

Date: 15/02/2021

Ref: M.C/E.M/56/2021

التاريخ: 2021/02/15

الإشارة: ش.م.أ.ع/56/2021

To: Boursa Kuwait

السادة/ شركة بورصة الكويت المحترمين،،

**Subject: Analyst/Investor Conference Presentation of  
Mabaneer's (K.P.S.C) Company for Q4/2020**

**الموضوع: العرض التقديمي لمؤتمر المحللين/المستثمرين لشركة  
المباني (ش.م.ك.ع) للربع الرابع للعام/ 2020**

With 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 Mabaneer Company has been classified in the Premier Market.

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

Kindly be informed that the Analyst/Investor Conference was held on Monday 15/02/2021, at 2:00 p.m (Kuwait Local Time) through (Live Webcast).

يرجى العلم بأن مؤتمر المحللين/المستثمرين قد إنعقد في يوم الإثنين الموافق 2021/02/15، في تمام الساعة الثانية بعد الظهر (بتوقيت الكويت المحلي) عن طريق بث مباشر على (Live Webcast).

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

علماً، بأنه أثناء المؤتمر لم يتم الإفصاح فيه عن أية معلومات جوهرية.

Furthermore, attached is the Analyst/Investor's Conference presentations for Q4-2020.

كما نرفق لكم طيه عرض مؤتمر المحللين/المستثمرين للربع الرابع من العام 2020.

This is for your information and notice.

هذا للعلم والإحاطة،،

Best Regards,

وتفضلوا بقبول فائق الاحترام،،



وليد خالد الشريان  
الرئيس التنفيذي



Waleed Khaled Al Sharian  
Chief Executive Officer

mab.

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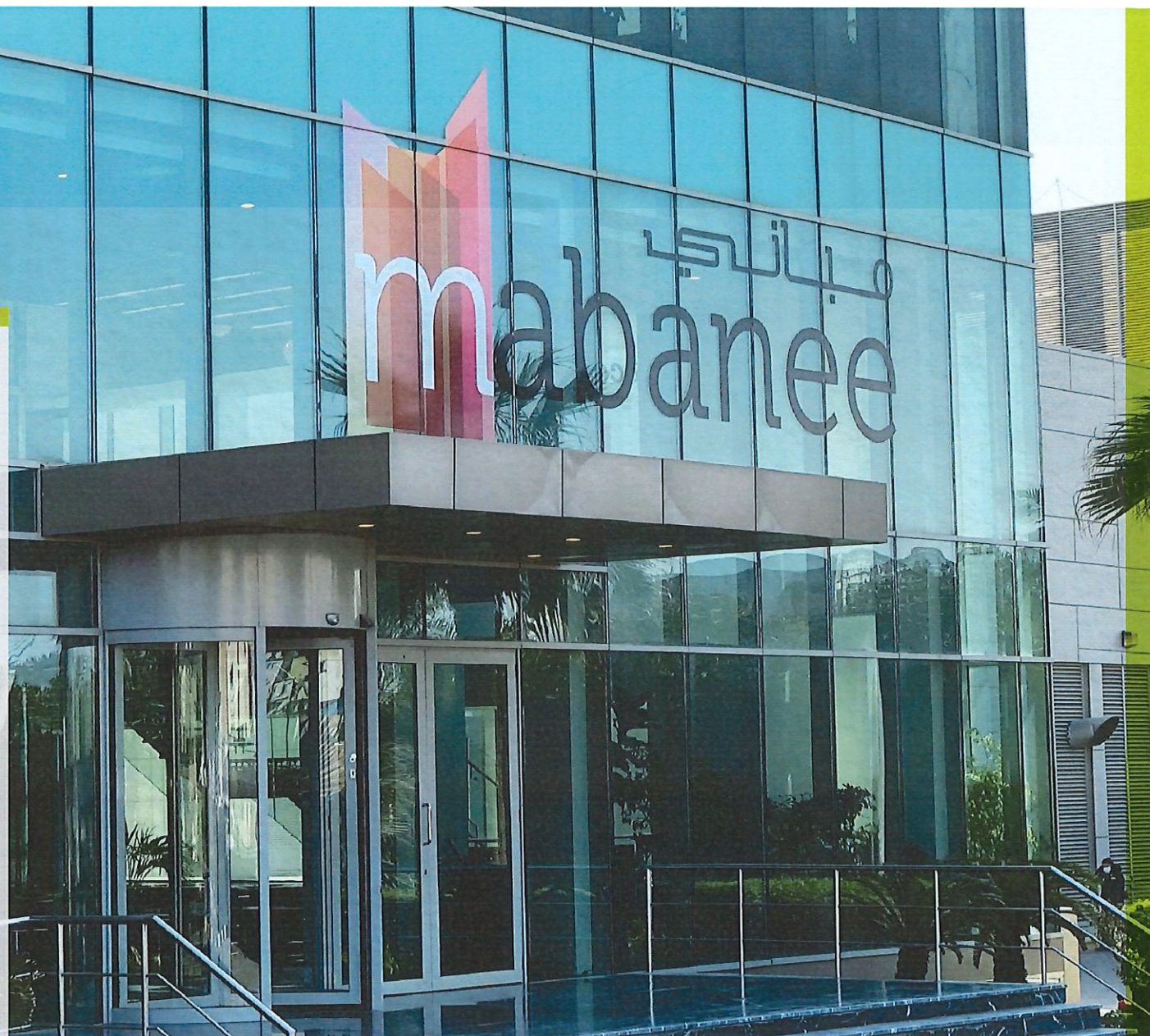
www.mabaneer.com



