Boubyan

Kuwait: 05/12/2024
Ref: 5813/2024

الكويت: 2024/12/05
الإشارة: 2024/5813

To: Mr. Mohammad Saud Al-Osaimi
CEO - Boursa Kuwait

Dear Sir,

Reference is made to the provisions of Chapter 4 of the Tenth Module of the Executive Bylaws of the Capital Markets Authority's Law, pertinent to "Disclosure of Material Information" and the mechanism of disclosure of the same. We would like to inform you that Standard & Poor's Global Ratings Agency has recently assessed the bank's position and issued a report wherein it assigned its ratings for the bank's most important elements as per Appendix # 8 pertinent to the Credit Rating Disclosure Form.

Best regards,

Adel Abdul Wahab Al-Majed
Vice-Chairman
& Group Chief Executive Officer

السيد/ محمد سعود العصيمي المحترم
الرئيس التنفيذي - بورصة الكويت

السلام عليكم ورحمة الله وبركاته وبعد ،،،

بالإشارة الى احكام الفصل الرابع من الكتاب العاشر للائحة التنفيذية لقانون هيئة أسواق المال بشأن الإفصاح عن المعلومات الجوهرية وآلية الإعلان عنها، نود الإفادة بأن وكالة ستاندرد أند بورز للتصنيف الائتماني قد قامت مؤخرا بتقييم أوضاع مصرفنا وأصدرت تقريراً تم بموجبه تصنيف لأهم عناصر تصنيفات البنك وذلك وفقاً للملحق رقم (8) الخاص بنموذج الإفصاح عن التصنيف الائتماني.

وتفضلوا بقبول فائق الاحترام ،،،

Boubyan
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عادل عبد الوهاب الماجد
نائب رئيس مجلس الإدارة
والرئيس التنفيذي للمجموعة

Credit Rating Disclosure Form

Appendix # 8

Date	05/12/2024
Name of Listed Company	Boubyan Bank K.S.C.P.
Rating Agency	S&P Global Ratings
Rating Category	1) Long-term issuer credit ratings affirmed at 'A' 2) Outlook affirmed at 'Stable' 3) SACP affirmed at 'bbb+'
Rating's Implications	**Long Term Issuer Credit Rating: "A"** An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. **Outlook "Stable"** The stable outlook reflects Boubyan Bank's good retail entrenchment and our expectation that the bank's growth will be balanced and not hinder asset quality. We also expect the bank to maintain strong capitalization.
Rating's Impact on the Company's Positions	Affirming the Bank's long term issuer and SACP ratings, along with a 'Stable' outlook, reinforces confidence in the Bank and its robust financial position.
Outlook	Affirmed at 'Stable'.

Press Release / Executive Summary	**Executive Summary:** On the 05th of December 2024, S&P Global affirmed Boubyan's long-term issuer credit ratings at 'A', the SACP rating at 'bbb+', and the outlook at 'Stable'. Boubyan Bank – Gulf Bank merger discussions: if the merger goes ahead, the merged entity will be a USD 53 billion Kuwaiti bank with a domestic market share of 18% which is comparable with Kuwait's largest Islamic Bank. According to S&P's expectations, Boubyan's financing growth to remain solid during 2024-2025. The financing book expanded by 10.6% during the first nine months of 2024, surpassing the industry average of 4.2% for the same period. Growth will be further strengthened as future interest rate cuts stimulates demand from both Corporate & Retail borrowers along with the recent political developments that may enhance the speed of reforms and the granting of infrastructure projects. S&P also expects the Bank's capitalization to remain strong, supported by good internal capital generation and a moderate dividend payout ratio. Boubyan's Risk-Adjusted Capital (RAC) ratio reached 10.2% at year-end 2023. It is expected that the ratio will remain slightly above 10% over the coming two years.