



Mesaieed Petrochemical Holding Company

IR Presentation

30 September 2024

“one of the region’s premier diversified petrochemical conglomerates with interests in the production of olefins, polyolefins, alpha olefins and chlor-alkali products”

Disclaimer

The companies in which Mesaieed Petrochemical Holding Company Q.P.S.C. directly and indirectly owns investments are separate entities. In this presentation, “MPHC” and “the group” are sometimes used for convenience in reference to Mesaieed Petrochemical Holding Company Q.P.S.C.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of Mesaieed Petrochemical Holding Company Q.P.S.C. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the group to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realisation of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the group’s products, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this presentation are made as of the date of this presentation.

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

GENERAL NOTES

Mesaieed Petrochemical Holding Company’s accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to Mesaieed Petrochemical Holding Company’s share. Values expressed in US \$’s have been translated at the rate of US \$1 = QR3.64.

DEFINITIONS

Cash Realisation Ratio: $\text{Cash Flow From Operations} / \text{Net Profit} \times 100$ • Debt to Equity: $(\text{Current Debt} + \text{Long-Term Debt}) / \text{Equity} \times 100$ • Dividend Yield: $\text{Total Cash Dividend} / \text{Closing Market Capitalisation} \times 100$ • EDC: Ethylene Dichloride • EPS: Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year end) • EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation • Free Cash Flow: $\text{Cash Flow From Operations} - \text{Total CAPEX}$ • HCL: Hydrochloric Acid • HDPE: High Density Polyethylene • NAO: Normal Alpha Olefins • NaOH: Caustic Soda • MT / PA: Metric Tons Per Annum • Payout Ratio: $\text{Total Cash Dividend} / \text{Net Profit} \times 100$ • P/E: Price to Earnings (Closing market capitalisation / Net Profit) • Utilisation: $\text{Production Volume} / \text{Rated Capacity} \times 100$ • VCM: Vinyl Chloride Monomer

Table of Content

1. About MPHC
2. Competitive strengths
3. Regional peers review
4. Macroeconomic updates
5. MPHC results (For the nine-month period ended 30 September 2024)
6. Segmental results (For the nine-month period ended 30 September 2024)
7. CAPEX (2024F – 2028F)
8. Dividends and market capitalization
9. Historical performance (2018 – 2023)
10. Governance structure
11. Sales and marketing

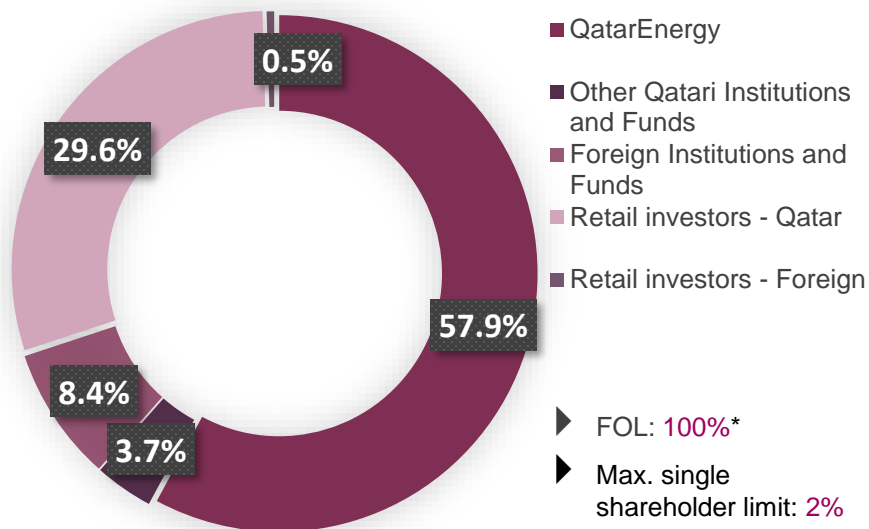
About MPHC

MPHC at a glance

Overview

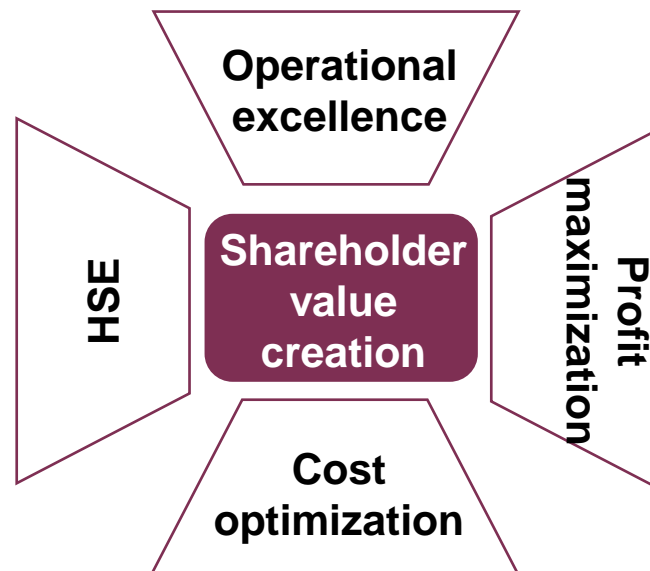
- Mesaieed Petrochemical Holding Company Q.P.S.C. (“MPHC” or “the Group”; QE ticker: MPHC) was incorporated on May 29, 2013 and was listed on the Qatar Stock Exchange on February 26, 2014.
- MPHC is among top 10 companies at Qatar Exchange by Market Capitalization.
- QatarEnergy provides most head office functions through a comprehensive service-level agreement.
- The operations of joint ventures remained independently managed by their respective Boards of Directors and senior management teams.

MPHC’s shareholding structure



Note: Shareholder data as of 30-Sept-24

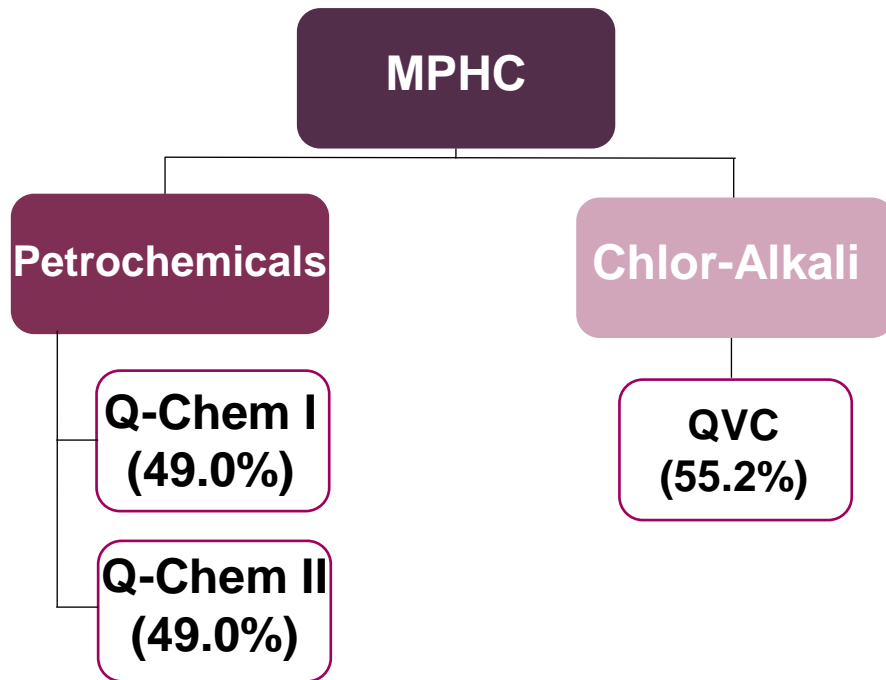
Core values



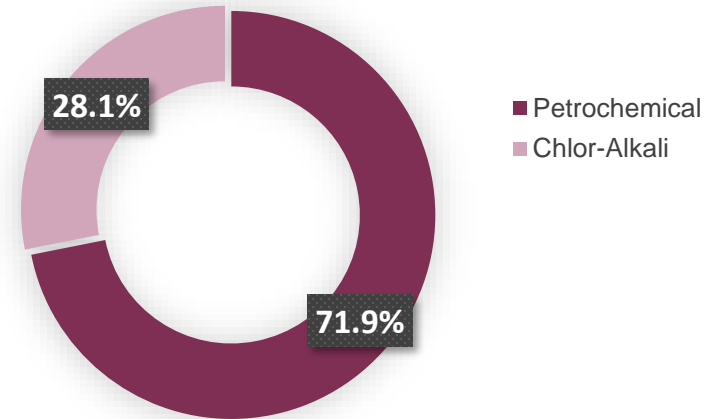
MPHC business segments at a glance

Business segments overview

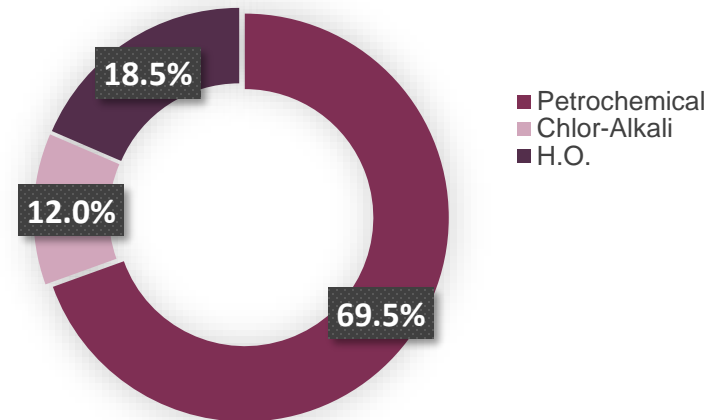
- Through its joint ventures companies, MPHC operates in **two** distinct business segments: **Petrochemical** and **Chlor-Alkali**;
- Production facilities are located in the State of Qatar.



