



Date: 21/05/2025

إشارة: ALG/CO/40/2025

التاريخ: 2025/05/21

Dear Bursa Kuwait Company
Greeting,

السادة/ شركة بورصة الكويت
تحية طيبة وبعد،

**Subject: Analysts/ Investors Conference Transcript
for Q1 of the FY 2025**

**الموضوع: محضر مؤتمر المحللين/ المستثمرين للربع الأول
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 Q1 of the Financial Year 2025.

بالإشارة إلى الموضوع أعلاه، وحرصاً من شركة أولاد علي الغانم للسيارات (الغانم) على الالتزام بمتطلبات المادة رقم (7-8-1/4) من كتاب قواعد البورصة، نرفق لكم محضر مؤتمر المحللين/ المستثمرين للربع الأول 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 Q1 of the Financial Year 2025**



Analysts/Investors Conference Transcript

Q1 of the Financial Year 2025

Ali Alghanim Sons Automotive Company

Analysts/Investors Conference Transcript for Q1 of the Financial Year 2025 of Ali Alghanim Sons Automotive Company held on Monday 19/05/2025.

Participants:

Mr. Yousef Al Qatami – Vice Chairman and CEO

Mr. Chavijit Bawa - Chief Financial Officer

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

Chairperson:

Mr. Hatem Alaa

EFG Hermes



Hatem Alaa

Hello, everyone. This is Hatem Alaa from EFG Hermes. Welcome to Ali Alghanim Sons Automotive, First Quarter 2025 results Call. I'm pleased to have on the call today from Ali Alghanim, Yousef Al Qatami, Vice Chairman and CEO; Chavijit Bawa, CFO and Yousef Mustafa, Managing Director. We'll start by some comments from the executive management before opening the floor for your questions. As an initial reminder to ask a question, you can either type it in the chat box or you can click on the raise hand button and unmute your line

Gentlemen, please go ahead.

Yousef Mustafa

Thank you, Hatem. Welcome, good day to all. Today we're going to take you through the results for Quarter 1 2025 and we're going to start with the agenda, the Board of Directors, the Company Overview, Financial Overview and at the end, the Q&A session.

In terms of Board of Directors, no change in the Board of Directors, two independent Board of Directors to make sure that oversight is actioned. In terms of the company overview, we had our highest first quarter ever with revenue of 77.8 million Kuwaiti dinars and net profit of 9.5 7 million Kuwaiti dinars.

In terms of the split of the revenue, as you can see, there is fantastic growth in the used car side of the business. It constituted 15% of the revenue versus 7% the year before. Healthy growth in used cars, which in act basically made the revenues from the other sectors look less in percentage, but there is no drop overall, as there is a growth in the revenue overall—67% on passenger cars, 10% of after sales, 15% as mentioned in used cars, commercial and heavy equipment, standing at 3%; 2% in rental leasing, 2% in synergetic lines, and 1% in our technology initiative focused with Rove our own Uber-like service in Kuwait.

In terms of financial overview, you have, as mentioned, revenue growth of 21.13% in quarter-over-quarter. In terms of net profit, 29.2%— the growth, capitalizing on operating— better operating cost usage for our business. Hence, you see the difference between the growth in the revenue and the growth in net profits.

Profit attributed to equity holders, growth of 18.96%. In terms of earnings per share, attributed to equity holders 18.89% versus Quarter 1 last year. By the way, the distribution here— the earnings per share here is based on the total number of shares after the 30% increase in share to equity holders. It normalized with the Quarter 1 last year, to give you like to like comparison.

In terms of income statement, as mentioned, the growth is stated in revenue. As you can see, the overall gross profit standing at a very good growth of 12.04%, share of results from equity accounted investees, very positive at 1.13 million with 113% and net expense is optimized, as you can see, hence, the oversized growth in profit versus growth in revenue.

Balance sheet, very strong balance sheet. Overall, the change is minimal in terms of assets. Non-current assets, the growth is around 54.62% and the current assets at 6.5%.

Cash flow from operating activities before working capital is at 12.4 million Kuwaiti dinars. Healthy growth. However, the change in working capital is due to a one-time effect, which is a normalization to the payment terms with our suppliers. Since COVID, basically the payment terms and since the war on Gaza, the payment terms have changed to allow for the extended period that the goods take until they reach our ports. With things going back to normal, the normalization in the payment terms have this one off effect. As you can see, a change in working capital growing, which we're looking to normalize going forward in Quarter 2 and onwards.



Our ratios, as you can see, is extremely healthy. We still maintain a very healthy leverage and very healthy return on assets and return on equity overall. Something to note, our gross profit margins with the gross profit that you can see versus Quarter 1 is still standing at 22.32%, very healthy gross margin, and the net profit margin actually even grew, which focuses on our optimization of our operation and leveraging the operation cost that we have.

