



**sasol**

# SASOL LIMITED

## PRODUCTION AND SALES METRICS

for the three months ended  
30 September 2020

*Celebrating*  
**70** years

POSITIONING FOR A  
**SUSTAINABLE FUTURE**

## Mining

### Maintaining safe operations during COVID-19

The COVID-19 impact on our operations appears to have peaked towards the end of July, with a gradual reduction in positive cases being recorded for the remainder of the quarter. The adverse COVID-19 impact resulted in a Q1 FY21 productivity rate of 1 169 t/cm/s\* which was 2% lower than Q1 FY20 and similarly lower than Q4 FY20. This resulted in a 7% decline in saleable production compared to Q1 FY20. The September month productivity rate was in line with our targeted productivity rate of 1 200 t/cm/s.

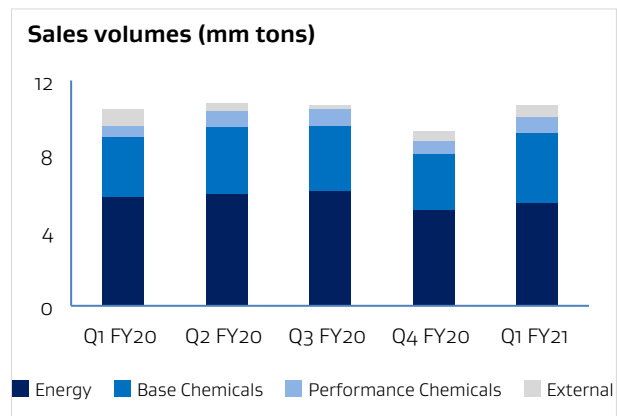
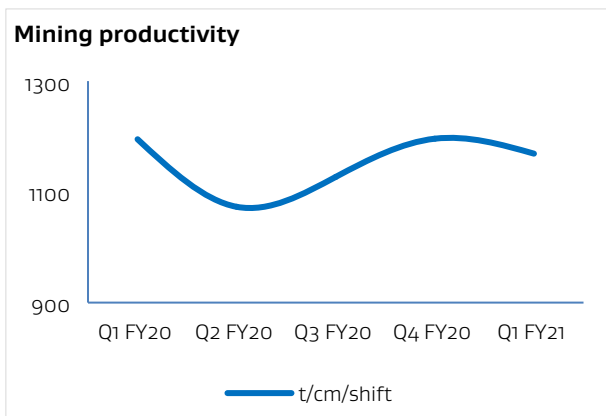
The lower productivity in Q1 FY21, coupled with an increase in internal customer demand due to the postponement of the planned Secunda Synfuels Operations (SSO) September 2020 shutdown, has necessitated a resumption of additional external coal purchases in order to support our stockpile levels. We are currently maintaining a stock pile level of between 1,5 – 2,5 million tons to mitigate the risks associated with a second wave of COVID-19 and other external factors. We review our external purchases on an ongoing basis and aim to minimise these purchases over the next few months.

Siyenza, our Business Improvement Programme, underpins our FY21 forecast and we are targeting full year productivity of approximately 1 200 - 1 250 t/cm/s. We anticipate external sales of approximately 3,2 million tons for the full year, similar to annual levels we have sold in the past, pre COVID-19.

		% change 2021 vs 2020	YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>Production</b>					
Saleable production**	mm tons	(7)	8,8	9,5	36,1
<b>External purchases</b>					
	mm tons	-	1,5	1,5	6,5
<b>Internal sales</b>					
Energy	mm tons	(5)	5,5	5,8	23,5
Base Chemicals	mm tons	16	3,7	3,2	12,8
Performance Chemicals	mm tons	50	0,9	0,6	2,9
<b>External sales</b>					
International and other domestic	mm tons	(33)	0,6	0,9	1,9

\* Includes production outside of normal shifts

\*\* Saleable production represents total production adjusted for normal process discard arising from the coal beneficiation process at our export operations.



