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الإشارة: 2025/5940

Mr. Mohammad Saud Al-Osaimi  
CEO  
Boursa Kuwait

السيد/ محمد سعود العصيمي المحترم  
الرئيس التنفيذي  
بورصة الكويت  
السلام عليكم ورحمة الله وبركاته وبعد ...

Dear Sir,

**Minutes of the Analysts' Conference call for  
the financial year ended December 31st 2024**

**محضر مؤتمر المحللين للسنة المالية المنتهية في  
31 ديسمبر 2024**

Reference is made to the provisions of Article no. (8-4-2) of Boursa Kuwait Rulebook issued by virtue of Resolution no. 1 of 2018 and its amendments concerning continuing the obligations of the listed companies classified under the "Premier Market Segment" under which Boubyan Bank is categorized. We attach herewith a copy of the Minutes of the Analysts' Conference call for the financial year ended December 31st 2024 held via Live Webcast at 01:00pm (Local Time) on Monday, February 03<sup>rd</sup> 2025, as per the requirements of the said article.

بالإشارة الى أحكام المادة رقم (8-4-2) من قواعد البورصة الصادرة بموجب القرار رقم (1) لسنة 2018 وتعديلاته، والمتعلقة بالالتزامات المستمرة المطلوبة من الشركات المدرجة المصنفة ضمن شريحة - السوق الأول - (Premier Market) والتي تم تصنيف بنك بوبيان ضمنها. نرفق لكم نسخة من محضر مؤتمر المحللين للسنة المالية المنتهية في 31 ديسمبر 2024 الذي انعقد عن طريق بث مباشر على شبكة الأنترنت (Live Webcast) في تمام الساعة 01:00 (وفق التوقيت المحلي) من بعد ظهر يوم الاثنين الموافق 2025/02/03؛ وذلك وفقا للمتطلبات الواردة في المادة المشار إليها أعلاه.

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

## **FY 2024 Boubyan Bank K.S.C.P – Earnings Call**

Edited transcript of the Boubyan Bank earnings conference call that took place on Monday, 3<sup>rd</sup> February 2025 at 13:00 Kuwait Time

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### **Corporate Participants:**

Mr. Abdulsalam Al Saleh – Chief Executive Officer

Mr. Mohamed Ibrahim – General Manager – Financial Control Group

Mr. Fawaz Tawfiqi – Investor Relations

Fawaz Tawfiqi: Good afternoon everyone, and thank you for joining us today. This is Fawaz Tawfiqi from Investor Relations. I am pleased to welcome you all to Boubyan Bank's earnings webcast covering the full year results of 2024.

Joining me today is Mr. Abdulsalam Al Saleh – Chief Executive Officer, and Mr. Mohamed Ibrahim – General Manager – Financial Control. I'd like to commence our call today by reading out a brief disclaimer which you can also find on page 2 of our presentation:

"Certain statements in this presentation may constitute forward looking statements reflecting the banks expectations. Accordingly, these are subject to risk and uncertainty, which may cause actual results to differ materially from the plans reflected within today's presentation. You are cautioned not to rely on such forward-looking statements and the Bank does not assume any obligation to update its views of such risks and uncertainties or to publicly announce any revisions to the forward-looking statements made herein"

In addition to the disclaimer I have just read, I urge you all to read the full text of our disclaimer on page 2 of the presentation pack.

Our format for today's call will include:

An overview of Boubyan's performance by Mr. Abdulsalam Al Saleh followed by a presentation on the Bank's financial performance by Mr. Mohamed Ibrahim.

Following this, we will have time for a Q&A session with attendees today. We will be receiving your questions through the webcast platform, and we will endeavour to answer all of your questions today, however, if any questions are left unanswered due to time constraints, or you have any further questions you wish to pose, please feel free to contact us through the Boubyan Investor relations email address, which you can find on our website.

With that said, I would like to now hand you over to Mr. Abdulsalam Al Saleh to take you through a brief update on Boubyan's performance during 2024.

Abdulsalam Al Saleh: Thank you Fawaz.

Good afternoon everyone and thank you for joining us.

I will give a quick update on our operating environment before my highlights on the overall financial performance and strategic initiatives.

During the second half of 2024, many central banks around the world have shifted their stances and started lowering interest rates. Most notably, the Fed implemented a rate cut of 50bps (the first cut in almost four and a half years). It is widely speculated that more cuts are expected as we head further into 2025 and 2026; however, the timing remains uncertain. Such actions should help the global economy stabilize after a period of high borrowing costs.

Despite the ongoing regional and global challenges, the GCC countries have maintained stability. Oil prices have stabilized at around USD 75 per barrel towards the end of 2024, supported by OPEC+ production cuts as an effort to ensure continued strong demand for oil. As for inflation, most GCC countries are experiencing inflation rates near or below 2%, according to published research.

Kuwait's economy has remained relatively stable thanks to steady oil prices, accelerated government projects awards, and an overall improvement in economic activities as a result of a 25bps discount rate cut by the Central Bank of Kuwait during late September.

The Kuwaiti government has recently approved a number of major infrastructure projects totaling USD 51 billion which are expected to modernize Kuwait's facilities and infrastructure. Key projects include the development of approximately 10 thousand houses worth USD 3.3 billion, the construction of a 111-kilometer rail line connecting to the GCC network, the USD 3.2 billion development of the Mubarak Al-Kabeer Port, and USD 1.3 billion worth of nation-wide road maintenance contracts with 18 local and foreign companies. Naturally, these project awards are expected to drive momentum for financing growth.

We have also noticed that the Kuwaiti government is advancing plans to implement mortgage financing in Kuwait, and, if materialised, will further boost financing growth.

Kuwait has also introduced a 15% corporate income tax on large multinational enterprises, which is in-line with the OECD's Pillar Two framework. This initiative aims to align with international tax standards and create additional government revenue estimated to be around KD 200 – 300 million annually, further contributing to Kuwait's economic diversification efforts.

Regarding Boubyan's performance during 2024, we achieved positive results with profitability measures and assets growing double digits.

Our net profit grew by 20% year-on-year to reach KD 96.8 million with an earnings per share of 21.6 fils. Our operating profit also grew by 12%.

Our operating income grew 13% to KD 246 million. Total assets grew 12% year-on-year to reach KD 9.4 billion and the total financing portfolio also grew by 10% to KD 6.9 billion. Customer deposits grew by 15% to reach KD 7.4 billion. Our market share of financing increased to around the 12% mark, while maintaining the non-performing loans at a very low level of 1.0%. The board proposed cash dividends of 10 fils per share and bonus shares of 5%.

Moving on now to discuss our strategy.

After closing the recent 5-year strategic plan "Boubyan 2023" last year, the bank has opened a new chapter and a new 5-year strategy cycle labeled "Boubyan 2028." Aligned with our vision to be the leading Islamic bank that excels in innovating top-tier financial and digital solutions, and our mission to fulfill lives and drive prosperity for people, and integrated within our ESG directions, Boubyan's 2028 strategy will instill its values across the group and ensure growth of all stakeholders; employees, customers, shareholders & communities.

