



الصالحية

Date: 14/08/2024

Ref.: Ib/16/2024

To: Boursa Kuwait Co.

Dear Sirs,

Subject: Analyst/Investors Conference Meeting for the Second quarter of the year 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, we would like to inform you that Salhia Real Estate company has conducted the Analyst/Investors conference for the Second quarter of the year 2024 via a live webcast at 01:00 p.m. On Wednesday, 14/08/2024 (Kuwait local time), and there was no new material information discussed during the conference.

Attached is the presentation of the Analyst/Investors conference for the Second quarter of the year 2024.

Best regards,

Ghazi F. Alnafisi
Chairman

غازي فهد النفيسي
رئيس مجلس الإدارة

*Copy to the Capital Markets Authority.



*نسخة للسادة/ هيئة أسواق المال



نموذج الإفصاح عن المعلومات الجوهرية
Disclosure of Material Information Form

Date:	Name of the listed Company	اسم الشركة المدرجة	التاريخ:
14 Aug 2024	Salhia Real Estate Co. (K.P.S.C)	شركة الصالحية العقارية (ش.م.ك.ع)	14 أغسطس 2024
Material Information		المعلومة الجوهرية	
<p>We would like to inform you that Salhia Real Estate Company has conducted the Analyst/Investors Conference for the Second quarter of the year 2024 via a live webcast at 01:00 p.m. on Wednesday 14/08/2024 (Kuwait local time), and there was no new material information discussed during the conference.</p> <p>Attached is the presentation of the Analyst/Investors Conference for the Second quarter of the year 2024.</p>		<p>عقدت شركة الصالحية العقارية مؤتمر المحللين/المستثمرين للربع الثاني من العام 2024، عن طريق بث مباشر على شبكة الانترنت، وذلك في تمام الساعة 01:00 ظهراً، يوم الأربعاء الموافق 2024/08/14 (بتوقيت دولة الكويت)، ولم يتم الإفصاح عن أي معلومات جوهرية جديدة خلال المؤتمر.</p> <p>مرفق العرض التقديمي للمؤتمر عن الربع الثاني من العام 2024.</p>	
Significant Effect of the material information on the financial position of the company		أثر المعلومة الجوهرية على المركز المالي للشركة	
No Significant Effect		لا يوجد أثر.	



SALHIA REAL ESTATE CO.

Q2-2024 Results Presentation

Period Ended 30-June-24



Disclaimer / Disclosure / Forward Statement



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The information herein may be amended and supplemented and may not as such be relied upon for the purpose of entering any transaction. This presentation may not be reproduced, distributed or transmitted without the Company's prior written consent. All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of the matters described herein. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and therefore should not be relied upon as an accurate prediction of future performance.

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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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Q2 - 2024

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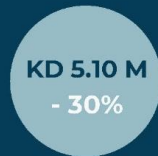
Group Performance



Revenue



EBITDA



Net Profit

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.

Performance Highlights

Q2-2024



LOCAL INVESTMENT'S



SALHIA

LOCAL INVESTMENT



SALHIA

- Salhia Complex
- Sahab Tower
- Salhia Plaza
- JW Marriot Hotel
- Anwar Al Sabah Property



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

96%

Q2 -24 Office
Occupancy

98%

Q2 -24 Store
Occupancy

Salhia Complex

- The first multi-purpose retail and leisure development 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 through a suspended bridge 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

7



SALHIA

General Knowledge

33,323
SQM

Built Up Area

181

Number of
Rooms

2024

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 late 2024
- Operated by Marriot International



JW MARRIOTT

8



SALHIA

General Knowledge

97,208
SQM

Built Up
Area

53,579
SQM

Gross Leasable
Area

96%

Q2 -24 Tower
Occupancy

90%

Q2 -24 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



SALHIA

ARRAYA



MARRIOT COURTYARD

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 Q3-2023
- 24-hour facility and maintenance support.



