QATAR GAS TRANSPORT COMPANY LTD.
"NAKILAT" (QPSC)

NAKILAT ناقلات

Nakilat



1H24 Financial Results

IR Presentation – August 2024

"PURSUING SUSTAINABLE GROWTH AND DELIVERING CLEAN ENERGY"

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All statements in this presentation (other than those of historical fact) contain reference to our future business and financial performance and future events or developments that may constitute forward-looking statements. These statements may be identified by words such as "expect," "look forward to," "anticipate" "intend," "plan," "believe," "seek," "estimate," "will," "project", "may", "forecast" or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements. Such statements are based on the current expectations and certain assumptions of NAKILATs' management, of which many are beyond NAKILATs' control. These are subject to several risks, uncertainties and factors that might cause future results and outcomes to differ including, but not limited to the following:

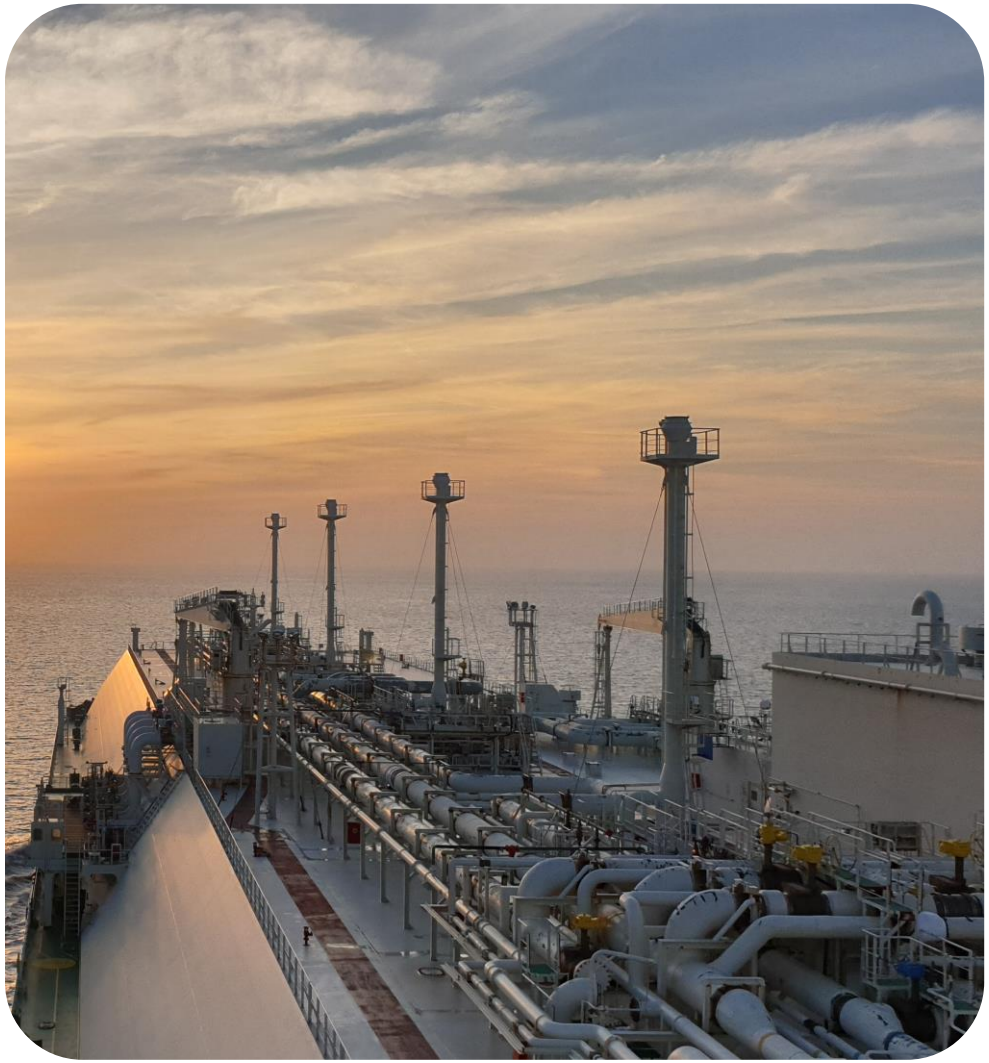
- general LNG shipping market conditions and trends, including spot and long-term charter rates, ship values, factors affecting supply and demand of LNG and LNG shipping, technological advancements
- and opportunities for the profitable operations of LNG carriers;
- fluctuations in spot and long-term charter hire rates and vessel values;
- changes in our operating expenses, including crew wages, maintenance, dry-docking and insurance costs and bunker prices;
- number of off-hire days and dry-docking requirements including our ability to complete scheduled dry-dockings on time and within budget;
- planned capital expenditures and availability of capital resources to fund capital expenditures;
- may no longer have the latest technology which may impact the rate at which we can charter such vessels;
- increased exposure to the spot market and fluctuations in spot charter rates;
- fluctuations in prices for crude oil, petroleum products and natural gas, including LNG;
- changes in the ownership of our charterers;
- our customers' performance of their obligations under our time charters and other contracts;
- our future operating performance and expenses, financial condition, liquidity and cash available for dividends and distributions;
- our ability to obtain financing to fund capital expenditures, acquisitions and other corporate activities, funding by banks of their financial commitments, and our ability to meet our restrictive covenants
- future, pending or recent acquisitions of or orders for ships or other assets, business strategy, areas of possible expansion and expected capital spending;
- the time that it may take to construct and deliver new buildings and the useful lives of our ships;
- fluctuations in currencies and interest rates;
- the expected cost of and our ability to comply with environmental and regulatory conditions, including changes in laws and regulations or actions taken by regulatory authorities, governmental
- organizations, classification societies and standards imposed by our charterers applicable to our business;
- risks inherent in ship operation, including the risk of accidents, collisions and the discharge of pollutants;
- our ability to retain key employees and the availability of skilled labor, ship crews and management;
- potential disruption of shipping routes due to accidents, political events, piracy or acts by terrorists;
- potential liability from future litigation;
- any malfunction or disruption of information technology systems and networks that our operations rely on or any impact of a possible cybersecurity breach

Should one or more of these risk factors or uncertainties materialize or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements of NAKILAT may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. NAKILAT neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated except if required by law. Accordingly, you should not unduly rely of any forward-looking statements. NAKILAT makes no representation or warranty, expressed or implied, with respect to any forecast, projection or predictive statements in this presentation.

This presentation has been prepared is the English language. In case of discrepancies if translated, the English language document is the sole authoritative and universally valid version.

