



# FY 2020 Financial Summary Conference Call

**Doha, Qatar**

**February 25, 2020**

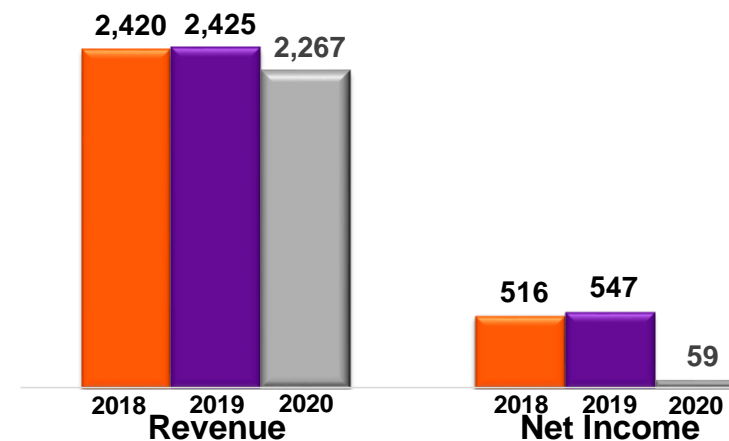
# Consolidated Income Statement – Full Year

(All amounts in QR Millions)

	2018	2019	2020
<b>Operating Revenue</b>	<b>2,420</b>	<b>2,425</b>	<b>2,267</b>
Salaries, Wages and Other Benefits	(563)	(588)	(581)
Operating Supplies and Expenses	(941)	(1,001)	(840)
Rent Expenses	(15)	(7)	(5)
Depreciation and Amortisation	(334)	(362)	(367)
Provision of Impairment of Trade Receivables	(7)	(7)	(26)
Other Operating Expenses	(159)	(177)	(169)
<b>Operating Expenses</b>	<b>(2,019)</b>	<b>(2,142)</b>	<b>(1,989)</b>
<b>Operating Profit</b>	<b>401</b>	<b>283</b>	<b>279</b>
Finance Costs	(148)	(103)	(84)
Finance Income	62	24	21
Net Gain on Disposal of Property, Vessels & Equipment	1	16	14
Net Gain on Disposal of Investment Property	-	-	74
Share of Results of Associates	273	361	418
Share of Results of Joint Arrangements	165	239	85
Net Gain on Foreign Exchange	0	(1)	(1)
Impairment of Property, Vessels and Equipment	(243)	(272)	(741)
Tax for the Year	-	(1)	(5)
<b>Non-Operating Profit</b>	<b>111</b>	<b>263</b>	<b>(220)</b>
<b>Profit for the Period</b>	<b>512</b>	<b>546</b>	<b>59</b>
Non-controlling interest	5	1	(0)
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>516</b>	<b>547</b>	<b>59</b>

▼ Revenue	-6%
▼ Operating Profit	-1%
▼ Net Profit	-89%

%s shown vs 2019



# Activities by Segment



## Maritime & Logistics

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



## Offshore

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



## Gas & Petrochem

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



## Trading

- Heavy Equipment and Truck Agency
- Bunker Distribution
- Marine Engine and Lubricants Agency
- Travel & Tourism Agency



