



# Earnings Presentation

Q1 2025

المركز  
MARKAZ

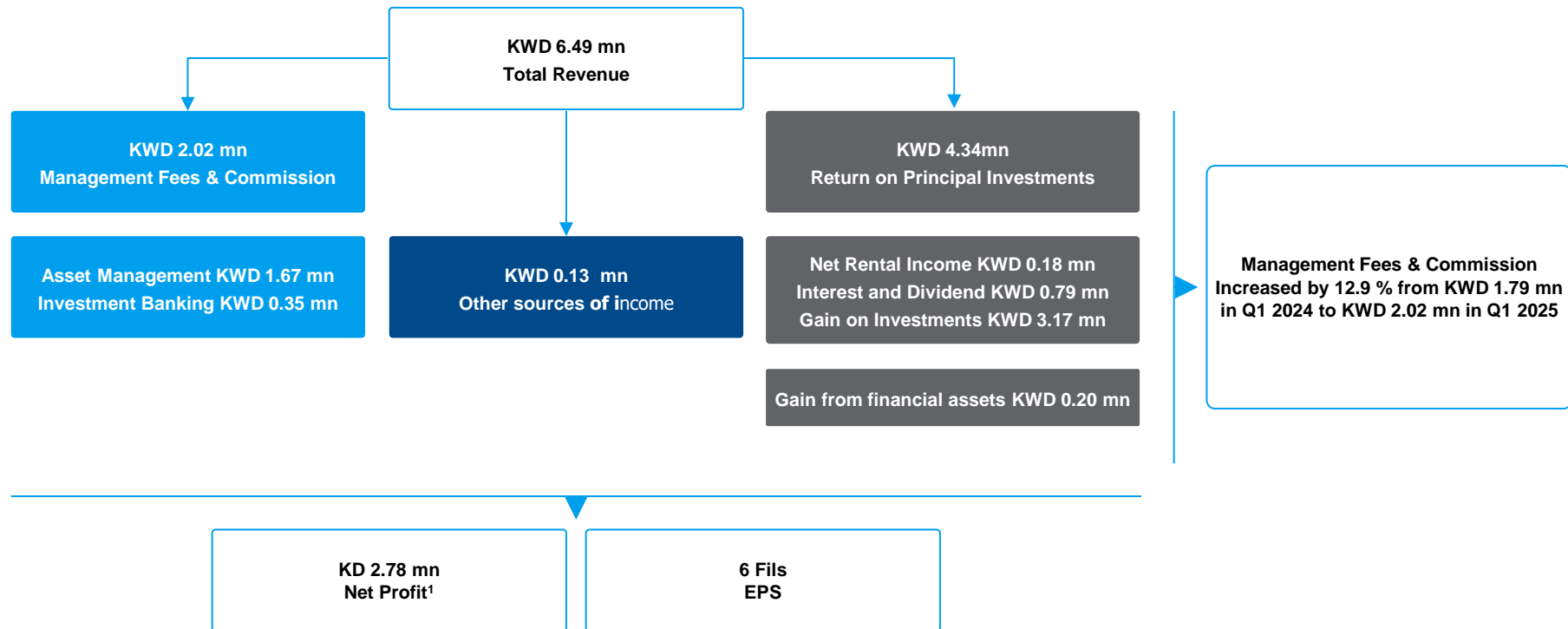
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# Q1 2025 Performance Highlights

Markaz Assets Under Management grow to KD 1,441 million, an increase of 10.93% YOY

## Profit and Loss Highlights



1. Net profit attributable to the owners of the parent company

# Q1 2025 Performance Highlights

*Markaz's AUM at KD 1.441 billion in Q1 2025*

*Total Revenues for Q1 2025 of KD 6.49 million*

*The management fees and commission have amounted to KD 2.02 million for Q1 2025*

**Kuwait, 10 May 2025** - Kuwait Financial Centre “Markaz” (KSE: Markaz, Reuters: MARKZ.KW, Bloomberg: MARKAZ: KK) reported its financial results for Q1-2025 with a Total Revenue of KD 6.49 million with an increase of 7%, as compared to KD 6.06 million in Q1-2024. The net profit attributable to shareholders of Markaz was KD 2.78 million, compared to KD 2.77 million in the same period last year, and earnings per share was 6 Fils for Q1-2025, compared to earnings per share of 6 fils for Q1-2024

**Mr. Ali H. Khalil, Markaz’s CEO,** stated: “Regional equity markets demonstrated resilience amidst global uncertainties. Although GCC equities posted a marginal 0.77% gain during the first quarter of 2025, the region outperformed global equities, which declined by 1.62%. Kuwait led the regional performance with a strong 9.85% return, which was underpinned by fiscal reforms, structural initiatives and positive momentum in the banking sector. Despite external challenges from global trade tensions, interest rate uncertainty and oil price volatility, the GCC region continues to maintain a stable foundation, anchored by economic diversification efforts and strategic investments in non-oil sectors. At Markaz, we remained disciplined and agile in navigating these dynamics, ensuring that our business fundamentals remained strong. We are optimistic about the outlook for the region, given easing financial conditions, sustained reform agendas and consistent domestic demand. Our focus continues to be on delivering sustainable value for our stakeholders through high quality execution, strategic growth and prudent risk management.

