

Date: 03/08/2022

Ref: 483/2022

الكويت في: 2022/08/03

إشارتنا: 2022/483

M/s Bursa Kuwait

السادة / شركة بورصة الكويت المحترمين،،،

Dear Sirs

تحية طيبة وبعد،،،

**Sub: Burgan Bank K.P.S.C. Analyst
Conference Call for 2nd Quarter 2022**

الموضوع: مؤتمر المحللين لبنك بركان ش.م.ك.ع. للربع الثاني
من عام 2022

With reference to the above subject and in compliance with the provisions of clause (4) of article (8-4-2) of Bursa Rules Module, we would like to inform you that Burgan Bank held the Analyst Conference Call at 01:00 pm, Wednesday, corresponding to 03/08/2022.

بالإشارة إلى الموضوع أعلاه، والتزاماً بأحكام البند (4) من المادة (8-4-2) من كتاب قواعد البورصة، نود إحاطتكم علماً بأن بنك بركان قد عقد مؤتمر المحللين عبر الهاتف في تمام الساعة 01:00 ظهراً من يوم الأربعاء، الموافق 2022/08/03.

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

علماً بأنه لم يتم تداول اية معلومات جوهرية خلال المؤتمر.

We have enclosed the 2nd Quarter 2022 Investors' Presentation for your reference.

هذا، ونرفق لكم طيه العرض التقديمي للمستثمرين للربع الثاني 2022.

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

H1'22 FINANCIAL RESULTS

3RD AUGUST 2022

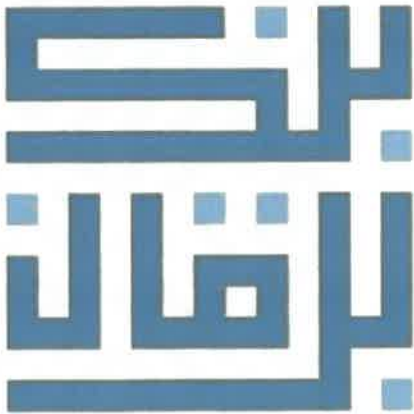


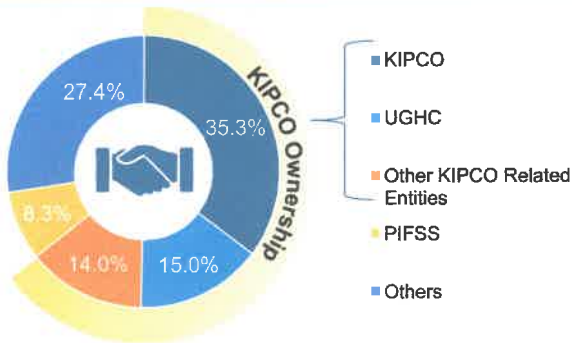
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BURGAN AT A GLANCE



