

Qatar Aluminium Manufacturing Company Q.P.S.C.

Unaudited condensed interim financial information for the
nine-month period ended 30 September 2023

Qatar Aluminium Manufacturing Company Q.P.S.C.

Condensed interim financial information for the nine-month period ended 30 September 2023

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	As at 30 September 2023 (Unaudited)	As at 31 December 2022 (Audited)
Assets		
Non-current asset		
Investment in a joint venture	5,442,341	5,669,616
Current assets		
Other receivables	8,027	17,774
Cash and cash equivalents	768,592	447,095
Deposits and other bank balances	560,295	791,915
	1,336,914	1,256,784
Total assets	6,779,255	6,926,400
Equity and liabilities		
Equity		
Share capital	5,580,120	5,580,120
Legal reserve	2,192	2,192
Retained earnings	1,092,182	1,240,865
Total equity	6,674,494	6,823,177
Liabilities		
Current liabilities		
Other payables	102,387	100,087
Due to related parties	2,374	3,136
Total current liabilities	104,761	103,223
Total equity and liabilities	6,779,255	6,926,400

This condensed interim financial information was approved and authorised for issue by the Board of Directors on 30 October 2023 and were signed on its behalf by:


Abdulrahman Ahmad Al-Shaibi
Chairman


Nabeel Mohammed Al-Buenain
Member

Qatar Aluminium Manufacturing Company Q.P.S.C.

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CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Nine-month period ended	
	September 30,	September 30,
	2023	2022
	(Unaudited)	(Unaudited)
Share of results from a joint venture	317,969	789,722
General and administrative expenses	(7,197)	(6,690)
Finance income	41,673	17,173
Other income	1,083	2,834
Net profit for the period	353,528	803,039
Other comprehensive income	-	-
Total comprehensive income for the period	353,528	803,039
Basic and diluted earnings per share (in QR)	0.063	0.144

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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Retained earnings	Total
Balance at 01 January 2022 (Audited)	5,580,120	268	793,088	6,373,476
Profit for the period	-	-	803,039	803,039
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	803,039	803,039
<i>Transaction with owners in their capacity as owners:</i>				
Dividends approved	-	-	(446,409)	(446,409)
Balance at 30 September 2022 (Unaudited)	5,580,120	268	1,149,718	6,730,106
Balance at 1 January 2023 (Audited)	5,580,120	2,192	1,240,865	6,823,177
Profit for the period	-	-	353,528	353,528
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	353,528	353,528
<i>Transaction with owners in their capacity as owners:</i>				
Dividends approved	-	-	(502,211)	(502,211)
Balance at 30 September 2023 (Unaudited)	5,580,120	2,192	1,092,182	6,674,494

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CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Nine-month period ended September 30,	
	2023	2022
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Net profit for the period	353,528	803,039
Adjustments for:		
Share of profit of a joint venture	(317,969)	(789,722)
Finance income	(41,673)	(17,173)
	(6,114)	(3,856)
<i>Movement in working capital:</i>		
Other receivables	9,747	(1,660)
Due to a related party	(762)	33,671
Due from a related party	-	(36,487)
Other payables	(976)	(1,011)
Cash (used in) / generated from operations	1,895	(9,343)
Social and sports fund contribution paid	(22,977)	(20,864)
Net cash used in operating activities	(21,082)	(30,207)
Cash flows from investing activities		
Dividend received from a joint venture	222,040	54,600
Net Movement in fixed deposits [(placement) / matured]	257,872	(30,320)
Tax benefit received from a joint venture	323,205	-
Finance income	41,673	17,173
Net cash generated from investing activities	844,790	41,453
Cash flows from financing activities		
Dividends paid	(475,959)	(413,788)
Movement in unclaimed dividends account	(26,252)	(32,621)
Net cash used in financing activities	(502,211)	(446,409)
Net increased/decrease in cash and cash equivalents	321,497	(435,163)
Cash and cash equivalents at beginning of period	447,095	437,154
Cash and cash equivalents at end of period	768,592	1,991

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1. CORPORATE INFORMATION AND ACTIVITIES

Qatar Aluminium Manufacturing Company Q.P.S.C. (the "Company" or "QAMCO") is registered and incorporated in Qatar with commercial registration number 126659 as a Qatari Public Shareholding Company by its founding shareholder, Qatar Energy ("QatarEnergy"). The Company is listed in the Qatar Stock Exchange and is governed by the provisions of the Qatar Commercial Companies Law No. 11 of 2015, and the regulations of Qatar Financial Markets Authority and Qatar Stock Exchange.

The Company was incorporated on 3 December 2018 for an initial period of 50 years. The Company is 51% owned by QatarEnergy and 49% of the Company's shares are traded on the Qatar Stock Exchange. The Company's registered office is at P.O. Box 3212, Doha, State of Qatar. The parent of the Company is QatarEnergy.

The principal activity of the Company is to establish, manage, own and/or hold shares, assets and interests in companies (and their subsidiaries and/or associated undertakings), engaged in all manner of processing and/or manufacturing of metal products including aluminum, practicing and implementing various aspects and stages of activities related to minerals and mining, including the development of supply chains and products, whether inside or outside the State of Qatar.

The Company commenced commercial activities on 3 December 2018.

The joint venture of the Company, included in the financial statements is as follows:

Entity Name	Country of incorporation	Relationship	Ownership interest
Qatar Aluminium Limited Q.S.C	Qatar	Joint venture	50%

Qatar Aluminum Limited Q.S.C. (Qatalum) was registered on 24 July 2007 as a Qatari Joint Stock Company in accordance with formerly Article 68 of the Qatar Commercial Companies Law No.5 of 2002 (replaced by Article 207 of Law No. 11 of 2015) and the terms of its Articles of Association under commercial registration number 36539. During 2018, QatarEnergy transferred its ownership in Qatalum to the Company.

The principal activities of Qatalum are to produce and sell the aluminum products produced by the smelter located in Mesaieed. Qatalum's plant commenced its commercial production on 1 January 2010.

The financial statements of the Company for the period ended 30 September 2023 were authorised for issue on 30 October 2023 by the Board of Directors.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The condensed interim financial information for the nine-month period ended 30 September 2023 have been prepared in accordance with IAS 34, Interim Financial Reporting under the historical cost convention.

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2022. In addition, results for the nine-month period ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

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

2.2 Use of estimates and judgements

The preparation of interim condensed financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2.3 Significant accounting policies

The accounting policies adopted in the preparation of the condensed interim financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2022.

3. STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME OF JOINT VENTURE

	Nine-month period ended September 30,	
	2023 (Unaudited)	2022 (Unaudited)
Revenue	4,860,110	6,039,994
Other income	9,952	12,238
Total income	4,870,062	6,052,232
Raw material and energy consumption	(2,717,012)	(2,866,114)
Salaries and related costs	(287,986)	(274,518)
Depreciation and amortization	(656,110)	(671,598)
Loss on disposal of property plant and equipment	(5,871)	(40,790)
Technical service cost	(39,600)	(42,359)
Finance cost	(181,589)	(125,089)
Other expenses	(345,957)	(452,321)
Profit before tax for the period	635,937	1,579,443
Current Tax	(237,907)	(542,870)
Profit after tax for the period	398,030	1,036,574
Proportion of the Company's ownership	50%	50%
Company's share of profit after tax	199,015	518,287
Tax benefit from the joint venture	118,954	271,435
Company's share of results from the joint venture	317,969	789,722
Company's share of profit before interest, tax, depreciation and amortisation (EBITDA)	739,754	1,208,460