I will leave it now for any Q&A, if you guys have any.

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

There was very strong revenue growth for the Iraqi business in the quarter and the financials. I think revenue grew more than doubled. What's the reason for that?

Yousef Qatami The Iraqi business is growing anyway, but also there was a deal that was of significant revenue that added to the growth that we already have there. So it's two-fold.

Hatem Alaa This explains the increasing contribution for used cars as well, right?

Yousef Qatami No, the used car has nothing to do with that. The used car business came from Kuwait.

Hatem Alaa Question from AlRasheed, Can you share the reason behind the increase in the used car sales this quarter?

Yousef Mustafa The increase in the used car sales came basically from increasing sales and more activities on trade-in and the sale of retired company assets and leased cars that showed an increase in used car sales overall. It's a healthy growth and we're hopeful that it's going to grow even further.

Hatem Alaa There seem to be no more questions.

Yousef Qatami Okay, Hatem, just to close off, I'd like to mention a couple of things. Obviously, in the recent months, we've signed on new franchises in order to make our expansion in the future and our numbers stronger. As you know, we finished— and we announced this in the market already, we finished with the couple of franchises in Iraq and Egypt. This is something we're looking to continue to work with in the future. We're already working on some more. As you know, we continuously look for more franchises, and this is a strategy that we're continuing to do into the future, Inshallah.

Thank you everyone for having us and looking forward to Quarter 2 results.

Hatem Alaa Thank you very much Ali Alghanim's management for your time today, and thank you everyone for participating. This concludes today's call. Thank you.



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

Analyst Conference

Q1 2025

May 19th 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 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. Chavijit Singh Bawa
Chief Financial Officer



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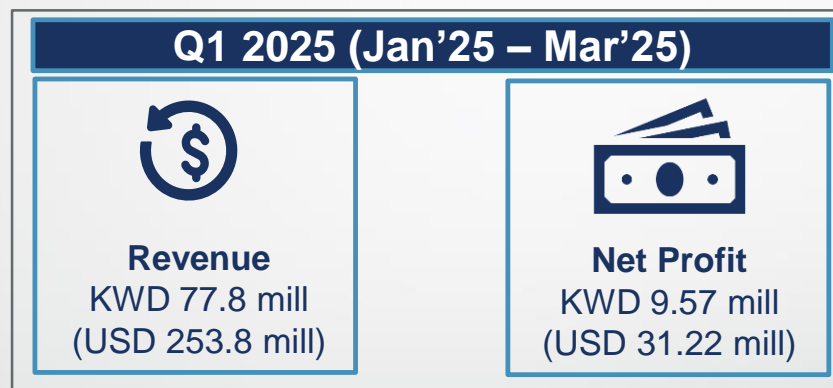
COMPANY OVERVIEW

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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

(Q1 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>Q1 25</td><td>67%</td></tr><tr><td>Q1 24</td><td>75%</td></tr></table></div>	Q1 25	67%	Q1 24	75%	<ul style="list-style-type: none">• Service• Body Shop• Parts and Accessories <div><div>Revenue</div><table><tr><td>Q1 25</td><td>10%</td></tr><tr><td>Q1 24</td><td>12%</td></tr></table></div>	Q1 25	10%	Q1 24	12%	<ul style="list-style-type: none">• BMW• Land Rover• MINI• Geely• Haval <div><div>Revenue</div><table><tr><td>Q1 25</td><td>15%</td></tr><tr><td>Q1 24</td><td>7%</td></tr></table></div>	Q1 25	15%	Q1 24	7%	<ul style="list-style-type: none">• MAN Truck & Bus• Putzmeister• Hyundai• Baoli• Fassi• Service & Parts <div><div>Revenue</div><table><tr><td>Q1 25</td><td>3%</td></tr><tr><td>Q1 24</td><td>2%</td></tr></table></div>	Q1 25	3%	Q1 24	2%
Q1 25	67%																		
Q1 24	75%																		
Q1 25	10%																		
Q1 24	12%																		
Q1 25	15%																		
Q1 24	7%																		
Q1 25	3%																		
Q1 24	2%																		
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>Q1 25</td><td>2%</td></tr><tr><td>Q1 24</td><td>2%</td></tr></table></div>	Q1 25	2%	Q1 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>Q1 25</td><td>2%</td></tr><tr><td>Q1 24</td><td>2%</td></tr></table></div>		Q1 25	2%	Q1 24	2%	<ul style="list-style-type: none">• Luxury car booking service (Rove) <div><div>Revenue</div><table><tr><td>Q1 25</td><td>1%</td></tr><tr><td>Q1 24</td><td>1%</td></tr></table></div>	Q1 25	1%	Q1 24	1%				
Q1 25	2%																		
Q1 24	2%																		
Q1 25	2%																		
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FINANCIAL OVERVIEW

