

**Qatar Navigation Q.P.S.C.**

**CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

**30 SEPTEMBER 2022**

**Qatar Navigation Q.P.S.C.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
As at and for the nine month period ended 30 September 2022

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**Qatar Navigation Q.P.S.C.**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
For the nine month period ended 30 September 2022

	Notes	<i>For the nine-month period ended</i>	
		<i>30 September</i>	
		<i>2022</i>	<i>2021</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
Operating revenues	4	<b>2,562,832</b>	2,034,743
Salaries, wages and other benefits		<b>(471,896)</b>	(453,620)
Operating supplies and expenses		<b>(1,237,261)</b>	(941,874)
Rent expenses		<b>(5,539)</b>	(5,307)
Depreciation and amortisation		<b>(271,979)</b>	(276,342)
Provision for impairment of trade receivables		<b>(25,405)</b>	(12,743)
Other operating expenses		<b>(126,774)</b>	(153,217)
<b>OPERATING PROFIT BEFORE IMPAIRMENT</b>		<b>423,978</b>	191,640
Impairment of property, vessels and equipments		<b>(85,522)</b>	(12,239)
Finance cost		<b>(43,617)</b>	(56,933)
Finance income		<b>10,879</b>	23,231
Net gain (loss) on disposal of property, vessels and equipment		<b>20,828</b>	(5,300)
Share of results of associates		<b>403,109</b>	357,876
Share of results of joint ventures		<b>122,317</b>	152,882
Net gain on foreign exchange		<b>513</b>	4,405
<b>PROFIT FOR THE PERIOD</b>		<b>852,485</b>	655,562
<i>Attributable to:</i>			
Equity holders of the parent		<b>850,611</b>	654,293
Non-controlling interest		<b>1,874</b>	1,269
		<b>852,485</b>	655,562
<b>BASIC AND DILUTED EARNINGS PER SHARE</b> <i>(attributable to equity holders of the parent )</i> <i>(expressed in QR per share)</i>	14	<b>0.75</b>	0.58

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 2022

	<i>For the nine-month period ended</i>	
	<i>30 September</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Profit for the period	<u>852,485</u>	<u>655,562</u>
<b>Other comprehensive income (OCI):</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net gain on equity investments at fair value through OCI	<u>89,654</u>	141,717
Equity-accounted investees – share of OCI	<u>3,402</u>	12,050
	<b>93,056</b>	153,767
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net gain resulting from cash flow hedges	<u>61,504</u>	24,945
Cash flow hedge movement for equity-accounted investees	<u>627,723</u>	254,652
	<b>689,227</b>	279,597
Total OCI	<u>782,283</u>	<u>433,364</u>
<b>Total comprehensive income</b>	<u><b>1,634,768</b></u>	<u>1,088,926</u>
<i>Attributable to:</i>		
Equity holders of the Parent	<u>1,632,775</u>	1,087,275
Non-controlling interest	<u>1,993</u>	1,651
	<u><b>1,634,768</b></u>	<u>1,088,926</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 2022

		<i>30 September 2022 (Unaudited) QR'000</i>	<i>31 December 2021 (Audited) QR'000</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, vessels and equipment	5	2,862,349	3,005,027
Investment property	6	888,633	782,354
Intangible assets		85,280	90,788
Right-of-use assets		60,844	143,895
Investments in joint ventures		991,920	993,692
Investments in associates		7,397,039	6,605,230
Financial assets at FVOCI		2,640,268	3,556,869
Loans granted to LNG companies		121,398	125,196
Other assets		23,878	24,375
		<u>15,071,609</u>	<u>15,327,426</u>
<b>Current assets</b>			
Inventories		115,196	102,820
Trade and other receivables		1,013,040	879,120
Equity instruments at FVTPL		502,550	505,049
Investments in term deposits	7	1,255,528	350,102
Cash and cash equivalents		304,040	304,786
		<u>3,190,354</u>	<u>2,141,877</u>
<b>TOTAL ASSETS</b>		<u><b>18,261,963</b></u>	<u><b>17,469,303</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Attributable to equity holders of the Parent</b>			
Share capital	9	1,136,165	1,145,252
Treasury shares		-	(73,516)
Legal reserve		4,693,986	4,693,986
General reserve		623,542	623,542
Fair value reserve		2,603,245	3,407,966
Hedging reserve		967,871	278,644
Retained earnings		5,986,693	4,643,702
		<u>16,011,502</u>	<u>14,719,576</u>
Equity attributable to equity holders of the Parent		<u>16,011,502</u>	<u>14,719,576</u>
Non-controlling interest		40,832	40,089
		<u>16,052,334</u>	<u>14,759,665</u>
<b>Total equity</b>		<u><b>16,052,334</b></u>	<u><b>14,759,665</b></u>

