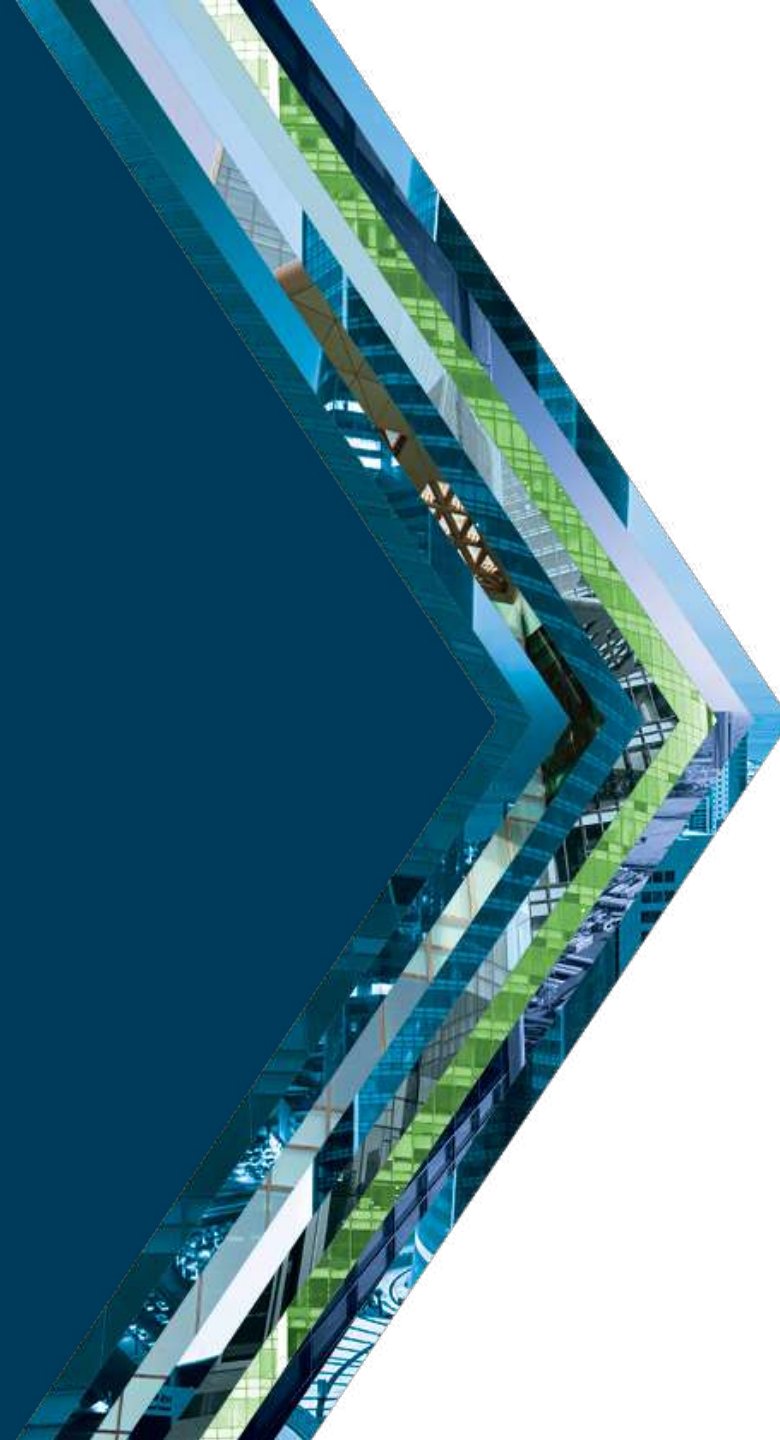


KIPCO H1 2023 INVESTOR CALL

August 2023



Disclaimer

This presentation has been made for informational purposes and does not involve an invitation to subscribe to, purchase, or sell any security.

No warranty is given on the accuracy or completeness of the information in this presentation. Independent research is recommended to evaluate and assess the business and financial condition of KIPCO.

