

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

30 JUNE 2024

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the six-month period ended 30 June 2024

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Independent auditors' report on review of condensed consolidated interim financial statements

To the Shareholders of Qatar Navigation Q.P.S.C.

Introduction

We have reviewed the accompanying 30 June 2024 condensed consolidated interim financial statements of Qatar Navigation Q.P.S.C. (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated interim statement of profit or loss for the six-month period ended 30 June 2024;
- the condensed consolidated interim statement of comprehensive income for the six-month period ended 30 June 2024;
- the condensed consolidated interim statement of financial position as at 30 June 2024;
- the condensed consolidated interim statement of changes in equity for the six-month period ended 30 June 2024;
- the condensed consolidated interim statement of cash flows for the six-month period ended 30 June 2024; and
- notes to the condensed consolidated interim financial statements.

The Board of Directors of the Group is responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independent auditors' report on review of condensed consolidated interim financial statements (continued)

Qatar Navigation Q.P.S.C.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2024 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

Other matter

The condensed consolidated interim financial statements as at and for the six months period ended 30 June 2023 were reviewed and the consolidated financial statements as at and for the year ended 31 December 2023 were audited, by another auditor whose reports dated 6 August 2023 and 5 February 2024 respectively expressed an unmodified review conclusion and unqualified audit opinion thereon.

12 August 2024
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditors Registry Number 251
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Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

For the six-month period ended 30 June 2024

	Notes	For the six-month period ended 30 June	
		2024	2023
		(Reviewed)	
		QR'000	QR'000
Operating revenues	4	1,433,859	1,510,816
Salaries, wages and other benefits		(350,033)	(304,026)
Operating supplies and expenses		(509,446)	(615,305)
Rent expenses		(3,502)	(5,104)
Depreciation and amortization		(199,656)	(191,672)
Reversal of impairment of receivables		14,458	2,555
Other operating expenses		(69,200)	(53,606)
OPERATING PROFIT		316,480	343,658
Finance costs		(15,189)	(27,000)
Finance income		6,711	9,296
Net gain on disposal of property, vessels and equipment		8,543	4,278
Share of results of associates		297,038	248,340
Share of results of joint ventures		21,084	69,060
Net (loss)/gain on foreign exchange		(195)	223
PROFIT BEFORE TAX		634,472	647,855
Tax expense		(7,400)	-
PROFIT FOR THE PERIOD		627,072	647,855
<i>Attributable to:</i>			
Equity holders of the Parent		628,348	647,667
Non-controlling interest		(1,276)	188
		627,072	647,855
BASIC AND DILUTED EARNINGS PER SHARE			
<i>(attributable to equity holders of the Parent)</i>			
<i>(expressed in QR per share)</i>	14	0.55	0.57



Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.
The attached notes from 1 to 17 form an integral part of these condensed consolidated interim financial statements.

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

For the six-month period ended 30 June 2024

	<i>For the six-month period ended 30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Profit for the period	<u>627,072</u>	<u>647,855</u>
Other comprehensive income (OCI):		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net loss on financial assets at FVOCI	(281,814)	(107,924)
Translation reserve movement for equity-accounted investee	6,697	-
Equity-accounted investees – share of OCI	(1,777)	(5,809)
	<u>(276,894)</u>	<u>(113,733)</u>
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net loss resulting from cash flow hedges	(1,857)	(4,708)
Cash flow hedge movement for equity-accounted investees	21,640	32,745
	<u>19,783</u>	<u>28,037</u>
Total	<u>(257,111)</u>	<u>(85,696)</u>
Total comprehensive income for the period	<u><u>369,961</u></u>	<u><u>562,159</u></u>
<i>Attributable to:</i>		
Equity holders of the Parent	371,543	561,935
Non-controlling interests	(1,582)	224
	<u>369,961</u>	<u>562,159</u>



Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.
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Qatar Navigation Q.P.S.C.
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL
POSITION**
At 30 June 2024

