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

**Analysts/ Investors Conference Transcript
for the Financial Year Ended 2025**



Analysts/Investors Conference Transcript

For the Financial Year Ended 2025

Ali Alghanim Sons Automotive Company

Analysts/Investors Conference Transcript for the Financial Year Ended 2025 of Ali Alghanim Sons Automotive Company hold on Tuesday 24/02/2026.

Participants:

Mr. Yousef Abdullah Al Qatami - Vice Chairman and CEO

Mr. Arpit Bohara - Chief Financial Officer

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

Chairperson:

Mr. Abdullah Kandeel

EFG Hermes

**Abdullah Kandeel**

Hello, everyone. This is Abdullah Kandeel from EFG Hermes. I would like to welcome you all to Ali Alghanim Q4 Earnings Call. I am pleased to have on the call from the management of Ali Alghanim, Mr. Yousef Al-Qatami, Vice Chairman and CEO; Mr. Yousef Mustafa, Managing Director; and Mr. Arpit Bohara, CFO. We will start with a short presentation from management, and 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 in the chat box. Management, you now have the floor. Please go ahead.

Yousef Mustafa

Thank you. Good day to all and Ramadan Kareem. We're happy to be with you today to present the results for the full year of 2025, a great year, and I'll take you through the details of it in the coming few slides. No change in the Board of Directors and the Executive Management. And with regards to the overview, we have managed to reach to just under KWD 300 million in revenue with a 12% approximately increase over last year. Our net profit went up to KWD 36.3 million with a 5.16% year-on-year growth.

The earnings per share is up by 5.96%, almost 6% year-on-year with 87 fils. Return on equity is 33.41% and our operating cash flow went up by 23.6% year-on-year to KWD 43.2 million. Total equity went up. It became now KWD 117.7 million and debt to equity is extremely conservative with 0.43 in ratio. Our current ratio is standing at 1.26, which improved versus last year, which was 1.21. The split of the revenue is very healthy. We have passenger cars at 64%, used cars following at 16%.

We had a good increase in our used cars revenue this year and after sales standing at 11%. There is also growth in aftersales, but the growth of the revenue in the other sectors outgrew the growth in the after sales. However, we're expecting this as the -- state of the business to follow with after sales in the years to come. Our commercial business is standing at 4% and other, which includes tires, lubricants, batteries, our F&I income growth, luxury booking services, technical inspection, we currently leasing standing at a total of 5% of our revenue.

As mentioned, a very good year. We have jumped from KWD 265 million in revenue to almost KWD 300 million in revenue, exactly to KWD 297 million this year. And our net profit went from KWD 35 million to just about KWD 36 million with an increase of 5.16% year-on-year. In terms of profit attributed to equity holders, we went up from KWD 29 million to KWD 31 million. That's a 6.42% year-on-year growth, and the earnings per share went up from 82.16 fils to 87.06 fils, which is a 5.96% year-on-year growth. This is the detailed financial income statement.



As you can see, strong on every element. We have had very good growth in our used car business and in the affordable sector also along with maintaining our market share in the luxury sector. Given the challenging year that we have behind us, we're very happy with the results that managed to grow the business in Kuwait and in the other markets that we operate in Egypt and Iraq. Balance sheet is strong.

As you can see, the especially on the equity side, we have a total equity growth of 18.41% and it's fortresslike, and it can sustain any growth opportunities that we might find going in the future. Our cash flow is extremely well. We had a growth in our cash from operating activities. Basically, our ability to turn our net profit into our operating cash internal profit and vice versa is really well. Overall, the business is very healthy. And our stock turn overall for the business was standing at 2.7x per year.

We're very happy with our ability to continue selling both cars, new and used and our parts department. The key ratios highlighting the strength of the business, as you can see. And after that, we're going to just tell you that in terms of passenger car, we do have the momentum. We are feeling that in the market, especially on the affordable sector, where we are growing and the luxury and ultraluxury segment is anchors for us, and we are maintaining our market share in that. Aftersales, the flywheel effect is happening.

