

**INDUSTRIES QATAR Q.P.S.C.
DOHA – QATAR**

**INTERIM CONDENSED
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED
MARCH 31, 2024**

INDUSTRIES QATAR Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended March 31, 2024

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INDUSTRIES QATAR Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at March 31, 2024

	Note	March 31, 2024 (Unaudited) QR' 000	December 31, 2023 (Audited) QR' 000
ASSETS			
Non-current assets			
Property, plant and equipment	3	13,298,801	13,357,311
Capital project advances		169,828	175,041
Investments in associates	4	1,621,084	1,810,706
Investments in joint ventures	5	6,954,925	6,782,965
Deemed investment		198,132	137,797
Right-of-use assets		251,124	261,844
Intangible asset		1,448	1,479
Advances to an associate		191,493	191,493
Total non-current assets		<u>22,686,835</u>	<u>22,718,636</u>
Current assets			
Inventories		2,693,042	2,833,277
Trade and other receivables		2,463,744	2,665,434
Financial assets at fair value through profit or loss		399,251	421,079
Cash and bank balances		3,256,181	3,564,342
Fixed deposits		7,854,200	10,849,847
Total current assets		<u>16,666,418</u>	<u>20,333,979</u>
Total assets		<u>39,353,253</u>	<u>43,052,615</u>

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

INDUSTRIES QATAR Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at March 31, 2024

	March 31, 2024 (Unaudited) QR' 000	December 31, 2023 (Audited) QR' 000
EQUITY AND LIABILITIES		
EQUITY		
Share capital	6,050,000	6,050,000
Legal reserve	271,942	271,942
Hedging reserve	2,017	(7,873)
Other reserve	(54,392)	(54,392)
Retained earnings	30,260,757	33,699,253
Equity attributable to equity holders of the parent	36,530,324	39,958,930
Non-controlling interest	17,656	17,411
Total equity	36,547,980	39,976,341
LIABILITIES		
Non-current liabilities		
Lease liabilities	321,492	334,046
Employees' end of service benefits	485,367	472,123
Total non-current liabilities	806,859	806,169
Current liabilities		
Trade and other payables	1,945,724	2,220,044
Lease liabilities	49,914	47,738
Income tax payable	2,776	2,323
Total current liabilities	1,998,414	2,270,105
Total liabilities	2,805,273	3,076,274
Total equity and liabilities	39,353,253	43,052,615

These consolidated financial statements were approved and authorized for issue by the Board of Directors on April 30, 2024 and signed on their behalf by:

Saad Sherida Al-Kaabi
Chairman and Managing Director

Abdulaziz Mohammed Al-Mannai
Vice Chairman

INDUSTRIES QATAR Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

For the three-month period ended March 31, 2024

	For the three-month period ended March 31,	
	2024	2023
	(Unaudited)	(Unaudited)
Note	QR' 000	QR' 000
Revenues	2,913,384	3,467,196
Cost of sales	(2,072,655)	(2,754,572)
Gross profit	840,729	712,624
General and administrative expenses	(153,534)	(166,532)
Selling and distribution expenses	(14,735)	(13,767)
Share of results of investments in associates	76,101	64,128
Share of results of investments in joint ventures	353,960	382,473
Finance costs	(6,888)	(7,253)
Other income – net	186,079	195,318
Profit before tax	1,281,712	1,166,991
Income tax	(453)	(384)
Profit for the period	1,281,259	1,166,607
Attributable to:		
Equity holders of the parent	1,280,504	1,165,925
Non-controlling interest	755	682
	1,281,259	1,166,607
Earnings per share		
Basic and diluted earnings (QR per share)	6 0.21	0.19

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

INDUSTRIES QATAR Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the three-month period ended March 31, 2024

	For the three-month period ended March 31,	
	2024	2023
	(Unaudited)	(Unaudited)
	QR' 000	QR' 000
Profit for the period	1,281,259	1,166,607
Other comprehensive income		
<i>Items that may be reclassified subsequently to statement of profit or loss</i>		
Share of other comprehensive income of associates	9,890	6,163
Total comprehensive income for the period	1,291,149	1,172,770
Attributable to:		
Equity holders of the parent	1,290,394	1,172,088
Non-controlling interest	755	682
	1,291,149	1,172,770

INDUSTRIES QATAR Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended March 31, 2024

	Share Capital	Legal reserve	Hedging reserve	Other reserves	Retained earnings	Attributable to owners of the parent	Non- controlling interest	Total equity
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
Balance as at December 31, 2023 (Audited)	6,050,000	271,942	(7,873)	(54,392)	33,699,253	39,958,930	17,411	39,976,341
Profit for the period	--	--	--	--	1,280,504	1,280,504	755	1,281,259
Other comprehensive income	--	--	9,890	--	--	9,890	--	9,890
Total comprehensive income for the period	--	--	9,890	--	1,280,504	1,290,394	755	1,291,149
Dividends declared	--	--	--	--	(4,719,000)	(4,719,000)	(510)	(4,719,510)
Balance as at March 31, 2024 (Unaudited)	6,050,000	271,942	2,017	(54,392)	30,260,757	36,530,324	17,656	36,547,980

