

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

السيد / محمد سعود العصيمي
الرئيس التنفيذي - شركة بورصة الكويت

Dear Sir,

السلام عليكم ورحمة الله وبركاته وبعد ،،،

**PowerPoint Presentation of second
quarter Analysts' Conference Call**

العرض التقديمي لمؤتمر المحللين للربع الثاني

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 (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 PowerPoint Presentation of Analysts' Conference Call for the second quarter for the year 2024 held via Live Webcast at 01:00 pm (Local Time) on Monday, July 22nd 2024, noting that there was no material information disclosed over the call.

نرفق لكم نسخة من العرض التقديمي لمؤتمر المحللين للربع الثاني لسنة 2024 الذي انعقد عن طريق بث مباشر على شبكة الأنترنت (Live Webcast) في تمام الساعة 01:00 (وفق التوقيت المحلي) من بعد ظهر يوم الإثنين الموافق 2024/07/22؛ 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
والرئيس التنفيذي للمجموعة

Boubyan Bank Investor Presentation

Q2 2024 Results

22nd July 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

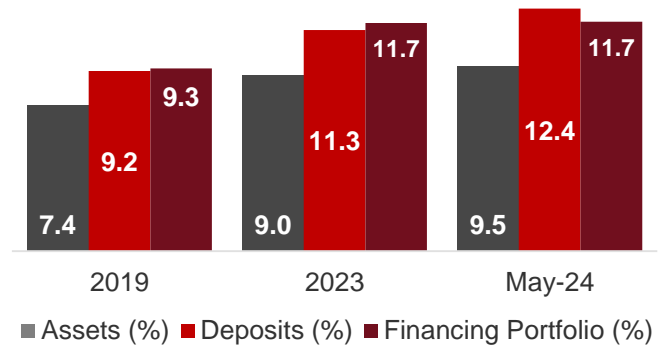
KD million	6M 2024	6M 2023	Growth %
Net Profit to shareholders	49.6	41.3	20%
Operating Income	121.4	109.2	11%
Operating Profit	61.4	55.5	10%
Total Assets	8,891	8,024	11%
Financing Portfolio	6,707	6,094	10%
Customer Deposits	6,964	6,153	13%
Earnings per share (Fils)	11.09	9.10	22%

Key Financial Metrics

	6M 2024	6M 2023	Variance
Return on Average Equity (%)	10.9	9.6	1.3
Return on Average Assets (%)	1.2	1.0	0.2
Cost to Income (%)	49.5	49.1	0.3
NPL Ratio (%)	1.0	1.1	(0.1)
Capital Adequacy Ratio (%)	17.8	18.1	(0.3)

Source: Financial statements, Boubyan analysis

Market Share (%)



Credit Ratings

Rating Agency	Long Term Rating	Outlook	Date
Moody's	A2	Stable	May 2024
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

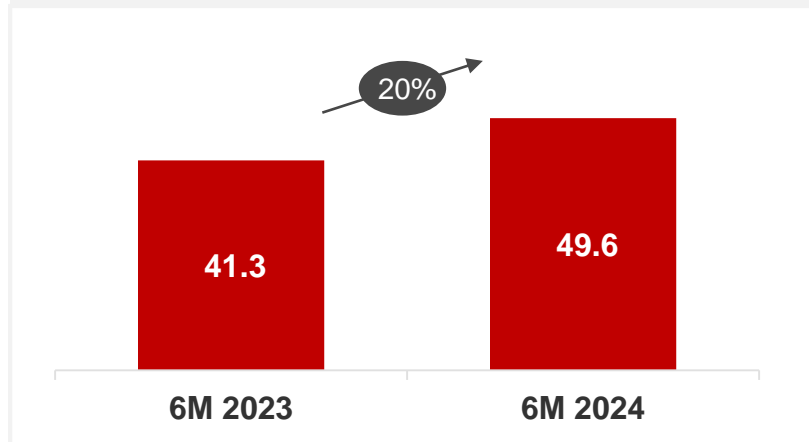
- Maximize wealth management growth and service excellence by enhancing offerings and solutions through Boubyan Capital, BLME, and NOMO Bank.
- Continuing to develop acquisition, marketing, and relationship capabilities.
- Growing the Group's market share in these sectors.
- Creating distinctive Islamic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

