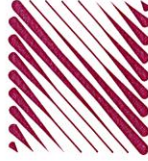


شركة الاستثمارات الوطنية	
صادر خارجي	
	
18/05/2022	تاريخ المراسلة
NIC - 3-25/104/8348	رقم المراسلة



شركة الاستثمارات الوطنية  
NATIONAL INVESTMENTS COMPANY

Date: 18 MAY 2022

التاريخ: 18 MAY 2022

To: Boursa Kuwait Company  
Dear Sirs,

السادة/ شركة بورصة الكويت  
تحية طيبة وبعد،،،

**Subject: Analysts/ Investors Conference  
for Q1 of the Financial Year 2022**

**الموضوع: مؤتمر المحللين/ المستثمرين  
للمربع الأول من السنة المالية 2022**

With reference to the above subject, and in line with requirements stipulated in article No. (7-8) of Boursa Rulebook, enclosed herewith the disclosure form of material information regarding the holding of Analysts Conference for Q1 of the financial year 2022, held on 18/05/2022.

بالإشارة إلى الموضوع أعلاه، والتزاماً بالمتطلبات الواردة بالمادة رقم (7-8) من كتاب قواعد البورصة، نرفق لكم نموذج الإفصاح عن المعلومات الجوهرية بشأن عقد مؤتمر المحللين للمربع الأول من السنة المالية 2022، والمنعقد بتاريخ 2022/05/18.

Sincerely Yours.

وتفضلوا بقبول فائق الاحترام،،،

فهد عبدالرحمن المخيزيم - Fahad Abdulrahman Al Mukhaizim  
الرئيس التنفيذي – Chief Executive Officer

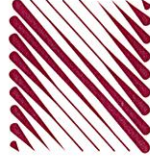


شركة الاستثمارات الوطنية  
NATIONAL INVESTMENTS COMPANY

15

CC: Capital Market Authority

نسخة إلى: السادة هيئة أسواق المال



## نموذج الإفصاح عن المعلومات الجوهرية

### Disclosure of Material Information Form

Date	18 MAY 2022	التاريخ
------	-------------	---------

Name of the Listed Company	اسم الشركة المدرجة
National Investments Company (K.S.C.P)	شركة الاستثمارات الوطنية (ش.م.ك.ع)

Material Information	المعلومة الجوهرية
National Investments Company (NIC) has held the Analysts/ Investors Conference for Q1 of the financial year 2022, where it was held via (Live Webcast) at 2:00 PM (local time) on Wednesday 18/05/2022, there was no material information discussed during the conference.	قامت شركة الاستثمارات الوطنية بعقد مؤتمر المحللين/المستثمرين للربع الأول من السنة المالية 2022، حيث انعقد المؤتمر عن طريق البث المباشر على شبكة الانترنت (Live Webcast) في تمام الساعة الثانية من ظهر يوم الأربعاء الموافق 2022/05/18 (وفق التوقيت المحلي)، ولم يتم الإفصاح عن أي معلومات جوهرية خلال المؤتمر.
Attached is the Analysts Conference Presentation.	مرفق نسخة من العرض التقديمي لمؤتمر المحللين.

Significant Effect of the material information on the financial position of the company	أثر المعلومة الجوهرية على المركز المالي للشركة
No significant effect of the material information on the financial position of the company.	لا يوجد أثر للمعلومات الجوهرية على المركز المالي للشركة.



