



# AQARAT

عقارات

Date: 14/11/2021  
KREC/FIN/2021/ 212

التاريخ: 2021/11/14  
KREC/FIN/2021/ 112

To: Boursa Kuwait Company

السادة/ بورصة الكويت المحترمين

**Subject: Analyst / Investor Conference**  
**Presentation of Kuwait Real Estate Company**  
**(K.P.S.C) for Q3 / 2021**

**الموضوع: العرض التقديمي لمؤتمر المحللين / المستثمرين**  
**لشركة عقارات الكويت (ش.م.ك.ع) للربع الثالث لعام 2021**

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 (2-4-8) "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 Sunday 14/11/2021 at 01:30 PM through (Live Webcast).

يرجى العلم بأن مؤتمر المحللين / المستثمرين قد انعقد في يوم الأحد الموافق 2021/11/14 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 Q3 2021.

كما نرفق لكم طيه عرض مؤتمر المحللين / المستثمرين للربع الثالث من العام 2021.

This is for your information and notice.  
Best Regards

هذا للعلم والإحاطة  
وتفضلوا بقبول فائق الاحترام والتقدير،،،

\*CC:

CMA – Disclosure Dept.

طلال جاسم البحر  
نائب رئيس مجلس الإدارة  
والرئيس التنفيذي



AQARAT  
عقارات

\* نسخة الى:

السادة / هيئة أسواق المال – إدارة الإفصاح

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

تأسست عام 1972

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سجل تجاري 64 CR No.

17/11/21

## نموذج الإفصاح عن المعلومات الجوهرية

التاريخ	
2021/11/14	
اسم الشركة المدرجة	
شركة عقارات الكويت (ش.م.ك.ع).	
المعلومة الجوهرية	
قامت شركة عقارات الكويت بعقد مؤتمر المحللين / المستثمرين في يوم الأحد الموافق 2021/11/14 في تمام الساعة 01:30 ظهرا للربع الثالث لعام 2021 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 الثالث من العام 2021.	
أثر المعلومة الجوهرية على المركز المالي للشركة	
لا يوجد	

طلال جاسم البحر  
نائب رئيس مجلس الإدارة  
والرئيس التنفيذي



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## Disclosure of Material Information Form

Date	14/11/2021
Name of the Listed Company	Kuwait Real Estate Company – KPSC
Material information	Kuwait Real Estate held the Analyst / Investor Conference on Sunday 14/11/2021 at 01:30 PM for Q3 2021 through (Live Webcast), Moreover, no material information has been disclosed during the conference. attached is the Analyst/ Investor's conference presentations for Q3 2021
Significant Effect of the Material information on the financial position of the Company	No Impact



