SASOL LIMITED

ADDITIONAL INFORMATION FOR ANALYSTS

for the year ended 30 June 2023

Progressing a sustainable **Future Sasol**

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Sasol is a global chemicals and energy company. We harness our knowledge and expertise to integrate sophisticated technologies and processes into world-scale operating facilities. We strive to safely and sustainably source, produce and market a range of high-quality products globally.

Salient features

People	Planet	Profit
Safety recordable case rate of 0,27	**Renewables on track** to achieve 1 200 MW by 2030	**HEPS** of **R53,75** **Core HEPS** of **R47,71**
> R850 million global socio-economic investment	**Gas drilling campaign** yielding positive results	**Cash generated** by operating activities of **R64,6 billion**
Continued community upliftment through Sasol programmes	**Sasol/Topsoe JV** unlocking sustainable aviation fuel opportunities	**Sustained dividend** payout

FUTURE SASOL

We are resetting, transitioning and reinventing Sasol to decarbonise and commit to achieving our Net Zero ambition by 2050.

Financial results, ratios and statistics

for the year ended

Sasol Group		% change 2023 vs 2022	2023	2022	2021
Financial results					
Turnover*	Rm	6	**289 696**	272 746	201 910
Gross margin (page 12)	Rm	(10)	**128 674**	142 584	111 170
Cash fixed cost (page 12)	Rm	(11)	**68 836**	62 121	60 912
Adjusted EBITDA (page 11)	Rm	(8)	**66 305**	71 843	48 420
Earnings before interest and tax (EBIT)	Rm	(65)	**21 520**	61 417	16 619
Attributable earnings	Rm	(77)	**8 799**	38 956	9 032
Enterprise value (page 6)	Rm	(24)	**242 745**	320 070	234 870
Total assets	Rm	3	**433 838**	419 548	360 743
Net debt[1] (including leases) (page 7)	Rm	(12)	**88 047**	78 780	90 086
Net debt[1] (including leases) (page 7)	US$m	3	**4 675**	4 839	6 309
Net debt[1] (excluding leases) (page 7)	US$m	1	**3 794**	3 836	5 188
Cash generated by operating activities	Rm	15	**64 637**	56 138	45 114
Free cash flow (page 6)	Rm	10	**20 404**	18 585	19 218
Free cash flow (after discretionary spend) (page 6)	Rm	(70)	**5 175**	16 981	15 402
Capital expenditure (cash flow) (page 17)	Rm	(36)	**30 854**	22 713	16 375
Profitability					
Gross profit margin[2]*	%	(8)	**44,4**	52,3	55,1
EBIT margin*	%	(15)	**7,4**	22,5	8,2
Normalised EBIT margin[3]*	%	(8)	**17,1**	25,4	15,9
Return on invested capital (excluding AUC)[4]	%	(15)	**5,5**	20,7	7,7
Effective tax rate[5] (page 14)	%	(11)	**35,7**	25,0	1,7
Adjusted effective tax rate[6]	%	–	**30,9**	31,0	23,9
Shareholders' returns					
Core headline earnings per share[7] (page 15)	Rand	(30)	**47,71**	68,54	27,74
Headline earnings per share	Rand	13	**53,75**	47,58	39,53
Basic earnings per share	Rand	(78)	**14,00**	62,34	14,57
Diluted earnings per share[8]	Rand	(79)	**13,02**	61,36	14,39
Dividend per share	Rand	16	**17,00**	14,70	–
Dividend cover	times	(40)	**2,8**	4,7	–
Dividend payout ratio	%	66	**35,6**	21,4	–
Dividend yield	%	83	**7,3**	4,0	–
Net asset value per share	Rand	4	**312,40**	301,56	234,76
Debt leverage					
Net debt to shareholders' equity (gearing)	%	(3)	**44,7**	41,8	61,5
Net debt to EBITDA (Sasol definition)	times		**1,3**	1,1	1,9
Total borrowings to shareholders' equity	%	(7)	**63,1**	55,7	82,1
Total liabilities to shareholders' equity	%	2	**118,0**	120,0	142,2
Finance costs cover[9]	times		**3,4**	11,4	2,8
Liquidity					
Current ratio	:1		**1,5**	1,4	1,8
Quick ratio	:1		**1,0**	1,0	1,1
Cash ratio	:1		**0,6**	0,4	0,5
Net trading working capital to turnover*	%	2	**12,4**	14,8	14,5

1 Included in net debt is gross US dollar denominated amounts of US$6,5 billion (2022 - US$6,2 billion) translated at the closing exchange rate.
2 The decline in gross margin percentage from prior year is largely due to lower Brent crude oil prices, increase in external coal and fuel purchases, and higher distribution, feedstock and energy costs, offset by a weaker Rand/US$ exchange rate.
3 Normalised EBIT is calculated by adjusting EBIT for remeasurement items, all realised and unrealised translation gains and losses, all realised and unrealised derivative gains and losses.
4 Normalised return on invested capital excluding assets under construction adjusted for current year remeasurement items and translation and derivative gains/loss and amounts to 12,1% (2022: 21,9%).
5 The effective tax rate is impacted by lower tax losses utilised in the group, disallowed expenses and additional taxes paid in Mozambique in the current year.
6 Effective tax rate adjusted for equity accounted earnings, remeasurement and once-off items, is in line with prior year.
7 Core headline earnings are calculated by adjusting headline earnings with once-off items such as the translation impact of closing exchange rate, all realised and unrealised derivative gains/losses and the implementation of the Khanyisa B-BBEE transaction.
8 Dividend per share comprises the interim dividend declared and paid of R7,00 per ordinary share and the final dividend declared of R10,00 per ordinary share.
9 Finance cost cover is calculated as EBIT plus finance income, divided by finance costs paid.
* Turnover and Variable cost have been restated by R3 billion respectively for 2022. The error relates to purchases and sales of inventory with the same counterparty that are entered into in contemplation of one another to facilitate sales to customers. These transactions were recorded on a gross basis instead of a single exchange transaction. The error had no impact on gross margin and earnings. Refer to Sasol Group Annual Financial Statements note 1. All 2022 ratios impacted by Turnover have been restated accordingly.

Sasol Group			2023	2022	2021
Stock exchange performance (page 6)					
Market capitalisation					
Sasol ordinary shares		Rm	**147 980**	233 898	136 888
Sasol BEE ordinary shares[1]		Rm	**756**	1 052	725
(Discount to)/Premium over shareholders' funds		Rm	**(48 168)**	46 327	(8 876)
Price to book		:1	**0,76**	1,25	0,94
Share reconciliation					
Total shares in issue		million	**640,7**	635,7	634,2
Sasol ordinary shares in issue		million	**634,4**	629,4	627,9
Sasol BEE ordinary shares in issue[1]		million	**6,3**	6,3	6,3
Sasol Foundation and other[2]		million	**10,4**	10,2	10,2
Weighted average shares in issue		million	**628,4**	624,9	619,9
Total shares in issue		million	**640,7**	635,7	634,2
Sasol Foundation and other treasury shares		million	**(10,4)**	(10,2)	(9,5)
Weighting of shares issued with Sasol Khanyisa transaction		million	**–**	(0,1)	(4,1)
Weighting of long-term incentive scheme shares vested during the year		million	**(1,9)**	(0,5)	(0,7)
Weighted average number of shares for DEPS		million	**661,9**	634,9	627,8
Weighted average shares in issue		million	**628,4**	624,9	619,9
Potential dilutive effect of long-term incentive scheme		million	**9,3**	9,9	3,8
Potential dilutive effect of Sasol Khanyisa Tier 1		million	**–**	0,1	4,1
Potential dilutive effect of convertible bond		million	**24,2**	–	–
Economic indicators[3]					
Average crude oil price (Brent)		US$/bbl	**87,34**	92,06	54,20
Average Rand per barrel oil		R/bbl	**1 552**	1 401	835
Average ethane price (US - Mont Belvieu)		US$c/gal	**34,87**	43,05	23,15
Rand/US dollar exchange rate	- closing	US$1 = R	**18,83**	16,28	14,28
Rand/US dollar exchange rate	- average	US$1 = R	**17,77**	15,21	15,40
Rand/Euro exchange rate	- closing	€1 = R	**20,55**	17,07	16,93
Rand/Euro exchange rate	- average	€1 = R	**18,62**	17,15	18,38

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 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. Ethane prices are determined from the quoted market prices of Mont Belvieu Ethane as published by the Oil Price Information Service (OPIS). The average price for Brent crude oil and Ethane is calculated as an arithmetic average of the daily published prices.

Financial ratios – calculations

for the year ended

		2023	2022	2021
Market capitalisation – Sasol ordinary shares				
Number of shares at end of year	million	**634,4**	629,4	627,9
Closing share price at end of year (JSE)	Rand	**233,26**	371,68	218,01
Market capitalisation (Rand)	Rm	**147 980**	233 898	136 888
Market capitalisation – Sasol BEE ordinary shares				
Number of shares at end of year	million	**6,3**	6,3	6,3
Closing share price at end of year (JSE)	Rand	**120,00**	167,00	115,00
Market capitalisation (Rand)	Rm	**756**	1 052	603
Closing share price at end of year (NYSE)	US dollar	**12,38**	23,06	15,33
Market capitalisation (US$)	US$m	**7 854**	14 514	9 626
(Discount to)/Premium over shareholders' funds				
Market capitalisation (SOL & SOLBE1)	Rm	**148 736**	234 950	137 613
Shareholders' equity	Rm	**196 904**	188 623	146 489
(Discount to)/Premium over shareholders' funds	Rm	**(48 168)**	46 327	(8 876)
Price to book				
Market capitalisation (SOL & SOLBE1)	Rm	**148 736**	234 950	137 613
Shareholders' equity	Rm	**196 904**	188 623	146 489
Price to book	times	**0,76**	1,25	0,94
Enterprise value (EV)				
Market capitalisation (SOL & SOLBE1)	Rm	**148 736**	234 950	137 613
Plus:				
non-controlling interest	Rm	**4 620**	4 574	5 982
Liabilities (refer to Net debt calculation on page 7)				
long-term debt	Rm	**108 686**	96 766	112 494
short-term debt	Rm	**31 758**	24 184	7 519
bank overdraft	Rm	**159**	173	243
Less: Cash (refer to Net debt calculation on page 7)	Rm	**(51 214)**	(40 577)	(28 981)
Enterprise value (Rand)	Rm	**242 745**	320 070	234 870
Market capitalisation (NYSE prices) – Total Sasol shares	US$m	**7 854**	14 514	9 626
US dollar conversion of above adjustments[1]	US$m	**4 993**	5 229	6 811
Enterprise value (US$)	US$m	**12 847**	19 743	16 437
Free cash flow				
Cash available from operating activities	Rm	**49 609**	41 158	34 535
1st order capital	Rm	**(29 812)**	(22 397)	(15 338)
Movement in 1st order capital accruals	Rm	**607**	(176)	21
Free cash flow[2]	Rm	**20 404**	18 585	19 218
Dividends paid	Rm	**(14 187)**	(908)	(492)
2nd order capital	Rm	**(1 042)**	(316)	(1 037)
Movement in 2nd order capital accruals	Rm	**–**	(380)	(2 287)
Free cash flow (after discretionary spend)	Rm	**5 175**	16 981	15 402

1 Conversion at 30 June 2023 closing rate of Rand/US dollar at R18,83 (30 June 2022 – R16,28; 30 June 2021 – R14,28).
2 Free cash flow has been adjusted to align with the Capital Allocation Framework.

		2023	2022	2021
Gearing calculation				
Long-term debt	Rm	**94 304**	82 500	98 588
long-term debt	Rm	**94 304**	82 500	97 137
held for sale: long-term debt	Rm	**–**	–	1 451
Short-term debt	Rm	**29 843**	22 416	5 748
short-term portion of long-term debt	Rm	**29 764**	22 334	5 506
short-term debt	Rm	**79**	82	60
held for sale: short-term debt	Rm	**–**	–	182
Bank overdraft	Rm	**159**	173	243
Cash	Rm	**(51 214)**	(40 577)	(28 981)
cash and cash equivalents	Rm	**(53 926)**	(43 140)	(31 231)
less: restricted cash	Rm	**2 712**	2 563	2 250
equity accounted Joint Ventures' cash	Rm	**(1 641)**	(2 062)	(1 513)
Net debt (excluding leases)	Rm	**71 451**	62 450	74 085
Leases		**16 297**	16 034	15 677
long-term lease liabilities	Rm	**14 382**	14 266	13 906
short-term portion of lease liabilities	Rm	**1 915**	1 768	1 771
equity accounted Joint Ventures' lease liabilities		**299**	296	324
Net debt	Rm	**88 047**	78 780	90 086
Shareholders' equity	Rm	**196 904**	188 623	146 489
Gearing	%	**44,7**	41,8	61,5
Net debt (excluding leases)	US$m	**3 794**	3 836	5 188
Net debt	US$m	**4 675**	4 839	6 309

		2023	2022	2021
Debt roll-forward				
Total debt – opening balance	Rm	**105 089**	102 946	189 730
Net proceeds from/(repayment of) debt	Rm	**3 457**	(11 985)	(55 105)
long-term debt	Rm	**3 471**	(11 998)	(35 397)
short-term debt	Rm	**(14)**	13	(19 708)
Reclassification to held for sale	Rm	**–**	–	(1 121)
long-term debt	Rm	**–**	–	(939)
short-term debt	Rm	**–**	–	(182)
Translation effects on debt	Rm	**16 161**	13 132	(30 558)
Convertible bond derivative financial liability	Rm	**(2 089)**	–	–
Other movements	Rm	**1 688**	996	–
Total debt – closing balance	Rm	**124 306**	105 089	102 946
Reconciliation to US dollar denominated long-term debt				
Total debt	Rm	**124 306**	105 089	102 946
Less: Accrued interest	Rm	**(1 673)**	(1 010)	(1 090)
Add: Unamortised loan cost	Rm	**703**	375	439
Add: Net impact of convertible bond derivative financial liability	Rm	**2 169**	–	–
Total utilised facilities	Rm	**125 505**	104 454	102 295
Comprising of:				
Rand and other currency denominated loans	Rm	**3 439**	3 763	3 911
US$ denominated loans	Rm	**122 066**	100 691	98 384
US$ denominated loans	US$m	**6 482**	6 185	6 890

Half year financial results, ratios and statistics
for the year ended

Sasol Group		Full year 2023	H2 2023	H1 2023	%change H2 vs H1
Economic indicators					
Average crude oil price (Brent)	US$/bbl	**87,34**	79,90	94,78	(16)
Average Rand per barrel oil	R/bbl	**1 552**	1 453	1 643	(12)
Average ethane price (US - Mont Belvieu)	US$c/gal	**34,87**	23,03	46,72	51
Rand/US dollar exchange rate - closing	US$1 = R	**18,83**	18,83	17,01	(11)
Rand/US dollar exchange rate - average	US$1 = R	**17,77**	18,21	17,33	5
Financial results					
Turnover	Rm	**289 696**	137 946	151 750	(9)
Gross margin	Rm	**128 674**	64 610	64 064	1
Cash fixed cost	Rm	**68 836**	35 213	33 623	(5)
Adjusted EBITDA[1]	Rm	**66 305**	34 310	31 995	7
Earnings/(loss) before interest and tax (EBIT/LBIT)[2]	Rm	**21 520**	(2 684)	24 204	<(100)
Attributable earnings/(loss)	Rm	**8 799**	(5 778)	14 577	<(100)
Enterprise value	Rm	**242 745**	242 745	272 054	(11)
Total assets	Rm	**433 838**	433 838	422 002	3
Net debt	Rm	**88 047**	88 047	93 605	6
Net debt (including leases)	US$m	**4 675**	4 675	5 502	15
Net debt (excluding leases)	US$m	**3 794**	3 794	4 529	16
Cash generated by operating activities	Rm	**64 637**	43 319	21 318	>100
Free cash flow[3]	Rm	**20 404**	21 697	(1 293)	>100
Free cash flow (after discretionary spend)	Rm	**5 175**	16 572	(11 397)	>100
Capital expenditure (cash flow)	Rm	**30 854**	14 535	16 319	11
Profitability					
Gross profit margin	%	**44,4**	46,8	42,2	5
EBIT/(LBIT) margin	%	**7,4**	(1,9)	15,9	(18)
Normalised EBIT margin	%	**17,1**	17,9	16,3	2
Shareholders' returns					
Core headline earnings per share	Rand	**47,71**	23,16	24,55	(6)
Headline earnings per share	Rand	**53,75**	22,85	30,90	(26)
Basic earnings/(loss) per share	Rand	**14,00**	(9,23)	23,23	<(100)
Diluted earnings/(loss) per share	Rand	**13,02**	(9,83)	22,85	<(100)
Net asset value per share	Rand	**312,40**	312,40	313,87	-
Debt leverage					
Net debt to shareholders' equity (gearing)	%	**44,7**	44,7	47,3	3
Net debt to EBITDA	times	**1,3**	1,3	1,3	
Total borrowings to shareholders' equity	%	**63,1**	63,1	56,4	(7)
Total liabilities to shareholders' equity	%	**118,0**	118,0	111,1	(7)
Finance costs cover	times	**3,4**	(0,3)	9,2	
Liquidity					
Current ratio	:1	**1,5**	1,5	2,1	
Quick ratio	:1	**1,0**	1,0	1,3	
Cash ratio	:1	**0,6**	0,6	0,5	
Net trading working capital to turnover	%	**12,4**	12,4	14,2	2

1 Adjusted EBITDA has increased in H2 2023 compared to H1 2023 mainly due to weaker Rand/US$ exchange rates, lower variable costs as prices declined, higher realised derivative losses in H1 2023 mainly crude oil zero cost collars, and increase in equity accounted income due to ORYX GTL Air Separation Unit fire impacting H1 2023. This is offset by softer Brent crude oil price and refining margin, higher cash fixed costs largely due to increase in labour, maintenance and study costs. Eurasia segment continues to experience the impact of inflationary pressures, COVID-19 impacts in China and sustained higher feedstock and energy costs negatively impacting gross margin offset by improved gross margin performance in Energy and Chemicals America in H2 2023.