# Mabaneer

Investors Presentation  
2020

Earnings  
Conference Call





# Forward Looking Statements

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. This presentation has been prepared by, and is the sole responsibility of, **Mabane Co.** The information herein may be amended and supplemented and may not as such be relied upon for the purpose of entering into any transaction.

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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.

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Section 2		<b>OPERATIONAL PROJECTS</b>
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Section 4		<b>FINANCIAL PERFORMANCE</b>



# BUSINESS OVERVIEW

- **Mabaneer** is a leading real estate company that constitutes a cornerstone of Kuwait's development for over **50 years**.
- **Mabaneer** is a Kuwaiti shareholding company with a paid-up capital of **KD 110.5m**.
- A member of the premier market in Kuwait Boursa, representing more than **3.4%** of the premier market value and has the largest market capitalization in the real estate sector in Kuwait.
- **Mabaneer** is a constituent of two global indices the **FTSE EM** and **MSCI EM**.
- **Mabaneer** has developed notable destinations and projects which include shopping, entertainment, leisure and hospitality in addition to residential as part of its expansion plans.
- **Mabaneer** ensures its success by following a thorough expansion strategy through direct investments or partnerships in cooperation with a group of leading Gulf investors.
- **Mabaneer** continues to evaluate the impact of the Pandemic to project scope, costs, tenancy, timing and return on investment on all in-process and pipeline projects to determine the most appropriate strategy.
- **Mabaneer** continues to target local **PPP** and **BOT** projects.





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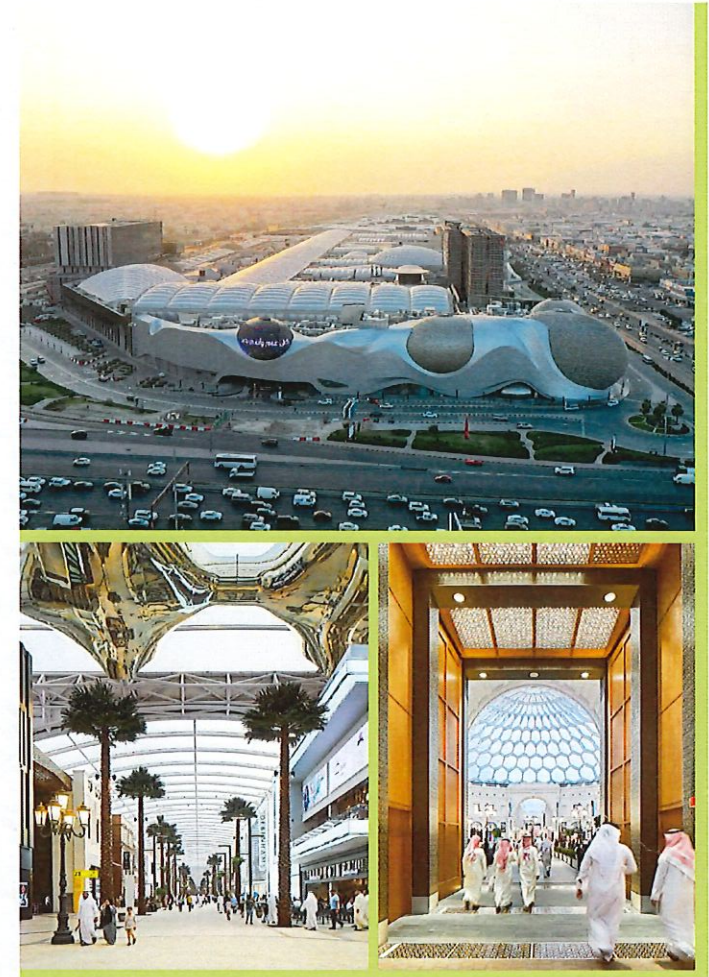
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# KUWAIT

## The Avenues

- Due to **COVID-19**, which began to appear in Kuwait at the end of **February 2020**, the Government responded with rapid safety procedures including shutting down malls from **March 14<sup>th</sup>** until reopening them on **June 30<sup>th</sup>** while maintaining a set of safety measures.
- During the year, and as part of **Mabaneer's** support to its tenants, the management decided to:
  - Waive **25%** of retail tenants basic charges for the period running from **March 1<sup>st</sup>** till **March 14<sup>th</sup>**
  - Consent a full waiver of the same for the period running from **March 15<sup>th</sup>** till end of **June**
  - Fully waive the basic charges for F&B tenants from **March** till the end of **June**.
  - Waive **50%** of basic charges due to the months of **July** and **August**.
- As of end of **December 2020**, occupancy rate reached **93%** with footfall been steadily growing since the summer and exceeded **Q3** rates by **20%** however were lower during the quarter compared to the same period in **2019** levels, since some restrictions still persist with cinemas and kids' areas remain closed.
- **The Avenues - Kuwait** continues as a major tourist attraction in Kuwait and the region.





