

# Al Mahhar Holding Company Q.P.S.C.

## H1 2023 Financial Results Presentation



August 2023

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# H1 2023 key financial performance highlights

Continued track record of operational and financial performance – well positioned to benefit from key growth sectors in Qatar

1

## H1 2023 revenue

Revenue of QAR 310.5m achieved in H1 2023 compared to QAR 215.4m as per H1 2022 reviewed financials, largely driven by the strong performance of Al Mahhar's energy segment

2

## H1 2023 gross profit

Gross profit of QAR 65.7 million in H1 2023 at similar gross profit margin (21.2%) to H1 2022

3

## Increased net profit to equity holders

Growth in net profit to equity holders of 26.0% YoY, reaching QAR 10.3 million in H1 2023, corresponding to Earnings Per Share ("EPS") of QAR 0.05

4

## Strong financial position

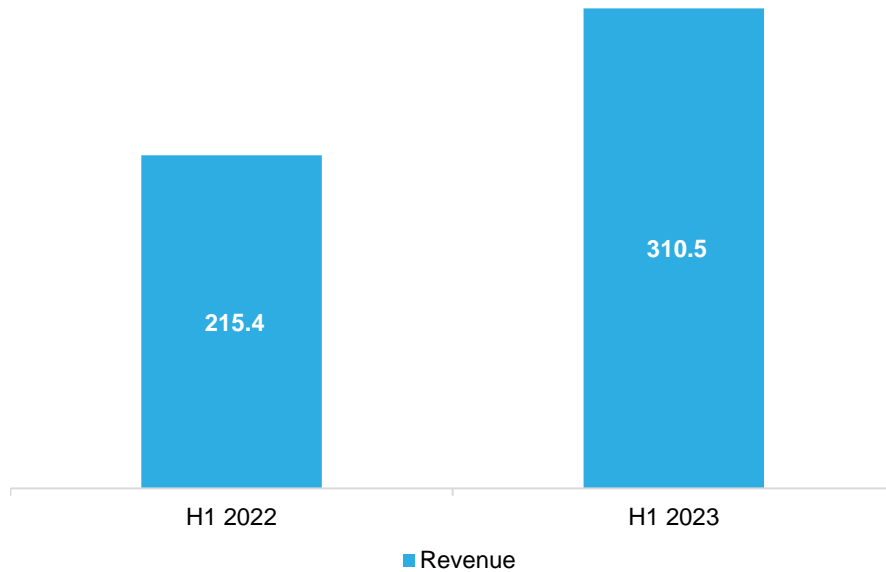
Strong balance sheet with total equity of QAR 323.5 million and low financial loans of QAR 46.5 million

Source: Reviewed H1 2023 financial statements

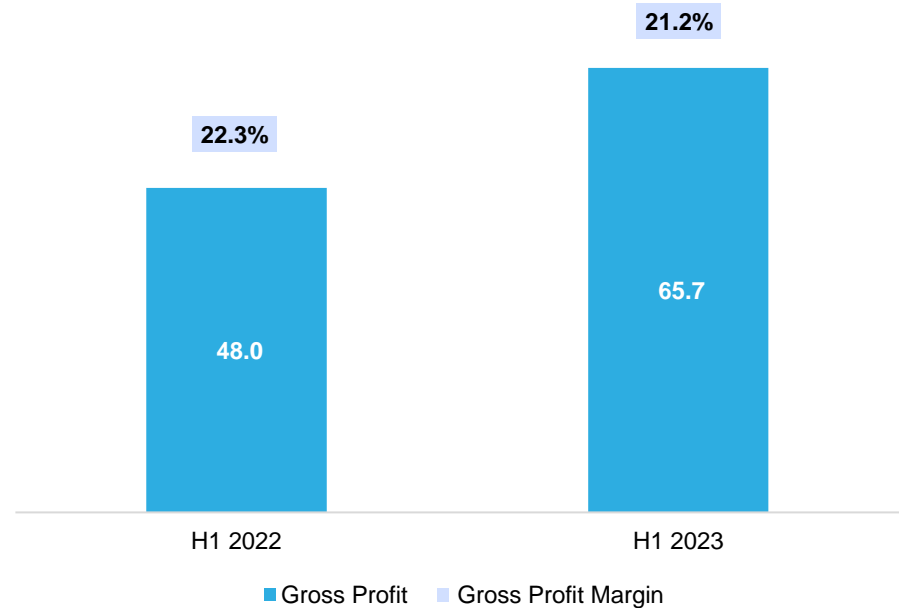
# Financial performance highlights (1/3)

