



000342

Date: 12 August 2025

الكويت في 12 أغسطس 2025

To: Boursa Kuwait

السادة/ شركة بورصة الكويت المحترمون

Dear Sirs,

تحية طيبة وبعد،

**Subject: FY2025 Second Quarter Analyst Conference Meeting**

**الموضوع: مؤتمر المحللين للربع الثاني من السنة المالية 2025**

In reference to the above, and in line with Arzan Financial Group for Finance and Investment Company's interest in adhering to Article (7-8-1/3) of Boursa Kuwait Rulebook regarding the Listed Companies Obligation (Analyst Conference), attached is the "Disclosure of Material Information" form.

بالإشارة إلى الموضوع أعلاه، وحرصاً من مجموعة أرزان المالية للتقويم والاستثمار (ش.م.ك.ع) على الالتزام بمتطلبات المادة (7-8-1/3) من كتاب قواعد البورصة بشأن التزامات الشركات المدرجة (الإفصاح عن مؤتمر المحللين)، نرفق لكم نموذج "الإفصاح عن المعلومات الجوهرية".

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام والتقدير،،،

Mohammed Farid

محمد فريد

Chief Financial Officer

رئيس المدراء الماليين



٤٤





نموذج الإفصاح عن المعلومات الجوهرية

Disclosure of Material Information Form

| Date  | التاريخ  |
|---|--|
| 12/08/2025  |  |
| Name of the Listed Company  | اسم الشركة المدرجة   |
| Arzan Financial Group for Finance and Investment (K.P.S.C)  | مجموعة أرزان المالية للتمويل والاستثمار ش.م.ك. (عامة)  |
| Material Information  | المعلومة الجوهرية  |
| <p>Disclose of the FY2025 Second Quarter Analyst Conference</p> <ol style="list-style-type: none"> <li>1. FY2025 Second Quarter Arzan Financial Group Analysts / Investors Conference was conducted via a live broadcast on the internet on Tuesday 12/08/2025 at 1:00 p.m. (according to local time). There was no new material information disclosed during the conference.</li> <li>2. Attached is the Analyst Conference Presentation.</li> <li>3. Arzan Financial Group shall disclose the minutes of the Conference within 3 working days post the date of the conference.</li> </ol> | <p>افصاح مجموعة أرزان عن مؤتمر المحللين للربع الثاني من السنة المالية 2025</p> <ol style="list-style-type: none"> <li>1. عقدت مجموعة أرزان المالية مؤتمر المحللين / المستثمرين للربع الثاني من عام 2025 عن طريق بث مباشر على شبكة الانترنت في تمام الساعة الواحدة بعد ظهر يوم الثلاثاء الموافق 2025/08/12 (وفق التوقيت المحلي)، حيث لم يتم الافصاح عن أي معلومات جوهرية جديدة خلال المؤتمر.</li> <li>2. مرفق العرض التقديمي لمؤتمر المحللين.</li> <li>3. سوف تقوم مجموعة أرزان المالية بالإفصاح عن محضر المؤتمر خلال 3 أيام عمل من تاريخ المؤتمر.</li> </ol> |
| Significant Effect of the material information on the financial position of the company   | أثر المعلومة الجوهرية على المركز المالي للشركة   |
| No impact.  | لا يوجد.   |

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يتحمل من أصدر هذا الإفصاح كامل المسؤولية عن صحة المعلومات الواردة فيه ودقتها واكتمالها، ويقر بأنه بذل عناية الشخص الحريص في تجنب أية معلومات مضللة أو خاطئة أو ناقصة، وذلك دون أدنى مسؤولية على كل من هيئة أسواق المال وبورصة الكويت للأوراق المالية بشأن محتويات هذا الإفصاح، وبما ينفي عنهما المسؤولية عن أية أضرار قد تلحق بأي شخص جراء نشر هذا الإفصاح أو السماح بنشره عن طريق أنظمتها الإلكترونية أو موقعها الإلكتروني، أو نتيجة استخدام هذا الإفصاح بأي طريقة أخرى.



مجموعة أرزان المالية  
للتمويل والاستثمار ش.م.ك.ع.



