

***Gulf International Services Q.P.S.C.***

Consolidated financial statements  
for the year ended 31 December 2025

# **Gulf International Services Q.P.S.C.**

Consolidated financial statements for the year ended 31 December 2025

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# Independent auditor's report to the shareholders of Gulf International Services Q.P.S.C.

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Gulf International Services Q.P.S.C. (the "Company") and its subsidiaries (together the "Group") as at 31 December 2025 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards.

### What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities and the ethical requirements that are relevant to our audit of the consolidated financial statements in the State of Qatar. We have fulfilled our other ethical responsibilities in accordance with IESBA Code and the ethical requirements in the State of Qatar.

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### Our audit approach

#### Overview

Key Audit Matters
<ul style="list-style-type: none"><li>• Valuation of insurance contract assets and liabilities</li><li>• Impairment of rigs</li></ul>



As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Directors made subjective judgements; for example, in respect of material accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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## Independent auditor's report to the shareholders of Gulf International Services Q.P.S.C. (continued)

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the Key audit matters
<b>Valuation of insurance contract assets and liabilities</b>	
<p><u>Valuation of liability for incurred claims - IBNR and Risk adjustment</u></p> <p>At 31 December 2025, as disclosed in Note 25.2, the Group's Liability for Incurred Claims, which comprises the estimate of present value of cash flows and the risk adjustment for non-financial risk, amounted to QAR 760 million (2024 – QAR 1,116 million).</p> <p>The present value of cash flows includes the best estimate of the ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with the related claims handling costs. The estimate for the claims incurred but not reported (IBNR) is a key judgment area as it requires the use of complex actuarial methods to estimate uncertain and future contractual cash flows. It requires management to apply significant judgment in selecting actuarial methods and assumptions, including expected ultimate losses, claim development patterns, frequency and severity trends and the impact of the time value of money. These estimates are sensitive to changes in assumptions and rely in part on historical experience that may not be fully representative of future claim development.</p> <p>In addition, the risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows and reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk. Determining the risk adjustment involves significant judgment, including the selection of the valuation technique, the degree of diversification considered, and the level of confidence or risk appetite applied.</p> <p>Given the high degree of estimation uncertainty, the use of complex actuarial models, and the level of judgment involved, we have considered the valuation of the liability for incurred claims, particularly the IBNR and risk adjustment components, to be a key audit matter.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Understood and evaluated management's process for the valuation of outstanding claims and tested key controls.</li> <li>• Obtained the IBNR valuation prepared by management's external actuarial consultants, together with the underlying judgments and assumptions, and assessed the competence, capabilities and objectivity of the experts based on their qualifications, experience and independence.</li> <li>• Performed substantive testing, on sample basis, on outstanding claims and compared these amounts to appropriate source documentation.</li> <li>• Tested the completeness and accuracy of the underlying data used as inputs into the actuarial models by reconciling accounting and other records.</li> <li>• Involved our actuarial specialists to: <ul style="list-style-type: none"> <li>- Evaluate the methodology used by management's external consultants in the valuation of the IBNR and risk adjustment in accordance with IFRS 17;</li> <li>- Assess the reasonableness of key actuarial assumptions used including estimating ultimate losses, year-on-year movements, claims development patterns, claims ratios, frequency and severity trends and discount rates.</li> <li>- Repperform, on a sample basis, an independent estimation on the reserve for claims incurred but not reported for the material portfolios and comparing the results with the amounts recorded by management;</li> <li>- Test the related disclosures as required by the Standard; and</li> <li>- Develop an independent reasonable range for the risk adjustment using the Group's data and compare it to the amount recorded by management.</li> </ul> </li> <li>• Performed independent overall analytical procedures over the liability for incurred claims; and</li> <li>• Assessed the adequacy of the related disclosures in the financial statements.</li> </ul>

## Independent auditor's report to the shareholders of Gulf International Services Q.P.S.C. (continued)

### Key audit matters (continued)

Key audit matters	How our audit addressed the Key audit matters
<p><b>Impairment of rigs</b></p> <p>The Group's assets include property and equipment as at 31 December 2025 with a carrying value of QR. 6,811 million. Out of which, rigs amounted to QR. 4,700 million. International Accounting Standard (IAS) 36 'Impairment of Assets' requires these assets to be assessed for impairment where indicators of impairment are present.</p> <p>Given the cyclical nature of the oil and gas business, there is a potential risk that these assets may not generate cash inflows in line with expectations and forecasts, resulting in an impairment.</p> <p>The Group's assessment of the value in use ("ViU") of its cash generating units ("CGUs") involves estimation about the future performance of the respective businesses. In particular, the determination of the ViU is sensitive to the significant assumptions of future day rates and discount rates. As a result of the impairment tests performed, no impairment was recognised during the year ended 31 December 2025.</p> <p>We considered the Group's impairment assessment to be a matter of most significance to the current year audit due to the significant judgements and assumptions made by management in performing the impairment assessment.</p> <p>Refer to the following notes to the consolidated financial statements for further details:</p> <p>Note 2.4: Use of judgements and estimates; Note 6: Property and equipment</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the business process related to impairment testing;</li> <li>• We reviewed the Group assessment to identify if there is any impairment trigger;</li> <li>• We obtained the valuation model and tested the mathematical accuracy of the model used by management. We also assessed the appropriateness of the valuation methodology (discounted cash flows model) applied by management, with reference to the requirements of IAS 36;</li> <li>• We assessed the reliability of the budgets included in the business plans (which form the basis of the cash flow forecasts), by comparing current period budgets to actual results and evaluating differences noted, (if any) against underlying documentation and explanations obtained from management. We also agreed revenue and costs used to calculate cash flow forecasts to approved budgets and/or business plans;</li> <li>• We used our internal valuation experts to support us in assessing the assumptions used by management in particular, they independently calculated the weighted average cost of capital;</li> <li>• We performed sensitivity analysis to determine the changes in key assumptions, namely, discount rates and day rates that would result in an impairment; and</li> <li>• We also assessed the adequacy of the related disclosures provided in Note 6 to the consolidated financial statements, in particular the sensitivity disclosures in relation to reasonably possible changes in assumptions that could result in impairment.</li> </ul>



## Independent auditor's report to the shareholders of Gulf International Services Q.P.S.C. (continued)

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### *Other information*

The Directors are responsible for the other information. The other information comprises the Board of Directors' Report (but does not include the consolidated financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the complete Annual Report, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the complete Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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### *Responsibilities of Directors and those charged with governance for the consolidated financial statements*

The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards and with the requirements of the Qatar Commercial Companies Law number 11 of 2015, as amended by Law number 8 of 2021 and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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### *Auditor's responsibilities for the audit of the consolidated financial statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



## Independent auditor's report to the shareholders of Gulf International Services Q.P.S.C. (continued)

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### *Auditor's responsibilities for the audit of the consolidated financial statements (continued)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Further, as required by the Qatar Commercial Companies Law number 11 of 2015, as amended by Law number 8 of 2021 we report that:

- For and on behalf of PricewaterhouseCoopers – Qatar Branch  
Qatar Financial Market Authority registration number 120155

**Mark Menton**  
Auditor's registration number 364  
Doha, State of Qatar  
3 February 2026





# Gulf International Services Q.P.S.C.

Consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION As at 31 December

	Notes	2025	2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment	6	6,810,842	6,872,089
Right-of-use assets	8	29,294	153,246
Contract assets	13	27,333	13,104
Equity-accounted investees	10	439,768	394,761
Financial assets at FVTOCI	11	567,177	349,445
		<b>7,874,414</b>	<b>7,782,645</b>
<b>Current assets</b>			
Inventories	12	518,404	439,097
Financial assets at FVTPL	11	470,855	482,467
Financial assets at FVTOCI	11	48,380	99,225
Trade and other receivables	13	923,970	1,025,773
Other assets	18	218,397	200,014
Reinsurance contract assets	25.2	507,953	837,643
Short-term investments	14	439,455	467,217
Other bank balances	15.1	38,711	42,079
Cash and cash equivalents	15	546,802	731,012
		<b>3,712,927</b>	<b>4,324,527</b>
<b>Total assets</b>		<b>11,587,341</b>	<b>12,107,172</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	16	1,858,409	1,858,409
Legal reserve	17(a)	465,368	431,797
General reserve	17(b)	74,516	74,516
Translation reserve	17(c)	24,024	10,100
Fair value reserve	17(d)	2,373	(12,054)
Retained earnings		2,189,413	1,870,485
<b>Total equity</b>		<b>4,614,103</b>	<b>4,233,253</b>

The consolidated statement of financial position continues on the next page.



Independent auditor's report is set out in pages 1 to 6.

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

**Gulf International Services Q.P.S.C.**

Consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)****As at 31 December**

	Notes	2025	2024
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	9	19,859	54,928
Loans and borrowings	19	5,037,008	5,265,850
Contract liabilities	22	2,730	15,289
Deferred tax liabilities		32,331	19,192
Provision for decommissioning costs		3,966	3,966
Provision for employees' end of service benefits	20	84,901	76,615
		<b>5,180,795</b>	<b>5,435,840</b>
<b>Current liabilities</b>			
Lease liabilities	9	14,170	96,064
Dividends payable	23	38,711	42,077
Loans and borrowings	19	358,614	348,554
Trade and other payables	21	503,841	605,150
Insurance contract liabilities	25.2	852,088	1,276,410
Contract liabilities	22	25,019	69,824
		<b>1,792,443</b>	<b>2,438,079</b>
<b>Total liabilities</b>		<b>6,973,238</b>	<b>7,873,919</b>
<b>Total equity and liabilities</b>		<b>11,587,341</b>	<b>12,107,172</b>

These consolidated financial statements were approved by the Board of Directors of the Group and signed on its behalf by the following on 03 February 2026:



Khalid Bin Khalifa Al-Thani  
Chairman



Saad Rashid Al-Muhannadi  
Vice Chairman



Independent auditor's report is set out in pages 1 to 6.

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# Gulf International Services Q.P.S.C.

Consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME For the year ended 31 December

	Notes	2025	2024
Revenue from contracts with customers	25.1	3,108,513	2,917,325
Cost of sales	26	(2,249,107)	(2,071,716)
<b>Gross profit from non-insurance operations</b>		<b>859,406</b>	<b>845,609</b>
Insurance revenue	25.2	1,384,768	1,236,307
Insurance service expense	25.2	(769,147)	(853,672)
Net expense from reinsurance contracts held	25.2	(492,077)	(296,983)
<b>Insurance service result</b>		<b>123,544</b>	<b>85,652</b>
<b>Gross profit and net insurance service results</b>		<b>982,950</b>	<b>931,261</b>
Finance expense from insurance contracts issued		(43,779)	(42,277)
Finance income from reinsurance contracts held		37,668	63,177
<b>Net insurance finance income</b>		<b>(6,111)</b>	<b>20,900</b>
Other income	27	30,262	49,660
Other losses	28	(13,501)	(43,072)
General and administrative expenses	29	(250,679)	(198,961)
Net gains on investments in debt securities measured at FVOCI reclassified to profit or loss on disposal		(187)	35
Net fair value gain on financial assets at FVTPL		35,021	15,671
Net monetary gain arising from hyperinflation		20,936	21,765
Reversal for impairment loss on financial assets	13	22,404	102
<b>Operating profit</b>		<b>821,095</b>	<b>797,361</b>
Finance income	34.1	56,202	73,137
Finance costs	34.2	(226,558)	(199,784)
Finance costs – net		(170,356)	(126,647)
Share of net profits of equity accounted investees	10	54,448	58,671
<b>Profit before income tax</b>		<b>705,187</b>	<b>729,385</b>
Income tax expense	30	(27,231)	(18,180)
<b>Profit for the year from continuing operation</b>		<b>677,956</b>	<b>711,205</b>
Loss from discontinued operation (attributable to the shareholders of the Company)	7	-	(205)
<b>Profit for the year</b>		<b>677,956</b>	<b>711,000</b>
<i>Profit for the year attributable to:</i>			
Shareholders of the Company		677,956	711,000
Non-controlling interests		-	-
		<b>677,956</b>	<b>711,000</b>
<i>Earnings per share</i>			
Basic and diluted earnings per share from continuing operations attributable to shareholders of the Company		0.365	0.383
Basic and diluted earnings per share from discontinued operations attributable to shareholders of the Company		-	(0.000)
Basic and diluted earnings per share from profit attributable to shareholders of the Company	31	0.365	0.383

The consolidated statement of profit or loss and other comprehensive income continues on the next page.



Independent auditor's report is set out in pages 1 to 6.

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

**Gulf International Services Q.P.S.C.**

Consolidated financial statements for the year ended 31 December 2025

*(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)***CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(CONTINUED)****For the year ended 31 December**

	Notes	2025	2024
<b>Other comprehensive income</b>			
<i>Items that are or may be reclassified to profit or loss</i>			
Changes in the fair value of debt instruments at fair value through other comprehensive income		14,241	6,390
Net instruments at FVOCI reclassified to profit or loss		186	(35)
Tax reimbursement from equity-accounted investees	10	7,421	6,532
Exchange differences on translation of foreign operations including effect of hyperinflation		13,924	33,218
<b>Other comprehensive income for the year</b>		<b>35,772</b>	<b>46,105</b>
<b>Total comprehensive income for the year</b>		<b>713,728</b>	<b>757,105</b>
<i>Total comprehensive income for the period attributable to shareholders of the Company arises from:</i>			
Continuing operations		713,728	757,310
Discontinued operations		-	(205)
		<b>713,728</b>	<b>757,105</b>



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# Gulf International Services Q.P.S.C.

Consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December

	Attributable to owners of the Company							Non	
	Share capital	Legal reserve	General reserve	Translation reserve	Fair value reserve	Retained earnings	Total	controlling interests	Total equity
<b>Balance at 1 January 2024 (restated)</b>	1,858,409	394,367	74,516	(23,118)	(18,409)	1,486,920	3,772,685	(482)	3,772,203
<i>Total comprehensive income:</i>									
Profit for the year	-	-	-	-	-	711,000	711,000	-	711,000
Other comprehensive income	-	-	-	33,218	6,355	-	39,573	-	39,573
Total comprehensive income for the year	-	-	-	33,218	6,355	711,000	750,573	-	750,573
Tax reimbursements	-	-	-	-	-	6,532	6,532	-	6,532
Social fund contribution	-	-	-	-	-	(17,775)	(17,775)	-	(17,775)
Transfer to legal reserve	-	37,430	-	-	-	(37,430)	-	-	-
<i>Transactions with shareholders of the Company:</i>	-	-	-	-	-	-	-	482	482
Dividends declared	-	-	-	-	-	(278,762)	(278,762)	-	(278,762)
<b>Balance at 31 December 2024</b>	1,858,409	431,797	74,516	10,100	(12,054)	1,870,485	4,233,253	-	4,233,253
<b>Balance at 1 January 2025</b>	1,858,409	431,797	74,516	10,100	(12,054)	1,870,485	4,233,253	-	4,233,253
<i>Total comprehensive income:</i>									
Profit for the year	-	-	-	-	-	677,956	677,956	-	677,956
Other comprehensive income	-	-	-	13,924	14,427	-	28,351	-	28,351
Total comprehensive income for the year	-	-	-	13,924	14,427	677,956	706,307	-	706,307
Tax reimbursements	-	-	-	-	-	7,421	7,421	-	7,421
Social fund contribution	-	-	-	-	-	(16,949)	(16,949)	-	(16,949)
Transfer to legal reserve	-	33,571	-	-	-	(33,571)	-	-	-
<i>Transactions with shareholders of the Company:</i>									
Dividends declared	-	-	-	-	-	(315,929)	(315,929)	-	(315,929)
<b>Balance at 31 December 2025</b>	1,858,409	465,368	74,516	24,024	2,373	2,189,413	4,614,103	-	4,614,103



Independent auditor's report is set out in pages 1 to 6.