*The condensed consolidated 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 STATEMENT OF FINANCIAL POSITION  
(CONTINUED)  
At 30 September 2022

	<i>30 September 2022 (Unaudited) QR'000</i>	<i>31 December 2021 (Audited) QR'000</i>
<b>EQUITY AND LIABILITIES (CONTINUED)</b>		
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	859,260	1,056,660
Advance from a customer	84,875	90,821
Lease liabilities	48,357	62,987
Provision for employees' end of service benefits	<u>113,540</u>	<u>110,006</u>
	<u><b>1,106,032</b></u>	<u>1,320,474</u>
<b>Current liabilities</b>		
Trade and other payables	699,069	810,088
Loans and borrowings	382,333	485,267
Lease liabilities	<u>22,195</u>	<u>93,809</u>
	<u><b>1,103,597</b></u>	<u>1,389,164</u>
<b>Total liabilities</b>	<u><b>2,209,629</b></u>	<u>2,709,638</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>18,261,963</b></u>	<u>17,469,303</u>

The Group's condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 19<sup>th</sup> October 2022 and signed on its behalf by the following:

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

.....  
Mohammed Abdulla Swidan  
Interim 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 2022

	<i>For the nine-month period ended 30</i>	
	<i>September</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period	<b>852,485</b>	655,562
Adjustment for:		
Depreciation of property, vessels and equipment	<b>176,637</b>	168,445
Depreciation of investment property	<b>32,233</b>	30,225
Amortisation of intangible assets	<b>7,036</b>	9,109
Depreciation of right-of-use assets	<b>56,073</b>	68,563
(Gain) Loss on disposal of property, vessels and equipment	<b>(20,828)</b>	5,300
Share of results of associates	<b>(403,109)</b>	(357,876)
Share of results of joint ventures	<b>(122,317)</b>	(152,882)
Provision for employees' end of service benefits	<b>9,997</b>	12,490
Dividend income	<b>(129,430)</b>	(106,765)
Net fair value loss on equity instruments at FVTPL	<b>2,548</b>	2,700
Impairment of property, vessels and equipments	<b>85,522</b>	12,239
Impairment of trade receivables	<b>25,405</b>	12,743
Finance costs	<b>43,617</b>	56,933
Finance income	<b>(10,879)</b>	(23,231)
Operating profit before working capital changes:	<b>604,990</b>	393,555
<i>Changes in:</i>		
Inventories	<b>(12,376)</b>	(36,763)
Trade and other receivables	<b>(162,454)</b>	(98,113)
Trade and other payables	<b>(55,461)</b>	33,676
Cash flows from operating activities	<b>374,699</b>	292,355
Employees' end of service benefits paid	<b>(6,463)</b>	(17,336)
Net cash generated from operating activities	<b>368,236</b>	275,019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, vessels and equipment	<b>(173,332)</b>	(172,988)
Dividend income	<b>129,430</b>	106,765
Finance income	<b>10,879</b>	23,231
Proceeds from disposal of property, vessels and equipment	<b>69,295</b>	133,567
Purchases of investment properties	<b>(133,197)</b>	(15,048)
Addition to intangible assets	<b>(1,245)</b>	(171)
Net movement in loans granted to LNG companies	<b>3,798</b>	(779)
Investments in financial assets at FVOCI	<b>(123,474)</b>	-
Net movement in investment in term deposits	<b>(905,426)</b>	39,639
Proceeds from disposal of financial assets at FVOCI	<b>1,135,000</b>	55,806
Dividends received from joint ventures	<b>124,090</b>	130,000
Dividends received from associates	<b>242,315</b>	220,892
Net cash flows generated from investing activities	<b>378,133</b>	520,914

