

Kuwait: 30/04/2024
Ref: 5436/2024

الكويت: 2024/04/30
الإشارة: 2024/5436

Mr. Mohammad Saud Al-Osaimi
CEO
Boursa Kuwait

السيد/ محمد سعود العصيمي المحترم
الرئيس التنفيذي
بورصة الكويت
السلام عليكم ورحمة الله وبركاته وبعد...

Dear Sir,

**Minutes of the Analysts' Conference call for
the First Quarter of 2024**

**محضر مؤتمر المحللين للربع الاول لسنة
2024**

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 and its amendments concerning continuing the obligations of the listed companies classified under the "Premier Market Segment" under which Boubyan Bank is categorized.

بالإشارة الى أحكام المادة رقم (2-4-8) 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 Minutes of the Analysts' Conference call for the First quarter ended 31/03/2024 held via Live Webcast at 01:00 pm (Local Time) on Sunday, April 28th 2024, as per the requirements of the said article.

نرفق لكم نسخة من محضر مؤتمر المحللين للربع الأول المنتهي في 2024/03/31 الذي انعقد عن طريق بث مباشر على شبكة الأنترنت (Live Webcast) في تمام الساعة 01:00 (وفق التوقيت المحلي) من بعد ظهر يوم الاحد الموافق 2024/04/28؛ وذلك وفقا للمتطلبات الواردة في المادة المشار إليها أعلاه.

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
والرئيس التنفيذي للمجموعة



Boubyan Bank Investor Presentation

Q1 2024 Results

28th April 2024

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Outline

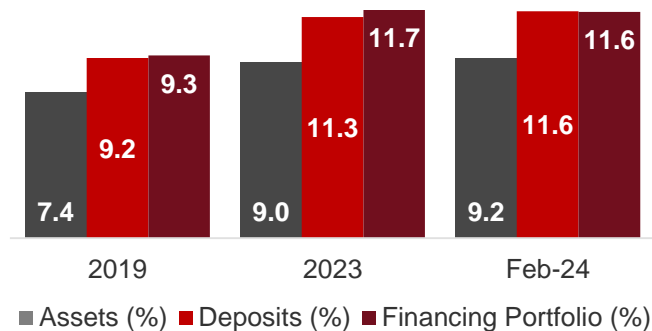
- 1** Boubyan's Performance & Strategy – At a Glance
- 2** Income Statement Analysis
- 3** Balance Sheet Analysis
- 4** Capitalization & Leverage

Financial Highlights

Financial Snapshot

<i>KD million</i>	3M 2024	3M 2023	Growth %
Net Profit to shareholders	25.0	20.6	21%
Operating Income	61.6	52.6	17%
Operating Profit	31.7	27.6	15%
Total Assets	8,673	8,031	8%
Financing Portfolio	6,464	5,970	8%
Customer Deposits	6,846	6,220	10%
Earnings per share (Fils)	5.23	4.19	25%

Market Share (%)



Key Financial Metrics

	3M 2024	3M 2023	Variance
Return on Average Equity (%)	11.1	9.8	1.3
Return on Average Assets (%)	1.2	1.1	0.1
Cost to Income (%)	48.5	47.6	0.9
NPL Ratio (%)	1.0	1.1	(0.1)
Capital Adequacy Ratio (%)	17.9	18.6	(0.7)

Source: Financial statements, Boubyan analysis

Credit Ratings

Rating Agency	Long Term Rating	Outlook	Date
Moody's	A2	Stable	May 2023
STANDARD & POOR'S	A	Stable	Dec 2023
FitchRatings	A (xgs: BBB)	Stable	Jan 2024

The Bank's Strategy Builds on Robust Domestic Foundations And Builds Its International Presence

Strategic objectives

A leading Islamic full-fledged bank in Kuwait, focused on innovation and digital excellence

Consumer Banking

- Maintaining Group's position as a leader in customer service and enhancing the customer experience
- Growing its market share as the bank of choice for affluent and youth customers through improved digital initiatives
- Personalized private banking for high net worth individuals providing a holistic local and international offering while growing its market share of new clients
- Building an expansive product offering to selected SMEs with a unique value proposition

Corporate Banking

- Defending, and strategically expanding, its position and market share in large and mid-size corporate clients
- Becoming a lead cash manager and trade partner for institutions by achieving coverage and operational excellence through our state-of-the-art Cash Management and Transaction Banking solutions
- Delivering faster solutions and superior service through the improvement of its credit processes and systems

Wealth Management

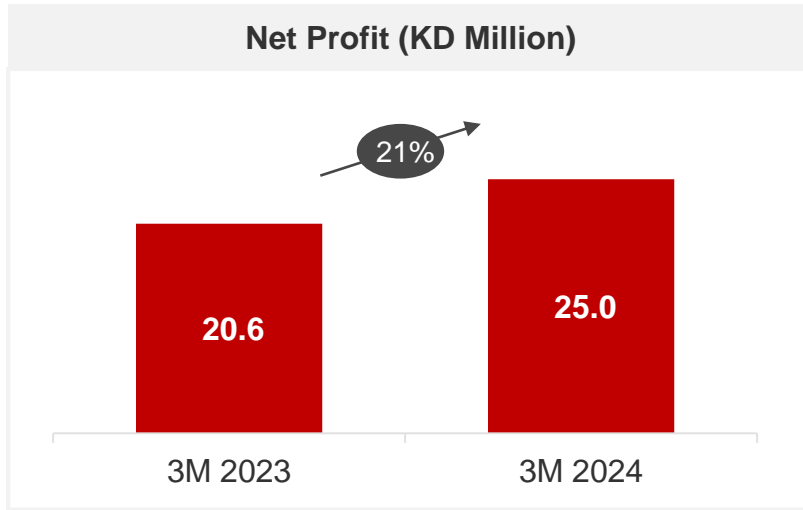
- Maximize wealth management growth and service excellence by enhancing offerings and solutions through Boubyan Capital, BLME and NOMO Bank
- Continuing to develop acquisition, marketing and relationship capabilities
- Growing the Group's market share in these sectors
- Creating distinctive Islamic wealth management opportunities for customers

