



AQARAT

عقارات

Date: 25/08/2025  
KREC/FIN/2025/38

التاريخ: 2025/08/25  
KREC/FIN/2025/38

To: Boursa Kuwait Company

السادة / شركة بورصة الكويت المحترمين

**Subject: Transcript of the Analyst / Investor Conference (Q2 2025) for Kuwait Real Estate Company**

**الموضوع: محضر مؤتمر المحللين / المستثمرين لشركة عقارات الكويت عن الربع الثاني لعام 2025**

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 as per resolution No. (1) of year 2018, kindly note that the analyst/investor conference was conducted through a Live Webcast at 01:30 PM on Thursday 21/08/2025.

بالإشارة إلى الموضوع أعلاه، وإلى متطلبات المادة (8-4-2) "الالتزامات 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 الخميس 2025/08/21.

Please find attached the transcripts of the conference in Arabic & English along with the investors' presentation for Q2 2025.

وتجدون مرفق طيه محضر المؤتمر باللغتين العربية والإنجليزية والعرض التقديمي للمستثمرين عن الربع الثاني لعام 2025.

Best Regards

وتفضلوا بقبول فائق الاحترام والتقدير،،،

طلال جاسم البحر  
نائب رئيس مجلس الإدارة  
والرئيس التنفيذي

\*CC:

\* نسخة إلى:

CMA – Disclosure Dept.

السادة / هيئة أسواق المال – إدارة الإفصاح

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

شركة عقارات الكويت ش.م.ك.ع. (1) Kuwait Real Estate Company K.P.S.C.

تأسست عام 1972 Established in

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

P.O. Box 1257, Safat 13013, Kuwait, Souk Al Kuwait Building, 8th Floor T. +965 1 828 999 F. +965 2241 8154

رأس المال المدفوع والمصدر Paid up Capital K.D. 100,420,696.200 مقدار رأس المال المصرح به Authorized Capital K.D. 100,420,696.200

info@aqarat.com.kw www.aqarat.com.kw

سجل تجاري 64 CR No.

**Kuwait Real Estate Company**

21 Aug 2025

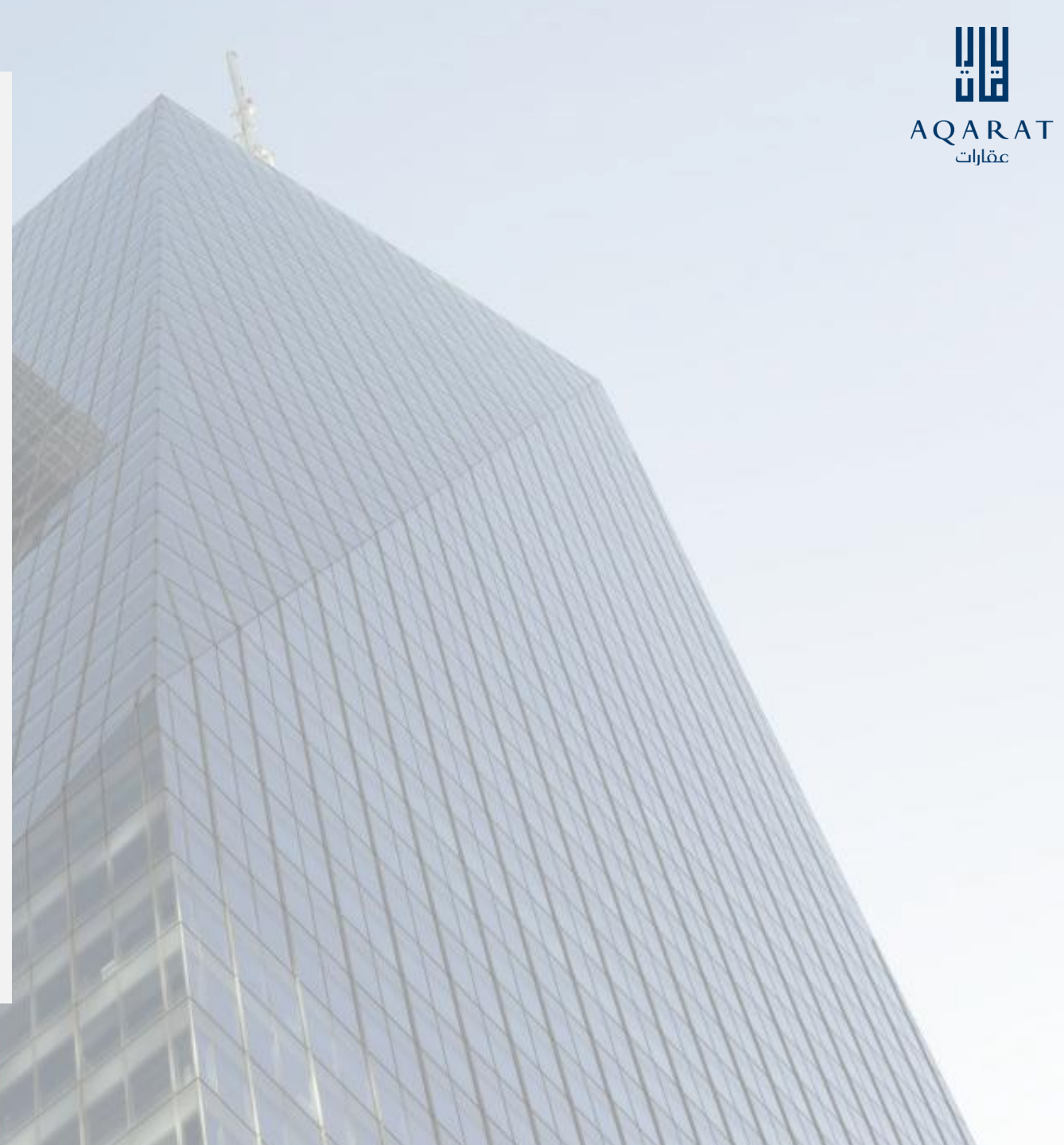
# **FIRST HALF 2025 EARNINGS PRESENTATION**



**AQARAT**  
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## 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

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01 COMPANY OVERVIEW

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02 KEY HIGHLIGHTS

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03 FINANCIAL  
PERFORMANCE

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04 BUSINESS UPDATES

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05 Q&A

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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.

