

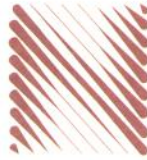


20/05/2021

تاريخ المراسلة

NIC - 3-25/951/4796

رقم المراسلة



شركة الاستثمارات الوطنية
NATIONAL INVESTMENTS COMPANY

Date: 20 MAY 2021

التاريخ: 20 MAY 2021

To: Boursa Kuwait Company

السادة/ شركة بورصة الكويت
المحترمين
تحية طيبة وبعد،،،

**Subject: Analysts Conference Meeting
Transcript Q1 – FY 2021**

**الموضوع: محضر مؤتمر المحللين للربع الأول من
السنة المالية 2021**

With reference to the above subject, and in according to requirements stipulated in article No. (7-8) of Boursa Kuwait Rulebook, kindly find attached the Analysts Conference Meeting Transcript for Q1 of the financial year 2021.

بالإشارة إلى الموضوع أعلاه، والتزاماً بالمتطلبات الواردة بالمادة رقم (7-8) من كتاب قواعد البورصة، نرفق لكم محضر مؤتمر المحللين للربع الأول من السنة المالية 2021.

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام،،،

فهد عبد الرحمن المخيزيم

Fahad Abdulrahman Al Mukhaizim

الرئيس التنفيذي

Chief Executive Officer



شركة الاستثمارات الوطنية
NATIONAL INVESTMENTS COMPANY

• Copy to Capital Markets Authority

• نسخة إلى السادة هيئة أسواق المال



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Transcript of the Analysts Conference Meeting Q1 – FY 2021



National Investments Company

Earnings Call Q1 – FY 2021

Monday, 17 May 2021

Edited transcript of National Investments Company (K.S.C.P) earnings conference call that took place on Monday, 17 May 2021 at 14:00 (Kuwait time).

Corporate Participants:

Mr. Girish S. Nair - Chief Financial Officer.

Mr. Sohail Ladha - Executive Vice President – Investment Banking

Mr. Almuthana Al Maktoum - Executive Vice President – Wealth Management

Chairperson:

Elena Sanchez – EFG – Hermes



Elena

Good afternoon everyone.

This is Elena Sanchez and on behalf of EFG Hermes I would like to welcome you all to NIC's 1st Q 2021 earnings briefing. It is a pleasure to have with us in the call Mr. Girish Nair, Chief Financial Officer, Mr. Sohail Ladha, EVP, Investment Banking Sector and Mr. Almuthana Al Maktoum, EVP, Wealth Management Sector. The call will begin with a presentation from NIC's management on the financial performance during the first quarter of 2021 and then we will open the floor for Q&A. At this time, I would like to hand over the call to Mr. Al Muthana, please go ahead.



Al Muthana

Thank you, Elena.

Good afternoon and welcome to NIC earnings call where we will be discussing our first quarter 2021 financial results. With us today is our CFO, Mr. Girish Nair, who will be covering the financial highlights and performance of the quarter ended and Mr. Sohail Ladha, EVP, Investment Banking Sector, who will be discussing business updates as well as the strategy of NIC.

I would like to bring to your attention the disclosure on slide 2 of the presentation, with respect to the forward-looking statement and confidential information. This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. These statements may be identified by such words as “may”, “plans”, “expects”, “believes” and similar expressions or by their context. These statements are made on the basis of current knowledge and assumptions. Various factors could cause future results, performance or events to differ materially from those described in these statements. NIC is not obligated to update any forward-looking statements. By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

I would like to hand over the call now to Mr. Girish, CFO of NIC.



Girish

Thank you Mr. Al Muthana.

Thank you Mr. Muthana.

Good afternoon everyone and thank you for taking the time out to join our conference call for the 1st quarter of 2021.

The Interim condensed consolidated financial information for the 1st quarter of 2021 has already been uploaded onto our website and also on to Boursa Kuwait portal and you should be able to access the full set of the same from there.

let me take you through the Key financial highlights.

We are now more than a year into Covid-19, and the effects of the same are still being felt with the second wave taking its toll around the world. However, world stock markets seemed to have shrugged it off and the Kuwait all share index is no different. NIC's performance for the quarter was achieved against the backdrop of an increase in the Kuwait all share index of 4.1% during the quarter.

As regards our earnings for the first quarter, NIC reported a Net profit of KWD 3.8 million and an EPS of 4.7 fils through the income statement, and a gain of KWD 3.1 million as other comprehensive income through Shareholders equity. The total comprehensive income for the period was KWD 6.9 million.

During the comparative period of 2020, the company had reported a loss of KWD 10.9 million through income statement with loss per share of 13.7 fils and a gain of KWD 2.1 million through Other Comprehensive Income (OCI). The Total comprehensive loss for Q1 of 2020 was KWD 8.8 million.



