

# Investor Presentation

November 2023



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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.

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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) 0.30905;
- US\$ to Saudi Arabian Riyal (US\$/SAR) of 3.7512; and
- US\$ to Jordanian Dinar – (US\$/JD) 0.708

# KEY INVESTMENT HIGHLIGHTS





# Our business, strategy and team...



## Our Business

- Investment holding company majority owned by the family office of the Kuwaiti ruling family
- Total assets of US\$38.6bn<sup>1</sup>; operating across the GCC and wider MENA region; presence in over 20 countries
- Multi-sector operator: commercial banking, petrochemical & oil services, insurance, foodstuff, asset management & investment banking, media, real estate, healthcare, logistics and education
- Proven track record; 31 years of reported profits<sup>2</sup> and ~10% total shareholder return since 1996
- Listed on the Boursa Kuwait with a market capitalisation of US\$1.6bn<sup>3</sup>



## Our Strategy

- Controlling or significant stakes in operating businesses in growth markets
- Seek to generate sustainable, predictable operating cash flows and ROE over the business cycle
- Partner with global or local businesses with a proven track record
- Maximize value from businesses with a medium-to long-term horizon
- Selective disposal - opportunistic after multi-dimensional and holistic analysis



## Our Team

- Sheikha Dana Al Sabah is the Group CEO
- Senior management team, governance framework and engagement with the board and management of portfolio companies aligned to support successful accomplishment of vision and priorities

...focused on enhancing investment performance and strengthening capital structure

<sup>1</sup> As of 30 Sep 2023

<sup>2</sup> Restatement in 2020 financials resulted in loss for prior year 2019

<sup>3</sup> As of 15 Nov 2023

# Recent updates



## Strategic deal between OSN+ and Anghami

### Transaction overview

- On 21 Nov 2023, KIPCO announced that OSN has signed a conditional binding agreement to combine its streaming platform OSN+ with Anghami Inc. (listed on Nasdaq) and to inject up to US\$50mn for a majority stake in Anghami Inc.
- Execution of the transaction is subject to obtaining customary regulatory and anti-trust approvals, with the integration expected to be finalized early 2024.
- The deal will bring together over 120mn registered users, 2.5mn paying subscribers with US\$100mn in revenue at closing
- The transaction would create the region's largest streaming platform and a media tech company with AI at its core

## Gulf Insurance Group (GIG) sale transaction

### Transaction overview

- In April 2023, KIPCO signed a binding agreement to sell KIPCO Group's stake in GIG to Fairfax for US\$860mn i.e. KD2/share
- Profit from the sale is expected to be in the range of KD70-80mn (US\$227 - 259mn)
- Transaction execution is conditional upon certain regulatory approvals to be obtained by the acquirer and completion of certain conditions precedent
- KIPCO intends to use the sale proceeds primarily for deleveraging, enhancing liquidity, and capital redeployment in certain group entities
- Strengthens KIPCO's track record of exiting investments at significant premium to market price : ~2x the market price in April 2023

## Merger with QPIC








### Transaction overview

- In Nov 2022, successfully merged Qurain Petrochemical Industries Company K.S.C.P. (QPIC) into KIPCO
- Fully equity funded transaction; Each share of QPIC exchanged for 2.24 shares of KIPCO
- Trading under a single ticker since 23 Nov 2022
- As a result of merger, KIPCO's portfolio value and shareholders' equity increased. It also positively impacted the Loan-to-Value (LTV) and cashflow coverage ratios
- KIPCO acquired investment grade assets with strong credit profile; Equate is rated BBB and SADAFCO is a market leader with zero debt



# Key investment highlights



|   |   |   |
|---|---|---|
|    | <b>Diversified Portfolio</b>                          | <ul style="list-style-type: none"> <li>Spread across 10 sectors and 20+ countries across multiple industries at different stages in the business life-cycle</li> <li>Majority of portfolio in high rated GCC region</li> <li>Benefits from growth and economic diversification in Kuwait and the broader MENA region</li> </ul>   |
|    | <b>Quality assets &amp; market leadership</b>         | <ul style="list-style-type: none"> <li>Burgan Bank is #2 conventional bank in Kuwait<sup>1</sup>; Equate is #2 ethylene glycol producer globally<sup>2</sup>; GIG is #1 insurer in Kuwait<sup>3</sup>, Bahrain<sup>4</sup>, Jordan<sup>4</sup> &amp; Egypt<sup>5</sup> and among top 3 insurers in MENA region; Sadafco is #1 long life milk producer in Saudi; KAMCO Invest is #1 Asset Manager in Kuwait by AuM; OSN is the leading entertainment platform in MENA; United Real Estate Company is #2 real estate player on Boursa Kuwait<sup>6</sup>; UEC is a leading education company in Kuwait</li> </ul>   |
|    | <b>Strong Liquidity</b>                               | <ul style="list-style-type: none"> <li>Cash balance of US\$331mn as of Sep 2023</li> <li>~62% of the portfolio<sup>6</sup> is listed</li> </ul>   |
|    | <b>Credit Ratings</b>                                 | <ul style="list-style-type: none"> <li>Moody's: Ba2/Negative (May 2023); Fitch: BB/Stable (Dec 2022)</li> <li>Burgan Bank, Equate and Gulf Insurance Group have strong investment grade ratings; Sadafco has zero net debt</li> </ul>   |
|    | <b>Financial Discipline</b>                           | <ul style="list-style-type: none"> <li>Strengthened capital structure by increasing shareholders' equity by US\$864mn as a result on QPIC merger<sup>7</sup></li> <li>KIPCO declared nil dividends for FY 2022 reflecting strong commitment by major shareholders</li> <li>KIPCO intends to use the sale proceeds from GIG primarily for deleveraging</li> </ul>  |
|   | <b>Proactive liquidity &amp; liability management</b> | <ul style="list-style-type: none"> <li>In Nov 2023, repaid remaining portion of the 5-year KD bond amounting to KD28.5mn (US\$92.2mn)</li> <li>In Jul 2023, issued first ever KD denominated Sukuk by a Kuwaiti corporate of KD103mn (US\$336mn) maturing in July 2029</li> <li>In Jul 2023, partially prepaid US\$330mn of the US\$525mn (2+1) years senior unsecured credit facility with regional/international banks which was signed in Feb 2023</li> <li>In Mar 2023, repaid US\$500mn EMTN bonds</li> <li>In Dec 2022, issued a KD165mn (US\$538mn) 6-year senior unsecured KD bond; exchanged KD105mn (US\$343mn) of existing bonds due in 2023 &amp; 2024</li> <li>Average debt maturity of 3.5 years<sup>8</sup>; all the remaining maturities for 2023 and 2024 are fully covered</li> </ul> |
|  | <b>Ruling Family Shareholders</b>                     | <ul style="list-style-type: none"> <li>Al Futtooh Holding Co. owned by members of Kuwaiti ruling family has direct holding of ~32%<sup>9</sup></li> <li>Shareholders since 1988; has supported KIPCO in all capital raising exercises</li> </ul>  |

**We remain on a path to make KIPCO a stronger entity**

1) By assets as of 30 Sep 2023    2) Source: Equate's website

3) By Gross premiums & net premiums written

4) By gross premium written

5) By technical profit among private sector players

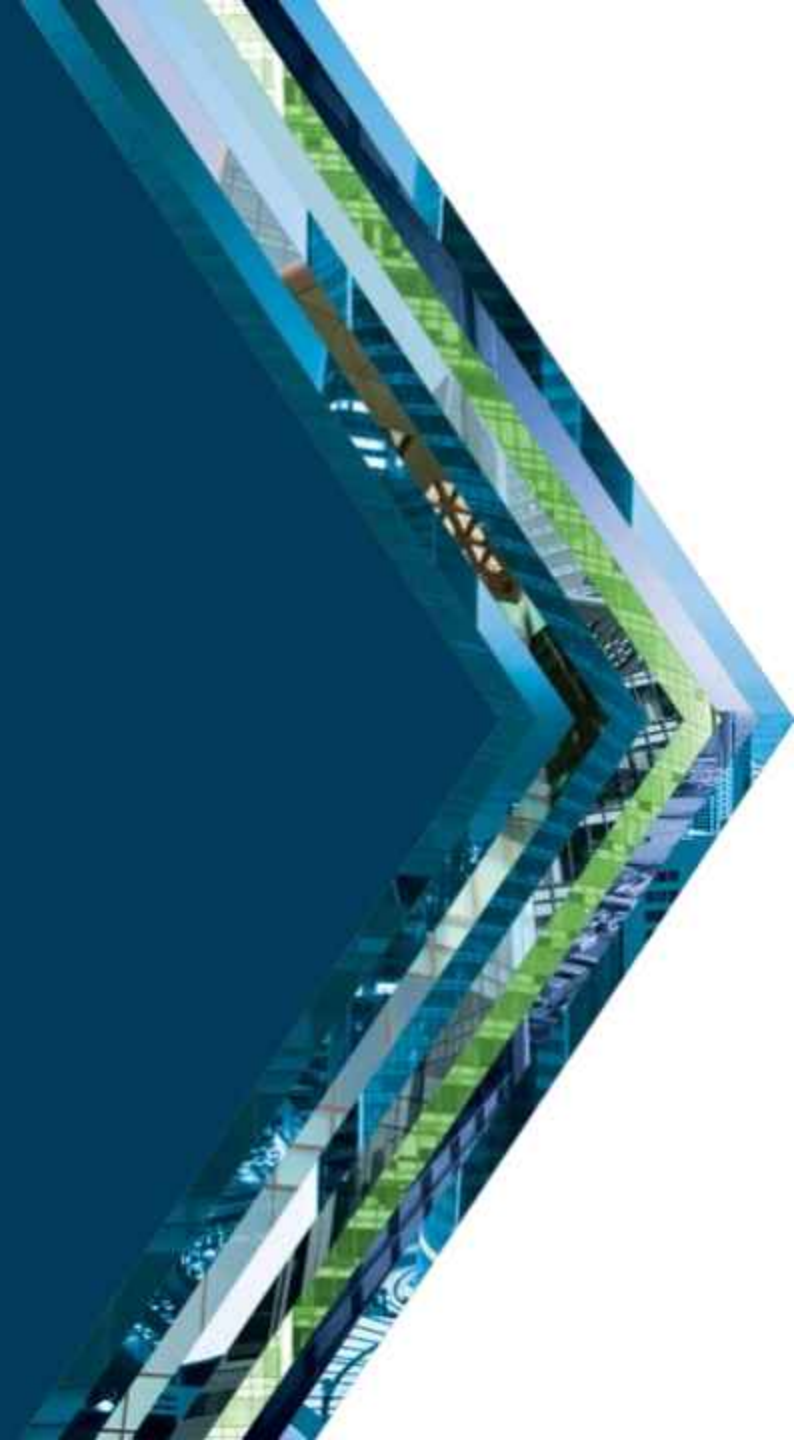
6) Comprises listed investments as of 30 Sep 2023

