

Notice to Shareholders Mesaieed Petrochemical Holding Company Q.P.S.C

We are pleased to invite you to attend the Company's Ordinary and Extraordinary General Assembly Meetings to be held on Tuesday, March 6th, 2018 at 5:00 pm in Al Wajba Ballroom, La Cigale Hotel - Doha. In the case a quorum is not met, a second meeting will be held on Tuesday, March 13th, 2018 at 5.00 pm in the same location.

Agenda of the Ordinary General Assembly Meeting

1. Listen to the Chairman's Message for the financial year ended December 31, 2017.
2. Listen and approve the Board of Directors' Report on MPHC's operations and financial performance for the financial year ended December 31, 2017, and the future plans of the company.
3. Listen and approve the Auditors' Report on MPHC's consolidated financial statements for the financial year ended December 31, 2017.
4. Approve MPHC's financial statements for the financial year ended December 31, 2017.
5. Approve the 2017 Corporate Governance Report.
6. Approve the Board's recommendation for a dividend payment of QR 0.7 per share, representing 7% of the nominal share value.
7. Absolve the Board of Directors from responsibility for the year 2017 and approve their remuneration.
8. Appointment of the external auditors for the financial year ending December 31, 2018 and determine their fees.

Mr. Ahmad Saif Al Sulaiti
Chairman, MPHC

Notes

1. Please bring your identity card and NIN number to the AGAM venue for registration, which will commence at 4:00 pm.
2. If you are not able to attend personally, you may wish to authorize another MPHC shareholder to vote on your behalf in the AGAM. You can do this by using a proxy form which you can download from the company's website: www.mphc.com.qa.
3. Kindly be advised that one shareholder may act as proxy for one or more shareholders, subject to the Articles of Association.
4. No proxy may be appointed to act in, consequence of such appointment, the proxy shall represent more than five (5) percent of the Company's issued share capital when the Shares of the person appointing the proxy are aggregated with the Shares of the person appointed to act as proxy.
5. For the avoidance of doubt, shareholders are advised that this Notice to Shareholders constitutes good and valid notice, with no need for distribution by normal post.

Agenda of the Extraordinary General Assembly Meeting

Article (5) Objects of the Company

Former Article reads as follows:
(5-1-11)

to do all things that are in the opinion of the Directors incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers;
Amended Article reads as follows:
(5-1-11)

to do all such other things that the Directors may consider incidental or conducive to the attainment of all or any of the Company's objects, or the exercise of all or any of its powers.
The Board may enter into financing agreements for terms exceeding three years, and may sell or mortgage Company's assets, or release creditors of the Company from their liabilities.

Article (13-2) Dividends
Former Article reads as follows:
(13-2-1)

Dividends shall, by resolution of the General Assembly, be distributed to Shareholders not less than five (5) percent of the net profits of the Company after deducting legal deductions, provided that the dividend shall not exceed the amount recommended by the Board.
Amended Article reads as follows:
(13-2-1)

Without prejudice to the Company's ability to fulfill its obligations to third parties. Dividends of not less than five (5) percent of the net profits of the Company after deducting legal deductions shall, by resolution of the General Assembly, be distributed to registered shareholders at the end of trading session on the day on which the General Assembly is convened, provided that the dividend shall not exceed the amount recommended by the Board.

(20) Restrictions on shareholding

Former Article reads as follows:
(20-3)

If the Company is listed on the Qatar Exchange or on a regulated stock exchange, non-Qatari persons shall be restricted to owning a maximum of fifteen percent (15%) of the portion of the Shares made available for subscription on a listing on the Qatar Exchange or a regulated stock exchange.
Amended Article reads as follows:
(20-3)

If the Company is listed on the Qatar Exchange or on a regulated stock exchange, a resolution of the Board of Directors may determine the Non-Qatari ownership percentage to a maximum of forty-nine percent (49%) of the portion of the shares listed on the Qatar Exchange or a regulated stock exchange.

Article (24) Term and Vacation of Office of Directors

Former Article reads as follows:
(24-1)

The term of the first Board shall continue until such time that the Special Shareholder shall, at its sole discretion and by written notice to the Company, elect to constitute a new Board in accordance with Article 22.2. With the exception of the first Board, each Director shall be appointed for a renewable term of three (3) years or such shorter term (being no less than one (1) year each) as the Board shall determine.

