



Date: 19/08/2025

إشارة: ALG/CO/49/2025

التاريخ: 2025/08/19

Dear Bursa Kuwait Company
Greeting,

السادة/ شركة بورصة الكويت
تحية طيبة وبعد،

**Subject: Analysts/ Investors Conference
Transcript for Q2 of the FY 2025**

**الموضوع: محضر مؤتمر المحللين/ المستثمرين
للمربع الثاني من العام 2025**

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 Bursa Kuwait Rulebook. Kindly find attached the Analysts/ Investors Conference Transcript for Q2 of the Financial Year 2025.

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

Sincerely yours,

وتفضلوا بقبول فائق التحية والإحترام،

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 Q2 of the Financial Year 2025**



Analysts/Investors Conference Transcript

Q2 of the Financial Year 2025

Ali Alghanim Sons Automotive Company

Analysts/Investors Conference Transcript for Q2 of the Financial Year 2025 of Ali Alghanim Sons Automotive Company hold on Sunday 17/08/2025.

Participants of Ali Alghanim Sons Automotive Company:

Mr. Yousef Al Qatami – Vice Chairman and CEO

Chairperson:

Mr. Abdullah Kandeel

EFG Hermes



- Abdullah Hello, everyone. This is Abdullah from EFG Hermes. I would like to welcome you all to Ali Alghanim Sons Automotive Company's Second Quarter of 2025 Earnings call. I am pleased to have on the call from the management of Ali Alghanim, Mr. Yousef Al Qatami, Vice Chairman and CEO. We will start with a short presentation from the management, then we'll open the floor for the Q&A session. If you would like to ask a question, please use the raise hand function or type it in the chat box. Management, you now have the floor. Please go ahead.
- Yousef Al Qatami Thank you. Welcome to our second analyst conference of the year. We'll start with our Board that's been stable so far, including our two independent Board members.
- In terms of the company overview, for Q2 results we achieved revenue of KD 64.5 million and net profit of KD 9.1 million and in terms of year to date '25, we have achieved KD 142 million, and KD 18.7 million in net profit.
- For the revenue breakdown, what is noticeable here is that used cars went up and passenger cars went down. This is more of a technicality, because we had a conference car deal, and these cars were new and then they switched to used, so our eventual sale was used. So, in reality, the percentages are the same, but due to the technical sale of the used cars, there's a huge shift in used cars versus passenger cars.
- In terms of financial overview, for the revenues year to date, we were up about 9.39%, down from Q2'24 of 2.56%; however, our net profit was up at 10.58%, even though our net profit as compared to Q2'24 was down 3.95%, we were up for the attributable to shareholders from our side, as you can see there's a slight increase of 0.57% for Q2 and year to date is around 8.7%.
- In terms of the income statement, our revenue was down around 2.5%. However, we have controlled our cost of sales and increased our margins, and therefore this took our earnings per share up a little bit on Q2 of last year at around 0.22%.
- In terms of the income statement, for the half year our revenue is up 9.39%, our gross profit is around 6.5% up; therefore, giving us an earnings per share for the year to date at around 8.49% up.
- In terms of the balance sheet, there's around KD 10 million increase, and that is mostly coming from the increase in equity. Total of non-current and current liabilities is around the same.
- In terms of the cash flow statement, we can find that the cash flow from operating activities before working capital is very solid for this year, coming in at around KD 24.7 million versus KD 21.4 million in June of '24. The changes in working capital increase was mainly due to last year, we had extended credit terms, special extended credit terms that were basically paid up this year, and that's the only difference in the changes in working capital, and not so much the stock versus the payment terms.
- In terms of the key ratios, our liquidity, profitability and performance ratios around are around the same. Our gross profit margin has been very strong at 23.74% and our net profit margin is coming in at 13.13%. So are our solvency ratios are around the same as we had last year.
- All of you have our financials for the details, so if you have any questions, please, I open up the floor to any questions that you might have. Thank you.



