

Ref: KIPCO/DGCEO 126/23 dated November 20, 2023

Boursa Kuwait Company

KUWAIT

Subject: Conducting KIPCO's Analyst/Investor
Conference call for Q3/2023

With reference to the above subject, and the requirements of article No. (2-4-8) "Continuing Obligations in the Premier Market" of Boursa Kuwait rule book issued via resolution No. (1) of year 2018, and since KIPCO has been classified in the premier market, Kindly note that the analyst/investor conference was conducted through a conference call at 2:00 PM (local time) on Monday 20/11/2023.

Kindly note that no material information has been discussed during the conference. Please find attached the investors' presentation for Q3-2023.

Sincerely,

السادة / شركة بورصة الكويت
دولة الكويت

الموضوع: انعقاد مؤتمر المحللين/المستثمرين لشركة
مشاريع الكويت القابضة "كيبكو" للربع الثالث من
السنة المالية 2023

بالإشارة الى الموضوع اعلاه، والى متطلبات المادة (2-4-8) "الإلتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث أن كيبكو تم تصنيفها ضمن مجموعة "السوق الأول"، نود ان نحيطكم علما بأن مؤتمر المحللين/المستثمرين قد انعقد عبر مكالمة هاتفية جماعية في تمام الساعة الثانية ظهراً (التوقيت المحلي) من يوم الاثنين الموافق 2023/11/20.

كما يرجى العلم بأنه لم يتم تداول أي معلومة جوهرية خلال المؤتمر، وتجدون مرفق طيه العرض التقديمي للمستثمرين عن الربع الثالث لعام 2023.

وتفضلوا بقبول فائق الاحترام،،



Samer Khanachet

Deputy Group Chief Executive Officer

كيبكو
KIPCO

13

سامر خنشت
نائب الرئيس التنفيذي للمجموعة

111

KIPCO Q3 2023 INVESTOR CALL

November 2023

Disclaimer

This presentation has been made for informational purposes and does not involve an invitation to subscribe to, purchase, or sell any security.

No warranty is given on the accuracy or completeness of the information in this presentation. Independent research is recommended to evaluate and assess the business and financial condition of KIPCO.

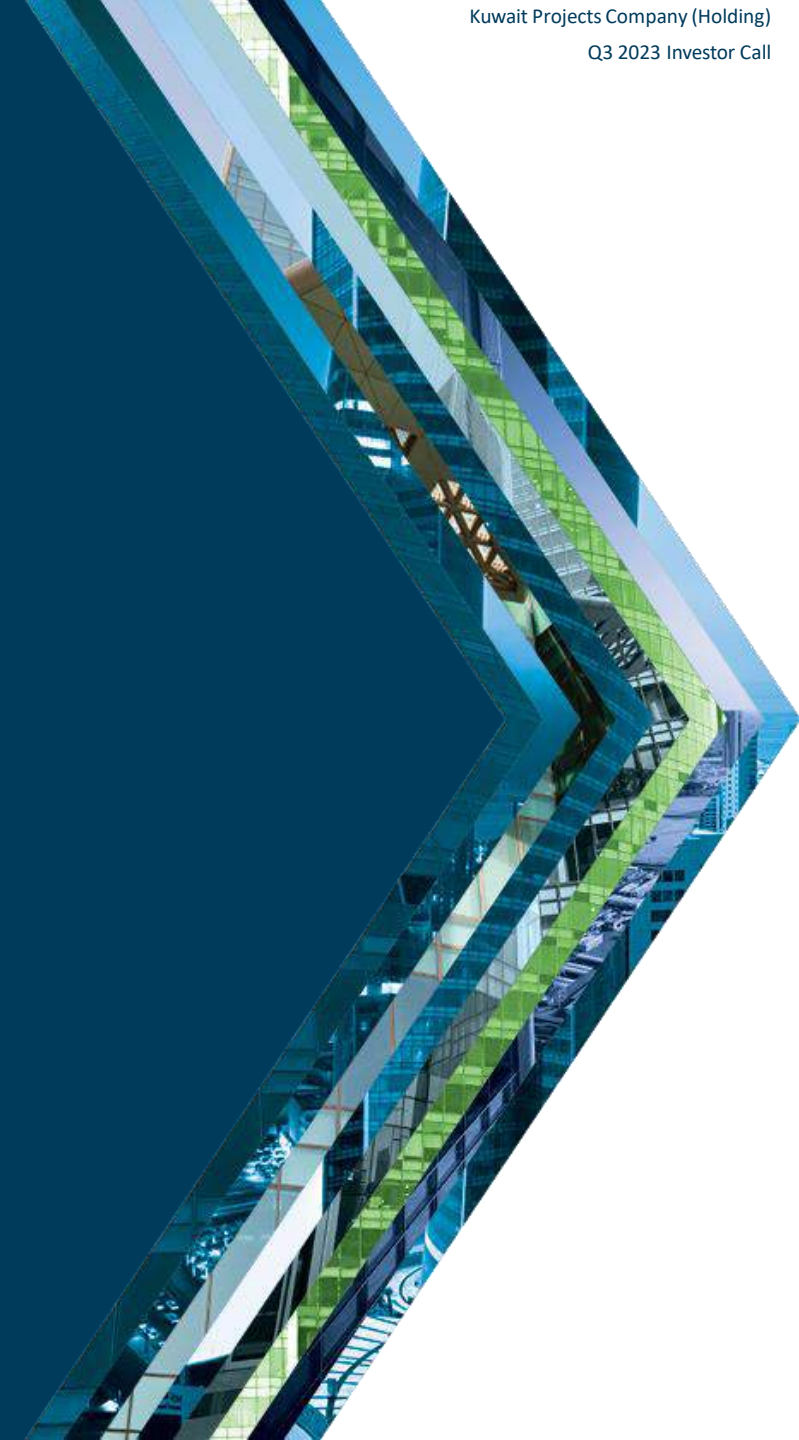
This presentation may contain forward-looking statements. These statements may be identified by such words as “may,” “plans,” “expects,” “believes,” and similar expressions or by their context. These statements are made based on current knowledge and assumptions. Various factors could cause future results, performance, or events to differ materially from those described in these statements. No obligation should be assumed to update any forward-looking statements.

