Notice to the Shareholders of MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

We are pleased to invite you to attend the Company's Ordinary General Assembly Meeting to be held on Sunday, 22nd February 2026 at 8:30 p.m. Doha Time, in Salwa Ballroom, Sheraton Hotel, Doha. In case a quorum is not met, a second meeting will be held on Monday, 2nd March 2026 at the same venue and time.

Agenda of the Ordinary General Assembly Meeting

1. Listen to the Chairman's message for the financial year ended 31 December 2025.
2. Approve the Board of Directors' report on MPHC's operations and financial performance for the financial year ended 31 December 2025.
3. Listen and approve the Auditor's Report on MPHC's financial statements for the financial year ended 31 December 2025.
4. Discuss and approve MPHC's financial statements for the financial year ended 31 December 2025.
5. Present and approve 2025 Corporate Governance Report.
6. Approve the Board's recommendation for a total dividend payment of QR 0.042 per share for 2025, representing 4.2% of the nominal share value.
7. Absolve the Board of Directors from liability for the year ended 31 December 2025 and fix their remuneration.
8. Appoint the external auditor for the financial year ending 31 December 2026 and approve their fees.

Mr. Ahmad Saif Al-Sulaiti
Chairman of the Board of Directors
Mesaieed Petrochemical Holding Company

Notes

1. Each shareholder shall have the right to attend the meeting of the General Assembly and shall have a number of votes that equals the number of shares owned thereby. Resolutions shall be passed by an absolute majority of shares duly represented therein, without prejudice to the provisions of the Company's Articles of Association.
2. Minors and the interdicted persons shall be represented by their legal guardians.
3. Any shareholder that is a company may authorize any one person to act as its representative at any meeting of the General Assembly.
4. Attendance by proxy at the General Assembly meeting is permitted, provided that the proxy is a shareholder and that the proxy is specific and in writing. A shareholder may not appoint a Board Director to act as his proxy at the meeting of the General Assembly. Proxy form can be downloaded from the Company's website: www.mphc.com.qa.
5. A shareholder may act as proxy for one or more shareholders of the Company as contemplated under the Company's Articles of Association. In all cases, the number of shares held by the proxy in this capacity shall not exceed (5%) of the Company's share capital.
6. Instruments appointing authorized persons and proxies must be provided to the Company no less than forty-eight (48) hours prior to the commencement of the General Assembly.

Board of Directors' Review

The Board of Directors is pleased to present its annual review of the financial and operational performance of MPHC for the year ended 31 December 2025.

Our Strategy

MPHC's strategic focus is on expanding market presence by improving productivity and efficiency through optimized output, robust health, safety and environmental (HSE) practices, and operational excellence initiatives. Additionally, MPHC, either directly or via its established joint ventures, intends to allocate capital towards growth projects that reinforce its competitive position and deliver sustainable long-term value.

Macroeconomic Updates

In 2025, the global petrochemical industry encountered significant challenges stemming from structural overcapacity, subdued demand, and mounting sustainability pressures. Post-pandemic capacity additions outpaced consumption, driving operating rates for base chemicals to multi-decade lows and compressing margins. Price volatility linked to feedstock and energy costs, combined with a sluggish recovery in packaging and automotive sectors, added further uncertainty. These conditions have triggered asset rationalization and consolidation, while evolving regulatory frameworks continue to strain operators.

Chlor-alkali prices in 2025 declined to near COVID-era lows, weighed down by persistent overcapacity, weak downstream demand from chlor-alkali-dependent sectors, and muted construction activity. Elevated inventories and cautious industrial consumption further eroded margins. Broader macroeconomic headwinds continue to dampen recovery prospects, keeping pricing under sustained pressure.

Competitive strengths

MPHC's joint ventures are strategically positioned with reliable, cost-effective feedstock supplies, strong liquidity, and the capacity to generate substantial cash flows. Our alliances with reputable and globally recognized partners provide MPHC with a distinct competitive edge.

Moreover, our joint ventures collaborate with QatarEnergy Marketing, a global leader in chemical product marketing and distribution. This partnership enhances our access to international markets, ensuring consistent product sales even amid market fluctuations, ultimately optimizing returns.

In 2020, Muntajat was operationally integrated into QatarEnergy. Following the enactment of Law No. (9) of 2024, QatarEnergy finalized the reorganization and consolidation of Muntajat, transferring all activities previously conducted under agency agreements to its wholly-owned subsidiary, QatarEnergy Marketing.

These strengths have enabled MPHC to achieve operational excellence and broaden its geographical footprint while maintaining a robust cash position over the years. Looking ahead, all MPHC joint ventures will continue to harness advanced technologies to reinforce MPHC's position both regionally and globally.

HSE Achievements

This year, the Health, Safety, and Environment (HSE) performance across all MPHC joint ventures remained exceptional, reflecting the company's core values. In 2025, the joint ventures reached key HSE milestones, including certifications to international standards, strengthened process safety protocols, and an impressive 18 consecutive years without a single recordable heat stress illness at several facilities. Looking ahead, MPHC remains committed to advancing excellence and driving efficiency in these vital areas, with a focus on aligning HSE practices with global benchmarks, enhancing product quality, empowering its workforce, and ensuring continued operational reliability.

Cost Efficiencies and Output Optimization: Towards Operational Excellence

In 2025, MPHC continued to prioritize operational efficiency and cost competitiveness to uphold its position as a low-cost, reliable operator. The petchem segment implemented a structured Operational Excellence (OE) System aligned with international standards, focusing on environment, health, safety, security, reliability, and quality. Led by the Operational Performance Excellence (OPE) initiative, targeting cost reduction and performance enhancement. In the Chlor Alkali segment, Strategic feedstock planning and synergies with QAPCO enabled effective cost optimization, while studies on energy efficiency and environmental compliance supported sustainable operations. A transformation in procurement, executed with a global advisory firm, shifted the segment toward strategic sourcing and category management, improving capital efficiency and inventory control. Unplanned shutdowns remained exceptionally low, reflecting MPHC's commitment to reliability and continuous improvement and contributed in the increase in production levels.