# KUWAIT - HOTELS

Hilton Garden-Inn

- **Hilton Garden Inn** is a **four star** hotel located in the north side of **The Avenues mall**.
- Hotel with **390** guestrooms is adjoining two of the new districts, **The Forum** and **Electra**.
- **Hilton Garden Inn** has experienced an impressive turnout of guests, from both residents in Kuwait and the Gulf region during the months of **January** and **February**.
- Due to travelling constraints as well as a number of factors impacted by **COVID-19**, the hotel occupancy rate was **21%** during the year. The main traffic was on weekends and by local demand





# BAHRAIN

## The Avenues

- During **2020**, local authorities responded to the pandemic outbreak with lock-down procedures, including shutting down retail businesses and malls from the month of **March**.
- The Company offered a **50%** waiver for **March** and a full waiver for **April** and **May** for all tenants of the **Avenues Mall-Bahrain**.
- Restrictions were eased in **May** on restaurants yet entertainment outlet such as cinemas and kids' areas remain closed.
- As of end of **December 2020**, occupancy rate reached **89%** with footfall been steadily growing since the summer and exceeded **Q3** rates by **82%** however it remains lower for the quarter compared to the same period in **2019** levels due to **COVID-19** related restrictions.
- With re-opening entertainment activities, the inauguration of the new passenger terminal at Bahrain International Airport and with re-opening of **King Fahad Causeway** (as expected in **May 2021**), visitor levels return to pre-pandemic levels and will further impact business positively.
- Final designs of the second phase of **The Avenues-Bahrain** will be completed in **March 2021** with the expectation to start of the main contract work on **Q4 2021**.





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# KUWAIT

## Jaber Al-Ahmad -J3

- **Mabaneer**, the Lead Developer of a Consortium of Companies comprised of National Industries Group and Privatization Holding Company, was selected as the “preferred investor” for the **J3** Jaber Al Ahmad Investment Opportunity from The Public Authority for Housing Welfare.
- The new city will be home to around **65,000** people, including **6,700** Kuwaiti families. The project, which costs **KD 156.3 million** will include a retail **GLA** of **104,000 sqm** and **276** residential units.
- The comprehensive development will include modern architectural design in a community feel, with several facilities and services to accommodate its residents and visitors including parks, schools, and a retail component consisting of **international retail** and **F&B** brands.
- **Mabaneer** signed two agreements in October , a **PPP** Agreement between the Public Authority for Housing Welfare (PAHW) and **J3** Company, and a Lease Agreement between PAHW and **J3** Company

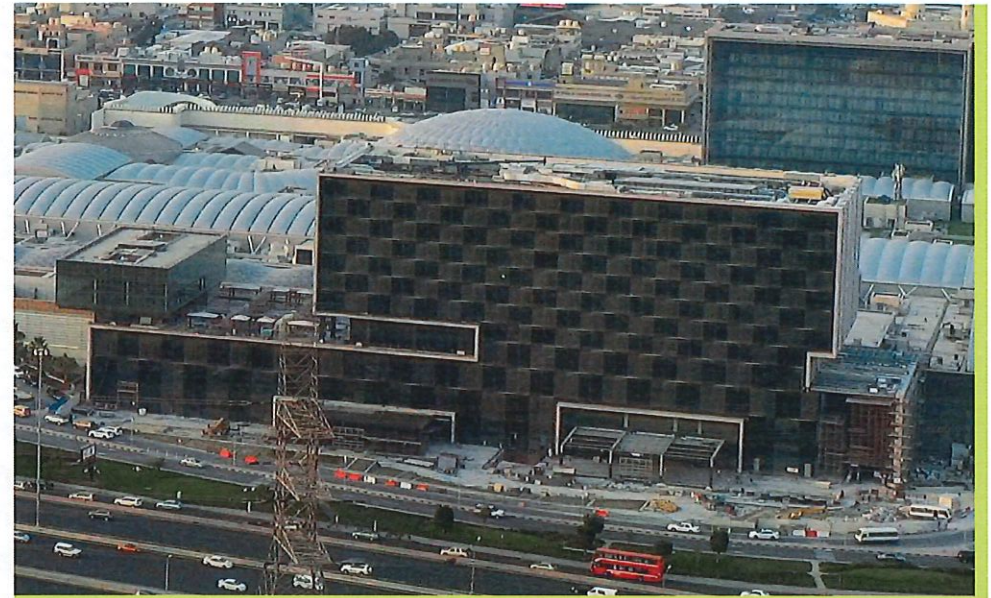




# KUWAIT - HOTELS

Waldorf Astoria Kuwait

- **Waldorf Astoria hotel** is a **five star** luxury business and leisure hotel located on the south side of **the Avenues Mall** overlooking the fifth ring road.
- The hotel with **200** rooms is connected to the Mall through **Prestige District**
- Hotel's construction is still ongoing with a progress rate of **80.5%**.
- **Mabaneer** continues the recruitment process of the administration team of the hotel.
- The expected time for the construction completion of the hotel is **Q2 2021**





# BAHRAIN - HOTELS

Hilton Garden-Inn

- Currently under construction, **Hilton Garden Inn Bahrain** enjoys direct access to **The Avenues Bahrain** and will include **197** keys.
- The expected construction completion of the hotel is **Q1 2021**.
- Construction progress of the hotel is at **93%** completion.

