

FOR IMMEDIATE RELEASE

MPHC reports a net profit of QR 269 million for the three-month period ended 31 March 2023

- Group revenue reached QR 721 million for the three-month period ended 31 March 2023
- Earnings per share (EPS) amounted to QR 0.021 for the three-month period ended 31 March 2023
- Macroeconomic headwinds weighed on the product prices, affecting 1Q-23 financial results
- Production volumes for 1Q-23 were affected by QVC's maintenance turnaround
- Robust liquidity position with closing cash and bank balances¹ amounting to QR 3.5 billion as of 31 March 2023

Doha, Qatar; 7 May 2023: Mesaieed Petrochemical Holding Company ("MPHC" or "the Group"; QE ticker: MPHC), today announced a net profit of QR 269 million for the three-month period ended 31 March 2023, representing a decline of 39% compared to 1Q-22.

Updates on macroeconomic environment

Macroeconomic climate remained wavered during the first quarter of 2023, marked by several factors carried forward from last year which affected the commodity markets, including geopolitical conflicts, and recessionary fears linked to inflation related pressures and higher interest rate environment. Additionally, China's slow paced post-COVID recovery phase, along with a recent fall in natural gas prices is bringing an additional layer of uncertainty to the commodity markets.

On overall, commodity prices for MPHC's basket of products declined on a year-on-year basis, following last two year's significantly high price environment mainly due to cautious approach from buyers amid macro-headwinds, coupled with comparatively lower energy prices. However, prices improved to an extent versus 4Q-22, mainly on the back of relatively better supply-demand dynamics.

Updates on operational performance

Key performance indicators	1Q-23	1Q-22	4Q-22	Variance (%) [1Q-23 vs 1Q-22]	Variance (%) [1Q-23 vs 4Q-22]
Production (MT' 000)	239	245	289	-2%	-17%
Plant utilization rates (%)	83%	84%	99%		--

MPHC's operations continue to remain robust and resilient with total production for the current period reaching 239 thousand MTs. Production for 1Q-23 slightly declined versus 1Q-22, mainly due to a maintenance turnaround carried out at QVC facilities during 1Q-23 which affected production volumes for 1Q-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

On a quarter-on-quarter basis production volumes for 1Q-23 declined by 17% in comparison to 4Q-22, mainly due to a decline noted in production volumes from chlor-alkali segment, linked to maintenance turnaround.

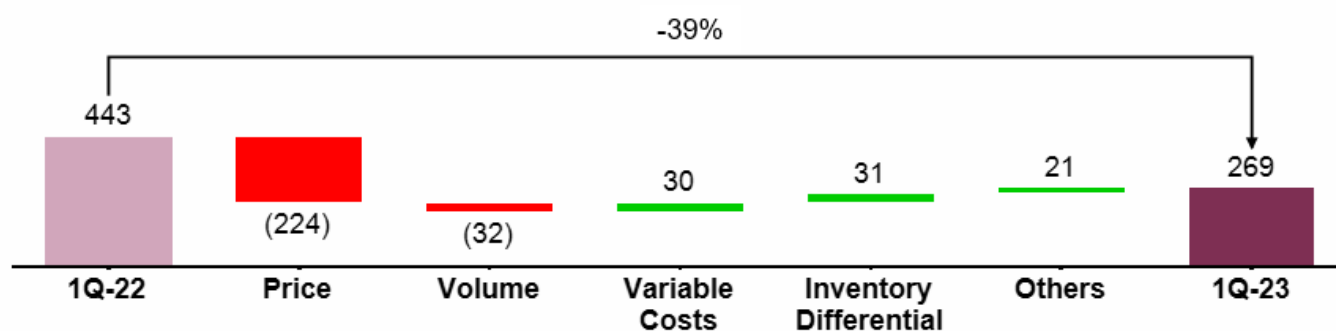
Financial performance updates – 1Q-23 vs 1Q-22

Key financial performance indicators	1Q-23	1Q-22	Variance (%)
Average selling price (\$/MT)	840	1,068	-21%
Sales volumes (MT' 000)	236	250	-6%
Revenue (QR' million)	721	970	-26%
EBITDA (QR' million)	372	543	-31%
Net profit (QR' million)	269	443	-39%
Earnings per share (QR)	0.021	0.035	-39%
EBITDA margin (%)	52%	56%	--

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

Analysis of MPHC's net earnings - 1Q-23 vs 1Q-22

(Amounts in QR millions)



MPHC reported a net profit of QR 269 million for the three-month period ended 31 March 2023, down by 39% compared to the last year. This decline in profitability was mainly linked to lowered Group revenue, which declined by 26% and reached QR 721 million.