7) On 23 Nov 2022, KIPCO completed the share swap of KIPCO's shares

with QPIC shareholders and executed the Merger. As a result, the shareholder's equity increased by - KD 265mn

8) Post repayment of 2023 KD Bonds in Nov 2023    9) 30 Sep 2023

# BUSINESS OVERVIEW





# Diversified portfolio...

كيبكو  
KIPCO

...across sectors














Each sector's apprx. contribution to portfolio value:





# Our presence by geographies & sectors\*

| Geography   | Major sectors      |                                |           |                                  |       |             |   |
|---|--------------------|--------------------------------|-----------|----------------------------------|-------|-------------|---|
|   | Commercial Banking | Petrochemical & Oil Services** | Foodstuff | Asset Mgmt. & Investment Banking | Media | Real Estate | Healthcare/ Education/ Logistics & Others |
| Kuwait     | •                  | •                              | •         | •                                | •     | •           | •   |
| KSA        |                    |                                | •         | •                                | •     |             | •   |
| UAE        |                    |                                |           | •                                | •     |             |   |
| Bahrain    |                    |                                | •         | •                                | •     |             |   |
| Qatar      |                    |                                | •         |                                  | •     |             | •   |
| Oman       |                    |                                |           |                                  |       | •           |   |
| Turkey     | •                  |                                |           | •                                |       |             |   |
| Jordan     | •                  |                                | •         |                                  | •     | •           |   |
| Egypt      |                    |                                |           |                                  | •     | •           |   |
| Algeria   | •                  |                                |           |                                  | •     |             |   |
| Iraq     | •                  |                                |           |                                  |       |             |   |
| Malta    | •                  |                                |           |                                  |       |             |   |
| Tunisia  | •                  |                                |           |                                  | •     |             |   |
| Others  | •                  |                                | •         |                                  | •     | •           | •   |

GCC Countries contribute d ~66% of the total revenue in FY 2022

\* Excluding Insurance sector (GIG, which is in the process of being sold) Excluding Equate's geographical presence as it is not a subsidiary / associate of KIPCO

# Supportive shareholders

- KIPCO's single largest shareholder is Al Futtooh Holding Company K.S.C. (Closed) (AFH), a Kuwaiti company owned by family office of the Kuwaiti ruling family
- Post merger, AFH continues to be the largest shareholder with c.32% ownership
- Has supported KIPCO in all its endeavors including capital raising, reduced dividend payouts, merger and treasury shares repurchases
- Focused on promoting KIPCO as a role model for the private sector in the region

## AFH's continuing support to KIPCO





# Quality assets - market leadership of key portfolio companies



#2

Conventional bank in Kuwait<sup>1</sup>



#1

Insurer in Kuwait<sup>3</sup>, Bahrain<sup>4</sup>, Jordan<sup>5</sup> & Egypt<sup>5</sup>  
*Among top three insurers in MENA region*



#1

Asset manager in Kuwait with highest AuM



#2

Listed real estate player on Boursa Kuwait<sup>1</sup>



#2

Ethylene glycol producer globally<sup>2</sup>



#1

Dairy and food products manufacturer in Saudi<sup>6</sup>



Leading entertainment company in MENA region with 1.5mn subscribers



Advanced Technology Company

Leading market share in Kuwait medical equipment sector



Prominent educational group in Kuwait with capacity of over 20,000 students

<sup>1</sup> In terms of assets as on 30 September 2023; <sup>2</sup> Source: Equate's website

<sup>3</sup> By Gross premium written (GPW) and Direct premiums; <sup>4</sup> By GPW

<sup>5</sup> By technical profit among private sector players; <sup>6</sup> Highest market share in KSA in ultra-high temperature or long-life milk

# Controlling or significant stakes in key portfolio companies

|                                     |  |  |  |  |  |  |  |  |  |
|-------------------------------------|---|---|---|--|---|---|---|---|---|
| Group Effective Stakes <sup>1</sup> | 62%   | 6%  | 45%   | 41%  | 91%   | 56% <sup>3</sup>  | 70%   | 63%   | 51%   |
| Board Representation                | 8 of 11   | 1 of 10   | 4 of 10   | 5 of 9   | 5 of 8  | 4 of 5  | 3 of 7 <sup>4</sup>   | 5 of 7  | 4 of 5  |
| Market Cap (US\$mn) <sup>2</sup>    | 1,840   | Unlisted  | 1,670   | 2,510  | 1,446   | 95  | Unlisted  | 193   | 154   |
| Credit Ratings                      | S&P: BBB+/A2<br>Moody's: Baa1/ P2<br>Fitch: A                                     | S&P: BBB<br>Moody's: Baa2   | S&P: A<br>Moody's: A2<br>AM Best: A   | Unrated/<br>Zero debt  | CI: BBB (UGB)   | CI: BBB   | Unrated   | CI: BBB-  | Unrated/<br>Zero net debt   |
|                                     | Commercial Banking  | Petrochemical   | Insurance   | Foodstuff  | Asset Management & Investment Banking (AMIB)  | Media   | Real Estate   | Oil Services / Logistics  |   |

## Ability to actively control or influence key decisions of core portfolio investments

Notes: <sup>1</sup> Effective stakes given are as of 30 September 2023

<sup>2</sup> Market capitalization as of 15 Nov 2023 (Source: Bloomberg)

<sup>3</sup> Stake in KAMCO Invest is held through UGH

<sup>4</sup> OSN has 7 board members – 3 from KIPCO, 3-independent directors and 1 from others

CI = Capital Intelligence





\*Has paid 100% of profits as dividends over the last 10 years up to year 2022

\*\*In April 2023, KIPCO signed a binding agreement to sell KIPCO Group's stake in GIG to Fairfax for US\$860mn



# Operating performance key highlights 2022 and YTD 2023



|   |   |   |
|---|---|---|
| <b>Burgan Bank</b>                      |    | <ul style="list-style-type: none"> <li>Stable operating income of US\$751mn for FY 2022 and net profit of US\$169mn (14.9% growth vs. 2021), supported by improving net interest margins (2.4% vs 2.1% in 2021)</li> <li>In Feb 2023, sold its 51.8% stake in Bank of Baghdad to Jordan Kuwait Bank. Improved CET 1 by 70 bps+</li> <li>During 9M 2023, operating income increased to US\$630mn (17.2% growth vs. US\$537 in 9M 2022), net profit declined to US\$97mn (27.0% lower vs. US\$133mn in 9M 2022) mainly driven by provisioning; strong capital adequacy of 17.6%; stable loan book of US\$13.4bn</li> <li>In Nov 2023, Burgan Bank agreed to sell 52% stake in Burgan Bank Turkey (BBT) to Al Rawabi United Holding Company, a fully-owned subsidiary of KIPCO. Burgan Bank will continue to maintain operational control and consolidate BBT in its financial results. The transaction is expected to be completed in next few weeks</li> </ul> |
| <b>Equate Group</b>                     |    | <ul style="list-style-type: none"> <li>Revenue of US\$3,947mn in FY 2022 (5.1% lower vs. US\$4,159mn in FY 2021); net profit declined to US\$611mn (-44.9% vs. US\$1,109mn in FY 2021); paid dividends of US\$1,598mn in FY 2022, including interim dividend</li> <li>Revenue of US\$1,518mn in H1'23 (32.2% lower vs H1'22); net profit declined to US\$89mn (-83.4% vs H1'22) due to lower volumes and product pricing driven by market conditions</li> </ul>   |
| <b>Gulf Insurance Group<sup>1</sup></b> |   | <ul style="list-style-type: none"> <li>Strong growth in FY 2022 driven by AXA acquisition, gross premium written of US\$2,691mn 51.6% growth vs. US\$1,775mn in FY 2021); net profit of US\$124mn (63.6% growth vs. normalized US\$76mn in FY 2021*)</li> <li>Slight growth in insurance revenue to reach US\$1,956mn in 9M 2023 (vs. US\$1,893mn in 9M 2022); net profit marginally declined to US\$69mn (vs. US\$72mn in 9M 2022)</li> </ul>  |
| <b>SADAFCO<sup>2</sup></b>              |  | <ul style="list-style-type: none"> <li>Revenue of US\$706mn for the year ended 31 March 2023 (22.0% growth vs. US\$579mn for the year ended 31 March 2022); net profit of US\$82mn for the year (49.0% growth vs. US\$55mn for year ended 31 March 2022)</li> <li>Revenue grew by 7.4% to reach US\$380mn in six months ended Sep 2023 (vs. US\$353mn in 6M Sep 2022); reported net profit of US\$59mn in six months ended Sep 2023 (59.4% growth vs. US\$37mn<sup>^</sup> in 6M Sep 2022)</li> </ul>   |

\*Reported net profit for FY 2021 was US\$235mn which included one-time gains related to acquisition of AXA's gulf operations totaling US\$159mn

<sup>1</sup> The group currently accounts GIG in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations. Please refer note 17 of KIPCO's September 2023 financial statements







<sup>2</sup>SADAFCO's year-end is 31 March

<sup>^</sup> SADAFCO's reported net profit for 6M Sep 2022 included one-time charges of US\$13.3mn (vs. US\$5.5mn in 6M Sep 2023) related to non-controlling interest put option



