



# Boubyan Petrochemical Company

Investor Update – January 31<sup>st</sup>, 2021 results



شركة بوبيان للبتروكيماويات (ك.م.ع.ك.)

Boubyan Petrochemical Company (K.S.C)

# Boubyan Petrochemical Company – 3Q20/21 results

## Business Highlights

- During 3Q20/21, Boubyan's core investments recovered from the economic downturn that resulted from the pandemic and returned to pre-COVID levels.

## Financial Highlights

- Boubyan reported net income of **KWD2.3mn** in 3Q20/21 compared to **KWD1.2mn** in 3Q19/20 (*EPS of 4.57 fils in 3Q20/21 vs 2.30 fils in 3Q19/20*)
- The investment portfolio value reached KWD449.6mn as of 3Q20/21 where the core investments (excluding Equate) accounted for 23.1% of the portfolio



# Core Investments Updates



- In 1Q20/21, EDU reported a net income of KWD1.8mn, compared to KWD2.1 during the same quarter last year.
- The decline in net income during the quarter was due to the Ministry of Education's decision to reduce school tuition fees for the first half of the calendar year due to the shift to online learning.



- EYAS witnessed a 12% increase in net income during 1Q20/21, compared to the same quarter last year, as it jumped from KWD2.18mn to KWD2.43mn.
- The quarterly increase in profits was a result of lower operating costs and administrative expenses.



- Al Borg built on its strong growth during the previous quarter as it reported a net income of SAR33.1mn in 4Q20, compared to a loss of SAR27.8 in 4Q19. The main driver of the Company's profits is the increased revenues in KSA, UAE, and Oman as a result of COVID-19 testing.



- Muna Noor's net losses reached OMR0.14mn as of 3Q20/21, compared to losses of OMR0.20mn in 3Q19/20, due to improvements in gross profits and reduction in administrative expenses, despite the decline in revenues that resulted from the pandemic.

# Boubyan's Investment Portfolio Reached KWD450mn as of 3Q20/21

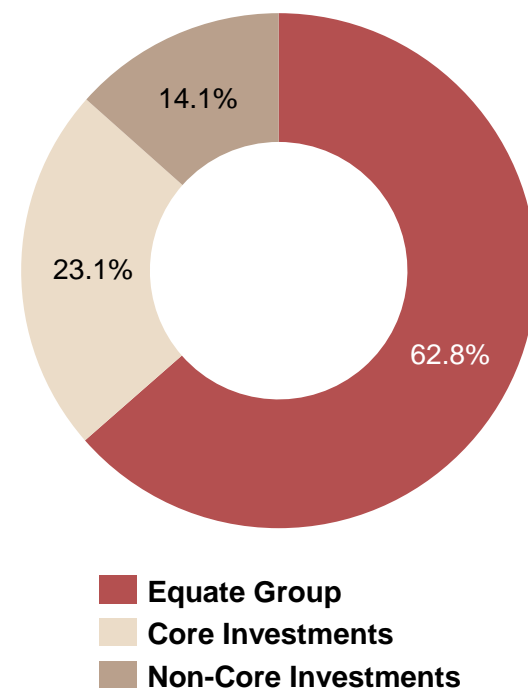
Amounts in KWD, millions

EQUATE Group	Ownership	Carrying Value
EQUATE	9.0%	160.0
The Kuwait Olefins Company (TKOC)	9.0%	122.3
<b>EQUATE Group Total</b>		<b>282.2</b>

Core Investments	Ownership	Carrying Value
EDU	83.1%	31.9
Al Kout	54.2%	20.4
EYAS	55.6%	25.6
NAFAIS	21.1%	9.6
Awazel	20.8%	4.1
Al Borg	25.1%	4.6
Muna Noor	100.0%	7.7
<b>Total Core Investments</b>		<b>103.9</b>

<b>Total Non-Core Investments</b>	<b>63.5</b>
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<b>Total Investment Portfolio</b>	<b>449.6</b>
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# Boubyan achieved a net income of KWD2.3mn in 3Q20/21 compared to KWD1.2mn in 3Q19/20

