

التاريخ	رقم الصادر	الإشارة
2022/10/26	645	ب و / ر ت

M/s. Boursa Kuwait Company

المحترمين

السادة/ شركة بورصة الكويت

May Allah's Peace and Blessing be upon you,

السلام عليكم ورحمة الله وبركاته ...

**Subject: Analyst Conference meeting for the 3<sup>rd</sup> Quarter 2022**

**الموضوع: اجتماع مؤتمر المحللين - الربع الثالث من عام 2022**

We refer to the abovementioned subject and as per the requirements of Article (7-8-1/3) of the Boursa Rule Book regarding listed companies obligations (Analyst Conference), and since Warba Bank has been classified in the "Premier Market".

We would like to advise that the quarterly analyst/investor conference was held by means of Live Webcast at 03:00 P.M. Kuwait time Wednesday October 26<sup>th</sup>, 2022, it is worth mentioning that there was no new material information discussed during the conference.

Warba Bank shall disclose the minutes of analyst/investor conference within 3 working days post of the date of conference.

Attached herewith the investors' presentation for Q3, 2022, also attached herewith the Disclosure of Material Information Form.

Best regards...

وبالإشارة إلى الموضوع أعلاه، ووفقاً لمتطلبات المادة رقم (3/1-8-7) من كتاب قواعد البورصة بشأن التزام الشركات المدرجة (الإفصاح عن مؤتمر المحللين)، وحيث أن بنك وربة تم تصنيفه ضمن "السوق الأول".

يرجى الإحاطة بأن مؤتمر المحللين/ المستثمرين قد انعقد عن طريق بث مباشر على شبكة الإنترنت في تمام الساعة الثالثة (وفق التوقيت المحلي لدولة الكويت) من بعد ظهر يوم الأربعاء الموافق 26 أكتوبر 2022، علماً بأنه لم يتم تداول أية معلومات جوهرية جديدة خلال المؤتمر.

وسيقوم بنك وربة بالإفصاح عن محضر مؤتمر المحللين خلال 3 أيام عمل من تاريخ المؤتمر.

ونرفق لكم العرض التقديمي للمستثمرين للربع الثالث 2022، كما نرفق لكم نموذج الإفصاح عن المعلومات الجوهرية.

وتفضلوا بقبول فائق التقدير والاحترام ...

**Anwar Bader Al Ghaith**

**Acting Chief Executive Officer**

أنور بدر الغيث

الرئيس التنفيذي بالتكليف

Appendix No. (10)

Disclosure of Material Information Form

ملحق رقم (10)

نموذج الإفصاح عن المعلومات الجوهرية

Date	التاريخ
26/10/2022	2022/10/26
Name of the Listed Company	اسم الشركة المدرجة
Warba Bank (K.S.C.P)	بنك وربة (ش.م.ك.ع)
Material Information	المعلومة الجوهرية
<b>Analyst Conference meeting for the 3<sup>rd</sup> Quarter 2022</b> 1. Warba Bank quarterly analyst/ investor conference was held by means of Live Webcast at 03:00 P.M. Kuwait time Wednesday October 26 <sup>th</sup> , 2022, it is worth mentioning that there was no new material information discussed during the conference. 2. Warba Bank shall disclose the minutes of analyst/ investor conference within 3 working days post of the date of conference. 3. Attached herewith the investors' presentation for Q3, 2022.	<b>اجتماع مؤتمر المحللين - الربع الثالث من عام 2022</b> 1. عقد بنك وربة مؤتمر المحللين/ المستثمرين قد انعقد عن طريق بث مباشر على شبكة الإنترنت في تمام الساعة الثالثة (وفق التوقيت المحلي لدولة الكويت) من بعد ظهر يوم الأربعاء الموافق 26 أكتوبر 2022، علماً بأنه لم يتم تداول أية معلومات جوهرية جديدة خلال المؤتمر. 2. سوف يقوم بنك وربة بالإفصاح عن محضر مؤتمر المحللين خلال 3 أيام عمل من تاريخ المؤتمر. 3. مرفق لكم العرض التقديمي للمستثمرين للربع الثالث 2022.
Significant Effect of the material information on the financial position of the company	أثر المعلومة الجوهرية على المركز المالي للشركة
No significant effect of the material information on the financial position of the Bank.	لا يوجد أثر للمعلومة الجوهرية على المركز المالي للبنك.

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contracts. If a Listed Company, which is a member of a Group, disclosed some material information related to it and has Significant Effect on other listed companies' which are members of the same Group, the other companies' disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.

يتم ذكر الأثر على المركز المالي في حال كانت المعلومة الجوهرية قابلة لقياس ذلك الأثر، ويستثنى الأثر المالي الناتج عن المناقصات والممارسات وما يشبهها من عقود. إذا قامت شركة مدرجة من ضمن مجموعة بالإفصاح عن معلومة جوهرية تخصها ولها انعكاس مؤثر على باقي الشركات المدرجة من ضمن المجموعة، فإن واجب الإفصاح على باقي الشركات المدرجة ذات العلاقة يقتصر على ذكر المعلومة والأثر المالي المترتب على تلك الشركة بعينها.

# Investors Presentation

Earnings Review Webcast

3<sup>rd</sup> Quarter – FY2022



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- Economic Outlook
- Bank Profile
- Latest Business Highlights
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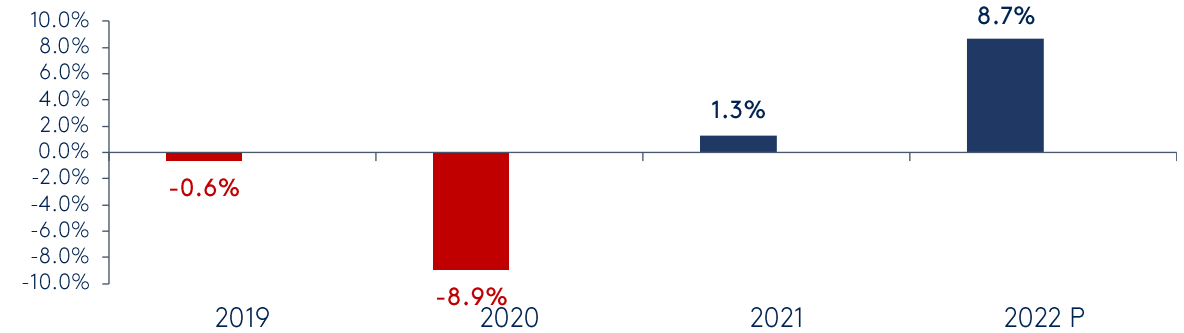
# Economic Outlook

Sovereign	Key Indicators	
	Sovereign Ratings	A1 / A+ / AA- Stable / Stable / Stable (Moody's / S&P / Fitch)
	Gross Domestic Product <i>Ref.: IMF</i>	USD 135.3bn – Year 2021
	Crude Oil Reserves (barrels million) <i>Ref.: OPEC</i>	101,500

Economy	<ul style="list-style-type: none"> <li>The global decline of the pandemic, along with continuing improvement in oil prices, has led the IMF to revise Kuwait's GDP growth estimates from 4.3% to 8.7% in 2022.</li> </ul>
	<ul style="list-style-type: none"> <li>The projected Gross Debt to GDP is enhanced in year 2022 reaching to 7.1% as per latest estimates of IMF.</li> </ul>

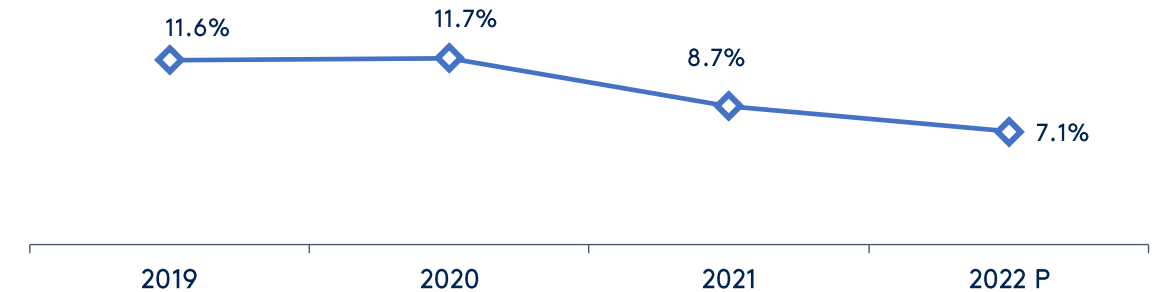
Government	<ul style="list-style-type: none"> <li>Kuwait's improving fiscal performance is mainly driven by higher oil prices that exhibit overall positive signals on Kuwait Economy despite growing concerns about the global outlook.</li> </ul>
	<ul style="list-style-type: none"> <li>The ample financial buffers accumulated from prudent fiscal policies and low-debt levels enables Kuwait to confront challenges to its economy from a position of strength.</li> </ul>

## Real GDP Growth



Source: IMF.