Boubyan has kickstarted its fourth strategic journey "Boubyan 2028" with great success as 2024 continued to deliver double digit growth across key profitability metrics and main balance sheet items, with both Consumer Banking and Corporate Banking leading the way in terms of bottom-line profitability, while the bank as a whole maintained its position as the third largest Kuwaiti bank in terms of assets and loans. Kuwait's relatively stable economy was considered an aiding hand in this regard.

Boubyan Bank continues to retain its position of being the leading retail franchise in Kuwait with the highest market share within the youth segment, ranked as #1 in terms of mobile app rating, and is the leading bank in terms of customer service and innovation. The Bank's strategy also focused in the past few years on accelerating fee income generating initiatives, which has grown significantly since 2018.

During the year, Boubyan Bank was awarded with numerous awards and international rankings by a group of prestigious institutions, among which are *Global Finance*, *MEED*, *Citi*, and *Service Hero*, thus, reinforcing its leadership and status as a leading Islamic and digital financial institution. Boubyan was also ranked among *Forbes'* top 100

listed companies in the MENA region for 2024. This is in addition to our Group CEO, Mr. Adel Al-Majed, being named the MENA CEO of the year by *MEED* in recognition of his exceptional leadership and significant contributions to the growth of the banking industry over the years.

Now, Mohamed will take you through the Bank's financial performance with more details.

Mohamed Ibrahim: Good afternoon everyone. It is my pleasure to take you through our financial results of 2024.

The bank has reported a net profit of KD 96.8 million, a growth of 20% compared to last year, with an earnings per share of 21.6 fils. This growth reflects the growth in operating profit and a reduction in our cost of risk.

Operating profit grew by 12% to reach KD 120.1 million. This will be discussed in more details throughout the next slides.

The bank's RoAE and RoAA improved compared to last year and are standing at 10.3% and 1.1%, respectively, reflecting the growth in net profits.

Now moving on to the operating income slide, operating income increased by 13% to KD 246.2 million. This was mainly driven by the increase in core businesses and fees & commissions income.

Regarding net financing income, the growth of 16% YoY is resulting from the growth in average profit earning assets by 9% as well as the growth in our NPM by around 20bps, reflecting the full repricing effects of the multiple increases in the benchmark rates over the past 2 years.

Net investment income dropped by KD 3.9 million or 26% due to market conditions especially in international investment properties.

Fees and commissions income and FX gains grew by 17% year on year reaching KD 34.5 million, reflecting the growth in the banking and wealth management business lines.

Now, we will move to slide 9 and discuss operating expenses.

Operating expenses increased by 14% to KD 126.1 million, compared to KD 110.6 million in 2023, driven primarily by various strategic initiatives, inflation factors, and increases in digital technology investments, and scaling of operations. This has resulted in a cost-to-income ratio of 51.2% and the cost to average assets of 1.4%.

We will now move onto provisions on slide 10, we can see that the total impairment provision was KD 19.3 million which was lower than 2023 by 39% and resulted into the reduction in the bank's loss ratio and provisions as a percentage of operating profit to 0.26% and 16.1%, respectively.

As a result of the conservative provisioning policy during the last three years, the bank accumulated a sizable buffer which resulted into total provisions in excess of IFRS 9 provision requirements by over KD 134 million. This has strengthened the Bank's balance sheet and increased its ability to absorb shocks that might result from the challenges in the overall economic environment.

Now moving on to slide 12 regarding our Balance sheet.

Overall, our total assets grew by 12% during the year. This growth was mainly driven by the growth in the Bank's financing portfolio, fixed income and investment portfolio.

Looking into the composition of total assets, we can see the financing portfolio represents 74% of total assets and liquid assets to total assets maintained at a comfortable level of 21%.

Customer deposits grew 15% during 2024 and now represents 79% of our sources of funding. The loan to deposit ratio was maintained at a comfortable 87%.

We now move on to slide 13 to discuss the performance of our financing portfolio. Our net financing portfolio grew by KD 603 million or 10% as compared to prior year which was mainly driven by the growth in the corporate segment by 12% YoY. The growth in retail financing was also around 6%, reflecting the limited growth in the market.

Non-performing loans was maintained at 1.0% and lower than the industry average which reflects our strict underwriting standards and the quality of our assets. Coverage ratio was also maintained at a very comfortable level of 319%.

We now move on to our last section on Capital Ratios on page 15.

Our capital adequacy ratio stands at 17.9% against a minimum requirement of 14% (including D-SIB of 1%).

Risk Weighted Assets reported a year-on-year growth of 6% to reach KD 5.9 billion, which was driven mainly by asset growth.

The leverage ratio currently stands at 10.0% and is in line with the

market and well above the regulatory minimum.

Before I hand over for the Q&A session, I would like to make some remarks on our guidance for the 2025 year.

Regarding the expected credit growth in Kuwait, a potential reduction in interest rates along with an anticipated increase in government-led capital investments and corporate projects and taking into consideration the current geo-political situation, we forecast credit growth to be possibly around the mid-single digit for 2025.

With regard to loan growth for Boubyan, we expect to achieve high-single digit to low-double digits growth at the group level considering our expectation for the overall growth in credit market in Kuwait.

With regards to margins, the expectation at large is that benchmark interest rates would continue to decrease in the upcoming months and quarters though the timing is still uncertain. However, the previous cut of 25bps had a limited impact on the NPM. Our NPM in 2025 will be in the range of 2.3 - 2.4% depending on the number of cuts that will happen in 2025.

Our cost-to-income is expected to show a declining trend from 2025 onwards while maintaining the loss ratio at the current levels.

The top-up tax due to the implementation of the corporate income tax, in-line with the OECD's Pillar Two, is expected to increase the effective tax rate significantly. However, we are still awaiting the executive regulations to assess the actual impact.

With this, I would like to conclude my briefing on the financial performance. Now, I would like to handover to Fawaz for the Q&A session.

Fawaz Tawfiqi

Thank you, Mr. Mohamed.

We will now start our Q&A session. Ladies and gentlemen, if you wish to participate in our Q&A, please type your question using the question box on screen. Then click the submit button. Thank you for holding.

Fawaz Tawfiqi

Thank you for holding. We have a few questions regarding the mortgage law. Mr. Abdulsalam will share some updates on that matter.