Strong revenues achieved in H1 2023 coupled with stable gross profit margins

## Revenue (QARm)



## Gross profit (QARm)



- Revenue of QAR 310.5m in H1 2023 compared to QAR 215.4m as per reviewed financials in H1 2022, largely driven by the strong performance of Al Mahhar's energy segment

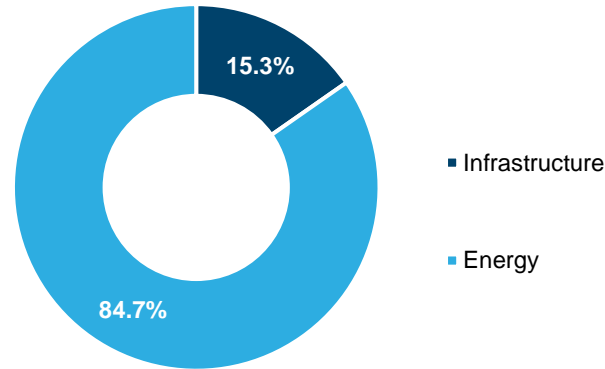
- Gross profit of QAR 65.7m in H1 2023, with a gross profit margin of 21.2%, largely in line with the gross profit margin achieved in H1 2022

Source: Reviewed H1 2023 financial statements

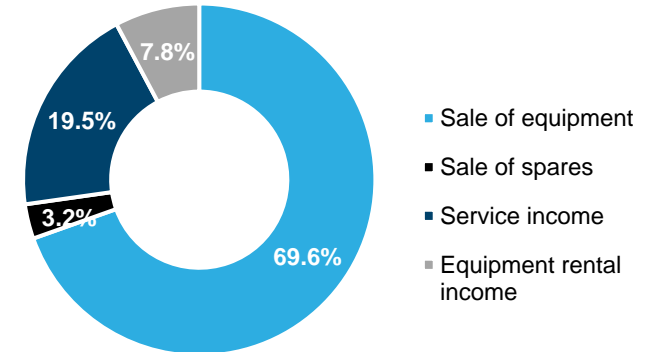
# Financial performance highlights (2/3)

Approximately 85% of Al Mahhar's revenue as of H1 2023 were derived from the Energy segment