## Gross Debt to GDP



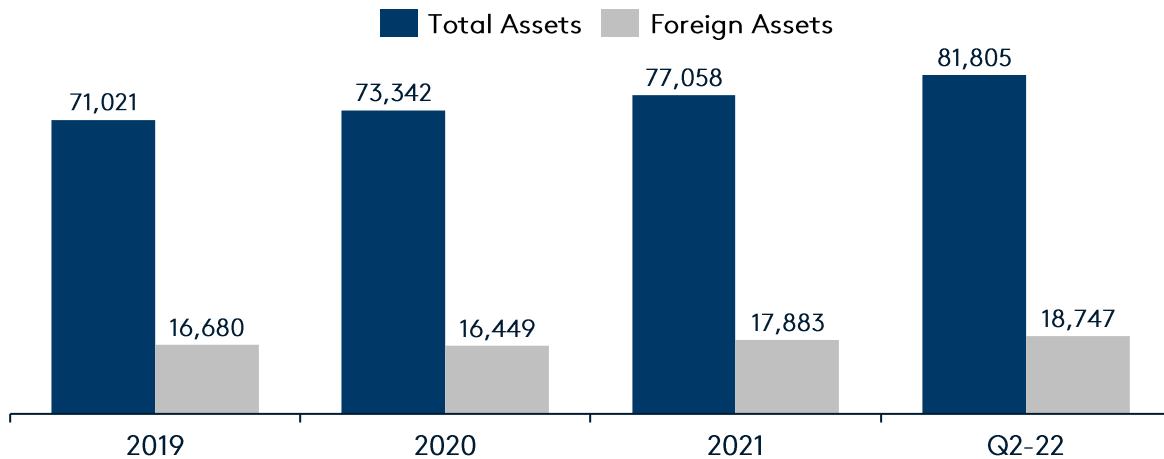
Source: IMF.

# Banking Sector

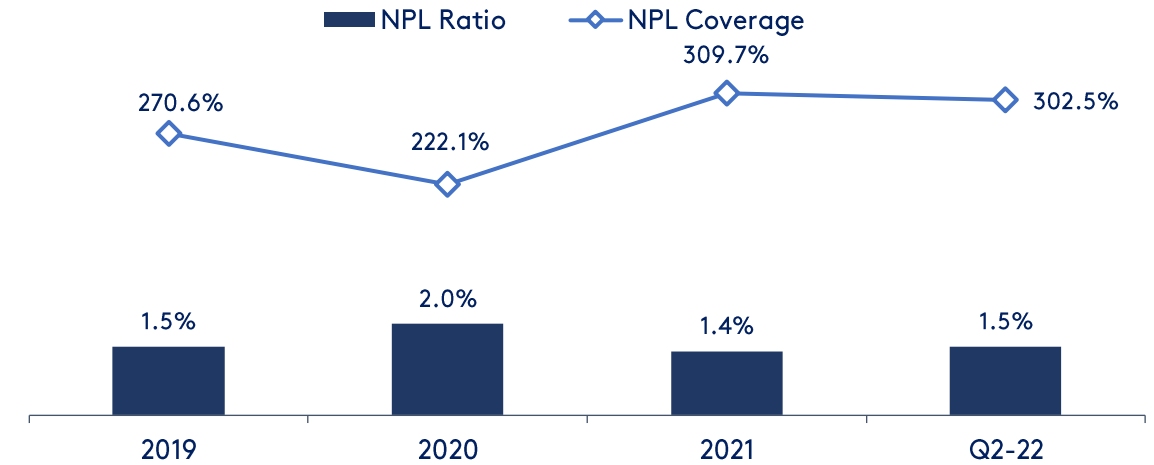
## Key Highlight

- From 2022, unwind Prudential Rule includes:
  - Maintain the risk weight for SMEs portfolio at 25% .
  - Finance to Deposit Ratio (LDR) from 100% to 95%
  - Capital Adequacy, keep of 1.5% conservation buffer.
  - Limit of the liquidity gaps and requirements for liquidity ratios.
- Government spending, which is complemented by supportive fiscal and monetary policies is expected to help Kuwait's Banking industry.
- CBK Raises Discount Rate increases in total by 150bps reaching to 3.00%, reflecting monetary policy trends in the international economies.

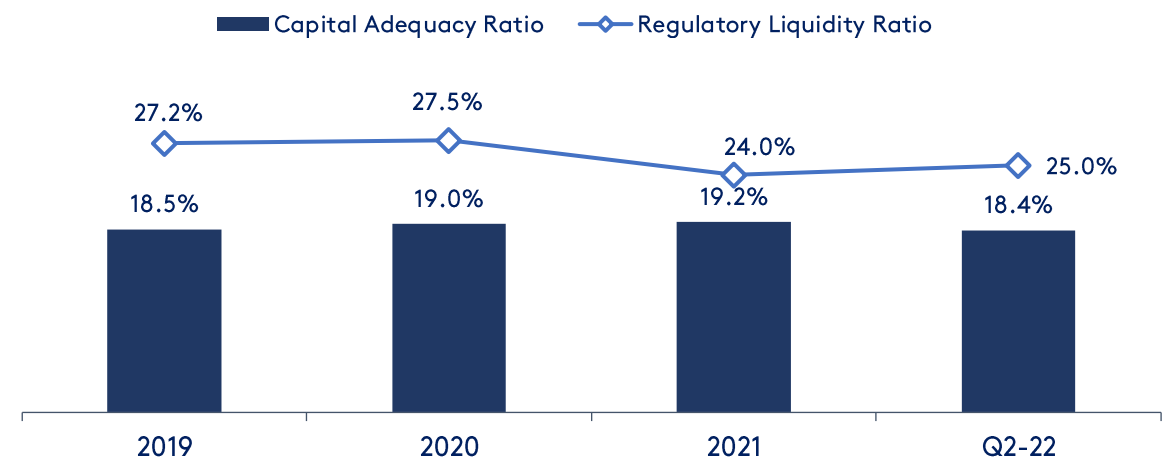
## Total Banking Assets and Foreign Assets (KWD Million)



## Kuwait Banking Sector Asset Quality



## Kuwait Banking Sector Capital Adequacy and Liquidity





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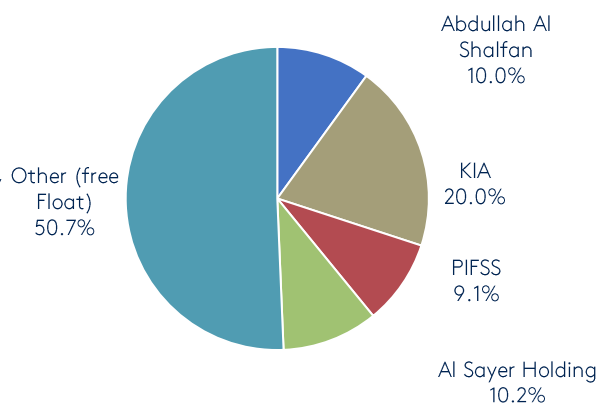
# Bank Profile

## Overview

- Warba Bank K.S.C.P. ("Warba" or the "Bank") is a Kuwaiti public shareholding company that was incorporated on 17 February 2010 in Kuwait and officially enrolled in the Central Bank of Kuwait's Register of Islamic Banks on 7 April 2010.
- The Bank operates via a network of 18 branches, 26 in-branch automated teller machines ("ATMs"), 96 offsite ATMs as well as point of sale terminals and other electronic channels such as telebanking, internet banking and mobile banking.
- During Year 2021, the Bank got its recognition through 3 prestigious accolades:
  - By International Banker for "Best Customer Service Provider" & "Best Innovation in Retail Banking in Kuwait" and
  - By the renowned 'International Finance' Magazine for the "Most Innovative Digital Banking App in Kuwait".

## Shareholding Structure

- The State of Kuwait is the largest shareholder in the Bank, holding 29.1% of the Bank's shares through Kuwait Investment Authority ("KIA") and the Public Institution for Social Security ("PIFSS")
- Al Sayer Holding, a leading Kuwaiti Business Family House is the second largest shareholder with a 10.2% stake.
- Foreigners' holding reached to 4.60%.



