



KUWAIT: 8/8/2019

TO: BOURSA KUWAIT,

After Greetings,

Subject: Analyst / investors Conference for second quarter 2019

With reference to the above subject, and pursuant to the requirements of Boursa Kuwait Rules Book issued as per Resolution No. (1) /2018 kindly note that the quarterly Analyst / Investors Conference was held through a Live Webcast on Thursday: 8/8/2019 at 1:30 pm local time, and there is no material information has been circulated during the conference.

Please refer to the attachment for the presentation of Analyst / Investors for (Q2/2019) and appendix no (11).

Yours sincerely,

Integrated Holding Co (K.S.C.P)



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Disclosure of Material Information Form

Date	8/8/2019
Name of Listed company	integrated holding co (k s c p)
Material Information	kindly note that the quarterly Analyst / Investors Conference was held through a Live Webcast on Thursday: 8/8/2019 at 1:30 pm local time , and there is no material information has been circulated during the conference.
Significant Effect of the material information on the financial position of the company	There is no direct impact on the financial position of the company

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contract.

If a Listed Company , which is a member of a Group , disclosed some material information related to it and has Significant Effect on other listed companies which are members of the same Group , the other companies disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.




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Integrated Holding Co. K.S.C.P



المتكاملة
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INTEGRATED HOLDING Co. KSCP

Analyst Conference

Q2 / FY 2019 Results




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Overview

Challenge from the beginning of this year was drop in the equipment utilization and this is continued with the drop in the revenue rates. The results of the second quarter of 2019 is disappointing and not in the expected line. Drop in the revenue by 29.9% for the half year 2019 comparing with the half year 2018 was the main reason for the poor performance. The reduction in the rental rates because of competition and excess supply in the market and decline in the utilization rates of the equipment are the contributory factors for the revenue drop. On completion of the big projects we expected the transition of our resources to the new projects which were anticipated during this year, but these were delayed.

On the expenditure side, we were not able to have corresponding reduction. We had expected turnaround of the project activities with pick in the demand for our services and continued maintaining the workforce and equipment at normal level to be ready to take up the new opportunities.

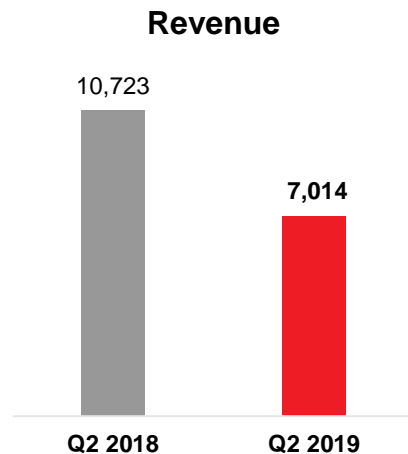
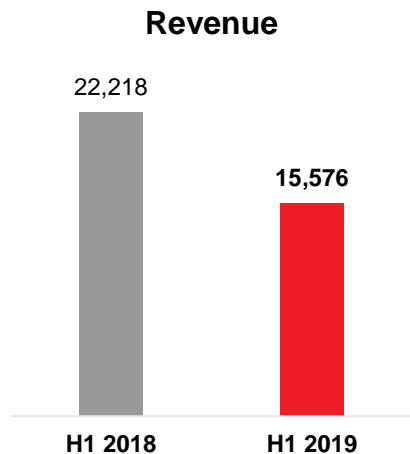
The Net Profit for the first six months of 2019 is lower by 59% comparing with the profit of KD 10 million in first half of 2018. In the year 2018 first half was exceptionally good as many project related activities were at peak which contributed for the best utilization of the equipment with higher rates along with the shutdown maintenance jobs which are with high margin.

During the first half of 2019, we have settled major portion of the foreign currency liabilities about KD 10 million and increased the debt from local banks partially to support Capex of KD 4 million which will be explained later.

For the short term, it is challenging period for us and we expect situation will improve sooner.

Financial Highlights - Revenue

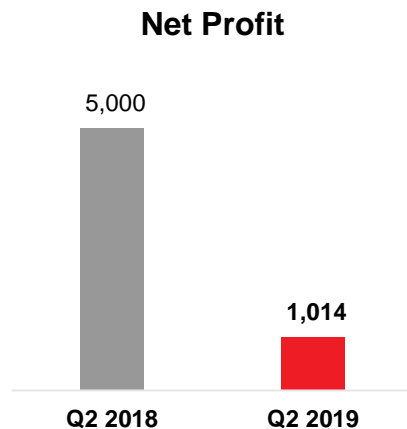
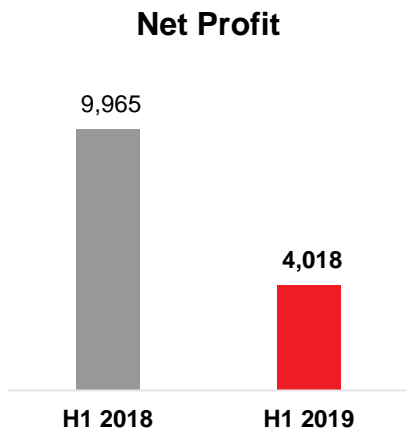
Revenues in H1 2019 decreased by 29.9% YoY.



Figures in KD Thousands

Financial Highlights – Net Profit

Net Profit in H1 2019 decreased by 59.7% YoY.