**Talal Jassim AL- Bahar**  
**Vice Chairman**  
**& CEO**



**AQARAT**  
عقارات



## **INVESTORS & ANALYST PRESENTATION**

Q3 2021 Financial Results

November 2021



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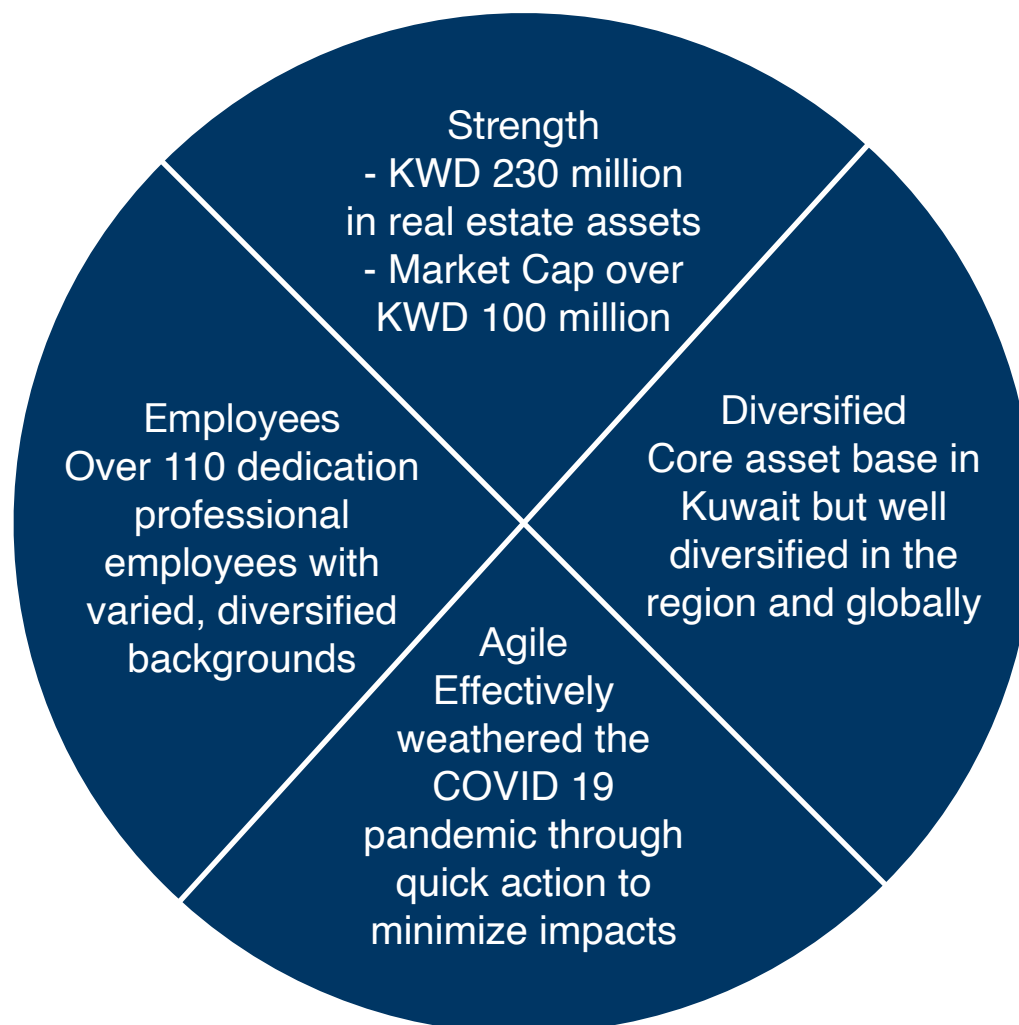
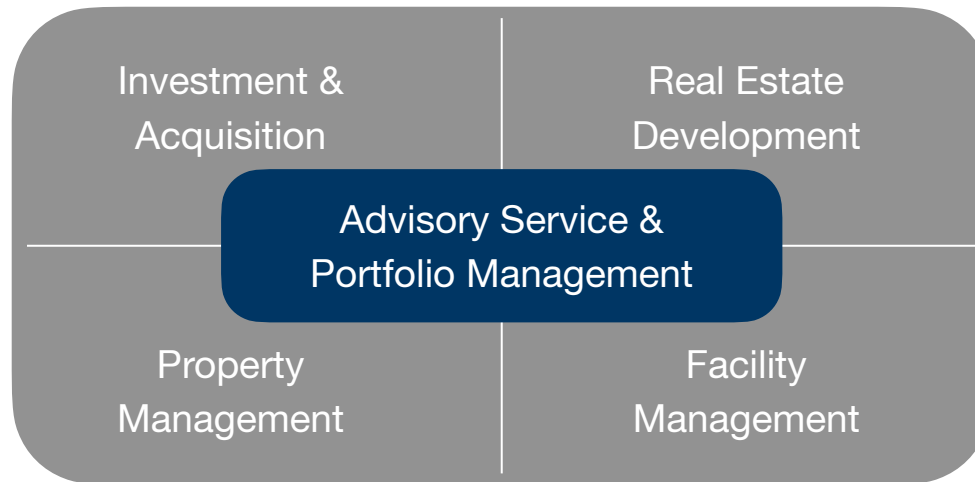
<b>AQARAT OVERVIEW</b>	<b>AQARAT STRATEGY</b>	<b>BUSINESS OVERVIEW</b>	<b>FINANCIAL PERFORMANCE</b>
01	02	03	04





