

FOR IMMEDIATE RELEASE

## Gulf International Services Achieves Robust performance for the year 2024 with Net Profits reaching QR 711 million.

**Board of Directors Recommends Dividend Payout Equivalent to 44% of 2024 Net Income, equating to QR 0.17 per share for the financial year ending 31 December 2024.**

- *GIS Achieves strong Increase by 94% in Net Earnings, Driven by The Group Strategic Initiatives and Conservative Business Dynamics*
- *Group's revenue reached QR 4.6 billion for the year ended 31 December 2024, increased by 14% versus last year.*
- *GIS Achieves Outstanding EBITDA of QR 1.4 billion, Surpassing Recent Years' Performance and Showcasing Strong Operational Success.*
- *Earnings per share (EPS) of QR 0.383 versus last year of QR 0.197.*

**Doha, Qatar; 4<sup>th</sup> February 2025:** Gulf International Services ("GIS" or "the Group"; QE ticker: GISS), today reported a net profit of QR 711 million for the for the year ended 31 December 2024 marking a 94% increase compared to the same period last year, with an earnings per share of QR 0.383.

Commenting on the Group's strong financial and operational performance for the year ended 31 December 2024, **Sheikh Khalid bin Khalifa Al-Thani, GIS Chairman of the Board of Directors**, said:

*"As we reflect on 2024, I am proud to highlight the groups exceptional performance across all business segments. By capitalizing on a favorable macroeconomic environment and executing our priorities, we have strengthened our competitive position, enhanced operational efficiency, and delivered sustained value for our shareholders. These achievements demonstrate the unwavering commitment of our team and reinforce our focus on long term growth and success.*

*As we move forward, our priorities and efforts include safeguarding market share, maximizing asset utilization, and fostering sustainable growth to deliver enduring value for all stakeholders".*

### **Business Review and Updates:**

#### **Drilling segment:**

The drilling segment has made significant strides in improving its financial strength and operational performance, driven by well-planned strategic initiatives. A key highlight was the acquisition of three jack-up rigs, previously leased from Seadrill, which has expanded GDI's asset portfolio and reinforced its leadership as the premier contractor in the national market. This move underscores GDI's dedication to operational excellence and safety, establishing new benchmarks for quality and unlocking substantial value for shareholders in the short to medium term. Additionally, the debt restructuring completed last year has yielded noticeable benefits in 2024, including immediate cost reductions and greater financial flexibility. These

advancements have enabled the company to allocate resources more effectively toward core operations and capitalize on emerging growth opportunities.

Regarding updates on the overall fleet and contract status, within the offshore and onshore segment, the company was able to secure 4 to 5-year contract extensions for certain rigs along with an improved day rate. 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 year, the aviation segment experienced strong growth, driven by increased demand for helicopters supporting offshore oil and gas operations in both domestic and international markets. Enhanced business performance was largely attributed to a rise in flying hours across these operations. These achievements underscore the segment's dedication to excellence and its strategic focus on maintaining a competitive position in the global aviation market. In alignment with its fleet expansion plan, as announced earlier in 2022, GHC signed an agreement with a leading supplier to acquire five helicopters, with an option to purchase five more. The delivery of the first 3 helicopters was completed in the fourth quarter of the year.

#### **Insurance segment:**

In 2024, the insurance segment achieved strong performance, driven by strategic growth in the medical insurance sector. By focusing on high-premium contracts with lower claim ratios, Al-Koot has cemented its position as a market leader in Qatar's medical insurance industry, while maintaining a dominant presence in the local energy insurance market. The company continues to provide the highest coverage capacity for mega-energy risks in Qatar, along with comprehensive insurance solutions for non-energy risks. Over the year, Al-Koot successfully renewed key contracts and expanded its international portfolio by securing new clients. In Q2 2024, Al-Koot launched its motor insurance business which further demonstrated the company's dedication to capturing new market opportunities and driving growth. Al-Koot strong financial performance has been validated by S&P Ratings, which affirmed its financial strength and issuer credit rating of 'A-' with a stable outlook.

The group has announced its intention to list Al-Koot Insurance and Reinsurance Company on the Qatar Stock Exchange. Significant progress has been made, as Gulf International Services (GIS) has appointed QNB Capital as the lead transaction advisor.

