

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

30 SEPTEMBER 2021

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
As at and for the nine month period ended 30 September 2021

CONTENTS	Page(s)
Condensed consolidated interim financial statements:	
Condensed consolidated income statement	1
Condensed consolidated statement of comprehensive income	2
Condensed consolidated statement of financial position	3 - 4
Condensed consolidated statement of cash flows	5 - 6
Condensed consolidated statement of changes in equity	7
Notes to the condensed consolidated interim financial statements	8 - 17

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED INCOME STATEMENT
For the nine month period ended 30 September 2021

	<i>Notes</i>	<i>For the nine-month period ended</i>	
		<i>30 September</i>	
		<i>2021</i>	<i>2020</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
Operating revenues	4	2,034,743	1,721,791
Salaries, wages and other benefits		(453,620)	(429,318)
Operating supplies and expenses		(941,874)	(599,415)
Rent expenses		(5,307)	(1,820)
Depreciation and amortisation		(276,342)	(276,508)
Provision for impairment of trade receivables		(12,743)	(13,027)
Other operating expenses		(153,217)	(115,666)
OPERATING PROFIT		191,640	286,037
Finance cost		(56,933)	(62,893)
Finance income		23,231	14,696
Net gain on disposal of investment properties		-	73,646
Net (loss) gain on disposal of property, vessels and equipment		(5,300)	14,316
Share of results of associates		357,876	326,476
Share of results of joint ventures		152,882	165,682
Net gain (loss) on foreign exchange		4,405	(1,270)
Impairment of vessels		(12,239)	(432,145)
PROFIT FOR THE PERIOD		655,562	384,545
<i>Attributable to:</i>			
Equity holders of the parent		654,293	383,661
Non-controlling interest		1,269	884
		655,562	384,545
BASIC AND DILUTED EARNINGS PER SHARE <i>(attributable to equity holders of the parent)</i> <i>(expressed in QR per share)</i>	13	0.58	0.34

The attached notes 1 to 15 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 2021

	<i>For the nine-month period ended</i>	
	<i>30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Profit for the period	<u>655,562</u>	<u>384,545</u>
Other comprehensive income (OCI):		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Net gain (loss) on equity investments at fair value through OCI	141,717	(257,012)
Equity-accounted investees – share of OCI	12,050	(1,184)
	<u>153,767</u>	<u>(258,196)</u>
<i>Items that may be reclassified subsequently to profit or loss</i>		
Net gain (loss) resulting from cash flow hedges	24,945	(44,076)
Cash flow hedge movement for equity-accounted investees	254,652	(219,814)
	<u>279,597</u>	<u>(263,890)</u>
Total OCI	<u>433,364</u>	<u>(522,086)</u>
Total comprehensive income	<u>1,088,926</u>	<u>(137,541)</u>
<i>Attributable to:</i>		
Equity holders of the Parent	<u>1,087,275</u>	<u>(138,392)</u>
Non-controlling interest	<u>1,651</u>	<u>851</u>
	<u>1,088,926</u>	<u>(137,541)</u>

The attached notes 1 to 15 form part of these condensed consolidated interim financial statements.

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 At 30 September 2021

		<i>30 September 2021 (Unaudited) Notes QR'000</i>	<i>31 December 2020 (Audited) QR'000</i>
ASSETS			
Non-current assets			
Property, vessels and equipment	5	3,103,836	3,250,396
Investment property	6	783,662	798,839
Intangible assets		142,735	151,588
Right-of-use assets		176,860	227,913
Investments in joint ventures		987,289	964,407
Investments in associates		6,405,511	6,001,739
Financial assets at FVOCI		3,810,801	3,741,019
Loans granted to LNG companies		124,890	124,111
Other assets		24,334	23,839
		15,559,918	15,283,851
Current assets			
Inventories		114,378	77,615
Trade and other receivables		858,981	764,356
Equity instruments at FVTPL		113,907	116,602
Loan to a related party		392,650	392,650
Investments in term deposits	7	31,062	70,701
Cash and cash equivalents		259,016	306,253
		1,769,994	1,728,177
TOTAL ASSETS		17,329,912	17,012,028
EQUITY AND LIABILITIES			
Attributable to equity holders of the Parent			
Share capital	9	1,145,252	1,145,252
Treasury shares		(73,516)	(73,516)
Legal reserve		4,693,986	4,693,986
General reserve		623,542	623,542
Fair value reserve		3,506,786	3,367,639
Hedging reserve		183,459	(96,138)
Retained earnings		4,370,212	4,042,530
		14,449,721	13,703,295
Equity attributable to equity holders of the Parent		14,449,721	13,703,295
Non-controlling interest		38,522	55,089
Total equity		14,488,243	13,758,384

