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Ref: 3935/2023

الكويت: 2023/02/02
الإشارة: 2023/3935

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 ...

**PowerPoint Presentation of Analysts'
Conference Call for the Financial Year
Ended December 31st 2022**

**العرض التقديمي لمؤتمر المحللين للسنة المالية المنتهية في
31 ديسمبر 2022**

Reference is made to the provisions of Article no. (8-4-2) of Boursa Kuwait Rulebook issued by virtue of Resolution no. 1 of 2018, as amended, concerning the continuing obligations of listed companies classified under the "Premier Market Segment" under which Boubyan Bank is categorized.

بالإشارة الى أحكام المادة رقم (8-4-2) من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018 وتعديلاته، والمتعلقة بالالتزامات المستمرة المطلوبة من الشركات المدرجة المصنفة ضمن شريحة -السوق الأول - (Premier Market) والتي تم تصنيف بنك بوبيان ضمنها.

We attach herewith a copy of the PowerPoint Presentation of Analysts' Conference Call for the financial year ended December 31st 2022 held via Live Webcast at 01:00 pm (Local Time) on Thursday, February 02^{ed} 2023, noting that there was no material information disclosed over the call.

نرفق لكم نسخة من العرض التقديمي لمؤتمر المحللين للسنة المالية المنتهية في 31 ديسمبر 2022 الذي انعقد عن طريق بث مباشر على شبكة الأنترنت (Live Webcast) في تمام الساعة 01:00 (وفق التوقيت المحلي) من بعد ظهر يوم الخميس الموافق 2 فبراير 2023 ؛ هذا مع العلم بأنه لم يتم الكشف عن أي معلومة جوهرية تخص البنك خلال المؤتمر المذكور.

Best regards,

وتفضلوا بقبول فائق الاحترام ...

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

عادل عبد الوهاب الماجد
نائب رئيس مجلس الإدارة
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بسم الله الرحمن الرحيم

Boubyan Bank Investor Presentation

FY 2022 Results

February 2023

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1 Boubyan's Performance & Strategy – At a glance

2 Income statement analysis

3 Balance sheet analysis

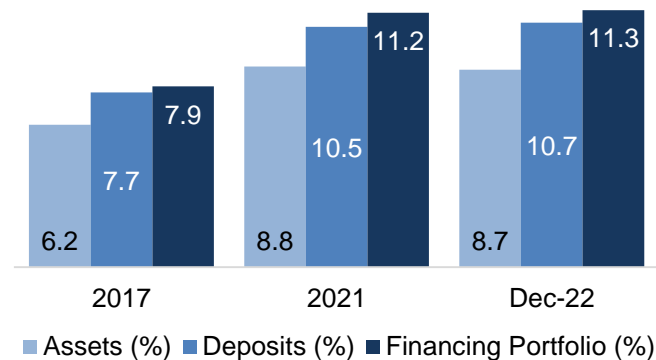
4 Capitalisation and Leverage

Financial Highlights

Financial snapshot

KD million	2022	2021	Growth %
Net Profit to shareholders	57.8	48.5	19%
Operating Income	201.4	187.8	7%
Operating Profit	100.6	100.5	-
Total Assets	7,881	7,352	7%
Financing Portfolio	5,914	5,513	7%
Customer Deposits	5,962	5,619	6%
Earnings per share (Fils)	14.2	12.4	15%

Market share (%)



Key Financial Metrics

	2022	2021	Variance
Return on Average Equity (%)	7.6	7.8	-
Return on Average Assets (%)	0.8	0.7	-
Cost to Income (%)	50.1	46.5	3.6
NPL Ratio (%)	1.0	0.9	-
Capital Adequacy Ratio (%)	19.4	16.4	3.0

Credit Ratings

Rating Agency	Long Term Rating	Outlook	Date
Moody's	A2	Stable	Apr 2022
STANDARD & POOR'S	A	Stable	Nov 2022
FitchRatings	A	Stable	Oct 2022

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The Bank's strategy builds on robust domestic foundations

Strategic objectives

Scale up the core business both domestically and internationally

Retail Banking

- Clear focus on high net worth and affluent clients
- Expand branch footprint
- Maintain leadership in customer experience
- Product and channel innovation
- Grow market share

Corporate Banking

- Primary banker for large and mid-market customers
- Maintain fair share with super large corporate
- Superior service (speed & quality)
- Product and channel innovation

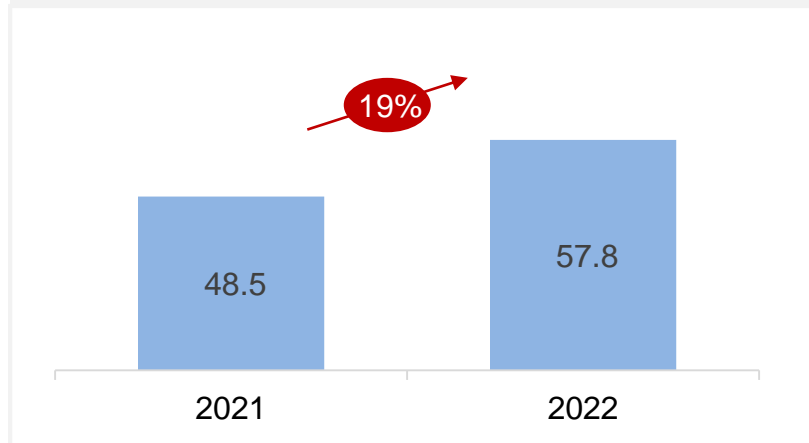
Private Banking / Wealth Management

- Scale the PB/WM management operating model
- Expand product offerings in conjunction with Boubyan Capital, BLME, and NOMO bank
- Grow market share

