



AQARAT

عقارات

Date: 09/04/2025
KREC/FIN/2025/07

التاريخ: 2025/04/09
KREC/FIN/2025/07

To: Boursa Kuwait Company

السادة / شركة بورصة الكويت المحترمين

Subject: Transcript of the Analyst / Investor Conference (Q4 2024) for Kuwait Real Estate Company

الموضوع: محضر مؤتمر المحللين / المستثمرين لشركة عقارات الكويت عن الربع الرابع لعام 2024

Reference to the above mentioned subject, and the requirements of article No. (8-4-2) "Continuing Obligations in the Premier Market" of Boursa Kuwait rule book issued via resolution No. (1) of year 2018, kindly note that the analyst/investor conference was conducted through a Live Webcast at 01:30 PM on Monday 07/04/2025.

بالإشارة إلى الموضوع أعلاه، وإلى متطلبات المادة (8-4-2) "الإلتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، نود أن نحيطكم علما بأن مؤتمر المحللين / المستثمرين قد انعقد عن طريق بث مباشر في تمام الساعة 01:30 من ظهر يوم الإثنين 2025/04/07.

Please find attached the transcripts of the conference in Arabic & English along with the investors presentation for Q4 2024.

وتجدون مرفق طيه محضر المؤتمر باللغتين العربية والإنجليزية والعرض التقديمي للمستثمرين عن الربع الرابع لعام 2024.

Best Regards

وتفضلوا بقبول فائق الاحترام والتقدير،،،

طلال جاسم البحر
نائب رئيس مجلس الإدارة
والرئيس التنفيذي

*CC:

CMA – Disclosure Dept.

* نسخة العي:

السادة / هيئة أسواق المال – إدارة الإفصاح



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

تأسست عام 1972

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سجل تجاري 64 CR No.

KUWAIT REAL ESTATE COMPANY

Investors Relations Conference Call

Full Year 2024 Results



Monday 07
April 2025
At 1:30pm
(Kuwait Time)



AQARAT
عقارات

Speakers

Mr.Talal Jassem Al Bahar

Vice Chairman & CEO

Mr.Maher S. Khalaf

Vice President- Finance Department

Ms. Awrad Al Enezi

Vice President – Investor Relations

AQARAT Transcript of the Analysts/Investors Conference

Full Year Results 2024

Moderator: Shaza Shaker, EFG Hermes

Good afternoon, everyone. Thank you for joining AQARAT's Full Year 2024 results call. We are pleased to have with us today Mr. Talal Al Bahar, Vice Chairman & CEO, Mr. Maher Khalaf, VP - Finance, and Ms. Awrad Al Enezi, VP -Investor Relations.

Opening Remarks

Awrad Al Enezi

Good afternoon, and welcome to our 2024 earnings call. We will start with our key highlights followed by our financial performance and business updates and then address any questions at the end of the call.

Before we begin, I would like to mention that this presentation includes forward-looking statements that are subject to risks and uncertainties. Actual results may differ materially from those stated. Please refer to the full disclaimer slide presented.

2024 was a significant year for AQARAT, marked by strong financial performance and continued growth across key markets. We are proud to witness the continued positive momentum AQARAT has built in recent years. The company has made significant progress toward completing its projects both locally and internationally, while steadily expanding our asset base year over year. Today, our total assets have reached \$1.5 billion, a milestone that reflects the scale and quality of our portfolio. We expect this to grow even further in the coming years, driven by the size and scope of the projects currently underway. The Board has recommended 6% bonus shares, reflecting the strong performance achieved.

2024 also marked a notable shift in our investor base, with a significant increase in local and international institutional investor interest. This not only validates AQARAT's investment strategy but also strengthens our capital base, enhances credibility in international markets, and ensures greater alignment with long-term performance and governance standards.

Among our key developments and following the significant success of Domus in providing housing solutions in Dubai, we announced the strategic partnership to invest AED 100 million in the Domus Real Estate Fund.

Domus has been a cornerstone of our growth strategy, and this investment will allow us to scale the platform further and expand into new markets, reinforcing our position in the integrated staff accommodation space.

Al Tay Hills project in Sharjah that we first disclosed during 2024 as our largest residential project, was officially launched in January 2025.

The response was exceptional, with the first phase selling out within hours. This project reflects our capability to bring large-scale developments to market and reaffirms our strong position in the UAE. We will cover more details about AlTay in Q1-25.

Moving on to our financial performance for 2024. Rental income rose by 16.7% year-on-year to KD 33.4 million, supported by strong demand and high occupancy levels in both Kuwait and the UAE. Net rental income reached KD 23.6 million, reflecting a 9.4% increase compared to last year. Net profit grew by 18.9% to KD 13.4 million, primarily driven by revaluation gains on investment properties following the reclassification of the Al Tay Hills land in Sharjah. We maintained healthy profitability levels, with a gross profit margin of 71% and a net profit margin of 40%, underscoring our strong operating efficiency and disciplined cost management.

Our total assets grew by 17% year-on-year to KD 460.9 million, while total debt stood at KD 228.5 million. As a result, our debt-to-asset ratio improved to 49.6%, down from 51.5% in 2023—reflecting the fact that our asset base is expanding at a faster pace than our debt levels. Shareholders' equity also saw solid growth, increasing by 22.6% year-on-year to KD 179.1 million. Our return metrics remained healthy, with ROA at 2.9% and ROE at 7.5%. These results highlight our ability to deliver strong returns while maintaining financial strength and discipline.

