

GULF INTERNATIONAL SERVICES Q.P.S.C.
UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH PERIOD ENDED
MARCH 31, 2019

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
In thousands of Qatari Riyals

	As at March 31, 2019 (Unaudited)	As at December 31, 2018 (Audited)
ASSETS		
Non-current assets		
Property and equipment	6,631,552	6,720,311
Goodwill	303,559	303,559
Contract assets	9,290	9,290
Equity-accounted investees	880	880
Financial investments	250,417	226,390
Total non-current assets	7,195,698	7,260,430
Current assets		
Inventories	217,993	216,289
Contract assets	17,726	18,632
Due from related parties	610,592	477,269
Financial investments	311,380	289,414
Trade and other receivables	838,850	599,842
Reinsurance contract assets	395,719	406,915
Short term investments	425,051	244,521
Cash and bank balances	484,902	643,941
Total current assets	3,302,213	2,896,823
TOTAL ASSETS	10,497,911	10,157,253
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,858,409	1,858,409
Legal reserve	364,698	364,698
General reserve	74,516	74,516
Foreign currency translation reserve	(11,501)	(11,501)
Fair value reserve	(3,857)	(7,536)
Retained earnings	1,278,750	1,253,475
Total equity	3,561,015	3,532,061
LIABILITIES		
Non-current liabilities		
Loans and borrowings	4,024,613	4,061,868
Contract liabilities	15,664	15,664
Provision for decommissioning costs	41,598	41,598
Provision for employees' end of service benefits	81,654	80,217
Total non-current liabilities	4,163,529	4,199,347
Current liabilities		
Bank overdraft	1,408	1,408
Dividends payable	84,049	86,464
Loans and borrowings	925,550	934,697
Trade and other payables	973,240	660,578
Due to related parties	31,219	28,283
Reinsurance contract liabilities	729,724	677,391
Contract liabilities	28,177	37,024
Total current liabilities	2,773,367	2,425,845
Total liabilities	6,936,896	6,625,192
TOTAL EQUITY AND LIABILITIES	10,497,911	10,157,253

These interim condensed consolidated financial statements were approved by the Company's Board of Directors and signed on its behalf by the following on 29 April 2019:


Khalid Bin Khalifa Al-Thani
Chairman


Suleiman Haidar Al-Haider
Vice-Chairman

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME

In thousands of Qatari Riyals

	Three-month period ended 31 March	
	2019	2018
	(Unaudited)	(Unaudited)
Revenue	719,210	611,676
Direct costs	(611,250)	(518,594)
Gross profit	107,960	93,082
Other income	21,440	18,919
General and administrative expenses	(48,491)	(58,768)
Other expenses	(4,159)	-
Operating profit	76,748	53,233
Finance income	8,476	5,944
Finance cost	(59,949)	(49,715)
Net finance cost	(51,473)	(43,771)
Profit for the period	25,275	9,462
Other comprehensive income/(loss)		
Items that will not be reclassified to profit or loss		
Equity investments at Fair Value Through Other Comprehensive Income (FVTOCI) – change in fair value	3,679	(2,396)
Other comprehensive income/(loss)	3,679	(2,396)
Total comprehensive income for the period	28,954	7,066
Earnings per share		
Basic and diluted earnings per share (Qatari Riyals)	0.14	0.05

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
In thousands of Qatari Riyals

	Share capital	Legal reserve	General reserve	Foreign currency translation reserve	Fair value reserve	Retained earnings	Total
Balance at 31 December 2017, as previously reported (Audited)	1,858,409	359,410	74,516	36	(3,692)	1,389,884	3,678,563
Adjustment on initial application of IFRS 9	-	-	-	-	2,141	(6,945)	(4,804)
Adjustment on initial application of IFRS 15	-	-	-	-	-	(25,907)	(25,907)
Adjusted balance at 1 January 2018 (Audited)	1,858,409	359,410	74,516	36	(1,551)	1,357,032	3,647,852
Profit for the period	-	-	-	-	-	9,462	9,462
Other comprehensive income	-	-	-	-	(2,396)	-	(2,396)
Balance at March 31, 2018 (Unaudited)	1,858,409	359,410	74,516	36	(3,947)	1,366,494	3,654,918
Balance at January 1, 2019 (Audited)	1,858,409	364,698	74,516	(11,501)	(7,536)	1,253,475	3,532,061
Profit for the period	-	-	-	-	-	25,275	25,275
Other comprehensive income	-	-	-	-	3,679	-	3,679
Balance at March 31, 2019 (Unaudited)	1,858,409	364,698	74,516	(11,501)	(3,857)	1,278,750	3,561,015

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
In thousands of Qatari Riyals

	Three-month period ended	
	31 March	
	2019	2018
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit for the period	25,275	9,462
Adjustments for:		
Depreciation and amortization	109,626	118,368
Provision for employees' end of service benefits	4,218	6,206
Gain/(loss) on disposal of property and equipment	2,456	(31)
Gain/(loss) on financial assets at fair value through profit or loss	(9,243)	107
Net gain from disposal of financial investments	(1,802)	(3,213)
Amortization of finance cost related to borrowings	1,781	-
Provision for slow moving inventories	1,711	-
Movement in unearned premiums	240,181	(12,373)
Profit distribution from managed investment funds	(1,722)	(1,136)
Provision for expected credit loss	766	-
Provision for bad debts	-	172
Provision for obsolescence	-	1,666
Finance income	(8,476)	(5,944)
Finance costs	59,948	49,715
Dividend income	(3,740)	(4,370)
	420,979	158,629
Changes in:		
Inventories	(1,704)	(395)
Contract assets	(29,334)	13,332
Contract liabilities	43,485	(24,708)
Trade and insurance receivables, prepayments and due from related parties	(286,638)	(16,971)
Trade and insurance payables, accruals and due to related parties	45,713	(6,741)
Cash generated from operations	192,501	123,146
Employees' end of service benefits paid	(2,782)	(2,839)
Net cash generated from operating activities	189,719	120,307
INVESTING ACTIVITIES		
Acquisition of property and equipment	(32,343)	(29,594)
Net movement in term deposits with maturities in excess of three months	(180,530)	24,567
Interest received	5,221	4,953
Proceeds from disposal and maturity of financial assets	33,057	55,253
Proceeds from disposal of property and equipment	9,468	31
Profit distribution from managed investment funds	1,025	1,136
Purchase of financial investments	(64,392)	(72,910)
Net movement in cash at banks – restricted for dividend	(2,415)	(2,150)
Purchase of fixed assets and catalysts	(451)	(32,480)
Dividend received	3,740	4,371
Net cash used in investing activities	(227,620)	(46,823)

GULF INTERNATIONAL SERVICES Q.P.S.C.
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
In thousands of Qatari Riyals

	Three-month period ended	
	31 March	
	2019	2018
	(Unaudited)	(Unaudited)
FINANCING ACTIVITIES		
Proceeds from loans and borrowings	145,600	134,680
Repayment of loans and borrowings	(193,778)	(199,160)
Dividends paid	2,415	2,150
Finance cost paid	(59,948)	(49,715)
Net cash used in financing activities	(105,711)	(112,045)
Net decrease in cash and cash equivalents	(143,612)	(38,561)
Cash and cash equivalents at the beginning of the period	542,005	559,187
Cash and cash equivalents at 31 March 2019*	398,393	520,626

*Cash and cash equivalents excludes deposits maturing after 90 days and the unclaimed dividend amounts.