

DELIVERING
CLEAN ENERGY
TO THE WORLD



1H20 Financial Results

IR Presentation – 16th July 2020

“Together Towards Tomorrow”



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

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

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

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LNGC

Liquefied Natural Gas Carrier

Charter Free

Vessel which is not attached with charter party

Steam

Steam Turbine Propulsion System)

BoG

Boil-off Gas

HHI

Hyundai Heavy Industries

FSRU

Floating Storage Regasification Unit

DFDE

Dual Fuel Diesel Electric Propulsion System

MEGI

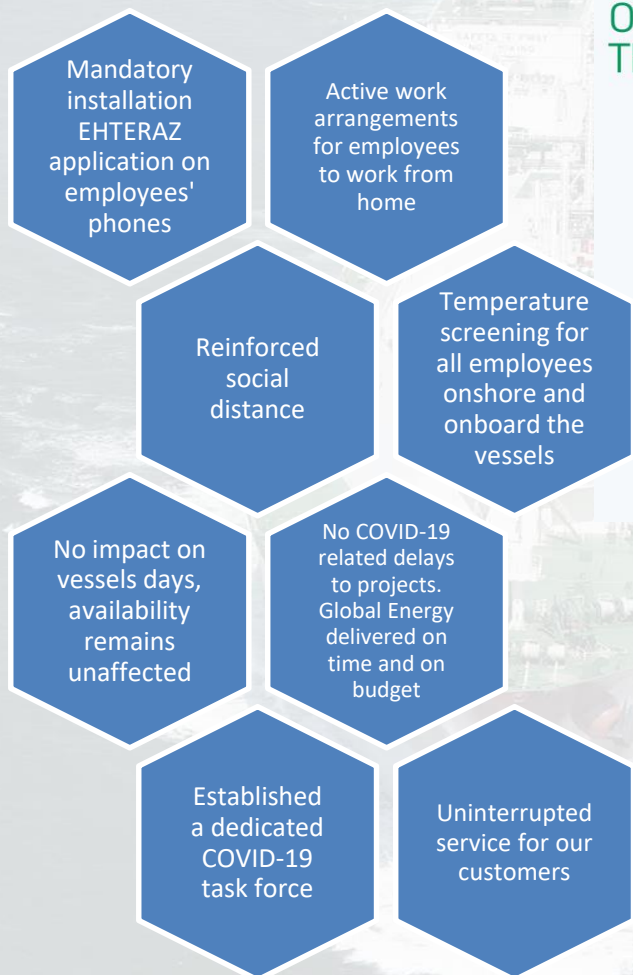
M-type, Electronically Controlled, Gas Injection

