



Investment Holding Group Q.P.S.C

Investor Presentation

Year ended 31 December 2019

1	Introduction●
2	Operating Environment●
3	Business Review●
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- Investment Holding Group W.L.L. (IHG) was registered as a limited liability company in 2008 to consolidate the investments of the group that were made in various companies since 1975. The legal status of the group was converted to a Qatari public shareholding company effective 11th May 2017.
- IHG is registered in the State of Qatar under CR. No. 39127.
- IHG is one of the Qatar's leading companies with diversified business activities, that operates at different levels such as construction and contracting, specialized contracting (mechanical, electrical and plumbing), supply of building materials, safety equipment, wooden products, fire fighting systems, and other related materials, in addition to food, chemical and consumable supplies
- The Group has maintained a consistent rate of growth in profits and investment returns.

Financial Snapshot

Financial Position (QAR 000)	2019	2018
Total Assets	1,422,203	1,370,093
Total Liabilities	603,812	596,594
Shareholders' Equity	796,078	748,733

Financial Snapshot

Profitability (QAR 000)	2019	2018
Total Revenue	443,522	426,299
Gros Profit	107,907	124,905
Gross Profit margin	24%	29%
Net Profit for the Year	54,580	62,036
Net Profit Attributable for Equity Holders of IHG	55,074	58,362
Net Profit Margin	12%	15%
Earning Per Share	0.066	0.070

Operating Segment Results

Operating Results (QAR 000)	2019	2018
Contracting	47,009	51,448
Trading	13,876	51,647
Water treatment and related maintenance	5,914	10,329
Others	29,736	81,609

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Mission

To contribute to the development of the local economy, deliver steady and sustainable returns for our shareholders while it diversifies its investments in a variety of sectors, including construction, manufacturing, engineering, education, healthcare, trading, hospitality and real estate.



Vision

To invest to grow organically and inorganically in order to be recognized as a market leader in each sector in which it invests in, by achieving sustainable growth and maintaining high quality performance building on its core values, people and expertise.



Strategies

- ❖ Activate management on the portfolio companies, to guarantee work continuity and optimize profit. In fulfilling this strategy, IHG management will regularly review the strategic plans developed by subsidiaries' management to ensure being responsive to the changing business environment in which the Group and its subsidiaries operate.
- ❖ Diversify the Group's investments portfolio in an aim to diversify its income, minimize risk, boost bottom line and improve the Group's cash flow. In our diversification, we are targeting companies in defensive industries with high profit margins and low risk levels.
- ❖ Deleverage the Group's balance sheet to reduce interest payments, resulting in an increase in the cash flow. This will enable the Group to reinvest in new opportunities and guarantee a sustainable growth.
- ❖ Bolster the Group's relationship with existing clients by addressing their demands and maintaining the highest quality standards at the same time.
- ❖ Establish and leverage on strategic partnerships and joint ventures with industry leaders in order to increase success rate in obtaining new project work and strengthen the Group's brand and reputation.
- ❖ Sustain revenue growth and profitability through project selection by focusing on markets where the Group can capitalize on its expertise and track record and through targeting specialized projects with high profit margins.
- ❖ Secure the Group's financial position by establishing and maintaining strong relationships with banks in Qatar, to ensure self-sufficiency for existing capital needs and maintaining healthy levels of liquidity. Additionally, we are actively targeting the areas for reducing operational costs and increasing efficiencies of our portfolio companies, while complying with the highest standards of quality and safety.
- ❖ Foster a working environment that promotes professional growth through provision of training and development to employees in order to attract, develop and retain the best available personnel for positions of substantial responsibility.

Board of Directors

	Name	Designation
1	HE Ghanim Sultan Al-Hodaifi Al-Kuwari	Chairman
2	Khalid Ghanim S Al-Hodaifi Al-Kuwari	Vice Chairman
3	Sheikh Nasser bin Ali bin Saud Al Thani	Board Member (Independent, Non-Executive)
4	Hamad Abdulla Shareef Al Emadi	Board Member (Independent, Non-Executive)
5	Omer Abdulaziz Al-Marwani	Board Member (Independent, Non-Executive)
6	Abdul-Rahman Ghanim S Al-Hodaifi Al-Kuwari	Board Member (Non-Independent, Non-Executive)
7	Mohammed Ghanim S Al-Hodaifi Al-Kuwari	Board Member (Non-Independent, Executive)
8	Sultan Ghanim S Al-Hodaifi Al-Kuwari	Board Member (Non-Independent, Non-Executive)
9	Hamad Ghanim S Al-Hodaifi Al-Kuwari	Board Member (Non-Independent, Non-Executive)
10	Abdul-Aziz Ghanim S Al-Hodaifi Al-Kuwari	Board Member (Non-Independent, Non-Executive)

Board committees

Group Board Nomination and Remuneration committee	Designation
Sheikh Nasser bin Ali bin Saud Al Thani	Chairman of the Committee
Khalid Ghanim Sultan Al Hodaifi Al Kuwari	Member
Hamad Abdulla Shareef Al Emadi	Member
Hamad Ghanim Sultan Al Hodaifi Al Kuwari	Member

Group Board Audit and Risk Management committee	Designation
Omar Abdul-Aziz Al-Marwani	Chairman of the Committee
Sheikh Nasser Ali S Thani Al-Thani	Member
Walid Ahmed Al Saadi	Member – Board Advisor

Executive Management

Name	Designation
Samer Wahbeh	Group Chief Executive Officer
Mohamed Ghanim Al Kuwari	Deputy CEO
Mohamed Abdulla	Group Chief Financial Officer
Joseph Akiki	Group Legal Advisor
Mohamad Rizk	Group Head of HR and Administration
Asmaa Belal	Investor Relations Officer

