



**SASOL**

# **SASOL LIMITED**

## **ADDITIONAL INFORMATION FOR ANALYSTS**

for the year ended 30 June 2021



*Purpose*  
Innovating for a  
better world

# Contents

## 1

### Financial overview

|  |    |
|--|----|
| Salient features                                     | 3  |
| Financial results, ratios and statistics             | 4  |
| Financial ratios - calculations                      | 6  |
| Half year financial results, ratios and statistics   | 8  |
| Key sensitivities                                    | 9  |
| Latest hedging overview                              | 10 |
| Income statement overview                            | 11 |
| Mining – earnings performance                        | 16 |
| Gas feeds – earnings performance                     | 17 |
| Fuels – earnings performance                         | 18 |
| Chemicals Africa – earnings performance              | 20 |
| Chemicals America – earnings performance             | 21 |
| Chemicals Eurasia – earnings performance             | 22 |
| Financial position overview – assets                 | 23 |
| Asset Divestments                                    | 25 |
| Financial position overview – equity and liabilities | 26 |
| Abbreviated cash flow statement overview             | 28 |

## 2

### Segment information

|                    |    |
|--------------------|----|
| Segmental analysis | 29 |
|--------------------|----|

## 3

### Other disclosure

|                                    |    |
|------------------------------------|----|
| Comprehensive response plan        | 32 |
| Sasol 2.0 transformation programme | 32 |
| Sasol South Africa                 | 33 |

## 4

### Eleven year financial performance

|                                   |    |
|-----------------------------------|----|
| Eleven year financial performance | 34 |
|-----------------------------------|----|

## SALIENT FEATURES

Safety Recordable  
Case Rate (RCR) of

**0,26**

Maintained  
preventative  
**COVID-19** protocols  
ensuring **minimal**  
**business interruption**

Progressed key  
partnerships in  
support of  
**sustainability**  
**ambition**

HEPS up  
>100% to  
**R39,53**

Core HEPS  
up 84% to

**R27,74**

Cash fixed costs\*  
down

**4,2%**

\* Excluding impacts of non-recurring items,  
inflation, translation impacts and asset  
divestments

Asset divestments  
of  
**>US\$3,8 billion**  
announced

Achieved  
**22,8%**  
energy efficiency  
improvement  
since 2005

Net debt: EBITDA  
**1,5 times**  
well below covenant  
of 3,0 times

Gearing down  
from 117,0% to  
**61,5%**

**Significantly improved financial position through  
delivery of targets supported by improved macros**

# Financial results, ratios and statistics

for the year ended

| Sasol Group  |       | % change<br>2021 vs 2020 | 2021    | 2020*     | 2019*    |
|--|-------|--------------------------|---------|-----------|----------|
| <b>Financial results</b>   |       |                          |         |           |          |
| Turnover   | Rm    | 6                        | 201 910 | 190 367   | 203 576  |
| Adjusted EBITDA (refer to analysis on page 11)                         | Rm    | 38                       | 48 420  | 34 976    | 47 637   |
| Earnings/(loss) before interest and tax (EBIT/(LBIT))                  | Rm    | >100                     | 16 619  | (111 926) | 8 434    |
| Attributable earnings/(loss)   | Rm    | >100                     | 9 032   | (91 754)  | 3 389    |
| Enterprise value (refer to calculation on page 6)                      | Rm    | (12)                     | 234 870 | 265 841   | 351 074  |
| Total assets   | Rm    | (24)                     | 360 743 | 474 535   | 466 237  |
| Net debt <sup>1</sup> (including leases) (refer to analysis on page 7) | Rm    | 49                       | 90 086  | 176 631   | 123 812  |
| Net debt <sup>1</sup> (including leases)                               | US\$m | 38                       | 6 309   | 10 192    | 8 793    |
| Cash generated by operating activities                                 | Rm    | 6                        | 45 114  | 42 384    | 51 398   |
| Free cash flow before growth capital (refer to calculation on page 6)  | Rm    | 75                       | 19 431  | 11 109    | 20 347   |
| Free cash flow (refer to calculation on page 6)                        | Rm    | >100                     | 15 402  | (12 205)  | (24 791) |
| Capital expenditure (cash flow)  | Rm    | 53                       | 16 375  | 35 164    | 55 800   |
| <b>Profitability</b>   |       |                          |         |           |          |
| Gross profit margin <sup>2</sup>                                       | %     | 6                        | 55,1    | 49,5      | 52,7     |
| EBIT margin  | %     | 67                       | 8,2     | (58,8)    | 4,1      |
| Normalised EBIT margin <sup>3</sup>                                    | %     | 6                        | 15,9    | 9,7       | 16,8     |
| Return on invested capital (excluding AUC)                             | %     | 48                       | 7,7     | (40,1)    | 2,9      |
| Effective tax rate <sup>4</sup> (Refer to analysis on page 14)         | %     | 21                       | 1,7     | 22,4      | 35,2     |
| Adjusted effective tax rate <sup>5</sup>                               | %     | (22)                     | 23,9    | 2,2       | 29,3     |
| <b>Shareholders' returns</b>   |       |                          |         |           |          |
| Core headline earnings per share                                       | Rand  | 84                       | 27,74   | 15,08     | 37,83    |
| Headline earnings/(loss) per share                                     | Rand  | >100                     | 39,53   | (11,50)   | 30,90    |
| Attributable earnings/(loss) per share                                 | Rand  | >100                     | 14,57   | (148,49)  | 5,50     |
| Dividend per share   | Rand  |                          | –       | –         | 5,90     |
| Dividend cover   | times |                          | –       | –         | 6,50     |
| Dividend pay out ratio   | %     |                          | –       | –         | 15,50    |
| Dividend yield   | %     |                          | –       | –         | 1,70     |
| Net asset value per share  | Rand  | (3)                      | 234,76  | 242,41    | 350,30   |
| <b>Debt leverage</b>   |       |                          |         |           |          |
| Net debt to shareholders' equity (gearing)                             | %     | 56                       | 61,5    | 117,0     | 57,0     |
| Net debt to EBITDA <sup>6</sup>  | times |                          | 1,5     | 4,3       | 2,3      |
| Total borrowings to shareholders' equity                               | %     | 58                       | 82,1    | 139,9     | 63,8     |
| Total liabilities to shareholders' equity                              | %     | 69                       | 142,2   | 211,0     | 111,9    |
| Finance costs cover  | times |                          | 2,8     | (15,7)    | 1,5      |
| <b>Liquidity</b>   |       |                          |         |           |          |
| Current ratio  | :1    |                          | 1,8     | 1,1       | 1,6      |
| Quick ratio  | :1    |                          | 1,1     | 0,8       | 1,0      |
| Cash ratio   | :1    |                          | 0,5     | 0,4       | 0,3      |
| Net trading working capital to turnover <sup>7</sup>                   | %     |                          | 14,5    | 12,5      | 14,8     |

1 Included in net debt is gross US dollar denominated amounts of US\$6,9 billion (2020 - US\$10,1 billion) translated at the closing exchange rate.

2 Gross profit margin percentage higher due to recovery in demand, higher Brent crude oil price and chemical prices.

3 Normalised EBIT is calculated by adjusting EBIT for remeasurement items, all realised and unrealised translation gains and losses, all realised and unrealised derivatives and hedging gains and losses and LCCP net operating losses during ramp up phase.

4 The decrease in the effective tax rate is mainly as a result of tax losses utilised in the current year, which are allowed to be set off against 2021 foreign exchange gains and the Foreign Currency Translation Reserve (FCTR) released on the disposal of businesses, for which no tax is calculated.

5 Effective tax rate adjusted for equity accounted earnings, remeasurement and once-off items.

6 Per the Revolving Credit and US dollar Term Loan facility covenant definition.

7 Net trade working capital includes assets and liabilities classified as held for sale. Net trade working capital was 14,3%, excluding the assets and liabilities classified as held for sale.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment

## Sasol Group

|   |           | 2021           | 2020*        | 2019*   |
|---|-----------|----------------|--------------|---------|
| <b>Stock exchange performance</b>                                     |           |                |              |         |
| Market capitalisation   |           |                |              |         |
| Sasol ordinary shares   | Rm        | <b>136 888</b> | 82 757       | 218 776 |
| Sasol BEE ordinary shares <sup>1</sup>                                | Rm        | <b>725</b>     | 603          | 1 758   |
| (Discount to) / premium over shareholders funds                       | Rm        | <b>(8 876)</b> | (67 616)     | 3 310   |
| Price to book   | :1        | <b>0,94</b>    | 0,55         | 1,02    |
| <b>Share performance</b>  |           |                |              |         |
| Total shares in issue   | million   | <b>634,2</b>   | 632,3        | 631,0   |
| Sasol ordinary shares in issue  | million   | <b>627,9</b>   | 626,0        | 624,7   |
| Sasol BEE ordinary shares in issue <sup>1</sup>                       | million   | <b>6,3</b>     | 6,3          | 6,3     |
| Sasol Foundation <sup>2</sup>   | million   | <b>10,2</b>    | 9,5          | 9,5     |
| Weighted average shares in issue <sup>3</sup>                         | million   | <b>619,9</b>   | 617,9        | 616,6   |
| Total shares in issue   | million   | <b>634,2</b>   | 632,3        | 631,0   |
| Sasol Foundation  | million   | <b>(9,5)</b>   | (9,5)        | (9,5)   |
| Weighting of shares issued with Sasol Khanyisa transaction            | million   | <b>(4,1)</b>   | (4,5)        | (4,5)   |
| Weighting of long-term incentive scheme shares vested during the year | million   | <b>(0,7)</b>   | (0,4)        | (0,4)   |
| Weighted average number of shares for DEPS                            | million   | <b>627,8</b>   | 622,3        | 620,3   |
| Weighted average shares in issue                                      | million   | <b>619,9</b>   | 617,9        | 616,6   |
| Potential dilutive effect of long-term incentive scheme               | million   | <b>3,8</b>     | 2,6          | 2,9     |
| Potential dilutive effect of Sasol Khanyisa Tier 1                    | million   | <b>4,1</b>     | 1,8          | 0,8     |
| <b>Economic indicators<sup>4</sup></b>                                |           |                |              |         |
| Average crude oil price (Brent)                                       | US\$/bbl  | <b>54,20</b>   | 51,22        | 68,63   |
| Average Rand per barrel   | R/bbl     | <b>834,68</b>  | 803,64       | 974,55  |
| Average ethane price (US - Mont Belvieu)                              | US\$/gal  | <b>23,15</b>   | 17,23        | 31,92   |
| Rand/US dollar exchange rate  | - closing | US\$1 = R      | <b>14,28</b> | 17,33   |
| Rand/US dollar exchange rate  | - average | US\$1 = R      | <b>15,40</b> | 15,69   |
| Rand/Euro exchange rate   | - closing | €1 = R         | <b>16,93</b> | 19,46   |
| Rand/Euro exchange rate   | - average | €1 = R         | <b>18,38</b> | 17,34   |

1 Sasol BEE ordinary shares have been listed on the JSE Limited's BEE segment of the main board since 7 February 2011.

2 The Sasol Foundation approached the Sasol Khanyisa Employee Share Ownership Plan Trust to acquire Sasol BEE Ordinary Shares becoming available as a result of the Khanyisa Tier 1 shares vesting in exchange for SOL shares. The deal was done at off-market prices.

3 Including Sasol BEE ordinary shares after the share repurchase programme.

4 Exchange rates are determined as the mid-closing interbank rate of South African banks daily as published by Thomson Reuters. The average rate for the period is determined as an arithmetic average of the mid-closing interbank rates for each of the South African business days for the financial period under review. Brent crude oil prices are determined from the quoted market prices of Brent North Sea crude oil as published by Platts-Global Alert. The average price is calculated as an arithmetic average of the daily published prices.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment

# Financial ratios – calculations

for the year ended

|   |           | 2021           | 2020*    | 2019*    |
|---|-----------|----------------|----------|----------|
| <b>Market capitalisation – Sasol ordinary shares</b>            |           |                |          |          |
| Number of shares at end of year                                 | million   | 627,9          | 626,0    | 624,7    |
| Closing share price at end of year (JSE)                        | Rand      | 218,01         | 132,20   | 350,21   |
| <b>Market capitalisation (Rand)</b>                             | Rm        | <b>136 888</b> | 82 757   | 218 776  |
| <b>Market capitalisation – Sasol BEE ordinary shares</b>        |           |                |          |          |
| Number of shares at end of year                                 | million   | 6,3            | 6,3      | 6,3      |
| Closing share price at end of year (JSE)                        | Rand      | 115,00         | 95,70    | 279,00   |
| <b>Market capitalisation (Rand)</b>                             | Rm        | <b>725</b>     | 603      | 1 758    |
| Closing share price at end of year (NYSE)                       | US dollar | 15,33          | 7,71     | 24,81    |
| <b>Market capitalisation (US\$)</b>                             | US\$m     | <b>9 626</b>   | 4 826    | 15 499   |
| <b>(Discount to) / premium over shareholders' funds</b>         |           |                |          |          |
| Market capitalisation (SOL & SOLBE1)                            | Rm        | 137 613        | 83 360   | 220 534  |
| Shareholders' equity  | Rm        | 146 489        | 150 976  | 217 224  |
| <b>(Discount to) / premium over shareholder's funds</b>         | Rm        | <b>(8 876)</b> | (67 616) | 3 310    |
| <b>Price to book</b>  |           |                |          |          |
| Market capitalisation (SOL & SOLBE1)                            | Rm        | 137 613        | 83 360   | 220 534  |
| Shareholders' equity  | Rm        | 146 489        | 150 976  | 217 224  |
| <b>Price to book</b>  | times     | <b>0,94</b>    | 0,55     | 1,02     |
| <b>Enterprise value (EV)</b>                                    |           |                |          |          |
| Market capitalisation (SOL & SOLBE1)                            | Rm        | 137 613        | 83 360   | 220 534  |
| Plus:   |           |                |          |          |
| non-controlling interest  | Rm        | 5 982          | 4 941    | 5 885    |
| Liabilities (refer to Net debt calculation on page 7)           |           |                |          |          |
| long-term debt  | Rm        | 112 494        | 167 101  | 134 795  |
| short-term debt   | Rm        | 7 519          | 43 468   | 3 783    |
| bank overdraft  | Rm        | 243            | 645      | 58       |
| Less: Cash (refer to Net debt calculation on page 7)            | Rm        | (28 981)       | (33 674) | (13 981) |
| <b>Enterprise value (Rand)</b>                                  | Rm        | <b>234 870</b> | 265 841  | 351 074  |
| <b>Market capitalisation (NYSE prices) – Total Sasol shares</b> | US\$m     | <b>9 626</b>   | 4 826    | 15 499   |
| US dollar conversion of above adjustments <sup>1</sup>          | US\$m     | <b>6 811</b>   | 10 530   | 9 271    |
| <b>Enterprise value (US\$)</b>                                  | US\$m     | <b>16 437</b>  | 15 356   | 24 770   |
| <b>Free cash flow</b>   |           |                |          |          |
| Cash available from operating activities                        | Rm        | 34 535         | 30 571   | 43 418   |
| Sustenance capital  | Rm        | (15 104)       | (19 462) | (23 071) |
| <b>Free cash flow before growth</b>                             | Rm        | <b>19 431</b>  | 11 109   | 20 347   |
| Growth capital <sup>2</sup>                                     | Rm        | (1 271)        | (15 702) | (32 729) |
| Movement in capital accruals <sup>3</sup>                       | Rm        | (2 266)        | (6 771)  | (934)    |
| Dividends paid  | Rm        | (492)          | (841)    | (11 475) |
| <b>Free cash flow</b>   | Rm        | <b>15 402</b>  | (12 205) | (24 791) |

<sup>1</sup> Conversion at 30 June 2021 closing rate of US dollar/rand R14,28 (30 June 2020 – R17,33; 30 June 2019 – R14,08).

<sup>2</sup> Includes capital expenditure on LCCP (R0,7bn), Mozambique exploration and development (R0,2bn) and discretionary growth (R0,3bn).

<sup>3</sup> Decrease as a result of reduced activity on the LCCP project as units reached beneficial operation.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment

|  |       | 2021            | 2020*    | 2019*    |
|--|-------|-----------------|----------|----------|
| <b>Gearing calculation</b>                                 |       |                 |          |          |
| <b>Long-term debt</b>                                      | Rm    | <b>112 494</b>  | 167 101  | 134 795  |
| long-term debt   | Rm    | <b>97 137</b>   | 147 511  | 127 350  |
| long-term lease liabilities                                | Rm    | <b>13 906</b>   | 15 825   | 7 445    |
| held for sale: long-term debt                              | Rm    | <b>1 451</b>    | 1 551    | –        |
| held for sale: lease liability                             | Rm    | <b>–</b>        | 2 214    | –        |
| <b>Short-term debt</b>                                     | Rm    | <b>7 519</b>    | 43 468   | 3 783    |
| short-term portion of long-term debt                       | Rm    | <b>5 506</b>    | 19 686   | 2 219    |
| short-term debt  | Rm    | <b>60</b>       | 21 888   | 1 239    |
| held for sale: short-term debt                             | Rm    | <b>182</b>      | –        | –        |
| short-term portion of lease liabilities                    | Rm    | <b>1 771</b>    | 1 894    | 325      |
| <b>Bank overdraft</b>                                      | Rm    | <b>243</b>      | 645      | 58       |
| <b>Cash</b>  | Rm    | <b>(28 981)</b> | (33 674) | (13 981) |
| cash & cash equivalents                                    | Rm    | <b>(31 231)</b> | (34 739) | (15 877) |
| less: restricted cash                                      | Rm    | <b>2 250</b>    | 1 085    | 1 896    |
| held for sale  | Rm    | <b>–</b>        | (20)     | –        |
| <b>Equity accounted JVs net cash</b>                       | Rm    | <b>(1 189)</b>  | (909)    | (843)    |
| <b>Net debt</b>  | Rm    | <b>90 086</b>   | 176 631  | 123 812  |
| <b>Shareholders equity</b>                                 | Rm    | <b>146 489</b>  | 150 976  | 217 224  |
| <b>Gearing</b>   | %     | <b>61,50</b>    | 117,0    | 57,0     |
| <b>Debt roll-forward</b>                                   |       |                 |          |          |
| <b>Total debt-opening balance</b>                          | Rm    | <b>189 730</b>  | 130 866  | 104 120  |
| Net (repayment of)/proceeds from debt                      | Rm    | <b>(55 105)</b> | 27 173   | 23 423   |
| long-term debt   | Rm    | <b>(35 397)</b> | 8 152    | 24 115   |
| short-term debt  | Rm    | <b>(19 708)</b> | 19 021   | (692)    |
| Reclassification to held for sale                          | Rm    | <b>(1 121)</b>  | (1 551)  | –        |
| long-term debt   | Rm    | <b>(939)</b>    | (1 551)  | –        |
| short-term debt  | Rm    | <b>(182)</b>    | –        | –        |
| Translation effects on debt                                | Rm    | <b>(30 558)</b> | 31 425   | 1 984    |
| Other movements  | Rm    | <b>–</b>        | 1 817    | 1 339    |
| <b>Total debt- closing balance</b>                         | Rm    | <b>102 946</b>  | 189 730  | 130 866  |
| <b>Reconciliation to dollar denominated long term debt</b> |       |                 |          |          |
| Long-term debt   | Rm    | <b>97 137</b>   | 147 511  | 127 350  |
| Short-term portion of long-term debt                       | Rm    | <b>5 506</b>    | 19 686   | 2 219    |
| Short-term debt  | Rm    | <b>60</b>       | 21 888   | 1 239    |
| Bank overdraft   | Rm    | <b>243</b>      | 645      | 58       |
|  | Rm    | <b>102 946</b>  | 189 730  | 130 866  |
| Less: Accrued interest                                     | Rm    | <b>(1 090)</b>  | (1 003)  | (1 025)  |
| Add: Unamortised loan cost                                 | Rm    | <b>439</b>      | 627      | (588)    |
| <b>Total utilised facilities</b>                           | Rm    | <b>102 295</b>  | 189 354  | 129 253  |
| <b>Comprising of:</b>                                      |       |                 |          |          |
| Rand and other currency denominated loans                  | Rm    | <b>3 911</b>    | 14 794   | 8 862    |
| US\$ denominated loans                                     | Rm    | <b>98 384</b>   | 174 560  | 120 391  |
| US\$ denominated loans                                     | US\$m | <b>6 890</b>    | 10 073   | 8 550    |

