



# H1 2021 Financial Summary Conference Call

**Doha, Qatar**

**July 25, 2021**

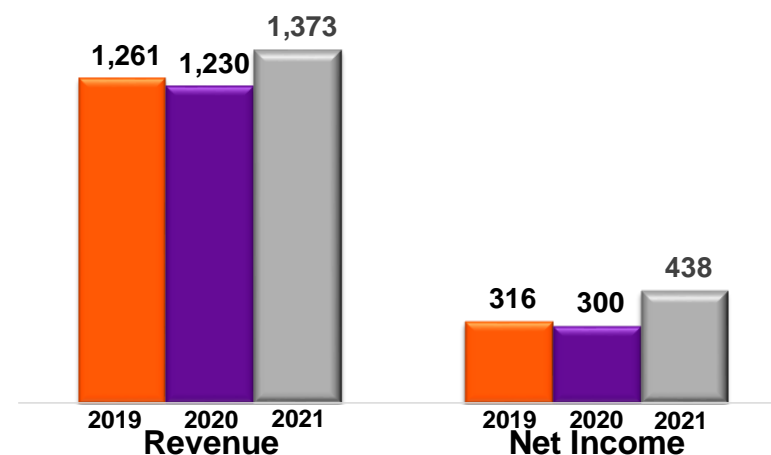
# Consolidated Income Statement – H1

(All amounts in QR Millions)

	2019	2020	2021
<b>Operating Revenue</b>	<b>1,261</b>	<b>1,230</b>	<b>1,373</b>
Salaries, Wages and Other Benefits	(292)	(292)	(305)
Operating Supplies and Expenses	(480)	(407)	(618)
Rent Expenses	(5)	(3)	(3)
Depreciation and Amortisation	(181)	(186)	(183)
Provision of Impairment of Trade Receivables	(6)	(13)	(11)
Other Operating Expenses	(65)	(75)	(109)
<b>Operating Expenses</b>	<b>(1,028)</b>	<b>(976)</b>	<b>(1,229)</b>
<b>Operating Profit</b>	<b>233</b>	<b>254</b>	<b>144</b>
Finance Costs	(59)	(44)	(39)
Finance Income	18	10	16
Net Gain on Disposal of Property, Vessels & Equipment	7	6	(5)
Net Gain on Disposal of Investment Property	-	73	-
Share of Results of Associates	172	207	226
Share of Results of Joint Arrangements	97	121	105
Net Gain on Foreign Exchange	0	(1)	3
Impairment of Property, Vessels and Equipment	(154)	(325)	(12)
Tax for the Year	-	-	-
<b>Non-Operating Profit</b>	<b>83</b>	<b>47</b>	<b>295</b>
<b>Profit for the Period</b>	<b>316</b>	<b>300</b>	<b>439</b>
Non-controlling interest	0	(1)	(1)
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>316</b>	<b>300</b>	<b>438</b>

▼ Revenue	12%
▼ Operating Profit	-43%
▲ Net Profit	46%

%s shown vs 2020



# Activities by Segment



## Maritime & Logistics

- Port Services
- Container Shipping
- Warehousing & Logistics
- Shipyard
- Shipping Line Agencies



## Offshore

- Vessel Charter & Operations
- Diving & Subsea Services
- Construction and Maintenance Services
- Well Services
- Harbor Marine Operations



## Gas & Petrochem

- LNG Transport
- LPG Transport
- Crude , Chemicals & CPP Transport
- Wholly Owned Product/Gas Carriers



## Trading

- Heavy Equipment and Truck Agency
- Bunker Distribution
- Marine Engine and Lubricants Agency