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 2022

	<i>Notes</i>	<i>For the nine-month period ended</i>	
		<i>30 September</i>	
		<i>2022</i>	<i>2021</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid to Company's shareholders	11	(340,849)	(340,849)
Dividends paid to Non-controlling interests		(1,250)	-
Finance costs paid		(43,617)	(56,933)
Payment of lease liability		(61,065)	(68,600)
Net movement in loans and borrowings		<u>(300,334)</u>	<u>(376,788)</u>
Net cash flows used in financing activities		<u>(747,115)</u>	<u>(843,170)</u>
<b>Net decrease in cash and cash equivalents</b>		<b>(746)</b>	<b>(47,237)</b>
Cash and cash equivalents at the beginning of the period		<u>304,786</u>	<u>306,253</u>
<b>Cash and cash equivalents at end of period</b>	8	<u><b>304,040</b></u>	<u>259,016</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 2022

	<i>Attributable to the equity holders of the Parent</i>							<i>Non-controlling interest</i> QR'000	<i>Total</i> QR'000	
	<i>Share capital</i> QR'000	<i>Treasury shares</i> QR'000	<i>Legal reserve</i> QR'000	<i>General reserve</i> QR'000	<i>Fair value reserve</i> QR'000	<i>Hedging reserve</i> QR'000	<i>Retained earnings</i> QR'000			<i>Total</i> QR'000
Balance at 31 December 2021 (Audited)	<b>1,145,252</b>	<b>(73,516)</b>	<b>4,693,986</b>	<b>623,542</b>	<b>3,407,966</b>	<b>278,644</b>	<b>4,643,702</b>	<b>14,719,576</b>	<b>40,089</b>	<b>14,759,665</b>
Profit for the period	-	-	-	-	-	-	<b>850,611</b>	<b>850,611</b>	<b>1,874</b>	<b>852,485</b>
Other comprehensive income	-	-	-	-	<b>92,937</b>	<b>689,227</b>	-	<b>782,164</b>	<b>119</b>	<b>782,283</b>
Total comprehensive income	-	-	-	-	<b>92,937</b>	<b>689,227</b>	<b>850,611</b>	<b>1,632,775</b>	<b>1,993</b>	<b>1,634,768</b>
<i>Transactions with owners of the Group:</i>										
Dividends paid (Note 11)	-	-	-	-	-	-	<b>(340,849)</b>	<b>(340,849)</b>	<b>(1,250)</b>	<b>(342,099)</b>
Transfer of reserves on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	<b>(897,658)</b>	-	<b>897,658</b>	-	-	-
Cancellation of treasury shares (Note 10)	<b>(9,087)</b>	<b>73,516</b>	-	-	-	-	<b>(64,429)</b>	-	-	-
<b>At 30 September 2022</b>	<b><u>1,136,165</u></b>	<b><u>-</u></b>	<b><u>4,693,986</u></b>	<b><u>623,542</u></b>	<b><u>2,603,245</u></b>	<b><u>967,871</u></b>	<b><u>5,986,693</u></b>	<b><u>16,011,502</u></b>	<b><u>40,832</u></b>	<b><u>16,052,334</u></b>
	<i>Attributable to the equity holders of the Parent</i>							<i>Non-controlling interest</i> QR'000	<i>Total</i> QR'000	
	<i>Share capital</i> QR'000	<i>Treasury shares</i> QR'000	<i>Legal reserve</i> QR'000	<i>General reserve</i> QR'000	<i>Fair value reserve</i> QR'000	<i>Hedging reserve</i> QR'000	<i>Retained earnings</i> QR'000			<i>Total</i> QR'000
Balance at 31 December 2020 (Audited)	1,145,252	(73,516)	4,693,986	623,542	3,367,639	(96,138)	4,042,530	13,703,295	55,089	13,758,384
Profit for the period	-	-	-	-	-	-	654,293	654,293	1,269	655,562
Other comprehensive income	-	-	-	-	153,385	279,597	-	432,982	382	433,364
Total comprehensive income	-	-	-	-	153,385	279,597	654,293	1,087,275	1,651	1,088,926
<i>Transactions with owners of the Group:</i>										
Dividends paid	-	-	-	-	-	-	(340,849)	(340,849)	-	(340,849)
Transfer of reserves on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	(14,238)	-	14,238	-	-	-
Reduction in share capital	-	-	-	-	-	-	-	-	(18,218)	(18,218)
<b>At 30 September 2021</b>	<b><u>1,145,252</u></b>	<b><u>(73,516)</u></b>	<b><u>4,693,986</u></b>	<b><u>623,542</u></b>	<b><u>3,506,786</u></b>	<b><u>183,459</u></b>	<b><u>4,370,212</u></b>	<b><u>14,449,721</u></b>	<b><u>38,522</u></b>	<b><u>14,488,243</u></b>

