

Ref: KIPCO/DGCEO 94/23 dated August 19, 2023

Boursa Kuwait Company

KUWAIT

Subject: KIPCO's Analyst/Investor Conference call
Minutes for Q2/2023

With reference to the above subject, and the requirements of article No. (2-4-8) "Continuing Obligations in the Premier Market" of Boursa Kuwait rule book issued via resolution No. (1) of year 2018, and since KIPCO has been classified in the premier market, Kindly note that the analyst/investor conference was conducted through a conference call at 2:00 PM (local time) on Thursday 17/8/2023.

Kindly note that no material information has been discussed during the conference. Please find attached the minutes of the conference (Arabic & English) and the investors presentation for Q2-2023.

Sincerely,



Samer Khanachet
Deputy Group Chief Executive Officer

المحترمين

السادة / شركة بورصة الكويت

دولة الكويت

الموضوع: محضر مؤتمر المحللين/المستثمرين لمشاريع الكويت
القابضة "كيبيكو" للربع الثاني من السنة المالية 2023

بالإشارة الى الموضوع اعلاه، والى متطلبات المادة (2-4-8) "الإلتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث أن كيبيكو تم تصنيفها ضمن مجموعة "السوق الأول"، نود ان نحيطكم علما بأن مؤتمر المحللين/المستثمرين قد انعقد عبر مكالمة هاتفية جماعية في تمام الساعة الثانية عصراً (التوقيت المحلي) من يوم الخميس الموافق 2023/8/17.

كما يرجى العلم بأنه لم يتم تداول أي معلومة جوهرية خلال المؤتمر، وتجدون مرفق طيه محضر المؤتمر باللغتين العربية و الإنجليزية والعرض التقديمي للمستثمرين عن الربع الثاني لعام 2023.

وتفضلوا بقبول فائق الاحترام ،،

كيبيكو
KIPCO

13

سامر خنشت
نائب الرئيس التنفيذي للمجموعة

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.

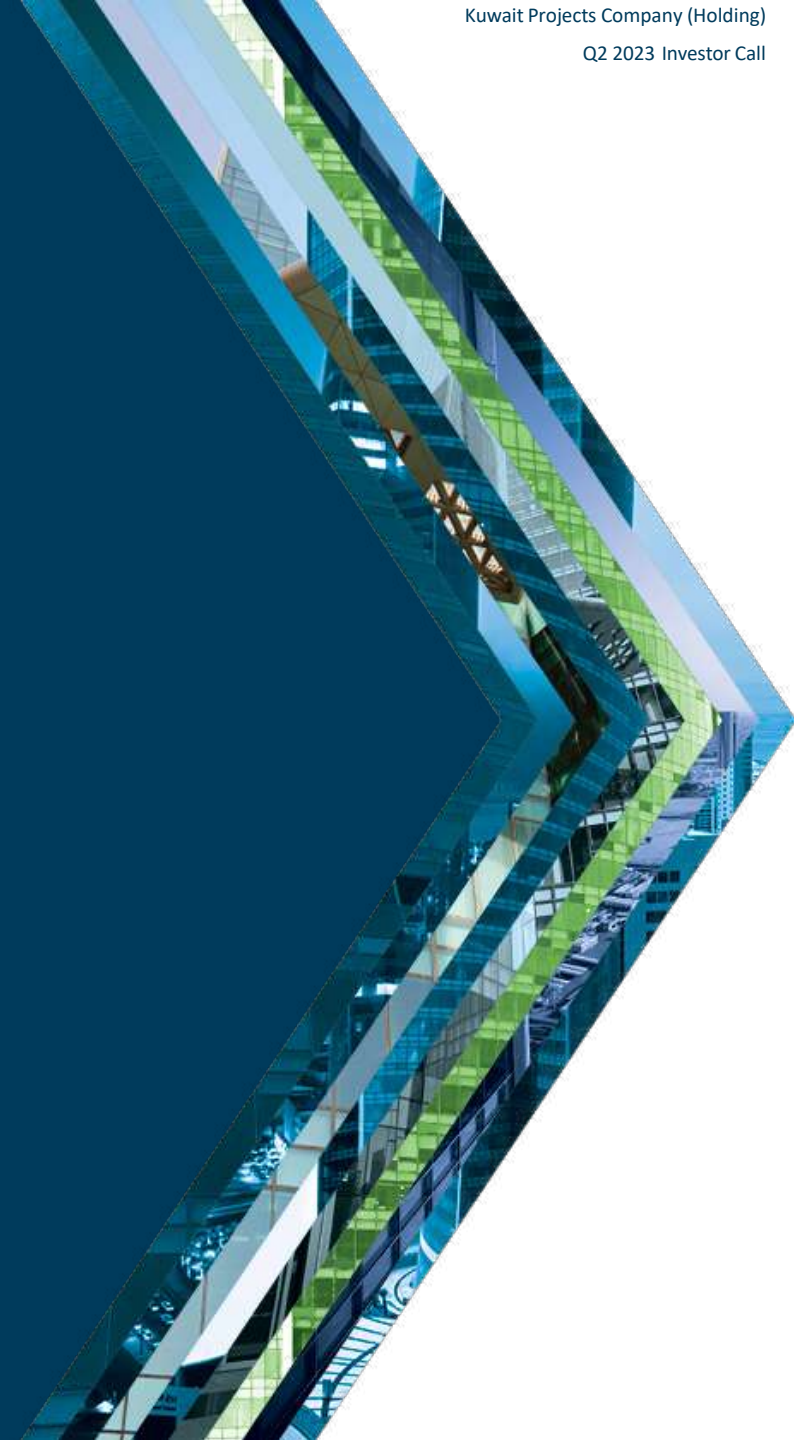
This presentation may contain forward-looking statements. These statements may be identified by such words as “may,” “plans,” “expects,” “believes,” and similar expressions or by their context. These statements are made based on current knowledge and assumptions. Various factors could cause future results,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

By participating in this presentation or accepting any copy of the presentation slides, you agree to abide by the foregoing limitations.

