



Date: 11/03/2025

Ref.: Ib/12/2025

التاريخ: 2025/03/11

الإشارة: إب/12/2025

To: Boursa Kuwait Co.

Dear Sirs,

السادة/ شركة بورصة الكويت  
المحترمين  
تحية طيبة وبعد،

**Subject: Analyst/Investors Conference transcript for the financial year ended on Dec 31, 2024**

**الموضوع: محضر مؤتمر المحللين/ المستثمرين  
السنة المالية المنتهية في 31 ديسمبر 2024**

With reference to the above subject, and as per requirements stipulated in article No. (7-8) "Listed company obligations" of Boursa Kuwait rule book, kindly find enclosed the Transcript of the Analyst/Investors conference for the Year ended on Dec 31, 2024, which conducted on Thursday, 06/03/2025.

بالإشارة إلى الموضوع أعلاه، وعملاً بالأحكام الواردة في المادة (7-8) "التزامات الشركة المدرجة" من كتاب قواعد بورصة الكويت، فإننا نرفق لكم طيه محضر مؤتمر المحللين/المستثمرين عن السنة المالية المنتهية في 31 ديسمبر 2024، والمنعقد يوم الخميس الموافق 2025/03/06.

Best regards,

مع خالص التحية ،،،

Abdulaziz G. Alnafisi  
Chief Executive Officer

عبدالعزیز غازی النفیسی  
الرئيس التنفيذي

\*Copy to the Capital Markets Authority.

\*نسخة للسادة/ هيئة أسواق المال



<b>Salhia Real Estate Company</b>	<b>شركة الصالحية العقارية</b>
<b>Earnings Call Transcript</b>	<b>محضر مؤتمر المحللين</b>
<b>For the year 2024</b>	<b>عن العام 2024</b>
<b>Thursday, Mar 06, 2025</b>	<b>الخميس الموافق 06 مارس 2025</b>

**Hussein Fares**

Good morning and good afternoon everyone, and thank you for joining us today. This is Hussein Fares from Arqaam Capital, and I am pleased to welcome you to Salhia Real Estate Company's Q4 and FY 2024 earnings webcast. I am joined today by Mr. Mohammed Al Musaibeeh – Finance, Accounting, HR Group head, Mr. Sameh Abdulyazid El-Adly – Group Finance Manager, and Mr. Fahad Al Shaya – Accounting Supervisor, representing Salhia's management team.

Please note that if you wish to ask questions during the presentation, kindly type them in the chat box and send them directly to Arqaam Capital. Without further ado, I will now hand the call over to Salhia's management team, over to you Fahad.

**Fahad Al Shaya**

Good afternoon, everyone, and welcome to Salhia Real Estate's Year-End 2024 Earnings Call.

My name is Fahad Al-Shaya, and I am honored to guide you through today's presentation. I will be sharing key insights into our performance, milestones, and strategic direction. Following the presentation, I look forward to addressing your questions during the Q&A session.

Before I proceed, I want to emphasize that today's discussion will include forward-looking statements reflecting the company's expectations, predictions and estimates. These statements do not guarantee our future performance, achievements or results. Please be informed that the accompanying presentation along with the supplemental financial information will be readily accessible on our website at [salhia.com](http://salhia.com) under the investor relations section. Please revert to page 2 in the presentation for the full disclaimer.

Moving on, net profits reached KD 12.62 million, driven by a 10% increase in revenue and a 22% rise in EBITDA. This growth reflects our unwavering dedication to executing our vision and strategies effectively.

Now, let's turn our attention to our local investments. All of our local investments share key features, including a mall, an office tower, and a hotel. Salhia Complex comprises three premier properties: a luxury mall, Sahab Tower, and a five-star business hotel, all located in one of Kuwait's prime areas.

Recognized for hosting a diverse range of luxury brands, Salhia Complex is celebrated as one of Kuwait's most distinguished shopping destinations. Recent renovations to its front-facing façade have introduced a

modern and elegant aesthetic, further enhancing its appeal. Our occupancy levels remain strong and within our target range, with retail stores achieving an impressive 99% occupancy and office spaces maintaining a solid 94%.

We remain committed to maintaining Salhia Complex as Kuwait's premier destination for luxury shopping, continually enhancing the retail experience to exceed the expectations of our valued visitors. Sahab Tower maintains a strong 97% occupancy rate, attracting both domestic and international businesses. Meanwhile, Salhia Plaza has undergone significant renovations aimed at enhancing the overall area, creating a dynamic space for special events and collaborative initiatives.

These enhancements not only elevate the plaza's aesthetics and functionality but also create valuable opportunities for tenants to benefit from increased footfall and enhanced public engagement. The renovations include key improvements to facilitate outdoor seating, providing businesses with an inviting atmosphere while supporting tenants and fostering a vibrant community experience.

The JW Marriott, a renowned five-star business hotel, is set to reopen to the public in 2025 following extensive renovations to both the hotel and the adjoining mall.

The hotel will feature 14 floors, 181 rooms, and two signature restaurants. While the opening was initially planned for late 2024, it was postponed due to regional conflicts. I look forward to sharing more updates in the upcoming quarters as we approach this highly anticipated reopening.

Following its redevelopment, I am proud to share that we have received an honorable mention in the prestigious 2024 MEED Awards, earning recognition as the "Refit Project of the Year." This achievement highlights our commitment to combining premium materials with a modern aesthetic, further solidifying the complex's architectural prominence in the heart of downtown Kuwait City.

The project aims to blend the rich history of this landmark with a fresh, modern design—cutting carbon emissions by 30%—while re-establishing the hotel as a distinguished architectural landmark in downtown Kuwait City.

Arraya, located on one of the city's busiest streets, is a dynamic mixed-use development featuring a shopping mall, a 25-story tower, and a four-star Courtyard Marriott Hotel with a Convention Hall. The mall continues to thrive with an 86% occupancy rate, offering a diverse selection of stores, restaurants, and boutique shops that cater to a wide range of tastes and preferences.

Arraya Tower maintains a strong 98% occupancy rate, providing businesses with an ideal environment, supported by 24/7 facility and maintenance services to ensure client needs are met efficiently.

Adjacent to Arraya Center is the Courtyard Marriott Hotel, a distinguished four-star business hotel featuring 264 rooms, three dining venues, six fully equipped banquet halls, and a dedicated business center. The hotel's RevPAR surged by 50% compared to the same period last year, reflecting strong performance and growing demand.

The multi-purpose Convention Hall is designed to accommodate a variety of events, including weddings, public gatherings, and exhibitions. Ongoing growth highlights the increasing demand for our services and underscores our commitment to meeting the needs of our valued clients.

Assima, strategically located in the heart of the city, is a prestigious complex that includes a multi-level mall, a modern office tower, and long-term residences operated by Marriott International.

Assima Mall is the largest shopping destination in Kuwait City, spanning an impressive 180,000 square meters of built-up area, with over 72,000 square meters of leasable space and 13 anchor units. With a remarkable 95% occupancy rate, Assima Mall has solidified its position as an iconic hub for casual shopping, local dining, and family-friendly entertainment, making it the top choice for relaxed shopping and community activities.

Looking ahead, our vision for Assima is to elevate the retail environment, delivering an enhanced and seamless shopping experience that consistently exceeds the expectations of our valued visitors.

To achieve this, our team is dedicated to implementing strategic improvements that uphold the high standards of professionalism while ensuring exceptional customer satisfaction.

Assima Tower, located adjacent to the mall, is a 51-story building that is currently at 20% occupancy as of 2024, accommodating a mix of domestic and international businesses. The tower is supported by 24/7 facility and maintenance services, ensuring a professional and efficient environment for our tenants.

To ensure long-term tenant stability, we are taking a measured approach in reviewing all applications, selecting tenants who align with our commitment to fostering a thriving business environment. Our focus is on securing the right fit, enhancing the overall tenant experience, and sustaining a successful business strategy.

Marriott Executive Apartments, managed by Marriott International, introduces a fresh approach to hospitality in Kuwait.

Spanning across 11 floors with stunning views of Assima Mall, Marriott Executive Apartments is perfect for both business travelers and vacationers. The apartments offer flexible options for both short- and long-term stays, featuring top-notch amenities and exceptional service to ensure every visit is unforgettable.

Featuring 164 serviced apartments with access to services such as dining, conference spaces, and a fully equipped fitness center, the hotel's RevPAR increased by 92% compared to the same period last year.

As part of our strategic local investments, Salhia International Entertainment Center, a wholly owned subsidiary of Salhia Real Estate Company, has secured an exclusive license from National Geographic.

This partnership brings Kuwait its first family entertainment center under the brand name National Geographic Ultimate Explorer. Located within Assima Mall, the center spans 5,000 square meters and has quickly become a favorite destination for families and children. It offers educational experiences that leave a lasting impression on our visitors.

As highlighted in previous conferences, I'd like to emphasize that Salhia acquired a 9,284 square meter plot of land adjacent to the Salhia Complex in 2024. This prime acquisition is divided into four distinct plots, further reinforcing Salhia's commitment to expanding its footprint and enhancing the development of services in the area. What I can share at this point is the following:

In late 2024, each of the four plots acquired by Salhia was independently valued by KIB and Al-Jal. Following these evaluations, the Board of Directors approved the sale of Plot 3, measuring 1,437 square meters, to United Family Company, a wholly owned subsidiary of Salhia's Chairman, Ghazi Alnafisi. The transaction, valued at 13.227 million, aligns with Salhia's design and vision for the area.

This sale has been reflected in the company's 2024 financial statements. As highlighted in previous updates, the 9,284-square-meter land was purchased for 70 million, partially financed through a corporate loan. This acquisition represents a strategic expansion of the Salhia Complex. Construction is already underway, with progress updates to follow in future reports.

Moving on to our foreign investments, Salhia continues to build on the success of its local projects, making significant strides in both domestic and international development. In the UK, Salhia is actively involved in transformative projects, including the Beorma Quarter in Birmingham and the Lolworth Development in Cambridge.

These projects are key contributors to urban renewal and community enhancement, reflecting Salhia's commitment to sustainable and practical growth on a global scale. The Beorma Quarter, managed by Salhia International Birmingham Limited, a wholly owned subsidiary of Salhia Real Estate, began construction on Phase 2 of the quarter in August 2023. This development is situated on one of Birmingham's busiest streets.

Phase 2 features a 30-story tower with 14,000 square meters of premium commercial office space and 124 high-quality residential apartments. Phase 1 of the project has already been successfully completed and is

fully operational, housing the Adagio Hotel and the Prince's Trust. With construction underway, approximately 50% of Phase 2 has been completed, and it is expected to be finished by mid-2026.

More details will be shared as the development progresses in future quarters. To gain a comprehensive understanding of the project's specifics and phases, you can refer to the map of the entire Beorma Quarter. Phase 1, marked in red on the map, has been successfully completed and is fully operational, with all space leased to the Adagio Hotel and the Prince's Trust.

Phase 2, highlighted in blue, is currently under construction and is scheduled for completion by 2026. The area highlighted in green represents Phase 3, the final phase, which is still in the R&D stage. However, initial plans suggest an expansion for Phase 3, featuring increased retail office space and additional apartments.

Here are some snapshots of Phase 2 of the project. As you can see, the development is well underway and making steady progress toward its scheduled completion in 2026.

