



الصالحية

Date: 16/05/2024

Ref.: Ib/07/2024

To: Boursa Kuwait Co.

Dear Sirs,

التاريخ: 2024/05/16

الإشارة: إب/07/2024

السادة/ شركة بورصة الكويت المحترمين

تحية طيبة وبعد،

Subject: Analyst/Investors Conference Meeting for the first quarter of the year 2024

الموضوع: إفصاح معلومات جوهريّة (انعقاد مؤتمر المحللين/ المستثمرين للربع الأول 2024)

With reference to the above subject, and as per requirements stipulated in article No. (7-8) "Listed company obligations" of Boursa Kuwait rule book, we would like to inform you that Salhia Real Estate company has conducted the Analyst/Investors conference for the first quarter of the year 2024 via a live webcast at 01:00 p.m. On Thursday, 16/05/2024 (Kuwait local time), and there was no new material information discussed during the conference.

بالإشارة إلى الموضوع أعلاه، وعملاً بالأحكام الواردة في المادة (7-8) "التزامات الشركة المدرجة" من كتاب قواعد بورصة الكويت، فقد عقدت شركة الصالحية العقارية مؤتمر المحللين/المستثمرين للربع الأول من العام 2024 عن طريق وسائل اتصال البث المباشر، وذلك في تمام الساعة 1:00 ظهراً (بتوقيت الكويت) يوم الخميس الموافق 2024/05/16، ولم يتم الإفصاح عن أية معلومات جوهريّة جديدة خلال المؤتمر.

Attached is the presentation of the Analyst/Investors conference for the first quarter of the year 2024.

مرفق لكم طيه العرض التقديمي لمؤتمر المحللين/المستثمرين عن الربع الأول من العام 2024.

Best regards,

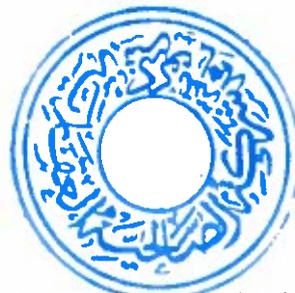
مع خالص التحية ،،،

Ghazi F. Alnafisi
Chairman

غازي فهد النفيسي
رئيس مجلس الإدارة

*Copy to the Capital Markets Authority.

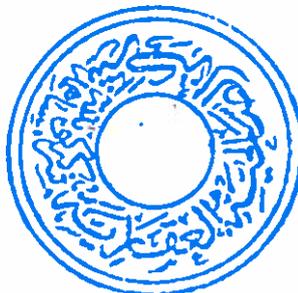
*نسخة للسادة/ هيئة أسواق المال





نموذج الإفصاح عن المعلومات الجوهرية
Disclosure of Material Information Form

Date:	Name of the listed Company	اسم الشركة المدرجة	التاريخ:
16 May 2024	Salhia Real Estate Co. (K.P.S.C)	شركة الصالحية العقارية (ش.م.ك.ع)	16 مايو 2024
Material Information		المعلومة الجوهرية	
<p>We would like to inform you that Salhia Real Estate Company has conducted the Analyst/Investors Conference for the first quarter of the year 2024 via a live webcast at 01:00 p.m. on Thursday 16/05/2024 (Kuwait local time), and there was no new material information discussed during the conference.</p> <p>Attached is the presentation of the Analyst/Investors Conference for the first quarter of the year 2024.</p>		<p>عقدت شركة الصالحية العقارية مؤتمر المحللين/المستثمرين للربع الأول من العام 2024، عن طريق بث مباشر على شبكة الانترنت، وذلك في تمام الساعة 01:00 ظهراً، يوم الخميس الموافق 2024/05/16 (بتوقيت دولة الكويت)، ولم يتم الإفصاح عن أي معلومات جوهرية جديدة خلال المؤتمر.</p> <p>مرفق العرض التقديمي للمؤتمر عن الربع الأول من العام 2024.</p>	
Significant Effect of the material information on the financial position of the company		أثر المعلومة الجوهرية على المركز المالي للشركة	
No Significant Effect		لا يوجد أثر.	



SALHIA REAL ESTATE CO.

Q1-2024 Results Presentation

Period Ended 31-March-24



SALHIA

Disclaimer / Disclosure / Forward Statement

The information set out in this presentation and provided in the discussion subsequent thereto does not constitute an offer, an agreement, or a solicitation of an offer to buy or sell securities. It is solely for use at an investor presentation and is provided as information only. This presentation has been prepared by, and is the sole responsibility of Salhia Real Estate.

The information herein may be amended and supplemented and may not as such be relied upon for the purpose of entering any transaction. This presentation may not be reproduced, distributed or transmitted without the Company's prior written consent. All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of the matters described herein. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and therefore should not be relied upon as an accurate prediction of future performance.

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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

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Q1 - 2024

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Group Performance



Performance Highlights

Q1-2024

Business Highlights

- Decrease in Net Profit due to depreciation & Finance cost Increase
- Continued commitment to strategy execution.
- Efficiency in under development project execution.
- Commitment towards Salhia's Shareholders.



SALHIA

LOCAL INVESTMENT'S



SALHIA

LOCAL INVESTMENT



SALHIA

- Salhia Complex
- Sahab Tower
- Salhia Plaza
- JW Marriot Hotel
- Anwar Al Sabah Property



ARRAYA

- Arraya Commercial Centre
- Arraya Plaza
- Arraya Tower
- Marriot Courtyard Hotel
- Convention Hall



ASSIMA

- Assima Complex
- Assima Tower
- Marriot Executive Apartments (MEA)

**Salhia International
Entertainment Center (SIEC)**



SALHIA

General Knowledge

92,375
SQM

Built Up
Area

56,775
SQM

Gross Leasable
Area

100%

Q1 -24 Office
Occupancy

98%

Q1 -24 Store
Occupancy

Salhia Complex

- 1st luxury mall in Kuwait since 1978.
- 26,857 square meters of space for commercial offices.
- Home to several high-end brands, and one of the region's most opulent and sophisticated commercial complexes.

Sahab Tower

- 20 story tower connected to Salhia Complex.
- 100% full occupancy rate from both foreign and national businesses.
- Commercial spaces occupied by well known brands.
- Built Up Area SQM – 11,148 & Gross Leasable Area – 10,750

SALHIA



SALHIA

General Knowledge

33,323
SQM

Built Up Area

181

Number of
Rooms

2024

Expected
Opening

2

Number of
Restaurants

JW Marriot

- JW Marriot is in the center of Kuwait City's business and financial district.
- Connected to Salhia Complex & near well-known retail centers.
- Targeted Opening late 2024
- Operated by Marriot International

JW MARRIOTT



General Knowledge



Built Up
Area



Gross Leasable
Area



Q1 -24 Tower
Occupancy



Q1 -24 Mall
Occupancy

Arraya Centre

- Situated in the heart of Kuwait City
- Housing a variety of shops, high-end eateries and casual hangouts.
- Over 1,400 Parking spaces serves the Centre and the adjacent office tower.

Arraya Tower

- 57 floors designated for office workspaces.
- Competitive occupancy maintained as of Q3 2023
- 24-hour facility and maintenance support.
- Built Up Area SQM – 64,523 & Gross Leasable Area – 36,106 SQM

ARRAYA

General Knowledge

29,008
SQM

Built Up Area

264

Number of
Rooms

22

Number of
Floors

3

Number of
Restaurants

Marriot Courtyard

- Connected to Arraya Centre and is in the center of the city.
- 6 Fully equipped banquet halls, a business center and a state-of-the-art swimming pool and fitness center.
- Operated by Marriot International

Convention Hall

- 2,750 SQM ballroom adjacent to the hotel catering to weddings, events and exhibitions.
- Competitive occupancy maintained as of Q3-2023
- 24-hour facility and maintenance support.

