

Financial Summary for period ended 31 Mar 2020

April 16, 2020

Doha, Qatar

Qatar National Cement Co. (Q.P.S.C)



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Company Profile

- Established in 1965 with Emiri Decree No. 07.
- Major Producer and Seller of OPC, SRC Cement and Washed Sand in the State of Qatar.
- 4 Cement Plants, 2 Sand Washing Plants and Calcium Carbonate Plant.
- Total Cement Production Capacity of 19,000 T.P.D.
- Total Sand Washing Plant Production Capacity of 40,000 T.P.D.
- Managed by experienced and professional management.



Significant Achievement

- Cover market demand for all types of cement, washed sand and calcium carbonate.
- Controlled the various operational costs without compromising the quality and efficiency.



Condensed Interim Income Statement for the Three months ended Mar 31,2020 *(All amounts in Qr. (000))*

| | 2020 | 2019 | % |
|---------------------------|------------------|-----------|-------|
| Sales | 166,066 | 213,072 | (22) |
| Cost of Sales | (108,372) | (150,273) | (28) |
| Gross Profit | 57,694 | 62,799 | (8) |
| Other Income | 6,985 | 15,501 | (55) |
| Selling & Dis. Exp | (1,887) | (1,891) | (0.2) |
| G&A exp | (7,869) | (7,841) | 0.36 |
| Finance Cost | (480) | (2,116) | (77) |
| Net Profit for the Period | 54,443 | 66,452 | (18) |

Financial Performance for the First Quarter 2020

(All amounts in Qr. (000))

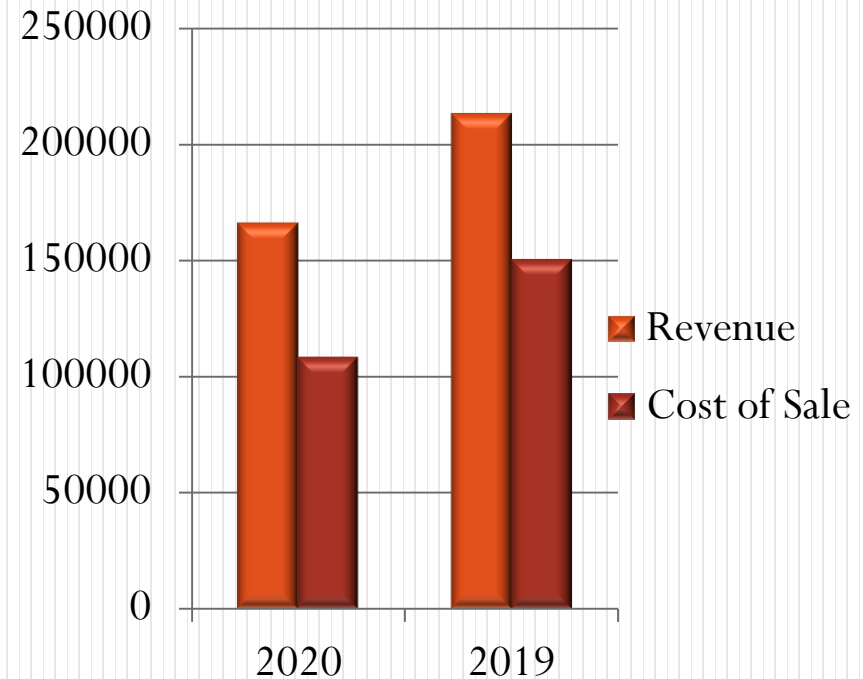
Revenue

22% drop in revenue driven by following:

- Reduction in volumes due to market demand which is partly compensated by increased in revenue from trading products.

Cost of Revenue

The cost of revenue has dropped by 28% mainly in line with decrease in sale and cost controlling initiatives taken by the Management.