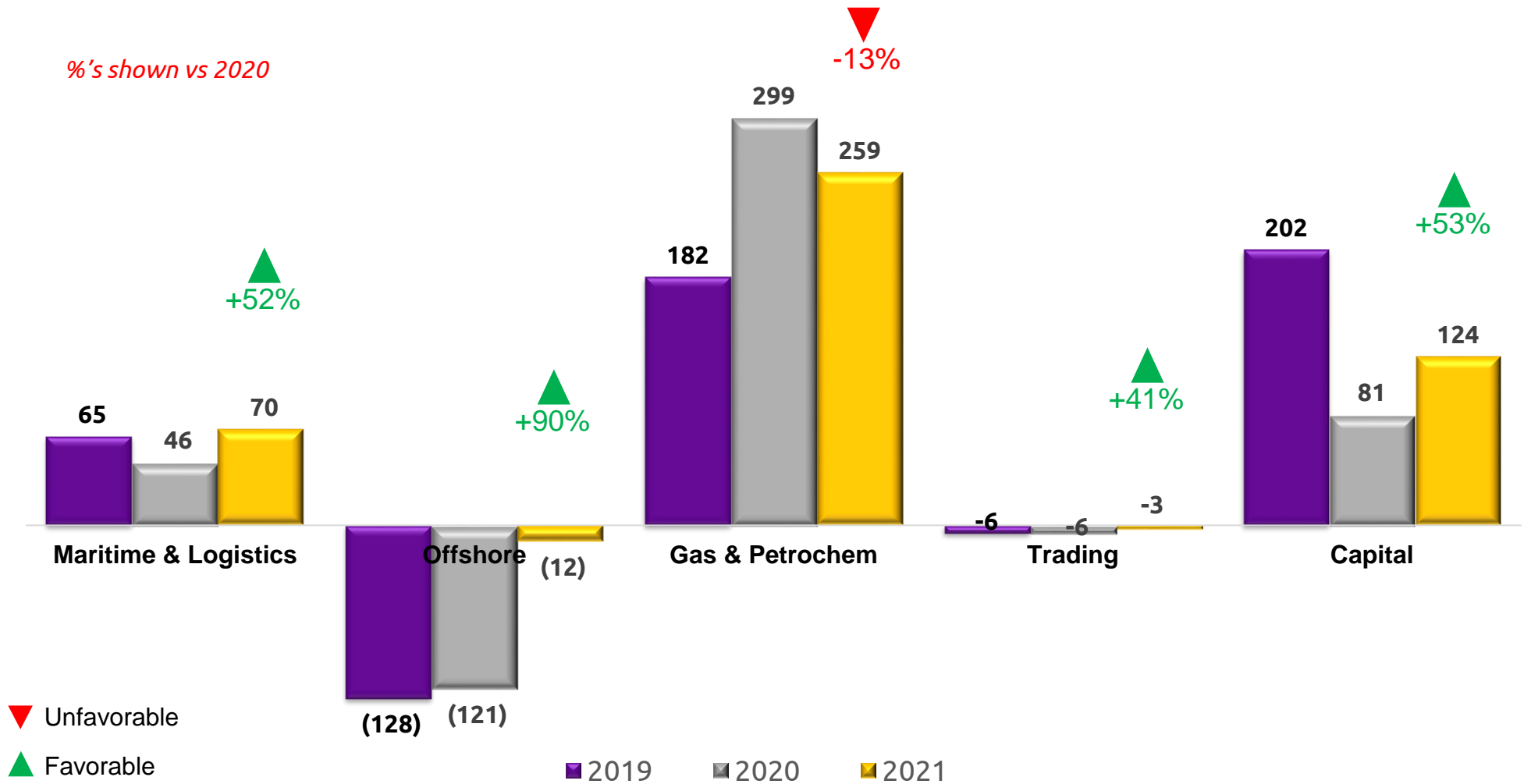
## Capital

- Real Estate Development and Management
- Strategic and Financial Investments

# Net Profit, by Segment – H1

(All amounts in QR Millions)

%'s shown vs 2020



# Statement of Income, by Segment – H1 2021

(All amounts in QR Millions)