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

## 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 as a Qatari Public Shareholding Company, and it is registered at the Ministry of Economy and Commerce 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 2021 (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 the 19<sup>th</sup> October 2022.

## 2. BASIS OF CONSOLIDATION

### 2.1 Basis of preparation

The condensed consolidated interim financial statements for the nine months ended 30 September 2022 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 2021. 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 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

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 2021 (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

A number of new or amended standards became applicable for the current reporting period, and the Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2022:

- Amendments regarding the classification of liabilities
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture

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 or future periods on the Group’s financial statements.

## 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 financial statement 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 2021.

#### 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.

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 2022

**4. OPERATING REVENUES**

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

	<i>Nine-month period ended 30 September</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Milaha Capital	<b>389,718</b>	271,854
Milaha Maritime and Logistics	<b>995,116</b>	698,272
Milaha Offshore	<b>908,623</b>	702,011
Milaha Trading	<b>109,495</b>	166,007
Milaha Gas and Petrochem	<b>159,880</b>	196,599
	<b><u>2,562,832</u></b>	<u>2,034,743</u>

**5. PROPERTY, VESSELS AND EQUIPMENT**

	<i>30 September 2022 (Unaudited) QR'000</i>	<i>31 December 2021 (Audited) QR'000</i>
Net book value, beginning balance	<b>3,005,027</b>	3,250,396
Additions	<b>173,332</b>	222,601
Disposals and write off	<b>(48,461)</b>	(140,777)
Other transfers and reclassifications	<b>(5,390)</b>	(4,268)
Impairment of property, vessels and equipments	<b>(85,522)</b>	(98,625)
Depreciation charge for the period/ year	<b>(176,637)</b>	(224,300)
Net book value, ending balance	<b><u>2,862,349</u></b>	<u>3,005,027</u>

**6. INVESTMENT PROPERTIES**

	<i>30 September 2022 (Unaudited) QR'000</i>	<i>31 December 2021 (Audited) QR'000</i>
Net book value, beginning balance	<b>782,354</b>	798,839
Additions	<b>133,197</b>	20,497
Depreciation charge for the period/ year	<b>(32,233)</b>	(40,382)
Other transfers and reclassifications	<b>5,315</b>	-
Disposals and write off	<b>-</b>	3,400
Net book value, ending balance	<b><u>888,633</u></b>	<u>782,354</u>

**7. INVESTMENTS IN TERM DEPOSITS**

	<i>30 September 2022 (Unaudited) QR'000</i>	<i>31 December 2021 (Audited) QR'000</i>
Term deposits with banks	<b>1,368,295</b>	396,194
Less: Term deposits maturing before 90 days	<b><u>(112,767)</u></b>	<u>(46,092)</u>
Term deposits maturing after 90 days (i)	<b><u>1,255,528</u></b>	<u>350,102</u>

Notes:

(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 2022

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#### 8. 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 2022 (Unaudited) QR'000</i>	<i>30 September 2021 (Unaudited) QR'000</i>
Cash in hand	5,046	5,018
Bank balance – term deposits (i)	112,767	123,443
Bank balance – current accounts	<u>186,227</u>	<u>130,555</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>304,040</u>	<u>259,016</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 31 December 2021	1,145,252	1,145,252
Cancellation of treasury shares (Note 10)	<u>(9,087)</u>	<u>(9,087)</u>
At 30 June 2022	<u>1,136,165</u>	<u>1,136,165</u>

All shares have equal rights. During the period the Company cancelled shares equivalent to a par value of QR 9,087,250 representing 9,087,250 of shares at the Company's registrar.

