



Investor Presentation

MAY 2022

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





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OVERVIEW

A DIVERSIFIED COMPANY WITH DEEP REGIONAL EXPERTISE & ROOTS



WE ARE

Operating holding company with total assets of US\$34.9bn¹

GEOGRAPHY

Middle East and North Africa (MENA)

SECTORS

Primarily financial services & media

TRACK RECORD

- 30 years of reported profits
- 20 years of dividends

RETURNS

~11% total shareholder return since 1996³

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 ~US\$1.5bn²

Credit ratings:
Moody's: Ba2
S&P: BB-

Gateway to MENA with superior access to opportunities

¹As on 31 March 2022

²As of 12 May 2022

³Including dividends, bonus issue, rights issue and other corporate action adjustments between 31-Dec-1996 to 31-Mar-2022

OUR PRESENCE BY GEOGRAPHIES & SECTORS

	COMMERCIAL BANKING	INSURANCE	MEDIA	REAL ESTATE	AMIB ³	INDUSTRIAL	OTHERS	REVENUE ¹
Kuwait	•	•	•	•	•	•	•	43%
Bahrain		•	•		•			5%
KSA		•	•		•	•		4%
UAE	•	•	•	•	•			4%
Qatar		•	•	•				1%
Jordan	•	•	•	•	•			14%
Turkey	•	•			•			13%
Egypt		•	•	•			•	7%
Algeria	•	•	•					6%
Iraq	•	•	•		•			0.1%
Malta	•				•			2%
Tunisia	•		•		•			1%
Others	•	•	•	•	•		•	0%
Revenue ²	36%	40%	7%	7%	6%	3%	0.1%	
Assets ²	69%	10%	3%	7%	7%	2%	2%	

High growth economies and promising sectors

Note: 1. As per total revenue of US\$3.2bn in 2021; 2. Revenue of US\$1.0bn in Q1'2022 and total assets of US\$43.7bn as on March 31, 2022, based on reported segmental revenue (before inter group eliminations) and consolidation of 100% of GIG; 3. AMIB = Asset management & investment banking







MARKET LEADERS IN THEIR SPACE



Investing in companies which have potential to be market leaders

¹ In terms of assets
² By Gross premium written (GPW) and Direct premiums
³ By GPW
⁴ By technical profit among private sector players

CONTROLLING OR MAJORITY STAKES

						
Group Effective Stakes¹	62.0%	45.9%	69.8%	90.5%	56.2% ³	73.6%
Board Representation	8 of 11	4 of 10 ⁴	3 of 7 ⁵	5 of 8	4 of 5	5 of 7
Market Cap (USDmn)²	2,904	984	Unlisted	1,446	151	290
Credit Ratings	S&P: BBB+/A2 Moody's: Baa1/ P2 Fitch: A	S&P: A Moody's: A3 AM Best: A	Unrated	CI: BBB (UGB)	CI: BBB	CI: BBB-
	Commercial Banking	Insurance	Media	Asset Management & Investment Banking (AMIB)	Real Estate	

Ability to actively control or influence key decisions of operating entities

Notes: 1 Effective stakes given are as of 31 March 2022

2 Market capitalization as of 12 May 2022 (Source: Bloomberg for market price)

3 Stake in KAMCO Invest is held through UGH

4 GIG has 10 board members – 4 from KIPCO, 3 from Fairfax and 3 independent directors






5 OSN has 7 board members – 3 from KIPCO, 1 from Mawarid and 3 independent directors
CI = Capital Intelligence

Building Businesses



Invest in companies with sustainable and predictable cashflows

ACTIVE MANAGEMENT

BUSINESSES	PARAMETERS	THEN ¹	NOW (Q1'2022)	KIPCO SUPPORT & ACTION
 بنك بروقان BURGAN BANK	Total Assets	\$3.8Bn	\$24.3Bn	<ul style="list-style-type: none"> Transformed from a local player to regional player Focused on growth with prudent loan underwriting
 gigamon شركة التأمين البحرين	Rank# (by GPW)	#3 of 5	#1 of 42	<ul style="list-style-type: none"> Transformed from a local player to regional player Among top 3 insurance companies in MENA region Partnered with Fairfax & acquired Axa's gulf operations to strengthen operations & enhance growth
 osn	Sub. Base	-	~1.5Mn	<ul style="list-style-type: none"> Consolidated market in 2009, rebranded as OSN Partnered with major Telcos in the region Market leadership with access to premium content
 KAMCO INVEST	AUM	\$0.7Bn	\$16.0Bn	<ul style="list-style-type: none"> Spun-off AM/IB division to separate client funds from KIPCO funds Streamlined operation in 2012 to focus on core business Merged with Global Investment House in November 2019
 URC شركة العقارات المتحدة United Real Estate Co	Total Assets	\$293Mn	\$2.0Bn	<ul style="list-style-type: none"> Operations across the Middle East region Presence across retail, hospitality, residential and office sector and ancillary services like facilities and construction management

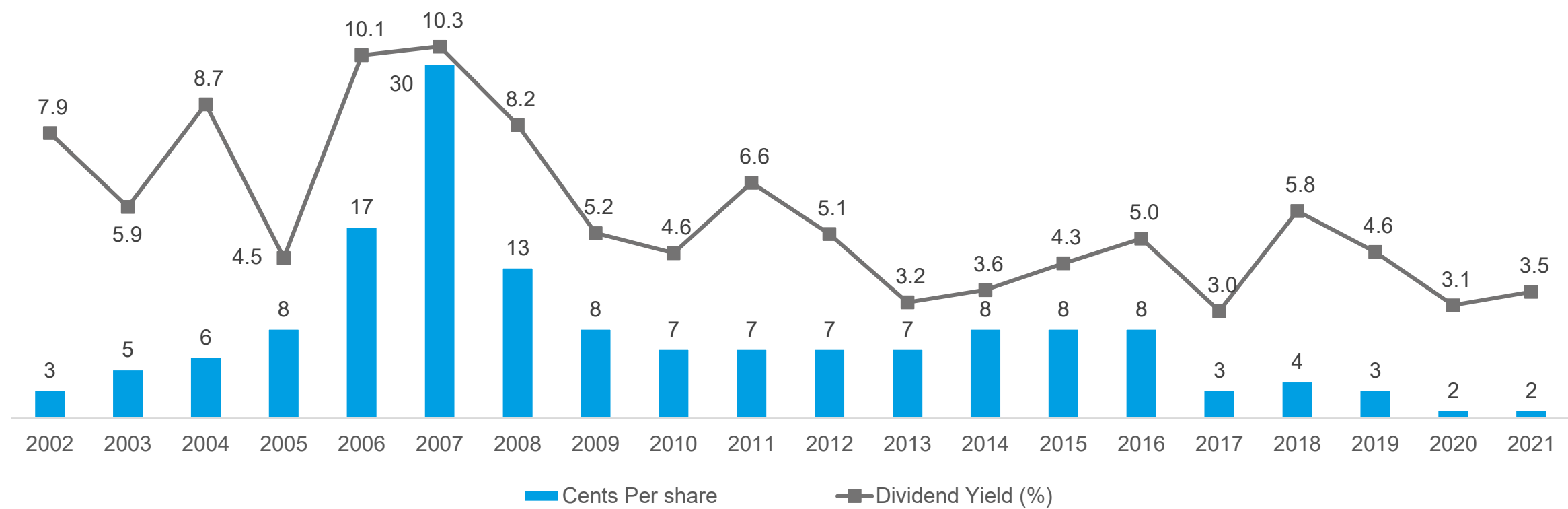
Number of success stories demonstrating consistent track record of value creation

¹ Year of incorporation/acquiring substantial stake i.e. 1997, 1997, 1996, 2000, 1994 (in order of businesses listed)

#Represents rank in Kuwait

CONTINUOUS DIVIDENDS

US\$1.8bn cash dividends since 2002



20 years of continuous dividend payments and ~6% average dividend yield

Note: In addition to the above cash dividend, paid stock dividend in 2007 (10%), 2009 (5%), 2010 (5%), 2011 (5%), 2012 (5%), 2013 (5%) and 2017 (5%)
Dividend yield is computed as (Dividend paid for the year/ Closing share price of the year)



RECENT UPDATES

Shafafiyah Forum 2022

Shafafiyah forum key highlights:

- 2021 was the year of recovery for Group companies post-Covid
- KIPCO looks to 2022 as the year of transformation
- Under guidance from the Board of Directors, the management will be formulating a new vision and strategy that will coincide with the merger
- KIPCO will be ready to embark on a new and more sustainable journey in 2023

KIPCO-QPIC Merger

- On March 14, 2022, KIPCO announced reaching a preliminary agreement to merge by amalgamation with Qurain Petrochemical Industries Company (QPIC)
- The two companies signed a Memorandum of Understanding (MoU) whereby they agreed to assess the merger proposition
- KIPCO shall be the merging entity and QPIC shall be the merged entity
- QPIC shareholders will receive KIPCO shares. It will be a non-cash transaction for KIPCO
- The merger is subject to a detailed process as per Kuwaiti laws and regulations. This includes due diligence, valuation of both entities and fairness opinion by licensed independent advisors, in addition to regulatory approvals and the approval of shareholders in the Extraordinary General Assembly of both parties