# FINANCIAL ANALYSIS CONFERENCE Q2-2025

August 12, 2025





## ARZAN FINANCIAL GROUP FOR FINANCING AND INVESTING K.P.S.C.

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ARZAN FINANCIAL GROUP FOR FINANCING AND INVESTING K.P.S.C.  
**AGENDA**

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## FINANCIAL HIGHLIGHTS H1-2025

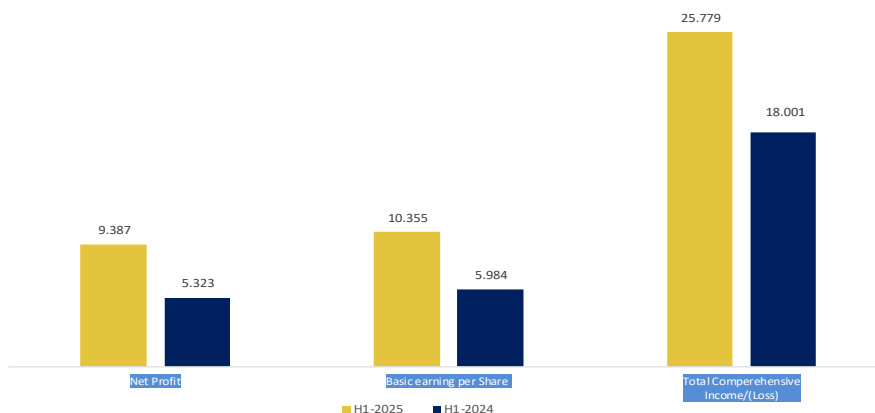


## KEY FINANCIAL METRICS H1-2025

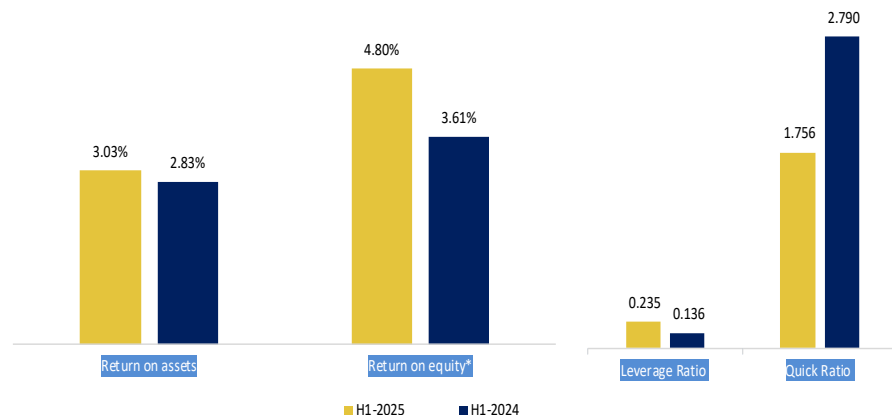
|                                     |         | H1-2025 | H1-2024 | % |
|-------------------------------------|---------|---------|---------|---|
| <b>Income Statement</b>             |         |         |         |   |
| Net Profit *                        | Million | 9.387   | 5.323   | ▲ |
| Basic earning per share *           | Fils    | 10.355  | 5.984   | ▲ |
| Total Comprehensive Income/(Loss) * | Million | 25.779  | 18.001  | ▲ |
| <b>Financial Position</b>           |         |         |         |   |
| Total Assets                        | Million | 338.331 | 235.181 | ▲ |
| Total Liabilities                   | Million | 76.075  | 38.624  | ▲ |
| Shareholders Equity *               | Million | 195.525 | 147.574 | ▲ |
| <b>Key Ratio</b>                    |         |         |         |   |
| Return on assets                    | %       | 3.03%   | 2.83%   | ▲ |
| Return on equity*                   | %       | 4.80%   | 3.61%   | ▲ |
| Leverage Ratio                      | Times   | 0.235   | 0.136   | ▲ |
| Quick Ratio                         | Times   | 1.756   | 2.790   | ▼ |

