

Qatar Navigation Q.P.S.C.

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS**

30 SEPTEMBER 2023

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the nine-month period ended 30 September 2023

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Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
For the nine-month period ended 30 September 2023

	<i>Notes</i>	<i>For the nine-month period ended 30 September</i>	
		<i>2023</i>	<i>2022</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
Operating revenues	4	2,227,381	2,562,832
Salaries, wages and other benefits		(469,263)	(471,896)
Operating supplies and expenses		(964,197)	(1,237,261)
Rent expenses		(7,898)	(5,539)
Depreciation and amortisation		(289,436)	(271,979)
Reversal of/(Provision for) impairment of receivables		2,867	(25,405)
Other operating expenses		(95,777)	(126,774)
OPERATING PROFIT BEFORE IMPAIRMENT		403,677	423,978
Impairment of property, vessels and equipment		-	(85,522)
Finance costs		(39,197)	(43,617)
Finance income		14,155	10,879
Net gain on disposal of property, vessels and equipment		5,787	20,828
Share of results of associates		395,711	403,109
Share of results of joint ventures		96,672	122,317
Net (loss)/gain on foreign exchange		(141)	513
PROFIT BEFORE TAX		876,664	852,485
TAX FOR THE PERIOD		(7,388)	-
PROFIT AFTER TAX		869,276	852,485
<i>Attributable to:</i>			
Equity-holders of the Parent		869,737	850,611
Non-controlling interest		(461)	1,874
		869,276	852,485
BASIC AND DILUTED EARNINGS PER SHARE <i>(attributable to equity-holders of the Parent)</i> <i>(expressed in QR per share)</i>	14	0.77	0.75

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

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE
INCOME

For the nine-month period ended 30 September 2023

	<i>For the nine-month period ended</i>	
	<i>30 September</i>	
	<i>2023</i>	<i>2022</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Profit after tax	<u>869,276</u>	<u>852,485</u>
Other comprehensive income (OCI):		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net (loss)/gain on equity investments at fair value through OCI	(80,529)	89,654
Equity-accounted investees – share of OCI	4,333	3,402
	(76,196)	93,056
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net (loss)/gain resulting from cash flow hedges	(17,579)	61,504
Cash flow hedge movement for equity-accounted investees	96,983	627,723
	79,404	689,227
Total other comprehensive income	<u>3,208</u>	<u>782,283</u>
Total comprehensive income	<u>872,484</u>	<u>1,634,768</u>
<i>Attributable to:</i>		
Equity-holders of the Parent	<u>872,897</u>	<u>1,632,775</u>
Non-controlling interest	<u>(413)</u>	<u>1,993</u>
	<u>872,484</u>	<u>1,634,768</u>

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

Qatar Navigation Q.P.S.C.
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL
POSITION**
At 30 September 2023

		30 September 2023 (Unaudited) <i>Notes</i> QR'000	31 December 2022 (Audited) QR'000
ASSETS			
Non-current assets			
Property, vessels and equipment	5	2,777,341	2,841,223
Investment properties	6	861,300	884,419
Intangible assets		13,551	15,625
Right-of-use assets		136,783	209,590
Investments in joint ventures		1,015,659	1,024,826
Investments in associates		7,782,410	7,548,209
Financial assets at FVOCI		2,434,182	2,566,504
Loans granted to LNG companies		102,230	102,297
Other assets		12	138
		15,123,468	15,192,831
Current assets			
Inventories		97,160	114,945
Trade and other receivables		983,728	1,036,187
Equity instruments at FVTPL		501,362	501,750
Investments in term deposits	7	1,513,207	1,237,442
Cash and cash equivalents		230,613	230,052
		3,326,070	3,120,376
TOTAL ASSETS		18,449,538	18,313,207
EQUITY AND LIABILITIES			
Attributable to equity-holders of the Parent			
Share capital	9	1,136,165	1,136,165
Legal reserve		4,693,986	4,693,986
General reserve		623,542	623,542
Fair value reserve		2,344,071	2,472,074
Hedging reserve		1,073,038	993,634
Retained earnings		6,646,007	6,122,169
Equity attributable to equity-holders of the Parent		16,516,809	16,041,570
Non-controlling interest		41,782	42,195
Total equity		16,558,591	16,083,765

