



Industries Qatar

Investor Relations Presentation

30 September 2021

“One of the region’s industrial giants with interests in the production of a wide range of petrochemical, fertilizer and steel products.”

DISCLAIMER

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GENERAL NOTES

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

DEFINITIONS

Adjusted Free Cash Flow: Cash Flow From Operations - Total CAPEX - Dividends • **CAGR:** Compound Annual Growth Rate • **Cash Realisation Ratio:** Cash Flow From Operations / Net Profit x 100 • **Debt to Equity:** (Current Debt + Long-Term Debt) / Equity x 100 • **Dividend Yield:** Total Cash Dividend / Closing Market Capitalisation x 100 • **EBITDA:** Earnings Before Interest, Tax, Depreciation and Amortisation calculated as (Net Profit + Interest Expense + Depreciation) • **EPS:** Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **HBI:** Hot Briquetted Iron • **mmBTU:** Million British Thermal Units • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **P/E:** Price to Earnings (Closing market capitalisation / Net Profit) • **utilization:** Production Volume / Rated Capacity x 100

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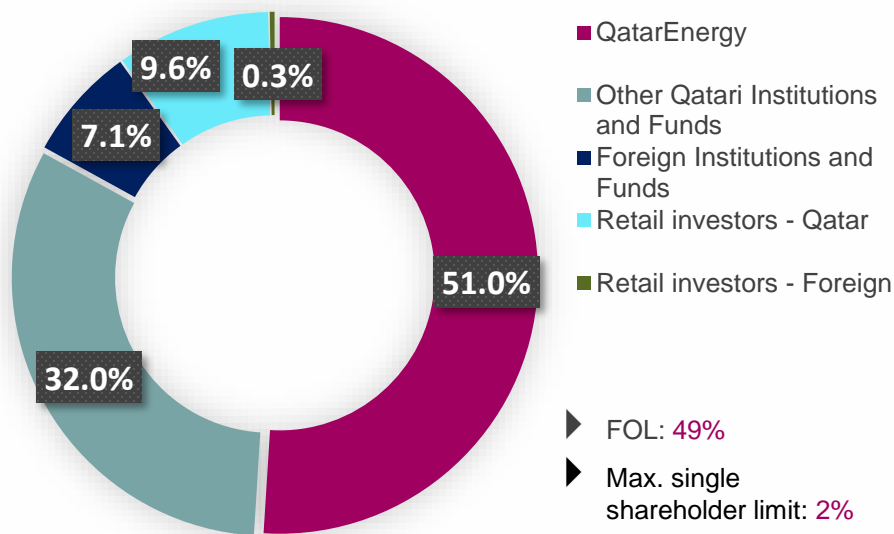
About IQ

IQ at a glance

Overview

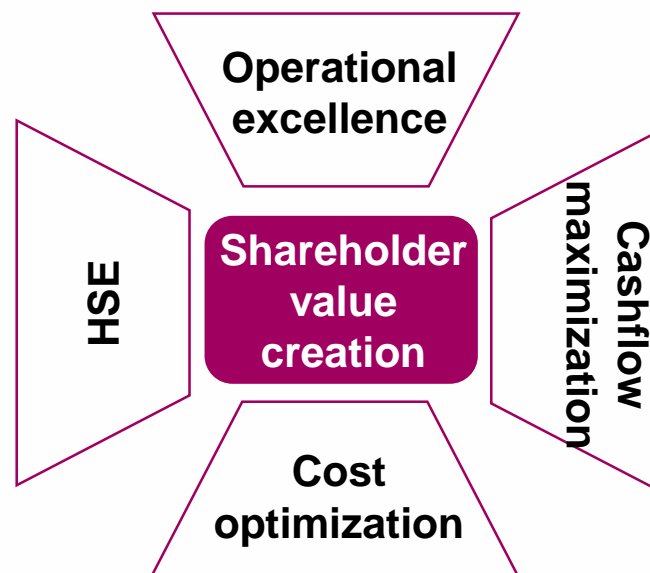
- Industries Qatar (IQ) was incorporated and listed on the Qatar Exchange in 2003.
- IQ is the **second largest company** at Qatar Exchange by Market Capitalization.
- IQ is credit rated by Standard & Poor's (**A+**; stable) and Moody's (**A1**; stable).
- QatarEnergy provides most head office functions through a comprehensive service-level agreement.
- The operations of subsidiaries and joint ventures remain independently managed by their respective Boards of Directors and senior management teams.

IQ's shareholding structure



Note: Shareholder data as of 30-Sep-21

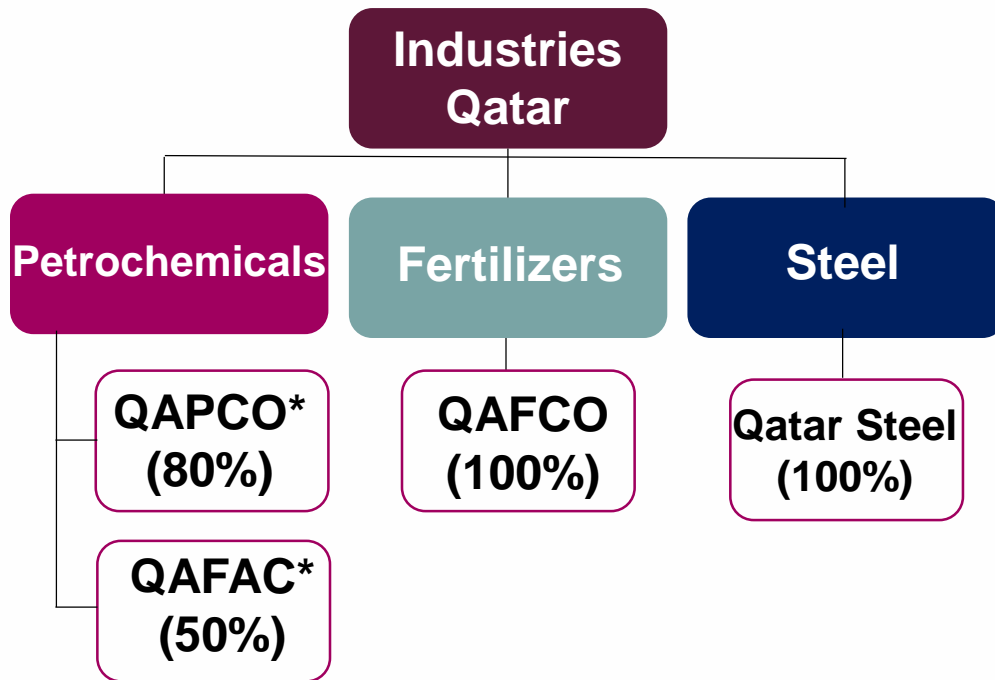
Core values



IQ business segments at a glance

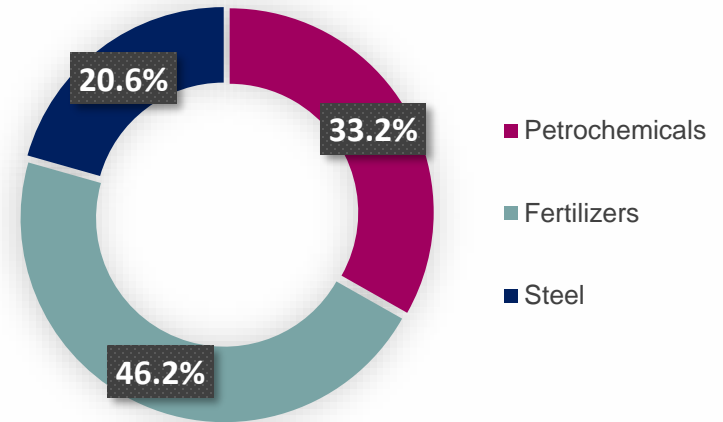
Business segments overview

- Through its group companies, IQ operates in **three** distinct business segments: **Petrochemical**, **Fertilizer** and **Steel**;
- Production facilities are principally located in the State of Qatar.

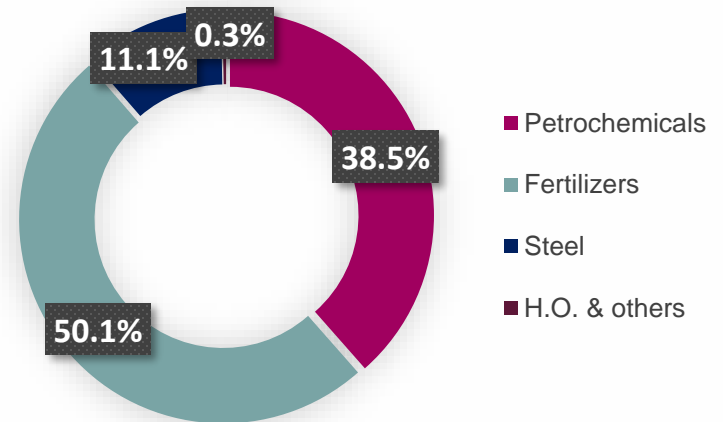


*Joint venture stake

Segment size by Revenue



Segment size by Net Profits



Note: Revenue and net profit data as of 30-Sep-21

Competitive strengths

Competitive strengths

Low cost producer

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

Strong financial position

- Solid liquidity position, with no long-term debt
- Strong cash flow generation with stable EBITDA margins
- Sound dividend record

Market leadership

- Major steel producer in the region
- World's largest single site urea producer
- Dedicated marketing support in form of Muntajat

Experienced team

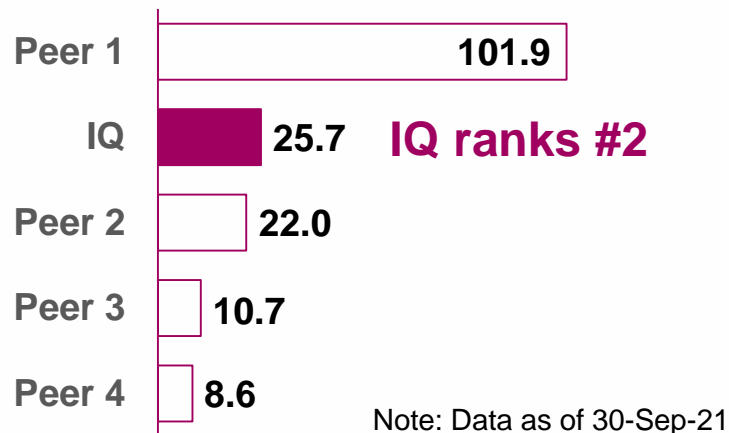
- Industry experts in the senior management team
- Reputable JV partners

Regional peer review

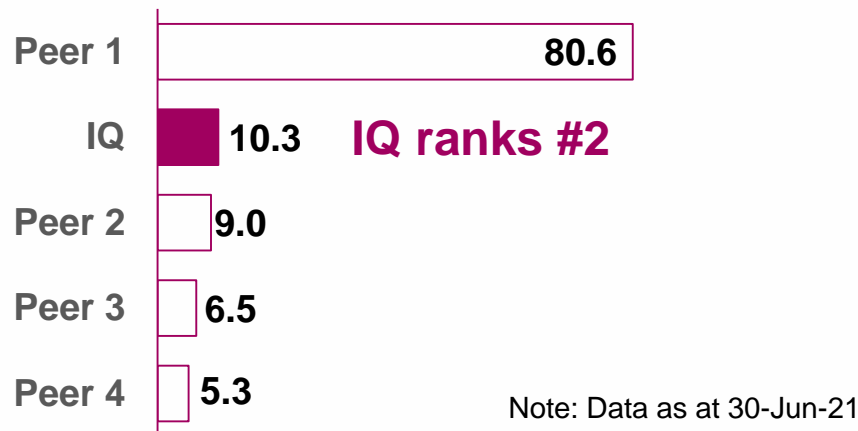
IQ ranked **#28** among
“2021 Forbes List of Top 100 Companies in the Middle East”

Competitive positioning versus regional peers

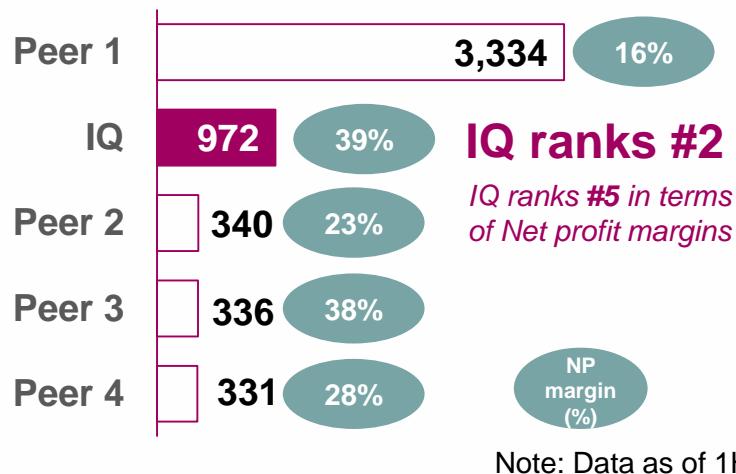
Market Cap. (USD' billion)



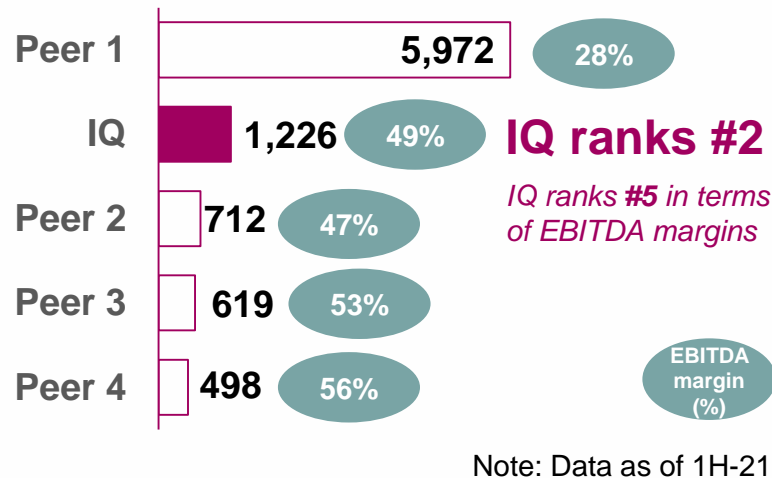
Total Assets (USD' billion)



