

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

Condensed interim financial information and
independent auditor's review report for the
six-month period ended 30 June 2023

Qatar Aluminium Manufacturing Company Q.P.S.C.
Condensed interim financial information for the six-month period ended
30 June 2023

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Independent auditor's review report to the Board of Directors of Qatar Aluminium Manufacturing Company Q.P.S.C.

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Qatar Aluminium Manufacturing Company Q.P.S.C. (the "Company") as of 30 June 2023 and the related condensed interim statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the six-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34, 'Interim financial reporting'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

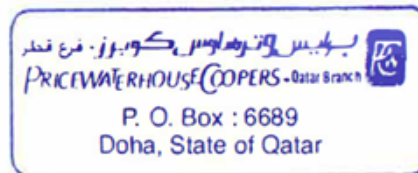
We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

For and on behalf of PricewaterhouseCoopers – Qatar Branch
Qatar Financial Market Authority registration number 120155

Mark Menton
Auditor's registration number 364
Doha, State of Qatar
10 August 2023



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

Condensed interim financial information for the six-month period ended 30 June 2023

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

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at	Notes	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Assets			
Non-current asset			
Investment in a joint venture	3	5,413,266	5,669,616
Current assets			
Other receivables		14,051	17,774
Cash and cash equivalents	4	5,073	447,095
Deposits and other bank balances	4.1	1,235,043	791,915
		1,254,167	1,256,784
Total assets		6,667,433	6,926,400
Equity and liabilities			
Equity			
Share capital	5	5,580,120	5,580,120
Legal reserve		2,192	2,192
Retained earnings		978,498	1,240,865
Total equity		6,560,810	6,823,177
Liabilities			
Current liabilities			
Other payables	9	105,025	100,087
Due to a related party	8	1,598	3,136
Total current liabilities		106,623	103,223
Total equity and liabilities		6,667,433	6,926,400

This condensed interim financial information was approved and authorised for issue by the Board of Directors on **10 August 2023** and were signed on its behalf by:


Nabeel Mohammed Al-Buenain
Board Member


Mohammed Essa Al-Manai
Board Member



The independent auditor's review report is set out on page 1.
The notes on pages 6 to 12 are an integral part of this condensed interim financial information.

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

Condensed interim financial information for the six-month period ended 30 June 2023

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

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six-month period ended 30 June 2023 QR ('000') (Reviewed)	For the six-month period ended 30 June 2022 QR ('000') (Reviewed)
Share of results from a joint venture	3	220,647	601,284
General and administrative expenses		(4,985)	(4,250)
Interest income		23,099	11,189
Other income		1,083	2,836
Net profit for the period		239,844	611,059
Other comprehensive income		-	-
Total comprehensive income for the period		239,844	611,059
Basic and diluted earnings per share (in QR)	6	0.043	0.110



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

Condensed interim financial information for the six-month period ended 30 June 2023

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

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital QR ('000')	Legal reserve QR ('000')	Retained earnings QR ('000')	Total QR ('000')
Balance at 1 January 2022 (Audited)	5,580,120	268	793,088	6,373,476
Profit for the period	-	-	611,059	611,059
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	611,059	611,059
<i>Transaction with owners in their capacity as owners:</i>				
Dividends approved (Note 7)	-	-	(446,410)	(446,410)
Balance at 30 June 2022 (Reviewed)	5,580,120	268	957,737	6,538,125
Balance at 1 January 2023 (Audited)	5,580,120	2,192	1,240,865	6,823,177
Profit for the period	-	-	239,844	239,844
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	239,844	239,844
<i>Transaction with owners in their capacity as owners:</i>				
Dividends approved (Note 7)	-	-	(502,211)	(502,211)
Balance at 30 June 2023 (Reviewed)	5,580,120	2,192	978,498	6,560,810



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

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

CONDENSED INTERIM STATEMENT OF CASH FLOWS

Notes	For the six-month period ended 30 June 2023 QR ('000') (Reviewed)	For the six-month period ended 30 June 2022 QR ('000') (Reviewed)
Cash flows from operating activities		
	239,844	611,059
	Adjustments for:	
3	(220,647)	(601,284)
	(23,099)	(11,189)
	(3,902)	(1,414)
<i>Movement in working capital:</i>		
	3,723	2,591
	(1,538)	(3,504)
	(1,796)	(1,777)
	(3,513)	(4,104)
	(22,977)	(20,864)
	(26,490)	(24,968)
Cash flows from investing activities		
3	153,790	54,599
	718,332	239,950
	(1,131,749)	(269,542)
3	323,207	-
	23,099	11,189
	86,679	36,196
Cash flows from financing activities		
	(472,500)	(411,288)
	(29,711)	(35,122)
	(502,211)	(446,410)
	(442,022)	(435,182)
	447,095	437,153
	5,073	1,971



