

**MESAIEED PETROCHEMICAL HOLDING  
COMPANY Q.P.S.C.  
DOHA – QATAR**

**CONDENSED INTERIM FINANCIAL  
INFORMATION  
FOR THE NINE-MONTH PERIOD ENDED  
September 30, 2024**

**MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.**

**CONDENSED INTERIM FINANCIAL INFORMATION**

For the nine-month period ended September 30, 2024

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**MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.**

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

For the nine-month period ended September 30, 2024

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

	Note	30 September 2024 (Unaudited)	31 December 2023 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in joint ventures	4 (i)	14,124,795	13,977,648
<b>Current assets</b>			
Prepayment and other receivables	5	42,177	37,564
Due from related party		1,864	-
Deposits and other bank balances	6.1	2,182,036	3,250,826
Cash and cash equivalents	6	206,801	272,042
<b>Total current assets</b>		<b>2,432,878</b>	<b>3,560,432</b>
<b>Total assets</b>		<b>16,557,673</b>	<b>17,538,080</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	9	12,563,175	12,563,175
Legal reserve	10	88,827	88,827
Retained earnings		3,578,176	4,431,125
<b>Total equity</b>		<b>16,230,178</b>	<b>17,083,127</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	7	323,271	449,031
Due to a related party	8 (ii)	4,224	5,922
<b>Total liabilities</b>		<b>327,495</b>	<b>454,953</b>
<b>Total equity and liabilities</b>		<b>16,557,673</b>	<b>17,538,080</b>

The financial information on pages 1 to 14 were approved and authorised for issue by the Board of Directors on 28 October 2024 and were signed on its behalf by:



Ahmad Saif Al-Sulaiti  
Chairman



Mohammed Salem Al – Marri  
Vice Chairman

**MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.**

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the nine-month period ended September 30, 2024

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

	Note	For the nine-month periods ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)
Share of results from joint ventures	4 (ii)	461,834	768,630
Interest income		112,329	90,874
<b>Gross Profit</b>		<b>574,163</b>	<b>859,504</b>
General and administrative expenses		(12,027)	(12,395)
Exchange and other gains		4,554	1,728
<b>Net profit for the period</b>		<b>566,690</b>	<b>848,837</b>
Other comprehensive income		--	--
<b>Total comprehensive income for the period</b>		<b>566,690</b>	<b>848,837</b>
<b>Basic and diluted earnings per share (in QR)</b>	3	<b>0.045</b>	<b>0.068</b>

**MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

For the nine-month period ended September 30, 2024

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

	<b>Note</b>	<b>Share capital</b>	<b>Legal reserve</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Balance at 1 January 2023 (Audited)</b>		12,563,175	76,481	4,769,796	17,409,452
Profit for the period		--	--	848,837	848,837
Other comprehensive income for the period		--	--	--	--
Total comprehensive income for the period		--	--	848,837	848,837
<i>Transaction with owners in their capacity as owners:</i>					
Dividends approved	11	--	--	(1,381,949)	(1,381,949)
<b>Balance at 30 September 2023 (Unaudited)</b>		12,563,175	76,481	4,236,684	16,876,340
<b>Balance at 1 January 2024 (Audited)</b>		<b>12,563,175</b>	<b>88,827</b>	<b>4,431,125</b>	<b>17,083,127</b>
Profit for the period		--	--	<b>566,690</b>	<b>566,690</b>
Other comprehensive income for the period		--	--	--	--
Total comprehensive income for the period		--	--	<b>566,690</b>	<b>566,690</b>
<i>Transaction with owners in their capacity as owners:</i>					
Dividends approved	11	--	--	<b>(1,419,639)</b>	<b>(1,419,639)</b>
<b>Balance at 30 September 2024 (Unaudited)</b>		<b>12,563,175</b>	<b>88,827</b>	<b>3,578,176</b>	<b>16,230,178</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION

**MESAIIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.**

**CONDENSED INTERIM STATEMENT OF CASH FLOWS**

For the nine-month period ended September 30, 2024

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

	Note	For the nine-month periods ended 30 September	
		2024 (Unaudited)	2023 (Unaudited)
<b>Cash flows from operating activities</b>			
Net profit for the period		566,690	848,837
Adjustments for:			
- Tax received		45,866	691,238
- Interest income		(112,329)	(90,874)
- Share of results from joint ventures	4 (ii)	(461,834)	(768,630)
		38,393	680,571
Movement in working capital:			
- Prepayment and other receivables		(1,044)	(1,044)
- Due from Related Parties		(1,864)	-
- Trade and other payables		(1,607)	4,577
- Due to a related party		(1,699)	(1,245)
<b>Cash flows used in operations</b>		32,179	682,859
Social and sports fund contribution paid		(27,067)	(44,179)
<b>Net cash (used in) / generated from operating activities</b>		5,112	638,680
<b>Cash flows from investing activities</b>			
Dividends received from joint ventures	4 (iii)	422,531	766,919
Additions to investment in joint ventures		(153,710)	(112,520)
Interest received		108,761	90,367
Increase / (decrease) of fixed term deposits		971,704	50,386
<b>Net cash generated from investing activities</b>		1,349,286	795,152
<b>Cash flows from financing activities</b>			
Dividends paid to shareholders		(1,516,725)	(1,322,031)
Movement in unclaimed dividends account		97,086	(59,918)
<b>Cash used in financing activities</b>		(1,419,639)	(1,381,949)
<b>Net (decrease)/ increase in cash and cash equivalents</b>		(65,241)	51,883
Cash and cash equivalents at beginning of the period	6	272,042	1,345,834
<b>Cash and cash equivalents at end of the period</b>	6	206,801	1,397,717

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION

# MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

*(All amounts are 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, Qatar Petroleum (“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 condensed interim financial information are as follows:

<b>Entity Name</b>	<b>Country of incorporation</b>	<b>Relationship</b>	<b>Ownership interest</b>
Qatar Chemical Company Limited	Qatar	Joint venture	49%
Qatar Chemical Company II Limited	Qatar	Joint venture	49%
Qatar Vinyl Company Limited	Qatar	Joint venture	55.2%

**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 Chevrans 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.

These condensed interim financial information of the Company for the nine-month period ended 30 September 2024 was authorised for issue on 28 October 2024, by the Board of Directors

# MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

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

### 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial information for the nine-month period ended 30 September 2024 has been prepared in accordance with IAS 34, Interim Financial Reporting under the historical cost convention.

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2023. In addition, results for the nine-month period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

The Company's accounting and risk management policies are consistent with those presented in the annual financial statements for the year ended 31 December 2023.

The condensed interim financial information is presented in Qatari Riyal ("QR"), which is the Company's functional and presentation currency and all values are rounded to the nearest thousands (QR '000'), except otherwise indicated.

### 3. BASIC AND DILUTED EARNINGS PER SHARE

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

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

	<b>30 September 2024 (Unaudited)</b>	30 September 2023 (Unaudited)
<i>For the nine-month period ended</i>		
Profit for the period attributable to the equity holders of the parent (QR'000)	<b>566,690</b>	848,837
Weighted average number of shares outstanding during the period ("in thousands")	<b>12,563,175</b>	12,563,175
Basic and diluted earnings per share (expressed in QR per share)	<b>0.045</b>	0.068

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.



# MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

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

### 4. INVESTMENTS IN JOINT VENTURES

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

<i>For the period ended</i>	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Balance at beginning of the period	13,977,648	14,608,608
Additional investment during the year	153,710	126,585
Share of results from joint ventures for the period	461,834	959,235
Share of dividends received from joint ventures	(468,397)	(1,716,780)
<b>Balance at the end of the period</b>	<b>14,124,795</b>	<b>13,977,648</b>

The summarised interim financial information below presents amounts shown in the financial information of the joint ventures as at 30 September 2024 which are presented in United States Dollars (“USD”) in the financial information of the joint ventures and are translated to QR using an exchange rate of 3.64 in the below tables:

i. *Statement of financial position of joint venture entities*

	<b>As at 30 September 2024 (Unaudited)</b>			
	<b>Q-Chem</b>	<b>Q-Chem II</b>	<b>QVC</b>	<b>Total</b>
Current assets	1,571,695	1,965,823	1,024,344	4,561,862
Non-current assets	1,787,716	3,873,926	1,203,568	6,865,210
Current liabilities	(707,344)	(708,860)	(236,077)	(1,652,281)
Non-current liability	(488,941)	(1,143,200)	(36,054)	(1,668,195)
<b>Equity</b>	<b>2,163,126</b>	<b>3,987,689</b>	<b>1,955,781</b>	<b>8,106,596</b>
<b>Proportion of Company’s ownership</b>	49.00%	49.00%	55.20%	
Company’s share of net assets	1,059,932	1,953,968	1,079,591	4,093,491
Tax benefit from joint ventures	314,221	863,039	60,634	1,237,894
Adjustment for additional investment in PVC Project (QVC)	--	--	11,051	11,051
Goodwill	3,549,403	4,878,711	354,245	8,782,359
<b>Investment in joint ventures</b>	<b>4,923,556</b>	<b>7,695,718</b>	<b>1,505,521</b>	<b>14,124,795</b>
	<b>As at 31 December 2023 (Audited)</b>			
	<b>Q-Chem</b>	<b>Q-Chem II</b>	<b>QVC</b>	<b>Total</b>
Current assets	1,702,446	1,833,785	988,912	4,525,143
Non-current assets	2,017,019	4,139,198	945,647	7,101,864
Current liabilities	(717,051)	(758,889)	(200,411)	(1,676,351)
Non-current liability	(558,624)	(1,227,874)	(67,253)	(1,853,751)
<b>Equity</b>	<b>2,443,790</b>	<b>3,986,220</b>	<b>1,666,895</b>	<b>8,096,905</b>
<b>Proportion of Company’s ownership</b>	49.00%	49.00%	55.20%	
Company’s share of net assets	1,197,457	1,953,248	920,127	4,070,832
Adjustment for additional investment in PVC Project (QVC)	--	--	3,155	3,155
Tax benefit from joint ventures	263,141	775,937	82,224	1,121,302
Goodwill	3,549,403	4,878,711	354,245	8,782,359
<b>Investment in joint ventures</b>	<b>5,010,001</b>	<b>7,607,896</b>	<b>1,359,751</b>	<b>13,977,648</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION

MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

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

4. INVESTMENTS IN JOINT VENTURES (CONTINUED)

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

	For the nine-month period ended 30 September 2024 (Unaudited)			
	Q-Chem	Q-Chem II	QVC	Total
Revenue	1,481,297	1,879,963	1,076,501	4,437,761
Cost of sales	(1,168,133)	(1,381,229)	(899,851)	(3,449,213)
Administrative expenses	(27,826)	(11,019)	(64,649)	(103,494)
Other Income/Expenses	(9,183)	(4,376)	(645)	(14,204)
Finance income / (cost)	20,624	23,488	11,953	56,065
<b>Profit before tax</b>	<b>296,779</b>	<b>506,827</b>	<b>123,309</b>	<b>926,915</b>
Deferred income tax	57,785	75,805	30,324	163,914
Current income tax	(162,031)	(253,565)	(74,298)	(489,894)
<b>Profit for the period</b>	<b>192,533</b>	<b>329,067</b>	<b>79,335</b>	<b>600,935</b>
<b>Proportion of the Company's ownership</b>	<b>49.00%</b>	<b>49.00%</b>	<b>55.20%</b>	
Company's share of profit/(loss) before tax benefit	94,341	161,242	43,795	299,378
<b>Tax benefit from joint ventures</b>	<b>51,081</b>	<b>87,103</b>	<b>24,272</b>	<b>162,456</b>
<b>Company's share of profit for the period from joint ventures</b>	<b>145,422</b>	<b>248,345</b>	<b>68,067</b>	<b>461,834</b>