Outline

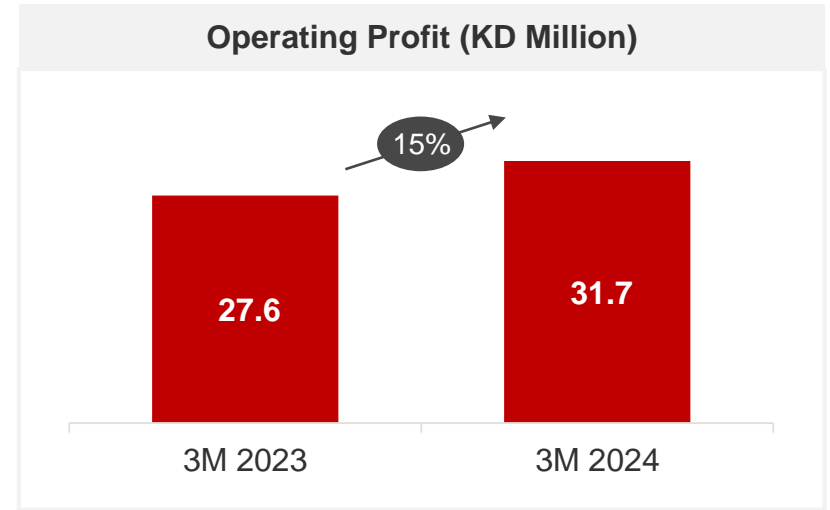
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Profitability & Performance Ratio

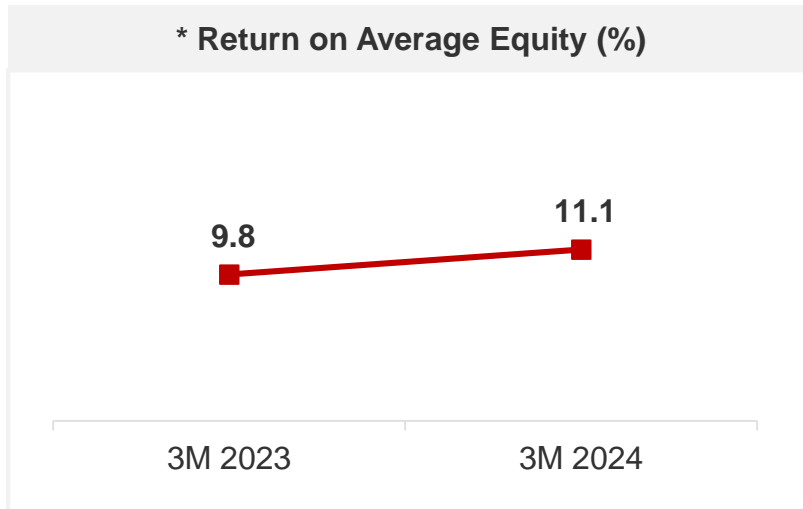
Net Profit (KD Million)



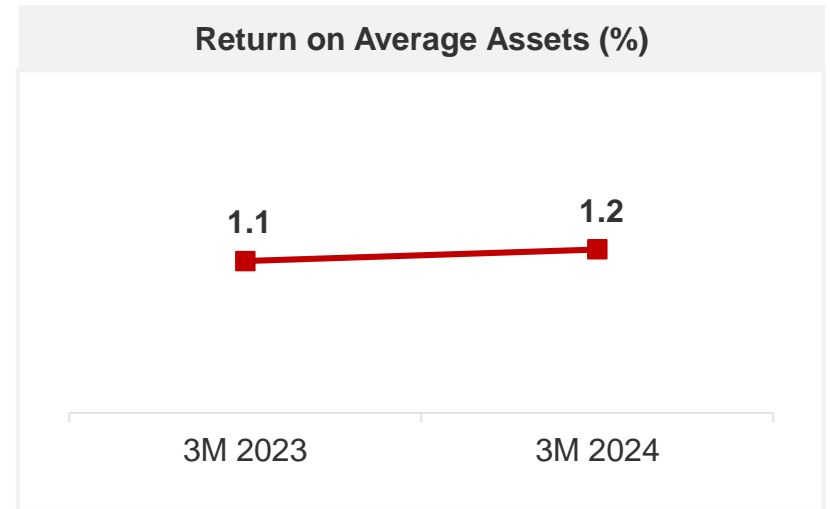
Operating Profit (KD Million)



* Return on Average Equity (%)