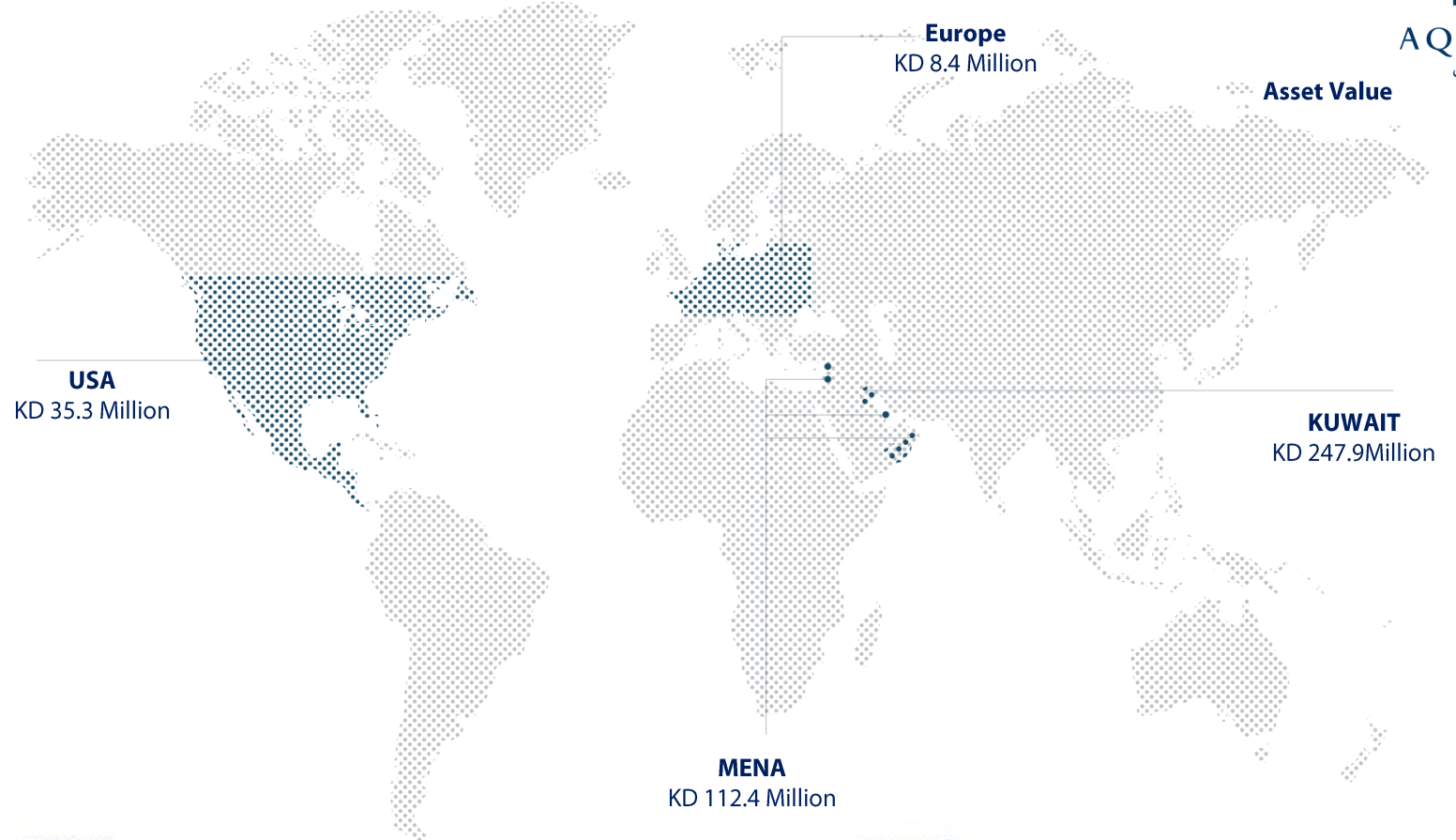
Proven development track record generating significant value creation over 52+ years in the field of Real Estate investment and development locally and internationally. The company's portfolio today consists of notable projects in the premium residential, integrated staff housing, commercial and hospitality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



AQARAT  
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# Key Highlights



AQARAT  
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## 1H 2025

REVENUE

KD 19.8M

NET PROFIT

KD 5.1M

TOTAL ASSETS

KD 464.2M

### Al Tay Hills – Sharjah

- AED 3.5 billion residential project
- Setting a new baseline of profitability for the years to come
- 90% sold, including full sales of Phases 1 and 2

### Domus Platform Expansion

- Core to our income growth strategy, and hedges against hospitality sector volatility
- AED 100 mln strategic investment in Domus Fund

### Resilient operating performance

- Double digit growth in revenue and gross profit, driven by strong performance from Kuwait and UAE assets
- Temporary dip in NP due to timing of project delivery