شركة الاستثمارات الوطنية  
NATIONAL INVESTMENTS COMPANY



شركة الاستثمار الوطنية  
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Since 1987

# National Investments Company Analysts Conference Q1 2022

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## Presented By



Mr. Almuthana M. Al Maktoum  
Executive Vice President  
Wealth Management Sector



Mr. Girish S. Nair  
Chief Financial Officer  
Finance & Accounts Sector



Mr. Bashar Khan  
Senior Vice President  
Investment Banking Sector

# Agenda

Content	Page
FINANCIAL HIGHLIGHTS	5
OUR STRATEGY FOR THE FUTURE	13
Q&A	16
APPENDICES	17

# FINANCIAL HIGHLIGHTS

شركة الاستثمار الوطنية  
NATIONAL INVESTMENTS COMPANY

## Q1 2022 Key Financial Highlights

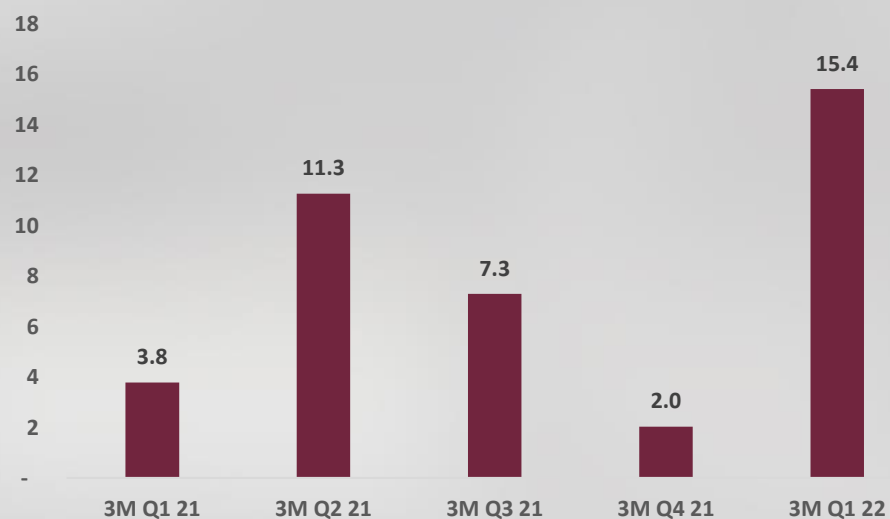
- ❖ Strong performance during Q1 2022.
- ❖ Net profit of KWD 15.4 million during Q1 2022 as compared to KWD 3.8 million during Q1 2021.

Key Financial Metrics		
	Q1 2021	Q1 2022
<b>Income Statement</b>		
Net profit (million)	KWD 3.8	KWD 15.4
Earnings per share	4.7 fils	19.3 fils
Total comprehensive income (million)	KWD 6.9	KWD 34.5
<b>Financial Position</b>		
Total assets (million)	KWD 228.6	KWD 328.6
Total liabilities (million)	KWD 29.4	KWD 56.7
Shareholders' equity (million)	KWD 181.9	KWD 251.3
<b>Financial Ratio</b>		
Return on average equity (%)	2.1%	6.6%
Return on average assets (%)	2.1%	5.5%
Leverage ratio (%)	14.7%	20.9%
Quick ratio (%)	26.4%	50.5%

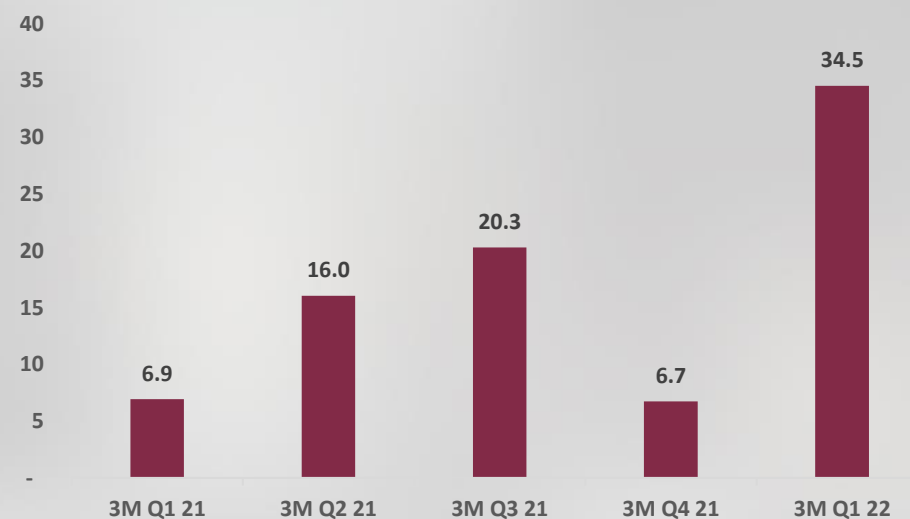
# Q1 2022 Financial Performance

❖ Trajectory of NIC's quarterly performance since Q1 2021.

