

لغات
AQRAT
عقارات

Date: 14/03/2022
KREC/FIN/2022/220

التاريخ: 2022/03/14
KREC/FIN/2022/220

To: Bursa Kuwait Company

السادة/ بورصة الكويت المحترمين

**Subject: Analyst / Investor Conference
Presentation of Kuwait Real Estate Company
(K.P.S.C) for Q4 / 2021**

**الموضوع: العرض التقديمي لمؤتمر المحللين / المستثمرين
لشركة عقارات الكويت (ش.م.ك.ع) للربع الرابع لعام 2021**

Reference to the aforementioned subject and as per article No. (8-4-2) "continuing Obligations in the Premier Market" of Bursa – Kuwait Rule Book issued as per decision No. (1) for year 2018, and since Kuwait Real Estate Company has been classified in the Premier Market.

بالإشارة إلى الموضوع أعلاه، وعملا بأحكام المادة رقم (2-8-4) "الإلتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث تم تصنيف شركة عقارات الكويت ضمن مجموعة السوق الأول.

Kindly be informed that the Analyst / Investor Conference was held on Monday 14/03/2022 at 01:00 PM through (Live Webcast).

يرجى العلم بأن مؤتمر المحللين / المستثمرين قد انعقد في يوم الإثنين الموافق 2022/03/14 في تمام الساعة 01:00 ظهرا عن طريق بث مباشر على (Live Webcast)

Moreover, please note that no material information has been disclosed during the conference.

علما بأنه أثناء المؤتمر لم يتم الإفصاح عن أية معلومات جوهرية.

Furthermore, attached is the Analyst/ Investor's conference presentations for Q4 2021.

كما نرفق لكم طيه عرض مؤتمر المحللين / المستثمرين للربع الرابع من العام 2021.

This is for your information and notice.
Best Regards

هذا للعلم والإحاطة
وتفضلوا بقبول فائق الإحترام والتقدير،،،

*CC:

طلال جاسم البحر
نائب رئيس مجلس الإدارة
والرئيس التنفيذي

* نسخة الى:

CMA – Disclosure Dept.

السادة / هيئة أسواق المال – إدارة الإفصاح

AQRAT

شركة عقارات الكويت ش.م.ك.ع. Kuwait Real Estate Company K.P.S.C.

تأسست عام 1972 Established in

صندوق بريد 1257، الصفاة 13013، الكويت، مبنى سوق الكويت، الدور الثامن

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رأس المال المدفوع والمصدر Paid up Capital K.D. 94,736,505.900 مقدار رأس المال المصرح به Authorized Capital K.D. 94,736,505.900

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سجل تجاري 64 CR No.

نموذج الإفصاح عن المعلومات الجوهرية

| نموذج الإفصاح عن المعلومات الجوهرية | |
|--|--|
| التاريخ | 2022/03/14 |
| اسم الشركة المدرجة | شركة عقارات الكويت (ش.م.ك.ع). |
| المعلومة الجوهرية | قامت شركة عقارات الكويت بعقد مؤتمر المحللين / المستثمرين في يوم الإثنين الموافق 2022/03/14 في تمام الساعة 01:00 ظهرا للربع الرابع لعام 2021 عن طريق بث مباشر على (Live Webcast) علما بأنه أثناء المؤتمر لم يتم الإفصاح عن أية معلومات جوهرية. مرفق طيه عرض مؤتمر المحللين / المستثمرين للربع الرابع من العام 2021. |
| أثر المعلومة الجوهرية على المركز المالي للشركة | لا يوجد |