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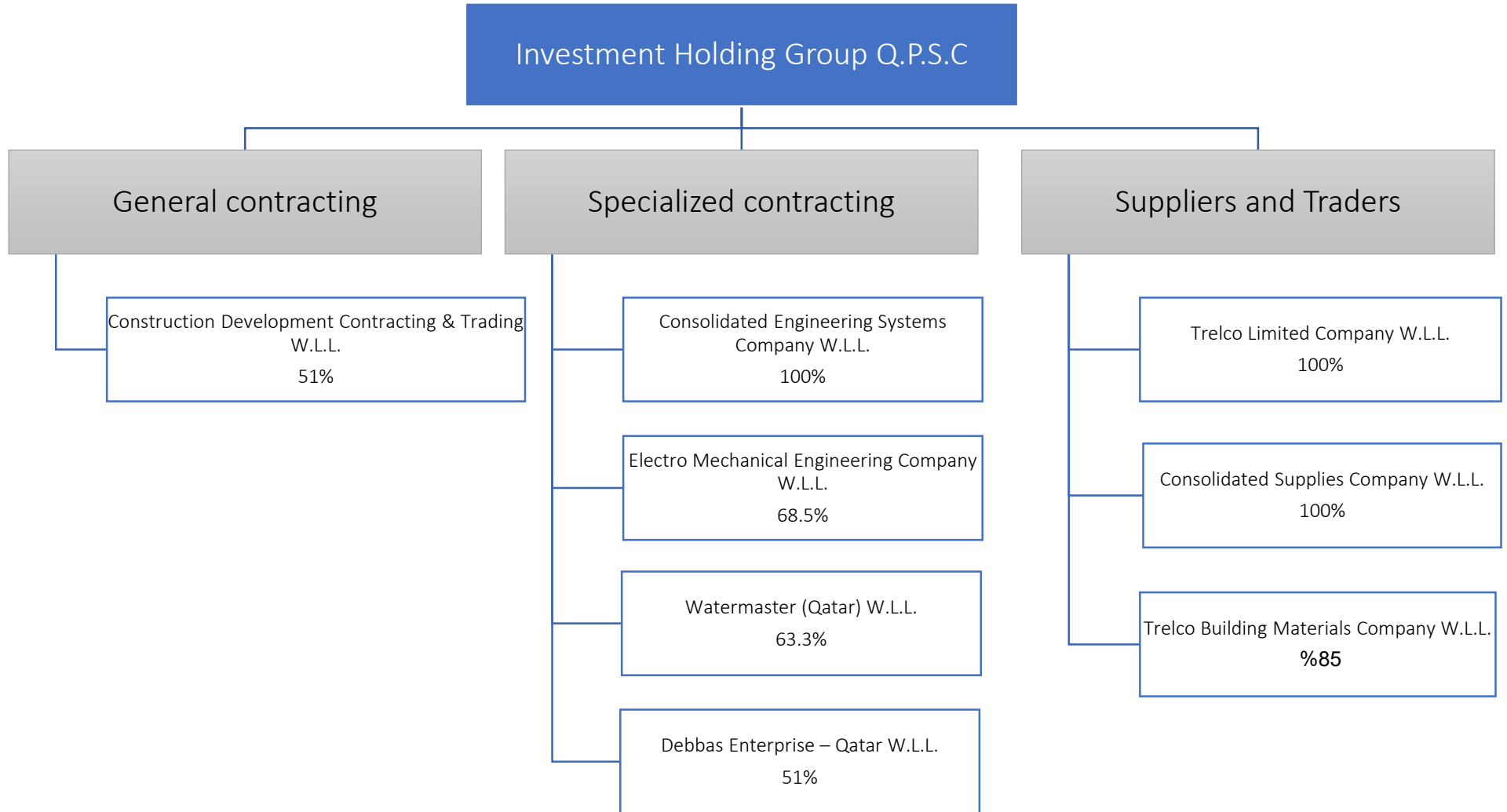


Opportunities

The Group aims to benefit from the economic growth in the country, especially in non-oil sectors, including healthcare, education and transportation, along with those related to the hosting of World Cup in 2022.

Exploring opportunities arising by the economic diversification in the local market, as part of the Qatar National Vision 2030

The Group capitalize on the country's positive sentiment in terms of new business and investment opportunities emerging from the country's objective for self-sufficiency in food production and manufacturing.



- Established in 2006
- Specialized in fire fighting and low current systems associated with commercial and residential complexes, industrial plants and military establishments. Also specializes in lighting and electrical installation material for different applications
- Certificates awarded ; ISO 9001:2015, ISO 14001:2015 and 18001:2007.



- Established in 1977.
- A supply and trading company serving diverse market sectors including information technology and communications, security, engineering, construction, transport, materials, services, energy and consumer products.
- TLC specializes in the trading of industrial materials & chemicals, oil & gas, water treatment, agricultural & health chemicals.
- One of the major suppliers of imported foods and beverages, beauty cosmetics and other consumer goods in Qatar
- Shares of Trelco Limited were transferred to IHG in 2008



- Established in 2002, CSC is a multidivisional company which is specialized in fire extinguishers refilling and servicing, supply and maintenance of electrical, lighting, sanitary-ware and personal protective equipment.
- CSC supplies other building materials such as safety equipment, power tools, hand tools, plumbing materials, lighting fixtures, binding wires and other accessories, which are commonly used in construction projects.
- Established multiple divisions with international brand names including Waiss and Hammer Man being distinguished products for sanitary ware and personal protective equipment respectively, which are exclusive trademarks for CSC.