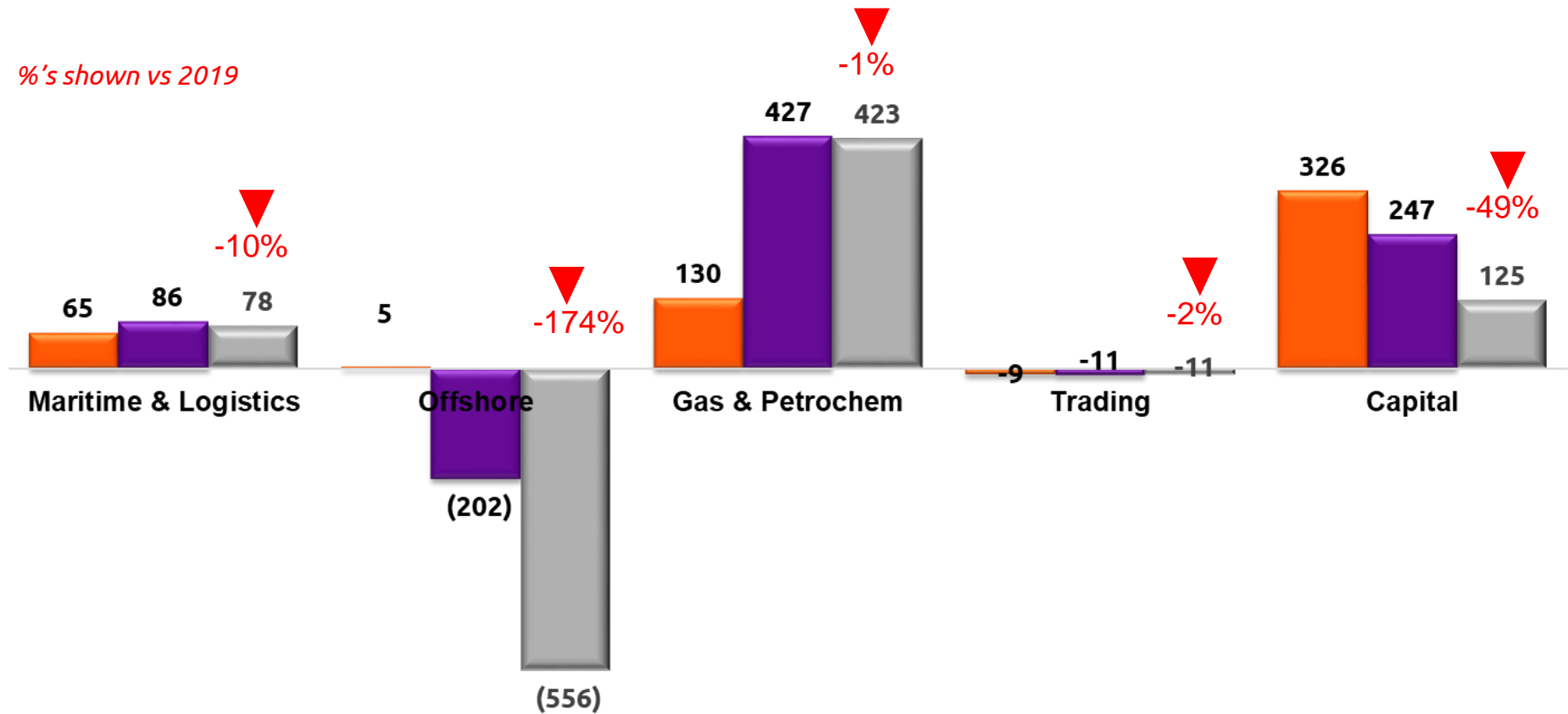
## Capital

- Real Estate Development and Management
- Strategic and Financial Investments

# Net Profit, by Segment – Full Year

(All amounts in QR Millions)

%s shown vs 2019



▼ Unfavorable

▲ Favorable

■ 2018

■ 2019

■ 2020

# Statement of Income, by Segment – FY 2020

(All amounts in QR Millions)

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
<b>Operating Revenue</b>	<b>861</b>	<b>762</b>	<b>298</b>	<b>165</b>	<b>413</b>	<b>0</b>	<b>(231)</b>	<b>2,267</b>
Salaries, Wages & Benefits	(338)	(73)	(27)	(12)	(8)	(122)	-	<b>(581)</b>
Operating Supplies & Expenses	(628)	(95)	(23)	(144)	(120)	(11)	181	<b>(840)</b>
Rent	(42)	(2)	(0)	(2)	(0)	(7)	49	<b>(5)</b>
Depreciation & Amortization	(29)	(204)	(68)	(1)	(62)	(2)	-	<b>(367)</b>
Provision of Impairment of Trade Receivables	(8)	(15)	-	(0)	(3)	(0)	-	<b>(26)</b>
Other Operating Expenses	(71)	(41)	(17)	(3)	(6)	(32)	2	<b>(169)</b>
Fleet & Technical Expense Allocation	288	(250)	(38)	-	-	-	-	<b>(0)</b>
Expense Allocation from Milaha Corporate	(112)	(20)	(12)	(14)	(16)	174	-	<b>(0)</b>
<b>Operating Profit</b>	<b>(80)</b>	<b>61</b>	<b>112</b>	<b>(11)</b>	<b>198</b>	<b>(0)</b>	<b>(0)</b>	<b>279</b>
Finance Costs	(11)	(42)	(34)	-	(1)	-	4	<b>(84)</b>
Finance Income	0	0	14	0	11	0	(4)	<b>21</b>
Net Gain on Disposal of Property, Vessels & Equipment	6	0	-	0	8	(0)	-	<b>14</b>
Net Gain on Disposal of Investment Property	-	-	-	-	74	-	-	<b>74</b>
Share of Results of Associates	3	-	417	-	(1)	-	-	<b>418</b>
Share of Results of Joint Arrangements	168	-	(82)	-	-	-	-	<b>85</b>
Impairment of Available-for-Sale Investments	-	-	-	-	-	-	-	<b>-</b>
Net Gain on Foreign Exchange	0	(1)	(0)	0	(0)	0	-	<b>(1)</b>
Impairment of Property, Vessels and Equipment	(7)	(571)	(0)	-	(163)	-	-	<b>(741)</b>
Miscellaneous Income	-	-	-	-	-	-	-	<b>-</b>
Tax for the Year	(0)	(2)	(3)	(0)	(0)	-	-	<b>(5)</b>
<b>Profit for the Period</b>	<b>78</b>	<b>(556)</b>	<b>423</b>	<b>(11)</b>	<b>125</b>	<b>(0)</b>	<b>(0)</b>	<b>59</b>
Non-controlling interest	-	-	-	-	(0)	-	-	<b>(0)</b>
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>78</b>	<b>(556)</b>	<b>423</b>	<b>(11)</b>	<b>125</b>	<b>(0)</b>	<b>(0)</b>	<b>59</b>