Financial Performance for the First Quarter 2020

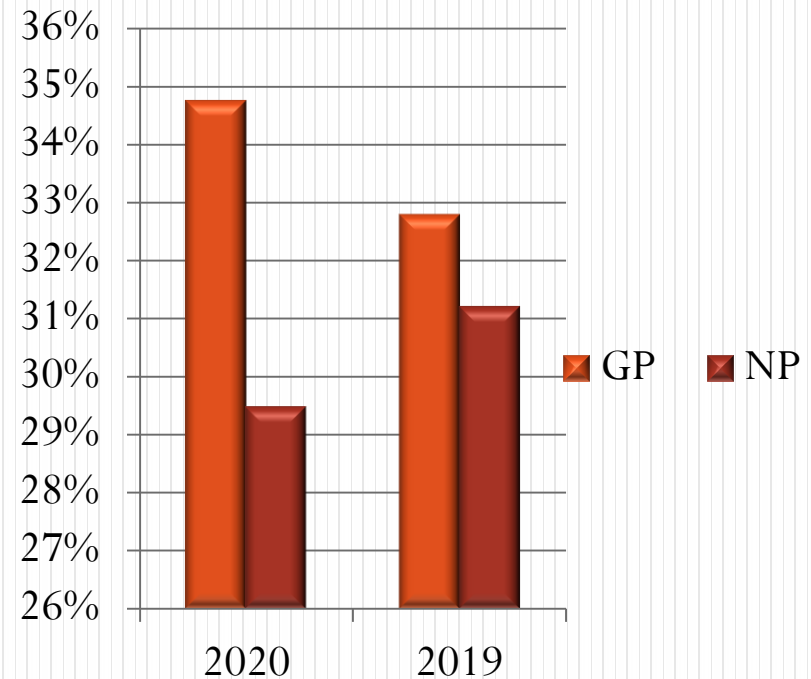
Gross Profit

8% drop in GP driven by following factors:

- Reduction in volumes due to market demand which is partly amplified by cost controlling initiatives taken by the management.

Net Profit

18% drop in NP is due to drop in GP and reduction from income from shares.



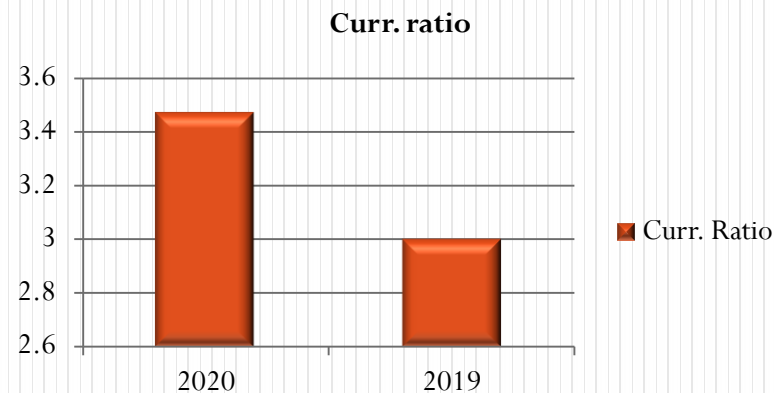


Financial Performance for the First Quarter 2020

Current ratio

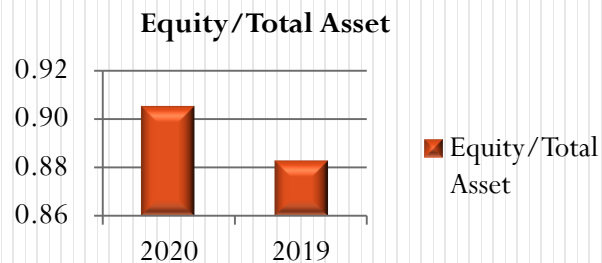
Current ratio increased to 3.47 times as compare to 3.

During the Q1 2020, the company had paid USD 25m i.e. last installment of loan and paid 30% dividend.