طلال جاسم البحر
نائب رئيس مجلس الإدارة
والرئيس التنفيذي


AQARAT
عقارات





INVESTORS & ANALYST PRESENTATION

Q4 2021 Financial Results

March 2022

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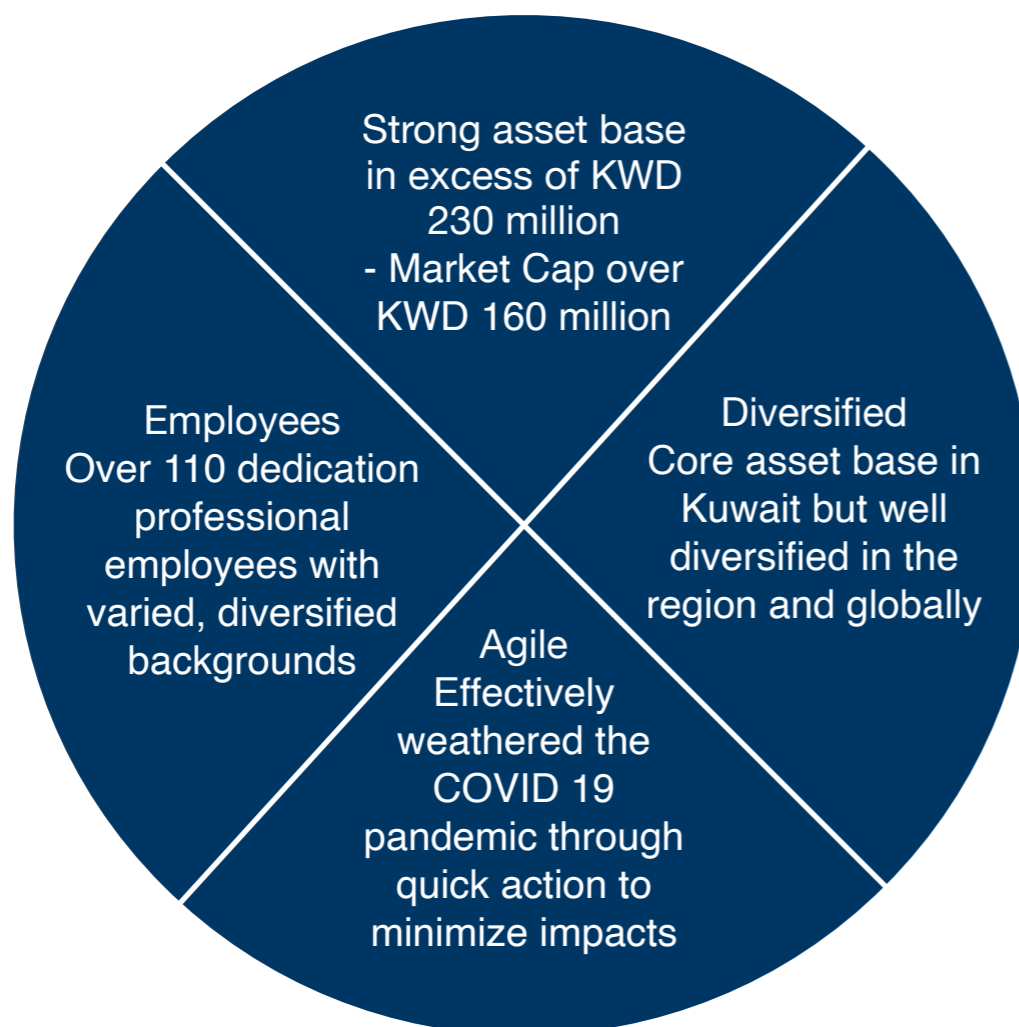
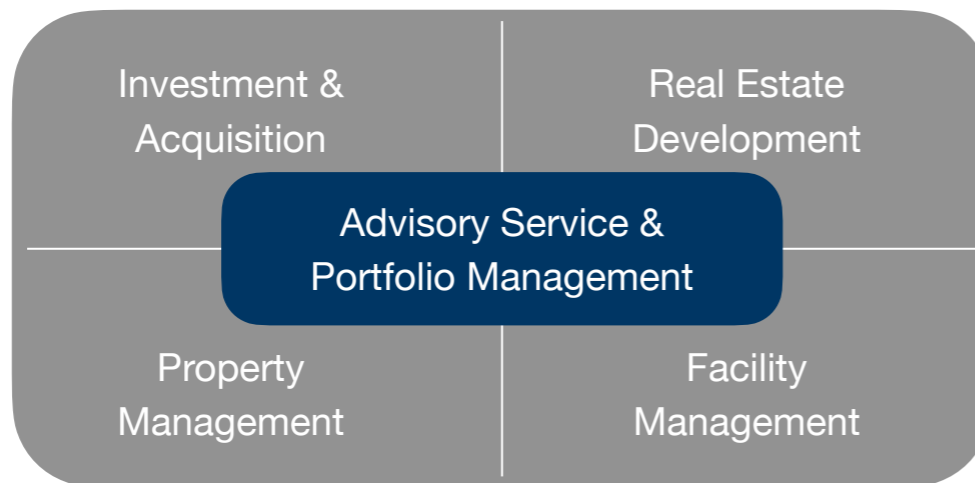
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| | | | |
|----------------------------|----------------------------|------------------------------|----------------------------------|
| AQARAT OVERVIEW | AQARAT STRATEGY | BUSINESS OVERVIEW | FINANCIAL PERFORMANCE |
| 01 | 02 | 03 | 04 |