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment

# Half year financial results, ratios and statistics

for the year ended

| Sasol Group  |           | Full year<br>2021 | H2 2021 | H1 2021 | %change<br>H2 vs H1 |
|--|-----------|-------------------|---------|---------|---------------------|
| <b>Economic indicators</b>   |           |                   |         |         |                     |
| Average crude oil price (Brent)                                    | US\$/bbl  | <b>54,20</b>      | 64,78   | 43,62   | 49                  |
| Average Rand per barrel  | R/bbl     | <b>834,68</b>     | 941,90  | 709,26  | 33                  |
| Rand/US dollar exchange rate - closing                             | US\$1 = R | <b>14,28</b>      | 14,28   | 14,70   | 3                   |
| Rand/US dollar exchange rate - average                             | US\$1 = R | <b>15,40</b>      | 14,54   | 16,26   | (11)                |
| <b>Financial results</b>   |           |                   |         |         |                     |
| Turnover <sup>1</sup>  | Rm        | <b>201 910</b>    | 109 942 | 91 968  | 20                  |
| Adjusted EBITDA <sup>1</sup>                                       | Rm        | <b>48 420</b>     | 29 812  | 18 608  | 60                  |
| Earnings/(loss) before interest and tax (EBIT/(LBIT)) <sup>2</sup> | Rm        | <b>16 619</b>     | (5 031) | 21 650  | (>100)              |
| Attributable earnings/(loss)                                       | Rm        | <b>9 032</b>      | (5 459) | 14 491  | (>100)              |
| Enterprise value   | Rm        | <b>234 870</b>    | 234 870 | 208 883 | 12                  |
| Total assets   | Rm        | <b>360 743</b>    | 360 743 | 392 889 | (8)                 |
| Net debt   | Rm        | <b>90 086</b>     | 90 086  | 118 173 | 24                  |
| Net debt   | US\$m     | <b>6 309</b>      | 6 309   | 8 039   | 22                  |
| Cash generated by operating activities                             | Rm        | <b>45 114</b>     | 33 368  | 11 746  | >100                |
| Free cash flow before growth capital                               | Rm        | <b>19 431</b>     | 19 017  | 414     | >100                |
| Free cash flow inflection point <sup>3</sup>                       | Rm        | <b>15 402</b>     | 17 803  | (2 401) | >100                |
| Capital expenditure (cash flow) <sup>4</sup>                       | Rm        | <b>16 375</b>     | 8 866   | 7 509   | (18)                |
| <b>Profitability</b>   |           |                   |         |         |                     |
| Gross profit margin  | %         | <b>55,1</b>       | 57,2    | 52,5    | 5                   |
| EBIT margin  | %         | <b>8,2</b>        | (4,6)   | 23,5    | (28)                |
| Normalised EBIT margin   | %         | <b>15,9</b>       | 18,6    | 12,6    | 6                   |
| <b>Shareholders' returns</b>                                       |           |                   |         |         |                     |
| Core headline earnings per share                                   | Rand      | <b>27,74</b>      | 19,88   | 7,86    | >100                |
| Headline earnings per share  | Rand      | <b>39,53</b>      | 20,37   | 19,16   | 6                   |
| Attributable earnings/(loss) per share                             | Rand      | <b>14,57</b>      | (8,84)  | 23,41   | (>100)              |
| Net asset value per share  | Rand      | <b>234,76</b>     | 234,76  | 243,88  | (4)                 |
| <b>Debt leverage</b>   |           |                   |         |         |                     |
| Net debt to shareholders' equity (gearing)                         | %         | <b>61,5</b>       | 61,5    | 76,0    | 15                  |
| Net debt to EBITDA   | times     | <b>1,5</b>        | 1,5     | 2,6     |                     |
| Total borrowings to shareholders' equity                           | %         | <b>82,1</b>       | 82,1    | 93,4    | 11                  |
| Total liabilities to shareholders' equity                          | %         | <b>142,2</b>      | 142,2   | 152,0   | 10                  |
| Finance costs cover  | times     | <b>2,8</b>        | (1,5)   | 6,9     |                     |
| <b>Liquidity</b>   |           |                   |         |         |                     |
| Current ratio  | :1        | <b>1,8</b>        | 1,8     | 1,6     |                     |
| Quick ratio  | :1        | <b>1,1</b>        | 1,1     | 1,1     |                     |
| Cash ratio   | :1        | <b>0,5</b>        | 0,5     | 0,5     |                     |
| Net trading working capital to turnover                            | %         | <b>14,5</b>       | 14,5    | 14,9    | -                   |

<sup>1</sup> Turnover and adjusted EBITDA have increased in H2 2021 compared to H1 2021 mainly as a result of a recovery in chemical and oil prices.

<sup>2</sup> EBIT has decreased in H2 2021 mainly due the impact of impairment losses recognised in 2021.

<sup>3</sup> Our free cash flow has increased in H2 2021 as a result of increased demand post the easing of COVID-19 restrictions, a recovery in oil and chemicals prices and contributions from our comprehensive response plan. Sasol 2.0 initiatives has also been implemented, with net benefits expected from FY22.

<sup>4</sup> Capital expenditure increased slightly in H2 2021 mainly as a result of catalyst replenishment in Secunda Operations.



# Key sensitivities\*

## Exchange rates

- The majority of our turnover is denominated in US dollars or significantly influenced by the rand/US dollar exchange rate. This turnover is derived either from exports from South Africa, businesses outside of South Africa or sales in South Africa, which comprise mainly petroleum and chemical products that are based on global commodity and benchmark prices quoted in US dollars. Therefore, the average exchange rate for the year has a significant impact on our turnover and earnings before interest and tax (EBIT).
- For forecasting purposes, we estimate that a 10c change in the annual average rand/US dollar exchange rate will impact EBIT by approximately **R690 million (US\$49 million)** in 2022. This excludes the effect of our hedging programme and is based on an average Brent crude oil price assumption of US\$70/barrel.
- During 2022, we expect the average rand/US dollar exchange rate to range between R13,50 and R15,00. Risks remain and are expected to result in ongoing currency and financial market volatility. These risks include COVID-19 developments such as the pace and efficacy of vaccine roll-outs, severely strained government finances, high probabilities of policy mistakes, US inflation and interest rate expectations, and geo-politics.
- Sasol has entered into hedges against the rand strengthening against major currencies to increase the stability and predictability of our cash flows. In respect of 2022, Sasol executed ~89% of the hedging programme which equates to ~US\$3,9 billion.

## Crude oil and fuel product prices

- Market prices for Brent crude oil fluctuate because they are subject to international supply, demand and political factors. Our exposure to the crude oil price relates mainly to crude oil related raw materials used in our Natref refinery and certain offshore operations, as well as on the selling price of fuel marketed by our Energy business which is governed by the Basic Fuel Price (BFP) formula.
- For forecasting purposes, a US\$1/barrel change in the average annual crude oil price will impact EBIT by approximately **R685 million (US\$48 million)** in 2022. This is based on an average rand/US dollar exchange rate assumption of R14,20.
- Following the recent rise in the oil price, Sasol has been able to restructure 24 million barrels of put options to zero cost collars thereby increasing the gross average floor level. The crude oil hedge cover ratio for financial year 2022 has also been increased by hedging an additional 18 million barrels using swaps. For 2022, Sasol executed 100% of the hedging programme, which equates to 42 million barrels per annum (90% of total Synfuels synthetic crude oil production, 90% of Sasol's share of ORYX production and equivalent commodity chemicals volumes where there is a strong correlation to oil price using a combination of zero cost collars and swaps).
- We expect the average Brent crude oil price to range between US\$55/bbl and US\$75/bbl for 2022. Global oil demand is recovering from the impact of COVID-19 amidst economic stimulus and the steady rollout of vaccinations in major demand hubs. Downside price risk is driven by the spread of COVID-19 variants and the possibility of weakened vaccine efficacy to these variants. The rate of returning oil production by OPEC+ and the timing of the lifting of Iranian sanctions add to the price uncertainty. Total liquids inventory levels remain high and will require continued OPEC+ supply management to reduce stocks.

## Fuel margins

- Key drivers in the BFP are the Mediterranean and Singapore or Mediterranean and Arab Gulf product prices for petrol and diesel (fuel price crack spreads), respectively.
- For forecasting purposes, a US\$1/bbl change in the average annual fuel price differential of the Sasol group will impact EBIT by approximately **R597 million (US\$42 million)** in 2022. This is based on an average rand/US dollar exchange rate of R14,20.
- Transport fuel demand is improving globally, and gasoline stocks are returning to the five year range, however, demand remains below pre-COVID-19 levels and excess refining capacity weighs on market prices. New refining capacity additions are greater than the expected capacity losses during 2022 with two large refineries ramping up in the Middle East. Some recovery in domestic flight activity in the US, China and across Europe does offer some support to jet fuel prices in 2022, although global demand is still well below pre-COVID-19 levels. Crack spreads are expected to fluctuate within the following ranges:
  - Petrol: US\$3/bbl to US\$10/bbl
  - Diesel: US\$3/bbl to US\$10/bbl
  - Fuel Oil: (US\$10/bbl) to (US\$5/bbl)

## Ethane gas

- US Ethane prices are impacted by supply and demand as well as US tight oil dynamics. Recovery in US tight oil production post the 2020 oil price crash has been slow, and this has resulted in lower ethane availability. Ethane prices initially moved higher during H2 2021 as supply began to tighten. However, the US Arctic storm in February 2021 resulted in a shutdown in production and lower operating rates, leading to lower ethane prices in a US\$20-23c/gal range. Increasing demand in April 2021 and cracker start-ups supported the ethane price pushing it up towards US\$28c/gal.
- Sasol executed ~20% of the 2022 hedging programme which equates to ~4 million barrels.
- For forecasting purposes, it is estimated that a US\$5c/gal change in the ethane price will have an impact of approximately **US\$22 million** on North American Operations, post the sale of 50% of the LCCP Base Chemicals business to LyondellBasell.
- During 2022, we expect the average ethane gas price to range between US\$25c/gal and US\$32c/gal as ethane availability remains tight and demand continues to grow.

## Chemical price outlook

- Commodity chemical prices reached unprecedented highs in Q4 2021 due to a combination of strong demand amid reduced market supply resulting from the February 2021 US Arctic storm and global supply chain challenges due to the ongoing COVID-19 pandemic. In 2022, we expect prices to moderate as supply normalises and the market rebalances. In the short term, chemical prices are expected to be pressured as abundant new capacity comes online, especially in China. Movements in the cost of petrochemical feedstocks (crude oil/naphtha, natural gas and natural gas liquids) and supply/demand changes related to the COVID-19 pandemic could influence prices in the short term. Sasol is not a price-setter for most of its chemicals product portfolio, however, we continue to focus on ensuring the optimum placement of our product across global markets.

\*The sensitivity calculations are done at a point in time and are based on a 12-month average exchange rates/prices. It may be used as a general rule but the sensitivities are not linear over large absolute changes in the assumptions or volumes and hence applying it to these scenarios may lead to an incorrect reflection of the change in earnings before interest and tax.

# Latest hedging overview

as at 11 August 2021

|  |          | Full year<br>2020 | Full<br>year <sup>2</sup><br>2021 | Open Positions |            |            |            |
|--|----------|-------------------|-----------------------------------|----------------|------------|------------|------------|
|  |          |                   |                                   | Q1<br>2022     | Q2<br>2022 | Q3<br>2022 | Q4<br>2022 |
| <b>Rand/US dollar currency - Zero-cost collars<sup>1</sup></b>     |          |                   |                                   |                |            |            |            |
| US\$ exposure  | US\$bn   | 10,1              | <b>8,2</b>                        | 0,6            | 1,1        | 1,1        | 1,1        |
| Open positions   | US\$bn   | 5,4               | <b>2,8</b>                        | 0,6            | 1,1        | 1,1        | 1,1        |
| Settled  | US\$bn   | 4,7               | <b>5,4</b>                        | -              | -          | -          | -          |
| Annual average floor (open positions)                              | R/US\$   | 14,80             | <b>14,54</b>                      | 14,50          | 14,57      | 14,53      | 14,17      |
| Annual average cap (open positions)                                | R/US\$   | 17,77             | <b>17,52</b>                      | 17,48          | 17,57      | 17,50      | 17,04      |
| Realised (losses)/gains recognised in the income statement         | Rm       | (1 063)           | <b>245</b>                        | -              | -          | -          | -          |
| Unrealised (losses)/gains recognised in the income statement       | Rm       | (3 235)           | <b>3 782</b>                      | -              | -          | -          | -          |
| (Liability)/asset included in the statement of financial position  | Rm       | (2 861)           | <b>1 150</b>                      | -              | -          | -          | -          |
| <b>Ethane - Swap options<sup>1,3</sup></b>                         |          |                   |                                   |                |            |            |            |
| Number of barrels  | mm bbl   | 38,9              | <b>30,2</b>                       | 3,0            | -          | -          | 1,0        |
| Open positions   | mm bbl   | 21,5              | <b>4,0</b>                        | 3,0            | -          | -          | 1,0        |
| Settled  | mm bbl   | 17,4              | <b>26,2</b>                       | -              | -          | -          | -          |
| Average ethane swap price (open positions)                         | US\$/gal | 20                | <b>23</b>                         | 23             | -          | -          | 23         |
| Realised (losses)/gains recognised in the income statement         | Rm       | (1 125)           | <b>400</b>                        | -              | -          | -          | -          |
| Unrealised gains recognised in the income statement                | Rm       | 393               | <b>280</b>                        | -              | -          | -          | -          |
| (Liability)/asset included in the statement of financial position  | Rm       | (126)             | <b>156</b>                        | -              | -          | -          | -          |
| <b>Brent crude oil - Put options</b>                               |          |                   |                                   |                |            |            |            |
| Premium paid   | US\$m    | 17,4              | <b>108,0</b>                      | -              | -          | -          | -          |
| Number of barrels  | mm bbl   | 6,5               | <b>32,5</b>                       | -              | -          | -          | -          |
| Open positions <sup>4</sup>  | mm bbl   | 5,5               | -                                 | -              | -          | -          | -          |
| Settled  | mm bbl   | 1,0               | <b>32,5</b>                       | -              | -          | -          | -          |
| Average Brent crude oil price floor, net of costs (open positions) | US\$/bbl | 34,5              | -                                 | -              | -          | -          | -          |
| Realised losses recognised in the income statement <sup>4</sup>    | Rm       | (27)              | <b>(1 265)</b>                    | -              | -          | -          | -          |
| Unrealised losses recognised in the income statement               | Rm       | (126)             | <b>(280)</b>                      | -              | -          | -          | -          |
| Asset included in the statement of financial position              | Rm       | 113               | -                                 | -              | -          | -          | -          |
| <b>Brent crude oil - Swap options<sup>1</sup></b>                  |          |                   |                                   |                |            |            |            |
| Number of barrels  | mm bbl   | 5,0               | <b>18,0</b>                       | 4,5            | 4,5        | 4,5        | 4,5        |
| Open positions   | mm bbl   | -                 | <b>18,0</b>                       | 4,5            | 4,5        | 4,5        | 4,5        |
| Settled  | mm bbl   | 5,0               | -                                 | -              | -          | -          | -          |
| Average Brent swap price (open positions)                          | US\$/bbl | 31,4              | <b>67,24</b>                      | 67,52          | 67,03      | 67,21      | 67,21      |
| Realised (losses)/gains recognised in the income statement         | Rm       | (160)             | -                                 | -              | -          | -          | -          |
| Unrealised losses recognised in the income statement               | Rm       | -                 | <b>(1 267)</b>                    | -              | -          | -          | -          |
| Liability included in the statement of financial position          | Rm       | -                 | <b>(1 175)</b>                    | -              | -          | -          | -          |
| <b>Brent crude oil - Zero-cost collars<sup>1</sup></b>             |          |                   |                                   |                |            |            |            |
| Number of barrels  | mm bbl   | 3,1               | <b>29,1</b>                       | 6,0            | 6,0        | 6,0        | 6,0        |
| Open positions   | mm bbl   | 3,1               | <b>24,0</b>                       | 6,0            | 6,0        | 6,0        | 6,0        |
| Settled  | mm bbl   | -                 | <b>5,1</b>                        | -              | -          | -          | -          |
| Average Brent crude oil price floor (open positions)               | US\$/bbl | 31,80             | <b>60,09</b>                      | 60,05          | 60,14      | 60,11      | 60,07      |
| Average Brent crude oil price cap (open positions)                 | US\$/bbl | 39,90             | <b>71,97</b>                      | 71,59          | 72,25      | 72,19      | 71,87      |
| Realised losses recognised in the income statement                 | Rm       | -                 | <b>(811)</b>                      | -              | -          | -          | -          |
| Unrealised losses recognised in the income statement               | Rm       | (157)             | <b>(1 060)</b>                    | -              | -          | -          | -          |
| Liability included in the statement of financial position          | Rm       | (174)             | <b>(1 126)</b>                    | -              | -          | -          | -          |

1 We target a hedge cover ratio of 40% – 65% for 2022.

2 The open positions reflects the trades executed as at 30 June 2021. Additional trades have been executed subsequent to 30 June 2021.

3 We hedge our share of the ethane requirements of the Louisiana Integrated Polyethylene (LIP) JV LLC.

4 Brent put options have been restructured to zero cost collars for 2022. This resulted in the recognition of the premiums paid on the original put options as realised losses.

# Income statement overview

for the year ended

|  |      | % change<br>2021 vs 2020 | 2021           | 2020*     | 2019*   |
|--|------|--------------------------|----------------|-----------|---------|
| <b>Gross margin</b>  | Rm   | 18                       | <b>111 170</b> | 94 276    | 107 233 |
| Gross margin percentage (refer to analysis on page 12)               | %    | 6                        | <b>55,1</b>    | 49,5      | 52,7    |
| Cash fixed cost (refer to analysis on page 12)                       | Rm   | (6)                      | <b>60 912</b>  | 57 636    | 57 678  |
| <b>Adjusted EBITDA<sup>1</sup></b>                                   | Rm   | 38                       | <b>48 420</b>  | 34 976    | 47 637  |
| Non cash cost (including depreciation and amortisation) <sup>2</sup> | Rm   | 17                       | <b>18 875</b>  | 22 761    | 19 724  |
| Remeasurement items  | Rm   | 79                       | <b>23 218</b>  | 111 978   | 20 062  |
| <b>Earnings/(loss) before interest and tax (EBIT)</b>                | Rm   | >100                     | <b>16 619</b>  | (111 926) | 8 434   |
| <b>Normalised EBIT</b>   | Rm   | 74                       | <b>32 045</b>  | 18 465    | 34 148  |
| EBIT margin  | %    | 66                       | <b>8,2</b>     | (58,2)    | 5,0     |
| Effective tax rate (refer to analysis on page 14)                    | %    | 21                       | <b>1,7</b>     | 22,4      | 35,2    |
| Adjusted effective tax rate  | %    | (22)                     | <b>23,9</b>    | 2,2       | 29,3    |
| <b>Earnings/(loss) per share</b>                                     | Rand | >100                     | <b>14,57</b>   | (148,49)  | 5,50    |
| <b>Headline earnings/(loss) per share</b>                            | Rand | >100                     | <b>39,53</b>   | (11,50)   | 30,90   |
| <b>Core HEPS</b>   | Rand | 84                       | <b>27,74</b>   | 15,08     | 37,83   |

<sup>1</sup> Adjusted EBITDA is calculated by adjusting EBIT for depreciation, amortisation, share-based payments, remeasurement items, change in discount rates of our rehabilitation provisions, all unrealised translation gains and losses, and all unrealised gains and losses on our derivatives and hedging activities.