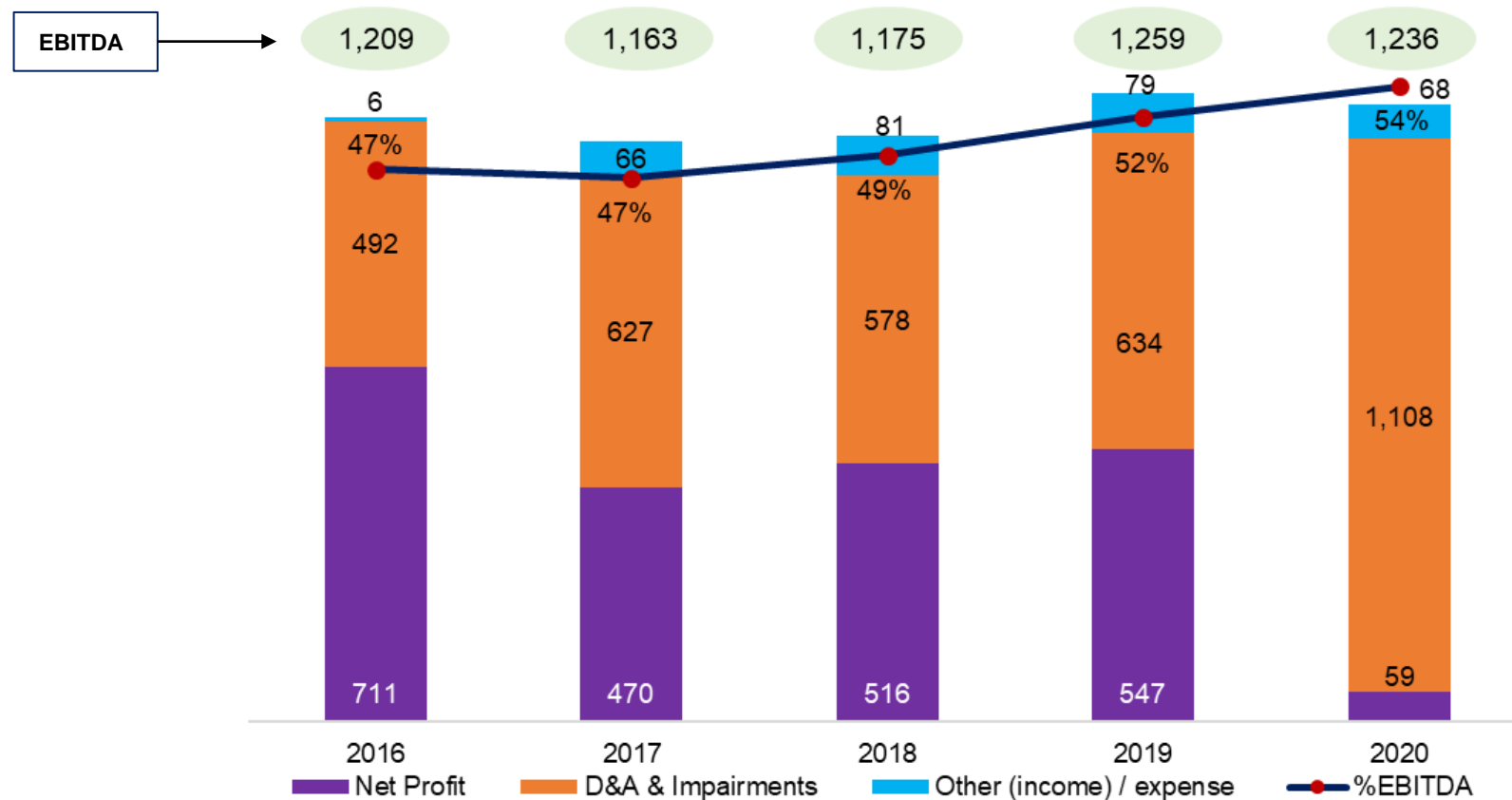
# Statement of Income, by Segment – FY 2019

(All amounts in QR Millions)