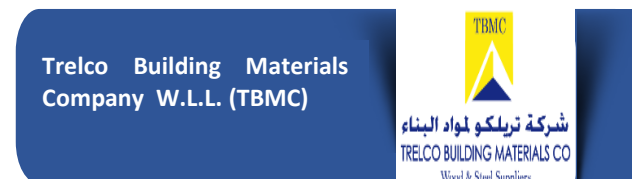
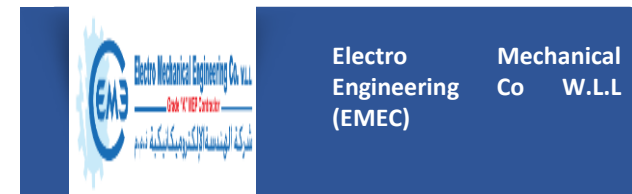
- Established in 2006
- A leading specialized contracting company in the wellness industry, specializing in water-related projects encompassing Water Features, water/ waste water treatment, wellness & pools and musical fountains.
- Provides design of the treatment plants, sub water networks as well as supply, installation, commissioning and maintenance of the treatment plants.
- Completed around 170 projects in Qatar.
- Certificates awarded ; ISO 9001:2015, ISO 14001:2015 and 18001:2007.

- Established in early 2005
- A civil contracting company which provides a full range of construction services.
- Executed many projects including turnkey projects, design & build, maintenance & renovation and value engineering.
- More than 70 completed distinguished projects
- The Company established structural, MEP and architectural divisions, qualifying it to execute most of the construction works in house.
- ISO Certificates awarded ; ISO 9001: 2008 and ISO 14001: 2004



- Established in 2006, in partnership with Debbas Holding – Lebanon.
- An electro mechanical contracting company.
- Specialized in the electromechanical projects and services such as mechanical, electrical, plumbing, low voltage works, data center infrastructure in addition to street lighting installations.
- Structured to tackle the entire process from design support, planning and comprehensive engineering to complete execution and integrated facility management services
- Certificates awarded ; ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007.

- Established in 2005.
- A premier provider of construction and contracting services in Qatar.
- Provides various mechanical, electrical and contracting activities. Its areas of specialty include installation and maintenance of HVAC, plumbing, drainage and water supply systems. It also specializes in supply, installation and maintenance of high voltage and low voltage equipment, in addition to low current, security and building management systems.
- Certificates awarded ; ISO 9001:2015, ISO 14001:2015 and ISO:45001:2018.

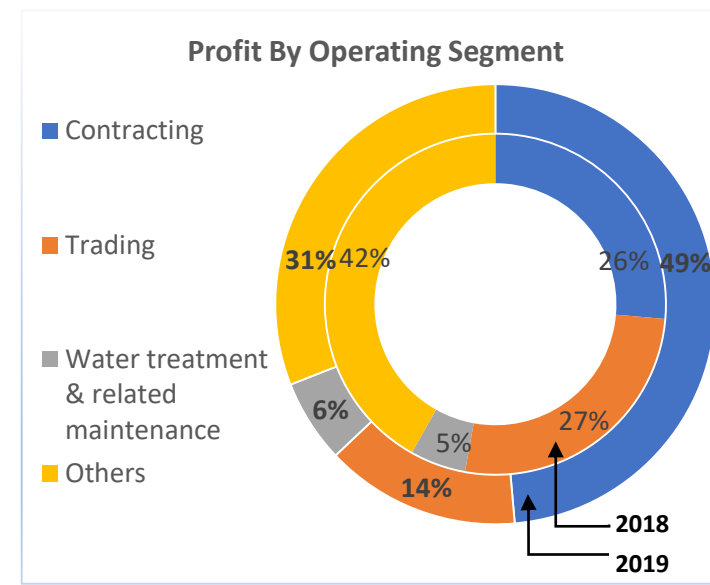
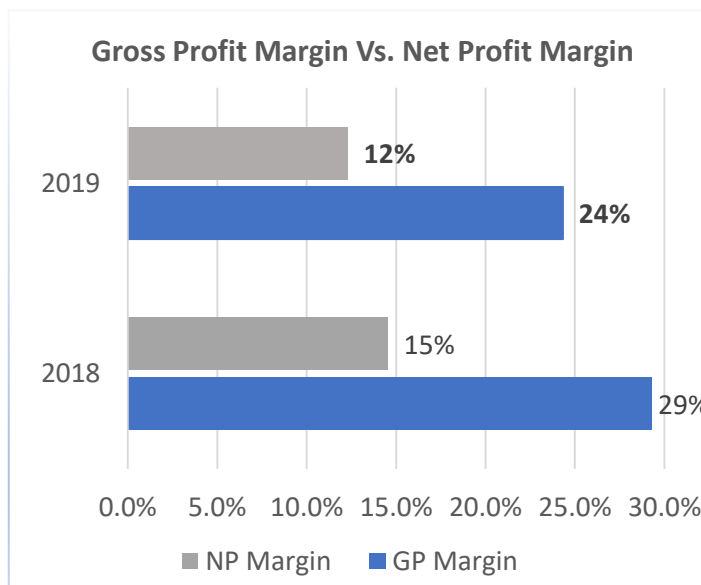
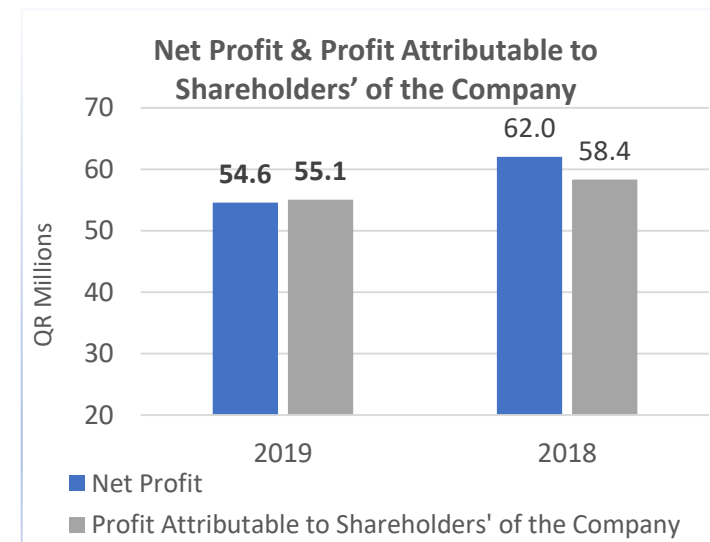
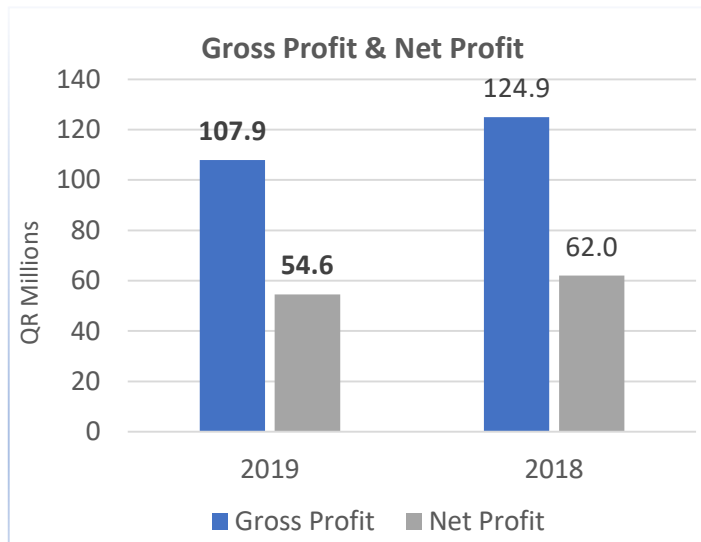