Outline

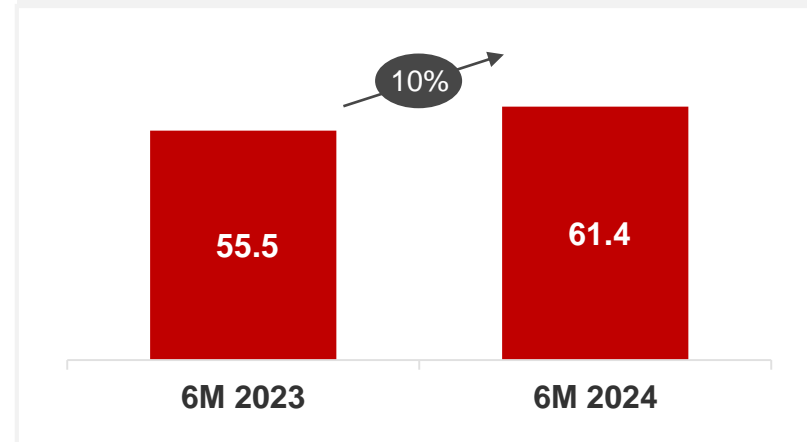
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Profitability & Performance Ratio

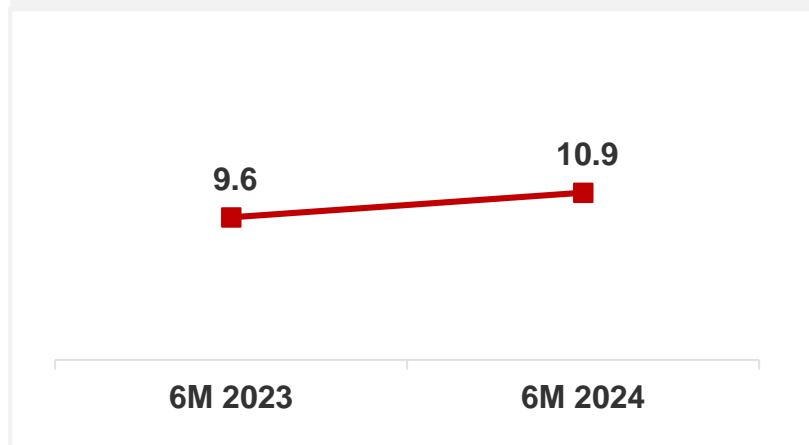
Net Profit (KD Million)



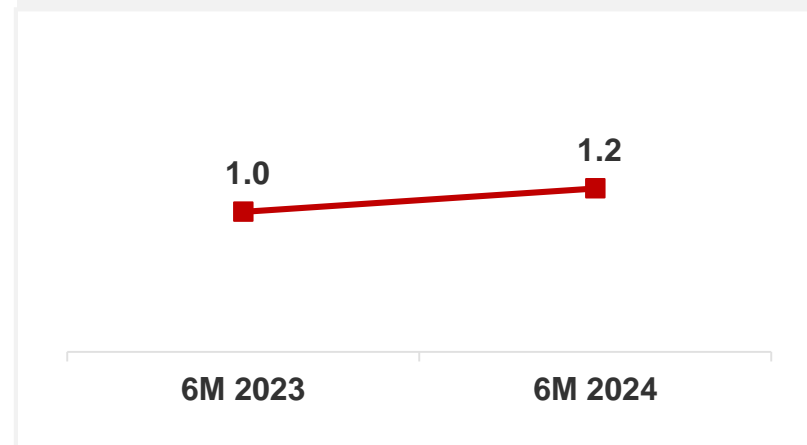
Operating Profit (KD Million)



* Return on Average Equity (%)



