



Boubyan Petrochemical Company

Investor Update – April 30th, 2024 results



شركة بوبيان للبتروكيماويات (ش.م.ك.)

Boubyan Petrochemical Company (K.S.C)

Boubyan Petrochemical Company – FY23/24 results

Business Highlights

- Income from core investments surged by 28% to reach KWD 20.4 million, marking a notable increase from KWD 16.0 million in the previous year. This growth was driven by the resilient financial performance of the education sector. Additionally, the increased share of the education sector in Boubyan's portfolio has further strengthened this trend.

Financial Highlights

- Boubyan reported a net income of **KWD 6.8 mn** in 4Q23/24, compared to KWD 14.4 mn in 4Q22/23 (*EPS of 12.68 fils in 4Q23/24 vs 27.24 fils in 4Q22/23*).
- Net income for FY23/24 amounted to **KWD 17.7 mn**, compared to KWD 35.0 mn in the previous year (*EPS of 33.14 fils in FY23/24 vs. 67.03 fils in FY22/23*).
- As of 4Q23/24, the value of the investment portfolio reached **KWD 503.7 mn**, with core investments (excluding Equate) accounting for 36.2% of the portfolio.



Core Investments' Update (1/2)



- Eyas reported a net profit of KWD 2.6 mn in 2Q2023/24, marking a substantial increase of 54% from KWD 1.7 mn in the same period last year.
- This growth was driven by a 23% rise in revenue and optimization of operating costs at GUST, resulting in an improved gross margin of 66%, up from 50% during the same period last year.



- Al Kout posted a net income of KWD 2.0 mn in 1Q24, compared to KWD 1.8 mn in 1Q23. This growth in net profits is primarily due to the increase in the share of results from its associate.



- Nafais maintained its strong performance during 4Q23, reporting a net income of KWD 2.7 mn compared to KWD 3.0 mn in the same period last year. The modest decline in net income is a result of a marginal rise in direct costs of revenue, leading to a lower gross margin.



- During the year, Boubyan has consolidated its latest investment, The English Educational Group, which operates pre-schools and schools across the country under the brand name of EPG.
- EPG has reported a net income of KWD 919K in its 2Q2023/24.

Core Investments' Update (2/2)



- Muna Noor reported a net profit of OMR 357K in 4Q23/24, compared to OMR 1.4 mn in the same period last year. The decline is mainly attributed to the non-recurring income of OMR 863K recorded in the previous year.



مختبرات البرج الطبية
AI Borg Medical Laboratories

- AI Borg reported a loss of SAR 1.8 mn in 1Q24, compared to a profit of SAR 6.3 mn in the same quarter of the previous year. This decline is primarily attributed to a slowdown in revenue, resulting from delays in the execution of some contracts.



شركة سما التعليمية
Sama Educational Co.

- Sama reported a net profit of KWD 3.5 mn in 2Q23/24, an increase from KWD 2.9 mn in 2Q22/23.
- The growth in profit was driven by a 5% rise in revenue from tuition fees.

Boubyan's investment portfolio reached KWD 503.7 mn as of 4Q23/24

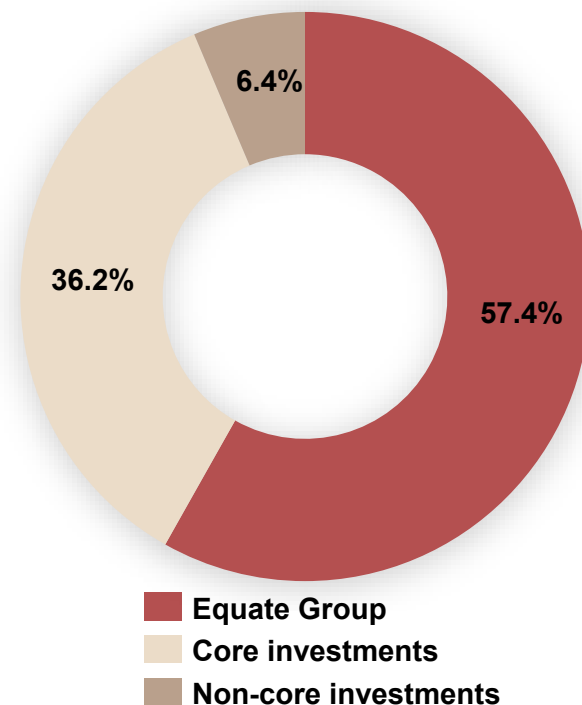
Amounts in KWD, millions

Equate Group	Ownership	Carrying Value
Equate Petrochemical Co.	9.0%	176.4
The Kuwait Olefins Company (TKOC)	9.0%	112.8
Equate Group Total		289.2

