

Kuwait: 20/10/2022

Ref: 3489/2022

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 Third Quarter
of 2022 Analysts' Conference Call**

**العرض التقديمي لمؤتمر المحللين للربع الثالث
لسنة 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 (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 third quarter for the year 2022 held via Live Webcast at 02:00 pm (Local Time) on Thursday, 20 October 2022 , noting that there was no material information disclosed over the call.

نرفق لكم نسخة من العرض التقديمي لمؤتمر المحللين للربع الثالث لسنة 2022 الذي انعقد عن طريق بث مباشر على شبكة الأترنت (Live Webcast) في تمام الساعة 02:00 (وفق التوقيت المحلي) من بعد ظهر يوم الخميس الموافق 20 أكتوبر 2022 ؛ هذا مع العلم بأنه لم يتم الكشف عن أي معلومة جوهرية تخص البنك خلال المؤتمر المذكور.

Best regards,

وتفضلوا بقبول فائق الاحترام ،،،

Abdullah Abdulkareem AlTuwaijri
Chief Executive Officer, Private,
Consumer, & Digital Banking

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Boubyan Bank Investor Presentation

October 2022

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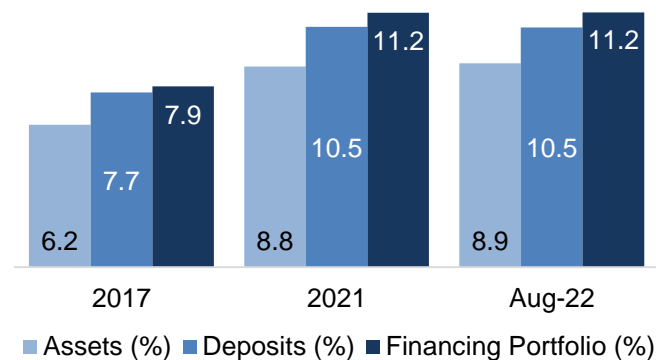
- 1** Boubyan's Performance & Strategy – At a glance
- 2** Income statement analysis
- 3** Balance sheet analysis
- 4** Capitalisation and Leverage

Financial Highlights

Financial snapshot

KD million	9M 2022	9M 2021	Growth %
Net Profit to shareholders	48.6	31.9	52%
Operating Income	153.1	140.9	9%
Operating Profit	79.1	76.2	4%
Total Assets	7,757	7,311	6%
Financing Portfolio	5,814	5,313	9%
Customer Deposits	5,807	5,449	7%
Earnings per share (Fils)	11.8	8.5	39%

Market share (%)



Key Financial Metrics

	9M 2022	9M 2021	Variance
Return on Average Equity (%)	8.7	6.8	2.0
Return on Average Assets (%)	0.9	0.6	0.3
Cost to Income (%)	48.3	45.9	2.4
NPL Ratio (%)	1.0	0.9	0.1
Capital Adequacy Ratio (%)	19.2	16.1	3.1

Credit Ratings

Rating Agency	Long Term Rating	Outlook	Date
MOODY'S	A2	Stable	Apr 2022
STANDARD & POOR'S	A-	Positive	Feb 2022
FitchRatings	A	Stable	Mar 2022