PERFORMANCE UPDATE



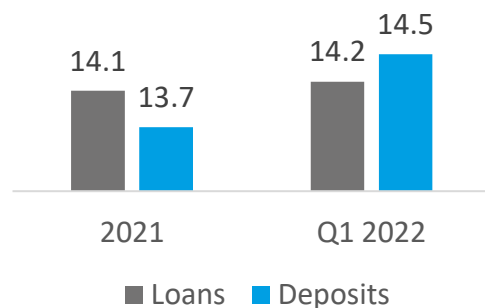
Business highlights

- Kuwait based commercial bank with regional presence in seven countries
- 2nd largest conventional bank in Kuwait in terms of assets (US\$24.3bn¹)
- BBB+ rating from S&P and Baa1 from Moody's, A+ from Capital Intelligence and A from Fitch
- Basel III capital adequacy ratio of 17.0%¹
- Listed on Boursa Kuwait with a market cap of US\$2.9bn³

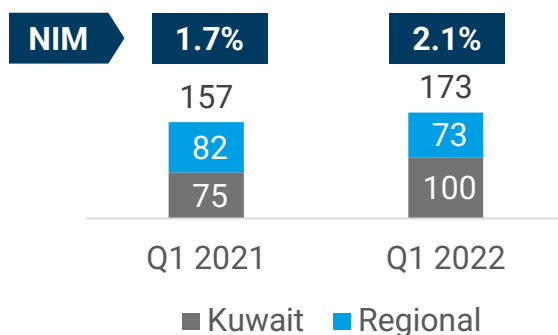
Key Franchises

Name	Market Position	Effective Stake ¹	Assets ¹ US\$ mn	Revenue ² US\$ mn
 BURGAN BANK Kuwait	#2 conventional bank	100%	18,803	100
 BURGAN BANK Turkey	Niche player in corporate banking	100%	2,959	37
 بنك الخليج الجزائر Gulf Bank Algeria	#3 private sector bank in Algeria	86%	2,064	32
 بنك تونس العالمي Tunis International Bank	Leading offshore bank in Tunisia	87%	469	4

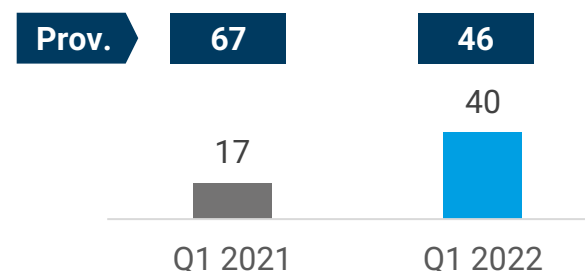
Loans & Deposits US\$ bn



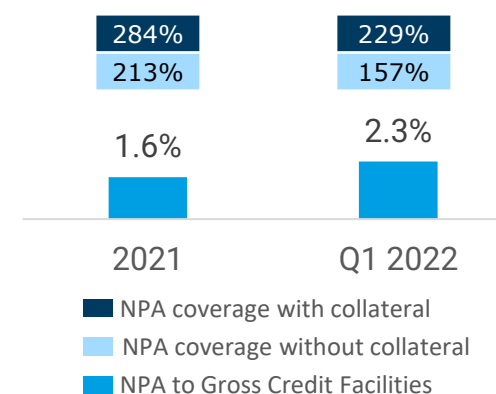
Operating Income US\$ mn



Net Profit US\$ mn

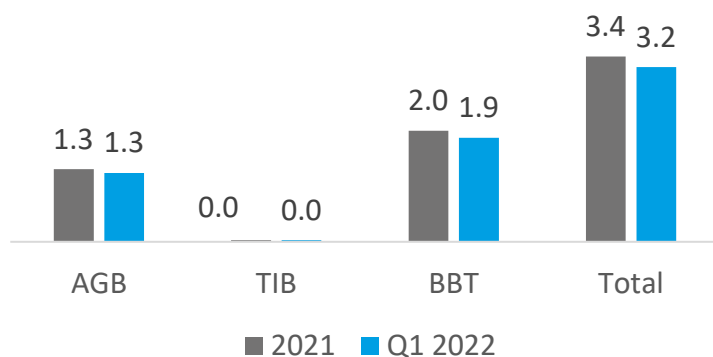


Loan Quality %

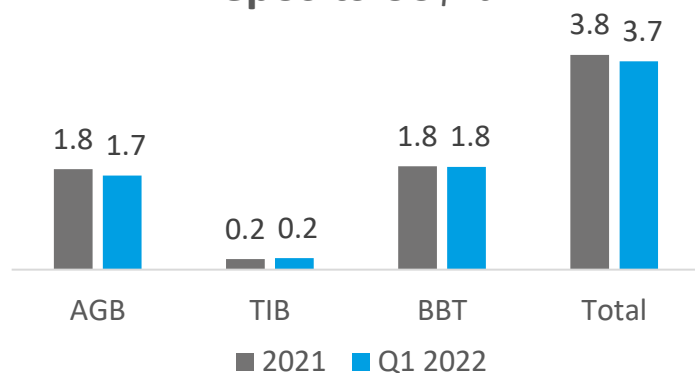


BURGAN BANK REGIONAL OPERATIONS

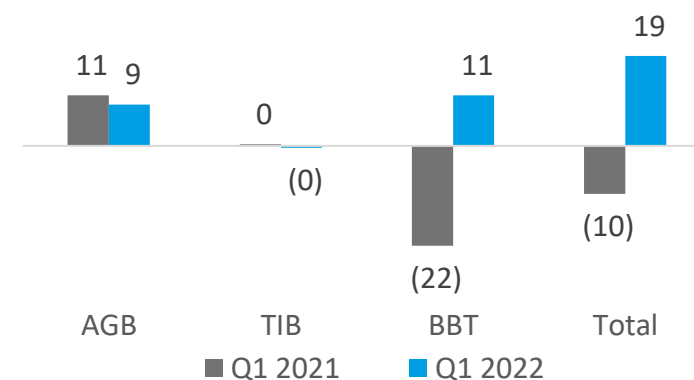
Loans US\$ bn



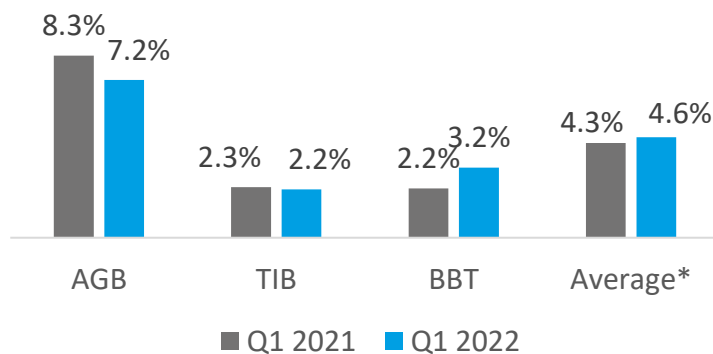
Deposits US\$ bn



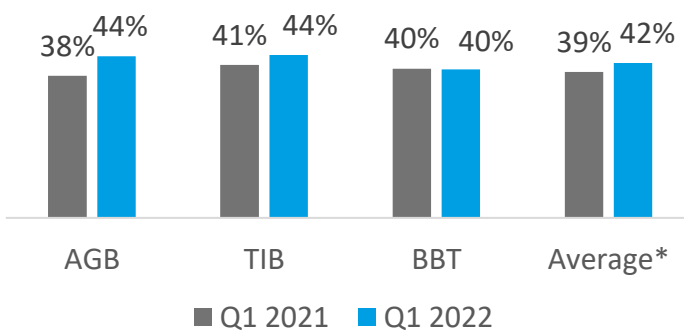
Net Profit US\$ bn



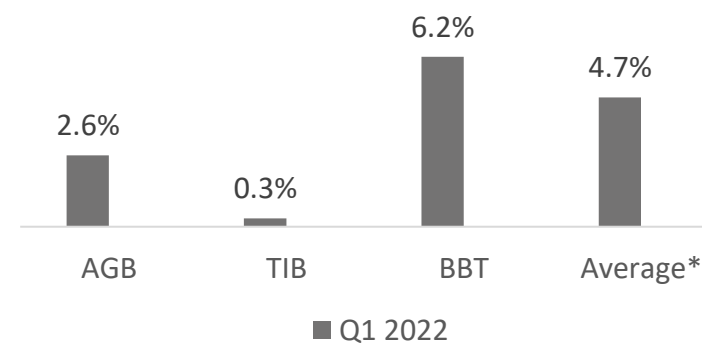
Net Interest margin %



Cost to Income %



Non-performing Loans %



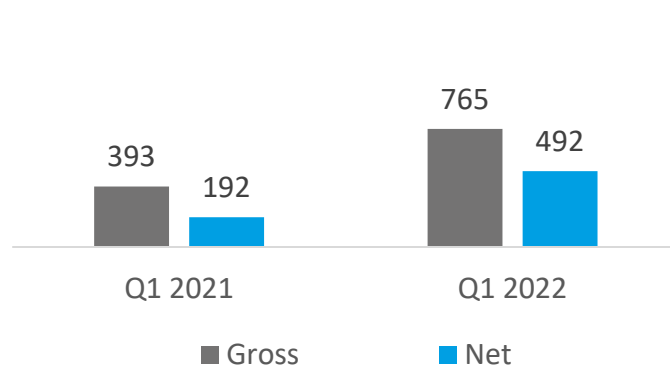
Business highlights

- Kuwait-based insurance company with operations in life and non-life as well as Takaful insurance
- Presence across the MENA region in 13 countries through a network of over 85 branches; market leader in 4 countries
- A rating from S&P; A3 from Moody's; A from AM Best
- GIG has successfully completed the acquisition of AXA's Gulf operations in Sep'21 which makes it one of the top three insurance companies in the MENA region