Markaz’s Asset Management fees for Q1-2025 were KD 1.67 million as compared to KD 1.69 million for the same period last year. Investment Banking and Advisory fees for Q1-2025 were KD 0.348 million as compared to KD 0.101 million for Q1-2024, reflecting an increase of 245%. This performance reflects the strength of our diversified platform and disciplined focus on consistent execution across business verticals.

In asset management, our equity mutual funds continued to deliver stable returns amid heightened market volatility. MIDAF, Mumtaz and the Markaz Islamic Fund recorded returns of 5.02%, 5.28%, and 7.21% respectively, supported by prudent investment strategies and active portfolio management. The Forsa Financial Fund posted a return of 6.29% during the quarter.

# Q1 2025 Performance Highlights (Cont'd)

*Markaz's AUM at KD 1.441 billion in Q1 2025*

*Total Revenues for Q1 2025 of KD 6.49 million*

*The management fees and commission have amounted to KD 2.02 million for Q1 2025*

In investment banking, Markaz successfully executed key mandates, including the debut Kuwaiti Dinar-denominated bond issuance for a multilateral development bank, further strengthening our capital markets capabilities and client trust. The Advisory team is also working on several transactions including valuations and M&A.

In real estate, our regional and international portfolios remained operationally strong, maintaining stable occupancy levels, steady rental yields and consistent collection ratios. We continue to focus on proactive asset management strategies while exploring new opportunities in private credit and development financing to diversify assets and enhance long-term returns.

Looking ahead, we remain optimistic about the opportunities presented by favorable demographic trends, sustained infrastructure investments and continued economic diversification across the GCC. Markaz's focus remains on delivering differentiated investment solutions, expanding our advisory capabilities and maintaining strategic responsiveness to create sustainable long-term value."

**Mr. Abdullatif W. Al-Nusif, Managing Director, Wealth Management and Business Development at Markaz,** stated: "Markaz continued to strengthen its wealth management services during the first quarter of 2025. Assets Under Management (AUM) reached approximately KD 1.44 billion as of 31 March 2025, reflecting an increase of 11% compared to KD 1.30 billion in Q1 2024. This growth is underpinned by our disciplined execution and client-focused strategy.

We continue to expand our offering across private markets, alternative investments and bespoke advisory services to meet the increasingly sophisticated needs of our clients. Digital initiatives are further enhancing the overall client experience and improving operational efficiencies. By reinforcing relationships with institutional and high net worth individual clients and aligning our solutions with market trends, Markaz is well-positioned to deliver superior investment outcomes and maintain its leadership position in wealth creation."

# Markaz Overview

*One of the leading financial institutions in the region delivering consistent shareholder returns*



## **Leading market position**

As one of the region's leading asset management and investment banking firms, Markaz offers custom investment solutions with exceptional track record



## **Sustainable long-term shareholder returns**

Generates sustainable long-term returns driven by robust operations and consistent dividend payouts



## **Building a sustainable economy in Kuwait**

Endeavors to actively participate in community service and contribute to building a sustainable economy in Kuwait



## **Our Team - cornerstone of our success**

A team of 150+ employees spread over offices across the Middle East, US and India

- Established in 1974 and listed on Boursa Kuwait in 1997, is an asset management and investment banking institution
- Consistently outperformed the relevant benchmarks on its equity funds and managed portfolios
- Real estate investments across MENA and International, with a key focus on income generating assets
- Efficiently delivering MENA focused research reports, and consulting through its research arm - Marmore

**At Markaz, our reputation is our biggest asset. We have been voluntarily operating under strict guidelines long before corporate governance was the norm**

# Markaz Overview (cont'd)

*Delivering International Investment Reach to our Clients*



# Markaz Overview (cont'd)

One of the most recognized and well awarded brands across the MENA region



**Best Local Investment Bank in Kuwait/ Best Asset Manager in Kuwait**  
By: EMEA Finance



**Best Asset Manager / Best Investment Bank in Kuwait**  
By: EMEA Finance



**Best Momentum Fund Innovation (The Innovators)**  
By: Global Finance



**Excellence in Investment Advisory / Excellence in Real Estate Investment**  
By: MEED



**Best Investment Bank in Kuwait/Best Private Bank in Kuwait**  
By: Global Finance



**Best for Digital Solutions / Most Innovative Securities House in Kuwait**  
By: EuroMoney



**The Middle East's and Kuwait's Best Real Estate Investment Manager**  
By: EuroMoney



**Middle East's Best for Investment Research**  
By: Euromoney



# Business Highlights

Total AUM of KD 1,441 million, an increase of 2.27% from December 2024



## Asset Management

GCC Equity Funds, Fixed Income Fund, Others:

### Total AUM of KD 1,055 million

- Asset management continues to implement Markaz's long term bottom-up investment approach along with active liquidity management

