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Authorized Capital KD 400,000,000  
Issued and paid up capital KD 362,481,328  
Commercial Registration Number 24067  
[www.burgan.com](http://www.burgan.com)

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رأس المال المصرح به ٤٠٠,٠٠٠,٠٠٠ د.ك  
رأس المال المصدر والمدفوع ٣٦٢,٤٨١,٣٢٨ د.ك  
سجل تجاري رقم ٢٤٠٦٧



Date: 16/05/2024

Ref: 343/2024

M/s Bursa Kuwait

Dear Sirs,

**Sub: Burgan Bank Analyst Conference Meeting  
for the 1<sup>st</sup> Quarter 2024**

In compliance with the provisions of clause (4) of article (8-4-2) of Bursa Kuwait Rulebook Resolution No. (1) of 2018 and amendments thereto, we would like to inform you that the Analyst Conference was held on Thursday 16/05/2024 at 01:00 pm via conference call. Kindly note that no significant information has been discussed during the conference.

Attached is a copy of the presentation of the Analyst Conference for 1st Quarter of 2024. The bank will disclose the minutes of the analyst conference within 3 business days from the date of the conference.

Best Regards,

**Fadel Mahmoud Abdullah**  
CEO - Kuwait





# BURGAN BANK GROUP

## INVESTOR PRESENTATION

### *Q1'24 FINANCIAL RESULTS*

16<sup>TH</sup> MAY 2024



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## Overview & Operating Strategy



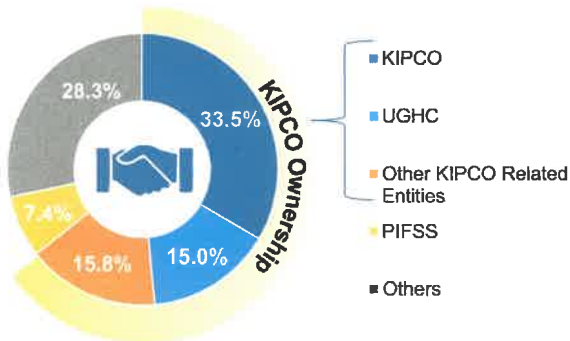
# BURGAN AT A GLANCE



## About Us

- Established in 1977 as Joint Stock Company by the Government of Kuwait and privatized in 1997.
- Listed on Bursa Kuwait in 1984 and grew to be one of the leading conventional banks in Kuwait (in terms of total assets)<sup>(1)</sup>, with a market capitalization of KD 703 million<sup>(2)</sup>.
- Has one of the largest regional networks of 126 branches and 297 ATMs<sup>(1)</sup>.

## Ownership Structure<sup>(1),(3)</sup>



## Credit Ratings

	Rating <sup>(1)</sup>
FitchRatings	<b>A</b> (Outlook: Stable)
MOODY'S	<b>Baa1</b> (Outlook: Stable)
S&P Global	<b>BBB+</b> (Outlook: Stable)
CI CAPITAL intelligence	<b>A+</b> (Outlook: Stable)

## Our Presence



Notes: (1) As of 31<sup>st</sup> March 2024; (2) Based on share price as at 31<sup>st</sup> March 2024 (Source: Kuwait Boursa); (3) KIPCO: Kuwait Projects Company Holding K.S.C.P., UGHC: United Gulf Holding Company B.S.C. and PIFSS: Public Institution for Social Security.

# KUWAIT FOCUSED BANK WITH REGIONAL DIVERSIFICATION



Franchises	Ownership <sup>(1)</sup>	Domestic Market Position <sup>(1)</sup>	Business Model	% of Group Assets <sup>(1),(3)</sup>
<b>Burgan Bank Kuwait</b> 	N/A	One of the top three conventional Banks <sup>(2)</sup>	Corporate banking is the key business; Retail Banking growth is a focus area	77%
<b>Burgan Bank Turkey</b> 	47.6%	Niche Player	Corporate and Commercial clients are key segments; One of the best digital banking platform; individual clients focus increased	11%
<b>Gulf Bank Algeria</b> 	86.0%	Growing Private sector Bank	Focused on Trade Finance & Corporate Banking segment; Growing retail franchise	10%
<b>Tunis International Bank</b> 	86.7%	Offshore Bank	Focused on Trade Finance and Financial Institutions business	2%

Notes: (1) As at 31st March 2024; refer to effective shareholding; (2) Based on total assets; (3) Total Assets excluding consolidation adjustments.

