



# Gulf International Services Investor Relations Presentation 31 March 2024

# DISCLAIMER

The companies in which Gulf International Services Q.P.S.C. directly and indirectly owns investments are separate entities. In this presentation, “GIS” and “the Group” are sometimes used for convenience in reference to Gulf International Services Q.P.S.C.

This presentation may contain forward-looking statements concerning the financial condition, results of operations and businesses of Gulf International Services Q.P.S.C. All statements other than statements of historical fact are deemed to be forward-looking statements, being statements of future expectations that are based on current expectations and assumptions, and involve known and unknown risks and uncertainties that could cause actual results, operations and business performance or events impacting the Group to differ materially from those expressed or as may be inferred from these statements.

There are a number of factors that could affect the realization of these forward-looking statements such as: (a) price fluctuations in crude oil and natural gas, (b) changes in demand or market conditions for the Group’s services, (c) loss of market share and industry competition, (d) environmental risks and natural disasters, (e) changes in legislative, fiscal and regulatory conditions, (f) changes in economic and financial market conditions and (g) political risks. As such, results could differ substantially from those stated, or as may be inferred from the forward-looking statements contained herein. All forward-looking statements contained in this report are made as of the date of this presentation.

Gulf International Services Q.P.S.C., its Directors, officers, advisors, contractors and agents shall not be liable in any way for any costs, losses or other detrimental effects resulting or arising from the use of or reliance by any party on any forward-looking statement and / or other material contained herein. Gulf International Services Q.P.S.C., its subsidiaries, and associated companies are further in no way obliged to update or publish revisions to any forward-looking statement or any other material contained herein which may or may not be known to have changed or to be inaccurate as a result of new information, future events or any reason whatsoever. Gulf International Services Q.P.S.C. does not guarantee the accuracy of the historical statements contained herein.

## GENERAL NOTES

Gulf International Services Q.P.S.C.’s accounting year follows the calendar year. No adjustment has been made for leap years. Values expressed in US \$’s have been translated at the rate of US \$1 = QR3.64.

## DEFINITIONS

**Cash Realisation Ratio:** Cash Flow From Operations / Net Profit x 100 • **Debt to Equity:** (Current Debt + Long-Term Debt) / Equity x 100 • **Dividend Yield:** Cash Dividend / Market Capitalisation x 100 • **EBITDA:** Earnings Before Interest, Tax, Depreciation and Amortisation calculated as [Net Profit + Interest Expense + Depreciation + Amortisation] • **Energy (Insurance):** Refers to the Energy, Plant and Construction, Marine, Fire and Other lines of business • **EPS:** Earnings per Share [Net Profit / Number of Ordinary Shares outstanding at the year end] • **Free Cash Flow:** Cash Flow From Operations - Total CAPEX • **IBNR:** Incurred But Not Reported (Refers to claims incurred but not yet reported at the statement of financial position date) • **Interest Cover:** (Earnings before Interest Expense + Tax) / Interest Expense • **Net Debt:** Current Debt + Long-Term Debt - Cash & Bank Balances • **Payout Ratio:** Total Cash Dividend / Net Profit x 100 • **P/E:** Price to Earnings multiple [Closing market capitalisation / Net Profit] • **ROA:** Return On Assets [EBITDA/ Total Assets x 100] • **ROCE:** Return On Capital Employed [Net Profit before Interest & Tax / (Total Assets - Current Liabilities) x 100] • **ROE:** Return On Equity [Net Profit / Shareholders’ Equity x 100] • **Utilisation (Rigs):** Number of days under contract / (Number of days available - Days under maintenance) x 100

# TABLE OF CONTENT

---

1. About GIS
2. Group Structure
3. Board of Directors
4. Competitive advantages
5. Results at a Glance (2016 – 2023)
6. Results at a Glance (For the three-month period ended 31 March 2024)
7. Segmental details
8. Governance structure

---

---

# About GIS

---

---

# About GIS

---

- Gulf International Services Q.P.S.C. was incorporated as a Qatari joint stock company on February 12, 2008.
- QatarEnergy provides most of the head office functions for Gulf International Services through a comprehensive service-level agreement.
- The authorized share capital is QR 2 billion with an issued share capital consisting of 1.85 Billion ordinary shares and 1 special share, with 100%\* of the market capitalization as a foreign ownership limit, and a maximum shareholding size for general shareholders of 2.0% of the issued share capital.
- The operations of the subsidiaries remain independently managed by their respective Boards of Directors and senior management teams.

# Group Structure

- Through group companies, Gulf International Services operates in four distinct segments - **insurance and reinsurance**, **drilling**, **aviation services** and **catering services**.
- QatarEnergy owns 10% of GIS shares, and General Retirement and Social Insurance Authority owns ~22.0%.