	Maritime & Logistics	Offshore	Gas & Petrochem	Trading	Capital	Corporate	Eliminations/ Adjustments	Consolidated
<b>Operating Revenue</b>	<b>953</b>	<b>752</b>	<b>288</b>	<b>251</b>	<b>465</b>	<b>-</b>	<b>(286)</b>	<b>2,425</b>
Salaries, Wages & Benefits	(347)	(71)	(26)	(16)	(7)	(121)	-	(588)
Operating Supplies & Expenses	(734)	(109)	(21)	(234)	(128)	(12)	237	(1,001)
Rent	(43)	(2)	(0)	(2)	(1)	(8)	48	(7)
Depreciation & Amortization	(30)	(184)	(80)	(1)	(66)	(2)	-	(362)
Provision of Impairment of Trade Receivables	(3)	(4)	-	(1)	(0)	0	-	(7)
Other Operating Expenses	(62)	(39)	(45)	4	(15)	(21)	0	(177)
Fleet & Technical Expense Allocation	302	(250)	(51)	-	-	-	-	(0)
Expense Allocation from Milaha Corporate	(108)	(16)	(12)	(13)	(14)	164	-	-
<b>Operating Profit</b>	<b>(71)</b>	<b>78</b>	<b>52</b>	<b>(11)</b>	<b>235</b>	<b>(0)</b>	<b>0</b>	<b>283</b>
Finance Costs	(17)	(53)	(36)	-	(1)	-	4	(103)
Finance Income	0	0	16	0	12	0	(4)	24
Net Gain on Disposal of Property, Vessels & Equipment	1	0	15	0	-	0	-	16
Net Gain on Disposal of Investment Property	-	-	-	-	-	-	-	-
Share of Results of Associates	3	-	357	-	1	-	-	361
Share of Results of Joint Arrangements	201	-	37	-	-	-	-	239
Impairment of Available-for-Sale Investments	-	-	-	-	-	-	-	-
Net Gain on Foreign Exchange	0	(1)	(0)	(0)	(0)	0	-	(1)
Impairment of Property, Vessels and Equipment	(33)	(226)	(13)	-	-	-	-	(272)
Miscellaneous Income	-	-	-	-	-	-	-	-
Tax for the Year	-	(0)	(1)	-	(0)	-	-	(1)
<b>Profit for the Period</b>	<b>86</b>	<b>(202)</b>	<b>427</b>	<b>(11)</b>	<b>247</b>	<b>0</b>	<b>0</b>	<b>546</b>
Non-controlling interest	-	-	-	-	1	-	-	1
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>86</b>	<b>(202)</b>	<b>427</b>	<b>(11)</b>	<b>247</b>	<b>0</b>	<b>0</b>	<b>547</b>

# EBITDA and EBITDA margins – FY 2016 - 2020

(All amounts in QR Millions)



1. EBITDA is calculated as **Earnings** (Net Profit Attributable to Equity Holders) + **Net Finance Expense** + **Taxes** + **Depr & Amort** + **Impairment of Vessels** + **Impairment on Available for Sale Financial Assets**
2. Other (Income) / Expense includes Minority Interest, Net Finance Expense and Tax

# Segment Performance – Full Year

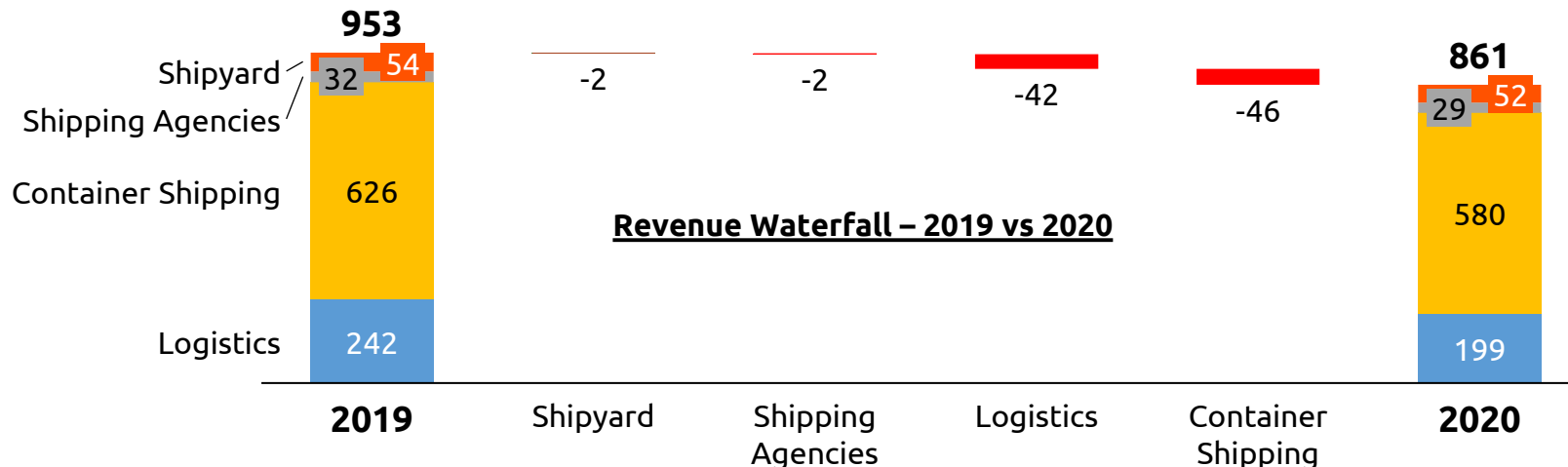
(All amounts in QR Millions)

