

FOR IMMEDIATE RELEASE

MPHC reports a net profit of QR 719 million for the year ended 31 December 2024

The Board of Directors recommends a dividend for 2H-24 of QR 0.03 per share, bringing the total dividend for the year to QR 0.057 per share. This equates to a payout ratio of 100% of net earnings for 2024.

- Group revenue reached QR 2.8 billion for the year ended 31 December 2024.
- Earnings per share (EPS) amounted to QR 0.057 for the year ended 31 December 2024.
- Macroeconomic headwinds weighed on the product prices, affecting financial results for the year.
- Robust liquidity position with closing cash and bank balances¹ amounting to QR 3.4 billion as of 31 December 2024.

Doha, Qatar; 30 January 2025: Mesaieed Petrochemical Holding Company ("MPHC" or "the Group"; QE ticker: MPHC), today announced a net profit of QR 719 million for year ended 31 December 2024, representing a decline compared to the year ended 31 December 2023.

Commenting of the financial and operational performance for the year ended 31 December 2024, **Mr. Ahmad Saif Al-Sulaiti, Chairman of the Board of Directors, MPHC**, said:

"Despite the challenges presented by the current macroeconomic context and overall market volatility, MPHC's robust balance sheet underscores our enduring strength in both competitiveness and financial capabilities. Our strategic initiatives are designed to navigate these turbulent times. We remain steadfast in our commitment to delivering long-term value and stability to our stakeholders. By leveraging our financial resilience, operational excellence, and innovative approaches, we aim to sustain growth and enhance shareholder value, ensuring that MPHC remains a leader in the region's petrochemical industry."

Updates on macroeconomic environment

In 2024, the global macroeconomic environment was marked by a mix of ongoing challenges. The year started with lingering effects from 2023, including high inflation, elevated interest rates, and supply chain disruptions, all of which posed risks to economic stability.

The sectors in which the group operates faced several challenges throughout the year. Demand remained weak due to stringent monetary policies and reduced consumer spending. On the supply side, falling energy prices and improved logistics led to increased production, resulting in higher supply levels. This imbalance between demand and supply had impacted the group's average prices. Despite these challenges, the group remained committed to operational excellence to navigate the turbulent environment successfully.

Updates on operational performance

Key performance indicators	YE-24	YE-23	Variance (%) [YE-24 vs YE-23]	4Q-24	3Q-24	Variance (%) [4Q-24 vs 3Q-24]
Production (MT' 000)	1,086	1,137	-4%	258	274	-6%
Plant utilization rates (%)	94%	97%	-3%	94%	95%	-1%

¹ Cash and bank balances are reported based on non-IFRS based proportionate consolidation, including share of cash and bank balances from joint ventures.

MPHC's performance remains strong and stable, with production during the current period slightly lower compared to the same period last year. This minor decrease is mainly attributed to disruptions in the petrochemical segment, which were partially balanced by increased output from the Chlor-alkali segment. The Chlor-alkali segment showed volume improvements as there was minimal scheduled maintenance shutdown this year, unlike during same period last year.

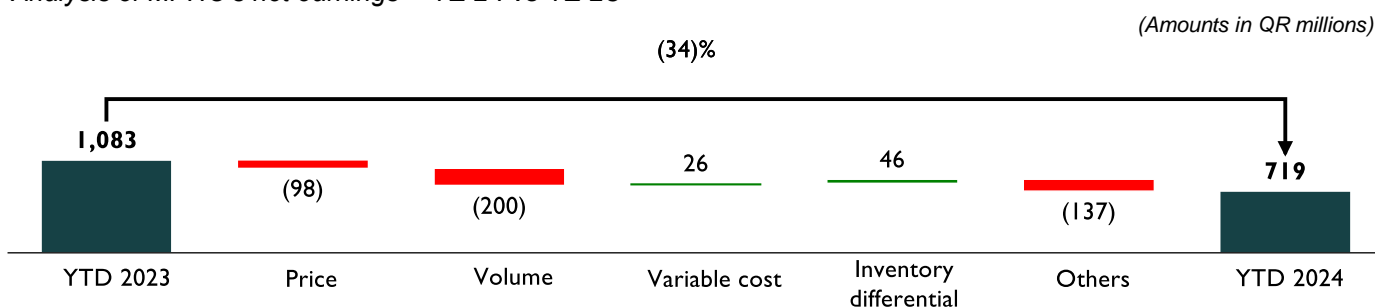
On a quarter-on-quarter basis, production experienced a slight decline. This was primarily driven by a significant decrease in the Chlor-Alkali segment due to a planned shutdown during the current quarter. However, this impact was partially offset by improved production in the petrochemical segment.

