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**[Kamco Invest holds virtual investor conference for analysts, its shareholders, and bondholders to discuss 9M 2020 financial results](#)**

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Participating in the conference were Faisal Mansour Sarkhou, Chief Executive Officer, Hana'a Taha, Chief Financial Officer and Moustafa Zantout, Director of Marketing & Investor Relations who started by giving a brief introduction on the company and an overview on the major events that took place since the beginning of the year which affected the overall business environment.

Global economies were impacted by the Coronavirus pandemic which disrupted government entities,

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the private sector, and economic cycles since March 2020. Brent Crude Oil and the MSCI GCC Index dropped by 65.5% and 24.6% respectively during the first quarter. During the second and third quarters, markets around the world witnessed partial recovery but remained in the red and Brent Crude Oil and the MSCI GCC Index narrowed their losses to end the first nine months of the year losing 38.0% and 8.8% respectively.

Sarkhou presented a detailed overview of the Company's business and financial performance during the first 9M of 2020, including the impact of the Coronavirus pandemic repercussions on the financial performance. The Company continued to provide services to clients without interruption and distributed cash dividends for the year 2019 amounting to KWD1.7mn.

The Company reported a net profit of KWD2.5mn (7.41 fils per share) during Q3, reducing the 9M losses to KWD1.4mn (-3.95 fils per share). Total revenues amounted to KWD11.2mn, a drop of 38.6% in comparison to the same period last year impacted by the decline in financial markets, slowdown of businesses due to lockdowns, and other measures implemented by governments to mitigate the risks of the Coronavirus pandemic.

The Company enjoys a strong financial position with KWD51.7mn in shareholders' equity as of 30 September 2020 and a "BBB" long-term credit rating and "A3" short-term rating with stable outlook by Capital Intelligence in their latest review in June 2020. Total assets increased to KWD137.8mn as of end of September 2020, with cash and cash equivalents representing 32.3% and prop-book investments representing 41.1%.

Sarkhou highlighted the core business functions that witnessed a positive start for the year, following the landmark successful completion of the merger with Global Investment House, reporting 16.2% increase in fee & commission income in Q1 2020. With the slow of business starting March 2020, fee & commission income was affected and closed the first nine months with KWD11.8mn, a decrease of 9.4% compared to same period of last year.

Assets under management grew by CAGR of 12.6% since the Company's inception in 1998. As at end of September 2020, total assets under management stood at KWD3.9bn (USD12.6bn), a decrease of 7% compared to 31 December 2019. Equity funds and managed portfolios continued to outperform their respective benchmarks. The Company also successfully attracted investments from clients amounting to over USD148mn, distributed around USD39mn to clients (capital and income distributions). Additionally, two income-generating properties were acquired in the US and UK, raising the managed real estate value to over USD1.2bn. Simultaneously, the Company exited from two managed US properties generating above targeted returns to its clients. The Special Situations Asset Management team continued exit negotiations with several parties on behalf of clients.

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Investment Banking successfully played the role of joint lead manager for three debt capital market transactions, two regional offerings in US Dollars and one for a local bank in Kuwaiti Dinars, for a total amount equivalent to USD1.3bn. The team also launched a strategic initiative to support companies in battling the ongoing crisis. This initiative was shared with several clients, which resulted in securing new advisory mandates.

First Securities Brokerage Company, Kamco Invest's brokerage arm, continued to provide its services to clients without interruption while increasing market share and attracting new clients through the online trading platform.

In her role, Taha discussed Kamco Invest's rationalization of its cost base where general and administrative expenses dropped by 28% in the nine months period compared to 9M 2019 to reach KWD10mn, thanks to the measures taken by the Company to cope with the market conditions and the Company's strategy post-merger completion.

She also touched on the Company's total liabilities, which were reduced by KWD13.3mn in Q3, down 14%, to reach KWD82.3mn at the end of September 2020 with net debt-to-equity ratio of 0.39x.

Sarkhou concluded by stressing that Kamco Invest is committed to the highest standards of transparency, especially during these unprecedented times the global economies and capital markets are witnessing. He added that although the virtual conference was not a regulatory requirement, the management team at Kamco Invest took this initiative as an opportunity to share the Company's performance and key developments with shareholders and bondholders, as well as analysts and answer their queries.

To view the Investors' Presentation, [click here](#).

To view a recording of the meeting, [click here](#).

Kamco Invest held its live virtual investors' conference on Monday 16th of November 2020 for analysts and the Company's shareholders and bondholders to discuss the Company's performance during the first nine months of 2020.