## Exploration and Production International

### Consistent operational performance in Mozambique

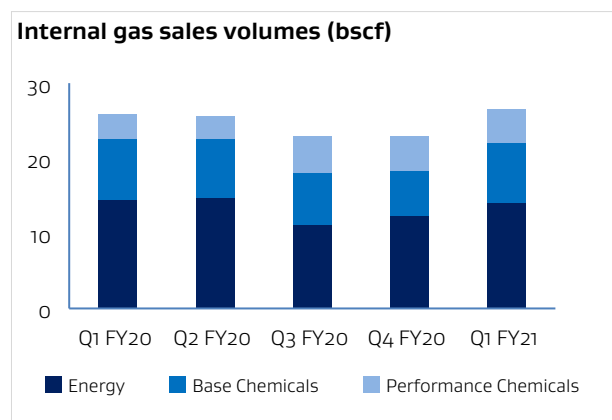
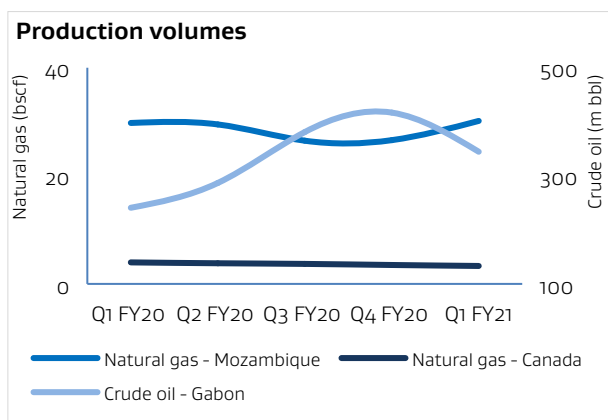
Mozambique production for Q1 FY21 is slightly higher than Q1 FY20 due to an increase in internal demand. Q1 FY21 production was 13% higher than Q4 FY20. We expect gas production volumes from the Petroleum Production Agreement in Mozambique to be 114 - 118 bscf, in line with previous market guidance.

There were higher production volumes in Gabon due to three additional wells coming into production between November 2019 and March 2020. Sales volumes were lower than production volumes in Q1 FY21 due to the Government of Gabon selling its share of entitlement production volumes in August, resulting in no sales for the joint venture for the month. We expect production for FY21 to be higher than prior year due to the additional wells producing for a full year.

Canadian gas and condensate volumes were lower due to the natural decline in the production wells and we expect the trend to continue for the financial year.

		% change 2021 vs 2020	YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>Production*</b>					
Natural gas - Mozambique	bscf	1	30,2	29,8	112,4
Condensate - Mozambique	m bbl	(9)	53	58	207
Crude oil - Gabon (after royalties)	m bbl	43	345	241	1 326
Natural gas - Canada	bscf	(18)	3,3	4,0	15,0
Condensate - Canada	m bbl	(15)	35	41	197
<b>External sales*</b>					
Natural gas - Mozambique	bscf	(8)	3,7	4,0	15,2
Condensate - Mozambique	m bbl	(4)	54	56	208
Crude oil - Gabon (after royalties)	m bbl	(6)	234	248	1 267
Natural gas - Canada	bscf	(18)	3,3	4,0	15,0
Condensate - Canada	m bbl	(15)	35	41	197
<b>Internal sales - Natural gas*</b>					
Mozambique to Energy	bscf	(3)	14,1	14,5	52,8
Mozambique to Base Chemicals	bscf	(1)	8,0	8,1	28,8
Mozambique to Performance Chemicals	bscf	38	4,4	3,2	15,6

\* Volumes shown reflect Sasol's share.



## Group key production volumes summary

### South African operations

SSO total production volumes for Q1 FY21 were 6% higher than Q1 FY20, mainly as result of the postponement of the September 2020 shutdown to Q1 FY22, compared to a phase shutdown in September 2019. This was enabled by the successful completion of a 'pitstop' shutdown in May 2020. The Secunda production volumes shifted towards chemical and lighter components during this quarter due to factory configuration during planned outages and the higher availability of the chemicals business units. SSO production volumes increased by 17% compared to Q4 FY20. The SSO full year FY21 production is forecasted to be 7,7 - 7,8 million tons.

Natref production for Q1 FY21 was as expected, 18% lower than Q1 FY20 as a result of the decrease in fuel demand, particularly the lower jet fuel demand in South Africa due to the COVID-19 lockdown. Consequently, Natref achieved a crude rate of 509 m<sup>3</sup>/h for Q1 FY21 due to the refinery being run on low production rates. We expect to achieve a crude rate of approximately 540 m<sup>3</sup>/h for full year FY21 as demand is expected to increase later in FY21 as lockdown restrictions ease.