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%

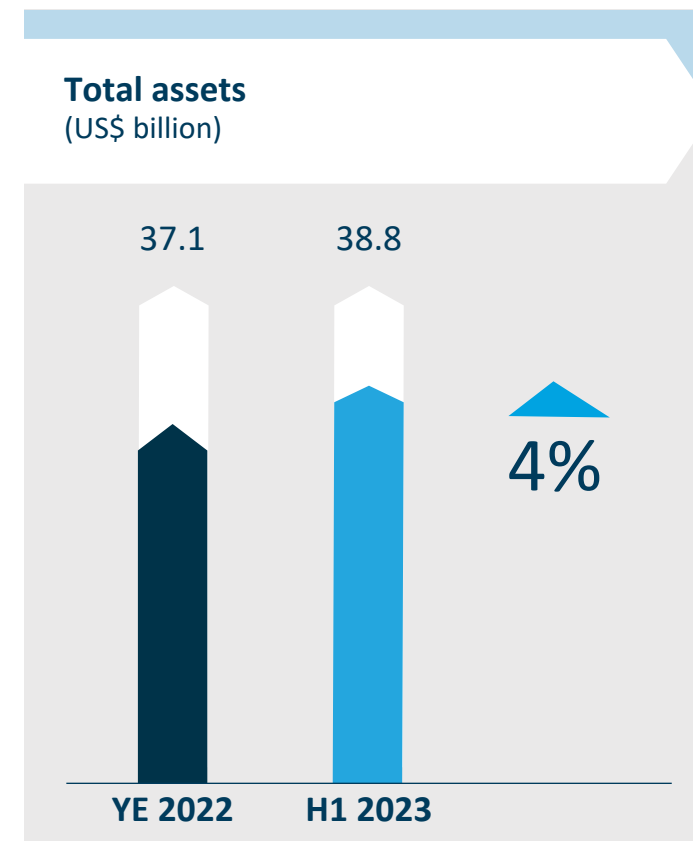
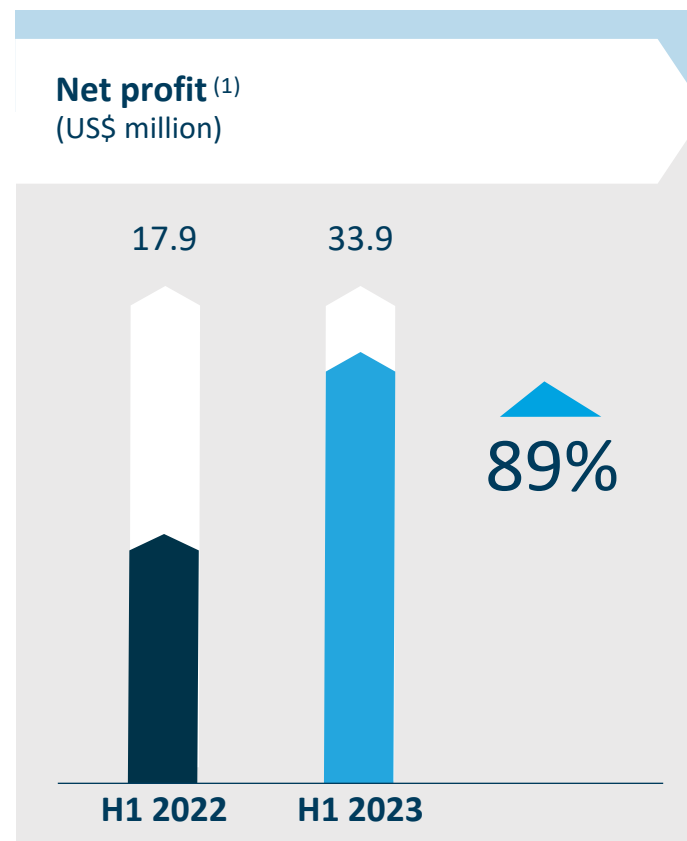
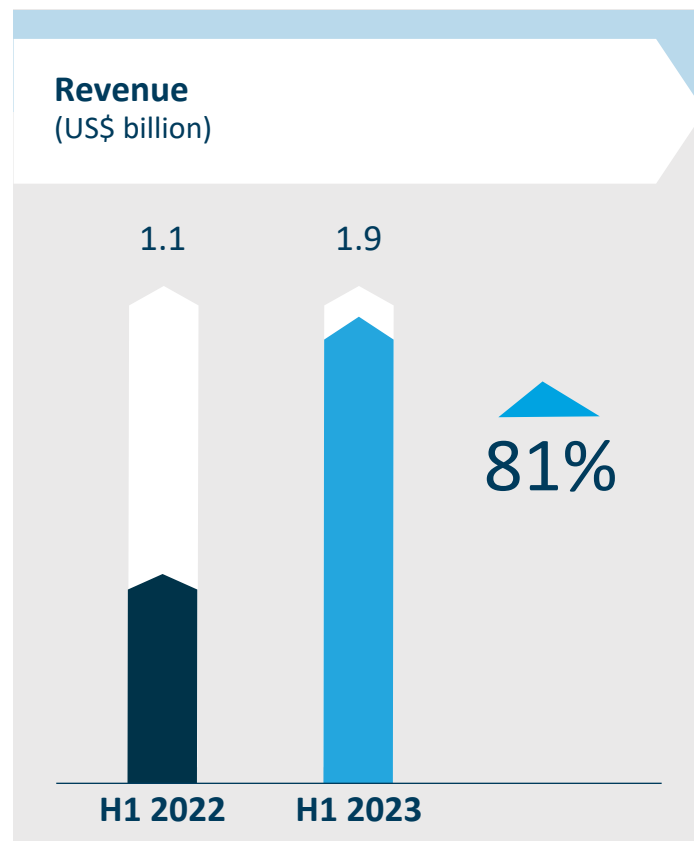
Net profit

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



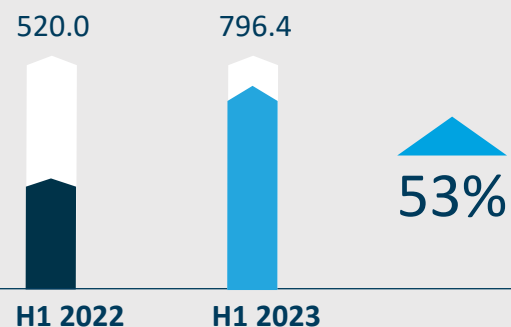
- ❖ In July, KIPCO successfully completed its debut KD denominated Sukuk issuance worth US\$ 335.8 million, under the company's US\$ 2 billion Trust Certificate Issuance Program
- ❖ US\$ 330 million partial prepayment of the US\$ 525 million syndicated facility

Financial highlights

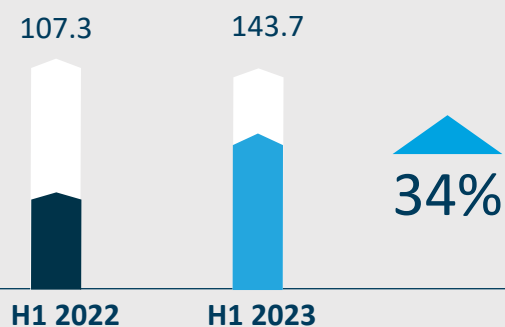


H1 2023 income breakdown

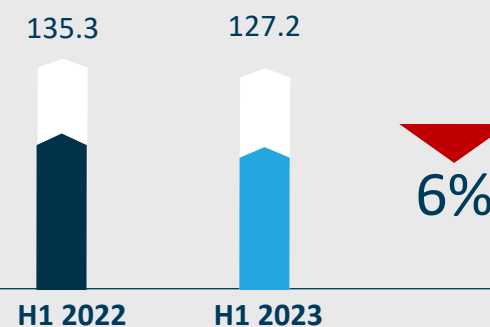
Interest income (US\$ million)