Lolworth Development Ltd., a wholly owned subsidiary of Salhia Real Estate, holds a strategic land auction site located northwest of Cambridge, UK.

Located approximately 11 kilometers from Cambridge City, the site spans over 1 million square meters, offering a unique opportunity to create a premier economic hub. This development is envisioned to support a wide range of business and logistics services, reinforcing its potential as a key driver of economic growth and innovation in the region.

To provide better insight into our projected timeline for ongoing projects, the JW Marriott is set to be fully operational in 2025, while the Beorma Quarter is expected to be completed in Q3 of 2026.

Moving on to our financials, the group's net profit decreased by 21% in 2024, amounting to \$12.62 million, while our EBITDA increased by 22%. The net profit margin has seen a decline compared to the same period last year, primarily due to higher depreciation costs and increased finance costs related to our projects, as well as extraordinary gains from the recovery of insurance claims in the previous year.

Regarding profitability indicators, a 30% decrease in internal assets and a 22% decrease in internal equity can be attributed to the same factors discussed earlier in the previous slide.

The consolidated top-line performance has increased by 10% year-on-year, reflecting improved performance from our operational assets. Our operating expenses are aligned with the rising revenues, which include the classification of Marriott Executive Apartments alongside our similar real estate revenue operations. Overall, operating income from our real estate properties has grown by 8% in 2024.



The increase in core revenue reflects our efforts to improve occupancy, tenant mix, and related revenues. Additionally, the gross profit margin has increased by 1% compared to the same period last year. Operating expenses for our properties have remained unchanged in 2024 compared to the previous year.

As mentioned earlier, the reclassification of Marriott Executive Apartments has shifted revenue and operating expenses from real estate to hospitality. The operational performance of our hospitality business has increased by 26%, reaching KD 6.1 million compared to the same period last year. This growth is attributed to a higher average daily rate and RevPAR, driven by the opening of Marriott Executive Apartments in 2024.

The 3% decrease in gross profit margin compared to the same period last year is primarily due to the reclassification of Marriott Executive Apartments' revenue and operating expenses from real estate to hospitality. Borrowings at the group level have increased in 2024, following the acquisition of the Anwar Sabah property and the financing of the Assima project. As mentioned earlier, with the newly acquired Anwar Sabah property, we anticipate continued investment in development and expansion. Despite these investments, we remain optimistic about our financial results for the year.

**For further information, please refer to the appendix for the consolidated financial position and income statement. I thank you for your time, and now, I'll hand it back over to Hussein for any questions.**

**Hussein Fares**

Thank you, Fahad, for the presentation. We will now take questions. If you would like to ask a question, please type it in the chat box and send it directly to Arqaam Capital.

We have our first question. With JW Marriott's scheduled reopening, is there a plan to renovate Courtyard as well?

**Fahad Al Shaya**

As of now, our primary focus is on ensuring a successful opening for JW Marriott. While the idea of renovating Courtyard Marriott has been reviewed, it's still in the early stages and not on our immediate timeline. However, we are continuing to conduct research on this topic.

**Hussein Fares**

We have our second question. Assima Tower occupancy is low at 20%. What is the reason? Is the occupancy expected to remain low?

**Fahad Al Shaya**



As of 2024, Assima Tower's occupancy stands at 20%. However, I'm pleased to report that with new tenants coming on board in 2025, we expect occupancy to increase to 45%–50%. This progress will be reflected in our 2025 report.

**Hussein Fares**

Can you give some guidance on CAPEX in 2025 and 2026? How much more CAPEX is required for Beorma Tower and residential? How much CAPEX left for JW Marriott Kuwait?

**Fahad Al Shaya**

Regarding Beorma, we have already paid £65 million, with a remaining balance of £65 million. As for the JW Marriott, our remaining CAPEX is approximately £5 million.

**Hussein Fares**

We have another question on the Salhia extension. Can you elaborate more about your strategy, construction, and phasing?

**Fahad Al Shaya**

Let me be clear, it's still a bit early to provide full details about the Salhia extension strategy. However, I can share that the design is currently in the drafting stage, and I'm confident it will impress visitors and elevate the surrounding areas. We have a dedicated team working on the planning, ensuring that the new development complements the existing structure and enhances the overall visitor experience. Once I have more information, I'll share it in the coming quarters and hopefully provide more details to showcase.

**Hussein Fares**

We have another question. Is there any grace period or rental free for the new occupancy for Assima Tower? If yes, how many months?

**Fahad Al Shaya**

Currently, our tenants are receiving a grace period of six months. Starting from Q4, we will begin receiving rental income, primarily due to the completion of fixtures, design, and construction. We have taken these factors into account, which is why we have provided our tenants with a six-month grace period.

**Hussein Fares**

We have another question. Will Salhia benefit from the mortgage and housing reforms in Kuwait?

**Fahad Al Shaya**

We won't benefit from this as we view it as a different sector. Our primary focus is on the commercial real estate industry.

**Hussein Fares**

We have another question. You have announced a dividend distribution of 15% in cash and 5% in bonus shares.

**Fahad Al Shaya**

Regarding this announcement, the distribution will take place once it is approved by the General Assembly. The targeted date is still being coordinated with the Ministry of Commerce. However, we anticipate that the General Assembly meeting will be held in the second week of April, with the distribution expected to take place in May 2025.

**Hussein Fares**

We have a question from Rami. Are you participating in government tenders for commercial centres in Sabah al-Hamad and other areas in Kuwait?

**Fahad Al Shaya**

Currently, we have no plans to enter any government tenders. Our primary focus remains on our existing projects. If any potential opportunities arise in the future, the company will announce them through the proper channels, and I will provide updates during these conferences.

**Hussein Fares**

Another question. What is your strategy to manage cash as debt is increasing during the construction of Beorma Tower? Do you have a leverage target, i.e. peak during Beorma Tower construction? Also, what is management's long-term leverage target?



## Transcript

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Salhia Real Estate Company Q4 & FY 2024  
earnings call and webcast

Thursday, 06 March 2025

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### **Fahad Al Shaya**

Our leverage target is set at 2.5. However, our current leverage stands at 1.8, and due to our strong cash flow management, we are able to maintain this target.

### **Hussein Fares**

It appears that there are no more questions. We have addressed all the inquiries in the chat box. Thank you for joining the call today. I will now hand it back to Salhia's management team for any closing remarks. Thank you all for your time.

### **Fahad Al Shaya**

If you have any further questions, please feel free to send them to [ir@salhia.com](mailto:ir@salhia.com), and we will respond as soon as possible. Thank you very much for your time.



SALHIA REAL ESTATE CO.

# 2024 Results Presentation

Period Ended 31<sup>st</sup> December 2024



SALHIA



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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

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2024

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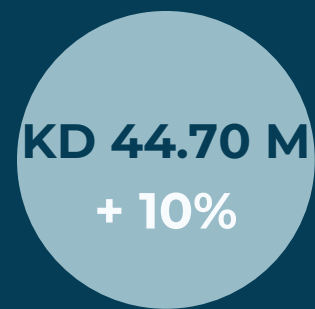
**5** Local Investments

**20** Foreign Investments

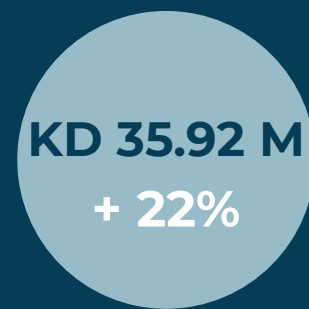
**27** Financial Performance

**34** Appendix

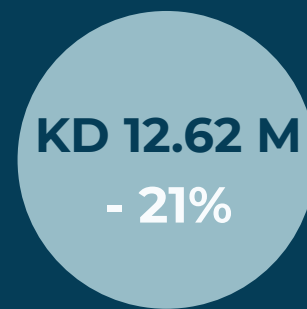
## Group Performance



Revenue



EBITDA



Net Profit

# Performance Highlights 2024

## Business Highlights

- Decrease in Net Profit due to depreciation & Finance cost Increase
- Continued commitment to strategy execution.
- Efficiency in under development project execution.
- Commitment towards Salhia's Shareholders.



SALHIA



# LOCAL INVESTMENT'S



SALHIA



# LOCAL INVESTMENT



## SALHIA

- Salhia Complex
- Sahab Tower
- Salhia Plaza
- JW Marriot Hotel
- Salhia Extension



## ARRAYA

- Arraya Commercial Centre
- Arraya Plaza
- Arraya Tower
- Marriot Courtyard Hotel
- Convention Hall



## ASSIMA

- Assima Complex
- Assima Tower
- Marriot Executive Apartments (MEA)

**Salhia International  
Entertainment Center (SIEC)**



SALHIA



# General Knowledge

92,375  
SQM

Built Up  
Area

56,775  
SQM

Gross Leasable  
Area

94%

2024 Office  
Occupancy

99%

2024 Store  
Occupancy

## Salhia Complex

- The first integrated retail and leisure complex in the GCC region.
- 26,857 square meters of space for commercial offices.
- Three floors of retail, and five floors of offices located above the stores

## Sahab Tower

- Connected to the Salhia Commercial Complex by a suspended walkway on the mezzanine floor.
- 92% occupancy rate from both foreign and national businesses.
- Built Up Area SQM – 11,148 & Gross Leasable Area – 10,750

# SALHIA



# SALHIA PLAZA

## Key Renovation Features

- Designed to support special events and collaborative initiatives
- Support for a vibrant and dynamic community experience
- Increased footfall benefiting tenant businesses
- Upgraded pedestrian pathways for better accessibility and flow





# General Knowledge

33,323  
SQM

Built Up Area

181

Number of  
Rooms

2025

Expected  
Opening

2

Number of  
Restaurants

## JW Marriot

- JW Marriott is in the center of Kuwait City's business and financial district.
- Connected to Salhia Complex & near well-known retail centers.
- Targeted Opening 2025
- Operated by Marriot International

# JW MARRIOTT





# MEED Awards

## REFIT PROJECT OF THE YEAR

- Fusion of premium materials and modern aesthetics
- Strengthens JW Marriott's iconic presence in downtown Kuwait City
- Environmental Impact: 30% reduction in carbon emissions

