



Date: 14/11/2022

Ref.: MHC/Disclosure/2022/076

Boursa Kuwait Company

Mubarak Al Kabeer St.
AlSharq, Kuwait
P.O.Box 22235 Safat, 13083 Kuwait

Subject: Disclosure from Mezzan Holding on Investor Conference Call for Q3-2022

Reference to the above subject and pursuant to the provisions of Article (4-1-1), Chapter 4 of Module 10 (Disclosure and Transparency) of the Executive Bylaws of Law No. 7 of 2010 concerning establishment of the Capital Markets Authority.

Kindly note that Mezzan has held it Investors' Conference Call today at 03:00 pm local Kuwait time.

Attached is the PowerPoint presentation shared with of the Analysts and Investors at the Conference Call for the results of Q3-2022, noting that there were no material information disclosed on the Call that weren't disclosed previously.

Mezzan Holding Company KSCP

Walid Ali Khalil

Head of Legal



Disclosure of Material Information Form

Date	14 /11/2022
Name of the Listed Company	Mezzan Holding Company KSCP
Material Information	Kindly note that Mezzan has held it Investors' Conference Call today at 03:00 pm local Kuwait time. Attached is the PowerPoint presentation shared with of the Analysts and Investors at the Conference Call for the results of Q3-2022, noting that there were no material information disclosed on the Call that weren't disclosed previously.
Significant Effect of the material information on the financial position of the company	-

Mezzan Holding Company KSCP

Walid Ali Khalil

Head of Legal



Q3 2022 Earnings Presentation

November 14, 2022



Disclaimer

This confidential document is provided for informational purposes only. THE INFORMATION SET OUT IN THIS PRESENTATION AND PROVIDED IN THE DISCUSSION SUBSEQUENT THERETO DOES NOT CONSTITUTE AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES IN ANY JURISDICTION. IT IS SOLELY FOR USE AT AN INVESTOR PRESENTATION AND IS PROVIDED AS INFORMATION ONLY. THIS PRESENTATION DOES NOT CONTAIN ALL THE INFORMATION THAT IS MATERIAL TO AN INVESTOR. THIS PRESENTATION HAS BEEN PREPARED BY AND IS THE SOLE RESPONSIBILITY OF MEZZAN HOLDING COMPANY (“MEZZAN” OR THE “COMPANY”).

You must not place any reliance for any purpose whatsoever on the information contained in this document. No representation or warranty, express or implied, is given by or on behalf of Mezzan or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability whatsoever is accepted by Mezzan or any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith.

The information contained in this document has been obtained from sources prepared by other parties and it may not have been independently verified.

The supply of this document does not imply that the information within is correct at any time subsequent to the date of this document.

The information herein may be amended and supplemented and may not as such be relied upon for the purpose of entering into any transaction. This presentation may not be reproduced in whole or in part, distributed or transmitted to any other person without the Company's prior written consent. The information in this presentation and the views reflected there in are those of the Company and are subject to change without notice. All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of matters described herein. They may be based on subjective assessments and assumptions and may use one among alternative Methodologies that produce different results and to the extent that they are based on historical information, they should not be relied upon as an accurate prediction of future Performance. These Materials are not intended to provide the basis for any recommendation that any investor should subscribe for or purchase any securities. This presentation does not disclose all the risks and other significant issues related to an investment in any securities / transaction. Past performance is not indicative of future results. The Company is under no obligation to update or keep current the information contained herein. No person shall have any right of action against the Company or any other person in relation to the accuracy or completeness of the information contained in this presentation. No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation and if given or made such information or representation must not be relied upon as having been authorized by or on behalf of the Company. This presentation does not constitute an offer or an agreement, or a solicitation of an offer or an agreement, to enter into any transaction (including the provision of any services). No assurance is given that any such transaction can or will be arranged or agreed. Certain statements in this presentation may constitute forward-looking statements. These statements reflect the company's expectation and are subject to risk and uncertainties that may cause actual result to differ materially and may adversely affect the outcome and financial effects of the plan described herein. You are cautioned not to rely on such forward-looking statements. The Company does not assume any obligation to update its view of such risk and uncertainties or to publicly announce the result of any revision to the forward-looking statements made herein.

This document may contain forward-looking statements which, by their nature, involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by these statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described within this document. In particular, actual results may be adversely affected by future developments affecting inflation, interest rates, taxation, social instability or other economic, political or diplomatic or other matters. Forward-looking statements contained in this document that reference past trends or activities should not be taken as a representation that such trends or activities will continue.



Agenda

- Tailwinds & Headwinds
- YTD 2022 Results
- YTD 2022 Financial Review
- Q&A





Mezzan Today: Tailwinds

- Strong performance in Food Manufacturing and Distribution segment.
- Rising Consumer Demand.
- Underlying profit improvement.
- Significant improvement in UAE and KSA operations.





Mezzan Today: Headwinds

- Inflation remains enemy #1: Continued compression of margins.
- Further delay in Qatar collection, now moving in Q4.
- Lack of performance of the pharma business.
- Pressure from UAE excise tax.





