

Mannai Corporation QSC

1Q'17 Financial Summary

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- Future sales growth
- Market acceptance of our product and service offerings
- Our ability to secure adequate financing or equity capital to fund our operations
- Our ability to enter into strategic alliances or transactions
- Regulatory approval processes
- Changes in technology
- Price competition
- Other market conditions and associated risks

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Net Profit Decline Driven by Damas Revenue Headwinds



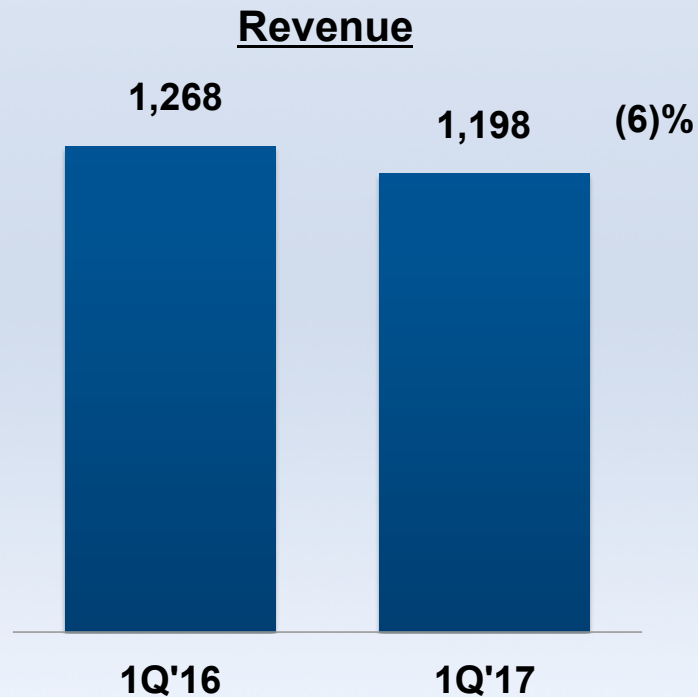
Financial Highlights

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	<u>1Q'16</u>	<u>1Q'17</u>		
Net Profit	125m	90m	(28)%	▼
Revenues	1,268m	1,198m	(6)%	▼
Gross Profit %	24.5%	24.0%	(0.5) pts	▼
Net Profit %	9.8%	7.5%	(2.3)pts	▼
Capital Employed	4,961m	6,067m	22%	▲
Earnings Per Share	2.74	1.97	(28)%	▼
Return on Equity	21.2%	14.2%	(6.9)pts	▼

Softer Slowdown in Revenues

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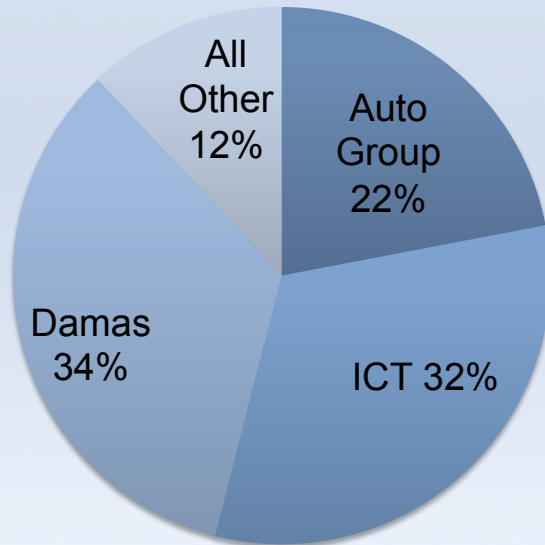


- Rate Of Fall In Revenues Slowing From 2016
- Damas Revenues Slowed 5% As A 2% Increase In Gold Sales Offset A 12% Drop In Higher Margin Non-gold Sales
- ICT Qatar Revenues Up 7%; 18% Growth In YTD Orders Shows Promising Outlook
- Continued Pressure On Other Qatar-based Revenues; Auto Group Down 16% And Rest Of Qatar Down 23% As Lull In Projects Continues

