

الكويت
A Q A R A T
عقارات

Date: 16/08/2023
KREC/FIN/2023/276

التاريخ: 2023/08/16
KREC/FIN/2023/276

To: Boursa Kuwait Company
Subject: Analyst / Investor Conference
Presentation of Kuwait Real Estate Company
(K.P.S.C) for Q2 / 2023

السادة/ بورصة الكويت المحترمين
الموضوع: العرض التقديمي لمؤتمر المحللين / المستثمرين
لشركة عقارات الكويت (ش.م.ك.ع) للربع الثاني لعام 2023

Reference to the aforementioned subject and as per article No. (8-4-2) "continuing Obligations in the Premier Market" of Boursa – 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 Wednesday 16/08/2023 at 01:30 PM through (Live Webcast).

يرجى العلم بأن مؤتمر المحللين / المستثمرين قد انعقد في يوم الأربعاء الموافق 2023/08/16 في تمام الساعة 01:30 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 Q2 2023.

كما نرفق لكم طيه عرض مؤتمر المحللين / المستثمرين للربع الثاني من العام 2023.

This is for your information and notice.

هذا للعلم والإحاطة

Best Regards

وتفضلوا بقبول فائق الإحترام والتقدير،،،



طلال جاسم البحر
نائب رئيس مجلس الإدارة
والرئيس التنفيذي

الكويت
عقارات

* نسخة الى:

*CC:

CMA – Disclosure Dept.

السادة / هيئة أسواق المال – إدارة الإفصاح

A Q A R A T
عقارات

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

أ.ع.

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. 94,736,505.900 مقدار رأس المال المصرح به Authorized Capital K.D. 94,736,505.900

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

سجل تجاري 64 CR No.

١٧

نموذج الإفصاح عن المعلومات الجوهرية

التاريخ	
2023/08/16	
اسم الشركة المدرجة	
شركة عقارات الكويت (ش.م.ك.ع).	
المعلومة الجوهرية	
قامت شركة عقارات الكويت بعقد مؤتمر المحللين / المستثمرين في يوم الأربعاء الموافق 2023/08/16 في تمام الساعة 01:30 ظهرا للربع الثاني لعام 2023 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 الثاني من العام 2023.	
أثر المعلومة الجوهرية على المركز المالي للشركة	
لا يوجد	



طلال جاسم البحر
نائب رئيس مجلس الإدارة
والرئيس التنفيذي



AQARAT
عقارات

Disclosure of Material Information Form

Date	16/08/2023
Name of the Listed Company	Kuwait Real Estate Company – KPSC
Material information	Kuwait Real Estate held the Analyst / Investor Conference on Wednesday 16/08/2023 at 01:30 PM for Q2 2023 through (Live Webcast), Moreover, no material information has been disclosed during the conference. attached is the Analyst/ Investor's conference presentations for Q2 2023
Significant Effect of the Material information on the financial position of the Company	No Impact


