



Investor Presentation | June, 2020

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Note: : Exchange rate of USD/KD of 0.30305 has been used in the presentation for financial numbers

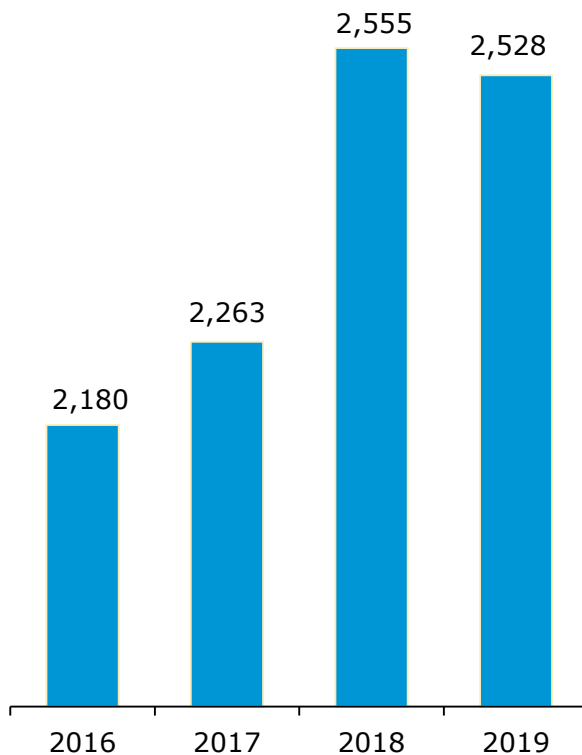


Performance Update

KIPCO consolidated: Financial performance

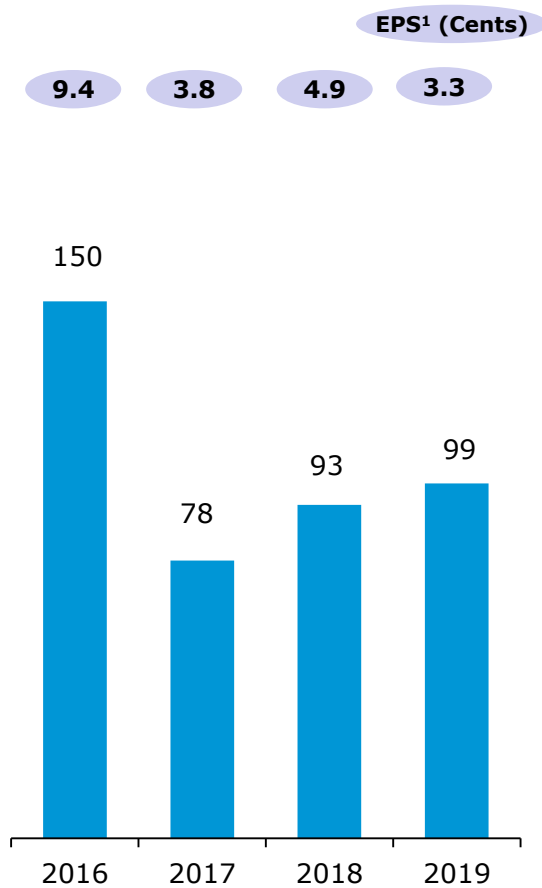
Revenue

USDmn



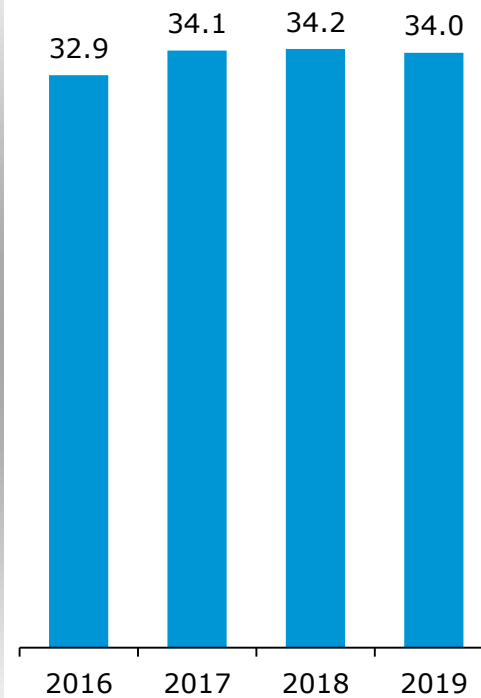
Net Profit

USDmn



Consolidated Assets

USDbn



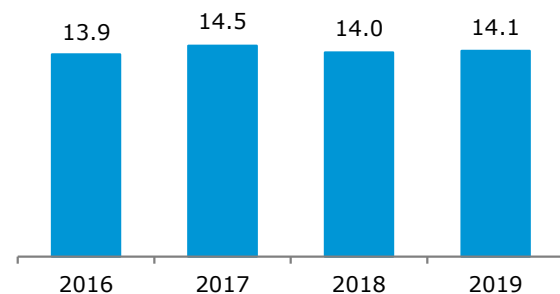
Note: Exchange rate of USD/KD of 0.30305 has been used in the presentation for financial numbers