Decline in Group revenue was mainly linked to the decrease noted in average blended product prices, which declined by 21% compared to 1Q-22, translating into a decline of QR 224 million in MPHC's current period net earnings as compared to the same period of last year. Subdued product demand amid macroeconomic headwinds, along with excess supply resulted in lowered commodity prices.

Sales volumes also declined by 6% versus 1Q-22, mainly driven by lowered sales volumes reported by the chlor-alkali segment, being partially offset by higher volumes reported by the petrochemicals segment. Negative movement in sales volumes translated into a decline of QR 32 million in MPHC's 1Q-23 net earnings versus the same period of last year.

EBITDA for the current period amounted to QR 372 million with a decline of 31% versus 1Q-22, mainly due to lower revenue. EBITDA margins for 1Q-23 reached 52% versus 56% achieved during 1Q-22.

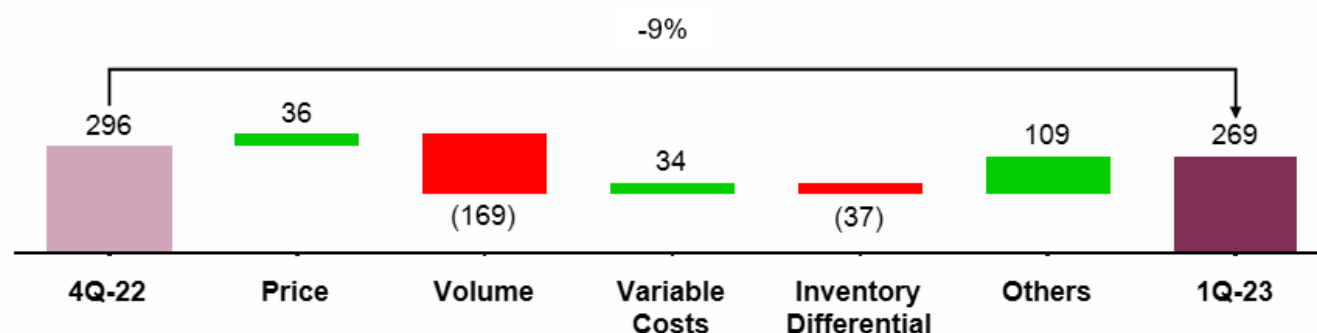
Financial performance – 1Q-23 vs 4Q-22

Key financial performance indicators	1Q-23	4Q-22	Variance (%)
Average selling price (\$/MT)	840	798	+5%
Sales volumes (MT' 000)	236	294	-20%
Revenue (QR' million)	721	855	-16%
EBITDA (QR' million)	372	407	-8%
Net profit (QR' million)	269	296	-9%
Earnings per share (QR)	0.021	0.024	-9%
EBITDA margin (%)	52%	48%	--

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

Analysis of MPHC's net earnings - 1Q-23 vs 4Q-22

(Amounts in QR millions)



MPHC's bottom-line profitability declined by 9% versus 4Q-22, mainly due to lowered revenue where a decline of 16% was noted on a quarter-on-quarter basis.

Decline in revenue was mainly linked to lowered sales volumes which decreased by 20% versus 4Q-22, as production volumes declined mainly linked to maintenance turnaround in Chlor-alkali facilities. Lower sales volumes contributed QR 169 million negatively to the MPHC's net earnings on a quarter-on-quarter basis.

On the other hand, selling prices increased by 5%, mainly on the back of relatively better supply-demand dynamics. This positive movement in selling prices led to a positive contribution of QR 36 million to MPHC's net earnings for 1Q-23 in comparison to 4Q-22.

Positive variance in others is mainly relating to lower variable costs which decreased substantially due to significant decrease in volumes.

Financial position

Key performance indicators	As at 31-Mar-23	As at 31-Dec-22	Variance (%)
Cash and bank balances (QR' billion)	3.5	4.5	-23%
Total Assets (QR' billion)	16.8	17.8	-6%
Total Equity (QR' billion)	16.3	17.4	-7%

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 3.5 billion as at 31 March 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 1Q-23. Total assets as at 31 March 2023 amounted to QR 16.8 billion and total equity amounted to QR 16.3 billion.

