



For release 27 July 2022

Aamal Company Q.P.S.C. ('Aamal')

Financial Results for the six months ended 30 June 2022

Continued momentum across the business with total revenue up 37%, net profit up 20.8%¹ and all four segments delivering significant top-line growth

Doha, 27 July 2022 – the Board of Directors of Aamal Company Q.P.S.C. ("Aamal"), one of the region's leading diversified companies, today announces its financial results for the six months ended 30 June 2022.

Financial Highlights

- **Total revenue** up 37.1% to QAR 974.4m (H1 2021: QAR 710.7m), with particularly strong performances by the Industrial Manufacturing, Managed Services and Trading and Distribution segments
- **Gross profit** up 19.3% to QAR 229.7m (H1 2021: QAR 192.4m)
- There were no **fair value gains** on investment properties in either H1 2022 or H1 2021
- **Net profit attributable to Aamal equity holders** up 20.8% to QAR 156.4m (H1 2021: QAR 129.5m)
- **Reported earnings per share** up 20.8% to QAR 0.025 (H1 2021: QAR 0.021)
- **Net capital expenditure** decreased by QAR 13.5m to QAR 27.4m (H1 2021 QAR 40.9m)
- **Gearing** decreased to 4.1% (H1 2021: 4.8%)

¹ Total Company net profit is after the deduction of net profit attributable to non-controlling interests

H.E. Sheikh Faisal Bin Qassim Al Thani, Chairman of Aamal, commented:

"I am very pleased to report that Aamal has continued its excellent start to the year, with all four segments delivering significant top-line growth. With revenue growth of 37% and net profit growth of 21% year-on-year, these are a very strong set of financial results.

"Our Industrial Manufacturing, Managed Services and Trading and Distribution segments all performed particularly well. Managed Services benefited from the lifting of COVID-19 restrictions and the return of travel, while Aamal Maritime performed especially well within our Industrial Manufacturing segment. Ebn Sina and Aamal Medical continued their strong performance within our Trading and Distribution segment, and our Property segment benefited from the high occupancy rates at Aamal Real Estate and City Centre Doha.

"In June we were delighted to welcome Mr Rashid Al-Mansoori as our new Chief Executive Officer. He brings with him a wealth of experience which will add considerable value as we continue to deliver our strategic objectives. Transparently



separating the roles of CEO and Managing Director is fully in line with Aamal's ongoing commitment to maintaining the highest standards of corporate governance.

"The Qatar National Vision 2030 will be a significant driver of the economy and of our country's development over the next few years and Aamal's diversified business platform and strong financial position make us well placed to benefit from the many opportunities it will generate. We remain committed to generating long-term shareholder value and look forward to the remainder of 2022 and beyond with considerable optimism and confidence."

BREAKDOWN BY SEGMENT

(Notes: there may be differences due to rounding)

REVENUE

QAR m	H1 2022	H1 2021	Change
Industrial Manufacturing	292.5	173.0	69.1%
Trading and Distribution	516.2	409.8	26.0%
Property	141.9	120.4	17.9%
Managed Services	49.9	27.3	82.9%
Eliminations	(26.1)	(19.8)	(32.0%)
TOTAL	974.4	710.7	37.1%

NET PROFIT

QAR m	H1 2022	H1 2021	Change
Industrial Manufacturing	28.0	24.4	14.4%
Trading and Distribution	50.8	45.9	10.8%
Property (ex-FV losses)	115.3	93.3	23.6%
Fair Value Losses	-	-	-
Managed Services	5.3	0.7	647.1%
Head Office	(40.8)	(33.3)	(22.7%)
TOTAL	158.5	131.1	21.0%

BREAKDOWN BY SEGMENT

(Notes: there may be differences due to rounding)

INDUSTRIAL MANUFACTURING

QAR m	H1 2022	H1 2021	Change
Revenue	292.5	173.0	69.1%
Net profit fully consolidated activities	9.8	6.3	54.2%
Net underlying profit margin %	3.3%	3.7%	(0.3 pts)
Share of net profit of associates and JV	18.2	18.1	0.5%
Net profit	28.0	24.4	14.4%

The Industrial Manufacturing segment performed well in the first half with revenue increasing 69.1% to QAR 292.5 million and net profit up 14.4% to QAR 28.0 million.



Aamal Maritime Transportation Services (AMTS) saw sustained high demand and increased global shipping rates across both local and international markets. The recent overhaul of its vessels means AMTS can keep them in regular use, serving customers around the world. Aamal Cement Industries has introduced a number of new products and has been working to improve efficiencies across its operations. Advanced Pipes and Casts Company was negatively impacted by delayed contracts, but performance is expected to improve through 2023 and 2024 as new GRP equipment comes online to increase production.

The ongoing price war in the Readymix industry impacted margins at Aamal Readymix (ARM). The need to complete ongoing construction work before the World Cup means that the outlook for ARM through to November is positive, with a gradual reduction in demand expected at the end of the year.

The outlook for 2023 and beyond is positive as new projects are commissioned in relation to new cities being developed, the North Field expansion project progresses, and ports and transportation networks are expanded, amongst other projects. According to a report by the international construction consultant Mordor Intelligence, Qatar's construction market is expected to reach a value of USD 76 billion by 2027.

TRADING AND DISTRIBUTION

QAR m	H1 2022	H1 2021	Change
Revenue	516.2	409.8	26.0%
Net profit	50.8	45.9	10.8%
Net underlying profit margin %	9.8%	11.2%	(1.3 ppts)

The Trading and Distribution segment saw revenue increase 26% to QAR 516.2 million and net profit up 10.8% to QAR 50.8 million.