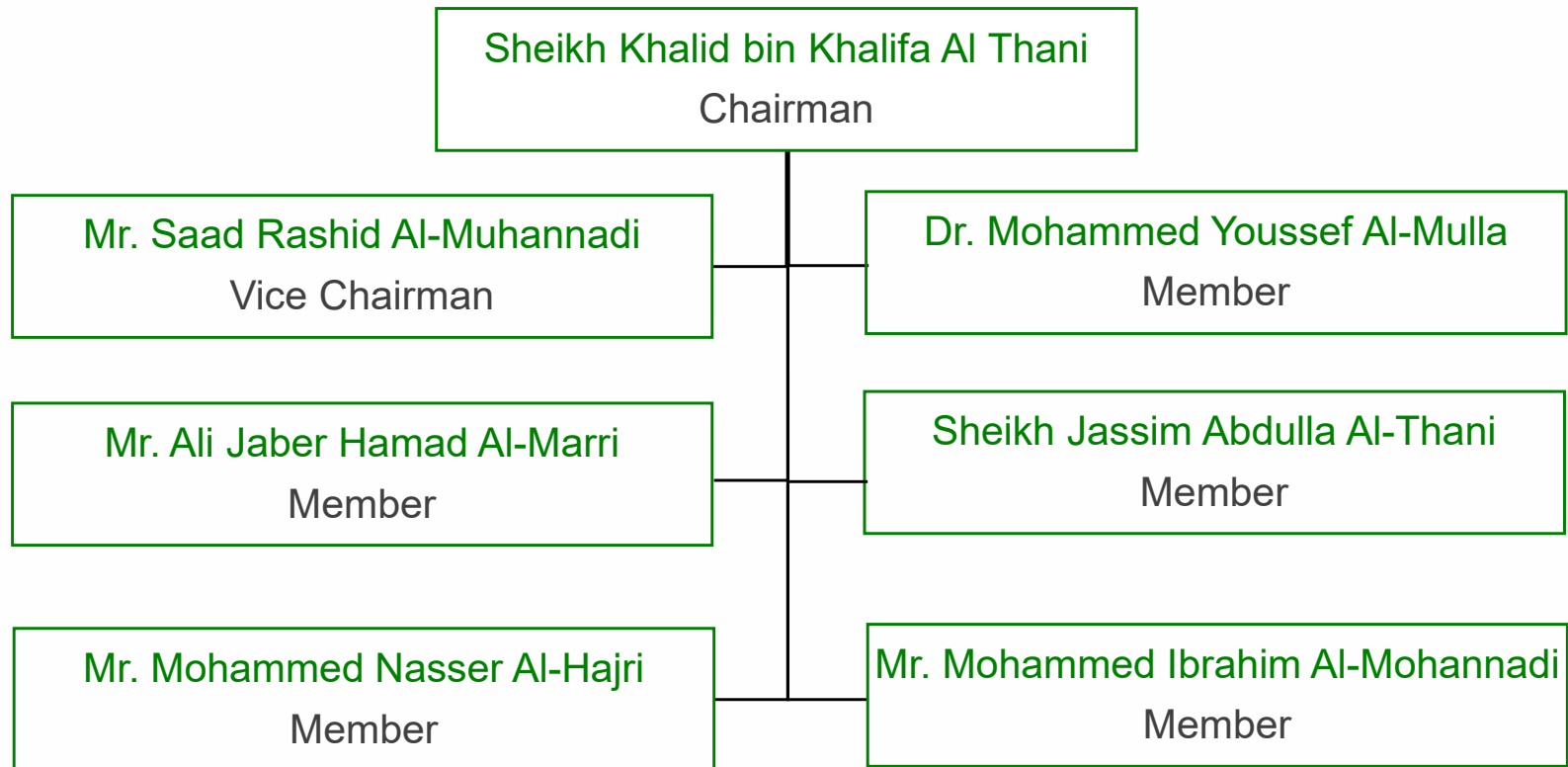


- Most of the subsidiaries are **fully** owned by GIS.
- Post-merger, GIS hold a **30%** ownership stake in **AMWAJ Catering**.

# Board of Directors

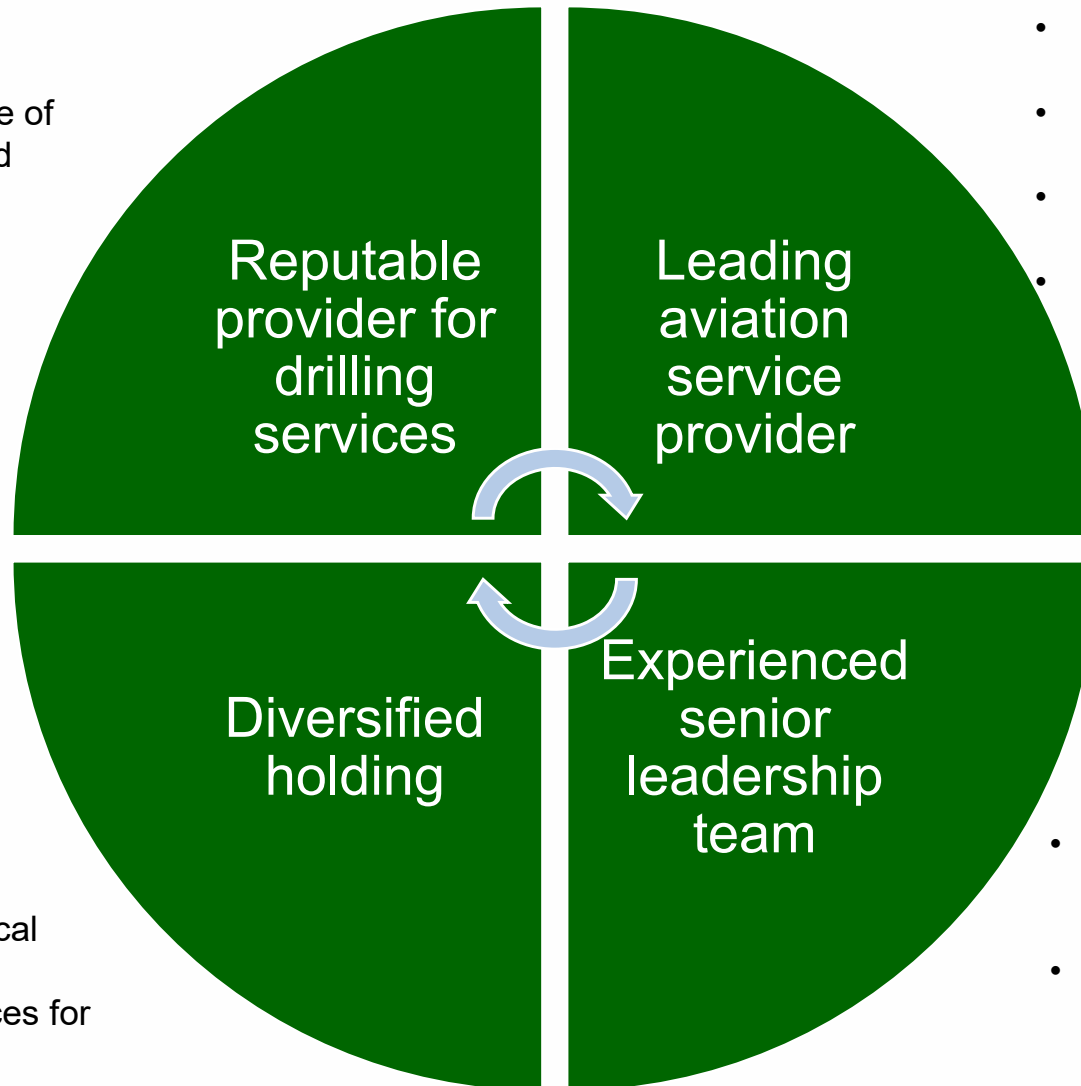
---

The Board of Directors of the group consists of:



# Competitive Advantages

- The only Qatari drilling services provider.
- Maintaining market share of over 50% of offshore and 100% on shore oil & gas drilling services.
- Fleet with a proven track record.