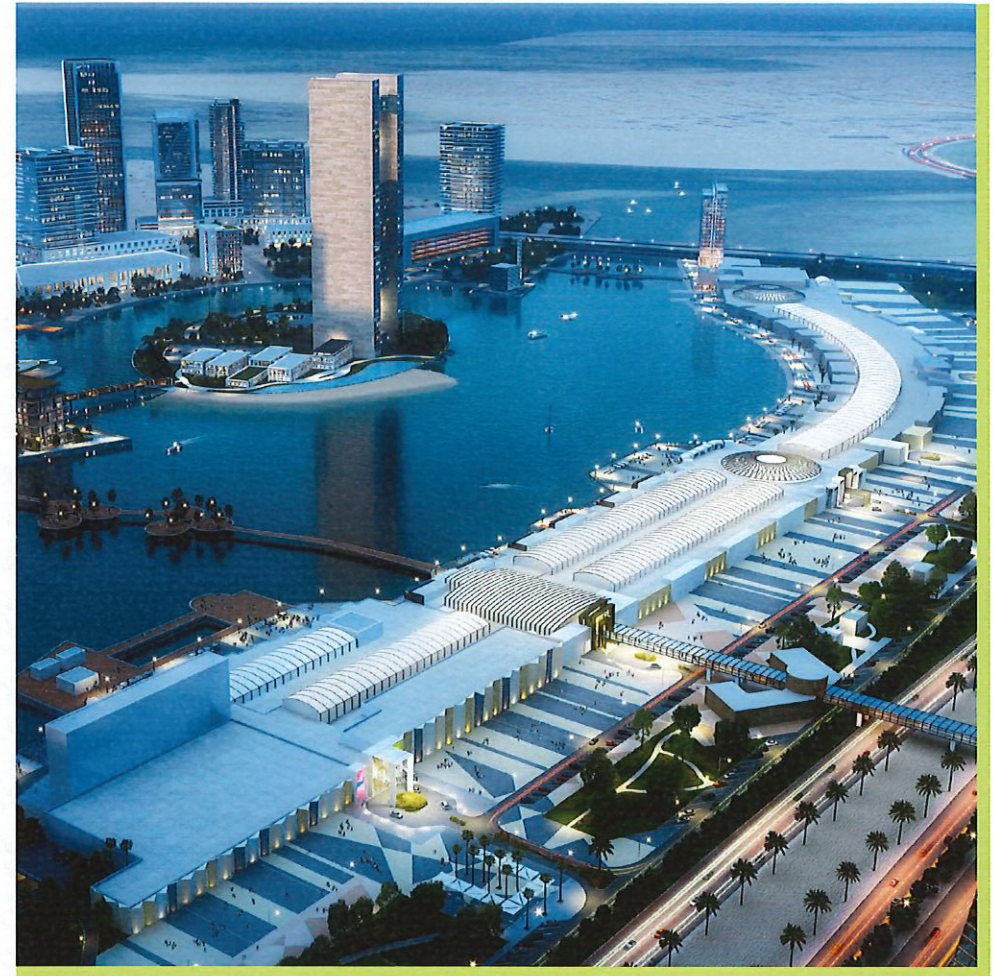




# BAHRAIN

## The Avenues - phase 2

- **Phase II**, which forms an extension of the west part of **The Avenues-Bahrain** is currently in the final design's stages and will be completed in March **2021** with the expectation to start main contract work on **Q4 2021**.
- Extends across **125,000 sqm** with a leasable area of **41,200 sqm.** comprised of commercial and Retail spaces ,Souq, **F&B** along entertainment areas such as cinemas and children's play areas.





# KUWAIT

## Salmiya Project

- A key development on the Arabian Gulf Street in **Salmiya**, a major urban center in Kuwait, on one of the last available sizeable land plots, benefiting of sea access and great connectivity.
- This will be **Mabaneer's** first mixed-use project outside of **The Avenues** and it will reflect new standards of design and experience.
- The concept and the feasibility of developing the **9,761 sqm** land is under a comprehensive study.