Return on average equity and Return on average assets was 2.1% each during the current quarter. The leverage ratio as at the end of 1st quarter of 2021 was only 0.15:1 and our quick ratio was a healthy 26.4%.

Total assets and shareholders' equity attributable to the parent company increased to 228.6 million and 181.9 million respectively as compared to 218.3 million and 172.2 Million as on 31 March 2020.

Moving on to the next slide,

The charts on the slide indicate the growth trajectory of NIC's performance during the past four quarters. You will notice there has been a consistent improvement in NIC's performance since Q1 2020.

Coming to the income and expense drivers of NIC's performance during 2021. The total income for the 1st quarter of 2021 was KWD 7.1 million as compared to a negative income of KWD 10.5 million during the comparative period. The 1st quarter of 2020 witnessed the full brunt of Covid-19 with all major market indices and crude oil prices plummeting. The Kuwait All share index in particular recorded a decline of 23.24 % during Q1 2020.

A major contributor to NIC's total income for Q1 2021 was the gain on Investments at Fair value through Profit or loss (FVTPL) of KD 6.04 million. Similarly, major contributor to the OCI during Q1 2021 was the increase in value of Kuwaiti quoted Investments at fair value through other comprehensive income (FVOCI) of KWD 2.4 Million.

Administrative expenses of KWD 1.8 million for the 1st quarter of 2021 are in line with that for Q1 2020.



During the current period of 3 months ending 31 March 2021, the Management, Brokerage and Advisory fee income recorded a growth of 12% from KWD 1.32 million during Q1-2020 to KWD 1.48 million during the current quarter. The main driver for this growth was increased brokerage revenue arising from our subsidiary, Al Waseet Financial and Business KSCC.

Our total proprietary assets have witnessed a growth of 3.3% during Q1 2021, from KWD 221.3 million at the end of 2020 to KWD 228.6 million at 31 March 2021, mainly on account of additional investments and valuation gains on *Investments at Fair Value Through Profit or Loss portfolio* and *Investments at fair value through other comprehensive income*.

Our Assets under management (AUM) in a fiduciary capacity as on 31st March 2021 was KWD 1.049 billion as compared with KWD 1.005 Billion as on 31 December 2020. It has been our constant endeavor to provide above average returns to our portfolio clients together with capital preservation.

“The Appendices 1 & 2 to the presentation contain the detailed income statement and OCI movement. Appendix 3 contains the consolidated statement of financial position. “

We now move on to highlights during 2021 for certain key sectors within NIC.

First we have **MENA Securities**

- The sector successfully capitalized on some opportunities, by shifting the tactical allocation of our funds and client portfolios towards sectors poised for recovery. This contributed to a positive return in Q1 2021 for our investment funds and clients.



- The sector developed detailed plans to utilize and benefit from all the new instruments authorized by Boursa Kuwait (such as netting, margin, derivatives and market making). We are currently in the final stages of launching our market maker service.
- We continue to enhance our comprehensive databases and in-house analytical systems to provide strategic insights and timely recommendations on all aspects of the local and regional markets.

Investment Banking

Advisory:

- Completed the sale of one of the major food companies.
- Executed the Mandatory Tender Offer for Kuwait Syrian Holding.
- Supported transaction execution for the sale of a minority stake in a food distribution business.
- Started the quarter with a strong pipeline of mandates, including 2 IPO mandates, 4 M&A buy-side mandates, 4 sell-side, 1 restructuring and 2 general advisory mandates.

Alternatives department

- Committed to two new investments during the quarter, targeting double digit annualized returns, including
 - A high-performing hedge fund.
 - A direct VC investment opportunity.
- Signed a term sheet for a mezzanine investment in a built-to-suit warehousing project in Italy. Currently in the process of transaction closing.
- Currently evaluating the exit of certain legacy investments.



Real Estate

- We added one new property to our real estate management portfolio.
- We continue to increase the collection rate and revenues of our real estate managed portfolio.
- We focused on preparing Al-Wataniya Resort in Khairan for the upcoming holidays and increased our marketing efforts.

With this I conclude my part of the presentation and wish to hand you over to Mr. Sohail Ladha, Executive Vice President - Investment Banking Sector for the next part.



Sohail

Thank you Girish. And good afternoon everyone.

My name is Sohail Ladha and I am the Executive Vice President – Investment Banking – at National Investments Company. It is my privilege to speak with you. I wanted to take some time today to provide you with a summary of the key elements of our strategy going forward.

There are four key elements of our strategy. These are: 1. Build Assets Under Management (AUM), 2. Enable Technologies and Efficiencies, 3. Enhance Governance, and 4. Build Investment Banking leadership in the mid-market segment. I will talk about each of these separately.

