

شركة الاستثمارات الوطنية	
صادر خارجي	
	
16/11/2021	تاريخ المراسلة
NIC - 3-25/103/6362	رقم المراسلة



شركة الاستثمارات الوطنية
NATIONAL INVESTMENTS COMPANY

Date: 16 NOV 2021

التاريخ: 16 NOV 2021

To: Boursa Kuwait Company

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

Subject: Analysts Conference Meeting
Transcript Q3 – FY 2021

الموضوع: محضر مؤتمر المحللين للربع الثالث 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 Q3 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 الثالث من السنة المالية 2021.

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام،،،



فهد عبد الرحمن المخيزيم
Fahad Abdulrahman Al Mukhaizim
الرئيس التنفيذي
Chief Executive Officer



• Copy to Capital Markets Authority

• نسخة إلى السادة هيئة أسواق المال



شركة الاستثمار الوطنية
NATIONAL INVESTMENTS COMPANY

Performance . Commitment . Trust
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Transcript of the Analysts Conference Meeting Q3 – FY 2021



National Investments Company

Earnings Call Q3 – FY 2021

Thursday, 11 November 2021

Edited transcript of National Investments Company (K.S.C.P) earnings conference call that took place on Thursday, 11 November 2021 at 14:00 (Kuwait time).

Corporate Participants:

Mr. Girish S. Nair - Chief Financial Officer.

Mr. Sohail Ladha - Executive Vice President – Investment Banking Sector

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

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 earnings briefing for the 9 Months of 2021. 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 9 months 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 financial results for the 9 Months of 2021. 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. Muthana.

Good afternoon everyone and we are happy to speak with you all once again in connection with our conference call for the 9 month period ending 30 September 2021.

The 2021 financial statements have been uploaded onto our website and also on to Boursa Kuwait portal and you should be able to access the full set of the financial statements from there.

Without further ado, let me now take you through the Key financial highlights.

For the nine months of 2021, NIC reported a Net profit of KWD 22.4 million and an Earning per share of 28.1 fils through the income statement and a gain of KWD 20.9 million as other comprehensive income through Shareholders equity. The total comprehensive income for the period was KWD 43.3 million.

During the comparative period of 2020, the company had reported a loss of KWD 7.9 million through income statement with loss per share of 9.9 fils and a gain of KWD 1.1 million through Other comprehensive income (OCI). The Total comprehensive loss for the 9 months of 2020 was KWD 6.8 million.

Return on average equity and Return on average assets were 11.7% and 10% respectively during the current nine month period. The leverage ratio as at 30th September 2021 was only 0.23:1 and our quick ratio was a healthy 53.9%.

Total assets and shareholders' equity attributable to the parent company increased to KWD 278.2 million and KWD 207.4 million respectively, as compared to KWD 213.3 million and KWD 167.1 Million as on 30 September 2020.

The charts on the slide No. (7) indicate the growth trajectory of NIC's performance during the last 7 quarters. You will notice, there has been a consistent improvement in NIC's performance since Q1 2020. NIC was able to generate a net profit through the income statement of KWD 7.3 million during the 3rd quarter of 2021. The total

comprehensive income during this period was KWD 20.3 million.



Let's now move on to the income drivers of NIC's performance during 2021. The total income for the current 9 month period was KWD 32.2 million as compared to total income of KWD 1.1 million during the comparative period.

A major contributor to NIC's total income for first 9 months of 2021 was the gain on Investments at Fair value through Profit or loss (FVTPL) of KD 21.3 million. Similarly, major contributor to the OCI during this period was the increase in value of Kuwaiti quoted Investments at fair value through other comprehensive income (FVOCI) amounting to KWD 17.9 Million.

Administrative expenses of KWD 5.4 million for the 9 months of 2021 are marginally higher as compared with that for 2020, due to increase in operating expenses in subsidiaries arising from increase in operations.