Net profit (USD' million)



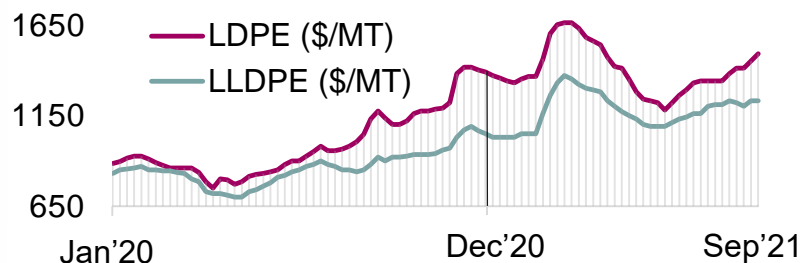
EBITDA (USD' million)



Macroeconomic updates

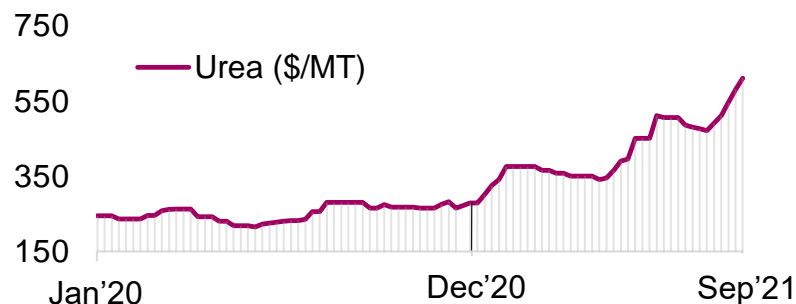
Macroeconomic updates

Petrochemicals



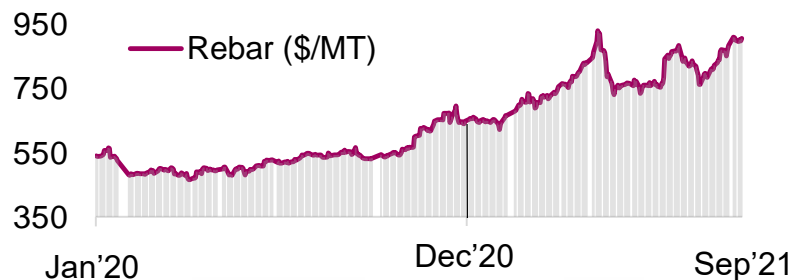
- Economic momentum carried forward from the tail end of last year, on the back of ongoing vaccination campaign linking to easing of lockdowns in major markets, allowed sequential recovery in demand for PE products. Supply side remained constrained, amid natural disasters and global logistical bottlenecks across industrial sectors. These macro imbalances enabled positive price trajectory for most of the petrochemicals and led to margin improvements, since the start of this year.
- Although, supply shortages have eased to an extent in recent months, with improved operating rates and inventory built-up across major markets, which has led to softening in PE prices to an extent, however, year-on-year price trajectory still remains strong.

Fertilizers



- Supply chain bottlenecks, together with strong global coarse grains demand led to a record high crop prices, improving farmers' affordability for fertilizers and supported strong price trends for nitrogen-based fertilizers since start of the year. Moreover, higher energy prices in Europe and China's lower fertilizer exports has enabled continued positive trajectory of Urea prices.

Steel



- Steel prices continued its positive trajectory since Q4-20, underpinned by increase in steel demand linked to a rebound in construction activity, coupled with higher raw material costs internationally, especially in early parts of the year. Also, China's recent decarbonization drive has led to depressed plant operating rates locally, creating another layer of supply constraint for the industry. Moreover, within domestic market, prices for locally produced steel remained elevated inline line with international market trends, however demand slightly softened on account of seasonal effects in the recent months.

Group results

(For the nine-month period ended 30 September 2021)

9M-21 results at a Glance

Growth vs. 9M-20

Revenue  76%
QR 14.1 billion

EBITDA  161%
QR 7.0 billion

Net profit  360%
QR 5.6 billion

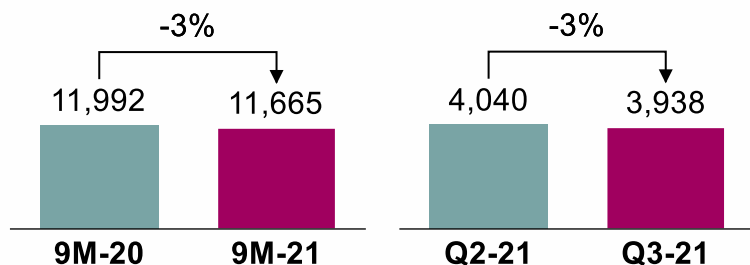
EBITDA Margin: 49.9%

EPS: QR 0.93 RoAE: 19.0%

- Group reported the highest quarterly profit since Q2-21, on the back of constructive macroeconomic drivers with supply remained constrained.
- Group's liquidity position continues to remain robust with total cash exceeding QR 13 billion.
- Prices across IQ's product range continued a positive trajectory during Q3-21 amid ongoing sequential recovery in demand coupled with supply constraints, except for softened prices for PE amid supply side recovery.
- IQ continue to focus on ensuring safe, efficient and reliable operations, with robust preventive maintenance programs remained central to operations.

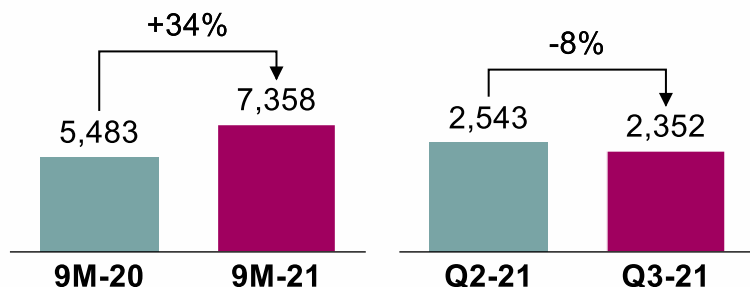
Operational performance review

Production (MT' 000)



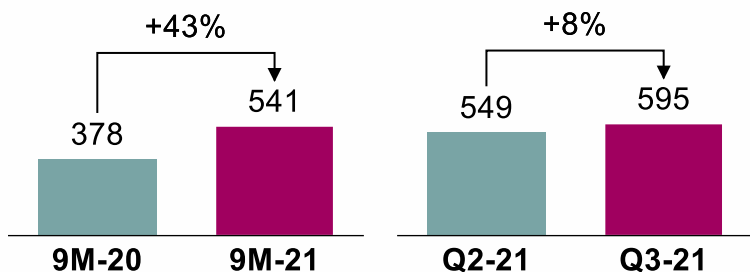
- 9M-21 production volumes marginally declined compared to 9M-20, mainly due mothballing of certain steel facilities which started since mid of 2020, planned and unplanned maintenance shutdowns during the current period, including commercial shutdown at MTBE facilities for a period during first half of 2021.
- Q3-21 production levels decreased compared to Q2-21, mainly driven by unplanned shutdown at Qafco trains 1-4.

Sales volume (MT' 000)



- 9M-21 sales volumes increased versus 9M-20, mainly due to recording of sales volumes for Qafco trains 1-4 for the complete current period, which was not the case during 9M-20 amid temporary gas processing arrangement. This was partially offset by commercial shutdown at MTBE facilities, planned and unplanned maintenance shutdowns at Qafco facilities, coupled with facility mothballing within the steel segment.
- Q3-21 sales volumes declined in comparison to Q2-21, due to lower volumes in fertilizers segment amid unplanned shutdown, and softening of demand within the steel segment amid to seasonal effects.

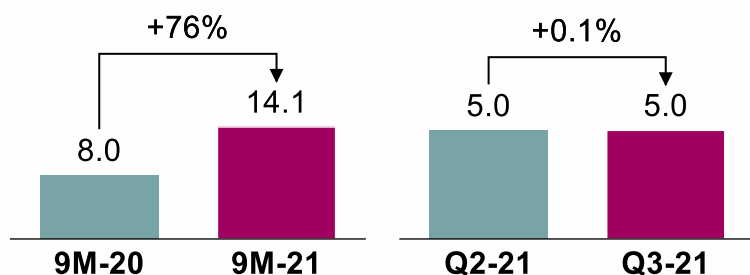
Selling prices (\$/MT)



- 2021 price trajectory remained positive on account of improved demand driven by reopening of major markets and effective vaccination campaign, while crude prices remained strong throughout the year. This was coupled with supply constraints and global logistical bottlenecks which remained evident throughout the period.

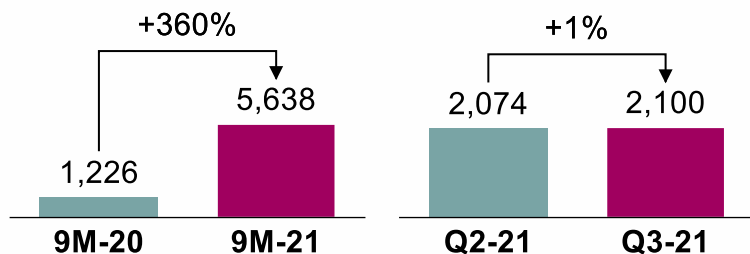
Financial performance review

Revenue (QR' billion)



- 9M-21 Group revenue increased significantly versus same period last year, mainly on account of overall increase in blended selling prices and enhanced sales volumes.
- Q3-21 Group revenue remained flat in comparison to Q2-21, mainly due to an offset of increased product prices with lowered sales volumes.

Net profit (QR' million)

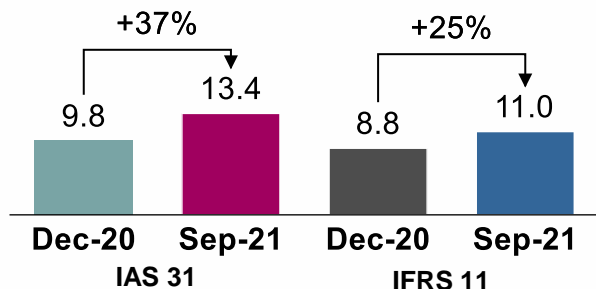


9M-21 vs 9M-20: results were significantly improved due to:

- Better price trajectory across the product range; and
- Higher sales volumes.

Q3-21 vs Q2-21: profitability marginally improved by 1%, with flattish revenues.

Net cash (QR' billion)

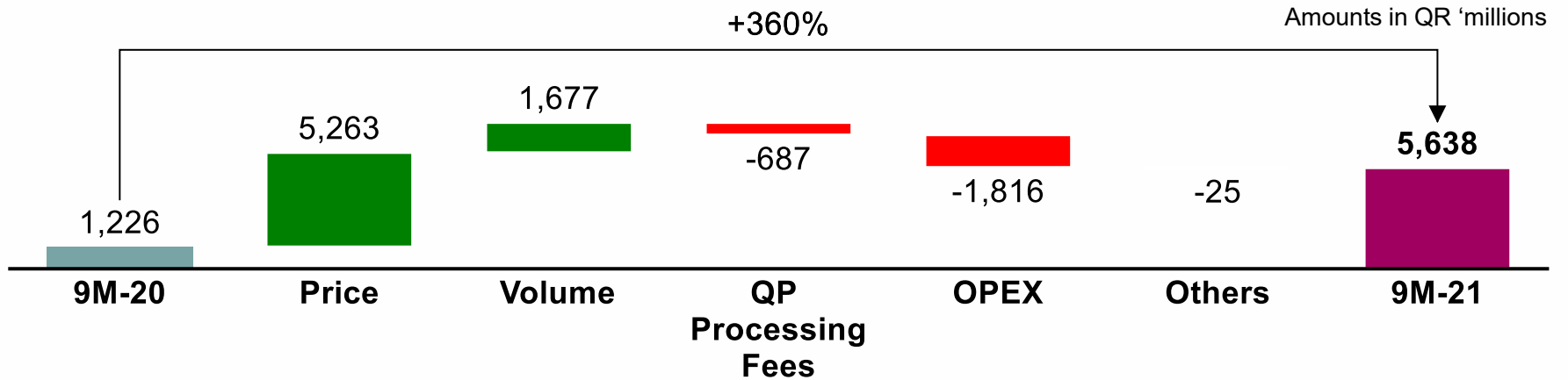


- Total cash across the Group stood at QR 13.4 billion (under IAS 31). Cash increased from last year mainly on account of improved cash generation during the current period, partially offset by payment of 2020 dividends and 2021 CAPEX.
- There is no long-term debt across the Group.