¹Basic Earning per share (reported)

Burgan Bank Group (BBG)

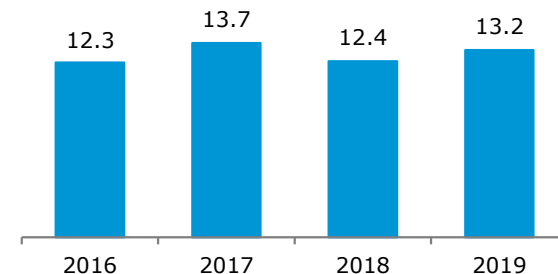
Loans

USDbn



Deposits

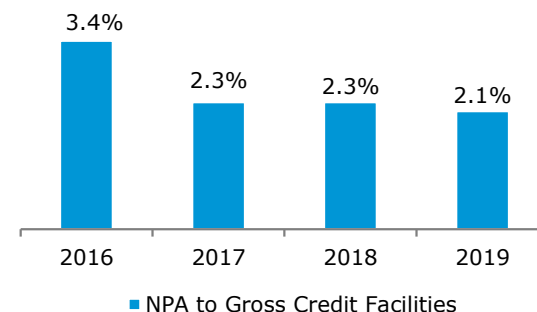
USDbn



Asset Quality

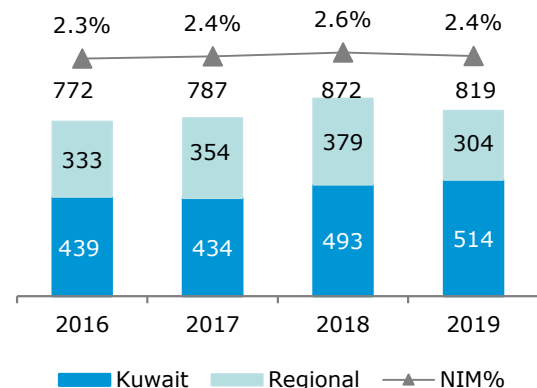
■ NPA coverage with collateral
■ NPA coverage without collateral

