



Date: 09/08/2022
KREC/FIN/2022/ 234

التاريخ: 2022/08/09
KREC/FIN/2022/ 234

To: Boursa Kuwait Company

السادة/ بورصة الكويت المحترمين

**Subject: Analyst / Investor Conference
Presentation of Kuwait Real Estate Company
(K.P.S.C) for Q2 / 2022**

**الموضوع: العرض التقديمي لمؤتمر المحللين / المستثمرين
لشركة عقارات الكويت (ش.م.ك.ع) للربع الثاني لعام 2022**

Reference to the aforementioned subject and as per article No. (8-4-2) "continuing Obligations in the Premier Market" of Boursa – Kuwait Rule Book issued as per decision No. (1) for year 2018, and since Kuwait Real Estate Company has been classified in the Premier Market.

بالإشارة إلى الموضوع أعلاه، وعملا بأحكام المادة رقم (2-4-8) "الإلتزامات المستمرة للسوق الأول" من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018، وحيث تم تصنيف شركة عقارات الكويت ضمن مجموعة السوق الأول.

Kindly be informed that the Analyst / Investor Conference was held on Tuesday 09/08/2022 at 01:00 PM through (Live Webcast).

يرجى العلم بأن مؤتمر المحللين / المستثمرين قد انعقد في يوم الثلاثاء الموافق 2022/08/09 في تمام الساعة 01:00 ظهرا عن طريق بث مباشر على (Live Webcast)

Moreover, please note that no material information has been disclosed during the conference.

علما بأنه أثناء المؤتمر لم يتم الإفصاح عن أية معلومات جوهرية.

Furthermore, attached is the Analyst/ Investor's conference presentations for Q2 2022.

كما نرفق لكم طيه عرض مؤتمر المحللين / المستثمرين للربع الثاني من العام 2022.

This is for your information and notice.
Best Regards

هذا للعلم والإحاطة
وتفضلوا بقبول فائق الإحترام والتقدير،،،

محمد نوري الحمد

مساعد نائب الرئيس إدارة الموارد البشرية
والشؤون الإدارية

*CC:

CMA – Disclosure Dept.

* نسخة ال: السادة / هيئة أسواق المال والإدارة الإفصاح
لشركة عقارات الكويت ش.م.ك.ع
Kuwait Real Estate Company K.P.S.C

①

شركة عقارات الكويت ش.م.ك.ع. Kuwait Real Estate Company K.P.S.C.

تأسست عام 1972 Established in

صندوق بريد 1257 ، الصفاة 13013 ، الكويت، مبنى سوق الكويت، الدور الثامن

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رأس المال المدفوع والمصدر Paid up Capital K.D. 94,736,505.900 بمقدار رأس المال المصرح به Authorized Capital K.D. 94,736,505.900

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سجل تجاري 64 CR No.

نموذج الإفصاح عن المعلومات الجوهرية

نموذج الإفصاح عن المعلومات الجوهرية	
التاريخ	2022/08/09
اسم الشركة المدرجة	شركة عقارات الكويت (ش.م.ك.ع).
المعلومة الجوهرية	قامت شركة عقارات الكويت بعقد مؤتمر المحللين / المستثمرين في يوم الثلاثاء الموافق 2022/08/09 في تمام الساعة 01:00 ظهرا للربع الثاني لعام 2022 عن طريق بث مباشر على (Live Webcast) علما بأنه أثناء المؤتمر لم يتم الإفصاح عن أية معلومات جوهرية. مرفق طيه عرض مؤتمر المحللين / المستثمرين للربع الثاني من العام 2022.
أثر المعلومة الجوهرية على المركز المالي للشركة	لا يوجد

محمد نوري الحمد

مساعد نائب الرئيس إدارة الموارد البشرية
والشؤون الإدارية



AQARAT

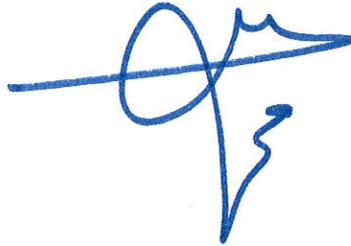
عقارات

شركة عقارات الكويت ش.م.ك.ع.
Kuwait Real Estate Company K.P.S.C.

①

Disclosure of Material Information Form

Date	09/08/2022
Name of the Listed Company	Kuwait Real Estate Company – KPSC
Material information	Kuwait Real Estate held the Analyst / Investor Conference on Tuesday 09/08/2022 at 01:00 PM for Q2 2022 through (Live Webcast), Moreover, no material information has been disclosed during the conference. attached is the Analyst/ Investor's conference presentations for Q2 2022
Significant Effect of the Material information on the financial position of the Company	No Impact



Mohammad Nouri Al- Hamad
Assistant VP- HR & Administration





INVESTORS & ANALYST PRESENTATION

Q2 2022 Financial Results

August 2022

Disclaimer

The information set out in this presentation and provided in the discussion subsequent thereto does not constitute an offer, an agreement, or a solicitation of an offer to buy or sell securities. It is solely for use at an investor presentation and is provided as information only.