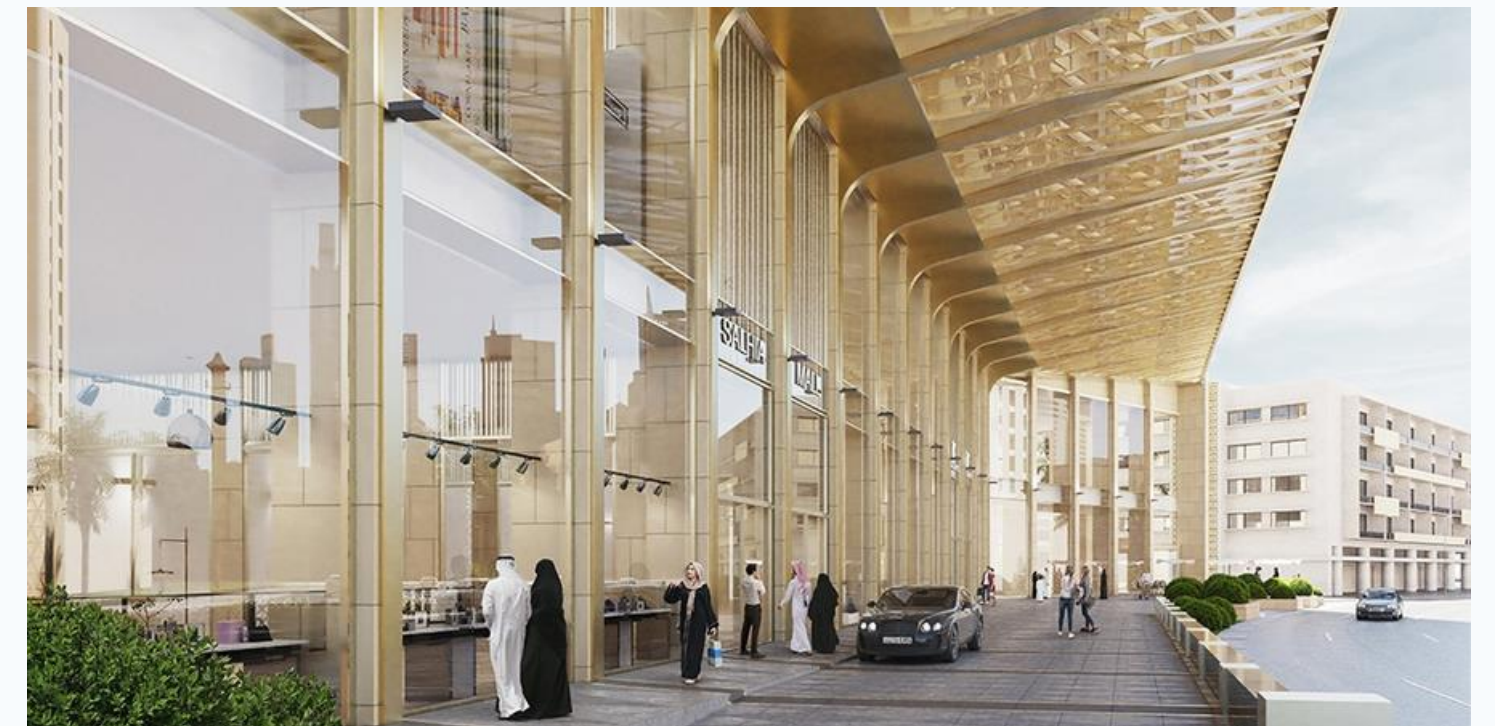


SALHIA



## Opening in 2025

- Design Highlights: Ground floor extension, new reception area, adaptive reuse approach, and enhanced public space.





# General Knowledge

97,208  
SQM

Built Up  
Area

53,579  
SQM

Gross Leasable  
Area

98%

2024 Tower  
Occupancy

86%

2024 Mall  
Occupancy

## Arraya Centre

- Situated in the heart of Kuwait City
- Featuring a range of shops, upscale eateries and casual hangouts.
- Six-floors car park accommodating 1,400 cars, connected by suspended bridges overlooking the Arraya Plaza.

## Arraya Tower

- 57 floors designated for office workspaces.
- Area of 1,265.5 square meters, soars approximately 300 meters in height.
- 24-hour facility and maintenance support.
- Built Up Area SQM – 64,523 & Gross Leasable Area – 36,106 SQM

# ARRAYA

# General Knowledge

29,008  
SQM

Built Up Area

264

Number of  
Rooms

22

Number of  
Floors

3

Number of  
Restaurants

## Marriot Courtyard

- Adjacent to Arraya Centre and is in the center of the city.
- 6 fully furnished banquet halls, a business center, and a cutting-edge swimming pool and fitness center.
- Operated by Marriot International

## Convention Hall

- 2,750 SQM ballroom adjacent to the hotel catering to weddings, events and exhibitions.
- Competitive occupancy maintained as of Dec-2024
- 24-hour facility and maintenance support.

# MARRIOT COURTYARD



# General Knowledge

180,500  
SQM

Built Up  
Area

71,924  
SQM

Gross Leasable  
Area

95%

2024  
Occupancy

13

Anchor  
Units

## Assima Mall

- 20,000 SQM across four basements, a ground floor, and six floors of shops, restaurants, entertainment venues, etc.
- Strong Demand for space from known brands.
- Largest Mall in Kuwait City

# ASSIMA MALL

# General Knowledge

99,500  
SQM

Built Up  
Area

59,524  
SQM

Gross Leasable  
Area

20%

2024  
Occupancy

51

Number of  
Floors

## Assima Tower

- Occupancy rate stands at 20% as of 2024
- Project Completion January 2024.
- Connected to Assima Mall, featuring a multi-story parking facility designed for the convenience of both visitors and tenants.

# ASSIMA TOWER

# General Knowledge

25,100  
SQM

Built Up Area

164

Number of  
Rooms

11

Number of  
Floors

1

Number of  
Restaurants

## Marriot Executive Apartments

- Operated by Marriot International
- First Marriot Executive Apartments in Kuwait
- Available for short and long stay residency.
- Fully equipped fitness center, dining amenities and rentable conference spaces.

MEA



# General Knowledge

5,097  
SQM

Built Up  
Area

15

Number of  
Attractions

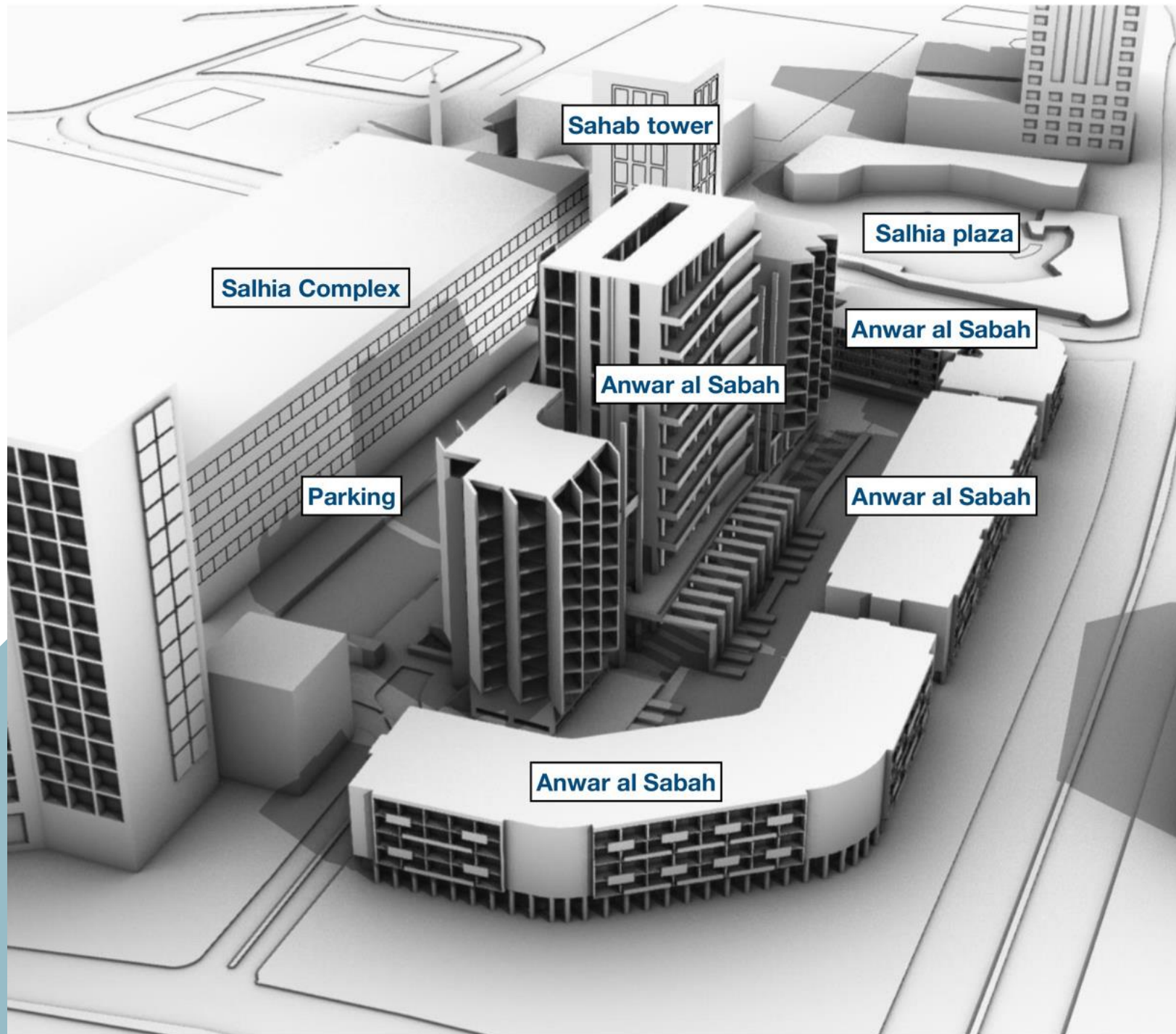
KD  
571,253

2024  
Revenue

## Salhia International Entertainment Center

- Exclusive National Geographic licensee.
- Kuwait's first National Geographic entertainment center.
- For children aged 4 to 14.
- Incorporating cutting-edge VR and 4D technology to provide an ultimate experience.

SIEC



# SALHIA EXTENSION PROPERTY

## Acquired Land in Q1 - 2024

A neighboring land to Salhia Commercial Complex divided into 4 plots.

9,284  
SQM

Plot  
Area

KD 70 M

Land  
Purchased

4

Number of  
Plot's



# SALHIA EXTENSION PROPERTY

## Board Authorization for Land Sale

The Board has granted approval for the sale of PLOT 3 spanning 1,437m<sup>2</sup>, authorizing the transaction to proceed as approved.