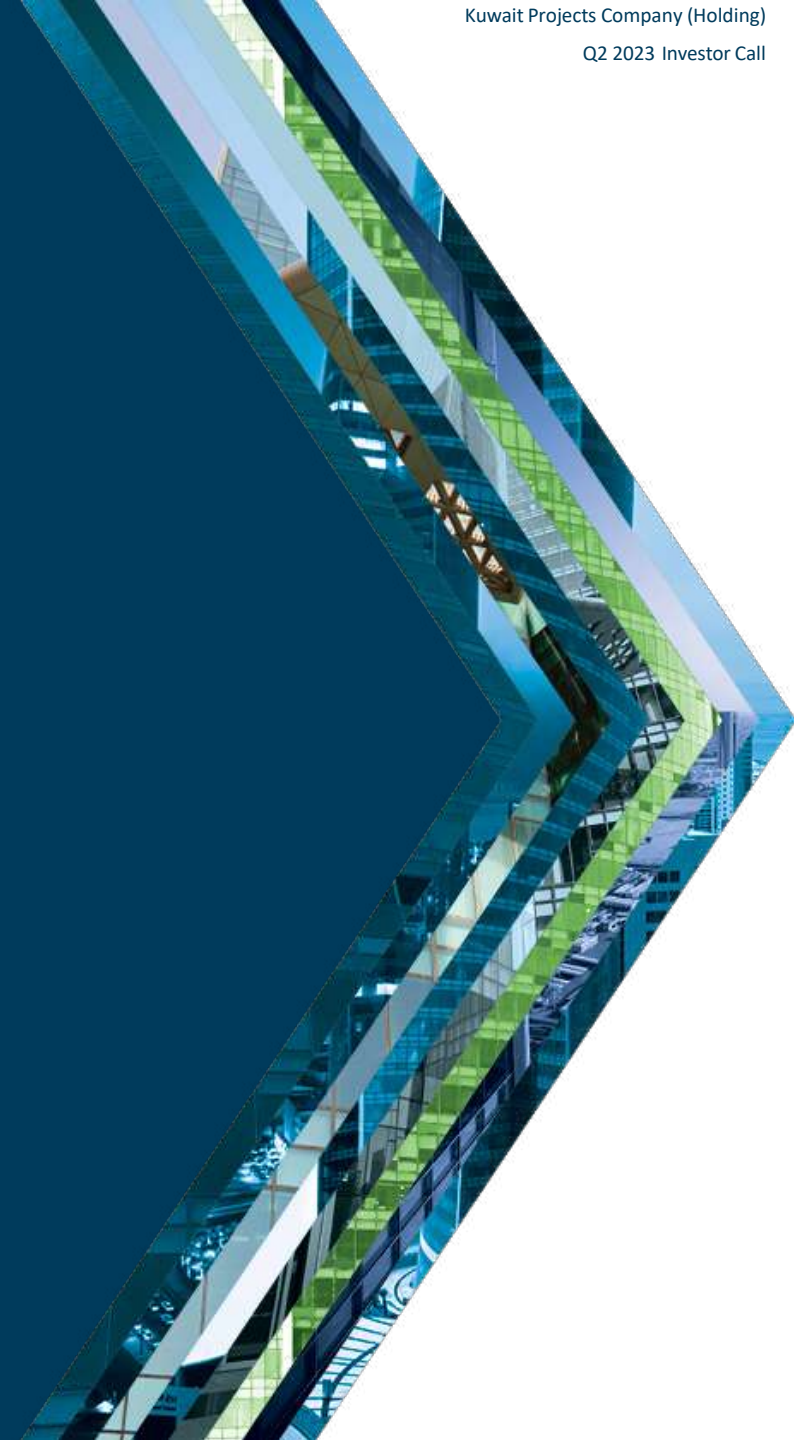
This presentation may contain forward-looking statements. These statements may be identified by such words as “may,” “plans,” “expects,” “believes,” and similar expressions or by their context. These statements are made based on current knowledge and assumptions. Various factors could cause future results, performance, or events to differ materially from those described in these statements. No obligation should be assumed to update any forward-looking statements.

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Financial figures in this presentation have been rounded and converted to United States Dollars (US\$) using the following exchange rates:

- US\$ to Kuwaiti Dinar – (US\$/KD) 0.30705
- US\$ to Saudi Riyal – (US\$/SAR) 3.7510
- US\$ to Jordanian Dinar – (US\$/JD) 0.709