Segments size by Revenue



Segments size by Net Profits



* All the investments in operating companies is in the form of Joint venture stake

Note: Revenue and net profit data as of 30-Sept-24



Competitive strengths

Competitive strengths

Low cost producer

- Assured feedstock supply
- Economies of scale and operationally diversified
- Synergy benefits

Strong financial position

- Solid liquidity position
- Strong cash flow generation with stable EBITDA margins
- Sound dividend record

Market leadership

- One of the region's premier diversified petrochemical conglomerates
- Dedicated marketing support in form of Muntajat

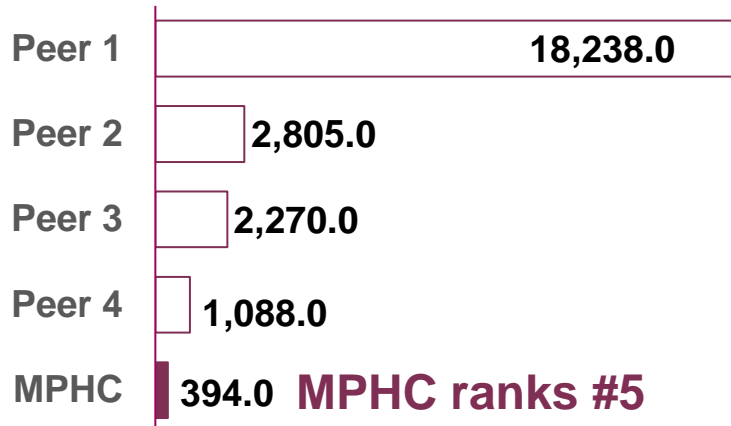
Experienced team

- Industry experts in the senior management team
- Reputable JV partners

Regional peers review

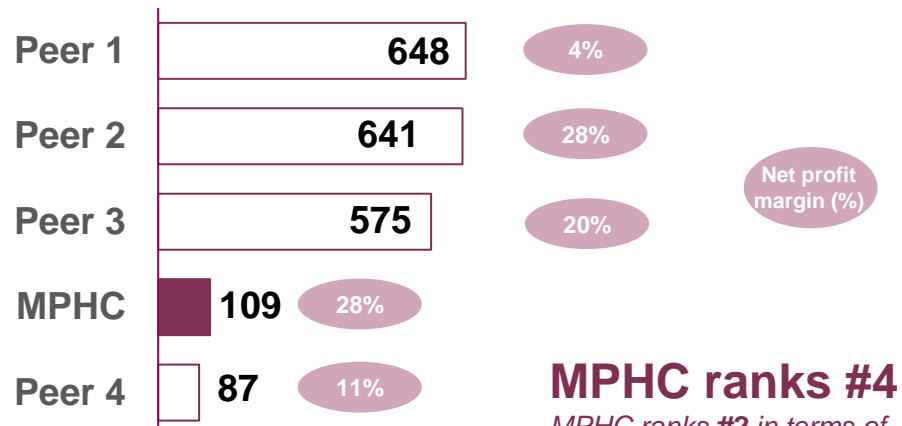
Competitive positioning versus regional peers

Revenue. (USD' million)



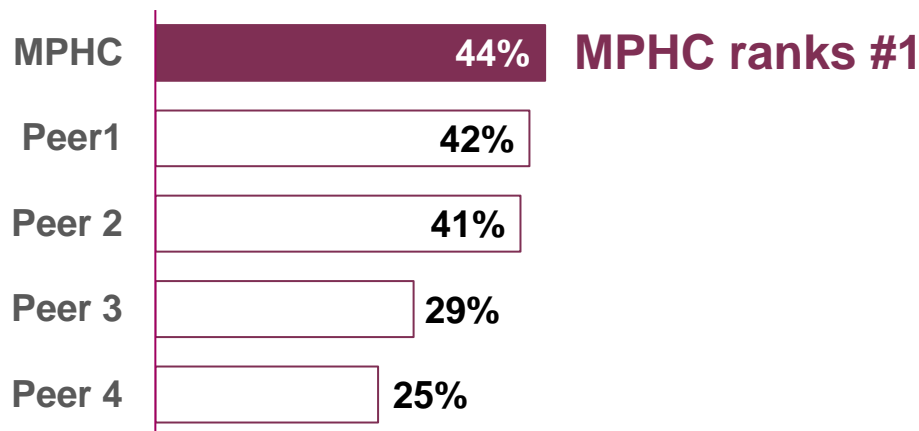
Note: Data as of June-24

Net profit (USD' million)



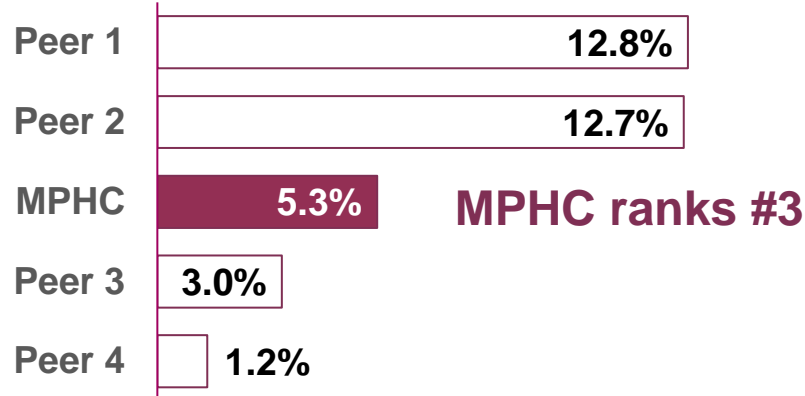
Note: Data as of June-24

EBITDA Margins (%)



Note: Data as of June-24

ROA (%)



Note: Data as of June-24

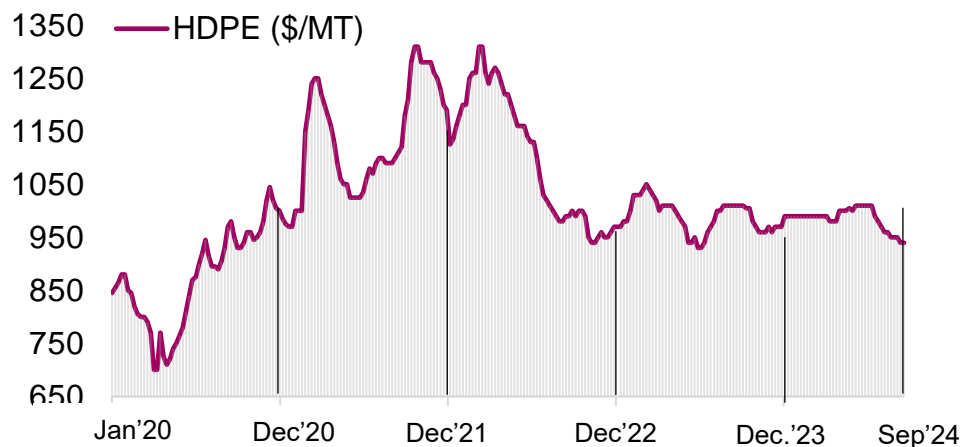
10 Note: Regional peers data include all listed companies in MENA region involved in production of petrochemicals and specialty chemicals, excl. fertilizers.



Macroeconomic updates

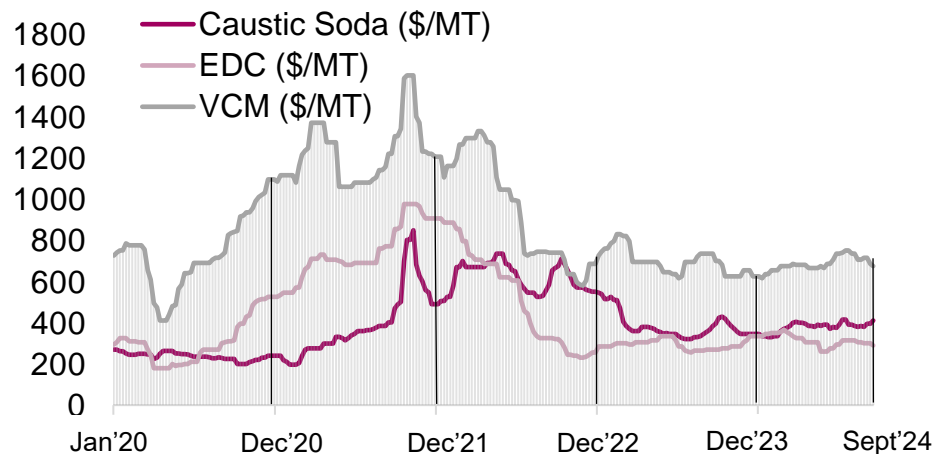
Macroeconomic updates

Petrochemicals



The global petrochemical industry is currently navigating a challenging macroeconomic landscape characterized by the lingering effects of stringent monetary policies, muted industrial production growth, and geopolitical tensions. These factors have contributed to a general decline in commodity prices year-on-year, primarily due to cautious buyer behavior amid economic headwinds and relatively lower energy prices.

Chlor-Alkali



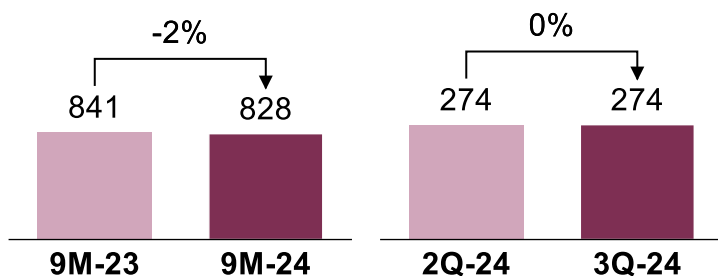
Prices for most of MPH's chlor-alkali products exhibited bearish trends. Industries using these end-products, including alumina, aluminum, PVC, etc., continued to face challenges due to macroeconomic uncertainties.

MPHC results

(For the nine month-period ended 30 Sept. 2024)

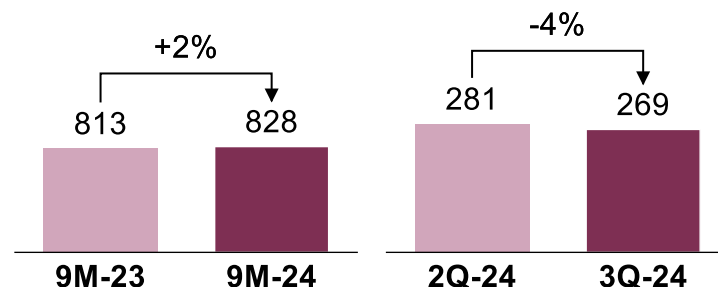
Operational performance review

Production (MT' 000)



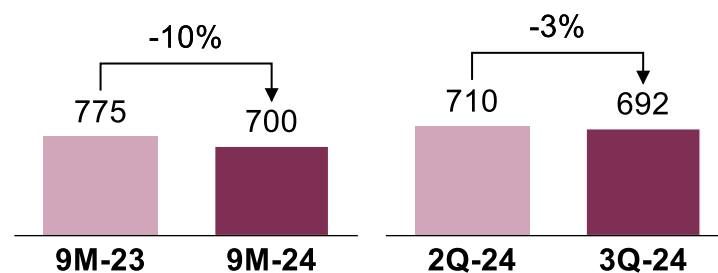
- 9M-24 vs 9M-23: production for 9M-24 declined compared to same period of last year, mainly due to outages within the petrochemical segment.
- 3Q-24 vs 2Q-24: On a quarter-on-quarter basis production volumes for 3Q-24 remained flat in comparison to 2Q-24, as outages within petrochemical segment persisted.

Sales volume (MT' 000)



- 9M-24 vs 9M-23: Sales volumes increased versus 9M-24, mainly driven by higher sales volumes reported by the chlor-alkali segment partially offset by lower sales volumes reported by the petrochemicals segment.
- 3Q-24 vs 2Q-24: Sales volumes declined versus 2Q-24, due to lower sales volume reported in petrochemical segment.