(24-2-2)

The office of a Director shall be vacated by such Director:

if he absents himself or herself from three (3) consecutive or five (5) non-consecutive Board meetings (within his term of appointment) without a reason being accepted by the Board.
Amended Article reads as follows:
(24-1)

The term of the first Board shall continue until such time that the Special Shareholder shall, at its sole discretion and by written notice to the Company, elect to constitute a new Board in accordance with Article 22.2. With the exception of the first Board, each Director shall be appointed for a renewable term of three (3) years or such shorter term (being no less than one (1) year each) as the Special Shareholder shall determine.
Unless otherwise decided by the General Assembly, Directors' term of office shall expire on the date on which the General Assembly convened in the final year of their term of office.

(24-2-2)

The office of a Director shall be vacated by such Director: if he absents himself or herself from three (3) consecutive or four (4) non-consecutive Board meetings (during his term of office) without a reason being accepted by the Board.

Article (33) Quorum for Board Meeting

Former Article reads as follows:

The number of Directors required to constitute a quorum in respect of any matter to be considered and acted upon by the Board shall be half of the members of the Board (excluding Independent Directors), present or duly represented by an alternate in accordance with Article 25.
Amended Article reads as follows:

Board meeting shall not be valid unless attended by the majority of Directors thereof (except for independent Directors), provided that the Chairman or the Vice Chairman is amongst them.

Article (34) Resolutions in Writing

Former Article reads as follows:

The Board of Directors may, in case of necessity and on urgency grounds, issue resolutions in writing by circulation subject to written approval on such resolutions by a number of members who constitute the quorum (being at least half of the Directors, excluding Independent Directors), and the resolution shall be deemed in force and effective for all purposes as if it was adopted at a meeting of the Board. In all cases, the written resolution shall be submitted at the next meeting of the Board, to be included in the minutes of the meeting.

Amended Article reads as follows:

The Board of Directors may, in case of necessity and on urgency grounds, issue resolutions in writing by circulation subject to written approval on such resolutions by all Directors. The resolution shall be deemed in force and effective for all purposes as if it was adopted at a duly called meeting of the Board. In all cases, the written resolution shall be submitted at the next meeting of the Board, to be included in the minutes of the meeting.

Article (43) Secretary

Former Article reads as follows:

The Special Shareholder shall appoint a secretary of the Board ("Company Secretary") for such period and on such terms as it may decide and may revoke such appointment. The Board shall decide on the duties of the Company Secretary and on the scope of his authority

Amended Article reads as follows:

The Board or the Special Shareholder may take a decision to appoint a Board Secretary (Company Secretary) for such period and on such terms as it may decide and may revoke such appointment. The Board shall decide on the duties of the Company Secretary and on the scope of his authority.

Article (49-1) Assembly BY BOARD

Former Article reads as follows:

A General Assembly shall be convened by a notice from (and shall be chaired by) the Chairman or in his absence the Deputy Chairman (if any) or such other Director as may have been authorised to do so by the Chairman. Such notice shall be distributed (by normal post) to the Shareholders and shall be published in at least two daily Qatari newspapers, one (1) of which shall be an English language daily newspaper, not less than fifteen (15) days prior to the proposed date of the General Assembly. For so long as the Company has only one Shareholder, that Shareholder may waive the fifteen (15) day notice requirement and there shall be no requirement to publish the notice in any newspaper.

A General Assembly shall be convened by a notice from (and shall be chaired by) the Chairman or in his absence the Vice Chairman (if any) or such other Director as may have been authorised to do so by the Chairman. Such notice shall be published in two daily Qatari newspapers, one (1) of which shall be in Arabic and the other in English, and on the Company's Website not less than fifteen (15) days prior to the proposed date of the General Assembly.

Article (49-2) Notice Contents

Former Article reads as follows:
(49-2-1)

The notice shall contain: (i) the time, date and place of the meeting; (ii) a notice to Shareholders that they may appoint a proxy (who is to be a Shareholder or a Director) to attend on their behalf; (iii) a list of the agenda items to be addressed at the meeting and, where appropriate, a reasonable explanation of such items; (iv) in respect of each agenda item, an indication of whether a resolution is to be proposed for adoption or other voting action is to be taken; and (v) notification that no Shares transferred in the clear seven days preceding the day of the General Assembly, or otherwise in accordance with the QFMA regulations if applicable, shall be recognised by the Company as having been transferred on such day and shall not be registered until the day following such General Assembly.

Amended Article reads as follows:
(49-2-1)

The notice shall contain: (i) the time, date and place of the meeting; (ii) a notice to Shareholders that they may appoint a proxy (who is a Shareholder) to attend on their behalf; (iii) a list of the agenda items to be addressed at the meeting and, where appropriate, a reasonable explanation of such items; (iv) in respect of each agenda item, an indication of whether a resolution is to be proposed for adoption or other voting action is to be taken.