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Nakilat at a Glance



VALUES

Safety	Incident and injury free
Passion	Strong commitment towards continuous improvement
Integrity	Honesty with sound moral principles
Respect	Value others' diversity and perspective
Encouragement	Be motivated and motivate people around you

Shipyard

- **Qatar Shipyard** — Fabrication, conversion, maintenance & industrial engineering; Marine vessels, rigs, offshore & onshore structures
- **QFAB** (Qatar Fabrication Company W.L.L.) — Fabrication offshore and onshore structures

Nakilat Fleet

69	4	1
LNG CARRIERS	LPG CARRIERS	FSRU

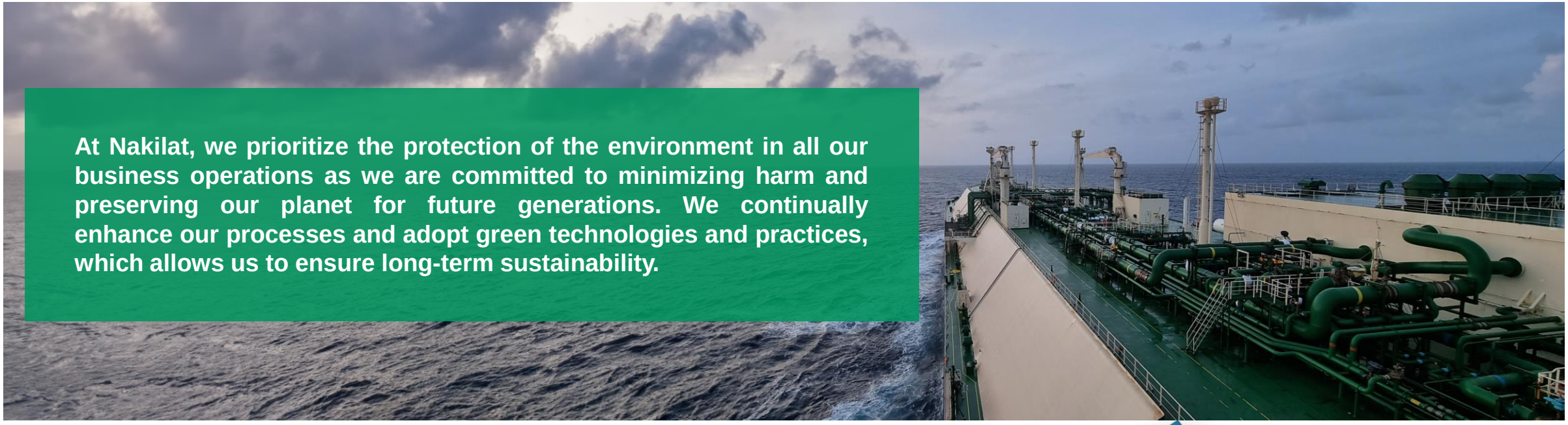
Marine Services

- **NSW** — Towage & marine support services; Operating a fleet of vessels including tug & pilot boats
- **Nakilat Agency Company** — Shipping agency, marine & logistics services; All ports & terminals in Qatar and globally through sub-agents
- **VSU** — Provisions, materials logistics, warehousing & coordination of repairs

Nakilat Investment Proposition

- Existing modern fleet of 69 LNG carriers, 4 very large LPG carriers, 1 FSRU, and an orderbook of 36 LNG carriers and 4 LPG/ammonia carriers
- High earning visibility with 887 years on firm contract backlog, additionally 585 years of option period for wholly owned vessels
- Fortress Balance Sheet - no debt maturities prior 2027 and strong cash position of QAR 2.6Bn for the group.
- Strategic positioning in Qatar, one of the world's largest LNG exporter, and key role within the global LNG value chain
- Nakilat provides highly attractive risk-adjusted long-term returns for its shareholders
- ★★★ The world's highest credit rated shipping company (AA-/S&P's, Aa3/Moody's, AA-/Fitch)

Our Journey Towards Sustainability

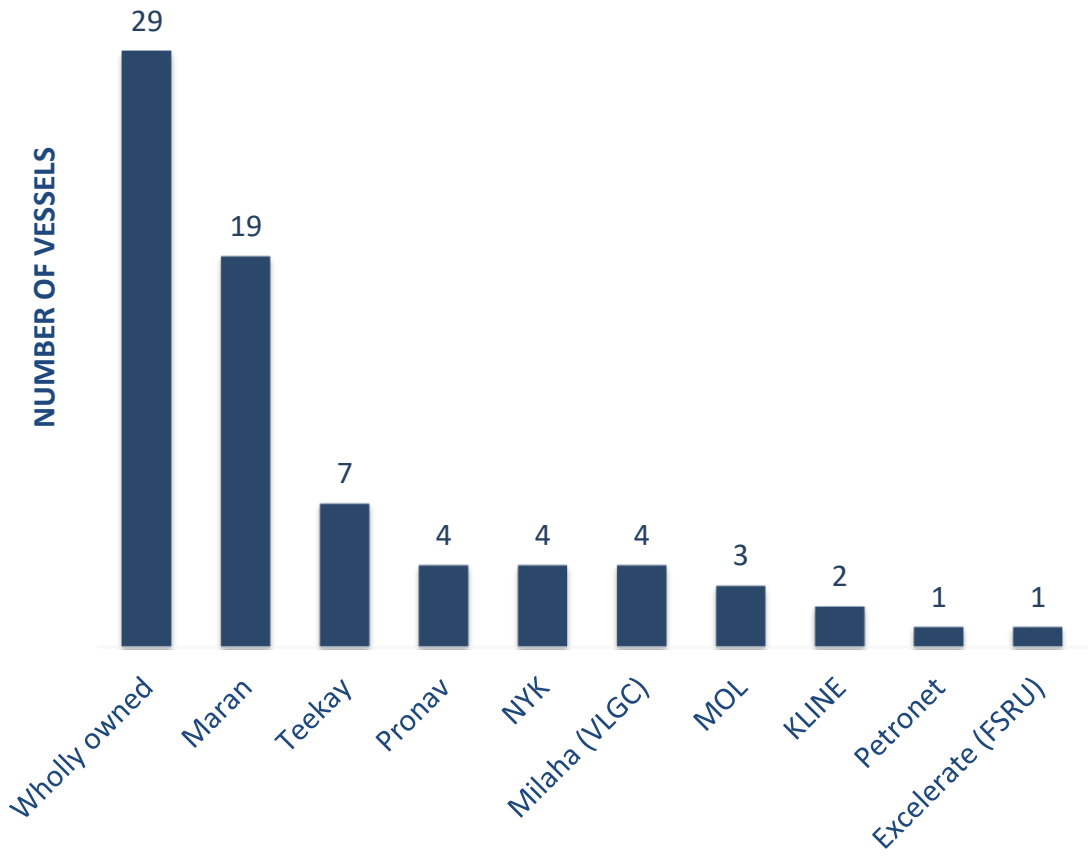


At Nakilat, we prioritize the protection of the environment in all our business operations as we are committed to minimizing harm and preserving our planet for future generations. We continually enhance our processes and adopt green technologies and practices, which allows us to ensure long-term sustainability.

