

شركة الصناعات الهندسية الثقيلة وبناء السفن ش.م.ك (عامة)

Heavy Engineering Industries & Shipbuilding Co. K.S.C (Public)



Date: 12th November 2025

Reference: CM/AR/112/2025

التاريخ : 12 نوفمبر 2025

إشارة : CM/AR/112/2025

To: Boursa Kuwait

المحترمين

السادة / شركة بورصة الكويت

Greetings,

تحية طيبة وبعد،،،

Subject: Disclosure of material information Analyst conference 3rd quarter for the financial year 2025:

الموضوع: إفصاح عن معلومات جوهرية
مؤتمر المحللين للربع الثالث من السنة المالية 2025 :

Reference to Our disclosure dated 10/11/2025 & article No. (7-8) "Listed Company Obligations" of Boursa Kuwait rulebook.

بالإشارة إلى إفصاحنا المؤرخ في 10/11/2025، وإلى المادة (7-8) "التزامات الشركة المدرجة" من كتاب قواعد البورصة.

We would like to inform you that The Analyst conference was held on 12/10/2025 at 2:00 pm (local Time).

نحنيطكم علماً بأن مؤتمر المحللين قد انعقد بتاريخ 2025/11/12 في تمام الساعة 2:00 ظهراً حسب التوقيت المحلي.

Kindly note that no material information has been revealed during the conference.

كما يرجى العلم بأنه لم يتم تداول أي معلومة جوهرية خلال المؤتمر وعليه سوف يتم نشر محضر المؤتمر والعرض التقديمي خلال 3 أيام

The Analyst conference transcript & presentation will be published within 3 days from the conference date.

من تاريخ عقد المؤتمر.

Yours Sincerely

وتفضلوا بقبول وافر التقدير والاحترام،،،

مرزوق ناصر الخرافي

رئيس مجلس الإدارة

Marzouk Naser Al-Kharafi
Chairman



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Issued and Paid-Up Capital : KD 18,024,151.700 Authorized Capital : KD 22,000,000

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نموذج الإفصاح عن المعلومات الجوهرية
Material Disclosure Form

Date	12th November 2025	12 نوفمبر 2025	التاريخ
Name of the listed company	Heavy Engineering Industries & Shipbuilding Co. K.S.C. (Public)	شركة الصناعات الهندسية الثقيلة وبناء السفن (ش.م.ك) عامة	إسم الشركة المدرجة
Material Information	The Analyst conference was held on 12/11/2025 at 2:00 pm (local Time). Kindly note that no material information has been revealed during the conference. The Analyst conference transcript & presentation will be published within 3 days from the conference date.	مؤتمر المحللين قد إنعقد بتاريخ 2025/11/12 في تمام الساعة 2:00 ظهراً حسب التوقيت المحلي. كما يرجى العلم بأنه لم يتم تداول أي معلومة جوهرية خلال المؤتمر وعليه سوف يتم نشر محضر المؤتمر والعرض التقديمي خلال 3 أيام من تاريخ عقد المؤتمر.	المعلومة الجوهرية
Significant Effect of the material information on the financial position of the company	Not Applicable	لا ينطبق	أثر المعلومة الجوهرية على المركز المالي للشركة

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contracts.

If a Listed Company, which is a member of a Group, disclosed some material information related to it and has Significant Effect on other listed companies' which are members of the same Group, the other companies' disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.

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يتم ذكر الأثر على المركز المالي في حال كانت المعلومة الجوهرية قابلة لقياس ذلك الأثر، ويستثنى الأثر المالي الناتج عن المناقصات و الممارسات وما يشبهها من عقود.

إذا قامت شركة مدرجة من ضمن مجموعة بالإفصاح عن معلومة جوهرية تخصها ولها إنعكاس مؤثر على باقي الشركات المدرجة من ضمن المجموعة، فإن واجب الإفصاح على باقي الشركات المدرجة ذات العلاقة يقتصر على ذكر المعلومة والأثر المالي المترتب على تلك الشركة بعينها.