Article (50-1) Assembly by Shareholders

Former Article reads as follows:

A Shareholder or Shareholders together holding fifteen percent (15%) or more of the Shares may from time to time require by notice in writing to the Company that the General Assembly be convened by the Board in accordance with the provisions of these Articles.

Amended Article reads as follows:

A Shareholder or Shareholders together holding at least (10%) of the Company's share capital may, for serious reasons, require that a General Assembly be convened. Shareholders representing at least (25%) of the Company's share capital may require that an Extraordinary General Assembly be convened in accordance with the provisions of the Law and the regulations in this regard.

Article (52) Right to Attend and Vote

Former Article reads as follows:

Except as otherwise provided in these Articles each Shareholder whose name is entered in the Shareholders' Register at the close of business at least seven (7) days prior to the day of the General Assembly, or otherwise as required by the QFMA regulations if applicable, and who is present in person or is duly represented by proxy, shall be entitled to attend the General Assembly and shall have one (1) vote for each Share held by such Shareholder.

Amended Article reads as follows:

Except as otherwise provided in these Articles, each Shareholder, whose name is entered in the Shareholders Register at the end of trading session on the day on which the General Assembly is convened and who is present in person or duly represented by proxy, shall be entitled to attend the General Assembly, participate in deliberations and vote on such matters on the meeting agenda. Such Shareholder shall have one vote for each Share held.

New Articles to be added:

Article (23) eligibility of Directors

(23-6)

No person (other than with the approval of the Special Shareholder) shall become a Director if by so doing he shall become a Director of more than;

a) two companies undertaking business activities similar to the Company or its Affiliates; or

b) three Qatari shareholding Companies.

(52-1) Right to Attend and Vote (CONTINUED)

Shareholder may object to any resolution deemed for the interest or harm of a certain group of shareholders; or brings personal benefits for Directors or others without regard to the Company's interests. Shareholder is entitled to enter such objection into the record of the meeting and to invalidate the objected resolution without prejudice to the provisions of these Articles in this regard.

(52-2) Right to Attend and Vote (CONTINUED)

Shareholders in general and Minorities in particular may, in the event that the Company conducts Major Transactions that might harm their interests or prejudice the ownership of the Company's share capital, object and enter such objection into the record of the meeting and to invalidate the objected transaction without prejudice to the provisions of these Articles in this regard.

MPHC Board of Directors Report (2017)

Introduction

On behalf of the Board of Directors, it is my pleasure to present the 2017 Board of Directors Report (5th Report) of Mesaieed Petrochemical Holding Company.

2017 was characterized by a number of opportunities that have been successfully translated into stellar performance. The group successfully completed the planned maintenance shutdowns in some of its plants. Despite the shutdowns, the financial and operational results were commendable and exceeded the group's budget. The group achieved yet another milestone in successfully integrating Qatar Vinyl Company's support and core facilities with Qatar Petrochemical Company Limited ("QAPCO"), a joint venture between Industries Qatar and Total (France).

Financial Results

MPHC registered a robust net profit of QR 1.1 billion for the year ended 31 December, 2017 with earnings per share of QR 0.87, outperforming its previous year's net profit of QR 995 million with earnings per share of QR 0.79 by QR 93 million or 9%. The year-on-year surge in profits was due to improved selling prices by 6% and increase in other income, despite the decline in sales volumes arising from the planned maintenance shutdowns in some of the group companies' plants.

The group continued to benefit from the supply of competitively priced ethane feedstock and fuel gas under long-term supply agreements. These contractual arrangements are

an important value driver for the group's profitability in the current challenging market conditions.

The closing cash position as at 31 December, 2017 after distribution of the previous years' dividends of QR 727 million, was a robust QR 1.4 billion. The total assets as at 31 December, 2017 was QR 14.8 billion, compared to QR 14.4 billion as at 31 December, 2016. With these results, the group significantly exceeded its budget expectations.

Proposed Dividend Distribution

The Board of Directors therefore recommends a total annual dividend distribution for the year ended 31 December, 2017 of QR 881 million, equivalent to a payout of QR 0.7 per share representing 81% of the group's profit.

Conclusion

MPHC's Board of Directors would like to express its deepest gratitude to His Highness, Sheikh Tamim bin Hamad Al-Thani, the Emir of the State of Qatar, for his wise leadership and guidance. Our gratitude is also extended to the Chairman of the Board of Directors, Mr. Ahmad Saif Al-Sulaiti, for his vision and leadership. The Board of Directors also expresses its appreciation to its esteemed shareholders for their continued confidence in MPHC, senior management and employees of the group companies for their continued dedication and support.