1,437  
m<sup>2</sup>

Plot 3  
Land Size

KD  
12.6 M

Plot 3  
Land Value

KD  
13.2 M

Sale  
Price KD

+ 5 %

Gain from  
Sale %

\*Amount reflected in Dec – 2024 financials

# FOREIGN INVESTMENT'S



SALHIA

# FOREIGN INVESTMENT



## BEORMA QUARTER, BIRMINGHAM

(Salhia International Birmingham Limited)

- Phase 1 – Adagio Hotel & Prince's Trust
- Phase 2 – Commercial & Residential



## LOLWORTH DEVELOPMENT LIMITED (LDL)

- Fully owned subsidiary – Land Option



# General Knowledge

8,268  
M2

Plot Area

35,000  
M2

Phase 2 –  
Built Up Area

2026

Phase 2 Expected  
Completion

124

Number of  
Apartments

## Beorma Quarter Project

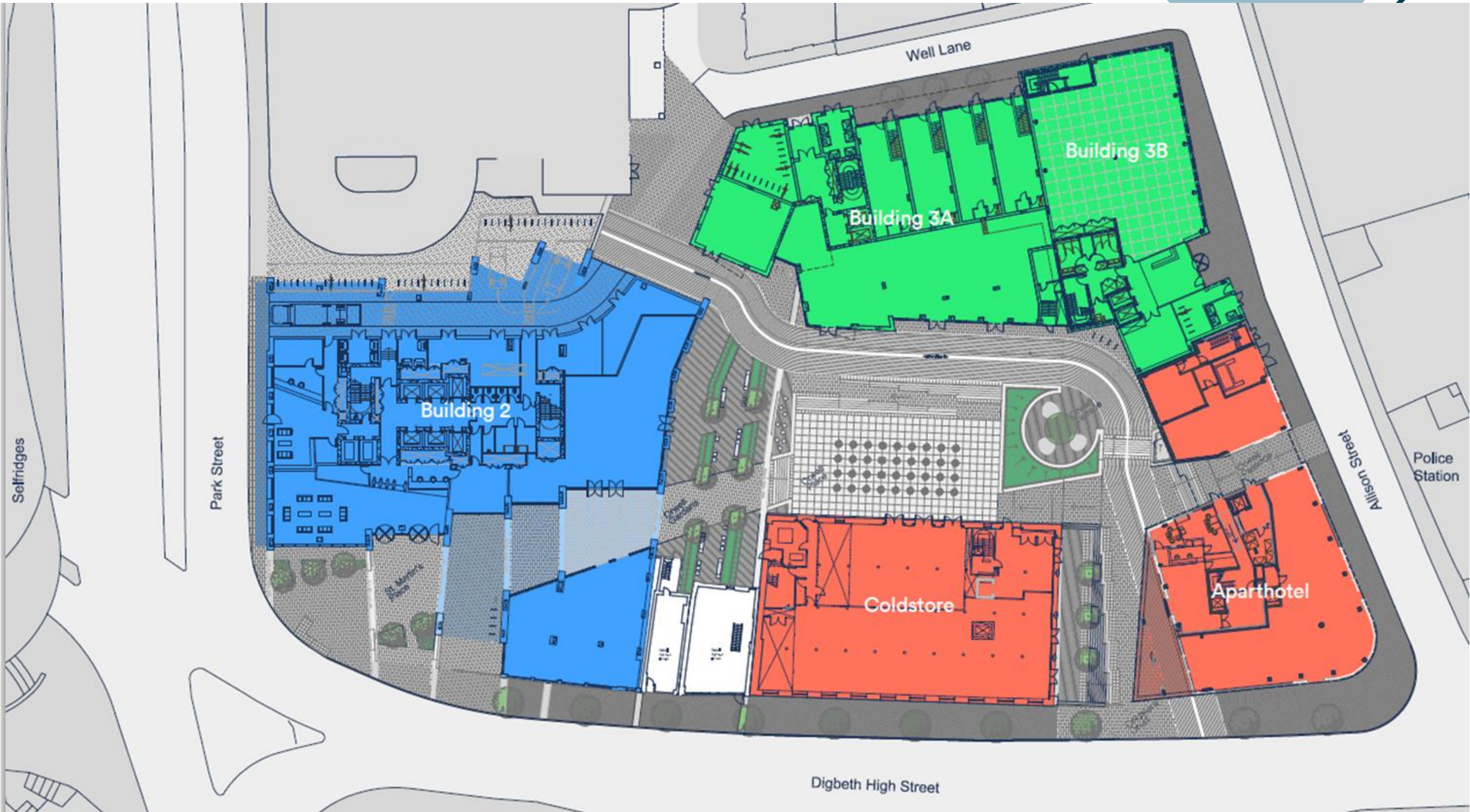
- A large-scale revitalization initiative incorporating a mix of office spaces, hotels, and residential apartments.
- Located in the center of Birmingham and adjacent to a 93,000 m2 shopping center.
- Phase 2 Expected completion mid 2026.
- Highest residential tower in Birmingham.
- 100% Owned Subsidiary.

BEORMA  
QUARTER



# BEORMA QUARTER - PROJECT PHASES

- Phase 1
- Phase 2
- Phase 3



## PHASE 1



## PHASE 2

- 170,000 sq ft Grade A office
- 125 apartments
- A diverse range of associated retail offerings

## PHASE 3

- 60,000 sq ft Grade A offices
- 69 apartments at a range of price points
- Live / work units to Well Lane
- A diverse range of associated retail offerings



# PROGRESS SNAPSHOT'S

Beorma Quarter – Dec - 2024





## General Knowledge

> 1 M  
SQM

Land Area

UK

Location

2018

Established

### Lolworth Developments Ltd

- Lolworth Development– An estimated land area of over 1 million square meters (land option), northwest of Cambridge City Center.
- A prime strategic location for developing a leading technology center to facilitate business and logistic services.

# LOLWORTH DEVELOPMENT



# EST. PROJECTS TIMELINE UNDER DEVELOPMENT

2024 - 2026

**JAN - 2024**

Assima Tower  
(Kuwait)

**2025**

JW Marriot  
(Kuwait)

**Q3 - 2026**

Beorma Tower –  
Commercial & Residential  
(Birmingham, UK)

\*Projects' timings could change from the provided estimation.



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# Q4-2024 FINANCIAL HIGHLIGHTS

31<sup>st</sup> December 2024

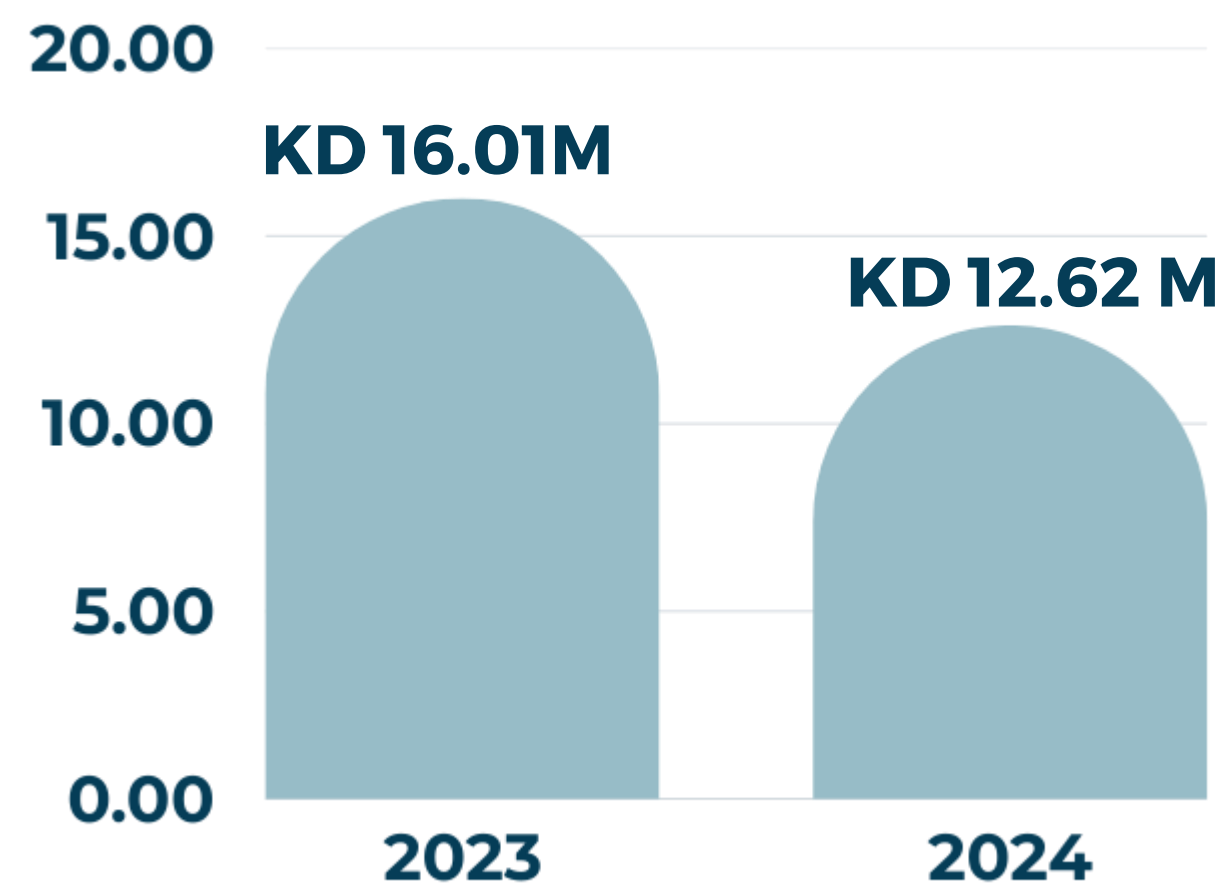


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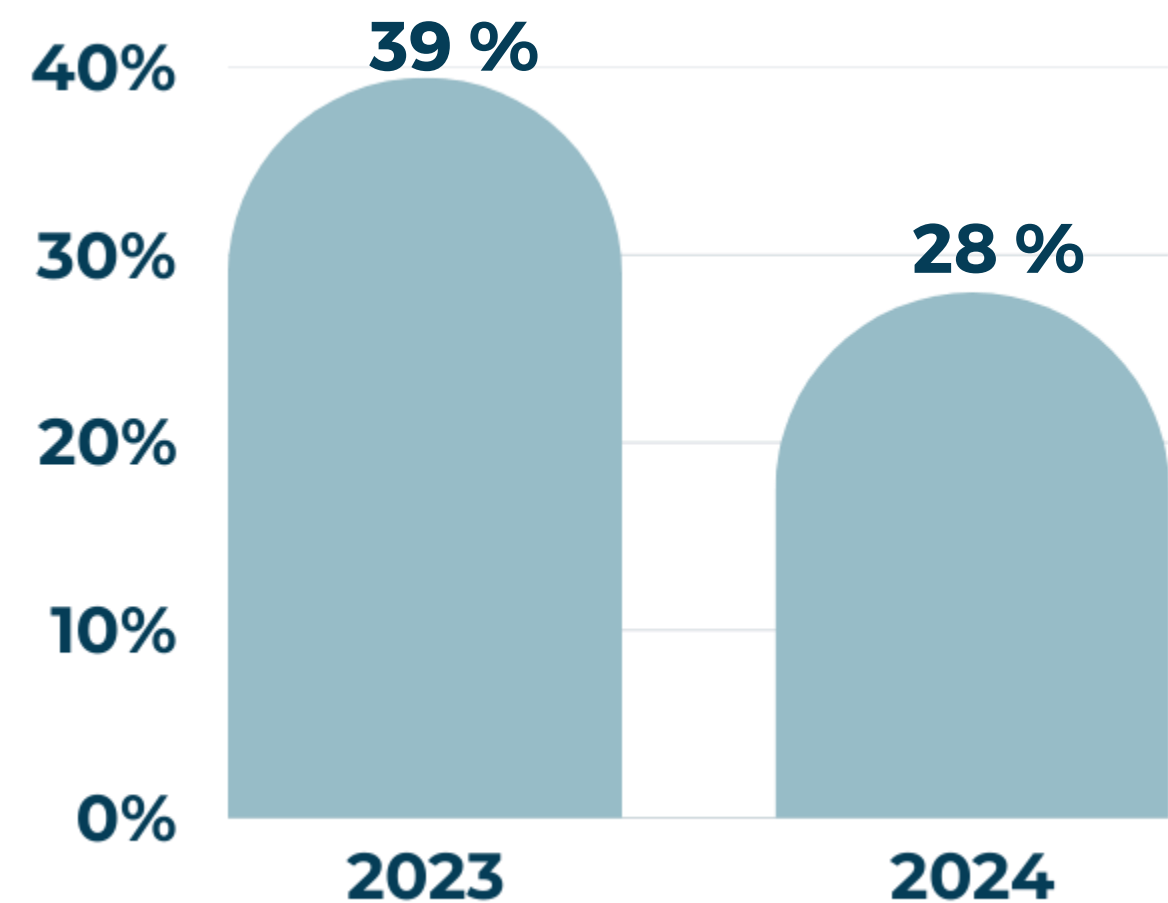


