



شركة الصناعات الهندسية الثقيلة وبناء السفن ش.م.ك (عامه)  
Heavy Engineering Industries & Shipbuilding Co. K.S.C (Public)

Date: 11<sup>th</sup> March 2025

Reference: CM/AR/031/2025

التاريخ : 11 مارس 2025

إشارة : CM/AR/031/2025

To: Boursa Kuwait

Greetings,

المحترمين

السادة / شركة بورصة الكويت

تحية طيبة وبعد،،،

**Subject: Disclosure of material information  
Analyst conference 4<sup>th</sup> quarter for the  
financial year 2024:**

الموضوع: إفصاح عن معلومات جوهرية  
مؤتمر المحللين للربع الرابع من السنة المالية 2024 :

Reference to Our disclosure dated 5<sup>th</sup> March 2025 article No. (7-8) "Listed Company Obligations" of Boursa Kuwait rulebook.

بالإشارة إلى إفصاحنا المؤرخ في 5 مارس 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 11<sup>th</sup> March 2025 at 2:00 pm (local Time).

نحيطكم علماً بأن مؤتمر المحللين قد إنعقد بتاريخ 11 مارس 2025 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

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

وعليه سوف يتم نشر محضر المؤتمر والعرض التقديمي خلال 3 أيام 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

نموذج الإفصاح عن المعلومات الجوهرية  
**Material Disclosure Form**

<b>Date</b>	11 <sup>th</sup> March 2025	11 مارس 2025	التاريخ
<b>Name of the listed company</b>	Heavy Engineering Industries & Shipbuilding Co. K.S.C. (Public)	شركة الصناعات الهندسية الثقيلة وبناء السفن (ش.م.ك) عامه	إسم الشركة المدرجة
<b>Material Information</b>	<p>The Analyst conference was held on 11/03/2025 at 2:00 pm (local Time).</p> <p>Kindly note that no material information has been revealed during the conference.</p> <p>The Analyst conference transcript &amp; presentation will be published within 3 days from the conference date.</p>	<p>إنعقاد مؤتمر المحللين بتاريخ 2025/03/11 في تمام الساعة 2:00 ظهراً حسب التوقيت المحلي.</p> <p>ولم يتم تداول أي معلومة جوهرية خلال المؤتمر</p> <p>وسوف يتم نشر محضر المؤتمر والعرض التقديمي خلال 3 أيام من تاريخ عقد المؤتمر.</p>	المعلومة الجوهرية
<b>Significant Effect of the material information on the financial position of the company</b>	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.

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 انعكاس 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.



نور محمد

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شركة الصناعات الهندسية الثقيلة وبناء السفن ش.م.ك (عامّة)  
HEAVY ENGINEERING INDUSTRIES & SHIPBUILDING CO. K.S.C (Public)



FY-2024 | Virtual Summit

**INVESTOR PRESENTATION**

# Agenda

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# Disclaimer

## FORWARD - LOOKING STATEMENTS

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Certain monetary amounts, percentages and other figures included on this presentation have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated, may not be the arithmetic aggregation of the percentage that precede them.



## **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

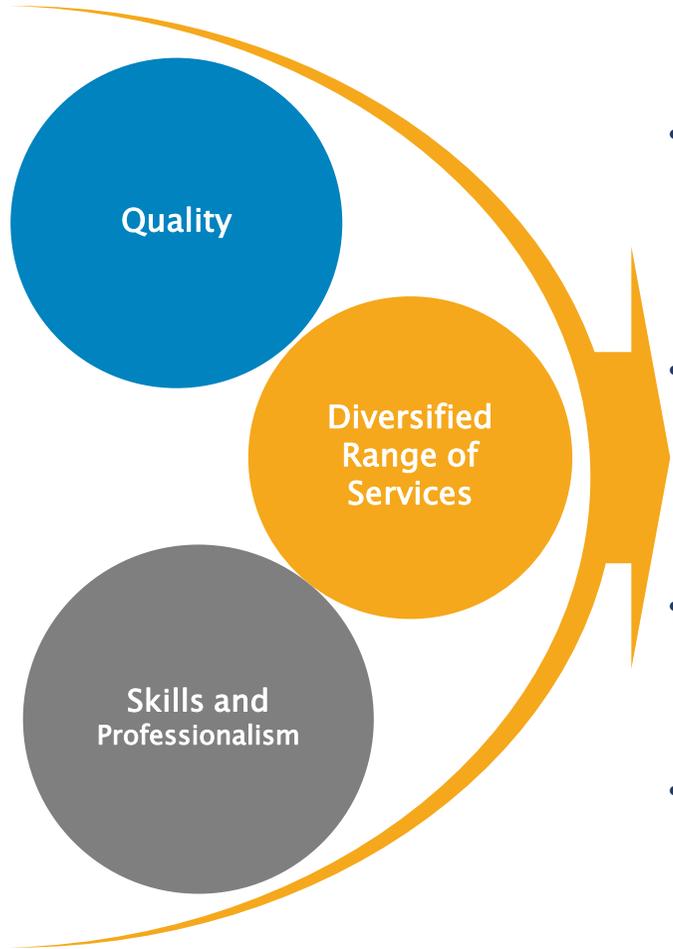
HEISCO is a dynamic group of companies committed to maintaining sustained growth by meeting its customers' schedules and quality requirements. HEISCO provides its customers value-added services at competitive prices by evolving efficient cost-control measures and regularly upgrading our resources.