We have an increase overall in our aftersales revenue and profit, and we're looking hopefully to have that healthy ratio to continue in the future. In terms of the infrastructure play in Kuwait and in Egypt or Iraq, we do have the brands that can capture that from the government's spending on projects, especially with MAN Trucks in Kuwait and Egypt and Putzmeister in Kuwait. Region expansion, Iraq and Egypt operation extended the portfolio.

And hopefully, this year, we're going to have even a further expansion in terms of volume in the affordable sector with Geely Egypt, given that the CKD is basically ramping up to the levels that we wanted. 33.41% return on equity demonstrates our capital efficiency and the healthy balance sheet that we have. In terms of technology and diversification, Rove luxury rentals is doing extremely well and growing further in the market, and we're adding to the fleet service Kuwait even further.

The other departments that we have with regards to lubricants and the technical inspection is also going, capturing the increase in the total TIV that we're witnessing in Kuwait, especially on the affordable side of the business. I'll leave it to you now for Q&A. Anyone would like to ask a question, the floor is yours.

**Abdullah Kandeel**

Thank you so much management for the presentation, if you would like to ask a question, please use the raise hand function or type it in the chat box. Maybe a question from our side until more questions come in. If you could please comment on the product mix, especially in passenger cars in Kuwait, what are the trends you're seeing in terms of the affordable segment contribution in the fourth quarter? And a comment about market dynamics in general in Kuwait.

Yousef Mustafa

In the affordable sector, we don't really see challenges. We see opportunities. We're growing really well, especially on the SUV segment within the affordable sector. The demand is healthy, and it's growing exponentially. With regards to the luxury sector, overall, the market in the luxury sector is facing headwinds. But Ahmadullah, we managed to maintain our volume and market share. And in some of the other brands, we maybe grew a little bit within Kuwait.

So overall, the strategy that we have, especially on spreading our service centers in Kuwait, where we're the only ones that have overall close to 21 service centers unmatched is paying off. Customers, when they are faced with a new purchase, it seems that they are heading towards our way, specifically because of the excellence that we have provided with the connection of the aftersales network and our guarantee of luxury mobility and luxury cars that in case your car broke down, you're guaranteed a replacement car or on the affordable sector, we guarantee for you that there is a maximum 15-minute drive to any service center wherever you are work or residence.

Abdullah Kandeel

Great thank you so much, this is a reminder that if you'd like to ask a question, please use the raise hand function or type it in the chat box.

There seems to be no further questions. So I would like to pass the floor back to management for any concluding remarks. Thank you. This concludes today's call. Have a good day.

Yousef Al Qatami

Thank you, and Ramadan Mubarak.

ALG

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

Analyst Conference | FY 2025

February 24, 2026

Boursa Kuwait | Ticker: ALG



FY 2025 HIGHLIGHTS

KWD 297M

Revenue (+12.09% YoY)

KWD 36.3M

Net Profit (+5.16% YoY)

87.06 fils

EPS (+5.96% YoY)

33.41%

Return on Equity

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AGENDA

01 Board & Executive Management

Leadership team and governance

02 Company Overview

Business segments & Brands

03 Financial Performance

Profitability, Financial position, Cash flow & Key ratios

04 Strategic Outlook

Growth drivers & Forward strategy

05 Q&A Session

Open discussion

01

Board of Directors & Executive Management

BOARD OF DIRECTORS & EXECUTIVE MANAGEMENT

Eng. Fahad Ali Alghanim

Chairman

Non-Executive

Mr. Yousef Al Qatami

Vice Chairman & CEO

Executive

Mr. Mohammad Khaled Alghanim

Board Member

Non-Executive

Mr. Ali Marzouq Alghanim

Board Member

Non-Executive

Mr. Ali Abduljaleel Behbehani

Board Member

Non-Executive

Mr. Jehad M. Al-Qabandi

Board Member

Independent

Mr. Ahmad M. Al-Fares

Board Member

Independent

EXECUTIVE MANAGEMENT

Mr. Yousef Al Qatami

Chief Executive Officer

Mr. Arpit Bohara

Chief Financial Officer

02

Company Overview

A large-scale Kuwaiti shareholding company comprising automotive businesses supplying Kuwait and select Arab markets with world-class brands and services.

