

التاريخ : 2025/07/10 م
الإشارة: MUB/FIN/036/2025

المحترمين

السادة/ شركة بورصة الكويت

تحية طيبة وبعد ،،،

الموضوع: توصية مجلس إدارة شركة مبارد القابضة بشأن عرض الاستحواذ الإلزامي المقدم من شركة أعيان للإجارة والاستثمار للاستحواذ على جميع أسهم شركة مبارد القابضة

بالإشارة إلى الموضوع أعلاه، نحيطكم علما بأن مجلس إدارة شركة مبارد القابضة ش.م.ك عامة قد اجتمع يوم الخميس الموافق 2025/07/10 في تمام الساعة الواحدة مساءً لمناقشة مستند عرض الاستحواذ الإلزامي المقدم من شركة أعيان للإجارة والاستثمار للاستحواذ على جميع أسهم شركة مبارد القابضة وتقرير مستشار الاستثمار بشأن الاستشارة المستقلة وابداء رأي مجلس الإدارة وتوصيته بشأن عرض الاستحواذ الإلزامي للسادة المساهمين .

مرفق لكم نموذج الإفصاح عن المعلومات الجوهرية

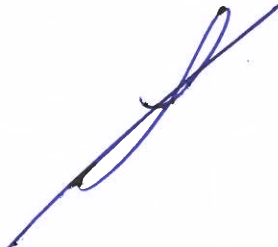
وتفضلوا بقبول فائق الاحترام ،،،

سعد بندر اللافي
نائب رئيس مجلس الإدارة- الرئيس التنفيذي



نموذج الإفصاح عن المعلومات الجوهرية

التاريخ	2024/07/10
اسم الشركة المدرجة	شركة مبرد القابضة
المعلومة الجوهرية	<p>بالإشارة إلى عرض الاستحواذ الإلزامي المقدم من شركة أعيان للإجارة والاستثمار للاستحواذ على جميع أسهم شركة مبرد القابضة وعملاً بأحكام المواد (3 - 1 - 6) و(3 - 3 - 10) من الكتاب التاسع (الاندماج والاستحواذ) من اللائحة التنفيذية للقانون رقم (7) لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاتهما؛ فقد قامت شركة مبرد القابضة بتعيين السادة/ مكتب KPMG كمستشار استثمار لتقديم استشارة مستقلة من خلال تقييم العرض المشار إليه وتحديد مدى ملاءمة السعر المعروض من قبل شركة أعيان للإجارة والاستثمار.</p> <p>وعليه، فقد اجتمع مجلس إدارة شركة مبرد القابضة بتاريخ 2025/07/10 للنظر في مستند العرض سالف البيان وتقرير مستشار الاستثمار بشأن الاستشارة المستقلة، وذلك لتقديم التوصية للسادة المساهمين، والتي خلصت إلى ما يلي:</p> <p>"بعد مراجعة مستند عرض الاستحواذ الإلزامي المقدم من شركة أعيان للإجارة والاستثمار للاستحواذ على جميع أسهم شركة مبرد القابضة، وإطلاع مجلس الإدارة على تقرير مستشار الاستثمار الذي قدر القيمة العادلة لسهم شركة مبرد القابضة بمبلغ (116-130) فلس بمتوسط 130 فلس للسهم، مقارنة بالسعر المعروض من شركة أعيان للإجارة والاستثمار البالغ 96 فلس للسهم، والذي تم احتسابه وفقاً لآلية احتساب سعر عرض الاستحواذ الإلزامي المنصوص عليها في الكتاب التاسع (الاندماج والاستحواذ) من اللائحة التنفيذية للقانون رقم (7) لسنة 2010 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاتهما - تبين أن السعر المعروض من قبل شركة أعيان للإجارة والاستثمار يقل بنسبة متوسطة قدرها (26.15%) عن القيمة العادلة المقدرة من قبل مستشار الاستثمار.</p> <p>وعليه، فإن مجلس الإدارة يوصي للسادة المساهمين بعدم قبول العرض المقدم من شركة أعيان للإجارة والاستثمار، وذلك للأسباب المذكورة.</p> <p>ويؤكد مجلس الإدارة أن توصيته هذه غير ملزمة للسادة المساهمين، حيث أن القرار النهائي بشأن قبول العرض من عدمه يعود لكل مساهم على حده"</p>
أثر المعلومة الجوهرية على المركز المالي للشركة	لا يوجد





Mubarrad Holding Company K.S.C.P.