### **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



- To enhance its Engineering and Design capabilities in support of the group's expanding business and to serve various clients in the region, HEISCO has established a subsidiary company, HEISCO Engineering India Pvt. Ltd., based in Chennai, India,.
- To achieve a significant milestone in its strategic expansion HEISCO has succeeded in the acquisition of Gulf Sky Factory (GSF) in Saudi Arabia, to enhance its fabrication capabilities and broadening its operational footprint in the region.
- Enlisted the expertise of a seasoned consultant to secure Non-GBS Scaffolding Services PQ approval from Aramco, as part of our strategy to enhance and broaden our scaffolding business operations in Saudi Arabia. A storage yard is under construction at our project location to facilitate inspection by Aramco.
- To become a potential contractor to Aramco for future onshore pipeline projects, HEISCO has submitted Pre-Qualification (PQ) documents for its Onshore Pipeline.
- Having received approval for the category of In-plant Projects and Safety Qualification by Aramco, HEISCO can become fully engaged in direct bidding opportunities in KSA

## HEISCO's Strategy



- GD, a subsidiary of HEISCO, aims to broaden its business operations in KSA through strategic expansion initiatives. GD has successfully acquired approvals from Aramco, NEOM, Red Sea Global, and other pertinent authorities, granting it the capability to engage in direct bidding.
- In line with its expansion strategy, HEISCO KSA Branch was approved by SABIC as a Service Provider and Advanced Prequalification for the categories, Manufacturing Equipment, Heat Exchanger and Tank Maintenance, and Scaffolding services.
- HEISCO KSA Branch has also been approved Saudi Electricity Co. (SEC) for mechanical works related to pumps. It has also submitted Pre-Qualifications (PQs) for Civil Works, Construction Projects, Site Construction/Major Boiler Repairs, Tank Construction, Heat Exchangers, Fuel Pipelines, and Gas Pipelines and expects SEC's approval soon.
- HEISCO KSA branch has sought and has received NEOM's approval as a Vendor, Red Sea Development Co. as a Contractor, and National Water Company (NWC) as a Service Provider.

## HEISCO's Strategy



- In line with HEISCO strategy to expand its operations in the Region, HEISCO obtained Qatar Energy PPML approval for Pressure Vessel and Column (less than 75mm thickness, CRA solid and clad, including Slug Catcher) and Fixed Roof Storage Tank with a diameter greater than 25 meters.
- As an approved Qatar Energy Project Preferred Manufacturer, HEISCO plans to establish a branch in Qatar or appoint a local agent to participate in direct bidding.
- In its efforts to expand in Bahrain, HEISCO obtained BAPCO PQ approval for shutdown and routine maintenance services. To provide better services, HEISCO intends to establish a workshop facility in Bahrain.
- HEISCO intends to broaden its business in Iraq, particularly in the promising oil sector, by engaging directly with clients and establishing partnerships with well-respected international contractors.
- HEISCO has been approved by KPC-CPQ for EPC General Contracts under the Tier-E category, and for Mega Storage Tanks exceeding 500,000 BBL under the Tier-C category, covering projects up to KD 100 million.

## HEISCO's Strategy



- Seeking expansion of its business in Kuwait, HEISCO has obtained CAPT approval for Mechanical works (Category 1) in addition to the approvals for Civil works (Category 1) and Electrical works (Category 2).
- HEISCO is focusing on potential projects in Offshore and Marine Construction in the Region and as such is seeking associating with suitable partners in the respective countries for better participation.
- HEISCO and GD have registered with Oman Tender Board aiming to expand its business by developing a solid marketing strategy tailored to the Omani clients' specific needs and preferences.