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

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

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL
POSITION (CONTINUED)
At 30 September 2023

	<i>30 September 2023 (Unaudited) QR'000</i>	<i>31 December 2022 (Audited) QR'000</i>
EQUITY AND LIABILITIES (CONTINUED)		
Liabilities		
Non-current liabilities		
Loans and borrowings	248,670	299,351
Advance from a customer	76,814	82,861
Lease liabilities	62,599	139,469
Provision for employees' end of service benefits	<u>115,857</u>	<u>115,049</u>
	<u>503,940</u>	<u>636,730</u>
Current liabilities		
Trade and other payables	614,899	754,502
Loans and borrowings	686,590	756,996
Lease liabilities	<u>85,518</u>	<u>81,214</u>
	<u>1,387,007</u>	<u>1,592,712</u>
Total liabilities	<u>1,890,947</u>	<u>2,229,442</u>
TOTAL EQUITY AND LIABILITIES	<u>18,449,538</u>	<u>18,313,207</u>

The Group's condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 18 October 2023 and signed on its behalf by the following:



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



.....
Mohammed Abdulla Swidan
Interim Group 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 INTERIM STATEMENT OF CASH FLOWS
For the nine-month period ended 30 September 2023

	<i>For the nine-month period ended 30</i>	
	<i>September</i>	
	<i>2023</i>	<i>2022</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	876,664	852,485
Adjustment for:		
Depreciation of property, vessels and equipment	185,968	176,637
Depreciation of investment property	37,389	32,233
Amortisation of intangible assets	3,170	7,036
Depreciation of right-of-use assets	62,909	56,073
Net gain on disposal of property, vessels and equipment	(5,787)	(20,828)
Share of results of associates	(395,711)	(403,109)
Share of results of joint ventures	(96,672)	(122,317)
Provision for employees' end of service benefits	10,489	9,997
Dividend income	(114,692)	(129,430)
Net fair value loss on equity instruments at FVTPL	388	2,548
Impairment of property, vessels and equipment	-	85,522
(Reversal of) / Provision for impairment of receivables	(2,867)	25,405
Finance cost	39,197	43,617
Finance income	(14,155)	(10,879)
Operating profit before working capital changes:	586,290	604,990
<i>Changes in:</i>		
Inventories	17,785	(12,376)
Trade and other receivables	37,940	(158,656)
Trade and other payables	(160,509)	(55,461)
Cash flows from operating activities	481,506	378,497
Employees' end of service benefits paid	(9,681)	(6,463)
Net cash flows generated from operating activities	471,825	372,034
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, vessels and equipment	(134,815)	(173,332)
Dividend income	114,692	129,430
Finance income	14,155	10,879
Proceeds from disposal of property, vessels and equipment	18,217	69,295
Purchase of investment properties	(14,270)	(133,197)
Additions to intangible assets	(837)	(1,245)
Proceeds from disposal of intangible assets	44	-
Investments in financial assets at FVOCI	(51,076)	(123,474)
Net movement in investment in term deposits	(275,765)	(905,426)
Proceeds from disposal of financial assets at FVOCI	111,099	1,135,000
Dividends received from joint ventures	105,839	124,090
Dividends received from associates	262,332	242,315
Net cash flows generated from investing activities	149,615	374,335

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

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(CONTINUED)

For the nine-month period ended 30 September 2023

	<i>Notes</i>	<i>For the nine-month period ended</i>	
		<i>30 September</i>	
		<i>2023</i>	<i>2022</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to the Company's shareholders	11	(397,658)	(340,849)
Dividends paid to Non-controlling interests		-	(1,250)
Finance costs paid		(39,197)	(43,617)
Payment of lease liabilities		(62,937)	(61,065)
Net movement in loans and borrowings		(121,087)	(300,334)
Net cash flows used in financing activities		(620,879)	(747,115)
Net increase (decrease) in cash and cash equivalents		561	(746)
Cash and cash equivalents at the beginning of the period		230,052	304,786
Cash and cash equivalents at the end of period	8	230,613	304,040