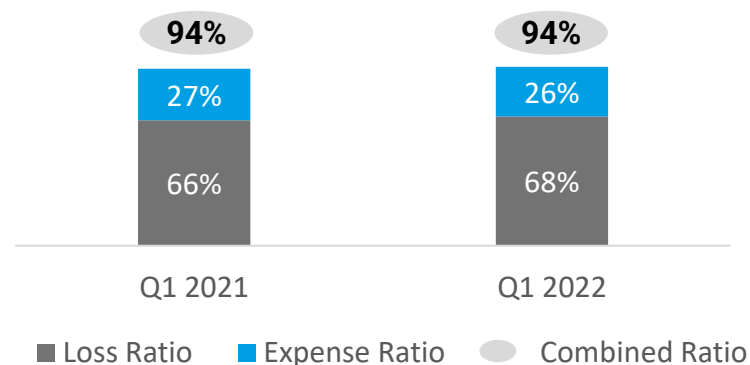
Key Franchises

Name	Market Position	Effective Stake ¹	Assets ¹ US\$ mn	Revenue ² US\$ mn
GIG Gulf and GIG Saudi	Among Top-5 players in Saudi, UAE and Oman	100%	1,933	200
GIG Kuwait	#1 by GPW in Kuwait	100%	898	90
Bahrain Kuwait Insurance	#1 by GPW in Bahrain	56%	472	28
Arab Orient Insurance	#1 by GPW in Jordan	90%	220	23
Arab Misr Insurance	#1 by technical profits in Egypt	99%	176	17
Gulf Sigorta	Niche player in Turkey	99%	162	11

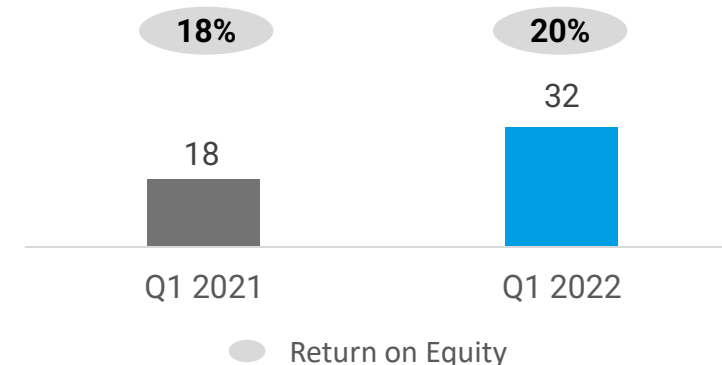
Premium Written US\$ mn



Combined Ratio %



Net Profit US\$ mn & ROE %



OSN: OVERVIEW

General entertainment platform in MENA, operating across multiple platforms:

- Over-the-top streaming (OTT)
- Direct-to-home (DTH)
- Cable fibre & Internet Protocol television (IPTV)
- Business - Large commercial setups & hotels

Premium content:

- 68 channels (including 44 HD channels and 19 owned and operated channels) in linear TV
- 15,000 hours of content on-demand in streaming
- Exclusive contracts with 4 major Hollywood studios
- 1st pay window on Pay-tv and SVOD
- Tailored Arabic language content

Licensed to operate in 22 countries, active in 7 core markets

Employs ~600 people, 5 retail locations and network of 62 partners




OSN: RECENT UPDATES

- OSN+ rebrand launched on 15th March to host premium international SVOD content from major studios as well as world-class Arabic original content
- Best in class UI/UX supported by strong analytical capabilities for optimal customer enjoyment
- OSN Originals: OSN+ is investing in local premium series and features to augment its Arabic content profile

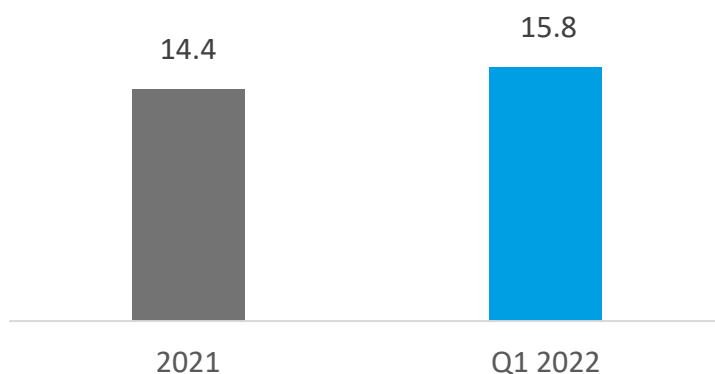
Business highlights

- Bahrain-based financial services group listed on the Bahrain Stock Exchange
- Activities include asset management, corporate finance advisory and brokerage services
- Merged KAMCO operations with Global Investment House to enhance business proposition and presence
- Asset base of USD3.4bn¹

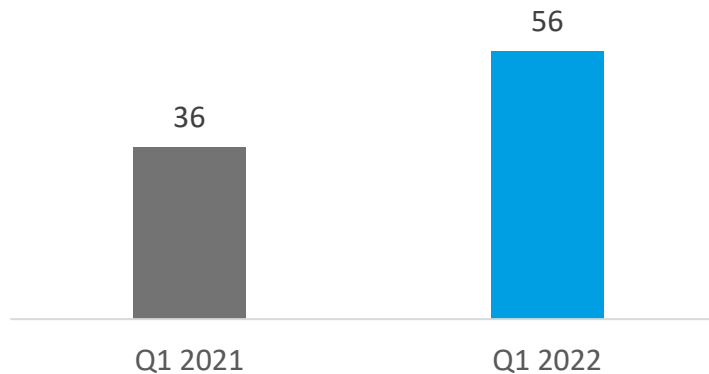
Key Franchises

Name	Market Position	Effective Stake ¹	Assets ¹ US\$mn	Revenue ² US\$mn
 KAMCO INVEST	#1 asset management company in Kuwait by AuM	60%	446	30
 BURGAN BANK	#2 conventional bank in Kuwait by assets	15%	24,295	173
 URC شركة العقارات المتحدة United Real Estate Co	#4 real estate company in Kuwait by assets	10%	1,964	62
 FIMBANK	Niche trade finance player in Malta	79%	1,788 ³	41 ³

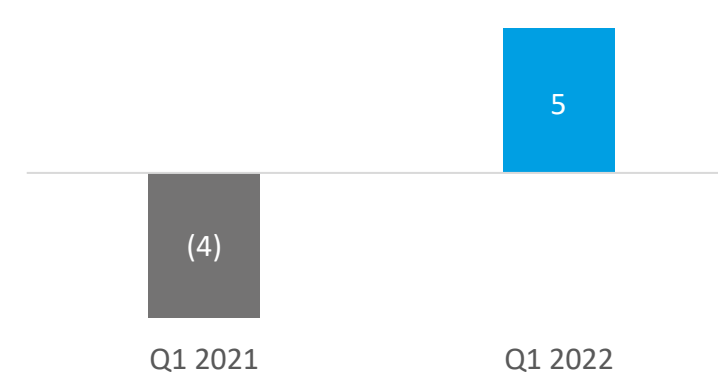
AuM US\$ bn



Revenue US\$ mn









Net Profit US\$ mn



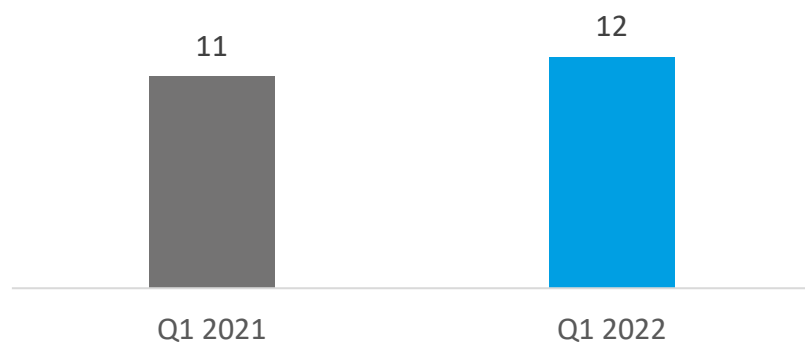
Business highlights

- Operations across the Middle East region through a mix of fully-owned properties, subsidiaries and investment arms
- Presence across retail, hospitality, residential and office sectors
- Engaged in developing Kuwaiti's first-ever comprehensive mixed-use district - Hessa Al Mubarak District, an urban cluster consisting of retail, office, and resid. components
- Major real estate player in Kuwait, ranked fourth in real estate sector on Boursa Kuwait in terms of asset size of USD2.0bn¹