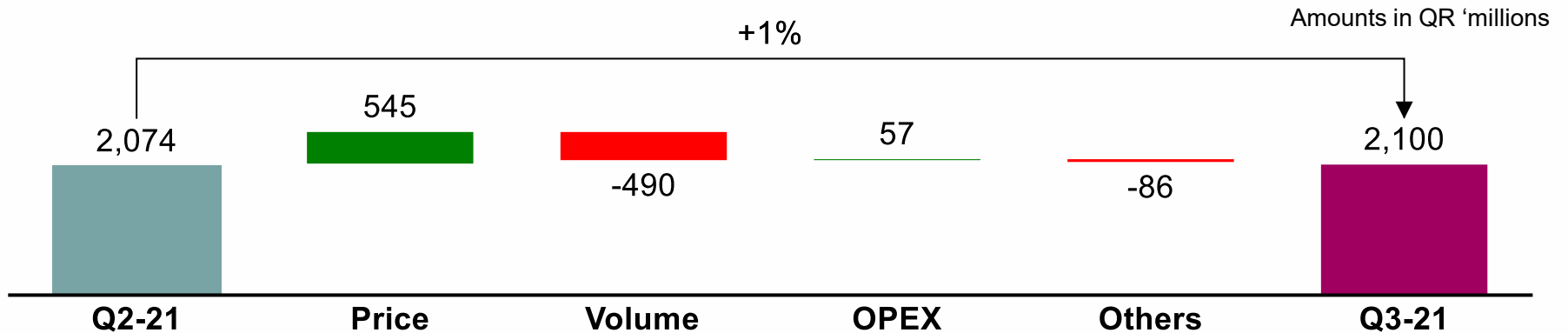
Net profit variance analysis

IQ continue to benefit from higher product prices reflected in Group's bottom-line profitability

9M-21 vs 9M-20

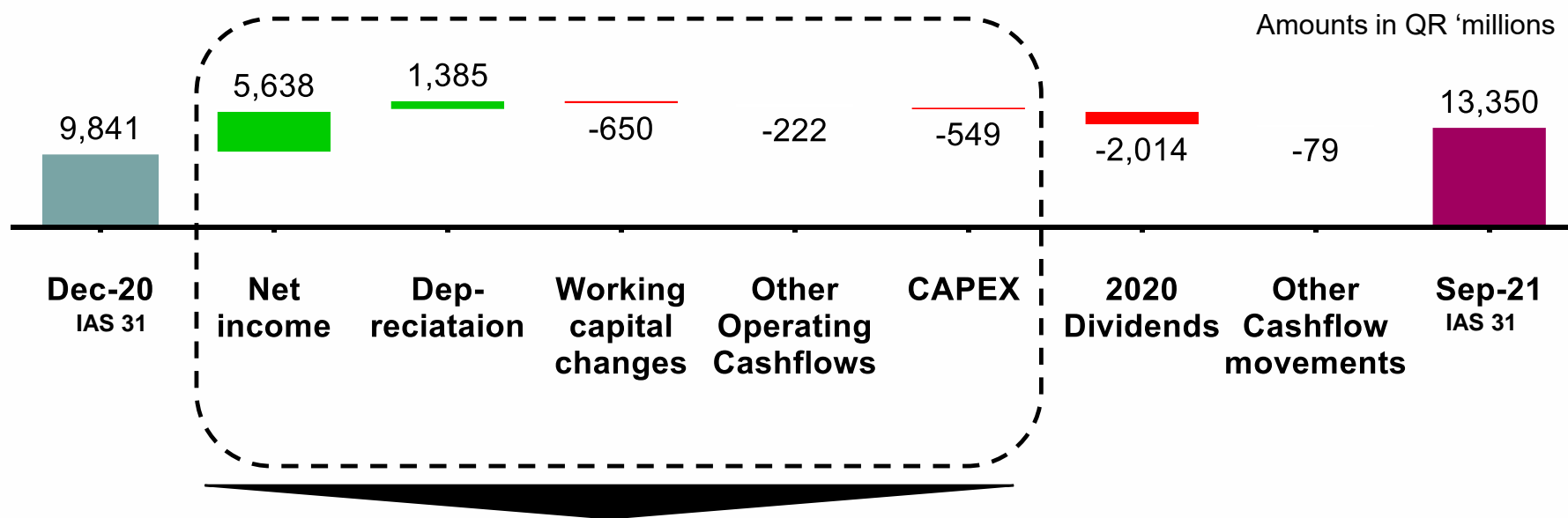


Q3-21 vs Q2-21



IQ cash flow generation

IQ's free cash flow generation capability continue to remain robust

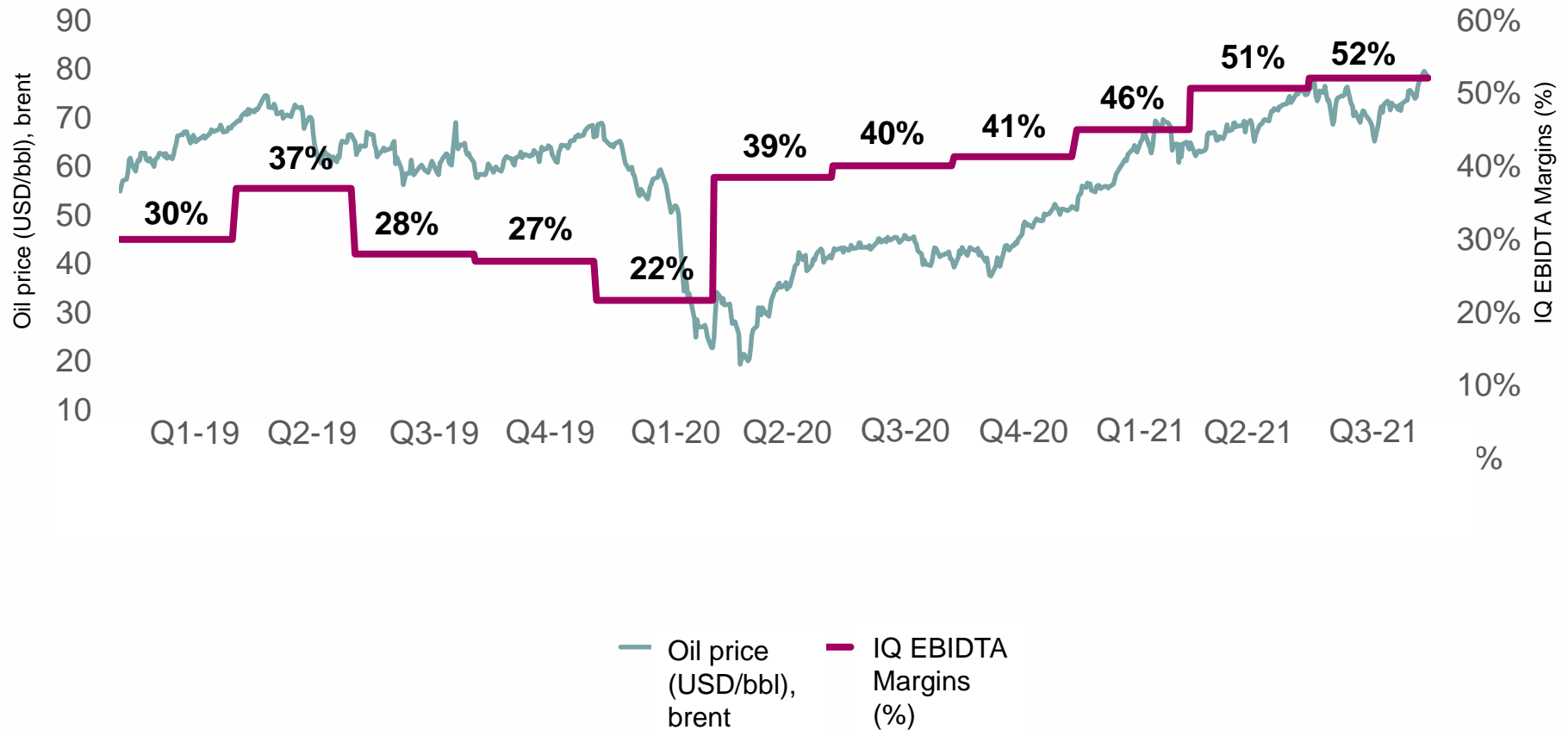


Free cash flows generated during nine-month period ended 30 September 2021: QR 5.6 billion

Free cash flows generated during three-month period ended 30 September 2021: QR 2.2 billion

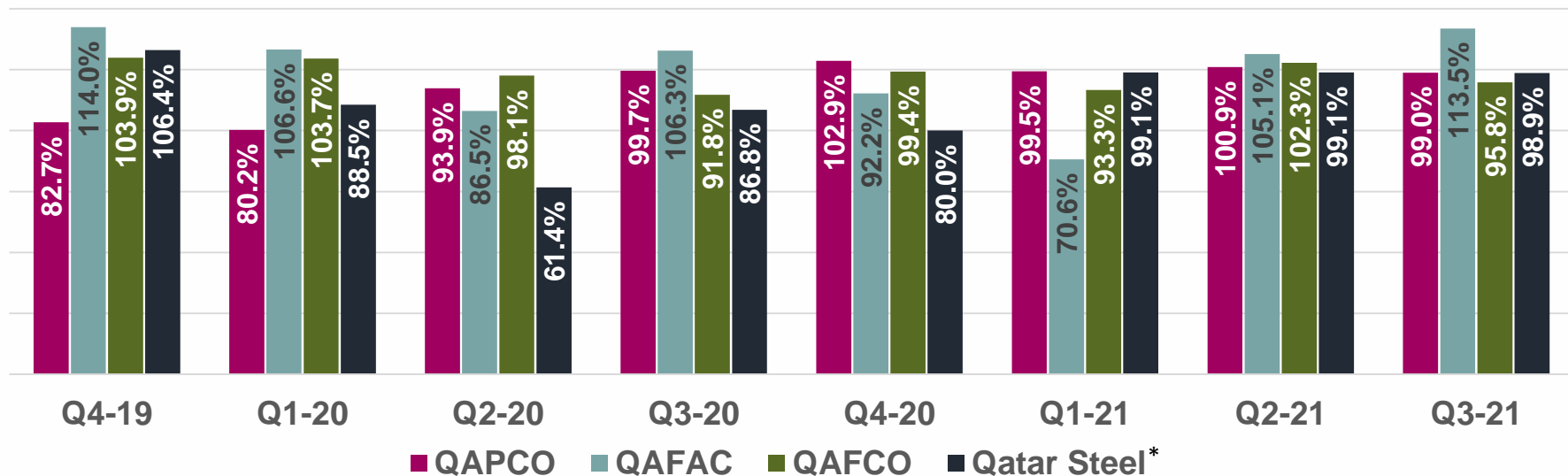
Robust EBITDA margins

Despite the volatile trends in commodity prices, IQ's EBITDA margins continue to remain robust



IQ's plant operating rates

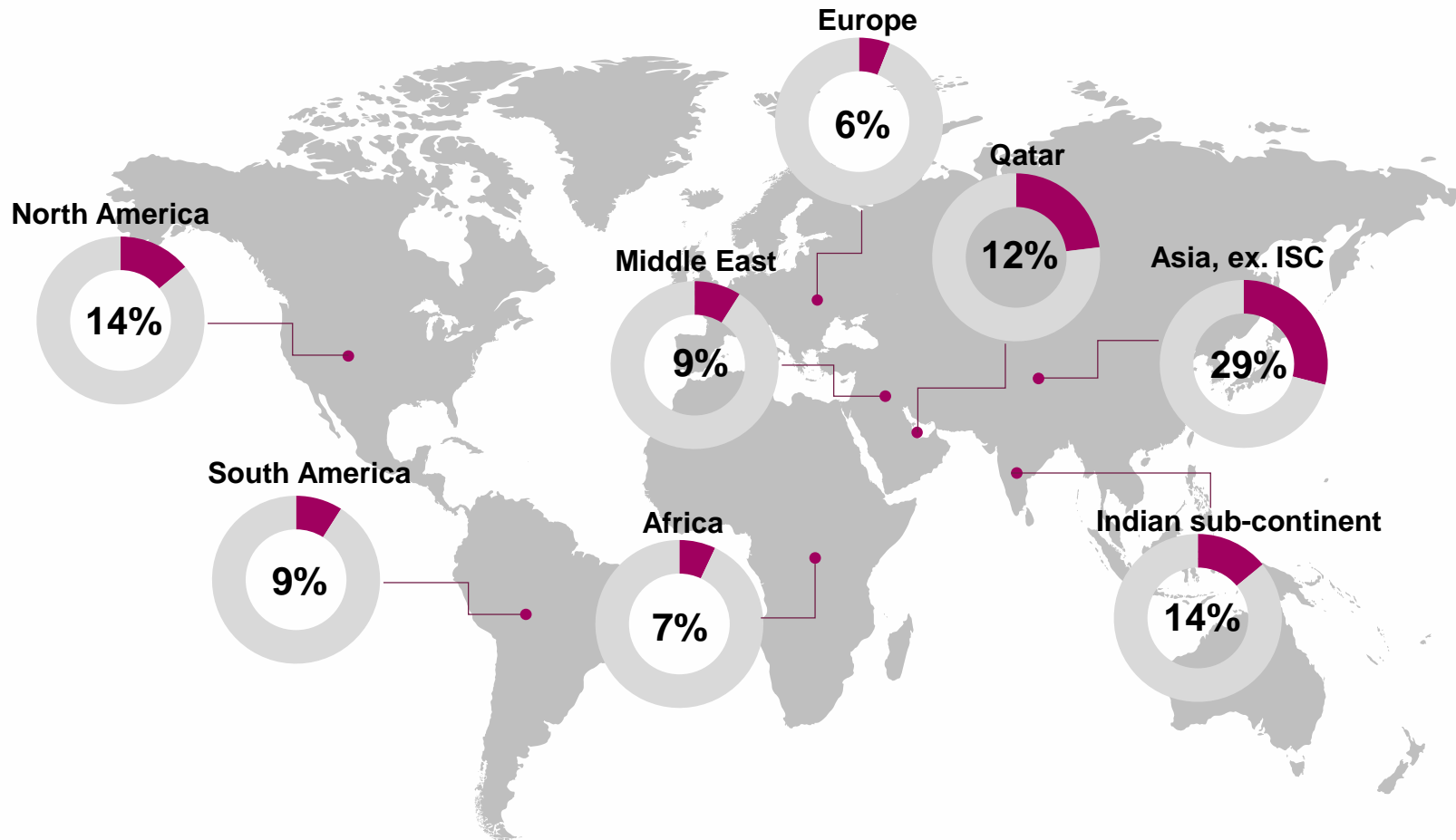
IQ's plant operating rates remained stable



* **Note:** With effect from 01 April 2020, management decided to mothball certain facilities of Qatar Steel, hence, the nameplate capacity was accordingly adjusted to reflect the new capacity levels post mothballing.