- Abdullah Thank you so much. Mr. Yousef. As a reminder, if you'd like to ask a question, please use the raise hand function or type it in the chat box. We will be taking the first question from the chat box from Abdul Mohsen Alhamad. It says, "Thanks for the call. Sales momentum slowed down sequentially in Q2 versus Q1 2025 and Q4 2024. Can we look at Q2 sales as the base for the rest of the year?"
- Yousef Al Qatami We hope that that is not the case. Now, as some of you know, in Kuwait there were external factors that were involved would change the customer behavior, but we're seeing now stability in these factors, so hopefully going forward it should be better.
- Abdullah Thank you. As a reminder, if you would like to ask a question, please use the raise hand function or type it in the chat box. Okay, we have received another question from Abdul Mohsen. It says, "Are there any plans to expand into new locations?"
- Yousef Al Qatami There might be. We are studying plans of expansion. We're continuously studying these plans. Nothing has been set so far, but always in our minds. However, we do have a plan already approved in terms of expanding locations in Iraq. We are currently in Baghdad and Erbil, and we have plans to open another one in Baghdad and Sulaymaniyah and Basra.
- Abdullah Thank you. We will be waiting for a moment until more questions come in. If you would like to ask a question, please use the raise hand function or type it in the chat box.
- Okay, there's another question in the chat from Alanoud Al Rashid. It says, "Hello, please pardon my ignorance, but can you further explain the shift towards used cars? Are you witnessing any softness in consumer spending?"
- Yousef Al Qatami No, no, it wasn't a shift. It was more rather a technicality. So, we had a large conference in Kuwait, and these cars were supplied with 7 Series, which we usually sell in new cars. Due to the technicality of them being used for a few days and returned, they were eventually sold as used cars rather than new cars, that's what caused the major shift. This should normalize going onwards, for the rest of the period, not the first half, obviously, because that's finished, but for the rest of the period it should be normalized.
- Abdullah Thank you so much. Another reminder that if you would like to ask a question, please use the raise hand function or type it in the chat box.
- We have received another question in the chat. It says, "Can you please elaborate on the trends in luxury versus Chinese sales? Can we assume the difference in margins are still the same?"
- Yousef Al Qatami Yes, however, the Chinese segment in general is growing. From our side, I'm not going to talk about the market, but from our side, we've also been holding our market share in the luxury market. So, fortunately, it has not been affecting our market share in the luxury segment versus other companies that might have been effected, but from our side we are maintaining our luxury and we're growing with Chinese.
- Abdullah Thank you so much. Another reminder, to ask a question use the raise hand function or type it in the chat box.



Okay, I believe there are no more questions. So, I would like to pass back the floor to the management for any concluding remarks.

Yousef Al Qatami

Thank you for attending our analyst conference. I'd like to mention that with the challenges we had in the Kuwaiti market, we've still been able to achieve a good result compared to last year. So hopefully, as things stabilize in the Kuwaiti market, as well as geographically in our Iraq and Egypt, which are both having a good performance, we should have a better future inshallah for all of us. Thank you.

Abdullah

Thank you so much. This concludes today's call.



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

Analyst Conference

Q2 2025

August 17th 2025



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AGENDA

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BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT TEAM

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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 Abdjaleel 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. Chavijit Singh Bawa
Chief Financial Officer



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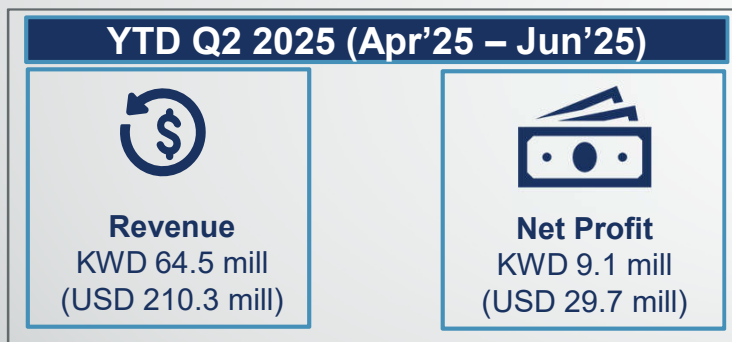
COMPANY OVERVIEW

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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.

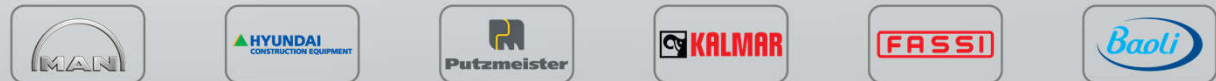


Brands: Ali Alghanim Sons Automotive deals with numerous brands in the category of Passenger Cars, Heavy Commercial Equipment and Auto parts

Passenger Cars



Heavy Commercial Equipment



Auto Parts



REVENUE BREAKDOWN (H1 2025)