*KWD, thousands*

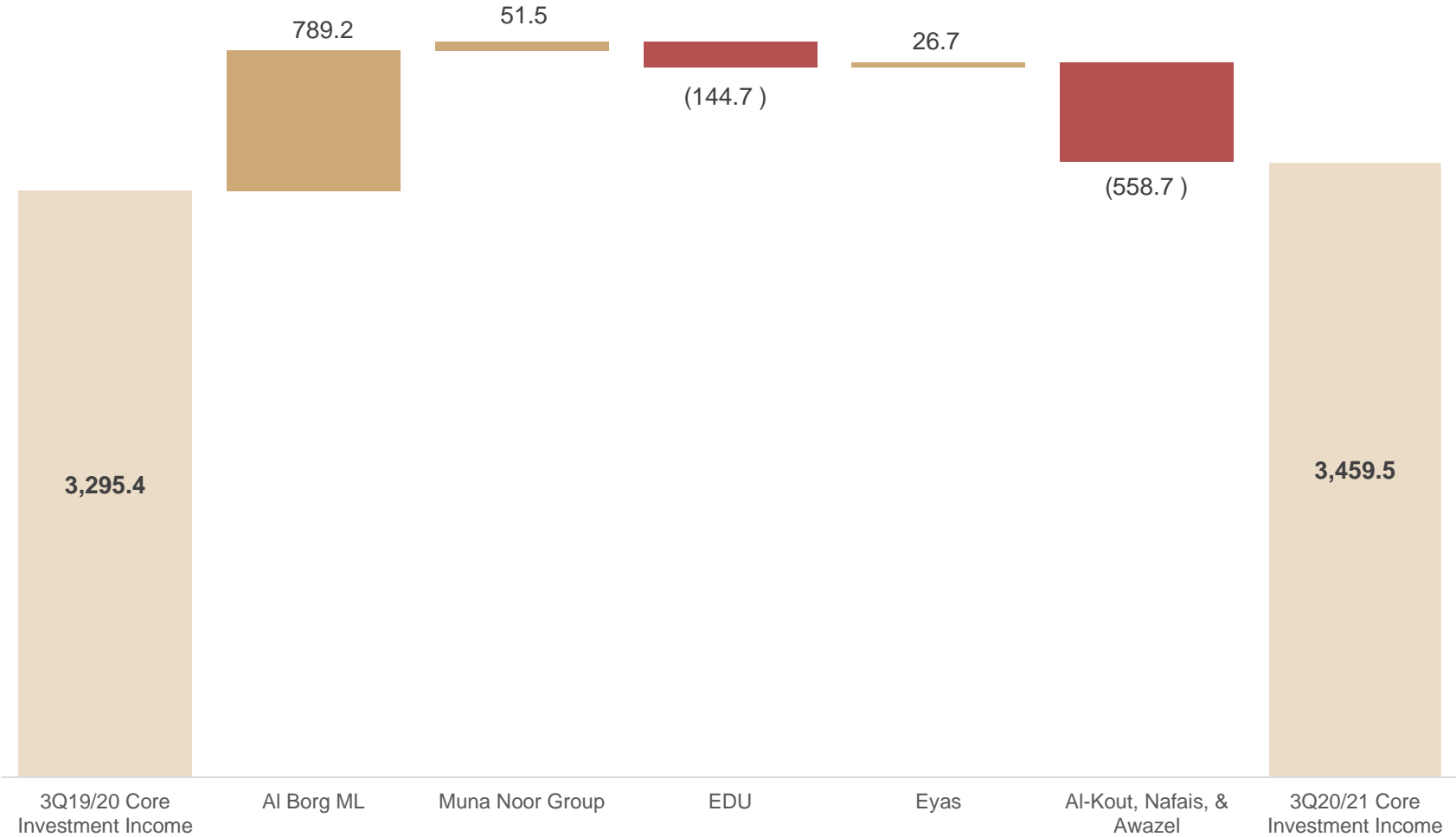
<b>Income</b>	<b>3Q20/21</b>		<b>3Q19/20</b>		<b>EPS Contribution (fils)</b>	
					<b>3Q20/21</b>	<b>3Q19/20</b>
Al Borg ML	673.2	(116.0)	1.33	(0.23)		
Muna Noor Group	(111.3)	(162.8)	(0.22)	(0.32)		
EDU	1,564.4	1,709.1	3.10	3.38		
Eyas	477.4	450.7	0.95	0.89		
<i>Al-Kout, Nafais, and Awazel</i>	855.8	1,414.5	1.70	2.80		
<b>Total Core Investments Income</b>	<b>3,495.5</b>	<b>3,295.4</b>	<b>6.86</b>	<b>6.53</b>		
<b>Total Non-Core Investments Income</b>	<b>359.9</b>	<b>(11.7)</b>	<b>0.71</b>	<b>(0.02)</b>		
<i>Gain on Sale of ARAMCO shares</i>	-	1,602.9	-	3.17		
Other Income	21.0	158.5	0.04	0.31		
Foreign Exchange Gain (Loss)	(165.4)	27.7	(0.33)	0.05		
Increase in Portfolio Fair Value	151.9	249.2	0.30	0.49		
<b>Total Other Income</b>	<b>7.5</b>	<b>435.5</b>	<b>0.01</b>	<b>0.86</b>		
<b>Total Income</b>	<b>3,826.9</b>	<b>5,322.1</b>	<b>7.59</b>	<b>10.54</b>		
<b>Expenses</b>						
Finance Cost	(1,114.4)	(2,050.8)	(2.21)	(4.06)		
G&A Expenses	(241.9)	(176.7)	(0.48)	(0.35)		
Staff Expenses	(126.1)	(117.2)	(0.25)	(0.23)		
Impairments	-	(1,805.1)	-	(3.57)		
Board & Govt. Fees/Taxes	(41.1)	(13.3)	(0.08)	(0.03)		
<b>Total Expenses</b>	<b>(1,523.5)</b>	<b>(4,163.1)</b>	<b>(3.02)</b>	<b>(8.24)</b>		
<b>Net Income</b>	<b>2,303.4</b>	<b>1,159.0</b>	<b>4.57</b>	<b>2.30</b>		

## Commentary

- Core investments income grew by 5% to reach KWD3.5mn in 3Q20/21 from KWD3.3mn during the same period last year
- Net income doubled during the quarter to reach KWD2.3mn from KWD1.2mn in 3Q19/20 on the back of healthy growth in the core and non-core investment income, along with major reduction in our finance costs. Furthermore, no impairments were taken during the quarter, as opposed to the same quarter last year, which had a positive effect on BPC's bottom line.
- Due to Al-Kout, Nafais, and Awazel having not yet disclosed their latest quarterly earnings, we are unable to provide more details on their individual performance at this time.

# Core Investment Income Grew to KWD3.5m in 3Q20/21

Amounts in KWD, thousands



Q&A

Thank you



شركة بوبيان للبتروكيماويات (ش.م.ك.)

Boubyan Petrochemical Company (K.S.C)