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إشارتنا: 2022/106

M/s Bursa Kuwait

السادة / شركة بورصة الكويت المحترمين،،،

Dear Sirs

تحية طيبة وبعد،،،

**Sub: Financial Analyst Conference for the
Financial Year 2021**

الموضوع: مؤتمر المحللين الماليين للسنة المالية 2021

Reference is made to the above subject and in compliance with CMA's resolution number 40/2018 and the provisions of clause (4) of article (2-4-8) of Boursa Rule Book; we would like to inform you that Burgan Bank held the Financial Analyst Conference via phone at 2:00 pm, Thursday, corresponding to 10/02/2022.

بالإشارة إلى الموضوع أعلاه، والتزاماً بقرار هيئة أسواق المال رقم 40/2018 وبأحكام البند (4) من المادة (2-4-8) من كتاب قواعد البورصة، نود إحاطتكم علماً بأن بنك برقان قد عقد مؤتمر المحللين الماليين عبر الهاتف في تمام الساعة الثانية من بعد ظهر يوم الخميس، الموافق 2022/02/10.

We hereby confirm that no significant information was discussed during the Conference Call.

علماً بأنه لم يتم تداول اية معلومات جوهرية خلال المؤتمر.

In the meantime, we hereby enclose the presentation for investors for the Financial Year 2021.

هذا، ونرفق لكم طيه العرض التقديمي للمستثمرين للسنة المالية 2021.

Best regards,

وتفضلوا بقبول فائق الاحترام،،،




خالد فهد الزومان

Khalid Fahad Al-Zouman
رئيس المدراء الماليين للمجموعة
Group Chief Financial Officer

BURGAN BANK GROUP

INVESTOR PRESENTATION

FY'21 FINANCIAL RESULTS

FEBRUARY 2022

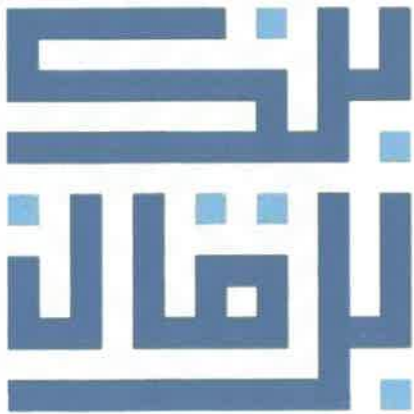


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FY'21 PERFORMANCE HIGHLIGHTS

- 1 **STRONG REBOUND**
- 2 **SIGNIFICANT IMPROVEMENT IN ASSET QUALITY**
- 3 **POSITIVE EFFICIENCY INDICATORS**

KEY PERFORMANCE INDICATORS

| | |
|--|---------------------------------------|
| Revenue | Net Income* |
| KD 235MN <i>+10.3% y-o-y</i> | KD 45MN <i>+34.8% y-o-y</i> |
| NPL Ratio | NPL Coverage Ratio |
| 1.7% <i>(-)244bps y-o-y</i> | 227% <i>+94.2% y-o-y</i> |
| Cost to Income | JAWs Ratio |
| 40.4% <i>(-)530bps y-o-y</i> | 12.8% <i>+22.2% y-o-y</i> |

