



Partners in Success

# EQUATE Group

## YE 2023 Earnings Presentation

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# Our Speakers



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**Naser Aldousari**  
President & CEO



**Sudhir Shenoy**  
Sr. Vice President



**Phisanu Sermchaiwong**  
Chief Financial Officer

# Agenda

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# EQUATE Group Overview



**Total Revenue**  
**3,135 \$MM**  
-21% vs 2022 ▼

**Net Income**  
**308 \$MM**  
-50% vs 2022 ▼

**EBITDA**  
**862 \$MM**  
-29% vs 2022 ▼

**Sales Volume ('000 MT)**  
**4,969**  
-5% vs 2022 ▼



EQUATE Group faced challenges, particularly in pricing and due to planned turnarounds, despite these obstacles, the group successfully navigated the difficulties.



Leveraging its advantaged portfolio, the company capitalized on robust demand in select higher-value regional markets.



Macroeconomic uncertainty and disruptions in global supply chains led to increased lead time and costs. EQUATE responded to these dynamics by implementing initiatives on a regional and business-specific level.



EQUATE Group continues to work closely with its stakeholders to ensure maximized production rates, effective inventory management, and operational efficiency.



EQUATE Group remains committed to consistent and disciplined growth and resilience in both the short and long term.



The key strategy, built on operational efficiency, stringent safety and reliability standards, environmental consciousness, and a focus on delivering cost-effective solutions, continued to prove effective. EQUATE remains committed to these core strengths to meet customer needs.

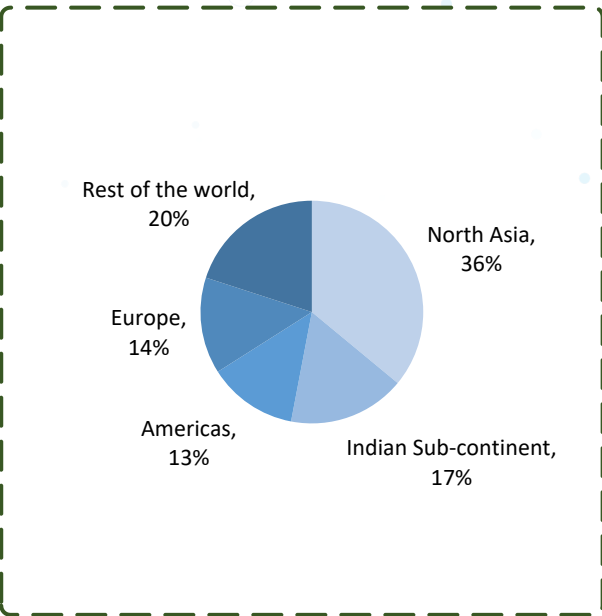
# YE 2023 Revenue



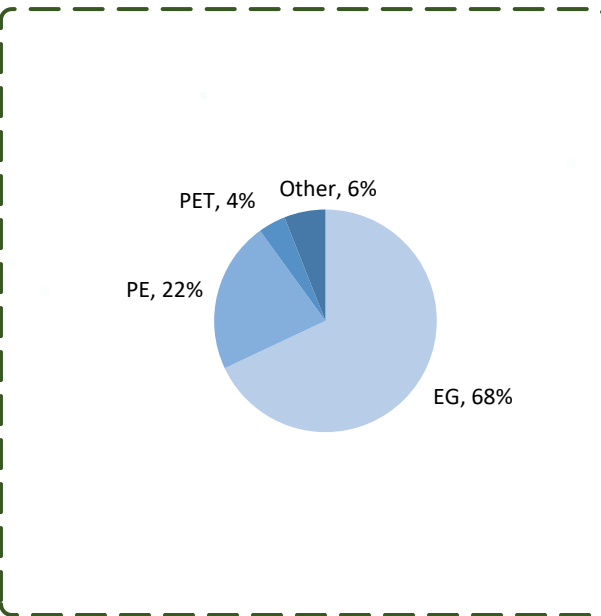
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**Year 2023 Revenue \$3,135 MM, a 21% YoY Decrease**

Revenue by Region



Revenue by Product



Breakdown

	Volume* ('000 MT)	Price (\$/MT)
EG	4,171 1% ↓	512 13% ↓
PE	679 3% ↓	994 16% ↓
PET	119 60% ↓	1,145 28% ↓