194%	233%	241%	281%
124%	159%	171%	202%



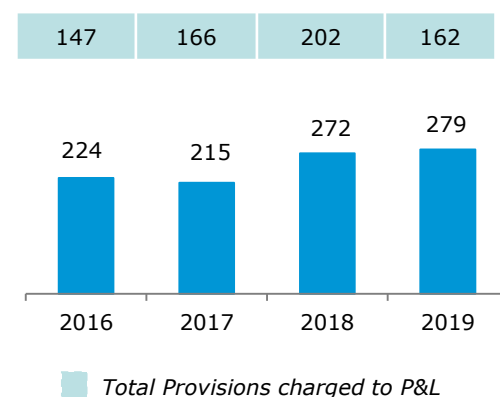
Operating Income

USDmn



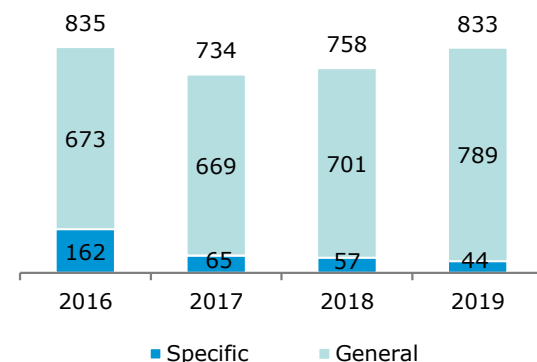
Net Profit & Provision

USDmn



Total Provision

USDmn

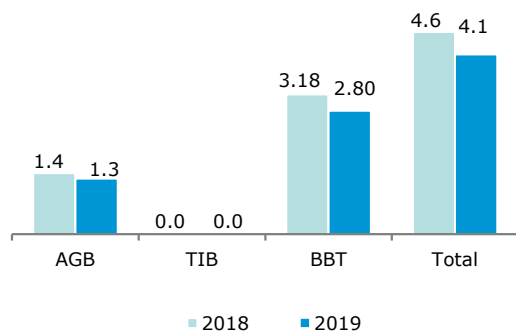


**Strong performance reflecting operational capabilities with strict focus on asset quality;
Basel III CAR : 16.8%**

BBG: Regional operations

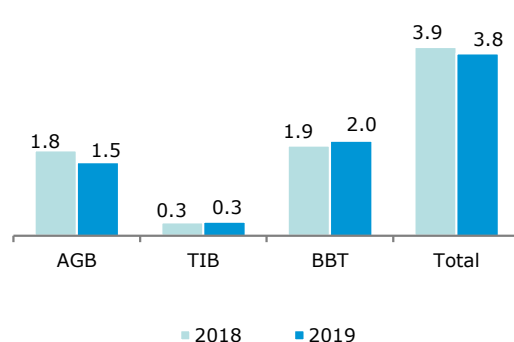
Loans[^]

USDbn



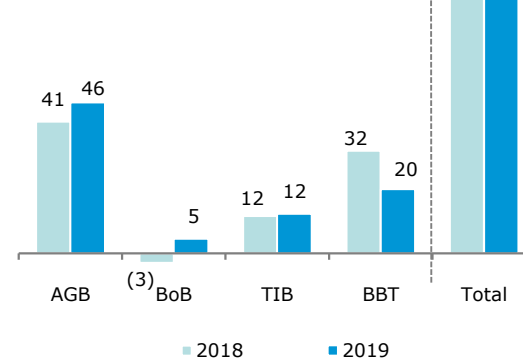
Deposits[^]

USDbn



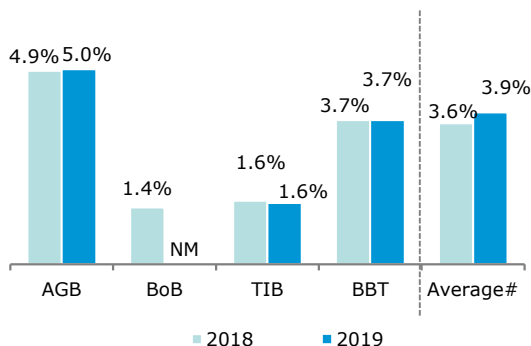
Net Profit

USDmn



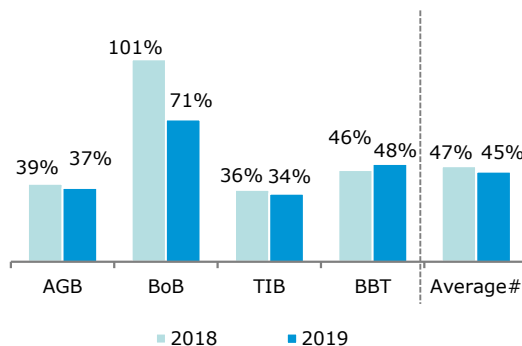
Net Interest Margin*

Percentage



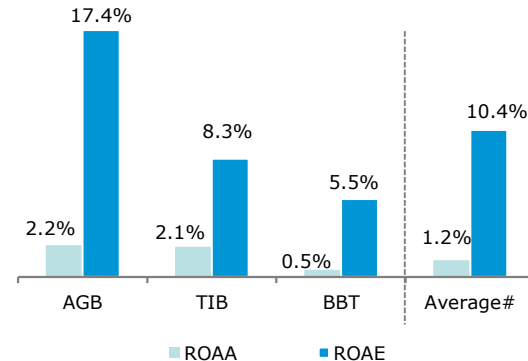
Cost to Income*

Percentage



Return on Assets & Equity*

Percentage



* For calculation of 2019 ratios for AGB, TIB, BBT net profit and net interest income of eleven month is used due to one month lag in reporting

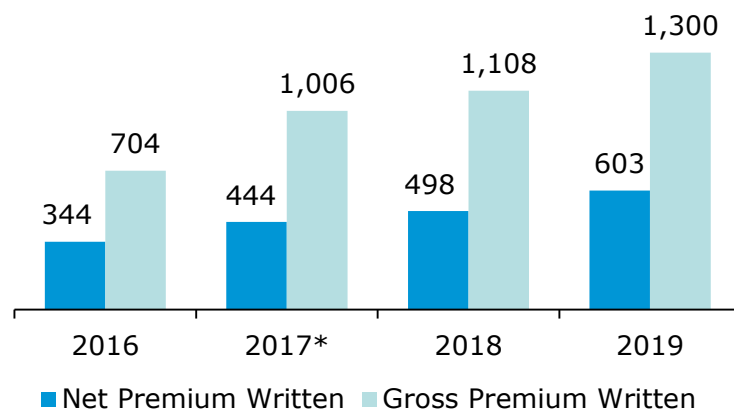
Represents weighted average figures using the denominator of respective ratio as weights