\*Note: Attributable to shareholders of the parent company

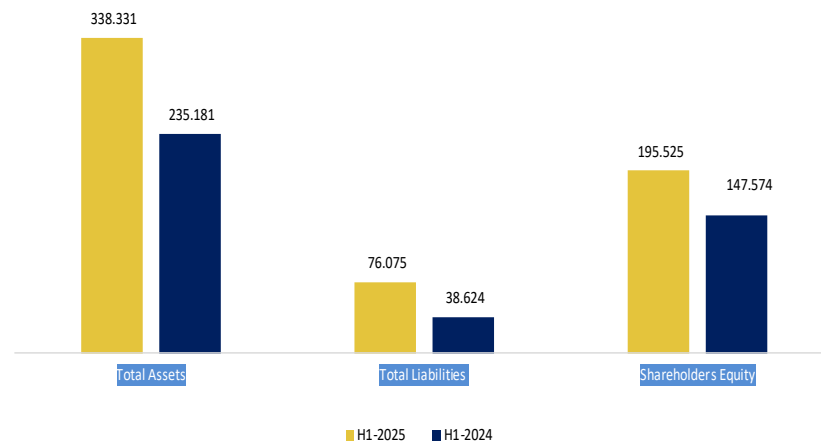
### Income Statement



### Key Ratio



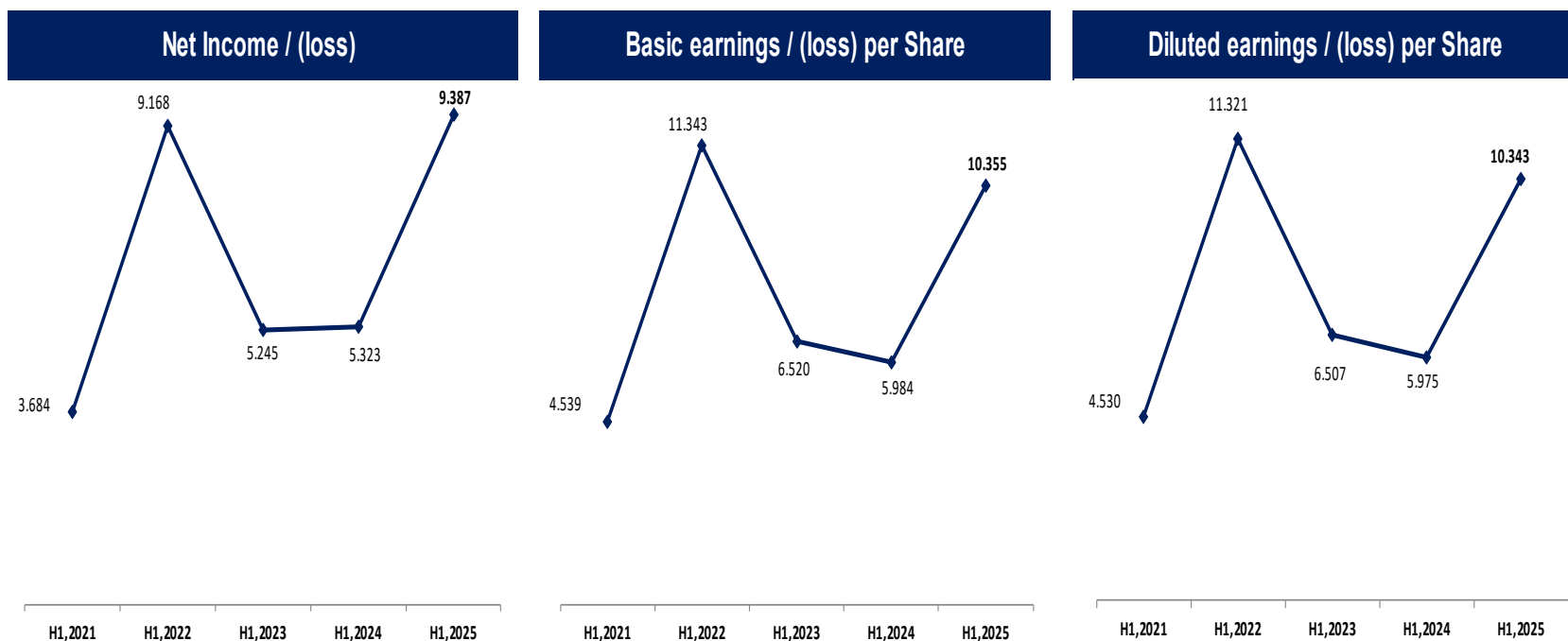
### Financial Position





The charts below illustrate the financial performance attributable to the parent company's shareholders for the H1-2025 compared to the last four years is as follows:

- Net profit and earnings per share (EPS) significantly increased by 76% and 73% compared to H1,2024 due to a significant increase in the Share of results of associates
- Total comprehensive income increased compared to H1,2024 due to a increase in the change in fair value of Financial assets at fair through OCI.

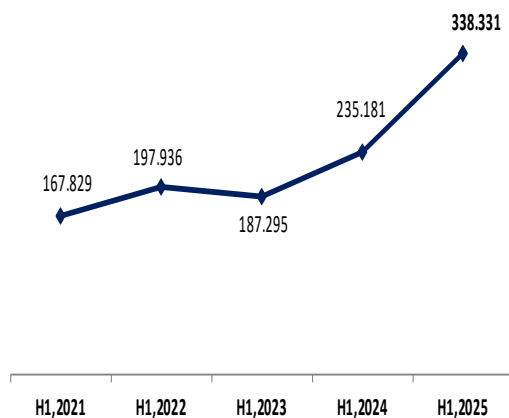




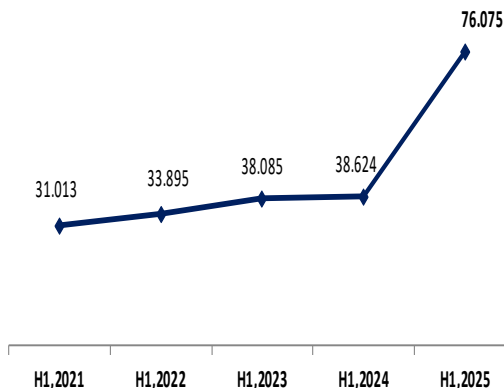
The charts below illustrate the key balance sheet items as of June 30, 2025, compared to the past four years as follows:

- Total assets significantly increased by 44% compared to H1-2024 due to an increase in the following :
  - ✓ Financial assets at fair through OCI.
  - ✓ Investments in associates.
- Total liabilities Increased by 97% compared to H1-2024 due to an increase in Murabaha Payable.
- Total equity Attributable to parent increased by 32% compared to H1-2024 due to a significant increase in the following :
  - ✓ Treasury shares reserve
  - ✓ Statutory and Voluntary reserve
  - ✓ Retained earnings

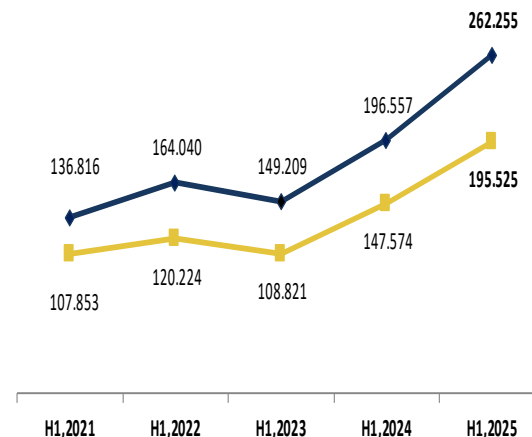
Assets Million



Total Liabilities Million



Total Equity Million



Attributable to shareholders of the parent company Million Total Equity Million

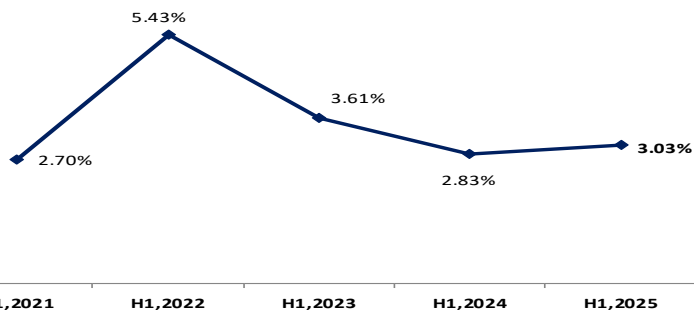


## KEY RATIOS H1-2025

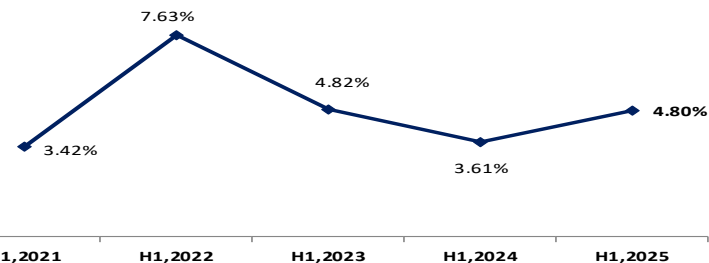
The charts below illustrate the key financial ratios as of June 30, 2025, compared to the past four years as follows:

- 7% increase in Return on Assets compared to H1-2024.
- 33% increase in Return on Equity compared to H1-2024.
- Leverage Ratio is increased by 73% compared to H1-2024.
- Quick Ratio is decreased by 37% compared to H1-2024.