Capital Expenditure (CAPEX) and Business Development

In 2025, MPHC's capital expenditure totaled QR 573 million (MPHC share), primarily directed toward turnaround activities, reliability enhancements, health, safety, and environmental (HSE) projects. An additional QR 158 million (MPHC share) was invested in the new PVC project. As part of its strategy to expand locally, MPHC's joint venture, Qatar Vinyl Company (QVC), completed the construction of the PVC plant with a total cost of USD 300 million. The new PVC facility will have a planned annual capacity of 350,000 metric tons. The facility will convert existing Vinyl Chloride Monomer (VCM) into PVC. MPHC funded 55.2% of the construction cost from its available cash, in line with its shareholding in QVC, and will remain the largest shareholder following the expiration of the current joint venture agreement.

In the petrochemical segment, capital investments were directed toward initiatives that improve operational efficiency and promote sustainability, including efforts to reduce process water discharge and upgrade essential infrastructure.

In the Chlor-Alkali segment, Capital expenditure for the year 2025 amounted to QAR 290 million (MPHC share), primarily allocated to major projects such as the PVC plant, as well as initiatives to improve plant availability, including maintenance and addressing equipment obsolescence.

Financial performance

MPHC reported a net profit of QR 533 million for the year ended 31 December 2025, down by 26% compared to last year. This decline in profitability was mainly linked to lowered Group revenue, which declined by 6% and reached QR 2.6 billion. Operations for MPHC's group companies remained robust and resilient, with yearly production reaching 1,142 thousand MTs. Production for year ended 31 December 2025 increased by 5% in comparison to last year mainly due to the enhanced plant reliability despite the planned turnaround at QChem II facilities. At the Group level, the blended selling prices decreased by 10% during 2025 contributing to a decline in Group's net earnings by QR 216 million, compared to last year. Group sales volumes on the other hand increased by 4% on a year-on-year basis and contributed to an increase of QR 51 million in Group's earnings. Group's liquidity remained robust throughout the year. Cash held by MPHC (including proportionate share of cash and bank balances held by joint ventures) at the end of the financial year 2025 amounted to QR 3.5 billion, with total assets of QR 16.5 billion as at 31 December 2025.

Proposed dividend distribution

Given the liquidity requirements for ongoing and upcoming capital projects, and in light of the broader macroeconomic outlook, the Board of Directors proposes a 2H-2025 dividend distribution of QR 201 million (equating to QR 0.016 per share), bringing the total annual dividend distribution for the year ended 31 December 2025 of QR 528 million, equivalent to a payout of QR 0.042 per share for the full year, subject to necessary approval in the Annual General Assembly Meeting.

Conclusion

The Board of Directors expresses its gratitude to His Highness Sheikh Tamim bin Hamad Al Thani, the Amir of the State of Qatar, for his wise guidance and strategic vision. Our gratitude is also extended to H.E. Mr. Saad Sherida Al-Kaabi, Minister of State for Energy Affairs, for his vision and leadership, and to the management and employees of Group companies for their hard work, commitment and dedication. We would also like to thank our esteemed shareholders for their great trust in us.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

The Shareholders of Mesaieed Petrochemical Holding Company Q.P.S.C.
Doha, Qatar

Report on the Audit of the Financial Statements

Our Opinion

We have audited the financial statements of Mesaieed Petrochemical Holding Company Q.P.S.C. (the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements in State of Qatar. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition in Joint Venture	
As disclosed in note 4(ii) to the financial statements, the Company's share of the results of its joint ventures (Q-Chem, Q-Chem II and QVC) of QR 454 million for the year ended 31 December 2025 represents 85% of the total income of the Company. The joint ventures recognized revenue of QR 5,363 million during the year ended 31 December 2025, the majority of the revenue is earned from a single third party (the "customer"). Revenue is recognised by Joint Ventures of the Company when control related to the products is transferred to the customer. This is defined in the contracts between the Joint Ventures and the customer. We identified revenue recognition by the joint ventures as a key audit matter, as any errors in the recording of the volume and value of shipments could lead to a material misstatement in the determination of the share of results presented in the statement of profit or loss and other comprehensive income.	Our procedures in relation to revenue recognition from revenue recognised by the joint ventures included, but were not limited to, the following: • Obtaining an understanding of the revenue process and identifying relevant controls over revenue recognition implemented by the joint ventures. • Determining if the controls implemented by the joint ventures had been appropriately designed and implemented and are operating effectively. • Reviewing the contracts between the joint ventures and the customer. • Performing tests of details to verify the occurrence and accuracy of revenue transactions on a sample basis. • Selecting samples and verifying the cut off of sales from statements received from the joint ventures' major customer.

Other Information

Management is responsible for the other information. The other information comprises the Board of Directors' Report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information, and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed and on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB and applicable provisions of Qatar Commercial Companies Law, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

Report on Other Legal and Regulatory Requirements

Further, as required by the Qatar Commercial Companies' Law, we report the following:

- The Company has maintained proper books of account, and the financial statements are in agreement therewith;
- We obtained all the information and explanations which we considered necessary for our audit; and
- To the best of our knowledge and belief and according to the information given to us, no contraventions of the applicable provisions of Qatar Commercial Companies Law and the Company's Articles of Association were committed during the year which would materially affect the Group's financial position or its financial performance.

Doha - Qatar
28 January 2026

Deloitte &Touche
Qatar Branch

Yamen Maddah
Partner
License No. 434
QFMA Auditor's licence No 120156

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2025
(All amounts expressed in thousands Qatari Riyals unless otherwise stated)

	Notes	For the year ended 31 December 2025	2024
Share of results from joint ventures	4 (ii)	454,119	582,659
Interest income	7	92,052	147,416
Other income (Net)		3,087	4,750
		549,258	734,825
General and administrative expenses		(16,518)	(16,078)
Profit for the year		532,740	718,747
Other comprehensive income		--	--
Total comprehensive income for the year		532,740	718,747
Basic and diluted earnings per share (in QR)	14	0.042	0.057

STATEMENT OF FINANCIAL POSITION
As at 31 December 2025
(All amounts expressed in thousands Qatari Riyals unless otherwise stated)

	Notes	As at 31 December 2025	31 December 2024
ASSETS			
Non-current assets			
Investments in joint ventures	4	13,631,758	14,221,494
Current assets			
Other receivables	5	63,466	72,013
Advances for salt project	6	10,192	10,192
Deposits and other bank balances	7	2,408,478	2,338,261
Cash and cash equivalents	8	399,155	65,215
Total current assets		2,881,291	2,485,681
Total assets		16,513,049	16,707,175
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	12,563,175	12,563,175
Legal reserve	12	110,386	102,436
Retained earnings		3,506,589	3,698,656
Total equity		16,180,150	16,364,267
LIABILITIES			
Current liabilities			
Due to a related party	9	5,827	3,476
Accruals and other payables	10	327,072	339,432
Total liabilities		332,899	342,908
Total equity and liabilities		16,513,049	16,707,175