FY 2025 PERFORMANCE AT A GLANCE



KWD 297M

Revenue

▲ 12.09% YoY



KWD 36.3M

Net Profit

▲ 5.16% YoY



87.06 fils

Earnings / Share

▲ 5.96% YoY



33.41%

Return on Equity



KWD 43.2M

Operating Cash Flow

▲ 23.61% YoY



KWD 117.7M

Total Equity

▲ 18.41% YoY



0.43x

Bank Debt-to-Equity

Conservative leverage



1.26x

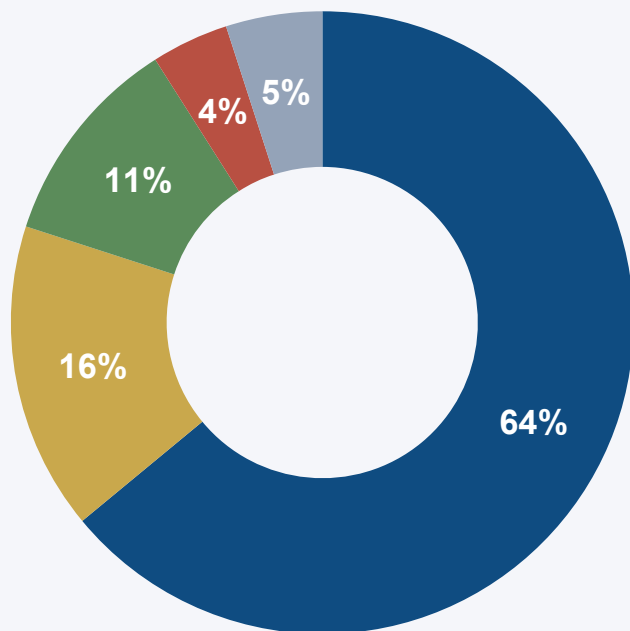
Current Ratio

Improved from 1.21x

Q4 2025 PERFORMANCE:

Revenue KWD 77.1M | Net Profit KWD 8.75M

REVENUE BREAKDOWN – FY 2025



■ Passenger Cars / Bikes ■ Used Cars ■ Aftersales ■ Commercial HE ■ Others

Passenger Cars/ Bikes (64%)

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

Core growth driver

Used Cars (16%)

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

Certified pre-owned program captures trade-in and resale value

Aftersales (11%)

Service, Body Shop, Parts & Accessories

Recurring revenue engine — follows new car sales growth with a lag

Commercial HE (4%)

MAN Truck & Bus, Putzmeister, Hyundai, Baoli, Fassi, Bull

Infrastructure-linked demand in Kuwait and regional markets

Other (5%)

Synergistic 2.6% | Rental & Leasing 1.9% | Technology 0.8%

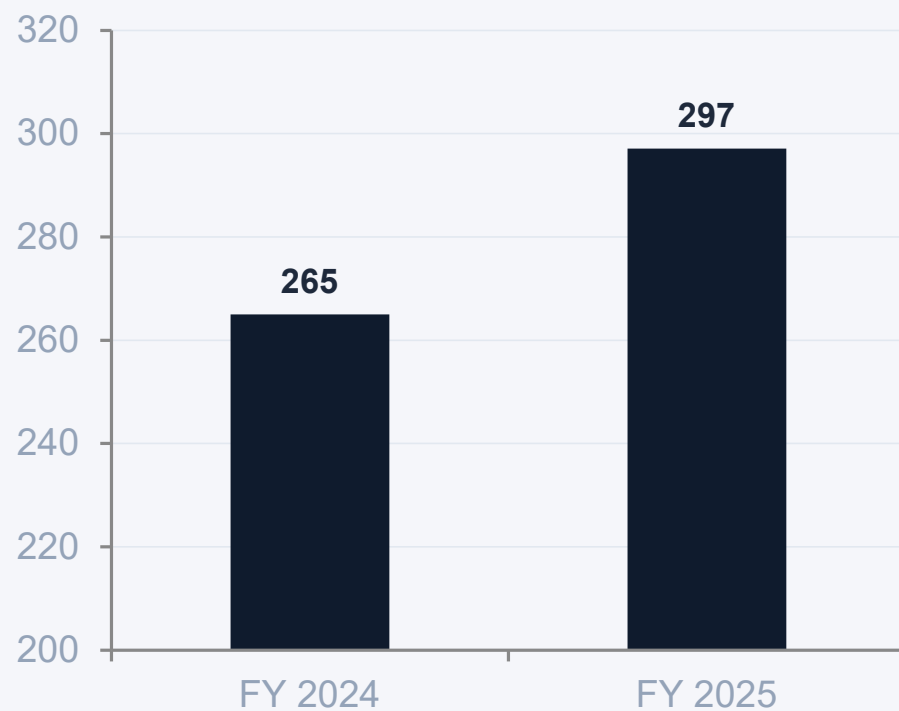
Tires, Lubricants, Batteries, F&I, Rove Luxury booking Service, Technical Inspections, Vehicle Rental & Leasing

