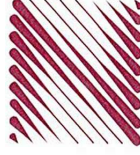


شركة الاستثمارات الوطنية	
صادر خارجي	
	
21/03/2023	تاريخ المراسلة
NIC - 3-25/104/10970	رقم المراسلة



شركة الاستثمارات الوطنية  
NATIONAL INVESTMENTS COMPANY

Date: **21 MAR 2023**

التاريخ: **21 MAR 2023**

To: Boursa Kuwait Company  
Dear Sirs,

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

**Subject: Analysts/ Investors Conference  
For the Year ended 31 December 2022**

**الموضوع: مؤتمر المحللين/ المستثمرين  
للسنة المالية المنتهية في 31 ديسمبر 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 the year ended 31 December 2022, held on 21/03/2023.

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 للسنة المالية المنتهية في 31 ديسمبر 2022، المنعقد بتاريخ 2023/03/21

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام،،،

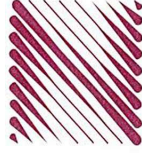
فهد عبدالرحمن المخيزيم - Fahad Abdulrahman Al Mukhaizim

عضو مجلس الإدارة والرئيس التنفيذي – Board Member & Chief Executive Officer



CC: Capital Market Authority

نسخة إلى: السادة هيئة أسواق المال



## نموذج الإفصاح عن المعلومات الجوهرية

### Disclosure of Material Information Form

Date	21 MAR 2023	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
<p>National Investments Company (NIC) has held the Analysts/ Investors Conference for the financial year ended 31 December 2022, where it was held via (Live Webcast) at 2:00 PM (local time) on Tuesday 21/03/2023, there was no material information discussed during the conference.</p> <p>Attached is the Analysts Conference Presentation.</p>	<p>قامت شركة الاستثمارات الوطنية بعقد مؤتمر المحللين/المستثمرين للسنة المالية المنتهية في 31 ديسمبر 2022، حيث انعقد المؤتمر عن طريق البث المباشر على شبكة الانترنت (Live Webcast) في تمام الساعة الثانية من ظهر يوم الثلاثاء الموافق 2023/03/21 (وفق التوقيت المحلي)، ولم يتم الإفصاح عن أي معلومات جوهرية خلال المؤتمر.</p> <p>مرفق نسخة من العرض التقديمي لمؤتمر المحللين.</p>

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





شركة الاستثمارات الوطنية  
NATIONAL INVESTMENTS COMPANY

أداء . إلتزام . ثقة  
Performance . Commitment . Trust  
Since 1987

National Investments Company  
Analysts Conference  
YE 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



## YE 2022 Key Financial Highlights

- ❖ Net profit of KWD 8.7 Million during YE 2022 as compared to KWD 24.4 Million during YE 2021.