2 EBIT has decreased in H2 2023 compared to H1 2023 mainly due to a net impairment relating to the Secunda liquid fuels refinery cash generating unit, and increase in unrealised derivative losses due to lower Brent crude oil price, coal price and weaker Rand/US$ exchange rate, offset by positive impact of the weaker Rand/US$ exchange rate on translation of our foreign operations.

3 Free cash flow is higher in H2 2023 compared to H1 2023 due to higher cash generated by operating activities driven by higher EBITDA generation, a decrease in working capital, and H1 2023 including payment of 2022 final dividend and derivative losses.

Key sensitivities*

Exchange rates

- Most of our turnover is denominated in US dollars or significantly influenced by the Rand/US dollar exchange rate. This turnover is derived from exports from South Africa, businesses outside of South Africa or sales in South Africa, which comprise mainly petroleum and chemical products based on global commodity and benchmark prices quoted in US dollars. Therefore, the average exchange rate significantly impacts 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 **R630 million (US$35 million)** in 2024. This excludes the effect of our hedging programme and is based on an average Brent crude oil price assumption of US$79/barrel.
- In 2024 we expect that the average Rand/US dollar exchange rate could range between R17,20 and R19,20. Several risks could lead to currency and financial market volatility. These include US dollar exchange rate trends, global and domestic growth, inflation and interest rate developments, domestic infrastructure concerns and socio-political factors.
- Sasol has executed US$2,8 billion and US$0,1 billion on its US$/ZAR hedging programme using zero cost collars, for 2024 and 2025 respectively.

Crude oil and fuel product prices

- Market prices for Brent crude oil fluctuate on global supply, demand and geopolitical developments. Our exposure to the crude oil price relates mainly to crude processed in our Natref refinery. In addition, the selling price of fuel marketed by our Energy business is also governed by the Basic Fuel Price (BFP) formula using international refined product price benchmarks.
- For forecasting purposes, a US$1/barrel change in the average annual crude oil price will impact EBIT by approximately **R840 million (US$46 million)** in 2024. This is based on an average Rand/US dollar exchange rate assumption of R18,17.
- Uncertainty related to the economic recovery in major oil-consuming countries, developments around the Russia-Ukraine war, and OPEC supply management will continue to drive oil price volatility. We expect the Brent crude oil price to range between US$70/bbl and US$85/bbl in 2024.
- Sasol has executed 18 million barrels and 3 million barrels of crude oil on its hedging programme using put options, for 2024 and 2025 respectively.

Fuel margins

- The key drivers of the Basic Fuels Price (BFP) are the Mediterranean and Singapore or Mediterranean and Arab Gulf refined product prices (crack spreads) for petrol and diesel, 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 **R849 million (US$47 million)** in 2024. This is based on an average Rand/US dollar exchange rate of R18,17.
- We expect seasonal demand and low inventory levels to support product crack spreads. However, new refining capacity ramping up in 2024 is expected to reduce capacity tightness and lower margins from the high levels seen due to the Russia-Ukraine war. It is anticipated that cracks could fluctuate within the following ranges in 2024:
  - Petrol: US$5/bbl to US$20/bbl
  - Diesel: US$10/bbl to US$25/bbl
  - Fuel Oil: (US$10/bbl) to (US$15/bbl)

Ethane gas

- Ethane prices are expected to follow natural gas prices which are driven by US natural gas storage levels. Currently US natural gas is well supplied despite extreme weather conditions which contributes to volatility.
- For 2024 we expect the average ethane price to range between US$20c/gal and US$40c/gal.
- 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 Chemicals America, when market supply and demand are balanced.
- For 2024, Sasol has executed 3,6 million barrels of its hedging programme using swaps.

Chemical price outlook

- Commodity chemical prices and margins remain under pressure as the downcycle is firmly underway. Poor demand due to weak global economic conditions compounds the current market oversupply. Rebalancing of the market is expected to start in H1 2024 for the ethylene/polyethylene value chain and only in 2025 for the propylene/ polypropylene value chain.
- We expect North-East Asia polyethylene and polypropylene prices to range between US$850 and US$1 200/ton during 2024. US ethylene net transaction prices are expected to range between US$550 and US$780/ton.
- Sasol is not a price-setter for most of its chemical 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 4 August 2023

		Full year 2022	Full year[2] 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Rand/US dollar currency – Zero Cost Collars (ZCC)[1]								
US$ exposure	US$bn	8,3	**7,2**	0,8	0,8	0,6	0,6	0,1
Open positions	US$bn	4,4	**2,8**	0,8	0,8	0,6	0,6	0,1
Settled	US$bn	3,9	**4,4**	–	–	–	–	–
Annual average floor (open positions)	R/US$	15,04	**16,72**	15,74	16,72	17,10	17,70	17,25
Annual average cap (open positions)	R/US$	18,06	**20,71**	18,90	20,06	21,53	23,30	22,10
Realised losses recognised in the income statement	Rm	–	**(241)**	–	–	–	–	–
Unrealised losses recognised in the income statement	Rm	(1 580)	**(60)**	–	–	–	–	–
Financial asset included in the statement of financial position[3]	Rm	76	**76**	–	–	–	–	–
Financial liability included in the statement of financial position[3]	Rm	(454)	**(579)**	–	–	–	–	–
Ethane – Swap options[1]								
Number of barrels	mm bbl	4,0	**4,9**	1,3	1,3	1,1	–	–
Open positions	mm bbl	–	**3,6**	1,3	1,3	1,1	–	–
Settled	mm bbl	4,0	**1,3**	–	–	–	–	–
Average ethane swap price (open positions)	US$c/gal	–	**30,11**	33,62	29,81	26,54	–	–
Realised (losses)/gains recognised in the income statement	Rm	445	**(122)**	–	–	–	–	–
Unrealised losses recognised in the income statement	Rm	(166)	**(150)**	–	–	–	–	–
Financial liability included in the statement of financial position[3]	Rm	–	**(158)**	–	–	–	–	–
Brent crude oil – Put options[1]								
Premium paid	US$m	–	**42,0**	12,4	11,6	11,1	11,3	8,0
Number of barrels	mm bbl	–	**16,3**	4,5	4,5	4,5	4,5	3,0
Open positions	mm bbl	–	**16,3**	4,5	4,5	4,5	4,5	3,0
Settled	mm bbl	–	**–**	–	–	–	–	–
Average Brent crude oil price floor, net of costs (open positions)	US$/bbl	–	**49,40**	47,25	47,41	51,86	52,89	55,55
Realised losses recognised in the income statement	Rm	(399)	**–**	–	–	–	–	–
Unrealised (losses)/gains recognised in the income statement	Rm	399	**(507)**	–	–	–	–	–
Financial asset included in the statement of financial position[3]	Rm	–	**253**	–	–	–	–	–
Brent crude oil – Swap options								
Number of barrels	mm bbl	18,0	**–**	–	–	–	–	–
Open positions	mm bbl	–	**–**	–	–	–	–	–
Settled	mm bbl	18,0	**–**	–	–	–	–	–
Realised losses recognised in the income statement	Rm	(6 391)	**–**	–	–	–	–	–
Unrealised gains recognised in the income statement	Rm	1 251	**–**	–	–	–	–	–
Brent crude oil – Zero Cost Collars (ZCC)								
Number of barrels	mm bbl	53,0	**29,0**	–	–	–	–	–
Open positions	mm bbl	29,0	**–**	–	–	–	–	–
Settled	mm bbl	24,0	**29,0**	–	–	–	–	–
Average Brent crude oil price floor (open positions)	US$/bbl	63,31	**–**	–	–	–	–	–
Average Brent crude oil price cap (open positions)	US$/bbl	96,64	**–**	–	–	–	–	–
Realised losses recognised in the income statement	Rm	(6 794)	**(2 771)**	–	–	–	–	–
Unrealised gains/(losses) recognised in the income statement	Rm	(4 555)	**6 724**	–	–	–	–	–
Financial liability included in the statement of financial position[3]	Rm	(6 159)	**–**	–	–	–	–	–
Export coal – Swap options								
Number of tons	mm tons	1,4	**0,9**	–	–	–	–	–
Open positions	mm tons	0,4	**–**	–	–	–	–	–
Settled	mm tons	1,0	**0,9**	–	–	–	–	–
Average export coal swap price	US$/ton	294	**–**	–	–	–	–	–
Realised gains recognised in the income statement	Rm	796	**977**	–	–	–	–	–
Unrealised gains/(losses) recognised in the income statement	Rm	(105)	**122**	–	–	–	–	–
Financial liability included in the statement of financial position[3]	Rm	(112)	**–**	–	–	–	–	–

1 Hedge cover ratio (HCR) of 20% - 55% was executed for financial year 2024. We target an HCR of 20% - 35% for financial year 2025.
2 The open positions reflect the trades executed as at 30 June 2023.
3 Financial asset and financial liability comprise open contracts at 30 June 2023.

Income statement overview
for the year ended

		% change 2023 vs 2022	2023	2022	2021
Gross margin (page 12)	Rm	(10)	**128 674**	142 584	111 170
Gross margin percentage	%	(8)	**44,4**	52,3	55,1
Cash fixed cost (page 12)	Rm	(11)	**68 836**	62 121	60 912
Adjusted EBITDA[1]	Rm	(8)	**66 305**	71 843	48 420
Non cash cost (including depreciation and amortisation)	Rm	(4)	**18 145**	17 420	18 875
Remeasurement items (page 13)	Rm	<(100)	**33 898**	(9 903)	23 218
Earnings before interest and tax (EBIT)	Rm	(65)	**21 520**	61 417	16 619
Normalised EBIT	Rm	(29)	**49 403**	69 146	32 045
EBIT margin	%	(15)	**7,4**	22,5	8,2
Effective tax rate (page 14)	%	(10)	**35,7**	25,4	1,7
Adjusted effective tax rate	%	-	**30,9**	31,0	23,9
Basic earnings per share	Rand	(78)	**14,00**	62,34	14,57
Diluted earnings per share	Rand	(79)	**13,02**	61,36	14,39
Headline earnings per share	Rand	13	**53,75**	47,58	39,53
Core headline earnings per share (page 15)	Rand	(30)	**47,71**	68,54	27,74

1 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.

Adjusted EBITDA reconciliation

	Rm	%
2022 adjusted EBITDA	**71 843**	
Lower Brent crude oil prices	(4 725)	(6,6)
Lower product prices and higher feedstock costs	(26 851)	(37,4)
Exchange rates	22 285	31,0
Sales volumes[1]	(2 111)	(2,8)
Business disposals impact	(3 472)	(4,8)
Lower realised derivatives losses	10 833	15,1
Higher realised translation gains	1 808	2,5
Cash fixed cost increase[2]	(5 113)	(7,1)
Other net income	1 808	2,5
2023 adjusted EBITDA	**66 305**	**(7,7)**

1 Sales volumes were negatively impacted by lower demand in Eurasia, offset by increased sales volumes in Chemicals Africa and America.
2 Cash fixed cost excludes impact of savings from business disposals.

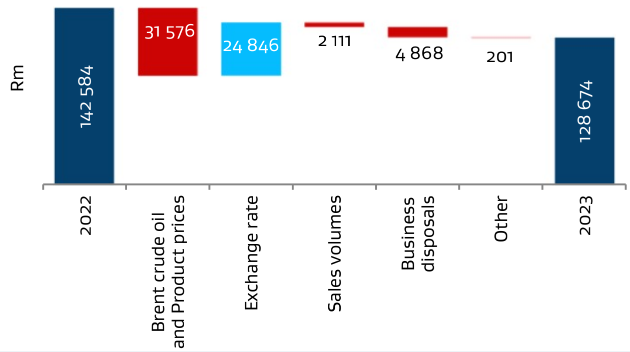
Summary of derivatives

	2023 Rm	Realised Rm	Unrealised Rm	2022 Rm
Net gain/(loss) on derivative instruments				
Crude oil zero cost collars	**3 953**	(2 771)	6 724	(11 349)
Crude oil swap options	**-**	-	-	(5 140)
Crude oil put options	**(507)**	-	(507)	-
Crude oil futures	**401**	412	(11)	(1 049)
Foreign exchange zero cost collars	**(301)**	(241)	(60)	(1 580)
Forward exchange contracts	**(1 339)**	(1 164)	(175)	(677)
Ethane swap options	**(272)**	(122)	(150)	279
Coal swap options	**1 099**	977	122	691
Interest rate swap options	**-**	-	-	1 029
Other commodity derivatives	**180**	173	7	(593)
Oxygen supply contract embedded derivative[1]	**(794)**	20	(814)	64
Convertible bond embedded derivative	**867**	-	867	-
Total	**3 287**	**(2 716)**	**6 003**	**(18 325)**

1 Relates to a US dollar derivative that is embedded in long-term oxygen supply contracts to our Secunda Operations.

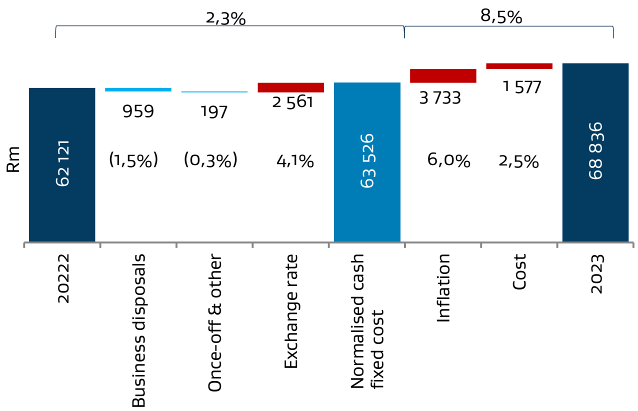
Analysis of key Income statement metrics

Gross margin



- Gross margin of R128,7bn for the year is 10% lower compared to prior year. This is mainly due to lower sales volumes, lower Brent crude oil price, higher distribution, feedstock and energy costs, increase in external coal and fuels purchases, offset by a weaker average Rand/US$ exchange rate.
- Average dated Brent crude oil has decreased by 5% to US$87,34/bbl and refining margin has decreased by 21% to US$12,14/bbl.
- Lower sales volumes are mainly due to lower demand in Eurasia, increased electricity load shedding and logistic constraints experienced by Transnet in South Africa.
- Higher distribution, feedstock and energy costs, and lower sales prices have placed significant pressure on the gross margin for the overall Chemicals business.
- Gross margin was also negatively impacted by the 2022 disposals of CTRG, 30% interest in ROMPCO, the European Wax business and the Canadian shale gas assets.