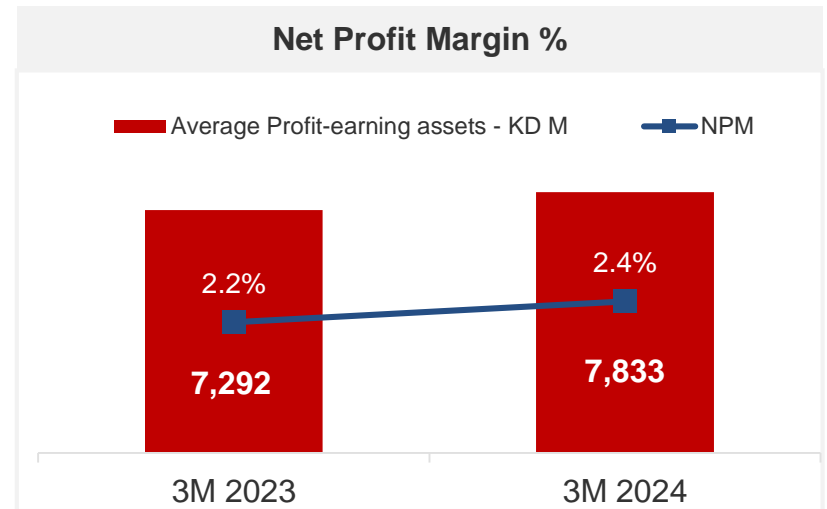
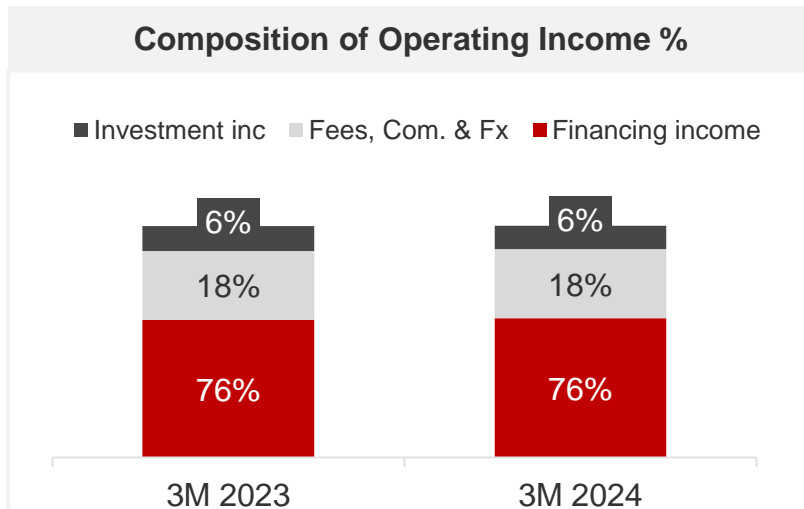
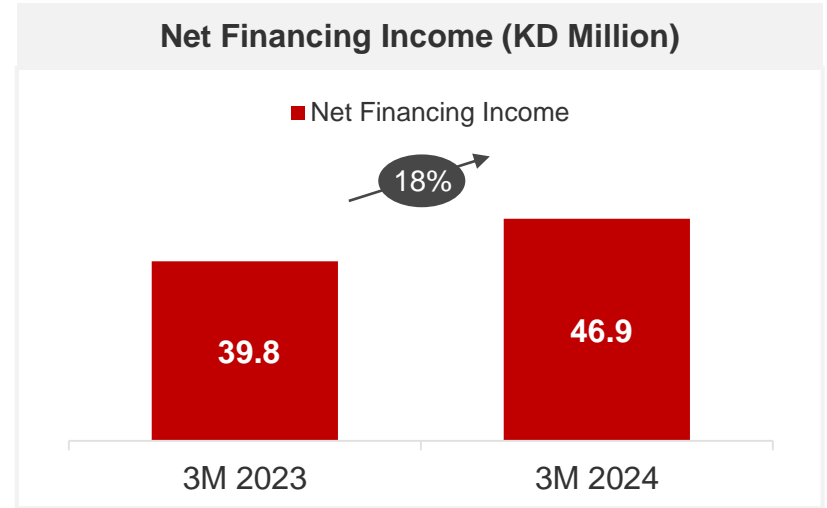
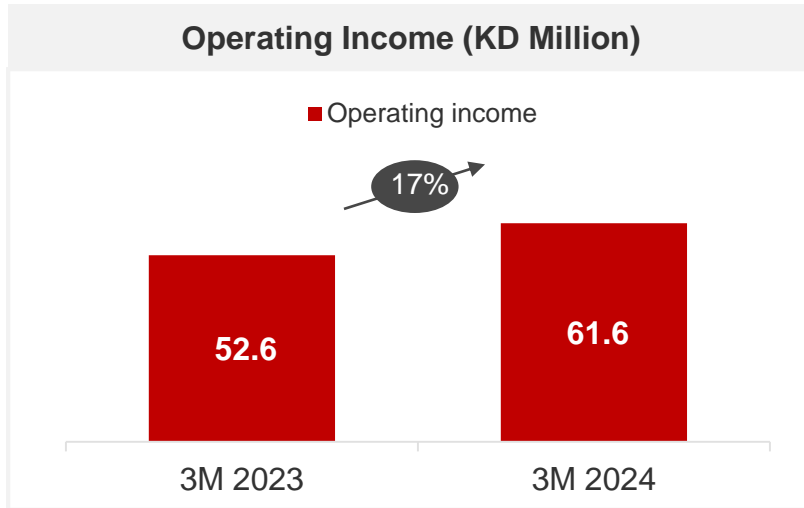
Return on Average Assets (%)



* Return on Average Equity is computed based on shareholders' equity after adjusting the net profit for Tier 1 Sukuk costs.

