

FOR IMMEDIATE RELEASE

QAMCO posts net profit of QR 124 million for the three-month period ended 31 March 2021

- *QAMCO posted the best quarterly profit since incorporation, driven by growth in global aluminium prices on the back of improved macroeconomic dynamics*
- *QAMCO's share of revenue from the JV amounted to QR 639 million for the three-month period ended 31 March 2021*
- *QAMCO's share of EBITDA from the JV stood at QR 252 million with an EBITDA margin of 39% for Q1-21*
- *Earnings per share amounted to QR 0.022 for the three-month period ended 31 March 2021*
- *QAMCO's closing cash balance (including share of cash in QAMCO's JV) stood at QAR 669 million*

Doha, Qatar; 28 April 2021: Qatar Aluminium Manufacturing Company Q.P.S.C. (QAMCO), today reported a net profit of QR 124 million for the three-month period ended 31 March 2021, with an earnings per share (EPS) of QR 0.022.

Updates on macroeconomic environment

As the global markets started to show signs of recovery since later part of 2020, aluminium industry also picked up its pace, whereby, sectors such as construction and automotive witnessed growth, and a renewed global demand for primary aluminium was noted, while supply side remained muted. All of these factors translated into a sequential growth in primary aluminium prices and improved margins.

Financial performance updates

Key financial indicators	Q1-21	Q1-20	Variance (%)
Share of JV's revenue (QR' million)	639	565	13%
Share of JV's EBITDA (QR' million)	252	166	52%
Net profit (QR' million)	124	11	1,053%
EBITDA margin (%)	39%	29%	--

For the three-month period ended 31 March 2021, QAMCO recorded a net profit of QR 124 million as compared to QR 11 million for Q1-20, with an earnings per share (EPS) of QR 0.022 for Q1-21 versus QR 0.002 for Q1-20. Share of JV's revenue inclined by 13% to reach QR 639 million as compared to QR 565 million for Q1-20. EBITDA increased by 52% and reached QR 252 million for Q1-21 in comparison to QR 166 million for Q1-20.

QAMCO's improved financial results for Q1-21 versus Q1-20, was largely attributed to the overall growth in average realized selling prices which increased by 15% in Q1-21 versus Q1-20 and contributed QR 83 million positively to the net profits for three-month period ended 31 March 2020, as compared to the same period last year.

On the other hand, with production levels remained flat, sales volumes slightly declined by 1% and contributed QR 9 million negatively to net profits for Q1-21 versus Q1-20. Although sales volumes were marginally lower than last year, but QAMCO's JV was successful in selling 100% of value-added products (VAP) with no sales of standard ingots during the period. The shift from sales of standard ingots to VAP supported the overall evolution of EBIDTA margins.

The cost of goods sold for Q1-21 remained lower versus Q1-20, mainly on account of decline in raw material costs, and cost optimization initiatives which resulted in savings in manpower costs. On overall basis, the decline in cost of goods sold contributed QR 20 million positively to the net profits for Q1-21 versus Q1-20. Moreover, due to an overall decline in interest rates, JV's finance costs for Q1-21 also declined by 57% versus Q1-20, and contributed QR 24 million positively to QAMCO's net earnings for Q1-21 in comparison to Q1-20.

Financial position updates

Key performance indicators	As at 31-Mar-21	As at 31-Dec-20	Variance (%)
Total Assets (QR' million)	5,755	5,797	-1%
Cash and cash equivalents (QR' million)	669	740	-10%
Share of JV's debt (QR' million)	2,239	2,221	+1%

QAMCO's financial position continued to remain robust with the liquidity position at the end of 31 March 2021 reaching QR 669 million in form of cash and bank balances (including proportionate share of cash and bank balances of the joint venture). During Q1-21, QAMCO's JV generated positive share of operating cash flows of QR 180 million, with a share of free cash flows of QR 133 million.

Business performance updates

QAMCO's JV continues to maintain efficiency and cost competitiveness in terms of its production and operations. QAMCO's JV is conducting CAPEX projects as per the planned schedule for the year, in line with the operational requirements. The continued efforts to manage cost have

reflected positively on JV's operating cost structures, while keeping QAMCO's JV on the lower side of the cost curve among global peers.

Earnings Call

QAMCO will host an IR earnings call to discuss its Q1-21 results, business outlook and other matters on 5th May 2021 at 12:30 p.m. Doha time. The IR presentation that accompanies the conference call will be posted on the 'financial information' page within the Investor Relations section of QAMCO's website.

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About QAMCO

Qatar Aluminium Manufacturing Company Q.P.S.C. (QAMCO) was incorporated on 3 December 2018 as a Qatari shareholding company. The registered office is located at P.O. Box 3212, Doha, State of Qatar. QAMCO is a 50% shareholder in Qatalum (a joint venture of QAMCO), which is a producer and marketer of primary aluminium. QAMCO owns 50% of Qatalum's issued capital with the remaining 50% being held by Hydro Aluminium Qatalum Holding B.V.

For more information about this press release, email gamco@qp.com.qa or gamco.investorrelations@qp.com.qa or visit www.gamco.com.qa

DISCLAIMER

The companies in which Qatar Aluminium Manufacturing Company Q.P.S.C. directly and indirectly owns investments are separate entities. In this press release, "QAMCO" and "the Company" are sometimes used for convenience in reference to Qatar Aluminium Manufacturing Company Q.P.S.C.

This press release may contain forward-looking statements concerning the financial condition, results of operations and businesses of Qatar Aluminium Manufacturing Company Q.P.S.C. 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 Company to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realization 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 Company'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 document.

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GENERAL NOTES

Qatar Aluminium Manufacturing Company's accounting year follows the calendar year. However, QAMCO's first financial year was consisted of 13 months from 3 December 2018 to 31 December 2019. No adjustment has been made for leap years. Where applicable, all values refer to Qatar Aluminium Manufacturing Company's share of interest in its joint venture. Values expressed in QR millions and/or billions. 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

Adjusted Free Cash Flow: Cash Flow From Operations - Total CAPEX - Dividends • **CAGR:** 5-Year 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 + Amortisation) • **EPS:** Earnings per Share (Net Profit / Weighted number of Ordinary Shares outstanding at the year-end/period end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **KMT:** Thousand Metric Tons • **LME:** London Metal Exchange • **MT PA:** Metric Tons Per Annum • **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 • **\$:** United States Dollar