HIGHLIGHTS FOR THE PERIOD



Recent business highlights

89%

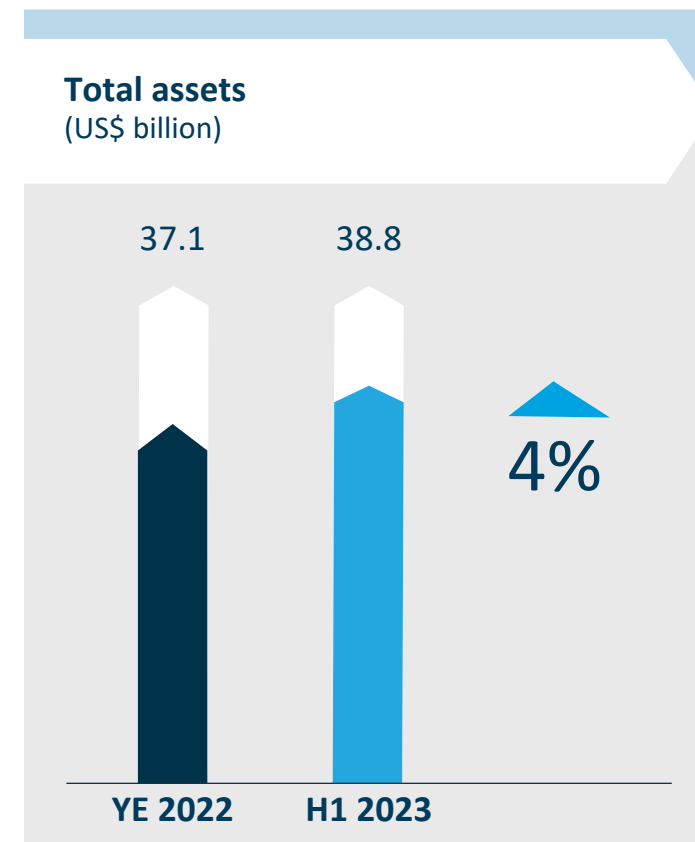
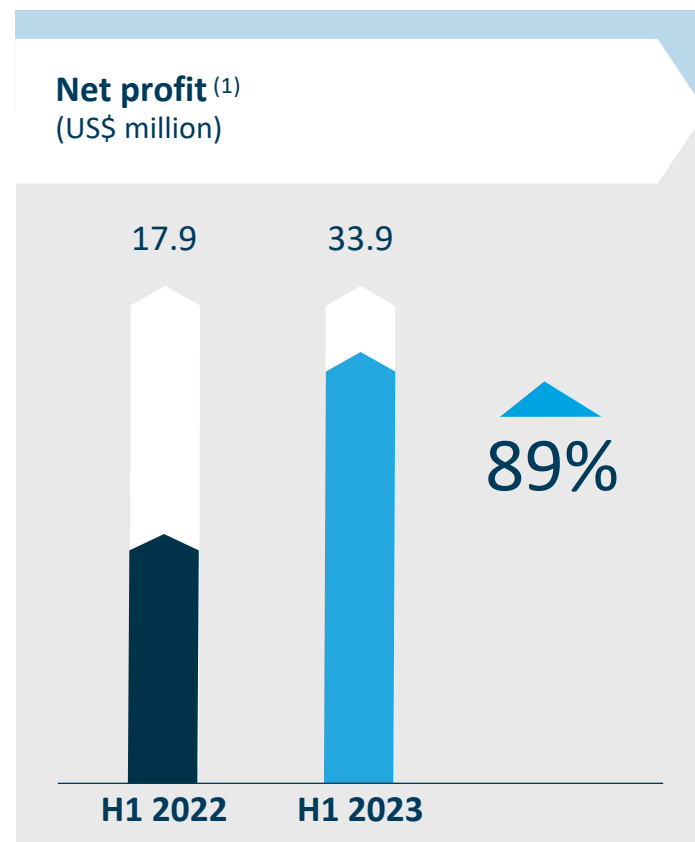
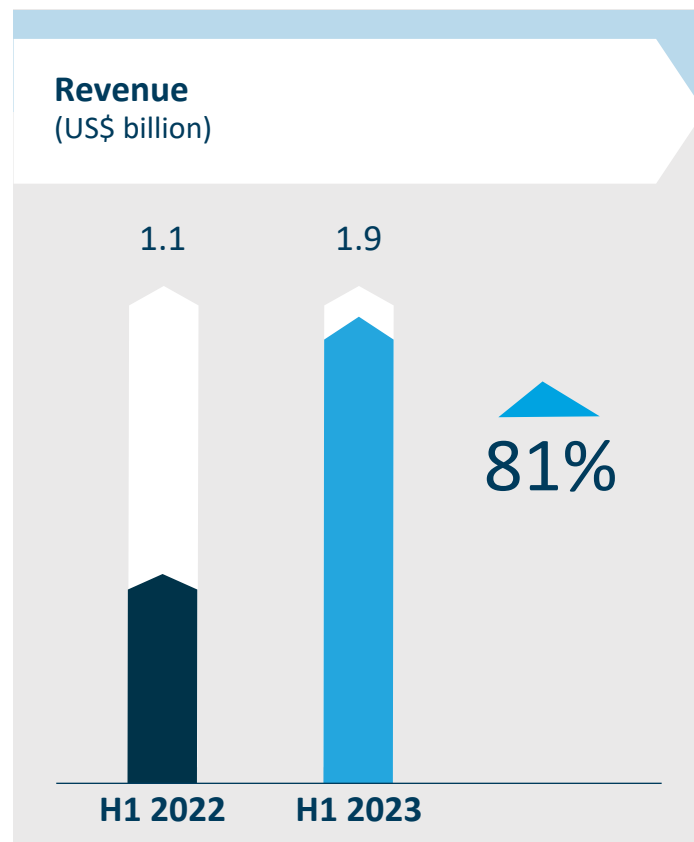
Net profit

- ❖ Positive performance driven by foreign banking operations, foodstuff, logistics and oil field services



