



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

Analyst Conference

Q3 2023

November 13<sup>th</sup> 2023



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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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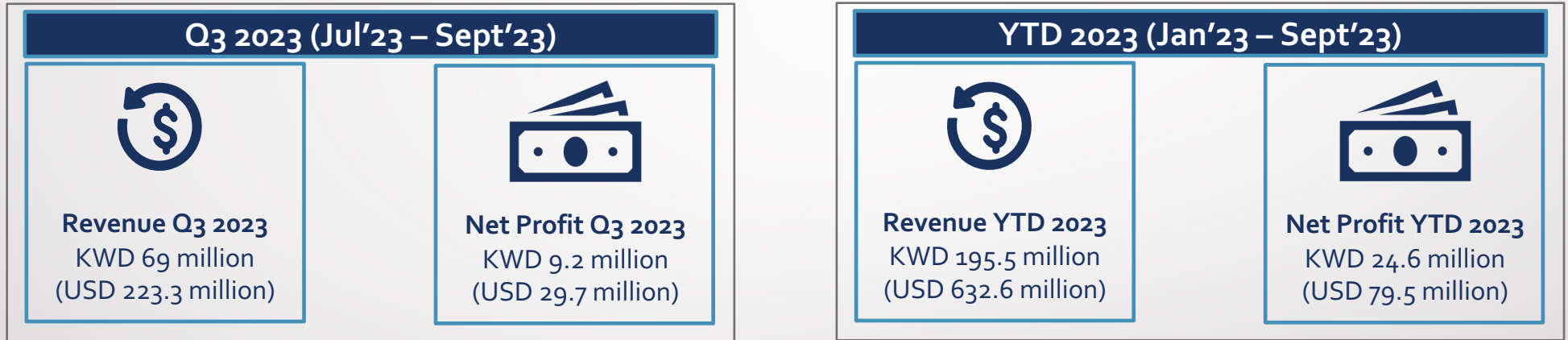
# COMPANY OVERVIEW AND ACCOMPLISHMENTS

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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





# REVENUE BREAKDOWN (YTD Nine Months 2023)

Passenger Cars	After Sales	Certified Used Cars	Commercial Heavy Equipment												
<ul style="list-style-type: none"><li>• BMW</li><li>• Land Rover</li><li>• Rolls Royce</li><li>• McLaren</li><li>• MINI</li><li>• Geely</li><li>• Great Wall</li><li>• Haval</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 76%</td></tr><tr><td>YTD'22 72%</td></tr></tbody></table>	Revenue	YTD'23 76%	YTD'22 72%	<ul style="list-style-type: none"><li>• Service</li><li>• Body Shop</li><li>• Parts and Accessories</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 11%</td></tr><tr><td>YTD'22 13%</td></tr></tbody></table>	Revenue	YTD'23 11%	YTD'22 13%	<ul style="list-style-type: none"><li>• BMW</li><li>• Land Rover</li><li>• MINI</li><li>• Geely</li><li>• Haval</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 5%</td></tr><tr><td>YTD'22 6%</td></tr></tbody></table>	Revenue	YTD'23 5%	YTD'22 6%	<ul style="list-style-type: none"><li>• MAN Truck &amp; Bus</li><li>• Putzmeister</li><li>• Hyundai</li><li>• Baoli</li><li>• Fassi</li><li>• Service &amp; Parts</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 4%</td></tr><tr><td>YTD'22 4%</td></tr></tbody></table>	Revenue	YTD'23 4%	YTD'22 4%
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YTD'22 6%															
Revenue															
YTD'23 4%															
YTD'22 4%															
Rental and Leasing	Synergistic Lines	Technology Initiatives													
<ul style="list-style-type: none"><li>• Renting among the available selection of affordable, luxury and ultra luxury vehicles</li><li>• Leasing of vehicles</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 2%</td></tr><tr><td>YTD'22 1%</td></tr></tbody></table>	Revenue	YTD'23 2%	YTD'22 1%	<ul style="list-style-type: none"><li>• Sale of Aftermarket Products:<ul style="list-style-type: none"><li>• Tires – Sumitomo, Roadstone, Kinforest</li><li>• Lubricants – Liquimoly</li><li>• Batteries – Exide, Livguard</li><li>• Sparkplugs – NGK</li></ul></li><li>• Technical inspections and renewal of vehicle registration for all types of passenger cars</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 2%</td></tr><tr><td>YTD'22 2%</td></tr></tbody></table>	Revenue	YTD'23 2%	YTD'22 2%	<ul style="list-style-type: none"><li>• Luxury car booking service (Rove)</li></ul> <table border="1"><thead><tr><th>Revenue</th></tr></thead><tbody><tr><td>YTD'23 1%</td></tr><tr><td>YTD'22 1%</td></tr></tbody></table>	Revenue	YTD'23 1%	YTD'22 1%				
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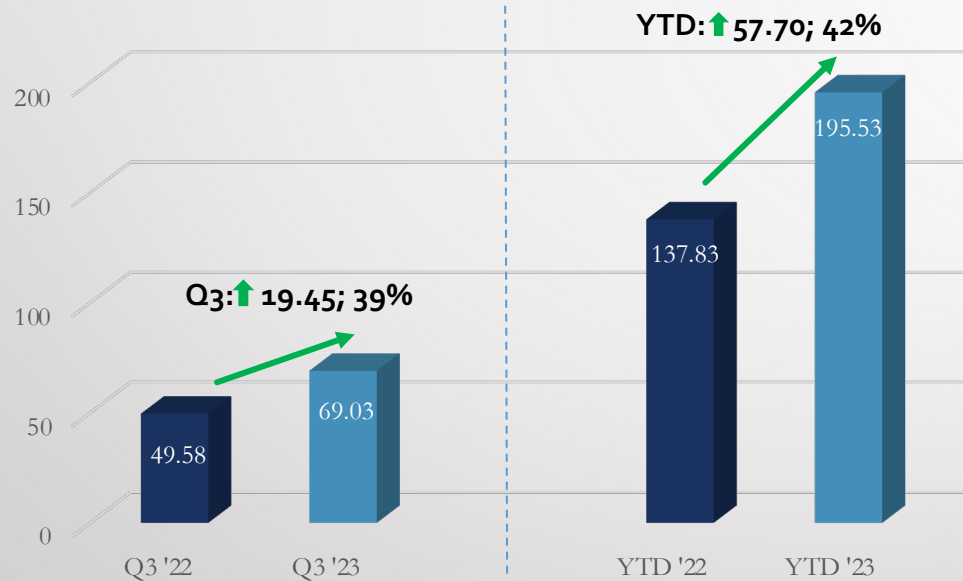
# FINANCIAL OVERVIEW