Abdulsalam Al Saleh	The mortgage law is still in the making. Although, we believe that it is in the final stages and there are expectations that its resolution will be announced soon. Of course, as of now, we are not in liberty to discuss or reveal the details. It has to be following the Amiri decree. It is expected to have a significant impact on the growth of the banking sector. As for the timing, firstly, there will be an Amiri decree followed by an executive memo explaining the various conditions mentioned in the law, and then of course, the execution of this law. There will be many parties involved, including the banks and developers. The Credit Bank will also be part of that. We cannot give an exact date, we expect to see it towards the second half and possibly the last quarter of this year.
Fawaz Tawfiqi	Next question: could you share any KPIs of the Boubyan 2028 strategy, like RoE and payout targets?
Mohamed Ibrahim	For RoE, our target of 11-12% is as per our 2028 strategy. Also, for 2028, we are targeting for a major reduction in our cost-to-income ratio and aiming for it to be in the lower 40s. For the payouts, it's difficult to put a target here because usually, our payout, as you might know, is balancing the expected growth along with the level of distribution, but, so far, our dividend policy is expected to stay the same.
Fawaz Tawfiqi	Any guidance on credit cost for 2025? And how many rate cuts does your margin expectation of 2.3-2.4% assume for 2025?
Mohamed Ibrahim	For credit cost, we expect 2025 to close at a similar level as that of 2024 (with a loss ratio of 26 bps - which is calculated based on total assets). Also, for rate cuts, we expect 2 cuts during 2025. We have ranged our margin expectation of 2.3-2.4% to allow for some timing difference and in case there might be more than 2 cuts during the year.
Fawaz Tawfiqi	Does the mid-single digit credit growth guidance for 2025 incorporate potential positive impact from government projects? Seems like a conservative assumption in the context of 10% credit growth in 2024.
Mohamed Ibrahim	Actually, our credit growth was 10%. What I stated earlier in the presentation (when I said that we forecast mid-single digit credit growth during 2025), here, I meant the market growth. This forecast also incorporates potential positive impacts from government projects. As you know, when the government awards projects, it will take time to reflect in the banks' credit growth. For Boubyan, as usual, we expect to achieve at least x1.5 the market growth and estimate high single-digit or low double-digits growth.
Fawaz Tawfiqi	Do you expect net income growth after tax to be negative in 2025 because of the higher tax rate?

Mohamed Ibrahim	As I mentioned, the tax rate is expected to have a material impact on our profitability. However, we believe that we can achieve positive growth for 2025.
Fawaz Tawfiqi	Can you elaborate on drivers of fee income growth in 2024 (+16% increase)?
Mohamed Ibrahim	The 16% reflects growth coming from multiple business lines. The major one was wealth management; it had a major contribution to 2024's numbers. Our insurance business also showed very positive results during the year. This is in addition to the normal growth that is coming from our core business (corporate and retail), reflecting the growth in our customer base.
Fawaz Tawfiqi	Should we assume growth in operating expenses in 2025 to be similar to 2024?
Mohamed Ibrahim	No. Actually, in 2025, our guidance for cost-to-income ratio is to start showing a declining trend. This will be reflected in our operating expenses which we forecast its growth to be high single-digit.
Fawaz Tawfiqi	Next, we have a few questions regarding capital: any plans to refinance maturing senior Eurobonds? And any plans to issue Basel 3 compliant capital instruments AT1s and Tier 2s?
Mohamed Ibrahim	We do not have a plan to disclose as of now. We must follow the regulatory mechanism and it will be announced once it is approved.
Fawaz Tawfiqi	Next few questions: what were the drivers of credit growth of 10% in 2024? What are your views on the acquisition plans in the sector? And lastly, is inorganic expansion part of the strategy of the bank?
Abdulsalam Al Saleh	For the credit growth, it is a combination of the growths in our consumer and corporate portfolios, although, corporate has contributed a bit more during 2024, capitalizing on the opportunities that were raised during the year, especially during the second half, with more acceleration in project awards as well as us being active in mega projects in the GCC countries, particularly the projects that have national importance to the respective country. For the expansion plans, we will continue with our strategy for 2028 and we think we have the financial resources that will enable the bank to achieve its strategic goals and whenever an opportunity arises, we will consider it and decide on that matter. As for the consolidation in the banking sector, we think it's healthy for the sector. It will elevate the competition and open doors for more innovation, challenges, and opportunities.

Fawaz Tawfiqi

Ladies and gentlemen, we'd like to thank you all for your attendance today and remind you that should you wish to ask any follow up questions you may do so through the investor relations email address listed on our website.

A reminder that the presentation slides and transcripts of this call will be published on both the Boubyan and the Kuwait Boursa Websites within the coming days.

Thank you.

# **Boubyan Bank Investor Presentation**

## **FY 2024 Results**

3rd February 2025

## DISCLAIMER

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## Outline

- 1** **Boubyan's Performance & Strategy – At a Glance**
- 2** Income Statement Analysis
- 3** Balance Sheet Analysis
- 4** Capitalization & Leverage

# Financial Highlights

## Financial Snapshot

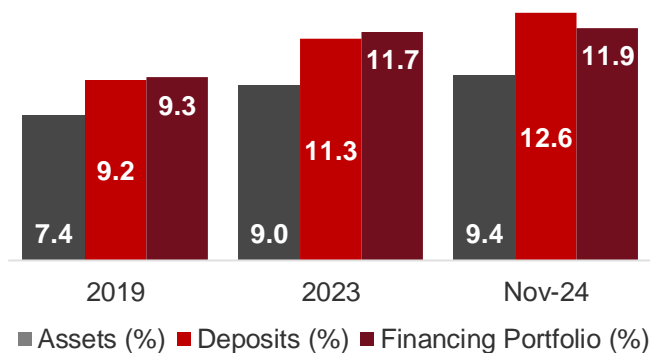
<b>KD million</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>Growth %</b>
Net Profit to shareholders	<b>96.8</b>	80.4	20%
Operating Income	<b>246.2</b>	218.0	13%
Operating Profit	<b>120.1</b>	107.5	12%
Total Assets	<b>9,377</b>	8,405	12%
Financing Portfolio	<b>6,924</b>	6,321	10%
Customer Deposits	<b>7,424</b>	6,479	15%
Earnings per share (Fils)	<b>21.61</b>	17.70	22%

## Key Financial Metrics

	<b>FY 2024</b>	<b>FY 2023</b>	<b>Variance</b>
Return on Average Equity (%)	<b>10.3</b>	9.0	1.3
Return on Average Assets (%)	<b>1.1</b>	1.0	0.1
Cost to Income (%)	<b>51.2</b>	50.7	0.5
NPL Ratio (%)	<b>1.0</b>	1.0	0.0
Capital Adequacy Ratio (%)	<b>17.9</b>	18.0	(0.1)

Source: Financial statements, Boubyan analysis

## Market Share (%)



## Credit Ratings

<b>Rating Agency</b>	<b>Long Term Rating</b>	<b>Outlook</b>	<b>Date</b>
<b>Moody's</b>	A2	Stable	May 2024
<b>STANDARD &amp; POOR'S</b>	A	Stable	Dec 2024
<b>FitchRatings</b>	A (xgs: BBB)	Stable	Dec 2024

# The Bank's Strategy Builds on Robust Domestic Foundations And Builds Its International Presence

## Strategic Objectives

A leading Islamic full-fledged bank in Kuwait, focused on innovation and digital excellence

### Consumer Banking

- Maintaining Group's position as a leader in customer service and enhancing the customer experience.
- Growing its market share as the bank of choice for affluent and youth customers through improved digital initiatives.
- Personalized Private Banking for high net worth individuals providing a holistic local and international offering while growing its market share of new clients.
- Building an expansive product offering to selected SMEs with a unique value proposition.

### Corporate Banking

- Defending, and strategically expanding, its position and market share in large and mid-size corporate clients.
- Becoming a lead cash manager and trade partner for institutions by achieving coverage and operational excellence through our state-of-the-art Cash Management and Transaction Banking solutions.
- Delivering faster solutions and superior service through the improvement of its credit processes and systems.