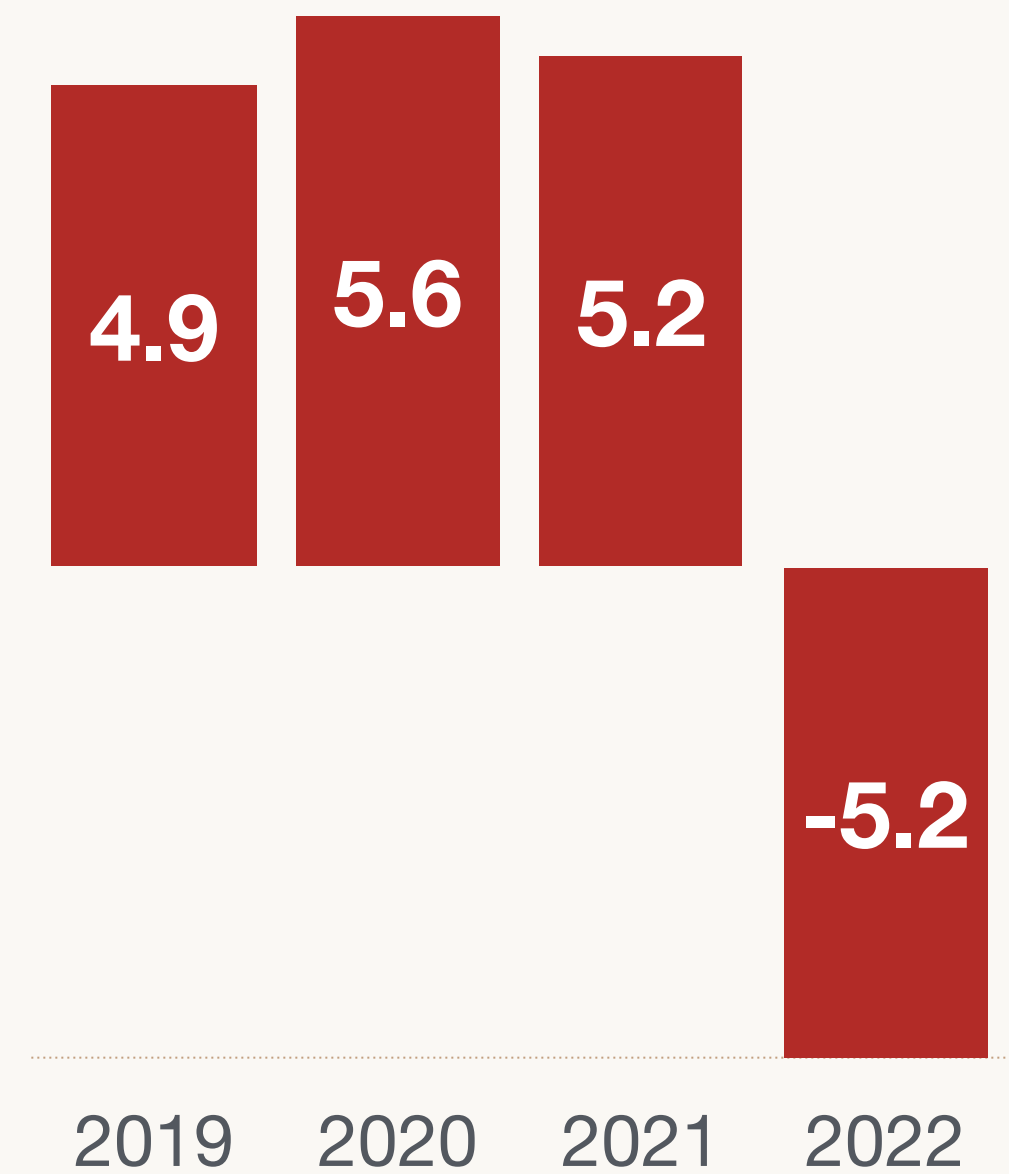
Mezzan Today: Earnings Highlights

KD Million

	<u>Q3'22</u>	<u>Q3'21</u>	<i>% Diff</i>	<u>YTD'22</u>	<u>YTD'21</u>	<i>% Diff</i>
Revenue	60.6	57.2	+6.0%	194.5	191.2	1.7%
EBITDA	-5.2	5.2	-199%	3.1	19.6	-84%
Net Income	-8.3	2.4	-445%	-6.3	10.8	-158.3%
Net Profit	-8.4	2.3	-467%	-6.5	9.5	-168.4%
Attributable to Equity Holders of Parent Company						

Q3 EBITDA (2019-2022)

