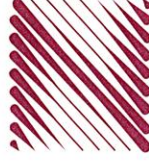


شركة الاستثمارات الوطنية	
صادر خارجي	
	
21/11/2022	تاريخ المراسلة
NIC - 3-25/104/9896	رقم المراسلة



شركة الاستثمارات الوطنية
NATIONAL INVESTMENTS COMPANY

Date: 21 NOV 2022

التاريخ: 21 NOV 2022

To: Bursa Kuwait Company
Dear Sirs,

السادة/ شركة بورصة الكويت
المحترمين
تحية طيبة وبعد،،،

**Subject: Analysts Conference Transcript
for Q3 of the Financial Year 2022**

**الموضوع: محضر مؤتمر المحللين
للقرب الثالث من السنة المالية 2022**

With reference to the above subject, and in line with requirements stipulated in article No. (7-8) of Bursa Rulebook, kindly find attached the Analysts Conference Meeting Transcript for Q3 of the financial year 2022, held on Thursday 17/11/2022.

بالإشارة إلى الموضوع أعلاه، والتزاماً بالمتطلبات الواردة بالمادة رقم (7-8) من كتاب قواعد البورصة، نرفق لكم محضر مؤتمر المحللين للربع الثالث للسنة المالية 2022، المنعقد يوم الخميس الموافق 2022/11/17.

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام،،،

فهد عبدالرحمن المخيزيم - Fahad Abdulrahman Al Mukhaizim
عضو مجلس الإدارة والرئيس التنفيذي – Board Member & Chief Executive Officer


شركة الاستثمارات الوطنية
NATIONAL INVESTMENTS COMPANY
15

CC: Capital Market Authority

نسخة إلى: السادة هيئة أسواق المال



شركة الاستثمارات الوطنية
NATIONAL INVESTMENTS COMPANY

Performance . Commitment . Trust
Since 1987

**Transcript of the Analysts Conference
Meeting for the Nine Months Ending
30 Sep 2022**

National Investments Company
Earnings Call for the nine months ending 30 September 2022

Thursday, 17 November 2022

Edited transcript of National Investments Company (K.S.C.P) earnings conference call that took place on Thursday, 17 November 2022 at 14:00 (Kuwait time).

Corporate Participants:

Mr. Girish S. Nair – Chief Financial Officer

Mr. Almuthana Al Maktoum – Executive Vice President – Wealth Management

Mr. Bashar Khan – Senior Vice President – Investment Banking

Chairperson:

Elena Sanchez – EFG – Hermes



Elena

Good afternoon, everyone.

This is Elena Sanchez and on behalf of EFG Hermes, I would like to welcome you all to National Investments Company's earnings briefing for the nine months ending 30 September 2022. It is a pleasure to have with us in the call Mr. Girish Nair, Chief Financial Officer, Mr. Almuthana Al Maktoum, EVP - Wealth Management and Mr. Bashar Khan, SVP - Investment Banking. The call will begin with a presentation from NIC's management on the financial performance during the first nine months of 2022 and then we will open the floor for Q&A. At this time, I would like to hand over the call to Mr. Almuthana, please go ahead.

Al Muthana

Thank you, Elena.

Good afternoon and welcome to NIC earnings call where we will be discussing our financial results for the nine months ending 30 September 2022. With us today is our CFO, Mr. Girish Nair, who will be covering the financial highlights and performance for the half year and Mr. Bashar Khan, SVP - Investment Banking, who will be discussing business updates as well as the strategy of NIC.

I would like to bring to your attention the disclosure on slide 2 of the presentation, with respect to the forward-looking statement and confidential information. This presentation may contain forward-looking statements that involve assumptions, risks and uncertainties. These statements may be identified by such words as "may", "plans", "expects", "believes" and similar expressions or by their context. These statements are made on the basis of current knowledge and assumptions. Various factors could cause future results, performance or events to differ materially from those described in these statements. NIC is not obligated to update any forward-looking statements. By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

I would like to hand over the call now to Mr. Girish, CFO of NIC.

Girish

Thank you Almuthana.

Good afternoon everyone. My name is Girish Nair, CFO at National Investments Company ('NIC'). A warm welcome to our earnings briefing for the Nine months ended 30 September 2022.

As in the past periods, NIC's financial statements for the 9 months of 2022 have been uploaded onto our website and onto the Boursa Kuwait portal and you can access the full set of the financial statements from there.

Let us move on to the key financial highlights of our performance during the period.

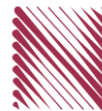
For the 9 months ended 30 September 2022, NIC reported a net profit of KWD 8.8 million and earnings per share of 11 fils through the income statement and reported other comprehensive income of KWD 5.8 million through shareholders equity. The total comprehensive income for the period was KWD 14.6 million.

During the comparative nine months of 2021, the Company had reported a profit of KWD 22.4 million through the income statement with earnings per share of 28.1 fils and other comprehensive income (OCI) of KWD 20.9 million. The total comprehensive income was KWD 43.3 million.

The return on average equity and return on average assets during 9M 2022 was 4.3% and 3.5% respectively. The leverage ratio as of 30 September 2022 was 25.5 % and our quick ratio was 41.2%.

Total assets and shareholders' equity attributable to the parent company stood at KWD 268.6 million and KWD 195.2 million respectively, as compared to KWD 278.2 million and KWD 207.4 million at the end of 9M of 2021.