		% change 2021 vs 2020	YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>Production - Secunda Synfuels Operations</b>	kt	6	<b>1 914</b>	1 799	7 373
Refined product	kt		<b>909</b>	906	3 541
Heating fuels	kt		<b>158</b>	162	651
Alcohols/ketones	kt		<b>160</b>	142	597
Other chemicals	kt		<b>506</b>	430	1 887
Gasification	kt		<b>145</b>	134	571
Other	kt		<b>36</b>	25	126
<b>Synfuels total refined product</b>	mm bbl	-	<b>8,0</b>	8,0	31,2
<b>Natref</b>					
Crude oil (processed)	mm bbl	(19)	<b>4,6</b>	5,7	17,2
White product yield	%	(1)	<b>89,8</b>	90,6	89,4
Total yield	%	-	<b>96,6</b>	96,4	97,4
Production	mm bbl	(18)	<b>4,5</b>	5,5	16,8

### North American Operations

Our Lake Charles Q1 FY21 production was impacted by Hurricane Laura, one of the strongest recorded hurricanes to impact the Gulf Coast. The hurricane made landfall on 27 August 2020 near Sasol's Lake Charles Chemicals Complex (LCCC) in Southwest Louisiana. The impact of Hurricane Laura on the total net saleable tons of our North American Operations was approximately 170 kt in Q1 FY21.

Post Hurricane Laura, Sasol made significant progress towards readying the LCCC facilities for restart. The restart had to be suspended as a precautionary measure due to Hurricane Delta, which made landfall near Lake Charles on 9 October 2020. Our preliminary assessments indicate that no further damage occurred as a result of Hurricane Delta and a coordinated start-up of the complex is underway.

All units that were operating prior to Hurricane Laura are expected to return to operation by the end of October 2020.

			YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>Production Volumes</b>					
Gross ethylene production - west cracker	kt	>100	<b>217</b>	44	825
Gross ethylene production - east cracker	kt	(41)	<b>67</b>	113	446
Polyethylene - including our share of HDPE	kt	(24)	<b>132</b>	173	688
Ethylene oxide (EO) value chain	kt	(29)	<b>67</b>	94	382
ZAG value chain*	kt	(22)	<b>25</b>	32	137

\* ZAG: Ziegler alcohols, Alumina and Guerbet alcohols

### Eurasian Operations

Production volumes from our Eurasian-based assets decreased by 6% in Q1 FY21 compared to Q1 FY20 normalised for the impact of the mid-year FY20 disposal of the share in the Sasol Wilmar Joint Operation. The reduction in output was largely driven by weaker market demand in the wake of the COVID-19 pandemic, impacting most product groups across Eurasia.

Alcohol production was further impacted by planned outages of selected units during Q1 FY21. Our Wax Emulsions business reported higher production volumes compared to the prior period, due to increased demand.

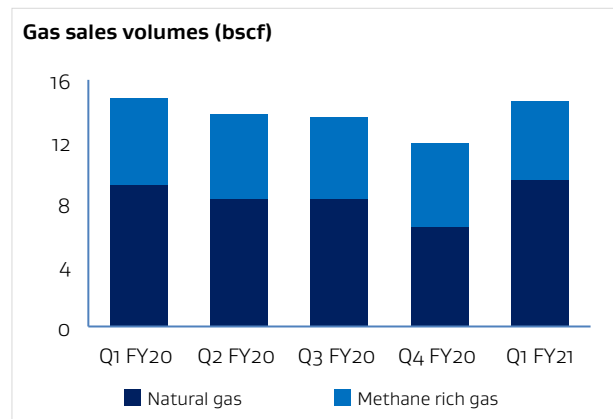
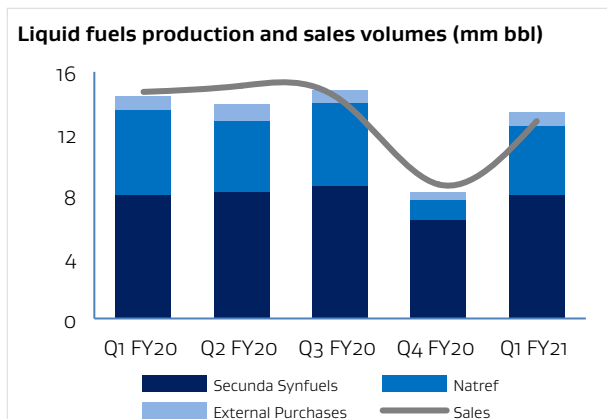
## Energy