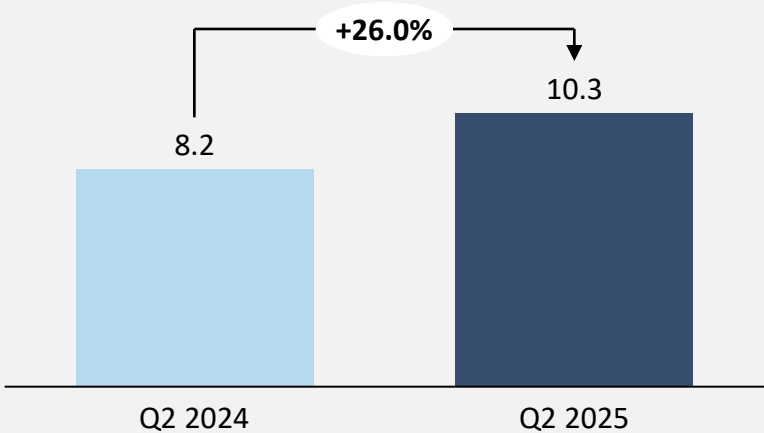
# Financial Highlights

# Income Statement | QTD 2025

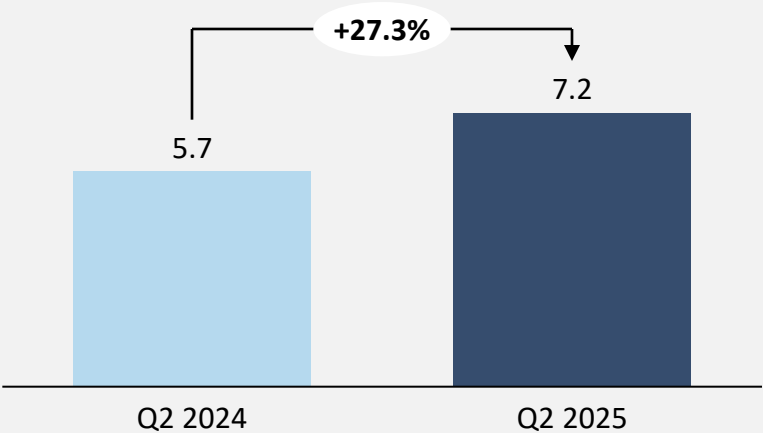
KD Million



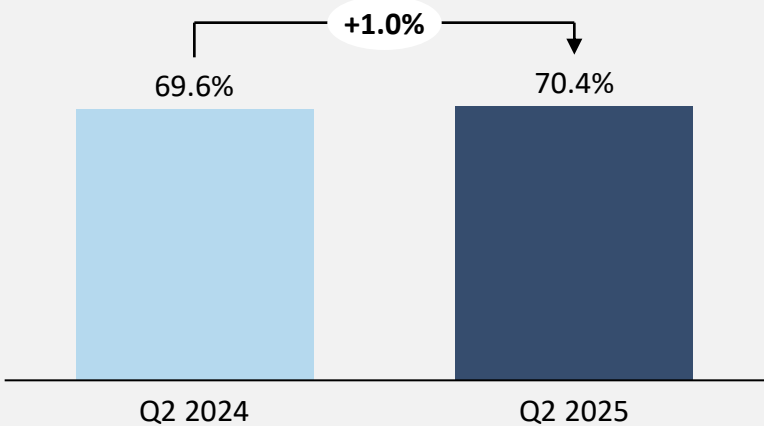
Rental Income



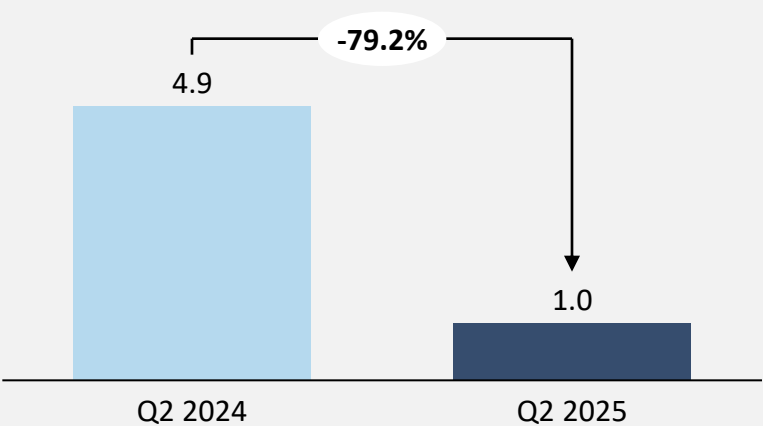
Gross Income



Gross Margin



Net Income

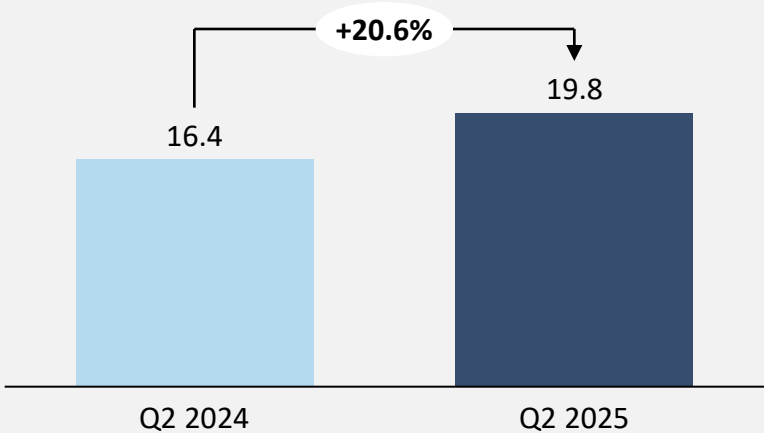


# Income Statement | YTD 2025

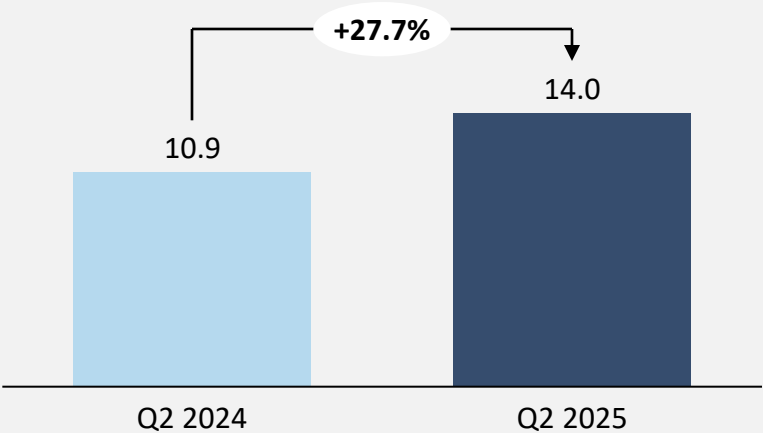
KD Million



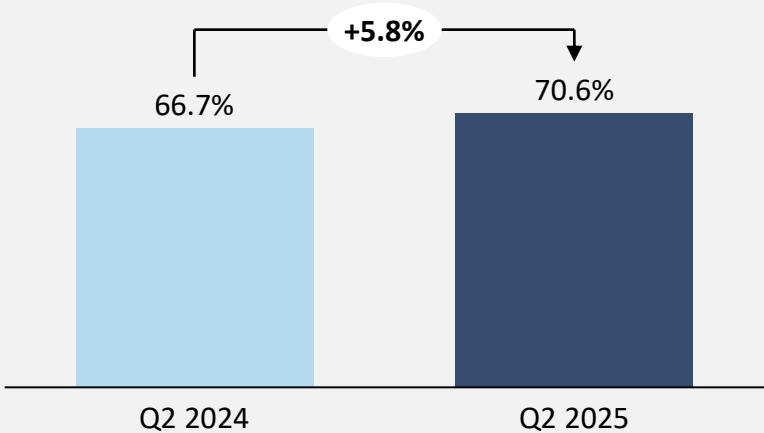
Rental Income



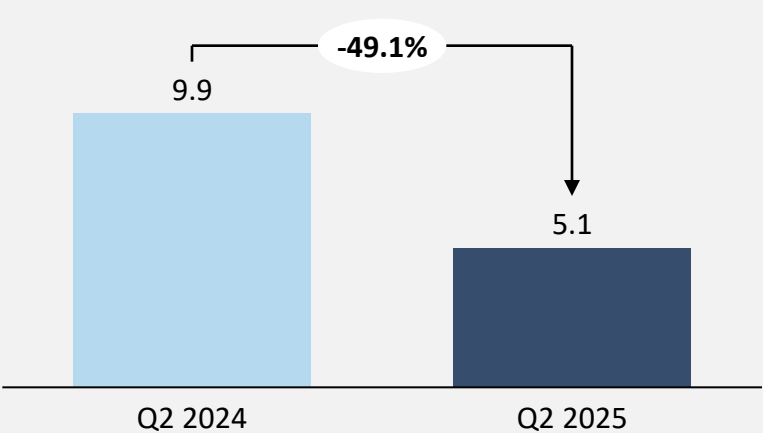
Gross Income



Gross Margin



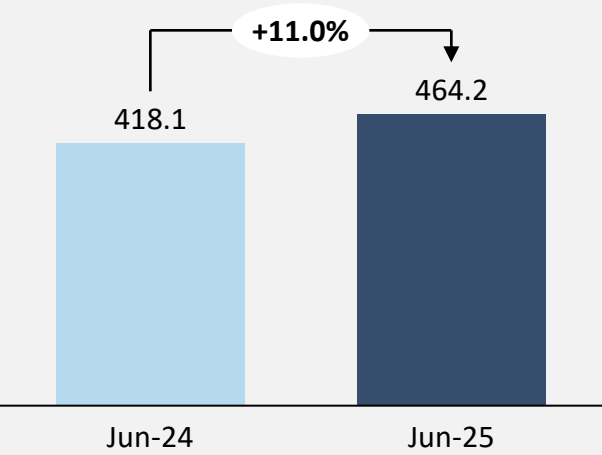
Net Income



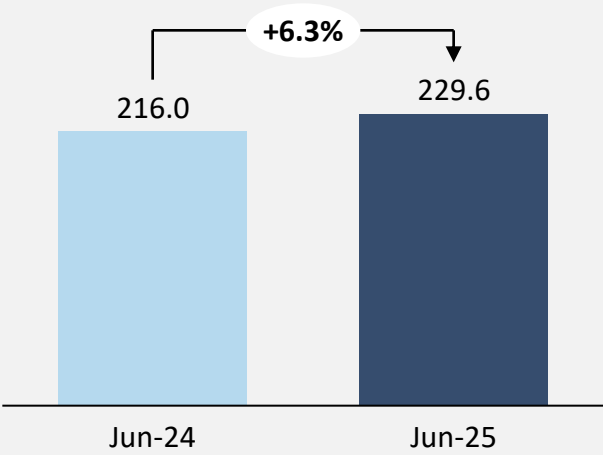
# Balance Sheet Q2 2025

KD Million

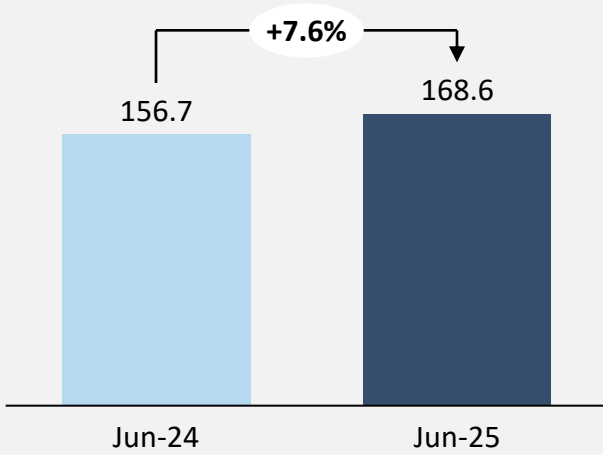
## Total Assets



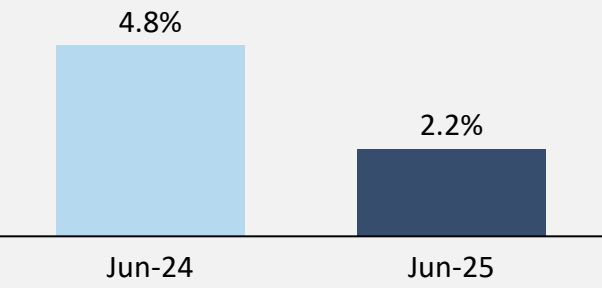
## Total Debt



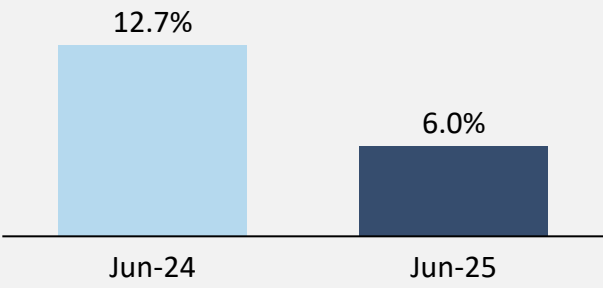
## Total Equity



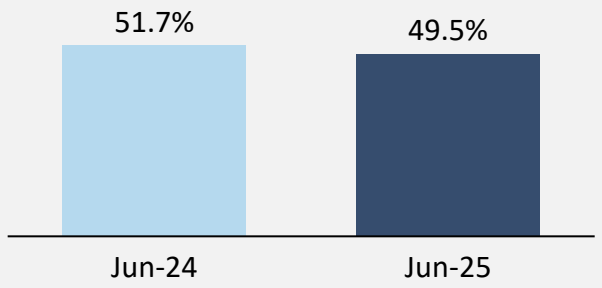
## Return on Assets<sup>1</sup>



## Return on Equity<sup>1</sup>



## Debt to Assets



<sup>1</sup>Net profit annualized

# Financial Snapshot

Financial Data		1H 2025	1H 2024	% change
IS	Revenue	19,770,155	16,391,357	20.6%
	Operating Expenses	(5,819,559)	(5,464,335)	6.5%
	Gross Income	13,950,596	10,927,022	27.7%
	Gross Income Margin	70.6%	66.7%	
	EBITDA	12,910,747	18,024,526	-28.4%
	Finance Cost	(6,092,864)	(6,244,297)	-2.4%
	Net Income	5,055,813	9,929,691	-49.1%
	Net Income Margin	25.6%	60.6%	
	EPS (Fils)	4.87	9.64	-49.5%
BS	Current Assets	116,281,862	85,813,680	35.5%
	TOTAL ASSETS	464,246,793	418,138,291	11.0%