## Maritime & Logistics

### 10% Decrease in Revenue and 10% Decrease in Net Profit

- Revenue decrease primarily from Container Shipping (incl Bulk) & Logistics unit
  - COVID19 lockdowns & demand disruptions impacted volumes/work
  - Bulk chartering activities discontinued; sole vessel sold Feb 2021
- Operating Expenses are down QR 83M
  - 106m decrease in Operating Supplies & Expenses tied to revenue decreases in Container Shipping (including Bulk) & Logistics
  - (5)m increase in Provision for Bad Debt
- Non-Operating Income is up QR 1M
  - 26m in lower vessel impairments 2020 vs 2019
  - 6m decrease in Finance costs due to reduced principal/interest rates
  - 5m increase on the Gain on Sale of 2 Container
  - (34)m decrease in share of QTerminals profit

	2018	2019	2020
<b>Operating Revenue</b>	<b>904</b>	<b>953</b>	<b>861</b>
Salaries, Wages and Other Benefits	(323)	(347)	(338)
Operating Supplies and Expenses	(652)	(734)	(628)
Rent Expenses	(46)	(43)	(42)
Depreciation and Amortisation	(32)	(30)	(29)
Provision of Impairment of Trade Receivables	(3)	(3)	(8)
Other Operating Expenses	(68)	(62)	(71)
Fleet & Technical Expense Allocation	292	302	288
Expense Allocation from Milaha Corporate	(99)	(108)	(112)
<b>Operating Expenses</b>	<b>(931)</b>	<b>(1,024)</b>	<b>(941)</b>
<b>Operating Profit</b>	<b>(26)</b>	<b>(71)</b>	<b>(80)</b>
<b>Non-Operating Income/(Expense)</b>	<b>92</b>	<b>157</b>	<b>158</b>
<b>Profit for the Period</b>	<b>65</b>	<b>86</b>	<b>78</b>





# Segment Performance – Full Year

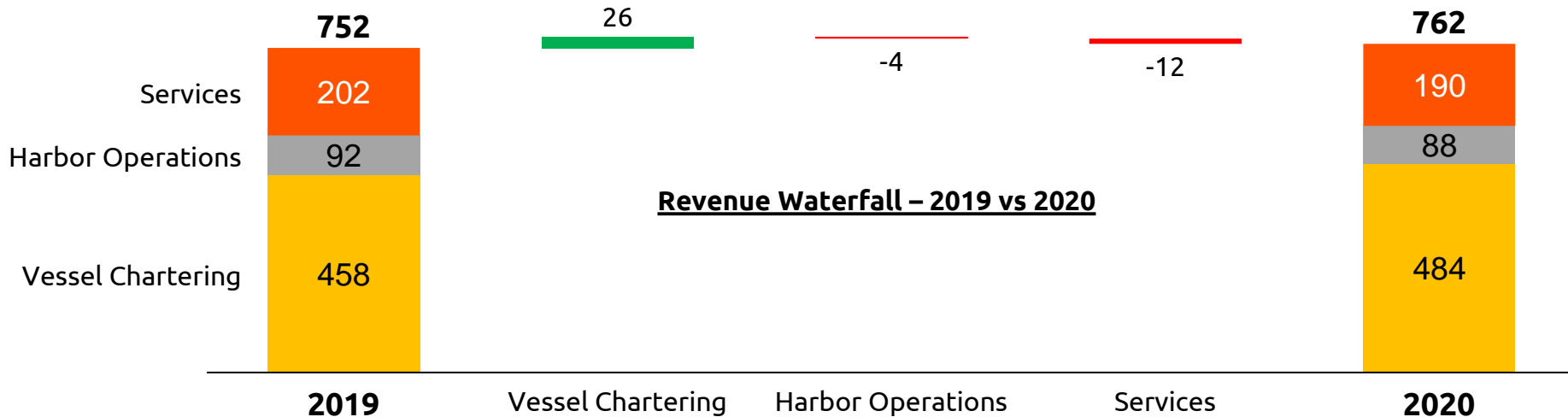
(All amounts in QR Millions)

## Offshore Marine

### 1% Increase in Revenue and 174% Decrease in Bottom Line

- **Revenue increase coming from Vessel Chartering**
  - Increase in 3<sup>rd</sup> party chartered-in vessel revenue + the addition of 1 new vessel boosted revenues
  - Services decreased due to offhire of vessels & related diving services due to COVID19
- **Operating Expenses increased by QR (26)M**
  - Reduction in Operating Supplies & Expenses was partially offset by increased (right-of-use) depreciation expense related to chartered-in vessels (IFRS 16)
  - (11)m increase in provision of impairment of trade receivables
- **Non-Operating Expenses increased by QR (337)M**
  - 11m decrease in Finance Expense
  - (345)m in higher vessel impairments recorded in 2020 vs 2019