QNB Capital, with its extensive experience and expertise in advisory services, will play a crucial role in guiding the listing process. This includes support in relation to the listing application and documentation, compliance with regulatory requirements, and facilitating the overall transaction to achieve a successful public offering.

#### **Group Financial Performance – YE-24 vs YE-23**

<b>Key financial performance indicators</b>	<b>YE-24</b>	<b>YE-23</b>	<b>Variance (%)</b>
Revenue (QR' million)	4,570	4,000	+14%
Net profit (QR' million)	711	366	+94%
EBITDA (QR' million)	1,375	879	+56%
Earnings per share (QR)	0.383	0.197	+94%

Note 1: Revenue and EBITDA measures have been reported based on non-IFRS proportionate consolidation.

Note 2: Previous year Net Profit, Revenue and EBITDA has been restated.

The Group reported robust revenue growth for the year ended 31 December 2024. This growth was primarily driven by the strong results from the aviation, drilling, and insurance segments. Key contributors included higher day rates and improved asset utilization in the drilling segment, increased flying hours in the aviation segment and enhanced premiums in the insurance segment, supported by major contract renewals.

The Group demonstrated strong financial performance for the year ended 31 December 2024, achieving higher EBITDA and net profit results compared to the same period of last year. This growth was fueled by increased revenue, higher investment income from the insurance segment and lower other expenses mainly in relation to recording one-off loss on disposal of Amwaj in the previous year. Moreover, despite increase in debt during the current year relating to the acquisition of new Jack up Rigs, finance costs witnessed a reduction as a result of the successful debt restructuring concluded in the previous year.

Overall, the achieved strong results for the period ended 31 December 2024, marked by solid revenue and profit growth alongside healthy margins, reflects the group's financial resilience and strategic execution.

### Financial Performance – Q4-24 vs Q3-24

Key financial performance indicators	Q4-24	Q3-24	Variance (%)
Revenue (QR' million)	1,213	1,252	-3%
Net profit / (loss) (QR' million)	138	216	-36%
EBITDA (QR' million)	348	413	-16%
Earnings per share (QR)	0.074	0.116	-36%

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

Revenue for Q4-24 slightly decreased compared to the previous quarter, primarily due to lower revenue reported from the drilling and insurance segments. Drilling segment witnessed a reduction in revenue during the current quarter mainly due to un-planned maintenance for one of its offshore rigs. Moreover, the insurance segment experienced a reduction in revenue in the current quarter due to expiration of policies sold in the previous quarters.

Net profit for Q4-24 decreased compared to the previous quarter. This reduction was mainly driven by overall reduction in revenue in addition to higher operational costs from the aviation segment in addition to lower gain reported from IAS 29 hyperinflationary impact.

### Financial position

Key performance indicators	As at 31-Dec-24	As at 31-Dec-23	Variance (%)
Cash and short-term investments (QR' billion)	1.2	1.3	-4%
Total Assets (QR' billion)	12.1	10.3	+18%
Total Debt (QR' billion)	5.6	4.4	+26%

The Group maintained robust total assets and cash reserves, despite a decrease in total cash due to the 2023 dividend payment and partial cash payment for the Seadrill transaction in the form of shareholder's loan. The Group's total debt increased as most of the Seadrill transaction was financed through bank loans.

### Operational and financial performance highlights by segment

#### Drilling:

Key performance indicators	YE-24	YE-23	Variance (%)	Q4-24	Q3-24	Variance (%)
Revenue (QR' million)	1,744	1,329	+31%	490	529	-7%
Net profit / (loss) (QR' million)	248	(63)	+492%	69	90	-23%

Note 1: Segment profits / (losses) have been reported before impact of income taxes.

Note 2: Previous year Net loss has been restated.

The drilling segment delivered impressive revenue growth for the year ended 31 December 2024. Driven by stronger performance in the offshore rigs, lift boat and barge operation. Higher day rates and better utilization of assets played a key role in this performance. Additionally, the acquisition of three Jack up rigs strengthened the segment's financial results through the full consolidation of Gulfdrill and Gulf Jackup revenues.

This year marked a significant turnaround for the segment, with a strong net profit reported compared to the previous year loss. The improved profitability was supported by robust revenue growth, reduced finance costs, and one-off income from the transaction with Seadrill.

Quarter-on-quarter, the segment reported lower net profits compared to the previous quarter due to lower revenue on the back of un-planned maintenance for one of the offshore rigs.