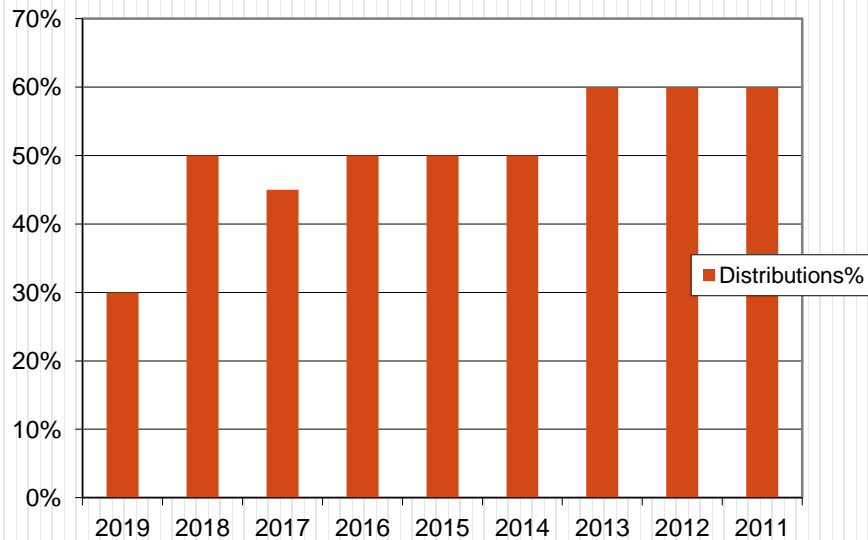
Equity to total Assets ratio

Equity to total assets ratio has increased to 0.90 from 0.88 in Q1 2020 mainly due to dividend payout.



Distribution History

Distributions%

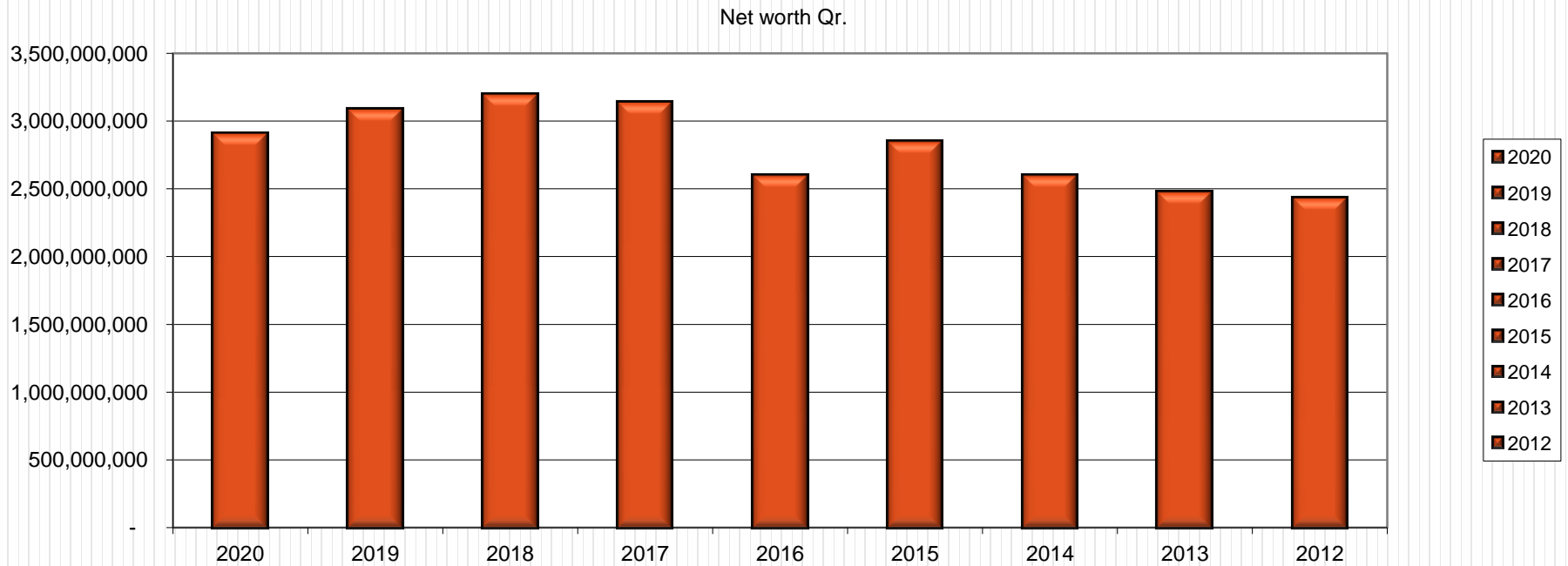


| Sr# | Description | Dividend Distribution % | Dividend Amount (QAR) | Bonus Shares % |
|-----|-------------|-------------------------|-----------------------|----------------|
| 1 | 2019 | 30 | **0.3 | - |
| 2 | 2018 | 50 | 5 | - |
| 3 | 2017 | 45 | 4.5 | - |
| 4 | 2016 | 40 | 4 | 10 |
| 4 | 2015 | 40 | 4 | 10 |
| 5 | 2014 | 40 | 4 | 10 |
| 6 | 2013 | 60 | 6 | - |
| 7 | 2012 | 60 | 6 | - |
| 8 | 2011 | 60 | 6 | - |

