

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



Date: 4<sup>th</sup> March 2026

Reference: CM/AR/023/2026

التاريخ : 4 مارس 2026

إشارة : CM/AR/023/2026

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 2025:**

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

Reference to Our disclosure dated 2<sup>nd</sup> March 2026 article No. (7-8) "Listed Company Obligations" of Boursa Kuwait rulebook.

بالإشارة إلى إفصاحنا المؤرخ في 2 مارس 2026، وإلى المادة (7-8) "التزامات الشركة المدرجة" من كتاب قواعد البورصة.

We would like to inform you that The Analyst conference was held on 4<sup>th</sup> March 2026 at 1:30 pm (local Time).

نحنيطكم علماً بأن مؤتمر المحللين قد إنعقد بتاريخ 4 مارس 2026 في تمام الساعة 1:30 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

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

<b>Date</b>	4 <sup>th</sup> March 2026	4 مارس 2026	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) عامة	إسم الشركة المدرجة
<b>Material Information</b>	<p>The Analyst conference was held on 4/3/2026 at 1:30 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 2026/3/4 في تمام الساعة 1:30 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.

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.

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



FY-2025 | Virtual Summit

**INVESTOR PRESENTATION**

# Agenda

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# Disclaimer

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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

## Introduction

This report provides an overview of HEISCO Group's key activities, including business updates, upcoming projects, and company 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, SASRE, WTTTCO, Sadara Chemical Co., and Petro Rabigh..



# HEISCO's Strategy



- **The Saudi Electricity Company (SEC) approvals:** SEC has approved our company for the supply, installation, maintenance, and repair of heat exchangers following a successful technical evaluation and facility inspection in Saudi Arabia and Kuwait. This approval adds to our existing SEC qualifications for mechanical works (pumps), civil works, and gas pipeline maintenance and installation, further reinforcing our capability to deliver integrated, multidisciplinary solutions.
- **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. Submission of the required documents and Saudi Aramco's facility inspection have been completed and currently awaiting approval of the Non-GBS Specialized Scaffolding Contractors' Qualification.
- HEISCO has appointed ALSAHAB Energy & Investment SPC as its exclusive agent to secure new opportunities in Oman. The initial target will be on Specialized contaminated Soil and Sludge Treatment projects for Petroleum Development Oman.

## 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. GD has secured the requisite Saudi Contract Authority Certificates from the relevant authority.

# 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  
Except EPS & Dividend



## REVENUE

↑ 26%

205.78 FY-2025

163.14 FY-2024



## NET PROFIT

↑ 8%

9.81 FY-2025

9.07 FY-2024



## EBITDA

↑ 15%

19.34 FY-2025

16.81 FY-2024



## EPS

↑ 8%

54.48 FY-2025

50.34 FY-2024



## ASSETS

↑ 17%

239.28 FY-2025

204.61 FY-2024



## EQUITY

↑ 5%

81.21 FY-2025

77.57 FY-2024



## LIABILITIES

↑ 24%

158.07 FY-2025

127.04 FY-2024



## BORROWINGS

↑ 20%

49.19 FY-2025

40.94 FY-2024



## DIVIDEND

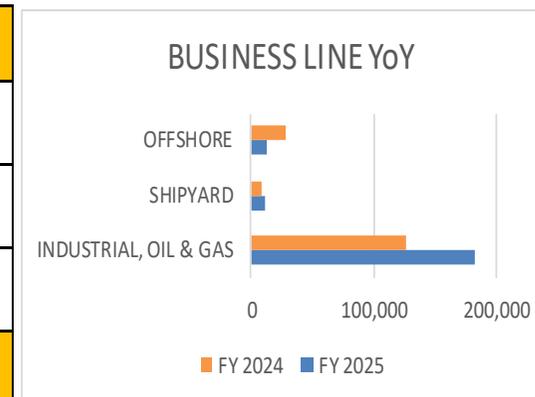
↑ 29%

25 FILS  
Bonus Share 1:10 } FY  
35 FILS FY-2024 } 2025

## BREAKDOWN OF REVENUE BY BUSINESS LINE - CONSOLIDATED

KD '000

BUSINESS LINE	FY 2025	FY 2024	% Change
INDUSTRIAL, OIL & GAS	182,218	126,316	44.26%
SHIPYARD	10,684	8,375	27.58%
OFFSHORE	12,886	28,457	-54.72%
<b>TOTAL REVENUE</b>	<b>205,788</b>	<b>163,147</b>	