### Wealth Management

- Maximize wealth management growth and service excellence by enhancing offerings and solutions through Boubyan Capital, BLME, and NOMO Bank.
- Continuing to develop acquisition, marketing, and relationship capabilities.
- Growing the Group's market share in these sectors.
- Creating distinctive Islamic wealth management opportunities for customers.

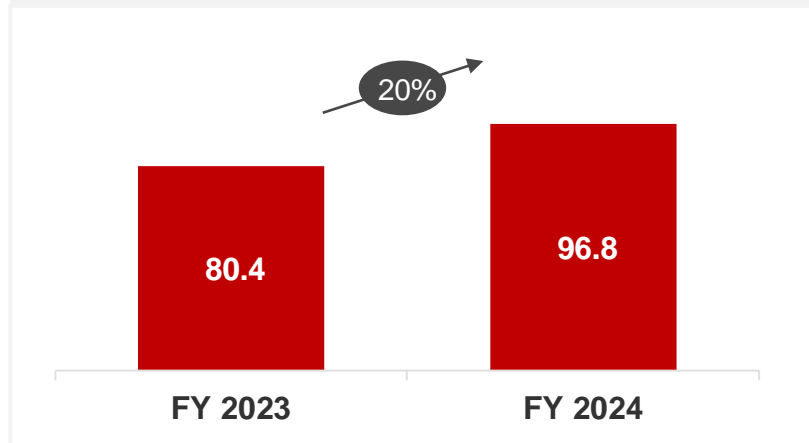


## Outline

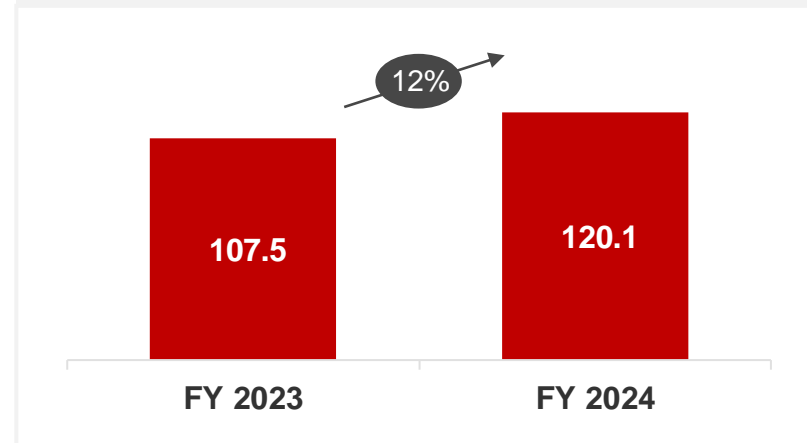
- 1 Boubyan's Performance & Strategy – At a Glance
- 2 Income Statement Analysis**
- 3 Balance Sheet Analysis
- 4 Capitalization & Leverage

## Profitability & Performance Ratio

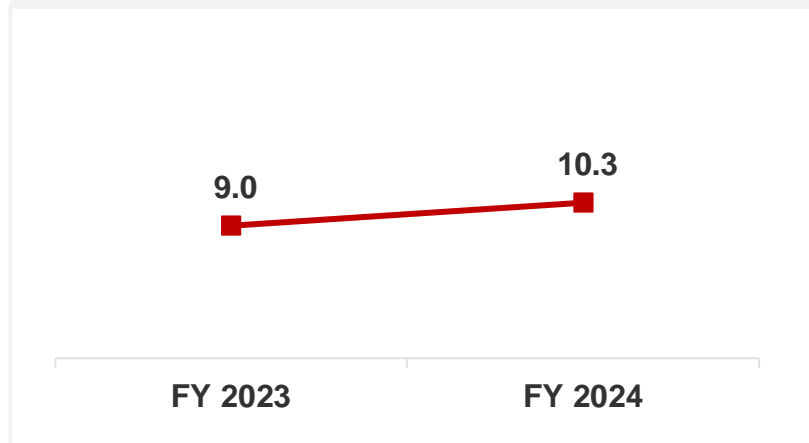
### Net Profit (KD Million)



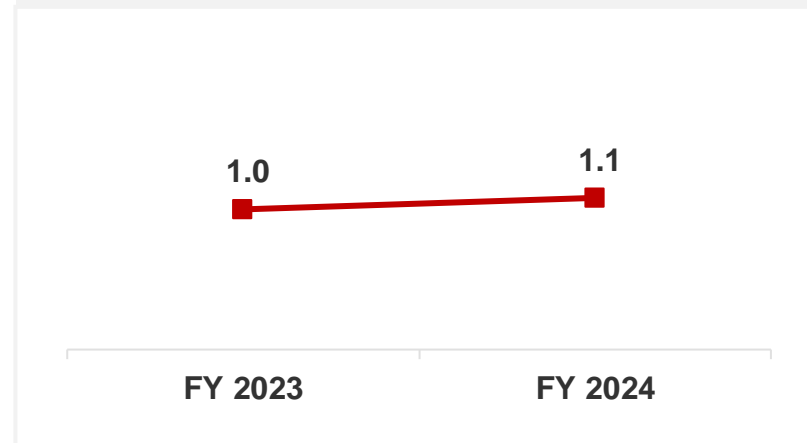
### Operating Profit (KD Million)