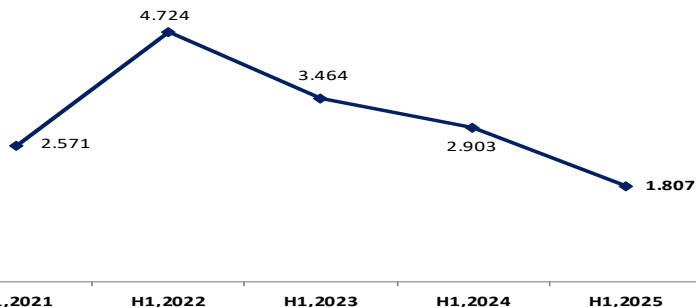
### Return on Assets



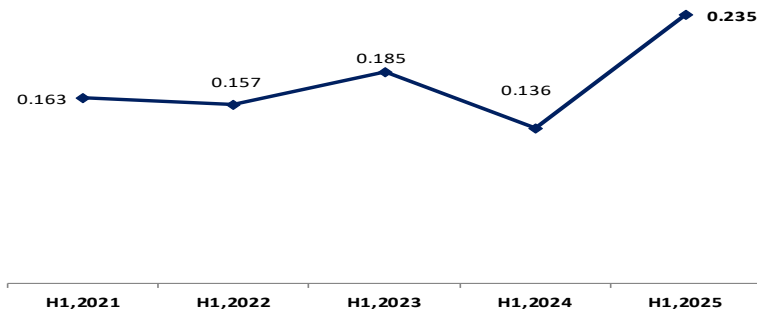
### Return on Equity



### Current Ratio (Times)



### Leverage (Times)

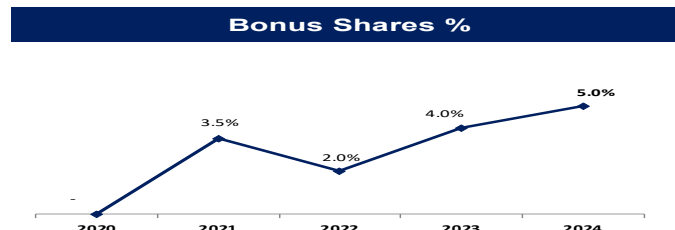
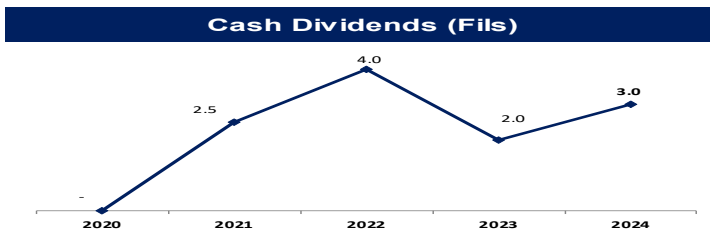
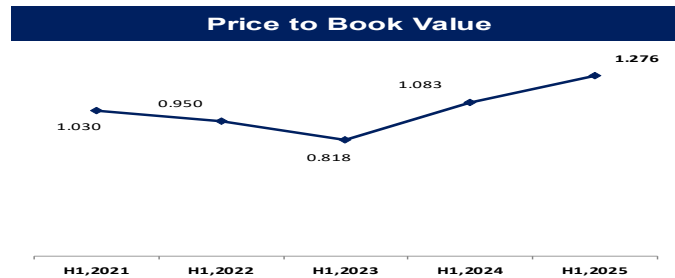
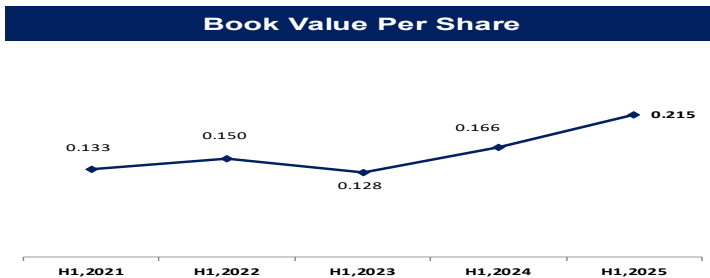
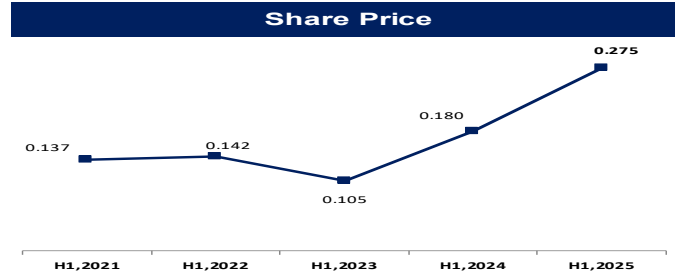




## PRICE TO BOOK VALUE AND MARKET CAPITALIZATION

The charts below illustrate the Price-to-Book value and Market Capitalization as of June 30, 2025, compared to the past four years as follows:

- 56% increase in Book Value Per Share compared to H1-2024.
- 30% increase in Price to Book Value compared to H1-2024.
- 53% increase in Share Price compared to H1-2024.
- 18% increase in Market Capitalization compared to H1-2024.
- 50% increase in Cash Dividends compared 2023
- 25% increase in Bonus Shares compared 2023