* Net Income attributed to equity holders of bank before perpetual cost

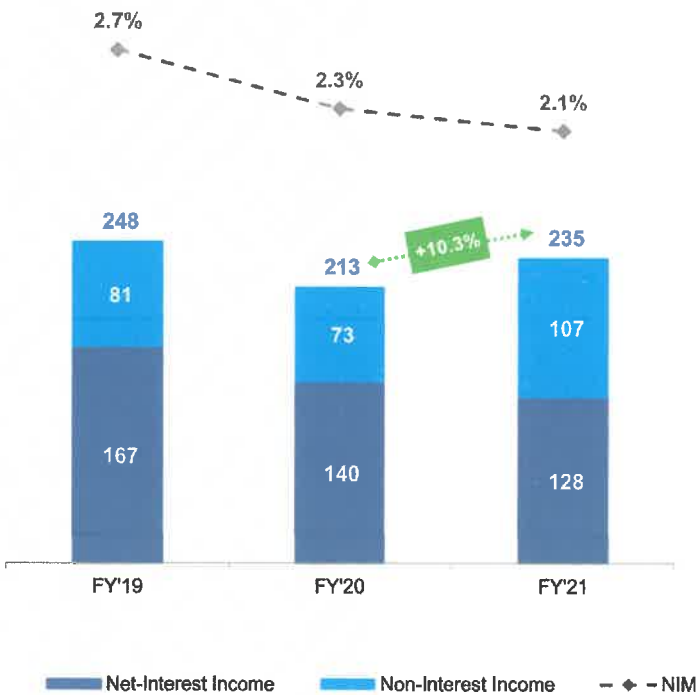
KEY MESSAGES

| | |
|---|---|
| <p>✓ Successful Execution of Rights Issue</p> | <ul style="list-style-type: none">✓ Raised KD 71.25mn to support long term growth of the bank✓ Key highlights of the transactions:<ul style="list-style-type: none">➤ Oversubscription of 2.25x➤ High % of Rights Subscribed: 93.09%✓ Impact on regulatory capital (CET1) : +123bps |
| <p>✓ Digitalization – Key Positive Outcomes</p> | <ul style="list-style-type: none">✓ Transactions executed through digital channels grew by ~3x y-o-y✓ Achieved high App rating of 4.5 (Apple's App Store & Google Play)✓ Burgan won awards from "Global Finance" for its digital platform under 4 categories* |
| <p>✓ Progress on BoB Sale</p> | <ul style="list-style-type: none">✓ Achieved much improved "offer"; Due-Diligence in the last phase✓ Expect to conclude the transaction by Q2'22 upon completion of due-diligence and receipt of regulatory approvals |
| <p>✓ Pandemic Impact "Largely Contained"</p> | <ul style="list-style-type: none">✓ Pick-up in execution of key projects in Kuwait✓ "Individual" customer activities almost back to normal levels in H2'21 |

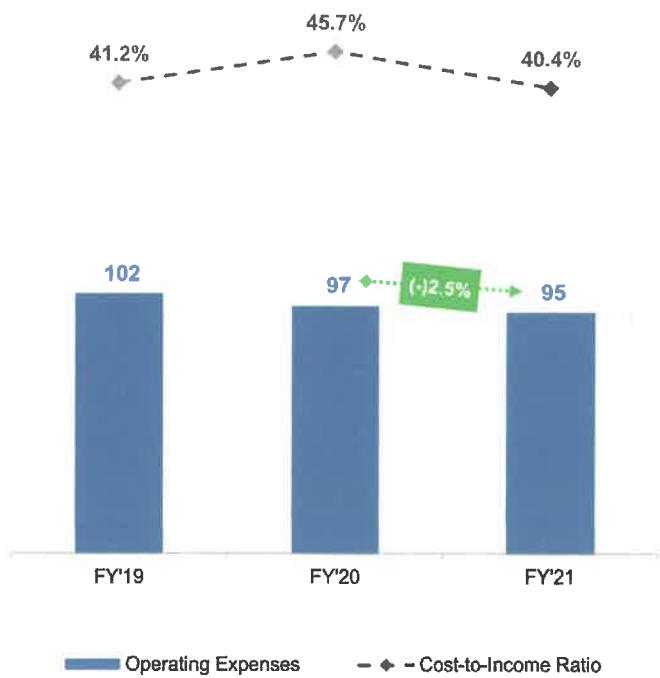
* 4 categories under which Burgan was awarded are as follow: (a) Best Website Design; b) Best Mobile Banking Adaptive Site; c) Best Information Security & Fraud Mgmt.; & d) Best Open Banking APIs)