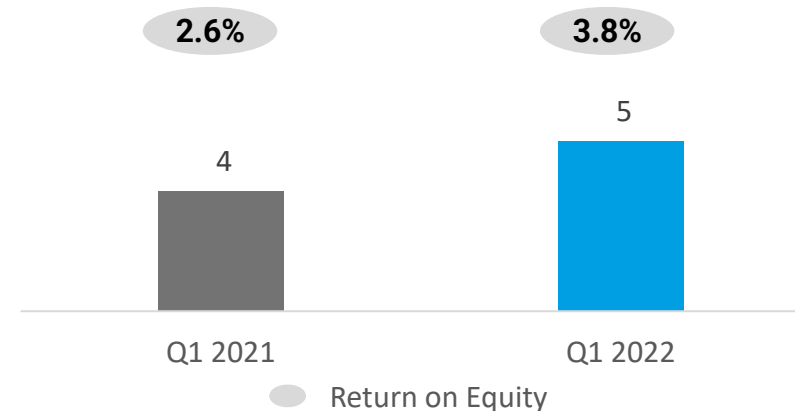
Key Franchises

Country		Name of properties
Kuwait		KIPCO Tower, Al Shaheed Tower, City Tower, Marina World, Marina Hotel
Jordan		Abdali Mall
Oman		Salalah Mall
UAE		Fujairah Residential Buildings
Egypt		Aswar Villas, Hilton Hotel, Waldorf Astoria Tower, Sharm Al Sheikh
Lebanon		Bhamdoun, Raouche 1090

Operating Income US\$ mn

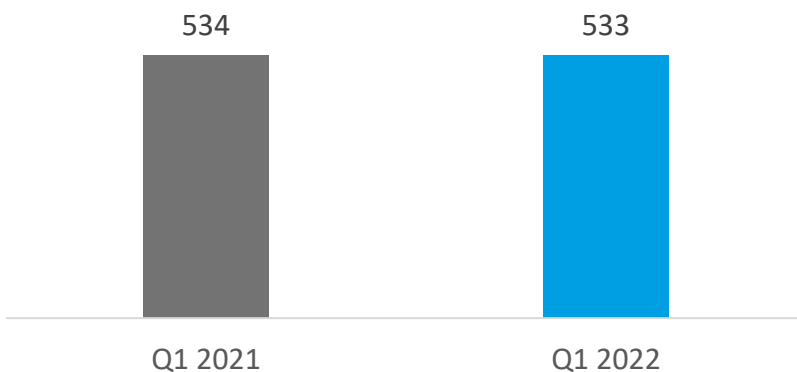


Net Profit US\$ mn

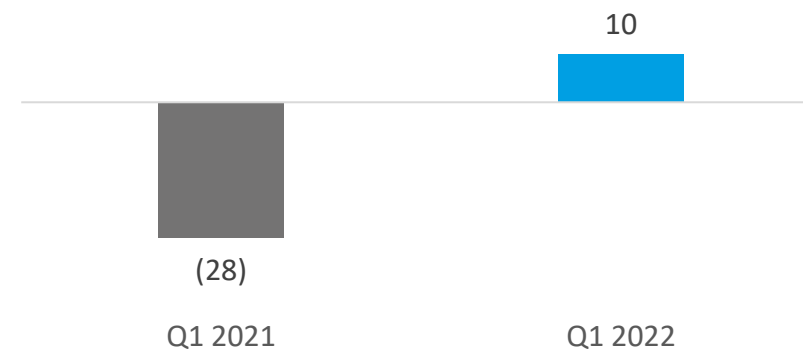


KIPCO CONSOLIDATED FINANCIAL PERFORMANCE

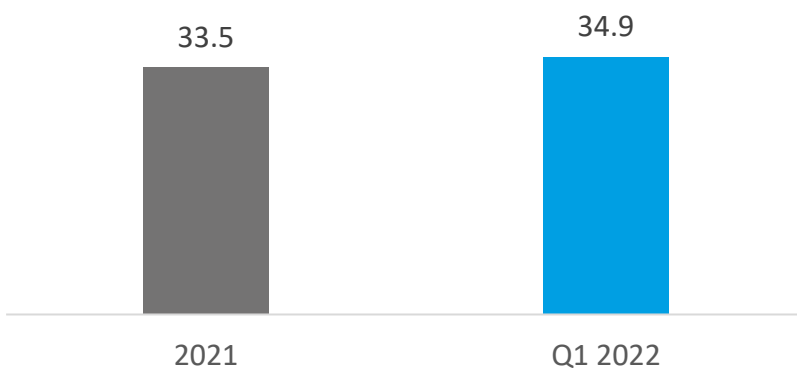
Revenue US\$ mn



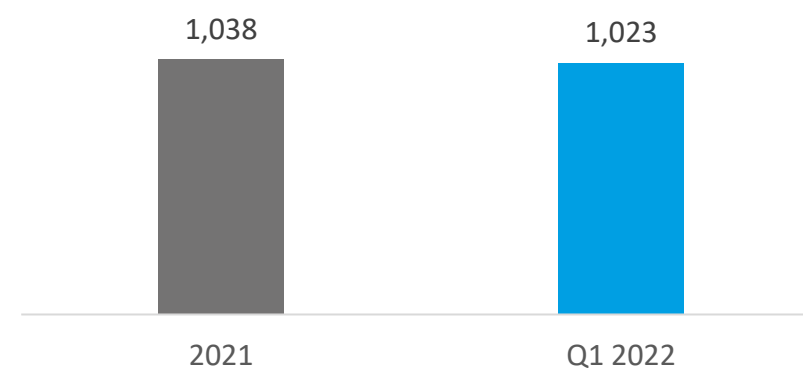
Net Profit US\$ mn



Total Assets US\$ bn



Shareholder's Equity US\$ mn





THE WAY FORWARD

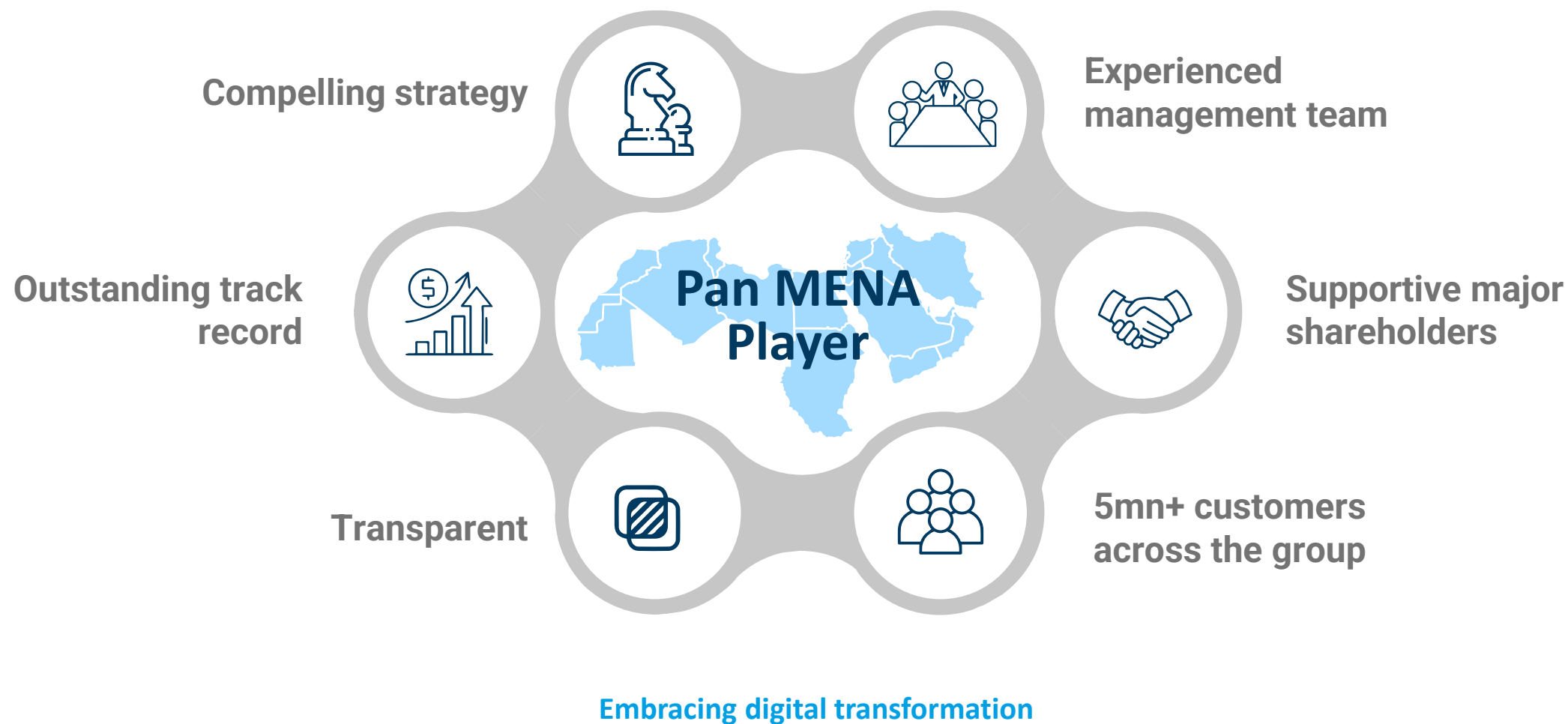
Why

- The merger forms a larger investment holding that would rank amongst the largest in the MENA region
- Balance and diversified portfolio of assets that creates more stable income stream
- Capitalize on operational synergies
- Ability to pursue opportunities in new sectors and continue to support the growth of the existing portfolio, thereby creating greater value for all shareholders

