

Kuwait: 25/01/2022  
Ref: 2431/2022

الكويت: 2022/01/25  
الإشارة: 2022/2431

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

المحترم السيد / محمد سعود العصيمي  
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 Standard & Poor's Global Ratings Agency has recently reviewed the bank position and issued a report whereby it affirms all of the bank ratings' 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 وآلية الإعلان عنها، نود الإفادة بأن وكالة ستاندرد أند بورز للتصنيف الائتماني قد قامت بمراجعة أوضاع مصرفنا مؤخراً وأصدرت تقريراً تم بموجبه تصنيف لأهم عناصر تصنيفات البنك وذلك وفقاً للملحق رقم (9) الخاص بنموذج الإفصاح عن التصنيف الائتماني.

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

## Credit Rating Disclosure Form

Appendix # 9

<b>Date</b>	25/01/2022
<b>Name of Listed Company</b>	Boubyan Bank K.S.C.P.
<b>Rating Agency</b>	S&P Global Ratings
<b>Rating Category</b>	<ol style="list-style-type: none"> <li>1) Long-term issuer credit ratings affirmed at 'A-/Stable'</li> <li>2) Anchor and SACP affirmed at 'bbb'</li> </ol>
<b>Rating's Implications</b>	<p><b><u>Long Term Issuer Credit Rating: "A-"</u></b></p> <p>An obligor rated 'A' has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories.</p> <p><b><u>Outlook "Stable"</u></b></p> <p>Stable means that a rating is not likely to change over the intermediate term.</p>
<b>Rating's Impact on the Company's Positions</b>	Affirming prior rating, which reinforces confidence in the bank and its robust financial position.
<b>Outlook</b>	Affirmed as "Stable".
<b>Press Release / Executive Summary</b>	<p>Executive Summary:</p> <p>On 24th January 2022, S&amp;P Global affirmed an 'A-' long-term issuer credit ratings to Boubyan Bank K.S.C.P with a stable outlook following a revision to S&amp;Ps criteria for rating bank and non-bank financial institutions.</p> <p>S&amp;P's rationale for the rating noted Boubyan Banks' sound market position as the second largest Islamic bank in Kuwait, with a strong retail market share.</p>

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Boubyan's Real estate and construction exposures approximately one-third of lending are viewed as the main source of risk, offset by Boubyan Banks access to top-tier clients.

Boubyan holds a strong and stable capital base despite earnings headwinds and the banks' Risk adjusted capital (RAC) is expected to hover about 9% in the next 12-24 months. Bouyan's funding profile is considered comparable with other Kuwaiti banks.

The stable outlook on Boubyan reflects its good retail entrenchment and S&P's expectations that Boubyan's business and financial profile will remain resilient to macroeconomic headwinds over the next 12-24 months.

S&P would consider a negative rating action in the next 12-24 months if a pronounced deterioration of the bank's asset quality indicators or eroded capital is observed, with the RAC ratio sliding below 7% for an extended period of time.

A positive rating action in the next 12-24 months would be contingent on either a material strengthening of the bank's capitalization or a sovereign upgrade.

The Anchor and SACP is affirmed at 'bbb'

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