



Boubyan Petrochemical Company

Investor Update – January 31, 2024



شركة بوبيان للبتروكيماويات (ش.م.ك.)

Boubyan Petrochemical Company (K.S.C)

Boubyan Petrochemical Company – 3Q23/24 results

Business Highlights

- Boubyan achieved a net profit of **KWD 4.8 mn** in 3Q23/24, marking a growth of 21% over the same period last year. This growth was driven by strong performance in both core and non-core investments.
- Income from core investments surged by 64% on the back of strong performance in the education sector. Additionally, Boubyan has consolidated its latest investment in the education sector, The English Educational Group Co. (EPG), further contributing to the income from core investments.

Financial Highlights

- Boubyan reported net income of **KWD 4.8 mn** in 3Q23/24, compared to KWD 4.0 mn in 3Q22/23 (*EPS of 9.04 fils in 3Q23/24 vs 7.67 fils in 3Q22/23*).
- The value of the investment portfolio as of 3Q23/24 reached **KWD 504.0 mn**, with core investments (excluding Equate) accounting for 35.5% of the portfolio.



Core Investments' Update (1/2)



- Eyas achieved a net profit of KWD 2.3 mn in 1Q2023/24, marking a significant increase of 61% over the net profit of KWD 1.4 mn during the same period last year.
- The increase in the Company's bottom line was driven by a 21% increase in revenue as well as optimization of the operating costs of GUST, resulting in an improved gross margin of 65% compared to 52% in the first quarter of FY 2023.



al kout industrial projects
الكوت للمشاريع الصناعية

- Al Kout posted a net income of KWD 2.4 mn in 4Q23, compared to KWD 1.8 mn in 4Q22. The increase in net income during the quarter was primarily due to a decline in G&A expenses, which is a result of strategic focus on managing controllable expenses.



- In 3Q23, Nafais' net income witnessed a 13% growth, reaching KWD 2.9 mn from KWD 2.6 mn during the same period last year. This increase was a result of growth in revenue from medical services as well as a decrease in G&A expenses.



- During the quarter, following the approval of the Competition Protection Agency, Boubyan has consolidated its latest investment, The English Educational Group Co., which operates pre-schools and schools across the country under the brand name of EPG.
- EPG posted a net income of KWD 763K in 1Q23/24.

Core Investments' Update (2/2)



- Muna Noor reported net profit of OMR 128K during 3Q23/24, compared to OMR 362K during the same period last year. The decline in net profit is primarily attributed to a decrease in the company's gross margin, aimed at offering competitive prices to penetrate export markets.



مختبرات البرج الطبية
Al Borg Medical Laboratories

- Al Borg reported a net profit of SAR 7.6 million during 4Q23, marking a significant turnaround from a loss of SAR 1.8 million during the same period last year. This increase in profitability is a result of ongoing operational streamlining efforts. The Company remains dedicated to implementing measures aimed at enhancing operational efficiency and strengthening financial resilience, and these initiatives have yielded positive results.



شركة سما التعليمية
Sama Educational Co.

- Sama reported a net profit of KWD 3.6 mn in 1Q23/24, up from KWD 3.5 mn in 1Q22/23.
- The increase in profit during the quarter was a result of a 5% increase in revenues from tuition fees.