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

# Gulf International Services Q.P.S.C.

Consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

## CONSOLIDATED STATEMENT OF CASH FLOWS For the year ended 31 December

	Notes	2025	2024
<b>Cash flows from operating activities</b>			
Profit before income tax			
Continuing operations		705,187	729,385
Discontinued operations		-	(205)
<b>Adjustments for:</b>			
Depreciation of property and equipment	6	503,536	436,637
Loss on sale and write-off of property and equipment		-	1,915
Depreciation of right-of-use assets	8	95,992	65,242
Share of profit of equity-accounted investees	10	(54,449)	(65,202)
Gain on settlement of pre-existing relationships		-	(11,103)
Loss from the disposal of a subsidiary	7	-	205
Write-down of inventories due to slow-moving and obsolete stock	12	17,154	(925)
Write-off of property and equipment		-	1,848
(Reversal) / charge of impairment loss on financial assets	13	(22,404)	102
Amortisation of intangibles relating to equity-accounted investees		2,487	2,486
Provision for employees' end of service benefits	20	18,233	17,680
Net gain in fair value of financial investments at FVTPL		(35,021)	(801)
Net loss from sale of financial investments		187	304
Gain on disposal of equity-accounted investees		-	(7,984)
Dividend income	10	(18,702)	(8,515)
Income tax benefit recognized pursuant to MOU	27	(2,824)	-
Finance income	34.1	(56,202)	(73,137)
Finance costs - leases	9	6,428	6,799
Finance costs - loans and borrowings	19	216,690	192,985
Finance costs - decommissioning		-	3,966
Net monetary gain arising from hyperinflation		(20,936)	(21,765)
<b>Operating profit before working capital changes</b>		<b>1,355,357</b>	<b>1,271,767</b>
<b>Working capital changes:</b>			
Increase in inventories		(96,461)	(88,488)
Increase in other assets		(18,383)	(50,398)
Increase in contract assets		(14,229)	-
Decrease in trade and other receivables		124,174	(111,810)
Decrease in reinsurance contract assets		329,690	(61,977)
Decrease in trade and other payables		(98,025)	(69,902)
(Increase) / decrease in insurance contract liabilities		(424,322)	24,534
(Increase) / decrease in contract liabilities		(57,364)	82,383
<b>Cash flows generated from operating activities</b>		<b>1,100,470</b>	<b>996,109</b>
Social and sports contribution paid		(17,775)	(9,790)
Employees' end of service benefits paid	20	(9,947)	(21,733)
<b>Net cash flows generated from operating activities</b>		<b>1,072,748</b>	<b>964,586</b>

The consolidated statement of cash flows continues on the next page.



Independent auditor's report is set out in pages 1 to 6.

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.



**Gulf International Services Q.P.S.C.**

Consolidated financial statements for the year ended 31 December 2025

*(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)***CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)****For the year ended 31 December**

	Notes	2025	2024
<b>Investing activities</b>			
Acquisition of property and equipment	6	(418,237)	(1,699,712)
Acquisition of residual interest of equity-accounted investees		-	(43,690)
Net capital working movements of equity-accounted investees		-	94,677
Acquisition of financial investments		(404,908)	(205,039)
Net movement in short-term investments		27,762	251,576
Net movement in other bank accounts		3,368	-
Finance income received	34.1	56,202	73,137
Proceeds from sale and maturity of financial investments		297,867	126,560
Dividends from equity-accounted investee	10	18,702	14,549
Proceed from sale of subsidiary		-	730
<b>Net cash used in investing activities</b>		<b>(419,244)</b>	<b>(1,387,212)</b>
<b>Financing activities</b>			
Principal elements of lease payments		(87,392)	(56,391)
Proceeds from loans and borrowings	19	92,513	1,228,041
Repayment of loans and borrowings	19	(311,295)	(61,622)
Finance costs paid - leases	9	(6,428)	(6,800)
Finance costs paid – loans and borrowings	19	(216,690)	(192,985)
Dividends paid		(319,295)	(278,762)
<b>Net cash flows (used in) / generated from financing activities</b>		<b>(848,587)</b>	<b>631,481</b>
<b>Net change in cash and cash equivalents</b>		<b>(195,083)</b>	<b>208,855</b>
Effect of movements in exchange rates on cash held		10,873	(7,950)
Cash and cash equivalents at 1 January		731,012	530,107
<b>Cash and cash equivalents at 31 December</b>	15	<b>546,802</b>	<b>731,012</b>



Independent auditor's report is set out in pages 1 to 6.

The accompanying notes from 1 to 37 form an integral part of these consolidated financial statements.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 1. REPORTING ENTITY

Gulf International Services Q.P.S.C. (the "Company") is a Company incorporated on 13 February 2008 in the State of Qatar under the commercial registration number 38200 as a Qatari Shareholding Company. The principal activity of the Company is to operate as a holding company. As per the Extra Ordinary General Assembly Resolution and in accordance with the new Qatar Commercial Companies Law No 11 of 2015, as amended by Law No. 8 of 2021, the legal form of the Company has been changed to Qatari Public Shareholding Company (Q.P.S.C.) in 2018. The registered office of the Group is situated in Doha, State of Qatar.

These consolidated financial statements comprise of the Group and its subsidiaries (together referred to as the "Group"). The Group is primarily involved in provision of drilling, aviation, insurance and reinsurance services.

On 26 May 2008, Qatar Energy listed 70% of the Company's issued share capital on Qatar Exchange. An extraordinary general assembly held on 4 November 2012 approved the amendments to the Articles of Association in which it increased the ownership limit of General Retirement and Social Insurance Authority ("GRSIA"). Subsequently, as per the instructions of the Supreme Council of Economic Affairs, Qatar Energy divested 20% of its stake in the Company to GRSIA.

These consolidated financial statements comprise the financial statements of the Group and below stated unlisted wholly owned direct subsidiaries as at the end of the reporting date:

	Country of incorporation	Segment	Shareholding	
			2025	2024
<b>Name of the company</b>				
Al Koot Insurance & Reinsurance Company P.J.S.C.	Qatar	Insurance	100%	100%
Gulf Helicopters Company (Qatari Private Shareholding Company)	Qatar	Aviation	100%	100%
Gulf Drilling International Limited (Qatari Private Shareholding Company)	Qatar	Drilling	100%	100%

On 22 April 2024, the Group sold its subsidiary in India, United Helicharters Private Limited ("UHPL") and reported it in the financial statements for the year ended 31 December 2024 as discontinued operation. The details of the transaction are disclosed in Note 7.

These consolidated financial statements fully consolidate indirect subsidiaries held through above subsidiaries on a line-by-line basis and also include the share of profit/ loss and other comprehensive income from equity accounted investees:

Entity	Relationship	Country of incorporation	Beneficial ownership interest	
			31 December 2025	31 December 2024
Amwaj Catering Services	1	Qatar	30%	30%
Gulf Jackup SPC LLC.	2	Qatar	100%	100%
GulfDrill LLC	2	Qatar	100%	100%
Air Ocean Maroc	1	Morocco	49%	49%
Gulf Helicopters Investment & Leasing Company	2	Morocco	100%	100%
Al Maha Aviation Company	2	Libya	100%	100%
Redstar Havacilik Hizmetleri A.S.	2	Turkey	100%	100%
AOM Aviation Capital (Sarlaw)	2	Morocco	100%	100%

1 Equity accounted investee

2 indirect subsidiary

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group transactions, balances, income and expenses were eliminated on consolidation.



## **Gulf International Services Q.P.S.C.**

Notes to the consolidated financial statements for the year ended 31 December 2025

*(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)*

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### **2. BASIS OF PREPARATION**

#### **2.1 STATEMENT OF COMPLIANCE**

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- IAS Standards, and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

#### **2.2 BASIS OF MEASUREMENT**

These consolidated financial statements have been prepared under the historical cost convention, except for the following:

- Equity instruments classified as Fair Value Through Other Comprehensive Income ("FVTOCI") and Fair Value Through Profit and Loss ("FVTPL"), are measured at fair value;
- Amounts relating to a hyperinflationary economy have been adjusted to reflect the effects of hyperinflation to express the financial statements in terms of the monetary unit current at the end of the reporting date as required by IAS 29.

#### **2.3 FUNCTIONAL AND PRESENTATIONAL CURRENCY**

##### **(i) Functional and presentation currency**

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

##### **(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

#### **2.4 USE OF JUDGMENTS AND ESTIMATES**

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are described as follows:

## **Gulf International Services Q.P.S.C.**

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

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### **2. BASIS OF PREPARATION (CONTINUED)**

#### **2.4 USE OF JUDGMENTS AND ESTIMATES (CONTINUED)**

##### **Judgements**

The Group applies significant judgment to determine the functional currency of one of its indirect subsidiaries which operates in Turkey (Redstar Havacılık Hizmetleri A.S). In its judgment, the Group considers the currency of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services and the currency that mainly influences labour, material and other costs of providing goods or services. This along with other factors as specified in IAS 21- The Effects of Change in Foreign Currency Rates.

The Group has concluded based on its assessment that Turkish Lira is the functional currency of its subsidiary Redstar Havacılık Hizmetleri A.S.

##### **Estimates and assumptions**

###### *Impairment of non-financial assets - Rigs*

The Group is required to undertake a test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of:

- Revenue growth rates;
- Cost inflation;
- long term growth rates range during discrete period and terminal period;
- the selection of discount rates to reflect the risks involved.

The recoverable amount is most sensitive to revenue growth assumption for certain rigs and the discount rate used for the discounted cash flow model.

The impairment test requires an estimation of the value in use of the cash-generating units which requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and to choose a suitable discount rate in order to calculate the present value of those.

Refer to Note 6 for assumptions used and further details.

###### *Provision for expected credit losses of financial assets*

The impairment model under IFRS-9 requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The assumptions used are disclosed in Note 5.1.

#### **2.4.1 Significant judgements and estimates in applying IFRS 17**

The Group issues insurance contracts that transfer insurance risk. Insurance contracts are those contracts where the insurer accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant.

## **Gulf International Services Q.P.S.C.**

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

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### **2. BASIS OF PREPARATION (CONTINUED)**

#### **2.4 USE OF JUDGMENTS AND ESTIMATES (CONTINUED)**

##### **2.4.1 Significant judgements and estimates in applying IFRS 17 (continued)**

###### *Estimates of future cash flows to fulfil insurance contracts*

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences, updated to reflect current expectations of future events. The estimates of future cash flows reflect the Group view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices.

The estimates of these future cash flows are based on probability-weighted expected future cash flows. The Group estimates which cash flows are expected and the probability that they will occur as at the measurement date. In making these expectations, the Group uses information about past events, current conditions and forecasts of future conditions. The Group's estimate of future cash flows is the mean of a range of scenarios that reflect the full range of possible outcomes. Each scenario specifies the amount, timing and probability of cash flows. The probability-weighted average of the future cash flows is calculated using a deterministic scenario representing the probability-weighted mean of a range of scenarios.

When estimating future cash flows, the Group takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted. The Group also derives cost inflation assumptions. Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include claims handling, maintenance and administration costs, and recurring commissions payable on instalment premiums receivable within the contract boundary. Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads. Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. Other costs are recognised in profit or loss as they are incurred.

Where estimates of expenses-related cash flows are determined at the portfolio level or higher, they are allocated to groups of contracts on a systematic basis. The Group has determined that this method results in a systematic and rational allocation. Similar methods are consistently applied to allocate expenses of a similar nature. The Group performs regular expense studies to determine the extent to which fixed and variable overheads are directly attributable to fulfill the insurance contracts.

Group uses significant judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment. The Group established a process to determine onerous, potentially onerous and profitable contracts by assessing the profitability of the different portfolios at the start of the underwriting year.

###### *Risk adjustment*

Because the risk adjustment represents compensation for uncertainty, estimates are made on the degree of diversification benefits and expected favourable and unfavourable outcomes in a way that reflects the Group's degree of risk aversion. The Group estimates an adjustment for non-financial risk separately from all other estimates.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 2. BASIS OF PREPARATION (CONTINUED)

#### 2.4 USE OF JUDGMENTS AND ESTIMATES (CONTINUED)

##### 2.4.1 Significant judgements and estimates in applying IFRS 17 (continued)

###### *Discount rates*

The Group has adopted a bottom-up approach for deriving the yield curves, the starting point being the liquid risk-free base curves in the currencies in which the contracts are denominated. The final discount rates are chosen with consideration to the following curves for liabilities denominated in Qatari Riyals (which will continue to be monitored, compared, and assessed for appropriateness):

- The United States ("US") treasury risk-free curves (since the Qatari Riyal is currently pegged to the US Dollar).
- The Qatar Central Bank's Money Lending Rate for Qatari Riyal.

Given the relatively liquid nature of the majority of the Group's contracts, the Group does not incorporate an illiquidity premium in the discount rates determined using the bottom-up approach. Per the decision to use a bottom-up approach, no adjustment for the removal of credit risk is required in the derivation of the Group's discount rates.

The yield curves that were used to discount the estimates of future cash flows that do not vary based on the returns of the underlying items are as follows:

All portfolios (issued and reinsurance held)

	2025	2024
1 year	4.14%	5.72%
2 years	4.12%	4.96%
3 years	4.37%	4.77%
4 years	4.21%	5.15%
5 years	5.12%	4.19%
6 years	4.39%	4.96%
7 years	5.88%	4.96%
8 years	4.61%	4.96%
9 years	4.61%	4.96%
10 years	7.05%	5.26%

##### 2.4.2 Significant judgements and estimates in applying IFRS 9

The Group assess loss allowance for the insurance receivable using the lifetime ECL model. At each reporting date, the Group assesses whether the Group's insurance receivables are credit impaired. While assessing whether the receivables are 'credit-impaired' the Group assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the receivable balances have occurred.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

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### 3. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

#### 3.1 NEW AMENDMENTS EFFECTIVE FROM 1 JANUARY 2025

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2025:

- Amendments to IAS 21 - Lack of Exchangeability

The above amendment did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

#### 3.2 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET EFFECTIVE

Certain new accounting standards, amendments and interpretations to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The Group is still assessing the impact of these amendments on the future periods.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures and the related amendments (effective for annual periods beginning on or after 1 January 2027)

Issued in May 2024, IFRS 19 allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements. The Group is still assessing the impact of these amendments on the future periods.

- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statement of financial performance and providing management-defined performance measures within the consolidated financial statements. The new presentation requirements introduced in IFRS 18 will increase comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined.

## **Gulf International Services Q.P.S.C.**

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

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### **3. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS (CONTINUED)**

#### **3.2 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET EFFECTIVE (CONTINUED)**

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

- Annual improvements to IFRS – Volume 11 (effective for annual periods beginning on or after 1 January 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are related to the IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows. The Group is currently assessing the impact of these improvements on the future periods.

- Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026)

These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). These are described as 'contracts referencing nature-dependent electricity'. The Group is currently assessing the impact of these amendments on the future periods.

- Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027)

These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The entity applies the amendments if:

- its functional currency is that of a non-hyperinflationary economy and it is translating its results and financial position into the currency of a hyperinflationary economy; or
- it is translating into the currency of a hyperinflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy.

The Group is currently assessing the impact of these amendments on the future periods.

### **4. MATERIAL ACCOUNTING POLICIES**

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

#### **4.1 BASIS OF CONSOLIDATION**

##### ***Business combinations***

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.



## **Gulf International Services Q.P.S.C.**

Notes to the consolidated financial statements for the year ended 31 December 2025

*(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)*

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### **4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

#### **4.1 BASIS OF CONSOLIDATION (CONTINUED)**

##### *Business combinations (continued)*

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

##### *Non-controlling interests ('NCI')*

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

##### *Associates*

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. IAS28(38),(39) Where the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. IAS28(28),(30) Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

##### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.2 PROPERTY AND EQUIPMENT

##### *Recognition and measurement*

Items of property and equipment are recognized at cost of acquisition and measured thereafter at cost less accumulated depreciation and any accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of an asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. All other repair and maintenance costs are recognised in profit or loss as incurred.

##### *Subsequent expenditure*

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Group

##### *Depreciation*

The estimated useful lives of the assets are as follows:

	Useful life
Buildings	4 -20 years
Aircraft	10-20years
Machineries	2 - 7 years
Rigs	15 - 30 years
<b>Other property and equipment:</b>	
Ground and radio equipment and tools	4 - 6 years
Motor vehicles	4 - 5 years
Furniture, fixtures and office equipment	3 - 7 years
Computers	3 years

Depreciation is calculated from when the assets are ready for their intended use. Depreciation is based on the estimated useful lives of the applicable assets on a straight-line basis, except capitalised maintenance expenditures, which are depreciated depending on the nature:

- 1) Spares such as engines, gearboxes are depreciated over 4 years as that's the established intervals for such maintenance (normal aviation practice is to have an inspection every 4 years) to ensure air worthiness.
- 2) Other spares which are consumed based on the flying hours and required to be replaced as per the air safety manual. Hence it is appropriate to depreciate these over the usage in terms of flying hours.

Capitalised maintenance expenditures represent major overhaul and inspections costs to aircraft, engines and gearboxes.

The estimated useful lives, residual values and depreciation methods are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Profit and loss on disposals of items of property and equipment are determined by comparing the proceeds from their disposals with their respective carrying amounts, and are recognised net within consolidated statement of profit or loss.



## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.2 PROPERTY AND EQUIPMENT (CONTINUED)

##### *Capital work-in-progress*

Capital work-in-progress is carried at cost less impairment, if any. capital work-in-progress is not depreciated. once assets within the capital work-in-progress category are completed, they are reclassified to the relevant category and depreciated accordingly once they are put into use. Prepayments for property and equipment is included in capital work in progress.

#### 4.3 INVENTORIES

Inventories are measured-at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost comprises the purchase price, import duties, transportation handling and other direct costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the following methods:

- Drilling related inventories are calculated using weighted average method;
- Aviation related inventories are calculated using specific identification method; and
- Catering related inventories are calculated using First-in-First Out (FIFO) method.

#### 4.4 FINANCIAL INSTRUMENTS

##### *(a) Recognition and initial measurement*

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### *(b) Classification and subsequent measurement*

##### *Financial assets*

##### *(i) Classification*

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The group reclassifies debt investments when and only when its business model for managing those assets changes.

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.4 FINANCIAL INSTRUMENTS (CONTINUED)

##### (b) Classification and subsequent measurement (continued)

##### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

##### (iii) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

##### Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses), and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a **debt** investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

##### Equity instruments

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the group's right to receive payments is established.

##### Financial liabilities

All financial liabilities are measured either at FVTPL or at amortised cost using the effective interest method.

Financial liabilities at FVTPL Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the consolidated statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the consolidated statement profit or loss incorporates any interest paid on the financial liability.

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### **4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

#### **4.4 FINANCIAL INSTRUMENTS (CONTINUED)**

##### **(b) Classification and subsequent measurement (continued)**

##### *Financial liabilities (continued)*

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in consolidated statement of comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the consolidated statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the consolidated statement of comprehensive income are not subsequently reclassified to the consolidated statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

##### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit or loss.

#### **4.5 IMPAIRMENT**

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 5 for further details.

#### **4.6 DEFERRED ACQUISITION COSTS (DAC)**

An impairment review is performed at each reporting date or more frequently when an indication of impairment arises. When the recoverable amount is less than the carrying value, an impairment loss is recognised in profit or loss. DAC are included as a part of the liability adequacy test for each reporting period.

DAC are derecognised when the related contracts are either settled or disposed off.

#### **4.7 INSURANCE CONTRACT LIABILITIES**

Insurance contract liabilities include the provision for outstanding claims, provision for claims incurred but not reported and the provision for unearned premium. Insurance contract liabilities are recognized when contracts are entered into and premiums are charged. The provision for outstanding claims is recognized for claims reported but not settled and accounts for the liability for unpaid loss and loss adjustment expense amounts based on the management's and loss adjusters' best estimate.

The provision for claims incurred but not reported is calculated based on empirical data, historical trends and patterns and appropriate assumption with the application of widely acceptable actuarial techniques.

The provision for unearned premium represents the portion of premium which relates to risks that have not expired as the reporting date. The provision for unearned premium is calculated based on the insurance service pattern provided by the insurance contract and is recognized as income over the term of the contract.

The Group reviews the adequacy of the provision for unearned premium to cover costs associated with liability arising from unexpired risk at each reporting date. Where the provision is considered inadequate to cover future contractual obligations for unexpired risks, a provision for premium deficiency is established and recognized.

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at banks, cash in hand and short-term deposits. Short-term deposits held for the purpose of meeting short-term cash commitments rather than for investment or other purposes, capable of being readily convertible to a known amount of cash and with an insignificant risk of changes in value are classified as cash and bank balances.

#### 4.9 SHARE CAPITAL

Ordinary shares and the special share issued by the Group are classified as equity. The special share grants rights to QatarEnergy as described in its Article of Association.

#### 4.10 REVENUE RECOGNITION

Revenue is recognised based on the amount of transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties. For further details refer to the below table.

#### *Performance obligations and revenue recognition policies*

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of services	Nature, timing of satisfaction of performance obligations, significant payment terms
Drilling and related services	<p>Customers generally contract for an agreement to provide integrated services to operate a rig and drill a well. The Group is seen by the operators as the overseer of all services.</p> <p>Consideration for activities that are not distinct within the scope of contracts, such as mobilization, and demobilization do not align with a distinct time increment within the contract term are allocated across the single performance obligation and are recognised over the expected recognition period in proportion to the passage of each hour available to drill.</p> <p>Drilling services are consumed as the services are performed and generally enhance a well site which the customer controls. Work performed on a well site does not create an asset with an alternative use to the contractor since the well/asset being worked on is owned by the customer. Therefore, the Group's measure of progress for a drilling contract is hours available to drill over the contracted duration. This unit of measure is representative of an output method as described in IFRS 15.</p> <p>Customers are invoiced on a monthly basis and consideration is payable when invoiced.</p>
Management fees	<p>The Group entered into an agreement to provide management services to one of its subsidiary. Revenue from management fee is recognized over time as the customer benefits from the services as they are provided.</p> <p>Revenue is recognised over time as the services are provided using the input method. Customers are invoiced on a monthly basis and consideration is payable when invoiced.</p>

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.10 REVENUE RECOGNITION (CONTINUED)

##### *Performance obligations and revenue recognition policies (continued)*

Type of services	Nature, timing of satisfaction of performance obligations, significant payment terms
Aviation revenue - Helicopter transportation services, operation services (MRO) and training services.	<p>The revenue is derived from helicopter transportation services, operations services and training services.</p> <p><u>Transportation services</u></p> <p>The revenue from helicopter transportation services includes air-charter, tourist flights, aerial photo flights, air ambulance and related services. Revenue is recognised as the transportation services have been provided.</p> <p>Customers are invoiced on a monthly basis and consideration is payable when invoiced.</p> <p><u>Operation services (MRO)</u></p> <p>The revenue from operation services includes servicing and maintenance of charters and helicopters of the customers. Revenue is recognised as the services have been provided.</p> <p>Customers are invoiced on a monthly basis and consideration is payable when invoiced.</p> <p><u>Training services</u></p> <p>The revenue from training services includes flight training provided to the customers. Revenue is recognised as the services have been provided.</p> <p>Customers are invoiced on a monthly basis and consideration is payable when invoiced.</p> <p>Revenue is recognised over time as the services are provided. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the flying hours spent relative to the total hours agreed in the contract.</p>
Supply of spare parts	<p>The Group provides spare parts of helicopters to its customers. The revenue is recognised point in time when control is transferred, being when the spare parts are delivered to the customer.</p> <p>The revenue is recognised point in time when control is transferred, being when the spare part are delivered to the customer.</p>

Premiums and reinsurance premiums are taken into income over the terms of the policies to which they relate. Gross insurance and reinsurance written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the accounting period. They are recognised on the date on which the policy commences.

Unearned premiums represent the portion of net premiums written relating to the unexpired period of coverage calculated at actual number of days method (daily pro-rata basis). The change in the provision for unearned premium is taken to the statement of income in order that revenue is recognised over the period of risk.

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### **4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

#### **4.11 SEGMENT REPORTING**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available (Note 33).

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly the parent company assets and related general and administrative expenses and goodwill recognized on business combination.

#### **4.12 SOCIAL FUND CONTRIBUTION**

The Group makes contributions equivalent to 2.5% of the adjusted consolidated net profit for the year into a state social fund for the support of sports, cultural, social and charitable activities. This is presented in the statement of changes of equity as an appropriation of profit in accordance with Law No. 13 of 2008.

#### **4.13 DIVIDEND DISTRIBUTIONS**

Dividend distributions are at the discretion of the Group. A dividend distribution to the Group's shareholders is accounted for as a deduction from retained earnings. A declared dividend is recognised as a liability in the period in which it is approved by the shareholders.

#### **4.14 INCOME TAX**

In light of the provisions of the new Qatar Income Tax Law No. 24 of 2018 and subsequent Executive Regulations, on 4 February 2020, Qatar Energy (the parent), Ministry of Finance and the General Tax Authority (GTA) reached an agreement through a Memorandum of Understanding ("the MOU") which provided a mechanism for the settlement of the income tax liability of subsidiaries and joint ventures (included in the said MOU) of certain companies listed on Qatar Exchange. All Qatar based subsidiaries of the group are included in the said MOU according to which, the income tax liability of the Group will ultimately be borne by Ministry of Finance ("MoF"). However, as per the MOU, the subsidiaries are required to calculate the income tax due based on the Group's ownership and pay such income tax amounts directly to the parent company.

The Subsidiaries have accounted for tax expense based on the tax rate applicable in accordance with the Qatar Income Tax Law.

#### ***Global Minimum Tax***

On 27 March 2025, the State of Qatar published in the Official Gazette Law No. 22 of 2024, amending specific provisions of the Income Tax Law (Law No. 24 of 2018) by introducing the Domestic Minimum Top-up Tax (DMTT) and Income Inclusion Rule (IIR), with a minimum effective tax rate of 15%. These amendments became effective from 1 January 2025. Detailed Executive Regulations on implementation, compliance, and administration are expected to be issued by the General Tax Authority in due course.

The Group and its subsidiaries mainly operate in Qatar, Turkey, Morocco, and Libya, and form part of the QatarEnergy ("Parent Company") multinational enterprise (MNE) group, headquartered in Qatar and subject to the Pillar two tax regime.

In May 2023, the International Accounting Standards Board (IASB) amended IAS 12 to provide a temporary mandatory exception from deferred tax accounting for Pillar Two taxes. The Group has adopted these amendments and will account for Pillar Two taxes as current tax when incurred.



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### **4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

#### **4.14 INCOME TAX (CONTINUED)**

##### *Global Minimum Tax (continued)*

The Parent Company's management has performed an assessment for the entire group based on the qualified Country-by-Country Reporting ("CbCR"), including consideration of the Transitional CbCR Safe Harbour Rules for the financial year ended 31 December 2024. Based on this assessment, the Group expects to qualify for the Transitional CbCR Safe Harbour as it meets the Simplified Effective Tax Rate ("ETR") test in all relevant jurisdictions. In relation to the current year, the Parent Company's management also believes that it will qualify for the Transitional CbCR Safe Harbour. At the date of these financial statements, the detailed calculation for 2025 has not yet been finalized.

Management believes that there will be no material top up tax exposure on the current reporting period. The Group continues to monitor further developments in Qatar and internationally, including the issuance of Executive Regulations, which may affect future tax calculations and compliance obligations.

##### *Current tax*

The Company's profits are exempt from income tax in accordance with the provisions of Qatar's Income Tax Law No. 24. of 2018. Current tax in these financial statements comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years related to the subsidiaries of the Group as per the tax laws and relevant subsequent executive regulations applicable in Qatar and overseas jurisdiction as at the reporting date. Refer to Note 30 for further details related to settlement mechanism of the above tax liabilities.

#### **4.15 HYPERINFLATION**

The Group has operations in Turkey through its indirect subsidiary namely Redstar Havacilik Hizmetleri AS. The functional currency of the subsidiary in Turkey is Turkish Lira. From 1 April 2022, the Turkish economy has been considered hyperinflationary based on the characteristics established by International Accounting Standard 29, 'Financial Reporting in Hyperinflationary Economies' ('IAS 29'). This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of a cumulative inflation rate of more than 100% over the previous three years. IAS 29 requires that the financial statements of the subsidiary are stated in terms of the measuring unit current at the balance sheet date which requires restatement of the non-monetary assets and liabilities of the subsidiary to reflect the changes in the general purchasing power of the Turkish Lira.

The basic principles applied in the accompanying consolidated financial statements, are summarized in the following paragraphs.

##### *Adjustment for prior years*

The comparative amounts in consolidated financial statements presented in a stable currency are not adjusted for subsequent changes in the price level or exchange rates. Opening equity in the consolidated financial statement reported in the stable currency will be affected by:

- the effect of restating non-monetary items from the date they were first recognised; and
- the effect of translating those balances to the closing rate

This results in a difference between the closing equity of the previous year in the consolidated financial statements and the opening equity of the current year. The combined effect of restating in accordance with IAS 29 and translation according to IAS 21 is presented as a net change in other comprehensive income (OCI)

##### *Adjustment for current year*

Monetary assets and liabilities, which are carried at amounts current at the date of consolidated statement of financial position, are not restated because they are already expressed in terms of the monetary unit current at the date of consolidated statement of financial position. Non-monetary assets and liabilities, which are not carried at amounts current at the date of consolidated statement of financial position, and components of owners' equity are restated by applying the relevant conversion factors. Net monetary gain arising from hyperinflation is recognized in the consolidated statement of profit or loss and other comprehensive income.

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### **4. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

#### **4.15 HYPERINFLATION (CONTINUED)**

All items in the statement of profit or loss are restated by applying the conversion factors from the date on which the transaction originated except for those amounts deriving from non-monetary items, which are calculated based on the restated values of the related items.

The effect of application indices on the Group's net monetary position is included in the consolidated statement of profit or loss as monetary gain or loss.

All items in the consolidated statement of cash flows are expressed in a measuring unit current at the date of consolidated statement of financial position; they are therefore restated by applying the relevant conversion factors from the date on which the transaction originated.

#### **4.16 LEASES**

The leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable, if any; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less from the date of contract.



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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS

##### (i) Definition and classification

The Group issues insurance contracts that transfer insurance risk. Insurance contracts are those contracts where the insurer accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder. In making this assessment, all substantive rights and obligations, including those arising from law or regulation, are considered on a contract-by-contract basis. The Group uses judgement to assess whether a contract transfers insurance risk (that is, if there is a scenario with commercial substance in which the Group has the possibility of a loss on a present value basis) and whether the accepted insurance risk is significant. Cash flows from insurance contracts are split into Liability for Incurred Claims ("LIC") and Liability for Remaining Coverage ("LRC").

##### (ii) Unit of account and measurement model

The Group manages insurance contracts issued by product lines or lines of business within an operating segment, where each product line includes contracts that are subject to similar risks. The segmentation based on business classes reflects the way the business is managed, given that each segment is evaluated separately by senior management resulting in the following portfolios: Medical; Energy/Operational; Engineering; Marine; Liability; Property & Terrorism; and Group Life.

All insurance contracts within a product line represent a portfolio of contracts. Each portfolio is further disaggregated into group of contracts that are issued within a calendar year (annual cohorts) and are: (i) contracts that are onerous at initial recognition; (ii) contracts that at initial recognition are not onerous and have no significant possibility of becoming onerous; or (iii) the group of remaining contracts. These profitability groups represent the level of aggregation at which insurance contracts are initially recognised and measured. Such groups are not subsequently reconsidered.

For each portfolio of contracts, the Group determines the appropriate level at which reasonable and supportable information is available, to assess whether these contracts are onerous at initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of granularity determines sets of contracts. The Group uses judgement to determine at what level of granularity the Group has reasonable and supportable information that is sufficient to conclude that all contracts within a set are sufficiently homogeneous and will be allocated to the same group without performing an individual contract assessment.

Portfolios of reinsurance contracts held are assessed for aggregation separately from portfolios of insurance contracts issued. Applying the grouping requirements to reinsurance contracts held, the Group aggregates reinsurance contracts held concluded within a calendar year (annual cohorts) into groups of: (i) contracts for which there is a net gain at initial recognition, if any; (ii) contracts for which, at initial recognition, there is no significant possibility of a net gain arising subsequently; and (iii) remaining contracts in the portfolio, if any.

Reinsurance contracts held are assessed for aggregation requirements on an individual contract basis. The Group tracks internal management information reflecting historical experiences of such contracts' performance. This information is used for setting pricing of these contracts such that they result in reinsurance contracts held in a net cost position without a significant possibility of a net gain arising subsequently.

The Group holds reinsurance contracts that provide coverage on the insurance contracts for claims incurred during an accident year and are accounted for under the premium allocation approach ("PAA") since the Group does not expect significant variability in the fulfilment cash flows that would affect the measurement of the liability for remaining coverage under general measurement model.

The Group assumes that no contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones. For non-onerous contracts, the Group assesses the likelihood of changes in the applicable facts and circumstances in the subsequent periods in determining whether contracts have a significant possibility of becoming onerous. This assessment is performed at a policyholder-pricing-groups level.

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS (CONTINUED)

##### (ii) Unit of account and measurement model (continued)

The General Measurement Model ("GMM") is the default model to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. The premium allocation approach ("PAA") is a simplified approach for the measurement of the liability for remaining coverage, that an entity may choose to use when the premium allocation approach provides a measurement which is not materially different from that under the general measurement model ("PAA eligibility test") or if the coverage period of each contract in the Group of insurance contracts is one year or less.

The Group uses the PAA for contracts with a coverage period of one year or less for the measurement of LRC. Some contracts have a coverage period of more than one year, but passed the PAA eligibility test.