\* % Change compared to same period last year

# YE 2023 Financial Position

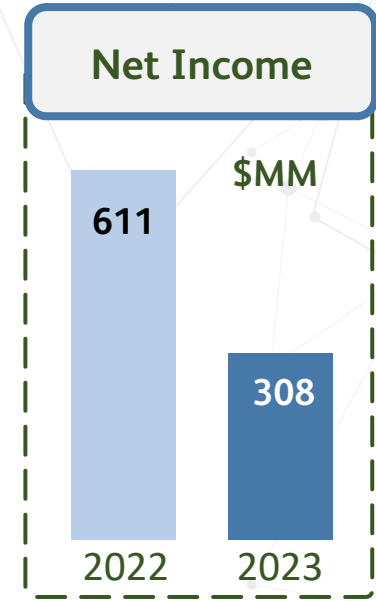
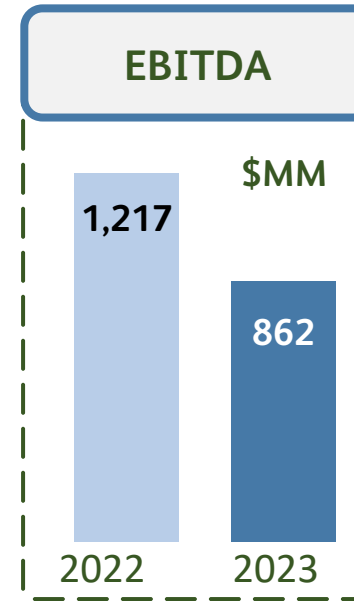
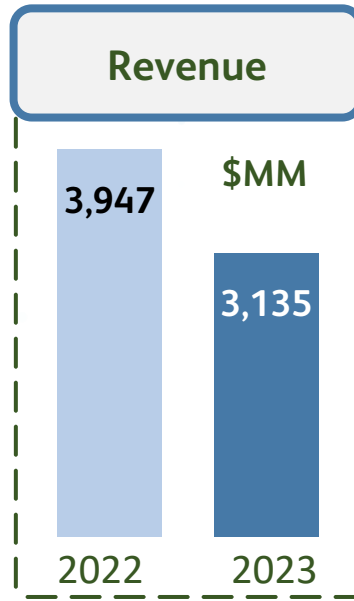


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Unit: \$MM

YE2023 EBITDA Margin above 27%, supported by operational excellence, and effective cost management

<u>Cash on Hand</u> <b>656</b>	<u>Gross Debt</u> <b>4,350</b>
<u>EBITDA</u> <b>862</b>	<u>Net Debt</u> <b>3,694</b>