Talal Jassim Al- Bahar
Vice Chairman
& CEO


AQARAT
مقارات



AQARAT
عقارات

Q2 and Half-Year 2023 Results

Kuwait Real Estate Company (AQARAT) Earnings Call

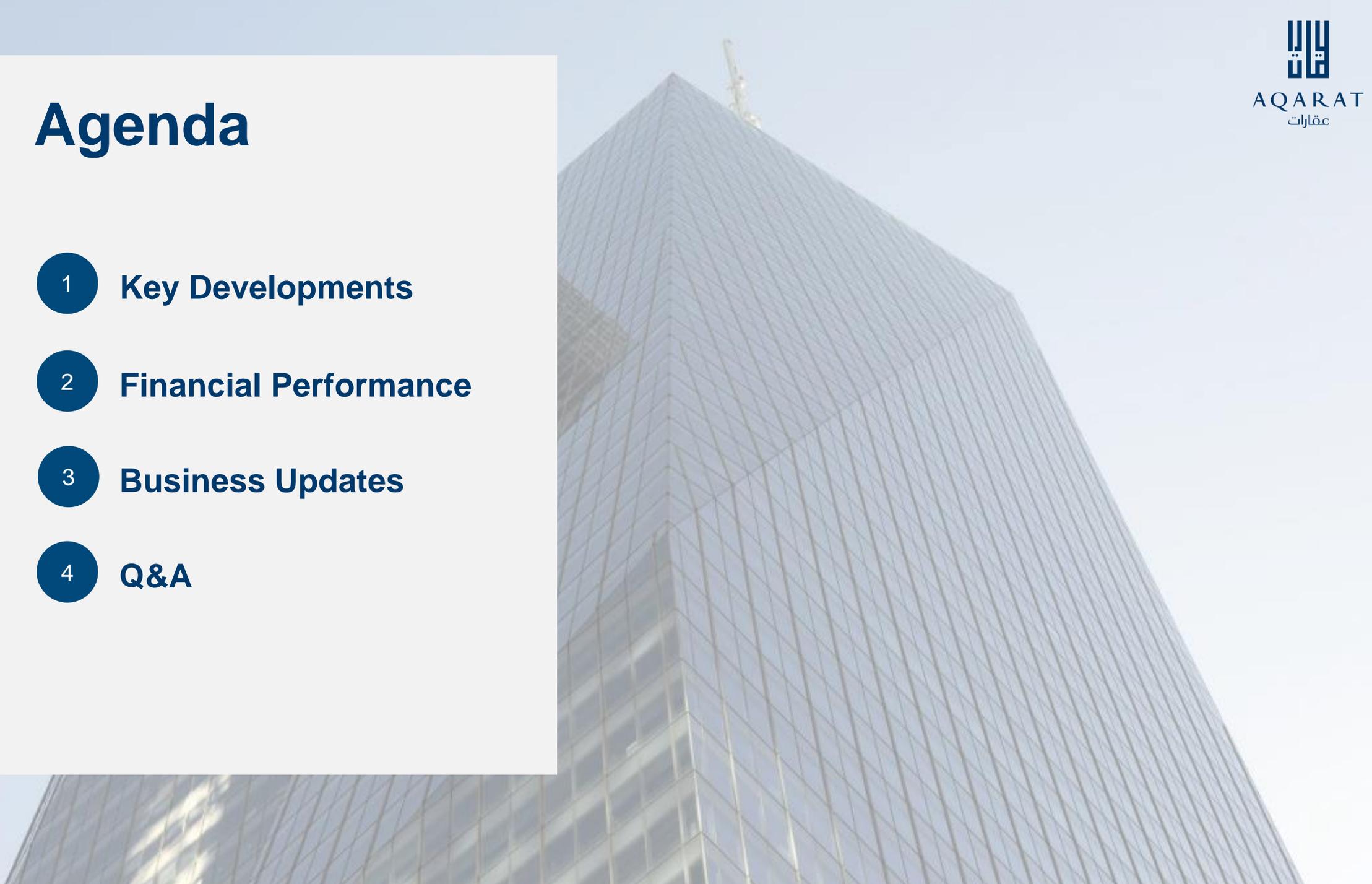
Forward-Looking Statements Disclaimer

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

- 1 Key Developments
- 2 Financial Performance
- 3 Business Updates
- 4 Q&A



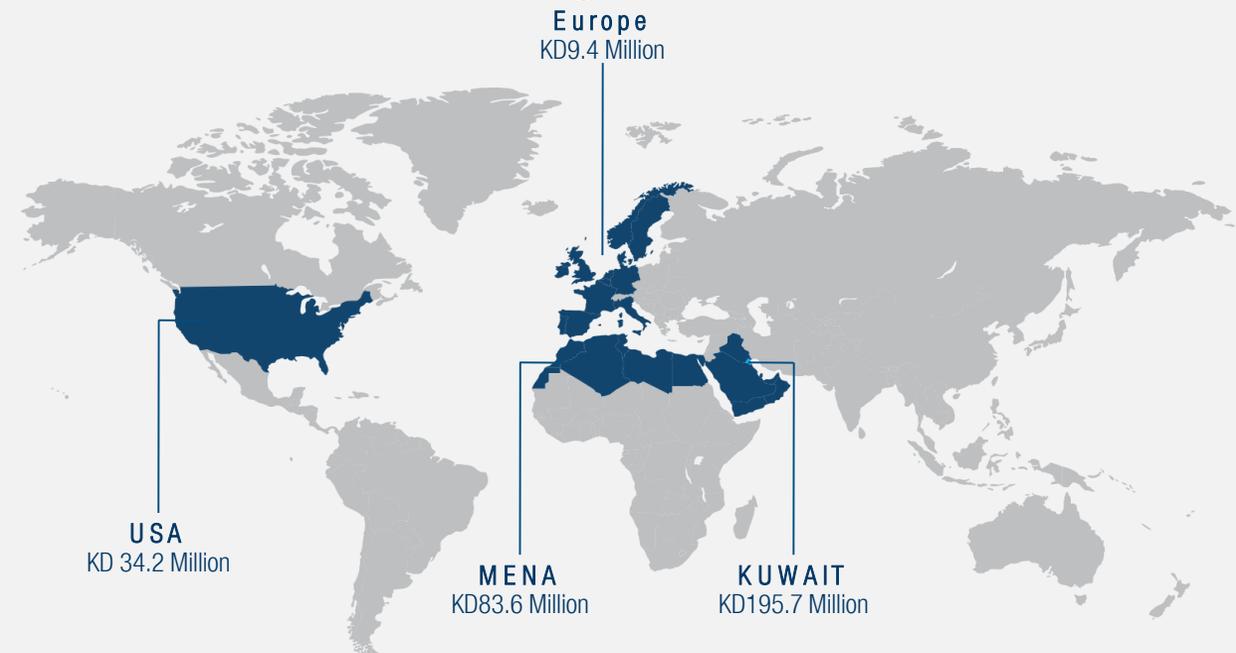
AQARAT OVERVIEW

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. The company is classified under the “Premier Market” based on Boursa Kuwait’s Market Segmentation

Proven track record of success and resilience with over 51 years in the field of Real Estate investment and development locally and internationally

