A low-angle photograph of a modern, curved skyscraper with a glass facade, reflecting the sky. The building is the central focus, with its reflection visible on a dark, polished surface in the foreground. The sky is a clear, bright blue.

# Kamco Investment Company

Investors Presentation – 3M 2024

12 May 2024

**KAMCO**  
INVEST

**KAMCO**  
INVEST



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# Kamco Invest - A regional non-banking financial powerhouse

- > An independently managed subsidiary of KIPCO Group adopting the highest standards of corporate governance
- > Headquartered in Kuwait with offices in key regional financial markets
- > Provides a comprehensive range of investment solutions
- > Licensed by Kuwait's Capital Markets Authority & Central Bank of Kuwait
- > Listed on Boursa Kuwait
- > Proven track record
- > Strong relationships and access to one of the largest investors' community in the MENA region

## Business Offerings

### Asset Management

- > Fund Management
- > Portfolio Management
- > Advisory Service

### Investment Banking

- > Equity Capital Markets
- > Debt Capital Markets
- > Mergers & Acquisitions

### Brokerage

- > Equity Trading
- > OTC Trading
- > Research

## Regional Presence



**Kuwait:** Regulated by Capital Markets Authority & Central Bank of Kuwait

**UAE:** Regulated by Dubai Financial Services Authority

**Saudi:** Regulated by Saudi Capital Market Authority

**London:** Registered under UK Companies House

## Assets Under Management

USD **15.6bn**

- > Ranked the largest Asset Manager in Kuwait and 7th largest in the Middle East by Forbes ME for the year 2024

**Forbes** Middle East

## Investment Banking Mandates

USD **36.9bn**

- > Managed / co-managed around USD10.6bn in Equity finance
- > Arranged around USD16.4bn in Conventional & Islamic Debt
- > Advised M&A mandates worth USD9.8bn



# Well positioned to better serve our clients

- › Specialized Wealth Management team covering the region
- › An extensive client base including sovereign wealth funds, government entities, corporates, family offices and HNWI

## Placement Power

- › Diversified offerings covering investment banking services, regional listed equities, private equities, real estate, among others
- › Offering funds, portfolios and investment programs

## Comprehensive Offerings

- › Competitive and award-winning performance for managed funds and portfolios
- › Successfully managed regional and international investment banking mandates

## Track Record

- › Customized investment solutions
- › Adopting highest standards of corporate governance

## Client Driven Approach

## Regional Footprints

- › Presence in key capital markets in the MENA region
- › Cross border products and services
- › Regional client base

## Insight

- › Research covering regional economies, industries, markets and equities

## Experienced Professionals

- › Multi industry, market and asset class expertise
- › Highly qualified investment managers



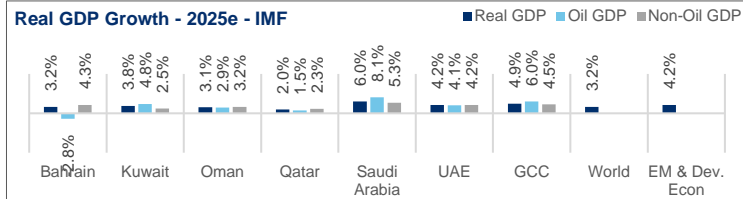
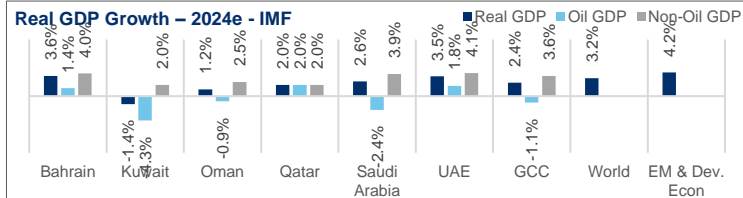


# Market Overview



# GDP growth and oil prices

- Global economic growth is expected to come in at 3.2% in 2024 and 2025 which is lower than historical average. Higher borrowing rate is one of the key reasons for the limited economic growth.
- Advanced economies are predicted to grow modestly, primarily reflecting the eurozone's comeback from slow growth in 2023. Growth in the US is expected to reach 2.7% in 2024 and then drop to 1.9% in 2025 due to an expected slowdown in labor markets and gradual fiscal tightening.
- GCC economic growth remains subdued due to the oil output cuts extended by OPEC+ until mid-year. Oil-GDP is forecasted to decline this year by 1.1% and this decline could steepen if output cuts are extended, while non-oil GDP is expected to remain upbeat.