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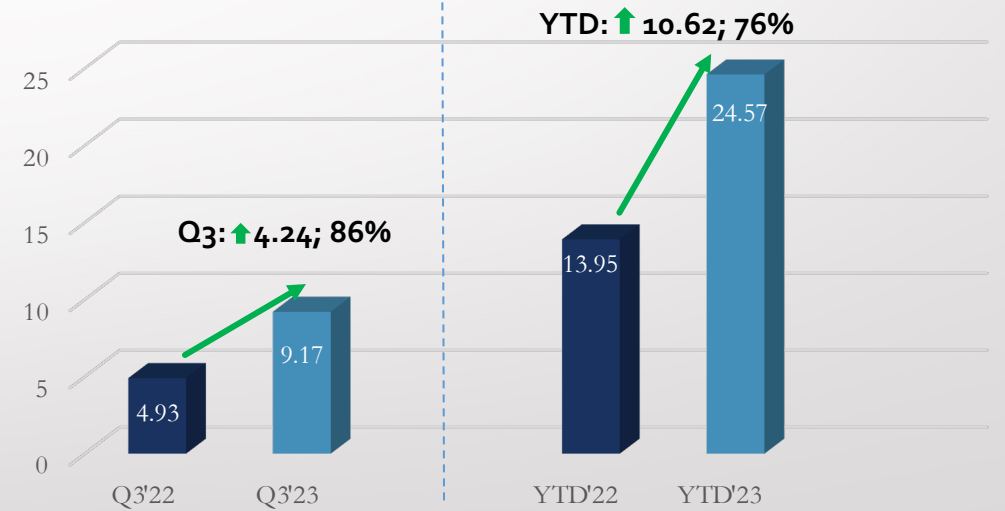


# FINANCIAL OVERVIEW: Q3 2023 & YTD 2023

Revenue (in KWD Million)



