ANNUAL RESULTS
for the year ended 30 June 2020
FY20 ANNUAL RESULTS

- Business results overview
  Fleetwood Grobler

- Financial results
  Paul Victor

- Future Sasol
  Fleetwood Grobler
Forward-looking statements and definitions

Sasol may, in this document, make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, expectations, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, the impact of the novel coronavirus (COVID-19) pandemic on Sasol’s business, results of operations, financial condition and liquidity and statements regarding the effectiveness of any actions taken by Sasol to address or limit any impact of COVID-19 on its business; statements regarding exchange rate fluctuations, changing crude oil prices, volume growth, increases in market share, total shareholder return, executing our growth projects (including LCCP), oil and gas reserves, cost reductions, our climate change strategy and business performance outlook. Words such as “believe”, “anticipate”, “expect”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour”, “target”, “forecast” and “project” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors and others are discussed more fully in our most recent annual report on Form 20-F filed on 28 October 2019 and in other filings with the United States Securities and Exchange Commission. The list of factors discussed therein is not exhaustive; when relying on forward-looking statements to make investment decisions, you should carefully consider both these factors and other uncertainties and events. Forward-looking statements apply only as of the date on which they are made, and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Please note: One billion is defined as one thousand million. bbl – barrel, bscf – billion standard cubic feet, mmscf – million standard cubic feet, oil references Brent crude: mmboe – million barrels oil equivalent.

All references to years refer to the financial year ended 30 June.

Any reference to a calendar year is prefaced by the word “calendar”.

Comprehensive additional information is available on our website: www.sasol.com
BUSINESS RESULTS OVERVIEW

Fleetwood Grobler
Key messages

SAFETY AND COVID-19
- Committed to achieve our goal of zero harm; focus on reinforcing safe behaviours
- Integrated response prioritises the wellbeing of our employees and communities
- Business continuity ensured through pro-active and robust measures

OPERATIONAL PERFORMANCE
- Business actions significantly mitigated COVID-19 operational impact
- LCCP construction complete and within guidance
- Run rates improving in operations across all regions

FINANCIAL PERFORMANCE
- Financial performance reflects unprecedented global macroeconomic headwinds
- Cash savings exceeded US$1bn target in FY20
- Response plan on track, including disposals

Swift and decisive response required to stabilise our business in the short-term
Charting a path towards long-term sustainability
Safety and COVID-19 | Relentlessly driving zero harm to prevent fatalities

6 Tragic fatalities – unacceptable loss of life

Our efforts towards zero harm strengthened, with executive intervention, reinforcing safe behaviours

- **CEO led intervention**, supported by group-wide safety leadership engagements
- Focusing on creating a safety culture with a mind-set of “safety because we care”
- Visible leadership with leaders taking personal accountability for the effectiveness of the High Severity Injuries programme
- **Motivating adherence** to Life Saving Rules and behaviour supporting operational discipline
- Increased focus on sharing and embedding learnings

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**Recordable Case Rate (RCR) at 0.27**

Increase focus on behavioural safety and operational discipline

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1. Excluding illnesses
Safety and COVID-19 | Our response to the global pandemic

**Employee Safety and Business Continuity**
- Reset of shifts and work schedules
- Increased disinfection, screening and contact tracing
- Converted Secunda hostel into quarantine and self-isolation facility
- Provide medical and wellbeing support
- Additional trigger-based actions in Mining
- WHO1-compliant hand sanitiser produced

**Communities and Society**
- ~240 000 litres sanitiser to SA hospitals and communities
- ~60 000 litres sanitiser and 6 multi-functional containers to Mozambique
- ~250 000 learners reached through online education
- >51 000 masks and >36 000 surgical gloves donated
- >1 million litres jet fuel donated to repatriate SA citizens
- Pledged US$100 000 towards Louisiana frontline workers