Investment Advisory Report
Deal Advisory

July 2025

Strictly private and confidential (not
for circulation)

Private and Confidential

Mr. Saad Al-Lafi
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Kuwait

SAN: 1818847119

08 July 2025

Investment Advisory Report

Dear Mr. Saad,

Please find enclosed our Investment Advisory Report (the "Report") for assisting Mubarrad Holding Company K.S.C.P. ("Mubarrad", "Client", "Company" or "You") in relation to preparing an Investment Advisory Report pursuant to an acquisition offer received by you (the "Transaction").

This Report has been prepared in accordance with our engagement letter dated 04 May 2025 and its attachments (our "Engagement Letter"). You have agreed that the final written report shall take precedence over any draft Report, and that no reliance will be placed by you on any draft other than at your own risk.

We draw your attention to the Important Notice included in this Report, which should be read in conjunction with our Engagement Letter. You should note that this Report does not constitute recommendations to you as to whether or not you should proceed with your intended decision.

The important notice on the following pages should be read in conjunction with this letter. The Report has been prepared solely for the purpose stated herein and should not be relied upon for any other purpose. Our Report is confidential and is released to you on the basis that it is not to be copied, referred to or disclosed, in whole or in part, without our prior written consent, except as specifically provided in our Engagement Letter. To the fullest extent permitted by law, we accept no duty of care to any third party in connection with the provisions of this Report and/or any related information or explanation (together, the "Information").



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Accordingly, regardless of the form of action, whether in contract, tort (including, without limitation, negligence) or otherwise, and to the extent permitted by applicable law, we accept no liability of any kind to any third party and disclaims all responsibility for the consequences of any third party acting or refraining to act in reliance on the Information.

Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided to us, except where otherwise stated herein, and no assurance is given.

By its very nature, financial forecasts and valuation work cannot be regarded as an exact science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgement. The information used by us in preparing this Report has been obtained from a variety of sources as indicated within the Report.

Yours sincerely,

Ankul Aggarwal
Partner and Head of Deal Advisory



Important notice

KPMG Advisory W.L.L., Kuwait ('KPMG'), has been appointed by the Client in relation to preparing an Investment Advisory Report pursuant to an acquisition offer received by the Company (the "Transaction").

This Report has been prepared in accordance with KPMG's terms of reference as set out in our Engagement Letter dated 04 May 2025 (the "Engagement Letter") with You, on the basis that it is for the Client's internal use only and that this Report will not otherwise be quoted or referred to, in whole or in part, without KPMG's prior written consent. The contents of this Report should be read in conjunction with our Engagement Letter.

In preparing the Report, our primary source has been the information provided and representations made to us by the Client. We have not carried out any independent validation or due diligence with respect to the information made available to/obtained by us. We have only reviewed the same from a commercial perspective and do not accept responsibility for such information which remains the responsibility of management.

We have not verified the reliability or accuracy of any information obtained in the course of our work, other than in the limited circumstances set out in the Engagement Letter. We have satisfied ourselves, so far as possible, that the information presented in our Report is consistent with other information which was made available to us in the course of our work in accordance with the terms of our Engagement Letter. We have not, however, sought to establish the reliability of the sources by reference to other evidence.

This Report is not suitable to be relied on by any party wishing to acquire rights against KPMG (other than the Client) for any purpose or in any context. Any party other than the Client that obtains access to this Report or a copy and chooses to rely on this Report (or any part of it) does so at its own risk. To the fullest extent permitted by law, KPMG does not assume any responsibility and will not accept any liability, including any liability arising from fault or negligence, for any loss arising from the use of this Report or its contents or otherwise in connection with it to any recipient other than the Client.

KPMG shall have no liability and shall pursue all available legal and equitable remedies against the recipient for the unauthorized use or distribution of this Report.

If this Report is received by anyone other than our Client, the recipient is placed on notice that the attached Report has been prepared solely for our Client for its own use and this Report and its contents are not to be shared with or disclosed to anyone by the recipient without the express written consent of the Client and KPMG.

KPMG, nor affiliated partnerships or bodies corporate, nor the directors, shareholders, managers, partners, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such parties and entities expressly disclaim any and all liability for or based on or relating to any such information contained herein, or errors or omissions from this Report or based on or relating to the use of this Report.

Further, the Client agrees to indemnify and hold harmless KPMG, its directors, employees and agents from and against any and all costs, expenses, losses, claims, demands, actions, suits or proceedings paid, incurred or suffered by or made or initiated against them or any of them by any third party arising out of or in connection with this engagement, except to the extent that any such costs, expenses, claims, demands, actions, suits or proceedings arise from our willful default.

