



INVESTORS & ANALYST PRESENTATION

Q1 2021 Financial Results

May 2021

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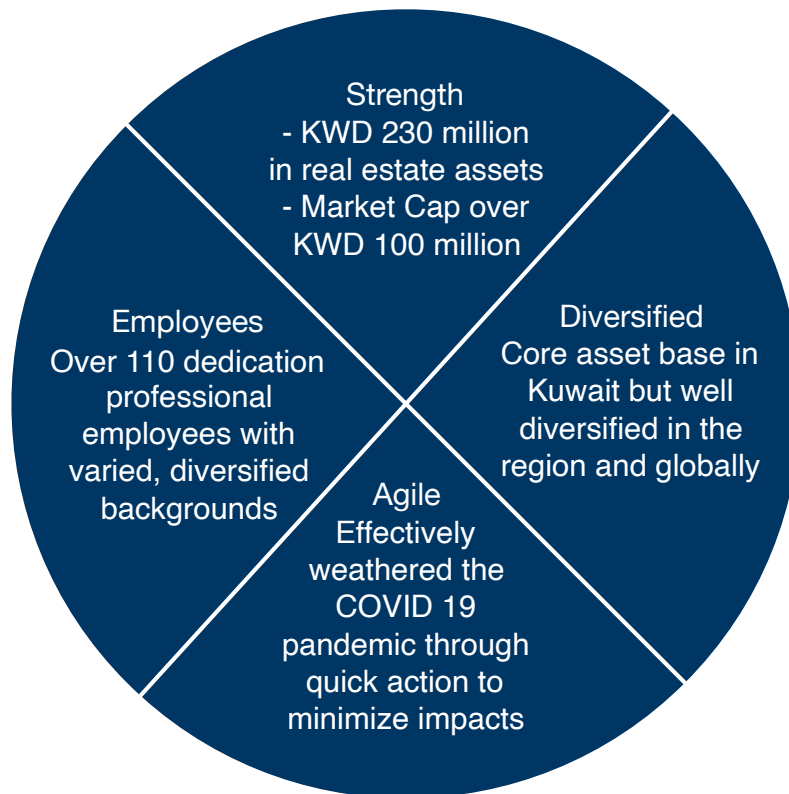
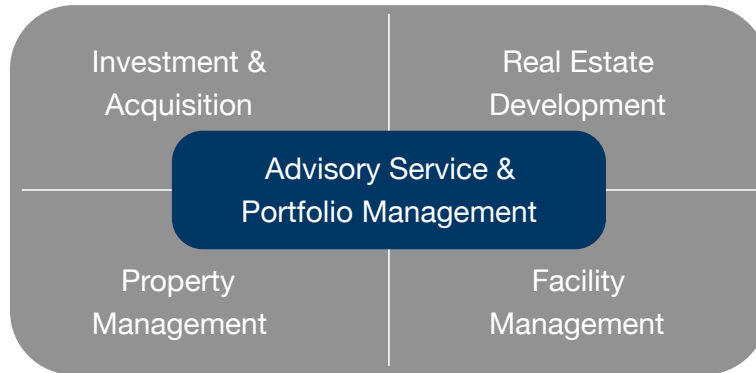
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AQARAT OVERVIEW	AQARAT STRATEGY	BUSINESS OVERVIEW	FINANCIAL PERFORMANCE
01	02	03	04