KIPCO+

Diversified across various sectors

Petrochemical & oil services	Banking	Foodstuff	AMIB	Media	Insurance	Healthcare Logistics & others	Real Estate
							
							
							
							
							
							





THANK YOU



ANNEXURE 1: OTHER PORTFOLIO COMPANIES

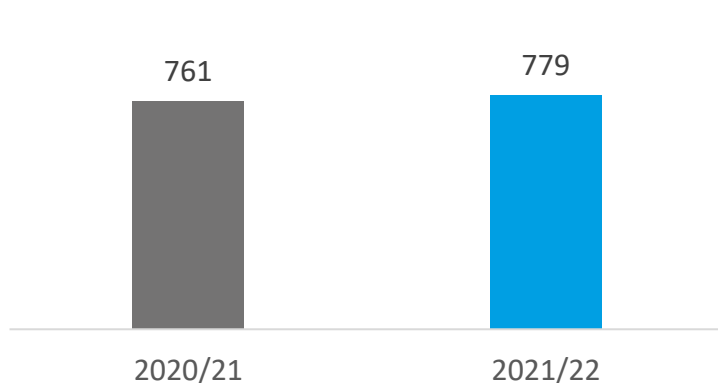
Business highlights

- Holding company focusing on opportunities in food, petrochemicals, oil, gas & energy related sectors
- Four petrochemical investments in Kuwait: Equate, TKOC, KPPC & TKSC
- Listed on the Boursa Kuwait, with a market cap of USD1.3bn¹
- KIPCO group through UIC holds 31.7% stake²

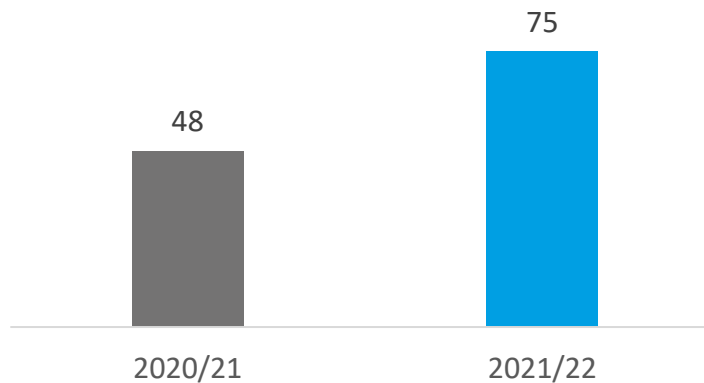
Key Franchises

Name	Effective Stake	Principal Activities
Equate Group	6.0%	Manufacturing of Polyethylene, Ethylene Glycol and PET
KARO	20.0%	Manufacturing of Paraxylene, Benzene, and Styrene
SADAFCO	40.7%	Dairy and food products manufacturer
JTC	60.0%	Leasing of equipment and stevedoring operations
NAPESCO	58.9%	Support services for drilling and repairing oil wells
UOP	52.4%	Trading of chemical products
ATC	29.5%	Medical equipment suppliers and solution provider

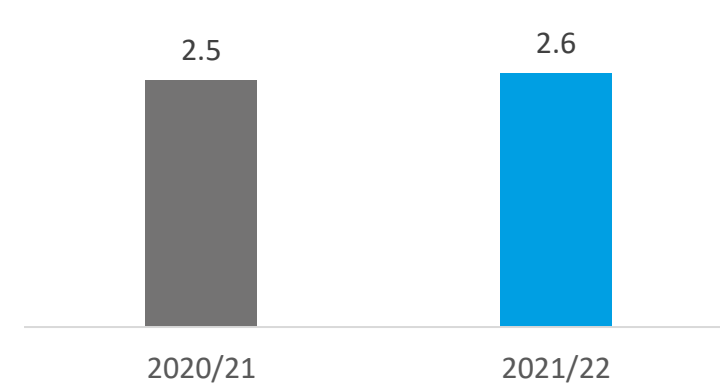
Revenue US\$ mn



Net Income US\$ mn



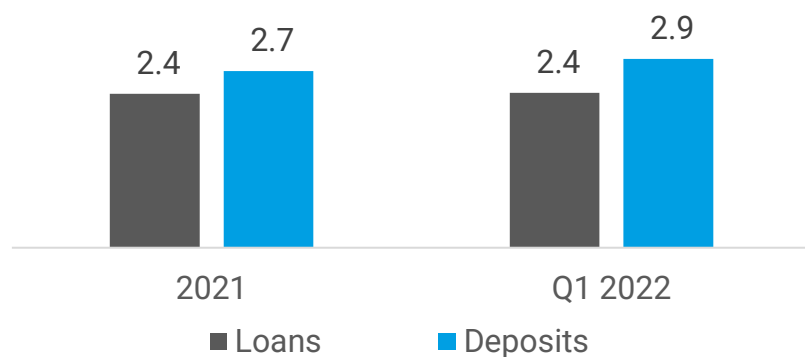
Total Assets US\$ bn



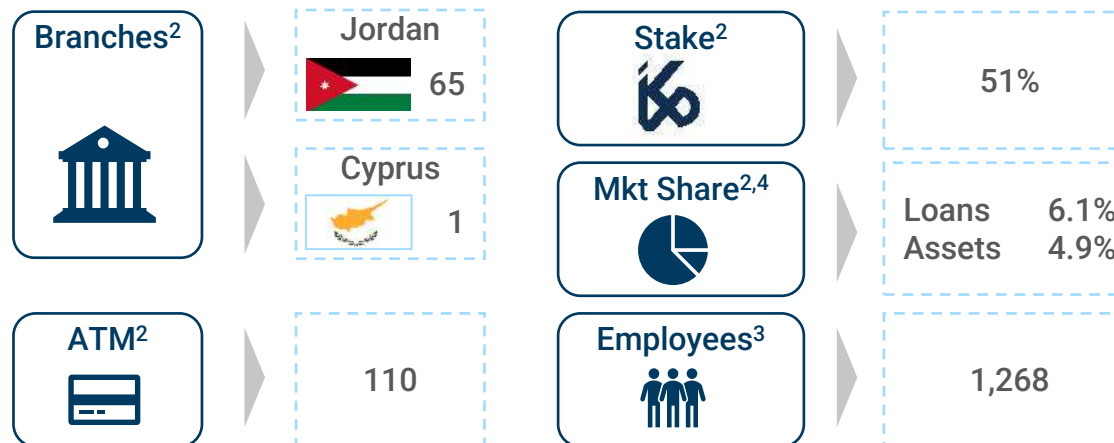
Business highlights

- Jordan based commercial bank with operations in Jordan, Palestine and Cyprus
- Listed on Amman Stock Exchange with a market capitalization of US\$319mn¹
- 7th largest conventional bank in Jordan in terms of asset size of US\$4.4bn²
- Focus on stable and essential sectors like Energy, Industry and Trade and retail and SME segment through expanded distribution network
- Capital adequacy ratio of 18.9%²
- KIPCO group holds 51.2% stake³

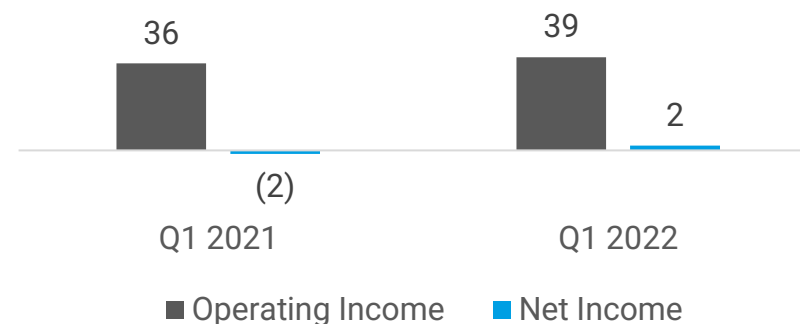
Loans & Deposits US\$ bn



Operational highlights



Operating Income & Net Profit/ (Loss) US\$ mn





ANNEXURE 2: Executive Management

EXECUTIVE MANAGEMENT



Sheikha Dana Nasser Sabah Al Ahmad Al Sabah | Group CEO

Appointed KIPCO's Group CEO in January 2022 and has been a Board Member since 2020. She is the Founder and Chair of the Board of Trustees of the American University of Kuwait (AUK) and the Chairperson of United Education Company. She was formerly the CEO of Al Futtooh Holding Company, and currently holds Board positions in Gulf Insurance Group, OSN and Kamco Invest. Sheikha Dana holds an Honorary Doctorate of Humane Letters from Dartmouth College, USA, and a BA in English Literature from Kuwait University. She also studied at Indiana University in Bloomington, USA.