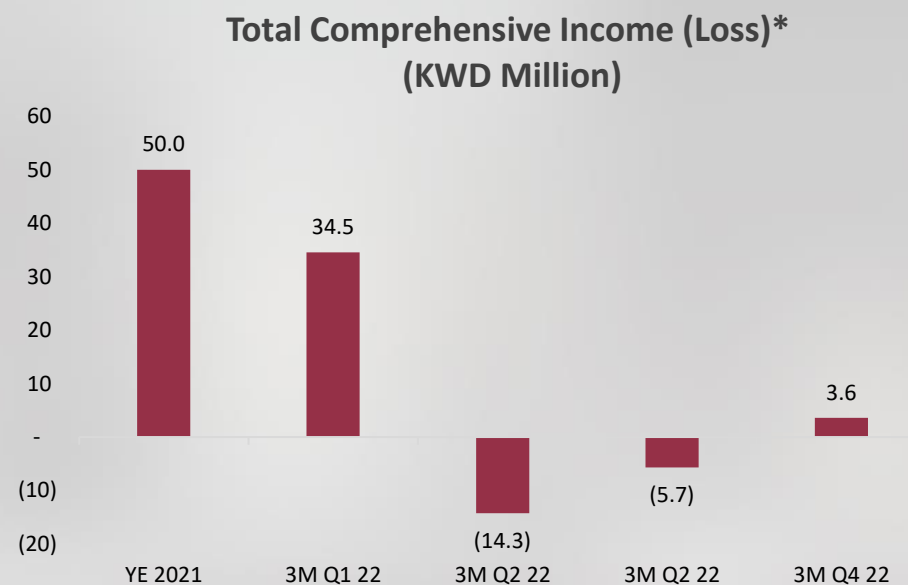
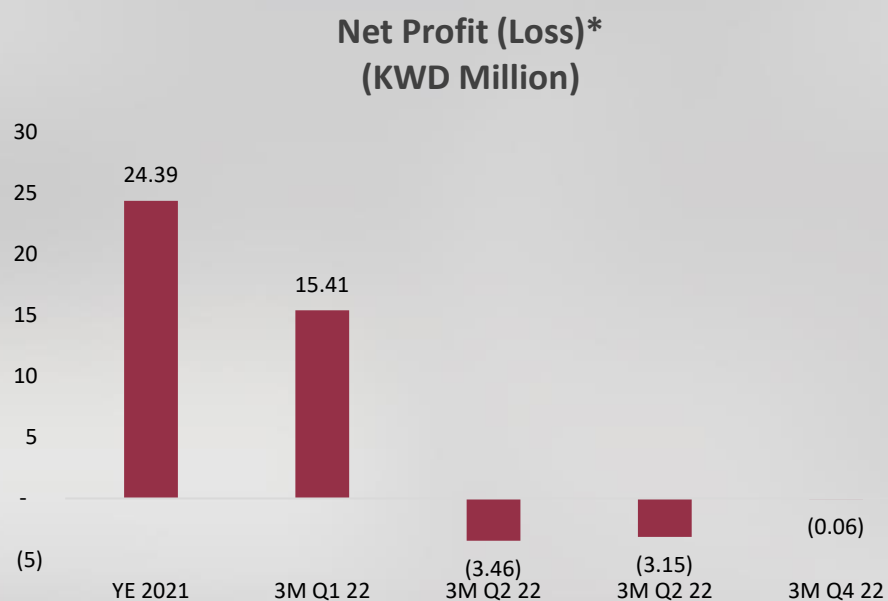
Key Financial Metrics		
	YE 2021	YE 2022
<b>Income statement</b>		
Net profit (million)*	KWD 24.4	KWD 8.7
Earnings per share	31 fils	11 fils
Total comprehensive income (million)*	KWD 50.0	KWD 18.1
<b>Financial position</b>		
Total assets (million)	KWD 290.6	KWD 271.0
Total liabilities (million)	KWD 55.0	KWD 54.0
Shareholders equity (million)	KWD 216.8	KWD 198.8
<b>Key Ratio</b>		
Return on average equity - based on net profit (%)	12.5%	4.2%
Return on average assets - based on net profit (%)	10.7%	3.3%
Leverage ratio (%)	23.3%	24.9%
Quick ratio (%)	68.7%	56.3%

\*Note: Attributable to equity holders of the Company



# YE 2022 Financial Performance

- ❖ Trajectory of NIC's quarterly performance since YE 2021.
- ❖ Kuwait All Share Index increase by 3.5% during YE 2022 as compared to 27% during YE 2021.