Section 1

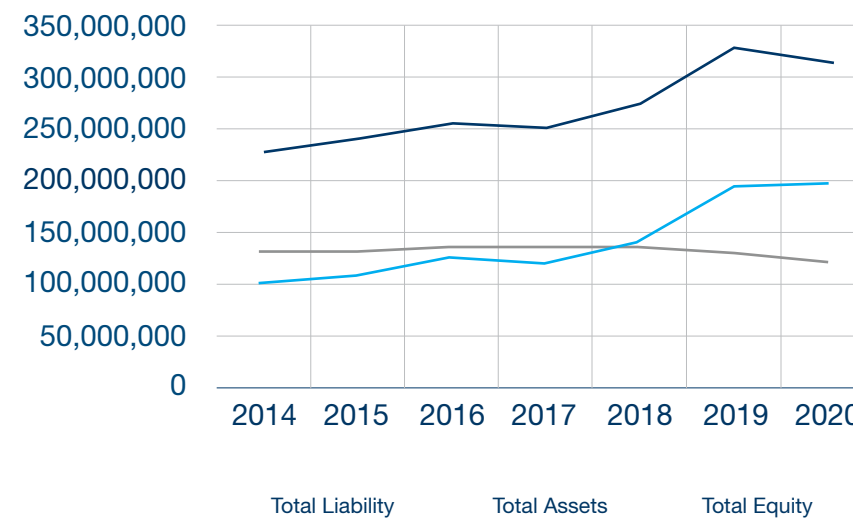
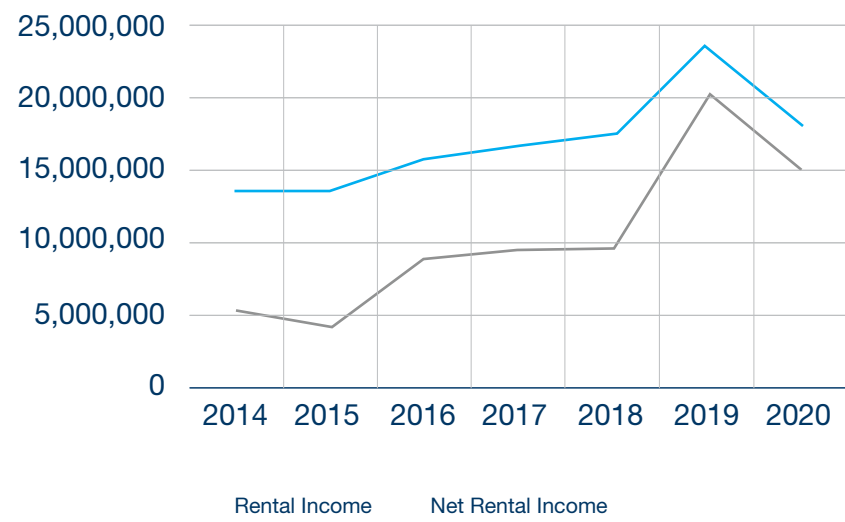