General Knowledge

180,500
SQM

Built Up
Area

71,924
SQM

Gross Leasable
Area

98%

Q1 -24
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%

Q2 -24
Occupancy

51

Number of
Floors

ASSIMA TOWER

Assima Tower

- Occupancy rate stands at 20% as of Q2 - 2024
- Project Completion January 2024.
- Connected to Assima Mall, featuring a multi-story parking facility designed for the convenience of both visitors and tenants.

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
266,975

6M -24
Revenue

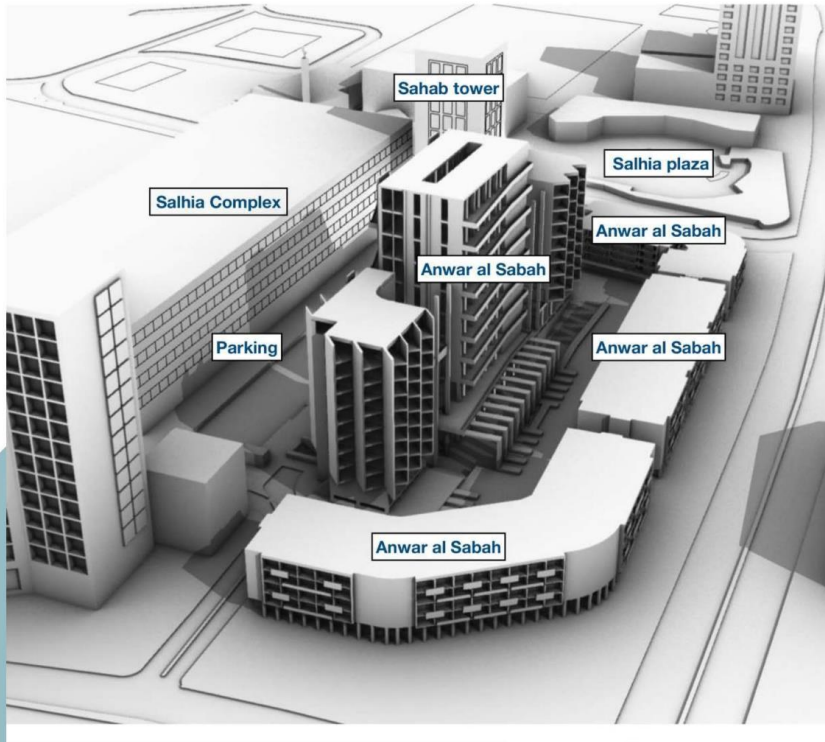
Salhia International Entertainment Center

- 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

14





ANWAR ALSABAH 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

FOREIGN INVESTMENT'S



SALHIA

FOREIGN INVESTMENT



BEORMA QUARTER, BIRMINGHAM

(Salhia International Birmingham Limited)

- Phase 1 – Adagio Hotel & Prince's Trust
- Phase 2 – Residential Apartment & Office Tower