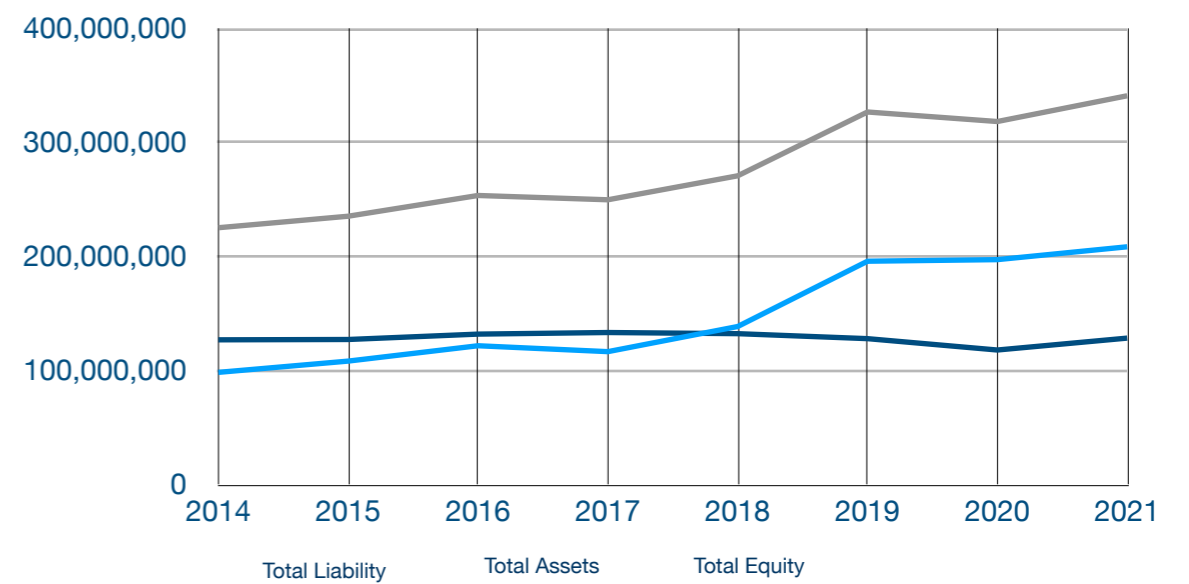
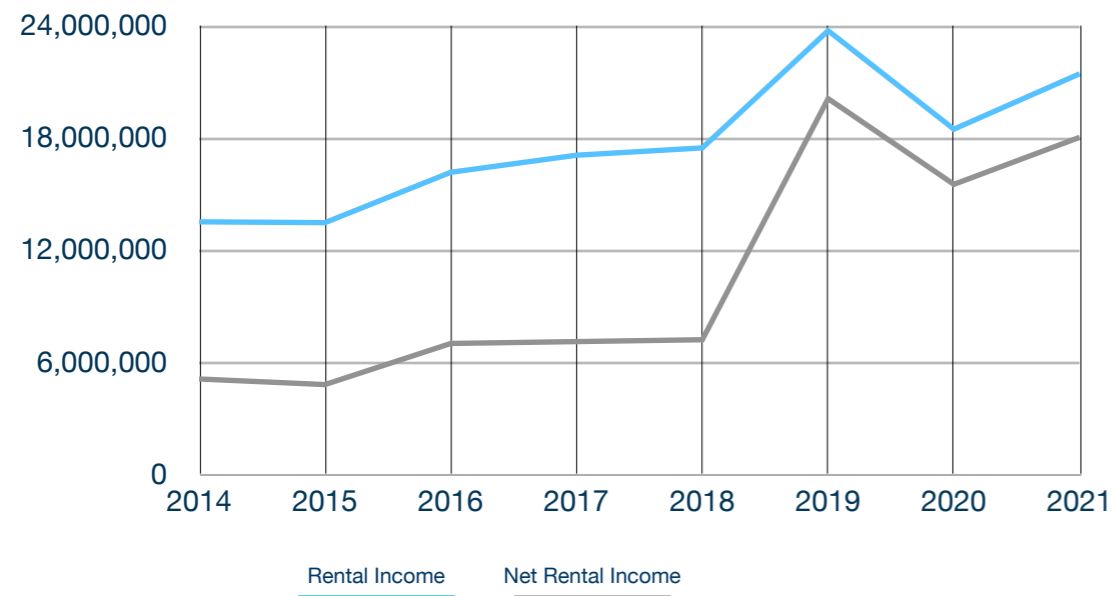
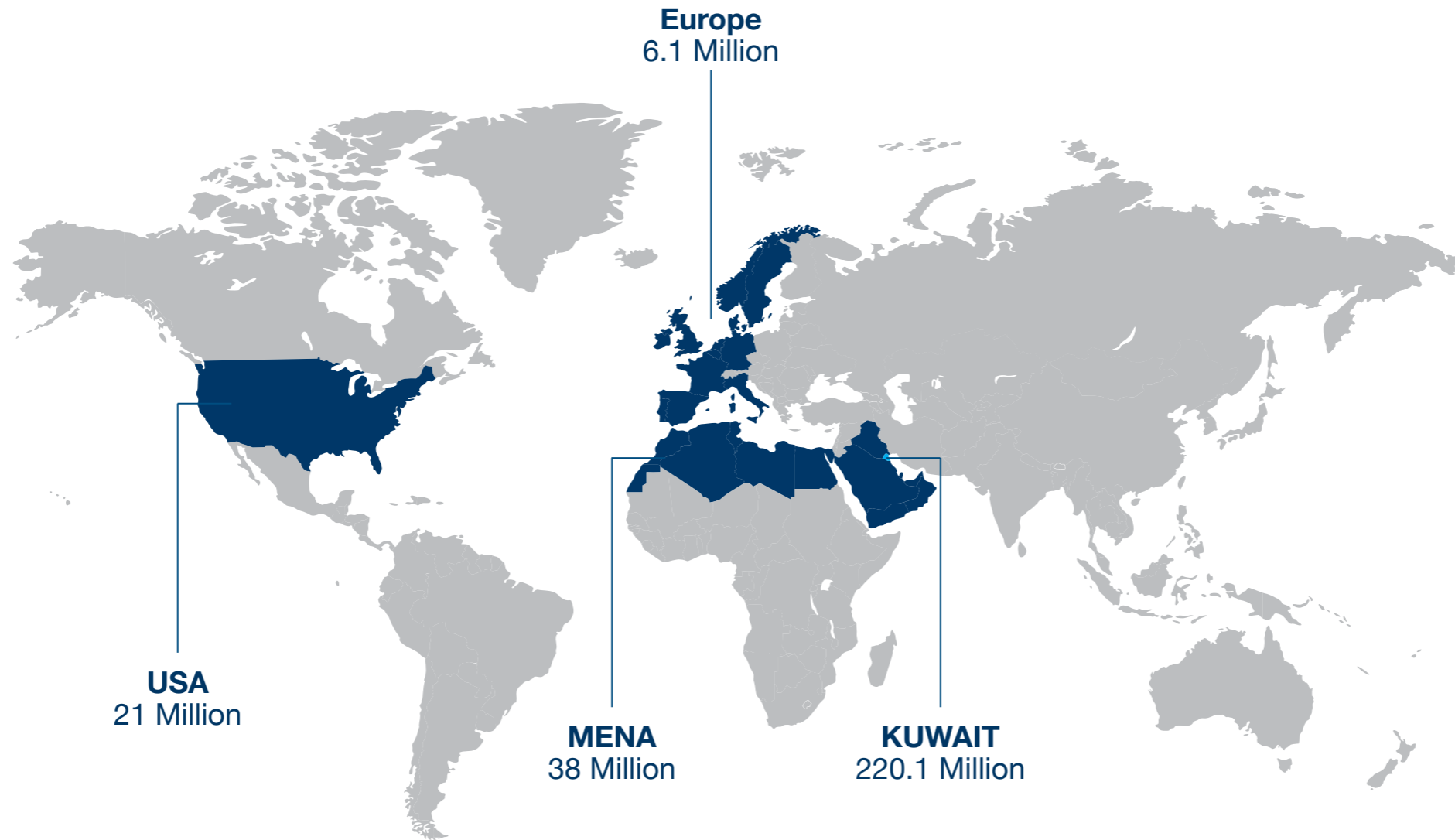
Section 1

