

FOR IMMEDIATE RELEASE

MPHC reports a net profit of QR 849 million for the nine-month period ended 30 September 2023

- Group revenue reached QR 2.3 billion for the nine-month period ended 30 September 2023
- Qualifying Shareholders will be eligible according to the IPO prospectus to receive their final incentive share awards towards the end of this year.
- Earnings per share (EPS) amounted to QR 0.068 for the nine-month period ended 30 September 2023
- Continued macroeconomic challenges are weighing down on commodity prices, directly affecting the financial performance in the current period.
- Robust liquidity position with closing cash and bank balances¹ amounting to QR 4.0 billion as of 30 September 2023

Doha, Qatar; 23th October 2023: Mesaieed Petrochemical Holding Company (“MPHC” or “the Group”; QE ticker: MPHC), today announced a net profit of QR 849 million for the nine-month period ended 30 September 2023, representing a decline of 42% compared to 9M-22.

Updates on macroeconomic environment:

The macroeconomic backdrop has been marked by various challenges, leading to fluctuations in commodity markets. These challenges encompass concerns about recession due to inflationary pressures and a high-interest rate environment. Moreover, the commodity markets faced heightened uncertainty owing to the slower global economic recovery and declining energy prices, presenting a dynamic and challenging environment. Furthermore, the oversupplied market is compounded by a weakened global economy as consumers modify spending habits in the face of inflation, recession, and rising interest rates. On overall, average commodity prices for MPHC’s basket of products declined on a year-on-year and on sequential basis, following last couple of year’s high price environment.

Updates on operational performance

Key performance indicators	9M-23	9M-22	Variance (%) [9M-23 vs 9M-22]	3Q-23	2Q-23	Variance (%) [3Q-23 vs 2Q-23]
Production (MT’ 000)	841	850	-1%	308	294	+5%
Plant utilization rates (%)	95%	98%	--	103%	99%	--

MPHC’s operations continue to remain robust and resilient with total production for the current period reaching 841 thousand MTs. Production for 9M-23 declined versus 9M-22, mainly due to a maintenance turnaround carried out at QVC facilities during 1Q-23 which affected production volumes for 9M-23.

On a quarter-on-quarter basis production volumes for 3Q-23 increased by 5% in comparison to 2Q-23, mainly due to an incline noted in production volumes from both segments, linked to higher operating days during the 3Q-23.

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

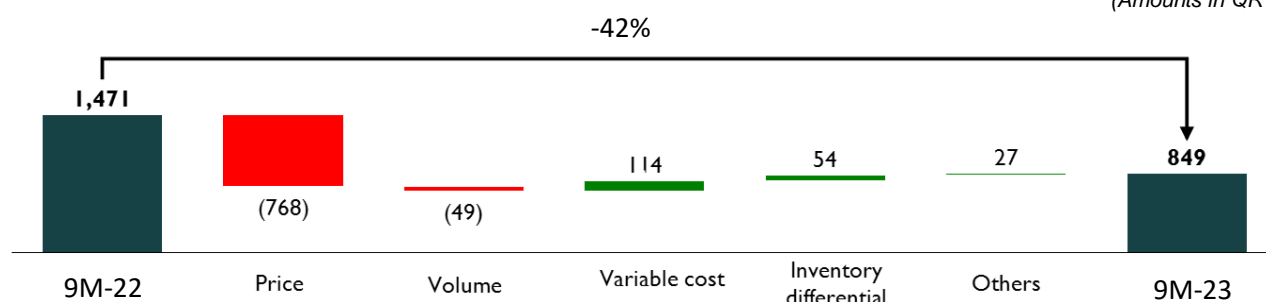
Financial performance updates – 9M-23 vs 9M-22

Key financial performance indicators	9M-23	9M-22	Variance (%)
Average selling price (\$/MT)	775	1,001	-23%
Sales volumes (MT' 000)	813	849	-4%
Revenue (QR' million)	2,293	3,093	-26%
EBITDA (QR' million)	1,170	1,778	-34%
Net profit (QR' million)	849	1,471	-42%
Earnings per share (QR)	0.068	0.117	-42%
EBITDA margin (%)	51%	57%	--

Note: Revenue and EBITDA have been reported based on non-IFRS based proportionate consolidation

Analysis of MPHC's net earnings – 9M-23 vs 9M-22

(Amounts in QR millions)



MPHC reported a net profit of QR 849 million for the nine-month period ended 30 September 2023, down by 42% compared to the same period of last year. This decline in profitability was mainly linked to lowered Group revenue, which declined by 26% and reached QR 2.3 billion.

The decline in Group revenue is primarily attributed to the decrease observed in average blended product prices, which fell by 23% compared to 9M-22. This decline translated into a QR 768 million decrease in MPHC's net earnings for the current period in comparison to the same period of last year. The subdued commodity demand, driven by macroeconomic headwinds and exacerbated by surplus supply, led to a decrease in commodity prices.