[^] For 2019 BoB is classified as asset for sale thus for like to like comparison 2018 financials are adjusted

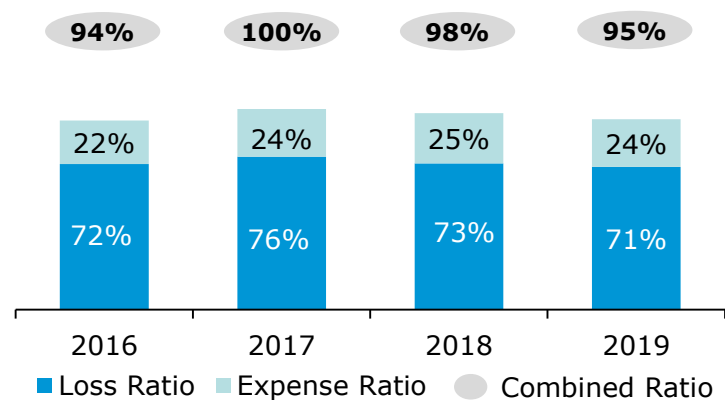
Gulf Insurance Group (GIG)

Gross & Net Premium Written

USDmn

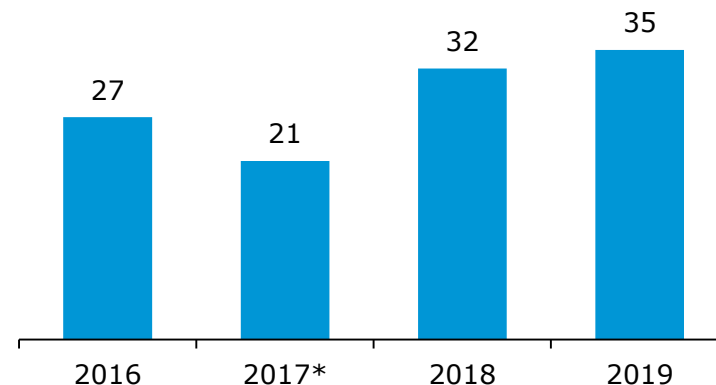


Combined Ratio



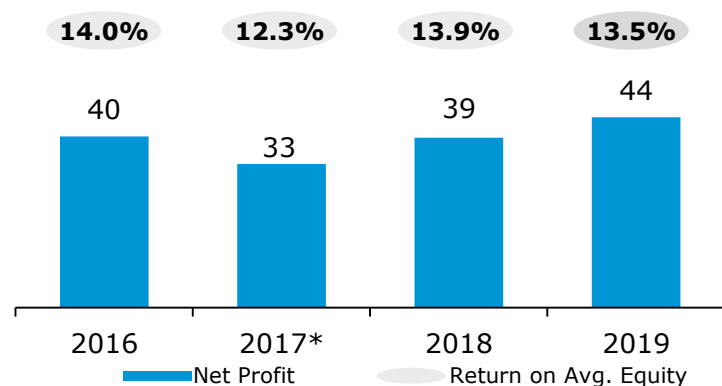
Net Investment Income

USDmn



Net Profit & ROE

USDmn

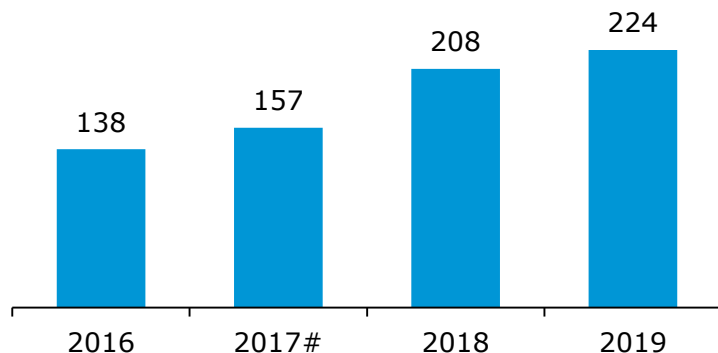


*Restated

United Gulf Holding Company (UGH)