Core Investments	Ownership	Carrying Value
EPG	100.0%	65.2
Sama	41.7%	41.0
Al Kout	54.1%	26.4
Eyas	62.8%	23.3
Nafais	21.1%	11.0
Muna Noor	100.0%	7.6
Al Borg	25.1%	5.5
Afaq	90.3%	1.5
KVC	84.6%	0.8
Total Core Investments		182.3

Total Non-Core Investments	32.2
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Total Investment Portfolio	503.7
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Boubyan achieved net income of KWD 6.8 mn in 4Q23/24, compared to KWD 14.4 mn in 4Q22/23

<i>KWD, thousands</i>			<i>EPS Contribution (fils)</i>	
	4Q23/24	4Q22/23	4Q23/24	4Q22/23
Income				
Equate Group	4,948.0	3,346.6	9.27	6.35
Sama Education Co.	1,450.7	-	2.72	-
Al Kout	1,084.5	934.2	2.03	1.77
Eyas	1,624.2	949.8	3.04	1.80
EPG	919.5	-	1.72	-
Nafais	568.7	629.7	1.07	1.20
Afaq Education Co.	221.4	-	0.41	-
Muna Noor Group	285.9	1,128.5	0.54	2.14
KVC	0.2	-	0.00	-
Al Borg ML	(37.6)	123.1	(0.07)	0.23
EDU*	-	1,144.4	-	2.17
Total core investments income	6,117.5	4,909.6	11.46	9.32
Total non-core investments income	1,594.3	2,666.8	2.99	5.06
Realised and unrealised FVTPL gains	(1.6)	5,533.6	(0.00)	10.50
Interest and other Income	678.5	1,443.1	1.27	2.74
Foreign exchange gain	(0.0)	(2.1)	(0.00)	(0.00)
Total other income	676.9	6,974.6	1.27	13.24
Total income	13,336.7	17,897.6	24.99	33.97
Expenses				
Finance cost	(3,476.1)	(2,581.4)	(6.51)	(4.90)
G&A expenses	(1,085.4)	(392.0)	(2.03)	(0.74)
Staff expenses	(170.0)	(123.3)	(0.32)	(0.23)
Impairments	(1,648.3)	-	(3.09)	-
Board & Govt. Fees / Taxes	(192.0)	(450.0)	(0.36)	(0.85)
Total expenses	(6,571.8)	(3,546.6)	(12.32)	(6.73)
Net income	6,764.9	14,351.0	12.68	27.24

*Excluding Eyas

Commentary

- Income from core investments rose to KWD 6.1 mn in 4Q23/24, up from KWD 4.9 mn in the same period last year, driven by the robust performance of the education sector, including contributions from the recent addition, EPG.
- Non-core investment income decreased to KWD 1.6 mn in 4Q23/24 compared to KWD 2.7 mn in 4Q22/23.
- Net income declined to KWD 6.8 mn in 4Q23/24, compared to KWD 14.4 mn in 4Q22/23. This variance was primarily due to gains recognized in 4Q22/23 from the exit of certain investment securities carried at FVTPL as well as impairments recorded in current period.

Boubyan achieved net income of KWD 17.7 mn in FY23/24, compared to KWD 35.0 mn in FY22/23

KWD, thousands

Income	FY23/24		FY22/23		EPS Contribution (fils)	
Equate Group	8,486.5	16,843.1	15.91	32.22		
Sama Education Co.	6,206.2	-	11.64	-		
Al Kout	4,474.4	5,236.7	8.39	10.02		
Eyas	4,053.9	2,111.1	7.60	4.04		
EPG	1,682.9	-	3.16	-		
Nafais	2,349.6	2,393.4	4.41	4.58		
Afaq Education Co.	1,032.8	-	1.94	-		
Muna Noor Group	802.1	1,574.2	1.50	3.01		
KVC	9.0	-	0.02	-		
Al Borg ML	(246.7)	(315.0)	(0.46)	(0.60)		
EDU*	-	4,968.3	-	9.50		
Total core investments income	20,364.1	15,968.8	38.19	30.55		
Total non-core investments income	2,848.1	3,337.5	5.34	6.38		
Realised and unrealised FVTPL gains	36.2	5,784.6	0.07	11.07		
Interest and other Income	3,270.7	2,634.7	6.13	5.04		
Foreign exchange gain	(5.4)	20.7	(0.01)	0.04		
Total other income	3,301.5	8,440.0	6.19	16.14		
Total income	35,000.2	44,589.3	65.63	85.30		
Expenses						
Finance cost	(12,829.5)	(7,068.6)	(24.06)	(13.52)		
G&A expenses	(1,883.1)	(1,182.0)	(3.53)	(2.26)		
Staff expenses	(549.8)	(533.0)	(1.03)	(1.02)		
Impairments	(1,648.3)	-	(3.09)	-		
Board & Govt. Fees / Taxes	(414.3)	(764.8)	(0.78)	(1.46)		
Total expenses	(17,325.1)	(9,548.3)	(32.49)	(18.27)		
Net income	17,675.2	35,041.0	33.14	67.03		