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
<b>Operating Revenue</b>	<b>501</b>	<b>474</b>	<b>132</b>	<b>158</b>	<b>237</b>	<b>0</b>	<b>(129)</b>	<b>1,373</b>
Salaries, Wages & Benefits	(179)	(39)	(12)	(6)	(6)	(62)	-	(305)
Operating Supplies & Expenses	(355)	(120)	(25)	(146)	(71)	(5)	104	(618)
Rent	(20)	(2)	(0)	(1)	(1)	(3)	24	(3)
Depreciation & Amortization	(12)	(101)	(35)	(1)	(33)	(1)	-	(183)
Provision of Impairment of Trade Receivables	(4)	(8)	-	0	0	-	-	(11)
Other Operating Expenses	(43)	(34)	(9)	(2)	(3)	(19)	1	(109)
Fleet & Technical Expense Allocation	159	(143)	(17)	-	-	-	-	0
Expense Allocation from Milaha Corporate	(58)	(9)	(9)	(6)	(9)	91	-	(0)
<b>Operating Profit</b>	<b>(10)</b>	<b>18</b>	<b>25</b>	<b>(4)</b>	<b>114</b>	<b>0</b>	<b>(0)</b>	<b>144</b>
Finance Costs	(3)	(18)	(16)	-	(4)	-	2	(39)
Finance Income	-	0	6	0	12	0	(2)	16
Net Gain on Disposal of Property, Vessels & Equipment	(0)	-	(4)	-	-	-	-	(5)
Net Gain on Disposal of Investment Property	-	-	-	-	-	-	-	-
Share of Results of Associates	2	-	224	-	0	-	-	226
Share of Results of Joint Arrangements	81	-	23	-	-	-	-	105
Impairment of Available-for-Sale Investments	-	-	-	-	-	-	-	-
Net Gain on Foreign Exchange	0	0	0	0	3	(0)	-	3
Impairment of Property, Vessels and Equipment	-	(12)	-	-	-	-	-	(12)
Miscellaneous Income	-	-	-	-	-	-	-	-
Tax for the Year	-	-	-	-	-	-	-	-
<b>Profit for the Period</b>	<b>70</b>	<b>(12)</b>	<b>259</b>	<b>(3)</b>	<b>125</b>	<b>0</b>	<b>(0)</b>	<b>439</b>
Non-controlling interest	-	-	-	-	(1)	-	-	(1)
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>70</b>	<b>(12)</b>	<b>259</b>	<b>(3)</b>	<b>124</b>	<b>0</b>	<b>(0)</b>	<b>438</b>

# Statement of Income, by Segment – H1 2020

(All amounts in QR Millions)

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
<b>Operating Revenue</b>	<b>443</b>	<b>397</b>	<b>165</b>	<b>89</b>	<b>260</b>	<b>-</b>	<b>(124)</b>	<b>1,230</b>
Salaries, Wages & Benefits	(167)	(36)	(14)	(6)	(4)	(66)	-	(292)
Operating Supplies & Expenses	(326)	(40)	(7)	(78)	(49)	(5)	99	(407)
Rent	(21)	(1)	(0)	(1)	(1)	(3)	24	(3)
Depreciation & Amortization	(15)	(105)	(35)	(1)	(31)	(1)	-	(186)
Provision of Impairment of Trade Receivables	(8)	(4)	-	(1)	(0)	(0)	-	(13)
Other Operating Expenses	(32)	(20)	(8)	(1)	(2)	(13)	1	(75)
Fleet & Technical Expense Allocation	135	(116)	(18)	-	-	-	-	(0)
Expense Allocation from Milaha Corporate	(59)	(10)	(6)	(7)	(7)	88	-	0
<b>Operating Profit</b>	<b>(49)</b>	<b>64</b>	<b>78</b>	<b>(6)</b>	<b>167</b>	<b>(0)</b>	<b>0</b>	<b>254</b>
Finance Costs	(5)	(24)	(17)	-	(0)	-	2	(44)
Finance Income	-	0	7	0	5	0	(2)	10
Net Gain on Disposal of Property, Vessels & Equipment	5	2	-	0	-	-	-	6
Net Gain on Disposal of Investment Property	-	-	-	-	73	-	-	73
Share of Results of Associates	2	0	205	-	0	-	-	207
Share of Results of Joint Arrangements	94	-	26	-	-	-	-	121
Impairment of Available-for-Sale Investments	-	-	-	-	-	-	-	-
Net Gain on Foreign Exchange	(0)	(1)	(0)	(0)	-	0	-	(1)
Impairment of Property, Vessels and Equipment	-	(162)	-	-	(163)	-	-	(325)
Miscellaneous Income	-	-	-	-	-	-	-	-
Tax for the Year	-	-	-	-	-	-	-	-
<b>Profit for the Period</b>	<b>46</b>	<b>(121)</b>	<b>299</b>	<b>(6)</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>300</b>
Non-controlling interest	-	-	-	-	(1)	-	-	(1)
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>46</b>	<b>(121)</b>	<b>299</b>	<b>(6)</b>	<b>81</b>	<b>0</b>	<b>0</b>	<b>300</b>