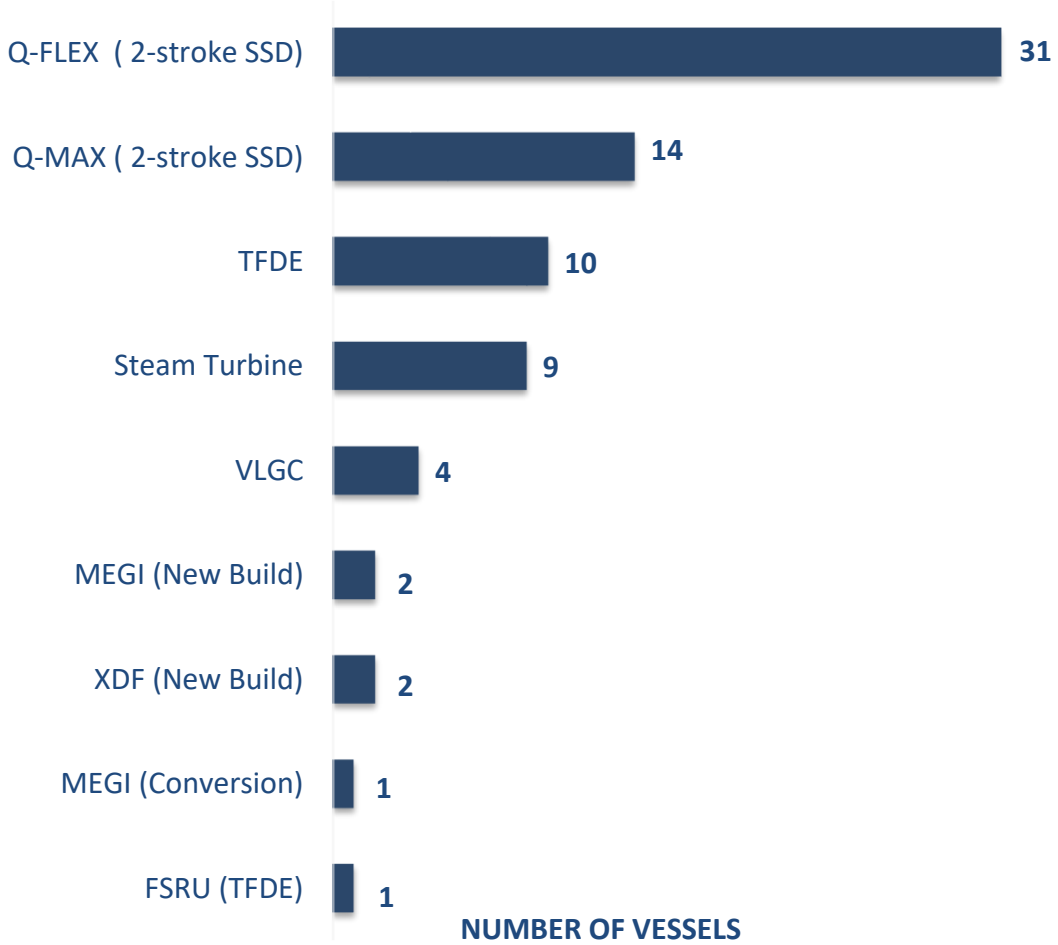
- Nakilat is committed to environmental protection according to the Qatar National Vision 2030 IMO.
- Nakilat recognised as one of the Middle East's Top 100 Listed companies by Forbes.
- Nakilat recognised as the 5th in the Middle East’s Top 100 Listed companies 2023 for sustainability in transport and logistics.

Nakilat's Fleet in Operation

Wholly & Jointly-Owned Fleet in Operations



Vessels' Type / Propulsion



Accelerating our Fleet Growth Strategy

CURRENT NAKILAT FLEET **69** LNG CARRIERS **4** LPG CARRIERS **1** FSRU



Newbuilds for delivery
2026 onwards

27	**9**	**4**
LNG CARRIERS	QC-MAX CARRIERS	LPG/AMMONIA CARRIERS
174,000 cbm	**271,000 cbm**	**88,000 cbm**

The total vessel count in the company's fleet will reach 114 once all the vessels are delivered

Profit: QAR 829M

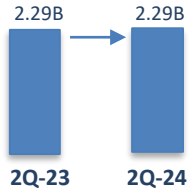
Financial Results for 2Q24



Financial Highlights (2Q24)

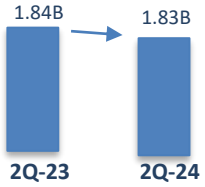
QAR 2.29B Revenue	QAR 1.83B EBITDA(1)	QAR 829M Net Profit	QAR 0.15 EPS	13.5% RoE(2)	1.45 Current Ratio

Revenue



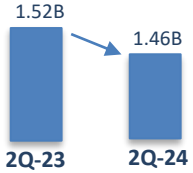
Total revenue similar to last year, with an increase in the shipping segment revenue; offset by lower Shipyard activities

EBITDA



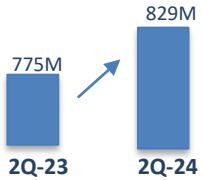
EBITDA decreased by ~0.6% mainly due lower Shipyard activities

Expenses



Expenses lower by ~3.6% mainly due to lower finance charges and lower depreciation and amortization

Net Profit



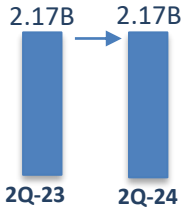
Net profit increased by ~7% driven by lower depreciation and lower finance costs

(1) EBITDA is a non-IFRS financial measure and should not be used in isolation or as substitute for Nakilat's financial results presented in accordance with International Financial Reporting Standards ("IFRS")

(2) Annualized RoE

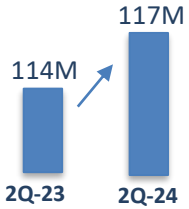
Income Statement (2Q24)

Revenue from operations



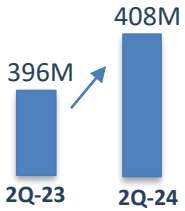
Revenue from operations similar to last year with higher results of LNG revenue; offset lower income from Shipyard

Interest, dividend and other income



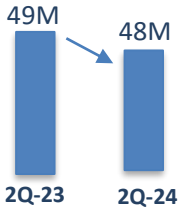
Interest, dividend and other income increased by ~2.9% due to higher cash held on term deposits and higher interest rates

Operating costs



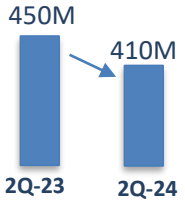
Operating costs increased by ~2.9% due to the execution of planned operating activities comparing to prior year

General and administration expenses



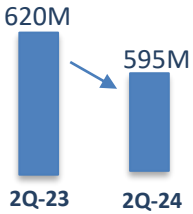
General and administration expenses decreased by ~1.6% due to timing variation of costs and continuous optimization

Amort. & Depr. of PPE



Amort. & Depr. of PPE decreased by ~8.9% mainly due to one off accounting for initial drydock component booked in 2023.