The financial statements were approved and authorised for issue by the Board of Directors on 28 January 2026 and were signed on its behalf by:

Ahmad Saif Al-Sulaiti
Chairman

Mohamed Salem Al-Marri
Vice Chairman

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025
(All amounts expressed in thousands Qatari Riyals unless otherwise stated)

	Notes	Share Capital	Legal Reserve	Retained earnings	Total
Balance at 1 January 2024		12,563,175	88,827	4,431,125	17,083,127
Profit for the year				718,747	718,747
Other comprehensive income for the year		--	--	--	--
Total comprehensive income for the year		--	--	718,747	718,747
Social and sports fund contribution		--	--	(17,969)	(17,969)
Transfer to legal reserve		--	13,609	(13,609)	--
Transaction with owners in their capacity as owners:					
Dividends approved	13	--	--	(1,419,639)	(1,419,639)
Balance at 31 December 2024		12,563,175	102,436	3,698,656	16,364,267
Balance at 1 January 2025		12,563,175	102,436	3,698,656	16,364,267
Profit for the year		--	--	532,740	532,740
Other comprehensive income for the year		--	--	--	--
Total comprehensive income for the year		--	--	532,740	532,740
Social and sports fund contribution -		-	--	(13,319)	(13,319)
Transfer to legal reserve		--	7,950	(7,950)	--
Transaction with owners in their capacity as owners:					
Dividends approved	13	--	--	(703,538)	(703,538)
Balance at 31 December 2025		12,563,175	110,386	3,506,589	16,180,150

FOR MORE INFORMATION ABOUT THE MEETING AGENDA MATERIALS, PLEASE VISIT WWW.MPHC.COM.QA OR EMAIL US AT: MPHC@QATARENERGY.QA OR CALL US AT: +974 4013 2080

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

(All amounts expressed in thousands Qatari Riyals unless otherwise stated)

	Notes	For the year ended 31 December 2025	2024
Profit for the year		532,740	718,747
Adjustments for:			
- Interest income		(92,052)	(147,416)
- Share of results from joint ventures	4 (ii)	(454,119)	(582,659)
Operating cash flows before movements in working capital		(13,431)	(11,328)
Movement in working capital			
- Advances for salt project		--	(10,192)
- Accruals and other payables		(31)	(208)
- Due to a related party		2,351	(2,446)
Cash used in operations		(11,111)	(24,174)
Social and sports fund contribution paid		(17,969)	(27,067)
Net cash used in operating activities		(29,080)	(51,241)
INVESTING ACTIVITIES			
Dividends received from joint ventures	4 (iii)	1,201,583	557,825
Additions to investment in joint ventures	4 (iii)	(157,728)	(219,012)
Additions to fixed term deposits		(2,101,008)	(2,023,112)
Interest received		100,599	112,968
Matured fixed term deposits		2,023,112	2,835,385
Net cash from investing activities		1,066,558	1,264,054
FINANCING ACTIVITIES			
Dividends paid to shareholders		(711,218)	(1,519,932)
Movement in unclaimed dividends account		7,680	100,293
Net cash used in financing activities		(703,538)	(1,419,639)
Net Increase/(decrease) in cash and cash equivalents		333,940	(206,827)
Cash and cash equivalents at beginning of the year		65,215	272,042
Cash and cash equivalents at end of the year	8	399,155	65,215

Notes to the financial statements

For the year ended 31 December 2025

(All amounts expressed in thousands Qatari Riyals unless otherwise stated)

1. CORPORATE INFORMATION AND ACTIVITIES

Mesaieed Petrochemical Holding Company Q.P.S.C (the "Company" or "MPHC") is registered and incorporated in Qatar under commercial registration number 60843 as a Qatari Public Shareholding Company by its founding shareholder, QatarEnergy. The Company is incorporated under the Qatar Commercial Companies' Law No. 11 of 2015. The Company was incorporated on 29 May 2013 for an initial period of 99 years, following the decision of H.E. the Minister of Economy and Commerce No. 22 of 2013, issued on 21 May 2013. The Company is listed on the Qatar Exchange and is a subsidiary of QatarEnergy. The Company commenced commercial activities on 1 September 2013.

The principal activity of the Company is to establish, manage, own and/or hold shares, assets and interests in companies (and their subsidiaries and/or associated undertakings) engaged in all manner of processing and/or manufacturing of petrochemical products, together with any other company or undertaking which the Company deems beneficial to its business, diversification or expansion from time to time.

The registered address of the Company is P.O. Box 3212, Doha, State of Qatar.

The joint ventures of the Company, included in the financial statements are as follows

Entity Name	Country of incorporation	Relationship	Ownership interest 2025	Ownership interest 2024
Qatar Chemical Company Limited	Qatar	Joint venture	49.00%	49.00%
Qatar Chemical Company II Limited	Qatar	Joint venture	49.00%	49.00%
Qatar Vinyl Company Limited	Qatar	Joint venture	55.20%	55.20%

Qatar Chemical Company Limited ("Q-Chem"), is a Qatari Private Joint Stock Company (Q.P.J.S.C.) incorporated in the State of Qatar and is a jointly controlled entity among QatarEnergy, MPHC and Chevrons Phillips Chemical International Qatar Holdings L.L.C. ("CPCIQH). Q-Chem is engaged in the production, storage and sale of polyethylene, 1-hexene and other petrochemical products.

Qatar Chemical Company II Limited ("Q-Chem II") is a Qatari Private Joint Stock Company (Q.P.J.S.C.) incorporated in the State of Qatar and is a jointly controlled entity among QatarEnergy, MPHC and CPCIQH. Q-Chem II is engaged in the production, storage and sale of polyethylene, normal alpha olefins, other ethylene derivatives and other petrochemical products.

Qatar Vinyl Company Limited ("QVC"), is a Qatari Private Joint Stock Company (Q.P.J.S.C.) incorporated in the State of Qatar and is a jointly controlled entity among QatarEnergy, MPHC and Qatar Petrochemical Company Limited ("QAPCO"). The company is engaged in the production and sale of petrochemical products such as caustic soda, ethylene dichloride and vinyl chloride monomer.

