

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2020

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the nine month period ended 30 September 2020

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Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INCOME STATEMENT
For the nine month period ended 30 September 2020

		<i>For the nine-month period ended 30 September</i>	
		<i>2020</i>	<i>2019</i>
		<i>(Unaudited)</i>	
	<i>Notes</i>	<i>QR'000</i>	<i>QR'000</i>
Operating revenues	5	1,711,832	1,834,923
Salaries, wages and other benefits		(429,318)	(442,188)
Operating supplies and expenses		(589,456)	(728,151)
Rent expenses		(1,820)	(7,285)
Depreciation and amortisation		(276,508)	(269,095)
Provision for impairment of trade receivables		(13,027)	(6,663)
Other operating expenses		(115,666)	(101,148)
OPERATING PROFIT		286,037	280,393
Finance cost		(62,893)	(80,078)
Finance income		14,696	20,337
Gain on disposal of investment properties		73,646	-
Gain on disposal of property, vessels and equipment		14,316	6,732
Share of results of associates		326,476	266,936
Share of results of joint arrangements		165,682	167,738
Net (loss) gain on foreign exchange		(1,270)	15
Impairment of vessels		(432,145)	(243,425)
PROFIT FOR THE PERIOD		384,545	418,648
<i>Attributable to:</i>			
Equity holders of the parent		383,661	418,868
Non-controlling interest		884	(220)
		384,545	418,648
BASIC AND DILUTED EARNINGS PER SHARE <i>(attributable to equity holders of the parent)</i> <i>(expressed in QR per share)</i>	14	0.34	0.37

The attached notes 1 to 16 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine month period ended 30 September 2020

	<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Profit for the period	<u>384,545</u>	<u>418,648</u>
Other comprehensive income (OCI):		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net loss on equity investments at fair value through OCI	<u>(257,012)</u>	<u>(186,086)</u>
Equity-accounted investees – share of OCI	<u>(1,184)</u>	<u>(9,231)</u>
	<u>(258,196)</u>	<u>(195,317)</u>
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net loss resulting from cash flow hedges	<u>(44,076)</u>	<u>(45,629)</u>
Cash flow hedge movement for equity-accounted investees	<u>(219,814)</u>	<u>(251,964)</u>
	<u>(263,890)</u>	<u>(297,593)</u>
Total OCI	<u>(522,086)</u>	<u>(492,910)</u>
Total comprehensive income	<u>(137,541)</u>	<u>(74,262)</u>
<i>Attributable to:</i>		
Equity holders of the Parent	<u>(138,392)</u>	<u>(74,018)</u>
Non-controlling interest	<u>851</u>	<u>(244)</u>
	<u>(137,541)</u>	<u>(74,262)</u>

The attached notes 1 to 16 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30 September 2020

		<i>30 September 2020 (Unaudited) QR'000</i>	<i>31 December 2019 (Audited) QR'000</i>
	<i>Notes</i>		
ASSETS			
Non-current assets			
Property, vessels and equipment	6	3,535,384	4,063,316
Investment properties	7	810,169	822,773
Intangible assets		152,850	149,349
Right-of-use assets		230,588	154,830
Investments in joint ventures		1,072,042	1,089,860
Investments in associates		5,813,586	5,914,000
Financial assets at fair value through other comprehensive income		3,895,754	4,099,187
Loans granted to LNG companies		129,703	129,247
Other assets		23,864	24,239
		<u>15,663,940</u>	<u>16,446,801</u>
Current assets			
Inventories		100,300	81,088
Trade and other receivables		732,321	741,104
Financial assets at fair value through profit or loss		121	55,850
Investments in term deposits	8	328,233	168,221
Cash and cash equivalents		257,765	177,761
		<u>1,418,740</u>	<u>1,224,024</u>
TOTAL ASSETS		<u>17,082,680</u>	<u>17,670,825</u>
EQUITY AND LIABILITIES			
Attributable to equity holders of the Parent			
Share capital	10	1,145,252	1,145,252
Treasury shares		(73,516)	(73,516)
Legal reserve		4,693,986	4,693,986
General reserve		623,542	623,542
Fair value reserve		3,519,880	3,875,607
Hedging reserve		(195,663)	68,227
Retained earnings		4,350,405	4,210,029
Equity attributable to equity holders of the Parent		<u>14,063,886</u>	<u>14,543,127</u>
Non-controlling interest		55,735	54,884
Total equity		<u>14,119,621</u>	<u>14,598,011</u>

The condensed consolidated statement of financial position continues on the next page.