### Lower liquid fuels volume performance due to lower demand

We have seen a strong recovery from Q4 FY20 to Q1 FY21 of 47% and 23% in our liquid fuels and total gas sales respectively, as demand recovers following the easing of lockdown restrictions. The market is currently operating at 80 - 85% of pre COVID-19 levels. Consequently, our liquid fuels and total gas sales in Q1 FY21 decreased by 13% and 2% respectively, compared to Q1 FY20. The forecasted run rate of 540 m<sup>3</sup>/h at Natref follows the subdued outlook on jet fuel demand given COVID-19. Sales volumes are expected to be approximately 54 - 55 mm bbl for FY21, a 2 - 4% increase compared to FY20.

ORYX GTL achieved a utilisation rate of 48% for Q1 FY21 due to the extended shutdown of train 2. Train 2 is expected to return to operation in Q2 FY21 and the FY21 utilisation rate is forecasted to be 75 - 80%.

		% change 2021 vs 2020	YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>Production</b>					
<b>Synfuels total refined product</b>	mm bbl	-	<b>8,0</b>	8,0	31,2
<b>Natref production</b>	mm bbl	(18)	<b>4,5</b>	5,5	16,8
<b>ORYX GTL</b>					
Production	mm bbl	(52)	<b>0,70</b>	1,45	3,31
Utilisation rate of nameplate capacity	%		<b>48</b>	99	57,0
<b>External purchases (white product)</b>	mm bbl	-	<b>0,9</b>	0,9	3,3
<b>Sales</b>					
Liquid fuels - white product	mm bbl	(13)	<b>12,3</b>	14,1	50,4
Liquid fuels - black product	mm bbl	(17)	<b>0,5</b>	0,6	2,3
Natural gas	bscf	2	<b>9,4</b>	9,2	32,3
Methane rich gas	bscf	(9)	<b>5,1</b>	5,6	21,8
<b>Retail convenience centres (RCCs)</b>	number		<b>411</b>	411	409



## Base Chemicals

### Higher revenue in the foundation business while Polymers US negatively impacted by Hurricane Laura

The Base Chemicals foundation business (excluding Polymers US products) sales volumes for Q1 FY21 were 4% higher than Q1 FY20 and 9% higher than Q4 FY20. This was due to improved market demand and supported by higher SSO chemicals production rates following the lifting of COVID-19 lockdown restrictions. The Polymers US sales volumes for Q1 FY21 were 65% higher than Q1 FY20 due to the new ethylene cracker which achieved beneficial operation in August 2019. Q1 FY21 sales volumes were 28% lower than Q4 FY20 due to Hurricane Laura which made landfall on 27 August 2020 and resulted in an extended disruption to the electrical power supply to the LCCC.

Base Chemicals' average sales basket price for Q1 FY21 decreased by 15% compared to the prior year but increased by 4% compared to Q4 FY20 as global demand improved and oil prices increased. Polymers US basket prices increased by 12% compared to Q4 FY20 with the reduced market supply resulting from Hurricane Laura helping to lift prices. The ethane price also increased by 15% in Q1 FY21 compared to Q4 FY20, with an average Q1 FY21 price of US\$ 162 /ton (USc 22 /gallon).

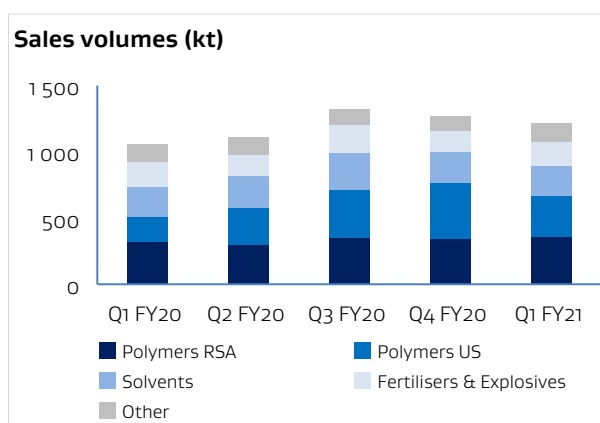
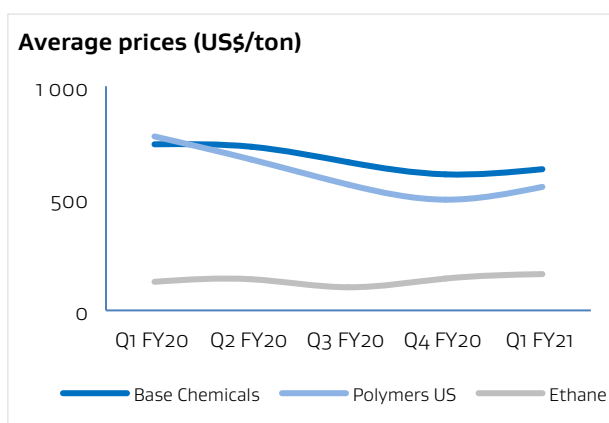
Base Chemicals sales volumes (excluding Polymers US products) are still expected to be 1 - 2% higher than the prior year. Base Chemicals total sales volumes\* are however only expected to be 1 - 2% higher than the prior year, lower than the previous guidance of 3 - 5% due to the impact of Hurricane Laura on the LCCC.

