



Boubyan Petrochemical Company

Investor Update – October 31st, 2021 results



شركة بوبيان للبتروكيماويات (ش.م.ك.)
Boubyan Petrochemical Company (K.S.C)

Boubyan Petrochemical Company – 2Q21/22 results

Business Highlights

- Despite lingering economic effects from the pandemic on some of Boubyan's core investments, Boubyan's bottom line grew by 9% YoY during 2Q21/22.

Financial Highlights

- Boubyan reported net income of KWD2.82mn in 2Q21/22 compared to KWD2.58mn in 2Q20/21 (*EPS of 5.42 fils in 2Q21/22 vs 5.12 fils in 2Q20/21*)
- The investment portfolio value reached KWD459.1mn as of 2Q21/22 where the core investments (excluding Equate) accounted for 21.3% of the portfolio



Core Investments Updates



- In 4Q20/21, EDU reported a net income of KWD0.82mn, compared to KWD1.48mn during the same period last year.
- The decline in net income during the quarter was due to the Ministry of Education's decision to reduce school tuition fees by 25% for the 2nd half of the school calendar due to the pandemic.



- EYAS reported a net loss of KWD217K in 4Q20/21 compared to a profit of KWD355K in 4Q19/20.
- The net loss was due to a large advertisement campaign held during the quarter as well non-recurring provisions.



- In 2Q21, Nafais' net income surged to KWD2.0mn from KWD1.0mn during the same period last year.
- The strong growth was a result of a strong increase in revenues from medical services during the quarter.

Core Investments Updates



- Al Borg's strong bottom-line growth witnessed a slowdown as it reported a net income of SAR35.9mn in 3Q21, down from SAR55.6 in 3Q20. The main reason for the decline in profit is an increase G&A expenses, along with non-recurring provisions taken during the quarter.
- Al Borg continued to improve its regional performance during the quarter, as it witnessed revenue growth in KSA, UAE, Bahrain, and Oman



- AlKout reported net income of KWD1.72mn in 3Q21, compared to KWD1.02mn in 3Q20. The growth during the quarter was driven by an increase in sales of Chloralkali and industrial materials.



- Muna Noor's net losses reached OMR0.29mn as of 2Q21/22, compared to income of OMR0.26mn in 2Q20/21. Despite a healthy growth in sales, the cost of raw materials grew at a stronger rate, which led to the net losses during the quarter.

Boubyan's Investment Portfolio Reached KWD459mn as of 2Q21/22

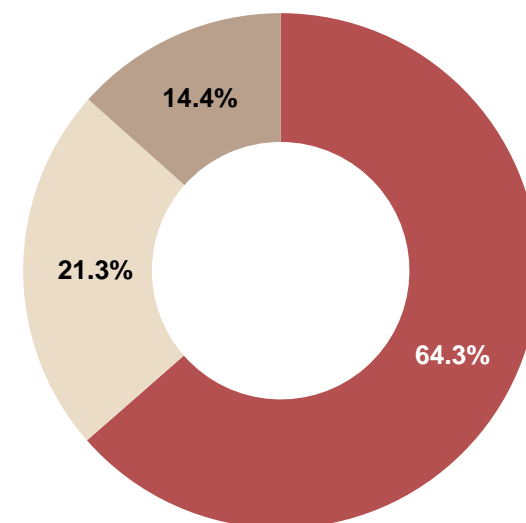
Amounts in KWD, millions

EQUATE Group	Ownership	Carrying Value
EQUATE	9.0%	173.7
The Kuwait Olefins Company (TKOC)	9.0%	121.3
EQUATE Group Total		295.1

Core Investments	Ownership	Carrying Value
EDU	83.1%	27.4
EYAS	55.6%	24.3
Al Kout	54.2%	19.8
NAFAIS	21.1%	10.1
Muna Noor	100.0%	6.5
Al Borg	25.1%	5.9
Awazel	20.8%	4.0
Total Core Investments		97.9

Total Non-Core Investments	66.2
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Total Investment Portfolio	459.1
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- Equate Group
- Core Investments
- Non-Core Investments

Boubyan achieved a net income of KWD2.8mn in 2Q21/22 compared to KWD2.6mn in 2Q20/21