The financial statements of the Company for the year ended 31 December 2025 was authorised for issue by the Board of Directors on 28 January 2026.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS Accounting Standards recently issued by the International Accounting Standards Board ("IASB") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations effective as of January 1, 2025:

2.1 New and amended IFRS Standards and interpretations that are effective for the current year

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the IASB that are mandatorily effective for an accounting period that begins on or after January 1, 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability 1 January 2025 The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique.	1 January 2025

2.2 New and amended IFRSs in issue but not yet effective and not early adopted

The Group has not early adopted the following new and amended standards and interpretations that have been issued but are not yet effective.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments These amendments: • Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and • make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	1 January 2026. Earlier application is permitted
IFRS 18 Presentation and Disclosure in Financial Statements IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share. IFRS 18 introduces new requirements to: • present specified categories and defined subtotals in the statement of profit or loss • provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements • improve aggregation and disaggregation.	1 January 2027. Earlier application is permitted

Management anticipates that the application of this standard will have an impact on the financial statements in future periods.

IFRS 19 Subsidiaries without public accountability: Disclosures IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. IFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it. An entity is only permitted to apply IFRS 19 if, at the end of the reporting period: • it is a subsidiary (this includes an intermediate parent) • it does not have public accountability, and • its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards	1 January 2027. Earlier application is permitted.
Amendments to IFRS 9 and IFRS 7—Contracts Referencing Nature dependent Electricity The following requirements of IFRS 9 are affected by the amendments: • The own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and • the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument: • to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and • to measure the hedged item using the same volume assumptions as those used for the hedging instrument.	1 January 2026. Earlier application is permitted.
Annual Improvements to IFRS Accounting Standards – Volume 11 The IASB issued amendments to following IFRS Accounting Standards as part of its annual improvements process: • IFRS 1 First-time Adoption of International Financial Reporting Standards—Hedge accounting by a first-time adopter • IFRS 7 Financial Instruments: Disclosures—Gain or loss on derecognition • Guidance on implementing IFRS 7—Disclosure of deferred difference between fair value and transaction price, introduction and credit risk disclosures and cost method • IFRS 9 Financial Instruments—Derecognition of lease liabilities and transaction price • IFRS 10 Consolidated Financial Statements—Determination of a "de facto agent"	1 January 2026. Earlier application is permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments will have no material impact on the financial statements of the Company in the period of initial application.

3. MATERIAL ACCOUNTING POLICIES INFORMATION

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB) and the applicable provisions of Qatar Commercial Companies Law and the Company's article of association.

Basis of preparation

The financial statements have been prepared on a historical cost basis.

These financial statements are presented in QR, which is the Company's functional and presentation currency. All the financial information has been presented in these financial statements has been rounded off to nearest thousands (QR. '000) except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Investment in Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in a joint venture is initially recognised in the statement of financial position at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Company's share of losses of a joint venture exceeds the Company's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount.

The Company discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. Gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

Unrealised gains and losses resulting from transactions between the Company and the joint venture are eliminated to the extent of the interest in the joint venture.

Current versus non-current classification

The Company presents assets and liabilities based on current/non-current classification.

An asset is current when:

· It is expected to be realised or intended to sell or consumed in normal operating cycle;

· It is held primarily for the purpose of trading;

· It is expected to be realised within twelve months after the reporting period (or receivable on demand); or

· It is cash or a cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

· It is expected to be settled in normal operating cycle;

· It is held primarily for the purpose of trading;

· It is due to be settled within twelve months after the reporting period (or payable on demand); or

· There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Fair value measurement

For measurement and disclosure purposes, the Company determines the fair value of an asset or liability at initial measurement or at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis as explained above, except for share-based payment transactions that are within the scope of IFRS 2; leasing transactions that are within the scope of IFRS 16 and measurements that have some similarities to fair value, but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting date.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss.

Financial assets

Classification and measurement

The Company's management has assessed which business models apply to the financial assets held by the Company and ensured its financial instruments were classified into the appropriate IFRS 9 categories. The Company assessed those other receivables and deposits are debt instruments and meet the conditions for classification at amortised cost (AC) under IFRS 9 since they are cash flows solely payments of principal and interest (SPPI) and the Company's business model is to hold and collect the debt instrument. Cash and cash equivalents' definition as per IAS 7 remains unchanged with the application of IFRS 9, short-term investments and time deposits continued to be presented under cash and cash equivalents, being highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value. No reclassification resulted from the implementation of IFRS 9.

Impairment of financial assets

The Company has the following financial assets that are subject to IFRS 9's expected credit loss model:

· Cash and cash equivalents

· Other receivables (excluding non-financial assets)

· Deposits and other bank balances

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

To measure the expected credit losses, other receivables that are measured at amortized cost are grouped based on shared credit risk characteristics and the days past due. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all other receivables. While cash and cash equivalents and fixed deposits are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Investment and other financial assets

(a) Classification

The Company classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through OCI, or through profit or loss), and

· those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

(b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment's revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments are recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Accruals and other payables

Liabilities are recognised for amounts to be paid in the future for goods, assets or services received, whether billed by the supplier or not. The financial liabilities are subsequently measured at amortised cost using the (Effective Interest Rate) EIR method.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default insolvency or bankruptcy of the Company or counter party.

Provisions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Foreign currency translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except as otherwise stated in the Standards.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above as they are considered an integral part of the Company's cash management.

Dividend distributions

Dividend distribution to the Company's shareholders is recognised as a dividend payable liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders and same is payable to EDAA which a service providing company, licensed by Qatar Financial Market Authority (QFMA) engaging in providing safekeeping, clearing and settlement of securities and other financial instruments listed on the Qatar Exchange. Upon transfer of funds to the EDAA specific bank account, the Company will derecognize the dividend payable liability.

Social and Sports Fund Contribution

Pursuant to the Qatar Law No. 13 of 2008 and the related clarifications issued in 2011, which is applicable for all Qatari listed shareholding companies with publicly traded shares, the Company has made an appropriation of 2.5% of its net profit to a state social fund.

Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the effect of any dilutive potential ordinary shares.

Segment reporting

Segment results that are reported include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Financial information on operating segments is presented in note 4 to the financial statements.

Events after the reporting date

The financial statements are adjusted to reflect events that occurred between the reporting date and the date when the financial statements are authorised for issue, provided they give evidence of conditions that existed at the reporting date. Any post year-end events that are non-adjusting are discussed on the financial statements when material.

Non-financial assets

Non-financial assets are initially measured at cost, which equates to fair value at inception, and subsequently measured at amortised cost, less provision for impairment.