Cash fixed cost



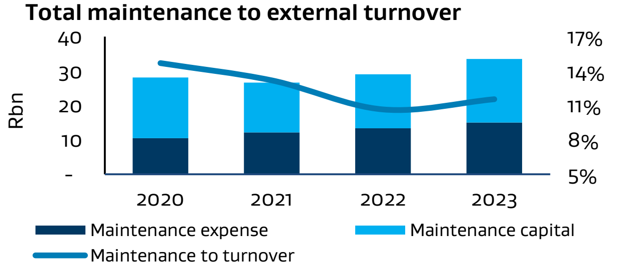
- Business disposal savings result from the divestment of the European Wax business (R0,6bn), CTRG (R0,3bn), 30% interest in ROMPCO (R0,1bn) and the Canadian shale gas assets.
- Once-off and other items include the retrospective application of the NERSA ruling on gas prices in the prior year (R0,2bn).
- Cost includes an increase in labour cost (R1,3bn), higher study cost (R0,8bn) mainly for Boegoebaai and Sasol ecoFT, higher maintenance cost (R0,6bn), higher insurance cost (R0,3bn), partly offset by lower provision for short-term incentives (R1,6bn) and Sasol 2.0 savings.

Drivers of cash fixed cost: Headcount analysis

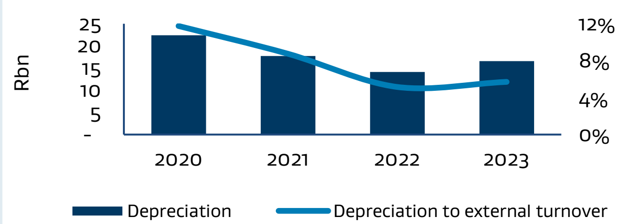
		June 2023 Number	June 2022 Number
Employees opening balance		**28 630**	28 949
Impact of operating model redesign & vacancies filled		**133**	(409)
Impact of business disposals		**-**	(680)
Business growth		**85**	27
Insourcing and hired labour conversion		**225**	743
Employees closing balance		**29 073**	28 630
Turnover per person	Rm	**10,0**	9,5
Labour cost to turnover ratio	%	**11,6**	11,9

- Business growth includes new employees for Sasol Petroleum Mozambique related to the PSA, Global Market H_2 Development, EcoFT and Low Carbon related.
- Insourcing and hired labour conversion relates largely to Mining, where long term hired labour is being converted to permanent positions. The full calendar operations in Mining led to an increase in hired labour appointments.

Total maintenance to external turnover



Depreciation to external turnover



- The increase in total maintenance is mainly due to the planned total Secunda East factory shutdown in the current year, compared to the phase shutdown in the prior year, and continuing with the assets renewal plan from the previous year.

- Turnover increased by 6% compared to the prior year, mainly as a result of a weaker average rand/US dollar exchange rate, offsetting lower Brent crude oil and chemical prices.
- The increase in depreciation in 2023 is mainly due to higher capital expenditure and foreign currency translation effects. The decline from 2020 is as a result of impairments processed.

Income statement overview (continued)

Analysis of remeasurement items	2023 Rm	2022 Rm
Net Impairment summary by cash generating unit (CGU)	**33 649**	(1 443)
Chemical Work-Up and Heavy Alcohols	**-**	(1 396)
Secunda liquid fuels refinery	**35 316**	-
South African Wax	**932**	-
China Essential Care Chemicals (ECC)	**876**	-
Tetramerization (Lake Charles, USA)	**(3 645)**	-
Other (net)	**170**	(47)
Net profit on disposal of businesses	**(516)**	(11 850)
Sasol Canada – Shale gas assets (mainly FCTR)	**-**	(4 880)
Investment in Republic of Mozambique Pipeline Investment Company (Pty) Ltd (ROMPCO)	**-**	(3 728)
Investment in Central Térmica De Ressano Garcia S.A. (CTRG)	**-**	(156)
Area A5-A offshore exploration license	**(266)**	-
European wax business (mainly FCTR)	**-**	(2 917)
Other (mainly FCTR)	**(250)**	(169)
Other, mainly net loss on other disposals and scrapping	**765**	3 390
Per income statement	**33 898**	(9 903)

Impairments

- Secunda liquid fuels refinery - The Secunda liquid fuels refinery was impaired by R8,1 billion at 31 December 2022 after being negatively impacted by an update in macroeconomic price assumptions including higher electricity price forecasts and lower gas selling prices. The forecasted short-term production was also updated to reflect the production challenges impacted by coal quality. The WACC rate applied in calculating the recoverable amount was 14,66%.

  At 30 June 2023, the Group has made further progress with the development of its emission reduction roadmap (ERR) to achieve a 30% reduction in greenhouse gas emissions by 2030 and comply with the requirements of the National Environmental Management: Air Quality Act, 39 of 2004 (Air Quality Act). The ERR involves the turning down of boilers, implementing energy efficiency projects, reducing coal usage and integrating 1 200 MW of renewable energy into our operations by 2030. With no significant additional gas to restore volumes back to historic levels, the ERR assumes lower production volumes of 6,7 mt/a post 2030 (2022: 7,5 mt/a) and as such a full impairment of R27,2 billion was recognised on the liquid fuels component of the Secunda refinery. The increasing cost of coal, capital investment to implement the ERR and cost of compliance were also included in the impairment calculation. Optimisation of the ERR is ongoing and there are a number of technology and feedstock solutions being evaluated to partially recover volume, however the maturity thereof needs to be progressed before it can be incorporated in the impairment calculation. Although the chemical CGUs in the Secunda complex were also negatively impacted, their respective recoverable amounts remained above carrying values given the products' higher derivative value.

  Management considered multiple cash flow scenarios in quantifying the recoverable amount of the CGU which is highly sensitive to changes in Brent crude prices, the rand/US$ exchange rate and production volumes. A 10% increase in the price of Brent crude and a R1 weakening in the rand/US$ exchange rate will have a positive impact on the recoverable amount of R25,7 billion and R15,3 billion respectively. A movement in the above-mentioned inputs in the opposite direction would result in a similar but negative impact on the recoverable amounts compared to the values disclosed above. An improvement of Secunda volumes of 4% from 2024 to 2029 improves the recoverable amount by approximately R6,4 billion.

  These sensitivity analyses do not fully incorporate consequential changes that may arise, such as changes in costs and business plans or absorption of carbon taxes by the market.
- South African Wax – Full impairment of R0,9 billion was driven by higher cost to procure gas and lower sales volumes and prices due to an increasingly challenging market environment.
- China Essential Care Chemicals (ECC) CGU – Full impairment of the CGU was driven by a combination of lower unit margins and higher costs resulting from the prolonged impact of COVID-19 on China's economy.
- Tetramerization CGU – Previously impaired in 2019, the reversal of impairment of R3,6 billion came about as a result of sustained improvement in plant reliability that has increased the volumes available for sale while longer-term contracts signed with several customers improved the overall profitability of the CGU.

Disposal of businesses

- On 27 July 2022 Sasol disposed of 15,5% of its interest in the Area A5-A offshore exploration license in Mozambique. A profit on disposal of R266 million was recognised. The consideration receivable (R255 million) is not settled in cash, but the benefit will be received in the form of a reduction in future cost as the asset is constructed.
- Other disposals in the current year relates mainly to the realisation of the foreign currency translation reserve (FCTR) following the liquidation of subsidiaries.

Net loss on other disposals and scrapping

- Current year includes the Gas segment write-off of unsuccessful exploration wells of R899 million. The Production Sharing Agreement (PSA) Inhasorro Deep Prospect (R307 million or US$17,2 million), PT5-C Dorado-1 (R423 million or US$23,8 million) and A5-A Raia-1 (R169 million or US$9,5 million) wells were plugged and abandoned after being declared unsuccessful during 2023.
- Prior year includes a R2,5 billion adjustment following an asset transfer between Sasol and LIP JV as part of the finalisation of the US Base Chemicals divestment at the Lake Charles Chemical Project (LCCP).

Income statement overview (continued)

Translation gains/(losses)	2023 Rm	2022 Rm	2021 Rm
Sasol Investment Company (SIC)	**(1 806)**	(1 761)	7 562
Other	**4 534**	2 454	(2 052)
Total	**2 728**	693	5 510

- Translation losses in SIC in 2023 of R1,8 billion results from the weakening of the Rand/US$ closing exchange rate from R16,28 at 30 June 2022, to the closing exchange of R18,83 at 30 June 2023, on the translation of the US$ denominated loan from Sasol Financing International Limited.
- Other translation gains for 2023 relates mainly to the translation of foreign denominated transactions and cash balances at favourable exchange rates, and the impact of translation of foreign operations at year end due to the Rand closing at a weaker rate to the US dollar.

Finance cost reconciliation	2023 Rm	2022 Rm	2021 Rm
Total finance cost	**10 333**	7 636	7 638
Amounts capitalised to AUC	**(1 074)**	(740)	(880)
Per income statement	**9 259**	6 896	6 758
Total finance cost	**10 333**	7 636	7 638
Amortisation of loan cost	**(212)**	(132)	(160)
Unwinding of loan cost	**(144)**	-	-
Notional interest	**(1 116)**	(633)	(668)
Modification adjustments	**194**	74	785
Interest accrued	**(1 966)**	(1 463)	(1 422)
Interest reversed on tax payable	**(6)**	(4)	-
Per the statement of cash flows	**7 083**	5 478	6 173

Increase in finance costs due to:

- Higher interest expense as a result of higher global interest rates to counter inflation and the weaker R/US$ exchange rate.
- Increase in amounts capitalised to AUC is mainly due to the ramp-up of development cost on the Production Sharing Agreement (PSA) project in Mozambique, as well as higher capitalisation rate as a result of higher interest rates on debt.
- Unwinding of loan cost relates to the revolving credit facility loan costs expensed upon refinancing of banking facilities.

Outlook for 2024:

- We expect the amount to be expensed in the income statement in 2024 to range between R8 billion and R11 billion.

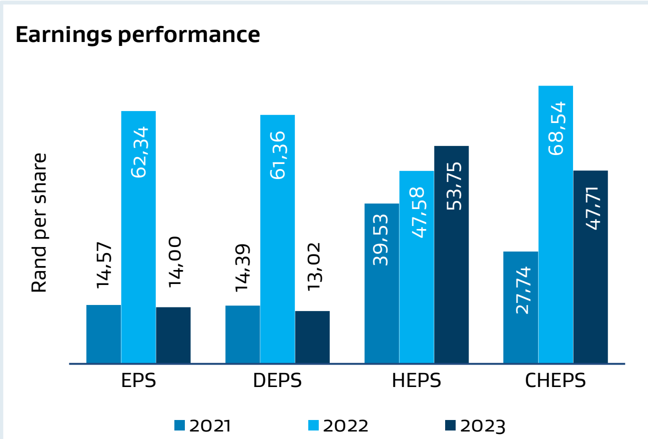
Effective tax rate reconciliation	2023 %	2022 %
South African tax rate	**27,0**	28,0
Tax losses not recognised	**4,8**	0,8
Disallowed expenditure	**6,1**	1,1
Different tax rates	**3,1**	0,5
Disallowed share-based payments	**0,2**	0,1
Investment incentive allowances	**(1,3)**	(0,1)
Capital gains and losses	**(0,2)**	1,6
Prior year adjustments	**(2,1)**	0,7
Utilisation of tax losses	**(0,7)**	(0,1)
Translation differences	**4,3**	(0,3)
Share of profits of equity accounted investments	**(4,9)**	(1,6)
Exempt income	**(2,7)**	(5,9)
Change in South African corporate income tax rate	**-**	(0,1)
Other	**2,1**	0,3
Effective tax rate	**35,7**	25,0
Adjusted effective tax rate	**30,9**	31,0

Notes on 2023 items:

- Tax losses not recognised relates mainly to tax losses in Sasol Investment Company (Pty) Ltd, Sasol Mozambique PT5-C Limitada and Sasol China for which no deferred tax asset was raised.
- Disallowed expenditure 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.
- The difference in tax rates relates mainly to the lower tax rate in the US on increased tax losses incurred during the year and the higher tax rate for Sasol Petroleum Temane Limitada in Mozambique on higher taxable income.
- Translation difference of R845 million arising from exchange rates applied by the South African Revenue Service at the date of assessment.
- Investment incentive allowances mainly relates to South African research and development incentive and Energy Efficiency allowances
- Prior year adjustments relates mainly to tax return adjustments on provisions.
- Exempt income mainly relates to Italian tax credit for energy and gas consuming companies and Foreign Currency Translation Reserve (FCTR) reclassified on the liquidation of businesses.
- The adjusted effective tax rate is adjusted for equity accounted investments, remeasurement items and once-off items.

Income statement overview (continued)

		2023	2022	2021
Basic earnings per share	Rand	**14,00**	62,34	14,57
Net remeasurement items	Rand	**39,75**	(14,76)	24,96
Headline earnings per share	Rand	**53,75**	47,58	39,53
Translation impact of closing exchange rate	Rand	**(2,49)**	0,01	(10,15)
Realised and unrealised (gains)/losses on derivative and hedging activities	Rand	**(3,75)**	20,69	(2,81)
Implementation of Khanyisa B-BBEE transaction	Rand	**0,20**	0,26	1,17
Core headline earnings per share	Rand	**47,71**	68,54	27,74
Weighted average number of shares in issue	millions	**628,4**	624,9	619,9
Weighted average number of shares for diluted earnings per share	millions	**661,9**	634,9	627,8



- Basic earnings per share (EPS) is 78% lower than the prior year, mainly due to lower gross margin, higher cash fixed costs and net impairment of assets compared to gain on disposal of businesses in the prior year.
- Diluted earnings per share (DEPS) includes the impact of the convertible bond issued.
- Headline earnings per share (HEPS) has increased by 13% mainly due to gain on the revaluation of derivatives compared to a loss in the prior year.
- Core headline earnings per share (CHEPS) decreased by 30% mainly due to lower gross margin and higher cash fixed costs.

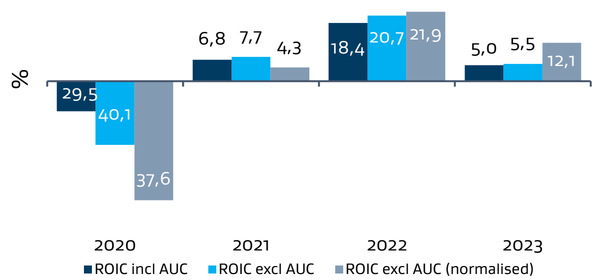
Financial position overview – assets

at 30 June

	2023 Rm	2022 Rm	2021 Rm
Assets			
Property, plant and equipment	**225 472**	221 308	198 021
Right of use assets	**11 685**	12 629	12 903
Goodwill and other intangible assets	**3 191**	3 051	2 482
Equity accounted investments	**14 804**	12 684	10 142
Post-retirement benefit assets	**784**	633	591
Deferred tax assets	**37 716**	31 198	24 511
Other long-term assets	**5 657**	5 789	6 929
Non-current assets	**299 309**	287 292	255 579
Inventories	**42 205**	41 110	29 742
Trade and other receivables	**36 316**	47 403	32 046
Short-term financial assets	**1 772**	313	1 514
Cash and cash equivalents	**53 926**	43 140	31 231
Current assets	**134 219**	131 966	94 533
Assets in disposal groups held for sale	**310**	290	10 631
Total assets	**433 838**	419 548	360 743

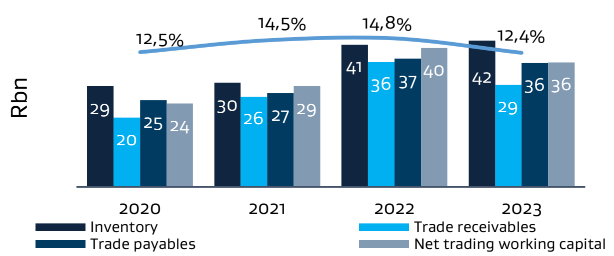
Analysis of key statement of financial position metrics

Return on invested capital (ROIC)



- ROIC for 2023 has significantly reduced as a result of net impairment of assets mainly relating to the Secunda liquid fuels refinery cash generating unit.
- Normalised ROIC (excluding AUC) has been adjusted to exclude the impact of translation and derivative gains/losses, and remeasurement items for the current year, in line with normalised EBIT adjustments.

Net trading working capital



- The lower working capital percentage to turnover compared to prior year improved markedly year-on-year due an increase in turnover and focused management intervention to conserve cash.
- The decrease from prior year mainly relates to an increase in turnover, and a net reduction in working capital mainly due to lower trade receivables arising from lower sales volumes in the month of June 2023 compared to prior year and lower prices, offset by a decrease in trade payables and the weaker closing Rand/US$ exchange rate.