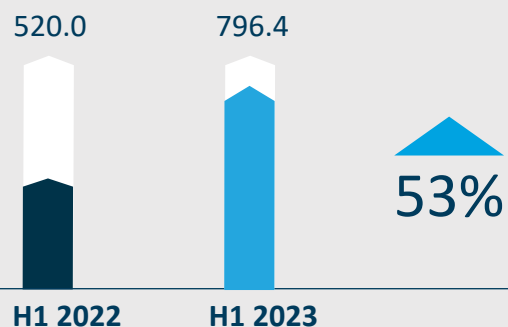
- ❖ In July, KIPCO successfully completed its debut KD denominated Sukuk issuance worth US\$ 335.8 million, under the company's US\$ 2 billion Trust Certificate Issuance Program
- ❖ US\$ 330 million partial prepayment of the US\$ 525 million syndicated facility

Financial highlights

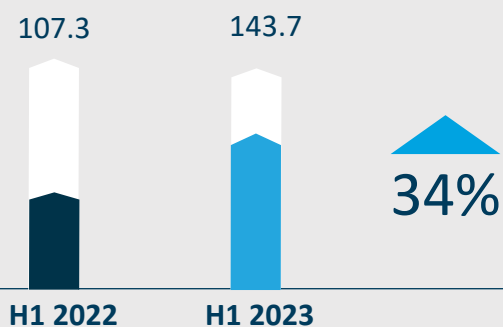


H1 2023 income breakdown

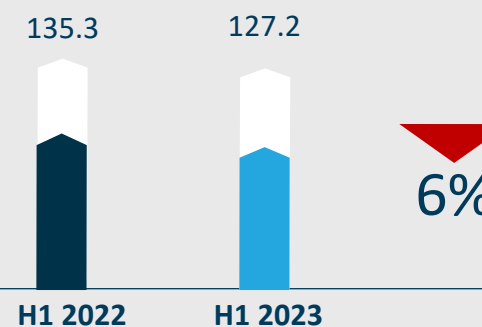
Interest income (US\$ million)



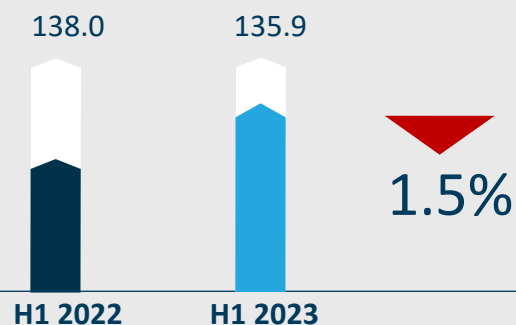
Fee & commission income (US\$ million)



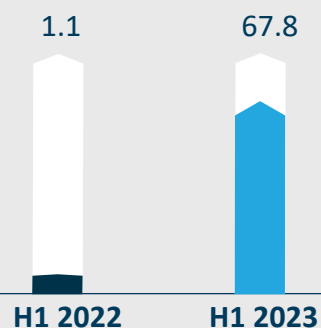
Media & digital satellite network (US\$ million)



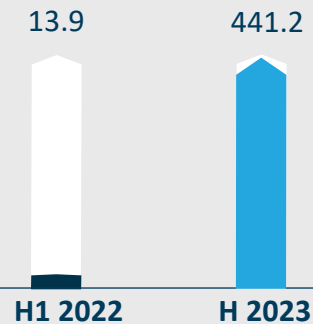
Hospitality and real estate income (US\$ million)



Energy income ⁽¹⁾ (US\$ million)



Industrial & logistics income ⁽¹⁾ (US\$ million)



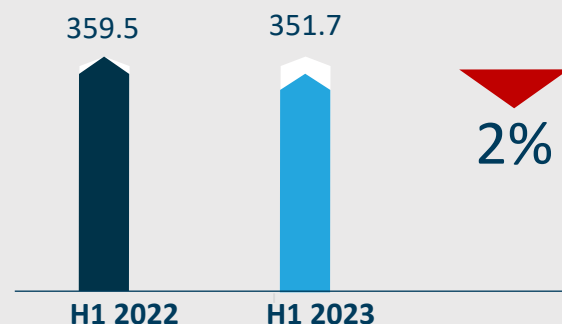
PORTFOLIO FINANCIAL PERFORMANCE



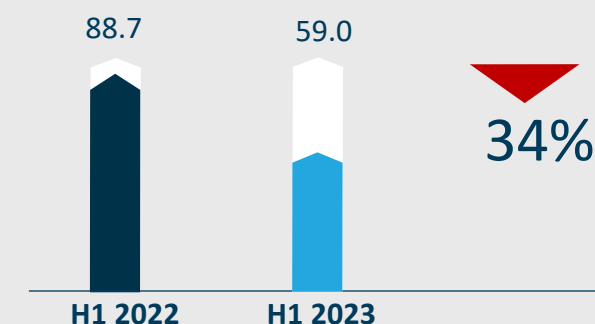
Burgan Bank Group



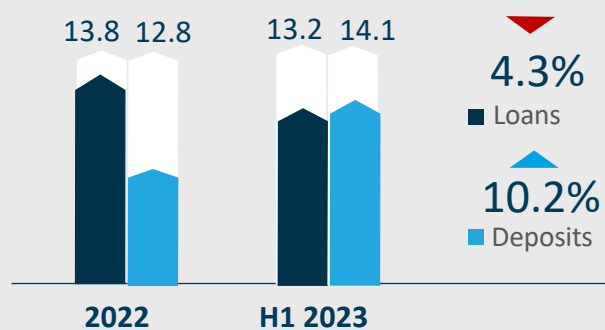
Operating income ⁽¹⁾ (US\$ million)