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

Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine-month period ended 30 September 2023

	<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>Total</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 as at 31 December 2022 (Audited)	1,136,165	-	4,693,986	623,542	2,472,074	993,634	6,122,169	16,041,570	42,195	16,083,765
Profit for the period	-	-	-	-	-	-	869,737	869,737	(461)	869,276
Other comprehensive income	-	-	-	-	(76,244)	79,404	-	3,160	48	3,208
Total comprehensive income	-	-	-	-	(76,244)	79,404	869,737	872,897	(413)	872,484
<i>Transactions with owners of the Group:</i>										
Dividends paid (Note 11)	-	-	-	-	-	-	(397,658)	(397,658)	-	(397,658)
Transfer of reserves on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	(51,759)	-	51,759	-	-	-
At 30 September 2023	1,136,165	-	4,693,986	623,542	2,344,071	1,073,038	6,646,007	16,516,809	41,782	16,558,591
	<i>Attributable to the equity-holders of the Parent</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>Total</i>	<i>Non-controlling interest</i>	<i>Total</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>	<i>QR'000</i>
Balance as at 31 December 2021 (Audited)	1,145,252	(73,516)	4,693,986	623,542	3,407,966	278,644	4,643,702	14,719,576	40,089	14,759,665
Profit for the period	-	-	-	-	-	-	850,611	850,611	1,874	852,485
Other comprehensive income	-	-	-	-	92,937	689,227	-	782,164	119	782,283
Total comprehensive income	-	-	-	-	92,937	689,227	850,611	1,632,775	1,993	1,634,768
<i>Transactions with owners of the Group:</i>										
Dividends paid	-	-	-	-	-	-	(340,849)	(340,849)	(1,250)	(342,099)
Transfer of reserves on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	(897,658)	-	897,658	-	-	-
Cancellation of treasury shares (Note 10)	(9,087)	73,516	-	-	-	-	(64,429)	-	-	-
At 30 September 2022	1,136,165	-	4,693,986	623,542	2,603,245	967,871	5,986,693	16,011,502	40,832	16,052,334

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 2023

1. REPORTING ENTITY

Qatar Navigation Q.P.S.C. (the “Company” or the “Parent”) was incorporated in accordance with the provisions of the Qatar Commercial Companies Law No. 11 of 2015 (and all its amendments) as a Qatari Public Shareholding Company, and it is registered at the Ministry of Commerce and Industry of the State of Qatar with the Commercial Registration number 1 dated 5 July 1957. The registered office of the Company is located at Street No. 523, Zone 56, Umm Al Saneem Area, East Industrial Road, 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” and individually as the “Group entities”) and the Group’s interests in equity-accounted investees.

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, 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 2022 (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 18 October 2023.

2. BASIS OF CONSOLIDATION

2.1 Basis of preparation

The condensed consolidated interim financial statements as at and for the nine months ended 30 September 2023 have been prepared in accordance with IAS 34 *Interim Financial reporting* and are prepared in Qatari Riyals (“QR”), which is the Group’s functional and presentation currency, and all values are rounded to the nearest thousands (QR’000) except otherwise indicated.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements as at 31 December 2022. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The results for the nine-month period ended 30 September 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

These condensed consolidated interim financial statements have been prepared on the historical cost convention except for certain financial instruments that are measured at revalued amounts or fair value at the end of each reporting period.

The significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty and Group’s financial risk management objectives and policies were the same as those that applied to the consolidated financial statements for the year ended 31 December 2022 (except the changes mentioned in Note 2.2).