KWD, thousands

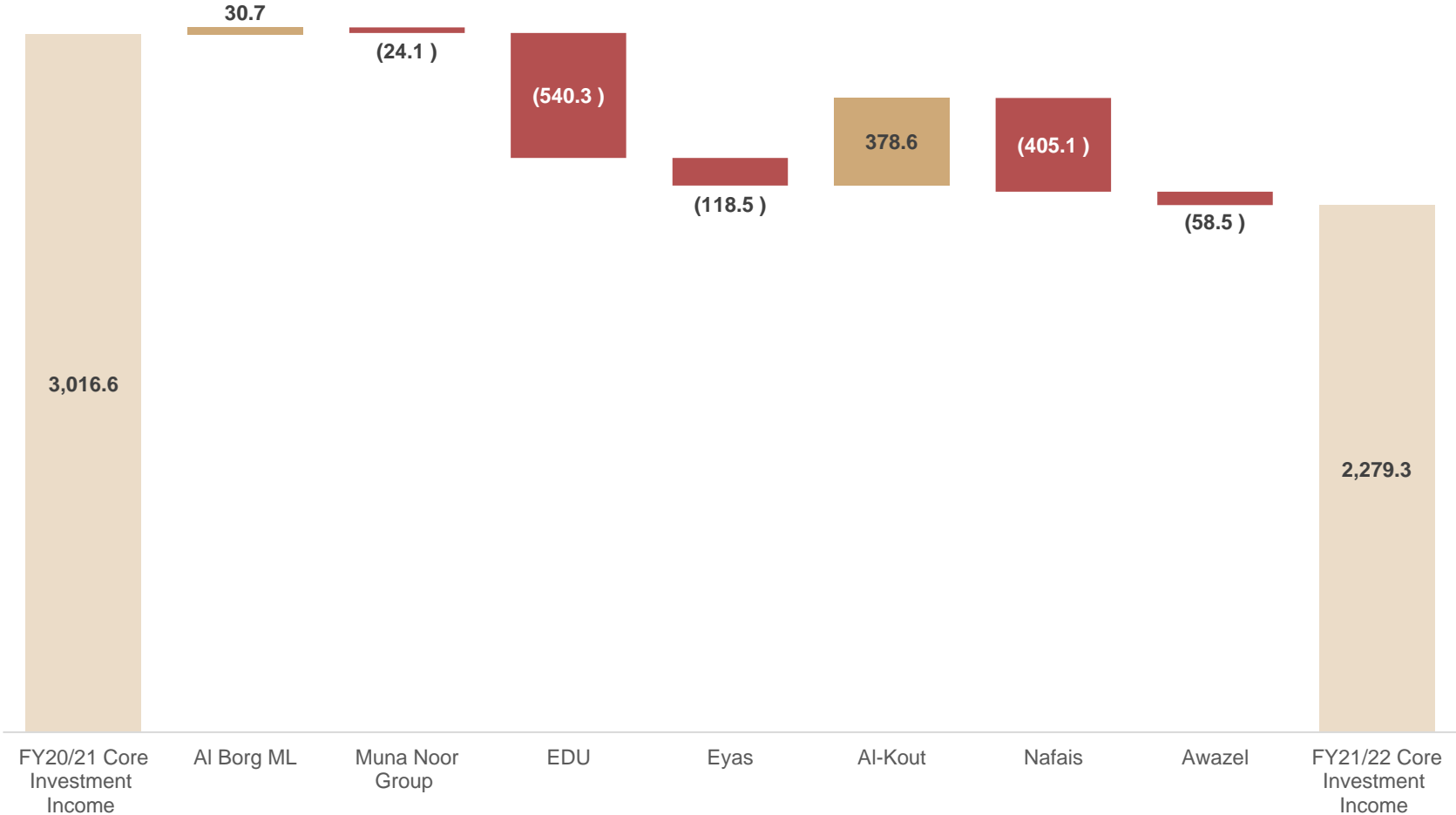
Income	2Q21/22		2Q20/21		EPS Contribution (fils)	
					2Q21/22	2Q20/21
Al Kout	929.9	551.3	1.78	1.09		
Al Borg ML	727.1	696.3	1.39	1.38		
EDU	677.7	1,218.0	1.30	2.41		
Nafais	220.1	625.2	0.42	1.24		
Awazel	-	58.5	-	0.12		
Eyas	(45.1)	73.4	(0.09)	0.15		
Muna Noor Group	(230.4)	(206.2)	(0.44)	(0.41)		
Total Core Investments Income	2,279.3	3,016.6	4.37	5.98		
Total Non-Core Investments Income	(7.7)	(200.4)	(0.01)	(0.40)		
Realized FVTPL gains – NIC shares	361.5	-	0.69	-		
Realized FVTPL gains – UACC	890.7	-	1.71	-		
Realized FVTPL gains – Others	12.1	-	0.02	-		
Other Income	0.1	58.0	0.00	0.11		
Foreign Exchange Gain	0.1	12.1	0.00	0.02		
Total Other Income	1,264.5	70.1	2.42	0.14		
Total Income	3,536.0	2,886.3	6.78	5.72		
Expenses						
Finance Cost	(1,049.0)	(1,142.8)	(2.01)	(2.27)		
G&A Expenses	(78.9)	(102.0)	(0.15)	(0.20)		
Staff Expenses	(130.4)	(127.9)	(0.25)	(0.25)		
Impairments	639.6	1,092.1	1.23	2.17		
Board & Govt. Fees/Taxes	(92.8)	(21.5)	(0.18)	(0.04)		
Total Expenses	(711.5)	(302.2)	(1.36)	(0.60)		
Net Income	2,824.6	2,584.1	5.42	5.12		

Commentary

- Core investments income declined to KWD2.3mn in 2Q20/21 from KWD3.0mn during the same period last year
- Net income grew to KWD2.8mn in 2Q21/22 from KWD2.6mn in 2Q20/21 as a result of realized FVTPL gains from exits during the quarter.
- We were unable to book any income for Awazel during the quarter due to lack of availability of their financial data.

Core Investment Income Shrank to KWD2.28m in 2Q21/22

Amounts in KWD, thousands



Q&A

Thank you



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