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)
At 30 September 2020

	<i>30 September 2020 (Unaudited) QR'000</i>	<i>31 December 2019 (Audited) QR'000</i>
EQUITY AND LIABILITIES (CONTINUED)		
Liabilities		
Non-current liabilities		
Loans and borrowings	1,452,215	1,837,152
Advance from a customer	100,961	107,004
Lease liabilities	164,984	108,928
Provision for employees' end of service benefits	115,562	119,855
	<u>1,833,722</u>	<u>2,172,939</u>
Current liabilities		
Trade and other payables	619,750	576,063
Loans and borrowings	434,047	270,112
Lease liabilities	75,540	53,700
	<u>1,129,337</u>	<u>899,875</u>
Total liabilities	<u>2,963,059</u>	<u>3,072,814</u>
TOTAL EQUITY AND LIABILITIES	<u>17,082,680</u>	<u>17,670,825</u>

The Group's condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 21 October 2020 and signed on its behalf by the following:



.....
Jassim bin Hamad bin Jassim Jaber Al-Thani
Chairman



.....
Abdulrahman Essa A.E. Al-Mannai
President and Chief Executive Officer

The attached notes 1 to 16 form part of these condensed consolidated interim financial statements

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the nine month period ended 30 September 2020

	<i>For the nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	384,545	418,648
Adjustment for:		
Depreciation of property, vessels and equipment	197,322	200,503
Depreciation of investment property	20,655	40,019
Amortisation of intangible assets	6,670	7,647
Depreciation of right-of-use assets	51,861	20,926
Gain on disposal of investment properties	(81,680)	-
Gain on disposal of property, vessels and equipment	(6,282)	(6,732)
Share of results of associates	(326,476)	(266,936)
Share of results of joint arrangements	(165,682)	(167,738)
Provision for employees' end of service benefits	11,064	13,268
Dividend income	(143,448)	(149,643)
Net fair value loss on financial assets at fair value through profit or loss	-	1,675
Impairment of vessels	432,145	243,425
Impairment of trade receivables	13,027	6,663
(Loss) Profit on disposal of investment securities	9,715	(5,981)
Finance costs	62,893	80,078
Finance income	(14,696)	(20,337)
Operating profit before working capital changes:	451,633	415,485
Changes in:		
Inventories	(19,212)	22,254
Trade and other receivables	(3,869)	11,461
Trade and other payables	(11,812)	(28,287)
Cash flows from operating activities	416,740	420,913
Employees' end of service benefits paid	(8,681)	(14,139)
Net cash from operating activities	408,059	406,774
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, vessels and equipment	(132,273)	(106,286)
Dividend income	143,448	149,643
Finance income	14,696	20,337
Proceeds from disposal of investment properties	86,665	-
Proceeds from disposal of property, vessels and equipment	45,054	58,290
Purchases of investment property	(21,070)	(70,682)
Addition to intangible assets	(10,171)	(14)
Net movement in loans granted to LNG companies	(456)	6,885
Purchase of investment securities	-	(35,013)
Investments in financial assets at fair value through other comprehensive income	(292,000)	-
Net movement in investment in term deposits	(160,012)	406,623
Proceeds from disposal of financial assets at fair value through other comprehensive income	234,286	-
Proceeds from disposal of financial assets at fair value through profit or loss	46,021	103,049
Dividends received from joint ventures	183,500	98,000
Additional investment in an associate	-	(610,639)
Dividends received from associates	205,338	202,494
Net cash flows from investing activities	343,026	222,687

The attached notes 1 to 16 form part of these condensed consolidated interim financial statements

Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the nine month period ended 30 September 2020

	<i>Notes</i>	<i>For the nine-month period ended 30 September</i>	
		<i>2020</i>	<i>2019</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to Company's shareholders	11	(340,849)	(340,849)
Finance costs paid		(62,893)	(80,078)
Payment of lease liability		(46,337)	(19,521)
Net movement in loans and borrowings		<u>(221,002)</u>	<u>(216,986)</u>
Net cash flows used in financing activities		<u>(671,081)</u>	<u>(657,434)</u>
Net increase (decrease) in cash and cash equivalents		80,004	(27,973)
Cash and cash equivalents at beginning of period		<u>177,761</u>	<u>127,394</u>
Cash and cash equivalents at end of period		<u>257,765</u>	<u>99,421</u>

The attached notes 1 to 16 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine month period ended 30 September 2020

	<i>Attributable to the equity holders of the Parent</i>							<i>Non-controlling interest</i>	<i>Total</i>
	<i>Share capital</i>	<i>Treasury shares</i>	<i>Legal reserve</i>	<i>General reserve</i>	<i>Fair value reserve</i>	<i>Hedging reserve</i>	<i>Retained earnings</i>		
	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>
Balance at 31 December 2019 (Audited)	1,145,252	(73,516)	4,693,986	623,542	3,875,607	68,227	4,210,029	54,884	14,598,011
Profit for the period	-	-	-	-	-	-	383,661	884	384,545
Other comprehensive income	-	-	-	-	(258,163)	(263,890)	-	(33)	(522,086)
Total comprehensive (loss) income	-	-	-	-	(258,163)	(263,890)	383,661	851	(137,541)
<i>Transactions with owners of the Group:</i>									
Dividends paid (Note 11)	-	-	-	-	-	-	(340,849)	-	(340,849)
Transfer of reserves on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	(97,564)	-	97,564	-	-
At 30 September 2020	1,145,252	(73,516)	4,693,986	623,542	3,519,880	(195,663)	4,350,405	55,735	14,119,621
	<i>Attributable to the equity holders of the Parent</i>							<i>Non-controlling interest</i>	<i>Total</i>
	<i>Share capital</i>	<i>Treasury shares</i>	<i>Legal reserve</i>	<i>General reserve</i>	<i>Fair value reserve</i>	<i>Hedging reserve</i>	<i>Retained earnings</i>		
	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>	<i>QR '000</i>
Balance at 31 December 2018 (Audited)	1,145,252	(73,516)	4,693,986	623,542	3,886,259	295,736	4,010,829	55,717	14,637,805
Adjustment on initial application of IFRS 16	-	-	-	-	-	-	(4,609)	-	(4,609)
Restated balance at 1 January 2019	1,145,252	(73,516)	4,693,986	623,542	3,886,259	295,736	4,006,220	55,717	14,633,196
Profit for the period	-	-	-	-	-	-	418,868	(220)	418,648
Other comprehensive income	-	-	-	-	(195,293)	(297,593)	-	(24)	(492,910)
Total comprehensive (loss) income	-	-	-	-	(195,293)	(297,593)	418,868	(244)	(74,262)
<i>Transactions with owners of the Group:</i>									
Dividends paid (Note 11)	-	-	-	-	-	-	(340,849)	-	(340,849)
At 30 September 2019	1,145,252	(73,516)	4,693,986	623,542	3,690,966	(1,857)	4,084,239	55,473	14,218,085

The attached notes 1 to 16 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine month period ended 30 September 2020

1. REPORTING ENTITY

Qatar Navigation Q.P.S.C. (the “Company” or the “Parent”) is incorporated as a Qatari Public Shareholding Company, with the Commercial Registration number 1 issued by the Ministry of Economy and Commerce dated 5 July 1957. The registered office of the Company is located in Doha, State of Qatar. The shares of the Company are publicly traded on the Qatar Stock Exchange since 26 May 1997.

These condensed consolidated interim financial statements comprise the Company and its subsidiaries (collectively referred as the “Group”).

