



SASOL

SASOL LIMITED

PRODUCTION AND SALES METRICS

for the nine months ended 31 March 2021

Purpose

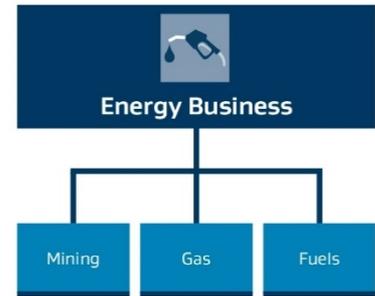
Innovating for a
better world



Energy Business

Overview

Our Energy Business, which has a strong regional position across Southern Africa, is a customer-focused organisation that leverages our unique technologies and advantaged assets to create value for our stakeholders.



As a major energy player in South Africa, we continued to see a strong recovery in demand for liquid fuels and gas, following the easing of COVID-19 restrictions, however jet fuel demand remains constrained. Our integrated value chain continued to deliver a strong financial performance, benefiting from the positive macro-economic environment, cost discipline and higher demand.

Focusing on the upstream, Mining delivered a strong safety performance for the nine months ended 31 March 2021. Our Mining productivity rate continues to trend higher than the prior year. However, external purchases were required to achieve the Secunda Synfuels planned production. Export coal sales improved significantly compared to the prior year, as we took advantage of the higher export prices to maximise profitability.

Our operations, in the midstream, delivered a satisfactory performance and since April 2021, we are seeing more stable run-rates. At Natref, together with our partner, we reduced our run rates to respond to lower market demand, whilst we ran Secunda Synfuels at full rates to maximise margins. Synfuels is expected to deliver at the lower end of 7,6 – 7,7 mt for the full year. In Mozambique, we continued to maintain stable operations in our gas production business.

In the downstream, despite the cutback at Natref and lower jet fuel demand, we still expect to deliver liquid fuels sales volumes of 54-55 mm bbl for the full year, in line with previous market guidance.



Mining

We delivered a strong safety performance with zero work-related fatalities. In addition, we have continued to enforce our COVID-19 mitigation measures to ensure minimal impact on our operations.

Our productivity rate of 1 142 t/cm/s for the nine months ended 31 March 2021 was 1% higher compared to the prior year. However, due to lower production at the start of the calendar year, we purchased 0,3 mt of additional coal to protect our Secunda operations.

To improve production and maintain optimal stock levels, we implemented a 24x7 integrated shift system (termed as Fulco) in February 2021. To date, we have rolled out this programme to three of our Secunda mines. While there are very positive indications, the transition has been slower than expected and as a consequence we may require additional coal purchases and diversion of export coal to deliver our targeted Secunda volumes. We are targeting a full year productivity rate of approximately 1 100 – 1 180 t/cm/s.

We remain committed to implementing Fulco at our remaining mines and the next phases of Siyenza, our Business Improvement Programme, aimed at maintaining safe and reliable operations, improved productivity and digitalising our operations. We expect to achieve the full potential of Fulco during FY22.

To maximise profitability, we took advantage of the higher export price and increased our export sales by 40% compared to the prior year.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
Production					
Saleable production*	mm tons	(2)	26,5	27,1	36,1
Mining productivity	t/cm/s	1	1 142	1 132	1 148
External purchases					
	mm tons	(19)	4,4	5,4	6,5
Internal sales					
Fuels	mm tons	(6)	16,8	17,9	23,5
Chemicals	mm tons	6	13,3	12,6	15,7
External sales					
International and other domestic	mm tons	40	2,1	1,5	1,9

* Saleable production represents total production adjusted for normal process discard arising from the coal beneficiation process at our export operations. The 2% drop is mainly attributable to higher discard (a waste product) from the beneficiation process of export coal, as export volumes are higher in this period. The discard reduces saleable production volumes.

Gas

We have maintained stable operations in Mozambique. Our production rate for the nine months ended 31 March 2021 was slightly lower than the prior year mainly due to lower demand from our Sasolburg and Secunda operations. However, we still expect gas production volumes from the Petroleum Production Agreement in Mozambique to be 114-118 bscf, in line with previous market guidance.

Natural gas sales volumes in South Africa were 8% higher than the prior year due to higher demand from resellers and customers. Methane rich gas (MRG) sales volumes were 7% lower compared to the prior year as refineries reduced demand and key customers experienced operational issues. The spare capacity of MRG volumes were placed at value.