Samer Subhi Khanachet | Deputy Group CEO

Joined KIPCO as General Manager in 1990. He moved to the United States in 1991 to head United Gulf Management, KIPCO's US subsidiary, and identify strategic resources to support KIPCO's activities in financial services, media and other sectors across the MENA region. Prior to being appointed KIPCO's Deputy Group Chief Executive Officer in 2022, he held the position of Group Chief Operating Officer since 2008. He is a Board member of Burgan Bank and United Gulf Bank. He holds board and committee positions with the American University of Kuwait and the Massachusetts Institute of Technology. He holds two BSc degrees from MIT and an MBA from Harvard.



Sunny Bhatia | Group CFO

joined KIPCO in 2022, coming from NBK Capital where he served as CFO. With over 30 years of experience across different financial services, Mr Bhatia held leadership positions in Global Investment House and the National Bank of Bahrain. He also worked with KPMG, Siemens and PricewaterhouseCoopers in various capacities. He holds a Bachelor of Commerce from Delhi University and is a Chartered Accountant and Cost and Management Accountant.



Joe Kawkabani | Group CIO

Joined KIPCO in 2018 to lead strategic initiatives and was appointed Chief Investment Officer in 2022. With around 20 years of experience in structuring and managing investments and ventures in frontier markets, Mr. Kawkabani's role involves setting and executing KIPCO's investment strategy, as well as overseeing value creation and transformation programs across the Group. Prior to joining KIPCO, he set up and served as the CEO of CPC Africa. He has held several positions in leading regional and international organizations including Chief Investment Officer- MENA equities at Franklin Templeton, Co-Founder and Managing Director at Algebra Capital, and Head of Equity Asset Management at SHUAA Capital. He holds a Bachelor's Degree in Business Administration from Saint Joseph University in Beirut.



Khaled Al Sharrad | Group Chief HR & Admin. Officer, Board Secretary

Joined KIPCO Group as the Group Chief HR and Admin Officer in 1995. He plays multiple strategic roles for the Group in the capacity of KIPCO Secretary of the Board, Chairman of IKARUS United Marine Services Company, Board Director in Kuwait Furniture Manufacturing & Trading Company (KUFUMA) and Kuwait Association for Learning Differences (KALD), in addition to his participation as chair or member in several committees. He is a well-rounded leader with close to 31 years of proven organizational development and advisory experience covering areas such as strategic planning, corp. governance, organization design, talent management as well as business improvement. He holds a BA degree from St. Edwards University in Texas and is a certified professional in personnel management.



Moustapha Samir Chami | Deputy Group CFO

Joined KIPCO in 2009 and held several positions in the Finance & Accounts Department. He was appointed Deputy Group CFO in 2022. Mr. Chami leads the Group's financial operations and planning, including governance and risk management. He is the Secretary of the Board Risk Committee and acts as a financial advisor to several Group companies. Mr. Chami holds a bachelor's degree in finance and MBA from the University of Saint Joseph in Lebanon. He is also a Certified Financial Analyst (CFA), Certified Public Accountant (CPA) and a Certified Management Accountant (CMA).



Eric Schumacher | Group Treasurer

Joined KIPCO in 2019. With close to 30 years of experience in corporate and investment banking, he has a proven track record of managing regional and global commercial banking businesses. Prior to joining KIPCO, Mr. Schumacher held leading positions in Citi and HSBC, and was based between Riyadh, Abu Dhabi and Kuwait in the last decade. He holds a Bachelor of Commerce and an MBA from Concordia University in Canada. He is also a Chartered Financial Analyst.



Anuj Rohtagi | Group SVP, Financial Control

Joined KIPCO Group in 2005 as a consultant at its India subsidiary, PKC Advisory, and moved to KIPCO Financial Control in 2007. With an experience of 20 years, he leads the Group planning and performance monitoring function along with debt capital markets activities. He is a member of Institute of Chartered Accountants, India, and the Association of Corporate Treasurers, UK. He holds a graduate degree from Delhi University and completed a Post Graduate Program in Data Science & Business Analytics from the University of Texas at Austin.



Eman Al Awadhi | Group SVP, Corporate Communications & IR

Joined KIPCO in 2010. She is responsible for coordinating the Group's overall communications strategy and for KIPCO's corporate communications, media relations, branding and marketing activities. She also manages communication between the company's management and its investors. Ms. Al Awadhi has an extensive career in public relations, media and journalism. She was previously a member of the 'Newsweek Arabic' production team and the foreign correspondent at Kuwait News Agency, Kuwait's official news wire. She holds a BA in English Literature from the University of Bahrain and is a Certified Investor Relations Officer.



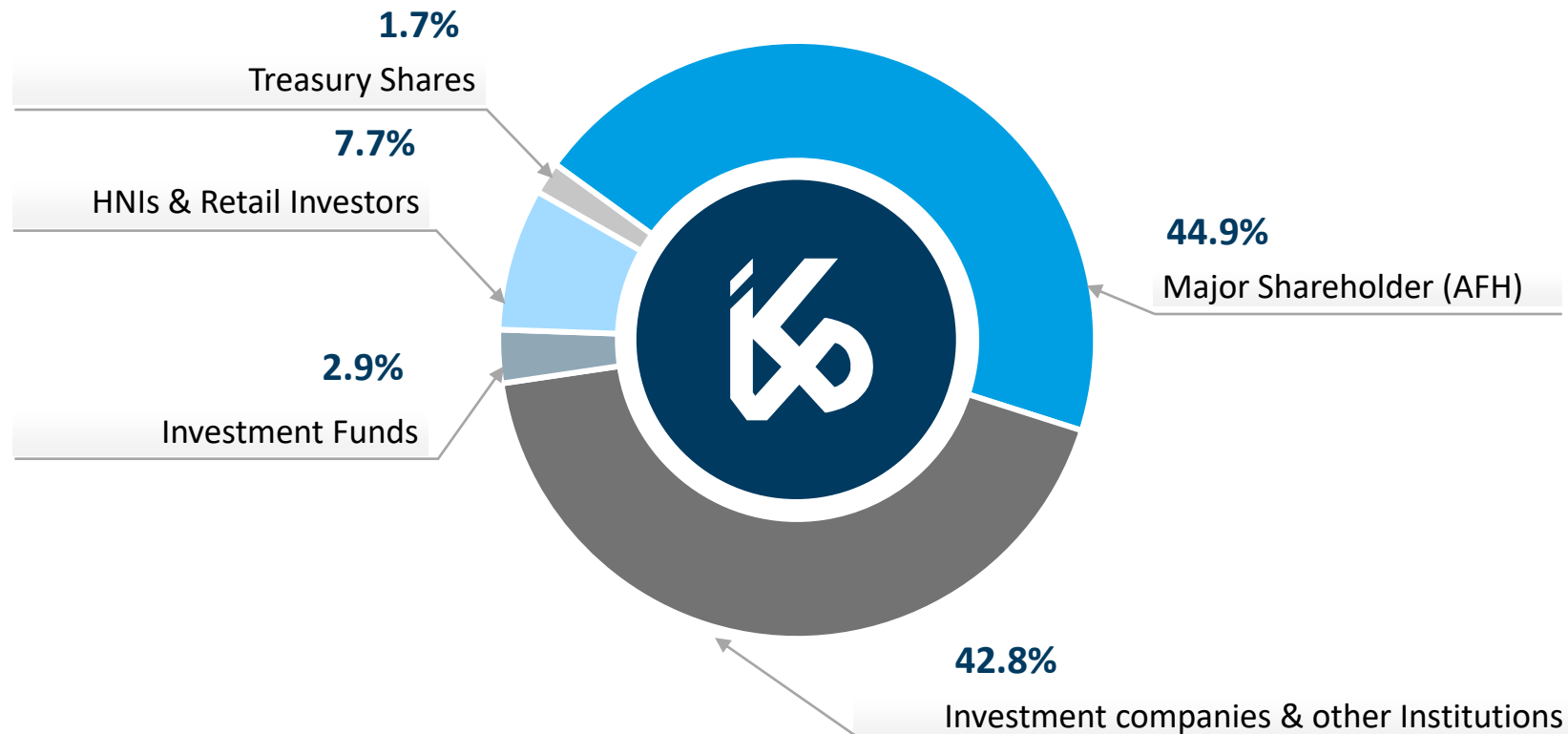
Riyad Mohammed Hanbali | Group VP, Internal Audit

Joined KIPCO's Internal Audit Department in 2004 and was appointed Group Vice President in 2022. Mr. Hanbali oversees the internal audit functions throughout the KIPCO Group, including the development of strategic audit plans and performing quality reviews, as well as advising management and audit committees throughout the Group. He has close to 30 years of experience in public accounting and internal audit. Prior to joining KIPCO, he held managerial positions at Andersen and Ernst & Young. Mr. Hanbali holds a bachelor's degree in accounting from Kuwait University and a master's degree in accounting from California State University, Sacramento. He is also a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Chartered Global Management Accountant (CGMA) and a Certified Islamic Professional Accountant (CIPA).



