

التاريخ : 29 ابريل 2025
إشارة : FIN-3/6798/2025

To: Boursa Kuwait Company

السادة/ شركة بورصة الكويت المحترمين

Disclosure of the Minutes of Analysts/ Investors' Conference for Q1 2025

إفصاح عن محضر مؤتمر المحللين / المستثمرين للربع الأول من العام 2025

Reference to the above subject, and the provisions of Clause (4) of Article No. (8-4-2) of Boursa Kuwait's regulations issued by virtue of Resolution No. 1 of 2018, as amended, concerning "Continuing Obligations in the Premier Market", and whereas Kuwait International Bank has been classified under the category "Premier Market".

بالإشارة إلى الموضوع أعلاه وأحكام المادة رقم (8-4-2) البند (4) من قواعد بورصة الكويت الصادرة بموجب القرار رقم 1 لسنة 2018 وتعديلاته، والمتعلقة "بالالتزامات المستمرة للسوق الأول"، وحيث أن بنك الكويت الدولي "KIB" قد تم تصنيفه ضمن مجموعة "السوق الأول".

We would like to inform you that KIB's Analysts/ Investors' conference call was conducted through live webcast at 1:00 pm (local time) on Tuesday, 29 April 2025, noting that there was no material information related to the Bank circulated during the mentioned conference.

يرجى الإحاطة بأن مؤتمر المحللين/ المستثمرين للبنك قد انعقد من خلال بث مباشر على شبكة الانترنت (Live Webcast) في تمام الساعة الواحدة (وفق التوقيت المحلي لدولة الكويت) من بعد ظهر يوم الثلاثاء الموافق 29 ابريل 2025، علماً بأنه لم يتم تداول أية معلومات جوهرية تخص البنك خلال المؤتمر المذكور.

Attached is the edited transcript of the conference call, and the Investors presentation for Q1 2025.

مرفق نسخة محررة من محضر المؤتمر الهاتفي والعرض التقديمي للمستثمرين للربع الأول من العام 2025.

Best Regards,

وتفضلوا بقبول فائق الاحترام ،،،



محمد سعيد السقا

نائب الرئيس التنفيذي

Mohamed Said EL Saka
Deputy Chief Executive Officer

Copy to/ Capital Market Authority



نسخة للسادة/ هيئة أسواق المال

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Complaints & Customer Protection Unit - 27 Ahmad Al-Jaber St. - Crystal Tower - 3rd Floor - Kuwait City E-mail: complain@kib.com.kw
أسس بنك الكويت الدولي وتم تصديق رأيه من قبل بنك الكويت الدولي رقم 178 954 730 808
The authorized, issued and fully paid up cash capital of the Bank is KD 78,854,730,808
www.kib.com.kw | 1866866 Kuwait International Bank بنك الكويت الدولي



Edited transcript of KIB's earnings call conducted on Tuesday, 29 April 2025 at 13:00 (Kuwait) and 11:00 (London - UK)

Corporate Participants:

Mr. Mohamed Said EL Saka	Deputy Chief Executive Officer
Mr. Ajai Thomas	General Manager - Financial Control & Planning/ CFO
Mr. Abdullah Alasousi	Deputy General Manager - Financial Control (Head of IR)

Host:

Mr. Ahmad El-Shazly	EFG Hermes
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Ahmad El-Shazly Good morning and good afternoon everyone, thank you for joining with us today.

This is Ahmad from EFG Hermes, I am pleased to welcome you to KIB's first quarter 2025 earnings conference call and webcast.

I have with me here today, Mr. Mohamed Said EL Saka, Dy. CEO, Mr. Ajai Thomas, GM Financial Control and Planning/CFO and Mr. Abdullah Al Asousi, DGM - Financial Control.

I will now turn the call over to Abdullah, without further delay.

Abdullah Al Asousi Thank you, Ahmad, Good morning and good afternoon everyone.

Please allow me to start this call today by reading a brief disclaimer while full disclaimer is available to read on the screens in front of you.

Disclaimer: Statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. Such forward-looking statements are based on KIB's current expectations, predictions and estimates and are not guarantees of future performance, achievements or results.

This presentation contains certain data based on internal management estimates, which may have not been independently verified by a third party.

In addition to the disclaimer I have just read, I request you all to read the full disclaimer text on slide #2 of our presentation.

Allow me to go through the format for today's call:

The Dy. CEO, will brief upon strategy update and first quarter financial performance for 2025 followed by the CFO, who will take you through with the presentation pack for the financial review in detail.

After concluding the presentation, we will address your questions received through webcast platform. As the case may be, we will make every effort to answer the questions received. However, if any questions are left unanswered due to time constraints, or for any follow up questions that you might have, please feel free to contact us through the KIB's Investor relations email address, which you can find on our website or on the presentation pack.

The presentation pack is also available for download from KIB website and will also be published through Boursa Kuwait.

Now, handing over the call to KIB's Dy. CEO, Mr. Mohamed Said EL Saka.

Mohamed Said EL
Saka

Thank you, Abdullah, Good morning and good afternoon, everyone.
Thank you for joining.

I'm pleased to welcome all the participants to our earnings call to elaborate on the financial performance for the first quarter of 2025.