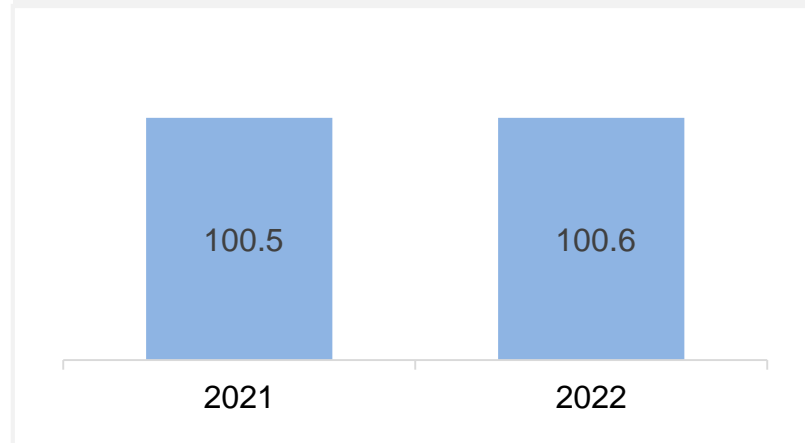
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Profitability and performance ratio

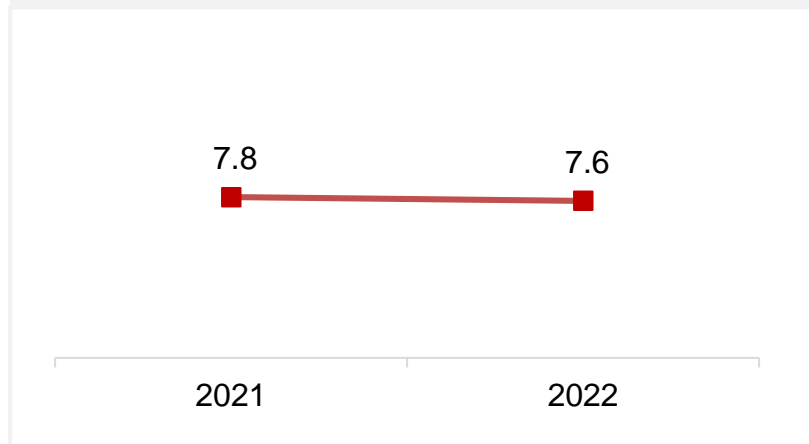
Net profit (KD Million)



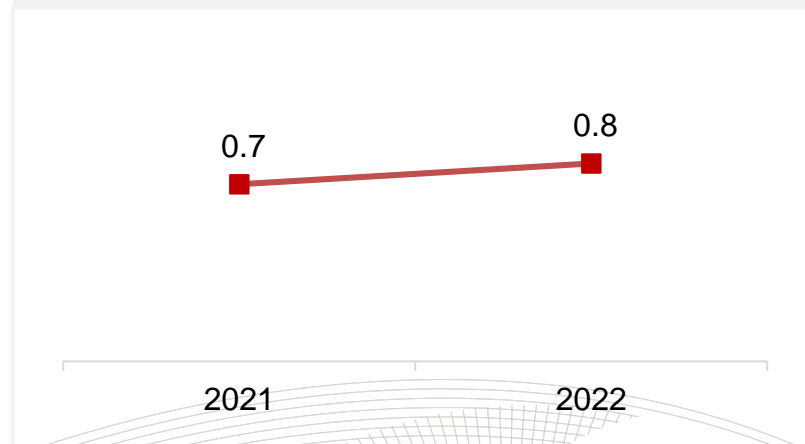
Operating profit (KD Million)



* Return on Average Equity (%)



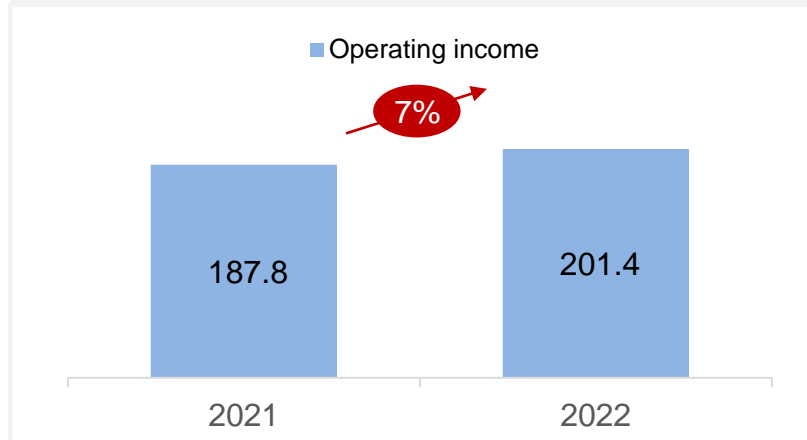
Return on Average Assets (%)