MARRIOT COURTYARD



SALHIA

General Knowledge

180,500
SQM

Built Up
Area

71,924
SQM

Gross Leasable
Area

98%

Q1 -24
Occupancy

13

Anchor
Units

Assima Mall

- 20,000 SQM across four basements, a ground floor, and six floors of shops, restaurants, entertainment venues, etc.
- Strong Demand for space from known brands.
- Largest Mall in Kuwait City

ASSIMA MALL

General Knowledge

99,500
SQM

Built Up
Area

59,524
SQM

Gross Leasable
Area

20%

Q1 -24
Occupancy

51

Number of
Floors

Assima Tower

- Leasing has begun with a 20% occupancy as of Q1 2024.
- Project Completion January 2024.
- Connected to Assima mall and a multi-story car park to facilitate both visitors and tenants

ASSIMA TOWER

General Knowledge

25,100
SQM

Built Up Area

164

Number of
Rooms

11

Number of
Floors

1

Number of
Restaurants

Marriot Executive Apartments

- Operated by Marriot International
- First Marriot Executive Apartments in Kuwait
- Available for short and long stay residency.
- Fully equipped fitness center, dining amenities and rentable conference spaces.

MEA

General Knowledge

5,097
SQM

Built Up
Area

15

Number of
Attractions

KD
105,314

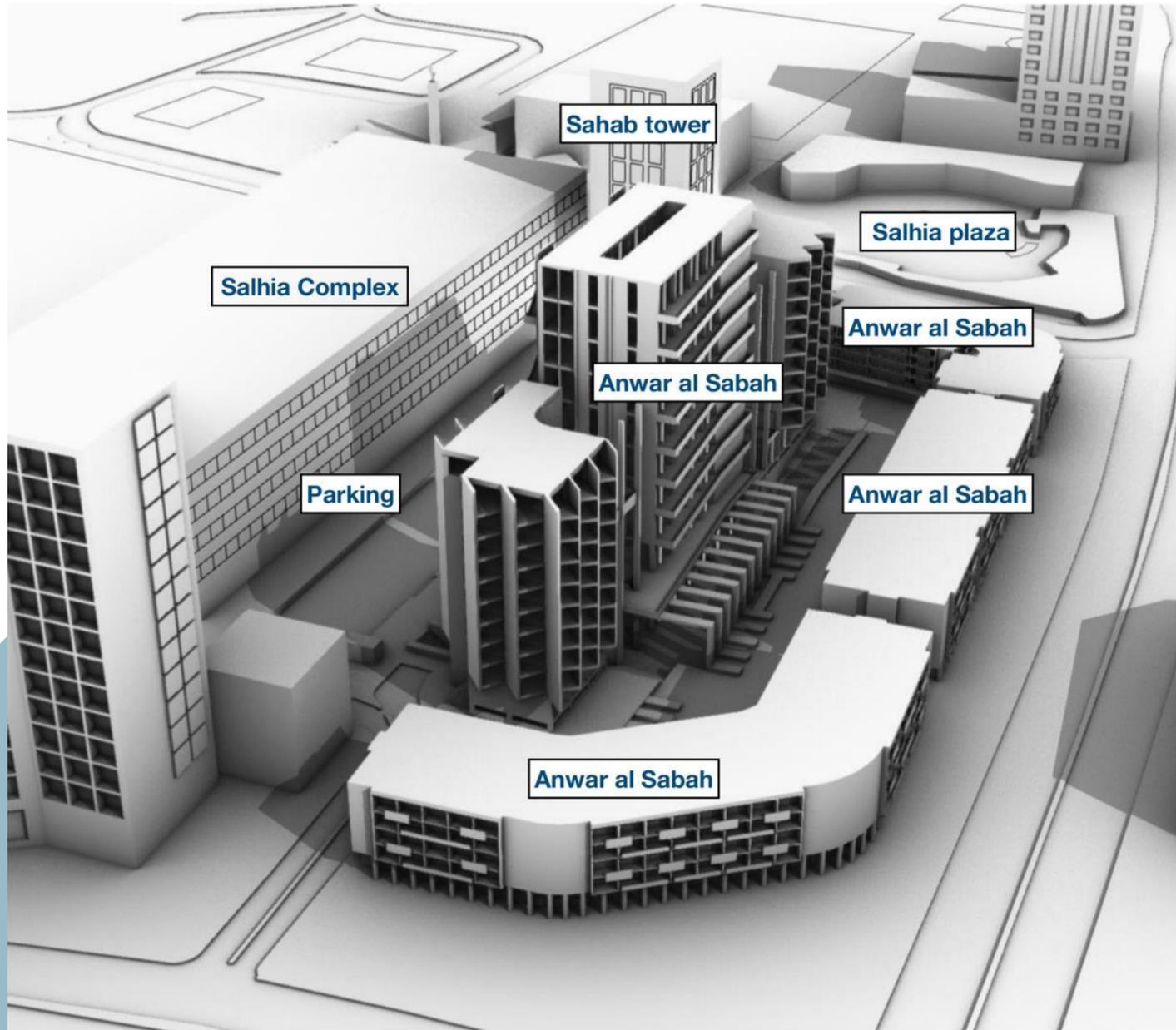
Q1 -24
Revenue

Salhia International Entertainment Center

- Exclusive National Geographic licensee.
- Kuwait's first National Geographic entertainment center.
- For children aged 4 to 14.
- Cutting edge VR & 4D technology introduced for the ultimate experience.



SIEC



ANWAR ALSABAH PROPERTY

Acquired Land in Q1 - 2024

A neighboring land to Salhia Commercial Complex divided into 4 plots.

9,284
SQM

Plot
Area

KD 70 M

Land
Purchased

4

Number of
Plot's

FOREIGN INVESTMENT'S



SALHIA

FOREIGN INVESTMENT



BEORMA QUARTER, BIRMINGHAM

(Salhia International Birmingham Limited)

- Phase 1 – Adagio Hotel & Prince's Trust
- Phase 2 – Residential Apartment & Office Tower



LOLWORTH DEVELOPMENT LIMITED (LDL)

- Fully owned subsidiary – Land Option

General Knowledge



Plot Area



Phase 2 –
Built Up Area



Phase 2 Expected
Completion



Number of
Apartments

Beorma Quarter Project

- A major regeneration project comprised of a mixed use of office, hotel, and residential apartments.
- Located in the center of Birmingham and adjacent to a 93,000 m2 shopping center.
- Phase 2 Expected completion mid 2026.
- Highest residential tower in Birmingham.
- 100% Owned Subsidiary.

BEORMA QUARTER

General Knowledge

> 1 M
SQM

Land Area

UK

Location

1992

Established

Lolworth Developments Ltd

- Lolworth Development– An estimated land area of over 1 million square meters (land option), northwest of Cambridge City Center.
- A prime strategic location for developing a leading technology center to facilitate business and logistic services.

LOLWORTH DEVELOPMENT

EST. PROJECTS TIMELINE UNDER DEVELOPMENT

2024 - 2026

Q1 - 2024

Assima Tower
(Kuwait)

2024

JW Marriot
(Kuwait)

Q3 - 2026

Beorma Tower &
Residency
(Birmingham, UK)

*Projects' timings could change from the provided estimation.

SALHIA REAL ESTATE CO.