The principal activities of the Group, which remain unchanged from the previous period, include the provision of marine transport, acting as agent to foreign shipping lines, offshore services, sale of heavy vehicles, ship repair, fabrication and installation of offshore structures, land transport, chartering of vessels, real estate, investments in listed and unlisted securities, trading of aggregates, building materials, travel agency, warehousing, and supply chain management.

The structure of the Group has not changed since the last annual consolidated financial statements as at and for the year ended 31 December 2019 (the “latest annual financial statements”).

The condensed consolidated interim financial statements of the Group were authorised for issue by the Company’s Board of Directors on 21 October 2020.

2. BASIS OF ACCOUNTING

These condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34 “Interim Financial Reporting” and should be read in conjunction with the Group’s latest annual financial statements. They do not include all the information required for a complete set of the financial statements prepared in accordance with International Financial Reporting Standards (IFRS). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

3. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the latest annual financial statements, except for the new lessee accounting under IFRS 16, which is described in Note 4.

Measurement of fair values

When measuring the fair value of an asset or liability, the Group uses any market observable data available. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted market price (unadjusted) in active markets for an identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's last annual financial statements.

Following are the new and amended standards and interpretations that became effective during the period. They are not expected to have a significant impact on the Group's condensed consolidated interim financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards.
- Definition of a Business (Amendments to IFRS 3).
- Definition of Material (Amendments to IAS 1 and IAS 8).
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

5. OPERATING REVENUES

The Group revenues consist of activities under the following operating segments:

	<i>Nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Milaha Capital	283,771	347,002
Milaha Maritime and Logistics	540,919	608,730
Milaha Offshore	591,696	567,427
Milaha Trading	57,397	104,050
Milaha Gas and Petrochem	238,049	207,714
	1,711,832	1,834,923

6. PROPERTY, VESSELS AND EQUIPMENT

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value, beginning balance	4,063,316	4,031,488
Additions	132,273	139,435
Disposals and write off	(30,738)	(93,052)
Other transfers and reclassifications	-	522,814
Impairment of vessels	(432,145)	(271,765)
Depreciation charge for the period/ year	(197,322)	(265,604)
Net book value, ending balance	3,535,384	4,063,316

7. INVESTMENT PROPERTY

	<i>30 September 2020</i>	<i>31 December 2019</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value, beginning balance	822,773	1,299,473
Additions	21,070	97,399
Depreciation charge for the period/ year	(20,655)	(51,285)
Disposals and write off	(13,019)	-
Transfers and reclassifications	-	(522,814)
Net book value, ending balance	810,169	822,773

Qatar Navigation Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the nine month period ended 30 September 2020

8. INVESTMENTS IN TERM DEPOSITS

	<i>30 September 2020 (Unaudited) QR'000</i>	<i>31 December 2019 (Audited) QR'000</i>
Term deposits with banks	378,548	239,597
Less: Term deposits maturing before 90 days	<u>(50,315)</u>	<u>(71,376)</u>
Term deposits maturing after 90 days (i)	<u>328,233</u>	<u>168,221</u>

Notes:

(i) Short-term deposits earn interests at market rates and these are with an original maturity of over 90 days.

9. CASH AND CASH EQUIVALENTS

For the purpose of the condensed consolidated statement of cash flows, cash and cash equivalents comprise the following items:

	<i>30 September 2020 (Unaudited) QR'000</i>	<i>30 September 2019 (Unaudited) QR'000</i>
Cash in hand	3,856	4,662
Bank balance – term deposits (i)	50,315	36,416
Bank balance – current accounts	<u>203,594</u>	<u>58,343</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>257,765</u>	<u>99,421</u>

(i) Deposits with an original maturity of less than 90 days are made for varying periods depending on the immediate cash requirements of the Group at commercial market rates.

