

Financial Summary for period ended 30 Sep 2020

Oct 22, 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.
- Carried out restructuring of company operations without compromising the efficiency and effectiveness.
- Added value to shareholders wealth by paying 30% dividend.
- Fully repaid the last installment of USD 100m term loan.
- Full compliance with Qatar Exchange's new XBRL reporting.



Interim Condensed Interim Income Statement for the Period ended Sep 30,2020 *(All amounts in Qr. (000))*

	2020	2019	%
Sales	434,486	538,485	(19)
Cost of Sales	(353,624)	(409,092)	(14)
Gross Profit	80,862	129,393	(38)
Other Income	17,224	28,844	(40)
Selling & Dis. Exp	(4,756)	(5,064)	(6)
G&A exp	(12,340)	(15,243)	(19)
Share of profit/loss from associates	272	(3,200)	109
Net Profit for the Period	80,782	129,416	(38)

Financial Performance for the Period Ended 30, Sep 2020

(All amounts in Qr. (000))

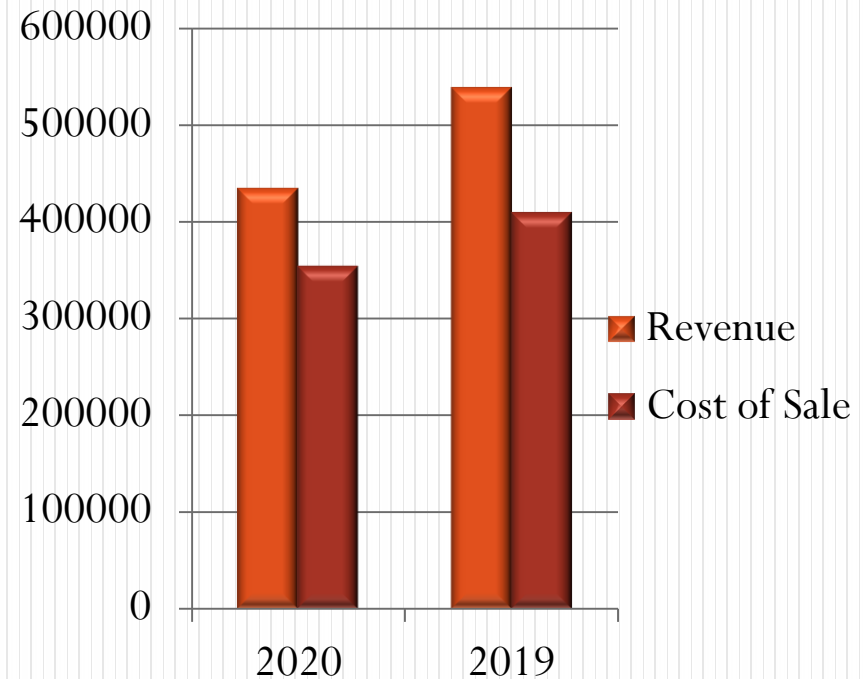
Revenue

19% drop in revenue driven by following:

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

Cost of Revenue

The cost of revenue has dropped by 14% mainly in line with decrease in sale and cost controlling initiatives taken by the Management.



Financial Performance for the Period Ended 30, Sep 2020

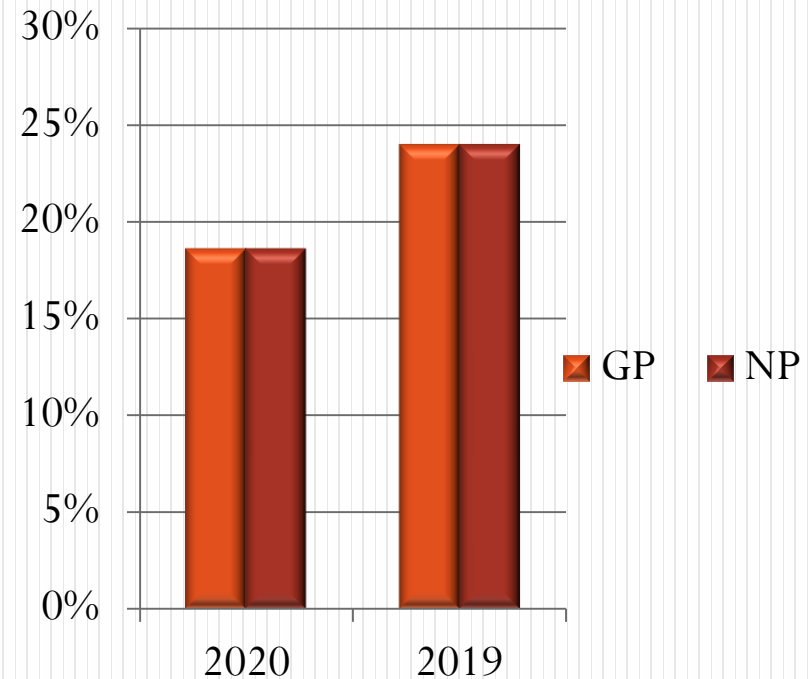
Gross Profit

38% drop in GP driven by following factors:

- Reduction in volumes due to market demand and spread of COVID-19.