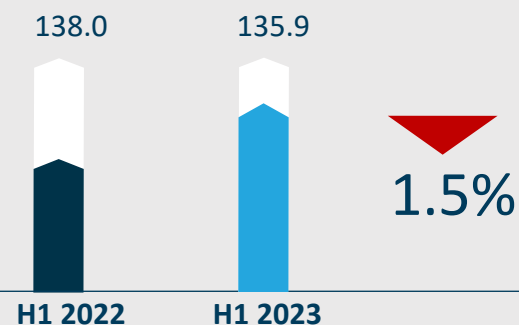
Fee & commission income (US\$ million)



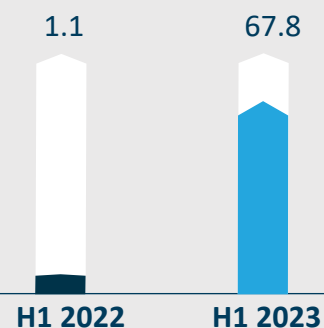
Media & digital satellite network (US\$ million)



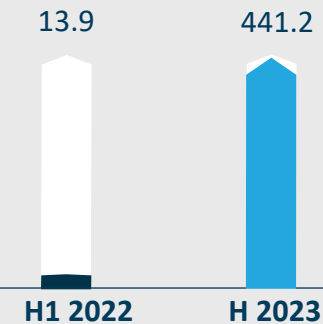
Hospitality and real estate income (US\$ million)



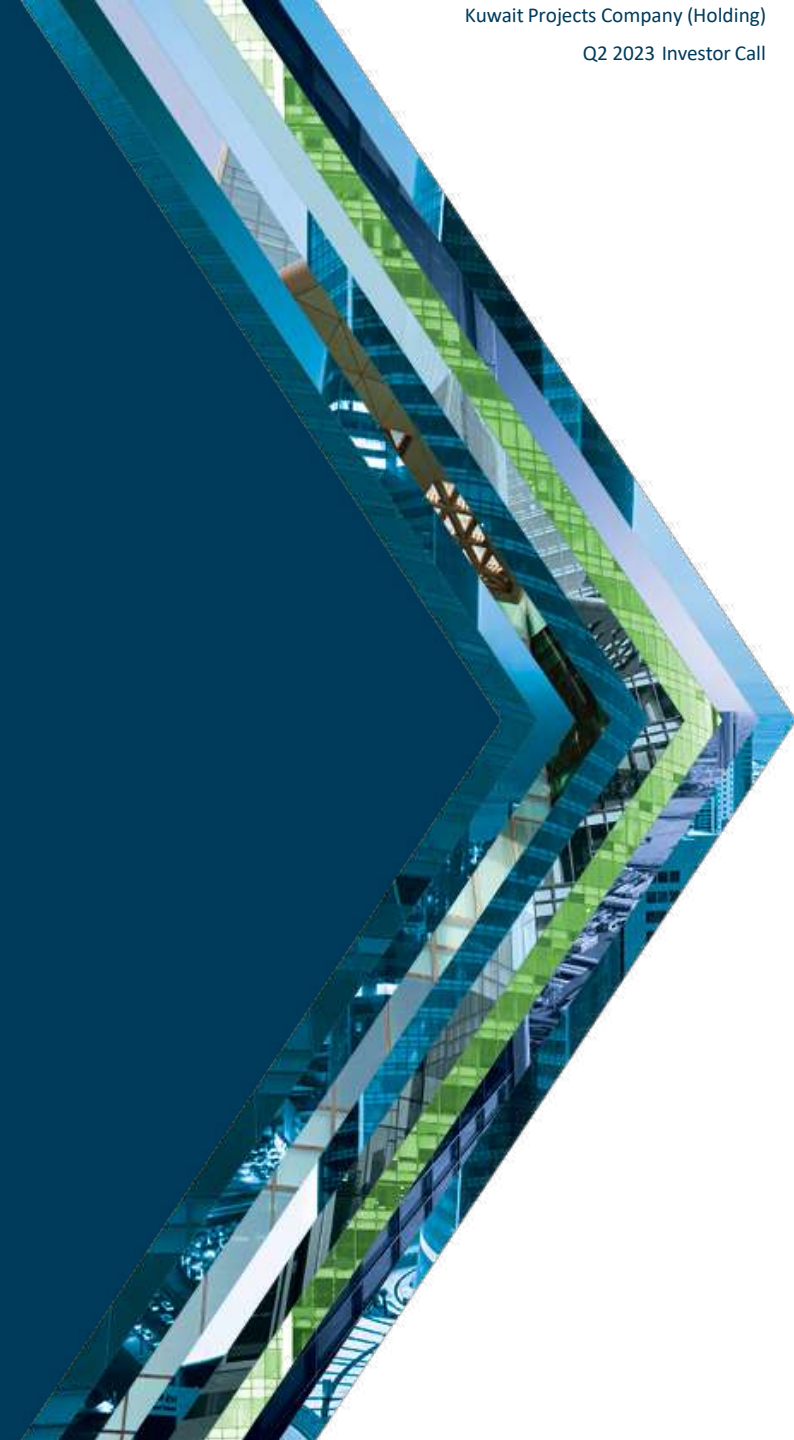
Energy income ⁽¹⁾ (US\$ million)



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



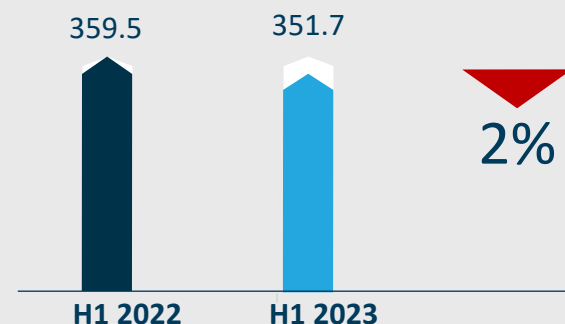
PORTFOLIO FINANCIAL PERFORMANCE



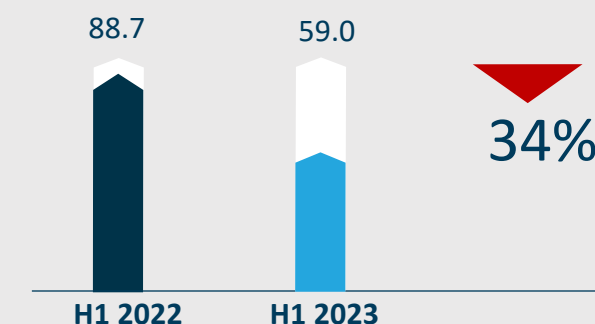
Burgan Bank Group



Operating income ⁽¹⁾ (US\$ million)

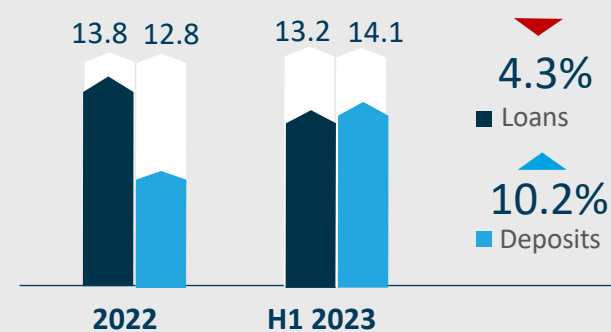


Net income ⁽²⁾ (US\$ million)