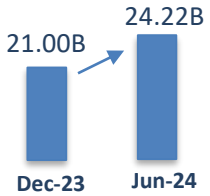
Finance charges



Finance charges decreased by ~4.1% as a result of scheduled repayment of interest-bearing loans

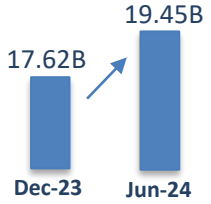
Balance Sheet (as of 30 Jun'24)

Property and equipment



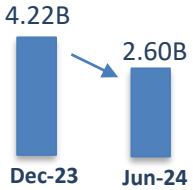
***Property and equipment increased by* ~15.3%** due to instalments paid towards Nakilat's newbuild program

Borrowings



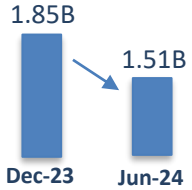
***Borrowings increased by* ~10.4%** due to new loan facilities to partly finance the newbuild program, offset by scheduled repayment of loans

Cash and bank balances



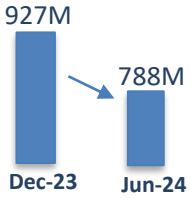
***Cash and bank balances decreased by* ~38.4%** mainly due to instalments paid towards Nakilat's newbuild program and dividend paid to shareholders, *offset by cash generated by operations*

Accounts payable, accruals and other liabilities



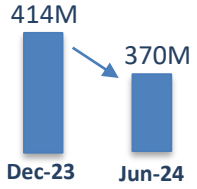
***Accounts payable, accruals and other liabilities decreased by* ~18.7%** due to the reduced advances received from the hub business and a decrease of accruals and payables

Trade and other receivables



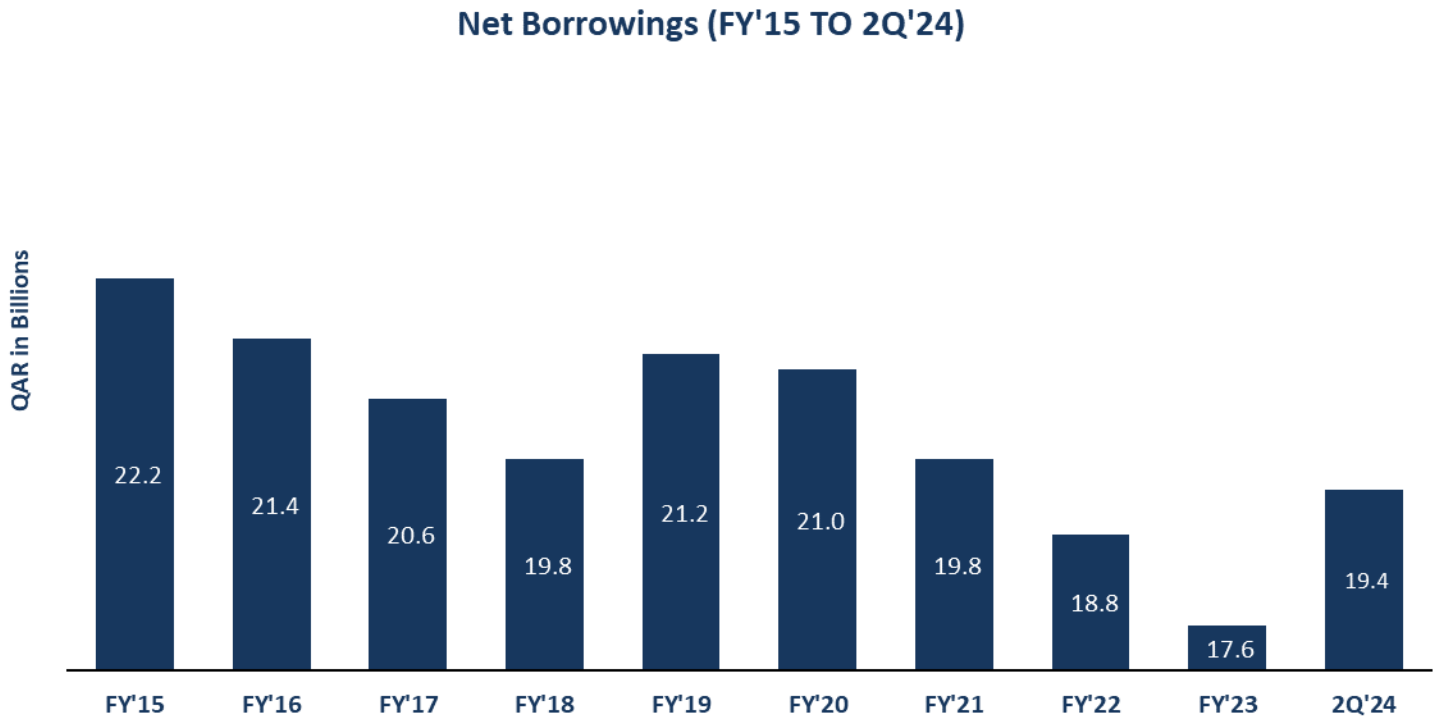
***Trade and other receivables decreased by* ~15.0%** mainly due to higher timely recoveries of accounts receivables