First: Building AUM: we are working on four key initiatives here. We are driving product development in an organized manner, with an initial focus on Venture Capital (VC) and international real estate products. We are building a strong placement team by adding qualified private bankers to support growth. In addition, we are building a reputation for bringing excellent co-investment opportunities for our investors. Three key examples are Boursa Kuwait, Kuwait Foundry and VINCO, which we will discuss on the next page.

Second: Enabling Technologies and Efficiencies. We are focusing our efforts here on digital resilience. In other words, we continue to invest and digitally transform our business processes and develop collaborative work environments. An important element of this is business continuity initiatives, utilizing the best available technologies. And finally, we are focusing on



harnessing operating efficiencies by outsourcing processes and working with co-advisors to leverage their capabilities and knowledge.

Third: Enhancing Governance. We have upgraded to Premier Market status on Boursa Kuwait, showing our commitment for increased transparency and governance. In addition, we have upgraded our risk-management framework to include quantitative and qualitative measures in line with global best practices.

Finally: Mid-market leadership in Investment Banking. In order to strengthen our position, we have been building our capabilities and developing our track record by executing mandates with the highest quality, focusing on mid-sized clients. 2020 provided us an excellent platform, where we had several flagship transactions. We are also building specialist teams in Equity Capital Markets (ECM), Mergers and Acquisitions (M&A) and Venture Capital (VC), which we have identified as key growth areas.

I would like to end this section by talking about several case studies, which serve as examples of our ability to identify and execute unique opportunities in our market and provide interesting co-investments to our clients.

The first case study is Boursa Kuwait. The investment thesis here was to acquire a strategically important asset with strong, recurring and sustainable cash flows due to its market leadership position and improving prospects. We formed a consortium to acquire a controlling stake of Boursa Kuwait in February 2019. Our direct stake was 14.4%. Since acquisition, Boursa Kuwait has undergone through an IPO and listing process. The market price today is several multiples



of our acquisition cost. To date, the investment has generated a total return multiple of 5.13 times (based on market values).

The second case study is Kuwait Foundry. The investment thesis here was the acquisition of a mispriced asset with intrinsic value significantly greater than the prevailing market value. The investment offered an identifiable path to realization of true value. Towards this, we acquired a 21% stake in January 2019 and have been taking measures to realize value. So far, we have recaptured most of our equity in the transaction already and the total return multiple based on market values is 1.19 times.

Another noteworthy example is the VINCO Tesco transaction. The objective here was to deliver attractive cash yields to our investors by acquiring real estate properties tenanted by credit-worthy tenants. The transaction has delivered consistent dividends, while appreciating in value.

With this I will hand you over to Mr. Almuthana, who will lead the Q&A session.



Al Muthana

We are now ready to take your questions. If you would like to send us a question, please write it in the designated area of the website. We will now pause for a few minutes to allow you time to send your questions.

Al Muthana: Okay, we'll start the Q&A session right now. We have a question from Mr Ahmed. Question is, rental income decreased during the period. Why is that?

Girish: Yes, I'll take that. There was a sale of a residential investment property during the start of the year, and also there were a few vacancies in certain residential properties. This has contributed to a slight decline in rental income.

Al Muthana: Thank you. We have another question from Mr Rahim. Dividend income increased significantly relative to same period last year. What is the reason for this?

Girish: The main reason for the increase is the dividend income from GCC portfolios. And also certain local securities declared higher dividend during this quarter, so that's the main reason.

Al Muthana: We have one question from Mr Amin. Why did investment properties decline relative to last year? Is this a reduction in value or sale of properties?



Girish Nair: The decline is on account of both the reasons. One is due to the sale of the residential investment property like I referred to earlier, and the other portion is also on account of reduction in value, as you will see on the income statement.

Al Muthana Al Maktoum: We have no further questions at this time and therefore we will be concluding our call. I would like to thank you all for participating in our call today. If you have further queries, please do not hesitate to send them to our investor relations email and we will get back to you as soon as possible.

Thank you everyone, have a good day.