Segmental performance highlights**Petrochemicals:**

Key performance indicators	1Q-23	1Q-22	4Q-22	Variance (%) [1Q-23 vs 1Q-22]	Variance (%) [1Q-23 vs 4Q-22]
Average selling price (\$/MT)	991	1,224	969	-19%	+2%
Sales volumes (MT' 000)	163	133	188	+22%	-13%
Revenue (QR' million)	586	594	663	-1%	-12%
Net profit (QR' million)	225	247	228	-9%	-1%
Production (MT' 000)	169	130	180	+30%	-6%

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

Segmental performance analysis - 1Q-23 vs 1Q-22

Petrochemicals segment reported a net profit of QR 225 million for the current period, down by 9% versus 1Q-22. This decline in profitability was primarily driven by higher operating cost linked to higher production and higher sales volumes leading to unfavourable inventory movements.

Segment's revenue was lower by 1% to reach QR 586 million for 1Q-23 versus 1Q-22, as lowered selling prices being entirely offset by higher sales volumes. Growth in sales volumes was mainly linked to higher production which increased by 30%, as the segment carried out a large-scale turnaround at Q-Chem facilities during 1Q-22 which affected segment's production volumes for last year's same period. On the other hand, product prices declined by 19%, mainly due to macro-volatilities echoed from last year, which affected current period's price trajectories for most of the commodities in comparison to the same period of last year.

Segmental performance analysis - 1Q-23 vs 4Q-22

On a quarter-on-quarter basis, segmental profits marginally declined by 1%, mainly linked to decline in segmental revenue which also declined by 12%, mainly on the back of lower sales volumes which was partially offset by slightly higher selling prices. Selling prices improved by 2% on a quarter-on-quarter basis, as most of petrochemical market product prices increase from their 4Q-22 trough levels, mainly on the back of slightly improved macro-sentiments along with relatively better market dynamics. On the other hand, sales volumes declined by 13% on a quarter-on-quarter basis, amid lower production.

Chlor-alkali:

Key performance indicators	1Q-23	1Q-22	4Q-22	Variance (%) [1Q-23 vs 1Q-22]	Variance (%) [1Q-23 vs 4Q-22]
Average selling price (\$/MT)	506	888	496	-43%	+2%
Sales volumes (MT' 000)	73	116	106	-37%	-31%
Revenue (QR' million)	135	376	192	-64%	-30%
Net profit (QR' million)	18	189	33	-91%	-49%
Production (MT' 000)	70	115	109	-39%	-36%

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

Segmental performance analysis - 1Q-23 vs 1Q-22

Chlor-alkali segment reported a net profit of QR 18 million for 1Q-23, significantly decreased by 91% compared to 1Q-22. Decline in bottom-line profitability was primarily driven by lowered selling prices and sales volumes, which decreased by 43% and 37%, respectively. Selling prices declined as end-product industries (alumina/ aluminium, PVC, etc) remained under pressure due to macro-volatilities. Sales volumes declined mainly due to lowered production impacted by planned turnaround at chlor-alkali facilities. Decline in selling prices and sales volumes, led to an overall decline in segmental revenues, which declined by 64% on a year-on-year basis, and reached QR 135 million for 1Q-23.

Segmental performance analysis - 1Q-23 vs 4Q-22

On a quarter-on-quarter basis, profitability for 1Q-23 declined by 49% versus 4Q-22 mainly on account of lower segmental revenue which declined by 30%. Decline in revenue was mainly linked to lower sales volumes which declined by 31%, amid lower production. On the other hand, average selling prices realized during 1Q-23 slightly inched higher by 2% versus 4Q-22 amid stabilized end-product prices.

Earnings Call

MPHC will host an IR earnings call with investors to discuss its results, business outlook and other matters on Thursday, 11th May 2023 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.

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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.

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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: $\text{Cash Flow From Operations} / \text{Net Profit} \times 100$ • Debt to Equity: $(\text{Current Debt} + \text{Long-Term Debt}) / \text{Equity} \times 100$ • Dividend Yield: $\text{Total Cash Dividend} / \text{Closing Market Capitalisation} \times 100$ • 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: $\text{Cash Flow From Operations} - \text{Total CAPEX}$ • HCL: Hydrochloric Acid • HDPE: High Density Polyethylene • NAO: Normal Alpha Olefins • NaOH: Caustic Soda • MT / PA: Metric Tons Per Annum • Payout Ratio: $\text{Total Cash Dividend} / \text{Net Profit} \times 100$ • P/E: Price to Earnings (Closing market capitalisation / Net Profit) • Utilisation: $\text{Production Volume} / \text{Rated Capacity} \times 100$ • VCM: Vinyl Chloride Monomer