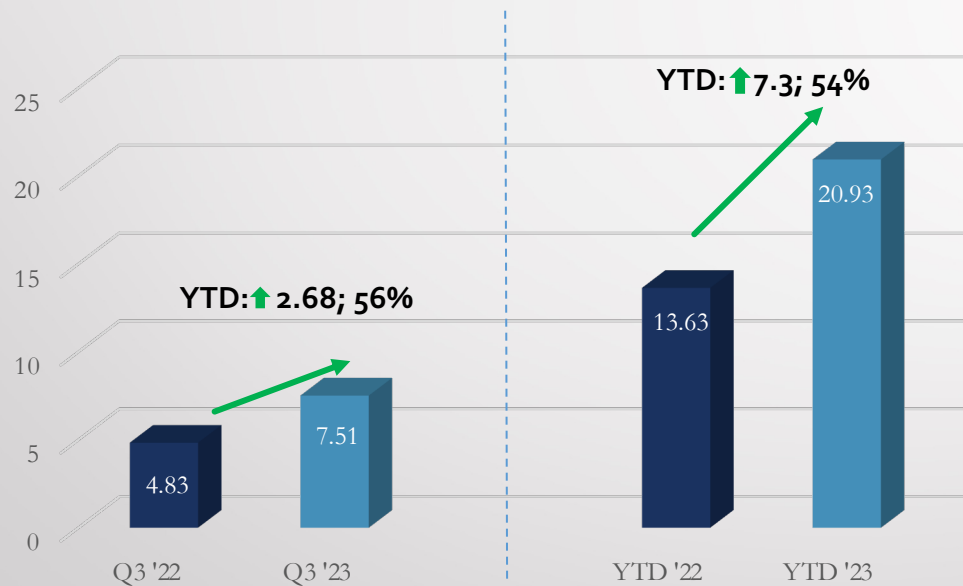
Net Profit (in KWD Million)



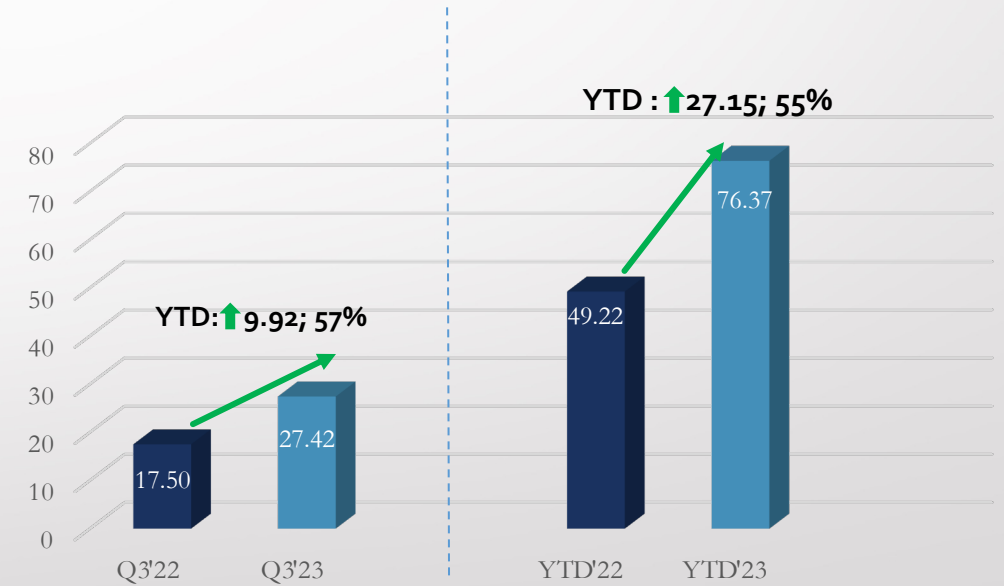


# FINANCIAL OVERVIEW: Q3 2023 & YTD 2023

Profit attributable to equity holders  
(in KWD Million)



Earnings per share attributable to equity holders  
(in FILS)





# INCOME STATEMENT – Q3 2023

Amount in KWD

INCOME STATEMENT	Q3'23	Q3'22	CHANGE
<b>REVENUE</b>	<b>69,030,786</b>	<b>49,577,993</b>	<b>39.24%</b>
Cost of sales and services rendered	(51,838,312)	(38,257,094)	35.50%
<b>GROSS PROFIT</b>	<b>17,192,474</b>	<b>11,320,899</b>	<b>51.86%</b>
Other income	1,045,317	748,489	39.66%
Share of results of equity-accounted investees	773,652	(302,374)	-
Total Expenses (S&D, Admin & Others)	(9,841,149)	(6,838,743)	43.90%
<b>NET PROFIT</b>	<b>9,170,294</b>	<b>4,928,271</b>	<b>86.08%</b>
Profit attributable to equity holders of parent company	7,513,366	4,830,498	55.54%
<b>EARNINGS PER SHARE</b>	<b>27.42</b>	<b>17.50</b>	<b>56.69%</b>

- Significant Increase in Net Profit led by Revenue & Gross Profit is due to new cars volume increase and Model mix.
- Share of results of equity-accounted investees mainly consist of share of income from Global Auto.