Net Fair value of interest rate swaps



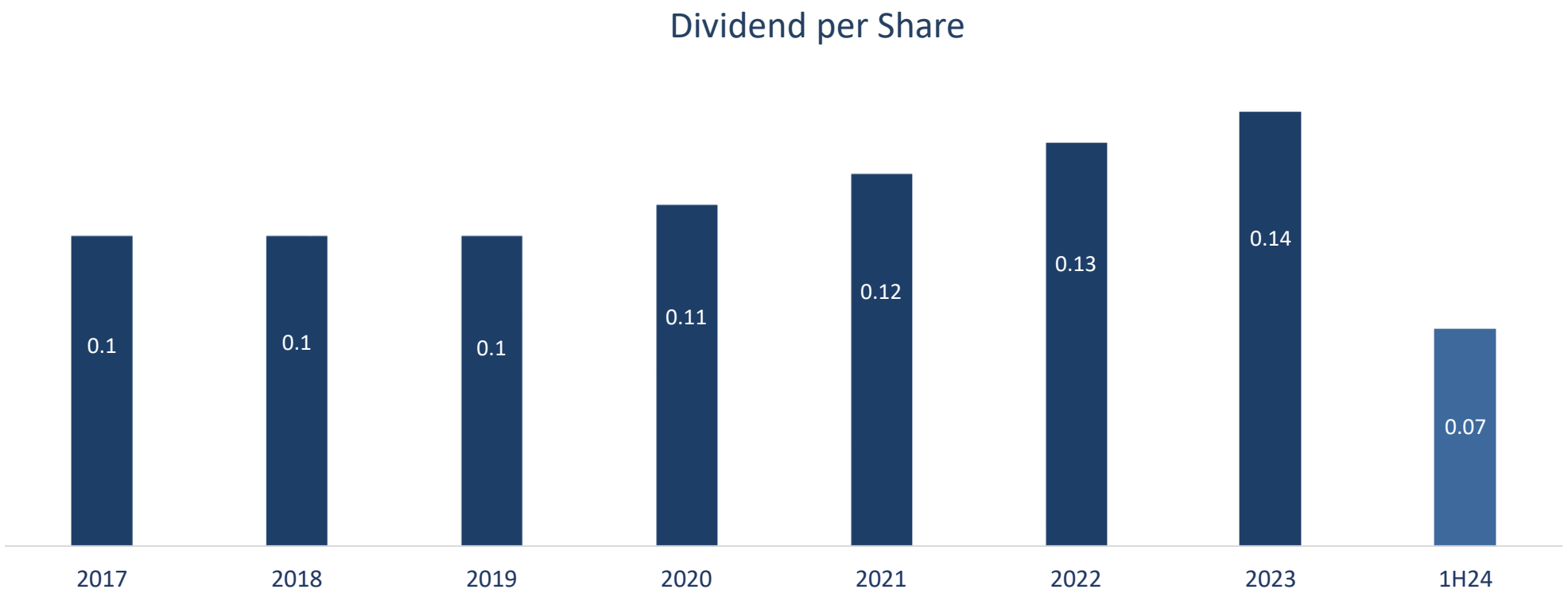
***Fair value of interest rate swaps decreased by* ~10.8%** due to decrease in notional amounts in line with loan scheduled repayments, coupled with the rise in variable interest rates, leading to a reduction in the mark-to-market liability

Net Borrowings (QAR in Billions)



Group Debt Balance of QAR 19.45Bn

Dividends (2017 – 1H24)

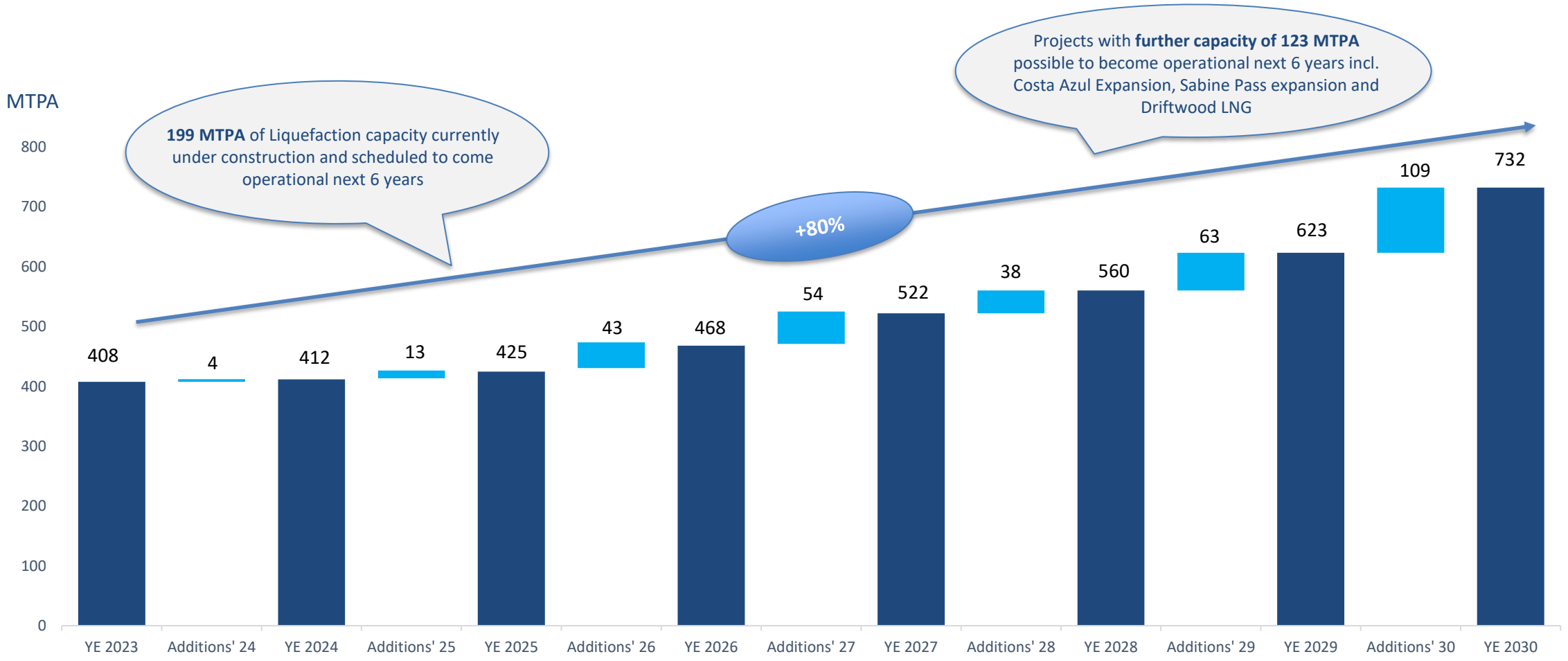


- BoD has proposed an interim cash dividend of QAR 0.07 per share for 1H24
- The proposed interim cash dividend is subject to approval at Extraordinary General Assembly