<sup>2</sup> Includes lower depreciation due to impairments and from asset disposals.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.

## Adjusted EBITDA reconciliation

|   | Rm            | %           |
|---|---------------|-------------|
| <b>2020 adjusted EBITDA</b>                   | <b>34 976</b> |             |
| Impact of higher rand-oil                     | 1 354         | 3,9         |
| Exchange rates                                | (1 294)       | (3,7)       |
| Brent crude oil prices                        | 2 648         | 7,6         |
| Other product and feedstock prices            | 15 385        | 44,0        |
| Exchange rates                                | 187           | 0,5         |
| Product and feedstock prices                  | 15 198        | 43,5        |
| Sales volumes*                                | 3 144         | 9,0         |
| Business disposals impact on gross margin     | (2 744)       | (7,8)       |
| Other gross margin impacts                    | (245)         | (0,7)       |
| Higher realised derivatives and hedging gains | 1 461         | 4,2         |
| Higher realised translation losses            | (2 853)       | (8,2)       |
| Cash fixed cost increase**                    | (3 276)       | (9,4)       |
| Higher equity earnings and other net cost     | 1 218         | 3,5         |
| <b>2021 adjusted EBITDA</b>                   | <b>48 420</b> | <b>38,4</b> |

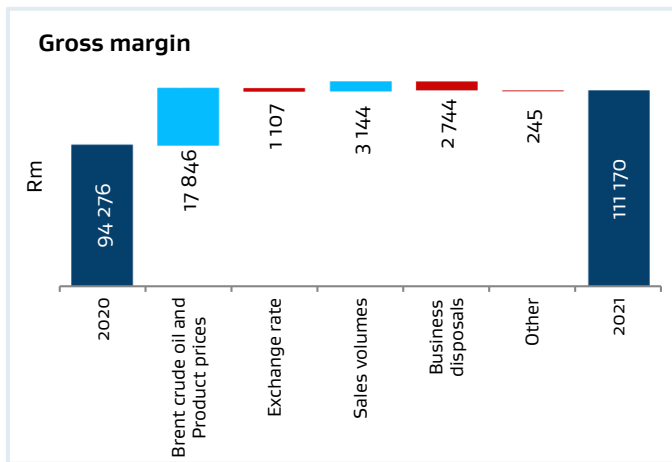
\* Sales volumes were negatively impacted by two hurricanes and the arctic winter storm with a combined impact of 300kt.

\*\* Increase mostly due to the reinstatement of short-term incentives. Normalised cash fixed cost reduced by 4% in real-terms year-on-year.

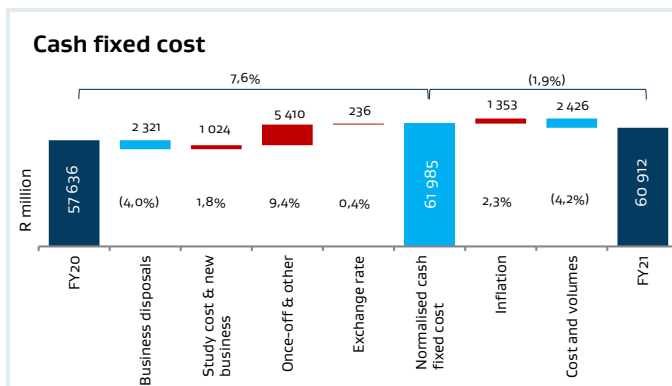
|  | 2021<br>Rm     | Realised<br>Rm | Unrealised<br>Rm | 2020<br>Rm     |
|--|----------------|----------------|------------------|----------------|
| <b>Summary of our derivatives</b>                          |                |                |                  |                |
| <b>Net gain/(loss) on derivative instruments</b>           |                |                |                  |                |
| Foreign exchange zero cost collars                         | <b>4 027</b>   | 245            | 3 782            | (4 298)        |
| Other foreign exchange derivatives <sup>1</sup> (Synfuels) | <b>2 058</b>   | (4)            | 2 062            | (1 562)        |
| Ethane swap options  | <b>680</b>     | 400            | 280              | (732)          |
| Foreign exchange contracts (FECs)                          | <b>1 011</b>   | 1 413          | (402)            | (372)          |
| Crude oil swap options                                     | <b>(1 267)</b> | -              | (1 267)          | (160)          |
| Crude oil zero cost collars                                | <b>(1 871)</b> | (811)          | (1 060)          | (157)          |
| Crude oil put options                                      | <b>(1 545)</b> | (1 265)        | (280)            | (153)          |
| Interest rate swaps  | <b>(37)</b>    | -              | (37)             | (101)          |
| Crude oil futures  | <b>(774)</b>   | (754)          | (20)             | 538            |
| <b>Total</b>   | <b>2 282</b>   | <b>(777)</b>   | <b>3 059</b>     | <b>(6 997)</b> |

1. Mainly relates to a US dollar derivative that is embedded in a long-term oxygen supply contract to our Secunda Operations.

## Analysis of key Income statement metrics



- For most of the year, gross margin was impacted by constrained economic conditions and the impact of the COVID-19 pandemic. However as the economy recovered, the average Brent crude oil price improved from a H1 average of US\$44/bbl to a H2 average of US\$64/bbl, averaging US\$54/bbl for full year 2021, compared to US\$51/bbl in the previous financial year.
- Higher Brent crude oil prices and a strong recovery in chemical prices were partially offset by the stronger Rand/US dollar average exchange rate.
- The Chemicals business started to benefit from LCCP, post all units achieving beneficial operation. Sales volumes were negatively impacted by two hurricanes and the arctic winter storm with a combined impact of 300kt.
- Gross margin was further negatively impacted by the disposal of 50% of the LCCP Base Chemicals business to LyondellBasell, Gemini HDPE LLC, the explosives business to Enaex and Gabon asset.

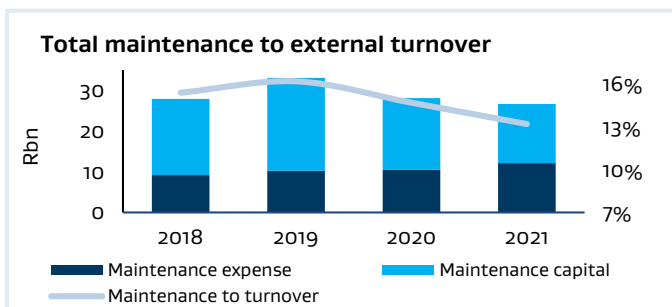


- Cash fixed costs for 2021 is 5.7% higher compared to the prior year, mainly due to the reinstatement of short-term incentives (not included in 2020).
- Business disposal savings results from the sale of 50% of the LCCP Base Chemicals business (R1,1bn), the explosives business to Enaex (R1,0bn) and Gabon asset disposal (R0,2bn).
- Study cost and new business savings includes transaction costs relating to the disposal of 50% of the LCCP Base Chemicals business to LyondellBasell (R0,9bn), underwriters support fees relating to the Sasol rights issue (R0,6bn) which the Sasol Board has decided not to pursue further, partly offset by lower US project costs and study cost savings.
- Other items include the reinstatement of short-term incentives, the impact of Hurricane Laura & Delta, NERSA gas retrospective provision and severance costs.
- Cost and volumes mainly relates to crisis response plan savings, offset partially by higher electricity costs.

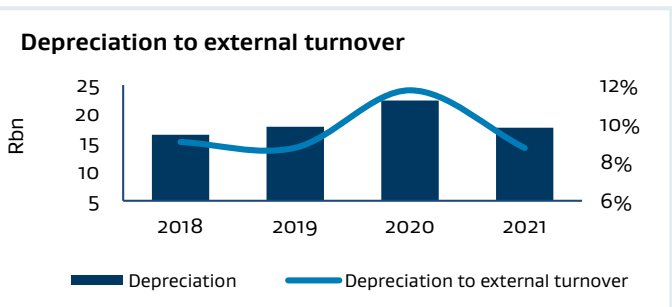
### Drivers of cash fixed cost: Headcount analysis

|   | June 2021 Number | June 2020 Number |
|---|------------------|------------------|
| Employees opening balance                                 | 31 001           | 31 429           |
| Impact of operating model redesign & vacancies not filled | (968)            | (805)            |
| Impact of business disposals                              | (1 369)          | -                |
| Business growth   | 20               | 141              |
| Insourcing and hired labour conversion                    | 265              | 236              |
| <b>Employees closing balance</b>                          | <b>28 949</b>    | <b>31 001</b>    |
| Turnover per person                                       | Rm 6,97          | 6,10             |
| Labour cost to turnover ratio                             | % 16,3           | 16,1             |

- Insourcing and hired labour conversion relates mainly to Mining, where long term hired labour is being converted to permanent positions, with minimal impact on overall labour cost. Since financial year 2018, 981 employees have been converted into permanent positions from insourcing and hired labour.
- The impact of business disposals includes employees transferred to Enaex (968 employees) and LyondellBasell (401 employees).
- As part of our Sasol 2.0 initiative, our operating model redesign is currently in progress. We have made significant progress with respect to the human capital levers identified and were completed by June 2021. A further 530 employees' packages have been approved for financial year 2022.



- Turnover increased by 6% from higher Brent crude and chemical prices.
- The decrease in total maintenance in 2021 is mainly due to the delivery of the comprehensive response plan savings and management self-help measures.



- Turnover increased by 6% compared to the prior period, mainly as a result of higher rand oil prices and stronger chemical prices.
- The decrease in depreciation by 21% in 2021 is mainly due to asset disposals and impairments in the previous year.

## Income statement overview (continued)

| Translation gains/(losses)     | 2021<br>Rm   | 2020<br>Rm     | 2019<br>Rm |
|--------------------------------|--------------|----------------|------------|
| Sasol Investment Company (SIC) | 7 562        | (8 061)        | 436        |
| Other                          | (2 052)      | 1 519          | 168        |
| <b>Total</b>                   | <b>5 510</b> | <b>(6 542)</b> | <b>604</b> |

- Translation gains in SIC for 2021 of R7,6 billion results from the strengthening of the ZAR/US\$ closing exchange rate from R17,33 in FY20, to R14,28 in FY21, on the translation of the US\$ denominated loan from Sasol Financing International.

### Analysis of remeasurement items

| Cash generating unit (CGU)                         | 2021<br>Rm    | 2020<br>Rm     |
|--|---------------|----------------|
| <b>Impairment summary</b>                          |               |                |
| Synfuels liquid fuels refinery                     | 24 456        | 3 834          |
| US Chemicals Assets                                | -             | 72 558         |
| Ethylene Oxide/Ethylene Glycol (EO/EG)             | (4 934)       | -              |
| US Phenolics assets                                | 460           | -              |
| Sasol Canada – Shale gas assets                    | (521)         | -              |
| Chlor Alkali and PVC                               | 1 094         | -              |
| Southern Africa Wax value chain                    | 7 863         | 3 777          |
| Sasolburg (Natref) refinery                        | -             | 8 594          |
| Ammonia value chain                                | -             | 2 736          |
| Acrylates & Butanol value chain                    | -             | 6 766          |
| Polyethylene value chain                           | -             | 5 814          |
| Chlor Vinyls value chain                           | -             | 1 979          |
| Chemicals Work Up & Heavy Alcohols value chain     | -             | 1 668          |
| Wax Germany  | -             | 2 838          |
| Other  | 314           | 2 172          |
| <b>Net (profit)/loss on disposal of businesses</b> |               |                |
| Air separation units (ASU's)                       | (2 726)       | -              |
| 50% US LCCP Base Chemicals business                | (1 967)       | -              |
| Gemini HDPE LLC                                    | (929)         | -              |
| Gabon exploration assets                           | (274)         | -              |
| 26% of Sasol's share in Enaex Africa (Pty)         | 115           | -              |
| Huntsman GmbH & co KG                              | -             | (936)          |
| EGTL   | -             | (705)          |
| Wilmar Alcohol Industries                          | -             | (46)           |
| <b>Loss on other disposals and scrapping</b>       | <b>267</b>    | <b>929</b>     |
| <b>Per income statement</b>                        | <b>23 218</b> | <b>111 978</b> |

### Impairments

- The Synfuels refinery impairment is largely due to a stronger forecasted rand/dollar exchange rate which impacted negatively on the forecasted Basic Fuel Price;
- US EO/EG CGU - A reversal of impairment after the Ziegler alcohols unit (Ziegler) reached beneficial operation (BO) in June 2020. Given the interdependencies of the Ziegler, EO and ethoxylates (ETO) units, as well as the change in regulatory environment surrounding EO, the CGUs were reassessed and now considered to be one integrated CGU. The impairment assessment of the combined CGU showed significant headroom, resulting in the 2019 impairment of the EO/EG CGU being reversed in the 2021 financial year;
- Canada recoverable amount was revised to fair value less cost to sell based on signed SPA agreement;
- The Chlor Alkali and PVC impairment is as a result of the sale of Sodium Cyanide business together with the strengthening of the rand and lower sales volumes;
- The impairment on the Wax value chain was driven by higher future LNG gas imports and the strengthening of the rand against the US dollar.

### Disposal of businesses

- The sale of Sasol's sixteen air separation units (ASU's) and associated business located in Secunda was concluded on 24 June 2021;
- On 1 December 2020 the sale of 50% of our interest in the US LCCP Base Chemicals business was successfully concluded through the creation of the 50/50 owned Louisiana Integrated Polyethylene JV LLC (LIP);
- The divestment of our 50% equity interest in the Gemini HDPE LLC successfully closed on 31 December 2020;
- The sale of Sasol's 27,8% working interest in the Etame Marin block offshore Gabon (producing asset with proven reserves), as well as Sasol's 40% non-operated participating interest in Block DE-8 offshore Gabon (exploration permit) was concluded on 25 February 2021 and 4 May respectively;
- The sale of 26% of Sasol's 49% interest in Enaex Africa (Pty) Ltd to Afris Subco (Pty) Ltd. After the transaction, Sasol's remaining interest in Enaex Africa (Pty) Ltd is 23%.

## Income statement overview (continued)

|  | 2021<br>Rm   | 2020<br>Rm | 2019<br>Rm |
|--|--------------|------------|------------|
| <b>Finance cost reconciliation</b>     |              |            |            |
| <b>Total finance cost</b>              | <b>7 638</b> | 10 823     | 8 195      |
| Amounts capitalised to AUC             | (880)        | (3 520)    | (6 942)    |
| <b>Per income statement</b>            | <b>6 758</b> | 7 303      | 1 253      |
| Total finance cost                     | 7 638        | 10 823     | 8 195      |
| Amortisation of loan cost              | (160)        | (135)      | (725)      |
| Notional interest                      | (668)        | (945)      | (857)      |
| Modification (loss)/gain               | -            | (1 193)    | 109        |
| Modification adjustments               | 785          | -          | -          |
| Interest accrued                       | (1 422)      | (1 412)    | (1 025)    |
| Interest reversed on tax payable       | -            | 16         | 525        |
| <b>Per the statement of cash flows</b> | <b>6 173</b> | 7 154      | 6 222      |

### Decrease in finance costs due to:

- Lower interest expense as we repaid debt from asset divestment proceeds and lower interest rates in 2021.
- A decrease in the interest capitalisation of R2,6 billion mainly as a result of all LCCP units having reached beneficial operation in 2020.
- Modification adjustments relates to amortisation of 2020 modification loss and an extinguishment gain of R435 million (US\$28,2 million) relating to repayments of the RCF.

### Outlook for 2022:

- We expect the amount to be expensed in the income statement in 2022 to range between R5 billion and R7 billion. This could be impacted by the progress made and timing on the asset disposal programme.

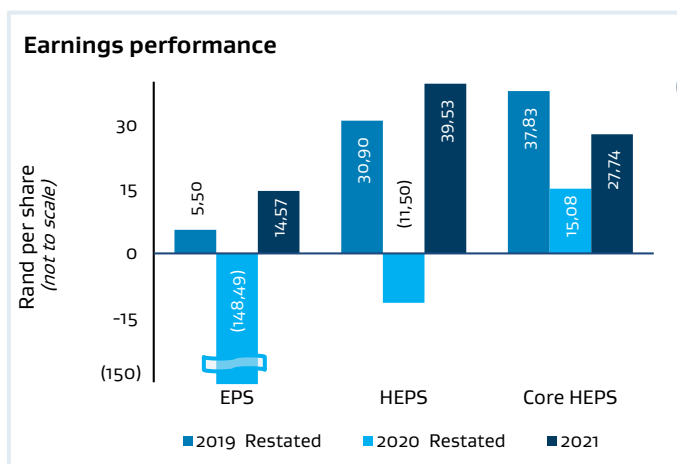
|  | 2021<br>%   | Restated<br>2020<br>% |
|--|-------------|-----------------------|
| <b>Taxation rate reconciliation</b>              |             |                       |
| <b>South African tax rate</b>                    | <b>28,0</b> | 28,0                  |
| Disallowed expenses                              | 11,4        | (1,0)                 |
| Different tax rates                              | 0,5         | (3,6)                 |
| Tax losses not recognized                        | -           | (2,0)                 |
| Disallowed share-based payments                  | 2,3         | (0,3)                 |
| Share of profits of equity accounted investments | (2,1)       | (0,1)                 |
| Investment incentive allowances                  | (0,4)       | -                     |
| Exempt income                                    | (10,0)      | 0,7                   |
| Prior year adjustments                           | (2,2)       | 0,9                   |
| Assessed losses utilised                         | (20,9)      | -                     |
| Translation differences                          | (1,9)       | -                     |
| Capital gains and losses                         | (1,8)       | -                     |
| Other  | (1,2)       | (0,2)                 |
| <b>Effective tax rate</b>                        | <b>1,7</b>  | 22,4                  |
| <b>Adjusted effective tax rate</b>               | <b>23,9</b> | 2,2                   |

### Notes on year 2021 items:

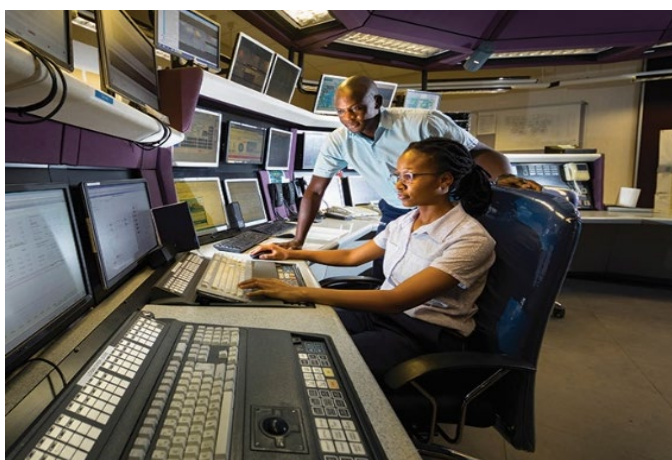
- Disallowed expenses includes non-deductible expenses incurred not deemed to be in the production of taxable income mainly relating to non-productive interest in our treasury function and project costs.
- Disallowed share-based payments relates to the Sasol Khanyisa transaction.
- Exempt income mainly relates to the Foreign Currency Translation Reserve (FCTR) reclassified on the disposal of business.
- Assessed losses relate to tax losses utilised in the current year which are allowed to be set off against 2021 foreign exchange gains.
- Capital gains and losses relates mainly to the disposal of the Air Separation Units.
- The adjusted effective tax rate is adjusted for equity accounted investments, remeasurement items and once-off items.

|   | 2021<br>Rand per<br>share | 2020<br>Rand per<br>share | 2019<br>Rand per<br>share |
|---|---------------------------|---------------------------|---------------------------|
| <b>Earnings/(loss) per share</b>  | <b>14,57</b>              | (148,49)                  | 5,50                      |
| Net remeasurement items   | 24,96                     | 136,99                    | 25,40                     |
| <b>Headline earnings/(loss) per share</b>                                   | <b>39,53</b>              | (11,50)                   | 30,90                     |
| Translation impact of closing exchange rate                                 | (10,15)                   | 11,34                     | (0,79)                    |
| Realised and unrealised (gains)/losses on derivative and hedging activities | (2,81)                    | 7,87                      | 3,06                      |
| Implementation of Khanyisa B-BBEE transaction                               | 1,17                      | 1,30                      | 1,26                      |
| LCCP operating losses during ramp-up  | -                         | 6,07                      | 4,73                      |
| <b>Core headline earnings per share</b>                                     | <b>27,74</b>              | 15,08                     | 37,83                     |

# Income statement overview (continued)



- Earnings per share is higher due to higher gross margin, lower impairments, lower depreciation and FCTR gains mainly on the disposal of 50% of the LCCP Base Chemicals business to LyondellBasell and Gemini HDPE LLC.
- Headline earnings per share (HEPS) is up by more than 100% mainly due to higher gross margin, translation gains and gains on derivatives and hedging activities resulting from the stronger R/\$ closing rate.
- Core headline earnings per share (CHEPS) increased by 84% mainly due to a stronger macroeconomic environment, higher oil and chemicals prices, which offset the impact of COVID-19 and weather related events on our operations.