- Sole provider of oil & gas helicopter services in Qatar
- One of the largest operator in the MENA.
- Modern and well-maintained fleet.
- Regionally diversified operations.

- Operating in diversified segments.
- One of the leading medical insurance providers
- Providing catering services for Offshore operations.

- Selected experienced management team in different service industries
- Internationally diversified management team.



---

---

# Results at a glance (2016-2023)

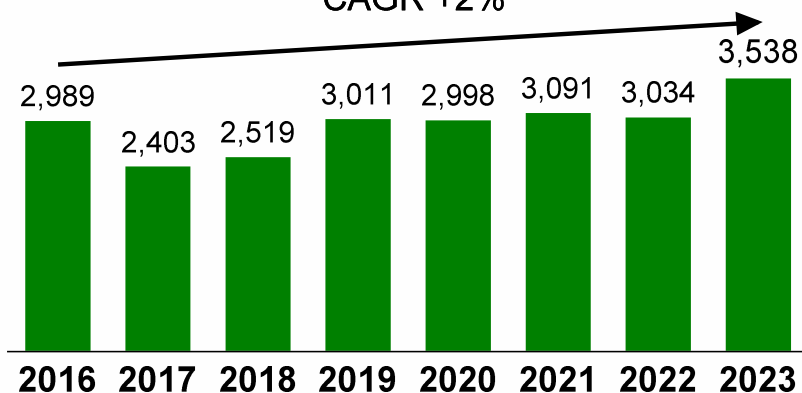
---

---

# Results at a Glance (2016-2023)

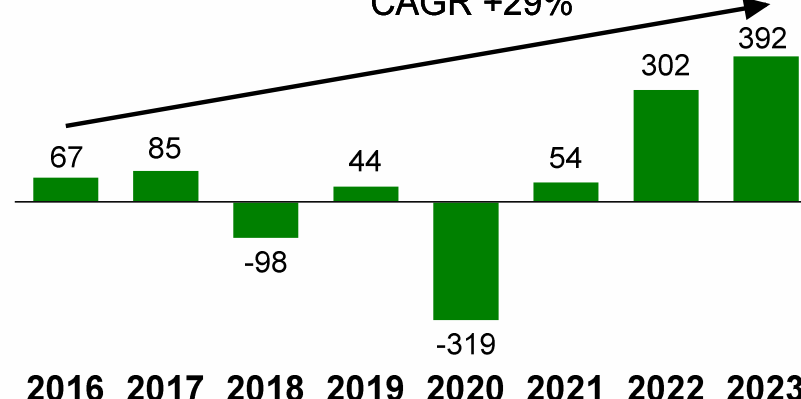
## Revenue (QR million)

CAGR +2%



## Net profit (QR million)

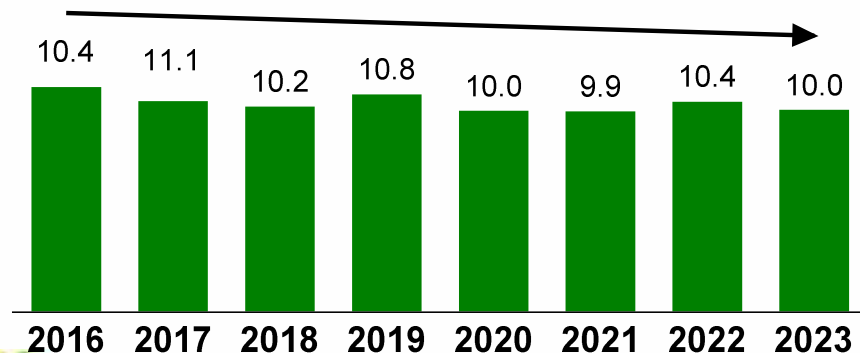
CAGR +29%



- **Revenue** for 2023 recovered significantly on account of constructive business dynamics with better macroeconomic context
- **Net profit** improved significantly during 2023, owing to robust market dynamics, with constructive macro-drivers, however, finance cost continue to weigh on the bottom-line results
- **Total Assets** remained relatively stable, after a significant increase amid GDI's acquisition of remaining stake and as well as, acquisition of new drilling assets in 2014
- **Total Debt** continue to weigh on Group's financial position

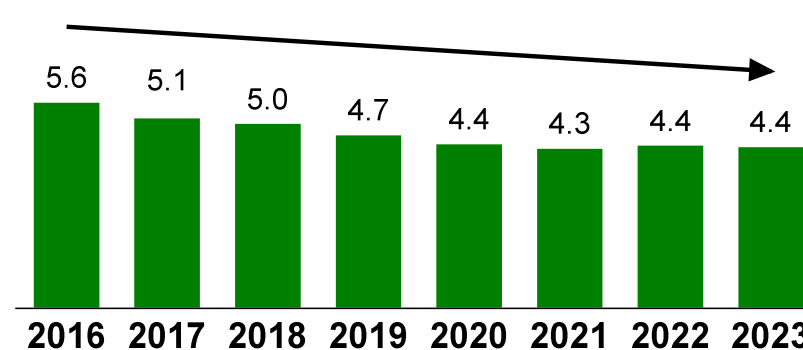
## Total Assets (QR billion)