As a leading integrated real estate services provider, AQARAT offers a comprehensive range of high quality real estate services in the residential, retail, commercial and hospitality service sectors

Diverse portfolio of properties across different sectors and regions



Key Highlights

Performance Highlights YTD

+6%

In Revenue
YoY

+57%

In EBITDA
YoY

+62%

In Net Profit
YoY

First Half 2023 Financial Highlights

90%

EBITDA
Margin

52%

Net profit
Margin

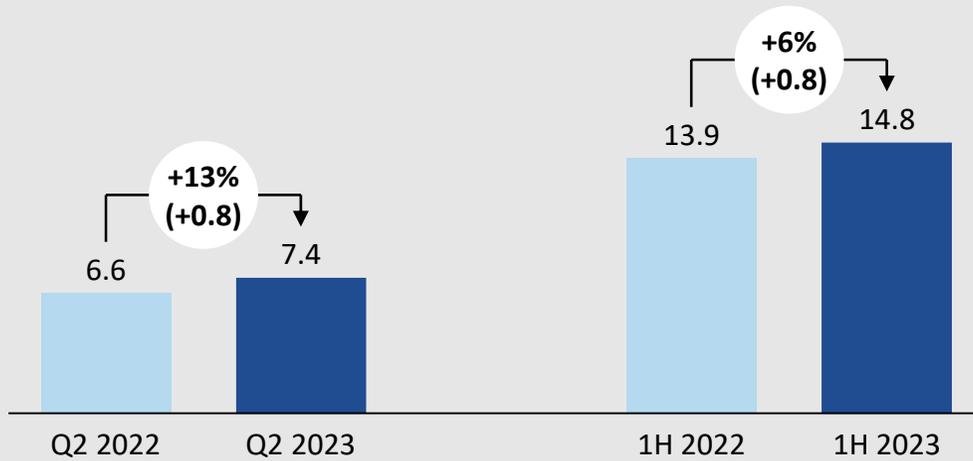
- Positive financial results achieved YTD demonstrates the company's focus and capability to continually deliver consistent operational income by increasing operational efficiencies and enhancing the quality of assets
- Despite a challenging environment fueled by inflationary pressures and interest rate hikes, we have seen both an increase in EBITDA and widening of margins

