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Capital Markets Authority
Bursa Kuwait Company
KUWAIT

السادة / هيئة اسواق المال
السادة / شركة بورصة الكويت
دولة الكويت

Subject: KIPCO's Analyst/Investor Conference call
Minutes for Q2/2025

الموضوع: محضر مؤتمر المحللين/المستثمرين لشركة مشاريع
الكويت القابضة "كيبكو" للربع الثاني من السنة المالية 2025

With reference to the above subject, and the requirements of article No. (2-4-8) "Continuing Obligations in the Premier Market" of Bursa Kuwait rule book issued via resolution No. (1) of year 2018, and since KIPCO has been classified in the premier market, Kindly note that the analyst/investor conference was conducted through a conference call at 2:00 PM (local time) on Thursday 21/8/2025.

بالإشارة الى الموضوع اعلاه، والى متطلبات المادة (2-4-8) "الالتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث أن كيبكو تم تصنيفها ضمن مجموعة "السوق الأول"، نود ان نحيطكم علما بأن مؤتمر المحللين/المستثمرين قد انعقد عبر مكالمة هاتفية جماعية في تمام الساعة الثانية عصراً (التوقيت المحلي) من يوم الخميس الموافق 2025/8/21.

Kindly note that no material information has been discussed during the conference. Please find attached the minutes of the conference (Arabic & English) and the investors presentation for Q2-2025.

كما يرجى العلم بأنه لم يتم تداول أي معلومة جوهرية خلال المؤتمر، وتجدون مرفق طيه محضر المؤتمر باللغتين العربية و الإنجليزية والعرض التقديمي للمستثمرين عن الربع الثاني لعام 2025.

Sincerely

وتفضلوا بقبول فائق الاحترام ،،



كيبكو
KIPCO

13

Samer Khanachet
Deputy Group CEO

سامر خنشت
نائب الرئيس التنفيذي للمجموعة



Investor
Call Transcript

H1 2025



KIPCO H1 2025 Investor Call Transcript

Introduction: Good afternoon, everyone. This is Ahmed El Shazley and on behalf of EFG Hermes, I welcome you all to the H1 2025 Earnings Call for Kuwait Projects Company (Holding) – KIPCO. It is a pleasure to have with us on the call today Mr Sunny Bhatia (Group CFO), Mr Moustapha Chami (Deputy Group CFO) and Ms Eman Al Awadhi (Group Senior Vice President, Corporate Communications & IR) at KIPCO. I would like to hand over the call to Ms Eman Al Awadhi. Thank you.

Eman Al Awadhi: Thank you, Ahmed. Good afternoon, everyone. We welcome you to our earnings call for the first half of 2025. Please note that today's presentation is also available on our website along with financial statements for the first six months of 2025.

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

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

Sunny Bhatia: Thank you Eman. Good afternoon, everyone.

Let us move to slide 4, where we cover KIPCO's consolidated financial performance for H1 2025. KIPCO Group consolidated total revenue increased 6% to US\$ 2.52b compared to US\$ 2.38b reported for the same period of 2024. This is primarily due to higher revenues from our businesses in banking, energy, hospitality & real estate and industrial & logistics sectors and an increase in investment income, partially offset by variations in the share of results of associates.

KIPCO's total assets at the consolidated level stood at US\$ 44.2b in H1 2025, which is a 4% increase from the US\$ 42.5b reported at year-end 2024.

KIPCO Group reported a net profit of US\$ 33.3m in H1 2025, representing an 8.9% reduction compared to the net profit reported in H1 2024, primarily attributable to an increase in credit provisioning in banking subsidiaries.

Slide 5 shows that most revenue line items saw a healthy growth during H1 2025 compared to H1 2024.

Interest income from banking operations saw an increase of 7.8%, reaching US\$ 1.26b compared to US\$ 1.17b for the same period last year, primarily stemming from 10bps increase in Net Interest Margin (NIM) from 2.1% in H1 2024 to 2.2% in H1 2025 in Burgan Bank Group and growth in the loan book.

Media & digital satellite income increased by 3.0% to US\$ 118.2m.

Hospitality and real estate income saw an increase of 23.2% to US\$ 150.3m.

Income from the energy sector increased by 47.5% to US\$ 97.0m.

Industrial and logistics sector income saw an increase of 7.2% to US\$ 497.0m.

Whereas the net fee & commission income declined to US\$ 144.6m in H1 2025 from US\$ 187.6m in H1 2024 primarily attributable to reduction in fee and commission income in JKB consolidated banking operations.

Furthermore, the Group's interim condensed consolidated financial information includes the effects of hyperinflation in accordance with IAS 29 "Financial Reporting in Hyperinflationary Economies" stemming from our Turkish operations. As a result, the Group recorded a net monetary loss of US\$ 33.7m during H1 2025 compared to a loss of US\$ 41.6m in H1 2024 due to Burgan Bank's operations in Turkey. For further details, please refer to Note (2.4) of the published interim condensed consolidated financial information.

I will now hand over to Moustapha to provide details on the financial performance of the Group's principal operations.

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

Let us move to slide 7, where we cover key performance highlights of our banking operations.

We start with Burgan Bank Group's results for H1 2025. I would like to note that Burgan Bank held its earnings call on August 5, and you can refer to the transcript for more details.

Net operating income for H1 2025 came to US\$ 411.8m, up 13.7% from the US\$ 362.1m reported in H1 2024. Net profit dropped 2.0% to US\$ 68.2m versus US\$ 69.6m in H1 2024. Burgan Bank's loan book went up 3.3% to US\$ 15.1b, while deposits increased 9.3% to US\$ 17.6b in H1 2025 when compared to year-end 2024.

The bank reported a strong liquidity coverage ratio of 225% and a net stable funding ratio of 113%, above the regulatory requirements of 100% for both metrics.

The NPL ratio increased to 3.2% for the period compared to 2.5% for the same period last year. The bank reported a CET1 Ratio of 11.7% and CAR of 17.4% for H1 2025, well above regulatory requirements of 10.5% and 14.0% respectively.

In March 2025, Burgan Bank completed the acquisition of a 100% stake in United Gulf Bank from United Gulf Holding. The price of the transaction was agreed at US\$ 190m, roughly 1.0x UGB's book value. The acquisition is in line with Burgan's new strategy of asset reallocation and building new revenue streams. The transaction gave Burgan access to Kamco Invest's platform, and subsequently in April the Capital Markets Authority granted the bank an exemption from submitting a Mandatory Tender Offer for all Kamco Invest shares. Access to Kamco's platform further drives Burgan's non-interest income, increases its footprint across the GCC region, and has the potential of

revenue and synergies through UGB's Islamic banking license. The acquisition resulted in an impact of approximately 60bps on the bank's regulatory capital ratios.

