



بورصة الكويت
BOURSA KUWAIT

Date: 03 Nov 2022

التاريخ: 03 نوفمبر 2022

To: Issuers and Development Services Department
Boursa Kuwait

السادة/ إدارة خدمات وتطوير الإصدار
بورصة الكويت

Dear Sirs,

تحية طيبة وبعد،،،

Subject: Analyst Conference Meeting – Q3 of FY2022

الموضوع: اجتماع مؤتمر المحللين – الربع الثالث من السنة المالية 2022

With reference to the above, and in line with Bursa Kuwait Securities Company (K.P.S.C)'s (Boursa Kuwait) interest in adhering to Article (7-8-1/3) of the Bursa Kuwait Rulebook regarding the Listed Companies Obligations (Analyst Conference), Bursa Kuwait would like to report the following:

بالإشارة إلى الموضوع أعلاه، وحرصاً من شركة بورصة الكويت للأوراق المالية (ش.م.ك) عامة (بورصة الكويت) على الالتزام بمتطلبات المادة (7-8-1/3) من كتاب قواعد البورصة بشأن التزامات الشركات المدرجة (الإفصاح عن مؤتمر المحللين)، نود الإفادة بما يلي:

1. The Analyst / Investor Conference for Q3 of FY 2022 was conducted via live internet broadcast on Thursday 03/11/2022 at 2:00 p.m. (local time). There was no new material information discussed during the conference.
2. Attached is the Investor's Presentation for Q3 of FY2022 for your reference.
3. Bursa Kuwait shall disclose the minutes of the Analyst/ Investor Conference within 3 working days post the date of the conference.

1. عقدت بورصة الكويت مؤتمر المحللين / المستثمرين للربع الثالث من السنة المالية 2022 عن طريق بث مباشر على شبكة الإنترنت في تمام الساعة 2 بعد ظهر يوم الخميس الموافق 2022/11/03 (وفق التوقيت المحلي)، حيث لم يتم الإفصاح عن أي معلومات جوهرية جديدة خلال المؤتمر.
2. مرفق العرض التقديمي للمستثمرين للربع الثالث من السنة المالية 2022.
3. سوف تقوم بورصة الكويت بالإفصاح عن محضر المؤتمر خلال 3 أيام عمل من تاريخ المؤتمر.

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام والتقدير،،،

Mohammed Naim Azad Din
Chief Financial Officer

محمد نعيم آزاددين
رئيس قطاع الشؤون المالية



Copy to the Capital Markets Authority.

نسخة للسادة / هيئة أسواق المال.

نموذج الإفصاح عن المعلومات الجوهرية

Disclosure of Material Information Form

Date	Name of the Listed Company	اسم الشركة المدرجة	التاريخ
03 Nov 2022	Boursa Kuwait Securities Company (K.P.S.C.)	شركة بورصة الكويت للأوراق المالية (ش.م.ك.) عامة	03 نوفمبر 2022
Material Information		المعلومة الجوهرية	
<p>Analyst Conference Meeting – Q3 of FY2022</p> <p>1. The Analyst / Investor Conference for Q3 of FY 2022 was conducted via live internet broadcast on Thursday 03/11/2022 at 2:00 p.m. (local time), There was no new material information discussed during the conference.</p> <p>2. Attached is the Investor's Presentation for Q3 of FY2022 for your reference.</p> <p>3. Boursa Kuwait shall disclose the minutes of the Analyst/ Investor Conference within 3 working days post the date of the conference.</p>		<p>اجتماع مؤتمر المحللين – الربع الثالث من السنة المالية 2022</p> <p>1. عقدت بورصة الكويت مؤتمر المحللين / المستثمرين للربع الثالث من السنة المالية 2022 عن طريق بث مباشر على شبكة الإنترنت في تمام الساعة 2 من بعد ظهر يوم الخميس الموافق 2022/11/03 (وفق التوقيت المحلي)، حيث لم يتم الإفصاح عن أي معلومات جوهرية جديدة خلال المؤتمر.</p> <p>2. مرفق العرض التقديمي للمستثمرين للربع الثالث من السنة المالية 2022.</p> <p>3. سوف تقوم بورصة الكويت بالإفصاح عن محضر المؤتمر خلال 3 أيام عمل من تاريخ المؤتمر.</p>	
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 company.		لا يوجد أثر للمعلومة الجوهرية على المركز المالي للشركة.	