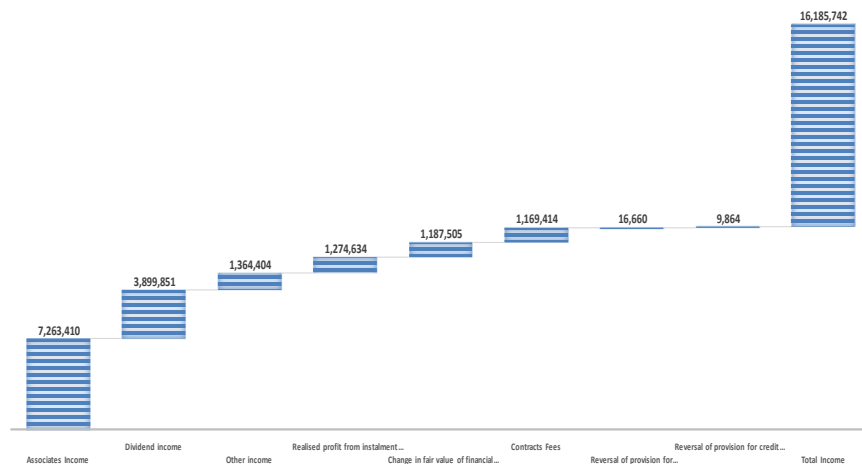




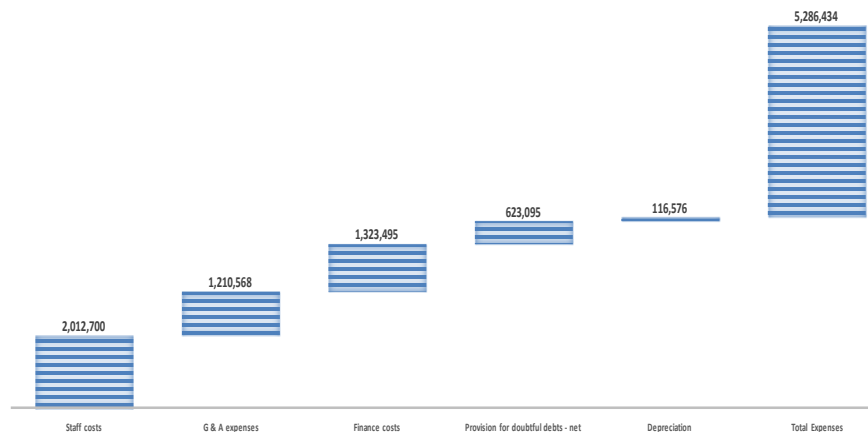
## INCOME DRIVERS AND EXPENSES H1-2025

### Income of KWD 16.186 Million and Expenses of KWD 5.286 Million.

#### Income for H1,2025



#### Expenses for H1,2025



#### Income Drivers

- Share of results of associates contributed 45% of the total income.
- Dividend income contributed 24% of the total income.
- Income from instalment sales and interest income contributed 8 % of the total income.
- Change in fair value of financial assets at fair value through profit or loss contributed 7% of the total income.
- Revenue from the contracts with customers contributed 7% of the total income.

#### Expenses Drivers

- Staff costs contributed 38% of the total expenses.
- G&A expenses contributed 23% of the total expenses.
- Finance costs contributed 25% of the total expenses.



## THE GEOGRAPHICAL ALLOCATION OF THE ASSETS





## VISION & STRATEGY OVERVIEW



# COMPANY SNAPSHOT



## Asset Management & Brokerage

- ▼ Portfolio Management, Brokerage, Investment Advisory and Proprietary Equity portfolio management
- ▼ Regional and International Markets

## Credit

- ▼ Corporate Credit focusing on SMEs
- ▼ Working Capital, Inventory purchasing and CAPEX financing services
- ▼ BNPL in “Easy Buy”

## Collections

- ▼ Debt collection services
- ▼ Dedicated team for both internal and third-party collections

## Arzan Capital (DIFC)

- ▼ DIFC based Investment holding company
- ▼ Operating subsidiaries include:
  - ▼ Arzan Wealth (DFSA)
  - ▼ Arzan Venture Capital (ADGM)



# VISION & MISSION

## VISION

To be a leading global platform for clients to invest in a diverse set of unique opportunities that create value, consistent performance, and safeguard client wealth.

Long Term Value

Market Leaders

Solid Investment  
Performance

Social  
Responsibility

Prudent Growth &  
Robust Balance  
Sheet

## MISSION

Create long-term value for our stakeholders by delivering an attractive and solid investment performance across economic cycles, while fulfilling our responsibilities to employees and society.

Prudent annual growth with key focus on a robust balance sheet.

Create Value

Larger Customer  
base

Wealth  
Preservation

Diversification

Global Structures  
& Products



# POINTS OF FOCUS

## STRATEGY

### Diversified Income Stream

- ▼ AFG's Revenue sources are continuously being diversified to assure more steady and stable performance.