### \* Return on Average Equity (%)



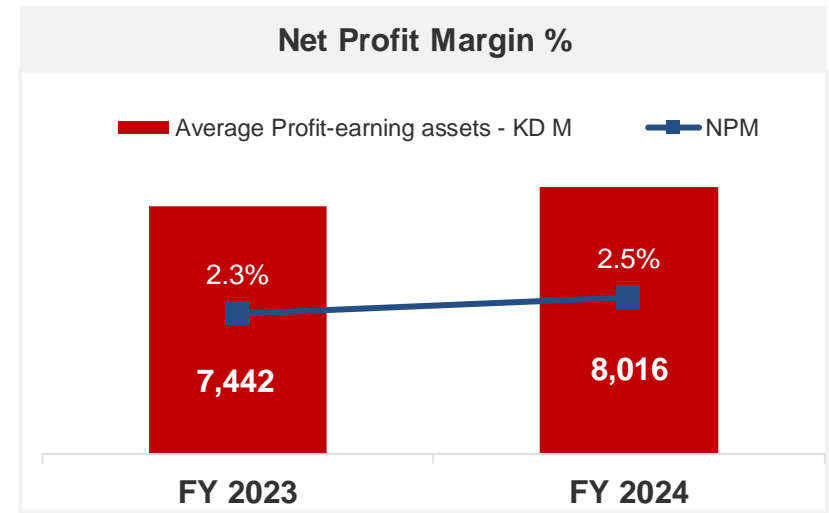
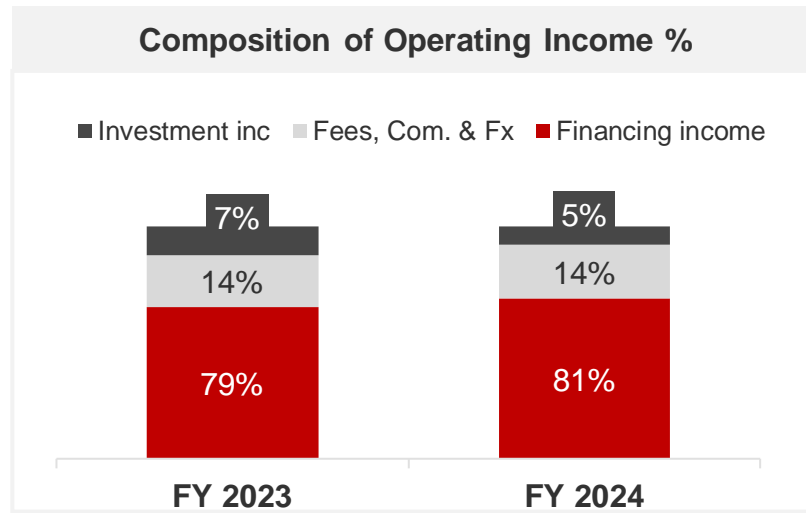
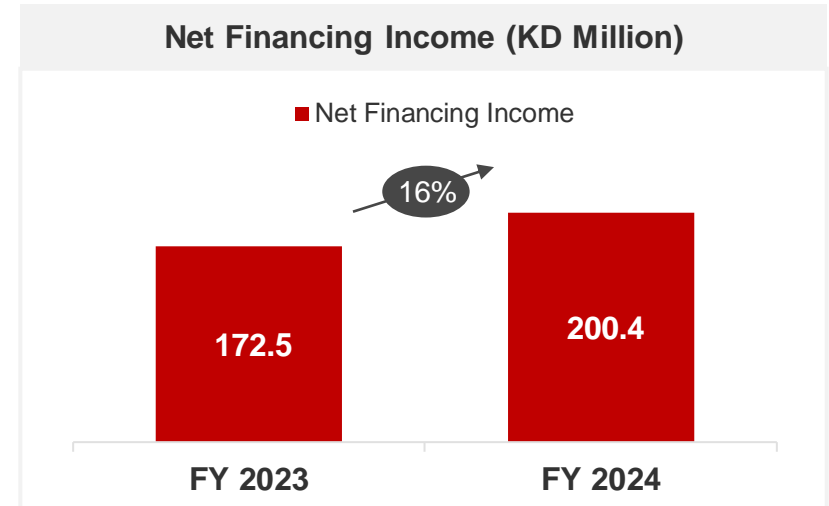
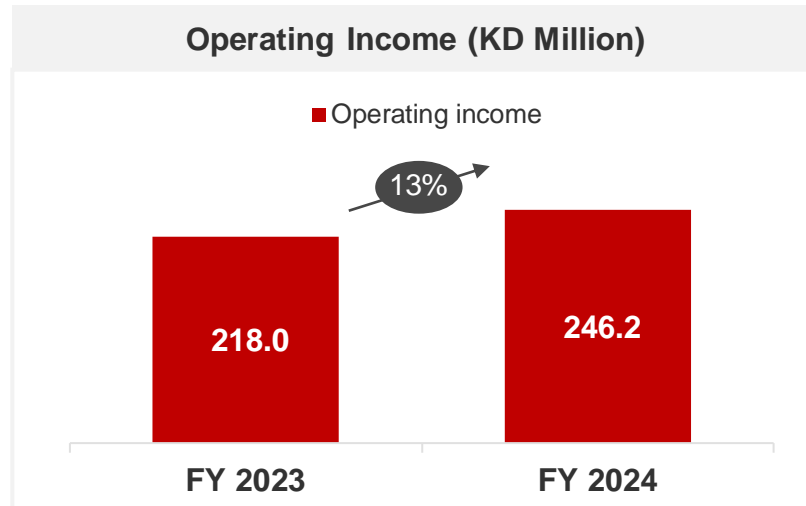
### Return on Average Assets (%)



\* Return on Average Equity is computed based on shareholders' equity after adjusting the net profit for Tier 1 Sukuk costs.

Source: Financial statements, Boubyan analysis

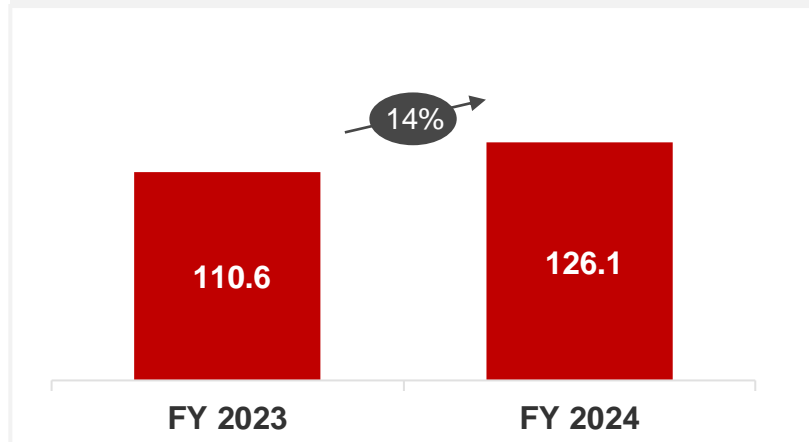
## Operating income components and Net Profit Margins



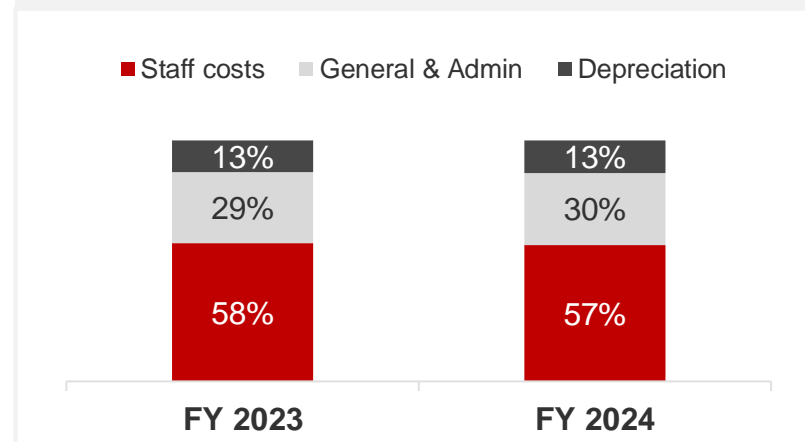
Source: Financial statements, Boubyan analysis