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National Investments Company Analyst Conference Q1, 2021

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Presented By



Mr. Almuthana Al Maktoum
Executive Vice President
Wealth Management
Sector



Mr. Girish S. Nair
Chief Financial Officer



Mr. Sohail F. Ladha
Executive Vice President
Investment Banking
Sector

Agenda

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FINANCIAL HIGHLIGHTS

شركة الاستثمار الوطنية
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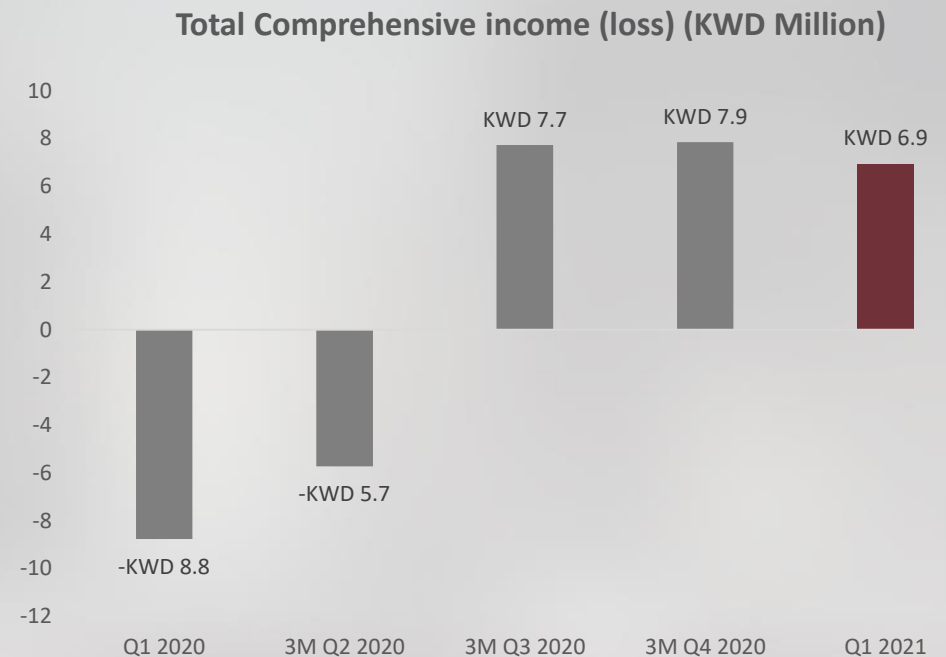
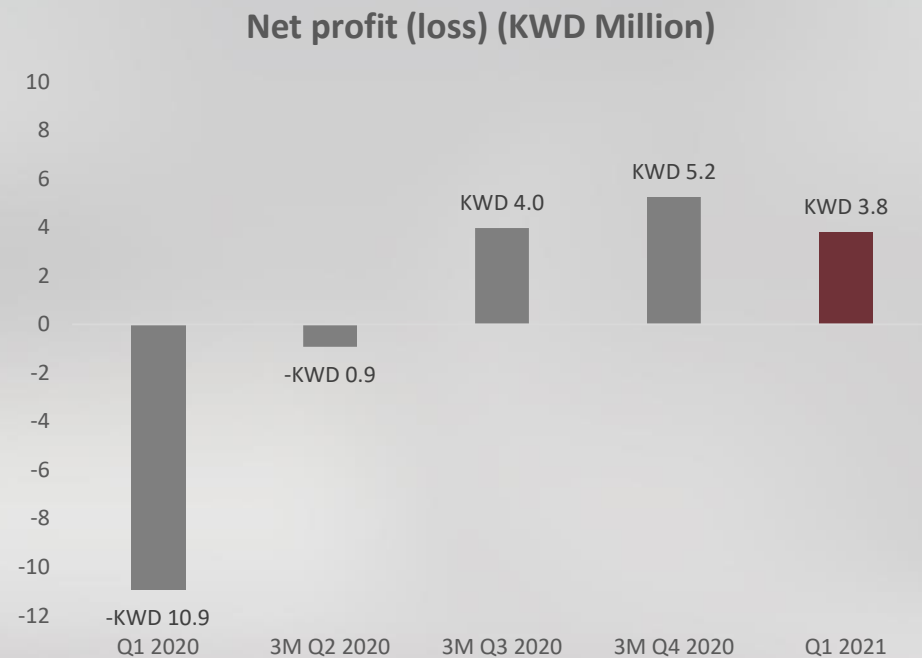
Q1 2021 Key Financial Highlights

- ❖ Strong recovery during Q1 2021. Net profit of KWD 3.8 million during Q1 2021 as compared to a loss of KWD 10.9 million during Q1 2020.
- ❖ Performance achieved against the backdrop of increase in Kuwait's All Share Index by 4.1%.

| Key Financial Metrics | | |
|---------------------------------|-------------|-----------|
| | Q1-2020 | Q1-2021 |
| Income Statement | | |
| Net profit/(loss) (mn) | KWD (10.9) | KWD 3.8 |
| Earnings/(loss) per share | (13.7) fils | 4.7 fils |
| Total comprehensive income (mn) | KWD (8.8) | KWD 6.9 |
| Balance Sheet | | |
| Total assets (mn) | KWD 218.3 | KWD 228.6 |
| Total liabilities (mn) | KWD 30.8 | KWD 29.4 |
| Shareholders equity (mn) | KWD 172.2 | KWD 181.9 |
| Key Ratios | | |
| Return on equity (%) | -6.2% | 2.1% |
| Return on assets (%) | -5.7% | 2.1% |
| Leverage ratio (%) | 16.4% | 14.7% |
| Quick ratio (%) | 94.5% | 26.4% |