Ownership Structure⁽¹⁾



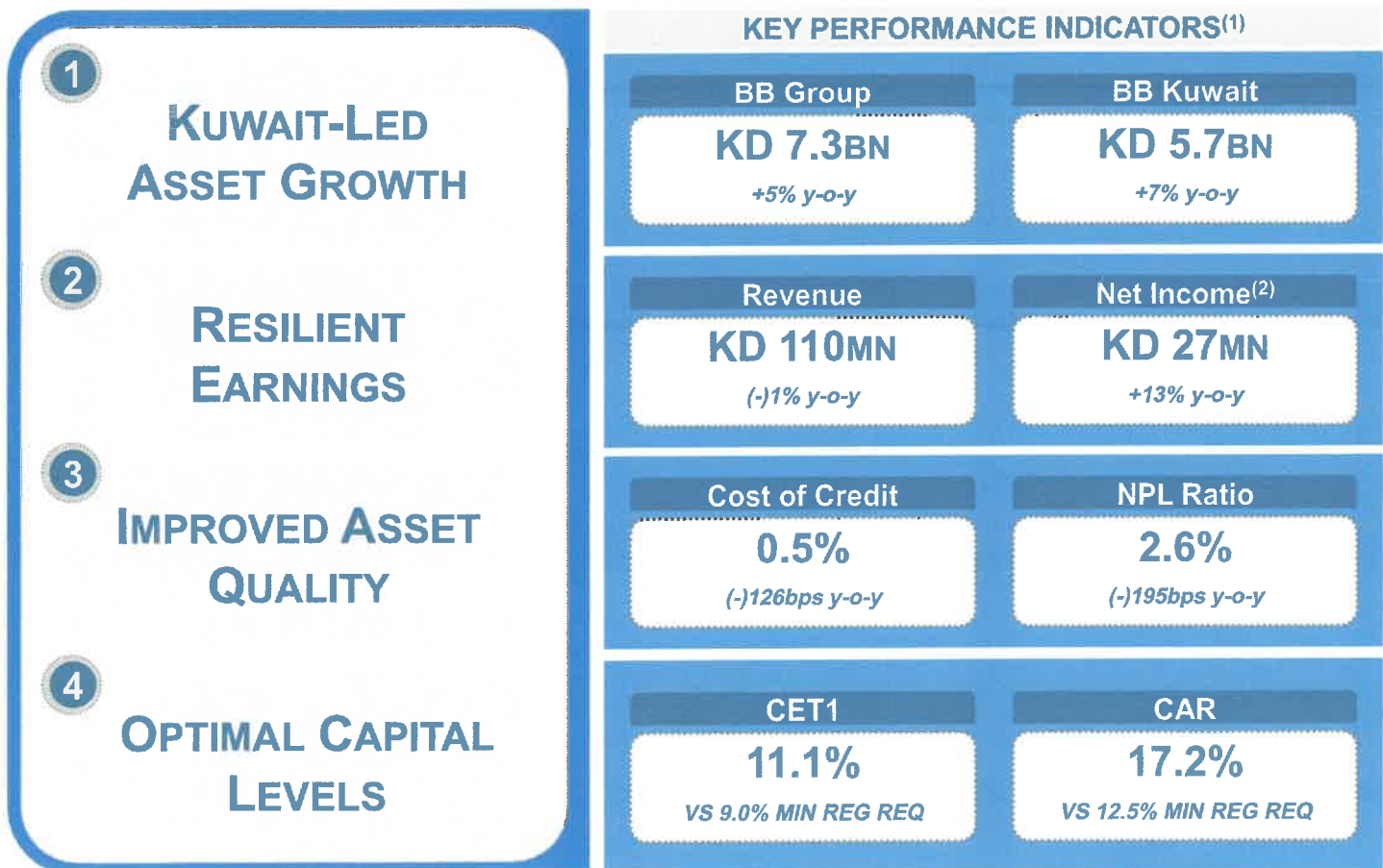
Credit Ratings

	Rating ⁽⁴⁾	Outlook ⁽⁴⁾
FitchRatings	A	Stable
Moody's	Baa1	Stable
S&P Global	BBB+	Stable

(1) As at 30th June 2022; (2) Bank of Baghdad has been classified as held for sale; (3) Excluding Bank of Baghdad as it has been classified as held for sale; (4) **Fitch**: As per the latest report dt 14th April 2022; **Moody's**: As per the latest report dt 19th April 2022; **S&P**: As per the latest update dt 19th July 2022.



