

**GULF INTERNATIONAL SERVICES Q.P.S.C.**  
**UNAUDITED CONDENSED CONSOLIDATED INTERIM**  
**FINANCIAL STATEMENTS**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2019**

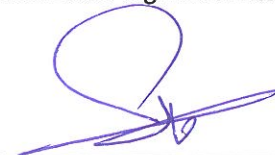
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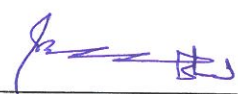
**GULF INTERNATIONAL SERVICES Q.P.S.C.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2019**

In thousands of Qatari Riyals

	September 30, 2019 (Unaudited)	December 31, 2018 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property and equipment	6,468,584	6,720,311
Right of use assets	74,638	-
Goodwill	303,559	303,559
Contract assets	7,426	9,290
Equity-accounted investees	5,097	880
Financial investments	283,004	226,390
<b>Total non-current assets</b>	<b>7,142,308</b>	<b>7,260,430</b>
<b>Current assets</b>		
Inventories	217,492	216,289
Contract assets	18,169	18,632
Due from related parties	435,730	477,269
Financial investments	337,555	289,414
Trade and other receivables	843,482	599,842
Reinsurance contract assets	438,067	406,915
Short term investments	362,386	244,521
Cash and bank balances	747,245	643,941
<b>Total current assets</b>	<b>3,400,126</b>	<b>2,896,823</b>
<b>TOTAL ASSETS</b>	<b>10,542,434</b>	<b>10,157,253</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	1,858,409	1,858,409
Legal reserve	364,698	364,698
General reserve	74,516	74,516
Foreign currency translation reserve	(11,585)	(11,501)
Fair value reserve	(1,001)	(7,536)
Retained earnings	1,288,059	1,253,475
<b>Total equity</b>	<b>3,573,096</b>	<b>3,532,061</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Loans and borrowings	4,013,238	4,061,868
Lease liabilities	42,091	-
Contract liabilities	11,417	15,664
Provision for decommissioning costs	41,598	41,598
Provision for employees' end of service benefits	84,159	80,217
<b>Total non-current liabilities</b>	<b>4,192,503</b>	<b>4,199,347</b>
<b>Current liabilities</b>		
Bank overdraft	-	1,408
Dividends payable	79,447	86,464
Loans and borrowings	872,200	934,697
Lease liabilities	34,506	-
Trade and other payables	975,364	660,578
Due to related parties	47,873	28,283
Reinsurance contract liabilities	749,760	677,391
Contract liabilities	17,685	37,024
<b>Total current liabilities</b>	<b>2,776,835</b>	<b>2,425,845</b>
<b>Total liabilities</b>	<b>6,969,338</b>	<b>6,625,192</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,542,434</b>	<b>10,157,253</b>

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

  
**Khalid Bin Khalifa Al-Thani**  
Chairman

  
**Suleiman Haidar Al-Haider**  
Vice-Chairman

GULF INTERNATIONAL SERVICES Q.P.S.C.  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2019

In thousands of Qatari Riyals

	<b>For the nine-month period ended September 30,</b>	
	<b>2019</b>	<b>2018</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	2,237,966	1,891,246
Direct costs	(1,932,026)	(1,589,589)
<b>Gross profit</b>	<b>305,940</b>	<b>301,657</b>
Other income	37,168	59,186
General and administrative expenses	(141,109)	(166,641)
Other expenses	(12,026)	(8,161)
<b>Operating profit</b>	<b>189,973</b>	<b>186,041</b>
Finance income	25,186	20,800
Finance cost	(181,142)	(167,380)
Net finance cost	(155,956)	(146,580)
Share of profit of equity-accounted investees, net of tax	567	-
<b>Profit for the period</b>	<b>34,584</b>	<b>39,461</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Equity investments at Fair Value Through Other Comprehensive Income (FVTOCI) – change in fair value	6,535	(3,780)
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign operations – foreign currency translation difference	(84)	(2,902)
<b>Other comprehensive income /(loss) for the period</b>	<b>6,451</b>	<b>(6,682)</b>
<b>Total comprehensive income for the period</b>	<b>41,035</b>	<b>32,779</b>
<b>Earnings per share</b>		
Basic and diluted earnings per share (Qatari Riyals)	0.019	0.021