By participating in this presentation or accepting any copy of the presentation slides, you agree to abide by the foregoing limitations.

Financial figures in this presentation have been rounded and converted to United States Dollars (US\$) using the following exchange rates:

- US\$ to Kuwaiti Dinar – (US\$/KD) 0.30905
- US\$ to Saudi Riyal – (US\$/SAR) 3.7512
- US\$ to Jordanian Dinar – (US\$/JD) 0.708

HIGHLIGHTS FOR THE PERIOD



Recent business highlights


95%
Net profit



- ❖ Positive performance driven by foreign banking operations, foodstuff, logistics and oil field services

- ❖ In July, KIPCO successfully completed its debut KD denominated Sukuk issuance worth US\$ 335.8 million, under the company's US\$ 2 billion Trust Certificate Issuance Program

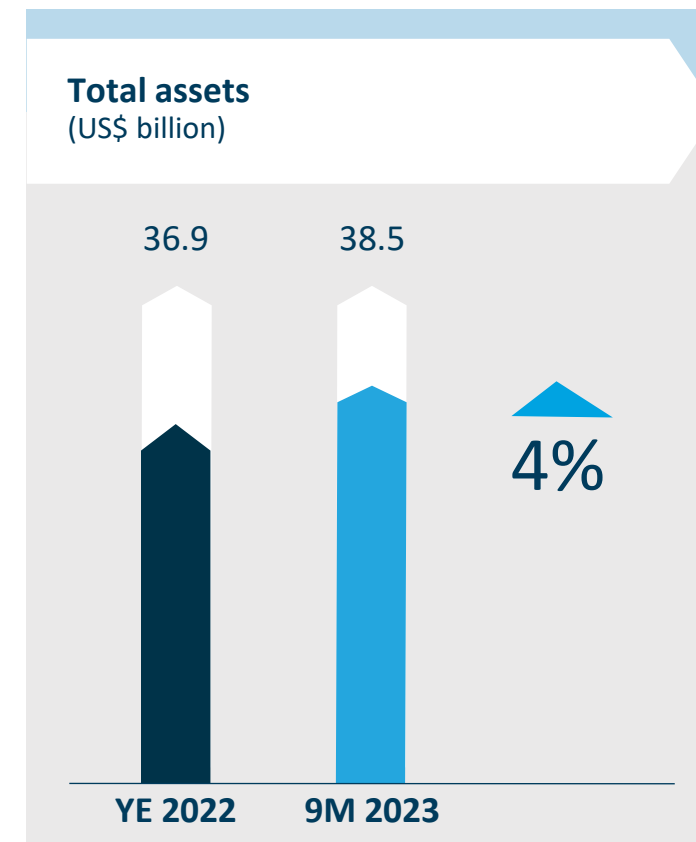
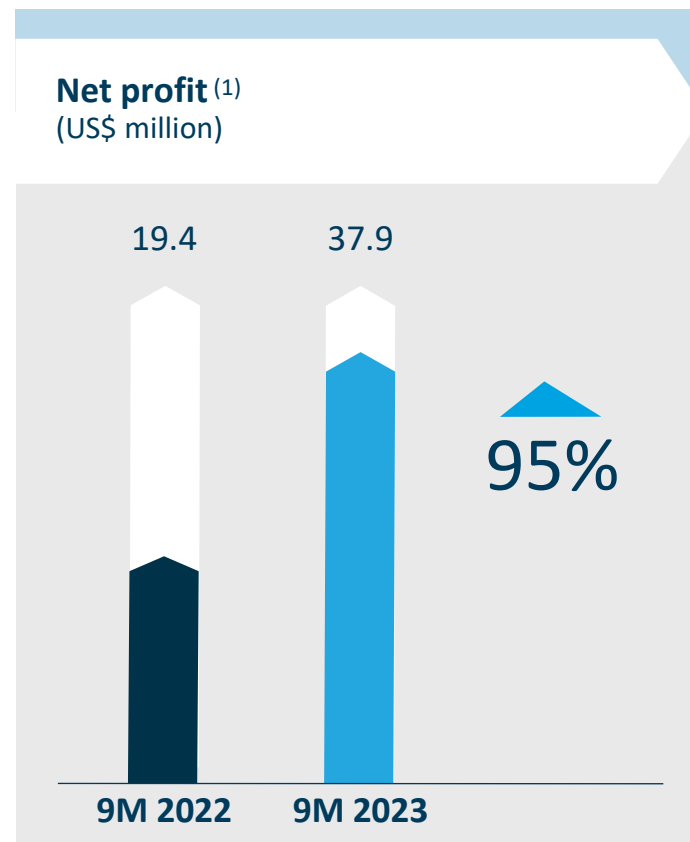
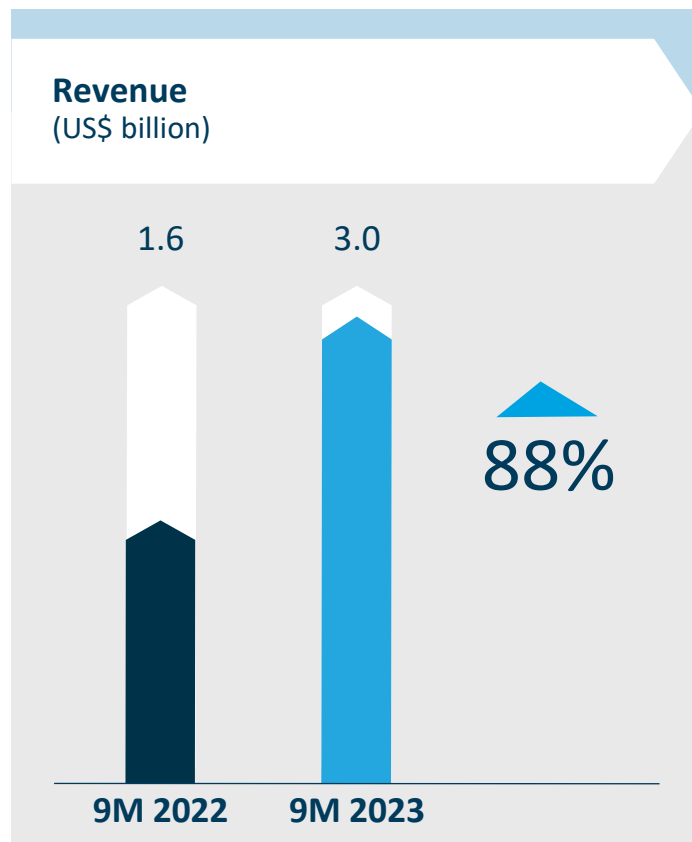
 - US\$ 330 million partial prepayment of the US\$ 525 million syndicated facility