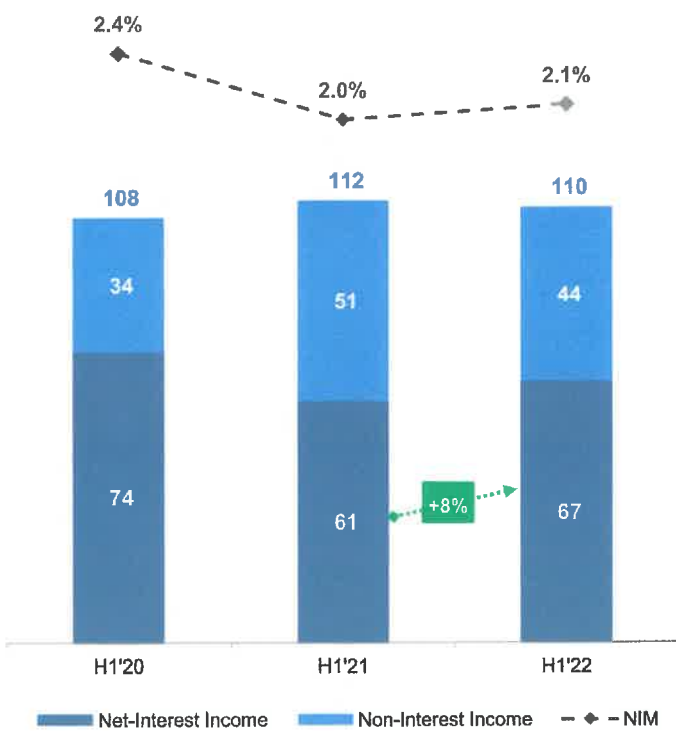
KEY HIGHLIGHTS – H1'22



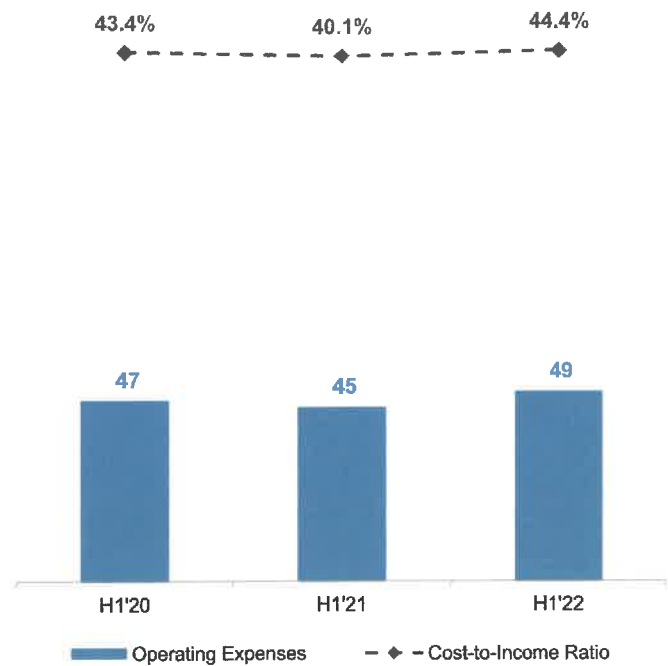
(1) All financial numbers are at Group Level except for Assets (which have been separately mentioned for Group and Kuwait); (2) Net Income attributed to equity holders of bank before AT1 cost.

