

QAMCO posts net profit of QR 13.3 million for the four-month period ended 31 March 2019

Doha, Qatar • 28 April 2019 – Qatar Aluminium Manufacturing Company (QAMCO; QE: QAMC), a 50% shareholder in Qatalum, a successful producer of primary Aluminium and one of the largest Aluminium smelters in the region, announced its financial results for the four-month period ended 31 March with a net profit of QR 13.3 million. These results predominantly represent the share of net profit in QAMCO's joint venture, Qatalum.

Financial results

QAMCO reported net profit of QR 13.3 million for the four-month period ended 31 March 2019, with earnings per share of QR 0.02.

During the period, Qatalum operated under challenging market conditions, which affected the performance of the company, as metal market is volatile by nature. Firstly, there was a notable increase in the direct costs, mainly due to an increase in the cost of the raw materials, particularly Alumina prices. This has increased Qatalum's operating costs, and decreased its operating margins substantially during December, 2018. Secondly, consumption of Aluminium in some industries were adversely affected due to stringent environmental restrictions. As a result, there was gradual decline in demand for Aluminium during this period. Furthermore, the sanctions imposed by the United States on a major Aluminium producer has resulted in increased Aluminium supply in some major markets. Overall, the lower demand due to environmental restrictions, and sanctions have significantly affected the Aluminium prices.

Nevertheless, from the beginning of 2019, Qatalum witnessed gradual improvement in operating costs due to lower raw material costs, as well as an improvement of Aluminum selling prices.

Furthermore, Qatalum together with its strategic partner, Hydro, maintained its position to market and sell all of its products and compete with international suppliers.

On the other hand, QAMCO has a strong asset position as of 31 March 2019, standing at QR 5.7 billion, with cash and bank balances amounted to QR 191.9 million.

Performance improvement efforts

With an objective of maximizing value to its shareholders, QAMCO is working closely with its joint venture Qatalum in a number of areas of value improvements. This includes cost and supply chain optimization, revenue enhancements, efficiency improvements and capital allocation. These efforts ensure that Qatalum will continue to maintain its position as one of the world's low cost Aluminium smelter.

Proposed dividend distribution

As approved by the Company's AGAM held on 13 March 2019 to distribute interim dividends along with its Q1, 2019 disclosure, the Board of Directors has decided to distribute an interim dividend of QR 0.20 per share, totaling to QR 111.6 million, a payout ratio of 110%, representing 2.0% of the share nominal value for the six-month period ended 31 December 2018.

During the six-month period, the share of profits accrued to the founding shareholder (for five months) and to QAMCO for one month is ~QR 101

million. QAMCO received QR 189.3 million dividend relating to that period from Qatalum. The decision to pay a total dividend of QR 111.6 million is in line with the Company's IPO Prospectus and the founder's (Qatar Petroleum) economic rights waiver to QAMCO's shareholders for the period. The dividend will be paid on 5th May 2019 based on the list of shareholders as of close of business on 5th May 2019. The distribution of dividends will be carried out by Qatar National Bank (QNB).

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

www.qamco.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 group” are sometimes used for convenience in reference to Qatar Aluminium Manufacturing Company Q.P.S.C.

This report contains 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 group to differ materially from those expressed or as may be inferred from these statements. There are a number of factors that could affect the realisation 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 group'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 consists of 13 months and will end in 31 December 2019. No adjustment has been made for leap years. Where applicable, all values refer to Qatar Aluminium Manufacturing Company's share. Values expressed in QR billions and percentages have been rounded to 1 decimal point. 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 • **DRI:** Direct Reduced Iron • **EBITDA:** Earnings Before Interest, Tax, Depreciation and Amortisation calculated as (Net Profit + Interest Expense + Depreciation + Amortisation) • **EPS:** Earnings per Share (Net Profit / Number of Ordinary Shares outstanding at the year-end) • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **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

ABOUT QAMCO

Qatar Aluminum Manufacturing Company Q.P.S.C. (QAMCO) was incorporated as a Qatari shareholding company on 3 December 2018. 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.

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