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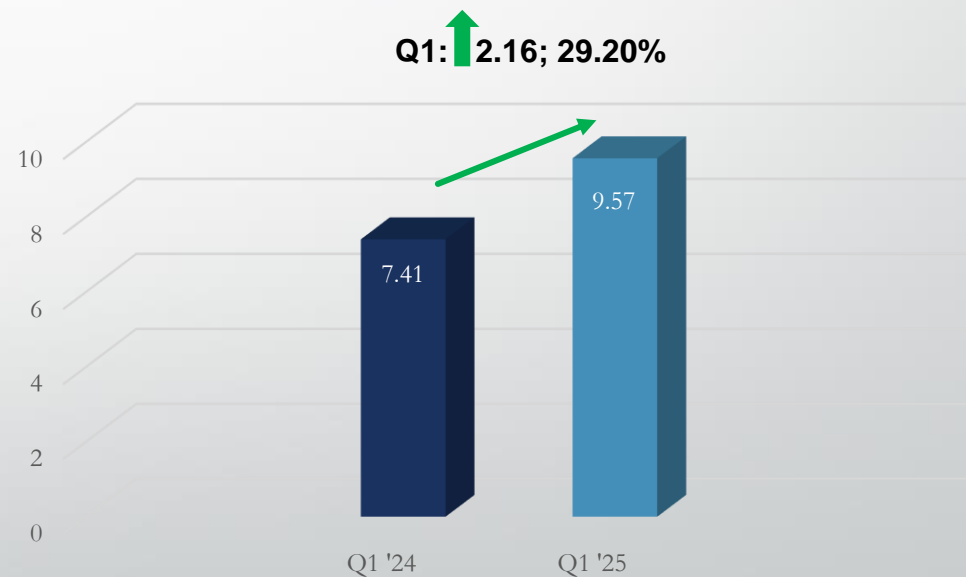


FINANCIAL OVERVIEW: Q1 2025

Revenue
(in KWD Million)



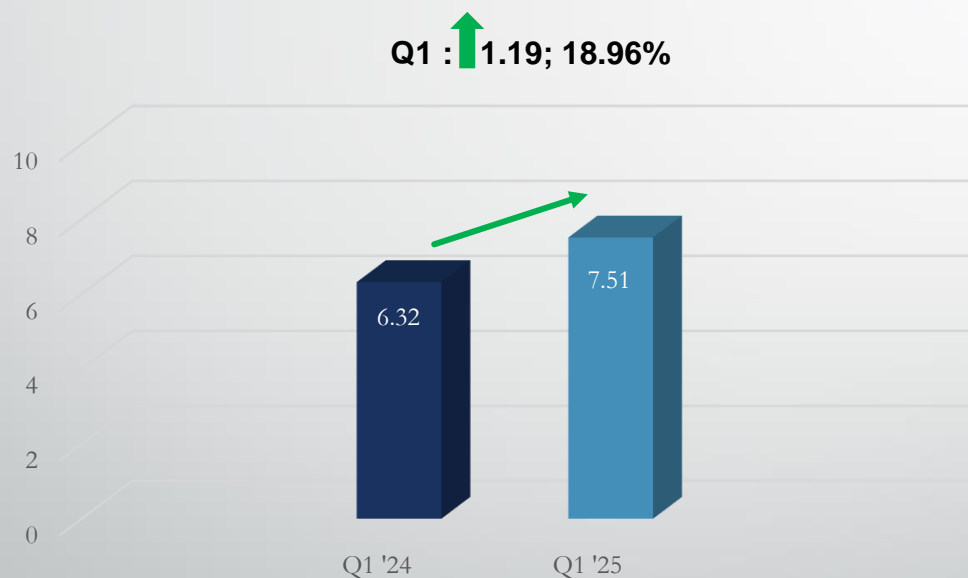
Net Profit
(in KWD Million)