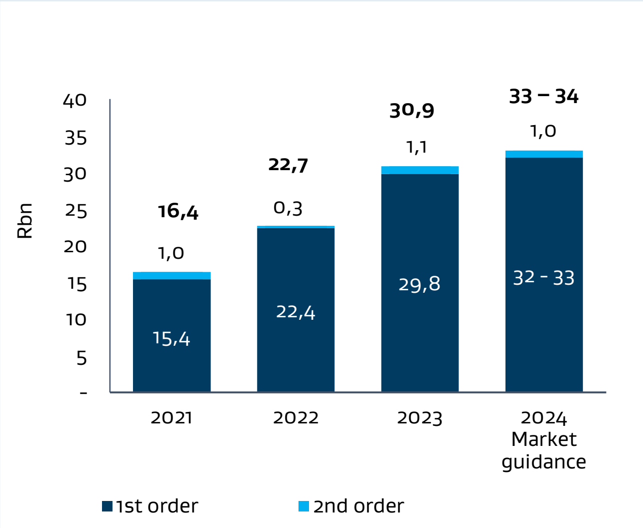
Analysis of key statement of financial position metrics (continued)

Capital expenditure

Sasol has maintained disciplined capital allocation to transform the business whilst protecting and balancing returns. There is a heightened focus on environmental, social and governance mandates. Sasol's capital allocation framework was approved by the Sasol Limited Board during 2021 and communicated during the September 2021 Capital Markets Day. Per the framework, First Order capital is based on two pillars, being maintain capital and transform capital.

- Maintain capital comprise license to operate, mandatory capital and maintenance, feedstock replacement, environmental compliance and discretionary sustain capital.
- Transform capital is allocated as the key enabler of Sasol's ambition of a 30% greenhouse gas emissions reduction by 2030.

Second Order capital is allocated to expansionary growth and additional sustainability initiatives and/or shareholder returns, inclusive of Selective growth/improve capital which is limited to smaller discretionary projects with higher return and short payback periods, with attractive selective growth / improve capital to be allocated in line with first order capital principles set out in our Capital Allocation Framework.



- Maintenance capital has been allocated ensuring safe, effective, reliable operations and protecting license to operate. Selective growth capital has been considered for high return, small scale opportunities.
- Actual capital expenditure amounted to R30,9 billion for 2023 compared to R22,7 billion in the prior year. Capital expenditure is higher in 2023 due to the planned total Secunda East factory shutdown, and ramp-up of activities in Mozambique, as well as Compliance Programmes (Environmental Compliance Project and Clean Fuels). Capital expenditure for 2023 is above market guidance of R27bn-R28bn due to inflation and weakening of the Rand/US$ exchange rate.
- The 2024 market guidance has been amended to factor in the impact of inflation up to 2023.
- In 2024, we estimate that a 10c change in the annual average Rand/US dollar exchange rate will impact capital expenditure by approximately R75 million.

Capital expenditure analysis

Project	Project location	Business segment	2023 Rm	2022 Rm	2021 Rm
1st order capital			**29 812**	22 397	15 338
Shutdowns[1]	Various	Various	**7 785**	6 082	2 583
Renewals	Various	Various	**4 011**	2 885	2 143
Environmental	Various	Various	**2 295**	1 100	1 019
Clean fuels II	Secunda	Fuels	**1 284**	893	237
Fine ash dam 6	Secunda	Fuels	**123**	420	787
Mine geographical expansion	Secunda and Sasolburg	Mining	**886**	717	619
Refurbishment of equipment	Secunda and Sasolburg	Mining	**439**	502	616
Petroleum Production Agreement (PPA)	Mozambique	Gas	**209**	983	62
Production Sharing Agreement (PSA)	Mozambique	Gas	**4 400**	1 364	-
Mozambique exploration	Mozambique	Gas	**893**	13	234
Safety	Various	Various	**397**	166	249
Other	Various	Various	**7 090**	7 272	6 789
2nd order capital			**1 042**	316	1 037
Sasolburg green hydrogen	Sasolburg	Chemicals Africa	**389**	-	-
Lake Charles Chemicals Project	United States	Chemicals America	**24**	99	684
Other	Various	Various	**629**	217	353
Total capital expenditure (cash flow)			**30 854**	22 713	16 375

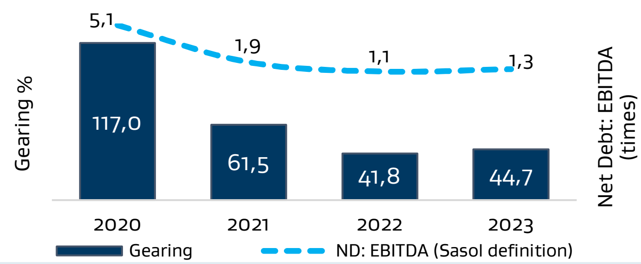
1 Increase in expenditure largely due to the planned total Secunda East factory shutdown and higher turnaround capital expenditure in Chemicals America in the current year.

Financial position overview – equity and liabilities

	2023 Rm	2022 Rm	2021 Rm
Equity and liabilities			
Shareholders' equity	**196 904**	188 623	146 489
Non-controlling interests	**4 620**	4 574	5 982
Total equity	**201 524**	193 197	152 471
Long-term debt	**94 304**	82 500	97 137
Lease liabilities	**14 382**	14 266	13 906
Long-term provisions	**15 531**	16 550	16 164
Other non-current liabilities	**19 337**	21 260	23 501
Non-current liabilities	**143 554**	134 576	150 708
Short-term debt	**31 758**	24 184	7 337
Short-term financial liabilities	**1 162**	6 851	3 162
Other current liabilities	**55 679**	60 565	43 116
Bank overdraft	**159**	173	243
Current liabilities	**88 758**	91 773	53 858
Liabilities in disposal groups held for sale	**2**	2	3 706
Total equity and liabilities	**433 838**	419 548	360 743

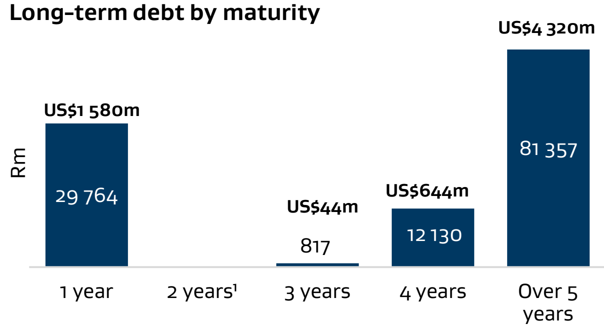
Analysis of key statement of financial position metrics

Gearing and net debt to EBITDA



- Net debt: EBITDA ratio of 1,3 times has increased from 1,1 times in the prior year due to an increase in net debt and lower adjusted EBITDA.
- Net debt has increased mainly due to the weaker Rand/US$ closing exchange rate, payment of the 2022 final dividend and 2023 interim dividend, payment of the Q4 2022 and 2023 derivative losses, higher taxes and increased capital spend.
- Gearing has increased to 44,7% at 30 June 2023 from 41,8% at 30 June 2022, due to the abovementioned increase in net debt, as well as a net impairment of assets in the current year, partially offset by unrealised gain on derivatives.

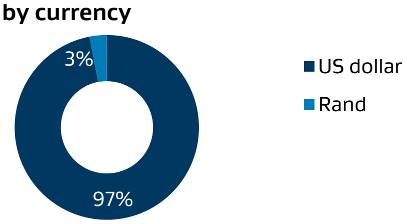
Long-term debt by maturity



1 Amount repayable in 2 years is less than R1m
* US dollar values translated at R/US dollar closing exchange rate of R18,83

- Debt repayable in 1 year relates to the US$1,5 billion bond repayable in March 2024.
- In October 2022 Sasol issued its commercial paper to the value of R2 066 million in the local debt market under the R15 billion DMTN programme. The previous DMTN has been fully repaid.
- In November 2022 Sasol issued the US$750 million guaranteed senior unsecured convertible bonds, due in November 2027.
- In April 2023 Sasol Financing International Limited and Sasol Financing USA LLC obtained a revolving credit facility of US$1 987 million and a term loan of US$982 million, available until April 2028.
- In May 2023 Sasol issued a US$1 billion bond, with a fixed interest rate of 8,75%, due in May 2029.

Long-term debt by currency



- US dollar denominated gross debt now stands at US$6,5bn (US$6,2 billion at 30 June 2022), which comprises 97% of total debt, unchanged from prior year.
- The weaker Rand/US$ exchange rate has negatively impacted the Rand valuation of the US dollar denominated debt.

Analysis of key statement of financial position metrics (continued)

Sasol's Corporate rating	Current rating	Date	Previous Rating	Date
S&P				
South Africa	BB- (stable)	Mar 2023	BB- (positive)	May 2022
Sasol	BB+ (stable)	Oct 2022	BB (positive)	Oct 2021
Moody's				
South Africa	Ba2 (stable)	Apr 2022	Ba2 (negative)	Nov 2020
Sasol	Ba2 (positive)	Apr 2022	Ba2 (negative)	Nov 2020

- On 28 October 2022, S&P upgraded Sasol's rating from BB to BB+ on the back of debt reduction, and improved cash flow generation supported by stronger commodity prices and improved efficiency, revising the outlook from positive to stable. The stable outlook reflects that recent debt reduction and supportive oil prices will offset near-term headwinds and allow Sasol to maintain Funds from Operations to debt above 45% on average in the coming years.
- In April 2022, Moody's affirmed Sasol's rating of Ba2 but changed its outlook to positive from negative, as a direct consequence of the sovereign rating action. Moody's cited that the change in outlook to positive reflects the company's recent strong performance adherence to the disposal and deleveraging strategy put in place since 2020. The positive outlook reflects Moody's expectation that Sasol's credit metrics will continue to improve, supported by high commodity prices and could be upgraded if Sasol's Debt/EBITDA is sustained at 2,5x or below through economic volatility and commodity price cycles, whilst strong liquidity is maintained over the next 12 to 18 months.

Reconciliation of funds available for use

30 June 2023	Expiry date	Currency	Interest rate %	Contract amount million	Total Rand equivalent Rm	Available facilities Rm	Utilised facilities Rm
Banking facilities and debt arrangements							
Group treasury facilities							
Commercial paper (uncommitted)[1]	None	Rand	3 months Jibar + 1,44% / 1,59%	**15 000**	**15 000**	**12 934**	**2 066**
Commercial banking facilities	None	Rand	*	**8 150**	**8 150**	**8 150**	**–**
Revolving credit facility[2]	April 2028	US dollar	SOFR+ Credit Adj +1,6%	**1 987**	**37 415**	**37 415**	**–**
Debt arrangements							
US Dollar Bond[3]	March 2024	US dollar	5,88%	**1 500**	**28 245**	**–**	**28 245**
US Dollar Bond[3]	September 2026	US dollar	4,38%	**650**	**12 240**	**–**	**12 240**
US Dollar Convertible Bond[4]	November 2027	US dollar	4,50%	**750**	**14 123**	**–**	**14 123**
US Dollar term loan[2]	April 2028	US dollar	SOFR+ Credit Adj +1,8%	**982**	**18 499**	**–**	**18 499**
US Dollar Bond[3]	September 2028	US dollar	6,50%	**750**	**14 123**	**–**	**14 123**
US Dollar Bond[5]	May 2029	US dollar	8,75%	**1 000**	**18 830**	**–**	**18 830**
US Dollar Bond[3]	March 2031	US dollar	5,50%	**850**	**16 006**	**–**	**16 006**
Other Sasol businesses							
Specific project asset finance							
Energy – Clean Fuels II (Natref)	Various	Rand	Various	**901**	**901**	**–**	**901**
Other debt arrangements		Various	Various	**–**	**–**	**–**	**472**
						58 499	**125 505**
Available cash excluding restricted cash						**51 055**	
Total funds available for use						**109 554**	

* Interest rate only available when funds are utilised.

1 In October 2022 Sasol issued its paper to the value of R2 066 million in the local debt market under the R15 billion Domestic Medium Term Note (DMTN) programme.

2 In April 2023 Sasol Financing International Limited and Sasol Financing USA LLC obtained a Revolving Credit Facility (RCF) of US$1 987 million and a term loan of US$982 million respectively.

3 Included in this amount is the US$3,8 billion (R70,6 billion) bonds with fixed interest rates of between 4,38% and 6,5% which are listed on the New York Stock Exchange and is recognised in Sasol Financing USA LLC (SFUSA), a 100% owned subsidiary of the group. Sasol Limited has fully and unconditionally guaranteed the bonds. There are no restrictions on the ability of Sasol Limited to obtain funds from the finance subsidiary, SFUSA, by dividend or loan.

4 In November 2022, Sasol launched and priced an offering of US$750 million guaranteed senior unsecured convertible bonds due in 2027. The proceeds from the convertible bond were used primarily to repay a portion of the US$ term loan. The convertible bonds, subject to the receipt of the requisite approvals at a general meeting of the shareholders of Sasol, are convertible into ordinary shares of Sasol at the election of the holders if the Sasol share price appreciates above a specified conversion price (representing a conversion premium of 30%) ahead of the maturity of the bond. The convertible bonds can be settled in cash at the election of Sasol.

5 In May 2023, Sasol launched and priced a US$1 billion (R18,8 billion) bond, with a fixed interest rate of 8,75%, due in 2029. The bond is recognised in SFUSA. Sasol Limited has fully and unconditionally guaranteed the bond. There are no restrictions on the ability of Sasol Limited to obtain funds from the finance subsidiary by dividend or loan.

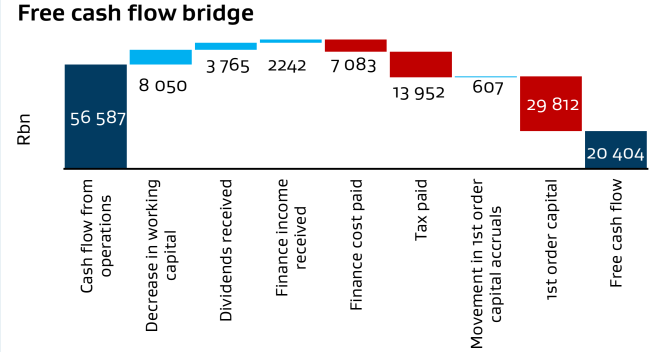
Abbreviated cash flow statement overview

	2023 Rm	2022 Rm	2021 Rm
Cash receipts from customers*	**298 698**	263 332	194 712
Cash paid to suppliers and employees*	**(234 061)**	(207 194)	(149 598)
Cash generated by operating activities	**64 637**	56 138	45 114
Dividends received from equity accounted investments	**3 765**	3 043	37
Finance income received	**2 242**	986	837
Finance costs paid	**(7 083)**	(5 478)	(6 173)
Tax paid	**(13 952)**	(13 531)	(5 280)
Cash available from operating activities	**49 609**	41 158	34 535
Dividends paid	**(13 754)**	(49)	(46)
Dividends paid to non-controlling shareholders in subsidiaries	**(433)**	(859)	(466)
Cash retained from operating activities	**35 422**	40 250	34 023
Cash (used in)/received from investing activities	**(28 234)**	(15 077)	25 093
Cash generated by/(used in) financing activities	**1 188**	(14 953)	(58 265)
Translation effects on cash and cash equivalents	**2 424**	1 759	(2 916)
Cash and cash equivalents at the end of the year	**53 767**	42 967	30 988

* Turnover and Variable cost have been restated by R3 billion respectively for 2022, impacting cash receipts from customers and cash paid to suppliers and employees respectively for 2022. The error relates to purchases and sales of inventory with the same counterparty that are entered into in contemplation of one another to facilitate sales to customers. These transactions were recorded on a gross basis instead of a single exchange transaction. The error had no impact on gross margin and earnings. Refer to Sasol Group Annual Financial Statements note 1.

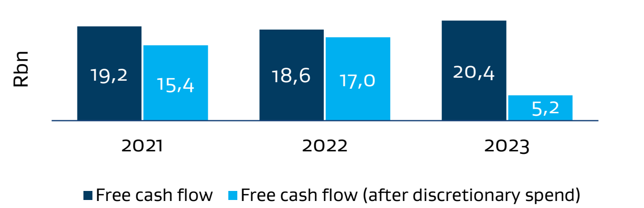
Analysis of key cash flow statement metrics

Free cash flow bridge



- Free cash flow of R20,4bn at 30 June 2023 represents an improvement of 10% from R18,6bn in June 2022. This is mainly attributable to a decrease in working capital compared to an increase in prior year, offset by an increase in 1st order capital expenditure (mainly shutdown activity).
- Working capital increase in the prior year included an increase in receivables and inventory mainly due to the higher prices. The current year reduction in working capital is due to lower trade receivables as a result of lower sales volumes in the month June 2023 compared to prior year and lower prices.