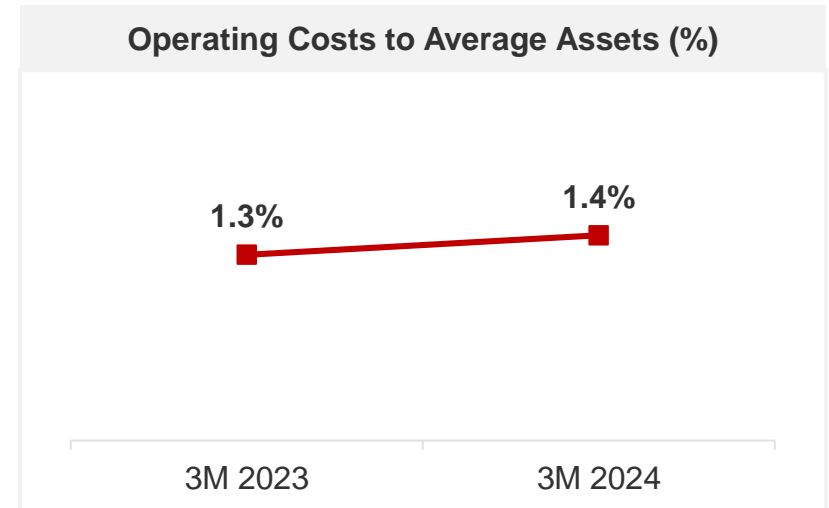
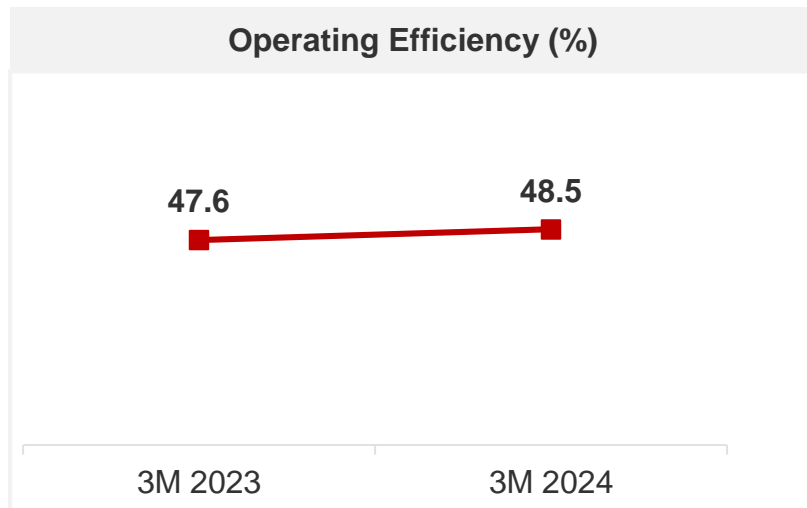
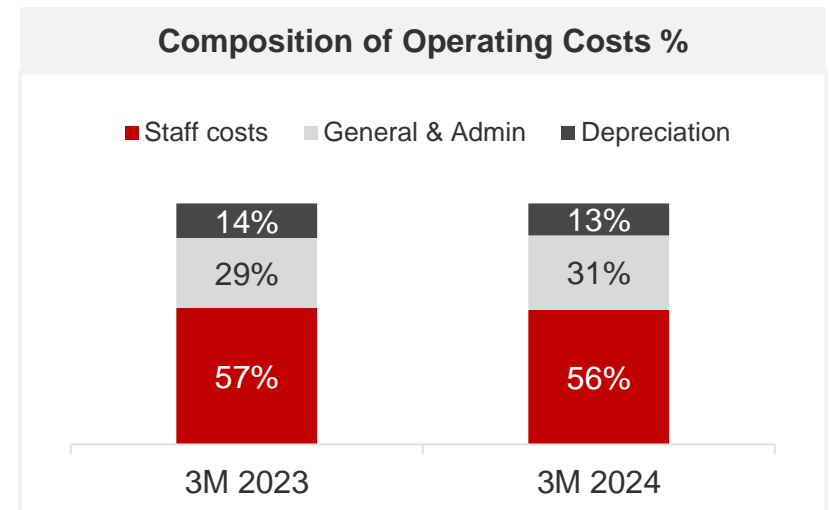
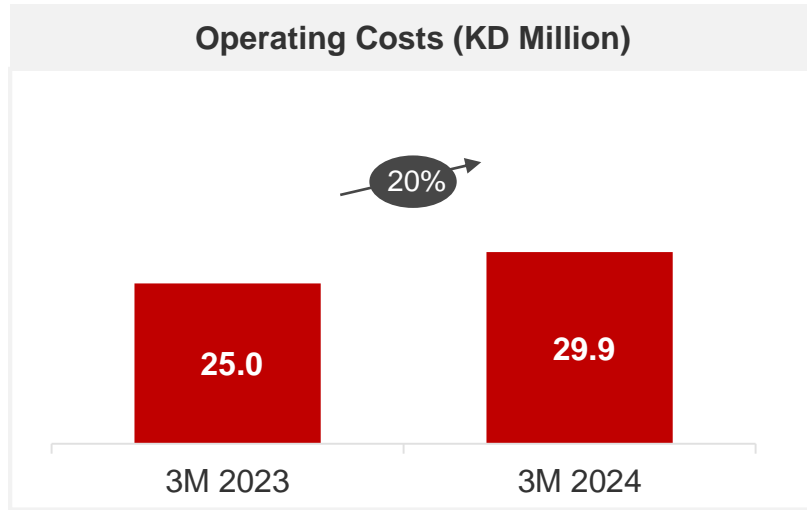
Source: Financial statements, Boubyan analysis