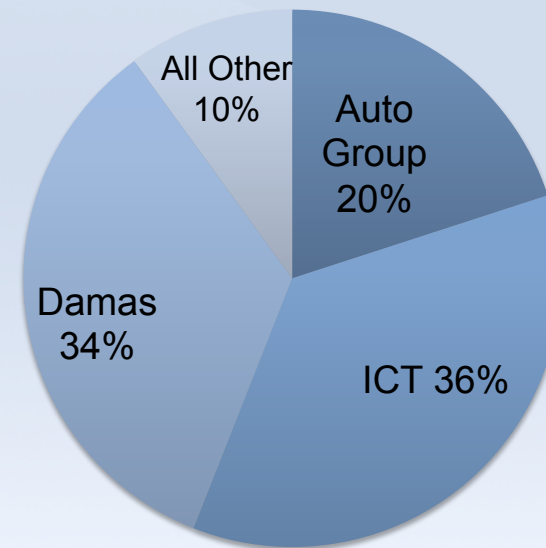
Shift of Revenue to Better Performing ICT

Revenue Mix

1Q'16

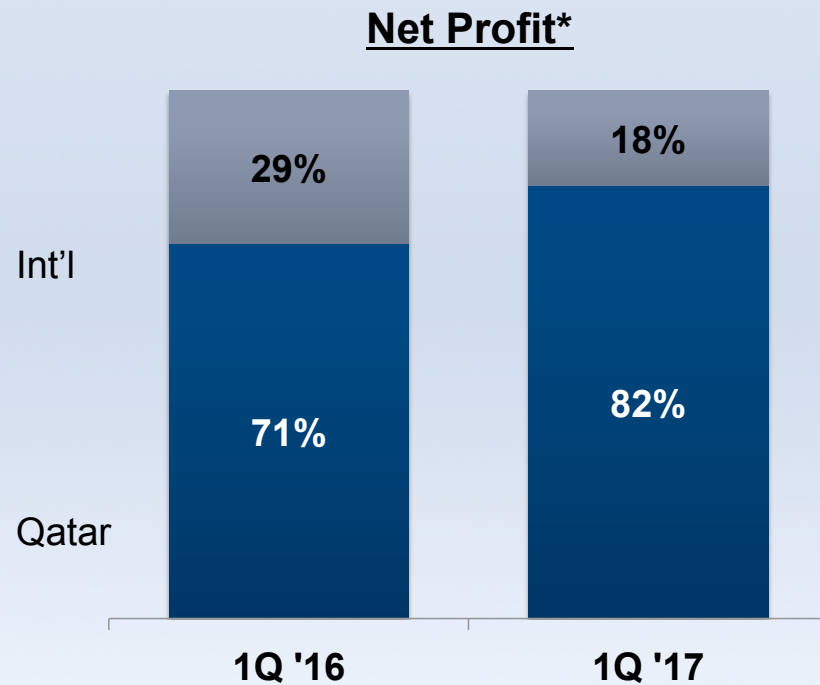


1Q'17



*Auto Group includes Heavy Equipment Division

Softness in Damas reduces international share



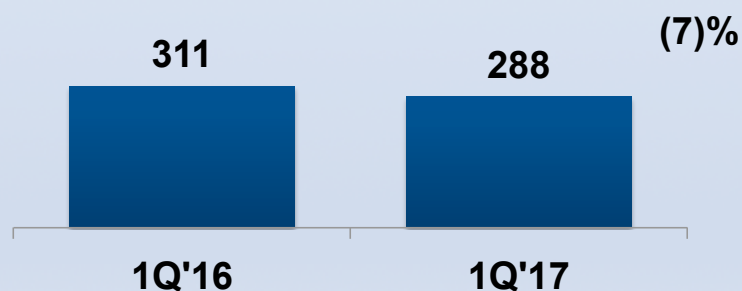
- Drop in Damas Profits, Coupled with Back-End Loading of GFI Informatique Profits Reduce International Share to 18%

*Profit before headquarter expenses and director's fees

Gross Profits Reduce in Line with Revenues

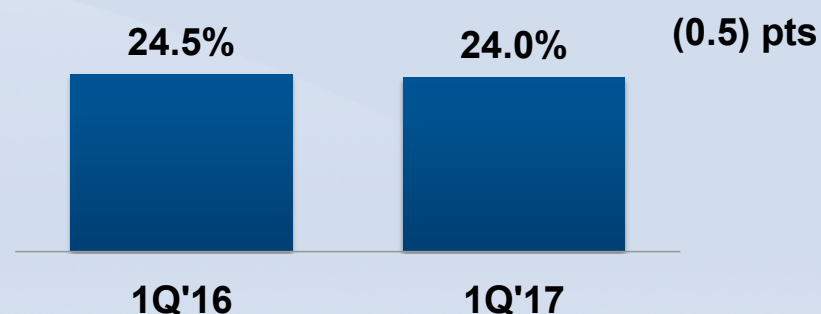
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Gross Profit