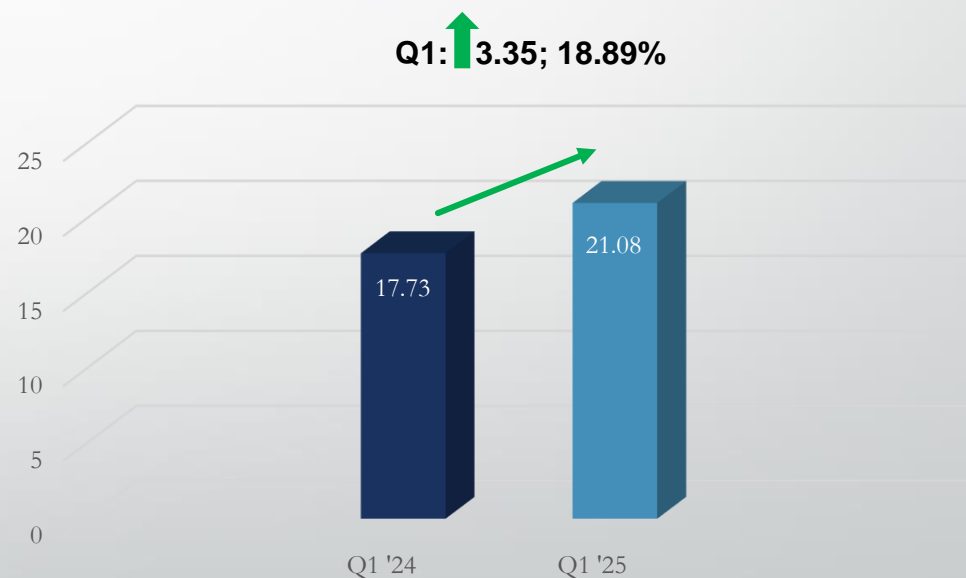


FINANCIAL OVERVIEW: Q1 2025

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



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





INCOME STATEMENT – Q1 2025 (JAN-MAR)

Amount in KWD

INCOME STATEMENT	Q1'25	Q1'24	CHANGE
REVENUE	77,800,190	64,227,026	21.13%
Cost of sales and services rendered	(60,435,211)	(48,727,938)	24.03%
GROSS PROFIT	17,364,979	15,499,088	12.04%
Share of results of equity-accounted investees	1,132,548	531,088	113.25%
Net Expenses (S&D, Admin & Others)	(8,928,345)	(8,623,627)	3.53%
NET PROFIT	9,569,182	7,406,549	29.20%
Profit attributable to equity holders of parent company	7,514,483	6,316,568	18.96%
EARNINGS PER SHARE	21.08	17.73	18.89%



BALANCE SHEET

Amount in KWD

BALANCE SHEET	Mar'25	Dec'24	CHANGE
ASSETS			
Property, plant, and equipment	120,500,456	119,347,817	0.97%
Other Non-Current assets	24,788,888	16,032,295	54.62%
Current assets	136,126,706	127,826,680	6.49%
TOTAL ASSETS	281,416,050	263,206,792	6.92%
Equity and Liability			
TOTAL EQUITY	100,106,347	99,398,292	0.71%
Non-current liabilities	60,902,184	58,387,894	4.31%
Current liabilities	120,407,519	105,420,606	14.22%
TOTAL LIABILITY	181,309,703	163,808,500	10.68%
Total Equity and Liabilities	281,416,050	263,206,792	6.92%



CASH FLOW STATEMENT

Amount in KWD

CASH FLOW STATEMENT	Mar'25	Mar'24
Cash from operating activities before working capital changes	12,477,772	10,269,333
Changes in working capital	(17,846,406)	(394,798)
Other items	(500,686)	(171,657)
NET CASH FLOWS (USED IN) FROM OPERATING ACTIVITIES	(5,869,320)	9,702,878
PPE & Intangible Assets	(2,972,112)	(2,535,117)
Investment in Associates & Others	-	(4,605,375)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(2,972,112)	(7,140,492)
Net movement in Islamic Finance payables & Finance Costs	13,142,302	(4,493,953)
Dividends Paid to Equity Holders & NCI	(66,234)	(862,149)
Lease Liability & Other movements	(246,846)	1,649,093
NET CASHFLOW FROM (USED IN) FINANCING ACTIVITIES	12,829,222	(3,707,009)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	3,987,790	(1,144,623)



KEY RATIOS – Mar 25 (JAN – MAR)

KEY RATIOS		YTD Mar '25	YTD Mar '24
LIQUIDITY RATIOS			
Current Ratio	(Current Assets/Current Liabilities)	1.13	1.09
Quick Ratio	(Current Assets-Inventories/Current Liabilities)	0.37	0.36
Cash Ratio	(Cash/Current Liabilities)	0.21	0.19
PROFITABILITY RATIOS			
Gross Profit Margin	(Gross Profit/Revenue)	22.32%	24.13%
Net Profit Margin	(Net Profit/ Revenue)	12.30%	11.53%
PERFORMANCE RATIOS			
Return on Asset (ROA) ^{TTM}	(Net Profit/ Average Assets)	14.21%	15.89%
Return on Equity (ROE) ^{TTM}	(Net Profit/ Average Equity)	40.02%	42.58%
SOLVENCY RATIOS (Cash not adjusted)			
Bank Borrowing to Asset Ratio	(Debt/Total Assets)	0.21	0.13
Bank Borrowing to Equity Ratio	(Debt/Total Equity)	0.59	0.36



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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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