# Operating performance key highlights 2022 and YTD 2023



|                                    |   |   |
|------------------------------------|---|---|
| <b>United Real Estate Company</b>  |    | <ul style="list-style-type: none"> <li>Revenue of US\$274mn in 2022 (vs. US\$275mn in 2021); net profit of US\$11mn* in 2022 (vs. loss of US\$16mn in 2021)</li> <li>Completed merger of United Towers Holding Company (UTHC) and Al Dhiyafa Holding Company (DHC) on 22 December 2022. Enhanced portfolio of income generating assets and strengthened its capital structure</li> <li>Revenue of US\$201mn in 9M 2023 (1.8% growth vs. US\$198mn in 9M 2022); net profit declined to US\$15mn in 9M 2023 (42.1% lower vs. net profit of US\$26mn in 9M 2022), primarily due to increased finance cost</li> </ul> |
| <b>United Gulf Holding Company</b> |    | <ul style="list-style-type: none"> <li>Revenue of US\$187mn in FY 2022 (2.62% vs. US\$182mn in FY 2021); net loss of US\$21mn in FY 2022 (vs. net loss of US\$8mn in FY 2021); negatively impacted by market volatility</li> <li>Revenue of US\$133mn in 9M 2023 (7.6% growth vs. US\$124mn in 9M 2022) primarily driven by higher interest income, partly offset by lower share of results from associates and Fees &amp; commission income; higher net loss of US\$37mn in 9M 2023 (vs. net loss of US\$14mn in 9M 2022) mainly driven by the increase in interest expense</li> </ul>                           |
| <b>Others</b>                      |    | <ul style="list-style-type: none"> <li>FY 2022: Loan book at US\$2.7bn (14.0% growth). Net profit of US\$26mn (2.4x growth)</li> <li>9M 2023: Loan book at US\$2.9bn (5.6% growth vs. Dec 22). Net profit of US\$73mn (4.5x growth vs. 9M 2022)</li> </ul>  |
|                                    |   | <ul style="list-style-type: none"> <li>FY 2022: Revenue of US\$120mn (33.4% growth). Net profit of US\$22mn (41.2% growth)</li> <li>9M 2023: Revenue of US\$96mn (11.0% growth vs. 9M 2022). Net Profit of US\$21mn (18.9% growth vs. 9M 2022)</li> </ul>   |
|                                    |  | <ul style="list-style-type: none"> <li>FY 2022: Revenue of US\$89mn (24.6% growth). Net profit of US\$14mn (82.0% growth)</li> <li>9M 2023: Revenue of US\$70mn (9.7% growth vs. 9M 2022). Net profit of US\$14mn (35.6% growth vs. 9M 2022)</li> </ul>   |
|                                    |  | <ul style="list-style-type: none"> <li>FY 2022: Revenue of US\$536mn (16.3% growth). Net profit of US\$23mn (32.3% growth)</li> <li>9M 2023: Revenue of US\$378mn (6.7% decline vs. 9M 2022). Net Profit of US\$13mn (33.3% decline vs. 9M 2022)</li> </ul>   |

\*Reported net profit for FY 2022 included one-time bargain purchase gain of US\$104mn resulting from the merger of UTHC and DHC



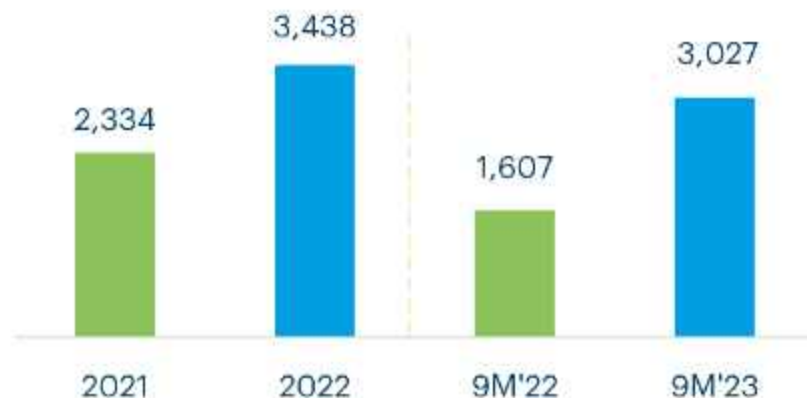
# FINANCIALS & LIABILITY MANAGEMENT



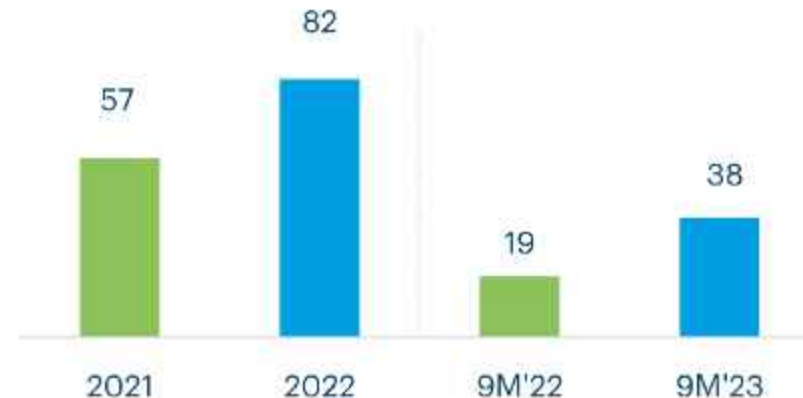
# KIPCO consolidated financial performance



Revenue<sup>1</sup> US\$ mn



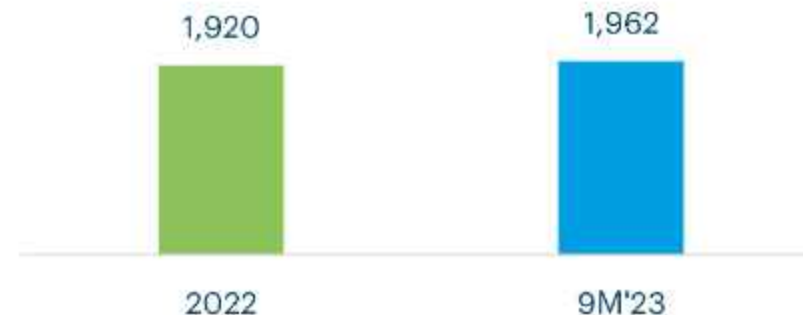
Net Profit US\$ mn



Total Assets<sup>2</sup> US\$ bn



Shareholder's Equity<sup>2</sup> US\$ mn



<sup>1</sup>Revenue for 9M 2023 and 9M 2022 may not be comparable as revenue for 9M 2022 does not include the additional revenue attributed to entities acquired through the merger which was completed in Nov 2022. FY 2022 revenue only includes three months of revenue attributable to entities acquired through the merger

<sup>2</sup>Total assets and Shareholders' equity for Dec 2022 were restated in 9M 2023 financials due to adoption of IFRS 17 by one of the group's associates GIG

# Proactive liability management



## KD103.1mn (US\$336mn) debut Sukuk issuance in July 2023, under KIPCO's US\$2bn international sukuk programme listed on the LSE

- This is the first ever KD denominated Sukuk transaction by a Kuwaiti corporate
- Provides KIPCO the access to a deep pool of Sharia compliant financing

### Key Terms

- Tenor: 6 years (maturity in July 2029)
- Floating and fixed dual tranche structure, comprising Wakala and Murabaha
  - Fixed rate certificates: KD66.05mn (US\$215mn), 64% of the issuance
  - Floating rate certificates: KD37.05mn (US\$121mn), 36% of the issuance
- Profit rate:
  - Fixed rate: 6.5% p.a.
  - Floating rate: CBK + 3%, provided floating rate shall never exceed 7.5% p.a.
- Proceeds used for the early repayment of US\$330mn syndicated medium term facility



# Proactive liability management...cont'd



## US\$525mn senior unsecured facility with an effective tenor of three-year

- Signed a US\$525mn senior unsecured credit facility with 9 regional/international banks in February 2023
- The tenure of the credit facility is 2 years + 1 year extension at KIPCO's discretion
- The proceeds used to settle US\$500mn EMTN in March 2023 and for general corporate purposes
- Current outstanding under this facility is US\$95mn (post prepayment of US\$330mn in July 2023)

## KD165mn (US\$538mn) six-year senior unsecured KD denominated bond issue

- Issued 6-year KD bond in December 2022 with maturity in December 2028
  - US\$358mn floating rate tranche
  - US\$180mn fixed rate tranche
- Corresponding exchange of KD105mn (US\$343mn) of existing bonds due in 2023 & 2024
  - US\$233mn 2023 bond settled (71.5% of 2023 bond)
  - US\$110mn 2024 bond settled (33.6% of 2024 bond)
- New money of US\$195mn

## Market validation of KIPCO credit & strategy

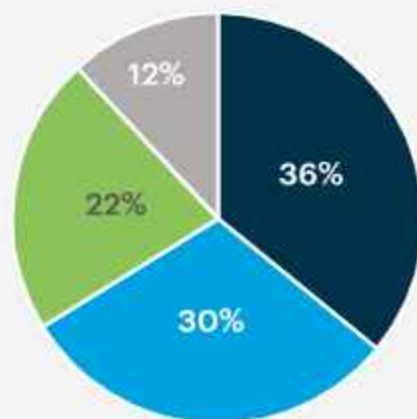
# Debt profile

As of 30 Sep 2023\*

Debt: US\$2,766mn

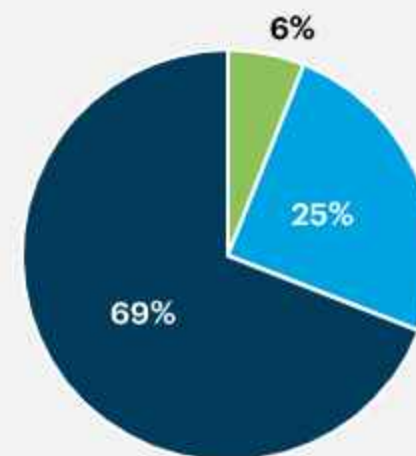
Cash Balance: US\$331mn

## Debt type



■ EMTN ■ KD Bond ■ Bank Loan ■ Sukuk

## Debt maturity



■ < 1 year ■ 1 to 3 years ■ > 3 years

**Average debt maturity of 3.4 years**

\* Subsequent to the reporting period ended 30 September 2023, KD bonds Nov 2023 amounting to KD28.5mn (US\$92mn) matured and were repaid.