### Global Footprint

- ▼ AFG has continuously been placing a foothold into varying mature markets such as the US, UK, Switzerland, Holland, Germany
- ▼ Regional presence in the UAE, Egypt and KSA

### Strategic Investing

- ▼ AFG is always in search of value-added investments that fit within a long-term vision
- ▼ The company's holding in Bursa Kuwait is one primary example

### Portfolio Building

- ▼ A more focused approach to the robust defensive sectors that can secure more cashflow to the company long-term
- ▼ Stabilizing revenue sources during volatile markets will be part of AFG's approach

### Human Capital

- ▼ AFG will continue to grow an in-house team of intellectually curious professionals from both financial and operational backgrounds .

### Investor base expansion

- ▼ Constant investor outreach, both regional and international via our ever-increasing diversity in product offering

### CSR

- ▼ As part of our constant efforts to promote positive societal initiatives, AFG participated in the following :-
  - Proceeding CSR Project : AlWafir Co. – Ramadan Iftar Meals in Kuwait.
  - Proceeding CSR Project : Kuwait Food Bank– Ramadan Iftar Meals in Kuwait.
  - Participation with Kuwait University in the National Initiative “ Partners for Their Employment “ .
  - Participation with Kuwait University & UIC to prepare the graduate students for the financial and business sector.
  - Proceeding CSR Project : Ishraqat Amal 10
  - Proceeding CSR Project : Kuwait Red Crescent Society



## Q & A



## APPENDIX 1:

### H1-2025 CONSOLIDATED INCOME STATEMENT

|   | H1-2025           | H1-2024           | Change     |
|---|-------------------|-------------------|------------|
|   | KWD               | KWD               | %          |
| <b>Income</b>   |                   |                   |            |
| Income from instalment credit debtors   | 84,645            | 133,531           | (%37)      |
| Revenue from contracts with customers   | 1,169,414         | 1,027,047         | %14        |
| Realised profit from instalment sales   | 1,274,634         | 780,029           | %63        |
| Rental income   | 113,869           | 114,229           | (%0)       |
| Interest income   | 438,842           | 215,473           | %104       |
| Profit on sale of properties held for trading                                   | 52,123            | -                 | %100       |
| Gain on sale of financial assets at fair value through profit or loss           | 660,205           | 202,986           | %225       |
| Change in fair value of financial assets at fair value through profit or loss   | 1,187,505         | 1,549,660         | (%23)      |
| Share of results of associates  | 7,263,410         | 2,384,775         | %205       |
| Dividend income   | 3,899,851         | 3,506,832         | %11        |
| Profit on foreign currency exchange   | (101,953)         | 983,390           | (%110)     |
| Other income  | 116,673           | 117,783           | (%1)       |
| Reversal of provision for instalment credit debtors - net                       | 16,660            | (16,288)          | (%202)     |
| Reversal of provision for credit losses of restricted cash and cash equivalents | 9,864             | 317,375           | (%97)      |
| <b>Total Income</b>   | <b>16,185,742</b> | <b>11,316,822</b> | <b>%43</b> |

|                                     | H1-2025            | H1-2024            | Change     |
|-------------------------------------|--------------------|--------------------|------------|
|                                     | KWD                | KWD                | %          |
| <b>Expenses and other charges</b>   |                    |                    |            |
| Staff costs                         | (2,012,700)        | (1,678,113)        | %20        |
| General and administrative expenses | (1,210,568)        | (966,826)          | %25        |
| Finance costs                       | (1,323,495)        | (931,988)          | %42        |
| Depreciation                        | (116,576)          | (108,656)          | %7         |
| Provision for doubtful debts - net  | (623,095)          | (723,525)          | (%14)      |
| <b>Total Expenses</b>               | <b>(5,286,434)</b> | <b>(4,409,108)</b> | <b>%20</b> |

|   |                   |                  |            |
|---|-------------------|------------------|------------|
| <b>Profit for the period before provisions for contribution to Kuwait Foundation for the Advancement of Sciences (KFAS), National Labour Support Tax (NLST) and Zakat</b> | <b>10,899,308</b> | <b>6,907,714</b> | <b>%58</b> |
| Provision for KFAS  | -                 | -                | %0         |
| Provision for NLST  | (496,004)         | (192,611)        | %158       |
| Provision for Zakat   | (160,516)         | (61,542)         | %161       |
| <b>Profit for the period</b>  | <b>10,242,788</b> | <b>6,653,561</b> | <b>%54</b> |

|                                  |                   |                  |            |
|----------------------------------|-------------------|------------------|------------|
| <b>Attributable to:</b>          |                   |                  |            |
| Owners of the Parent Company     | 9,386,687         | 5,322,588        | %76        |
| Non-controlling interests        | 856,101           | 1,330,973        | (%36)      |
| <b>Net Profit for the period</b> | <b>10,242,788</b> | <b>6,653,561</b> | <b>%54</b> |

|   |               |              |            |
|---|---------------|--------------|------------|
| <b>Basic earnings per share attributable to the owners of the Parent Company (Fils)</b>   | <b>10.355</b> | <b>5.984</b> | <b>%73</b> |
| <b>Diluted earnings per share attributable to the owners of the Parent Company (Fils)</b> | <b>10.343</b> | <b>5.975</b> | <b>%73</b> |