KD Millions

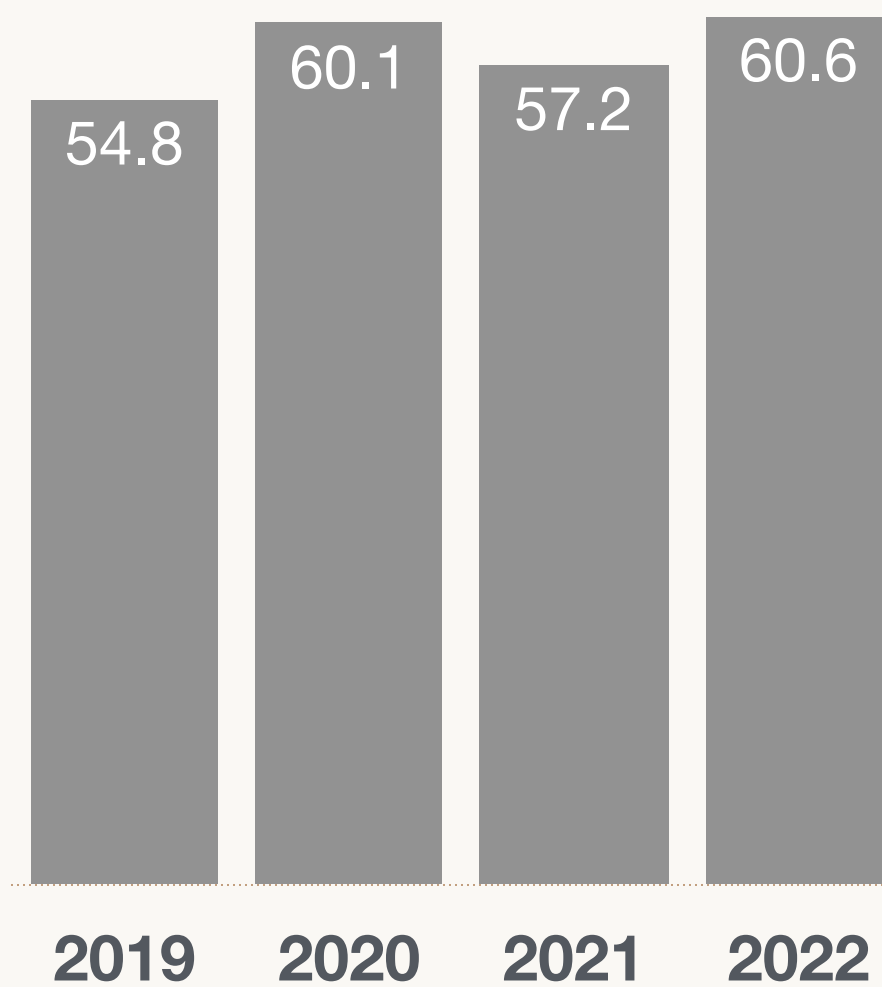




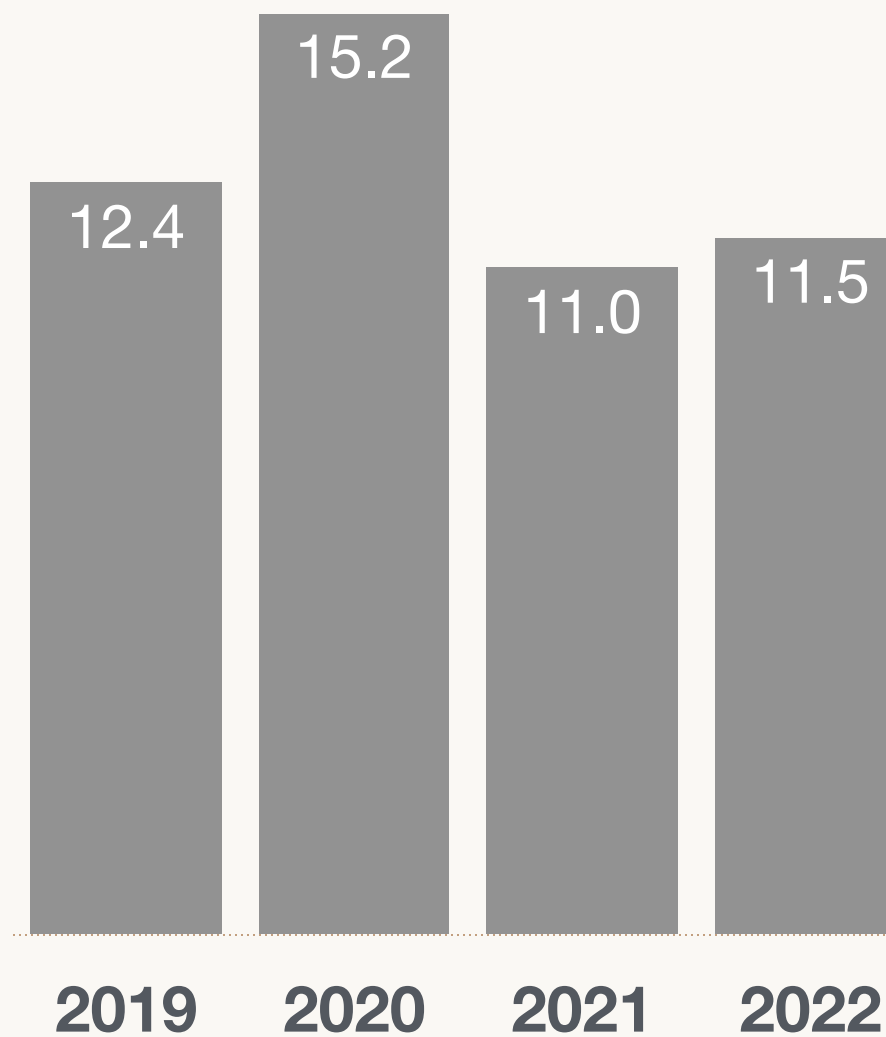
Mezzan Today: Q3 Historical Performance

KD Million

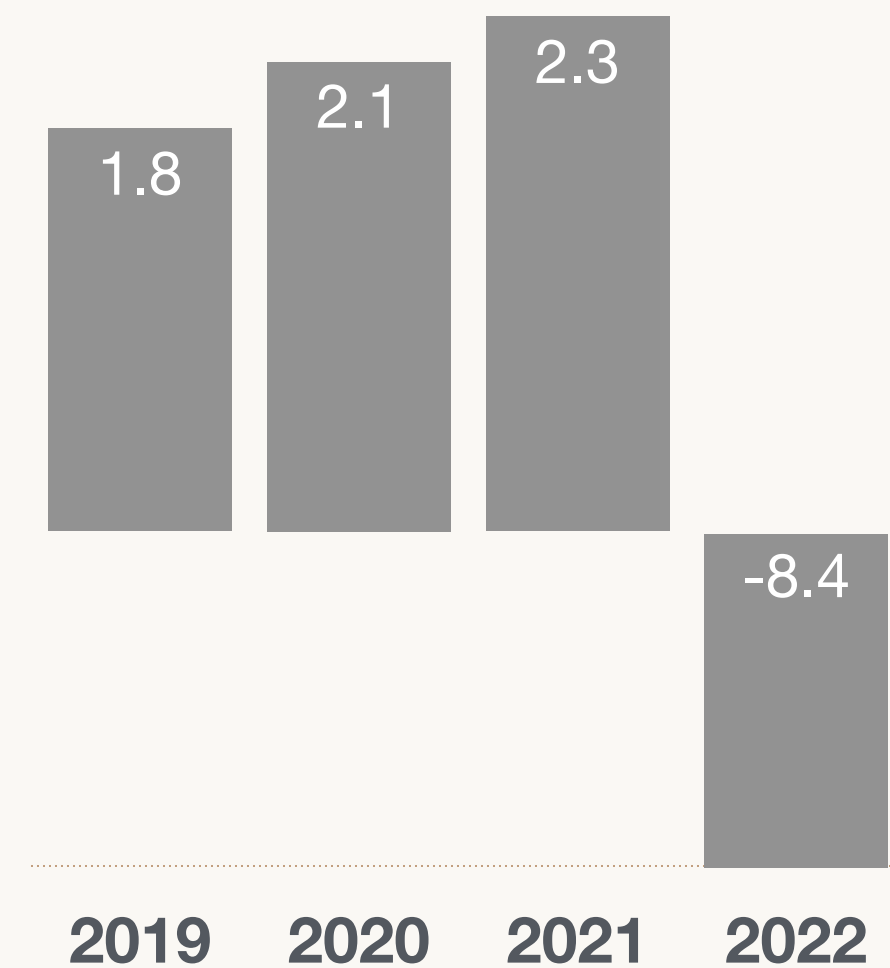
Q3 Revenue



Q3 Gross Profit



Q3 Net Profit



Financial Review



YTD'22 Revenue: Contribution by Business Line

FOOD REVENUE +5.8%

Vs.YTD'21



67.5%

Share of of total Group Revenue

NON-FOOD REVENUE -5.7%

Vs.YTD'21



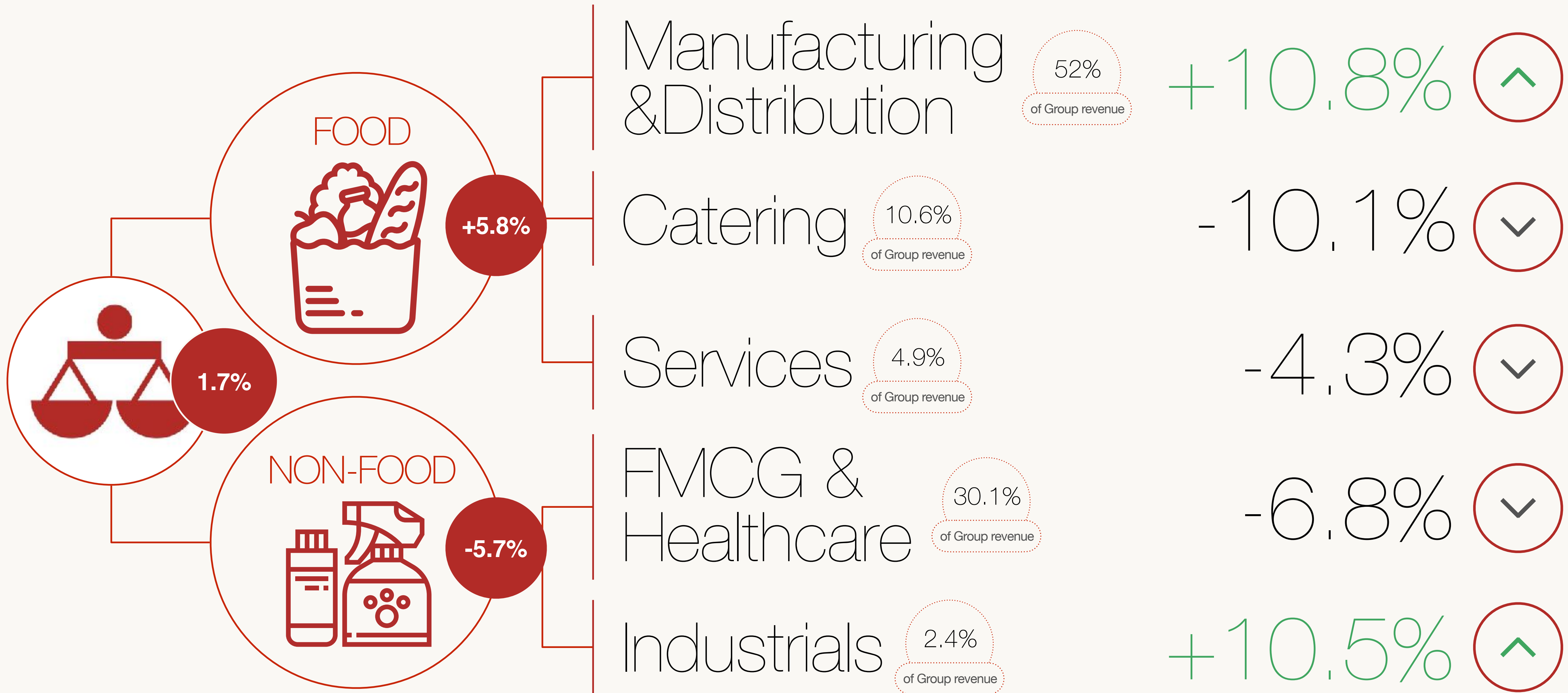
32.5%

Share of of total Group Revenue



YTD'22 Revenue: Growth by Business Division

Vs. YTD'21



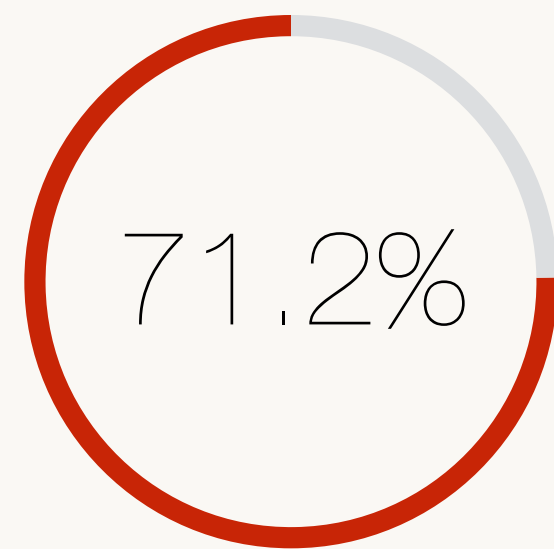


YTD'22 Revenue: Contribution and Growth by Country