Net Profit

38% drop in NP is due to drop in GP and reduction from other income which is partially offset by 19% decline in G&A expenses due to reduction in finance charges.

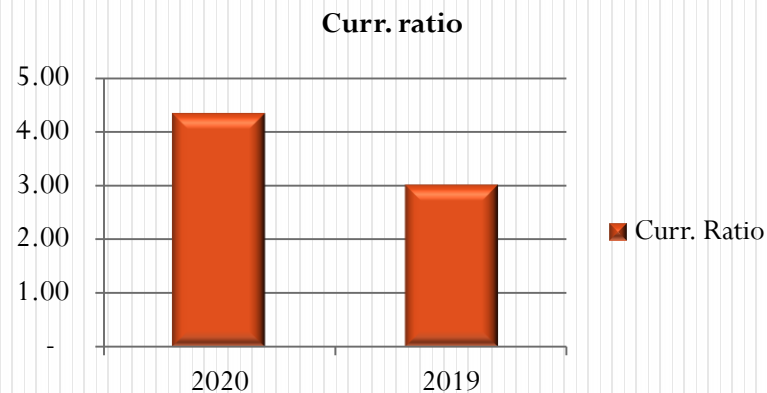


Financial Performance for the Period Ended 30, June 2020

Current ratio

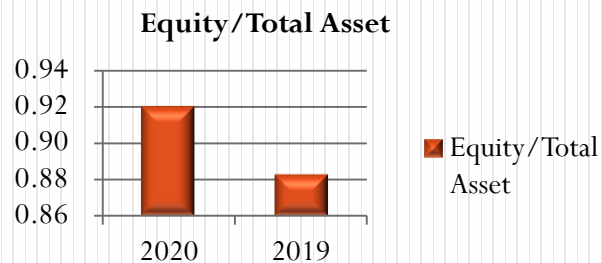
Current ratio increased to 4.33 times as compare to 3.01.

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

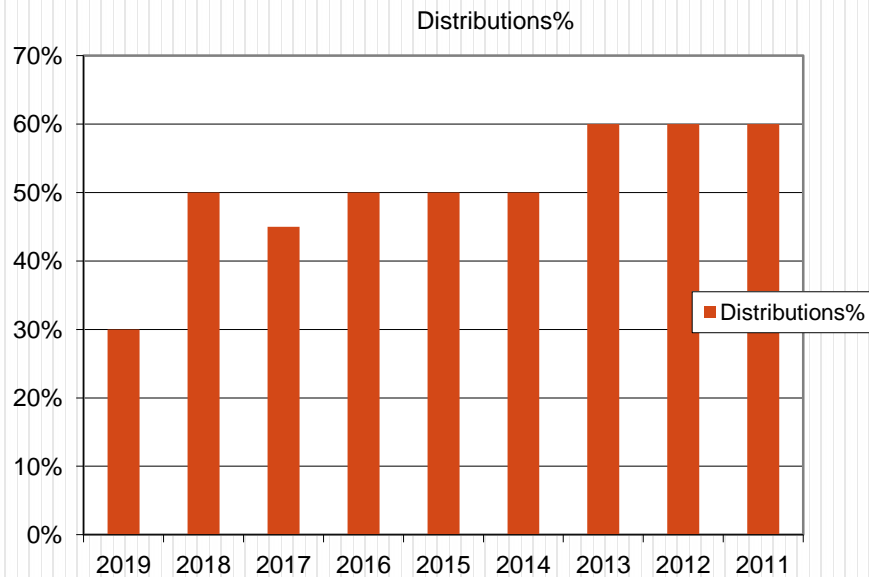


Equity to total Assets ratio

Equity to total assets ratio has increased to 0.92 from 0.88 in Q3 2020 mainly due to profit for the period.