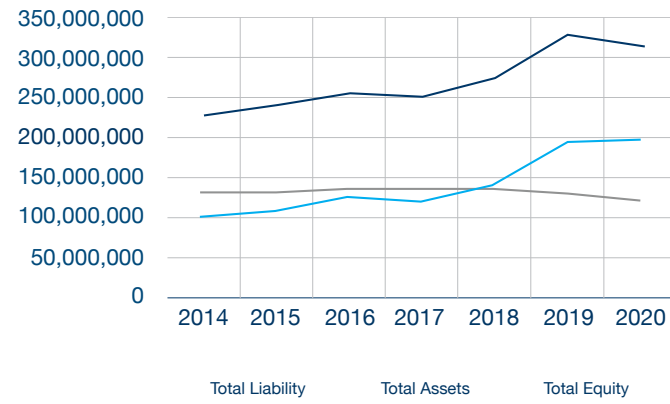
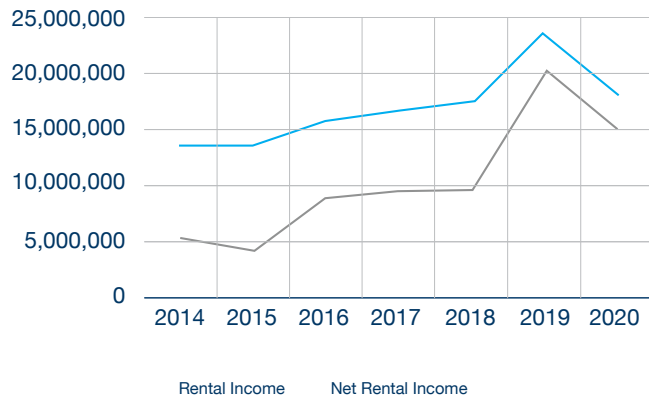
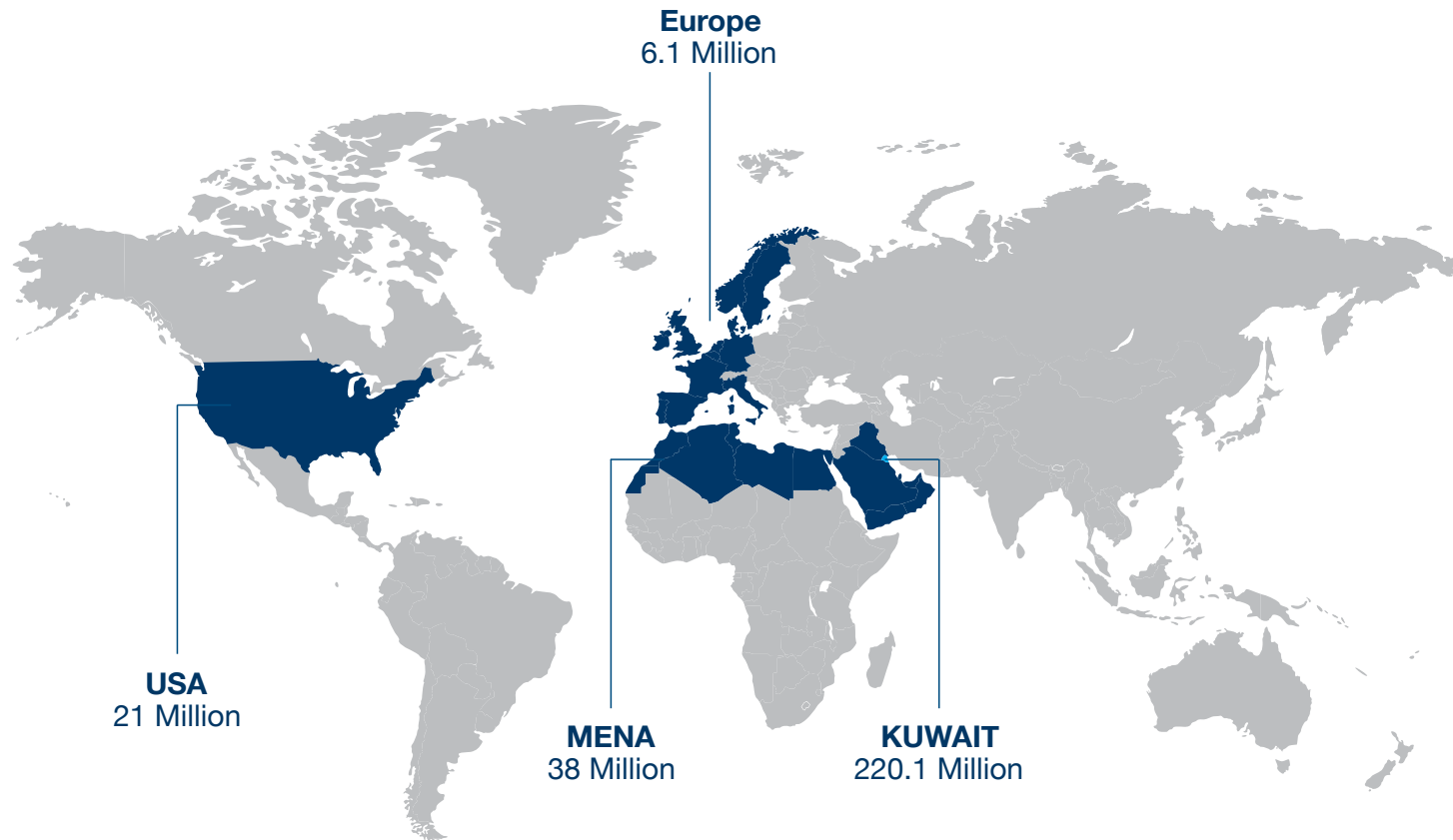
Section 1