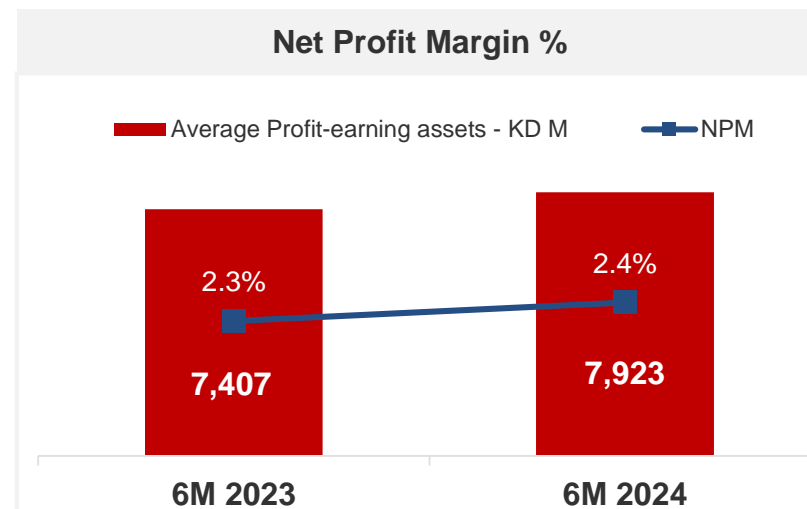
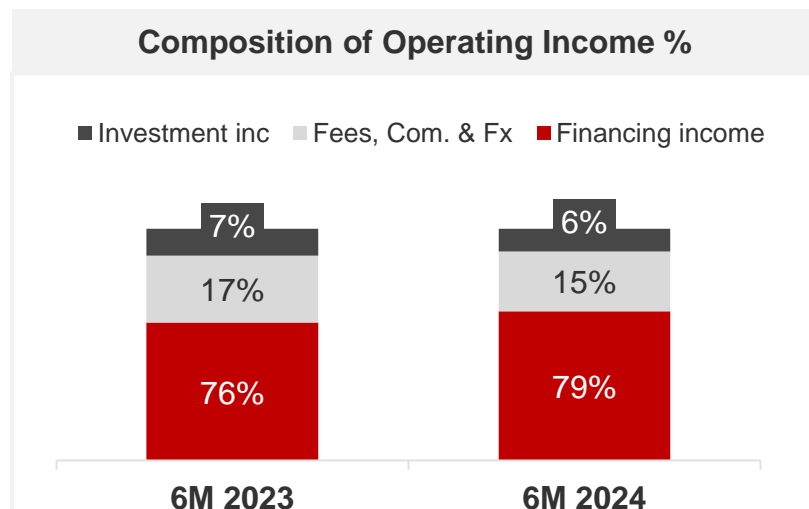
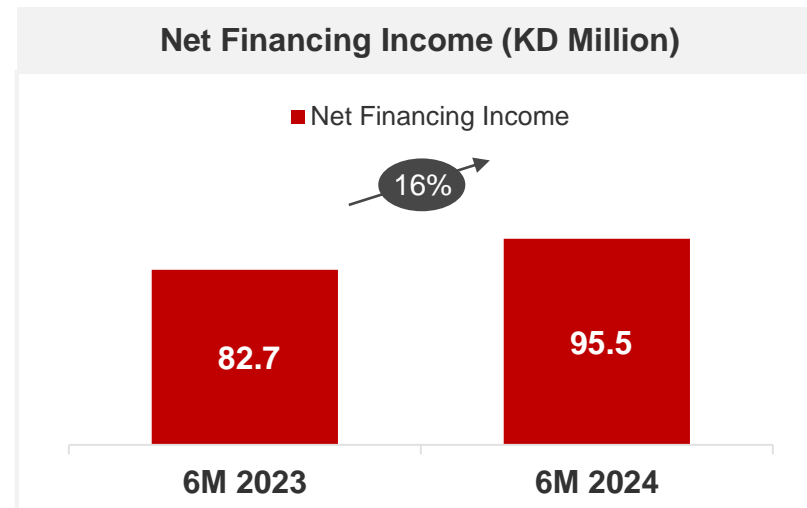
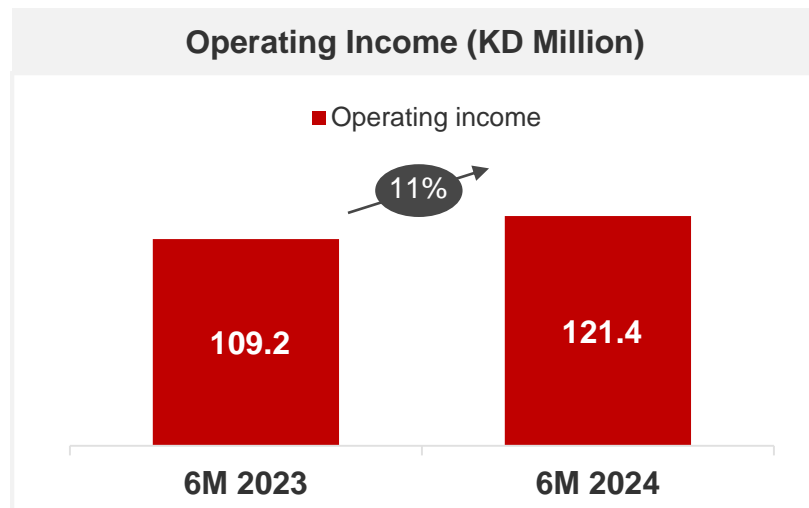
Return on Average Assets (%)



* 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

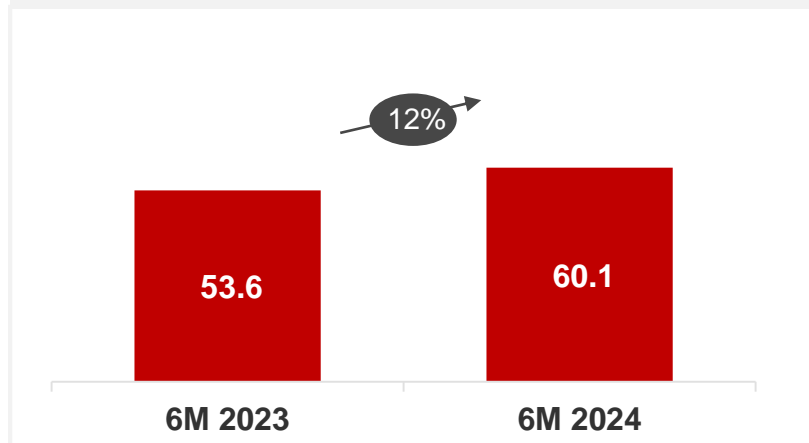
Operating income components and Net Profit Margins



