



# Boubyan Petrochemical Company

Investor Update – October 31<sup>st</sup>, 2022 results



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

# Boubyan Petrochemical Company – 2Q22/23 results

## Business Highlights

- The distribution of an interim dividend by the Equate Group during the quarter, along with a healthy growth in core investment income, led to a strong YoY growth in the bottom line of 132% in 2Q22/23

## Financial Highlights

- Boubyan reported net income of KWD6.55mn in 2Q22/23 compared to KWD2.82mn in 2Q21/22 (*EPS of 12.56 fils in 2Q22/23 vs 5.42 fils in 2Q21/22*)
- The investment portfolio value reached KWD417.8mn as of 2Q22/23 where the core investments (excluding Equate) accounted for 19.8% of the portfolio



# Core Investments Updates



- In 4Q20/21, EDU reported a net income of KWD1.20mn, compared to KWD0.82mn during the same period last year.
- The improvement in net income during the quarter was a result of an increase in tuition fees as well as increase in the Company's share of associates.



- EYAS reported a net loss of KWD361K in 4Q21/22 compared to a loss of KWD217K in 4Q20/21.
- The increase in net loss was due to a slight decline of summer course enrollments as well as non-recurring expenses.



- Nafais continued its strong performance during 2Q22, as it posted a net income of KWD2.6mn compared to KWD2.0mn during the same period last year.
- The growth in its bottom line was a result of an increase in revenues from tuition fees during the quarter.

# Core Investments Updates



- AlKout's net income of KWD2.5mn in 3Q22, up 47% compared to KWD1.7mn in 3Q21. The growth during the quarter was driven by an increase in Chloralkali prices, as well an increase in sales volume.



- Al Borg witnessed a loss of SAR7.2mn during the quarter, compared to a profit of SAR37.2mn during the same period last year. The loss incurred during the quarter was mainly due to a strong decline in revenues from COVID testing, as well as a decrease in laboratories' management revenue.



- Muna Noor's net losses reached OMR0.22mn as of 2Q21/22, compared to loss of OMR0.29mn in 2Q20/21. The reason for the loss during the quarter was a decline in overall market demand due to global economic conditions.

# Boubyan's Investment Portfolio Reached KWD418mn as of 2Q22/23

Amounts in KWD, millions

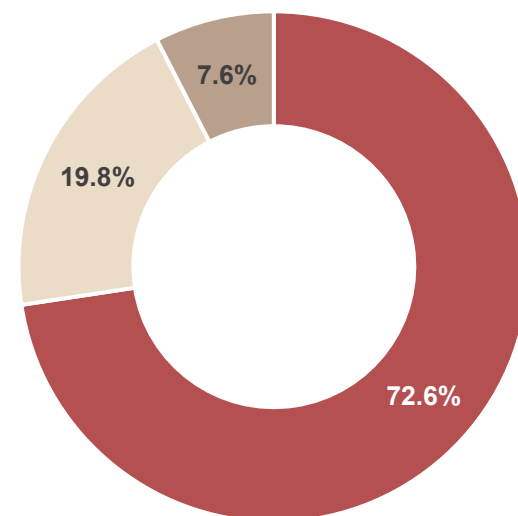
EQUATE Group	Ownership	Carrying Value
EQUATE	9.0%	183.2
The Kuwait Olefins Company (TKOC)	9.0%	120.2
<b>EQUATE Group Total</b>		<b>303.4</b>

Core Investments	Ownership	Carrying Value
Al Kout	54.2%	22.4
EDU *	83.1%	19.2
EYAS	55.6%	17.7
Nafais	21.1%	11.2
Muna Noor	100.0%	6.7
Al Borg	25.1%	5.7
<b>Total Core Investments</b>		<b>82.8</b>

\* = excluding the carrying value of Eyas in EDU

<b>Total Non-Core Investments</b>	<b>31.7</b>
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<b>Total Investment Portfolio</b>	<b>417.8</b>
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■ **Equate Group**  
■ **Core Investments**  
■ **Non-Core Investments**