ANNEXURE 4: TRENDS AND DATA

SHAREHOLDING PROFILE








KIPCO
successfully
completed
\$266mn rights
issue, during
December 2021

Major shareholders of KIPCO are members of ruling family of Kuwait

They hold their ownership interest in KIPCO through an investment vehicle Al Futtooh Holding Company K.S.C. (AFH)

MARKET DATA

Entity	P/B		P/E		BVPS ²	EPS ²	Market Price ¹	Market Cap US\$mn ¹
	2021	Current	2021	Current	Q1'22	Q1'22	Current	Current
 كيبكو KIPCO شركة مشاريع الكويت (القابضة) Kuwait Projects Company (Holding)	1.2	1.5	NM	24.2	39	2	58	1,497
 بنك بروقتان BURGAN BANK	1.0	1.2	16.5	16.8	78	6	93	2,904
 gig شركة الغاز Gas Company	1.6	1.5	6.0	5.5	224	63	347	984
 شركة الخليج المتحد القابضة ش.م.ب. United Gulf Holding Company B.S.C.	5.9	5.7	NM	NM	58	0.1	330	1,446
 شركة العقارات المتحدة United Real Estate Co	0.5	0.5	NM	NM	51	(1)	27	290

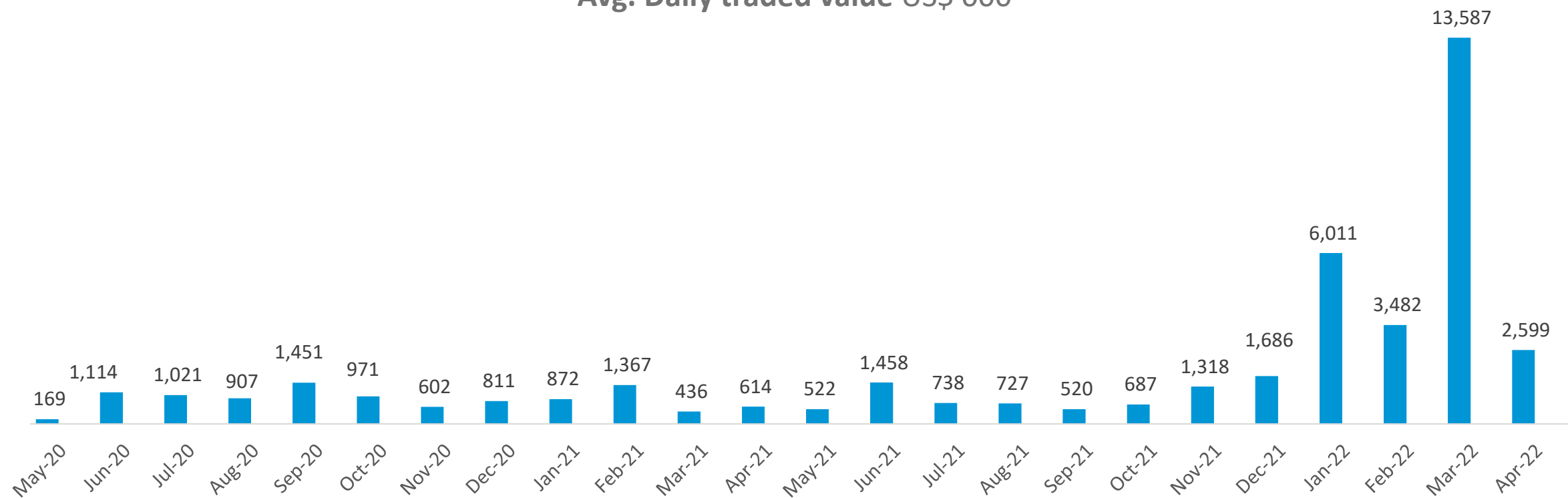
Notes:

¹ Data in cents and Market cap as of 12 May 2022 converted at 0.30680 (Source: Bloomberg for market price)

² Data is for Trailing 12 months (April 2021 to March 2022)

KIPCO: AVERAGE DAILY TRADED VALUE

Avg. Daily traded value US\$'000



Trading in KIPCO's stock has increased to an average daily traded value of US\$2.8mn in the last 12 months

KIPCO CONSOLIDATED: BALANCE SHEET

Consolidated Balance Sheet (US\$mn)	2021	Q1 2022
Cash in hand and at banks	4,268	4,537
Treasury bills, bonds & other debt securities	1,922	2,011
Investment in associates	1,138	1,176
Investment properties	1,605	1,668
Other investments	2,262	2,366
Loans and advances	15,767	16,792
Other assets (inc. goodwill & intangibles)	6,535	6,382
Total assets	33,497	34,932
Due to Banks & Other FI's	4,048	4,202
Deposits from Customers	17,107	18,353
Debt	5,943	6,029
Other liabilities	3,029	3,013
Equity attributable to equity holders of the Parent Company	1,038	1,023
Perpetual capital securities	505	505
Non-controlling interest	1,827	1,808
Total liabilities and shareholders equity	33,497	34,932

KIPCO CONSOLIDATED: INCOME STATEMENT

Consolidated Income Statement (US\$mn)	Q1 2021	Q1 2022
Interest income	228	243
Investment income	31	23
Fees and commission income	48	52
Share of results of associates	18	41
Share of results of a media joint venture	-	-
Media and digital satellite network services income	85	70
Hospitality and real estate income	80	64
Other revenues	45	41
Total revenues	534	533
Interest Expenses	174	168
General and administrative expenses	125	133
Other expenses and provisions	255	201
Taxation	7	11
(Profit) / Loss from discontinued operations	(3)	-
Non-controlling interest	3	9
Net profit/ (loss) attributable to Equity Holders of the Parent Company	(28)	10
Basic Earnings/ (Loss) Per Share, Cents (Reported) **	(1.5)	0.4
Basic Earnings/ (Loss) Per Share, from continuing operations, Cents (Reported)**	(1.6)	0.4

KUWAIT: GAINING MOMENTUM



95.1% of eligible population in Kuwait is fully vaccinated; ~8.0 million shots given



Increased production coupled with **surge in oil prices** boosted the oil revenues



One of the highest rated sovereigns
AA-/A1/A+ (Fitch/Moody's/S&P)



Supported by low **fiscal break-even oil price**
(US\$52.5 per barrel*)



6th largest Proven oil reserve ~102BBL (~6% of global reserves)
Current Capacity – 3.15Mn barrels per day

Improved operating environment as Covid restrictions are now lifted

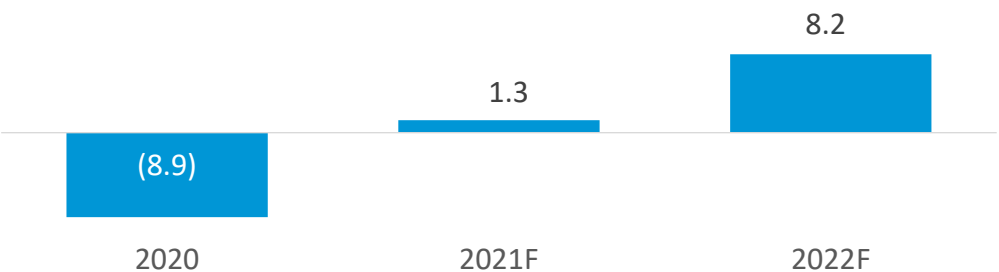
Economy expected to **grow** with healthy consumption rates, increase in oil prices and strong real estate activity

State budget is expected to register a **surplus** this year, first time since 2014¹

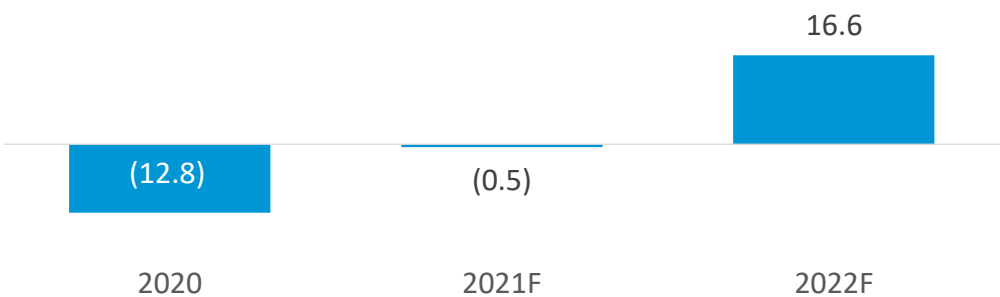
Rising interest rates

Consequently, S&P expects **improved rating** for Kuwaiti banks²

Robust GDP growth rate %



Expected fiscal surplus % of GDP









Source: IMF-WEO Database, April 2022, Rating agencies, CIA, ITA
*2022 Projections- IMF statistical appendix, of Regional Economic Outlook: Middle East and Central Asia

1. As per the 'Macroeconomic Outlook 2022-2023' report published by NBK on April 28
2. As per S&P Global report dated 18th April 2022

MENA: TOWARDS SUSTAINABLE GROWTH

Continuous recovery expected as per IMF forecasts in 2022

Indicators	Real GDP growth % ⁴	CAB* US\$ bn ¹	Oil prices ³ US\$/bbl
2020A	(3.9%)	(84.4)	43**
2021A ²	2.4%	159.5	71**
2022P ²	2.5%	495.1	102
2021A vs 2020A	6.2% 	243.9 	65% 
2022P vs 2021A	0.2% 	335.5 	44% 

Strong policy responses and a better-than-expected external backdrop are supporting the recovery in the region