Sales volumes also declined marginally by 4% versus 9M-22, mainly driven by lowered sales volumes reported by the chlor-alkali segment, being partially offset by higher volumes reported by the petrochemicals segment on the back of higher operating days compared to the previous period. Negative movement in sales volumes translated into a decline of QR 49 million in MPHC's 9M-23 net earnings versus the same period of last year.

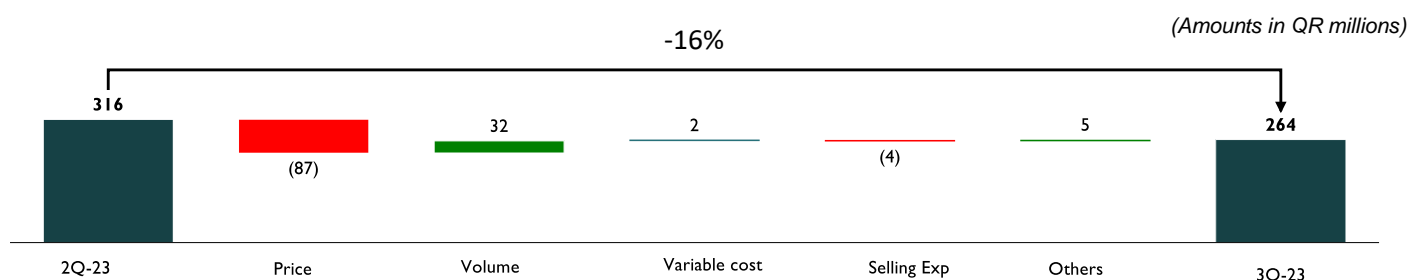
EBITDA for the current period amounted to QR 1,170 million with a decline of 34% versus 9M-22, mainly due to lower revenue. EBITDA margins for 9M-23 reached 51% versus 57% achieved during 9M-22.

Financial performance – 3Q-23 vs 2Q-23

Key financial performance indicators	3Q-23	2Q-23	Variance (%)
Average selling price (\$/MT)	707	791	-11%
Sales volumes (MT' 000)	295	283	+4%
Revenue (QR' million)	758	814	-7%
EBITDA (QR' million)	373	424	-12%
Net profit (QR' million)	264	316	-16%
Earnings per share (QR)	0.021	0.025	-16%
EBITDA margin (%)	49%	52%	--

Note: Revenue and EBITDA measures have been reported based on non-IFRS based proportionate consolidation

Analysis of MPHC's net earnings - 3Q-23 vs 2Q-23



MPHC's bottom-line profitability decreased by 16% sequentially, mainly due to lower revenue noted on a quarter-on-quarter basis which declined by 7%.

Decrease in revenue was mainly linked to lower selling prices which declined by 11%, partially offset by higher sales volume which increased by 4% versus 2Q-23. The persistent fluctuations in the macroeconomic situation are causing ongoing volatility in the prices of most commodities. This downward movement in selling prices led to a negative contribution of QR 87 million to MPHC's net earnings for 3Q-23 in comparison to 2Q-23.

On the other hand, higher production volumes led to an overall growth in sales volumes, which contributed by QR 32 million positively to MPHC's net earnings on a quarter-on-quarter basis.

Financial performance – 3Q-23 vs 3Q-22

Key financial performance indicators	3Q-23	3Q-22	Variance (%)
Average selling price (\$/MT)	707	854	-17%
Sales volumes (MT' 000)	295	316	-7%
Revenue (QR' million)	758	984	-23%
EBITDA (QR' million)	373	536	-30%
Net profit (QR' million)	264	433	-39%
Earnings per share (QR)	0.021	0.034	-39%
EBITDA margin (%)	49%	55%	--

Note: Revenue and EBITDA measures have been reported based on non-IFRS based proportionate consolidation

Compared to 3Q-22, MPHC revenue for the current quarter decreased by 23%, primarily due to decrease in average selling price which declined by 17%. In addition, sales volumes witnessed a decline by 7%.

Profitability, as measured by EBITDA declined by 30% predominantly linked to lower product prices. Net earnings for 3Q-23 decreased versus 3Q-22 due to lower revenue.

Financial position

Key performance indicators	As at 30-Sept-23	As at 31-Dec-22	Variance (%)
Cash and bank balances (QR' billion)	4.0	4.5	-11%
Total Assets (QR' billion)	17.3	17.8	-3%
Total Equity (QR' billion)	16.9	17.4	-3%

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

Liquidity remained robust with cash and bank balances standing at QR 4.0 billion as at 30 September 2023. Decline in cash and bank balances was mainly due to dividend payment for the financial year 2022, being partially offset by positive cash flow generation during 9M-23. Total assets as at 30 September 2023 amounted to QR 17.3 billion and total equity amounted to QR 16.9 billion.