#### 10. TREASURY SHARES

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.

#### 11. DIVIDENDS

The Board of Directors had proposed a 30% cash dividend of QR 0.3 per share totaling QR 341 million for the year 2021 which was approved by the share holders at the Annual General Assembly held on 6 March 2022.

**12. CONTINGENT LIABILITIES**

At 30 September 2022 and 31 December 2021, 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 2022 (Unaudited) QR'000</i>	<i>31 December 2021 (Audited) QR'000</i>
Letters of guarantees	<b>1,095,382</b>	874,485
Letters of credits	<b><u>2,902</u></b>	<u>22,756</u>
	<b><u>1,098,284</u></b>	<u>897,241</u>

***Legal case:***

On 31 May 2021, the Group entered into an agreement with a third party buyer for the sale of one of its vessels. However, the agreement was cancelled due to a dispute between the parties. Following the cancellation, the Buyer initiated arbitration proceedings against the Company. The buyer is claiming return of the deposit and compensation for failure to have the vessel ready for delivery by the canceling date, together with interest on any awarded sum. Given that the matter is at a preliminary stage, the outcome of this proceeding cannot be reasonably assessed at the date of these financial statements.

In accordance with IAS 37.92 the Company does not provide further information on the legal process and the associated risks and contingent assets and liabilities for the Company, especially with regard to the measures taken and expected outcomes in this context, in order not to impair the outcome of the proceedings.

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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 nine months ended 30 September 2022 and 2021, as well as balances with related parties as at 30 September 2022 and 31 December 2021:

**Related party transactions**

	<i>Nine-month period ended 30 September</i>			
	<i>2022</i>		<i>2021</i>	
	<i>Sales</i>	<i>Purchases</i>	<i>Sales</i>	<i>Purchases</i>
	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	
Associates	<u>2,142</u>	<u>649</u>	<u>4,002</u>	<u>2,453</u>

**Related party balances**

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

	<i>30 September 2022</i>			<i>31 December 2021</i>		
	<i>Trade receivables</i>	<i>Trade payables</i>	<i>Loans granted to related parties</i>	<i>Trade receivables</i>	<i>Trade payables</i>	<i>Loans granted to related parties</i>
	<i>(Reviewed)</i>			<i>(Audited)</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>	
Joint ventures	426	10,582	121,398	1,232	15,264	125,196
Associates	2,126	98	-	2,864	467	-
Affiliate companies	<u>1,220</u>	<u>305</u>	<u>-</u>	<u>1,987</u>	<u>153</u>	<u>-</u>
	<u>3,772</u>	<u>10,985</u>	<u>121,398</u>	<u>6,083</u>	<u>15,884</u>	<u>125,196</u>

**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>2022</i>	<i>2021</i>
	<i>(Unaudited)</i>	
<i>QR'000</i>	<i>QR'000</i>	
Salaries and allowances	8,392	9,128
Provision for employees' end of service benefits	580	603
Board of directors remuneration – cash	<u>10,463</u>	<u>10,462</u>
	<u>19,435</u>	<u>20,193</u>

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### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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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>Nine-month period ended 30 September</i>	
	2022	2021
	<i>(Unaudited)</i>	
Net profit for the nine-month period attributable to equity holders of the Parent (QR'000 )	<u>850,611</u>	<u>654,293</u>
Weighted average number of shares (000's)	<u>1,136,165</u>	<u>1,136,165</u>
<b>Basic and diluted earnings per share (QR)</b>	<u><b>0.75</b></u>	<u>0.58</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>	
	2022	2021
	<i>(Unaudited)</i>	
Total number of shares outstanding (000's)	<u>1,136,165</u>	1,145,252
Adjustment for weighted average shares with respect to treasury shares purchased during year 2013 (000's) (i) (ii)	<u>-</u>	<u>(9,087)</u>
Weighted average numbers of shares during the period (000's)	<u><b>1,136,165</b></u>	<u>1,136,165</u>

During the period, the Company completed the cancellation of treasury shares, this resulted in the decrease in the issued and outstanding shares amounting to QR 9,087,250. No changes on weighted average number of shares have occurred as a result of this.