The charts on the next slide indicate the growth trajectory of NIC's performance during the last few quarters. NIC reported a net loss of KWD 3.2 million through the income statement and other comprehensive loss of KWD 2.5 million through shareholders' equity during the third quarter of 2022. The total comprehensive loss during the 3rd quarter, therefore, was KWD 5.7 million. The performance reflects the volatility witnessed in markets due to the macro-economic



developments and tightening monetary policy measures adopted by various central banks. The Kuwait All Share index registered a decline of 4% during the 3rd quarter alone.

Let's now move on to the income drivers of NIC's performance during 9M 2022. The total income for the 9 months ended 30 September 2022 was KWD 17.2 million.

Major contributors to NIC's total income for the current period were dividend income of KD 8.1 million and Management, brokerage and advisory fee income of KWD 8.3 million. Similarly, the major contributor to the OCI during this period was the appreciation in the value of Kuwaiti quoted investments at fair value through other comprehensive income (FVOCI), of KWD 5.3 million.

Total expenses including impairments and provisions for 9 months of 2022 was KWD 7.1 million, as compared to KWD 6.3 million for the comparative period in 2021. Administrative expenses of KWD 7.0 million for the current 9 months period is higher as compared to KD 5.4 million for comparative period in 2021. The increase is mainly on account of consolidation of a new subsidiary and increase in operations. Finance costs for 9 months of 2022 amounting to KWD 0.8 million was higher than KWD 0.4 million for the comparative period. This increase was offset by a decrease in impairment losses and other provisions from KWD 0.2 million in 2021 to almost nil during the current period of 2022.

During the 9 months ended 30 September 2022, the management, brokerage and advisory fee income recorded a growth of 41% from KWD 5.9 million during 9 months of 2021, to KWD 8.3 million during the 9 months of 2022. The growth was across all 3 main categories of fee income namely, brokerage revenue from one of our subsidiaries grew by 29%, management fees (from funds and portfolios) grew by 10% and Advisory fee and Other income grew by 482%.

NIC's earnings per share for the 9 months of 2022 is 11 fils. The chart on this slide depict the earnings per share achieved during the last few quarters and the movement in our share price during these quarters.

Our total proprietary assets have receded by 7.6% during the 9 months of 2022, from KWD 291 million at the end of 2021 to KWD 269 million on 30 September 2022, mainly on account of dividend distribution for 2021.

Our Assets under management (AUM) in a fiduciary capacity as of 30 September 2022 have increased by 7.3% to KWD 1.17 billion as on 30 September 2022 as compared to KWD 1.09 billion as on 31 December 2021.

Appendices 1 & 2 to the presentation contain the detailed income statement and OCI movement. Appendix 3 contains the consolidated statement of financial position.

We now move on to highlights during 2022 for certain key sectors within NIC.

MENA Securities Sector:

Performance update in Assets Management

- ❖ Despite a volatile market and pervasive risk off sentiment, the funds delivered positive and stable returns in 9M22. Mawarid delivered YTD returns of 6.9% (best sectoral fund in Kuwait), Mada 3.42%, Wataniya 1.94%, Zajil 1.45% and Darij performance was flat at -0.1%. As for the portfolios, they have yielded 4-5% over their respective benchmarks.

Market Maker activities

- ❖ Expanding our market maker service by signing one more company to the Market Maker portfolio which brings it up to 10 companies in total.
- ❖ Market Maker trades value reached KWD 9.8mn during Q3-2022.
- ❖ On average, the value of trades by Market Maker represented 10% of clients' shares turnover.

Investment Banking Sector:

Advisory Department:

- ❖ NIC successfully executed the capital increase of National Consumer Holding Company and Alrai Media Group during the quarter.



- ❖ Moreover, we have been mandated as Independent Investment Advisor for the merger of (i) Boubyan Petrochemical Company and Educational Holding Group (ii) Al Safat Investment Company and Cap Corp Investment Company.
- ❖ During the quarter we signed a new mandate to assist the client with the preparation for an IPO and listing on Boursa Kuwait.
- ❖ We are also in the final stages of negotiation for (i) IPO and listing mandate for a Kuwait based company and (ii) sell-side M&A mandate for an oil and gas company in Kuwait.
- ❖ Strong pipeline of proposals across sectors in Kuwait.

Alternative investments Department

- ❖ NIC invested in (i) a build-to-suit Amazon facility in Germany and (ii) real estate fund focused on service retail assets in the USA.
- ❖ In the final stages of evaluating:
 - A unique Egypt-based consumer focused fin-tech firm;
 - Mezzanine investment for another build-to-suit Amazon facilities in Germany;
 - Mezzanine investment for multifamily development in the USA; and
 - Other financial products.
- ❖ Following a cautious approach given the uncertainty in the global investment landscape. Nonetheless, we believe there will be substantial pockets of opportunity.
- ❖ Continue to enhance the performance of existing investments including potential exits.

Real Estate Sector:

- ❖ Continued to improve the collection rates and occupancy of our portfolio. The collection rate was 85% in Q3 2022. The occupancy improved from 86.2% to 89.5% during the same period.

- ❖ Managed to achieve full occupancy rates in Al Watania Resort and certain other company properties through a strong marketing campaign.
- ❖ Completed installation of an automated real estate system.
- ❖ Expanded the circle of clients and secured new real estate portfolios.
- ❖ Renovation & development of Al Watania Resort in Khairan.
- ❖ Renovation work of several managed RE portfolios.