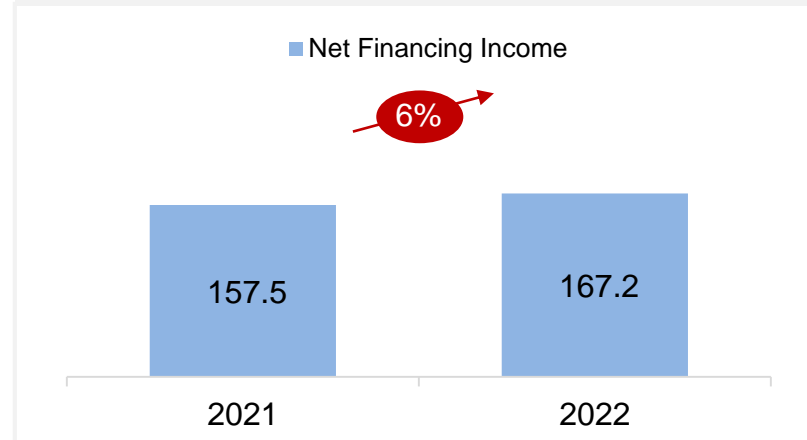
* Return on Average Equity is computed based on shareholders' equity after adjusting the net profit for Tier 1 Sukuk costs.
Source: Financial statements, Boubyan analysis

Operating income components and Net Profit Margins

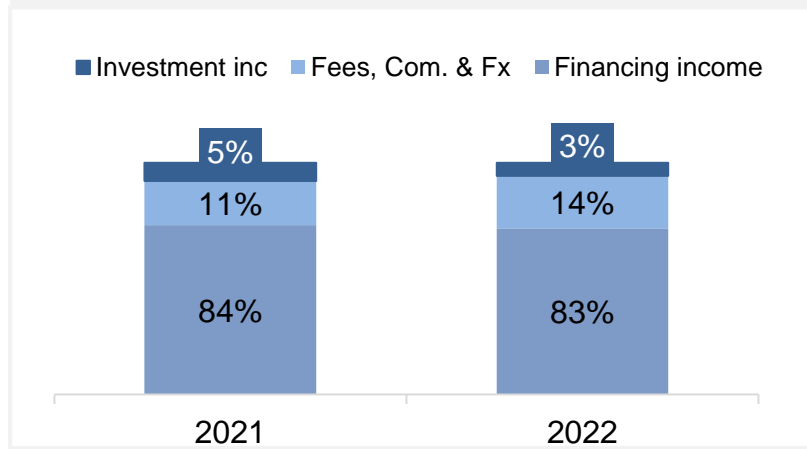
Operating Income (KD Million)