Q1-2024 FINANCIAL HIGHLIGHTS

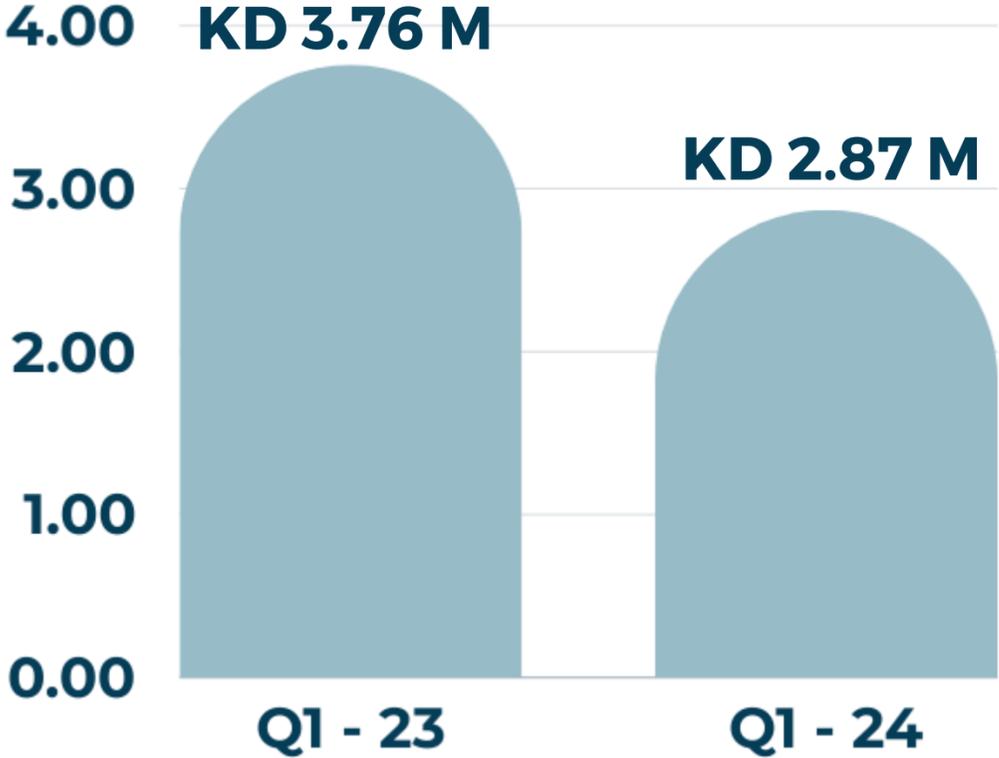
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SALHIA