Ebn Sina Medical continued to perform positively, signing distribution agreements with both a global vaccines manufacturer and a regional pharma manufacturer to expand their product range. During the period, Ebn Sina Medical also successfully finalised the automation of its warehouse, installing a robotics system to enable more efficient and accurate delivery. This warehouse is the first fully automated warehouse in Qatar. Ebn Sina Pharmacies is in the process of opening a new store in City Center Mall, expected to open in October 2022.

Aamal Trading and Distribution's automotive businesses continued to perform well. A new tyre brand, 'Fulva', was added to the tyre division, further expanding the product offering. Bridgestone Tyres launched a new marketing campaign in petrol stations across Qatar, alongside a new campaign for the 'TOTAL Energies' lubricant.

PROPERTY

QAR m	H1 2022	H1 2021	Change
Revenue	141.9	120.4	17.9%
Net profit- fully consolidated activities before FV losses on investment properties	112.9	91.0	24.1%
Net underlying profit margin %	79.5%	75.6%	3.9 ppts
Share of net profit of associates and JV	2.4	2.3	4.5%



Net profit - before FV	115.3	93.3	23.6%
Fair value losses on investment properties	-	-	0.0%
Net profit	115.3	93.3	23.6%

Property segment revenue increased 17.9% year-on-year to QAR 141.9 million, while net profit rose 23.6% to QAR 115.3 million reflecting the increased occupancy levels at both Aamal Real Estate and City Center Doha.

City Center Doha saw 11 new store openings during the period, alongside the opening of Padel Club to expand the sports and leisure offering in the Mall. Popular new restaurants have opened in the food courts and work is underway to open new outdoor restaurants, all of which will continue to attract visitors. Aamal Real Estate renovated and upgraded Medinat Khalifa and Al Bilad Property.

MANAGED SERVICES

QAR m	H1 2022	H1 2021	Change
Revenue	49.9	27.3	82.9%
Net profit- fully consolidated activities	3.5	(0.6)	691.4%
Net underlying profit margin %	7.1%	(2.2%)	9.3 ppts
Share of net profit of associates and JV	1.7	1.3	33.6%
Net profit	5.3	0.7	647.1%

The lifting of COVID-19 restrictions and the return of travel has had a positive impact on the Managed Services division. Revenue increased by 82.9% to QAR 49.9 million and profit increased by 647.1% to QAR 5.3 million, highlighting just how heavily the division was impacted by the pandemic during 2021.

At Aamal Services, contracts linked with the FIFA World Cup are now reaching peak capacity and will see the business almost double in size during 2022. Looking ahead, Aamal Services has also secured new contracts and is focused on diversifying its client base and securing more contracts to mitigate volatile market conditions. ECCO Gulf has continued to secure new clients from across different sectors. The launch of Aamal for Car and Truck Maintenance Company is on track and is scheduled to launch in early 2023. Fun City has benefited from the easing of pandemic-related restrictions and has introduced new rides and games, as well as upgrading facilities to maintain its position in an increasingly competitive market.

SUMMARY AND OUTLOOK

Sheikh Mohamed bin Qassim al Thani, Managing Director, commented:

“Aamal’s diversified business model, robust financials and clear strategy for growth continue to deliver a strong performance for all our shareholders.

“This is an exciting time for Qatar, with the economy expected to be the fastest growing in the GCC in both 2023 and 2024 according to the World Bank. I strongly believe that Aamal’s market-leading position and exposure to Qatar’s growth story position us favourably to benefit from the opportunities that we will see in the next few years. I am looking forward to this exciting next phase of Aamal’s growth story.”



Mr. Rashid Al Mansoori, Chief Executive Officer, commented:

“I am delighted to have joined Aamal’s leadership team. The Company’s performance in the first half of 2022 was particularly impressive and I look forward to working with my new colleagues to build on this success as we continue to expand our operations and explore new opportunities to deliver shareholder value.

“The upcoming FIFA World Cup is an important milestone that will provide a further economic boost to Qatar, showcasing to regional and international investors our country’s exceptional capabilities, modern infrastructure, economic diversity, stability and safety. Moving forward, in line with our diversified business model we have identified several new opportunities across infrastructure, natural resources, healthcare and technology. We will also continue to build on Aamal’s ESG initiatives, identifying new ways to deliver value to our communities and further embed our sustainable business practices.”

CONFERENCE CALL DETAILS

A conference call to discuss the results will be held on Thursday 28 July 2022 at 2.00pm Doha time. The details for the conference call are as follows:

Date: Thursday 28 July 2022

Time: 2.00pm Doha time

Dial-In Numbers:

+16468769923, 94360300084# US (New York)

+16699006833, 94360300084# US (San Jose)

+44 208 080 6592 United Kingdom

+44 330 088 5830 United Kingdom

Conference link:

<https://us06web.zoom.us/j/88476073504>

Meeting ID:

884 7607 3504

Please join the event conference 5-10 minutes prior to the start time.

FURTHER ENQUIRIES

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ABOUT AAMAL COMPANY Q.P.S.C.

Aamal is one of the Gulf region's most diversified conglomerates and has been listed on the Qatar Stock Exchange since December 2007. As at 26 July 2022, the Company had a market capitalisation of QAR 7.47 bn (US\$ 2.05 bn).

Aamal's operations are widely diversified and comprise 29 active business units (subsidiaries and joint ventures) with market leading positions in the key industrial, retail, property, managed services, and medical equipment and pharmaceutical sectors, thereby offering investors a high quality and balanced exposure to Qatar's wider economic growth and development.

For further information on Aamal Company, please refer to the corporate website: <http://www.aamal.com.qa>