### GCC Equities AUM of KD 881.5 million

- Markaz Investment & Development Fund (MIDAF): 5.0%
- Forsa Financial Fund: 6.3%
- Markaz Fund for Excellent Yields (MUMTAZ): 5.3%
- Markaz Islamic Fund (MIF): 7.2%
- GCC Equities AUM increased by 6.3% quarter-on-quarter as of end-Q1 FY2025 compared to December 2024
- Annual GCC Momentum Fund returned 10.3% (2023), 11.4% (2024)

### Markaz Fixed Income AUM of KD 5.6 million

- Markaz continues to offer its clients access to the GCC fixed income market through the Markaz Fixed Income Fund (Private Placement), Markaz Fixed Income Fund (MFIF) recorded yearly returns of 1.8%

MIDAF - MUMTAZ - Forsa Financial – Markaz Arabian Fund – Markaz Islamic Fund - GCC Momentum Fund - Markaz Fixed Income - Private Portfolios - Oil & Gas / PE



## Real Estate Investments

Middle East and North Africa, International:

### Total AUM of KD 386 million

#### MENA Real Estate – AUM of KD 292 million

- Managing part of the National Real Estate Portfolio with a value up to KD 195 million
- Strong operational performance across the income generating portfolio despite the market conditions
- Markaz Real Estate fund with AUM of KD 77 million across 16 properties
- Markaz along with two other asset managers in Kuwait, has been prequalified for the Abdullah Al Ahmad project in Kuwait City and will focus on forming a consortium upon the issuance of the RFP

#### National Real Estate Portfolio – Real Estate Fund

#### International Real Estate – AUM of KD 197 million

- Markaz has successfully exited from one industrial project in Poland during Q1 2025.
- During 2024, a total of KD 18.3 million was allocated across five new ventures, encompassing a diverse range of investment strategies.
- Markaz successfully exited two ventures in 2024, one in Europe and one in the US.

# Business Highlights (Cont'd)

*Adding significant value to clients through high quality advisory services and research*



## Investment Banking

The Investment Banking team at Markaz provides advisory services across M&A, restructuring, and debt & equity capital markets.

- During Q1 2025, Markaz successfully advised a Multilateral Development Bank on the issuance of its inaugural Kuwaiti Dinar-denominated debenture bond. This milestone transaction reflects our commitment to supporting prominent institutions in the local market.
- During Q1 2025, Markaz was also actively engaged in advisory, restructuring and M&A mandates and further strengthening our position as a trusted advisor across sectors.
- The team continues to work closely with corporate and governmental clients across multiple disciplines and is actively building a strong pipeline of transactions for the coming quarters.



## Research

Mena focused Research, Consulting Services:

- Publishes MENA focused research reports and bespoke consulting services for over a decade
- Operates through Marmore, the research arm of Markaz
- Established in 2010, with offices in India.
- During Q1 2025, Marmore onboarded new clients from Saudi Arabia, Kuwait, Bahrain and UAE.
- Marmore continued to deliver value through published research, producing about 14 reports on its research portal.
- Reports were aligned with key developments across sectors and markets.
- Popular Insights included real estate outlook for 2025, FIFA 2034 world cup and its economic impact on Saudi Arabia and others.

**Research Themes:** Industry, Economic, Capital Market and Thematic research

**Consulting Focus:** Strategy Consulting, Industry Market Assessment, White Label Reports, Company Valuation , C-Suite Support at CXO Level and Directors Intelligence Support

# Financial Trends

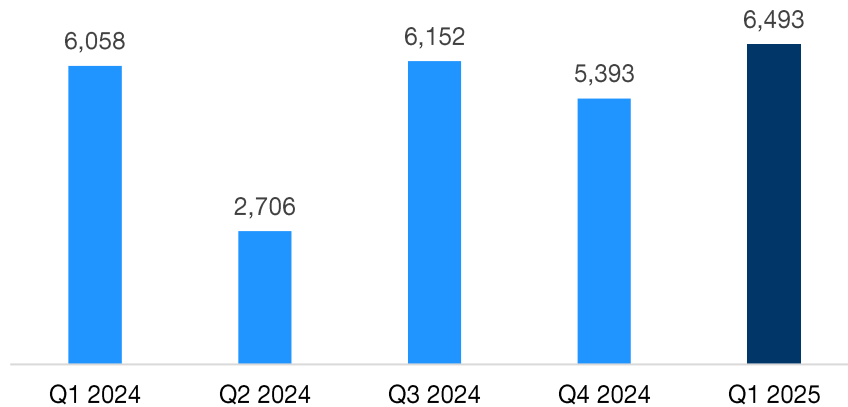
## Q1 2025 Revenues growth on y-o-y basis

- Total Revenue has increased mainly due to the gain from share of results from investments in associates and joint ventures and gain earned from deconsolidated of subsidiary
- Management Fees & Commissions increased by 12.9 % on y-o-y basis from KD 1.8M in Q1 2024 to KD 2.02M in Q1 2025
- Income from Principal Investments declined slightly by 5.08% on y-o-y basis, mainly attributable to prevailing market conditions.

