FOR IMMEDIATE RELEASE

Gulf International Services reports a net profit of QR 356 million for the six-month period ended 30 June 2024

- *Group's revenue amounted to QR 2.1 billion for the six-month period ended 30 June 2024, improved by 9% versus the same period of last year.*

- *EBITDA of QR 613 million for 1H-24 compared to QR 581 million for the same period of last year.*

- *Earnings per share of QR 0.192 for 1H-24 compared to QR 0.151 for 1H-23*

- *Drilling, Insurance & Catering segments reported positive set of results compared to last year, supported by enhanced business dynamics*

- *2Q-24 financial performance improved with a growth of 21% in net earning versus 1Q-24 mainly on account of constructive business environment.*

Doha, Qatar; 14th August 2024: Gulf International Services ("GIS" or "the Group"; QE ticker: GISS), today reported a net profit of QR 356 million for the six-month period ended 30 June 2024, representing an incline of 27% compared to 1H-23.

Business updates:

Drilling segment:

The drilling segment has made significant progress in strengthening its financial stability through strategic initiatives focused on enhancing profitability and optimizing operations for greater efficiency. The recent restructuring of the loan with a longer tenor and competitive rate, along with the acquisition of the three jack-up rigs, positions GDI as the largest Qatari drilling service provider.

Regarding updates on the overall fleet and contract status, the company secured a four-year contract extension for certain onshore rigs that were set to expire this year. However, another onshore rig completed its contract during Q2-24 and is currently off-contract. One of the lift boats was awarded a new three-year contract at the end of the first quarter of this year, with an improved day rate compared to its previous day rates, which will positively impact the company's revenue.

GDI currently holds the majority market share in the Qatari offshore market, with a total of 12 operating rigs. The company will continue pursuing various strategies to expand its market share and drive sustained growth.

Aviation segment:

During the first half of 2024, GHC experienced an increase in demand for helicopters supporting offshore oil and gas services in both domestic and international markets. The segment continued to experience enhanced business performance, attributed to increased flying hours within both domestic and international operations. In line with its fleet upgrade strategy and as previously announced, GHC signed an aircraft acquisition contract with a reputable supplier to supply five helicopters, with an option to add an additional five aircrafts. The first four helicopters are expected to be delivered in the second half of this year.

Insurance segment:
Al-Koot, a leader in Qatar's medical insurance sector, demonstrated strong performance in the first half of 2024 by successfully renewing major contracts and in its general line of business, Al-Koot maintains its leadership in the local energy insurance market, offering the largest capacity for mega-energy risk in Qatar while also covering non-energy risk. Throughout the year, Al-Koot renewed major clients and its international portfolio by acquiring new clients in the first half of 2024. Additionally, Al Koot launched its motor business in Q2-2024, with ongoing efforts to capture market share and grow this segment.

Al-Koot consistently upholds its strong financial strength and issuer credit rating of 'A-' with stable outlook from S&P ratings.

Group Financial Performance

Key financial performance indicators	1H-24	1H-23	Variance (%)
Revenue (QR' million)	2,106	1,928	+9%
Net profit (QR' million)	356	281	+27%
EBITDA (QR' million)	613	581	+6%
Earnings per share (QR)	0.192	0.151	+27%

Note: Revenue and EBITDA measures have been reported based on non-IFRS based proportionate consolidation

For the six-month period ended 30 June 2024, the Group reported a revenue of QR 2.1 billion, an increase of 9% compared to the same period of last year. This growth was driven by improved revenue in all segments except catering, leading to enhanced Group revenue. Growth was mainly attributed to key revenue drivers in various segments such as improved day rates, higher asset utilization in the drilling segment, higher-flying hours in the aviation segment and improved premiums in the insurance segment supported by major contract renewals.

The Group achieved an EBITDA of QR 613 million and a net profit of QR 356 million during the period. The growth in Group revenues, coupled with a 40% reduction in finance costs largely due to debt restructure in the drilling segment. Also, increased profit reported from Amwaj post-merger led to an overall increase in the group's net earnings. On the other hand, the Group's direct costs also increased by 8%, primarily due to improved commercial activity.

Financial Performance –*Q2-24 vs Q1-24*

Key financial performance indicators	Q2-24	Q1-24	Variance (%)
Revenue (QR' million)	1,060	1,046	+1%
Net profit (QR' million)	195	161	+21%
EBITDA (QR' million)	337	276	+22%
Earnings per share (QR)	0.105	0.087	+21%

Note: Revenue and EBITDA measures have been reported based on non-IFRS based proportionate consolidation

The Group revenue for Q2-24 increased by 1% compared to previous quarter, mainly due to improved revenue from the aviation and drilling segments. The aviation segment benefited from higher revenue generation from the MRO and international segments, while drilling segment benefited from higher utilization due to increased business activities and the consolidated reporting of Gulfdrill following the transaction with Seadrill.