# BURGAN'S LONG-TERM STRATEGIC PRIORITIES



## A. Strengthen Kuwait Business

- ☛ Revitalize key businesses in Kuwait *such as Retail banking*
- ☛ Focus on embedding ESG across businesses



## B. Strategic Asset Reallocation

- ☛ Sale of non-core assets
- ☛ Pursue Cautious Growth in subsidiaries
- ☛ Increase Kuwait's share of Group's assets



## C. Digital Transformation

- ☛ Delivering Superior Customer Experience
- ☛ Collaborative Group-wide Digital Strategy

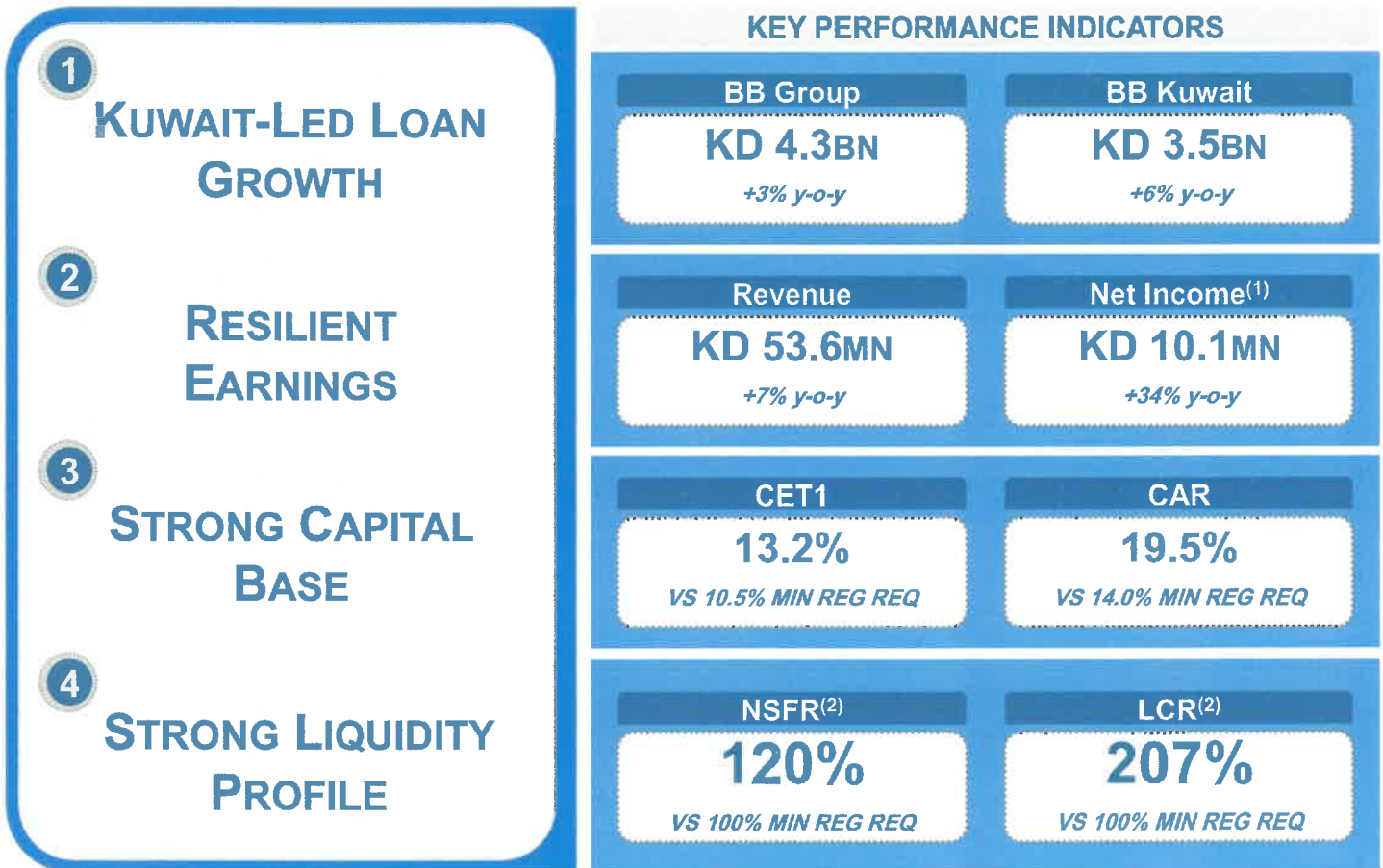


## Key Highlights





## KEY HIGHLIGHTS: Q1'24 RESULTS



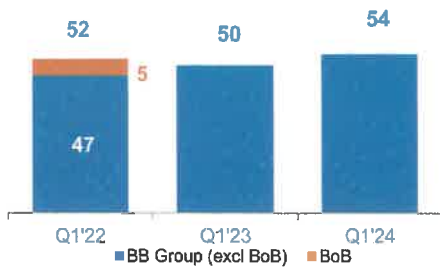