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

125

Number of
Apartments

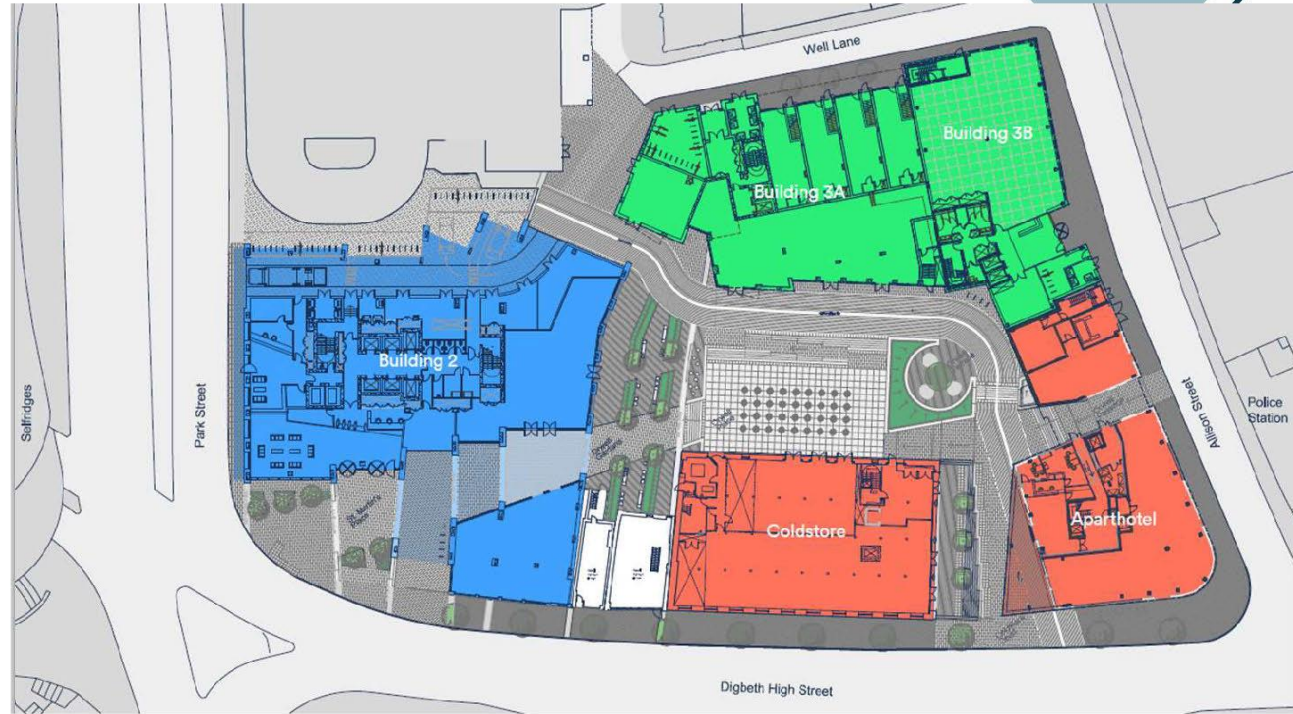
Beorma Quarter Project

- 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 - Q2 - 2024



General Knowledge

> 1 M
SQM

Land Area

UK

Location

1992

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)

DEC - 2024

JW Marriot
(Kuwait)

Q3 - 2026

Beorma Tower &
Residency
(Birmingham, UK)

22

*Projects' timings could change from the provided estimation.



SALHIA

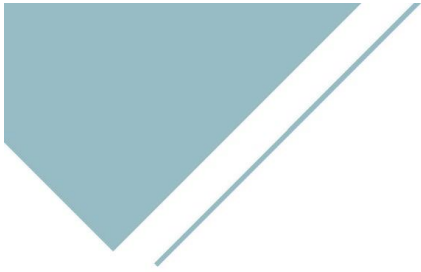
SALHIA REAL ESTATE CO.