# Mining – earnings performance

for the year ended 30 June 2021

## Maintaining steady safe production

EBIT increased by 17% for the year to R3,2 billion compared to the prior year, mainly due to higher sales volumes, higher export sales prices and lower external coal purchases, offset by higher depreciation and an unfavourable stock movement.

Our normalised mining unit cost increased by 8% to R376/ton due to higher labour, maintenance and depreciation costs, partially negated by cash conservation measures.

Our productivity of 1 131 tons per continuous miner per shift (t/cm/s) was lower than expected, which necessitated more external coal purchases to meet demand from Secunda Operations (SO). To improve productivity sustainably going forward, we have implemented the Fulco integrated shift system across all Secunda mines, with the last mine rollout completed in June 2021, two months earlier than planned. We expect our productivity to increase and external purchases to decrease as we fully ramp up the Fulco integrated shift system.

Our commitment to safety and continued reinforcement of our High Severity Injury (HSI) programme aimed at preventing fatalities, HSIs and process safety incidents have resulted in zero work-related fatalities. In addition, our COVID-19 response plans and mitigating protocols have enabled us to manage the risks of the third wave as the virus continues to spread within our communities. We continue to monitor the situation closely to ensure employee wellbeing as well as safe operations.

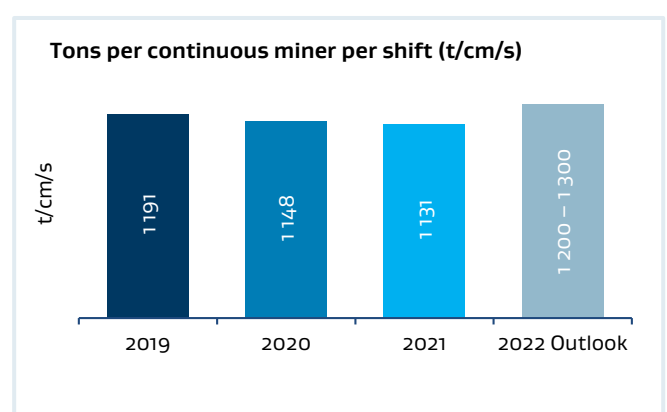
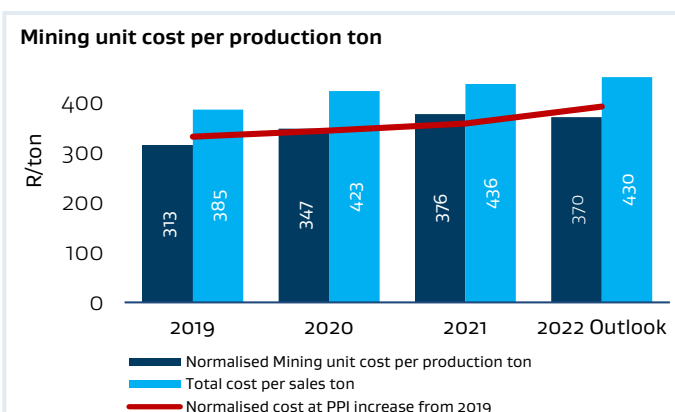
In financial year 2022, we expect mining productivity of 1 200 – 1 300 t/cm/s, supported by the ramp-up of the full calendar operations (Fulco) integrated shift system across all Secunda mines.

|                                  |         | % change<br>2021 vs 2020 | 2021  | 2020  | 2019  |
|----------------------------------|---------|--------------------------|-------|-------|-------|
| <b>Production</b>                |         |                          |       |       |       |
| Saleable production <sup>1</sup> | mm tons | (2)                      | 35,4  | 36,1  | 36,1  |
| Mining productivity <sup>2</sup> | t/cm/s  | (1)                      | 1 131 | 1 148 | 1 191 |
| <b>External purchases</b>        |         |                          |       |       |       |
|                                  | mm tons | (6)                      | 6,1   | 6,5   | 5,2   |
| <b>Internal sales</b>            |         |                          |       |       |       |
| Fuels                            | mm tons | (3)                      | 22,7  | 23,5  | 22,6  |
| Chemicals                        | mm tons | 11                       | 17,4  | 15,7  | 16,5  |
| <b>External sales</b>            |         |                          |       |       |       |
| International and other domestic | mm tons | 37                       | 2,6   | 1,9   | 3,2   |

<sup>1</sup> Saleable production represents total production adjusted for discard arising from the coal beneficiation process at our export operations. The discard reduces saleable production volumes. Due to higher export volumes in the period, we are seeing a higher discard resulting in a 2% decrease in saleable production.

<sup>2</sup> Our production was supplemented with external coal purchases to meet demand from SO. We expect our productivity to increase and external purchases to decrease in 2022 as we fully ramp up the Fulco integrated shift system.

|   |    | % change<br>2021 vs 2020 | 2021   | 2020   | 2019   |
|---|----|--------------------------|--------|--------|--------|
| Gross margin                            | Rm | 5                        | 13 424 | 12 829 | 13 993 |
| Gross margin %                          | %  | (2)                      | 62     | 64     | 67     |
| Cash fixed costs                        | Rm | -                        | 7 500  | 7 501  | 6 984  |
| Adjusted EBITDA                         | Rm | 10                       | 5 793  | 5 269  | 6 869  |
| Earnings before interest and tax (EBIT) | Rm | 17                       | 3 227  | 2 756  | 4 701  |
| Normalised EBIT                         | Rm | 15                       | 3 307  | 2 879  | 4 765  |
| Normalised EBIT margin %                | %  | -                        | 15     | 15     | 23     |
| Effective tax rate                      | %  | 1                        | 29     | 30     | 29     |





# Gas – earnings performance

for the year ended 30 June 2021

## Consistent operational performance with higher external sales volumes

EBIT increased by 20% to R6,7 billion compared to the prior year. The gas value chain benefited from higher external gas sales in South Africa, the stronger closing rand/US dollar exchange rate on translation of our Mozambique foreign operations and lower depreciation on various assets classified as held for sale. This was partially offset by a provision of R1,4 billion for the potential retrospective application of the final determination by NERSA of the maximum gas price.

Natural gas sales volumes in South Africa were 16% higher than the prior year due to higher demand from resellers and customers as COVID-19 restrictions were eased. Methane rich gas (MRG) sales volumes however were 5% lower compared to the prior year due to operational issues experienced by key customers.

In Mozambique, our gas operations were stable despite several operational challenges due to COVID-19. Production volumes of 114,5 bscf were 2% higher than the prior year. Our drilling campaign was suspended due to COVID-19 restrictions and started up on 7 August 2021.

In line with our strategic objectives, we divested of our interest in the Gabon oil producing asset during February 2021 and successfully completed the divestment of our interest in the Canadian shale gas assets on 29 July 2021.

We expect our gas production volumes from the Petroleum Production Agreement license area in Mozambique to be between 106 to 110 bscf in financial year 2022.

|   |       | % change<br>2021 vs 2020 | 2021  | 2020  | 2019  |
|---|-------|--------------------------|-------|-------|-------|
| <b>Production</b>                               |       |                          |       |       |       |
| Natural gas – South Africa                      | bscf  | 2                        | 114,5 | 112,4 | 114,0 |
| <b>External sales</b>                           |       |                          |       |       |       |
| Natural gas – South Africa <sup>1</sup>         | bscf  | 16                       | 37,5  | 32,3  | 35,2  |
| Methane rich gas – South Africa                 | bscf  | (5)                      | 20,8  | 21,8  | 21,8  |
| Natural gas – Mozambique <sup>2</sup>           | bscf  | 2                        | 15,5  | 15,2  | 15,3  |
| Condensate – Mozambique                         | m bbl | (5)                      | 197   | 208   | 247   |
| Crude oil – Gabon                               | m bbl | (38)                     | 783   | 1267  | 1042  |
| Natural gas – Canada                            | bscf  | (17)                     | 12,4  | 15,0  | 16,3  |
| Condensate – Canada                             | m bbl | (37)                     | 124   | 197   | 63    |
| <b>Internal sales – Natural gas<sup>2</sup></b> |       |                          |       |       |       |
| Mozambique to Fuels                             | bscf  | (3)                      | 29,2  | 30,2  | 32,4  |
| Mozambique to Chemicals                         | bscf  | (2)                      | 43,5  | 44,4  | 41,6  |

<sup>1</sup> Includes volumes relating to the 30% shareholding of our Mozambique assets, held by third parties.

<sup>2</sup> Volumes shown reflect Sasol's share after royalties.

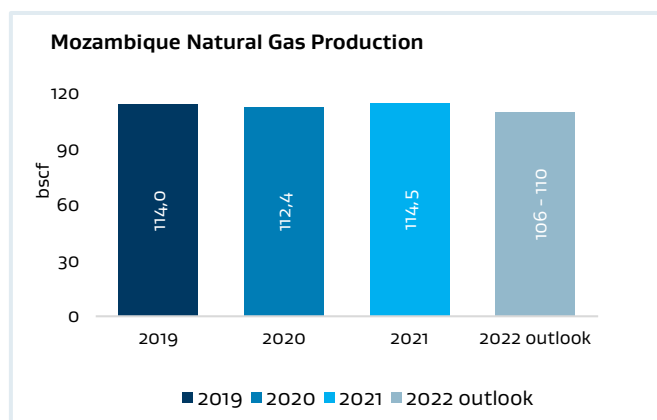
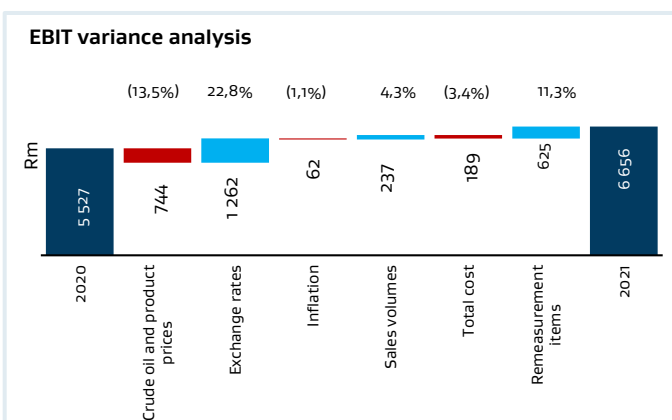
|   |    | % change<br>2021 vs 2020 | 2021  | 2020   | 2019   |
|---|----|--------------------------|-------|--------|--------|
| Gross margin <sup>1</sup>               | Rm | (7)                      | 9 732 | 10 426 | 10 968 |
| Cash fixed costs <sup>2</sup>           | Rm | (17)                     | 2 982 | 2 547  | 2 517  |
| Adjusted EBITDA                         | Rm | (18)                     | 6 728 | 8 214  | 8 113  |
| Remeasurement items <sup>3</sup>        | Rm | (>100)                   | (655) | (30)   | 1 977  |
| Earnings before interest and tax (EBIT) | Rm | 20                       | 6 656 | 5 527  | 3 948  |
| Normalised EBIT                         | Rm | (16)                     | 5 112 | 6 056  | 6 000  |
| Effective tax rate <sup>4</sup>         | %  | 16                       | 23    | 39     | 59     |

<sup>1</sup> Lower gas selling prices in South Africa from the retrospective application of the final ruling on the NERSA maximum gas pricing matter resulted in 7% lower gross margin

<sup>2</sup> Excluding the impact of the once-off provision of R0,4 billion relating to the retrospective application of the NERSA ruling, cash fixed costs increased by 2,7%.

<sup>3</sup> Remeasurement items includes gain on disposal of our Gabon assets and the partial reversal of previous impairments on our Canadian shale gas assets

<sup>4</sup> Full year 2021 lower as a result of gains on disposal of Gabon assets which are exempt from tax



# Fuels – earnings performance

for the year ended 30 June 2021

## Recovery in liquid fuels volumes, benefitting from easing of lockdown restrictions

The Fuels segment benefited from stronger demand as COVID-19 restrictions were eased. Demand for diesel has recovered to above pre-COVID 19 levels, while petrol demand remains between 90 - 95% of pre-COVID-19 levels. Jet fuel demand continues to remain constrained. Liquid fuel sales volumes of 54,2 million barrels were 3% higher than the prior year.

We recorded a LBIT of R18,2 billion compared to the prior year LBIT of R11,6 billion. The LBIT for the financial year includes an impairment of R24,5 billion relating to our Secunda liquid fuels refinery cash generating unit, resulting mainly from a stronger rand/US dollar exchange rate outlook and higher cost to produce gas in the longer term.

Excluding remeasurement items, our profitability increased more than 100% and gross margin increased from 31% to 38% compared to the prior year, mainly due to higher production at SO and the benefit of Natref procuring crude oil at much lower prices at the start of the year.

SO volumes of 7,6mt for 2021 were 3% higher than the prior year with the benefit of the September 2020 phase shutdown which was replaced by a 'pitstop' shutdown in May 2020. However, the increase in volumes was partly offset by some operational challenges. At Natref, together with our partner, we reduced our run rates to respond to lower market demand.

ORYX GTL contributed R719 million to EBIT, increasing by more than 100% compared the prior year due to a solid operational performance post the extended shutdown during the first half of the financial year.

In financial year 2022, we expect SO volumes of 7,4 to 7,5 million tons attributed to lower gas supply due to the drilling campaign in Mozambique and coal quality. The Natref run rate is expected to be between 560 and 590 m<sup>3</sup>/h.

Additionally, we expect liquid fuels sales of approximately 57 to 58 million barrels in financial year 2022, dependent on further waves of COVID-19 and the pace of the COVID-19 vaccine roll-out.

|  |        | % change<br>2021 vs 2020 | 2021         | 2020  | 2019  |
|--|--------|--------------------------|--------------|-------|-------|
| <b>Synfuels production*</b>                    | kt     | 3                        | <b>7 610</b> | 7 373 | 7 619 |
| Refined product                                | kt     | 3                        | <b>3 630</b> | 3 541 | 3 699 |
| Heating Fuels                                  | kt     | (2)                      | <b>635</b>   | 651   | 665   |
| Alcohols/ketones                               | kt     | 4                        | <b>622</b>   | 597   | 623   |
| Other chemicals                                | kt     | 7                        | <b>2 014</b> | 1 887 | 1 910 |
| Gasification                                   | kt     | -                        | <b>572</b>   | 571   | 590   |
| Other  | kt     | 9                        | <b>137</b>   | 126   | 132   |
| <b>Synfuels total refined product</b>          | mm bbl | 3                        | <b>32,1</b>  | 31,2  | 32,6  |
| <b>Electricity production</b>                  |        |                          |              |       |       |
| Total SA operations average annual requirement | MW     |                          | <b>1 597</b> | 1 539 | 1 564 |
| Own capacity                                   | %      |                          | <b>69</b>    | 72    | 71    |
| Own production**                               | %      |                          | <b>49</b>    | 52    | 53    |
| <b>Natref</b>                                  |        |                          |              |       |       |
| Crude oil (processed)                          | mm bbl | 5                        | <b>18,1</b>  | 17,2  | 22,2  |
| White product yield                            | %      |                          | <b>88,5</b>  | 89,4  | 89,4  |
| Total yield                                    | %      |                          | <b>97,6</b>  | 97,4  | 97,3  |
| Production                                     | mm bbl | 5                        | <b>17,7</b>  | 16,8  | 21,6  |
| <b>Oryx</b>                                    |        |                          |              |       |       |
| Production                                     | mm bbl | 41                       | <b>4,67</b>  | 3,31  | 4,67  |
| Utilisation rate of nameplate capacity         | %      |                          | <b>81</b>    | 57    | 81    |
| <b>External purchases (white product)</b>      | mm bbl | 15                       | <b>3,8</b>   | 3,3   | 5,6   |
| <b>Sales</b>                                   |        |                          |              |       |       |
| Liquid fuels - white product                   | mm bbl | 3                        | <b>52,0</b>  | 50,4  | 57,5  |
| Liquid fuels - black product                   | mm bbl | (4)                      | <b>2,2</b>   | 2,3   | 2,5   |

\*Synfuels production volumes shown includes chemical products which are further beneficiated and marketed under the Chemicals business.

\*\*The decrease is a result of boiler availability challenges in Secunda.

# Fuels – earnings performance

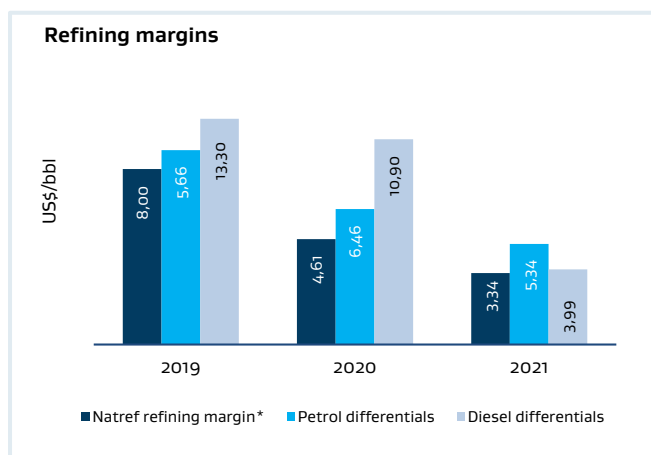
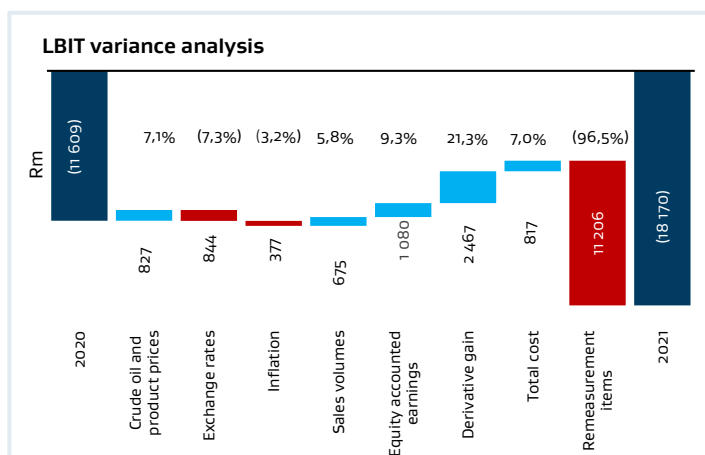
for the year ended 30 June 2021

|   |    | % change<br>2021 vs 2020 | 2021            | 2020     | 2019   |
|---|----|--------------------------|-----------------|----------|--------|
| Gross margin  | Rm | 17                       | <b>23 017</b>   | 19 692   | 29 801 |
| Gross margin %  | %  | 7                        | <b>38</b>       | 31       | 38     |
| Cash fixed costs <sup>1</sup>                         | Rm | (8)                      | <b>15 359</b>   | 14 215   | 14 126 |
| Adjusted EBITDA                                       | Rm | 22                       | <b>7 356</b>    | 6 006    | 16 685 |
| Remeasurement items <sup>2</sup>                      | Rm | (93)                     | <b>23 196</b>   | 11 990   | 447    |
| (Loss)/earnings before interest and tax ((LBIT)/EBIT) | Rm | (57)                     | <b>(18 170)</b> | (11 609) | 10 769 |
| Normalised EBIT                                       | Rm | >100                     | <b>4 926</b>    | 980      | 11 208 |
| Normalised EBIT margin %                              | %  | 6                        | <b>8</b>        | 2        | 14     |
| Effective tax rate <sup>3</sup>                       | %  | (4)                      | <b>33</b>       | 29       | 9      |

<sup>1</sup> The increase in cash fixed cost over inflation results mainly from a volume related increase in cost allocations from Secunda Operations.