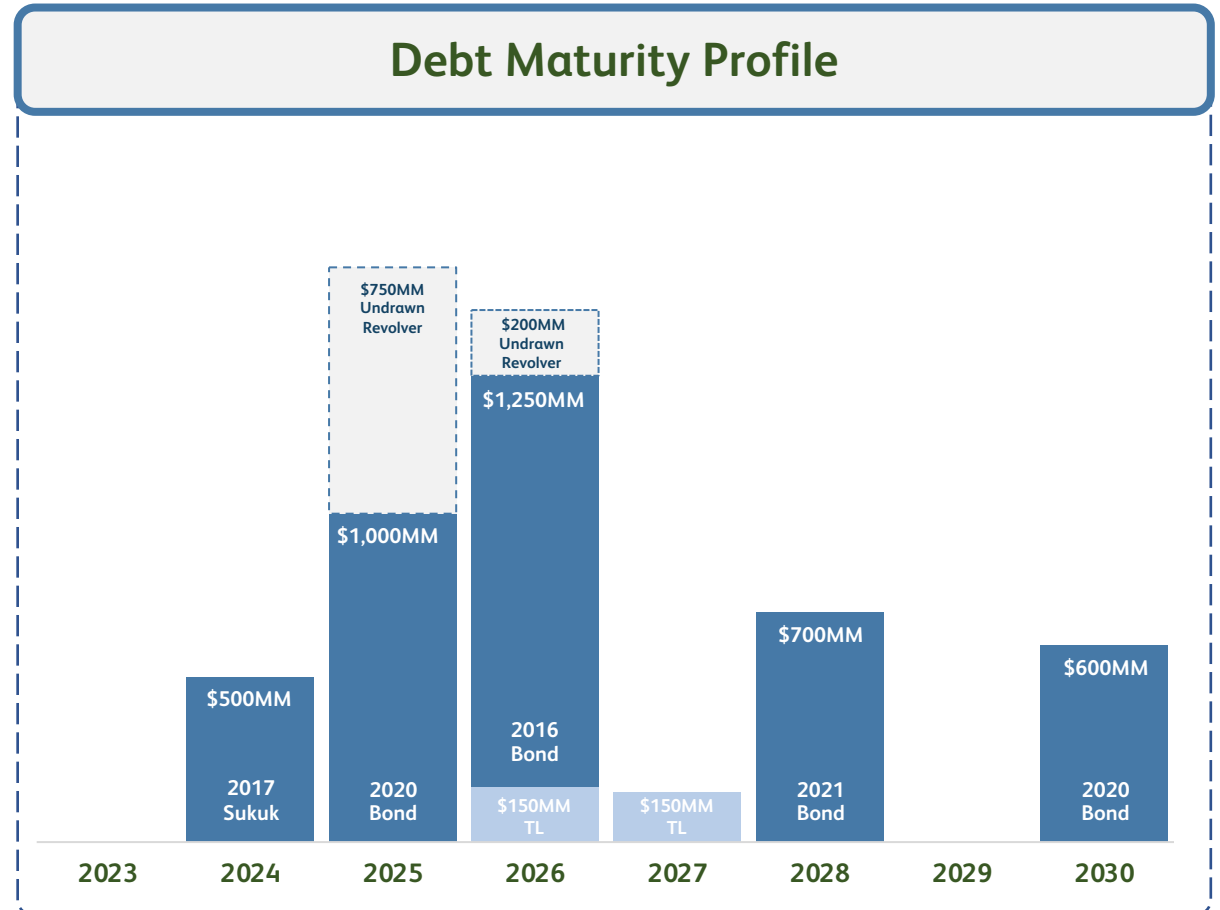


# Cashflow and Debt Maturity



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Cashflow (\$MM)	
Cash from Operations	877
CAPEX	(203)
Dividend	(250)
Free Cashflow	424

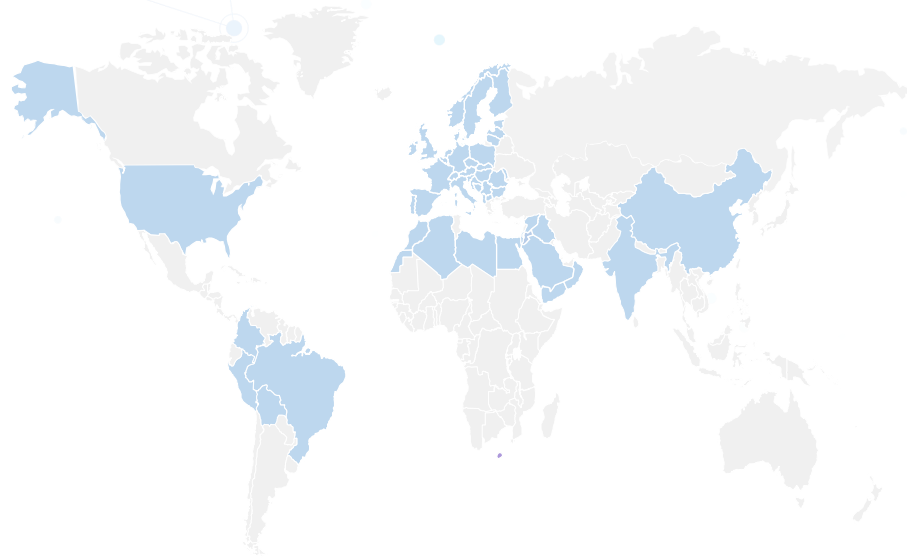




# Market Overview



**EQUATE excels in the market with strong sales and structural agility**



Despite global macro headwinds, Polyester market shows strong demand rebound in China and India.

Wave of capacity additions for EG tapering off in 2023 and demand supply balances expected to start correcting medium term.

Global footprint, targeted market franchises and advantaged location allows for maximizing regional netback arbitrages for EG & PE.

Despite significant over capacity in both EG and PE markets and low industry wide operating rates, EQUATE maintains a sold-out position.

# Market Overview



## Price Trend



Global over supply kept pressure on pricing with MEG Asia spot prices bottoming in Q3.

Supply chain disruptions in Panama/Suez combined with consistently poor industry wide profitability supported a pricing recovery late in the year.

While China macro economic recovery remains uncertain, demand supply balancing and margin pressures should support pricing recovery in a narrow band.

# ESG Overview

*EQUATE Group is a responsible operator with a strong commitment to sustainability.*



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## Establishing ESG Framework

EQUATE Group is in the progress of finalizing the transition to Environmental, Social and Governance reporting starting with the years 2021 and 2022



## Plan for the Sustainable Future

EQUATE Group has developed a multi-phase plan which defines our 2050, and 2035 intermediate goal with respect to reduction in absolute Scope 1 & 2 emissions



## DEI Initiative

- Partnership with the Human Construction Society.
- Partnership with KWEEN Platform.
- Financial contribution to The Surfside Jetty Park.



## Renewable Energy Solutions

Renewable energy solutions to power our plants globally, capture the CO2 produced in our glycol plants and use new technologies are key aspects of this multi-phase plan



## MEGlobal

MEGlobal Americas glycol plant's power needs are 100% covered by renewable power as of 2023



## Waste Management

- Global partnership.
- Partnership with Omniya.
- Partnership with EPA.



## Environment

Saad Preservatory.



# Q&A



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Thank You

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