Notes: (1) Net Income attributed to equity holders of bank; (2) Represents daily average ratios for the quarter.

## Financial Review – Q1'24

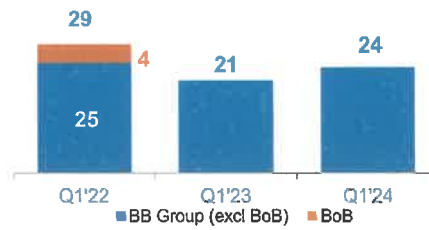


## P&L METRICS

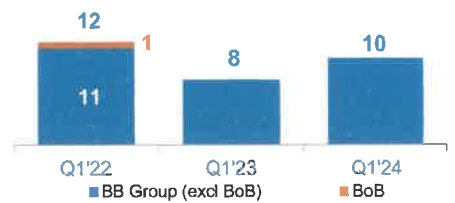
### Revenue | KD mn



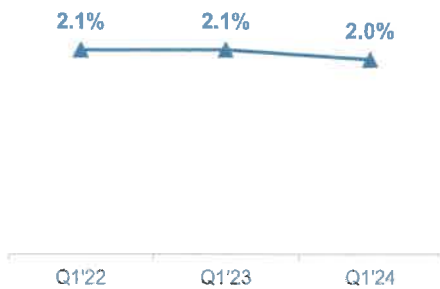
### Operating Profit | KD mn



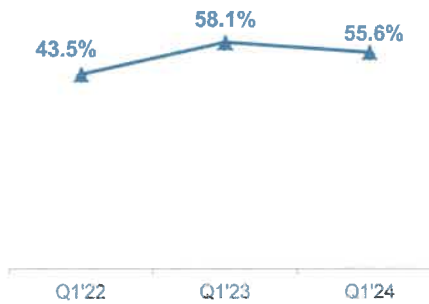
### Net Income <sup>(1)</sup> | KD mn



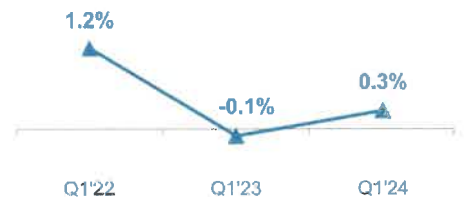
### Net Interest Margin (NIM)<sup>(2)</sup> | %



### Cost to Income Ratio (CIR) | %



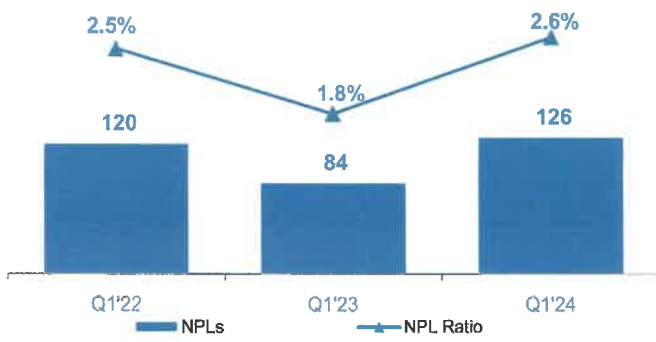
### Cost of Credit (CoC)<sup>(2),(3)</sup> | %