# INCOME STATEMENT – YTD 23 (JAN-SEP)

Amount in KWD

INCOME STATEMENT	YTD Sept '23	YTD Sept '22	CHANGE
<b>REVENUE</b>	<b>195,533,152</b>	<b>137,828,604</b>	<b>41.87%</b>
Cost of sales and services rendered	(147,650,452)	(106,070,169)	39.20%
<b>GROSS PROFIT</b>	<b>47,882,700</b>	<b>31,758,435</b>	<b>50.77%</b>
Other income	2,290,337	2,135,822	7.23%
Share of results of equity-accounted investees	2,270,442	(302,374)	-
Total Expenses (S&D, Admin & Others)	(27,871,041)	(19,643,537)	41.88%
<b>NET PROFIT</b>	<b>24,572,438</b>	<b>13,948,346</b>	<b>76.17%</b>
Profit attributable to equity holders of parent company	20,928,834	13,631,993	53.53%
<b>EARNINGS PER SHARE</b>	<b>76.37</b>	<b>49.22</b>	<b>55.16%</b>

- ⌘ Significant Increase in Net Profit led by Revenue & Gross Profit is due to volume increase and Model mix.
- ⌘ Share of results of equity-accounted investees mainly consist of share of income from Global Auto.

# BALANCE SHEET

Amount in KWD

BALANCE SHEET	SEP'23	DEC'22	CHANGE
<b>ASSETS</b>			
Property, plant, and equipment	105,415,294	101,715,627	3.64%
Other Non-Current assets	10,781,700	4,707,184	129.05%
Current assets	106,148,083	81,655,951	29.99%
<b>TOTAL ASSETS</b>	<b>222,345,077</b>	<b>188,078,762</b>	<b>18.22%</b>
<b>Equity and Liability</b>			
<b>TOTAL EQUITY</b>	<b>84,747,112</b>	<b>79,666,254</b>	<b>6.38%</b>
Non-current liabilities	46,967,016	31,409,905	49.53%
Current liabilities	90,630,949	77,002,603	17.70%
<b>TOTAL LIABILITY</b>	<b>137,597,965</b>	<b>108,412,508</b>	<b>26.92%</b>
<b>Total Equity and Liabilities</b>	<b>222,345,077</b>	<b>188,078,762</b>	<b>18.22%</b>

# CASH FLOW STATEMENT

Amount in KWD

CASH FLOW STATEMENT	SEP'23	SEP'22
Cash in operating activities before working capital changes	33,008,289	23,650,363
Changes in working capital	(16,095,572)	2,457,619
Other items	(1,213,628)	(683,580)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>15,699,089</b>	<b>25,424,402</b>
PPE & Intangible Assets	(5,257,961)	(1,617,806)
Investment in Associates & Others	(7,788,775)	(9,131,213)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(13,046,736)</b>	<b>(10,749,019)</b>
Net movement in Islamic Finance payables & Finance Costs	21,695,510	1,088,613
Dividends Paid to Equity Holders & NCI	(19,702,942)	(11,172,715)
Lease Liability & Movement in Payables	2,639,142	(4,147,587)
<b>NET CASHFLOW (USED IN) FROM FINANCING ACTIVITIES</b>	<b>4,631,710</b>	<b>(14,231,689)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>7,284,063</b>	<b>443,694</b>

🚗 Net Profit Increase contributed to positive Cash flow.

# KEY RATIOS – YTD 23 (JAN – SEP)



KEY RATIOS		YTD Sept'23	YTD Sept '22
<b>LIQUIDITY RATIOS</b>			
Current Ratio	(Current Assets/Current Liabilities)	1.17	1.05
Quick Ratio	(Current Assets- Inventories/Current Liabilities)	0.44	0.57
Cash Ratio	(Cash/Current Liabilities)	0.25	0.33
<b>PROFITABILITY RATIOS</b>			
Gross Profit Margin	(Gross Profit/Revenue)	24.49%	23.04%
Net Profit Margin	(Net Profit/ Revenue)	12.57%	10.12%
<b>PERFORMANCE RATIOS</b>			
Return on Asset (ROA) <sup>TTM</sup>	(Net Profit/ Average Assets)	15.69%	10.27%
Return on Equity (ROE) <sup>TTM</sup>	(Net Profit/ Average Equity)	41.01%	24.16%
<b>SOLVENCY RATIOS (Cash not adjusted)</b>			
Bank Borrowing to Asset Ratio	(Debt/Total Assets)	0.18	0.15
Bank Borrowing to Equity Ratio	(Debt/Total Equity)	0.47	0.39

☛ Current Ratio increased mainly due to increase in inventory.