With this I conclude my part of the presentation and wish to hand you over to Mr. Bashar Khan, Senior Vice President - Investment Banking for the next part.

Bashar

Thank you Girish. And good afternoon everyone.

My name is Bashar Khan and I am the Senior Vice President of the Investment Banking Sector at National Investments Company. It is my privilege to speak with you. I wanted to take some time today to provide you with a summary of the key elements of our strategy going forward.

There are four key elements of our strategy. These are: 1. Build Assets Under Management (AUM), 2. Enable Technologies and Efficiencies, 3. Enhance Governance, and 4. Build Investment Banking leadership in the mid-market segment. I will talk about each of these separately.

First: Building AUM

We are working on three key initiatives here. We are driving product development in an organized manner, with an initial focus on Venture Capital (VC) and international real estate products. We are building a strong placement team by adding qualified private bankers to support growth. We hired two investment placement professionals and are looking to expand this team further. In addition, we are building a reputation for bringing excellent co-



investment opportunities for our investors. Select key examples are Boursa Kuwait, Kuwait Foundry, Tiger Global, Pantera Capital, FedEx Italy, Pipe Technologies, Kitzingen Germany, etc. which we will discuss on the next page.

Second: Enabling Technologies and Efficiencies

We are focusing our efforts here on digital resilience. In other words, we continue to invest and digitally transform our business processes and develop collaborative work environments. Some of the new initiatives include a portal for real estate tenants and landlords, IPO subscription system, revamped corporate website in addition to process for onboarding clients.

And finally, we are focusing on harnessing operating efficiencies by outsourcing processes and working with co-advisors to leverage their capabilities and knowledge.

Third: Enhancing Governance

We continued to refine our risk-management framework to include quantitative and qualitative measures in line with global best practices.

Finally: Mid-market leadership in Investment Banking

In order to strengthen our position, we continue to build our capabilities and develop our track record by executing mandates with the highest quality, focusing on mid-sized clients. At present, the team is playing a critical part in the execution of flagship projects in Kuwait. We are also building specialist teams in Equity Capital Markets (ECM), Debt Capital Markets (DCM) and Venture Capital (VC) to further strengthen our capabilities.

I would like to end this section by talking about several case studies, which serve as examples of our ability to identify and execute unique opportunities in our market and provide interesting co-investments to our clients.

The first case study is Boursa Kuwait. The investment thesis here was to acquire a strategically important asset with strong, recurring, and sustainable cash flows due to its market leadership position and improving prospects. We formed a consortium to acquire a controlling stake in Boursa Kuwait in February 2019. Our

direct stake was 14.4%. Since its acquisition, Boursa Kuwait has undergone an IPO and listing process. The market price today is several multiples of our acquisition cost. To date, the investment has generated a total return multiple of 9.7 times (based on market values).

The second case study is Kuwait Foundry. The investment thesis here was the acquisition of a mispriced asset with an intrinsic value significantly greater than the prevailing market value. The investment offered an identifiable path to the realization of true value. Towards this, we acquired a 20% stake in January 2019 and have been taking measures to realize value. So far, we have recaptured most of our equity in the transaction already and the total return multiple based on market values is 1.2 times.

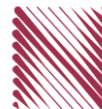
The third case study is the FedEx Italy Project, whereby we made a mezzanine investment with a leading developer in a build-to-suit warehousing development project in Italy. The project was developed by one of the leading global developers and had been pre-leased to FedEx for 15 years. We exited the Project in the end of June 2022. The project generated a cash yield of 8% and a net IRR of 9% over an 18-month term.

The fourth case is Pipe Technologies. NIC invested in Pipe Technologies Inc, a fintech company that offers solutions to clients with recurring revenue streams access to capital so they don't dilute their ownership by accepting external capital or get forced to take out loans.

In addition to the co-investment case studies, I want to spend a couple of minutes on how we set the market standard for IPOs with the successful completion of Ali Alghanim Sons Automotive Company's IPO this quarter.

Some of the key things we did to make this a success was:

1. We brought leadership with respect to project management and execution.
2. Multiple bookrunners to maximize demand first time in Kuwait for an equity placement.
3. Introduced demand forms and provisional allocations to reduce investor pain points.



This resulted in:

- 11 times oversubscription
- KWD 1 billion+ in demand generated
- Excellent mix between HNW and institutions
- Wide regional and international coverage. The most for any offering in Kuwait
- The fastest IPO in Kuwait from closing of subscription to listing
- NIC generated 3x more demand relative to any other local bookrunner

With this I will hand you over to Mr. Almuthana, who will lead the Q&A session.

Almuthana

We are now ready to take your questions. If you would like to send us a question, please write it in the designated area of the website. We will now pause for a few minutes to allow you time to send your questions. *PAUSE*

Almuthana

We have a question from Mr. Bassam Keswani: Investment in Associates have declined from KD 21.2 mn as on 31 Dec 2021 to KD 14.3 mn as on 30 Sep 2022. Why is that?

Girish

The main reason is due to sale of an investment in Associate engaged in Real estate sector during the Q2 of 2022 as mentioned in the cash flow statement, under investing activities.

Almuthana

We have a question from Mr. Hossam AlJondy: In the income statement, there a gain of KD 339 thousand during Q3 of 2022. Whereas during the previous year there as a loss.

Girish

The main reason for this is the strengthening USD during Q2 and Q3 of 2022.