		% change 2021 vs 2020	YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>Sales</b>					
Polymers RSA	kt	13	360	320	1 310
Polymers US	kt	65	306	186	1 257
Solvents	kt	(2)	226	231	980
Fertilisers & Explosives**	kt	(2)	188	191	723
Other	kt	5	139	132	487
	kt	15	1 219	1 060	4 757
<b>Base Chemicals average sales basket price</b>					
	US\$/ton	(15)	630	741	681
<b>Polymers US average sales basket price***</b>					
	US\$/ton	(29)	551	776	596

\* Sales volume guidance provided is not adjusted for the impact of the potential Lake Charles Chemicals Project (LCCP) partnering transaction.

\*\* Includes the sale of explosives products to Enaex Africa (Pty) Ltd. following the sale of 51% of Sasol's Explosives business to Enaex on 30 June 2020.

\*\*\* Includes ethylene, co-products and LLDPE and HDPE.





## Performance Chemicals

### COVID-19 and Hurricane Laura negatively impacted Q1 FY21

The Performance Chemicals business faced a challenging Q1 FY21 with sales volumes decreasing by 11% compared to Q1 FY20 and a similar reduction compared to Q4 FY20. This was due to COVID-19 related restrictions negatively impacting many of our key markets, exacerbated by an unplanned outage at our US operations after Hurricane Laura interrupted the electrical power supply. These two challenges are most visible in our Organics division with 18% lower sales volumes compared to Q1 FY20 impacted by lost production for approximately a month at our US operations as well as the continuing weak macroeconomic environment, especially in Europe and Asia.

Our Wax division delivered a strong performance in Q1 FY21 with sales increasing by 22% benefitting from high demand, partly driven by COVID-19 especially in the construction, candles and packaging markets.

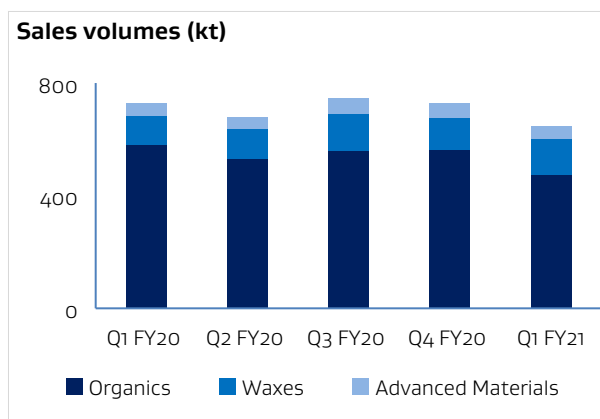
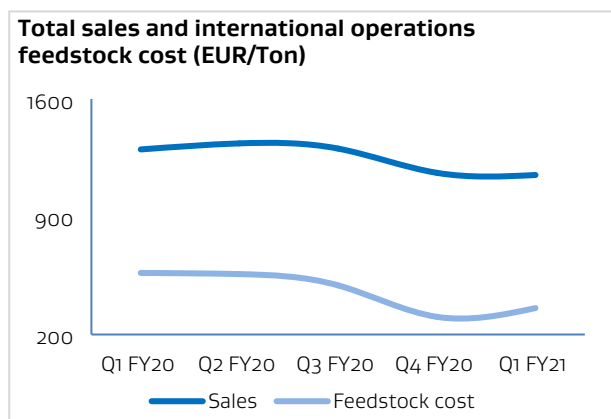
Our Advanced Materials sales volumes were 5% higher than Q1 FY20 driven by lower-value carbon sales. Whilst margins are still healthy, demand is currently lower due to the COVID-19 restraints in certain markets.

