Date: 11/11/2025 | **إشارة: ALG/CO/62/2025** | **التاريخ: 2025/11/11**

Dear Boursa Kuwait Company
Greeting,

<u>Subject: Analysts/ Investors Conference Transcript for Q3 of the FY 2025</u>

With reference to the above subject, and in the interest of Ali Alghanim Sons Automotive Company (ALG) to adhering with requirements of article No. (7-8-1/4) of Boursa Kuwait Rulebook. Kindly find attached the Analysts/ Investors Conference Transcript for Q3 of the Financial Year 2025.

Sincerely yours,

السادة/ شركة بورصة الكويت المحترمين
تحية طيبة وبعد،

<u>الموضوع: محضر مؤتمر المحللين/ المستثمرين للربع الثالث من العام 2025</u>

بالإشارة إلى الموضوع أعلاه، وحرصاً من شركة أولاد علي الغانم للسيارات (الغانم) على الإلتزام بمتطلبات المادة رقم (4/1-8-7) من كتاب قواعد البورصة، نرفق لكم محضر مؤتمر المحللين/ المستثمرين للربع الثالث من العام 2025.

وتفضلوا بقبول فائق التحية والإحترام،

....

Yousef Abdullah Al Qatami **يوسف عبدالله القطامي**
Vice Chairman & CEO **نائب رئيس مجلس الإدارة والرئيس التنفيذي**

شركة أولاد علي الغانم للسيارات ش.م.ك.ع
Ali Alghanim Sons Automotive Company K.S.C.P

Analysts/ Investors Conference Transcript for Q3 of the Financial Year 2025

Analysts/Investors Conference Transcript

Q3 of the Financial Year 2025

Ali Alghanim Sons Automotive Company

Analysts/Investors Conference Transcript for Q3 of the Financial Year 2025 of Ali Alghanim Sons Automotive Company hold on Sunday 09/11/2025.

Participants:

Mr. Yousef Al Qatami - Vice Chairman and CEO

Mr. Yousef Mustafa - Managing Director – Ali Alghanim & Sons Automotive Co.

Mr. Arpit Bohara - Chief Financial Officer

Chairperson:

Mr. Hatem Alaa - EFG Hermes

Hatem Alaa — Hello, everyone. Hatem Alaa from EFG Hermes and welcome to Ali Alghanim & Sons Automotive Q3, 2025 Results call. I'm pleased to have today on the call from Ali Alghanim Yousef Al-Qatami, Vice Chairman and CEO; Yousef Mustafa, Managing Director; and Arpit Bohara, CFO. We'll start with a presentation from management and then we'll open the floor for Q&A.

As an initial reminder to ask a question, you can either type it in the Q&A chat box or you can click on the raise hand button.

Gentlemen, please go ahead.

Yousef Mustafa — Thank you, Hatem, and good day to you all. Today, we're presenting to you our Q3 and YTD results for the company. Overall, the board's constitution is the same, no change. The add-on is Arpit Bohara, our new CFO, as Chavijit Bawa has retired.

In terms of the company overview which we're going to go into more details in the slides to follow, we have managed to achieve KWD 77.6 million in revenue for Q3 and our net profit is KWD 8.8 million. YTD revenue is KWD 219.9 million, and net profit is KWD 27.5 million. Also, notably we have added to our portfolio in our subsidiaries in Iraq, Mazda and Rolls Royce throughout the year, and in Egypt, we have added MAN trucks this year also, and this year was the beginning of the full production of Geely cars in Egypt on top of what we already started years back with BMW, and it's going well and increasing month on month.

Going into the details of our revenue breakdown, as you can see the revenue breakdown has changed a little bit. They are all growing; however, the growth in used cars has basically overtook the growth in passenger cars, new cars, and after sales. But overall, every cylinder of our business is growing well. Passenger cars is now standing at 64% of our revenue, after sales is 11%, 16% is our used cars, 3% in commercial and heavy equipment, 2% in rental and leasing, and synergetic lines and technologies initiative standing at both together 4% overall for the YTD.

We had fantastic growth in revenue and profit. For the quarter, our revenue grew 37.58% to KWD 77.6 million, and YTD our revenue growth is 17.92% standing at close to KWD 220 million. Our net profit for the quarter grew by 4.38% to 8.83%, and YTD by 8.51% standing at KWD 27.52 million.