Passenger Cars	After Sales	Used Cars	Commercial Heavy Equipment																
<ul style="list-style-type: none">• BMW• Land Rover• Rolls Royce• McLaren• MINI• Geely• Great Wall• Haval <div><div>Revenue</div><table><tr><td>H1 25</td><td>65%</td></tr><tr><td>H1 24</td><td>74%</td></tr></table></div>	H1 25	65%	H1 24	74%	<ul style="list-style-type: none">• Service• Body Shop• Parts and Accessories <div><div>Revenue</div><table><tr><td>H1 25</td><td>11%</td></tr><tr><td>H1 24</td><td>11%</td></tr></table></div>	H1 25	11%	H1 24	11%	<ul style="list-style-type: none">• BMW• Land Rover• MINI• Geely• Haval <div><div>Revenue</div><table><tr><td>H1 25</td><td>16%</td></tr><tr><td>H1 24</td><td>7%</td></tr></table></div>	H1 25	16%	H1 24	7%	<ul style="list-style-type: none">• MAN Truck & Bus• Putzmeister• Hyundai• Baoli• Fassi• Service & Parts <div><div>Revenue</div><table><tr><td>H1 25</td><td>3%</td></tr><tr><td>H1 24</td><td>3%</td></tr></table></div>	H1 25	3%	H1 24	3%
H1 25	65%																		
H1 24	74%																		
H1 25	11%																		
H1 24	11%																		
H1 25	16%																		
H1 24	7%																		
H1 25	3%																		
H1 24	3%																		
Rental and Leasing	Synergistic Lines		Technology Initiatives																
<ul style="list-style-type: none">• Renting among the available selection of affordable, luxury and ultra luxury vehicles• Leasing of vehicles <div><div>Revenue</div><table><tr><td>H1 25</td><td>2%</td></tr><tr><td>H1 24</td><td>2%</td></tr></table></div>	H1 25	2%	H1 24	2%	<ul style="list-style-type: none">• Sale of Aftermarket Products:<ul style="list-style-type: none">• 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 <div><div>Revenue</div><table><tr><td>H1 25</td><td>2%</td></tr><tr><td>H1 24</td><td>2%</td></tr></table></div>		H1 25	2%	H1 24	2%	<ul style="list-style-type: none">• Luxury car booking service (Rove) <div><div>Revenue</div><table><tr><td>H1 25</td><td>1%</td></tr><tr><td>H1 24</td><td>1%</td></tr></table></div>	H1 25	1%	H1 24	1%				
H1 25	2%																		
H1 24	2%																		
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FINANCIAL OVERVIEW

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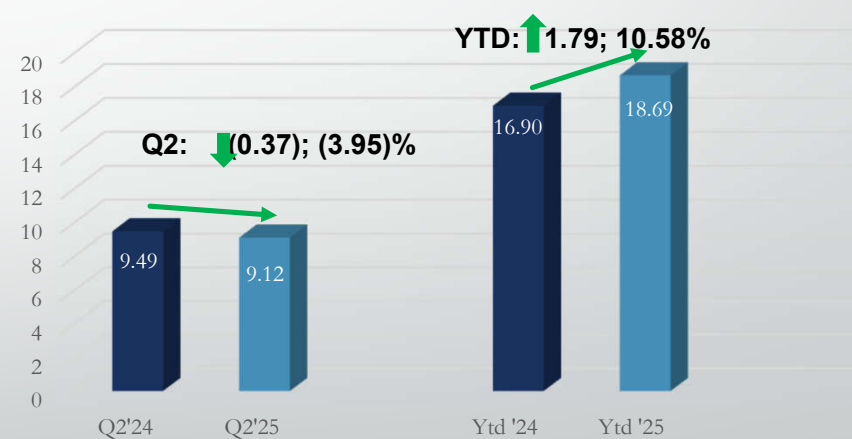


FINANCIAL OVERVIEW: Q2 2025 & YTD 2025

Revenue
(in KWD Million)



Net Profit
(in KWD Million)



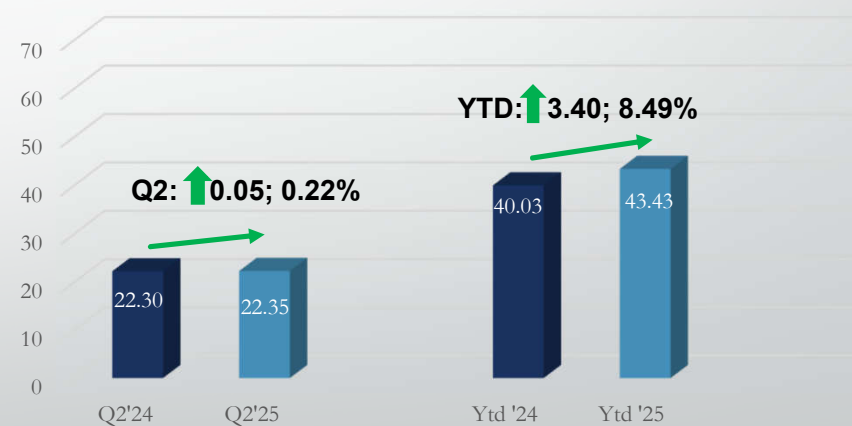


FINANCIAL OVERVIEW: Q2 2025 & YTD 2025

**Profit attributable to equity holders
(in KWD Million)**



**Earnings per share attributable to
equity holders (in FILS)**





INCOME STATEMENT – Q2 2025 (APR-JUNE)