# Profitability Indicators

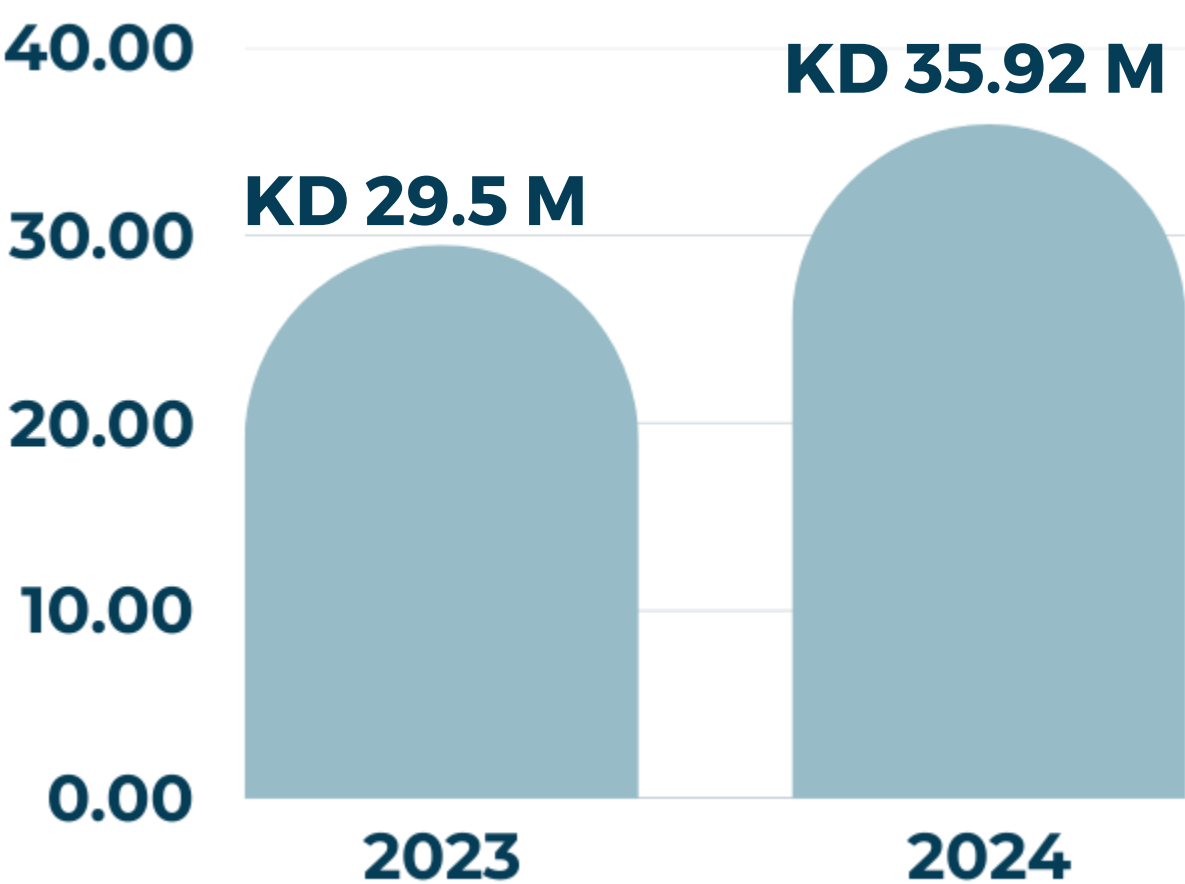
Net Profit KD



Net Profit Margin %

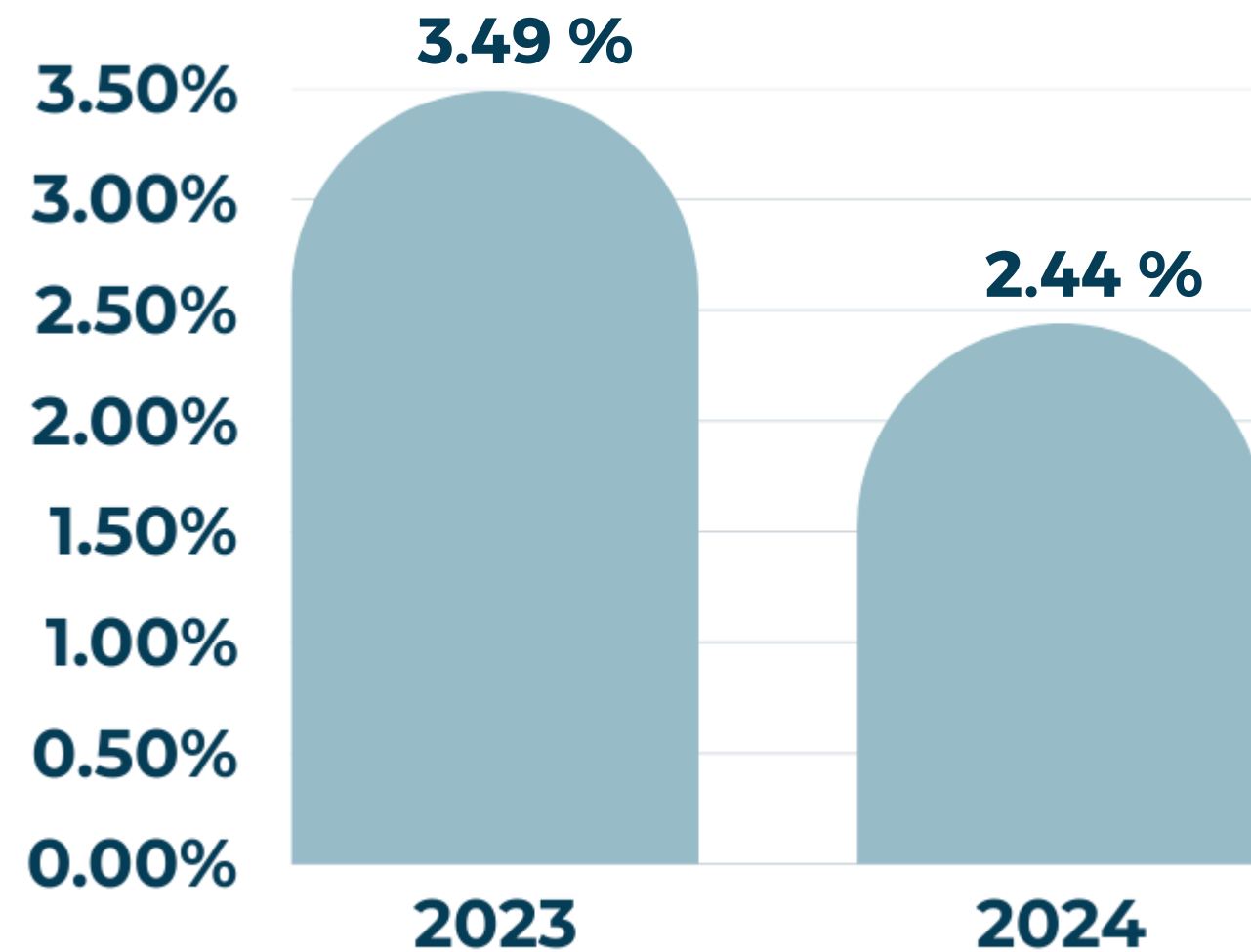


EBITDA KD

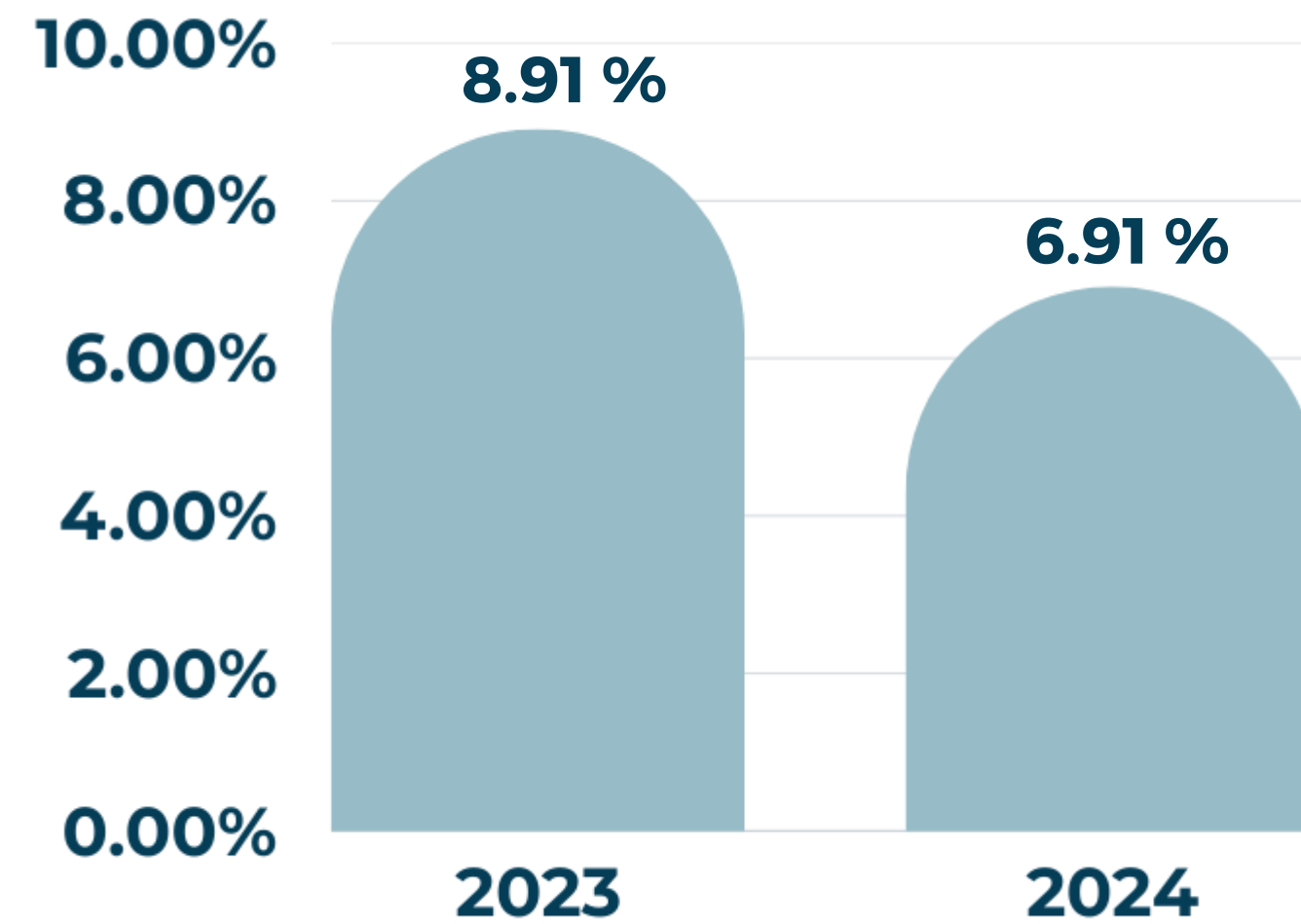


# Profitability Indicators (Continued)

## Return on Assets %



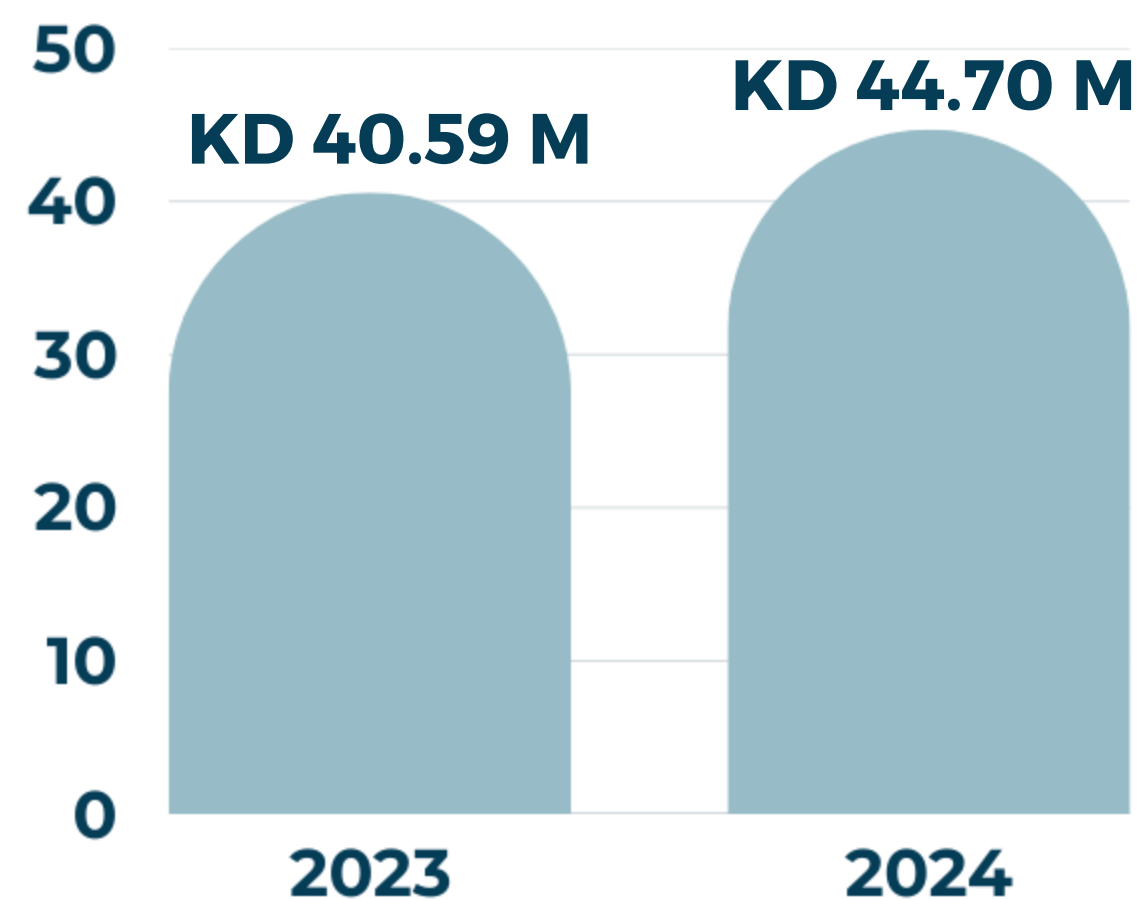
## Return on Equity %



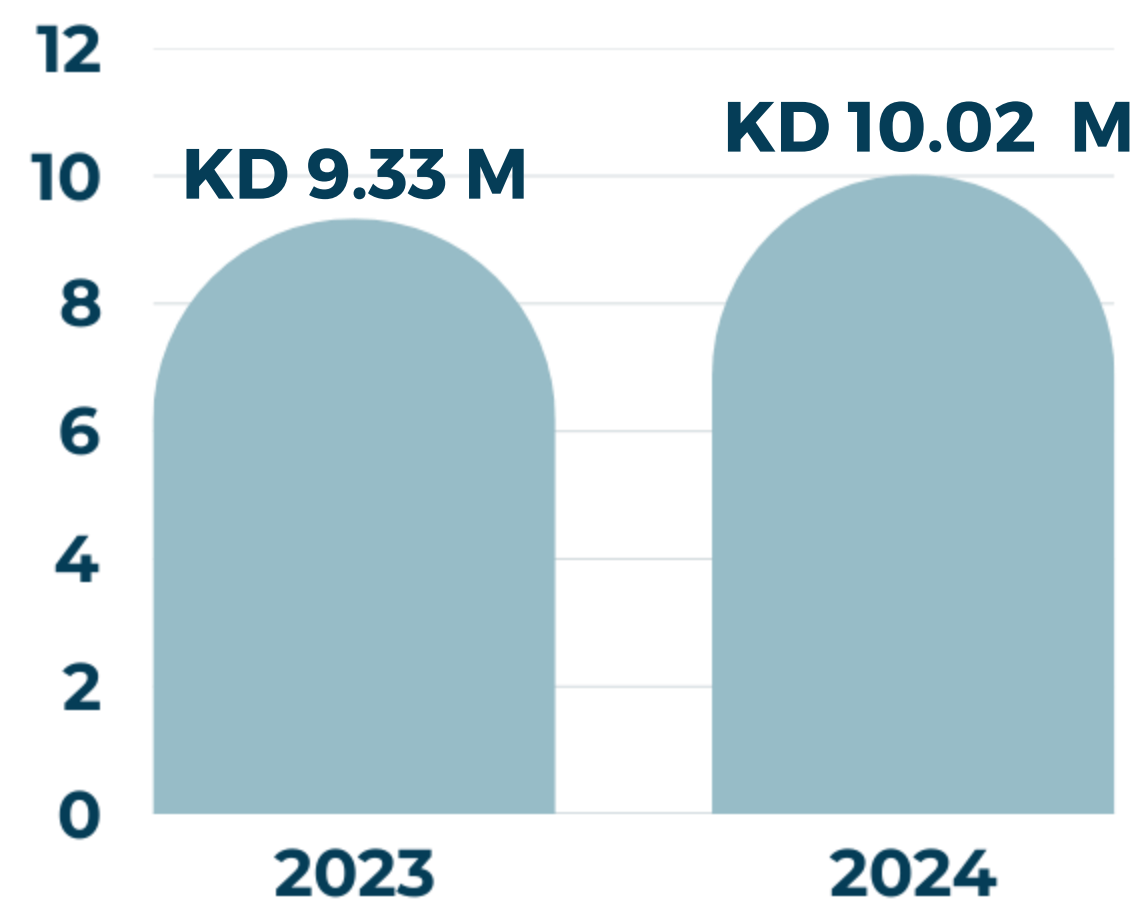