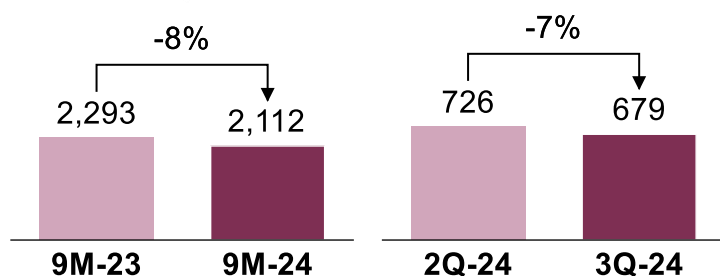
Selling prices (\$/MT)



- 9M-24 vs 9M-23: year-on-year price trajectories declined due to subdued product demand along with excessive supply resulted in lowered commodity prices.
- 3Q-24 vs 2Q-24: quarter-on-quarter prices inched down, mainly on the back-drop supply-demand dynamics.

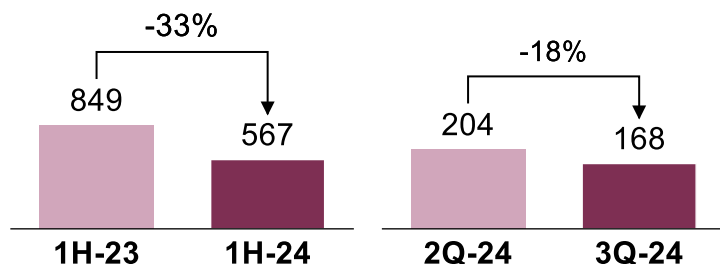
Financial performance review

Revenue (QR' million)



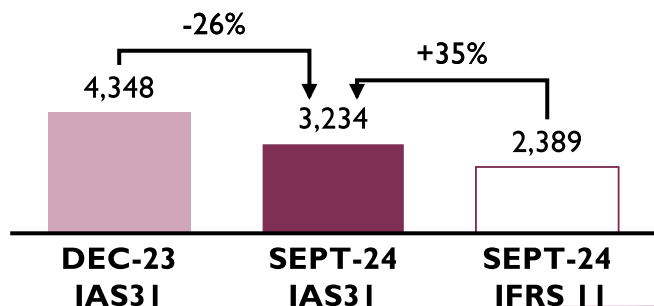
- 9M-24 vs 9M-23: Group revenue decline mainly linked to the decrease noted in average blended product prices, partially offset by higher sales volume.
- 3Q-24 vs 2Q-24: revenue decreased on a quarter-on-quarter basis, due to lower sales volumes and avg. selling price.

Net profit (QR' million)



- 9M-24 vs 9M-23: Net profit declined year-on-year mainly due to lower selling prices and reduced sales volumes in the petrochemical segment, which further challenged profit margins.
- 3Q-24 vs 2Q-24: Quarter-on-quarter results declined due to the same reasons above.

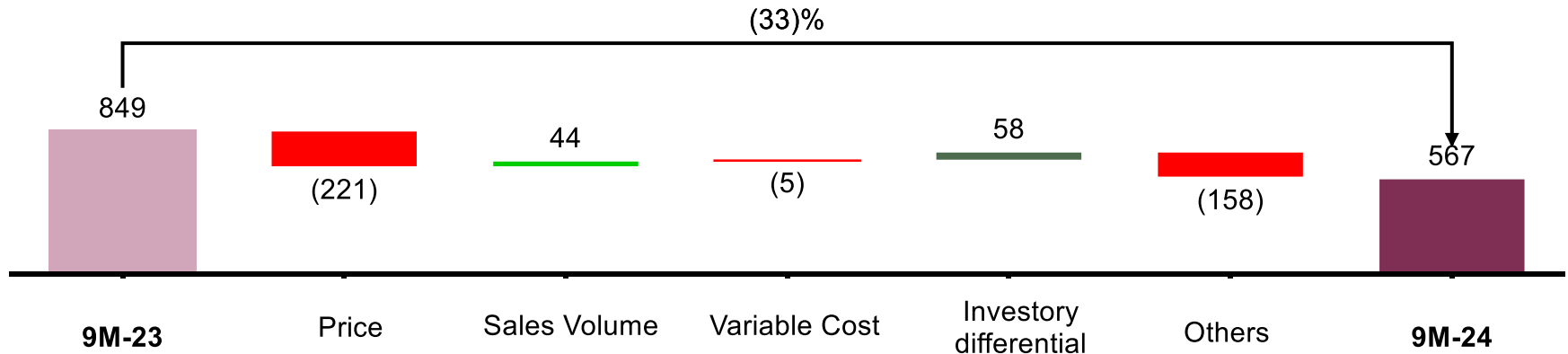
Cash & bank balances (QR' million)



- MPHC's share of cash and bank balances declined from last year, mainly due to dividend payment for the financial year 2023 and interim dividend for 2024, in addition to the payment of MPHC portion in financing of the PVC project, being partially offset by positive cash flow generation during 9M-24.

Net Profit Variance Analysis

QR 'millions



Net profits decreased due to:

Unfavorable variance

- Lowered average realized blended selling prices;
- Higher variable costs;
- Lower others due to higher COGS and higher Muntajat deductibles.

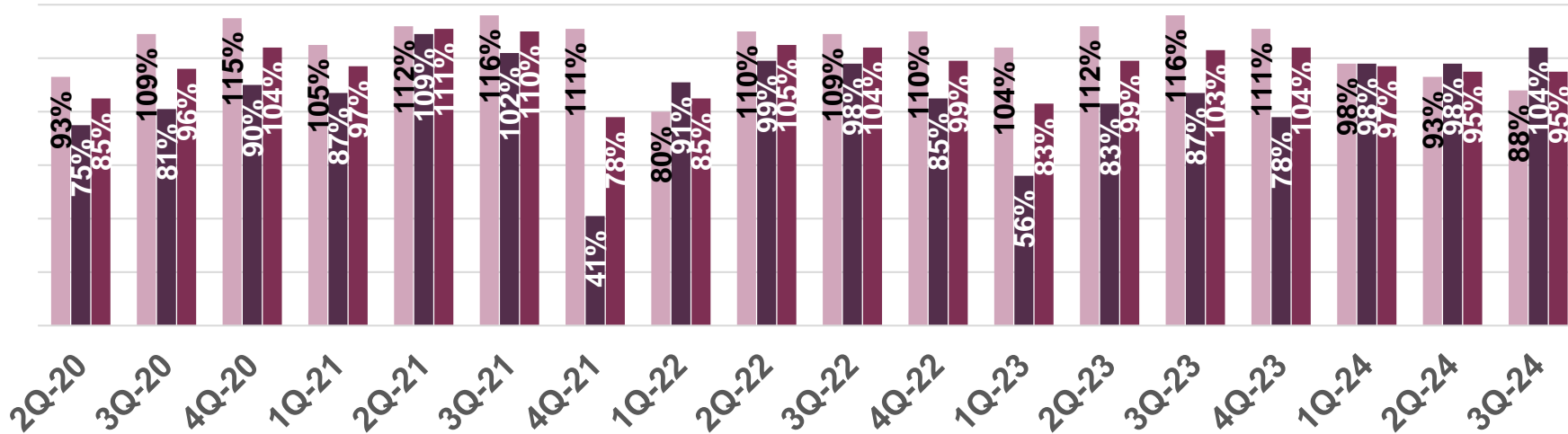
Favorable variance

- Higher sales volumes;
- Favorable inventory movement.

MPHC operating rates

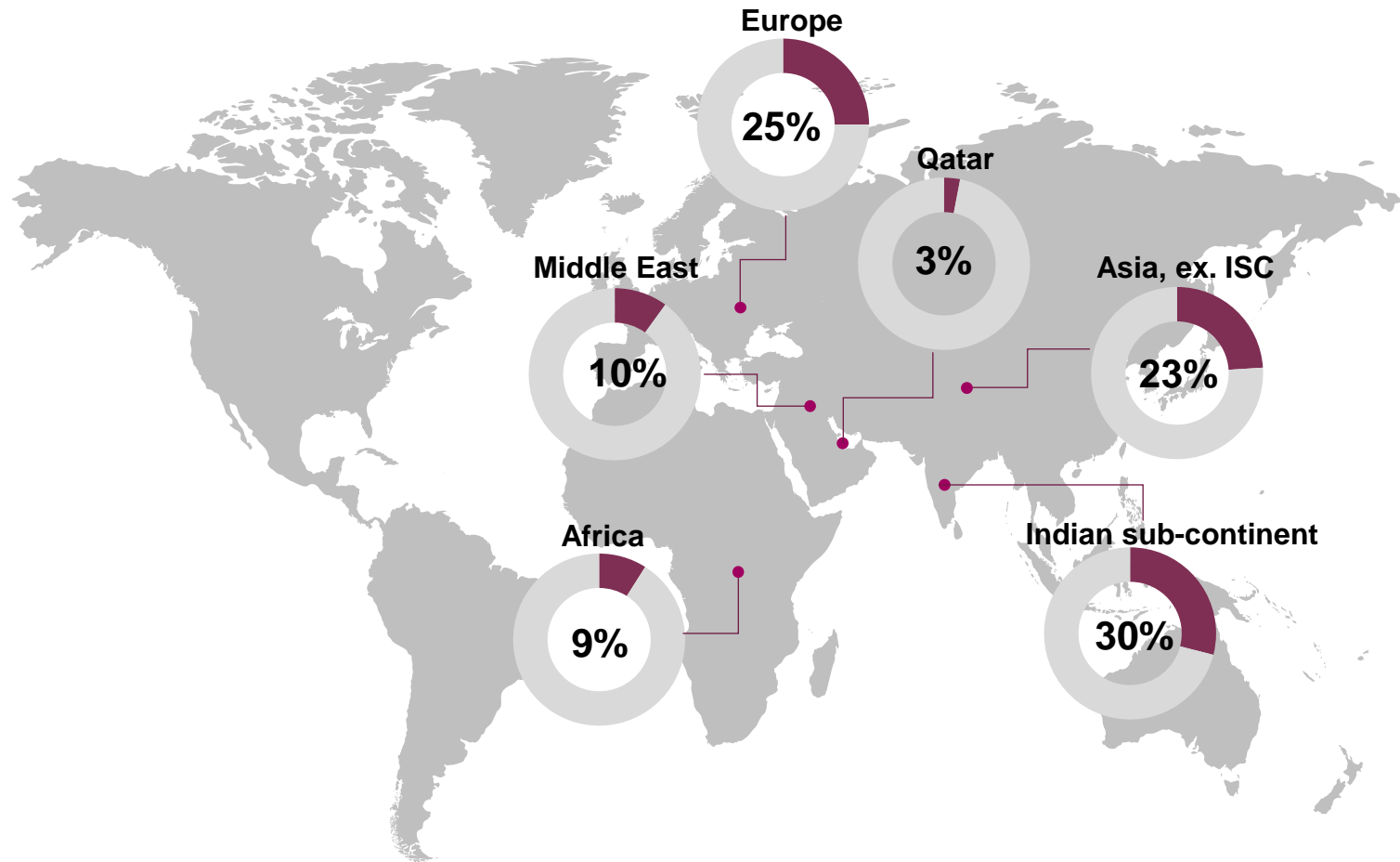
Operating rates of MPHC segments remained stable