Integrated response ensuring safety and operational stability

1. World Health Organisation
Operational performance | FY20 H2 impacted by the COVID-19 global pandemic

<table>
<thead>
<tr>
<th>Southern African Operations</th>
<th>H2 production impact¹</th>
<th>Our agile response</th>
</tr>
</thead>
</table>
|                             | ▲ 2% higher Mining production  
Limited COVID-19 impact on operations | Dedicated response teams  
proactive COVID-19 measures and protocols enabled |
|                             | ▼ 8%² lower SSO production  
Reduced rates due to lower fuels demand | Synfuels and Natref maintenance  
work accelerated to maximise plant on-line time in FY21 |
|                             | ▼ 34% lower Natref crude rate  
Suspended production due to lower fuels demand | Prioritised chemical production  
at SSO to sustain sales |

| North American Operations |  | |
|---------------------------|  | |
|  | ▲ 29% higher NAO production  
Cracker nameplate capacity achieved and currently producing at maximum rates  
HDPE continues to produce above expectations | Mitigated COVID-19 impact  
on LCCP construction and commissioning |

| Eurasian Operations | ▼ 2% lower Eurasian production  
Partial offset by increase in surfactants demand | Effective global supply-chain  
in turbulent markets |

Decisive and robust measures; operational impact mitigated

1. Variance H1 FY20 compared to H2 FY20; 2. Normalised for the phased shutdown in H1 F20
## Operational performance | LCCP operational and ramp up key

### PROJECT UPDATE

- **Excellent safety** performance
  - RCR of 0.11\(^1\)
  - Zero lost-work-day cases in FY20
- Construction **complete**
- LDPE restoration completed and online by end October 2020
- Site demobilisation progressing well, to be completed by end December 2020

### OPERATIONS AND MARKETING

- 86% of total LCCP capacity\(^2\) operational
- LLDPE producing at **nameplate capacity**
- EO value chain producing at **targeted levels**
- ZAG **product trials** underway
- Agile marketing strategy and successful **product placement**

### FINANCIAL RESULTS AND OUTLOOK

- Capital expenditure tracking **US$12.8bn** guidance
- FY20 EBITDA loss of **US$62m**, impacted by lower prices
- FY21 EBITDA guidance subject to the conclusion of partnering transaction

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1. Excluding illnesses; 2. Nameplate capacity - includes ethylene, polyethylene, EO value chain and ZAG installed capacity brought online
Financial performance | Global macroeconomic uncertainty continues

**Brent crude oil**

- **H1 FY20**: 63 US$/bbl
- **H2 FY20**: 40 US$/bbl
- **Change**: -37%

**Exchange rate**

- **H1 FY20**: 14,70 R/US$
- **H2 FY20**: 16,67 R/US$
- **Change**: +13%

**FY21 OUTLOOK**

- Brent crude oil: 35 - 45 US$/bbl
- Exchange rate: 16,00 – 17,00 R/US$

**Ethane**

- **H1 FY20**: 18 US$c/gal
- **H2 FY20**: 17 US$c/gal
- **Change**: -6%

**Polyethylene**

- **H1 FY20**: 892 US$/ton
- **H2 FY20**: 760 US$/ton
- **Change**: -15%

**FY21 OUTLOOK**

- Ethane: 20 - 30 US$c/gal
- Polyethylene: 750 - 850 US$/ton
Financial performance | Impacted by a challenging environment

Operating cash flow

**R42bn**
18% lower
Lower oil, product prices and volumes

Cash fixed costs

**R58bn**
4% lower in real terms
Benefitting from self help measures

Impairments

**R112bn**
Lower long-term price assumptions

Liquidity

>US$2,5bn
Sufficient liquidity maintained through challenging times

Capex

**R35bn**

Working capital

12,5%
Focused management actions

Net debt: EBITDA

4,3x
Covenant waived for June 2020
Closing rate impact of 0,6x

Continued focus on margin protection to mitigate the impact of macroeconomic volatility

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1. Per the Revolving Credit facility and US dollar Term Loan facility covenant definition
Financial performance | Expanded and accelerated asset disposal programme

Completed and well advanced
US$0.6bn¹

Air separation units
Exclusive agreement signed with Air Liquide for Secunda units

Explosives business
Proceeds received from Enaex for their 51% stake

Escravos GTL
Concluded transaction to divest our interest to Chevron

Current disposal activity includes inter alia
>US$2bn target

US Base Chemicals partnering

ROMPCO²

CTRG³

Other assets

Asset disposals executed in line with strategic, shareholder value and balance sheet objectives

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Financial performance | Deleveraging pathway

FY20 cash savings achieved

FY20

- **Liquidity:** Improved position, with effective operational ramp up post COVID-19
- **Cash improvement:** Self help measures yielded positive results
- **Disposals:**
  - Explosives and EGTL completed; ASU\(^1\) disposals agreed;
  - US Base Chemicals partnering well advanced
- **Future Sasol:** Framework defined