Financial Snapshot (USDmn)	2019	2020	2021	Q3-22
Financing Receivables	7,464.0	8,235.3	8,176.9	9,825.1
Total Assets	10,373.4	11,460.0	11,835.4	13,401.4
Depositors' Accounts	5,628.8	7,760.8	7,566.7	8,099.4
Total Equity	971.3	923.6	1,374.5	1,173.6
Operating Income	196.8	257.6	355.8	202.8
Net Profit	54.5	18.4	52.9	51.2
Net Financing Margin	1.90%	1.58%	1.54%	1.43%
Cost to Income Ratio	37%	33%	29%	40%
Capital Adequacy Ratio	18.5%	16.9%	21.5%	16.7%
NPF Ratio	1.2%	1.1%	1.1%	0.9%

Rating Agency	Long-Term Rating	Outlook	Date
<b>MOODY'S</b>	Baa2	Stable	26 January 2022
<b>FitchRatings</b>	A	Stable	18 October 2022

## Market Share - Financing

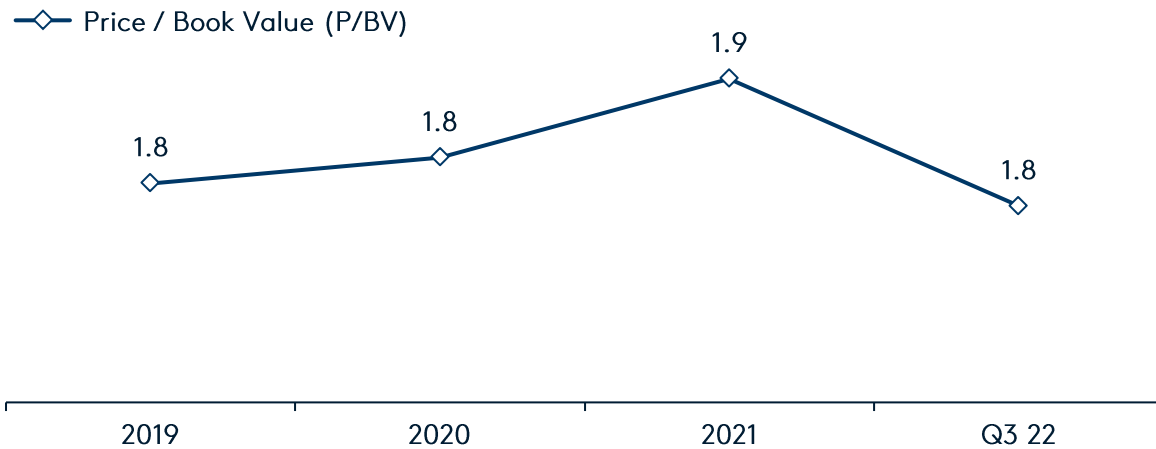


# Share Performance

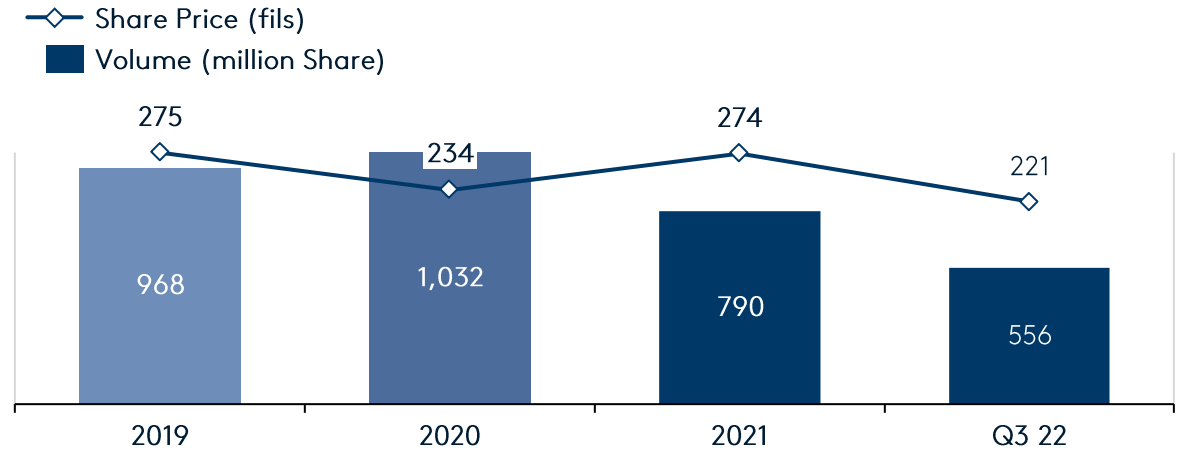
## Overview

- The Bank's shares are listed on the Kuwait Stock Exchange and its market capitalization as of 30<sup>th</sup> September 2022 is KWD 442mn (USD 1,446mn).
- Share trading volume comprises 5.5% of total banking segment. The Trading volume provides positive sign to investors on share trading liquidity and its velocity.
- Price / Book Value (P/BV) on average 1.8x, which is aligned with the market benchmark with steadily performance over spectrum of 3-years averages.

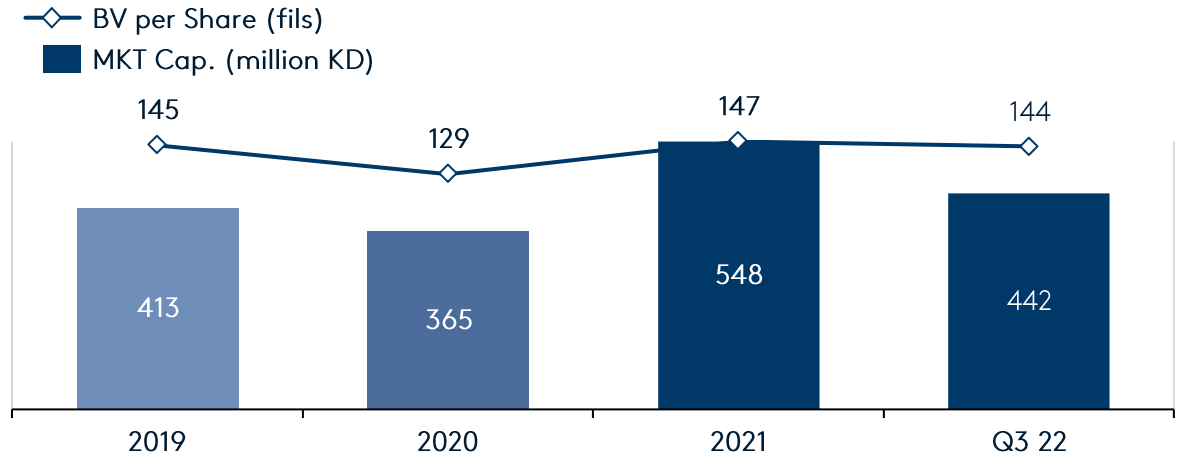
## Price to Book Value



## Share Price "Fils" and Volume



## Market Capitalization



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# Key Activities

## Strategic Alliance



The partnership agreement between Warba and Virgin Mobile to provide the best exclusive packages to Warba Bank's customers.

## Corporate Social Responsibility

- Continuous supports to CBK "Diraya" Campaign in various societal fronts.
- Awareness campaigns for Warba staff blood donation and occasion for the International Month of Breast Cancer.
- Padel Competition with "RUN".

## Major Transactions

- Acquired a jointly owned a high-rise multi-family property, while exit from other investment generating remarkable returns in USA.
- Acted as 'Mandated Lead Manager' for multiple structured & syndicated Finance Deals in GCC.
- For Debt Capital Market, acted as 'Joint Lead Manager' and 'Book Runner' for Sukuk, UAE.

## Product & Services



- Launch (Kuwait Clearing Company) as part of Warba Bank's mobile banking Application.
- Launch Corporate Banking Application, Payment Hub and Communication Center.

## Banking Groups

- Drive-thru service "Shuhada branch"
- Expand "Auto" and "Health Care" network for personal financing.
- Value added services for Visa and Mastercard offers.
- Launch a summer campaign for Oasis Club Miles with draw prize.