# Segment Performance – H1

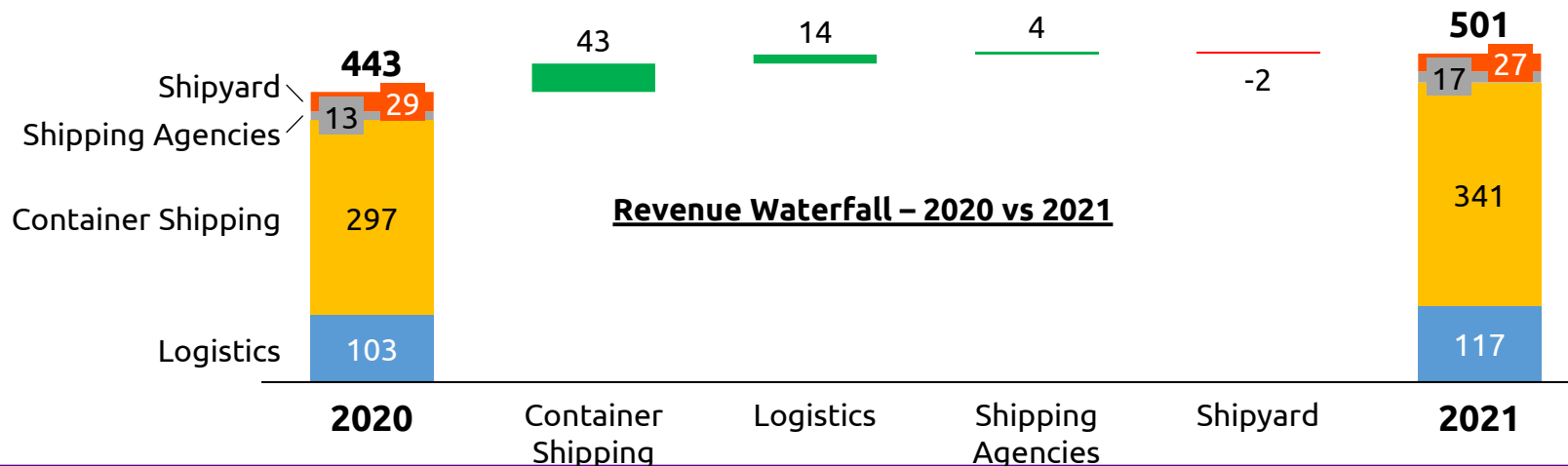
(All amounts in QR Millions)

## Maritime & Logistics

### 13% Increase in Revenue and 52% Increase in Net Profit

- **Operating Revenue increased QR 59m**
  - 5% volume increase + higher shipping rates boosted Container Shipping Revenue
  - Logistics benefitted from higher volumes / general pickup in business
- **Operating Expenses are up QR (20)M**
  - Increases in Salaries, Wages and Other Benefits AND Operating Supplies & Expenses tied to:
    - 1) increased Container Shipping and Logistics revenue
    - 2) Crew and Fleet expenses in Offshore (these are allocated out in the Fleet & Technical Allocation line)
  - (11)m increase in Other Op Expenses tied to one-off claim-related provision
  - +24m in higher Fleet & Technical allocation (to Offshore segment for new vessels) offsetting higher ship management expenses
- **Non-Operating Income is down QR (15)M**
  - (13)m decrease in share of QTerminals profit

	2019	2020	2021
<b>Operating Revenue</b>	<b>459</b>	<b>443</b>	<b>501</b>
Salaries, Wages and Other Benefits	(174)	(167)	(179)
Operating Supplies and Expenses	(336)	(326)	(355)
Rent Expenses	(22)	(21)	(20)
Depreciation and Amortisation	(15)	(15)	(12)
Provision of Impairment of Trade Receivables	(2)	(8)	(4)
Other Operating Expenses	(28)	(32)	(43)
Fleet & Technical Expense Allocation	145	135	159
Expense Allocation from Milaha Corporate	(53)	(59)	(58)
<b>Operating Expenses</b>	<b>(485)</b>	<b>(491)</b>	<b>(511)</b>
<b>Operating Profit</b>	<b>(26)</b>	<b>(49)</b>	<b>(10)</b>
<b>Non-Operating Income/(Expense)</b>	<b>91</b>	<b>95</b>	<b>80</b>
<b>Profit for the Period</b>	<b>65</b>	<b>46</b>	<b>70</b>