We move on to slide 8 to cover JKB's performance in H1 2025. JKB's net profit for H1 2025 came to US\$ 73.7m, up 2% from the US\$ 72.1m reported for H1 2024. Total income dropped 4% to reach US\$ 247.6m versus US\$ 258.4m in H1 2024. At the end of H1 2025, JKB's loan book remained at US\$ 2.8b and deposits decreased 7% to US\$ 5.2b from year-end 2024. The bank's total assets came to US\$ 7.5b at the end of H1 2025, down 5% from the US\$ 7.9b reported at 2024-end.

On slide 9, we can see the performance of SADAFCO. The foodstuff company reported an 8.6% increase in revenue for H1 2025 at US\$ 417m compared to US\$ 384m for H1 2024. Operating profit was down 4.5% to US\$ 64.3m compared to US\$ 67.3m for H1 2024. SADAFCO's net profit dropped 4% to US\$ 65m, compared to US\$ 67.7m in H1 2024.

SADAFCO continues to dominate the market in its three main product lines; UHT milk, tomato paste and ice cream. In Q2 2025, YoY sales in dairy, ice cream and culinary increased 10.4%, 5.2% and 7.5% respectively.

United Gulf Holding Company (UGH) is featured on slide 10. UGH incurred a loss of US\$ 13.7m in H1 2025 compared to a net loss of US\$ 15.3m in H1 2024, representing an improvement of 10%. Total income dropped from US\$ 68.1m reported in H1 2024 to US\$ 48.9m at the end of H1 2025. Meanwhile, total assets dropped 22% to US\$ 2.0b in H1 2025 compared to US\$ 2.6b at the end of 2024. Liabilities also saw a 19% drop from US\$ 2.2b at the end of 2024 to US\$ 1.8b in H1 2025, on the basis of debt repayments.

On slide 11 we have the results of United Real Estate Company (URC). Across its key income streams of the business, the company reported a 7.4% increase in rental and hospitality income, and a 45.2% increase in the contracting and services revenue, resulting in an 22.0% increase in total revenue in H1 2025 to US\$ 160.6m.

Operating profit went up slightly by 0.3% to reach US\$ 39.5m versus US\$ 39.4m in H1 2024. URC's net profit posted an increase of 10.5% in H1 2025 at US\$ 14.5m versus US\$ 13.1m in H1 2024. The company's total assets went up 2.5% at the end of the first six months of 2025 to reach US\$ 2.3b, compared to US\$ 2.2b at the end of 2024.

Moving on to slide 12. Starting with our logistics and power rental business, JTC, which reported a total revenue of US\$ 51.7m for H1 2025, 12.6% higher than the US\$ 45.9m reported in H1 2024. The increase is attributed to enhanced revenue from the port division, alongside equipment leasing and warehousing. Net profit for H1 2025 amounted to US\$ 11.7m, 7.1% higher than the reported US\$ 10.9m in H1 2024.

Onto the National Petroleum Services Company (NAPESCO), our oilfield services provider. NAPESCO's revenue for H1 2025 went up 44.7% to reach US\$ 93.0m versus US\$ 64.3m in H1 2024. NAPESCO posted a net profit of US\$ 25.0m for the first half of the year, 48.3% up from US\$ 16.9m for the corresponding period of the previous year. The increase in net profit was primarily driven by the operational efficiencies and improved market share.

Moving on to the healthcare sector with Advanced Technology Company. ATC witnessed a 8.2% decrease in revenue to reach US\$ 262.7m compared to US\$ 286.2m in H1 2025. ATC reported a net loss of US\$ 11.6m in H1 2025 compared to a profit of US\$ 2.9m in H1 2024.

Finally, slide 13 shows the recent business updates on OSN. As you know, last year OSN successfully closed the merger between Anghami and OSN+. The deal, involving an injection of US\$ 38m, has created a media tech company with AI at its core. The MENA streaming powerhouse now has 120 million users, more than 3.4 million subscribers, and US\$ 100m combined revenue.

This year, Warner Bros. Discovery announced a strategic minority investment of 30% in OSN Streaming Ltd., a subsidiary of OSN Group, for a value of US\$ 57m. The investment

reinforces WBD's commitment to the region's rapidly growing streaming landscape. The transaction will be completed in stages and is subject to customary conditions, including regulatory approvals.

This investment builds on OSN's strong growth trajectory and market leadership in MENA's streaming industry, strengthening its competitive position as one of the region's premier entertainment destinations. As part of this partnership, both OSN and Warner Bros. Discovery will invest in high-quality, locally produced content to ensure a richer and more diverse offering for viewers.

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

Moderator: Thank you for the presentation. We will now open the floor for questions. If you would like to ask a question, you can click on the raise hand button and we will unmute you, and we kindly ask you to keep your questions to a maximum of three questions per participant to get a chance for everyone to participate. We have our first question from Zafar Nazim. Please unmute your mic and go ahead.

Zafar Nazim: Thanks very much for the call and the opportunity to ask questions. My first question is on Anghami, the Nasdaq listed company in which you invested, I think close to US\$ 55m. Just wanted to get an idea about what's going on over there because, since you made the announcement of making this investment, the stock price of the company is now less than half of what it was. The total market cap I think is US\$ 22m, which is less than half of your total investment. So if you can just give us some clarity on what's the disconnect between the market price reaction and what you see in the company?

Sunny Bhatia: Thank you, Zafar, for your question. We will not be commenting specifically as to what the market valuation is and what price the stock trades at; that is for the market participants to decide.

Now as far as KIPCO Group strategy is concerned, Anghami is not just music, it also has the OSN+ (i.e. streaming) and as you would have seen from the filings of Anghami, and my colleague Moustapha also mentioned that there is a strategic decision by Warner Bros. Discovery (WBD) to take an equity stake in OSN streaming business through which they get a stake in the Anghami. And they also have an option to increase their stake, and it is a strategic partnership between the streaming business of OSN plus and the WBD.

As we have discussed in past, the value preservation and value enhancement initiatives through strategic acquisitions, such as Anghami acquisition in 2024 for the music business or through strategic partnerships like with the WBD, the value is being created in this business. And it is a roadmap, which the OSN management team believes that in the near future, it should bring the business to a stabilization phase and also create a regional media house not just within the premier content of the likes of HBO and Discovery, but also the local content and local production, which is the aligned vision as declared in the press announcement of WBD and OSN.