- ❖ 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

Loans & deposits (US\$ billion)



Key ratios

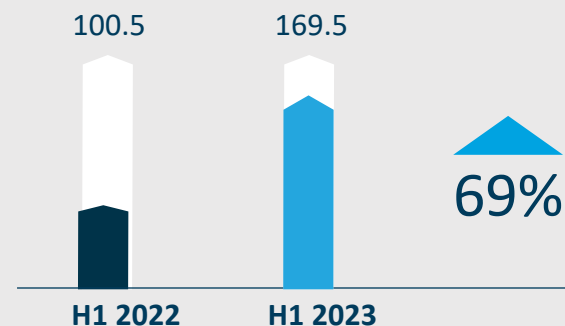
	H1 2022	H2 2023
Net interest margin%	(3) 2.1%	1.9%
Cost to income%	(3) 46.1%	50.0%
Cost of credit%	(3) 0.3%	0.9%
Non-performing loans ratio%	2.6%	2.0%
Provisions coverage ratio%	153%	216%

Jordan Kuwait Bank

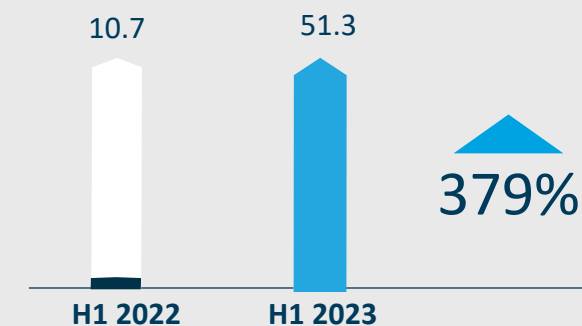


البنك الأردني الكويتي
JORDAN KUWAIT BANK

Total income (US\$ million)

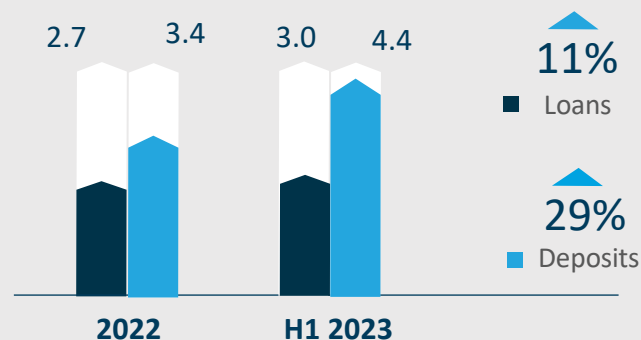


Net profit ⁽¹⁾ (US\$ million)

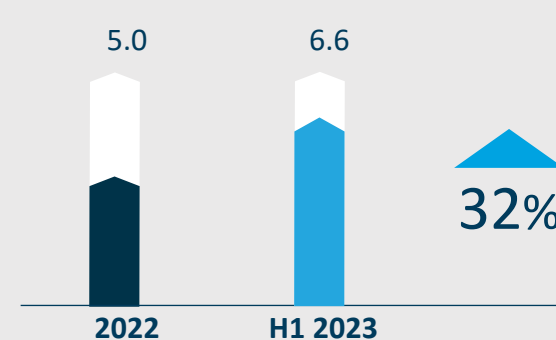


- ❖ Completed issuance of Perpetual Tier 1 Capital Bonds issuance for US\$ 125.5 million.
- ❖ Completed acquisition of a 77% equity stake in UAE-Based BHM Capital Financial Services, an entity that offers brokerage, investment management and corporate advisory services to its regional clients.

Loans & deposits (US\$ billion)



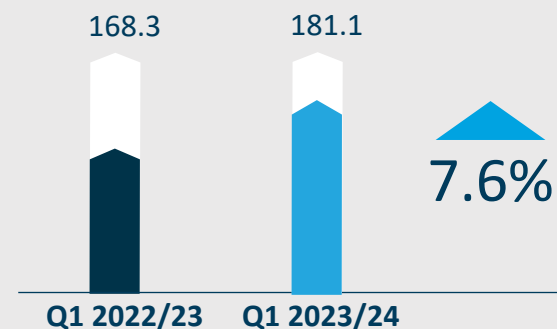
Total assets (US\$ billion)



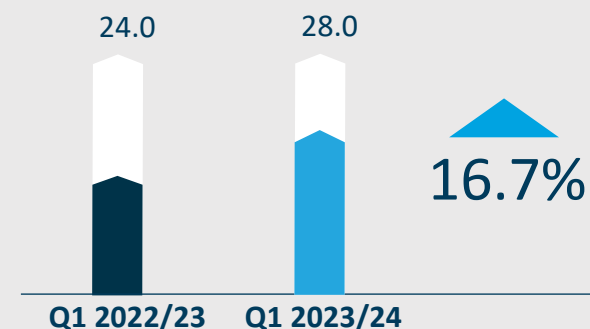
SADAFCO



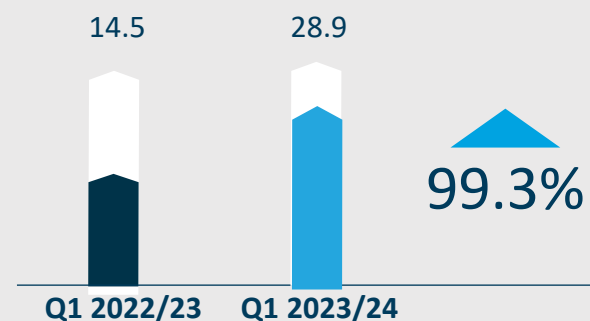
Revenue* (US\$ million)



Operating profit* (US\$ million)



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

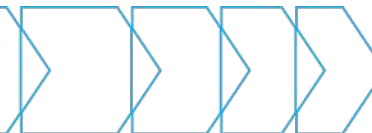


- ❖ Net profit up 99.3% in Q1 2023 vs Q1 2022, resulting in a net profit margin of 15.8% vs 8.9% in Q1 2022
- ❖ Sales increased 7.6% in Q1 2023 to US\$ 181 million (excluding Mlekoma, sales grew 17.1%)
- ❖ Gross profit for Q1 2023 up 16.4%, resulting in gross margin of 34.7% (excluding Mlekoma, gross 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

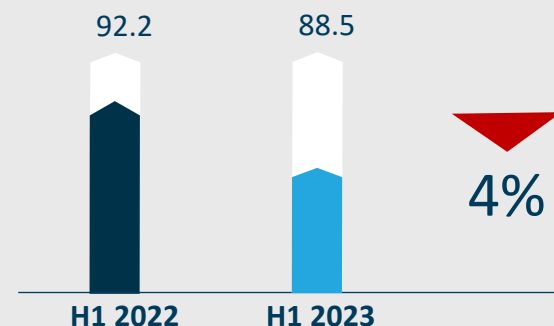
United Gulf Holding



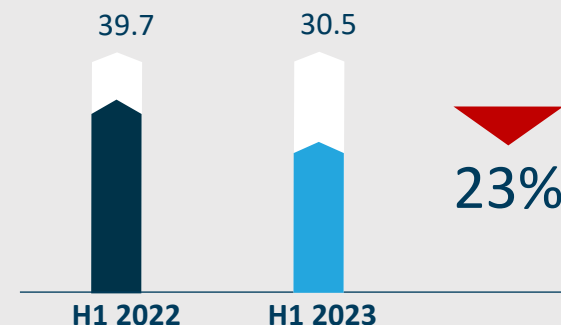
شركة الخليج المتحد القابضة
United Gulf Holding Company B.S.C.