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

INDUSTRIES QATAR Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended March 31, 2024

	Share Capital	Legal reserve	Hedging reserve	Other reserves	Retained earnings	Attributable to owners of the parent	Non- controlling interest	Total equity
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
Balance as at December 31, 2022 (Audited)	6,050,000	271,059	(8,156)	(49,728)	35,739,722	42,002,897	16,651	42,019,548
Profit for the period	--	--	--	--	1,165,925	1,165,925	682	1,166,607
Other comprehensive income	--	--	6,163	--	--	6,163	--	6,163
Total comprehensive income for the period	--	--	6,163	--	1,165,925	1,172,088	682	1,172,770
Social and sport contribution fund refund	--	--	--	--	4,111	4,111	--	4,111
Dividends declared	--	--	--	--	(6,655,000)	(6,655,000)	--	(6,655,000)
Balance as at March 31, 2023 (Unaudited)	<u>6,050,000</u>	<u>271,059</u>	<u>(1,993)</u>	<u>(49,728)</u>	<u>30,254,758</u>	<u>36,524,096</u>	<u>17,333</u>	<u>36,541,429</u>

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

INDUSTRIES QATAR Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the three-month period ended March 31, 2024

	For the three-month period ended March 31,	
	2024	2023
	(Unaudited)	(Unaudited)
	QR' 000	QR' 000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	1,281,712	1,166,991
<i>Adjustments for:</i>		
Depreciation and amortisation of intangibles	351,719	322,555
Amortisation of right-of-use assets	10,720	6,823
Provision for employees' end of service benefits	27,155	26,600
Share of results of investments in associates	(76,101)	(64,128)
Share of results of investments in joint ventures	(353,960)	(382,473)
Loss on disposal of property, plant and equipment	1,251	25
Finance costs	6,888	7,253
Interest income	(188,385)	(213,442)
Net movement in provision for obsolete and slow-moving inventories	7,780	(1,568)
Net remeasurement of loss allowance	--	(66)
Fair value loss on financial assets at fair value through profit or loss	21,828	27,266
Dividends received from financial assets at fair value through profit or loss	(18,914)	(18,739)
Cash flow from operating activities before changes in working capital	1,071,693	877,097
Movements in working capital		
Inventories	132,457	626,176
Trade and other receivables	103,465	454,106
Trade and other payables	(270,465)	(514,912)
Cash generated from operating activities	1,037,150	1,442,467
Payments of employees' end of service benefits	(15,410)	(30,169)
Refund of contribution to social and sport fund	--	4,111
Net cash generated from operating activities	1,021,740	1,416,409

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

INDUSTRIES QATAR Q.P.S.C.**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the three-month period ended March 31, 2024

	For the three-month period ended March 31,	
	2024	2023
	(Unaudited)	(Unaudited)
	QR' 000	QR' 000
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment and catalysts	(294,470)	(361,909)
Movement in fixed deposits	2,995,647	444,960
Dividends received from financial assets at fair value through profit or loss	18,914	18,739
Dividends received from joint ventures	182,000	54,600
Dividends received from associates	275,613	421,272
Deemed Investment	(60,337)	(15,491)
Interest income received	291,857	229,606
Net cash generated by investing activities	3,409,224	791,777
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance charges paid	(5,389)	(5,667)
Payment of lease liability	(10,379)	(67,846)
Dividends paid	(4,719,510)	(6,655,000)
Net cash used in financing activities	(4,735,278)	(6,728,513)
Net decrease in cash and cash equivalents	(304,314)	(4,520,327)
Cash and cash equivalents at January 1	3,460,004	9,626,954
Cash and cash equivalents at March 31	3,155,690	5,106,627

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

INDUSTRIES QATAR Q.P.S.C.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

For the three-month period ended March 31, 2024

1. CORPORATE INFORMATION

Industries Qatar Q.P.S.C (the “Company” or “IQ”) is a Qatari Public Shareholding Company, incorporated in the State of Qatar on April 19, 2003, in accordance with Qatar Commercial Companies Law No. 5 of year 2002, as replaced by Qatar Commercial Companies Law No. 11 of 2015, for a 50 year term by resolution No. 33 of 2003 from the Ministry of Commerce and Industry of the State of Qatar. The Company’s shares are listed on the Qatar Stock Exchange. The Group’s registered office is situated in Doha, State of Qatar.

IQ and its subsidiaries and joint ventures (together “the Group”) operate mainly in the State of Qatar.

Through the Group companies, IQ operates in three main distinct segments: petrochemicals, fertilisers and steel. More information about the Group activities is given in Note 7. The structure of the Group, included in these interim condensed consolidated financial statement is as follows:

	<u>Type of interest</u>	<u>Country of incorporation</u>	<u>Percentage of holding</u>
Qatar Steel Company Q.P.S.C.	Subsidiary	Qatar United Arab	100%
Qatar Steel Company FZE (Dubai)	Subsidiary	Emirates	100%
Al Qataria for Production of Reinforcing Steel W.L.L.	Subsidiary	Qatar	100%
Qatar Fertiliser Company P.S.C. (“QAFCO”)	Subsidiary	State of Qatar	100%
Gulf Formaldehyde Company (P.Q.S.C.) (GFC)	Subsidiary	State of Qatar	70%
Qatar Melamine Company (P.Q.S.C.) (QMC)	Subsidiary	State of Qatar	100%

Also included in the interim condensed consolidated financial statements are the share of profit or loss and other comprehensive income of the following joint ventures and associate companies using the equity method of accounting.