## Digital Banking



### "Simply Digital – Wallet"

Financial Inclusion for unbanked Expats

- SiDi Monthly Draws
- SiDi Enhanced Onboarding
- SiDi New Debit Card Design



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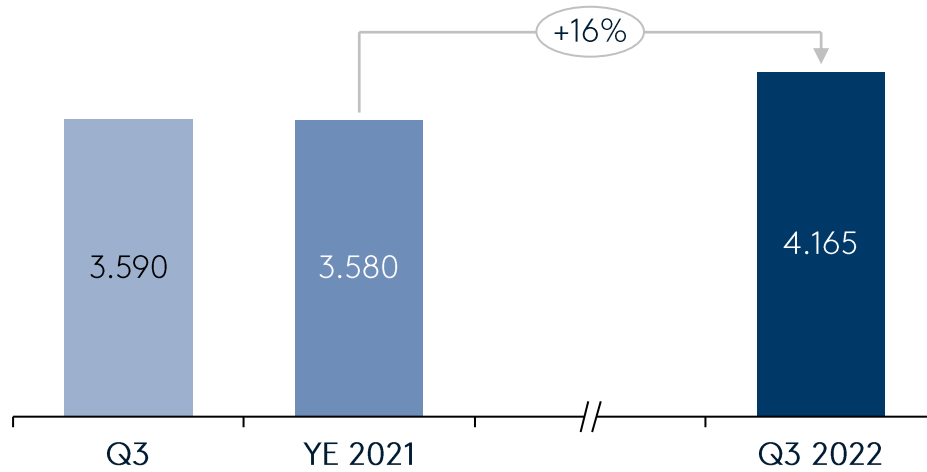


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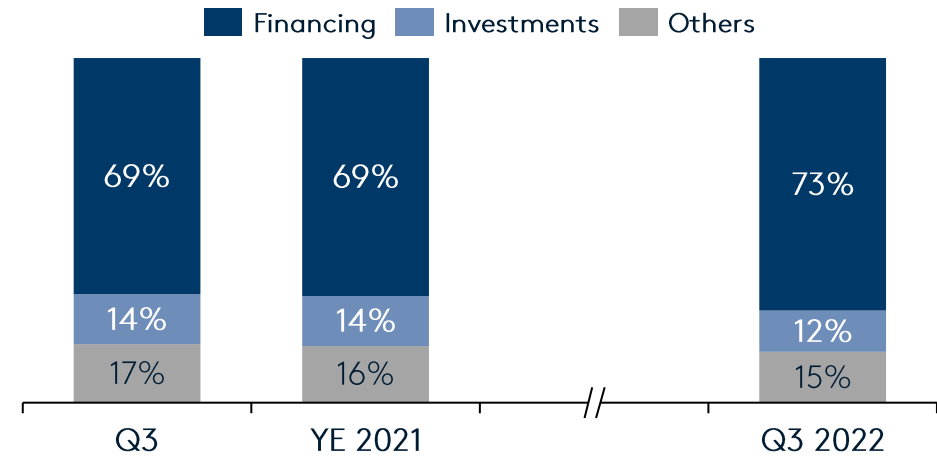
# Balance Sheet Progress

figures in Billion KWD

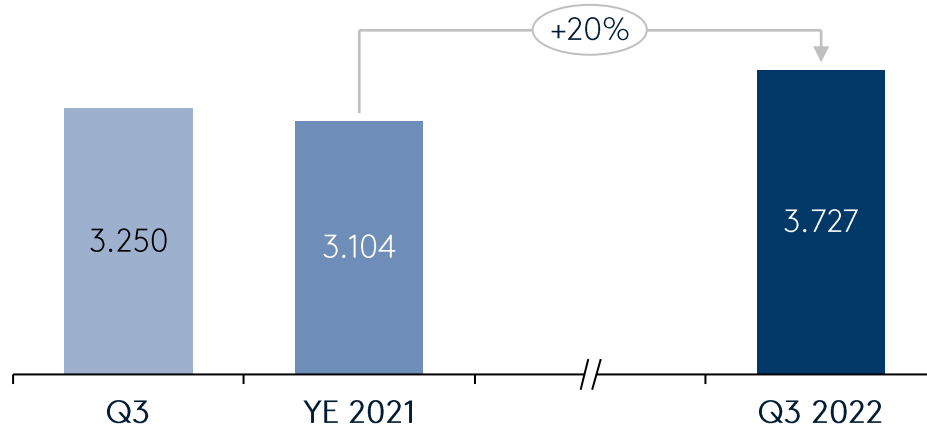
## Assets



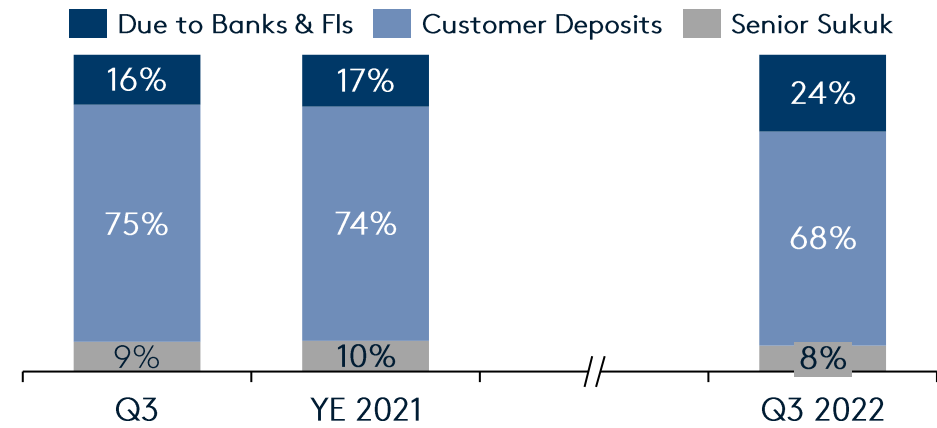
## Assets Composition



## Funding

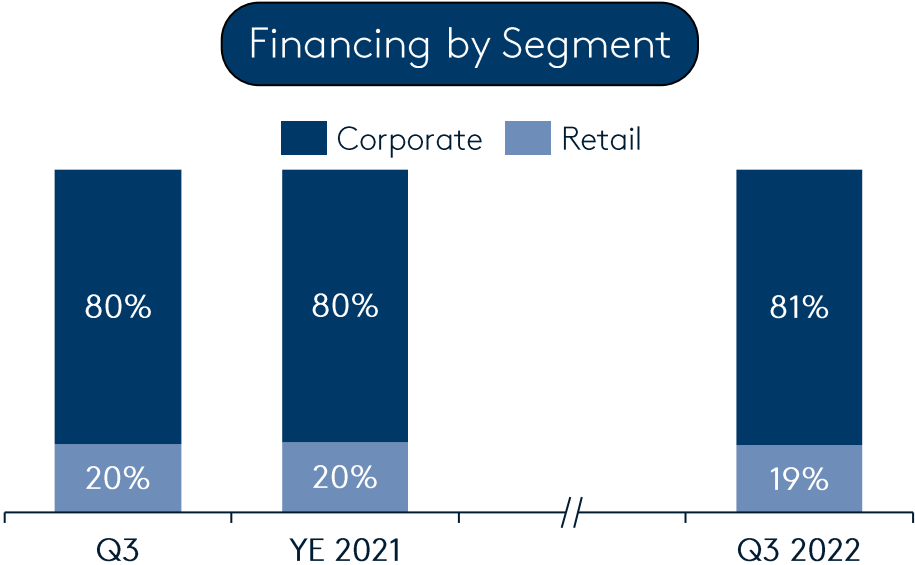
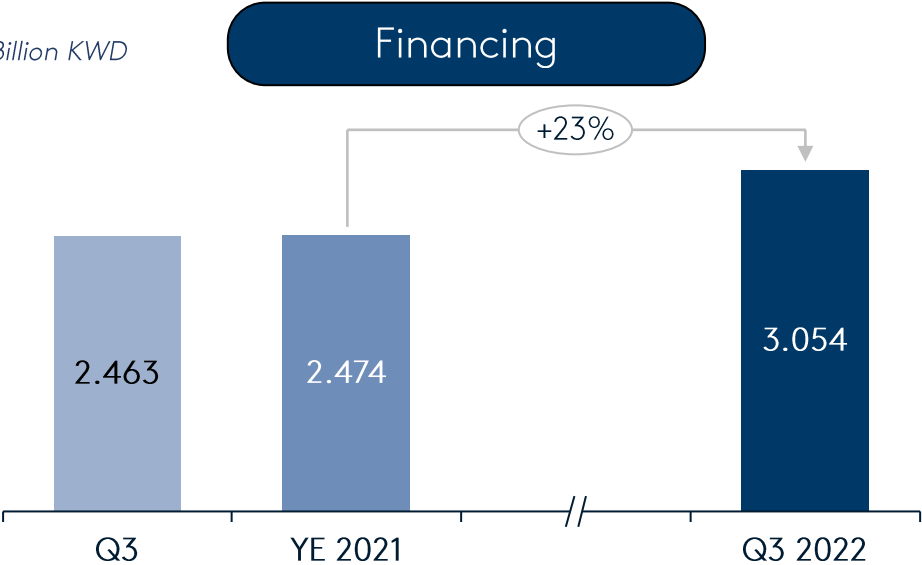