Geographic analysis – IQ Group revenue

Asia remained Group’s largest market, while its presence in Americas and Middle East continued to be substantial



Segment results

(For the nine-month period ended 30 September 2021)

Segmental Details: Petrochemicals

- The companies in the Petrochemical segment (Qapco, Qatofin, Qafac and QVC) are engaged in the production of:

Product	(in 000 MT PA)
Capacity ¹	
Ethylene	920
LDPE	600
LLDPE	280
Methanol	500
MTBE	305
Total	2,605

- The segment's primary feedstocks are methane gas (which is used for the production of methanol), ethane gas (ethylene) and butane gas (MTBE);

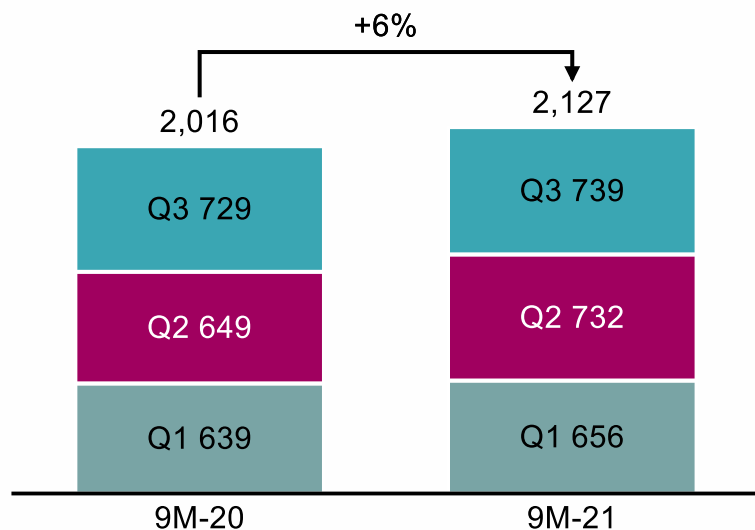


9M-21 results: Petrochemicals

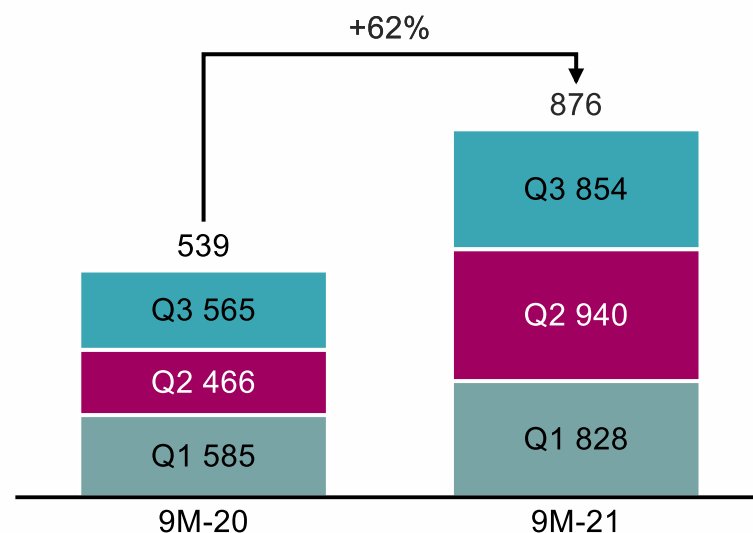
Analysis of production & selling prices

- Production:** Production up by **6%** compared to 9M-20, as the segment had lesser number of planned and unplanned maintenance shutdowns until date during 2021 compared to last year;
 - Q3-21 production volumes marginally increased by **1%** versus Q2-21, mainly as a result of MTBE facilities which became fully operational after a commercial shutdown for a period during first half of this year, partially offset by a minor shutdown at PE facilities.
- Selling Prices:** Up on 9M-20 by **62%**, due to renewed demand in major markets amid improved macroeconomic conditions, coupled with supply constraints.
 - Q3-21 selling prices softened compared to Q2-21, with a decline of **9%**, amid supply side ease out across PE markets.

Production (MT' 000)



Selling prices (\$/MT)

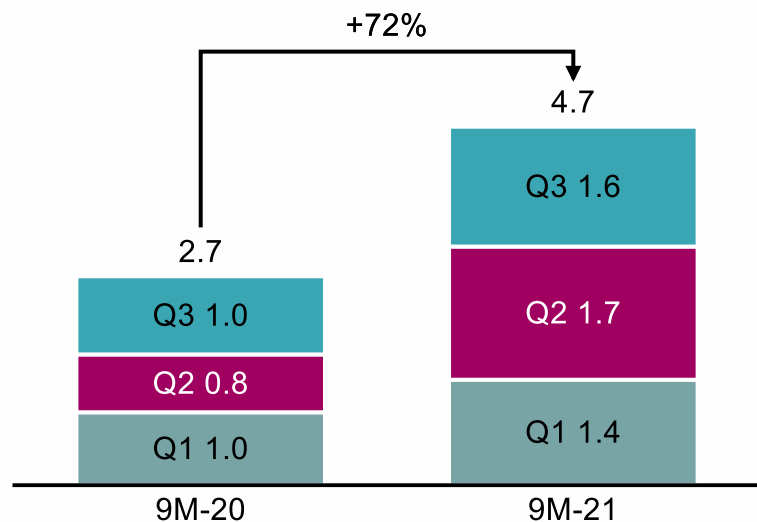


9M-21 results: Petrochemicals

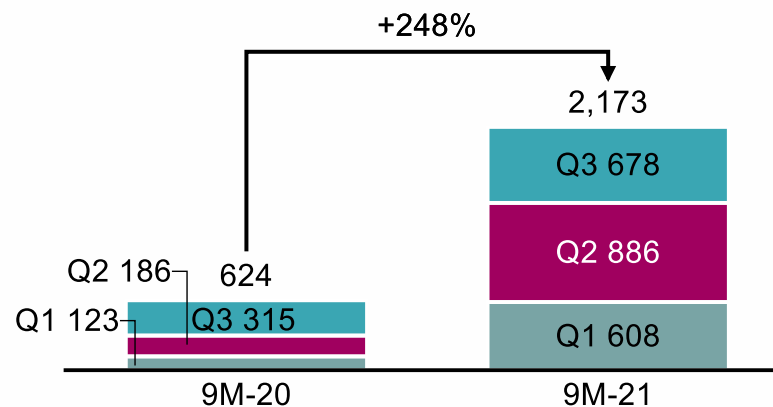
Analysis of segment revenue & net profit

- Revenue:** QR 4.7 billion, up by 72% compared to the same period last year. This increase in revenue was mainly linked to higher product prices (+62%) and better sales volumes (+6%);
 - Q3-21 revenue declined by 10% as compared to Q2-21, mainly due to decline in selling prices (-9%) and sales volumes (-1%).
- Net profit:** QR 2.2 billion, up by 248% compared to last year. Improvement was mainly due to the overall growth in segment revenue.
 - Q3-21 net profit decreased by 23% compared to Q2-21 mainly due to a decline in Q3-21 revenues versus last quarter.

Revenue (QR' billion)



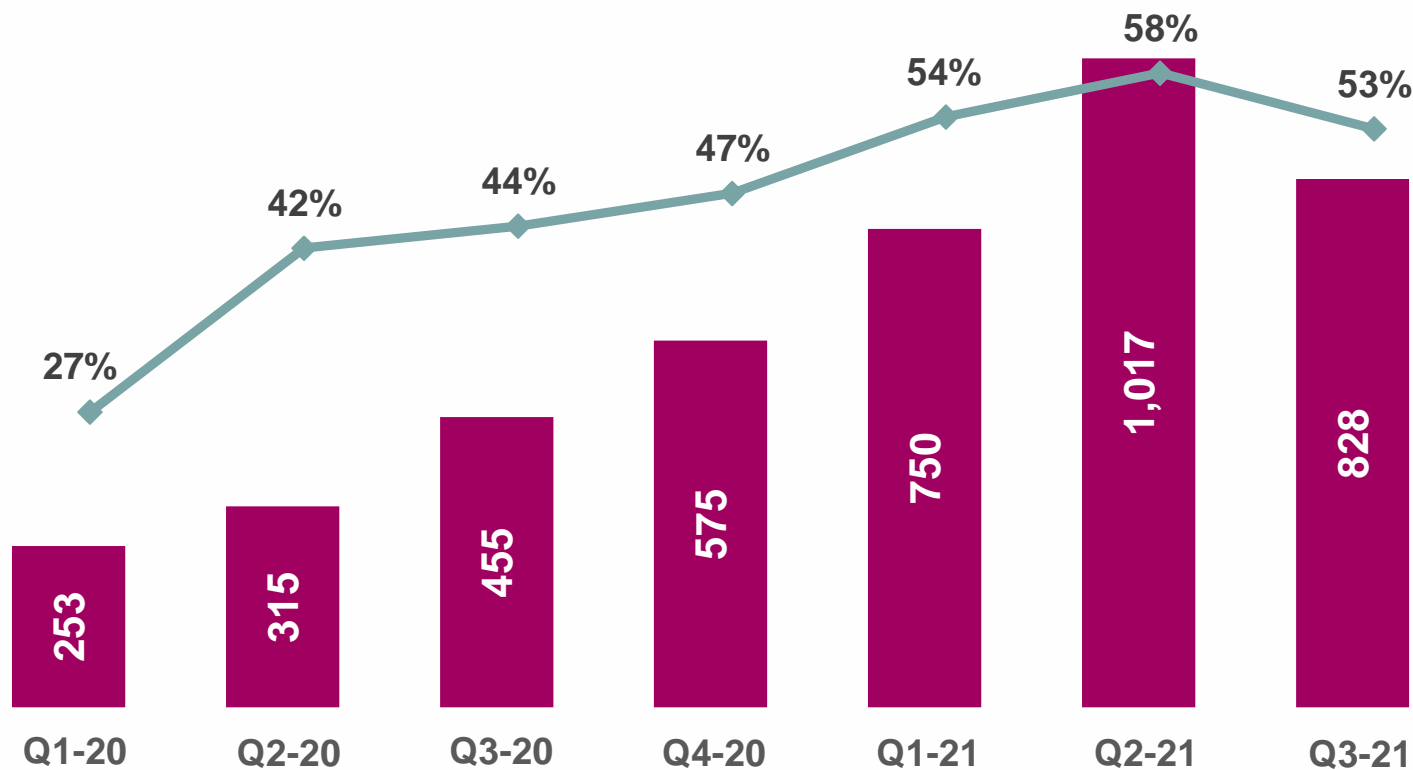
Net profit (QR' million)



9M-21 results: Petrochemicals

Analysis of segment EBITDA margins

Segment's EBITDA margins continue to remain strong

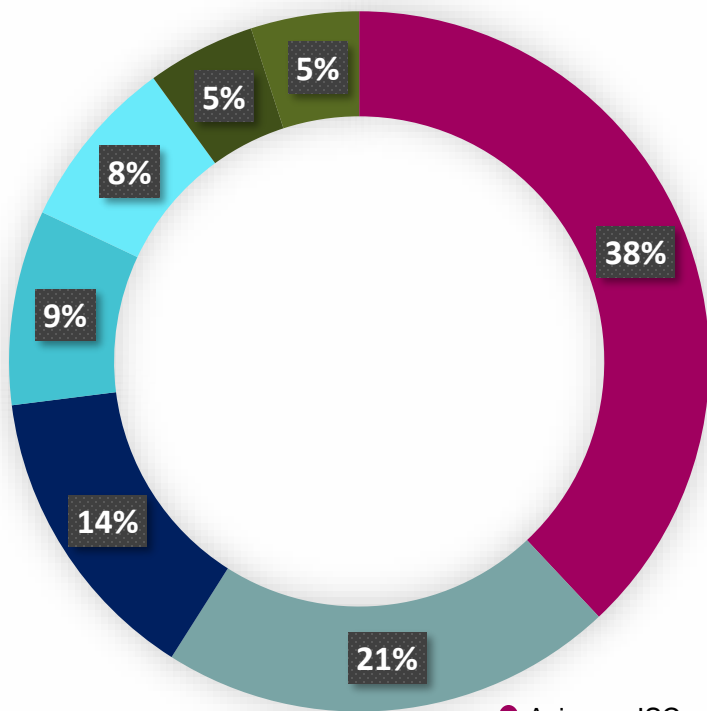


9M-21 results: Petrochemicals

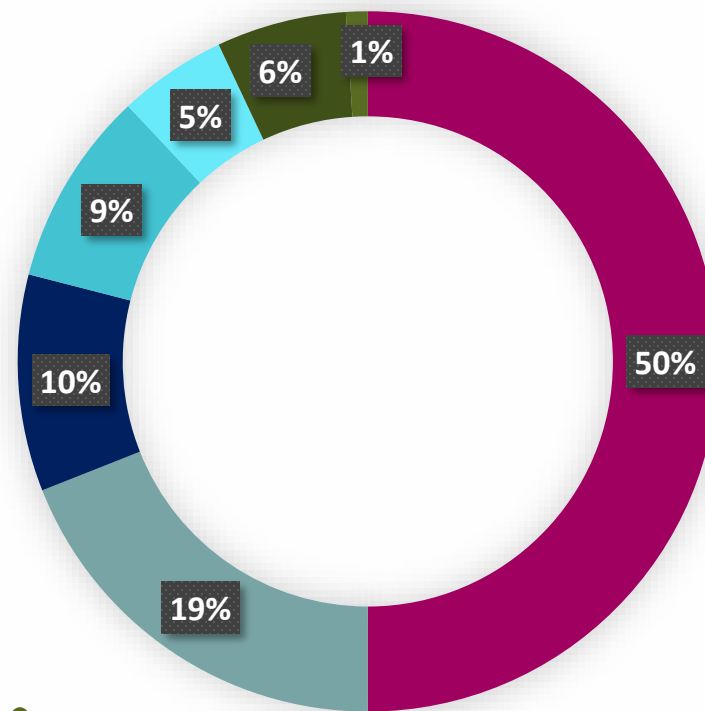
Geographical analysis of segment revenue

- Asia remains a main market for IQ for Polyethylene (LDPE and LLDPE) and MTBE
- Indian sub-continent remains a key market for Polyethylene (LDPE & LLDPE) and Methanol

9M-21 Segment Revenue (%)



9M-20 Segment Revenue (%)



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

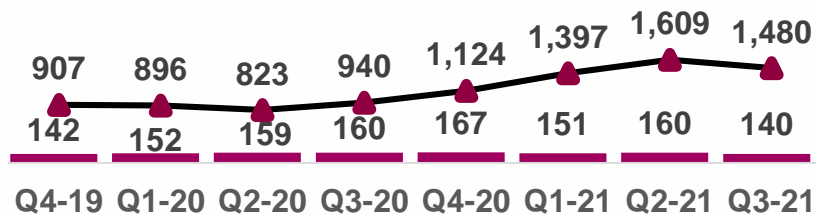


9M-21 results: Petrochemicals

Key segment products analysis

LDPE

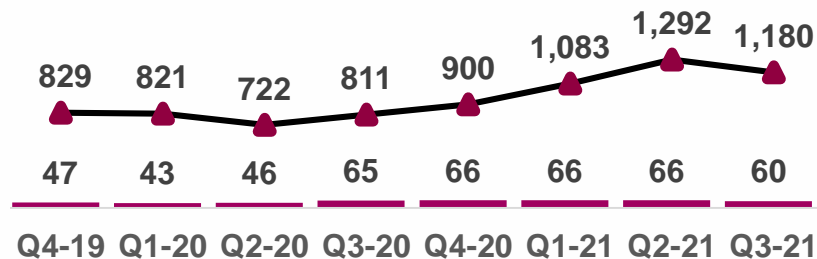
(contributed ~50% of the segment revenue in 9M-21)



Sales volumes remained stable since last year. Selling prices showed recovery since later part of last year, on the back of improved macroeconomic conditions and supply constraints, improving overall LDPE price trajectory. Recently during Q3-21, selling prices have softened amid better supply.