¹ Source: IMF Forecast Apr 2022

² Excluding Lebanon

³ Source: Bloomberg

⁴ Source: IMF, April 2022

*CAB:- Current account balance

** Average for 2020 & 2021 from Bloomberg



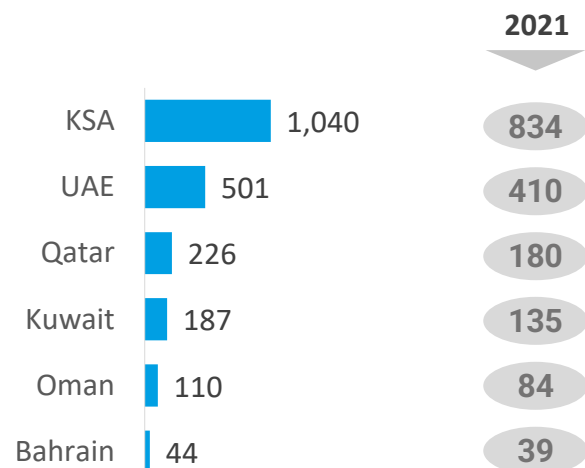
Improved Y-o-Y



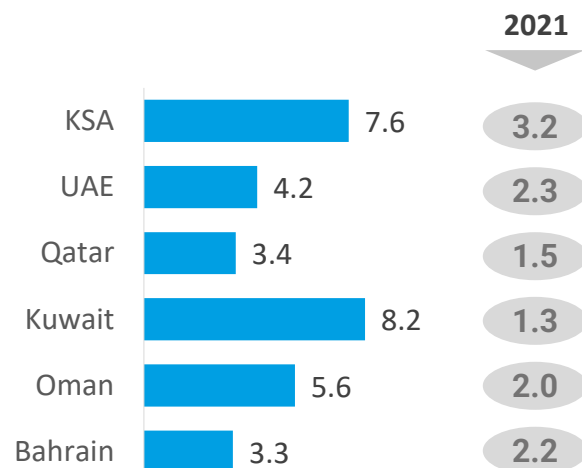
Weakened Y-o-Y

GCC REGION: STRONG UNDERLYING FUNDAMENTALS

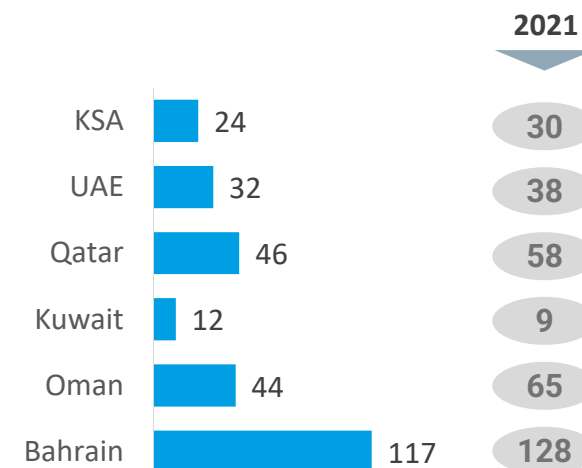
Nominal GDP (US\$ Bn, 2022E)



Real GDP Growth (% yoy, 2022E)

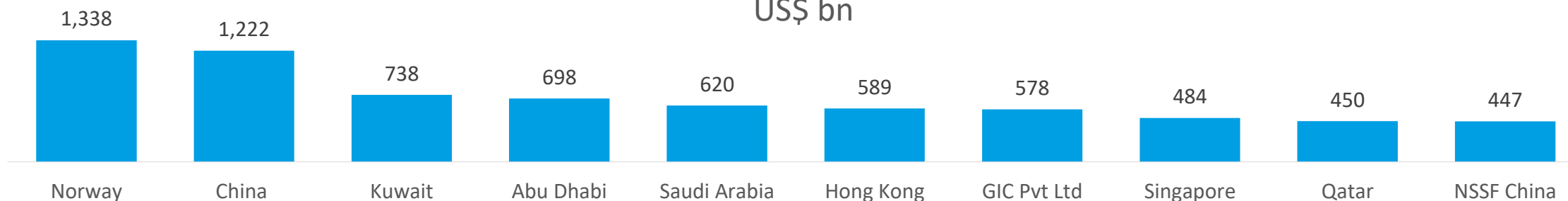


Gross debt (% GDP, 2022E)



Regional Funds rank within global Top 10 Sovereign Wealth Funds

US\$ bn



KUWAIT DEVELOPMENT PLAN: PROJECTS IN ACTION

South Al Mutlaa City

- ▶ 30,000 residential unit, schools and other facilities
- ▶ Underway: Construction works are ongoing as per schedule and are expected to be completed by February 2022 on Public Building (N8 & N9). Road construction upto 52% and is scheduled to complete by Mar-2023. Construction works have commenced on water distribution network.

▶ Cost: **USD 7.7bn**

Kuwait Airport Expansion

- ▶ To increase the annual handling capacity of the airport to 20mn passengers
- ▶ Underway: Nearly 41% completed. P-2 landslide and P-1 contract are yet to be awarded. Cargo city (Package 4B) is still in initial stages of development. Cost: **USD6.3bn**

Jurassic Non-associated Oil & Gas Reserves Expansion: Phase 2

- ▶ Production of 120,000 b/d of wet crude & more than 300mn cubic feet a day of sour gas
- ▶ Underway: Construction activities completes on some and commissioning is underway. JPF-4 & 5 bid submitted while JPF-6&7 have been scraped. Cost: **USD4.0bn**

Umm Al Hayman Waste Water (PPP)

- ▶ Initial treatment capacity of 500,000 cubic-m/d. Plant
- ▶ Underway: KAPP signed final agreements & financial closure has been achieved for the project. Completion by 2024. Cost: **USD1.7bn**

Regional Road South

- ▶ 135 km highway south of Kuwait as part of the International ME Arab Highways Network
- ▶ Underway: Central section to be awarded in Q4-2020 for USD0.7bn. Cost: **USD1.0bn**

Oil & Gas Projects*

- ▶ Awarded: Contracts awarded by Kuwait Oil Company. Cost: **USD11.8bn**

Offshore Drilling

- ▶ 6 new drilling locations to boost the daily oil production by 700,000 b/d and gas production to 1 bn cubic feet
- ▶ Underway: Contract awarded to Halliburton
- ▶ Cost: **USD3.0bn**

Al-Khairan Power & Desalination Plant (IWPP)

- ▶ Net capacity of a min 1,500MW of power & a min 125 MIGD of desalinated water
- ▶ KAPP obtained approval to award the Transaction Advisory Services contract . P 2 & P 3 are still in the study phase. Cost: **USD1.7bn**

Kuwait Metro (PPP)

- ▶ Feasibility study for the project has been completed stating the PPP models is more economically viable than the traditional tendered approach. Cost: **USD17.9bn**

Khairan City

- ▶ 140mn m2 residential city, incl 10,000 houses, 22,000 apts, other facilities. Cost: **USD13.9bn**

Petrochemical Facility at Al-Zour

- ▶ Plant to be integrated with Al-Zour refinery
- ▶ Planning: : FEED¹ works completed. Project Engineering and Management service for 6 years contract has been awarded. ITB expected by 4 Q 2021. Cost: **USD6.6bn**

New Refinery Project (NRP)

- ▶ New 615,000 bpd refinery by KNPC
- ▶ Completed: : Construction complete on P-1 to P-5.
- ▶ Cost: **USD12.9bn**

Clean Fuels Project (CFP)

- ▶ Specification upgrade and expansion of 2 existing refineries to produce 0.8mn b/d
- ▶ Completed: Project is currently under operation and the time for its shutdown mechanical maintenance is still unknown. Cost: **USD12.2bn**

Sheikh Jaber Al-Ahmad Causeway

- ▶ 48.5 km causeway linking Kuwait City with Subiya area in northern Kuwait
- ▶ Completed on May 1, 2019. Cost: **USD3.1bn**

LNG Import & Regasification Terminal

- ▶ Completed: Dredging & construction works have been completed and undertaken. Cost: **USD2.6bn**

Other projects

- ▶ **Underway:** Jahra & Sulaibiya Low-Cost Housing City. Infrastructure work complete expected completion by 2030 Cost: **USD2.0bn**
- ▶ **Awarded:** Oil drilling tower supply contracts. Cost: **USD0.8bn**
- ▶ **Planning:** (1) Olefin III Projects. Cost: **USD6.3bn** (2) Al-Zour North (IWPP) – P4 & P5 under study. Cost: **USD1.7bn**
- ▶ **Planning:** Upgrades to Mina Al Ahmadi Refinery, Cost: **USD0.9bn**
- ▶ **Planning:** Housing Development in Jaber Al-ahmad and Sabah Al-Ahmad, Cost: **USD0.5bn**
- ▶ **On hold:** Kabd municipal solid waste project. Cost: **USD1.0bn**

Al-Dibdibah Solar PP

- ▶ Capacity to produce 1.5 GW solar project
- ▶ Canceled due to Covid Impact. Cost: **USD1.7bn**

Project Stage	Q1 2022	2021
Underway*	23.4	23.4
Awarded	15.6	15.6
Bidding	1.7	1.7
Planning	47.8	47.7
Completed	30.9	30.9
Halted / On-hold	1.0	1.0
Canceled	1.7	1.7
Total	121.9	121.8