		30 June 2024 (Reviewed) QR'000	31 December 2023 (Audited) QR'000
ASSETS			
Non-current assets			
Property, vessels and equipment	5	2,953,437	2,775,797
Investment properties	6	837,452	856,183
Intangible assets		11,836	13,274
Right-of-use assets		78,173	115,087
Investments in joint ventures		1,018,069	1,022,138
Investments in associates		7,854,594	7,819,081
Financial assets at FVOCI		2,722,339	2,913,590
Investments in deposits		365,000	-
Loans granted to LNG companies		78,272	89,558
Total Non-current assets		15,919,172	15,604,708
Current assets			
Inventories		73,357	92,005
Trade and other receivables		1,204,873	971,290
Equity instruments at FVTPL		499,501	500,850
Investments in term deposits	7	433,250	633,000
Cash and cash equivalents		234,406	414,411
Total Current assets		2,445,387	2,611,556
Total Assets		18,364,559	18,216,264
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		2,181,880	2,465,084
Hedging reserve		1,001,436	981,653
Translation reserve		6,697	-
Retained earnings		6,982,919	6,780,714
Equity attributable to equity holders of the Parent		16,626,625	16,681,144
Non-controlling interests		3,865	41,569
Total Equity		16,630,490	16,722,713

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



Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.
The attached notes from 1 to 17 form an integral part of these condensed consolidated interim financial statements.

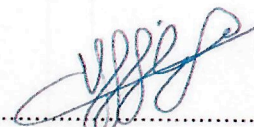
Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL
POSITION (CONTINUED)
At 30 June 2024

	30 June 2024 (Reviewed) QR'000	31 December 2023 (Audited) QR'000
EQUITY AND LIABILITIES (CONTINUED)		
Liabilities		
Non-current liabilities		
Loans and borrowings	355,875	63,875
Advance from a customer	70,912	74,710
Lease liabilities	37,523	46,862
Provision for employees' end of service benefits	<u>117,025</u>	<u>117,356</u>
Total Non-current liabilities	<u>581,335</u>	<u>302,803</u>
Current liabilities		
Trade and other payables	775,616	692,481
Loans and borrowings	329,538	418,286
Lease liabilities	<u>47,580</u>	<u>79,981</u>
Total Current liabilities	<u>1,152,734</u>	<u>1,190,748</u>
Total Liabilities	<u>1,734,069</u>	<u>1,493,551</u>
TOTAL EQUITY AND LIABILITIES	<u>18,364,559</u>	<u>18,216,264</u>

On 12 August 2024, the Group's Board of Directors authorised these condensed consolidated interim financial statements for issue, which were signed on its behalf by the following:



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



.....
Fahad Saad Al-Qahtani
Group Chief Executive Officer



Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.
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Qatar Navigation Q.P.S.C.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six-month period ended 30 June 2024

	Attributable to the equity holders of the Parent							Total QR'000	Non- controlling interest QR'000	Total QR'000
	Share capital QR'000	Legal reserve QR'000	General reserve QR'000	Fair value reserve QR'000	Hedging reserve QR'000	Translation reserve QR'000	Retained earnings QR'000			
Balance at 31 December 2023 (Audited)	1,136,165	4,693,986	623,542	2,465,084	981,653	-	6,780,714	16,681,144	41,569	16,722,713
Profit (loss) for the period	-	-	-	-	-	-	628,348	628,348	(1,276)	627,072
Other comprehensive (loss) income	-	-	-	(283,285)	19,783	6,697	-	(256,805)	(306)	(257,111)
Total comprehensive (loss) income	-	-	-	(283,285)	19,783	6,697	628,348	371,543	(1,582)	369,961
<i>Transactions with owners of the Group:</i>										
Dividends paid (Note 10)	-	-	-	-	-	-	(426,062)	(426,062)	-	(426,062)
<i>Other equity movement:</i>										
Reclassification on disposal of FVOCI	-	-	-	81	-	-	(81)	-	-	-
Reduction of capital (i)	-	-	-	-	-	-	-	-	(36,122)	(36,122)
Balance at 30 June 2024 (Reviewed)	1,136,165	4,693,986	623,542	2,181,880	1,001,436	6,697	6,982,919	16,626,625	3,865	16,630,490