**Net Profit (Loss)**  
(KWD Million)



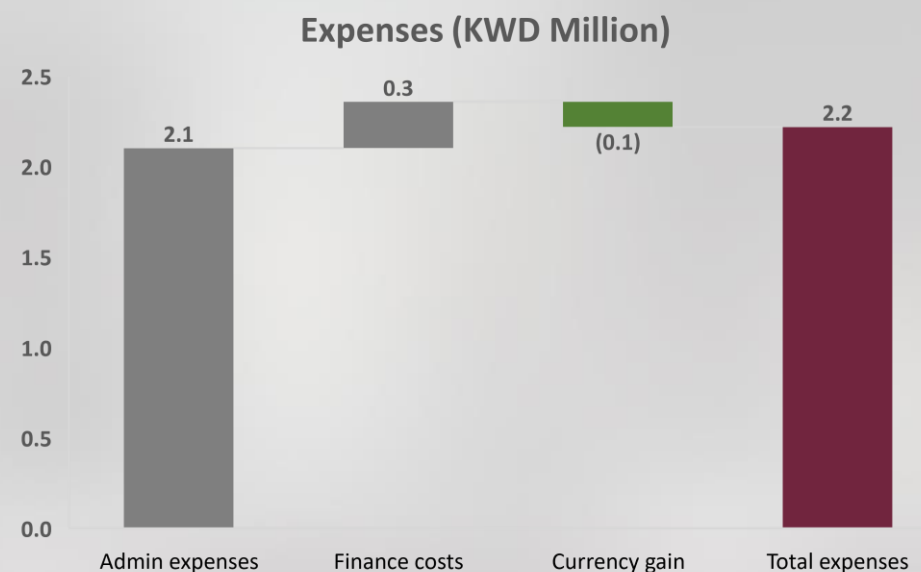
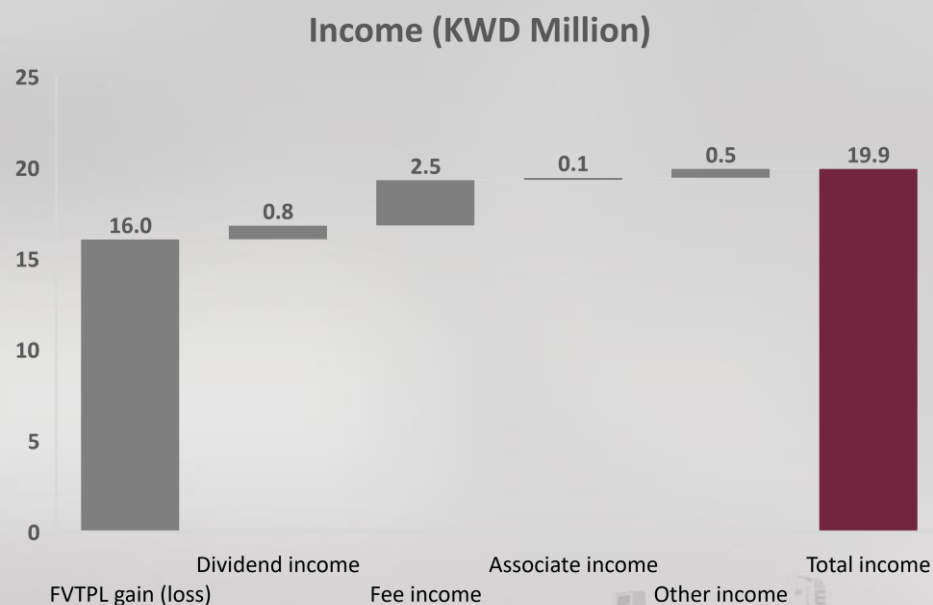
**Total Comprehensive Income (Loss)**  
(KWD Million)