Free cash flow



- Free cash flow (after discretionary spend) has reduced at 30 June 2023 to R5,2 billion compared to 30 June 2022 of R17,0 billion, largely due to the reinstatement of dividends to shareholders which were paid in 2023 (2022 final and 2023 interim dividends) and an increase in 2nd order capital spend.

Cash conversion performance	2023 %	2022 %	2021 %
As a % of external turnover:			
Adjusted EBITDA	**22,9**	26,3	24,0
Cash generated by operating activities	**22,3**	20,6	22,3
Free cash flow	**7,0**	6,7	9,5

- Adjusted EBITDA margin is lower than prior year mainly due to lower gross margin as a result of lower Brent crude oil prices, higher distribution, energy and feedstock prices, increase in external coal and fuels purchases, and lower sales volumes. Further contributing to the reduced adjusted EBITDA are higher cash fixed costs offset by a reduction in realised derivative losses.
- Cash generated by operating activities margin is higher than prior year due to a reduction in working capital.
- Free cash flow (FCF) margin increased due the increase in FCF percentage being higher than the percentage increase in turnover, mainly due to reduction in net working capital.

Mining – business performance

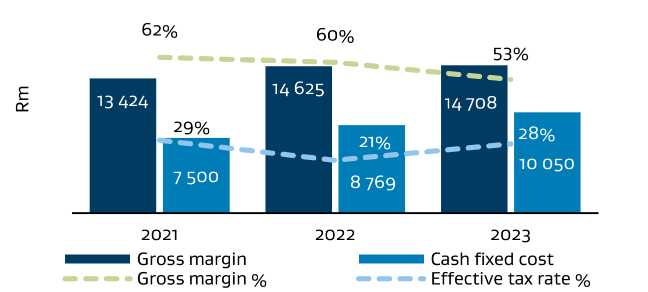
for the year ended 30 June 2023

		% change 2023 vs 2022	2023	2022	2021
Production					
Saleable production[1]	mm tons	(3)	**30,8**	31,8	35,4
Mining productivity	t/cm/s	(3)	**951**	984	1 131
External purchases	mm tons	9	**9,4**	8,6	6,1
Internal sales					
Fuels	mm tons	3	**23,1**	22,4	22,7
Chemicals	mm tons	(2)	**14,9**	15,2	17,4
External sales					
International	mm tons	(13)	**2,0**	2,3	2,6

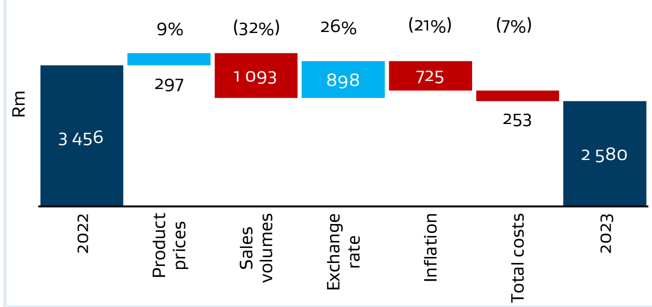
1 Saleable production represents total production adjusted for normal process discard arising from the coal beneficiation process at export operations.

- Our 2023 productivity of 951 t/cm/s was 3% lower than the prior year due to unplanned safety stoppages and operational challenges experienced in the earlier part of the year and is in line with our market guidance of 900 - 1 000 t/cm/s. We target a productivity range of 975 - 1 100 t/cm/s in 2024.
- We are advancing with the implementation of our full potential programme, with the roll-out of the first phase at the Syferfontein Colliery nearing completion. The next roll-out will be at the Shondoni Colliery from Q1 2024, where learnings from the previous roll-out will be implemented.
- Export sales were 13% lower compared to the prior year due to ongoing operational challenges at Transnet Freight Rail (TFR) and diversion of export coal to Secunda Operations (SO). The 2023 average coal price was 2% lower than the prior year due to the impact of the war in Ukraine.
- Our SO coal stockpile of 2,0 million tons was achieved at the end of 2023, in line with market guidance. The external coal purchasing programme to supplement our own production is continuing.

Earnings performance

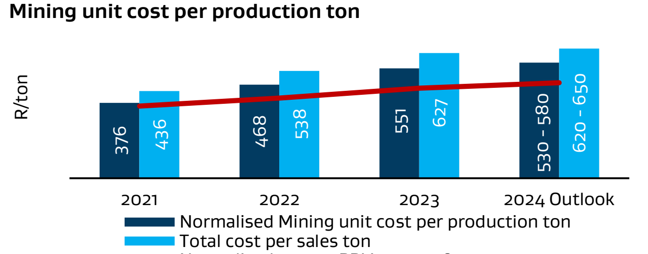


EBIT variance analysis



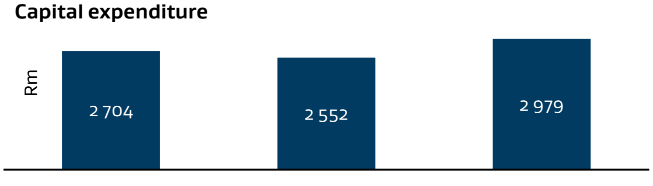
- Gross margin % decreased by 7%, driven by lower productivity, lower export sales, higher external coal purchases, and inflationary pressures resulting in higher maintenance, operating and contractor costs.
- Cash fixed cost increased by 15%, mainly due to inflationary pressures, higher labour cost due to ramp-up of the full potential programme, increased contractor related cost on underground service providers and external coal handling.
- Effective tax rate increased from 2022 mainly due to the effect of the corporate tax rate change in the prior year, from 28% to 27%.
- EBIT decreased by 25% to R2,6 billion compared to the prior year. Mining's results were adversely affected by lower productivity, higher external coal purchases to meet the demand requirements of SO, TFR performance challenges and increased costs to drive the improvement of our operations.

Mining unit cost per production ton



- Increase in normalised mining unit cost per ton of 18% compared to prior year is attributable to inflationary pressures, higher labour related cost as a result of ramp-up of our full potential programme and increased maintenance and operating activities.
- Increase in total cost per sales ton of 17% relates to lower external sales volumes, higher mining cost due to increased maintenance and operating activities, increased labour related cost and higher external coal purchases.

Capital expenditure



- Mining capital relates mainly to sustenance capital and increased by 17% compared to prior year mainly due to underground additional spend on infrastructure, stonework, and ventilation shafts.
- Capital spend for 2024 is forecasted to mainly include general maintenance of the mines, coal destoning projects, and continuous miner overhauls.

Gas – business performance

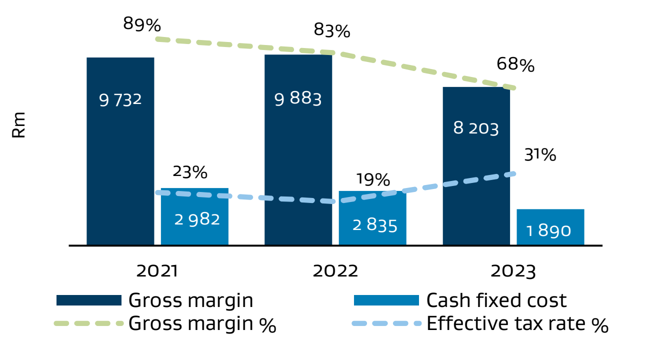
for the year ended 30 June 2023

		% change 2023 vs 2022	2023	2022	2021
Production					
Natural gas – Mozambique (Sasol's 70% share)	bscf	2	**113,8**	111,2	114,5
External purchases[1]	bscf	6	**43,3**	41,0	42,5
External sales					
Natural gas – South Africa	bscf	(3)	**36,2**	37,3	37,5
Methane rich gas – South Africa	bscf	(1)	**22,6**	22,8	20,8
Natural gas – Mozambique	bscf	8	**16,7**	15,5	15,5
Condensate – Mozambique	m bbl	(3)	**177**	183	197
Internal consumption – Natural gas[2]					
Fuels	bscf	5	**45,2**	43,1	41,8
Chemicals	bscf	5	**59,1**	56,4	62,2

1 Comprise volumes purchased from third parties (30% shareholding of our Pande-Temane Petroleum Production Agreement asset).
2 Includes volumes purchased from third parties.

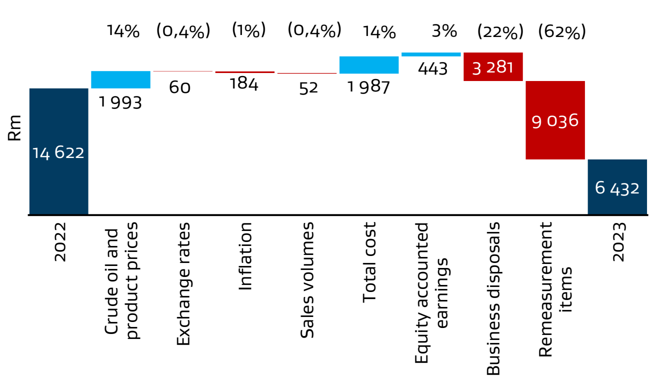
- In Mozambique, we delivered a strong production performance achieving the upper end of our market guidance range of 111 - 114 bscf. Production was 2% higher than prior year, underpinned by additional wells brought online, resulting in increased production. The drilling campaign is progressing to plan with a good safety performance. Further construction has been safely completed on the initial gas facility of the Production Sharing Agreement (PSA) project within cost and schedule targets despite the impact of Tropical Storm Freddy. Our exploration strategy has also resulted in a successful gas discovery in PT5-C license area (located in Southern Mozambique), providing closer integration to our existing facility.
- Production volumes from Mozambique is expected to be in the range of 113 - 119 bscf in 2024.

Earnings performance



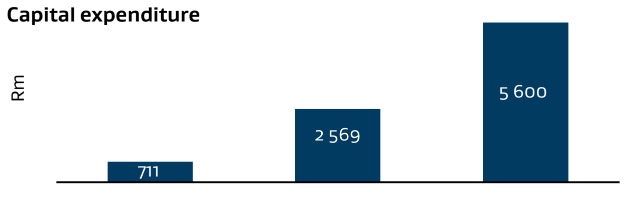
- Gross margin decreased by 17% and gross margin % decreased by 15%, impacted by asset disposals (Canada, ROMPCO and CTRG) in the prior year, higher feedstock costs and lower external sales in South Africa. This was partially offset by 8% higher external gas sales in Mozambique.
- Cash fixed cost decreased by 33% attributable to asset disposals in the prior year, provision relating to the retrospective application of the NERSA ruling on gas prices in the prior year and lower maintenance costs as a result of reduced well workovers.
- Effective tax rate increased from 2022 due to the impact of exempt income from the disposal of the Canadian shale gas assets, foreign tax credits and non-taxable profit on disposal of ROMPCO.

EBIT variance analysis (Rm)



- Higher gas sales prices (impacted by the volatile global macroeconomic environment) to our Fuels and Chemicals segments contributed to R2,0bn uplift in EBIT. Our South African selling price to the external market remained flat despite a 57% increase in the natural gas molecule price driven by international product prices and a weaker Rand/ US$ exchange rate.
- Total cost saving comprises lower cash fixed cost including Sasol 2.0 incremental savings and a reduction in Mozambique rehabilitation provisions due to the change in discount rates.
- Business disposals comprise of the disposal of the Canadian shale Gas assets, ROMPCO and CTRG in 2022.
- Prior year remeasurement items included the gain on disposal of our Canadian shale gas assets of R4,9bn (mainly release of foreign currency translation reserve) and gain on disposal of ROMPCO (R3,7bn).

Capital expenditure



- The significant increase in current year spend is mainly due to the ramp-up of the PSA development activities for surface facilities (R4,4bn), drilling of wells and the impact of a weaker average Rand/US$ exchange rate (R0,8bn).
- Capital spend for 2024 is forecasted to mainly include the PSA project and the Mozambique Exploration Block PT5-C.

Fuels – business performance

for the year ended 30 June 2023

		% change 2023 vs 2022	2023	2022	2021
Secunda Operations production[1]	kt	1	**6 935**	6 852	7 624
Refined product	kt	3	**3 375**	3 276	3 630
Heating fuels	kt	(6)	**652**	691	635
Alcohols/ketones	kt	(1)	**570**	573	626
Other chemicals	kt	(1)	**1 645**	1 654	1 977
Gasification	kt	5	**693**	658	756
Secunda Operations total refined product	mm bbl	2	**29,9**	29,2	32,1
Electricity Production					
Total South African operations average annual requirement	MW	2	**1 570**	1 538	1 597
Own capacity	%	(2)	**70**	72	69
Own production	%	6	**47**	41	49
Natref					
Crude oil (processed)	mm bbl	(8)	**17,8**	19,3	18,1
White product yield	%	1	**88**	87	89
Total yield	%	(1)	**97**	98	98
Production	mm bbl	(9)	**17,2**	18,9	17,7
ORYX GTL					
Production	mm bbl	(21)	**4,1**	5,2	4,7
Utilisation rate of nameplate capacity	%	(19)	**70**	89	81
External purchases (white product)	mm bbl	5	**5,8**	5,5[2]	3,8
Sales					
Liquid fuels - white product	mm bbl	-	**51,0**	51,0[2]	52,0
Liquid fuels - black product	mm bbl	-	**2,7**	2,7	2,2

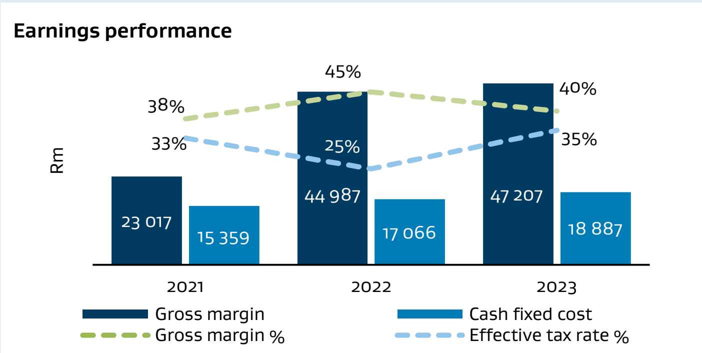
1 SO production volumes include chemical products which are further beneficiated and marketed by the Chemicals business. The prior year figures above have been restated to reflect SO production volumes in its entirety, compared to Synfuels output only, which was mainly intermediate feedstocks for other downstream processing. The change results in a marginal impact on the total SO production number. There is however a change in the reported volumes for Other Chemicals and Gasification value chains due to unavoidable gains and losses in the downstream operations, as well as the consolidation of the previous "Other" into Other Chemicals.

2 2022 sales and external purchases volumes have been restated by 1,5 million barrels respectively, following the restatement of Turnover and Variable cost of R3 billion. The error relates to purchases and sales of inventory with the same counterparty that are entered into in contemplation of one another to facilitate sales to customers. These transactions were recorded on a gross basis instead of a single exchange transaction. Refer to the Sasol Group Annual Financial Statements note 1.

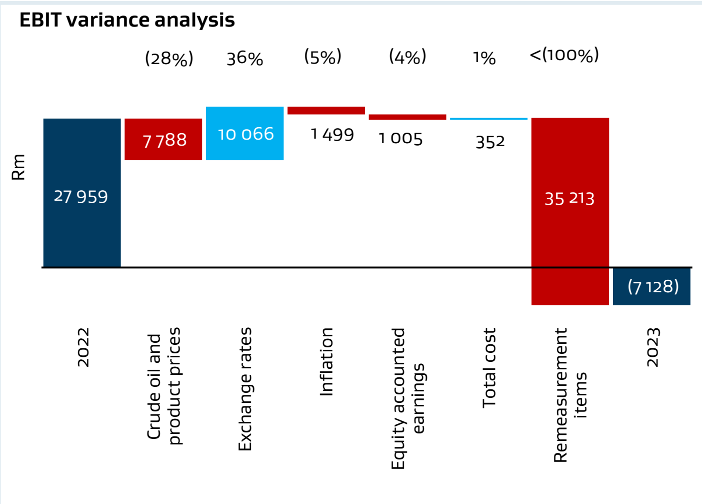
- SO experienced a challenging first half plagued by poor coal quality and plant reliability issues, however in the second half, through focused management interventions, delivered a notable recovery. SO achieved an improvement of 14% in H2 2023 compared to H1 2023, resulting in full year production being 1% higher than prior year, despite the planned total shutdown in 2023. This was supported by actions to reduce the impact of variability in coal quality, volume protection plans yielding positive results and higher natural gas availability. Coal quality remains a key focus area, and we continue to implement measures to mitigate poor coal quality and drive operational reliability. We expect production volumes to be between 7,0 - 7,3 million tons in 2024.
- Natref delivered an average run rate of 510 m^3/h which is within the market guidance range of between 500 m^3/h - 530 m^3/h and 8% below 2022. The total shutdown was executed safely albeit a slight delay in the start-up. However, the crude oil processing rates of the plant continue to be negatively impacted by disruptions from illegal tapping of the crude oil pipeline. We are working closely with Transnet Pipelines to address and resolve these challenges. In 2024, the crude rate is expected to be 520 – 560 m^3/h.
- ORYX GTL achieved an average utilisation rate of 70% for the year mainly due to the delayed start-up of Air Separation Unit 2 and a diesel tank leak in March 2023. Repairs and maintenance work have since been completed successfully. A utilisation rate of between 80 - 90% is projected for 2024.
- Liquid fuels sales volumes for the year were 53,7 million barrels which is within the market guidance of 52 - 55 million barrels and in line with 2022. Improved performance in H2 2023 was underpinned by the implementation of our growth strategy to shift volumes to higher margin portfolios in mobility and commercial and higher production at SO. We expect sales volumes of 51 - 54 million barrels in 2024.