DSME

Daewoo Shipbuilding & Marine Engineering

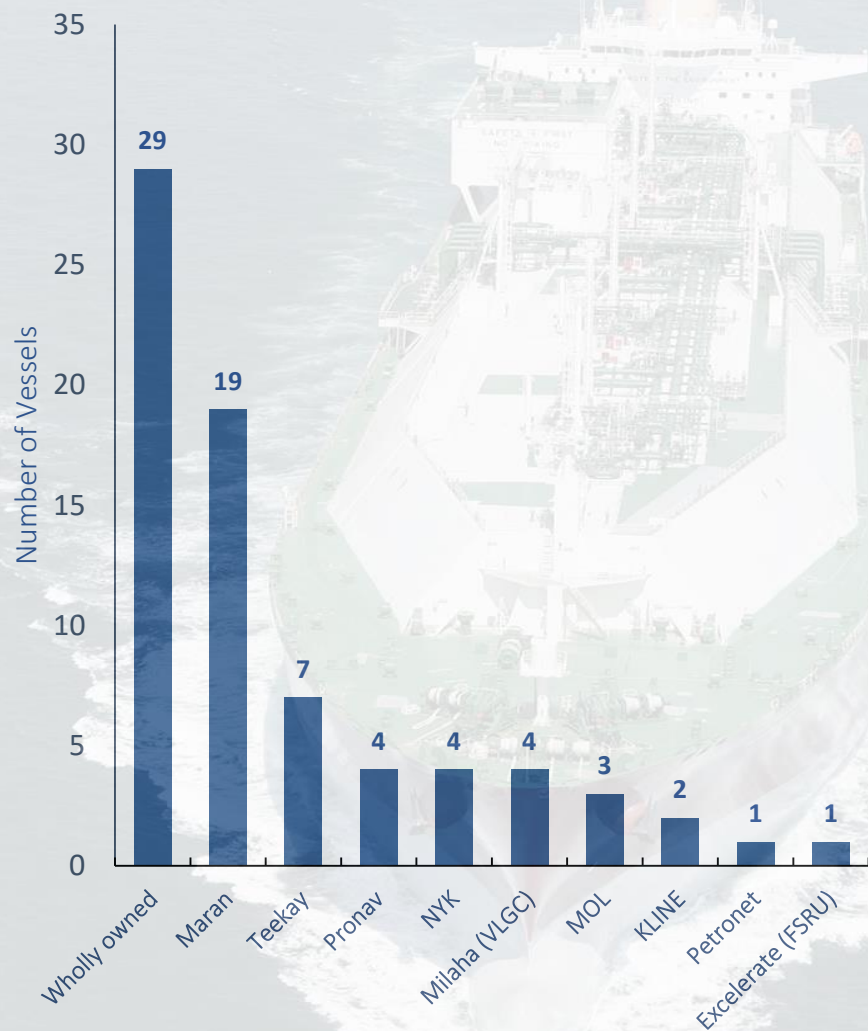


NAKILAT STEPS UP COVID-19 PREVENTIVE MEASURES ONSHORE & ONBOARD THE VESSELS

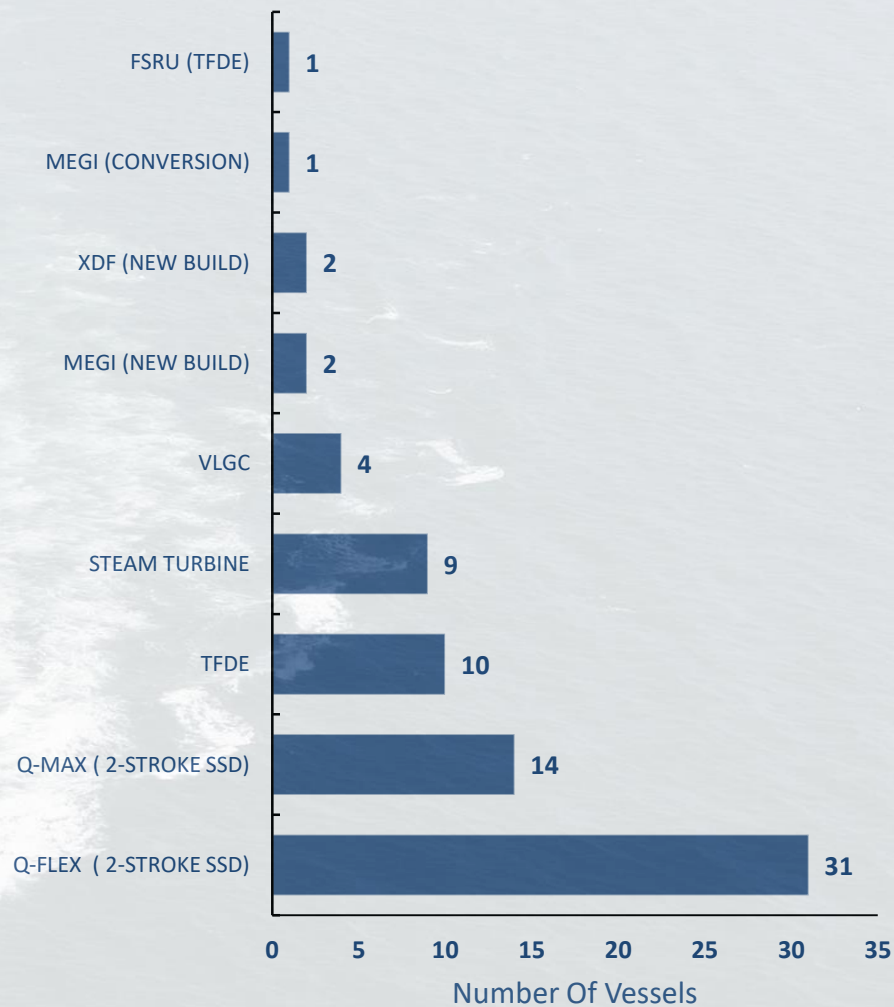


As we navigate through the global COVID-19 pandemic, Nakilat and its joint ventures remains committed to first and foremost ensure the health, safety, and wellbeing of all our people, onshore and onboard the vessels.