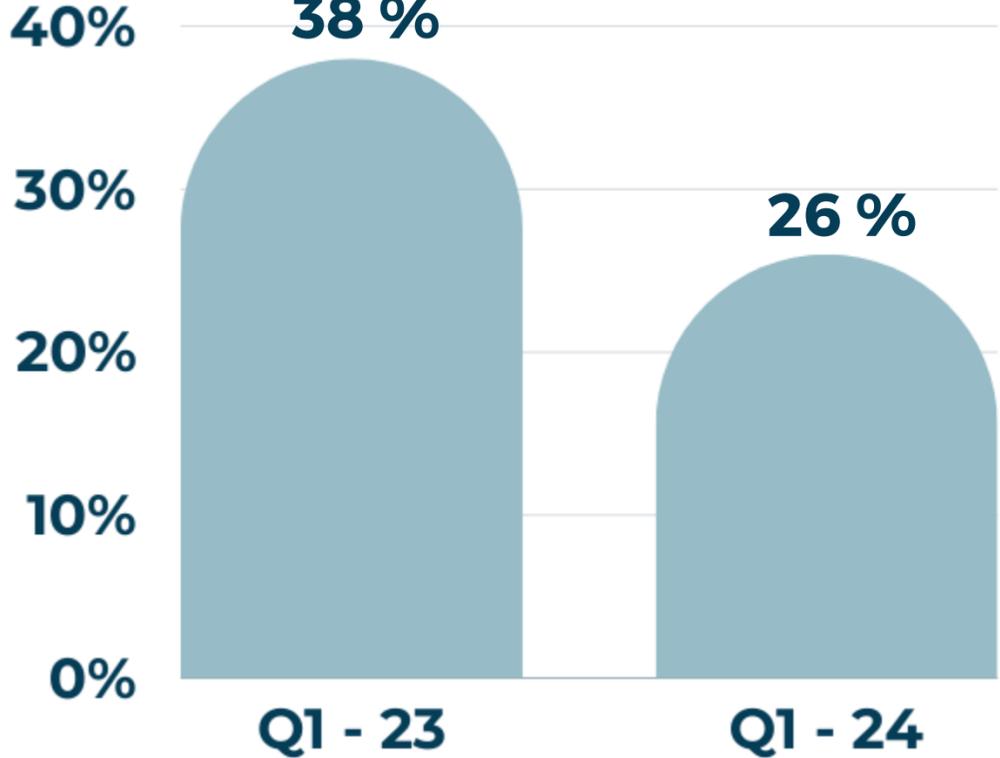
Profitability Indicators

Net Profit KD



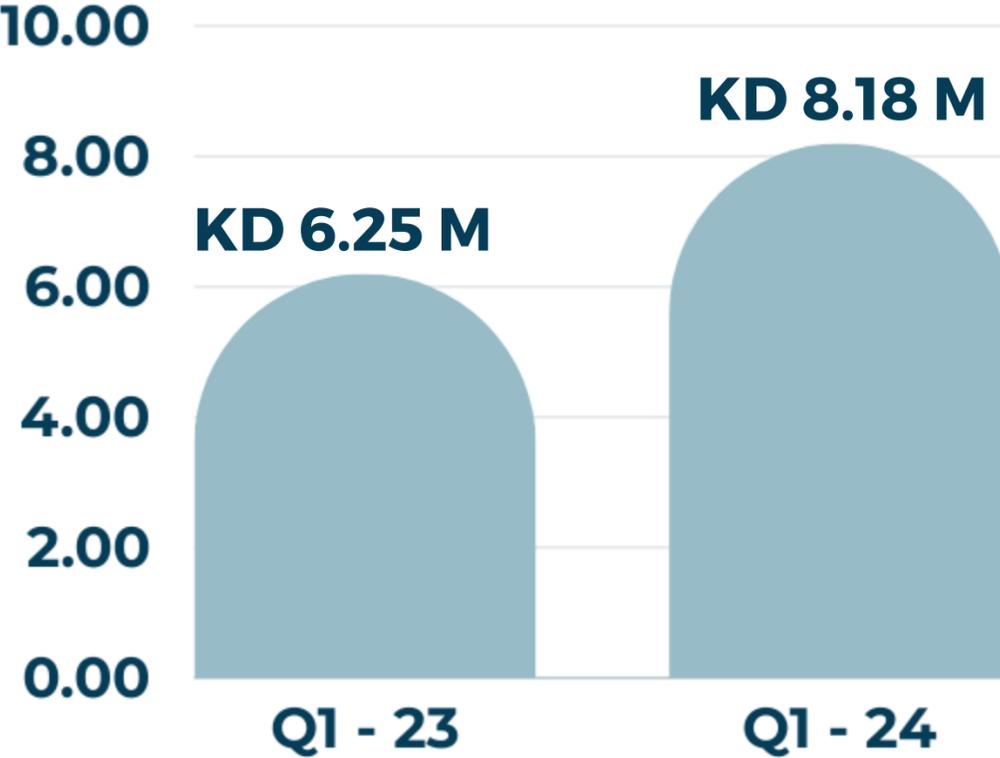
-24 %

Net Profit Margin %



- 33 %

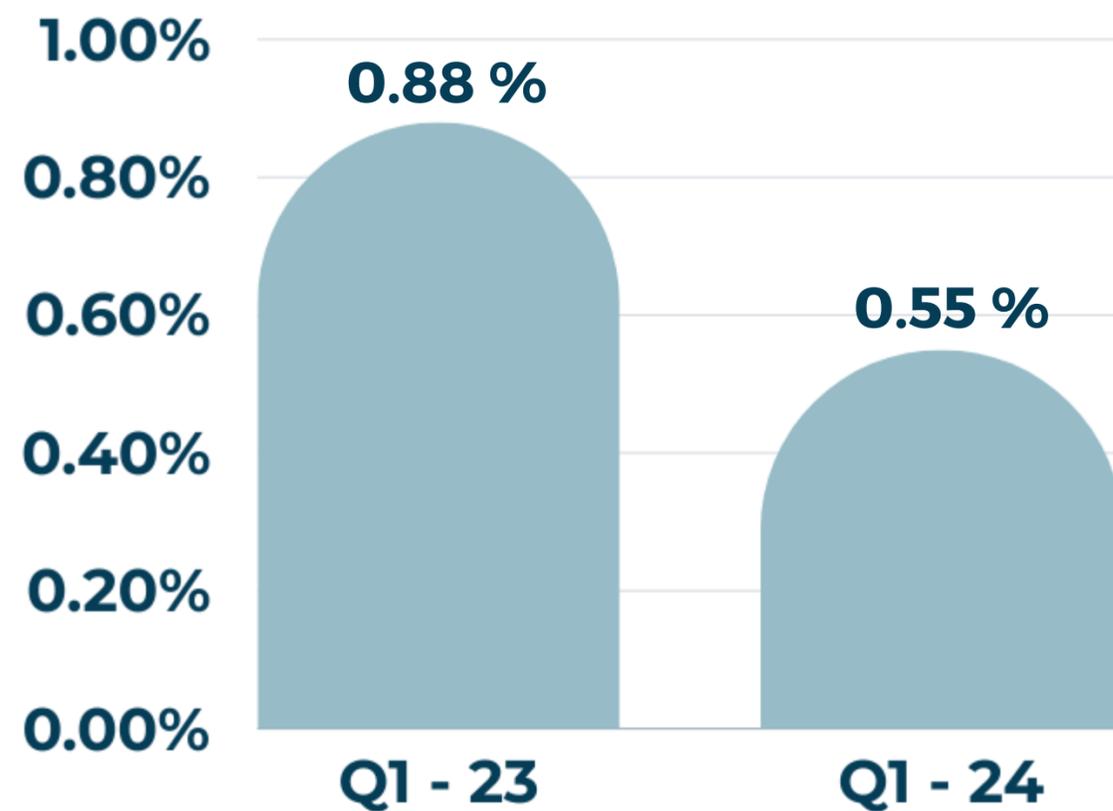
EBITDA KD



+ 31 %

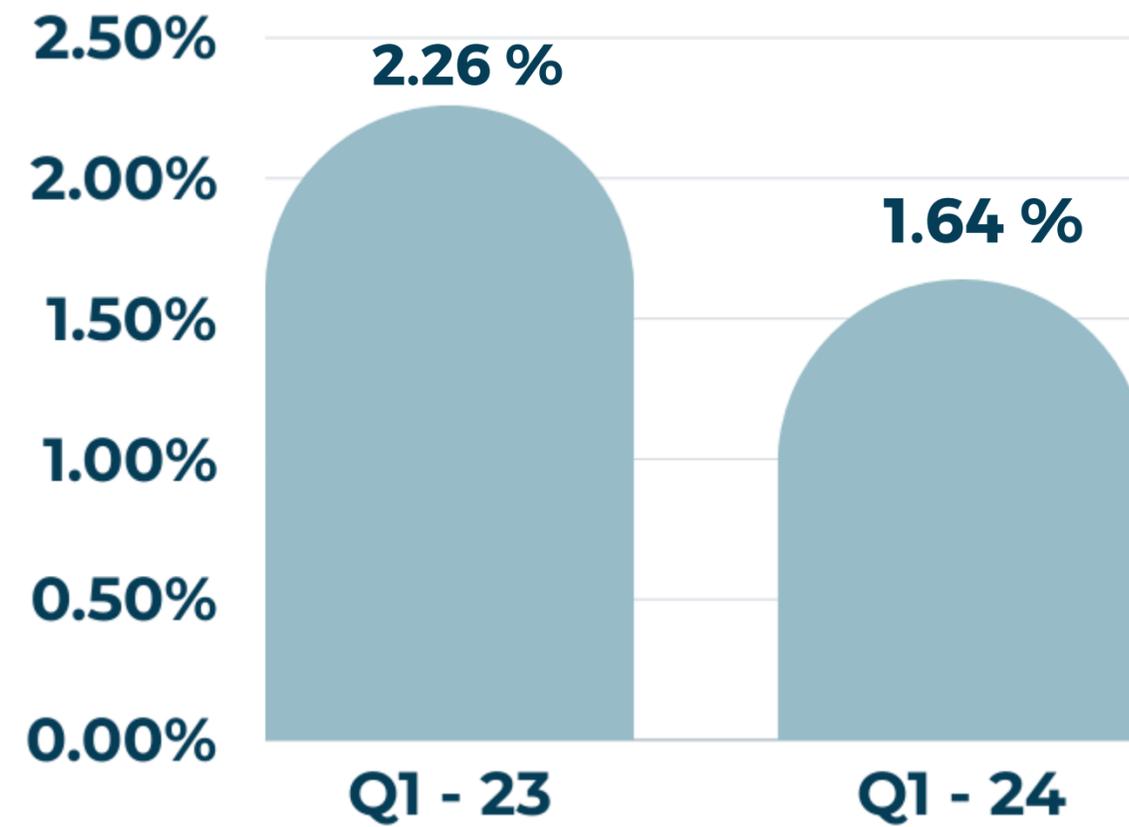
Profitability Indicators (Continued)