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
-

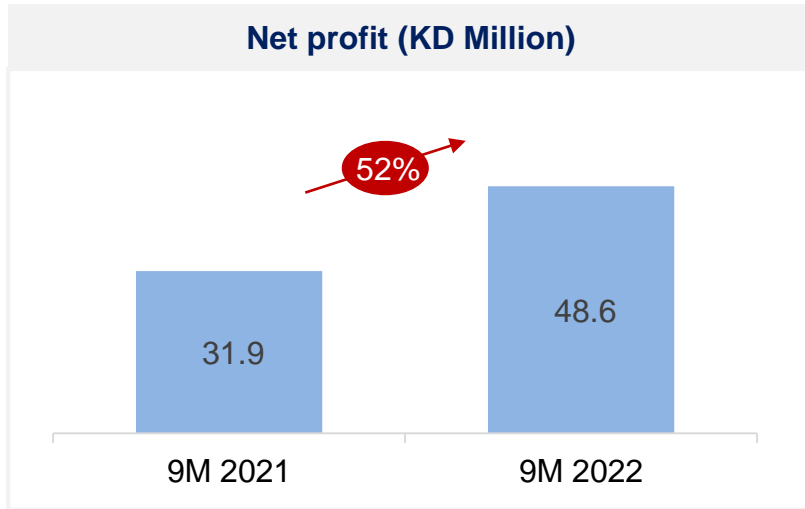
Private Banking / Wealth Management

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

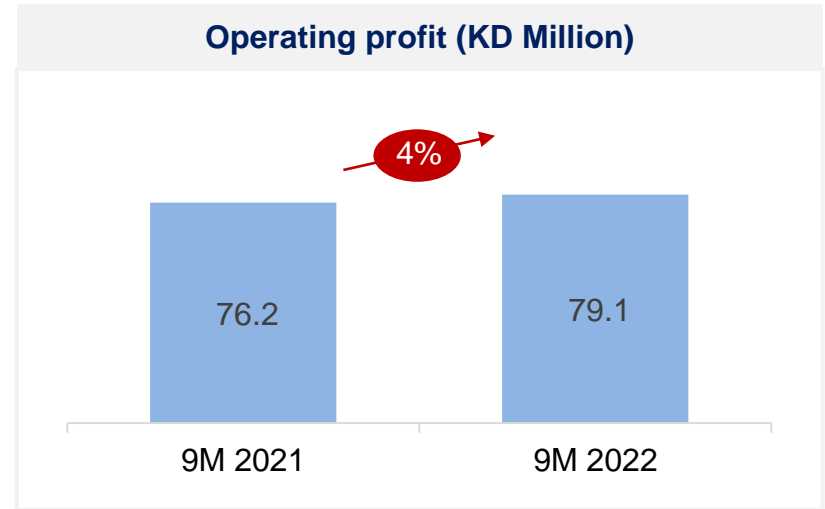
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Profitability and performance ratio

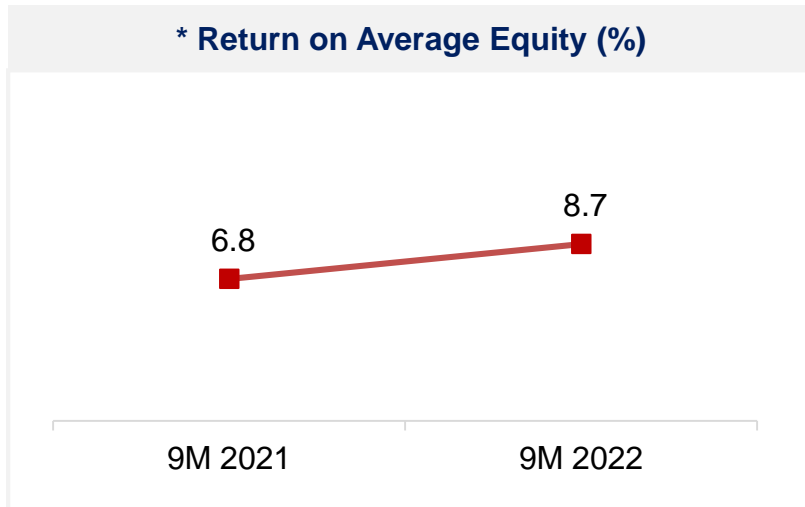
Net profit (KD Million)



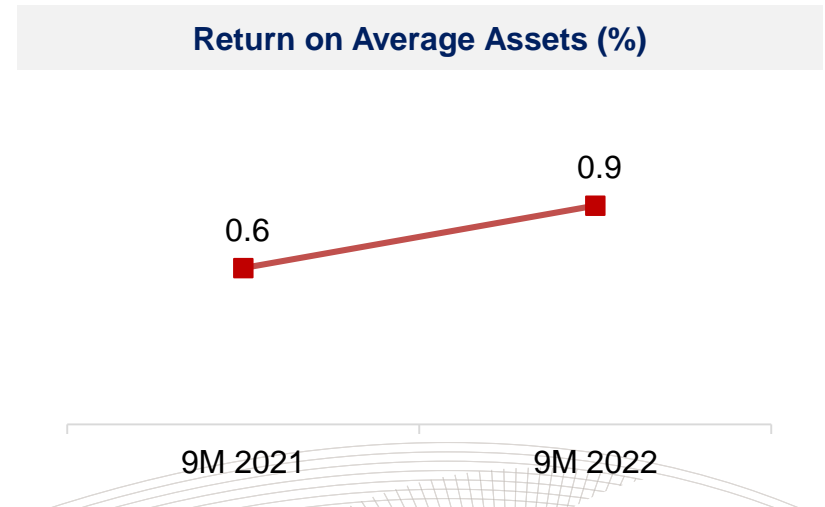
Operating profit (KD Million)



* Return on Average Equity (%)