## Key credit highlights





# 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 US 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 CEO in 2022, he held the position of Group COO 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, he is an accomplished finance professional with over three decades of regional and multinational experience across a broad cross section of financial services industry. He has held several leadership positions in major regional organizations including as the Group CFO, NBK Capital, Group CFO at Global Investment House and Financial Controller and Head of Strategic Planning at National Bank of Bahrain. He has also worked with KPMG, Siemens and PWC in various capacities. Mr. Bhatia holds a Bachelor of Commerce (Honours) Degree from Shri Ram College of Commerce, Delhi University and has also obtained Chartered Accountancy and Cost and Management Accountancy qualifications.



**Sheikh Sabah Mohammad Abdulaziz Al Sabah** | Group Chief Strategic Projects Officer

Joined KIPCO in 2023 as Group Chief Strategic Projects Officer. He was previously the Vice Chairman & CEO of Quraish Petrochemical Industries in 2022 during the company's merger with KIPCO. With extensive experience in investment, industry and real estate, Sheikh Sabah was the Vice Chairman & CEO of United Industries Company from 2013 to 2022. He is the Chairman of United Building Company and United Oil Projects, Vice Chairman of Jassim Transport & Stevedoring Company, and has held several board and executive positions since 2006. Sheikh Sabah holds a Bachelor's degree in Management and Organization from Kuwait University.



**Joe Kawkabani** | Group CIO

Joined KIPCO in 2018 to lead strategic initiatives and was appointed Chief Investment Officer in 2022. With over 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 CIO - MENA equities at Franklin Templeton, Co-Founder and MD 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).



**Ghada Khalaf** | Group SVP, Investments

Joined KIPCO in 2023. As part of the investment team, she is responsible for monitoring the performance of KIPCO's portfolio and seeking opportunities for new investments. She has more than two decades of experience in multiple financial and investment verticals. Prior to joining KIPCO, Ms. Khalaf held the position of CFO at Al Kout Industrial Projects. Before that she was the Executive Director of the Kuwait Office of Asiye Capital Investments Co. She started her career as a chemical engineer and has experience working in the education sector. She holds a Masters in Chemical Engineering from Imperial College London, and an MBA from the Tepper School of Business, Carnegie Mellon University in the USA.



**Samer Abbouchi** | Group Senior Vice President - Investments

Joined KIPCO's investment team in 2023 to monitor the performance of the holding's finance and real estate sectors. He has a career spanning 20 years during which he gained significant exposure to the financial sector in Kuwait and the MENA region, with particular emphasis on investment banking. Prior to joining KIPCO, Mr. Abbouchi held several positions in Gulf Bank, including Deputy GM - Investment Banking and Head of Strategic Investments. He started his career with E&Y and worked at Global Investment House. Mr. Abbouchi holds a BA in Business Administration from the American University of Beirut, an MBA from London Business School and is a CFA Charter holder.



**Eric Schumacher** | Group Treasurer

Joined KIPCO in 2019. With over 25 years of experience in International Corporate and Investment Banking, he has a proven track record of successfully advising prominent clients in their capital raising and risk management needs. Prior to joining KIPCO, Mr. Schumacher held leadership positions as a Managing Director with both HSBC and Bank FAB, and has worked in Europe, North America and most recently the Middle East where he was based in Riyadh, Abu Dhabi and Kuwait. Eric holds a Bachelor of Commerce and an MBA from Concordia University in Canada and is a Chartered Financial Analyst.



**Adel Jassem Al Waqayan** | Treasurer - Senior Vice President

Joined KIPCO in 1995. Prior to that, he was the Chief FX and Money Market Dealer at Burgan Bank for 13 years, where he dealt with several international trading instruments. He was the Chairman of the Kuwait Financial Markets Association in 2006. He is currently Chairman of the Chairman's Club and holds a board membership in United Real Estate. He holds an MBA from USI University, USA.



**Eman Al Awadhi** | Group SVP, Corporate Communications & Investor Relations

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).



# KIPCO group companies' management



**Tony Daher**  
Group CEO

Joined Burgan Bank as Group CEO in April 2023. He has over 25 years of experience. Prior to joining the Bank, He served as Deputy CEO of Gulf Bank from 2013 to 2016 and as CEO from 2016 to 2023. He has also served as General Manager for Domestic Corporate Banking at National Bank of Kuwait from 2011 to 2013 and Head of the Domestic Multinational unit from 2007 to 2011. He holds a BSc in Civil Engineering from Cleveland State University and an MBA from Case Western Reserve University in Ohio. He has also attended Executive Education courses given by the Harvard Business School.

[www.burgan.com](http://www.burgan.com)



**Patrick Stillhart**  
CEO

Joined SADAFCO as CEO in November 2021. His international career expands more than 23 years in the FMCG industry; 20+ years with Nestlé and 3+ years with DKSH. Besides Switzerland, he has lived and worked in UAE, Malaysia, Indonesia and Singapore. He holds an MBA, with major in Marketing, from the University of St. Gallen, Switzerland. He has also completed various Executive Leadership programs in Marketing, Sales, Leadership, Innovation, Digital, and Artificial Intelligence & Machine Learning (AI/ML) at several renowned business schools.

[www.sadafco.com](http://www.sadafco.com)



**Mazen Issam Hawwa**  
Group CEO

Joined URC as Group CEO in 2020. He has been a member of the senior management team of KIPCO Group where he has spent more than 20 years. He joined the finance and accounts team in 2001 and was Deputy Group COO leading finance and operations. He also serves on the board of several KIPCO operating subsidiaries. He holds an Executive MBA from HEC Paris and is a graduate of the Lebanese American University. He has attended several executive education programs, that includes the General Management Program at Harvard Business School and holds several professional qualifications from prominent US-based institutions.

[www.urc.com](http://www.urc.com)



**Hussain A. Lalani**  
CEO

Joined UGBH in 2002 and was appointed as the Acting CEO in September 2015, and subsequently CEO in April 2019. He has worked extensively with the Board of Directors on advisory transactions in his previous capacity as the Bank's CFO and partnered with business divisions to support growth and business plans. He was previously employed by EV, Bahrain and PWC, Pakistan. He is a Board Member of United Gulf Financial Services - North Africa, Tunisia; FIMBank plc. - Malta; Assoufid B.V. - Netherlands; and London Forfeiting Company - UK. A Chartered Accountant and a Certified Information Systems Auditor, he holds a Bachelor of Commerce degree from the University of Karachi, Pakistan.

[www.ugbh.com](http://www.ugbh.com)



**Faisal Mansour Sarkhou**  
CEO

Appointed CEO of Kamco Invest in 2014. He joined the Company in 2000 and has held several managerial positions including head of Corporate Finance and head of Financial Services & Investments, responsible for advising and executing mergers and acquisitions, underwritings, private placements, debt issuances, restructuring transactions, and private equity. He sits on the board of several reputable companies, member of advisory boards and executive committees and a prominent speaker in various investment forums. He holds a BSc Economics degree with honors from the University of Birmingham, UK and an EMBA with distinction from HEC Paris, France.

[www.kamcoinvest.com](http://www.kamcoinvest.com)



**Haethum Buttiki**  
CEO

Joined JKB in 2003 and has held various positions within the bank, including Head of Retail & Private Banking (2007-2021), Executive Manager of the Private Banking (2006-07) and Manager of the Main Branch (2003-05). He also serves on the board of several other organizations such as Ejara Leasing Co., United Financial Investments Co., Quds Bank - Palestine, Jordan Capital & Investment Fund Company and JOPACC. He holds a bachelor's degree in Political Science & International Relations from Kent University, UK.

[www.jkb.com](http://www.jkb.com)



**Joe Kawkabani**  
CEO

Appointed CEO of OSN in April 2022. He joined KIPCO group in 2018 and was appointed as Chief Investment Officer in 2022. He has over 20 years of experience in structuring and managing investments and ventures in frontier markets. 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.

<http://www.osn.com/>



**Muhaimin Ali Behbehani**  
CEO

Appointed CEO of NAPESCO in September 2023. He also serves on the board of a few other organizations, including United Oil Projects KSCC (UOP) and Jassim Transport & Stevedoring Co. He has a diversified experience in oil industries supported by several certificates and specialized courses in business, oil projects and planning. He holds a Bachelor's Degree in Mechanical Engineering from University of Toledo, Ohio, USA.

[www.napESCO.com](http://www.napESCO.com)



**Adel Kohari**  
CEO

Joined JTC in 2008 and was appointed CEO in April 2015. He has over 20 years of experience and has held several managerial positions within the company including General Manager of the Contract Logistics unit and Group General Manager. He holds a Bachelor's Degree in Business Administration from Western Michigan University, USA.