During the current period of 9 months ending 30 September 2021, the Management, Incentive, Brokerage and Advisory fee income recorded a growth of 46.5% from KWD 4.02 million during 9 months of 2020, to KWD 5.88 million during the current period. The growth was across all main categories of fee income. Especially, brokerage revenue from one of our subsidiaries, Al Waseet Financial Business Co. increased by 68% and client portfolio and Fund management fee income increased by 45.2%.

Our total proprietary assets have registered a growth of 25.7% during the 9M of 2021, from KWD 221 million at the end of 2020 to KWD 278 million at 30 September 2021, mainly on account of appreciation in value of investments at FVTPL and financial assets at fair value through other comprehensive income (FVOCI) and also partly due to increase in leveraged assets.

Our Assets under management (AUM) in a fiduciary capacity as on 30 September 2021 was KWD 1.13 billion as compared with KWD 1.01 billion as on 31 December 2020. An increase of 12.3%. It has been our constant endeavor to offer a range of portfolio management solutions and services with robust execution capabilities and provide above average returns to our portfolio clients.

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 Sector**

- ❖ We capitalized on some investment opportunities, by tactically shifting our funds and client portfolios towards sectors poised for recovery. This contributed to a positive return in the 9M 2021 for our investment funds and clients.
- ❖ We developed a detailed plan to utilize and benefit from all the new instruments authorized by Boursa Kuwait.
- ❖ We started to provide market maker service to Gulf Cable and Electrical Industries and Boursa Kuwait and we are aiming to expand our services to other companies listed in Boursa Kuwait.
- ❖ We continue to enhance our comprehensive databases and in-house analytical systems to provide investment insights and timely recommendations, on all aspects of local and regional markets

Investment Banking sector

Advisory Department:

- ❖ Successfully completed the listing of Al Safat Investment Company.
- ❖ Supported a leading fitness and lifestyle business in securing debt to finance growth.
- ❖ Assisted a health-tech VC client in obtaining seed financing.
- ❖ Currently in the process of executing several mandates:
 - Buy-side transactions for: (1) a leading logistics company; (2) one of Kuwait's largest multi-sector businesses; and (3) an IT solutions company.
 - Also Debt financing transactions:
 - obtaining acquisition financing for a buyout transaction, arranging project financing and Bank debt restructuring.



- ❖ Working on two flagship pre-IPO mandates which we expect completion in 2022.

Alternatives Department

- ❖ Successfully executed one mezzanine investment in a student housing development in Orlando.
- ❖ We are in the final stages of making an investment in a leading regional VC platform specializing in delivery.
- ❖ We have invested (or committed to invest) in several direct venture capital opportunities, including:
 - A leading international fin-tech firm.
 - A pioneer in food-tech.
 - A regional e-commerce platform.
- ❖ We are exploring new mezzanine investments and direct investment opportunities.
- ❖ We recently exited a legacy investment and are evaluating other exits.

Real Estate Sector.

- ❖ We continue to increase the collection rate and revenues of our RE portfolio.
- ❖ We are restructuring the sector and developing policies and procedures to achieve client satisfaction and company strategy.
- ❖ We managed to achieve full occupancy rates in AL Wataniya Resort through a strong marketing campaign.
- ❖ We started a new campaign for developing and improving all the assets in our portfolio to increase revenues and property values.
- ❖ We managed to maintain reasonable occupancy rates during 2021, despite the pandemic conditions.



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 three 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. Four key examples are Boursa Kuwait, Kuwait Foundry, VINCO and FedEx Italy, 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. In line with this, we have successfully launched new client digital channels such as Online Trading, Client Portal and WhatsApp CRM Messaging. An additional component 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 8.44 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 20% 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 1.42 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.

A similar case study is the FedEx Italy project, whereby we made a mezzanine investment with a leading developer in a built-to-suit warehousing development project in Italy. The project was being developed by one of the leading global developers and has been pre-leased to FedEx for 15 years. The project is expected to generate a cash yield of 8% and a net IRR of 9% over an 18 month term.

In addition to the co-investment case studies, I want to spend a couple of minutes on our recent track record of successfully executing advisory mandates. One example of this is the private placement and listing of Al Safat Investment, which was executed in October 2021. Our objective was to support our client in executing a private placement and meeting listing requirements of the Main Market at Bursa Kuwait. We successfully completed the placement process and launched the listing, which has delivered excellent post-listing performance.

