Qatar Gas Transport Company Limited
(NAKILAT) (QPSC)
DOHA - QATAR

Consolidated Financial Statements
31 December 2025

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Independent auditor's report

To the Shareholders of

Qatar Gas Transport Company Limited (Nakilat) (QPSC)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Qatar Gas Transport Company Limited (Nakilat) (QPSC) (the 'Company') and its subsidiaries (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of property and equipment

See Note 4 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
We focused on this area due to: • the carrying value of the Group's property and equipment as at 31 December 2025 was QR 25,721 million (2024: QR 24,538 million) and the related depreciation charge for the year was QR 910 million (2024: QR 845 million) respectively. This represents 71% and 54% of the Group's total assets and the net profit respectively, hence a material portion of the consolidated financial position and consolidated income. • the useful life of the vessels including estimation of residual values for the purpose of depreciation charge are reviewed annually by the management with reference to available facts and circumstances. This involves management judgement and estimates. • as of 31 December 2025, the Group has incurred QR 5,523 million (2024: QR 4,128 million) in relation to new shipbuilding project. Hence, we considered this to be a key audit matter.	Our audit procedures in this area included the following, among others: • testing the design, implementation, and operating effectiveness of key controls around the processes of estimating useful lives and residual values; • assessing the reasonableness of Group management's assertions and estimates regarding estimated useful lives and residual values based on our knowledge and experience of the industry; • assessing the criteria used for recognizing costs incurred and capitalized during the year, ensuring alignment with the relevant accounting standards and verifying the additions to source documents through a sample-based approach; • recalculating the depreciation charge, on a sample basis; • challenging the Group's assessment of possible internal and external indicators of impairment in relation to the vessels, such as obsolescence, decline in market value, operating losses etc., based on our knowledge and experience of the industry and understanding of the charter hire agreements, and • evaluating the adequacy of the disclosures in the consolidated financial statements including disclosures of key assumptions and judgments.

Key Audit Matters (continued)

Business combination and carrying value of investment in joint venture companies

See Note 5 and Note 19 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
We focused on this area due to: • the Group has investments in joint ventures whose operations are spread across Qatar and outside Qatar. As at 31 Dec 2025, the carrying value of investments in joint ventures and the Group's share of results of the joint ventures represents 15% and 36% of the Group's total assets and the net profit respectively, hence a material portion of the consolidated financial position and consolidated income. • on 20 July 2025, the Group obtained control in previous joint venture, Qatar Shipyard Technology Solutions (Q.P.J.S.C.) ("QSTS"). The transaction was treated as a staged business combination in accordance with IFRS 3 Business Combinations. The accounting for this transaction involves judgements and estimates in determining the fair value of previously held equity interest, identification and measurement of the fair value of the assets acquired and liabilities assumed and finalization of purchase price allocation. Hence, we considered this to be a key audit matter.	Our audit procedures in this area included the following, among others: • assessing the audited financial information submitted by the joint ventures for consistency with the accounting policies of the Group; • obtaining the financial information of joint venture to confirm whether the Group's interests in the results and net assets were accounted in accordance with the Group's participatory interests in the joint ventures; • inspecting the agreements and minutes of meetings to confirm the key terms and assessing whether the transaction constitutes business combination and whether the control was obtained by the Group; • evaluating the identification and fair value measurement of assets acquired and liabilities assumed, including checking the management's specialist report supporting the purchase price allocation; • involving our own valuation specialists in reviewing the purchase price allocation, challenging the valuations methodologies applied and assessing reasonableness of the fair value measurement of the assets acquired and liabilities assumed; and • evaluating the appropriateness of the accounting treatment and adequacy of the Group's disclosures in relation to the investments in joint ventures and business combination with reference to the requirements of the relevant accounting standards.

Key Audit Matters (continued)

Fair valuation and hedge effectiveness of cash flow hedges

See Note 14 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
We focused on this area due to: • the Group entered into a number of interest rate swaps agreements to hedge its exposure to interest rate risk. These hedge transactions gave rise to derivative financial assets of QR 465 million (2024: QR 396 million) and financial liabilities of QR 302 million (2024: QR 43 million) as at 31 December 2025. • the hedging instruments are required to be fair valued at each reporting date. The valuation of the hedging instruments and forming a conclusion that hedge continues to be effective involve a significant degree of complexity and judgement, hence, we considered this to be a key audit matter.	Our audit procedures in this area included the following, among others: • assessing the design, implementation and operating effectiveness of management's key internal controls over interest rate swaps and the related hedge accounting; • assessing whether the hedge instruments are correctly classified as cash flow hedges by reference to the requirements of the relevant accounting standards; • involving our own specialists to assist us in challenging the valuations produced by the Group and assessing the appropriateness of the hedge effectiveness methodology; • reconfirming the counter-parties' valuation from the independent source on a sample basis; and • evaluating the adequacy of the disclosures in the consolidated financial statements including disclosure of key assumptions, judgments and sensitivities.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. Prior to the date of this auditors' report, we obtained the report of the Board of Directors which forms part of the Annual Report, and the remaining sections of the Annual Report are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed assurance engagements on the internal controls over financial reporting and the Company's compliance with the provisions of the Qatar Financial Markets Authority's Governance Code (QFMA) for Listed Companies that forms part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Independent auditor's report (continued)

Responsibilities of Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Independent auditor's report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal Requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 ("amended QCCL"), we also report that:

i. We have obtained all the information and explanations we considered necessary for the purposes of our audit.

ii. The Company has maintained proper accounting records, and its consolidated financial statements are in agreement therewith.

iii. We have read the report of the Board of Directors to be included in the Annual Report, and the financial information contained therein is in agreement with the books and records of the Company.

iv. Furthermore, the physical count of the Company's inventories was carried out in accordance with established principles.

v. We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Company's Articles of Association having occurred during the year which might have had a material effect on the Company's consolidated financial position or performance as at and for the year ended 31 December 2025.

20 January 2026
Doha
State of Qatar

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Qatar Gas Transport Company Limited (NAKILAT) (QPSC)

Consolidated statement of financial position
As at 31 December 2025
(All amounts are expressed in thousands of Qatari Riyals unless otherwise stated)

	Note	2025	2024
ASSETS			
Non-Current Assets			
Property and equipment	4	**25,721,451**	24,537,782
Intangible asset	19	**405,900**	-
Investment in joint ventures	5	**5,516,958**	5,721,174
Loans to joint ventures	6	**175,706**	240,052
Equity investments	7	**127,822**	141,097
Fair value of interest rate swaps	14	**465,166**	396,409
Total Non-Current Assets		**32,413,003**	31,036,514
Current Assets			
Inventories		**36,625**	18,598
Trade and other receivables	8	**764,365**	663,782
Due from joint ventures	17(b)	**36,228**	20,343
Cash and cash equivalents	9	**1,819,872**	1,676,199
Deposits and other balances	9.1	**1,359,423**	944,252
Total Current Assets		**4,016,513**	3,323,174
Total Assets		**36,429,516**	34,359,688
EQUITY AND LIABILITIES			
EQUITY			
Share capital	10	**5,540,264**	5,540,264
Legal reserve	11	**1,845,017**	1,676,170
Fair value reserve		**16,409**	29,684
Retained earnings		**6,174,800**	5,484,623
Equity before hedging reserve and non-controlling interest		**13,576,490**	12,730,741
Hedging reserve	12	**268,216**	527,819
Equity attributable to owners of the Company		**13,844,706**	13,258,560
Non-controlling interest		**5,191**	5,309
LIABILITIES			
Non-Current Liabilities:			
Borrowings	13	**18,614,036**	18,334,098
Fair value of interest rate swaps	14	**238,558**	-
Lease liability		**69,450**	73,996
Provision for employees' end of service benefits		**75,054**	44,795
Other liabilities	15.2	**393,927**	370,846
Total Non-Current Liabilities		**19,391,025**	18,823,735
Current Liabilities			
Borrowings	13	**1,318,237**	1,121,725
Fair value of interest rate swaps	14	**63,308**	43,296
Lease liability		**6,506**	6,755
Trade and other payables	15	**1,800,543**	1,100,308
Total Current Liabilities		**3,188,594**	2,272,084
Total Liabilities		**22,579,619**	21,095,819
Total Equity and Liabilities		**36,429,516**	34,359,688

Abdulaziz Jassim Al-Muftah
Chairman

Ahmad Saif Al-Sulaiti
Vice Chairman

Abdullah Fadhalah Al-Sulaiti
Chief Executive Officer

The accompanying notes 1-29 form an integral part of these consolidated financial statements.