The divestment of our interest in the Gabon asset was completed on 25 February 2021. In Canada, our gas and condensate volumes were lower due to the natural decline in the production wells. The divestment process for this asset is ongoing.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
Production					
Natural gas – Mozambique	bscf	–	85,5	85,8	112,4
External sales					
Natural gas – South Africa*	bscf	8	27,8	25,8	32,3
Methane rich gas – South africa	bscf	(7)	15,3	16,4	21,8
Natural gas – Mozambique**	bscf	–	11,5	11,5	15,2
Condensate – Mozambique	m bbl	(10)	147	164	208
Crude oil – Gabon	m bbl	1	783	773	1 267
Natural gas – Canada	bscf	(17)	9,5	11,5	15,0
Condensate – Canada	m bbl	(38)	98	158	197
Internal sales – Natural gas**					
Mozambique to Fuels	bscf	(2)	22,0	22,4	30,2
Mozambique to Chemicals	bscf	(4)	32,6	33,8	44,4

* Includes volumes relating to the 30% shareholding of our Mozambique assets, held by third parties.

** Volumes shown reflect Sasol's share after royalties.

Fuels

Secunda Synfuels Operations (SSO) production volumes for the nine months ended 31 March 2021 were 0,4% lower than the prior year, due to plant instabilities. The SSO full year FY21 production is now forecasted to be at the lower end of 7,6 - 7,7 mt. Our production volumes were shifted towards chemical and lighter components during the nine months ended 31 March 2021.

We continue to see a strong recovery in demand for our liquid fuels in South Africa following the easing of the COVID-19 lockdown restrictions. The demand for diesel is currently at pre-COVID-19 levels whilst petrol is between 90 - 95% of pre-COVID-19 levels. However, jet fuel demand continues to remain constrained and is expected to be below pre-COVID-19 levels for at least the next twelve months. Our full year forecasted sales volumes remains at 54 – 55 mm bbl, however further COVID-19 lockdown restrictions could negatively impact our sales volumes outlook.

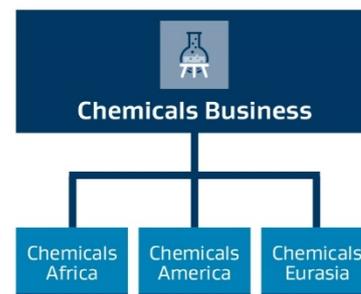
Natref production for the nine months ended 31 March 2021 was as expected, 15% lower than the prior year. In response to lower market demand, we have reduced the forecast run rate of Natref from 530 m³/h to 516 m³/h. We continue to run SSO at full rates to maximize margins.

ORYX GTL achieved an average utilisation rate of 75% for the nine months ended 31 March 2021. The facility delivered a good performance in Q3 FY21 post the extended shutdown achieving an average utilisation rate of 86%, which was partly impacted by an unplanned 21-day shutdown to fix a cooling water line rupture. Despite this, we still expect a full year utilisation rate of 80 - 85%.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
Synfuels production¹	kt	-	5 719	5 743	7 373
Proportion of production relating to Fuels	%		56	58	57
Proportion of production relating to Chemicals	%		44	42	43
Synfuels total refined product	mm bbl	(2)	24,3	24,8	31,2
Natref	mm bbl				
Crude oil (processed)	mm bbl	(15)	13,5	15,9	17,2
White product yield	%		89,5	90,0	89,4
Total yield	%		97,7	97,2	97,4
Production	mm bbl	(15)	13,2	15,5	16,8
ORYX GTL					
Production	mm bbl	5	3,24	3,10	3,31
Utilisation rate of nameplate capacity	%		75	71	57
External purchases (white product)	mm bbl	(25)	2,1	2,8	3,3
Sales					
Liquid fuels - white product	mm bbl	(10)	37,9	42,2	50,4
Liquid fuels - black product	bscf	(11)	1,6	1,8	2,3

¹ Synfuels production volumes includes chemical products which are further beneficiated and marketed under the Chemicals business

Chemicals Business



Overview

Our Chemicals Business has a strong diversified, global presence that is organised into three customer-focused regional operating segments – Africa, America and Eurasia – supporting four divisions comprising Advanced Materials, Base Chemicals, Essential Care Chemicals and Performance Solutions.