Another important example is the M&A mandate involving the sale of Al Faysal Bakery. Despite the short-term challenges, we supported the client in successfully executing the sale of the company to a leading regional acquirer through a rigorous sell-side process.

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. PAUSE.

Al Muthana: Question from Mr. Ahmad: As per slide 7, during the 3 months ended 30 June 2021, NIC recorded a net profit of KWD 11.27 million, whereas, for the 3 months ending 30 September 2021, the net profit was only KWD 7.3 million. Why the decrease?

Girish: The reason is mainly on account of lower dividend income recorded during the current quarter. Usually listed companies distribute dividends during



end of Q1 or during Q2 of every year. Accordingly, NIC recorded total dividend income of only KWD 424 thousand during the current quarter, whereas the figure for the previous quarter was KWD 2.8 million.

Al Muthana: Thank you. Question from Mr. Khaled: In Appendix 2 it is mentioned that Other comprehensive income for 9 months of 2021 was KWD 20.9 million and but that for the comparative period of 2020, it was only KWD 1.1 million. Why such a big jump.

Girish: The main reason is appreciation in certain local quoted shares held by NIC and classified as FVOCI as indicated by me earlier during my presentation.

Al Muthana:

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 e-mail 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

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National Investments Company Analyst Conference 9M 2021

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Presented By



Mr. Almuthana M. Al Maktoum
Executive Vice President
Wealth Management Sector



Mr. Girish S. Nair
Chief Financial Officer
Finance & Accounts Sector



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

Agenda

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FINANCIAL HIGHLIGHTS

شركة الاستثمار الوطنية
NATIONAL INVESTMENTS COMPANY

9M 2021 Key Financial Highlights

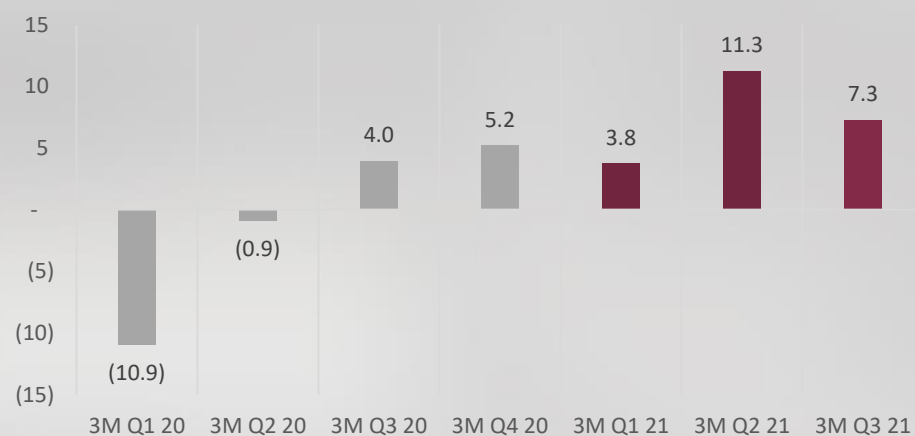
- ❖ Strong recovery during 9M 2021.
- ❖ Net profit of KWD 22.4 million during 9M 2021 as compared to a net loss of KWD 7.9 million during 9M 2020.

Key Financial Metrics		
	9M 2020	9M 2021
Income statement		
Net profit (loss) – (Mn)	-KWD 7.9	KWD 22.4
Earnings (loss) per share	-9.9 fils	28.1 fils
Total comprehensive income (loss) – (Mn)	-KWD 6.8	KWD 43.3
Financial position		
Total assets – (Mn)	KWD 213.3	KWD 278.2
Total liabilities – (Mn)	KWD 30.0	KWD 52.5
Shareholders equity – (Mn)	KWD 167.1	KWD 207.4
Key Ratio		
Return on average equity (%)	-4.5%	11.7%
Return on average assets (%)	-3.7%	10.0%
Leverage ratio (%)	16.4%	23.2%
Quick ratio (%)	34.2%	53.9%