# Q1 2022 Income Drivers and Expenses

**Income of KWD 19.9 Million and Expenses of KWD 2.2 Million.**

- ❖ Gain on financial assets at fair value through profit or loss (FVTPL), dividend income and fee income contributed 81%, 4% and 13% respectively to the total income.
- ❖ Total expenses of KWD 2.2 million for Q1 2022 are in line with Q1 2021 total expenses.

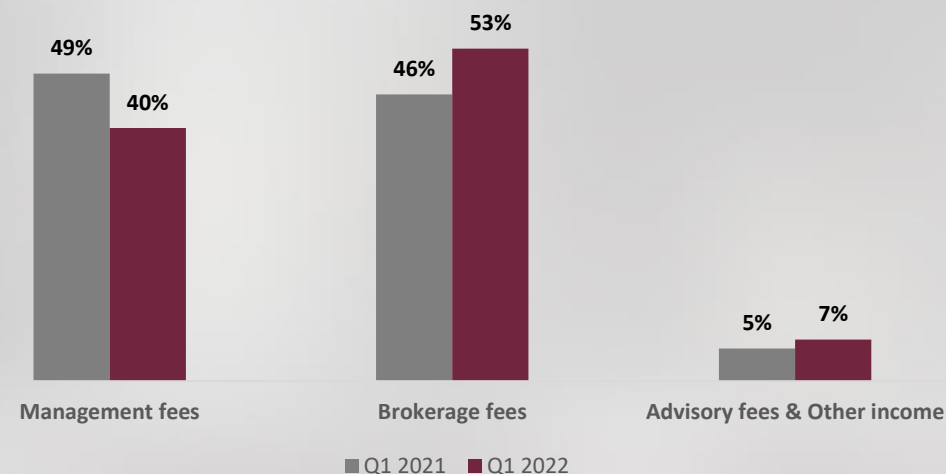


# Q1 2022 Fee Income Analysis

- ❖ 69% increase in total fee income.
- ❖ Growth across main categories:
  - Brokerage revenue from Al Waseet Financial Business K.S.C.C. grew by 96%.
  - Management fees (from funds and portfolios) grew by 39%.

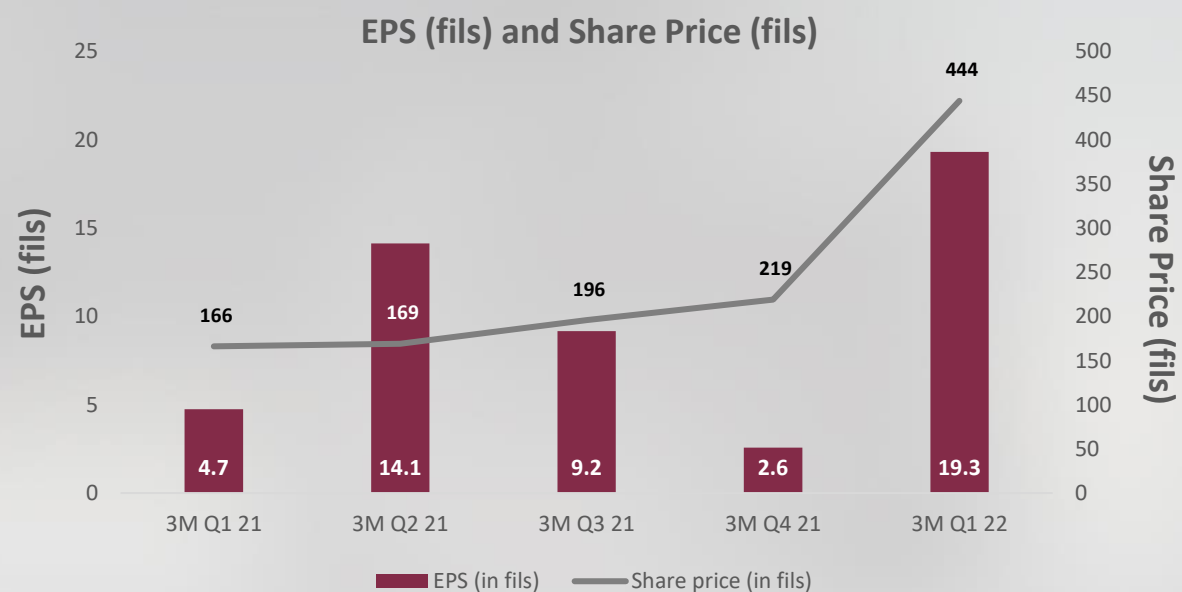
Breakdown of Fee Income	Q1 2021	Q1 2022
	KWD'000	KWD'000
Management Fees	724	1,004
Brokerage Fees	675	1,321
Advisory Fees & Other Income	77	167
<b>Total Fee Income</b>	<b>1,476</b>	<b>2,492</b>