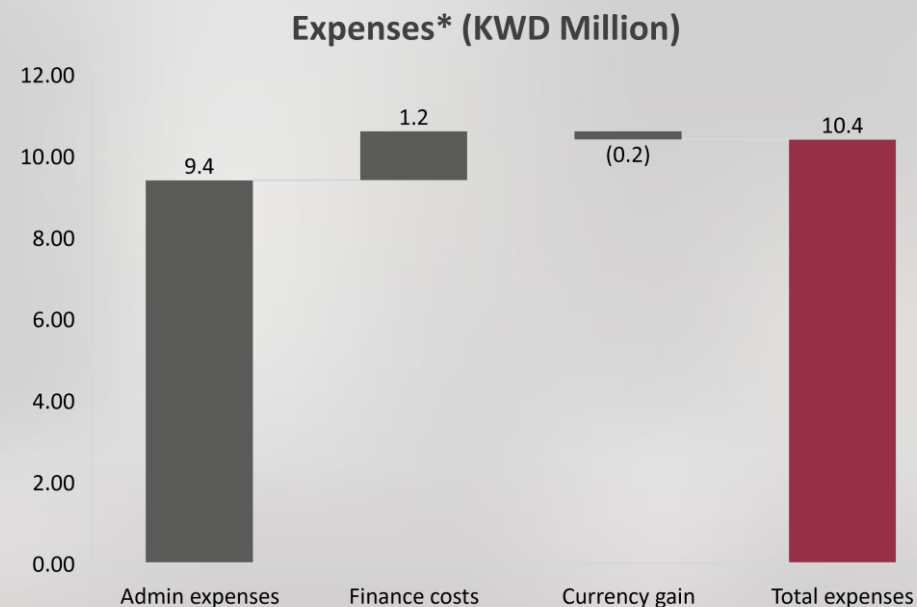
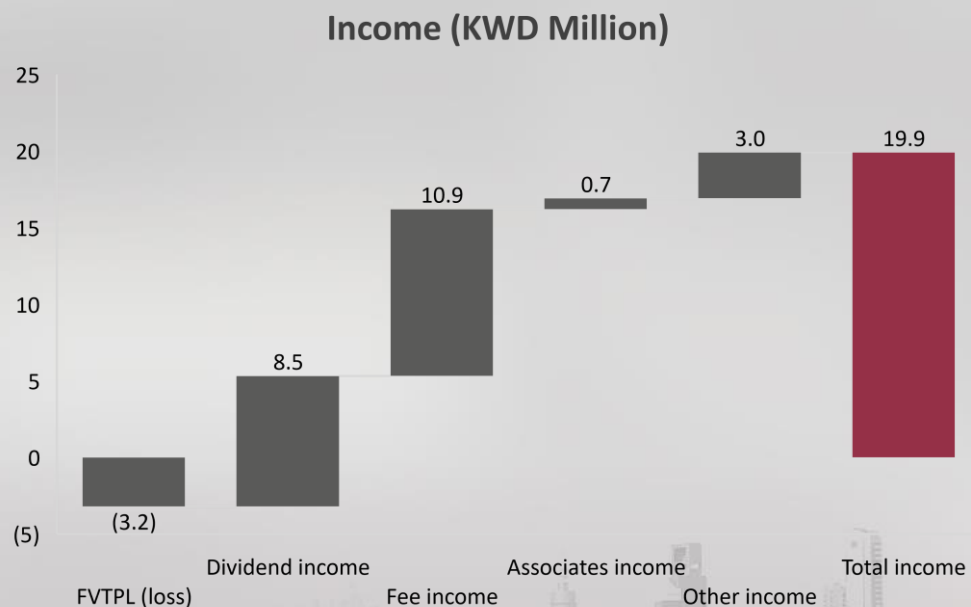


\* Note: Attributable to equity holders of the Company

# YE 2022 Income Drivers and Expenses

**Income of KWD 19.9 Million and Expenses of KWD 10.4 Million.**

- ❖ Fee income and dividend income contributed 55% and 43% respectively to the total income.
- ❖ Total expenses of KWD 10.4 Million for YE 2022 are lower than KWD 11.1 Million for YE 2021.