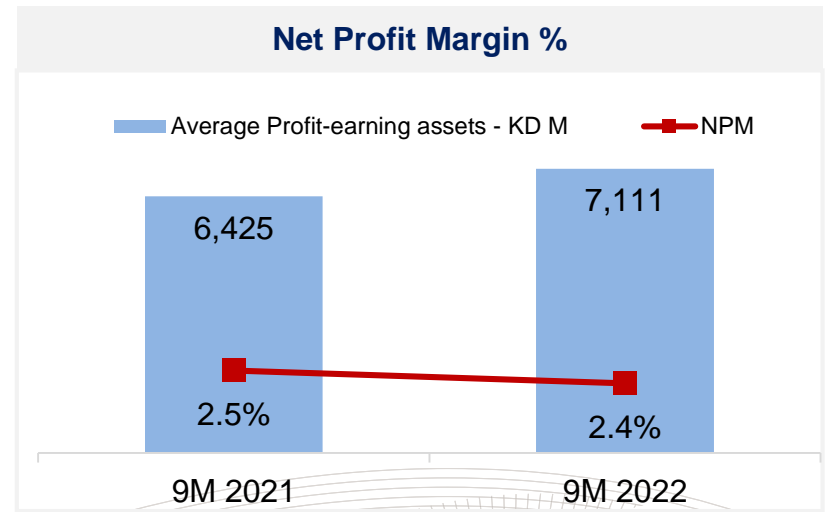
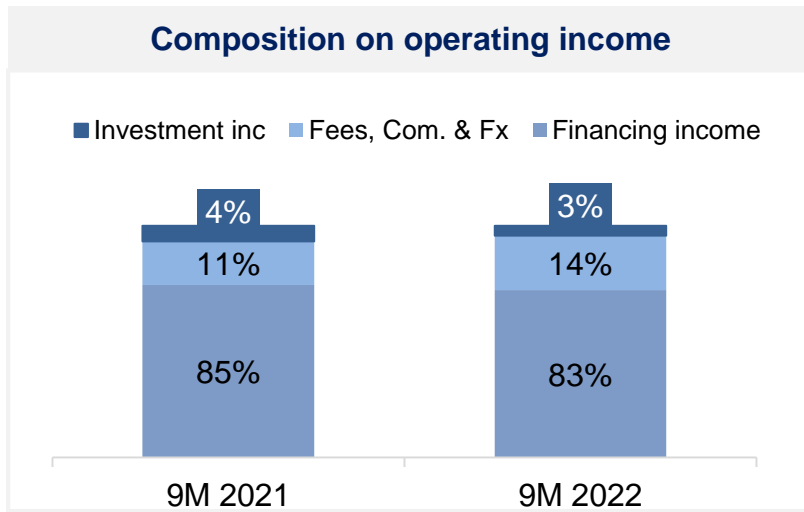
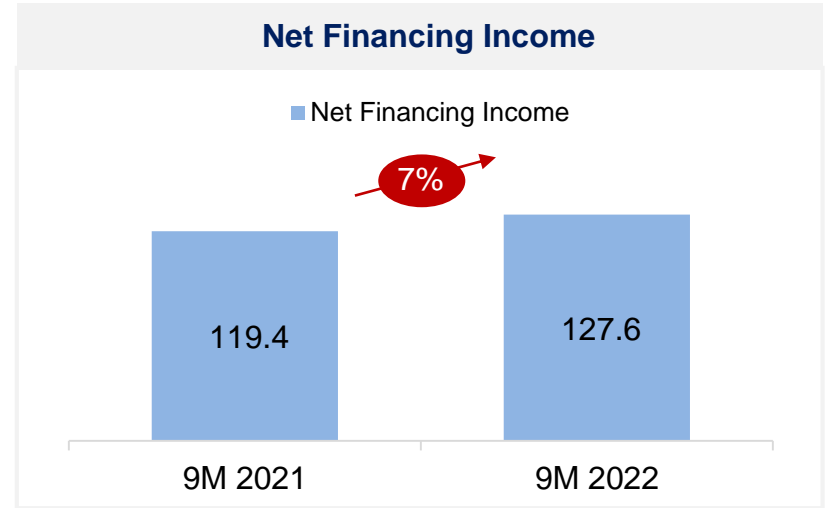
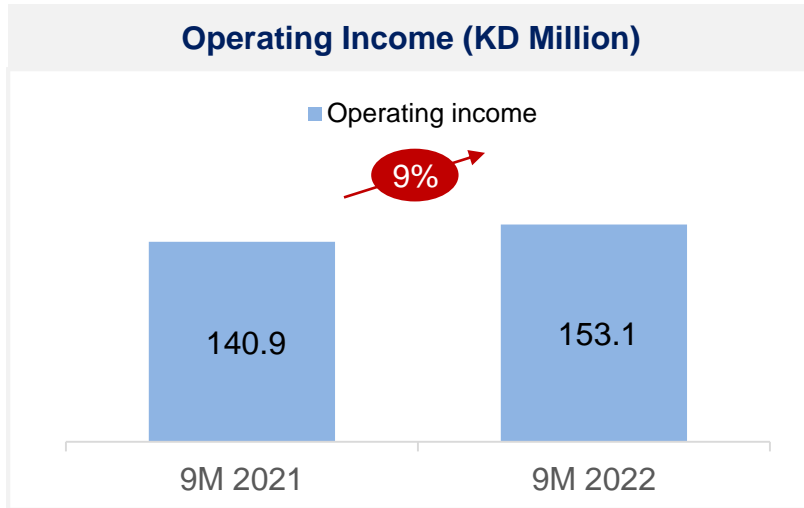


Return on Average Assets (%)