## Operating Costs & Efficiency

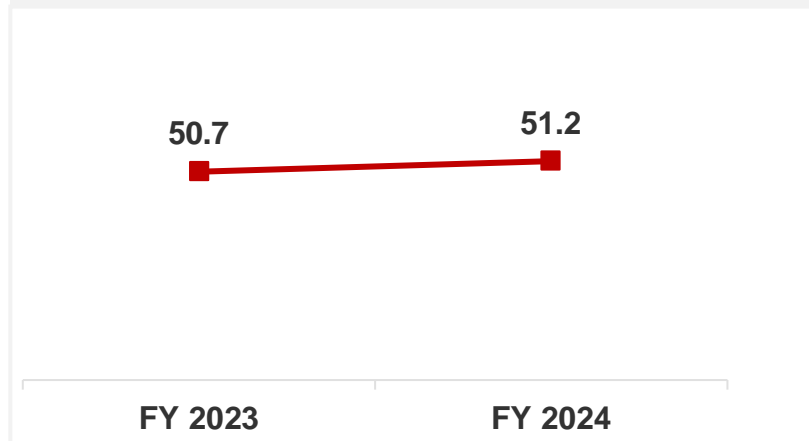
### Operating Costs (KD Million)



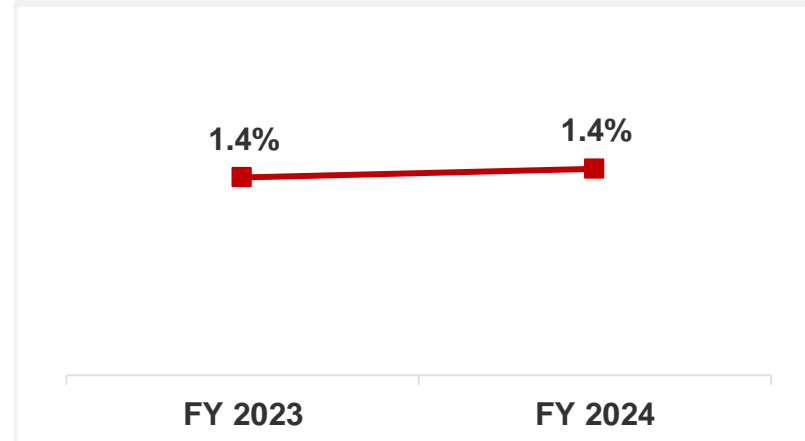
### Composition of Operating Costs %



### Operating Efficiency (%)

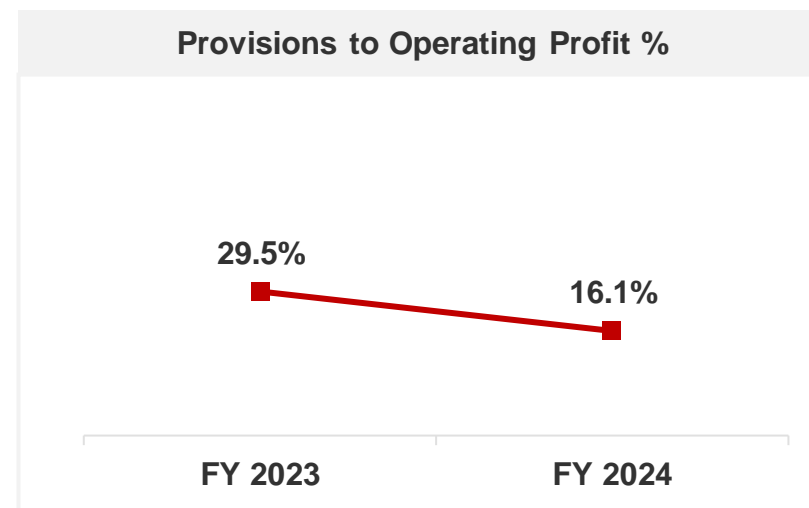
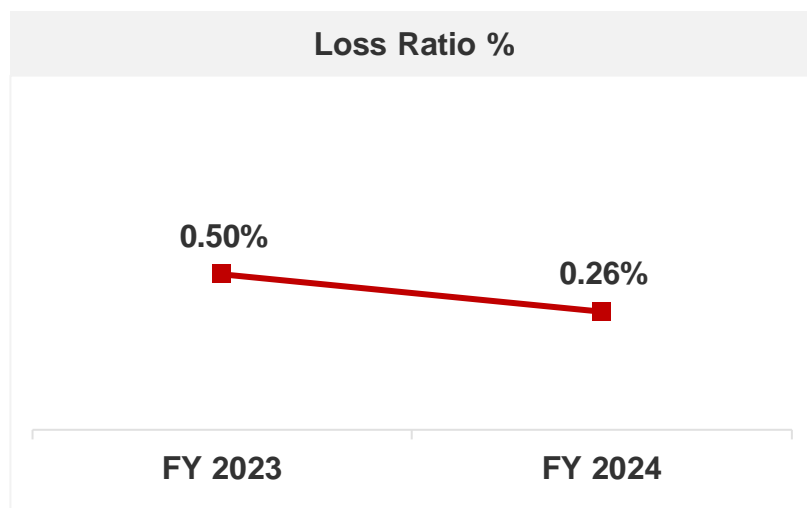
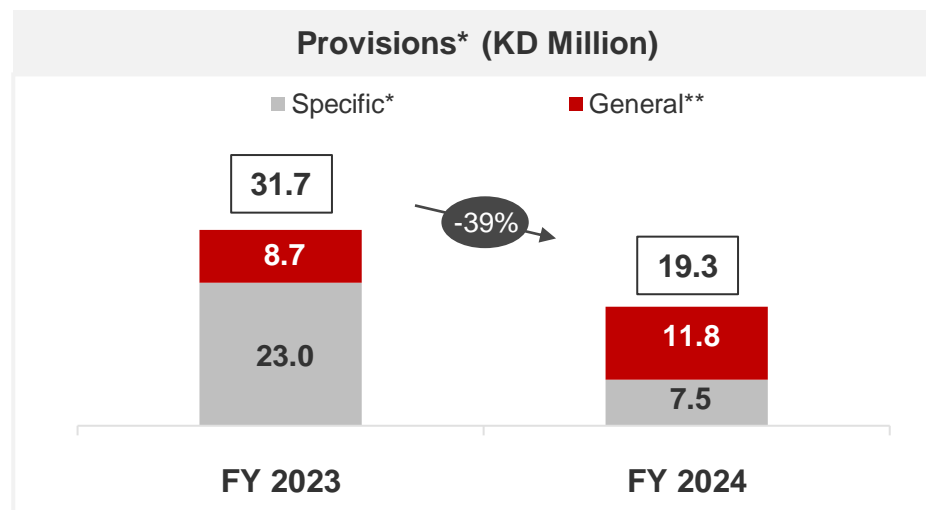


### Operating Costs to Average Assets (%)



Source: Financial statements, Boubyan analysis

## Provisions & Related Ratios



\* Specific Provisions are shown inclusive of ECL – Other Financial Assets – Investments Impairment

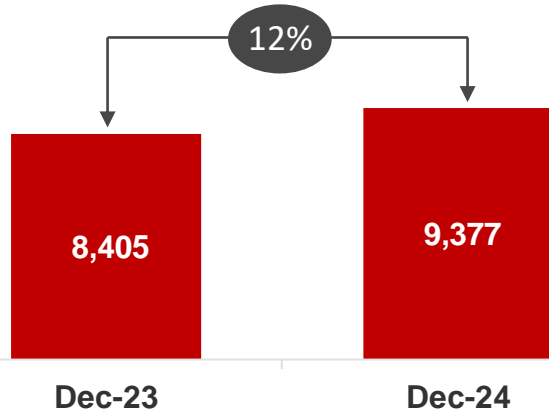
\*\* General Provisions are shown inclusive of Contingent Provisions