Strategically, we are pursuing a multi-pronged approach to become a profitability leader within the next five years. This involves implementing various initiatives to deepen customer relationships, enhance profitability, and drive sustained growth by expanding our core business activities while exploring new avenues. We remain committed to strengthening investment returns, optimizing spending efficiency, and managing risk effectively. Simultaneously, we are dedicated to developing innovative banking products and services, investing in human capital, and strengthening technological infrastructure to support business operations. Moreover, we embed environmental, social, and governance (ESG) practices into our operations while developing agile and high-performing business models. We are leveraging our digital capabilities to enhance services for retail customers and utilize data intelligence to support business activities. These combined efforts will drive us toward our ambitious growth objectives, expand our offerings across the value chain, and ensure we not only meet but exceed the expectations of our valued customers.

Moving to financial performance for the first quarter results of 2025.

KIB reported impressive financial performance during the first quarter of 2025. KIB reported net profit attributable to shareholders of KD 7.3 million for the first quarter results of 2025 compared to KD 6 million for comparable period of last year, an increase of 21%. This was primarily supported by higher net financing income compared to similar period last year.

Financing income registered a growth of over 8% reaching 16.3 million KD compared to 15.2 million KD in first quarter 2024.

Total assets increased by 430 million KD to reach 3.89 billion KD, a growth of 12% compared to KD 3.46 billion as at 31 March 2024, primarily driven by growth in financing and investment portfolios.

Customer deposits registered double-digit growth of 34% or KD 703 million as at 31 March 2025 to reach 2.78 billion KD compared to KD 2.08 billion on 31 March 2024.

I would like to conclude my short briefing, and hand over to Ajai to take you through our financial results in detail and answer any questions that you may have.

Thank you very much.

Ajai Thomas

Thank you, Mr. Mohamed.

Good morning and good afternoon everyone.

Thank you for joining and welcoming all to our 1Q 2025 earnings webcast.

Fitch Ratings affirmed KIB's long term ratings at 'A' with a stable outlook, during the year. The Stable outlook reflects that on the Kuwaiti sovereign ratings.

Taking you through the presentation.

Slide #5 of the presentation pack provides a snapshot of our strategy updates.

Slide#6 of the presentation pack provides a snapshot of the external ratings' update.

Slides #8 to #12 provides details of the Bank's financial performance during the first quarter 2025.

Coming to slides #8 & 9:

KIB reported net profit of KD 7.3 million attributable to shareholders for the first quarter ended 31 March 2025 compared to KD 6 million for 31 March 2024, an increase of 21%, mainly due higher net financing income.

KIB's core business showed resilience with growth in total assets as at 31 March 2025 compared to 31 March 2024, as can be seen from slide #8.

Financing income grew by 3% to 46 million KD during first quarter of 2025 compared to 44.5 million KD for comparable period of 2024.

Fees and commission income increased by 10% at 4.2 million KD during first quarter of 2025 compared to 3.8 million KD for first quarter of 2024.

Decrease in investment income compared to the previous year was on account of lower dividends from investment securities during current quarter due to timing difference. KIB does not operate an active investment trading book as per its conservative risk appetite.

Operating expenses were higher by 13% at KD 13 million during the period compared to KD 11.5 million reported during first quarter of 2024, mainly due to increase in expenses supporting our digital initiative journey and also the staff costs.

Pre-provision income was KD 8.6 million for first quarter as of 31 March 2025 compared to KD 9.6 million during previous period (1Q 2024) for the reasons just mentioned.

KIB's net provision charge was lower by 71% at KD 2.3 million in first quarter 2025 compared to previous period (1Q 2024).

Coming to slides #10, 11 and 12:

These slides show an overview of the Bank's core business.

KIB reported higher total assets by 12% or 429 million KD as of 31 March 2025 to reach 3.89 billion KD compared to 3.46 billion KD as at 31 March 2024, mainly contributed by higher financing portfolio amounting to 444 million KD and investments securities of 110 million KD.

KIB's customer deposits increased by 34% or KD 703 million as of 31 March 2025 of KD 2.78 billion compared to 2.08 billion KD as of 31 March 2024.

Continuing to Slide #12

KIB maintained adequate levels of Basel III total Capital Adequacy Ratio at 18.62% along with CET-1 ratio of 11.33%. All ratios were well above required regulatory limits as at 31 March 2025.

NSFR was 110.10% and LCR stood at 187.30% as of 31 March 2025, well above regulatory requirements of 100% each.

Slide #16 summarizes expectations for 1Q 2025.

Thank you. Handing it back to Abdullah for the Q&A session.

Abdullah Al Asousi Thank you Ajai. We will now start taking questions, after a few minutes pause so as to receive most of your questions.

Operator Ladies and gentlemen, we will now start our question and answer session. If you wish to ask a question, please type your question into the "ask a question text" area then click the submit button. Thank you for holding.

Abdullah Al Asousi We have a question on the impressive financial performance. Please elaborate on the major growth in bottom-line along with projections for year-end.

Ajai Thomas Net financing income for the period improved by almost 3% compared to the corresponding previous period and also lower provisions charge supported this impressive growth in net profit during the first quarter from KD 44.5 million in 2024 to KD 46 million in 2025. The operating income before provisions improved by 2% during the current period. In addition, operational expenses were contained. We expect to continue the improved performance for the rest of 2025.

Abdullah Al Asousi We have questions on the Bank's NIMs. Also, please elaborate on financing growth projections.

Ajai Thomas The current rate environment is favorable from the Bank's NIM perspective, similar to other Islamic banks.

With regard to the financing portfolio growth, we registered strong performance during the current quarter and with the strong pipeline for the rest of 2025, we expect to record robust landing by year-end.

Abdullah Al Asousi Please elaborate on the operational results for the current period.