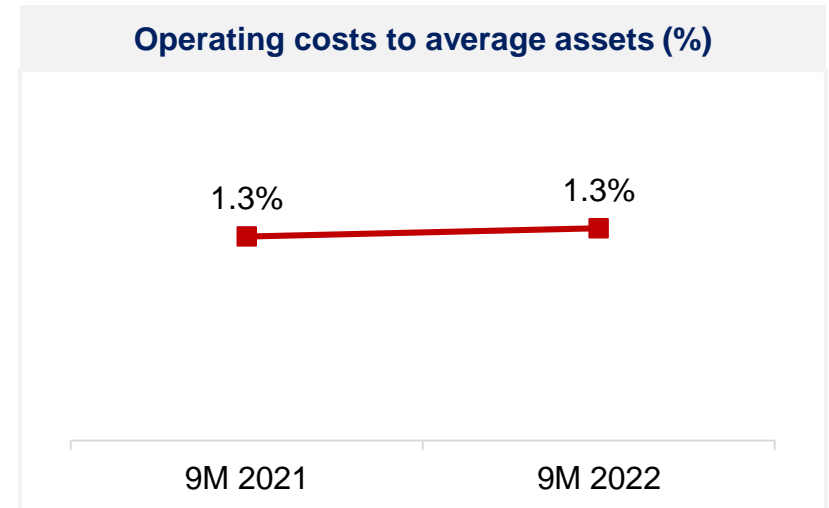
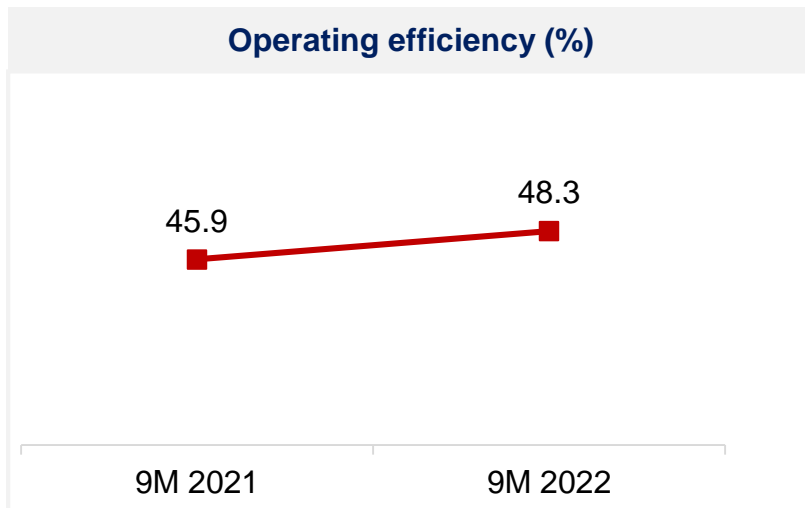
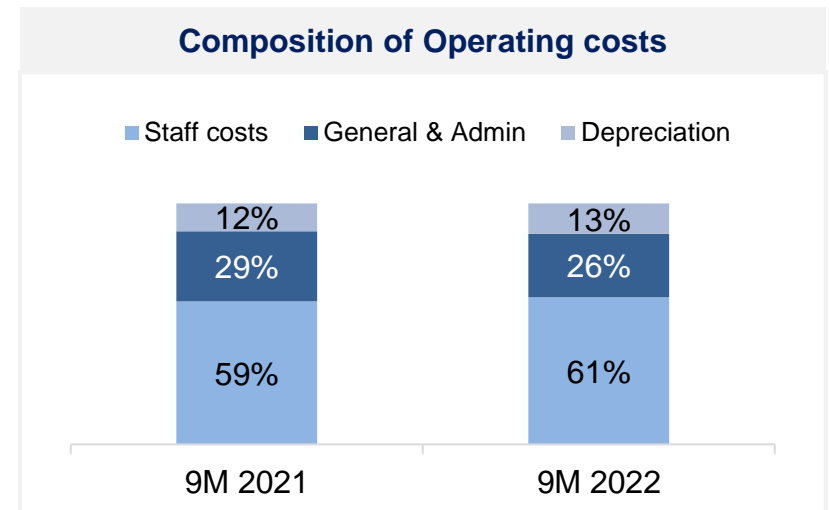
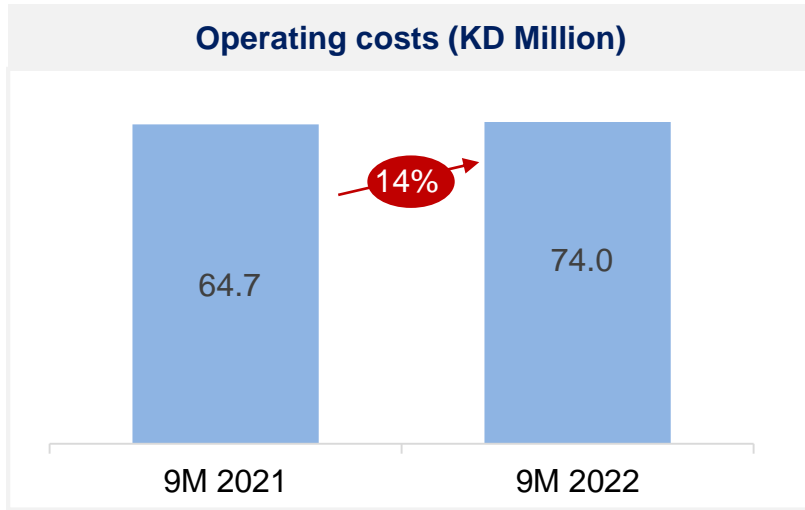