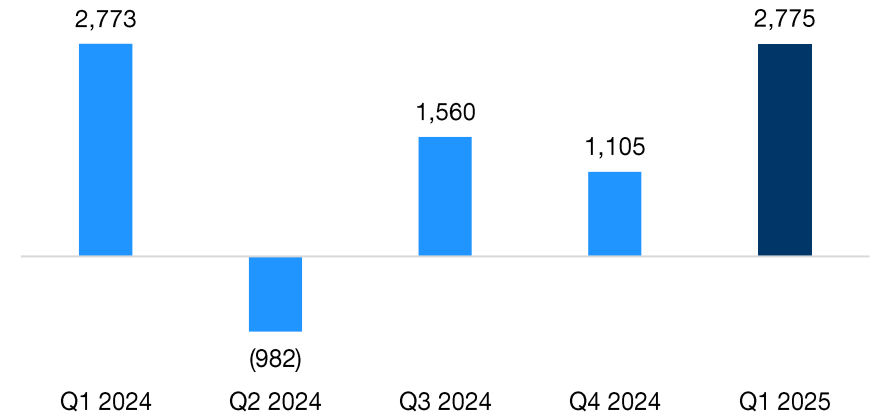
## Q1 2025 Net Profit (KD 000's)

- The net profit has been increased influenced by revenues generated from the increase in management fees and commissions, in addition to the gain recorded from the share of results from investments in associates and JVs .

**Total Revenue (KD 000's)**



**Net Profit<sup>1</sup> (KD 000's)**

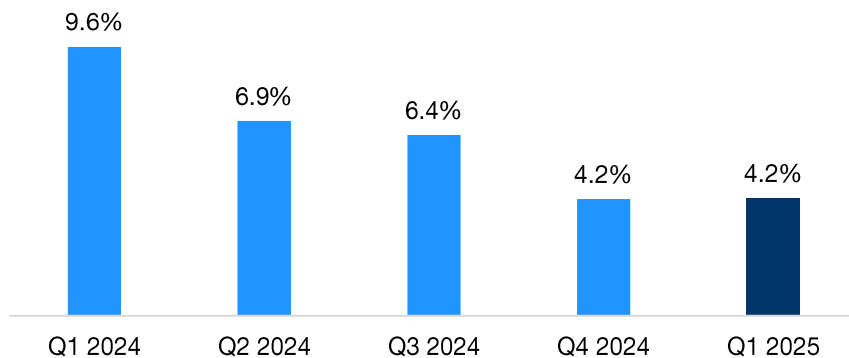


1. Net Profit attributable to the owners of the parent company

# Financial Trends (Cont'd)

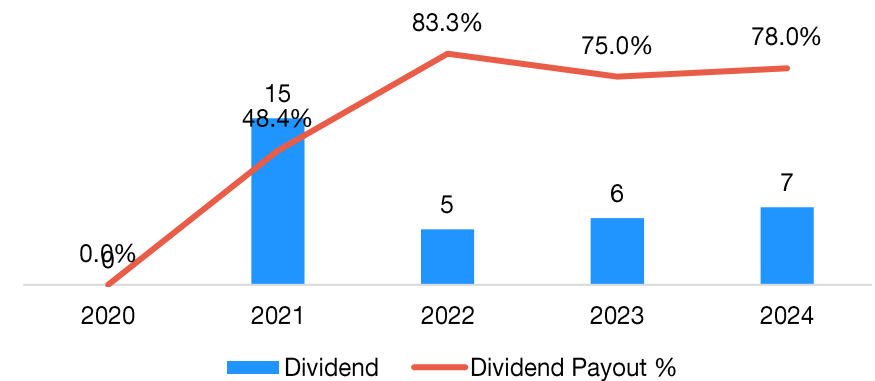
## Return on Equity

- Return on Equity of 4.2% on LTM basis it is supported by the gain of share of results from investments in associates and joint ventures, and the increase in the management fees and commissions.



## Dividend Per Share and Payout

- In 2025, Board of Directors recommended a cash dividend of 7 Fils per share a payout of 78% on the EPS
- In 2025, the AGM had approved a cash dividend of 7 Fils per share for the financial year ended 2024