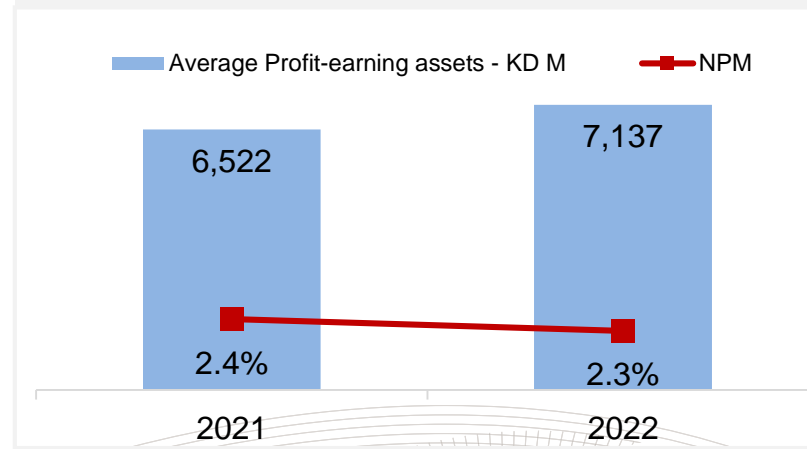
Net Financing Income



Composition on operating income

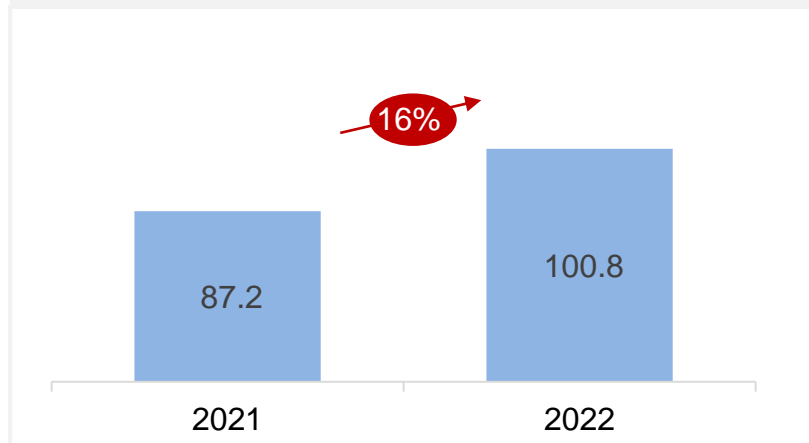


Net Profit Margin %

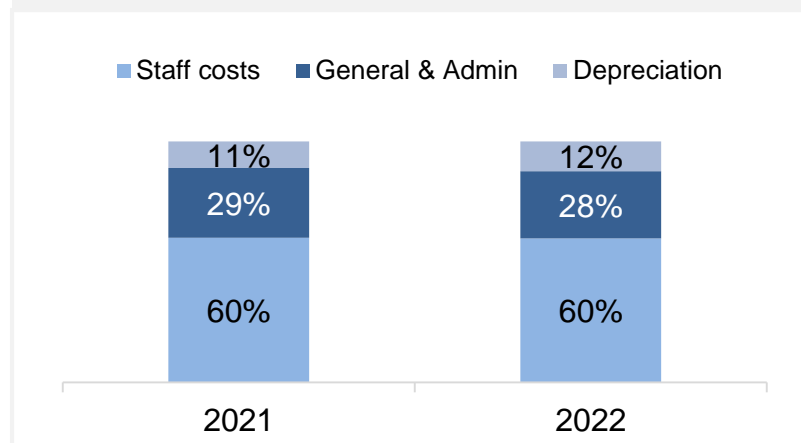


Operating costs and efficiency

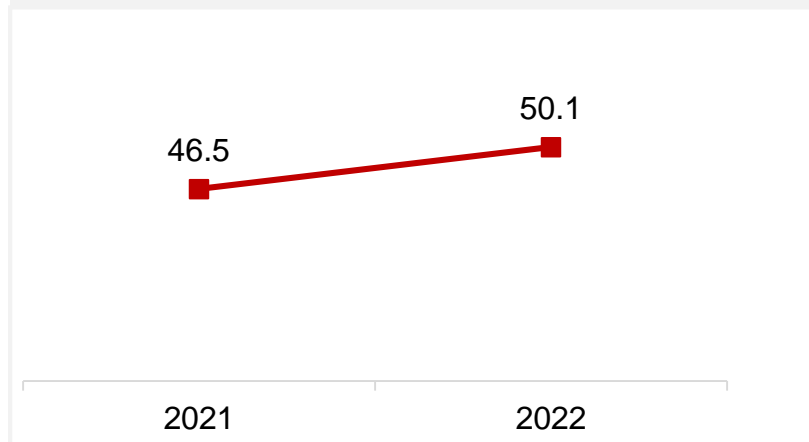
Operating costs (KD Million)



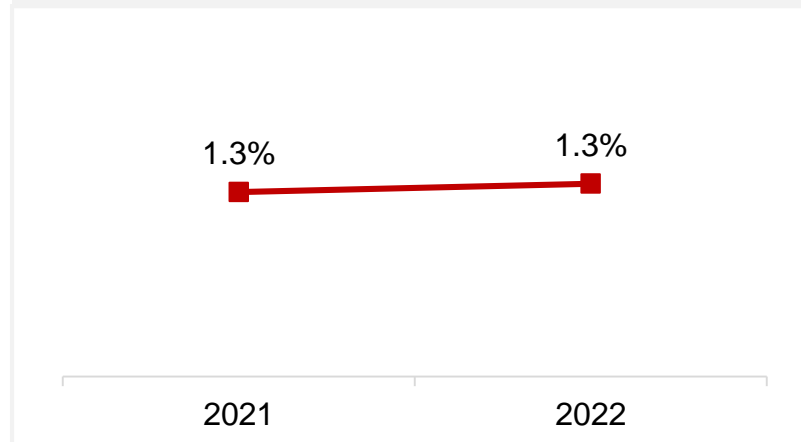
Composition of Operating costs



Operating efficiency (%)