Q1 2021 Financial Performance

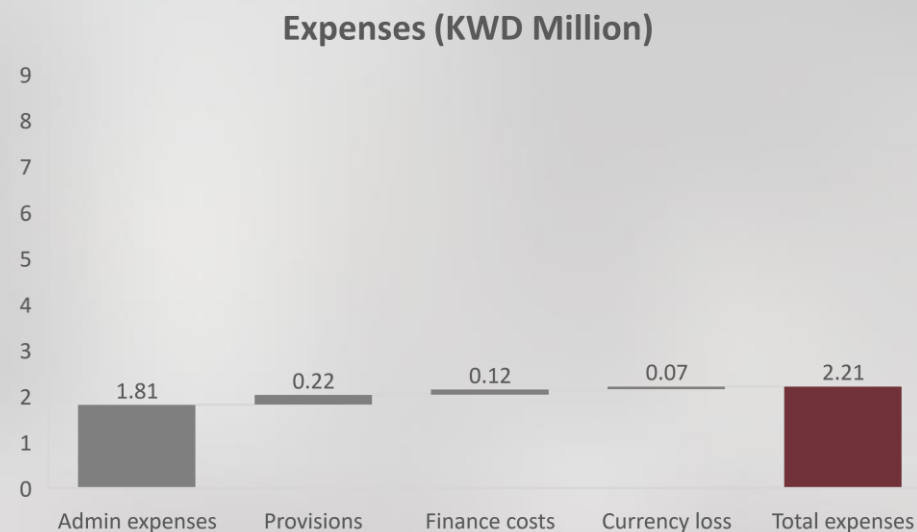
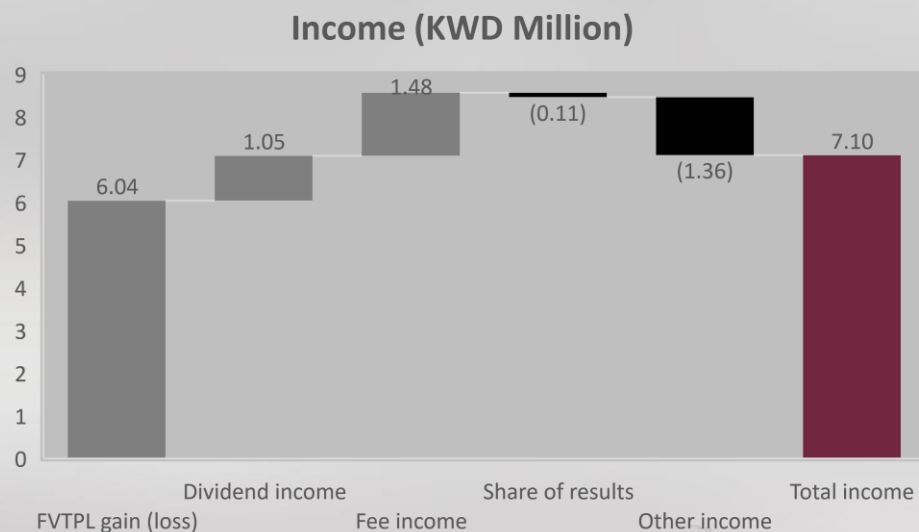
❖ Trajectory of NIC's quarterly performance during the last one year.



Q1 2021 Income drivers and Expenses

Income of KWD 7.1 Million and expenses of KWD 2.2 Million.

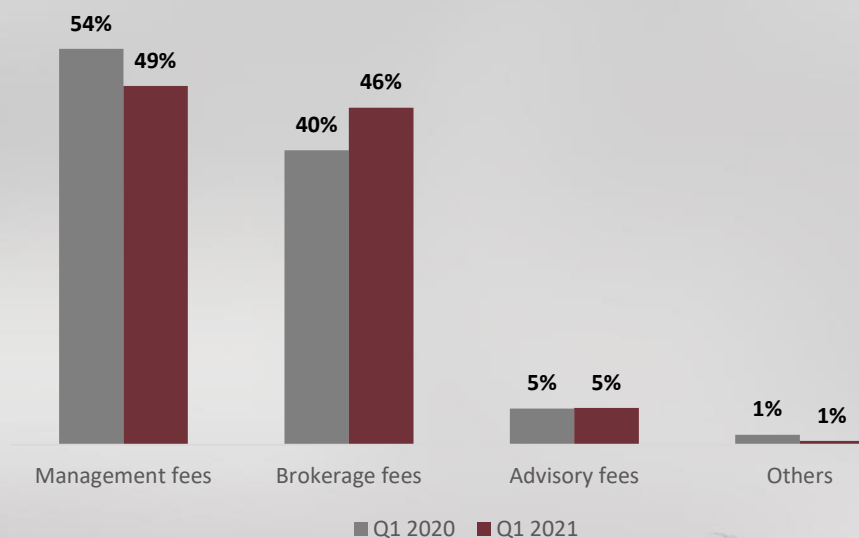
- ❖ Gain on investments at Fair value Through Profit or Loss (FVTPL), dividend income and fee income contributed 85%, 15% and 21% respectively to total income of KD 7.1 million.
- ❖ Administrative expenses of KWD 1.8 million are in line with Q1 2020 expenses of similar figure.