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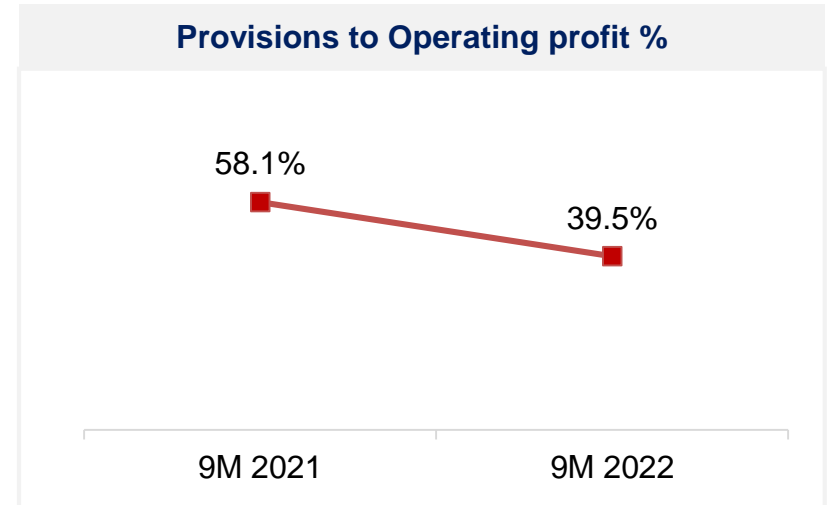
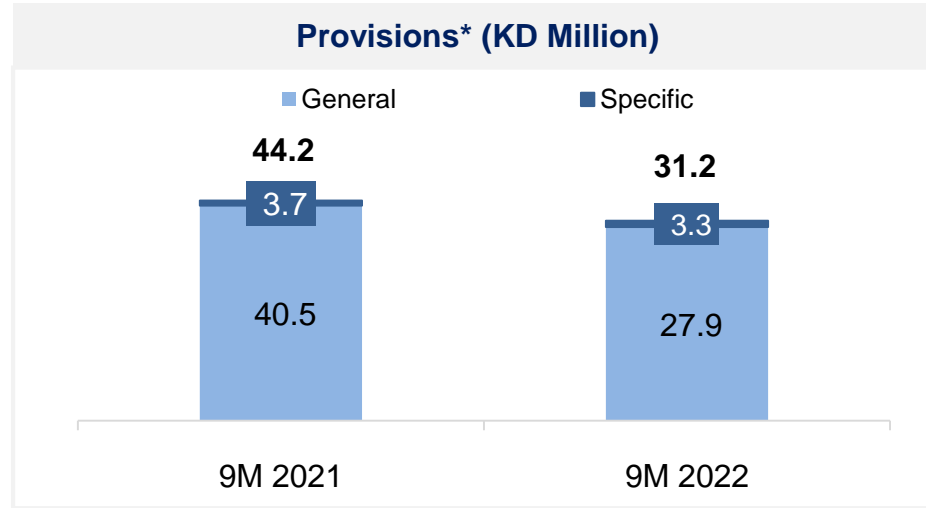
Operating income components and Net Profit Margins