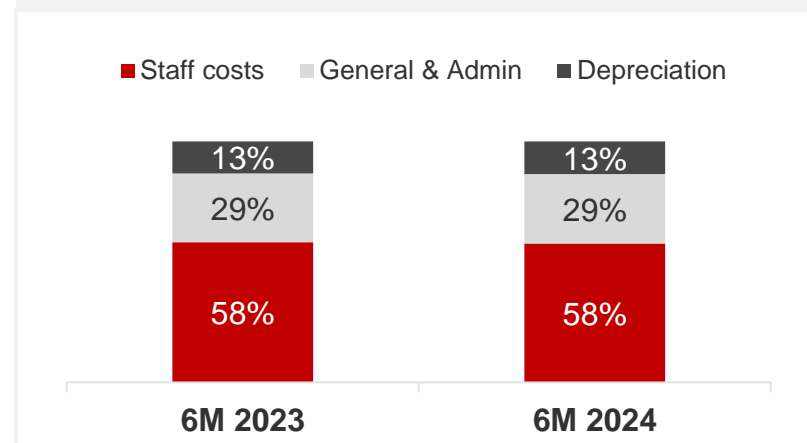
Source: Financial statements, Boubyan analysis

Operating Costs & Efficiency

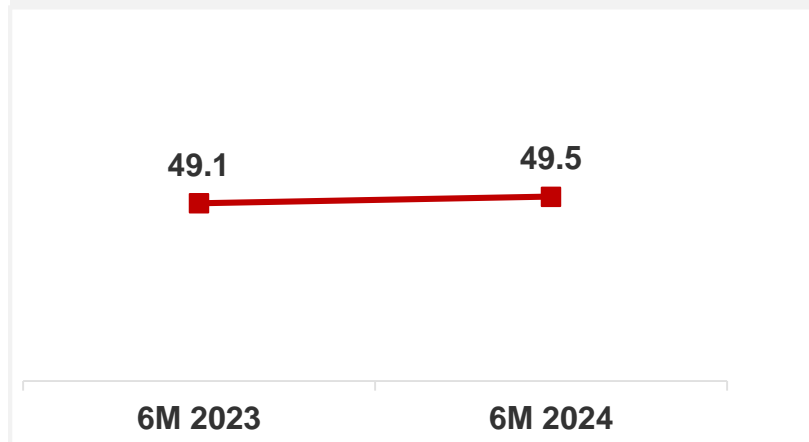
Operating Costs (KD Million)



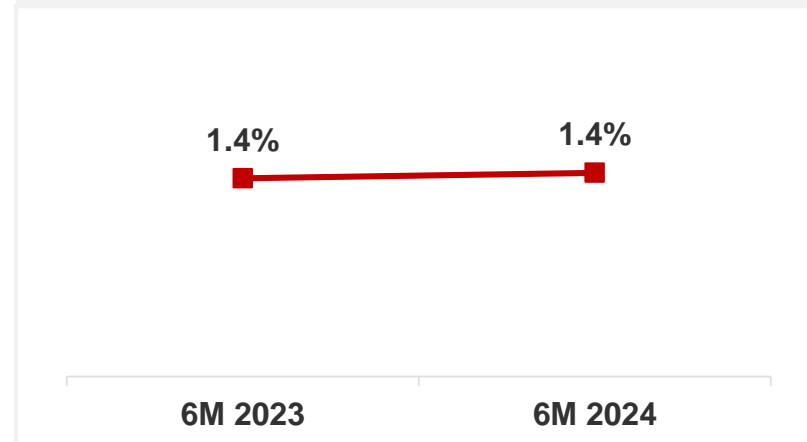
Composition of Operating Costs %



Operating Efficiency (%)