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شركة الصناعات الهندسية الثقيلة وبناء السفن ش.م.ك (عامة)

HEAVY ENGINEERING INDUSTRIES & SHIPBUILDING CO. K.S.C (Public)



9M/Q3-2025 | Virtual Summit

INVESTOR PRESENTATION

Agenda

		Page
1	Disclaimer	3
2	Vision & Mission	4
3	About HEISCO	5
4	HEISCO's Strategy	6
5	Performance Highlights	10
6	Financial Overview	11
7	Appendix	15
8	Q & A	18

Disclaimer

FORWARD - LOOKING STATEMENTS

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HEISCO's Vision

To become the customers' first preferred Company for Shipbuilding, Ship Repair & Maintenance, Fabrication, Oil & Gas Construction, Civil Works, Industrial Maintenance, Dredging and Offshore services in Kuwait and other Middle East and North African regions.

HEISCO's Mission

HEISCO aims to expand its business operations, focusing on countries such as Saudi Arabia, Qatar, Oman, Bahrain and Iraq. The company intends to identify potential business opportunities in these regions in the Oil & Gas, Refineries & Power sectors in Civil, Mechanical, Electrical & Instrumentation Construction and Fabrication Services

About HEISCO

HEISCO is a dynamic group of companies committed to maintaining sustained growth by meeting its customers' schedules and quality requirements. HEISCO provides its customers value-added services at competitive prices by evolving efficient cost-control measures and regularly upgrading our resources.

HEISCO's activities are performed through a wide range of fields :

- Shipyard
- Oil & Gas Construction
- Industrial Maintenance
- Fabrication Services
- Trading
- Testing & Calibration
- Quality Control & Testing
- Scaffolding Services
- Galvanizing Plant
- Onshore & Offshore (through Gulf Dredging & General Contracting Co. K.S.C. (Closed) – subsidiary company.
- Technical Specialized Manpower Supply (through HEISCO for Technical Specialized Manpower Supply Co. W.L.L. - subsidiary company)

HEISCO/Gulf Dredging has branches in Iraq and Kingdom of Saudi Arabia to expand its services and take advantage of emerging markets in the region.

HEISCO's Strategy

Introduction

This report provides an overview of HEISCO's key activities and strategic initiatives. HEISCO, as a group, achieved significant milestones in revenue growth, project execution, and operational efficiency, positioning us for continued success in the coming quarters.

HEISCO continues to strengthen its market presence across the Gulf region, with a strategic focus on expanding operations, securing key approvals, and forming strategic alliances. The company is actively pursuing projects in various sectors, including oil & gas, refineries, power, and infrastructure. With a strong commitment to regional growth, HEISCO has extended its footprint into Saudi Arabia and pursuing relevant qualifications in Qatar, Oman, Bahrain, and Iraq with a view to enhancing its construction, maintenance, and fabrication capabilities.

By fostering key partnerships with EPC contractors and leveraging strategic initiatives, HEISCO remains well-positioned to capitalize on emerging opportunities and drive sustainable growth across its target markets.



HEISCO's Strategy

Business Updates

Regional Expansion Strategy

HEISCO strives to expand into key markets across Kuwait, Saudi Arabia, Qatar, Oman, Bahrain, and Iraq, focusing on Civil, Mechanical, Electrical, and Instrumentation Construction, maintenance as well as Fabrication services within the Oil & Gas, Refineries, and Power sectors.

Expansion in Saudi Arabia

HEISCO expanded operations into Saudi Arabia, enhancing its construction capabilities in the region aligned with the Kingdom's Vision 2030 development initiatives. Supporting its vision, we prioritize the recruitment and development of Saudi nationals in our workforce by working closely with the Human Resource Development Fund (HRDF) and other government agencies. Timely and efficient resource mobilization, including equipment and materials, is crucial for successfully completing construction projects. A dedicated logistics team will ensure timely resource delivery, prioritizing local suppliers to reduce costs and support local businesses.

- **Key Approvals in KSA:** HEISCO's KSA Branch has received approvals from prominent entities, including Saudi Aramco, Sabic, Saudi Electrical Co. (SEC), Red Sea Development Co., National Water Co. (NWC), NEOM, MAADEN, and SASREF.