Recipients in jurisdictions outside Kuwait should inform themselves about and observe any applicable legal or regulatory requirements in relation to the distribution or possession of this Report to or in that jurisdiction. In this respect, neither KPMG International, KPMG Kuwait nor any of their affiliates nor their respective directors, officers, employees and agents nor any of the Parties accept any liability to any person in relation to the distribution or possession of this Report to or in any such jurisdiction.

KPMG's liability to the Client in connection with this engagement shall be in accordance to the Engagement Letter dated 04 May 2025 on the basis that the liability shall be limited to a maximum aggregate of the professional fee paid and with a limitation period of 4 years for raising any claims.

Important notice

Scope And Limitations

KPMG's review and analysis is based on information provided by the Client. We have not verified any of the information presented in this Report, including the information provided by the Company or obtained by us from secondary/published sources. In addition, the Report has been corroborated by industry and market data based on readily available secondary research sources that we believe to be reliable. We have relied upon the Client to provide us with written representation that the information contained in this Report is materially accurate and complete, fair in the manner of its portrayal and therefore forms a reliable basis for this Report. If there were any omissions, inaccuracies or misrepresentations of the information provided by them, this may have a material effect on our findings and assessment. This Report sets forth KPMG's analysis based on the facts and assumptions made available to us by the Client.

We have not been engaged to express our opinion on the market value of the Company. Accordingly, the estimates of value contained in this Report do not constitute opinion on the market value of the Company. Rather, they are merely intended to provide the Client with an indication of the value for the purpose outlined herein. The valuation arrived at by us is not necessarily the price at which a seller will eventually conclude a transaction with a buyer.

Generally, a large stake holding can attract a premium since majority holdings are assumed to have better information, management control and are more marketable. Further, on a hypothetical market basis, the minority shareholding cannot fetch a price more than the value of the company. We have not considered any control premium or minority discount in our valuation, as it is buyer specific and subjective.

Any decision made by the Client based on this Report, shall rest with the Client and the Client is solely responsible for the results as well.

We would like to highlight that the analysis is based on the information provided by the Client. If any of the above foregoing is not entirely complete or accurate, it is imperative that we are informed immediately, as the inaccuracy or incompleteness could have a material effect on our conclusions.

Our work did not constitute an audit of the information submitted by the Client and accordingly we do not express any opinion on the same.

Neither KPMG nor any of its affiliates worldwide are responsible for updating this Report because of events or transactions occurring subsequent to the date of this Report. Any updates or second opinions on this document cannot be sought by the Client from external agencies including global offices of KPMG without the prior written permission of KPMG Advisory W.L.L.

Basis of information

In preparation of this Report, we have relied on the following information provided by the Client:

- Audited financial statements for the year ending 31 December 2024, 2023 and 2022;
- Management accounts for the period 31 March 2025;
- Projected income statement and dividend payout for 2025 - 2027
- Meetings and discussions with Client; and
- Other publicly available information.



Glossary

A	Audited	P/E	Price to Earning ratio
Client / Mubbarrad	Mubbarrad Holding Company K.P.S.P.	P/BV	Price to Book ratio
CAGR	Compounded Annual Growth Rate		
CoCo	Comparable Companies		
DDM	Dividend Discounted Model		
EV	Enterprise Value		
EBITDA	Earnings Before Interest, Depreciation and Amortization		
FY	Financial Year		
G&A	General and Administrative		
KD	Kuwaiti Dinar		
K.S.C.P	Kuwaiti Shareholding Company (Public)		
K.S.C	Kuwait Shareholding Company		
MM	Market Multiples		
Mn	Mn		

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01 Mubarrad Overview



Mubarrad overview

Overview

- Mubarrad is a Kuwait based holding company listed on Boursa Kuwait. It operates across several sectors, including real estate, leasing and maintenance, and investment.
- A'ayan Leasing & Investment Company K.S.C.P. ("A'ayan") holds 41.32% stake in the Company, Tawazun Holding Company (A'ayan's associate) holds 8.55% stake and A'ayan Real Estate Company K.S.C.P. (A'ayan's associate) holds a stake of 10% in the Company; resulting in an effective ownership of 46.11% by A'ayan in Mubarrad.

Key financial metrics of Mubarrad as at 31 March 2025

KD 0.5 Mn

**Total
revenue**

KD 0.4 Mn

Net Profit

71.0%

**Net profit
margin**

KD 22.7 Mn

Total Assets

KD 2.2 Mn

Total Liabilities

KD 20.5 Mn

Total Equity

Source: Client information, Management accounts as at 31 March 2025, Boursa Kuwait

Shareholding structure of the Company

A'ayan Leasing & Investment
Company K.S.C.P.

41.3%

Others

40.1%

Mubarrad

10.0%

A'ayan Real Estate Company
K.S.C.P.