- Established in 2008.
- One of the leading providers of building materials, including (but not limited to), prop pipe supports, scaffolding, soft wood species, hard wood species, engineering panels and wood-based panels engineering products.
- Offers wide range of wooden products to its clients, mainly the civil contracting companies, joinery and wood works factories, governmental projects, factories, and individuals.
- Certificates awarded ; ISO: 9001:2015.

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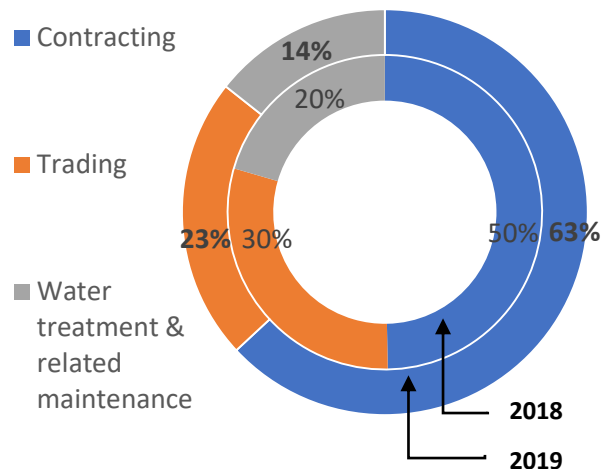
Summary

- **Continues profitability** ; Gross profit and net profit reported QR 107.9 Mn and QR 54.6 Mn respectively, in 2019
- **Maximizing the Shareholders' Return** ; Profit attributable to shareholders' of the company reported 55.1 Mn in 2019