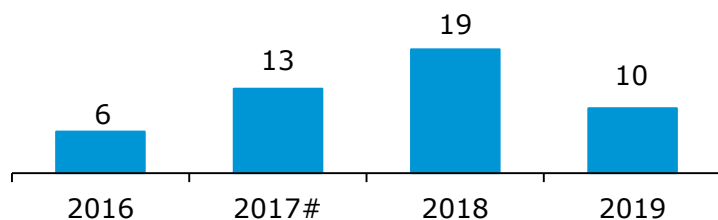
Revenue

USDmn



Net Profit & Provisions

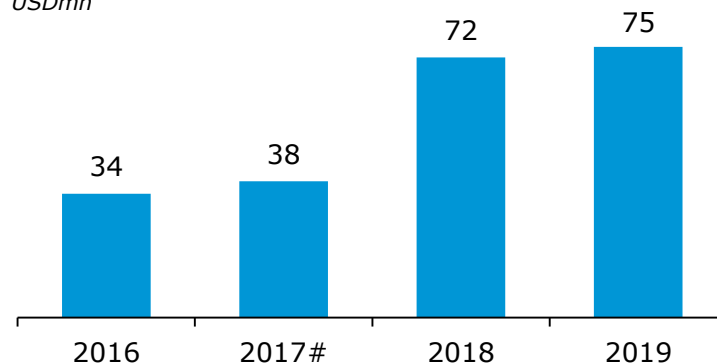
USDmn



Total Provisions Charge to P&L

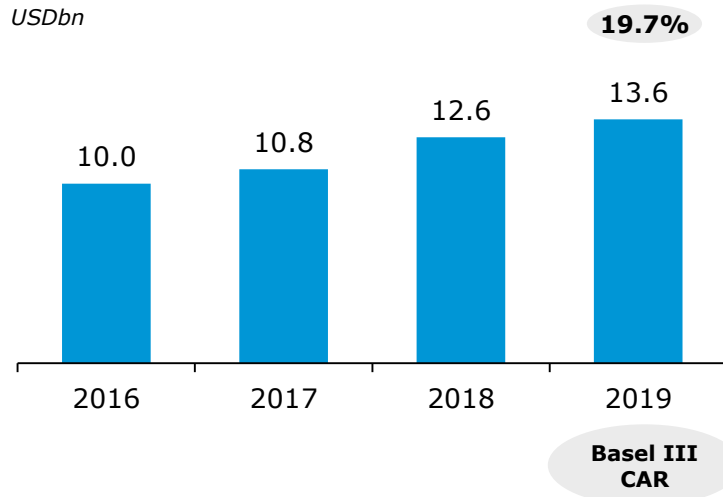
Fee & Commission Income

USDmn



AuM & Capitalisation

USDbn

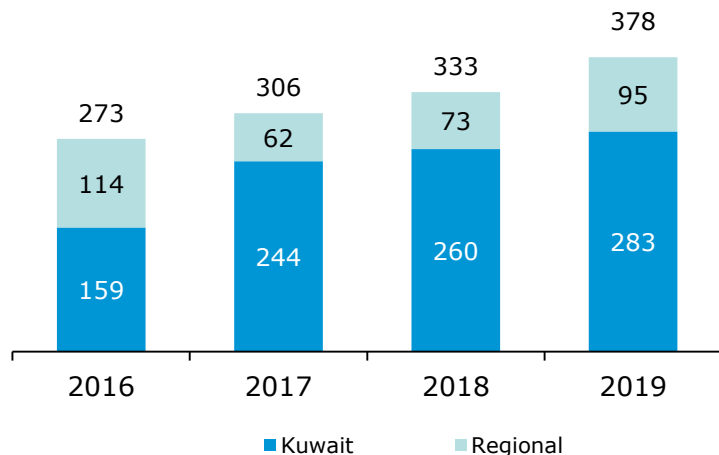


As UGH was incorporated in September 2017, financials of UGH for 2017 comprise of first nine months results for UGB and Q4'17 results for UGH

United Real Estate Company (URC)