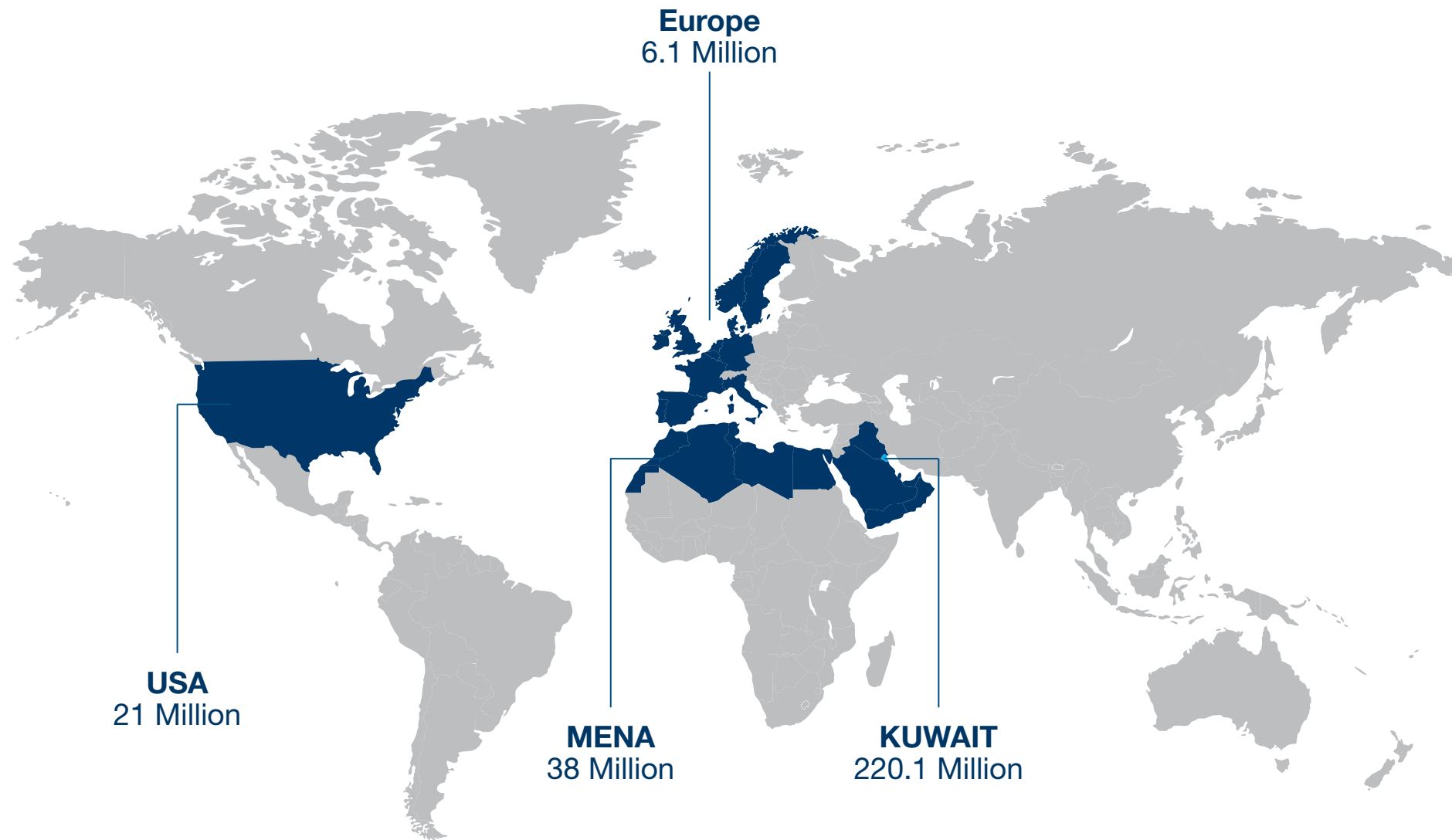
# Overview