H1 FY21

- **Disposals:**
  - Materially progress disposals programme;
  - US Base Chemicals partnering SPA’s concluded
- **Future Sasol:** Strategic targets and delivery pathway to be defined

H2 FY21

- **Liquidity:** Sufficient headroom maintained
- **Cash improvement:** Deliver on FY21 cash improvement
- **Rights issue:** Finalise quantum and pricing

Deleveraging is on track, but requires flexibility depending on the outcome of the US Base Chemicals transaction

1. Air separation units
FINANCIAL RESULTS

Paul Victor
Key messages

**FINANCIAL RESULTS**
- Group profitability impacted by **macroeconomics** and **COVID-19**
- **Adverse outlook** on pricing and demand results in significant impairments
- Self-help measures yielding **positive results**

**BALANCE SHEET PROTECTION**
- Increased **balance sheet flexibility** through covenant amendments
- Cash savings **delivered** in FY20; **Liquidity improved** through “cash war room”
- Committed to US$4 - 6bn **debt reduction** target in FY21

**FY21 OUTLOOK**
- Focused on managing factors **within our control**
- Continue to **stabilise** and **strengthen** our business
- Position **Future Sasol**
Financial results | Group profitability by segment

## Adjusted EBITDA

Adjusted EBITDA is calculated by adjusting operating profit for depreciation, amortisation, share-based payments, remeasurement items, change in discount rates of our rehabilitation provisions, all unrealised translation gains and losses, all unrealised gains and losses on our derivatives and hedging activities.

## Core HEPS

Core HEPS is calculated by adjusting headline earnings with non-recurring items, earnings losses of significant capital projects (exceeding R4 billion) which have reached beneficial operation and are still ramping up, all translation gains and losses (realised and unrealised), all gains and losses on our derivatives and hedging activities (realised and unrealised), and share-based payments on implementation of B-BBEE transactions.

### Group Profitability by Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>H1 FY20</th>
<th>H2 FY20</th>
<th>FY20</th>
<th>FY19</th>
<th>Annual % △</th>
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<tr>
<td>Mining</td>
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<td>2 604</td>
<td>5 269</td>
<td>6 869</td>
<td>23 ▼</td>
</tr>
<tr>
<td>Exploration and Production International (EPI)</td>
<td>1 567</td>
<td>1 826</td>
<td>3 393</td>
<td>2 762</td>
<td>23 ▲</td>
</tr>
<tr>
<td>Performance Chemicals (PC)</td>
<td>4 360</td>
<td>5 662</td>
<td>10 022</td>
<td>10 327</td>
<td>3 ▼</td>
</tr>
<tr>
<td>Base Chemicals (BC)</td>
<td>1 615</td>
<td>5 239</td>
<td>6 854</td>
<td>7 427</td>
<td>8 ▼</td>
</tr>
<tr>
<td>Energy</td>
<td>9 788</td>
<td>1 636</td>
<td>11 424</td>
<td>22 776</td>
<td>50 ▼</td>
</tr>
<tr>
<td>Group Functions</td>
<td>(18)</td>
<td>(1 968)</td>
<td>(1 986)</td>
<td>(2 524)</td>
<td>21 ▲</td>
</tr>
</tbody>
</table>

### Adjusted EBITDA

<table>
<thead>
<tr>
<th>Segment</th>
<th>FY20</th>
<th>FY19</th>
<th>△</th>
</tr>
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<tbody>
<tr>
<td>Mining</td>
<td>2 665</td>
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<td>(2 524)</td>
<td>21 ▲</td>
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</table>

### Core Headline Earnings per share (R)

<table>
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<th>Segment</th>
<th>FY20</th>
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Financial results | Segmental highlights compared to prior year

**MINING**

▼ 4% productivity
Productivity trending positively in H2 FY20

R347/t
11% higher unit cost due to lower volumes

**EXPLORATION AND PRODUCTION**

▲ >100% EBIT
No impairment in FY20

EBIT impacted by lower prices

**ENERGY**

▼ 12% fuels sales
Further impacted by lower oil prices

R12bn
Impairments recognised

**PERFORMANCE CHEMICALS**

▲ 8% volumes
Solid performance in H2 FY20; offset by soft macro environment and R2.6bn LCCP losses

