



Boubyan Petrochemical Company

Investor Update – April 30th, 2021 results



شركة بوبيان للبتروكيماويات (ش.م.ك.)

Boubyan Petrochemical Company (K.S.C)

Boubyan Petrochemical Company – 4Q20/21 results

Business Highlights

- During 4Q20/21, all but one of Boubyan’s core investments continued their gradual recovery from the economic downturn that resulted from the pandemic during 2020.

Financial Highlights

- Boubyan reported net income of **KWD11.1mn** in 4Q20/21 compared to **KWD7.3mn** in 4Q19/20 (*EPS of 22.05 fils in 4Q20/21 vs 14.54 fils in 4Q19/20*)
- Net income for FY20/21 reached **KWD18.5mn**, compared to **KWD11.8mn** last year (*EPS of 36.73 fils in FY20/21 vs. 23.12 fils in FY19/20*)
- The investment portfolio value reached **KWD450.1mn** as of 4Q20/21; core investments (*excluding Equate*) accounted for 21.1% of the portfolio



Core Investments Updates (1/2)



- In 2Q20/21, EDU reported a net income of KWD2.14mn, compared to KWD2.19mn during the same quarter last year.
- The slight decline in net income during the quarter was a result of a decrease in share of results of associates due to the Ministry of Education's decision to reduce school tuition fees for the year due to the shift to online learning.



- EYAS continued its steady growth as it achieved a net income of KWD2.65mn during 2Q20/21, compared to KWD2.63mn during the same quarter last year.
- The slight increase in profits was a result of improvements in the company's revenues and gross margins.



- Nafais reported net income of KWD3.1mn during 4Q20, compared to KWD3.3mn during the same quarter last year. The Company closed its financial year with a strong quarter, as it is gradually recovering from the negative effects of the pandemic.

Core Investments Updates (2/2)



- AlKout reported net loss of KWD4.8mn in 4Q20, compared to breakeven in 4Q19
- The losses were driven by impairments the company booked during the quarter. The impairments are related to a new production line that the company has decided to halt, as well as an impairment of an associate.



- Muna Noor reported a quarterly profit of OMR0.19mn during 4Q20/21, compared to OMR0.22mn in 4Q19/20. Despite the decline in revenues as a result of the ongoing pandemic, the Company was able to close the quarter positively due to improved gross margins.



- Al Borg continued its strong growth during 1Q21 as it reported net income of SAR41.8mn, compared to SAR13.8 in 1Q20. The main driver of the Company's surge in profits is the increased revenues in KSA, UAE, and Oman as a result of COVID-19 testing.

Boubyan's Investment Portfolio Reached KWD450mn as of 4Q20/21

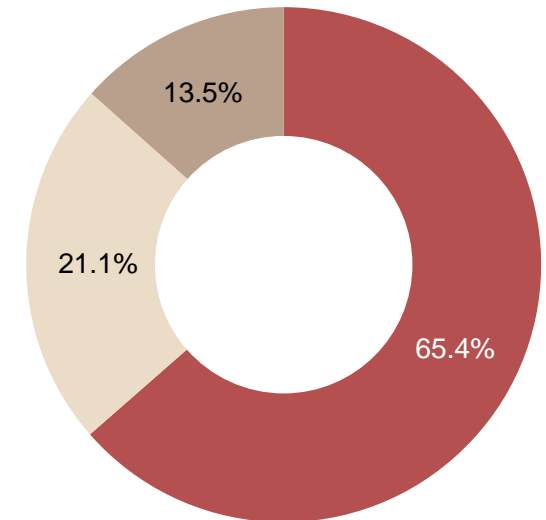
Amounts in KWD, millions

EQUATE Group	Ownership	Carrying Value
EQUATE	9.0%	173.3
The Kuwait Olefins Company (TKOC)	9.0%	121.0
EQUATE Group Total		294.3

Core Investments	Ownership	Carrying Value
EDU	83.1%	25.1
EYAS	55.6%	23.9
Al Kout	54.2%	19.2
NAFAIS	21.1%	10.4
Muna Noor	100.0%	7.0
Al Borg	25.1%	5.5
Awazel	20.8%	4.0
Total Core Investments		95.0

Total Non-Core Investments	60.7
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Total Investment Portfolio	450.1
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■ **Equate Group**
■ **Core Investments**
■ **Non-Core Investments**