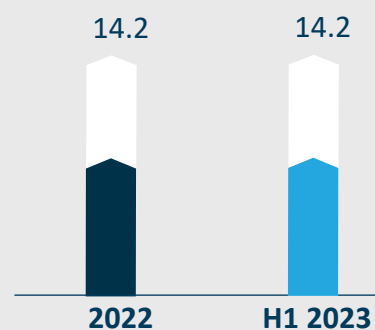
Revenue (US\$ million)



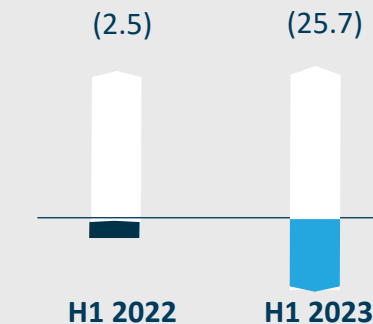
Fee & commission (US\$ million)



Assets under management (US\$ billion)



Net profit ⁽¹⁾ (US\$ million)

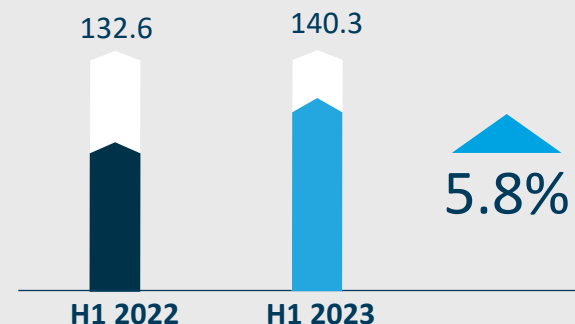


- ❖ **91% increase YoY in Interest Income** was offset by lower contributions from investment income and share of associates.
- ❖ **Kamco Invest** posted a profit of US\$ 0.3m for H1 2023 versus net profits of US\$ 15m in H1 2022

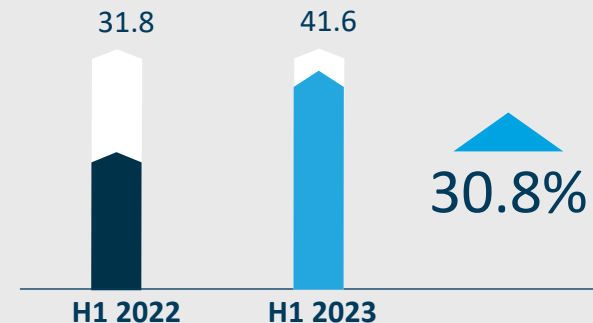
United Real Estate



Revenue (US\$ million)



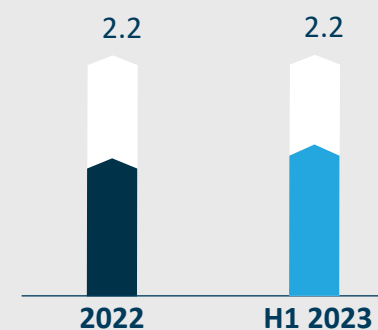
Operating income (US\$ million)



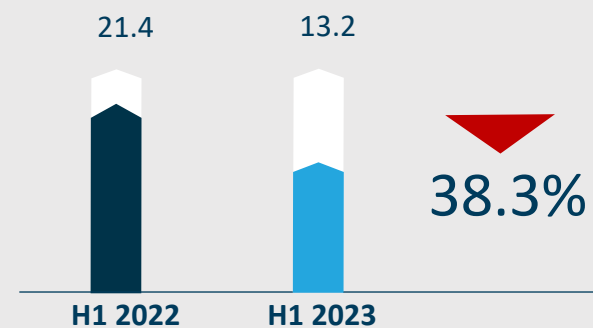
❖ Healthy Q2 performance with visible **improvements in income across key segments** of URC;

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

Total assets (US\$ billion)



Net profit ⁽¹⁾ (US\$ million)

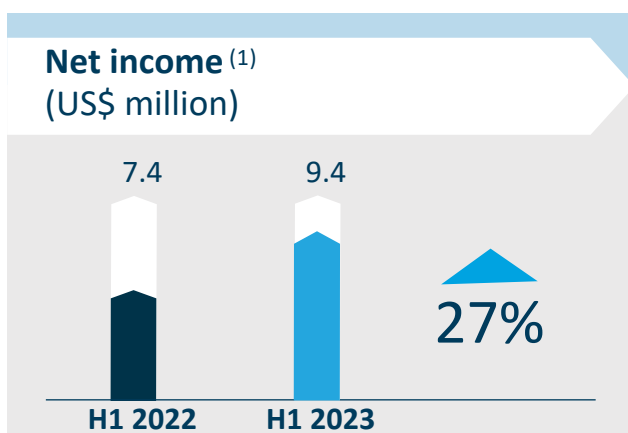
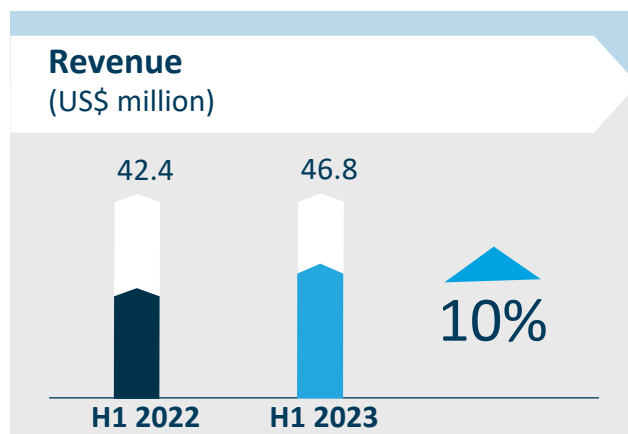


❖ In April 2023, URC partially settled **KD bonds** issued in April 2018 worth US\$ 196m.