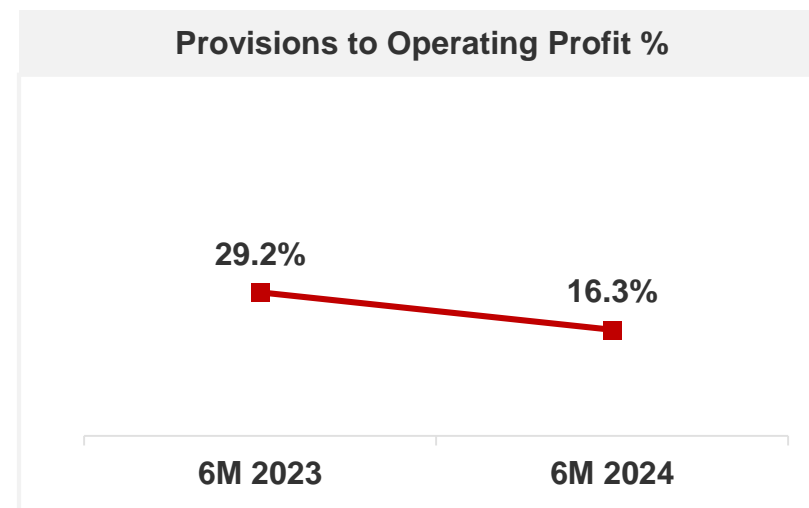
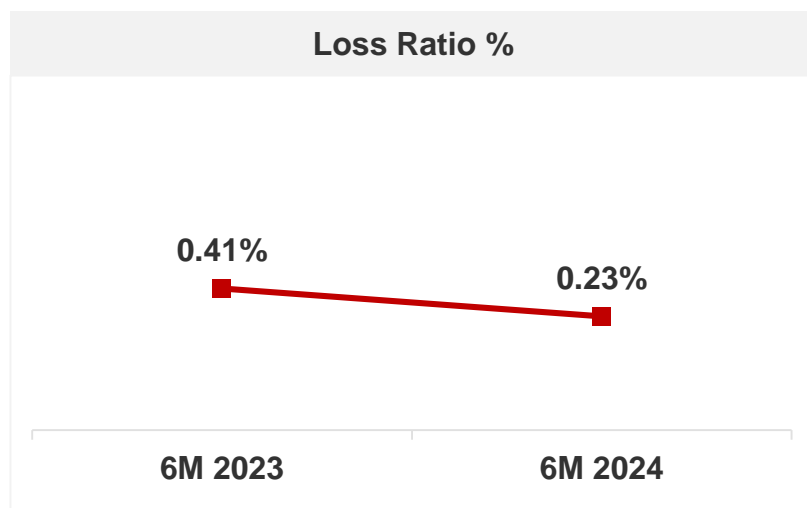
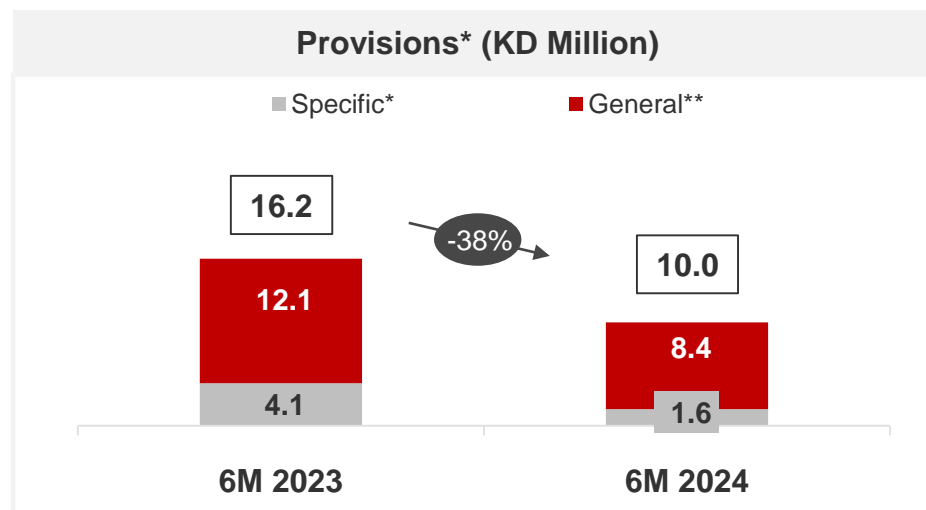


Operating Costs to Average Assets (%)



Source: Financial statements, Boubyan analysis

Provisions & Related Ratios



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

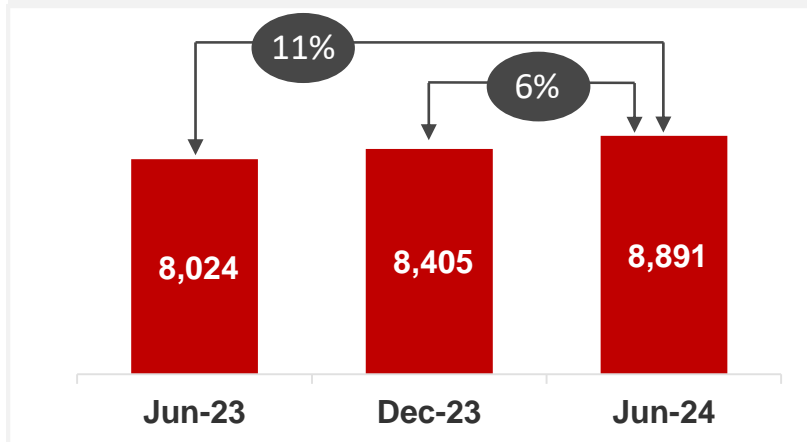
** General Provisions are shown inclusive of Contingent Provisions