% Contribution to Total Fee Income



# Q1 2022 Earnings Per Share

❖ Earnings Per Share of 19.3 fils.

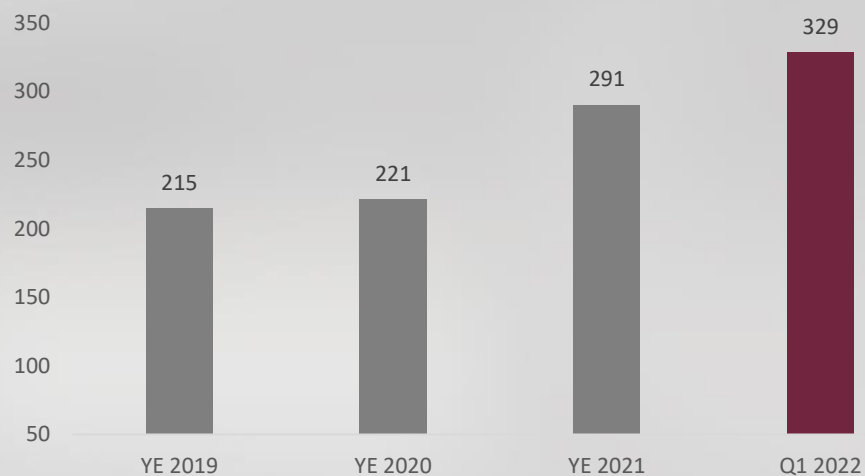


Share price is bid price as of end of each quarter.