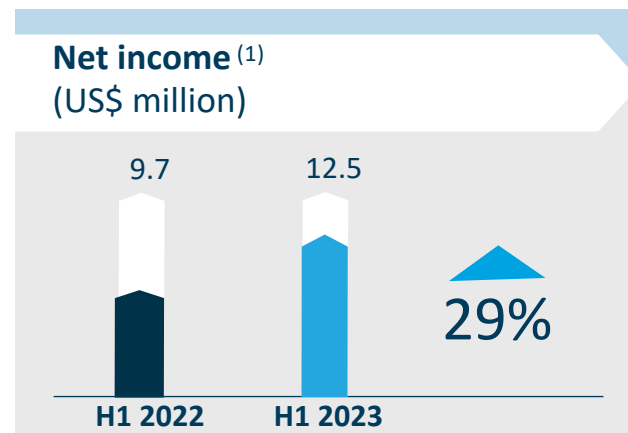
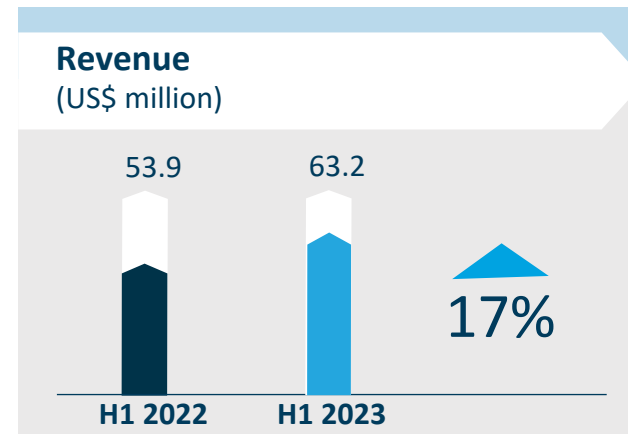
Logistics, energy, and healthcare



Jassim Transport & Stevedoring

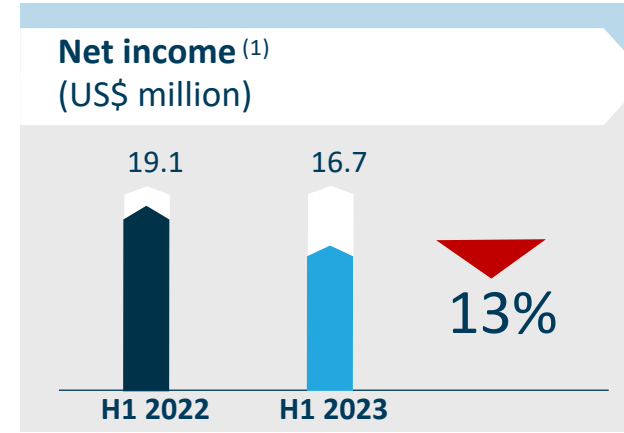
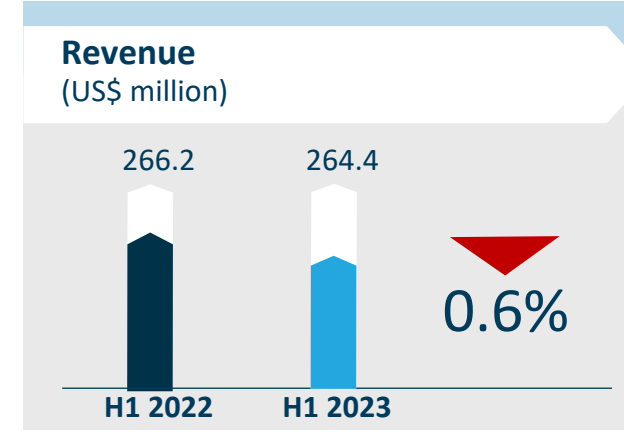


National Petroleum Services



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

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

Investor Call Transcript
Q2 2023

KIPCO Q2 2023 Investor Call Transcript

Introduction: Good afternoon, everyone. This is Ahmed El Shazly and on behalf of EFG Hermes, I welcome you all to the Q2 2023 Earnings Call for Kuwait Projects Company (Holding) – KIPCO. It is a pleasure to have with us on the call today, Mr. Sunny Bhatia, Group CFO; Mr. Moustapha Chami, Deputy Group CFO; and Ms. Eman Al Awadhi, Group Senior VP – Corporate Communications & IR. I would like to hand over the call to Ms. Eman Al Awadhi. Thank you.

Eman Al Awadhi: Thank you, Ahmed and good afternoon, everyone. We welcome you to our earnings call for the first six months ended June 30th, 2023. Please note that today's presentation is available on our website along with interim financial statements for the period in review.

Moving on to the presentation, please refer to the brief disclaimer on slide 2. Some of the statements that we will be making today and information available in the presentation can be forward looking. Such statements are based on KIPCO's current expectations, predictions and estimates and are subject to risks and uncertainties which may adversely or otherwise affect the future outcome. Those statements are not guarantees of future performance, achievements, or results.

I will now hand the call over to Sunny to take you through some of the highlights for the period.

Sunny Bhatia: Thank you Eman and good afternoon, everyone.

As you know, in July we successfully completed our debut Sukuk issuance under KIPCO's US\$ 2 billion Trust Certification Program. The issuance was KD 103.1m (US\$ 335.8m) and had a six-year tenor. The transaction makes KIPCO the first-ever Kuwaiti incorporated entity to issue a KD denominated Sukuk transaction, and the proceeds were primarily used to make a US\$ 330m partial prepayment of the US\$ 525m

syndicated loan facility signed in February of this year, effectively extending our 3-year facility – our 2+1 facility – into a 6-year tenor.

Moving on to slide 5 for details for the first six months of 2023, we are pleased to report that KIPCO posted a net profit of US\$ 33.9m, representing a net increase of 89% over the same period of 2022. This is primarily due to the positive overall performance across our foreign banking operations, as well as our businesses in foodstuff, logistics and oil field services.

KIPCO achieved revenue of US\$ 1.9b in H1 2023, an increase of 81% from the US\$ 1.1b achieved for the same period last year. This net increase is mainly attributable to the increased income from banking operations, as well as the increase in revenue from the industrial and logistics sector that was consolidated in Q4 2022 following the completion of the merger with QPIC.

Total assets of KIPCO at the consolidated level stood at US\$ 38.8b at the end of H1 2023, up 4% from US\$ 37.1b reported at the end of 2022.

Moving on to slide 6. Interest income from banking operations increased 53% to reach US\$ 796.4m compared to US\$ 520m for the same period last year. Fee & commission income increased 34% YoY to reach US\$ 143.70m. Meanwhile, income from media & digital satellite network witnessed a 6% decrease to US\$ 127.24m compared to US\$ 135.3m during the same period last year, while hospitality and real estate income saw a small drop of 1.5% YoY to US\$ 135.9m. Post the merger with QPIC in November 2022, the energy and industrial & logistics segments were consolidated, hence the increase in revenue and expenses in these two sectors.

With that being said, total expenses increased to US\$ 1.8b in H1 2023 versus US\$ 951m for the same period last year due to higher interest expenses by US\$ 323m, and higher general & administrative (G&A) expenses by US\$ 46.8m, as well as the increase in energy and industrial & logistics expenses by 394m.

Furthermore, the Group's consolidated financial statements include the effects of hyperinflation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies" stemming from our Turkish operations. As a result, the Group recorded a net monetary loss of US\$ 23.9m during H1 2023 due to Burgan Bank operations in Turkey. For further details, please refer to Note (2.4) from the published interim financial statements.

Provisions for credit losses reduced to US\$ 28.3m in 2023 compared to US\$38m. This was due to credit improvement and recoveries.

I will now hand it over to Moustapha to provide details on the financial performance of the Group companies.