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
Rental Income	17.5 Million	23.7 Million	18.5 Million
Net Rental Income	10.1 Million	20.7 Million	15.5 Million
Net Income	6.7 Million	7.0 Million	3.6 Million
Total Assets	270.9 Million	326.9 Million	318.5 Million
Total Liabilities	138.6 Million	195.9 Million	197.2 Million
Total Equity	132.3 Million	127.9 Million	117.9 Million
EP	7.5	8.26	4.1
ROE	0.051	0.0538	0.0294
ROA	0.0249	0.0216	0.0112



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	Q1.2021	Q1.2020	YTD 2021	YTD 2020
Rental Income	5,259,574	5,799,382	5,259,574	5,799,382
Operating Expense	(615,725)	(475,154)	(615,725)	(475,154)
Net Rental Income	4,643,849	5,342,228	4,643,849	5,342,288
Aggregate Occupancy	0.8772	0.909	0.8772	0.909

- In Q1 2021, AQARAT income producing portfolio generated KD5.3 million compared to KD5.8 million for the same period in 2020 representing a decrease of 9.3%.
- In comparison to Q4 2020, Q1 2020 Rental Income marked an increase of 59%, however Q4 rental income was effected by reclassification of the govt. allowance.
- Kuwait Portfolio Occupancy in Q1 2021 averaged 88%.
- Non-hospitality International Portfolio Occupancy for Q1 2021 averaged 96%.

KUWAIT PORTFOLIO

- The start of 2021, namely the first month, witnessed improvement in the business environment due to the easing of COVID-19 related restrictions.
- Towards the second half of the quarter, cases started to rise sharply and some restrictions were reimposed which lead some business to shutdown operations.
- The restrictions effected mainly saloons, barber shops and gyms, which AQARAT is minimally exposed to.
- Some Businesses continued their forced closure since March 2020 such as Shisha Cafes and entertainment venues. Although AQARAT is exposed to these sectors however the exposure is not significant

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

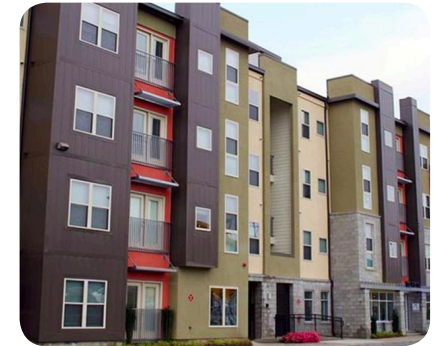


Yotel San Francisco

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



House of Originals

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, House of Originals will be one of the Palm Jumeirah's most distinguished addresses. The Hotel is part of The 8 - 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