	Attributable to the equity holders of the Parent							Total QR'000	Non- controlling interest QR'000	Total QR'000
	Share capital QR'000	Legal reserve QR'000	General Reserve QR'000	Fair value reserve QR'000	Hedging reserve QR'000	Translation reserve QR'000	Retained earnings QR'000			
Balance 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	-	-	-	-	-	-	647,667	647,667	188	647,855
Other comprehensive (loss) income	-	-	-	(113,769)	28,037	-	-	(85,732)	36	(85,696)
Total comprehensive (loss) income	-	-	-	(113,769)	28,037	-	647,667	561,935	224	562,159
<i>Transactions with owners of the Group:</i>										
Dividends paid (Note 10)	-	-	-	-	-	-	(397,658)	(397,658)	-	(397,658)
<i>Other equity movement:</i>										
Reclassification on disposal of FVOCI	-	-	-	(51,759)	-	-	51,759	-	-	-
Balance at 30 June 2023 (Reviewed)	1,136,165	4,693,986	623,542	2,306,546	1,021,671	-	6,423,937	16,205,847	42,419	16,248,266

(i) During the period, Qatar Quarries and Building Materials Company P.Q.S.C., one of the subsidiaries of the Group have resolved to reduce the equity by way of repayments amounting to QR 36.12 million affecting the Groups' non-controlling interests.

Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.

The attached notes from 1 to 17 form an integral part of these condensed consolidated interim financial statements.



Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
For the six-month period ended 30 June 2024

	<i>For the six-month period ended 30</i>	
	<i>June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	634,472	647,855
Adjustments for:		
Depreciation of property, vessels and equipment	135,021	122,569
Depreciation of investment property	26,720	24,640
Amortisation of intangible assets	2,041	2,198
Depreciation of right-of-use assets	35,874	42,265
Net gain on disposal of property, vessels and equipment	(8,543)	(4,278)
Share of results of associates	(297,038)	(248,340)
Share of results of joint ventures	(21,084)	(69,060)
Provision for employees' end of service benefits	7,888	9,517
Dividend income	(106,664)	(105,675)
Net fair value loss (gain) on equity instruments at FVTPL	1,154	(108)
Reversal of impairment of receivables	(14,458)	(2,555)
Finance costs	15,189	27,000
Finance income	(6,711)	(9,296)
Operating profit before working capital changes:	403,861	436,732
<i>Changes in:</i>		
Inventories	18,648	19,656
Trade and other receivables	(209,501)	109,281
Trade and other payables	30,249	(184,021)
Cash flows from operating activities	243,257	381,648
Employees' end of service benefits paid	(3,984)	(8,759)
Net cash flows from operating activities	239,273	372,889
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, vessels and equipment	(402,510)	(108,248)
Purchases of investment property	(7,989)	(11,416)
Additions to intangible assets	(43)	(837)
Net movement of investments in term deposits	199,750	(219,015)
Investments in financial assets at FVOCI	(102,962)	(49,186)
Investments in deposits	(365,000)	-
Proceeds from disposal of property, vessels and equipment	97,830	16,277
Proceeds from disposal of intangible assets	3	19
Proceeds from disposal of financial assets at FVOCI	12,399	111,099
Dividends received from joint ventures	31,850	52,919
Dividends received from associates	281,395	262,764
Dividends received from investments	106,664	105,675
Finance income received	6,711	9,296
Net cash flows (used in) from investing activities	(141,902)	169,347

The condensed consolidated interim statement of cash flows continues on the next page.



Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.
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Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
(CONTINUED)

For the six-month period ended 30 June 2024

	<i>Notes</i>	<i>For the six-month period ended 30</i>	
		<i>June</i>	
		<i>2024</i>	<i>2023</i>
		<i>(Reviewed)</i>	
		<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to the Company's shareholders	10	(426,062)	(397,658)
Payment of lease liabilities		(39,451)	(42,802)
Loans and borrowings settled		(88,674)	(87,061)
Loans and borrowings utilised		292,000	-
Finance costs paid		(15,189)	(27,000)
Net cash flows used in financing activities		(277,376)	(554,521)
Net decrease in cash and cash equivalents		(180,005)	(12,285)
Cash and cash equivalents at beginning of period		414,411	230,052
Cash and cash equivalents at end of period	8	234,406	217,767



Report on review of condensed consolidated interim financial statements is set out on pages 1 and 2.
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Qatar Navigation Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2024

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 2023 (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 12 August 2024.