10. SHARE CAPITAL

	<i>Number of shares (‘000’)</i>	<i>QR'000</i>
<i>Authorised, issued and fully paid shares</i>		
At 30 September 2020 and 31 December 2019 : shares with nominal value of QR 1 each	<u>1,145,252</u>	<u>1,145,252</u>

11. DIVIDENDS

The Board of Directors proposed a 30% (2019: 30%) cash dividend of QR 0.3 (2019: QR 0.3) per share totaling QR 341 million for the year 2019 (2019: QR 341 million for the year 2018) which was approved by the Company's shareholders at the Annual General Assembly held on 22 March 2020 (2019: held on 18 March 2019).

Qatar Navigation Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the nine month period ended 30 September 2020

12. CONTINGENT LIABILITIES

At 30 September 2020 and 31 December 2019, the Group had letters of guarantees and letters of credit from which it anticipates that no material liabilities will arise as follows:

	<i>30 September 2020 (Unaudited) QR'000</i>	<i>31 December 2019 (Audited) QR'000</i>
Letters of guarantees	841,827	782,351
Letters of credits	<u>2,243</u>	<u>6,676</u>
	<u>844,070</u>	<u>789,027</u>

13. RELATED PARTY DISCLOSURES

The following table provides the total amount of transactions that have been entered into with related parties during the nine months ended 30 September 2020 and 2019, as well as balances with related parties as at 30 September 2020 and 31 December 2019:

Related party transactions

	<i>Nine-month period ended 30 September</i>			
	<i>2020</i>		<i>2019</i>	
	<i>Sales (Unaudited) QR'000</i>	<i>Purchases (Unaudited) QR'000</i>	<i>Sales (Unaudited) QR'000</i>	<i>Purchases (Unaudited) QR'000</i>
Associates	<u>6,606</u>	<u>332</u>	<u>5,222</u>	<u>4,834</u>

Related party balances

Balances with related parties included in the condensed consolidated statement of financial position are as follows:

	<i>30 September 2020</i>			<i>31 December 2019</i>		
	<i>Trade receivables</i>	<i>Trade payables</i>	<i>Loans granted to LNG companies</i>	<i>Trade receivables</i>	<i>Trade payables</i>	<i>Loans granted to LNG companies</i>
	<i>(Reviewed) QR'000</i>	<i>(Reviewed) QR'000</i>	<i>(Reviewed) QR'000</i>	<i>(Audited) QR'000</i>	<i>(Audited) QR'000</i>	<i>(Audited) QR'000</i>
Joint ventures	3,324	9,576	-	12,827	13,927	-
Associates	6,606	2,381	129,703	3,050	5,474	129,247
Affiliate companies	<u>5,368</u>	<u>124</u>	<u>-</u>	<u>7,978</u>	<u>73</u>	<u>-</u>
	<u>15,298</u>	<u>12,081</u>	<u>129,703</u>	<u>23,855</u>	<u>19,474</u>	<u>129,247</u>

13. RELATED PARTY DISCLOSURES (CONTINUED)**Compensation of directors and other key management personnel**

The remuneration of directors and other members of key management provided for / paid during the period was as follows:

	<i>Nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Salaries and allowances	9,739	8,791
Provision for employees' end of service benefits	804	915
Board of directors remuneration – cash	9,300	9,300
	<u>19,843</u>	<u>19,006</u>

14. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Parent by the weighted average number of shares outstanding during the period.

There were no potentially dilutive shares outstanding at any time during the period and, therefore, the diluted earnings per share is equal to the basic earnings per share.

	<i>Nine-month period ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	
Net profit for the year attributable to equity holders of the Parent (QR'000)	<u>383,661</u>	<u>418,868</u>
Weighted average number of shares (000's)	<u>1,136,165</u>	<u>1,136,165</u>
Basic and diluted earnings per share (QR)	<u>0.34</u>	<u>0.37</u>

The basic and diluted earnings per share are adjusted retrospectively to account for the share split.