Overview



- AQARAT (Kuwait Real Estate Company K.P.S.C), a leading Real Estate development and investment company.
- Established in 1972 and is the first real estate company to be listed on the Kuwait Stock Exchange (Boursa Kuwait) in 1984.
- Over 49 years in the field of Real Estate investment and development locally and internationally.
- As a leading integrated real estate services provider, AQARAT offers its clients a comprehensive range of high quality professional real estate services in the residential, retail, commercial and hospitality services sectors.
- AQARAT provides in depth local expertise along with a truly global presence and a proven reputation for delivering results.

| Kuwaiti Dinars | 2018 | 2019 | 2020 | 2021 |
|-------------------|---------------|---------------|---------------|---------------|
| Rental Income | 17.5 Million | 23.7 Million | 18.5 Million | 21.4 Million |
| Net Rental Income | 10.1 Million | 20.7 Million | 15.5 Million | 18.0 Million |
| Net Income | 6.7 Million | 7.0 Million | 3.6 Million | 6.2 Million |
| Total Assets | 270.9 Million | 326.9 Million | 318.5 Million | 341.2 Million |
| Total Liabilities | 138.6 Million | 195.9 Million | 197.2 Million | 208.6 Million |
| Total Equity | 132.3 Million | 127.9 Million | 117.9 Million | 128.4 Million |
| EPS | 7.5 | 8.26 | 4.10 | 6.92 |
| ROE | 5.10% | 5.51% | 3.02% | 4.87% |
| ROA | 2.49% | 2.15% | 1.12% | 1.83% |





Section 2

Strategy



Consistent Operational Income

- Enhance current rental & operational income and profitability through maintaining and enhancing the quality of assets.

Opportunistic Development & Acquisitions

- Enhance the existing portfolio by maximizing the development of each asset and repositioning assets as and when value can be added.
- Capitalize on development expertise to benefit from opportunities.
- Acquisition of strategic land parcels/ properties.

Joint Ventures & Partnerships

- Form Strategic Partnerships and JV's to enhance efficiency and mitigate risks.



Section 3

Business Overview

INCOME YIELDING PORTFOLIO

| Kuwaiti Dinars | Q4 2021 | Q4 2020 | YTD 2021 | YTD 2020 |
|---------------------|-------------|-------------|-------------|-------------|
| Rental Income | 5,732,888 | 3,303,694 | 21,430,882 | 18,466,440 |
| Operating Expense | (1,568,724) | (1,292,506) | (3,399,596) | (2,952,279) |
| Net Rental Income | 4,164,164 | 2,011,188 | 18,031,286 | 15,514,161 |
| Aggregate Occupancy | 90% | 89% | 88.1% | 89% |

- In Q4 2021, AQARAT income producing portfolio generated KD5,732,888 million compared to KD 3,303,694 million for the same period in 2020 representing an increase of 74% mainly due to the elimination of discount for covid-19.
- In comparison to Q4 2020, Q4 2021 Net Rental Income marked an increase of 107%.
- Kuwait Portfolio Occupancy in Q4 2021 averaged 90%.
- Non-hospitality International Portfolio Occupancy for Q4 2021 averaged 97%.