2.2 New standards, interpretations and amendments adopted by the Group

New and amended standards adopted by the Group

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. BASIS OF CONSOLIDATION (CONTINUED)

2.2 New standards, interpretations and amendments adopted by the Group (continued)

Impact of new standards (issued but not yet adopted by the Group)

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and have not been adopted by the Group. The management of the Group is in the process of assessing the impact of these new standards, interpretation and amendments which will be adopted in the Group's consolidated financial statements as and when they are applicable.

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 for the year ended 31 December 2022.

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 identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities 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.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The Group has considered potential impacts of the current economic volatility in determination of the reported amounts of the financial and non-financial assets and these are considered to represent management's best assessment based on observable information. Markets, however, remain volatile and the recorded amounts remain sensitive to market fluctuations.

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 2023

4. OPERATING REVENUES

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

	<i>Nine-month period ended 30 September</i>	
	<i>2023</i>	<i>2022</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Milaha Capital	327,513	389,718
Milaha Maritime and Logistics	612,786	995,116
Milaha Offshore	1,013,464	908,623
Milaha Trading	94,159	109,495
Milaha Gas and Petrochem	179,459	159,880
	<u>2,227,381</u>	<u>2,562,832</u>

5. PROPERTY, VESSELS AND EQUIPMENT

	<i>30 September 2023</i>	<i>31 December 2022</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value, beginning balance	2,841,223	3,005,027
Additions	134,815	226,358
Disposals and write off	(12,430)	(48,471)
Other transfers and reclassifications	(299)	(5,825)
Impairment of property, vessels and equipment	-	(98,243)
Depreciation charge for the period/year	(185,968)	(237,623)
Net book value, ending balance	<u>2,777,341</u>	<u>2,841,223</u>

6. INVESTMENT PROPERTIES

	<i>30 September 2023</i>	<i>31 December 2022</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value, beginning balance	884,419	782,354
Additions	14,270	140,927
Depreciation charge for the period/year	(37,389)	(44,177)
Other transfers and reclassifications	-	5,315
Net book value, ending balance	<u>861,300</u>	<u>884,419</u>

7. INVESTMENTS IN TERM DEPOSITS

	<i>30 September 2023</i>	<i>31 December 2022</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Term deposits with banks	1,522,575	1,237,442
Less: Term deposits maturing before 90 days	(9,368)	-
Term deposits maturing after 90 days (i)	<u>1,513,207</u>	<u>1,237,442</u>

Note:

(i) Short-term deposits earn interests at market rates.

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 2023

8. CASH AND CASH EQUIVALENTS

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

	<i>30 September 2023 (Unaudited) QR'000</i>	<i>30 September 2022 (Unaudited) QR'000</i>
Cash in hand	4,020	5,046
Bank balance – term deposits (i)	9,368	112,767
Bank balance – current accounts	<u>217,225</u>	<u>186,227</u>
Cash and cash equivalents in the condensed consolidated interim statement of cash flows	<u>230,613</u>	<u>304,040</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.

9. SHARE CAPITAL

	<i>Number of shares (‘000’)</i>	<i>QR'000</i>
<i>Authorised, issued and fully paid shares</i>		
At 30 September 2023 and 31 December 2022	<u>1,136,165</u>	<u>1,136,165</u>
All shares have equal rights.		

10. TREASURY SHARES

During the comparative period, following the extraordinary General Meeting held on 8 November 2021, approving the cancellation of the outstanding treasury shares and receiving subsequent approvals from the QFMA on the 9th of January 2022, treasury shares amounting to 9,087,250 was cancelled. This resulted in the reduction in the share capital amounting to QR 9,087,250 with the corresponding adjustment affecting the fair value of treasury shares and the retained earnings in the comparative period.

11. DIVIDENDS

Dividend proposed and paid for the year 2022

The Board of Directors have proposed a 35% cash dividend of QR 0.35 per share totaling QR 398 million for the year 2022 and was approved by the equity holders at the Annual General Assembly.