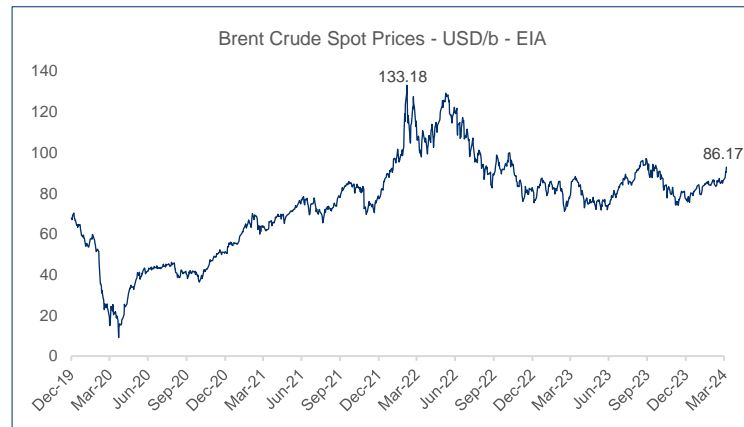


## Oil Market

- Oil prices remained flattish as compared to the previous quarter but witnessed a decline vs. Q1 of last year. The market witnessed consistent gains towards the end of Q1-2024 led by geopolitical issues coupled with tighter markets and controlled output.
- Near term oil demand is expected to get support from Europe as well as some signs of recovery in demand from China. Demand for India also remains strong. On the other hand, elevated output in the US capped gains in the crude oil market.

## Spot Brent Oil Price Performance

2023 Avg (y-o-y)	Q1 2024 Avg (q-o-q)
▼ 18.3%	▼ 1.3%

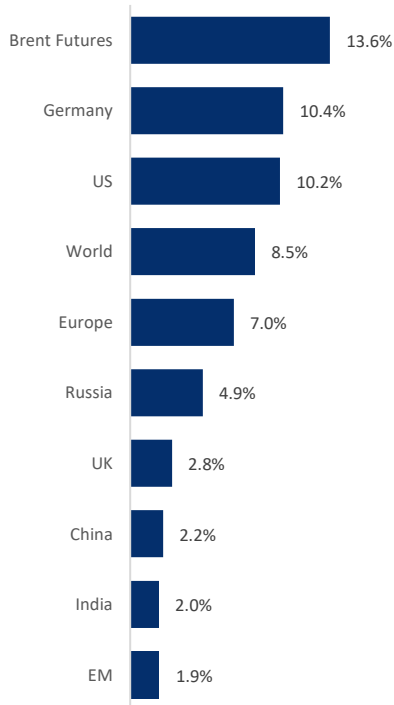




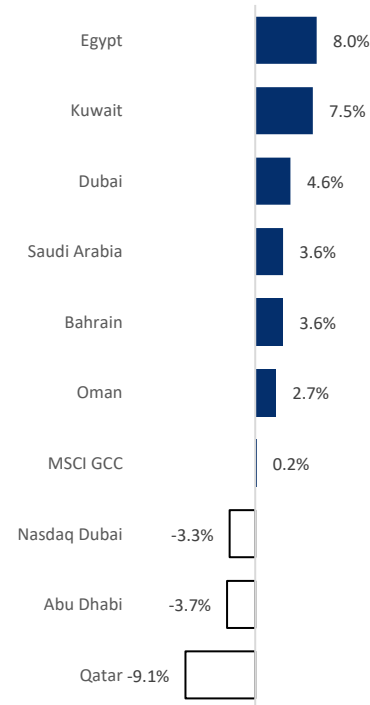
# Capital markets performance

- › Global equity markets witnessed gains across the board during Q1-2024 mainly reflecting optimism related to strong corporate earnings performance, especially in the US. The gains reflected continued strong economic growth that dented the progress made in terms of controlling inflation. The investor sentiments were strong enough to overlook elevated inflation numbers.
- › The performance in the US was supported by strong gains in large-cap tech stocks, while continuous economic progress in Europe supported gains in the regional indices.
- › GCC equity markets underperformed with almost flattish gains for the MSCI GCC Index during the quarter mainly led by geopolitical issues in the region and seasonal selling pressure during March-2024.
- › The performance of individual markets were mixed with Kuwait seeing the biggest quarterly gain while Qatar followed by Abu Dhabi registered declines.