<sup>2</sup> Remeasurement items in the current year represent the impairment of our Synfuels liquid fuels refinery cash generating unit (CGU) (R24,5 billion), partially offset by a gain on disposal of Air Separation Units in Secunda (R1,3 billion).

<sup>3</sup> Full year 2021 impacted by exempt intragroup dividend income. 2019 benefitted from energy efficiency tax allowances and a tax provision reversal.



\* Natref breakeven ranges estimated at between US\$6,00 - US\$6,50 / bbl.

# Chemicals Africa – earnings performance

for the year ended 30 June 2021

## Higher prices and volumes lifting overall profitability

EBIT of R7,0 billion was more than a 100% higher compared to the prior year loss of R17,0 billion with both years impacted by remeasurement items. Excluding remeasurement items, EBIT increased more than 100% compared to the prior year.

Sales volumes were 1% higher compared to the prior year, with a marked increase in our Essential Care Chemicals volumes, supported by higher alcohol production, as well as an increase in Advanced Materials volumes resulting from improved GTL catalyst demand and no shutdown of our carbon-related unit in the current year. Base Chemicals sales volumes were also higher than the prior year largely due to higher polymer production, while Performance Solutions sales were lower largely due to a force majeure event at the Sasolburg site.

Sales volumes were further impacted by the continuing COVID-19 pandemic and a power outage at the Sasolburg site caused by a severe storm at the end of December 2020. Force majeure was declared on a number of products which has subsequently been lifted with the exception of Wax, where the force majeure is expected to be lifted in the first quarter of financial year 2022.

The average sales basket price for the financial year was 14% higher compared to the prior year due to a combination of improved demand, higher oil prices and tighter supply conditions globally which benefited our Polymers and Solvents products. This was partially offset by the stronger rand/US dollar exchange rate.

The Chemicals Africa segment recognised an impairment of R9 billion, related to both our Wax (R7,9 billion) and Chlor Alkali and PVC (R1,1 billion) cash-generating units largely due to higher costs associated with gas feedstocks in future years, lower planned sales volumes, stronger rand/US dollar exchange rate and planned divestment of the Sodium Cyanide business.

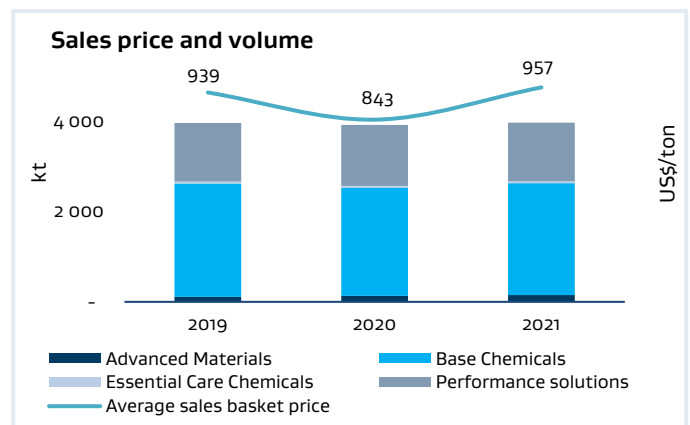
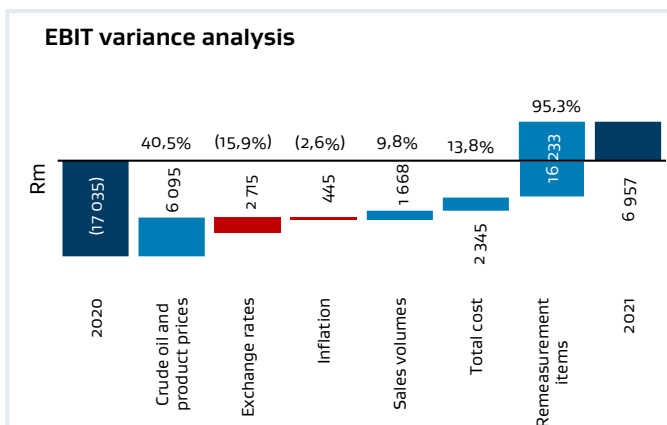
For 2022, we expect sales volumes to be 2% to 4% lower compared to 2021 due to lower production as a result of aforementioned feedstock challenges and planned shutdowns.

| External sales volumes            |          | % change<br>2021 vs 2020 | 2021          | 2020   | 2019   |
|-----------------------------------|----------|--------------------------|---------------|--------|--------|
|                                   |          |                          | 2021          | 2020   | 2019   |
| Advanced Materials                | kt       | 12                       | 150           | 134    | 112    |
| Base Chemicals <sup>1</sup>       | kt       | 3                        | 2 466         | 2 384  | 2 498  |
| Essential Care Chemicals          | kt       | 10                       | 43            | 39     | 43     |
| Performance Solutions             | kt       | (4)                      | 1 292         | 1 344  | 1 293  |
| <b>Total</b>                      | kt       | 1                        | <b>3 951</b>  | 3 901  | 3 946  |
| <b>External sales revenue</b>     | US\$m    | 15                       | <b>3 783</b>  | 3 289  | 3 706  |
| <b>External sales revenue</b>     | Rm       | 13                       | <b>58 260</b> | 51 600 | 52 607 |
| <b>Average sales basket price</b> | US\$/ton | 14                       | <b>957</b>    | 843    | 939    |

<sup>1</sup> Includes SA Polymers sales (2021: 1,4 million tons) which represents 56% of the entire Base Chemicals business,

|   |    | % change<br>2021 vs 2020 | 2021   | 2020*    | 2019*  |
|---|----|--------------------------|--------|----------|--------|
|   |    |                          | 2021   | 2020*    | 2019*  |
| Gross margin  | Rm | 26                       | 37 746 | 29 924   | 31 875 |
| Gross margin %  | %  | 7                        | 62     | 55       | 58     |
| Cash fixed costs                                      | Rm | 1                        | 18 034 | 17 915   | 18 361 |
| Adjusted EBITDA                                       | Rm | 37                       | 18 296 | 13 365   | 14 068 |
| Remeasurement items                                   | Rm | 67                       | 7 889  | 24 122   | 3 928  |
| Earnings/(loss) before interest and tax (EBIT/(LBIT)) | Rm | >100                     | 6 957  | (17 035) | 3 474  |
| Normalised EBIT                                       | Rm | >100                     | 14 932 | 6 798    | 7 420  |
| Normalised EBIT margin %                              | %  | 12                       | 25     | 13       | 14     |
| Effective tax rate                                    | %  | -                        | 28     | 28       | 5      |

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.



# Chemicals America – earnings performance

for the year ended 30 June 2021

## Earnings more than double despite weather events and divestments

EBIT increased significantly compared to the prior year, from a loss of R77,6 billion to a profit of R8,1 billion largely due to 24% higher average sales basket prices, net impairment reversals and gains on disposal. Excluding remeasurement items, EBIT increased more than 100% compared to the prior year.

Remeasurement items for the financial year include a net reversal of an impairment of R4,5 billion largely associated with the EO/EG unit. This was mainly due to a reassessment of the cash-generating units (CGU) and associated integration with the Alcohols CGU. In addition, the aforementioned divestments resulted in a net loss on disposal of R0,4 billion and gain on reclassification of foreign currency translation reserve of R3,3 billion.

The Chemicals America segment was significantly impacted by two hurricanes and the arctic winter storm in the financial year. All units at our Lake Charles Chemicals Complex (LCCC) are currently online, with the force majeure previously declared, lifted.

The Base Chemicals division was further impacted by the divestment of our 50% interest in the Base Chemicals business at LCCP and the divestment of our 50% interest in the Gemini high-density polyethylene (HDPE) joint venture in the first half of the financial year.

For 2022, we expect sales volumes to be in line with 2021 despite the impact of the asset divestitures, largely due to the continued ramp-up of LCCP units and absence of 2021 adverse weather effects.

|   |          | % change<br>2021 vs 2020 | 2021          | 2020         | 2019       |
|---|----------|--------------------------|---------------|--------------|------------|
| <b>External sales volumes</b>             |          |                          |               |              |            |
| Advanced Materials                        | kt       | (15)                     | 17            | 20           | 20         |
| Base Chemicals <sup>1</sup>               | kt       | (17)                     | 1 304         | 1 578        | 482        |
| Essential Care Chemicals                  | kt       | 1                        | 361           | 359          | 359        |
| Performance Solutions                     | kt       | (52)                     | 50            | 104          | 121        |
| <b>Total</b>                              | kt       | (16)                     | <b>1 732</b>  | <b>2 061</b> | <b>982</b> |
| <b>External sales revenue<sup>2</sup></b> | US\$m    | 4                        | <b>1 906</b>  | 1 831        | 1 509      |
| <b>External sales revenue</b>             | Rm       | 2                        | <b>29 358</b> | 28 721       | 21 419     |
| <b>Average sales basket price</b>         | US\$/ton | 24                       | <b>1 101</b>  | 888          | 1 536      |

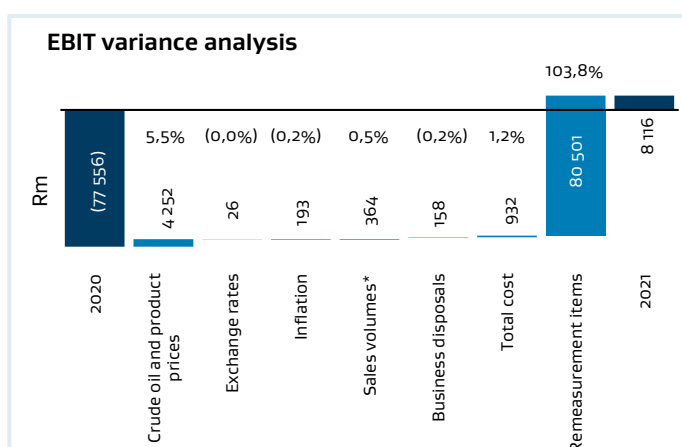
<sup>1</sup> Includes US ethylene and co-products sales (2021: 605kt) and polyethylene sales (2021: 410kt)

<sup>2</sup> Sales includes revenue from kerosene in our alkylates business of US\$95 million that is sold back to third parties after paraffin is extracted. The sale back is recorded as revenue but is not included in sales volumes

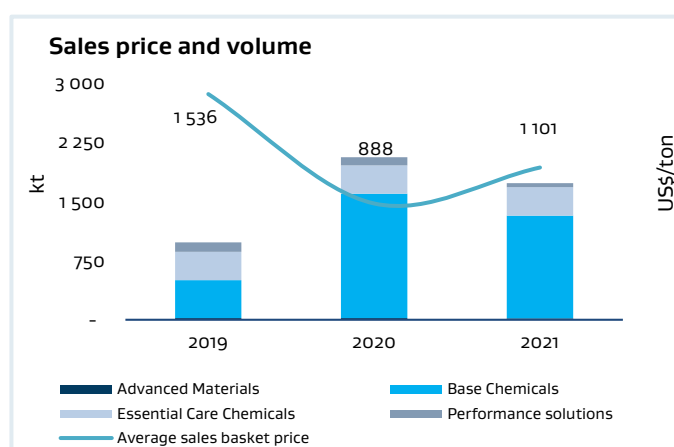
|   |    | % change<br>2021 vs 2020 | 2021    | 2020     | 2019     |
|---|----|--------------------------|---------|----------|----------|
| Gross margin  | Rm | 29                       | 13 424  | 10 390   | 8 252    |
| Gross margin %  | %  | 10                       | 46      | 36       | 39       |
| Cash fixed costs                                      | Rm | (2)                      | 9 403   | 9 242    | 7 951    |
| Adjusted EBITDA                                       | Rm | >100                     | 4 529   | 804      | 64       |
| Remeasurement items                                   | Rm | >100                     | (7 336) | 73 166   | 13 765   |
| Earnings/(loss) before interest and tax (EBIT/(LBIT)) | Rm | >100                     | 8 116   | (77 556) | (15 382) |
| Normalised EBIT <sup>1</sup>                          | Rm | 63                       | 805     | 511      | 2 178    |
| Normalised EBIT margin %                              | %  | 1                        | 3       | 2        | 10       |
| Effective tax rate <sup>2</sup>                       | %  | (35)                     | (11)    | 24       | 24       |

<sup>1</sup> FY20 includes normalisation for LCCP ramp up losses of R4,9 billion (FY19 – R3,8 billion)

<sup>2</sup> The negative effective tax rate in 2021 is mainly due to the disposals of our US Base Chemical assets



\* Sales volumes were negatively impacted by two hurricanes and the arctic winter storm with a combined impact of 300kt.



# Chemicals Eurasia – earnings performance

for the year ended 30 June 2021

## Stable operations supporting improved demand and resulting in higher earnings

EBIT of R4,7 billion increased by more than a 100% compared to the prior year loss of R894 million. Excluding remeasurement items, EBIT increased more than 100% compared to the prior year.

Sales volumes for the financial year were 4% higher than the prior year, despite the divestment of Sasol's share in the Sasol Wilmar Joint Operation. The increase in sales volumes was driven by improved market demand, notably for our Surfactants and Wax products within our Essential Care Chemicals and Performance Solutions divisions and supported by our ability to maintain production output without significant interruptions during the period.

Average sales basket prices were 13% higher compared to the prior year.

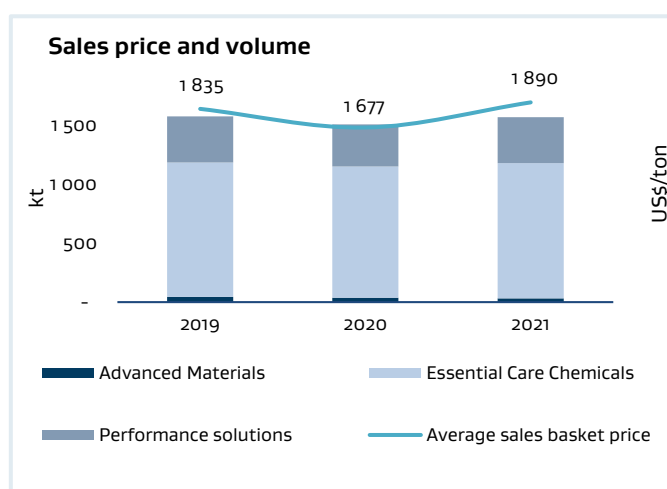
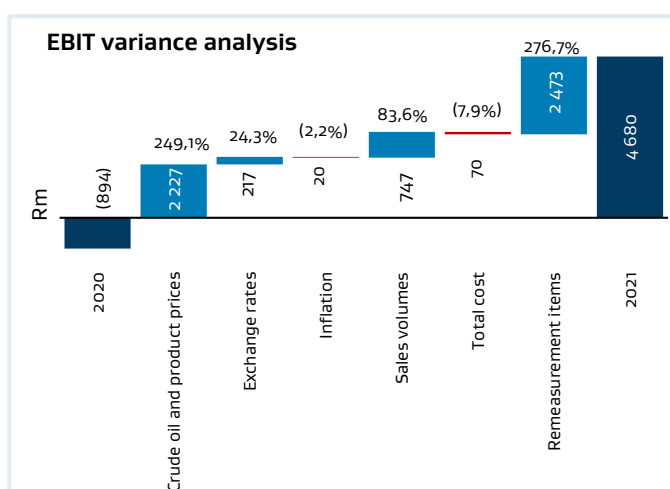
For 2022, we expect sales volumes to be 4% to 6% higher compared to 2021 due to an expected recovery in market demand post the rollout of COVID-19 vaccines and associated reopening of economies.

|                                   |          | % change<br>2021 vs 2020 | 2021   | 2020   | 2019   |
|-----------------------------------|----------|--------------------------|--------|--------|--------|
| <b>External sales volumes</b>     | kt       |                          |        |        |        |
| Advanced Materials                | kt       | (14)                     | 32     | 37     | 44     |
| Essential Care Chemicals          | kt       | 3                        | 1 144  | 1 110  | 1 138  |
| Performance Solutions             | kt       | 9                        | 389    | 356    | 389    |
| <b>Total</b>                      | kt       | 4                        | 1 565  | 1 503  | 1 571  |
| <b>External sales revenue</b>     | US\$m    | 17                       | 2 956  | 2 520  | 2 886  |
| <b>External sales revenue</b>     | Rm       | 15                       | 45 539 | 39 537 | 40 967 |
| <b>Average sales basket price</b> | US\$/ton | 13                       | 1 890  | 1 677  | 1 835  |

<sup>1</sup> Sales includes revenue from kerosene in our alkylates business of US\$345 million that is sold back to third parties after paraffin is extracted. The sale back is recorded as revenue but is not included in sales volumes.

|   |    | % change<br>2021 vs 2020 | 2021   | 2020   | 2019   |
|---|----|--------------------------|--------|--------|--------|
| Gross margin  | Rm | 36                       | 13 920 | 10 235 | 11 234 |
| Gross margin %  | %  | 4                        | 30     | 26     | 27     |
| Cash fixed costs                                      | Rm | (12)                     | 8 626  | 7 677  | 7 617  |
| Adjusted EBITDA                                       | Rm | 90                       | 6 441  | 3 397  | 4 321  |
| Remeasurement items                                   | Rm | >100                     | (86)   | 2 387  | (104)  |
| Earnings/(loss) before interest and tax (EBIT/(LBIT)) | Rm | >100                     | 4 680  | (894)  | 3 100  |
| Normalised EBIT                                       | Rm | >100                     | 4 604  | 1 380  | 3 026  |
| Normalised EBIT margin %                              | %  | 7                        | 10     | 3      | 7      |
| Effective tax rate <sup>1</sup>                       | %  | 35                       | 27     | (3)    | 34     |

<sup>1</sup> The negative effective tax rate in 2020 is mainly due to the impairments on our Eurasian wax business and our China ETO business



# Financial position overview - assets

at 30 June

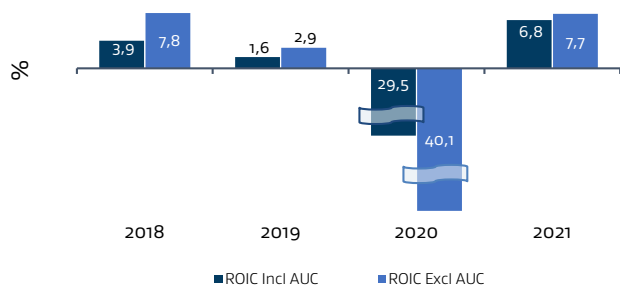
|   | 2021<br>Rm     | 2020*<br>Rm    |
|---|----------------|----------------|
| <b>Assets</b>                           |                |                |
| Property, plant and equipment           | 198 021        | 227 645        |
| Right of use assets                     | 12 903         | 13 816         |
| Goodwill and other intangible assets    | 2 482          | 2 800          |
| Equity accounted investments            | 10 142         | 11 812         |
| Post-retirement benefit assets          | 591            | 467            |
| Deferred tax assets                     | 24 511         | 31 665         |
| Other long-term assets                  | 6 929          | 8 361          |
| <b>Non-current assets</b>               | <b>255 579</b> | <b>296 566</b> |
| Inventories                             | 29 742         | 27 801         |
| Trade and other receivables             | 32 046         | 30 516         |
| Short-term financial assets             | 1 514          | 645            |
| Cash and cash equivalents               | 31 231         | 34 739         |
| <b>Current assets</b>                   | <b>94 533</b>  | <b>93 701</b>  |
| Assets in disposal groups held for sale | 10 631         | 84 268         |
| <b>Total assets</b>                     | <b>360 743</b> | <b>474 535</b> |

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.