03

Financial Performance

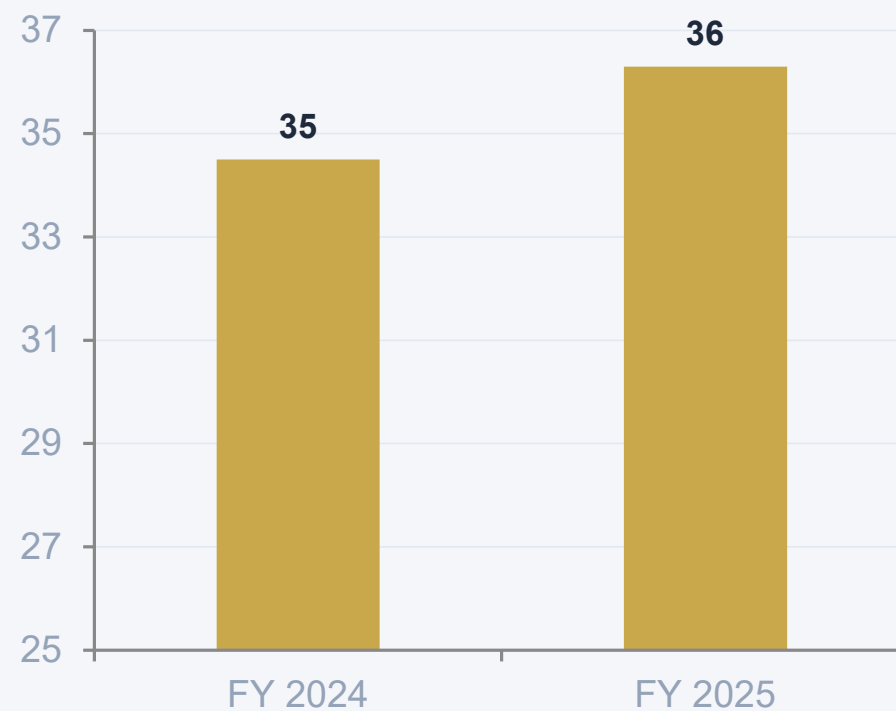
REVENUE & NET PROFIT TREND

Revenue (KWD Million)