**World Indices – Q1-2024 Returns**



**MENA Indices – Q1-2024 Returns**







# Business & Financial Performance



## Performance at a glance

- › KWD1.5mn profits in Q1 2024
- › Fee income increased by 7.4%
- › General & administrative expenses increased by 14.8%
- › Total liabilities increased by 20%
- › Cash & Cash equivalent increased by 2.8%

	3M 2024	3M 2023	Change
Fee Income (KWD mn)	3.5	3.3	7.4%
Total Income (KWD mn)	6.7	2.6	155.2%
General & Admin. Expenses (KWD mn)	4.0	3.5	14.8%
Net (Loss) Profit* (KWD mn)	1.5	(1.6)	193.7%
Earnings Per Share (Fils)	4.3	(4.6)	193.7%

	31 March 2024	31 Dec 2023	Change
Cash & Cash Equivalent (KWD mn)	27.2	26.5	2.8%
Total Assets (KWD mn)	143.2	128.8	11.1%
Total Liabilities (KWD mn)	77.1	64.2	20.0%
Owners' Equity (KWD mn)	61.5	59.7	3.0%

\* Attributable to Equity Holders of the Company



# Accomplishments

## Asset Management

- › Assets under management grew by 5.1% to reach USD15.6bn
- › Equities & Fixed Income
  - › Equity funds and managed portfolios continued to outperform their respective benchmarks
  - › Kamco Invest equity funds are amongst the best performing in Kuwait (3M 2024)
    - › Kamco Investment Fund
      - › 2<sup>nd</sup> best conventional fund
    - › Kamco Premier Market Index Fund
      - › 3<sup>rd</sup> best conventional fund
    - › Kamco Islamic Fund
      - › Best Islamic fund
- › Alternative Investments
  - › During the last quarter of 2023, the company successfully consolidated its extensive experience in real estate, private equity, and venture capital, bringing them together under the overarching umbrella of Alternative Investments

- › The total value of managed assets within this sector surpassed USD2.2bn
- › The team continued to undergo plans to exit legacy assets held by the private equity funds and work on new initiatives and products.
- › The team is also evaluating several investment opportunities in real estate, private equity, and venture capital, which led to a partnership agreement with Santander Asset Management, specialists in private debt instruments.
- › Closed capital raising for “The JEDI Fund” following the approval granted by the Capital Market Authority.

## Investment Banking

- › Continued to advise their clients on several transactions
- › Successfully completed:
  - › USD500mn Sukuk issuance
- › Several transactions in the pipeline expected to close during 2024 across Equity Capital Markets, Debt Capital Markets, and Mergers & Acquisitions (M&A).



# Accomplishments

## Brokerage

- › Service offered through Oula Wasata, Kamco Invest's brokerage arm
- › Continued to strengthen its competitive position and attracted new clients through its online trading platforms
- › Launched an app dedicated to onboarding clients and updating client information