	Current Liabilities	47,498,158	56,936,995	-16.6%
	TOTAL LIABILITIES	277,894,396	248,532,324	11.8%
	TOTAL DEBT	229,579,625	216,003,186	6.3%
	Share Capital	106,445,938	100,420,696	6.0%
	Total Equity	168,598,483	156,665,121	7.6%

# Business Updates

# Real Estate Portfolio Kuwait

## Solid performance with high occupancy rates across key properties

- Sabhan Labor Housing Project reached 60% completion and remains on track for delivery in the beginning of 2026.
- Launched leasing activity for 41 retail units at the Riggae Commercial Complex, enhancing the utility of our local assets.

## Projects under development

Sabhan (BOT)  
Sabhan, Kuwait

Q1 2026  
Completion

40,000  
sqm

- 16 INTEGRATED RESIDENTIAL COMPLEXES TO ACCOMMODATES 3,000 WORKERS
- 2 COMMERCIAL COMPLEXES
- ADMINISTRATIVE AND GOVERNMENT BUILDINGS
- RECREATIONAL FACILITIES
- 20 YEAR CONTRACT PERIOD

# Real Estate Portfolio UAE

## Projects under development

Domus 5  
Dubai Production City

Q4 2025  
Completion

552  
Modules

- 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

## Strong market in the leasing and hospitality sector

- Domus 1 to 4 fully leased and operational. Domus 5 construction reached 50%.
- Committed AED 100 million as a strategic investor in the newly launched **Domus Real Estate Fund** to capitalize on the strong demand.

# Real Estate Portfolio UAE

## Projects under development

Al Tay Hills  
Sharjah -UAE

2028  
Completion

1,100  
Villas/Townhouses

- DESIGN APPROVED & MAJORITY OF PERMITTING OBTAINED