■ Petrochemicals ■ Chlor-Alkali ■ MPHC - Group



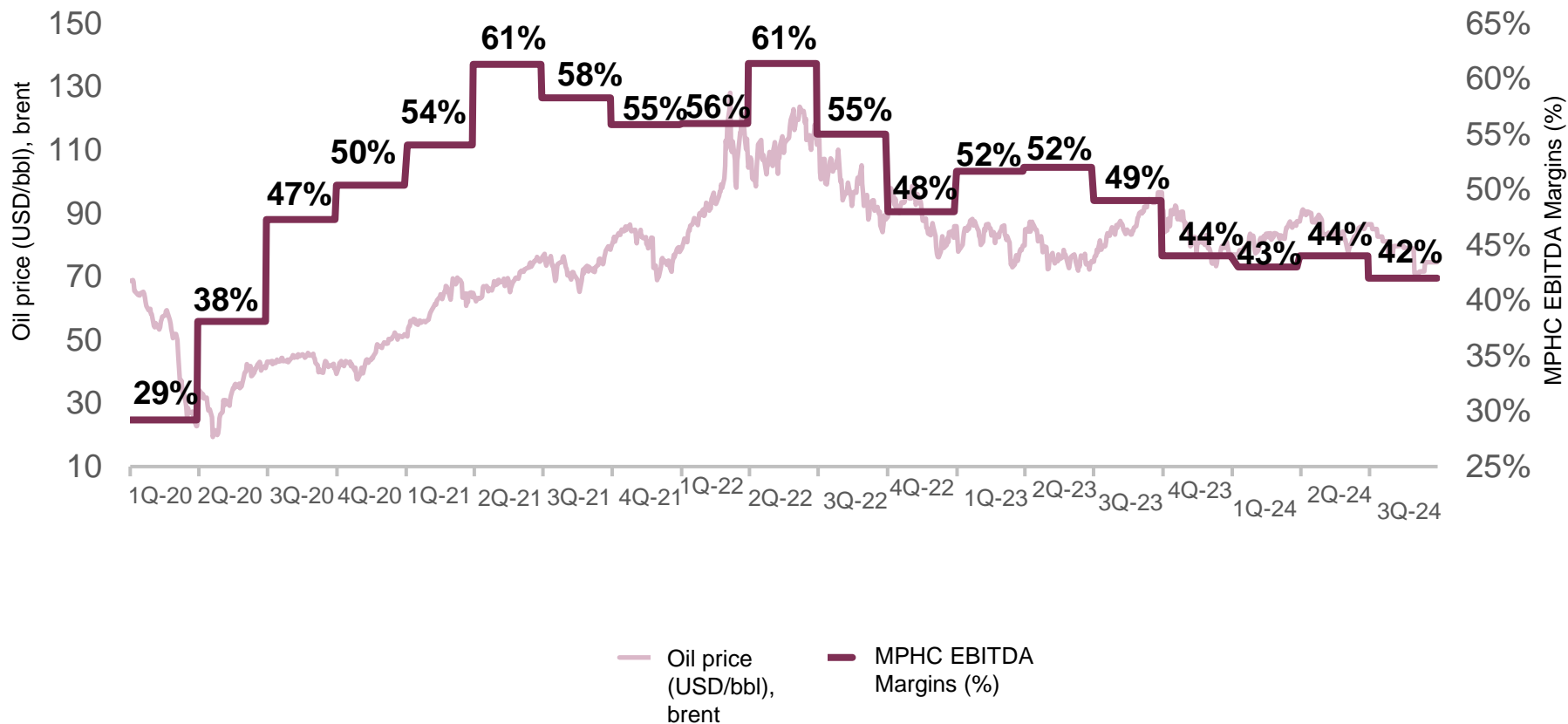
Geographic analysis – MPHC Group revenue

Asia including ISC remained MPHC's largest market, while its presence in Europe continued to be substantial



Robust EBITDA margins

Despite the volatile trends in commodity prices, MPHC's EBITDA margins continue to remain resilient



Segmental results

(For the nine-month period ended 30 Sept. 2024)

Segmental Details: Petrochemicals

- **Q-Chem** and **Q-Chem II** are both owned 49% by MPHC, 49% by Chevron Phillips Chemical International Qatar Holdings L.L.C., and 2% by QatarEnergy;
- **Q-Chem II** also has an effective ownership of 53.85% in **Ras Laffan Olefins Company Limited** which owns an ethane cracker which provides ethylene feedstock to Q-Chem II;
- The companies in the segment are engaged in the production of a range of petrochemical products including:
 - **HDPE**: 397,000 MT PA (MPHC share);
 - **NAO**: 169,000 MT PA (MPHC share);
- All production facilities are based within the State of Qatar.

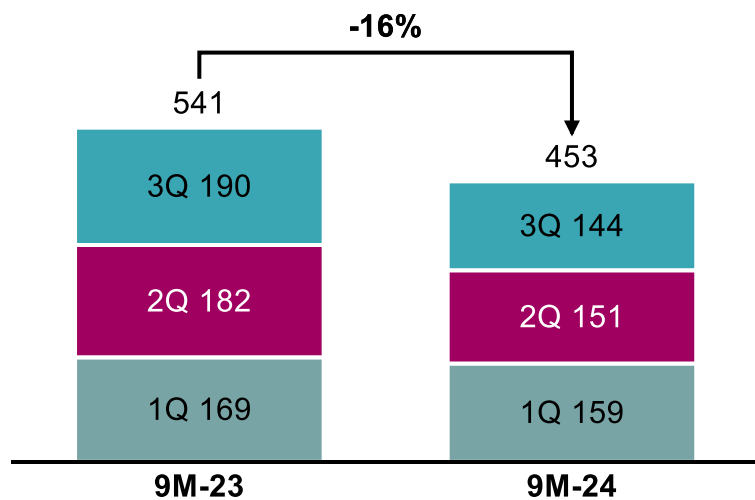


Segmental Details: Petrochemicals

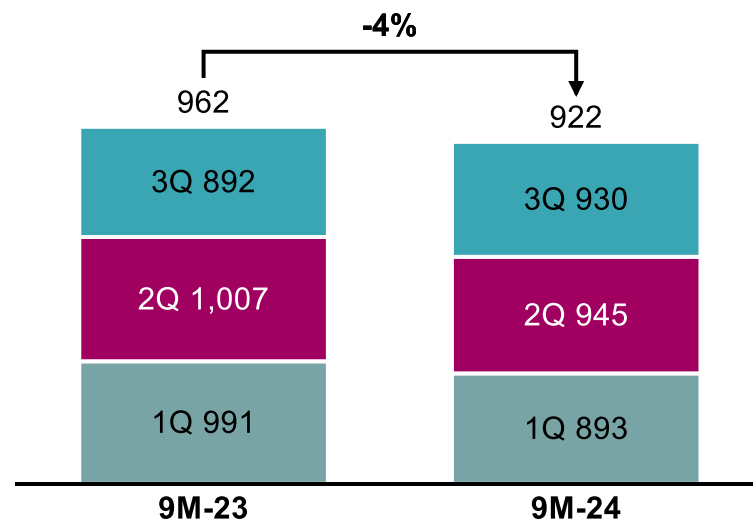
Analysis of production & selling prices

- **Production:** Production down compared to 9M-23, due to lesser plant availability and outages, which affected the overall production volumes for the segment.
 - Production declined during 3Q-24 in comparison to 2Q-24, due to outages related turnaround in Q-Chem facilities.
- **Selling Prices:** declined as compared to 9M-23, as result of general decline of crude prices and weakened consumer demand, and general decline against a backdrop of deteriorating macroeconomic fundamentals.
 - Selling prices declined during 3Q-24 compared to 2Q-24, following supply and demand trends.

Production (MT' 000)



Selling prices (\$/MT)

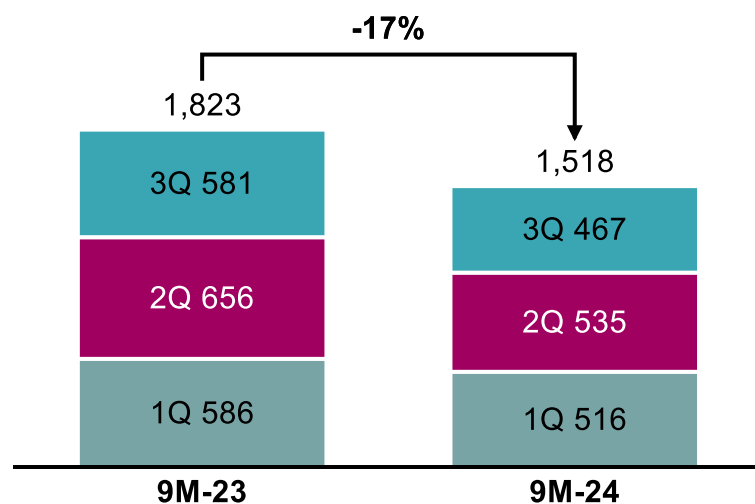


Segmental Details: Petrochemicals

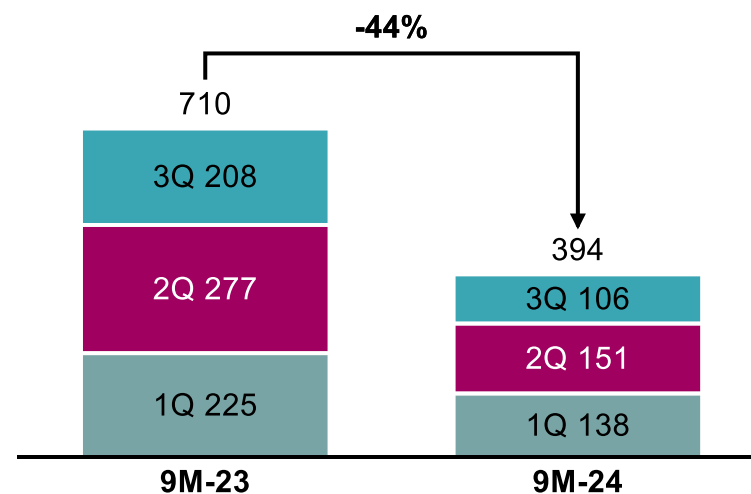
Analysis of segment revenue & net profit

- **Revenue:** Down as compared to 9M-23, due to lower selling prices and sales volumes on the back of lesser production amid lesser availability;
 - Q3-24 revenue inched down due to lower selling prices and sales volumes decline versus Q2-24.
- **Net profit:** Down as compared to 9M-23, primarily driven by macro-challenges affecting selling prices negatively, in addition to lower sales volumes amid reduction in production. These factors presented challenges in term of margins and further affected profitability;
 - 3Q-24 net profit down as compared to 2Q-24, primarily driven by same reasons above.