LNG SHIPPING OVERVIEW

Projected Liquefaction Capacity Until 2030

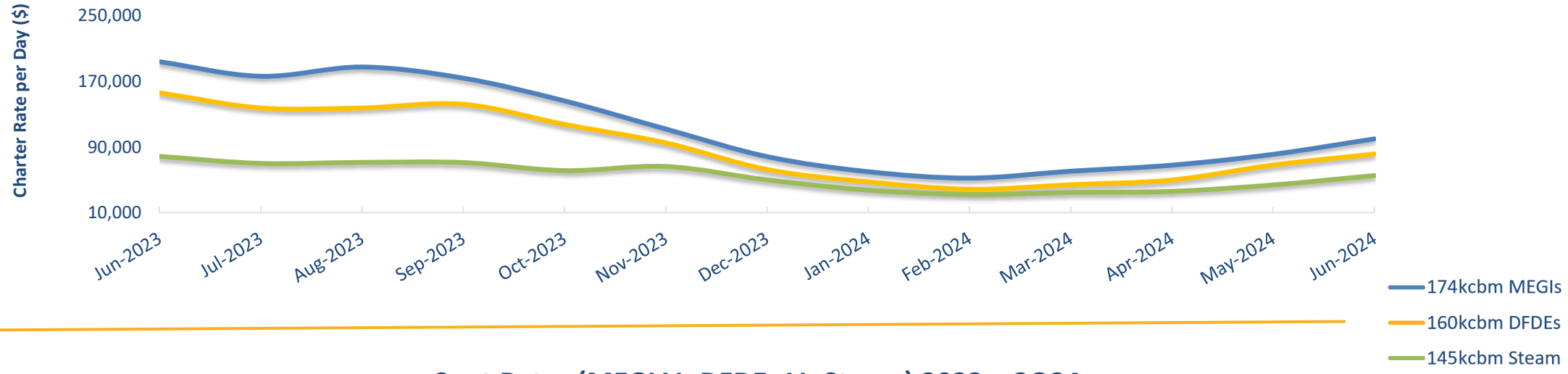
Projected Liquefaction Capacity



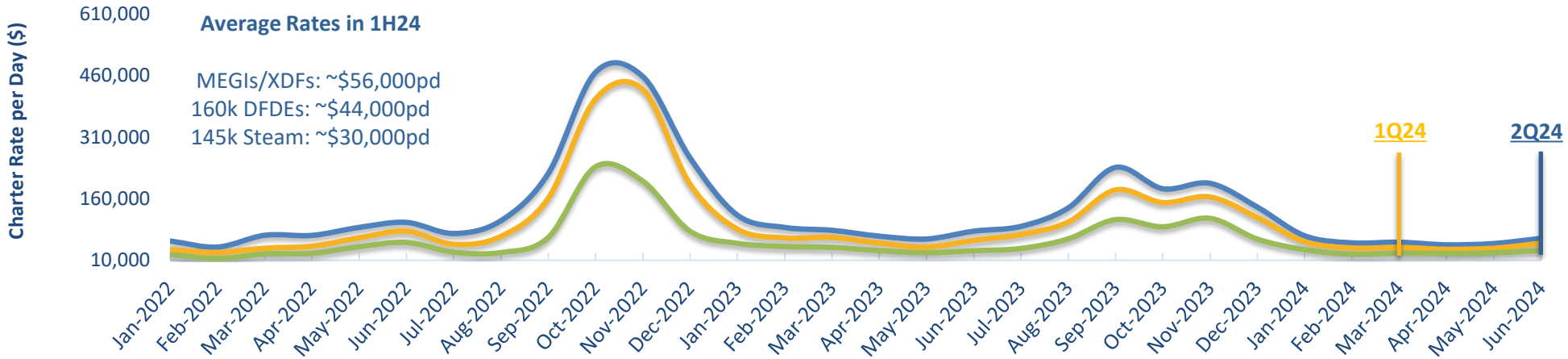
Source: Woodmac

1H24 - LNG Shipping Market Update

Multi-Month (3-6) LNG Shipping Rates 12 Months



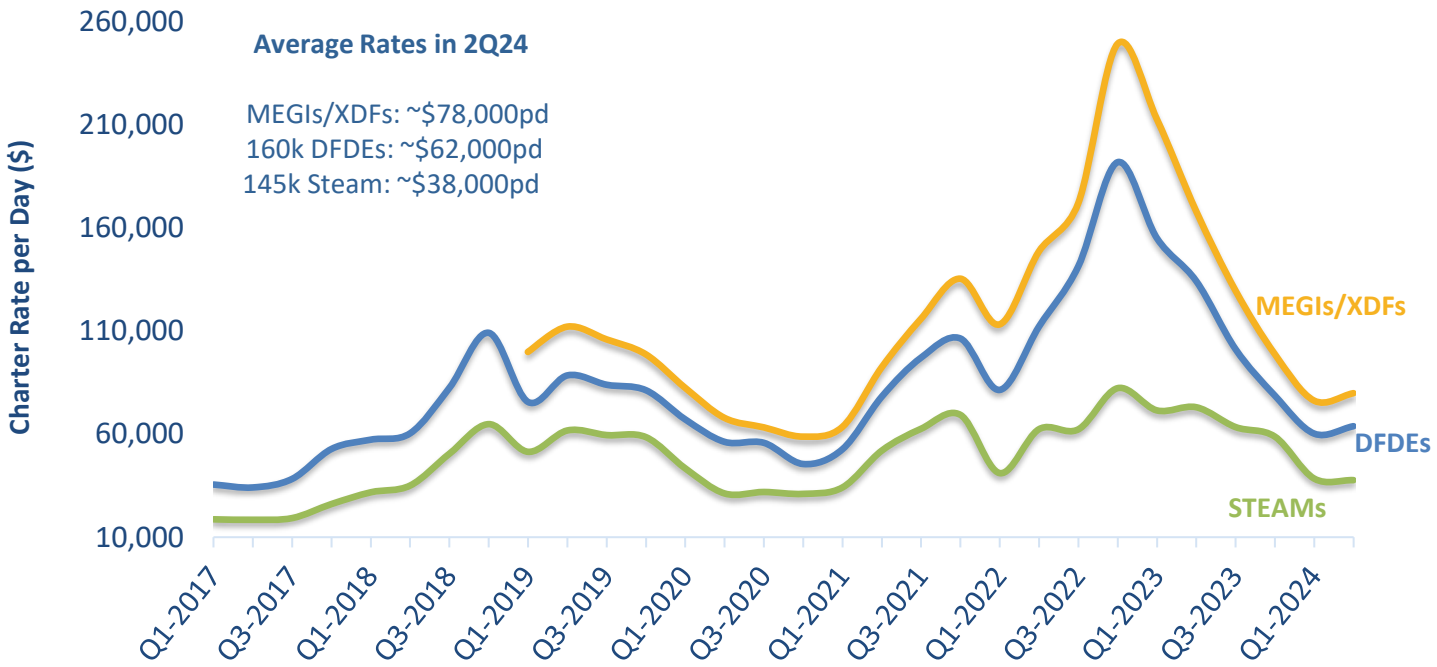
Spot Rates (MEGI Vs DFDEs Vs Steam) 2022 – 2Q24