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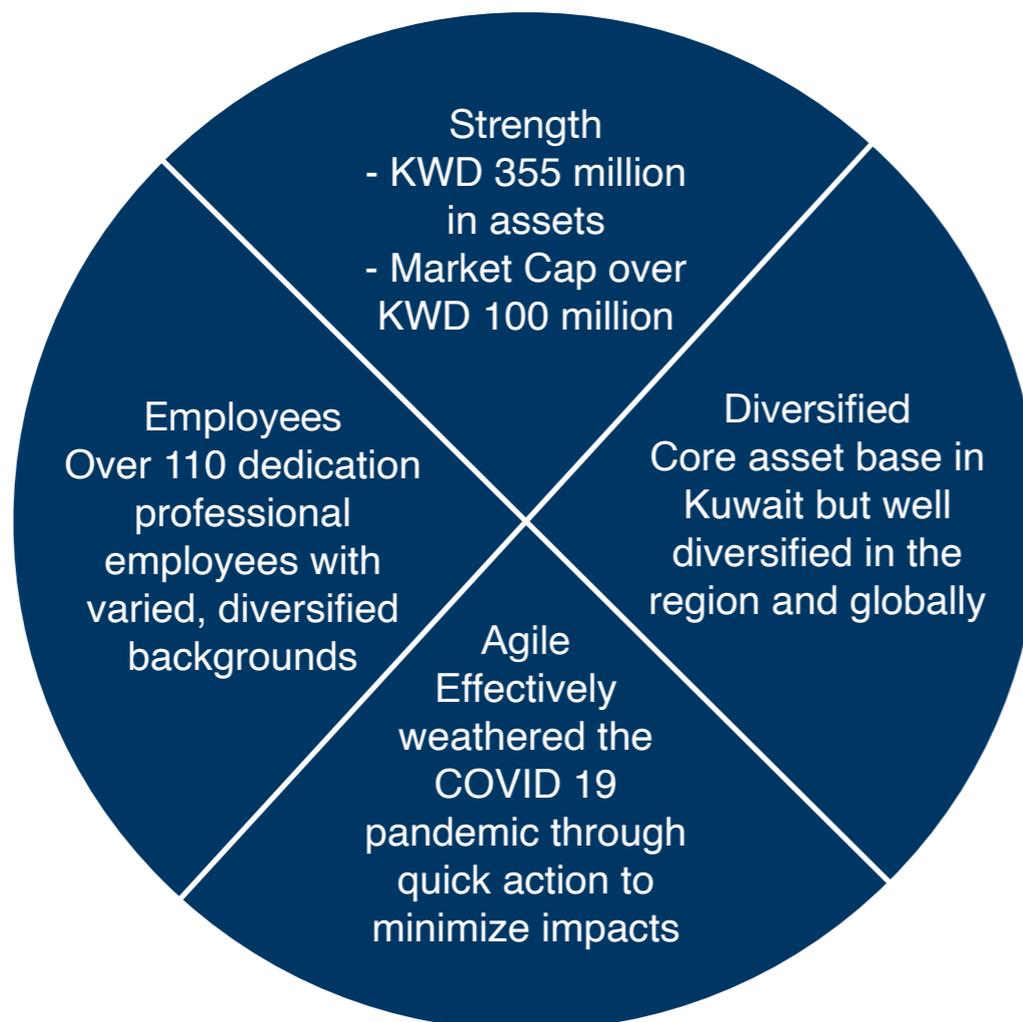
Certain statements in this presentation may constitute forward-looking statements. These statements reflect the Company's expectations and are subject to risks and uncertainties that may cause actual results to differ materially and may adversely affect the outcome and financial effects of the plans described herein. You are cautioned not to rely on such forward-looking statements. The company does not assume any obligation to update its view of such risks and uncertainties or to publicly announce the result of any revisions to the forward-looking statements made herein.