Tax

The Company's profits are exempt from income tax given its status as a Qatari listed company.

During 2020, QATARENERGY, the Ministry of Finance and the General Tax Authority have reached an agreement through an MOU. According to this MOU and as directed by higher authorities and in accordance with the requirements of the public interest, the Ministry of Finance shall pay MPHC portion of income tax incurred by the joint ventures attributed to MPHC's shareholding in these joint ventures.

4. INVESTMENTS IN JOINT VENTURES

The carrying amount of the investments in joint ventures has changed as follows:

For the year ended	**31 December 2025**	**31 December 2024**
Balance at beginning of the year	**14,221,494**	13,977,648
Additional investment during the year	**157,728**	219,012
Share of results from joint ventures for the year	**454,119**	582,659
Share of dividends from joint ventures	**(1,201,583)**	(557,825)
Balance at the end of the year	**13,631,758**	14,221,494

The below financial statements present amounts shown in the financial statements of the joint ventures as at 31 December 2025 which are presented in US$'000 and are translated using an exchange rate of 3.64 (2024: 3.64).

i. Statement of financial position of joint venture entities

As at 31 December 2025	Q-Chem	Q-Chem II	QVC	Total
Current assets	1,408,505	1,779,447	743,295	3,931,247
Non-current assets	1,420,557	4,100,303	1,844,873	7,365,733
Current liabilities	(476,873)	(877,124)	(184,488)	(1,538,485)
Non-current liability	(447,429)	(1,026,054)	(149,726)	(1,623,209)
Equity	1,904,760	3,976,572	2,253,954	8,135,286
Proportion of the Company's ownership	49.0%	49.0%	55.2%	
Company's share of net assets	933,332	1,948,520	1,244,183	4,126,035
Tax benefit from joint ventures (Note 15)	136,186	597,472	(10,294)	723,364
Goodwill	3,549,403	4,878,711	354,245	8,782,359
Investment in joint ventures	4,618,921	7,424,703	1,588,134	13,631,758

As at 31 December 2024	Q-Chem	Q-Chem II	QVC	Total
Current assets	1,613,244	2,174,982	870,866	4,659,092
Non-current assets	1,713,104	3,814,266	1,382,217	6,909,587
Current liabilities	(671,605)	(837,528)	(203,420)	(1,712,553)
Non-current liability	(479,282)	(1,118,889)	(26,984)	(1,625,155)
Equity	2,175,461	4,032,831	2,022,679	8,230,971
Proportion of Company's ownership	49.00%	49.00%	55.20%	
Company's share of net assets	1,065,976	1,976,087	1,116,519	4,158,582
Tax benefit from joint ventures (Note 15)	336,744	894,251	49,558	1,280,553
Goodwill	3,549,403	4,878,711	354,245	8,782,359
Investment in joint ventures	4,952,123	7,749,049	1,520,322	14,221,494

ii. Statement of profit or loss and other comprehensive income of joint venture entities

For the year ended 31 December 2025	Q-Chem	Q-Chem II	QVC	Total
Revenue	1,903,319	2,279,886	1,199,467	5,382,672
Cost of sales	(1,493,704)	(1,672,788)	(1,202,780)	(4,369,272)
Other income - Net	4,822	(17,257)	8,409	(4,026)
Administrative expenses	(38,094)	(18,677)	(81,023)	(137,794)
Finance income - Net	19,691	43,056	1,820	64,567
Profit before tax	396,034	614,220	(74,107)	936,147
Deferred income tax	85,863	84,441	45,118	215,422
Current income tax	(224,797)	(299,913)	--	(524,710)
Profit for the year	257,100	398,748	(28,989)	626,859
Proportion of the Company's ownership	49.00%	49.00%	55.20%	
Company's share of profit/(loss) before tax benefit	125,979	195,387	(16,002)	305,364
Tax benefit from joint ventures	68,078	105,582	(24,905)	148,755
Company's share of profit for the year from joint ventures	194,057	300,969	(40,907)	454,119

For the year ended 31 December 2024	Q-Chem	Q-Chem II	QVC	Total
Revenue	2,060,157	2,572,025	1,281,637	5,913,819
Cost of sales	(1,628,671)	(1,893,710)	(1,143,601)	(4,665,982)
Other income -Net	9,770	(4,559)	16,751	21,962
Administrative expenses	(40,692)	(18,655)	(91,633)	(150,980)
Finance income/(cost)	27,315	33,361	1,434	62,110
Profit before tax	427,879	688,462	64,588	1,180,929
Deferred income tax	74,769	101,432	39,407	215,608
Current income tax	(224,981)	(342,888)	(63,317)	(631,186)
Profit for the year	277,667	447,006	40,678	765,351
Proportion of the Company's ownership	49.00%	49.00%	55.20%	
Company's share of profit/(loss) before tax benefit	136,057	219,033	22,455	377,545
Tax benefit from joint ventures	73,604	118,312	13,198	205,114
Company's share of profit for the year from joint ventures	209,661	337,345	35,653	582,659

iii. Additional disclosures of joint venture entities

As at 31 December 2025	Q-Chem	Q-Chem II	QVC	Total
Cash and cash equivalents	295,379	475,231	201,489	972,099
Short term investments	--	462,280	--	462,280
Depreciation and amortisation	396,614	350,343	178,691	925,648
Deferred tax liabilities	52,995	919,449	--	972,444
Tax payable	224,795	299,914	--	524,709
Company's share of dividend declared/received	527,258	625,310	49,015	1,201,583
Current financial liabilities (excluding trade and other payables and provisions)	9,704	5,045	291	15,040
Non-current financial liabilities (excluding trade and other payables and provisions)	31,504	104,850	--	136,354

As at 31 December 2024	Q-Chem	Q-Chem II	QVC	Total
Cash and cash equivalents	521,517	576,510	389,582	1,487,609
Short term investments	36,400	571,480	--	607,880
Depreciation and amortisation	380,523	415,655	162,446	958,624
Deferred tax liabilities	138,854	1,003,890	26,692	1,169,436
Tax payable	224,849	342,888	61,727	629,464
Company's share of dividend declared/received	267,540	196,196	94,089	557,825
Current financial liabilities (excluding trade and other payables and provisions)	12,278	5,096	859	18,233
Non-current financial liabilities (excluding trade and other payables and provisions)	7,571	113,342	291	121,204

(iv) Capital commitments and contingent liabilities

The Company's share in the joint ventures' commitments and contingent liabilities is as follows:

As at 31 December 2025	Q-Chem	Q-Chem II	QVC	Total
Capital commitments	41,180	24,500	114,179	179,859
Purchase commitments	209,318	274,209	--	483,527
Contingent liabilities	--	--	647	647

As at 31 December 2024	Q-Chem	Q-Chem II	QVC	Total
Capital commitments	48,625	96,691	267,829	413,145
Purchase commitments	210,377	235,066	--	445,443
Contingent liabilities -	--	--	627	62

The joint ventures have purchase commitments that consist primarily of major agreements to procure gas from QatarEnergy. The joint ventures also have a number of agreements for electricity, industrial gases and manpower.