## Funding Mix

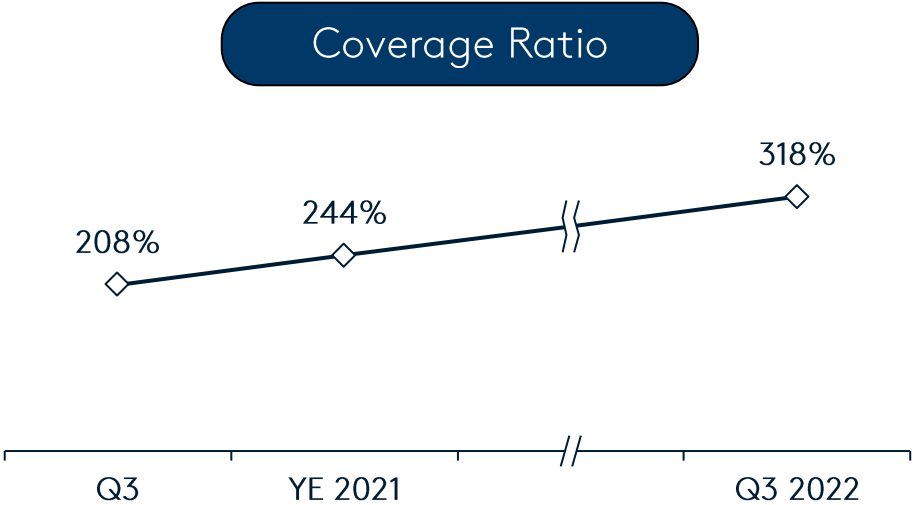
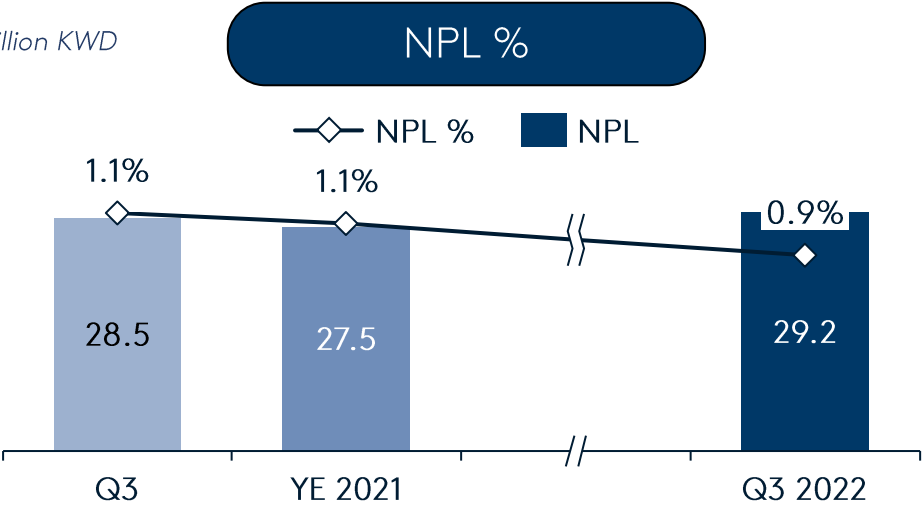


# Assets Quality

figures in Billion KWD



figures in Million KWD



# Assets Quality (Continued)

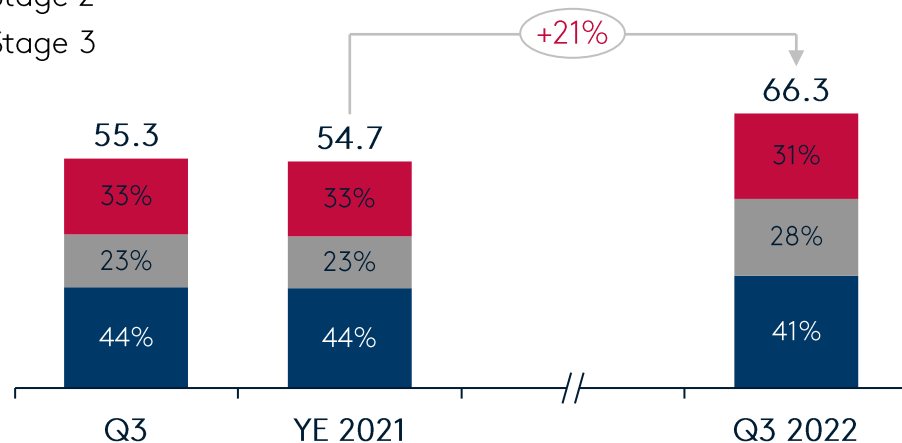
figures in Million KWD

## ECL Classification

ECL Classification	Stage 1	Stage 2	Stage 3	Total
Gross Financing	2,748	365	34	3,146
Non Cash Facilities	154	44	4	203
ECL allowance for credit facilities	27	19	21	66