Boubyan's investment portfolio reached KWD 504.0 mn as of 3Q23/24

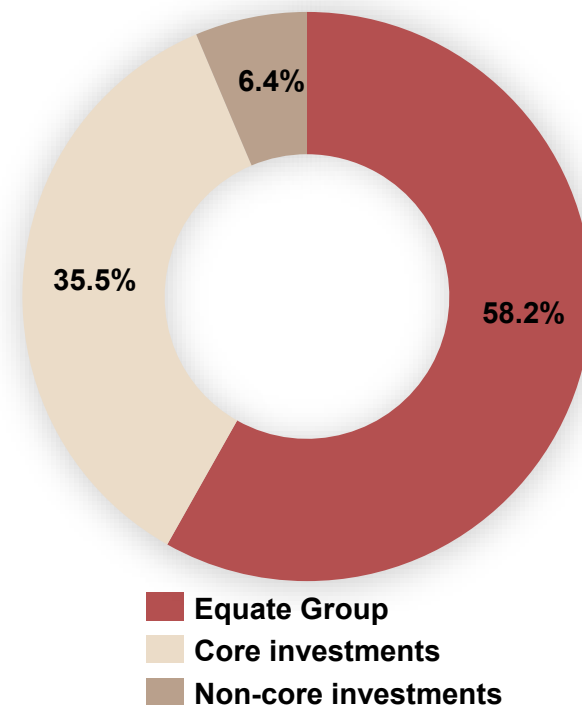
Amounts in KWD, millions

EQUATE Group	Ownership	Carrying Value
EQUATE	9.0%	179.5
The Kuwait Olefins Company (TKOC)	9.0%	113.7
EQUATE Group Total		293.2

Core Investments	Ownership	Carrying Value
EPG	100.0%	64.3
Sama	41.7%	39.5
Al Kout	54.1%	24.9
EYAS	62.8%	21.7
Nafais	21.1%	12.3
Muna Noor	100.0%	7.4
Al Borg	25.1%	5.6
Afaq	90.3%	2.3
KVC	84.6%	0.8
Total Core Investments		178.8

Total Non-Core Investments	32.1
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Total Investment Portfolio	504.0
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Boubyan achieved net income of KWD 4.8 mn in 3Q23/24, compared to KWD 4.0 mn in 3Q22/23

KWD, thousands

Income	3Q23/24		3Q22/23	
	3Q23/24	3Q22/23	3Q23/24	3Q22/23
Equate Group	1,571.8	1,633.1	2.95	3.13
Sama Education Co.	1,520.2	-	2.85	-
Al Kout	1,311.0	981.0	2.46	1.88
Eyas	1,454.7	300.2	2.73	0.58
EPG	763.5	-	1.43	-
Nafais	620.4	547.5	1.16	1.05
Afaq Education Co.	245.4	-	0.46	-
Muna Noor Group	102.1	287.5	0.19	0.55
KVC	1.6	-	0.00	-
Al Borg ML	157.6	(37.0)	0.30	(0.07)
EDU*	-	1,691.3	-	3.24
Total core investments income	6,176.3	3,770.4	11.57	7.23
Total non-core investments income	358.3	190.8	0.67	0.37
Realised and unrealised FVTPL gains	(5.7)	1.1	(0.01)	0.00
Interest and other Income	618.3	521.8	1.16	1.00
Foreign exchange gain	(2.2)	(34.7)	(0.00)	(0.07)
Total other income	610.4	488.2	1.14	0.94
Total income	8,716.7	6,082.5	16.33	11.66
Expenses				
Finance cost	(3,398.8)	(1,703.4)	(6.37)	(3.27)
G&A expenses	(258.4)	(221.9)	(0.48)	(0.43)
Staff expenses	(134.7)	(120.6)	(0.25)	(0.23)
Board & Govt. Fees / Taxes	(102.6)	(39.7)	(0.19)	(0.08)
Total expenses	(3,894.5)	(2,085.6)	(7.30)	(4.00)
Net income	4,822.3	3,996.9	9.04	7.67

