

SHAFAFIYAH
FORUM 2021

كيبكو
KIPCO
شركة مشاريع الكويت (القاضة)
Kuwait Projects Company (Holding)



NAVIGATING IN
DIFFICULT TIMES

Investor presentation | April 2021

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KIPCO group in 2020

2020 results



2019
(restated)

698

2020

753

Our companies were able to report profitability despite the uncertainty and challenges



Repaid US\$500mn medium term notes



Despite the challenges that came with COVID-19, successfully repaid US\$500mn notes in July 2020 with existing resources

No debt maturity till 2023

Weighted average debt maturity is 4.3 years¹

Reflects the soundness of financial strategy and proactive liabilities management





Key companies in 2020

2020 performance highlights



- Continues to perform well
- Announced acquisition of AXA's Gulf operations
- GIG to be #3 insurance company in the region post completion of deal
- Net profit of KD16mn (22% growth); GPW of KD444mn (13% growth)



- Affected by closure of hospitality and retail due to pandemic
- Gave exemptions and lowered leasing rates to assist their tenants
- Started another residential component in Hessah Al Mubarak District
- Reported revenue of KD97mn



- Central Bank is highly conservative requiring provisions beyond IFRS 9
- Successfully launched several digital initiatives/platforms throughout 2020
- Net income of KD34mn
- Adequate capital adequacy ratio of 18% and stable asset quality at 3.5% NPA¹

¹Non performing assets

2020 performance highlights cont'd



- Kamco Invest launched its new identity, following the integration with Global Investment House
- Completed rights issue of US\$70mn



- Dependent on oil cycle
- Revenue of KD240mn (12% growth)¹
- Net profit to KD22mn¹ despite lower oil prices



- Revenue of SAR2,145mn¹ (10% growth)
- Net profit of SAR279mn¹ (11% growth)
- Healthy cash balance of SAR691mn with zero leverage



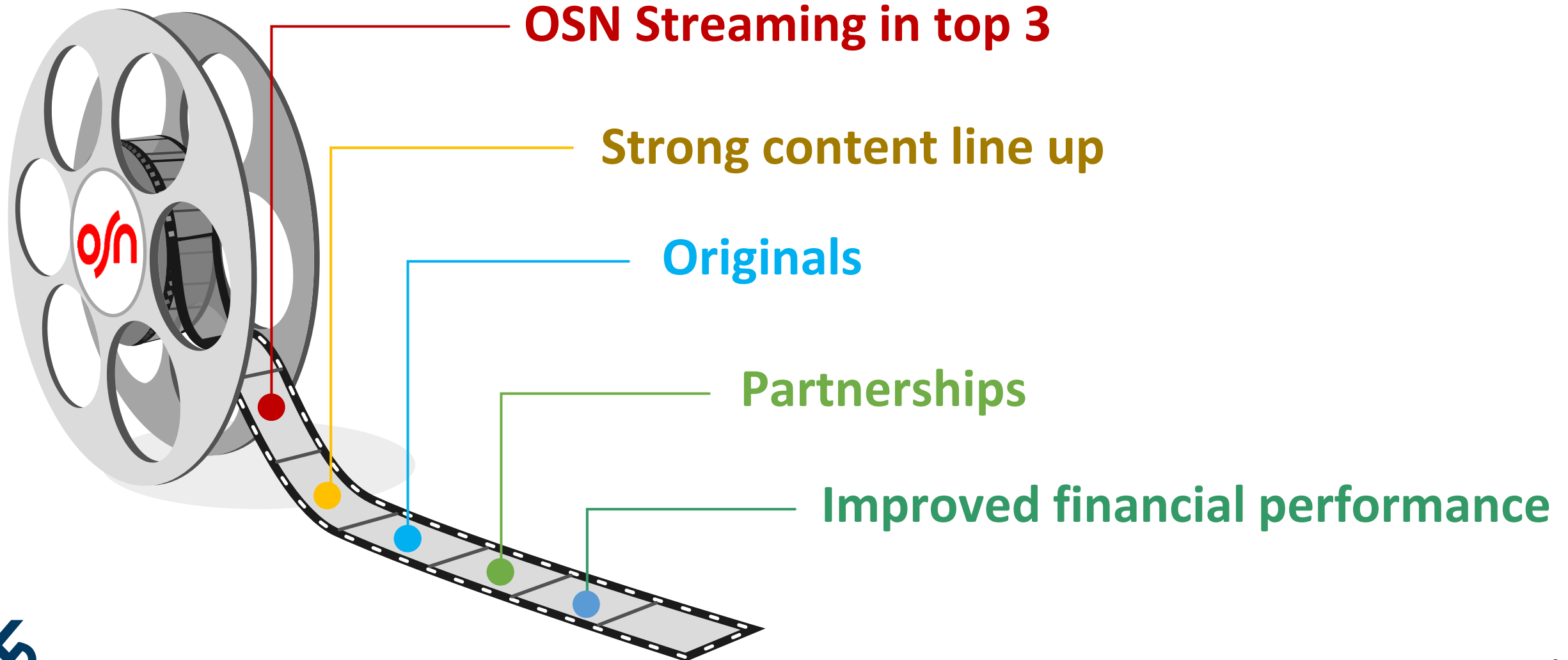
- Launched digital products; ensuring students receive quality education online
- Reported revenue of KD27mn and net income of KD 1.8mn²

¹ For the twelve months of 2020. Note: QPIC & SADAFCO's financial year starts on April 1st and ends March 31st

² For the financial year ended 31 Aug 2020

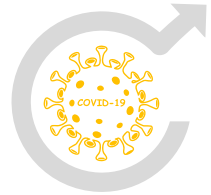
OSN: the No. 1 entertainment hub in MENA

Hard and long journey of transformation is in progress





Looking ahead 2021



Economic activities move towards pre-Covid levels

- Gradual improvement as second wave pose challenges
- Vaccine rollout will hopefully control the virus spread



Oil price impact likely positive

- 2021 average forecast: USD61¹; 2020 average: USD41²

KIPCO remains guarded about 2021, as we closely monitor the business impact of pandemic

2021 focus areas



- Turkey franchise
- Launch & monetization of digital products
- Fine tune business model



- Achieve profitable growth with sustainable and competitive underwriting performance
- Diversify product offering
- AXA integration – reinforce GIG position in key markets
- Progress digital transformation



- Continue to grow customer base & revenue of OTT platform
- Launch products that meet premium customer needs
- Become the partner of choice for regional telcos
- Continue to reduce cost and diversify content supply

2021 focus areas cont'd



- Stabilize revenues to pre-COVID levels
- Progress development projects in the Hessah Al Mubarak District
- Accelerate asset monetization in H2 2021
- Optimize finance cost



- Benefit from oil price recovery
- Continue to evaluate inorganic growth through M&A
- Utilize AI and ML to optimize logistics operations at SADAFCO



- Exit non-core assets
- Re-invent operating model



- Deliver programs effectively during pandemic period
- Continue the digital transformation journey

Thank you

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