Operating income components and Net Profit Margins



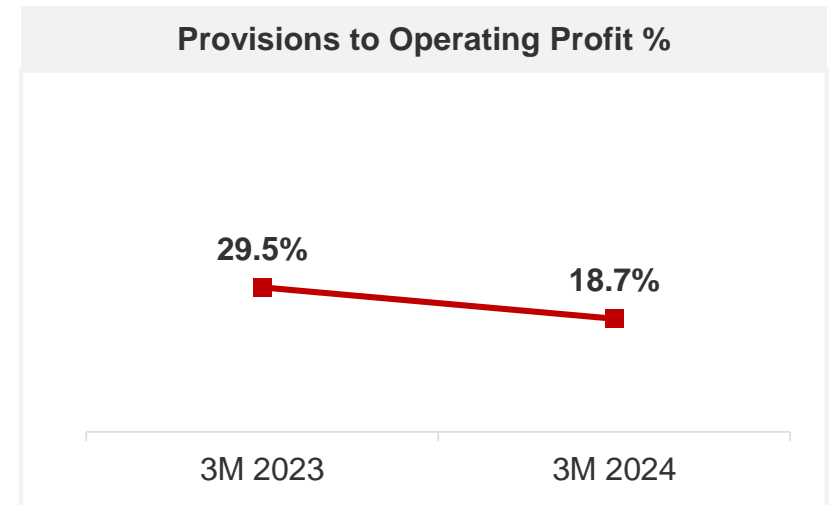
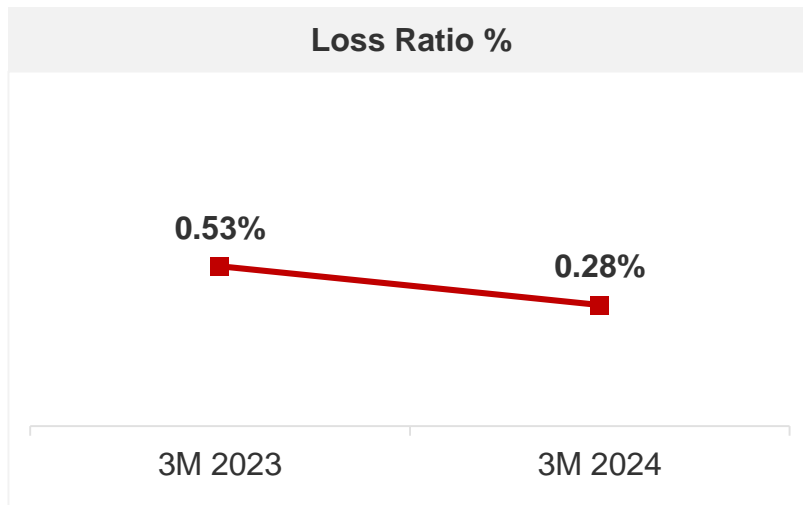
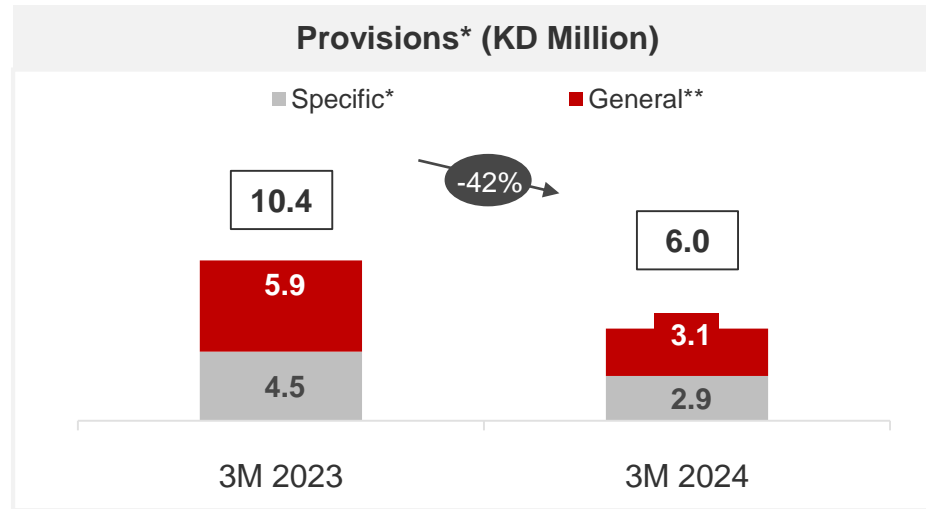
Source: Financial statements, Boubyan analysis

Operating Costs & Efficiency



Source: Financial statements, Boubyan analysis

Provisions & Related Ratios



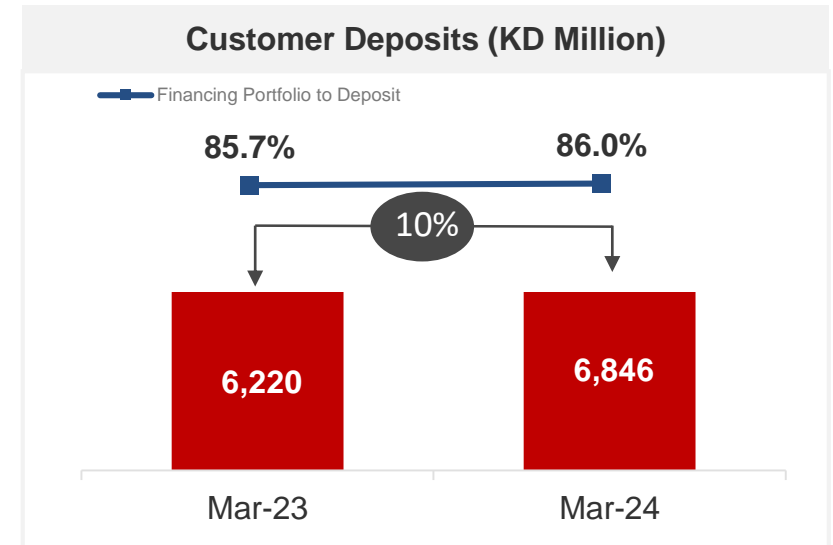
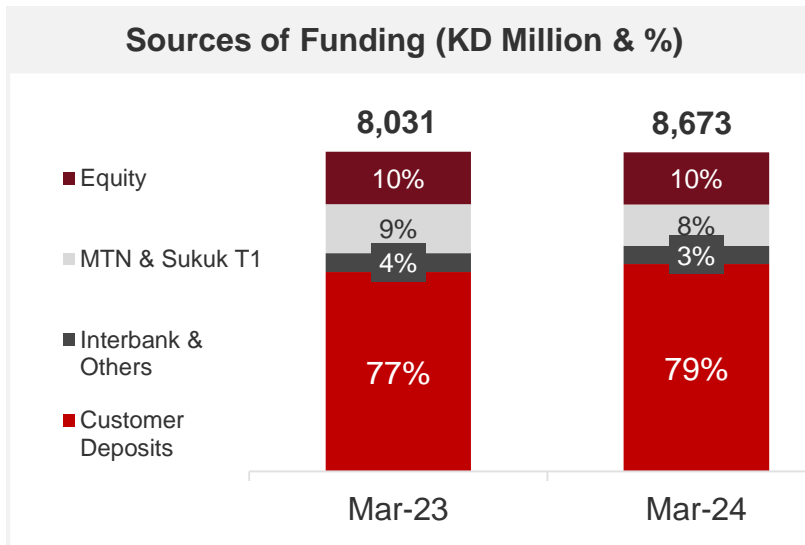
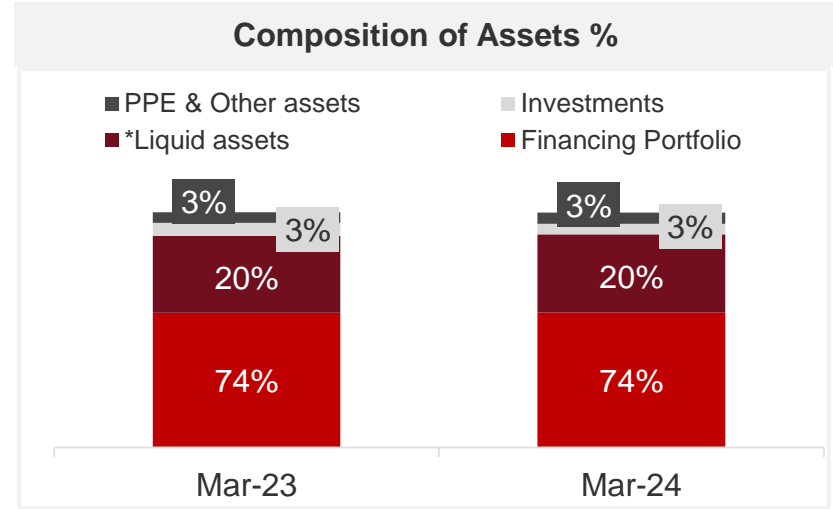
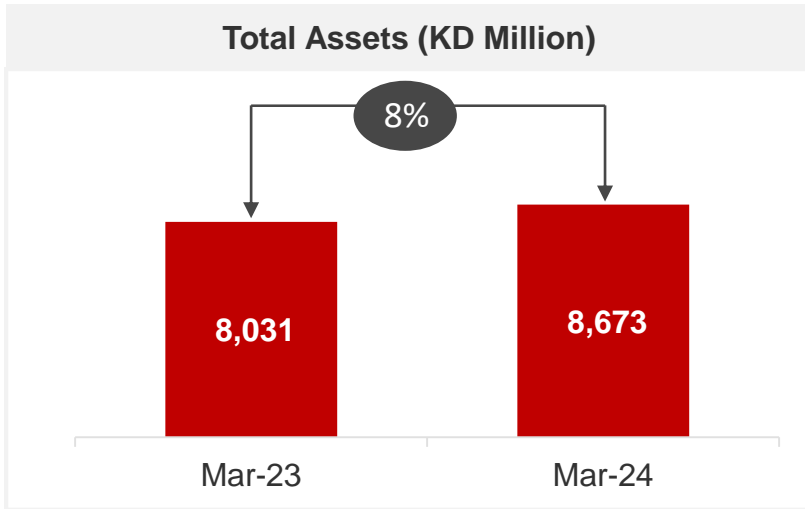
* Specific Provisions are shown inclusive of ECL – Other Financial Assets – Investments Impairment