CAGR -2%



## Total Debt (QR billion)

CAGR -3%



---

---

**Results at a glance  
(For the three-month period  
ended 31 March 2024)**

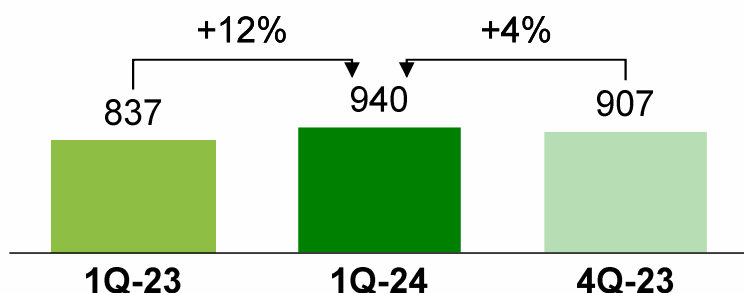
---

---

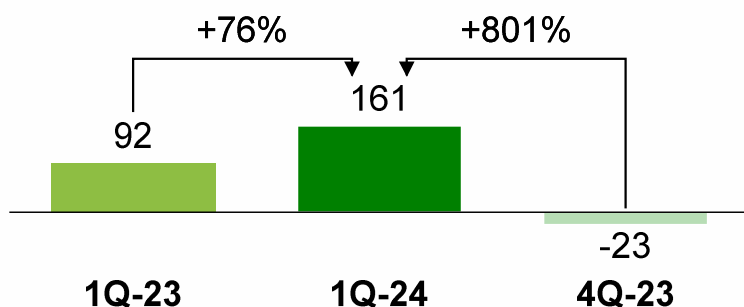
# Results at a Glance

For the three-month period ended 31 March 2024

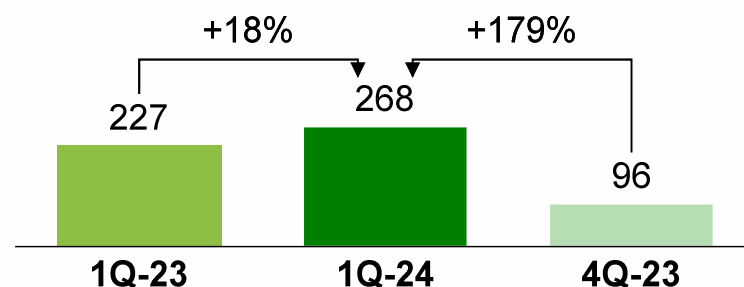
## Revenue (QR million)



## Net profit <sup>1</sup> (QR million)



## EBITDA (QR million)



**1Q-23 vs 1Q-24:** All subsidiaries witnessed growth in revenue compared to last year supported by improved day rates, higher asset utilization from the aviation and drilling segments and higher-flying hours in addition to improved premiums from the insurance segment.

**4Q-23 vs 1Q-24:** revenue increase mainly due to higher revenue reported from the aviation segment due to higher revenue from the domestic and MRO segments in addition to higher revenue from the drilling segment due to Rumaila commencing operations starting mid-March of this year.

**1Q-23 vs 1Q-24:** Profitability increased mainly due to growth in revenue and reduction in finance costs.

**4Q-23 vs 1Q-24:** higher profit due to improved revenue from the aviation segment, and lower net monetary losses arising from the accounting impact of hyperinflation from GHC's Turkish subsidiary. the drilling segments reported a profit due to lower direct costs coupled with reduction in finance costs. Moreover, loss of QR 27 million was reported in the previous quarter as a result of disposal of Amwaj subsidiary.

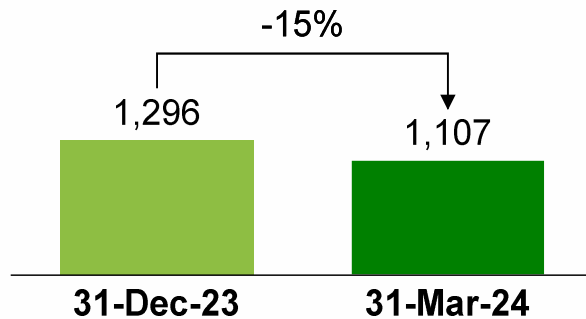
**1Q-23 vs 1Q-24:** EBITDA improved compared to the same period of last year, mainly due to higher revenues being partially offset by higher direct costs.

**4Q-23 vs 1Q-24:** EBITDA increased due to overall improvement in operating profit.

# Results at a Glance

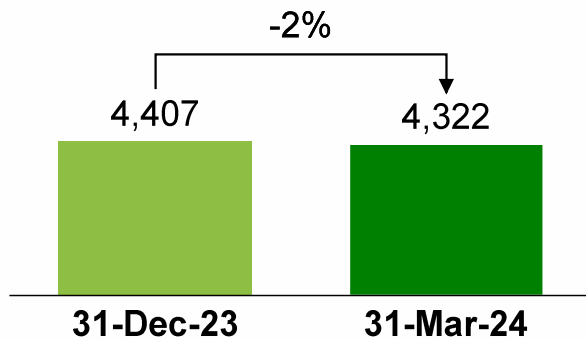
For the three-month period ended 31 March 2024

## Cash Balance (including Short-Term investments - QR million)



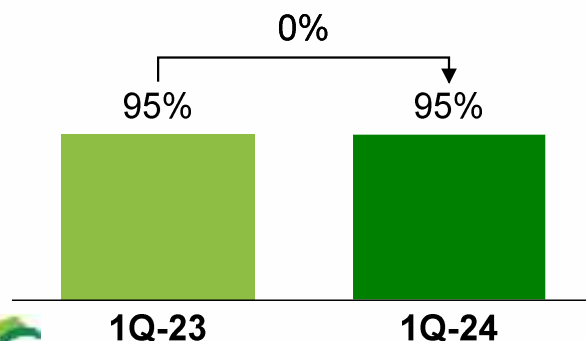
Cash balance declined compared to last year-end, mainly due to dividends payments for the financial year 2023. Total cash includes QR 46 million of unclaimed dividends from shareholders.

## Total Debt (QR million)



Total debt marginally down by 2%. GDI debt represents 99% of total Group's debt, while the remaining 1% is from GHC.

## Av. Rig Utilization (%)<sup>1</sup>

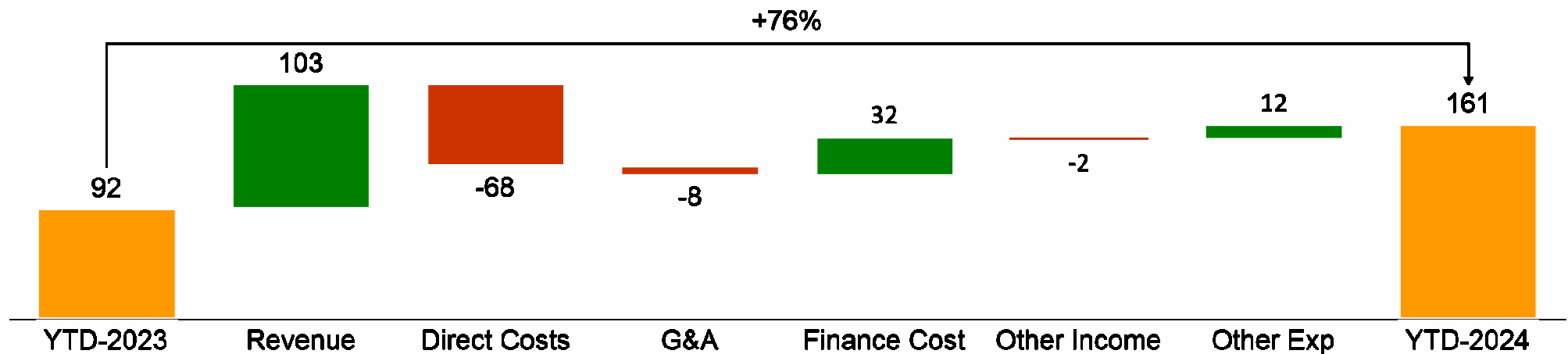


Rig utilization reached 95% all marketable rigs and lift boats were contracted and operating. Rumaila commenced operations during mid-March 2024.