- 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

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

# Real Estate Portfolio USA

## Projects under development

501 First Residences  
Miami

Q4 2025  
Completion

476  
Units

- 40-STORY TOWER OFFERING CONDOMINIUM RESIDENCES
- LOCATED IN DOWNTOWN MIAMI

## Solid Performance across our investments in the US

- 501 Residences in Miami reached 91% completion as of the end of March 2025, with final delivery on track for the end 2025
- The project has seen strong demand, positioning it as a landmark addition to AQARAT's U.S. portfolio

# Aqarat Key Assets Portfolio

# AQARAT Key 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



Souk Al-Kuwait & Souk Al-Kabir

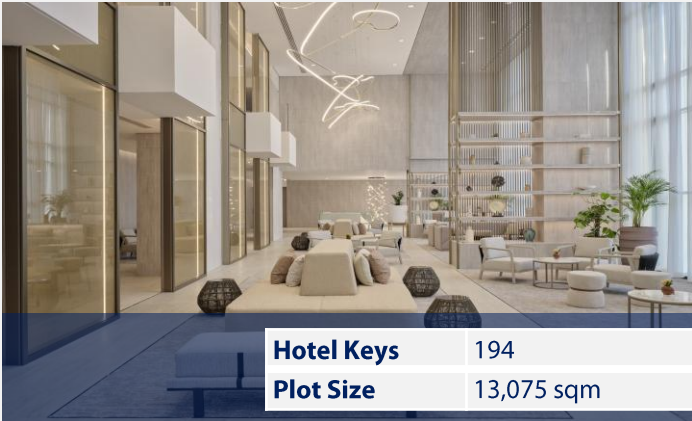
The first BOT ever in existence in Kuwait, Souk Al-Kuwait, was conceived of and developed by AQARAT more than four decades ago. The two properties feature commercial and car parking building located in the busy area of the Kuwait Stock Exchange and the banking center of Kuwait City. The buildings have three main components – a multi level car park, offices and retail.



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. 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.

## KUWAIT



Hotel Keys	194
Plot Size	13,075 sqm

Arabella Beach Hotel and Complex

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.



Hotel Rooms	90
Plot Size	6,000 sqm

Al Riggae Hotel and Complex

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.