Return on Assets %



-38 %

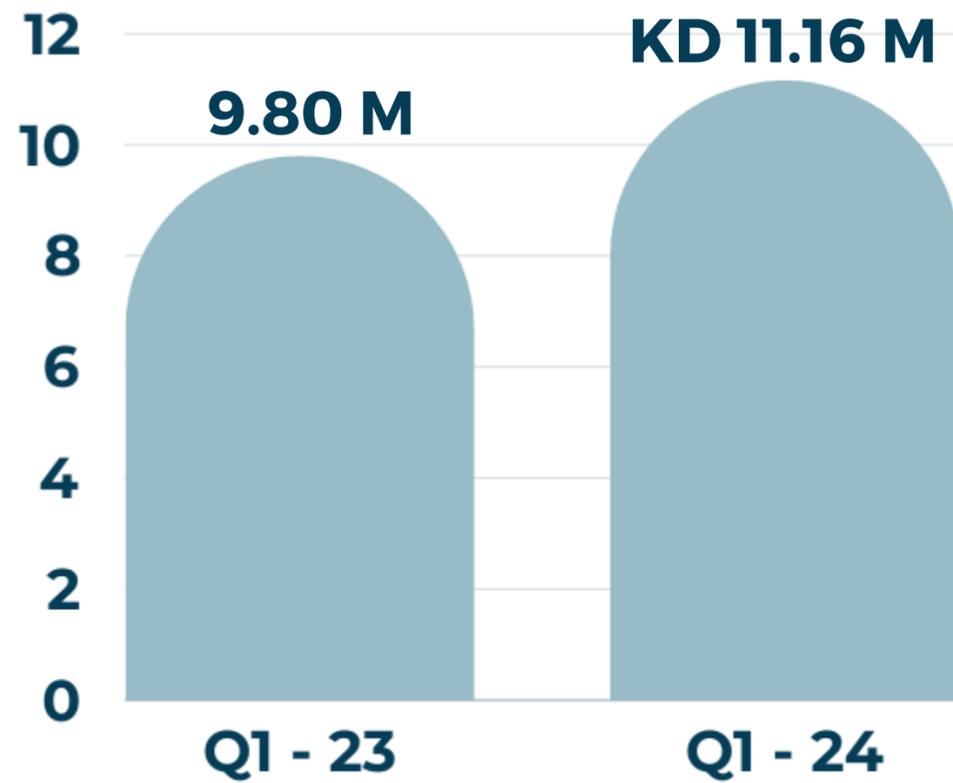
Return on Equity %



-27 %

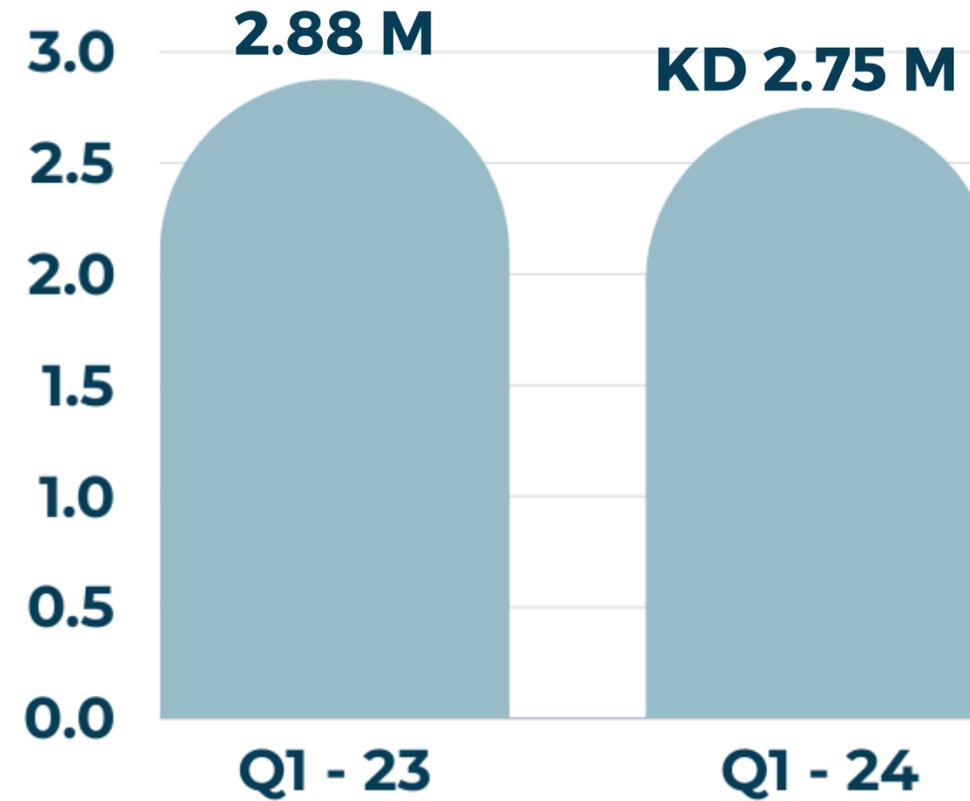
Performance Ratios - The Group

Revenue KD



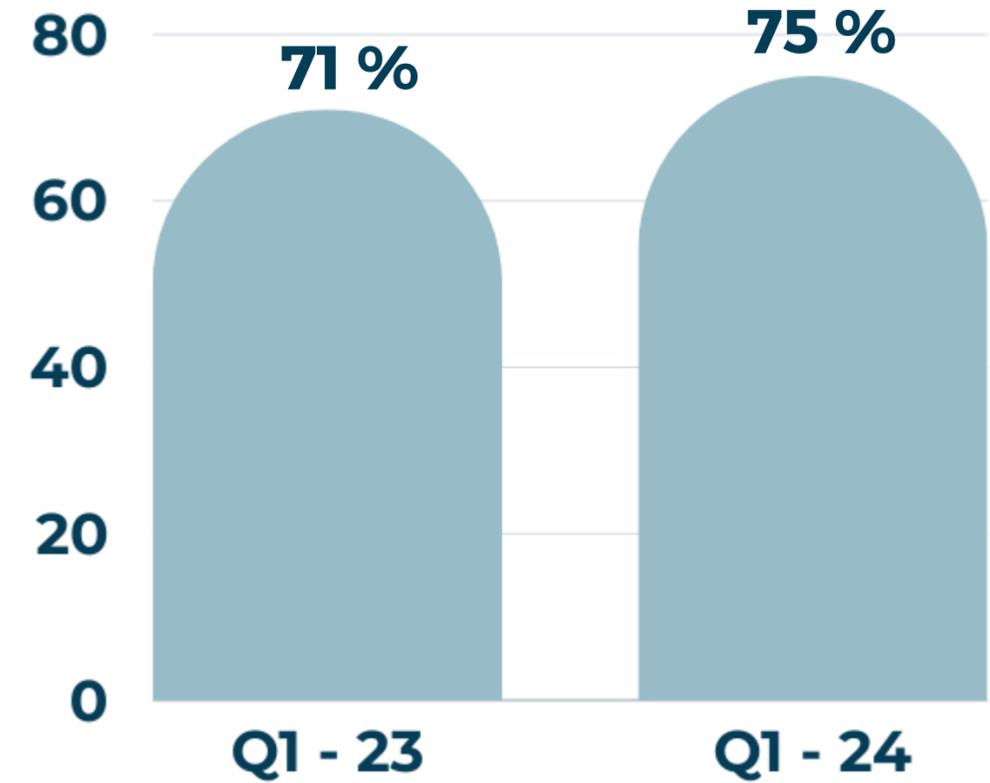
+ 14 %

Operating Expense KD



- 5 %

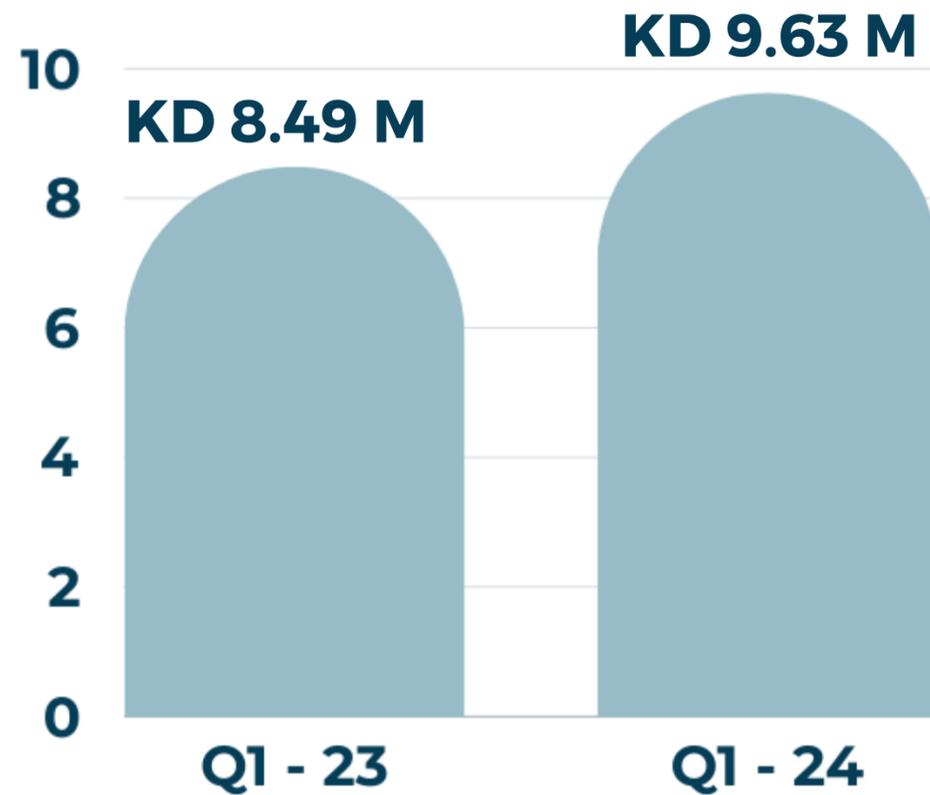
Gross Profit Margin %



+ 6 %

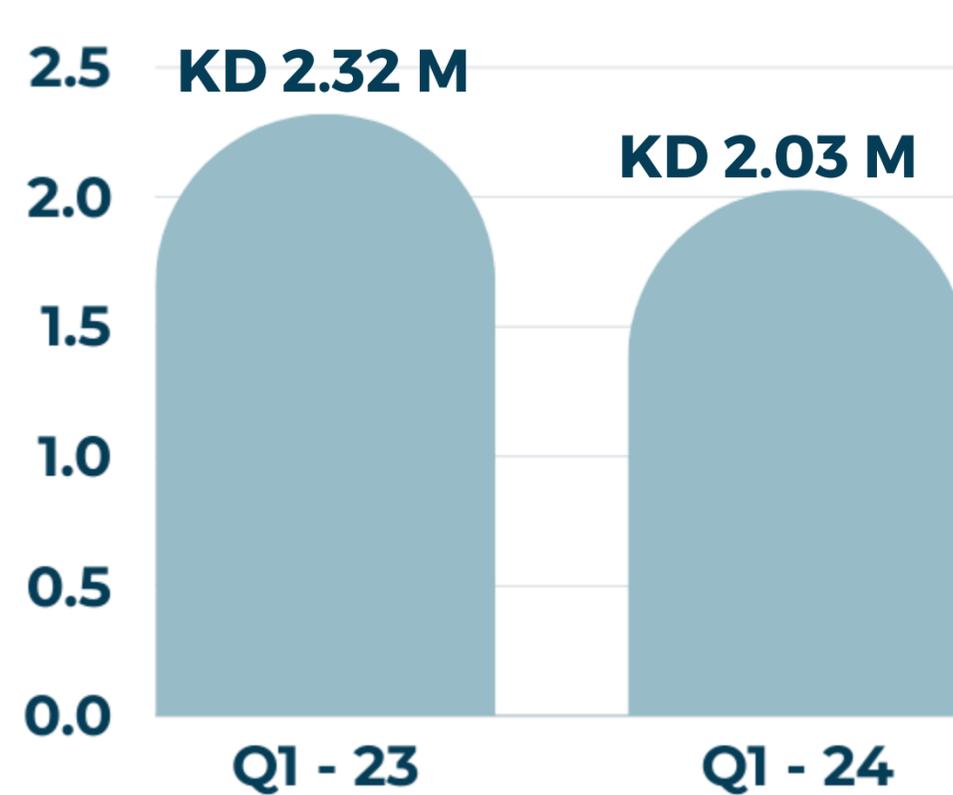
Performance Ratios - Real Estate

Revenue KD



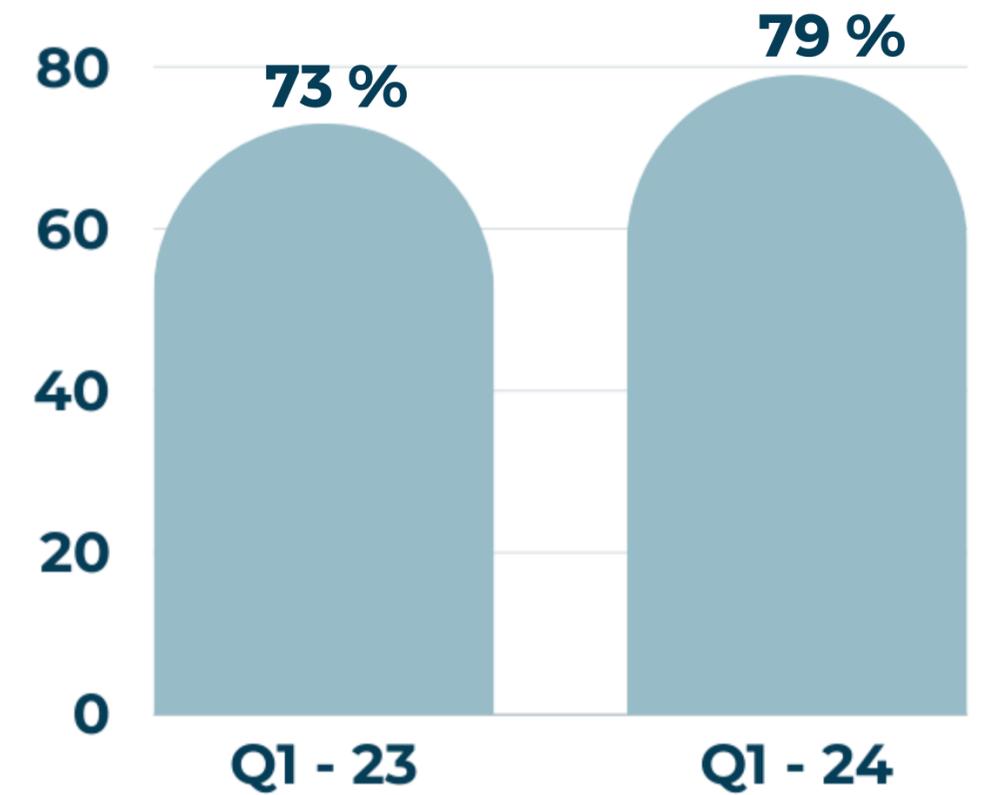
+ 13 %

Operating Expense KD



- 12.5 %

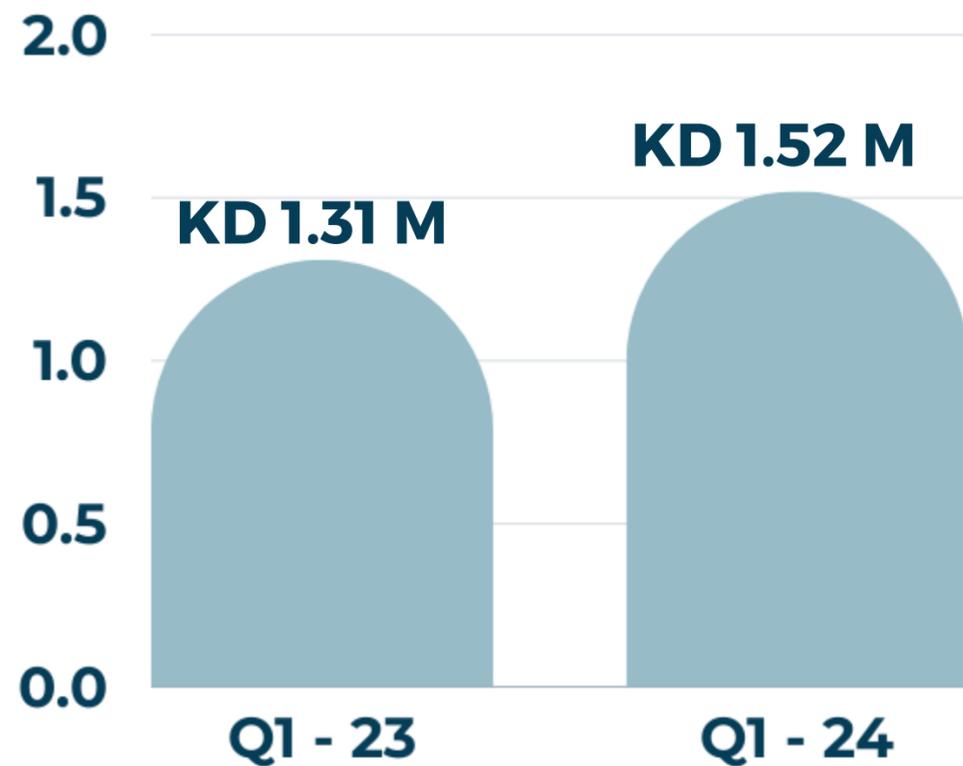
Gross Profit Margin %



+ 8 %

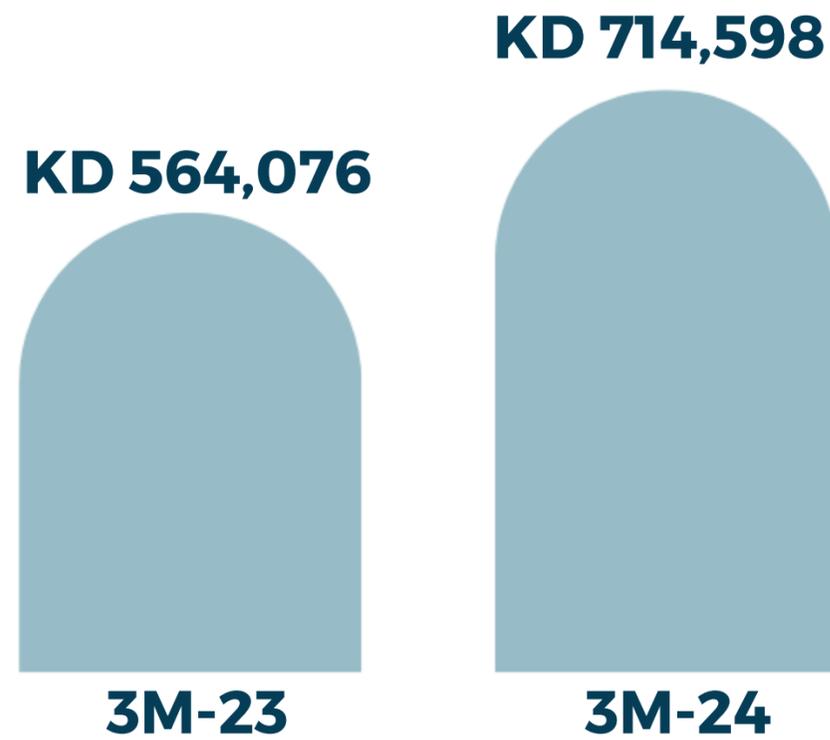
Performance Ratios - Hospitality

Revenue KD



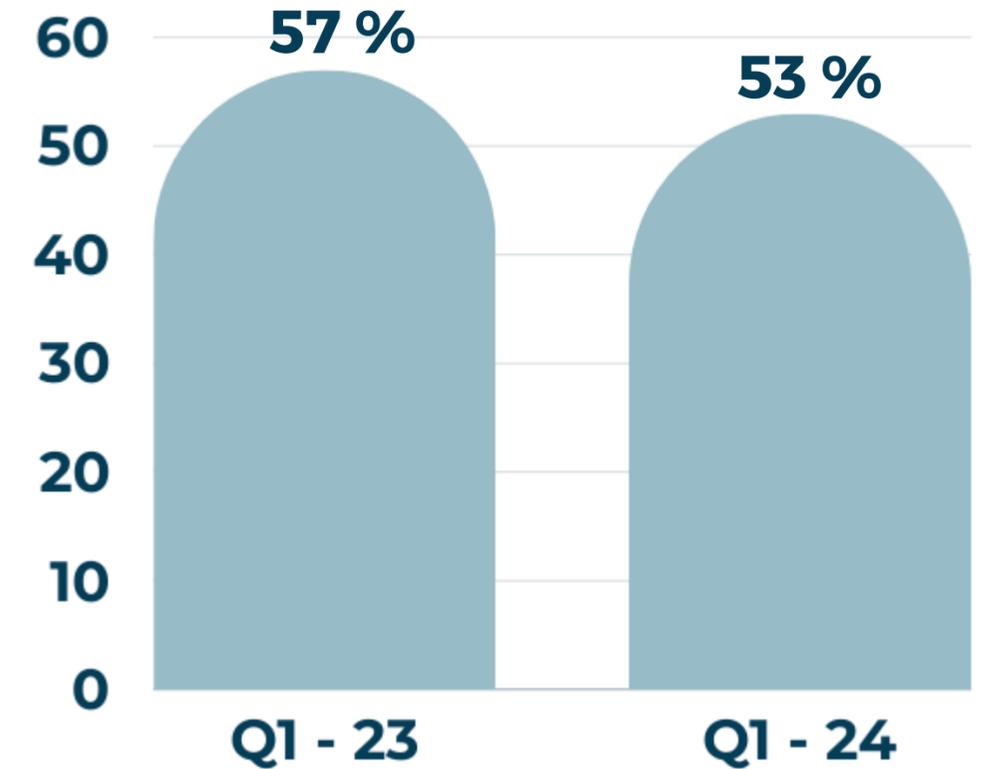
+ 16 %

Operating Expense KD



+ 27 %

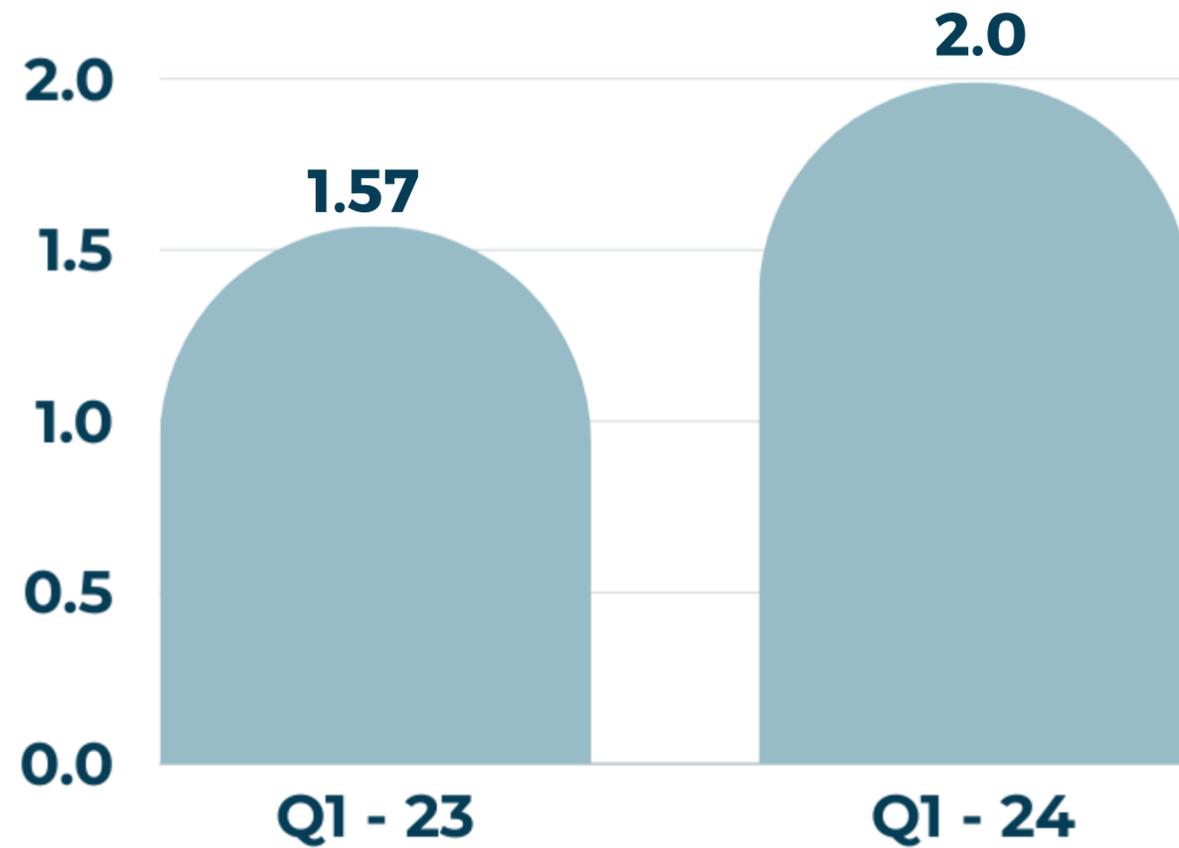
Gross Profit Margin %



-7 %

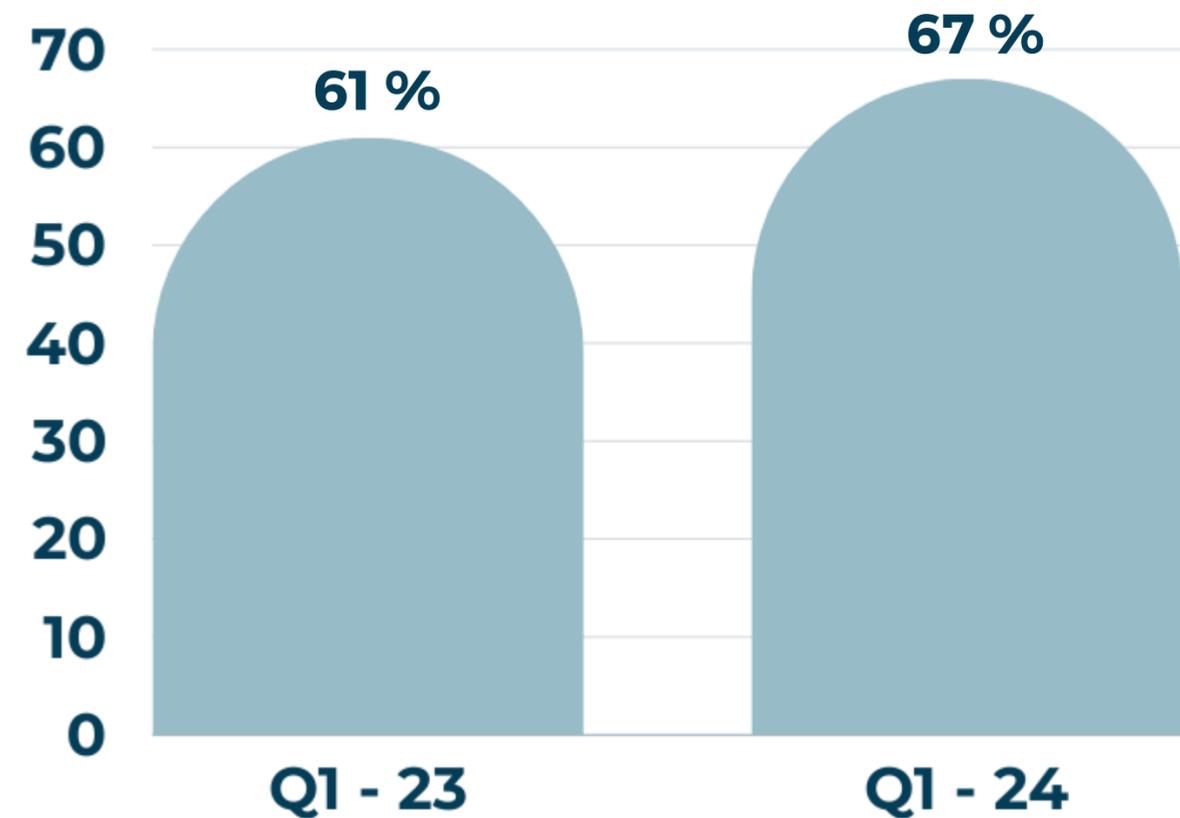
Debt Structure

Debt to Equity %



+ 27 %

Debt to Asset %



+ 9 %