# Net Profit

For the three-month period ended 31 March 2024

Amounts reported in QR' millions



Profitability increased mainly due to improved revenue noted across all the business segments in addition to reduction in finance costs by 49% on the back of the new debt restructure.

---

---

# Segmental Details

---

---

# Segmental Details

## Drilling Segment

- **Gulf Drilling International (GDI)** incorporated in 2004 as a joint venture between QatarEnergy (60%) and Japan Drilling Company (40%).
- In 2014, GIS acquired the remaining stake of GDI, resulting in GDI becoming a wholly owned subsidiary of GIS.
- GDI is a world class drilling company and a market leader in Qatar that focuses on providing safe, efficient & cost effective drilling, Liftboat and Jack-up Accommodation services.
- GDI Assets consist of:
  - 7 offshore rigs.
  - 7 onshore rigs
  - 1 Accommodation- Jackup
  - 2 liftboats
- GDI in joint venture with Seadrill Limited, has formed 'Gulf Drill JV' with a 50% stake, with an objective to support the execution of the drilling contracts which have been awarded to GDI in relation to the North Field Expansion project. The contract cover provision of premium jack-up rigs, which commenced operations in various phases during 2020 & 2021.



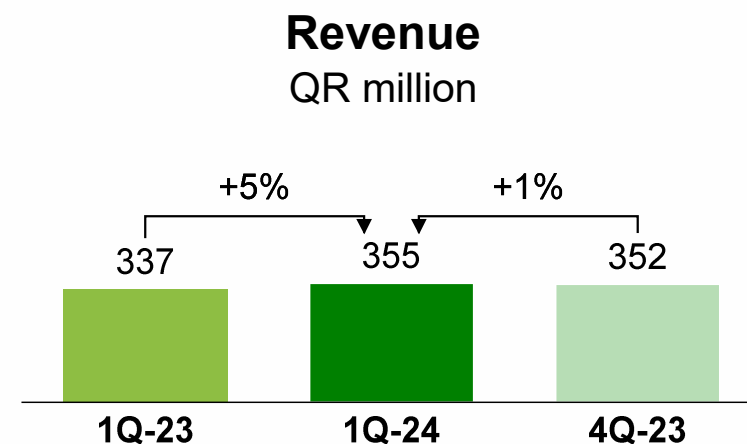


# Segmental Details

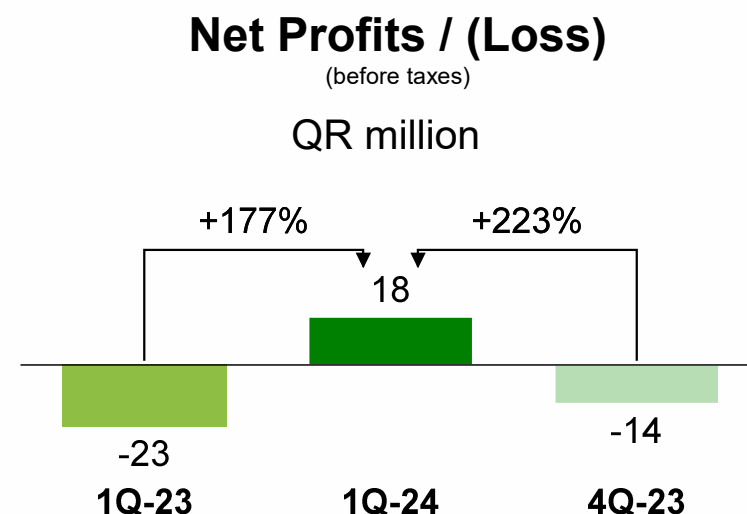
For the three-month period ended 31 March 2024

## Drilling Segment

- **1Q-23 vs 1Q-24:** Revenue growth has been driven by higher revenue from the offshore segment mainly due to higher management fees for certain rigs within the JV and improved day rate for the offshore rig (Leshat), moreover, the onshore segment also contributed positively to the revenue growth due to the deployment of the onshore drilling rig (GDI-4) during late Q3 2023.
- **4Q-23 vs 1Q-24:** Segmental revenue increased amid commencement of operation of Rumaila during mid-March.



- **1Q-23 vs 1Q-24:** Profit reported was mainly attributed to the growth in revenue and reduction in finance costs by 49% due to lower interest rates amid the debt restructure.
- **4Q-23 vs 1Q-24:** Profit reported was mainly due to improved revenue, reduction in direct costs due to lower maintenance costs in addition to lower finance costs and lower G&A expenses as compared to the previous quarter.