2. BASIS OF CONSOLIDATION

2.1 Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2024 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 last annual audited consolidated financial statements as at and for the year ended 31 December 2023. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

The results for the six-month period ended 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

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 as at and for the year ended 31 December 2023 (except the changes mentioned in Note 2.2).

2.2 New standards, interpretations and amendments

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 last annual audited consolidated financial statements as at and for the year ended 31 December 2023, except for the adoption of following new and revised standards effective as of 1 January 2024.

2. BASIS OF CONSOLIDATION (CONTINUED)**2.2 New standards, interpretations and amendments (continued)****New and amended standards adopted by the Group (continued)**

Effective date	New accounting standards or amendment
1 January 2024	<ul style="list-style-type: none"> • Non-current liabilities with Covenants & Classification of Liabilities as Current or Non-current – Amendments to IAS 1 • Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 • Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current periods.

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

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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 2023.

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 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.

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 six-month period ended 30 June 2024

4. OPERATING REVENUES

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

	<i>Six-month period ended 30</i>	
	<i>June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	
	<i>QR'000</i>	<i>QR'000</i>
<i>Disaggregation of revenue</i>		
Milaha Capital	225,677	245,971
Milaha Maritime and Logistics	324,122	365,280
Milaha Offshore	716,207	717,251
Milaha Trading	45,960	62,186
Milaha Gas and Petrochem	121,893	120,128
	<u>1,433,859</u>	<u>1,510,816</u>

5. PROPERTY, VESSELS AND EQUIPMENT

	<i>30 June</i>	<i>31 December</i>
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
At 1 January	2,775,797	2,841,223
Additions (i)	402,510	219,047
Disposals and write off (ii)	(89,287)	(10,754)
Transfers and reclassifications	(562)	(994)
Impairment of property, vessels and equipment	-	(19,666)
Depreciation charge for the period / year	<u>(135,021)</u>	<u>(253,059)</u>
At 30 June / 31 December	<u>2,953,437</u>	<u>2,775,797</u>

(i) During the current period, the Group has purchased two (2) vessels with a total book value of QR 271.24 million (31 December 2023: QR 45.88 million).

(ii) During the current period, the Group sold one (1) floating dock with a total net book value of QR 86.10 million and recognized a cumulative gain of QR 8.50 million.

6. INVESTMENT PROPERTIES

	<i>30 June</i>	<i>31 December</i>
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
At 1 January	856,183	884,419
Additions	7,989	22,865
Depreciation charge for the period / year	<u>(26,720)</u>	<u>(51,101)</u>
At 30 June / 31 December	<u>837,452</u>	<u>856,183</u>

Qatar Navigation Q.P.S.C.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2024

7. INVESTMENTS IN TERM DEPOSITS

	30 June 2024 (Reviewed) QR'000	31 December 2023 (Audited) QR'000
Term deposits with banks	508,851	679,355
Less: Term deposits maturing before 90 days	<u>(75,601)</u>	<u>(46,355)</u>
Term deposits maturing after 90 days (i)	<u>433,250</u>	<u>633,000</u>

(i) Investments in term deposits earn interests at market rates.

(ii) Term deposits are assessed to have low credit risk of default since these banks are highly regulated by the central bank of Qatar. Accordingly, the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the Group has assessed the ECL to be immaterial.

8. CASH AND CASH EQUIVALENTS

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

	30 June 2024 (Reviewed) QR'000	30 June 2023 (Reviewed) QR'000
Cash in hand	3,216	4,629
Bank balance – term deposits (i)	75,601	9,233
Bank balance	<u>155,589</u>	<u>203,905</u>
Cash and cash equivalents in the condensed consolidated interim statement of cash flows	<u>234,406</u>	<u>217,767</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.