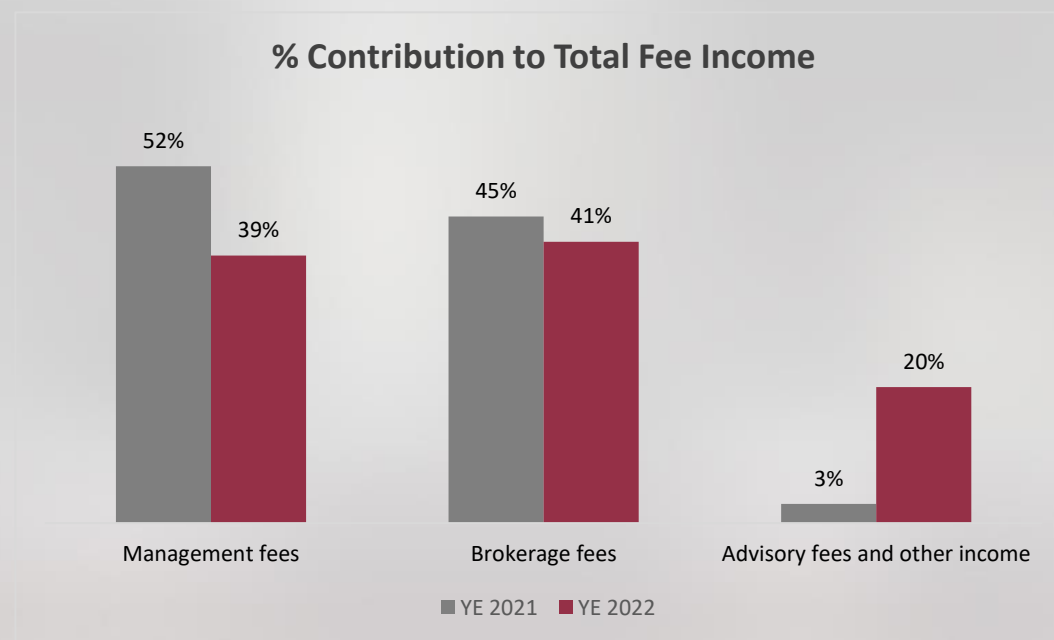


\*Note: Expenses exclude taxes and Directors' remuneration.

# YE 2022 Fee Income Analysis

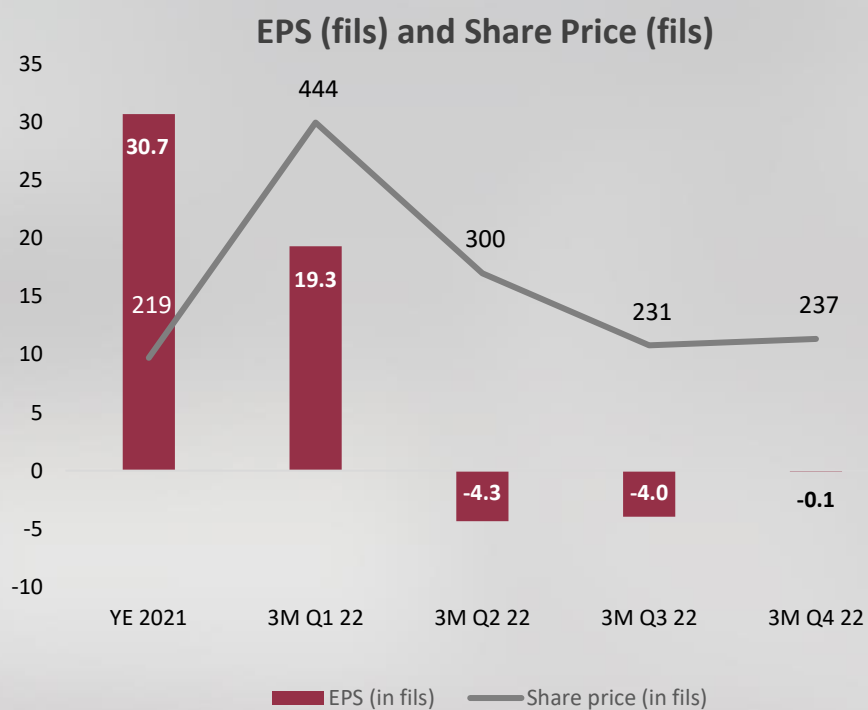
- ❖ Total fee income increased by 19%.
- ❖ The increase in total fee income is on account of:
  - Advisory fees and other income grew by 755%.
  - Brokerage fees from Al Waseet Financial Business K.S.C.C. grew by 11%.