Zafar Nazim:

Thanks for that. I had a couple of other questions about one of your subsidiaries, UGH, United Gulf Holding. In its financial statements, there are a few things there which I wanted some clarity on. One, in the most recent financial statements, there's a footnote which says that UGH, after the quarter ended acquired a 49% stake in Al Rawabi Holding from KIPCO. So, what price did UGH pay to acquire this from KIPCO. And then also in footnotes there's a couple of the other things on which I wanted clarity on. One of the footnotes says that there's a loan from the parent. There's a total of US\$ 98m loan from the parent to this entity. And I guess the parent is KIPCO. And this loan is spread into two parts, US\$ 61m and US\$ 37m. The US\$ 61m is going to be repaid on the 31st of December of this year in the form of shares in an affiliate. So which affiliate are we talking about? And then the second bit, the US\$ 37m loan is going to be returned on the 31st of December in cash, I guess. So, I just wanted to find out if this is actually going to happen. Are you going to get this money back whether in form of shares or in

cash? And then lastly, there's another footnote in the same financial statement i.e. in footnote 10.3 which says that the parent has committed to acquire an FVTOCI investment of the Group at its carrying value of US\$ 65.7m or higher. The parent is apparently KIPCO. So, you're going to acquire this investment from UGH for US\$ 66m. When do you plan to acquire this? Is there a timeline for this?

Moustapha Chami: Answering your last question first, there is no timeline for this. And as you know from a consolidation perspective these intercompany balances between the parent and the subsidiaries are eliminated. So that's why you don't find those notes in KIPCO's financial statements. With regards to your first item, we would comment on that in Q3. There will be much more clarity about this from UGH itself in their Q3 financials. Again, it's an intercompany transaction that took place post H1 2025.

Zafar Nazim: Right. And the bits on the loan from the parent?

Moustapha Chami: It's business as usual between the parent company and its subsidiaries and as you know any parent company that owns more than 20% in any subsidiaries, as per their principal activities, they can give a shareholder loan, get repaid on a contractual basis between the two.

Zafar Nazim: So, this loan is to be repaid by the end of this year. Do you expect that to be repaid? And part of this loan is going to be repaid in the form of shares. So which shares are we talking about?

Moustapha Chami: We will discuss this between us and UGH by year end, but we will not be able to share the specifics of that contractual arrangement.

Zafar Nazim: Ok. Thank you.

Moderator: Thank you, Zafar. We will now take a question from Rakesh Tripathi. Please unmute yourself and go ahead.

Rakesh Tripathi: Hello, thank you for the presentation and thank you for the opportunity to ask questions. A couple of questions from my side. First one again, just to get some clarity on the cash flows that have happened in H1. Can you give us some sense of what was the size of the dividend receipts by the company in the H1 from its operating companies?

Sunny Bhatia: US\$ 94m.

Rakesh Tripathi: OK, great. Thank you. So, keeping that number as it is about US\$ 94m and US\$ 50 - 55m in interest and general and admin expenses for the business for H1 or is that I think, it is close to US\$ 100m in G&A and interest expenses for H1. So, the dividend is basically used up there. At the same time for H1, I see that parent level debt balance is up by ~US\$ 58m, while the cash balance is down by ~US\$ 80m, so US\$ 138m is the difference, that I am not able to account for after considering the dividend receipts and the interest outflows and G&A expenses. So, is it fair to basically assume then that this would be the kind of, in one form or the other, some form of cash support that has been extended to subsidiaries or the various operating companies, either in the form of a loan or in the form of a direct equity injection or some other form?

Sunny Bhatia: As we said previously, we present our consolidated financials in accordance with the local requirements and not specifically the parent level financials. But in general, if one was analyzing the parent level financials on their own, then the dividend income is the cash inflows. At the same time the G&A and the interest expense are the key outflows apart from period to period variations in the cash flows or it can also involve the capital injections, the investments or the shareholder loan to the various group companies which are reflected on an elimination basis.

In general, the trajectory of bringing the company's cashflow on a standalone basis, initially to a flat and to improve overall coverage, we are doing two things. One is improving the overall operating performance of our key companies, which remains an integral part of our strategy, but these things do take time to materialize in form of

dividends. At the same time a priority is to create and enhance shareholder value of each group company, for which they need to be adequately capitalized to pursue their respective strategies. So, it is a balance between the medium to long term objectives of creating the shareholder value and at the same time improving or strengthening the dividend flow and this is the right balance which we as an investment holding company have to make in managing our investments.

Rakesh Tripathi: Yes, very clear. Thank you. So just to reconfirm, there's no cash flows specifically, any heads that I have missed here. At the parent level, dividends are the primary inflow, interest and operating expenses are the key outflows and then any other cash differences as of now, would be related to any such capital injections or shareholder loans or any such form of support extended to the various subsidiaries and associates. Is that a fair assumption?

Sunny Bhatia: Generally yes, your assessment is correct in this regard.

Rakesh Tripathi: Thank you. The second question I had was on the refinancing plans for the upcoming bond. So, this quarter, basically next month is when one of the bonds will become current, right? The US\$ 500m EMTN, one of them. So just wanted to hear if there's any new updates on the refinancing status on potentially, getting some kind of a bridge facility set up. If there's anything in the works that you can share as an update with us.

Sunny Bhatia: Our Group Treasury remains committed to proactively manage the maturities and as you rightly said, 27th October 2026 is the first maturity of the US\$ 500m EMTN. We are working towards creating an appropriate addressal of the upcoming maturities and in accordance with our transparency and disclosure policies, as and when we have a concrete plan to execute in this regard, make the right announcements on Boursa Kuwait and through RNS announcements for the benefit of the investors in the EMTN notes, Sukuk investors and KD bondholders.

- Rakesh Tripathi:** Right. So, I think the update is largely the same as it was last quarter. Just can you give some sense of say what is your internal timeline by which you would want to get the cash in place to be able to redeem the bonds. So, what is the timeline that you would look at internally, say six months before, one quarter before, three quarters before?
- Sunny Bhatia:** Ideally, we target to do it ahead of the 12 months window. So that is something we would be aiming to work at.
- Rakesh Tripathi:** 12 months did you say? Just, re clarifying.
- Sunny Bhatia:** 12 months window would mean if October 2026 is the maturity, 12 months before that is October 2025. So, we would be working towards that.
- Rakesh Tripathi:** So, should we expect some kind of an announcement like without any details? Should we expect something to come out, say in the next couple of months?
- Sunny Bhatia:** This is extremely specific. As I said, generally we are working towards proactively managing our liability but at this stage we have nothing specific or concrete to announce and as stated earlier we would be making the announcement as and when we have some concrete announcements to make, but the direction is work proactively and the general target is to do it ahead of the maturities by a year or so.
- Rakesh Tripathi:** Fair enough. Understood, thank you.
- Moderator:** Thank you, Rakesh. As a reminder, if you'd like to ask a question, you can click on the raise hand button and we'll unmute your microphone. We will pause for a moment just to make sure that we have no final questions.
- I guess we have no further questions, so I'd like to hand the call back to KIPCO's management team for any concluding remarks.