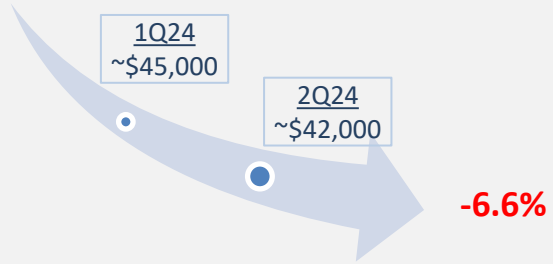
Source: Clarksons

1H24 - LNG Shipping Market Update

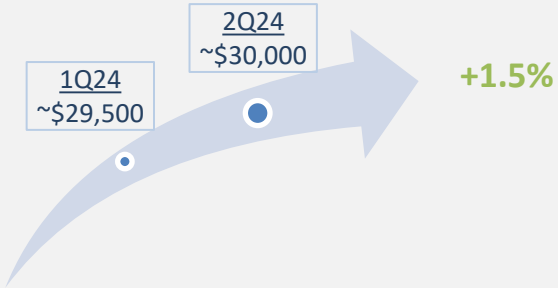
1 Year Time-Charter Rate in 2017 – 2Q24



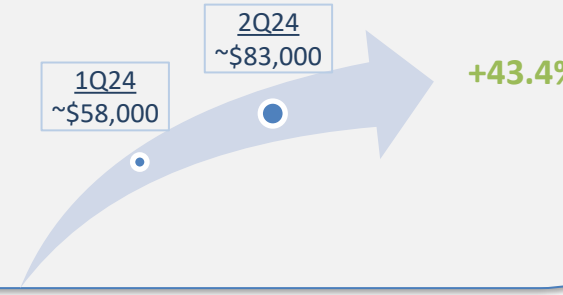
Average Spot DFDEs Charter Rates



Average Spot Steam Charter Rates



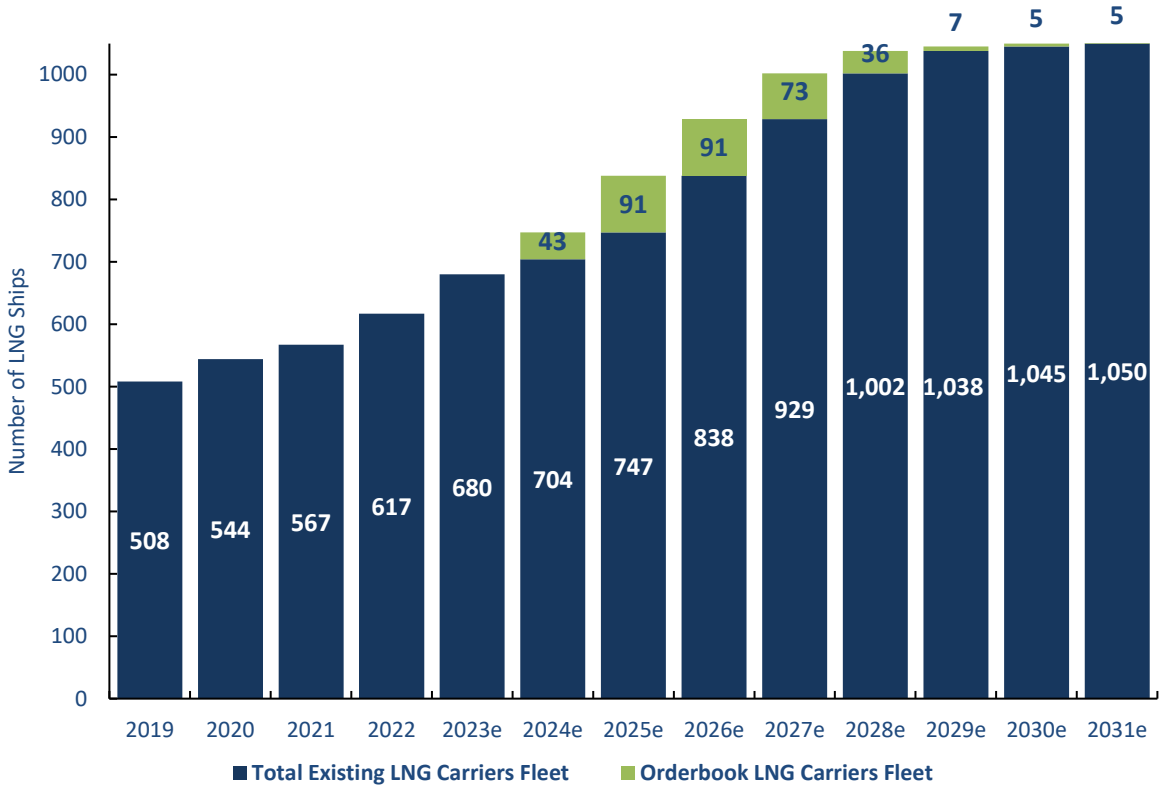
Average Multi-Month MEGIs Charter Rates



Source: Clarksons

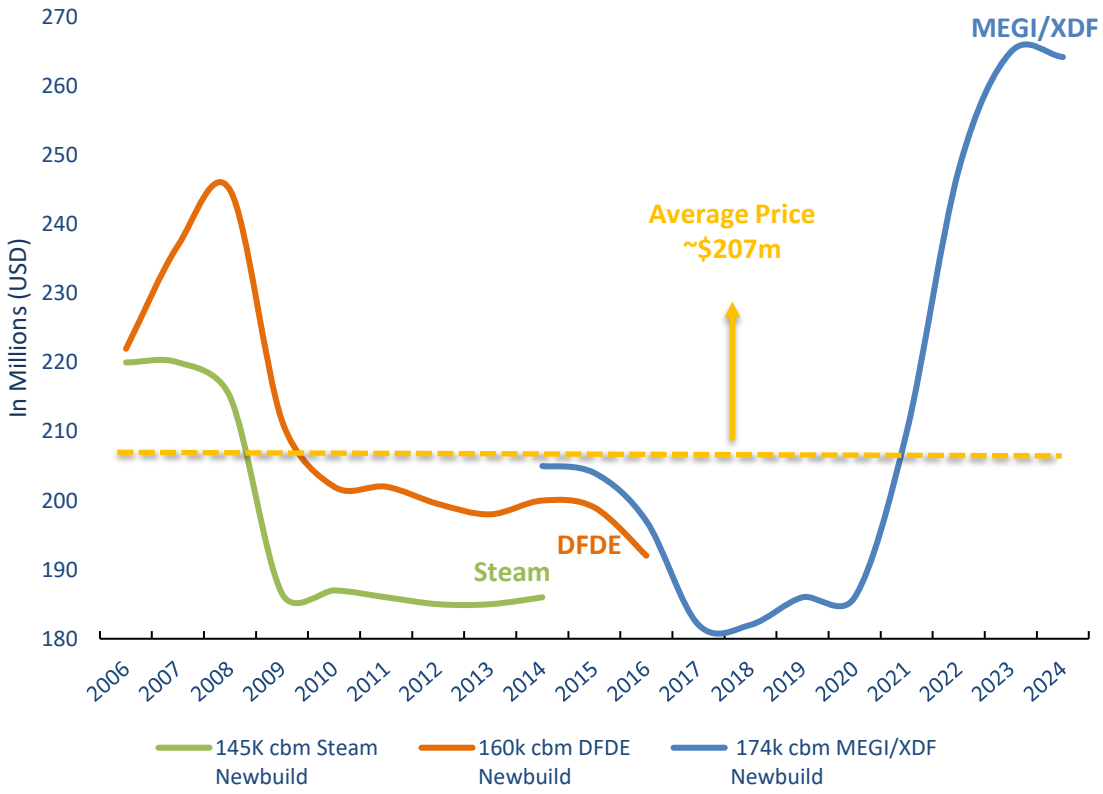
1H24 - LNG Shipping Supply – LNGC Newbuild Price

Development of Global LNG Carriers Fleet* (2019 - 2031e)



Note: **As of 2Q24, World live LNG fleet (excl. vessels <100,000cbm, FSRUs, FSUs, and FLNG, no assumption for scrapping, or LNGC conversion to FSRUs).*

Historic LNGC Newbuild Price 2006 - 2024



Source: Clarksons

BUSINESS OVERVIEW



Segmental Medium-term Outlook

LNG and LPG Shipping Fleet Expansion

In May 2024, Nakilat has signed of a long-term agreement to charter and operate 9 QC-Max class LNG vessels, as part of QatarEnergy's program.