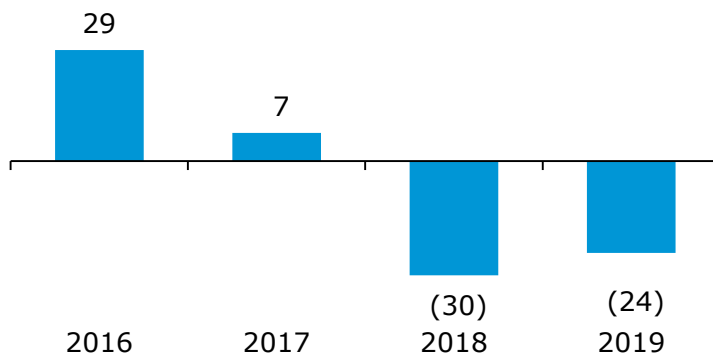
Total Revenue¹

USDmn



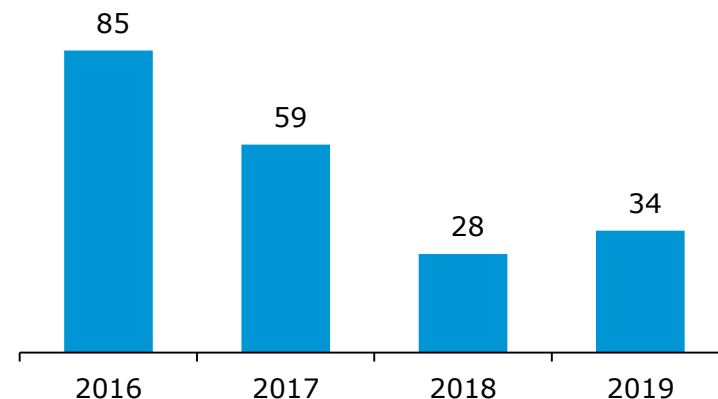
Net Profit

USDmn



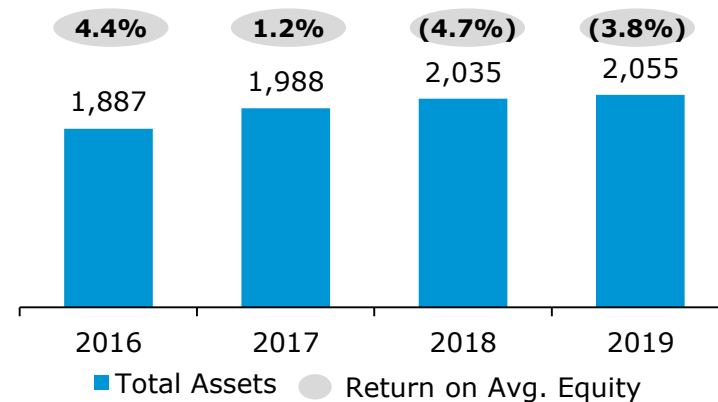
Operating Profit²

USDmn



Total Assets & ROE

USDmn



¹Revenue includes income from operational properties, gain on sale of properties, fixed assets & associates, valuation gain on properties, investment income, share in associates' income, interest income & forex ; ²Operating Profit includes gain on sale of associates, share in associates' income, interest income & forex gains

OSN Background

Leading Pay TV operator in MENA region (HQ in Dubai), created by the merger of Showtime and Orbit in 2009

Licensed to operate in 25 countries in MENA with focus on 7 core markets

Subscriber base of around 1.0mn, ~150K subs for OSN Streaming App and 138k subs for OSN Demand

First in the region to introduce digital platform with OSN Play in 2012

OSN has successfully rebranded its Wavo application to OSN Streaming in April 2020 with superior user interface and functional capabilities, benchmarked with leading OTT players globally

Exclusive access to the most comprehensive portfolio of rights from 7 major Hollywood studios plus wide range of Arabic content

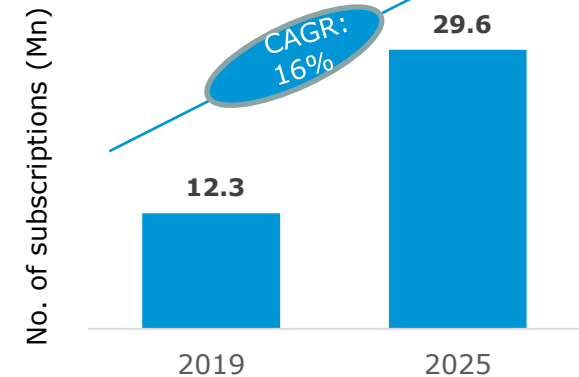
Premium content offerings with over 85 channels incl. 51 HD channels and 24 owned and 16 Pinoy channels

~920 employees in 13 offices, 26 retail locations across MENA and a network of 148 partners

MENA Pay Tv Potential

	Population (Mn)	TV Households (Mn)	Pay TV/ TV Households (%)
MENA Region¹	367	72	~10%
Latin America	621	56	44%
UK	67	27	56%
India	1,352	197	66%
US	329	120	79%

Expected growth of OTT in MENA



Source: Digital TV Research (Jan'20)