In terms of the profit attributed to equity holders, overall growth for the quarter is 7.1 % at KWD 7.74 million and YTD 8.18% at KWD 23.24 million. Earnings per share attributed to equity holders is growing for the quarter at 6.55% at Fils 21.63 and 7.84% for the year at Fils 65.06. That's the breakdown.

Overall, the business is doing extremely well. As mentioned, how the volume was built is different a little bit specifically also in Q3 where used cars grew much faster than the rest. Some of the reasons is a lack of supply in some of the models in the new cars, and the rest is making sure that our retired cars and the used cars are sold quickly to have optimum basically stock turn in used cars to make sure that we have healthy stock overall for the company at any given point within the year.

The YTD picture is very similar to the quarter. The only thing that you're going to see is that the growth that happened at the beginning of the year in new cars is different than the picture in the quarter itself, Q3. Used cars grew in Q3, as mentioned, but overall, the entire business grew. But from a YTD perspective, new cars have been growing and growing really well, whether on the luxury side or the affordable sector with our Chinese cars. We are very happy to say that we have been growing our market share both in luxury and in affordable sectors very well this year, building on the success that we had in the years before.

A very strong balance sheet. The total has grown to KWD 273 million from KWD 263 million as of end of last year. Overall, very solid assets and very solid book with the company's performance overall.

Cash flow is very strong. We are very happy to say that overall sales, the increase in sales both on cars, new cars, used cars and after sales has been feeding really well into our cash flow statement. The business is extremely healthy, and we can see the demand increasing more and more on the affordable sector with healthier margins even than before. And our used cars overall business is feeding into helping new cars, whether affordable or luxury, sell more cars. The recent value reputation in the market for our cars is helping to defend the market share and even growing it both in the luxury and affordable sector.

Our ratios are still healthy in terms of overall liquidity, and in solvency ratios we're in very very strong position to even grow the business further, whether through our returned earnings or if needed, as our debt position is more than optimum to be able to grow in case there is an opportunity that is presented to us. Whether in Kuwait or outside of Kuwait, we're more than ready to capture it, whether through debt or through cash within the company.

This is now done for the overall presentation, and the Q&A session can start. Thank you.

Hatem: Thank you. To ask a question, you can either type it in the chat or click on the raise hand button and unmute your line. Again, you can either type your question in the chat or click on the raise hand button.

We have a question in the chat from Abdul Mohsen Ahmed. “Thank you for the call. Can you please comment on your operations in Iraq and Egypt and what can we expect going forward there?”

Yousef Al-Qatami: Iraq and Egypt, Alhamdulillah, are doing well. Both are expanding. BMW is growing in Iraq. BMW is also doing very well in Egypt. And Geely production is increasing as we continue to expand on the network that we have over there, and our sales are increasing. So, both are positive for the future.

Yousef Mustafa: Mazda has been added to our portfolio in Iraq, which we expect very soon to start seeing the results in terms of revenue and profit along with Rolls Royce, and for Egypt MAN trucks, basically we landed the importership agreement with MAN, and hopefully we're going to start seeing the results of these very soon also in Egypt.

Hatem Alaa: Again, as a reminder to ask a question you can either type it in the chat or click on the raise hand button. We have a question from Sharukh Saleem “What led to the increase in the below the line expenses for the quarter?” I think they’re referring to the costs below EBIT.

Arpit Bohara: The increase in expenses are more or less in line with the incremental revenue of the company, and the other disclosures are noted in the financials as well, which are related to the staff costs and other increases that came with the increase in revenue.

Hatem Alaa	We have a follow up from Abdulmohsen, "What is the outlook for vehicle rental income? Can we even expect further growth going forward, or can we look at Q3 numbers as the going rate?"
Yousef Mustafa	The overall growth that we have in lease rental as you have noticed is quite substantial. We do see room for improvement even further than that. However, overall, you can assume that the increase will be incremental rather than the same curve that you saw versus last year.
Hatem Alaa	Again, as a reminder to ask a question you can either type it in the Q&A chat box, or you can click on the raise hand button. We have another question from Sharukh. "With the expected increase in government spending and subsequent project activity, will you be looking to provide vehicles to these projects? Is there any angle of growth from there expected in Kuwait and in government spending and new projects?" Basically, that's what he's referring to.
Yousef Al-Qatami	It is possible for the future especially on the heavy truck business. As these projects grow, so will the demand for that side of the business. So, it's a possibility for the future, yes.
Hatem Alaa	There are no more questions at this stage.
Yousef Al-Qatami	Okay. Thank you for having us and looking forward to our next meeting with hopefully still the same kind of growth results. Thank you, everyone.
Hatem Alaa	Thank you so much to Ali Alghanim's management and thank you everyone for participating in today's call.
Yousef Mustafa	Thank you.
Arpit Bohara	Thank you.