	2018	2019	2020
<b>Operating Revenue</b>	<b>666</b>	<b>752</b>	<b>762</b>
Salaries, Wages and Other Benefits	(73)	(71)	(73)
Operating Supplies and Expenses	(90)	(109)	(95)
Rent Expenses	(4)	(2)	(2)
Depreciation and Amortisation	(145)	(184)	(204)
Provision of Impairment of Trade Receivables	(3)	(4)	(15)
Other Operating Expenses	(31)	(39)	(41)
Fleet & Technical Expense Allocation	(231)	(250)	(250)
Expense Allocation from Milaha Corporate	(17)	(16)	(20)
<b>Operating Expenses</b>	<b>(594)</b>	<b>(675)</b>	<b>(701)</b>
<b>Operating Profit</b>	<b>73</b>	<b>78</b>	<b>61</b>
<b>Non-Operating Income/(Expense)</b>	<b>(68)</b>	<b>(280)</b>	<b>(617)</b>
<b>Profit for the Period</b>	<b>5</b>	<b>(202)</b>	<b>(556)</b>



# Segment Performance – Full Year

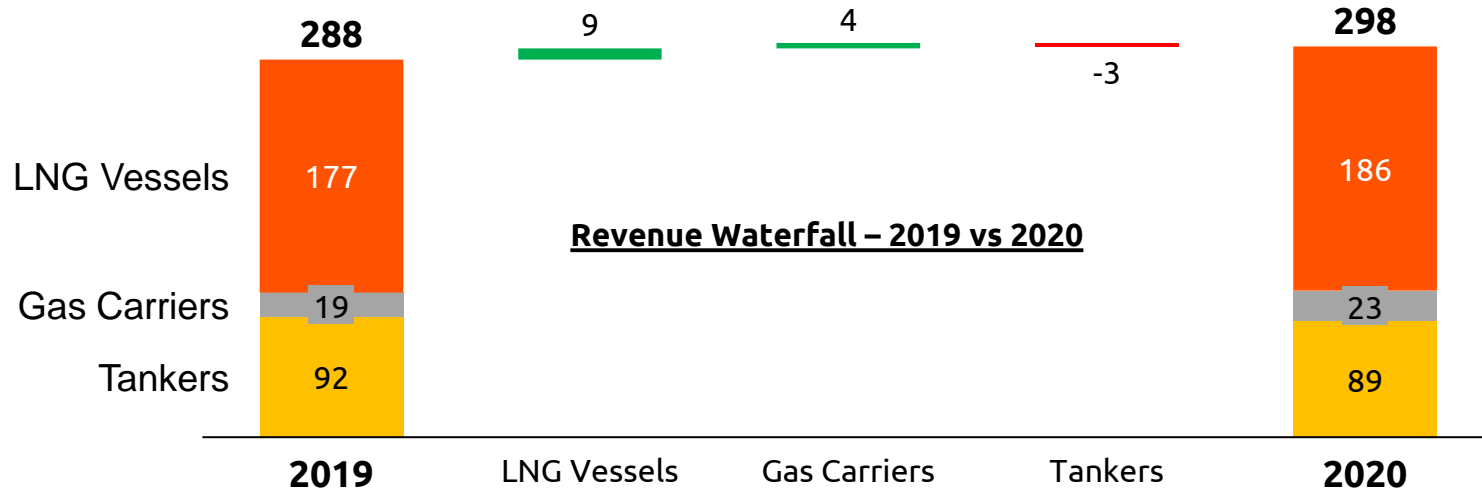
(All amounts in QR Millions)

## Gas & Petrochem

### 3% Increase in Revenue and 1% Decrease in Net Profit

- **Revenue increased by QR 10m**
  - LNG Vessels increased by 9m driven by higher utilization due to a 2019 drydocking + one-time adjustments
  - Tankers decreased by (6)m due to the sale of 2 vessels, which were partially offset by higher market rates on the 3 remaining vessels
  - Gas Carrier is up due to higher time charter rate vs 2019
- **Operating Expenses down QR 50M**
  - Less vessels (2 less Tankers + 1 less Gas Carrier) reduced costs
- **Non-Operating Income down QR (64)M**
  - 60m in higher Associate income (mainly from Nakilat)
  - 13m in lower vessel impairments vs 2019
  - (15)m lower Gain on Sale of vessels from 2019
  - (119)m lower JV income, with (127)m related to impairments on 4 VLGC vessels, recorded in the joint venture books