**GULF INTERNATIONAL SERVICES Q.P.S.C.  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2019**

In thousands of Qatari Riyals

	Share capital	Legal reserve	General reserve	Foreign currency translation reserve	Fair value reserve	Retained earnings	Total
Balance at 31 December 2017, as previously reported (Audited)	1,858,409	359,410	74,516	36	(3,692)	1,389,884	3,678,563
Adjustment on initial application of IFRS 9	-	-	-	-	2,141	(6,945)	(4,804)
Adjustment on initial application of IFRS 15	-	-	-	-	-	(25,907)	(25,907)
Adjusted balance at 1 January 2018	1,858,409	359,410	74,516	36	(1,551)	1,357,032	3,647,852
<i>Total comprehensive income for the period</i>							
Profit for the period	-	-	-	-	-	39,461	39,461
Other comprehensive loss	-	-	-	(2,902)	(3,780)	-	(6,682)
Total comprehensive income	-	-	-	(2,902)	(3,780)	39,461	32,779
Dividends declared	-	-	-	-	-	-	-
Balance at 30 September 2018 (Unaudited)	1,858,409	359,410	74,516	(2,866)	(5,331)	1,396,493	3,680,631
Balance at 1 January 2019 (Audited)	1,858,409	364,698	74,516	(11,501)	(7,536)	1,253,475	3,532,061
<i>Total comprehensive income for the period</i>							
Profit for the period	-	-	-	-	-	34,584	34,584
Other comprehensive income	-	-	-	(84)	6,535	-	6,451
Total comprehensive income	-	-	-	(84)	6,535	34,584	41,035
Dividends declared	-	-	-	-	-	-	-
Balance at 30 September 2019 (Unaudited)	1,858,409	364,698	74,516	(11,585)	(1,001)	1,288,059	3,573,096

	For the nine-month period ended September 30,	
	2019 (Unaudited)	2018 (Unaudited)
<b>OPERATING ACTIVITIES</b>		
Net profit for the period	34,584	39,461
Adjustments for:		
Depreciation and amortization	330,480	355,481
Finance costs	181,142	167,380
Provision for employees' end of service benefits	13,222	15,325
Loss on disposal of property and equipment	4,999	8,438
Interest income	(25,186)	(20,799)
Net movement of financial assets at fair value through profit or loss	(20,525)	(11,378)
Amortization of finance cost related to borrowings	5,329	5,587
Gain on sale of securities	(5,645)	(6,996)
Movement in unearned premiums	76,473	(43,192)
Reversal of provision for decommissioning costs	-	(7,753)
Provision for slow moving inventories	3,338	-
Profit distribution from managed investment funds	(2,936)	(3,161)
Expected credit loss on financial investments	(1,730)	(589)
Share of profit from joint ventures	(567)	-
Dividend income	(4,762)	(4,370)
Provision/ (reversal) for impairment of financial assets	997	(3,394)
	<b>589,213</b>	<b>490,040</b>
Changes in:		
Inventories	(4,541)	(10,798)
Contract assets	2,327	(51,293)
Contract liabilities	(23,589)	64,886
Trade and insurance receivables, prepayments and due from related parties	(221,405)	(58,380)
Trade and insurance payables, accruals and due to related parties	322,605	(138,419)
<b>Cash generated from operations</b>	<b>664,610</b>	<b>296,036</b>
Payment of employees' end of service benefits	(10,476)	(12,229)
<b>Net cash generated from operating activities</b>	<b>654,134</b>	<b>283,807</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(80,788)	(168,364)
Acquisition of financial investments	(198,019)	(166,878)
Net movement in short term investments	(102,630)	(186,852)
Interest income received	26,333	18,009
Proceeds from disposal and maturity of financial assets	125,957	182,878
Proceeds from disposal of property and equipment	9,529	498
Net movement in cash at banks – restricted for dividend	7,018	6,828
Profit distribution from managed investment funds	2,936	3,161
Dividend income received	4,762	4,370
Movement in restricted funds	-	34,616
Investment in a joint venture	(3,650)	-
<b>Net cash used in investing activities</b>	<b>(208,552)</b>	<b>(271,734)</b>

GULF INTERNATIONAL SERVICES Q.P.S.C.  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2019

In thousands of Qatari Riyals

	For the nine-month period ended September 30,	
	2019 (Unaudited)	2018 (Unaudited)
<b>FINANCING ACTIVITIES</b>		
Proceeds from loans and borrowings	546,000	631,240
Repayment of loans and borrowings	(671,041)	(676,604)
Dividends paid	(7,018)	(6,828)
Finance cost paid	(181,142)	(167,380)
Payment of lease liabilities	(6,552)	-
<b>Net cash used in financing activities</b>	<b>(319,753)</b>	<b>(219,572)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>125,829</b>	<b>(207,499)</b>
Effects of movement in exchange rates on cash and cash equivalents	(84)	(2,902)
Cash and cash equivalents at beginning of period	542,005	559,187
<b>Cash and cash equivalents at the end of the period *</b>	<b>667,750</b>	<b>348,786</b>

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