SALHIA REAL ESTATE CO.

APPENDIX



SALHIA

Consolidated Statement of Financial Position

	<i>Notes</i>	<i>31 March 2024 KD</i>	<i>31 March 2023 KD</i>
ASSETS			
Cash on hand and at banks	4	7,077,723	4,675,264
Inventories		200,321	216,084
Accounts receivable and other assets		10,717,322	8,031,155
Financial assets at fair value through other comprehensive income	5	6,885,647	6,316,751
Investment in a joint venture		10,313,012	12,604,705
Investment properties	6	434,689,458	354,816,287
Property and equipment		52,236,083	40,514,635
		<hr/>	<hr/>
TOTAL ASSETS		522,119,566	427,174,881



SALHIA

Consolidated Statement of Financial Position (Cont'd)

	Notes	31 March 2024 KD	31 March 2023 KD
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and financial institution		10,440,189	7,831,647
Accounts payable and other liabilities		44,981,296	47,059,556
Commercial financing	7	20,665,000	10,907,600
Islamic financing	7	271,567,492	195,006,726
TOTAL LIABILITIES		347,653,977	260,805,529
EQUITY			
Share capital	8	56,527,756	53,835,958
Share premium		35,055,163	35,055,163
Treasury shares	9	(7,236,393)	(6,936,673)
Treasury shares reserve		6,082,968	5,257,598
Statutory reserve		30,280,511	30,280,511
Voluntary reserve		20,489,290	20,489,290
Retained earnings		46,131,783	41,910,210
Fair value reserve		(22,934)	(591,830)
Foreign currency translation reserve		(12,988,401)	(12,958,710)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		174,319,743	166,341,517
Non-controlling interests		145,846	27,835
TOTAL EQUITY		174,465,589	166,369,352
TOTAL LIABILITIES AND EQUITY		522,119,566	427,174,881

Consolidated Statement of Income

		<i>Three months ended.</i>	
		<i>31 March</i>	
	<i>Note</i>	<i>2024</i>	<i>2023</i>
		<i>KD</i>	<i>KD</i>
Revenue		11,156,012	9,804,230
Operating costs		(2,746,344)	(2,884,036)
Gross profit		8,409,668	6,920,194
Share of joint venture's results, net of tax		1,230,172	(221,569)
General and administrative expenses		(1,414,740)	(1,247,794)
Depreciation and amortization		(1,937,463)	(1,466,541)
Sales and marketing expenses		(210,493)	(184,661)
Dividends income		16,878	-
Recovery of insurance claims		-	750,000
Other income, net		147,510	230,113
Finance costs		(3,218,715)	(865,301)
PROFIT BEFORE PROVISION FOR CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT		3,022,817	3,914,441
KFAS		(30,014)	(39,360)
NLST		(75,034)	(98,399)
Zakat		(30,014)	(39,360)
PROFIT FOR THE PERIOD		2,887,755	3,737,322
Attributable to:			
Equity holders of the Parent Company		2,866,316	3,758,856
Non-controlling interests		21,439	(21,534)
		2,887,755	3,737,322
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY	3	5.00 fils	6.55 fils

Q&A



SALHIA

THANK YOU



ir@salhia.com



www.salhia.com



+965 22996097 – 22996081 – 22996346



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