILITY ORGANIZATION & CULTURE GLOBALIZATION
KEY HIGHLIGHTS

1. Market Leader in Multiple Products and Segments

2. Diversified Global Footprint

3. Cost Leadership and Operational Excellence

4. Strategic, Strong and Stable Alliances

5. Robust Financial Profile, Dividend and Stock Performance
1. MARKET LEADER IN MULTIPLE PRODUCTS AND SEGMENTS

<table>
<thead>
<tr>
<th>PETROCHEMICALS</th>
<th>AGRI-NUTRIENTS</th>
<th>SPECIALTIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SABIC’s largest operating unit;</strong>&lt;br&gt;One of the world’s largest global petrochemicals companies&lt;br&gt;► No 1 producer of MTBE ¹&lt;br&gt;► No 1 producer of glycols ¹&lt;br&gt;► No 2 producer of Methanol and Polycarbonate ¹&lt;br&gt;► No 3 producer of Polyethylene and Polypropylene ¹&lt;br&gt;Manufactures a wide range of chemicals, plastics and other materials in Middle East, Europe, Americas and Asia</td>
<td><strong>A global leading fertilizer producer;</strong>&lt;br&gt;with over 7 MMT produced in 2017&lt;br&gt;► No 1 exporter of Granular Urea ¹&lt;br&gt;• Key products include urea, ammonia, phosphate and specialised products&lt;br&gt;• Represents circa 10% of SABIC’s total production by volume&lt;br&gt;• Sustainable projects to turn greenhouse gases to fertilizer</td>
<td><strong>Global offerings of innovative solutions for various industries;</strong>&lt;br&gt;• Broad portfolio including specialty compounds, film and sheet, and a range of branded products such as NORYL™, ULTEM™, EXTEM™, and LNP™ products&lt;br&gt;• 9,000 people employed&lt;br&gt;• Over 10,000 customers&lt;br&gt;• Portfolio of approximately 40,000 products</td>
</tr>
</tbody>
</table>

¹ Source: Global Market Share excluding Partners vs 2017 consumption from Bl. 3Ps&E; PVC/ PET/ PS & Elastomers
2. DIVERSIFIED GLOBAL FOOTPRINT

Globally, SABIC has presence in all the key demand centres and has close proximity to future growth markets. Balanced sales across geographies.

Source: SABIC’s Consolidated Financial Statement and Independent Auditor’ Report for FY 2017, Note 34. Notes: All figures as of FY 2017, PPE = Property, Plant and Equipment, 14% of Sales are from other locations. ¹ Key growth areas outside of KSA.
2. STRATEGIC INITIATIVES TO DRIVE FUTURE GROWTH

- **Exploring Methanol**
- **Oil-to-chemicals Project** Agreement with Saudi Aramco to develop the largest crude oil to chemicals complex in the world
- **Gulf Coast Growth Ventures JV Project** Developing a petrochemical complex with ExxonMobil
- **Specialties** - 24.99% stake in **CLARIANT**
- **JV to explore Coal-to-Chemicals Technology**
- **Exploring Fertilizers in Africa**
- **Exploring Methanol Specialties** - 99% stake in Clariant AG JV to explore Coal-to-Chemicals Technology

SABIC is focused on increasing proximity and enhancing access to value-add growth markets and access to competitive feedstock
3. WORLD CLASS OPERATIONAL EXCELLENCE AND SUSTAINABLE PROGRESS

STRONG FOCUS ON OPERATIONAL EXCELLENCE

**Operational Excellence**
- Maintain cost efficiency via global network of operations and assets with drive to be a *first quartile producer*
- Feedstock diversification, value chain integration and accessing competitive feedstocks globally
- Streamline operations by reducing the number of its SBUs from six to three – The metals SBU was integrated with the operating company *Hadeed* in 2017

**Supply Chain Excellence**
- **Top 3** - SABIC was ranked one of the top three companies for supply-chain excellence in the chemicals industry
- Integration across supply chain network, logistics infrastructure, and business intelligence, delivering more than 28 mn tonnes of product to nearly 20,000 destinations in more than 130 countries annually