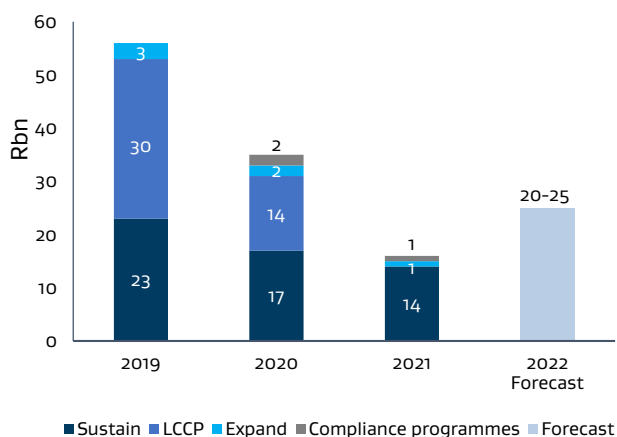
## Analysis of key statement of financial position metrics

### Return on invested Capital (ROIC)



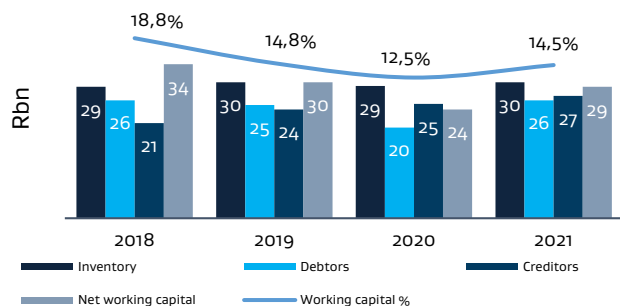
- The Group's ROIC for 2021 improved from 2020 as a result of higher earnings mainly due to improved EBITDA, movement in translation gains, gains on derivatives and hedging activities and lower impairments.
- The decrease in ROIC in the prior year was attributable to significant impairments in 2020, and a softer macroeconomic environment affecting demand, exacerbated by the COVID-19 pandemic.
- One of the Sasol 2.0 key objectives is to deliver ROIC for the portfolio well above WACC, to deliver a focused and sustainable business and to ensure profitability in a low oil price environment.

### Capital expenditure



- LCCP capital expenditure completed in 2021 post beneficial operation.
- The 2021 capital has been reprioritised and was R2bn lower than the previous market guidance.
- Sufficient sustenance and environmental capital allocated, ensuring safe and reliable operations, whilst supporting our long-term sustainability efforts. Actual capital expenditure amounted to R16,4 billion in 2021 compared to R35,2 billion during 2020. The reduction in capital expenditure was carefully executed as a result of our optimised risk management focus whilst ensuring asset integrity was not compromised. Capital expenditure decreases in FY21 due to Secunda Operations phase shutdown postponed to FY22. Operational expenditure on maintenance increased to R12bn in FY21 compared to R10bn in FY20, ensuring continued stable operations.
- Commitment to compliance capital remains; timeline to align to response plan.
- In the 2022 forecast year, we estimate that a 10c change in the annual average Rand/US dollar exchange rate will impact capital expenditure by approximately R55 million.

### Working capital



- Increase in working capital is due mainly to a recovery in feedstock and sales price during the second half of the 2021 financial year. This was partly offset by focused management initiatives to reduce working capital levels.
- Net working capital has been normalised for the held for sale reclassification. Without the normalisation, net working capital is 14,3%.



## Asset Divestments concluded in FY21

Asset divestments are a key pillar of our comprehensive response plan, as well as our longer term strategy to streamline our asset portfolio. Significant progress on divestments was realised, with announced asset divestments to the value of US\$3,8 billion to date, of which US\$3,2 billion has been realised in proceeds. These divestments strengthened our balance sheet, and we were able to successfully mitigate a rights issue.

Balance sheet deleveraging will continue to be prioritised, with further updates on other divestments provided as and when appropriate. The following key transactions were completed in financial year 2021:

| Asset  | Business impact  |
|--|--|
| <b>Air Separation Units (Secunda)</b>              | <p><b>Proceeds: R8,1billion (R5,525 billion plus EUR148,75 million)</b></p> <ul style="list-style-type: none"> <li>The sale of Sasol's 16 Air Separation Units (ASU's) in Secunda to Air Liquide.</li> <li>A long term gas supply agreement (15 years) will ensure the continuous supply of oxygen and other gases to Sasol's fuels and chemicals production units.</li> <li>Air Liquide takes full operational control of the assets, effective from 24 June 2021.</li> <li>In FY21, a profit on sale of R2,7 billion was recognised.</li> <li>The transaction is anticipated to result in a negative impact to EBITDA of approximately R2 billion per annum (in FY21 terms). However, it should be noted that all capital expenditure, including sustenance capital (~R500 million – R600million per annum) and the significant capital associated with the restoration of the ageing units (approximately R200 – R250 million per train) will no longer be borne by Sasol.</li> <li>Further benefits of Air Liquide's ownership of the ASU's includes energy efficiency gains and contribution to decarbonisation of the site, supporting the development of the overall sustainability roadmap for Secunda.</li> </ul> |
| <b>Lake Charles Base Chemicals (North America)</b> | <p><b>Proceeds: US\$2 billion</b></p> <ul style="list-style-type: none"> <li>Divestment of Sasol's 50% equity interest in Lake Charles Chemicals Project (LCCP) Base Chemicals business and creation of a joint venture (JV) with LyondellBasell, significantly reducing net debt and accelerating the shift towards a specialty chemicals portfolio.</li> <li>The impact on EBITDA in FY21 is not material, based on the negative effect of the Hurricanes in the first half, impacting production volumes, and units which were still ramping up.</li> </ul>   |
| <b>Gemini HDPE (North America)</b>                 | <p><b>Proceeds: US\$404 million</b></p> <ul style="list-style-type: none"> <li>Divestment of Sasol's 50% equity interest in the High Density Polyethylene Joint Venture to Ineos, supporting strategic ambition to accelerate the shift to a specialty chemicals portfolio.</li> <li>Part of the proceeds were utilised to settle debt of US\$181 million.</li> <li>An EBITDA of US\$18 million was realised for FY21, based on the transaction closing date of 31 December 2020.</li> </ul>   |
| <b>Gabon (West Africa)</b>                         | <p><b>Proceeds: US\$44 million, adjusted for JV cash movements</b></p> <ul style="list-style-type: none"> <li>Sasol has divested our 27,8% working interest in the producing Etame Marine block offshore Gabon (Etame) and our 40% non-operated participating interest in exploration Block DE-8 offshore Gabon.</li> <li>An EBITDA of US\$17,8 million was realised for FY21, with further benefits relating to avoidance of capital for offshore oil production infrastructure maintenance and further exploration capital commitments.</li> </ul>   |

| Assets held for sale at 30 June 2021  | Assets Rm     | Liabilities Rm | Net Rm       |
|---|---------------|----------------|--------------|
| Investment in Republic of Mozambique Pipeline Investment Company (Pty) Ltd (ROMPCO) | 6 085         | (1 771)        | 4 314        |
| Investment in Central Termica De Ressane Garcia S.A. (CTRG)                         | 3 034         | (1 109)        | 1 925        |
| Canadian Montney assets   | 1 181         | (824)          | 357          |
| Other   | 331           | (2)            | 329          |
| <b>Total held for sale</b>  | <b>10 631</b> | <b>(3 706)</b> | <b>6 925</b> |



- The group has commenced a process to divest from some or all of its shareholding in ROMPCO. The transaction is expected to close before financial year end.
- Sasol entered into a Sale Securities Purchase Agreement for the divestment of our full shareholding in CTRG, the gas-to-power plant located in Ressano Garcia, Mozambique. The transaction is subject to a number of conditions precedent. The assets and liabilities of CTRG were classified as held for sale at 30 June 2021. The divestment is expected to be concluded in the next 12 months.
- Sasol signed an agreement to divest of all our interests in Canada to a Canadian oil and natural gas company. The transaction closed on 29 July 2021. R521 million, (CAD45 million) of the previous impairments was reversed at 30 June 2021 to measure the carrying value of the disposal group at its fair value less cost to sell.

## Financial position overview – equity and liabilities

|  | 2021<br>Rm     | 2020*<br>Rm    |
|--|----------------|----------------|
| <b>Equity and liabilities</b>                |                |                |
| Shareholders' equity                         | 146 489        | 150 976        |
| Non-controlling interests                    | 5 982          | 4 941          |
| <b>Total equity</b>                          | <b>152 471</b> | <b>155 917</b> |
| Long-term debt                               | 97 137         | 147 511        |
| Lease liabilities                            | 13 906         | 15 825         |
| Long-term provisions                         | 16 164         | 21 857         |
| Post-retirement benefit obligations          | 13 297         | 14 691         |
| Long-term deferred income                    | 400            | 842            |
| Long-term financial liabilities              | 2 011          | 5 620          |
| Deferred tax liabilities                     | 7 793          | 19 154         |
| <b>Non-current liabilities</b>               | <b>150 708</b> | <b>225 500</b> |
| Short-term debt                              | 7 337          | 43 468         |
| Short-term financial liabilities             | 3 162          | 4 271          |
| Other current liabilities                    | 43 116         | 39 203         |
| Bank overdraft                               | 243            | 645            |
| <b>Current liabilities</b>                   | <b>53 858</b>  | <b>87 587</b>  |
| Liabilities in disposal groups held for sale | 3 706          | 5 531          |
| <b>Total equity and liabilities</b>          | <b>360 743</b> | <b>474 535</b> |

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.

| 30 June 2021                                    | Expiry date    | Currency  | Contract amount<br>million | Total Rand equivalent<br>Rm | Utilised facilities <sup>1</sup><br>Rm | Available facilities<br>Rm |
|---|----------------|-----------|----------------------------|-----------------------------|--|----------------------------|
| <b>Banking facilities and debt arrangements</b> |                |           |                            |                             |  |                            |
| <b>Group treasury facilities</b>                |                |           |                            |                             |  |                            |
| Commercial paper (uncommitted) <sup>1</sup>     | None           | Rand      | 8 000                      | 8 000                       | 2 176                                  | 5 824                      |
| Commercial banking facilities                   | None           | Rand      | 8 500                      | 8 500                       | –                                      | 8 500                      |
| Revolving credit facility <sup>2</sup>          | November 2024  | US dollar | 3 367                      | 48 064                      | 7 737                                  | 40 327                     |
| Revolving credit facility <sup>3</sup>          | June 2024      | US dollar | 150                        | 2 141                       | 2 141                                  | –                          |
| <b>Group Treasury Debt arrangements</b>         |                |           |                            |                             |  |                            |
| US Dollar Bond                                  | November 2022  | US dollar | 1 000                      | 14 275                      | 14 275                                 | –                          |
| US Dollar Bond                                  | March 2024     | US dollar | 1 500                      | 21 413                      | 21 413                                 | –                          |
| US Dollar term loan                             | June 2024      | US dollar | 1 450                      | 20 699                      | 20 699                                 | –                          |
| US Dollar Bond                                  | March 2026     | US dollar | 650                        | 9 279                       | 9 279                                  | –                          |
| US Dollar Bond                                  | September 2028 | US dollar | 750                        | 10 706                      | 10 706                                 | –                          |
| US Dollar Bond                                  | September 2031 | US dollar | 850                        | 12 134                      | 12 134                                 | –                          |
| <b>Other Sasol businesses</b>                   |                |           |                            |                             |  |                            |
| <b>Specific project asset finance</b>           |                |           |                            |                             |  |                            |
| Energy – Clean Fuels 2 (Natref)                 | Various        | Rand      | 993                        | 993                         | 993                                    | –                          |
| <b>Other debt arrangements</b>                  |                | Various   | –                          | –                           | 742                                    | –                          |
|   |                |           |                            |                             | <b>102 295</b>                         | <b>54 651</b>              |
| Available cash                                  |                |           |                            |                             |  | <b>29 224</b>              |
| <b>Total funds available for use</b>            |                |           |                            |                             |  | <b>83 875</b>              |

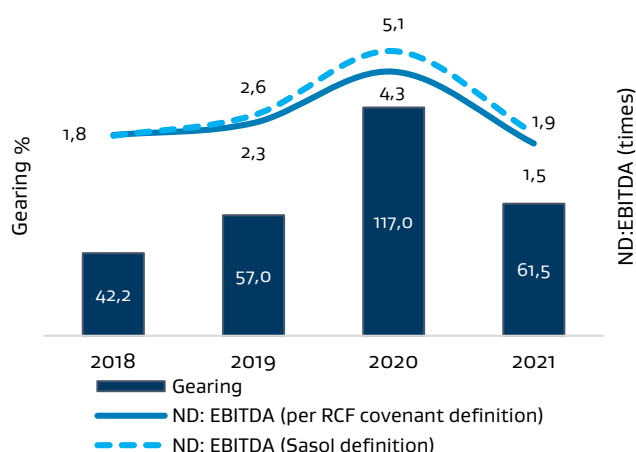
1 In August 2019, Sasol issued its inaugural paper to the value of R2 176 million in the local debt market under the current Domestic Medium Term Note (DMTN) programme, at 130 basis points above 3 month Jibar, repayable in August 2022.

2 The RCF is available until November 2024, with total availability reducing to US\$3,495 billion by November 2022 and to US\$2,845 billion by November 2023.

3 The revolving credit facility formed part of the refinancing of the LCCP asset-based facility, during 2019.

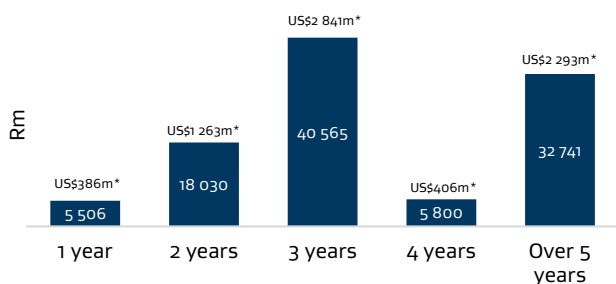
## Analysis of key statement of financial position metrics

### Gearing and net debt to EBITDA



- 2021 gearing closed at 61,5% which has reduced from 117,0% at 30 June 2020. This is mainly due to the repayment of US\$3,1 billion of debt from proceeds of asset divestitures, and the stronger closing exchange rate.
- Improvement of the net debt: EBITDA ratio to 1,5 times (per the RCF and US dollar term loan covenant definition) due to the repayment of US dollar debt from proceeds of asset divestitures, higher EBITDA generation and the stronger closing exchange rate.
- Our balance sheet gearing is expected to range between 40% – 50% for 2022 and net debt:EBITDA between 1,0 and 1,8 times. This is dependant on the execution of remaining asset disposals, and reaching working capital targets.

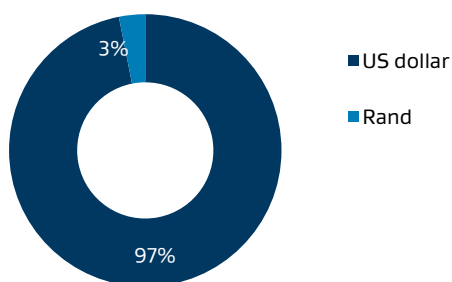
### Long-term debt by maturity



\* US dollar value translated at R/\$ closing exchange rate of R14,28

- In the South African market, Sasol has both bank loan facilities and an R8,0 billion Domestic Medium-Term Note Programme (DMTN) which was established in 2017. In August 2019, we issued our inaugural paper to the value of R2,2 billion in the local debt market under this DMTN programme, repayable in August 2022.
- Our RCF is available until November 2024, with total availability reducing to US\$3,5 billion by November 2022 and to US\$2,8 billion by November 2023.
- During 2021 new bonds were issued which are listed on the New York Stock Exchange US\$650 million maturing in March 2026 and US\$850 million maturing in September 2031.

### Long-term debt by currency



- The currency in which funding is raised is aligned to the expected capital requirements to ensure limited exposure to translation risk.
- During the period, we utilised proceeds from our asset divestments to repay the US Dollar syndicated loan, as well as a portion of our Revolving credit facility, reducing our US dollar denominated debt by US\$3,9 billion to US\$6,9 billion. Through our comprehensive response plan and planned asset divestments, we will further reduce our US dollar denominated debt to achieve a targeted Net debt: EBITDA of less than 1,5 times and gearing of 30%.

### Sasol's Corporate rating

|                | Current rating | Date     | Previous Rating | Date     |
|----------------|----------------|----------|-----------------|----------|
| <b>Moody's</b> |                |          |                 |          |
| South Africa   | Ba2            | Nov 2020 | Ba1             | Mar 2020 |
| Sasol          | Ba2            | Nov 2020 | Ba2             | Mar 2020 |
| <b>S&amp;P</b> |                |          |                 |          |
| South Africa   | BB-            | Apr 2020 | BB-             | Apr 2020 |
| Sasol          | BB             | Nov 2020 | BB              | Mar 2020 |

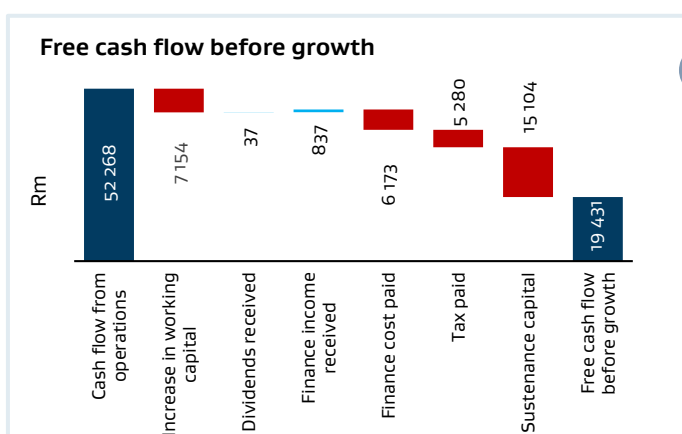
- Sasol, like all South African domiciled entities, is constrained (but not necessarily capped) by the South African sovereign rating. In November 2020, S&P affirmed Sasol's rating of BB with a negative outlook, and in May 2021 affirmed the South African sovereign rating at BB-, with a negative outlook.
- In November 2020, Moody's Investors Service ("Moody's") affirmed Sasol Limited's long-term issuer rating of Ba2 but revised Sasol's outlook from under review to negative. The national issuer scale rating has been repositioned to Aa2.za from A1.za. In November 2020, Moody's downgraded the Government of South Africa's long-term foreign-currency and local-currency issuer ratings to Ba2 from Ba1, maintaining the negative outlook.