REVENUE & OPERATING EXPENSES

Revenue & Margins | KD mn, %



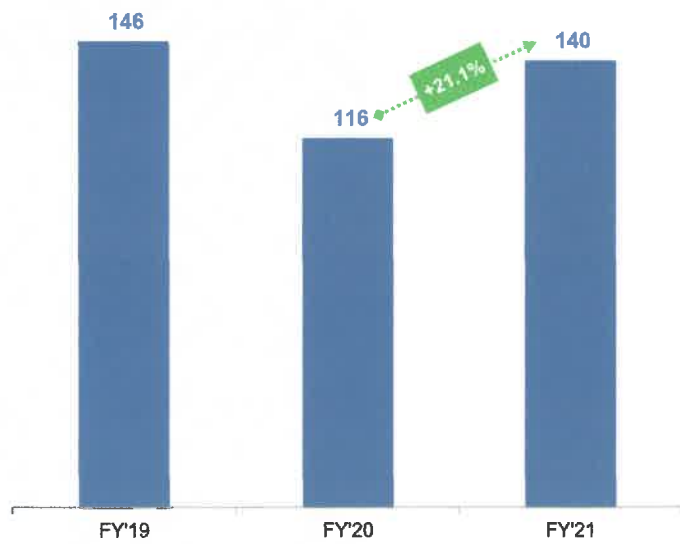
Operating Exp. & Cost-to-Income Ratio* | KD mn, %



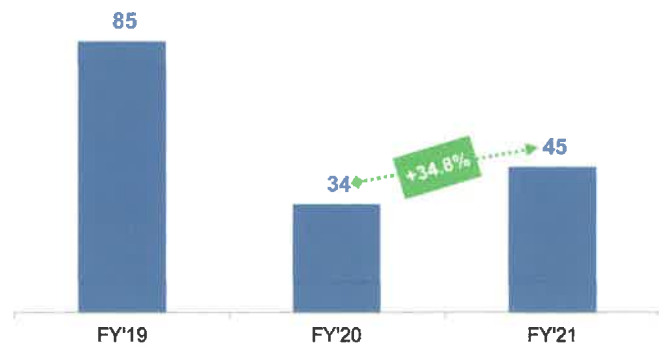
* Cost to income ratio is calculated as Total Operating expenses / Total Revenues

OPERATING PROFIT & NET INCOME

Operating Profit | KD mn



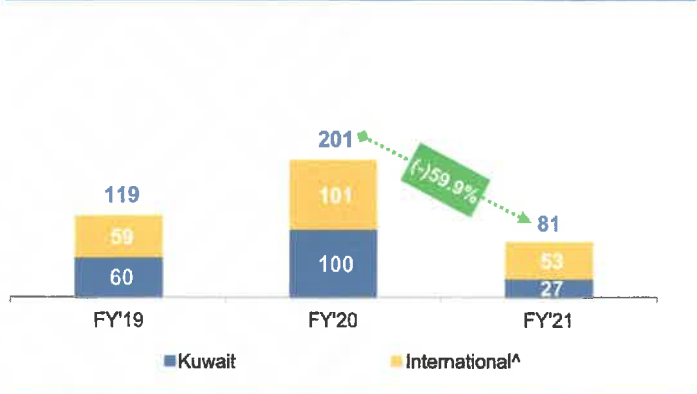
Net Income* | KD mn



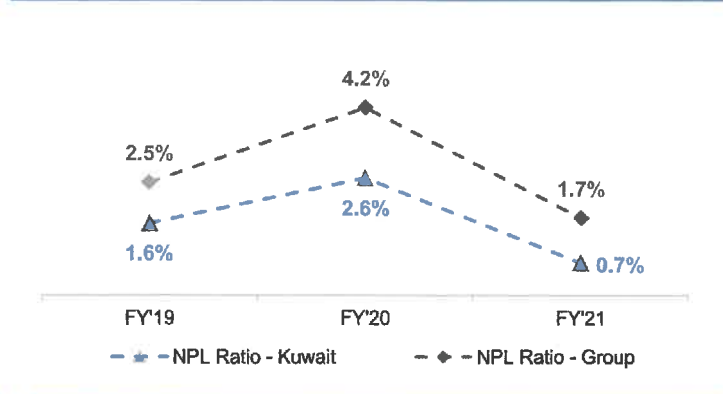
* Net Income attributed to equity holders of bank before perpetual cost