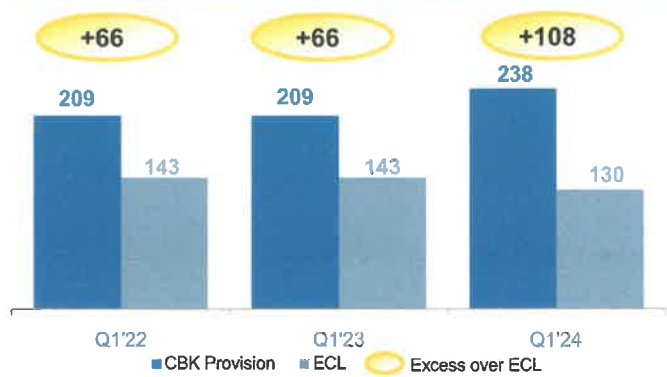
Notes: (1) Net Income attributed to equity holders of bank; (2) Annualized; (3) Cost of Credit based on Loan Loss Provisions over Gross Loans adjusted for recoveries.  
 BoB was classified as Held for sale during FY'22 and it was sold in Feb'23.

## ASSET QUALITY METRICS

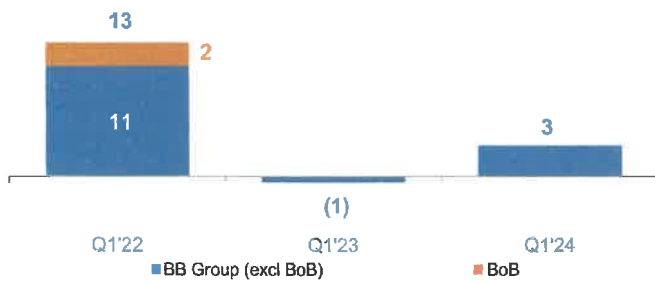
### Non-Performing Loans (NPLs) & NPL Ratio | KD mn, %



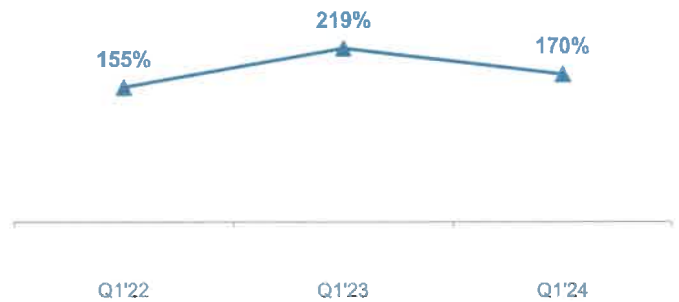
### Total Provisions & IFRS 9 ECL Requirements | KD mn



### Provision Charge<sup>(1)</sup> | KD mn



### Provisions Coverage Ratio<sup>(2)</sup> | %

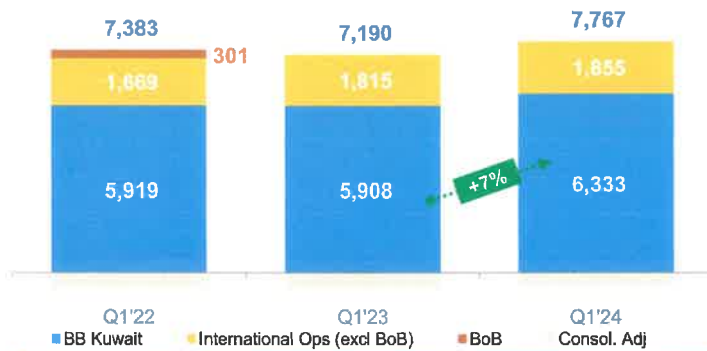


Notes: (1) Loan loss provision only adjusted for recoveries; (2) Provisions coverage ratio calculated as cash provision / NPLs.  
 NPL, NPL ratio & Provision coverage Ratio excludes BoB as it was classified as Held for sale during FY'22 and it was sold in Feb'23.