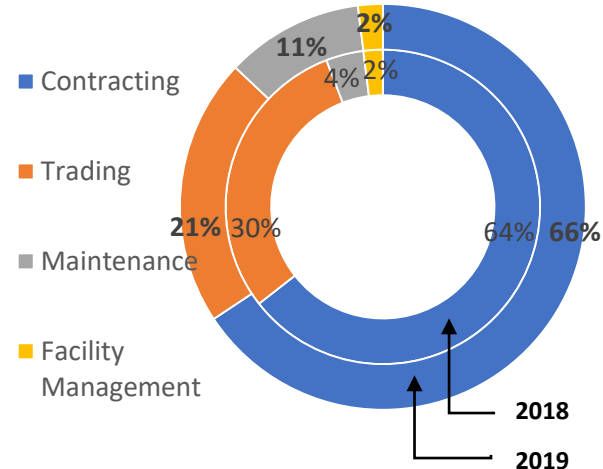


Financial Highlights – Revenue, Expense and Operating Cash Flow

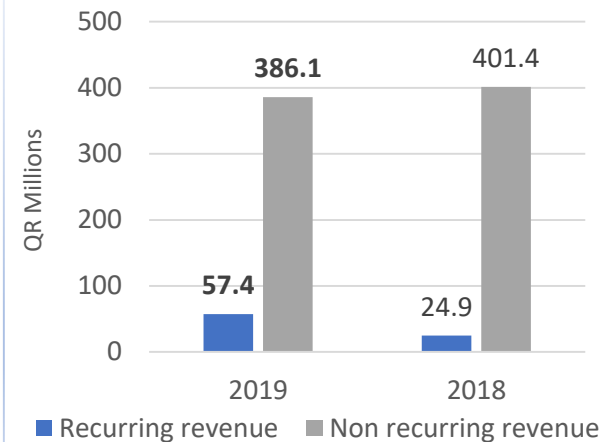
Revenue By Operating Segment



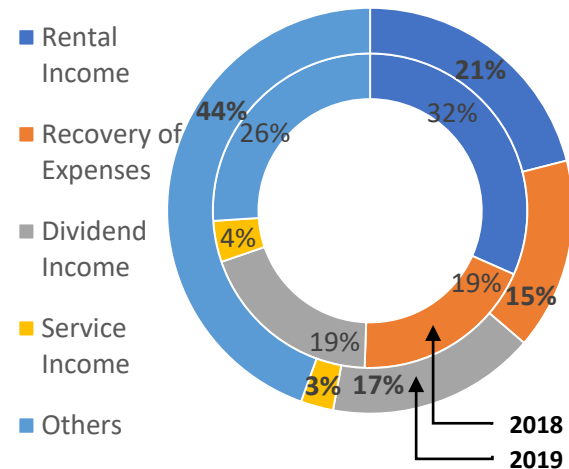
Revenue By Composition



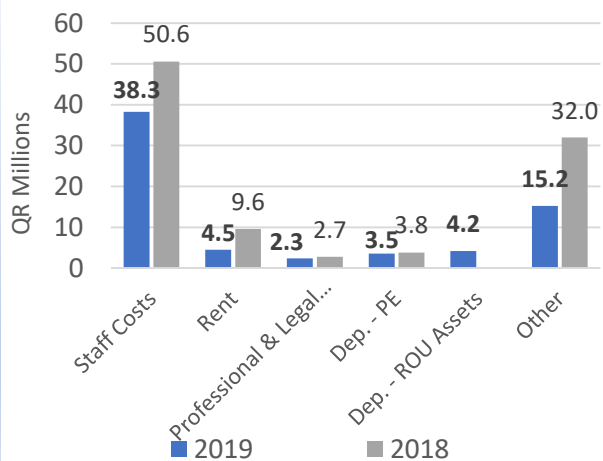
Recurring and Non Recurring Revenue



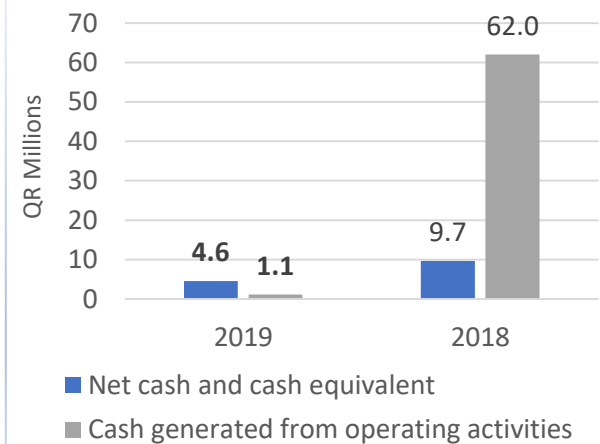
Other Income Composition



General and Administration Expenses