Revenue (QR' million)



Net profit (QR' million)

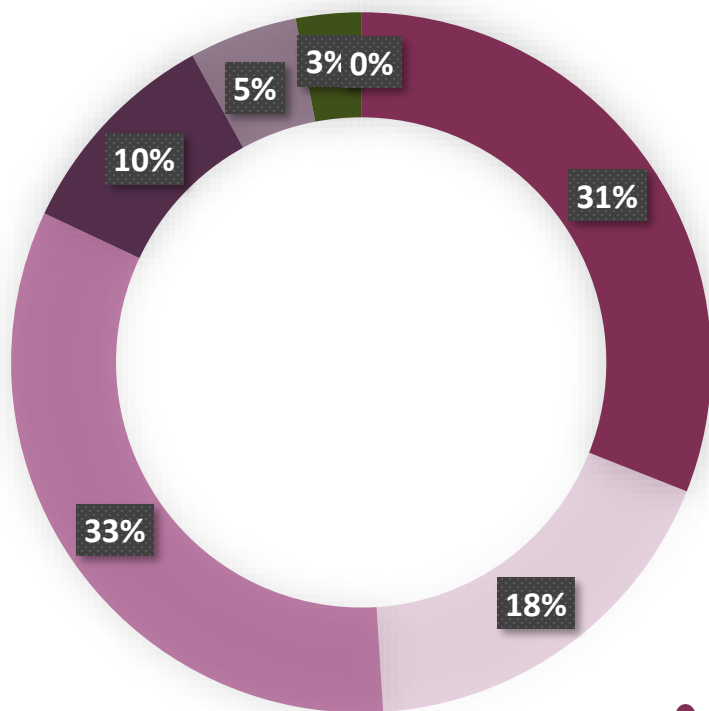


Segmental Details: Petrochemicals

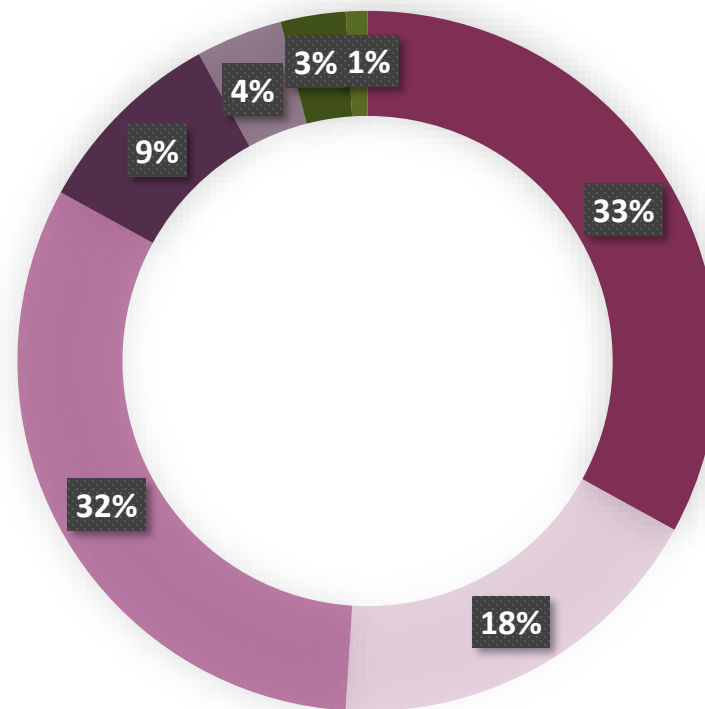
Geographical analysis of segment revenue

- Asia & Europe remains a main market for Petrochemical segment

9M-24 Segment Revenue (%)



9M-23 Segment Revenue (%)



- Asia, excl. ISC
- Africa
- Indian sub-continent
- Middle East
- Europe
- Qatar
- Americas

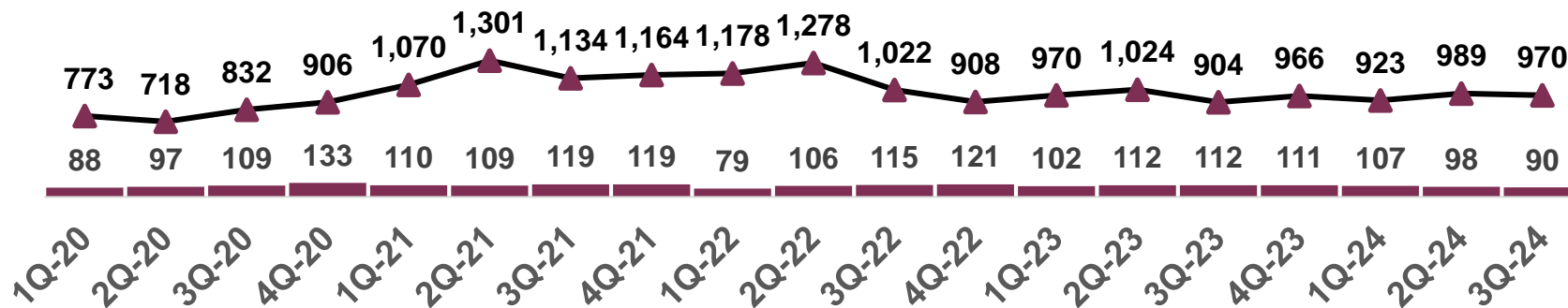
24 Note: The geographic analysis is based on the geographic location of the customer, to whom the sale is actually made by MPHPC's entities directly or via Sales & Marketing partner.



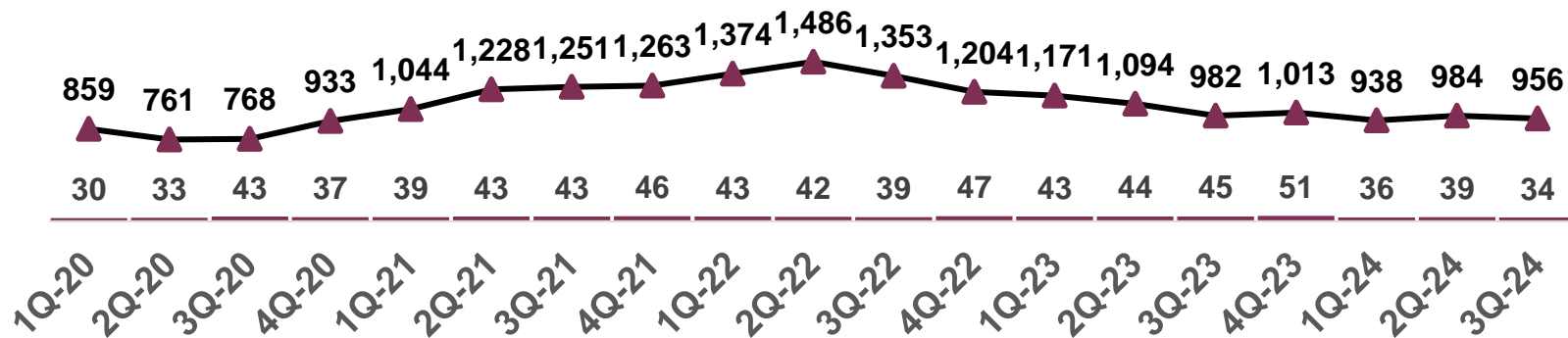
Segmental Details: Petrochemical

Key segment products analysis

HDPE



NAO



- Commodity prices continued its downward trajectory since second half of 2022 mainly due to cautious approach from buyers and challenging macroeconomic climate.



Segmental Details: Chlor-Alkali

- Qatar Vinyl Company Limited Q.S.C. (“QVC”) is owned 55.2% by MPHC, 31.9% by Qapco and 12.9% by QatarEnergy;
- QVC’s operations have been integrated with Qapco, bringing additional synergies to the group.
- The segment is engaged in the production of a range of chlor-alkali products
 - **Caustic Soda:** 215,000 MT PA (MPHC share);
 - **Ethylene Dichloride (“EDC”):** 110,000 MT PA (MPHC share);
 - **Vinyl Chloride Monomer (“VCM”):** 215,000 MT PA (MPHC share);
- All production facilities are based within the State of Qatar.

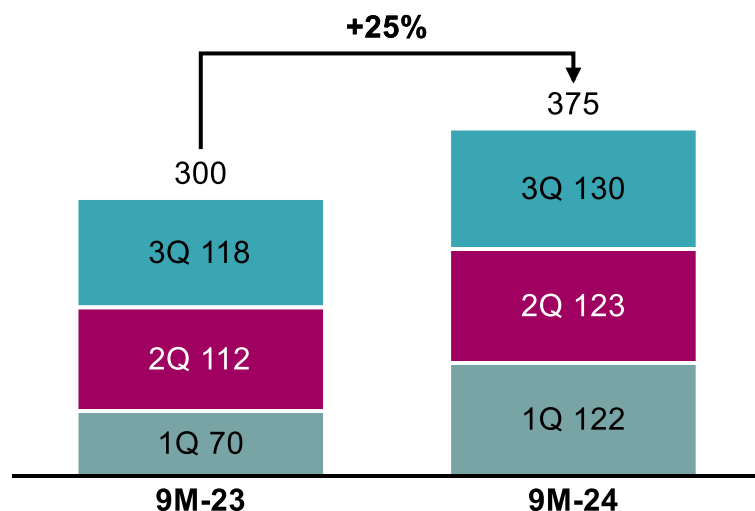


Segmental Details: Chlor-Alkali

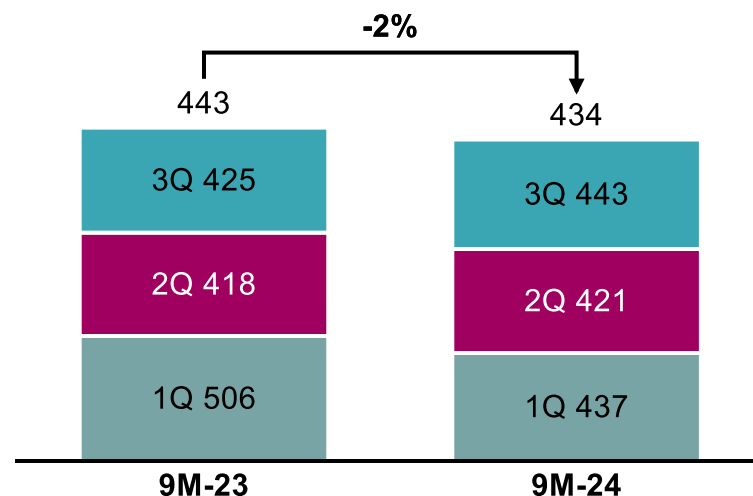
Analysis of production & selling prices

- Production:** Production increased significantly as compared to 9M-23, mainly due to better plant availability;
 - Production inched upward compared to 2Q-24.
- Selling Prices:** Declined versus 9M-23, reflecting the slower than expected recovery phase in global activities across sectors associated with chlor-alkali.
 - Selling prices marginally improved versus 2Q-24, as a gradual improvement was witnessed in chlor-alkali market.