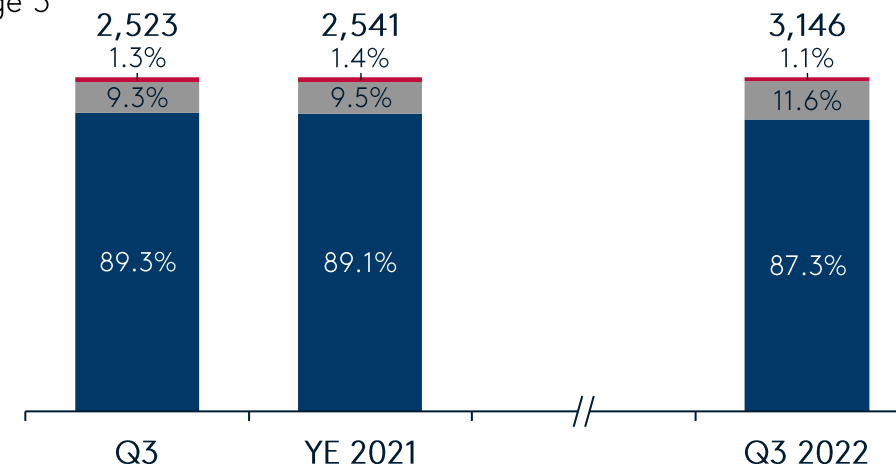
Stage 1  
Stage 2  
Stage 3

## ECL Allowance for Credit Facilities



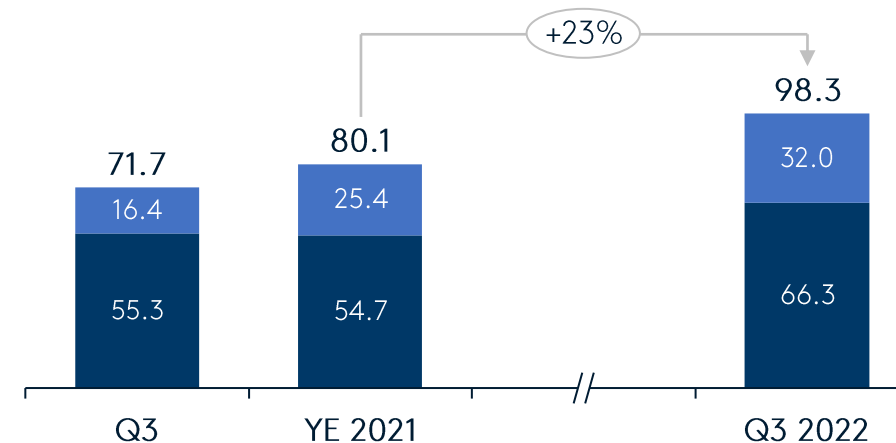
Stage 1  
Stage 2  
Stage 3

## Gross Financing by Stages



Excess over ECL  
ECL

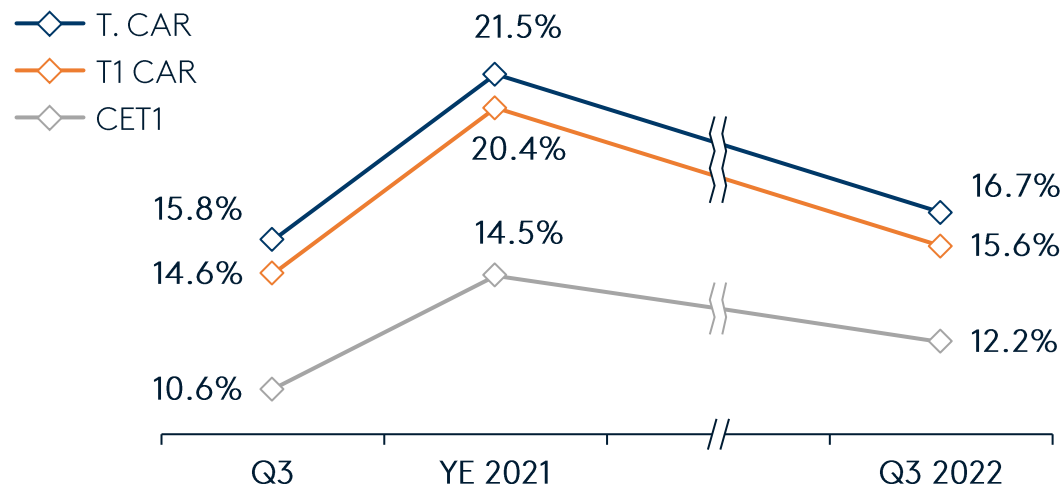
## CBK Credit Provisions vs IFRS 9 ECL



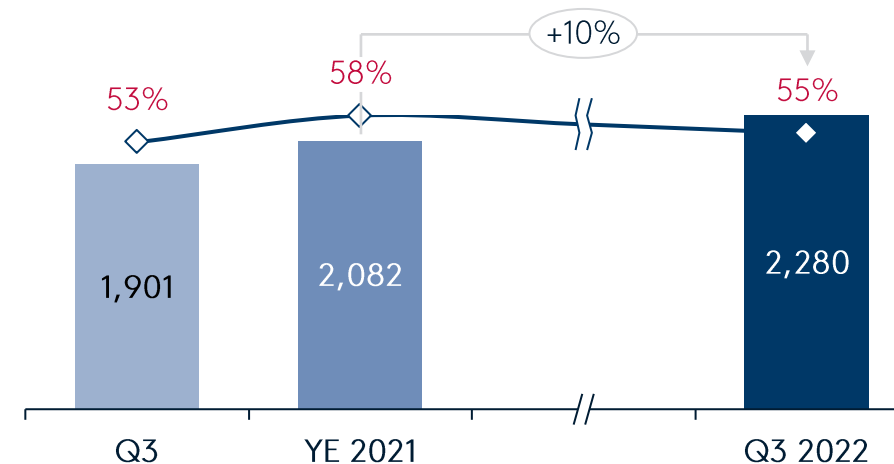
# Capital Adequacy

figures in Million KWD

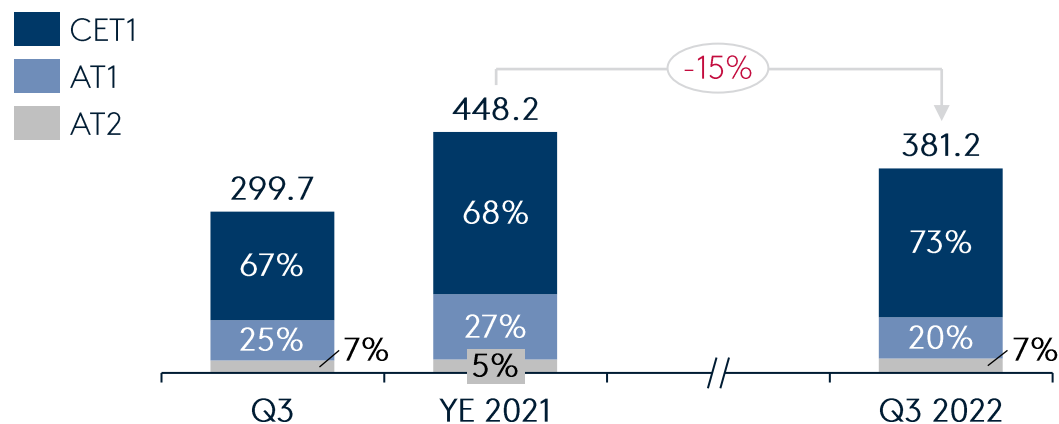
## CAR %



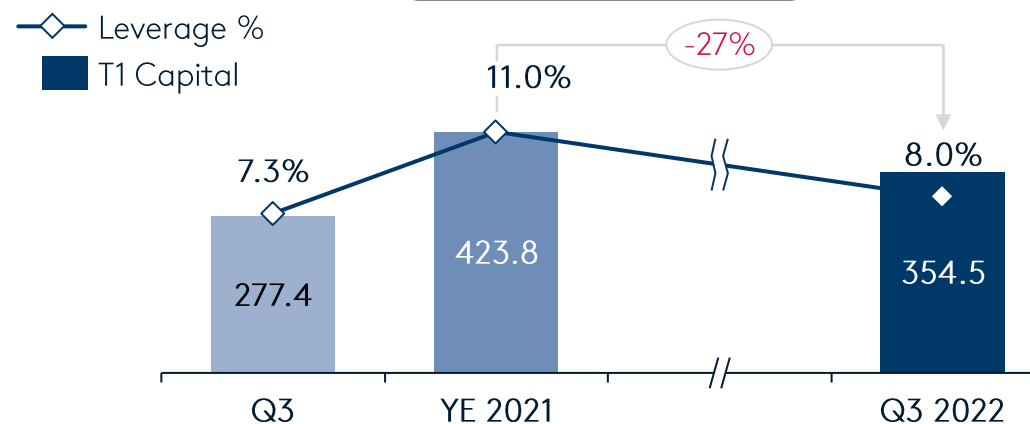
## RWA to T. Assets



## Capital Base



## Regulatory Leverage

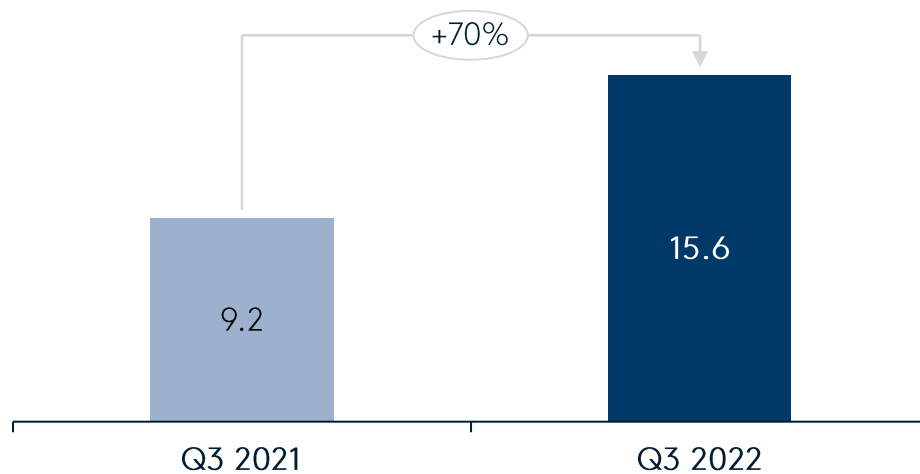




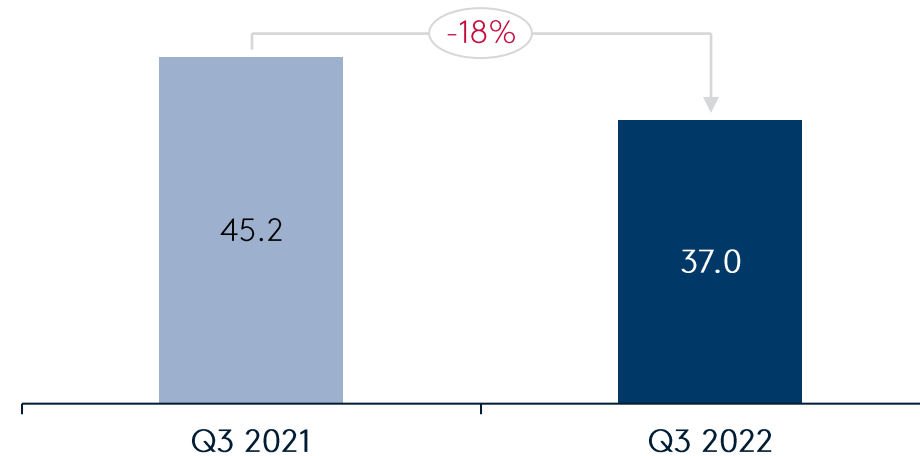
# Earnings Results

figures in Million KWD

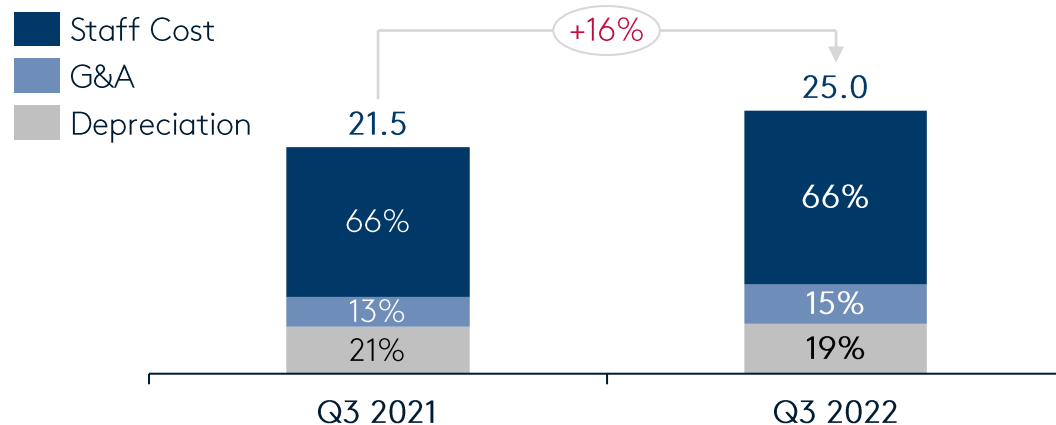
## Net Profit



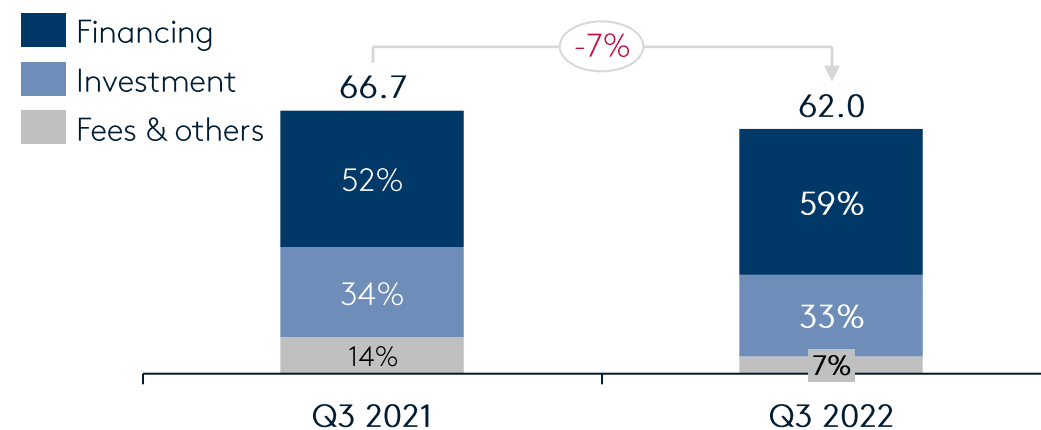
## Net Profit before Provision



## Operating Cost



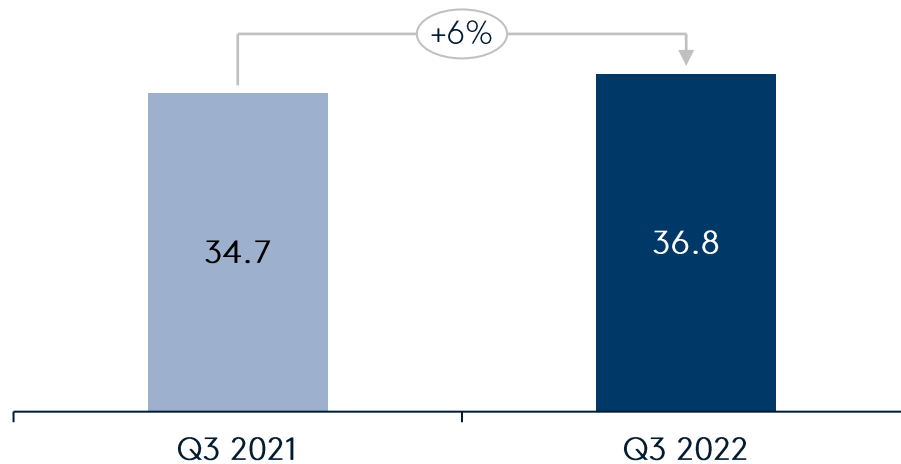
## Operating Income



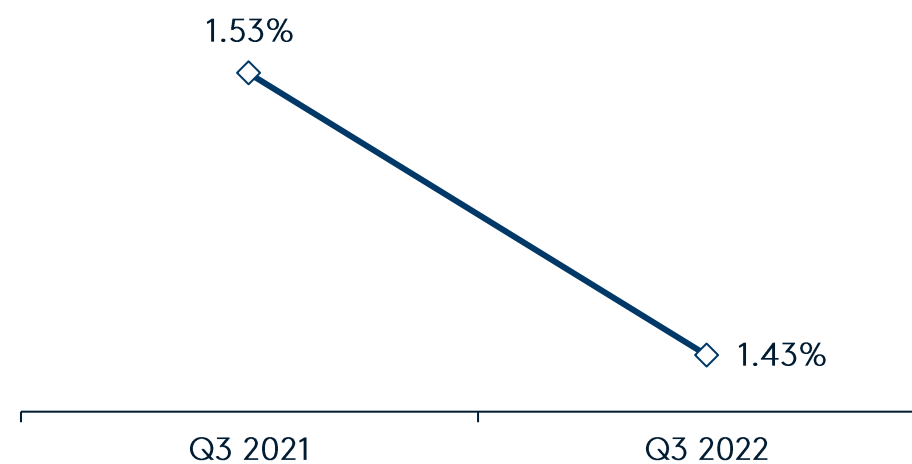
# Earnings Results *(Continued)*

figures in Million KWD

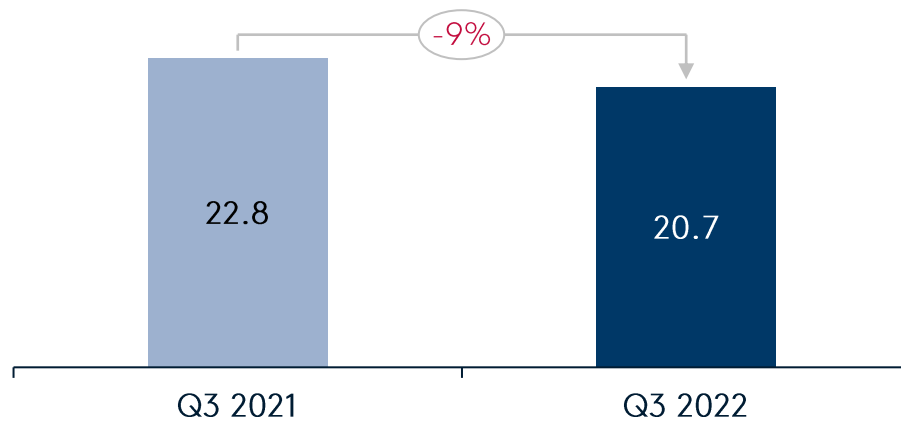
## Net Financing Income



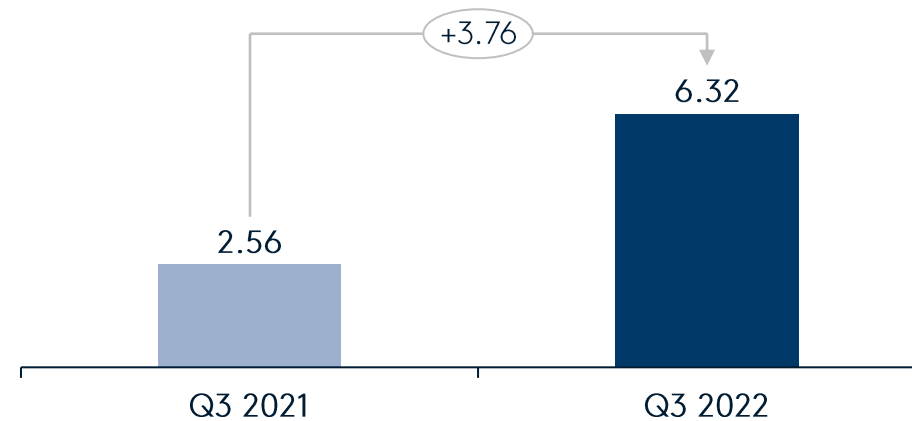
## Net Financing Margin



## Investment Income

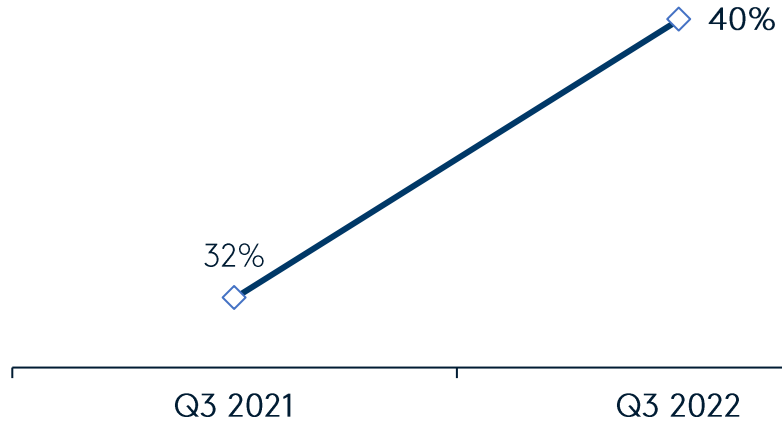


## EPS

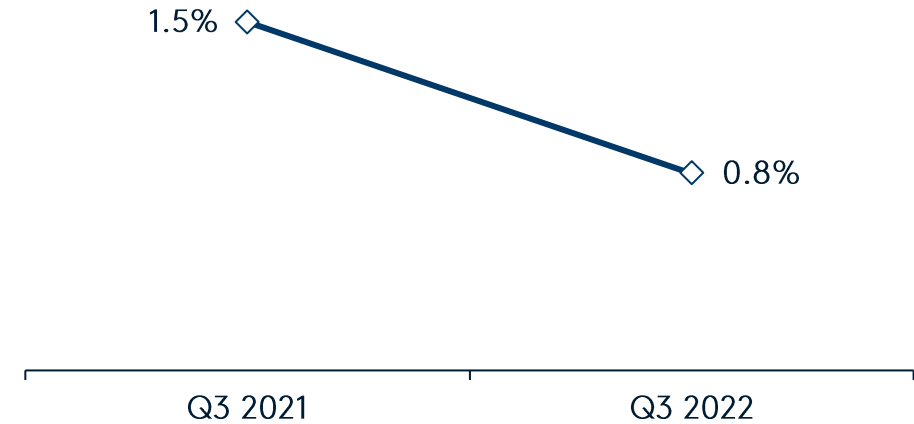


# Earnings Results *(Continued)*

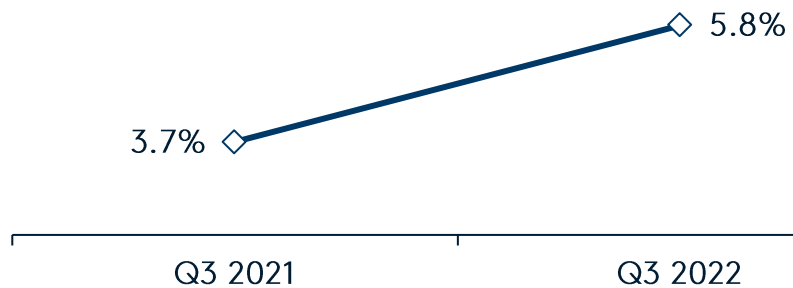
Cost to Income Ratio



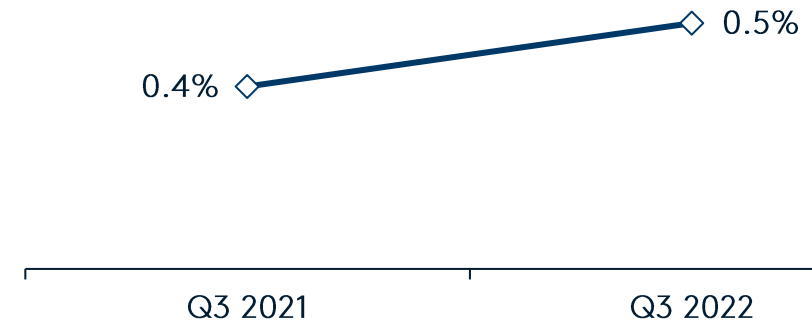
Financing Provision Charges %



ROAE  
"Shareholders"



ROAA



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# Financial Statements - Comparative

figures in Thousand KWD

Balance Sheet	Q3-2022	YE-2021	Growth (YTD)		Statement of Profit or Loss	Q3-2022	Q3-2021	Growth (Y-o-Y)	
			KWD	%				KWD	%
