
Kamco Invest reports growth in fee income in Q1 and retains its investment grade rating with stable outlook

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Kamco Invest announced its financial results for the first quarter ended 31 March 2026, impacted by the regional geopolitical conflict. The Company reported growth in fee and commission income and achieved positive total income despite losses recorded in its proprietary investment portfolio.

Furthermore, in its rating review issued today, Capital Intelligence Ratings maintained its Long- and Short-Term Corporate Ratings of Kamco Invest at 'BBB' and 'A3', respectively. The outlook on the ratings remains 'Stable' primarily due to Kamco Invest's leading position in the asset management industry that generates large and normally stable revenue stream and investment banking, closer ownership and cross-selling linkages with Burgan Bank, as well as the Company's strong financial position through its funding and liquidity base.

The first quarter of the year was marked by a sharp deterioration in the macro environment, as escalating regional tensions disrupted global trade flows and investor sentiment. The temporary closure of the Strait of Hormuz, alongside broader supply chain and logistics constraints, created significant uncertainty around energy exports and global growth.

Across the GCC, markets were directly impacted given the region's central role in global energy supply. Disruptions to oil exports, rising input costs, and limited visibility on economic activity weighed on investor confidence and liquidity. Most GCC equity markets declined during the quarter, led by Dubai (10.1%), followed by Bahrain (8.1%) and Kuwait (5.5%), reflecting broadly weaker sentiment across the region.

Despite ongoing geopolitical uncertainty, subdued market sentiment, and a slowdown in business activity, the Company generated KWD3.4mn in fee and commission income, reflecting a slight increase compared to Q1 2025. However, total revenue declined to KWD1.7mn (Q1 2025: KWD6.1mn), primarily driven by unrealized losses on the Company's proprietary investment portfolio, particularly within Boursa Kuwait that dropped by 5.5%. The Company reported net loss of KWD3.3mn (EPS: -9.56 fils) compared to a net profit of KWD1.2mn during the same period in 2025 (EPS: 3.44 fils).

During the quarter, Kamco Invest signed a memorandum of understanding with PGIM, a leading global investment manager, to pursue a strategic partnership that leverages their complementary capabilities and expertise across wealth and asset management.

Kamco Invest continued to strengthen its strategic relationship with Burgan Bank, enhancing client access to a broader and more integrated suite of financial services. Building on this collaboration, both institutions hosted the third edition of their Investment Conference, which has evolved into a flagship thought leadership platform in Kuwait, bringing together prominent stakeholders from across Kuwait and the region to explore global trends and emerging investment opportunities.

Assets under management stood at USD15.9bn as of 31 March 2026. Kamco Invest maintained its ranking amongst the largest asset managers in the MENA region. Furthermore, the Company was recognized by Forbes Middle East among top asset managers in the Middle East for 2026, thanks to its strong track record and deep expertise in delivering diverse investment solutions to its clients.

Managed equity and fixed income portfolios continued to outperform their respective benchmarks, while the Company's equity funds maintained their positions amongst the top performing funds in Kuwait and Saudi.

As for Alternative Investments, which covers real estate, private equity and structured products, the team continued to expand and diversify its range of offerings to provide clients with added value. During the quarter, Kamco Invest signed a EUR300mn partnership agreement with Santander Alternative Investments to offer sharia compliant, income generating investment opportunities in the European real estate private debt space to the investment community in the Arabian Gulf region.

The team also initiated capital call activity for the leasing strategy co-managed by Flexam Invest, a New York Life Investment Management company, and successfully completed the third income distribution to clients.

The Investment Banking team continued to advise clients on several transactions across equity capital markets, debt capital markets, and M&A, with deals expected to close during the year. The team [played a prominent role in the financial restructuring of Digitus Group, and during the quarter acted as Issuance Manager and Subscription Agent for the capital increase, which was successfully completed with demand exceeding 21 times the shares offered, with an aggregate value exceeding KWD127mn.](#)

First Securities Brokerage Company, Kamco Invest's brokerage arm, continued to strengthen its competitive position and attracted new clients through its online trading platforms.

Kamco Invest -Saudi and Kamco Invest - DIFC continued to strengthen their presence in their respective markets by improving their services and contributing more to the company's core businesses, particularly in asset management. Kamco Invest – Saudi signed a strategic partnership with Badie Investment to establish SAR500mn real estate fund to develop iconic tower along Riyadh's Sports Boulevard.

The Company enjoys a strong financial position, with shareholders' equity attributable to the parent Company of KWD66.0mn as of 31 March 2026.

Commenting on the results, Sheikh Talal Ali Abdullah Al Jaber Al Sabah, Chairman, said, "Despite the challenging regional geopolitical environment and its impact on market sentiment during the first quarter of 2026, which affected the performance of our proprietary investment portfolio and overall results, our core business fundamentals continued to demonstrate resilience and stability. The reaffirmation of our investment grade credit rating with stable outlook further reflects the strength of our financial position, prudent risk management framework, liquidity profile, and long-term growth prospects."

Faisal Mansour Sarkhou, Chief Executive Officer, commented, "We are encouraged by the continued growth in our fee and commission-based income despite the slowdown in business activity and the challenging operating environment during the quarter. This performance reflects the strength and resilience of our diversified business model, the recurring nature of several of our revenue streams, and the continued trust our clients place in our investment capabilities. The strategic partnerships, many already translating into tangible progress, will further strengthen our platform, expand our access to differentiated opportunities, and enhance the value we deliver to our clients."

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