Q2-2024 FINANCIAL HIGHLIGHTS

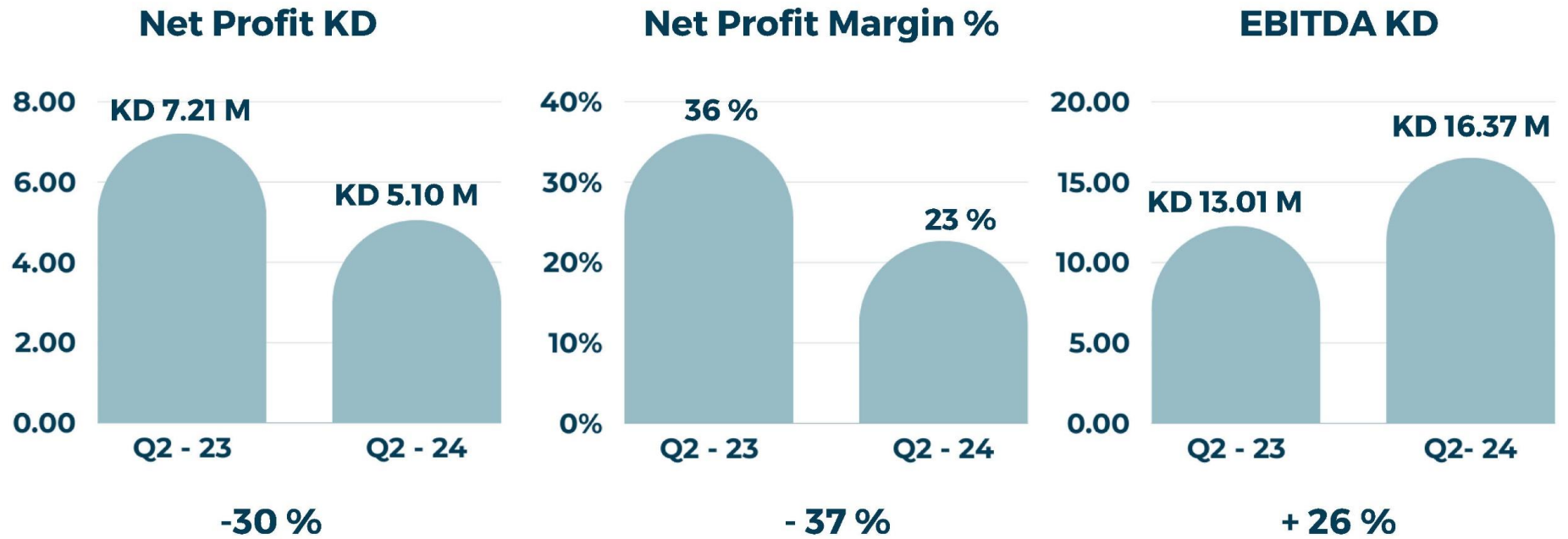
30-June-24

23



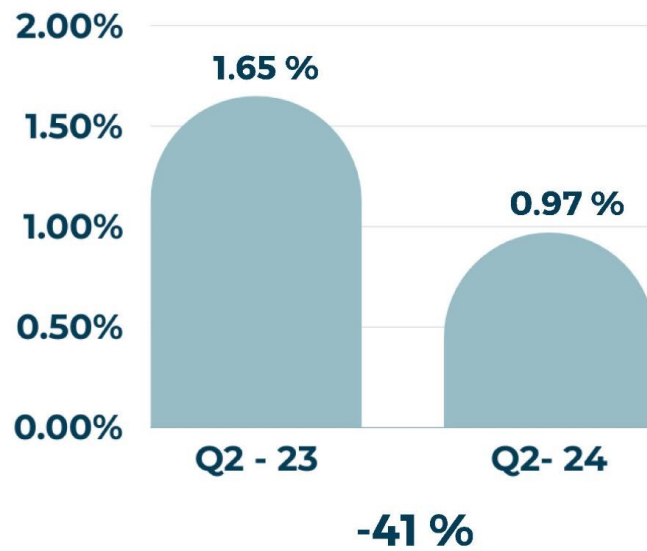


Profitability Indicators

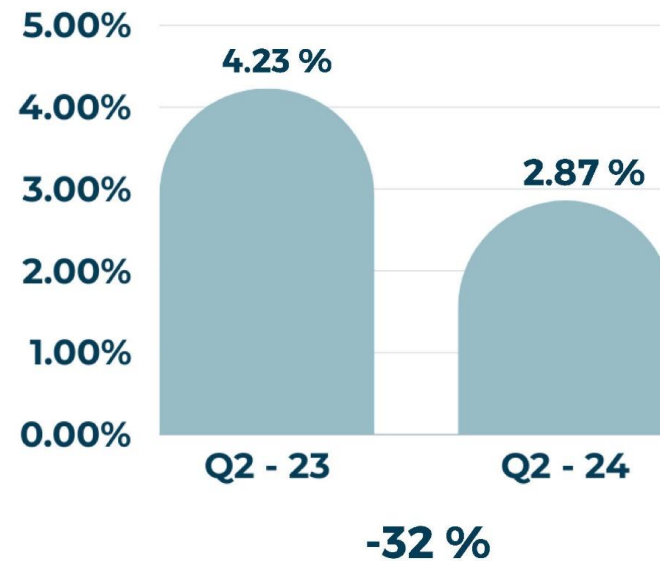


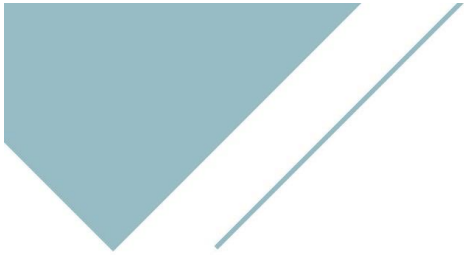
Profitability Indicators (Continued)

