

Kuwait: 23/06/2021
Ref: 1556/2021

الكويت: 2021/06/23
الإشارة: 2021/1556

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

المحترم السيد / محمد سعود العيصي
الرئيس التنفيذي - شركة 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 Moody's Credit 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 لللائحة التنفيذية لقانون هيئة أسواق المال بشأن الإفصاح عن المعلومات الجوهرية وألية الإعلان عنها، نود الإفادة بأن وكالة موديز 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،،،

عادل عبد الوهاب الماجد
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والرئيس التنفيذي للمجموعة



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Credit Rating Disclosure Form

Appendix # 9

Date	23/06/2021
Name of Listed Company	Boubyan Bank K.S.C.P.
Rating Agency	Moody's Credit Rating Agency
Rating Category	<ol style="list-style-type: none"> 1) Long Term Deposit Rating affirmed as "A3" while the outlook is affirmed as "Stable". 2) Short Term Deposit Rating: P-2. 3) Baseline Credit Assessment: ba1
Rating's Implications	<p><u>Long Term Deposit Rating: "A3"</u> Obligations rated "A3" are subject to low credit risk, thus, considered upper-medium-grade.</p> <p><u>Short Term Deposit Rating: "P-2"</u> Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.</p> <p><u>Baseline Credit Assessment: ba1</u> Issuers characterized by standalone intrinsic financial strength are rated under the "ba", therefore, they would be exposed to primary risks in the absence of extraordinary support from the government or from their groups. No. 1 refers to being ranked in the top category of the rating.</p>
Rating's Impact on the Company's Positions	Continued and growing confidence in the bank and the robustness of its financial standing.
Outlook	Affirmed as "Stable".
Press Release / Executive Summary	<p><u>Executive Summary:</u></p> <p>Boubyan Bank K.S.C.P.'s (Boubyan) A3 long-term deposit ratings and a3 Adjusted Baseline Credit Assessment (Adjusted BCA) incorporate four notches of rating uplift from the bank's BCA of ba1.</p>

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This is based on Moody's assessment of a very high likelihood of affiliate support from its parent bank National Bank of Kuwait S.A.K.P. (NBK, A1 Stable, a3), in case of need.

Moody's assessment is driven by Boubyan's strategic fit and financial importance to its parent and to the domestic financial system.

Boubyan's BCA of ba1 reflects the bank's fast-growing domestic retail and corporate franchises, which support its solid core profitability, solid capitalisation and stable funding.

However, the bank's rapid growth and high concentrations in financings elevate its credit risk profile, moderating these strengths. In addition, the bank is exposed to downside risks from potential political stress, any exacerbated negative implications from the coronavirus outbreak on the local economy and volatility in oil prices.

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