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

Condensed interim financial information for the six-month period ended 30 June 2023

Notes to the condensed interim financial information

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

1. CORPORATE INFORMATION AND ACTIVITIES

Qatar Aluminum Manufacturing Company Q.P.S.C. (the "Company" or "QAMCO") is registered and incorporated in Qatar with commercial registration number 126659 as a Public Qatari Shareholding Company by its founding shareholder, 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, as amended by Law Number 8 of 2021, 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 condensed interim financial information is as follows:

<u>Entity Name</u>	<u>Country of incorporation</u>	<u>Relationship</u>	<u>Ownership interest</u>
Qatar Aluminium Limited Q.P.J.S.C	Qatar	Joint venture	50%

Qatar Aluminum Limited Q.P.J.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, as amended by Law number 8 of 2021) 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. Qatalums' plant commenced its commercial production on 1 January 2010.

These condensed interim financial information of the Company for the six- month period ended 30 June 2023 were authorised for issue on **10 August 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 six month period ended 30 June 2023 have been prepared in accordance with IAS 34, Interim Financial Reporting under the historical cost convention.

The condensed interim financial information do 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 six month period ended 30 June 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 are 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.

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

Condensed interim financial information for the six-month period ended 30 June 2023

Notes to the condensed interim financial information

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

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. 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.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the condensed interim financial information is consistent with what was disclosed in the annual financial statements for the year ended 31 December 2022.

2.3 Significant accounting policies

The Company's accounting and risk management policies are consistent with those presented in the annual financial statements for the year ended 31 December 2022.

i. New standards and interpretations adopted during the period

A number of new or amended standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as these are not applicable to the interim condensed financial information.

ii. New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been early adopted by the Company. Management is in the process to determine the impact of these new standards.

3. INVESTMENT IN A JOINT VENTURE

The movements in the investment in the joint venture is as follows:

	For the six-month period ended 30 June 2023 QR ('000')	For the six-month period ended 30 June 2022 QR ('000')
	(Reviewed)	(Reviewed)
Balance at beginning of the period	5,669,616	5,214,525
Share of results from the joint venture	220,647	601,284
Less: Tax benefit received	(323,207)	-
Less: Dividends received from the joint venture	(153,790)	(54,599)
At 30 June	5,413,266	5,761,210

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

Condensed interim financial information for the six-month period ended 30 June 2023

Notes to the condensed interim financial information

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

Financial information of the joint venture are as follows:

Statement of financial position of the joint venture

As at	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Current assets	3,616,267	4,311,256
Non-current assets	11,512,064	11,697,034
Current liabilities	(741,668)	(1,379,895)
Non-current liabilities	(4,829,927)	(5,037,138)
Equity	9,556,736	9,591,257
Proportion of the Company's ownership	50%	50%
Company's share in the joint venture's equity	4,778,368	4,795,629
Tax adjustment (Note 11)	(188,712)	50,377
Goodwill	823,610	823,610
Investment in joint venture	5,413,266	5,669,616

Statement of profit or loss and comprehensive income of joint venture

	For the six-month period ended 30 June 2023 QR ('000') (Reviewed)	For the six-month period ended 30 June 2022 QR ('000') (Reviewed)
Revenue	3,169,399	4,212,900
Other income	6,075	8,958
Total Income	3,175,474	4,221,858
Raw material and energy consumption	(1,726,496)	(1,938,646)
Salaries and related costs	(191,398)	(183,485)
Depreciation and amortization	(435,570)	(445,987)
Loss on disposal of property plant and equipment	(5,030)	(37,241)
Technical service cost	(29,677)	(29,145)
Finance cost	(114,864)	(80,429)
Other expenses	(231,147)	(304,359)
Profit before tax	441,292	1,202,566
Current income tax	(161,776)	(426,754)
Deferred tax charge	(6,457)	15,226
Net profit	273,059	791,038
Proportion of the Company's ownership	50%	50%
Company's share of profit for the period before tax adjustment	136,530	395,519
Tax adjustment (Note 11)	84,117	205,765
Company's share of profit for the period	220,647	601,284
Company's share of adjusted profit before interest, tax, depreciation and amortization (EBIDTA) and loss on disposal of property plant and equipment	498,378	883,113

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Additional disclosures of the joint venture

As at	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Cash and bank balances	1,288,811	1,798,233
Current financial liabilities (excluding trade and other payables and provisions)	202,362	96,890
Non-current financial liabilities (excluding trade and other payables and provisions)	4,740,434	4,953,279
Depreciation and amortisation	435,570	884,928
Tax payables	158,355	642,890