# Abbreviated cash flow statement overview

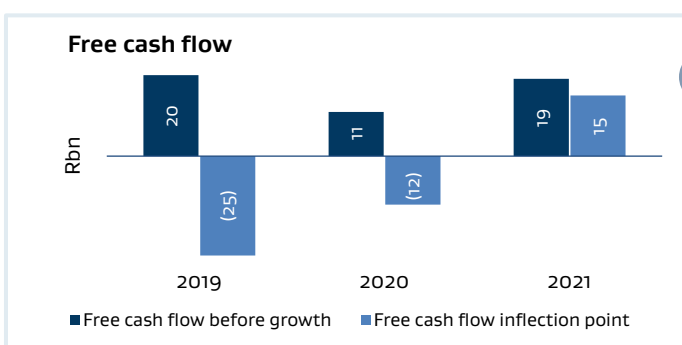
for the year ended

|  | 2021<br>Rm      | 2020<br>Rm      | 2019<br>Rm      |
|--|-----------------|-----------------|-----------------|
| Cash receipts from customers                                   | 194 712         | 196 798         | 203 613         |
| Cash paid to suppliers and employees                           | (149 598)       | (154 414)       | (152 215)       |
| <b>Cash generated by operating activities</b>                  | <b>45 114</b>   | <b>42 384</b>   | <b>51 398</b>   |
| Dividends received from equity accounted investments           | 37              | 208             | 1 506           |
| Finance income received  | 837             | 792             | 682             |
| Finance costs paid   | (6 173)         | (7 154)         | (6 222)         |
| Tax paid   | (5 280)         | (5 659)         | (3 946)         |
| <b>Cash available from operating activities</b>                | <b>34 535</b>   | <b>30 571</b>   | <b>43 418</b>   |
| Dividends paid   | (46)            | (31)            | (9 952)         |
| Dividends paid to non-controlling shareholders in subsidiaries | (446)           | (810)           | (1 523)         |
| <b>Cash retained from operating activities</b>                 | <b>34 043</b>   | <b>29 730</b>   | <b>31 943</b>   |
| <b>Cash generated from/(used in) investing activities</b>      | <b>25 093</b>   | <b>(38 550)</b> | <b>(56 412)</b> |
| <b>Cash (used in)/generated by financing activities</b>        | <b>(58 265)</b> | <b>25 112</b>   | <b>23 131</b>   |
| Translation effects on cash and cash equivalents               | (2 916)         | 3 607           | 162             |
| <b>Cash and cash equivalents at the end of the year</b>        | <b>30 988</b>   | <b>34 094</b>   | <b>15 819</b>   |

## Analysis of key cash flow statement metrics



- Free cash flow before growth of R19,4 billion at 30 June 2021 increased from R11,1 billion at 30 June 2020. This is attributable to higher EBITDA generation, lower finance cost paid and lower tax paid due to US Covid tax relief initiative.
- Working capital increased mainly due to increase in net trade receivables due to higher sales prices partly offset by lower trade payables.
- Sustenance capital lower in 2021 to support comprehensive response plan initiatives.



- Sasol's free cash flow has improved in 2021 to R15 billion compared to 2020, due to the lower growth capital as a result of completion of LCCP, and savings from our comprehensive response plan.

**Cash conversion performance**

|  | 2021<br>% | 2020<br>% | 2019<br>% |
|--|-----------|-----------|-----------|
| <b>As a % of external turnover:</b>    |           |           |           |
| Adjusted EBITDA                        | 24,0      | 18,4      | 23,4      |
| Cash generated by operating activities | 22,3      | 22,3      | 25,2      |
| Free Cash Flow (before growth)         | 9,6       | 5,8       | 10,0      |

- Adjusted EBITDA to turnover benefited from higher chemical prices and improved gross margin % compared to 2020,
- Free cash flow before growth to turnover increased due to mainly due to improvements in EBITDA generation, lower sustenance capital and lower finance cost.

# Segmental analysis

for the year ended 30 June 2021

|  | Energy        |               |                 | Chemicals     |                |               | Corporate Centre Rm | Total Rm        |
|--|---------------|---------------|-----------------|---------------|----------------|---------------|---------------------|-----------------|
|  | Mining Rm     | Gas Rm        | Fuels Rm        | Africa Rm     | America Rm     | Eurasia Rm    |                     |                 |
| <b>Turnover</b>  |               |               |                 |               |                |               |                     |                 |
| External   | 2 025         | 7 321         | 59 393          | 58 260        | 29 358         | 45 539        | 14                  | <b>201 910</b>  |
| Intersegment   | 19 679        | 3 669         | 1 256           | 2 337         | 2              | 499           | 12                  | <b>27 454</b>   |
| <b>Total turnover</b>  | <b>21 704</b> | <b>10 990</b> | <b>60 649</b>   | <b>60 597</b> | <b>29 360</b>  | <b>46 038</b> | <b>26</b>           | <b>229 364</b>  |
| <b>Adjusted EBITDA/(LBITDA)</b>  | <b>5 793</b>  | <b>6 728</b>  | <b>7 356</b>    | <b>18 296</b> | <b>4 529</b>   | <b>6 441</b>  | <b>(723)</b>        | <b>48 420</b>   |
| Depreciation of PPE  | (2 205)       | (1 275)       | (3 168)         | (3 460)       | (3 124)        | (1 281)       | (407)               | <b>(14 920)</b> |
| Depreciation of right of use assets                                    | (6)           | (174)         | (215)           | (972)         | (468)          | (365)         | (117)               | <b>(2 317)</b>  |
| Amortisation of intangible assets                                      | (12)          | (14)          | (18)            | (29)          | (45)           | (41)          | (248)               | <b>(407)</b>    |
| Share-based payments   | (315)         | (90)          | (248)           | (488)         | (107)          | (128)         | (529)               | <b>(1 905)</b>  |
| Unrealised derivatives and hedging gains/(losses)                      | –             | 52            | 1 016           | 1 039         | –              | (55)          | 1 007               | <b>3 059</b>    |
| Unrealised translation gains/(losses)                                  | 1             | 774           | (21)            | 155           | (5)            | (5)           | 6 334               | <b>7 233</b>    |
| Change in discount rate of rehabilitation provisions                   | 17            | –             | 324             | 305           | –              | 28            | –                   | <b>674</b>      |
| Remeasurement items  | (46)          | 655           | (23 196)        | (7 889)       | 7 336          | 86            | (164)               | <b>(23 218)</b> |
| <b>(Loss)/earnings before interest and tax (LBIT/EBIT)</b>             | <b>3 227</b>  | <b>6 656</b>  | <b>(18 170)</b> | <b>6 957</b>  | <b>8 116</b>   | <b>4 680</b>  | <b>5 153</b>        | <b>16 619</b>   |
| Remeasurement items  | 46            | (655)         | 23 196          | 7 889         | (7 336)        | (86)          | 164                 | <b>23 218</b>   |
| Realised and unrealised translation losses/(gains)                     | 34            | (837)         | 234             | 927           | 25             | (59)          | (5 834)             | <b>(5 510)</b>  |
| Realised and unrealised derivatives and hedging (gains)/losses         | –             | (52)          | (334)           | (841)         | –              | 69            | (1 124)             | <b>(2 282)</b>  |
| <b>Normalised EBIT/(LBIT)</b>  | <b>3 307</b>  | <b>5 112</b>  | <b>4 926</b>    | <b>14 932</b> | <b>805</b>     | <b>4 604</b>  | <b>(1 641)</b>      | <b>32 045</b>   |
| Equity accounted earnings (included in Adjusted EBITDA and EBIT above) | (3)           | –             | 742             | 83            | –              | 1             | (9)                 | <b>814</b>      |
| <b>Statement of financial position</b>                                 |               |               |                 |               |                |               |                     |                 |
| Property, plant and equipment  | 24 179        | 3 743         | 1 723           | 22 002        | 106 630        | 10 708        | 2 901               | <b>171 886</b>  |
| Right of use assets  | 3             | 618           | 1 980           | 4 064         | 3 212          | 1 273         | 1 753               | <b>12 903</b>   |
| Assets under construction  | 2 522         | 9 510         | 5 950           | 4 066         | 1 513          | 1 874         | 700                 | <b>26 135</b>   |
| Goodwill and other intangible assets                                   | 110           | 21            | 48              | 57            | 337            | 1 286         | 623                 | <b>2 482</b>    |
| Other non-current assets <sup>1</sup>                                  | 691           | 516           | 10 657          | 1 127         | 960            | 1 627         | 1 492               | <b>17 070</b>   |
| Current assets <sup>1</sup>  | 1 965         | 11 968        | 15 801          | 18 445        | 12 889         | 15 936        | 27 048              | <b>104 052</b>  |
| <b>Total external assets<sup>1</sup></b>                               | <b>29 470</b> | <b>26 376</b> | <b>36 159</b>   | <b>49 761</b> | <b>125 541</b> | <b>32 704</b> | <b>34 517</b>       | <b>334 528</b>  |
| Non-current liabilities <sup>1</sup>                                   | 1 714         | 6 890         | 6 674           | 6 788         | 4 941          | 12 776        | 103 132             | <b>142 915</b>  |
| Current liabilities <sup>1</sup>                                       | 2 999         | 5 327         | 12 818          | 7 268         | 4 848          | 9 315         | 14 183              | <b>56 758</b>   |
| <b>Total external liabilities<sup>1</sup></b>                          | <b>4 713</b>  | <b>12 217</b> | <b>19 492</b>   | <b>14 056</b> | <b>9 789</b>   | <b>22 091</b> | <b>117 315</b>      | <b>199 673</b>  |
| Cash flow: Additions to non-current assets <sup>2</sup>                | 2 704         | 711           | 3 810           | 5 674         | 1 152          | 1 796         | 528                 | <b>16 375</b>   |
| <b>Capital commitments</b>   |               |               |                 |               |                |               |                     |                 |
| Subsidiaries and joint operations                                      | 2 982         | 14 039        | 8 664           | 9 950         | 2 413          | 1 438         | 402                 | <b>39 888</b>   |
| Equity accounted investments   | –             | –             | 985             | 2             | –              | –             | –                   | <b>987</b>      |
| <b>Total capital commitments</b>                                       | <b>2 982</b>  | <b>14 039</b> | <b>9 649</b>    | <b>9 952</b>  | <b>2 413</b>   | <b>1 438</b>  | <b>402</b>          | <b>40 875</b>   |
| <b>Number of employees<sup>3</sup></b>                                 | <b>7 811</b>  | <b>598</b>    | <b>4 688</b>    | <b>7 414</b>  | <b>1 259</b>   | <b>3 095</b>  | <b>4 084</b>        | <b>28 949</b>   |

<sup>1</sup> Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.

<sup>2</sup> Excludes capital project related payables. Includes additions to assets held for sale.

<sup>3</sup> Includes permanent and non-permanent employees.

# Segmental analysis

for the year ended 30 June 2020\*

|  | Energy    |         |          | Chemicals |            |            | Corporate Centre Rm | Total Rm  |
|--|-----------|---------|----------|-----------|------------|------------|---------------------|-----------|
|  | Mining Rm | Gas Rm  | Fuels Rm | Africa Rm | America Rm | Eurasia Rm |                     |           |
| <b>Turnover</b>  |           |         |          |           |            |            |                     |           |
| External   | 1 343     | 8 350   | 60 816   | 51 600    | 28 721     | 39 537     | –                   | 190 367   |
| Intersegment   | 18 548    | 4 069   | 1 737    | 2 710     | 88         | 452        | 30                  | 27 634    |
| <b>Total turnover</b>  | 19 891    | 12 419  | 62 553   | 54 310    | 28 809     | 39 989     | 30                  | 218 001   |
| <b>Adjusted EBITDA/(LBITDA)</b>  | 5 269     | 8 214   | 6 006    | 13 365    | 804        | 3 397      | (2 079)             | 34 976    |
| Depreciation of PPE  | (2 066)   | (1 803) | (4 604)  | (4 786)   | (4 415)    | (1 380)    | (526)               | (19 580)  |
| Depreciation of right of use assets                                    | (3)       | (181)   | (179)    | (832)     | (613)      | (367)      | (119)               | (2 294)   |
| Amortisation of intangible assets                                      | (11)      | (18)    | (26)     | (31)      | (57)       | (74)       | (236)               | (453)     |
| Share-based payments   | (333)     | (58)    | (274)    | (492)     | (72)       | (83)       | (429)               | (1 741)   |
| Unrealised derivatives and hedging gains/(losses)                      | –         | (97)    | (1 348)  | (581)     | –          | 18         | (2 750)             | (4 758)   |
| Unrealised translation gains/(losses)                                  | –         | (560)   | (15)     | (90)      | 17         | (11)       | (6 746)             | (7 405)   |
| Change in discount rate of rehabilitation provisions                   | 13        | –       | 821      | 534       | (54)       | (7)        | –                   | 1 307     |
| Remeasurement items  | (113)     | 30      | (11 990) | (24 122)  | (73 166)   | (2 387)    | (230)               | (111 978) |
| <b>(Loss)/earnings before interest and tax (LBIT/EBIT)</b>             | 2 756     | 5 527   | (11 609) | (17 035)  | (77 556)   | (894)      | (13 115)            | (111 926) |
| Remeasurement items  | 113       | (30)    | 11 990   | 24 122    | 73 166     | 2 387      | 230                 | 111 978   |
| Realised and unrealised translation losses/(gains)                     | 10        | 462     | 459      | (877)     | 27         | (95)       | 6 556               | 6 542     |
| Realised and unrealised derivatives and hedging (gains)/losses         | –         | 97      | 140      | 588       | –          | (18)       | 6 190               | 6 997     |
| LCCP ramp-up losses  | –         | –       | –        | –         | 4 874      | –          | –                   | 4 874     |
| <b>Normalised EBIT/(LBIT)</b>  | 2 879     | 6 056   | 980      | 6 798     | 511        | 1 380      | (139)               | 18 465    |
| Equity accounted earnings (included in Adjusted EBITDA and EBIT above) | (3)       | –       | (347)    | 21        | –          | –          | (18)                | (347)     |
| <b>Statement of financial position</b>                                 |           |         |          |           |            |            |                     |           |
| Property, plant and equipment  | 23 787    | 8 459   | 25 941   | 34 679    | 96 699     | 11 686     | 3 219               | 204 470   |
| Right of use assets  | 10        | 964     | 1 865    | 2 861     | 4 041      | 1 646      | 2 429               | 13 816    |
| Assets under construction  | 2 530     | 9 480   | 5 546    | 4 551     | 2 861      | 2 253      | 581                 | 27 802    |
| Goodwill and other intangible assets                                   | 96        | 35      | 65       | 57        | 550        | 1 265      | 732                 | 2 800     |
| Other non-current assets <sup>1</sup>                                  | 673       | 1 075   | 11 563   | 1 100     | 1 755      | 1 659      | 2 348               | 20 173    |
| Current assets <sup>1</sup>  | 2 169     | 9 812   | 16 144   | 18 249    | 82 306     | 15 552     | 28 318              | 172 550   |
| <b>Total external assets<sup>1</sup></b>                               | 29 265    | 29 825  | 61 124   | 61 497    | 188 212    | 34 061     | 37 627              | 441 611   |
| Non-current liabilities <sup>1</sup>                                   | 1 815     | 13 546  | 7 313    | 8 395     | 8 789      | 15 527     | 150 961             | 206 346   |
| Current liabilities <sup>1</sup>                                       | 2 286     | 4 238   | 12 891   | 4 780     | 10 016     | 7 458      | 50 784              | 92 453    |
| <b>Total external liabilities<sup>1</sup></b>                          | 4 101     | 17 784  | 20 204   | 13 175    | 18 805     | 22 985     | 201 745             | 298 799   |
| Cash flow: Additions to non-current assets <sup>2</sup>                | 2 859     | 1 539   | 5 232    | 6 845     | 15 654     | 2 158      | 877                 | 35 164    |
| <b>Capital commitments</b>   |           |         |          |           |            |            |                     |           |
| Subsidiaries and joint operations                                      | 2 352     | 4 049   | 8 902    | 10 707    | 3 833      | 1 955      | 152                 | 31 950    |
| Equity accounted investments   | –         | –       | 1 272    | 5         | –          | –          | –                   | 1 277     |
| <b>Total capital commitments</b>                                       | 2 352     | 4 049   | 10 174   | 10 712    | 3 833      | 1 955      | 152                 | 33 227    |
| <b>Number of employees<sup>3</sup></b>                                 | 7 433     | 565     | 4 953    | 8 803     | 1 748      | 3 187      | 4 312               | 31 001    |

<sup>1</sup> Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.

<sup>2</sup> Excludes capital project related payables.

<sup>3</sup> Includes permanent and non-permanent employees.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.

# Segmental analysis

for the year ended 30 June 2019\*

|  | Energy    |         |          | Chemicals |            |            | Corporate Centre Rm | Total Rm |
|--|-----------|---------|----------|-----------|------------|------------|---------------------|----------|
|  | Mining Rm | Gas Rm  | Fuels Rm | Africa Rm | America Rm | Eurasia Rm |                     |          |
| <b>Turnover</b>  |           |         |          |           |            |            |                     |          |
| External   | 3 222     | 8 316   | 76 985   | 52 607    | 21 419     | 40 967     | 60                  | 203 576  |
| Intersegment   | 17 654    | 4 349   | 1 639    | 2 210     | 5          | 456        | 18                  | 26 331   |
| <b>Total turnover</b>  | 20 876    | 12 665  | 78 624   | 54 817    | 21 424     | 41 423     | 78                  | 229 907  |
| <b>Adjusted EBITDA/(LBITDA)</b>  | 6 869     | 8 113   | 16 685   | 14 068    | 64         | 4 321      | (2 483)             | 47 637   |
| Depreciation of PPE  | (1 797)   | (2 059) | (4 804)  | (5 540)   | (1 503)    | (1 171)    | (507)               | (17 381) |
| Amortisation of intangible assets                                      | (8)       | (41)    | (28)     | (36)      | (29)       | (74)       | (217)               | (433)    |
| Share-based payments   | (289)     | (41)    | (219)    | (351)     | (29)       | (54)       | (235)               | (1 218)  |
| Unrealised derivatives and hedging gains/(losses)                      | –         | 10      | (15)     | 33        | 29         | (7)        | 789                 | 839      |
| Unrealised translation gains/(losses)                                  | (3)       | (57)    | (141)    | (506)     | (29)       | (5)        | 481                 | (260)    |
| Change in discount rate of rehabilitation provisions                   | (26)      | –       | (262)    | (266)     | (120)      | (14)       | –                   | (688)    |
| Remeasurement items  | (45)      | (1 977) | (447)    | (3 928)   | (13 765)   | 104        | (4)                 | (20 062) |
| <b>Earnings/(loss) before interest and tax (EBIT/LBIT)</b>             | 4 701     | 3 948   | 10 769   | 3 474     | (15 382)   | 3 100      | (2 176)             | 8 434    |
| Remeasurement items  | 45        | 1 977   | 447      | 3 928     | 13 765     | (104)      | 4                   | 20 062   |
| Realised and unrealised translation losses/(gains)                     | 19        | 85      | 332      | 51        | 33         | 23         | (1 147)             | (604)    |
| Realised and unrealised derivatives and hedging (gains)/losses         | –         | (10)    | (340)    | (33)      | (29)       | 7          | 2 870               | 2 465    |
| LCCP ramp-up losses  | –         | –       | –        | –         | 3 791      | –          | –                   | 3 791    |
| <b>Normalised EBIT/(LBIT)</b>  | 4 765     | 6 000   | 11 208   | 7 420     | 2 178      | 3 026      | (449)               | 34 148   |
| Equity accounted earnings (included in Adjusted EBITDA and EBIT above) | –         | –       | 908      | 37        | –          | 147        | (18)                | 1 074    |
| <b>Statement of financial position</b>                                 |           |         |          |           |            |            |                     |          |
| Property, plant and equipment  | 23 540    | 12 869  | 42 131   | 55 821    | 84 594     | 11 236     | 3 358               | 233 549  |
| Assets under construction  | 2 268     | 7 562   | 7 563    | 7 433     | 100 554    | 1 702      | 682                 | 127 764  |
| Goodwill and other intangible assets                                   | 103       | 51      | 81       | 104       | 979        | 1 292      | 747                 | 3 357    |
| Other non-current assets <sup>1</sup>                                  | 574       | 492     | 10 120   | 276       | 2 325      | 1 789      | 1 870               | 17 446   |
| Current assets <sup>1</sup>  | 1 809     | 4 557   | 17 734   | 19 791    | 10 234     | 15 136     | 8 024               | 77 285   |
| <b>Total external assets<sup>1</sup></b>                               | 28 294    | 25 531  | 77 629   | 83 425    | 198 686    | 31 155     | 14 681              | 459 401  |
| Non-current liabilities <sup>1</sup>                                   | 1 701     | 9 569   | 8 775    | 6 557     | 5 558      | 10 594     | 124 735             | 167 489  |
| Current liabilities <sup>1</sup>                                       | 2 601     | 3 217   | 11 630   | 4 778     | 11 805     | 6 752      | 7 276               | 48 059   |
| <b>Total external liabilities<sup>1</sup></b>                          | 4 302     | 12 786  | 20 405   | 11 335    | 17 363     | 17 346     | 132 011             | 215 548  |
| Cash flow: Additions to non-current assets <sup>2</sup>                | 2 912     | 1 165   | 7 415    | 8 748     | 31 866     | 2 841      | 853                 | 55 800   |
| <b>Capital commitments</b>   |           |         |          |           |            |            |                     |          |
| Subsidiaries and joint operations                                      | 2 372     | 20 132  | 10 053   | 11 128    | 13 021     | 2 790      | 599                 | 60 095   |
| Equity accounted investments   | –         | –       | 1 274    | 9         | –          | –          | –                   | 1 283    |
| <b>Total capital commitments</b>                                       | 2 372     | 20 132  | 11 327   | 11 137    | 13 021     | 2 790      | 599                 | 61 378   |
| <b>Number of employees<sup>3</sup></b>                                 | 7 402     | 567     | 4 970    | 8 848     | 1 758      | 3 151      | 4 733               | 31 429   |

<sup>1</sup> Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.