Note:

**During the year 2019, the Company had split its share into 1:10. For comparison, please adjust the preceding years figs.

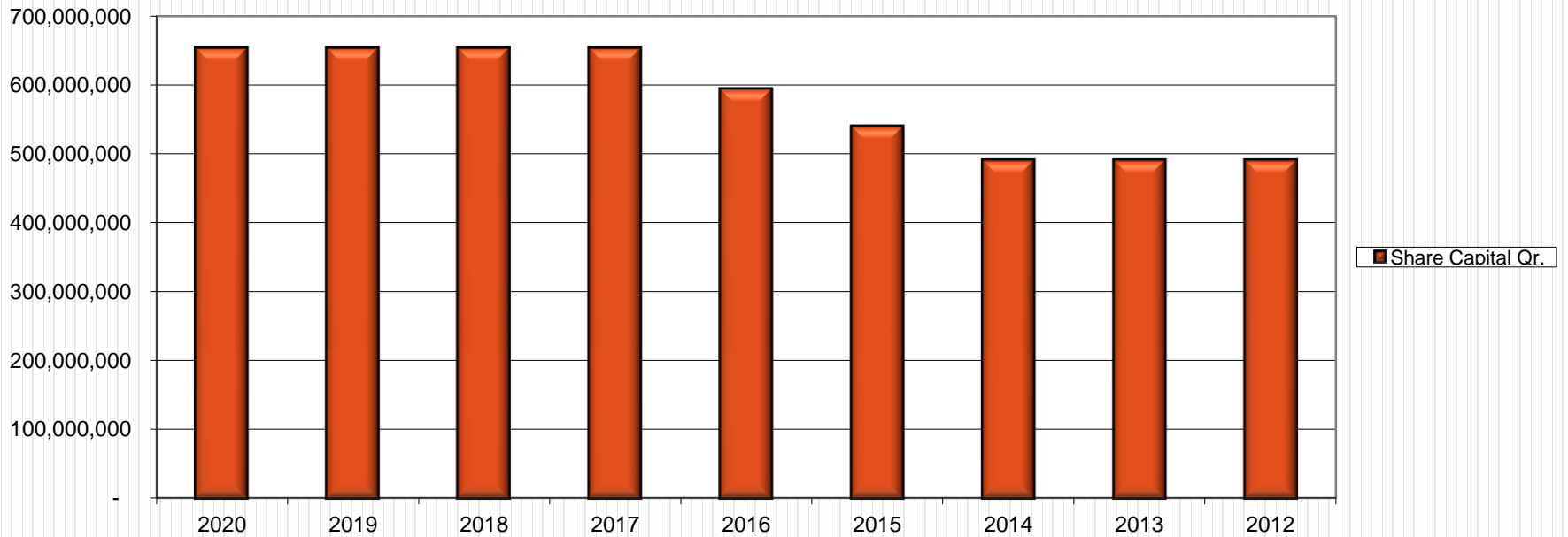
Net Worth



- The company had repaid its loan fully in the Q1 2020.
- Net worth for 2020 represents fig as on 31-Mar-2020.

Share Capital

Share Capital Qr.



- The company had issued 10% bonus shares 3 times in the last 5 years.
- Share capital for 2020 represents fig as on 31-Mar-2020.

OUTLOOK

- New Board members are appointed by the Shareholders.
- Plant 4 and 5, operating at Capacity of 10,000 tones, has been discontinued due to significant decrease in local demand.
- The company will continue its pursuit to innovate new and existing products in order to support FIFA 2022 world cup and Qatar vision 2030.
- The Company is in process to implement SAP S/4 Hana as part of its strategy in order improve the efficiency in its operations.