	For the nine months period ended 30 September 2023 (Unaudited)			
	Q-Chem	Q-Chem II	QVC	Total
Revenue	1,678,112	2,146,624	851,782	4,676,518
Cost of sales	(1,054,069)	(1,324,362)	(703,036)	(3,081,467)
Administrative expenses	(35,920)	(14,196)	(51,824)	(101,940)
Other Income/Expenses	(10,880)	(3,011)	(5,184)	(19,075)
Net finance income/(cost)	26,314	39,556	15,197	81,067
<b>Profit before tax</b>	<b>603,557</b>	<b>844,611</b>	<b>106,935</b>	<b>1,555,103</b>
Deferred income tax	45,158	74,441	26,088	145,687
Current income tax	(256,644)	(370,456)	(63,897)	(690,997)
<b>Profit for the period</b>	<b>392,071</b>	<b>548,596</b>	<b>69,126</b>	<b>1,009,793</b>
<b>Proportion of the Company's ownership</b>	<b>49.00%</b>	<b>49.00%</b>	<b>55.20%</b>	
Company's share of profit before tax benefit	192,114	268,813	38,158	499,085
<b>Tax benefit from joint ventures</b>	<b>103,628</b>	<b>145,047</b>	<b>20,870</b>	<b>269,546</b>
<b>Company's share of profit for the period from joint ventures</b>	<b>295,742</b>	<b>413,860</b>	<b>59,028</b>	<b>768,630</b>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION

**MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION**

For the nine-month period ended September 30, 2024

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

**4. INVESTMENTS IN JOINT VENTURES (CONTINUED)**

*iii. Additional disclosures of joint venture entities*

	<b>As at 30 September 2024 (Unaudited)</b>			
	<b>Q-Chem</b>	<b>Q-Chem II</b>	<b>QVC</b>	<b>Total</b>
Cash and cash equivalents	<b>510,296</b>	<b>900,943</b>	<b>278,116</b>	<b>1,689,355</b>
Depreciation and amortisation	<b>280,412</b>	<b>310,872</b>	<b>121,401</b>	<b>712,685</b>
Deferred tax liabilities	<b>155,844</b>	<b>1,029,516</b>	<b>35,775</b>	<b>1,221,135</b>
Tax payable	<b>320,490</b>	<b>487,910</b>	<b>72,707</b>	<b>881,107</b>
Company's share of dividend declared/received	<b>231,868</b>	<b>160,524</b>	<b>30,139</b>	<b>422,531</b>
Current financial liabilities (excluding trade and other payables and provisions)	<b>6,183</b>	<b>6,685</b>	<b>861</b>	<b>13,729</b>
Non-current financial liabilities (excluding trade and other payables and provisions)	<b>16,360</b>	<b>112,073</b>	<b>278</b>	<b>128,711</b>
	<b>As at 31 December 2023 (Audited)</b>			
	<b>Q-Chem</b>	<b>Q-Chem II</b>	<b>QVC</b>	<b>Total</b>
Cash and cash equivalents	136,857	220,320	236,898	594,075
Short term investments	509,600	491,400	36,400	1,037,400
Depreciation and amortisation	345,888	415,846	153,283	915,017
Deferred tax liabilities	213,628	1,105,321	66,099	1,385,048
Tax payable	323,387	478,254	83,091	884,732
Company's share of dividend declared/received	321,048	561,834	142,659	1,025,541
Current financial liabilities (excluding trade and other payables and provisions)	12,696	5,097	823	18,616
Non-current financial liabilities (excluding trade and other payables and provisions)	25,768	121,027	1,152	147,947

# MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

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

### 5. PREPAYMENTS AND OTHER RECEIVABLES

Prepayments and other receivables comprise of interest receivable on term deposits made with various banks and prepayments.