<sup>2</sup> Excludes capital project related payables.

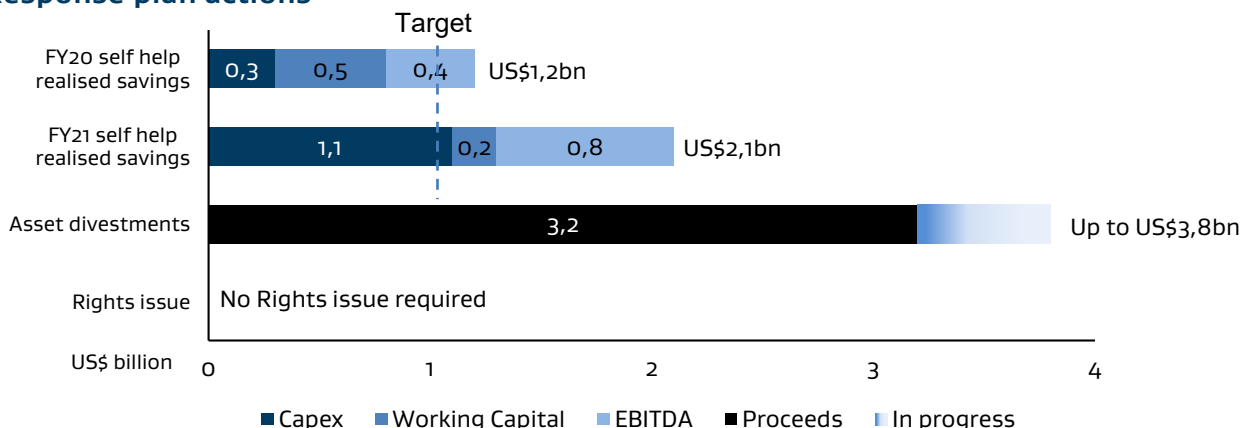
<sup>3</sup> Includes permanent and non-permanent employees.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.

# Comprehensive response plan

During March 2020, we announced a comprehensive response plan to mitigate the impact of the decline in the oil price and impact of the COVID-19 pandemic. Collectively, these measures targeted cash proceeds of at least US\$6 billion by the end of FY21. We exceeded our cash conservation target of US\$1 billion in both FY20 and FY21, which was underpinned by a disciplined approach to reduce costs, capital expenditure and the unlock of working capital benefits. We have also progressed our asset divestment program, including the completion and advancement of transactions worth US\$3,8 billion. Our response plan is completed as at the end of FY21.

## Response plan actions



### Self help measures

**FY21 benefits :**

- Salary sacrifices in beginning of FY21
- Further optimisation of external labour and professional services spend
- Optimisation of study and feasibility funds
- Capital savings resulting from optimisation of shutdown processes, increased cost consciousness with spending based on risk mitigation and some unplanned savings as a result of COVID-19 impacts
- Working capital focus included renegotiated terms with suppliers and customers

### Asset divestments

**Transactions completed and well advanced in FY21:**

- 50% interest in the US Base Chemicals business
- Investment in the High Density Polyethylene Gemini JV
- Gabon producing and exploration assets
- Air separation units in Secunda to Air Liquide
- Sodium Cyanide in Sasolburg
- Other smaller asset divestments

**Current disposal activity includes:**

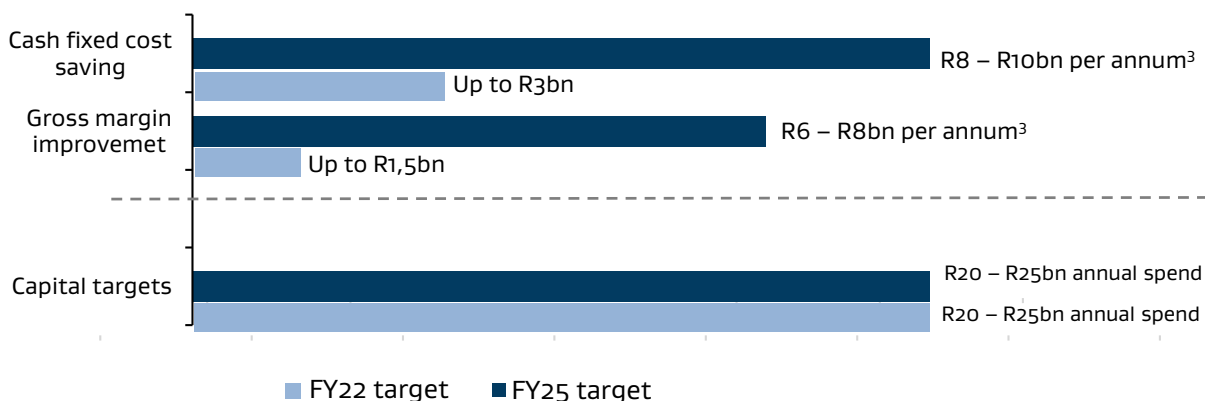
- 30% interest in ROMPCO<sup>2</sup> pipeline
- Interest in CTRG<sup>1</sup> in Mozambique
- Other assets in line with our strategy

# Sasol 2.0 transformation programme

We introduced the Sasol 2.0 transformation programme to enable the business to be competitive, highly cash generative and able to deliver attractive returns even in a low oil price environment.

The financial targets for Sasol 2.0 are:

- Cash fixed cost reduction by the end of 2025 of 15% to 20% (R8 billion to R10 billion);
- Gross margin improvement of 5% to 10% (R6 billion to R8 billion);
- 30% reduction in capital expenditure, which equates to a range of R20 billion to R25 billion per annum; and
- Working capital target of 14% of revenue.



1. Gas-fired power station in Central Termica de Ressano Garcia, Mozambique  
 2. Pipeline transmission activities of Republic of Mozambique Pipeline Company  
 3. Real savings off FY20 base



# Sasol South Africa Limited

## Valuation of Khanyisa B-BBEE transaction

|  |        | Khanyisa net value<br>30 June 2021<br>Rbn | Khanyisa net value<br>30 June 2020<br>Rbn |
|--|--------|---|---|
| Fair value of SSA Group after share issue to participants <sup>1</sup> |        | 43,7                                      | 23,2                                      |
| Attributable to Khanyisa participants                                  | 18,38% | 8,0                                       | 4,3                                       |
| Vendor funding <sup>2</sup>  |        | (15,8)                                    | (17,2)                                    |
| Net value created  |        | -   | -   |

<sup>1</sup> The valuation of the SSA Group is performed on an annual basis. Fair value of SSA Group as at 30 June 2021 is as per the independent valuation performed by Rand Merchant Bank.

<sup>2</sup> For 2021, the SSA Group declared an interim dividend of R5,3 billion and a special dividend of R6,0 billion. 97,5% of the dividends attributable to Khanyisa participants are utilised to repay the vendor funding.

The fair value of the SSA Group is highly sensitive to macroeconomic assumptions such as international oil price, chemical price and exchange rate assumptions.

## Eleven year financial performance

|  | % change<br>2021 vs 2020 | 2021<br>Rm     | 2020*<br>Rm     | 2019*<br>Rm     | 2018<br>Rm      | 2017<br>Rm      | 2016<br>Rm      | 2015<br>Rm     | 2014<br>Rm     | 2013<br>Rm     | 2012<br>Rm     | 2011<br>Rm     | Compound annual<br>growth rate % |              |
|--|--------------------------|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------------------------|--------------|
|  |                          |                |                 |                 |                 |                 |                 |                |                |                |                |                | 5 years                          | 10 years     |
| <b>Statement of financial position</b>                         |                          |                |                 |                 |                 |                 |                 |                |                |                |                |                |                                  |              |
| Property, plant and equipment                                  | (15)                     | 198 021        | 232 272         | 361 313         | 332 818         | 289 507         | 259 065         | 197 799        | 162 769        | 140 854        | 118 326        | 108 997        | (5,2)                            | 6,2          |
| Right of use assets  | (7)                      | 12 903         | 13 816          | –               | –               | –               | –               | –              | –              | –              | –              | –              |                                  |              |
| Goodwill and other intangible assets                           | (11)                     | 2 482          | 2 800           | 3 357           | 2 687           | 2 361           | 2 680           | 2 293          | 2 526          | 1 992          | 1 730          | 2 012          |                                  |              |
| Other non-current assets                                       | 1                        | 52 804         | 52 305          | 27 283          | 22 473          | 19 117          | 20 836          | 16 829         | 17 598         | 17 257         | 16 357         | 6 655          |                                  |              |
| Current assets   | (47)                     | 94 533         | 177 969         | 78 015          | 81 257          | 87 954          | 108 133         | 106 678        | 97 371         | 86 062         | 61 170         | 59 781         |                                  |              |
| <b>Total assets</b>  | <b>(25)</b>              | <b>360 743</b> | <b>479 162</b>  | <b>469 968</b>  | <b>439 235</b>  | <b>398 939</b>  | <b>390 714</b>  | <b>323 599</b> | <b>280 264</b> | <b>246 165</b> | <b>197 583</b> | <b>177 445</b> |                                  |              |
| Total equity   | (4)                      | 152 471        | 159 248         | 225 795         | 228 608         | 217 235         | 212 418         | 196 483        | 174 769        | 152 893        | 127 942        | 109 860        | (6,4)                            | 3,3          |
| Interest-bearing debt  | 46                       | 102 944        | 189 730         | 137 692         | 110 052         | 82 849          | 79 175          | 42 187         | 25 830         | 23 139         | 12 497         | 15 522         |                                  |              |
| Interest-free liabilities                                      | 19                       | 105 328        | 130 184         | 106 481         | 100 575         | 98 855          | 99 121          | 84 929         | 79 665         | 70 133         | 57 144         | 52 063         |                                  |              |
| <b>Total equity and liabilities</b>                            | <b>(25)</b>              | <b>360 743</b> | <b>479 162</b>  | <b>469 968</b>  | <b>439 235</b>  | <b>398 939</b>  | <b>390 714</b>  | <b>323 599</b> | <b>280 264</b> | <b>246 165</b> | <b>197 583</b> | <b>177 445</b> | <b>(1,6)</b>                     | <b>7,4</b>   |
| <b>Income statement</b>  |                          |                |                 |                 |                 |                 |                 |                |                |                |                |                |                                  |              |
| Turnover   | 6                        | 201 910        | 190 367         | 203 576         | 181 461         | 172 407         | 172 942         | 185 266        | 202 683        | 169 891        | 159 114        | 142 436        | 3,1                              | 3,6          |
| Earnings before interest and tax (EBIT)                        | >100                     | 16 619         | (111 030)       | 9 697           | 17 749          | 31 705          | 24 239          | 46 549         | 45 818         | 40 845         | 36 710         | 30 242         | (7,3)                            | (5,8)        |
| Net finance costs  | >100                     | (5 902)        | (6 381)         | (466)           | (2 043)         | (1 697)         | (521)           | (956)          | (705)          | (1 139)        | (1 007)        | (826)          |                                  |              |
| Earnings before tax  | >100                     | 10 717         | (117 411)       | 9 231           | 15 704          | 30 008          | 23 718          | 45 593         | 45 113         | 39 706         | 35 703         | 29 416         | (14,7)                           | (9,6)        |
| Taxation   | >100                     | (185)          | 26 139          | (3 157)         | (5 558)         | (8 495)         | (8 691)         | (14 431)       | (14 696)       | (12 595)       | (11 501)       | (9 196)        |                                  |              |
| <b>Earnings for the year</b>                                   | <b>&gt;100</b>           | <b>10 532</b>  | <b>(91 272)</b> | <b>6 074</b>    | <b>10 146</b>   | <b>21 513</b>   | <b>15 027</b>   | <b>31 162</b>  | <b>30 417</b>  | <b>27 111</b>  | <b>24 202</b>  | <b>20 220</b>  | <b>(6,9)</b>                     | <b>(6,3)</b> |
| <b>Attributable to</b>   |                          |                |                 |                 |                 |                 |                 |                |                |                |                |                |                                  |              |
| Owners of Sasol Limited  | >100                     | 9 032          | (91 109)        | 4 298           | 8 729           | 20 374          | 13 225          | 29 716         | 29 580         | 26 274         | 23 580         | 19 794         | (7,3)                            | (7,5)        |
| Non-controlling interests in subsidiaries                      | >100                     | 1 500          | (163)           | 1 776           | 1 417           | 1 139           | 1 802           | 1 446          | 837            | 837            | 622            | 426            |                                  |              |
|  | >100                     | 10 532         | (91 272)        | 6 074           | 10 146          | 21 513          | 15 027          | 31 162         | 30 417         | 27 111         | 24 202         | 20 220         |                                  |              |
| <b>Statement of cash flows</b>                                 |                          |                |                 |                 |                 |                 |                 |                |                |                |                |                |                                  |              |
| Cash flow from operations                                      | 43                       | 52 268         | 36 546          | 48 988          | 46 638          | 46 236          | 52 973          | 56 422         | 69 174         | 55 184         | 44 703         | 41 018         | (0,3)                            | 2,5          |
| (Increase)/decrease in working capital                         | (>100)                   | (7 154)        | 5 838           | 2 410           | (3 761)         | (2 167)         | 1 700           | 5 361          | (3 725)        | (3 278)        | (3 842)        | (2 379)        |                                  |              |
| <b>Cash generated by operating activities</b>                  | <b>6</b>                 | <b>45 114</b>  | <b>42 384</b>   | <b>51 398</b>   | <b>42 877</b>   | <b>44 069</b>   | <b>54 673</b>   | <b>61 783</b>  | <b>65 449</b>  | <b>51 906</b>  | <b>40 861</b>  | <b>38 639</b>  | <b>(3,8)</b>                     | <b>1,6</b>   |
| Finance income received  | (13)                     | 874            | 1 000           | 2 188           | 3 267           | 3 003           | 2 520           | 4 046          | 5 920          | 6 063          | 6 574          | 1 380          |                                  |              |
| Finance costs paid   | 14                       | (6 173)        | (7 154)         | (6 222)         | (4 797)         | (3 612)         | (3 249)         | (2 097)        | (499)          | (523)          | (482)          | (898)          |                                  |              |
| Tax paid   | 7                        | (5 280)        | (5 659)         | (3 946)         | (7 041)         | (6 352)         | (9 329)         | (10 057)       | (13 647)       | (10 367)       | (10 612)       | (6 691)        |                                  |              |
| <b>Cash available from operating activities</b>                | <b>13</b>                | <b>34 535</b>  | <b>30 571</b>   | <b>43 418</b>   | <b>34 306</b>   | <b>37 108</b>   | <b>44 615</b>   | <b>53 675</b>  | <b>57 223</b>  | <b>47 079</b>  | <b>36 341</b>  | <b>32 430</b>  |                                  |              |
| Dividends paid   | (48)                     | (46)           | (31)            | (9 952)         | (7 952)         | (8 628)         | (10 680)        | (12 739)       | (13 248)       | (10 787)       | (9 600)        | (6 614)        |                                  |              |
| Dividends paid to non-controlling shareholders in subsidiaries | 45                       | (446)          | (810)           | (1 523)         | (725)           | (989)           | (1 296)         | (365)          | (372)          | (297)          | (330)          | (419)          |                                  |              |
| <b>Cash retained from operating activities</b>                 | <b>15</b>                | <b>34 043</b>  | <b>29 730</b>   | <b>31 943</b>   | <b>25 629</b>   | <b>27 491</b>   | <b>32 639</b>   | <b>40 571</b>  | <b>43 603</b>  | <b>35 995</b>  | <b>26 411</b>  | <b>25 397</b>  | <b>0,8</b>                       | <b>3,0</b>   |
| Total additions to non-current assets                          | 53                       | (16 375)       | (35 164)        | (55 800)        | (53 384)        | (60 343)        | (70 409)        | (42 645)       | (38 779)       | (30 414)       | (28 539)       | (20 665)       |                                  |              |
| Other movements <sup>1</sup>                                   | >100                     | 41 468         | (3 386)         | (612)           | (595)           | 3 666           | (625)           | 560            | 966            | (419)          | 2 016          | (3 800)        |                                  |              |
| <b>Decrease/(increase) in funding requirements</b>             | <b>&gt;100</b>           | <b>59 136</b>  | <b>(8 820)</b>  | <b>(24 469)</b> | <b>(28 350)</b> | <b>(29 186)</b> | <b>(38 395)</b> | <b>(1 514)</b> | <b>5 790</b>   | <b>5 162</b>   | <b>(112)</b>   | <b>932</b>     |                                  |              |

<sup>1</sup> Includes R43 billion proceeds on disposal of businesses and scrappings.

\* The comparative information has been adjusted for changes in the South African integrated value chain impairment assessment.

## Abbreviations

|  |  |
|--|--|
| m bbl - thousand barrels                     | Rbn - Rand billions                      |
| mm bbl - million barrels                     | Rm - Rand millions                       |
| mm tons - million tons                       | R/ton - rand per ton                     |
| bscf - billion standard cubic feet           | R/US\$ - Rand/US dollar currency         |
| EUR/ton - Euro per ton                       | US\$bn - US dollar billions              |
| US\$/bbl - US dollar per barrel              | US\$m - US dollar millions               |
| US\$/ton - US dollar per ton                 | m <sup>3</sup> /h - cubic meter per hour |
| US\$ c/gal - US dollar cent per gallon       | MW - Megawatt                            |
| t/cm/s - tons per continuous miner per shift | BOE - barrels of oil equivalent          |
| kt - thousand tons                           | BPD - barrels per day                    |

## Definitions

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

**Normalised EBIT** - Normalised EBIT represents reported EBIT adjusted for remeasurement 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, and all gains and losses on our derivatives and hedging activities (realised and unrealised).

**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 Broad-Based Black Economic Empowerment (BBBEE) transactions

## Disclaimer – Forward-looking statements

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, changes in demand for Sasol's products, increases in market share, total shareholder return, executing our growth projects, oil and gas reserves, cost reductions, legislative, regulatory and fiscal development, 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 24 August 2020 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.

## Disclaimer – photography

Photographs used in this report have been sourced from our photographic library and were taken before the COVID-19 outbreak. Some of these photographs do not reflect the social distancing and protocols approved by the World Health Organisation (WHO) such as wearing of masks in public places. All initiatives and related photographs done during the pandemic were carried out in line with country-specific requirements.

**Comprehensive additional information is available on our website:** [www.sasol.com](http://www.sasol.com)



[www.sasol.com](http://www.sasol.com)