ASSET QUALITY

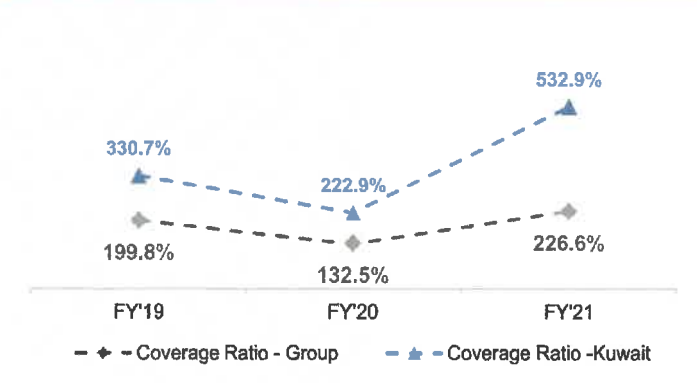
NPLs | KD mn



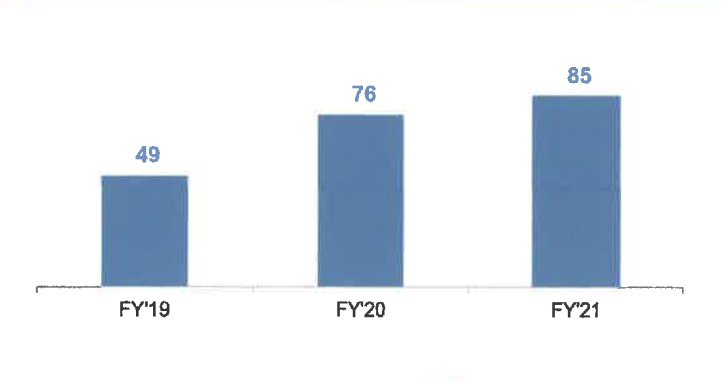
NPL Ratio | %



NPL Coverage Ratio⁽¹⁾ | %



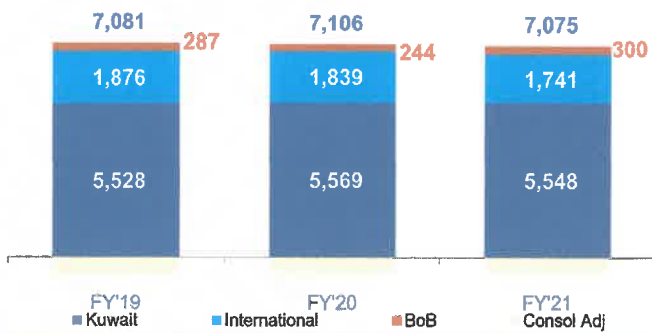
Provision Charge⁽²⁾ | KD mn



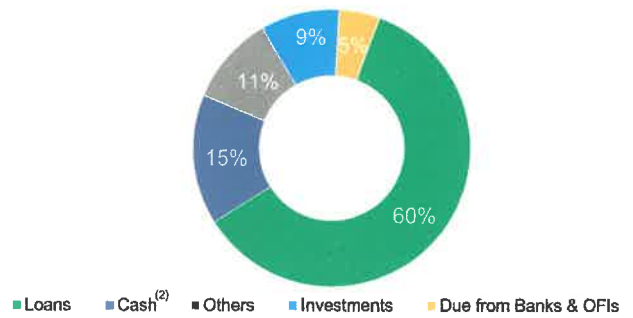
(1) NPL Coverage ratio calculated as Cash Provision / NPLs; (2) Loan loss provision only; [^] International doesn't include BoB as it has been classified as "Held for Sale"