### 6. CASH AND CASH EQUIVALENTS

<i>As at</i>	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Cash and cash equivalents	<b>206,801</b>	272,042

#### 6.1 DEPOSITS AND OTHER BANK BALANCES

<i>As at</i>	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Fixed deposits maturing after 90 days	<b>1,863,680</b>	2,835,384
Restricted bank balances - Dividends account	<b>318,356</b>	415,442
	<b>2,182,036</b>	3,250,826

Cash in banks earn interest at fixed rates. Term deposits are made for varying periods of between nine months and one year depending on the immediate cash requirements of the Company at average interest rate of 5.50% to 6.31% (31 December 2023: 5.01% to 6.65%).

### 7. TRADE AND OTHER PAYABLES

<i>As at</i>	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Dividends payable	<b>318,356</b>	415,442
Social and sports fund contribution payable	-	27,067
Accruals and other payable	<b>4,915</b>	6,522
	<b>323,271</b>	449,031

# MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

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

### 8. 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 condensed interim statement of profit or loss and other comprehensive income for the period ended are as follows:

<i>For the nine-month period ended</i>	<b>30 September 2024 (Unaudited)</b>	30 September 2023 (Unaudited)
Dividend income from Q-Chem	<b>231,868</b>	214,032
Dividend income from Q-Chem II	<b>160,524</b>	410,228
Dividend income from QVC	<b>30,139</b>	142,659
	<b>422,531</b>	766,919
Service Fee payable to QATARENERGY	<b>(3,945)</b>	(4,231)

#### *ii Related party balances:*

Balances with related parties included in the condensed interim statement of financial position are as follows:

<i>As at</i>	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Amounts due to QATARENERGY	<b>3,945</b>	5,922

#### *iii Compensation of key management personnel:*

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

<i>For the nine-month period ended</i>	<b>30 September 2024 (Unaudited)</b>	30 September 2023 (Unaudited)
Key management remuneration	<b>150</b>	150
Board of directors’ remuneration	<b>4,425</b>	4,425
	<b>4,575</b>	4,575

### 9. SHARE CAPITAL

<i>As at</i>	<b>30 September 2024 (Unaudited)</b>	31 December 2023 (Audited)
Authorised, issued and fully paid: 12,563,175,000 shares of QR 1 each	<b>12,563,175</b>	12,563,175

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL INFORMATION

## MESAIEED PETROCHEMICAL HOLDING COMPANY Q.P.S.C.

### NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine-month period ended September 30, 2024

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

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#### 10. 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.

#### 11. DIVIDENDS

The Board of Directors had proposed cash dividend distribution of QR 0.086 per share for the year ended 31 December 2023. The final dividend for the year ended 31 December 2023 had been approved at the Annual General Meeting held on 05 March 2024.

The Board of directors have approved an interim cash dividend in respect of the six-month period ended 30 June 2024 of QR 0.027 per share, amounting to a total of QR 339.2 million. The Auditor of the Company issued a separate Agreed Upon Procedures report on the Company's compliance with the QFMA requirement in relation to the interim dividend pay-out.

During the period, the Company paid a dividend and interim dividend of QR 1,517 million.

#### 12. 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 1,238 million for the period ended September 30, 2024.

#### 13. 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.

For the nine-month period ended September 30, 2024

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

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#### **14. 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.

##### **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.

##### **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 criteria to recognize the provision for restoration obligation is not fully met and therefore, the Company has not recognized the decommissioning liability for the period ended 30<sup>th</sup> September 2024.

##### **Impairment of investment in joint ventures**

The Company assesses the impairment of non-financial assets, particularly its investment in joint ventures, whenever events or changes in circumstances indicate that the carrying amount of the non-financial asset may not be recoverable.

Factors which could trigger an impairment review include evidence from internal and external sources related to the changes in technological, market, economic or legal environment in which the Company operates and economic performance of the assets.

Based on the assessment performed as of 30 September 2024, no impairment indicators were identified, and therefore a detailed impairment test was not performed.