- ❖ In November, KIPCO repaid remaining portion of its 5-year KD bond amounting to US\$ 92.2 million.



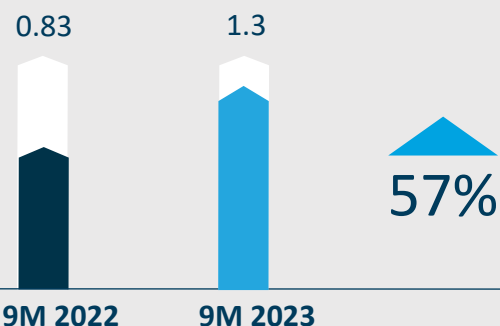
- ❖ In September, KIPCO published its 2022 Sustainability Report which included the company's ESG Strategy.

Financial highlights

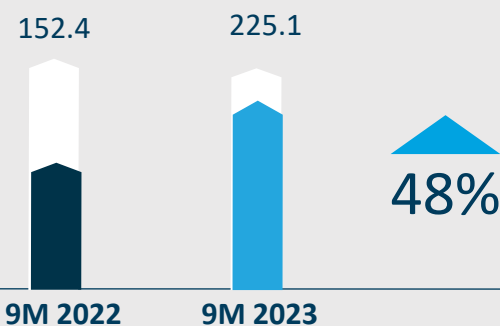


9M 2023 income breakdown

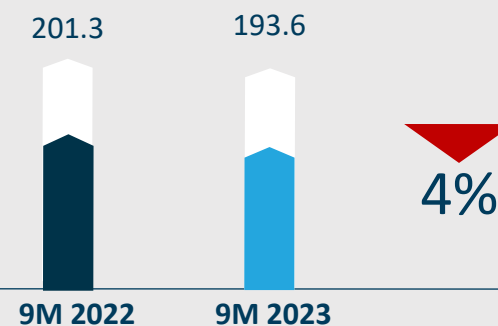
Interest income (US\$ billion)



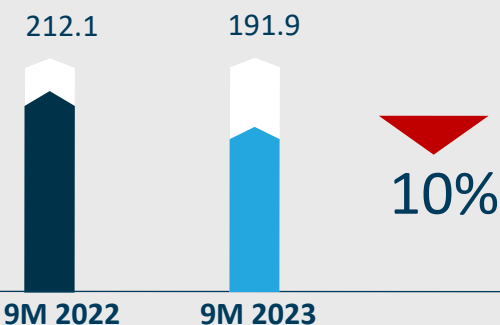
Fee & commission income (US\$ million)