 Top-line Contribution

Vs. YTD'21

Kuwait



71.2%



-2.1%

UAE

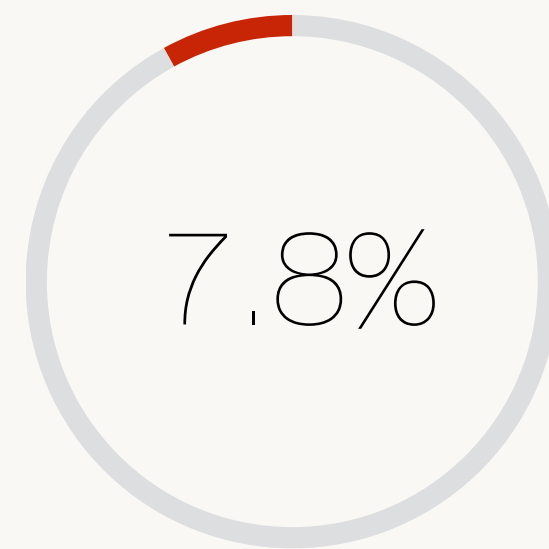


13.6%



+17.5%

Qatar

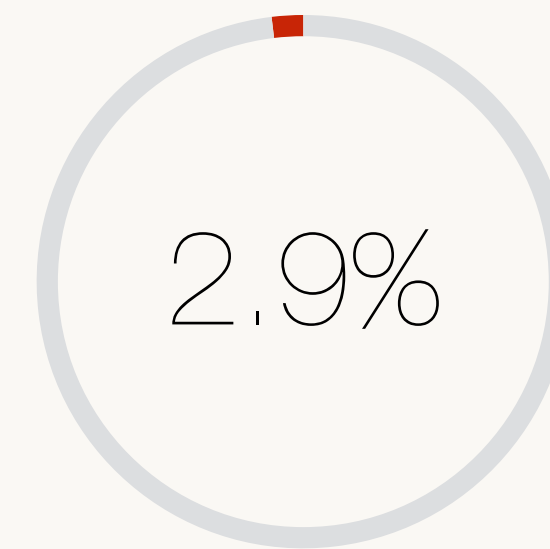


7.8%



+2.9%

KSA

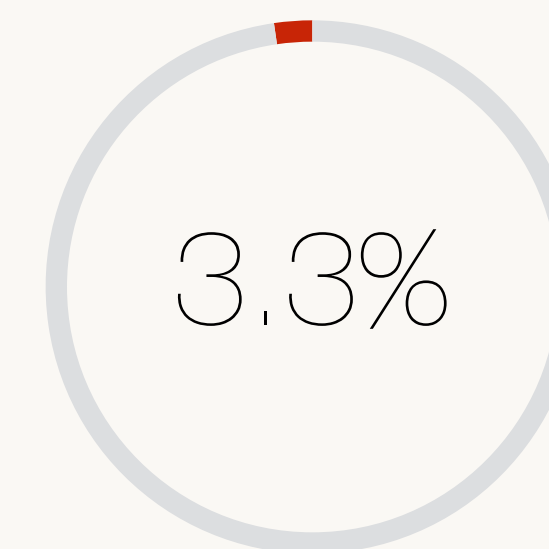


2.9%



+36.4%

Jordan

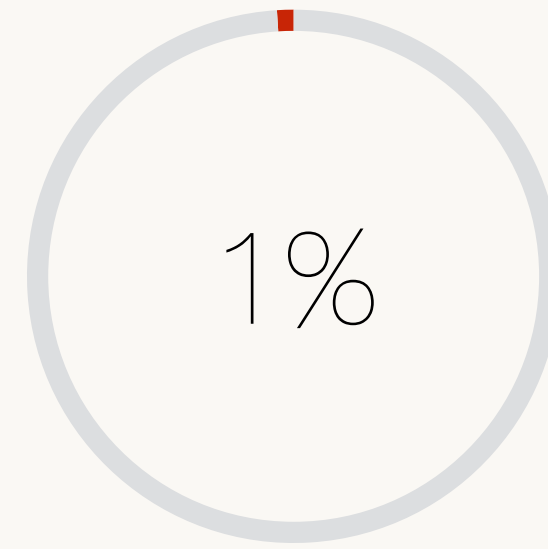


3.3%



+19.5%

Iraq



1%



+10.6%





YTD'22: P&L

KD Millions

	<u>Q3'22</u>	<u>Q3'21</u>	<u>% Diff</u>	<u>YTD'22</u>	<u>YTD'21</u>	<u>% Diff</u>
Revenue	60.6	57.2	5.9%	194.5	191.2	1.7%
Gross Margin	11.5	11.0	4.4%	37.1	40.5	-8.4%
	<i>GM %</i>	<i>18.9%</i>	<i>19.2%</i>	<i>19.1%</i>	<i>21.2%</i>	
