



**Mesaieed  
Petrochemical  
Holding Company**

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## **PETROCHEMICAL SECTOR FEASIBILITY STUDIES**

**DOHA, QATAR** - Mesaieed Petrochemical Holding Company ("MPHC" or "the group"; QE: MPHC), a subsidiary of Qatar Petroleum partially floated on the Qatar Exchange, and one of the region's premier diversified petrochemical conglomerates with interests in the production of olefins, polyolefins, alpha olefins and chlor-alkali products, issued a brief statement confirming that in a step aimed at strengthening the petrochemical industry in the State of Qatar, Eng. Saad Sherida Al-Kaabi, President and CEO of Qatar Petroleum, said that the company is conducting a number of detailed feasibility studies in order to take advantage of the ethane feedstock available following the decision not to proceed with the proposed Al-Karaana Petrochemical Project.

These studies will be conducted in collaboration with Qatar Petrochemical Company Limited QSC ("Qapco"), Qatar Chemical Company Limited ("Q-Chem"), and Ras Laffan Olefins Cracker Company Limited ("RLOC"), in order to develop and expand the number of petrochemical plants with beneficial returns for these companies, and to the petrochemical sector in general.

This important step stems from the keenness of Qatar Petroleum to maximise the benefit from the natural resources of the State, especially in the petrochemical sector, and to contribute to the national industry and the important role they play in providing support to the national economy. Based on the evaluation of the results of these studies, which will be based on technical and economic grounds, the best options will be selected in order to achieve the maximum economic benefit for the benefit of the State and the shareholders of these companies in the long term.

Eng. Saad Sherida Al-Kaabi confirmed that this approach will contribute to better integration, and will take advantage of the facilities and the existing infrastructure in the petrochemical sector,

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which should significantly aid in the reduction of capital and operating costs for existing and new projects.

**###**

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## DISCLAIMER

The companies in which Mesaieed Petrochemical Holding Company QSC directly and indirectly owns investments are separate entities. In this press release, "MPHC" and "the group" are sometimes used for convenience in reference to Mesaieed Petrochemical Holding Company QSC.

This document may contain forward-looking statements concerning the financial condition, results of operations and businesses of Mesaieed Petrochemical Holding Company QSC. 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 report are made as of the date of this presentation.

Mesaieed Petrochemical Holding Company QSC, 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 QSC, its joint ventures and associated companies 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 QSC 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 QR billions and percentages have been rounded to 1 decimal point. All other values have been rounded to the nearest whole number. Values expressed in US \$'s have been translated at the rate of US \$1 = QR3.64.

## 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 ( $\text{Net Profit} / \text{Number of Ordinary Shares outstanding at the year end}$ ) • 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 ( $\text{Closing market capitalisation} / \text{Net Profit}$ ) • Utilisation:  $\text{Production Volume} / \text{Rated Capacity} \times 100$  • VCM: Vinyl Chloride Monomer

## ABOUT MPHC

Mesaieed Petrochemical Holding Company Q.S.C. ("MPHC") was incorporated as a Qatari joint stock company on May 29, 2013 with an agreed effective date for the transfer of Qatar Petroleum's previous shareholding in the joint ventures of September 1, 2013. The registered office is located at P.O. Box 3212, Doha, State of Qatar. The main activity of MPHC is to act as a holding company: (i) Q-Chem is currently owned by MPHC (49%), Chevron Phillips Chemical International Qatar Holdings L.L.C. ("CPCIQH") (49%) and QP (2%), and has one wholly-owned subsidiary, Q-Chem Distribution Company Limited, which engages in the sale and distribution of all of Q-Chem's products through agency agreements with Muntajat and Chevron Phillips Chemical International Sales, Inc. ("CPCIS"); (ii) Q-Chem II is currently owned by MPHC (49%), CPCIQH (49%) and QP (2%), and has one wholly-owned subsidiary, Q-Chem II Distribution Company Limited, which is engaged in the sale and distribution of all of Q-Chem II's products through agency agreements with Muntajat and CPCIS, and an effective ownership interest of 53.85% in a joint venture, Ras Laffan Olefins Cracker Company Limited, which supplies ethylene to Q-Chem II; and (iii) QVC, which was incorporated in 1997 as a joint venture, and is currently owned by MPHC (55.2%), Qapco (31.9%) and QP (12.9%).