8.5%

Tawazun Holding
Company

Subsidiaries and Associates

**Mubarrad
Holding
Company
K.S.C.P.**

Emdad Equipment's Leasing K.S.C
Insha'a Al Ahlia Real Estate
Takatof Real Estate Company
Omani Integrated Logistic Services

02 Historical financial analysis



Statement of income

Statement of profit or loss				
KD 000'	FY22 (A)	FY23 (A)	FY24 (A)	Q1 FY25 (M)
Income				
Net loss from transport, leasing and maintenance operations	(7)	-	-	-
Net real estate income	1,658	2,308	2,088	512
Net investment income from financial assets	36	391	229	-
Share of result of an associate	120	182	(125)	-
Gain on sale of furniture and equipment	359	-	-	-
Other income	29	87	91	13
Total income	2,195	2,969	2,283	525
Expenses and other charges				
Administrative expenses	(538)	(604)	(561)	(121)
Finance costs	(57)	(76)	(66)	(12)
Impairment of goodwill	-	(91)	-	-
Reversal of allowance for expected credit losses	13	46	-	-
Total expenses and other charges	(581)	(725)	(627)	(134)
Profit before tax and directors' remuneration	1,613	2,243	1,656	391
Contribution to Kuwait Foundation for Advancement of Sciences	(11)	(18)	(15)	(4)
National Labor Support Tax ("NLST")	(40)	(58)	(40)	(10)
Zakat	(12)	(21)	(15)	(3)
Directors' remuneration	(30)	(30)	(30)	-
Taxation from foreign operations	-	(191)	(132)	(1)
Profit for the year	1,521	1,925	1,425	374

Source(s): Mubarrad audited financial statements for 12m ending 31 December 2023, 2024 and unaudited financial statements for 3m ended 30 March 2025

Overview

- Total income increased from KD 2.2 Mn in FY22 to KD 2.3 Mn in FY24, mainly driven by a significant rise in net real estate income and partially offset by a loss from share of result of an associate. For the three month period ending March 2025 the Company recorded a total revenue of KD 525 thousand.
- Net real estate income is the largest contributor to total income contributing, on an average, around 80% of total income during the historical period. It increased from KD 1.7 Mn in FY22 to KD 2.1 Mn in FY24 due to increases in rental income and change in fair value of the properties.
- Administrative expenses comprises salaries, wages, consultancy expenses, rent and others. These expenses increased from KD 538 thousand in FY22 to KD 561 thousand in FY24. As a percentage of revenue, these have averaged around 23% of total revenue between FY22 and FY24.
- The profit for the year decreased marginally from KD 1.5 Mn in FY22 to KD 1.4 Mn in FY24. For Q1 period ending 31 March 2025, total net profit for the year amounted to KD 374 thousand.

Statement of financial position

Statement of financial position				
KD 000'	FY22 (A)	FY23 (A)	FY24 (A)	Q1 FY25 (M)
Asset				
Non-current assets				
Goodwill	91	-	-	-
Furniture and equipment	2	1	36	35
Investment properties	13,054	15,002	14,641	14,654
Investment in associates	3,758	3,954	3,779	3,779
Financial assets at fair value through profit or loss	728	986	1,184	1,184
Total non-current assets	17,632	19,944	19,640	19,651
Current assets				
Accounts receivable and prepayments	528	304	134	175
Cash and short-term deposits	5,098	3,305	2,455	2,863
Total current assets	5,626	3,609	2,589	3,037
Total Assets	23,259	23,553	22,229	22,688
Equity and Liabilities				
Equity				
Share capital	16,369	16,369	16,369	16,369
Statutory reserve	1,406	1,610	1,763	1,763
Treasury shares	(0)	-	(28)	-
Treasury shares reserve	-	-	17	23
Other reserve	(1)	(1)	(1)	-
Foreign currency translation reserve	(3,106)	(3,837)	(5,329)	(5,316)
Effect of changes in reserves of an associate	(50)	(50)	-	(1)
Retained earnings	5,966	6,863	7,275	7,649
Equity attributable to equity holders of the Parent Company	20,583	20,954	20,065	20,487
Non-controlling interests	60	34	-	-
Total equity	20,643	20,988	20,065	20,487
Liabilities				
Non-current liabilities				
Employees' end of service benefits	337	391	423	419
Total non-current liabilities	337	391	423	419
Current liabilities				
Accounts payable and accruals	805	884	728	758
Islamic finance payables	1,473	1,290	1,012	1,024
Total current liabilities	2,278	2,174	1,740	1,783
Total liabilities	2,616	2,565	2,164	2,202
Total Equity and Liabilities	23,259	23,553	22,229	22,688