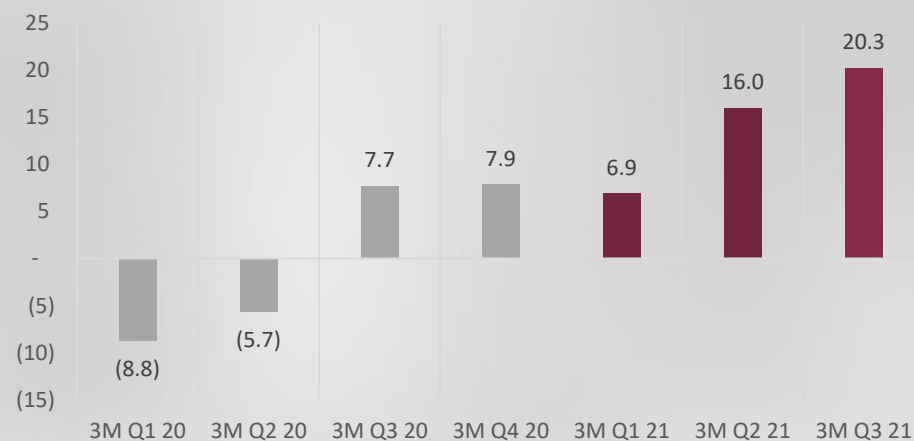
9M 2021 Financial Performance

❖ Trajectory of NIC's performance since 3M Q1 2020.

Net profit (loss)
(KWD Million)



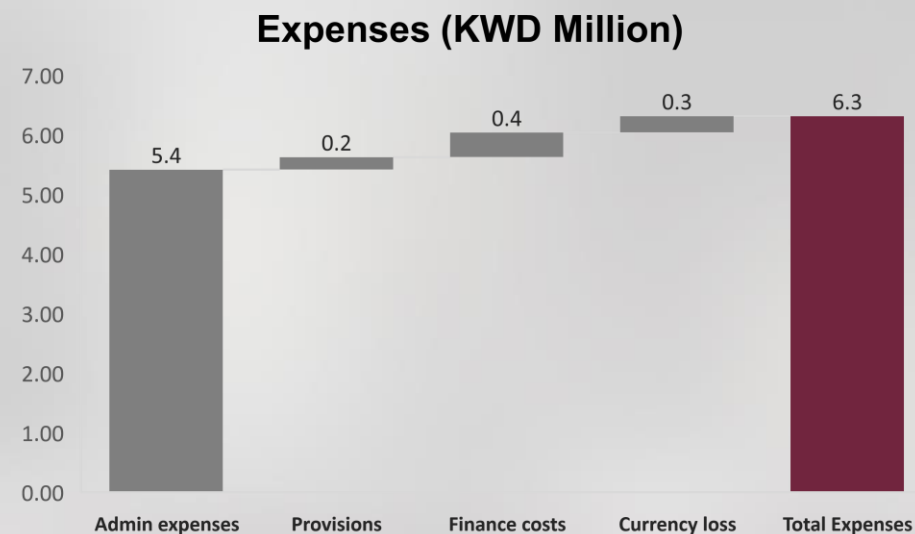
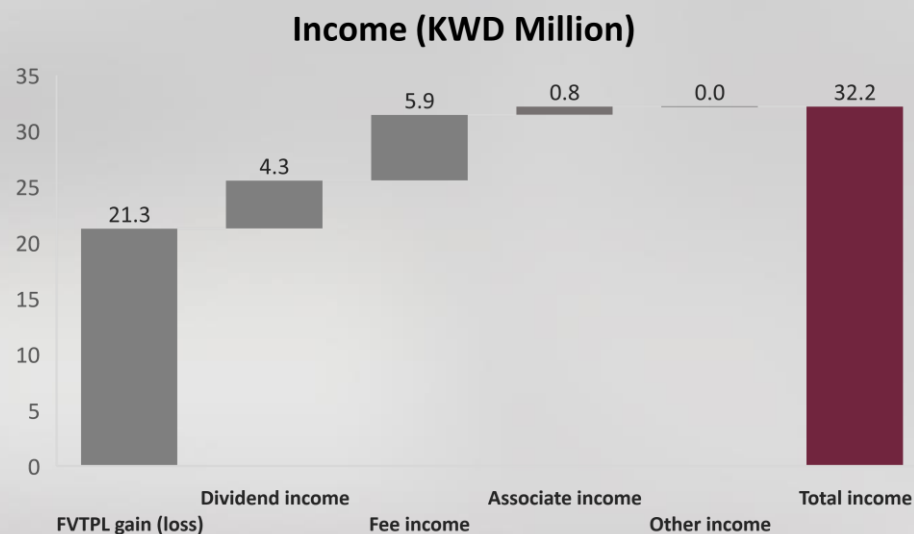
Total comprehensive income (loss)
(KWD Million)