# Segment Performance – H1

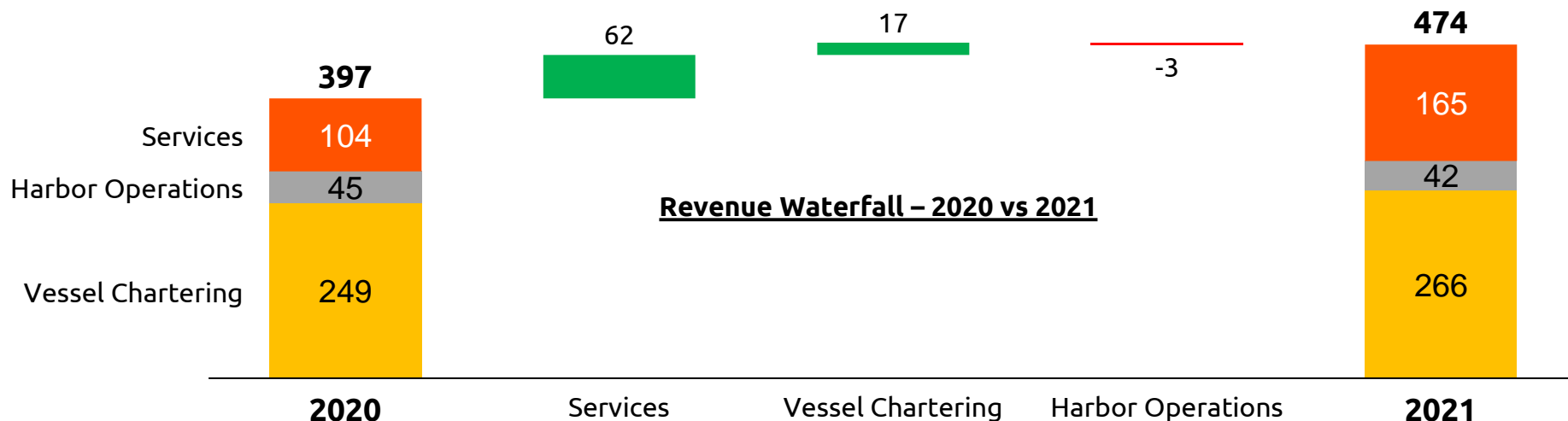
(All amounts in QR Millions)

## Offshore Marine

### 19% Increase in Revenue and 90% Increase in Bottom Line

- **Operating Revenue increased QR 77m**
  - Services revenue increased with addition of diving-related projects
  - Vessel chartering revenue increased as overall utilization improved
- **Operating Expenses are up QR (123)M**
  - (80)m Increase in Operating Supplies & Expenses explained by:
    - 1) Liftboat is without work and bearing costs without revenue
    - 2) Additional variable expenses tied to the increase in revenue
  - Other Operating Expenses include (16.4)m VAT provision recorded in Q2 2021; shouldn't recur
  - (27)m Increase in Fleet & Technical expenses due to the addition of 2 new vessels and increased COVID19 costs
- **Non-Operating Expenses decreased by QR 154M**
  - +149m in lower vessel impairments

	2019	2020	2021
<b>Operating Revenue</b>	<b>366</b>	<b>397</b>	<b>474</b>
Salaries, Wages and Other Benefits	(33)	(36)	(39)
Operating Supplies and Expenses	(60)	(40)	(120)
Rent Expenses	(2)	(1)	(2)
Depreciation and Amortisation	(89)	(105)	(101)
Provision of Impairment of Trade Receivables	(3)	(4)	(8)
Other Operating Expenses	(17)	(20)	(34)
Fleet & Technical Expense Allocation	(118)	(116)	(143)
Expense Allocation from Milaha Corporate	(8)	(10)	(9)
<b>Operating Expenses</b>	<b>(330)</b>	<b>(333)</b>	<b>(456)</b>
<b>Operating Profit</b>	<b>36</b>	<b>64</b>	<b>18</b>
<b>Non-Operating Income/(Expense)</b>	<b>(164)</b>	<b>(184)</b>	<b>(30)</b>
<b>Profit for the Period</b>	<b>(128)</b>	<b>(121)</b>	<b>(12)</b>