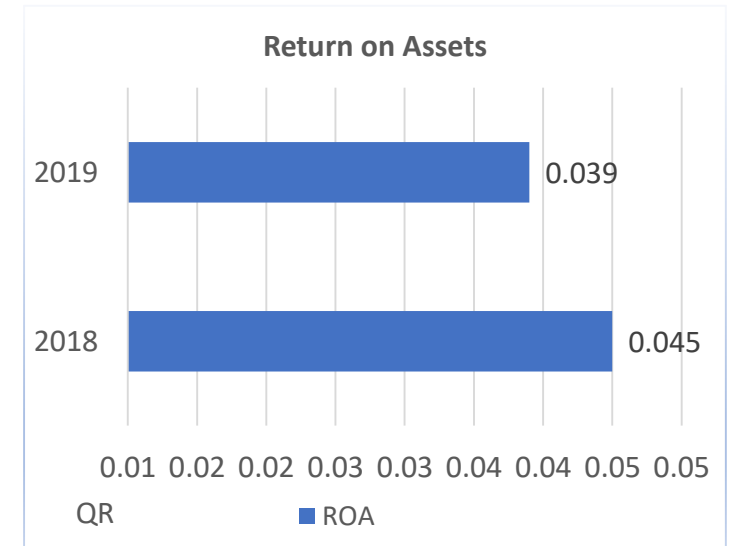
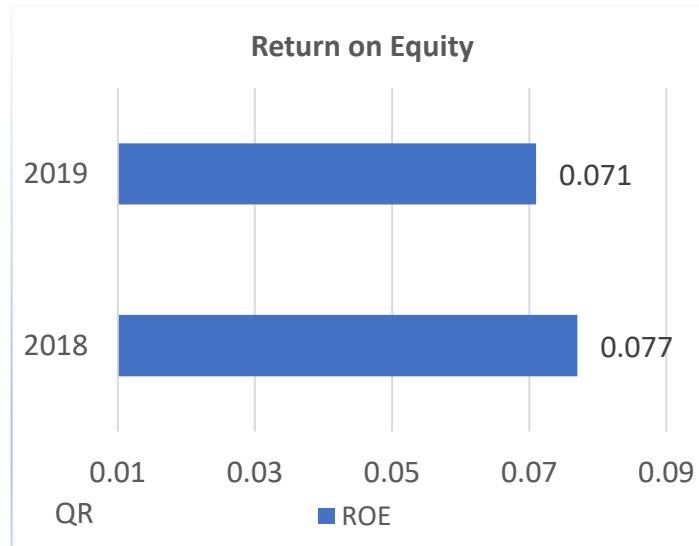
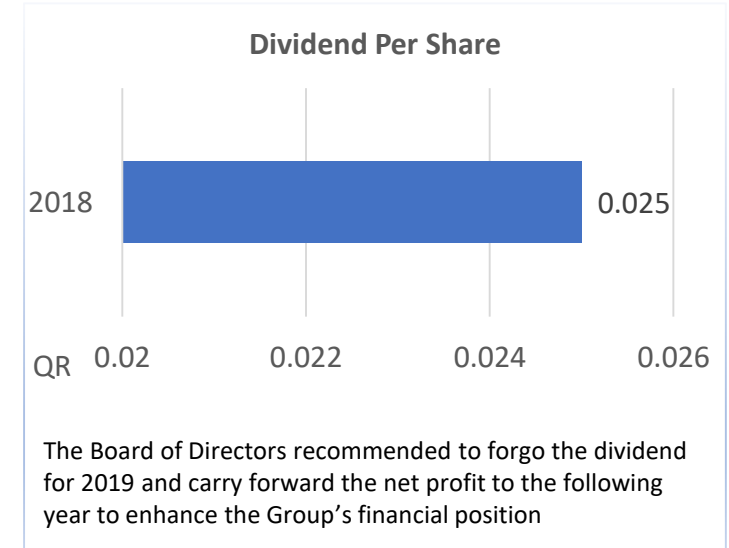
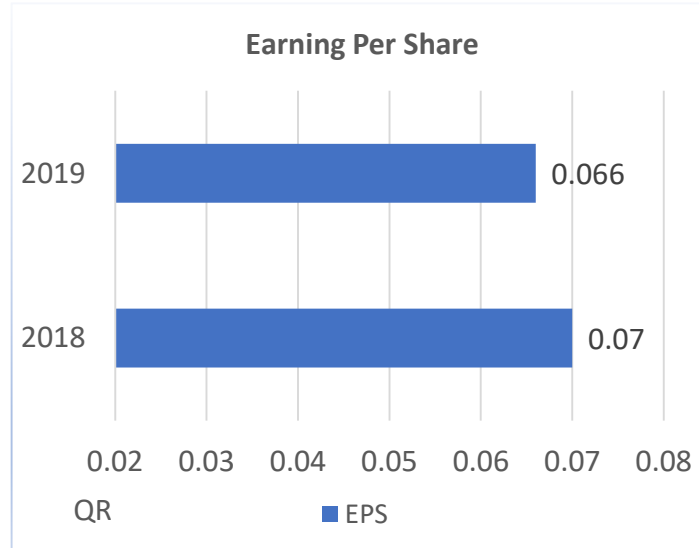


Cash and Cash equivalent Vs. Cash Generated from Operating Activities



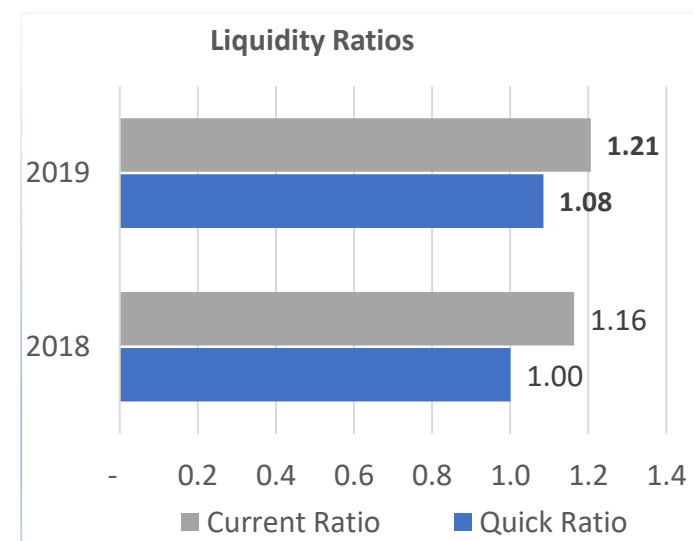
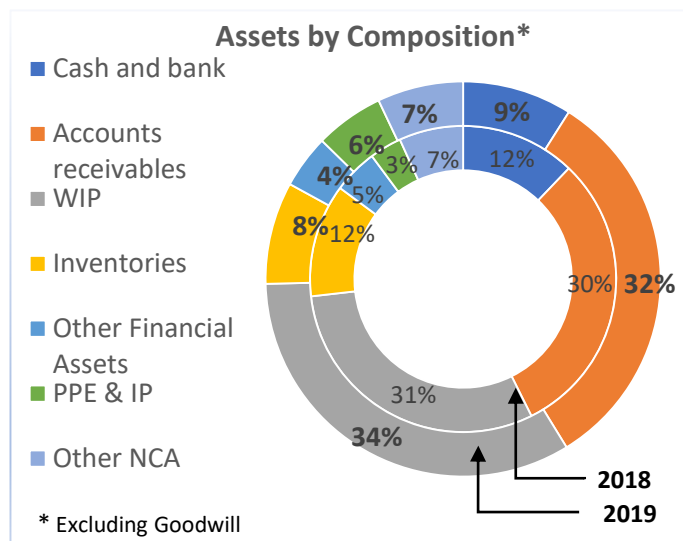
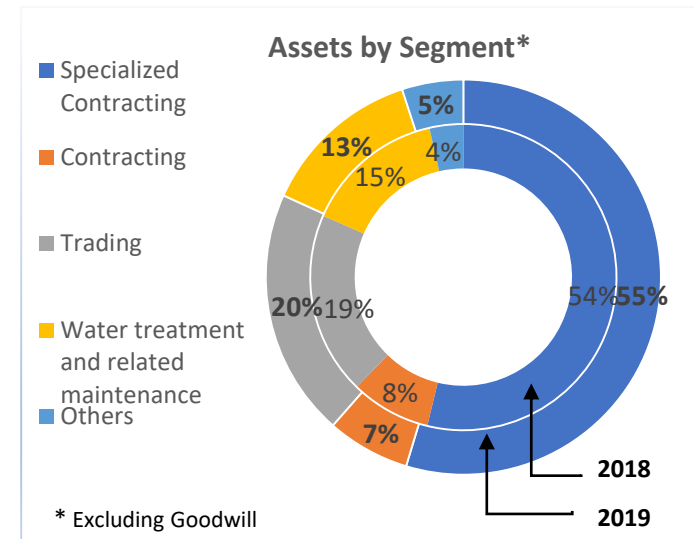
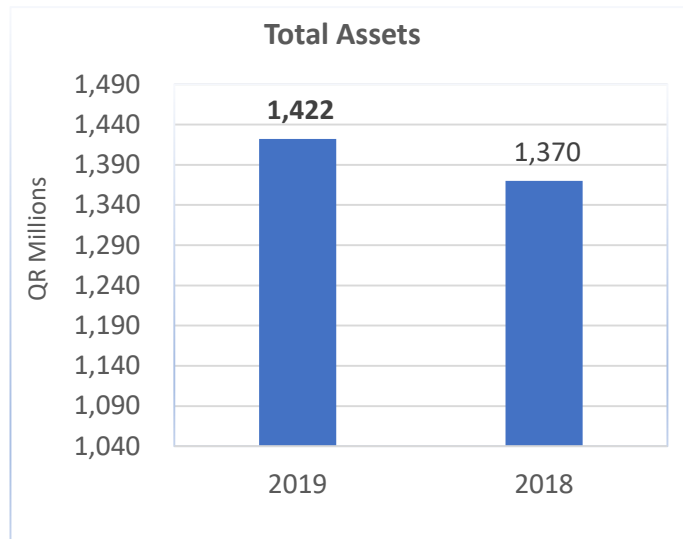
Summary