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 2023

12. CONTINGENT LIABILITIES

As at 30 September 2023 and 31 December 2022, 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 2023 (Unaudited) QR'000</i>	<i>31 December 2022 (Audited) QR'000</i>
Letters of guarantees	1,039,785	1,014,687
Letters of credits	<u>4,730</u>	<u>303</u>
	<u><u>1,044,515</u></u>	<u><u>1,014,990</u></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 2023 and 2022, as well as balances with related parties as at 30 September 2023 and 31 December 2022:

Related party transactions

	<i>Nine-month period ended 30 September</i>			
	<i>2023</i>		<i>2022</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>2,485</u>	<u>472</u>	<u>2,142</u>	<u>649</u>

Related party balances

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

	<i>30 September 2023</i>		<i>31 December 2022</i>	
	<i>Trade receivables (Unaudited) QR'000</i>	<i>Trade payables (Unaudited) QR'000</i>	<i>Trade receivables (Audited) QR'000</i>	<i>Trade payables (Audited) QR'000</i>
Joint ventures	285	2,997	-	10,339
Associates	3,462	112	3,262	105
Directors	<u>354</u>	<u>155</u>	<u>267</u>	<u>244</u>
	<u><u>4,101</u></u>	<u><u>3,264</u></u>	<u><u>3,529</u></u>	<u><u>10,688</u></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>	
	2023	2022
	<i>(Unaudited)</i>	
	<u>QR'000</u>	<u>QR'000</u>
Salaries and allowances	8,547	8,392
Provision for employees' end of service benefits	1,072	580
Board of Directors' remuneration – cash	<u>10,462</u>	<u>10,463</u>
	<u>20,081</u>	<u>19,435</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>	
	2023	2022
	<i>(Unaudited)</i>	
	<u>QR'000</u>	<u>QR'000</u>
Net profit for the nine-month period attributable to equity holders of the Parent (QR'000)	<u>869,737</u>	<u>850,611</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>0.77</u>	<u>0.75</u>

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

	<i>Nine-month period ended 30 September</i>	
	2023	2022
	<i>(Unaudited)</i>	
	<u>QR'000</u>	<u>QR'000</u>
Total number of shares outstanding	1,136,165	1,145,252
Adjustment for weighted average shares with respect to treasury shares purchased during year 2013 (Note 10)	<u>-</u>	<u>(9,087)</u>
Weighted average numbers of shares during the period	<u>1,136,165</u>	<u>1,136,165</u>

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 like freight forwarding and warehousing, container feeder shipping, Container liner services, 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, jack up barge 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 Gas and Petrochem owns, manages and operates a fleet of LPG and LNG carriers and an FSO Unit (Floating Storage and Offloading) 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.
- 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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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine-month period ended 30 September 2023

15. SEGMENT INFORMATION (CONTINUED)

Nine-month period ended 30 September 2023 (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	356,762	717,020	1,013,463	187,510	179,459	-	2,454,214	(226,833)	2,227,381
Salaries, wages and other benefits	(15,554)	(247,960)	(73,857)	(13,097)	(21,582)	(97,213)	(469,263)	-	(469,263)
Operating supplies and expenses	(78,721)	(550,957)	(350,005)	(158,071)	(11,927)	(9,298)	(1,158,979)	194,782	(964,197)
Rent expenses	(2,227)	(26,282)	(831)	(1,802)	(88)	(5,716)	(36,946)	29,048	(7,898)
Depreciation and amortisation (Provision for) / Reversal of impairment of receivables	(53,342) (872)	(26,853) 5,695	(168,872) (2,866)	(1,396) (1,268)	(37,207) 2,178	(1,766) -	(289,436) 2,867	-	(289,436) 2,867
Other operating expenses	(67)	(61,847)	(9,516)	(2,614)	(8,404)	(16,332)	(98,780)	3,003	(95,777)
Allocations relating to fleet and technical services	-	219,018	(218,910)	-	(108)	-	-	-	-
Allocations relating to Milaha Corporate	(13,415)	(83,718)	(16,117)	(9,248)	(7,763)	130,261	-	-	-
OPERATING PROFIT (LOSS)	192,564	(55,884)	172,489	14	94,558	(64)	403,677	-	403,677
Finance costs	(641)	(5,827)	(23,100)	-	(21,276)	-	(50,844)	11,647	(39,197)
Finance income	7,430	-	5,079	113	13,159	21	25,802	(11,647)	14,155
Net gain on disposal of property, vessels and equipment	1	221	5,504	18	-	43	5,787	-	5,787
Share of results of associates	1,142	667	-	-	393,902	-	395,711	-	395,711
Share of results of joint ventures	-	70,726	-	-	25,946	-	96,672	-	96,672
Net (loss)/gain on foreign exchange	(68)	(108)	114	(78)	(1)	-	(141)	-	(141)
PROFIT BEFORE TAX	200,428	9,795	160,086	67	506,288	-	876,664	-	876,664
TAX FOR THE PERIOD	-	(413)	(6,975)	-	-	-	(7,388)	-	(7,388)
PROFIT AFTER TAX	200,428	9,382	153,111	67	506,288	-	869,276	-	869,276
<i>Attributable to:</i>									
Equity-holders of the Parent	200,889	9,382	153,111	67	506,288	-	869,737	-	869,737
Non-controlling interest	(461)	-	-	-	-	-	(461)	-	(461)
	200,428	9,382	153,111	67	506,288	-	869,276	-	869,276