Breakdown of fee income	YE 2021	YE 2022
	KWD'000	KWD'000
Management fees	4,790	4,197
Brokerage fees	4,070	4,511
Advisory fees and other income	254	2,172
<b>Total fee income</b>	<b>9,114</b>	<b>10,880</b>

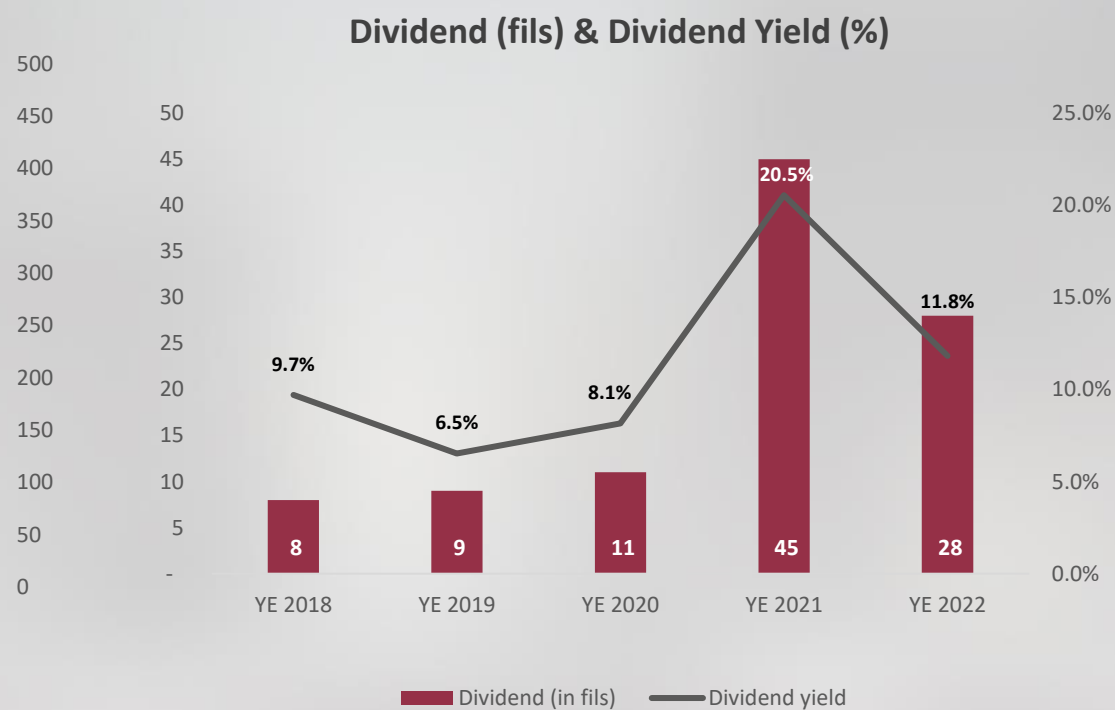


# YE 2022 Earnings and Dividend Per Share

❖ Earnings Per Share of 11 fils and Proposed Dividend Per Share of 28 fils for YE 2022.