INCOME GENERATING PORTFOLIO

- Despite the spike in omicron variant spread during the fourth quarter worldwide , the business environment continued its recovery trend.
- Yotel NY continued its recovery due to the resumption of travel.
- Yotel San Fransisco Reopened in Q4, however the market relies on conventions which has not resumed yet due to covid -19.
- Domus 2 was completed and 67% leased as of the end of Q4.
- The 8 Hotel was opened to the public in November and is achieving satisfactory occupancy levels.

PROJECTS UNDER DEVELOPMENT

- Refurbishment of the 3 Reggae properties was completed in Q4 and they are expected to be operational in Q2 2022.
- Arabella Hotel development is moving as scheduled and is expected to be completed in 2022.
- Yotel Miami was completed in Q4 and expected to receive guest early Q2.
- Initiation of development of Domus 3 & 4.

AQARAT KEY PROPERTIES - KUWAIT



Souk Al-Kuwait & Souk Al-Kabir

Since its inception in 1972, AQARAT has been a pioneer in developing and advancing public-private partnerships. In fact, the first BOT ever in existence in Kuwait, Souk Al-Kuwait, was conceived of and developed by AQARAT more than four decades ago.

The two properties feature commercial and car parking building located in the busy area of the Kuwait Stock Exchange and the banking center of Kuwait City. The buildings have three main components - a multi level car park, offices as well as a retail area.

Key Figure

| | |
|---------------------|-----------------|
| Units | 873 & 570 |
| Floors | 12 & 13 |
| Total Built Up Area | 36,422 & 48,475 |



Pearl Marzouq

Located along the green lawn and promenade of the Scientific Center overlooking the sea. The property enjoys a serene location, secluded from the noise of the city. The luxurious apartments are designed to maximize natural daylight and offer ample opportunities to enhance your lifestyle. Wide, sweeping spaces offer a sense of freedom and sanctuary from the world outside. Three apartment types, each uniquely laid out to cater to your needs and desires in modern living.

Key Figure

| | |
|---------------------|--------|
| Units | 122 |
| Floors | 5 |
| Total Built Up Area | 28,000 |



Arabella

Located adjacent to The Palms and SAS hotels on the Al-Bidaa coast strip, Arabella features over 13,000 square meters of dining and entertainment options, with 36 indoor/outdoor units to serve as restaurants, cafes and more. Currently the property is being partially redeveloped to include a 192 key hotel.

Key Figure

| | |
|---------------------|--------|
| Units | 35 |
| Floors | 5 |
| Total Rentable | 8,676 |
| Total Built Up Area | 13,988 |

AQARAT KEY PROPERTIES - INTERNATIONAL



Yotel New York

The Yotel development consists of 668 rooms in the heart of Manhattan, New York City. The flagship property is designed features 12,000 sqft of dynamic and flexible space known as the Sky Lobby, and the largest outside terrace space featuring a restaurant, lounges, a terrace, exercise room etc. The hotel's 668 rooms offer a beautifully designed space in which to relax, refresh, connect and sleep.

Key Figure

| | |
|------------|-----|
| Hotel Keys | 721 |
| Floors | 27 |



944 Market Street- San Francisco

This office space is located at 944 Market St., San Francisco, CA. Originally built in 1907, this magnificent building features approximately 45,000 square feet of space on eight stories. This is an ideal opportunity for tenants looking to rent in San Francisco's emerging Mid-Market district.

Key Figure

| | |
|-------------|--------|
| Square Feet | 47,000 |
| Office SQF | 39,000 |
| Retail SQF | 8,000 |

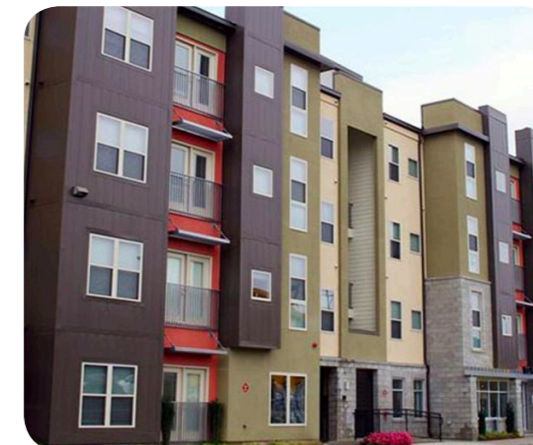


Yotel San Francisco

YOTEL San Francisco is the brand's first adaptive re-use office conversion project. Constructed in 1905, the Grant Building is one of three that survived both the 1906 and 1989 earthquakes in San Francisco. Blending the old and new, YOTEL incorporated tech-forward amenities such as self-check-in kiosks, whilst also maintaining the building's historic charm, incorporating many original features into the hotel design, from exposed brick walls to arched windows and its original marble staircase. The property has 203 rooms (or cabins as they are known at YOTEL), each with distinct floor plans to accommodate the building's original layout and frame.