Net income ⁽²⁾ (US\$ million)



Loans & deposits (US\$ billion)



Key ratios

	H1 2022	H2 2023
Net interest margin%	⁽³⁾ 2.1%	1.9%
Cost to income%	⁽³⁾ 46.1%	50.0%
Cost of credit%	⁽³⁾ 0.3%	0.9%
Non-performing loans ratio%	2.6%	2.0%
Provisions coverage ratio%	153%	216%

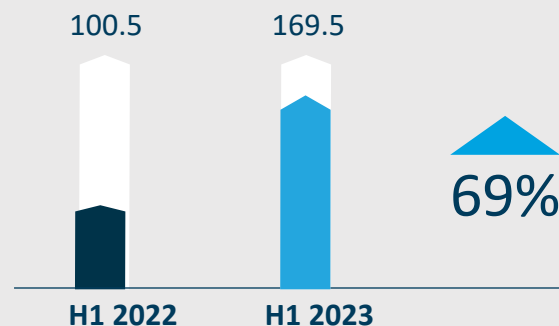
- ❖ Net profits were negatively impacted primarily due to the application of IAS 29 accounting standard for hyperinflation, higher expenses and proactive provisioning
- ❖ Group's asset quality, capital position & liquidity levels continue to be healthy

Jordan Kuwait Bank

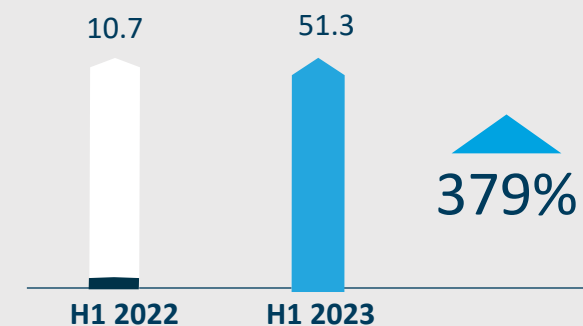


البنك الأردني الكويتي
JORDAN KUWAIT BANK

Total income (US\$ million)

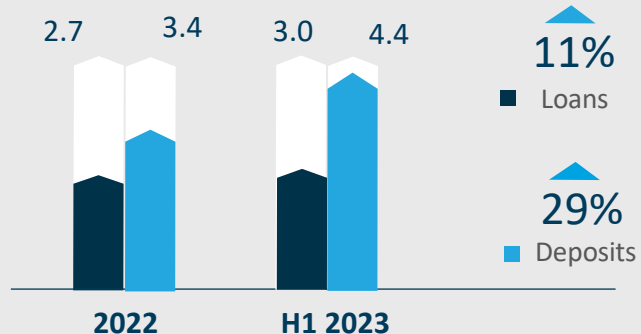


Net profit ⁽¹⁾ (US\$ million)

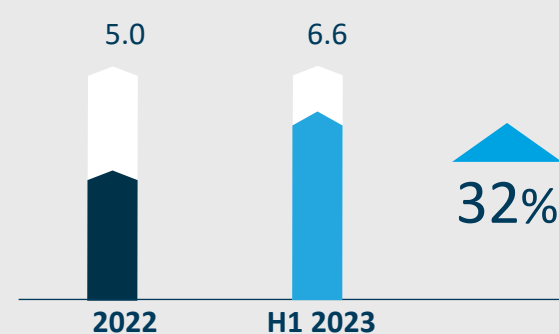


- ❖ Completed issuance of Perpetual Tier 1 Capital Bonds issuance for US\$ 125.5 million.
- ❖ Completed acquisition of a 77% equity stake in UAE-Based BHM Capital Financial Services, an entity that offers brokerage, investment management and corporate advisory services to its regional clients.