- Earning Per Share (EPS) reported QR 0.066 in 2019.
- Stable Dividend Per Share (DPS) at QR 0.25 in 2019
- Return on Equity (ROE) reported QR 0.071 in 2019
- Return on Assets (ROA) reported QR 0.039 in 2019



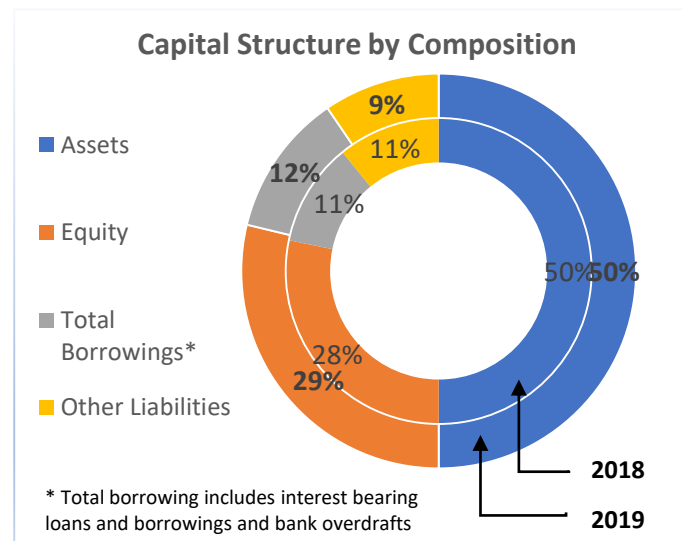
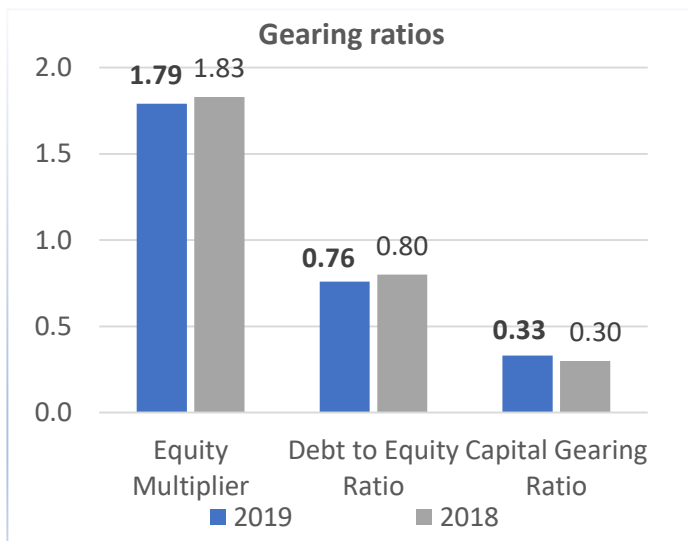
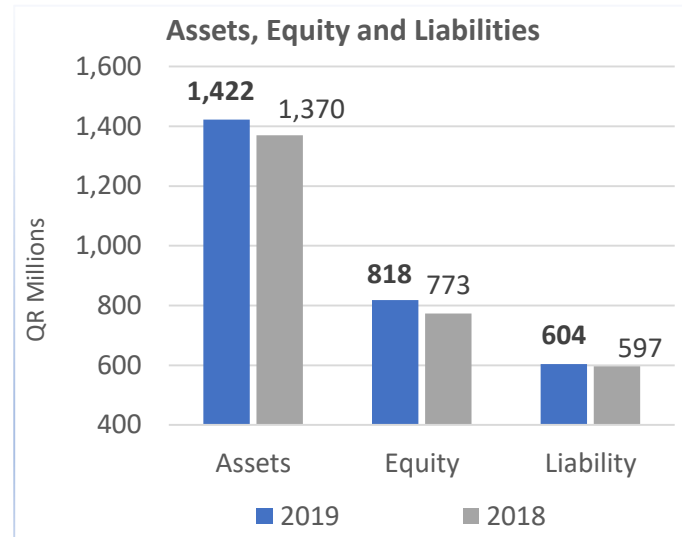
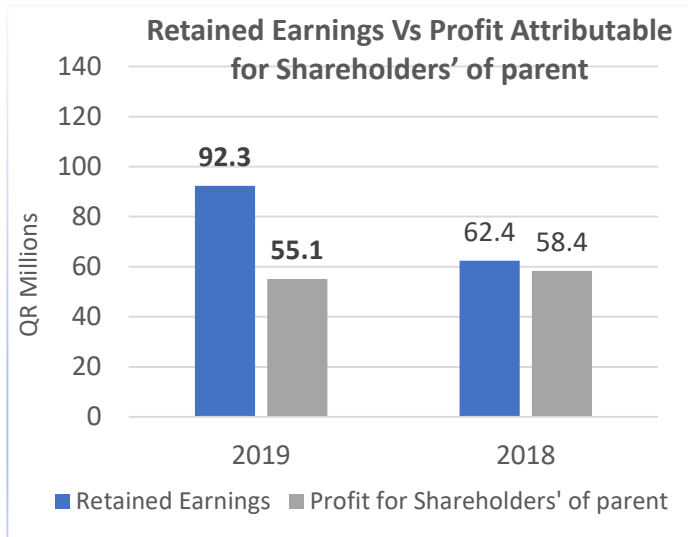
Summary