Net profit for Q2-24 increased by 21% compared to the previous quarter. This increase was mainly driven by enhanced bottom-line profitability in the drilling and insurance segments, attributed to the increase in revenue and lower net claims, respectively.

Financial position

Key performance indicators	As at 30-Jun-24	As at 31-Dec-23	Variance (%)
Cash and short-term investments (QR' billion)	1.1	1.3	-14%
Total Assets (QR' billion)	11.6	10.3	+13%
Total Debt (QR' billion)	5.5	4.4	+24%

Group's total assets increased by 13% and stood at QR 11.6 billion as of 30 June 2024, this was on the back of the rigs acquisition which were previously leased by Gulfdrill. The cash and short-term investments decreased by 14% to reach QR 1.1 billion as of June 30, 2024, mainly due to dividend payment for the financial year 2023, being partially offset by positive cash flow generation during first half 2024.

The groups' total debt stood at QR 5.5 billion as of June 30, 2024, with 24% increase compared to the previous period, the increase was mainly due to the additional loan obtained to finance the purchase of the three offshore rigs from Seadrill that was previously leased to Gulfdrill.

Operational and financial performance highlights by segment

Drilling:

Key performance indicators	1H-24	1H-23	Variance (%)	Q2-24	Q1-24	Variance (%)
Revenue (QR' million)	725	666	+9%	370	354	+4%
Net profit / (loss) (QR' million)	90	(22)	+512%	72	18	+302%

Note: Segment earnings have been reported before impact of income taxes.

The drilling segment reported a revenue of QR 725 million for the six months ended 30 June 2024, up by 9% compared to 1H-23. Revenue growth was on the back of improved revenue from the offshore rigs, lift boats and barge operations driven by improved day rates for certain contracts, coupled with higher asset utilization. On overall basis, top line performance increase was partially offset by reduction in revenue from the onshore operations due to one of the onshore rigs going off contract during Q2-2024.

The segment achieved a remarkable turnaround, posting QR 90 million net profit for the six-month period ended 30 June 2024, compared to a net loss of QR 22 million for the same period last year. This significant improvement in bottom-line profitability can be primarily attributed to growth in segment's topline and a 43% reduction in finance cost, aided by a one-off income of QR 14 million as a result of the transaction with Seadrill.

Quarter-on-quarter, the company reported a net profit of QR 72 million, compared to QR 18 million in the previous quarter. The improvement this quarter was mainly due to revenue increase driven by higher utilization of a lift boat, which was fully operational during the second quarter, along with consolidated reporting of Gulfdrill following the acquisition. Also, the segment reported a one-off income as a result of the transaction with Seadrill.

Aviation:

Key performance indicators	1H-24	1H-23	Variance (%)	Q2-24	Q1-24	Variance (%)
Revenue (QR' million)	571	498	+15%	301	270	+12%
Net profit (QR' million)	188	229	-18%	88	100	-12%

Note 1: Segment earnings have been reported before impact of income taxes.

The Aviation segment reported a total revenue of QR 571 million for the six-month period ended 30 June 2024, reflecting a growth of 15% when compared to the corresponding period of the previous year.

Revenue growth was mainly driven by the increase in flying activities within both the domestic and international operations. The total flying hours experienced a year-on-year growth of 6%, as domestic flying hours witnessed an increase of 5%, while on international front it increased by 7%. The domestic segment further benefited from the aircraft mobilized from international operations to the domestic fleet contributing further to fixed revenue component. The international activities predominantly driven by the Turkish subsidiary benefited from increased flying hours and greater number of aircrafts.

The segmental net profit reached QR 188 million, representing a reduction of 18% compared to 1H-23, This reduction was mainly due to previous year positive inflationary impact in relation to IAS 29 adjustment amounting to QR 40 million as compared to negative inflationary impact of QR 1 million reported this year. Moreover, higher operational costs reported mainly in relation to scheduled maintenance of certain aircrafts which has been partially offset by higher share of profit from Morocco operations.

The segment revenue for Q2-24 versus Q1-24 increased by 12%, mainly due to additional revenue reported from the international and MRO segments. Q2-24 profitability reduced by 12% versus Q1-24 due to higher net monetary losses recorded in the current quarter as compared to the previous quarter. This arises from the accounting impact of hyperinflation in Turkey and higher revaluation loss on foreign currency exchange. Furthermore, the higher operational costs related to scheduled maintenance costs of certain aircrafts has further impacted the profitability of this quarter versus the previous quarter.