Boubyan achieved a net income of KWD11.1mn in 4Q20/21 compared to KWD7.3mn in 4Q19/20

<i>KWD, thousands</i>	<i>EPS Contribution (fils)</i>			
Income	4Q20/21	4Q19/20	4Q20/21	4Q19/20
EQUATE Group	9,668.3	17,423.9	19.17	34.51
EDU	1,777.9	1,831.8	3.53	3.63
Al Borg ML	844.3	285.6	1.67	0.57
Nafais	733.3	200.0	1.45	0.40
Eyas	554.6	544.6	1.10	1.08
Muna Noor Group	155.3	(83.2)	0.31	(0.16)
Awazel	108.2	138.2	0.21	0.27
Al-Kout	(1,077.8)	484.2	(2.14)	0.96
Total Core Investments Income	3,095.8	3,401.1	6.14	6.74
Total Non-Core Investments Income	1,013.0	1,752.0	2.01	3.47
Other Income	156.3	(33.0)	0.31	(0.07)
Foreign Exchange Gain (Loss)	36.1	72.1	0.07	0.14
Gain on Sale of Investments	771.5	30.6	1.53	0.06
Total Other Income	963.9	69.7	1.91	0.14
Total Income	14,741.0	22,646.8	29.23	44.85
Expenses				
Finance Cost	(1,093.5)	(1,787.9)	(2.17)	(3.54)
G&A Expenses	(776.5)	(621.2)	(1.54)	(1.23)
Staff Expenses	(159.9)	(137.1)	(0.32)	(0.27)
Impairments	(697.7)	(12,636.8)	(1.38)	(25.03)
Changes in Fair Value of FVTPL Investments	(475.6)	44.0	(0.94)	0.09
Board & Govt. Fees/Taxes	(419.3)	(168.5)	(0.83)	(0.33)
Total Expenses	(3,622.4)	(15,307.6)	(7.18)	(30.32)
Net Income	11,118.6	7,339.2	22.05	14.54

Commentary

- Core investments income reached KWD3.1mn in 4Q20/21 from KWD3.4mn during the same period last year
- Net income increased by 51% during the quarter to KWD11.1mn from KWD7.3mn in 4Q19/20, on the back of healthy growth in income from most of our core investments, along with major reduction in finance costs.
- Moreover, significantly lower impairments were booked during the quarter, compared to the same quarter last year, which had a positive effect on BPC's bottom line.

Boubyan reported net income of KWD18.5mn in FY20/21 compared to KWD11.8mn in FY19/20