Wholly & Jointly-Owned Fleet



Vessels' Type / Propulsion



Profit: QAR 550M

Financial Results for 1H-2020



QAR 2Bn

Revenue

QAR 1.6Bn

EBITDA*

QAR 550M

Net Profit

QAR 0.10

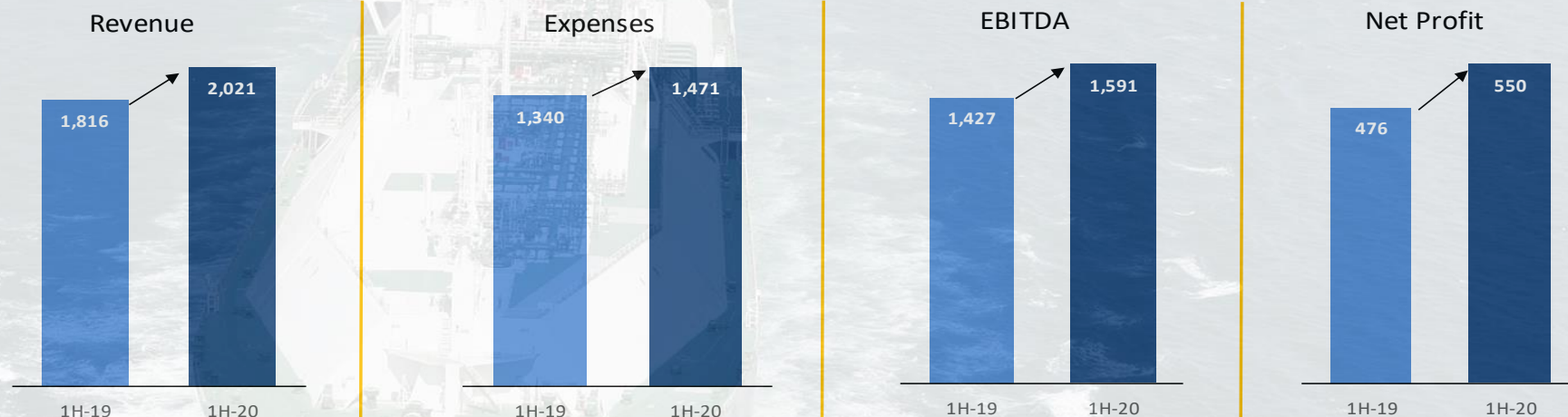
EPS

11.64%

RoE**

1.12

Current Ratio



- **Total revenue increased** by 11.3%. Mainly due to acquisition of 49.9% stake of INSW in Oct'19, higher profits from LPG, Agency services and savings in G&A costs.
- **Expenses increased** by 9.8% due to costs related to 4 JV vessels fully acquired in Oct 2019.
- **EBITDA higher** by 11.5% due to increase in revenue.
- **Net Profit increase of** 15.5% was driven by higher EBITDA.

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

** Note : RoE is annualized

Items (QAR - M)	1H-20	1H-19	YoY %
Revenue from operations	1,977	1,757	12.5%
Interest, dividend and other income	44	59	-25.4%
Total Revenue	2,021	1,816	11.3%
Operating costs	375	327	14.7%
G & A expenses	55	62	-11.7%
Amort. & Depr. of PPE	446	374	19.1%
Finance charges	595	577	3.3%
Total Expenses	1,471	1,340	9.8%
Net profit for the period	550	476	15.5%

Highlights :