Ajai Thomas Total operating income before provisions improved by 2% during first quarter 2025 compared to the corresponding period of 2024. The growth in topline and net financing income was also supported by an increase of 10% fees & commission which grew from KD 3.8 million to KD 4.2 million. Accordingly, total operating income before provisions improved from KD 21.1 million to KD 21.6 million.

Abdullah Al Asousi Last question. Can you elaborate on customer deposits growth in 1Q'2025?

Ajai Thomas We were able to register a 34% growth in customer deposits, also on the liability side we achieved a healthy mix in terms of source of funding through AT2 sukuk issued in November 2020 and AT1 sukuk issued in 2024.

Abdullah Al Asousi Thank you all. We are nearing the close of our scheduled time for the call.

Please feel free to get in touch with us at the investor relations contact provided at the end of the presentation, and we will respond to your inquiries.

Any final words, Mr. Mohamed?

Mohamed Said EL Saka On behalf of KIB, I would like to thank all the participants and look forward to discuss our next quarter results. I thank all of you for joining KIB's earnings call.

Operator This concludes today's conference call.

Thank you for your participation. You may now disconnect.



INVESTOR PRESENTATION

1Q 2025 EARNINGS CALL

TUESDAY

01:00 KST 29 APRIL 2025

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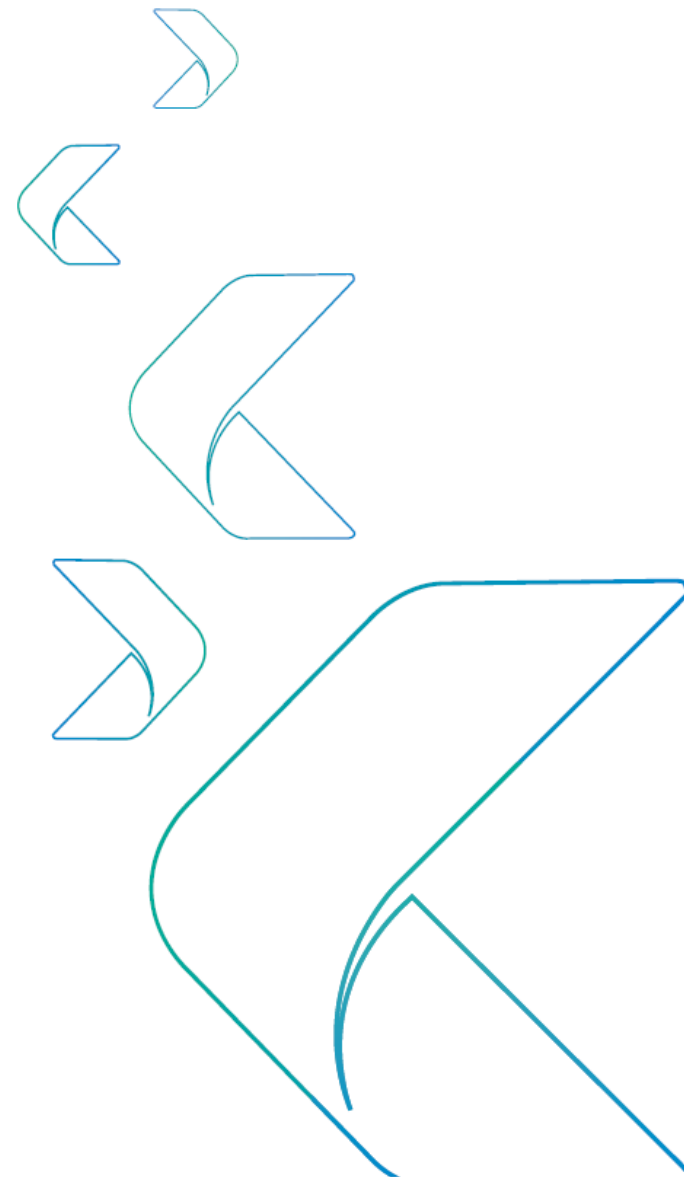
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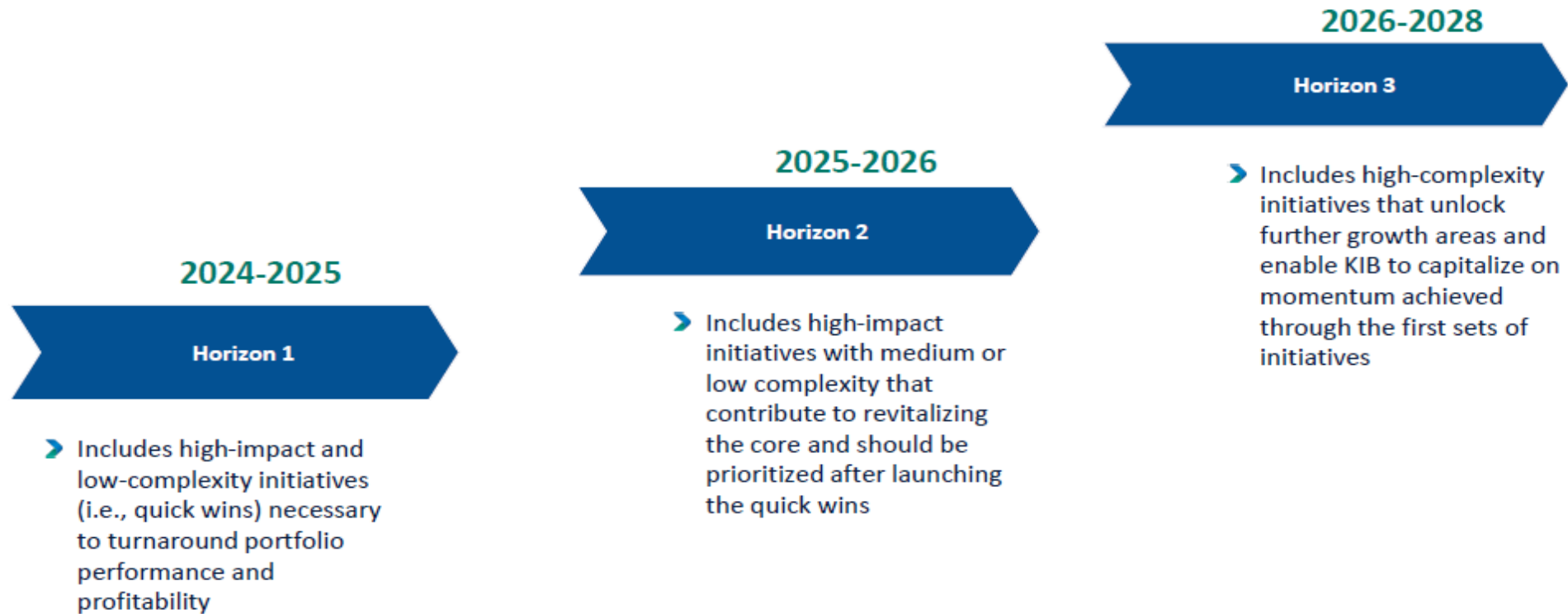


