

Date: 11 August 2021	التاريخ: 11 أغسطس 2021
To: Bursa Kuwait	السادة / شركة بورصة الكويت المحترمين
	تحية طيبة و بعد،،،
Subject: Analyst Conference for Quarter 2 of 2021	الموضوع: مؤتمر المحللين للربع الثاني من 2021
With Reference to the above subject, and pursuant to the requirements of Bursa Kuwait Rules as per Resolution No.(1) of 2018, kindly note that the quarterly Analyst Conference was held through a Live Webcast on 11 August 2021 at 1 PM and there was no material information circulated during the conference.	بالإشارة الى الموضوع أعلاه، و عملاً بقواعد البورصة الصادرة بموجب قرار رقم (1) لسنة 2018 نحيطكم علماً بأن مؤتمر المحللين للربع الثاني من 2021 قد انعقد في تاريخ 11 أغسطس 2021 في تمام الساعة 1 بعد الظهر في توقيت المحلي عن طريق البث المباشر و لم يتم تداول اي معلومات جوهرية خلال المؤتمر.
- Attached is the presentation of the Analyst Conference.	- مرفق لكم العرض التقديمي للمؤتمر و تفضلوا بقبول فائق التقدير والإحترام،،،
Financial Impact: No effect	الأثر المالي: لا يوجد اثر مالي




SHAMAL AZZOUR
شمال الزور الأولى

Mr. Andrew Paul Frain	السيد / أندرو بول فران
Board Director and CEO	عضو مجلس إدارة والرئيس التنفيذي
Shamal Az-Zour Al-Oula Power and Water Company K.S.C. (Public)	شمال الزور الأولى للطاقة والمياه ش.م.ك - عامة

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Commercial Register No.: 349479
Issued Capital: KD110,000,000.
Paid-up Capital: KD110,000,000.

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رأس المال المصدر: 110,000,000 د.ك
رأس المال المدفوع: 110,000,000 د.ك



Shamal Az-Zour Al-Oula Power and Water Company KSC (Public)

2021 Q2 Earnings Webcast

11 August 2021



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AGENDA

- Introducing Shamal Az-Zour
- Q2 2021 Highlights
- Key Events
- Questions and Answers

BOARD & MANAGEMENT

Board of Directors



Chairman
Ahmad Othman
Al Mujahid



Vice Chairman
Alexander Katon



**Director and
CEO**
Andrew Paul
Frai



Director
Ghazi
Abdulrahman
Al Sanie



Director
Laurent Furedi



Director
Eyad Ali Al Fahh

Management Team



**Director and
CEO**
Andrew Paul
Frai



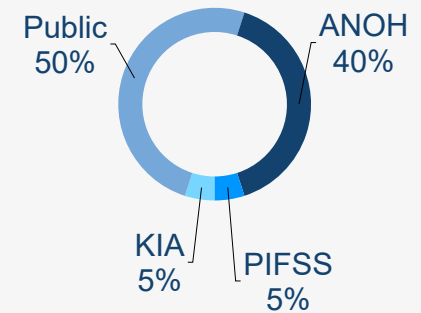
CFO
Bobby Agha



CTO
Naveen Chandra
Jha



Ownership Structure



ANOH: Azour North One Holding Company is a private entity owned by a consortium comprising ENGIE, Sumitomo Corporation, and Kuwait's A.H. Al Sagar & Brothers

KIA: Kuwait Investment Authority is the State of Kuwait's Sovereign Wealth Fund.

PIFSS: The Public Institution for Social Security is Kuwait's state-run pension fund.

Public: 50% of the Company's shares were offered to the Kuwaiti citizens in a public offering that took place in October and November of 2019.

OUR BUSINESS



Shamal Az-Zour Al-Oula Power and Water Company K.S.C.P is Kuwait's first Independent Water and Power Project (IWPP). It is the first phase of the Az-Zour North development, with the aim to increase the country's capacity to meet electrical and water demand over the coming years.

Under a 40-year long-term Energy Conversion and Water Purchase Agreement (ECWPA), power and water produced by the Company are entirely supplied to the government owned national power and water grid operated by MEW.

The Company is project-financed. This form of financing means that lenders are totally reliant on the Company to repay the borrowings: there are no guarantees from third parties. Therefore the lenders monitor the Company closely.



Timeline

December, 2013

Signing ceremony between the consortium and Kuwait Minister of Energy and Water, successfully concluding Kuwait's first PPP RFP process. Construction commences.

November, 2016

Construction completed, **started commercial operation** (on schedule and on budget).

September, 2017

Kuwait Authority for Partnership Projects (KAPP) appoints NBK Capital as lead advisor for the transfer of shares to the citizens (public offering).

October-November 2019

50% of shares offered to Kuwaiti citizens in a nation-wide public offering.

August 16, 2020

Listing on Boursa Kuwait, Premier Market.