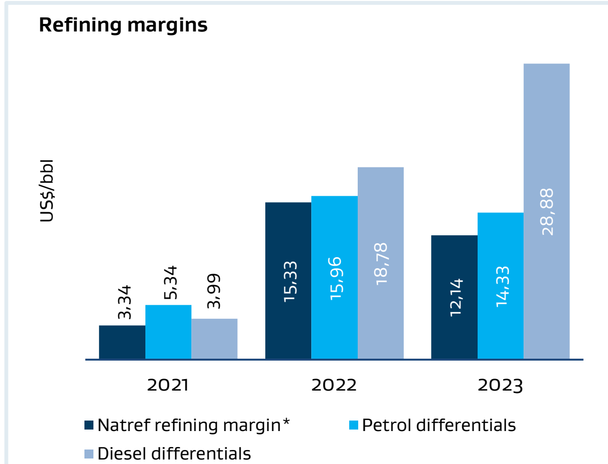
Fuels – business performance

for the year ended 30 June 2023



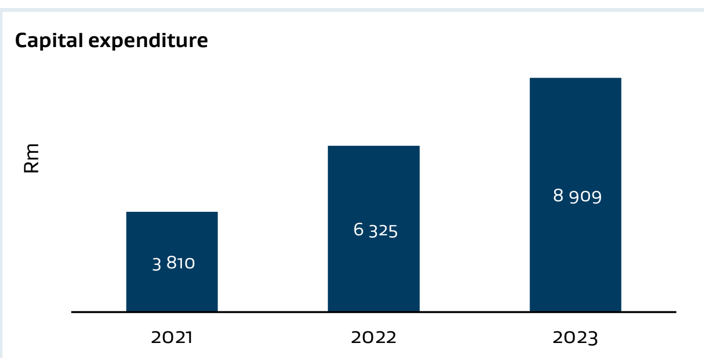
- Gross margin is 5% higher due to higher rand per barrel oil prices and fuel differentials, offset by lower Natref refining margin. Gross margin percentage is 5% lower due to additional fuel purchases and lower Natref refining margin.
- Cash fixed costs increased by 11% largely driven by higher inflation and increased maintenance costs in Secunda to restore reliability of operations, partly offset by lower electricity in favour of own generation.
- Effective tax rate increased from 2022 to 35% mainly due to the impairment of the Secunda liquid fuels refinery CGU resulting in a net loss before tax. When normalised for the impairment, effective tax rate is 25%.





*Natref breakeven ranges estimated at between US$7 - US$8/bbl.

- The Fuels segment recorded a loss before interest and tax (LBIT) of R7,1 billion which compares to an EBIT of R28,0 billion in the prior year. The 2023 LBIT includes an impairment of R35,3 billion relating to the liquid fuels component of the Secunda refinery. Excluding remeasurement items, EBIT is in line with prior year, positively impacted by higher rand per barrel oil prices and fuel differentials, offset by lower Natref refining margin.
- ORYX GTL contributed R2,0 billion to EBIT, which was 33% lower than prior year, with a utilisation rate of 70% compared to 89% in the prior year, mainly due to the Air Separation Unit fire incident in June 2022 and diesel tank leak referred to above. Dividends declared by ORYX GTL amounted to R1,7 billion (Sasol's share) compared to R4,6 billion in the prior year.
- Total cost was lower due to cost saving initiatives including Sasol 2.0 and gain on crude oil futures, offset by higher study costs relating to growth projects and higher depreciation due to an increase in capitalised assets at SO.
- The 2023 refining margin is lower compared to prior year due to the impact of higher premiums on crude oil in H1 2023, and lower product yields as a result of plant related incidents and total shutdown in Q4 2023.



- Higher capital expenditure of 41% is mainly due to the planned total Secunda East factory shutdown in H1 2023 compared to the phase shutdown in the prior year, Clean Fuels II programme and environmental compliance projects.
- Capital expenditure for 2024 is forecasted to mainly include Secunda Operations phase shutdown, total Natref shutdown, Clean Fuels projects, Environmental Compliance Programme and Emissions Reduction Roadmap.

Chemicals Africa – business performance

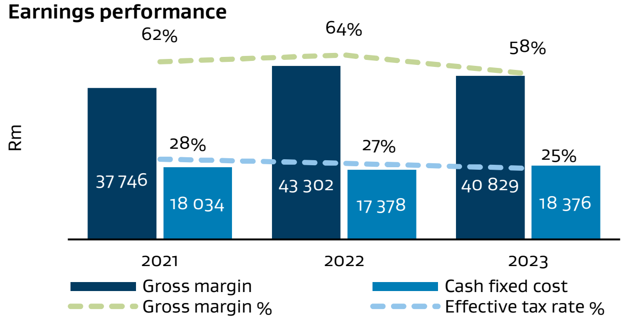
for the year ended 30 June 2023

		% change 2023 vs 2022	2023	2022	2021
External sales volumes					
Advanced Materials	kt	(9)	**104**	114	150
Base Chemicals[1]	kt	4	**2 202**	2 127	2 466
Essential Care Chemicals	kt	(12)	**38**	43	43
Performance Solutions	kt	(3)	**1 090**	1 127	1 292
Total	kt	1	**3 434**	3 411	3 951
External sales revenue	US$m	(9)	**3 813**	4 210	3 783
External sales revenue	Rm	6	**67 772**	64 054	58 260
Average sales basket price	US$/ton	(10)	**1 110**	1 234	957

1 Includes SA Polymers sales (2023: 1 256 kt) which represents 57% of the entire Base Chemicals business.

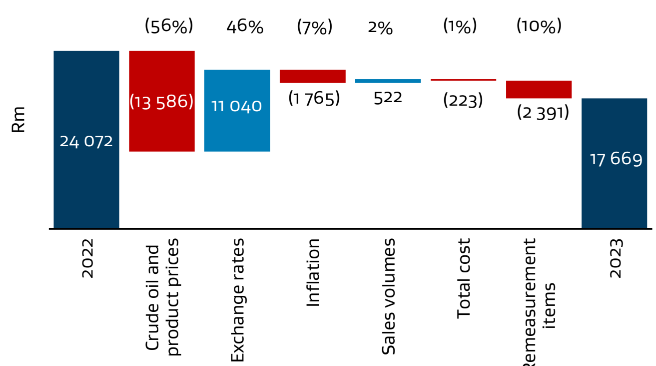
- Sales revenue (Rm) from our South African assets was 6% higher than 2022 driven by a 17% weaker R/US$ exchange rate and 1% higher sales volumes, offset by 10% lower US$/t sales prices.
- Sales volumes were 1% higher than 2022 despite a planned total Secunda East factory shutdown in 2023 compared to a phase shutdown in 2022. In addition, 2022 included the force majeure declaration on the export of certain chemical products following the flooding in Kwa-Zulu Natal (KZN) during the fourth quarter.
- The average US$ sales basket price for 2023 was 10% lower than 2022 largely attributable to lower Polymer and Solvents prices resulting from lower oil prices, weaker global demand and associated inventory reduction by customers.
- Chemicals Africa sales volumes for 2024 are expected to be 0 - 5% higher than 2023. The higher sales volumes will be dependent on the continued improvement in production and supply chain performance in South Africa, especially Transnet, during 2024.

Earnings performance



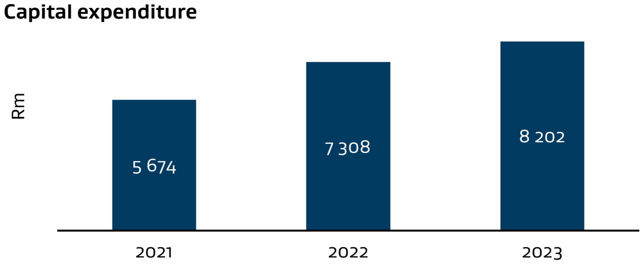
- Both the absolute gross margin and gross margin % for 2023 decreased by 6% from 2022 despite the higher aforementioned revenue due to higher distribution costs (mainly arising from Transnet supply chain challenges), upstream feedstock costs, and energy costs.
- Cash fixed costs for 2023 were 6% higher than 2022 largely due to inflation in South Africa.
- Effective tax rate has reduced to 25% for 2023 mainly due to incentive allowances and prior year tax adjustments.

EBIT variance analysis



- EBIT of R17,7 billion was 27% lower compared to 2022 of R24,1 billion with the current and prior year impacted by remeasurement items. Excluding remeasurement items, EBIT decreased by 18% compared to the prior year.
- EBIT was positively impacted by a weaker Rand/US$ exchange rate, slightly higher volumes offset by lower US$/t sales prices and higher costs.
- Remeasurement items include an impairment of R0,9 billion of the South African Wax cash generating unit driven by the higher future cost to procure gas, lower sales volumes and prices due to an increasingly challenging market environment. This compares to remeasurement items of R1,4 billion in 2022 due to reversal of impairment related to the Chemical Work-Up and Heavy Alcohols cash generating unit largely due to improved macro assumptions and price outlook.

Capital expenditure



- Capital expenditure increased by 12% compared to 2022 due to the planned total Secunda East factory shutdown compared to a phase shutdown in the prior year and higher inflationary costs.
- Capital expenditure for 2024 is forecasted to mainly include the Secunda Operations and Sasolburg shutdown expenditure, and continued Environmental Compliance Programme spend.

Chemicals America – business performance

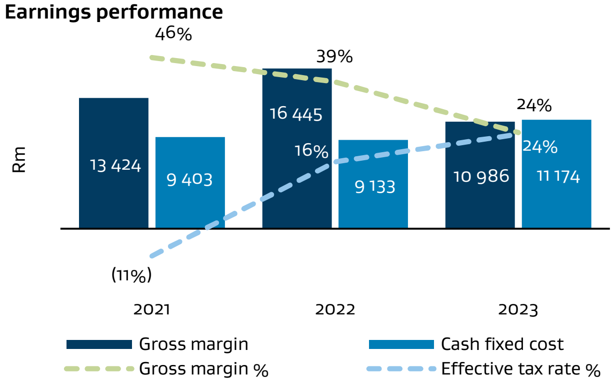
for the year ended 30 June 2023

		% change 2023 vs 2022	2023	2022	2021
External sales volumes					
Advanced Materials	kt	20	**24**	20	17
Base Chemicals	kt	14	**1 103**	966	1 304
Essential Care Chemicals	kt	(3)	**464**	477	361
Performance Solutions[1]	kt	18	**120**	102	50
Total	kt	9	**1 711**	1 565	1 732
External sales revenue[2]	US$m	(8)	**2 503**	2 728	1 906
External sales revenue	Rm	7	**44 492**	41 496	29 358
Average sales basket price	US$/ton	(16)	**1 463**	1 743	1 101

1 Includes US ethylene and co-products sales (2023: 565kt) and polyethylene sales (2023: 318kt).
2 Sales include revenue from kerosene in our alkylates business of US$293m 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.

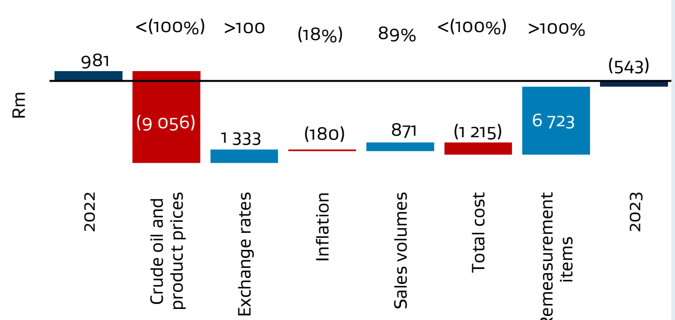
- Sales revenue (Rm) from our American assets for 2023 was 7% higher than 2022 driven by a 17% weaker Rand/US$ exchange rate and 9% higher sales volumes, offset by 16% lower US$/t sales prices.
- The higher sales volumes in 2023 are due to the planned ethylene cracker turnaround in 2022 and improved production performance from the Comonomers unit in 2023.
- Essential Care Chemicals sales volumes for 2023 were 3% lower than 2022 due to planned turnarounds in H1 2023 and the impact of the fire that occurred at the Ziegler alcohol unit in October 2022 which resulted in the force majeure declaration on the supply of US Ziegler alcohols and derivative products. All impacted sections of the unit started up at the end of Q3 2023 and the unit subsequently ran at high rates resulting in the lifting of the force majeure in Q4 2023.
- The average US$ sales basket price for 2023 was 16% lower than 2022 due to lower ethylene and polymer prices.
- Chemicals America sales volumes for 2024 are expected to be 0 - 5% higher than 2023 volumes due to the absence of major shutdowns in 2024. Sales volumes for 2024 may however be impacted by continued weaker global demand and negative movements in the US ethane/ethylene margin.

Earnings performance



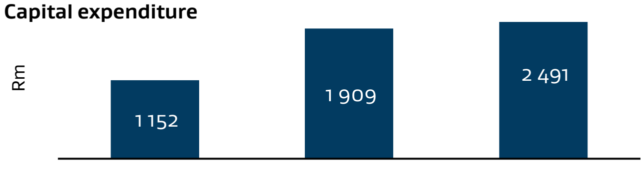
- Gross margin is lower by 33% and gross margin % is lower by 15%, due to lower sales prices as well as higher feedstock and energy costs in H1 2023. Overall ethylene and derivative margins improved in H2 2023 as feedstock and energy costs reduced but margins remain significantly lower than levels seen in 2022, continuing to negatively impact profitability.
- Cash fixed costs (Rm) for 2023 were 22% higher than the prior year largely due to weaker R/US$ exchange rate. After adjusting for changes in exchange rate, the increase was 5% and largely due to the recent record US inflation rates and repairs associated with the Lake Charles Ziegler fire.
- The 2023 effective tax rate of 24% aligns with US State and Federal Statutory Rates. The increase vs prior year is due to the recognition of the federal tax impact on state loss carry-forwards in 2022.

EBIT variance analysis



- LBIT of R0,5 billion decreased by >100% compared to the prior year EBIT of R1,0 billion.
- EBIT was negatively impacted by lower gross margin due to lower unit margins, higher costs associated with inflation partially offset by higher sales volumes.
- Total costs were mainly due to increased depreciation after the reversal of the Tetramerization unit impairment in H1 2023 and lower insurance claim proceeds from the 2021 Hurricanes.
- Remeasurement items variance include the reversal of impairment of R3,6 billion of the Tetramerization unit and the sale of an Ethane pipeline of R0,4 billion in 2023, and the absence of the R2,5 billion scrapping in 2022 following an asset transfer between Sasol and LIP JV.

Capital expenditure



- Capital expenditure increased by 30% due to planned turnarounds in Ziegler Alcohol, Paraffin, and Ethylene Oxide units, weaker R/US$ exchange rate and higher inflation rate.
- Capital spend for 2024 is forecasted to mainly include general sustenance capital. No significant maintenance shutdowns are planned for 2024.