Outline

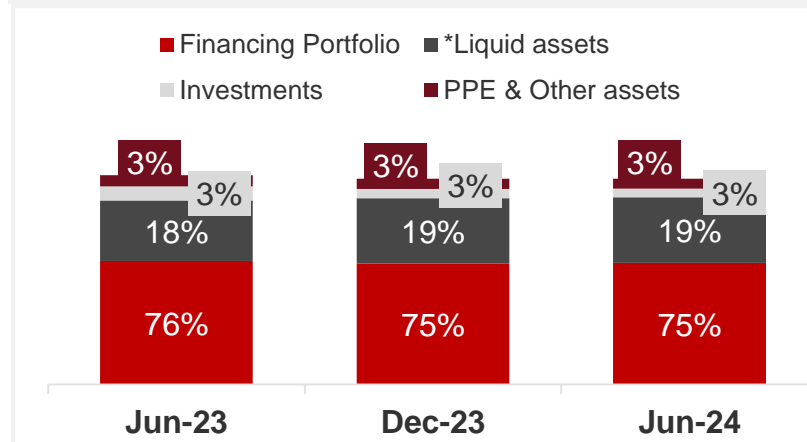
- 1 Boubyan's Performance & Strategy – At a Glance
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Assets & Sources of Funding

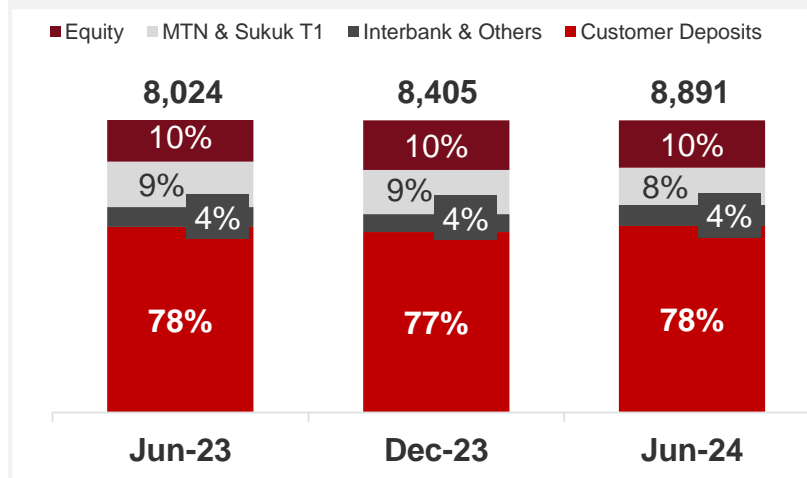
Total Assets (KD Million)



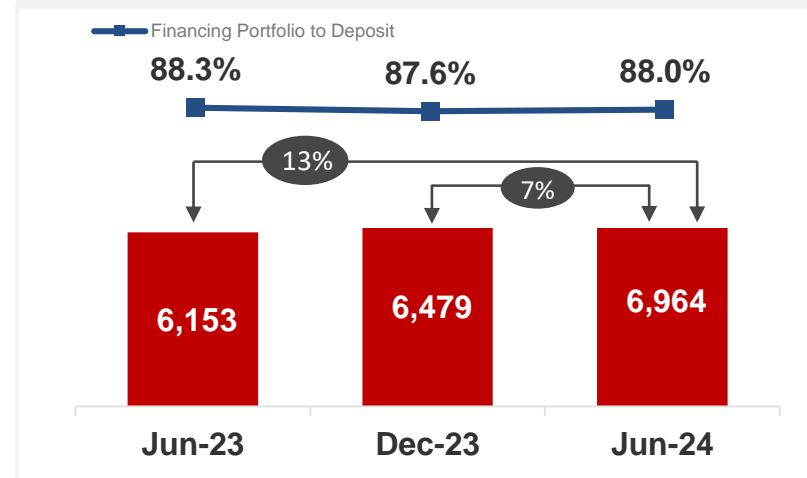
Composition of Assets %



Sources of Funding (KD Million & %)



Customer Deposits (KD Million)

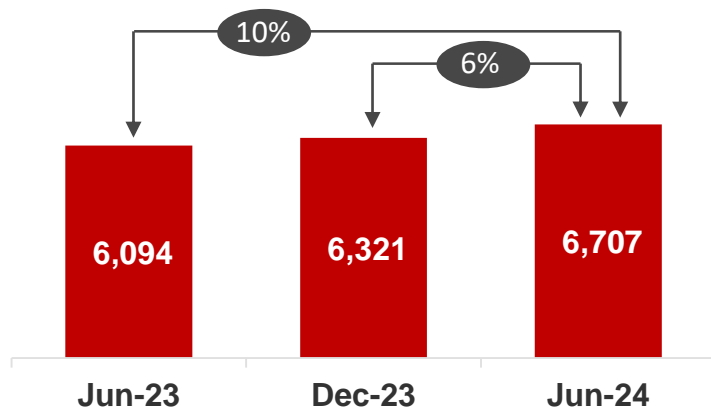


* Liquid assets include cash and balances with banks, Deposits with CBK, Deposits with other banks and Sukuk Investments