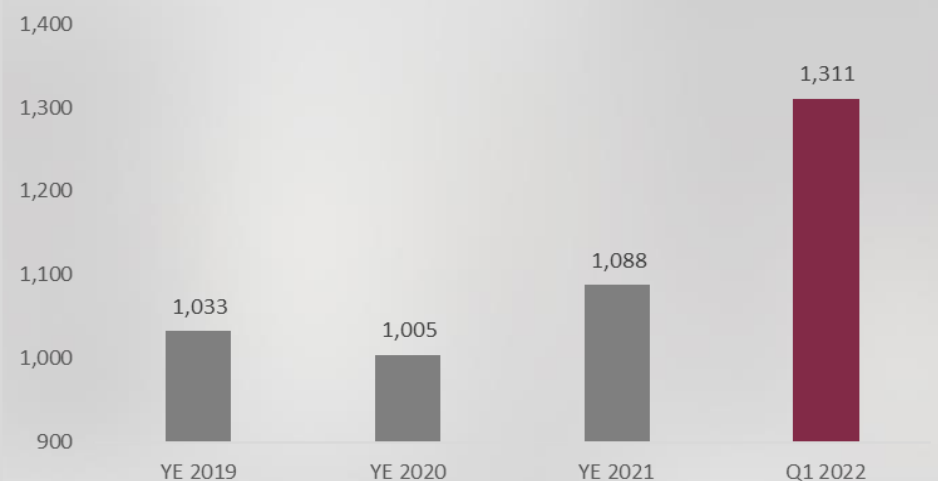
## Q1 2022 Profile of Assets

- ❖ Total assets witnessed a YTD growth of 13% during Q1 2022 mainly on account of an increase in valuation of FVTPL and financial assets at fair value through other comprehensive income (FVOCI).
- ❖ Assets Under Management grew by 20% during Q1 2022.

**Total Assets (KWD Million)**



**Assets Under Management (KWD Million)**



# Sectors

MENA Securities	Investment Banking		Real Estate
	Advisory	Alternative Investments	
<ul style="list-style-type: none"> <li>❖ Capitalized on investment opportunities, by tactically shifting our funds and client portfolios towards attractive sectors/companies. This contributed to a positive return in Q1 2022 across our investment funds, investments portfolio and proprietary portfolio.</li> <li>❖ Outstanding performance in our Funds enabled us to deliver attractive dividends to unit holders of Al Wataniya (~5.5%), Al Darij (~6.2%), Zajil (~4.5%) and Al Mada (~3.6%).</li> <li>❖ Expanding our market maker service by signing 4 more companies in different sectors of the market.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Working on two flagship pre-IPO mandates including Al Alghanim IPO (expected completion in 2022).</li> <li>❖ Currently in the process of executing several mandates: <ul style="list-style-type: none"> <li>• Buy-side transactions for: (i) a leading logistics company; and (ii) a tech-enabled healthcare products distributor.</li> <li>• Sell-side transaction for: (i) a civil and mechanical engineering company based in Kuwait; and (ii) a cosmetic company with a strong distribution platform in Kuwait.</li> </ul> </li> <li>❖ Strong pipeline of proposals: <ul style="list-style-type: none"> <li>• Capital increase of a listed company;</li> <li>• Investment advisory for a merger of listed companies; and</li> <li>• Sell-side M&amp;A transaction of a food and beverage company.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>❖ Invested in a high-yielding debt and debt-like investment fund managed by a leading global private investment firm.</li> <li>❖ Over recent years, Investment Banking has been building its PE/VC portfolio which now includes: <ul style="list-style-type: none"> <li>• A fast-growing Egypt based fin-tech firm;</li> <li>• A leading international fin-tech firm;</li> <li>• A pioneer in food-tech;</li> <li>• A regional e-commerce platform;</li> <li>• Kuwait based last-mile delivery company; and</li> <li>• An international direct-to-consumer premium apparel company.</li> </ul> </li> <li>❖ Exploring new mezzanine investments for international real estate and direct investment opportunities.</li> <li>❖ Evaluating existing investments for potential exits.</li> </ul>	<ul style="list-style-type: none"> <li>❖ Improved the collection rates and revenue of our portfolio.</li> <li>❖ Managed to achieve high occupancy rates in the company and managed portfolios as a result of a strong marketing campaign.</li> <li>❖ In the final stages of implementing an automated real estate system.</li> <li>❖ Achieved rental collection rates of 95% in Q1 2022 (compared to 93% in Q1 2021); this was supported by the recovery of most corporates as pandemic-related measures were eased.</li> <li>❖ Maintained occupancy rates of 84% in Q1 2022 (compared to 83% in Q1 2021).</li> </ul>







## OUR STRATEGY FOR THE FUTURE

# Key Elements of our Growth Strategy

We continue to work towards our growth strategy focusing on a number of key initiatives.