Chemicals Eurasia – business performance

for the year ended 30 June 2023

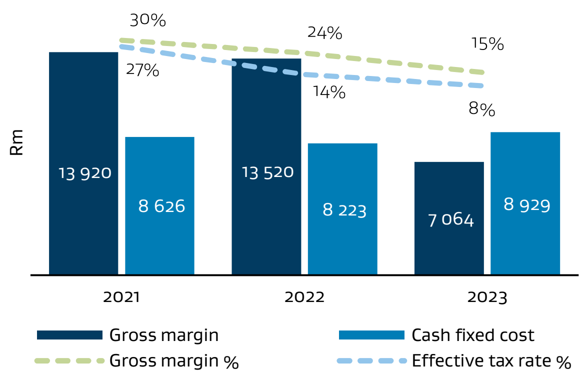
		% change 2023 vs 2022	2023	2022	2021
External sales volumes					
Advanced Materials	kt	(13)	**34**	39	32
Essential Care Chemicals	kt	(18)	**901**	1 097	1 144
Performance Solutions[1]	kt	(77)	**59**	261	389
Total	kt	(29)	**994**	1 397	1 565
External sales revenue[2]	US$m	(26)	**2 677**	3 616	2 956
External sales revenue	Rm	(14)	**47 577**	55 011	45 539
Average sales basket price	US$/ton	4	**2 693**	2 589	1 890

1 2022 external sales volumes include 173kt of sales related to European-based wax assets prior to their divestment in February 2022.

2 Sales includes revenue from kerosene in our alkylates business of US$155m 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.

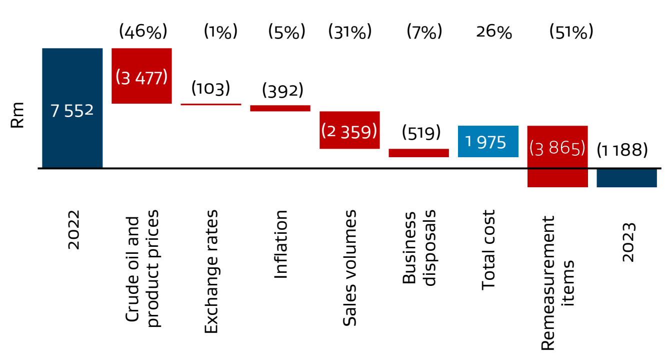
- Sales revenue (Rm) from our Eurasian assets for 2023 was 14% lower than 2022 driven by 9% weaker Rand/EUR exchange rate, 29% lower sales volumes, offset by 4% higher US$/t sales prices.
- Sales volumes for 2023 were 29% lower than 2022, partly due to the absence of Wax volumes within our Performance Solutions division following the disposal of the European Wax business at the end of February 2022. After normalising for the Wax transaction, sales volumes for 2023 decreased by 19% compared to 2022. The lower sales volumes are due to reduced demand and customer destocking across most of our business divisions while competition increased as supply chain constraints eased post the COVID-19 pandemic. Production rates at several of our units were adjusted proactively in response to the lower demand and to avoid inventory build.
- The average US$ sales basket price for 2023 was 4% higher than 2022 reflecting the higher energy costs in Europe because of the Russian war in the Ukraine. Energy prices have subsequently decreased in H2 2023 but remain volatile and above pre-war levels.
- Against the backdrop of the challenging macroeconomic environment, uncertainty of the Chinese economic recovery and the continued war in the Ukraine, it remains difficult to forecast the sales volumes for Chemicals Eurasia. At this stage, Chemicals Eurasia sales volumes for 2024 are expected to be – 5% to + 5% compared to 2023 with the recovery in demand only expected in the second half of 2024.

Earnings performance



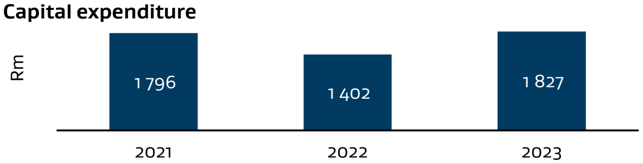
- Gross margin is lower by 48% and gross margin % is lower by 9%, due to higher feedstock and energy costs associated with the ongoing war in the Ukraine and reduced demand across most of business divisions. Energy costs reduced in H2 2023 resulting in significant inventory devaluations. Production rates at several of our units were reduced to avoid inventory build and mitigate these devaluations.
- Cash fixed costs for 2023 were 9% higher than the prior year largely driven by a weaker Rand/EUR exchange rate and reduced costs following the disposal of our Wax business in 2022. After adjusting for changes in exchange rate and the disposal, the increase was 6,7% and largely due to the recent record inflation rates in Europe and higher maintenance costs.
- The effective tax rate is 8% despite the negative EBIT for the segment and due to the impairment of China Essential Care Chemicals (ECC) CGU that is not deductible for tax purposes.

EBIT variance analysis



- LBIT of R1,2 billion was >100% lower compared to the prior year of R7,6 billion with both periods impacted by remeasurement items.
- EBIT was negatively impacted by lower gross margin due to higher feedstock and energy costs combined with the significantly lower demand which resulted in reduced sales volumes.
- Total cost was positively impacted by other income from derivatives, government incentives and emission rights, more than offsetting higher cash fixed costs.
- Remeasurement items variance include an impairment loss for the China ECC CGU plant of R0,9 billion in H1 2023 and the absence of gain on reclassification of foreign currency translation reserve of R2,9 billion associated with the Wax disposal in 2022.

Capital expenditure



- Capital expenditure increased by 30% due to an increase in planned maintenance (including catalyst renewals), weaker Rand/EUR exchange rate and higher inflation.
- Capital spend for 2024 is forecasted to mainly include general sustenance capital. No significant maintenance shutdowns are planned for 2024.

Segmental analysis

for the year ended 30 June 2023

	Energy			Chemicals				
	Mining Rm	Gas Rm	Fuels Rm	Africa Rm	America Rm	Eurasia Rm	Corporate Centre Rm	Total Rm
Turnover								
External	6 386	7 234	116 235	67 772	44 492	47 577	–	**289 696**
Intersegment	21 280	4 754	2 473	2 814	450	617	–	**32 388**
Total turnover	27 666	11 988	118 708	70 586	44 942	48 194	–	**322 084**
Gross margin[1]	14 708	8 203	47 207	40 829	10 986	7 064	–	**128 674**
Gross margin %	53	68	40	58	24	15	–	**44**
Adjusted EBITDA/(LBITDA)	5 002	7 044	31 102	23 658	292	1 599	(2 392)	**66 305**
Depreciation of PPE	(2 347)	(420)	(2 005)	(3 336)	(3 928)	(1 338)	(446)	**(13 820)**
Depreciation of right of use assets	(1)	(146)	(220)	(850)	(683)	(335)	(116)	**(2 351)**
Amortisation of intangible assets	(46)	(3)	(17)	(11)	(34)	(26)	(183)	**(320)**
Share-based payments	(100)	(74)	(124)	(242)	(110)	(129)	(254)	**(1 033)**
Unrealised derivatives (losses)/gains	–	–	(503)	(299)	–	8	6 798	**6 004**
Unrealised translation (losses)/gains	5	(163)	34	(209)	4	(75)	244	**(160)**
Change in discount rate of rehabilitation provisions	13	731	35	6	–	8	–	**793**
Remeasurement items	54	(537)	(35 430)	(1 048)	3 916	(900)	47	**(33 898)**
Earning/(loss) before interest and tax (EBIT/LBIT)	2 580	6 432	(7 128)	17 669	(543)	(1 188)	3 698	**21 520**
Remeasurement items	(54)	537	35 430	1 048	(3 916)	900	(47)	**33 898**
Realised and unrealised translation losses/(gains)	(72)	92	(760)	(934)	11	162	(1 227)	**(2 728)**
Realised and unrealised derivatives losses/(gains)	–	–	139	291	–	(168)	(3 549)	**(3 287)**
Normalised EBIT/(LBIT)	2 454	7 061	27 681	18 074	(4 448)	(294)	(1 125)	**49 403**
Normalised EBIT/(LBIT) margin %	9	59	23	26	(10)	(1)		**17**
Equity accounted earnings (included in Adjusted EBITDA and EBIT above)	2	439	2 038	144	–	–	–	**2 623**
Statement of financial position								
Property, plant and equipment	14 093	15 779	1 810	37 859	138 996	14 630	2 305	**225 472**
Right of use assets	–	356	2 064	3 419	3 455	1 221	1 170	**11 685**
Goodwill and other intangible assets	85	15	24	42	475	2 052	498	**3 191**
Other non-current assets[2]	768	3 321	12 134	1 133	89	1 544	1 472	**20 461**
Current assets[2]	2 701	3 619	23 066	22 459	15 222	19 161	47 890	**134 118**
Total external assets[2]	17 647	23 090	39 098	64 912	158 237	38 608	53 335	**394 927**
Non-current liabilities[2]	1 952	6 432	8 657	6 692	4 672	9 419	100 460	**138 284**
Current liabilities[2]	4 086	3 779	17 221	9 836	5 744	9 846	36 348	**86 860**
Total external liabilities[2]	6 038	10 211	25 878	16 528	10 416	19 265	136 808	**225 144**
Cash flow: Additions to non-current assets[3]	2 979	5 600	8 909	8 202	2 491	1 827	846	**30 854**
Capital commitments								
Subsidiaries and joint operations	2 875	11 521	15 337	12 192	2 809	2 405	426	**47 565**
Equity accounted investments	–	24	1 253	71	–	–	–	**1 348**
Total capital commitments	2 875	11 545	16 590	12 263	2 809	2 405	426	**48 913**
Number of employees[4]	8 768	612	4 611	6 351	1 327	2 865	4 539	**29 073**

1 Gross margin per segment includes intersegment transactions. The group total reflects the consolidated value and excludes the intersegment transactions.
2 Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.
3 Excludes capital project related payables.
4 Includes permanent and non-permanent employees.

Segmental analysis

for the year ended 30 June 2022

	Energy			Chemicals				
	Mining Rm	Gas Rm	Fuels* Rm	Africa Rm	America Rm	Eurasia Rm	Corporate Centre Rm	Total * Rm
Turnover								
External	6 370	7 789	97 996	64 054	41 496	55 011	30	**272 746**
Intersegment	18 016	4 152	1 976	3 221	430	408	26	**28 229**
Total turnover	24 386	11 941	99 972	67 275	41 926	55 419	56	**300 975**
Gross margin[1]	14 625	9 883	44 987	43 302	16 445	13 520	52	**142 584**
Gross margin %	60	83	45	64	39	24	93	**52**
Adjusted EBITDA/(LBITDA)	5 967	6 871	29 678	26 335	7 789	6 223	(11 020)	**71 843**
Depreciation of PPE	(2 201)	(340)	(1 231)	(2 846)	(3 288)	(1 206)	(420)	**(11 532)**
Depreciation of right of use assets	(3)	(153)	(217)	(806)	(587)	(339)	(115)	**(2 220)**
Amortisation of intangible assets	(26)	(7)	(20)	(15)	(42)	(31)	(180)	**(321)**
Share-based payments	(104)	(82)	(133)	(129)	(81)	(113)	(497)	**(1 139)**
Unrealised derivatives (losses)/gains	–	(8)	63	(13)	–	36	(4 854)	**(4 776)**
Unrealised translation (losses)/gains	12	(172)	97	163	(3)	3	(487)	**(387)**
Change in discount rate of rehabilitation provisions	39	14	(61)	40	–	14	–	**46**
Remeasurement items	(228)	8 499	(217)	1 343	(2 807)	2 965	348	**9 903**
Earning/(loss) before interest and tax (EBIT/LBIT)	3 456	14 622	27 959	24 072	981	7 552	(17 225)	**61 417**
Remeasurement items	228	(8 499)	217	(1 343)	2 807	(2 965)	(348)	**(9 903)**
Realised and unrealised translation losses/(gains)	(53)	156	(566)	(453)	39	(29)	213	**(693)**
Realised and unrealised derivatives losses/(gains)	–	8	1 026	(24)	–	564	16 751	**18 325**
Normalised EBIT/(LBIT)	3 631	6 287	28 636	22 252	3 827	5 122	(609)	**69 146**
Normalised EBIT/(LBIT) margin %	15	53	29	33	9	9	<(100)	**25**
Equity accounted earnings (included in Adjusted EBITDA and EBIT above)	(1)	(4)	3 043	90	–	–	–	**3 128**
Statement of financial position								
Property, plant and equipment	26 111	12 721	12 890	34 968	118 464	12 592	3 562	**221 308**
Right of use assets	2	473	2 120	3 768	3 444	1 184	1 638	**12 629**
Goodwill and other intangible assets	130	14	49	49	396	1 722	691	**3 051**
Other non-current assets[2]	718	3 109	10 234	1 265	521	1 221	1 405	**18 473**
Current assets[2]	2 932	2 013	31 125	20 851	16 860	19 683	38 060	**131 524**
Total external assets[2]	29 893	18 330	56 418	60 901	139 685	36 402	45 356	**386 985**
Non-current liabilities[2]	1 928	7 322	7 572	7 298	4 545	8 145	87 217	**124 027**
Current liabilities[2]	3 575	3 610	16 605	7 838	5 474	10 596	40 935	**88 633**
Total external liabilities[2]	5 503	10 932	24 177	15 136	10 019	18 741	128 152	**212 660**
Cash flow: Additions to non-current assets[3]	2 552	2 569	6 325	7 308	1 909	1 402	648	**22 713**
Capital commitments								
Subsidiaries and joint operations	2 599	13 303	12 651	11 431	3 043	1 488	769	**45 284**
Equity accounted investments	–	–	976	34	–	–	–	**1 010**
Total capital commitments	2 599	13 303	13 627	11 465	3 043	1 488	769	**46 294**
Number of employees[4]	8 520	513	4 610	6 396	1 271	2 808	4 512	**28 630**

* Turnover and Variable cost have been restated by R3 billion respectively for 2022. The error relates to purchases and sales of inventory with the same counterparty that are entered into in contemplation of one another to facilitate sales to customers. These transactions were recorded on a gross basis instead of a single exchange transaction. The error had no impact on gross margin and earnings. Refer to Sasol Group Annual Financial Statements note 1. All 2022 ratios impacted by Turnover have been restated accordingly.

1 Gross margin per segment includes intersegment transactions. The group total reflects the consolidated value and excludes the intersegment transactions.
2 Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.
3 Excludes capital project related payables.
4 Includes permanent and non-permanent employees.

Segmental analysis

for the year ended 30 June 2021

	Energy			Chemicals				
	Mining Rm	Gas Rm	Fuels Rm	Africa Rm	America Rm	Eurasia Rm	Corporate Centre Rm	Total Rm
Turnover								
External	2 025	7 321	59 393	58 260	29 358	45 539	14	**201 910**
Intersegment	19 679	3 669	1 256	2 337	2	499	12	**27 454**
Total turnover	21 704	10 990	60 649	60 597	29 360	46 038	26	**229 364**
Gross margin[1]	13 424	9 732	23 017	37 746	13 424	13 920	16	**111 170**
Gross margin %	62	89	38	62	46	30	62	**55**
Adjusted EBITDA/(LBITDA)	5 793	6 728	7 356	18 296	4 529	6 441	(723)	**48 420**
Depreciation of PPE	(2 205)	(1 275)	(3 168)	(3 460)	(3 124)	(1 281)	(407)	**(14 920)**
Depreciation of right of use assets	(6)	(174)	(215)	(972)	(468)	(365)	(117)	**(2 317)**
Amortisation of intangible assets	(12)	(14)	(18)	(29)	(45)	(41)	(248)	**(407)**
Share-based payments	(315)	(90)	(248)	(488)	(107)	(128)	(529)	**(1 905)**
Unrealised derivatives gains/(losses)	–	52	1 016	1 039	–	(55)	1 007	**3 059**
Unrealised translation gains/(losses)	1	774	(21)	155	(5)	(5)	6 334	**7 233**
Change in discount rate of rehabilitation provisions	17	–	324	305	–	28	–	**674**
Remeasurement items	(46)	655	(23 196)	(7 889)	7 336	86	(164)	**(23 218)**
(Loss)/earnings before interest and tax (LBIT/EBIT)	3 227	6 656	(18 170)	6 957	8 116	4 680	5 153	**16 619**
Remeasurement items	46	(655)	23 196	7 889	(7 336)	(86)	164	**23 218**
Realised and unrealised translation losses/(gains)	34	(837)	234	927	25	(59)	(5 834)	**(5 510)**
Realised and unrealised derivatives (gains)/losses	–	(52)	(334)	(841)	–	69	(1 124)	**(2 282)**
Normalised EBIT/(LBIT)	3 307	5 112	4 926	14 932	805	4 604	(1 641)	**32 045**
Normalised EBIT/(LBIT) margin %	15	47	8	25	3	10		
Equity accounted earnings (included in Adjusted EBITDA and EBIT above)	(3)	–	742	83	–	1	(9)	**814**
Statement of financial position								
Property, plant and equipment	26 701	13 253	7 673	26 068	108 143	12 582	3 601	**198 021**
Right of use assets	3	618	1 980	4 064	3 212	1 273	1 753	**12 903**
Goodwill and other intangible assets	110	21	48	57	337	1 286	623	**2 482**
Other non-current assets[2]	691	516	10 657	1 127	960	1 627	1 492	**17 070**
Current assets[2]	1 965	11 968	15 801	18 445	12 889	15 936	27 048	**104 052**
Total external assets[2]	29 470	26 376	36 159	49 761	125 541	32 704	34 517	**334 528**
Non-current liabilities[2]	1 714	6 890	6 674	6 788	4 941	12 776	103 132	**142 915**
Current liabilities[2]	2 999	5 327	12 818	7 268	4 848	9 315	14 183	**56 758**
Total external liabilities[2]	4 713	12 217	19 492	14 056	9 789	22 091	117 315	**199 673**
Cash flow: Additions to non-current assets[3]	2 704	711	3 810	5 674	1 152	1 796	528	**16 375**
Capital commitments								
Subsidiaries and joint operations	2 982	14 039	8 664	9 950	2 413	1 438	402	**39 888**
Equity accounted investments	–	–	985	2	–	–	–	**987**
Total capital commitments	2 982	14 039	9 649	9 952	2 413	1 438	402	**40 875**
Number of employees[4]	7 811	598	4 688	7 414	1 259	3 095	4 084	**28 949**