Operating costs and efficiency



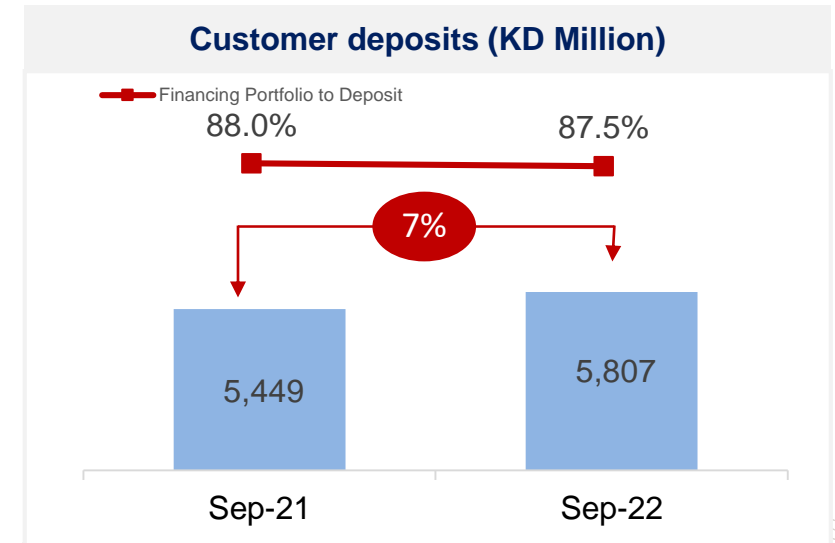
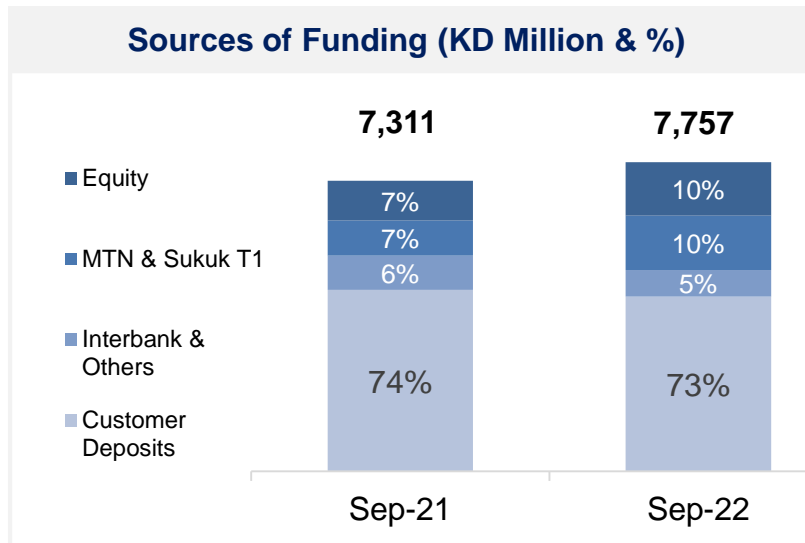
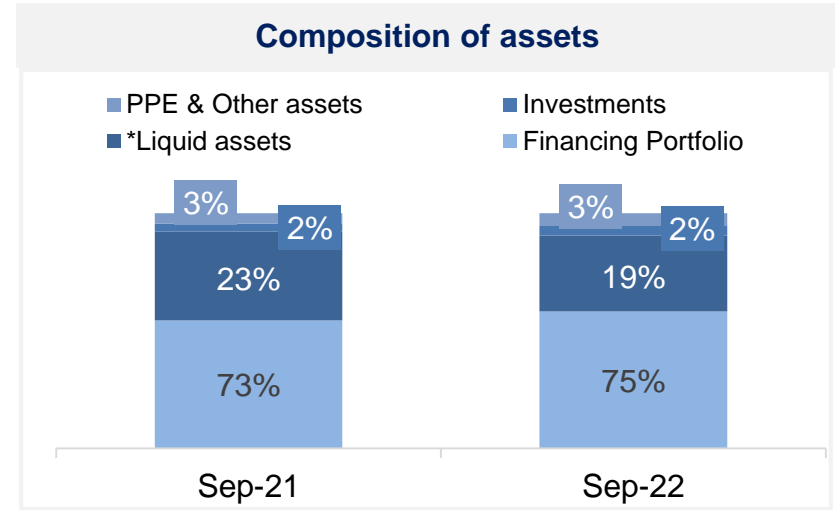
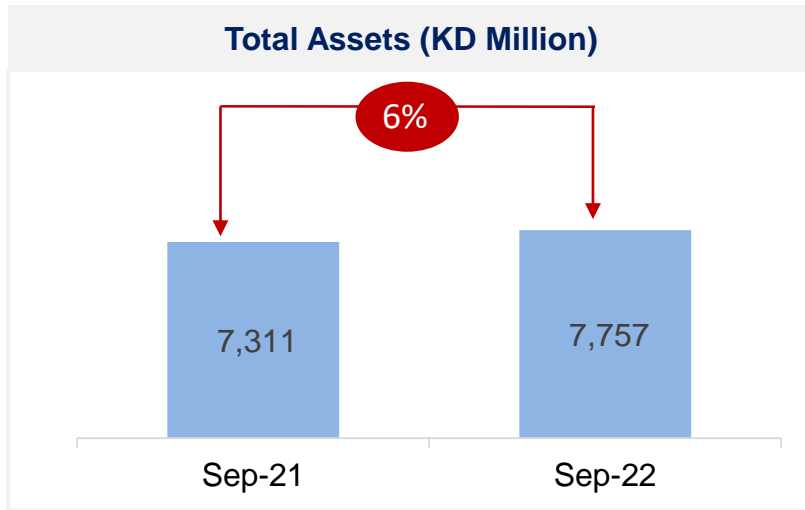
Provisions and related ratios



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

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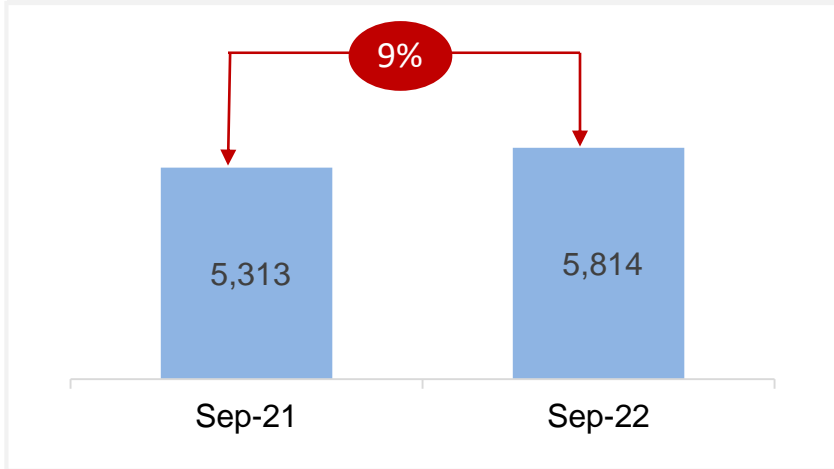
Assets and Sources of Funding