In light of the impact of Hurricane Laura on our North American Operations, we have revised our previous market guidance and forecast. We estimate our Performance Chemicals total FY21 sales volumes to be in line with FY20.

		% change 2021 vs 2020	YTD Sep 2021	YTD Sep 2020	Full year 2020
<b>International operations feedstock cost*</b>	R/ton	(24)	<b>7 060</b>	9 237	8 307
<b>International operations feedstock cost</b>	EUR/ton	(37)	<b>357</b>	566	479
<b>Sales**</b>					
Organics	Rm	(5)	<b>12 098</b>	12 726	52 168
Waxes	Rm	29	<b>2 558</b>	1 983	8 957
Advanced Materials	Rm	(2)	<b>1 714</b>	1 756	7 208
	Rm	(1)	<b>16 370</b>	16 465	68 333
<b>Sales volumes</b>					
Organics	kt	(18)	<b>475</b>	581	2 239
Waxes	kt	22	<b>127</b>	104	452
Advanced Materials	kt	5	<b>45</b>	43	191
		(11)	<b>647</b>	728	2 882

\* Includes key international feedstocks such as kerosene, North West Europe (NWE) ethylene, and US ethane, calculated over volumes consumed in order to derive the input costs for the period under review.

\*\* Sales includes revenue from kerosene in our alkylates business of R1,7bn (Q1 FY20 - R1bn) that is sold back to third parties after paraffin is extracted. The sale back is recorded as revenue but is not included in production or sales volumes.



**Latest hedging overview**  
as at 21 October 2020

		YTD Sep <sup>2</sup> 2021	Q2 2021	Q3 2021	Q4 2021
<b>Rand/US dollar currency - Zero-cost collar instruments<sup>1</sup></b>					
US\$ exposure	US\$bn	<b>5,3</b>	1,9	1,5	-
Open positions	US\$bn	<b>3,4</b>	1,9	1,5	-
Settled	US\$bn	<b>1,9</b>			
Annual average floor (open positions)	R/US\$	<b>14,82</b>	14,95	14,67	-
Annual average cap (open positions)	R/US\$	<b>17,80</b>	17,95	17,62	-
Unrealised gains recognised in the income statement	Rm	<b>1 974</b>			
Amount included in the statement of financial position	Rm	<b>(809)</b>			
<b>Ethane - Swap options<sup>1</sup></b>					
Number of barrels	mm bbl	<b>21,5</b>	7,0	7,0	-
Open positions	mm bbl	<b>14,0</b>	7,0	7,0	-
Settled	mm bbl	<b>7,5</b>			
Average ethane swap price (open positions)	US\$ c/gal	<b>18</b>	19	17	-
Realised losses recognised in the income statement	Rm	<b>(29)</b>			
Unrealised gains recognised in the income statement	Rm	<b>317</b>			
Amount included in the statement of financial position	Rm	<b>192</b>			
<b>Brent crude oil - Put options<sup>1</sup></b>					
Premium paid	US\$m	<b>8,57</b>	13,74	15,99	2,65
Number of barrels	mm bbl	<b>15,9</b>	5,4	6,0	1,0
Open positions	mm bbl	<b>12,4</b>	5,4	6,0	1,0
Settled	mm bbl	<b>3,5</b>			
Average Brent crude oil price floor, net of costs (open positions)	US\$/bbl	<b>36,05</b>	36,93	35,32	35,71
Realised losses recognised in the income statement	Rm	<b>(145)</b>			
Unrealised losses recognised in the income statement	Rm	<b>(188)</b>			
Amount included in the statement of financial position	Rm	<b>222</b>			
<b>Brent crude oil - Zero Cost Collars (ZCC)<sup>1</sup></b>					
Number of barrels	mm bbl	<b>3,1</b>	0,6	-	2,0
Open positions	mm bbl	<b>0,6</b>	0,6	-	2,0
Settled	mm bbl	<b>2,5</b>			
Average Brent crude oil price floor (open positions)	US\$/bbl	<b>36,00</b>	36,00	-	37,00
Average Brent crude oil price cap (open positions)	US\$/bbl	<b>45,00</b>	45,00	-	48,56
Realised losses recognised in the income statement	Rm	<b>(195)</b>			
Unrealised gains recognised in the income statement	Rm	<b>164</b>			
Amount included in the statement of financial position	Rm	<b>(5)</b>			

<sup>1</sup> We target a hedge cover ratio of 40% – 80% for FY21.