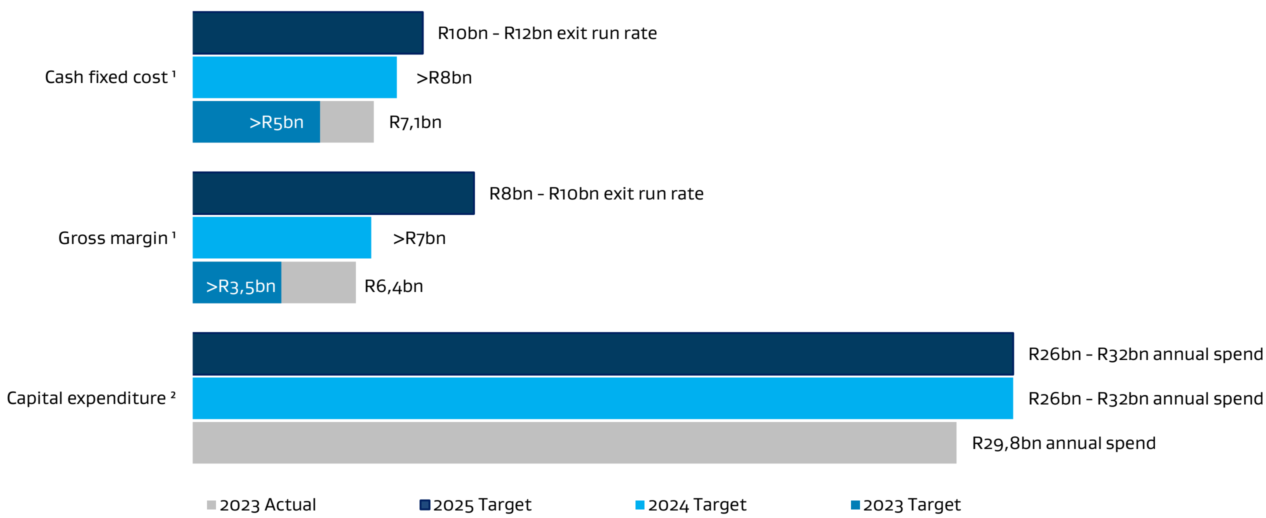
1 Gross margin per segment includes intersegment transactions. The group total reflects the consolidated value and excludes the intersegment transactions.
2 Excludes deferred tax assets, deferred tax liabilities, tax receivable, tax payable and post-retirement benefit assets.
3 Excludes capital project related payables. Includes additions to assets held for sale.
4 Includes permanent and non-permanent employees.

Sasol 2.0 Transformation programme and Reset

The Sasol 2.0 transformation programme's objectives are to enable the business to be more competitive, cash generative and able to deliver attractive and sustainable returns even in a soft oil price environment. This becomes more relevant where the current global market volatility places added pressure on our business.

The EBITDA contribution of our Sasol 2.0 programme has been R13,5 billion to date versus a target of R8,5 billion. We are building confidence in our capacity to enhance our performance through discipline and simplification. We have a robust funnel of initiatives to deliver value and we are confident that we will deliver more than was initially set out in 2020. Hence, we are revising our gross margin and cash fixed cost targets, which we anticipate to offset baseline erosion of our EBITDA. To retain flexibility and to respond appropriately to volatility in the business context, these could be offset against each other in achieving an overall target at the EBITDA level of R18 billion to R22 billion. The financial targets for Sasol 2.0 Reset, by the end of 2025 unless otherwise stated, are:

- Cash fixed cost reduction of R10 billion to R12 billion (increased from previous guidance of R8 billion to R10 billion);
- Gross margin improvement of R8 billion to R10 billion (increased from previous guidance of R6 billion to R8 billion);
- Maintain and Transform capital expenditure, a range of R26 billion to R32 billion (real 2023) per annum; and
- Net working capital target of 15,5% to 16,5% on a 12-month rolling average basis.



1 Nominal savings off R18-22bn of 2020 base
2 Maintain and Transform target capital expenditure, target in 2023 real terms (updated from R20bn - R25bn in 2020 real terms)

Cash fixed cost savings of R7,1 billion was realised in 2023, building on the initiatives implemented in the initial years of the programme. Sasol 2.0 exceeded the target of >R5 billion by 2023.

The following initiatives were executed and delivered value:

- Implementation, continuous assessment and refinement of the operating model generated sustainable savings; including execution of interim measures to manage cost;
- Rigorous cost analysis and contract negotiation to keep cost increases below inflation;
- Reduction of office cost;
- Exploring new business models to manage demand for services and materials in order to optimise spend (e.g.: Scaffolding and Welding); and
- Revised approach on maintenance through optimising efficiency and effectiveness on certain plants.

Gross margin improvements of R6,4 billon exceeded the target of >R3,5 billion by 2023, and were delivered through the following initiatives:

- Plant efficiency improvements mainly related to harnessing prescriptive analytics resulting in feedstock optimisation, debottlenecking and reduction of processing losses;
- Variable cost reduction through external spend optimisation such as sourcing and optimising logistics cost; and
- Implementing market driven strategies to improve customer experience and increase profitability of our products.

Maintain and Transform capital expenditure is managed though our disciplined capital allocation approach, thus enabling a more effective capital management process. Increased capital expenditure of R29,8 billion for 2023 compared to R22,4 billion for 2022 is mainly attributable to the planned total Secunda East factory shutdown, ramp-up of activities in Mozambique as well as Compliance Programmes (Environmental Compliance Programme and Clean Fuels), the inflationary environment and the weaker exchange Rand/US Dollar rate.

The Board approved a revised working capital target to move from a year end target of 14%, to a more sustainable measure of 15,5% to 16,5% on a 12-month rolling average basis. The decision was made in light of the volatile macro economic impacts on inventory, valuations, input costs and product prices. Working capital is reported at 16,6% on a rolling average for 12 months (12,4% at year end).

Operational stability of the foundation business is a key priority and critical to ensure that Sasol 2.0 efforts are not eroded by baseline deterioration. We will continue to monitor and respond to risks to ensure sustainable value.

Eleven year financial information

	% change 2023 vs 2022	2023 Rm	2022 Rm	2021 Rm	2020 Rm	2019 Rm	2018 Rm	2017 Rm	2016 Rm	2015 Rm	2014 Rm	2013 Rm	Compound annual growth rate % 5 years	Compound annual growth rate % 10 years
Statement of financial position														
Property, plant and equipment	2	**225 472**	221 308	198 021	227 645	357 582	332 818	289 507	259 065	197 799	162 769	140 854	**(7,5)**	**4,8**
Right of use assets	(7)	**11 685**	12 629	12 903	13 816	–	–	–	–	–	–	–		
Goodwill and other intangible assets	5	**3 191**	3 051	2 482	2 800	3 357	2 687	2 361	2 680	2 293	2 526	1 992		
Other non-current assets	17	**58 961**	50 304	42 173	52 305	27 283	22 473	19 117	20 836	16 829	17 598	17 257		
Current assets	2	**134 529**	132 256	105 164	177 969	78 015	81 257	87 954	108 133	106 678	97 371	86 062		
Total assets	3	**433 838**	419 548	360 743	474 535	466 237	439 235	398 939	390 714	323 599	280 264	246 165		
Total equity	4	**201 524**	193 197	152 471	155 917	223 109	228 608	217 235	212 418	196 483	174 769	152 893	**(2,5)**	**2,8**
Interest-bearing debt	(18)	**124 068**	104 834	102 643	167 197	128 624	110 052	82 849	79 175	42 187	25 830	23 139		
Interest-free liabilities	11	**108 246**	121 517	105 629	151 421	114 504	100 575	98 855	99 121	84 929	79 665	70 133		
Total equity and liabilities	3	**433 838**	419 548	360 743	474 535	466 237	439 235	398 939	390 714	323 599	280 264	246 165	**(0,2)**	**5,8**
Income statement														
Turnover	6	**289 696**	272 746	201 910	190 367	203 576	181 461	172 407	172 942	185 266	202 683	169 891	**9,8**	**5,5**
Earnings/(loss) before interest and tax (EBIT/LBIT)	(65)	**21 520**	61 417	16 619	(111 926)	8 434	17 749	31 705	24 239	46 549	45 818	40 845	**3,9**	**(6,2)**
Net finance costs	(19)	**(7 006)**	(5 876)	(5 902)	(6 381)	(466)	(2 043)	(1 697)	(521)	(956)	(705)	(1 139)		
Earnings/(loss) before tax	(74)	**14 514**	55 541	10 717	(118 307)	7 968	15 704	30 008	23 718	45 593	45 113	39 706	**(1,6)**	**(9,6)**
Taxation	63	**(5 181)**	(13 869)	(185)	26 390	(2 803)	(5 558)	(8 495)	(8 691)	(14 431)	(14 696)	(12 595)		
Earnings/(loss) for the year	(78)	**9 333**	41 672	10 532	(91 917)	5 165	10 146	21 513	15 027	31 162	30 417	27 111	**(1,7)**	**(10,1)**
Attributable to														
Owners of Sasol Limited	(77)	**8 799**	38 956	9 032	(91 754)	3 389	8 729	20 374	13 225	29 716	29 580	26 274	**0,2**	**(10,4)**
Non-controlling interests in subsidiaries	(80)	**534**	2 716	1 500	(163)	1 776	1 417	1 139	1 802	1 446	837	837		
	(78)	**9 333**	41 672	10 532	(91 917)	5 165	10 146	21 513	15 027	31 162	30 417	27 111		
Statement of cash flows														
Cash flow from operations	(16)	**56 732**	67 674	52 268	36 546	48 988	46 638	46 236	52 973	56 422	69 174	55 184	**4,0**	**0,3**
Decrease/(increase) in working capital	<(100)	**8 050**	(11 536)	(7 154)	5 838	2 410	(3 761)	(2 167)	1 700	5 361	(3 725)	(3 278)		
Cash generated by operating activities	15	**64 637**	56 138	45 114	42 384	51 398	42 877	44 069	54 673	61 783	65 449	51 906	**8,6**	**2,2**
Finance income and dividends received	49	**6 007**	4 029	874	1 000	2 188	3 267	3 003	2 520	4 046	5 920	6 063		
Finance costs paid	(29)	**(7 083)**	(5 478)	(6 173)	(7 154)	(6 222)	(4 797)	(3 612)	(3 249)	(2 097)	(499)	(523)		
Tax paid	(3)	**(13 952)**	(13 531)	(5 280)	(5 659)	(3 946)	(7 041)	(6 352)	(9 329)	(10 057)	(13 647)	(10 367)		
Cash available from operating activities	21	**49 609**	41 158	34 535	30 571	43 418	34 306	37 108	44 615	53 675	57 223	47 079		
Dividends paid	<(100)	**(13 754)**	(49)	(46)	(31)	(9 952)	(7 952)	(8 628)	(10 680)	(12 739)	(13 248)	(10 787)		
Dividends paid to non-controlling shareholders in subsidiaries	(50)	**(433)**	(859)	(446)	(810)	(1 523)	(725)	(989)	(1 296)	(365)	(372)	(297)		
Cash retained from operating activities	(12)	**35 422**	40 250	34 043	29 730	31 943	25 629	27 491	32 639	40 571	43 603	35 995	**6,7**	**(0,2)**
Total additions to non-current assets	(36)	**(30 854)**	(22 713)	(16 375)	(35 164)	(55 800)	(53 384)	(60 343)	(70 409)	(42 645)	(38 779)	(30 414)		
Other movements[1]	(66)	**2 620**	7 636	41 468	(3 386)	(612)	(595)	3 666	(625)	560	966	(419)		
Decrease/(increase) in funding requirements	(71)	**7 188**	25 173	59 136	(8 820)	(24 469)	(28 350)	(29 186)	(38 395)	(1 514)	5 790	5 162		

1 2023 includes R0,8 billion (2022: R8,5 billion; 2021: R43,2 billion) proceeds on disposal of businesses and scrappings.

Sasol South Africa Limited

Valuation of Khanyisa B-BBEE transaction

		Khanyisa net value 30 June 2023 Rbn	Khanyisa net value 30 June 2022 Rbn
Fair value of Sasol South Africa (SSA) Group after share issue to participants[1]		**38,3**	**36,6**
Attributable to Khanyisa participants	18,38%	**7,0**	**6,7**
Vendor funding[2]		**(11,2)**	**(14,7)**
Net value created		**–**	**–**

1 The valuation of the SSA Group is performed on an annual basis. Fair value of SSA Group as at 30 June 2023 is as per the independent valuation performed by Rand Merchant Bank.

2 For 2023, the SSA Group declared an interim dividend of R10,0 billion, 97,5% of the dividends attributable to Khanyisa participants are utilised to repay the vendor funding.

The value of the SSA Group is subject to estimation and judgement, as there are a number of variables impacting the valuation. The SSA valuation is highly sensitive to changes in macroeconomic factors, mainly global oil prices and the R/US dollar exchange rate.

Abbreviations

AUC - assets under construction

bscf - billion standard cubic feet

EUR/ton - Euro per ton

kt - thousand tons

m³/h - cubic meter per hour

m bbl - thousand barrels

mm bbl - million barrels

mm tons - million tons

MW - megawatt

R/ton - Rand per ton

R/US$ - Rand/US dollar currency

Rbn - Rand billions

Rm - Rand millions

t/cm/s - tons per continuous miner per shift

US - United States

US$ - US dollar

US$/bbl - US dollar per barrel

US$/ton - US dollar per ton

US$c/gal - US dollar cent per gallon

US$m - US dollar millions

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, and measures taken in response, on Sasol's business, results of operations, markets, employees, financial condition and liquidity; the effectiveness of any actions taken by Sasol to address or limit any impact of COVID-19 on its business; the capital cost of our projects and the timing of project milestones; our ability to obtain financing to meet the funding requirements of our capital investment programme, as well as to fund our ongoing business activities and to pay dividends; statements regarding our future results of operations and financial condition, and regarding future economic performance including cost containment, cash conservation programmes and business optimisation initiatives; recent and proposed accounting pronouncements and their impact on our future results of operations and financial condition; our business strategy, performance outlook, plans, objectives or goals; statements regarding future competition, volume growth and changes in market share in the industries and markets for our products; our existing or anticipated investments, acquisitions of new businesses or the disposal of existing businesses, including estimates or projection of internal rates of return and future profitability; our estimated oil, gas and coal reserves; the probable future outcome of litigation, legislative, regulatory and fiscal developments, including statements regarding our ability to comply with future laws and regulations; future fluctuations in refining margins and crude oil, natural gas and petroleum and chemical product prices; the demand, pricing and cyclicality of oil, gas and petrochemical product prices; changes in the fuel and gas pricing mechanisms in South Africa and their effects on prices, our operating results and profitability; statements regarding future fluctuations in exchange and interest rates and changes in credit ratings; total shareholder return; our current or future products and anticipated customer demand for these products; assumptions relating to macroeconomics; climate change impacts and our climate change strategies, our development of sustainability within our Energy and Chemicals Businesses, our energy efficiency improvement, carbon and GHG emission reduction targets, our net zero carbon emissions ambition and future low-carbon initiatives, including relating to green hydrogen and sustainable aviation fuel; our estimated carbon tax liability; cyber security; and statements of assumptions underlying such statements. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour", "target", "forecast" and "project" and similar expressions are intended to identify 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 31 August 2022 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 foregoing factors and other uncertainties and events, and you should not place undue reliance on forward-looking statements. 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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