## 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 nine month period ended 30 September 2022

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 amortization	(51,067)	(20,717)	(157,442)	(1,039)	(40,304)	(1,410)	(271,979)	-	(271,979)
Provision for impairment of trade 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	-	-	-
<b>OPERATING PROFIT BEFORE IMPAIRMENT</b>	<b>151,649</b>	<b>147,453</b>	<b>77,926</b>	<b>(6,604)</b>	<b>53,543</b>	<b>11</b>	<b>423,978</b>	<b>-</b>	<b>423,978</b>
Impairment of property and equipments	(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
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 arrangements	-	109,699	-	-	12,618	-	122,317	-	122,317
Net gain (loss) on foreign exchange	246	(996)	1,190	97	15	(39)	513	-	513
<b>PROFIT FOR THE PERIOD</b>	<b>69,611</b>	<b>254,255</b>	<b>66,061</b>	<b>(6,323)</b>	<b>468,881</b>	<b>-</b>	<b>852,485</b>	<b>-</b>	<b>852,485</b>

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As at and for the nine month period ended 30 September 2022

**15. SEGMENT INFORMATION (CONTINUED)**

*Nine-month period ended 30 September 2021 (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	304,394	787,149	702,011	248,846	196,599	41	2,239,040	(204,297)	2,034,743
Salaries, wages and other benefits	(8,250)	(268,300)	(60,086)	(9,320)	(16,499)	(91,165)	(453,620)	-	(453,620)
Operating supplies and expenses	(102,131)	(548,282)	(183,598)	(231,277)	(35,864)	(6,951)	(1,108,103)	166,229	(941,874)
Rent expenses	(1,761)	(30,904)	(2,072)	(1,460)	(273)	(5,222)	(41,692)	36,385	(5,307)
Depreciation and amortization	(50,018)	(18,566)	(154,725)	(1,114)	(50,095)	(1,824)	(276,342)	-	(276,342)
Provision for impairment of trade receivables	231	(5,139)	(8,094)	259	-	-	(12,743)	-	(12,743)
Other operating expenses	(5,454)	(62,200)	(44,603)	(3,143)	(12,447)	(27,053)	(154,900)	1,683	(153,217)
Allocations relating to fleet and technical services	-	236,776	(215,355)	-	(21,421)	-	-	-	-
Allocations relating to Milaha Corporate	(12,606)	(84,612)	(13,505)	(9,343)	(12,069)	132,135	-	-	-
<b>OPERATING PROFIT BEFORE IMPAIRMENT</b>	<b>124,405</b>	<b>5,922</b>	<b>19,973</b>	<b>(6,552)</b>	<b>47,931</b>	<b>(39)</b>	<b>191,640</b>	<b>-</b>	<b>191,640</b>
Impairment of vessels	-	-	(12,239)	-	-	-	(12,239)	-	(12,239)
Finance costs	(5,901)	(4,204)	(26,587)	-	(23,170)	-	(59,862)	2,929	(56,933)
Finance income	17,258	-	93	39	8,756	14	26,160	(2,929)	23,231
Gain (Loss) on disposal of property, vessels and equipment	-	1,520	834	-	(7,697)	43	(5,300)	-	(5,300)
Share of results of associates	(147)	468	-	-	357,555	-	357,876	-	357,876
Share of results of joint arrangements	-	124,252	-	-	28,630	-	152,882	-	152,882
Net gain (loss) on foreign exchange	4,210	17	122	76	(2)	(18)	4,405	-	4,405
<b>PROFIT FOR THE PERIOD</b>	<b>139,825</b>	<b>127,975</b>	<b>(17,804)</b>	<b>(6,437)</b>	<b>412,003</b>	<b>-</b>	<b>655,562</b>	<b>-</b>	<b>655,562</b>

*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.