Fee income analysis

- ❖ 12% growth in fee income mainly due to increased brokerage revenue arising from one of our subsidiaries, Al Waseet Financial Business K.S.C.C.

Contribution to Fee Income



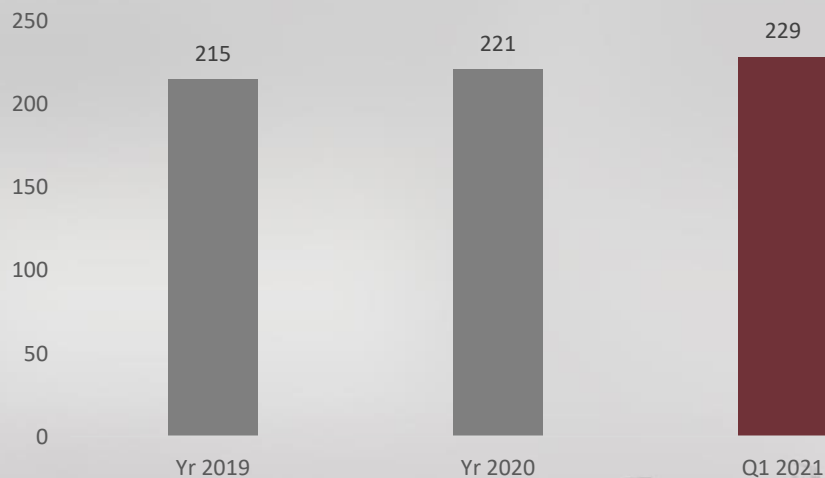
Breakdown of Fee Income

| | Q1 2020 | Q1 2021 |
|-----------------|--------------|--------------|
| | KWD'000 | KWD'000 |
| Management fees | 711 | 719 |
| Brokerage fees | 529 | 675 |
| Advisory fees | 65 | 74 |
| Others | 18 | 8 |
| Total | 1,323 | 1,476 |

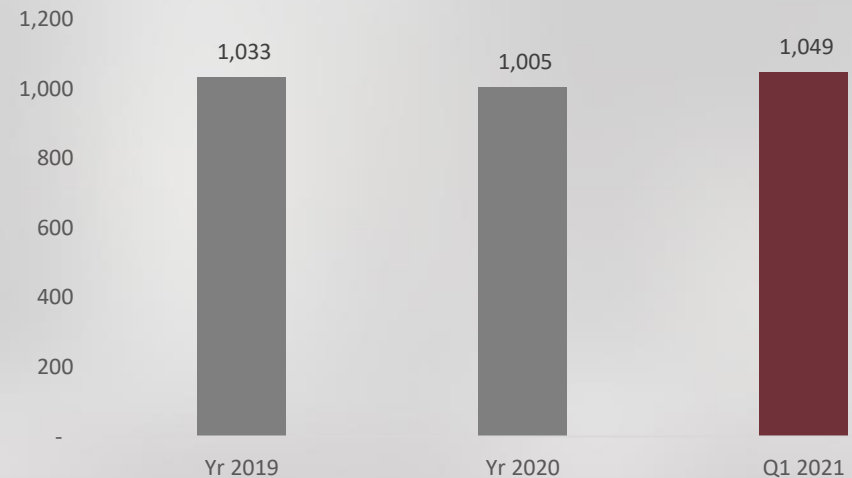
Profile of Assets

- ❖ Total assets witnessed a YTD growth of 3.3% during Q1 2021 mainly on account of increased investments at FVTPL (Fair Value Through Profit or Loss) and FVOCI (Fair Value Through Other Comprehensive income) portfolio.
- ❖ Assets Under Management witnessed a YTD growth of 4.4% during Q1 2021.