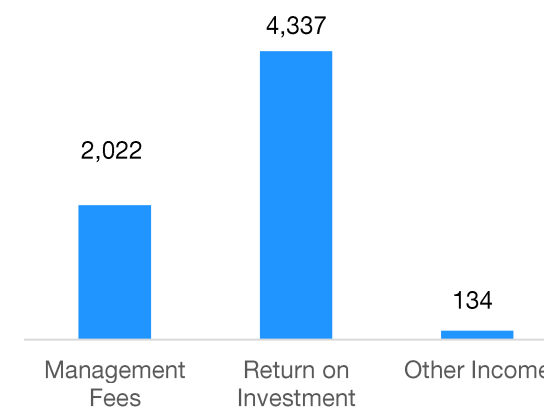


1. Return on Equity % = LTM Net Profit attributable to the owners of the parent company / shareholder's equity

# Profit & Loss Key Metrics

(KWD 000's)	Period Ended		Y-o-Y Growth (%)
	Q1 2025	Q1 2024	
Management Fees and Commission	2,022	1,791	13%
Interest income	304	305	(0%)
Dividend income	490	390	26%
Gain from financial assets at fair value through P/L	198	2,483	(92%)
Share of results of associate and joint venture	2,607	1,133	130%
Deemed gain on derecognition of a subsidiary	370	-	N/A
Gain on partial redemption of investment	12	5	140%
Gain on sale of investment properties	178	143	25%
Net rental income	178	110	62%
Other sources of income/(loss)	134	(302)	N/A
<b>Total revenue</b>	<b>6,493</b>	<b>6,058</b>	<b>7%</b>
<b>Operational expenses</b>	<b>3,271</b>	<b>2,568</b>	<b>27%</b>
<b>EBIT</b>	<b>3,222</b>	<b>3,490</b>	<b>(8%)</b>
Margin (%)	50%	58%	-
Finance costs	648	510	27%
Contribution to KFAS, NLST, Zakat	(129)	(134)	(4%)
<b>Net profit/(loss) for the period</b>	<b>2,445</b>	<b>2,846</b>	<b>(14%)</b>
Margin (%)	38%	47%	-
<b>Profit attributable to the owners of the parent company</b>	<b>2,775</b>	<b>2,775</b>	<b>0%</b>
<b>(Loss)/profit attributable to non-controlling interests</b>	<b>(330)</b>	<b>73</b>	<b>N/A</b>
<b>Earnings per share (Fils)</b>	<b>6</b>	<b>6</b>	<b>0%</b>

## Q1 2025 Revenue Analysis



### Notes:

- Management Fees & Commissions include Asset Management and Investment Banking Fees
- Other sources of income include foreign currency transaction and other income
- Return on principal investments include investments in GCC & International Equities, Fixed Income, Real Estate, International Investments and Private Equity

# Balance Sheet Key Metrics

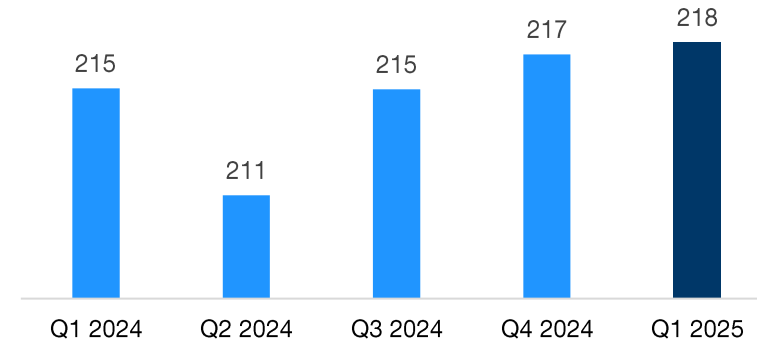
(KWD 000's)	Mar 2025	Dec 2024	Mar 2024
<b>ASSETS</b>			
Cash and bank balances	5,488	5,952	7,414
Time deposits	777	1,208	505
Accounts receivable and other assets	5,065	6,579	5,505
Loans to customers	2,497	2,498	2,518
Investments at fair value through profit or loss	74,437	70,352	85,960
Investments carried at amortized cost	3,477	3,723	4,187
Investments in associate and joint venture	62,994	59,164	35,235
Investment properties	27,020	34,757	31,315
Right of use assets	1,767	1,903	2,303
Equipment	852	879	922
<b>Total Assets</b>	<b>184,374</b>	<b>187,015</b>	<b>175,864</b>
<b>LIABILITIES and EQUITY</b>			
<b>Liabilities</b>			
Accounts payable and other liabilities	13,525	14,649	16,079
Bank borrowings	20,086	19,085	11,678
Bonds issued	35,000	35,000	35,000
<b>Total Liabilities</b>	<b>68,611</b>	<b>68,734</b>	<b>62,757</b>
<b>EQUITY</b>			
Equity attributable to the owners of the Parent Company	106,592	107,334	105,574
Non-controlling interests	9,171	10,947	7,533
<b>Total Equity</b>	<b>115,763</b>	<b>118,281</b>	<b>113,107</b>
<b>Total Liabilities and Equity</b>	<b>184,374</b>	<b>187,015</b>	<b>175,864</b>