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

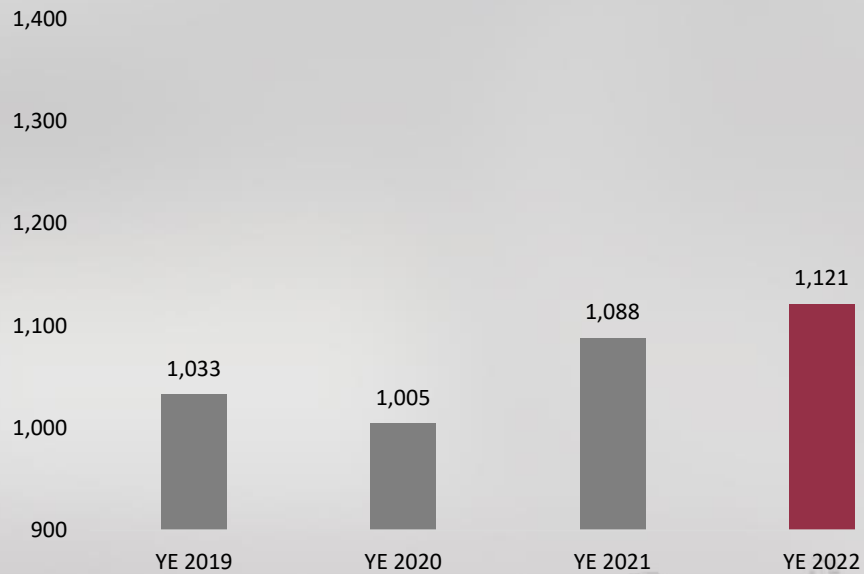


For YE 2022, proposed dividend of 28 fils is subject to approval of the AGM.

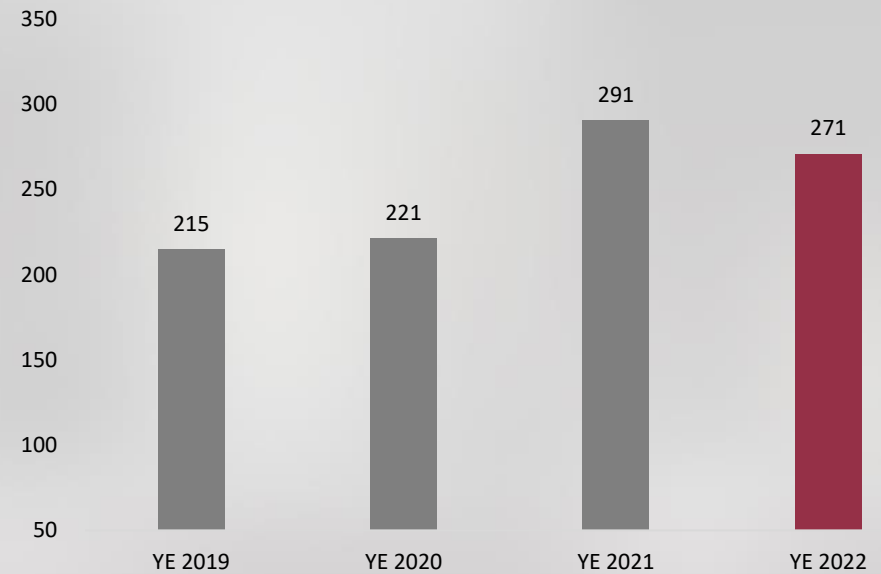
# YE 2022 Profile of Assets

- ❖ Assets under management increased by 3% during YE 2022.
- ❖ Total assets declined by 7% during YE 2022 mainly due to dividend distribution for 2021.

**Assets Under Management (KWD Million)**



**Total Assets (KWD Million)**



# Sectors

## MENA Securities

- ❖ Assets under management (AUM) increased by 3% due to the growth initiatives taken.
- ❖ NIC offers a wide range of investment products and services that cater to different risk appetites and investment objectives. Market Making service was the latest addition to our product offerings. NIC has expanded its customers to a total of 11 companies as of 2022 year-end.
- ❖ In view of the importance of technological integration in asset management, we are currently assessing new products that will add value to our clients.
- ❖ 2022 was a year of volatile and uncertain events across all markets. Our flagship Wataniya Fund yielded 3.05% and yields of Mawarid, Mada, Zajil and Darij were -1.84%, -5.09%, 3.00% and 0.25% respectively as of 31 December 2022.
- ❖ On average, our Discretionary client portfolios generated a return of 3% higher than the benchmark, while our flagship local mandate produced a return of 8.9% as of 31 December 2022. Increasing interest rate environment has negatively impacted the performance of equity markets.