Financial performance updates – YE-24 vs YE-23

Key financial performance indicators	YE-24	YE-23	Variance (%)
Average selling price (\$/MT)	711	765	-7%
Sales volumes (MT' 000)	1,085	1,117	-3%
Revenue (QR' million)	2,809	3,108	-10%
EBITDA (QR' million)	1,189	1,526	-22%
Net profit (QR' million)	719	1,083	-34%
Earnings per share (QR)	0.057	0.086	-34%
EBITDA margin (%)	42%	49%	--

Note: Figures have been reported based on non-IFRS based proportionate consolidation

Analysis of MPHC's net earnings – YE-24 vs YE-23



MPHC reported a net profit of QR 719 million for the year ended 31 December 2024, marking a decrease compared to the same period last year. The reduction in profitability was mainly due to decrease in selling prices and lower sales volumes, which led to a drop in the Group's revenue, along with the contraction in profit margins.

Despite the overall revenue decline, MPHC experienced a decrease in sales volumes compared to YE-23. This decrease was primarily driven by lower sales volumes reported in the petrochemicals segment, which was partially offset by higher sales volumes in the chlor-alkali segment.

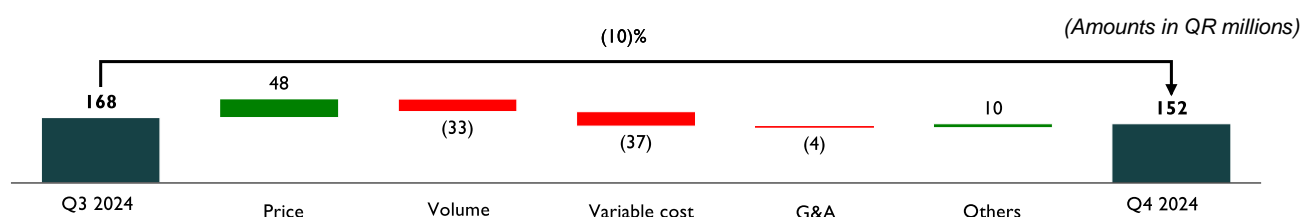
However, EBITDA for the current period noted a decline versus YE-23, mainly due to lower revenue. Additionally, the drop in production and subsequent sales volumes within the petrochemical segment, coupled with a decline in the average selling prices, negatively impacted the group's overall EBITDA and EBITDA margins for YE-24 compared to the same period last year. These factors collectively contributed to the decreased financial performance observed in the year ended 31 December 2024.

Overall, the financial results were impacted by lower earnings from both segments compared to the same period last year. The overall performance of these two segments resulted in a net negative effect on the company's overall results.

Financial performance – 4Q-24 vs 3Q-24

Key financial performance indicators	4Q-24	3Q-24	Variance (%)
Average selling price (\$/MT)	747	693	8%
Sales volumes (MT' 000)	256	269	-5%
Revenue (QR' million)	697	679	3%
EBITDA (QR' million)	274	287	-5%
Net profit (QR' million)	152	168	-10%
Earnings per share (QR)	0.012	0.013	-10%
EBITDA margin (%)	39%	42%	--

Note: Figures have been reported based on non-IFRS based proportionate consolidation

Analysis of MPHC's net earnings - 4Q-24 vs 3Q-24

MPHC's bottom-line profitability declined compared to the previous quarter, primarily due to lower sales volumes.

The increase in revenue was mainly attributed to marginally higher selling prices offset by reduced sales volumes. The Group realized higher average selling price due to proportionately higher sales volumes from petrochemical segment during current quarter versus the previous quarter, aiding to uplift the average prices on quarterly basis. Overall sales volume witnessed a decline, primarily driven by the chlor-alkali segment, where lower production was due to planned shutdown resulted in decreased sales volume. EBITDA were negatively affected, impacting margins compared to the previous quarter.