Financial Highlights

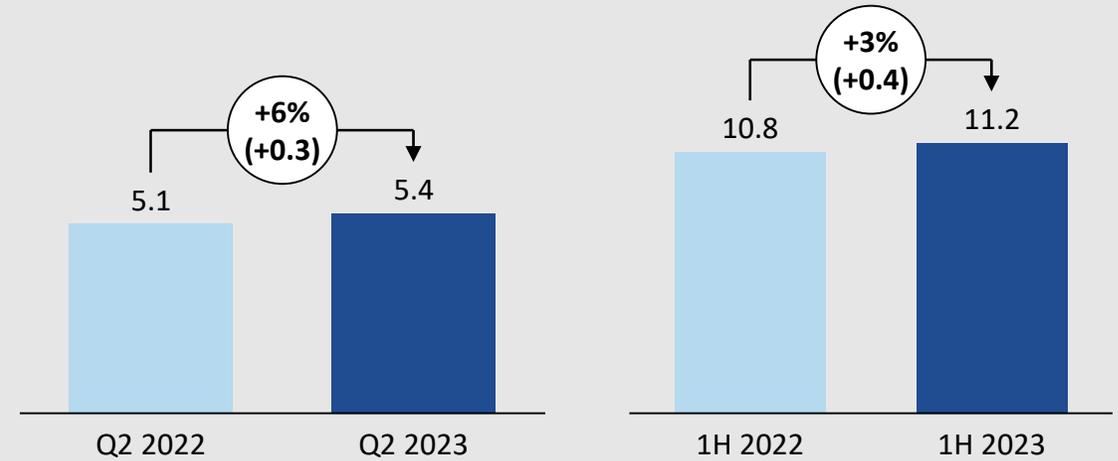
Income Statement

KD Millions

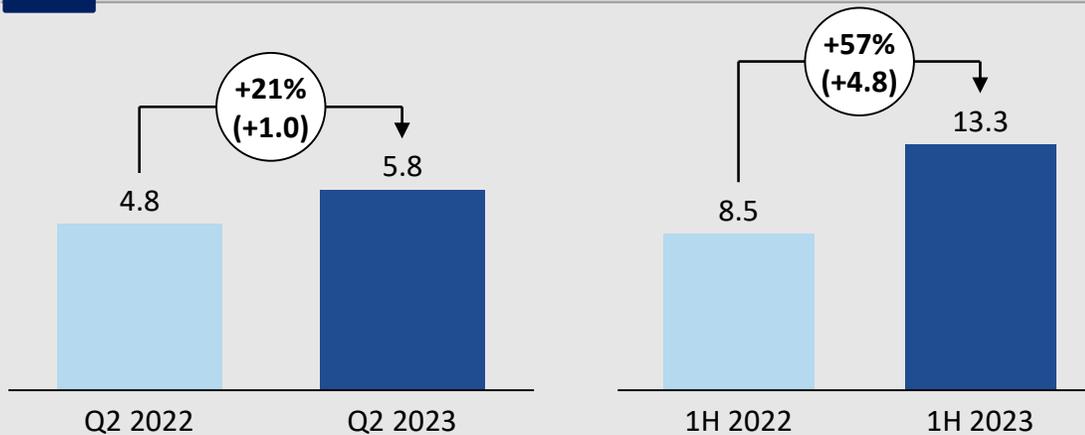
Rental Income -Revenue



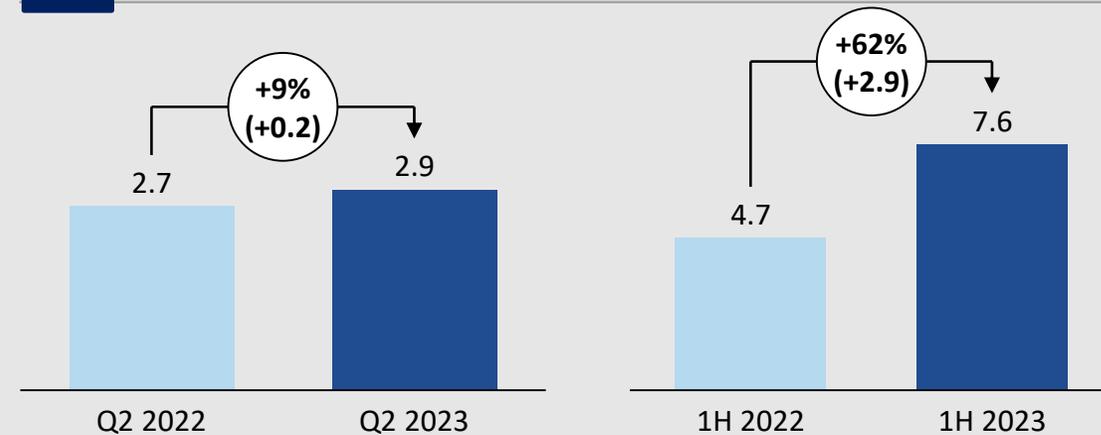
Net Rental Income -Net Revenue



EBITDA



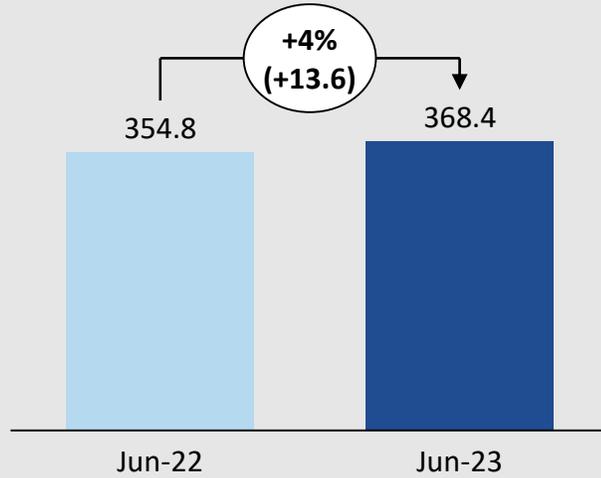
Net Income