Production (MT' 000)



Selling prices (\$/MT)

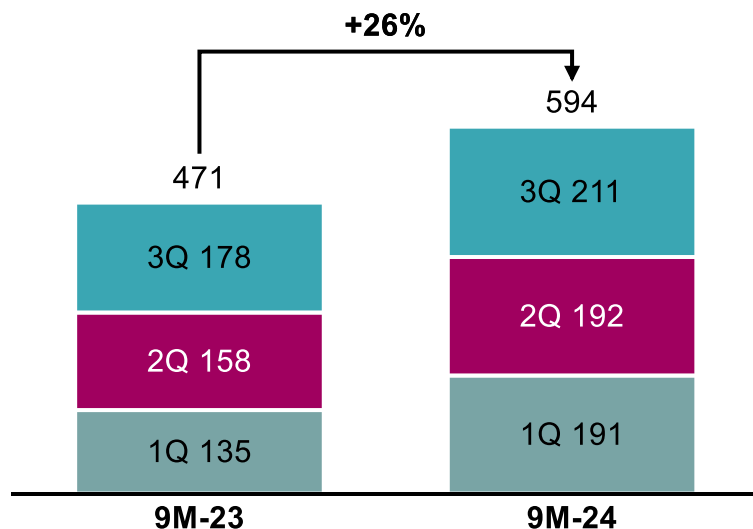


Segmental Details: Chlor-Alkali

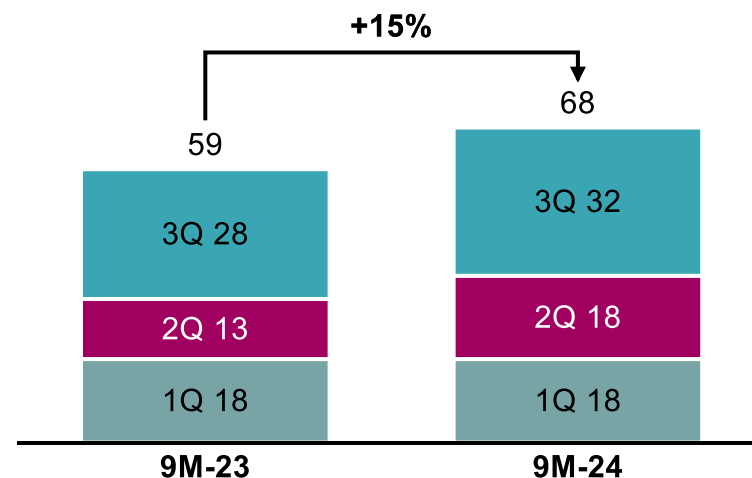
Analysis of segment revenue & net profit

- **Revenue:** Up as compared to 9M-23, mainly due to higher sales volumes, amid higher production, partially offset by lower selling prices;
 - Revenue for 3Q-24 improved versus previous quarter, due to increase in avg selling prices and sales volumes.
- **Net profit:** Up as compared to 9M-23, primarily attributed to increase in revenue partially offset by lower selling prices and higher cost.
 - Net profit improved versus 2Q-24, mainly due to higher revenue.

Revenue (QR' million)



Net profit (QR' million)

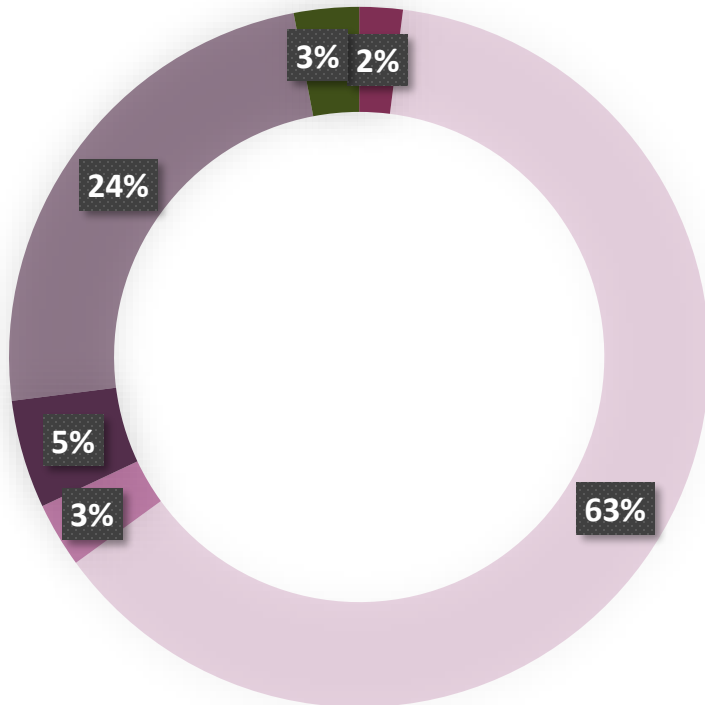


Segmental Details: Chlor-Alkali

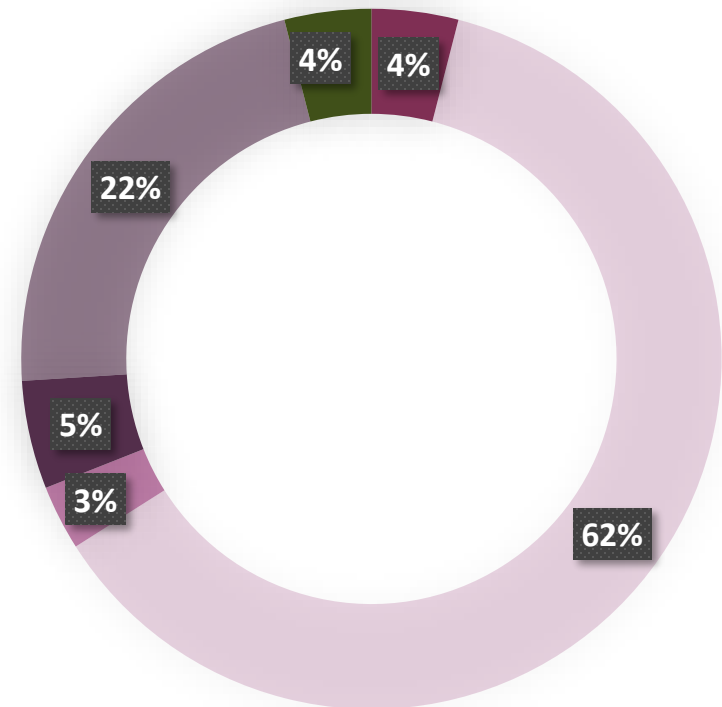
Geographical analysis of segment revenue

- Indian sub-continent remain a main market for Chlor-Alkali segment

9M-24 Segment Revenue (%)



9M-23 Segment Revenue (%)



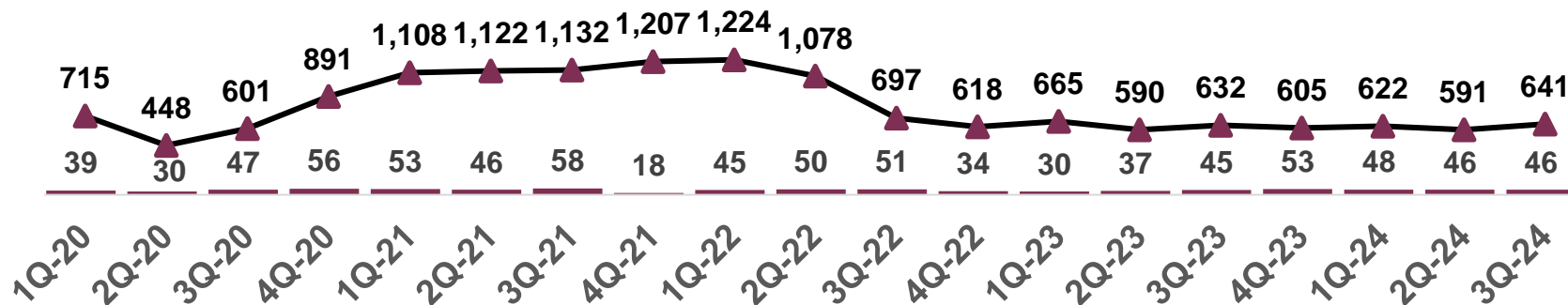
- Asia, excl. ISC
- Indian sub-continent
- Europe
- Africa
- Qatar
- Middle East
- Americas



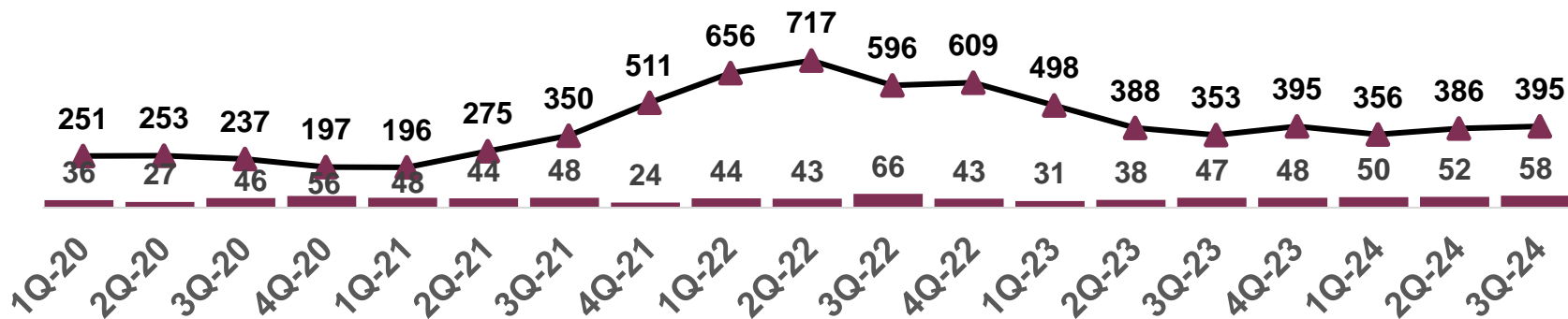
Segmental Details: Chlor-Alkali

Key segment products analysis

Vinyl Chloride Monomer (VCM)



Caustic Soda



- Selling prices for chlor-alkali products rebounded since mid-2020 underpinned by better demand and constructive macroeconomic drivers. However, recent price decline was mainly attributed to lower end-product prices.