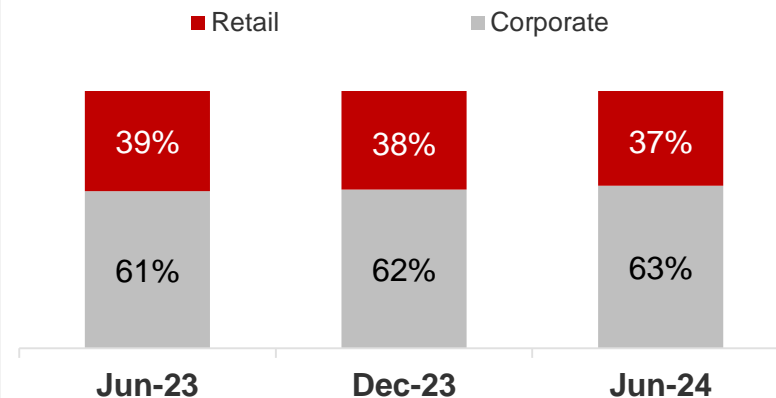
Source: Financial statements, Boubyan analysis

Financing Portfolio & Asset Quality

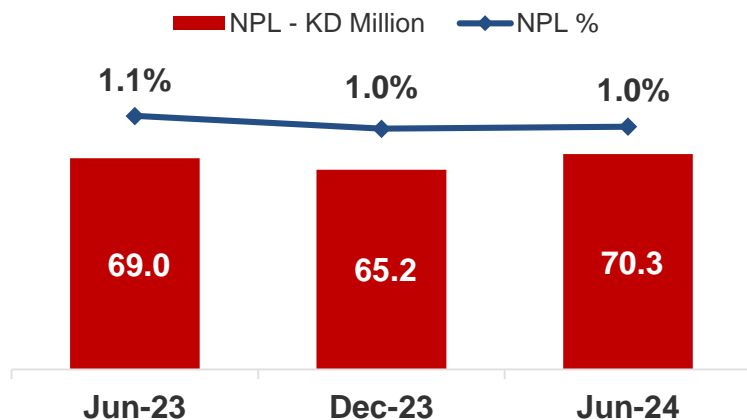
Financing Portfolio – KD Million



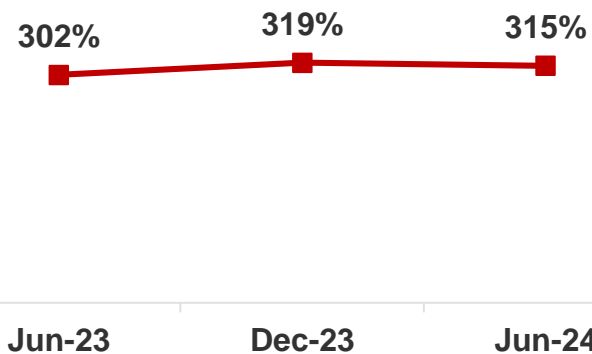
Composition of Financing Portfolio %



Non-Performing Financing Portfolio



Loss Coverage Ratio

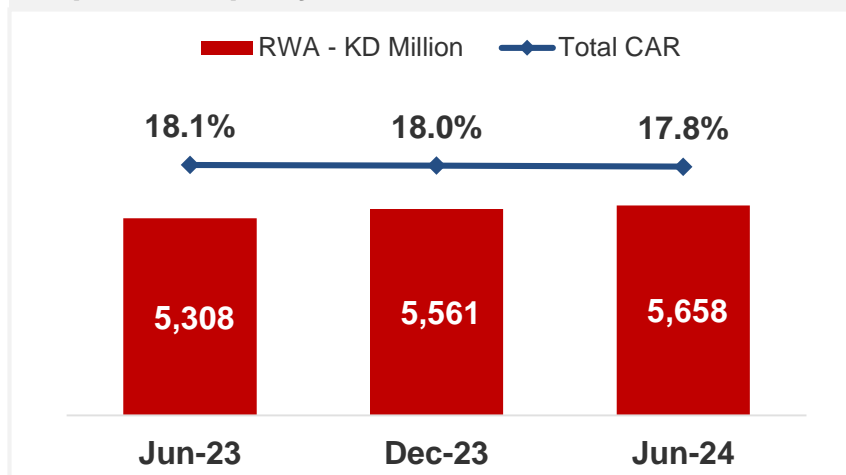


Outline

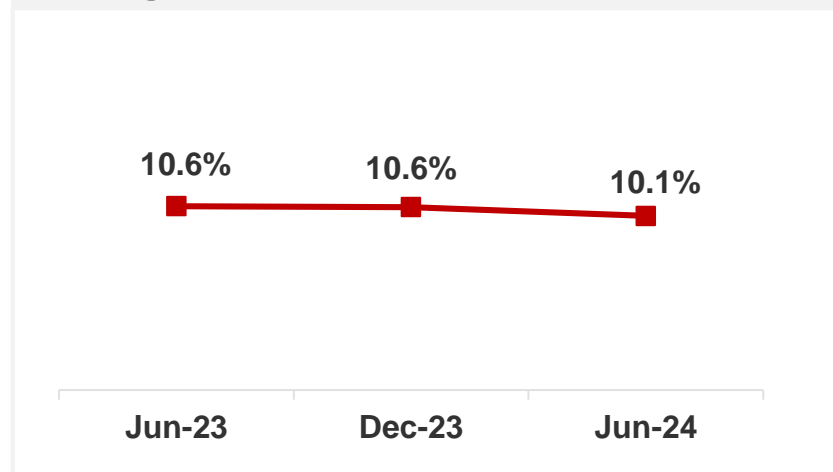
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Capital Adequacy

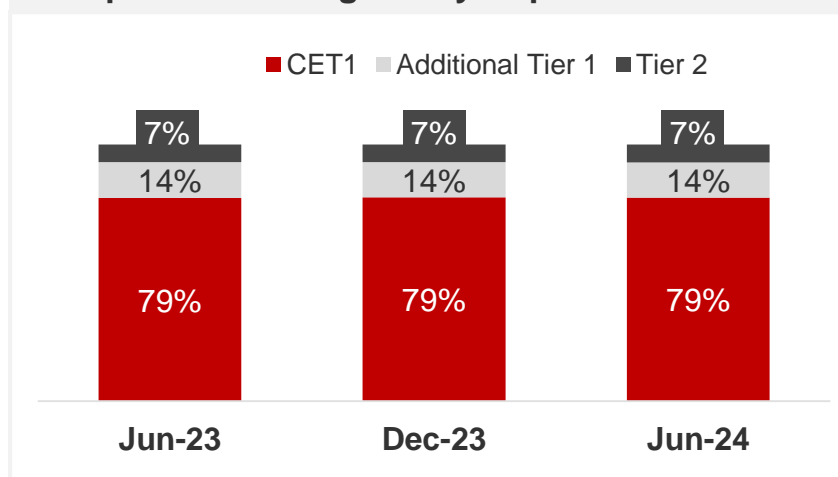
Capital Adequacy Ratio



Leverage Ratio



Composition of Regulatory Capital



Source: Regulatory returns

Questions?

Appendix

Consolidated Financial Statements – Q2 2024

CONSOLIDATED STATEMENT OF INCOME	30-Jun	30-Jun
KD Million	2024	2023
Income		
Islamic financing income	221.3	188.1
Financing cost	(125.8)	(105.4)
Net finance income	95.5	82.7
Net investment income	7.1	7.6
Net fees and commission income	15.2	15.4
Net foreign exchange gain	3.6	2.9
Other Income	0.0	0.6
Operating Income	121.4	109.2
Expenses		
Staff cost	(34.7)	(31.2)
General and administrative expenses	(17.3)	(15.3)
Depreciation	(8.1)	(7.1)
Total Expenses	(60.1)	(53.6)
Profit before provision for impairment	61.4	55.5