## COMMON SIZE ANALYSIS-STATEMENT OF INCOME - CONSOLIDATED

	FY-25	FY-24	FY-25	FY-24
<b>Revenue</b>	205,787,988	163,147,421	100.00%	100.00%
Cost of sales	(187,335,463)	(147,739,026)	-91.03%	-90.56%
<b>Gross Profit</b>	<b>18,452,525</b>	<b>15,408,395</b>	<b>8.97%</b>	<b>9.44%</b>
Other income	317,318	976,442	0.15%	0.60%
General and administrative expenses	(6,034,960)	(4,672,645)	-2.93%	-2.86%
Investment income / (loss)	203,251	117,771	0.10%	0.07%
Expected credit loss on financial assets (net)	7,245	(304,136)	0.00%	-0.19%
Finance costs	(2,329,331)	(1,864,670)	-1.13%	-1.14%
Foreign exchange gain/(loss)	(107,991)	(77,026)	-0.05%	-0.05%
<b>Profit before contribution to taxes</b>	<b>10,508,057</b>	<b>9,584,131</b>	<b>5.11%</b>	<b>5.87%</b>
Board of Directors Remuneration	(115,000)	(115,000)	-0.06%	-0.07%
Contribution to Kuwait Foundation for Adv. of Sciences	(104,624)	(91,440)	-0.05%	-0.06%
National Labour Support Tax	(334,647)	(216,042)	-0.16%	-0.13%
Zakat expense	(133,859)	(86,417)	-0.07%	-0.05%
<b>Net profit for the period</b>	<b>9,819,927</b>	<b>9,075,232</b>	<b>4.77%</b>	<b>5.56%</b>
<b>Earning per share (fils)</b>	<b>54.48</b>	<b>50.34</b>		

# RATIO ANALYSIS - CONSOLIDATED

## KEY RATIOS - FY 2025

PROFITABILITY	FY-25	FY-24	CHANGE	FY-23
Gross Profit %	8.97%	9.44%	↓-0.48%	7.92%
EBIT %	6.24%	7.02%	↓-0.78%	6.42%
EBITDA %	9.40%	10.31%	↓-0.91%	9.79%
Net Profit %	4.77%	5.56%	↓-0.79%	4.84%
ROA	4.42%	4.67%	↓-0.25%	3.95%
ROE	12.09%	11.70%	↑0.39%	9.61%
ROCE	11.70%	11.52%	↑0.18%	9.66%

LEVERAGE	FY-25	FY-24	CHANGE	FY-23
Total Debt % of Total Assets %	66.06%	62.09%	↑3.97%	59.73%
Debt to Equity	1.95	1.64	↑0.31	1.48
Interest Coverage Ratio	5.51	6.14	↓-0.63	5.14

LIQUIDITY	FY-25	FY-24	CHANGE	FY-23
Current Ratio	1.18	1.17	↑0.01	1.23
Quick Ratio	1.00	1.02	↓-0.02	1.07
Working Capital / Total Assets Ratio	0.10	0.09	↑0.01	0.11

# FINANCIAL POSITION / CASH FLOW - CONSOLIDATED

## Consolidated Statement of Financial Position - 31 Dec 2025

	Kuwaiti Dinars	
	FY - 25	FY-24
NON-CURRENT ASSETS	86,070,227	81,401,016
CURRENT ASSETS	153,219,660	123,210,628
<b>TOTAL ASSETS</b>	<b>239,289,887</b>	<b>204,611,644</b>
NON-CURRENT LIABILITIES	28,535,472	21,851,276
CURRENT LIABILITIES	129,544,011	105,189,364
<b>TOTAL LIABILITIES</b>	<b>158,079,483</b>	<b>127,040,640</b>
EQUITY	81,210,404	77,571,004
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>239,289,887</b>	<b>204,611,644</b>