The Group applied the PAA approach to all its insurance contracts which include mainly energy, medical and other lines of business and to its reinsurance contracts held.

Before the Group accounts for an insurance contract based on the guidance in IFRS 17, it analyses whether the contract contains components that should be separated. IFRS 17 distinguishes three categories of components that have to be accounted for separately:

- cash flows relating to embedded derivatives that are required to be separated;
- cash flows relating to distinct investment components; and
- promises to transfer distinct goods or distinct services other than insurance contract services.

The Group applies IFRS 17 to all remaining components of the contract. The Group does not have any contracts that require further separation or combination of insurance contracts and thus all components of the contracts are measured under IFRS 17.

##### (iii) Recognition, derecognition, initial and subsequent measurement

Groups of insurance contracts issued are initially recognised at the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Group determines that a group of contracts becomes onerous.

The Group initially recognises a group of reinsurance contracts held it has entered into from the earlier of the following:

##### (a) For reinsurance contracts that provide proportionate coverage, at the later of:

- (i) the beginning of the coverage period of the group of reinsurance contracts and
- (ii) the initial recognition of any underlying contract.

##### (b) All other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the Group of reinsurance contracts.

However, if the Group entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the group of reinsurance contracts held, the reinsurance contract held, in this case, is recognised at the same time as the group of underlying insurance contracts is recognised.

Only contracts that individually meet the recognition criteria by the end of the reporting period are included in the group. When contracts meet the recognition criteria in the group after the reporting date, they are added to the group in the reporting period in which they meet the recognition criteria, subject to the annual cohorts restriction. Composition of the groups is not reassessed in subsequent periods.

For insurance contracts issued, on initial recognition, the Group measures the LRC at the amount of premiums received, less any acquisition cash flows paid.

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS (CONTINUED)

##### *(iii) Recognition, derecognition, initial and subsequent measurement (continued)*

For reinsurance contracts held, on initial recognition, the Group measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer and any amounts arising from the derecognition of any other relevant pre-recognition cash flows.

An insurance contract is derecognised when it is:

extinguished (that is, when the obligation specified in the insurance contract expires or is discharged or cancelled); or  
the contract is modified and additional criteria discussed are met.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- a. the LRC; and
- b. the Liability for Incurred Claims ("LIC"), comprising the fulfilment cash flows ("FCF") related to past service allocated to the Group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- increased for premiums received in the period;
- decreased for insurance acquisition cash flows paid in the period;
- decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
- increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses in the reporting period.

##### *For the Liability for Incurred Claims "LIC":*

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- increased for ceding premiums paid in the period;
- decreased for net ceding commissions received in the period;
- decreased for the expected amounts of ceding premiums and ceding commissions recognized as net reinsurance expenses for the services received in the period.

The Group estimates the liability for incurred claims and expenses as the fulfilment cash flows related to incurred claims and expenses. The fulfilment cash flows are an explicit, unbiased, and probability-weighted estimate of the present value of the future cash flows, within the contract boundary of a group of contracts, that will arise as the entity fulfil its obligation under the insurance contracts, including a risk adjustment for non-financial risk. The Group presents the entire change in risk adjustment as part of insurance service results.

The Group establishes insurance claims liabilities to cover the estimated liability for the cash flows associated with incurred losses as at the balance sheet date, including claims not yet reported ("IBNR") and loss adjustment expenses incurred with respect to insurance contracts underwritten and reinsurance contracts placed by the Group. The ultimate cost of claims liabilities is estimated by using generally accepted standard actuarial techniques.

##### *Significant judgements*

The main assumption underlying these techniques is that the Group's past claims development experience can be used to project future claims development and hence ultimate claims costs. As such, these methods extrapolate the development of paid and incurred losses, average costs per claim (severity) and average number of claims (frequency) based on the observed development of earlier years and expected loss ratios. Historical claims development is analyzed by accident year, geographical area, as well as claim type. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS (CONTINUED)

##### (iii) Recognition, derecognition, initial and subsequent measurement (continued)

Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions and levels of claims inflation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) to arrive at the estimated ultimate cost of claims that present the probability-weighted expected value outcome from the range of possible outcomes, taking into account all the uncertainties involved.

Refer to note 2 for significant judgements and estimates related to the estimates of future cash flows to fulfil insurance contracts under IFRS 17.

The Group has elected not to adjust the LRC for the effect of time value of money, as it expects the time between providing each part of the coverage and the related premium due date to be one year or less. On the other hand, the Group has decided to discount the LIC for the time value of money as some portfolios have significant amounts of claims paid after 12 months of date of loss. Hence, for all contracts measured under the PAA, the Group has decided to allow for the time value of money in estimating the Liability for Incurred Claims ("LIC").

The fulfilment cashflows are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. As all contracts are measured under the PAA, unless the contracts are onerous, the FCF are only estimated for the measurement of the LIC.

The estimates of future cash flows:

- are based on a probability-weighted mean of the full range of possible outcomes;
- are determined from the perspective of the Group, provided that the estimates are consistent with observable market prices for market variables; and
- reflect conditions existing at the measurement date.

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency and liquidity of cash flows. The determination of the discount rate that reflects the characteristics of the cash flows and liquidity characteristics of the insurance contracts requires significant judgement and estimation.

Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued. In the measurement of reinsurance contracts held, the probability-weighted estimates of the present value of future cash flows include the potential credit losses and other disputes of the reinsurer to reflect the non-performance risk of the reinsurer. The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts.

##### (iv) Onerous contracts

The Group assumes that no contracts are onerous at initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish onerous contracts from non-onerous ones.

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Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS (CONTINUED)

##### (v) Onerous contracts

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Group increases the carrying amount of the LRC to the amounts of the discounted FCF determined under the General Measurement Model ("GMM"), with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised. Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component. When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised.

The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Group expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts. When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Group applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts. The Group does not have any reinsurance contracts held measured under the PAA with underlying contracts measured under the GMM.

##### (vi) Risk adjustment for non-financial risk

The risk adjustment for non-financial risk is applied to the present value of the estimated future cash flows, and it reflects the compensation that the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Company fulfils insurance contracts. The Group has chosen the confidence level of the 60th percentile (2024 - 55th percentile) of the distribution of the claim reserves, considering this level is adequate to cover sources of uncertainty about the amount and timing of the cash flows.

For the LIC, the risk adjustment was calculated at a portfolio level and then allocated down to each group of contracts in accordance with their risk profiles. The Value at Risk (VAR) method was used to derive the risk adjustment for non-financial risk per portfolio. In the confidence level method, the risk adjustment is determined by selecting the confidence level per portfolio and then determining the overall reserve (best estimate and risk adjustment) at this confidence level - the difference between the overall reserve at the chosen confidence interval and the best estimate reserve is taken to be the risk adjustment. The table below shows the risk adjustments taken on LIC and LRC:

Portfolio	Risk adjustments on LIC	
	Risk Adjustment 2025	Risk Adjustment 2024
Medical	4%	4%
Energy	14.4%	14.4%
Other portfolios	14.4%	14.4%

For the LRC, the risk adjustment for groups of onerous contracts was approximated using a combination of the Group's internal data and regulatory rates, as follows:

Portfolio	Risk adjustments on LRC	
	Risk Adjustment 2025	Risk Adjustment 2024
Medical	4%	4%
Energy	14.4%	14.4%
Other portfolios	14.4%	14.4%



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(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS (CONTINUED)

##### (vii) Contract boundary

The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- a) the Group has the practical ability to reprice the risks of the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- b) both of the following criteria are satisfied:
  - the Group has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive insurance contract services from the reinsurer.

Cash flows that are not directly attributable to a portfolio of insurance contracts are recognised in other operating expenses as incurred.

##### (viii) Insurance acquisition costs and directly attributable expenses

Insurance acquisition cash flows are the costs that are directly associated with selling, underwriting and starting a group of insurance contracts (issued or expected to be issued) and that are directly attributable to a portfolio of insurance contracts.

Directly attributable expenses are the costs that can be fully or partially attributed to the fulfilment of the groups of insurance contracts. The Group allocates the attributable costs based on a number of drivers.

Both acquisition and attributable costs fall under the insurance service expense. While the non-attributable costs are reported under other operating expenses. The Group amortises the insurance acquisition costs over the contract period.

##### (ix) Amounts recognised in comprehensive income

###### (a) Insurance service result from insurance contracts issued

###### Insurance revenue

The insurance revenue for the period is the amount of expected premium receipts allocated to the period. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration that the Group expects to be entitled to in exchange for those services.

For groups of insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period of a group of contracts. The impact of seasonality is not considered material in relation to recording the insurance revenue.

Insurance revenue is adjusted to allow for policyholders' default on expected premium receipts. The default probability is derived from IFRS 9 Expected Loss Model.

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### 4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### 4.17 INSURANCE OPERATIONS (CONTINUED)

##### (ix) Amounts recognised in comprehensive income (continued)

##### (a) Insurance service result from insurance contracts issued (continued)

Insurance service expenses

Insurance service expenses include the following:

- a. incurred claims for the year.
- b. other incurred directly attributable expenses.
- c. insurance acquisition cash flows amortization.
- d. changes that relate to past service - changes in the FCF relating to the LIC.
- e. changes that relate to future service - changes in the FCF that result in onerous contract losses or reversals of those losses.

For contracts measured under the PAA, amortisation of insurance acquisition cash flows is based on the passage of time.

##### (b) Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The Group presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

- a. reinsurance expenses;
- b. incurred claims recovery;
- c. other incurred directly attributable insurance service expenses;
- d. effect of changes in risk of reinsurer non-performance;
- e. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received insurance contract services at an amount that reflects the portion of ceding premiums that the Group expects to pay in exchange for those services. For groups of reinsurance contracts held measured under the PAA, the Group recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

##### (c) Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the groups of insurance contracts respectively arising from:

- a. the effect of the time value of money and changes in the time value of money; and
- b. the effect of financial risk and changes in financial risk.

For contracts measured under the PAA, the main amounts within insurance finance income or expenses are:

- a. interest accreted on the LIC; and
- b. the effect of changes in interest rates and other financial assumptions.

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### 5. FINANCIAL RISK AND CAPITAL MANAGEMENT

#### 5.1 FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- (a) Underwriting risk;
- (b) Credit risk;
- (c) Liquidity risk; and
- (d) Market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group and to monitor risks.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

#### *(a) Underwriting risk*

Underwriting risk comprises insurance risk, policyholder persistency risk and expense risk. The Group manages its underwriting risk based on the underwriting policy as approved by the Executive Risk Committee. The Risk Management Committee monitors the adequate application of the policy, and it reviews the trends in pricing, loss ratios and underwriting risks. The Committee is also involved in decisions made by the Executive Risk Committee on underwriting, pricing and market strategy.

#### *Underwriting risk management – Property and Casualty*

The frequency and severity of claims can be affected by several factors. The most significant are the level of awards for morbidity risk (for example, health recovery and incapacity for work) and the number of cases coming to court, especially for bodily injuries. This can be summarised as legislation risk. The amount of awards and the time for court settlement are set by the legislation. The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts.

The Group manages these risks through its underwriting strategy (two of the techniques that are pivotal for automobile insurance are product pricing and portfolio segmentation), adequate reinsurance arrangements and proactive claims handling. The objective of the underwriting strategy is to ensure that the underwritten risks are well diversified in terms of type and amount of risk. The variability of risks is improved by the careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits.

The Group has limited its exposure by imposing maximum claim amounts on certain contracts, as well as using reinsurance arrangements in order to limit its exposure to aggregate amount of claims (for example, third party liability claims). The effect of such reinsurance arrangements is that the Group should not suffer total insurance losses above a certain level.

Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right not to renew individual policies, to re-price the risk on renewal, to impose deductibles, and to reject the payment of a fraudulent claim. Claims payment limits are always included to cap the amount payable on occurrence of the insured event.

Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs (for example, subrogation).



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### 5. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

#### 5.1 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (a) Underwriting risk (continued)

The Group has a specialised claims unit dealing with the mitigation of risks surrounding known claims. This unit investigates and adjusts all material or suspicious claims. The claims are reviewed individually at least annually and adjusted to reflect the latest information on the underlying facts, current law, contractual terms and conditions, and other factors. The Group actively manages and pursues early settlements of claims, to reduce its exposure to unpredictable developments.

##### *Expense risk*

Expense risk is the risk of unexpected increases in policy maintenance, claim handling and other costs relating to fulfilment of insurance contracts. The risk is managed through budgeting and periodic cost evaluations.

##### (b) Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), and deposits with banks and financial institutions, as well as outstanding receivables.

##### (i) Risk management

Credit risk is managed on a group basis. For banks, the group only deals with the reputed banks in the country. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. The group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

##### (ii) Security

For some trade receivables the group may obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

##### (iii) Impairment of financial assets

The Group recognises loss allowances for ECLs on:

- Trade receivables;
- Other receivables;
- Other financial assets at amortised cost
- Debt investments measured at FVOCI; and
- Contract assets.

##### *Trade receivables and contract assets*

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

## Gulf International Services Q.P.S.C.

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### 5. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

#### 5.1 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (b) Credit risk (continued)

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 December 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

	Current (not past due)	1-90 days past due	91-180 days past due	181-365 days past due	More than 365 days past due	Total
<b>31 December 2025</b>						
Gross carrying amount						
- trade receivables	670,344	100,664	11,781	53,599	107,258	943,646
Gross carrying amount						
- contract assets	-	-	-	32,848	-	32,848
	Current (not past due)	1-90 days past due	91-180 days past due	181-365 days past due	More than 365 days past due	Total
<b>31 December 2024</b>						
Gross carrying amount						
- trade receivables	652,661	162,872	70,678	36,583	128,336	1,051,130
Gross carrying amount						
- contract assets	-	-	-	35,309	-	35,309

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 365 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

##### Debt investments

All of the Group's debt investments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

##### Other financial assets at amortised cost

Other financial assets at amortised cost include short term investments with local banks.

##### Debt instruments measured at FVOCI

Debt investments at fair value through other comprehensive income (FVOCI) include managed funds and, listed and unlisted debt securities. The loss allowance for debt investments at FVOCI is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

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### 5. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

#### 5.1 FINANCIAL RISK MANAGEMENT (CONTINUED)

##### (c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Management's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Management monitors rolling forecasts of the group's liquidity reserve (comprising the undrawn borrowing facilities and cash and cash equivalents) on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group, in accordance with practice and limits set by the group.

These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the group's liquidity management policy involves projecting cash flows in major currencies.

##### *Maturities of financial liabilities*

The table below summarizes the maturity profile of the financial liabilities of the Group as at 31 December based on remaining undiscounted contractual obligations.

	Contractual cash flows			Total
	Less than 6 months	6 months to 1 year	More than 1 year	
<b>At 31 December 2025</b>				
Loans and borrowings	311,110	75,805	5,008,707	5,395,622
Insurance contract liabilities	-	852,088	-	852,088
Trade and other payables	503,841	-	-	503,841
Dividends payable	38,711	-	-	38,711
Lease liabilities	7,680	7,680	22,421	37,781
Contract liabilities	-	25,019	2,730	27,749
	<b>861,342</b>	<b>960,592</b>	<b>5,033,858</b>	<b>6,855,792</b>

	Contractual cash flows			Total
	Less than 6 months	6 months to 1 year	More than 1 year	
<b>At 31 December 2024</b>				
Loans and borrowings	111,276	252,779	5,250,349	5,614,404
Insurance contract liabilities	-	1,276,410	-	1,276,410
Trade and other payables	605,150	-	-	605,150
Dividends payable	42,077	-	-	42,077
Lease liabilities	2,000	95,043	53,949	150,992
Contract liabilities	85,113	-	-	85,113
	<b>845,616</b>	<b>1,624,232</b>	<b>5,304,298</b>	<b>7,774,146</b>

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

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### 5. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

#### 5.2 MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates, equity prices and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### (a) Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

	2025	2024
<b>Fixed rate instruments</b>		
<i>Financial assets</i>		
Short term investments	439,455	467,217
<b>Variable rate instruments</b>		
<i>Financial liabilities</i>		
Loans and borrowings	5,395,622	5,614,404

##### *Exposure to interest rate risk*

Bank deposits are agreed at fixed rates, and hence does not exposes the Group to interest rate risk. Interest bearing loans and borrowings are issued at variable rates, which exposes the Group to cash flow interest rate risk. The Group's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

##### (b) Equity price risk

Equity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Group's equity price risk exposure relates to financial assets and financial liabilities whose values will fluctuate as a result of changes in market prices, principally investment in equity securities.