R28bn
Impairments recognised

**BASE CHEMICALS**

▲ 19% volumes
Offset by further softening of chemicals prices and R2.3bn LCCP losses

R71bn
Impairments recognised

**GROUP FUNCTIONS**

R14bn
Translation and hedging and derivative losses

R7bn
Finance charge due to LCCP-incurred debt

1. All % changes indicate a variance comparing the year ending 30 June 2019 to 30 June 2020
Balance sheet | Decisive actions to address current market conditions

**FCF\(^1\) inflection point**
- **Maintained**
  - Supported by response plan performance

**Accelerated asset disposals**
- **US$0.6bn**
  - Completed and well advanced
  - >US$2bn target

**Balance sheet flexibility**
- **Covenant amendments**
  - Agreed

**Cash savings**
- >**US$2bn**
  - Delivered 20% above FY20 target; Commitments in place for FY21

**Rights Issue**
- **Up to US$2bn**
  - To be executed in H1 CY21, subject to shareholders approval

**Future Sasol**
- **Framework agreed**
  - More detail to follow in Nov 2020

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Comprehensive response plan yielding positive results in FY20 and on track to deliver in FY21

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1. Free cash flow
Balance sheet | Proactive management continues

FY20 mitigation measures realised
- US$2.5bn liquidity >100% above guidance
- Covenant waived
- Focused “cash war room”
- Cost savings achieved through reduced external spend and human capital levers
- Working capital managed to optimal levels
- Discretionary capital deferred, safe and reliable operations remains priority
- US$0.6bn in asset sales secured

FY21 mitigation measures on track
- Covenant amended¹ to 4x
- Plans to deliver US$1bn cost savings
- On track with our accelerated asset disposal target of >US$2bn
  - Target US$4 – 6bn debt reduction
  - Rights issue of up to US$2bn

Future Sasol aspiration
- Clear portfolio choices results in immediate and sustainable savings
- Disciplined capital allocation remains
  - Sustainable earnings in a low oil price environment
  - Return to investment grade rating
  - Globally competitive portfolio with resilience in a low carbon future

Continuous efforts to stabilize and improve the liquidity position

¹. Covenant amended to 4.0 times of Net debt: EBITDA as at 31 December 2020
**Balance sheet | Capital spend normalising**

- FY20 capital **reprioritised** in line with our response plan
- Remaining **cash flow** for LCCP of R1bn (US$75m) in FY21
- Sufficient **sustenance** and **environmental** capital allocated
  - ensuring **safe** and **reliable** operations
  - supporting our long-term **sustainability efforts**
- Commitment to **compliance capital** remains; timeline to align to response plan
- FY22 capital expenditure guidance **subject to** finalisation of the future Sasol initiative
- Capital expenditure **impacted by** R/US$ exchange rate – 10c change equals R30m impact

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**Sufficient future capital expenditure ensuring long term business sustainability**

1. Forecast based on R15.71/US$ for FY21
### Outlook | FY21

#### UPSTREAM
- Normalised Mining unit cost of **R340 – R360/t**
- Mozambique gas production **114 – 118bscf**

#### ENERGY
- Liquid fuels sales **54 – 55 mmbbls**
- ORYX GTL average utilisation of **75 – 80%**

#### GROUP
- Net debt: EBITDA\(^1\) **below covenant levels**
- Normalised cash fixed costs **within inflation**
- Cost saving measures of **US$1bn**
- Debt reduction of **US$4 – US$6bn**

#### PERFORMANCE CHEMICALS
- Sales volumes **3 – 5% higher** than FY20
- Sales volumes (excluding LCCP) **flat or slightly below** FY20

#### BASE CHEMICALS
- Sales volumes **3 – 5% higher\(^2\)** than FY20
- Sales volumes (excluding US polymers products) **1 – 2% higher** than FY20

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The impact of the COVID-19 pandemic is expected to continue to drive short-to-near-term volatility

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1. Per the Revolving Credit facility and US dollar Term Loan facility covenant definitions; 2. Subject to the conclusion of the LCCP partnering transaction
Future Sasol | Our aspiration