CAPEX (2024F – 2028F)

CAPEX (2024F – 2028F) – MPHC share –QR Million

- MPHC Share of Cumulative CAPEX spend across all segments during 2024-2028 is presented in the below table

Sr no	Project name	Category	2024	2025	2026	2027	2028
Q-Chem : Major Projects							
1	2026 Turnaround Cost	Turnaround	5.4	17.8	71.3	107.0	0.0
2	New 6th Furnace Project in Ethylene unit	Payout	0.0	0.0	0.0	0.0	0.0
3	Dock Jetty Upgrade	Safety	7.8	0.0	0.0	0.0	0.0
4	NZLD	Environment	4.6	13.4	31.7	47.4	16.2
5	Others: Less than QR 100 m		44.1	99.2	76.9	50.7	81.9
GRAND TOTAL QChem			61.9	130.4	180.0	205.1	98.1
Q-Chem II : Major Projects							
1	2025 Turnaround Costs	Turnaround	14.3	44.6	82.0	0.0	0.0
2	2025 Turnaround Costs (RLOC)	Turnaround	12.5	44.6	101.7	0.0	0.0
3	NAO Tanks Upgrade	Operational Necessity	8.0	13.7	4.3	1.8	0.0
4	NZLD Project for RLOC	Environment	27.8	0.0	0.0	0.0	0.0
5	Others: Less than QR 100 m		35.5	59.4	52.6	55.3	57.1
GRAND TOTAL QChemII			98.1	162.3	240.6	57.1	57.1
QVC : Major Projects							
1	PVC Project Phase 2	Operational Necessity	295.5	214.5	0.0	0.0	0.0
2	Power Plant Upgrade Investment Including Spare Parts	Operational Necessity	8.6	3.3	0.9	0.0	0.0
3	Revamping & Upgrading of Qapco Electrical Network	Operational Necessity	59.0	11.8	0.0	0.0	0.0
4	Others: Less than QR 100 m		93.6	51.1	28.9	13.7	9.1
GRAND TOTAL QVC			456.6	280.8	29.8	13.7	9.1
GRAND TOTAL			616.6	573.5	450.4	275.8	164.2

Note: The CAPEX figures for the years 2024-28 are based on the 2024 approved budget and business plan, based on the expectations of the market conditions and commodity prices forecasted at the time of finalizing the 2024 budget & business plan.

With current market conditions and commodity price trends, the forecasts as disclosed in the above table cannot be relied on with absolute certainty, where, the actual realization of these figures might significantly differ as compared to these projections, subject to the macroeconomic conditions, including, among other factors, business environment, market dynamics, product prices etc. prevailing in that specific year. The Board may defer, delay or cancel projects based on market outlook and economics.

New PVC Project & QVC restructuring

Key Highlights of New PVC project

First PVC plant in the State of Qatar

Nameplate capacity of 350k mtpa Suspension PVC

EPC awarded valued at USD 239 million / Total project cost USD 279 million*

Project fully integrated with existing QVC facilities

Construction expected to be completed by mid-2025

Source feedstock (i.e., Vinyl Chloride Monomer (VCM) from the existing facilities

MPHC will fund 55.2% of the project; remaining funding by IQ

* Total project cost of USD 279 million includes EPC contract value, owner cost (allocation of shared service cost) and other contingencies.

QVC restructuring

after expiry of current JVA on 1st May 2026

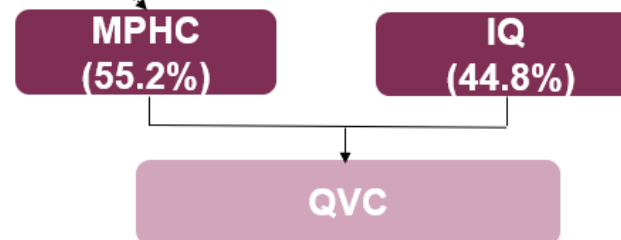
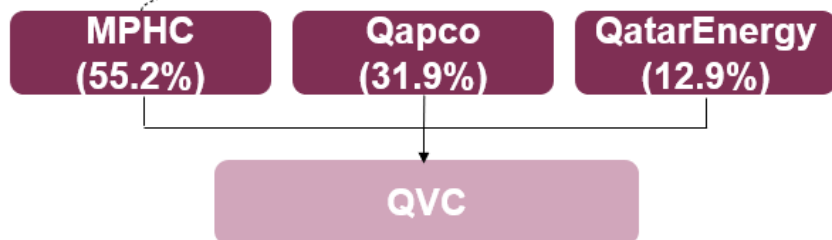


MPHC ownership to remain unchanged

Ownership structure of QVC till the expiry of current JVA

New ownership structure of QVC – with effect from the date of the new JVA

No impact to MPHC's equity ownership in QVC; and MPHC will continue to own the same percentage of shareholding under the new JVA



New Salt Plant Project:

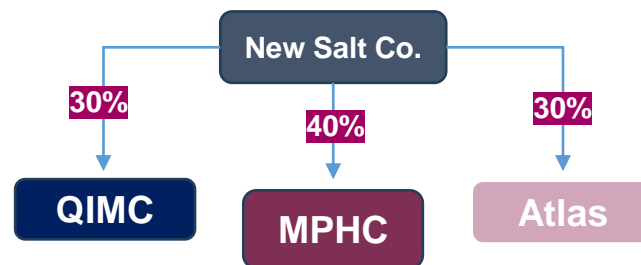
Project Overview:

- Board announced intention to form a joint venture (JV) for salt plant construction and operation
- MoU signed with strategic partners on September 23, 2024

Financial Estimate & Project Details:

- Initial project cost estimate: **USD 290 million**
- Estimated annual production: **1 million tons** of industrial and table salt
- QAPCO appointed as Project Development Manager

Joint Venture Structure:



Project Drivers:

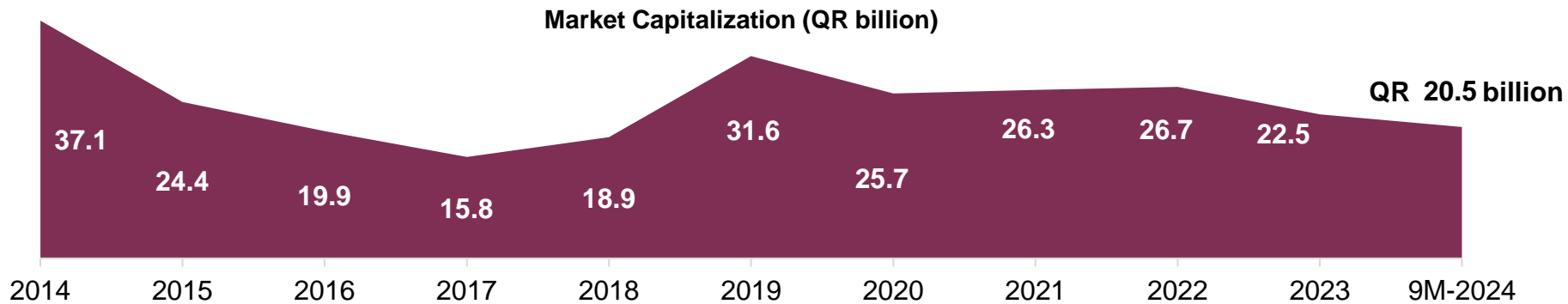
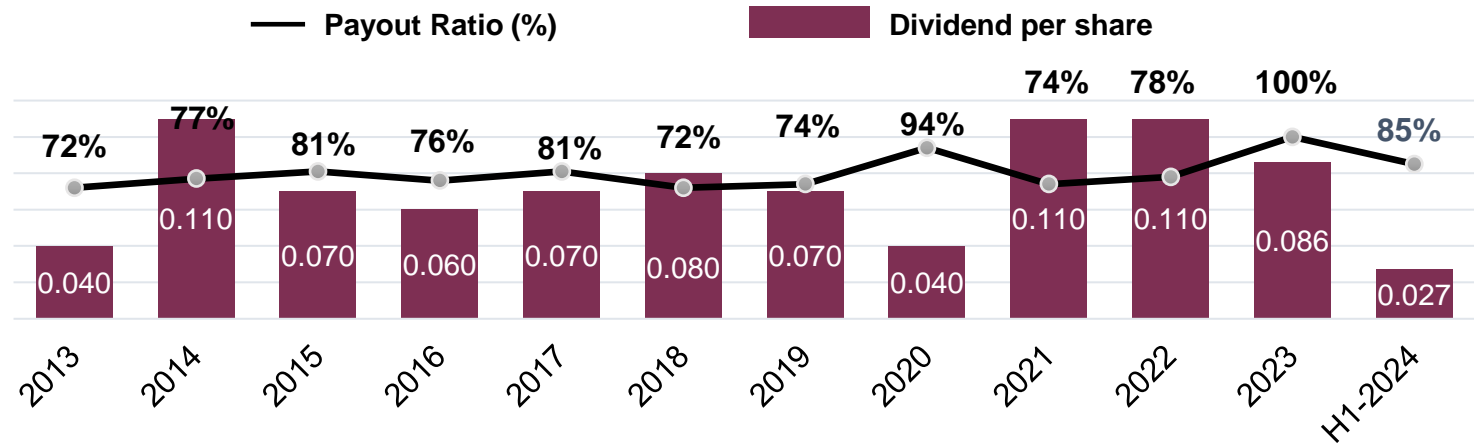
- Secure local industrial salt demand
- Meet local table salt demand
- Export surplus production

Next Steps:

MoU enables all stakeholders to progress negotiations on key project agreements. Further details will be disclosed upon reaching the FID stage.

Dividends & Market Capitalization

Dividends & Market Statistics



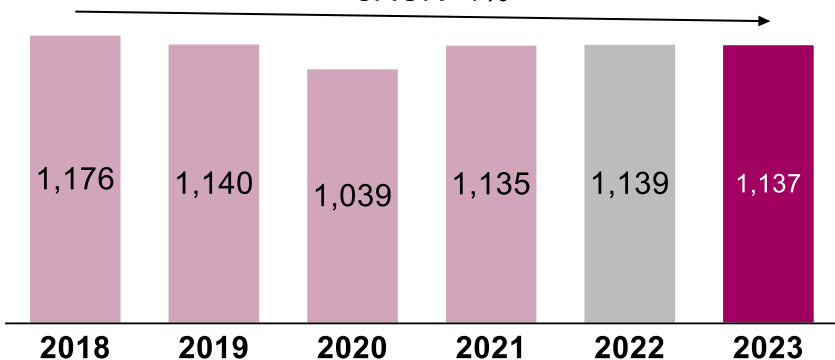
- On 12th August 2024, the Board decided to distribute semi-annual dividend to the shareholders, inline with applicable regulations.