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Consolidated statement of income
For the year ended 31 December 2025
(All amounts are expressed in thousands of Qatari Riyals unless otherwise stated)

	Note	2025	2024
Income			
Revenue from wholly owned vessels		**3,740,822**	3,613,914
Share of results from joint ventures	5	**610,064**	675,357
Income from shipyard, marine and agency services		**298,165**	55,487
Interest, dividend and other income		**131,692**	183,915
Total Income		**4,780,743**	4,528,673
Expenses			
Operating and maintenance of vessels		**(1,026,689)**	(808,689)
General, employee and administrative	26	**(130,151)**	(112,991)
Depreciation and amortization	4	**(897,771)**	(838,733)
Finance charges		**(1,013,497)**	(1,130,267)
Total Expenses		**(3,068,108)**	(2,890,680)
Profit for the year before tax		**1,712,635**	1,637,993
Tax expense	27	**(23,281)**	-
Profit for the year		**1,689,354**	1,637,993
Attributable to			
Owners of the Company		**1,688,472**	1,637,370
Non-controlling interest		**882**	623
Total		**1,689,354**	1,637,993
Basic and diluted earnings per share (expressed in QR per share)	20	**0.31**	0.30

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The accompanying notes 1-29 form an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income
For the year ended 31 December 2025
(All amounts are expressed in thousands of Qatari Riyals unless otherwise stated)

	Note	2025	2024
Profit for the year		**1,689,354**	1,637,993
Other comprehensive income			
Items that will not be reclassified to statement of income:			
Changes in fair value of equity investments-at FVOCI	7	**(13,275)**	(1,191)
Items that may be reclassified subsequently to statement of income:			
Changes in fair value of interest rate swaps		**(189,812)**	767,417
Group's share of joint ventures' changes in fair value of interest rate swaps		**(69,791)**	(24,851)
Total comprehensive income for the year		**1,416,476**	2,379,368
Total comprehensive income for the year attributable to:			
Owners of the Company		**1,415,594**	2,378,745
Non-controlling interest		**882**	623
Total		**1,416,476**	2,379,368

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Qatar Gas Transport Company Limited (NAKILAT) (QPSC)

Consolidated statement of changes in equity
For the year ended 31 December 2025
(All amounts are expressed in thousands of Qatari Riyals unless otherwise stated)

	Note	Share capital	Legal reserve	Fair value reserve	Retained earnings	Equity before hedging reserve and non-controlling interest	Hedging reserve	Equity attributable to owners of the Company	Non-controlling interest
At 1 January 2024		5,540,264	1,512,433	30,875	5,215,379	12,298,951	(214,747)	12,084,204	5,686
Profit for the year		-	-	-	1,637,370	1,637,370	-	1,637,370	623
Other comprehensive income for the year		-	-	(1,191)	-	(1,191)	742,566	741,375	-
Total comprehensive income for the year		-	-	(1,191)	1,637,370	1,636,179	742,566	2,378,745	623
Transfer to legal reserve		-	163,737	-	(163,737)	-	-	-	-
Social and sports fund contribution	16	-	-	-	(40,934)	(40,934)	-	(40,934)	-
Transactions with owners of the Company:									
Dividend declared for 2023	10.1	-	-	-	(775,637)	(775,637)	-	(775,637)	(1,000)
Interim dividend declared for 2024	10.1	-	-	-	(387,818)	(387,818)	-	(387,818)	-
At 31 December 2024		5,540,264	1,676,170	29,684	5,484,623	12,730,741	527,819	13,258,560	5,309
Profit for the year		**-**	**-**	**-**	**1,688,472**	**1,688,472**	**-**	**1,688,472**	**882**
Other comprehensive income for the year		**-**	**-**	**(13,275)**	**-**	**(13,275)**	**(259,603)**	**(272,878)**	**-**
Total comprehensive income for the year		**-**	**-**	**(13,275)**	**1,688,472**	**1,675,197**	**(259,603)**	**1,415,594**	**882**
Transfer to legal reserve		**-**	**168,847**	**-**	**(168,847)**	**-**	**-**	**-**	**-**
Social and sports fund contribution 2025	16	**-**	**-**	**-**	**(42,731)**	**(42,731)**	**-**	**(42,731)**	**-**
Transactions with owners of the Company:									
Final dividend declared for 2024	10.1	**-**	**-**	**-**	**(387,818)**	**(387,818)**	**-**	**(387,818)**	**(1,000)**
Interim dividend declared for 2025	10.1	**-**	**-**	**-**	**(398,899)**	**(398,899)**	**-**	**(398,899)**	**-**
At 31 December 2025		**5,540,264**	**1,845,017**	**16,409**	**6,174,800**	**13,576,490**	**268,216**	**13,844,706**	**5,191**

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The accompanying notes 1-29 form an integral part of these consolidated financial statements.

Qatar Gas Transport Company Limited (NAKILAT) (QPSC)

Consolidated statement of cash flows
For the year ended 31 December 2025
(All amounts are expressed in thousands of Qatari Riyals unless otherwise stated)

	Note	2025	2024
Cash flows from operating activities			
Profit for the year before tax		**1,712,635**	1,637,993
Adjustments for:			
Depreciation and amortization	4	**911,945**	838,733
Finance charges		**1,013,497**	1,130,267
IFRS 16 lease classification /adjustment		**6,426**	7,625
Share of results from joint ventures	5	**(610,064)**	(675,357)
Interest, dividend and other income		**(131,692)**	(183,915)
Gain on restructuring of lease		**-**	(2,041)
Adjustment against investment in joint ventures		**-**	8,028
Provision for employees' end of service benefits		**8,745**	6,383
Operating cash flows before changes in working capital		**2,911,492**	2,767,716
Changes in working capital			
Inventories		**(177)**	(933)
Trade and other receivables		**26,764**	107,133
Trade and other payables		**417,945**	(441,791)
Other liabilities		**23,081**	138,968
Due from joint ventures		**(9,649)**	7,280
Cash generated from operations		**3,369,456**	2,578,373
Finance charges paid		**(966,878)**	(1,117,533)
Employees' end of service benefits paid		**(6,037)**	(3,331)
Net cash from operating activities		**2,396,541**	1,457,509
Cash flows from investing activities			
Loans to joint ventures-net	17(a)	**494**	(78,147)
Dividend income received from joint ventures	5	**363,614**	529,648
Acquisition of a subsidiary through business combination	19	**122,614**	-
Acquisition of property and equipment	4	**(1,892,203)**	(4,333,326)
Investment income received		**135,366**	205,268
Time deposits maturing after ninety days		**(342,743)**	830,297
Changes in restricted cash		**(83,084)**	(4,152)
Net cash used in investing activities		**(1,695,942)**	(2,850,412)
Cash flows from financing activities			
Dividend paid to shareholders		**(797,333)**	(1,177,908)
Dividend paid against non-controlling interests		**(1,000)**	(1,000)
Payment of lease liability		**(4,520)**	(7,314)
Costs incurred on refinancing		**(61,652)**	(56,979)
Proceeds from borrowings		**6,695,036**	8,749,198
Repayments of borrowings		**(6,387,457)**	(6,876,446)
Net cash (used in) / from financing activities		**(556,926)**	629,551
Net increase / (decrease) in cash and cash equivalents		**143,673**	(763,352)
Cash and cash equivalents at beginning of the year		**1,676,199**	2,439,551
Cash and cash equivalents at end of the year	9	**1,819,872**	1,676,199

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The accompanying notes 1-29 form an integral part of these consolidated financial statements.

1. Reporting entity

Qatar Gas Transport Company Limited (Nakilat) (QPSC) ("Nakilat" or "the Company'') is a Public Shareholding Company, incorporated in the State of Qatar on June 9, 2004, under Commercial Registration Number 28566 issued by the Ministry of Economy and Commerce (currently 'Ministry of Commerce and Industry'). The shares of the Company started trading in the Qatar Exchange on April 7, 2005.

The main purpose of the Company is to work in the industry of gas transport either through direct acquisition of ocean-going vessels or by investing in joint ventures with other parties.

The Company operates either directly or through its subsidiaries and joint ventures (collectively referred to as the "Group"). The operations of the Group are conducted within the economic environment in the State of Qatar.

Although most of the joint venture entities are located abroad, their trading activities are mainly derived from contracts with local companies in Qatar. The Group can be therefore viewed to provide services within the same economic environment and subject to the same economic risk.

These consolidated financial statements were approved by the Board of Directors on January 20, 2026.

2. Application of new and revised International Financial Reporting Standards (IFRS)

2.1 Amendments adopted by the Group

The Group adopted below amended International Financial Reporting Standards ("IFRS Accounting Standards" or "Standards") and interpretations that are effective for the annual reporting period beginning on 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21)

The adoption of these amendments had no significant impact on the consolidated financial statements of the Group.