Return on Assets %



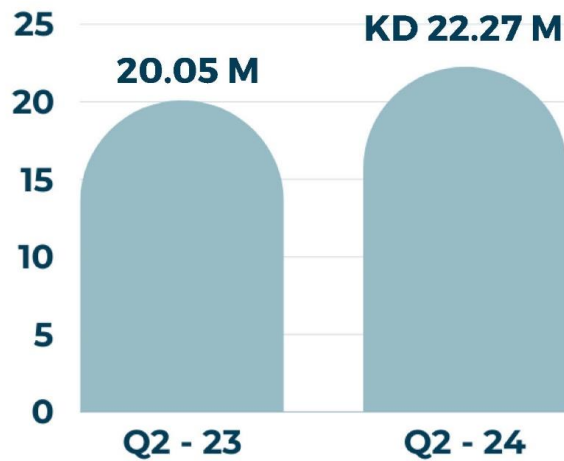
Return on Equity %





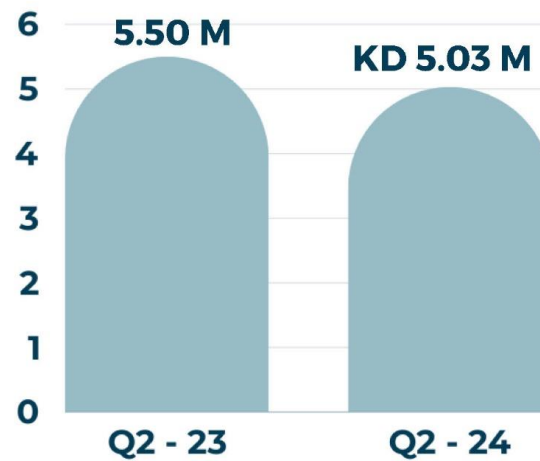
Performance Ratios - The Group

Revenue KD



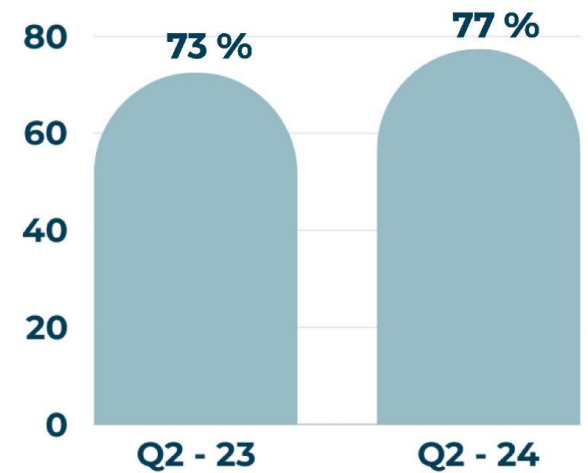
+ 11 %

Operating Expense KD

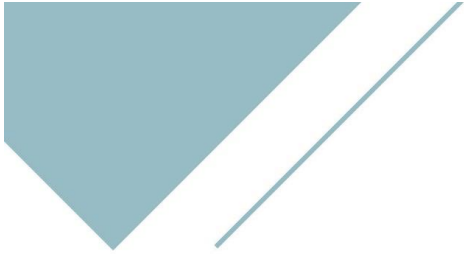


- 9 %

Gross Profit Margin %