ASSETS & LOANS

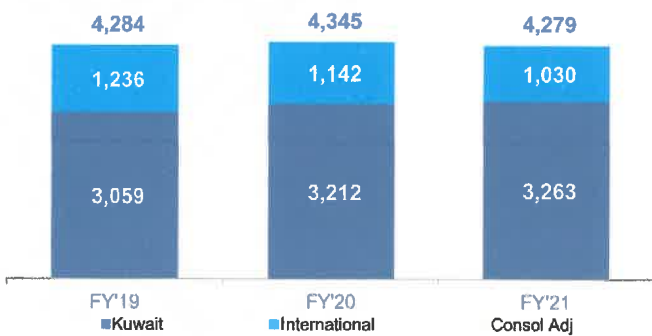
Total Assets⁽¹⁾ | KD mn



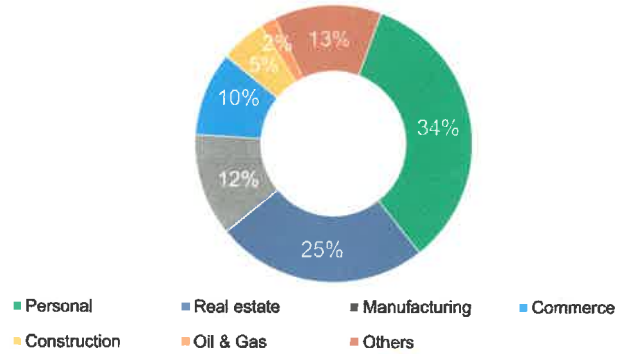
Asset Composition – FY'21 | %



Customer Loans⁽¹⁾ | KD mn



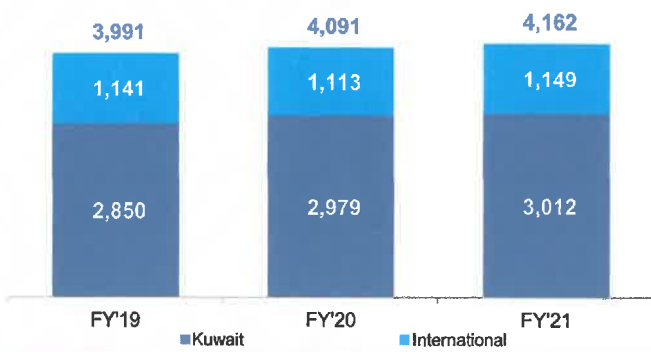
Customer Loans – Sector Concentration (FY'21) | %



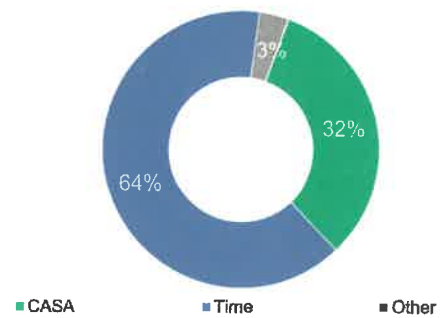
(1) BB Kuwait numbers are as per MIS view; International doesn't include BoB as it has been classified as "Held for Sale"; (2) Cash Includes Treasury Bills & Bonds