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

Qatar Navigation Q.P.S.C.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)
At 30 September 2021

	<i>30 September 2021 (Unaudited) QR'000</i>	<i>31 December 2020 (Audited) QR'000</i>
EQUITY AND LIABILITIES (CONTINUED)		
Liabilities		
Non-current liabilities		
Loans and borrowings	1,100,704	1,403,141
Advance from a customer	92,937	98,947
Lease liabilities	90,244	153,632
Provision for employees' end of service benefits	109,328	114,173
	<u>1,393,213</u>	<u>1,769,893</u>
Current liabilities		
Trade and other payables	702,305	674,681
Loans and borrowings	643,246	717,597
Lease liabilities	102,905	91,473
	<u>1,448,456</u>	<u>1,483,751</u>
Total liabilities	<u>2,841,669</u>	<u>3,253,644</u>
TOTAL EQUITY AND LIABILITIES	<u>17,329,912</u>	<u>17,012,028</u>

The Group's condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on 26th October 2021 and signed on its behalf by the following:

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

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

The attached notes 1 to 15 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 2021

	<i>For the nine-month period ended 30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	655,562	384,545
Adjustment for:		
Depreciation of property, vessels and equipment	168,445	197,322
Depreciation of investment property	30,225	20,655
Amortisation of intangible assets	9,109	6,670
Depreciation of right-of-use assets	68,563	51,861
Gain on disposal of investment properties	-	(73,646)
Loss (Gain) on disposal of property, vessels and equipment	5,300	(14,316)
Share of results of associates	(357,876)	(326,476)
Share of results of joint arrangements	(152,882)	(165,682)
Provision for employees' end of service benefits	12,490	11,064
Dividend income	(106,765)	(143,448)
Net fair value loss on financial assets at fair value through profit or loss	2,700	-
Impairment of vessels	12,239	432,145
Impairment of trade receivables	12,743	13,027
Loss on disposal of investment securities	-	9,715
Finance costs	56,933	62,893
Finance income	(23,231)	(14,696)
Operating profit before working capital changes:	393,555	451,633
<i>Changes in:</i>		
Inventories	(36,763)	(19,212)
Trade and other receivables	(98,113)	(3,869)
Trade and other payables	33,676	(11,812)
Cash flows from operating activities	292,355	416,740
Employees' end of service benefits paid	(17,336)	(8,681)
Net cash from operating activities	275,019	408,059
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, vessels and equipment	(172,988)	(132,273)
Dividend income	106,765	143,448
Finance income	23,231	14,696
Proceeds from disposal of investment properties	-	86,665
Proceeds from disposal of property, vessels and equipment	133,567	45,054
Purchases of investment property	(15,048)	(21,070)
Addition to intangible assets	(171)	(10,171)
Net movement in loans granted to LNG companies	(779)	(456)
Investments in financial assets at fair value through other comprehensive income	-	(292,000)
Net movement in investment in term deposits	39,639	(160,012)
Proceeds from disposal of financial assets at fair value through other comprehensive income	55,806	234,286
Proceeds from disposal of financial assets at fair value through profit or loss	-	46,021
Dividends received from joint ventures	130,000	183,500
Dividends received from associates	220,892	205,338
Net cash flows from investing activities	520,914	343,026

The attached notes 1 to 15 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 2021

	<i>Notes</i>	<i>For the nine-month period ended</i>	
		<i>30 September</i>	
		<i>2021</i>	<i>2020</i>
		<i>(Unaudited)</i>	
		<i>QR'000</i>	<i>QR'000</i>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to Company's shareholders	10	(340,849)	(340,849)
Finance costs paid		(56,933)	(62,893)
Payment of lease liability		(68,600)	(46,337)
Net movement in loans and borrowings		(376,788)	(221,002)
Net cash flows used in financing activities		(843,170)	(671,081)
Net (decrease) increase in cash and cash equivalents		(47,237)	80,004
Cash and cash equivalents at beginning of period		306,253	177,761
Cash and cash equivalents at end of period	8	259,016	257,765

The attached notes 1 to 15 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 2021

	<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 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 (loss) 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 (Note 10)	-	-	-	-	-	-	(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)
At 30 September 2021	1,145,252	(73,516)	4,693,986	623,542	3,506,786	183,459	4,370,212	14,449,721	38,522	14,488,243
	<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 at 31 December 2019 (Audited)	1,145,252	(73,516)	4,693,986	623,542	3,875,607	68,227	4,210,029	14,543,127	54,884	14,598,011
Profit for the period	-	-	-	-	-	-	383,661	383,661	884	384,545
Other comprehensive income	-	-	-	-	(258,163)	(263,890)	-	(522,053)	(33)	(522,086)
Total comprehensive (loss) income	-	-	-	-	(258,163)	(263,890)	383,661	(138,392)	851	(137,541)
<i>Transactions with owners of the Group:</i>										
Dividends paid (Note 10)	-	-	-	-	-	-	(340,849)	(340,849)	-	(340,849)
Transfer of reserves on disposal of financial assets at fair value through other comprehensive income	-	-	-	-	(97,564)	-	97,564	-	-	-
At 30 September 2020	1,145,252	(73,516)	4,693,986	623,542	3,519,880	(195,663)	4,350,405	14,063,886	55,735	14,119,621

The attached notes 1 to 15 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 2021

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 2020 (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 26th October 2021.