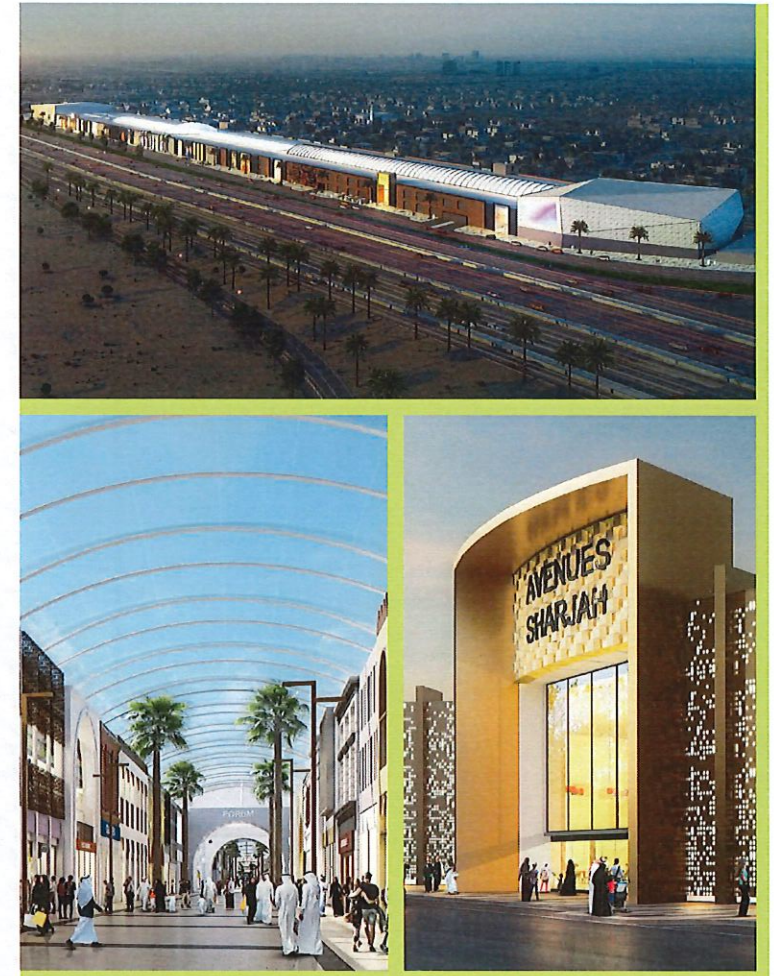




# UNITED ARAB EMIRATES

## The Avenues - Sharjah

- The project is a strategic partnership with **Shurooq**; Sharjah Investment and Development Authority in the **UAE**.
- **The Avenues - Sharjah** will be strategically located on Sheikh Mohammed Bin Zayed Road, a major transport artery in the city, stretching over a land area of **65,000 sqm**.
- The project will entail the investment and development of **58,000 sqm** as a projected **GLA**.





# KINGDOM OF SAUDI ARABIA

## The Avenues – Riyadh

- **The Avenues – Riyadh** is situated in a prime location overlooking the intersection of the King Salman Road and the King Fahad Causeway and extends across **390,000 sqm** with a leasable area of **400,000 sqm**.
- The project is currently on hold due to the current situation.
- All third-party activities including contracting and financing are on hold as well.
- **Mabaneer** is performing a thorough comprehensive study to assess the project and decide on the best direction forward.




## The Avenues – Khobar

- The project will stretch over **197,600 sqm** with a leasable area of **166,000 sqm** of land space and will include commercial and entertainment areas, as well as four towers that will house residential apartments, hotels, offices, medical facilities, exhibitions, ballrooms and conference halls.
- Governmental negotiations and approvals have all been completed.
- Currently in the financing stage, where negotiations are taking place with several banks.



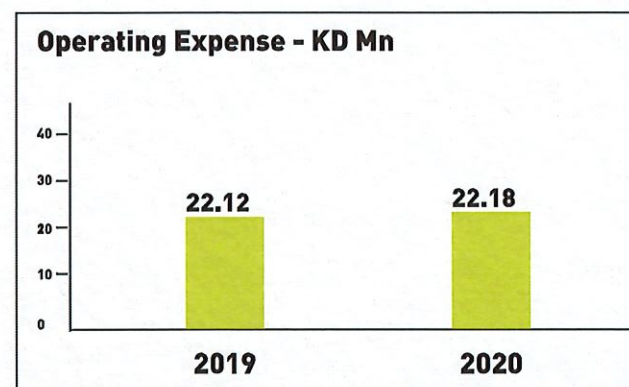
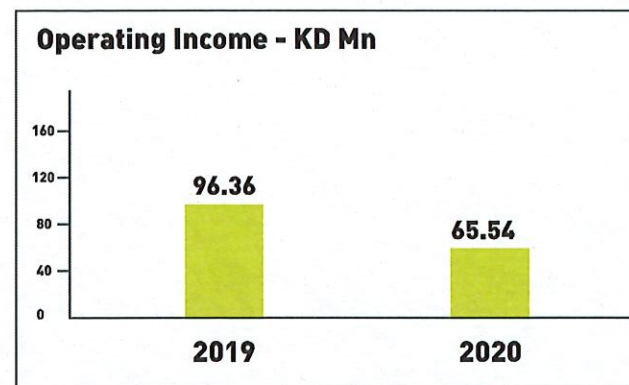
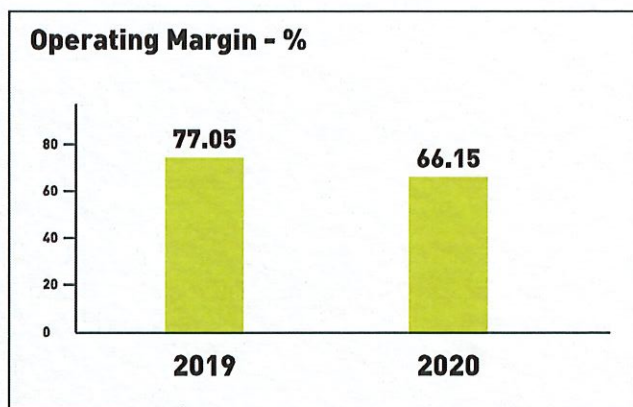