LLDPE

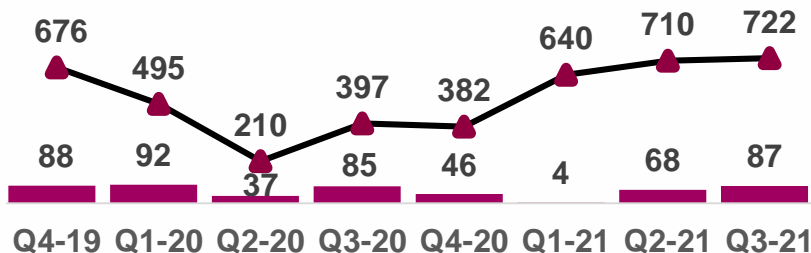
(contributed ~17% of the segment revenue in 9M-21)



Sales volumes remained stable since Q3-20. Selling price trajectory remained positive since Q3-20, due to improved demand and ebbd supply. However, Q3-21 prices have declined with improved supply side dynamics.

MTBE

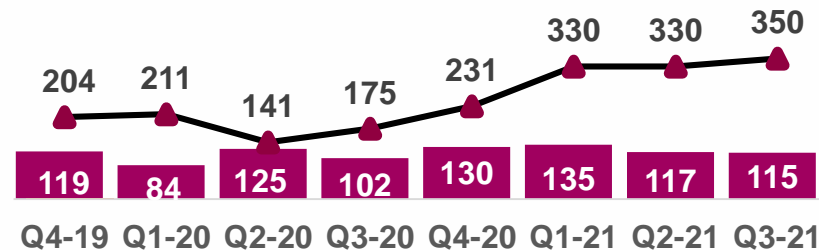
(contributed ~8% of the segment revenue in 9M-21)



Sales volumes significantly declined Q4-20 & Q1-21 as a result of commercial shutdown. MTBE facilities resumed production during Q2-21, as the product prices rebounded.

Methanol

(contributed ~9% of the segment revenue in 9M-21)



Sales volumes improved on overall basis since Q3-20, while selling prices recovered sharply from the lows during mid last year and continued a positive trajectory during 2021.



Segmental Details: Fertilizers

- Qatar Fertiliser Company has six ammonia and six urea production trains all of which are located in Qatar.

Product	(in 000 MT PA) Capacity ¹
Ammonia	3,840
Urea	5,957
Melamine	60
Total	9,922

- The segment's primary feedstock is methane gas (which is used for the production of ammonia) and ammonia (which is used for production of urea).

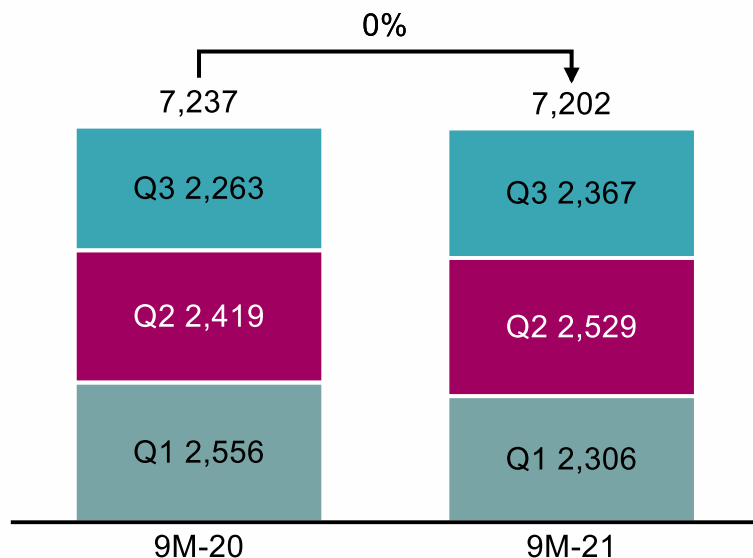


9M-21 results: Fertilizers

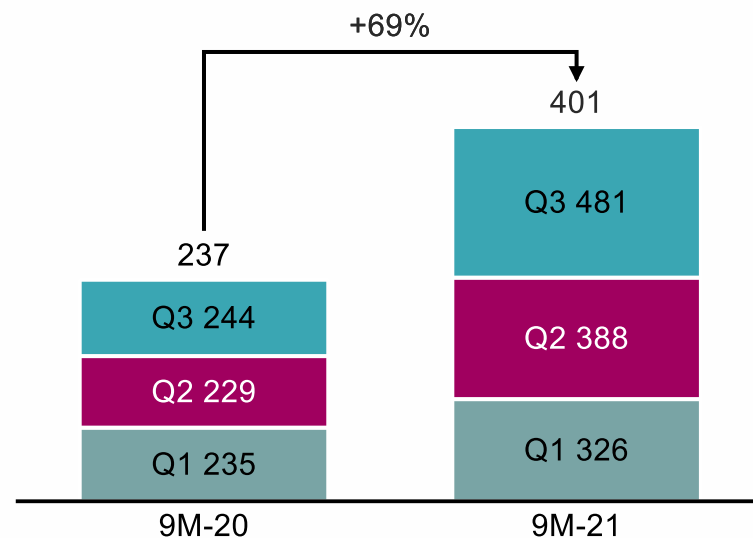
Analysis of production & selling prices

- Production:** Production remained flat compared to 9M-20, as Qafco trains 1-4 underwent a maintenance shutdowns with higher no. of days during the current period;
 - Q3-21 production declined by 6% compared to Q2-21, due to an unplanned shutdown at Qafco trains 1-4 during Q3-21.
- Selling Prices:** Prices significantly up by 69% compared to 9M-20, as a result of strong product demand coupled with curtailed supply, coupled with higher crop prices improving famers' affordability.
 - Prices increased by 24% during Q3-21 compared to Q2-21, underpinned by persistent demand with tighter supplies due to limited exports by Chinese producers and reduced plant operating rates in Europe with elevated energy prices.

Production (MT' 000)



Selling prices (\$/MT)

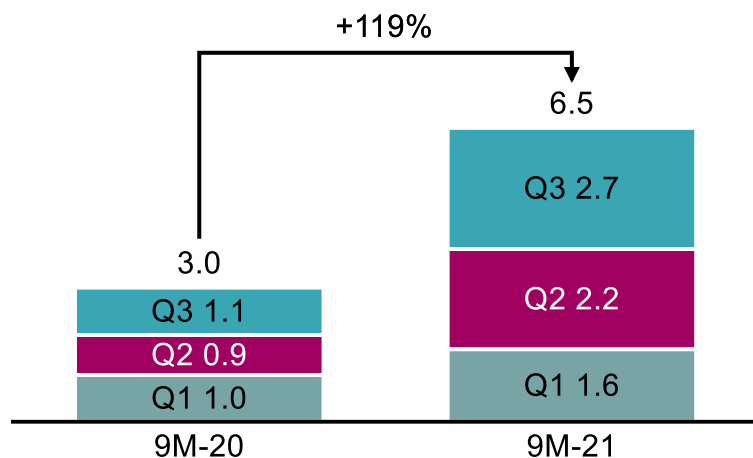


9M-21 results: Fertilizers

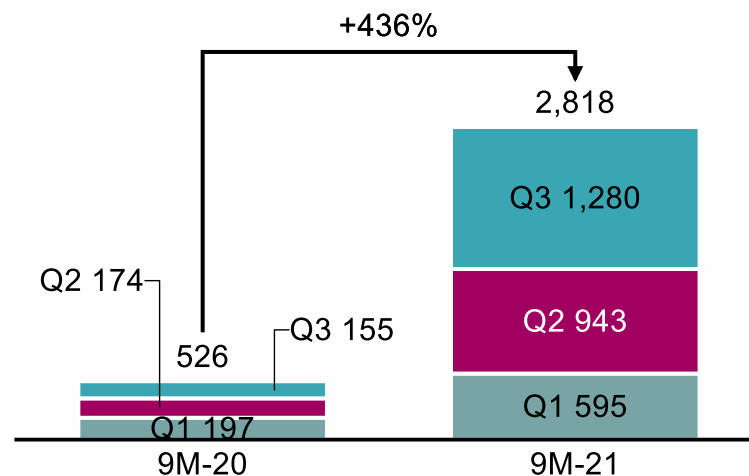
Analysis of segment revenue & net profit

- Revenue:** QR 6.5 billion, up by 119% compared to 9M-20, mainly due to positive growth in product prices (+69%) and sales volumes (+68%). 9M-21 sales volumes increased versus 9M-20, mainly due to recording of sales volumes for Qafco trains 1-4 for a complete nine months' period during 2021, which was not the case during last year amid temporary gas processing arrangement applicable for the first seven months of 2020;
 - Revenue increased by 21% during Q3-21 compared to the Q2-21, mainly due to continued recoveries noted in selling prices (+24%) , partially offset by decline in sales volumes (-3%) amid unplanned shutdown.
- Net profit:** QR 2.8 billion, up by 436% compared to 9M-20, due to overall increase in segmental revenues;
 - Net profit increased by 36% during Q3-21 compared to Q2-21, inline with an overall growth in revenues.

Revenue (QR' billion)



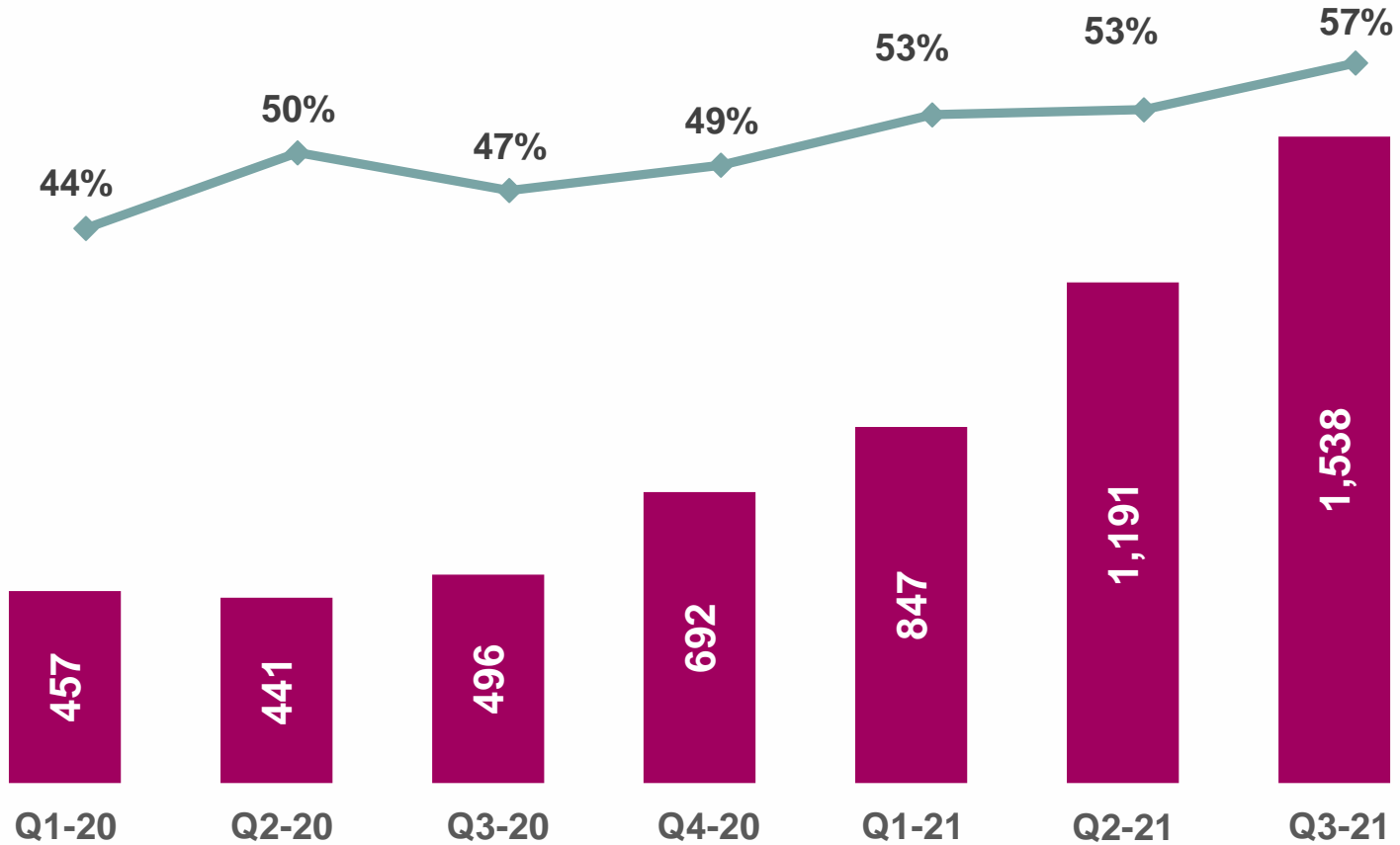
Net profit (QR' million)