The weighted average numbers of shares have been calculated as follows:

	<i>Nine months ended 30 September</i>	
	<i>2020</i>	<i>2019</i>
	<i>(Unaudited)</i>	
Total number of shares outstanding (000's)	1,145,252	1,145,252
Adjustment for weighted average shares with respect to treasury shares purchased during year 2013 (000's) (i)	<u>(9,087)</u>	<u>(9,087)</u>
Weighted average numbers of shares during the period (000's)	<u>1,136,165</u>	<u>1,136,165</u>

(i) During the year 2013, one of the subsidiaries of the group bought 9,087,250 shares amounting to QR 73,516,000. These treasury shares were transferred to the Parent Company on 24 January 2019.

15. SEGMENT INFORMATION

Group is organised into six pillars as follows, which constitute five reportable segments (strategic divisions):

- Milaha Capital provides corporate finance advisory services to the Parent and its subsidiaries, in addition to managing its proprietary portfolio of financial and real estate investments and holding the investment of Qatar Quarries and Building Material Company W.L.L.
- Milaha Maritime & Logistics delivers a comprehensive range of services to major importers, exporters and shipping companies in the region, including oil & gas majors. The activities include logistics services, warehousing, container feeder shipping, non-vessel operating common carriers (NVOCC) operations, bulk shipping, shipping agencies, port management and operations, shipyard and steel fabrication.
- Milaha Offshore provides comprehensive offshore support services to the oil and gas industry across the region. The group currently operates a fleet of offshore service vessels, which include safety standby vessels, anchor handling tugs, crew boats, workboats and dynamic positioning (DP) vessels. It provides a complete range of diving services including saturation diving.
- Milaha Trading is engaged in trading trucks, heavy equipment, machinery and lubrication brands in Qatar. The segment markets its products and provides critical after sales service. Milaha Trading also owns and operates an IATA-approved travel agency, one of the oldest in the State of Qatar.
- Milaha Gas and Petrochem owns, manages and operates a fleet of LPG and LNG carriers and provides ocean transportation services to international energy and industrial companies. It further owns and manages a young fleet of product tankers and one crude carrier. The segment also operates a number of product tankers in partnership with international trading and shipping companies.
- Milaha Corporate provides necessary services to all the pillars to run their respective business. These services are costs of management, corporate development and communications, internal audit, legal affairs, shared services, information technology, procurement, human resources and administration and finance. The costs are subsequently allocated. Adjustments with respect to Milaha Corporate represent costs captured and subsequently allocated to various business pillars by way of a laid down methodology.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the condensed consolidated interim financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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15. SEGMENT INFORMATION (CONTINUED)

Nine month period ended 30 September 2020 (Unaudited)

	<i>Milaha Capital QR'000</i>	<i>Milaha Maritime and Logistics QR'000</i>	<i>Milaha Offshore QR'000</i>	<i>Milaha Trading QR'000</i>	<i>Milaha Gas and Petrochem QR'000</i>	<i>Adjustments relating to Milaha Corporate QR'000</i>	<i>Total segments QR'000</i>	<i>Adjustments and eliminations QR'000</i>	<i>Consolidated QR'000</i>
Operating revenues	318,183	633,893	580,581	126,532	236,630	-	1,895,819	(183,987)	1,711,832
Salaries, wages and other benefits	(5,895)	(244,472)	(55,638)	(9,325)	(20,294)	(93,694)	(429,318)	-	(429,318)
Operating supplies and expenses	(77,323)	(461,087)	(61,680)	(110,539)	(16,116)	(7,330)	(734,075)	144,619	(589,456)
Rent expenses	(848)	(31,351)	(1,460)	(1,017)	(239)	(5,237)	(40,152)	38,332	(1,820)
Depreciation and amortization	(44,672)	(20,930)	(156,889)	(891)	(51,735)	(1,391)	(276,508)	-	(276,508)
Provision for impairment of trade receivables	(40)	(7,544)	(4,048)	(1,345)	-	(20)	(12,997)	(30)	(13,027)
Other operating expenses	(2,422)	(47,397)	(31,996)	(1,997)	(14,372)	(18,548)	(116,732)	1,066	(115,666)
Allocations relating to fleet and technical services	-	197,933	(171,189)	-	(26,744)	-	-	-	-
Allocations relating to Milaha Corporate	(10,126)	(83,480)	(14,644)	(9,569)	(8,222)	126,041	-	-	-
OPERATING PROFIT	176,857	(64,435)	83,037	(8,151)	98,908	(179)	286,037	-	286,037
Finance costs	(477)	(7,130)	(32,876)	-	(25,406)	-	(65,889)	2,996	(62,893)
Finance income	7,040	-	108	127	10,404	13	17,692	(2,996)	14,696
Gain on disposal of investment properties	73,646	-	-	-	-	-	73,646	-	73,646
Gain on disposal of property, vessels and equipment	8,034	4,530	1,740	12	-	-	14,316	-	14,316
Share of results of associates	(972)	1,684	-	-	325,764	-	326,476	-	326,476
Share of results of joint arrangements	-	134,644	-	-	31,038	-	165,682	-	165,682
Net gain (loss) on foreign exchange	(27)	(162)	(1,245)	(16)	14	166	(1,270)	-	(1,270)
Impairment of vessels	(163,000)	-	(269,145)	-	-	-	(432,145)	-	(432,145)
PROFIT FOR THE PERIOD	101,101	69,131	(218,381)	(8,028)	440,722	-	384,545	-	384,545