(ii) Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank of Qatar. Accordingly, the Group estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings of the bank, the Group has assessed the ECL to be immaterial.

9. SHARE CAPITAL

	Number of shares (‘000’)	QR'000
<i>Authorised, issued and fully paid shares</i>		
At 30 June 2024 and 31 December 2023		
shares with nominal value of QR 1 each (i)	<u>1,136,165</u>	<u>1,136,165</u>

(i) All shares have equal rights.

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10. DIVIDENDS

Dividend proposed and paid for the year 2023

The Board of Directors had proposed a 37.5% (2023: 35%) cash dividend of QR 0.375 (2023: QR 0.35) per share totaling QR 426 million for the year 2023 (2023: QR 398 million for the year 2022) which was approved by the equity holders at the Annual General Assembly held on 5 March 2024 (2023: held on 12 March 2023).

Dividend paid:

	<i>30 June 2024 (Reviewed) QR'000</i>	<i>31 December 2023 (Audited) QR'000</i>
Final dividend	<u>426,062</u>	<u>397,658</u>

11. CONTINGENT LIABILITIES

	<i>30 June 2024 (Reviewed) QR'000</i>	<i>31 December 2023 (Audited) QR'000</i>
Letters of guarantees	1,034,705	1,038,952
Letters of credits	<u>-</u>	<u>1,249</u>
	<u>1,034,705</u>	<u>1,040,201</u>

12. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets, financial liabilities and derivative financial instruments.

Financial assets consist of bank balances and cash equivalents, financial assets at FVOCI, equity instruments at FVTPL, investments in deposits, loans granted to LNG companies and certain other receivables. Financial liabilities consist of loans and borrowings and certain other payables. Derivative financial instruments consist of interest rate swaps.

Carrying amounts and fair values

A comparison by class of the carrying value and fair value of the Group's financial instruments that are measured at fair value in the condensed consolidated interim statement of financial position are set out below:

	<i>Carrying amount</i>		<i>Fair value</i>	
	<i>30 June 2024 (Reviewed) QR'000</i>	<i>31 December 2023 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>	<i>31 December 2023 (Audited) QR'000</i>
Financial assets at fair value through profit or loss				
Equity instruments at FVTPL	<u>499,501</u>	<u>500,850</u>	<u>499,501</u>	<u>500,850</u>
Financial assets at fair value through other comprehensive income				
Financial assets at FVOCI	<u>2,722,339</u>	2,913,590	<u>2,722,339</u>	2,913,590
Interest rate swaps (cash flow hedge)	<u>7,297</u>	<u>9,631</u>	<u>7,297</u>	<u>9,631</u>
	<u>2,729,636</u>	<u>2,923,221</u>	<u>2,729,636</u>	<u>2,923,221</u>

Measurement of fair values

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and cash equivalents, investment in term deposits, trade and other receivables, trade and other payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Loans and borrowings and investments in deposits are carried at amortized cost and their carrying amounts approximate their fair values.
- Fair value of financial assets at FVOCI and equity instruments at FVTPL is derived from quoted market prices in active markets.
- Fair value of unquoted financial assets at FVOCI and equity instruments at FVTPL is estimated using appropriate valuation techniques.
- Loans granted to LNG companies are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. As the reporting period, the carrying amounts of such receivables are not materially different from their calculated fair values.
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives are valued based on market valuation provided by the respective financial institution.

12. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

The Group held the following financial instruments measured at fair value at the reporting period:

	<i>30 June</i> <i>2024</i> <i>QR'000</i>	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>
Financial assets measured at fair value through profit or loss:				
Equity instruments at FVTPL	499,501	-	-	499,501
Financial assets measured at fair value through other comprehensive income:				
Quoted shares	1,708,030	1,708,030	-	-
Unquoted shares	14,055	-	-	14,055
Unquoted investments in foreign companies	295,441	-	295,441	-
Investments in corporate bonds	704,813	-	704,813	-
Interest rate swaps	7,297	-	7,297	-
	<i>31 December</i> <i>2023</i> <i>QR'000</i>	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>
Financial assets measured at fair value through profit or loss:				
Equity instruments as FVTPL	500,850	194	-	500,656
Financial assets measured at fair value through other comprehensive income:				
Quoted shares	2,003,548	2,003,548	-	-
Unquoted shares	17,686	-	-	17,686
Unquoted investments in foreign companies	186,085	-	186,085	-
Investments in corporate bonds	706,271	-	706,271	-
Interest rate swaps	9,631	-	9,631	-

During the six-month period ended 30 June 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The Group does not hold credit enhancement or collateral to mitigate credit risk. The carrying amount of financial assets therefore represents the potential credit risk.

The tables above illustrate the classification of the Group's financial instruments based on the fair value hierarchy as required for complete sets of financial statements. This classification provides a reasonable basis to illustrate the nature and extent of risks associated with those financial instruments.

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13. RELATED PARTY DISCLOSURES

The following table provides the total amount of transactions that have been entered into with related parties during the six-month period ended 30 June 2024 and 2023, as well as balances with related parties as at 30 June 2024 and 31 December 2023:

Related party transactions

	<i>Six-month period ended 30 June</i>			
	<i>2024</i>		<i>2023</i>	
	<i>Sales (Reviewed)</i>	<i>Purchases</i>	<i>Sales (Reviewed)</i>	<i>Purchases</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Associates	1,129	214	1,766	215
Joint ventures	196	45,892	3,917	54,115
	1,325	46,106	5,683	54,330

Related party balances

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

	<i>30 June 2024</i>		<i>31 December 2023</i>	
	<i>Trade receivables (Reviewed)</i>	<i>Trade payables</i>	<i>Trade receivables (Audited)</i>	<i>Trade payables</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Joint ventures	126	5,031	282	1,390
Associates	3,510	-	5,045	106
Directors	296	38	317	127
	3,932	5,069	5,644	1,623

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>Six-month period ended 30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Salaries and allowances	5,090	5,636
Provision for employees' end of service benefits	588	829
Board of directors' remuneration	6,975	6,975
	12,653	13,440

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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>Six-month ended 30 June</i>	
	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	
	<hr/>	<hr/>
Net profit for the period attributable to equity holders of the Parent (QR'000)	628,348	647,667
Weighted average number of shares (000's)	1,136,165	1,136,165
Basic and diluted earnings per share (QR)	0.55	0.57

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, 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 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.
- 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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As at and for the six-month period ended 30 June 2024

15. SEGMENT INFORMATION (CONTINUED)

Six-month period ended 30 June 2024 (Reviewed)

	<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	244,595	393,944	716,207	101,813	121,893	-	1,578,452	(144,593)	1,433,859
Salaries, wages and other benefits	(6,562)	(152,240)	(90,319)	(13,155)	(14,982)	(72,775)	(350,033)	-	(350,033)
Operating supplies and expenses	(20,344)	(323,704)	(186,730)	(88,454)	(7,384)	(7,360)	(633,976)	124,530	(509,446)
Rent expenses	(1,404)	(14,996)	(916)	(1,421)	(99)	(3,441)	(22,277)	18,775	(3,502)
Depreciation and amortisation	(37,266)	(17,388)	(117,079)	(859)	(25,968)	(1,096)	(199,656)	-	(199,656)
(Provision for)/Reversal of impairment of trade receivables	(236)	6,093	8,274	327	-	-	14,458	-	14,458
Other operating expenses	(3,408)	(29,743)	(20,732)	(1,186)	(6,318)	(9,101)	(70,488)	1,288	(69,200)
Allocations relating to fleet and technical services	-	153,546	(153,317)	-	(229)	-	-	-	-
Allocations relating to Milaha Corporate	(8,881)	(47,860)	(26,594)	(5,655)	(4,760)	93,750	-	-	-
OPERATING PROFIT (LOSS)	166,494	(32,348)	128,794	(8,590)	62,153	(23)	316,480	-	316,480
Finance costs	(8,789)	(13,674)	(21,357)	-	(13,403)	-	(57,223)	42,034	(15,189)
Finance income	17,616	13,015	13,873	39	4,191	11	48,745	(42,034)	6,711
Gain on disposal of property, vessels and equipment	-	7,629	755	147	-	12	8,543	-	8,543
Share of results of associates	943	100	-	-	295,995	-	297,038	-	297,038
Share of results of joint ventures	-	9,833	-	-	11,251	-	21,084	-	21,084
Net gain/(loss) on foreign exchange	37	(166)	26	(46)	(46)	-	(195)	-	(195)
PROFIT (LOSS) BEFORE TAX	176,301	(15,611)	122,091	(8,450)	360,141	-	634,472	-	634,472
Tax benefit (expense)	32	-	(6,128)	269	(1,573)	-	(7,400)	-	(7,400)
PROFIT (LOSS) FOR THE PERIOD	176,333	(15,611)	115,963	(8,181)	358,568	-	627,072	-	627,072
<i>Attributable to:</i>									
Equity holders of the Parent	177,609	(15,611)	115,963	(8,181)	358,568	-	628,348	-	628,348
Non-controlling interest	(1,276)	-	-	-	-	-	(1,276)	-	(1,276)
	176,333	(15,611)	115,963	(8,181)	358,568	-	627,072	-	627,072