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the nine-month period ended 30 September 2023

15. SEGMENT INFORMATION (CONTINUED)

Nine-month period ended 30 September 2022 (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	424,589	1,093,786	908,623	243,798	159,880	-	2,830,676	(267,844)	2,562,832
Salaries, wages and other benefits	(8,865)	(261,497)	(68,001)	(11,807)	(17,420)	(104,306)	(471,896)	-	(471,896)
Operating supplies and expenses	(170,177)	(702,427)	(339,539)	(222,840)	(22,053)	(9,398)	(1,466,434)	229,173	(1,237,261)
Rent expenses	(1,309)	(31,231)	(1,049)	(1,963)	(306)	(5,525)	(41,383)	35,844	(5,539)
Depreciation and amortisation	(51,067)	(20,717)	(157,442)	(1,039)	(40,304)	(1,410)	(271,979)	-	(271,979)
(Provision for) / Reversal of impairment of receivables	(15,819)	(9,427)	572	(731)	-	-	(25,405)	-	(25,405)
Other operating expenses	(8,858)	(56,035)	(29,697)	(2,227)	(10,395)	(22,389)	(129,601)	2,827	(126,774)
Allocations relating to fleet and technical services	-	221,299	(215,151)	-	(6,148)	-	-	-	-
Allocations relating to Milaha Corporate	(16,845)	(86,298)	(20,390)	(9,795)	(9,711)	143,039	-	-	-
OPERATING PROFIT (LOSS) BEFORE IMPAIRMENT	151,649	147,453	77,926	(6,604)	53,543	11	423,978	-	423,978
Impairment of property, vessels and equipment	(85,522)	-	-	-	-	-	(85,522)	-	(85,522)
Finance costs	(2,399)	(4,366)	(24,683)	-	(27,088)	-	(58,536)	14,919	(43,617)
Finance income	6,818	-	3,150	176	15,626	28	25,798	(14,919)	10,879
Net gain on disposal of property, vessels and equipment	-	812	8,478	8	11,530	-	20,828	-	20,828
Share of results of associates	(1,181)	1,653	-	-	402,637	-	403,109	-	403,109
Share of results of joint ventures	-	109,699	-	-	12,618	-	122,317	-	122,317
Net gain/(loss) on foreign exchange	246	(996)	1,190	97	15	(39)	513	-	513
PROFIT (LOSS) FOR THE PERIOD	69,611	254,255	66,061	(6,323)	468,881	-	852,485	-	852,485
<i>Attributable to:</i>									
Equity-holders of the Parent	67,737	254,255	66,061	(6,323)	468,881	-	850,611	-	850,611
Non-controlling interest	1,874	-	-	-	-	-	1,874	-	1,874
	69,611	254,255	66,061	(6,323)	468,881	-	852,485	-	852,485

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.