## Outline

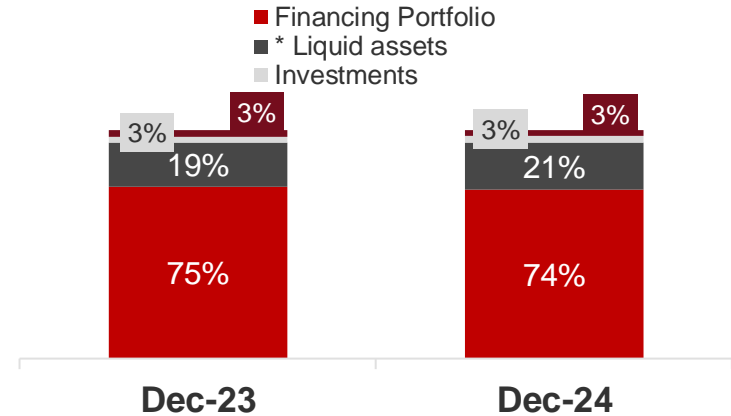
- 1 Boubyan's Performance & Strategy – At a Glance
- 2 Income Statement Analysis
- 3 Balance Sheet Analysis**
- 4 Capitalization & Leverage

# Assets & Sources of Funding

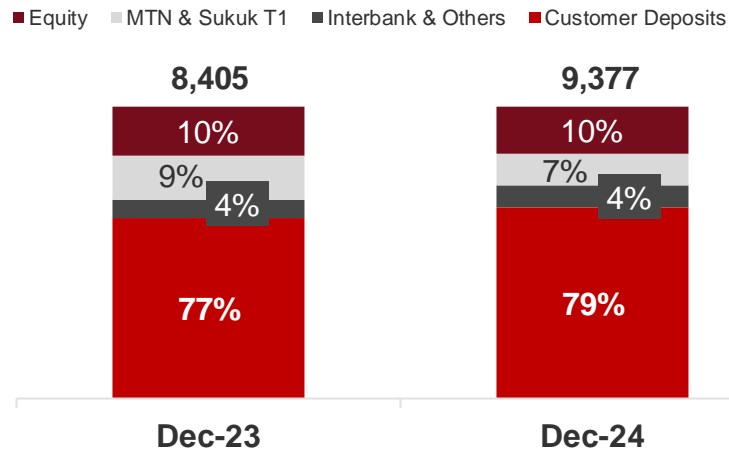
### Total Assets (KD Million)



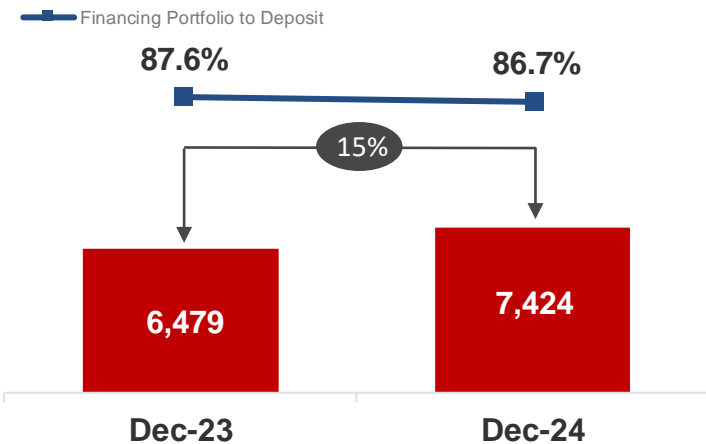
### Composition of Assets %



### Sources of Funding (KD Million & %)



### Customer Deposits (KD Million)

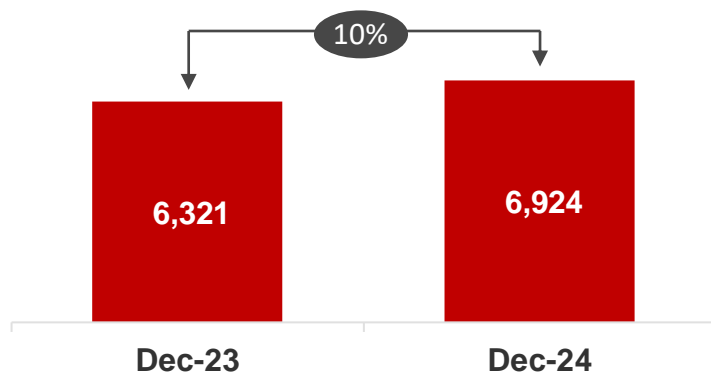


\* Liquid assets include cash and balances with banks, Deposits with CBK, Deposits with other banks and Sukuk Investments

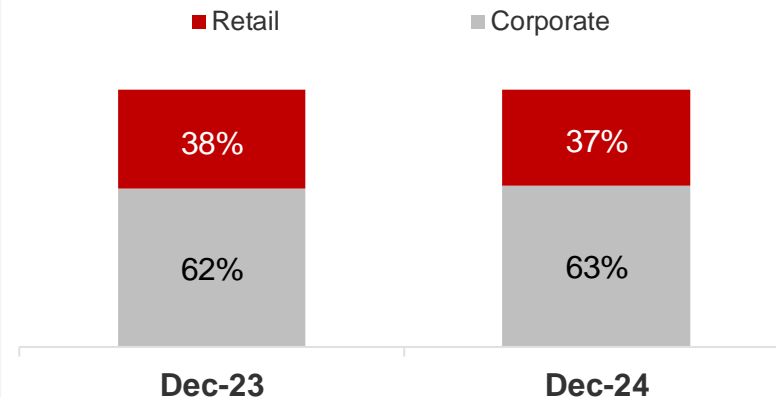
Source: Financial statements, Boubyan analysis

# Financing Portfolio & Asset Quality

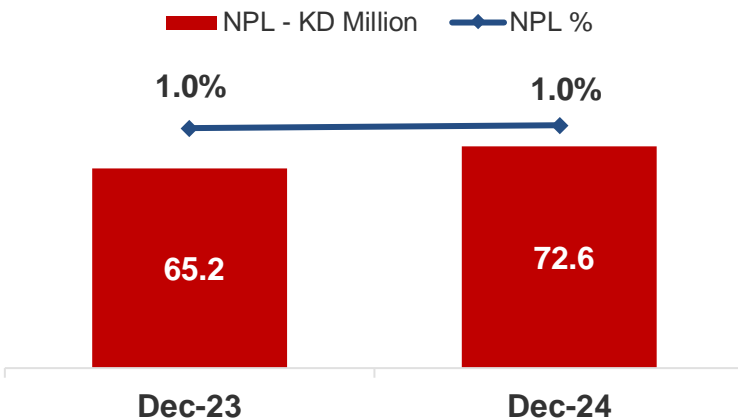
## Financing Portfolio – KD Million



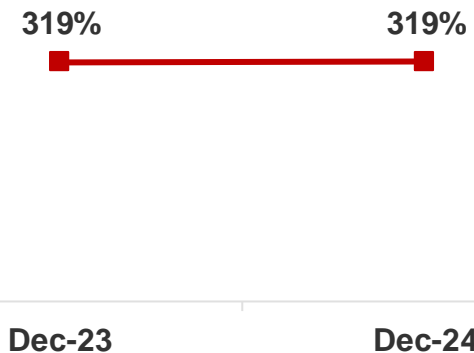
## Composition of Financing Portfolio %



## Non-Performing Financing Portfolio



## Loss Coverage Ratio





## Outline

- 1** Boubyan's Performance & Strategy – At a Glance
- 2** Income Statement Analysis
- 3** Balance Sheet Analysis
- 4** Capitalization & Leverage