Source(s): Mubarrad audited financial statements for 12m ending 31 December 2023, 2024 and unaudited financial statements for 3m ended 30 March 2025

Overview

Assets

- Total assets of Mubarrad decreased from KD 23.3 Mn as at 31 December 2022 to KD 22.7 Mn as at 31 March 2025 due to decrease in cash and short term deposits and trade receivables.
- Investment properties increased from KD 13.1 Mn as at 31 December 2022 to KD 14.7 Mn as at 31 March 2025 due to the purchase of an industrial property in Kuwait during FY23 and purchase of residential units in Egypt during FY24.
- Investment in associates represent investments in Oman Integral Logistica Company O.S.C. and Inshaa Al Ahlia Real Estate W.L.L. The total investment has remained stable over the historical period and amounted to KD 3.8 Mn as at 31 March 2025.
- Financial assets at FVTPL comprises unquoted securities and funds. These increased from KD 728 thousand as at 31 December 2022 to KD 1.2 Mn as at 31 March 2025.
- Accounts receivables decreased from KD 529 thousand as at 31 December 2022 to KD 175 thousand as at 31 March 2025 due to significant decrease in other receivables.

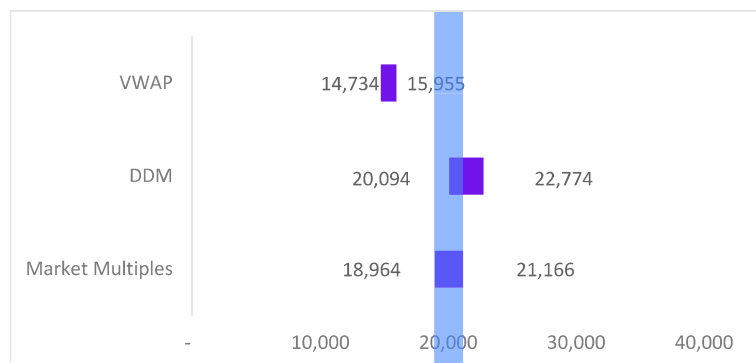
Equity and liabilities

- Islamic finance payables, representing Ijara arrangements, decreased from KD 1.4 Mn as at 31 December 2022 to KD 1.0 Mn as at 31 March 2025 due to repayment.
- Total equity decreased marginally from KD 20.6 Mn as at 31 December 2022 to KD 20.5 Mn as at 31 March 2025 due to deteriorating foreign currency reserve partially offset by an increase in retained earnings.

03 Valuation Summary



Valuation analysis | Summary



Methodologies (KD 000')	Low	High	Avg	Weight	Avg
Market Multiples	18,964	21,166	20,065	50%	10,032
DDM	20	23	21	40%	9
VWAP	14,734	15,955	15,345	10%	1,534
Value of Mubarrad	11,575				

Valuation Conclusion

- Based on the above and applying various applicable valuation methodologies the indicative value of Mubarrad ranges from **KD 19.0 Mn to KD 21.2 Mn (Average: KD 20.1 Mn)** as at 31 March 2025.
- Accordingly, the value per share of Mubarrad ranges from **KD 116 fils to KD 130 fils (Average: KD 130 fils)** as at 31 March 2025.

Note: Rationale for the weightages assigned to the valuation methodologies considered

- Market multiples method: A weight of 50% has been considered to the market multiple approach, given the nature of the business (real estate which are mainly asset driven businesses) and the method provides an indication of the P/E and P/BV relative values to the comparable firms traded on the stock exchange.
- DDM method: A weightage of 40% has been assigned to the Dividend Discount Model (DDM) method, as it reflects the intrinsic value of the company based on its ability to generate and distribute sustainable dividends over time. This method is used considering the business has a history of paying dividends to its shareholders.
- VWAP method: We have considered a lower weight of 10% for the Volume Weighted Average Price (VWAP) method, given that the average daily trading volumes for Mubarrad are small compared to its total outstanding shares. From a valuation perspective considering a range of values (taking into account 3 months to 36 months VWAP) would be more appropriate as it reflects the fair value compared to a price at a single point in time and not at a specific point in time removing transaction bias.

Source: KPMG analysis



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04 Basis of preparation and valuation approach



Basis of preparation

Following are the key assumptions/inputs that have been used to determine the valuation range (where applicable) of the assets and liabilities set out in this Report. If one or more of these assumptions/inputs prove to be materially different from what have been assumed/provided, the conclusions set out in this Report could be materially different and could potentially make those conclusions inappropriate.