# PERFORMANCE HIGHLIGHTS – CONSOLIDATED

KD' Million  
Except EPS & Dividend



## REVENUE

↑ 11%

163.14 FY-2024

146.87 FY-2023



## NET PROFIT

↑ 28%

9.07 FY-2024

7.11 FY-2023



## EBITDA

↑ 15%

16.56 FY-2024

14.38 FY-2023



## EPS

↑ 28%

50.34 FY-2024

39.45 FY-2023



## ASSETS

↑ 11%

204.61 FY-2024

183.84 FY-2023



## EQUITY

↑ 5%

77.57 FY-2024

74.03 FY-2023



## LIABILITIES

↑ 16%

127.04 FY-2024

109.81 FY-2023



## BORROWINGS

↑ 61%

40.94 FY-2024

25.37 FY-2023



## DIVIDEND

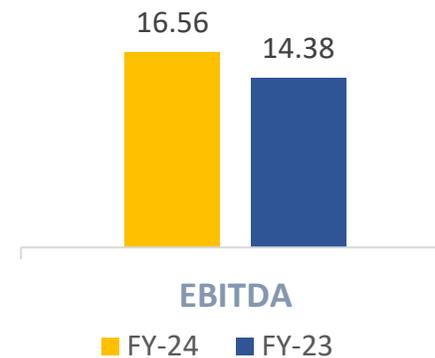
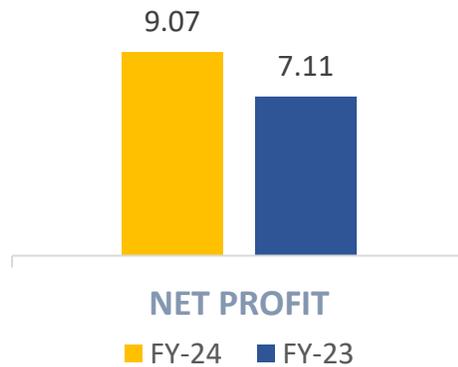
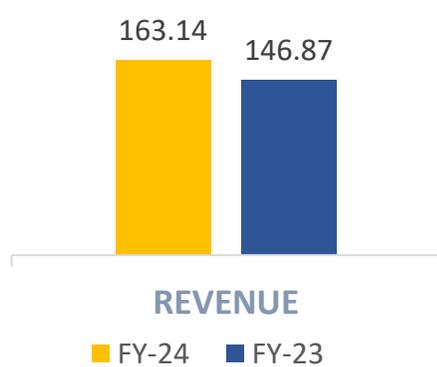
↑ 17%

35 FILS FY-2024

30 FILS FY-2023

# FINANCIAL OVERVIEW – CONSOLIDATED

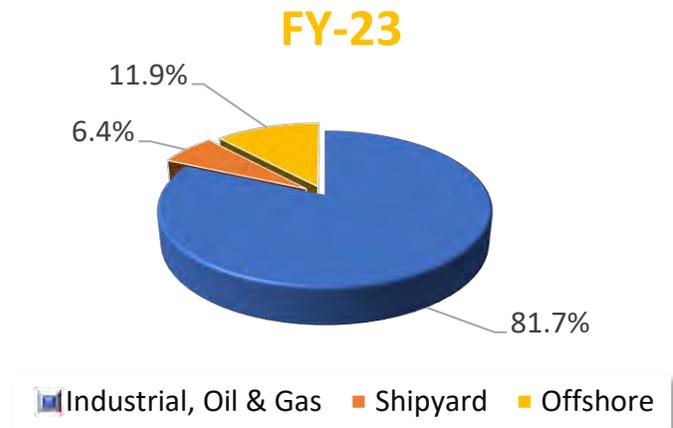
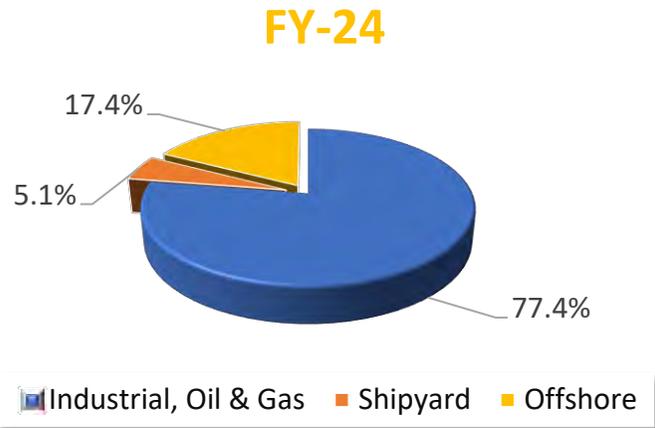
KD' Million