9M 2021 Income drivers and Expenses

Income of KWD 32.2 million and expenses of KWD 6.3 million.

- ❖ Gain on financial assets at fair value through profit or loss (FVTPL), dividend income and fee income contributed 66%, 13% and 18% respectively to the total income.
- ❖ Administrative expenses of KWD 5.4 million are marginally higher than 9M 2020 expenses

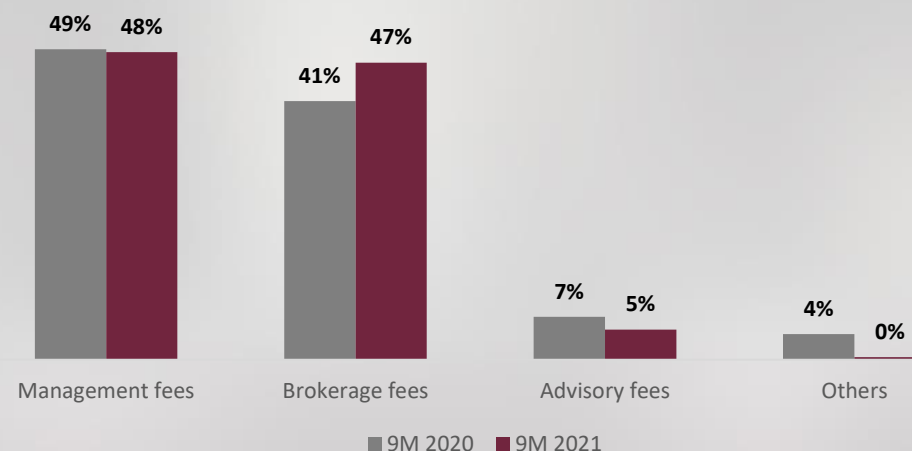


9M 2021 Fee income analysis

- ❖ 46.5% growth in fee income
- ❖ Growth across main categories:
 - Especially brokerage revenue from one of our subsidiaries, Al Waseet Financial Business K.S.C.C.
 - Management fees (from funds and portfolios) increased by 45.2%.

Breakdown of fee income	9M 2020	9M 2021
	KWD'000	KWD'000
Management fees	1,955	2,839
Brokerage fees	1,629	2,741
Advisory fees	269	278
Others	162	23
Total fee income	4,015	5,881