Financial performance – 4Q-24 vs 4Q-23

Key financial performance indicators	4Q-24	4Q-23	Variance (%)
Average selling price (\$/MT)	747	738	1%
Sales volumes (MT' 000)	256	303	-16%
Revenue (QR' million)	697	815	-15%
EBITDA (QR' million)	274	356	-23%
Net profit (QR' million)	152	234	-35%
Earnings per share (QR)	0.012	0.019	-35%
EBITDA margin (%)	39%	42%	--

Note: Figures have been reported based on non-IFRS based proportionate consolidation

MPHC's bottom-line profitability declined compared to the same quarter last year, primarily due to lower revenue. This decline in revenue was driven by lower sales volumes.

Sales volumes were impacted due to lower operating rates in the current quarter, in contrast to the better rates witnessed during the same period last year. Additionally, EBITDA was negatively affected by lower gross margins, which were primarily attributed to higher operating costs and general inflation. These factors collectively contributed to the overall decline in MPHC's financial performance compared to the same quarter of the previous year.

Financial position

Key performance indicators	As at 31-Dec-24	As at 31-Dec-23	Variance (%)
Cash and bank balances (QR' billion)	3.4	4.3	-21%
Total Assets (QR' billion)	16.7	17.5	-5%
Total Equity (QR' billion)	16.3	17.1	-4%

Note: Cash and bank balances is reported based on non-IFRS based proportionate consolidation

MPHC maintained robust liquidity with substantial cash and bank balances. However, there was a decline in these balances primarily due to two factors: the dividend payment for the financial year 2023 and the interim dividend for 2024 in addition to the payment of MPHC portion in the financing of the PVC project. This decrease was partially offset by positive cash flow generation during the current year.

Segmental performance highlights**Petrochemicals:**

Key performance indicators	YE-24	YE-23	Variance (%) [YE-24 vs YE- 23]	4Q-24	3Q-24	Variance (%) [4Q-24 vs 3Q- 24]
Average selling price (\$/MT)	916	957	-4%	900	930	-3%
Sales volumes (MT' 000)	630	699	-10%	178	138	29%
Revenue (QR' million)	2,101	2,434	-14%	584	467	25%
Net profit (QR' million)	547	885	-38%	153	106	45%
Production (MT' 000)	635	716	-11%	183	144	27%

Note: The above figures have been reported based on non-IFRS based proportionate consolidation

Segmental performance analysis – YE-24 vs YE-23

The petrochemicals segment reported a net profit of QR 547 million for YE-24, down in comparison to the same period last year. This significant decline in profitability was primarily driven by lower revenue. Segment's revenue declined during YE-24 versus YE-23, mainly driven by lower selling prices and sales volumes. The drop in sales volumes was primarily linked to lower production, due to reduced plant availability. Product prices also declined, mainly due to deteriorating macroeconomic fundamentals compared to last year.

These factors presented challenges in terms of margins, further affecting profitability compared to last year. The decline in petrochemical prices and demand is consistent with global trends, as the industry faced challenges throughout 2024 due to softening demand, increased global capacity, and historically low earnings across various chemical value chains.

Segmental performance analysis - 4Q-24 vs 3Q-24

On a quarter-on-quarter basis, segmental profits saw a significant increase, primarily driven by higher revenue. This revenue boost was due to increased production, which led to higher quarterly sales volumes. However, this was partially offset by a marginal decline in selling prices compared to the previous quarter.

Chlor-alkali:

Key performance indicators	YE-24	YE-23	Variance (%) [YE-24 vs YE- 23]	4Q-24	3Q-24	Variance (%) [4Q-24 vs 3Q- 24]
Average selling price (\$/MT)	428	443	-4%	398	443	-10%
Sales volumes (MT' 000)	454	418	9%	78	131	-40%
Revenue (QR' million)	707	674	5%	113	211	-46%
Net profit (QR' million)	36	74	-52%	-32	32	-200%
Production (MT' 000)	450	421	7%	75	130	-42%

Note: The above figures have been reported based on non-IFRS based proportionate consolidation

Segmental performance analysis – YE-24 vs YE-23

The Chlor-alkali segment reported a net profit of QR 36 million for the current period, a decrease compared to last year. Despite higher sales volume and marginally lower selling prices due to persistent macroeconomic uncertainties, the segment's performance declined.

This decline was primarily driven by higher cost of good associated with the increase in sales volumes, resulting from higher production output due to better plant availability in chlor-alkali facilities. The boost in production and subsequent sales volumes significantly increased the segment revenue. However, due to planned turnaround and higher direct costs the overall profitability declined compared to last year.