- **Assets Growth**; Total assets reached QR 1.422 Bn with a growth of 3.8 % in 2019.
- **Healthy Liquidity** : Secure the Group's financial position by maintaining healthy levels of liquidity



Summary

- **Continues growth in retained earning** ; retained earning improved by 48% in 2019.
- **Stable Capital Structure**; Total Equity reached QAR 818 Mn with a growth of 5.8% at a stable Capital Gearing in 2019.



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Consolidated Statement of Financial Position

(QAR 000)	2019	2018
ASSETS		
Current assets		
Bank balances and cash	63,910	79,952
Accounts receivables and other debit balances	203,939	169,959
Gross amounts due from customers on contract work	237,235	201,199
Due from related parties	25,149	30,911
Inventories	59,483	78,663
Total current assets	589,717	560,684
Non-current assets		
Retention receivables	36,888	44,621
Financial assets at fair value through profit or loss	31,000	31,000
Investment properties	22,817	959
Goodwill	711,492	711,492
Right of use Assets	13,119	-
Property and equipment	17,171	21,338
Total non-current assets	832,486	809,410
Total assets	1,422,203	1,370,093

(QAR 000)	2019	2018
LIABILITIES AND EQUITY		
Equity		
Share capital	830,000	830,000
Legal reserve	11,851	8,858
Other reserves	(152,508)	(152,508)
Revaluation reserves	14,398	-
Retained earnings	92,337	62,383
Equity attributable to the shareholders of the Company	796,078	748,733
Non – controlling interests	22,313	24,767
Total equity	818,391	773,500
Current liabilities		
Bank overdrafts	59,332	70,247
Borrowings	185,593	141,972
Lease liabilities	8,472	-
Due to related parties	43,795	63,030
Gross amounts due to customers on contract work	4,059	18,309
Dividend Payable	3,829	3,293
Accounts payable and accruals	183,659	184,872
Total current liabilities	488,738	48,723
Non-current liabilities		
Borrowings	87,796	87,796
Lease liabilities	4,796	-
Retention payables	615	1,881
Provision for employees' end of service benefits	21,868	25,193
Total non-current liabilities	115,074	114,870
Total liabilities	603,812	596,594
Total liabilities and equity	1,422,203	1,370,093

Consolidated Statement of Profit Or Loss and Other Comprehensive Income

(QAR 000)	2019	2018
Revenue	443,522	426,299
Direct costs	(335,615)	(301,394)
Gross profit	107,907	124,905
Other income	19,338	15,866
Gains on financial assets at FVTPL	-	28,750
Dividend income from financial asset	3,860	3,765
Fair value gain/(loss) on investment properties	7,160	(606)
General and administrative expenses	(68,017)	(98,701)
Finance costs	(15,667)	(11,943)
Profit for the year	54,580	62,036
<i>Profit for the year attributable to:</i>		
Equity holders' of parent	55,074	58,362
Non-controlling interests	(493)	3,674
Total profit for the year	54,580	62,036
Other Comprehensive Income		
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>		
Revaluation surplus from transfer of property and equipment to investment property		
Total other comprehensive income for the year	14,398	-
Total comprehensive income for the year	14,398	-
<i>Attributable to:</i>		
Equity holders' of parent	69,472	58,362
Non-controlling interests	(493)	3,674
Total comprehensive income for the year	68,978	62,036



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Thank You.



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