Key Element	
<b>Build AUM</b>	<ul style="list-style-type: none"><li>❖ <b>Drive product development:</b> The objective is to add AUM going forward. Key product areas include Venture Capital (VC) and International Real Estate products.</li><li>❖ <b>Build a strong placement team:</b> Add highly capable private bankers to support Asset Management and Investment Banking (IB) activities.</li><li>❖ <b>Offer unique co-investment opportunities</b> to our clients by leveraging our own balance sheet and sourcing networks, ex: Boursa Kuwait, Kuwait Foundry, Tiger Global, Pantera, etc.</li></ul>
<b>Enable Technologies and Efficiencies</b>	<ul style="list-style-type: none"><li>❖ <b>Digital resilience:</b> NIC continued to invest and work diligently to embrace digital business technology to fast forward productivity, and drive efficiency and agility to secure sustainable business growth. In line with our digital first commitment, we continue to develop new digital channels for clients such as Online Trading, Client Portfolios/Funds Portal, and WhatsApp 1 821 112 CRM messaging which was recently launched.</li><li>❖ <b>Drive other operating efficiencies in other areas,</b> including outsourcing processes and working with co-advisors to leverage their capabilities and know-how, while continuously reviewing and optimizing operating expenses on a year-to-year basis.</li></ul>
<b>Enhance Governance</b>	<ul style="list-style-type: none"><li>❖ <b>Strengthened governance and transparency post upgrade to Premier Market.</b></li><li>❖ <b>Risk management framework:</b> Updated our risk management framework incorporating quantitative and qualitative measures in line with global best practices.</li></ul>
<b>Mid-market IB Leadership</b>	<ul style="list-style-type: none"><li>❖ <b>Build capabilities:</b> We continue to build strong capabilities, expertise and track-record by engaging in a large number of small mandates in order to create repeat business with our client base.</li><li>❖ <b>Grow IB team</b> and develop functional leaders for ECM, DCM and VC.</li></ul>

## Case Studies: Co-investments

Case Study	Boursa Kuwait	Kuwait Foundry	FedEx Italy	Pantera Capital
	 بورصة الكويت BOURSA KUWAIT			 PANTERA
Investment Thesis	Acquisition of a strategically important asset with sustainable long-term cash flows based on market leadership position and improving long-term growth prospects.	Acquisition of a mispriced asset with intrinsic / liquidation value considerably greater than the prevailing market value (with a clear path to realization).	Mezzanine investment in a built-to-suit warehouse development project in Italy, leased to FedEx. The investment targets an annual cash yield of 8% over an 18 month term.	Investment in a blockchain fund that provides full spectrum of exposure to blockchain space including (i) liquid tokens (ii) early-stage tokens and (iii) equity in early-stage blockchain related companies.
Initial Investment Date	Q1 2019	Q1 2019	Q2 2021	Q1 2022
Stake Acquired	14.4%	21.3%	12.7%	NA
Acquisition Value / Commitment***	KWD 6.5 million (237 fils / share)	KWD 8.0 million (251 fils / share)	\$ 2.3 million	\$ 0.5 million
Value Realized To Date	KWD 1.9 million	KWD 5.5 million	\$ 0.1 million	-
Market Value (31-Mar-2022)	KWD 78.4 million*	KWD 4.8 million**	\$ 2.3 million*	
Return on Investment (x)	12.29x	1.28x	1.05x	1.0x

\*Actual carrying value differs from market values based on accounting treatment.

\*\* There is considerable upside based on monetization of existing leasehold assets.

\*\*\* NIC's share of total acquisition value or committed capital.

# THANK YOU Q&A



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Sharq – Jaber Al Mubarak street – Block 7 – Al Khaleejia Complex

[www.nic.com.kw](http://www.nic.com.kw)