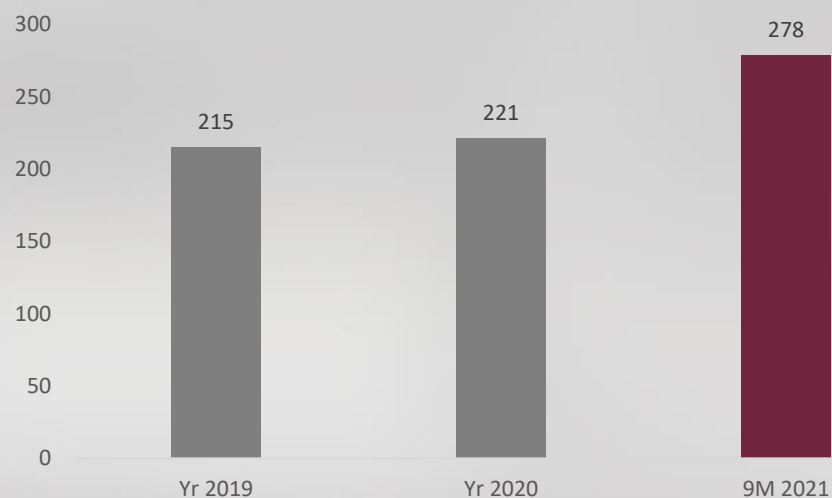
% Contribution to total fee income



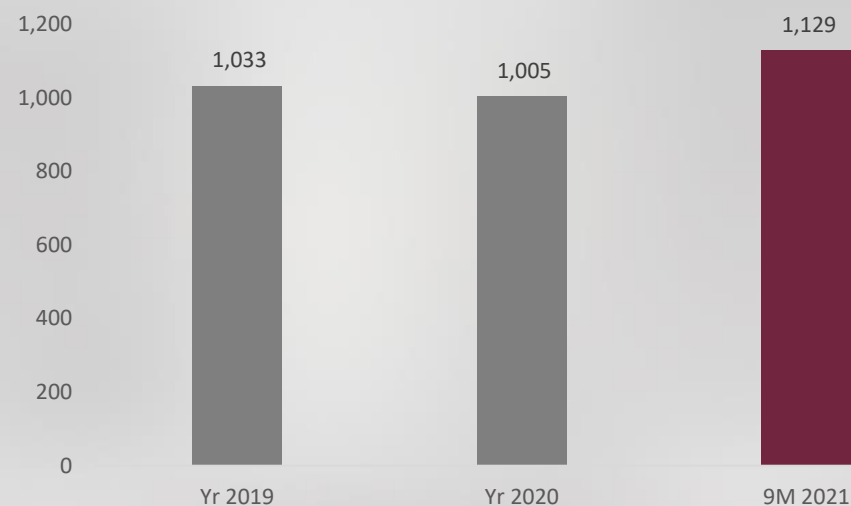
9M 2021 Profile of Assets

- ❖ Total assets witnessed a YTD growth of 25.7% during 9M 2021 mainly on account increased valuation of FVTPL and financial assets at fair value through other comprehensive income (FVOCI).
- ❖ Assets Under Management grew by 12.3% during 9M 2021.

Total Assets (KWD Million)



Assets Under Management (KWD Million)



Sectors

MENA Securities	Investment Banking		Real Estate
	Advisory	Alternatives	
<ul style="list-style-type: none"> ❖ Capitalized on some investment opportunities, by tactically shifting our funds and client portfolios towards sectors poised for recovery. This contributed to a positive return in the 9M 2021 for our investment funds and clients. ❖ Developing detailed plan to utilize and benefit from all the new instruments authorized by Boursa Kuwait. ❖ We started to provide a market maker service to Gulf Cable and Electrical Industries and Boursa Kuwait and we are aiming to expand our services to other companies listed on Boursa Kuwait. ❖ We continue to enhance our comprehensive databases and in-house analytical systems to provide investment insights and timely recommendations on all aspects of local and regional markets. 	<ul style="list-style-type: none"> ❖ Successfully completed the listing of Al Safat Investment Company. ❖ Supported a leading fitness and lifestyle business in securing debt to finance growth. ❖ Assisted a health-tech VC client in obtaining seed financing. ❖ Currently in the process of executing several mandates: <ul style="list-style-type: none"> • Buy-side transactions for: (i) a leading logistics company; (ii) one of Kuwait's largest multi-sector businesses; and (iii) an IT solutions company. • Debt financing transactions: <ul style="list-style-type: none"> ○ Acquisition financing for a buyout transaction. ○ Project financing. ○ Bank debt restructuring. ❖ Working on two flagship pre-IPO mandates (expected completion in 2022). 	<ul style="list-style-type: none"> ❖ Successfully executed a mezzanine investment in a student housing development in Orlando. ❖ In final stages of making an investment in a leading regional VC platform specializing in delivery. ❖ Invested in (or committed to) several direct venture capital opportunities, including: <ul style="list-style-type: none"> • A leading international fin-tech firm; • A pioneer in food-tech. • A regional e-commerce platform. ❖ Exploring new mezzanine investments and direct investment opportunities. ❖ Recently exited a legacy investment and evaluating other exits. 	<ul style="list-style-type: none"> ❖ Continue to increase the collection rate and revenues of our portfolio. ❖ Restructuring the sector and developing policies and procedures to achieve client satisfaction and company strategy. ❖ Managed to achieve full occupancy rates in Al Wataniya Resort through a strong marketing campaign. ❖ Started a new campaign for developing and improving all the assets in our portfolio to increase revenues and property values. ❖ Rental collection rates of Q1,Q2 and Q3 2021 were 86%, while it was 60% during the same period in 2020, mainly due to companies starting to recover from the pandemic. ❖ Occupancy rates were also maintained as of Q1, Q2 and Q3 2021, which were roughly the same as in 2020, despite the pandemic.