Capital commitments and contingent liabilities

The Company's share in the joint venture's commitments and contingent liabilities are as follows:

	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Capital commitments	326,916	298,527
Contingent liabilities		
Bank guarantees	50	50

4. CASH AND CASH EQUIVALENTS

As at	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Cash and cash equivalents	5,073	447,095

4.1 DEPOSITS AND OTHER BANK BALANCES

As at	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Fixed deposits maturing after 90 days	1,131,749	718,332
Restricted bank balances – dividends account	103,294	73,583
	1,235,043	791,915

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

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Notes to the condensed interim financial information

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

5. SHARE CAPITAL

As at	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Authorised, issued and fully paid-up: 5,580,120,000 shares of QR 1 each	5,580,120	5,580,120

QatarEnergy owns a Special Share of the Company and as per the Articles of Association, the Special Share is always to be owned by QatarEnergy, and it may only be transferred to government, any government Corporation or any QatarEnergy affiliate. The Special Share cannot be cancelled or redeemed without the prior written consent of the Special Shareholder.

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 weighted average number of shares outstanding during the period.

The following reflects the income and share data used in the basic and diluted earnings per share computation:

	For the six-month period ended 30 June 2023 (Reviewed)	For the six-month period ended 30 June 2022 (Reviewed)
Profit attributable to the equity holders of the company for the period (QR) ('000')	239,844	611,059
Weighted average number of shares outstanding during the period ("in thousands") (Note 5)	5,580,120	5,580,120
Basic and diluted earnings per share (expressed in QR per share)	0.043	0.110

The figures for basic and diluted earnings per share are the same, as the Company has not issued any instruments that would impact the earnings per share when exercised.

7. DIVIDEND

At the Annual General Meeting held on 16 March 2023, the shareholders approved cash dividends of QR 0.09 per share totaling to QR 502.2 million (2022: QR 0.08 per share totaling to QR 446.4 million).

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

8. RELATED PARTIES

Related parties represent the parent, major shareholders, associated companies, joint ventures, affiliates, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Transactions with related party:

Transactions with related party included in the condensed interim statement of income for the period ended are as follows:

	For the six-month period ended 30 June 2023 QR ('000') (Reviewed)	For the six-month period ended 30 June 2022 QR ('000') (Reviewed)
Service fees to QatarEnergy	1,583	1,376
Purchase of foreign currency exchange from Industries Qatar	(868,832)	(713,440)
Sales of foreign currency exchange to Qatalum	596,960	713,440

Related party balances:

Balances with related party included in the condensed interim statement of financial position are as follows:

Due to a related party:

<i>As at</i>	Nature of relationship	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
QatarEnergy	Shareholder	1,598	3,032
Qatalum	Joint venture	-	104
		1,598	3,136

Compensation of key management personnel

The remuneration of key management personnel during the period was as follows:

	For the six-month period ended 30 June 2023 QR ('000') (Reviewed)	For the six-month period ended 30 June 2022 QR ('000') (Reviewed)
Short-term benefits' provision (includes board sitting fees)	1,650	1,650

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

9. OTHER PAYABLES

As at	30 June 2023 QR ('000') (Reviewed)	31 December 2022 QR ('000') (Audited)
Trade Payables	32	-
Dividends payable	103,294	73,583
Social & Sport contribution fund payable	-	22,977
Accruals	1,699	3,527
	105,025	100,087

10. LEGAL RESERVE

The Articles of Association of the Company states that prior to recommending any dividend for distribution to the Shareholders, the Board shall ensure proper reserves are established in respect of voluntary and statutory reserves considered by the Board to be necessary or appropriate.

11. INCOME TAX

The Company's profits are exempt from income tax in accordance with the provisions of Qatar's Income Tax Law No. 24. of 2018. However, the Company's joint venture's profits are subject to income tax in accordance with the applicable law in Qatar as stated in its joint venture agreement which is ratified by a Council of Ministers' Resolution No. 38 of 2008.

During 2020, QatarEnergy (representing the Company), the Ministry of Finance and the General Tax Authority have reached an agreement through a Memorandum of Understanding ("MOU"). The MOU gives the Company the right to a refund on its portion of tax incurred by the joint venture.

As such, the Company is entitled to the pre-tax profits from the underlying joint venture, therefore, applying the principles of equity accounting under IAS 28 "Investments in Associates and Joint Ventures", the Company accounted for its underlying interest in Qatalum on a pre-tax basis.

The Ministry of Finance will then pay QAMCO's share of tax to the General Tax Authority.