AQARAT OVERVIEW	AQARAT STRATEGY	BUSINESS OVERVIEW	FINANCIAL PERFORMANCE
01	02	03	04



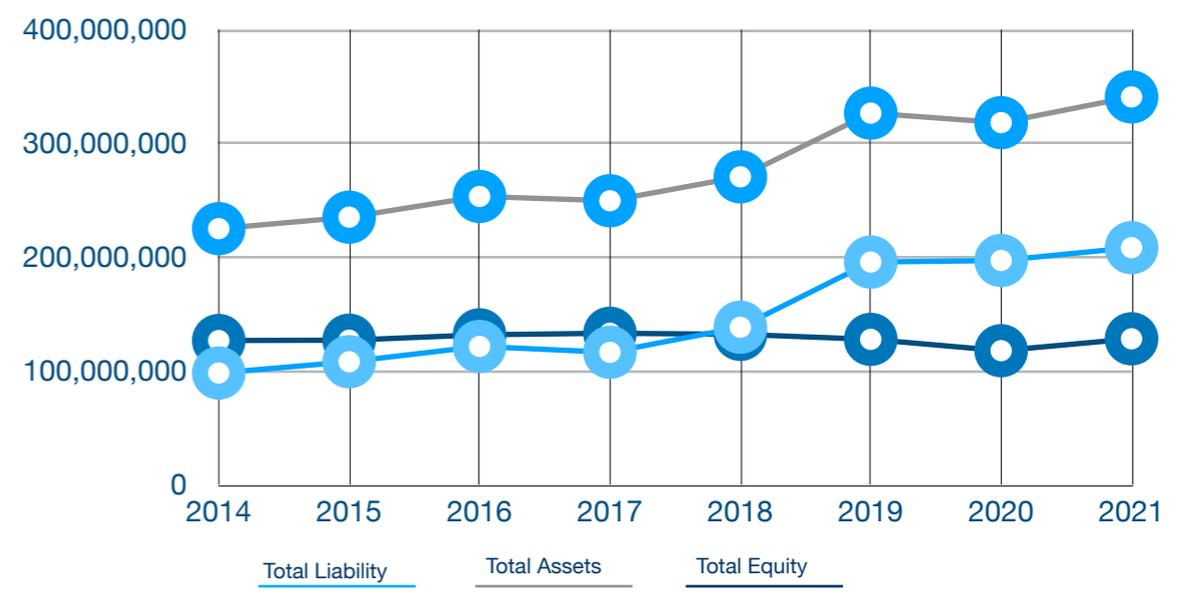
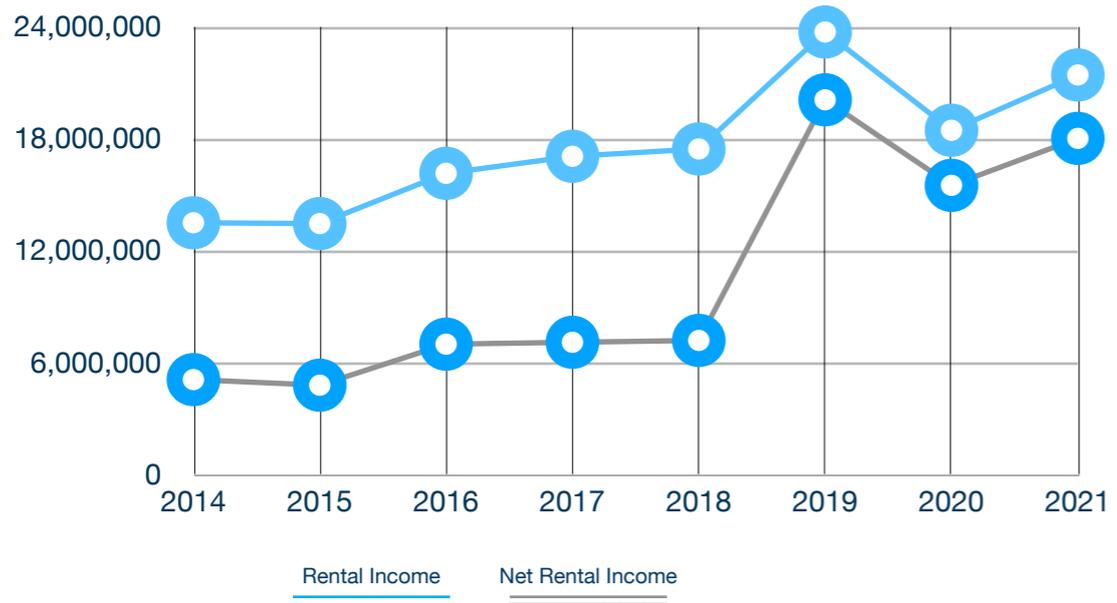
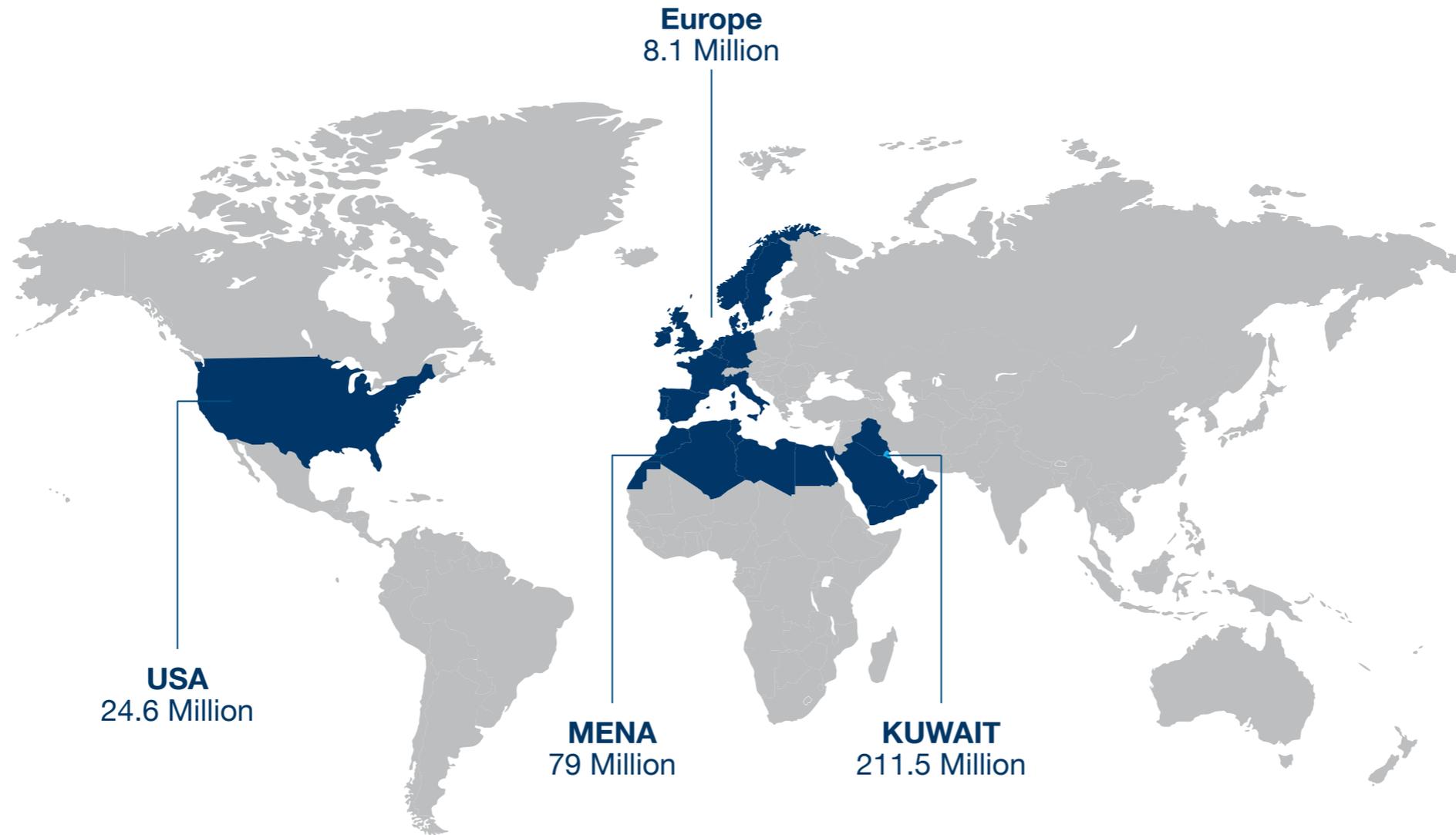
Section 1