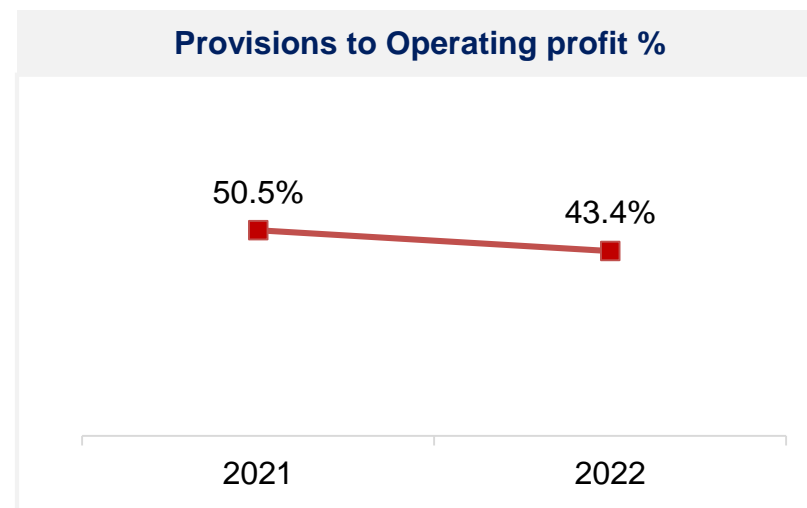
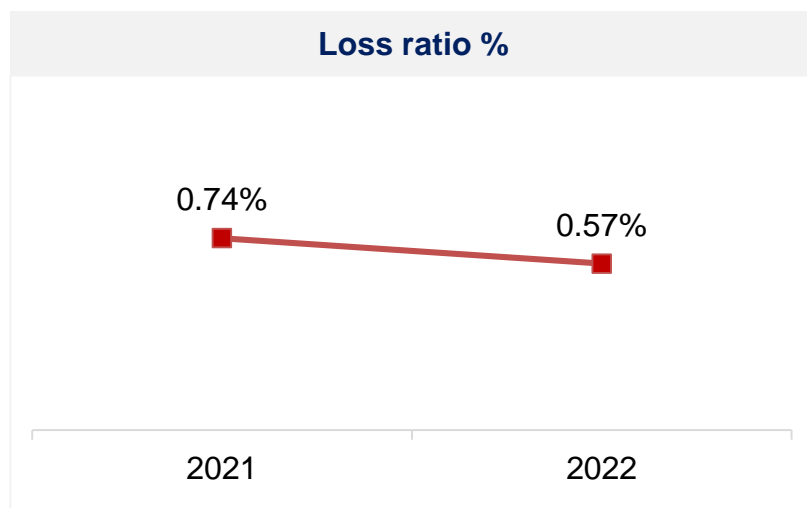
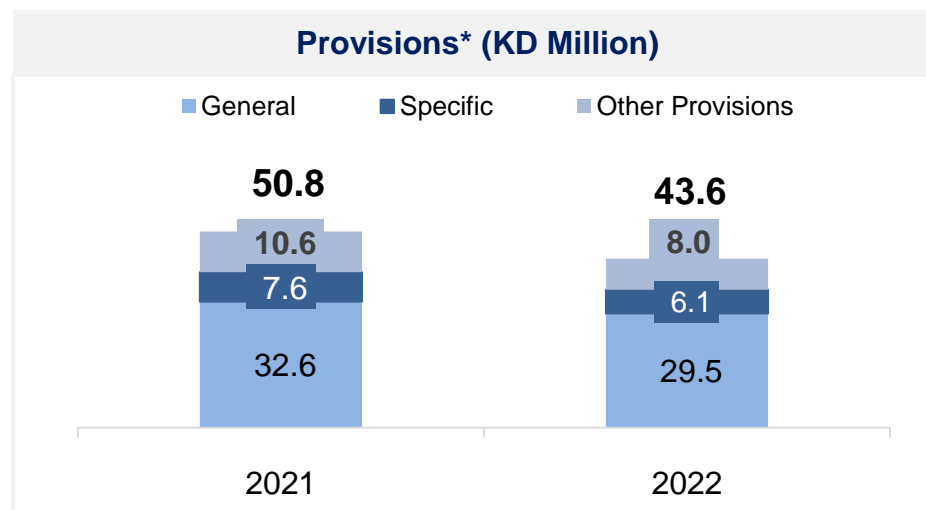


Operating costs to average assets (%)



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Provisions and related ratios

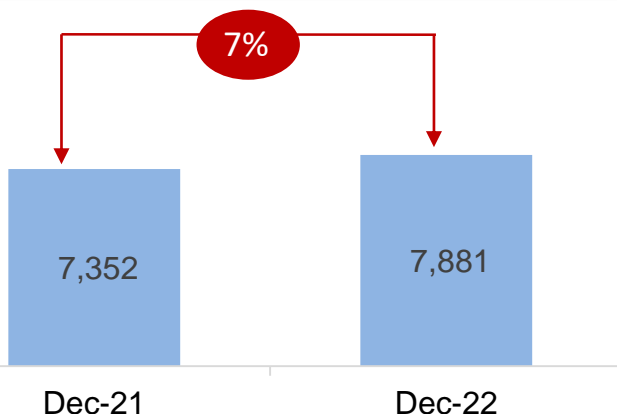


* General Provisions are shown inclusive of contingent provisions
 Source: Financial statements, Boubyan analysis

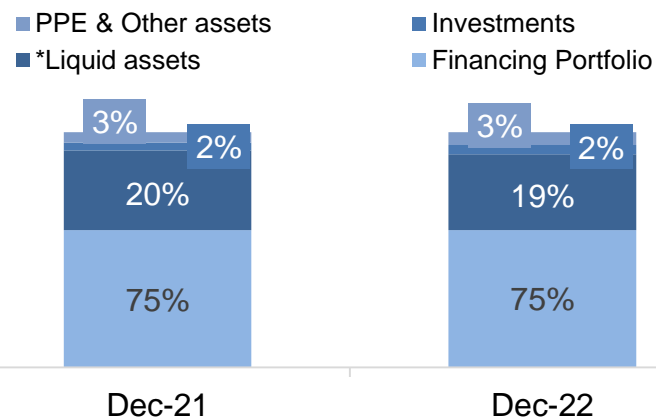
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Assets and Sources of Funding