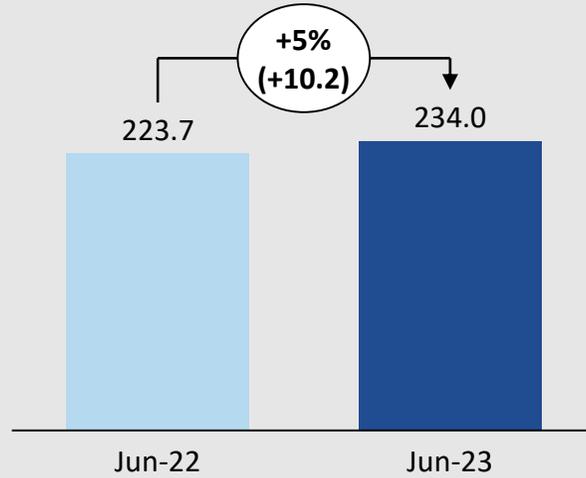
Balance Sheet

KD Millions

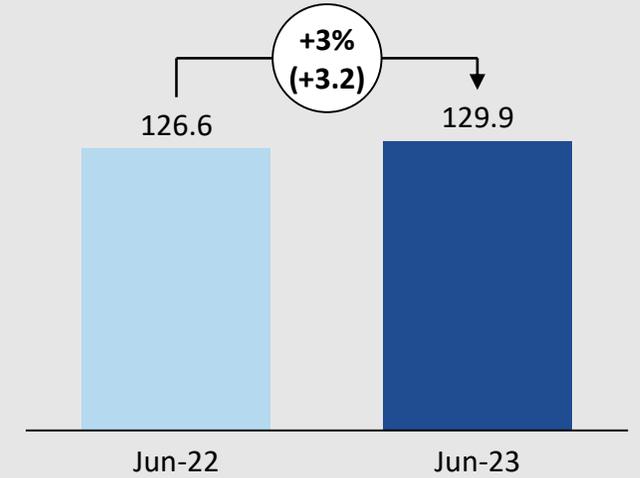
Total Assets



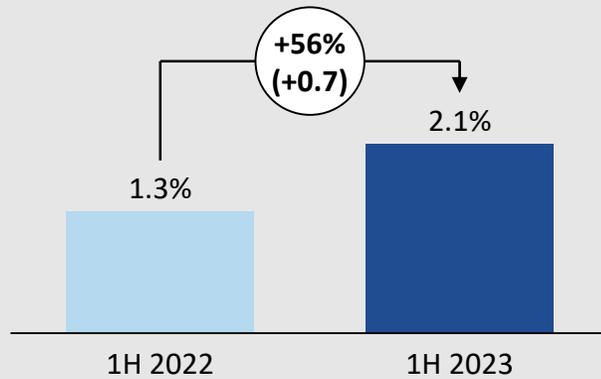
Total Liabilities



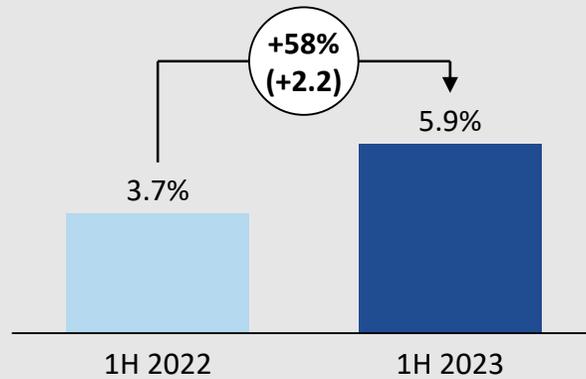
Equity attributable to the owners of the Parent Company