#### Aviation:

Key performance indicators	YE-24	YE-23	Variance (%)	Q4-24	Q3-24	Variance (%)
Revenue (QR' million)	1,173	1,035	+13%	310	293	+6%
Net profit (QR' million)	303	343	-12%	33	83	-61%

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

The Aviation segment experienced a revenue increase in comparison to the same period of the previous year. This growth was primarily driven by higher flying hours in both domestic and international operations. In the domestic segment, revenue gains were supported also by the redeployment of an aircraft from international segment, enhancing the fixed revenues streams. Internationally, operations especially those linked to the Turkish subsidiary- benefited from increased flying hours and an expanded fleet size.

However, the segment's net profit witnessed a decline compared to the previous year. This was mainly due to increased operational expenses associated with scheduled maintenance of certain aircrafts. The reduction in net profit was further impacted by lower finance income stemming from lower deposit rate and higher foreign currency revaluation losses.

The segment revenue for Q4-24 versus Q3-24 increased mainly due to higher revenue reported from the domestic and international segment amid improved flying hours. However, Q4-24 profitability declined due to lower net monetary gain recorded in the current quarter as compared to the previous quarter which arises from the accounting impact of hyperinflation in Turkey in addition to higher foreign currency revaluation losses, increase in G&A expenses and higher aircraft maintenance costs.

#### Insurance:

Key performance indicators	YE-24	YE-23	Variance (%)	Q4-24	Q3-24	Variance (%)
Revenue (QR' million)	1,240	1,177	+5%	301	332	-10%
Net profit (QR' million)	138	103	+34%	33	27	+22%

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.

The insurance segment reported an increase in revenue for the year ended 31 December 2024 compared to the same period of last year. Driven by growth in premiums from both general and medical insurance line of business. The increase in revenue was mainly linked to new contracts in the medical line of business and the expansion of premiums in the general line of business.

Furthermore, the segment reported a significant improvement in net earnings year-over-year. This strong performance can be primarily attributed to higher revenue, complemented by the increase of the segment's investment portfolio. The boost in the investment income was driven by the increase of unrealized gains recorded in the revaluation of held-for-trading investment securities, in addition to higher finance income derived from fixed deposits.

On quarter-on-quarter basis, the segment revenue for Q4-24 decreased compared to the previous quarter due to lower earned premiums in the current quarter. However, segmental profitability for Q4-24 increased mainly due to lower net claims reported which was partially offset by lower investment income due to net loss recorded on held for trading sharing during the current quarter.

**Catering:**

Key performance indicators	YE-24	YE-23	Variance (%)	Q4-24	Q3-24	Variance (%)
Share of Revenue (QR' million)	416	462	-10%	115	98	+17%
Share of Net profit (QR' million)	35	7	+410%	18	5	+250%

Note 1: YE-23 Revenue and Net profit has been restated. Revenue is based on non-IFRS proportionate consolidation. Previous year revenue was based on 9 months stand alone and 1 quarter consolidated on proportionate basis.

Note 2: Share of Net profit of Amwaj is reported after impact of income tax.

The Catering segment reported a decrease in revenue compared to the previous year. previous year revenue was based on However, the segment experienced a significant increase in net profit. This increase was primarily driven by the impact of the recent transaction with Shaqab and Atyab, which enhanced the segment's profitability despite the decline in revenue.

Quarter-on-quarter, the segment share of revenue witnessed an increase due to higher revenue reported from the accommodation segment as a result of shutdown services in Ras Laffan. Q4 2024 profitability increased mainly due to revenue growth.

**Proposed dividend distribution:**

Given a strong recovery in terms of the Group's financial results achieved during the current year, the Board of Directors after taking into account, the operating, investing, and the financing needs of Group's businesses is pleased to recommend a dividend distribution for the year ended 31 December 2024, equivalent to a pay-out of QR 0.17 per share and equating to 17% of the par-value of the share capital of QR 1 per share, subject to the approval of General Assembly.

**Earnings Call**

GIS will host an IR earnings call with its investors to discuss its financial results, business outlook and other matters on Monday, 10<sup>th</sup> February 2025 at 1:30 p.m. Doha time. The IR presentation that accompanies the conference call will be posted on the 'financial information' page within the Investor Relations section at GIS' website.

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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](mailto:gis@qatarenergy.qa) or visit [www.gis.com.qa](http://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.

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 company 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' 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