Placements & Balances with Banks	519,858	516,899	2,959	1%	Financing Income	88,034	71,099	16,935	24%
Financing Receivable	3,053,655	2,473,516	580,139	23%	Financing Cost	51,203	36,387	14,816	41%
Investments	493,930	516,257	(22,327)	(4%)	Net Financing Margin	36,831	34,712	2,119	6%
Fixed & Other Assets	97,700	73,540	24,160	33%	Investment Income	20,673	22,790	(2,117)	(9%)
<b>Total Assets</b>	<b>4,165,143</b>	<b>3,580,212</b>	<b>584,931</b>	<b>16%</b>	Fees & Commissions	4,555	3,276	1,279	39%
Due to Banks & Fls	903,129	512,571	390,558	76%	Foreign Exchange Income	(781)	2,075	(2,856)	(138%)
Customer Deposits	2,517,309	2,288,918	228,391	10%	Other Income	689	3,891	(3,202)	(82%)
Senior Sukuk	306,196	302,024	4,172	1%	Operating Income	61,967	66,744	(4,777)	(7%)
Other Liabilities	73,747	60,900	12,847	21%	Staff Cost	16,512	14,217	2,295	16%
<b>Total Liabilities</b>	<b>3,800,381</b>	<b>3,164,413</b>	<b>635,968</b>	<b>20%</b>	General & admin expenses	3,697	2,834	863	30%
Paid-up Capital	280,375	280,375	0	0%	Depreciation Expenses	4,806	4,484	322	7%
Retained Earnings	20,883	7,883	13,000	165%	Operating Expenses	25,015	21,535	3,480	16%
Reserves	(12,304)	6,271	(18,575)	(296%)	Net Operating Income	36,952	45,209	(8,257)	(18%)
<b>Shareholders' Equity</b>	<b>288,954</b>	<b>294,529</b>	<b>(5,575)</b>	<b>(2%)</b>	Provisions	20,574	35,570	(14,996)	(42%)
Tier 1 Sukuk	75,808	121,270	(45,462)	(37%)	Taxes	739	439	300	68%
<b>Total Equity</b>	<b>364,762</b>	<b>415,799</b>	<b>(51,037)</b>	<b>(12%)</b>	Net Profit	15,639	9,200	6,439	70%
<b>Total Liabilities and Equity</b>	<b>4,165,143</b>	<b>3,580,212</b>	<b>584,931</b>	<b>16%</b>	EPS (fils)	6.32	2.56	3.76	

# Financial Statements - Trend

figures in Thousand KWD

Balance Sheet	2019	2020	2021
Placements & Balances with Banks	328,247	468,896	516,899