KWD, thousands

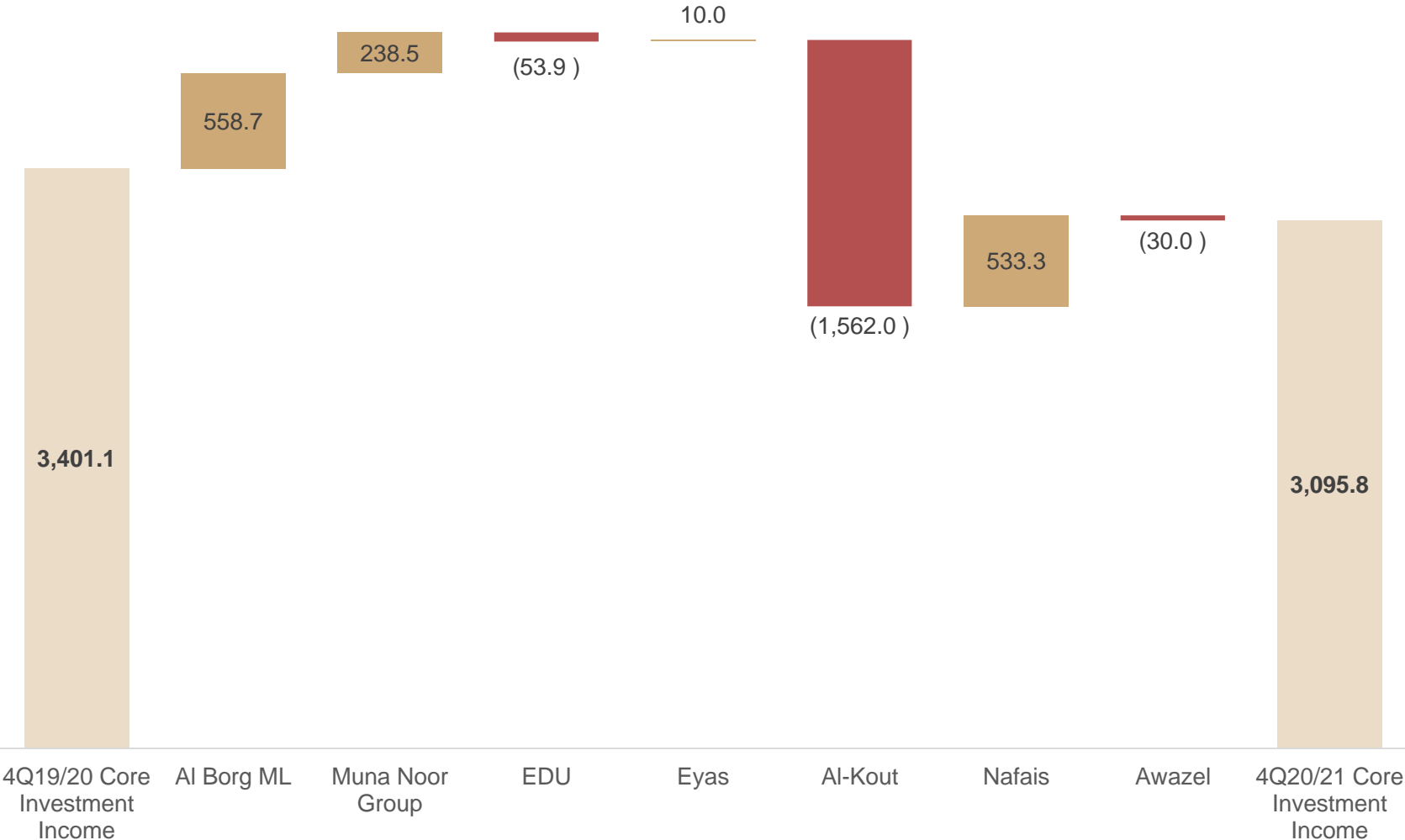
Income	FY20/21		FY19/20		EPS Contribution (fils)	
	FY20/21	FY19/20	FY20/21	FY19/20	FY20/21	FY19/20
EQUATE Group	9,668.3	17,423.9	19.17	34.07		
EDU	5,284.6	6,868.5	10.48	13.43		
Al Borg ML	3,171.7	831.9	6.29	1.63		
Nafais	1,873.9	1,928.6	3.72	3.77		
Eyas	1,734.4	1,778.9	3.44	3.48		
Al Kout	477.4	2,623.3	0.95	5.13		
Awazel	166.7	441.0	0.33	0.86		
Muna Noor Group	(817.0)	(428.8)	(1.62)	(0.84)		
Total Core Investments Income	11,891.6	14,043.5	23.58	27.46		
Total Non-Core Investments Income	1,351.6	2,470.8	2.68	4.83		
Gain on sale of ARAMCO shares	-	1,602.9	-	3.13		
Other Income	388.6	271.1	0.77	0.53		
Foreign Exchange Gain (Loss)	(18.1)	86.2	(0.04)	0.17		
Gain on Sale of Investments	923.4	279.8	1.83	0.55		
Total Other Income	1,293.9	637.1	2.57	1.25		
Total Income	24,205.4	36,178.1	47.99	70.75		
Expenses						
Finance Cost	(4,925.7)	(8,022.4)	(9.77)	(15.69)		
G&A Expenses	(1,495.8)	(1,229.4)	(2.97)	(2.40)		
Staff Expenses	(556.0)	(490.3)	(1.10)	(0.96)		
Impairments, net	2,458.8	(13,845.5)	4.87	(27.08)		
Changes in Fair Value of FVTPL Investments	(641.2)	(552.4)	(1.27)	(1.08)		
Board & Govt. Fees/Taxes	(519.7)	(215.2)	(1.03)	(0.42)		
Total Expenses	(5,679.5)	(24,355.3)	(11.26)	(47.63)		
Net Income	18,525.9	11,822.8	36.73	23.12		

Commentary

- Core investments income reached KWD11.9mn in FY20/21, compared to KWD14.0mn last year
- Net income increased by 57% during the year to KWD18.5mn from KWD11.8mn in FY19/20, as a result of major reductions in expenses.