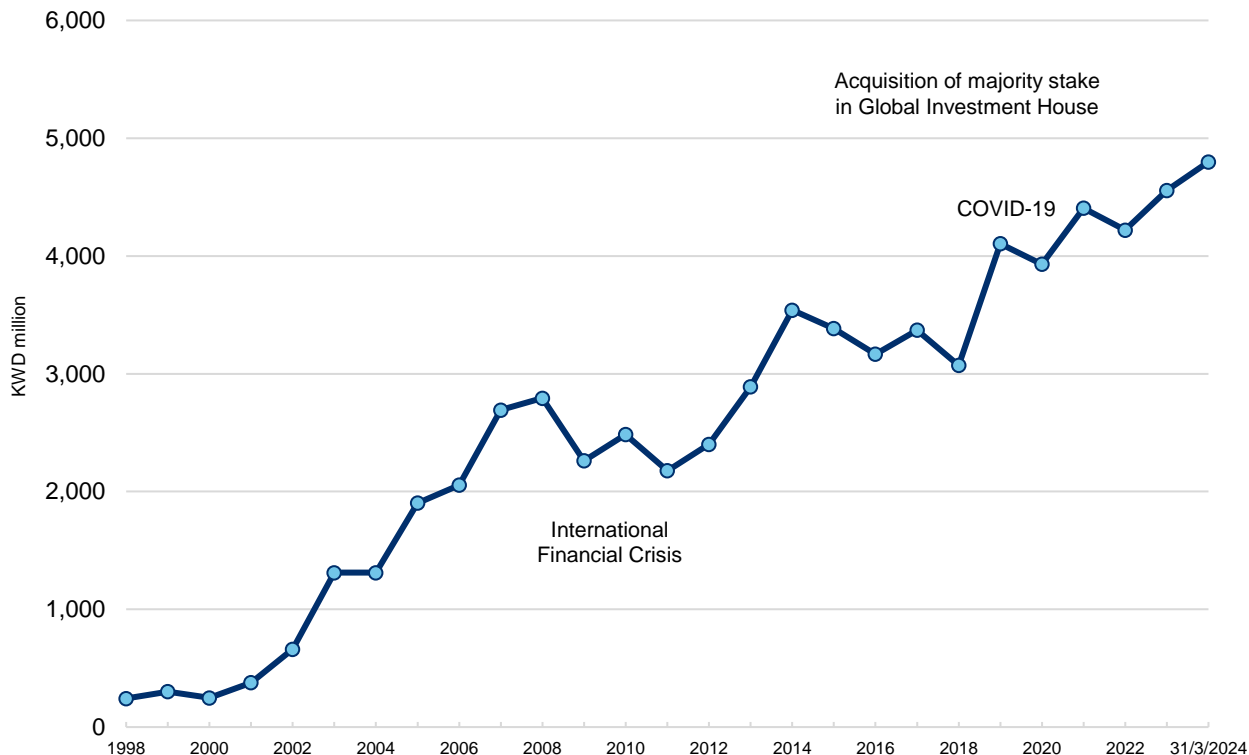
## Regional Offices

- › Regional offices continued to strengthen their presence in their respective markets
- › Increased their contribution to the company's core businesses; namely asset management
- › Kamco Invest – Saudi signed an exclusive agreement with Flexam Invest to offer leasing opportunities to clients



# Assets Under Management

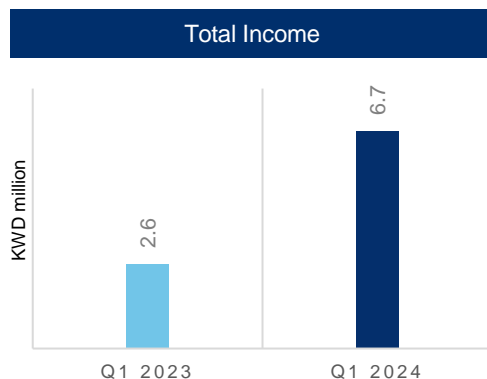
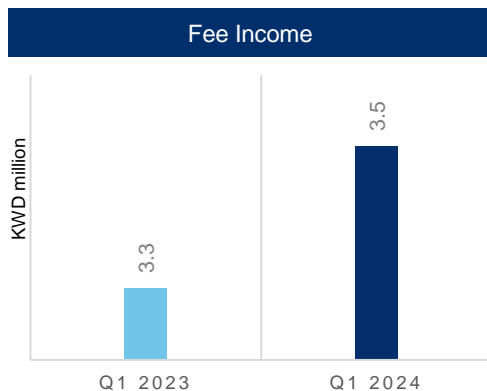
- › AUM KWD 4.8bn (USD15.6bn) as of 31 March 2024
- › CAGR 12.5% since inception in 1998