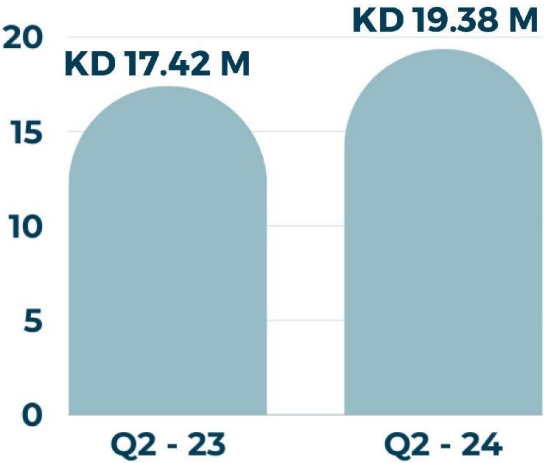


+ 7%



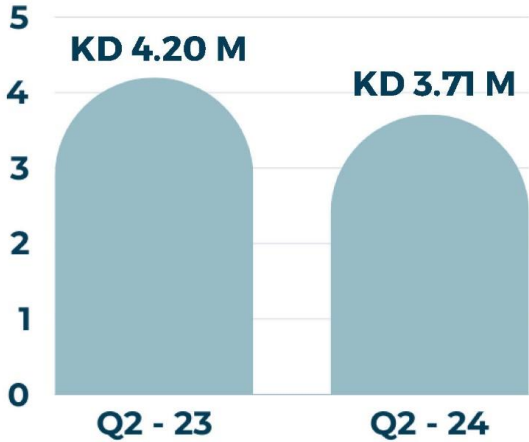
Performance Ratios - Real Estate

Revenue KD



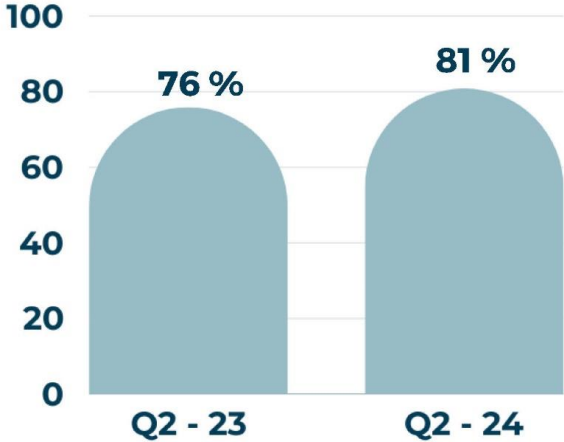
+ 11 %

Operating Expense KD

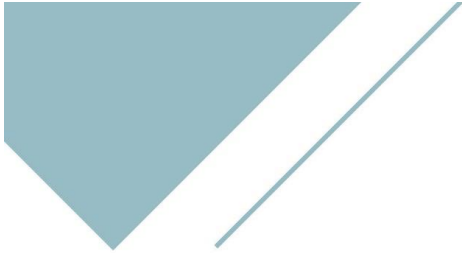


- 12 %

Gross Profit Margin %

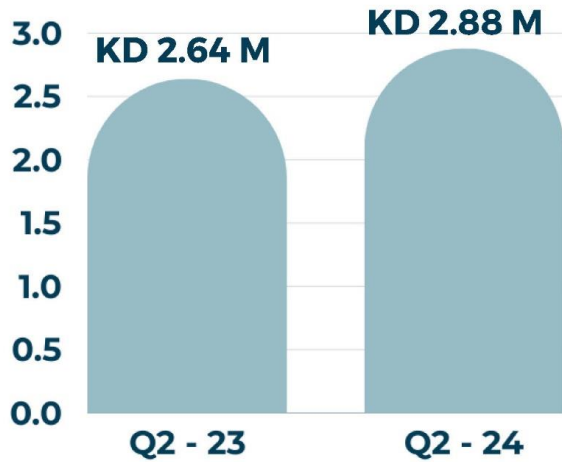


+ 7 %