## Asset Under Management

**Q1 2025 AUM**  
KD 1,441 million

**Q1 2024 AUM**  
KD 1,299 million

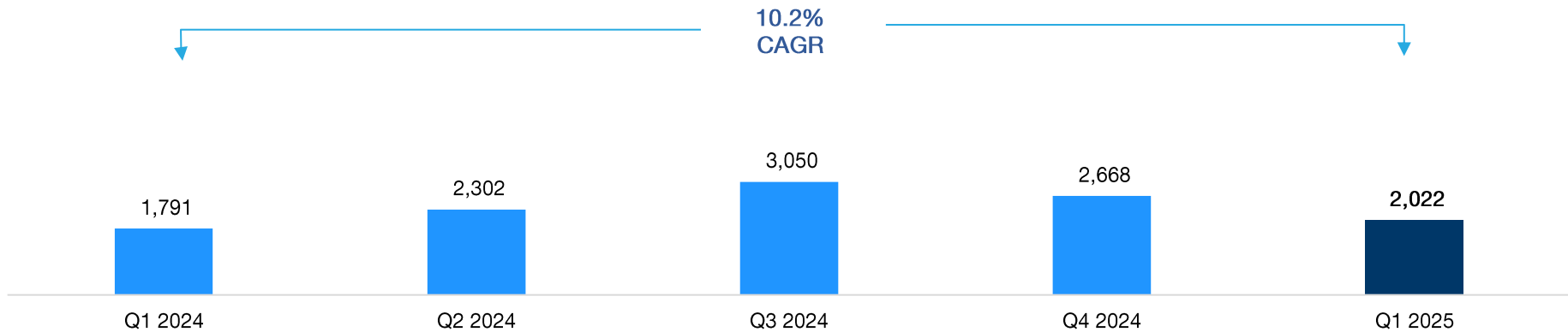
## Book Value per Share (Fils)



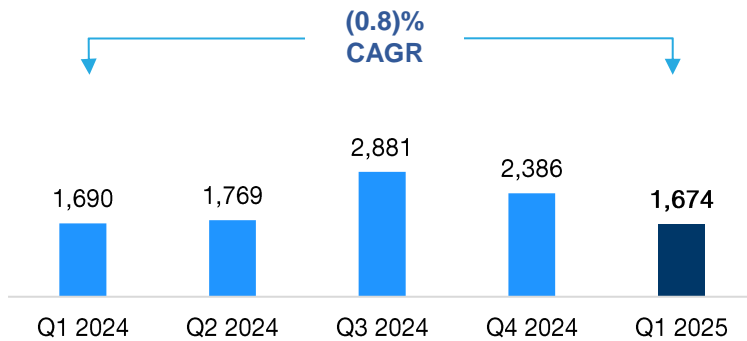
- Book value increased by 0.8% YoY reaching 218 Fils per share compared to 213 Fils per share for 2024

# Asset Management & Investment Banking

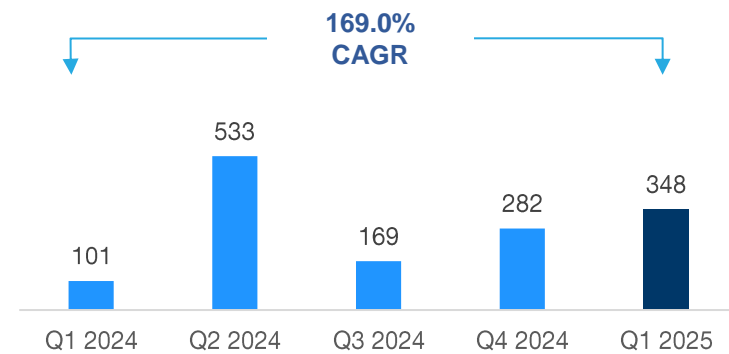
Management Fees & Commission (KD 000's)



Asset Management Fees<sup>1</sup> (KD 000's)