# AQARAT Key Properties

KUWAIT



Units	140
Plot Size	9,026 sqm

Pearl Marzouq



Units	185
Plot Size	6,000 sqm

Block 107, Riggae



Units	151
Plot Size	4,000 sqm

84-87, Riggae



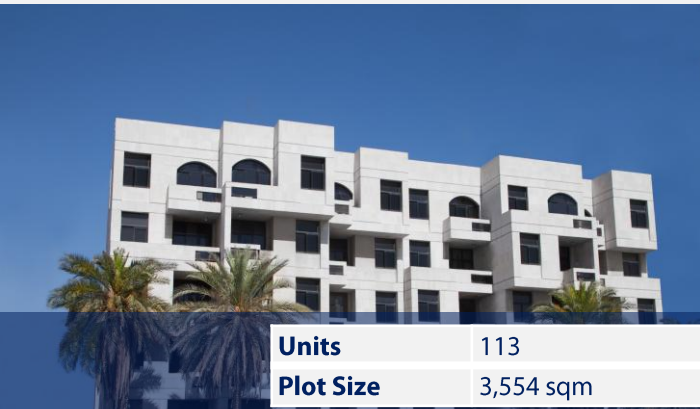
Units	187
Plot Size	3,227 sqm

Ibn Khaldoun



Units	69
Plot Size	897 sqm

AlMaseel



Units	113
Plot Size	3,554 sqm

Pearl AlFintas

# AQARAT Key Properties

## UAE

Capitalizing on its knowledge and expertise in the market, AQARAT continues to expand its footprint in the UAE through high-performing hospitality and staff housing assets. In 2025, the company launched a large-scale residential development on a prime 6 million sq.ft. land parcel in Sharjah, reinforcing its long-term growth strategy in the region.



Villas	1,100
Plot Size	6 million sqft

### AlTay Hills - Sharjah

Al-Tay Hills in Sharjah is AQARAT’s most ambitious UAE project, redefining sustainable living. With AED 3.5 billion and spanning over six million sq. ft., the master planned community includes 1,100 villas and townhouses, a 2.5 km green river, parks, trails, and retail. Phased handovers begin Q1 2028, blending modern living with Emirati heritage.



Units	102 per building
Plot Size	392,000 sqft

### Domus Staff Housing

Domus is a purpose-built staff housing community strategically located within 25 minutes of Dubai’s key tourism and hospitality zones. Designed to serve the accommodation needs of leading hotel groups and service providers, the project currently houses over 7,000 hospitality staff across multiple employment levels. Domus fosters a connected, community-oriented environment across five residential buildings—four of which are operational, with the fifth scheduled for completion by end-2025.

# AQARAT Key Properties

UAE



Th8 Palm Dubai Beach Resort

Th8 is a Vignette Collection Hotel by IHG, inspired by Miami’s cool, chic lifestyle. Located on the iconic Palm Jumeirah, the development features light, open architecture and modern finishes across 110 luxury residences and a 162-key hotel apartment complex.

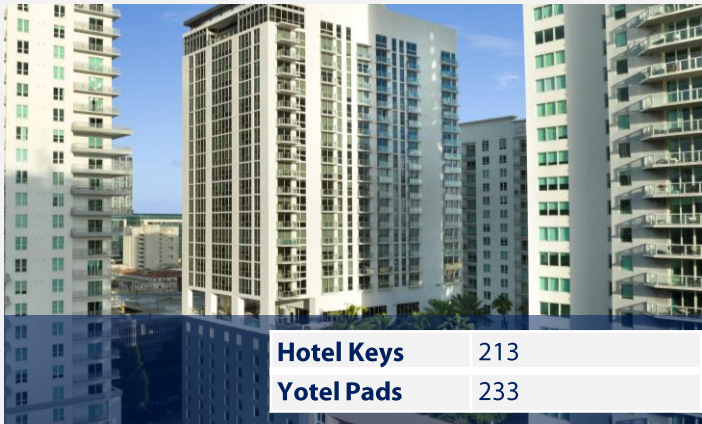


Fairmont Hotel , The Palm

Aqarat owns a portfolio of units in Fairmont Hotel, The Palm. 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. The residences are also just a five-minute drive from the popular restaurants and beaches of Dubai Marina.

# AQARAT Key Properties

USA



Hotel Keys	213
Yotel Pads	233

Yotel Miami

The Project consists of a 48- story LEED Silver building containing 213 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.



Rooms	713
Floors	27

Yotel New York

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.

# CONTACT US

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(AQARAT)**

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مؤتمر المحللين والمستثمرين  
شركة عقارات الكويت  
الخميس 21 أغسطس – 2025  
الساعة 1:30 مساءً بتوقيت الكويت

**2025**

## المتحدثون

### السيد طلال جاسم البحر

نائب رئيس مجلس الإدارة والرئيس التنفيذي

### السيد ماهر خلف

نائب الرئيس – الإدارة المالية

### السيدة أوراڤ العنزي

نائب الرئيس – علاقات المستثمرين

شذى شاكر: مساء الخير جميعاً، شكراً لانضمامكم إلى مؤتمر نتائج شركة عقارات للربع الثاني من عام 2025. يسرنا أن يكون معنا اليوم السيد طلال البحر، نائب رئيس مجلس الإدارة والرئيس التنفيذي، والسيد ماهر خلف، نائب الرئيس للشؤون المالية، والسيدة أورد العنزي، نائب الرئيس لعلاقات المستثمرين.

أورد العنزي: مساء الخير جميعاً، وأشكركم على حضوركم اليوم لمراجعة نتائج شركة عقارات للربع الثاني من عام 2025. سأستعرض معكم أبرز النقاط الرئيسية والأداء المالي وآخر مستجدات الأعمال قبل أن نفتتح المجال لأسئلتكم.

قبل أن نبدأ، أود التنويه إلى أن العرض اليوم قد يتضمن توقعات مستقبلية تعكس توقعات الشركة، وهي بطبيعتها خاضعة للمخاطر والشكوك التي قد تؤدي إلى اختلاف النتائج الفعلية. يُرجى الرجوع إلى صفحة إخلاء المسؤولية في العرض التوضيحي. كما أود الإشارة إلى أن جميع الأرقام الواردة اليوم معروضة بالدينار الكويتي ما لم يُذكر خلاف ذلك.