Moustapha Chami: Thank you Sunny and good afternoon, everyone.

Moving on to slide 8, where we cover key performance highlights of our banking operations. We start with Burgan Bank Group's results for H1 2023. I would like to note that Burgan Bank held its earnings call on August 2 and you can refer to the transcript for more details.

Operating income during H1 2023 came to US\$ 351.7m, slightly down from H1 2022. Net income dropped 34% to US\$ 59.0m in H1 2023 versus US\$ 88.7m during the same period of last year, driven by higher operating expenses and proactive provisioning.

Burgan Bank's loan book dropped 4.3% from the end of 2022 to US\$ 13.2b in H1 2023, while deposits increased 10.2% to US\$ 14.1b for the same period.

The bank reported a strong liquidity coverage ratio of 188% and net stable funding ratio of 120% in comparison to 133% and 108% respectively reported during the same period of last year.

Provisions charged to income statement significantly increased 66% YoY to US\$ 58.8m in H1 2023 against US\$ 35.5m in H1 2022 due to provisioning by the bank on certain exposures. The bank also recorded a net monetary loss of US\$ 23.9m in H1 2023 compared to US\$ 36.0m in H1 2022 due to the application of IAS 29 accounting standard for hyperinflation on the back of its operations in Turkey.

Burgan Bank Group posted a net profit amounting to US\$ 59m in H1 2023 versus US\$ 88.7m during the same period of last year.

NPL ratio significantly declined to 2.0% as of H1 2023 from 2.6% in H1 2022, mainly due to BBT NPL improvement. The bank reported a CET1 Ratio of 11.5% and CAR of 17.8% as of H1 2023, well above regulatory requirements of 10.5% and 14.0% respectively.

We move on to slide 9 to cover JKB's performance for H1 2023. JKB reported a notable improvement in its operating results during the quarter. During the six-month period, JKB's loan book grew by 11% to US\$ 3.0b in H1 2023 versus US\$ 2.7b at the end of 2022. Deposits also increased by 29% to US\$ 4.4b compared to US\$ 3.4b at the end of 2022. Total income grew in H1 2023 by 69% to reach US\$ 169.5m versus US\$ 100.5m in H1 2022. JKB's net profit for H1 2023 came to US\$ 51.3m, 379% up from the US\$ 10.7m reported during the same period last year.

It is also worth highlighting that JKB completed the acquisition of a 77% equity stake in the UAE-based brokerage and investment management company, BHM Capital Financial Services, for which the bank has obtained the necessary regulatory approval.

Furthermore, in June, JKB issued Perpetual Tier 1 Capital Bonds for US\$ 125.5 million, which is the first issuance of perpetual bonds on the Amman Stock Exchange. The bank reported a total capital adequacy ratio of 17.95% as at June 2023.

On slide 10 we can see the performance of SADAFICO. The foodstuff company reported a 7.6% increase in revenue for Q1 2023/24 at US\$ 181.1m compared to US\$ 168.3m for the same period the previous year. Operating profit was up 16.7% for the quarter,

registering US\$ 28.0m compared to US\$ 24.0m for the corresponding period in the previous financial year. SADAFCO posted a 99.3 % increase in net profit to US\$ 28.9m, compared to US\$ 14.5m in Q1 2022/23. It is worthy to note that SADAFCO signed an agreement to export and sell products in Oman as part of regional expansion plans.

United Gulf Holding Company (UGH) is featured on slide 11. UGH incurred a loss of US\$ 25.7m for H1 2023 compared to a net loss of US\$ 2.5m in H1 2022. Total revenue was down 4% to US\$ 88.5m in H1 2023 compared to US\$ 92.2m for the same period last year, despite the 91% increase YoY in interest income. This decline is mainly attributed to the inflationary pressures and rising interest rate environment.

On slide 12 we have the results of United Real Estate Company (URC). The company registered visible improvement across key income streams of the business, reporting an increase of 49.3% YoY in rental income and 23.7% YoY increase in hospitality, partially offset by 17.3% YoY decline in the contracting and services revenue, resulting in a 5.8% increase in revenue for H1 2023 at US\$ 140.3m, compared to H1 2022.

Operating income increased by 30.8% to reach US\$ 41.6m versus US\$ 31.8m during the same period last year. URC's net profit posted a decrease of 38.3% for H1 2023 at US\$ 13.2m versus US\$ 21.4m during the same period last year. It's also worth noting that in April, URC partially settled bonds issued in April 2018 worth US\$ 196m.

Moving on to slide 13. Starting with our logistics and power rental business, Jassim Transport and Stevedoring Company (JTC). JTC reported a total revenue of US\$ 46.8m for H1 2023, 10% higher than the US\$ 42.4m reported for H1 2022. This increase is mainly attributed to a 24.3% YoY growth in revenue from port management services. Gross profits for the six months increased by 23.6% YoY to reach US\$ 15.2m versus US\$ 12.3m during the same period last year. As such, JTC registered a net profit for H1 2023 amounting to US\$ 9.4m, 27% higher than the reported US\$ 7.4m for the same period last year, and that was due to the higher revenue and margins.

Moving to National Petroleum Services Company (NAPESCO), our oilfield services provider. NAPESCO's revenue for H1 2023 increased 17% to reach US\$ 63.2m versus US\$ 53.9m during the same period last year. This was supported by the additional service contracts that were secured in the last twelve months on the back of the improved business environment and margins across both oilfield and non-oilfield segments. NAPESCO posted a net profit of US\$ 12.5m for H1 2023 versus US\$ 9.7m during the same period last year.

Moving on to the healthcare sector with Advanced Technology Company (ATC). ATC witnessed a 0.6% decrease in revenue to reach US\$ 264.4m in H1 2023 as compared to US\$ 266.2m in H1 2022. ATC achieved a net profit of US\$ 16.7m in H1 2023 compared to US\$ 19.1m for the same period of last year, representing a 13% net decrease.

Finally, slide 14 shows the recent business updates on OSN. OSN continues to focus on growing its streaming business through the optimal use of technology, digital marketing and content diversification. In June, the dishless OSNtv box was launched, a plugin box that users with or without a dish subscription can plug in to. The new product reflects OSN's strategy towards streaming tv with a linear environment. In April, OSN signed an exclusive deal for first run content with NBCUniversal, including Sky Studios and Universal Studio Group. Additionally, OSN continues to improve its streaming products, consumer packages, pricing and expanding the distribution network through its network wide partnerships.

I will now hand over the call to Ahmed to invite our listeners to raise any questions they may have.

Moderator: We have our first question from Ali Dhaloomal. Please go ahead.

Ali Dhaloomal: Thank you Eman, Sunny and Moustapha for the updates. I have two questions. The first one is about cash flows. I wanted to ask, have you injected any cash into any of the subsidiaries in the second quarter and also the BHM Capital acquisition that JKB did,

have you provided any funding for that or was it fully funded by JKB? And the second part of this question about cash flows is about dividends. How much have you received in total dividends in the second quarter between associates and subsidiaries? And do you expect a bit more to receive dividends in the second half?