This slide is the financial snapshot of AQARAT's performance, and we will now go over the business updates and projects under development.

We begin with Kuwait, where our rental income growth for 2024 was driven by the relaunch of Arabella Complex and the inclusion of AlRiggae Hotel. All our properties across the board performed well and maintained high occupancy levels.

The leasing of the commercial part of Al-Riggae complex has already started, with the opening scheduled in the near future.

Sabhan Labor Housing Project, construction is underway and progressing according to schedule, with completion expected by beginning of 2026.

Moving to our Real estate portfolio in UAE

Domus 1 to 4 are fully operational, driving further growth in our rental income. Domus 5 is progressing on schedule, with construction expected to be completed by the end of Q4 2025.

I had briefly mentioned earlier our largest ongoing project in Sharjah, Al Tay Hills. I'm pleased to share that we officially launched the project in January 2025, and the response was outstanding—the first phase sold out within hours, and we signed AED 2.1 billion in sales deals during the first week. Phase one is scheduled for delivery in Q1 2028, marking a major milestone in our regional development strategy.

Now, a quick update on our U.S. portfolio, particularly the projects under development. In Miami, 501 First Residences continues to progress well. Construction began in April 2023, and as of December 2024, the project is 83% complete. We are very pleased with the pace and quality of execution and expect final completion by Q4 2025.

Over in New York, YOTEL New York delivered exceptional performance in 2024, ending the year with strong occupancy and improved average daily rates. Meanwhile, YOTEL Miami demonstrated notable resilience despite ongoing pricing pressures in the local hotel market, maintaining steady occupancy growth.

That concludes our business updates for 2024. We remain confident in our ability to carry this momentum forward, supported by a solid pipeline and a disciplined execution strategy. Thank you for your time. We'll now open the floor for your questions.

This wraps up our business updates for the year 2024. We are confident in our ability to maintain this momentum, backed by a strong pipeline of projects. Thank you for your time. We will now open the floor for questions.

Shaza Thank you all for your time. We'll now open the floor for your questions.

Awrad Hi, Shada. We can see that we're receiving questions. Just give us a moment, while we refresh the page, to read it out.

Shaza Sure.

Awrad We received the first question from Michael. "How much do you expect your earnings to be over the next four quarters?"

Talal This year I believe a majority of our returns on the projects that are currently under development will reflect in the second half because of their respective completion dates such as Domus 5 and Alriggae's commercial component. On the recurring income portfolio, we've seen growth and it will continue to grow given the project pipeline we have for the next couple of years.

Awrad The second question we have is, "What is your view on the impact of the mortgage law on the real estate sector in Kuwait?"

Talal We would have an opportunity to participate in the government projects, which, in the past, was only on a BOT project. This is a good opportunity for the private sector companies of our size to participate in the vision of the government to provide housing for Kuwaiti citizens.

Awrad Alright, it seems this is the last question we received. With that, I'd like to conclude the call. Thank you all for your participation.



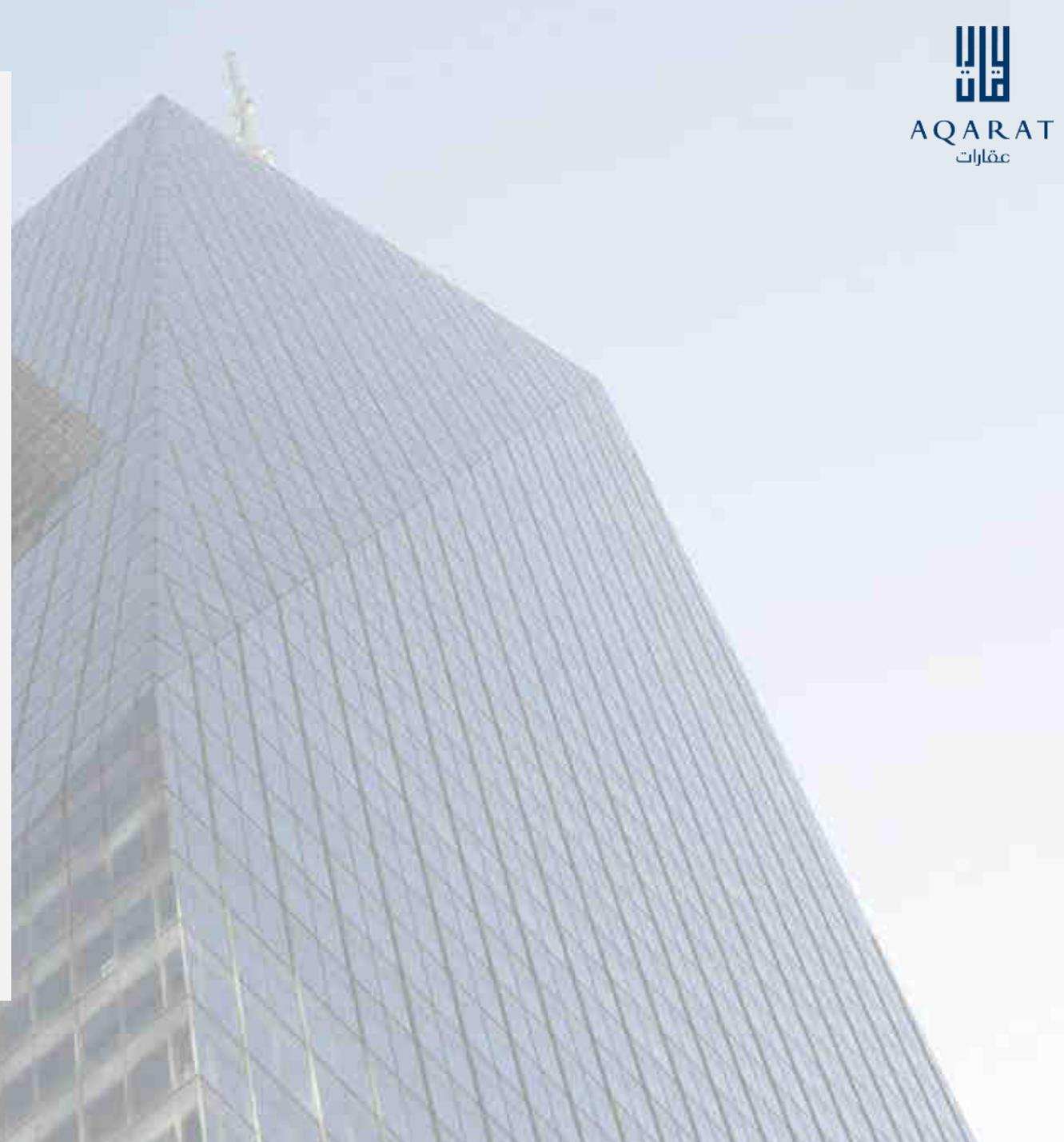
AQARAT
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Q4 / FULL YEAR 2024 RESULTS