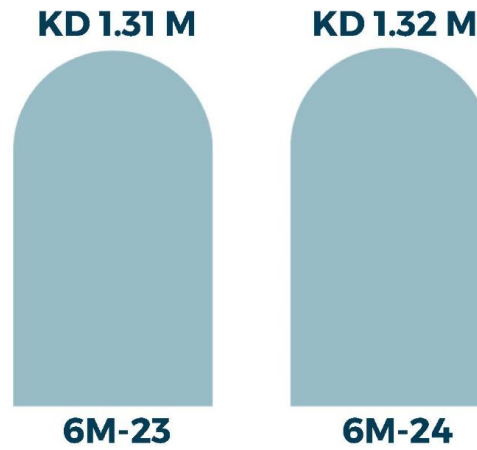
Performance Ratios - Hospitality

Revenue KD



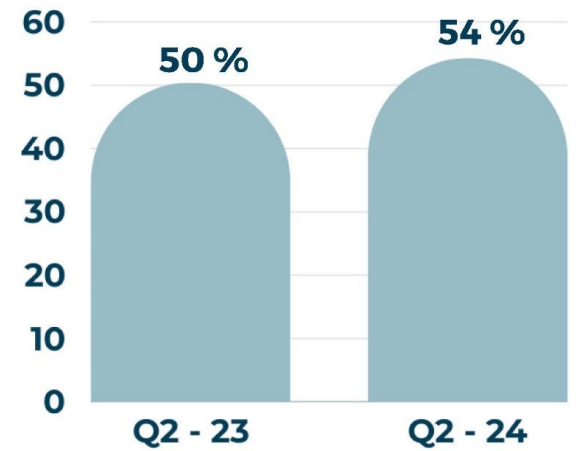
+ 9 %

Operating Expense KD



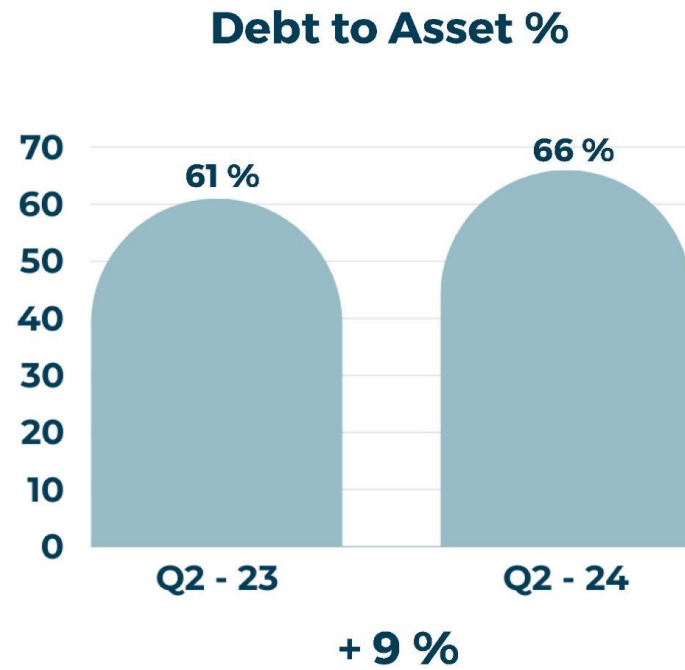
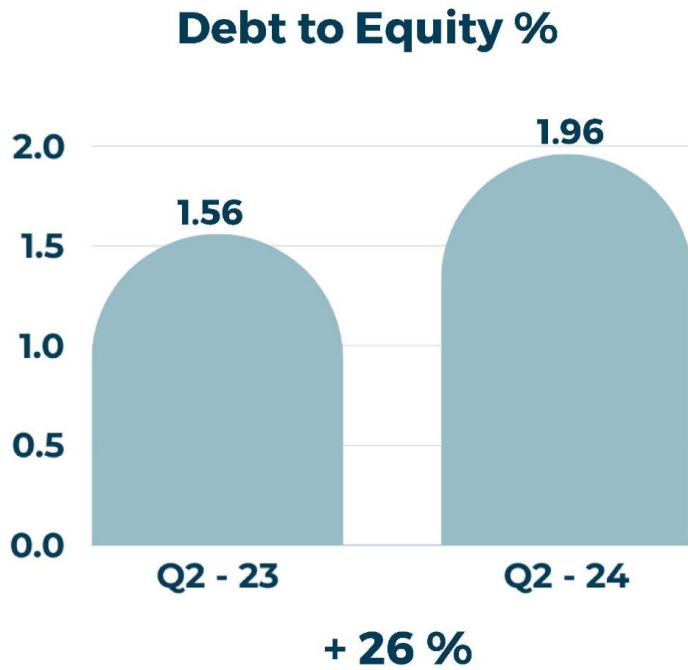
+ 0.76 %

Gross Profit Margin %



+ 8 %

Debt Structure



SALHIA REAL ESTATE CO.