## APPENDIX 2:

### H1-2025 CONSOLIDATION COMPREHENSIVE INCOME

|   | H1-2025                    |            |                    | H1-2024                    |           |                    |
|---|----------------------------|------------|--------------------|----------------------------|-----------|--------------------|
|   | Attributable to parent co. | NCI        | Total Consolidated | Attributable to parent co. | NCI       | Total Consolidated |
| <b>PROFIT for the period</b>  | 9,386,687                  | 856,101    | 10,242,788         | 5,322,588                  | 1,330,973 | 6,653,561          |
| <b>Other comprehensive income ( loss ) for the period:</b><br>(Includes change in fair value of FVOCI investments, share of OCI from Associates and foreign currency translation reserve) | 16,392,078                 | 11,010,245 | 27,402,323         | 12,678,124                 | 7,537,989 | 20,216,113         |
| <b>Total comprehensive income ( loss )</b>  | 25,778,765                 | 11,866,346 | 37,645,111         | 18,000,712                 | 8,868,962 | 26,869,674         |



## APPENDIX 3:

### H1-2025 CONSOLIDATED FINANCIAL POSITION

|  | H1-2025            | H1-2024            | Change *   |
|--|--------------------|--------------------|------------|
|  | KWD                | KWD                | %          |
| <b><u>Assets</u></b>   |                    |                    |            |
| Cash and cash equivalents  | 17,773,056         | 4,065,191          | %337       |
| Term deposits  | 387,546            | 475,762            | (%19)      |
| Instalment credit debtors  | 784,271            | 886,289            | (%12)      |
| Financial assets at FVTPL  | 24,591,795         | 23,100,061         | %6         |
| Accounts receivable and other assets                                   | 14,060,008         | 8,487,424          | %66        |
| Properties held for trading  | 1,866,235          | 1,416,362          | %32        |
| Financial assets at FVTOCI   | 167,671,169        | 139,941,917        | %20        |
| Investment in associates   | 98,292,776         | 51,735,799         | %90        |
| Real estates under development   | 1,680,710          | 1,784,366          | (%6)       |
| Investment properties  | 1,273,395          | 1,332,135          | (%4)       |
| Assets held for sale   | 8,114,096          | -                  | %0         |
| Property and equipment   | 1,835,877          | 1,955,942          | (%6)       |
| <b>Total Assets</b>  | <b>338,330,934</b> | <b>235,181,248</b> | <b>%44</b> |
| <b><u>Liabilities and Equity</u></b>                                   |                    |                    |            |
| <b><u>Liabilities</u></b>  |                    |                    |            |
| Accounts payable and other liabilities                                 | 12,257,692         | 10,072,209         | %22        |
| Term loans   | 2,996,000          | 10,732,834         | (%72)      |
| Murabaha payables  | 58,764,576         | 15,978,250         | %268       |
| Provision for employees' end of service benefits                       | 2,057,200          | 1,840,525          | %12        |
| <b>Total Liabilities</b>   | <b>76,075,468</b>  | <b>38,623,818</b>  | <b>%97</b> |
| <b><u>Equity</u></b>   |                    |                    |            |
| Share capital  | 90,743,393         | 86,422,279         | %5         |
| Share premium  | 9,355,213          | 9,355,213          | %0         |
| Treasury shares  | (4,549)            | (2,081,938)        | (%100)     |
| Treasury shares reserve  | 2,434,930          | 348,555            | %599       |
| Statutory reserve  | 4,144,801          | 2,698,457          | %54        |
| Voluntary reserve  | 2,987,967          | 1,541,623          | %94        |
| Share based payments reserve   | 181,821            | 169,295            | %7         |
| Foreign currency translation reserve                                   | (6,562,432)        | (6,374,332)        | %3         |
| Fair value reserve   | 53,601,880         | 41,908,216         | %28        |
| Retained earnings  | 38,642,039         | 13,586,812         | %184       |
| <b>Total Equity attributable to shareholders of the Parent Company</b> | <b>195,525,063</b> | <b>147,574,180</b> | <b>%32</b> |
| Non-controlling interests  | 66,730,403         | 48,983,250         | %36        |
| <b>Total Equity</b>  | <b>262,255,466</b> | <b>196,557,430</b> | <b>%33</b> |
| <b>Total liabilities and equity</b>                                    | <b>338,330,934</b> | <b>235,181,248</b> | <b>%44</b> |



THANK YOU