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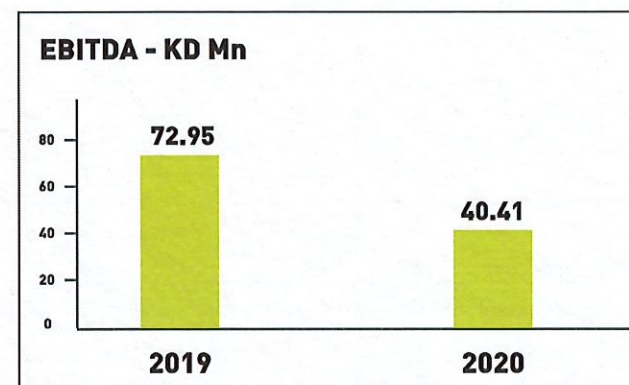
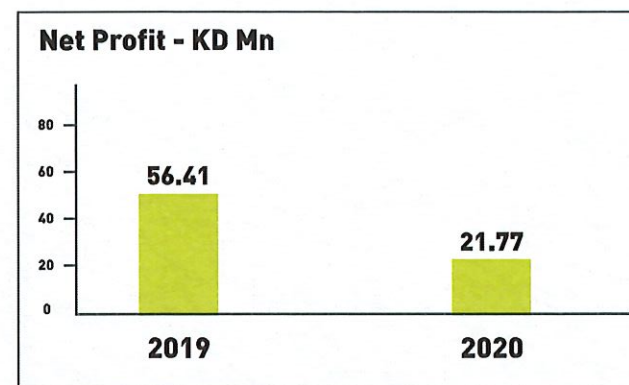
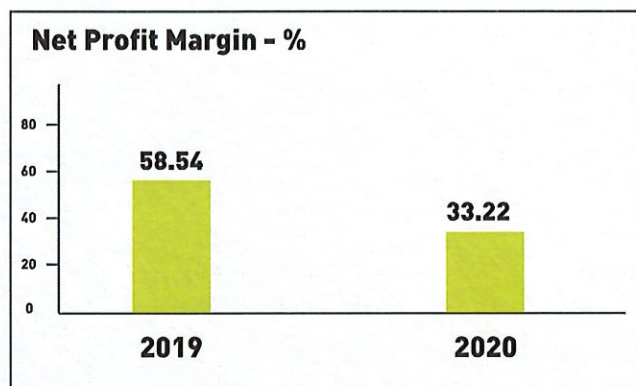


# Financial Performance



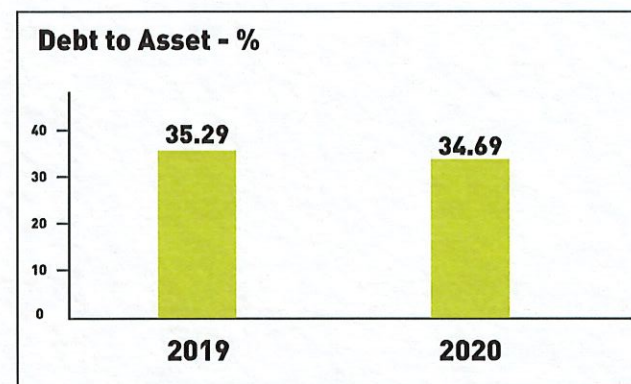
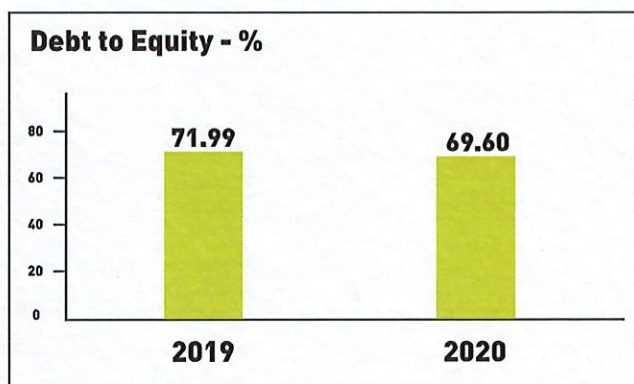
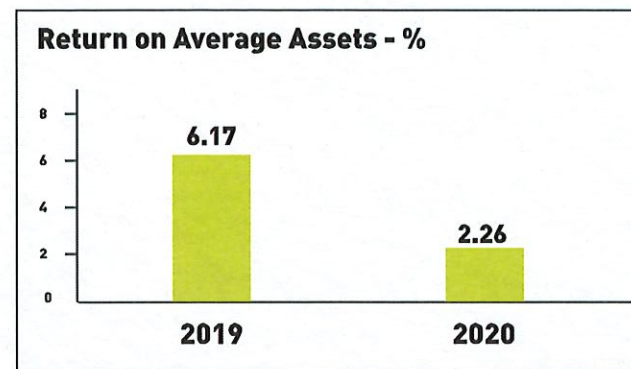
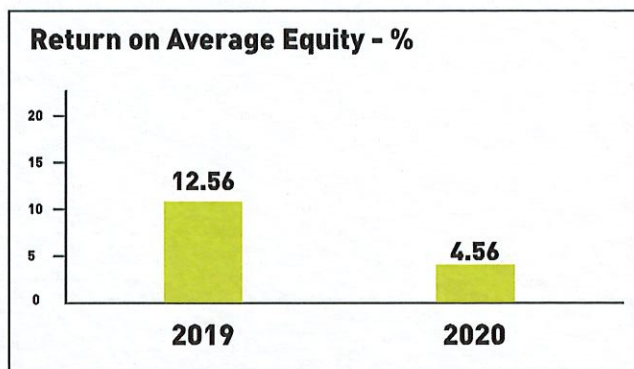