☛ Improvement in Gross Profit & Net Profit Margin is due to increase in vehicle volume.

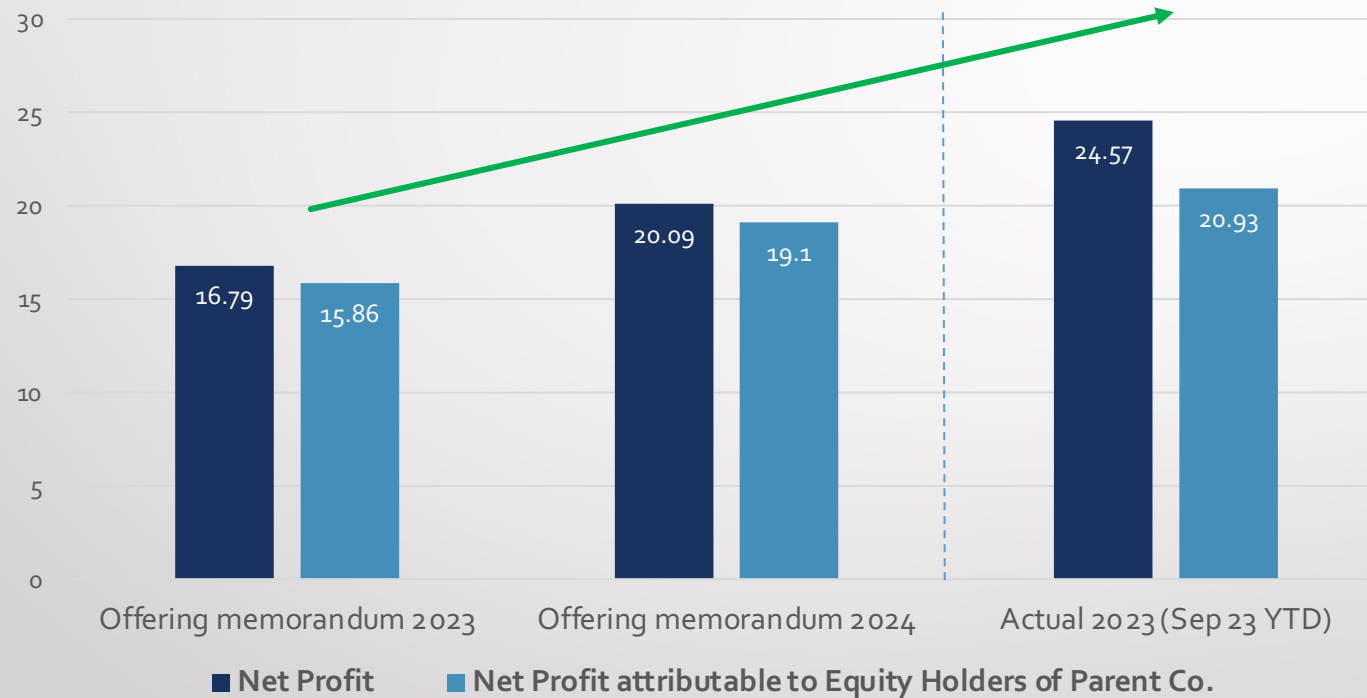
☛ Performance ratios improved significantly due to increase in Net Profit.





# Strong performance and Ahead of forecast

Net Profit (in KWD Million)



- We achieved 146% of the 2023 Forecasted Net Profit mentioned in the Offering Memorandum within 9 months of the year.
- We achieved 132% of the 2023 Forecasted Net Profit attributable to Equity Holders of the Parent Co. mentioned in the Offering Memorandum within 9 months of the year.
- We have even crossed significantly the 2024 Forecasted Net Profit & Net Profit attributable to Equity Holders of the Parent Co. mentioned in the Offering Memorandum within 9 months of the year.



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# Q&A SESSION

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# Thank you

For Investor Relations

Please Visit or Contact us on

Website: <https://alg.com.kw>

Email Address: [investors@alg.com.kw](mailto:investors@alg.com.kw)

Telephone: 22246000