DEPOSITS & LIQUIDITY METRICS

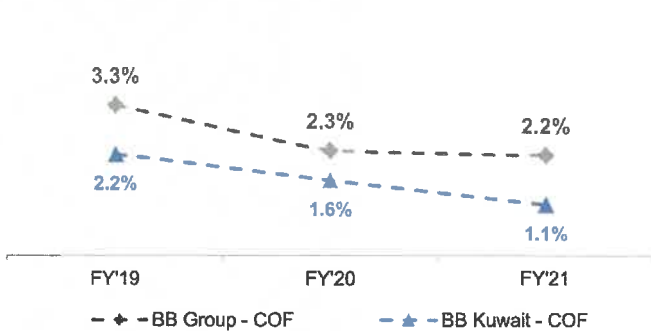
Customer Deposits ⁽¹⁾ | KD mn



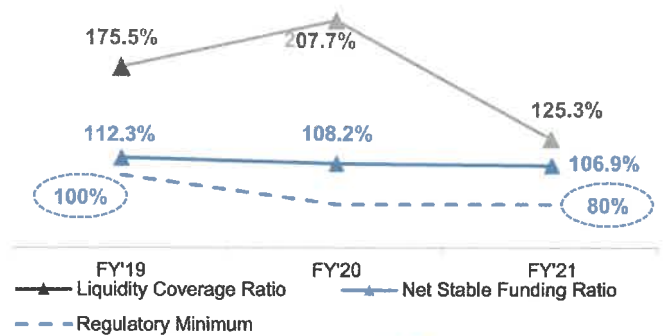
Deposits by Type – FY'21 | %



Cost of Funds ⁽²⁾ | %



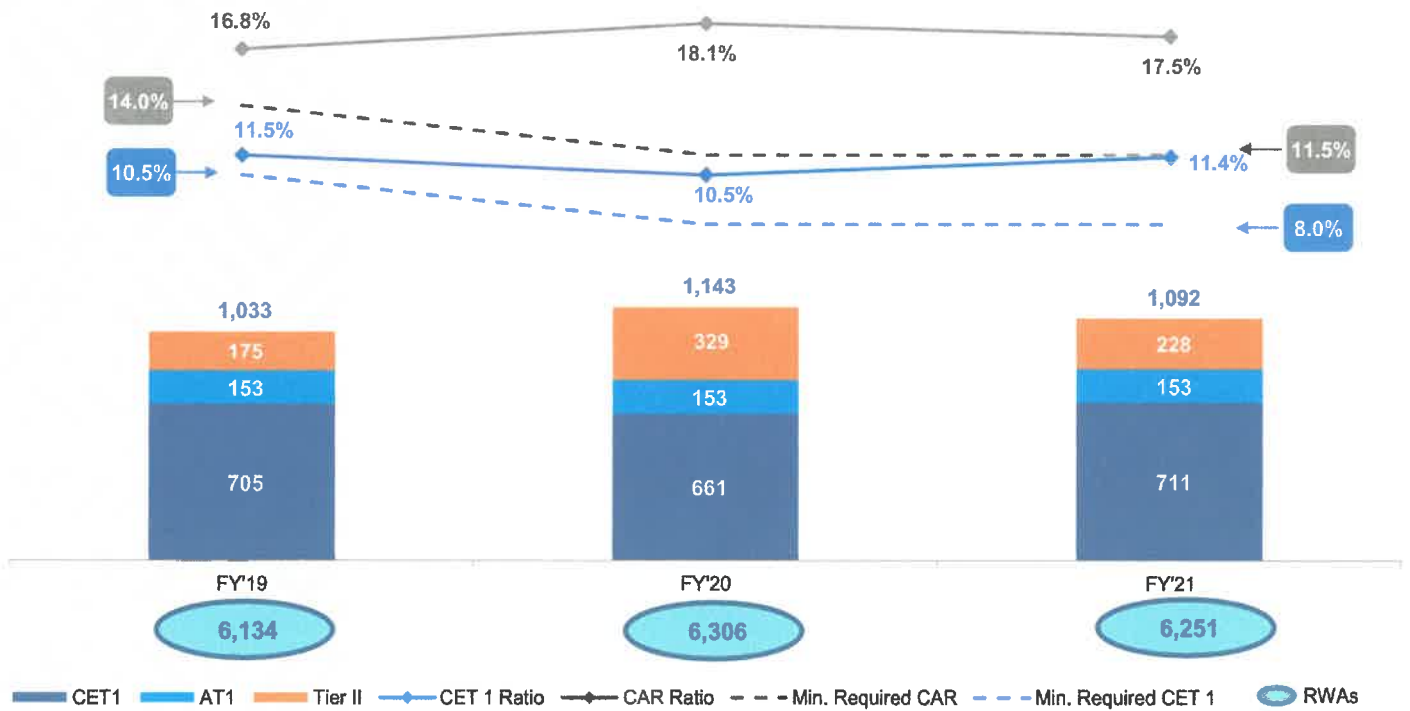
Regulatory Liquidity Metrics ⁽³⁾ | %



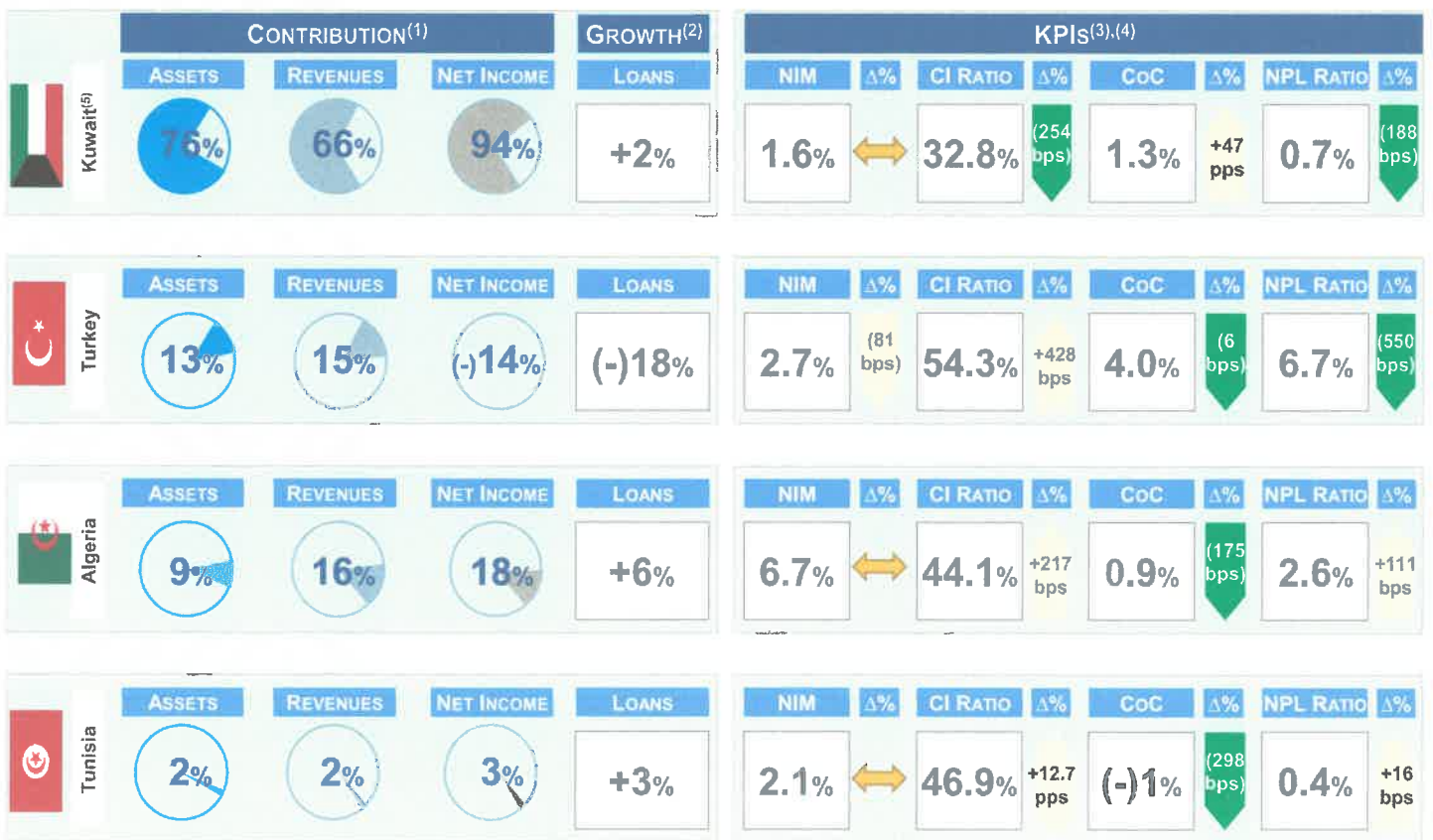
(1) BB Kuwait numbers are as per MIS view; International doesn't include BoB as it has been classified as "Held for Sale"; (2) COF for Kuwait is as per MIS view; (3) Represents daily average ratios for the quarters (i.e. Q4'18, Q4'19 and Q4'20)

CAPITAL LEVELS

Regulatory Capital | KD mn, %



KPIs ACROSS FRANCHISES



Note: (1) Excludes Contribution from BoB; Contributions in KD; (2) Growth vs FY'20 figures in KD terms; (3) Deltas are for FY21 over FY'20; (4)CoC has been calculated as Loan Loss Provisions on Gross Loans; annualized; (5) As per MIS view.

* Contribution percentages are rounded figures and are before consolidation adjustments; * bps: Basis point; pps: Percentage Point

LOOKING AHEAD



Strong Capital levels to support Burgan's growth

Credit Costs expected to normalize

Expected rate hikes should support margin expansion

Thank You



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INVESTOR RELATIONS

Contact details below for any enquiries related to Burgan Bank K.P.S.C. and Subsidiaries:

Email: IR@burgan.com

Phone: +965 2298 4641