Ali Alghanim Sons Automotive Company K.S.C.P.

Analyst Conference

Q3 2025

November 9th 2025

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AGENDA

"BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT TEAM"

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT TEAM

BOARD OF DIRECTORS

Eng. Fahad Ali Alghanim
Chairman
Non - Executive

Mr. Yousef Al Qatami
Vice Chairman and CEO
Executive

Mr. Ali Marzouq Alghanim
Member of the Board
Non - Executive

Mr. Mohammad Khaled Alghanim
Member of the Board
Non - Executive

Mr. Ali Abduljaleel Behbehani
Member of the Board
Non - Executive

Mr. Ahmad Meshari Abdulwahab Al-Fares
Member of the Board
Independent Director

Mr. Jehad Mohammad Ahmed Al-Qabandi
Member of the Board
Independent Director

EXECUTIVE MANAGEMENT TEAM

Mr.Yousef Al Qatami
Chief Executive Officer

Mr. Arpit Bohara
Chief Financial Officer

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COMPANY OVERVIEW

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COMPANY OVERVIEW: PERFORMANCE HIGHLIGHTS

A large-scale Kuwaiti shareholding company comprising of a group of automotive businesses that supply the Kuwaiti market, and some of the Arab Markets, with the finest international automotive brands and services.

Q3 2025 (Jul'25 – Sep'25)	
Revenue KWD 77.6 mill (USD 253.1 mill)	**Net Profit** KWD 8.8 mill (USD 28.7 mill)

YTD 2025 (Jan'25 – Sep'25)	
Revenue KWD 219.9 mill (USD 717.3 mill)	**Net Profit** KWD 27.5 mill (USD 89.7 mill)

Brands: Ali Alghanim Sons Automotive deals with numerous brands in the category of Passenger Cars, Heavy Commercial Equipment and Auto parts

Passenger Cars

Heavy Commercial Equipment

Auto Parts

REVENUE BREAKDOWN (YTD Sept 2025)

Passenger Cars

- BMW
- Land Rover
- Rolls Royce
- McLaren
- MINI
- Geely
- Great Wall
- Haval

Revenue
YTD 25 64%
YTD 24 71%

After Sales

- Service
- Body Shop
- Parts and Accessories

Revenue
YTD 25 11%
YTD 24 12%

Used Cars

- BMW
- Land Rover
- MINI
- Geely
- Haval

Revenue
YTD 25 16%
YTD 24 9%

Commercial Heavy Equipment

- MAN Truck & Bus
- Putzmeister
- Hyundai
- Baoli
- Fassi
- Service & Parts

Revenue
YTD 25 3%
YTD 24 3%

Rental and Leasing

- Renting among the available selection of affordable, luxury and ultra luxury vehicles
- Leasing of vehicles

Revenue
YTD 25 2%
YTD 24 2%

Synergistic Lines

- Sale of Aftermarket Products:
  - Tires – Sumitomo, Roadstone, Kinforest
  - Lubricants – Liquimoly
  - Batteries – Exide, Livguard
  - Sparkplugs – NGK
- Finance & Insurance
- Technical inspections and renewal of vehicle registration for all types of passenger cars

Revenue
YTD 25 3%
YTD 24 2%

Technology Initiatives

- Luxury car booking service (Rove)