SG&A / Other	-18.9	-7.9	139.5%	-40.9	-27.4	-49.2%
Operating Profit	-7.4	3.1	-341.7%	-3.8	13.1	-129.3%
Other	-1.0	-0.5	96.6%	-2.4	-1.7	-35.3%
Underlying Profit before Tax	-8.4	2.6	-425%	-6.2	11.3	-154.7%
Tax	0.1	-0.2	-157.7%	-0.1	-0.5	84.9%
Underlying Net Profit	-8.3	2.4	-444.8%	-6.3	10.8	-158.3%
	<i>UNP %</i>	<i>-13.7%</i>	<i>4.2%</i>	<i>-3.2%</i>	<i>5.6%</i>	
Reported Net Profit	-8.3	2.4	-444.8%	-6.3	10.8	-158.3%
	<i>NP %</i>	<i>-13.7%</i>	<i>4.2%</i>	<i>-3.2%</i>	<i>5.6%</i>	
Net Profit Attributable to Shareholders	-8.4	2.3	-467%	-6.5	9.5	-168.4%



YTD'22: CASHFLOW

KD Millions

	2022	2021	Diff
Operating Cashflow before WC changes	12.1	21.2	-9.1
Working Capital / Other	-4.3	-3.5	-0.9
Operating Cashflow	7.7	17.8	-10.0
Capital / Other	-8.9	-8.3	-0.7
Cash flow before Financing	-1.2	9.5	-10.7
Dividends & Purchase of treasury shares	-6.7	-6.9	0.2
Financing Costs / Other	-3.5	-2.6	-1.0
Cash flow after Financing	-11.4	0.0	-11.4
FX translation	0.2	-0.1	0.3
YTD Change in Net Debt	-11.2	-0.1	-11.1



In 2022, lower operating cash flow driven by lower net profit and higher capital spend.
 Net Capital Spent after Disposal of KWD 8.9mn.

Cash in hand decreased by KWD 4.9mn vs. LY mainly due to decrease in net profit by KWD 17.0mn and increase in investing activities by 0.7mn.