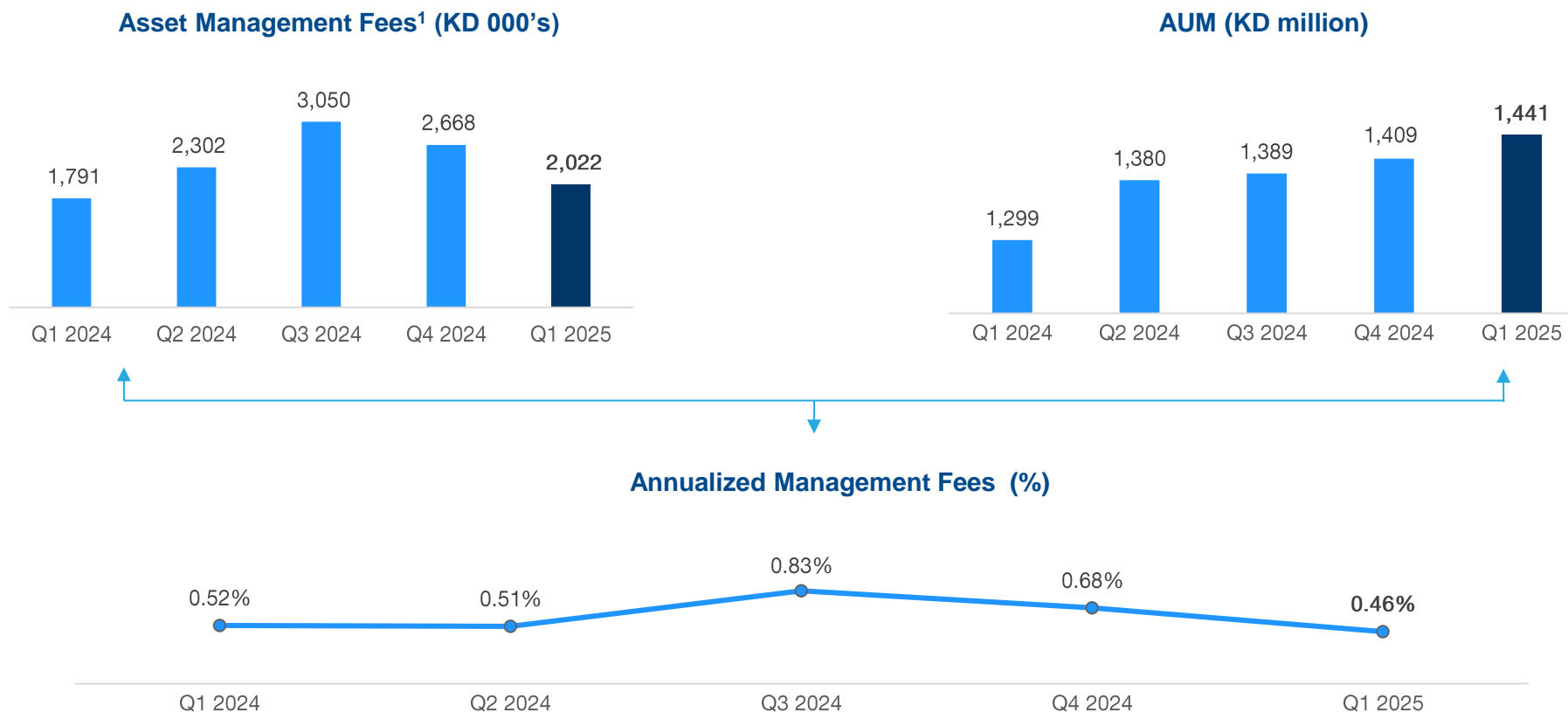


Investment Banking Fees (KD 000's)



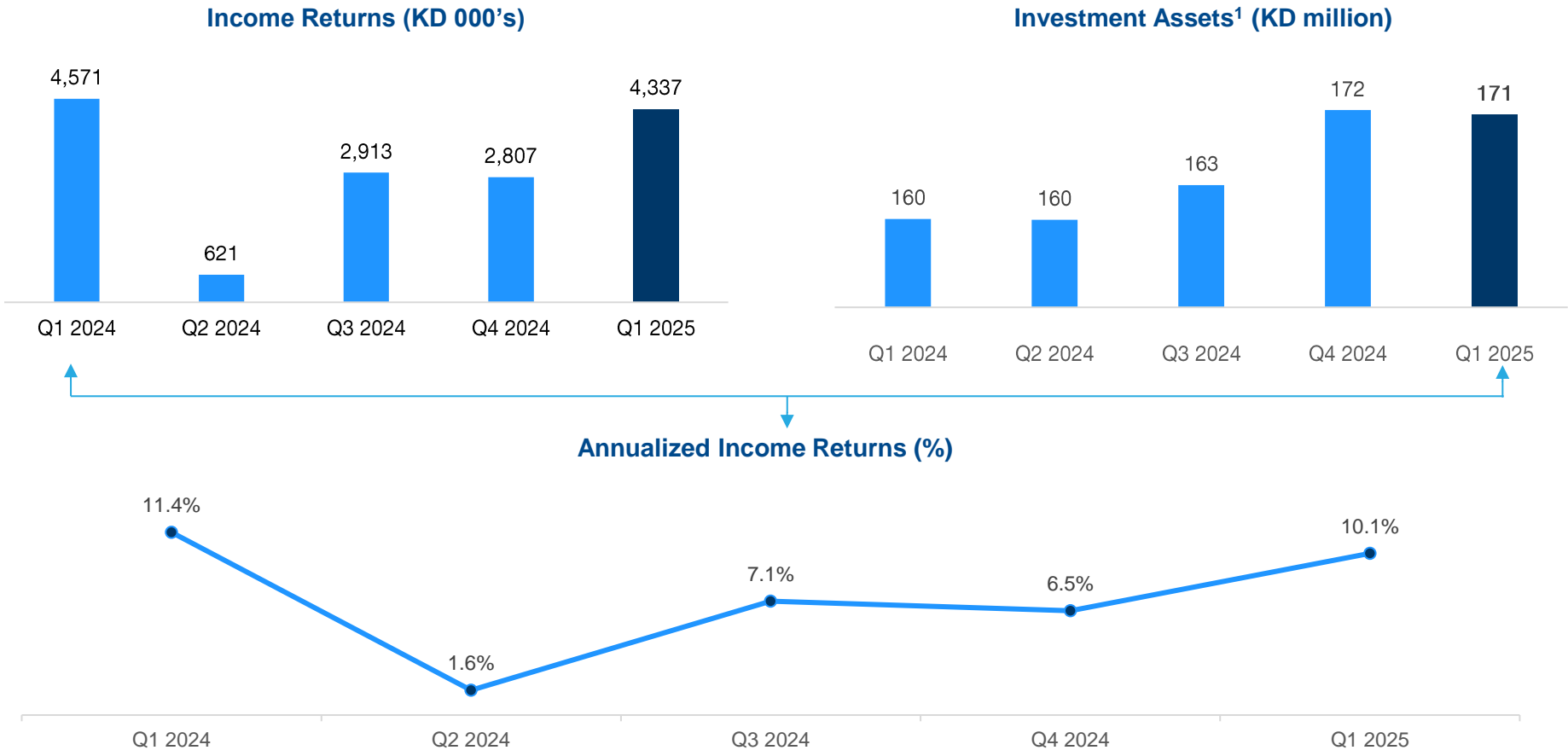
1. Asset Management includes GCC Equity & Fixed Income Funds, Real Estate, International Investments and Private Equity