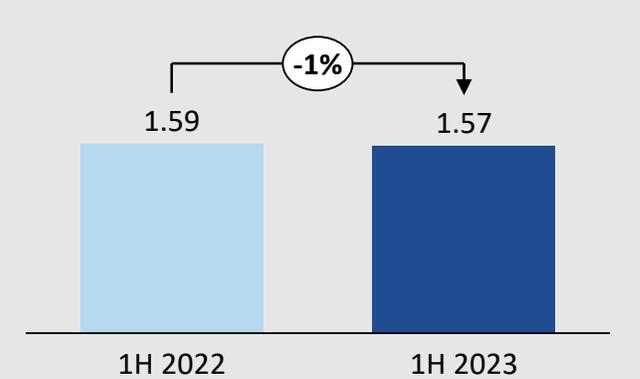
ROA



ROE



Assets to Liabilities



Financial Snapshot – P&L

Financial Data	Q2 2023	Q2 2022	% change	1H 2023	1H 2022	% change
Rental Income	7,394,621	6,562,536	13%	14,753,339	13,908,867	6%
Operating Expense	-1,987,561	-1,439,104	38%	-3,560,201	-3,084,692	15%
Net Rental Income	5,407,060	5,123,432	6%	11,193,138	10,824,175	3%
NR Margin	73%	78%		76%	78%	
EBITDA	5,839,175	4,836,283	21%	13,285,472	8,476,783	57%
EBITDA Margin	79%	74%		90%	61%	
Finance Cost	-2,709,850	-1,901,591	43%	-5,182,732	-3,318,825	56%
Income Before NLST/Zakat	3,129,325	2,934,692	7%	8,102,740	5,157,958	57%
Net Income	2,948,926	2,704,852	9%	7,617,804	4,713,676	62%
Net Income Margin	40%	41%		52%	34%	
EPS	3.24	2.97	9%	8.34	5.18	61%

Financial Snapshot – Balance Sheet

Financial Data	Q2 2023	Q2 2022	% change
Current Assets	56,288,305	39,317,230	43%
Total Assets	368,386,735	354,769,980	4%
Current Liabilities	46,129,850	32,494,851	42%
Total Liabilities	233,971,447	223,730,044	5%
Total Debt	197,899,340	183,649,964	8%
Share Capital	94,736,506	94,736,506	0%
Total Equity	129,865,207	126,618,088	3%

Ratios

Interest Coverage Ratio	2.56	2.55
ROA	2.1%	1.33%
ROE	5.87%	3.72%
Assets to liabilities	1.57	1.59
BV per fils	0.137	0.134

Business Update

Kuwait

Maintained stable and solid performance with high occupancy levels witnessed throughout our properties, generating stable rental income

UAE

- Strong market in the leasing and hospitality sector
- Staff housing properties, Domus 1&2, are fully leased and operational
- Th8 hotel continued the successful sale of its residential units in Q2-23

USA

- Yotel Hotels in NY and Miami reported good occupancy levels and ADRs y-o-y
- Our investment in Beacon Ridge exposed us to the growing SFR market in the US

Projects under development

Vignette Collection, Kuwait City

Q 4 2023

- 194 rooms
- Located on Al-Bidaa coast strip, within Arabella complex

Domus 3&4

Q 1 2024

- 102 units per building
- Staff housing accommodation located within close proximity to several of Dubai's major tourism hubs

501 First Street Miami

Q 4 2025

- 40-story tower with 472 residential units
- Located in downtown Miami and in close proximity to Miami World Center neighborhood

Al-Riggae Hotel

Q 4 2023

- 90 rooms
- Located in Al-Riggae area across the 4th ring road

Sabhan –Staff Housing BOT

- 40,000 sqm of land area
- Contract period of 20 years

Design &
Permitting
stage

Q&A

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 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 properties of which are Arabella, Al-Durrar, Block A, Block 107, Building 84-87 in Al-Riggae, Ibn Khaldoun Complex, Al-Maseel Pearls, Al-Manar Complex, and Pearls of 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 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 Figures	
Hotel Rooms	194
Plot size	13,075 sqm

Arabella & Vignette Collection Hotel

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 27 indoor/outdoor units to serve as restaurants, cafes and more. Currently the property is being partially redeveloped to include a Vignette Collection Hotel with a state of the art gym and beach club.

AQARAT KEY PROPERTIES

KEY ASSETS & PROPERTIES KUWAIT



Key Figures

Hotel Rooms	90
Total BUA	20,000 sqm

Block A, Al Riggae

AQARAT's development team is currently in the final stages of delivering the new project (Al-Riggae hotel), previously the Ministry Justice Complex in Riggae encompassing a total of close to 20,000 relatable 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	181
Plot Size	9,026 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	148
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	184
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 DUBAI

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 overall project consist 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. The projects consists of 5 buildings of which 2 are complete.



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 centre 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 properties, 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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