<sup>2</sup> The open positions as at quarter end September 2020 reflects the trades executed as at 30 September 2020. Additional trades have been executed subsequent to 30 September 2020.



Sasol Limited Group

## Additional information – Sasol North America

In March 2020, as part of its comprehensive response plan, Sasol begun a purposeful and systematic review of its business structure which has led to a redesign of the group's operating model. Under the new model, the group will comprise of two distinct, focused and customer-centric Chemicals and Energy businesses. As part of our revised strategy and the previously communicated focus on speciality chemicals, we have, as announced on 2 October 2020, entered into an agreement to partner with LyondellBasell to form a 50/50 joint venture (JV) with our LCCP Base Chemicals business. We expect the transaction to be implemented before the end of calendar year 2020, following shareholder and regulatory approval.

Consistent with our strategy, Sasol will retain full ownership and operational control of the Lake Charles east plant ethane cracker and eight US Performance Chemicals business assets in Lake Charles, which produce Ziegler and Guerbet alcohols, alumina, ethylene oxide & derivatives, paraffins, linear alkyl benzene and alpha olefins. In addition, Sasol also retains the US Phenolics business and the high density polyethylene joint venture.

Given this partnering transaction, and in line with our revised strategy and new operating model, we will transition from our current LCCP ring-fenced view to reporting Sasol North American chemicals as part of the overall Sasol Chemicals business as of Q3 FY21.

### EBITDA update\*

FY21 forecast: Given the impact of Hurricanes Laura and Delta, the Base Chemicals joint venture partnership and the current market conditions, we expect the LCCP ring-fenced EBITDA for FY21 to be between US\$ 50m - US\$ 120m, including anticipated insurance proceeds resulting from claims in respect of Hurricane Laura.

Steady state: Incorporating the impact of the Base Chemicals joint venture partnership, we forecast a steady state LCCP ring-fenced EBITDA of between US\$ 600m - US\$ 700m based on our current market outlook. It is estimated that a US10c/gal change in the ethane price will have an impact of approximately US\$ 74m on annual EBITDA at steady state.

\* EBITDA guidance provided is for all LCCP plants, adjusted for 50% EBITDA contribution from the west ethane cracker, LLDPE and LDPE plants, post the LCCP partnering transaction.

### LCCP volume outlook (Post joint venture partnership)

	Future Ownership		Full year 2021	Steady state
Gross ethylene production	JV	kt	850 - 910	770
Polyethylene**	JV	kt	380 - 420	445
EO value chain	Sasol	kt	310 - 340	380
ZAG value chain	Sasol	kt	80 - 90	160

\*\* LLDPE and LDPE (excluding the Sasol share of the HDPE joint venture retained by Sasol)

### Operational start-up post Hurricane Delta

On 9 October 2020, Hurricane Delta made landfall near Sasol's LCCC in Southwest Louisiana. Sasol activated the LCCC hurricane preparation plan in advance of the storm and proactively shut down all Lake Charles manufacturing facilities. While the storm levied additional impacts to our more than 1 200 Southwest Louisiana employees and the local community, the LCCC facilities did not experience significant damage.

We have sufficient industrial-level power from the local provider to resume the post Hurricane Laura start-up process of some facilities. Additional plants will start-up once full load power is restored. We will continue to support our impacted employees and the local community with recovery-related resources and assistance.

### Update on the low density polyethylene (LDPE) unit

The LDPE unit, the last of the LCCP units to come online, did not experience any significant impact from the hurricanes and commissioning activities have resumed. The unit's beneficial operation sequence will be initiated once full load power is restored to the site and is on track for beneficial operation by the end of October 2020, as per previous guidance.

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

The preliminary production and sales metrics for the period ended 30 September 2020 and forward looking statements on FY21 have not been reviewed and reported on by our external auditors.

### 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, increases in market share, total shareholder return, executing our growth projects (including LCCP), oil and gas reserves, cost reductions, our climate change strategy and business performance outlook. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour", "target", "forecast" and "project" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors and others are discussed more fully in our most recent annual report on Form 20-F filed on 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.