STRATEGY UPDATE

Strategy 2024 - 2028

The bank's strategy through 2028 will be delivered through two streams:

- 1) Revitalizing the core to deliver profitability
- 2) Expand into new growth avenues



EXTERNAL RATINGS & RECOGNITIONS

FitchRatings

Fitch Affirmed KIB Ratings at 'A'; Outlook Stable

Long-Term IDR : A
Long-Term IDR (xgs) : BB-
Short-Term IDR : F1
Short-Term IDR (xgs) : B
Viability Rating : bb-
Government Support Rating : a

KIB Sukuk Ltd – Rating Affirmed

19 February 2025

Awards



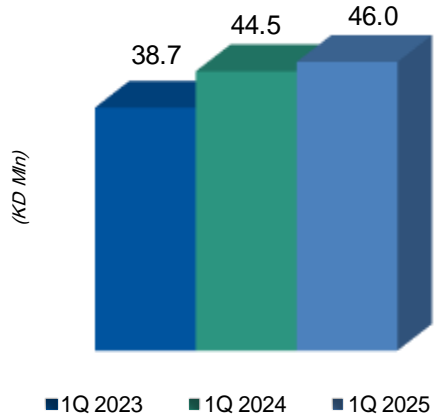
Best Sharia-Compliant Bank in MENA 2024

Financial Performance

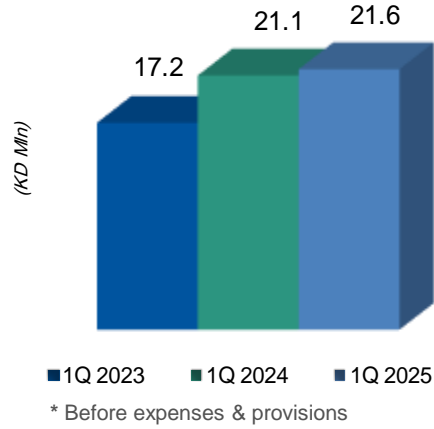
Period ended 31 st March 2025			
	1Q 2025	1Q 2024	%
Net Profit attributable to shareholders 'KD Million'	7.30	6.03	21%
Earnings Per Share 'Fils'	4.40	3.64	21%
Financing Income 'KD Million'	46.00	44.51	3%
Operating Income 'KD Million'	21.61	21.10	2%
Total Assets 'KD Billion'	3.89	3.46	12%
Financing Receivables 'KD Billion'	2.88	2.44	18%
Customer Deposits 'KD Billion'	2.78	2.08	34%

3Y - Income/ Profitability Trend

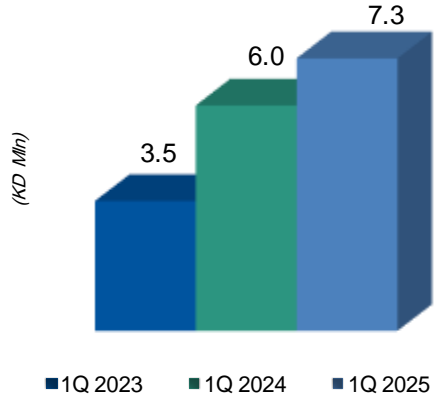
FINANCING INCOME



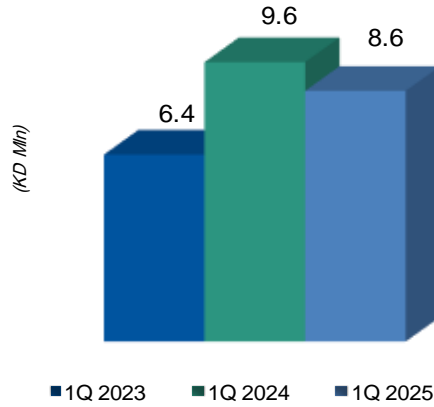
OPERATING INCOME *



NET PROFIT
(ATTRIBUTABLE TO SHAREHOLDERS)