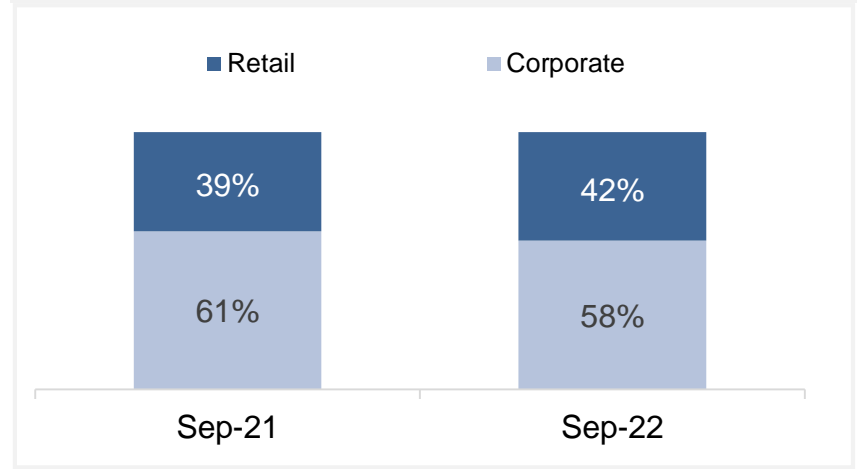
* Liquid assets include cash and balances with banks, Deposits with CBK, Deposits with other banks and Sukuk Investments
Source: Financial statements, Boubyan analysis