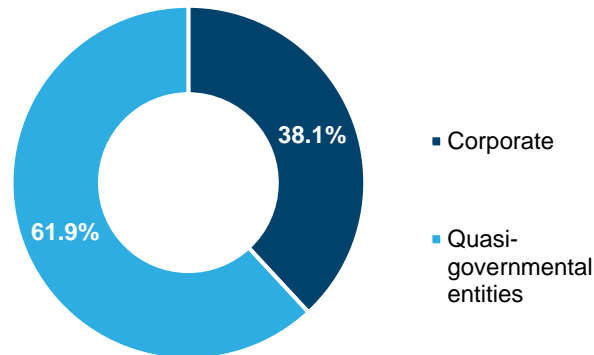
## Revenue by sectors



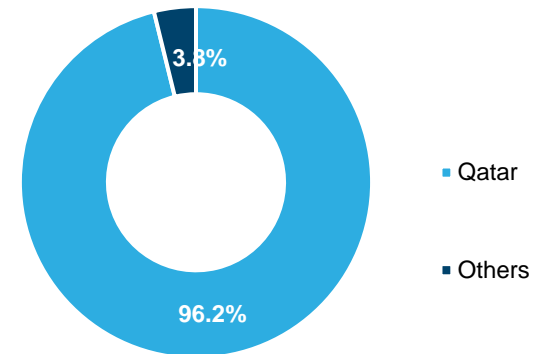
## Revenue by business type



## Revenue by customers



## Revenue by geography



### Infrastructure segment

Revenue: QAR 47.5m



### Energy segment

Revenue: QAR 263.0m



Source: Reviewed H1 2023 financial statements

# Financial performance highlights (3/3)

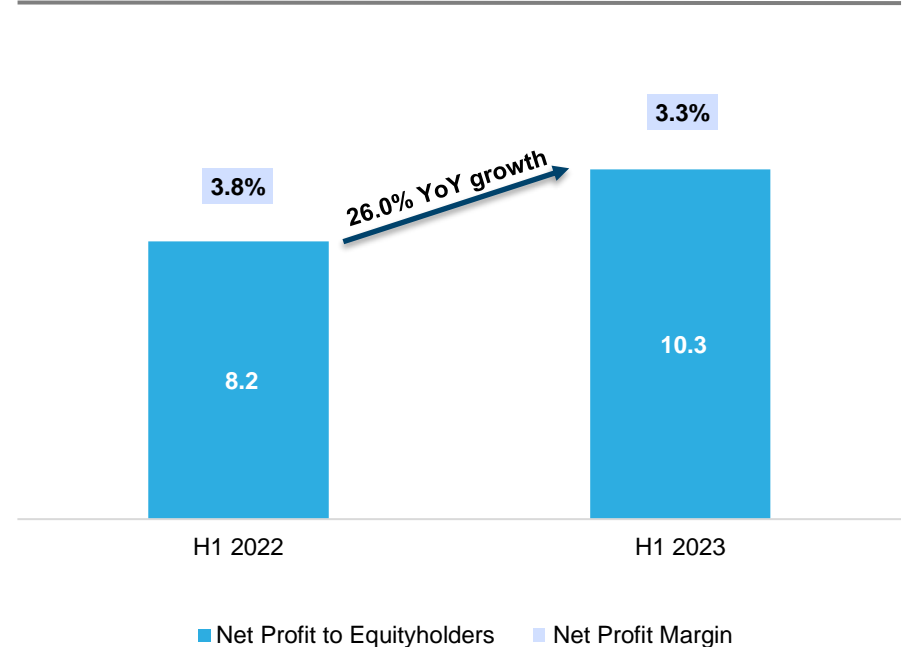
Al Mahhar witnessed an increase in H1 2023 in net profit to equity holders

## Operating profit (QARm)



- Relatively stable total operating profit of QAR 9.3m over the H1 2023 period (QAR 9.4m in H1 2022)

## Net profit to equity holders (QARm)



- 26.0% year-on-year increase of net profit to equity holders in H1 2023, from QAR 8.2m in H1 2022 to QAR 10.3m in H1 2023

Source: Reviewed H1 2023 financial statements

# H1 2023 – Income Statement

Net profit to equity holders of QAR 10.3m recorded by Al Mahhar Holding for the H1 2023 period

Income Statement (QARm)	H1 2023		H1 2022	
<b>Revenue</b>	<b>310.5</b>	100.0%	<b>215.4</b>	100.0%
Cost of sales	244.8	-78.8%	167.4	-77.7%
<b>Gross profit</b>	<b>65.7</b>	21.2%	<b>48.0</b>	22.3%
Other Income	4.3	1.4%	3.2	1.5%
G&A Expenses	(58.6)	-18.9%	(39.0)	-18.1%
Amortization of right-of-use assets	(2.6)	-0.8%	(1.8)	-0.8%
Gain on foreign exchange	0.6	0.2%	(1.0)	-0.5%
<b>Operating profit</b>	<b>9.3</b>	3.0%	<b>9.4</b>	4.4%
Finance costs	(3.4)	-1.1%	(1.0)	-0.5%
Interest on lease liabilities	(0.2)	-0.1%	(0.3)	-0.2%
Share of results from Associates/JV	2.1	0.7%	0.6	0.3%
Income tax expense	(0.4)	-0.1%	-	0.0%
<b>Profit for the period</b>	<b>7.3</b>	2.3%	<b>8.7</b>	4.0%
Profit attributed to non-controlling interests	(3.1)	-1.0%	0.5	0.2%
<b>Profit attributed to equity holders of the parent</b>	<b>10.3</b>	<b>3.3%</b>	<b>8.2</b>	<b>3.8%</b>
Earnings per share (in QAR)	0.05		0.08	

Source: Reviewed H1 2023 financial statements



# H1 2023 – Balance Sheet

Strong asset base mainly funded by equity

Total Assets (QARm)	H1 2023	H1 2022
Property & Equipment	94.0	95.1
Right-Of-Use Assets	23.1	25.0
Other Non-Current Assets	36.9	43.4
<b>Non-Current Assets</b>	<b>154.0</b>	<b>163.6</b>
Inventory	137.1	123.1
Trade & Other Receivables	250.4	260.7
Bank Balances and Cash	71.1	78.5
<b>Current Assets</b>	<b>458.6</b>	<b>462.3</b>
<b>Total Assets</b>	<b>612.6</b>	<b>625.9</b>