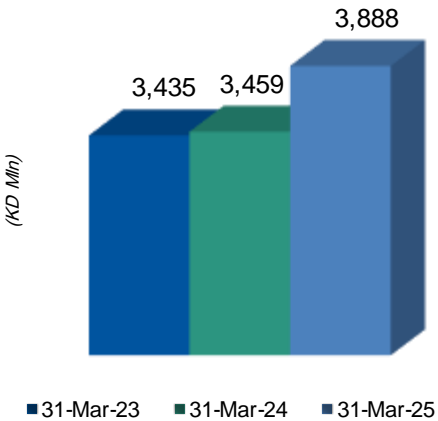


OPERATING PROFIT
(BEFORE PROVISIONS/ IMPAIRMENT)

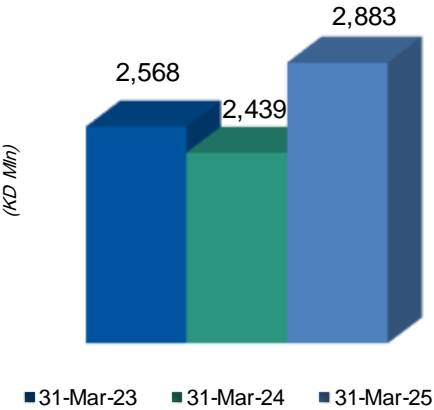


3Y - Key Balance Sheet Parameters

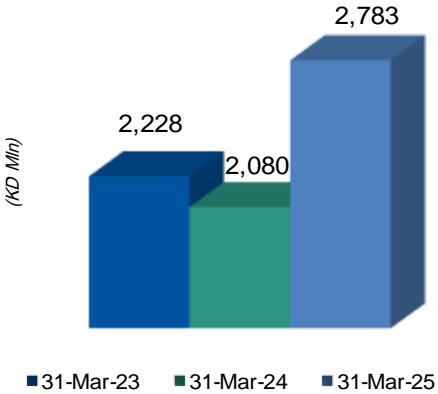
TOTAL ASSETS



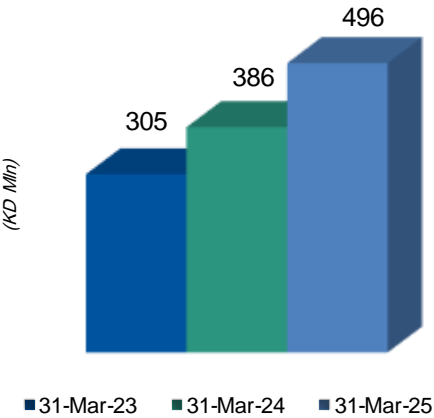
FINANCING RECEIVABLES



CUSTOMER DEPOSITS