HEISCO's Strategy



- **Expansion of New Fabrication Facility in Saudi Arabia:** HEISCO is in the final stage of acquiring Gulf Sky Factory (GSF) in Saudi Arabia to strengthen its fabrication capabilities and broaden its operational footprint in the region. The Saudi Electricity Company (SEC) conducted a visit to our Saudi branch office as part of the approval process for our Heat Exchanger operations, representing a significant milestone in the qualification approval. Our Kuwait facilities are currently awaiting a similar SEC visit for approval.
- **Strategic Initiatives:** An experienced consultant has been engaged to obtain Non-GBS Scaffolding Services PQ approval from Saudi Aramco, supporting our expansion strategy in Saudi Arabia. A storage yard has been completed and is currently operational. It is now awaiting inspection for Non-GBS Specialized Scaffolding Contractors' Qualification Approval by Aramco.

Expansion of Subsidiary Operations

Gulf Dredging (GD): Our subsidiary, GD, has secured approvals from Saudi Aramco, NEOM, and Red Sea Global, enabling direct bidding and facilitating strategic expansion in KSA. Due to logistical constraints, GD is currently targeting offshore and marine construction projects in the Eastern province and plans to move to other regions after establishing a stronger base.

HEISCO's Strategy



Engineering Hub in India: HEISCO established a subsidiary, “HEISCO Engineering India Pvt. Ltd.” in India headquartered in Chennai to strengthen the company’s EPC capabilities and delivering high-quality engineering solutions across multiple industries while supporting its expanding business activities.

Key Approvals in Other Markets

- HEISCO has secured approvals from Qatar Energy for the manufacturing of storage tanks, pressure vessels, and columns, as well as from Bapco in Bahrain for general mechanical and shutdown maintenance services.
- HEISCO and GD have registered with the Oman and Bahrain Tender Boards to expand operations through a client-focused marketing strategy.

Strategic Partnerships:

- HEISCO continues to establish key alliances with EPC contractors to enhance project execution and ensure effective collaboration. These partnerships play a crucial role in successfully achieving project objectives across its expanding regional operations.

PERFORMANCE HIGHLIGHTS – CONSOLIDATED

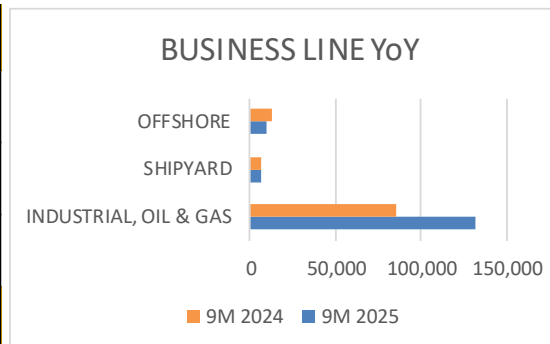
KD' Million
EPS in Fils

	 REVENUE	 NET PROFIT	 EBITDA	 EPS
Y o Y	 42% 148.44 104.60	 10% 5.65 5.13	 17% 12.26 10.50	 10% 31.38 28.50
Q o Q	 41% 54.41 38.66	 4% 1.69 1.63	 11% 3.89 3.51	 4% 9.42 9.08
	 ASSETS	 EQUITY	 LIABILITIES	 BORROWINGS
	 12% 229.89 9M-2025 204.61 FY-2024	 -1% 77.07 9M-2025 77.57 FY-2024	 20% 152.81 9M-2025 127.04 FY-2024	 14 % 46.66 9M-2025 40.94 FY-2024

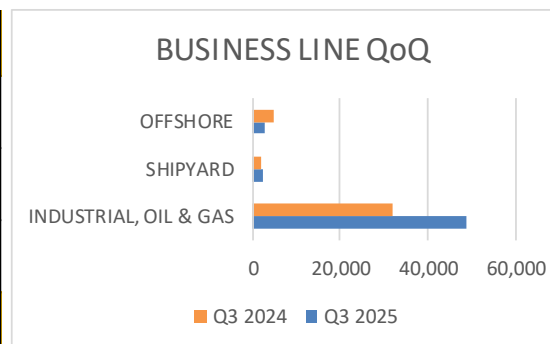
BREAKDOWN OF REVENUE BY BUSINESS LINE - CONSOLIDATED

KD '000

BUSINESS LINE	9M 2025	9M 2024	% Change
INDUSTRIAL, OIL & GAS	131,731	85,401	54.25%
SHIPYARD	6,796	6,154	10.43%
OFFSHORE	9,915	13,055	-24.05%
TOTAL REVENUE	148,441	104,610	41.90%