Equity and Liabilities (QARm)	H1 2023	H1 2022
Interest-Bearing Borrowings	23.0	21.1
Lease Liabilities	16.9	18.1
Accounts Payables & Accruals	9.8	3.5
End-of-Service Benefits	22.1	21.0
<b>Non-Current Liabilities</b>	<b>71.8</b>	<b>63.8</b>
Accounts Payables & Accruals	190.5	211.8
Lease Liabilities	3.2	3.2
Interest-Bearing Borrowings	23.6	20.6
<b>Current Liabilities</b>	<b>217.3</b>	<b>235.6</b>
<b>Total Liabilities</b>	<b>289.0</b>	<b>299.4</b>
Shareholders' Equity	309.0	308.9
Non-Controlling Interest	14.6	17.7
<b>Total Equity</b>	<b>323.5</b>	<b>326.6</b>
<b>Total Equity &amp; Liabilities</b>	<b>612.6</b>	<b>625.9</b>

- Stable interest-bearing Debt-to-Equity Ratio\* of 0.14x with further debt capacity
- Strong asset base mainly funded by equity, key asset items on the Balance Sheet include trade & other receivables and inventory
- Debt financing in H1 2023 with interest-bearing liabilities of QAR 46.5m remained in line with the H1 2022 levels

\*Debt calculated in the computation of the Debt-to-Equity ratio includes interest bearing loans and borrowings

Source: Reviewed H1 2023 financial statements



# Strategic position and upcoming opportunities

Al Mahhar is well-positioned to capitalize on the numerous opportunities within the Qatari Energy sector

## Strategic Position & Upcoming Opportunities:

- **Optimistic View:** Al Mahhar is embracing significant upcoming developments in the Qatari energy sector
- **North Field Expansion:** World's largest non-associated gas field.
  - Pivotal role in Qatari energy sector
  - Avenues for specialized services in the energy sector
  - Al Mahhar positioned as a key player
- **Ras Laffan Petrochemicals Complex (2026):**
  - One of the Middle East's largest facilities
  - Active bidding for a range of products and services
  - Focus for Al Mahhar on active bids, from project initiation to long-term maintenance

## Management Initiatives & Vision:

- **Internal Assessment:** Focusing on efficiencies and cost optimization.
- **Strategic Planning:** Evaluating projects for Al Mahhar and its portfolio companies
- **Commitment to shareholders:** Emphasis on growth, value projects, and maximizing shareholder value



*Our proactive approach and vision have set the foundation for capitalizing on the evolving opportunities that we see ahead within the Qatari energy sector. As we navigate today's dynamic landscape, our primary focus remains on continuing the growth of Al Mahhar, focus on value-accretive projects and enhancing shareholder value*

**Mr. Fahad Alfardan**  
Chairman

# Al Mahhar listing and shareholding information

Al Mahhar's shares began trading on the Qatar Stock Exchange on 7 June 2023

## General information

Company name	Al Mahhar Holding Company Q.P.S.C. "Al Mahhar"
QSE Ticker	MHAR
Shares outstanding	207 million
Market cap as of 30 June 2023	QAR 416 million

## Key investor relations contacts

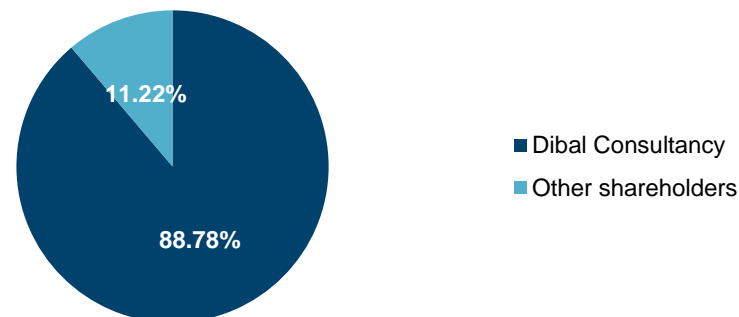
For all IR inquiries, please contact:

[investorrelations@almahharholding.com](mailto:investorrelations@almahharholding.com)

For more information please visit our website:

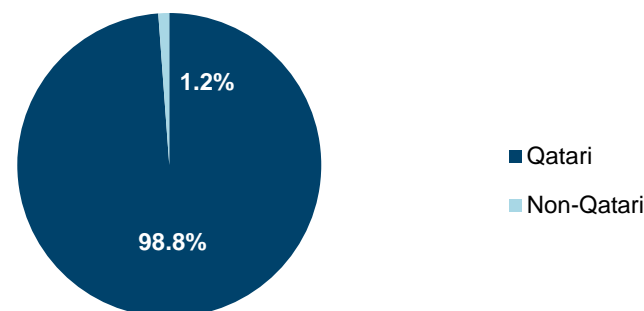
<https://almahharholding.com/>

## Current shareholding structure



Source: QCSD as of 16 July 2023

## Breakdown of total investors by nationality (243 investors)



Source: QCSD as of 16 July 2023, based on 207 million shares outstanding



## Appendix

# Al Mahhar Holding's key investment highlights



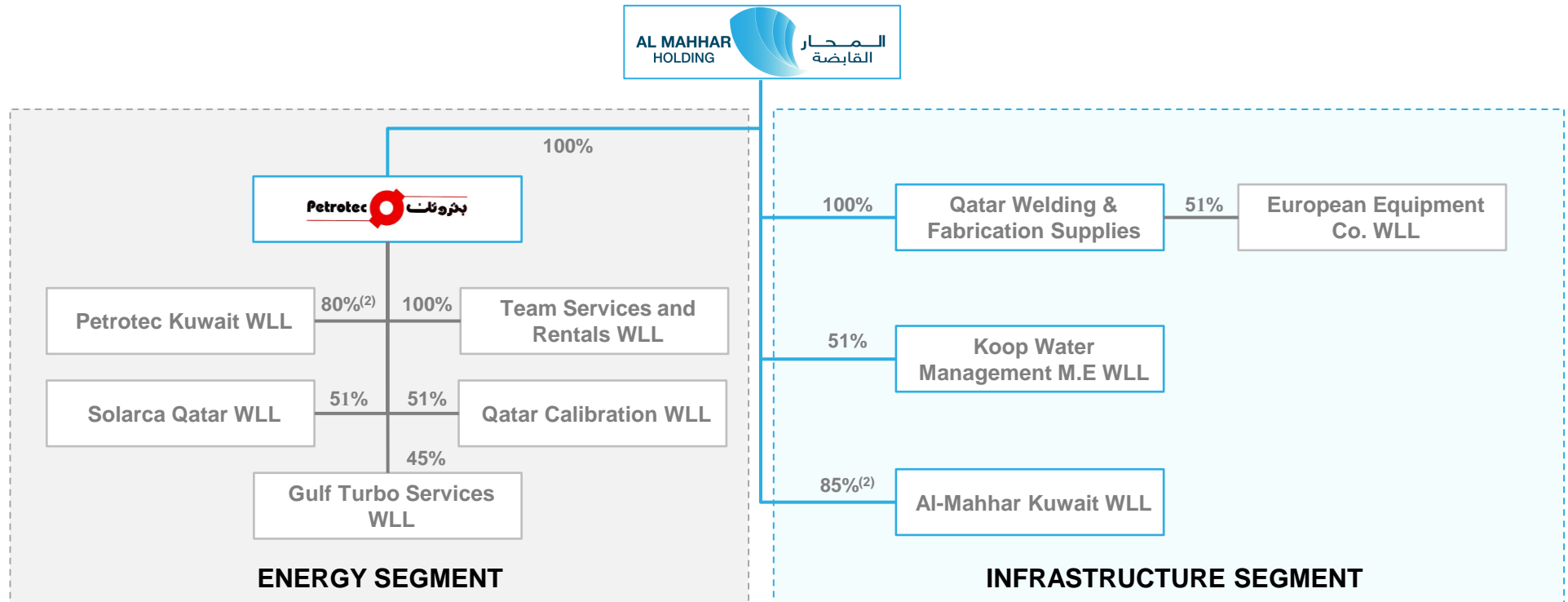
Source: Listing Prospectus

\*OEM: Original Equipment Manufacturer

# Al Mahhar Holding at a glance

Leading service and specialized products provider to the Energy and Infrastructure sectors in Qatar

Current structure of Al Mahhar Holding



## Our key values...



Customers first



Initiative



Team synergy



Integrity



Performance

# Additional disclosure

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