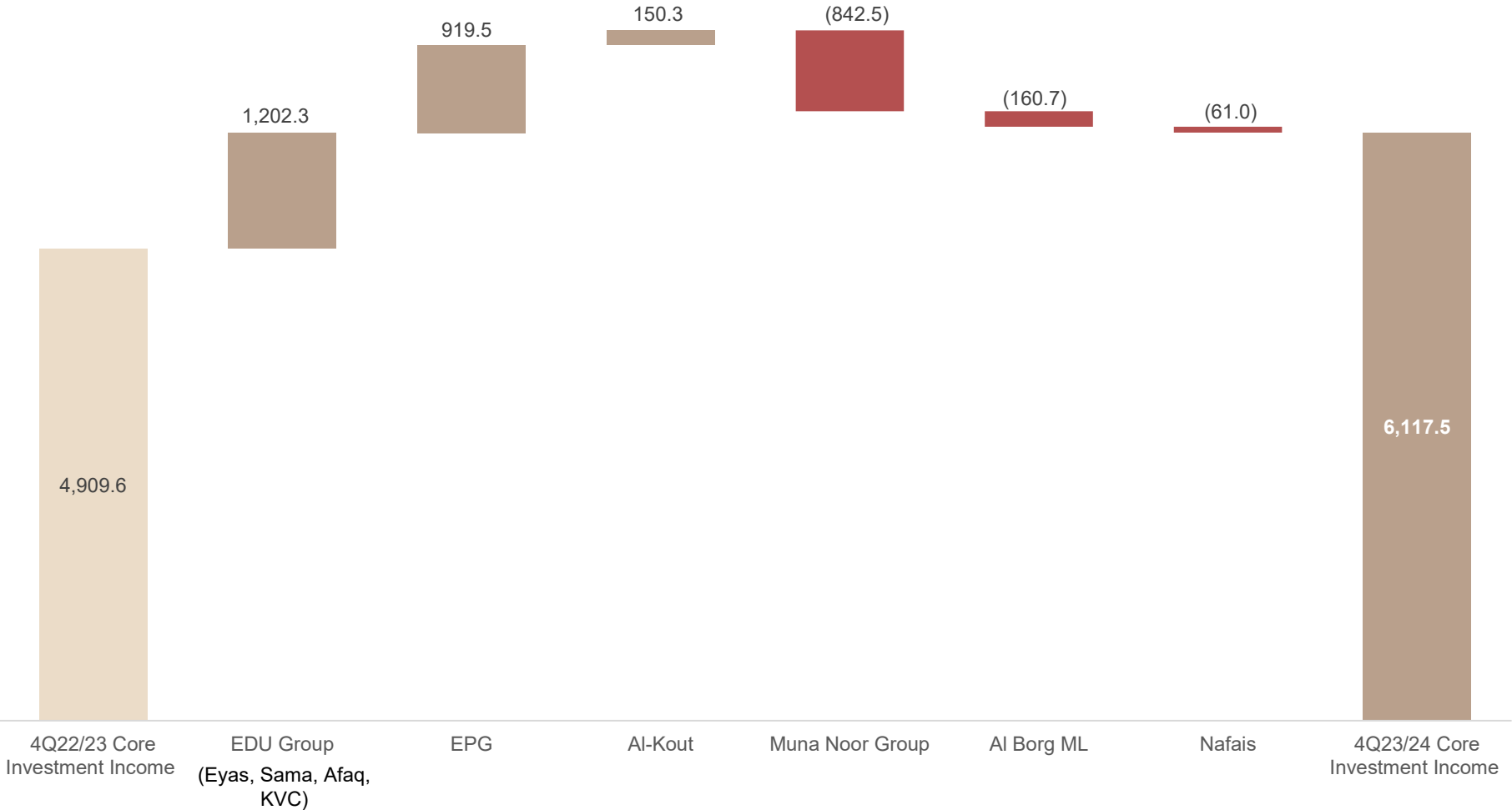
*Excluding Eyas

Commentary

- Income from core investments increased to KWD 20.4 mn in FY23/24, from KWD 16.0 mn during the last year, driven by the strong performance of the education sector, including contributions from the recent addition, EPG.
- Non-core investment income decreased to KWD 2.8 mn in FY23/24, compared to KWD 3.3 mn in FY22/23.
- Net income stood at KWD 17.7 mn in FY23/24, compared to KWD 35.0 mn in FY22/23, primarily due decline in dividend income from Equate Group, as well as rising finance costs during the current year. Additionally, during FY22/23, Boubyan realized gains on exit of certain investment securities carried at FVTPL.