# Financial Performance (Continued)



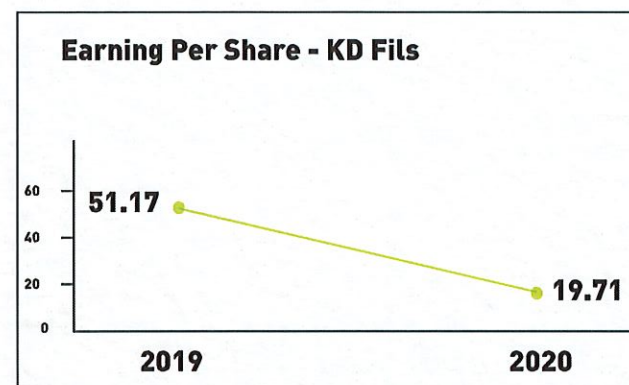
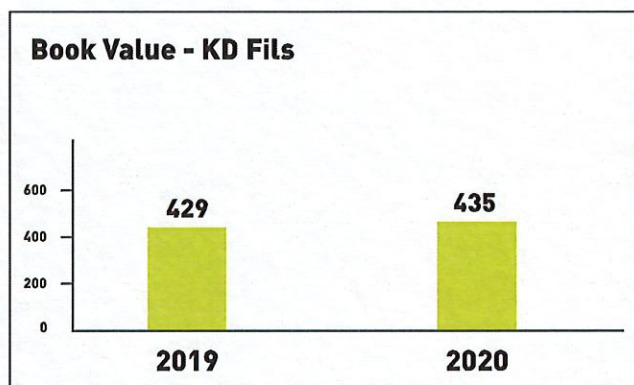
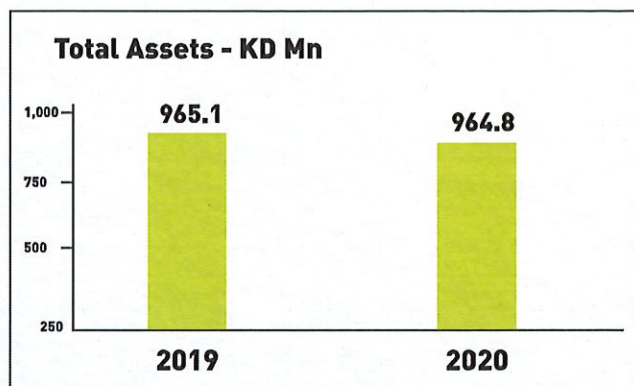