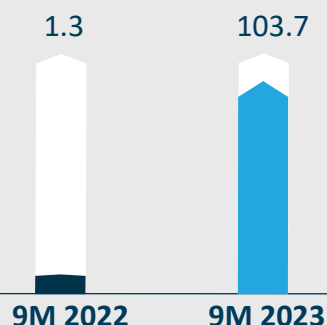
Media & digital satellite network (US\$ million)



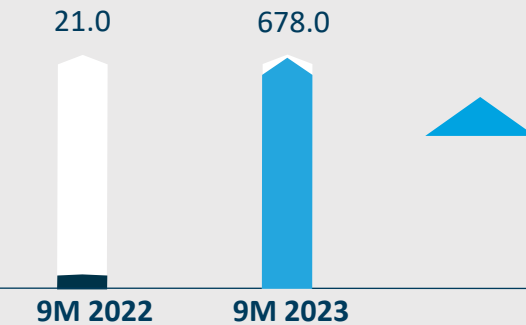
Hospitality and real estate income (US\$ million)



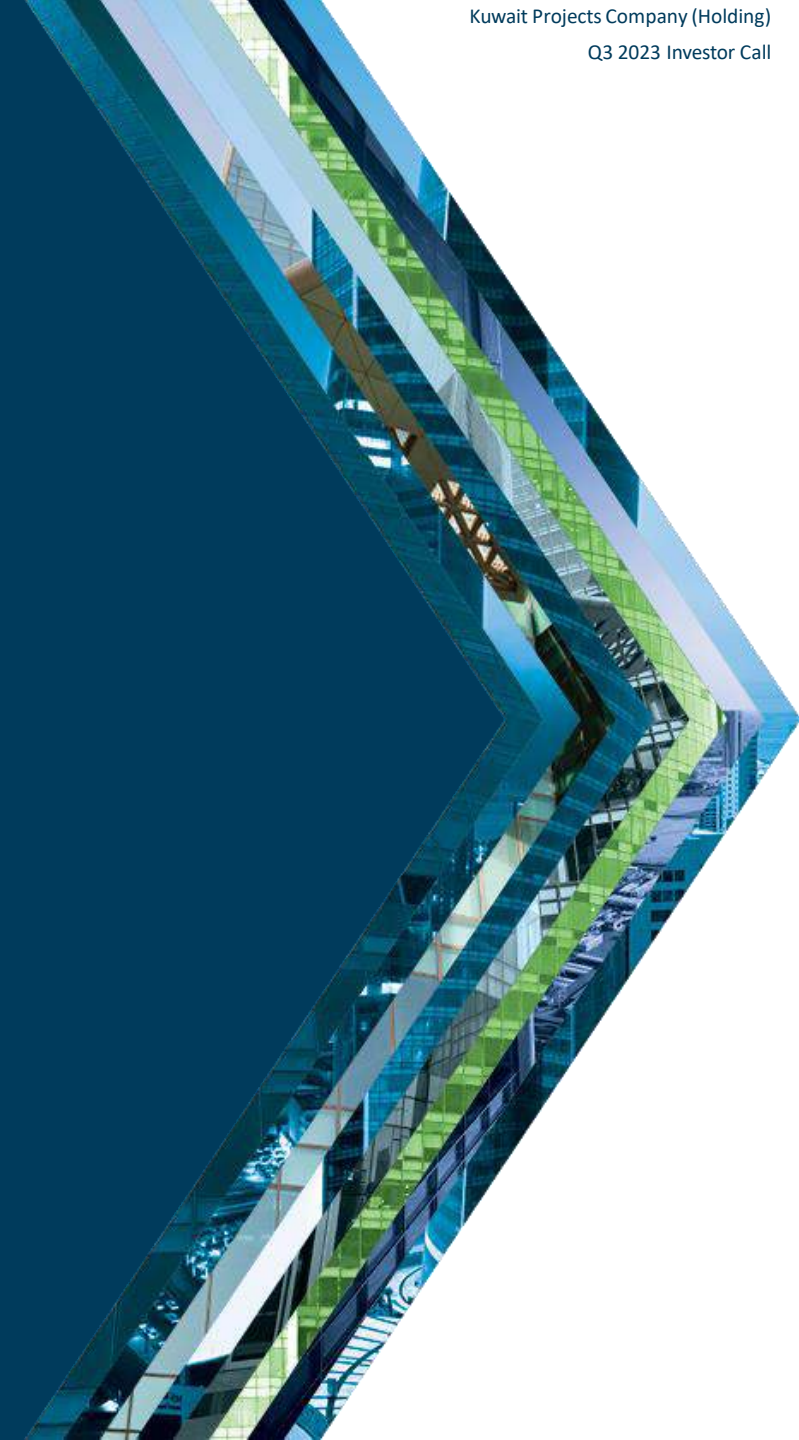
Energy income ⁽¹⁾ (US\$ million)



Industrial & logistics income ⁽¹⁾ (US\$ million)