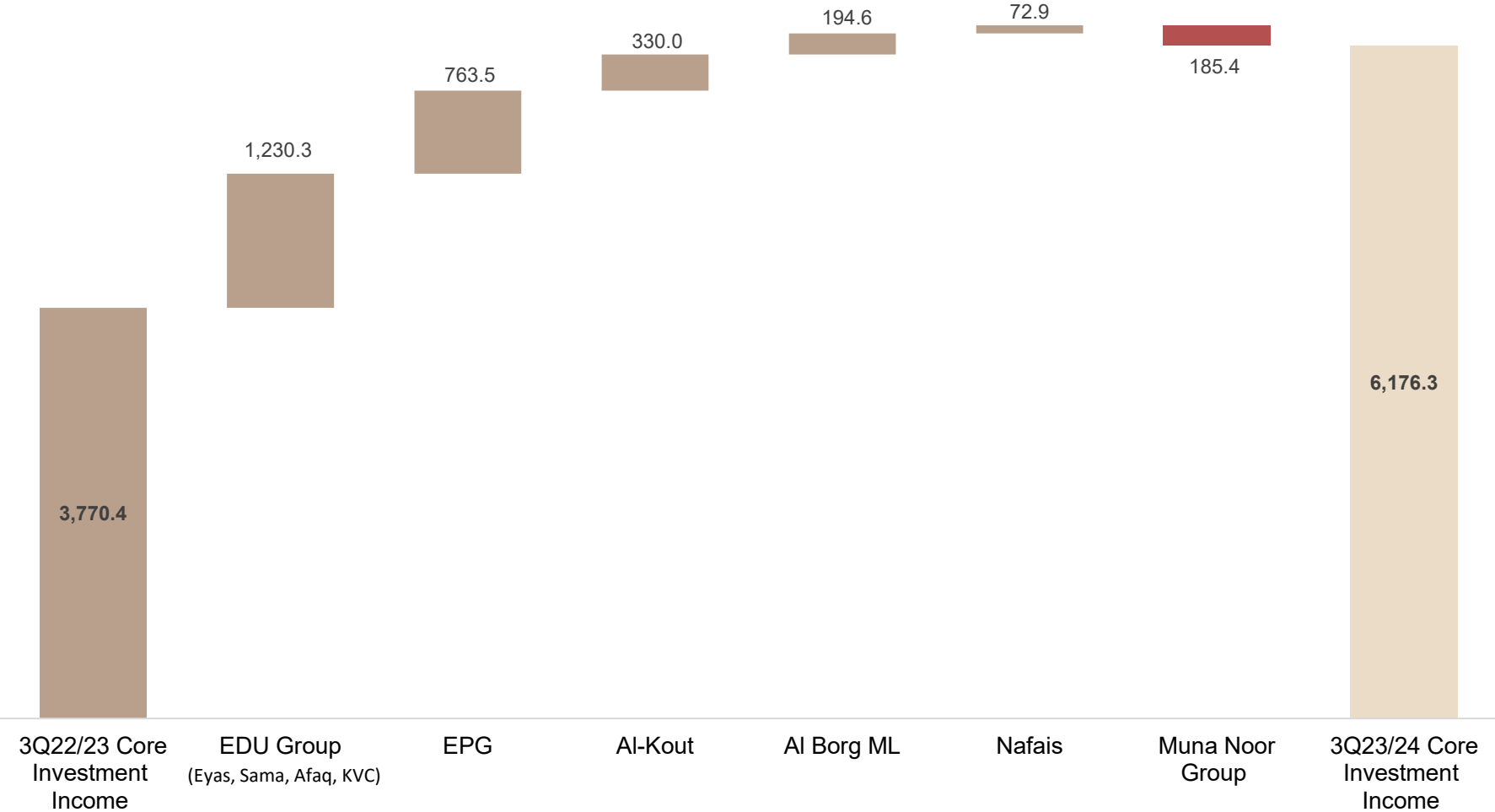
*Excluding Eyas

Commentary

- Core investments' income increased to KWD 6.2 mn in 3Q23/24 from KWD 3.8 mn during the same period last year. The increase is on the back of strong performance of the education sector, including contribution from the latest addition to the sector, EPG.
- Non-core investment income increased to KWD 0.4 mn in 3Q23/24 compared to KWD 0.2 mn in 3Q22/23.
- Net income increased to KWD 4.8 mn in 3Q23/24 from KWD 4.0 mn in 3Q22/23, driven by an increase in both core and non-core investments' income.

Core Investment Income reached KWD 6.2 mn in 3Q23/24

Amounts in KWD, thousands



Q&A

Thank you



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