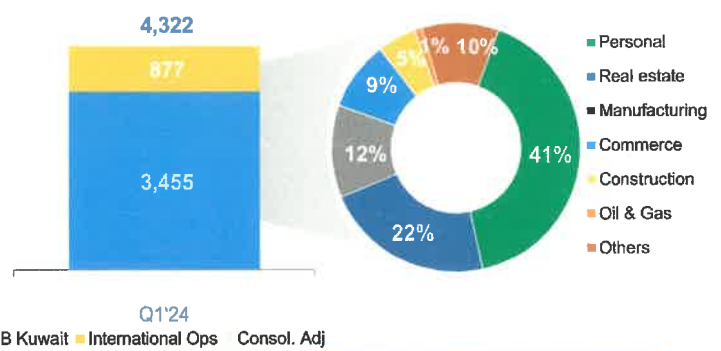
# ASSETS & LOANS



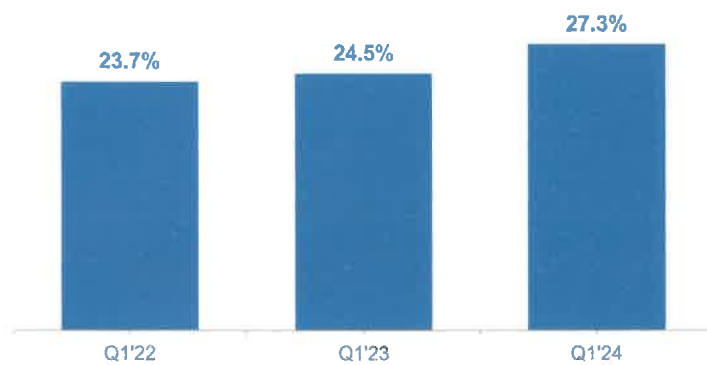
## Total Assets | KD mn



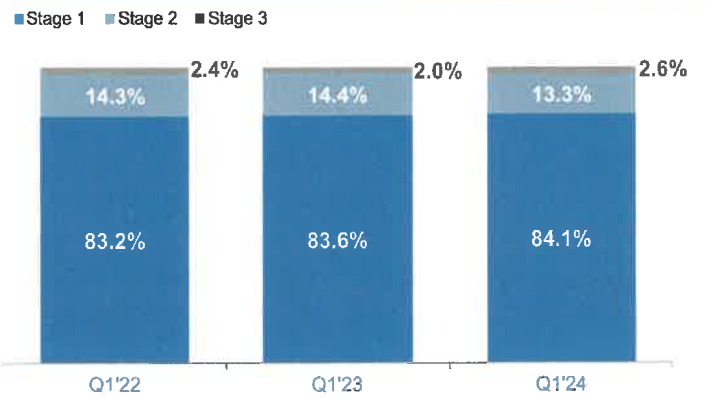
## Customer Loans & Sector Concentration | KD mn, %



## Liquid Assets Ratio<sup>(1)</sup> | %



## Loans by Stages<sup>(2)</sup> | %

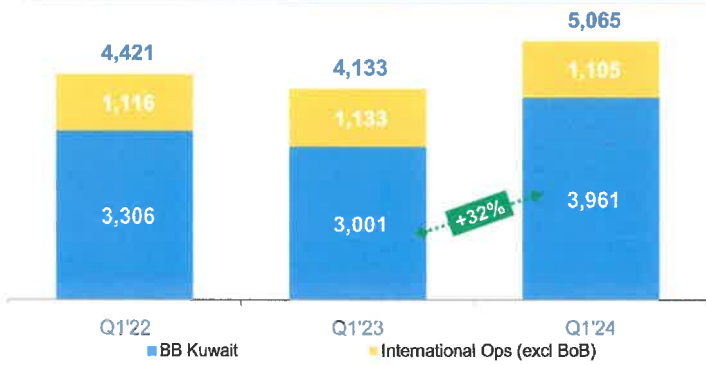


Notes: (1) Computed as Liquid Assets (Cash & cash Equ.+ T-bills / bonds+ Dues from Banks & OFIs ) / Total Assets excl BoB; (2) Represents IFRS 9 classification. BoB was classified as Held for sale during FY'22 and it was sold in Feb'23.