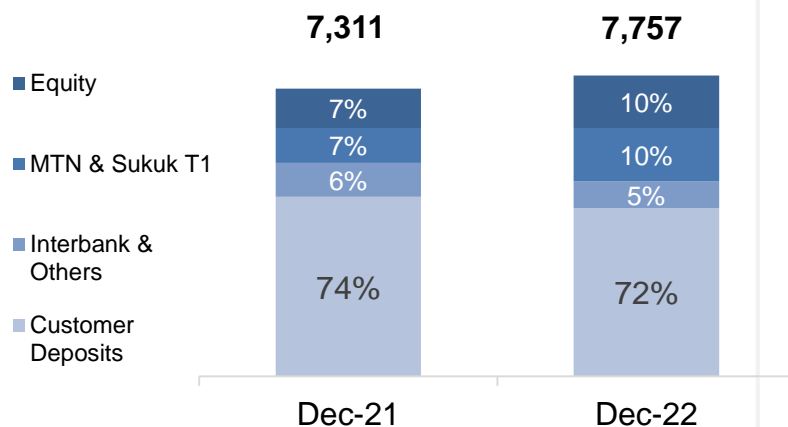
Total Assets (KD Million)



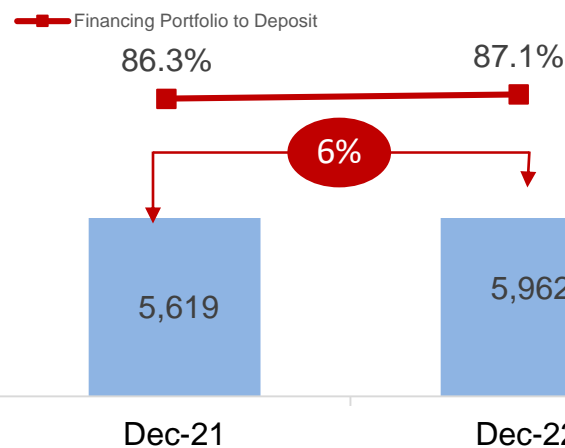
Composition of assets



Sources of Funding (KD Million & %)



Customer deposits (KD Million)



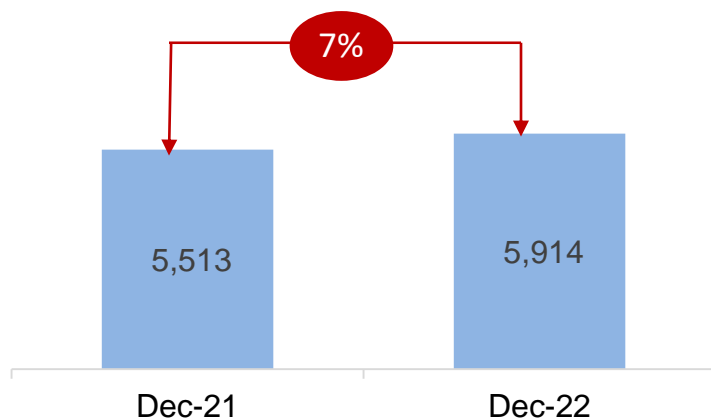
* Liquid assets include cash and balances with banks, Deposits with CBK, Deposits with other banks and Sukuk Investments

Source: Financial statements, Boubyan analysis

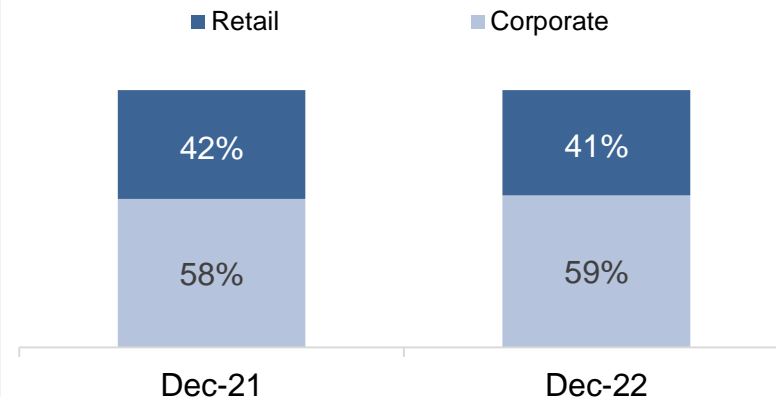
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Financing Portfolio and asset quality