9M-21 results: Fertilizers

Analysis of segment EBITDA margins

Segment's EBITDA margins continued to remain on a positive trajectory

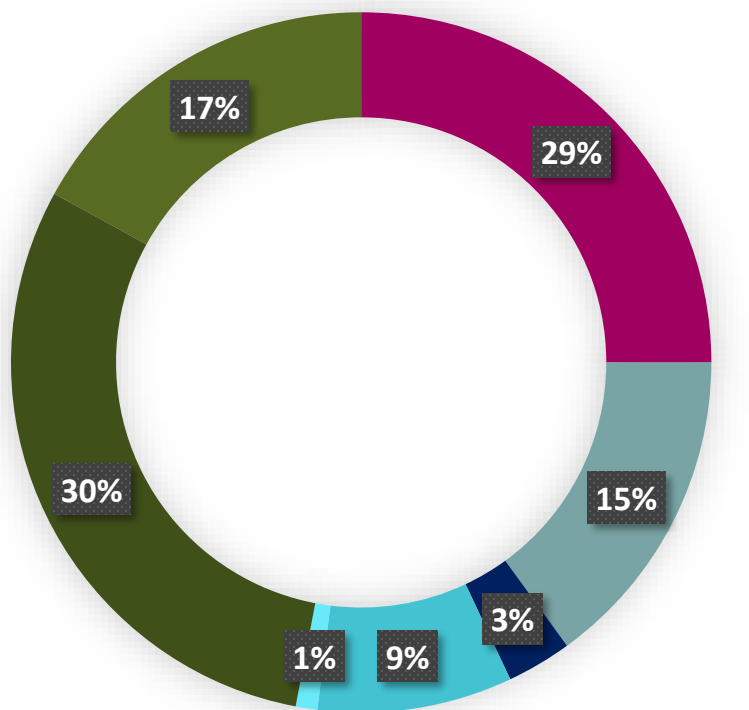


9M-21 results: Fertilizers

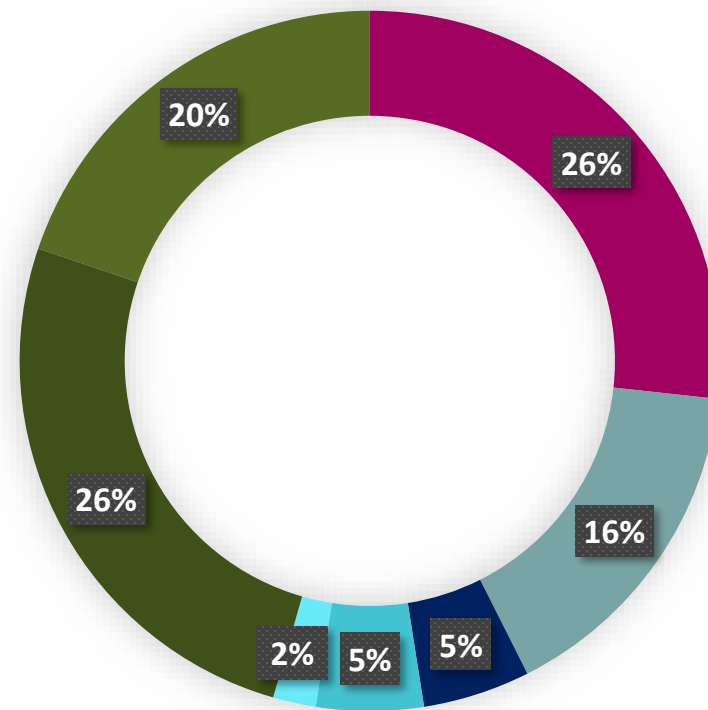
Geographical analysis of segment revenue

- Americas remains a main market for fertilizer segment
- Asia is another key market for fertilizers along with Indian sub-continent

9M-21 Segment Revenue (%)



9M-20 Segment Revenue (%)



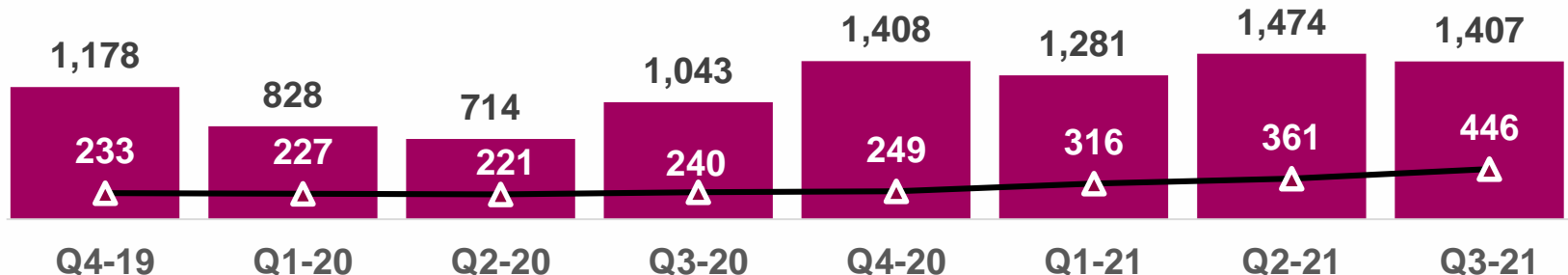
● Asia, ex. ISC ● Africa ● South America
● Indian sub-continent ● Middle East
● Europe ● North America

9M-21 results: Fertilizers

Key segment products analysis

Urea

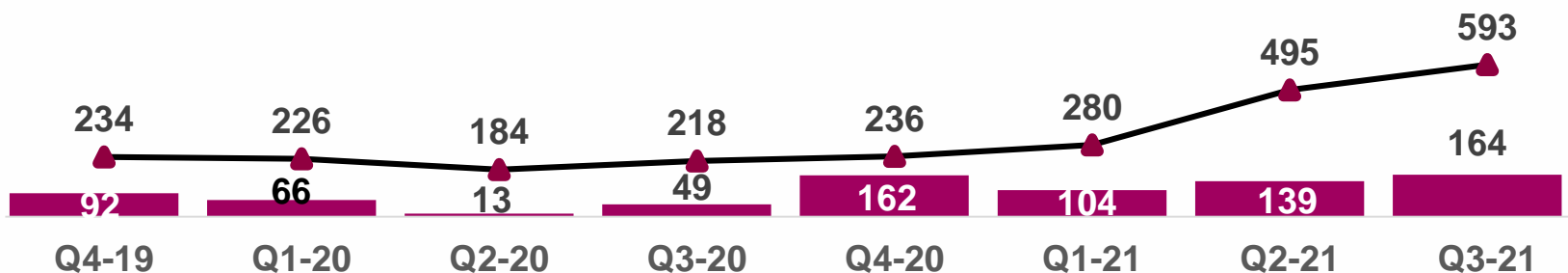
(contributed ~85% of the segment revenue in 9M-21)



Sales volumes during 2020 were affected due to a temporary gas processing arrangement for Qafco trains 1-4 for the first seven months of 2020, since then volumes remained consistent. Selling prices continued to recover since later part of last year on the back of improved macroeconomic conditions and supply side shortages.

Ammonia

(contributed ~11% of the segment revenue in 9M-21)



Sales of ammonia depends on the availability of excess ammonia, as most of the ammonia production is used for Urea production.

■ Sales Volumes (MT '000) ▲ Selling price (\$/MT)



Segmental Details: Steel

- **Qatar Steel Company Q.S.C.** produces a number of intermediate steel products.

The production capacity of the plants are:

Product	<i>(in 000 MT PA)</i>
	Capacity¹
DRI / HBI	2,300*
Rebar	1,800*
Billets	2,520*
Coil	240
Total	6,860

¹ Production capacity reflect IQ's share in the respective entities

- The segment's primary raw material is **oxide pellets** and **scraps**.



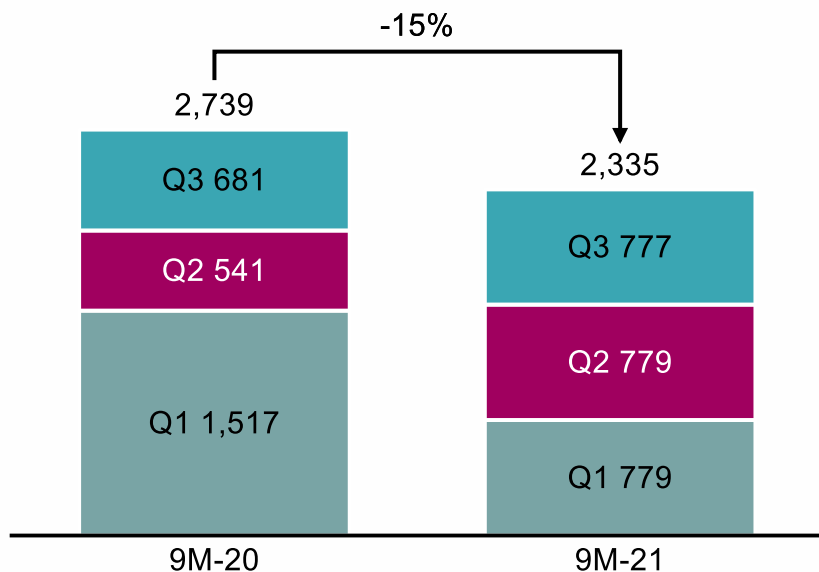
9M-21 results: Steel

Analysis of production & selling prices

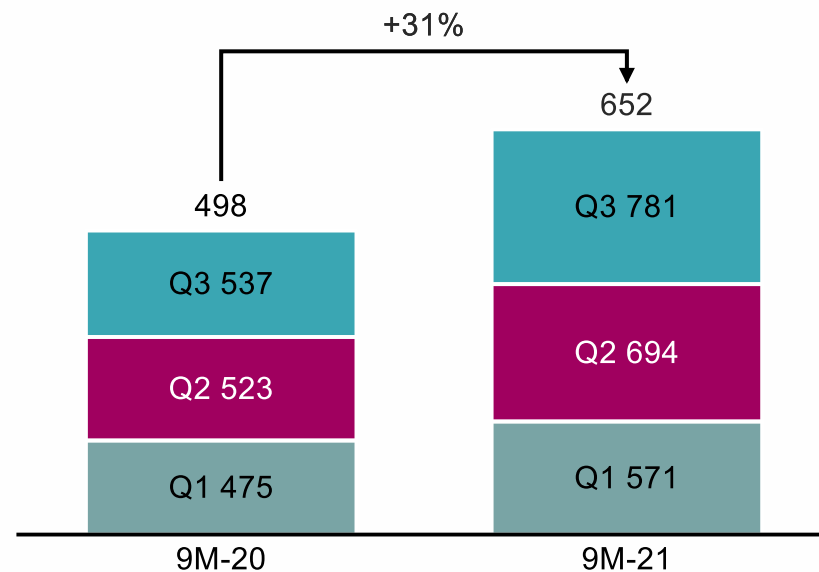
- **Production:** Production down by **15%** compared to 9M-20, due to management’s decision to mothball certain facilities starting from April’20;
 - Production volumes remained flat during Q3-21 in comparison to Q2-21.

- **Selling Prices:** improved by **31%** versus 9M-20, amid increase in demand underpinned by a rebound in construction activity;
 - Prices improved during Q3-21 by **13%** compared to the Q2-21, on the back on continued higher steel prices prevailed internationally.

Production (MT' 000)



Selling prices (\$/MT)

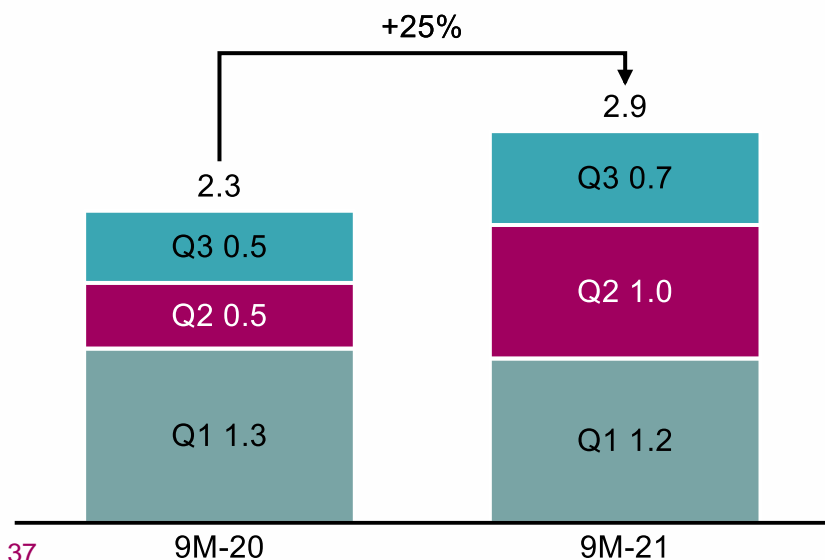


9M-21 results: Steel

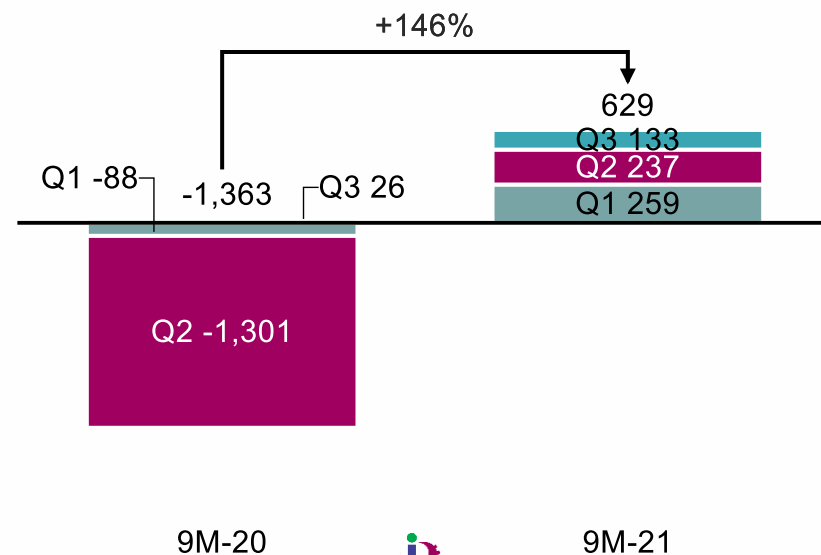
Analysis of segment revenue & net profit

- Revenue:** QR 2.9 billion, up by 25% on 9M-20 amid increase in selling prices (+31%), offset by decline in sales volumes (-6%) owing to mothballing of certain steel facilities starting from Q2-20;
 - Revenue declined by 29% during Q2-21 compared to Q2-20 due to lower sales volumes (-37%), amid softened demand on account of seasonal effects. This was partially offset by improved pricing levels (+13%).
- Net Profit:** Net profit of QR 629 million for 9M-21 compared to a net loss of QR 1.4 billion for 9M-20, primarily due to better steel prices and improved margins on account of mothballing decision that allowed the segment to primarily focus on profitable domestic market, which led to adjust segment's cost base.
 - Profitability declined by 44% during Q3-21 compared to Q2-21, due to decline in segment revenue and realization higher cost iron ore prices, specifically prevailed during first half of 2021.