Revenue
YTD 25 1%
YTD 24 1%

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FINANCIAL OVERVIEW

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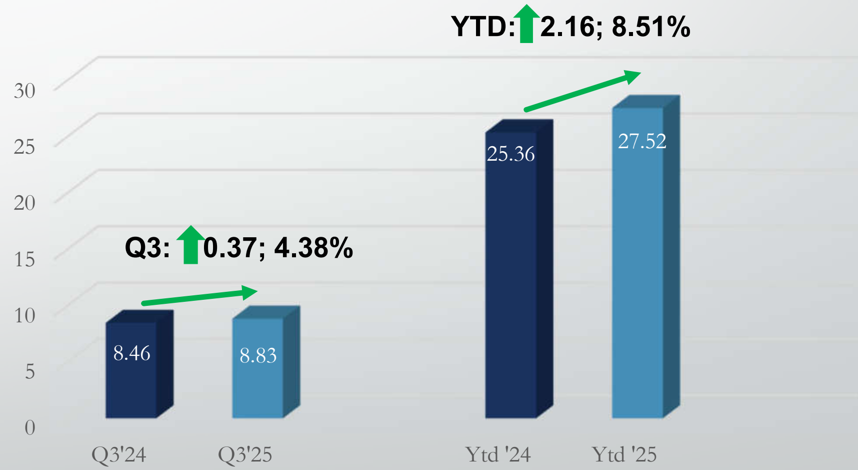
FINANCIAL OVERVIEW : Q3 2025 & YTD 2025

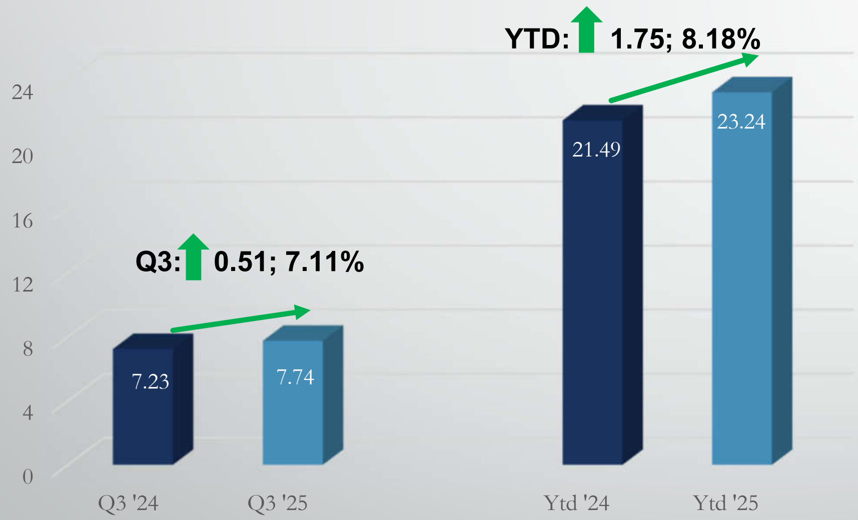
**Revenue
(in KWD Million)**

**Net Profit
(in KWD Million)**

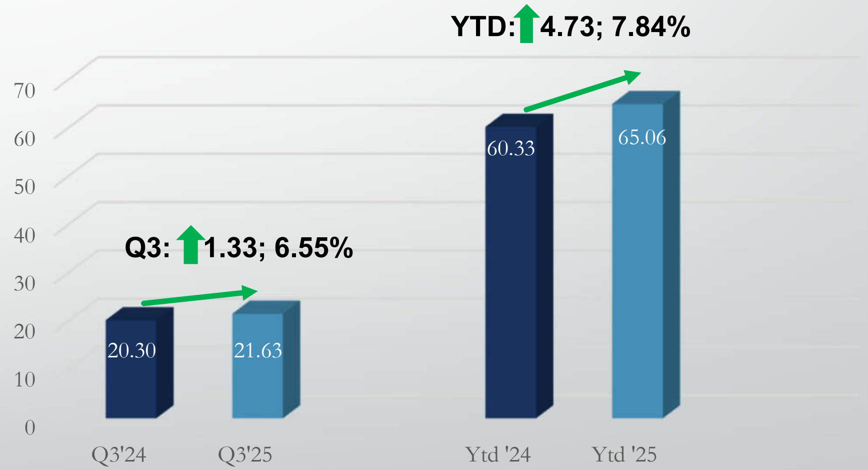


FINANCIAL OVERVIEW : Q3 2025 & YTD 2025

Profit attributable to equity holders (in KWD Million)



Earnings per share attributable to equity holders (in FILS)



INCOME STATEMENT – Q3 2025 (Jul – Sep)