Basis of preparation

- The valuation methodologies adopted in conducting the Valuation have been largely driven by the nature and extent of information made available to us and the time available to conduct such analysis;
- Valuation of the Company set out in this Report has been prepared based on desktop research of the company and on the basis of available secondary market information and information provided to us by the Client including audited financial statements, management accounts, business plan etc.;
- Valuation has been undertaken based on the approaches set out later in this report and in accordance with our agreed scope as detailed in our Letter of Engagement with You;
- Generally, a large stake holding can attract a premium since majority holdings are assumed to have better information, management control and are more marketable. Further, on a hypothetical market basis, the minority shareholding cannot fetch a price more than the value of the company. We have not considered any control premium or minority discount in our valuation analysis here, as it is buyer specific and subjective.
- The nature and extent of information made available to us may not have been uniform and extensive for each asset/investment held by the Company;
- Information specific to the Company has been largely sourced from the Client. The Management accepts the responsibility for the factual accuracy of all investment related information contained in this report; and
- On corporate tax, given that no legislation (even in draft form) has been issued by the Kuwait government in order to understand the specifics of how a new corporate tax on Kuwaiti companies would apply, our work does not take into consideration the impact of a potential future change to tax legislation in Kuwait. Once reliable details regarding potential changes to the Kuwait tax legislation are formally announced by the Kuwait government, we would be happy to review the impact on our work under a separate engagement based on your formal instructions.

Source of information

- We have relied upon information provided by the Client to conduct our Valuation. We have not verified the accuracy of such information, including but not limited to, loans and advances, borrowings, income from service lines, direct costs, staff costs, depreciation and other operating expenses.
- Based on enquiries, we understand that all material information with respect to Company's assets and liabilities as at the Valuation Date have been made available to us and this has been one of the key basis for our conclusions in this Report.

Basis of our conclusion

- In carrying out our Valuation, we have assumed that Company's assets will continue to be in suitable operating condition. We have not carried out a verification in relation to any of the assets and liabilities of the Company as at the Valuation Date.
- We have used audited financial information, which may or may not coincide with the Valuation Date of 31 March 2025.

05 Valuation Analysis



Market multiples approach | Mubarrad

Valuation analysis - Market multiples approach				
KD '000				
Comparable Companies:	Country	Market cap (KD'000)	P/E	P/BV
Kuwait Business Town Real Estate Company - KPSC (KWSE:KBT)	Kuwait	70,268	-	1.3
Al-Arabiya Real Estate Company K.S.C.P. (KWSE:ARABREC)	Kuwait	33,252	-	0.8
Arkan Al-Kuwait Real Estate Company K.S.C.P. (KWSE:ARKAN)	Kuwait	33,252	15.4	0.7
Injazzat Real Estate Development Company K.P.S.C. (KWSE:INJAZZAT)	Kuwait	35,103	11.5	-
A'ayan Real Estate Company K.S.C.P. (KWSE:AAYANRE)	Kuwait	38,126	13.0	-
Sokouk Holding Company K.S.C.P. (KWSE:SOKOUK)	Kuwait	33,098	-	1.0
Al-Enma'a Real Estate Company K.S.C.P. (KWSE:ERESCO)	Kuwait	27,546	-	0.8
Al Madar Kuwait Holding Company K.S.C.P. (KWSE:MADAR)	Kuwait	20,482	-	0.9
Al Khaleej Investment P.J.S.C. (ADX:KICO)	UAE	36,954	-	1.5
OSOS Holding Group Company K.P.S.C. (KWSE:OSOS)	Kuwait	12,215	-	0.8
Mashaer Holding Company K.S.C.P. (KWSE:MASHAER)	Kuwait	12,400	-	0.8
ARAM Group Company P.J.S.C. (ADX:ARAM)	UAE	10,858	-	0.9
Al-Masaken International for Real Estate Development Company - K.S.C. (Public) (KWSE:MASAKEN)	Kuwait	3,887	-	1.1
Weighted average multiple			13.3x	1.0x
Illiquidity discount @ 0%			13.3x	1.0x
Multiplier			1,431	20,487
Equity value (KD'000)			18,964	21,166
Equity value per share			0.116	0.130

Source: S&P Capital IQ, KPMG analysis

Indicative value

- Considering Mubarrad's history of growth in operations and earnings, using earning multiples of comparable companies to arrive at the fair value of Mubarrad equity seems appropriate.
- Further, given that the majority of Mubarrad assets are marked to market, we have considered using the book value multiples. Accordingly, P/E and P/BV ratios have been applied.
- The comparable companies have been selected through a selective approach based on several factors such as similarity in business, operating market, asset size, etc. Post selection of the comparable companies, the outlier have been excluded.
- Considering P/E and P/BV multiples, the value of Mubarrad is estimated between **KD 19.0 Mn and KD 21.2 Mn** as at 31 March 2025.
- Accordingly, the per share value is estimated between **KD 116 fils and KD 130 fils** as at 31 March 2025.