Eman Al Awadhi: Thank you, Ahmed, and thank you for everyone who joined us on this call. We look forward to having you again with us for the Q3 call and update. Thank you. Have a good afternoon.

Sunny Bhatia: Thank you so much.

KIPCO H1 2025 INVESTORS' CALL

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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) 0.30535

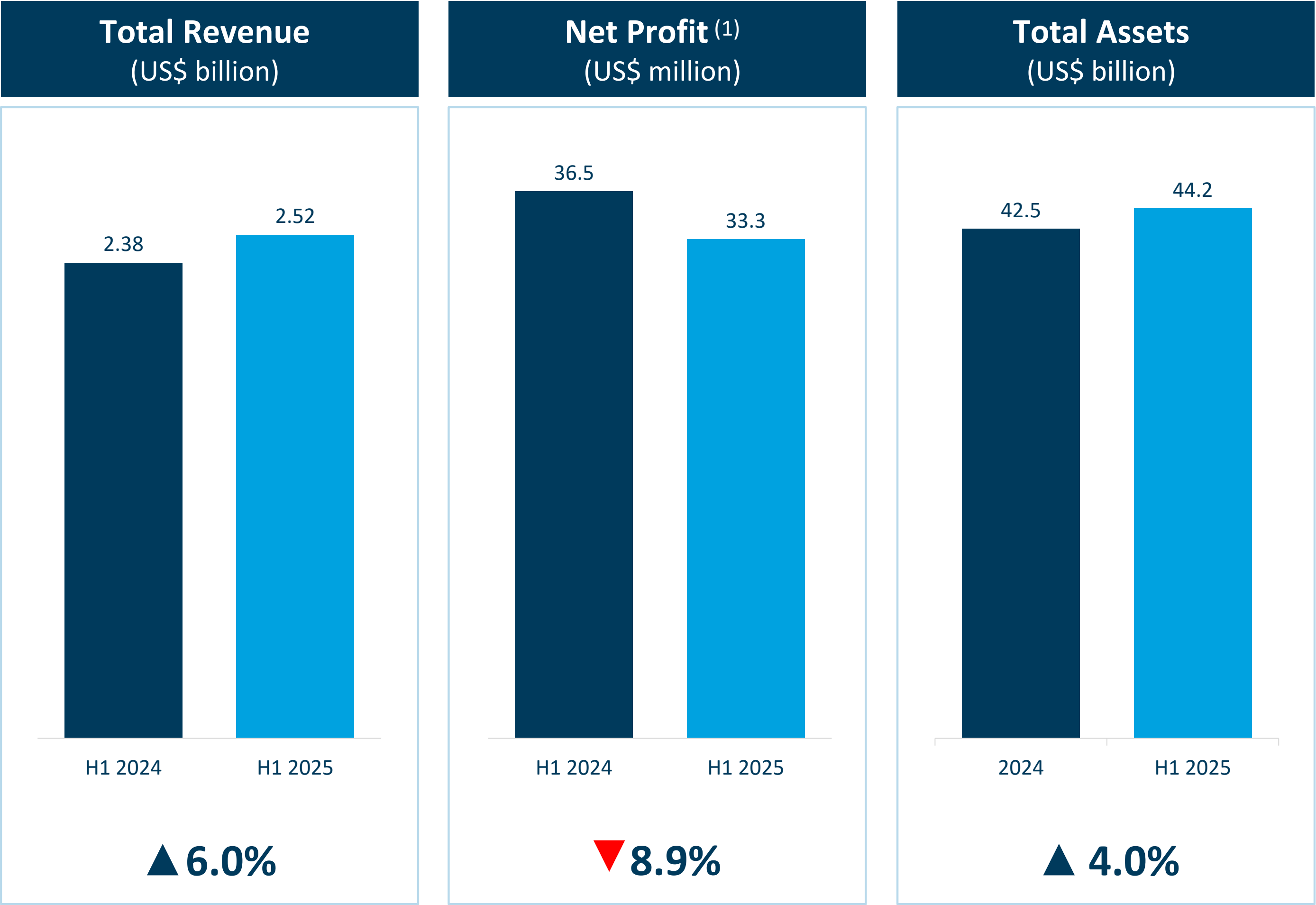
-US\$ to Jordanian Dinar – (US\$/JD) 0.70900