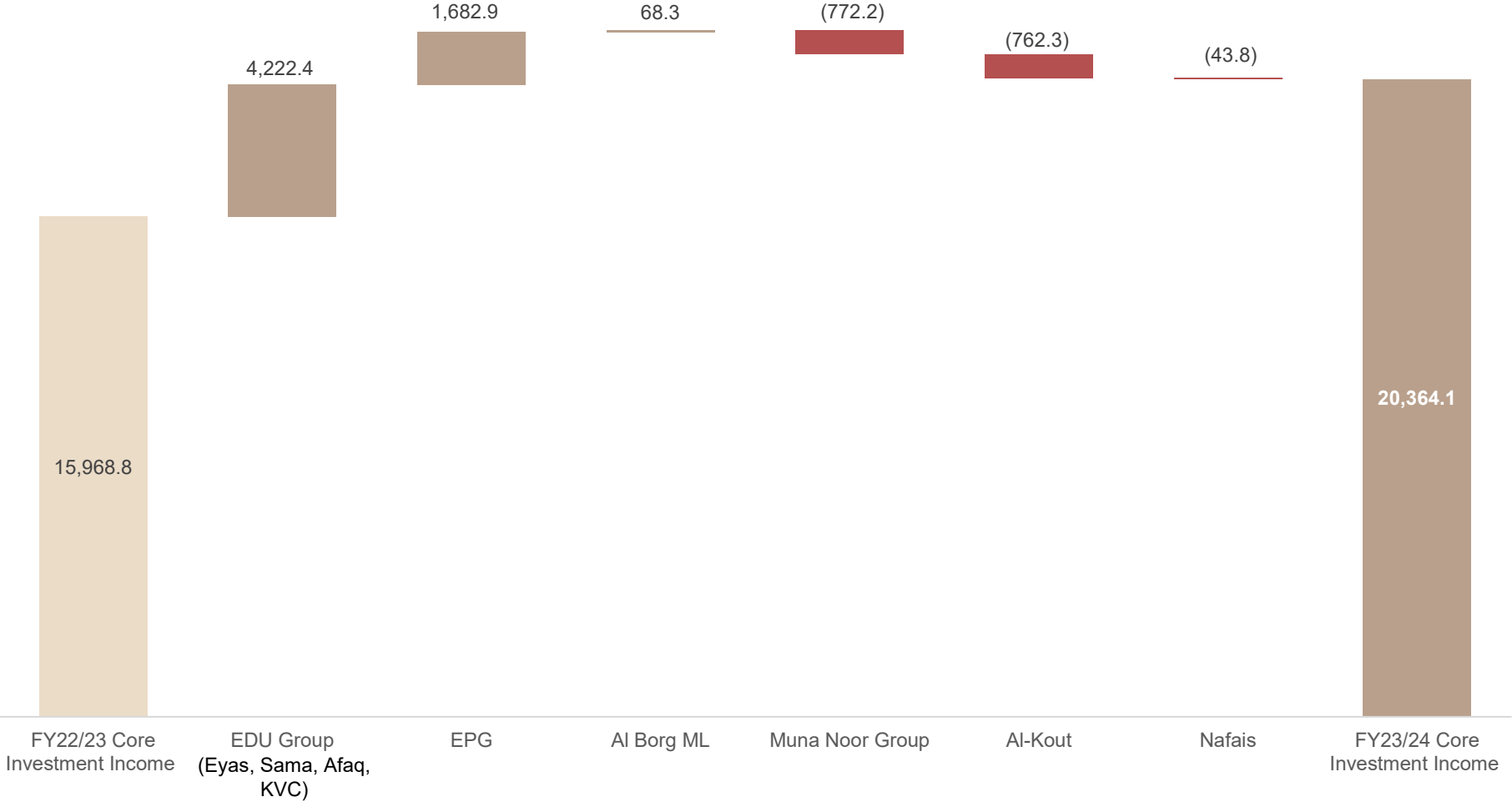
Core Investment Income reached KWD 6.1 mn in 4Q23/24

Amounts in KWD, thousands



Core Investment Income reached KWD 20.4 mn in FY23/24

Amounts in KWD, thousands



Q&A

Thank you



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