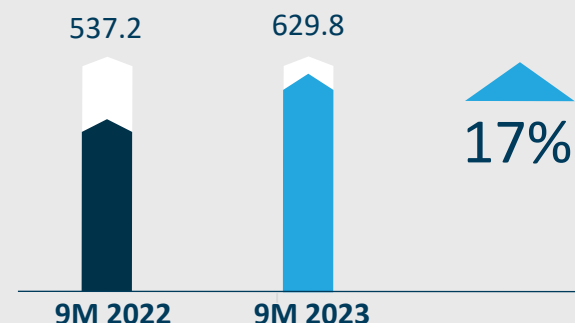
PORTFOLIO FINANCIAL PERFORMANCE



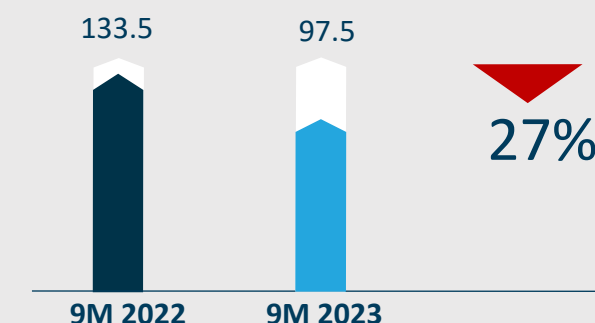
Burgan Bank Group



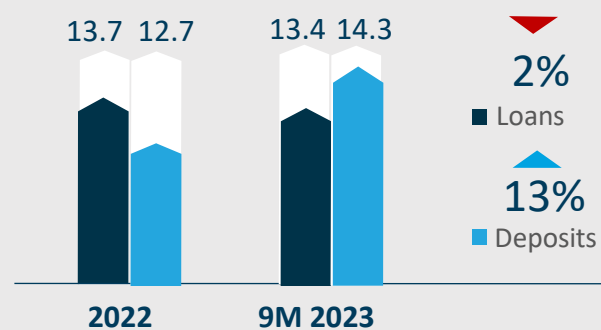
Operating income ⁽¹⁾ (US\$ million)



Net income ⁽²⁾ (US\$ million)



Loans & deposits (US\$ billion)



Key ratios

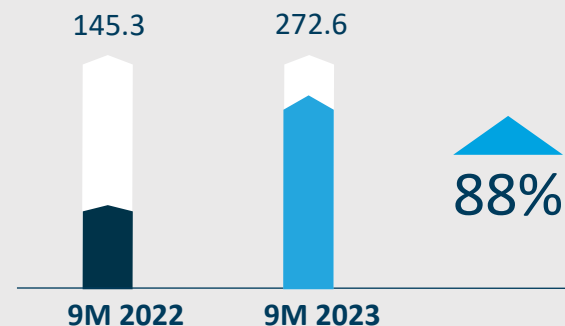
	9M 2022	9M 2023
Net interest margin%	2.3%	1.9%
Cost to income%	45.5%	43.8%
Cost of credit%	0.4%	0.2%
Non-performing loans ratio%	2.6%	2.0%
Provisions coverage ratio%	153%	215%

- ❖ Higher revenues driven by strong increase in non-interest income of US\$ 336 million
- ❖ Growth in operating income reflects improving operating efficiencies despite investment in digital & tech infrastructure
- ❖ Decrease in net income primarily attributed to increase in provisions and hyperinflation-related monetary loss in Turkish subsidiary

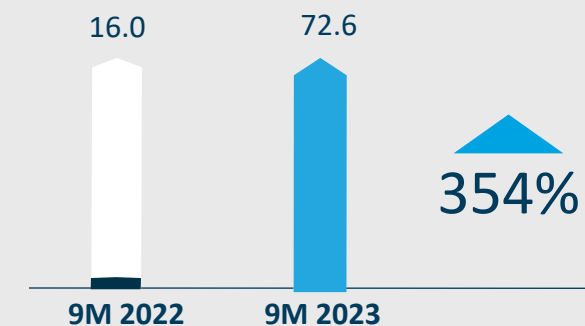
Jordan Kuwait Bank



Total income (US\$ million)

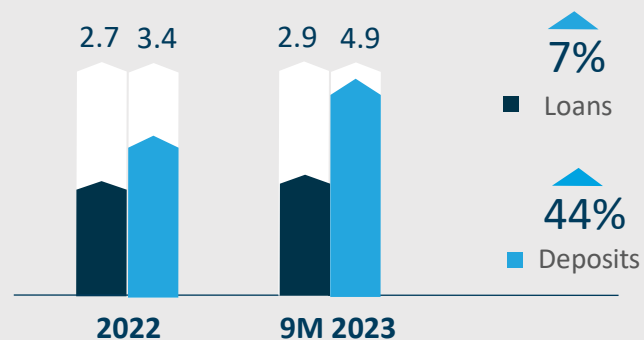


Net profit ⁽¹⁾ (US\$ million)

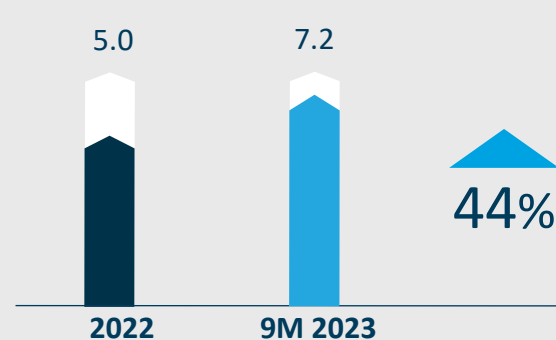


- ❖ In October, the bank successfully sold 66.97% of UAE-based BHM Capital Financial Services to Ethmar International Holding for JOD 30.6 million (US\$ 43.2 million). JKB retained a 10% stake in BHM Capital.