2.2 New standards and amendments not yet effective, but available for early adoption

The table below lists the new standards and amendments to International Financial Reporting Standards that are issued and are effective from annual periods beginning after 1 January 2026 and that are available for early adoption:

Effective dates	New Standards and amendments to standards
Effective for the year beginning on or after 1 January 2026	- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 - Annual Improvements to IFRS Accounting Standards – Amendments to: • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures and it's accompanying Guidance on implementing IFRS 7; • IFRS 9 Financial Instruments; • IFRS 10 Consolidated Financial Statements; and • IAS 7 Statement of Cash flows.
Effective for the year beginning on or after 1 January 2027	- IFRS 18 Presentation and Disclosure in Financial Statements - IFRS 19 Subsidiaries without Public Accountability: Disclosure
Effective date deferred indefinitely / available for optional adoption	- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

Management does not expect that the adoption of the above amendments to standards will have a significant impact on the Group's consolidated financial statements.

3. Basis of preparation and material accounting policies

3.1 Basis of preparation

1. Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standard Board (IASB).

Also, the Group's companies registered in Qatar are in compliance with Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law no.8 of 2021, as applicable.

2. Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis, except for equity investments and interest rate swaps which are carried at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3. Functional and presentation currency

The consolidated financial statements are presented in Qatari Riyals, which is the Company's presentation currency. All financial information presented in Qatari Riyals has been rounded to the nearest thousands, except when otherwise indicated. The currency of the primary economic environment in which the Company operates (the "functional currency") is United States Dollar (USD).

4. Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 24 to these consolidated financial statements.

5. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) and its share of movements in equity of joint venture entities collectively referred to as the "Group". Refer to notes no. 5 and 18 for details.

i) Investment in subsidiary companies

Subsidiaries are entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights to variable returns from its involvement with the investee; and
- has the ability to use its power to effect its returns.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the Group are eliminated in full on consolidation.

ii) Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

3. Basis of preparation and material accounting policies (continued)

3.1 Basis of preparation (continued)

5. Basis of consolidation (continued)

ii) Investment in joint ventures (continued)

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with IAS 36, Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount.

iii) Business combination

The Group accounts for business combinations under the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any gain on a bargain purchase is recognized in consolidated statement of income immediately.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair values.

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in consolidated statement of income. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in consolidated statement of comprehensive income are reclassified to consolidated statement of income where such treatment would be appropriate if that interest were disposed of.

3.2 Material accounting policies

The following material accounting policies have been applied in the preparation of these consolidated financial statements.

a) Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses if any. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use, including the capitalized borrowing costs (if any). Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the consolidated statement of income as the expense is incurred. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in consolidated statement of income in the year the asset is derecognized. The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If any such indication exists and where the carrying value of an asset exceeds the estimated recoverable amount, the asset is written down to its recoverable amount.

Dry-docking costs incurred on the vessels are capitalized and amortized over a period of five years.

Residual value of vessels is calculated based on the tonnage value of vessels.

3. Basis of preparation and material accounting policies (continued)

3.2 Material accounting policies (continued)

a) Property and equipment (continued)

Depreciation is charged following the straight-line method over the estimated useful lives of the related assets as follows:

Vessels (i)	2.5% to 20%
Furniture and fixtures	15% to 20%
Others (ii)	Up to 33.33%
Right of use assets (iii)	

(i) It includes vessels, vessels upgrade and dry-docking costs.
(ii) It includes computers, office & telecom equipment, cranes, barge, etc. Also includes capital work in progress.
(iii) Depreciation on right of use asset is charged on a straight-line basis over the lease term.

b) Intangible asset

Intangible assets are initially recognized at cost. Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives and are assessed for impairment whenever there is an indication that the carrying amount may not be recoverable.

The Group's intangible asset represents the exclusive rights to operate the Shipyard facilities in the State of Qatar. Exclusive rights are assessed as having finite useful lives and are amortized on a straight-line basis at 4-5% annually.

c) Financial instruments

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

Non-derivative financial assets and liabilities

Non-derivative financial assets include equity investments, loans to joint ventures, trade and other receivables, due from joint ventures and cash and bank balances. Non-derivative financial liabilities comprise trade and other payables, borrowings and due to related parties.

Classification and subsequent measurement

Financial assets

On initial recognition and subject to certain conditions, a financial asset is classified at:

- *Amortized cost – if it meets both of the following conditions and is not designated as at FVTPL (Fair value through profit & loss):*
  - it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
  - its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- *Fair Value Through Other Comprehensive Income (FVOCI)* - if it meets both of the following conditions and is not designated as at FVTPL:
  - it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
  - its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group has classified on initial recognition its trade and other receivables, loans to joint ventures, due from joint ventures and its cash at bank at amortized cost. The Group does not hold any other financial assets at amortized cost.

3. Basis of preparation and material accounting policies (continued)

3.2 Material accounting policies (continued)

c) Financial instruments (continued)

Financial assets – Business model assessment:

The Group assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

– the stated objectives of the portfolio and the operation of those objectives in practice. These include whether management's strategy focuses on earning contractual cash flows or realizing cash flows through sale;
– how the performance of the portfolio is evaluated and reported to the Group's management;
– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets - Subsequent measurement and gains and losses:

Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at Fair Value Through Other Comprehensive Income (FVOCI)	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never derecognized to profit or loss. The fair value changes recognized through OCI in the fair value reserve.

Financial liabilities – Classification, subsequent measurement and gains and losses.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition.

Financial liabilities are measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

i. Equity investments

Equity investments are non-derivative financial assets that are designated as an investment at fair value through other comprehensive income and are not classified as an investment at fair value through profit or loss. Equity investments are equity securities and are initially recognized at cost, being the fair value of the consideration given plus any directly attributable transaction costs. After initial recognition, they are remeasured at fair value. Unrealized gains and losses are recognized in other comprehensive income and presented as a separate component of equity.

For investments traded in active markets, fair value is determined by reference to quoted market bid prices at the close of business on the date of the statement of financial position.

ii. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, current and call accounts with banks and bank deposits having maturities of less than 90 days.

De-recognition of financial assets

A financial asset is de-recognized where:

- the right to receive cash flows from the asset have expired or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement and
- either has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.
- the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset.

3. Basis of preparation and material accounting policies (continued)

3.2 Material accounting policies (continued)

c) Financial instruments (continued)

De-recognition of financial liabilities

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) recognized in the consolidated statement of income.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has an enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

d) Inventories

Inventories include spares and consumables and are stated at the lower of cost and net realizable value. The cost of inventories is based on the weighted average method. Net realizable value is based on estimated replacement cost.

e) Provisions

Provisions are recognized when the Group has an obligation either legal or constructive arising from a past event and the costs to settle the obligation are both probable and can be reliably measured.

f) Revenue and other income

Time charter revenue:

The Group accounts for time charter revenue under IFRS 16 – Leases. A time charter contract involves placing a vessel at the charterer's disposal for a period of time during which the charterer uses the vessel in return for the payment of a specified daily hire rate. Under time charters, operating costs such as for crews, maintenance and insurance are typically paid by the owner of the vessel. Charter income (net of any incentives given to lessees and any off-hire period) is recognized on a straight-line basis over the lease term of the respective time charter contract.

Other revenue:

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer (over time or at a point in time).

Revenue from marine and agency services, vessel repair, conversions, fabrication and manpower services is recognized as and when the services are rendered (over the time). Where applicable, progress and stage of completion is determined based on the cost-to-cost or output method whichever fairly depicts the measure of progress.

Revenue from vessel sub-chartering is recognized on an accrual basis.

Interest income is recognized on an accrual basis, taking into account the interest rate applicable and principal outstanding.

Dividend income from investments is recognized when the shareholder's right to receive payment is established.

Contract assets or liabilities:

If contract is performed by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. A contract asset is right to consideration in exchange for goods or services that the Group has transferred to a customer.

If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the entity transfers a good or service to the customer, it is presented as a contract liability when the payment is made, or the payment is due (whichever is earlier). A contract liability is an obligation to transfer goods or services to a customer for which consideration was received (or an amount of consideration is due) from the customer.

3. Basis of preparation and material accounting policies (continued)

3.2 Material accounting policies (continued)

g) Impairment

Impairment of financial assets

Non-derivative financial assets

The Group recognizes loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortized cost. Loss allowances for trade and other receivables are always measured at an amount equal to lifetime ECLs.

The Group considers a financial asset likely to be in default when:

- customer is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset is more than 360 days past due.

The Group considers bank balances to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group considers this to be 'BBB' or higher per accredited rating agency.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer or issuer;
- a breach of contract such as a default or being more than 360 days past due; or
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the customer will enter bankruptcy or other financial reorganization.
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Impairment of Non-Financial Assets

The carrying amounts of the Group's non-financial assets other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized in the consolidated statement of income, whenever the carrying amount of an asset exceeds its recoverable amount.

The impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

3. Basis of preparation and material accounting policies (continued)

3.2 Material accounting policies (continued)

h) Foreign currencies

Foreign currency transactions are recorded in Qatari Riyals at the rate of exchange prevailing at the date of each transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Qatari Riyals at the rate of exchange prevailing at the year end. The resultant exchange difference is included in the consolidated statement of income.

The individual financial statements of subsidiaries and joint ventures in the Group are presented in the currency of the primary economic environment in which they operate (functional currency). For the purpose of these consolidated financial statements, the results and financial position of each entity are expressed in the presentation currency of the parent company.

i) Derivative financial instruments and hedging activities

The Group entered into a number of derivative financial instruments to manage its exposure against adverse movement in interest rate.

Derivatives are initially recognized at fair value on the date the derivative contracts are entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group has designated its interest rate swaps as hedges of the exposure to variability in cash flows (cash flow hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at inception of the hedge relationship and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

In circumstances where derivative financial instruments do not qualify as effective hedges, they are marked to market at each period end and changes in fair value are recorded in consolidated statement of income.

j) Capital work in progress

Capital work in progress includes direct cost incurred in building assets, interest capitalized and other costs necessary to bring the assets in the location and condition to be capable of operating in the manner intended by the management. The cost is transferred to property and equipment when the assets are ready for their intended use.

k) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group recognizes a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprises the initial amount of lease liability adjusted for any lease payment made at or before the commencement date.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right of use reflects that the Group will exercise a purchase option. In that case, the right of use will be depreciated over the useful life of the underlying asset which is determined on the same basis as that of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot readily be determined, the Group ‘s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group presents the right of use assets in property and equipment.

Short term leases and leases of low-value assets

The Group has elected not to recognize the right of use assets or lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. Basis of preparation and material accounting policies (continued)

3.2 Material accounting policies (continued)

k) Leases (continued)

Group as a lessor
When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term.

l) Operating Segments

Wholly owned gas transportation vessels are the group's primary operating segment based on the nature of the services provided. Other segments including shipyard, agency and marine services are immaterial and not reportable. These consolidated financial statements are therefore prepared on a single reportable segment basis.

m) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.

n) Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. Capitalization commences when expenditures for the asset are incurred, borrowing costs are being incurred, and activities necessary to prepare the asset for use are in progress, and ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

For borrowings specifically for the purpose of obtaining a qualifying asset, the actual borrowing costs incurred, less any investment income on the temporary investment of those borrowings, are capitalized. For general borrowings, a weighted average capitalization rate is applied.

All other borrowing costs are expensed in the consolidated statement of income as incurred.

o) Income tax

Income tax expense comprises current tax. It is recognized in statement of income except to the extent that it relates to a business combination, or items recognized directly in equity or in statement in comprehensive income.

The Group has determined that the global minimum top-up tax (GMT) which it is required to pay under Pillar Two legislation - is an income tax in the scope of IAS 12. The Group has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

4. Property and equipment

	Vessels	Furniture and Fixtures	Right of Use Assets	Others*	Total
Cost					
At 1 January 2024	31,615,003	41,512	60,620	57,455	31,774,590
Additions	-	-	-	4,334,259	4,334,259
Additions due to new leases	-	-	47,388	-	47,388
Transfer from capital work in progress	198,203	-	-	(198,203)	-
Derecognition /adjustments	(9,591)	-	-	1,040	(8,551)
At 31 December 2024	31,803,615	41,512	108,008	4,194,551	36,147,686
Additions / adjustments	**368,829**	**8,950**	**-**	**1,514,424**	**1,892,203**
Acquisition through business combination	**-**	**11,898**	**-**	**561,203**	**573,101**
Transfer from capital work in progress	**93,565**	**5,972**	**-**	**(99,537)**	**-**
Derecognition /adjustments	**-**	**-**	**(30,573)**	**(1,858)**	**(32,431)**
At 31 December 2025	**32,266,009**	**68,332**	**77,435**	**6,168,783**	**38,580,559**
Accumulated Depreciation					
At 1 January 2024	10,667,777	41,512	21,217	42,012	10,772,518
Charge for the year**	833,799	-	6,271	4,934	845,004
Derecognition /adjustments	-	-	-	(7,618)	(7,618)
At 31 December 2024	11,501,576	41,512	27,488	39,328	11,609,904
Charge for the year**	**885,251**	**14,192**	**5,182**	**5,149**	**909,774**
Acquisition through business combination	**-**	**11,559**	**-**	**360,527**	**372,086**
Derecognition /adjustments	**-**	**-**	**(30,798)**	**(1,858)**	**(32,656)**
At 31 December 2025	**12,386,827**	**67,263**	**1,872**	**403,146**	**12,859,108**
Net Carrying value					
At 31 December 2025	**19,879,182**	**1,069**	**75,563**	**5,765,637**	**25,721,451**
At 31 December 2024	20,302,039	-	80,520	4,155,223	24,537,782

* This mainly includes capital work-in-progress amounting to QR 5,566.0 million (2024: QR 4,154.7 million), primarily for construction costs of new vessels (comprising shipbuilding contractual payments, borrowing costs, and other direct expenses) and dry docking of existing vessels. Borrowing costs of QR 515.0 million (2024: QR 244.0 million) were capitalized during the year at a capitalization rate ranging from 5.04% to 6.16% (2024: 6.24% to 7.32%).

** QR 18.5 million depreciation is classified under general, employee and administrative expenses (2024: QR 6.0 million). Included in the amortization of Right-of-Use assets for the year is an amount of QR 899 thousands, which has been capitalized as part of capital work-in-progress, as these costs relate directly to the project management and oversight of the construction of new vessels (2024: QR 209 thousands).

Total amortization (note 19) and depreciation charge for the year amounted to QR 897.8 million (2024: QR 838.7 million).

5. Investment in joint ventures

Balance – January 01, 2024	5,680,500
Share of results for the year	675,357
Adjustment against investment and loan to joint ventures	(80,184)
Share of hedging reserve for the year	(24,851)
Dividend received	(529,648)
Balance – December 31, 2024	5,721,174
Share of results for the year – net of GMT*	**610,064**
Gain on remeasurement of previously held equity interest in a joint venture (note 19)	**(330,602)**
Bargain purchase gain (note 19)	**(58,408)**
Adjustment against additional liability for losses from joint ventures	**58,910**
Adjustment against investment and loan to joint ventures	**(50,775)**
Share of hedging reserve for the year	**(69,791)**
Dividend received	**(363,614)**
Balance – December 31, 2025	**5,516,958**

* During the year, the Joint ventures performed a recoverability assessment of their fleet. As part of this assessment, management reviewed the carrying amounts of certain older LNG steam vessels, taking into account prevailing market conditions and environmental considerations. Following this review, our share of the impairment charge for the year was QR 419.1 million (2024: QR 31.1 million).

Details of the Group's joint ventures on December 31, 2025 are as follows:

Name of joint ventures	Place of incorporation	Proportion of ownership interest	Principal activity
Maran Nakilat Company Ltd.	Cayman Islands	40%	Chartering of vessels
J5 Nakilat No. 1 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 2 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 3 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 4 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 5 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 6 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 7 Ltd.	Marshall Islands	40%	Chartering of vessels
J5 Nakilat No. 8 Ltd.	Marshall Islands	40%	Chartering of vessels
Peninsula LNG Transport No. 4 Ltd.	Marshall Islands	30%	Chartering of vessels
Teekay Nakilat Corporation	Marshall Islands	30%	Chartering of vessels
Pronav:			
- Neptana Schiffsbetriebsgesellschaft mbH & Co. TS "Alexandra" KG	Germany	45%	Chartering of vessels
- Nausola Schiffsbetriebsgesellschaft mbH & Co. TS "Britta" KG	Germany	45%	Chartering of vessels
- Nauranto Schiffsbetriebsgesellschaft mbH & Co. TS "Gabriela" KG	Germany	45%	Chartering of vessels
- Neptora Schiffsbetriebsgesellschaft mbH & Co. TS "Julia" KG	Germany	45%	Chartering of vessels
Teekay Nakilat (III) Corporation (1)	Marshall Islands	60%	Chartering of vessels
Nakilat Excelerate LLC (1)	Marshall Islands	55%	Chartering of vessels
Global Shipping Company Ltd (1)	Cayman Islands	60%	Chartering of vessels
India LNG Transport Company No.3 Limited	Malta	20%	Chartering of vessels
Nakilat Svitzerwijsmuller WLL (1)	Qatar	70%	Chartering of vessels
Gulf LPG Transport Company WLL	Qatar	50%	Chartering of vessels
Qatar Fabrication Company (1)	Qatar	60%	Fabrication activities

(1) Although the Group holds more than half of the equity shares in these entities, it does not exercise control over the entities. Decisions need unanimous consent of both parties. The Group does not have any contractual rights to the assets and obligations for the liabilities relating to these joint ventures. Consequently, the above joint ventures are accounted for using the equity method in these consolidated financial statements.