Kuwait Real Estate Company (AQARAT)

Forward-Looking Statements Disclaimer

Certain statements in this presentation may constitute forward-looking statements. These statements reflect the Company's expectations and are subject to risks and uncertainties that may cause actual results to differ materially and may adversely affect the outcome and financial effects of the plans described herein. You are cautioned not to rely on such forward-looking statements. The company does not assume any obligation to update its view of such risks and uncertainties or to publicly announce the result of any revisions to the forward-looking statements made herein



Agenda

01 COMPANY OVERVIEW

02 KEY DEVELOPMENTS

03 FINANCIAL HIGHLIGHTS

04 BUSINESS UPDATES

05 Q&A

06 KEY PROPERTIES

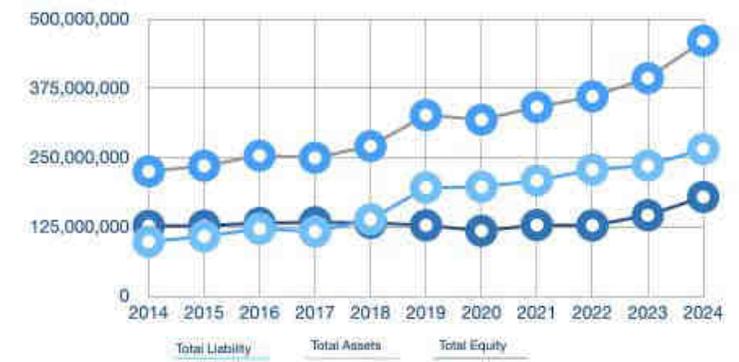
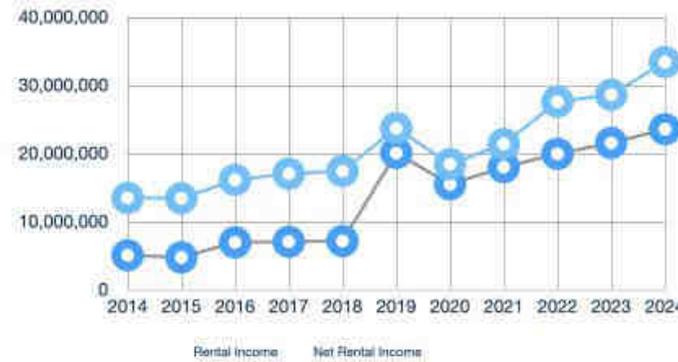
COMPANY OVERVIEW

AQARAT (Kuwait Real Estate Company K.P.S.C), a leading Real Estate development and investment company was established in 1972. It was the first real estate company to be listed on the Kuwait Stock Exchange (Boursa Kuwait) in 1984. The company is classified under the "Premier Market" based on Boursa Kuwait's Market Segmentation.

Proven development track record generating significant value creation over 52+ years in the field of Real Estate investment and development locally and internationally. The company's portfolio today consists of notable projects in the premium residential, integrated staff housing, commercial and hospitality sectors.

As pioneers in developing mixed-use assets, integrated communities and luxurious hospitality assets, AQARAT continues to build on the momentum from previous decades while leaving an enduring legacy of excellence in every project developed.