## Consolidated Statement of Cash Flow - 31 Dec 2025

	Kuwaiti Dinars	
	FY - 25	FY-24
PROFIT BEFORE CONTRIBUTION TO BOD REMUNERATION	10,508,057	9,584,131
ADJUSTMENTS FOR NON-OPERATING / CASH	13,326,816	11,517,763
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	23,834,873	21,101,894
CHANGES IN WORKING CAPITAL	(15,481,348)	(21,830,266)
NET CASH GENERATED FROM OP ACTIVITIES	8,353,525	(728,372)
NET CASH USED IN FROM INVESTING ACTIVITIES	(6,596,951)	(8,375,562)
NET CASH USED IN FROM FIN. ACTIVITIES	(884,439)	7,981,212
INCREASE IN CASH & CASH EQUIVALENTS	872,135	(1,122,722)
CASH & CASH EQUIV. AT BEGINNING OF PERIOD	3,353,120	4,475,842
<b>CASH &amp; CASH EQUIV. AT PERIOD END</b>	<b>4,225,255</b>	<b>3,353,120</b>

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

ASSETS	FY-2025	FY-2024	FY-2025	FY-2024
<b>Non-Current Assets</b>				
Right-of-use-assets	2,856,690	1,295,654	1.19%	0.63%
Property, plant and equipment	78,554,936	77,072,929	32.83%	37.67%
Investment securities	1,776,673	1,605,511	0.74%	0.78%
Trade and other receivables	2,881,928	1,426,922	1.20%	0.70%
<b>Total Non-Current Assets</b>	<b>86,070,227</b>	<b>81,401,016</b>	<b>35.97%</b>	<b>39.78%</b>
<b>Current assets</b>				
Inventories	23,698,547	15,474,550	9.90%	7.56%
Contract assets	59,654,127	54,988,521	24.93%	26.87%
Trade and other receivables	65,560,731	49,114,728	27.40%	24.00%
Cash and bank balances	4,306,255	3,632,829	1.80%	1.78%
<b>Total Current Assets</b>	<b>153,219,660</b>	<b>123,210,628</b>	<b>64.03%</b>	<b>60.22%</b>
<b>TOTAL ASSETS</b>	<b>239,289,887</b>	<b>204,611,644</b>	<b>100.00%</b>	<b>100.00%</b>

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

EQUITY AND LIABILITIES	FY-2025	FY-2024	FY-2025	FY-2024
<b>Equity</b>				
Share Capital	18,024,152	18,024,152	7.53%	8.81%
Statutory reserve	10,946,089	10,946,089	4.57%	5.35%
General reserve	12,789,976	11,739,170	5.34%	5.74%
Foreign currency translation reserve	-42,383	628	-0.02%	0.00%
Treasury shares reserve	-276	0	0.00%	0.00%
Investment revaluation reserve	629,880	458,718	0.26%	0.22%
Retained earning	38,857,404	36,396,872	16.24%	17.79%
Non-controlling interests	5,562	5,375	0.00%	0.00%
<b>Total Equity</b>	<b>81,210,404</b>	<b>77,571,004</b>	<b>33.94%</b>	<b>37.91%</b>
<b>Non-Current Liabilities</b>				
Post employment benefits	21,427,061	18,507,406	8.95%	9.05%
Lease liabilities	1,930,979	337,601	0.81%	0.16%
Due to banks	4,322,500	1,904,163	1.81%	0.93%
Trade and other payables	854,932	1,102,106	0.36%	0.54%
<b>Total Non-Current Liabilities</b>	<b>28,535,472</b>	<b>21,851,276</b>	<b>11.93%</b>	<b>10.68%</b>
<b>Current Liabilities</b>				
Lease liabilities	848,504	858,364	0.35%	0.42%
Contract liabilities	474,434	1,844,099	0.20%	0.90%
Due to banks	44,871,332	39,044,075	18.75%	19.08%
Trade and other payables	83,349,741	63,442,826	34.83%	31.01%
<b>Total Current Liabilities</b>	<b>129,544,011</b>	<b>105,189,364</b>	<b>54.14%</b>	<b>51.41%</b>
<b>Total Liabilities</b>	<b>158,079,483</b>	<b>127,040,640</b>	<b>66.06%</b>	<b>62.09%</b>
<b>Total Equity and Liabilities</b>	<b>239,289,887</b>	<b>204,611,644</b>	<b>100.00%</b>	<b>100.00%</b>



THANK YOU





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