	2018	2019	2020
<b>Operating Revenue</b>	<b>299</b>	<b>288</b>	<b>298</b>
Salaries, Wages and Other Benefits	(26)	(26)	(27)
Operating Supplies and Expenses	(24)	(21)	(23)
Rent Expenses	(0)	(0)	(0)
Depreciation and Amortisation	(93)	(80)	(68)
Other Operating Expenses	(14)	(45)	(17)
Fleet & Technical Expense Allocation	(61)	(51)	(38)
Expense Allocation from Milaha Corporate	(15)	(12)	(12)
<b>Operating Expenses</b>	<b>(234)</b>	<b>(236)</b>	<b>(186)</b>
<b>Operating Profit</b>	<b>65</b>	<b>52</b>	<b>112</b>
<b>Non-Operating Income/(Expense)</b>	<b>65</b>	<b>375</b>	<b>311</b>
<b>Profit for the Period</b>	<b>130</b>	<b>427</b>	<b>423</b>



# Segment Performance – Full Year

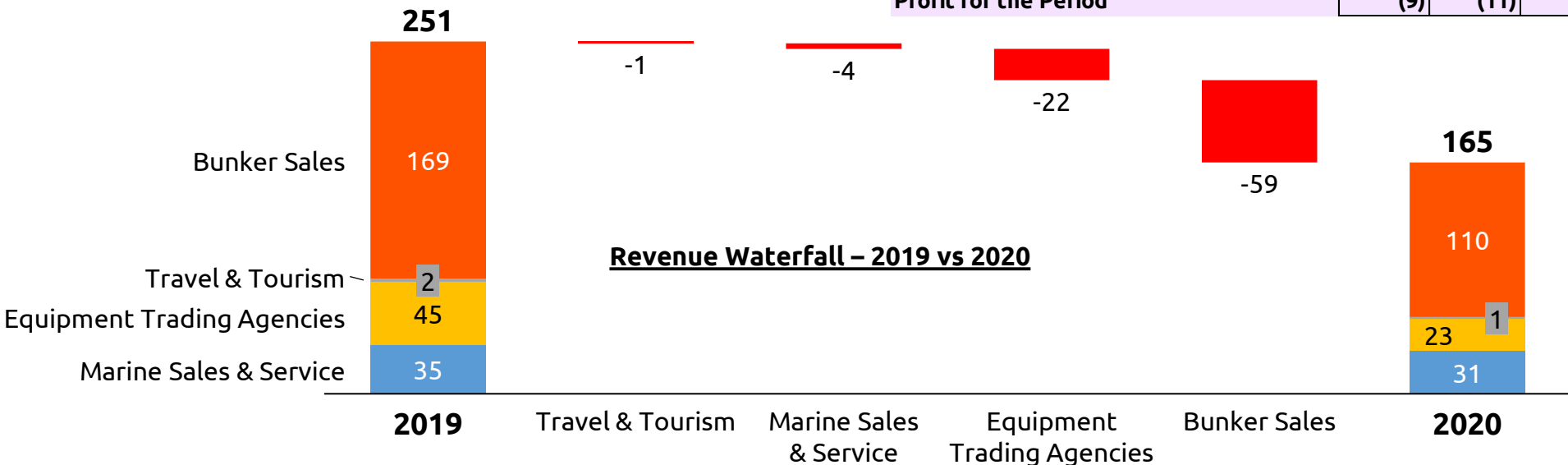
(All amounts in QR Millions)

Trading

**34% Decrease in Revenue and 2% Decrease in bottom line**

- Lower sales in all units led to 200k increase in net loss

	2018	2019	2020
<b>Operating Revenue</b>	<b>297</b>	<b>251</b>	<b>165</b>
Salaries, Wages and Other Benefits	(15)	(16)	(12)
Operating Supplies and Expenses	(266)	(234)	(144)
Rent Expenses	(2)	(2)	(2)
Depreciation and Amortisation	(1)	(1)	(1)
Provision of Impairment of Trade Receivables	1	(1)	(0)
Other Operating Expenses	(11)	4	(3)
Expense Allocation from Milaha Corporate	(14)	(13)	(14)
<b>Operating Expenses</b>	<b>(308)</b>	<b>(263)</b>	<b>(177)</b>
<b>Operating Profit</b>	<b>(11)</b>	<b>(11)</b>	<b>(11)</b>
<b>Non-Operating Income/(Expense)</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Profit for the Period</b>	<b>(9)</b>	<b>(11)</b>	<b>(11)</b>