Please refer to page 22 for detailed description of the comparable companies.

DDM approach | Mubarrad

Calculation of forecast dividends (Scenario - Payout ratio at 75.0% - Next 5 years)								
KD'000	2022	2023	2024	2025	2026	2027	2028	2029
Net profit	1,521	1,925	1,425	1,290	1,444	1,589	1,700	1,785
Payout ratio	58.6%	42.9%	57.4%	75.0%	75.0%	75.0%	75.0%	75.0%
Dividend payout	891	825	818	967	1,083	1,192	1,275	1,339
Terminal Value								23,754
Period factor				1.000	2.000	3.000	4.000	5.000
Discount factor				0.919	0.845	0.776	0.714	0.656
Present value of cash flows to the firm				889	915	925	910	16,456
Equity value				20,094				

Calculation of forecast dividends (Scenario - Payout ratio at 85.0%)								
KD'000	2022	2023	2024	2025	2026	2027	2028	2029
Net profit	1,521	1,925	1,425	1,290	1,444	1,589	1,700	1,785
Payout ratio	58.6%	42.9%	57.4%	85.0%	85.0%	85.0%	85.0%	85.0%
Dividend payout	891	825	818	1,096	1,228	1,350	1,445	1,517
Terminal Value								26,922
Period factor				1.000	2.000	3.000	4.000	5.000
Discount factor				0.919	0.845	0.776	0.714	0.656
Present value of cash flows to the firm				1,007	1,037	1,048	1,031	18,650
Equity value				22,774				

Valuation analysis - DDM	
Growth rate	3.0%
COE	8.80%

DDM - Conclusion		
KD'000	Min	Max
Equity value	20,094	22,774
Equity value per share	0.123	0.139

Source: S&P Capital IQ, Management information and KPMG analysis

Indicative value

- Net profit is projected to increase from KD 1.4 Mn in 2024 to reach KD 1.8 Mn in 2029, growing at a CAGR of 4.6%.
- Applying a cost of equity of 8.8%, a terminal growth rate of 3% and a varying dividend payout ratio of 75% to 85%, the equity value of Mubarrad considering the DDM approach is estimated between **KD 20.1 Mn and KD 22.8 Mn** as at 31 March 2025.
- Accordingly, the per share value estimated between **KD 123 fils and KD 139 fils** as at 31 March 2025.

Please refer page 21 for Cost of Equity working.

VWAP approach | Mubarrad

Valuation analysis- Volume Weighted Average Price							
	36 months period	24 months period	12 months period	6 months period	3 months period	As at 31 Mar 2025	Average
Number of shares outstanding in Mubarrad	163,342,769						
Mubarrad VWAP price (KD)	0.090	0.092	0.094	0.096	0.098	0.094	0.094
Average daily volume traded (in 000)	355	410	636	730	714	87	489
Mubarrad (KD'000)	14,734	14,949	15,378	15,612	15,955	15,338	15,328

Indicative value

- Based on VWAP approach, the value of Mubarrad is estimated to range between **KD 14.7 Mn and KD 16.0 Mn** as at 31 March 2025.
- Accordingly, the per share value is estimated between **KD 90 fils and KD 98 fils** as at 31 March 2025.

Source: S&P Capital IQ, KPMG analysis



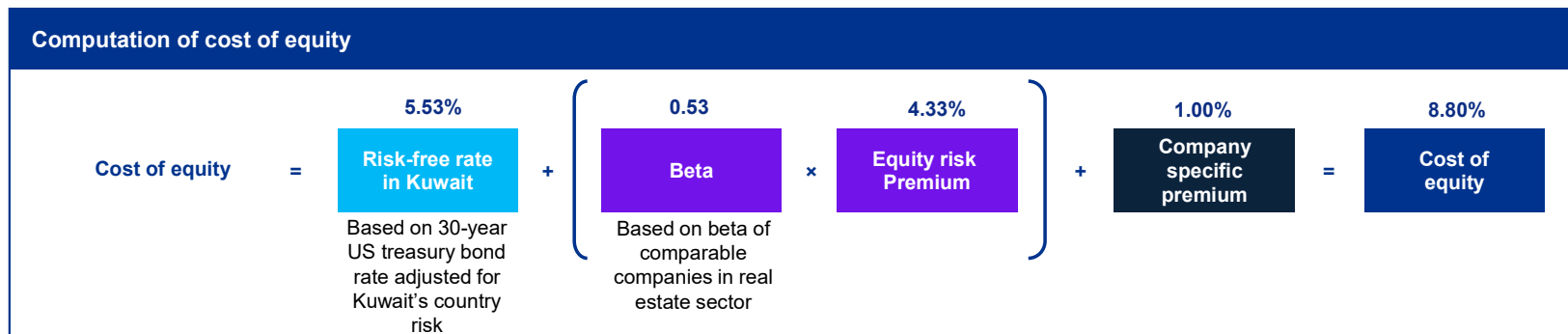
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06 Appendix