2. BASIS OF CONSOLIDATION

2.1 Basis of preparation

The condensed consolidated interim financial statements for the nine months ended 30 September 2021 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 2020. 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 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

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 2020 (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 2021:

- 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 2020.

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.

Impact of COVID 19

The Group has reviewed its exposure to COVID-19 related and other emerging business risks and concluded that there is no major impact on the financial performance or position of the Group for the period ended 30 September 2021.

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 2021

4. OPERATING REVENUES

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

	<i>Nine-month period ended 30</i>	
	<i>September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Milaha Capital	271,854	283,771
Milaha Maritime and Logistics	698,272	550,878
Milaha Offshore	702,011	591,696
Milaha Trading	166,007	57,397
Milaha Gas and Petrochem	196,599	238,049
	<u>2,034,743</u>	<u>1,721,791</u>

5. PROPERTY, VESSELS AND EQUIPMENT

	<i>30 September</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value, beginning balance	3,250,396	4,063,316
Additions	172,988	221,458
Disposals and write off	(138,867)	(34,029)
Other transfers and reclassifications	3	(2,222)
Impairment of vessels	(12,239)	(741,420)
Depreciation charge for the period/ year	(168,445)	(256,707)
Net book value, ending balance	<u>3,103,836</u>	<u>3,250,396</u>

6. INVESTMENT PROPERTY

	<i>30 September</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Net book value, beginning balance	798,839	822,773
Additions	15,048	19,142
Depreciation charge for the period/ year	(30,225)	(30,057)
Disposals and write off	-	(13,019)
Net book value, ending balance	<u>783,662</u>	<u>798,839</u>

7. INVESTMENTS IN TERM DEPOSITS

	<i>30 September</i>	<i>31 December</i>
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Term deposits with banks	154,505	201,189
Less: Term deposits maturing before 90 days	(123,443)	(130,488)
Term deposits maturing after 90 days (i)	<u>31,062</u>	<u>70,701</u>

Notes:

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

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 2021

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 2021 (Unaudited) QR'000</i>	<i>30 September 2020 (Unaudited) QR'000</i>
Cash in hand	5,018	3,856
Bank balance – term deposits (i)	123,443	50,315
Bank balance – current accounts	<u>130,555</u>	<u>203,594</u>
Cash and cash equivalents in the condensed consolidated statement of cash flows	<u>259,016</u>	<u>257,765</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 2021 and 31 December 2020 : shares with nominal value of QR 1 each	<u>1,145,252</u>	<u>1,145,252</u>

10. DIVIDENDS

The Board of Directors proposed and paid a 30% cash dividend of QR 0.3 per share totaling QR 341 million for the year 2020 which was approved by the Company’s shareholders at the Annual General Assembly held on 16 March 2021.

11. CONTINGENT LIABILITIES

At 30 September 2021 and 31 December 2020, 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 2021 (Unaudited) QR'000</i>	<i>31 December 2020 (Audited) QR'000</i>
Letters of guarantees	865,231	839,350
Letters of credits	<u>5,085</u>	<u>9,521</u>
	<u>870,316</u>	<u>848,871</u>

Legal case:

On 31 May 2021, Company entered into an agreement with a third party buyer for the sale of its vessel asset. However, the agreement was cancelled due to a dispute(s) between the parties. Following the cancellation, arbitration proceeding has been initiated. 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.

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 2021

12. 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 2021 and 2020, as well as balances with related parties as at 30 September 2021 and 31 December 2020:

Related party transactions

	<i>Nine-month period ended 30 September</i>			
	<i>2021</i>		<i>2020</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>4,002</u>	<u>2,453</u>	<u>6,606</u>	<u>332</u>

Related party balances

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

	<i>30 September 2021</i>			<i>31 December 2020</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	2,124	11,980	392,650	2,644	9,576	392,650
Associates	1,478	244	124,890	970	2,381	124,111
Affiliate companies	<u>971</u>	<u>98</u>	<u>-</u>	<u>4,850</u>	<u>125</u>	<u>-</u>
	<u>4,573</u>	<u>12,322</u>	<u>517,540</u>	<u>8,464</u>	<u>12,082</u>	<u>516,761</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>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	
	<i>QR'000</i>	<i>QR'000</i>
Salaries and allowances	9,128	9,739
Provision for employees' end of service benefits	603	804
Board of directors remuneration – cash	<u>1,650</u>	<u>9,300</u>
	<u>11,381</u>	<u>19,843</u>