Revenue (QR' billion)



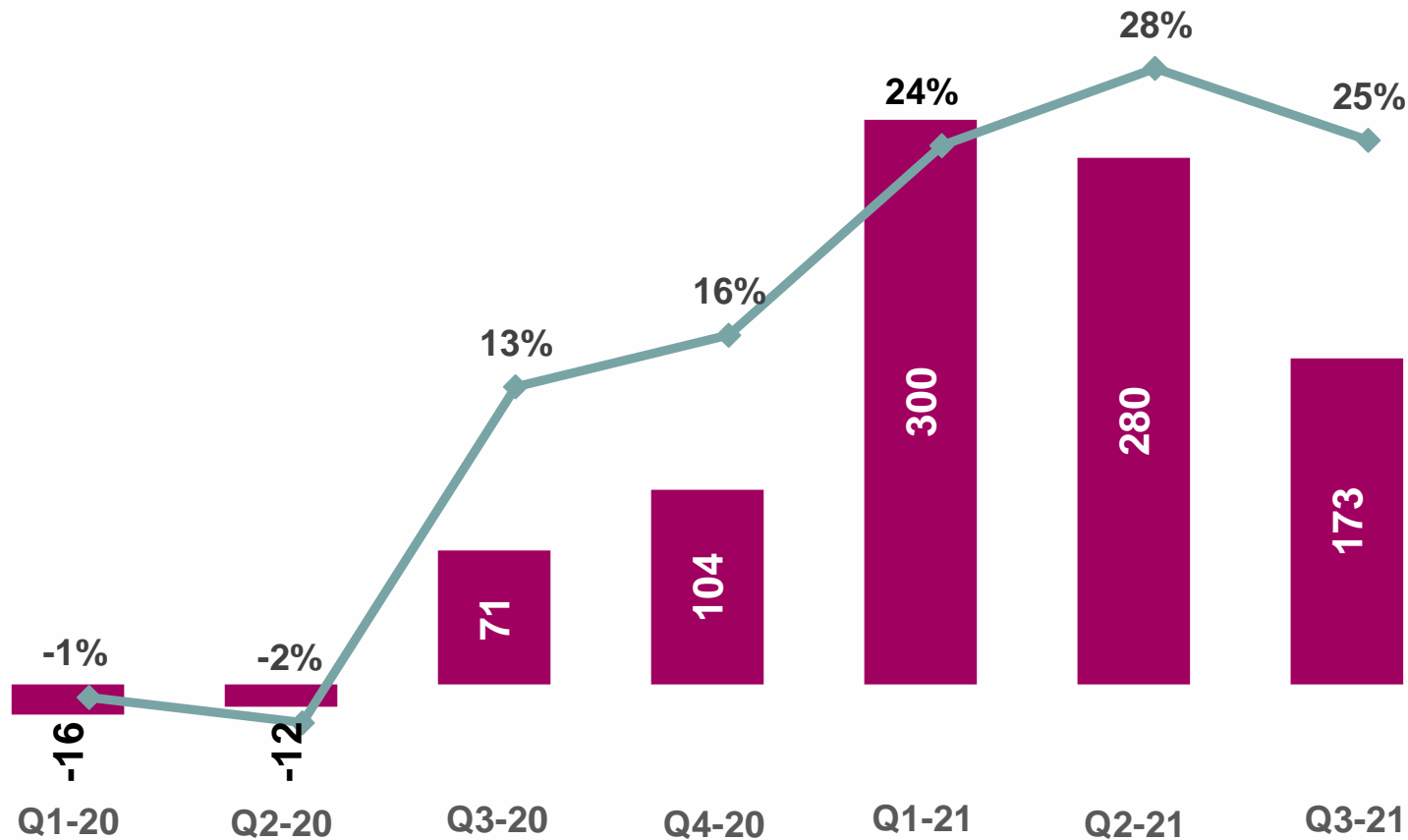
Net profit (QR' million)



9M-21 results: Steel

Analysis of segment EBITDA margins

Steel segment's EBITDA margins significantly improved following mothballing decision

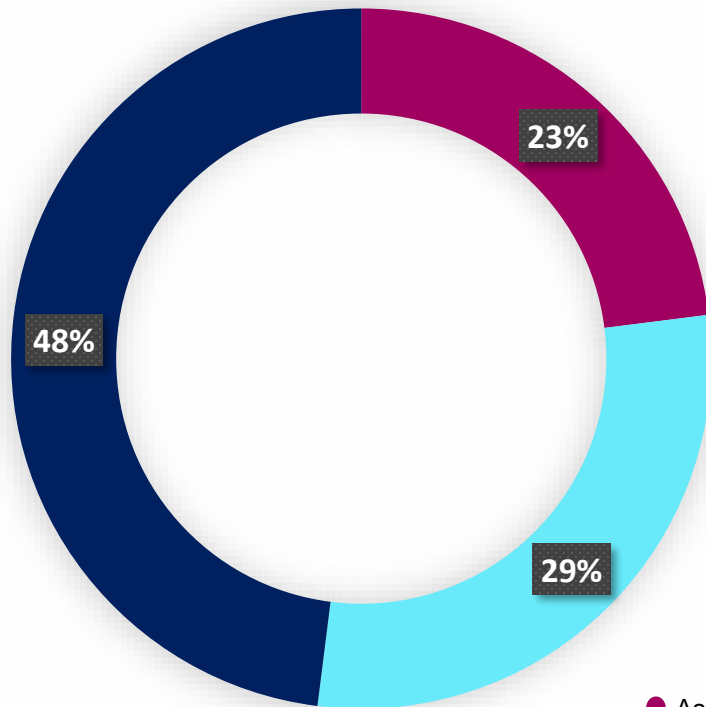


9M-21 results: Steel

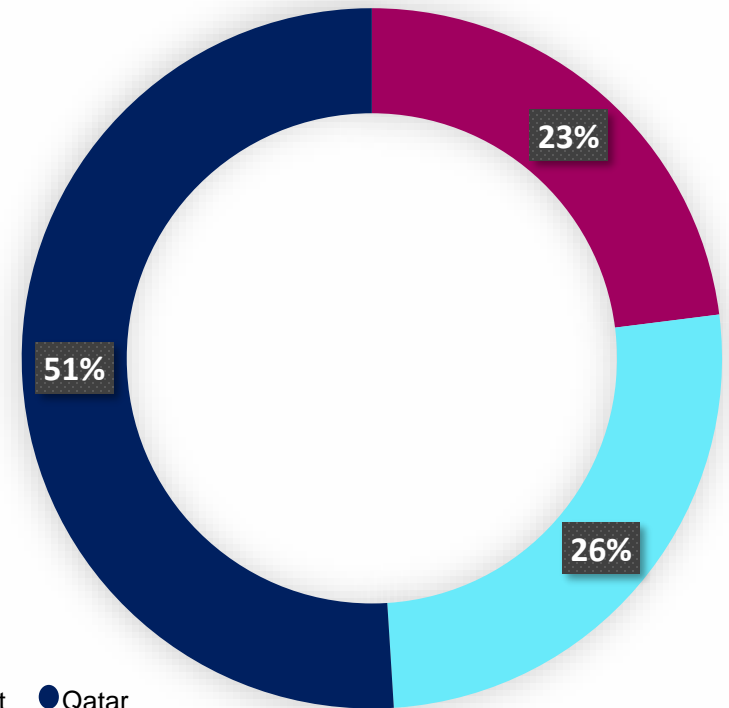
Geographical analysis of segment revenue

- Starting from the second quarter of 2020, the Group decided to temporarily resize capacity of domestic operations within the Steel segment to 0.8 million MT per annum of rebar with an intent to primarily cater local sector demand, amid higher competition and declining margins internationally. However, due to the improvement in the international prices, the segment was also able to sell some of the quantities outside the domestic market during 2021.

9M-21 Segment Revenue (%)



9M-20 Segment Revenue (%)



● Asia ● Middle East ● Qatar

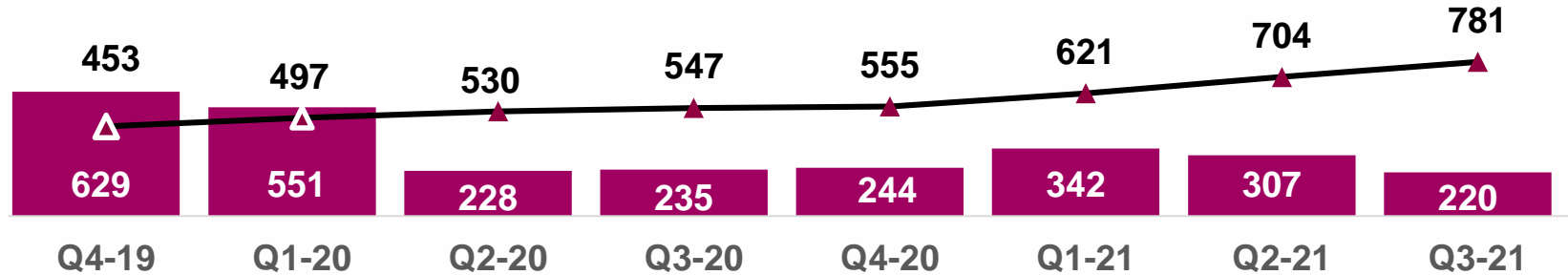


9M-21 results: Steel

Key segment products analysis

Rebars

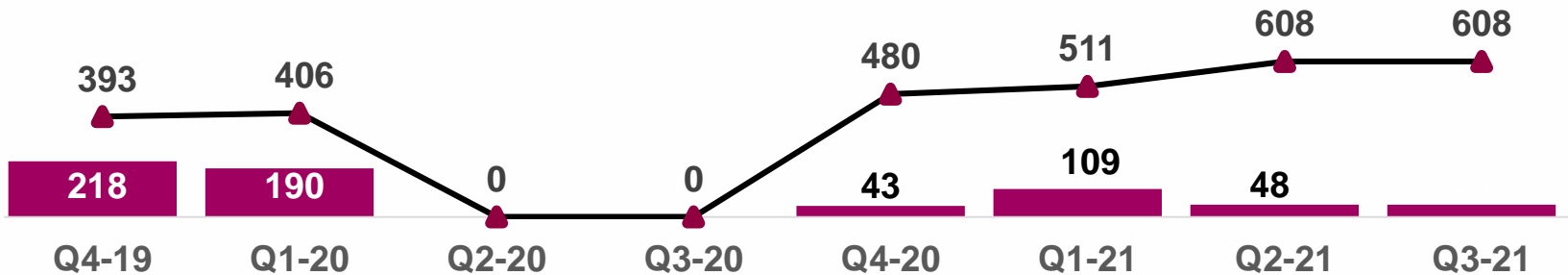
(contributed ~75% of the segment revenue in 9M-21)



Selling prices recovered significantly in recent quarters, mainly due to improved macroeconomic dynamics, as the demand for steel mainly on the back of ramp-up in ongoing infrastructure and construction projects, supported by reopening of economies.

Billets

(contributed ~11% of the segment revenue in 9M-21)



Sales of billets remained opportunistic depending on the market conditions and availability of excess billets, where most of the production of billets is used for Rebar production.

CAPEX & Cash flows (2021F – 2025F)

CAPEX and Cash Flows (2021F – 2025F)

- CAPEX / PUD spend of QR 5.2 billion across all segments doe 2021-2025 ▪ *No capacity related CAPEX and mostly related to reliability and HSE*
PUD / Investments QR 2.0 billion; Turnaround Capex QR 1.5 billion;
IT / Technical Road Map QR 0.7 billion; Other Capex QR 1.2 billion.
- Qapco (Capex of QR 1.2 billion)
 - QR 0.5 billion of routine CAPEX primarily related to HSE;
 - Turnaround / reliability related CAPEX of QR 0.7 billion;
 - No CAPEX related to PUD / Investments
- Qafac (Capex of QR 0.5 billion)
 - Turnaround & annual maintenance (2023) QR 0.1 billion, other routine CAPEX of QR 0.4 billion ▪ no capacity related CAPEX;
- Qafco (Capex of QR 3.2 billion)
 - Projects include (investment projects QR 1.6 billion, capital spares QR 0.2 billion, catalysts QR 0.1 billion, shutdown QR 1.1 billion, and others QR 0.2 billion)
- Qatar Steel (Capex of QR 0.3 billion)
 - CAPEX mainly related to maintenance replacement, HSE, and other minor projects;
- Additional borrowing of only QR 0.1 billion to finance operations of QAFAC

CAPITAL EXPENDITURE (in QR Billion)					
	2021	2022	2023	2024	2025
Capital Spares	0.1	0.1	0.0	0.0	0.0
Catalysts	0.0	0.0	0.0	0.0	0.0
Turnaround CAPEX	0.3	0.5	0.3	0.2	0.3
Investments / PUD	0.5	0.9	0.4	0.1	0.1
IT / Technical	0.3	0.1	0.1	0.1	0.1
Other Routine CAPEX	0.2	0.1	0.1	0.0	0.0
Total CAPEX	1.5	1.8	0.9	0.5	0.5
CASH FLOWS (in QR Billion)					
	2021	2022	2023	2024	2025
Cash Flows:					
- Operating	+2.8	+3.5	+4.1	+4.6	+4.8
- Investing	-1.4	-1.6	-0.6	-0.2	-0.2
- Financing	-0.0	-0.1	-0.1	-0.1	-0.1
FCFF	+1.3	+1.7	+3.2	+4.1	+4.3
FCFE	+1.4	+1.7	+3.2	+4.1	+4.3