BUSINESS LINE	Q3 2025	Q3 2024	% Change
INDUSTRIAL, OIL & GAS	49,026	32,053	52.95%
SHIPYARD	2,497	1,928	29.54%
OFFSHORE	2,897	4,686	-38.18%
TOTAL REVENUE	54,420	38,667	40.74%



COMMON SIZE ANALYSIS-STATEMENT OF INCOME - CONSOLIDATED

	9M-25	9M-24	9M-25	9M-24	Q3-25	Q3-24	Q3-25	Q3-24
Revenue	148,441,328	104,609,550	100.00%	100.00%	54,419,921	38,666,654	100.00%	100.00%
Cost of sales	(136,764,931)	(95,611,685)	-92.13%	-91.40%	(50,822,949)	(35,857,671)	-93.39%	-92.74%
Gross Profit	11,676,397	8,997,865	7.87%	8.60%	3,596,972	2,808,983	6.61%	7.26%
Other income	293,983	873,886	0.20%	0.84%	167,890	144,205	0.31%	0.37%
General and administrative expenses	(4,398,673)	(3,106,608)	-2.96%	-2.97%	(1,502,149)	(788,825)	-2.76%	-2.04%
Investment income / (loss)	118,239	118,272	0.08%	0.11%	33,670	33,738	0.06%	0.09%
Expected credit loss on financial assets (net)	33,185	(170,574)	0.02%	-0.16%	53,349	(60,914)	0.10%	-0.16%
Finance costs	(1,730,653)	(1,298,194)	-1.17%	-1.24%	(569,952)	(478,785)	-1.05%	-1.24%
Foreign exchange gain/(loss)	(1,157)	(111,727)	0.00%	-0.11%	26,801	64,185	0.05%	0.17%
Profit before contribution to taxes	5,991,321	5,302,920	4.04%	5.07%	1,806,581	1,722,587	3.32%	4.45%
Contribution to Kuwait Foundation for Adv. of Sciences	(50,405)	(42,878)	-0.03%	-0.04%	(15,233)	(11,649)	-0.03%	-0.03%
National Labour Support Tax	(203,035)	(87,697)	-0.14%	-0.08%	(66,791)	(53,191)	-0.12%	-0.14%
Zakat expense	(81,214)	(35,079)	-0.05%	-0.03%	(26,717)	(21,276)	-0.05%	-0.06%
Net profit for the period	5,656,667	5,137,266	3.81%	4.91%	1,697,840	1,636,471	3.12%	4.23%
Earning per share (fils)	31.38	28.50			9.42	9.08		

RATIO ANALYSIS - CONSOLIDATED

Financial Overview-Ratio Analysis

PROFITABILITY	9M -2025	9M-2024	CHANGE	FY-24
Gross Profit %	7.87%	8.60%	↓-0.74%	9.44%
EBIT %	5.20%	6.31%	↓-1.11%	7.02%
EBITDA %	8.26%	10.04%	↓-1.78%	10.15%
Net Profit %	3.81%	4.91%	↓-1.10%	5.56%
ROA	2.55%	2.59%	↓-0.4%	4.67%
ROE	7.34%	6.98%	↑0.36%	11.70%
ROCE	7.33%	7.08%	↑0.25%	11.52%
LEVERAGE	9M -2025	FY-24	CHANGE	
Total Debt % of Total Assets %	66.47%	62.09%	↑4.39	
Debt to Equity	1.98	1.64	↑0.34	
Interest Coverage Ratio	4.46	6.14	↓-1.68	
LIQUIDITY	9M -2025	FY-24	CHANGE	
Current Ratio	1.16	1.17	↓-0.01	
Quick Ratio	0.98	1.02	↓-0.04	
Working Capital / Total Assets Ratio	0.08	0.09	↓-0.01	

FINANCIAL POSITION / CASH FLOW - CONSOLIDATED

Consolidated Statement of Financial Position - 30 Sep 2025

	Kuwaiti Dinars	
	9M - 25	FY-24
NON-CURRENT ASSETS	85,922,215	81,401,016
CURRENT ASSETS	143,970,953	123,210,628
TOTAL ASSETS	229,893,168	204,611,644
NON-CURRENT LIABILITIES	28,242,656	21,851,276
CURRENT LIABILITIES	124,575,935	105,189,364
TOTAL LIABILITIES	152,818,591	127,040,640
EQUITY	77,074,577	77,571,004
TOTAL EQUITY AND LIABILITIES	229,893,168	204,611,644