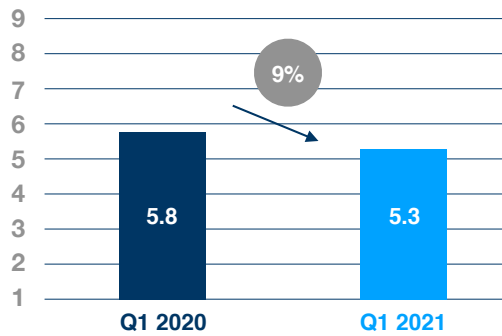
AQARAT- FINANCIAL PERFORMANCE

Financial Data	Q1 2021	Q1 2020	% change
Real Estate Rental Income	5,259,574	5,799,382	-0.09
Net Rental Income	4,643,849	5,324,228	-0.13
Income before KFAS	2,192,541	1,880,906	0.17
Finance cost	(1,434,756)	(1,881,370)	-0.24
Net Income	1,848,964	1,729,985	0.07
EPS	2.1	2.02	0.04
CURRENT ASSETS	52,306,378	44,273,026	0.18
Total Assets	325,199,913	327,061,516	-0.01
CURRENT LIABILITIES	49,835,193	31,292,689	0.59
Total Liabilities	200,739,408	195,902,818	0.02
Debt Borrowings	131,548,144	137,532,773	-0.04
Debt Borrowings (short term)	13,415,398	5,827,255	1.3
Debt Due to bank	4,280,942	4,693,567	-0.09
Total Debt	149,244,484	148,053,595	0.01
Share Capital	94,736,506	94,736,506	0
Total Equity	120,897,153	128,010,544	-0.06
BV per fils	0.128	0.135	-0.06