5. Investment in joint ventures (continued)

5.1 Summarized financial information of joint ventures

Summarized financial information in respect of the Group's joint ventures represents amounts shown in the financial statements of respective joint ventures prepared in accordance with IFRS (adjusted by the Group for equity accounting purposes wherever the financial reporting framework is not IFRS).

As of December 31, 2025	**Maran Nakilat Company**	**Shipping Joint Ventures**	**Marine Joint Ventures**	**Shipyard Joint Ventures***	**Total**
Current assets	**245,090**	**1,886,859**	**47,437**	**195,085**	**2,374,471**
Non-current assets	**6,795,428**	**14,037,545**	**234,560**	**14,608**	**21,082,141**
Current liabilities	**(621,307)**	**(3,524,712)**	**(6,785)**	**(122,101)**	**(4,274,905)**
Non-current liabilities	**(2,214,371)**	**(5,041,422)**	**(902)**	**(115,098)**	**(7,371,793)**
Net assets	**4,204,840**	**7,358,270**	**274,310**	**(27,506)**	**11,809,914**
Group's share of net assets	**1,764,025**	**3,562,374**	**190,559**	**-**	**5,516,958**
Net profit	**(167,164)**	**419,045**	**30,374**	**78,126**	**360,381**
Other comprehensive income/ (loss)	**-**	**(173,052)**	**-**	**-**	**(173,052)**
Group's share of profit	**(66,866)**	**218,525**	**18,619**	**50,775**	**221,053**
Result from business combination (note 19)	**-**	**-**	**-**	**389,011**	**389,011**
Group's share of net profit	**(66,866)**	**218,525**	**18,619**	**439,786**	**610,064**
Group's share of other comprehensive income / (loss)	**-**	**(69,791)**	**-**	**-**	**(69,791)**
Other disclosures:					
Revenues	**1,331,780**	**2,353,464**	**104,948**	**300,427**	**4,090,619**
Cash & cash equivalents	**161,374**	**1,028,608**	**15,300**	**469**	**1,205,751**

* Results of Qatar Shipyard Technology Solutions are from 1 January 2025 to 31 July 2025. Refer to note 19 for more information related to the business combination.

As of December 31, 2024	**Maran Nakilat Company**	**Shipping Joint Ventures**	**Marine Joint Ventures**	**Shipyard Joint Ventures***	**Total**
Current assets	322,935	2,103,248	59,025	523,930	3,009,138
Non-current assets	7,871,548	15,300,558	244,499	211,917	23,628,522
Current liabilities	(665,846)	(1,462,527)	(6,198)	(347,881)	(2,482,452)
Non-current liabilities	(3,156,242)	(8,108,856)	(699)	(614,789)	(11,880,586)
Net assets	4,372,395	7,832,423	296,627	(226,823)	12,274,622
Group's share of net assets	1,830,891	3,682,644	207,639	-	5,721,174
Net profit	473,810	814,814	31,687	92,724	1,413,035
Other comprehensive income/ (loss)	(21,117)	(29,730)	-	-	(50,847)
Group's share of net profit	183,593	397,428	22,181	72,155	675,357
Group's share of other comprehensive income/ (loss)	(13,318)	(11,533)	-	-	(24,851)
Other disclosures:					
Revenues	1,598,446	2,533,185	104,223	764,435	5,000,289
Cash & cash equivalents	237,686	1,295,969	25,811	245,565	1,805,031

* Mainly includes Qatar Shipyard Technology Solutions.

6. Loans to joint ventures

	2025	2024
India LNG Transport Company No. 3 Limited	**65,512**	67,315
Qatar Shipyard Technology Solutions	**-**	90,264
Qatar Fabrication Company	**48,939**	13,284
Gulf LPG Transport Company WLL	**61,255**	69,189
Total	**175,706**	240,052

The interest-bearing loans have been given to the joint ventures and repayment is subject to liquidity of the joint ventures. The weighted average interest rate at December 31, 2025 is 4.59% (2024: 5.50%).

7. Equity investments

	2025	2024
Equity investments -at FVOCI	**141,097**	142,288
Changes in fair value	**(13,275)**	(1,191)
Balance at December 31	**127,822**	141,097

Equity investments represent investment in listed securities in the Qatar Exchange.

8. Trade and other receivables

	2025	2024
Trade receivables	**170,704**	101,657
Contract assets (note a)	**118,568**	-
Accrued income	**23,616**	21,779
Other receivables (note b)	**485,157**	553,666
Gross trade and other receivables	**798,045**	677,102
Less: Allowance for credit loss	**(33,680)**	(13,320)
Total	**764,365**	663,782

Note (a): Contract assets include costs incurred plus recognized profits amounting to QR 252.5 million excluding progress billings of QR 135.2 million. In addition, it includes contract work in progress amounting to QR 1.2 million which represents recoverable expenses incurred by the Group related directly to open contracts which generate or enhance resources of the Group that will be used in satisfying future performance obligations. Expected credit losses on contract assets amounted to QR 15.5 million (2024: Nil).

Note (b): Other receivables and related advances from the customers (note 15) mainly pertain to unbilled invoices, upon receipt of which, these balances will be offset against each other.

The Group has provided fully for all receivables where collection of the amount is no longer probable.

The average credit period is approximately 60 days.

As at December 31, 2025 the ageing of trade receivables and movement in the allowance for expected credit loss are as follows:

		Past due but not impaired					
	Neither past due nor impaired <60 days	**Total**	61-90 days	91-180 days	181-270 days	271-360 days	Over 360 days
2025	**133,800**	**18,757**	**12,372**	**5,036**	**687**	**53**	**609**
2024	74,554	13,783	4,277	1,882	762	116	6,746

Movement in expected credit loss for impaired trade receivables (over 360 days):

	2025	2024
At 1 January	**13,320**	16,109
Acquired through business combination	**28,330**	-
Reversal during the year	**(2,186)**	-
Written off during the year	**(5,784)**	(2,789)
At 31 December	**33,680**	13,320

9. Cash and cash equivalents

	2025	2024
Cash on hand	**325**	507
Cash at bank-Call and current accounts	**676,060**	1,148,034
Cash at bank-Time deposits*	**2,404,908**	1,363,252
Other bank balances (a)	**20,087**	20,126
Other bank balances (b)	**77,915**	88,532
Total	**3,179,295**	2,620,451
Less: Deposits and other balances (note 9.1)	**(1,359,423)**	(944,252)
Cash and cash equivalents	**1,819,872**	1,676,199

9.1 Deposits and other balances

	2025	2024
(a) Cash payable to shareholders for unclaimed proceeds related to second IPO call	**20,087**	20,126
(b) Cash payable to shareholders for unclaimed dividends	**77,915**	88,532
Time deposits maturing after ninety days	**1,002,311**	659,568
Restricted cash	**259,110**	176,026
Total	**1,359,423**	944,252

***** The effective interest and profit rates on the time deposits varies between 2.85% to 5.33% (2024: 4.60% to 6.06%).

10. Share capital

	2025	2024
Authorized, issued and paid-up:		
5,540,263,600 shares of QR 1 each	**5,540,264**	5,540,264

All ordinary shares carry equal rights.

10.1 Cash dividend

The Board of Directors has proposed final cash dividend of QR 0.072 per share totaling QR 398.9 million for the second half of the year ended December 31, 2025.

An interim cash dividend in respect of the six-month period ended June 30, 2025 of QR 0.072 per share, amounting to a total of QR 398.9 million, was approved by the board of directors.

Together cash dividend of QR 0.144 per share totaling QR 798 million for the year ended December 31, 2025, which is subject to the approval of shareholders in the Annual General Meeting.

The dividend in respect to the year ended December 31, 2024 of QR 0.140 per share, amounting to a total of QR 776 million, was approved by the shareholders at the Extraordinary & Annual General Meeting held on September 10, 2024 and February 25, 2025 respectively.

11. Legal reserve

The Articles of Association of the Company require the Company to provide for a legal reserve at 10% of net profit for each year until it reaches 50% of paid-up share capital. This reserve is not available for distribution except for circumstances specified in the Articles of Association.

12. Hedging reserve

This represents the Group's share of the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedge that was recognized by its subsidiaries and its share from the joint ventures.

The hedging reserve arises from the revaluation to fair value the interest rate swaps. The hedging reserve is expected to decrease over time as loans are repaid, and the notional amount of the swaps decreases. The reserve on designated hedges is not expected to impact on either a consolidated statement of income or retained earnings. The Group also enters into long-term time charter agreements to lock in future cash inflows from vessels. This strategy is expected to result in a more stable stream of cash flows in the future and minimize uncertainties associated with shipping spot rate movements or interest rate movements.