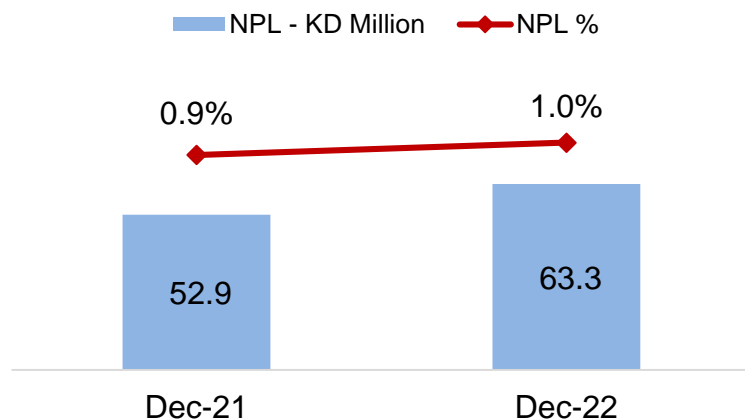
Financing Portfolio – KD Million



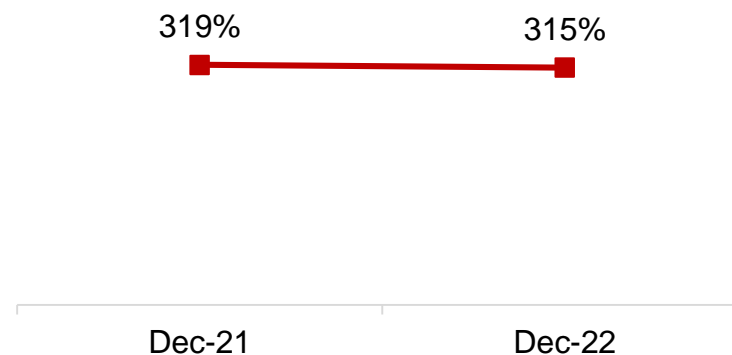
Composition of Financing Portfolio



Non performing Financing Portfolio



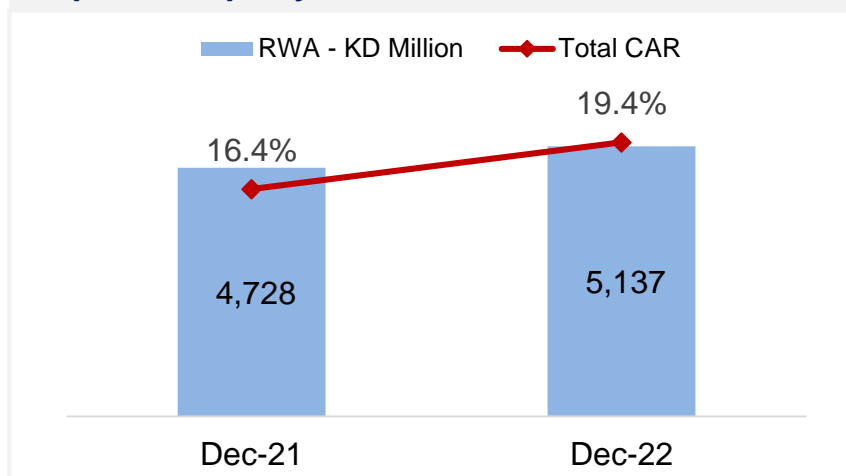
Loss Coverage ratio



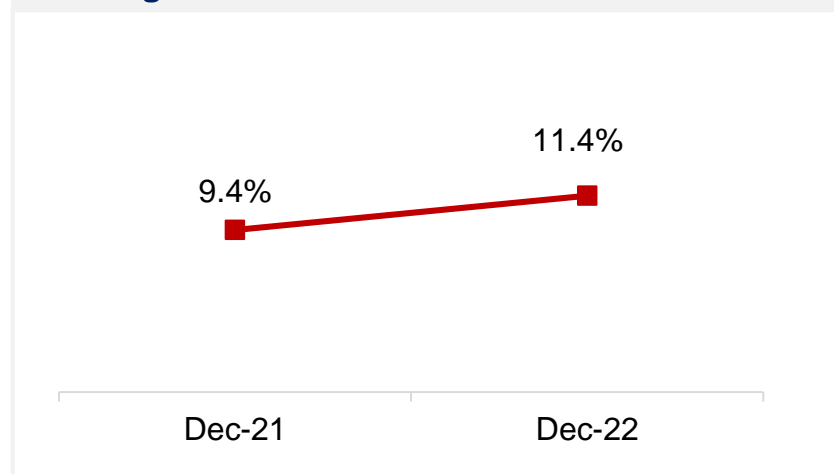
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Capital Adequacy

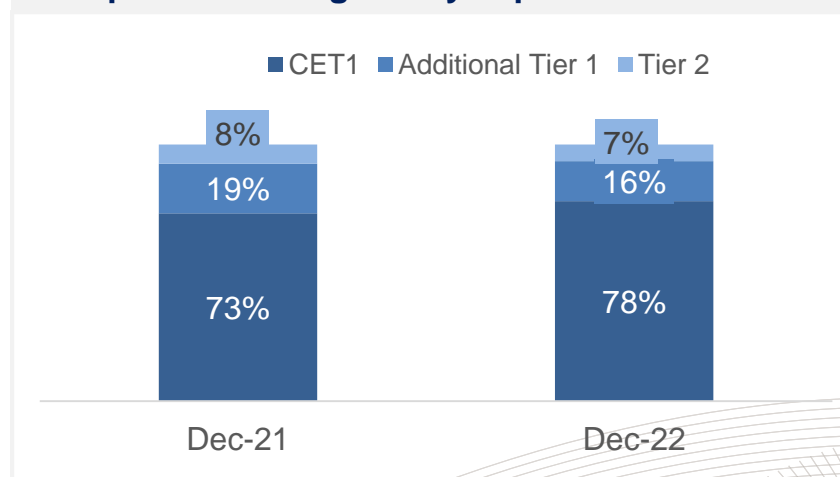
Capital adequacy ratio



Leverage ratio



Composition of regulatory capital



Questions?