OUR BUSINESS

Production Capacity



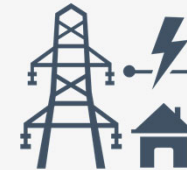
The plant supplies about 10% of Kuwait's installed power capacity.



The plant supplies about 20% of Kuwait's water desalination capacity.



Customer



Production supplied entirely to the national power and water grid operated by the Kuwait Ministry of Electricity and Water under a 40-year long-term Energy Conversion and Water Purchase Agreement ("ECWPA").

OUR PLANT



Power Plant

Net production: 1,539.2 MW in net contracted power capacity. Generated by five General Electric GTG 9F-3 turbines generating 225.8 MW each and two General Electric STG D1 turbines generating 251 MW each.

Fuel: Natural gas is the main fuel, supplied by a blend of local gas and imported LNG (gas oil as backup fuel).



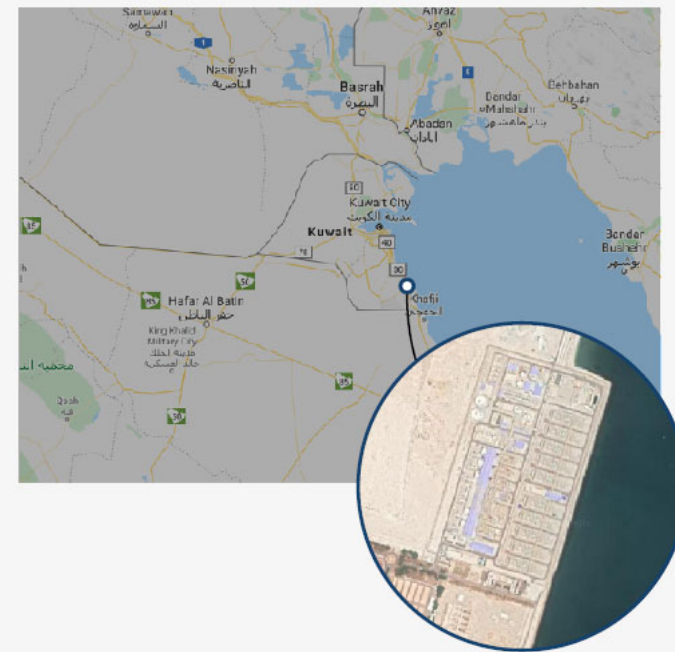
Water Plant

Net Production: 107 million imperial gallons per day (MIGD) via ten multiple-effect distillation (MED) units.

Technology: MED technology through 10 SIDEM MED units, each generating 10.84 MIGD.



Location



The Az-Zour North gas-fired combined cycle power and water plant is located at Az-Zour, approximately 100km south of Kuwait City.

Q2 - 2021 HIGHLIGHTS


KWD MILLIONS

	2Q21	2Q20	<i>% Diff</i>	YTD21	YTD20	<i>% Diff</i>
Revenue	12.8	13.0	-0.9%	24.5	25.4	-3.3%
Operating Costs	3.8	3.7	+1.7%	7.3	7.5	-3.0%
Gross Profit	9.1	9.3	-2.0%	17.2	17.8	-3.4%
EBITDA	8.4	8.6	-2.2%	16.0	16.6	-3.7%
Net Profit	3.6	3.2	+12.2%	6.4	6.0	+7.4%

- Revenue was in line with management expectations for Q2 and YTD and was lower YTD due to planned outages at the plant
- Operating costs were lower YTD
- Gross profit margin remained healthy and consistent in Q2 and YTD
- EBITDA was lower in Q2 & YTD mainly due to lower operating revenue
- Net profit was higher in Q2 & YTD mainly due to lower interest expense as a result of lower interest rates compared to 2020 and loan capital repayments
- Net profit margin increased in Q2 and YTD

KEY EVENTS

- **COVID-19 continues to impact the country and several businesses including plant operations. The plant is experiencing challenges with human resource but these are actively being managed given the situation. Results have not been significantly impacted and we hope the country returns back to normal soon in terms of activities, access and travel as we reach towards the tail end of the COVID-19 pandemic**
- **We continue to maintain a close working relationship with the MEW and invoices continue to be settled within a reasonable timeframe**
- **In April 2021, Mr Hussam Al Roumi, who represented the Kuwait Investment Authority was replaced by Mr Ahmad Al Mujalham**
- **Shareholders approved the distribution of a cash dividend of 12 fils per share during the AGM on 12 April 2021 and payment of dividends was on 3 May 2021**

An aerial photograph of a large industrial complex, possibly a refinery or chemical plant, situated along a body of green water. The facility features numerous buildings with blue roofs, large storage tanks, and extensive piping. The text "QUESTIONS AND ANSWERS" is overlaid in the center in a large, white, sans-serif font.

QUESTIONS AND ANSWERS



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