Provision for impairment	(10.0)	(16.2)
Profit before taxes	51.3	39.3
Taxes and board remuneration	(2.2)	1.2
Non-Controlling Interests	0.5	0.8
Net Profit for the year	49.6	41.3

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30-Jun	30-Jun
KD Million	2024	2023
Assets		
Cash and balances with banks	496	264
Deposits with Central Bank of Kuwait	187	405
Deposits with other banks	9	60
Islamic financing to customers	6,707	6,094
Investments in Sukuks	1,007	709
Other investment securities	155	162
Investment properties	71	65
Other assets	101	125
Property and Equipment	158	139
Total Assets	8,891	8,024
Liabilities and Equity		
Liabilities		
Due to banks	260	192
Depositors' accounts	6,964	6,153
Medium Term Financing	502	561
Other liabilities	124	127
Total liabilities	7,850	7,032
Equity		
Share capital	420	396
Share premium	317	317
Reserves	70	59
Retained earnings	61	43
Equity attributable to equity holders of the bank	868	815
Perpetual Tier 1 Sukuk	150	150
Non-controlling interest	23	26
Total equity	1,041	992
Total liabilities and equity	8,891	8,024

Consolidated Income Statement

CONSOLIDATED STATEMENT OF INCOME KD Million	31-Dec 2023	31-Dec 2022	31-Dec 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	57.7	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