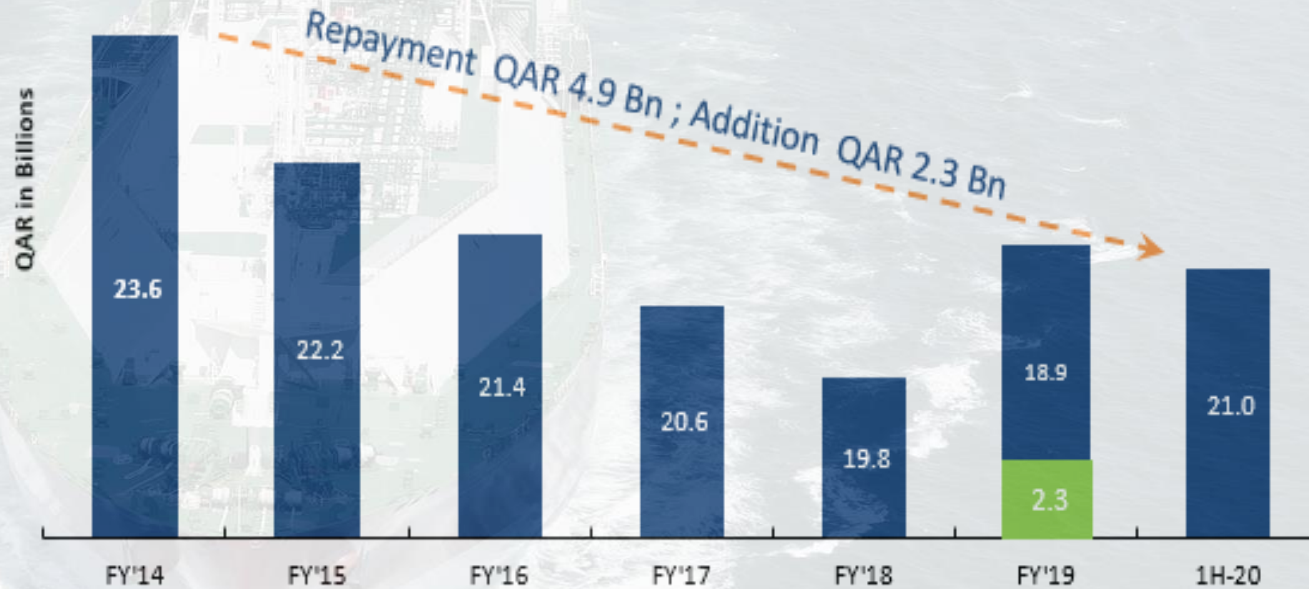
- Total Revenue increased by 11.3%** mainly due to acquisition of 49.9% stake of INSW in Oct'19, higher profits from LPG and Agency services
- Operating costs increased by 14.7%** due to operating costs of 4 JV vessels fully acquired in Oct'19
- General and administration expenses decreased by 11.7%** as a result of process enhancement and cost optimization initiatives
- Amort. & Depr. of PPE increased by 19.1%** due to 4 vessels fully acquired in Oct'19
- Finance charges increased by 3.3%** as a result of finance charges of 4 JV vessels fully acquired in Oct'19 partly offset by scheduled repayment of loan and lower LIBOR

Items (QAR - M)	Jun-20	Dec-19	% Change
Property and equipment	23,789	24,144	-1.5%
Investment in joint venture companies	4,260	4,378	-2.7%
Cash and bank balances	2,236	2,397	-6.7%
Trade and other receivables	2,059	1,347	52.9%
Equity investments	92	113	-18.6%
Total Assets	32,436	32,379	0.2%
Borrowings	21,048	21,242	-0.9%
Equity after hedge reserve and before non-controlling interests	6,061	6,851	-11.5%
Fair value of interest rate swaps	3,157	2,477	27.5%
Accounts payable, accruals and other liabilities	2,163	1,803	20.0%
Non-controlling interests	7	6	16.7%
Total Equity & Liabilities	32,436	32,379	0.2%

Highlights :

- Cash and bank balances decreased by 6.7%** mainly due to cash used for investment in joint venture
- Trade and other receivables increased by 52.9%** mainly due to advances of Hub business (Port Agency) and advances to joint venture
- Equity investments decreased by 18.6%** due to lower share prices of shares held for investment
- Fair value of interest rate swaps increased by 27.5%** due to decrease in LIBOR
- Accounts payable, accruals and other liabilities increased by 20%** mainly due to advances of Hub business (Port Agency) and other liabilities