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 2021

13. BASIC AND DILUTED EARNINGS PER SHARE

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

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

	<i>Nine-month period ended 30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	
	<u> </u>	<u> </u>
Net profit for the nine-month period attributable to equity holders of the Parent (QR'000)	654,293	383,661
Weighted average number of shares (000's)	1,136,165	1,136,165
Basic and diluted earnings per share (QR)	0.58	0.34

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

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

	<i>Nine months ended 30 September</i>	
	<i>2021</i>	<i>2020</i>
	<i>(Unaudited)</i>	
	<u> </u>	<u> </u>
Total number of shares outstanding (000's)	1,145,252	1,145,252
Adjustment for weighted average shares with respect to treasury shares purchased during year 2013 (000's) (i) (ii)	(9,087)	(9,087)
Weighted average numbers of shares during the period (000's)	1,136,165	1,136,165

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

(ii) The group has decided to retire the outstanding treasury shares, the steps relating to the retirement of shares is under progress as at the reporting date.

14. 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.

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 2021

14. 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	-	-	-
OPERATING PROFIT	124,405	5,922	19,973	(6,552)	47,931	(39)	191,640	-	191,640
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
Impairment of vessels	-	-	(12,239)	-	-	-	(12,239)	-	(12,239)
PROFIT FOR THE PERIOD	139,825	127,975	(17,804)	(6,437)	412,003	-	655,562	-	655,562

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 2021

14. SEGMENT INFORMATION (CONTINUED)

Nine-month period ended 30 September 2020 (Unaudited)

	<i>Milaha Capital QR'000</i>	<i>Milaha Maritime and Logistics QR'000</i>	<i>Milaha Offshore QR'000</i>	<i>Milaha Trading QR'000</i>	<i>Milaha Gas and Petrochem QR'000</i>	<i>Adjustments relating to Milaha Corporate QR'000</i>	<i>Total segments QR'000</i>	<i>Adjustments and eliminations QR'000</i>	<i>Consolidated QR'000</i>
Operating revenues	318,183	643,852	580,581	126,532	236,630	-	1,905,778	(183,987)	1,721,791
Salaries, wages and other benefits	(5,895)	(244,472)	(55,638)	(9,325)	(20,294)	(93,694)	(429,318)	-	(429,318)
Operating supplies and expenses	(77,323)	(471,046)	(61,680)	(110,539)	(16,116)	(7,330)	(744,034)	144,619	(599,415)
Rent expenses	(848)	(31,351)	(1,460)	(1,017)	(239)	(5,237)	(40,152)	38,332	(1,820)
Depreciation and amortization	(44,672)	(20,930)	(156,889)	(891)	(51,735)	(1,391)	(276,508)	-	(276,508)
Provision for impairment of trade receivables	(40)	(7,544)	(4,048)	(1,345)	-	(20)	(12,997)	(30)	(13,027)
Other operating expenses	(2,422)	(47,397)	(31,996)	(1,997)	(14,372)	(18,548)	(116,732)	1,066	(115,666)
Allocations relating to fleet and technical services	-	197,933	(171,189)	-	(26,744)	-	-	-	-
Allocations relating to Milaha Corporate	(10,126)	(83,480)	(14,644)	(9,569)	(8,222)	126,041	-	-	-
OPERATING PROFIT	176,857	(64,435)	83,037	(8,151)	98,908	(179)	286,037	-	286,037
Finance costs	(477)	(7,130)	(32,876)	-	(25,406)	-	(65,889)	2,996	(62,893)
Finance income	7,040	-	108	127	10,404	13	17,692	(2,996)	14,696
Gain on disposal of investment properties	73,646	-	-	-	-	-	73,646	-	73,646
Gain on disposal of property, vessels and equipment	8,034	4,530	1,740	12	-	-	14,316	-	14,316
Share of results of associates	(972)	1,684	-	-	325,764	-	326,476	-	326,476
Share of results of joint arrangements	-	134,644	-	-	31,038	-	165,682	-	165,682
Net gain (loss) on foreign exchange	(27)	(162)	(1,245)	(16)	14	166	(1,270)	-	(1,270)
Impairment of vessels	(163,000)	-	(269,145)	-	-	-	(432,145)	-	(432,145)
PROFIT FOR THE PERIOD	101,101	69,131	(218,381)	(8,028)	440,722	-	384,545	-	384,545

Note : Inter-segment revenues are eliminated on consolidation.

15. 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.