▲ +12.09% YoY Growth

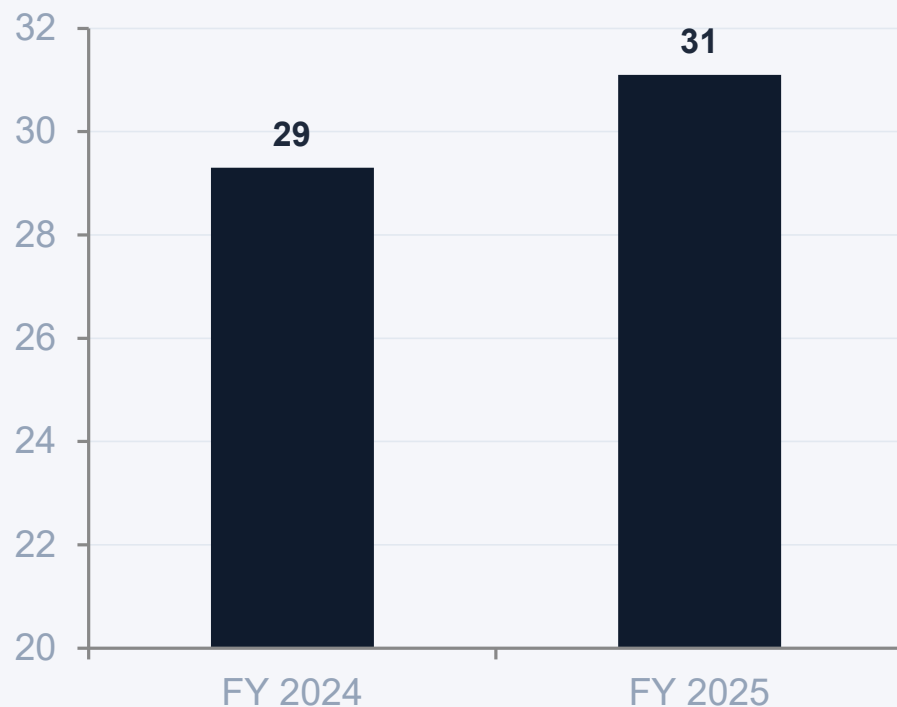
Net Profit (KWD Million)



▲ +5.16% YoY Growth

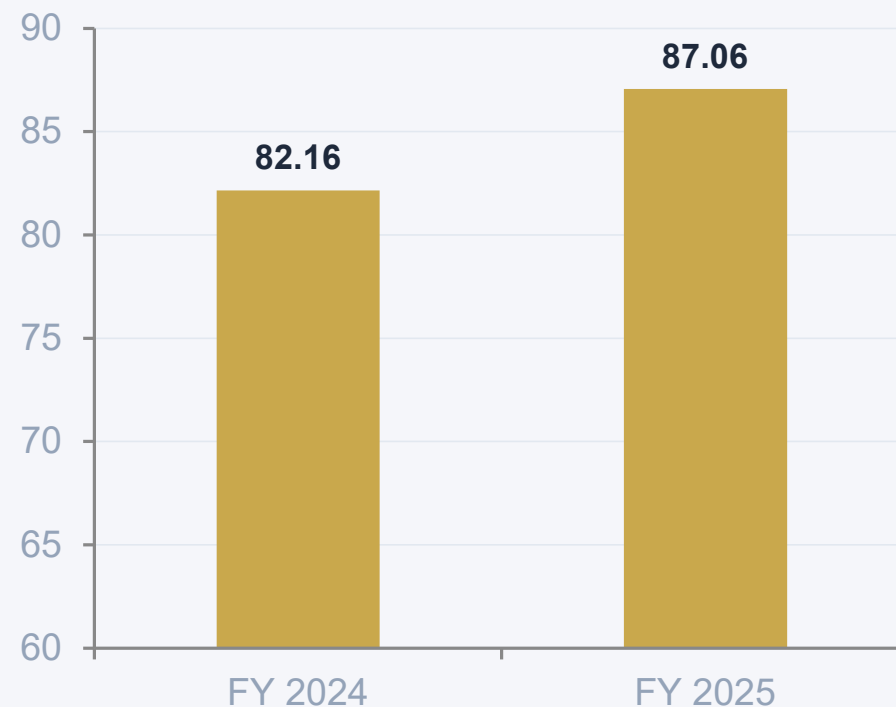
EPS & PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

Profit attributable to Equity holders (KWD Million)



▲ +6.42% YoY Growth

EPS attributable to Equity holders (fils)