REVENUE & OPERATING EXPENSES

Revenue & Net Interest Margin⁽¹⁾ | KD mn, %

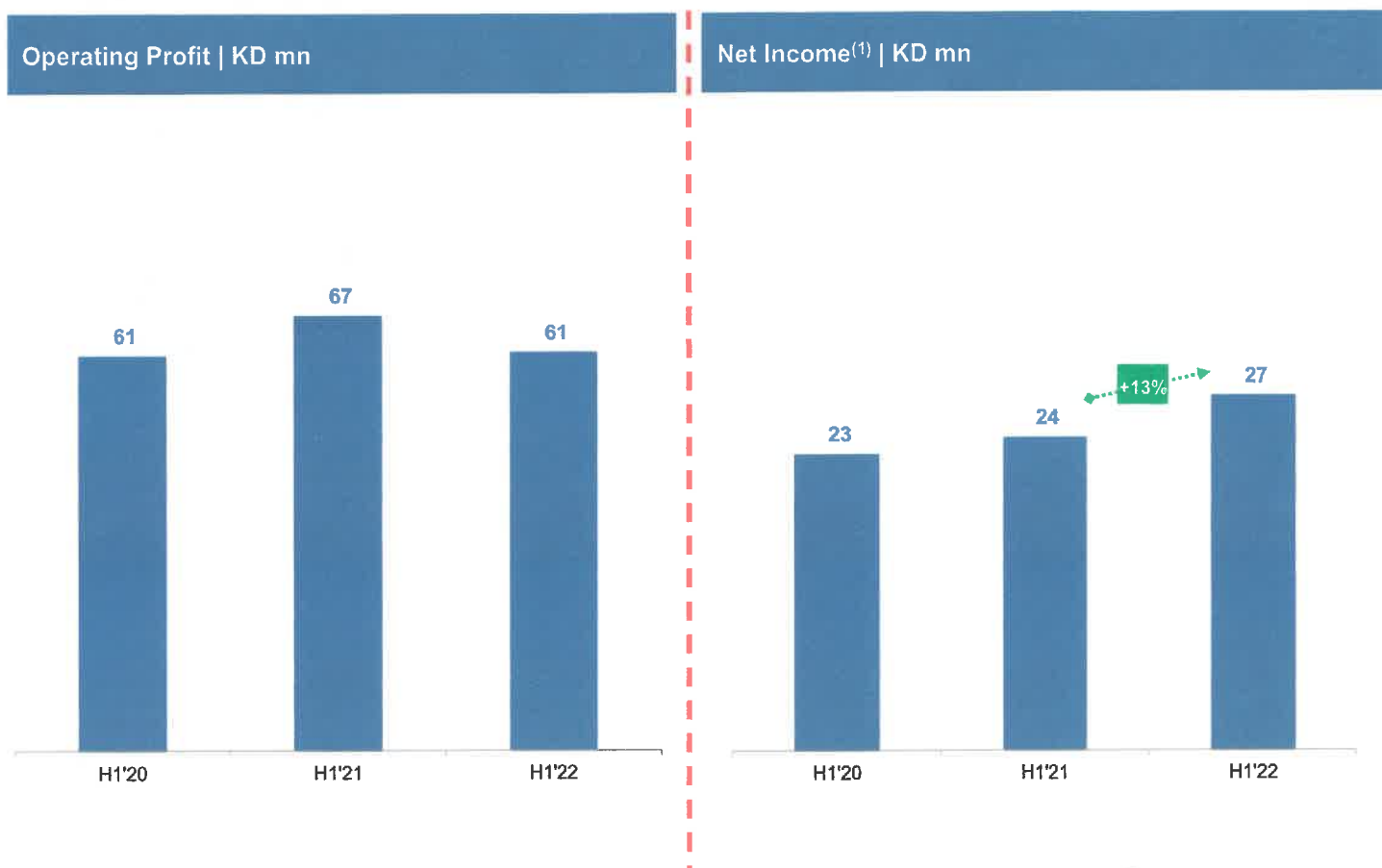


Operating Exp. & Cost-to-Income Ratio⁽²⁾ | KD mn, %



(1) NIMs have been annualized; (2) Cost-to-income ratio is calculated as Total Operating expenses / Total Revenues.

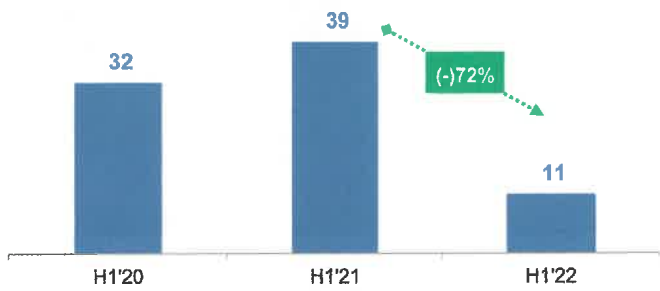
OPERATING PROFIT & NET INCOME



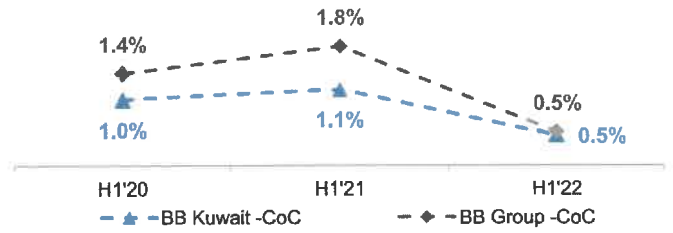
(1) Net Income attributed to equity holders of bank before AT1 cost.