Almuthana

We have no further questions at this time and therefore we will be concluding our call. I would like to thank you all for participating in our call today. If you have further queries, please do not hesitate to send them to our investor relations e-mail and we will get back to you as soon as possible.

Thank you everyone, have a good day.



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NATIONAL INVESTMENTS COMPANY

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National Investments Company
Analysts Conference
9M 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 and Accounts Sector



Mr. Bashar Khan
Senior Vice President
Investment Banking Sector

Agenda

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FINANCIAL HIGHLIGHTS



شركة الاستثمار الوطنية
NATIONAL INVESTMENTS COMPANY



9M 2022 Key Financial Highlights

- ❖ Net profit of KWD 8.8 Million during 9M 2022 as compared to KWD 22.4 Million during 9M 2021.

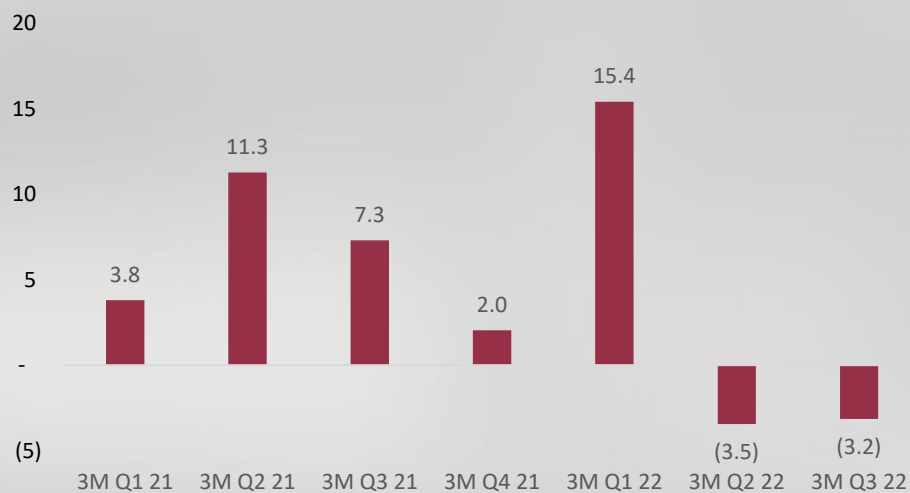
Key Financial Metrics		
	9M 2021	9M 2022
Income statement		
Net profit (million)*	KWD 22.4	KWD 8.8
Earnings per share	28.1 fils	11.0 fils
Total comprehensive income (million)*	KWD 43.3	KWD 14.6
Financial position		
Total assets (million)	KWD 278.2	KWD 268.6
Total liabilities (million)	KWD 52.5	KWD 54.5
Shareholders equity (million)	KWD 207.4	KWD 195.2
Key Ratio		
Return on average equity (%)	11.7%	4.3%
Return on average assets (%)	10.0%	3.5%
Leverage ratio (%)	23.2%	25.5%
Quick ratio (%)	53.9%	41.2%

*Note: Attributable to equity holders of the Company

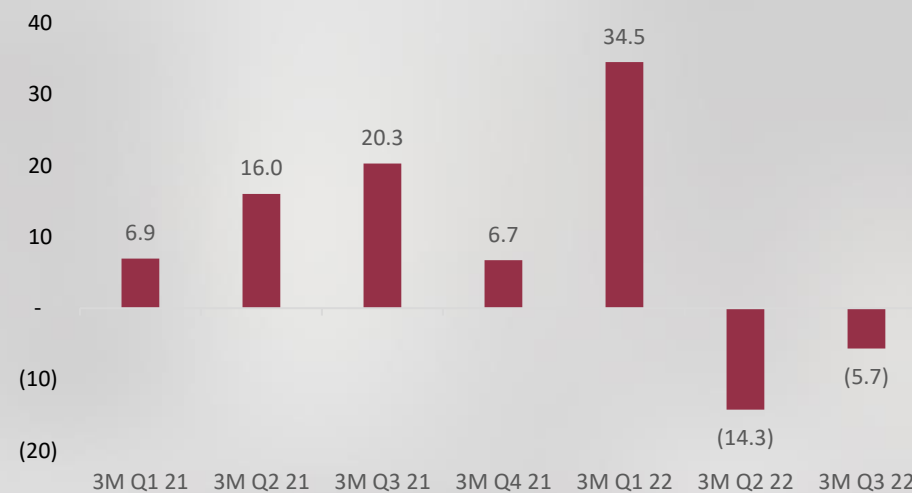
9M 2022 Financial Performance

- ❖ Trajectory of NIC's quarterly performance since Q1 2021.
- ❖ Kuwait All Share index declined by 4% during Q3 of 2022.