Diverse portfolio of Assets across different sectors and regions



Key Developments

KEY DEVELOPMENTS

	RENTAL REVENUE	EBITDA	NET PROFIT
Q4 2024 YoY	+23%	+22%	+73%
FY 2024 YoY	+17%	+22%	+19%

Strong Financial Performance

- Double digit growth across profitability metrics
- Board recommended 6% bonus share dividend distribution

Domus Expansion Strategy

- AED 100 mln strategic investment in Domus Fund to expand staff housing solutions across the UAE and beyond

Largest Residential Project

- AlTay Hills Project in Sharjah sold AED 2.1 billion units within the first week of its launch

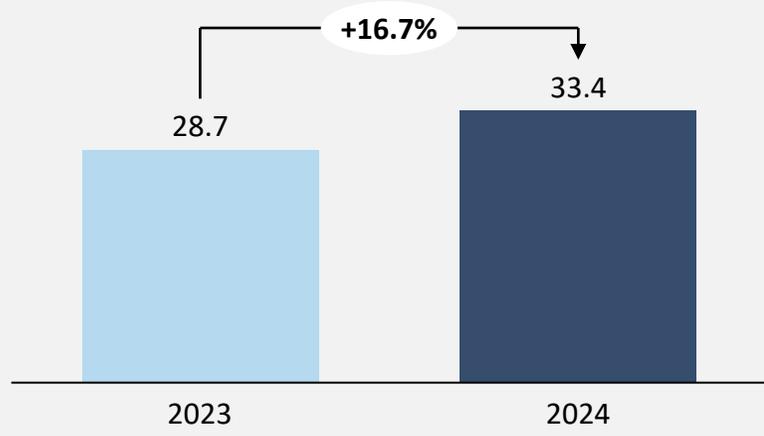
Financial Highlights

Income Statement FY 2024

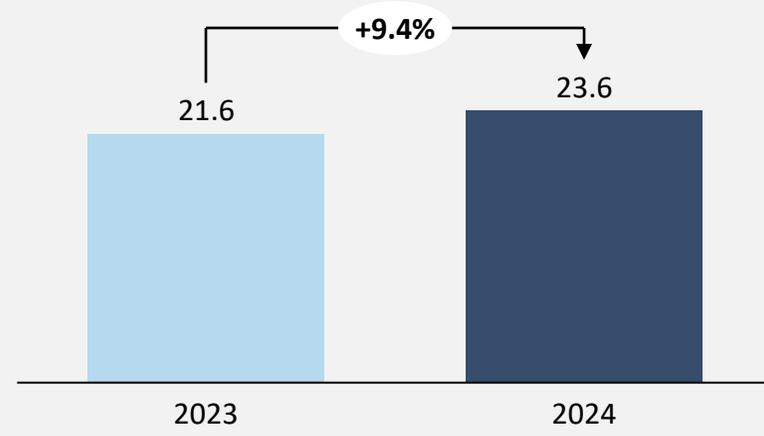
KD Million



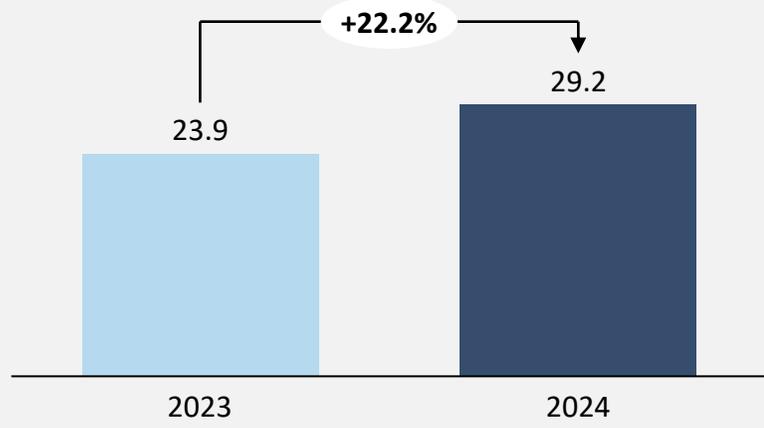
Rental Income



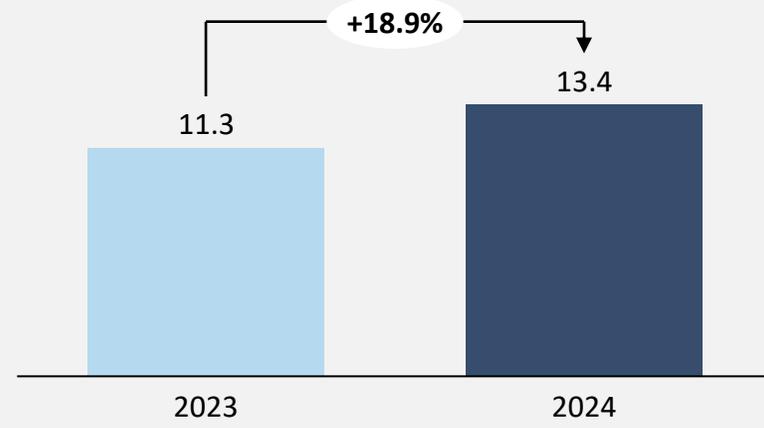
Gross Income



EBITDA



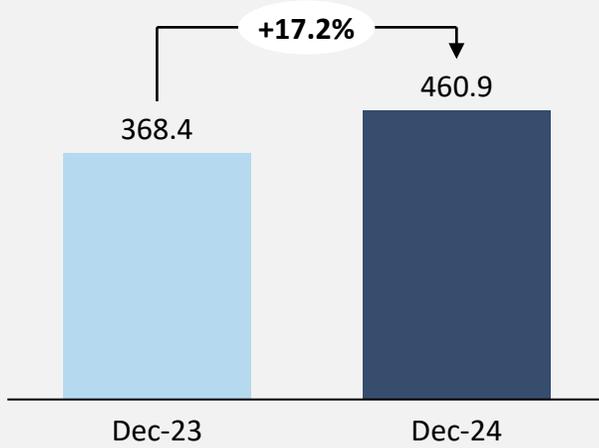
Net Income



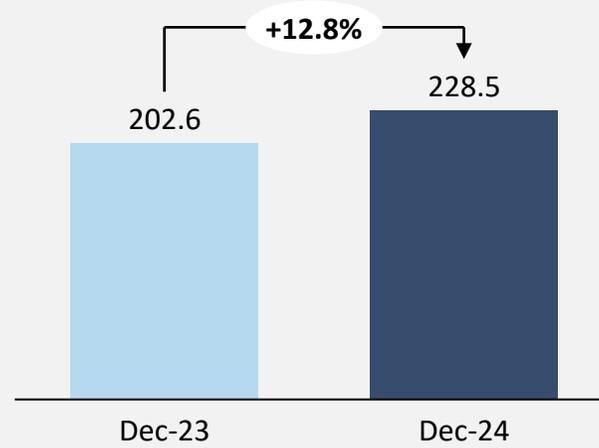