** General Provisions are shown inclusive of Contingent Provisions

Outline

- 1 Boubyan's Performance & Strategy – At a Glance
- 2 Income Statement Analysis
- 3 Balance Sheet Analysis**
- 4 Capitalization & Leverage

Assets & Sources of Funding

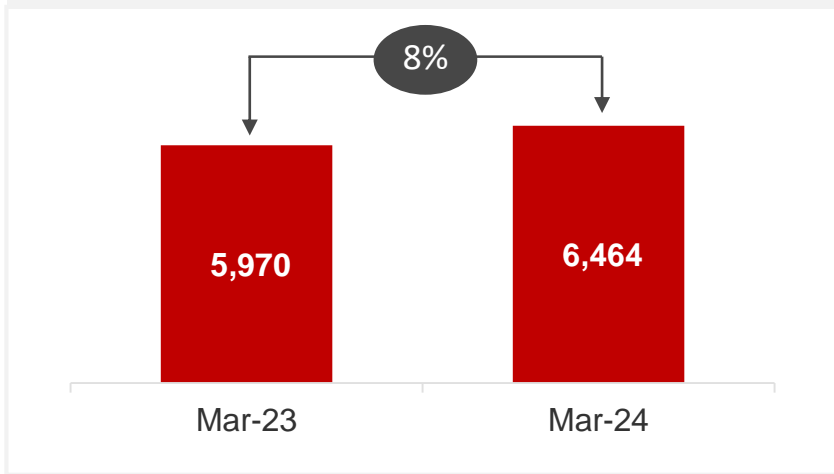


* Liquid assets include cash and balances with banks, Deposits with CBK, Deposits with other banks and Sukuk Investments

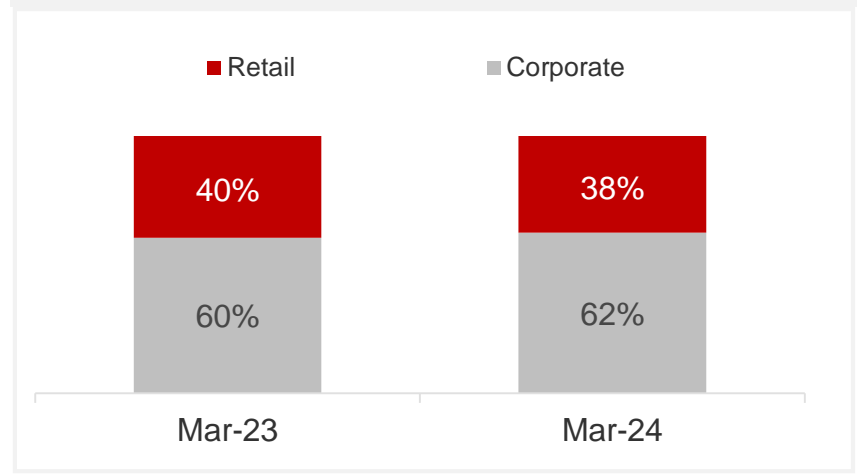
Source: Financial statements, Boubyan analysis