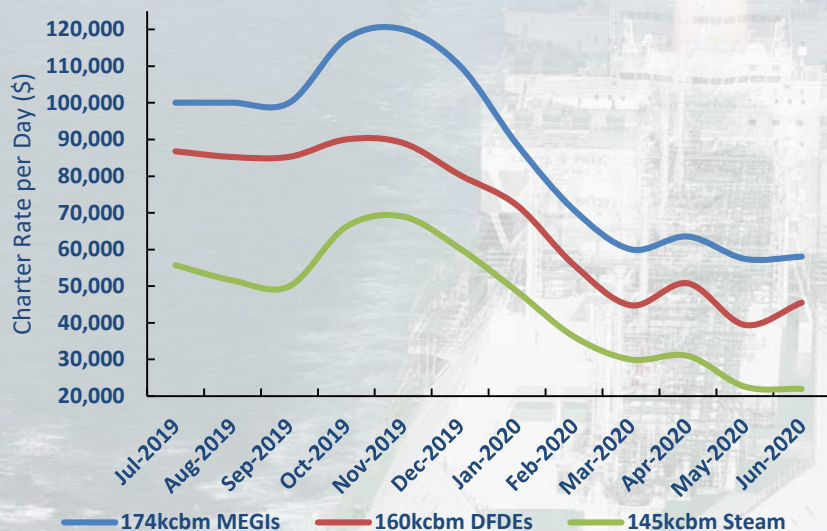
Net Borrowings (FY'14 to 1H-20)



QAR 2.3Bn new loan in 2019 - QAR 1.8 Bn - for JV fully acquired in Oct'19 & QAR 0.5 Bn for new business opportunities.