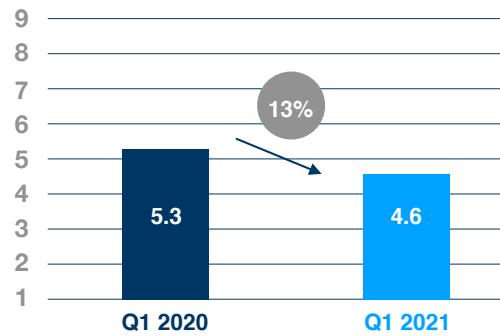
AQARAT- FINANCIAL PERFORMANCE

INCOME

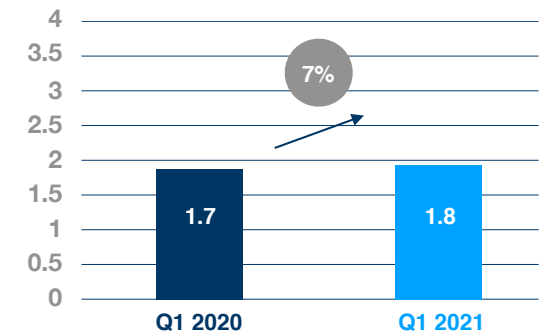
REAL ESTATE INCOME- KD Millions



NET RENTAL INCOME- KD Millions

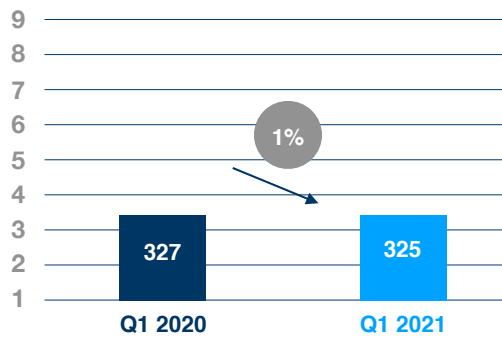


NET PROFIT- KD Millions

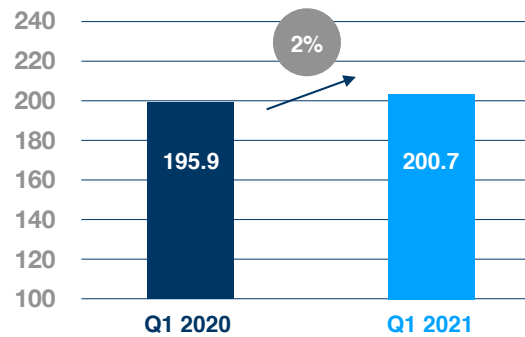


ASSETS & LIABILITIES

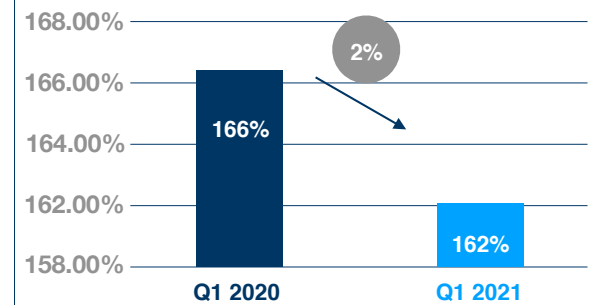
TOTAL ASSETS - KD Millions



TOTAL LIABILITIES - KD Millions



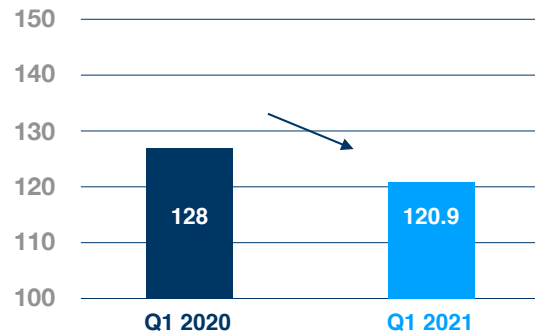
ASSET TO LIABILITIES



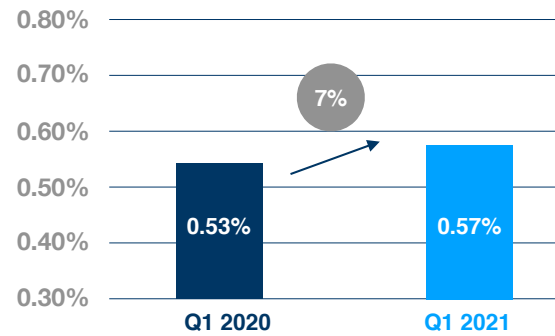
AQARAT- FINANCIAL PERFORMANCE

EQUITY

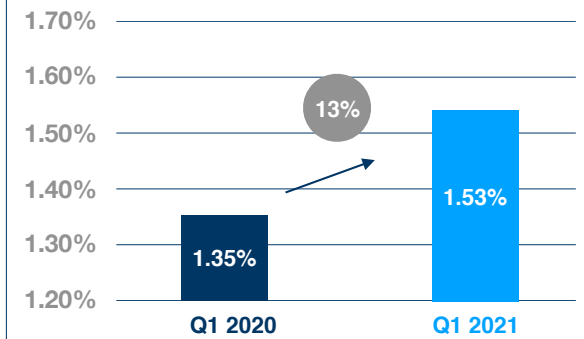
SHAREHOLDER EQUITY- KD Millions



RETURN ON ASSETS

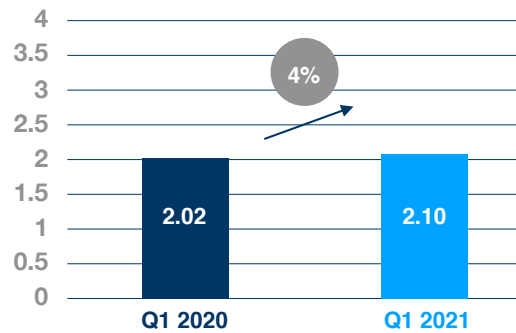


RETURN ON EQUITY



EARNINGS PER SHARE

EPS



Section 4

Questions



AQARAT
عقارات

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