Amount in KWD

INCOME STATEMENT	Q2'25	Q2'24	CHANGE
REVENUE	64,531,840	66,226,732	(2.56)%
Cost of sales and services rendered	(47,918,787)	(49,657,495)	(3.50)%
GROSS PROFIT	16,613,053	16,569,237	0.26%
Share of results of equity-accounted investees	716,891	1,342,171	(46.59)%
Net Expenses (S&D, Admin & Others)	(8,210,257)	(8,416,703)	(2.45)%
NET PROFIT	9,119,687	9,494,705	(3.95)%
Profit attributable to equity holders of parent company	7,986,369	7,941,129	0.57%
EARNINGS PER SHARE	22.35	22.30	0.22%



INCOME STATEMENT – YTD 2025 (JAN-JUNE)

Amount in KWD

INCOME STATEMENT	YTD June '25	YTD June'24	CHANGE
REVENUE	142,332,030	130,114,140	9.39%
Cost of sales and services rendered	(108,539,102)	(98,385,433)	10.32%
GROSS PROFIT	33,792,928	31,728,707	6.51%
Share of results of equity-accounted investees	1,849,439	1,873,259	(1.27)%
Net Expenses (S&D, Admin & Others)	(16,953,498)	(16,700,712)	1.51%
NET PROFIT	18,688,869	16,901,254	10.58%
Profit attributable to equity holders of parent company	15,500,852	14,257,697	8.72%
EARNINGS PER SHARE	43.43	40.03	8.49%



BALANCE SHEET

Amount in KWD

BALANCE SHEET	June'25	Dec'24	CHANGE
ASSETS			
Property, plant, and equipment	120,780,125	119,347,817	1.20%
Other Non-Current assets	25,532,273	16,032,295	59.26%
Current assets	127,443,879	127,826,680	(0.30)%
TOTAL ASSETS	273,756,277	263,206,792	4.01%
Equity and Liability			
TOTAL EQUITY	110,128,570	99,398,292	10.80%
Non-current liabilities	64,712,151	58,387,894	10.83%
Current liabilities	98,915,556	105,420,606	(6.17)%
TOTAL LIABILITY	163,627,707	163,808,500	(0.11)%
Total Equity and Liabilities	273,756,277	263,206,792	4.01%

CASH FLOW STATEMENT

Amount in KWD

CASH FLOW STATEMENT	June'25	June'24
Cash from operating activities before working capital changes	24,690,800	21,410,643
Changes in working capital	(23,951,616)	(18,031,327)
Other items	(2,193,513)	(1,581,170)
NET CASH FLOWS (USED IN) FROM OPERATING ACTIVITIES	(1,454,329)	1,798,146
PPE & Intangible Assets	(5,675,080)	(7,936,698)
Investment in Associates & Others	(1,218,142)	(4,579,125)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(6,893,222)	(12,515,823)
Net movement in Islamic Finance payables & Finance Costs	21,071,465	15,213,002
Dividends Paid to Equity Holders & NCI	(10,050,063)	(10,442,190)
Lease Liability & Other movements	(619,062)	973,573
NET CASHFLOW FROM (USED IN) FINANCING ACTIVITIES	10,402,340	5,744,385
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	2,054,789	(4,973,292)



KEY RATIOS – JUNE 25 (JAN – JUNE)

KEY RATIOS		YTD June '25	YTD June '24
LIQUIDITY RATIOS			
Current Ratio	(Current Assets/Current Liabilities)	1.29	1.27
Quick Ratio	(Current Assets-Inventories/Current Liabilities)	0.43	0.45
Cash Ratio	(Cash/Current Liabilities)	0.21	0.21
PROFITABILITY RATIOS			
Gross Profit Margin	(Gross Profit/Revenue)	23.74%	24.39%
Net Profit Margin	(Net Profit/ Revenue)	13.13%	12.99%
PERFORMANCE RATIOS			
Return on Asset (ROA) ^{TTM}	(Net Profit/ Average Assets)	14.22%	15.65%
Return on Equity (ROE) ^{TTM}	(Net Profit/ Average Equity)	35.87%	39.18%
SOLVENCY RATIOS (Cash not adjusted)			
Bank Borrowing to Asset Ratio	(Debt/Total Assets)	0.24	0.22
Bank Borrowing to Equity Ratio	(Debt/Total Equity)	0.59	0.57 ¹⁶



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Q&A SESSION

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Thank you

For Investor Relations

Please Visit or Contact us on

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