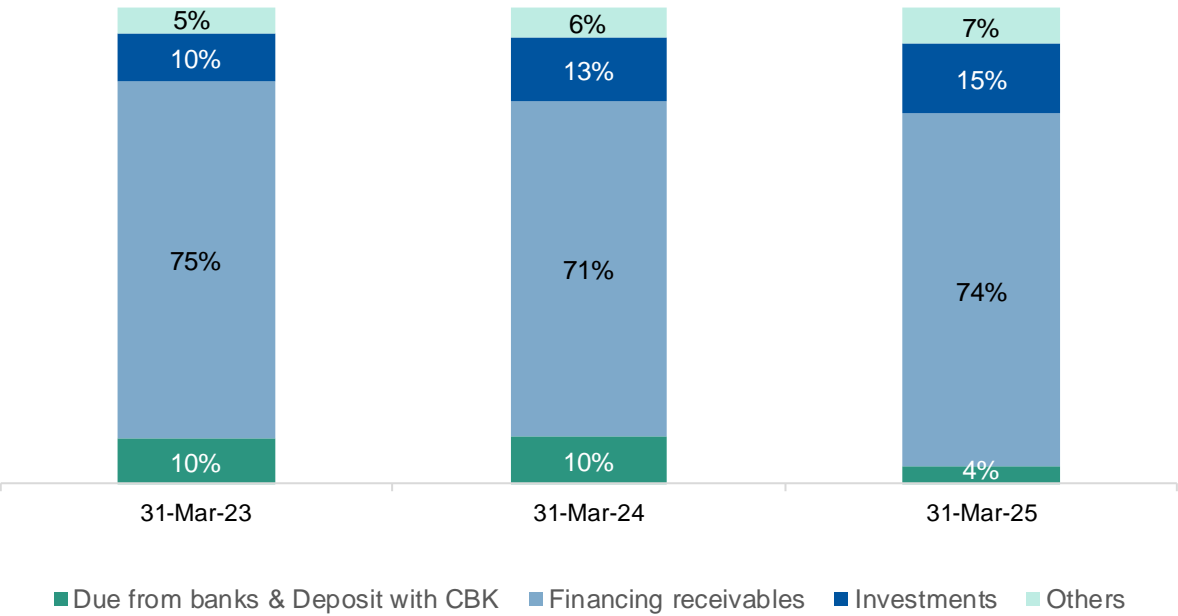


INVESTMENT SECURITIES

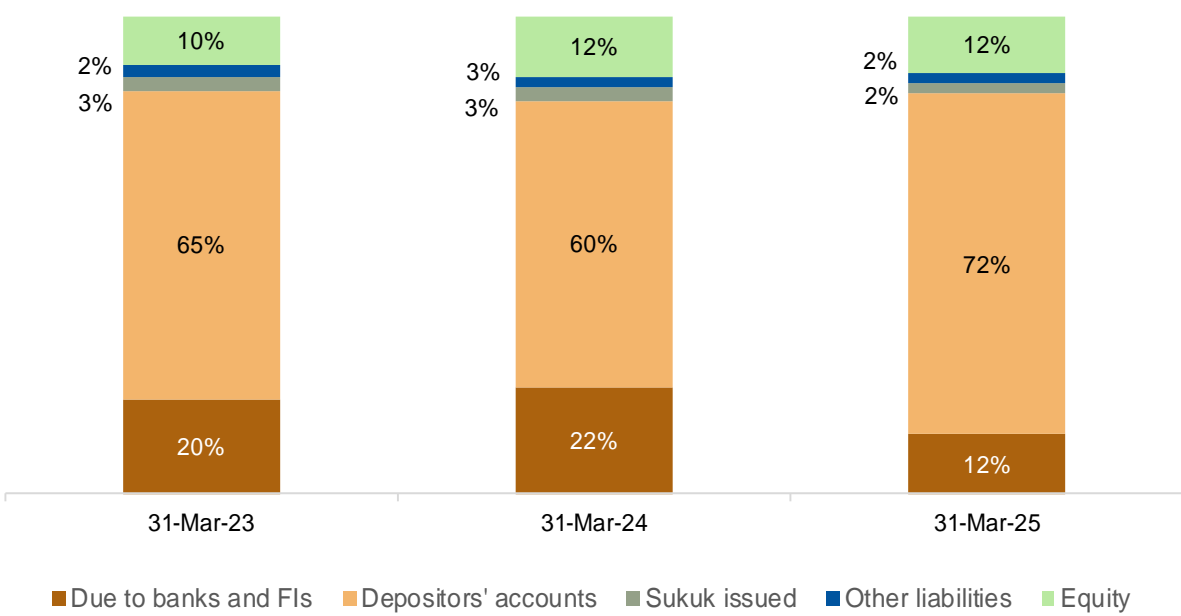


3Y - Asset Liability Mix

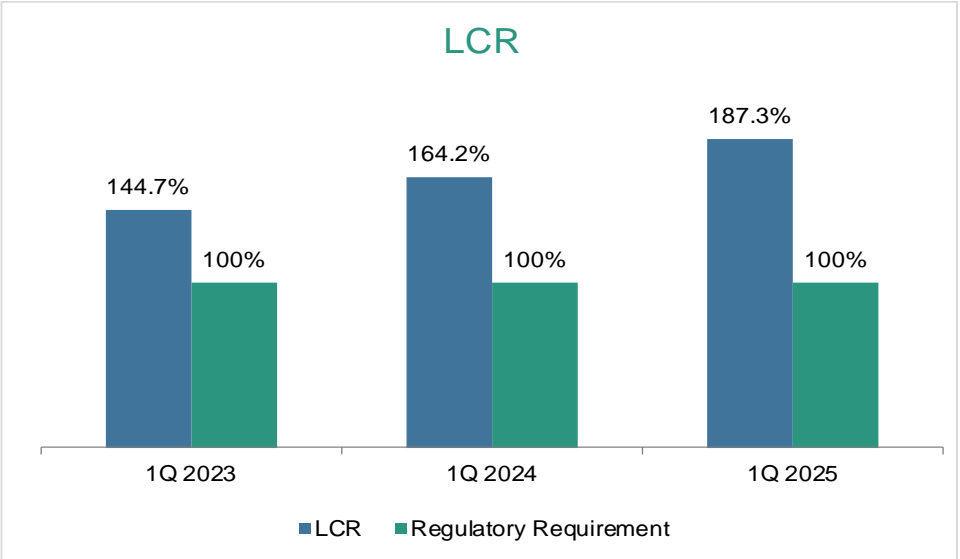
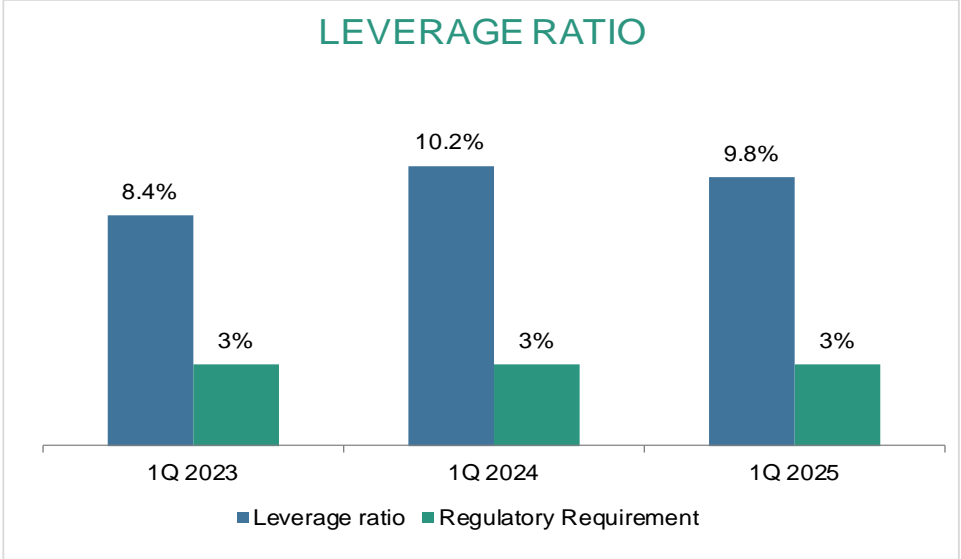
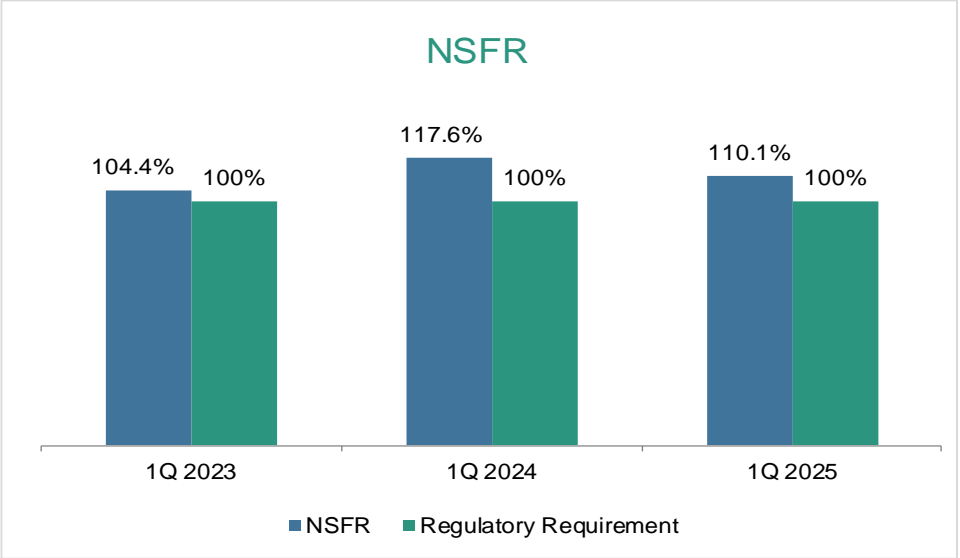
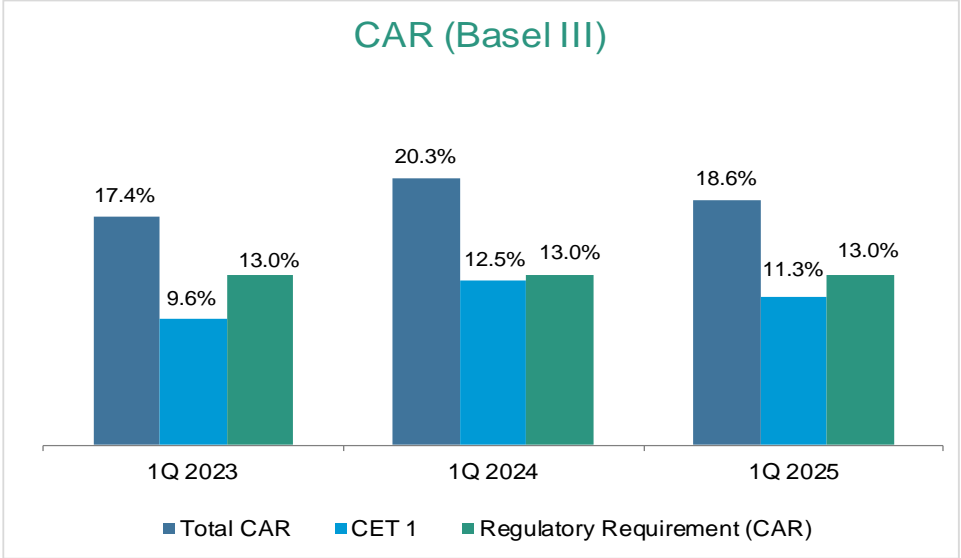
ASSET MIX