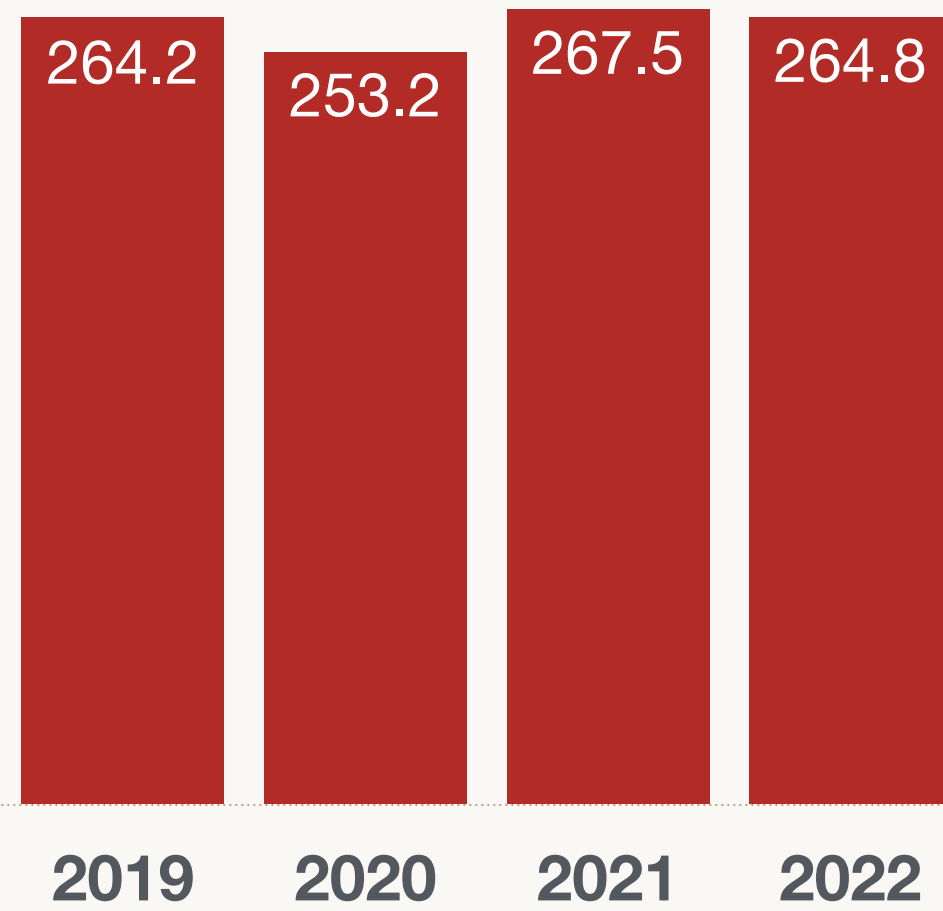


Balance Sheet as of Sep 30, 2022

KD Millions

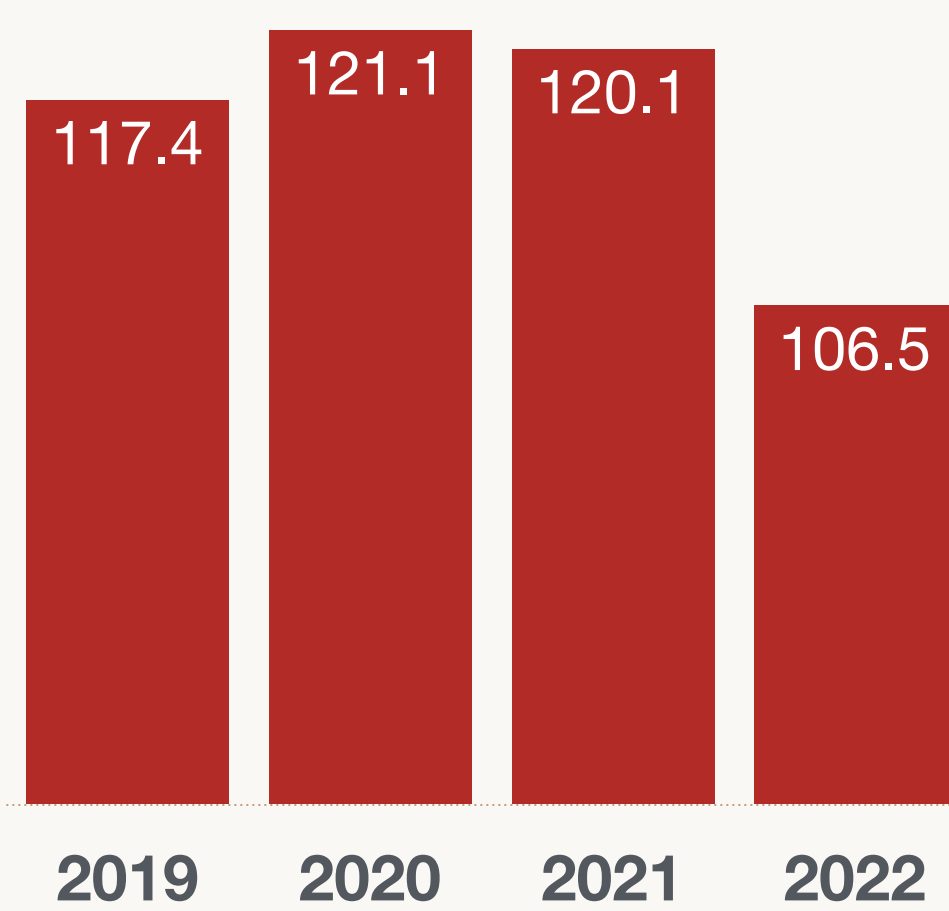
Total Assets

KD Millions



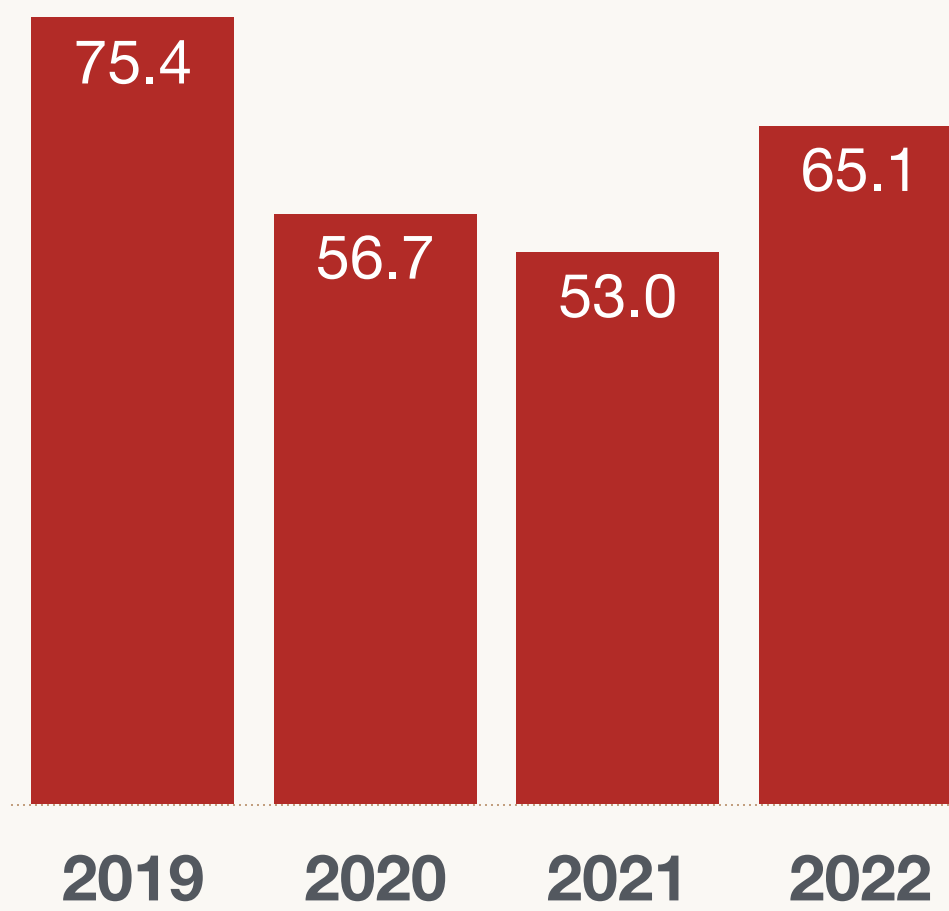
Equity

KD Millions



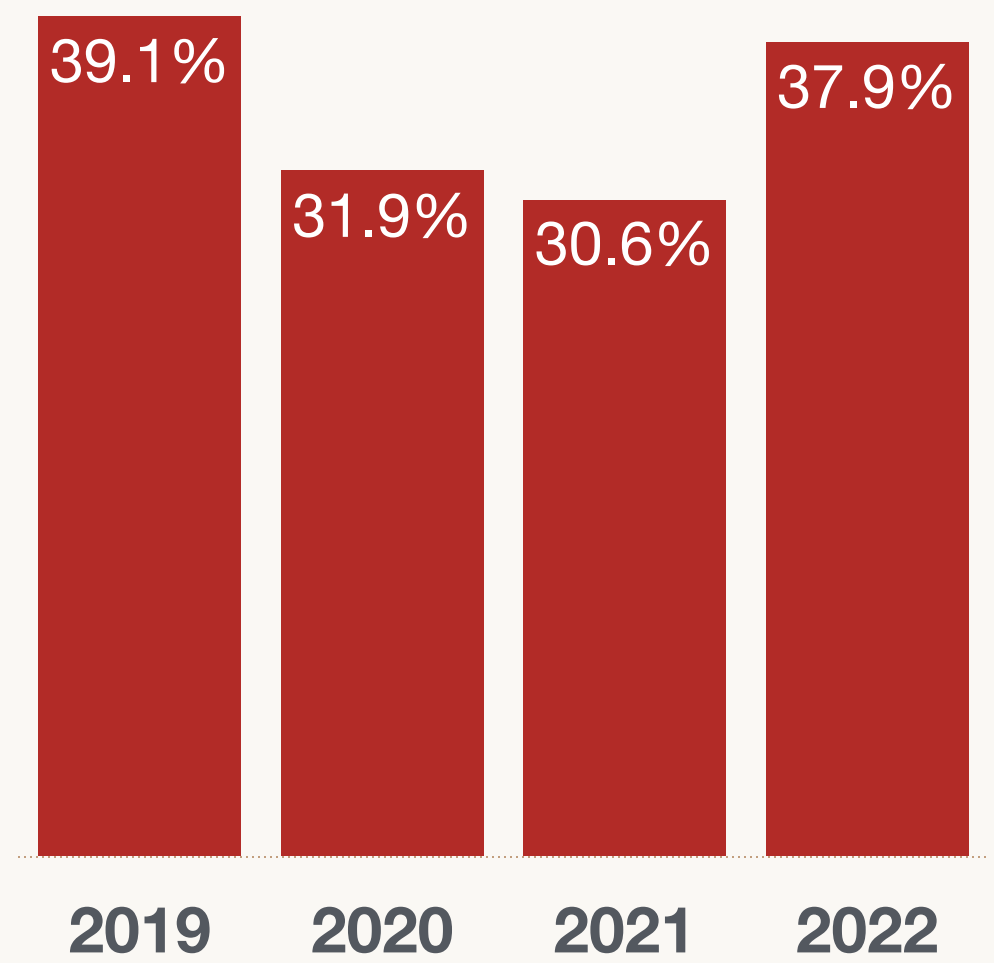
Net Debt

KD Millions



Net Debt to Capitalization

%





A note on debt levels

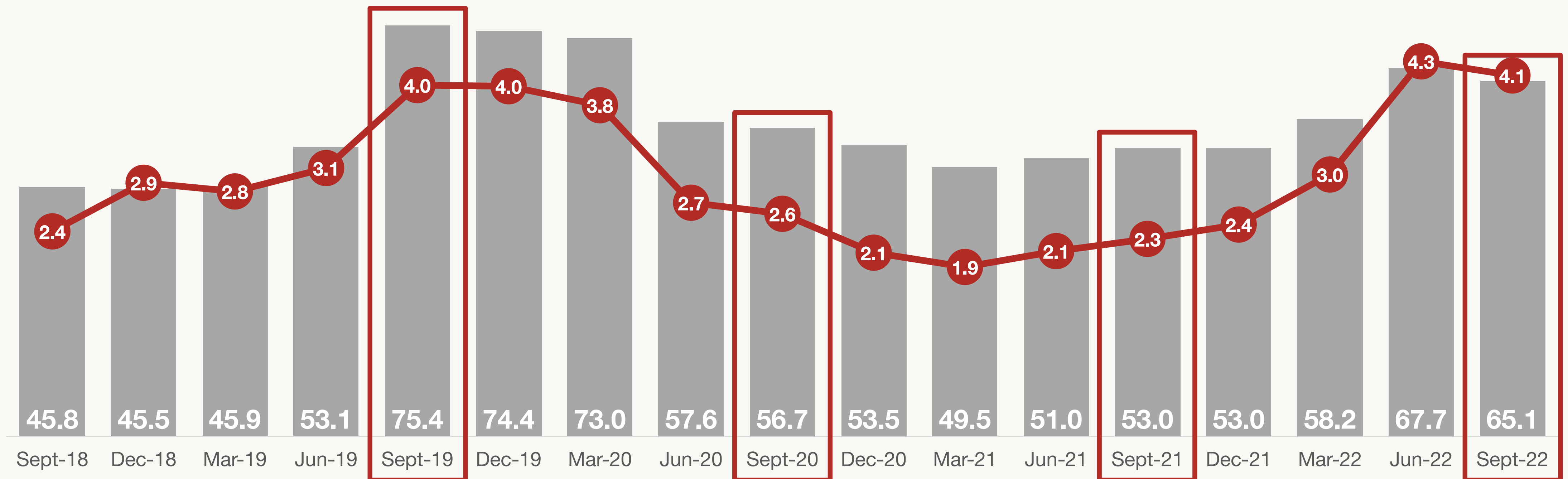
KD Millions



Net Debt stood at KWD 65.1mn

Up by KWD 12.1mn from September 2021 levels, mainly due to 8.9mn net increase in Capital Investment and 4.9mn decrease in cash balances.

Net Debt / EBITDA of 4.1 (Yearly) up by 1.9 vs September 2021



■ Net debt ● Net Debt/EBITDA(LTM)



Q & A



Investor Relations Contact

Omar Fouda

Investor Relations Manager
omar.fouda@mezzan.com