¹MENA region represents data of: Bahrain, Egypt, Jordan, Kuwait, KSA, Qatar, UAE, Algeria, Lebanon, Libya, Morocco, Oman,, Sudan, Syria, Tunisia and Yemen (OSN's core and target markets)

Source: IMF WEO Database October 2019, Euromonitor, Statista, Nielsen, Broadband TV News, Economic times

OSN Update



Operational turnaround complete; financial turnaround expected in 2020

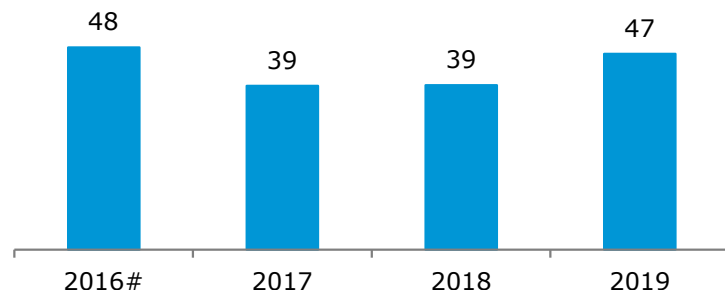
Increased stake to 87.6%

Other key entities:

United Industries Company (UIC)

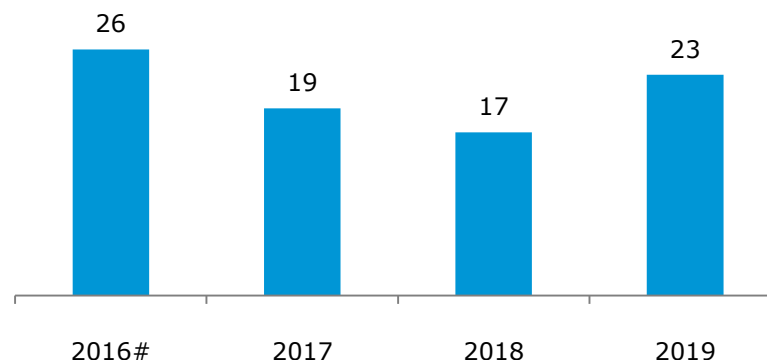
Total Revenue

USDmn



Net Profit

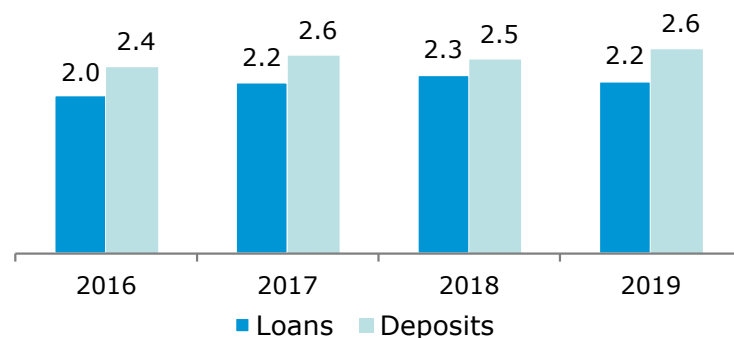
USDmn



Jordan Kuwait Bank (JKB)

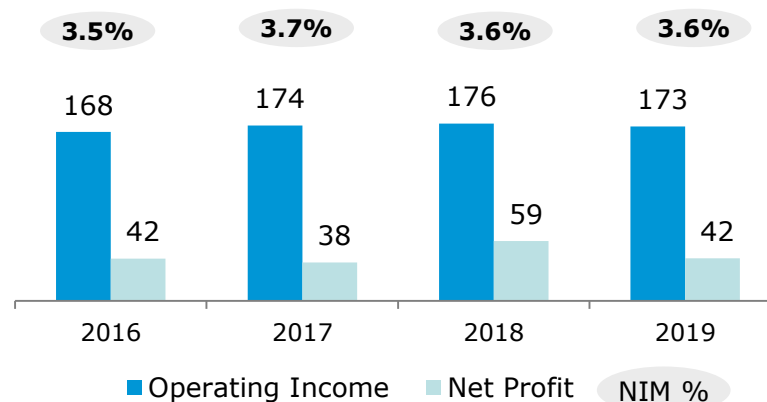
Loans & Deposits

USDbn



Operating Income & Net Profit

USDmn



Includes USD13mn one-off income on reclassification of investment from AFS to associate

Notes: Exchange rate of USD/JOD of 0.709 as of 31 December 2019 has been used for conversion