13. Borrowings

	2025	2024
Secured loans	**11,933,895**	11,177,131
Unsecured loans	**5,416,065**	5,397,490
Bonds	**2,732,568**	2,990,866
Less: Issuance costs	**(150,255)**	(109,664)
Total	**19,932,273**	19,455,823

Borrowings are presented in the consolidated statement of financial position as follows:

	2025	2024
Non-current liability	**18,614,036**	18,334,098
Current liability	**1,318,237**	1,121,725
Total	**19,932,273**	19,455,823

The table below shows the changes in liability arising from financing activities during the year:

Particulars	*As at 01-Jan-2025*	*Cash flow changes*	*Non-cash changes – transaction cost*	*As at 31-Dec-2025*
Borrowings	**19,455,823**	**245,927**	**230,523**	**19,932,273**

The weighted average interest rate on short / long term facilities (excluding hedge), loans and bonds above as at December 31, 2025 is 5.72% (December 31, 2024: 6.65%).

The bank facilities and bonds have been used to finance the acquisition of the vessels.

The Group's obligation under the secured loans and bonds is secured by a charge over the vessels and guarantees issued by each of the Group's subsidiaries who have irrevocably and unconditionally guaranteed the punctual payments of the debts.

The secured loans and bonds are further secured against accounts and all permitted investments made from the funds received against the initial draw down, shares in each of the subsidiary, all the insurance policies entered by the Company or any of the subsidiary and insurance proceeds. These are also secured by the Company's right, title and interest in any contract, intercompany loans and floating charges over the Company's other assets and any other contract in which each of the subsidiary is a party. All these securities are subject to first priority to senior debts and bonds and second priority to subordinated debts and bonds.

The Group's borrowings are subject to various covenants, some of which require compliance within 12 months of the reporting date. As of 31 December 2025, the Group is in compliance with all relevant covenants and expects to remain in compliance with these covenants over the 12 months following the reporting date.

14. Fair value of interest rate swaps

The Group has entered into interest rate swap agreements with several financial institutions. As of December 31, 2025 the outstanding notional amount of swap agreements is QR 18,313 million (2024: QR 21,782 million) and net fair value is positive QR 163.3 million (2024: positive QR 353.1 million).

15. Trade and other payables

	2025	2024
Trade payables	**240,758**	117,445
Advances from customers (note 8)	**244,422**	256,253
Accrued liabilities	**660,296**	528,750
Additional liability for losses from joint ventures	**58,910**	-
Payable to shareholders (note 15.1)	**20,087**	20,126
Other liabilities-current portion (note 15.2)	**57,459**	39,069
Contract liabilities (note 15.3)	**20,675**	-
Social and sports fund contribution (note 16)	**42,731**	40,934
Due to joint ventures (note 17b)	**377,290**	9,199
Dividend payable	**77,915**	88,532
	1,800,543	1,100,308

15. Trade and other payables (continued)

15.1 Payable to shareholders

This represents cash payable to shareholders for unclaimed proceeds of their shares auctioned related to the second IPO call.

15.2 Other liabilities

This includes deferred income relating to excess dry-docking costs, Ballast water treatment costs and proceeds from MEGI project. The excess dry dock costs will be amortized over the life of the dry-docking costs. The proceeds from MEGI project & Ballast water treatment will be amortized over the useful life of related assets. The balance of non-current portion is QR 393,927 thousands (2024: QR 370,846 thousands).

15.3 Contract liabilities

This includes progress billings of QR 87.6 million excluding costs incurred plus recognized profits of QR 66.9 million.

16. Social and sports fund contribution

Qatar Law no. 13 of 2008 requires Qatari listed shareholding companies with IPO to pay 2.5% of net profit to a social and sports fund. In pursuant to this Law and further clarifications for the Law issued in 2010, the Group has made an appropriation of QR 42,731 thousands representing 2.5% of the net consolidated profit of the Group for the year ended December 31, 2025 (December 31, 2024: QR 40,934 thousands). This appropriation has been presented in the consolidated statement of changes in equity.

17. Related party disclosures

		2025	2024
(a)	*Transactions with related parties:*		
	Loans to joint ventures- additional	**(13,120)**	(85,731)
	Loans to joint ventures- repaid	**13,615**	7,584
	Loans to joint ventures-net	**495**	(78,147)
	Interest income on loans to joint ventures	**18,604**	22,305
(b)	*Balances with related parties:*		
	Due from joint ventures	**36,228**	20,343
	Due to joint ventures*	**377,290**	9,199
(c)	*Key management compensation:*		
	Compensation of key management personnel	**19,875**	21,868
	Board of Directors' remuneration accrued	**5,900**	5,900

* This mainly includes payable related to transfer of vessels from a joint venture.

18. Subsidiaries

Details of the Company's subsidiaries at December 31, 2025 are as follows:

Name of subsidiaries	Place of incorporation	Proportion of ownership & voting interest	Principal activity
Nakilat Agency Company Navigation Limited (Q.P.J.S.C.)	Qatar	95%	Agency services
Nakilat Inc. (1)	Marshall Islands	100%	Holding Company
Nakilat Marine Services Limited *	Marshall Islands	100%	Holding Company
-Nakilat Maritime Corporation (2)	Marshall Islands	100%	Holding Company
QGTC Nakilat (2245-8) Investment Limited *	Marshall Islands	100%	Holding Company
Nakilat Shipping (Qatar) Limited	Qatar	100%	Ship Management
QGTC Shipping (M.I.) Inc.	Marshall Islands	100%	Shipping Company
-QGTC Cyprus Limited	Cyprus	100%	Shipping Company
QGTC Nakilat (1643-6) Holding Corporation *	Marshall Islands	100%	Holding Company
-Nakilat 2 Inc. *	Marshall Islands	100%	Holding Company
-Nakilat Conventional Inc. (3) *	Marshall Islands	100%	Holding Company
-Nakilat 3 Inc. *	Marshall Islands	100%	Holding Company
-Nakilat Qmax Inc. (4) *	Marshall Islands	100%	Holding Company
-Nakilat 4 Inc. *	Marshall Islands	100%	Holding Company
-Nakilat LNGC Inc. (5) *	Marshall Islands	100%	Holding Company
-Nakilat 5 Inc. *	Marshall Islands	100%	Holding Company
-Nakilat VLGC Inc. (6) *	Marshall Islands	100%	Holding Company
-Nakilat LPG Transport Company LLC (7)*	Qatar	100%	Holding Company
Qatar Shipyard Technology Solutions (Q.P.J.S.C) ("Qatar Shipyard") (note 19)	Qatar	99%	Operate and maintain the Ship Repair Yard
Nakilat Korea Limited	South Korea	100%	Supervision of Shipbuilding

(1) Nakilat Inc. holds 25 wholly owned sub-subsidiaries (vessel owner entities). Its sub-subsidiaries were redomiciled from Marshall Islands to Qatar.

(2) Nakilat Maritime Corporation holds 4 wholly owned sub-subsidiaries (vessel owner entities). Its sub-subsidiaries were redomiciled from Marshall Islands to Qatar.

(3) Nakilat Conventional Inc. holds 25 wholly owned sub-subsidiaries registered in Marshall Islands (vessel owner entities). Of which, 4 were redomiciled from Marshall Islands to Qatar (vessel owner entities).

(4) Nakilat Qmax Inc. holds 9 wholly owned sub-subsidiaries registered in Marshall Islands (vessel owner entities).

(5) Nakilat LNGC Inc. holds 2 wholly owned sub-subsidiaries. Of which 1 was redomiciled from Marshall Islands to Qatar (vessel owner entities).

(6) Nakilat VLGC Inc. holds 4 wholly owned sub-subsidiaries. Of which 2 were redomiciled from Marshall Islands to Qatar (vessel owner entities).

(7) Nakilat LPG Transport Company LLC holds 2 wholly owned sub-subsidiaries registered in Qatar.

* Share capital in these subsidiaries was issued at no par value.

19. Business combination

Step acquisition of Qatar Shipyard Technology Solutions (Q.P.J.S.C.) (Qatar Shipyard):

On 20 July 2025, KSI Investments Limited exited the joint venture Qatar Shipyard, resulting in the Group increasing its ownership by 20% for a nominal cash consideration, thereby obtaining full control of the entity. Qatar Shipyard was previously accounted for as a joint venture; accordingly, the transaction was treated as a staged business combination in accordance with IFRS 3 Business Combinations, and the entity has been fully consolidated. Qatar Shipyard is principally engaged in ship repair, maintenance, and fabrication activities in Qatar.