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



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

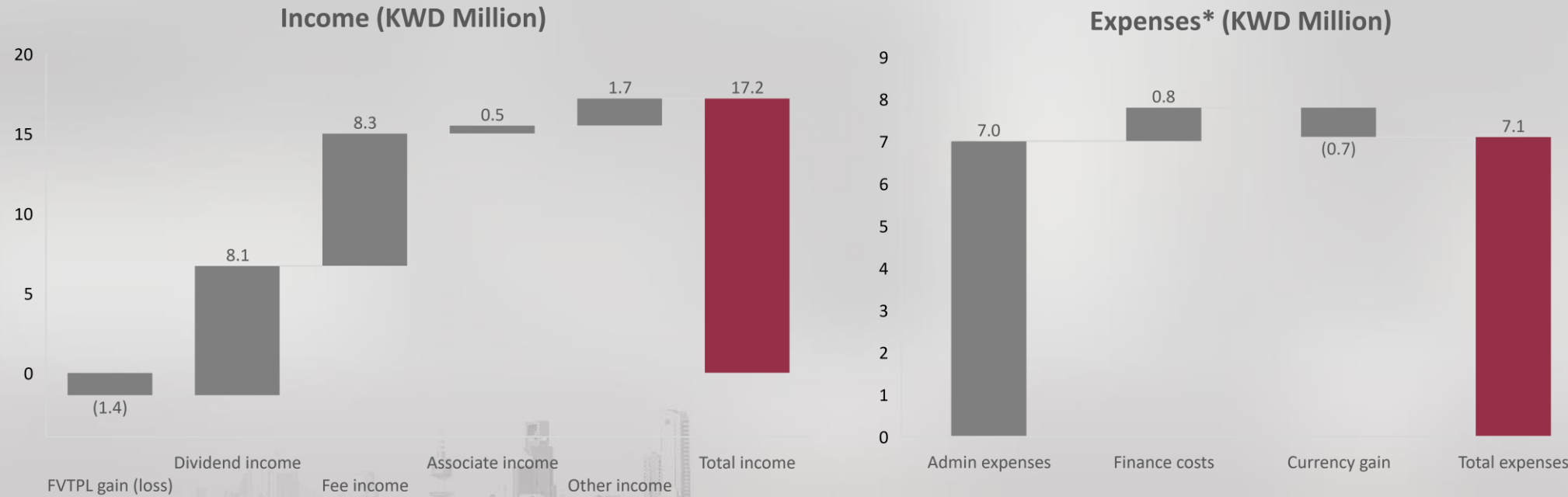


*Note: Attributable to equity holders of the Company

9M 2022 Income Drivers and Expenses

Income of KWD 17.2 Million and Expenses of KWD 7.1 Million.

- ❖ Fee income and dividend income contributed 48% and 47% respectively to the total income.
- ❖ Total expenses of KWD 7.1 Million for 9M 2022. Increase mainly due to the consolidation of a new subsidiary and increase in operations.



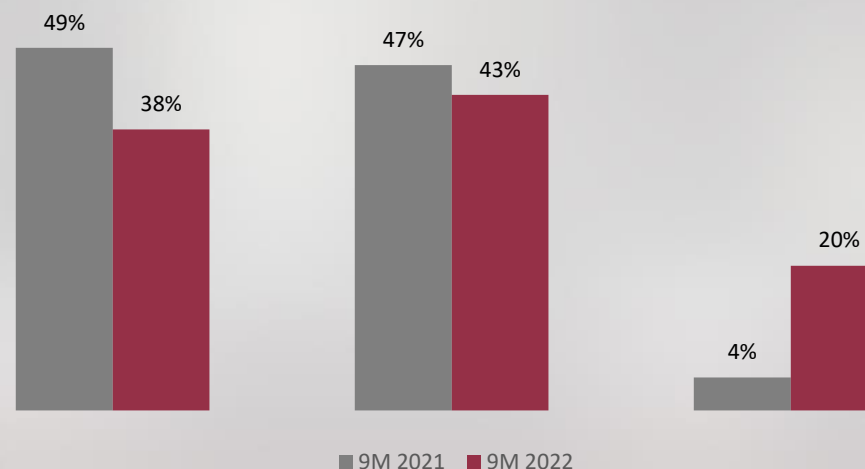
*Note: Expenses exclude taxes

9M 2022 Fee Income Analysis

- ❖ 41% increase in total fee income.
- ❖ Growth across main categories:
 - Brokerage revenue from Al Waset Financial Business K.S.C.C. grew by 29%.
 - Management fees (from funds and portfolios) grew by 10%.
 - Advisory fees and other income grew by 482%