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. In line with our digital first commitment, we have successfully launched new client digital channels such as Online Trading, Client Portfolios/Funds Portal and WhatsApp 1 821 112 CRM messaging. ❖ 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"> ❖ Strengthened governance and transparency post upgrade to Premier Market. ❖ 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	FedEx Italy
				
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.	Mezzanine investment in a built-to-suit warehouse development project in Italy, leased to FedEx. The investment targets an annual cash yield of 8% over an 18 month term.
Initial Investment Date	February 2019	January 2019	March 2019	May 2021
Stake Acquired	14.4%	21.3%	11.4%	16.3%
Acquisition Value	KWD 6.5 million (237 fils / share)	KWD 8.0 million (251 fils / share)	£ 2.3 million	\$ 2.3 million
Value Realized To Date	KWD 1.9 million	KWD 5.5 million	£ 0.6 million	\$ 0.01 million
Market Value (30-Sep-2021)	KWD 53.3 million*	KWD 6.0 million**	£ 2.6 million*	\$ 2.3 million*
Return on Investment (x)	8.44x	1.42x	1.38x	1.03x

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

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

Case Studies: Advisory Assignments

Advisory Case Study: Placement and Listing Al Safat Investment (October 2021)

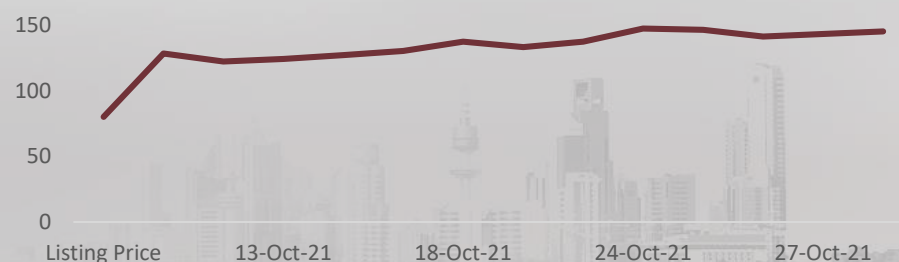
Project description: NIC delivered a successful transaction for all stakeholders (the client and the investors) through the private placement and listing of Al Safat Investment Company in October 2021.

Scope of Work:

- **Goals and objectives:** initial understanding of client objectives and desired results.
- **Valuation:** initial valuation of the company. This included a value optimization exercise to enhance the overall profile.
- **Gap analysis and listing readiness:** Listing-readiness to ensure that the company meets the criteria for listing on the Main Market of Boursa Kuwait.
- **Placement process:** supported the client in placing the shares in order to meet listing requirements.
- **Regulatory filings:** completed regulatory filings.
- **Listing:** obtained approvals for listing.

Results: successful placement + excellent post-listing performance.

Al Safat Investment (Price)



Advisory Case Study: M&A Al Faysal Bakery (January 2021)

Project description: NIC delivered a successful transaction for the shareholders of Al Faysal Bakery through selling the business to an international acquirer, seeking to increase their regional footprint and operations.