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15. SEGMENT INFORMATION (CONTINUED)

Nine-month period ended 30 September 2019 (Unaudited)

	Milaha Capital QR '000	Milaha Maritime and Logistics QR '000	Milaha Offshore QR '000	Milaha Trading QR '000	Milaha Gas and Petrochem QR '000	Adjustments relating to Milaha Corporate QR '000	Total segments QR '000	Adjustments and eliminations QR '000	Consolidated QR '000
Operating revenues	382,905	695,608	567,427	200,292	207,714	-	2,053,946	(219,023)	1,834,923
Salaries, wages and other benefits	(4,812)	(260,846)	(54,003)	(11,994)	(19,877)	(90,656)	(442,188)	-	(442,188)
Operating supplies and expenses	(92,496)	(519,131)	(90,646)	(187,945)	(13,429)	(6,929)	(910,576)	182,425	(728,151)
Rent expenses	(1,110)	(32,233)	(2,327)	(1,504)	(328)	(6,078)	(43,580)	36,295	(7,285)
Depreciation and amortisation	(48,655)	(22,554)	(134,610)	(747)	(60,932)	(1,597)	(269,095)	-	(269,095)
Provision for impairment of trade receivables	34	(2,026)	(3,784)	(1,194)	-	307	(6,663)	-	(6,663)
Other operating expenses	(6,503)	(44,758)	(25,418)	5,572	(17,145)	(13,199)	(101,451)	303	(101,148)
Allocations relating to fleet and technical services	-	221,859	(182,956)	-	(38,903)	-	-	-	-
Allocations relating to Milaha Corporate	(9,913)	(78,210)	(11,767)	(9,397)	(8,828)	118,115	-	-	-
OPERATING PROFIT	219,450	(42,291)	61,916	(6,917)	48,272	(37)	280,393	-	280,393
Finance costs	(862)	(12,916)	(40,216)	-	(29,211)	-	(83,205)	3,127	(80,078)
Finance income	9,337	11	69	179	13,852	16	23,464	(3,127)	20,337
Gain on disposal of property, vessels and equipment	-	843	38	18	5,806	27	6,732	-	6,732
Share of results of associates	79	3,798	-	-	263,059	-	266,936	-	266,936
Share of results of joint arrangements	-	150,472	-	-	17,266	-	167,738	-	167,738
Net gain (loss) on foreign exchange	-	392	(254)	-	(117)	(6)	15	-	15
Impairment of vessels	-	(4,344)	(225,964)	-	(13,117)	-	(243,425)	-	(243,425)
PROFIT FOR THE PERIOD	228,004	95,965	(204,411)	(6,720)	305,810	-	418,648	-	418,648

Note : Inter-segment revenues are eliminated on consolidation.

16. COMPARATIVE FIGURES

The comparative figures for the previous period have been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassifications do not affect the previously reported net profits, net assets or equity.