Balance Sheet

KD Million

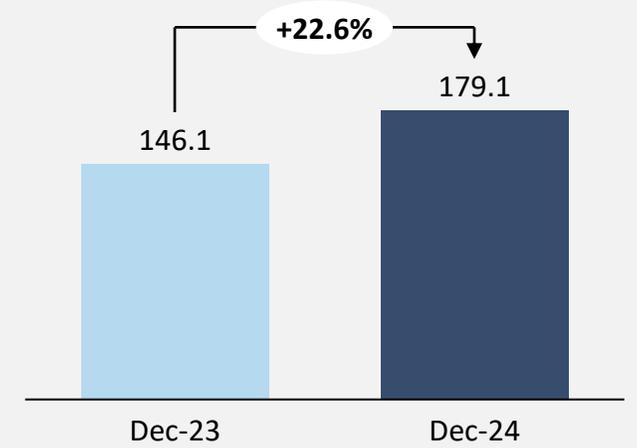
Total Assets



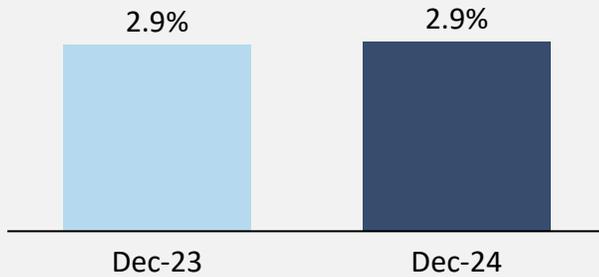
Total Debt



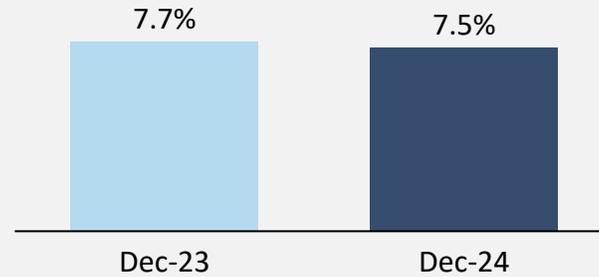
Total Equity



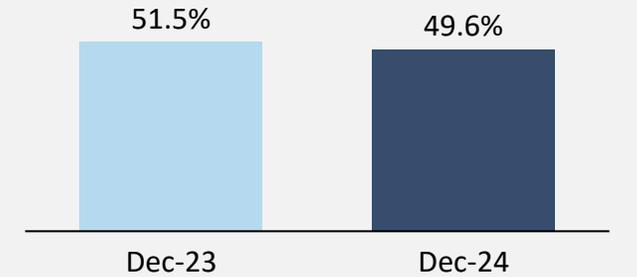
Return on Assets



Return on Equity



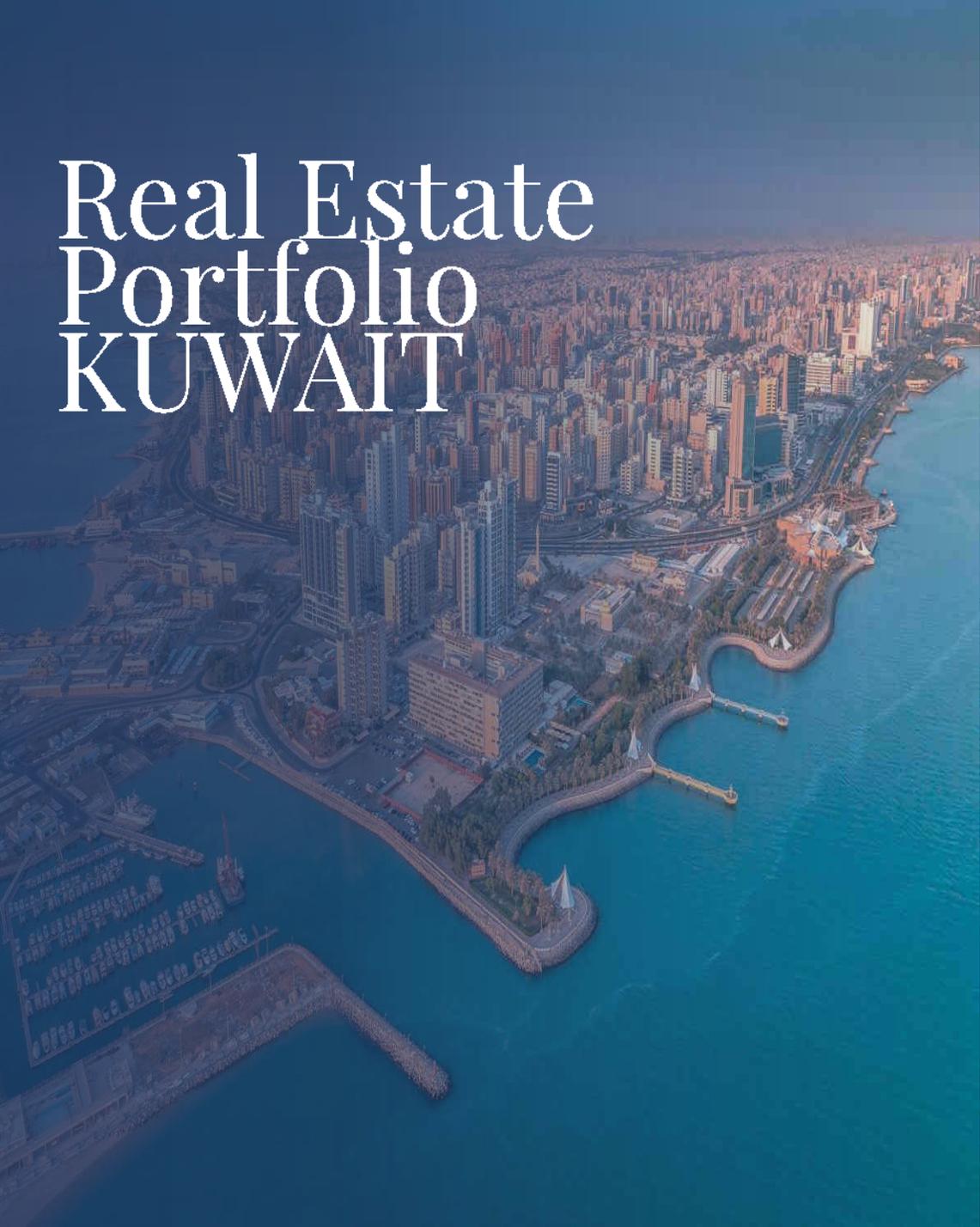
Debt to Assets



Financial Snapshot

	Financial Data	YTD		
		FY 2024	FY 2023	% change
IS	Rental Income	33,437,626	28,650,858	17%
	Operating Expenses	(9,833,924)	(7,069,476)	39%
	Gross Income	22,592,603	20,715,313	9%
	EBITDA	29,179,584	23,876,666	22%
	Net Income	13,414,640	11,287,000	19%
	EPS	13.84	11.58	20%
BS	Current Assets	97,172,255	63,707,180	53%
	TOTAL ASSETS	460,912,207	393,401,360	17%
	Current Liabilities	64,619,263	55,243,205	17%
	TOTAL LIABILITIES	265,532,287	235,725,381	13%
	TOTAL DEBT	228,529,003	202,612,437	13%
	Share Capital	100,420,696	94,736,506	6.0%
	Total Equity	179,077,969	146,072,545	23%

Business Updates



Real Estate Portfolio KUWAIT

Maintained strong performance with high occupancy rates across all properties

Leasing has commenced for the commercial component of Al-Riggae Complex, with strong tenant demand.

Arabella Beach Hotel and Al-Riggae Tower performed in line with hospitality market conditions locally.

Projects under development

- SABHAN STAFF HOUSING (BOT)
- 40,000 SQM OF LAND
- CONTRACT PERIOD 20 YEARS

2026
Q1

- AL RIGGAE COMMERCIAL AREA
- F&B STORES

2024
Q4



Real Estate Portfolio UAE

Strong market in the leasing and hospitality sector

Domus 1 to 4 fully operational and leased, contributing significantly to our rental income growth.

Proven to be a key driver of our success, with strong tenant demand and stable returns.

Projects under development

- DOMUS 5
- PART OF THE 5 BUILDING STAFF HOUSING PROJECT
- 102 UNITS (500 MODULES) PER BUILDING
- LOCATED WITHIN CLOSE PROXIMITY TO SEVERAL OF DUBAI'S MAJOR TOURISM HUBS