Overview



- AQARAT (Kuwait Real Estate Company K.P.S.C), a leading Real Estate development and investment company.
- Established in 1972 and is the first real estate company to be listed on the Kuwait Stock Exchange (Boursa Kuwait) in 1984.
- Over 50 years in the field of Real Estate investment and development locally and internationally.
- As a leading integrated real estate services provider, AQARAT offers its clients a comprehensive range of high quality professional real estate services in the residential, retail, commercial and hospitality services sectors.
- AQARAT provides in depth local expertise along with a truly global presence and a proven reputation for delivering results.

Financial Data	Q2 2022	Q2 2021	% change	YTD 2022	YTD 2021	% change
Real Estate Rental Income	6,562,536	5,021,099	31%	13,908,867	10,280,673	35%
Net Rental Income	5,123,432	4,457,578	15%	10,824,175	9,101,427	19%
Income before NLST	2,934,691	1,642,806	79%	5,157,958	3,835,347	34%
Finance cost	1,901,591	1,287,504	48%	3,318,825	2,722,260	22%
Net Income	2,704,850	1,471,266	84%	4,713,675	3,320,230	42%
EPS	2.97	1.64	81%	5.18	3.74	39%
CURRENT ASSETS	39,676,699	57,586,844	-31%	39,676,699	57,586,844	-31%
Total Assets	354,769,980	327,064,594	8%	354,769,980	327,064,594	8%
CURRENT LIABILITIES	32,594,296	40,612,573	-20%	32,594,296	40,612,573	-20%
Total Liabilities	223,730,044	194,306,152	15%	223,730,044	194,306,152	15%
Debt Borrowings	179,046,582	137,353,101	30%	179,046,582	137,353,101	30%
Debt Borrowings (short term)	1,458,458	7,152,444	-81%	1,458,458	7,152,444	-81%
Share Capital	94,736,506	94,736,506	0%	94,736,506	94,736,506	0%
Total Equity	126,618,086	129,097,040	-2%	126,618,086	129,097,040	-2%
BV per fils	0.134	0.136	-2%	0.134	0.136	-2%





Section 2

Strategy



Consistent Operational Income

- Enhance current rental & operational income and profitability through maintaining and enhancing the quality of assets.