**Technology Improvements**
- CO₂ Purification plant capturing and purifying up to 500,000 Metric Tons of CO₂ from the production of ethylene glycol every year
- Optimization and anti-coking technology saving 65,000 tonnes of feedstock
- Received UN’s first Clean Development Mechanism greenhouse-gas reduction credit in KSA

BUILDING SUSTAINABLE VALUE (FINANCIALLY AND NON-FINANCIALLY)

<table>
<thead>
<tr>
<th>GREENHOUSE-GAS INTENSITY REDUCTION</th>
<th>ENERGY-INTENSITY REDUCTION</th>
<th>WATER INTENSITY REDUCTION</th>
<th>MATERIAL-LOSS INTENSITY REDUCTION</th>
<th>FLARING REDUCTION</th>
<th>REDUCTION IN RECORDABLE INCIDENT RATE</th>
<th>EHSS RATE REDUCTION</th>
<th>TOTAL CO₂ UTILIZATION in 2017 (MILLION METRIC TONS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.3%</td>
<td>7.6%</td>
<td>8.8%</td>
<td>35.2%</td>
<td>43%</td>
<td>14%</td>
<td>21%</td>
<td>3.5mmt</td>
</tr>
</tbody>
</table>

Source: 1 Gartner’s 2018 “Top 25 Supply-Chain Benchmarking”. Notes: 2 Changes in performance compared to 2010, 3 Environment, Health, Safety and Security (EHSS) rate is a severity-weighted rate that captures all EHSS incident types.
3. SABIC RESEARCH AND TECHNOLOGY

SABIC has created an integrated Innovation and Business Development function consisting of a global team of experts to drive growth across all aspects of the business.

Notes: ¹ Figures as of FY 2018; filed patents. ² SABIC internal IP Data. ³ Research and Technology has been reported in SABIC’s financial statement since 2016, prior to this date this expense was captured in Technology and Innovation. SAR/USD Rate: 0.2666.
4. PARTNERSHIPS, THE CORNERSTONE OF SABIC’S BUSINESS GROWTH MODEL

PARTNERSHIP WITH BEST IN CLASS GLOBAL COMPANIES

- **CLARIANT**
  - 50% Scientific Design
- **ExxonMobil**
  - 50% Kemya, Yanpet & GCGV
- **Celanese**
  - 50% Ibn Sina
- **SK chemicals**
  - 50% SSNC
- **Mitsubishi Chemical**
  - 50% SAMAC
- **Total**
  - 50% Cos-Mar
- **eni**
  - 80% Ibn Zahr
- **Sabic**
  - 50% SSTPC
- **Vopak**
  - 75% Chemtank

PARTNERSHIP WITH UNIVERSITIES FOR R&D

- SABIC values innovation, ingenuity and collaboration as core drivers of its business
- SABIC promotes these values through strategic agreements with premier global research institutions
- To support our research, we have five key geographies with innovation hubs: the Middle East, the USA, Europe, South Asia and North Asia

SABIC has pioneered a culture of partnerships in its manufacturing and R&D activities

Notes: 1 Percentages represent direct SABIC’s ownership in the respective joint ventures.
4. STRATEGIC ALIGNMENT WITH GOVERNMENT INITIATIVES

SABIC’S STRATEGIC IMPORTANCE TO THE KINGDOM OF SAUDI ARABIA NOW AND IN THE FUTURE

Significant contributor to the domestic GDP

70% owned by Public Investment Fund (KSA)

KSA Vision 2030 focuses on diversifying away from oil
  ▶ SABIC is integral to this fundamental shift and has the right capabilities to enable KSA Vision 2030
  ▶ SABIC will continue to be a key player in this strategic pivot already representing 30% of KSA’s non-oil exports
  ▶ SABIC support localization agenda and local industry development via Nusaned1 - integrated Localization Engine

Saudi Aramco expressed an interest to buy some or all of PIF’s interest in SABIC
  ▶ SABIC is aware that such negotiations are ongoing but is not directly involved in the negotiations
  ▶ Any such sale will not affect the Government’s ultimate beneficial ownership of SABIC