## Investment Banking

### Advisory

- ❖ NIC is working on several live mandates including:
  - IPO of one of the leading financial services companies in Kuwait
  - IPO of an HR and logistic solution provider as well as an automotive company
  - Sell side mandate for a majority stake in an education platform
  - Sell side mandate for a profitable drilling company in Kuwait
  - Merger of two real estate companies
  - Other advisory mandates
- ❖ Strong pipeline of proposals across sectors in Kuwait including:
  - Capital increase of a media company and financial institution
  - Financial advisory for a merger between two companies in food distribution
  - Financial restructuring of a family office in Kuwait

### Alternative Investments

- ❖ As market conditions continue to evolve, we remain committed to cherry-picking only the best transactions, i.e. those that offer excellent returns, while ensuring significant downside protection.
- ❖ NIC invested in (i) two build-to-suit Amazon facilities in Germany and (ii) an Egypt-based fintech company that digitalizes rotating credit and savings association (RoSCA).
- ❖ In the final stages of evaluating:
  - Mezzanine investment for multifamily development in the USA;
  - Mezzanine investment for three warehouse properties in France;
  - Private equity and venture capital funds;
  - Online pharmacy aggregator and distributor in Egypt; and
  - Other financial products.
- ❖ 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 73% in Q4 2022, while the occupancy rate was 87% during the same period.
- ❖ Completed installation of an automated real estate system.
- ❖ Expanded the number of clients and secured new real estate portfolios.
- ❖ Renovation of several managed RE portfolios.
- ❖ In discussion with the Ministry of Finance regarding the renewal of the management contract of Al Watania Resort.



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>Continue to build a strong placement team:</b> Add highly capable private bankers to support Asset Management. We hired two investment placement professionals and are looking to expand the team further.</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, Silver Lake, and International Real Estate.</li> </ul>
<b>Enable Technologies and Efficiencies</b>	<ul style="list-style-type: none"> <li>❖ <b>Digital-first strategy:</b> NIC is dedicated to leveraging cutting-edge digital business technology to drive productivity, efficiency, and agility, ensuring sustainable business growth. We are committed to our digital-first strategy, which has resulted in several new initiatives such as a portal designed specifically for real estate tenants and landlords, an innovative IPO subscription system, a revamped corporate website, and the digitalization of our client onboarding process.</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.</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 high profile transactions and creating repeat business with our client base.</li> <li>❖ <b>Grow IB team</b> and develop functional leaders for ECM, DCM and Direct Investments. We recently added two team members to strengthen the investment banking team.</li> </ul>
<b>Enhance Governance</b>	<ul style="list-style-type: none"> <li>❖ <b>Continue to strengthen governance and transparency as per global best practices.</b></li> </ul>



## Case Studies: Co-investments

Case Study	Boursa Kuwait	Kuwait Foundry	Amazon Kitzingen	Amazon Contwig
				
Investment Thesis	Acquisition (14.4%) of a strategically important asset with sustainable long-term cash flows based on market leadership position and improving long-term growth prospects.	Acquisition (21.3%) of a mispriced asset with intrinsic / liquidation value considerably greater than the prevailing market value (with a clear path to realization).	Senior financing for the development of a built-to-suit Amazon facility in Kitzingen, Germany.	Mezzanine investment for the development of an industrial project in Contwig, Germany leased to Amazon.
Initial Investment Date	Q1 2019	Q1 2019	Q4 2022	Q4 2022
Acquisition Value / Investment	KWD 6.5 mn (237 fils / share)	KWD 8.0 mn (251 fils / share)	\$36 mn	\$10 mn
Value Realized To Date	KWD 3.8 mn	KWD 5.5 mn	\$1.0 mn	\$0.2 mn
Market Value (31-Dec-2022)	KWD 59.4 mn (1)	KWD 4.4 mn (2)	\$36 mn	\$10 mn
Return on Investment (x)	9.67x	1.22x	1.04x	1.02x