Loans & deposits (US\$ billion)



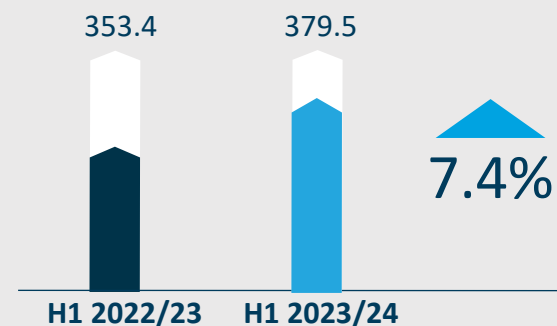
Total assets (US\$ billion)



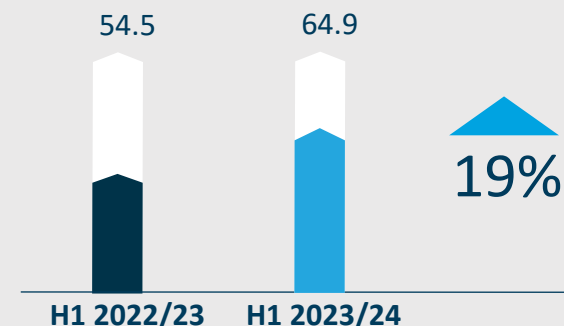
SADAFCO



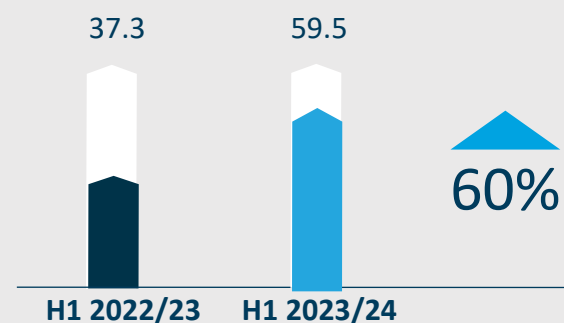
Revenue* (US\$ million)



Operating profit* (US\$ million)



Net profit* (1) (US\$ million)



- ❖ Higher net sales and improved gross margin resulted in a YoY increase of 60% in net profit
- ❖ Launched 'barista milk' targeting out of home customers
- ❖ Announced the construction of a new depot in Yanbu, replacing the current leased depot
- ❖ Fiscal year changed from March-end to December-end

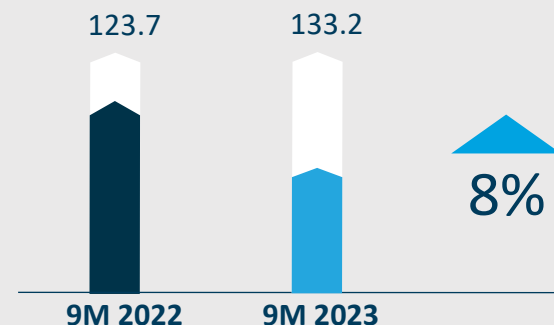
United Gulf Holding



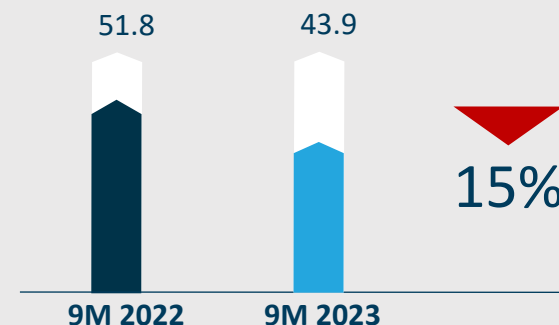
شركة الخليج المتحد القابضة ش.م.ب.
United Gulf Holding Company B.S.C.