-US\$ to Saudi Riyal – (US\$/SAR) 3.75000

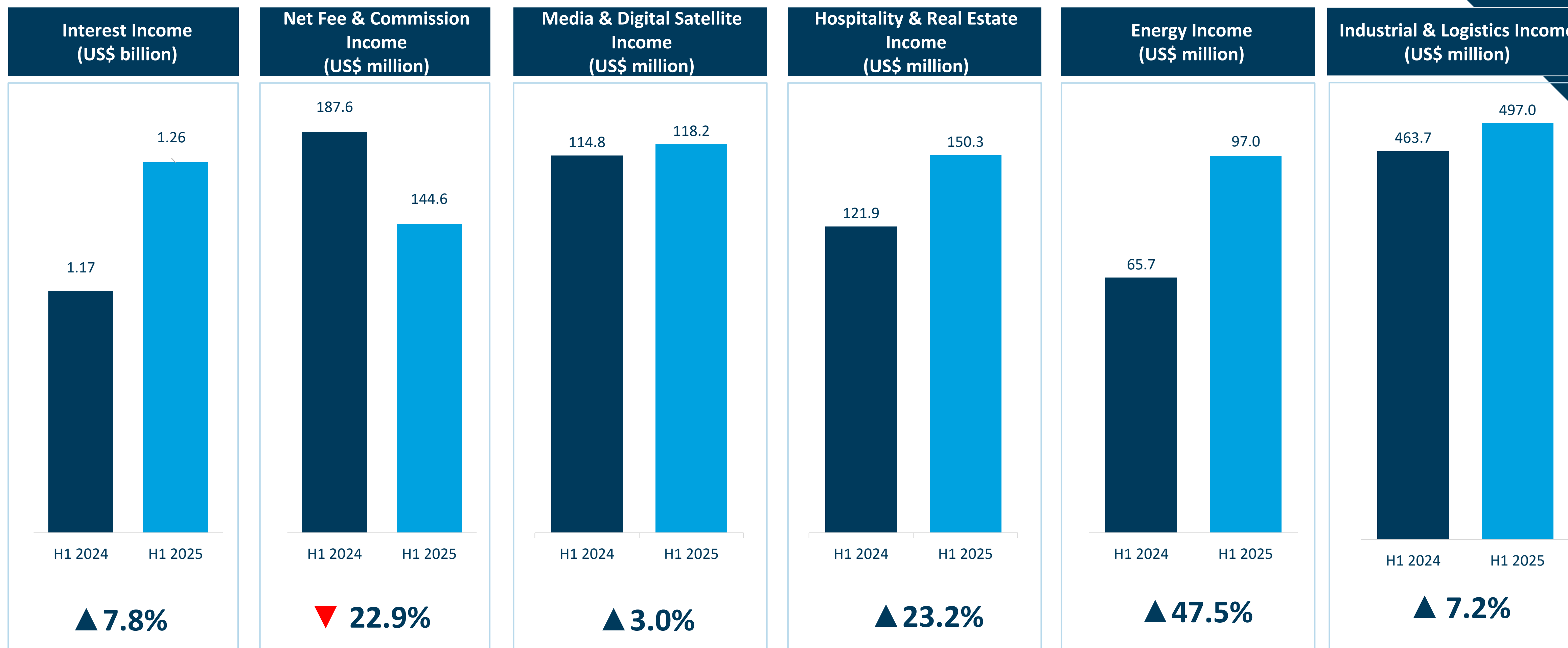


HIGHLIGHTS OF THE PERIOD

Financial Highlights



H1 2025 income breakdown



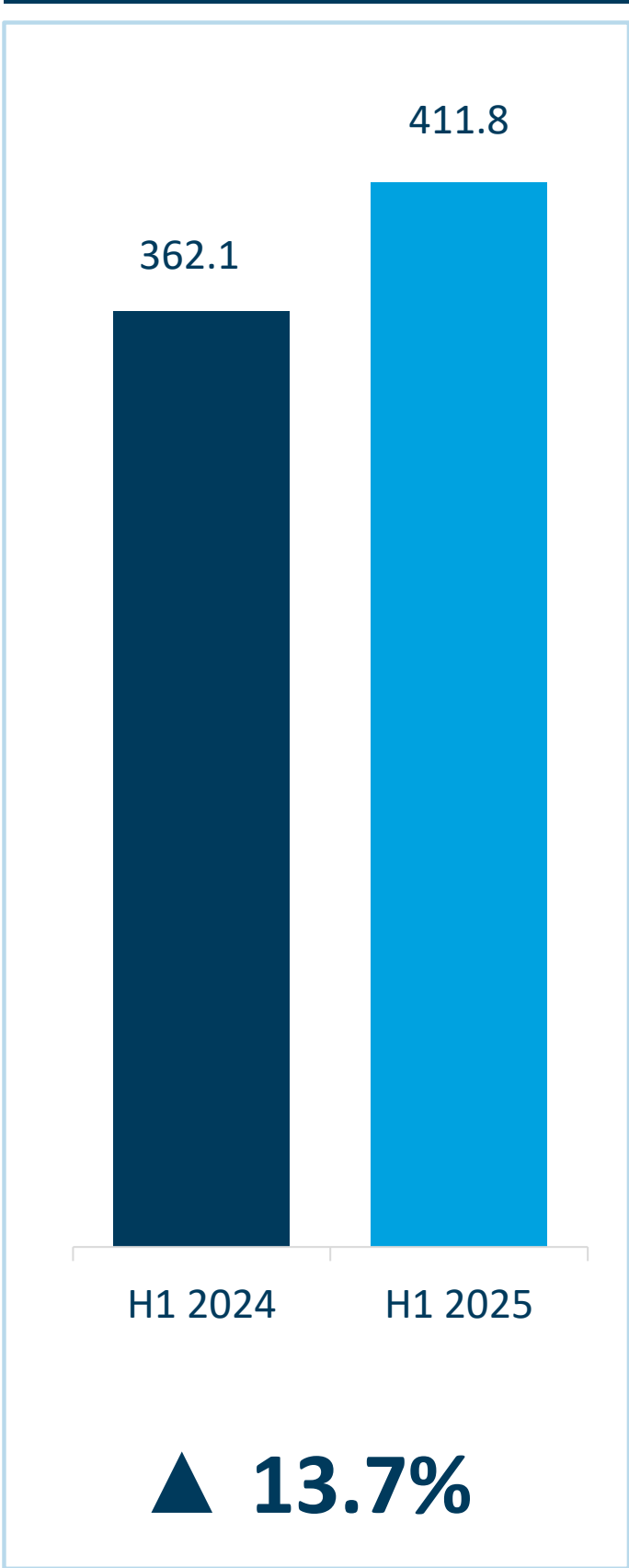