The total Chemicals sales volumes for the nine months ended 31 March 2021 were 2% lower than the prior year mainly due to adverse weather events in both America and South Africa impacting on production, the previously reported divestiture of the US Base Chemical assets in Q2 FY21 and the continued impact of the COVID-19 pandemic. The average sales basket price increased by 3% compared to the prior year and was 18% higher in Q3 FY21 compared to the previous quarter due to a combination of improved demand, higher oil prices and reduced market supply resulting from the February-21 US Arctic storm and global supply chain challenges due to the continued COVID-19 pandemic. These higher prices helped increase revenue by 1% compared to the prior year.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
Total					
External sales volume	kt	(2)	5 403	5 531	7 465
External sales revenue	US\$m	1	5 961	5 926	7 640
Average sales basket price	US\$/t	3	1 103	1 071	1 023

Total Chemicals sales volumes for FY21 are expected to be 2-4% lower than FY20. Most of the decrease will be in the US, driven by the disposal of our interest in the high-density polyethylene (HDPE) JV, our partnering with LyondellBasell and the three weather related interruptions. Eurasian sales are expected to increase by 5-10%, driven by the strong performance of the Essential Care Chemicals and Performance Solutions divisions. South African sales volumes are expected to remain flat year-on-year. Continued oil price volatility and the ongoing COVID-19 pandemic may impact volumes and prices during the remainder of FY21.



Chemicals Africa

Sales volumes from our South African-based assets for the nine months ended 31 March 2021 were 1% higher compared to the prior year despite the on-going COVID-19 global pandemic and a power outage at the Sasolburg site caused by a severe storm at the end of December 2020 which resulted in an unexpected and rapid shutdown of a number of units. Force majeure was subsequently declared on a number of products, some of which are only expected to be lifted in Q4 FY21.

Essential Care Chemicals volumes were 10% higher than the prior year largely due to higher alcohol production. Advanced Materials sales volumes increased by 19% compared to the prior year. The increase resulted from improved GTL catalyst demand and no shutdown of our carbon-related unit in the current year.

The average sales basket price remained flat compared to the prior year and was 10% higher in Q3 FY21 compared to the previous quarter due to a combination of improved demand, higher oil prices and reduced market supply due to the February-21 US Arctic storm and global supply chain challenges due to the continued COVID-19 pandemic. Demand for specific product applications, notably Solvents in Performance Solutions, has been strong especially in the personal hygiene market due to the COVID-19 pandemic.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
External sales volumes					
Advanced Materials	kt	19	111	93	134
Base Chemicals	kt	4	1 881	1 817	2 384
Essential Care Chemicals	kt	10	33	30	39
Performance Solutions	kt	(4)	972	1 013	1 344
Total	kt	1	2 997	2 953	3 901
External sales revenue	US\$m	2	2 630	2 585	3 289
Average sales basket price	US\$/ton	-	877	875	843

Chemicals America

Sales volumes from our American-based assets for the nine months ended 31 March 2021 were 14% lower than the prior year and impacted by the three significant weather-related events. Hurricane Laura and Hurricane Delta made landfall near Sasol's Lake Charles Chemicals Complex (LCCC) on 27 August 2020 and 9 October 2020 respectively, while in February 2021, an Arctic winter storm hit both the states of Texas and Louisiana, negatively impacting production across a number of petrochemical sites including the LCCC. We were one of the few ethylene producers to keep our ethylene cracker running during and after the storm, which allowed for increased merchant ethylene sales during March 2021.

Base Chemicals sales volumes for the nine months ended 31 March 2021 were further affected by the divestment of our 50% interest in the Base Chemicals business at LCCC to LyondellBasell, which was successfully closed on 1 December 2020 and the divestment of our 50% interest in the Gemini HDPE joint venture to INEOS Gemini HDPE LLC, a wholly owned subsidiary of INEOS LLC. This divestment was successfully closed on 31 December 2020.

Essential Care Chemicals sales volumes were in line with the prior year despite the continued production challenges precipitated by the hurricanes and the Arctic winter storm. Force majeure declarations remain in place for a number of Essential Care Chemicals products. Production rates are expected to increase in Q4 FY21 supporting the lifting of the force majeure declarations. Performance Solutions volumes were lower than the prior year due to the weather-related events.

In Advanced Materials, the production of alumina was negatively impacted by lower feed from the afore-mentioned lower production volumes at the Ziegler Alcohol unit within Essential Care Chemicals.

