



Boubyan Petrochemical Company

Investor Update – July 31st, 2022 results



شركة بوبيان للبتروكيماويات (ش.م.ك.)

Boubyan Petrochemical Company (K.S.C)

Boubyan Petrochemical Company – 1Q22/23 results

Business Highlights

- Distribution of interim dividend by Equate Group and strong performance of Boubyan's core and non-core investments led to a 261% QoQ bottom line growth during 1Q22/23.
- During the quarter, Boubyan exited a non-core investment and the resultant funds were applied in the repayment of borrowings.

Financial Highlights

- Boubyan reported net income of **KWD 10.1 mn** in 1Q22/23 compared to **KWD 2.8 mn** in 1Q21/22 (*EPS of 19.45 fils in 1Q22/23 vs 5.45 fils in 1Q21/22*).
- The investment portfolio value as of 1Q22/23 amounted to **KWD 412.2 mn**, where core investments (excluding Equate) accounted for 19.5% of the portfolio.



Core Investments' Update (1/2)



- In 3Q21/22, EDU reported net income of KWD 2.01 mn, compared to KWD 1.88 mn during the same period last year.
- EDU's tuition revenues and gross profit increased as compared to the same period last year as the Ministry of Education permitted schools to return to offline learning and curbed the discount on tuition fees.



- EYAS reported net profit of KWD 1.91 mn in 3Q21/22 compared to a profit of KWD 2.94 mn in 3Q20/21.
- The decline in profit during the quarter was a result of a decline in number of students at Gulf University of Science & Technology (GUST). On the other hand, the development of the College of Engineering & Architecture is ongoing as scheduled and the new college is expected to start operating and generate revenue soon.



- Al Kout reported a significant growth of 165% and posted a net income of KWD 3.62 mn in 2Q22, compared to KWD 1.37 mn in 2Q21.
- The strong growth during the quarter was driven by a 61% surge in sales of Chlor Alkali as prices of caustic soda increased during the quarter.

Core Investments' Update (2/2)



- In 1Q22, Nafais' net income reached KWD 2.95 mn from KWD 2.39 mn during the same period last year.
- The increase in profit was a result of an increase in revenue from tuition fees as schools returned to on-campus education and Ministry of Education curbed the discount on tuition fees which was in effect last year.



- Muna Noor reported net profit of OMR 0.17 mn during 1Q22/23, compared to a loss of OMR 0.35 mn during the same period last year. The Company's return to profitability was a result of growth in revenue and strong improvement in gross margin during the quarter.



- Al Borg has reported a loss of SAR 10.4 mn during 2Q22 as compared to a profit of SAR 34.9 mn during the same period last year. The loss is due to delay in revenue from B2B segment as the new contracts were yet to be executed, as well as a one-time expense incurred during the period.

Boubyan's investment portfolio reached KWD 412.2 mn as of 1Q22/23

Amounts in KWD, millions

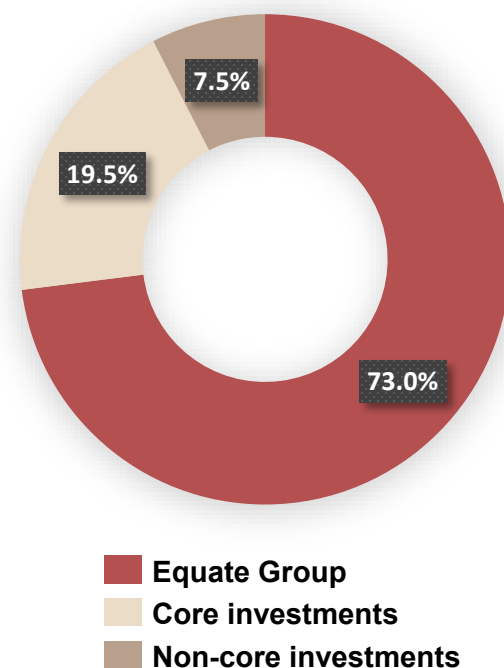
EQUATE Group	Ownership	Carrying Value
EQUATE	9.0%	181.8
The Kuwait Olefins Company (TKOC)	9.0%	119.2
EQUATE Group Total		301.0

Core Investments	Ownership	Carrying Value
EYAS	55.7%	17.9
Al Kout	54.2%	21.0
NAFAIS	21.1%	10.6
EDU *	83.1%	18.1
Muna Noor	100.0%	6.7
Al Borg	25.1%	5.8
Total Core Investments		80.2

* excluding EDU's share in EYAS

Total Non-Core Investments	31.0
-----------------------------------	-------------

Total Investment Portfolio	412.2
-----------------------------------	--------------



Boubyan achieved net income of KWD 10.1 mn in 1Q22/23 compared to KWD 2.8 mn in 1Q21/22