The Group's price risk policy requires it to manage such risks by setting and monitoring objectives and constraints on investments, diversification plans, limits on investments in each sector. The Group has no significant concentration of price risk.

The Group limits equity price risk by maintaining a diversified portfolio and by continuous monitoring of its investments. The majority of the Groups' equity investments comprise securities quoted on the Qatar Exchange.

A 10% change in the prices of equities, with all other variables held constant, would impact equity and consolidated statement of profit or loss by QR. 31.4 million (2024: QR. 48.2 million).

##### (c) Currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the group entity's functional currency.

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### 5. FINANCIAL RISK AND CAPITAL MANAGEMENT (CONTINUED)

#### 5.2 MARKET RISK (CONTINUED)

##### (c) Currency risk (continued)

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily Qatari Riyal and Turkish Lira, the currencies in which these transactions are primarily denominated are US Dollar and Euro.

The transactions of the Group in the US Dollar bear no foreign currency risk as the US Dollar is pegged with the Qatari Riyal. With respect to Euro, management monitors the exchange rate fluctuations on a continuous basis and makes its effort to limit the transaction in these currencies without causing interruption to its operations.

The group's exposure to foreign currency risk at the end of the reporting period, expressed in Qatari Riyals, was as follows:

Net Exposure	2025	2024
Euro	191,354	86,207
Turkish Lira	164,591	158,532
British Pound	2,760	-
	358,705	244,739

  

	Increase/ decrease to the QR	Effect on profit before tax
2025	+/- 3%	10,761
2024	+/- 3%	7,342

#### 5.3 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong capital base in order to support its business and to sustain future development of the business. Management monitors its capital structure and makes adjustments to it, in light of economic conditions.

The Group monitors capital using a ratio of 'net debt' to 'equity'. The Group's capital management policy remained unchanged since the previous year.

	2025	2024
Total borrowings (i)	5,395,622	5,614,404
Lease liability	34,029	150,992
Less: Cash and cash equivalents*	(986,257)	(1,198,229)
Net debt	4,443,394	4,567,167
Total equity (ii)	4,614,103	4,233,253
Net debt to equity ratio	0.96	1.08

\* Cash and cash equivalents and short-term investments.

- (i) Total borrowings are defined as short and long-term borrowings (loans and borrowings) as detailed in Note 19.
- (ii) Total equity includes all capital, retained earnings and reserves of the Group that are managed as capital.

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### 6. PROPERTY AND EQUIPMENT

	Freehold land	Buildings	Rigs	Machineries	Aircraft	Other property and equipment	Capital work-in- progress	Total
<b>Cost:</b>								
As at 1 January 2025	89,326	106,401	7,897,932	1,065,812	1,976,405	932,861	288,451	12,357,188
Additions	-	4,652	-	111,258	89,043	71,469	141,815	418,237
Transfers	-	-	-	17,767	83,195	66,396	(167,358)	-
Disposals	-	-	-	-	-	(316)	-	(316)
Write-offs	-	-	-	-	(3,650)	(5,086)	-	(8,736)
Effect of hyperinflation	-	-	-	-	84,739	6,513	9,605	100,857
Effect of movements in exchange rates	-	-	-	-	(59,197)	(10,169)	(3,145)	(72,511)
<b>As at 31 December 2025</b>	<b>89,326</b>	<b>111,053</b>	<b>7,897,932</b>	<b>1,194,837</b>	<b>2,170,535</b>	<b>1,061,668</b>	<b>269,368</b>	<b>12,794,719</b>
<b>Accumulated depreciation and impairment losses:</b>								
As at 1 January 2025	-	41,653	2,937,411	773,575	1,045,007	687,453	-	5,485,099
Depreciation charge for the year	-	4,421	260,631	107,381	84,347	46,756	-	503,536
Disposals	-	-	-	-	-	(316)	-	(316)
Write-offs	-	-	-	-	(3,650)	(5,086)	-	(8,736)
Effect of hyperinflation	-	-	-	-	18,236	3,458	-	21,694
Effect of movements in exchange rates	-	-	-	-	(14,545)	(2,855)	-	(17,400)
<b>As at 31 December 2025</b>	<b>-</b>	<b>46,074</b>	<b>3,198,042</b>	<b>880,956</b>	<b>1,129,395</b>	<b>729,410</b>	<b>-</b>	<b>5,983,877</b>
<b>Net carrying value:</b>								
<b>As at 31 December 2025</b>	<b>89,326</b>	<b>64,979</b>	<b>4,699,890</b>	<b>313,881</b>	<b>1,041,140</b>	<b>332,258</b>	<b>269,368</b>	<b>6,810,842</b>



## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 6. PROPERTY AND EQUIPMENT (CONTINUED)

	Freehold land	Buildings	Rigs	Machineries	Aircraft	Other property and equipment	Capital work-in- progress	Total
<b>Cost:</b>								
As at 1 January 2024	90,826	120,015	6,609,881	1,379,583	1,733,543	634,171	197,664	10,765,683
Reclassification	(1,500)	(22,388)	103,523	(416,623)	(9,515)	220,021	(223)	(126,705)
Additions	-	11,078	1,184,528	60,784	175,845	77,094	190,384	1,699,712
Transfers	-	-	-	42,068	43,358	15,155	(100,581)	-
Disposals	-	-	-	-	(2,706)	(400)	-	(3,106)
Disposal of subsidiary	-	(2,304)	-	-	-	(1,060)	-	(3,363)
Write-offs	-	-	-	-	(9,011)	(15,148)	-	(24,160)
Effect of hyperinflation	-	-	-	-	87,639	6,206	5,066	98,911
Effect of movements in exchange rates	-	-	-	-	(42,748)	(3,178)	(3,859)	(49,785)
<b>As at 31 December 2024</b>	<b>89,326</b>	<b>106,401</b>	<b>7,897,932</b>	<b>1,065,812</b>	<b>1,976,405</b>	<b>932,861</b>	<b>288,451</b>	<b>12,357,188</b>
<b>Accumulated depreciation and impairment losses:</b>								
As at 1 January 2024	-	61,301	2,671,034	954,756	971,908	534,553	-	5,193,552
Reclassification	-	(20,743)	28,473	(258,205)	-	123,770	-	(126,706)
Depreciation charge for the year	-	3,343	237,904	77,024	74,591	43,775	-	436,637
Disposals	-	-	-	-	(1,180)	(338)	-	(1,518)
Disposal of subsidiary	-	(2,248)	-	-	-	(788)	-	(3,036)
Write-offs	-	-	-	-	(7,285)	(15,027)	-	(22,312)
Effect of hyperinflation	-	-	-	-	15,498	3,171	-	18,669
Effect of movements in exchange rates	-	-	-	-	(8,525)	(1,663)	-	(10,188)
<b>As at 31 December 2024</b>	<b>-</b>	<b>41,653</b>	<b>2,937,411</b>	<b>773,575</b>	<b>1,045,007</b>	<b>687,453</b>	<b>-</b>	<b>5,485,099</b>
<b>Net carrying value:</b>								
<b>As at 31 December 2024</b>	<b>89,326</b>	<b>64,748</b>	<b>4,960,521</b>	<b>292,237</b>	<b>931,398</b>	<b>245,408</b>	<b>288,451</b>	<b>6,872,089</b>

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 6. PROPERTY AND EQUIPMENT (CONTINUED)

6.1 Freehold land mainly comprises of a plot of land acquired by Al Koot Insurance and Reinsurance Company P.J.S.C. for the purpose of setting up an administrative and operations office.

6.2 Depreciation charge for the continuing operations for the year has been included in the consolidated statement of profit or loss as follows:

	2025	2024
Cost of sales (Note 26)	493,077	426,609
General and administrative expenses	10,459	10,028
	503,536	436,637

#### 6.3 AIRCRAFT (BELL SERIES)

Management has identified that the Bell series within the aviation segment is becoming technologically obsolete and does not foresee a sustainable stream of revenue. On that basis management has impaired the Bell series within the aviation segment down to its fair value less cost to sell using market prices adjusted for the condition of the aircraft (Level 3). The carrying value of Bell series after the cumulative impairment amounted to QR. 43 million as of 31 December 2025.

#### 6.4 DRILLING RIGS

Further as of 31 December 2025 management has carried out an assessment of impairment of its rigs in light of the external indicators, current economic conditions surrounding the oil prices and market rates of such assets. The Group considers each of its drilling rigs within the drilling segment as individual CGUs. The recoverable amount was determined by the Value in Use method which uses the CGUs discounted projected cashflows.

Based on the assessment, recoverable amount of each CGU was found to be more than its carrying value. The impairment model did not identify any impairment losses.

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values	Rigs average rate
Average revenue growth rate	Revenue assumptions are contractual when possible, with an average annual revenue growth rate over the forecasted period based on management's expectation of market development and product performance.	0.89%
Pre-tax discount rate	Weighted Average Cost of Capital (WACC)	7.64%

Management has identified that a reasonably possible change in the WACC assumptions for Rigs could cause the carrying amount to exceed the recoverable amount. Reduction in the growth rate by 0.5% will result in an impairment of QR. 178 million. The impairment models were not significantly sensitive to other assumptions. Increase in WACC rate by 1% will not result in any impairment loss.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 7. DISCONTINUED OPERATIONS

On 22 April 2024, the Group sold its subsidiary in India, United Helicharters Private Limited ("UHPL") and reported it in the financial statements for the six months ended 30 June 2024 as a discontinued operation.

Financial information relating to the discontinued operations for the period to the date of disposal is set out below:

	UHPL 31 Dec 2024
Revenue	-
Expenses	-
Other income	-
Finance income	-
Loss before income tax	-
Income tax expense	-
Loss after income tax of discontinued operation	-
Loss on sale of the subsidiary after Income tax	(205)
Loss from discontinued operation	(205)
Net cash inflow from operating activities	-
Net cash inflow from investing activities	-
Net cash outflow from financing activities	-
Net change in cash generated by the subsidiary	-

Details of the of the subsidiary deconsolidated as at 22 April 2024

	2024
Consideration received	730
Receivable from UHPL – waived by the Group	(4,997)
Less carrying amount of net liabilities deconsolidated	4,062
Loss on disposal	(205)

### 8. RIGHT-OF-USE ASSETS

#### Amounts recognised in the consolidated statement of financial position

The statement of financial position shows the following amounts relating to leases:

	2025	2024
Buildings	7,099	9,532
Land	15,273	13,136
Rigs	6,922	130,578
	<b>29,294</b>	153,246

The details of Group's right-of-use assets is as follows:

	2025	2024
Balance at 1 January	153,246	28,386
Additions for the year	6,172	190,102
Amortisation during the year	(95,992)	(65,242)
Termination of lease contract	(33,662)	-
Foreign currency translation and effect of hyperinflation	(470)	-
Balance at 31 December	<b>29,294</b>	153,246

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 9. LEASE LIABILITIES

#### 1) Amounts recognized in the consolidated statement of financial position

The Group has recorded lease liabilities as below:

	2025	2024
Balance at 1 January	150,992	28,385
Additions for the year	6,172	178,999
Finance cost for the year	6,428	6,799
Payments made during the year	(93,820)	(63,191)
Termination of lease contract	(35,743)	-
Balance at 31 December	34,029	150,992

	2025	2024
Non-current liabilities	19,859	54,928
Current liabilities	14,170	96,064

#### 2) Amounts recognized in the consolidated statement of profit or loss and other comprehensive income

The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	2025	2024
Interest expense (included in finance cost) (Note 34.2)	6,428	6,799
Amortisation of right of use assets (Note 8)	95,992	65,242

### 10. EQUITY-ACCOUNTED INVESTEEES

Name of entity	% of ownership		2025	2024
	2025	2024		
Amwaj Catering Services	30%	30%	403,672	374,025
Insignificant joint venture	49%	49%	36,096	20,736
Total equity accounted investees			439,768	394,761

The movement in the equity-accounted investees is as follows:

	Amwaj Catering	Insignificant joint ventures	Total
Beginning of the year	374,025	20,736	394,761
Profit for the year	39,088	15,360	54,448
Other comprehensive income	7,421	-	7,421
Amortization of intangibles	(2,487)	-	(2,487)
Other adjustment	4,327	-	4,327
Dividends received	(18,702)	-	(18,702)
	403,672	36,096	439,768

#### (a) Summarized financial information for equity accounted investees

The tables below provide summarized financial information for equity accounted investees and the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 10. EQUITY-ACCOUNTED INVESTEEES (CONTINUED)

#### (a) Summarized financial information for equity accounted investees (continued)

##### Summarized statement of financial position

	Amwaj Catering Services	
	2025	2024
Current assets		
Cash and cash equivalents	146,706	88,713
Other current assets	445,480	435,299
Total current assets	592,186	524,012
Non-current assets	660,357	633,232
Current liabilities		
Financial liabilities (excluding trade and other payables)	34,183	28,893
Other current liabilities	285,734	309,735
Total current liabilities	319,917	338,628
Non-current liabilities		
Financial liabilities	56,582	6,701
Other non-current liabilities	85,890	128,883
Total non-current liabilities	142,472	135,584
<b>Net assets</b>	<b>790,154</b>	<b>683,032</b>
Group's share in %	30%	30%
Group's share	237,045	204,910
Intangibles	7,462	9,949
Goodwill	159,165	159,165
Carrying amount	403,672	374,024

##### Summarized statement of comprehensive income

	Amwaj Catering Services	
	2025	2024
Revenue	1,427,822	1,387,080
Interest income	2,880	6,516
Depreciation (property and equipment) and amortisation (right of use assets)	(78,518)	(100,692)
Interest expense	(3,506)	(10,974)
Other operating expenses	(1,193,447)	(1,126,172)
Income tax expense	(24,935)	(21,771)
<b>Profit for the period</b>	<b>130,296</b>	<b>133,987</b>
<b>Total comprehensive income</b>	<b>155,033</b>	<b>155,758</b>

#### (b) Individually immaterial joint venture

In addition to the interests in the investments disclosed above, the Group also has interests in a joint venture that are accounted for using the equity method.

	2025	2024
Aggregate carrying amount of individually immaterial joint venture	20,736	8,679
Aggregate amounts of the Group's share of profit	15,360	12,057
	36,096	20,736

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 11. FINANCIAL INVESTMENTS

The carrying amounts of the Group's financial investments are as follows:

	2025	2024
<b>Investments measured at fair value through profit or loss (FVTPL)</b>		
- Quoted debt securities (i)	138,788	143,936
- Quoted equity securities (i)	183,575	207,105
- Quoted shares in Qatari public shareholding companies	130,466	113,044
- Managed funds	18,026	18,382
	<b>470,855</b>	<b>482,467</b>
<b>Investments measured at fair value through other comprehensive income (FVOCI)</b>		
- Quoted debt securities (ii)	615,555	448,668
- Unquoted shares	2	2
	<b>615,557</b>	<b>448,670</b>

- (i) These are acquired and incurred principally for the purpose of selling or repurchasing them in the near term or to take advantage of short-term market movements.
- (ii) Debt securities at FVOCI carry interest rate in the range of 2.25% to 10.75% (2024: 1.38% to 10.75%) and nature between one to nine years. Debt securities carried at FVOCI are presented net off an expected credit loss ("ECL") of QR. 4,405 (2024: QR. 4,417).
- (i) Financial investments at FVTPL and FVOCI, except unquoted shares, have been valued using Level 1 measurement basis and there have been no transfers between Level 1 and Level 2 fair value measurements.

Financial investments are presented in the consolidated statement of financial position as follows:

	2025	2024
Non-current assets - FVOCI	567,177	349,445
Current assets – FVTPL	470,855	482,467
Current assets - FVOCI	48,380	99,225
	<b>1,086,412</b>	<b>931,137</b>

Movement in provision for financial investments were as follows:

	2025	2024
Balance at 1 January	4,417	4,511
Reversal of provision during the year	(12)	(94)
Balance at 31 December	<b>4,405</b>	<b>4,417</b>



## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 12. INVENTORIES

	2025	2024
Spare parts	588,585	492,124
Less: Provision for slow-moving and obsolete inventories	(70,181)	(53,027)
	518,404	439,097

Inventories consumed during the year are recognized as expenses in 'Cost of sales' (Note 26).

Movement in provision for slow-moving and obsolete inventories during the year were as follows:

	2025	2024
Balance at 1 January	53,027	53,952
Provision made during the year	17,154	-
Provision utilised during the year	-	(925)
Balance at 31 December	70,181	53,027

The provision for slow-moving and obsolete inventories is included in 'Cost of Sales' (Note 26).