KIPCO consolidated: Balance Sheet

Consolidated Balance Sheet (USDmn)	2016	2017	2018	2019
Cash in hand and at banks	4,811	5,179	6,991	5,220
Treasury bills, bonds & other debt securities	2,228	2,134	2,397	1,803
Investment in associates	1,460	1,238	1,087	1,162
Investment in a media joint venture	494	587	-	-
Non-current assets held for sale	-	-	618	696
Investment properties	1,415	1,726	2,064	2,080
Other investments	1,876	2,069	1,712	2,016
Other assets (inc. goodwill & intangibles)	20,654	21,204	19,350	21,063
Total assets	32,939	34,137	34,220	34,040
Due to Banks & Other FI's	7,620	6,646	6,794	4,703
Deposits from Customers	15,904	16,925	16,128	17,608
Debt	4,229	4,899	6,049	6,378
Other liabilities	1,172	1,667	1,914	1,729
Equity attributable to equity holders of the Parent Company	1,556	1,450	914	1,117
Perpetual capital securities	483	483	483	506
Non-controlling interest	1,975	2,067	1,937	1,999
Total liabilities and shareholders equity	32,939	34,137	34,220	34,040

KIPCO consolidated: Income Statement

Consolidated Income Statement (USDmn)	2016	2017	2018	2019
Interest income	1,229	1,275	1,469	1,348
Investment income	92	234	121	113
Fees and commission income	185	175	201	215
Share of results of associates	119	42	61	76
Share of results of a media joint venture	(21)	-	-	-
Hospitality and real estate income	255	309	361	398
Other revenues	322	227	343	378
Total revenues	2,180	2,263	2,555	2,528
Interest Expenses	794	819	983	948
General and administrative expenses	566	610	635	617
Other expenses and provisions	469	477	551	637
Taxation	60	51	34	54
Loss from discontinued operations	-	100	76	-
Non-controlling interest	140	128	183	173
Net profit attributable to Equity Holders of the Parent Company	150	78	93	99
Basic Earnings Per Share, Cents (Reported)	9.4	3.8	4.9	3.3
Basic Earnings Per Share for continuing operations, Cents (Reported)	-	10.9	10.2	3.3



Thank you

A diversified company with deep regional expertise & roots



We are

Operating holding company with total assets of USD34.0bn¹

Geography

Middle East and North Africa (MENA)

Sectors

Primarily financial services & media

Track record

28 years of continuous profitability,
18 years of continuous dividends

Returns

Attractive shareholder return

Majority owned
by ruling family
of Kuwait

A transparent
company with
an experienced
management
team

Listed on
Kuwait Stock
Exchange with a
market cap of
USD1.1bn²













Credit ratings:
S&P: BBB-
Moody's: Baa3

Gateway to MENA with superior access to opportunities

¹As on 31 December 2019

² As of 31 May 2020

Our presence by geographies & sectors

Geography	Major sectors							Revenue (2019) ¹
	Commercial banking	Media	Insurance	Real Estate	AMIB ⁴	Industrial	Others	
Kuwait 	●	●	●	●	●	●	●	47%
KSA 		●	●			●		3%
UAE 	●	●	●	●	●			4%
Bahrain 		●	●		●			5%
Qatar 		●		●				1%
Turkey 	●		●					13%
Jordan 	●	●	●	●				11%
Egypt 		●	●	●			●	6%
Algeria 	●	●	●					5%
Iraq 	●	●	●		●			1%
Malta 	●				●			2%
Tunisia 	●	●			●			1%
Others	●	●	●	●	●		●	1%
Revenue (2019) ²	47%	11%	18%	11%	5%	4%	4%	
Assets (2019) ³	70%	4%	6%	8%	7%	3%	2%	

Attractive presence in high growth economies and promising sectors

Note: The business of OSN represented the entirety of the Group's media operating segment. In accordance with IFRS 5, the investment in OSN is classified as a discontinued operation and accordingly, the media segment is no longer presented in the segment note since Q3'2018

¹ Assuming consolidation of GIG & OSN

^{2, 3} Total revenue of USD3.8bn and total assets of USD40.7bn respectively, based on reported

segmental revenue (before inter group eliminations) post consolidation of 100% revenue of GIG & OSN ; ⁴AMIB = Asset Management & Investment Banking

Core holdings

All core holdings are market leaders in their space



Investing in companies which have potential to be market leaders

¹ In terms of assets (based on latest financials)

² In terms of revenue and countries of operations

³ By Gross premium written (GPW) and Direct premiums

⁴ By GPW

⁵ By technical profit among private sector players (all rankings as of 31 December 2018)