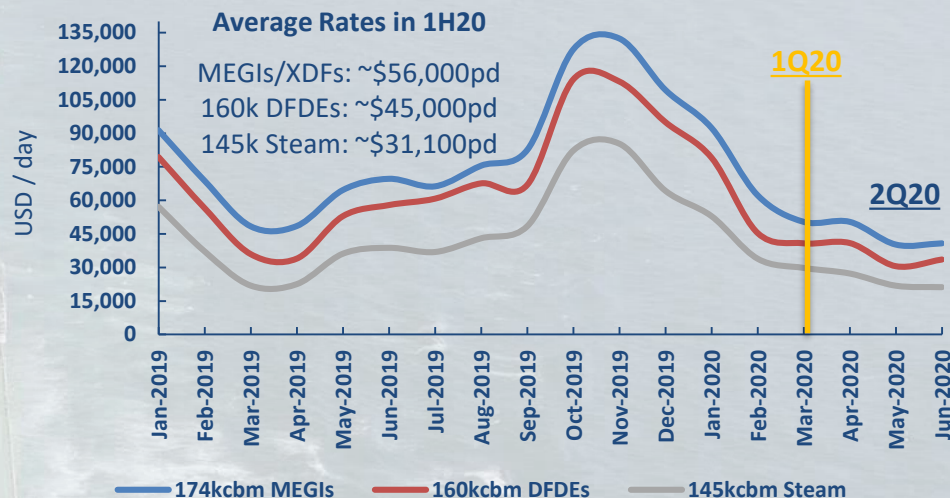


Multi-Month (3-6) LNG Shipping Rates 12 Months



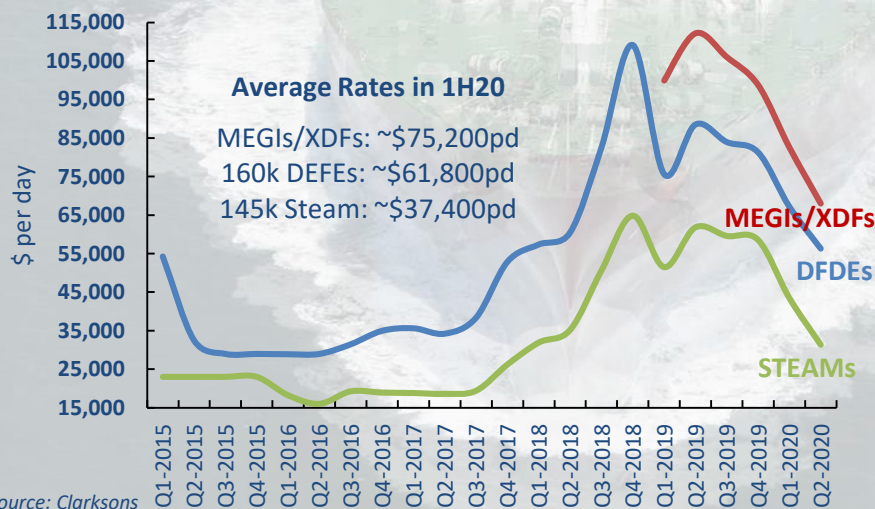
Source: Clarksons

Spot Rates (MEGI Vs DFDEs Vs Steam) 2019-1H20



Source: Clarksons

1 Year Time-Charter Rate in 2015-1H20

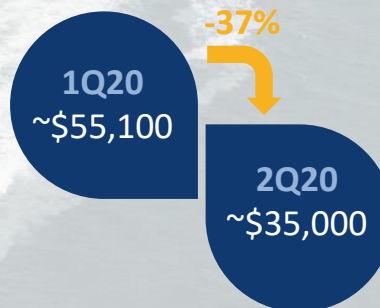


Source: Clarksons

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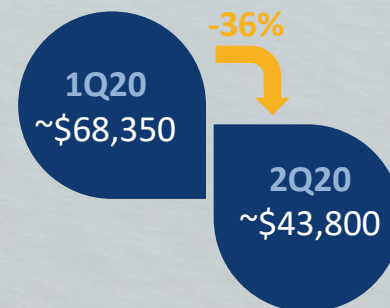
Spot LNG Shipping Market Rates