The average sales basket price increased by 7% compared to the prior year. The average sales basket price was 56% higher in Q3 FY21 compared to the previous quarter on the back of improved demand, market supply shortages due to the US Arctic storm and continued global supply chain challenges due to the COVID-19 pandemic. The higher basket price in Q3 FY21 was also supported by the change in product mix following the divestment of the Base Chemical assets in Q2 FY21.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
External sales volumes					
Advanced Materials	kt	(25)	12	16	20
Base Chemicals	kt	(13)	923	1 066	1 578
Essential Care Chemicals	kt	(1)	253	255	359
Performance Solutions	kt	(60)	33	82	104
Total	kt	(14)	1 221	1 419	2 061
External sales revenue	US\$m	(8)	1 263	1 366	1 831
Average sales basket price	US\$/ton	7	1 035	963	888

Chemicals Eurasia

Sales volumes from our Eurasian-based assets for the nine months ended 31 March 2021 were 4% higher than the prior year, when normalised for the H1 FY20 disposal of Sasol's share in the Sasol Wilmar Joint Operation. No significant supply or production interruptions were experienced at our Eurasian operations during the period. The increase in sales volumes was therefore largely driven by improved market demand for our Essential Care Chemicals and Performance Solutions products, especially Surfactants and Wax. However, demand for specific product applications, notably for Advanced Materials, continues to be negatively impacted due to COVID-19 restrictions in certain markets.

The average sales basket price increased by 2% compared to the prior year and was 7% higher in Q3 FY21 compared to the previous quarter supported by increased oil and other commodity prices as well as the afore-mentioned improved market demand.

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
External sales volumes					
Advanced Materials	kt	(24)	22	29	37
Essential Care Chemicals	kt	1	861	852	1 110
Performance Solutions	kt	9	302	278	356
Total	kt	2	1 185	1 159	1 503
External sales revenue	US\$m	5	2 068	1 975	2 520
Average sales basket price	US\$/ton	2	1 745	1 704	1 677

Supplementary Schedule

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
Sales revenue across segments					
Advanced Materials	US\$m	(7)	344	369	459
Base Chemicals	US\$m	–	2 025	2 020	2 582
Essential Care Chemicals	US\$m	–	1 986	1 982	2 565
Performance Solutions	US\$m	3	1 606	1 555	2 034
Total	US\$m	1	5 961	5 926	7 640

		% change 2021 vs 2020	YTD March 2021	YTD March 2020	Full year 2020
Sales volumes					
Advanced Materials	kt	5	145	138	191
Base Chemicals	kt	(3)	2 804	2 883	3 962
Polymers ¹	kt	(1)	1 779	1 798	2 567
Fertiliser and Explosives ²	kt	2	430	423	544
Other ³	kt	(10)	595	662	851
Essential Care Chemicals	kt	1	1 147	1 137	1 508
Performance Solutions	kt	(5)	1 307	1 373	1 804
Solvents	kt	(9)	665	734	949
Wax	kt	11	376	340	452
Other ⁴	kt	(11)	266	299	403
Total	kt	(2)	5 403	5 531	7 465

¹ Includes SA Polymers, US ethylene, co-products sales and LLDPE, LDPE volumes sold by Equistar Chemicals LP on behalf of Sasol

² Includes the sale of explosives products to Enaex Africa (Pty) Ltd. and excludes sales of sulphur transferred to Energy

³ Includes sales of Phenolics, Ammonia, Speciality Gases, MEG and Methanol

⁴ Includes sales of Comonomers, Speciality Alcohols and Surfactants

Quarterly Volumes

Energy

		% change Q3 vs Q2	Quarter 3 2021	Quarter 2 2021
Mining production				
Saleable production	mm tons	(5)	8,6	9,1
Mining productivity	t/cm/s	(5)	1 102	1 154
External purchases				
	mm tons	7	1,5	1,4
Gas production				
Natural gas – Mozambique	bscf	(6)	26,8	28,5
Gas external sales				
Natural gas – South Africa	bscf	2	9,3	9,1
Methane rich gas – South africa	bscf	4	5,2	5,0
Natural gas – Mozambique	bscf	–	3,9	3,9
Condensate – Mozambique	m bbl	(2)	46	47
Crude oil – Gabon	m bbl	28	308	241
Natural gas – Canada	bscf	(6)	3,0	3,2
Condensate – Canada	m bbl	(20)	28	35
Synfuels production				
	kt	1	1 911	1 894
Synfuels total refined product				
	mm bbl	–	8,1	8,1
Natref production				
	mm bbl	(2)	4,3	4,4
ORYX GTL production				
	mm bbl	(8)	1,2	1,3
External purchases (white product)				
	mm bbl	–	0,6	0,6
Fuels sales				
Liquid fuels - white product	mm bbl	(8)	12,3	13,3
Liquid fuels - black product	bscf	20	0,6	0,5