LIABILITY MIX

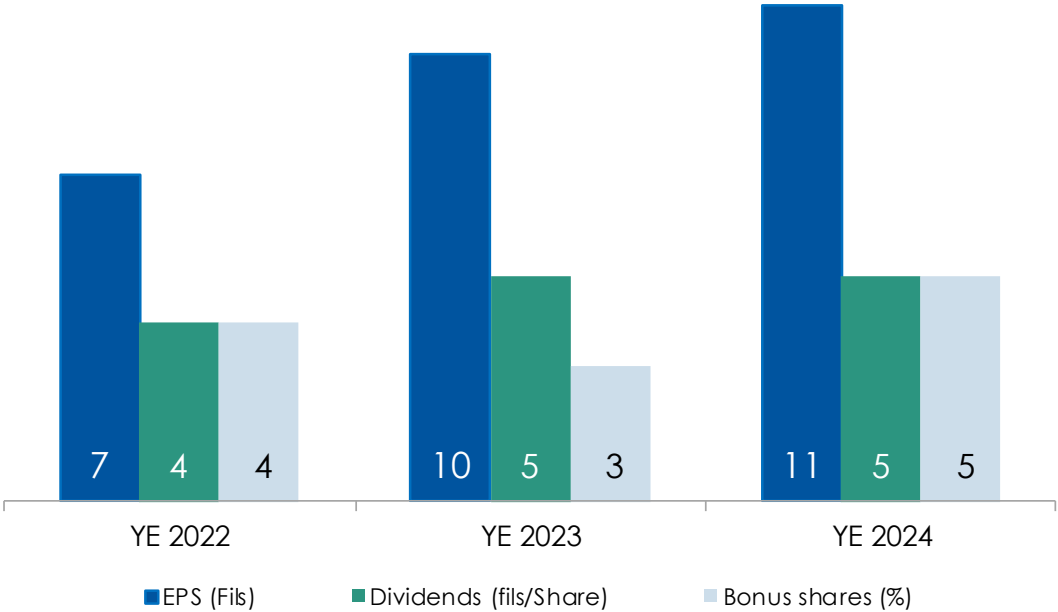


3Y - Capital/ Liquidity Ratios



Dividends

Dividends



Approved by shareholders during Annual General Assembly meeting on 20 March 2025

YE 2024 :5% Cash Dividend (5 Fils per shares) & 5% Bonus shares (5 shares for every 100 shares).
Cash and bonus shares are distributed to the entitled shareholders on 23 April 2025.