**2025
Q4**



Real Estate Portfolio UAE

AlTay Hills: Redefining Sustainable Living in the Emirate of Sharjah

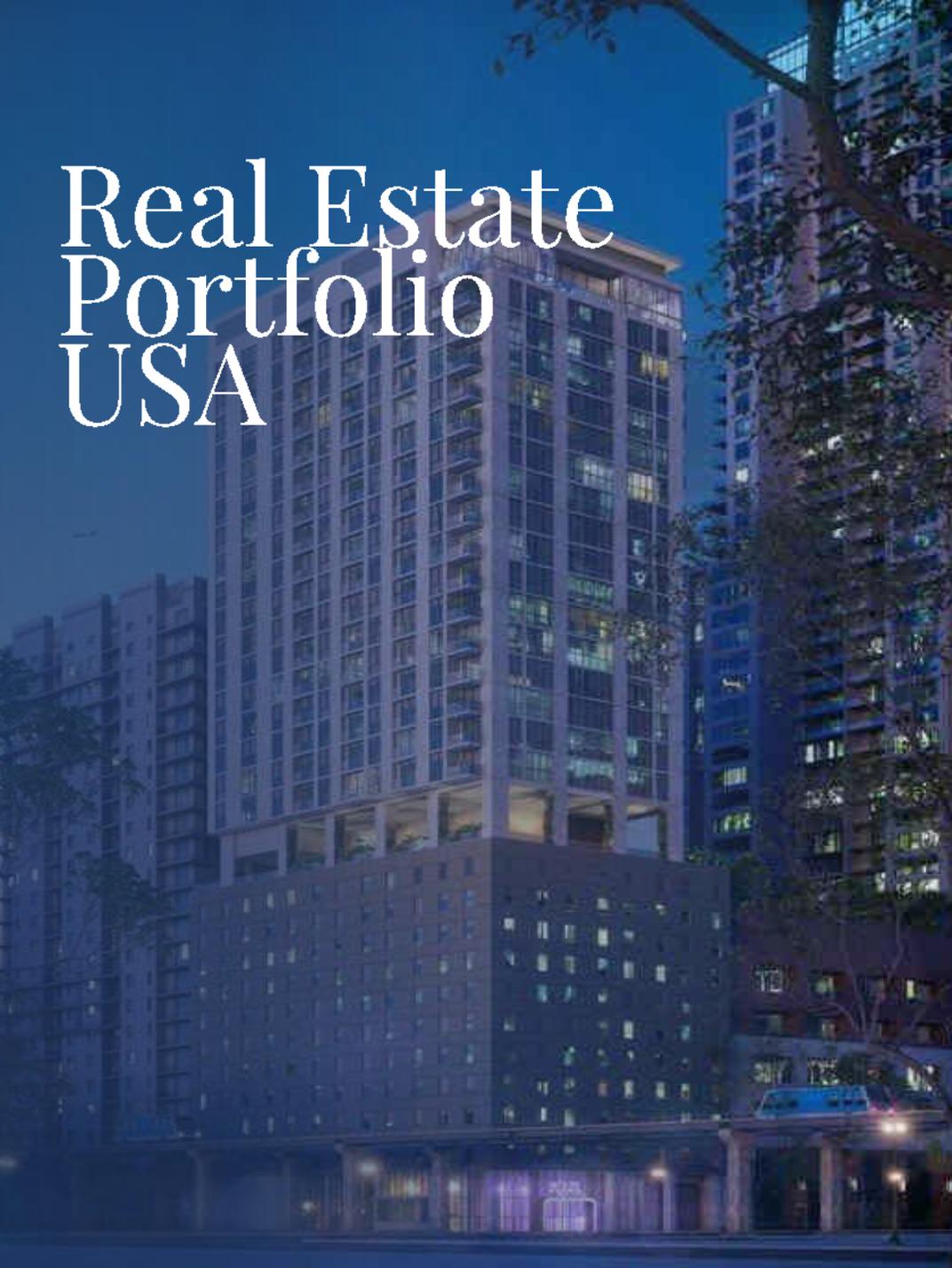
Unique investment opportunity in the vibrant real estate market, offering a blend of comfort, prime location, and lifestyle amenities that set it apart from other projects

First phase sold out and signed AED 2.1 billion in sales deals during the first week.

Projects under development

- DESIGN APPROVED & MAJORITY OF PERMITTING OBTAINED
- RESIDENTIAL VILLAS / TOWNHOUSES OPPORTUNITY
- LAUNCHED IN JAN 2025
- LOCATED IN THE EMIRATE OF SHARJAH WITH CLOSE PROXIMITY TO DUBAI
- SPANS AN AREA OF 552,486 SQUARE METERS OF LAND

T B D



Real Estate Portfolio USA

Solid Performance across our investments in the US

Yotel NY achieved exceptional results in 2024 supported by high occupancy rates

YOTEL Miami demonstrated remarkable resilience in 2024, achieving steady occupancy growth despite pricing pressures in Miami's dynamic hotel market.

BRCM solidified its position as a premier real estate investment platform in 2024, achieving significant milestones in global capital expansion and portfolio optimization.

Projects under development

- 501 FIRST RESIDENCES, MIAMI
- 40-STORY TOWER OFFERING CONDOMINIUM RESIDENCES
- LOCATED IN DOWNTOWN MIAMI
- PROJECT PROGRESS: 83% COMPLETE

2025
Q4

AQARAT Key Assets & Properties Portfolio

AQARAT KEY PROPERTIES

KEY ASSETS & PROPERTIES KUWAIT

AQARAT's presence locally in real estate evolved with its establishment in 1972 by owning the first luxury seafront residential complex Pearl Al-Marzouq

AQARAT manages three of the most iconic BOT projects: Souk Al-Kuwait, Souk Al-Kabeer and Souk Al-Safat in Kuwait city. It also owns several other key properties including Arabella, Al-Durrar, Block A, Block 107, Building 84-87 in Al-Riggae, Ibn Khaldoun Complex, Al-Maseel Pearls, Al-Manar Complex, and Pearls Fintas



Key Figures	
Units	741&534
Floors	12&13

Souk Al-Kuwait & Souk Al-Kabir

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 retail area.



Key Figures	
Units	140
Plot Size	9,026 sqm

Pearl Al-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. Wide, sweeping spaces offer a sense of freedom and sanctuary from the world outside. Three apartment types, each uniquely laid out to cater to the clients needs and desires in modern living.



Key Figs	
Hotel Rooms	194
Plot size	13,075 sqm

Arabella Beach Hotel, Vignette Collection

Located adjacent to The Palms and SAS hotels on the Al-Bidaa coast strip, Arabella features over an area of 13,000 square meters with 25 indoor/outdoor units to serve as restaurants, cafes and more. Currently the property includes a prestigious five-star Vignette Collection Hotel with a state of the art gym and beach club offering a sophisticated and upscale environment for members.