ASSET QUALITY

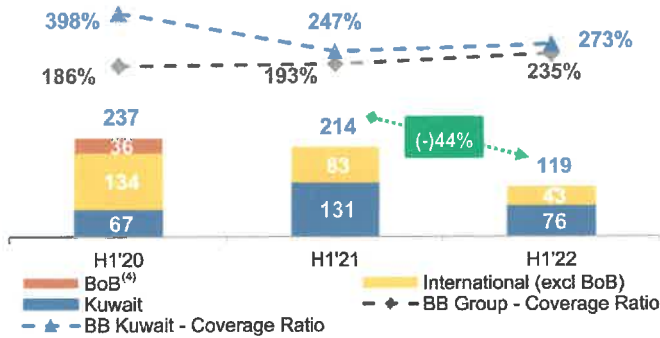
Provisions⁽¹⁾ | KD mn



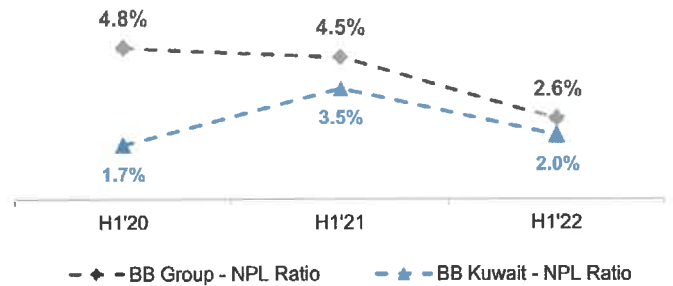
Cost of Credit (CoC)⁽²⁾ | %



NPLs & Coverage⁽³⁾ | KD mn, %



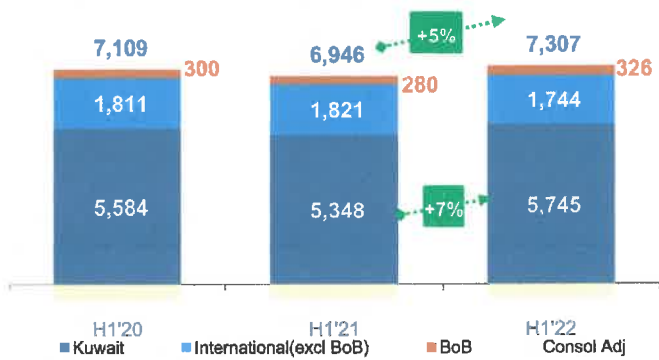
NPL Ratio | %



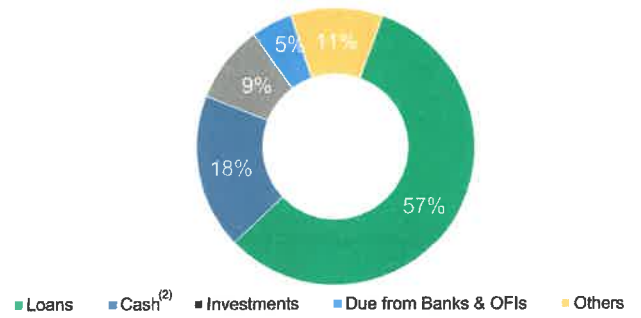
(1) Loan loss provision only; (2) Calculated as Loan Loss Provisions / Gross Loans; annualized; (3) NPL Coverage ratio calculated as Cash Provision + Collaterals / NPLs; (4) BoB was classified as "subsidiary" as at 30th June 2020; For other periods BoB has been classified as "Held for Sale".

CUSTOMER LOANS & SECTORAL BREAKDOWN

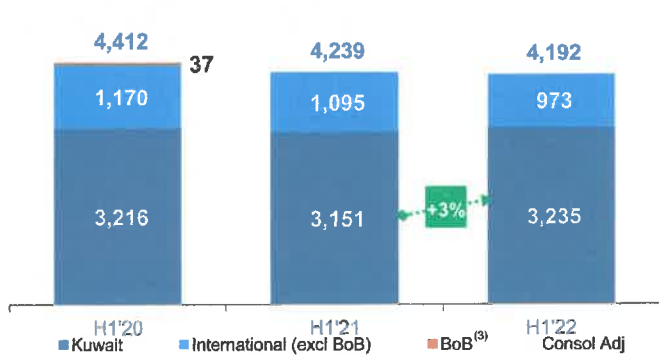
Total Assets⁽¹⁾ | KD mn



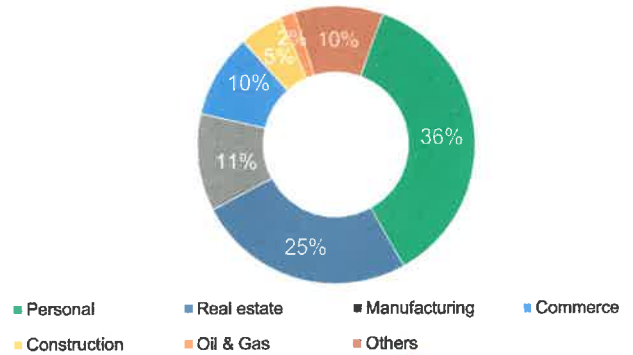
Asset Composition – H1'22 | %



Customer Loans⁽¹⁾ | KD mn



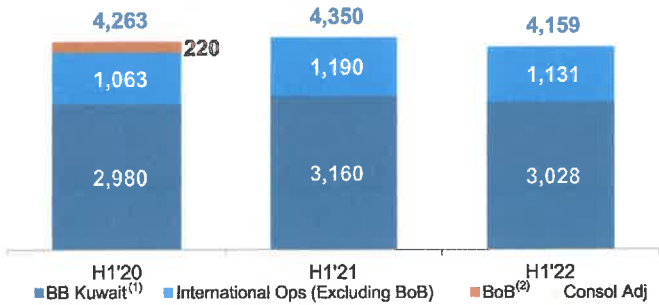
Customer Loans – Sector Concentration (H1'22) | %