- Reduction in Gross Profit driven by lower revenue with slight fall in gross profit margin rate
- Auto Group margins impacted fall in higher margin Auto Parts division
- ICT margins fall driven by increased competition in local market sustained over last 18 months
- Damas impacted as gold sales drop is less than higher margin non-gold sales

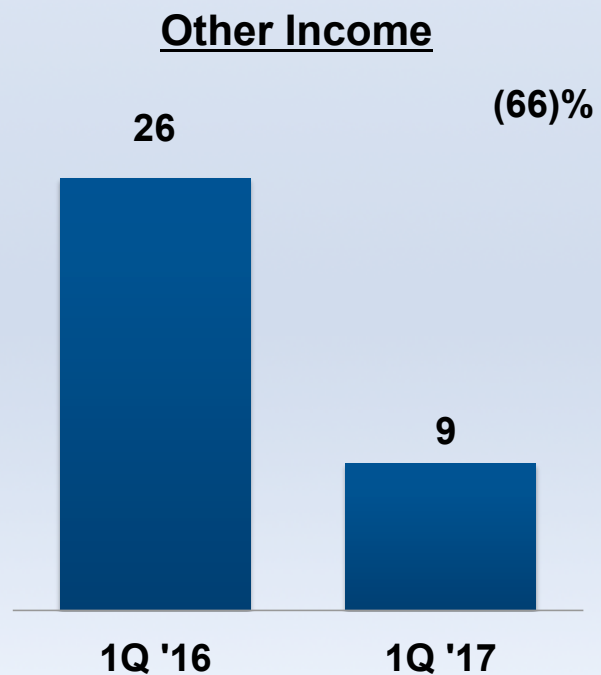
Gross Margin %



	<u>1Q'17%</u>	<u>V pts</u>
Auto Group	19.6%	(0.7) pts
ICT	17.7%	(1.1) pts
Damas	30.0%	(2.0) pts
All Other	35.4%	8.7 pts

Other Income Increase Due to Damas Recoveries

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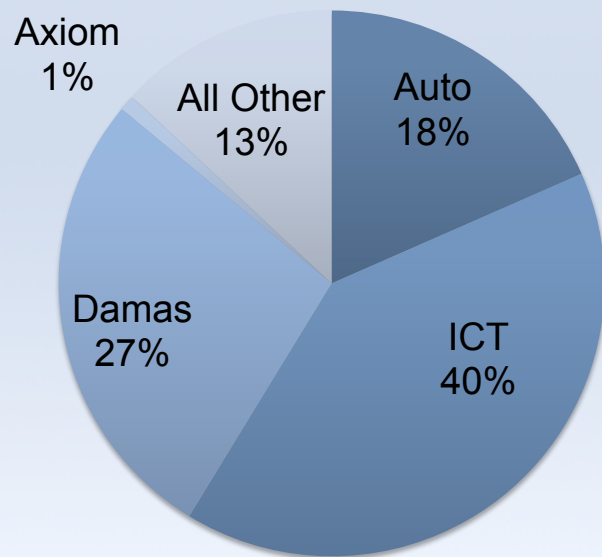


- Other Income driven by recoveries of previously provisioned receivables in Damas of 23m in 1Q'16