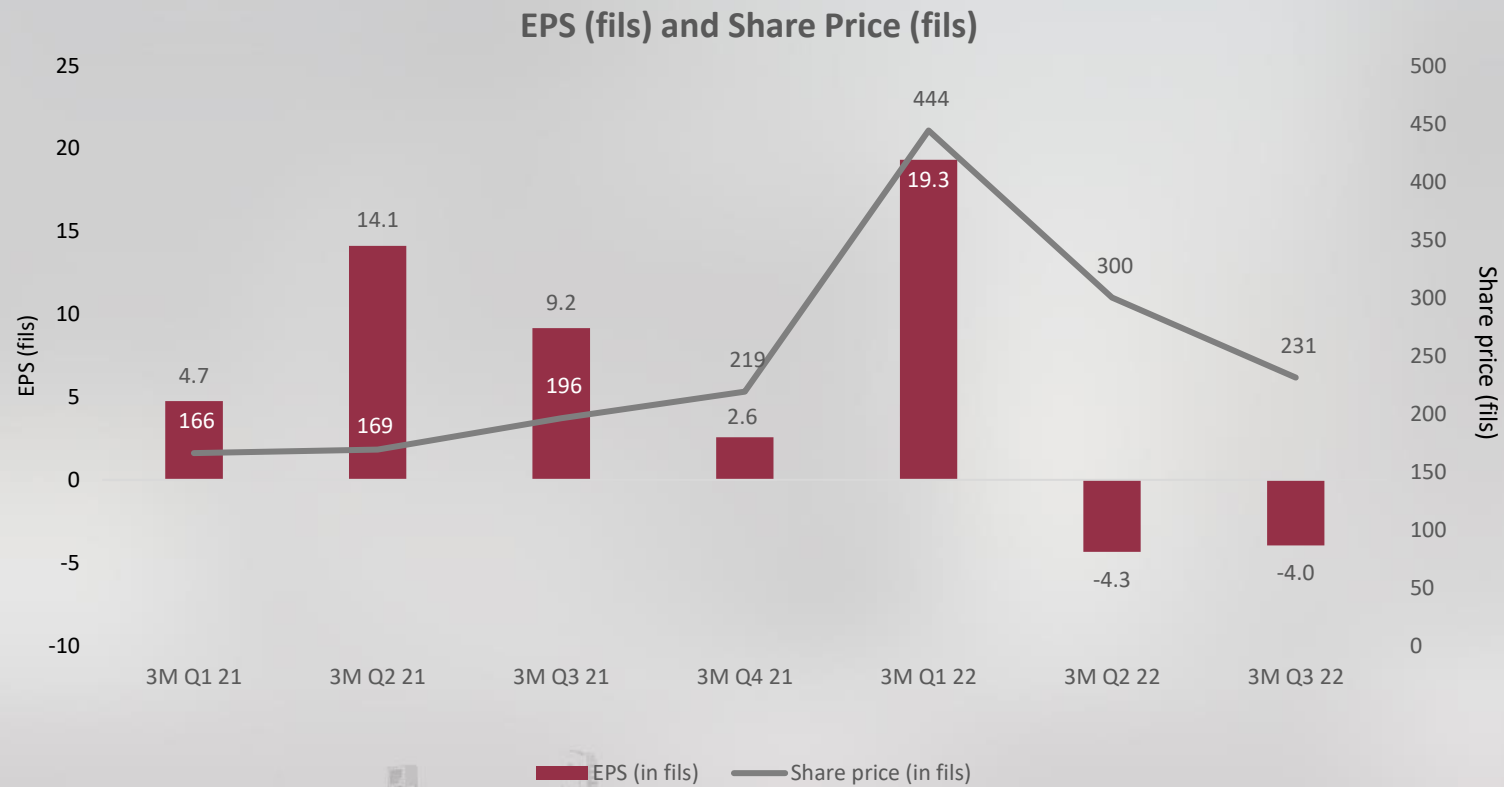
Breakdown of fee income	9M 2021	9M 2022
	KWD'000	KWD'000
Management fees	2,862	3,144
Brokerage fees	2,741	3,531
Advisory fees and other income	278	1,619
Total fee income	5,881	8,294

% Contribution to Total Fee Income



9M 2022 Earnings Per Share

❖ Earnings Per Share of 11.0 fils for 9M 2022.

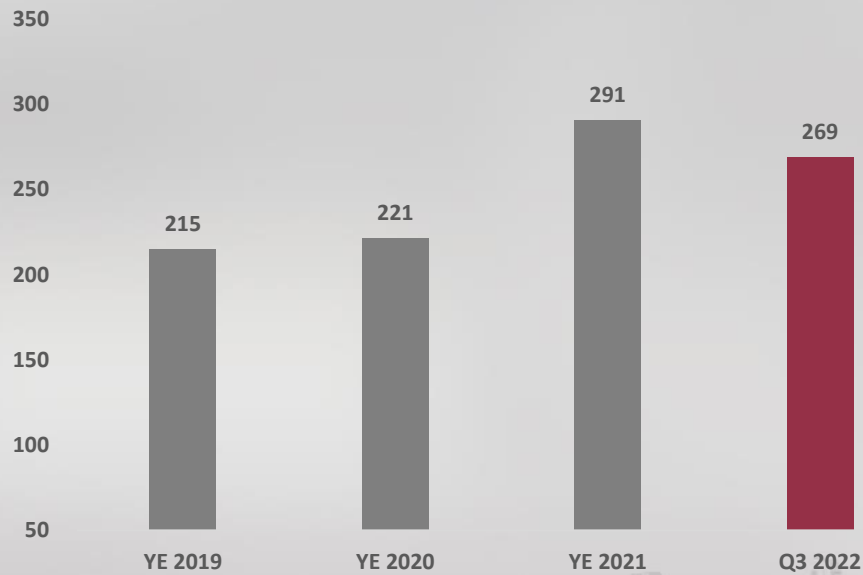


Share price represents the bid price at end of each quarter.