In accordance with IFRS 3, the Group's previously held equity interest was remeasured at fair value at the acquisition date, amounting to QR 233,649 thousands. The fair value was determined using a discounted cash flow methodology (Level 3), based on an approved business plan covering the period from FY2026 to FY2030. Cash flows beyond this period were extrapolated using long-term assumptions of operations. The remeasurement resulted in the recognition of a gain of QR 330,602 thousands.

Further, the identifiable total assets acquired (mainly PPE, intangible assets and receivables) and total liabilities (mainly borrowings and payables) assumed at the acquisition date were measured at finalized fair values of QR 888,644 thousands and QR 596,582 thousands, respectively, resulting in a bargain purchase gain of QR 58,408 thousands. This has been recognized in the consolidated statement of income under share of results of joint ventures. The finalized fair value and completion of the mandatory purchase price allocation under IFRS 3 resulted in the recognition of intangible assets amounting to QR 413,253 thousands on account of exclusive rights to operate the shipyard in Qatar. This is amortized on a straight-line basis. Amortization charge amounted to QR 7,353 thousands (2024: nil).

From the acquisition date to 31 December 2025, Qatar Shipyard contributed revenue of QR 238,360 thousands and net profit of QR 27,959 thousands to the Group's consolidated statement of income. Net cash acquired, excluding the cash consideration paid, amounted to QR 122,614 thousands.

20. Earnings per share

Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year.

	2025	2024
Profit for the year attributable to the owners of the Company	**1,688,472**	1,637,370
Weighted average number of shares outstanding during the year	**5,540,263,600**	5,540,263,600
Basic and diluted earnings per share (expressed in QR per share)	**0.31**	0.30

There were no potentially dilutive shares outstanding at any time during the year and hence the diluted earnings per share are equal to the basic earnings per share.

21. Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

I. Market risk
II. Liquidity risk
III. Credit risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework and internal audit activities. A risk management committee has been established which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the CEO and the Board of Directors on its activities.

I. Market Risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments.

(a) Interest Rate Risk

The Group is exposed to interest rate risk as the Group borrows funds at both fixed and floating interest rates. The risk is managed by the Group by the use of interest rate swap contracts. The Group's policy is to use interest rate swap instruments on certain of its borrowings. The difference between the fixed-rate interest cost (payment) and the variable-rate interest cost (receipt) is settled periodically.

21. Financial risk management (continued)

I. Market Risk (continued)

(a) Interest Rate Risk (continued)

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge interest rate fluctuation risk exposure. The use of financial derivatives is governed by the Group's policies approved by the "Board of Directors", which provide written principles on interest rate risk, credit risk and the use of financial derivatives. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Treasury function reports periodically to the Group's management that monitors risks and policies implemented to mitigate risk exposures.

(i) *Interest Rate Sensitivity Analysis*

The Group is exposed to interest rate risk on its bank balances, loans to joint ventures and borrowings. The table below demonstrates the sensitivity of the Group's profit to possible changes on the Group's floating interest rate of financial assets and liabilities held on December 31, 2025.

21. Financial risk management (continued):

I. Market risk (continued)

(a) Interest rate risk (continued)

(i) *Interest rate sensitivity analysis (continued)*

The Group's sensitivity analysis has been determined based on exposure to interest rates for both derivative and non-derivative instruments at the end of the reporting period. For floating liabilities, the amount of the liability outstanding at the end of the reporting period was assumed outstanding for the whole year. All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest on borrowings.

The Group's exposure to interest rate risk and the effective interest rates on its financial assets and liabilities are summarized below:

	2025				2024			
	Fixed interest rate	**Floating interest rate**	**Non-interest bearing**	**Total**	Fixed interest rate	Floating interest rate	Non-interest bearing	Total
Financial assets								
Cash and cash equivalents	**1,143,488**	**351,910**	**324,474**	**1,819,872**	538,582	906,895	230,722	1,676,199
Deposits and other balances	**1,261,275**	**98,148**	**-**	**1,359,423**	824,670	119,582	-	944,252
Loans to joint ventures	**-**	**175,706**	**-**	**175,706**	-	240,052	-	240,052
	2,404,763	**625,764**	**324,474**	**3,355,001**	1,363,252	1,266,529	230,722	2,860,503
Financial liabilities								
Interest bearing loans and borrowings	**(2,721,359)**	**(11,642,967)**	**-**	**(14,364,326)**	(2,978,256)	(8,824,283)	-	(11,802,539)
Interest rate swap	**(5,567,947)**	**-**	**-**	**(5,567,947)**	(7,653,284)	-	-	(7,653,284)
	(8,289,306)	**(11,642,967)**	**-**	**(19,932,273)**	(10,631,540)	(8,824,283)	-	(19,455,823)
Net financial assets/ (liabilities)	**(5,884,543)**	**(11,017,203)**	**324,474**	**(16,577,272)**	(9,268,288)	(7,557,754)	230,722	(16,595,320)

If interest rates had been 50 basis points lower / higher and all other variables were held constant, the net effect on the profit for the year ended December 31, 2025 would be an increase / decrease by QR 55.1 million (December 31, 2024: QR 37.8 million).

21. Financial risk management (continued)

I. Market risk (continued)

(a) Interest rate risk (continued)

(ii) Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the cash flow exposures on the issued variable rate debt.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, maturities and the notional or par amounts. The Group assesses whether the derivative designated in each hedging relationship is expected to be effective in offsetting changes in cash flows of the hedged item.

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding as at reporting date:

Cash flow hedges	**Average contracted fixed interest rate**		**Notional Principal amount outstanding**		**Fair value**	
Outstanding receive floating Pay fixed contracts	**2025**	2024	**2025**	2024	**2025**	2024
	%	%	**QR (million)**	QR (million)	**QR (million)**	QR (million)
Less than 5 years	**4.07%**	5.57%	**3,101**	3,400	**(507)**	(105.5)
5 years and above	**3.69%**	4.07%	**15,212**	18,382	**671**	458.6

In addition to the above, the Group has also accounted for its share of the positive fair value of interest rate swaps relating to Joint Ventures amounting to QR 104.9 million (2024: positive fair value of QR 174.7 million).

The interest rate swap settles semi-annually. The floating rate on interest rate swaps is SOFR-Secured overnight floating rate. The Group will settle the difference between the fixed and floating rates on a net basis.

The majority of interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's cash flow exposure resulting from variable interest rates on existing and future highly probable forecasted borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously.

(b) Equity price risk

The Group is subject to equity price risk in relation to equity investments. The Group evaluates the current market value and other factors including normal volatility in share price for quoted equities and other relevant factors in order to manage its market risk.

A 10% increase or decrease in the market value of the Group's portfolio of equity investments at the reporting date is expected to result in an increase or decrease of QR 12.8 million (2024: QR 14.10 million) in the assets and equity of the Group.

(c) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The significant foreign currency transactions are denominated in United States Dollar ("USD") which is pegged with the presentation currency of the Company. Therefore, the Management is of the opinion that the Group's exposure to currency risk is minimal.

II Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and liabilities.

21. Financial risk management (continued)

II Liquidity risk (continued)

The following are the contractual maturities of derivative and non-derivative financial liabilities which include principal and interest (where applicable):

Financial Liabilities

31 December 2025	Carrying Amounts	Total	Contractual maturities		
			Less than 1 year	1-5 years	Over 5 years
Derivative Financial Liabilities:					
Fair value of interest rate swaps	**301,866**	**301,866**	**63,308**	**204,272**	**34,286**
Non-Derivative Financial Liabilities:					
Borrowings	**19,932,273**	**25,186,860**	**2,341,259**	**15,132,398**	**7,713,203**
Lease liability	**75,956**	**102,506**	**11,251**	**41,736**	**49,519**
Trade and other payables	**1,082,788**	**1,082,788**	**1,082,788**	**-**	**-**
	21,091,017	**26,372,154**	**3,435,298**	**15,174,134**	**7,762,722**

31 December 2024	Carrying Amounts	Total	Contractual maturities		
			Less than 1 year	1-5 years	Over 5 years
Derivative Financial Liabilities:					
Fair value of interest rate swaps	43,296	43,296	43,296	-	-
Non-Derivative Financial Liabilities:					
Borrowings	19,455,823	25,566,334	2,275,202	13,059,318	10,231,814
Lease liability	80,751	108,530	9,586	42,595	56,349
Trade and other payables	532,488	532,488	532,488	-	-
	20,069,062	26,207,352	2,817,276	13,101,913	10,288,163

III Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, loans and receivable from joint ventures and bank balances.

Exposure to credit risk

The Group's maximum exposure to credit risk for the components of the consolidated statement of financial position is the carrying amounts as illustrated below.