# Asset Management Fees Returns



1. Asset Management includes GCC Equity & Fixed Income Funds, Real Estate, International Investments and Private Equity

# Return on Principal Investments



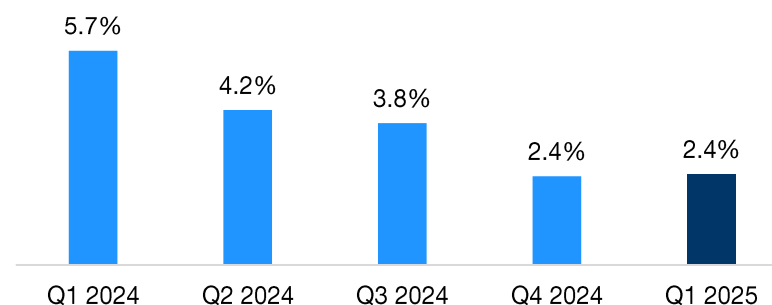
1. Investment Assets include Investments at Fair Value through P&L + Investment at Fair value through OCI+ Investments at amortised cost + Investment in associates and JV + Investment Properties + Loans to Customers

# Capital Structure and Returns

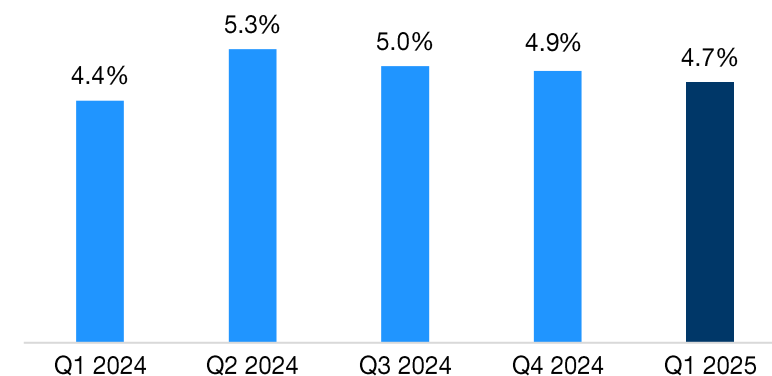
Markaz Net Debt to Total Equity increased to 0.42x

(KD 000's)	Mar 2025	Dec 2024	Mar 2024
Bank borrowings	20,086	19,085	11,678
Bonds Issued	35,000	35,000	35,000
Total Debt	55,086	54,085	46,678
Cash and Bank Balance	5,488	5,952	7,414
Time Deposits	777	1,208	505
Total Cash including Time Deposits	6,265	7,160	7,919
<b>Net Debt</b>	<b>48,821</b>	<b>46,925</b>	<b>38,759</b>
Shareholders Equity	106,592	107,334	105,574
Total Equity	115,763	118,281	113,107
<b>Net Debt / Total Equity</b>	<b>0.42x</b>	<b>0.4x</b>	<b>0.34x</b>

Return on Assets<sup>1</sup> (%)



Interest / Total Debt<sup>2</sup> (%)



1. Return on Assets (%) = LTM Net profit attributable to the owners of the parent company / Total Assets

2- Annualized finance cost to total debt

# Shareholders Information

*Focused on sustainable value creation for shareholders*

## Major Shareholders

Major Shareholders	Type	% Holding
Kuwait Pillars for Financial Investment	Direct	27.72%
Al Mubader Co	Direct	5.13%

## Effective Governance Structure



## Corporate Information

<b>Market Segment Listing</b>	Main Market – Bursa Kuwait (Sec Code: 213)
<b>2024 Approved Dividends</b>	Cash Dividend – 7 Fils Per Share
<b>Bonds Issued</b>	KD 35,000,000 unsecured debenture bonds
<b>No. of shares outstanding</b>	489,985,841 shares
<b>Authorized share capital</b>	KWD 60,000,000
<b>Issued share capital</b>	KWD 50,484,183.4
<b>Auditors</b>	Grant Thornton (Al-Qatami, Al-Aiban & Partners) and Deloitte (Al-Wazzan & Co.)
<b>Company website</b>	<a href="https://www.markaz.com/">https://www.markaz.com/</a>

# Disclaimer

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