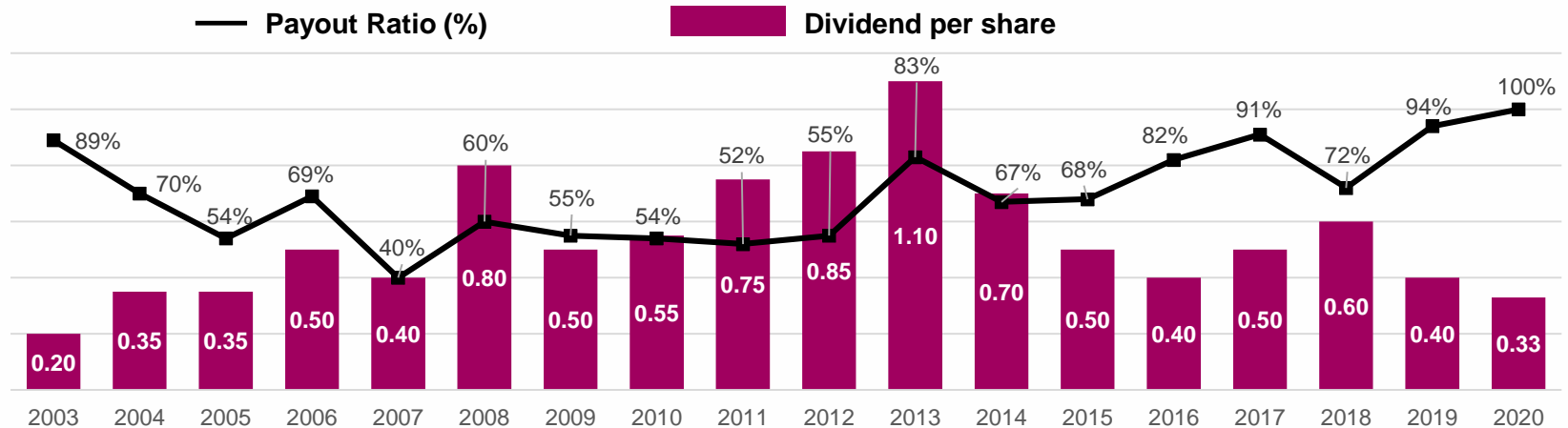
FCFE = FCFF +/- Net Debt – Finance Charges

Note: The cash flow & CAPEX figures for the years 2021-25 are based on the 2021 approved budget and business plan, based on the expectations of the market conditions and commodity prices forecasted at the time of finalizing the 2021 budget & business plan.

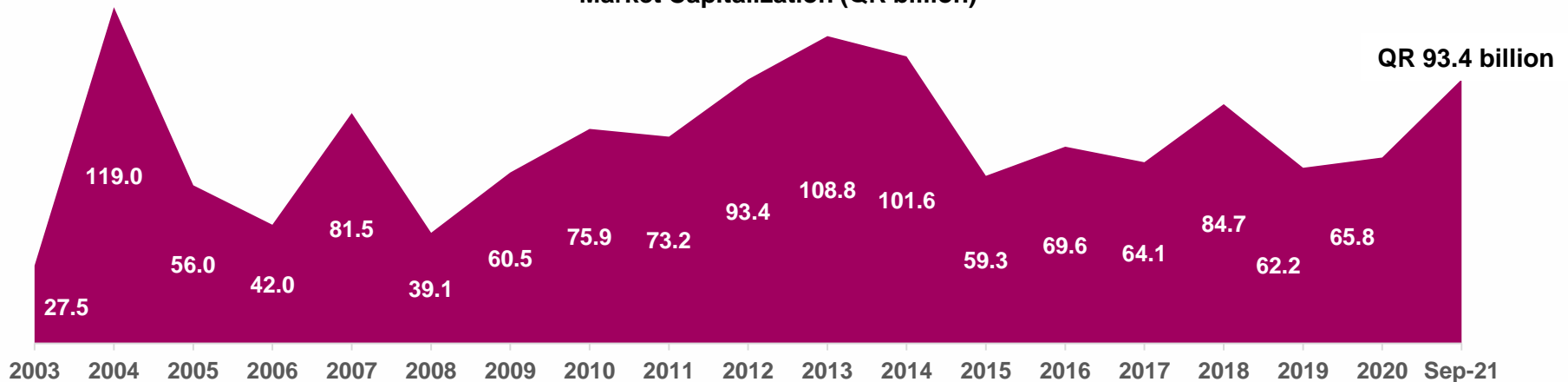
With current market conditions and commodity price trends, the forecasts as disclosed in the above table cannot be relied on with absolute certainty, where, the actual realization of these figures might significantly differ as compared to these projections, subject to the macroeconomic conditions, including, 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.

Dividend and market statistics

Dividend Record & Market Statistics



Market Capitalization (QR billion)

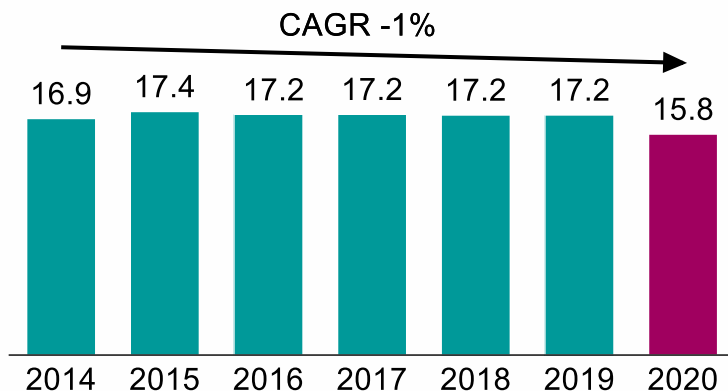


- To date, cash dividends totaling QR **55.4** billion have been distributed, equivalent to QR **9.8** per share;
- The Company was included on the MSCI Qatar Index in May 2014.

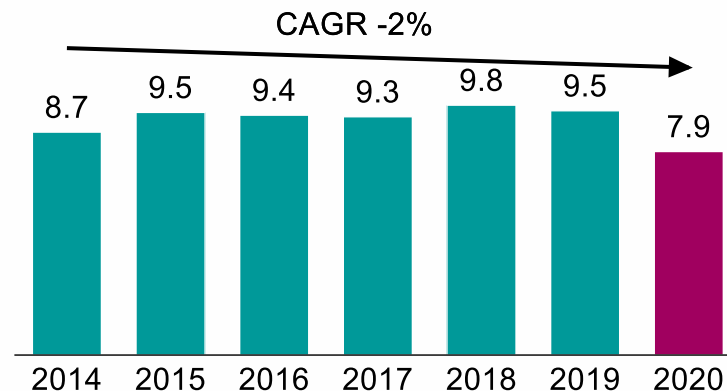
Historical performance (2014 - 2020)

Results at a Glance (2014 - 2020)

Production (M MT's)

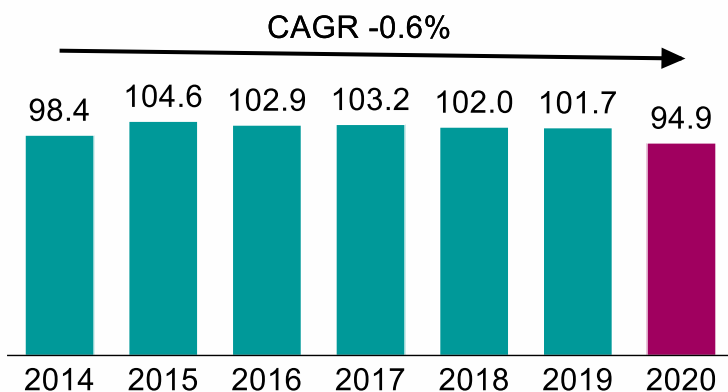


Sales Volumes (M MT's)

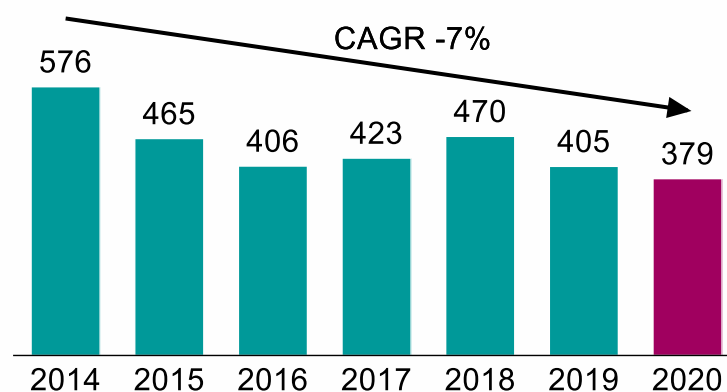


Production steadily grew from 16.9 million MT's in 2014 and peaked to reach 17.4 million MT's in 2015. The decline in production in 2020 was mainly owed to mothballing decision of certain steel facilities and Qafco's temporary gas processing arrangement ▪ The sales volume grew over the period and reached its highest in 2018. 2020 sales volumes were affected due to decline in production ▪ Selling prices were affected due to macroeconomic cycles

Utilization (%)

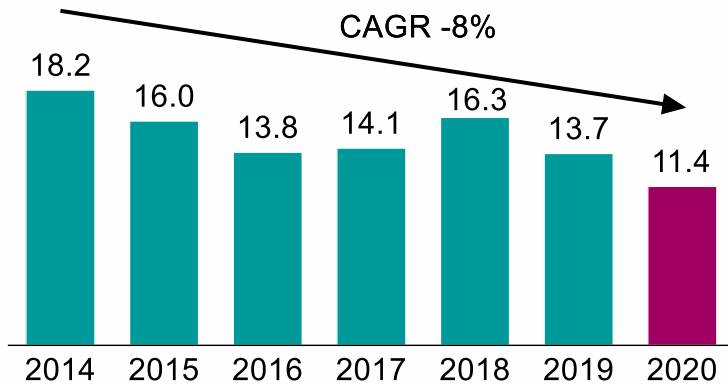


Selling Prices (USD / MT)

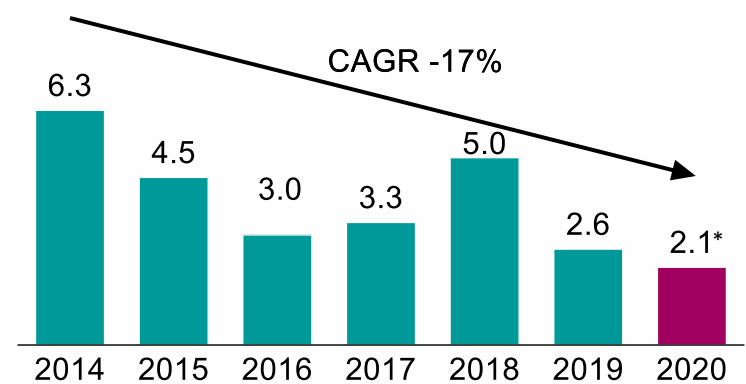


Results at a Glance (2014 - 2020)

Revenue (QR Bn)

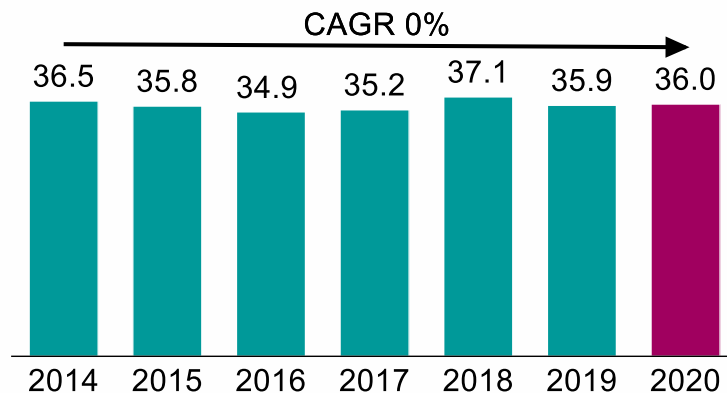


Net income (QR Bn)

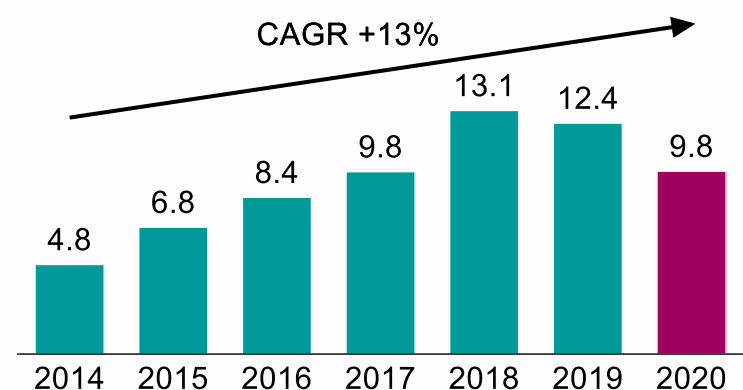


Revenue trends moved in line with the selling prices ▪ Movements in revenue together with operating costs affected the net income growth ▪ Cash across the Group continued to grow and reached its peak in 2018. Decline in net cash position as at the end of financial year 2020, was mainly attributed to acquisition of 25% stake in Qafco and 2019 dividend payments.

Total Assets (QR Bn)



Net Cash / (Debt) (QR Bn) under IAS31



47 Note: CAGR refers to Compounded Annual Growth Rate
* Normalized profits



Governance Structure

Governance Structure

Board Structure

- IQ 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.

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.

Governance and Compliance

- IQ 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.

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 Structure

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. Accordingly, the salary of the Company's Managing Director, who represents the Executive Management of Industries Qatar, is determined and approved by the Company's Board of Directors. IQ Managing Director do not receive remuneration in his capacity.

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.

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.

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 Q.J.S.C. (“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 and Fertilizer regulated products.
- Marketing and distribution of Steel Products have been shifted to Muntajat in early 2018 after showing positive benefits to the other segments.
- 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 Industries Qatar.
- Qatar Steel’s marketing activities has now moved back to Qatar Steel with effect from 1st September 2020, in line with the new operational strategy, where there will be very limited international component.



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Please refer to www.iq.com.qa for the latest information, publications, press releases and presentations about Industries Qatar and group companies.