APPENDIX

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Consolidated Statement of Financial Position

	Notes	30 June 2024 KD	(Audited) 31 December 2023 KD	30 June 2023 KD
ASSETS				
Cash on hand and at banks	4	5,432,709	6,192,906	7,076,884
Inventories		199,564	202,205	215,148
Accounts receivable and other assets		10,283,074	24,933,379	6,585,118
Financial assets at fair value through other comprehensive income	5	6,922,406	6,868,210	6,180,407
Investment in a joint venture		10,444,998	9,802,678	12,679,136
Investment properties	6	435,878,780	360,996,365	358,327,752
Property and equipment		54,008,168	49,126,804	45,301,260
TOTAL ASSETS		523,169,699	458,122,547	436,365,705

Consolidated Statement of Financial Position (Cont'd)

	Notes	30 June 2024 KD	30 June 2023 KD
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks and financial institution	4	14,235,600	6,776,389
Accounts payable and other liabilities		37,679,057	39,607,250
Commercial financing	7	21,358,160	14,688,600
Islamic financing	7	273,367,084	204,681,995
TOTAL LIABILITIES		346,639,901	265,754,234
EQUITY			
Share capital	8	59,354,144	56,527,756
Share premium		35,055,163	35,055,163
Treasury shares	9	(7,142,472)	(5,931,332)
Treasury shares reserve		6,118,701	5,708,079
Statutory reserve		30,280,511	30,280,511
Voluntary reserve		20,489,290	20,489,290
Retained earnings		45,495,691	42,668,466
Fair value reserve		13,825	(728,175)
Foreign currency translation reserve		(13,263,248)	(13,612,610)
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		176,401,605	170,457,148
Non-controlling interests		128,193	154,323
TOTAL EQUITY		176,529,798	170,611,471
TOTAL LIABILITIES AND EQUITY		523,169,699	436,365,705

Consolidated Statement of Income

	Note	Three months ended 30 June		Six months ended 30 June	
		2024	2023	2024	2023
		KD	KD	KD	KD
Revenue		11,112,085	10,250,435	22,268,097	20,054,665
Operating costs		(2,284,266)	(2,617,653)	(5,030,610)	(5,501,689)
Gross profit		8,827,819	7,632,782	17,237,487	14,552,976
Share of joint venture's results, net of tax		318,985	519,212	1,549,157	297,643
General and administrative expenses		(851,424)	(1,310,814)	(2,266,164)	(2,558,608)
Depreciation and amortization		(2,025,280)	(1,774,787)	(3,962,743)	(3,241,328)
Sales and marketing expenses		(110,084)	(123,881)	(320,577)	(308,542)
Dividends income		63,756	58,415	80,634	58,415
Recovery of insurance claims		-	-	-	750,000
Other income, net		(60,181)	(7,482)	87,329	222,631
Finance costs		(3,852,573)	(1,321,012)	(7,071,288)	(2,186,313)
PROFIT BEFORE PROVISION FOR CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT		2,311,018	3,672,433	5,333,835	7,586,874
KFAS		(22,935)	(36,126)	(52,949)	(75,486)
NLST		(57,338)	(90,316)	(132,372)	(188,715)
Zakat		(22,935)	(36,126)	(52,949)	(75,486)
PROFIT FOR THE PERIOD		2,207,810	3,509,865	5,095,565	7,247,187
Attributable to:					
Equity holders of the Parent Company		2,190,296	3,450,054	5,056,612	7,208,910
Non-controlling interests		17,514	59,811	38,953	38,277
		2,207,810	3,509,865	5,095,565	7,247,187
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY	3	3.82 fils	6.03 fils	8.81 fils	12.54 fils

Q&A



THANK YOU



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