SABIC total exports = USD 21Bn2 representing 34.5%2 of KSA’s non-oil exports

SABIC contributed ~4%2 to KSA’s private sector GDP
    ~2%2 of KSA’s total GDP

Saudi Arabia’s economic transformation under Vision 2030 will bring significant growth opportunities for SABIC

Notes: 1 Nusaned, in Arabic, means Support. 2 Figures as of FY 2018
5. HIGHEST RATED CHEMICAL COMPANY

CONSISTENTLY ONE OF THE HIGHEST RATED CHEMICAL COMPANIES IN THE WORLD

S&P STANDALONE CREDIT RATING HISTORY

On a standalone basis, SABIC is the highest rated chemical company in the world

Notes: 1 On a standalone basis, Corporate Credit Rating, Stand-alone Credit Rating.
5. STRONG FINANCIAL PERFORMANCE

Notes: ¹ IFRS accounting standards were first adopted in 2017, as such 2015 figures are as per SOCPA standards, while 2016 figures onwards are per IFRS standards. ² Under SOCPA, sales in 2016 amounted to USD 35.3bn, ³ Under SOCPA, Adjusted EBITDA in 2016 amounted to USD 11.5bn, and Adjusted EBITDA Margin was 32%. ⁴ Under SOCPA, Cash Flows in 2016 amounted to USD 10.6bn and Cash Flow Margin was 30%. ⁵ Under SOCPA, CAPEX in 2016 amounted to USD 3.5bn, SAR/USD Rate: 0.2666.
5. STRONG FINANCIAL PERFORMANCE

ROBUST PROFITABILITY DESPITE FLUCTUATIONS IN COMMODITY PRICES

Source: 1SABIC, Bloomberg - HDPE High-Density Polyethylene. Notes: IFRS accounting standards were first adopted in 2017, as such 2015 figures are as per SOCPA standards, while 2016 figures onwards are per IFRS standards, SAR/USD Rate: 0.2666. 2 Net income Attributable to Equity holders of the parent.
## 5. SABIC DIVIDEND HISTORIC PAYOUT

### NET INCOME (USD Bn); CASH DIVIDENDS & PAYOUT

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income</th>
<th>Cash Dividends</th>
<th>Dividend Payout Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>2.4</td>
<td>1.2</td>
<td>50%</td>
</tr>
<tr>
<td>2010</td>
<td>5.7</td>
<td>2.8</td>
<td>49%</td>
</tr>
<tr>
<td>2011</td>
<td>7.8</td>
<td>4.0</td>
<td>51%</td>
</tr>
<tr>
<td>2012</td>
<td>6.6</td>
<td>4.0</td>
<td>60%</td>
</tr>
<tr>
<td>2013</td>
<td>6.7</td>
<td>4.0</td>
<td>59%</td>
</tr>
<tr>
<td>2014</td>
<td>6.2</td>
<td>4.4</td>
<td>71%</td>
</tr>
<tr>
<td>2015</td>
<td>5.0</td>
<td>4.4</td>
<td>88%</td>
</tr>
<tr>
<td>2016</td>
<td>4.7</td>
<td>3.2</td>
<td>68%</td>
</tr>
<tr>
<td>2017</td>
<td>4.9</td>
<td>3.4</td>
<td>68%</td>
</tr>
<tr>
<td>2018</td>
<td>5.7</td>
<td>3.5</td>
<td>61%</td>
</tr>
</tbody>
</table>

### DIVIDEND YIELD

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1.8%</td>
</tr>
<tr>
<td>2010</td>
<td>3.3%</td>
</tr>
<tr>
<td>2011</td>
<td>5.2%</td>
</tr>
<tr>
<td>2012</td>
<td>5.6%</td>
</tr>
<tr>
<td>2013</td>
<td>4.5%</td>
</tr>
<tr>
<td>2014</td>
<td>6.6%</td>
</tr>
<tr>
<td>2015</td>
<td>7.2%</td>
</tr>
<tr>
<td>2016</td>
<td>4.4%</td>
</tr>
<tr>
<td>2017</td>
<td>4.1%</td>
</tr>
<tr>
<td>2018</td>
<td>3.7%</td>
</tr>
</tbody>
</table>
5. DEBT SUMMARY

DEBT MATURITY PROFILE (USD Bn)

GROSS DEBT AND CASH (USD Bn)