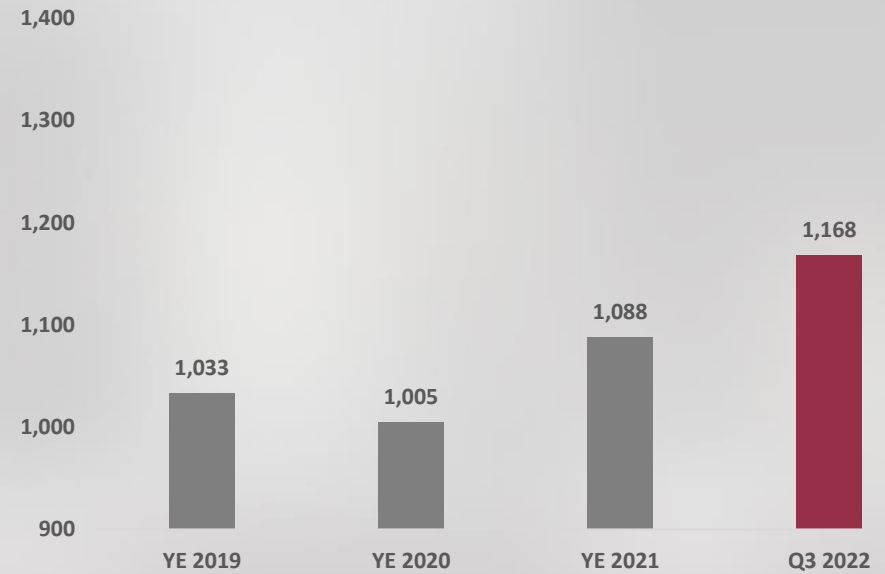
9M 2022 Profile of Assets

- ❖ Assets under management increased by 7.3% during 9M 2022.
- ❖ Total assets declined by 7.6% during 9M 2022 mainly due to dividend distribution for 2021.

Total Assets (KWD Million)



Assets Under Management (KWD Million)



Sectors

MENA Securities

Performance update in Assets Management

- ❖ Despite a volatile market and pervasive risk off sentiment, the funds delivered positive and stable returns in 9M22. Mawarid delivered YTD returns of 6.9% (best sectoral fund in Kuwait), Mada 3.42%, Wataniya 1.94%, Zajil 1.45% and Darij performance was flat at -0.1%. As for the portfolios, they have yielded 4-5% over their respective benchmarks.

Market Maker activities

- ❖ Expanding our market maker service by signing one more company to the Market Maker portfolio which brings it up to 10 companies in total.
- ❖ Market Maker trades value reached KWD 9.8mn during Q3-2022.
- ❖ On average, the value of trades by Market Maker represented 10% of clients' shares turnover.

Investment Banking

Advisory

- ❖ NIC successfully executed the capital increase of National Consumer Holding Company and Alrai Media Group during the quarter.
- ❖ Moreover, we have been mandated as Independent Investment Advisor for the merger of (i) Boubyan Petrochemical Company and Educational Holding Group (ii) Al Safat Investment Company and Cap Corp Investment Company.
- ❖ During the quarter we signed a new mandate to assist the client with the preparation for an IPO and listing on Boursa Kuwait.
- ❖ We are also in the final stages of negotiation for (i) IPO and listing mandate for a Kuwait based company and (ii) sell-side M&A mandate for an oil and gas company in Kuwait.
- ❖ Strong pipeline of proposals across sectors in Kuwait.

Alternative Investments

- ❖ NIC invested in (i) a build-to-suit Amazon facility in Germany and (ii) real estate fund focused on service retail assets in the USA.
- ❖ In the final stages of evaluating:
 - A unique Egypt-based consumer focused fin-tech firm;
 - Mezzanine investment for another build-to-suit Amazon facilities in Germany;
 - Mezzanine investment for multifamily development in the USA; and
 - Other financial products.
- ❖ Following a cautious approach given the uncertainty in the global investment landscape. Nonetheless, we believe there will be substantial pockets of opportunity.
- ❖ Continue to enhance the performance of existing investments including potential exits.

Real Estate

- ❖ Continued to improve the collection rates and occupancy of our portfolio. The collection rate was 85% in Q3 2022. The occupancy rates improved from 86.2% in Q3 2021 to 89.5% in Q3 2022.
- ❖ Applied volume 2 of policies and procedures for real estate operations.
- ❖ Managed to achieve full occupancy rates in Al Watania Resort and other company properties through a strong marketing campaign.
- ❖ Completed installation of an automated real estate system.
- ❖ Expanded the number of clients and secured new real estate portfolios.
- ❖ Renovation and development of Al Watania Resort in Khairan.
- ❖ Renovation of several managed RE portfolios.







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	
Build AUM	<ul style="list-style-type: none"> ❖ Drive product development: The objective is to add AUM going forward. Key product areas include Venture Capital (VC) and International Real Estate products. ❖ Continue to build a strong placement team: Add highly capable private bankers to support Asset Management. We hired two investment placement professionals and are looking to expand the team further. ❖ Offer unique co-investment opportunities to our clients by leveraging our own balance sheet and sourcing networks, ex: Boursa Kuwait, Kuwait Foundry, Silver Lake, Pantera Capital, Pipe Technologies, Real Estate.
Enable Technologies and Efficiencies	<ul style="list-style-type: none"> ❖ 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 strategy, we continue to develop new initiatives such as a portal for real estate tenants and landlords, IPO subscription system, revamped corporate website in addition to onboarding clients. ❖ Drive other operating efficiencies in other areas, 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.
Enhance Governance	<ul style="list-style-type: none"> ❖ Continue to strengthen governance and transparency as per global best practices. ❖ Risk management framework: Continued to refine our risk management framework incorporating quantitative and qualitative measures.
Mid-market IB Leadership	<ul style="list-style-type: none"> ❖ Build capabilities: We continue to build strong capabilities, expertise and track-record by engaging in high profile transactions and creating repeat business with our client base. ❖ Grow IB team and develop functional leaders for ECM, DCM and Direct Investments.