Opportunistic Development & Acquisitions

- Enhance the existing portfolio by maximizing the development of each asset and repositioning assets as and when value can be added.
- Capitalize on development expertise to benefit from opportunities.
- Acquisition of strategic land parcels/ properties.

Joint Ventures & Partnerships

- Form Strategic Partnerships and JV's to enhance efficiency and mitigate risks.



Section 3

Business Overview

INCOME YIELDING PORTFOLIO

Kuwaiti Dinars	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Rental Income	6,562,536	5,021,099	13,908,867	10,280,673
Operating Expense	1,439,104	563,521	3,084,692	1,179,246
Net Rental Income	5,123,432	4,457,578	10,824,175	9,101,427
Average Occupancy	89.0%	86%	89%	86%

- In Q2 2022, AQARAT Rental Income generated KD6.5 million compared to KD 5 million for the same period in 2021 representing an increase of 31%.
- In comparison to Q2 2022, Q2 2021 Net Rental Income marked an increase of 15%.
- Kuwait Portfolio Occupancy in Q2 2022 averaged 89%.
- Non-hospitality International Portfolio Occupancy for Q2 2022 averaged 99.3%.

INCOME GENERATING PORTFOLIO

- Strong growth in rental income driven by increased occupancy, Domus 1&2, Th8 Hotel operation and the closing and recording of Yotel Miami residential units sale.
- Locally, the occupancy levels improved by 3% during the quarter reaching 89%.
- Yotel New York continued the recovery path
- Domus 1 & 2 maintained 100% occupancy achieved in the last quarter
- Satisfactory results from Th8 Hotel
- Flats Atlantic Stations, the students and multifamily accommodation property is 100% leased for the coming academic year.
- The San Fransisco Properties, namely Yotel San Fransisco and 944 Market Street are still in the path of recovery from COVID-19 effects and did not achieve the desired performance yet.

PROJECTS UNDER DEVELOPMENT

- Arabella Hotel construction on schedule and is expected to be completed by year end
- Yotel Miami partially opened and operational
- The residential units of Yotel Miami project has been handed over.
- 501 First Street development in Miami is 92% sold while the demo permit to demolish the existing building has been issued.
- Construction has commenced for Domus 3 &4 and the foundation work is under way.

AQARAT KEY PROPERTIES - KUWAIT



Souk Al-Kuwait & Souk Al-Kabir

Since its inception in 1972, AQARAT has been a pioneer in developing and advancing public-private partnerships. In fact, the first BOT ever in existence in Kuwait, Souk Al-Kuwait, was conceived of and developed by AQARAT more than four decades ago.

The two properties feature commercial and car parking building located in the busy area of the Kuwait Stock Exchange and the banking center of Kuwait City. The buildings have three main components - a multi level car park, offices as well as a retail area.

Key Figure

Units	873 & 570
Floors	12 & 13
Total Built Up Area	36,422 & 48,475



Pearl Marzouq

Located along the green lawn and promenade of the Scientific Center overlooking the sea. The property enjoys a serene location, secluded from the noise of the city. The luxurious apartments are designed to maximize natural daylight and offer ample opportunities to enhance your lifestyle. Wide, sweeping spaces offer a sense of freedom and sanctuary from the world outside. Three apartment types, each uniquely laid out to cater to your needs and desires in modern living.

Key Figure

Units	122
Floors	5
Total Built Up Area	28,000



Arabella

Located adjacent to The Palms and SAS hotels on the Al-Bidaa coast strip, Arabella features over 13,000 square meters of dining and entertainment options, with 36 indoor/outdoor units to serve as restaurants, cafes and more. Currently the property is being partially redeveloped to include a 192 key hotel.