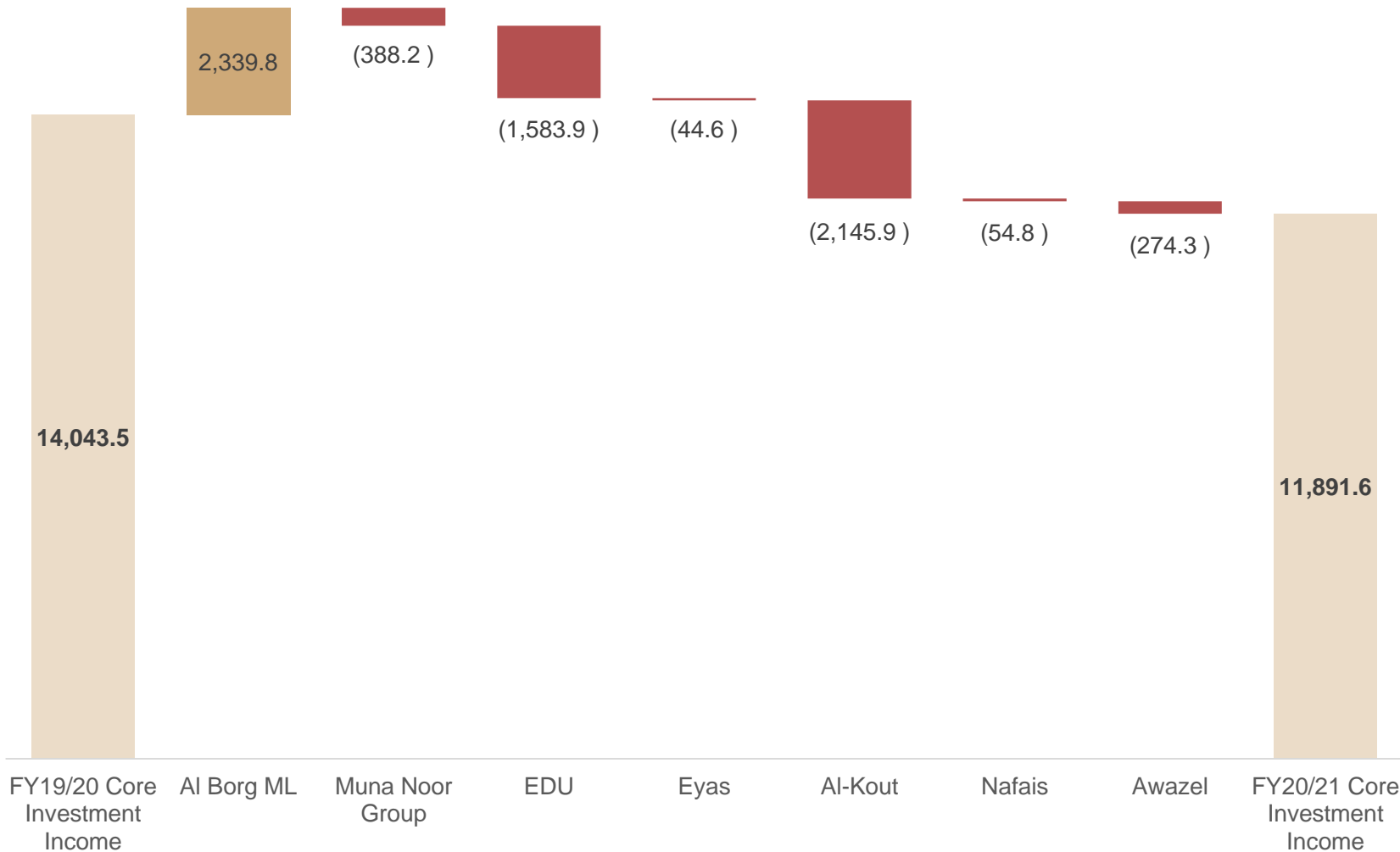
Core Investment Income Reached KWD3.1m in 4Q20/21

Amounts in KWD, thousands



Core Investment Income Reached KWD11.9m in FY20/21

Amounts in KWD, thousands



Q&A

Thank you



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