Appendix

Consolidated Financial Statements – FY 2022

CONSOLIDATED STATEMENT OF INCOME	31-Dec	31-Dec
KD Million	2022	2021
Income		
Islamic financing income	283.7	223.2
Financing cost	(116.5)	(65.7)
Net finance income	167.2	157.5
Net investment income	6.8	8.8
Net fees and commission income	21.1	16.8
Net foreign exchange gain	6.2	4.7
Operating Income	201.4	187.8
Expenses		
Staff cost	(60.3)	(52.4)
General and administrative expenses	(28.2)	(25.2)
Depreciation	(12.4)	(9.6)
Total Expenses	(100.8)	(87.2)
Profit before provision for impairment	100.6	100.5
Provision for impairment	(43.6)	(50.8)
Profit before taxes	57.0	49.8
Taxes and board remuneration	(2.7)	(1.8)
Non-Controlling Interests	3.5	0.5
Net Profit for the year	57.8	48.5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31-Dec	31-Dec
KD Million	2022	2021
Assets		
Cash and balances with banks	533	351
Deposits with Central Bank of Kuwait	248	226
Deposits with other banks	132	388
Islamic financing to customers	5,914	5,513
Investments in Sukuks	610	36
Other investment securities	155	620
Investment properties	34	22
Other assets	128	90
Property and Equipment	129	108
Total Assets	7,881	7,352
Liabilities and Equity		
Liabilities		
Due to banks	199	395
Depositors' accounts	5,962	5,619
Medium Term Financing	638	485
Other liabilities	103	103
Total liabilities	6,901	6,602
Equity		
Share capital	374	318
Share premium	317	157
Reserves	58	53
Retained earnings	50	36
Equity attributable to equity holders of the bank	799	564
Perpetual Tier 1 Sukuk	150	150
Non-controlling interest	31	36
Total equity	980	750
Total liabilities and equity	7,881	7,352

Consolidated Income Statement

KD Million	31-Dec 2021	31-Dec 2020	31-Dec 2019
Income			
Murabaha and other Islamic financing income	223.2	223.1	207.6
Distribution to depositors and Murabaha Cost	(65.7)	(84.2)	(88.2)
Net finance income	157.5	138.9	119.5
Net investment income	8.8	6.8	6.2
Net fees and commissions income	16.8	12.3	16.4
Net foreign exchange gain	4.7	5.2	3.7
Other Income	0.0	4.3	0.0
Operating Income	187.8	167.5	145.8
Expenses			
Staff cost	(52.4)	(45.2)	(36.1)
General and administrative expenses	(25.2)	(20.0)	(17.1)
Depreciation and amortization	(9.6)	(9.2)	(7.9)
Total Expenses	(87.2)	(74.4)	(61.1)
Profit before provision for impairment	100.6	93.1	84.7
Provision for impairment	(50.8)	(59.0)	(18.7)
Profit before taxes	49.8	34.1	66.0
Taxes and board remuneration	(1.8)	(0.5)	(3.3)
Non-Controlling Interests	0.5	0.9	(0.0)
Net Profit for the year	48.5	34.4	62.6

Consolidated Statement of Financial Position

KD Million	31-Dec 2021	31-Dec 2020	31-Dec 2019
Assets			
Cash and balances with banks	350.5	286.7	232.4
Deposits with Central Bank of Kuwait	225.9	336.9	306.2
Deposits with other banks	387.9	180.1	330.0
Islamic financing to customers	5,513.1	4,823.3	3,826.1
Investments in Sukuks	529.3	523.0	306.3
Other investment securities	122.7	99.1	101.2
Investment properties	21.7	47.1	46.6
Other assets	92.7	49.5	65.6
Property and Equipment	108.2	91.4	86.2
Total Assets	7,351.9	6,437.1	5,300.5
Liabilities			
Due to banks	395.1	281.4	236.5
Depositors' accounts	5,618.8	5,107.7	4,347.2
Medium Term Financing	485.4	305.5	
Other liabilities	102.5	115.8	63.7
Total liabilities	6,601.8	5,810.4	4,647.4
Equity			
Share capital	318.0	302.8	288.4
Share premium	156.9	156.9	156.9
Proposed bonus share	15.9	-	14.4
Treasury shares	(0.1)	(0.1)	(0.1)
Reserves	52.8	44.0	54.0
Accumulated retained earnings / (losses)	4.1	14.1	35.8
Proposed cash dividends	15.9	-	26.0
Equity attributable to equity holders of the bank	563.5	517.9	575.4
Perpetual Tier 1 Sukuk	150.4	75.4	75.4
Non-controlling interest	36.2	33.5	2.3
Total equity	750.1	626.7	653.2
Total liabilities and equity	7,351.9	6,437.1	5,300.5

Thank you