Average DFDEs Day Rates



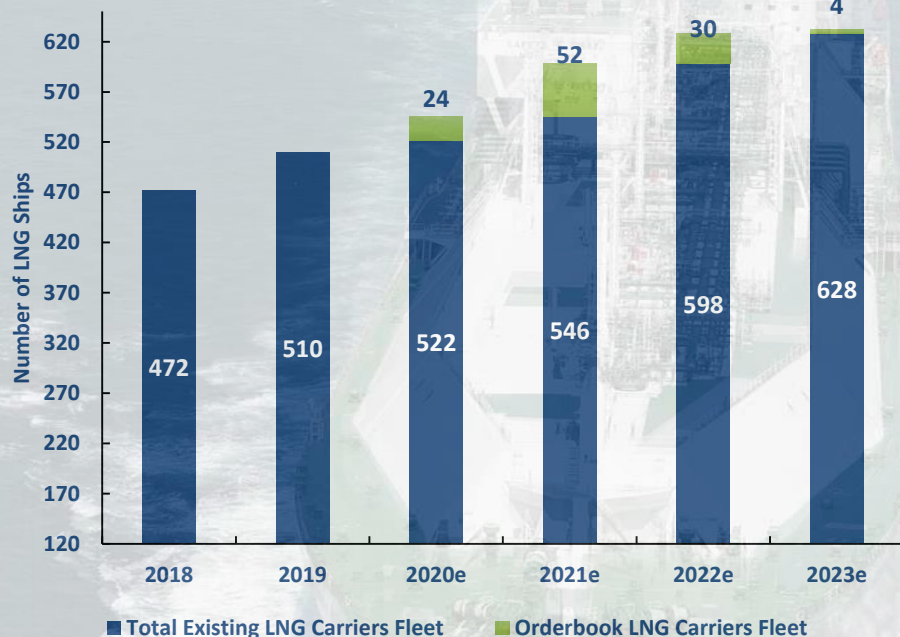
Source: Clarksons

Average MEGIs Day Rates



Source: Clarksons

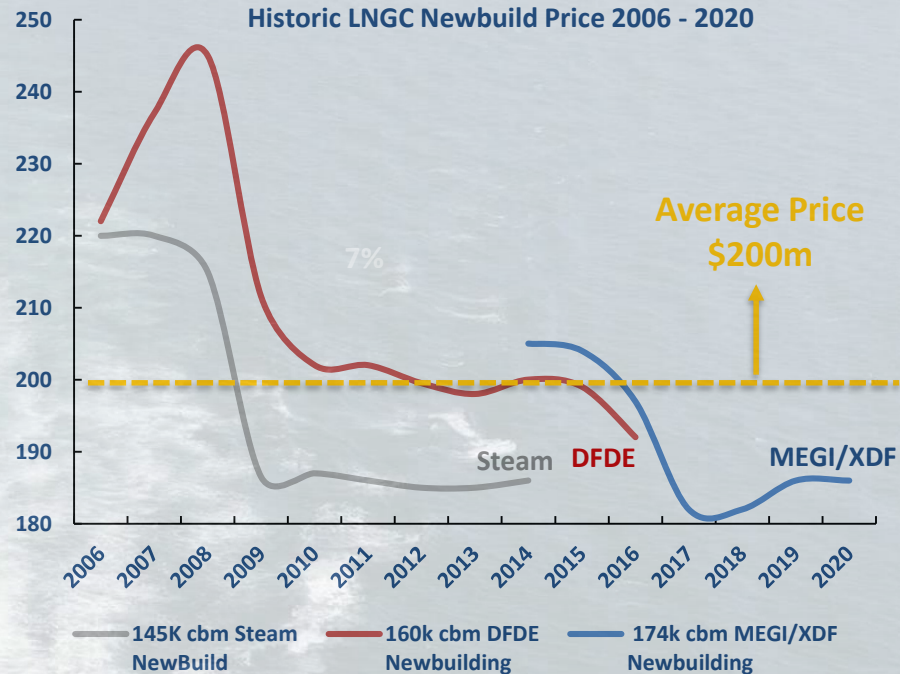
Development of Global LNG Carriers Fleet* (2018 - 2023e)



Source: Clarksons

Note: *As of 2Q20, World live LNG fleet (excl. vessels <125,000cbm, FSRUs, FSUs, and FLNG, no assumption for scrapping, or LNGC conversion to FSRUs)

Historic LNGC Newbuild Price 2006 - 2020



Source: Clarksons





LNG Shipping Fleet

Expect to see the full impact of the 49.9% stake acquisition of 4 Q-Flexs in the following quarters

Took the first vessel delivery of "Global Energy", within budget and schedule

Term charter engagements with charterers for the 4 Newbuild LNGCs



Shipyard & Marine Services

Shipyard is a cyclical business with a strategic importance for Nakilat.

We are working to minimize the impact of COVID-19 of this business segment.



Market Fundamentals

According to Drewry, global liquefaction capacity should grow by ~146mts from 2019 until 2024.

Due to Covid-19, closed arbitrage, weak global GDP growth, and upcoming available vessels in the next 18-24 months, the LNG shipping charter rates are expected to be volatile in the following quarters



Portfolio growth

Nakilat expands its global LNG shipping capacity with the 49.9% stake acquisition of 4 Q-Flexs LNGCs (217,000cbm per vessel) owned by INSW.

The 4 LNG carriers have been on 25-year time-charters to Qatargas since their delivery in 2007 and 2008.



Global leader
for energy
transportation

Maximize
shareholder
return

Priority for
safety &
environment

1H20 Earnings Results:

- Strong profitability results (+15.5% YoY), momentum continues
- As of 1H20, Covid-19 did not have any major negative financial impact on Nakilat's quarterly financial performance
- Nakilat's defensive and solid business model provides the flexibility to navigate sustainably through extreme volatile markets
- Nakilat's EBITDA was up by 11.5% year-over-year to reach QAR 1.6 billion
- As of May'20 – LTIF* Yearly Data: (0.18 Nakilat in 5M20 Vs 0.45 Industrial Average 2019)



Milaha*

36.25%

Qatar Pension Fund (Civil)*

13.24%

Vanguard Funds**

1.64%

BlackRock Funds***

0.45%

Other Shareholders

~48.42%

Notes:

*As per QCSD, 16/07/20

**Vanguard Fund 11 Funds, as of June'20

***BlackRock Funds: 10 Funds , as of June'20



Q&A



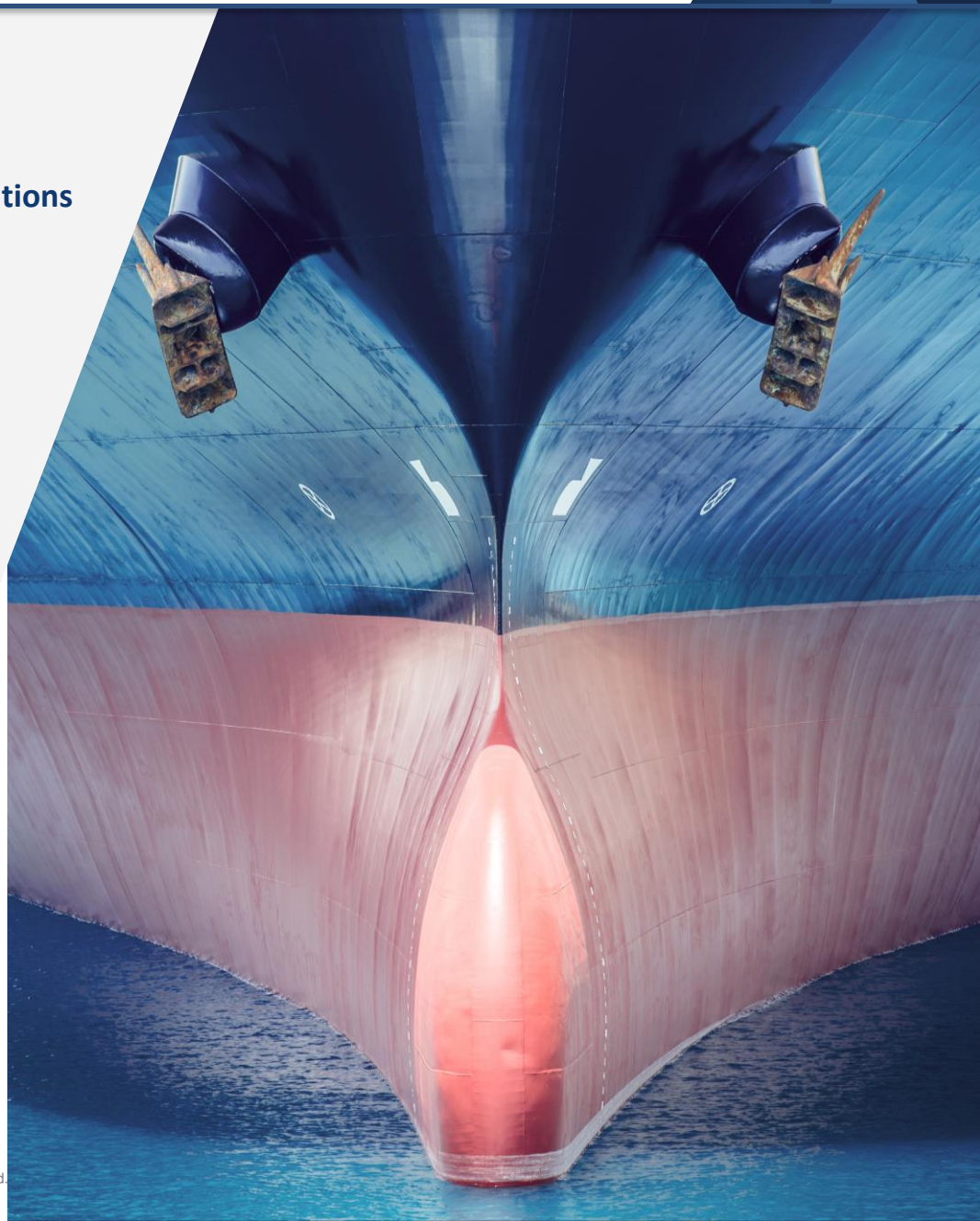
Any Further Investor Questions?

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Thank You

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