# Boubyan achieved a net income of KWD6.55mn in 2Q22/23 compared to KWD2.82mn in 2Q21/22

KWD, thousands

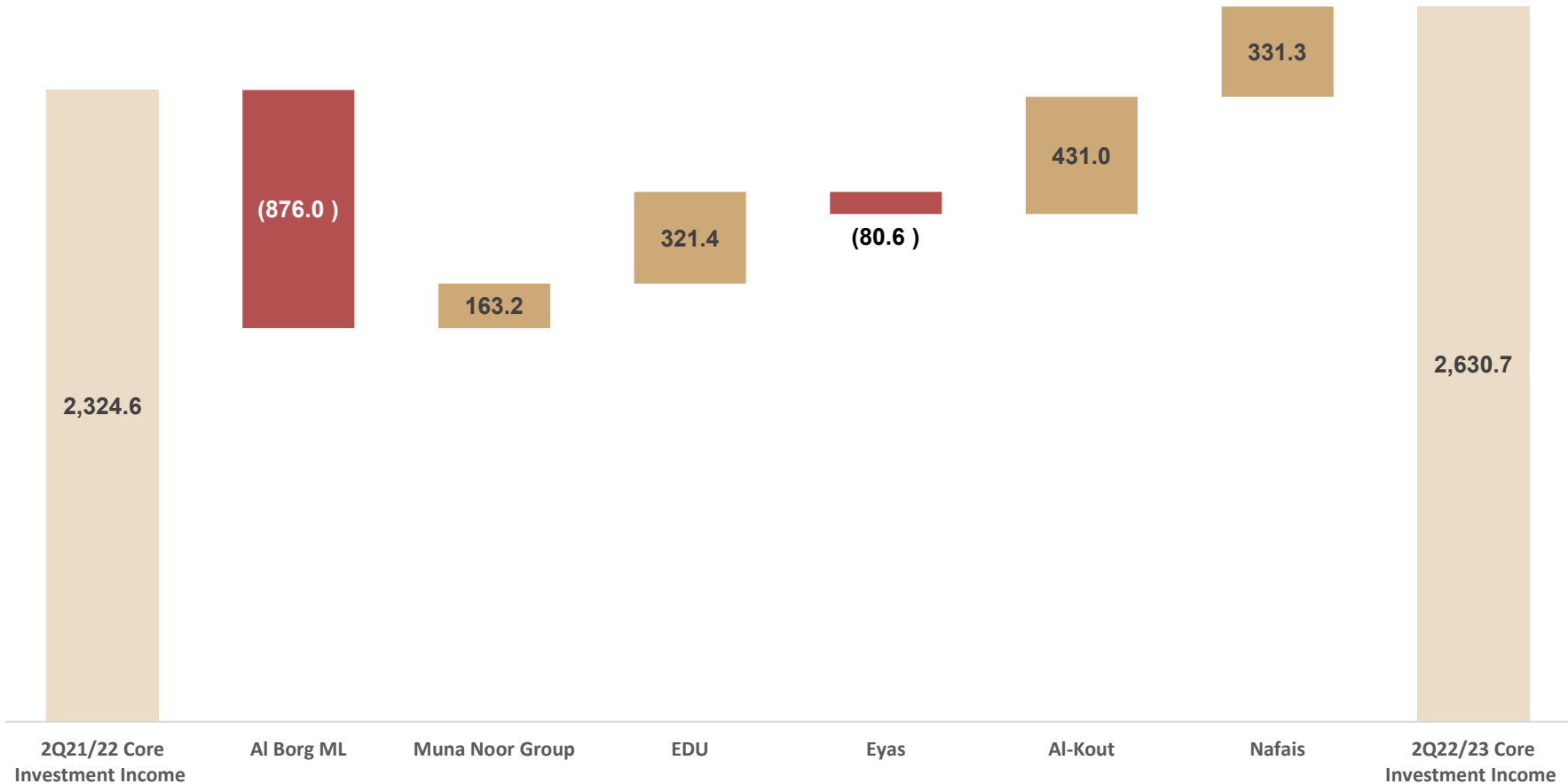
Income	2Q22/23		2Q21/22		EPS Contribution (fils)	
	2Q22/23	2Q21/22	2Q22/23	2Q21/22	2Q22/23	2Q21/22
<b>Equate Group</b>	<b>5,610.9</b>	<b>-</b>	<b>10.76</b>	<b>-</b>		
Al Kout	1,360.9	929.9	2.61	1.78		
EDU (excluding the results of Eyas)	1,074.8	753.4	2.06	1.44		
Nafais	551.4	220.1	1.06	0.42		
Muna Noor Group	(21.8)	(185.0)	(0.04)	(0.35)		
Al Borg ML	(148.9)	727.1	(0.29)	1.39		
Eyas	(201.4)	(120.8)	(0.39)	(0.23)		
<b>Total Core Investments Income</b>	<b>2,615.0</b>	<b>2,324.6</b>	<b>5.01</b>	<b>4.46</b>		
<b>Total Non-Core Investments Income</b>	<b>(49.5)</b>	<b>(7.7)</b>	<b>(0.09)</b>	<b>(0.01)</b>		
Realized FVTPL gains – Saudi Projects Holding Co.	240.5	-	0.46	-		
Realized FVTPL gains – NIC shares	-	361.5	-	0.69		
Realized FVTPL gains – UACC	-	890.7	-	1.71		
Realized FVTPL gains – Others	1.8	12.1	0.00	0.02		
Interest and Other Income	3.5	0.1	0.01	0.00		
Foreign Exchange Gain	16.1	0.1	0.03	0.00		
<b>Total Other Income</b>	<b>261.9</b>	<b>1,264.5</b>	<b>0.50</b>	<b>2.42</b>		
<b>Total Income</b>	<b>8,438.3</b>	<b>3,581.4</b>	<b>16.18</b>	<b>6.87</b>		
<b>Expenses</b>						
Finance Cost	(1,379.7)	(1,049.0)	(2.65)	(2.01)		
G&A Expenses	(259.1)	(188.4)	(0.50)	(0.36)		
Staff Expenses	(136.9)	(130.4)	(0.26)	(0.25)		
Impairments	-	703.8	-	1.35		
Board & Govt. Fees/Taxes	(114.0)	(92.8)	(0.22)	(0.18)		
<b>Total Expenses</b>	<b>(1,889.7)</b>	<b>(756.8)</b>	<b>(3.62)</b>	<b>(1.45)</b>		
<b>Net Income</b>	<b>6,548.6</b>	<b>2,824.6</b>	<b>12.56</b>	<b>5.42</b>		

## Commentary

- Core investments income grew to KWD2.6mn in 2Q22/23 from KWD2.3mn during the same period last year
- Net income reached KWD6.6mn in 2Q22/23 compared to KWD2.8mn in 2Q21/22, as a result of the Equate Group's interim dividend as well as an increase in growth in core investment income.
- During the quarter, one of BPC's fully impaired investments (Saudi Projects Holding Co.) distributed KWD0.24mn, which was booked in Other Income.

# Core Investment Income Shrank to KWD2.28m in 2Q22/23

Amounts in KWD, thousands



Q&A

Thank you



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