Amount in KWD

INCOME STATEMENT	Q3'25	Q3'24	CHANGE
REVENUE	**77,606,947**	**56,409,127**	**37.58%**
Cost of sales and services rendered	(60,075,756)	(41,732,290)	43.96%
GROSS PROFIT	**17,531,191**	**14,676,837**	**19.45%**
Share of results of equity-accounted investees	784,409	980,286	(19.98)%
Net Expenses (S&D, Admin & Others)	(9,487,271)	(7,199,565)	31.78%
NET PROFIT	**8,828,329**	**8,457,558**	**4.38%**
Profit attributable to equity holders of parent company	7,742,063	7,228,164	7.11%
EARNINGS PER SHARE	**21.63**	**20.30**	**6.55%**

INCOME STATEMENT – YTD 2025 (Jan – Sep)

Amount in KWD

INCOME STATEMENT	YTD SEP '25	YTD SEP '24	CHANGE
REVENUE	**219,938,977**	**186,523,267**	**17.92%**
Cost of sales and services rendered	(168,614,858)	(140,117,723)	20.34%
GROSS PROFIT	**51,324,119**	**46,405,544**	**10.60%**
Share of results of equity-accounted investees	2,633,848	2,853,545	(7.70)%
Net Expenses (S&D, Admin & Others)	(26,440,769)	(23,900,277)	10.63%
NET PROFIT	**27,517,198**	**25,358,812**	**8.51%**
Profit attributable to equity holders of parent company	23,242,915	21,485,861	8.18%
EARNINGS PER SHARE	**65.06**	**60.33**	**7.84%**

BALANCE SHEET

Amount in KWD

BALANCE SHEET	Sep'25	Dec'24	CHANGE
ASSETS			
Property, plant, and equipment	120,763,030	119,347,817	1.19%
Other Non-Current assets	27,105,701	16,032,295	69.07%
Current assets	125,142,128	127,826,680	(2.10)%
TOTAL ASSETS	**273,010,859**	**263,206,792**	**3.72%**
Equity and Liability			
TOTAL EQUITY	**107,907,510**	**99,398,292**	**8.56%**
Non-current liabilities	62,712,682	58,387,894	7.41%
Current liabilities	102,390,667	105,420,606	(2.87)%
TOTAL LIABILITY	**165,103,349**	**163,808,500**	**0.79%**
Total Equity and Liabilities	**273,010,859**	**263,206,792**	**3.72%**

CASH FLOW STATEMENT

Amount in KWD

CASH FLOW STATEMENT	Sep’25	Sep’24
Cash from operating activities before working capital changes	36,516,460	31,851,096
Changes in working capital	(15,086,343)	(17,616,031)
Other items	(2,307,544)	(2,027,900)
NET CASH FLOWS (USED IN) FROM OPERATING ACTIVITIES	**19,122,573**	**12,207,165**
PPE & Intangible Assets	(8,343,908)	(10,035,940)
Investment in Associates & Others	(2,188,227)	(4,579,125)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(10,532,135)**	**(14,615,065)**
Net movement in Islamic Finance payables & Finance Costs	24,029,441	13,984,831
Dividends Paid to Equity Holders & NCI	(21,189,094)	(20,022,188)
Lease Liability & Other movements	(1,872,883)	261,764
NET CASHFLOW FROM (USED IN) FINANCING ACTIVITIES	**967,464**	**(5,775,593)**
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	**9,557,902**	**(8,183,493)**

KEY RATIOS – YTD SEP 25 (JAN – SEP)

KEY RATIOS		YTD Sep ’25	YTD Sep ’24
LIQUIDITY RATIOS			
Current Ratio	(Current Assets/Current Liabilities)	1.22	1.19
Quick Ratio	(Current Assets-Inventories/Current Liabilities)	0.47	0.36
Cash Ratio	(Cash/Current Liabilities)	0.26	0.16
PROFITABILITY RATIOS			
Gross Profit Margin	(Gross Profit/Revenue)	23.34%	24.88%
Net Profit Margin	(Net Profit/ Revenue)	12.51%	13.60%
PERFORMANCE RATIOS			
Return on Asset (ROA) TTM	(Net Profit/ Average Assets)	14.09%	14.49%
Return on Equity (ROE) TTM	(Net Profit/ Average Equity)	36.88%	38.76%
SOLVENCY RATIOS (Cash not adjusted)			
Bank Borrowing to Asset Ratio	(Debt/Total Assets)	0.25	0.22
Bank Borrowing to Equity Ratio	(Debt/Total Equity)	0.63	0.59

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Q&A SESSION

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Thank you

For Investor Relations

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