# Financial Performance - Income Statement

- › Fees remain the core of our income representing 52.2% of total income



## INCOME

	3M 2024 (KWD 000)	3M 2023 (KWD 000)
Fee income	3,521	3,279
Net (Loss) gain on financial assets at fair value through profit or loss	1,296	(779)
Share of results of associates	1,086	(635)
Dividend income	161	81
Interest income	337	348
Foreign exchange gain (loss)	(14)	65
Rental income	237	220
Other income	118	63

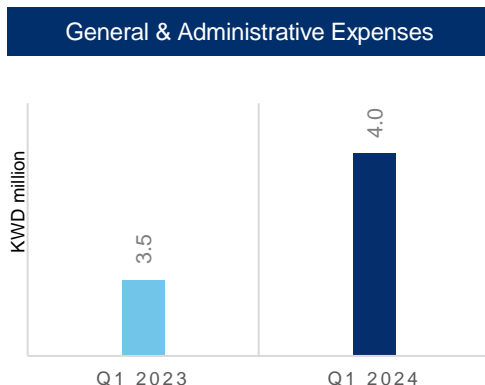
<b>6,743</b>	<b>2,643</b>
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# Financial Performance - Income Statement

- › General and administrative expenses increased by 14.8%

- › General and administrative expenses to fee income stood at 1.13x in 3M 2024



## EXPENSES

General and administrative expenses  
 Finance costs  
 Provision for (reversal of) expected credit losses on loans and advances, net  
 (Reversal of) provision for expected credit losses on financial assets

## PROFIT FOR THE PERIOD BEFORE TAXATION

Taxation

## PROFIT FOR THE PERIOD

Attributable to:

Equity holders of the Company  
 Non-controlling interests

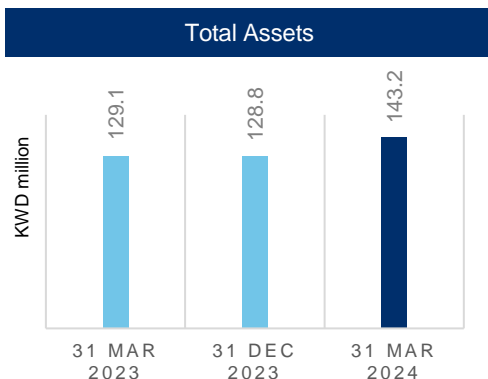
Basic and diluted earnings per share attributable to equity holders of the Company

	3M 2024 (KWD 000)	3M 2023 (KWD 000)
General and administrative expenses	3,980	3,468
Finance costs	880	677
Provision for (reversal of) expected credit losses on loans and advances, net	317	41
(Reversal of) provision for expected credit losses on financial assets	1	6
	<b>5,178</b>	<b>4,191</b>
PROFIT FOR THE PERIOD BEFORE TAXATION	<b>1,565</b>	<b>(1,549)</b>
Taxation	<b>88</b>	<b>-</b>
PROFIT FOR THE PERIOD	<b>1,477</b>	<b>(1,549)</b>
Attributable to:		
Equity holders of the Company	<b>1,466</b>	<b>(1,565)</b>
Non-controlling interests	<b>11</b>	<b>16</b>
	<b>1,477</b>	<b>(1,549)</b>
Basic and diluted earnings per share attributable to equity holders of the Company	<b>4.28 fils</b>	<b>(4.57) fils</b>

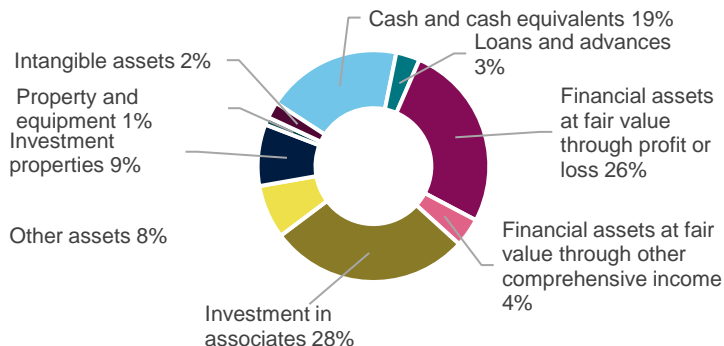


# Financial Position – Assets

- › Total assets increased by 11.1%
- › Cash & cash equivalents represents 19.0% of total assets
- › Investments to total Assets 66.9%