	Note	**2025**	2024
Loans to joint ventures	6	**175,706**	240,052
Due from joint ventures	17(b)	**36,228**	20,343
Trade and other receivables		**493,815**	427,448
Cash and cash equivalents	9	**1,819,547**	1,675,692
Deposits and other balances	9.1	**1,359,423**	944,252
Total		**3,884,719**	3,307,787

Bank balances

The bank balances are held with banks, which have good, accredited credit ratings (not below BBB) from independent international rating agencies.

Impairment on bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its bank balances have low credit risk based on the external credit ratings of the counterparties.

21. Financial risk management (continued)

III Credit risk (continued)

Exposure to credit risk (continued)

Loans and due from joint ventures

The maximum exposure to credit risk for loans and due from related parties at the reporting date was equal to the amount disclosed in the consolidated statement of financial position. Management believes that there is limited credit risk from the receivable from joint ventures because these counterparties are under the common control and are financially healthy.

Trade receivables

The Group seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables. Credit evaluations are performed on all customers requiring credit and are approved by the Group's management.

The Group uses an allowance matrix to measure the ECLs of trade receivables from customers.

Loss rates are calculated using a simplified approach method defined under IFRS 9, which is based on the probability of a receivable progressing through successive stages of delinquency to write-off.

Fair Value of Financial Instruments

The fair value of equity investments is derived from quoted market prices in an active market. The fair value of interest rate swaps is derived from the observable market input. The fair value of other financial instruments approximates their carrying value.

Fair Value Hierarchy

As at December 31, the Group held the following financial instruments measured at fair value. The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that is not based on observable market data.

31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value:				
Interest rate swaps used for hedging	**-**	**465,166**	**-**	**465,166**
Equity investments	**127,822**	**-**	**-**	**127,822**
Financial liabilities measured at fair value:				
Interest rate swaps used for hedging	**-**	**301,866**	**-**	**301,866**
31 December 2024				
Financial assets measured at fair value:				
Interest rate swaps used for hedging	-	396,409	-	396,409
Equity investments	141,097	-	-	141,097
Financial liabilities measured at fair value:				
Interest rate swaps used for hedging	-	43,296	-	43,296

22. Capital management

The Group manages its capital to ensure that it will continue as a going concern while maximizing the return to stakeholders through the optimization of invested capital. The capital structure of the Group consists of debt and equity comprising issued share capital, legal reserve, fair value reserve, non-controlling interests, hedging reserve and retained earnings.

Gearing ratio

The Group's management reviews the capital structure on a regular basis. The gearing ratio at the year-end was as follows:

	Note	**2025**	2024
Total debt (Borrowings)	13	**19,932,273**	19,455,823
Cash and cash equivalents	9	**(1,819,872)**	(1,676,199)
Net debt		**18,112,401**	17,779,624
Equity before hedging reserve and non-controlling interests		**13,576,490**	12,730,741
Add: Non-controlling interests		**5,191**	5,309
Adjusted Equity (i)		**13,581,681**	12,736,050
Net debt to adjusted equity ratio		**133%**	140%

(i) Adjusted equity includes all equity except cash flow hedge reserve of the Group.

23. Commitments and contingencies:

(i) *Cross guarantees*

The Company has issued cross guarantees to the various banks with regard to loans and interest rate swaps.

(ii) Bank guarantees

Bank guarantees at December 31, 2025 amounted to QR 10.9 million (2024: QR 8.5 million).

(iii) Letters of credit and guarantees

Letters of credit and guarantees including the share from joint ventures at December 31, 2025 amounted to QR 87.6 million (2024: QR 21.5 million).

(iv) Capital commitments

Capital commitments including shipbuilding commitments and the share from joint ventures at December 31, 2025 amounted to QR 30,359.4 million (2024: QR 31,475.6 million).

24. Critical accounting estimates and judgments

In the application of the Group's accounting policies, which are described in note 3, management is required to make certain judgments about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The associated assumptions are based on factors that are considered to be relevant. Actual results may differ from these estimates. The underlying assumptions are reviewed on an ongoing basis.

The following critical judgments were made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements.

(i) Useful life, residual value and impairment of property and equipment:

As described in note 3.2(a), the Group's management reviews the estimated useful life and residual value of the property and equipment at the end of each annual reporting period. Management also performs impairment test for property and equipment when there is an indicator for impairment.

Management estimates the useful lives and residual value for the Group's vessels based on historical experience and other factors, including the tonnage value and the expectation of the future events that are believed to be reasonable under the circumstances.

(ii) Useful life of intangible assets:

The exclusive rights to operate the shipyard has a finite useful life and is amortized on a straight-line basis. Significant judgment was applied in identifying and determining the fair value of the exclusive rights at the acquisition date, which was measured using a discounted cash flow valuation incorporating significant unobservable inputs.

24. Critical accounting estimates and judgments (continued)

(iii) Impairment of receivables:

The impairment model of IFRS 9 requires forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Accordingly, management has assigned probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgment; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The impairment review on trade receivables was performed only for receivables for which management had an indication of impairment that also entailed significant judgment. It was determined with reference to past default experience of a counterparty and an analysis of the counterparty's financial situation.

(iv) Fair value and hedge effectiveness of cash flow hedges:

Fair value of hedges is derived from the observable market input. Management performs an independent check to assess the accuracy of fair values. Management also reviews its hedging relationship between the hedged item and hedging instrument on a periodic basis. The hedge was found to be highly effective. As a result, the changes in fair value of the derivative are recorded in equity under the hedging reserve.

(v) Stage of completion of contracts:

The Group uses the percentage-of-completion method in accounting for its contracts. Use of the percentage-of-completion method requires the Group to estimate the proportion of work performed to date as a proportion of the total work to be performed and it is management's judgment that the physical completion of the projects provides the most appropriate measure of percentage of completion.

(vi) Classification of lease:

Lease classification is determined by Management at the inception of the lease. Changes to the particulars of a lease after inception, other than by renewing the lease, which would have resulted in a different classification of the lease had the revised terms been in effect at the inception of the lease, should be considered at the inception of a revised agreement over the remaining term.

Management has applied judgments for the classification of its lease arrangements based on the following primary indicators;

- transfer of ownership of the asset at the end of the lease term;
- option to purchase the leased asset at a price that is sufficiently lower than the fair value at the date of the purchase;
- term of the lease is for the major part of the economic life of the asset;
- present value of the minimum lease payments which is calculated based on rate of return implicit in the lease and fair value of the leased asset;
- nature of the asset including its specialization, purpose of creation for the lessee and requirements for major modification to be used by other lessee;
- The lease term is considered as firm period as per the contract based on the available information.

Key estimates used by Management include calculation of IRR, useful life and salvage value.

25. Operating lease revenue

The Group has various lease agreements for wholly owned LNG and LPG vessels. The charter revenues of these vessels are accounted for as operating leases. The future minimum rental receivables under non-cancellable operating leases are as follows:

	2025	2024
Not later than 1 year	**3,691,332**	3,638,090
Later than 1 year but not later than 5 years	**23,226,929**	20,018,664
Later than 5 years	**77,785,583**	84,447,907
Total	**104,703,844**	108,104,661

26. General, employee and administrative expenses

	2025	2024
Employees Costs	**65,300**	54,482
Rent, utilities & others	**31,113**	18,675
Depreciation	**18,457**	6,062
Professional fee-legal & others	**8,239**	26,559
Audit fee	**757**	669
Directors' fee / AGM expenses	**6,285**	6,544
Total	**130,151**	112,991

The auditor's total fee for the Group (subsidiaries and associated joint ventures) is QR 1,899 thousands which includes tax filing and other services fee of QR 230 thousands (December 31, 2024: QR 1,815 thousands which includes tax filing and other services fee of QR 229 thousands).

27. Tax expense

A. Amounts recognized in statement of income

	2025	2024
Current tax expense		
Domestic income tax	**22,612**	-
Global minimum top-up tax (i)	**669**	-
Total	**23,281**	-

(i) The Group has recognized taxes in relation to domestic tax of the entities domiciled in Qatar and Pillar Two Taxes based on the OECD's Base Erosion and Profit Shifting ("BEPS") rules which seek to impose a framework to implement a global minimum tax of 15% on multinational groups in jurisdiction in which they operate. These rules became effective from 1 January 2025.

The Group does not have significant exposure to Pillar Two Taxes as it benefits from the shipping income exclusion provided under the published OECD global minimum tax framework, which effectively applies to the majority of its income.

28. Events after the reporting date

There are no material events subsequent to the reporting date which have a bearing on the understanding of these consolidated financial statements.

29. Comparative amounts

The comparative figures for the previous period have been reclassified where necessary, in order to conform to the current year's presentation. Such reclassification does not affect the previously reported net profits or net assets.