Financing Portfolio and asset quality

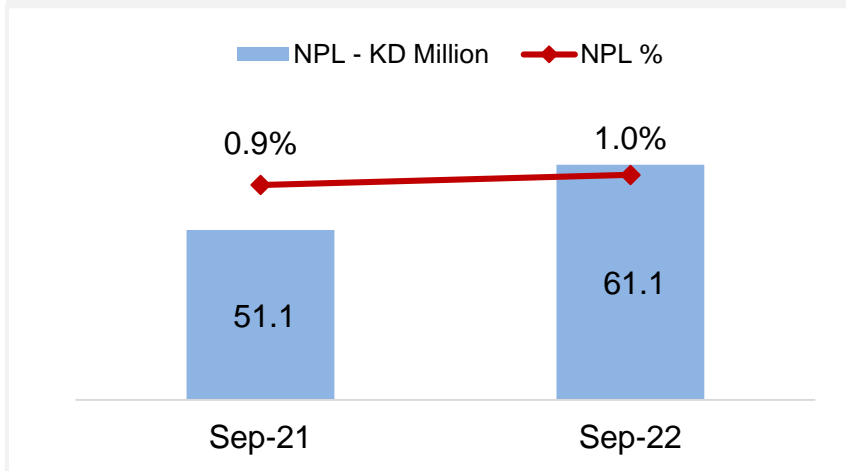
Financing Portfolio – KD Million



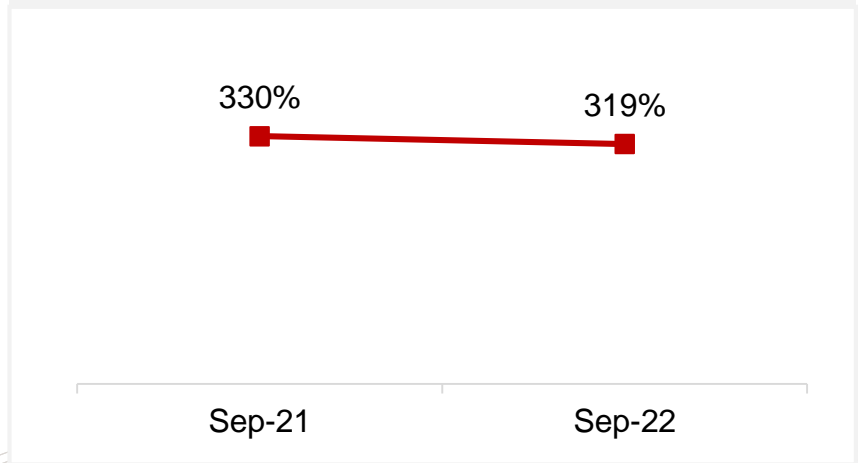
Composition of Financing Portfolio



Non performing Financing Portfolio



Loss Coverage ratio

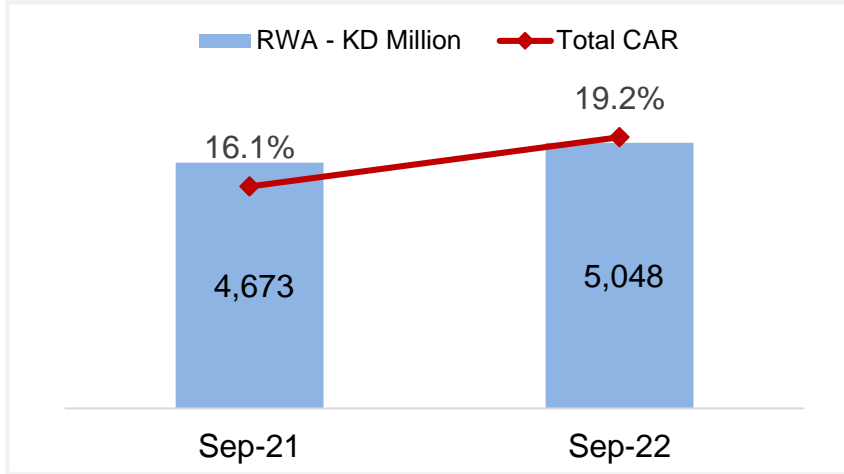


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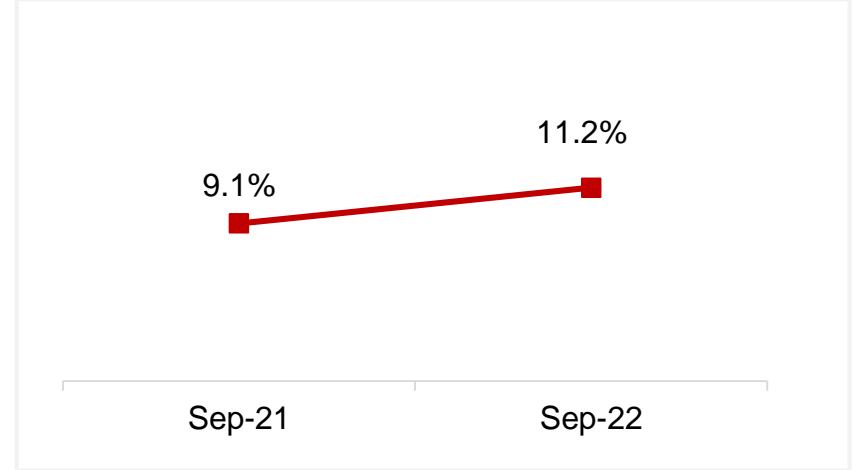
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Capital Adequacy

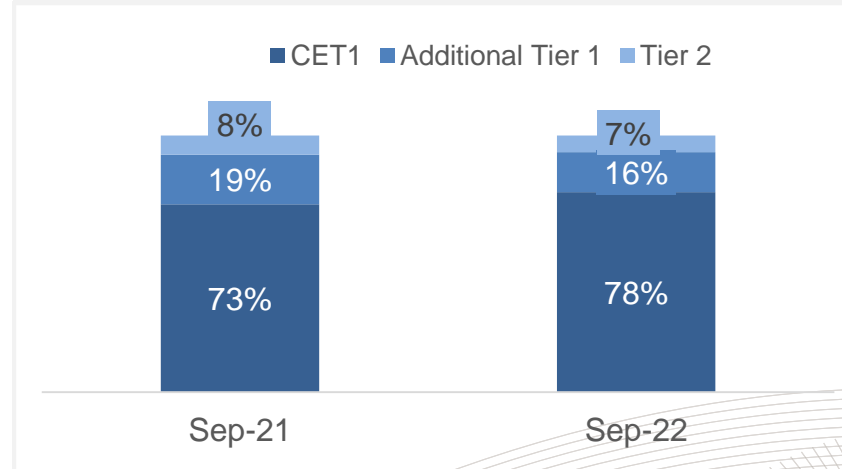
Capital adequacy ratio



Leverage ratio



Composition of regulatory capital



Questions ?

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Appendix

Consolidated Financial Statements – 9M 2022

CONSOLIDATED STATEMENT OF INCOME	30-Sep	30-Sep
KD Million	2022	2021
Income		
Islamic financing income	200.2	167.3
Financing cost	(72.5)	(47.9)
Net finance income	127.6	119.4
Net investment income	3.9	5.7
Net fees and commission income	17.2	12.5
Net foreign exchange gain	4.4	3.3
Operating Income	153.1	140.9
Expenses		
Staff cost	(45.2)	(38.5)
General and administrative expenses	(19.5)	(18.8)
Depreciation	(9.3)	(7.5)
Total Expenses	(74.0)	(64.7)
Profit before provision for impairment	79.1	76.2
Provision for impairment	(31.2)	(44.3)
Profit before taxes	47.8	32.0
Taxes and board remuneration	(2.2)	(0.8)
Non-Controlling Interests	3.0	0.7
Net Profit for the year	48.6	31.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30-Sep	30-Sep
KD Million	2022	2021
Assets		
Cash and balances with banks	321	357
Deposits with Central Bank of Kuwait	397	309
Deposits with other banks	236	465
Islamic financing to customers	5,814	5,313
Investments in Sukuks	547	1
Other investment securities	154	625
Investment properties	31	47
Other assets	137	92
Property and Equipment	120	104
Total Assets	7,757	7,311
Liabilities and Equity		
Liabilities		
Due to banks	225	670
Depositors' accounts	5,807	5,449
Medium Term Financing	645	333
Other liabilities	107	124
Total liabilities	6,784	6,575
Equity		
Share capital	374	318
Share premium	317	157
Treasury shares	-0	-0
Reserves	55	49
Retained earnings	46	27
Equity attributable to equity holders of the bank	793	551
Perpetual Tier 1 Sukuk	150	150
Non-controlling interest	29	34
Total equity	972	736
Total liabilities and equity	7,757	7,311

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

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