Segmental performance highlights**Petrochemicals:**

Key performance indicators	9M-23	9M-22	Variance (%) [9M-23 vs 9M-22]	3Q-23	2Q-23	Variance (%) [3Q-23 vs 2Q-23]
Average selling price (\$/MT)	962	1,191	-19%	892	1,007	-11%
Sales volumes (MT' 000)	521	478	+9%	179	179	0%
Revenue (QR' million)	1,823	2,074	-12%	581	656	-11%
Net profit (QR' million)	710	966	-26%	208	277	-25%
Production (MT' 000)	541	486	+12%	190	182	+4%

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

Segmental performance analysis – 9M-23 vs 9M-22

The petrochemicals segment recorded a net profit of QR 710 million for the current period, marking a 26% decrease compared to 9M-22. This decline in profitability was primarily attributable to reduced selling prices, alongside slightly higher operating costs linked to increased production and sales volumes, resulting in unfavorable inventory movements.

The segment's revenue declined by 12%, reaching QR 1.8 billion during 9M-23 compared to 9M-22. This decrease in revenue resulted from lowered selling prices, partially offset by increased sales volumes. The rise in sales volumes was primarily attributed to higher production, which increased by 12%. This growth was driven by a large-scale turnaround at Q-Chem facilities during 1Q-22, impacting production volumes for the same period last year.

On the other hand, average selling price witnessed a decline of 19%. The drop in prices was predominantly attributed to economic uncertainties echoing from the previous year. These uncertainties carried over into the current period, impacting the price trajectories of most commodities when compared to the same period last year.

Segmental performance analysis - 3Q-23 vs 2Q-23

On a quarter-on-quarter basis, segmental profits decrease by 25%, mainly linked to lower segmental revenue by 11%. Also, selling prices decreased by 11% on a quarter-on-quarter basis. On the other hand, sales volumes remained flat on quarter-on-quarter basis.

Chlor-alkali:

Key performance indicators	9M-23	9M-22	Variance (%) [9M-23 vs 9M-22]	3Q-23	2Q-23	Variance (%) [3Q-23 vs 2Q-23]
Average selling price (\$/MT)	443	756	-41%	425	418	+2%
Sales volumes (MT' 000)	292	371	-21%	115	104	+11%
Revenue (QR' million)	471	1,019	-54%	178	158	+13%
Net profit (QR' million)	59	471	-87%	28	13	+108%
Production (MT' 000)	300	364	-18%	118	112	+6%

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

Segmental performance analysis – 9M-23 vs 9M-22

Chlor-alkali segment reported a net profit of QR 59 million for 9M-23, significantly decreased by 87% compared to 9M-22. Decline in bottom-line profitability was primarily driven by lowered selling prices and sales volumes, which decreased by 41% and 21%, respectively.

Selling prices declined due to ongoing challenges in demand and supply, reflecting the slower than expected recovery phase in global activities across sectors associated with chlor-alkali. Sales volumes declined mainly due to lowered production impacted by planned turnaround at chlor-alkali facilities carried out during 1Q-23. The decline in selling prices and sales volumes led to an overall decline in segmental revenues, which decreased by 54% on a year-on-year basis, reaching QR 471 million for 9M-23.

Segmental performance analysis - 3Q-23 vs 2Q-23

On a sequential basis, segmental profits increased significantly by 108%, primarily due to higher segmental revenue, which rose by 13%. Additionally, selling prices marginally increased by 2% due to a relatively enhanced chlor-alkali market, hinting at the gradual recovery phase gaining momentum. On the other hand, sales volumes increased by 11% on a quarter-on-quarter basis, attributed to higher production resulting from improved plant availability.

Free Incentive Shares:

In accordance with the State of Qatar's policy to promote long-term investments and foster a culture of personal savings among its nationals, QatarEnergy has committed that every Qatari national participating in the IPO will receive, for each allocated IPO Share, the conditional right to obtain an Incentive Share free of charge

Incentive Shares are ordinary MPHC shares and hold equal standing with the offer shares in all aspects. 50% of the Incentive Shares has been granted five years from the IPO date, with the remaining 50% due for award by the end of this year. To be eligible for Incentive Shares, Qatari nationals must maintain at least half of their IPO Shares at all times until these dates. Additionally, to encourage wealth retention for the younger generation, 50% of the shares subscribed for on behalf of minors during the IPO cannot be traded on the Qatar Exchange for as long as these subscribers remain minors.

For further information, including detailed terms and conditions, please refer to the IPO prospectus.

Earnings Call

MPHC will host an IR earnings call with investors to discuss its results, business outlook and other matters on Wednesday, 25th October 2023 at 1:00 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 realisation 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.

Mesaieed Petrochemical Holding Company Q.P.S.C., its Directors, officers, advisors, contractors and agents shall not be liable in any way for any costs, losses or other detrimental effects resulting or arising from the use of or reliance by any party on any forward-looking statement and / or other material contained herein. Mesaieed Petrochemical Holding Company Q.P.S.C., its joint ventures and associated companies are further in no way obliged to update or publish revisions to any forward-looking statement or any other material contained herein which may or may not be known to have changed or to be inaccurate as a result of new information, future events or any reason whatsoever. Mesaieed Petrochemical Holding Company Q.P.S.C. does not guarantee the accuracy of the historical statements contained herein.

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