Consolidated Statement of Cash Flow - 30 Sep 2025

	Kuwaiti Dinars	
	9M - 25	9M-24
PROFIT BEFORE CONTRIBUTION TO BOD REMUNERATION	5,991,321	5,302,920
ADJUSTMENTS FOR NON-OPERATING / CASH	9,666,999	8,198,593
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	15,658,320	13,501,513
CHANGES IN WORKING CAPITAL	(5,888,234)	(6,936,716)
NET CASH GENERATED FROM OP ACTIVITIES	9,770,086	6,564,797
NET CASH USED IN FROM INVESTING ACTIVITIES	(4,977,349)	(6,263,145)
NET CASH USED IN FROM FIN. ACTIVITIES	(2,839,274)	540,206
INCREASE IN CASH & CASH EQUIVALENTS	1,953,463	841,858
CASH & CASH EQUIV. AT BEGINNING OF PERIOD	3,353,120	4,475,842
CASH & CASH EQUIV. AT PERIOD END	5,306,583	5,317,700

COMMON SIZE ANALYSIS - STATEMENT OF FINANCIAL POSITION - CONSOLIDATED

ASSETS	9M-2025	FY-2024	9M-2025	FY-2024
<u>Non-Current Assets</u>				
Right-of-use-assets	3,070,265	1,295,654	1.34%	0.63%
Property, plant and equipment	78,442,110	77,072,929	34.12%	37.67%
Investment securities	1,762,982	1,605,511	0.77%	0.78%
Trade and other receivables	2,646,858	1,426,922	1.15%	0.70%
Total Non-Current Assets	85,922,215	81,401,016	37.37%	39.78%
<u>Current assets</u>				
Inventories	22,050,699	15,474,550	9.59%	7.56%
Contract assets	63,578,119	54,988,521	27.66%	26.87%
Trade and other receivables	52,954,552	49,114,728	23.03%	24.00%
Cash and bank balances	5,387,583	3,632,829	2.34%	1.78%
Total Current Assets	143,970,953	123,210,628	62.63%	60.22%
TOTAL ASSETS	229,893,168	204,611,644	100.00%	100.00%

COMMON SIZE ANALYSIS - STATEMENT OF FINANCIAL POSITION - CONSOLIDATED

EQUITY AND LIABILITIES	9M-2025	FY-2024	9M-2025	FY-2024
Equity				
Share Capital	18,024,152	18,024,152	7.84%	8.81%
Statutory reserve	10,946,089	10,946,089	4.76%	5.35%
General reserve	11,739,170	11,739,170	5.11%	5.74%
Foreign currency translation reserve	-1,533	628	0.00%	0.00%
Fair valuation reserve	616,188	458,718	0.27%	0.22%
Retained earning	35,744,746	36,396,872	15.55%	17.79%
Non-controlling interests	5,765	5,375	0.00%	0.00%
Total Equity	77,074,577	77,571,004	33.53%	37.91%
Non-Current Liabilities				
Post employment benefits	20,671,030	18,507,406	8.99%	9.05%
Lease liabilities	1,887,209	337,601	0.82%	0.16%
Due to banks	4,742,500	1,904,163	2.06%	0.93%
Trade and other payables	941,917	1,102,106	0.41%	0.54%
Total Non-Current Liabilities	28,242,656	21,851,276	12.29%	10.68%
Current Liabilities				
Lease liabilities	848,504	858,364	0.37%	0.42%
Contract liabilities	370,264	1,844,099	0.16%	0.90%
Due to banks	41,919,840	39,044,075	18.23%	19.08%
Trade and other payables	81,437,327	63,442,826	35.42%	31.01%
Total Current Liabilities	124,575,935	105,189,364	54.19%	51.41%
Total Liabilities	152,818,591	127,040,640	66.47%	62.09%
Total Equity and Liabilities	229,893,168	204,611,644	100.00%	100.00%



THANK YOU



GULF DREDGING





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