Financing Receivable	2,261,974	2,497,366	2,473,516
Investments	490,762	466,258	516,257
Fixed & Other Assets	62,688	42,734	73,540
<b>Total Assets</b>	<b>3,143,671</b>	<b>3,475,254</b>	<b>3,580,212</b>
Due to Banks & FIs	953,302	494,355	512,571
Customer Deposits	1,705,811	2,353,454	2,288,918
Senior Sukuk	152,179	302,429	302,024
Other Liabilities	38,019	44,922	60,900
<b>Total Liabilities</b>	<b>2,849,311</b>	<b>3,195,160</b>	<b>3,164,413</b>
Paid-up Capital	190,000	197,500	280,375
Retained Earnings	17,561	(12)	7,883
Reserves	10,436	6,243	6,271
<b>Shareholders' Equity</b>	<b>217,997</b>	<b>203,731</b>	<b>294,529</b>
Tier 1 Sukuk	76,363	76,363	121,270
<b>Total Equity</b>	<b>294,360</b>	<b>280,094</b>	<b>415,799</b>
<b>Total Liabilities and Equity</b>	<b>3,143,671</b>	<b>3,475,254</b>	<b>3,580,212</b>

Statement of Profit or Loss	2019	2020	2021
Financing Income	109,570	109,282	95,410
Financing Cost	64,081	62,826	48,580
<b>Net Financing Margin</b>	<b>45,489</b>	<b>46,456</b>	<b>46,830</b>
Investment Income	7,884	26,252	49,622
Fees & Commissions	5,070	3,228	4,035
Foreign Exchange Income	1,023	(907)	2,603
Other Income	296	3,765	4,264
<b>Operating Income</b>	<b>59,762</b>	<b>78,794</b>	<b>107,354</b>
Staff Cost	14,807	17,669	20,444
General & admin expenses	4,426	3,936	4,335
Depreciation Expenses	3,174	4,623	6,031
<b>Operating Expenses</b>	<b>22,407</b>	<b>26,228</b>	<b>30,810</b>
<b>Net Operating Income</b>	<b>37,355</b>	<b>52,566</b>	<b>76,544</b>
Provisions	19,908	46,638	59,757
Taxes	909	294	823
<b>Net Profit</b>	<b>16,538</b>	<b>5,634</b>	<b>15,964</b>
<b>EPS (fils)</b>	<b>7.36</b>	<b>0.39</b>	<b>5.10</b>

## Contact Us:

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# THANK YOU