Financing Portfolio & Asset Quality

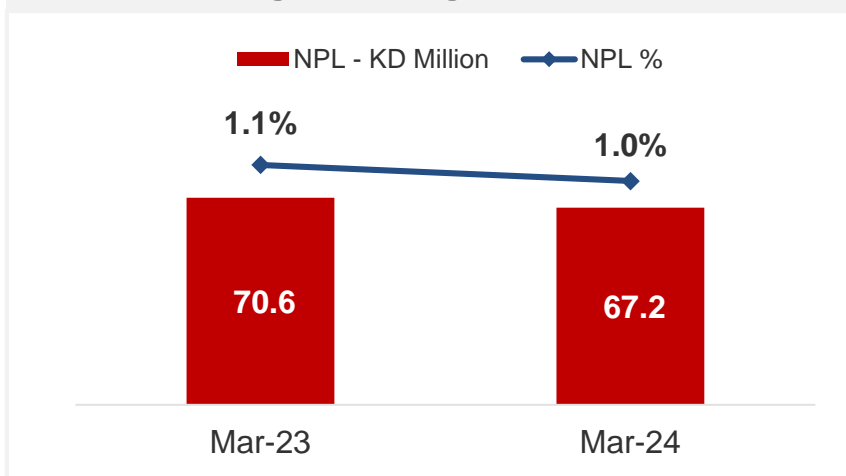
Financing Portfolio – KD Million



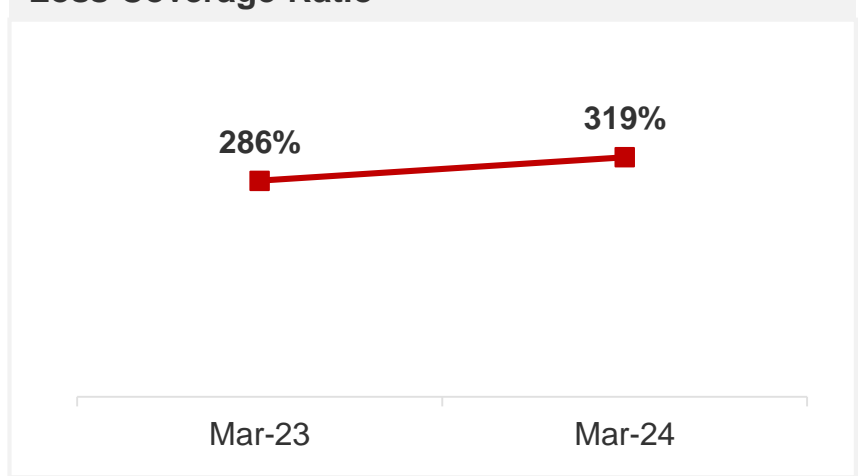
Composition of Financing Portfolio %



Non-Performing Financing Portfolio



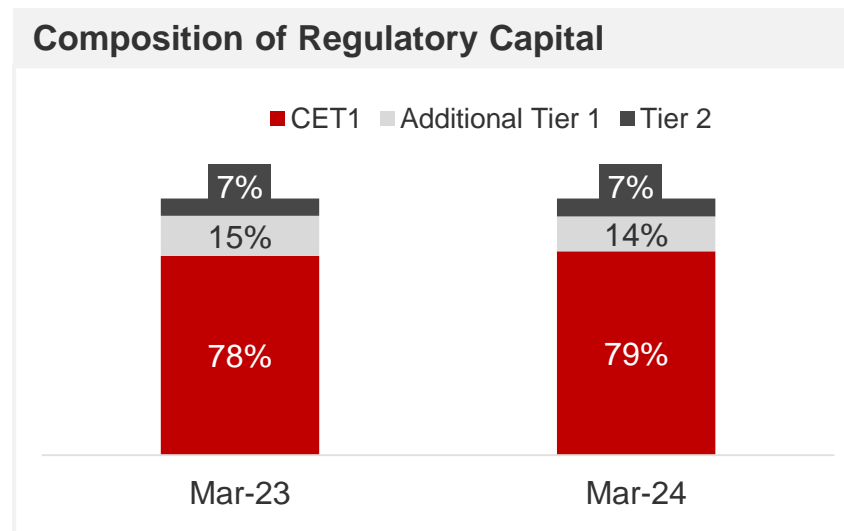
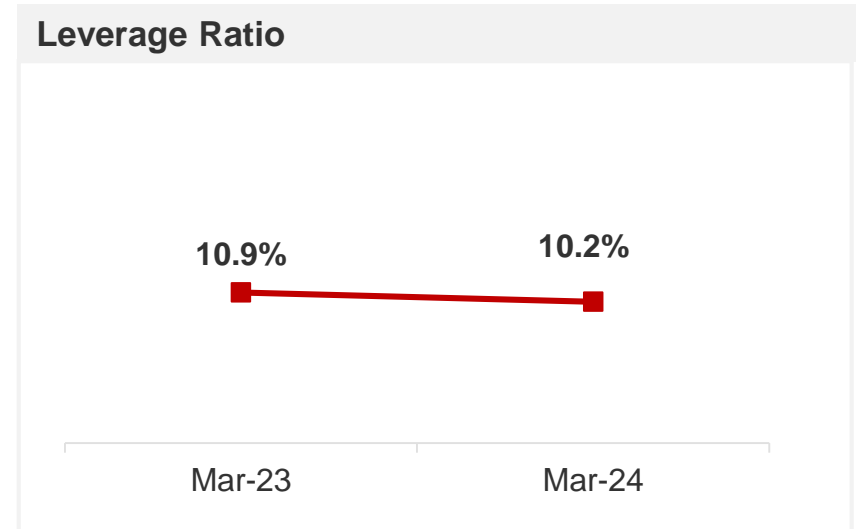
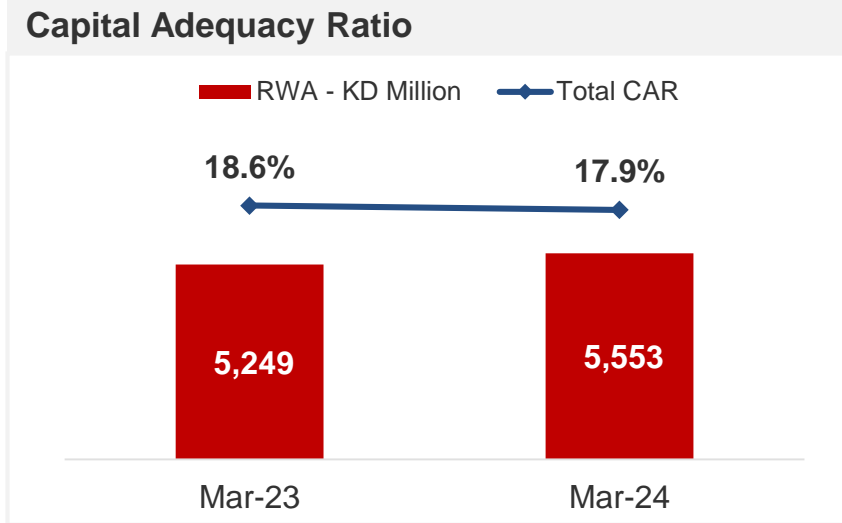
Loss Coverage Ratio