# Segment Performance – Full Year

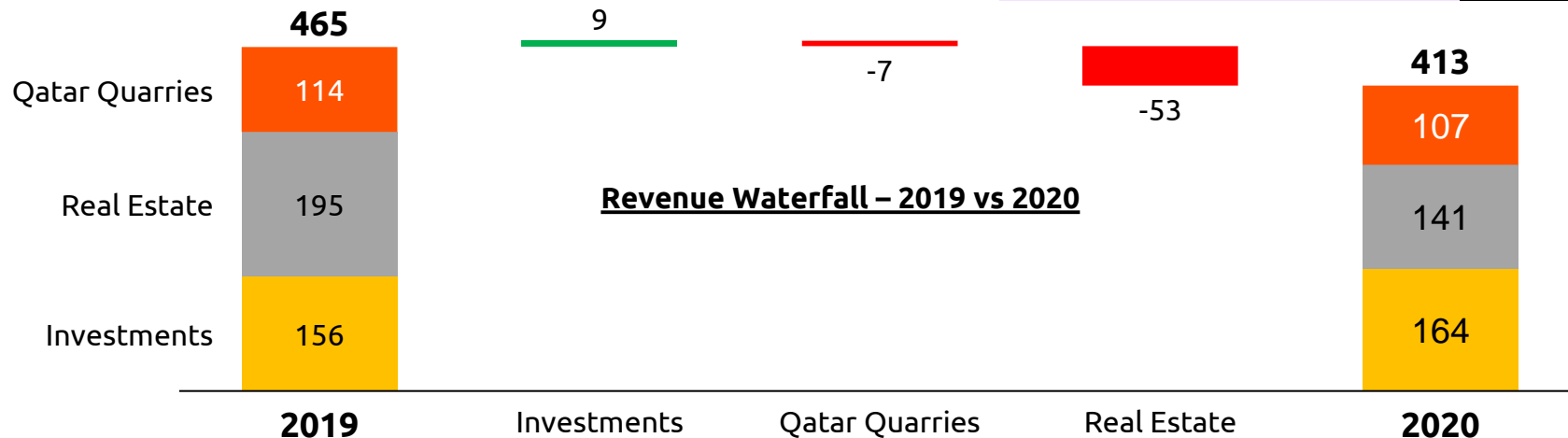
(All amounts in QR Millions)

Capital

## 11% Decrease in Revenue and 49% Decrease in Net Profit

- **QR (52)M decrease in Revenue:**
  - +12m higher bond income
  - 3m increase in HFT returns
  - (6)m decrease in dividend income
  - (7)m decrease in Qatar Quarries gabbro sales
  - (53)m decrease in Real Estate rental income
- **Overall Operating Expenses decreased QR 15m mainly due to a reduction in Qatar Quarries Cost of Goods Sold and misc expenses**
- **Non-Operating Income down QR (84)M**
  - 82m Gain on Sale of Real Estate properties
  - (163)m Impairment on real estate asset

	2018	2019	2020
<b>Operating Revenue</b>	<b>517</b>	<b>465</b>	<b>413</b>
Salaries, Wages and Other Benefits	(8)	(7)	(8)
Operating Supplies and Expenses	(115)	(128)	(120)
Rent Expenses	(4)	(1)	(0)
Depreciation and Amortisation	(60)	(66)	(62)
Provision of Impairment of Trade Receivables	(2)	(0)	(3)
Other Operating Expenses	(12)	(15)	(6)
Expense Allocation from Milaha Corporate	(15)	(14)	(16)
<b>Operating Expenses</b>	<b>(216)</b>	<b>(230)</b>	<b>(215)</b>
<b>Operating Profit</b>	<b>301</b>	<b>235</b>	<b>198</b>
<b>Non-Operating Income/(Expense)</b>	<b>21</b>	<b>12</b>	<b>(73)</b>
<b>Profit for the Period</b>	<b>321</b>	<b>247</b>	<b>125</b>
Non-controlling interest	5	1	(0)
<b>Net Profit Attributable To Equity Holders Of The Parent</b>	<b>326</b>	<b>247</b>	<b>125</b>



### ➤ **QTerminals**

- Expect volume stability/increase at Hamad port

### ➤ **Container Shipping**

- The impact of COVID19 on both supply and demand is stabilizing so barring anything unforeseen, we expect stable volumes/revenue.

### ➤ **Logistics**

- Utilization continues to increase in Milaha Logistics City warehouses
- Import/Export trade volumes expected to increase but onsite project work with clients is spotty – some have shutdown (and continue to be) operations completely due to COVID19 outbreaks & precautions

### ➤ Offshore Support Vessels

- Outlook for the rest of the year is expected to be stable. Vessel offhires due to COVID19 have been minimal and mitigated but are difficult to predict going forward.

### ➤ Harbor Operations

- Expect stable revenue throughout the year

### ➤ VLGCs:

- Charter rates extremely volatile and outlook unpredictable

### ➤ Jointly & Fully owned LNG carriers

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

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

- All trading on spot and exposed to market volatility; cautiously optimistic

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

- Vessel renewed time charter that was expiring in Jun 2020 for 2 more years; stable earnings

### ➤ Results from Associates - expect stable growth from Nakilat share

- Cautiously optimistic as tender and RFQ volumes have increased substantially



### ➤ **Limited Investments volatility**

- Held for Trading Portfolio liquidated

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

- Real Estate income expected to remain stable with Q4 run rate, except for upside revenue in the new villa compound where a tenancy contract has been signed with effective date in Q3 2021