# Performance Ratios - The Group

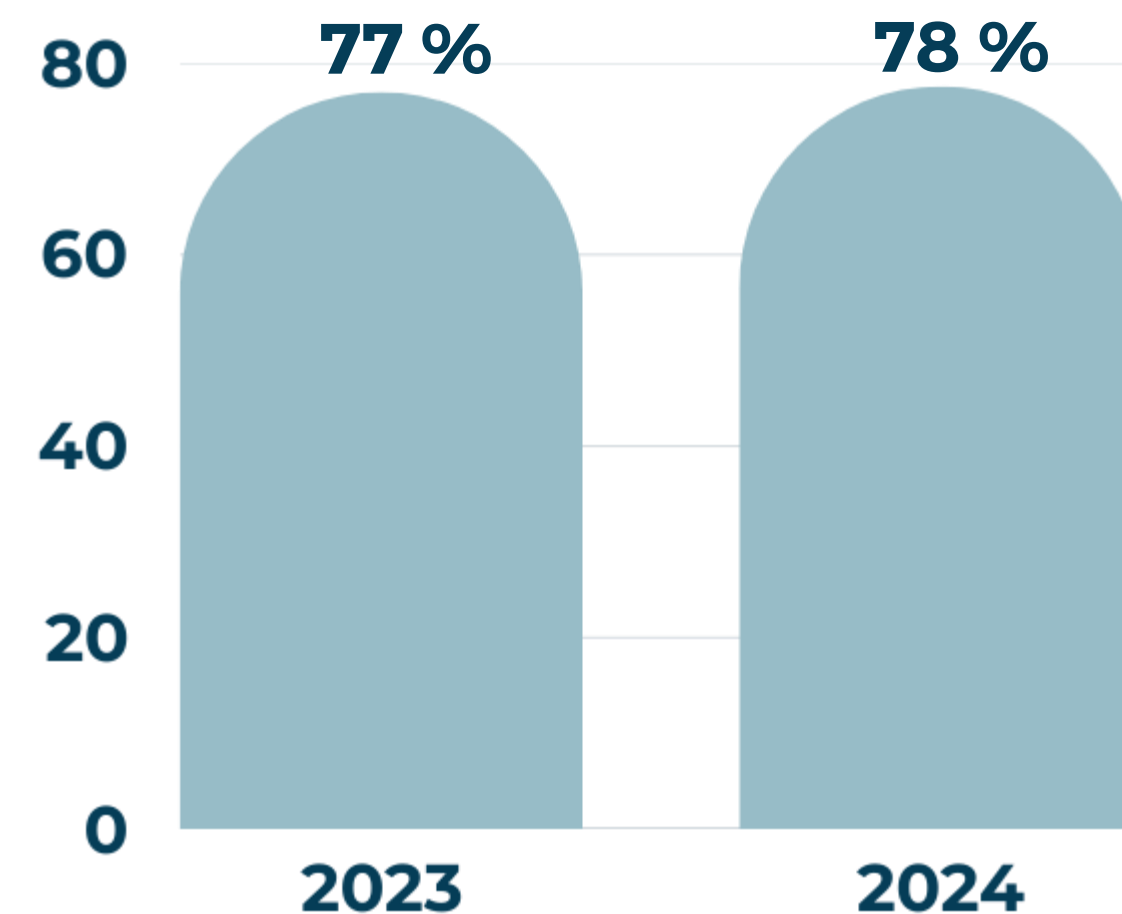
## Revenue KD



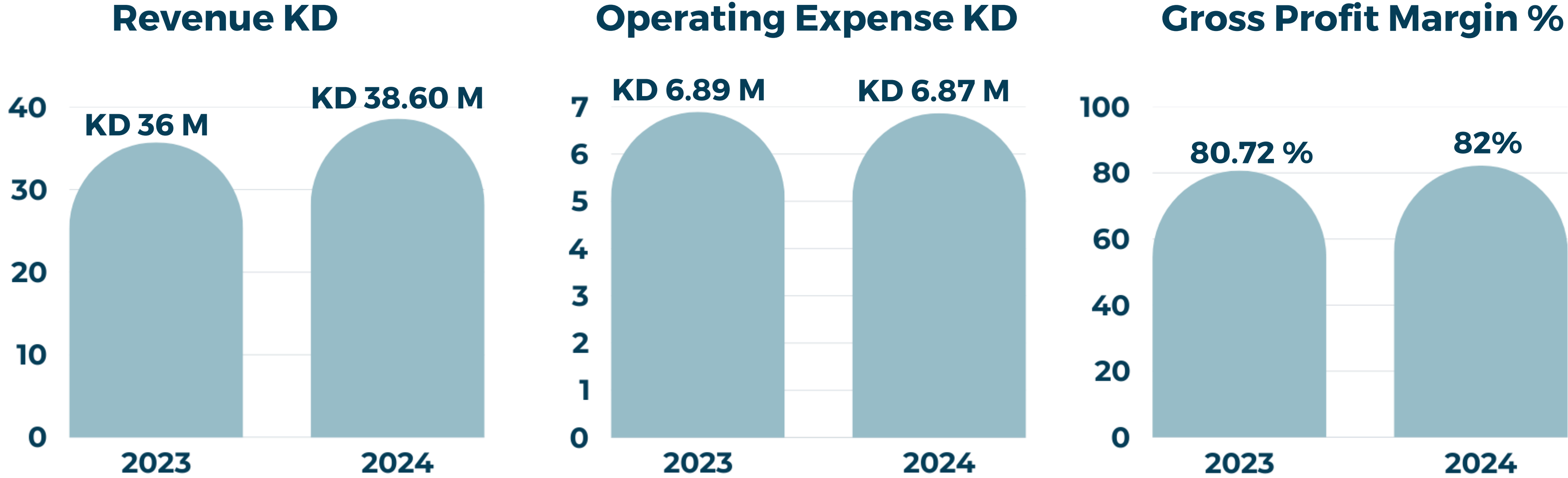
## Operating Expense KD



## Gross Profit Margin %



# Performance Ratios - Real Estate

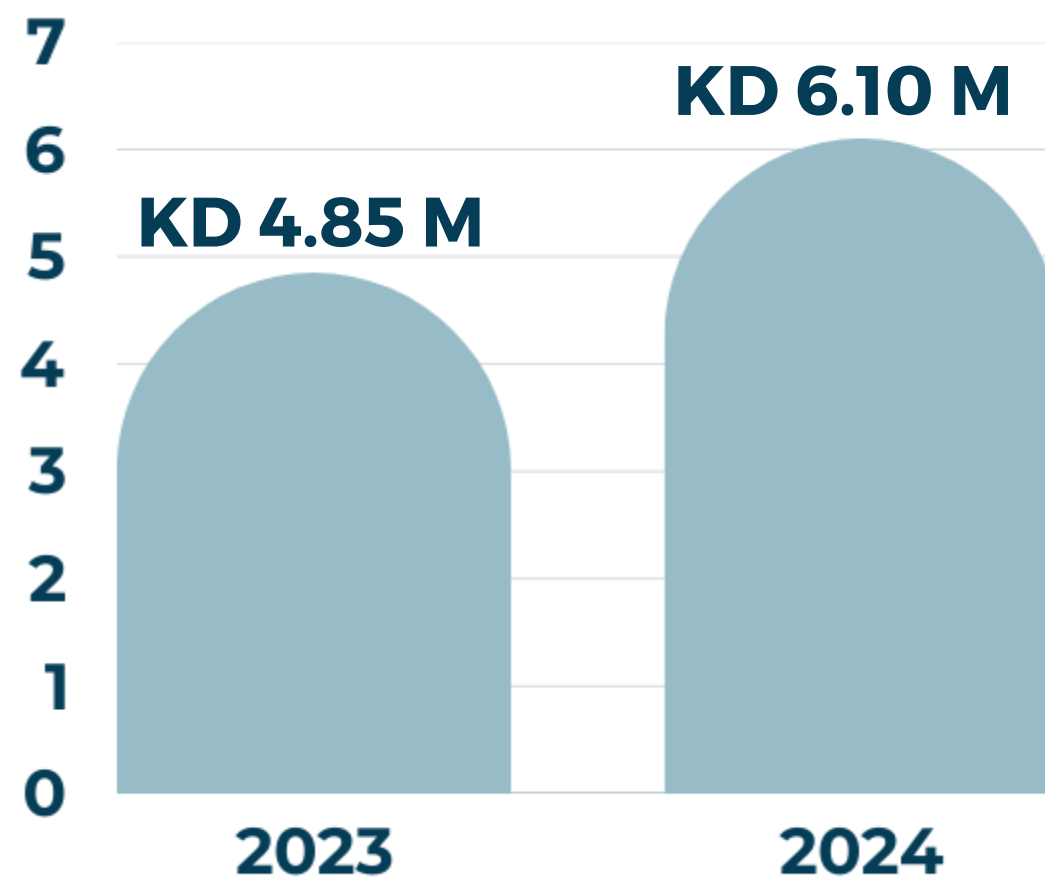


Reclassification of Marriot Executive Apartment’s Revenue & Operating Expense from real estate to hospitality.