# Capital Adequacy

## Capital Adequacy Ratio

■ RWA - KD Million    ◆ Total CAR

18.0%                      17.9%

5,561

5,885

Dec-23

Dec-24

## Leverage Ratio

10.6%

10.0%

Dec-23

Dec-24

## Composition of Regulatory Capital

■ CET1    ■ Additional Tier 1    ■ Tier 2

7%

14%

79%

Dec-23

7%

13%

80%

Dec-24

Source: Regulatory returns

# Questions?

# Appendix

# Consolidated Financial Statements – FY 2024

CONSOLIDATED STATEMENT OF INCOME	31-Dec	31-Dec
KD Million	2024	2023
<b>Income</b>		
Islamic financing income	458.5	396.8
Financing cost	(258.1)	(224.3)
<b>Net finance income</b>	<b>200.4</b>	<b>172.5</b>
Net investment income	11.2	15.2
Net fees and commission income	26.3	22.9
Net foreign exchange gain	8.3	6.6
Other Income	0.0	0.9
<b>Operating Income</b>	<b>246.2</b>	<b>218.0</b>
<b>Expenses</b>		
Staff cost	(71.6)	(63.7)
General and administrative expenses	(37.6)	(32.6)
Depreciation	(16.9)	(14.3)
<b>Total Expenses</b>	<b>(126.1)</b>	<b>(110.6)</b>
<b>Profit before provision for impairment</b>	<b>120.1</b>	<b>107.5</b>
Provision for impairment	(19.3)	(31.7)
<b>Profit before taxes</b>	<b>100.8</b>	<b>75.7</b>
Taxes and board remuneration	(4.0)	2.5
Non-Controlling Interests	0.0	2.2
<b>Net Profit for the year</b>	<b>96.8</b>	<b>80.4</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	31-Dec	31-Dec
KD Million	2024	2023
<b>Assets</b>		
Cash and balances with banks	496	399
Deposits with Central Bank of Kuwait	125	219
Deposits with other banks	245	96
Islamic financing to customers	6,924	6,321
Investments in Sukuks	1,064	886
Other investment securities	188	157
Investment properties	68	74
Other assets	99	104
Property and Equipment	168	149
<b>Total Assets</b>	<b>9,377</b>	<b>8,405</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Due to banks	286	187
Depositors' accounts	7,424	6,479
Medium Term Financing	446	592
Other liabilities	134	118
<b>Total liabilities</b>	<b>8,291</b>	<b>7,376</b>
<b>Equity</b>		
Share capital	420	396
Share premium	317	317
Treasury shares	(0)	(0)
Reserves	80	71
Retained earnings	95	71
<b>Equity attributable to equity holders of the bank</b>	<b>913</b>	<b>855</b>
Perpetual Tier 1 Sukuk	150	150
Non-controlling interest	23	24
<b>Total equity</b>	<b>1,086</b>	<b>1,029</b>
<b>Total liabilities and equity</b>	<b>9,377</b>	<b>8,405</b>

# Consolidated Income Statement

CONSOLIDATED STATEMENT OF INCOME KD Million	31-Dec 2024	31-Dec 2023	31-Dec 2022
<b>Income</b>			
Islamic financing income	458.5	396.8	283.7
Financing cost	(258.1)	(224.3)	(116.5)
<b>Net finance income</b>	<b>200.4</b>	<b>172.5</b>	<b>167.2</b>
Net investment income	11.2	15.2	6.8
Net fees and commission income	26.3	22.9	21.1
Net foreign exchange gain	8.3	6.6	6.2
Other Income	0.0	0.9	0.0
<b>Operating Income</b>	<b>246.2</b>	<b>218.0</b>	<b>201.4</b>
<b>Expenses</b>			
Staff cost	(71.6)	(63.7)	(60.3)
General and administrative expenses	(37.6)	(32.6)	(28.2)
Depreciation	(16.9)	(14.3)	(12.4)
<b>Total Expenses</b>	<b>(126.1)</b>	<b>(110.6)</b>	<b>(100.8)</b>
<b>Profit before provision for impairment</b>	<b>120.1</b>	<b>107.5</b>	<b>100.6</b>
Provision for impairment	(19.3)	(31.7)	(43.7)
<b>Profit before taxes</b>	<b>100.8</b>	<b>75.7</b>	<b>56.9</b>
Taxes and board remuneration	(4.0)	2.5	(2.7)
Non-Controlling Interests	0.0	2.2	3.5
<b>Net Profit for the year</b>	<b>96.8</b>	<b>80.4</b>	<b>57.8</b>

# Consolidated Statement of Financial Position

KD Million	31-Dec 2024	31-Dec 2023	31-Dec 2022
<b>Assets</b>			
Cash and balances with banks	495.5	399.0	533.2
Deposits with Central Bank of Kuwait	125.1	219.0	247.8
Deposits with other banks	244.7	96.2	131.7
Islamic financing to customers	6,923.9	6,321.0	5,913.5
Investments in Sukuks	1,063.9	886.3	609.6
Other investment securities	187.6	154.7	152.6
Investment properties	68.4	73.5	33.6
Other assets	99.4	106.0	130.1
Property and Equipment	168.1	149.2	128.6
<b>Total Assets</b>	<b>9,376.6</b>	<b>8,405.0</b>	<b>7,880.8</b>
<b>Liabilities</b>			
Due to banks	286.4	187.2	198.7
Depositors' accounts	7,424.2	6,479.1	5,961.7
Medium Term Financing	445.5	591.7	637.6
Other liabilities	134.4	118.2	103.0
<b>Total liabilities</b>	<b>8,290.5</b>	<b>7,376.2</b>	<b>6,901.1</b>
<b>Equity</b>			
Share capital	420.1	396.3	373.9
Share premium	316.9	316.9	316.9
Treasury shares	(0.1)	(0.1)	(0.1)
Reserves	80.5	70.9	58.3
Accumulated retained earnings / (losses)	95.4	70.6	49.6
<b>Equity attributable to equity holders of the bank</b>	<b>912.9</b>	<b>854.7</b>	<b>798.6</b>
Perpetual Tier 1 Sukuk	150.4	150.4	150.4
Non-controlling interest	22.8	23.8	30.7
<b>Total equity</b>	<b>1,086.1</b>	<b>1,028.8</b>	<b>979.7</b>
<b>Total liabilities and equity</b>	<b>9,376.6</b>	<b>8,405.0</b>	<b>7,880.8</b>

# Thank You