# Financial Performance (Continued)





# Financial Performance (Continued)





# Consolidated Statement of Income

Particulars	Financial Year - 12m		Variance	
	31-Dec-20	31-Dec-19	Amount	%
<b>Revenue</b>				
Investment properties revenue	63,551,991	96,362,123	(32,810,132)	(34.05)
Revenue from hotel operations	1,986,129	-	1,986,129	100.00
<b>Total revenue</b>	<b>65,538,120</b>	<b>96,362,123</b>	<b>(30,824,003)</b>	<b>(31.99)</b>
<b>Cost of Revenue</b>				
Investment properties expenses	(20,150,075)	(22,119,911)	1,969,836	8.91
Depreciation on investment properties	(10,997,655)	(10,075,321)	(922,334)	(9.15)
Hospitality operation's expenses	(2,034,732)	-	(2,034,732)	(100.00)
Depreciation of property and equipment	(1,405,073)	-	(1,405,073)	(100.00)
<b>Total cost of revenue</b>	<b>(34,587,535)</b>	<b>(32,195,232)</b>	<b>(2,392,303)</b>	<b>7.43</b>
<b>Gross profit</b>	<b>30,950,585</b>	<b>64,166,891</b>	<b>(33,216,306)</b>	<b>(51.77)</b>
Net investment (loss) gain	(236,030)	320,276	(556,306)	(173.70)
General and administrative expenses	(4,601,219)	(2,562,274)	(2,038,945)	(79.58)
Finance Costs	(5,103,163)	(4,006,622)	(1,096,541)	(27.37)
Other Income	1,357,918	493,679	864,239	175.06
Share of results from associates	220,927	366,560	(145,633)	(39.73)
<b>Profit for the period before contribution to KFAS, NLST &amp; Zakat</b>	<b>22,589,018</b>	<b>58,778,510</b>	<b>(36,189,492)</b>	<b>(61.57)</b>
Contribution to KFAS, NLST & Zakat	(1,023,505)	(2,651,333)	1,627,828	61.40
<b>Net profit for the year</b>	<b>21,565,513</b>	<b>56,127,177</b>	<b>(34,561,664)</b>	<b>(61.58)</b>
<b>Attributable to:</b>				
Non-Controlling Interest	(203,885)	(282,840)	78,955	27.92
<b>Equity holders of the parent company</b>	<b>21,769,398</b>	<b>56,410,017</b>	<b>(34,640,619)</b>	<b>(61.41)</b>
<b>Basic and diluted earning per share (KD fils)</b>	<b>19.71</b>	<b>51.17</b>	<b>(31.46)</b>	<b>(61.48)</b>



# Consolidated Statement of Financial Position - Assets

Particulars	Financial Year		Variance	
	31-Dec-20	31-Dec-19	Amount	%
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	119,486,091	4,649,241	114,836,850	2,470.01
Investment property	738,125,496	822,343,918	(84,218,422)	(10.24)
Investment in associates	34,657,422	30,658,604	3,998,818	13.04
Right of use of assets	2,574,174	2,234,872	339,302	15.18
Prepayments	8,503,241	8,503,698	(457)	(0.01)
Investments Securities	2,705,282	4,318,792	(1,613,510)	(37.36)
<b>Total non-current assets</b>	<b>906,051,706</b>	<b>872,709,125</b>	<b>33,342,581</b>	<b>3.82</b>
<b>Current Assets</b>				
Receivable from Associates	304,475	248,433	56,042	22.56
Accounts receivable and prepayments	19,915,665	19,557,940	357,725	1.83
Cash and bank balances	38,575,085	72,573,073	(33,997,988)	(46.85)
<b>Total current assets</b>	<b>58,795,225</b>	<b>92,379,446</b>	<b>(33,584,221)</b>	<b>(36.35)</b>
<b>Total Assets</b>	<b>964,846,931</b>	<b>965,088,571</b>	<b>(241,640)</b>	<b>(0.03)</b>



# Consolidated Statement of Financial Position - Liabilities and Equity

Particulars	Financial Year		(Amount in KD)	
	31-Dec-20	31-Dec-19	Variance Amount	%
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Share Capital	110,509,396	104,254,148	6,255,248	6.00
Reserves	370,328,312	368,807,706	1,520,606	0.41
<b>Total equity attributable to equity holders of the parent</b>	<b>480,837,708</b>	<b>473,061,854</b>	<b>7,775,854</b>	<b>1.64</b>
Non-controlling interest	74,241,941	73,831,413	410,528	0.56
<b>Total equity</b>	<b>555,079,649</b>	<b>546,893,267</b>	<b>8,186,382</b>	<b>1.50</b>
<b>Non-current Liabilities</b>				
Provision for staff indemnity	2,484,201	2,366,432	117,769	4.98
Other non-current liabilities	22,375,991	23,454,231	(1,078,240)	(4.60)
Lease Liabilities	1,413,655	1,075,617	338,038	31.43
Long-term loans	3,000,000	7,000,000	(4,000,000)	(57.14)
Murabaha payables	287,505,339	278,104,920	9,400,419	3.38
<b>Total non-current Liabilities</b>	<b>316,779,186</b>	<b>312,001,200</b>	<b>4,777,986</b>	<b>1.53</b>
<b>Current Liabilities</b>				
Short-term loans	5,000,000	4,000,000	1,000,000	25.00
Murabaha payables	39,172,222	51,463,487	(12,291,265)	(23.88)
Lease Liabilities	162,796	105,854	56,942	53.79
Accounts payable and accruals	48,653,078	50,624,763	(1,971,685)	(3.89)
<b>Total current Liabilities</b>	<b>92,988,096</b>	<b>106,194,104</b>	<b>(13,206,008)</b>	<b>(12.44)</b>
<b>Total Liabilities</b>	<b>409,767,282</b>	<b>418,195,304</b>	<b>(8,428,022)</b>	<b>(2.02)</b>
<b>Total Liabilities and Equity</b>	<b>964,846,931</b>	<b>965,088,571</b>	<b>(241,640)</b>	<b>(0.03)</b>





# Questions

# Thank You




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