- 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	YTD 2021
Rental Income	17.5 Million	23.7 Million	18.5 Million	15.7 Million
Net Rental Income	10.1 Million	20.7 Million	15.5 Million	13.9 Million
Net Income	6.7 Million	7.0 Million	3.6 Million	5.6 Million
Total Assets	270.9 Million	326.9 Million	318.5 Million	343.2 Million
Total Liabilities	138.6 Million	195.9 Million	197.2 Million	208.6 Million
Total Equity	132.3 Million	127.9 Million	117.9 Million	130.5 Million
EP	7.5	8.26	4.10	6.2
ROE	5.10%	5.38%	2.94%	4.28%
ROA	2.49%	2.16%	1.12%	1.63%







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	Q3 2021	Q3 2020	YTD 2021	YTD 2020
Rental Income	5,417,321	5,193,701	15,697,994	15,162,746
Operating Expense	(651,626)	(335,870)	(1,830,872)	(1,659,773)
Net Rental Income	4,765,695	4,857,831	13,876,122	13,502,973
Aggregate Occupancy	87.2%	89%	88%	89%

- In Q3 2021, AQARAT income producing portfolio generated KD5.4 million compared to KD5.2 million for the same period in 2020 representing an increase of 4%.
- In comparison to Q3 2020, Q3 2021 Rental Income marked an increase of 8%.
- Kuwait Portfolio Occupancy in Q3 2021 averaged 87.2%.
- Non-hospitality International Portfolio Occupancy for Q3 2021 averaged 92%.

## INCOME GENERATING PORTFOLIO

- Q3 continued the recovery trend witnessed in the last 2 Quarters.
- The business environment was & continued to be a beneficiary of the spike in fully vaccinated population an ease of restrictions.
- As of Q3, no waivers and /or discounts are being offered.
- Yotel New York occupancy significantly improved and expected to continue improving in Q4 due to the announcement of resumption of US entry to Europeans.
- Yotel San Francisco scheduled to open in Q4, after the forced closure due to the Pandemic
- Domus 1 handed over to the tenant and is 100% leased.
- The 8 Hotel opened in July 2021 and has been fully booked since August due to Expo 2020 and post pandemic travel. Aqarat is aiming to conclude the financing and close the purchase transaction by December or January.



## PROJECTS UNDER DEVELOPMENT

- Yotel Miami expected completion in Q4 2021
- Domus II expected completion in Q4. 35% leased as of today and it is expected that the property will be 100% leased within 3 months.
- Locally, 3 buildings in Riggae area are being refurbished and expected to be completed by year end.
- Arabella hotel development is moving as scheduled and is expected to be completed in 2022.

## 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

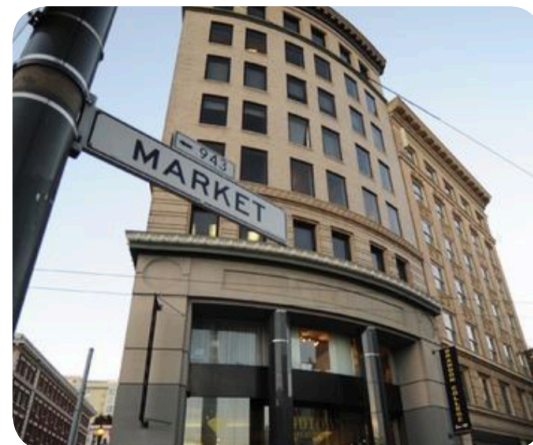


### Yotel New York

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

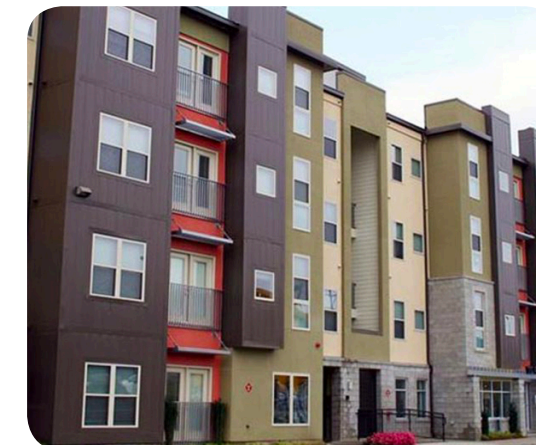


### Yotel San Francisco

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



### Th8

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, Th8 will be one of the Palm Jumeirah's most distinguished addresses. The Hotel is part of Th8 - 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