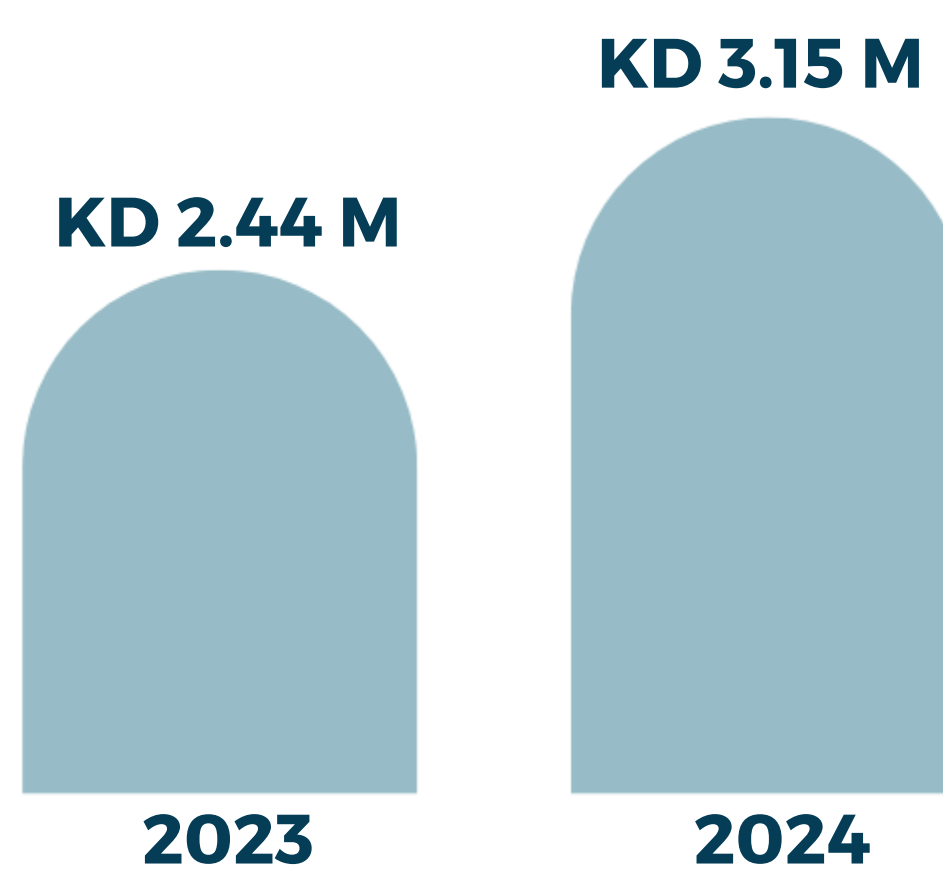
\*Note 21 in the Financial Statements

# Performance Ratios - Hospitality

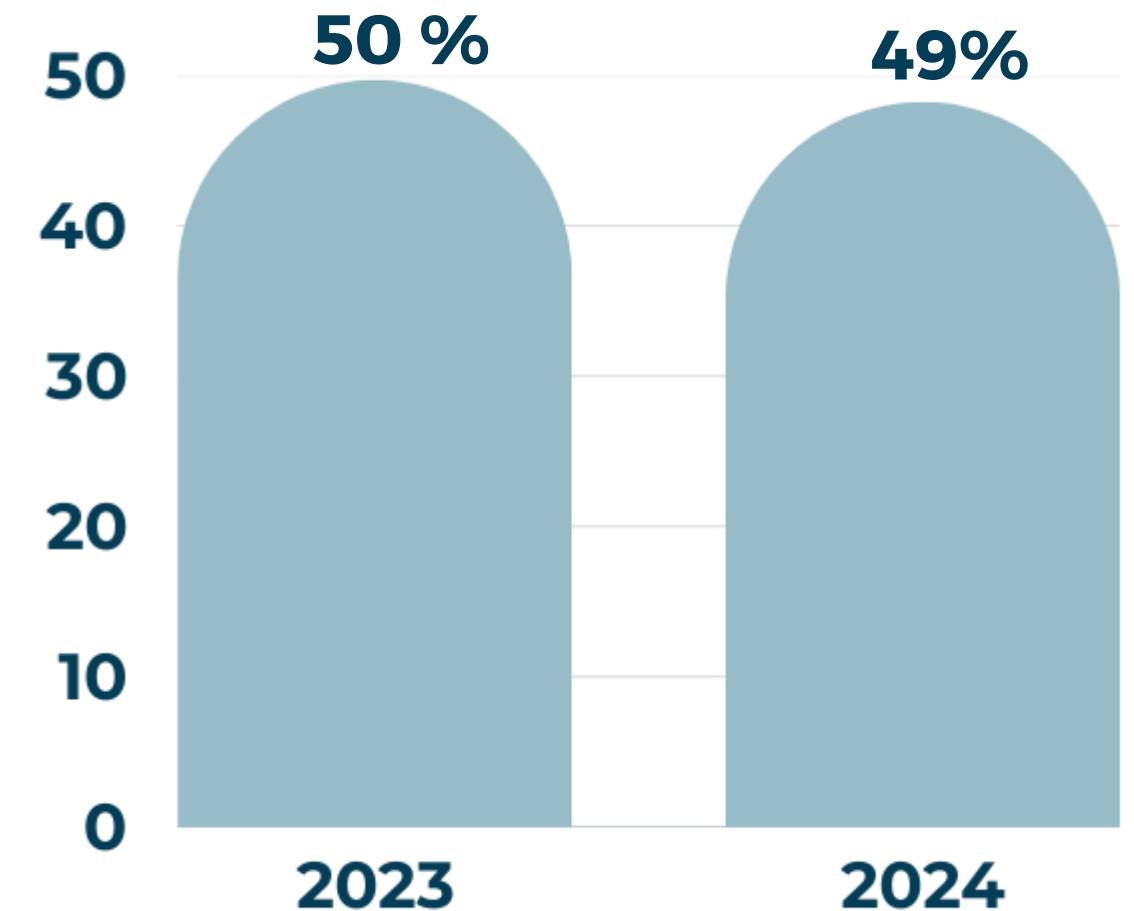
## Revenue KD



## Operating Expense KD



## Gross Profit Margin %



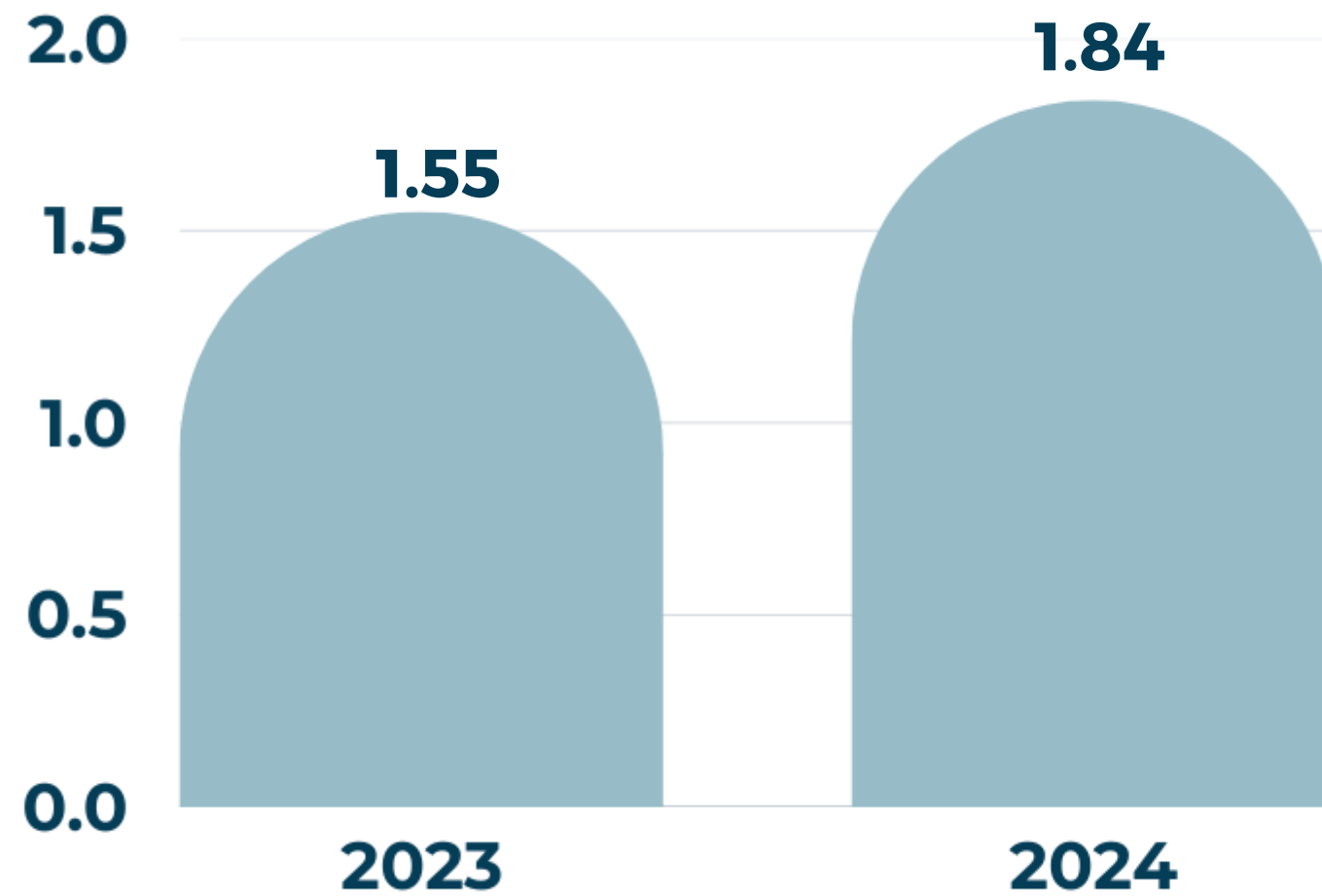
Reclassification of Marriot Executive Apartment's Revenue & Operating Expense from real estate to hospitality.

\*Note 21 in the Financial Statements

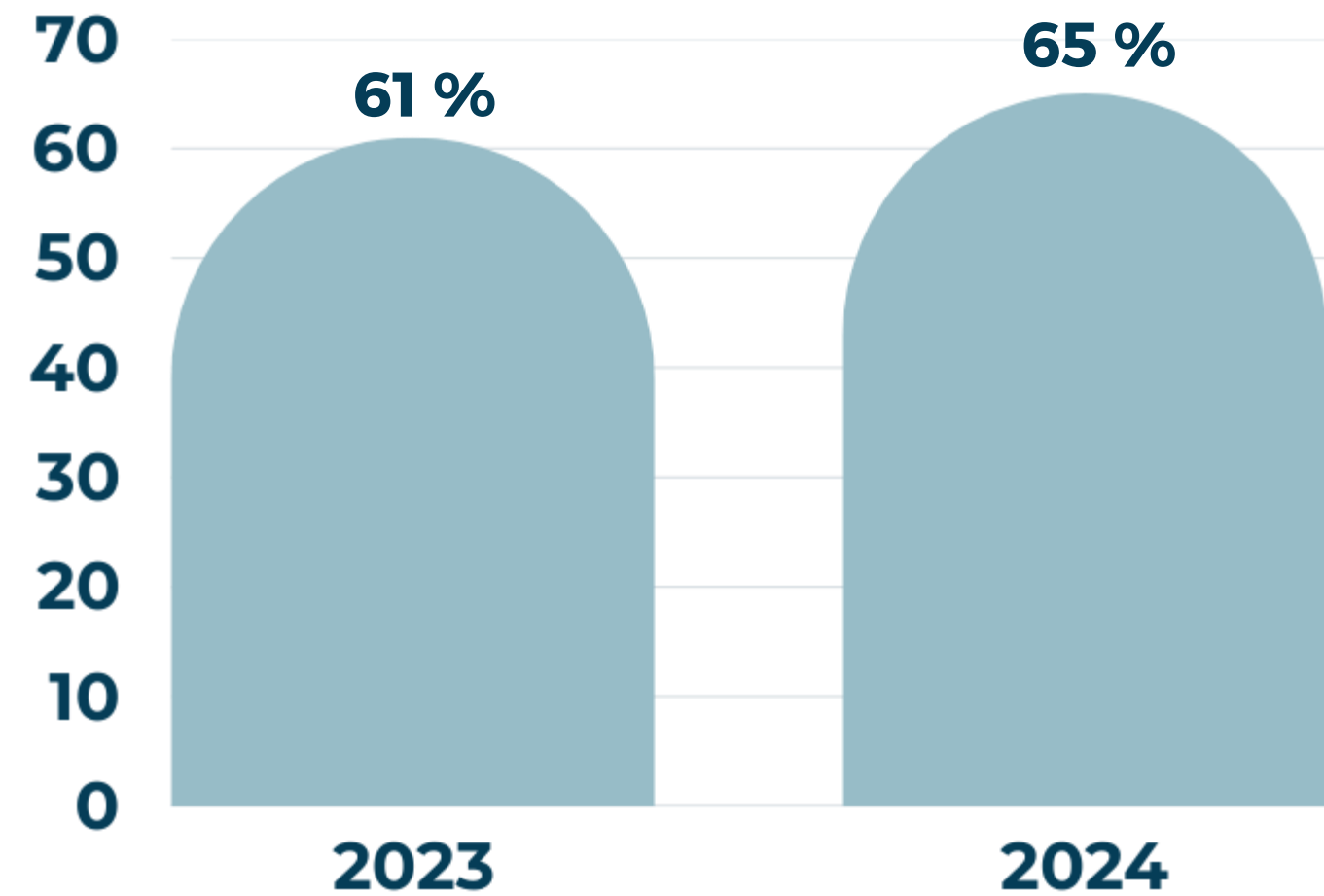


# Debt Structure

## Debt to Equity %



## Debt to Asset %



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# APPENDIX



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# Consolidated Statement of Financial Position

	<i>Notes</i>	<i>2024 KD</i>	<i>2023 KD</i>
<b>ASSETS</b>			
Bank balances and cash	6	7,835,016	6,192,906
Inventories		138,421	202,205
Accounts receivable and other assets	7	9,087,781	24,933,379
Financial assets at fair value through other comprehensive income	8	6,340,595	6,868,210
Interest in joint venture	9	394,419	9,802,678
Investment properties	10	397,342,925	360,996,365
Property and equipment	11	96,641,759	49,126,804
<b>TOTAL ASSETS</b>		<b>517,780,916</b>	<b>458,122,547</b>



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# Consolidated Statement of Financial Position (Cont'd)

	<i>Notes</i>	<i>2024 KD</i>	<i>2023 KD</i>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Due to banks and financial institutions	6	9,462,382	14,303,492
Accounts payable and other liabilities	12	36,958,960	40,236,266
Commercial financing	13	10,002,800	18,203,880
Islamic financing	14	278,680,090	205,500,804
<b>Total liabilities</b>		<b>335,104,232</b>	<b>278,244,442</b>
<b>Equity</b>			
Share capital	15	59,354,144	56,527,756
Share premium		35,055,163	35,055,163
Treasury shares	16	(7,565,144)	(8,086,553)
Treasury shares reserve		6,133,441	5,848,303
Statutory reserve	17	30,280,511	30,280,511
Voluntary reserve	17	20,489,290	20,489,290
Retained earnings		53,061,374	51,470,346