Loans & deposits (US\$ billion)



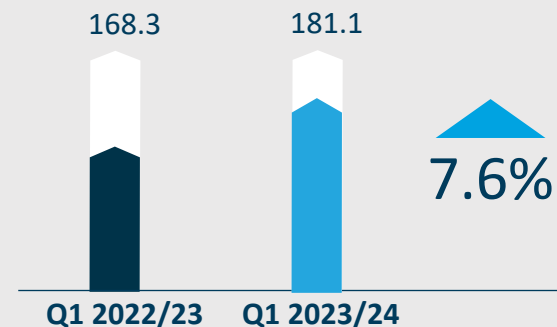
Total assets (US\$ billion)



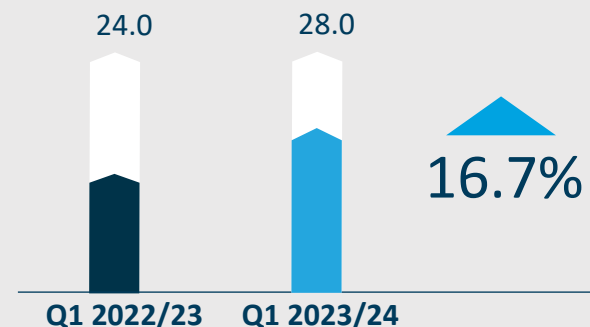
SADAFCO



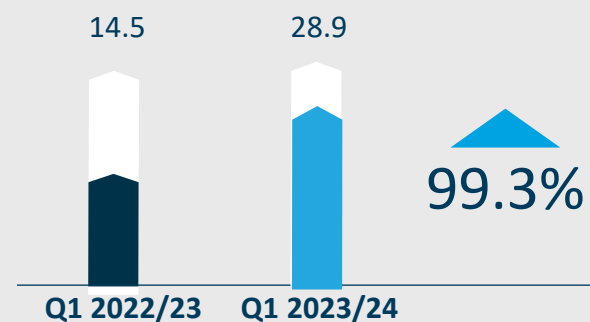
Revenue* (US\$ million)



Operating profit* (US\$ million)



Net profit* (1) (US\$ million)

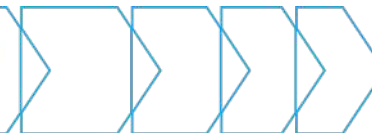


- ❖ Net profit up 99.3% in Q1 2023 vs Q1 2022, resulting in a net profit margin of 15.8% vs 8.9% in Q1 2022
- ❖ Sales increased 7.6% in Q1 2023 to US\$ 181 million (excluding Mlekoma, sales grew 17.1%)
- ❖ Gross profit for Q1 2023 up 16.4%, resulting in gross margin of 34.7% (excluding Mlekoma, gross margin was 37.2%)
- ❖ Signed an agreement to export and sell products in Oman as part of regional expansion plans
- ❖ Three new ice cream products launched

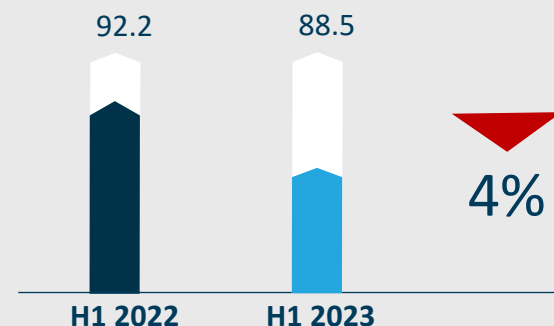
United Gulf Holding



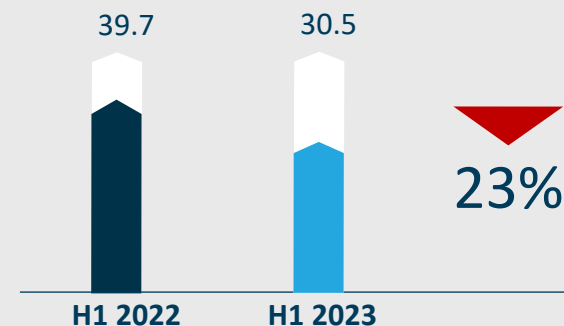
شركة الخليج المتحد القابضة ش.م.ب.
United Gulf Holding Company B.S.C.



Revenue (US\$ million)



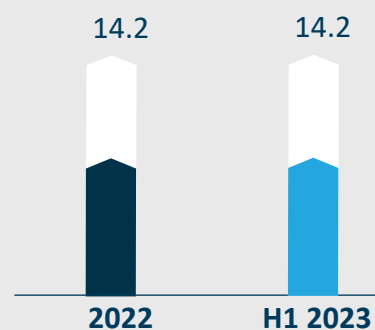
Fee & commission (US\$ million)



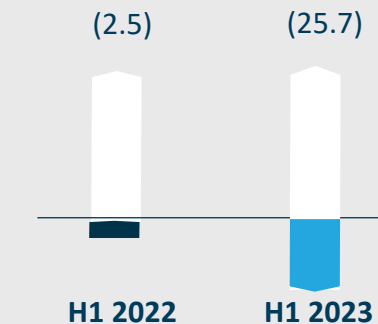
❖ **91% increase YoY in Interest Income** was offset by lower contributions from investment income and share of associates.