PORTFOLIO FINANCIAL PERFORMANCE

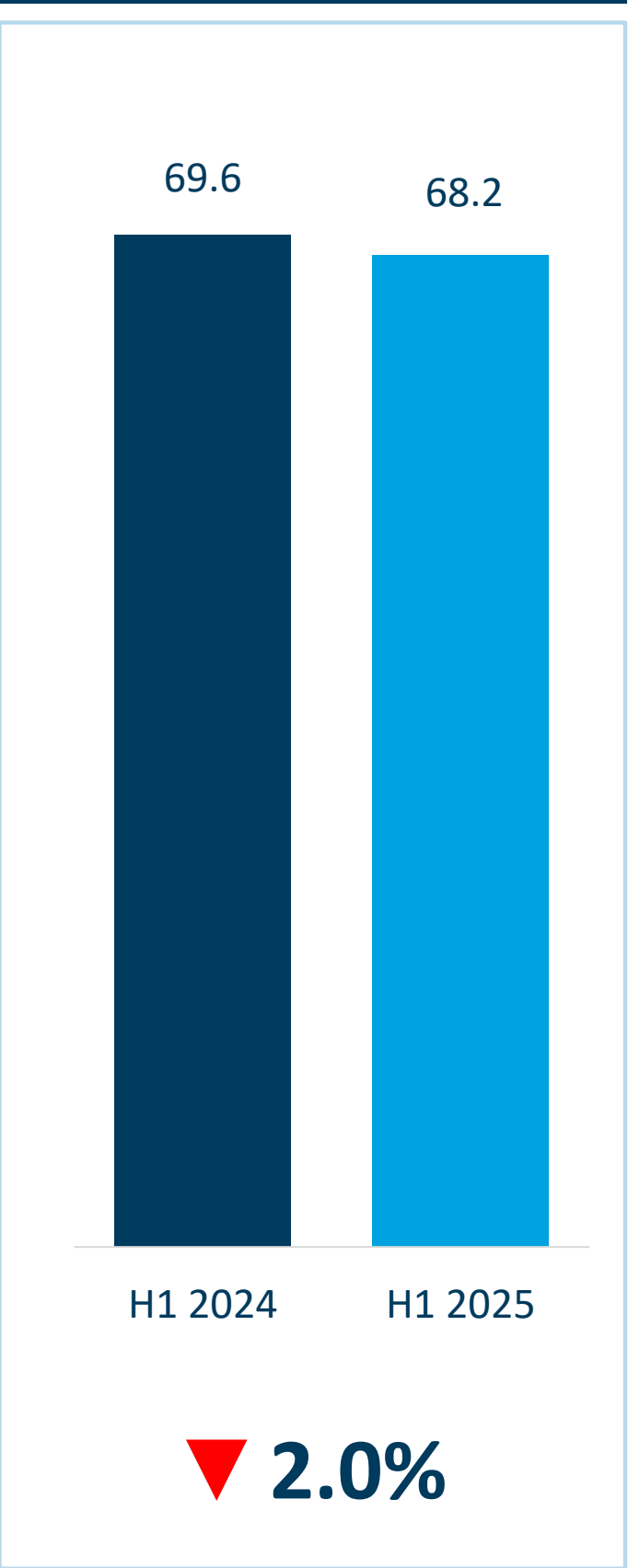
Burgan Bank Group



Net Operating Income (US\$ million)



Net Profit⁽¹⁾ (US\$ million)



Loans & Deposits (US\$ billion)