	<u>Type of interest</u>	<u>Country of incorporation</u>	<u>Percentage of holding</u>
Qatar Petrochemical Company (QAPCO) Q.P.J.S.C. (“QAPCO”)	Joint venture	State of Qatar	80%
Qatar Fuel Additives Company Limited Q.P.S.C. (“QAFAC”)	Joint venture	State of Qatar	50%
Qatar Metals Coating Company W.L.L.	Associate	State of Qatar	50%
SOLB Steel Company (SSC)	Associate	Kingdom of Saudi Arabia	31.03%
Foulath Holding B.S.C.	Associate	Kingdom of Bahrain	25%

The interim condensed consolidated financial statements of the Group for the period ended March 31, 2024 were approved and authorised for issue by the Board of Directors on April 30, 2024.

INDUSTRIES QATAR Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT**

For the three-month period ended March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023

3. PROPERTY, PLANT AND EQUIPMENT

	March 31, 2024 (Unaudited) QR' 000	December 31, 2023 (Audited) QR' 000
Opening net book value	13,357,311	11,685,109
Additions	294,470	2,231,738
Depreciation	(351,689)	(1,463,007)
Reversal of impairment	--	550,000
Acquisition of subsidiary	--	345,038
Disposals and adjustments	(1,291)	8,433
Closing net book value	<u>13,298,801</u>	<u>13,357,311</u>

4. INVESTMENTS IN ASSOCIATES

	March 31, 2024 (Unaudited) QR' 000	December 31, 2023 (Audited) QR' 000
Balance at the beginning of the year	1,810,706	1,890,060
Dividend received from associates	(275,613)	(421,273)
Share of other comprehensive income	9,890	283
Share of results from associates	76,101	281,636
Reversal of impairment	--	60,000
Balance at the end of the period/year	<u>1,621,084</u>	<u>1,810,706</u>

5. INVESTMENT IN JOINT VENTURES

	March 31, 2024 (Unaudited) QR' 000	December 31, 2023 (Audited) QR' 000
Balance at the beginning of the year	6,782,965	7,096,559
Share of net results of joint ventures	231,378	907,055
Adjustment related to tax benefits	122,582	452,906
Share of other comprehensive loss	--	(2,912)
Dividend and tax share income received	(182,000)	(1,670,643)
Balance at the end of the period/year	<u>6,954,925</u>	<u>6,782,965</u>

INDUSTRIES QATAR Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT**For the three-month period ended March 31, 2024

6. BASIC AND DILUTED EARNINGS PER SHARE

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

	March 31, 2024 (Unaudited) QR' 000	March 31 2023 (Unaudited) QR' 000
Profit for the period	1,280,504	1,165,925
Weighted average number of shares outstanding during the period (in thousands)	6,050,000	6,050,000
Basic and diluted earnings per share (expressed in QR per share)	0.21	0.19

INDUSTRIES QATAR Q.P.S.C.**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT**

For the three-month period ended March 31, 2024

7. SEGMENT REPORTING

The Group is organised into business units based on their products and services, and has three reportable operating segments and others as follows:

- The petrochemical segments, which produces and sells ethylene, polyethylene, MTBE, methanol and other petrochemical products.
- The fertiliser segment, which produces and sells urea, ammonia and other by-products.
- The steel segment, which produces and sells steel pellets, bars, billets and others.
- Others include the operations of the parent entity.

For the three-month period ended March 31, 2024 (Unaudited)

	Petrochemicals	Fertilisers	Steel	Others	Combined	Adjustments and Eliminations	Consolidated
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
Revenue	998,415	1,875,567	1,037,817	--	3,911,799	(998,415)	2,913,384
Segment profit before tax	353,960	639,039	156,415	814,910	1,964,324	(682,612)	1,281,712
Depreciation and amortisation	115,485	283,002	53,826	25,611	477,924	(115,485)	362,439
Finance costs	862	4,283	2,605	--	7,750	(862)	6,888

For the three-month period ended March 31, 2023 (Unaudited)

	Petrochemicals	Fertilisers	Steel	Others	Combined	Adjustments and Eliminations	Consolidated
	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000	QR' 000
Revenue	1,076,522	2,238,897	1,228,299	--	4,543,718	(1,076,522)	3,467,196
Segment profit before tax	382,473	511,093	133,986	809,232	1,836,784	(669,793)	1,166,991
Depreciation and amortisation	127,803	268,489	45,697	46,531	488,520	(159,142)	329,378
Finance costs	1,022	4,317	2,936	--	8,275	(1,022)	7,253