❖ **Kamco Invest** posted a profit of US\$ 0.3m for H1 2023 versus net profits of US\$ 15m in H1 2022

Assets under management (US\$ billion)



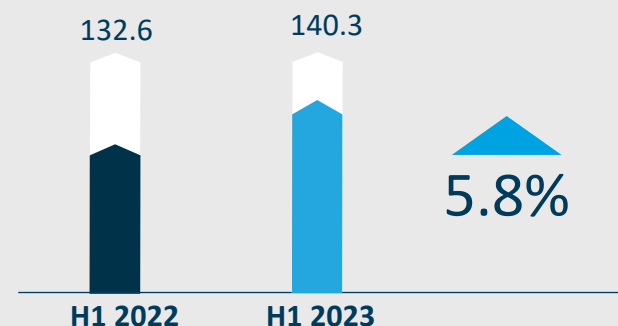
Net profit ⁽¹⁾ (US\$ million)



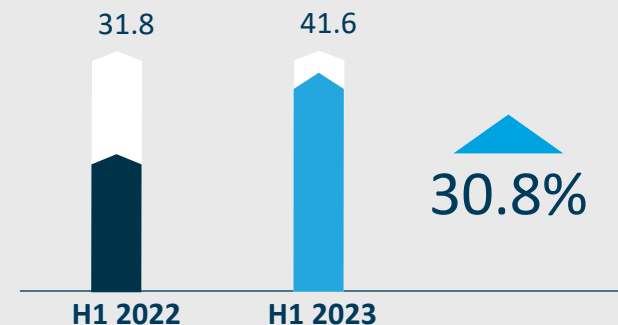
United Real Estate



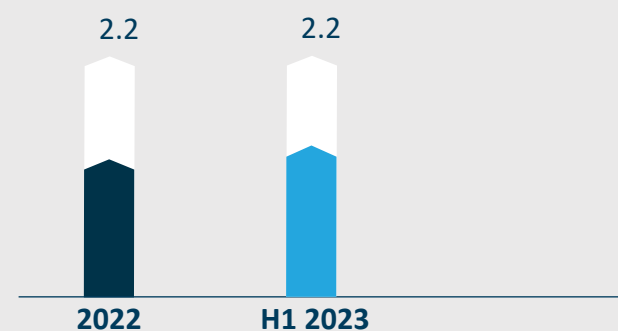
Revenue (US\$ million)



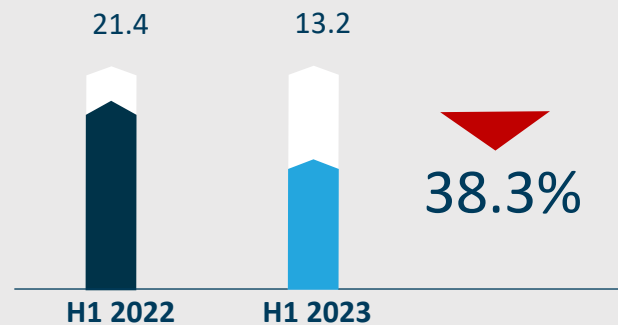
Operating income (US\$ million)



Total assets (US\$ billion)



Net profit ⁽¹⁾ (US\$ million)



❖ Healthy Q2 performance with visible **improvements in income across key segments** of URC;

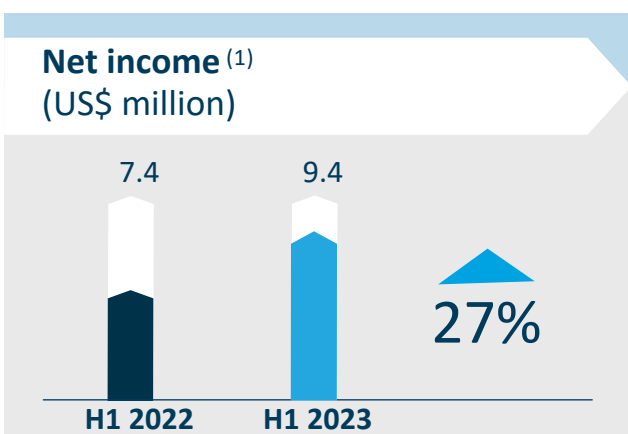
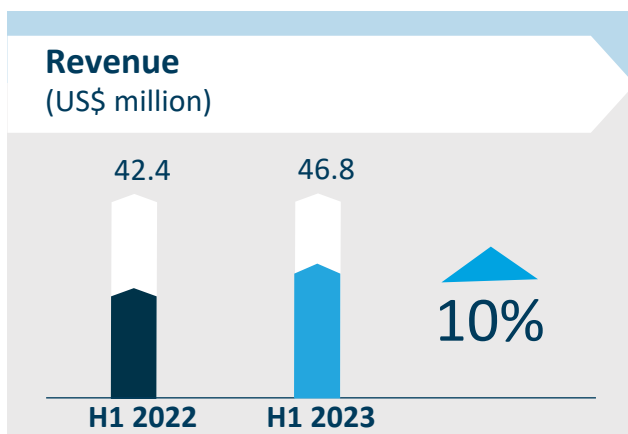
- 49.3% YoY increase in rental
- 23.7% YoY increase in hospitality

❖ In April 2023, URC partially settled **KD bonds** issued in April 2018 worth US\$ 196m.