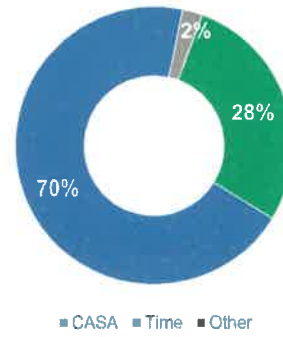
# LIQUIDITY PROFILE



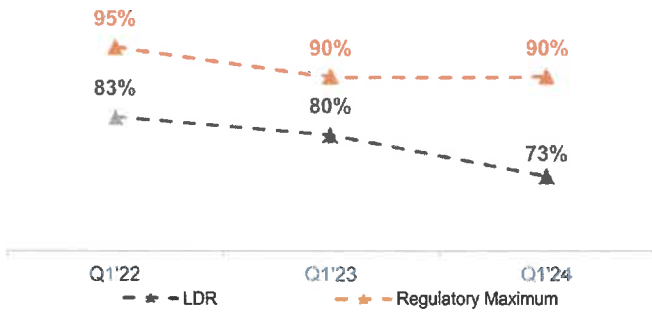
Customer Deposits | KD mn



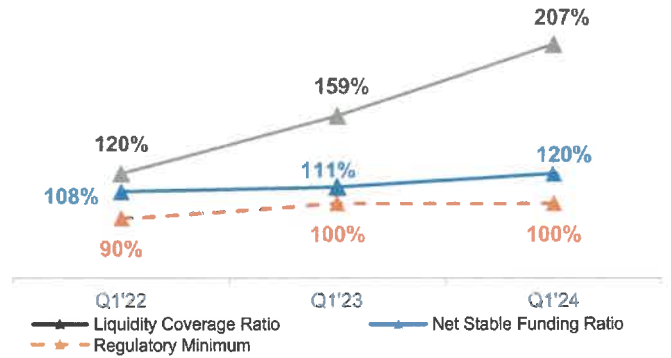
Deposits by Type – Q1'24 | %



Loan to Deposit Ratio (LDR) | %



Regulatory Liquidity Metrics<sup>^</sup> | %

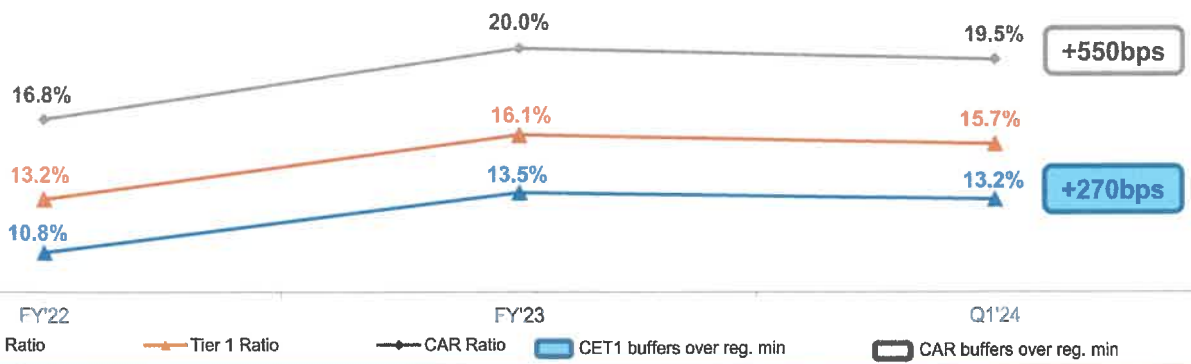


<sup>^</sup> Represents daily average ratios for the quarters.  
BoB was classified as Held for sale during FY'22 and it was sold in Feb'23.