Segmental performance analysis - 4Q-24 vs 3Q-24

Comparing 4Q-24 to 3Q-24, the segment's profitability decreased significantly resulting in a net loss mainly due to the planned turnaround. This decline was driven by four key factors: lower sales volumes due to decline in production efficiency, decreased selling prices, and lower sales volumes. The combination of these factors resulted in a notably weaker quarterly performance for the segment.

Proposed dividend distribution

Given the liquidity required for current and future capital projects and considering both short- and long-term debt obligations, along with macroeconomic outlook, the Board of Directors proposes a 2H-2024 dividend distribution of QR 377 million (equating to QR 0.03 per share), bringing the total annual dividend distribution for the year ended 31 December 2024 of QR 716 million, equivalent to a payout of QR 0.057 per share for the full year, subject to necessary approval in the Annual General Assembly Meeting.

Earnings Call

MPHC will host an IR earnings call with investors to discuss its results, on Wednesday, 05 February 2024 at 1:30 p.m. Doha Time. The IR presentation that accompanies the conference call will be posted on the 'financial information' page within the Investor Relations section at MPHC's website.

-Ends-

About MHPC

Mesaieed Petrochemical Holding Company Q.P.S.C. ("MPHC") was incorporated as a Qatari joint stock company on May 29, 2013 with an agreed effective date for the transfer of QatarEnergy's (formerly known as Qatar Petroleum) previous shareholding in the joint ventures of September 1, 2013. The registered office is located at P.O. Box 3212, Doha, State of Qatar.

The main activity of MPHC is to act as a holding company: (i) Q-Chem is currently owned by MPHC (49%), Chevron Phillips Chemical International Qatar Holdings L.L.C. ("CPCIQH") (49%) and QatarEnergy (2%), and has one wholly-owned subsidiary, Q-Chem Distribution Company Limited, (ii) Q-Chem II is currently owned by MPHC (49%), CPCIQH (49%) and QatarEnergy (2%), and has one wholly-owned subsidiary, Q-Chem II Distribution Company Limited, and an effective ownership interest of 53.85% in a joint venture, Ras Laffan Olefins Company Limited, which supplies ethylene to Q-Chem II; and (iii) QVC, which was incorporated in 1997 as a joint venture, and is currently owned by MPHC (55.2%), Qapco (31.9%) and QatarEnergy (12.9%). For more information about the earnings announcement, e-mail mphc@qatarenergy.qa or visit www.mphc.com.qa

DISCLAIMER

The companies in which Mesaieed Petrochemical Holding Company Q.P.S.C. directly and indirectly owns investments are separate entities. In this press release, "MPHC" and "the Group" are sometimes used for convenience in reference to Mesaieed Petrochemical Holding Company Q.P.S.C.

This presentation may contain forward-looking statements concerning the financial condition, results of operations and businesses of Mesaieed Petrochemical Holding Company Q.P.S.C. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the group to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realization of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the group's products, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this presentation are made as of the date of this presentation.

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GENERAL NOTES

Mesaieed Petrochemical Holding Company's accounting year follows the calendar year. No adjustment has been made for leap years. Values expressed in QR billions and percentages have been rounded to 1 decimal point. All other values have been rounded to the nearest whole number. Values expressed in US \$'s have been translated at the rate of US \$1 = QR3.64.

Amounts relating to income statement, including revenue, net profits, production, sales volumes, have been computed and reported for the purposes of this press release on proportionate basis, based on the share of ownership of MPHC in its respective joint ventures.

DEFINITIONS

Cash Realisation Ratio: Cash Flow From Operations / Net Profit x 100 • Debt to Equity: (Current Debt + Long-Term Debt) / Equity x 100 • Dividend Yield: Total Cash Dividend / Closing Market Capitalisation x 100 • EDC: Ethylene Dichloride • EPS: Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year end) • EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation • Free Cash Flow: Cash Flow From Operations - Total CAPEX • HCL: Hydrochloric Acid • HDPE: High Density Polyethylene • NAO: Normal Alpha Olefins • NaOH: Caustic Soda • MT / PA: Metric Tons Per Annum • Payout Ratio: Total Cash Dividend / Net Profit x 100 • P/E: Price to Earnings (Closing market capitalisation / Net Profit) • Utilisation: Production Volume / Rated Capacity x 100 • VCM: Vinyl Chloride Monomer