Fair value reserve		(567,986)	(40,371)
Foreign currency translation reserve		(13,624,312)	(11,834,107)
<b>Equity attributable to equity holders of the Parent Company</b>		<b>182,616,481</b>	<b>179,710,338</b>
Non-controlling interests		60,203	167,767
<b>Total equity</b>		<b>182,676,684</b>	<b>179,878,105</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>517,780,916</b>	<b>458,122,547</b>



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# Consolidated Statement of Income

	Notes	2024 KD	2023 KD
Operating revenue	27	44,692,368	40,587,638
Operating costs		(10,019,072)	(9,330,768)
Gross profit		34,673,296	31,256,870
Share of joint venture's results, net of tax	9	1,612,578	2,665,038
Administrative expenses		(4,574,811)	(4,552,064)
Depreciation and amortisation	10,11	(8,199,495)	(6,184,137)
Sales and marketing expenses		(541,545)	(450,443)
Dividend income		169,790	57,286
Foreign exchange gain (loss)		331,106	(20,827)
Other income	4	3,502,416	280,117
Recovery of insurance claims		-	750,000
Reversal of (charge for) impairment loss on investment properties and property and equipment	10,11	123,954	(1,025,416)
Gain on sale of an investment property	10	624,849	538,606
Finance costs		(14,272,375)	(6,359,644)
<b>PROFIT BEFORE CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST"), ZAKAT AND DIRECTORS' FEES</b>		<b>13,449,763</b>	<b>16,955,386</b>
KFAS		(133,427)	(168,909)
NLST		(333,568)	(422,272)
Zakat		(133,427)	(168,909)
Directors' fees	18	(120,000)	(120,000)
<b>PROFIT FOR THE YEAR</b>		<b>12,729,341</b>	<b>16,075,296</b>
Attributable to:			
Equity holders of the Parent Company		12,622,295	16,010,790
Non-controlling interests		107,046	64,506
		<b>12,729,341</b>	<b>16,075,296</b>
<b>BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY</b>	5	<b>21.98 Fils</b>	<b>27.84 fils</b>



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# Q&A



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# THANK YOU

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