Strong Dividend Payout History

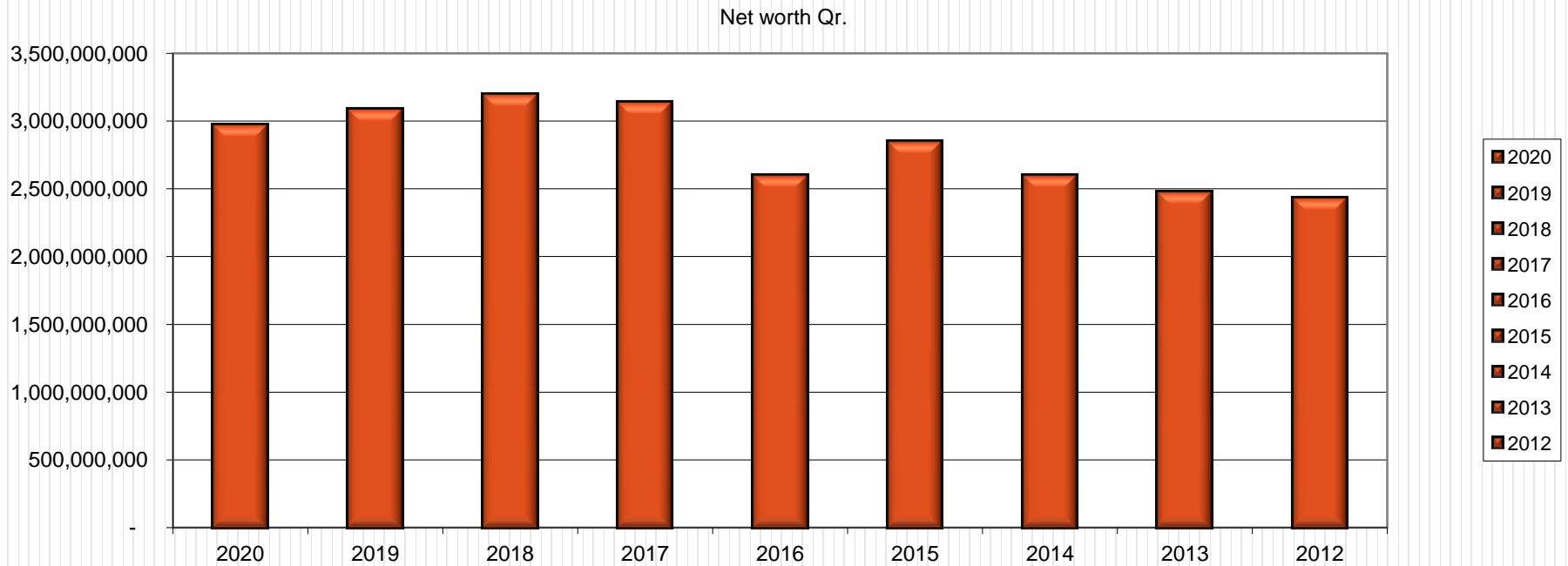


Sr#	Description	Dividend Distribution %	Dividend Amount (QAR)	Bonus Shares %
1	2019	30	**0.3	-
2	2018	50	5	-
3	2017	45	4.5	
4	2016	40	4	10
4	2015	40	4	10
5	2014	40	4	10
6	2013	60	6	-
7	2012	60	6	-
8	2011	60	6	-

Note:

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

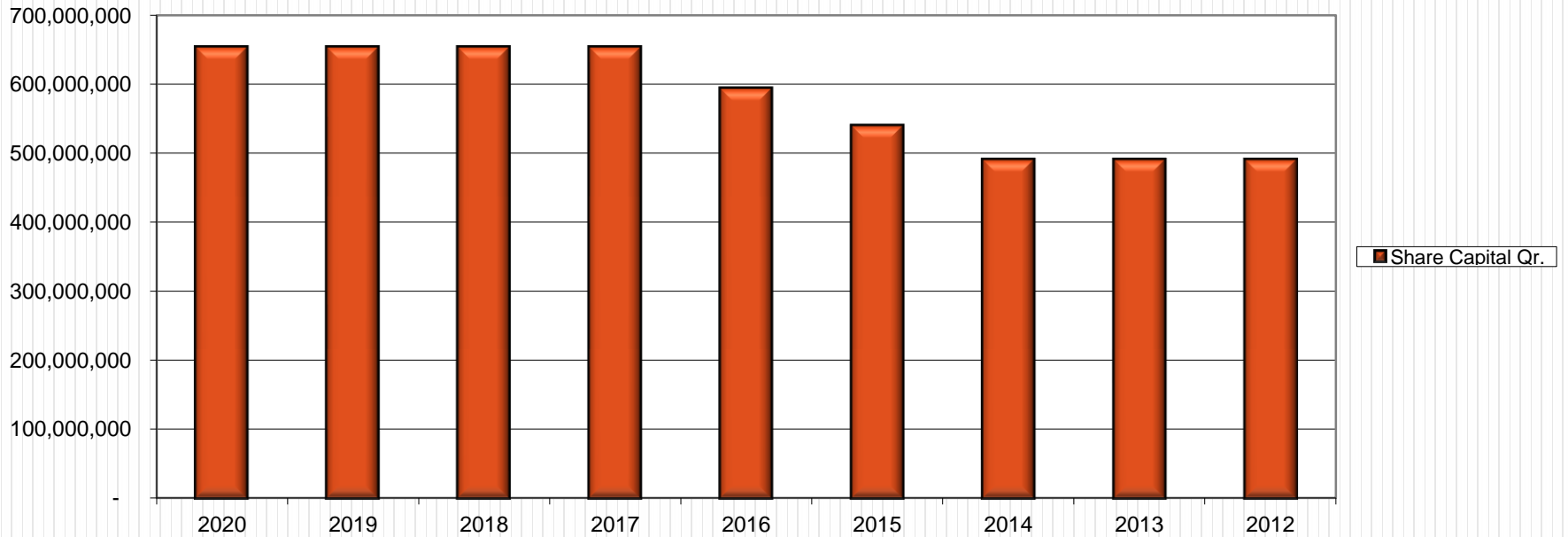
Net Worth



- The company had repaid its loan fully in the Q1 2020.
- Net worth for 2020 represents fig as on 30-Sep-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 30-Sep-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 declined demand and COVID-19.
- 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 to improve the efficiency in its operations.