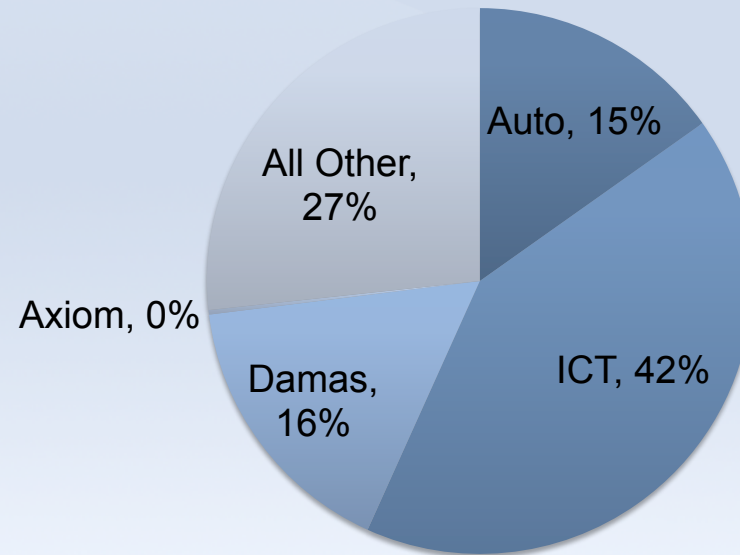
Net Profit Share Movement to Relatively Stable ICT

Net Profit Mix

1Q'16



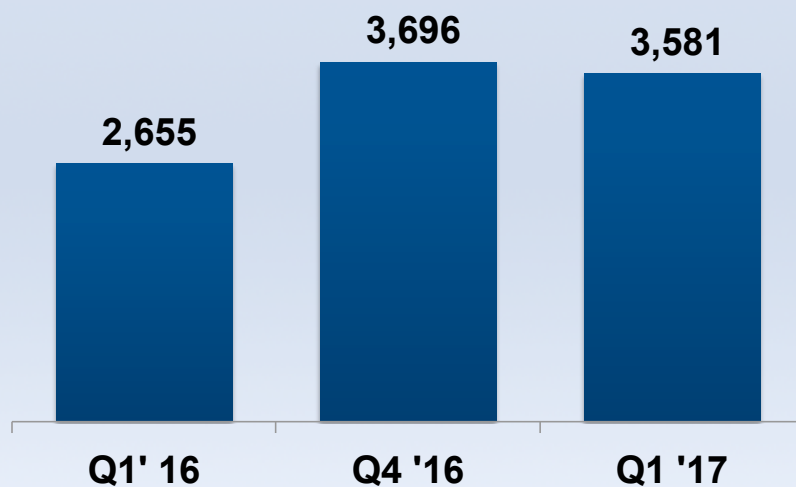
1Q'17



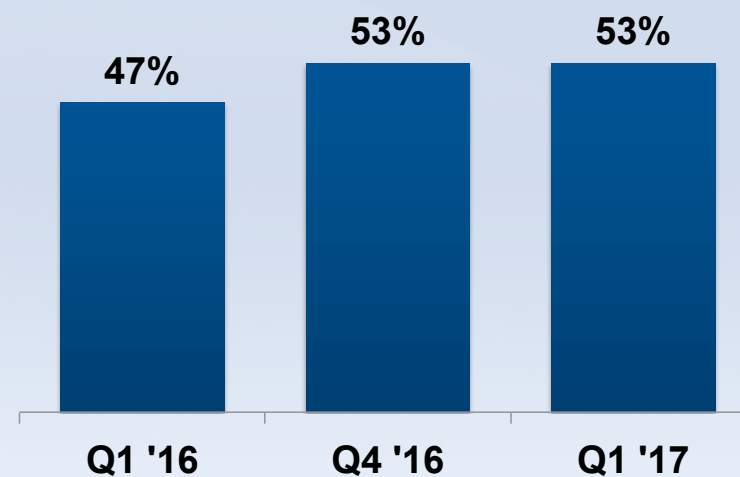
Stable Debt Levels Maintained During First Quarter

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Net Debt



Net Debt to Total Capital*



*Total Capital adjusted for Acquisition Reserves

Normalisation of key lines for significant items

	1Q'17	1Q'16	VLY%
Other Income	9.0	26.4	(66%)
Damas Recoveries		(23.4)	
Norm. Other Income	9.0	3.0	199%
Net profit	90.0	125.1	(28%)
Adj. for Significant Items	-	(23.4)	
Norm. Net Profit	90.0	101.7	(11%)

- Recoveries of previously provisioned receivables from Damas were the only significant items in 1Q'16.
- Adjusting for significant items, Normalised Net profit fell 11%
- Taking into account the intangible amortization and funding costs for GFI Informatique of 13m, Normalised Net Profit rose 1%

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