Distinct portfolios with differentiated capabilities

A simpler, more agile organisation that provides a great place to work

A more modern Sasol leveraging our proprietary technologies and unique chemistry

Delivering triple bottom line outcomes

A more resilient future Sasol
Future Sasol | Our portfolio to deliver value

**Chemicals**

Leveraging integrated value chains for high-value returns

- Align our business with powerful megatrends
- Transform our portfolio towards specialty products
- Earn the right to accelerate high value growth
- Aggressively drive excellence in all we do

**Energy**

Strong cash generator with stable long-term profile

- Improve economic value and cost competitiveness
- Reduce the carbon footprint of our facilities
- Secure affordable gas supply and implement renewables
- Higher margins in fuel retail business
- Identify sustainable lower carbon growth options

Positioning for a sustainable future
Future Sasol | Sustainability roadmap for South Africa

- **2017**: 63.9 Mt CO₂e
- **2020**: 61.9 Mt CO₂e
- **2025**: ~ 60.7 Mt CO₂e
- **2030**: 57.5 Mt CO₂e
- **2050 target to be set in 2021**

**AT LEAST 10% GHG EMISSION REDUCTION**

**4 - 5% GHG EMISSION REDUCTION**

**6 - 7% GHG EMISSION REDUCTION**

**2050 target to be set in 2021**

- Energy and process efficiency
- 20MW renewable energy
- 280 MW renewable energy
- Additional energy and process efficiency
- Additional gas conversion capacity
- 300MW renewable energy

ACTIVELY REVIEWING EQUITY IN ASSETS NOT ALIGNED WITH OUR LONG-TERM STRATEGY

REDUCE

TRANSFORM

1. Additional information published in FY20 climate change report; 2. Off a 2017 baseline
Future Sasol | Key management steps to deliver

- **Operating model**
  - Revised operating model aligned to our new strategy

- **Leadership changes**
  - Embed new executive structure and define senior leadership to execute operating model, with smaller corporate centre

- **Optimisation and Governance**
  - Benchmarking and diagnostic reviews to define optimal structures and fit-for-purpose governance

- **Financial targets**
  - Credible targets to FY25, unlocking margin and FCF\(^1\) enhancements

- **Sustainability**
  - Defining our purpose and value, aligned with ambition to be sustainable

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1. Free cash flow
Future Sasol | Value creation through focus, sustainability and performance

A MORE RESILIENT SASOL

- Strategic focus
- Increasingly sustainable
- Diverse and inclusive workplace with high-performing people

Strong balance sheet
Clear capital allocation
Long term profitability
### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BC</td>
<td>Base Chemicals</td>
</tr>
<tr>
<td>B-BBEE</td>
<td>broad-based black economic empowerment</td>
</tr>
<tr>
<td>EBIT</td>
<td>earnings before interest and tax</td>
</tr>
<tr>
<td>EBITDA</td>
<td>earnings before interest, tax, depreciation and amortisation</td>
</tr>
<tr>
<td>EO/EG</td>
<td>ethylene oxide/ethylene glycol</td>
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<tr>
<td>ETO</td>
<td>ethoxylates</td>
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<tr>
<td>ESG</td>
<td>environmental, social, governance</td>
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<tr>
<td>FCF</td>
<td>free cash flow</td>
</tr>
<tr>
<td>FY</td>
<td>financial year</td>
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<tr>
<td>GDP</td>
<td>gross domestic product</td>
</tr>
<tr>
<td>GHG</td>
<td>greenhouse gas emissions</td>
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<td>Gas to liquids</td>
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<td>2nd half</td>
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<tr>
<td>HEPS</td>
<td>headline earnings per share</td>
</tr>
<tr>
<td>HDPE</td>
<td>high density polyethylene</td>
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<td>JV</td>
<td>joint venture</td>
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<td>LCCP</td>
<td>Lake Charles Chemicals Project</td>
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<tr>
<td>LDPE</td>
<td>low density polyethylene</td>
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<td>LLDPE</td>
<td>linear low density polyethylene</td>
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<td>LWDCs</td>
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<td>MEG</td>
<td>mono-ethylene glycol</td>
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<td>OBU</td>
<td>operating business unit</td>
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<td>PC</td>
<td>Performance Chemicals</td>
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<td>Petroleum Production Agreement</td>
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<td>quarter</td>
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<tr>
<td>RCR</td>
<td>Recordable Case Rate</td>
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<tr>
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<td>SSO</td>
<td>Secunda Synfuels Operations</td>
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<td>Ziegler, Alumina and Guerbet</td>
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