Outline

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Capital Adequacy



Source: Regulatory returns

Questions?

Appendix

Consolidated Financial Statements – Q1 2024

CONSOLIDATED STATEMENT OF INCOME KD Million	31-Mar 2024	31-Mar 2023	CONSOLIDATED STATEMENT OF FINANCIAL POSITION KD Million	31-Mar 2024	31-Mar 2023
Income			Assets		
Islamic financing income	109.0	91.0	Cash and balances with banks	562	379
Financing cost	(62.1)	(51.3)	Deposits with Central Bank of Kuwait	167	438
Net finance income	46.9	39.8	Deposits with other banks	68	145
Net investment income	3.7	3.4	Islamic financing to customers	6,464	5,970
Net fees and commission income	9.2	7.8	Investments in Sukuks	934	678
Net foreign exchange gain	1.8	1.5	Other investment securities	156	146
Operating Income	61.6	52.6	Investment properties	72	56
Expenses			Other assets	98	84
Staff cost	(16.7)	(14.2)	Property and Equipment	152	134
General and administrative expenses	(9.3)	(7.3)	Total Assets	8,673	8,031
Depreciation	(3.9)	(3.6)	Liabilities and Equity		
Total Expenses	(29.9)	(25.0)	Liabilities		
Profit before provision for impairment	31.7	27.6	Due to banks	156	161
Provision for impairment	(6.0)	(10.4)	Depositors' accounts	6,846	6,220
Profit before taxes	25.8	17.2	Medium Term Financing	499	560
Taxes and board remuneration	(1.2)	2.3	Other liabilities	150	125
Non-Controlling Interests	0.4	1.2	Total liabilities	7,652	7,065
Net Profit for the year	25.0	20.6	Equity		
			Share capital	396	374
			Share premium	317	317
			Reserves	74	55
			Retained earnings	61	45
			Equity attributable to equity holders of the bank	848	790
			Perpetual Tier 1 Sukuk	150	150
			Non-controlling interest	23	25
			Total equity	1,022	966
			Total liabilities and equity	8,673	8,031

Consolidated Income Statement

CONSOLIDATED STATEMENT OF INCOME	31-Dec	31-Dec	31-Dec
KD Million	2023	2022	2021
Income			
Islamic financing income	396.8	283.7	223.2
Financing cost	(224.3)	(116.5)	(65.7)
Net finance income	172.5	167.2	157.5
Net investment income	15.2	6.8	8.8
Net fees and commission income	22.9	21.1	16.8
Net foreign exchange gain	6.6	6.2	4.7
Other Income	0.9	0.0	0.0
Operating Income	218.0	201.4	187.8
Expenses			
Staff cost	(63.7)	(60.3)	(52.4)
General and administrative expenses	(32.6)	(28.2)	(25.2)
Depreciation	(14.3)	(12.4)	(9.6)
Total Expenses	(110.6)	(100.8)	(87.2)
Profit before provision for impairment	107.5	100.6	100.5
Provision for impairment	(31.7)	(43.7)	(50.8)
Profit before taxes	75.7	56.9	49.8
Taxes and board remuneration	2.5	(2.7)	(1.8)
Non-Controlling Interests	2.2	3.5	0.5
Net Profit for the year	80.4	57.8	48.5

Consolidated Statement of Financial Position

KD Million	31-Dec 2023	31-Dec 2022	31-Dec 2021
Assets			
Cash and balances with banks	399.0	533.2	533.2
Deposits with Central Bank of Kuwait	219.0	247.8	247.8
Deposits with other banks	96.2	131.7	131.7
Islamic financing to customers	6,321.0	5,913.5	5,913.5
Investments in Sukuks	886.3	609.6	609.6
Other investment securities	154.7	152.6	152.6
Investment properties	73.5	33.6	33.6
Other assets	106.0	130.1	130.1
Property and Equipment	149.2	128.6	128.6
Total Assets	8,405.0	7,880.8	7,880.8
Liabilities			
Due to banks	187.2	198.7	198.7
Depositors' accounts	6,479.1	5,961.7	5,961.7
Medium Term Financing	591.7	637.6	637.6
Other liabilities	118.2	103.0	103.0
Total liabilities	7,376.2	6,901.1	6,901.1
Equity			
Share capital	396.3	373.9	318.0
Share premium	316.9	316.9	156.9
Proposed bonus share	23.8	22.4	15.9
Treasury shares	(0.1)	(0.1)	(0.1)
Reserves	70.9	58.3	52.8
Accumulated retained earnings / (losses)	15.1	4.7	4.1
Proposed cash dividends	31.7	22.4	15.9
Equity attributable to equity holders of the bank	854.7	798.6	563.5
Perpetual Tier 1 Sukuk	150.4	150.4	150.4
Non-controlling interest	23.8	30.7	36.2
Total equity	1,028.8	979.7	750.1
Total liabilities and equity	8,405.0	7,880.8	7,651.1

Thank You