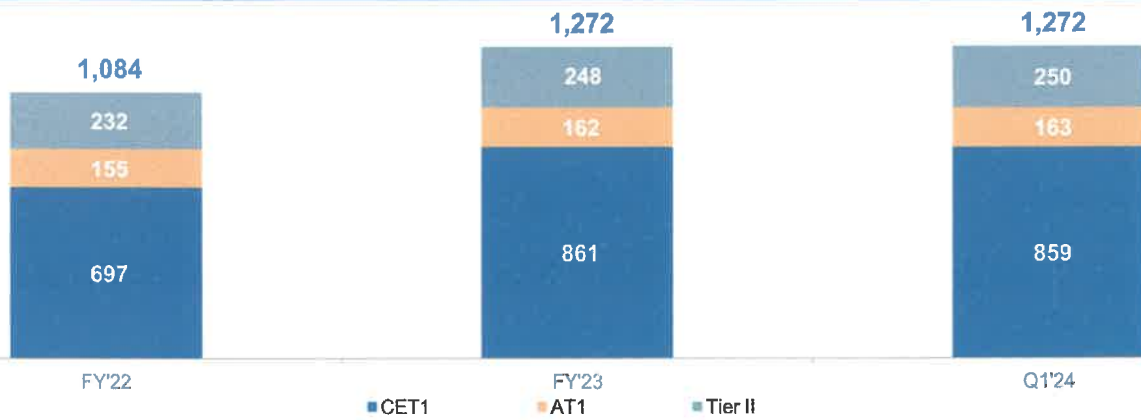
# CAPITAL POSITION



## Regulatory Capital Ratios | %



## Regulatory Capital | KD mn



## RECENT KD AT1 SECURITIES' ISSUANCE UPDATE



Perpetual Additional Tier 1 Bond – Key Details		Key Highlights
Issue Size	<b>KD 150mn</b> <i>(Fixed: KD 75mn; Floating: KD 75mn)</i>	<p><b>1</b> “First ever” Kuwaiti Dinars-denominated Perpetual Bond issuance in the local market</p> <p><b>2</b> Successful closure of issuance demonstrates investors confidence in Burgan’s credit</p> <p><b>3</b> Achieved attractive pricing levels with 50% of the issuance as “floating rate”</p>
Currency	<b>Kuwait Dinars (KD)</b>	
Issue Type	<b>BASEL III Eligible Additional Tier 1 Securities</b>	
Coupon <sup>(1)</sup>	<b>Fixed:</b> 7.25% <b>Floating:</b> CBK DR <sup>(2)</sup> + 325bps	
Issue Rating <sup>(3)</sup>	<b>BBB- (Stable)</b>	

Notes: (1) Interest: Payable Quarterly (in arrears); (2) Current CBK DR is 4.25%; (3) Ratings by Capital Intelligence ratings.



## KPIs ACROSS FRANCHISES

CONTRIBUTION <sup>(1)</sup>		KPIs							
 Kuwait	ASSETS	NIM <sup>(2)</sup>	Δ%	CROSS SELL <sup>(5)</sup>	Δ%	CoC <sup>(2),(3)</sup>	Δ%	NPL RATIO	Δ%
	77%	1.2%	(20 bps)	24.3%	+7.4 pps	0.1%	(90 bps)	2.4%	+100 bps
 Turkey	ASSETS	NIM <sup>(2)</sup>	Δ%	CROSS SELL <sup>(5)</sup>	Δ%	CoC <sup>(2),(3)</sup>	Δ%	NPL RATIO	Δ%
	11%	3.8%	↔	62.9%	+8.7 pps	0.0%	NM	0.9%	(300 bps)
 Algeria	ASSETS	NIM <sup>(2)</sup>	Δ%	CROSS SELL <sup>(5)</sup>	Δ%	CoC <sup>(2),(3)</sup>	Δ%	NPL RATIO	Δ%
	10%	5.9%	+30 bps	24.1%	+70 bps	4.7%	+4.3 pps	5.2%	+270 bps
 Tunisia	ASSETS	NIM <sup>(2)</sup>	Δ%	CROSS SELL <sup>(5)</sup>	Δ%	CoC <sup>(2),(4)</sup>	Δ%	NPL RATIO	Δ%
	2%	5.1%	+150 bps	23.7%	(12.7 pps)	0.4%	(70 bps)	0.6%	+30 bps

Notes : (1) Contribution percentages have been rounded-off & are before consol. adj; Contributions in KDs; (2) Annualized; (3) CoC computed as loan loss provisions on Gross loans adjusted for recoveries; (4) TIB's CoC computed as loan loss provisions on Gross loans + Dues from banks & OFI's adjusted for recoveries; (5) Cross sell computed as non interest income on revenues. \* bps: Basis point; pps: Percentage Point; Deltas are for Q1'24 over Q1'23.

## Summary



## SUMMARY



☞ **Stable financial performance underscores Burgan's resilient business model**

☞ **Burgan's high capital levels enables it to deliver consistent growth**

☞ **Kuwait would continue to remain the key growth driver for the Group**



**Thank You**