Other contingent liabilities

Qatar Chemical Company II Limited

Site restoration obligations

As required by IAS 37 - Provisions, Contingent Liabilities and Contingent Assets", the Company assess whether the following criteria is met to recognise provisions:

- whether the Company has a present obligation as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and;
- a reliable estimate can be made of the amount of the obligation.

Under the lease agreements, the lessor has the right, upon termination or expiration of the lease term,to notify the company that it requires to either:

- transfer all the facilities to the lessor or a transferee nominated by the lessor, against a price acceptable by the company, or;
- remove the facilities and all the other property from the land and restore it to at least the condition in which it was delivered to the company, at the company's cost and expense, unless otherwise is agreed with the lessor.

The incurrence of site restoration costs by the Company is contingent to which option is used by the lessor. Since the lessor has not notified the Company the option to be opted, the management believes that the criteria to recognize the provision for restoration obligation is not fully met and therefore, the Company has not recognized the decommissioning liability for the year ended 31st December 2025.

QVC

Decommissioning and Site Restoration Obligation

On 24 August 2025, the lessor issued formal decommissioning guidelines outlining the prescribed methodology and technical parameters for determining decommissioning obligations.

Management believes that after the issuance of letters and formal decommissioning guidelines received by the lessor, there is a probable obligation created that the lessor may choose the option to remove the facilities. Consequently, the Company has capitalized the decommissioning asset and recognized a provision of decommissioning liability amounting to USD 40.253 million. The term estimated for decommissioning is 01 May 2046, which is the term of the new Joint Venture Agreement as per the Principal Agreement.

Income tax position

- Income tax (Note 15)
- Tax assessments (Note 4 (iv))

Tax assessments

Tax assessment for the years 2012 to 2014

In 2020, the GTA issued an income tax assessment for the years from 2012 to 2014 requiring the Company to pay additional taxes of USD 79 million. This includes penalties of USD 39.6 million. The Company wrote a detailed response to GTA on 16 September 2020 as per the requirement of tax law, stating that the Company will provide QatarEnergy with the required information, if any, related to these assessments which QVC management believes it's not liable to pay as per Article 2 of the MOU. GTA has yet to respond to this matter.

As per the terms of the MOU, the MoF undertakes to settle the income tax amounts payable by the Company for the previous years. Based on the ongoing advanced discussions between the Company, and the MOF, and the GTA, it is expected that the assessments will be withdrawn and accordingly the Company has not recorded a liability for the assessments received.

Tax assessment for the year 2016

On 28 December 2022, GTA issued an income tax assessment for the year 2016 requiring the Company to pay additional taxes of USD 20.6 million. This includes penalties of USD 10.3 million.

A formal appeal was submitted to the Tax Appeal Committee (TAC) on 23 March 2023 as per the requirement of Income Tax Law No. 24 of 2018 and its Executive Regulations (Tax laws) rejecting the full amount levied by GTA. As per the recent settlement reached in 2025 between QVC and the GTA, disallowable expenses amounting to USD 1.46 million comprising bond fees and depreciation expenses has been agreed and paid to the GTA and the remaining amount will be settled as per MoU.

Tax assessment for the year 2017

On 24 December 2023, GTA issued an income tax assessment for the year 2017 requiring the Company to pay additional taxes of USD 25.5 million. This includes penalties of USD 12.8 million.

A formal appeal was submitted to the Tax Appeal Committee (TAC) on 31 March 2024 as per the requirement of Income Tax Law No. 24 of 2018 and its Executive Regulations (Tax laws) rejecting the full amount levied by GTA. The settlement has already been signed between the company and GTA, it has been submitted to the Tax Appeal Committee. In light of the above settlement, and on the Company's request the TAC issued the judgement to accept the Company's withdrawal from the appeal.

Tax assessment for the year 2018

On 24 March 2024, GTA issued an income tax assessment for the year 2018 requiring the Company to pay additional taxes of USD 45.4 million. This includes penalties of USD 22.7 million.

An appeal was submitted to the Tax Appeal Committee (TAC) on 15 July 2024 as per the requirement of Income Tax Law No. 24 of 2018 and its Executive Regulations (Tax laws) rejecting the full amount levied by GTA. The settlement has already been signed between the company and GTA, it has been submitted to the Tax Appeal Committee. In light of the above settlement, and on the Company's request the TAC issued the judgement to accept the Company's withdrawal from the appeal.

Tax assessment for the year 2019

On 29 April 2025, GTA issued an income tax assessment for the year 2019 requiring the Company to pay additional taxes of USD 34.7 million. This includes penalties of USD 34.6 million.

A formal objection and appeal have been filed by QVC as per the requirement of Tax laws rejecting the full amount levied by the GTA. Management is confident that QVC's position will be accepted by the tax appeal committee and accordingly no provision has been recognized in these financial statements.

Global Minimum Tax

Management is closely monitoring developments related to the implementation of the international tax reforms introducing a global minimum top-up tax.

In response to the Pillar Two rules, an amendment to IAS 12 has been introduced. This amendment mandates a temporary exception from recognizing and disclosing deferred tax assets and liabilities arising from the jurisdictional implementation of the Pillar Two model rules. The Company has adopted this temporary exception in the preparation of its financial statements.

Qatar issued Law Number 11 of 2022 as an amendment to Law Number 24 of 2018, introducing enabling provisions for Pillar Two tax. During 2024, a draft legislation to implement Pillar Two tax has been announced but not enacted as at the reporting date. Upon enactment, the Company will assess the impact of the Pillar Two tax regulations on its financial statements. Accordingly, there is no impact on the Company's financial statements as at and for the year ended 31 December 2025.

5. OTHER RECEIVABLES

Other receivables comprise of interest receivable on term deposits made with various banks.