# Segment Performance – H1

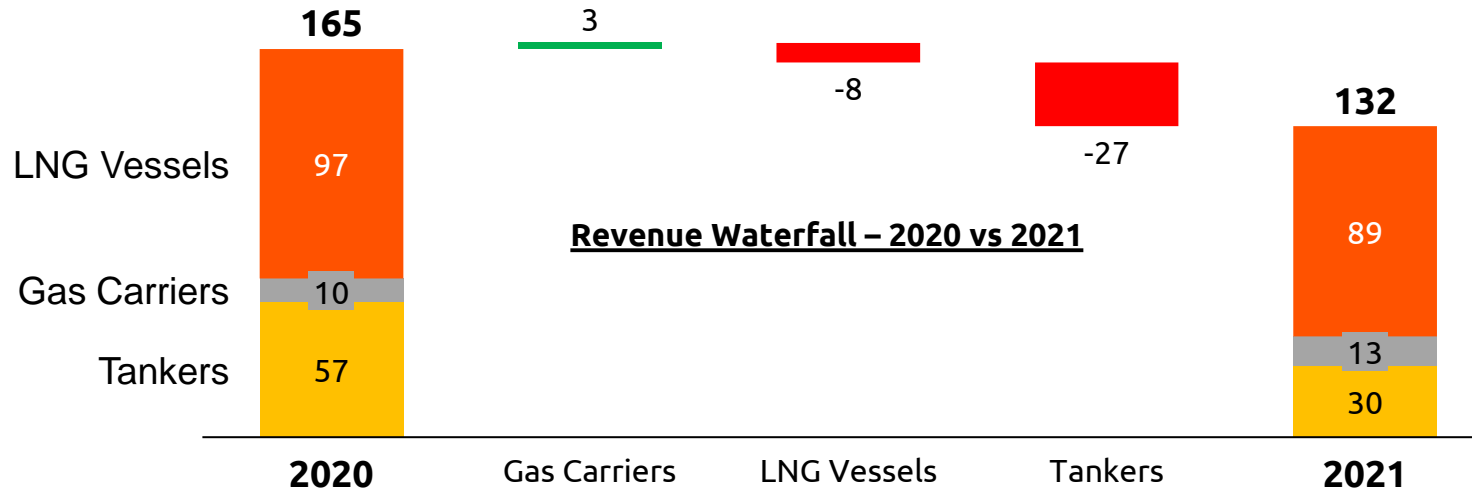
(All amounts in QR Millions)

## Gas & Petrochem

### 20% Decrease in Revenue and 13% Decrease in Net Profit

- **Operating Revenue decreased by QR (33)m**
  - Tankers decreased by (27)m due plummeting shipping rates
  - LNG Vessels are down (8)m due to extended drydocking of 1 vessel earlier this year
  - Gas Carrier is up +3m due to higher time charter rate effective Jun 2020
- **Operating Expenses are up QR (19)M**
  - (20)m increased bunker & port charges because tankers were previously in pool and these expenses were netted out in revenue; this year tankers are on spot market so we bore full expenses. This is effectively a byproduct of lower shipping rates.
- **Non-Operating Income up QR 13M**
  - 20m in higher Associate income (mainly from Nakilat)
  - (3)m lower JV income (mainly from VLGC Gulf LPG JV)
  - (4)m loss on sale of 2 tankers in Q2 2021

	2019	2020	2021
<b>Operating Revenue</b>	<b>143</b>	<b>165</b>	<b>132</b>
Salaries, Wages and Other Benefits	(13)	(14)	(12)
Operating Supplies and Expenses	(9)	(7)	(25)
Rent Expenses	0	(0)	(0)
Depreciation and Amortisation	(43)	(35)	(35)
Other Operating Expenses	(12)	(8)	(9)
Fleet & Technical Expense Allocation	(28)	(18)	(17)
Expense Allocation from Milaha Corporate	(6)	(6)	(9)
<b>Operating Expenses</b>	<b>(110)</b>	<b>(87)</b>	<b>(106)</b>
<b>Operating Profit</b>	<b>33</b>	<b>78</b>	<b>25</b>
<b>Non-Operating Income/(Expense)</b>	<b>149</b>	<b>221</b>	<b>234</b>
<b>Profit for the Period</b>	<b>182</b>	<b>299</b>	<b>259</b>