AQARAT KEY PROPERTIES

KEY ASSETS & PROPERTIES KUWAIT



Key Figures

Hotel Rooms	90
Total BUA	6,000 sqm

Block A, Al Riggae

AQARAT's development team delivered the new project, a 2 star hotel, Riggae Tower hotel, consisting of 90 units targeted for individuals that seek long stays. The project also consists of a commercial area that was recently renovated. Previously it was the Ministry Justice Complex encompassing a total area of 20,000 square meters. The project location provides easy access to Kuwait's main transportation arteries allowing for efficient transport of staff to their respective employment locations.



Key Figures

Units	185
Plot Size	6,000 sqm

Block 107, Al Riggae

Located near the 4th Ring Road, Riggae, Building 107 comprises of two-tower residential building. One tower has eight floors and the other tower has nine. Each tower has a typical layout on each floor and its flats within. The building is situated on a large plot where the basement covers the whole area used as parking and utilities for the whole building. The ground floor has a wide open area also used for parking.



Key Figures

Units	151
Plot size	4,000 sqm

84-87, Riggae

Located near the 4th Ring Road, Riggae, 84-87 comprises of four tower residential buildings. Each tower has six floors. The tower has a typical layout on each floor and its flats within. The building is situated on a large plot where the basement covers the whole area used as parking and utilities for the whole building. The ground floor has a wide open area also used for parking.

AQARAT KEY PROPERTIES

KEY ASSETS & PROPERTIES KUWAIT



Key Figures	
Units	69
Total BUA	897 sqm

Al-Maseel Pearls

Al-Maseel Pearls is a commercial complex located in Abdullah Al Mubarak street, Kuwait City. The building consists of mainly offices and few shops it caters to people who have businesses and need an office in a prime location in Kuwait city. The locations of the building is next to many banks head offices and souk al safat building known as blockat.



Key Figures	
Units	187
Plot Size	3,227 sqm

Ibn Khaldoun

Ibn Khaldoun commercial complex located in Hawally. It is one of the largest and famous complex in this vicinity and has been around for years. The complex is a combination of a five (5) story, two (2) tower commercial and four (4) level commercial building. The commercial section of the building is occupied by a large number of shops.



Key Figures	
Units	113
Plot size	3,554 sqm

Pearl Fintas

Located in the Al-Fintas area of Kuwait. Pearl Fintas is a five-story cluster type residential apartment complex. The building was constructed in 1984. All apartments in Pearl Fintas are studios accented with balconies. Among the recreational facilities, Pearl Fintas offers a swimming pool and multi-use court for basketball, tennis and volleyball. Pearl Fintas is accessible from the Fahaheel Expressway and in close proximity to Egaila Beach Park.

AQARAT KEY PROPERTIES

KEY ASSETS & PROPERTIES UAE

Capitalizing on its knowledge and expertise in the market, AQARAT developed and owns a number of properties in the UAE in the hospitality and staff accommodation sectors. Additionally, the company owns a prime 5.9 million sqft land parcel in Sharja that it has plans to develop as an integrated community



Key Figures

Hotel Rooms	162
Residential Units	110

Th8 Palm Dubai Beach Resort Vignette Collection

Inspired by cool chic Miami style living. The8 design is sophisticated and clean with a contemporary touch. Light weight 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, The Hotel is part of Th8 - a luxurious mixed-use development that comprises 110 residential apartments and a 162 room hotel apartment complex.



Key Figures

Units	102 per building
Total BUA	392,000 sqft

Domus Hospitality Staff Housing

A 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 project now accommodates 7,000 hospitality staff of varying employment levels within its accommodation blocks. The project seeks to create a sense of community within several disciplines from various hotel flags and other hospitality related companies. The projects consists of 5 buildings of which 4 are complete and the 5th will be completed end of 2025



Key Figures

Units	10
Plot size	1,969 sqm

Fairmont Hotel, The Palm

Aqarat owns a portfolio of units in Golden Mile, Palm Jumeirah. Situated on the western portion of the Palm Jumeirah's trunk in close proximity to the business districts of Dubai Media City and Dubai Internet City. It accommodates ten buildings which run along the center of the trunk of Palm Jumeirah. The residences are also just a five minute drive from the popular restaurants and beaches of Dubai Marina.

AQARAT KEY PROPERTIES

KEY ASSETS & PROPERTIES USA

In line with AQARAT’s diversification and opportunistic investment strategy; over the years AQARAT built a sizable portfolio of real estate properties in the USA across the east and west coast in different sectors. Being a major shareholder of Yotel hotels, AQARAT has 2 Yotel hotels in New York and Miami. Furthermore, the portfolio consists of office and multi-family properties, student housing and SFR investments



Key Figures	
Hotel Rooms	213
YotelPad	233

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 Figures	
Rooms	713
Floors	27

Yotel NY

The YOTEL development consists of 713 rooms in the heart of Manhattan, New York City. The flagship property design feature 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 713 rooms offer a beautifully designed space in which to relax, refresh, connect and sleep.



Key Figures	
Units	472
Floors	40

501 First Residences Miami

501 First Residences is a luxurious 40-story tower offering condominium residences with spacious, modern floor plans including balconies. Situated in a convenient location in Downtown Miami, an area filled with entertainment options, like the Miami World Center, The Performing Arts Center and much more. The 472 residential units consists of studios, one bedroom and two bedroom units.

CONTACT US

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