6. ADVANCES FOR THE SALT PROJECT

During 2024, the Company had signed an MOU for Q Salt project. The project involves the development, construction, operation and maintenance of an industrial-scale salt manufacturing (brine processing) plant (the "Plant") in the State of Qatar. The respective shareholding of the Company in the project is 60%. In line with the MOU, the costs of Phase 1 (Development) shall be pre-funded by the Investors, therefore, the entity had paid QR 10 million as a prepayment for the development phase.

7. DEPOSITS AND OTHER BANK BALANCES

As at 31 December	**2025**	2024
Fixed deposits maturing after 90 days of initiation	**2,101,008**	2,023,112
Restricted bank balances - Dividend account	**307,470**	315,149
	2,408,478	2,338,261

Cash in banks earn interest at fixed rates. Term deposits are made for varying periods of between three months and one year depending on the immediate cash requirements of the Company at average interest rate of 4.35% to 4.75% (31 December 2024: 5.0% to 6.31%).

During the year ended 31 December 2025, fixed deposits generated interest income amounting to QR 88 million (2024: 138 QR million) recorded in the statement of profit or loss under Interest income.

8. CASH AND CASH EQUIVALENTS

As at 31 December	**2025**	2024
Cash and cash equivalents	**399,155**	65,215

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central banks of the respective countries. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no impairment and hence have not recorded any loss allowances on these balances.

9. RELATED PARTIES

Related parties, as defined in International Accounting Standard 24, "Related Party Disclosures", include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

i. Transaction with related parties:

Transactions with related parties included in the statement of profit or loss and other comprehensive income for the year ended are as follows:

For the year ended	**Relationship**	**2025**	2024
Dividend income from Q-Chem	**Joint Venture**	**527,258**	267,540
Dividend income from Q-Chem II	**Joint Venture**	**625,310**	196,196
Dividend income from QVC	**Joint Venture**	**49,015**	94,089
Annual fee paid to QatarEnergy	**Parent Company**	**(5,461)**	(5,260)

QatarEnergy is the ultimate parent company, which is state-owned public corporation established by Emiri Decree No. 10 in 1974.

ii. Balances arising from transactions with the related parties

The following are the balances arising on transactions with related parties:

	Relationship	**2025**	2024
Payables to related parties:			
Amounts due to QatarEnergy	Parent Company	**5,827**	3,476

Iii. Compensation of key management personnel:

The remuneration of key management personnel during the year was as follows:

For the year ended	**2025**	2024
Key management remuneration	**200**	200
Board of directors' remuneration	**5,900**	5,900
	6,100	6,100

The Company has established a remuneration policy for its Board of Directors. This policy is comprised of two components: a fixed component and a variable component. The variable component is related to the financial performance of the Company. The total Directors' remuneration is within the limit prescribed by the Qatar Commercial Companies' Law.

10. ACCRUALS AND OTHER PAYABLES

As at 31 December	**2025**	2024
Dividends payable	**307,470**	315,149
Social and sports fund contribution payable	**13,319**	17,969
Accruals	**6,283**	6,314
	327,072	339,432

11. SHARE CAPITAL

As at 31 December	**2025**	2024
Authorised, issued and fully paid:		
12,563,175,000 shares of QR 1 each	**12,563,175**	12,563,175

As at 31 December 2025, QatarEnergy holds 7,268,282,950 shares including 1 special share (2024: 7,268,282,950 shares including 1 special share) comprising 57.85% (2024: 57.85%) of the total shareholding.

12. LEGAL RESERVE

The Articles of Association of the Company states that prior to recommending any dividend for distribution to the Shareholders, the Board shall ensure proper reserves are established in respect of voluntary and statutory reserves considered by the Board to be necessary or appropriate. Such reserves as resolved by the Board, shall be the only reserves the Company is required to have.

13. DIVIDENDS

The Board of directors have approved an interim cash dividend in respect of the six-month period ended 30 June 2025 of QR 0.026 per share, amounting to a total of QR 326.6 million.

The Board of Directors has proposed cash dividend distribution of QR 0.042 per share for the year ended 31 December 2025 (2024: QR 0.057 per share). The proposed final dividend for the year ended 31 December 2025 will be submitted for formal approval at the Annual General Meeting.

On 24 February 2025, the shareholders approved to distribute cash dividends of QR 0.72 billion.

14. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share (EPS) is calculated by dividing the profit for the year attributable to equity holders of the parent by weighted average number of shares outstanding during the year.

The following reflects the income and share data used in basic and diluted earnings per share computation:

	2025	2024
Profit attributable to the equity holders for the year	532,740	718,747
Weighted average number of shares outstanding during the year ("in thousands")	12,563,175	12,563,175
Basic and diluted earnings per share (expressed in QR per share)	0.042	0.057

The figures for basic and diluted earnings per share are the same, as the Company has not issued any instruments that would impact the earnings per share when exercised.

15. INCOME TAX

The Company's profits are exempt from income tax in accordance with the provisions of Qatar's Income Tax Law No. 24. of 2018. However, the Company's joint ventures' profits are subject to income tax in accordance with the applicable law in Qatar for QVC and in accordance with the Joint Venture Agreements of Q-Chem and Q-Chem II as endorsed by an Emiree Decree and Council of Ministers Decision respectively.

During 2020, QATARENERGY, the Ministry of Finance and the General Tax Authority have reached an agreement through an MOU. According to this MOU and as directed by higher authorities and in accordance with the requirements of the public interest, the Ministry of Finance shall pay MPHC portion of income tax incurred by the joint ventures attributed to MPHC's shareholding in these joint ventures.

The mechanism described under the MOU is the following:

1. The joint ventures pay the portion of income tax incurred by the joint ventures attributed to MPHC's shareholding in these joint ventures directly to MPHC for the Ministry of Finance; and
2. The Ministry of Finance pays the portion of income tax incurred by the joint ventures attributed to MPHC's shareholding in these joint ventures directly to the GTA for the joint ventures.

Applying the principles of equity accounting under IAS 28 "Investments in Associates and Joint Ventures", the Company accounted for its underlying interests in the joint ventures on a pre-tax basis. This resulted in a tax adjustment amounting to QR 723 million (2024: QR 1,281 million) for the year ended 31 December 2025.

16. FINANCIAL INSTRUMENTS

Accounting policies

Details of accounting policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in Note 3 to the financial statements.