Key Figure

| | |
|------------|-----|
| Hotel Keys | 203 |
| Floors | 8 |



Flats Atlantic Station

The Flats Atlantic Station is a 86 unit, 281 bed multifamily rental apartment located close to several major universities as well as Atlanta's 138 acre mixed use development – Atlantic Station. All of the apartments at The Flats come fully furnished. The building offers two, three & four bedroom student apartments with a variety of layouts and floor plans to choose from.

Key Figure

| | |
|-------|-----|
| Units | 86 |
| Beds | 281 |

AQARAT KEY DEVELOPMENTS - INTERNATIONAL



Yotel Miami

The Project consists of a 48- story LEED Silver building containing 213 Yotel Miami hotel rooms and approximately 233 YotelPAD condominium residence. Both the YOTEL Miami Hotel and the YotelPAD Condominium Residence are accessed at ground level through separate lobbies and elevator banks. The building will include three passenger elevators serving the hotel, two passenger elevators serving the condominium residences , and two service elevators

Key Figure

| | |
|-----------------|-----|
| Hotel Keys | 213 |
| YotelPAD Condos | 233 |



Th8

Inspired by cool chic Miami style living. The 8 design is sophisticated and clean with a contemporary touch. Lightweight architecture and spacious are carried throughout the design, from the exterior focus on wide-open balconies to the airy and sleek interior where space is adorned with modern finishes. More art gallery than apartment, Th8 will be one of the Palm Jumeirah's most distinguished addresses. The Hotel is part of Th8 - a luxurious mixed-use development that comprises 190 residential apartments and a 162 key House of Originals hotel apartment complex.

Key Figure

| | |
|------------|-----|
| Units | 300 |
| Floors | 8 |
| Hotel Keys | 162 |



Domus

A state -of- the art , staff housing accommodation located within close proximity to several of Dubai's major tourism hubs. The intent is to court a variety of hospitality companies with staff housing needs located within a 25 minute radius of the site. The overall project will eventually consist of over 392,000 square feet of built up area of which 233,000 square feet of rentable area, eventually housing over 2,000 hospitality staff of varying employment levels. The project seeks to create a sense of community where hospitality professionals within several disciplines from various hotel flags and other hospitality related companies

Key Figure

| | |
|---------------------|------------------------|
| Units | 102 units per building |
| Net Rentable Area | 233,000 |
| Total Built Up Area | 394,000 |

Section 4

Financial Highlights

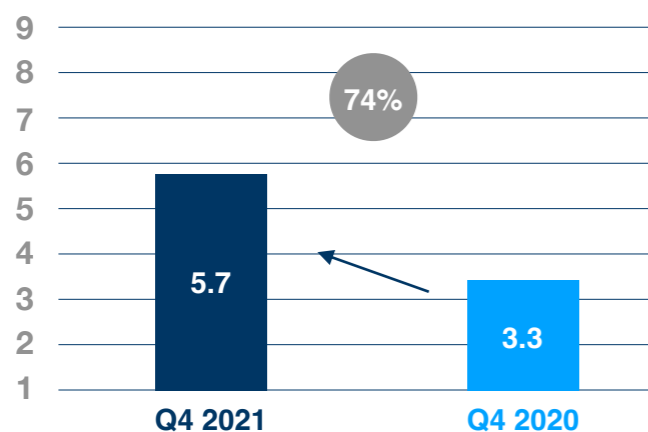
AQARAT- FINANCIAL PERFORMANCE

| Financial Data | Q4 2021 | Q4 2020 | % change | 2021 | 2020 | % change |
|------------------------------|-------------------|-------------------|------------|-------------------|-------------------|------------|
| Real Estate Rental Income | 5,732,888 | 3,303,694 | 74% | 21,430,882 | 18,466,440 | 16% |
| Net Rental Income | 4,164,164 | 2,011,188 | 107% | 18,031,286 | 15,514,161 | 16% |
| Income before NLST | 798,826 | 923,875 | -14% | 7,450,590 | 4,062,429 | 83% |
| Finance cost | -1,452,882 | -1,774,313 | -18% | -5,443,212 | -6,167,514 | -12% |
| Net Income | 661,904 | 553,131 | 20% | 6,251,068 | 3,567,703 | 75% |
| EPS | 0.71 | 0.64 | 11% | 6.92 | 4.10 | 69% |
| CURRENT ASSETS | 65,258,157 | 47,077,782 | 39% | 65,258,068 | 47,077,782 | 39% |
| Total Assets | 341,159,449 | 318,552,856 | 7% | 341,159,449 | 318,552,856 | 7% |
| CURRENT LIABILITIES | 49,991,534 | 31,795,237 | 57% | 49,991,534 | 31,795,237 | 57% |
| Total Liabilities | 208,579,871 | 197,295,186 | 6% | 208,579,871 | 197,295,186 | 6% |
| Debt Borrowings | 141,734,481 | 141,594,328 | 0% | 141,734,481 | 141,594,328 | 0% |
| Debt Borrowings (short term) | 5,026,191 | 3,346,231 | 50% | 5,026,191 | 3,346,231 | 50% |
| Debt Due to bank | 4,470,735 | 4,448,934 | 0% | 4,470,735 | 4,448,934 | 0% |
| Total Debt | 151,231,407 | 149,389,493 | 1% | 151,231,407 | 149,389,493 | 1% |
| Share Capital | 94,736,506 | 94,736,506 | 0% | 94,736,506 | 94,736,506 | 0% |
| Total Equity | 128,409,235 | 117,955,953 | 9% | 128,409,235 | 117,955,953 | 9% |
| BV per fils | 0.136 | 0.125 | 9% | 0.136 | 0.125 | 9% |

