

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

Unaudited condensed interim financial information for the
nine-month period ended 30 September 2021

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

Condensed interim financial information for the nine-month period ended 30 September 2021

CONTENTS	PAGES
<i>Condensed interim statement of financial position</i>	3
<i>Condensed interim statement of profit or loss and other comprehensive income</i>	4
<i>Condensed interim statement of changes in equity</i>	5
<i>Condensed interim statement of cash flows</i>	6
<i>Notes to condensed interim financial information</i>	7-8

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

Condensed interim financial information for the nine-month period ended 30 September 2021

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

	As at 30 September 2021 (Unaudited)	As at 31 December 2020 (Audited)
Assets		
Non-current asset		
Investment in a joint venture	5,545,760	5,357,147
Current assets		
Other receivables	6,077	530
Bank balances	583,484	439,659
Total assets	6,135,321	5,797,336
Equity and liabilities		
Equity		
Share capital	5,580,120	5,580,120
Retained earnings	501,134	174,980
Total equity	6,081,254	5,755,100
Liabilities		
Current liabilities		
Other payables	50,362	37,510
Due to a related party	3,705	4,726
Total current liabilities	54,067	42,236
Total equity and liabilities	6,135,321	5,797,336

This condensed interim financial information was approved and authorised for issue by the Board of Directors on 24 October 2021 and were signed on its behalf by:


Abdulrahman Ahmad Al-Shaibi
Chairman


Ahmed Saeed Al-Amoodi
Vice Chairman

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

Condensed interim financial information for the nine-month period ended 30 September 2021

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

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Nine-month period ended	
	September 30,	
	2021	2020
	(Unaudited)	(Unaudited)
Share of results from a joint venture	520,300	18,305
General and administrative expenses	(8,204)	(8,614)
Finance income	7,250	1,348
Other income	2,112	1,246
Net profit for the period	521,458	12,285
Other comprehensive income	-	-
Total comprehensive income for the period	521,458	12,285
Basic and diluted earnings per share (in QR)	0.093	0.002

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

Condensed interim financial information for the nine-month period ended 30 September 2021

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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share Capital	Retained earnings	Total
Balance at 01 January 2020 (Audited)	5,580,120	138,433	5,718,553
Profit for the period	-	12,285	12,285
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	12,285	12,285
<i>Transaction with owners in their capacity as owners:</i>			
Dividends approved	-	(55,801)	(55,801)
Balance at 30 September 2020 (Unaudited)	5,580,120	94,916	5,675,036
Balance at 1 January 2021 (Audited)	5,580,120	174,980	5,755,100
Profit for the period	-	521,458	521,458
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	521,458	521,458
<i>Transaction with owners in their capacity as owners:</i>			
Dividends approved	-	(195,304)	(195,304)
Balance at 30 September 2021 (Unaudited)	5,580,120	501,134	6,081,254

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

Condensed interim financial information for the nine-month period ended 30 September 2021

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

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Nine-month period ended September 30,	
	2021 (Unaudited)	2020 (Unaudited)
Cash flows from operating activities		
Net profit for the period	521,458	12,285
Adjustments for:		
Share of profit of a joint venture	(520,300)	(18,305)
Finance income	(7,250)	(1,348)
Cash used in operations	(6,092)	(7,368)
Social and sports fund contribution paid	(2,368)	(2,001)
Net cash used in operating activities	(8,460)	(9,369)
<i>Movement in working capital:</i>		
Other receivables	(5,544)	1,564
Due to a related party	(1,021)	(531)
Other payables	(989)	(327)
Net cash flows used in operating activities	(16,014)	(8,663)
Cash flows from investing activities		
Dividend received from a joint venture	300,300	127,400
Net Movement in fixed deposits [(placement) / matured]	(360,209)	(68,740)
Tax benefit income received from a joint venture	31,386	-
Finance income	7,250	1,348
Net cash (used in) /generated from investing activities	(21,273)	60,008
Cash flows from financing activities		
Dividends paid	(179,096)	(47,721)
Movement in unclaimed dividends account	(16,209)	(8,080)
Net cash used in financing activities	(195,304)	(55,801)
Net decrease in cash and cash equivalents	(232,591)	(4,456)
Cash and cash equivalents at beginning of period	233,361	5,405
Cash and cash equivalents at end of period	770	949

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

Condensed interim financial information for the nine-month period ended 30 September 2021
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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 2021 were authorised for issue on 24 October 2021 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 2021 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 2020. In addition, results for the nine-month period ended 30 September 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

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.

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

Condensed interim financial information for the nine-month period ended 30 September 2021

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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 2020.

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

	Nine-month period ended September 30,	
	2021	2020
	(Unaudited)	(Unaudited)
Revenue	4,253,955	3,213,013
Other income	9,974	7,779
Total income	4,263,929	3,220,792
Raw material and energy consumption	(1,805,524)	(1,721,265)
Salaries and related costs	(276,061)	(298,822)
Depreciation and amortization	(656,001)	(670,317)
Loss on disposal of property plant and equipment	(32,447)	(21,960)
Technical service cost	(42,941)	(35,421)
Finance cost	(106,856)	(171,426)
Other expenses	(303,500)	(264,970)
Profit before tax for the period	1,040,600	36,611
Current Tax	(361,474)	(1,063)
Profit after tax for the period	679,126	35,548
Proportion of the Company's ownership	50%	50%
Company's share of profit after tax	339,563	17,774
Tax benefit from the joint venture	180,737	531
Share of results from the joint venture	520,300	18,305
Company's share of profit before interest, tax, depreciation and amortisation	917,952	450,157