KWD, thousands

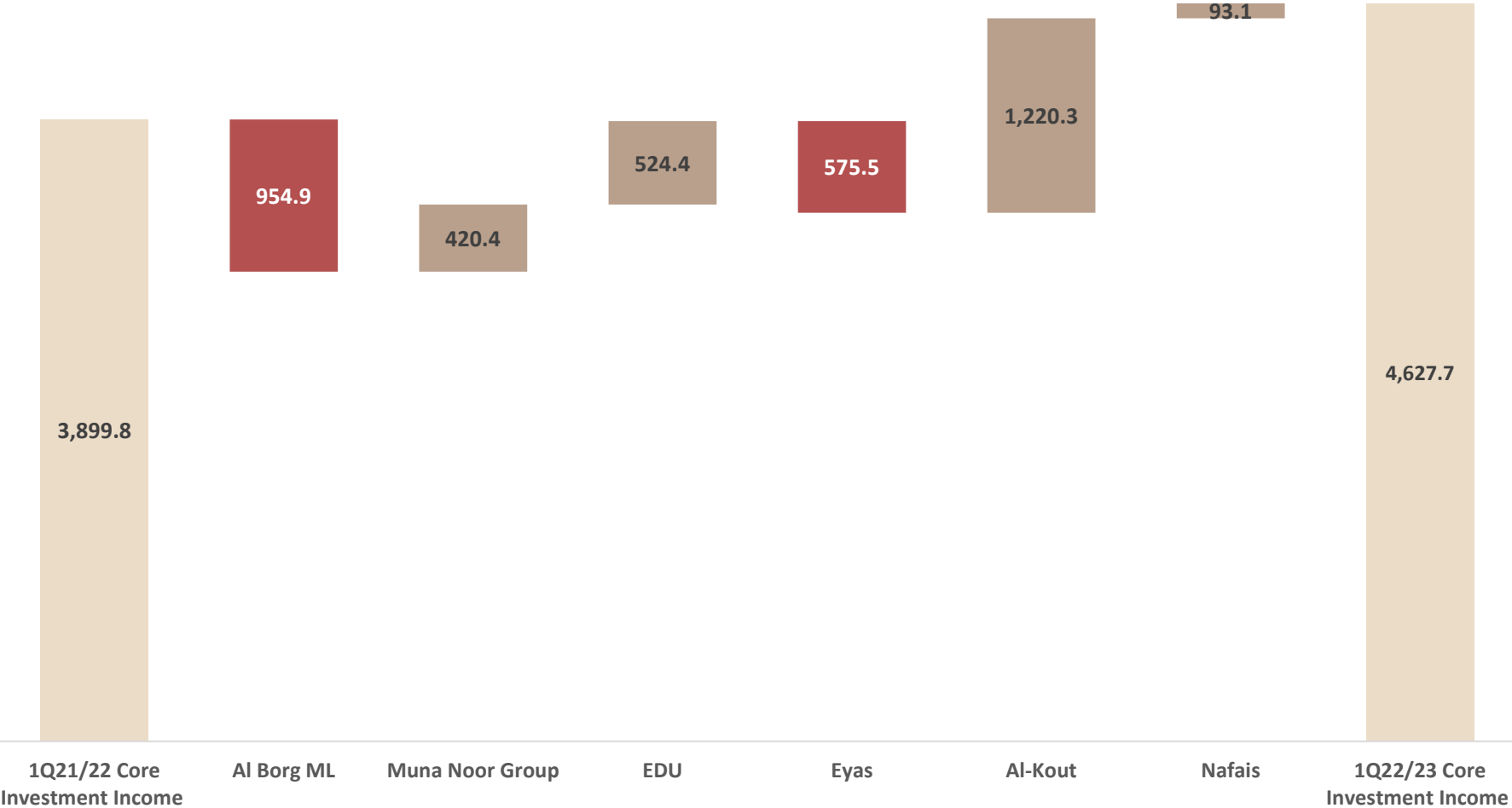
Income	1Q22/23		1Q21/22		EPS Contribution (fils)	
	1Q22/23	1Q21/22	1Q22/23	1Q21/22	1Q22/23	1Q21/22
Equate Group	6,252.4	-	11.99	-		
EDU	1,057.7	533.4	2.03	1.03		
Eyas	1,062.6	1,638.0	2.04	3.18		
Al Kout	1,960.6	740.3	3.76	1.44		
Nafais	664.9	571.8	1.28	1.11		
Muna Noor Group	134.0	(286.4)	0.26	(0.56)		
Al Borg ML	(252.1)	702.7	(0.48)	1.36		
Total core investments income	4,627.7	3,899.8	8.87	7.56		
Total non-core investments income	529.4	237.9	1.02	0.46		
Realised FVTPL gains - Borouge shares	7.7	-	0.01	-		
Intreerest and other Income	666.3	61.7	1.28	0.12		
Foreign exchange gain	41.3	10.3	0.08	0.02		
Total other income	715.3	72.0	1.37	0.14		
Total income	12,124.8	4,209.8	23.25	8.16		
Expenses						
Finance cost	(1,404.2)	(1,031.3)	(2.69)	(2.00)		
G&A expenses	(262.8)	(205.5)	(0.50)	(0.40)		
Staff expenses	(152.2)	(133.3)	(0.29)	(0.26)		
Board & Govt. Fees / Taxes	(161.1)	(30.8)	(0.31)	(0.06)		
Total expenses	(1,980.3)	(1,400.8)	(3.80)	(2.72)		
Net income	10,144.4	2,808.9	19.45	5.45		

Commentary

- Core investments' income increased to KWD 4.63 mn in 1Q22/23 from KWD 3.90 mn during the same period last year.
- Non-core investment income increased to KWD 0.53 mn in 1Q22/23 compared to KWD 0.24 mn in 1Q21/22. This is mainly due to an increase in profits reported by Kuwait Foundry (2Q22: KWD 1.79 mn, 2Q21: KWD 0.03 mn).
- Net income grew to KWD 10.14 mn in 1Q22/23 from KWD 2.81 mn in 1Q21/22 as a result of an increase in dividend income from Equate Group and growth in core & non-core investment income.

Core Investment Income reached KWD 4.6 mn in 1Q22/23

Amounts in KWD, thousands



Q&A

Thank you



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