# Appendix 1:

## Q1 2022 Consolidated Income Statement

	Q1 2022	Q1 2021	Change
	KWD'000	KWD'000	%
<b>INCOME</b>			
Realized gain on financial assets at FVTPL	505	348	45%
Unrealized gain on financial assets at FVTPL	15,538	5,690	173%
Change in fair value of investment properties	-	(1,883)	100%
Rental income	380	424	-10%
Dividend income	762	1,052	-28%
Management, incentive, brokerage and advisory fees	2,492	1,476	69%
Interest income	68	5	1260%
Share of results of associates and joint venture	133	(109)	222%
Gain on foreign exchange trading	41	90	-54%
Gain on sale of investment properties	-	7	-100%
<b>Total Income</b>	<b>19,919</b>	<b>7,100</b>	<b>181%</b>
<b>EXPENSES</b>			
Administrative expenses	2,105	1,811	16%
Finance costs	257	118	118%
(Reversal)/charge for impairment losses and other provisions	(4)	216	-102%
(Gain)/loss on foreign currency translation	(140)	67	-309%
<b>Total Expenses</b>	<b>2,218</b>	<b>2,212</b>	<b>0%</b>
<b>Profit for the period before taxation</b>	<b>17,701</b>	<b>4,888</b>	<b>262%</b>
Taxation	(729)	(267)	-173%
<b>Profit for the period</b>	<b>16,972</b>	<b>4,621</b>	<b>267%</b>
<b>Attributable to:</b>			
Equity holders of the Parent Company	15,409	3,787	307%
Non-controlling interests (NCI)	1,563	834	87%
<b>Total</b>	<b>16,972</b>	<b>4,621</b>	<b>267%</b>
<b>BASIC AND DILUTED EPS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	<b>19.3 fils</b>	<b>4.7 fils</b>	

## Appendix 2:

### Q1 2022 Consolidated Comprehensive Income

	Q1 2022			Q1 2021		
	Attributable to Parent Co.	NCI	Total Consolidated	Attributable to Parent Co.	NCI	Total Consolidated
	KWD'000	KWD'000	KWD'000	KWD'000	KWD'000	KWD'000
Profit for the period	15,409	1,563	16,972	3,787	834	4,621
Other comprehensive income for the period	19,130	155	19,285	3,156	49	3,205
<b>Total comprehensive income for the period</b>	<b>34,539</b>	<b>1,718</b>	<b>36,257</b>	<b>6,943</b>	<b>883</b>	<b>7,826</b>

Other comprehensive income for the period includes the change in fair value of FVOCI investments, the share of OCI from associates, and foreign currency translation reserve.

## Appendix 3:

### Q1 2022 Consolidated Financial Position

	31-Mar-22	31-Dec-21	Change
	KWD'000	KWD'000	%
<b>ASSETS</b>			
Cash and balances with banks and financial institutions	30,793	39,365	-22%
Financial assets at FVTPL	134,442	111,209	21%
Trading properties	284	284	0%
Financial assets at FVOCI	103,927	82,048	27%
Investment in associates and joint ventures	21,430	21,206	1%
Investment properties	29,671	29,671	0%
Intangible assets	943	958	-2%
Other assets	7,138	5,833	22%
<b>Total Assets</b>	<b>328,628</b>	<b>290,574</b>	<b>13%</b>
<b>LIABILITIES</b>			
Bank borrowings	40,483	40,483	0%
Accounts payable and accruals	16,260	14,519	12%
<b>Total Liabilities</b>	<b>56,743</b>	<b>55,002</b>	<b>76%</b>
<b>EQUITY</b>			
Issued and fully paid up share capital	79,786	79,786	0%
Share premium	49,593	49,593	0%
Statutory reserve	10,285	10,285	0%
Voluntary reserve	22,693	22,693	0%
Treasury shares reserve	520	520	0%
Other reserves	460	440	5%
Foreign currency translation reserve	480	456	5%
Cumulative changes in fair value	45,447	27,286	67%
Retained earnings	42,073	25,719	64%
<b>Equity attributable to equity holders of Parent Company</b>	<b>251,337</b>	<b>216,778</b>	<b>16%</b>
Non-Controlling interests	20,548	18,794	9%
<b>Total Equity</b>	<b>271,885</b>	<b>235,572</b>	<b>15%</b>
<b>Total Liabilities and Equity</b>	<b>328,628</b>	<b>290,574</b>	<b>13%</b>