(a) Categories of financial instruments

31 December 2025	Financial assets FVTPL	Financial assets FVTOCI	Financial assets Amortised cost	Financial liabilities FVTPL	Financial liabilities Amortised cost	Total	Hierarchy levels 1	2	3	Total
Deposits and bank balances	–	–	2,408,478	–	–	2,408,478	–	2,408,478	–	2,408,478
Cash and cash equivalents	–	–	399,155	–	–	399,155	–	399,155	–	399,155
Other receivables	–	–	63,466	- -	–	63,466	–	63,466	–	63,466
Advances for salt project	–	–	10,192	–	–	10,192	–	10,192	–	10,192
Accruals and other payables	–	–	–	–	327,072	327,072	–	327,072	–	327,072
Due to related party	–	–	–	–	5,827	5,827	–	5,827	–	5,827

December 31, 2024	Financial assets FVTPL	Financial assets FVTOCI	Financial assets Amortised cost	Financial liabilities FVTPL	Financial liabilities Amortised cost	Total	Hierarchy levels 1	2	3	Total
Deposits and bank balances	–	–	2,338,261	–	–	2,338,261	–	2,338,261	–	2,338,261
Cash and cash equivalents	–	–	65,215	–	–	65,215	–	65,215	–	65,215
Other receivables	–	–	72,013	–	–	72,013	–	72,013	–	72,013
Advances for salt project	–	–	10,192	–	–	10,192	–	10,192	–	10,192
Accruals and other payables	–	–	–	–	339,432	339,432	–	339,432	–	339,432
Due to related party	–	–	–	–	3,476	3,476	–	3,476	–	3,476

(b) Reconciliation of liabilities arising from financing activities

The below table details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes.

	At January 1, 2025	Financing cash flows	Non-cash changes	At December 31, 2025
Dividend payable	**315,149**	**(711,217)**	**703,538**	**307,470**

	At January 1, 2024	Financing cash flows	Non-cash changes	At December 31, 2024
Dividend payable	415,442	(1,519,932)	1,419,639	315,149

17. FINANCIAL RISK MANAGEMENT

Financial risk management objective

The Company's principal financial liabilities comprise accruals and other payables and due to a related party. The Company has various financial assets, namely, interest receivable and bank balances, which arise directly from its operations.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk, liquidity risk and foreign currency risk. The management reviews and agrees policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

Foreign currency risk management

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		**Assets**	
	2025	2024	**2025**	2024
USD	--	--	**2,101,008**	2,023,112

The Company is mainly exposed to USD.

The following paragraph details the Company's sensitivity to a 10% increase and decrease in the QR against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

At 31 December 2025, if the QR had weakened/strengthened by 10% against the USD with all other variables held constant, profit for the year would have been impacted by QR 137 million (2024: 184 QR million) mainly as a result of foreign exchange gains/losses on translation of USD denominated receivables, due from/to related parties and foreign exchange losses/gains on translation of USD denominated assets and liabilities.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity analysis

At 31 December 2025, if interest rates on QR denominated deposits had been 50 basis point higher/lower with all other variables held constant, profit for the year would have been impacted by QR 7.2 million (2024: 10.62 QR million) lower/higher, mainly as a result of higher/lower interest income on floating rate fixed term deposits and call deposits.

Credit risk

The Company's exposure to credit risk is as indicated by the carrying amount of its financial assets which consist principally of interest receivable and bank balances, as follows:

As at 31 December	**2025**	2024
Other receivable	**63,466**	72,013
Deposits and other bank balances	**2,408,478**	2,338,261
Cash and cash equivalents	**399,155**	65,215
	2,871,099	2,475,489

The tables below show the distribution of bank balances at the date on which the financial statements are issued:

Rating as at 31 December	**2025**	2024
A1	**503,355**	576,148
A2	**754,928**	575,897
A3	**--**	899,442
Aa2	**994,961**	--
Aa3	**554,389**	351,991
	2,807,633	2,403,478

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation and is to maintain a balance between continuity of funding and flexibility through the use of bank facilities. All financial liabilities will mature within 12 months from the end of the reporting period.

At December 31, 2025	**Weighted average effective interest rate %**	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 yeas**	**Over 5 years**	**Total**
Accruals and other payables	--	**327,072**	--	--	--	**327,072**
Due to a related party	--	**5,827**	--	--	--	**5,827**

At December 31, 2024	Weighted average effective interest rate %	Less than 1 year	Between 1 and 2 years	Between 2 and 5 yeas	Over 5 years	Total
Accruals and other payables	--	339,432	--	--	--	339,432
Due to a related party	--	3,476	--	--	--	3,476

Capital management

The Company manages its capital structure and makes adjustments to it, in light of changes in economic and business conditions and shareholders' expectation. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. Capital comprises share capital and retains earnings and is measured at QR 16.2 billion (2024: QR 16.4 billion).

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Bank balances, interest receivable, accruals and other payables, and amount due to related parties approximate their carrying amounts largely due to the short-term maturities of these instruments.

19. CRITICAL JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments, apart from those involving estimations, that management has made in process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors and accordingly adjusts the historical loss rates based on expected changes in these factors.

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue a going concern. Therefore, the financial statements are prepared on a going concern basis.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. The Company uses estimates for the computation of loss rates. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Fair value measurements

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages qualified external valuers to perform the valuation. The management/valuation committee if any works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in respective notes.

Classification of the investments as joint ventures

Management evaluated the Company's interest in Q-Chem, Q-Chem II and QVC (together "the Entities") and concluded that the joint arrangements are joint ventures where the Entities are jointly controlled. Hence, the management accounted for these investments under the equity method.

20. SOCIAL AND SPORTS FUND CONTRIBUTION

In accordance with Law No. 13 of 2008, the Company made an appropriation of profit of QR 13.3 million (2024: QR 18 million) equivalent to 2.5% of the net profit for the year for the support of sport, cultural, social and charitable activities.

21. FEES TO THE STATUTORY AUDITOR

Audit and Assurance fee pertaining to the Company and its Joint Ventures amounted to QR 631,000 (2024: QR. 631,000).

22. SEGMENT INFORMATION

For management purposes, the Company is organised into business units based on their products and services and has one reportable operating segment which is the petrochemical segment from its interest in the joint ventures, which produces and sells polyethylene, 1-hexene, normal alpha olefins, other ethylene derivatives, caustic soda, ethylene dichloride, vinyl chloride monomer and other petrochemical products.

Geographically, the Company only operates in the State of Qatar.

Please scan the QR-code using a smart phone for easy access to the full set of consolidated financial statements