Historical performance (2018 – 2023)

Historical performance (2018 – 2023)

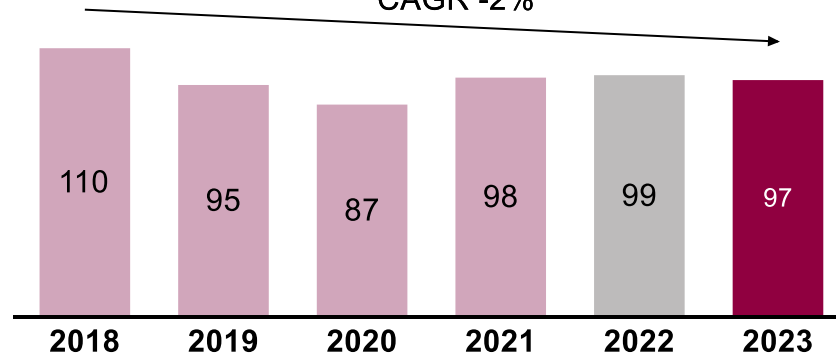
Production (MT'000)

CAGR -1%



Utilization (%)

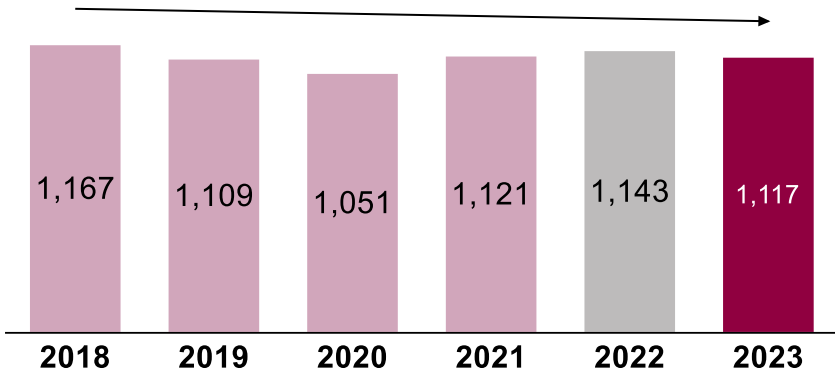
CAGR -2%



Production and sales volumes remained relatively stable ▪ Utilization moved in line with the production levels ▪ Selling prices reflected cyclical movements inline with the global commodity prices linked to macroeconomic conditions

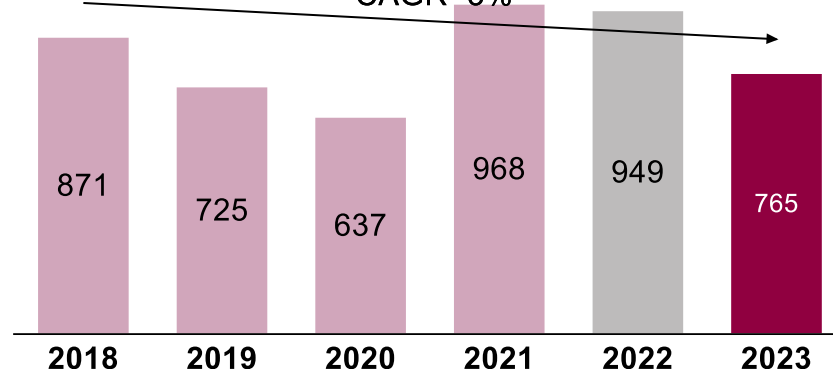
Sales Volume (MT'000)

CAGR -1%



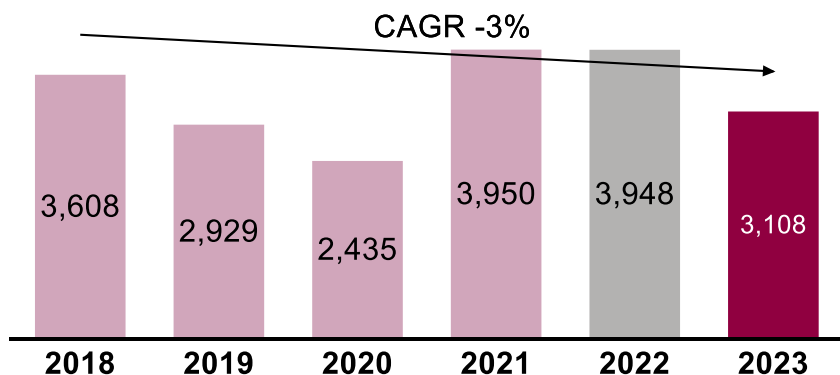
Average Product Price (USD / MT)

CAGR -3%

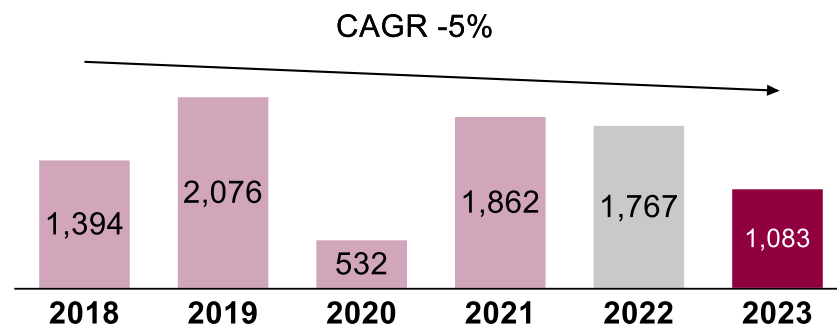


Historical performance (2018 – 2023)

Revenue (Million QR)

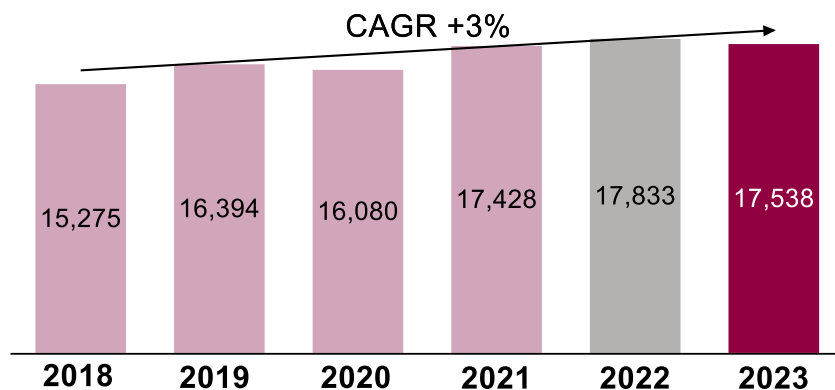


Net Profit (Million QR)

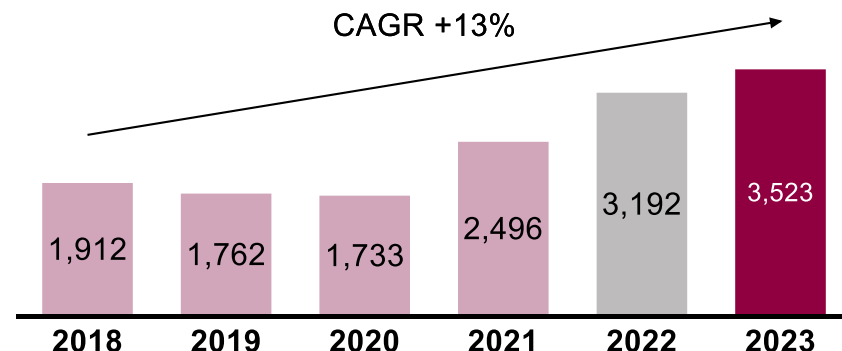


Both revenue and net profit witnessed movements, in line with product prices ▪ Total assets grew marginally, while the cash and cash equivalents remained robust

Total Assets (Million QR)



MPHC Head office Cash & Bank balances (Million QR)



Governance Structure

Governance

Board Structure

- MPHC Board of Directors consists of seven (7) Directors, all of whom were appointed by the Special Shareholder, which is QatarEnergy.
- QatarEnergy appoints only qualified and eligible Board Directors who are sufficiently experienced to perform their duties effectively in the best interest of the Company and dedicated to achieving its goals and objectives.

Governance and Compliance

- MPHC is firmly committed to implementing the principles of good governance set out in the Governance Code for Companies Listed on the Main Market issued by Qatar Financial Markets Authority (QFMA), that are consistent with the provisions of the Company's AoA.
- The Board of Directors always ensures that an organizational framework, that is consistent with the legal and institutional framework of the listed companies, is in place at the Company level. This is achieved through a process of reviewing and updating governance implementation whenever required.

Board Committees

- The Board of Directors established Board Committees and Special Committees to carry out specific tasks. The Board remains liable for all the powers and authorities so delegated. Currently, Board Committees are Audit Committee and Remuneration Committee.

Authorities

- No one person in the Company has unfettered powers of decision. Decision-making process is always done in accordance with the Company's Manual of Authorities and the relevant regulations.

Governance

Remuneration

- **Board of Directors**

- The Company has developed a periodically revisited remuneration policy for Board members. The policy has fixed component for Board membership and attending meetings and performance-related variable component. The proposed remuneration of Board members shall be presented to the General Assembly for approval.

- **Executive Management**

- All financial, administrative and head office services are provided by resources from QatarEnergy under a service-level agreement

Disclosure and Transparency

- The Board ensures that all disclosures are made in accordance with the requirements set by regulatory authorities, and that accurate, complete and non-misleading information is provided to all shareholders in an equitable manner.

Shareholders rights

- The Company's Articles of Associations provide for the rights of shareholders, particularly the rights to receive dividends, attend the General Assembly and participate in its deliberations and vote on decisions, tag along rights as well as the right to access information and request it with no harm to the Company's interests.

Company's control system

- The Company adopted an internal control system that consists of policies and operating procedures for risk management, internal and external audit, monitoring Company's compliance with the relevant regulations. Clear lines of self-control, responsibility and accountability throughout the Company are therefore set.
- The internal control framework is overseen by the senior Executive Management, the Audit Committee and the Board of Directors.

Sales and Marketing

Sales and Marketing

- Qatar Chemical and Petrochemical Marketing and Distribution Company (“Muntajat”), a wholly-owned company of the government of the State of Qatar, has the exclusive rights to purchase, market, sell and distribute the State’s production of **petrochemical** regulated products.
- Both of the segments’ products are marketed by Qatar Chemical and Petrochemical Marketing and Distribution Company.
- Muntajat integration with QatarEnergy completed during 2020, only related to the operational level, where the marketing team would still be independently managed, hence, this integration will not have any impacts on MPHC.



For further information, **Mesaieed Petrochemical Holding Company** can be contacted as follows:

Telephone: (+974) 4013 2080

Fax: (+974) 4013 9750

Email: mphc.investorrelations@qatarenergy.qa or mphc@qatarenergy.qa

Address: PO Box 3212, Doha, State of Qatar

Please refer to www.mphc.com.qa for the latest information, publications, press releases and presentations about MPHIC and the group companies of MPHIC.