Revenue (US\$ million)



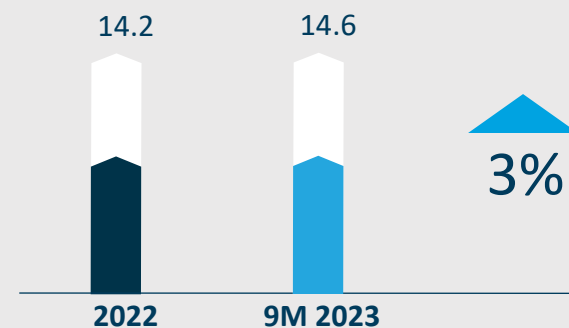
Fee & commission (US\$ million)



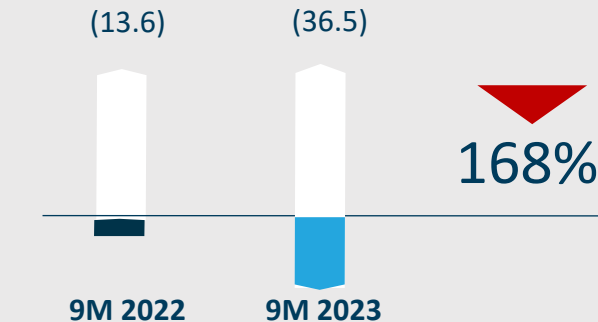
❖ **82% increase YoY in Interest Income** was offset by lower contributions from investment income and share of associates.

❖ **Kamco Invest** posted a loss of US\$ 4.5m for Sept 2023 versus net profit of US\$ 12.4m in the same period of 2022

Assets under management (US\$ billion)



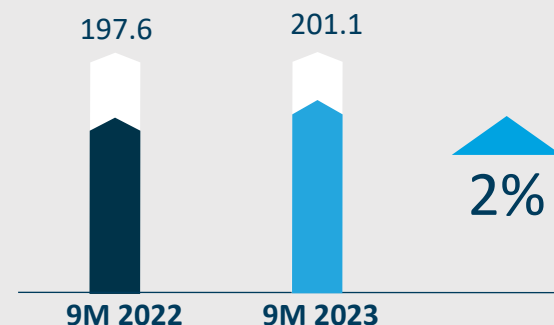
Net profit ⁽¹⁾ (US\$ million)



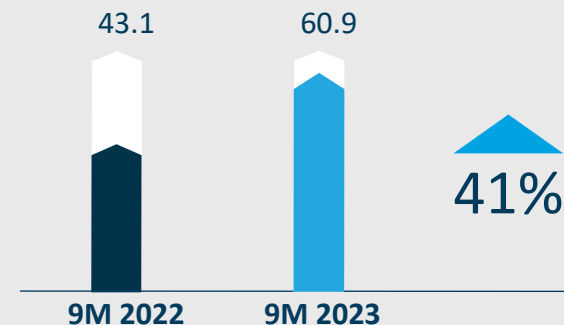
United Real Estate



Revenue (US\$ million)

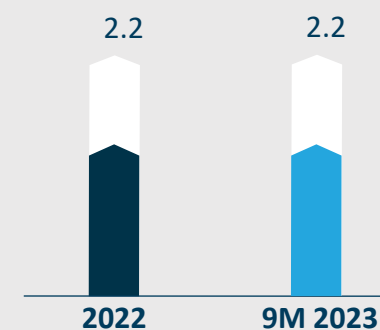


Operating income (US\$ million)

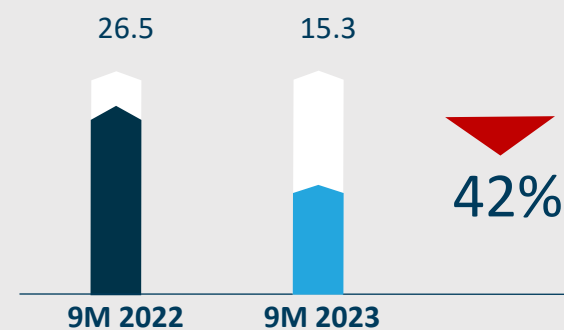


- ❖ Growth in operating income/operating profit driven by 2% YoY increase in operating revenue and reversal of provisions for impairment during 9M 2023
- ❖ Healthy 9M performance with visible **improvements in income across key segments** of URC; 36.5% YoY increase in rental & hospitality income

Total assets (US\$ billion)



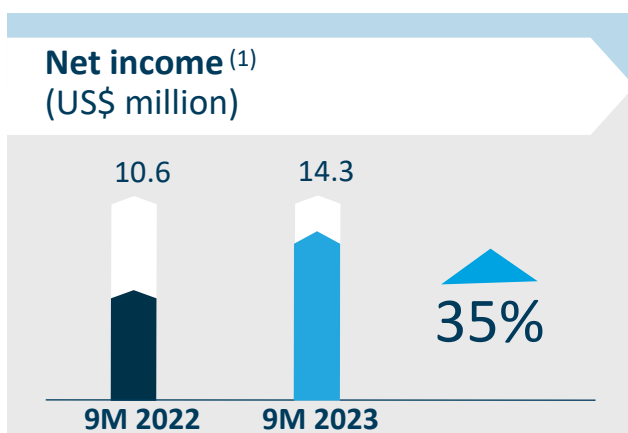
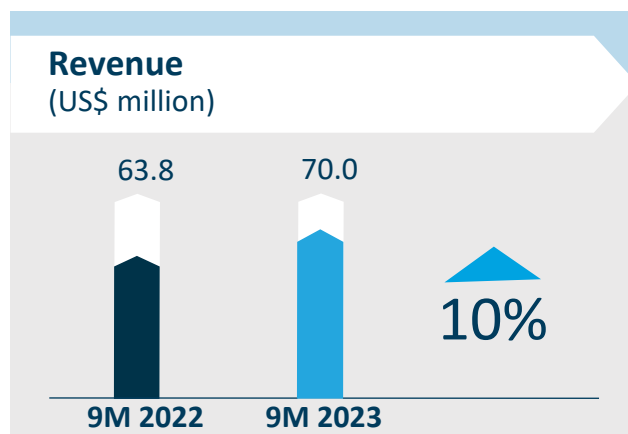
Net profit ⁽¹⁾ (US\$ million)