# Segment Performance – H1

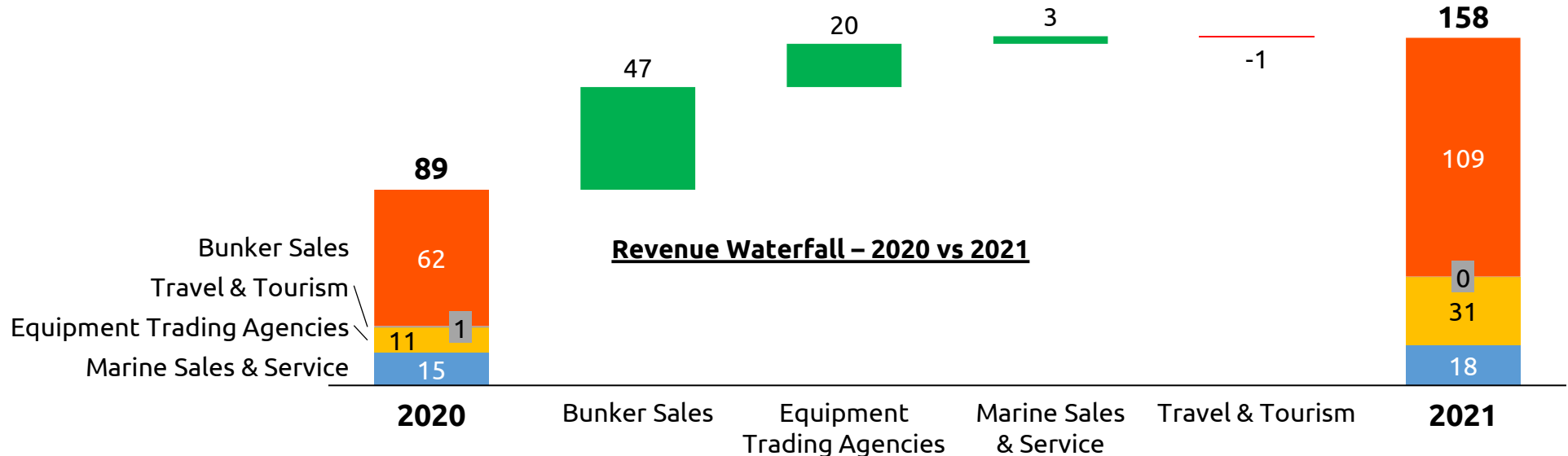
(All amounts in QR Millions)

Trading

## 78% Increase in Revenue and 41% Increase in bottom line

- Increased sales in all units led to +2m decrease in net loss
- Travel & Tourism unit shutdown so slight drop in revenue

	2019	2020	2021
<b>Operating Revenue</b>	<b>140</b>	<b>89</b>	<b>158</b>
Salaries, Wages and Other Benefits	(8)	(6)	(6)
Operating Supplies and Expenses	(135)	(78)	(146)
Rent Expenses	(1)	(1)	(1)
Depreciation and Amortisation	(0)	(1)	(1)
Provision of Impairment of Trade Receivables	(2)	(1)	0
Other Operating Expenses	6	(1)	(2)
Expense Allocation from Milaha Corporate	(6)	(7)	(6)
<b>Operating Expenses</b>	<b>(146)</b>	<b>(95)</b>	<b>(162)</b>
<b>Operating Profit</b>	<b>(6)</b>	<b>(6)</b>	<b>(4)</b>
<b>Non-Operating Income/(Expense)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Profit for the Period</b>	<b>(6)</b>	<b>(6)</b>	<b>(3)</b>



# Segment Performance – H1

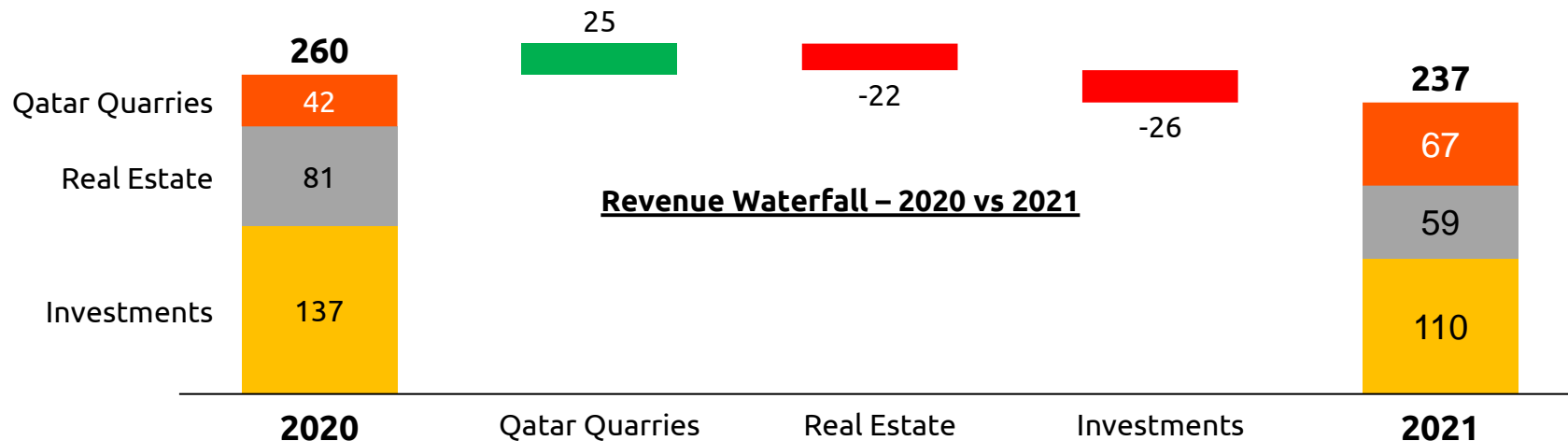
(All amounts in QR Millions)