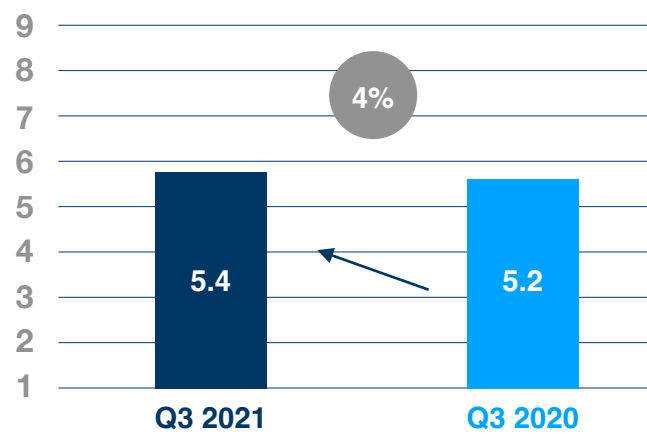
## AQARAT- FINANCIAL PERFORMANCE

Financial Data	Q3 2021	Q3 2020	% change
Real Estate Rental Income	5,417,321	5,193,701	4%
Net Rental Income	4,765,695	4,857,831	-2%
Income before NLST	2,816,417	1,035,694	172%
Finance cost	-1,268,070	-1,363,085	-7%
Net Income	2,268,933	1,018,428	123%
EPS	2.45	1.15	113%
<b>CURRENT ASSETS</b>			
Total Assets	70,236,355	53,001,673	33%
<b>CURRENT LIABILITIES</b>			
Total Liabilities	343,275,560	328,054,026	5%
Debt Borrowings	56,693,160	33,892,893	67%
Debt Borrowings (short term)	208,642,049	198,753,082	5%
Debt Due to bank	135,195,564	137,342,761	-2%
<b>Total Debt</b>	<b>151,310,164</b>	<b>148,953,128</b>	<b>2%</b>
Share Capital	11,741,866	7,427,829	58%
Total Equity	4,372,734	4,182,538	5%
BV per fils	0.138	0.133	2%