Key Figure

Units	35
Floors	5
Total Rentable	8,676
Total Built Up Area	13,988

AQARAT KEY PROPERTIES - INTERNATIONAL

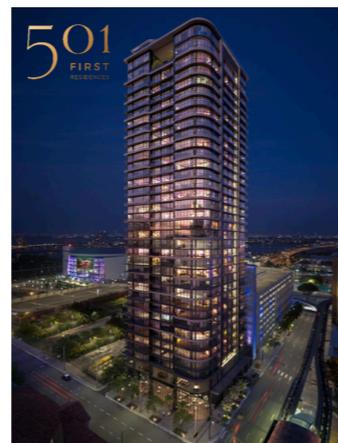


Yotel New York

The Yotel development consists of 668 rooms in the heart of Manhattan, New York City. The flagship property is designed features 12,000 sqft of dynamic and flexible space known as the Sky Lobby, and the largest outside terrace space featuring a restaurant, lounges, a terrace, exercise room etc. The hotel's 668 rooms offer a beautifully designed space in which to relax, refresh, connect and sleep.

Key Figure

Hotel Keys	721
Floors	27



501 First Street - Miami

A 472 residential units development comprising of studios, one bedroom and tow bedroom units. The project is in close proximity to the significant Miami WorldCenter neighborhood which is witnessing significant developments

Key Figure

Plot Size	47,000
Units	472



Yotel San Francisco

YOTEL San Francisco is the brand's first adaptive re-use office conversion project. Constructed in 1905, the Grant Building is one of three that survived both the 1906 and 1989 earthquakes in San Francisco. Blending the old and new, YOTEL incorporated tech-forward amenities such as self-check-in kiosks, whilst also maintaining the building's historic charm, incorporating many original features into the hotel design, from exposed brick walls to arched windows and its original marble staircase. The property has 203 rooms (or cabins as they are known at YOTEL), each with distinct floor plans to accommodate the building's original layout and frame.

Key Figure

Hotel Keys	203
Floors	8



Flats Atlantic Station

The Flats Atlantic Station is a 86 unit, 281 bed multifamily rental apartment located close to several major universities as well as Atlanta's 138 acre mixed use development – Atlantic Station. All of the apartments at The Flats come fully furnished. The building offers two, three & four bedroom student apartments with a variety of layouts and floor plans to choose from.

Key Figure

Units	86
Beds	281

AQARAT KEY DEVELOPMENTS - INTERNATIONAL



Yotel Miami

The Project consists of a 48-story LEED Silver building containing 213 Yotel Miami hotel rooms and approximately 233 YotelPAD condominium residence. Both the YOTEL Miami Hotel and the YotelPAD Condominium Residence are accessed at ground level through separate lobbies and elevator banks. The building will include three passenger elevators serving the hotel, two passenger elevators serving the condominium residences, and two service elevators

Key Figure

Hotel Keys	213
YotelPAD Condos	233



Th8

Inspired by cool chic Miami style living. The design is sophisticated and clean with a contemporary touch. Lightweight architecture and spacious are carried throughout the design, from the exterior focus on wide-open balconies to the airy and sleek interior where space is adorned with modern finishes. More art gallery than apartment, Th8 will be one of the Palm Jumeirah's most distinguished addresses. The Hotel is part of Th8 - a luxurious mixed-use development that comprises 190 residential apartments and a 162 key House of Originals hotel apartment complex.

Key Figure

Units	300
Floors	8
Hotel Keys	162



Domus

A state-of-the-art, staff housing accommodation located within close proximity to several of Dubai's major tourism hubs. The intent is to court a variety of hospitality companies with staff housing needs located within a 25 minute radius of the site. The overall project will eventually consist of over 392,000 square feet of built up area of which 233,000 square feet of rentable area, eventually housing over 2,000 hospitality staff of varying employment levels. The project seeks to create a sense of community where hospitality professionals within several disciplines from various hotel flags and other hospitality related companies

Key Figure

Units	102 units per building
Net Rentable Area	233,000
Total Built Up Area	394,000