<http://www.jtc.com>

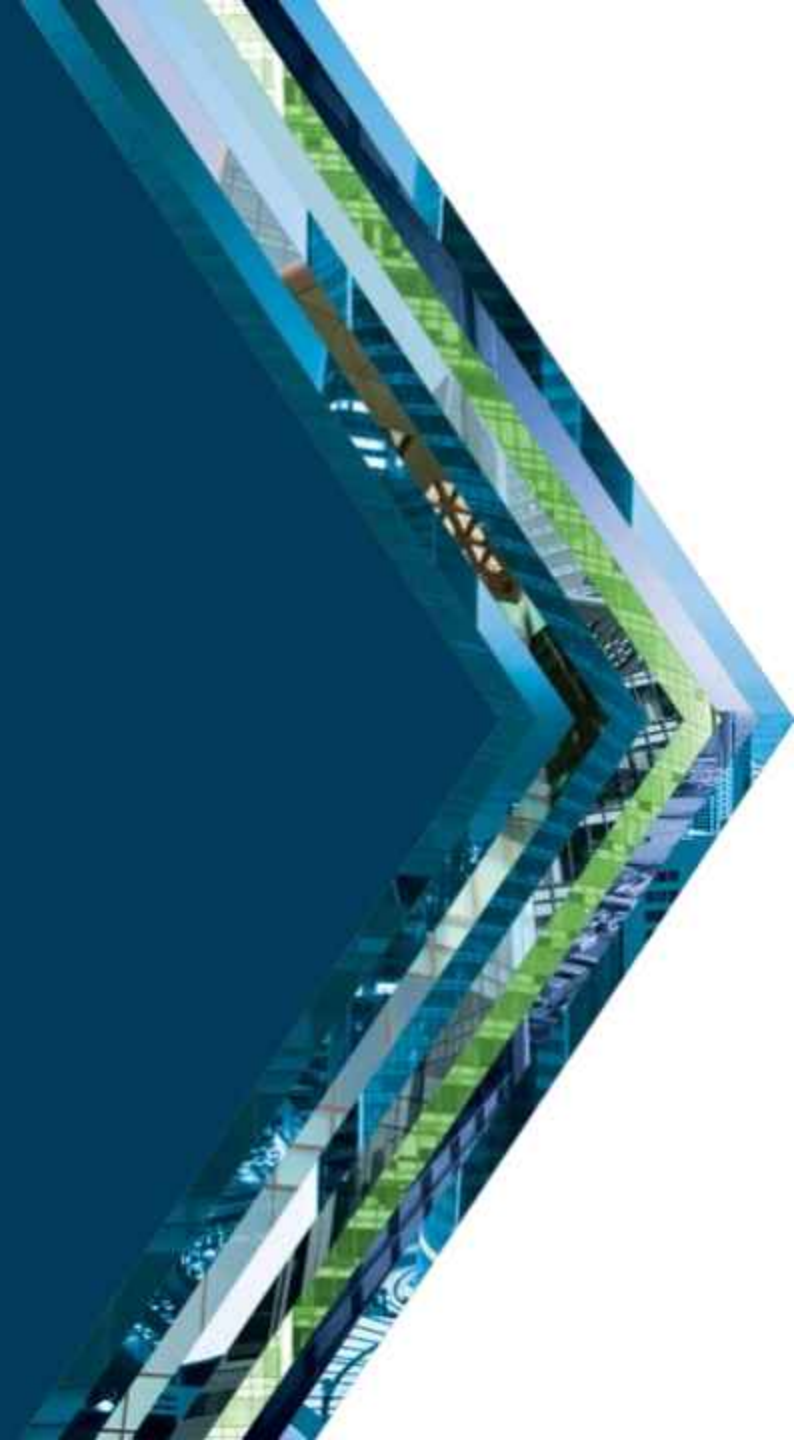


**Ghassan Mamlouk**  
CEO

Joined ATC in 1989 as a manager and moved ranks to become CEO in 2003. He has over 38 years of experience in the field of sales, marketing, technical and administration. He holds a Bachelor's of Arts degree from the University of Central Florida, USA.

[www.atc.com](http://www.atc.com)

THANK YOU





# APPENDIX

- GROUP COMPANIES' PERFORMANCE
- KEY MILESTONES
- ESG INITIATIVES
- MACRO DATA



# Portfolio view - strengths, opportunities, risks and sensitivities



|                                | Key strengths and opportunities  | Key risks & sensitivities  |
|--------------------------------|--|--|
| Petrochemical and Oil Services | <ul style="list-style-type: none"><li>✓ Competitive costs and strategic facilities</li><li>✓ Resilience of consumer demand</li><li>✓ Region has inherent demand for oil services</li></ul> | <ul style="list-style-type: none"><li>▪ Current macroeconomic landscape impacting margins</li><li>▪ Demand supply dynamics significantly impacted by China</li></ul> |
| Banking                        | <ul style="list-style-type: none"><li>✓ Presence in under-penetrated markets</li><li>✓ Strong regulatory oversight</li></ul>   | <ul style="list-style-type: none"><li>▪ Turkey – Currency risk and hyperinflation</li><li>▪ Asset quality and growth impacted by economic cycles</li></ul>           |
| Food and beverages             | <ul style="list-style-type: none"><li>✓ Growing population</li><li>✓ Evolution of customer preference</li><li>✓ Essential commodity (milk)</li></ul>                                       | <ul style="list-style-type: none"><li>▪ Competition</li><li>▪ Supply chain disruptions</li></ul>   |
| AMIB                           | <ul style="list-style-type: none"><li>✓ High proportion of HNWI in the region</li><li>✓ Developing capital markets – Potential for IB services</li></ul>                                   | <ul style="list-style-type: none"><li>▪ Capital market highly sensitive to global macro developments</li></ul>   |
| Media                          | <ul style="list-style-type: none"><li>✓ Growing content consumption</li><li>✓ Low penetration of SVOD &amp; PayTV</li></ul>  | <ul style="list-style-type: none"><li>▪ Cost pressure due to high competition</li><li>▪ Piracy</li></ul>   |
| Logistics                      | <ul style="list-style-type: none"><li>✓ Sector focus under KSA 2030 &amp; Kuwait 2035 vision</li><li>✓ High volume of Imports</li></ul>  | <ul style="list-style-type: none"><li>▪ Fragmented market with high competition</li></ul>  |
| Healthcare                     | <ul style="list-style-type: none"><li>✓ High incidence of lifestyle diseases</li><li>✓ Growing healthcare spend and awareness</li></ul>  | <ul style="list-style-type: none"><li>▪ Limited availability of local talent</li></ul>   |
| Education                      | <ul style="list-style-type: none"><li>✓ Growing demand for international-standard education</li></ul>  | <ul style="list-style-type: none"><li>▪ Shortage of skilled teachers</li><li>▪ Preference for international education for higher studies</li></ul>                   |



# Burgan Bank

## Business highlights

- Kuwait based commercial bank with regional presence in five countries
- 2<sup>nd</sup> largest conventional bank in Kuwait in terms of assets (US\$22.6bn<sup>1</sup>)
- BBB+ rating from S&P, Baa1 from Moody's, A from Fitch and A+ from CI
- Stable CET 1 ratio of 11.3% and CAR of 17.6%<sup>1</sup>
- Liquidity coverage ratio of 174% and Net stable funding ratio of 120%<sup>1</sup>
- Listed on Boursa Kuwait with a market cap of US\$1.8bn<sup>2</sup>
- In Feb 2023, sold its 51.8% stake in Bank of Baghdad to Jordan Kuwait Bank. Improved CET 1 by 70 bps+
- In Nov 2023, Burgan Bank agreed to sell 52% stake in Burgan Bank Turkey (BBT) to Al Rawabi United Holding Company, a fully-owned subsidiary of KIPCO. It will continue to maintain operational control and consolidate BBT in its financial results. The transaction is expected to be completed in next few weeks

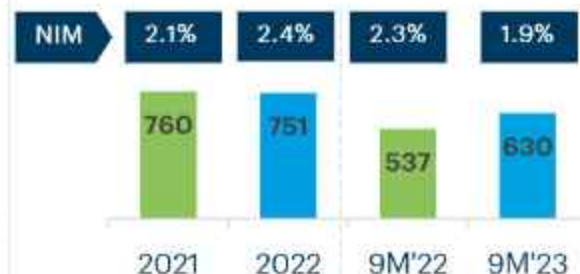
## Key franchises

| Name  | Market Position                   | Effective Stake <sup>3</sup> | Assets <sup>1</sup> US\$ mn | Revenue <sup>4</sup> US\$ mn |
|---|-----------------------------------|------------------------------|-----------------------------|------------------------------|
|  BURGAN BANK Kuwait                          | #2 conventional bank              | 100%                         | 18,774                      | 364                          |
|  BURGAN BANK Turkey                          | Niche player in corporate banking | 100%                         | 2,736                       | 207                          |
|  بنك الخليج الجزائر<br>Bank of Algeria       | #3 private sector bank in Algeria | 86%                          | 2,378                       | 90                           |
|  بنك تونس الدولي<br>Tunis International Bank | Leading offshore bank in Tunisia  | 87%                          | 486                         | 23                           |

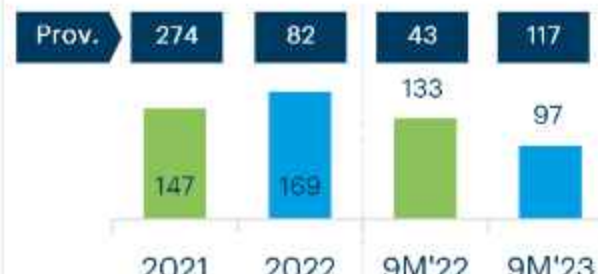
Loans & Deposits US\$ bn



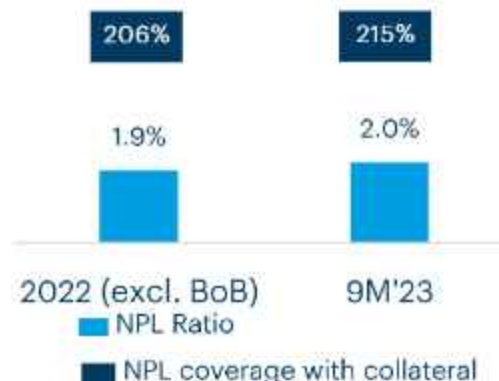
Operating Income US\$ mn



Net Income US\$ mn



Loan Quality %



# Equate Group

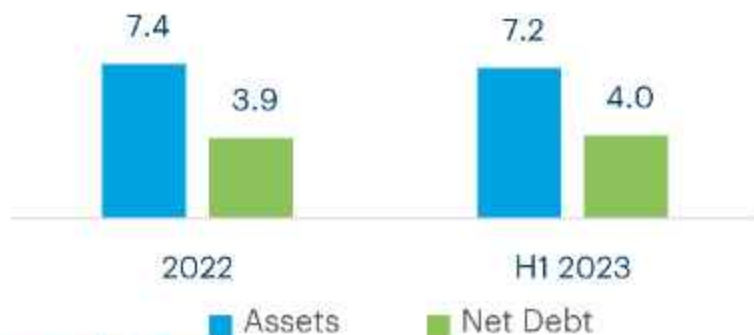
## Business highlights

- Kuwait based petrochemical company with operational presence in 11 countries through its subsidiaries
- Product portfolio – Ethylene Glycol (EG, production capacity of 3.2mn MT), Polyethylene (PE, production capacity of 1mn MT) and Polyethylene Terephthalate (PET, production capacity of 335K MT)
- Second largest producer of Ethylene Glycol in the world with production facilities in Kuwait, USA, Canada, Netherlands, etc.
- Shareholders: PIC (42.5%), Dow Chemical (42.5%), Boubyan Petrochemical (9%) and KIPCO (6%)
- ESG remains a focus area: Earned several prestigious national and international honors for industrial distinction, sustainability achievements, EH&S excellence and CSR initiatives
- Strong credit profile with S&P rating of BBB and Moody's rating of Baa2