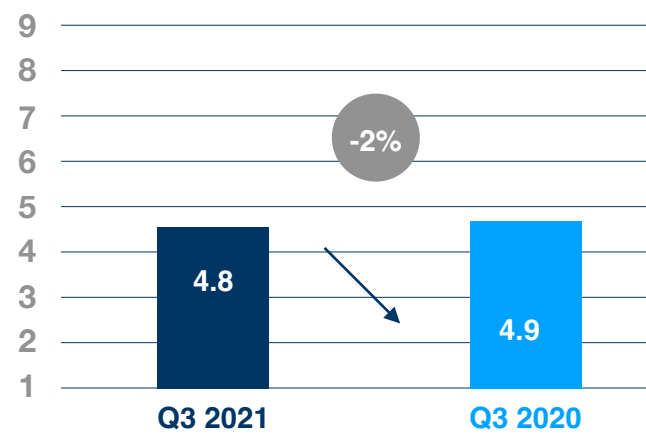
# AQARAT- FINANCIAL PERFORMANCE

## INCOME

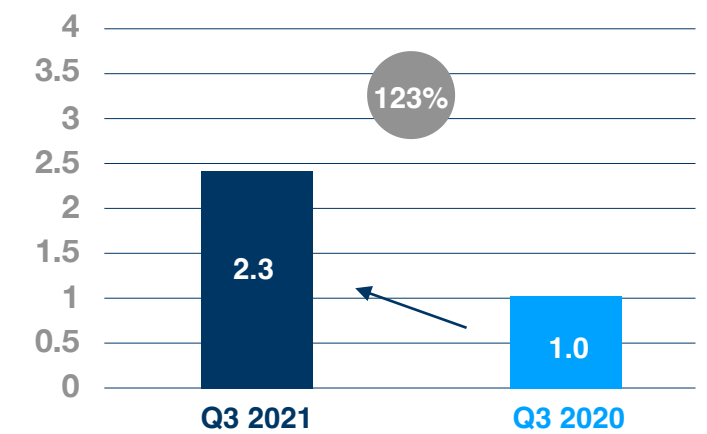
REAL ESTATE INCOME- KD Millions



NET RENTAL INCOME- KD Millions

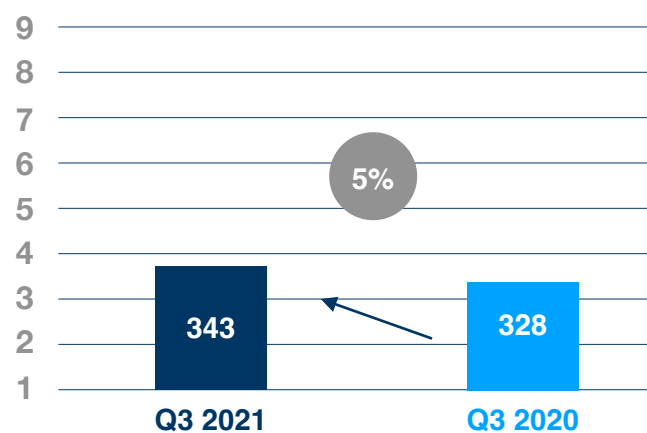


NET PROFIT- KD Millions

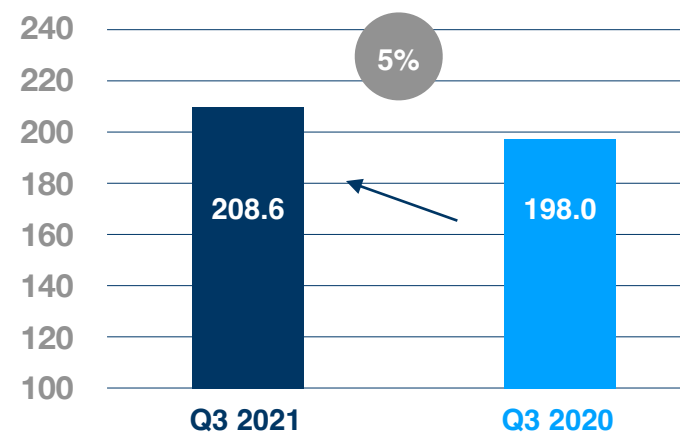


## ASSETS & LIABILITIES

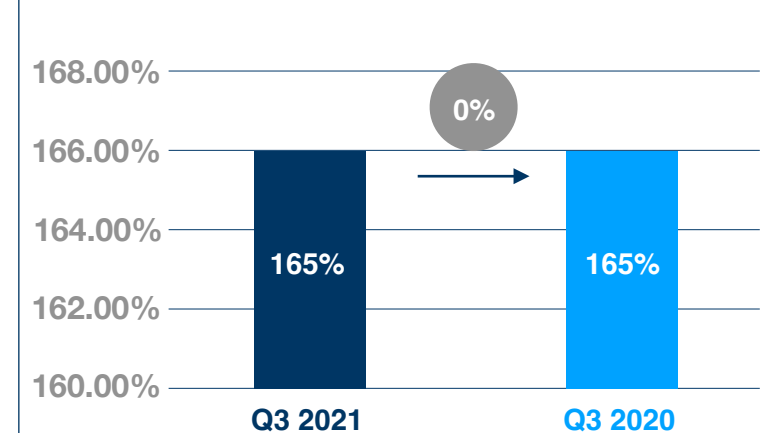
TOTAL ASSETS - KD Millions



TOTAL LIABILITIES - KD Millions



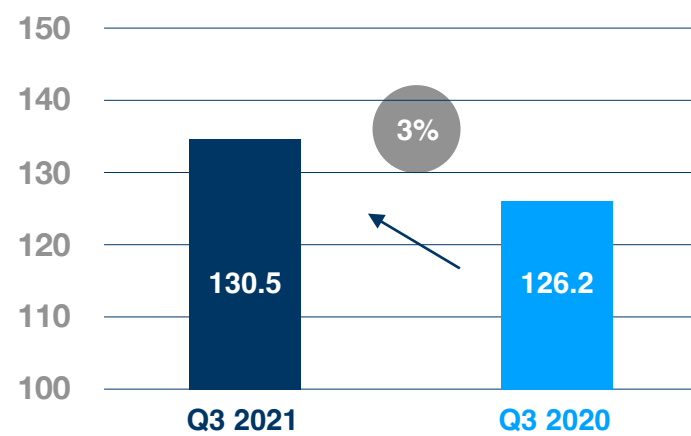