### 13. TRADE AND OTHER RECEIVABLES

	2025	2024
Trade receivables	943,646	1,051,130
Contract assets	5,515	22,205
	949,161	1,073,335
Less: Provision for impairment of trade and other receivables	(25,191)	(47,562)
	923,970	1,025,773

Out of the total balance of trade and other receivable, QR. 548 million (2024: 657 million) relates to balances due from related parties.

Movement in provision for impairment of trade and other receivables is as follows:

	2025	2024
Balance at 1 January	47,562	57,023
Disposal of subsidiary	-	(9,461)
Reversal during the year	(22,371)	-
	25,191	47,562

Reversal of provision for impairment loss on financial assets is presented in consolidated statement of profit or loss and other comprehensive income and analyzed as follows:

	2025	2024
Financial investments (Note 11)	(12)	(93)
Trade and other receivables (Note 13)	(22,371)	-
Short-term investments	(21)	(9)
	(22,404)	(102)

Contract assets presented in the consolidated statement of financial position as follows:

	2025	2024
Current – presented with trade and other receivable	5,515	22,205
Non-current – presented separately on the face of statement of financial position	27,333	13,104
	32,848	35,309

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 14. SHORT TERM INVESTMENTS

	2025	2024
Short term investments (1)	439,455	467,217

- (1) These include fixed deposits held with banks having maturities of more than three months and less than twelve months.

### 15. CASH AND CASH EQUIVALENTS

	2025	2024
Cash in hand	127,519	162
Cash at bank		
- Current accounts and call deposits	419,283	615,982
- Fixed and term deposits (1)	-	114,868
<b>Cash and cash equivalents as per consolidated statement of cash flows</b>	<b>546,802</b>	<b>731,012</b>

- (1) These fixed deposits held with banks are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes, capable of being readily convertible to a known amount of cash and with an insignificant risk of changes in value.

#### 15.1 OTHER BANK BALANCES

	2025	2024
Cash at banks - restricted for dividend (Note 23)	38,711	42,079
	38,711	42,079

### 16. SHARE CAPITAL

	2025	2024
Issued and paid-up capital	1,858,409	1,858,409

The Group has an authorized share capital of QR. 2,000 million, divided into 1 special share of nominal value of QR. 1 and 1,999,999,999 ordinary shares of each of nominal value of QR. 1. As at the reporting date, the Group had issued and paid up capital of QR 1,858,408,690 (2024: QR. 1,858,408,690) which consists of 1 special share of nominal value of QR. 1 and 1,858,408,689 ordinary shares each of nominal value of QR. 1 (2024: 1 special share of nominal value of QR. 1 and 1,858,408,689 ordinary shares each of nominal value of QR. 1). The special share is owned by QatarEnergy and may not be cancelled or redeemed without the consent of QatarEnergy. The special share grants rights to QatarEnergy as described in its Article of Association.

Special share may be transferred only to the Government, any Government Corporation or any QatarEnergy affiliate. All ordinary shares carry equal rights.

### 17. RESERVES

#### (a) Legal reserve

The Articles of Association of the Company states that prior to recommending any dividend for distribution to the Shareholders, the Board shall ensure proper reserves are established in respect of voluntary and statutory reserves considered by the Board to be necessary or appropriate.

#### (b) General reserve

The general reserve is maintained in accordance with the provisions of the Articles of Association of the Company to meet any unforeseen future events. The balance under this reserve is not available for distribution, except in the circumstances specified in the Articles of Association

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 17. RESERVES (CONTINUED)

#### (c) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

#### (d) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of quoted debt securities, managed funds and unquoted investments.

### 18. OTHER ASSETS

	2025	2024
Advances to employees	12,677	10,172
Other receivables*	205,720	189,842
	<b>218,397</b>	<b>200,014</b>

\* Other receivables mainly comprise advances to vendors, prepayments, accrued interest and accrued income.

### 19. LOANS AND BORROWINGS

	2025	2024
Loans related to drilling segment (i)	5,145,684	5,421,062
Loans related to aviation segment (ii)	249,938	193,342
	<b>5,395,622</b>	<b>5,614,404</b>

The movements of loans and borrowings were as follows:

	2025	2024
Balance at 1 January	5,614,404	4,447,985
Borrowings obtained during the year	92,513	1,228,041
Interest during the year	216,690	192,985
Repaid during the year	(527,985)	(254,607)
Balance at 31 December	<b>5,395,622</b>	<b>5,614,404</b>

Presented in the consolidated statement of financial position as follows:

	2025	2024
Non-current liabilities	5,037,008	5,265,850
Current liabilities	358,614	348,554
	<b>5,395,622</b>	<b>5,614,404</b>

- (i) These borrowings are related to the Group's subsidiary, Gulf Drilling International (Qatari Private Shareholding Company) ("GDI"). GDI has entered into various borrowing arrangements with different banks. The facilities bear interest rate of 3.3% and QCB rate +0.6%. Most of these loans are to be repaid in quarterly instalments. The loans obtained by GDI are unsecured.

In March 2023, GDI renegotiated its existing loan facilities and obtained 2 new loan facilities of QR 4,132 million from local banks. The loan will be repaid in 18 unequal annual instalments commencing from 2026, and a balloon payment of 35% upon maturity in 2048.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 19. LOANS AND BORROWINGS (CONTINUED)

In December 2023, GDI renegotiated its existing loan facilities and obtained a new loan facility of USD 207m. In September 2024, GDI capitalized the past due interest amounting to USD 11m which increases the total loan facility to USD 218m. The loan will be repaid in 18 unequal annual instalments commencing from 2026, and a balloon payment of 35% upon maturity in 2048.

In June 2024, the group obtained a new loan facility of USD 303.84 million from a financial institution to finalize the consideration payable pursuant to asset purchase agreement of drilling rigs and any cost associated with the transaction. The loan will be repaid in 40 quarterly installments commencing from June 2024.

- (ii) These borrowings are related to the Group's subsidiary, Gulf Helicopters Company (Qatari Private Shareholding Company) ("GHC"). On April 2018, the Group obtained a loan of USD 6,400,000 (QR. 23,296,000) to finance the purchase of two second hand fixed wings aircrafts. During the year, GHC repaid the remaining two instalments and fully settled the loan.

In September 2023, GHC obtained a loan of USD 5,600,000 (QR. 20,384,000) from a local bank to finance the purchase of Legacy-600 fixed wing aircraft. The loan is unsecured and carry interest at 3 months SOFR plus 2.5% (2024: 3 months SOFR plus 2.5%) per annum

GHC entered into a new loan agreement for QR. 452.6 million in September 2024 with a local commercial bank for the purchase of aircrafts. As at 31 December 2025, GHC has utilized QR. 265.7 million. The loan is unsecured and carry interest at 3 months SOFR plus 1.40% per annum (2024: 3 months SOFR plus 1.40% per annum). Each drawdown under the facility is repayable through 28 equal quarterly instalments.

The Group's loans are denominated in US Dollars.

The Group is not in breach of its covenants as at 31 December 2025.

The maturity profiles of the loans are as follows:

At 31 Dec 2025	Year of maturity	1 year	1 – 5 years	>5 years	Total
Loans related to drilling segment (i)	2026-2048	346,035	1,069,331	3,730,318	5,145,684
Loans related to aviation segment (ii)	2026-2031	40,881	209,057	-	249,938
		386,916	1,278,388	3,730,318	5,395,622

At 31 Dec 2024	Year of maturity	1 year	1 – 5 years	>5 years	Total
Loans related to drilling segment (i)	2025-2048	275,773	840,437	4,304,852	5,421,062
Loans related to aviation segment (ii)	2025-2031	31,002	137,595	24,745	193,342
		306,775	978,032	4,329,597	5,614,404

### 20. PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	2025	2024
Balance at 1 January	76,615	80,668
Provision made during the year	18,233	17,680
Payments made during the year	(9,947)	(21,733)
Balance at 31 December	84,901	76,615

The provision for employees' end of service benefits is included in salaries and other benefits in the consolidated statement of profit or loss and other comprehensive income.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 21. TRADE AND OTHER PAYABLES

	2025	2024
Trade payables	229,698	309,014
Accrued expenses	254,286	246,926
Deposits	2,908	123
Accrued social fund contribution	16,949	49,087
	503,841	605,150

Out of the total balance of trade and other payables, QR. 40 million (2024: 30 million) relates to balances due to related parties.

### 22. CONTRACT LIABILITIES

Contract liabilities include payments received for mobilization activities which are allocated to the overall performance obligation and recognised ratably over the initial term of the contract. Contract liabilities also include expected costs to be incurred for demobilization activities which are estimated at the contract inception and accrued over the expected contract period. Such accrued expected costs are recorded as contract liabilities.

Contract liabilities are presented in the consolidated statement of financial position as follows:

	2025	2024
Non-current liabilities	2,730	15,289
Current liabilities	25,019	69,824
	27,749	85,113

### 23. DIVIDENDS

The Board of Directors has proposed a final cash dividend of QR. 0.10 per share amounting to QR. 186 million for the year ended 31 December 2025 (2024: QR. 315.9 million). The proposed final cash dividend for the year ended 31 December 2025 will be submitted for formal approval at the Annual General Meeting.

During the period, the shareholders approved dividend amounting to QR. 0.17 per share. Below is the movement in dividends payable during the year:

	2025	2024
Balance at 1 January	42,077	47,079
Dividends declared during the year	315,929	278,762
Dividends paid during the year	(319,295)	(283,764)
Balance at 31 December	38,711	42,077

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 24. RELATED PARTIES DISCLOSURES

The Group, in the ordinary course of business, carries out transactions with other business enterprises that fall within the definition of related parties as per International Accounting Standard (IAS) 24 "Related Party Disclosures".

The balances with related parties as at the year-end and the transactions during the year, are disclosed as follows:

#### (a) Transactions with related parties

Transaction with related parties during the year are as follows:

Name of the entity	Relationship	2025		2024	
		Revenue	Expenses	Revenue	Expenses
QatarEnergy	Shareholder	1,186,105	278,785	1,471,440	282,799
QatarEnergy LNG	Other related party	1,046,775	13,151	-	-
Qatar Petrochemical Company (QAPCO) Q.P.J.S.C.	Other related party	60,267	-	550,566	1,337
Gulfdriill L.L.C.	Joint venture	-	-	147,420	-
Amwaj Catering Services	Joint venture	-	60,712	-	-
	Other related party	197,873	-	103,587	-
North Oil Company	Other related party	28,316	83	41,092	10,369
Qatar Fertiliser Company (QAFCO) Q.P.S.C.	Other related party	21,531	6,441	31,589	-
Qatar Fuel Company (WOQOD) Q.P.S.C.	Other related party	13,573	-	12,786	-
Oryx GTL Limited	Other related party	93,850	55,524	84,667	121,440
Others		2,648,290	414,696	2,443,147	415,945

#### (b) Due from related parties – Trade receivables

Name of the entity	Relationship	2025	2024
QatarEnergy	Shareholder	218,162	214,577
Qatar Energy LNG	Other related party	260,346	411,022
North Oil Company	Other related party	48,673	29,041
Others	Other related parties	21,058	2,370
		548,239	657,010

The above balances are of trading nature, bear no interest or securities and are receivable on due date as per respective contracts, which is less than 12 months from the reporting date. These balances also include accrued revenues which are not yet billed to customers at year end.

#### (c) Due to related parties – Trade payables

Name of the entity	Relationship	2025	2024
Amwaj	Equity investee	29,181	14,823
Qatar Fuel Company (WOQOD) Q.P.S.C.	Other related party	2,927	4,569
QatarEnergy	Shareholder	-	6,976
Others (1)	Other related parties	8,283	3,556
		40,391	29,924



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(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 24. RELATED PARTIES DISCLOSURES (CONTINUED)

Other related parties represent entities controlled or jointly controlled by QatarEnergy (shareholder).

- (1) This includes balance pertaining to accruals of Board of Directors' retainer and attendance allowance.
- (2) Except (1), above balances are of trading nature, bear no interest or securities and are payable on demand.

The due from balance amounting to QR. 548.2 million (2024: QR. 657.01 million) and the due to balance amounting to QR. 40.3 million (2024: QR. 29.9 million) is included in the trade and other receivables and trade and other payables respectively.

#### (d) Remuneration of key management personnel

	2025	2024
Board of Directors allowances*	3,800	3,800
Other key management personnel	21,622	17,923

\* This amount only includes the board of directors' allowances for the Company and not its subsidiaries.

### 25. REVENUE

#### 25.1 REVENUE FROM CONTRACT WITH CUSTOMERS

The Group mainly generates revenue from the aviation, drilling, rig management and insurance and reinsurance services.

#### (a) Revenues from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary major service lines.

	2025	2024
<b>Revenue from drilling and related services</b>		
Drilling services	1,908,313	1,572,946
Management services	-	170,958
	1,908,313	1,743,904
<b>Revenue from aviation services</b>		
Transportation services	1,048,019	1,026,145
Operation services	63,815	64,014
Supply of spare parts	83,045	77,844
Trainings services	5,321	5,418
	1,200,200	1,173,421
	3,108,513	2,917,325

	2025	2024
<b>Revenue by geographic locations</b>		
Qatar	2,438,402	2,283,645
Turkiye	406,417	351,983
Others	263,694	281,697
	3,108,513	2,917,325

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Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 25. REVENUE (CONTINUED)

#### 25.1 REVENUE FROM CONTRACT WITH CUSTOMERS (CONTINUED)

##### (a) Revenues from contracts with customers (continued)

#### Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from fixed-price long-term contracts:

	2025	2024
Aggregate amount of the transaction price allocated to long-term contracts that are partially or fully unsatisfied as at 31 December	5,805,000	2,687,083

Management expects that 27% of the transaction price allocated to unsatisfied performance obligations as of 31 December 2025 will be recognised as revenue during the next reporting period (QR. 1.58 billion). The 29% (QR. 1.67 billion) will be recognised in the 2027 financial year and remaining 44 % (QR. 2.57 billion) will be recognised in the following years.

All other contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts

	Excluding loss component			Liability for remaining coverage (LRC)			Total
	Medical	Energy	Other	Medical	Energy	Other	
<b>Insurance contracts issued:</b>							
Opening insurance contract liabilities	(65,662)	94,346	91,499	39,352	-	385	159,920
<b>Insurance revenue*</b>	(834,388)	(308,938)	(244,602)	-	-	-	(1,387,928)
<b>Insurance service expenses</b>							
Amortisation of insurance acquisition cash flows	23,739	15,426	16,330	-	-	-	55,495
Reversal of losses of onerous contract	-	-	-	(39,352)	-	9,270	(30,082)
<b>Insurance service expenses</b>	23,739	15,426	16,330	(39,352)	-	9,270	25,413
<b>Insurance service result</b>	(810,649)	(293,512)	(228,272)	(39,352)	-	9,270	(1,362,515)
<b>Total changes in the statement of profit or loss</b>	(810,649)	(293,512)	(228,272)	(39,352)	-	9,270	(1,362,515)
<b>Cash flows</b>							
Premiums received	788,640	291,263	268,759	-	-	-	1,348,662
Insurance acquisition cash flows paid	(21,078)	(17,003)	(15,791)	-	-	-	(53,872)
<b>Total cash flows</b>	767,562	274,260	252,969	-	-	-	1,294,790
<b>Closing insurance contract liabilities</b>	(108,748)	75,093	116,195	-	-	9,655	92,195

\*Insurance revenue includes revenue from intercompany QR. 3.16 million (2024: 3.47 million) that is eliminated in the condensed consolidated interim financial information.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2025						
	Liability for incurred claims (LIC)						
	Estimate of present value of cash flows			RA for non-financial risk			Total
	Medical	Energy	Other	Medical	Energy	Other	
<b>Insurance contracts issued:</b>							
Opening insurance contract liabilities	202,426	483,027	312,373	8,077	67,644	42,943	1,116,490
<b>Insurance service expenses</b>							
Incurred claims and other directly attributable expenses	777,647	184,909	130,271	16,978	25,431	16,968	1,152,202
Changes that relate to past service - adjustments to the LIC	27,212	(177,860)	(143,708)	(14,257)	(70,583)	(29,274)	(408,468)
<b>Insurance service expenses</b>	<b>804,859</b>	<b>7,049</b>	<b>(13,437)</b>	<b>2,721</b>	<b>(45,152)</b>	<b>(12,306)</b>	<b>743,734</b>
<b>Insurance service result</b>	<b>804,859</b>	<b>7,049</b>	<b>(13,437)</b>	<b>2,721</b>	<b>(45,152)</b>	<b>(12,306)</b>	<b>743,734</b>
<b>Finance expenses from insurance contracts issued</b>	<b>5,340</b>	<b>18,626</b>	<b>15,700</b>	<b>209</b>	<b>2,139</b>	<b>1,764</b>	<b>43,779</b>
<b>Total changes in the statement of profit or loss</b>	<b>810,199</b>	<b>25,676</b>	<b>2,263</b>	<b>2,930</b>	<b>(43,013)</b>	<b>(10,542)</b>	<b>787,513</b>
<b>Cash flows</b>							
Claims and other directly attributable expenses paid	(771,094)	(302,097)	(70,919)	-	-	-	(1,144,110)
<b>Total cash flows</b>	<b>(771,094)</b>	<b>(302,097)</b>	<b>(70,919)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,144,110)</b>
<b>Closing insurance contract liabilities</b>	<b>241,532</b>	<b>206,605</b>	<b>243,717</b>	<b>11,007</b>	<b>24,631</b>	<b>32,401</b>	<b>759,893</b>