Capital

## 9% Decrease in Revenue and 53% Increase in Net Profit

- **QR (23)M decrease in Revenue:**
  - +25m increase in Qatar Quarries gabbro sales
  - (22)m decrease in Real Estate rental income
  - +12m higher bond/other income
  - +10m elimination of loss of HFT returns recorded in 2020
  - (48)m decrease in dividend income
- **Operating Expenses are up QR (30)m**
  - (22)m increase in Operating Supplies and Expenses due to increase in Qatar Quarries Cost of Goods Sold
- **Non-Operating Income up QR 96M**
  - (73)m lower Gain on Sale of Real Estate properties sold in 2020
  - +163m lower impairment on property recorded in 2020

	2019	2020	2021
<b>Operating Revenue</b>	<b>308</b>	<b>260</b>	<b>237</b>
Salaries, Wages and Other Benefits	(3)	(4)	(6)
Operating Supplies and Expenses	(65)	(49)	(71)
Rent Expenses	(1)	(1)	(1)
Depreciation and Amortisation	(33)	(31)	(33)
Provision of Impairment of Trade Receivables	0	(0)	0
Other Operating Expenses	(4)	(2)	(3)
Expense Allocation from Milaha Corporate	(7)	(7)	(9)
<b>Operating Expenses</b>	<b>(112)</b>	<b>(93)</b>	<b>(123)</b>
<b>Operating Profit</b>	<b>196</b>	<b>167</b>	<b>114</b>
<b>Non-Operating Income/(Expense)</b>	<b>6</b>	<b>(85)</b>	<b>11</b>
<b>Profit for the Period</b>	<b>202</b>	<b>82</b>	<b>125</b>
Non-controlling interest	0	(1)	(1)
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>202</b>	<b>81</b>	<b>124</b>



### ➤ **QTerminals**

- Expect volume stability/increase at Hamad port; COVID19 related expenses still weighing down results

### ➤ **Container Shipping**

- Network optimization efforts are paying off with reduced costs and improved margins
- Strong shipping rates witnessed thus far this year to come down once global supply chains rebalance post COVID19.

### ➤ **Logistics**

- Utilization expected to increase in Milaha Logistics City warehouses
- Freight forwarding volumes expected to increase
- Onsite client project work has picked up and are cautiously optimistic going forward

### ➤ Offshore Support Vessels

- Optimistic for the rest of year based on pipeline and projects under contract
- Vessel offhires due to COVID19 have been sporadic and relatively minimal but are difficult to predict going forward

### ➤ Harbor Operations

- Expect stable revenue throughout the year

### ➤ **Jointly & Fully owned LNG carriers**

- Fairly stable earnings due to long term fixed nature of contracts

### ➤ **2 Fully-owned product tankers + 1 crude carrier**

- 2 tankers have been sold. Last remaining tanker trading on spot and exposed to market volatility; will be going through an FSO conversion process in Q4

### ➤ **1 Fully-owned gas / ammonia carrier**

- Vessel on long term time charter for 2 years beginning from Jun 2020; expect stable earnings

### ➤ **Results from Associates**

- Expect stable growth from Nakilat share

### ➤ **Gulf LPG VLGC Joint Venture**

- Charter rates extremely volatile and outlook unpredictable

- Cautiously optimistic based on sales pipeline

### ➤ **Limited Investments volatility**

- Held for Trading Portfolio liquidated

### ➤ **Stable/upside results expected for Real Estate holdings**

- Real Estate income expected to remain stable with H1 run rate, except for upside revenue in the new villa compound where a tenancy contract has been signed with effective date in Q3 2021