# BREAKDOWN OF REVENUE BY BUSINESS LINE - CONSOLIDATED

KD '000

BUSINESS LINE	FY 2024	FY 2023	FY 2024	FY 2023	% Change
INDUSTRIAL, OIL & GAS	126,316	120,042	77.4%	81.7%	5.2%
SHIPYARD	8,374	9,430	5.1%	6.4%	-11.2%
OFFSHORE	28,457	17,406	17.4%	11.9%	63.5%
<b>TOTAL REVENUE</b>	<b>163,147</b>	<b>146,878</b>	<b>100%</b>	<b>100%</b>	<b>11.1%</b>



## COMMON SIZE ANALYSIS-STATEMENT OF INCOME - CONSOLIDATED

	FY-24	FY-23	FY-24	FY-23
<b>Revenue</b>	163,147,421	146,877,866	100.00%	100.00%
Cost of sales	(147,739,026)	(135,245,073)	-90.56%	-92.08%
<b>Gross Profit</b>	<b>15,408,395</b>	<b>11,632,793</b>	<b>9.44%</b>	<b>7.92%</b>
Other income	976,442	1,055,737	0.60%	0.72%
General and administrative expenses	(4,672,645)	(4,072,156)	-2.86%	-2.77%
Investment income / (loss)	117,771	117,570	0.07%	0.08%
Expected credit loss on financial assets (net)	(304,136)	630,141	-0.19%	0.43%
Finance costs	(1,864,670)	(1,834,664)	-1.14%	-1.25%
Foreign exchange gain/(loss)	(77,026)	58,787	-0.05%	0.04%
<b>Profit before contribution to taxes</b>	<b>9,584,131</b>	<b>7,588,208</b>	<b>5.87%</b>	<b>5.17%</b>
Board of Directors Remuneration	(115,000)	(115,000)	-0.07%	-0.08%
Contribution to Kuwait Foundation for Adv. of Sciences	(91,440)	(65,128)	-0.06%	-0.04%
National Labour Support Tax	(216,042)	(212,562)	-0.13%	-0.14%
Zakat expense	(86,417)	(85,025)	-0.05%	-0.06%
<b>Net profit for the period</b>	<b>9,075,232</b>	<b>7,110,493</b>	<b>5.56%</b>	<b>4.84%</b>
<b>Earning per share (fils)</b>	<b>50.34</b>	<b>39.45</b>		

## RATIO ANALYSIS - CONSOLIDATED

PROFITABILITY	FY-24	FY-23	CHANGE
Gross Profit %	9.44%	7.92%	↑1.52%
EBIT %	7.02%	6.42%	↑0.60%
EBITDA %	10.15%	9.79%	↑0.36%

Net Profit Margin -%	5.56%	4.84%	↑0.72%
ROA	4.67%	3.95%	↑0.73
ROE	11.70%	9.61%	↑2.10%
ROCE	11.52%	9.66%	↑1.85

LEVERAGE	FY-24	FY-23	CHANGE
Total Debt % of Total Assets %	20.01%	13.80%	↑6.21%
Debt to Equity	1.64	1.48	↑0.16
Interest Coverage Ratio	6.14	5.14	↑1.00

LIQUIDITY	FY-24	FY-23	CHANGE
Current Ratio	1.17	1.23	↓-0.06
Quick Ratio	1.02	1.07	↓-0.05
Working Capital to Total Assets	0.09	0.11	↓-0.02

# FINANCIAL POSITION / CASH FLOW - CONSOLIDATED

## Consolidated Statement of Financial Position - 31 Dec 2024

	Kuwaiti Dinars	
	FY - 24	FY-23
NON-CURRENT ASSETS	81,401,016	77,449,867
CURRENT ASSETS	123,210,628	106,393,751
<b>TOTAL ASSETS</b>	<b>204,611,644</b>	<b>183,843,618</b>
NON-CURRENT LIABILITIES	21,851,276	23,496,523
CURRENT LIABILITIES	105,189,364	86,314,665
<b>TOTAL LIABILITIES</b>	<b>127,040,640</b>	<b>109,811,188</b>
EQUITY	77,571,004	74,032,430
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>204,611,644</b>	<b>183,843,618</b>