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(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2024								
	Liability for remaining coverage (LRC)							Intercompany Revenue	Total
	Excluding loss component			Loss component					
	Medical	Energy	Other	Medical	Energy	Other			
<b>Insurance contracts issued:</b>									
Opening insurance contract liabilities	3,265	98,753	84,238	52,854	-	77	-	239,187	
<b>Insurance revenue</b>	(637,071)	(365,636)	(237,068)	-	-	-	3,468	(1,236,307)	
<b>Insurance service expenses</b>									
Amortisation of insurance acquisition cash flows	18,680	22,449	14,842	-	-	-	-	55,971	
Reversal of losses of onerous contract	-	-	-	(13,502)	-	307	-	(13,195)	
<b>Insurance service expenses</b>	18,680	22,449	14,842	(13,502)	-	307	-	42,776	
<b>Insurance service result</b>	(618,391)	(343,187)	(222,226)	(13,502)	-	307	3,468	(1,193,531)	
<b>Total changes in the statement of profit or loss</b>	(618,391)	(343,187)	(222,226)	(13,502)	-	307	3,468	(1,193,531)	
<b>Cash flows</b>									
Premiums received	566,667	355,128	246,445	-	-	-	-	1,168,240	
Insurance acquisition cash flows paid	(17,202)	(16,347)	(16,958)	-	-	-	-	(50,507)	
<b>Total cash flows</b>	549,465	338,781	229,487	-	-	-	-	1,117,733	
<b>Closing insurance contract liabilities</b>	65,661	94,347	91,499	39,352	-	384	-	159,921	

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(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2024						
	Liability for incurred claims(LIC)						
	Estimate of present value of cash flows			RA for non-financial risk			
	Medical	Energy	Other	Medical	Energy	Other	Total
<b>Insurance contracts issued:</b>							
Opening insurance contract liabilities	206,211	319,562	304,757	18,703	85,111	78,347	1,012,691
<b>Insurance service expenses</b>							
Incurred claims and other directly attributable expenses	403,054	62,481	30,704	7,174	8,170	3,868	515,451
Changes that relate to past service - adjustments to the LIC	201,071	126,961	58,736	(18,456)	(29,658)	(43,208)	295,446
<b>Insurance service expenses</b>	604,125	189,442	89,440	(11,283)	(21,488)	(39,340)	810,896
<b>Insurance service result</b>	604,125	189,442	89,440	(11,283)	(21,488)	(39,340)	810,896
<b>Finance expenses from insurance contracts issued</b>							
	8,026	10,940	14,698	656	4,021	3,936	42,277
<b>Total changes in the statement of profit or loss</b>							
	612,151	200,382	104,138	(10,627)	(17,467)	(35,403)	853,174
<b>Cash flows</b>							
Claims and other directly attributable expenses paid	(615,935)	(36,917)	(96,521)	-	-	-	(749,373)
<b>Total cash flows</b>	(615,935)	(36,917)	(96,521)	-	-	-	(749,373)
<b>Closing insurance contract liabilities</b>	202,427	483,027	312,377	8,076	67,644	42,943	1,116,494



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(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2025						
	Liabilities for remaining coverage (LRC)						
	Excluding loss component			Loss component			
	Medical	Energy	Other	Medical	Energy	Other	Total
<b>Reinsurance contracts held:</b>							
Opening reinsurance contract liabilities	(1,185,069)	14,129	37,005	13,490	-	117	(1,120,328)
<b>Reinsurance service expenses</b>							
Reinsurance expenses	(346,307)	(223,584)	(195,222)	-	-	-	(765,113)
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	(13,490)	-	3,626	(9,864)
<b>Net expense from reinsurance contracts held</b>	(346,307)	(223,584)	(195,222)	(13,490)	-	3,626	(774,977)
<b>Total changes in the statement of profit or loss</b>	(346,307)	(223,584)	(195,222)	(13,490)	-	3,626	(774,977)
<b>Cash flows</b>							
Premiums ceded cash flows paid	1,094,097	207,025	184,999	-	-	-	1,486,121
<b>Total cash flows</b>	1,094,097	207,025	184,999	-	-	-	1,486,121
<b>Closing reinsurance contract liabilities</b>	(437,279)	(2,430)	26,782	-	-	3,743	(409,184)

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### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2025						
	Asset for incurred claims (AIC)						
	Estimate of present value of cash flows			RA for non-financial risk			
	Medical	Energy	Other	Medical	Energy	Other	Total
<b>Reinsurance contracts held:</b>							
Opening reinsurance contract assets	1,220,830	369,934	269,248	4,452	54,772	38,735	1,957,972
<b>Reinsurance service expenses</b>							
Amounts recoverable for incurred claims and other expenses	352,671	122,421	89,342	7,078	16,245	11,459	599,216
Changes that relate to past service adjustment to amounts recoverable for incurred claims	45,199	(127,288)	(142,310)	(5,232)	(58,428)	(28,258)	(316,315)
<b>Net expense from reinsurance contracts held</b>	397,870	(4,867)	(52,968)	1,846	(42,183)	(16,799)	282,900
Finance income from reinsurers contracts held	25,565	13,029	13,554	117	1,492	1,489	55,248
Effect of changes in non-performance risk of reinsurers	(17,258)	(176)	(147)	-	-	-	(17,581)
<b>Total changes in the statement of profit or loss</b>	406,178	7,986	(39,561)	1,963	(40,692)	(15,308)	320,567
<b>Cash flows</b>							
Recoveries from reinsurance	(1,055,454)	(261,817)	(44,132)	-	-	-	(1,361,403)
<b>Total cash flows</b>	(1,055,454)	(261,817)	(44,132)	-	-	-	(1,361,403)
<b>Closing reinsurance contract assets</b>	571,554	116,103	185,557	6,415	14,081	23,427	917,137

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### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2024						
	Liabilities for remaining coverage (LRC)						
	Excluding loss component			Loss component			Total
	Medical	Energy	Other	Medical	Energy	Other	
<b>Reinsurance contracts held:</b>							
Opening reinsurance contract liabilities	(896,826)	4,644	40,584	20,595	-	70	(830,933)
<b>Reinsurance service expenses</b>							
Reinsurance expenses	(241,186)	(246,433)	(189,816)	-	-	-	(677,435)
Loss-recovery on onerous underlying contracts and adjustments	-	-	-	(7,106)	-	46	(7,060)
<b>Net expense from reinsurance contracts held</b>	(241,186)	(246,433)	(189,816)	(7,106)	-	46	(684,495)
<b>Total changes in the statement of profit or loss</b>	(241,186)	(246,433)	(189,816)	(7,106)	-	46	(684,495)
<b>Cash flows</b>							
	-	-	-	-	-	-	-
Premiums ceded cash flows paid	(47,058)	255,918	186,237	-	-	-	395,097
<b>Total cash flows</b>	(47,058)	255,918	186,237	-	-	-	395,097
<b>Closing reinsurance contract liabilities</b>	(1,185,070)	14,129	37,005	13,489	-	117	(1,120,331)

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### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### 25.2.1 Analysis by remaining coverage and incurred claims for reinsurance contracts (continued)

	Year ended 31 December 2024						
	Asset for claims incurred (AIC)						
	Estimate of present value of cash flows			RA for non-financial risk			
	Medical	Energy	Other	Medical	Energy	Other	Total
<b>Reinsurance contracts held:</b>							
Opening reinsurance contract assets	1,003,297	213,178	258,322	8,106	56,566	67,129	1,606,598
<b>Reinsurance service expenses</b>							
Amounts recoverable for incurred claims and other expenses	120,279	42,920	20,187	3,670	6,355	2,999	196,410
Changes that relate to past service adjustment to amounts recoverable for incurred claims	59,292	122,844	62,186	(7,658)	(10,809)	(34,754)	191,101
<b>Net expense from reinsurance contracts held</b>	179,571	165,764	82,373	(3,988)	(4,454)	(31,755)	387,511
Finance income from reinsurers contracts held	39,824	6,382	12,222	335	2,660	3,361	64,784
Effect of changes in non-performance risk of reinsurers	(1,499)	(89)	(18)	-	-	-	(1,606)
<b>Total changes in the statement of profit or loss</b>	217,896	172,057	94,577	(3,653)	(1,794)	(28,394)	450,689
<b>Cash flows</b>							
Recoveries from reinsurance	(363)	(15,300)	(83,650)	-	-	-	(99,313)
<b>Total cash flows</b>	(363)	(15,300)	(83,650)	-	-	-	(99,313)
<b>Closing reinsurance contract assets</b>	1,220,830	369,935	269,249	4,453	54,772	38,735	1,957,974

## Gulf International Services Q.P.S.C.

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### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### Claims development table

The following table shows the estimated cumulative incurred claims, including claims notified for each successive accident year at the end of each reporting period, together with cumulative payments to date, gross of reinsurance:

	Accident year						
	2020	2021	2022	2023	2024	2025	Total
<i>Estimate of ultimate claim costs (gross of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)</i>							
At end of the accident year	534,415	506,050	335,956	600,605	780,506	860,694	3,618,226
One year later	551,520	710,541	506,081	670,789	834,018	-	3,272,949
Two years later	574,056	882,161	551,860	597,824	-	-	2,605,901
Three years later	569,433	803,495	449,788	-	-	-	1,822,716
Four years later	574,842	799,918	-	-	-	-	1,374,760
Five years later	553,272	-	-	-	-	-	553,272
Current estimate of cumulative claims	553,272	799,918	449,788	597,824	834,018	860,694	4,095,514
Cumulative gross claims and other directly attributable expenses paid	(547,708)	(790,658)	(388,846)	(556,638)	(632,245)	(601,671)	(3,517,766)
							577,749
Current estimate of cumulative claims on accident years prior to 2019							116,784
Claims payable							59,517
Effects of discounting							(62,196)
Effect of the risk adjustment margin for non-financial risk							68,039
<b>Gross LIC for the contracts originated</b>							<b>759,893</b>

In order to reconcile undiscounted claims information to the LIC, which is measured on the discounted basis, the Company included two reconciling items to demonstrate the effect of discounting and the risk adjustment for non- financial risk (which is the same amount as the risk adjustment balance included in the reconciliation required by paragraph 100(c) of IFRS 17 and included in note 7.1 above).

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### 25. REVENUE (CONTINUED)

#### 25.2 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

##### Claims development table (continued)

The following table shows the estimated cumulative incurred claims, including claims notified for each successive accident year at the end of each reporting period, together with cumulative payments to date, net of reinsurance:

	Accident year						
	2020	2021	2022	2023	2024	2025	Total
<i>Estimate of ultimate claim costs (net of reinsurance, undiscounted, inclusive of other directly attributable expenses related to claims management)</i>							
At end of the accident year	257,133	239,807	191,871	295,995	442,924	435,261	1,862,991
One year later	265,623	302,938	205,075	321,264	434,869	-	1,529,769
Two years later	280,316	338,432	213,317	289,113	-	-	1,121,178
Three years later	276,987	325,177	208,761	-	-	-	810,925
Four years later	266,935	323,802	-	-	-	-	590,737
Five years later	265,416	-	-	-	-	-	265,416
Current estimate of cumulative claims	265,416	323,802	208,761	289,113	434,869	435,261	1,957,222
Cumulative net claims and other directly attributable expenses paid	(260,911)	(315,901)	(182,203)	(283,490)	(358,660)	(301,147)	(1,702,315)
							254,910
Net current estimate of cumulative claims on accident years prior to 2019							17,279
Net claims recoverable							(449,945)
Effects of discounting							(3,603)
Effect of the risk adjustment margin for non-financial risk							24,115
<b>Net LIC for the contracts originated</b>							<b>(157,244)</b>



## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 26. COST OF SALES

	2025	2024
Staff salaries and related costs	714,227	717,522
Depreciation of machinery, property and equipment	493,077	426,609
Depreciation of right of use assets	93,558	62,808
Other direct costs	948,245	864,777
	<b>2,249,107</b>	<b>2,071,716</b>

### 27. OTHER INCOME

	2025	2024
Rental income	9,295	5,011
Income tax benefit recognized pursuant to MOU	2,824	185
Profit distribution from managed investment funds	1,296	-
Other adjustments relating to equity accounted investees	4,327	-
Dividend income	4,655	23,064
Gain on settlement of pre-existing lease contracts	-	6,327
Gain on equity-accounted investee	-	7,985
Miscellaneous income	7,865	7,088
	<b>30,262</b>	<b>49,660</b>

### 28. OTHER LOSSES

	2025	2024
Net foreign exchange gains	6,227	40,250
Amortization of intangibles	2,487	2,487
Miscellaneous	4,787	335
	<b>13,501</b>	<b>43,072</b>

### 29. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Salaries and other benefits	119,127	99,039
Legal and professional expenses	63,002	33,370
Depreciation and amortization	12,893	12,463
Service fees	6,735	4,202
Board of Directors' allowances	4,630	3,800
Public relations and advertisement expenses	1,610	2,089
Communication expenses	1,634	1,203
Travel expenses	1,791	1,218
Qatar Exchange and QCSD expense	1,030	411
Repairs and maintenance expenses	268	2,058
Printing and stationery expenses	474	296
Miscellaneous expenses	37,485	38,812
	<b>250,679</b>	<b>198,961</b>

The Group incurred the below fees from the auditor of the Group (PricewaterhouseCoopers) for the year:

	2025	2024
Audit fee	2,015	1,628
Other assurance services	152	149
Total recurring Group fees	<b>2,167</b>	<b>1,777</b>

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 30. INCOME TAX

In light of the provisions of the new Qatar Income Tax Law No. 24 of 2018 and subsequent Executive Regulations, on 4 February 2020, Qatar Energy (the ultimate parent), Ministry of Finance and the General Tax Authority (GTA) reached an agreement through a Memorandum of Understanding ("the MOU") which provided a mechanism for the settlement of the income tax liability of subsidiaries and joint ventures (included in the said MOU) of certain companies listed on Qatar Exchange. All Qatar based subsidiaries of the group are included in the said MOU according to which, the income tax liability of the Group will ultimately be borne by Ministry of Finance ("MoF"). However, as per the MOU, the subsidiaries are required to calculate the income tax due based on the Group's ownership and pay such income tax amounts directly to the parent company.

In February 2024, the Group agreed with General Tax Authority (GTA) on the change in the tax base of under Income Tax Law No. 24 of 2018 (as amended) by Law No. 11 of 2022, resulting in the adoption of 100% tax base by all of GIS subsidiaries and affiliates. This is effective for all of the Group's subsidiaries and affiliates. Accordingly, the Group has accounted for income tax for the year ended 31 December 2025 using the effective rate of 10% (2024: 10%).

Under the provisions of MOU, the Group has not recorded any tax expense or income and presented the effect on a net basis for the Group's subsidiaries and affiliates in Qatar.

The Group has accounted for the tax expense relating to the current and deferred tax liabilities of Group's foreign subsidiaries amounting to QR. 27.23 million in the statement of profit or loss as detailed below:

	2025	2024
Current tax expense		
Current period charge	14,789	13,805
Deferred tax charge	12,442	4,375
	27,231	18,180

In the year 2023, GIS, became a party to an all share exchange agreement, between Tamween Capital W.L.L, Abela Qatar International and GIS have agreed to bear the tax expense on the operations of Amwaj Catering Services Limited. This constitutes a financial liability under IFRS 9, however, Management expect the impact of this to be immaterial as at 31 December 2025 as it expects Amwaj to get listed in the year 2026 and therefore shall be tax exempt under the Qatar Tax Law.

### 31. EARNINGS PER SHARE

Basic earnings per share has been calculated by dividing the profit for the year attributable to ordinary shareholders by the adjusted weighted average number of equity shares outstanding at the end of the reporting period.

The basic and diluted earnings per share are the same as there were no dilutive effects on earnings.