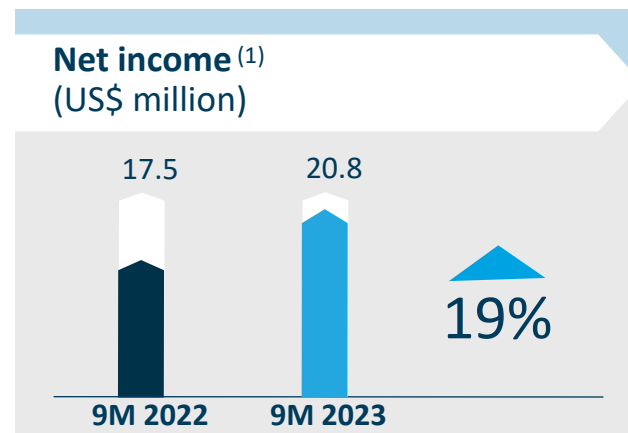
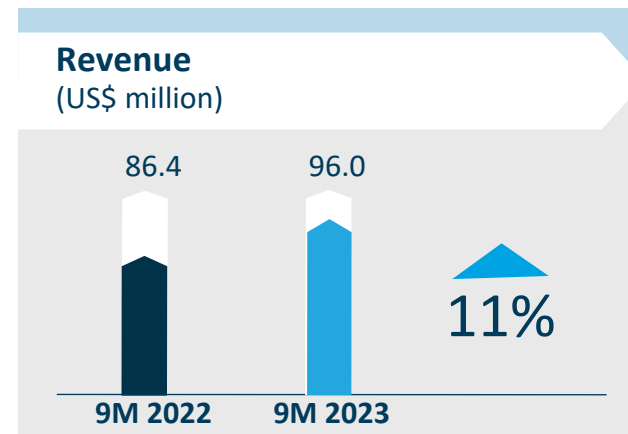
Logistics, energy and healthcare



Jassim Transport & Stevedoring

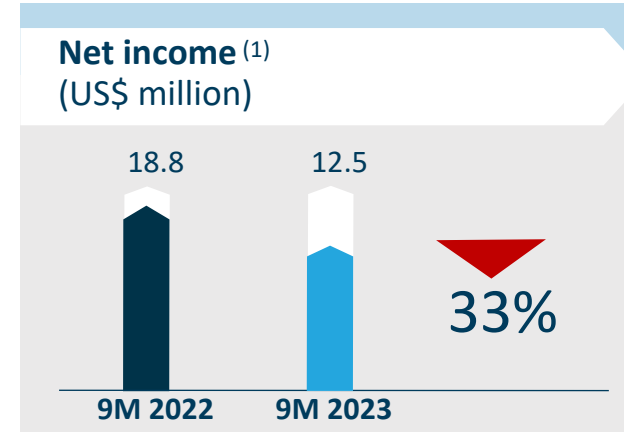
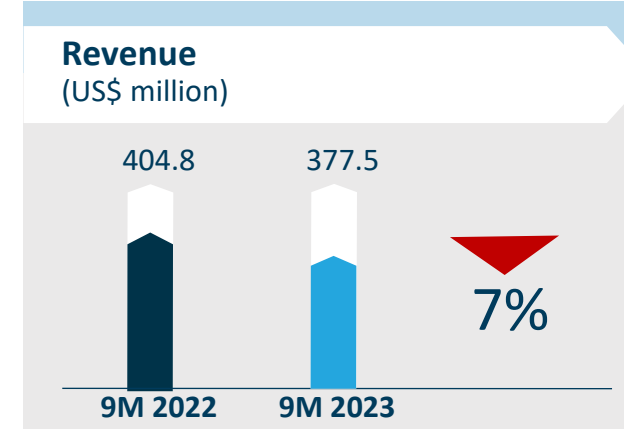


National Petroleum Services



Advanced Technology Company K.S.C.P.
شركة التقدم التكنولوجي ش.م.ك.

Advanced Technology Co.



OSN



Business update

STRATEGY

Key business updates:

- ❖ OSN remains focused on growing its streaming business through optimal use of technology, digital marketing and content diversification.
- ❖ Aim is to transform OSN into a media tech company with AI at its core.
- ❖ OSN continues to improve its OSNtv box, a 'dishless' plug-and-play solution that provides the best of both the linear and on-demand offerings. This is in line with OSN's strategy toward streaming TV with a linear environment.

OPTIMIZATION

- ❖ OSN continues to achieve cost optimization through obtaining long-term content contracts as well as operational day-to-day overheads.

CONTENT

- ❖ Reported 40% increase in engagement from OSN subscribers in the last 12 months, measured in hours viewed.

THANK YOU