Moustapha Chami: Thank you. I will start with the cash flow question and will give you some color on the publicly available information given the prevailing government framework. In the first half 2023 KIPCO parent has received a dividend of around US\$ 90m and that's through Burgan Bank, GIG, SADAFCO's interim dividend, NAFESCO, KARO, EQUATE Group, JTC, ATC and UOP. We are still expecting dividends from SADAFCO and also EQUATE but this is subject to approvals of their Boards and AGMs. So, with the remaining dividends, we can still give a fair assumption that will be in line with what we gave as the indication in Q1 i.e., around US\$ 120m for the year.

Now for the second part of your question, as a holding company and as shared by the Group CEO on the company's vision, we will remain dedicated to bringing our current portfolio to the next level of growth and value creation while also looking for some new opportunities, particularly in sectors like the healthcare and education. As a result, we are working closely with our portfolio companies' management and their Boards to strengthen their operating performance, and we are also checking closely with them the areas of risk and opportunities and whatever investment is required for any growth potential which will lead to long-term value creation and making sure the companies are performing as planned. This is the governance framework that is being enhanced and now there is much closer monitoring of those operations.

We will not be able to share specific details about the injections because of the recent transactions and the overall governance framework but it is in line with the plan which was approved; and of course, this is all to create value at the level of the companies.

In terms of the BHM Capital, it was fully funded by JKB and there was no capital increase. JKB has issued Perpetual Tier1 Bonds at its level, both dollar and Jordanian

dinar, totaling US\$ 125.5m and that was used for both acquisitions, first the acquisition of Bank of Baghdad that was completed earlier this year and the second one is for the BHM Capital, and also using their own internal sources, given that they have a good capital ratio as well.

Ali Dhaloomal: Understood. I have two additional questions. On funding now that you have repaid the US\$ 330m of your syndicated loan facility, how much is still outstanding there? Because I remember it wasn't fully drawn, the 2+1 facility. And, is the plan to have it fully repaid by year end? And finally, just the last question on your current LTV; if you can provide us the latest number that would be great.

Sunny Bhatia: Thank you Ali. In terms of the remaining balance of the syndicated facility, it is US\$ 95m, and our intention is always to replace the medium- or short-term facilities with the long-term ones or with our own cash flows. So, when we have the proceeds from the exit of GIG which we had announced earlier in April this year, we intend to repay the remaining balance as well.

Now, coming to your second question on the LTV, the LTV by the Moody's methodology or by the methodology followed by some major rating agencies - we are closer to an LTV of the 45% range, and as you know that in our investment portfolio about two thirds of our investments are listed investments, so it depends on the market values. But, considering that we intend to use the proceeds of GIG exit to delever, we consider that as an LTV positive event, and we should see some improvement in our LTV going forward compared to the current level once we have completed the sale process and utilized the proceeds.

Ali Dhaloomal: Thank you for the color.

Moderator: We have a question from the chat from Fahad Al Mishal. Regarding the GIG acquisition by Fairfax, did you apply to the Competition Protection Agency to get the approval for the acquisition?

Sunny Bhatia: In the GIG acquisition, we are the seller, and the acquiring party is Fairfax Financial Holdings. Their legal team has initiated all the required regulatory approval processes and our current indication with our discussion with the acquirer and their legal and the deal execution team is that we all remain hopeful and confident that this would get executed, as stated earlier, in Q4 of this year.

Dmitry Ivanov: Thank you very much for the presentation. I have a few follow up questions. First, on the GIG proceeds, could you please remind us of the expectation around payment schedule? If I remember correctly, you expect to receive some payment by the closing date and then like in four installments and I think you mentioned that you plan to sell these remaining proceeds and get some kind of cash inflows. So, if it's possible to shed some light on the expected amount from the GIG proceeds. Secondly, maybe just to clarify, you mentioned that expected dividends will be around US\$ 120m for the year, if I got it correctly, and does it mean that with your interest expenses of around US\$ 150-160m and G&A expenses you will likely be in a cash negative position for the year excluding the GIG proceeds. This is to clarify if on this level you are in a net cash negative position with this expected dividend for the year? Thank you.

Sunny Bhatia: We would not like to make any forward-looking statements. As we have said that we remain committed to improve and strengthen our overall companies' liquidity position and as a holding company we are subject to key inflows as the dividend income. My colleague gave you an indication of that, and then the interest expense as you would have looked at our capital structure, we aim to manage our capital structure in a manner such that we have an element of the fixed debt in our borrowings and the floating, and of course the floating gets impacted by the current market rate interest environment. But having said that, the GIG transaction is going to positively impact our overall cash position. As we had disclosed in April, it would also result in a profit to the extent of depending on the number, which we conclude in the final closing, somewhere close to US\$ 240-250m.

This would be some color on our key events in terms of our cash flows and the ability of our company to continue to meet our cash obligations as and when they fall due.

Dmitry Ivanov: Thank you very much for this. So, US\$ 240-250m expected inflows and your expectation is to use this money to reduce the leverage, to prepay some of the debt you mentioned, the syndicated loan and the other debt in the capital structure so it will mostly be deleveraging as the use of proceeds from this tranche?

Sunny Bhatia: The use of proceeds is primarily for deleveraging, but also as a holding company we are always looking for investment opportunities to create shareholders' value and, as my colleague mentioned, we are looking at the healthcare, education and the food business. So, if there are any opportunities, we will definitely look at making such investments to create overall long-term shareholders' value, but at the same time capital structure remains an area of focus for us and we would be using it for deleveraging. So, it is primarily deleveraging but, also, we are always open to look for new investment opportunities to create long-term value and some of the proceeds will actually get utilized for making such investments if the opportunity arises.

Dmitry Ivanov: Thank you so much. Just a follow-up question on LTV. You mentioned that your LTV calculations according to the Moody's methodology is around 45% and I guess it includes both listed and unlisted investments i.e. your direct stakes in these companies. Is it possible to put some color on how much OSN is contributing to this 45% or to put it another way, what is the LTV excluding OSN contribution?

Sunny Bhatia: Because OSN is a private company, we specifically do not disclose the carrying value on specific investment because it would not be in the interest of the various things which we are doing in respect of OSN. For example, it is not only improving the operating performance of the company, not only making the product attractive to its customers and growing its customer base, but also looking for the alliances and M&A opportunities to diversify the customer base and strengthen the cash flows of the company. So, it wouldn't be appropriate to specifically highlight one specific value but

as we have disclosed in our earnings call, probably in the event that generally we have every year and more frequently when needed, we look at all the carrying values of our investments and where needed we make the required impairments and of course the listed companies are subject to the fair valuation based on the IFRS framework. So, we have looked at the valuation of all our unlisted investments including OSN and, where needed, the required impairments were made and would continue to be assessed at least on an annual basis in accordance with the IFRS framework.

Moderator: Thank you Dmitry. I believe we have no further questions at this moment. I will hand over the call back to the management for any concluding remarks.

Eman Al Awadhi: Thank you Ahmed and thanks to everyone who joined us for this call. We look forward to having you again with us on our next earnings call. In the meantime, if there is anything we can help you with, please feel free to reach out to us. Have a good day. Thank you.