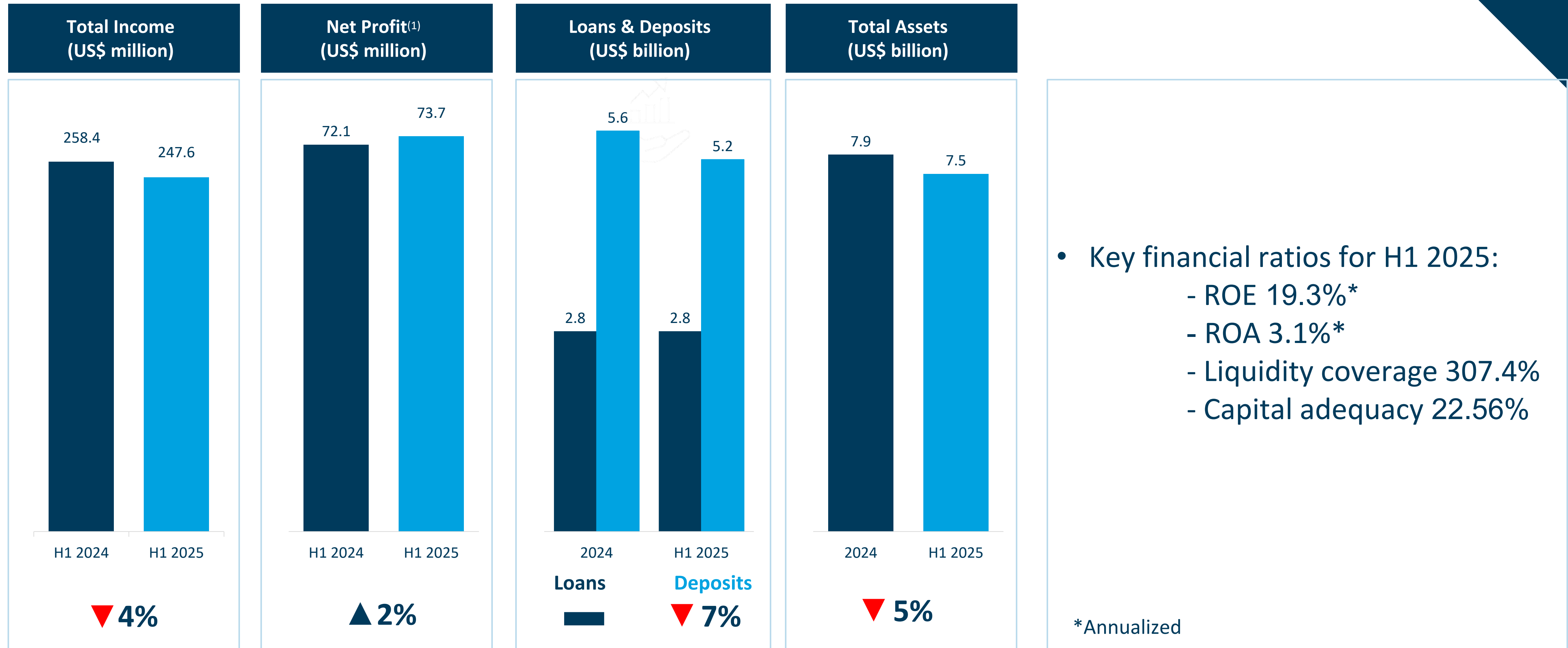
Key Ratios

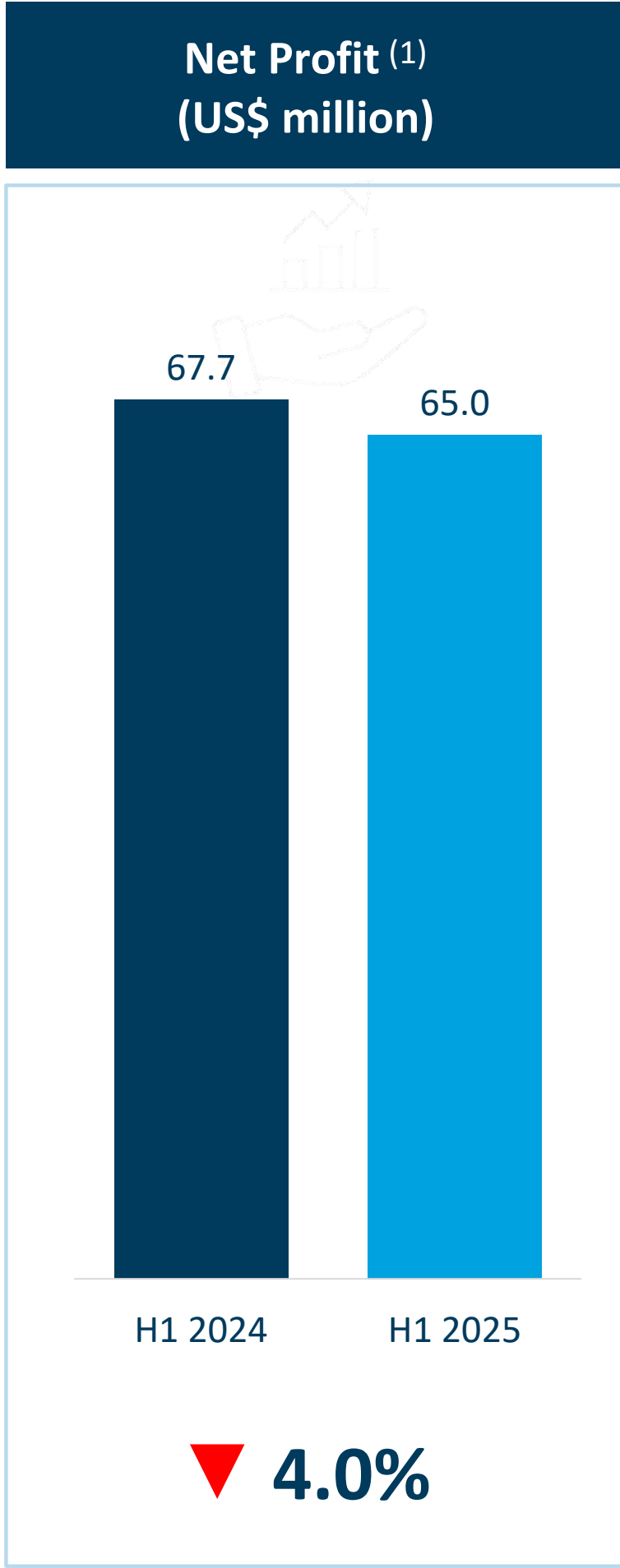
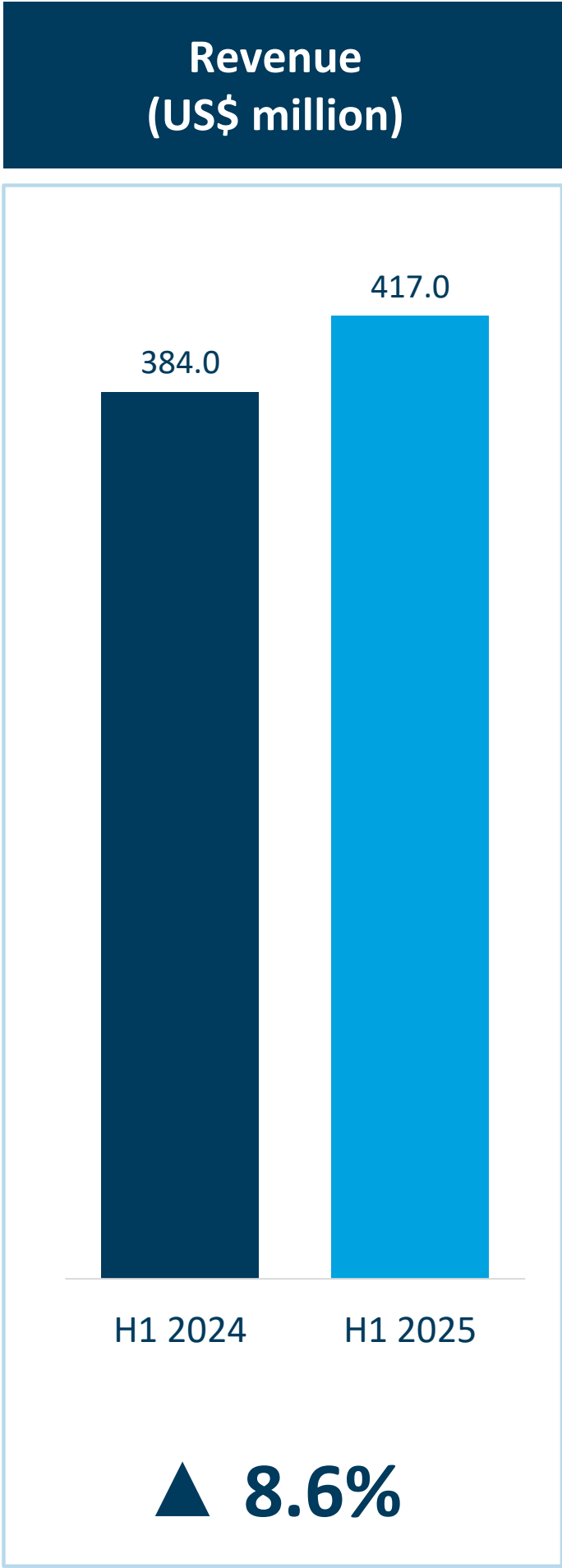
	H1 2024	H1 2025
Net interest margin%*	2.1%	2.2%
Cost of Credit%**	0.3%	0.6%
NPL Ratio%	2.5%	3.2%

*Annualized
**Cost of Credit based on Loan Loss Provisions adjusted for recoveries over gross loans

- In March 2025, Burgan Bank completed the acquisition of a 100% stake in UGB from UGH
- Subsequently in April, the CMA granted the bank an exemption from submitting an MTO for all Kamco Invest shares.