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

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

# 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:

## YE 2022 Consolidated Income Statement

	YE 2022	YE 2021	Change
	KWD'000	KWD'000	%
<b>INCOME</b>			
Realized gain on financial assets at FVTPL	1,700	3,905	-56%
Unrealized (loss) gain on financial assets at FVTPL	(4,876)	19,093	-126%
Change in fair value of investment properties	982	(365)	369%
Gain on sale of investment properties	166	140	19%
Rental income	1,276	1,740	-27%
Dividend income	8,528	4,631	84%
Management, incentive, brokerage and advisory fees	10,880	9114	19%
Interest income	326	89	266%
Share of results of associates and joint venture	523	642	-19%
Net gain on sale/liquidation of associates	147	335	-56%
Gain on foreign exchange trading	279	459	-39%
<b>Total income</b>	<b>19,931</b>	<b>39,783</b>	<b>-50%</b>
<b>EXPENSES</b>			
Administrative expenses	9,361	9,694	-3%
Finance costs	1,190	673	77%
Charge for impairment losses and other provisions	30	493	-94%
(Gain)/loss on foreign currency translation	(227)	284	-180%
<b>Total expenses</b>	<b>10,354</b>	<b>11,144</b>	<b>-7%</b>
<b>Profit for the year before taxation and directors' remuneration</b>	<b>9,577</b>	<b>28,639</b>	<b>-67%</b>
Taxation and directors' remuneration	(408)	(1,371)	-70%
<b>Profit for the year</b>	<b>9,169</b>	<b>27,268</b>	<b>-66%</b>
<b>Attributable to:</b>			
Equity holders of the Parent Company	8,736	24,390	-64%
Non-controlling interests (NCI)	433	2,878	-85%
<b>Total</b>	<b>9,169</b>	<b>27,268</b>	<b>-66%</b>
<b>BASIC AND DILUTED EPS ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY</b>	<b>11 fils</b>	<b>31 fils</b>	

## Appendix 2: YE 2022 Consolidated Comprehensive Income

	YE 2022			YE 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 year	8,736	433	<b>9,169</b>	24,390	2,878	<b>27,268</b>
Other comprehensive income for the year (includes change in fair value of FVOCI investments, share of OCI from Associates and foreign currency translation reserve)	9,394	75	<b>9,469</b>	25,641	92	<b>25,733</b>
<b>Total comprehensive income for the year</b>	<b>18,130</b>	<b>508</b>	<b>18,638</b>	<b>50,031</b>	<b>2,970</b>	<b>53,001</b>

## Appendix 3: YE 2022 Consolidated Financial Position

	31-Dec-22 KWD'000	31-Dec-21 KWD'000	Change %
<b>ASSETS</b>			
Cash and balances with banks and financial institutions	32,396	39,365	-18%
Financial assets at FVTPL	102,196	111,209	-8%
Trading properties	278	284	-2%
Loans	341	61	459%
Financial assets at FVOCI	84,065	82,048	2%
Investment in associates and joint ventures	14,160	21,206	-33%
Investment properties	28,995	29,671	-2%
Intangible assets	1,306	958	36%
Goodwill	1,708	-	N/A
Other assets	5,506	5,772	-5%
<b>Total assets</b>	<b>270,951</b>	<b>290,574</b>	<b>-7%</b>
<b>LIABILITIES</b>			
Bank borrowings	39,003	40,483	-4%
Accounts payable and accruals	14,959	14,519	3%
<b>Total liabilities</b>	<b>53,962</b>	<b>55,002</b>	<b>-2%</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	11,199	10,285	9%
Voluntary reserve	12,508	22,693	-45%
Treasury shares	(235)	-	N/A
Treasury shares reserve	520	520	0%
Other reserves	486	440	10%
Foreign currency translation reserve	557	456	22%
Cumulative changes in fair value	33,462	27,286	23%
Retained earnings	10,939	25,719	-57%
<b>Equity attributable to equity holders of Parent Company</b>	<b>198,815</b>	<b>216,778</b>	<b>-8%</b>
Non-Controlling interests	18,174	18,794	-3%
<b>Total equity</b>	<b>216,989</b>	<b>235,572</b>	<b>-8%</b>
<b>Total liabilities and equity</b>	<b>270,951</b>	<b>290,574</b>	<b>-7%</b>