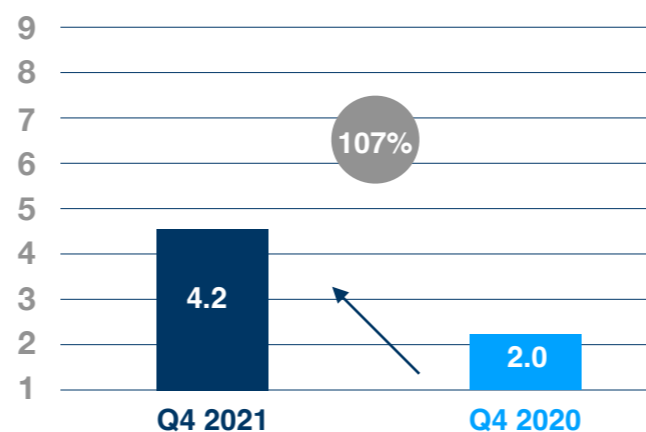
AQARAT- FINANCIAL PERFORMANCE

INCOME

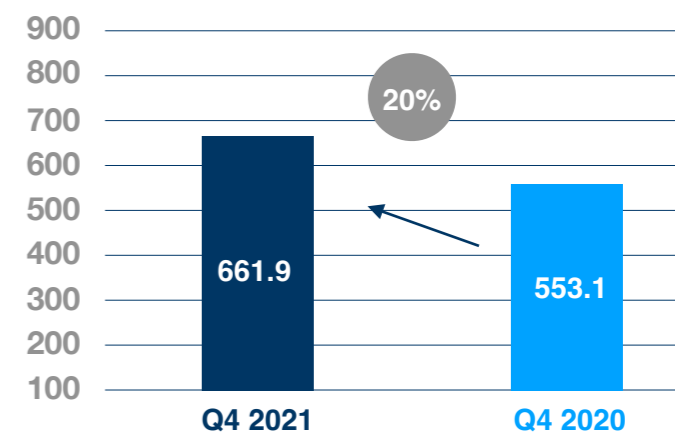
REAL ESTATE INCOME- KD Millions



NET RENTAL INCOME- KD Millions

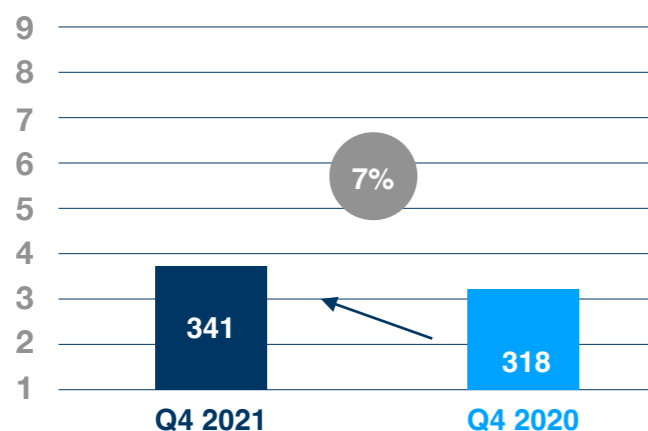


NET PROFIT- KD Thousand

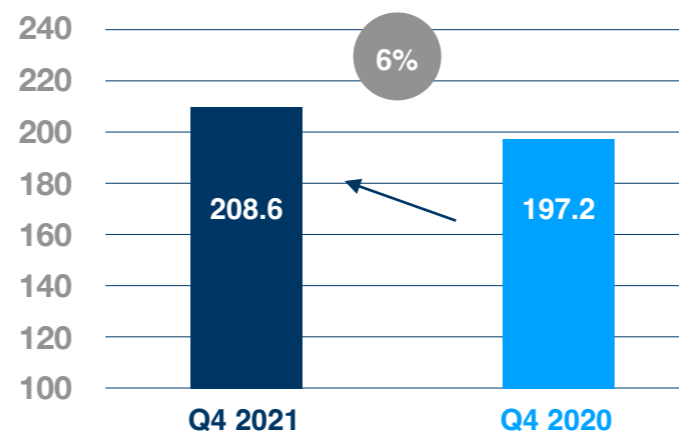


ASSETS & LIABILITIES

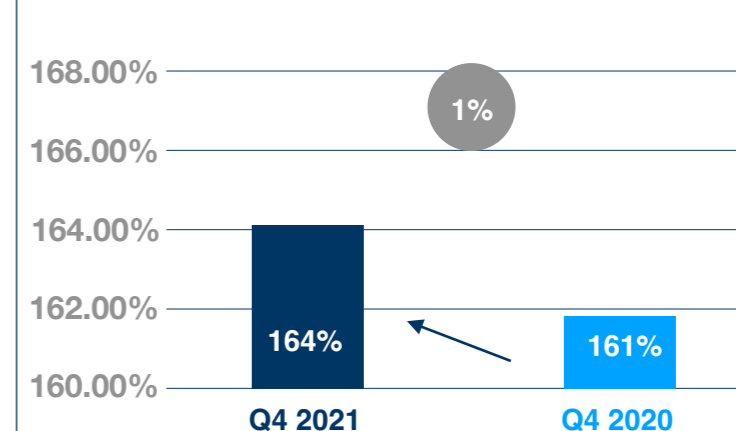
TOTAL ASSETS - KD Millions



TOTAL LIABILITIES - KD Millions