Jordan Kuwait Bank

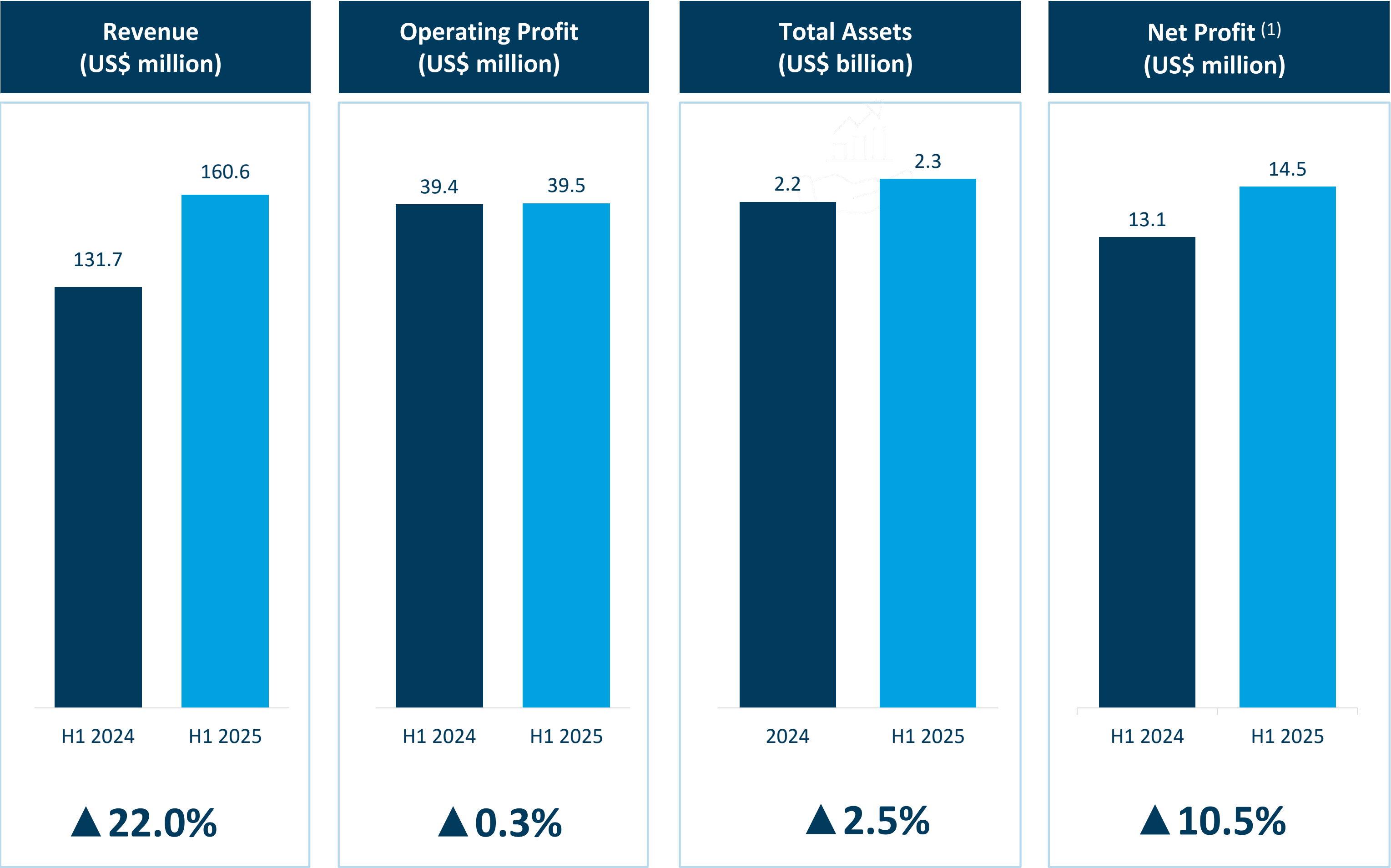




- Sales for Q2 registered a YoY increase of 8.7%
- Sales YoY growth registered across production lines:
 - Dairy ▲ 10.4%
 - Ice Cream ▲ 5.2%
 - Culinary ▲ 7.5%
- Market share remained firm:
 - Plain UHT Milk 57.4%
 - Tomato Paste 53.6%
 - Ice Cream 30.4%

United Gulf Holding

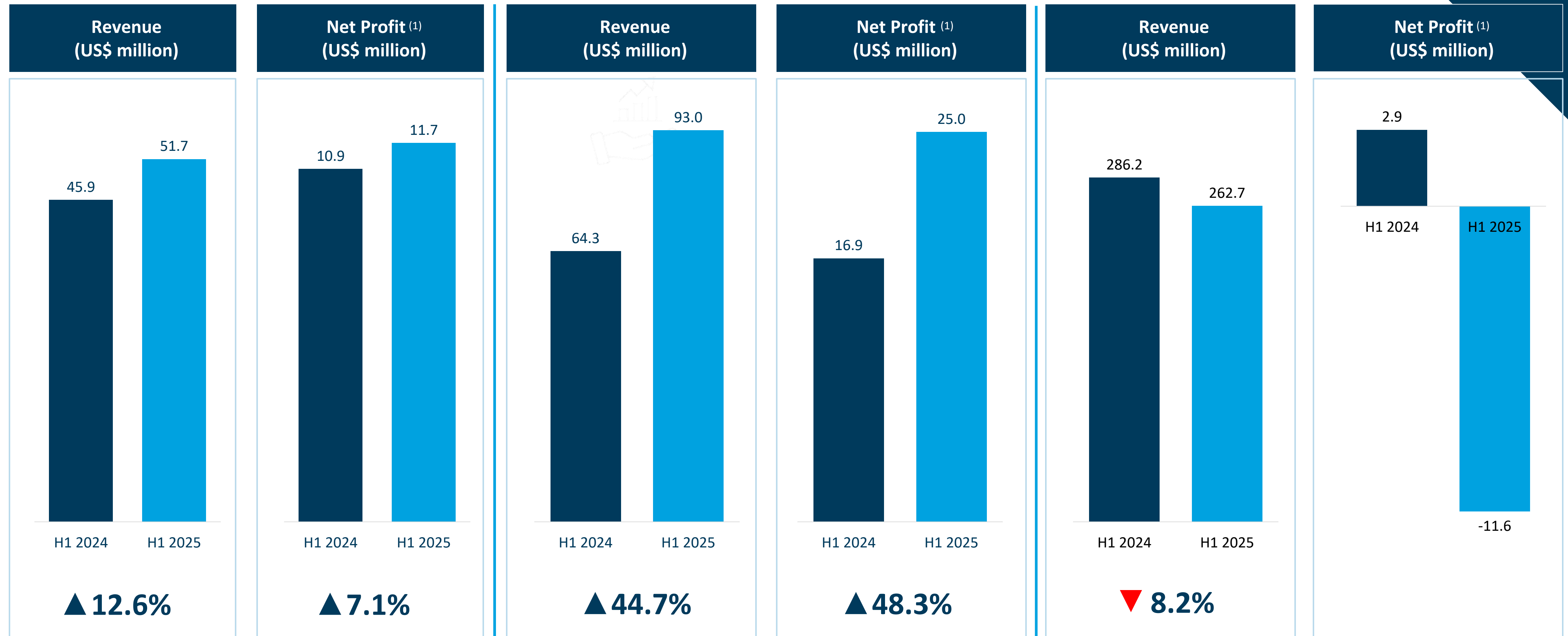




Logistics, energy & healthcare



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



WBD makes 30% strategic investment in OSN Streaming



Best in class international strategic investor

WBD investment in OSN Streaming: Strategic Impact



126 million subscribers



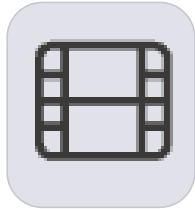
Global endorsement



Market position



Synergy benefits



Content growth

OSN’s 3-year streaming-first pivot

Premium content deals



Warner Pay 1 deal – 550 new licensed titles

Tech innovation & cost management



▲ OSN+ engagement
▼ 40% hardware cost

Subscriber growth



▲ 117% in OSN+ subscriber base in 3 years

Thank you