Insurance:

Key performance indicators	1H-24	1H-23	Variance (%)	Q2-24	Q1-24	Variance (%)
Revenue (QR' million)	607	548	+11%	292	315	-8%
Net profit (QR' million)	77	63	+21%	46	31	+47%

Note 1: Segment profits have been reported before impact of income taxes.
Note 2: Investment income includes dividend income, capital gains, unrealized gain / loss on revaluation of held for trading investment securities and finance income.

Revenue within the insurance segment for the six-month period ended 30 June 2024 increased by 11% compared to 1H-23, reaching QR 607 million. Increase in revenue was mainly linked to renewal of major contracts within the energy and medical line of business in addition to new contracts added from the general line of business.

The segment net earnings increased significantly as compared to the same period of the previous year, reaching QR 77 million. The growth in bottom line profitability was mainly supported by improved revenue coupled with recovery of the segment's investment portfolio, with an increase of QR 8 million (+36%) noted on account of investment income for 1H-24 versus 1H-23. This increase was predominantly linked to the recovery in unrealized losses and gains booked on revaluation of held-for-trading investment securities. Additionally, higher finance income on fixed deposits has supported higher profitability for 1H-24 versus 1H-23.

Quarter-on-quarter, the segment revenue for 2Q-24 reduced by 8% driven by expiry of certain insurance policies. However, segmental profitability for 2Q-24 increased by 47%, mainly due to lower net claims reported as compared to the previous quarter. On the other hand, re-insurance cost was lower in comparison to the previous quarter.

Catering:

Key performance indicators	1H-24	1H-23	Variance (%)	Q2-24	Q1-24	Variance (%)
Share of Revenue/Revenue (QR' million)	203	216	-6%	96	107	-10%
Share of Net profit/Net Profit(QR' million)	11	2	+483%	2	10	-81%

Note 1: 1H-23 Revenue and Net profit are relating to Amwaj standalone as reported last year.
Note 2: Share of Net profit of Amwaj is reported after impact of income tax.

Catering segment reported a share of revenue of QR 203 million compared to revenue of QR 216 million in the previous year. The segment reported a share of net profit of QR 11 million, representing significant increase versus the same period of last year. The increase in net profit is mainly driven by the impact of the new merger with Shaqab and Atyab.

Quarter-on-quarter, the segment share of revenue for 2Q-24 reduced by 10% compared to previous quarter mainly due to lower revenue from the catering and accommodation segment due to completion of contract related to the Asian cup and completion of shutdown services. As a result, the reduction in revenue led to lower profitability reported during the 2Q-24.

Earnings Call

GIS will host an IR earnings call with investors to discuss its financial results, business outlook and other matters on Tuesday, 20th August 2024, at 1:30 p.m. Doha time. The IR presentation accompanying the conference call will be posted on the 'financial information' page within the GIS website Investor Relations section.

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About GIS

Gulf International Services, a Qatari public shareholding company listed on the Qatar Stock Exchange, was established on February 12, 2008 in accordance with the provisions of its Articles of Association and Law no. 5 of 2002, promulgating the Commercial Companies Law, especially Article 68 thereof. Subsequently, the Company settled its status and brought its Articles of Association into conformity with the provisions of Law no. 11 of 2015, promulgating the Commercial Companies Law, and in line with the specific nature of its incorporation.

Through the group companies, Gulf International Services Q.P.S.C. operates in four distinct segments - insurance and reinsurance, drilling, helicopter transportation and catering services. QatarEnergy (formerly known as Qatar Petroleum), the largest shareholder, provides all of the head office functions for Gulf International Services Q.P.S.C. through a comprehensive service directive. The operations of the subsidiaries remain independently managed by their respective Boards of Directors and senior management teams.

For more information about the earnings announcement, email gis@qatarenergy.qa or visit www.gis.com.qa.

DISCLAIMER

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

This press release 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.

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GENERAL NOTES

Gulf International Services' accounting year follows the calendar year. No adjustment has been made for leap years. Where applicable, all values refer to Gulf International Services' share. Values expressed in QR billions/ millions. All other values have been rounded to the nearest whole number. Values expressed in US $'s have been translated at the rate of US $1 = QR3.64.

DEFINITIONS

Cash Realization 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 Capitalization x 100 • **EBITDA:** Earnings Before Interest, Tax, Depreciation and Amortization calculated as [Net Profit + Interest Expense + Depreciation + Amortization] • **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 capitalization / 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] • **Utilization (Rigs):** Number of days under contract / (Number of days available - Days under maintenance) x 100