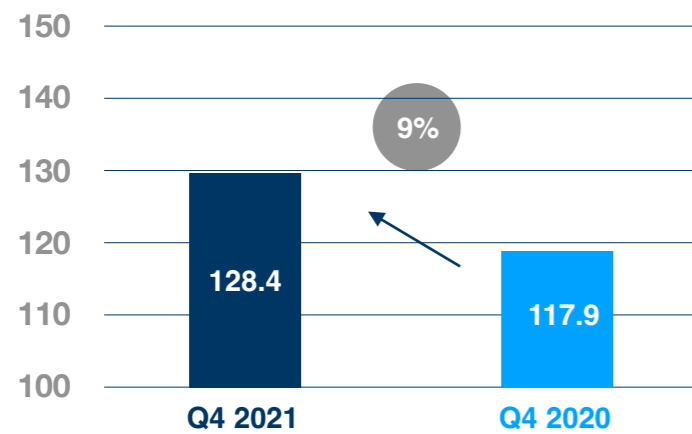
ASSET TO LIABILITIES



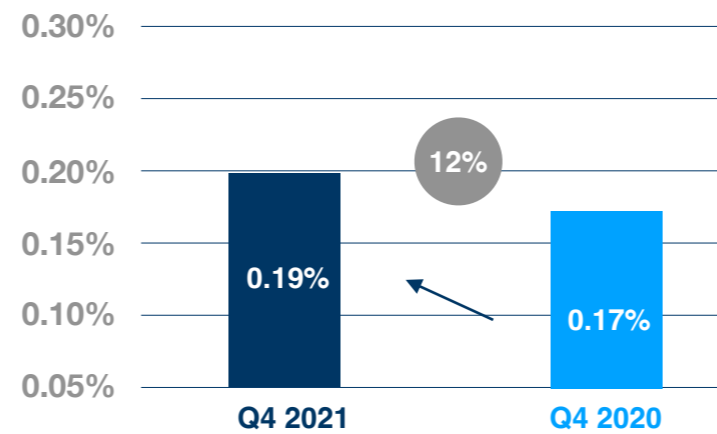
AQARAT- FINANCIAL PERFORMANCE

EQUITY

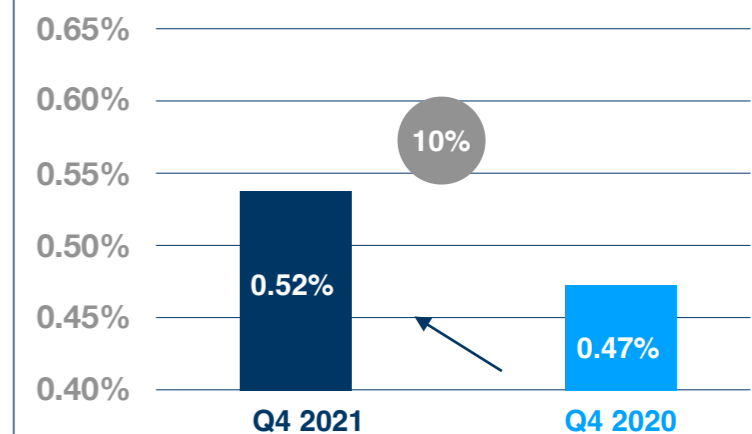
SHAREHOLDER EQUITY- KD Millions



RETURN ON ASSETS

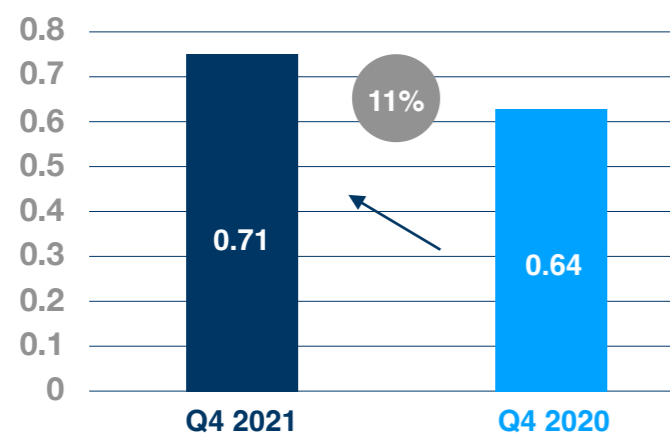


RETURN ON EQUITY



EARNINGS PER SHARE

EPS



Section 4

Questions



FOR FURTHER INFORMATION PLEASE CONTACT
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