Chemicals

		% change Q3 vs Q2	Quarter 3 2021	Quarter 2 2021
Chemicals Africa				
External sales volumes				
Advanced Materials	kt	(27)	32	44
Base Chemicals	kt	5	602	574
Essential Care Chemicals	kt	–	10	10
Performance Solutions	kt	(2)	324	332
Total	kt	1	968	960
External sales revenue				
	US\$m	11	961	869
Chemicals America				
External sales volumes				
Advanced Materials	kt	25	5	4
Base Chemicals	kt	(25)	257	342
Essential Care Chemicals	kt	24	99	80
Performance Solutions	kt	20	12	10
Total	kt	(14)	373	436
External sales revenue				
	US\$m	32	517	391
Chemicals Eurasia				
External sales volumes				
Advanced Materials	kt	29	9	7
Essential Care Chemicals	kt	8	312	289
Performance Solutions	kt	1	105	104
Total	kt	7	426	400
External sales revenue				
	US\$m	14	777	684

Latest hedging overview as at 20 April 2021

		YTD March ² 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Rand/US dollar currency - Zero-cost collar instruments¹							
US\$ exposure	US\$bn	8,2	–	0,6	1,1	1,1	–
Open positions	US\$bn	2,8	–	0,6	1,1	1,1	–
Settled	US\$bn	5,4	–	–	–	–	–
Annual average floor (open positions)	R/US\$	14,54	–	14,50	14,57	14,53	–
Annual average cap (open positions)	R/US\$	17,52	–	17,48	17,57	17,50	–
Realised gains recognised in the income statement	Rm	251					
Unrealised gains recognised in the income statement	Rm	3 177					
Asset included in the statement of financial position	Rm	526					

Ethane - Swap options^{1,3}

Number of barrels	mm bbl	28,6	4,7	3,0	–	–	1,0
Open positions	mm bbl	7,1	4,7	3,0	–	–	1,0
Settled	mm bbl	21,5	–	–	–	–	–
Average ethane swap price (open positions)	US\$ c/gal	23	23	23	–	–	23
Realised gains recognised in the income statement	Rm	321					
Unrealised gains recognised in the income statement	Rm	156					
Asset included in the statement of financial position	Rm	38					

Brent crude oil - Put options¹

Premium paid	US\$m	94	10	15	15	15	15
Number of barrels	mm bbl	42,9	4,0	6,0	6,0	6,0	6,0
Open positions	mm bbl	28,0	4,0	6,0	6,0	6,0	6,0
Settled	mm bbl	14,9	–	–	–	–	–
Average Brent crude oil price floor, net of costs (open positions)	US\$/bbl	39,86	36,80	40,58	40,15	40,74	41,02
Realised losses recognised in the income statement	Rm	(606)					
Unrealised losses recognised in the income statement	Rm	(412)					
Asset included in the statement of financial position	Rm	532					

Brent crude oil - Zero Cost Collars (ZCC)¹

Number of barrels	mm bbl	5,1	–	–	–	–	–
Open positions	mm bbl	2,0	2,0	–	–	–	–
Settled	mm bbl	3,1	–	–	–	–	–
Average Brent crude oil price floor (open positions)	US\$/bbl	37,00	37,00	–	–	–	–
Average Brent crude oil price cap (open positions)	US\$/bbl	48,56	48,56	–	–	–	–
Realised losses recognised in the income statement	Rm	(185)					
Unrealised losses recognised in the income statement	Rm	(282)					
Liability included in the statement of financial position	Rm	(412)					

¹ We target a hedge cover ratio of 40% – 80% for FY21 and 40% – 65% for FY22.

² The open positions reflects the trades executed as at 31 March 2021. Additional trades have been executed subsequent to 31 March 2021.

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

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 ³ /h - cubic meter per hour
t/cm/s - tons per continuous miner per shift	

The preliminary production and sales metrics for the period ended 31 March 2021 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.



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