يمثل النصف الأول من هذا العام مرحلة مهمة في مسيرة عقارات الكويت، حيث انتقلنا من مرحلة إعادة الهيكلة والاستقرار إلى حقبة جديدة من النمو يقودها مشاريع كبرى مثل مشروع "Al-Tay Hills" السكاني بقيمة 3.5 مليار درهم. وللتوضيح، فقد أعلنّا في بداية العام أن هذا المشروع وحده سيحقق أرباحاً قدرها 90 مليون دينار خلال السنوات الثلاث المقبلة، مما يعطينا ثقة بأن الشركة مهيأة لمسار نمو واضح خلال تلك الفترة. تركيزنا الآن لا ينحصر فقط في تنفيذ وتسليم المشاريع المدرجة ضمن خطتنا، بل أيضاً في ضمان وجود مشاريع إضافية قادمة بعد هذه المراحل.

ورغم أن صافي أرباح النصف الأول جاء أقل من العام الماضي، فإن ذلك يعود أساساً إلى توقيت تسليم المشاريع، بالإضافة إلى ارتفاع النفقات المرتبطة بإطلاق مشروع "Al-Tay Hills"، وهو أكبر مشروع تطويري في تاريخ الشركة. ومع ذلك، فإن الأداء التشغيلي الأساسي كان قوياً، حيث سجلت الإيرادات نمواً مزدوج الرقم تجاوز 20%، مدعومة بمحفظتنا المدرة للدخل في الكويت والإمارات. كما ارتفع إجمالي الأصول بنسبة 11% على أساس سنوي ليصل إلى 464 مليون دينار، فيما ارتفعت حقوق المساهمين إلى 169 مليون دينار.

بالانتقال إلى الأداء المالي للربع الثاني والنتائج منذ بداية العام وحتى تاريخه، فقد ارتفعت الإيرادات بنسبة 26% على أساس سنوي لتصل إلى 10.3 مليون دينار، مدفوعة بزيادة إيرادات الإيجارات وعقود الأعمال خصوصاً قطاع النوادي الرياضية. وارتفع إجمالي الربح بنسبة 27% ليصل إلى 7.2 مليون دينار، مع تحسن هامش إجمالي الربح إلى 70.3%، ما يعكس قوة العمليات التشغيلية المتكررة. إلا أن صافي الربح للربع بلغ مليون دينار مقابل 4.9 مليون دينار العام الماضي، نتيجة غياب مكاسب القيمة العادلة التي تم تسجيلها في الربع الثاني 2024.

أما خلال الأشهر الستة الأولى من العام، فقد وصلت الإيرادات إلى 19.8 مليون دينار بزيادة 21% عن العام الماضي، وارتفع إجمالي الربح بنسبة 28% ليلبلغ 14 مليون دينار مع تحسن هامش اجمال الربح إلى 70.6% مقارنة بـ 66.7% في الفترة نفسها من 2024. وبلغ صافي الربح 5.1 مليون دينار مقابل 9.9 مليون دينار في النصف الأول من العام الماضي. ويعود الانخفاض، كما ذكرت سابقاً، إلى عدم تسجيل مكاسب من إعادة تقييم الأصول، إذ أن تسليم المشاريع الجارية مثل "Domus 5" و"501 First Residences" ومشروع صبحان BOT و"Al-Tay Hills" سيتم الاعتراف به ابتداءً من النصف الثاني من هذا العام ويمتد إلى 2026 و2027 وما بعدها.

وبالنسبة للميزانية العمومية، فقد ارتفع إجمالي الأصول بنسبة 11% على أساس سنوي ليصل إلى 464 مليون دينار. وبلغ إجمالي الديون 230 مليون دينار بنسبة ديون إلى أصول تعادل 49%، وهو تحسن عن العام الماضي يعكس نموًا أقوى في الأصول. كما ارتفعت حقوق المساهمين بنسبة 8% لتصل إلى 169 مليون دينار، وسجلت السيولة تحسنًا ملحوظًا حيث تضاعفت أرصدة النقد لتبلغ 19 مليون دينار.

أما فيما يخص مستجدات الأعمال، وفي الكويت، حافظت الأصول المدرة للدخل على أداء قوي، مدعومة بإضافة مشروع الرقعي التجاري ومجمع أرابيلا للتجزئة، مما ساهم في زيادة إيرادات الإيجارات. وقد وصل مشروع سكن العمال في صبحان إلى نسبة إنجاز تتجاوز 60%، وهو يسير وفق الجدول الزمني للتسليم مطلع عام 2026.

وفي الإمارات، تبقى مشاريع "Domus" محور استراتيجيتنا، حيث تم إشغال "Domus 1 – 4" بالكامل، ويتقدم "Domus 5" بنسبة إنجاز 50%، بينما يحقق صندوق "AIM Residential" تقدمًا جيدًا، مما يعزز خططنا لتوسيع استراتيجية دوموس عبر مشاريع جديدة وأسواق مختلفة، وبالتالي تعزيز قاعدة الدخل المتكرر. كما يواصل فندق TH8 في دبي تحقيق أداء تشغيلي قوي بمعدلات إشغال مرتفعة وعوائد متنامية.

أما مشروع "Al-Tay Hills" في الشارقة، وهو أكبر مشاريعنا التطويرية قيد التنفيذ، فقد شهد طلبًا استثنائيًا حيث تم بيع 90% من وحداته منذ يناير 2025، ويتقدم العمل فيه بقوة مع انطلاق أعمال البنية التحتية. ومن المقرر بدء عمليات التسليم المرحلية في عام 2028. وسيكون لهذا المشروع أثر كبير على ربحيتنا خلال السنوات المقبلة، إذ سنبداً بتسجيل الأرباح مع نهاية هذا العام وفق نسبة الإنجاز، على أن يستمر ذلك حتى 2026 و2027 وجزء من 2028.

وأخيراً، في آخر تحديث لأعمالنا، ننتقل إلى محفظتنا في الولايات المتحدة، وصل مشروع "501 First Residences" في ميامي إلى نسبة إنجاز 91%، ولا يزال في طريقه للتسليم بنهاية هذا العام، ليشكل إضافة بارزة إلى محفظتنا الدولية.