Section 4

Financial Highlights

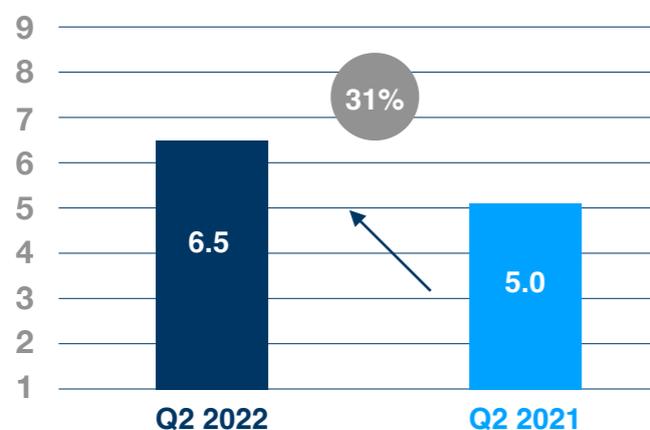
AQARAT- FINANCIAL PERFORMANCE

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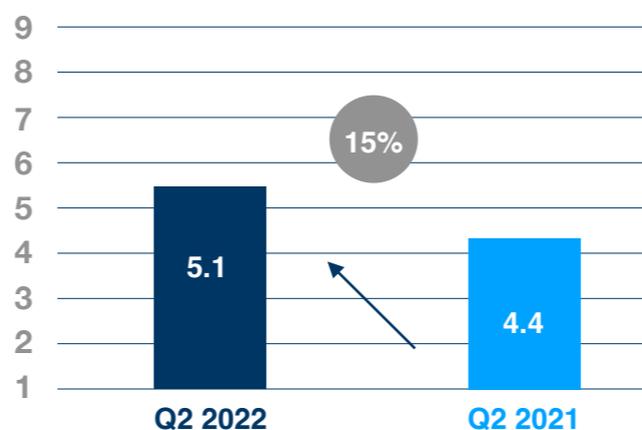
AQARAT- FINANCIAL PERFORMANCE