Cost of equity



Source: Aswath Damodaran, NYU, Stern School of Business Professor, website (<http://pages.stern.nyu.edu/~adamodar/>)

Comparable companies description

Company Name	Business Description
Kuwait Business Town Real Estate Company - KPSC (KWSE:KBT)	Develops, manages, and invests in real estate, hospitality, infrastructure, and consultancy projects including BOT and auctions. The company is based in Kuwait and operates across the UAE, US, and Europe.
Al-Arabiya Real Estate Company K.S.C.P. (KWSE:ARABREC)	Invests in, trades, and manages real estate and hospitality assets, and holds equity stakes in other companies. It is based in Kuwait with operations in the UAE and Egypt.
Arkan Al-Kuwait Real Estate Company K.S.C.P. (KWSE:ARKAN)	Engages in property development, fund and project management, contracting, and BOT infrastructure projects. The company is based in Kuwait.
Injazzat Real Estate Development Company K.P.S.C. (KWSE:INJAZZAT)	Focuses on opportunistic real estate investments, BOT projects, and co-investments via funds and partners. The company is based in Kuwait.
A'ayan Real Estate Company K.S.C.P. (KWSE:AAYANRE)	Operates in real estate development, leasing, project and facility management, and construction material trading. The company is based in Kuwait and also serves the wider GCC.
Sokouk Holding Company K.S.C.P. (KWSE:SOKOUK)	Manages, develops, and invests in real estate and hotel projects, and provides fund and asset management services. The company is headquartered in Kuwait.
Al-Enma'a Real Estate Company K.S.C.P. (KWSE:ERESCO)	Provides real estate contracting, facility and security services, and investment management. It operates primarily in Kuwait and the Gulf region.
Banan Real Estate Company (SASE:4324)	Owns, manages, and leases residential and commercial properties, and runs hotel apartments. It is based in Saudi Arabia.
Aqar Real Estate Investments Company K.S.C. (Public) (KWSE:AQAR)	Invests in and manages real estate, infrastructure, and hospitality assets with services in fund and project management. The company is based in Kuwait with regional and global operations.
RAPCO Investment PJSC (ADX:RAPCO)	Invests in commercial, agricultural, and real estate projects, including development and management. It is headquartered in the UAE.
Al Madar Kuwait Holding Company K.S.C.P. (KWSE:MADAR)	Provides real estate development, investment services, and Islamic finance, including advisory and asset management. The company is based in Kuwait.
Al Khaleej Investment P.J.S.C. (ADX:KICO)	Engages in real estate and investment activities, including fund management and property development. It is based in the UAE.
OSOS Holding Group Company K.P.S.C. (KWSE:OSOS)	Invests in real estate development, financial portfolios, and asset management services. The company operates out of Kuwait.
Mashaer Holding Company K.S.C.P. (KWSE:MASHAER)	Offers Hajj and Umrah services, and invests in residential and commercial properties and financial portfolios. The company is based in Kuwait.
MENA Real Estate Company - KSCP (KWSE:MENA)	Provides real estate development and consulting services, including project execution and advisory. It is headquartered in Kuwait.
Kuwait Real Estate Holding Company K.P.S.C (Holding) (KWSE:ALAQARIA)	Develops, invests in, and manages real estate and financial assets both locally and internationally. The company is based in Kuwait.
ARAM Group Company P.J.S.C. (ADX:ARAM)	Leases and invests in real estate, financial, industrial, and agricultural ventures, and offers general contracting. The company is based in the UAE.
Dalqan Real Estate Company K.S.C. (Public) (KWSE:DALQANRE)	Focuses on real estate development and investment locally and internationally. It is headquartered in Kuwait and is a subsidiary of Dalqan Holding.
Sanam Real Estate Company K.S.C.(Public) (KWSE:SANAM)	Invests in, develops, and leases properties, and offers BOT, infrastructure, and consulting services. The company is based in Kuwait.
Al-Masaken International for Real Estate Development Company - K.S.C. (Public) (KWSE:MASAKEN)	Engages in property and hotel management, BOT projects, and construction services. It operates in Kuwait and the UK.



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