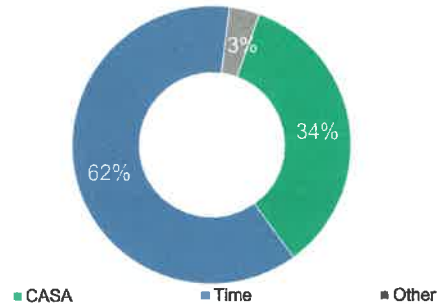
(1) BB Kuwait numbers are as per MIS view; International doesn't include BoB as it has been classified as "Held for Sale"; (2) Cash includes Treasury Bills & Bonds; (3) BoB was classified as "subsidiary" as at 30th June 2020; For other periods BoB has been classified as "Held for Sale".

CUSTOMER DEPOSITS & LIQUIDITY

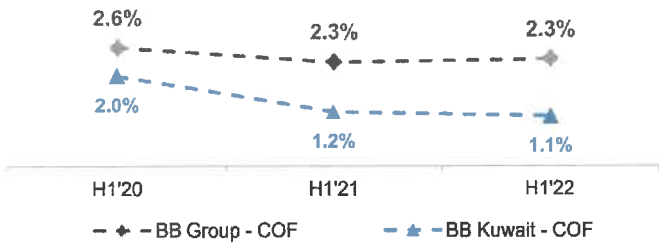
Customer Deposits | KD mn



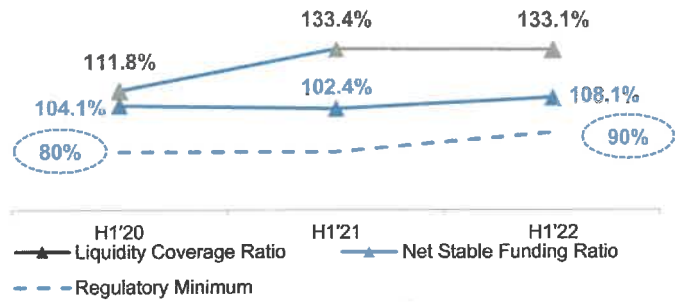
Deposits by Type – H1'22 | %



Cost of Funds⁽³⁾ | %



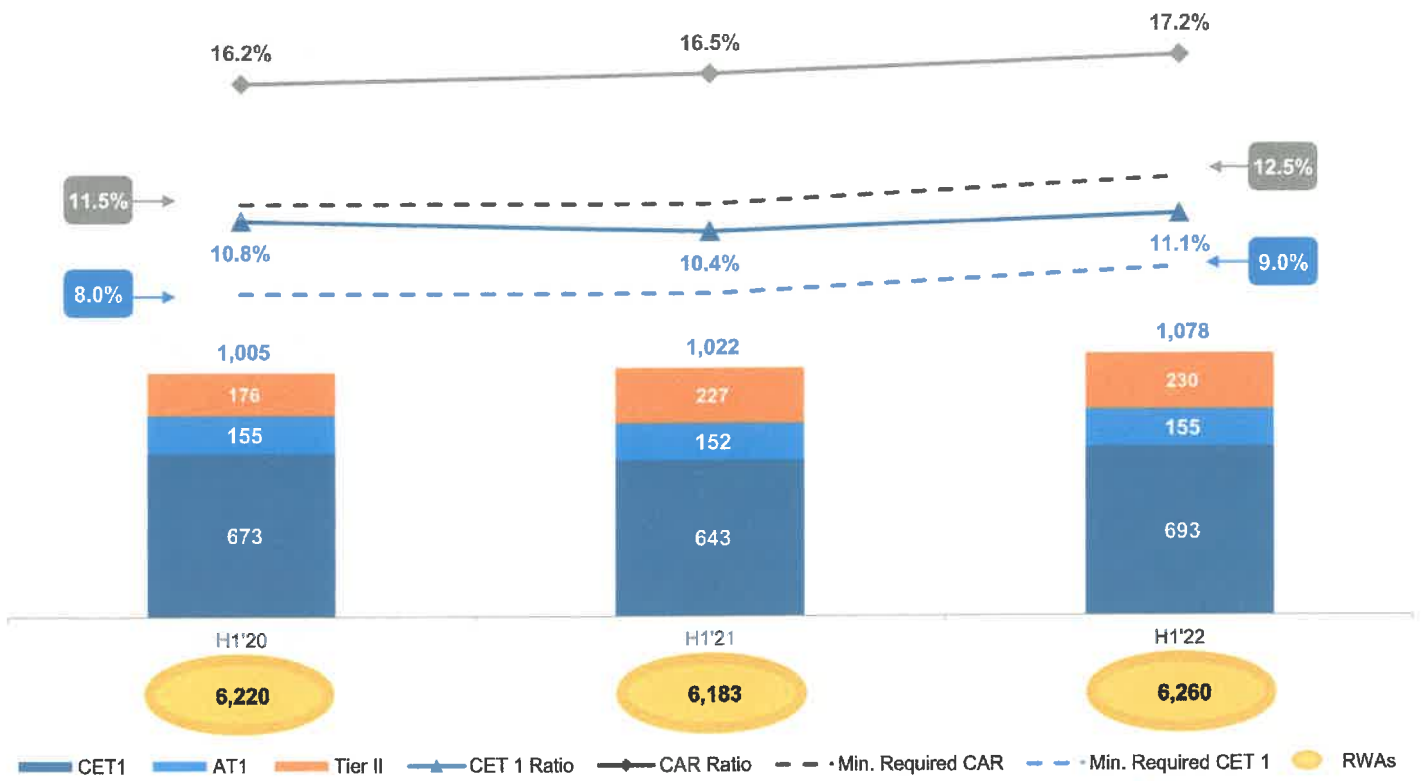
Regulatory Liquidity Metrics⁽⁴⁾ | %



(1) BB Kuwait numbers are as per MIS view; International doesn't include BoB as it has been classified as "Held for Sale"; (2) BoB was classified as "subsidiary" as at 30th June 2020; For other periods BoB has been classified as "Held for Sale"; (3) COF for Kuwait is as per MIS view; (4) Represents daily average ratios for the quarters

CAPITAL LEVELS

Regulatory Capital | KD mn, %



KPIs ACROSS FRANCHISES – H1'22

Country	CONTRIBUTION				GROWTH ⁽²⁾				KPIs ^{(3),(4)}							
	ASSETS	REVENUES	NET INCOME	LOANS	NIM	Δ%	CI RATIO	Δ%	CoC	Δ%	NPL RATIO	Δ%				