ASSET TO LIABILITIES



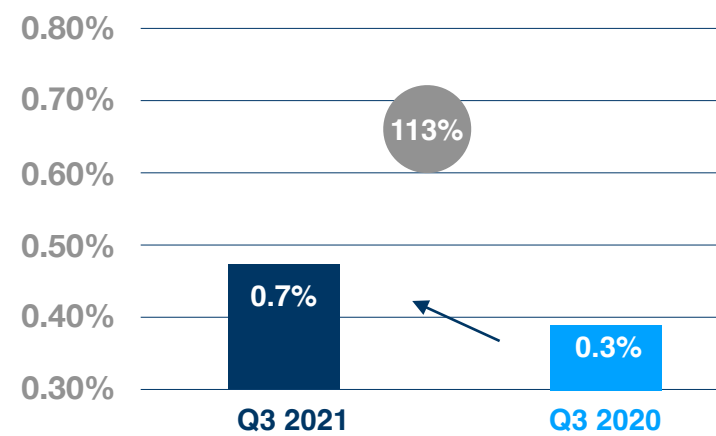
# AQARAT- FINANCIAL PERFORMANCE

## EQUITY

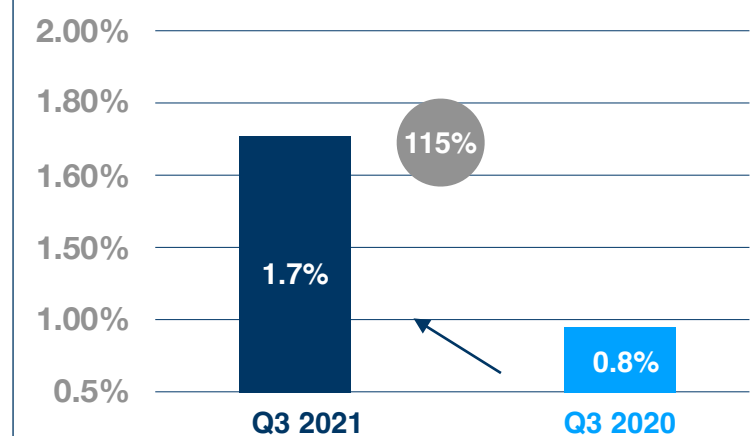
SHAREHOLDER EQUITY- KD Millions



RETURN ON ASSETS

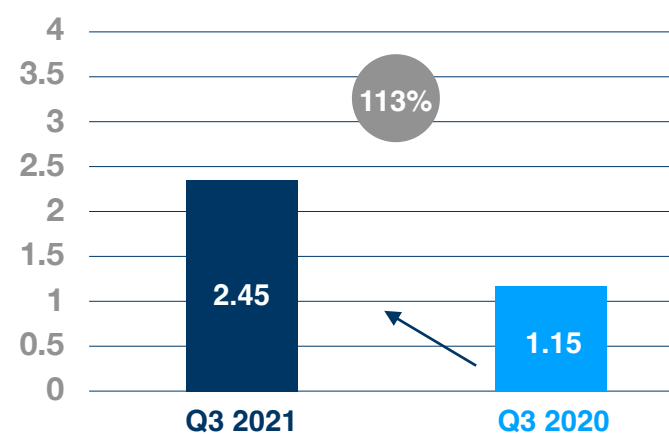


RETURN ON EQUITY



## EARNINGS PER SHARE

EPS



Section 4

# Questions





AQARAT  
عقارات

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**1828999**

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