Product Mix<sup>1</sup>



Assets & Net Debt US\$ bn



Revenue & Net Profit US\$ mn



Revenue by Region<sup>1</sup> %



<sup>1</sup> As of 30 June 2023; <sup>2</sup> For H1 2023



# Gulf Insurance Group

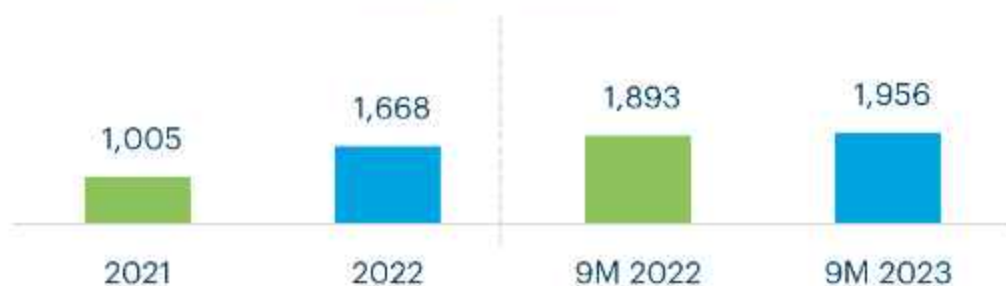
## Business highlights

- Kuwait-based insurance company with operations in life and non-life as well as Takaful insurance; market cap of US\$1,670mn<sup>1</sup>
- Presence across the MENA region in 13 countries through a network of over 85 branches; market leader in 4 countries
  - GIG successfully completed acquisition of AXA's Gulf operations in Sep 2021, improving its market share position to #3 among peers in the MENA region
  - #1 in Kuwait for 17 consecutive years\*
  - #1 in Insurer in Bahrain\*, Jordan\* & Egypt\*\*
  - Successfully won (renewed) Afyaz project for two years in Sep 2022, and improved scheme performance and customer satisfaction
- Operates in two segments<sup>2</sup>; general risk insurance (56%) and life and medical insurance (44%)
- First triple-rated insurance group in Kuwait – A by S&P, A2 by Moody's and A by A.M. Best

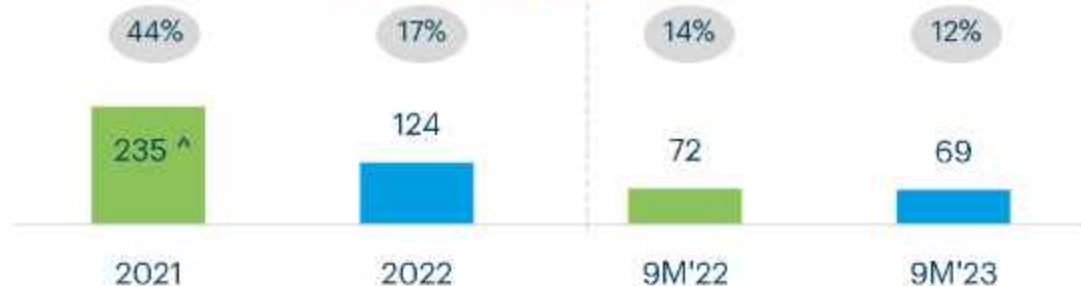
## Key franchises

| Name                     | Market Position                         | Effective Stake <sup>3</sup> |
|--------------------------|---|------------------------------|
| GIG Gulf                 | Among Top-5 players in UAE and and Oman | 100%                         |
| GIG Kuwait               | #1 by GPW in Kuwait                     | 100%                         |
| Bahrain Kuwait Insurance | #1 by GPW in Bahrain                    | 56%                          |
| Arab Orient Insurance    | #1 by GPW in Jordan                     | 90%                          |
| Arab Misr Insurance      | #1 by technical profits in Egypt        | 99%                          |
| Gulf Sigorta             | Niche player in Turkey                  | 99%                          |

Revenue<sup>^^</sup> US\$ mn



Net Profit US\$ mn & ROE %



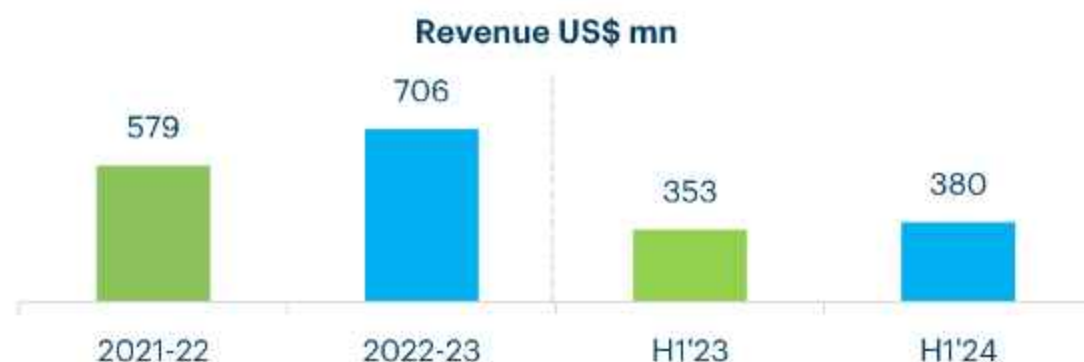
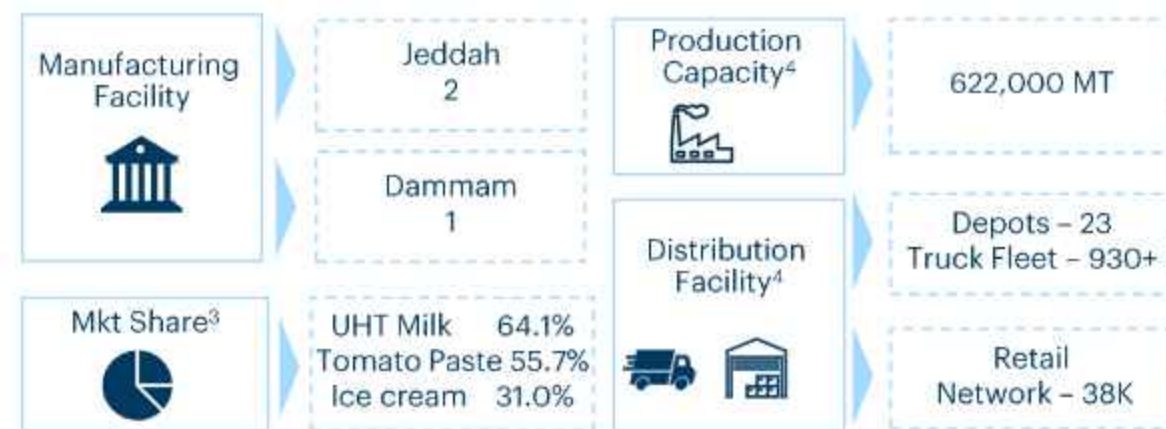
Return on Equity



## Business highlights

- Saudi Arabia-based leading food & beverage company, with operations in the Middle East and Europe
- Market leader in KSA's Plain UHT milk, Tomato paste and Ice cream, marketing its core products under the flagship Saudia brand
- Diversified revenue<sup>1</sup>:
  - By product: Milk ~61%, Ice-cream ~24%, Tomato products ~10% and others 5%
  - By countries: KSA ~92%, GCC & Jordan ~5% and exports ~3%
- Strong regional retail network of over 38,000 outlets across Arabian peninsula
- Listed on Saudi Arabian stock exchange with market cap of US\$2.5bn<sup>2</sup>

## Operational highlights



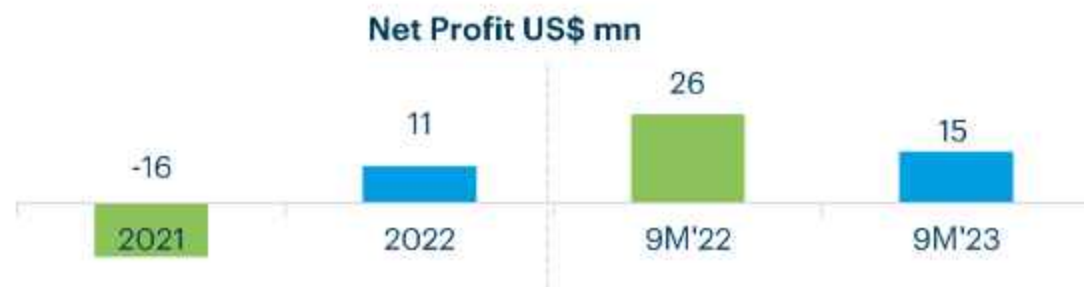
# United Real Estate Company (URC)

## 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 second in real estate sector on Bursa Kuwait in terms of asset size of US\$2.2bn<sup>1</sup>. Listed on Bursa Kuwait with market cap of US\$193mn<sup>2</sup>
- Successfully completed its merger with United Towers Holding Company (UTHC) and Al Dhiyafa Holding Company (DHC) on 22 December 2022
- The merger provided URC with an enhanced portfolio of income generating assets, added value creation and strengthened shareholder base