2025 EXPECTATIONS

YE 2025 Expectations

- ✓ Improved capital/ regulatory ratios
- ✓ Enhanced asset quality and sustain growth in financing portfolio in line with strategy
- ✓ Improved profitability
- ✓ Operating expenses expected to be in line with industry/market trends
- ✓ Growth in depositors account in line with strategy



? Q&A



CONTACT FOR FURTHER INFORMATION
Investor-relations@kib.com.kw

Annexures



KIB AT A GLANCE

SNAPSHOT

BACKGROUND	<ul style="list-style-type: none"> In business since 1973, KIB is a publically-traded Kuwaiti bank that in 2007 adapted all its operations and processes to fully comply with Islamic Sharia'.
AWARDS	<ul style="list-style-type: none"> Best Sharia-Compliant Bank in MENA – 2024 (CFI.co) Best Retail Banking Product – Year 2024 (World Finance)
OWNERSHIP	<ul style="list-style-type: none"> Listed on the Bursa Kuwait since 1984, Bukhamseen Group Holding & its affiliates hold 37.38% shares of KIB. Govt. of Kuwait holds around 6.41% through PIFSS as of 31st March 2025. KIB's market capitalization at 31st March 2025 was KD 385 million.
OPERATIONS	<ul style="list-style-type: none"> KIB's business covers all Sharia compliant banking services including acceptance of deposits, financing, investments, murabaha (auto, real estate and commodities), ijara muntahia Bittamleek (lease-to-own), Istisna'a, Tawarruq, credit cards, Wakala, and other products in addition to corporate and project finance, treasury services, issuing letters of credit and letters of guarantee. Material Subsidiaries : Al Dawli Takaful Insurance Co ("KIB Takaful") and KIB Invest Investment Co ("KIB Invest")
RATINGS	<ul style="list-style-type: none"> Long- Term IDR "A" with "Stable Outlook"



19th February 2025

SUMMARY

KD million	1Q 2025	1Q 2024
Total Assets	3,888	3,459
Financing Receivables	2,883	2,439
Customer Deposits	2,783	2,080
Total Equity	448	428
Operating income	22	21
Net Operating profit after provisions	8	6
Net Profit attributable to shareholders	7	6
Net Financing Margin (%)	1.9%	1.9%
Net Profit Margin (%)	0.8%	0.8%
NPL Ratio (%)	1.96%	1.83%
Total Coverage Ratio*	237.7%	238.8%
Return on Average Assets (%)	0.8%	0.7%
Return on Average Equity (%)	8.4%	7.2%
Tier 1 Ratio (%)	14.38%	15.54%
CET 1 Ratio (%)	11.33%	12.50%
CAR (%)	18.62%	20.28%

* Total coverage ratio includes collateral.

Consolidated Income Statement & Balance Sheet

Income Statement Consolidated (1Q'25 & '24)

STATEMENT OF PROFIT OR LOSS (UNAUDITED)		
KWD 000's	1Q 2025	1Q 2024
Financing income	45,997	44,508
Finance costs and distribution to depositors	(29,649)	(29,342)
NET FINANCING INCOME	16,348	15,166
Fees and commission income	4,169	3,779
Net gain from foreign exchange	455	390
Investment income	450	1,602
Other income	192	164
TOTAL OPERATING INCOME	21,614	21,101
Staff costs	(7,714)	(6,017)
General and administrative expenses	(4,050)	(3,645)
Depreciation	(1,217)	(1,817)
TOTAL OPERATING EXPENSES	(12,981)	(11,479)
Profit from operations before provisions and impairment	8,633	9,622
Provisions and impairment	(914)	(3,207)
PROFIT FROM OPERATIONS	7,719	6,415
Taxes	(345)	(265)
PROFIT FOR THE PERIOD	7,374	6,150
Attributable to:		
Shareholders of the Bank	7,295	6,033
Non-controlling interests	79	117

Balance Sheet Consolidated (As at 31 March'25 & '24)

STATEMENT OF FINANCIAL POSITION (UNAUDITED)		
KWD 000's	31-Mar-25	31-Mar-24
Cash and balances with banks	182,144	143,411
Deposits with Central Bank of Kuwait	53,350	183,758
Due from banks	87,021	163,001
Financing receivables	2,883,101	2,439,161
Investment securities	495,824	386,018
Investment in an associate	1,905	1,845
Investment properties	78,513	63,235
Other assets	61,836	35,698
Property and equipment	44,248	42,980
TOTAL ASSETS	3,887,942	3,459,107
Due to banks	111,018	212,230
Due to financial institutions	369,009	565,395
Depositors' accounts	2,783,115	2,079,861
Sukuk issued (AT2)	92,296	91,956
Other liabilities	84,366	81,775
TOTAL LIABILITIES	3,439,804	3,031,217
Share capital	170,338	165,377
Share premium	66,623	66,623
Treasury shares	(45,161)	(45,161)
Statutory reserve	46,222	43,374
Other reserves	113,424	102,981
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK	351,446	333,194
Perpetual Tier 1 Sukuk	92,400	91,035
Non-controlling interests	4,292	3,661
TOTAL EQUITY	448,138	427,890
TOTAL LIABILITIES AND EQUITY	3,887,942	3,459,107

Thank you