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15. SEGMENT INFORMATION (CONTINUED)

Six-month period ended 30 June 2023 (Reviewed)

	<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	265,571	434,605	717,251	126,645	120,128	-	1,664,200	(153,384)	1,510,816
Salaries, wages and other benefits	(10,563)	(138,874)	(70,210)	(7,607)	(14,168)	(62,604)	(304,026)	-	(304,026)
Operating supplies and expenses	(52,734)	(347,602)	(226,112)	(107,048)	(8,150)	(5,910)	(747,556)	132,251	(615,305)
Rent expenses	(1,325)	(17,298)	(847)	(1,226)	(58)	(3,811)	(24,565)	19,461	(5,104)
Depreciation and amortisation	(34,984)	(14,329)	(115,414)	(939)	(24,792)	(1,214)	(191,672)	-	(191,672)
(Provision for)/Reversal of impairment of trade receivables	(601)	184	1,659	(865)	2,178	-	2,555	-	2,555
Other operating expenses	485	(34,827)	(3,250)	(1,564)	(5,208)	(10,914)	(55,278)	1,672	(53,606)
Allocations relating to fleet and technical services	-	142,332	(142,324)	-	(8)	-	-	-	-
Allocations relating to Milaha Corporate	(8,487)	(53,797)	(11,633)	(5,992)	(4,523)	84,432	-	-	-
OPERATING PROFIT (LOSS)	157,362	(29,606)	149,120	1,404	65,399	(21)	343,658	-	343,658
Finance costs	(528)	(3,938)	(16,211)	-	(14,228)	-	(34,905)	7,905	(27,000)
Finance income	5,155	-	3,434	90	8,501	21	17,201	(7,905)	9,296
Gain on disposal of property, vessels and equipment	-	-	4,278	-	-	-	4,278	-	4,278
Share of results of associates	454	458	-	-	247,428	-	248,340	-	248,340
Share of results of joint ventures	-	49,766	-	-	19,294	-	69,060	-	69,060
Net (loss)/gain on foreign exchange	(35)	212	92	(45)	(1)	-	223	-	223
PROFIT FOR THE PERIOD	162,408	16,892	140,713	1,449	326,393	-	647,855	-	647,855
<i>Attributable to:</i>									
Equity holders of the Parent	162,220	16,892	140,713	1,449	326,393	-	647,667	-	647,667
Non-controlling interest	188	-	-	-	-	-	188	-	188
	162,408	16,892	140,713	1,449	326,393	-	647,855	-	647,855

16. COMPARATIVE FIGURES

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

17. SUBSEQUENT EVENTS

There were no significant events after the reporting date which have a bearing on the understanding of these condensed consolidated interim financial statements.