## Key franchises

| Country | Name of properties   |
|---------|--|
| Kuwait  | KIPCO Tower, Al Shaheed Tower, City Tower, Marina World, Marina Hotel, Marina Plaza        |
| Jordan  | Abdali Mall  |
| Oman    | Salalah Gardens Mall and Residences  |
| UAE     | Fujairah Residential Buildings   |
| Egypt   | Aswar Residences, Hilton Heliopolis Hotel, Waldorf Astoria Cairo Tower, Manazel Residences |
| Lebanon | Bhamdoun, Raouche View at 1090   |



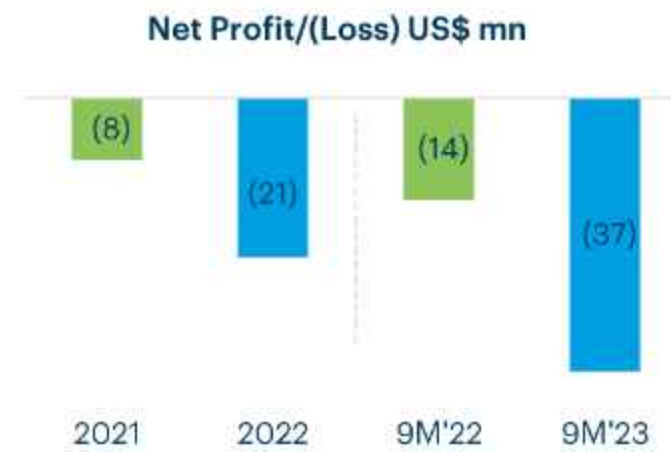
# United Gulf Holding Company (UGH)

## Business highlights

- Bahrain-based financial services group listed on the Bahrain Stock Exchange
- Activities include asset management, corporate finance advisory and brokerage services
- Asset base of US\$2.9bn<sup>1</sup>

## Key franchises

| Name   | Market Position                              | Effective Stake <sup>1</sup> | Assets <sup>1</sup> US\$mn | Revenue <sup>1</sup> US\$mn |
|--|--|------------------------------|----------------------------|-----------------------------|
| <b>KAMCO INVEST</b>  | #1 asset management company in Kuwait by AuM | 60%                          | 411                        | 36                          |
| <b>BURGAN BANK</b>   | #2 conventional bank in Kuwait by assets     | 15%                          | 22,618                     | 630                         |
| <b>UBC</b> United Bank of Kuwait<br>United Real Estate Co. | #2 real estate company in Kuwait by assets   | 8%                           | 2,165                      | 201                         |
| <b>FTMBANK</b>   | Niche trade finance player in Malta          | 80%                          | 1,619 <sup>^</sup>         | 28 <sup>^</sup>             |





# Jordan Kuwait Bank (JKB)

## Business highlights

- Jordan based commercial bank with operations in Jordan, Iraq, Cyprus and Lebanon
- In Feb 2023, JKB completed the acquisition of 52% stake in Bank of Baghdad
- Listed on Amman Stock Exchange with a market capitalization of US\$517mn<sup>1</sup>
- 5<sup>th</sup> largest conventional bank in Jordan in terms of asset size of US\$7.1bn<sup>2</sup>
- Focus on stable and essential sectors like Energy, Industry and Trade and retail and SME segment through expanded distribution network
- Capital adequacy ratio of 17.56%<sup>2</sup>
- In October 2023, JKB sold 66.97% of BHM Capital for ~US\$43mn (JOD 30.6mn)

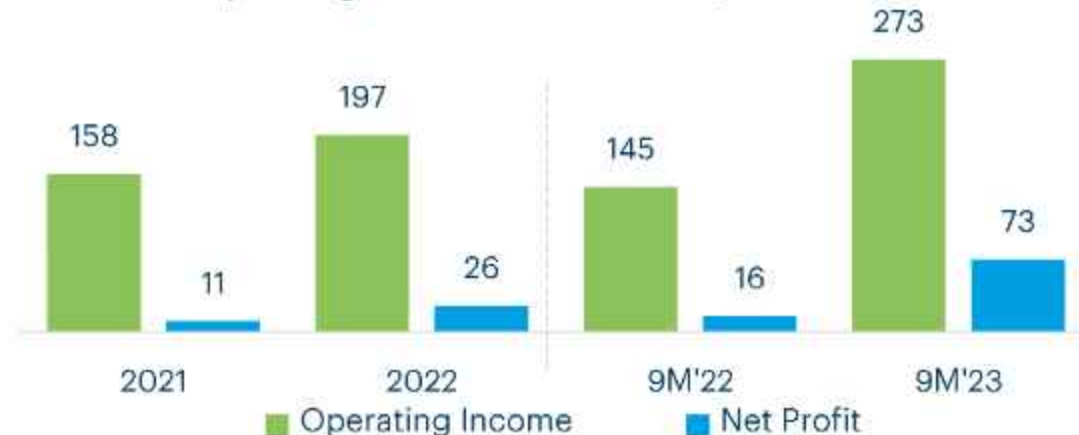
## Operational highlights



Loans & Deposits US\$ bn



Operating Income & Net Profit US\$ mn



# NAPESCO - National Petroleum Services Company

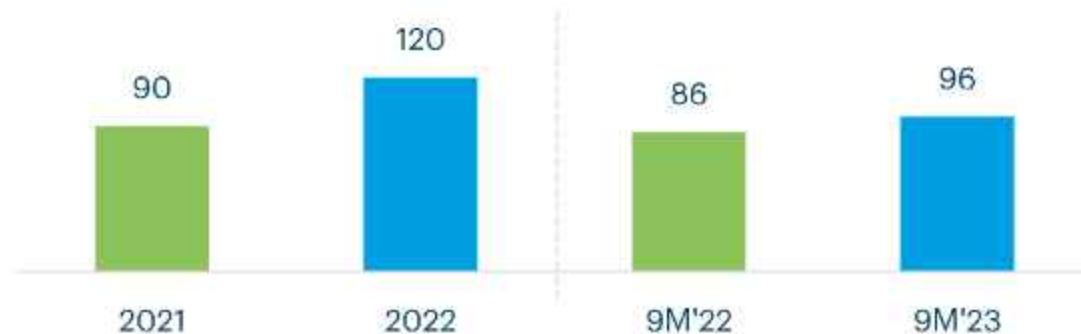
## Business highlights

- A Kuwait based leading provider of Upstream Oilfield Services including Cementing, Stimulation, Coiled Tubing, Nitrogen, and Downhole Service Tools along with pumping services to the Kuwait energy sector
- Core activities involve services within Upstream Oilfield Services, Downstream & Energy Services and QHSE implementation
- Listed on Boursa Kuwait since 2003 with a market cap of US\$232mn<sup>1</sup>

## Segment information

| Segment                | Description  | Assets <sup>2</sup><br>US\$mn | Revenue <sup>3</sup><br>US\$mn |
|------------------------|--|-------------------------------|--------------------------------|
| Oil field services     | Oil field services comprise of cementing and stimulation formulations for different applications and operating environments for oil rigs                   | 175                           | 77                             |
| Non-oil field services | Non-oil field services comprise of a number of diversified activities with health, safety and environmental services, engineering and consultancy services | 3                             | 19                             |

Revenue US\$ mn



Net Profit US\$ mn





# JTC - Jassim Transport & Stevedoring Company

## Business highlights

- Kuwait headquartered inland transportation company with operations in Kuwait, Qatar & Saudi Arabia
- Leading service providers of Ports management, Contract Logistics, Equipment Leasing and Power Rental with asset size of US\$223mn<sup>1</sup>
- Listed on Boursa Kuwait with a market cap of US\$154mn<sup>2</sup>



Revenue & Net Profit US\$ mn



# ATC - Advanced Technology Company

## Business highlights

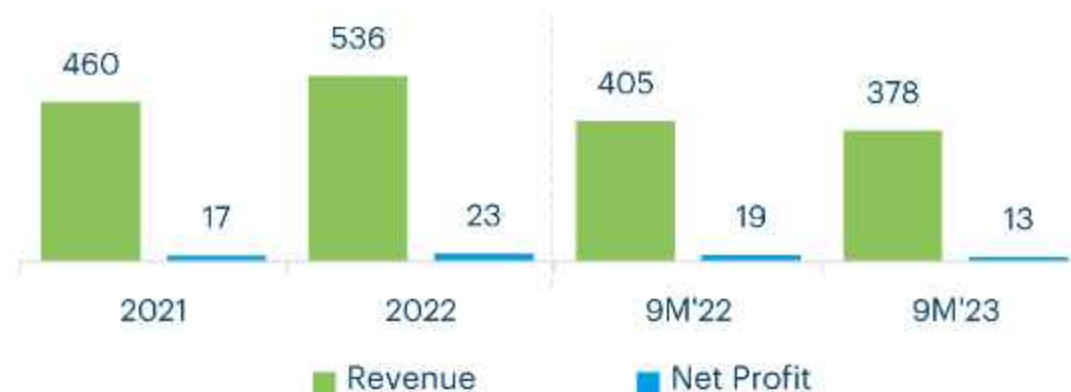
- Started operations in 1981 as a medical equipment supplier to the Kuwait healthcare sector
- Leading distributor and marketer of healthcare & environmental products and services with asset base of US\$1.1bn<sup>1</sup>
- 1000+ customers; 10+ business divisions; 30+ major brands and capability of delivering over 95% of hospital's requirement
- Listed on Boursa Kuwait with a market cap of US\$208mn<sup>2</sup>



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

<sup>1</sup>As of 30 September 2023 <sup>2</sup>As of 15 Nov 2023

Revenue & Net Profit US\$ mn



# KARO - The Kuwait Aromatics Company

## Business highlights

- Kuwait based holding company with aromatics production facilities through its subsidiaries – KPPC and TKSC
- It is involved in manufacturing of Paraxylene, Benzene and Styrene

## Operational highlights

Production  
Capacity



Benzene – 393,000 MT

Paraxylene – 829,000 MT

Styrene – 450,000 MT

Revenue US\$ bn



Net Profit US\$ mn



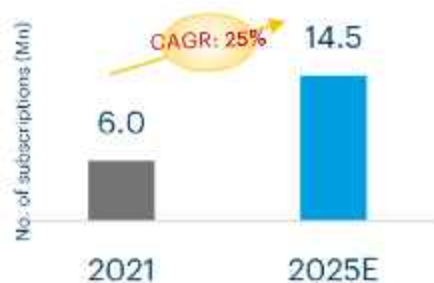


- General entertainment platform in MENA, operating across multiple platforms:
  - Over-the-top streaming (OTT)
  - Direct-to-home (DTH), Cable fibre & Internet Protocol television (IPTV)
  - Business - Large commercial setups & hotels
- Premium content:
  - 70 channels (50 HD channels and 20 owned and operated channels) in linear TV
  - 18,000 hours of content on OSN+
  - 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; 13 retail locations and network of 30 partners
- Focused on enhancing user experience on its digital platforms to scale up the business along with cost optimization
- Subscribers base of 1.5mn as of 30 June 2023 with streaming subscribers of ~730k

## Strategic deal between OSN+ and Anghami

On 21 Nov 2023, KIPCO announced that OSN has signed a conditional binding agreement to combine its streaming platform OSN+ with Anghami Inc. (listed on Nasdaq) and to inject up to US\$50mn for a majority stake in Anghami Inc.