	2025	2024
Profit attributable to owners of the Group	677,956	711,000
Weighted average number of ordinary shares outstanding at 31 December (in shares) (Note 16)	1,858,408,690	1,858,408,690
<b>Basic and diluted earnings per share (expressed in QR. per share) from continuing operations</b>	<b>0.365</b>	<b>0.383</b>
<b>Basic and diluted earnings per share (expressed in QR. per share) from discontinued operations</b>	<b>-</b>	<b>(0.000)</b>

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 32. CONTINGENCIES COMMITMENTS

#### Contingencies

	2025	2024
Letters of credit and letters of guarantees relating to drilling	486,019	406,795
Guarantees relating to insurance	61,998	30,080
Guarantees against performance bonds relating to aviation	42,855	37,561

#### Commitments

	2025	2024
Capital commitments	796,203	566,492

These mainly relates to the commitments for the acquisition of four AW 139 aircraft, upgradation of AW 139 and AW 189 simulators (2024: seven AW 139 aircraft, upgradation of AW 139 and AW 189 simulators). The helicopters will be delivered, and the commitments will fall due over the next 5 years.

### 33. OPERATING SEGMENTS

The Group has three reportable segments, as described below. The segments offer different services and are managed separately because they require different technology and marketing strategies and also incorporated as separate legal entities. For each of the segments, the Board of Directors reviews internal management reports on at least a quarterly basis. The following summary describes the operations of each reportable segment:

#### Reportable segments Operations

Insurance	Provides insurance and reinsurance services in Qatar
Aviation	Provides helicopter and medical transportation services and maintenance and supply of related spare parts throughout the Gulf Region, Libya, Turkey and Morocco. The aviation segment includes the information relating to Gulf Helicopters Company and its subsidiaries and joint venture.
Drilling	Provides drilling and ancillary services in Qatar.

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 33. OPERATING SEGMENTS (CONTINUED)

For the year ended and as at 31 December 2025	Insurance	Aviation	Drilling	Amwaj Equity Accounting - Catering	Head office and Intercompany elimination	Total
<i>Timing of revenue recognition</i>						
At a point in time	-	558,598	-	-	-	558,598
Over time	-	641,603	1,908,313	-	-	2,549,916
Insurance revenue	1,387,928	-	-	-	-	1,387,928
<b>Segment revenue</b>	<b>1,387,928</b>	<b>1,200,201</b>	<b>1,908,313</b>	<b>-</b>	<b>-</b>	<b>4,496,442</b>
Inter-segment revenue	(3,161)	-	-	-	-	(3,161)
External revenues	1,384,767	1,200,201	1,908,313	-	-	4,493,281
<b>Segment profit before tax</b>	<b>138,847</b>	<b>294,080</b>	<b>219,939</b>	<b>39,088</b>	<b>13,233</b>	<b>705,187</b>
<b>Adjusted EBITDA</b>	<b>117,875</b>	<b>429,206</b>	<b>889,986</b>	<b>39,088</b>	<b>7,515</b>	<b>1,483,670</b>
Finance income	70,509	3,517	4,510	-	15,334	93,870
Finance costs	(43,779)	(14,786)	(211,772)	-	-	(270,337)
Depreciation and amortization	(5,758)	(123,857)	(462,785)	-	(9,616)	(602,016)
Cost of sales	(1,261,224)	(880,939)	(1,364,246)	-	(3,921)	(3,510,330)
General and administrative expenses	(43,198)	(73,228)	(118,194)	-	(16,058)	(250,678)
Other income	3,921	6,640	6,115	-	13,585	30,261
Other gains/(losses) – net	-	(5,991)	(4,787)	-	(2,723)	(13,501)
Income tax expense	(11,678)	(35,874)	(11,399)	-	31,720	(27,231)
<i>Other material non-cash items:</i>						
Provision of impairment losses on financial assets	(34)	(22,370)	-	-	-	(22,404)
Impairment loss on property and equipment	-	-	-	-	-	-
<i>Other information</i>						
Share of results and impairment losses from equity accounted investees	-	15,360	-	39,088	-	54,448
Adjusted EBITDA reconciles to operating profit before income tax as follows:						
<b>Total Adjusted EBITDA</b>	<b>117,875</b>	<b>429,206</b>	<b>889,986</b>	<b>39,088</b>	<b>7,515</b>	<b>1,483,670</b>
Finance income	70,509	3,517	4,510	-	15,334	93,870
Finance costs	(43,779)	(14,786)	(211,772)	-	-	(270,337)
Depreciation and amortisation	(5,758)	(123,857)	(462,785)	-	(9,616)	(602,016)
<b>Profit before income tax from continuing operations</b>	<b>138,847</b>	<b>294,080</b>	<b>219,939</b>	<b>39,088</b>	<b>13,233</b>	<b>705,187</b>

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 33. OPERATING SEGMENTS (CONTINUED)

For the year ended and as at 31 December 2024	Insurance	Aviation	Drilling	Amwaj Equity Accounting - Catering	Discontinued operations	Head office and Intercompany elimination	Total
<i>Timing of revenue recognition</i>							
At a point in time	-	499,259	-	-	-	-	499,259
Over time	-	674,162	1,743,904	-	-	-	2,418,066
Insurance revenue	1,239,775	-	-	-	-	-	1,239,775
<b>Segment revenue</b>	1,239,775	1,173,422	1,743,904	-	-	-	4,157,101
Inter-segment revenue	(3,469)	-	-	-	-	-	(3,469)
External revenues	1,236,306	1,173,422	1,743,904	-	-	-	4,153,632
<b>Segment profit before tax</b>	137,593	303,674	248,199	-	-	39,918	729,385
<b>Adjusted EBITDA</b>	79,767	409,595	823,581	-	-	24,067	1,337,011
Finance income	104,744	8,050	-	-	-	23,520	136,314
Finance costs	(42,277)	(4,647)	(195,137)	-	-	-	(242,061)
Depreciation and amortization	(4,641)	(109,324)	(380,245)	-	-	(7,669)	(501,879)
Cost of sales	(1,150,654)	(809,723)	(1,257,830)	-	-	292,819	(2,925,388)
General and administrative expenses	(37,235)	(68,873)	(79,050)	-	-	(13,805)	(198,963)
Other Income	6,655	11,165	25,043	-	-	6,797	49,660
Other gains/(losses) – net	-	(39,542)	(335)	-	-	(3,195)	(43,072)
Income tax expense	(20,406)	(58,834)	8,927	-	-	52,133	(18,180)
<i>Other material non-cash items:</i>							
Provision of impairment losses on financial assets	102	-	-	-	-	-	102
Impairment loss on property and equipment	-	-	-	-	-	-	-
<i>Other information</i>							
Share of results and impairment losses from equity accounted investees	-	12,057	11,604	35,010	-	-	58,671
Adjusted EBITDA reconciles to operating profit before income tax as follows:	79,767	409,595	823,581	-	-	24,067	1,337,011
<b>Total Adjusted EBITDA</b>	104,744	8,050	-	-	-	23,520	136,314
Finance income	(42,277)	(4,647)	(195,137)	-	-	-	(242,061)
Finance costs	(4,641)	(109,324)	(380,245)	-	-	(7,669)	(501,879)
Depreciation and amortisation	79,767	409,595	823,581	-	-	24,067	1,337,011
<b>Profit before income tax from continuing operations</b>	137,593	303,674	248,199	35,010	-	39,918	729,385

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 34. FINANCE COSTS - NET

#### 34.1 FINANCE INCOME

	2025	2024
Interest income	56,202	73,137
	56,202	73,137

#### 34.2 FINANCE COSTS

	2025	2024
Finance charges for lease liabilities	6,428	6,799
Interest and finance charges for financial liabilities not at fair value through profit or loss	220,130	192,985
	226,558	199,784

### 35. FINANCIAL INSTRUMENTS- FAIR VALUE

The fair value of financial investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices for assets and offer prices for liabilities at the close of business at the end of the reporting period.

For financial instruments where there is no active market, the fair value is determined by using valuation techniques. Such techniques include using recent arm's length transactions, reference to the current market value of another instrument which is substantially the same and/or discounted cash flow analysis. For discounted cash flow techniques, estimated future cash flows are based on management's best estimates and the discount rate used is a market related rate for a similar instrument.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying value of the financial assets and liabilities approximates their fair values. The estimated fair values of the Group's major financial instruments are provided in the tables below:

	FVTPL	FVOCI	Amortized cost	Total Carrying value	Fair value
<b>31 December 2025</b>					
<b>Assets</b>					
Cash and bank balances and other bank balances	-	-	585,513	585,513	585,513
Short-term investments	-	-	439,455	439,455	439,455
Trade and other receivables	-	-	923,970	923,970	923,970
Financial investments	615,557	470,855	-	1,086,412	1,086,412
	615,557	470,855	1,948,938	3,035,350	3,035,350
<b>Liabilities</b>					
Loans and borrowings	-	-	5,395,622	5,395,622	5,395,622
Trade and other payables	-	-	503,841	503,841	503,841
Dividends payable	-	-	38,711	38,711	38,711
	-	-	5,938,174	5,938,174	5,938,174

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 35. FINANCIAL INSTRUMENTS– FAIR VALUE (CONTINUED)

	FVTPL	FVOCI	Amortized cost	Total Carrying value	Fair value
<b>31 December 2024</b>					
<b>Assets</b>					
Cash and bank balances and other					
bank balances	-	-	773,091	773,091	773,091
Short-term investments	-	-	467,217	467,217	467,217
Trade and other receivables	-	-	1,025,773	1,025,773	1,025,773
Financial investments	464,085	467,052	-	931,137	931,137
	464,085	467,052	2,266,082	3,197,219	3,197,219
<b>Liabilities</b>					
Loans and borrowings	-	-	5,614,404	5,614,404	5,614,404
Trade and other payables	-	-	605,150	605,150	605,150
Dividends payable	-	-	42,077	42,077	42,077
	-	-	6,261,631	6,261,631	6,261,631

#### Fair value hierarchy

The fair value of financial instruments approximates their carrying values.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that is not based on observable market data.

At the reporting date, the Group held the following financial investments measured at fair value.

	Level 1	Level 2	Level 3	Total
<b>31 December 2025</b>				
Assets measured at fair value				
Financial investments at FVTPL	452,829	-	18,026	470,855
Financial investments at FVOCI	615,555	-	2	615,557
	1,068,384	-	18,028	1,086,412
<b>31 December 2024</b>				
Assets measured at fair value				
Financial investments at FVTPL	464,085	-	18,382	482,467
Financial investments at FVOCI	448,668	-	2	448,670
	912,753	-	18,384	931,137

During the year ended 31 December 2025 and 31 December 2024, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.



## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

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### 36. SEPARATE FINANCIAL STATEMENTS

This note provides certain information related to the Company's unconsolidated or standalone financial position, and profit or loss and other comprehensive income as at and for the year ended 31 December 2025 and its comparative year. The complete set of separate financial statements of the Group prepared in accordance with International Accounting Standard 27 'Separate Financial Statements' (IAS 27) are issued separately. This information is provided only to assist the Group in its reporting to the Qatar Financial Markets Authority (Internal Control Over Financial Reporting ("ICOFR")).

#### (a) Separate statement of financial position

	2025	2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	221,716	223,508
Furniture and fittings	195	237
Investment in equity accounted investee	344,624	34,624
Investments in subsidiaries	2,077,215	2,387,215
Loan to subsidiary	76,895	107,653
<b>Total non-current assets</b>	<b>2,720,645</b>	<b>2,753,237</b>
<b>Current assets</b>		
Prepayments and other receivables	53,647	8,363
Due from related parties	51,890	70,351
Financial investments	41,188	31,009
Other bank balances	38,711	42,077
Cash and cash equivalents	387,537	403,129
<b>Total current assets</b>	<b>572,973</b>	<b>554,929</b>
<b>TOTAL ASSETS</b>	<b>3,293,618</b>	<b>3,308,166</b>
	2025	2024
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	1,858,409	1,858,409
Legal reserve	23,928	23,928
Retained earnings	1,319,904	1,351,736
<b>Total equity</b>	<b>3,202,241</b>	<b>3,234,072</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Dividends payable	38,711	42,077
Trade and other payables	22,197	20,981
Due to related parties	30,469	11,036
<b>Total current liabilities</b>	<b>91,377</b>	<b>74,094</b>
<b>Total liabilities</b>	<b>91,377</b>	<b>74,094</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,293,618</b>	<b>3,308,166</b>

## Gulf International Services Q.P.S.C.

Notes to the consolidated financial statements for the year ended 31 December 2025

(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)

### 36. SEPARATE FINANCIAL STATEMENTS (CONTINUED)

#### (b) Separate statement of profit or loss and other comprehensive income

	2025	2024
Dividend income	259,977	291,022
Other income	33,606	72,890
Other expenses	9,943	(1,486)
General and administrative expenses	(17,923)	(16,844)
<b>Operating profit</b>	<b>285,603</b>	<b>345,582</b>
Finance income	15,334	23,520
<b>Profit for the year</b>	<b>300,937</b>	<b>369,102</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>300,937</b>	<b>369,102</b>
<b>Earnings per share</b>		
Basic and diluted unconsolidated earnings per share (Qatari Riyal)	0.612	0.199
<b>Basic and diluted consolidated earnings per share (Qatari Riyal)</b>	<b>0.362</b>	<b>0.383</b>

### 37. ACQUISITION OF ASSETS AND LIABILITIES

On 25 June 2024, the Company purchased from Seadrill Jack Up Holding Ltd. (former joint venture partner), the residual interest of 50% in GulfdriLL. As a result of the transaction, the holding changed from 50% joint venture interest to 100% owned subsidiary of Gulf Drilling International Limited (Qatari Private Shareholding Company). Accordingly, the previously held interest of QR. 42.4 million in GulfdriLL was derecognised and a fair value gain of QR. 7.9 million was recognised as the difference between the carrying value of the previously held interest in the former joint venture and its fair value.

Since almost all of the fair value of the acquired assets and liabilities were concentrated in a group of assets i.e., the 3 rigs purchased and the right of use asset for 2 rigs recorded in GulfdriLL, the transaction was recorded as an asset acquisition.

Further, Gulf Drilling International Limited (Qatari Private Shareholding Company) incorporated Gulf Jackup SPC LLC as a Special Purpose Company in accordance with the provisions of the Qatar Financial Centre Companies Regulations. As part of the same transaction on the same day, Gulf Jackup SPC LLC acquired 3 rigs from wholly owned subsidiaries of Seadrill Limited.

Details of the purchase consideration and net assets acquired are as follows:

Purchase consideration	25 June 2024
	QR. '000
Fair value of previously held equity-accounted investee	50,459
Cash paid	1,230,319
<b>Total purchase consideration</b>	<b>1,280,778</b>

**Gulf International Services Q.P.S.C.**

Notes to the consolidated financial statements for the year ended 31 December 2025

*(All amounts are expressed in Qatari Riyals '000 unless otherwise stated)***37. ACQUISITION OF ASSETS AND LIABILITIES (CONTINUED)**

The purchase price has been allocated to the assets and liabilities as a result of the acquisition based on relative fair values as follows:

	<b>25 June 2024</b>
	<b>QR. '000</b>
Rigs	1,183,000
Right-of-use assets	175,892
Contract assets	22,562
Due from related parties	127,559
Trade and other receivables	165,242
Cash and cash equivalents	3,629
Lease liabilities	(172,176)
Contract liabilities	(70,523)
Trade and other payables	(84,228)
Due to related parties	(70,179)
<b>Net identifiable assets acquired</b>	<b>1,280,778</b>

The difference between the carrying value of the former joint ventures assets as at 25 June 2024 and the fair value of the consideration paid gave rise to a gain amounting to QR. 5.84 million, which was allocated to Right of use assets as at 25 June 2024.

*(i) Gain on equity-accounted investee:*

	<b>25 June 2024</b>
	<b>QR. '000</b>
Fair value of previously held equity-accounted investee	50,459
Carrying value of previously held equity-accounted investee	(42,474)
<b>Gain on equity-accounted investee</b>	<b>7,985</b>

*(ii) Settlement of pre-existing lease contracts:*

Before acquisition of assets, Gulfdrill LLC had recorded right-of-use assets and lease liabilities in respect of the 3 rigs which were acquired by Gulf Jackup SPC LLC on 25th June 2024. Accordingly, the lease liabilities were derecognized together with the corresponding right of use asset which resulted in a gain as show below. This is recorded in Other income in the condensed consolidated statement of profit or loss.

	<b>25 June 2024</b>
	<b>QR. '000</b>
Right-of-use assets	186,741
Lease liabilities	(193,068)
<b>Gain on settlement of pre-existing lease contracts</b>	<b>6,327</b>