Assets (KWD Million)



Assets Under Management (KWD Million)



Sectors

| MENA Securities | Investment Banking | | Real Estate |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | Advisory | Alternatives | |
| <ul style="list-style-type: none"> ❖ Successfully capitalized on some opportunities, by shifting the tactical allocation of our funds and client portfolios towards sectors poised for recovery. This contributed to a positive return in the 1Q 2021 for our investment funds and clients. ❖ Developing detailed plans to utilize and benefit from all the new instruments authorized by Boursa Kuwait (such as the netting, margin, derivatives and market maker). We are currently in the final stages in launching our market maker service. ❖ We continue to enhance our comprehensive databases and in-house analytical systems to provide strategic insights and timely recommendations on all aspects of the local and regional markets. | <ul style="list-style-type: none"> ❖ Completed the sale of Al Faysal Bakery. ❖ Executed the Mandatory Tender Offer for Kuwait Syrian Holding. ❖ Supported transaction execution for the sale of a minority stake in a food distribution business. ❖ Started the quarter with a strong pipeline of mandates, including IPO mandates (2), M&A buy-side mandates (4), sell-side (4), restructuring (1) and general advisory (2). | <ul style="list-style-type: none"> ❖ Committed to two new investments, targeting double digit annualized returns, including <ul style="list-style-type: none"> ○ A high-performing hedge fund. ○ A direct VC investment opportunity. ❖ Signed a term sheet for a mezzanine investment in a built-to-suit warehousing project in Italy. Currently in the process of transaction closing. ❖ Currently evaluating the exit of certain legacy investments. | <ul style="list-style-type: none"> ❖ We added one new property to our real estate management portfolio. ❖ We continue to increase the collection rate and revenues of our portfolio. ❖ We focused on preparing Al-Wataniya Resort for the upcoming holidays and increased our marketing efforts. |






OUR STRATEGY FOR THE FUTURE

Key Elements of our Growth Strategy

| Key Element | |
|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Build AUM | <ul style="list-style-type: none"> ❖ Drive product development: The objective is to add AUM going forward. Key product areas include Venture Capital (VC) and International Real Estate products. ❖ Build strong placement team: Add highly capable private bankers to support Asset Management and Investment Banking (IB) activities. ❖ Offer unique co-investment opportunities to our clients by leveraging our own balance sheet and sourcing networks, ex: Boursa Kuwait, Kuwait Foundry, etc. |
| Enable Technologies and Efficiencies | <ul style="list-style-type: none"> ❖ Digital Resilience: NIC continued to invest and work diligently to embrace digital business technology to fast forward productivity, drive efficiency and agility to secure sustainable business growth. ❖ Business Continuity: The accelerated adoption of cutting edge digital technologies granted NIC a competitive advantage in future crises management. ❖ Drive other operating efficiencies in other areas, including outsourcing processes and working with co-advisors to leverage their capabilities and know-how, while continuously review and optimize operating expenses on year to year basis. |
| Enhance Governance | <ul style="list-style-type: none"> ❖ Upgrade to Premier Market on Boursa Kuwait and committed to related governance. ❖ Risk management framework: Updated our risk management framework incorporating quantitative and qualitative measures in line with global best practices. |
| Mid-market IB Leadership | <ul style="list-style-type: none"> ❖ Build capabilities: We continue to build strong capabilities, expertise and track-record by engaging in a large number of small mandates in order to create repeat business with our client base. ❖ Grow IB team and develop functional leaders for ECM, DCM and VC. |

Case Studies: Co-Investments

| Case Study | Boursa Kuwait | Kuwait Foundry | VINCO |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| |  |  |  |
| Investment Thesis | Acquisition of a strategically important asset with sustainable long-term cash flows based on market leadership position and improving long-term growth prospects. | Acquisition of a mispriced asset with intrinsic / liquidation value considerably greater than the prevailing market value (with a clear path to realization). | Acquisition of a property tenanted by Tesco supermarket in Manchester, UK, targeting to deliver a cash-on-cash yield of 9%-10% per year. |
| Investment Date | February 2019 | January 2019 | March 2019 |
| Initial Stake Acquired | 14.4% | 21.3% | 11.4% |
| Acquisition Value | KWD 6.5 million (237 fils / share) | KWD 8.0 million (251 fils / share) | £ 2.3 million |
| Value Realized To Date | KWD 0.7 million | KWD 5.5 million | £ 0.4 million |
| Market Value (31-Mar-2021) | KWD 32.7 million* | KWD 4.1 million** | £ 2.6 million* |
| Return on Investment (x) | 5.13x | 1.19x | 1.31x |

*Actual carrying value differs from market values based on accounting treatment.