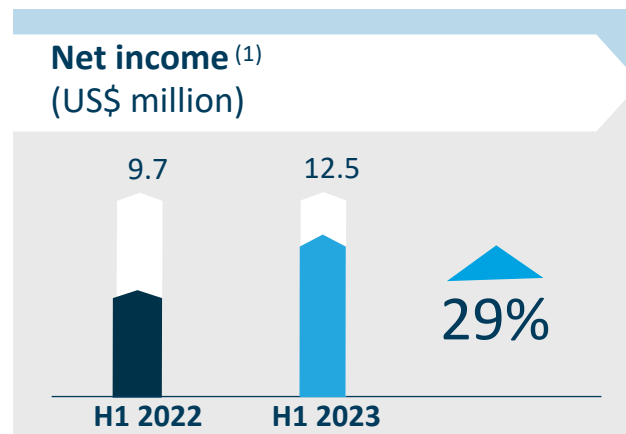
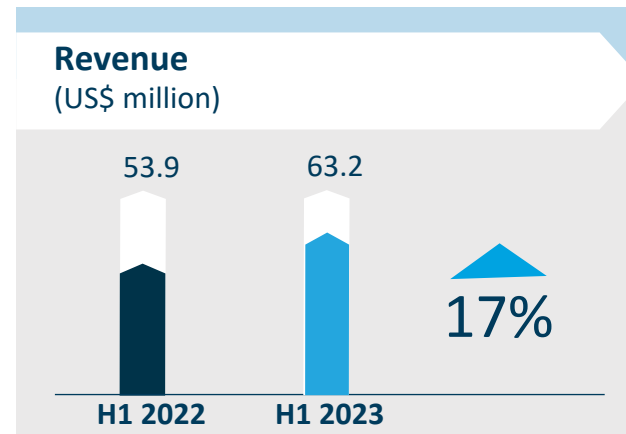
Logistics, energy, and healthcare



Jassim Transport & Stevedoring

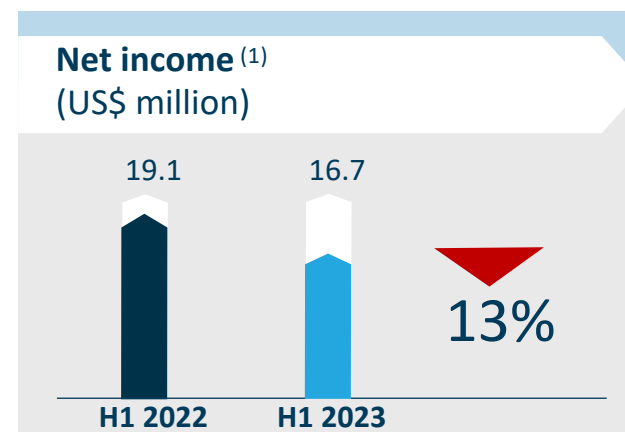
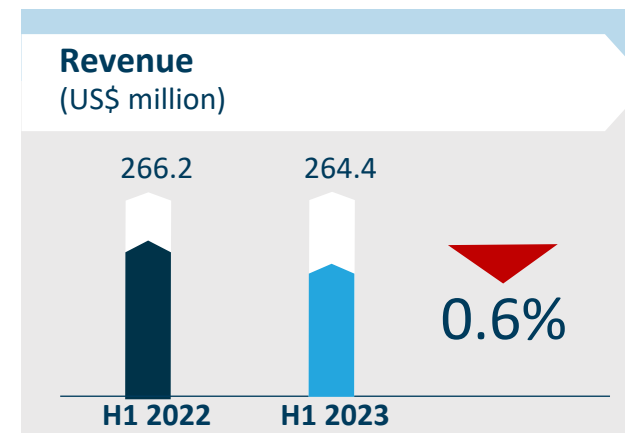


National Petroleum Services



Advanced Technology Company K.S.C.P.
شركة التقدم التكنولوجي ش.م.ك.ع.

Advanced Technology Co.



OSN



Business update

STRATEGY

Key business updates:

- ❖ OSN remains focused on growing its streaming business through optimal use of technology, digital marketing and content diversification.
- ❖ In June, the 'dishless' OSNtv box was launched, reflecting OSN's strategy toward streaming TV with a linear environment.

OPTIMIZATION

- ❖ OSN continues to achieve cost optimization through obtaining long-term content contracts as well as operational day-to-day overheads.

CONTENT

- ❖ In April, OSN signed an exclusive deal for first run content with NBCUniversal, including content from Sky Studios and Universal Studio Group

THANK YOU