### OTT market in MENA\*



### Key content partners



### Key telco distribution partners



\* OSN Key markets (KSA, UAE, Kuwait, Qatar, Egypt, other territories); Source: McKinsey & OMDIA

# United Education Company (UEC)

- KIPCO Group owns 64% stake in UEC
- It owns, develops, manages and operates K-12 and higher education institutions in Kuwait
- Leading schools/ colleges, imparting quality education across multiple curriculums, to the students of various nationalities
- Combined capacity of over 20,000 students across the education franchise

## Education institutions under UEC



American University of Kuwait (AUK)



New Pakistan International School - Kuwait (NPIS)



Fahaheel Al Watanieh Indian Private School - Kuwait (FAIPS)



The International British School - Kuwait (IBS)



Kuwait International English School (KIES)



Fahaheel Al Watanieh School - Kuwait, (FAS)



American United School of Kuwait, (AUS)





# KIPCO business evolution – Key milestones

- Small/passive investments
- First stake in foundation assets

- ▶ 1988: Acquisition of UGB
- ▶ 1994: Acquisition of stake in URC
- ▶ 1995: Acquisition of stake in Burgan Bank
- ▶ 1995: Formation of GDTH (Now OSN)
- ▶ 1996: Acquisition of stake in GIG
- ▶ 1996: KIPCO rights issue & increase in stake by AFH
- ▶ 1996: Acquisition of Saudia Dairy and Foodstuff Company
- ▶ 1997: Acquisition of stake in JKB

1988 – 1997

- Shift to influential stakes

- ▶ 1998: Formation of KIPCO Asset Management Company (KAMCO)
- ▶ 1999: Acquisition of stake in NMTC (Wataniya Telecom)
- ▶ 2005: SADAFCO IPO
- ▶ 2006: Established US\$2bn EMTN programme

1998 – 2006

- Controlling or majority stakes, Expanding Franchise
- Partnerships

- ▶ 2007: Sale of Wataniya Telecom for KD1.1bn (\$3.7bn). The sale resulted in a gain to the Group of KD468mn (\$1.6bn)
- ▶ 2008: Group structure evolution – Banking entities brought under Burgan Bank
- ▶ 2009: Merger of Showtime with Orbit (Now OSN)
- ▶ 2010: Partial sale in GIG to Fairfax
- ▶ 2010: Acquired additional stake in URC
- ▶ 2012: Acquisition of Eurobank Tekfen by Burgan Bank
- ▶ 2013: Acquisition of stake in FIMBank Malta by BB & UGB

2007-2017

- Expanding and rationalizing portfolio
- Right sizing capital structure

- ▶ 2019: Merger of Global Investment House with KAMCO
- ▶ 2019: KIPCO rights issue (KD95mn)
- ▶ 2021: Acquisition of AXA's operations in Gulf region by GIG for \$475mn
- ▶ 2021: KIPCO rights issue (KD80mn)
- ▶ 2022: Merger of United Towers Holdco & Al Dhiyafa Holdco with URC
- ▶ 2022: QPIC merged with KIPCO; total assets increased by ~\$3.7bn and shareholders' equity by ~\$864mn
- ▶ 2022: Largest KD-denominated bond issuance of KD165mn (\$538mn)
- ▶ 2023: Signed binding agreement to sell group stake in GIG to Fairfax for KD264mn (\$860mn), with expected profit from sale of KD 70-80mn
- ▶ 2023: Established a US\$2bn international Sukuk and made KD103mn debut issuance
- ▶ 2023: Announced strategic deal between OSN+ and Anghami

2018 onwards

# KIPCO - ESG focus

## VISION



Advance the role of ESG across KIPCO, operating businesses and stakeholders.

## MISSION



To govern consistent, collective value in a sustainable, compliant and impactful manner

## ESG Values



Proactivity



Alliance



Commitment



Transparency

## ESG Strategic Priorities

- 1 Attractive Workplace
- 2 Positive Environmental Outcomes
- 3 Responsible Community Engagement
- 4 Adaptive Governance
- 5 Sustainable Economic Impact

## Prioritizing ESG initiatives



# ESG at the core of our major investments



[Sustainability Report 2022](#)



## Environment

### Responsible Lending

Financed projects, related to renewable energy & plantation, valued at **~\$72mn**

1<sup>st</sup> Bank in Kuwait to create a **Sustainable Financing Framework**

### Energy

Reduced energy consumption by **~12%**

### Waste Management

**+90%**  
Waste recycled

### Waste Management

Waste Recycle Rate of **+90%** Jeddah Factory  
**+95%** Dammam factory

### Water Management

Annual water saving of **+45mn ltr**

### Energy

Renewable energy used **1450 MWh, ~4x** of previous year

### Sustainable Packaging

Reduced plastic consumption by **~14%**

1<sup>st</sup> in Jordan with **Gold LEED** certificates for **green building operations**

Issued 1<sup>st</sup> **Green bond** in Jordan of US\$50mn

### Energy

Renewable energy used **70%** of total electricity consumption is from **Renewable sources**

### Energy

MEGlobal Americas glycol plant is powered by **100% Renewable** Energy as of 2023



## Social

### Diversity & Inclusion

**47%** Female employees & **~7%** Attrition rate

### Kuwaitization

**80%** of the employees are Kuwaitis

### Product Quality & Safety

**Zero** cases of non-compliances with regulations related to food safety

### Diverse Workforce

**+2500** employees from **45+ Countries**

### Green Lending

**\$190mn** Portfolio size, since inception

### Diversity & Inclusion

**45%** Female recruitments

Implemented **Product Stewardship Program** in MEGlobal facilities

### Non-Discrimination

**Zero** cases of discrimination

### Community Impact

**0.4%** of Net Profit (FY 2022-23) spent on CSR Initiatives

### Employee

Low Attrition rate of **11.8%**

### CSR projects

**\$1.4mn** spent on **+190** CSR Projects

### Employee

**+34,000** training hours



## Governance

### Ethics & Integrity

**Zero** confirmed cases of corruption

### Ethics & Integrity

**Zero** cases of corruption, anti-competitive behavior & anti-trust

### Data Privacy & Security

**Zero** incidents of data breach

### Corporate Governance

**46%** Independent Board

### Data Privacy & Security

**Zero** incidents of data breach

Currently working with Ernst & Young on **ESG reporting** for the years 2021-2022

### Corporate Governance

**45.5%** Independent Board

### Corporate Governance and Compliance

Working towards ISO 37000:2021

**28 processes** automated using **Robotics technology**

**Collaboration with IBM** to use AI solutions



[Sustainability Report 2022-23](#)



[Sustainability Report 2022](#)



[Sustainability Report 2019-20](#)

## Multiple sustainability initiatives across the group entities

Note: The above ESG highlights are sourced from the latest sustainability report of the entities

# Kuwait fundamentals remain strong...



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



Supported by low fiscal break-even oil price  
(US\$92.9 per barrel\*)



6<sup>th</sup> largest Proven oil reserve of 101.5BBL (6.5% of global reserves)  
Budgeted Production 2023/24 – 2.7Mn barrels per day\*



Very low public debt at 3.4% of GDP (2023F) and 3.1% (2024F)



Higher oil prices, expansionary fiscal policy, increased traction on projects implementation and a further recovery in the labor force would be positive for economic growth<sup>1</sup>



Posted a fiscal surplus of KD 6.4bn (11.8% of GDP) in FY 22-23, its first since 2014 driven by higher oil prices

Real GDP growth rate %



Fiscal balance % of GDP<sup>2</sup>





...as well as for the GCC, though outlook is cautious due to global developments



Nominal GDP (US\$ Bn, 2024E)



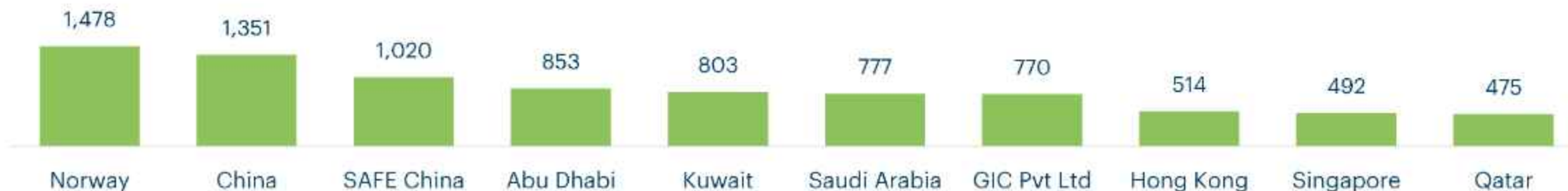
Real GDP Growth (% yoy, 2024E)



Gross debt (% GDP, 2024E)



Regional Funds rank within global Top 10 Sovereign Wealth Funds<sup>1</sup> US\$ bn



Source: IMF-WEO Database, October 2023, CIA, S&P Global, SWFI

1. As on 6 Nov 2023; Source (swfinstitute)