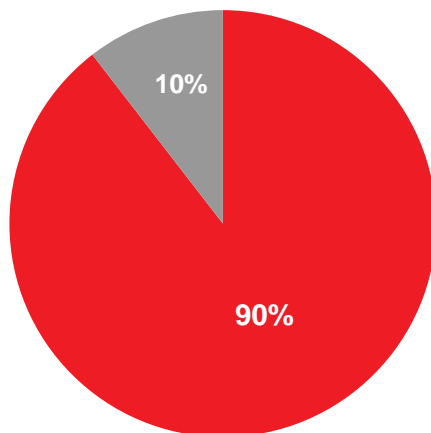


Figures in KD Thousands

Financial Highlights

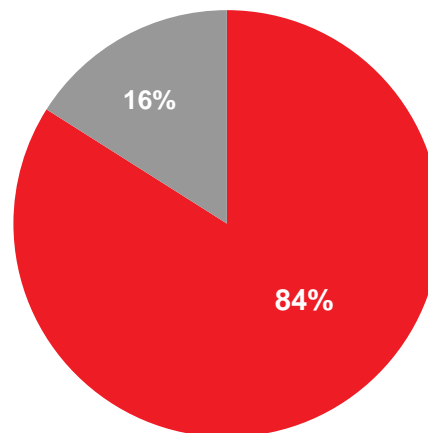
Revenue contribution by Geography

H1 2018



■ Kuwait ■ Outside Kuwait

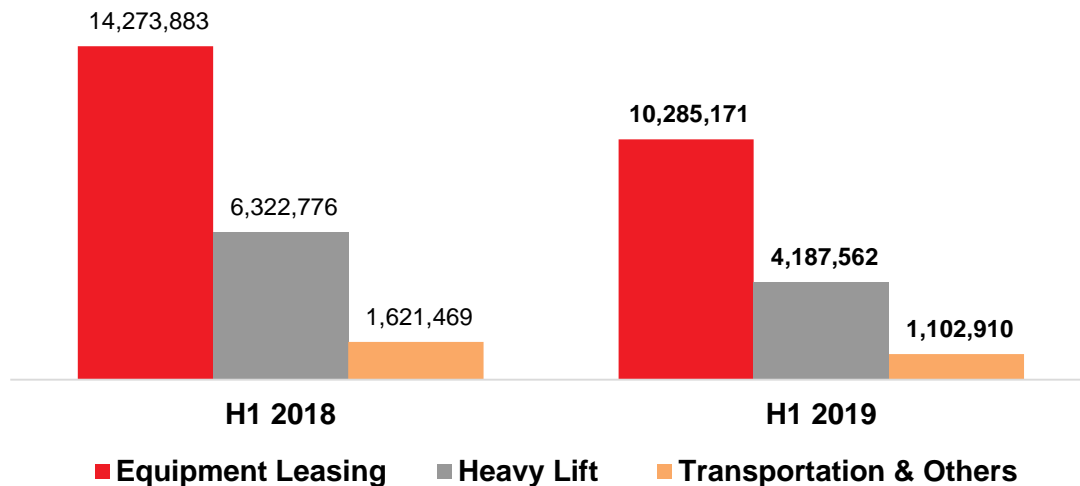
H1 2019



■ Kuwait ■ Qatar

Financial Highlights

Revenue contribution by Operational Segment



Figures in KD Thousands

Financial Highlights

Financial Position

	H1 2019	H1 2018	Change (%)	FY 2018
Current Assets	17,355	21,047	(17.5)	21,765
Property & Equipment	72,530	71,926	0.8	73,389
Right-of-use Assets	734	-	-	-
Intangible Assets	711	711	-	711
Total Assets	91,330	93,684	(2.5)	95,865
Borrowings	16,064	12,515	28.4	6,133
Capex Creditors	2,966	11,752	(74.7)	13,258
Trade & Other Liabilities	7,572	7,137	6.1	6,960
Shareholders' Equity	64,728	62,280	3.9	69,514
Total Equity & Liabilities	91,330	93,684	(2.5)	95,865

Figures in KD Thousands

Financial Highlights

Statement of Income

	Quarter 2			Half year		
	2019	2018	Change %	2019	2018	Change %
Revenue	7,014	10,723	(34.6)	15,575	22,218	(29.9)
Depreciation	2,820	2,684	5.1	5,566	5,318	4.6
EBITDA	4,034	7,133	(43.4)	9,733	15,235	(36.1)
Finance Costs	140	93	50.5	234	235	(0.4)
Net Profit	1,014	5,000	(79.7)	4,018	9,965	(59.7)
Earnings Per Share (fils)	4.61	22.73	(79.7)	18.26	45.29	(59.7)

Figures in KD Thousands

Financial Highlights

Key Statistics

	Quarter 2			Half year		
	2019	2018	Change %	2019	2018	Change %
Gross Profit Margin %	25.8	53.7	(51.9)	34.0	54.1	(37.1)
EBITDA Margin %	57.3	66.5	(13.8)	62.5	68.6	(8.8)
Net Profit Margin %	14.5	46.6	(68.8)	25.8	44.8	(42.4)
Return on Total Assets %				4.4	10.6	(58.5)
Return on Equity %				6.2	16.0	(61.3)

Company Highlights

Capex

Integrated invested an amount of KD 4.74 Million on new equipment purchase during the first half of 2019.

Dividend Payout

During May 2019, Integrated distributed a Cash dividend of 40 fils per share to the Shareholders amounting to KD 8.8 Million for the financial year 2018.

Q & A