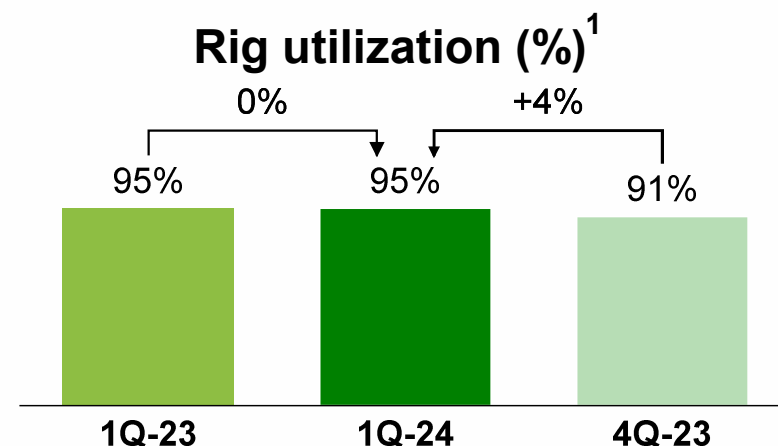


# Segmental Details

For the three-month period ended 31 March 2024

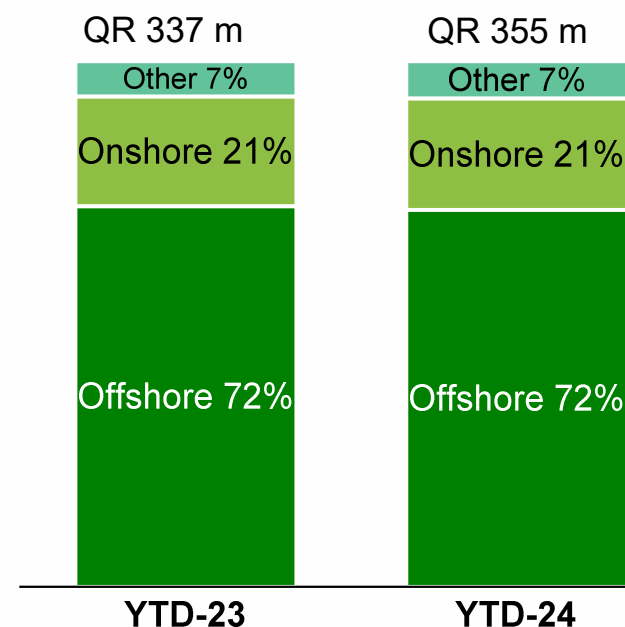
## Drilling Segment

- **1Q-23 vs 1Q-24:** Rig utilization reached 95% all marketable rigs and lift boats were contracted and operating. Rumaila commenced operations during mid-March 2024.
- **4Q-23 vs 1Q-24:** Rig utilization improved compared to the previous quarter mainly due to operations of Rumaila. Contract utilization currently stands at 100%.



- Offshore operations continue to contribute significantly towards the segments topline.

### Revenue Mix



# Segmental Details

## Aviation Segment

- **Gulf Helicopter Company (GHC)** is one of the leading commercial aviation service provider. With global footprints extending from Europe , Africa, Middle East, and South Asia with a fleet of **62 aircrafts**;
  
- **GHC has 3 Direct subsidiaries:**
  - **Al Maha Aviation Company: 100% ownership.**
  - **Redstar Havacilik Hizmetleri A.S. In Turkey: 100% ownership**
  - **United Helicharters Pvt Ltd (90%), India**
  - **Gulf Helicopters Investment & Leasing Company (100%), Morocco**
  
- **GHC has also investment in joint ventures in the following countries:**
  - **Air Ocean Maroc (49%), Morocco**

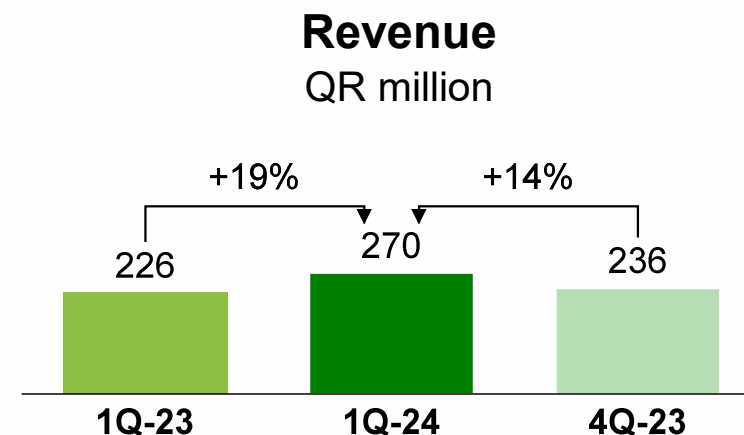


# Segmental Details

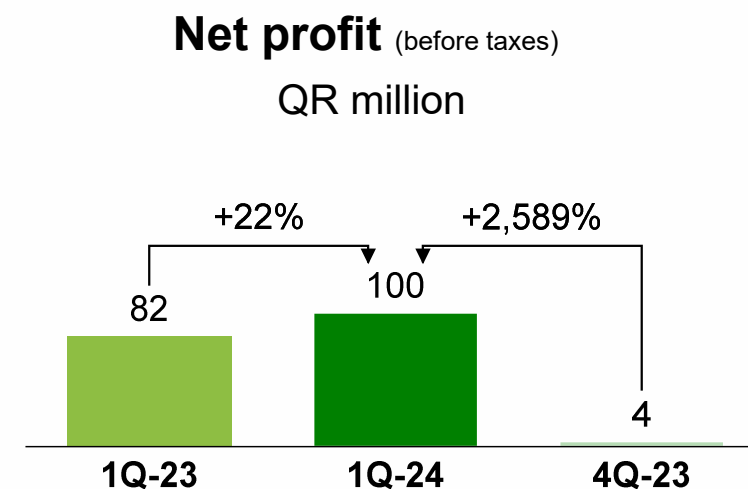
For the three-month period ended 31 March 2024

## Aviation Segment

- **1Q-23 vs 1Q-24:** This increase can be primarily attributed to heightened flying activity witnessed within both domestic and international operations, coupled the growth in revenue in international locations, notably Turkey.
- **4Q-23 vs 1Q-24:** Segment revenue increased , mainly due to additional revenue reported from the domestic and MRO segments.



- **1Q-23 vs 1Q-24:** Bottom-line profitability improvement was largely attributed to the segmental revenue increase, coupled with higher share of profit from air ocean maroc in Morocco.
- **4Q-23 vs 1Q-24:** profitability significantly improved mainly due to improved revenue, lower net monetary losses recorded in the current quarter as compared to the previous quarter arising from the accounting impact of hyperinflation in Turkey and reduction in directs costs mainly related to maintenance and staff costs.

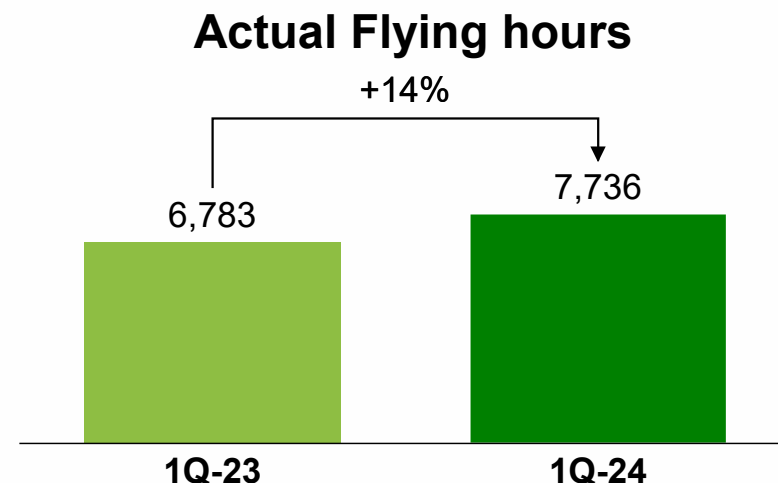


# Segmental Details

For the three-month period ended 31 March 2024

## Aviation Segment

- Aviation segment continue to witness improved performance with better flying activity within both domestic and international operations.
- Total flying hours increased by 14% on a year-on-year basis, where locally the flying hours increased by 8%, similarly the international segment flying hours increased by 23%.