## Consolidated Statement of Cash Flow - 31 Dec 2024

	Kuwaiti Dinars	
	FY - 24	FY-23
PROFIT BEFORE CONTRIBUTION TO BOD REMUNERATION	9,584,131	7,588,208
NON-OPERATING NGNG FOR NON-OPERATING / CASH	11,517,763	9,147,285
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	21,101,894	16,735,493
CHANGES IN WORKING CAPITAL	(21,830,266)	11,771,036
NET CASH GENERATED FROM OP ACTIVITIES	(728,372)	28,506,529
NET CASH USED IN FROM INVESTING ACTIVITIES	(8,375,562)	(11,979,049)
NET CASH USED IN FROM FIN. ACTIVITIES	7,981,212	(17,611,097)
INCREASE IN CASH & CASH EQUIVALENTS	(1,122,722)	(1,083,617)
CASH & CASH EQUIV. AT BEGINNING OF PERIOD	4,475,842	5,559,459
<b>CASH &amp; CASH EQUIV. AT PERIOD END</b>	<b>3,353,120</b>	<b>4,475,842</b>

## COMMON SIZE ANALYSIS - STATEMENT OF FINANCIAL POSITION - CONSOLIDATED

<b>ASSETS</b>	<b>FY-24</b>	<b>FY-23</b>	<b>FY-24</b>	<b>FY-23</b>
<b><u>Non-Current Assets</u></b>				
Right-of-use-assets	1,295,654	1,898,896	0.63%	1.03%
Property, plant and equipment	77,072,929	72,400,692	37.67%	39.38%
Investment securities	1,605,511	1,735,595	0.78%	0.94%
Trade and other receivables	1,426,922	1,414,684	0.70%	0.77%
<b>Total Non-Current Assets</b>	<b>81,401,016</b>	<b>77,449,867</b>	<b>39.78%</b>	<b>42.13%</b>
<b><u>Current assets</u></b>				
Inventories	15,474,550	13,743,236	7.56%	7.48%
Contract assets	54,988,521	54,428,110	26.87%	29.61%
Trade and other receivables	49,114,728	33,356,024	24.00%	18.14%
Cash and bank balances	3,632,829	4,866,381	1.78%	2.65%
<b>Total Current Assets</b>	<b>123,210,628</b>	<b>106,393,751</b>	<b>60.22%</b>	<b>57.87%</b>
<b>TOTAL ASSETS</b>	<b>204,611,644</b>	<b>183,843,618</b>	<b>100.00%</b>	<b>100.00%</b>

## COMMON SIZE ANALYSIS - STATEMENT OF FINANCIAL POSITION - CONSOLIDATED

<b>EQUITY AND LIABILITIES</b>	<b>FY-24</b>	<b>FY-23</b>	<b>FY-24</b>	<b>FY-23</b>
<b><u>Equity</u></b>				
Share Capital	18,024,152	18,024,152	8.81%	9.80%
Statutory reserve	10,946,089	10,946,089	5.35%	5.95%
General reserve	11,739,170	10,780,757	5.74%	5.86%
Foreign currency translation reserve	628	0	0.00%	0.00%
Investment revaluation reserve	458,718	588,802	0.22%	0.32%
Retained earnings	36,396,872	33,689,023	17.79%	18.32%
Non-controlling interests	5,375	3,607	0.00%	0.00%
<b>Total Equity</b>	<b>77,571,004</b>	<b>74,032,430</b>	<b>37.91%</b>	<b>40.27%</b>
<b><u>Non-Current Liabilities</u></b>				
Post employment benefits	18,507,406	19,752,216	9.05%	10.74%
Lease liabilities	337,601	914,301	0.16%	0.50%
Due to banks	1,904,163	964,163	0.93%	0.52%
Trade and other payables	1,102,106	1,865,843	0.54%	1.01%
<b>Total Non-Current Liabilities</b>	<b>21,851,276</b>	<b>23,496,523</b>	<b>10.68%</b>	<b>12.78%</b>
<b><u>Current liabilities</u></b>				
Lease liabilities	858,364	858,206	0.42%	0.47%
Contract liabilities	1,844,099	266,335	0.90%	0.14%
Due to banks	39,044,075	24,410,872	19.08%	13.28%
Trade and other payables	63,442,826	60,779,252	31.01%	33.06%
<b>Total Current liabilities</b>	<b>105,189,364</b>	<b>86,314,665</b>	<b>51.41%</b>	<b>46.95%</b>
<b>Total liabilities</b>	<b>127,040,640</b>	<b>109,811,188</b>	<b>62.09%</b>	<b>59.73%</b>
<b>Total Equity and Liabilities</b>	<b>204,611,644</b>	<b>183,843,618</b>	<b>100.00%</b>	<b>100.00%</b>



**GULF DREDGING**



THANK YOU



GULF DREDGING





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