وبذلك نكون قد أنهينا استعراض نتائج الربع الثاني لعام 2025. الخلاصة أن شركة عقارات الكويت لم تعد تكتفي بالحفاظ على القيمة، بل باتت تساهم في إنشائها. فقد نجحنا في بناء قاعدة قوية من الدخل المتكرر عبر تحسين أصولنا في الكويت، وتوسيع "Domus" في دبي، والاستثمار في الولايات المتحدة، والآن من خلال مشروع "Al-Tay Hills" نرسم ملامح مرحلة جديدة من الأداء المالي القوي في السنوات المقبلة. تركيزنا ينصب على الحفاظ على هذا الزخم عبر محفظة قوية من الأصول المدرة للدخل والاستثمار في مشاريع تطويرية عالية القيمة.

وهذا أفتح المجال لأستلتكم، يرجى إرسالها عبر خاصية المحادثة وسنقوم بالرد على أكبر قدر ممكن منها.

لا أرى أي أسئلة لهذا اليوم، أشكركم جميعاً على انضمامكم اليوم، ونتطلع لمشاركة المزيد من التحديثات معكم في الفترات القادمة.



AQARAT

عقارات

Investors Conference Call

Thursday 21 August 2025

At 1:30pm (Kuwait Time)

2025

## SPEAKERS

### **Mr.Talal Jassem Al Bahar**

Vice Chairman & CEO

### **Mr.Maher S. Khalaf**

Vice President – Finance Department

### **Ms. Awrad Al Anezi**

Vice President – Investor Relations

**Moderator: Shaza Shaker, EFG Hermes**

Good afternoon, everyone. Thank you for joining AQARAT's Q2 2025 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.

**Awrad Al Enezi:** Good afternoon, everyone, and thank you for joining us today to review AQARAT's results for the second quarter of 2025. I will take you through our key highlights, financial performance, and business updates before opening the floor for your questions.

Before we begin, please note that today's presentation may include forward-looking statements. These reflect the Company's expectations and are subject to risks and uncertainties that could cause actual results to differ. Please refer to the full disclaimer in this presentation. I'd also like to note that all figures today are presented in Kuwaiti Dinars, unless otherwise specified.

The first half of this year marks an important chapter in AQARAT's journey. We are moving from a phase of restructuring and stabilization into a new era of growth, driven by projects like our AED 3.5 billion residential development – Al Tay hills. To put things in perspective, at the beginning of the year we disclosed that this project alone will bring in KD 90 million in profits over the next 3 years. This gives us confidence that the company is well-positioned for visible growth over that period. Our focus now is not only on executing and delivering the projects already in the pipeline, but also on making sure we have additional developments coming through beyond those timelines.

While our net profit for the first half was lower compared to last year, that mainly because of the timing of project deliveries, we also had higher expenses from the launch of Al Tay Hills, which is our largest development project in the company's history. However, our underlying business performance was strong. Revenues, recorded strong double-digit growth of more than 20%, supported by our income-generating portfolio in Kuwait and the UAE. Our asset base expanded by 11% year-over-year, with total assets reaching KD 464 million and shareholders' equity growing to KD 169 million.

Let me now walk you through the financial performance for Q2 and the YTD results for 2025.

For our QTD performance, revenue grew 26% year-over-year to KD 10.3 million, driven by higher rental income and contract revenues - our gym business. Gross profit rose 27% to KD 7.2 million with GP margins improving to 70.3%, reflecting healthy recurring operations. However, net profit for the quarter came in at KD 1 million versus KD 4.9 million last year, mainly due to the absence of fair value gains that were recorded in Q2 2024.

For the six months, revenue reached KD 19.8 million, an increase of 21% over the prior year. Gross profit grew 28% to KD 14.0 million with GP margin strengthening to 70.6% from 66.7%. Net profit stood at KD 5.1 million compared to KD 9.9 million in H1 2024.

The decline, as I mentioned earlier, in the first half of this year, no fair value gains were booked, as deliveries of ongoing projects including Domus 5, 501 First Residences, Sabhan BOT and Al Tay Hills are scheduled to be recognized starting in the second half and continuing into 2026, 2027, and beyond.

Turning to the balance sheet, total assets grew 11% year-over-year to KD 464 million. Our total debt stood at KD 230 million, which translates to a debt-to-assets ratio of 49%. An improvement from last year, reflecting stronger asset growth. Equity increased 8% to KD 169 million. We also saw a notable improvement in liquidity, as cash balances tripled to KD 19 million.

Now for our main business updates:

Will start with our local portfolio, here in Kuwait. Our income-generating assets maintained solid performance, further supported by the addition of Al Riggae Commercial area and Arabella's retail component. These properties are contributing more to our rental income. The Sabhan Labor Housing Project has now reached over 60% completion and remains on track for delivery in early 2026.

Moving on to the UAE, Domus remains at the heart of our strategy. Domus 1 to 4 are fully occupied, Domus 5 is progressing well at 50% completion, and the AIM Residential Fund is advancing successfully. This platform positions us to scale the Domus strategy across new projects and geographies, reinforcing our recurring income base. We also have TH8 in Dubai, which continues to deliver strong operational performance with high occupancy levels and improving yields.

Next we have Al Tay Hills – Sharjah, our most ambitious development in the pipeline and we've seen exceptional demand with 90% of its units sold since January 2025. It's advancing strongly with infrastructure works underway. Phased deliveries begin in 2028, and again, this project will drive our profits significantly over the coming years as we will start booking the profits end of this year based on the percentage of completion and continue in 2026, 2027 and part of 2028.

Finally in our business update we have our US portfolio, 501 First Residences project in Miami has reached 91% completion and remains on track for delivery by year-end. This will be a great addition to our international portfolio.

That wraps up our Q2 2025 update. The key takeaway here is that AQARAT is no longer just preserving value but creating it. We've built a strong base of recurring income by optimizing

our assets in Kuwait, scaling Domus in Dubai, investing in the US and now with Al Tay Hills, we're shaping a new phase of earnings performance over the coming years. Our focus is to keep that momentum going with a strong portfolio of income-generating assets and investing in high-value development projects.

With that, I'll now open the floor for your questions, please submit them via the chat function, and we will address as many as possible.

I don't see any questions for today, thank you all for joining us. We look forward to sharing more updates with you in the coming quarters.