- Qatar Operations continue to remain a key contributor to the overall segment revenue.



# Segmental Details

## Insurance Segment

- **Alkoot insurance**, incorporated in 2003, is mainly engaged in business of medical and general insurance and reinsurance activities, except for vehicle insurance & individual insurance against risk of death and accidents.
- In 2008, QatarEnergy transferred the ownership of Al-Koot to GIS. The company has changed its operations, from a captive insurer to a fully commercial insurance and re-insurance company in 2016.
- The company has a large client base within both the medical and energy segments, and is one of the largest insurance providers in Qatar.



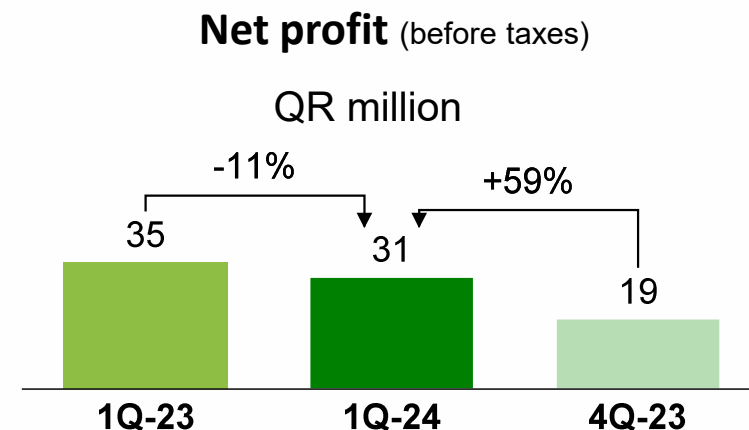
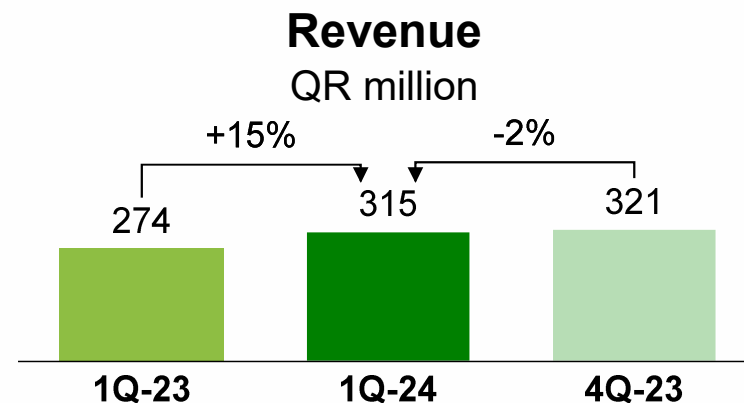
# Segmental Details

For the three-month period ended 31 March 2024

## Insurance Segment

- **1Q-23 vs 1Q-24:** Increase in revenue was mainly linked to renewal of major contracts within the energy and medical line of business.
- **4Q-23 vs 1Q-24:** Revenue reduced marginally by 2% compared to the previous quarter

- **1Q-23 vs 1Q-24:** The decrease in profit was mainly driven by increase in re-insurance costs which was partially offset by improved revenue and higher investment income recognized from the investment portfolio.
- **4Q-23 vs 1Q-24 :** Increase in profit was mainly due to lower net claims reported partially offset by lower investment income during the current quarter



Note: Comparative figures for 1Q-23 have been restated on account of adoption of IFRS 17. net profit has been increased by QR 1 million

# Segmental Details

For the three-month period ended 31 March 2024

## Insurance Segment

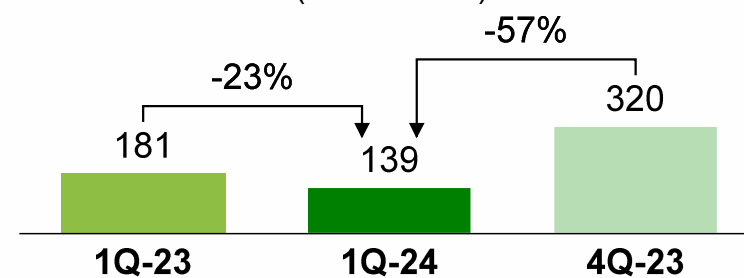
- **1Q-23 vs 1Q-24:** : Claims incurred has decreased by 23% compared to the previous year.
- **4Q-23 vs 1Q-24:** claims incurred during 1Q-24 decreased compared to the previous quarter as claims from polices issued toward end of year increased for medical segment.

- **1Q-23 vs 1Q-24:** Investment income increased mainly due to favorable movement in market value of FVTPL investment
- **4Q-23 vs 1Q-24:** Investment income decreased compared to the previous quarter mainly due to negative movement in market value of FVTPL investment in the current quarter.

- General and medical insurance line of businesses remain equal contributors to the segment's revenue mix.

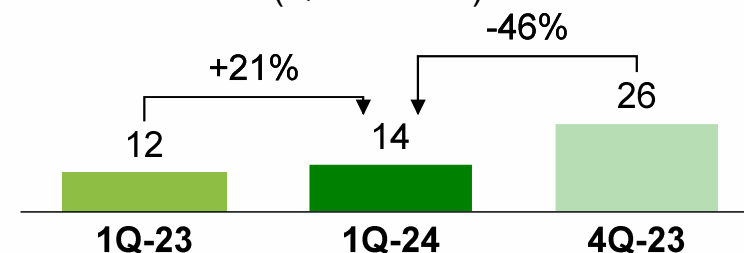
### Actual claims incurred

(QR 'millions)



### Analysis of investment income on investment portfolio<sup>1</sup>

(QR 'millions)

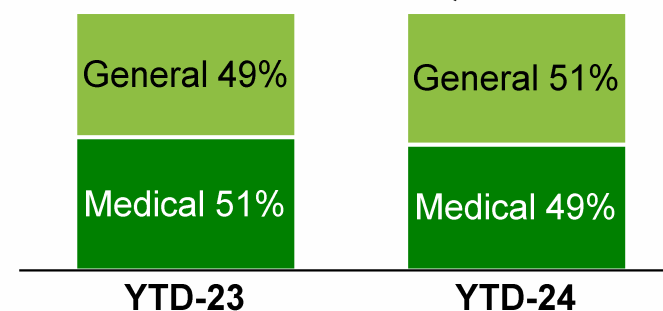


<sup>1</sup>: Investment income includes dividend income, realized gains on disposal of investments, unrealized gain / loss on market-to-market of investment portfolio and finance income.