▲ +5.96% YoY Growth

INCOME STATEMENT

Amount in KWD

Income Statement	FY 2025	FY 2024	Change
Revenue	297,063,835	265,019,690	+12.09%
Cost of Sales & Services Rendered	(227,378,039)	(200,124,339)	+13.62%
Gross Profit	69,685,796	64,895,351	+7.38%
Share of Equity-Accounted Investees	3,481,061	3,649,050	-4.60%
Net Expenses (S&D, Admin & Others)	(36,898,480)	(34,055,474)	+8.35%
Net Profit	36,268,377	34,488,927	+5.16%
Profit attributable to Equity holders	31,139,795	29,260,282	+6.42%
Earnings Per Share (fils)	87.06	82.16	+5.96%

BALANCE SHEET

Amount in KWD

Balance Sheet	Dec 2025	Dec 2024	Change
ASSETS			
PPE (Incl. Investment Properties)	122,083,623	119,347,817	+2.29%
Other Non-Current Assets	26,908,337	16,032,295	+67.84%
Current Assets	125,534,070	127,826,680	-1.79%
Total Assets	274,526,030	263,206,792	+4.30%
EQUITY & LIABILITIES			
Total Equity	117,697,342	99,398,292	+18.41%
Non-current Liabilities	57,375,265	58,387,894	-1.73%
Current Liabilities	99,453,423	105,420,606	-5.66%
Total Liabilities	156,828,688	163,808,500	-4.26%
Total Equity & Liabilities	274,526,030	263,206,792	+4.30%

CASH FLOW STATEMENT

Amount in KWD

Cash Flow Statement	Dec 2025	Dec 2024
Cash from Operating activities before WC changes	48,570,727	44,149,180
Changes in Working Capital	(2,200,272)	(6,963,999)
Other items	(3,159,843)	(2,228,327)
Net Cash from Operating Activities	43,210,612	34,956,854
PPE & Intangible Assets	(13,467,713)	(16,312,382)
Investment in Associates & Others	(1,940,000)	(6,274,125)
Net Cash from Investing Activities	(15,407,713)	(22,586,507)
Net movement in Finance Payables & Finance Cost	(230,342)	4,489,719
Dividends Paid to Equity Holders & NCI	(21,205,231)	(20,259,025)
Lease Liability & Other movements	(795,472)	(450,255)
Net Cash from Financing Activities	(22,231,045)	(16,219,561)
Net Movement in Cash & Cash Equivalents	5,571,854	(3,849,214)

KEY RATIOS

LIQUIDITY

Ratio	FY 25	FY 24
Current Ratio	1.26	1.21
Quick Ratio	0.48	0.33
Cash Ratio	0.29	0.16

PROFITABILITY

Ratio	FY 25	FY 24
Gross Profit Margin	23.46%	24.49%
Net Profit Margin	12.21%	13.01%

PERFORMANCE

Ratio	FY 25	FY 24
ROA	13.49%	14.18%
ROE	33.41%	35.96%

SOLVENCY

Ratio	FY 25	FY 24
Bank Debt/Assets	0.18	0.16
Bank Debt/Equity	0.43	0.41

04

Strategic Outlook

04 STRATEGIC OUTLOOK & GROWTH DRIVERS

PASSENGER CAR MOMENTUM

Volume growth driven thru Affordable segment. Luxury & Ultra Luxury segment anchoring premium margins. Dual-segment strategy insulates against market shifts.

REGIONAL EXPANSION

Egypt and Iraq operations extending the brand portfolio into fast-growing markets.

AFTER-SALES FLYWHEEL

Growing installed base of vehicles sold creates a widening recurring revenue stream. Service, Parts & Body shop revenue follows new car sales with 12-18 month lag

CAPITAL EFFICIENCY

33.41% ROE with conservative 0.43x Bank Debt - to - Equity. KWD 43.2M operating cash flow funds growth . Equity grew 18.41% YoY organically.

INFRASTRUCTURE PLAY

MAN Truck & Bus and Putzmeister well-positioned for Kuwait's capital expenditure cycle. Government infrastructure projects provide multi-year demand visibility.

TECHNOLOGY & DIVERSIFICATION

Rove luxury booking platform, Insurance Income, technical inspections, and aftermarket products (tires, lubricants, batteries) broaden revenue beyond traditional auto retail.

Q & A

We welcome your questions

Thank You

INVESTOR RELATIONS

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