

Kuwait: 17/11/2022  
Ref: 3596/2022

الكويت: 2022/11/17  
الإشارة: 2022/3596

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

السيد/ محمد سعود العصيمي المحترم  
الرئيس التنفيذي - بورصة الكويت

Dear Sir,

السلام عليكم ورحمة الله وبركاته وبعد ،،،

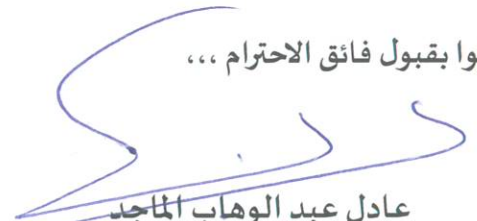
Reference is made to the provisions of Chapter 4 of the Tenth Module of the Executive Bylaws of the Capital Markets Authority's Law, pertinent to "Disclosure of Material Information" and the mechanism of disclosure of the same. We would like to inform you that Standard & Poor's Global Ratings Agency 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 # 9 pertinent to the Credit Rating Disclosure Form.

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 مؤخراً بتقييم أوضاع مصرفنا وأصدرت تقريراً تم بموجبه تصنيف لأهم عناصر تصنيفات البنك وذلك وفقاً للملحق رقم (9) الخاص بنموذج الإفصاح عن التصنيف الائتماني.

Best regards,



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

وتفضلوا بقبول فائق الاحترام ،،،  
  
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نعمل باتقان

بنك بوبيان

## Credit Rating Disclosure Form

Appendix # 9

|   |   |
|---|---|
| <b>Date</b>                                       | 17/11/2022  |
| <b>Name of Listed Company</b>                     | Boubyan Bank K.S.C.P.   |
| <b>Rating Agency</b>                              | S&P Global Ratings  |
| <b>Rating Category</b>                            | <ol style="list-style-type: none"> <li>1) Long-term issuer credit ratings upgraded to 'A' from 'A-'</li> <li>2) Outlook altered from 'Positive' to 'Stable'</li> <li>3) SACP upgraded to 'bbb+' from 'bbb'</li> <li>4) Anchor affirmed at 'bbb'</li> </ol>  |
| <b>Rating's Implications</b>                      | <p><b><u>Long Term Issuer Credit Rating: "A"</u></b></p> <p>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.</p> <p><b><u>Outlook "Stable"</u></b></p> <p>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. The Bank is expected to maintain strong capitalization.</p> |
| <b>Rating's Impact on the Company's Positions</b> | Upgrading the Bank's long term issuer and SACP ratings, along with a 'Stable' outlook, reinforces confidence in the Bank and its robust financial position.   |
| <b>Outlook</b>                                    | Revised from 'Positive' to 'Stable'.  |

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**Press Release /  
Executive Summary**

**Executive Summary:**

S&P Global revised Boubyan's long-term issuer credit ratings to 'A' from 'A-', the SACP rating to 'bbb+' from 'bbb', and the outlook to 'Stable' from 'Positive'.

S&P's rationale for the upward revision to the Bank's long-term issuer credit rating was due to the KWD 200 million (about \$650 million) rights issuance that took place during Q2 of this year which increased the risk-adjusted capital (RAC) ratio for the Bank to 11.1% on June 30, 2022, from 8.7% on Dec. 31, 2021.

Also, the combination of balanced growth, decent earnings, and a manageable dividend payout ratio is likely to help the bank maintain strong capitalization.

The stable outlook reflects our expectations that the bank can maintain its strong capitalization and keep asset quality indicators at current levels, despite expected growth locally and abroad.

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