Notes: Data as of Year End 2018
## RECENT FINANCIAL PERFORMANCE

<table>
<thead>
<tr>
<th>USD Bn</th>
<th>2Q 19</th>
<th>1Q 19</th>
<th>% Var</th>
<th>2Q 18</th>
<th>% Var</th>
<th>1H 19</th>
<th>1H 18</th>
<th>1H 19 vs 1H 18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>9.56</td>
<td>9.97</td>
<td>-4%</td>
<td>11.54</td>
<td>-17%</td>
<td>19.53</td>
<td>22.71</td>
<td>-14%</td>
</tr>
<tr>
<td>EBITDA¹</td>
<td>2.42</td>
<td>2.71</td>
<td>-11%</td>
<td>3.87</td>
<td>-37%</td>
<td>5.13</td>
<td>7.23</td>
<td>-29%</td>
</tr>
<tr>
<td>Income from Operations</td>
<td>1.29</td>
<td>1.64</td>
<td>-22%</td>
<td>2.89</td>
<td>-55%</td>
<td>2.93</td>
<td>5.27</td>
<td>-44%</td>
</tr>
<tr>
<td>Net Income²</td>
<td>0.56</td>
<td>0.91</td>
<td>-38%</td>
<td>1.79</td>
<td>-68%</td>
<td>1.47</td>
<td>3.25</td>
<td>-55%</td>
</tr>
<tr>
<td>Free Cash Flow³</td>
<td>0.57</td>
<td>1.54</td>
<td>-63%</td>
<td>2.52</td>
<td>-77%</td>
<td>2.11</td>
<td>3.93</td>
<td>-46%</td>
</tr>
</tbody>
</table>

## KEY RATIOS

<table>
<thead>
<tr>
<th>SABIC Group USD bn</th>
<th>2Q19</th>
<th>1Q19</th>
<th>1H19</th>
<th>1H18</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Non Current Assets</td>
<td>58.58</td>
<td>58.29</td>
<td>58.58</td>
<td>54.09</td>
<td>56.57</td>
</tr>
<tr>
<td>Total Assets</td>
<td>85.32</td>
<td>87.01</td>
<td>85.32</td>
<td>89.34</td>
<td>85.26</td>
</tr>
<tr>
<td>Equity attributable to equity holders</td>
<td>45.21</td>
<td>46.68</td>
<td>45.21</td>
<td>43.55</td>
<td>46.16</td>
</tr>
<tr>
<td>Total Equity</td>
<td>57.44</td>
<td>59.48</td>
<td>57.53</td>
<td>56.36</td>
<td>59.05</td>
</tr>
<tr>
<td>Total Non Current Liabilities</td>
<td>17.18</td>
<td>18.05</td>
<td>17.18</td>
<td>15.46</td>
<td>16.31</td>
</tr>
<tr>
<td>Net Debt</td>
<td>0.72</td>
<td>-0.42</td>
<td>0.72</td>
<td>-0.27</td>
<td>-1.37</td>
</tr>
<tr>
<td>Net cash from Operations</td>
<td>1.74</td>
<td>2.63</td>
<td>4.37</td>
<td>5.53</td>
<td>11.93</td>
</tr>
<tr>
<td>Capital Expenditure</td>
<td>1.17</td>
<td>1.09</td>
<td>2.26</td>
<td>1.60</td>
<td>3.78</td>
</tr>
<tr>
<td>Net Debt / EBITDA</td>
<td>0.1</td>
<td>0.0</td>
<td>0.1</td>
<td>0.0</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

SAR/USD Rate: 0.2666.¹ Income from operations adjusted for Depreciation & Amortization expenses.² Attributable to equity holders of the parent.³ Free Cash Flow = operating cashflow adjusted for capital expenditure.⁴ ROIC = NOPAT/Avg. Invested Capital; NOPAT = Income from operations adjusted for zakat & income taxes.
KEY HIGHLIGHTS

1. Market Leader in Multiple Products and Segments

2. Diversified Global Footprint

3. Cost Leadership and Operational Excellence

4. Strategic, Strong and Stable Alliances

5. Robust Financial Profile, Dividend and Stock Performance
THANK YOU