Scope of Work:

- **Goals and objectives:** initial understanding of client objectives and desired results.
- **Valuation:** initial valuation of the company. Developed a detailed business plan for the company.
- **Sell-side process:** supported the client in developing investor documents, establishing a data room and taking the opportunity to market.
- **Negotiations:** supported client in negotiations with the short-listed counter-parties.
- **Due diligence oversight:** provided support to client throughout the due diligence process.
- **Closing:** executed the transaction to meet objectives.

Results:

- Successful sale process: ✓
- Achieved client requirements: ✓
- Minimized transaction risks: ✓
- Created alignment: ✓

THANK YOU Q&A



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شرق – شارع جابر المبارك – قطعة 7 – مجمع الخليجية
Sharq – Jaber Al Mubarak Street – Block 7 – Al khaleejiya Tower

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Appendix 1:

9M 2021 Consolidated Income Statement

	9M 2021	9M 2020	Change
	KWD'000	KWD'000	%
INCOME			
Realised gain (loss) on financial assets at FVTPL	2,082	(2,055)	201%
Unrealised gain (loss) on financial assets at FVTPL	19,173	(4,658)	512%
Change in fair value of investment properties	(1,883)	(3,098)	39%
Rental income	1,360	1,312	4%
Dividend income	4,307	2,769	56%
Management, incentive, brokerage and advisory fees	5,881	4,015	46%
Interest income	27	48	-44%
Share of results / liquidation of associates and joint venture	751	2,224	-66%
Gain on foreign exchange trading	359	499	-28%
Gain on sale of investment property	140	-	N/A
Total Income	32,197	1,056	2949%
EXPENSES			
Finance costs	412	388	6%
Administrative expenses	5,416	5,115	6%
Impairment losses and other provisions	210	3,603	-94%
Loss (gain) on foreign currency translation	277	(108)	356%
Total Expenses	6,315	8,998	-30%
Profit (loss) for the period before taxation	25,882	(7,942)	426%
Taxation	(1,003)	-	N/A
Profit (loss) for the period	24,879	(7,942)	413%
Attributable to:			
Equity holders of the Parent Company	22,352	(7,897)	383%
Non-controlling interests (NCI)	2,527	(45)	5716%
Total	24,879	(7,942)	413%
BASIC AND DILUTED EPS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	28.07 fils	-9.90 fils	

Appendix 2:

9M 2021 Consolidated Comprehensive Income

	9M 2021			9M 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
Profit (loss) for the period	22,352	2,527	24,879	(7,897)	(45)	(7,942)
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)	20,935	106	21,041	1,130	(129)	1,001
Total comprehensive income (loss) for the period	43,287	2,633	45,920	(6,767)	(174)	(6,941)

Appendix 3:

9M 2021 Consolidated Financial Position

	30-Sep-21 KWD'000	31-Dec-20 KWD'000	Change %
ASSETS			
Bank balances and cash	29,887	13,569	120%
Financial assets at FVTPL	110,425	89,238	24%
Trading properties	282	284	-1%
Financial assets at FVOCI	80,540	58,478	38%
Investment in associates and joint ventures	23,066	21,065	9%
Investment properties	28,153	32,054	-12%
Intangible assets	1,120	1,148	-2%
Other assets	4,735	5,556	-15%
Total Assets	278,208	221,392	26%
LIABILITIES AND SHAREHOLDERS' FUNDS			
Bank borrowings	40,763	19,521	109%
Accounts payable and accruals	11,696	10,446	12%
Total Liabilities	52,459	29,967	76%
Non-Controlling interests	18,308	16,443	11%
SHAREHOLDERS' FUNDS:			
Issued and fully paid up share capital	79,786	79,786	0%
Share premium	49,593	49,593	0%
Statutory reserve	7,709	7,709	0%
Voluntary reserve	22,693	25,408	-11%
Treasury shares	(2,073)	-	N/A
Other reserves	440	419	5%
Foreign currency translation reserve	412	494	-17%
Cumulative changes in fair value	25,100	5,512	355%
Retained earnings	23,781	6,061	292%
Total Shareholders Funds	207,441	174,982	19%
Total Liabilities and Shareholders' Funds	278,208	221,392	26%