Case Studies: Co-investments

Case Study	Boursa Kuwait	Kuwait Foundry	FedEx Italy	Pipe Technologies
				
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 build-to-suit warehouse development project in Italy, leased to FedEx. The investment realised an annual cash yield of 8% over an 18-month term. Exited in end of June 2022.	A fintech company that offers solutions to clients with recurring revenue streams access to capital so they don't dilute their ownership by accepting external capital or get forced to take out loans.
Initial Investment Date	Q1 2019	Q1 2019	Q2 2021	Q2 2021
Stake Acquired	14.4%	21.3%	12.7%	NA
Acquisition Value / Commitment (1)	KWD 6.5 mn (237 fils / share)	KWD 8.0 mn (251 fils / share)	\$ 2.3 mn	\$ 2.0 mn
Value Realized To Date	KWD 3.8 mn	KWD 5.5 mn	\$ 2.5 mn	-
Market Value (30-Sep-2022)	KWD 59.8 mn (2)	KWD 4.3 mn (3)	0	\$ 2.2 mn (2)
Return on Investment (x)	9.74x	1.22x	1.09x	1.10x

(1) NIC's share of total acquisition value or committed capital.

(2) Actual carrying value differs from market values based on accounting treatment.

(3) There is considerable upside based on monetization of existing leasehold assets.

Case Studies: Ali Alghanim Sons Automotive Co.

Ali Alghanim Sons Automotive Company set the market standard for IPOs in Kuwait. Why?

What we did?



Leadership with respect to project management and execution (client engagement, valuation, management of advisors, regulatory engagement, placement, allocation, media engagement, etc.)



Multiple bookrunners to maximize demand (first time in Kuwait for an equity placement)



Enabling technology to support ease of subscription and execution. NIC completely re-engineered the KCC process and internal platforms



Demand forms and provisional allocations to reduce investor pain points (through funding of only the provisional allocation instead of entire subscription)



Reduced timeline between vision and execution (the fastest IPO in Kuwait from inception to launch) through efficient execution and coordination with CMA, Boursa Kuwait and KCC



Results

~11x

Oversubscription (market-leading)

**KWD 1
bn+**

Demand generated



Excellent mix between HNW and Institutions



Wide regional and international coverage (the most for any offering in Kuwait)

7 days

7 days between closing of subscription and listing (record time)

1st

NIC generated 3x more demand relative to any other local bookrunner

THANK YOU Q&A



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

www.nic.com.kw

Appendix 1:

9M 2022 Consolidated Income Statement

	9M 2022	9M 2021	Change
	KWD'000	KWD'000	%
INCOME			
Realized gain on financial assets at FVTPL	2,190	2,082	5%
Unrealized gain on financial assets at FVTPL	(3,587)	19,173	-119%
Change in fair value of investment properties	-	(1,883)	100%
Gain on sale of investment properties	166	140	19%
Rental income	1,073	1,360	-21%
Dividend income	8,080	4,307	88%
Management, incentive, brokerage and advisory fees	8,294	5,881	41%
Interest income	155	27	474%
Share of results of associates and joint venture	549	416	32%
Net gain on sale/liquidation of associates	147	335	-56%
Gain on foreign exchange trading	147	359	-59%
Total income	17,214	32,197	-47%
EXPENSES			
Administrative expenses	6,983	5,416	29%
Finance costs	822	412	100%
(Reversal of)/charge for impairment losses and other provisions	(1)	210	-100%
(Gain)/loss on foreign currency translation	(706)	277	-355%
Total expenses	7,098	6,315	12%
Profit for the period before taxation	10,116	25,882	-61%
Taxation	(359)	(1,003)	64%
Profit for the period	9,757	24,879	-61%
Attributable to:			
Equity holders of the Parent Company	8,795	22,352	-61%
Non-controlling interests (NCI)	962	2,527	-62%
Total	9,757	24,879	-61%
BASIC AND DILUTED EPS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY	11.0 fils	28.1 fils	

Appendix 2: 9M 2022 Consolidated Comprehensive Income

	9M 2022			9M 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	8,795	962	9,757	22,352	2,527	24,879
Other comprehensive income for the period (Includes Change in fair value of FVOCI investments, Share of OCI from Associates and Foreign currency translation reserve)	5,769	153	5,922	20,935	106	21,041
Total comprehensive income for the Period	14,564	1,115	15,679	43,287	2,633	45,920

Appendix 3: 9M 2022 Consolidated Financial Position

	30-Sep-22	31-Dec-21	Change
	KWD'000	KWD'000	%
ASSETS			
Cash and balances with banks and financial institutions	25,677	39,365	-35%
Financial assets at FVTPL	109,412	111,209	-2%
Trading properties	291	284	2%
Loans	376	61	516%
Financial assets at FVOCI	82,009	82,048	0%
Financial assets held to maturity	64	-	N/A
Investment in associates and joint ventures	14,269	21,206	-33%
Investment properties	28,013	29,671	-6%
Intangible assets	1,316	958	37%
Goodwill	1,708	-	N/A
Other assets	5,488	5,722	-5%
Total assets	268,623	290,574	-8%
LIABILITIES			
Bank borrowings	39,173	40,483	-3%
Accounts payable and accruals	15,325	14,519	6%
Total liabilities	54,498	55,002	76%
EQUITY			
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	12,508	22,693	-45%
Treasury shares	(235)	-	N/A
Treasury shares reserve	520	520	0%
Other reserves	460	440	5%
Foreign currency translation reserve	722	456	58%
Cumulative changes in fair value	30,286	27,286	11%
Retained earnings	11,298	25,719	-56%
Equity attributable to equity holders of Parent Company	195,223	216,778	-10%
Non-Controlling interests	18,902	18,794	1%
Total equity	214,125	235,572	-9%
Total liabilities and equity	268,623	290,574	-8%