## Total Assets (31 March 2024)

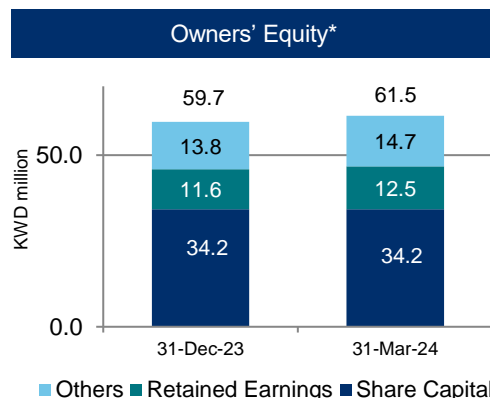
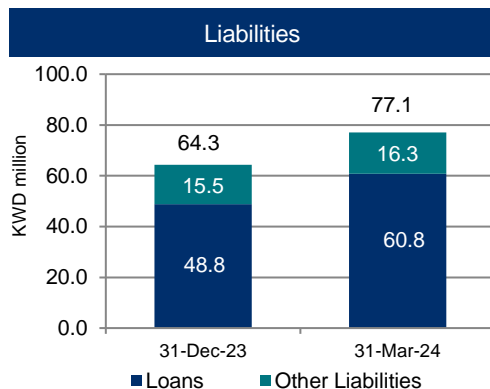


	31 March 2024 KWD (000)	31 Dec 2023 KWD (000)
Cash and cash equivalents	25,218	26,481
Loans and advances	4,758	4,757
Financial assets at fair value through profit or loss	37,549	38,973
Financial assets at fair value through other comprehensive income	5,767	6,391
Assets held for sale	-	-
Investment in associates	40,100	22,433
Other assets	10,711	12,749
Investment properties	12,315	12,314
Property and equipment	1,538	1,462
Intangible assets	3,225	3,284
<b>Total assets</b>	<b>143,182</b>	<b>128,844</b>



# Financial Position – Liabilities & Equity

- › Total liabilities increased by 20%
- › Owners' Equity stands at KWD61.5mn
- › Net Debt to equity\* 0.55x
- › Credit Rating by Capital Intelligence (May 2023)
  - › “BBB” long-term
  - › “A3” short-term
  - › stable outlook



\* Attributable to Equity Holders of the Company

## LIABILITIES

	31 March 2024 KWD (000)	31 Dec 2023 KWD (000)
Loans	60,750	48,750
Bonds	-	-
Other liabilities	16,341	15,492
<b>TOTAL LIABILITIES</b>	<b>77,090</b>	<b>64,242</b>

## EQUITY

	31 March 2024 KWD (000)	31 Dec 2023 KWD (000)
Share capital	34,233	34,233
Share premium	9,089	9,089
Statutory reserve	7,493	7,493
Voluntary reserve	2,093	2,093
Revaluation Reserve	934	934
Cumulative changes in fair values	(5,872)	(6,708)
Foreign currency translation reserve	980	881
Retained earnings	12,505	11,648
<b>Equity attributable to equity holders of the company</b>	<b>61,456</b>	<b>59,665</b>
Non-controlling interests	4,636	4,938
<b>TOTAL EQUITY</b>	<b>66,091</b>	<b>64,602</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>143,182</b>	<b>128,845</b>





Share Information



## Share Information

Legal Name	Kamco Investment Company K.S.C. (Public)	
Date Established	16 September 1998	
Regulated By	Capital Markets Authority	
Listing Date	20 October 2003	
Stock Ticker	KAMCO	
Bloomberg Ticker	KAMCO KK Equity	
Thomson Reuters Ticker	KAMC.KW	
Paid Up Share Capital	Kuwait's Capital Markets Authority (CMA) and Central Bank of Kuwait	
Outstanding Shares	20 October 2003	
Par-value per Share	KWD 0.100	
Fiscal Year	January - December	
Registrar	Kuwait Clearing Company	
Shareholder Structure	Major Shareholders owning over 5% › KIPCO Group Companies (United Gulf Bank, Burgan Bank)	62.92%





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