Furthermore, in March 2024, Nakilat has signed with QatarEnergy the long-term charter party agreements for 25 conventional LNG Vessels as part of QatarEnergy's historic LNG fleet expansion program.

In addition, earlier in January 2024, Nakilat placed orders for the construction of six gas vessels: 2 cutting-edge LNG carriers and 4 modern LPG/ammonia carriers.

Upon delivery, Nakilat's LNG fleet will expand to 105 vessels, and LPG fleet will grow to 8 vessels.

Shipyard & Marine Services

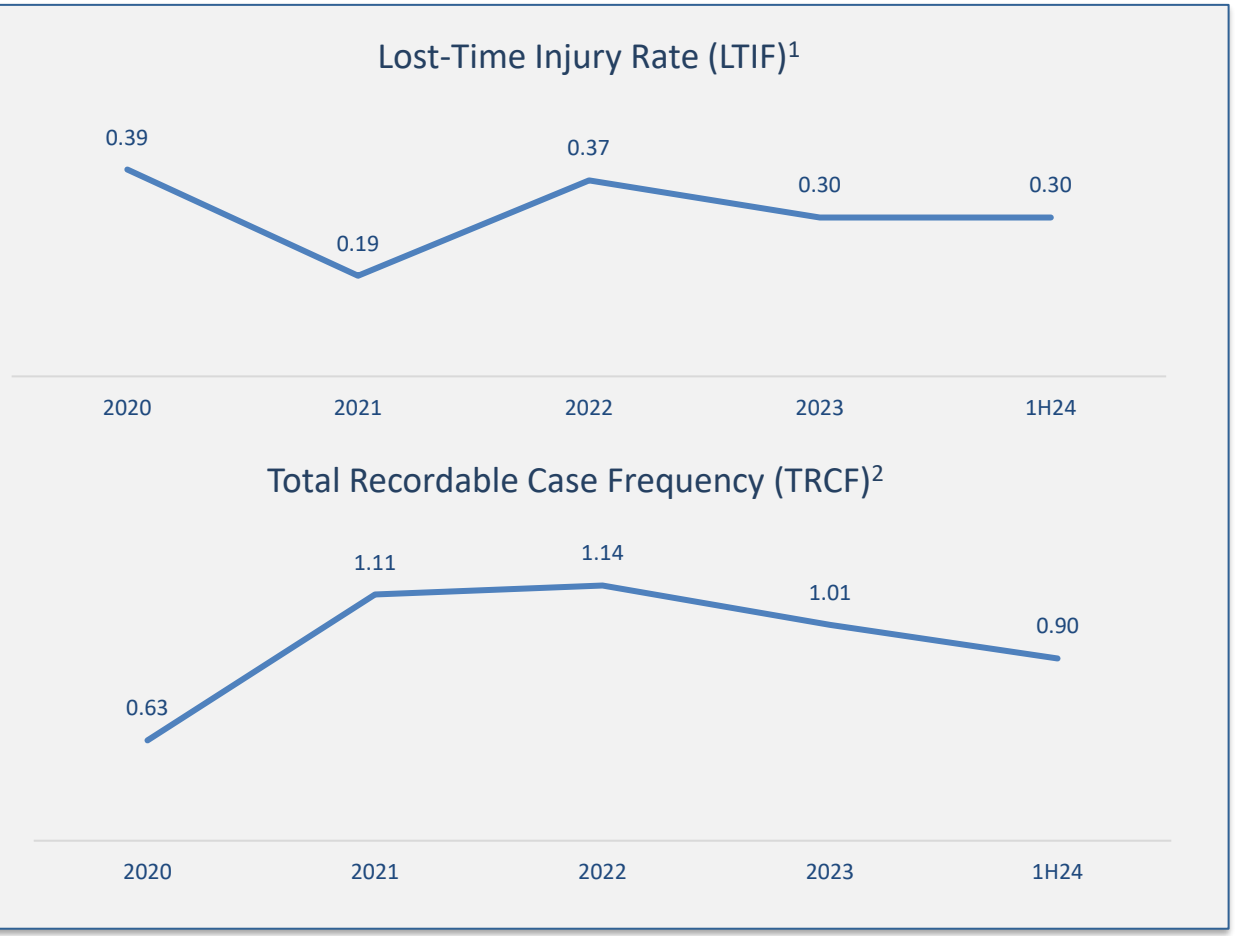
The shipyard has a strategic importance for Nakilat. Shipyard segment will generate sustainable profit going forward.

Market Fundamentals

Woodmac projects that the total liquefaction capacity is expected to increase from 408 mmtpa in 2023 to 732 mmtpa in 2030 which is an additional liquefaction capacity of 324 mmtpa. This upcoming of LNG supply would require LNG transportation.

Health and Safety

Health and Safety Track Records



Award

- Nakilat receives British Safety Council's prestigious Globe of Honour Award
- Nakilat attained a five-star rating in the latest BSC Five Star Environmental Sustainability Audit



1 Injury rate at 1,000,000 hours worked
2 First-aid incidents are not included in the TRCF since these usually do not result in more than one day of missed work or impose any restriction on the working ability of an employee

1H24 - Earnings Results - Summary

Summary

Global leader for energy transportation

Maximize shareholder return

- Stellar profitability results (~7% YoY), momentum continues
- Nakilat's resilient business model provides the flexibility to navigate sustainably through volatile markets and geopolitical uncertainty
- Nakilat's EBITDA reached QAR 1.83 billion
- BoD has proposed an interim cash dividend of QAR 0.07 per share for 1H24, subject to approval at Extraordinary General Assembly


Q&A

Any Further Investor Questions?

For Investor Relations inquiries please contact:

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Head of Investor Relations & ESG Reporting
fzeritis@nakilat.com



QATAR GAS TRANSPORT COMPANY LTD.
"NAKILAT" (QPSC)

NAKILAT ناقلات

THANK YOU