### Revenue Mix

QR 274 m

QR 315 m





# Segmental Details

## Catering Segment

- **Amwaj Catering Services Company**, incorporated in 2006 as a wholly-owned subsidiary of QatarEnergy
- Amwaj was subsequently acquired by GIS in 2012.
- In 2023, Amwaj officially merged with Shaqab and Atyab. GIS new ownership in Amwaj is 30%.
- Amwaj Provides diverse services which include:
  - Business & Industrial catering
  - Corporate Hospitality & VIP dining
  - Cleaning & Janitorial Services
  - Camp Management
  - Pest Control
  - Office & Manpower Services



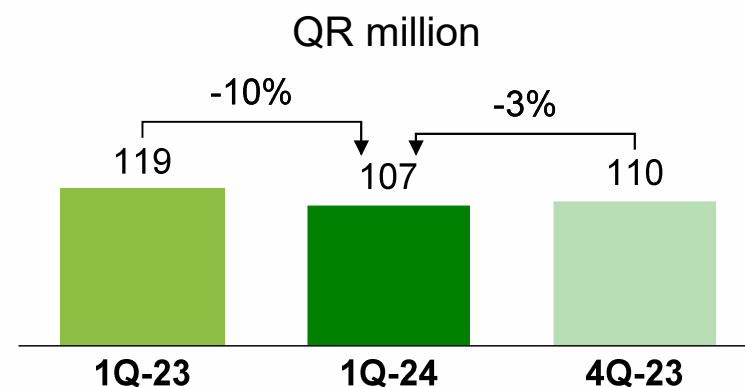
# Segmental Details

For the three-month period ended 31 March 2024

## Catering Segment

- Revenue decreased compared to the previous year. Last year revenue includes 100% Amwaj ownership. However current year revenue considers 30% share of revenue post merger.

### Share of Revenue

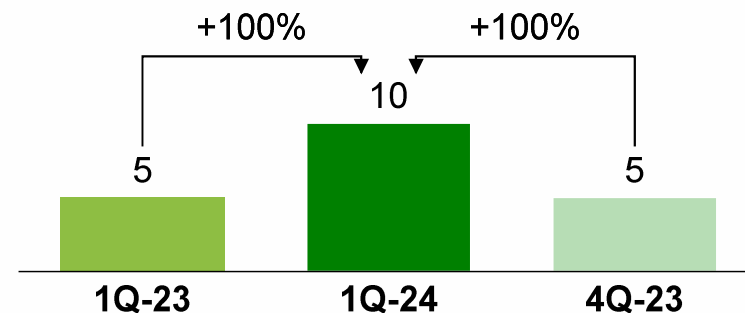


- The segment reported a share of net profit of QR 10 million as compared to QR 5 million in the previous year, increase in net profit is mainly driven by the impact of the new merger with Shaqab and Atyab.

### Share of Net profit

(before income taxes)

QR million



Note: Comparative figures for 1Q-23 includes 100% Amwaj financials (pre-merger)

---

---

# Governance Structure

---

---

# Governance Structure

---

## Board Structure

- GIS Board of Directors consists of seven (7) Directors, three (3) Directors of whom were appointed by the Special Shareholder, which is QatarEnergy, and four (4) Directors were elected with effect from 10/03/2024.
- QatarEnergy appoints only qualified and eligible Board Directors who are sufficiently experienced to perform their duties effectively in the best interest of the Company and dedicated to achieving its goals and objectives.

## Board Committees

- The Board of Directors established Board Committees and Special Committees to carry out specific tasks. The Board remains liable for all the powers and authorities so delegated. Currently, Board Committees are (i) Audit Committee (ii) Nomination and Remuneration Committee, and (iii) Steering Committee

## Governance and Compliance

- GIS is firmly committed to implementing the principles of good governance set out in the Governance Code for Companies Listed on the Main Market issued by Qatar Financial Markets Authority (QFMA), that are consistent with the provisions of the Company's AoA.
- The Board of Directors always ensures that an organizational framework, that is consistent with the legal and institutional framework of the listed companies, is in place at the Company level. This is achieved through a process of reviewing and updating governance implementation whenever required.

## Authorities

- No one person in the Company has unfettered powers of decision. Decision-making process is always done in accordance with the Company's Manual of Authorities and the relevant regulations.

# Governance Structure

---

## Remuneration

### • Board of Directors

- The Company has developed a periodically revisited remuneration policy for Board members. The policy has fixed component for Board membership and attending meetings and performance-related variable component. The proposed remuneration of Board members shall be presented to the General Assembly for approval.

### • Executive Management

- All financial, administrative and head office services are provided by resources from QatarEnergy under a service-level agreement

## Shareholders rights

- The Company's Articles of Associations provide for the rights of shareholders, particularly the rights to receive dividends, attend the General Assembly and participate in its deliberations and vote on decisions, tag along rights as well as the right to access information and request it with no harm to the Company's interests.

## Disclosure and Transparency

- The Board ensures that all disclosures are made in accordance with the requirements set by regulatory authorities, and that accurate, complete and non-misleading information is provided to all shareholders in an equitable manner.

## Company's control system

- The Company adopted an internal control system that consists of policies and operating procedures for risk management, internal and external audit, monitoring Company's compliance with the relevant regulations. Clear lines of self-control, responsibility and accountability throughout the Company are therefore set.
- The internal control framework is overseen by the senior Executive Management, the Audit Committee and the Board of Directors.



الخليج الدولية للخدمات ش.م.ق  
Gulf International Services QSC

For further information, **Gulf International Services** can be contacted as follows:

Telephone: (974) 4013 2088

Fax: (974) 4013 9750

Email: [gis.investorrelations@qatarenergy.qa](mailto:gis.investorrelations@qatarenergy.qa) or [gis@qatarenergy.qa](mailto:gis@qatarenergy.qa)

Address: P.O. Box 3212, Doha, State of Qatar

Please refer to [www.gis.com.qa](http://www.gis.com.qa) for the latest information, publications, press releases and presentations about Gulf international Services.