Kuwait ⁽⁵⁾	77%	(-)2%	+15%	+3%	1.6%	+10 bps	40.8%	+10 pps	0.5%	(70 bps)	2.0%	(150 bps)				
Turkey	12%	+21%	+132%	(-)13%	3.3%	+70 bps	38.0%	(16 pps)	(-)1.7%	(6 pps)	5.6%	(540 bps)				
Algeria	9%	+1%	(-)6%	(-)7%	6.1%	(110 bps)	45.6%	+60 bps	1.2%	+40 bps	2.4%	+80 bps				
Tunisia	2%	(-)1%	(-)20%	+3%	2.2%	↔	46.7%	(60 bps)	0.8%	+40 bps	0.3%	↔				

(1) Excludes Contribution from BoB; Contributions in KD; (2) Growth vs H1'21 figures in KD terms; (3) Deltas are for H1'22 over H1'21; (4) CoC has been calculated as Loan Loss Provisions on Gross Loans; annualized; (5) As per MIS view; (6) CoC computed as Loan Loss Provisions on Gross Loans + Dues from Banks & OFIs. * Contribution percentages are rounded figures and are before consolidation adjustments; * bps: Basis point; pps: Percentage Point

CONCLUSION

- ☛ **Solid financial performance** amidst challenging operating environment particularly in subsidiary markets

- ☛ Looking ahead, we expect:
 - ✓ **Interest income growth** momentum to **continue**
 - ✓ **Credit costs** to further **normalize**
 - ✓ **Asset Quality** to further **improve**

Thank You



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INVESTOR RELATIONS

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