INCOME

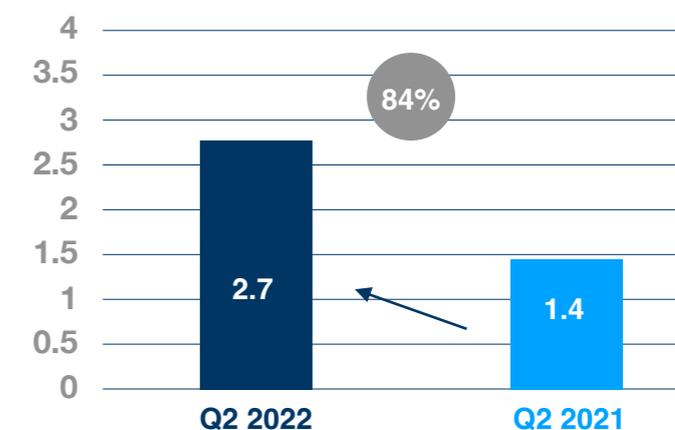
REAL ESTATE INCOME- KD Millions



NET RENTAL INCOME- KD Millions

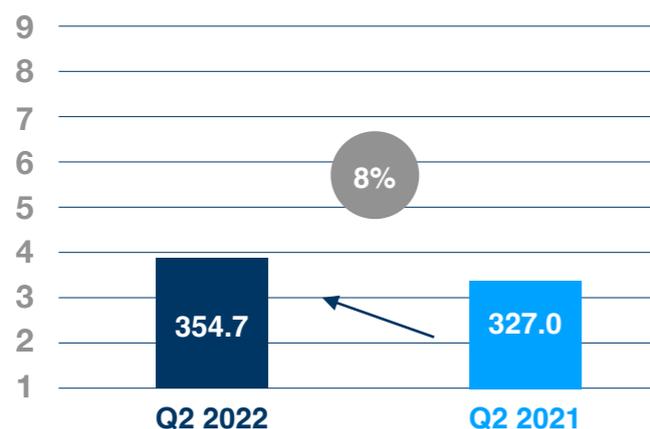


NET PROFIT- KD Millions

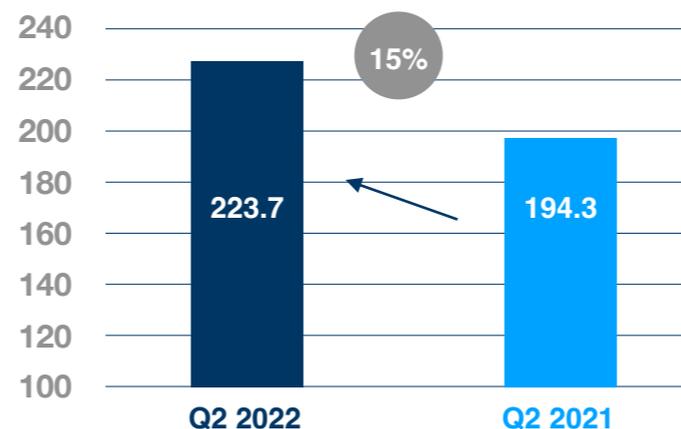


ASSETS & LIABILITIES

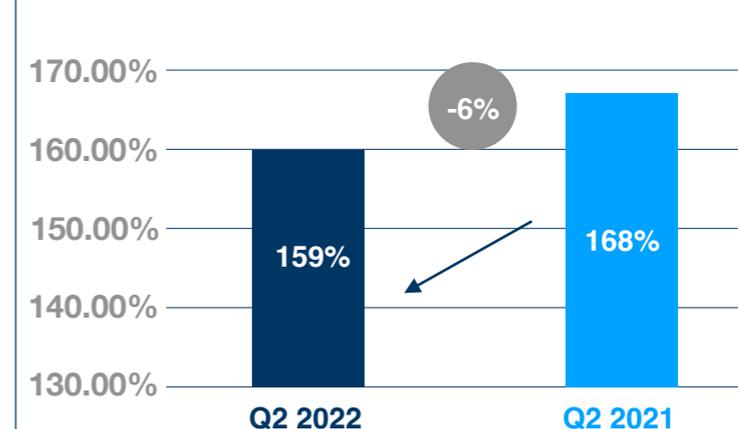
TOTAL ASSETS - KD Millions



TOTAL LIABILITIES - KD Millions



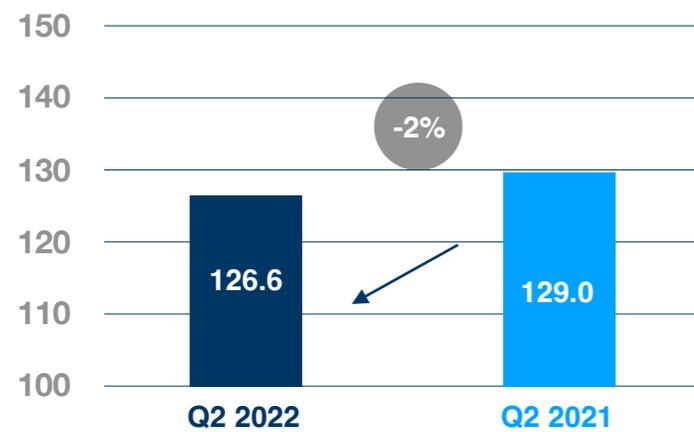
ASSET TO LIABILITIES



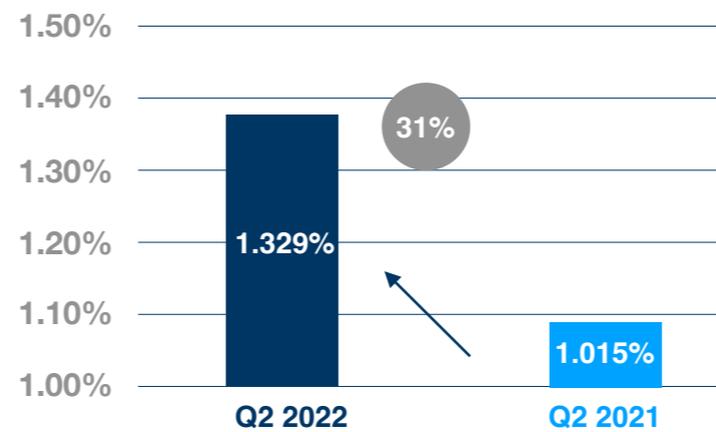
AQARAT- FINANCIAL PERFORMANCE

EQUITY

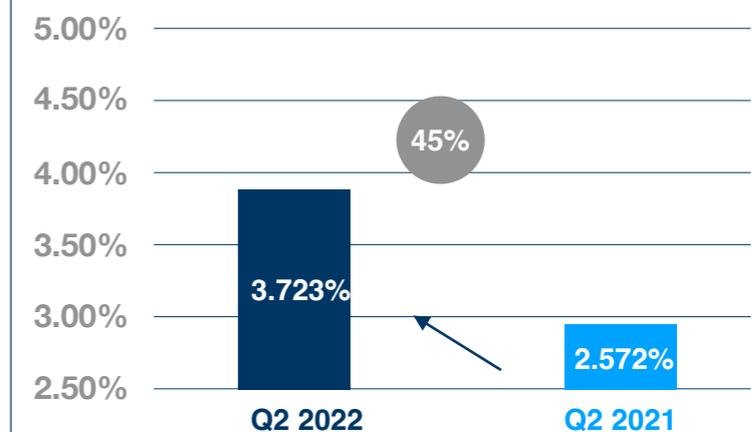
SHAREHOLDER EQUITY- KD Millions



RETURN ON ASSETS

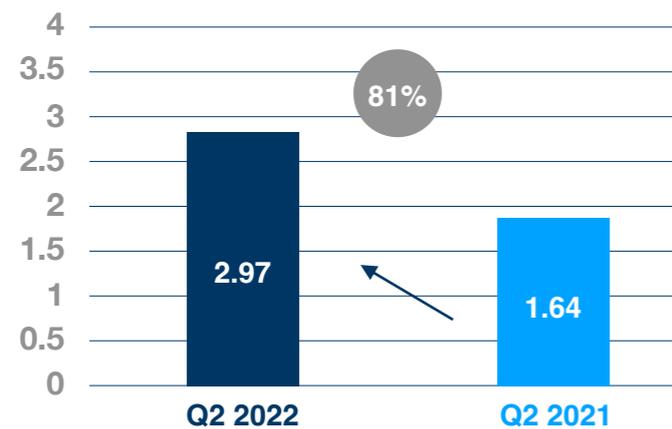


RETURN ON EQUITY



EARNINGS PER SHARE

EPS



Section 4

Questions



FOR FURTHER INFORMATION PLEASE CONTACT
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