** There is considerable upside based on monetization of existing leasehold assets.

THANK YOU Q&A



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Sharq – Jaber Al Mubarak Street – Block 7 – Al khaleejiya Tower

www.nic.com.kw

Appendix 1:

Q1 2021 Consolidated income statement

| | Q1 2021 | Q1 2020 | Change |
|-----------------------------------------------------------------------------------|------------------|---------------------|-------------|
| | KWD'000 | KWD'000 | % |
| INCOME | | | |
| Realised (loss) gain on financial assets at FVTPL | 348 | (2,199) | 116% |
| Unrealised (loss) gain on financial assets at FVTPL | 5,690 | (13,375) | 143% |
| Change in fair value of investment properties | (1,883) | - | N/A |
| Rental income | 424 | 485 | -13% |
| Dividend income | 1,052 | 541 | 94% |
| Management, incentive, brokerage and advisory fees | 1,476 | 1,323 | 12% |
| Interest income | 5 | 29 | -83% |
| Share of results of associates and joint venture | (109) | 2,304 | -105% |
| Gain on foreign exchange trading | 90 | 366 | -75% |
| Other income | 7 | - | N/A |
| TOTAL INCOME | 7,100 | (10,526) | 167% |
| EXPENSES | | | |
| Finance costs | 118 | 132 | -11% |
| Administrative expenses | 1,811 | 1,827 | -1% |
| Impairment losses and other provisions | 216 | (8) | 2800% |
| Loss/(Gain) on foreign currency translation | 67 | (149) | 145% |
| TOTAL EXPENSES | 2,212 | 1,802 | 23% |
| Profit (loss) for the period before taxation | 4,888 | (12,328) | 140% |
| Taxation | (267) | - | N/A |
| Profit (loss) for the period | 4,621 | (12,328) | 137% |
| Attributable to: | | | |
| Equity holders of the Parent Company | 3,787 | (10,939) | 135% |
| Non-controlling interests (NCI) | 834 | (1,389) | 160% |
| Total | 4,621 | (12,328) | 137% |
| BASIC AND DILUTED EPS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY | 4.75 fils | (13.71) fils | |

Appendix 2:

Q1 2021 Consolidated comprehensive income

| | Q1 2021 | | | Q1 2020 | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------|--------------------|----------------------------|----------------|--------------------|
| | Attributable to Parent Co. | NCI | Total Consolidated | Attributable to Parent Co. | NCI | Total Consolidated |
| | KWD'000 | KWD'000 | KWD'000 | KWD'000 | KWD'000 | KWD'000 |
| Net profit (loss) for the period | 3,787 | 834 | 4,621 | (10,939) | (1,389) | (12,328) |
| Other comprehensive income (loss) for the period (Includes Change in fair value of FVOCI investments, Share of OCI from Associates and Foreign currency translation reserve) | 3,156 | 49 | 3,205 | 2,172 | (60) | 2,112 |
| Total Comprehensive Income for the year | 6,943 | 883 | 7,826 | (8,767) | (1,449) | (10,216) |

Appendix 3:

Q1 2021 Consolidated financial position

| | 31-Mar-21 KWD'000 | 31-Dec-20 KWD'000 | Change % |
|--------------------------------------------------|----------------------|----------------------|-------------|
| ASSETS | | | |
| Bank balances and cash | 10,207 | 13,569 | -25% |
| Investments at FVTPL | 96,979 | 89,238 | 9% |
| Investments in properties held for Trading | 283 | 284 | 0% |
| Investments at FVOCI | 65,867 | 58,478 | 13% |
| Investment Properties | 28,871 | 32,054 | -10% |
| Investment in Associates and Joint Ventures | 20,342 | 21,065 | -3% |
| Intangible Assets | 1,133 | 1,148 | -1% |
| Other assets | 4,918 | 5,556 | -11% |
| TOTAL ASSETS | 228,600 | 221,392 | 3% |
| LIABILITIES AND SHAREHOLDERS' FUNDS | | | |
| Bank Borrowings | 18,449 | 19,521 | -5% |
| Accounts payable and accruals | 10,920 | 10,446 | 5% |
| Total Liabilities | 29,369 | 29,967 | 76% |
| Non-Controlling interest | 17,306 | 16,443 | 5% |
| | | | |
| SHAREHOLDERS' FUNDS: | | | |
| Issued and fully paid up capital | 79,786 | 79,786 | 0% |
| Share premium | 49,593 | 49,593 | 0% |
| Statutory reserve | 7,709 | 7,709 | 0% |
| Foreign currency translation reserve | 461 | 494 | -7% |
| Voluntary Reserve | 25,408 | 25,408 | 0% |
| Retained earnings (deficit) | 10,088 | 6,061 | 66% |
| Cum changes in fair value of FVOCI Investments | 8,461 | 5,512 | 54% |
| Other Reserves | 419 | 419 | 0% |
| Total Shareholders Funds | 181,925 | 174,982 | 4% |
| TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS | 228,600 | 221,392 | 3% |