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 يشهها 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.





3Q FY2022

Earnings Briefing

Naim Azad Din, Chief Financial Officer
Noura Al Abdulkareem, Head of Markets

3 November 2022

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By participating in this presentation or by accepting any copy of the slides presented, you agree to be bound by the foregoing limitations.

Agenda



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1.	Business Updates	4
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3Q FY2022






Business Updates

Noura Al Abdulkareem, Head of Markets

MARKET DEVELOPMENTS



Diversifying product offerings, increasing accessibility and transparency of our Market while continuing improving infrastructures.

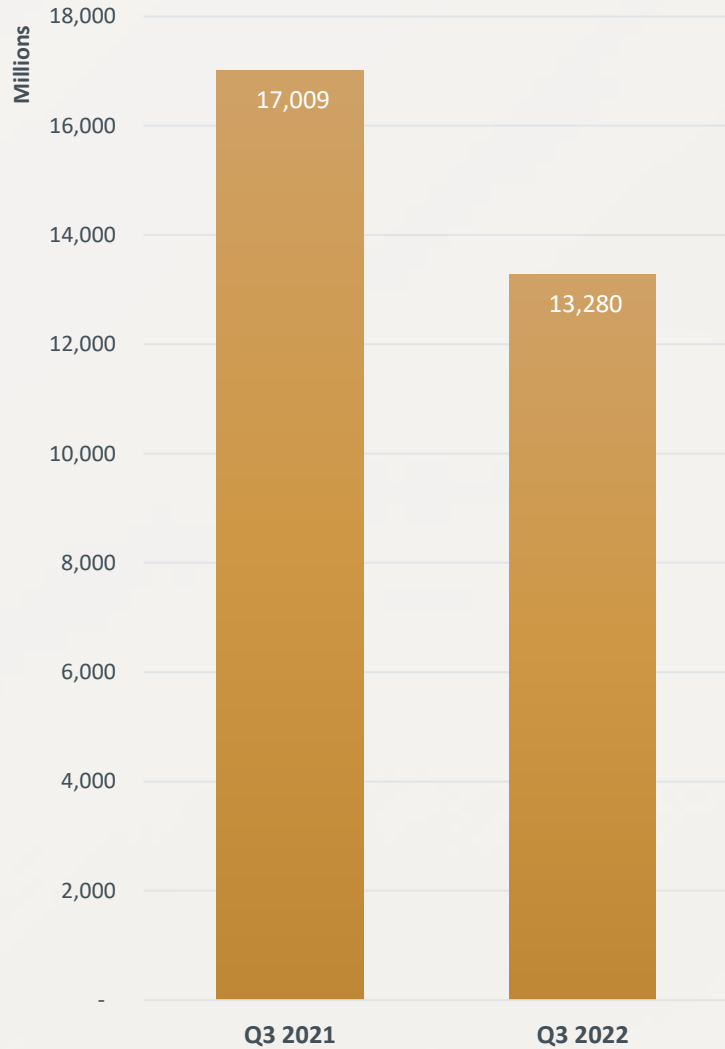
MD1	MD2	MD3.1	MD3.2	MD4
<ul style="list-style-type: none">• Ticks & Price Limits• Settlement Cycle & Corporate Actions• Market Makers• Randomized Closing Auction	<ul style="list-style-type: none">• Market Segmentation• Circuit Breakers• OTC Platform• Boursa Kuwait Rulebook	<ul style="list-style-type: none">• REITs• Intentional Crossing• Trade-at-Last• Closing Auction Amendment• Tender Offers• Swaps• Short-selling & SLB	<ul style="list-style-type: none">• Netting• Tradable Rights Issue• Margin Lending for IC• Cash CCP• Fixed Income• ETFs (Equity & Commodity)• Margin Lending for QB	<ul style="list-style-type: none">• Derivatives CCP• Derivatives (SSF & IF)• Derivatives (Options)
 2017	 2018	 2019	 2020-22	 2022-24

MARKET PERFORMANCE



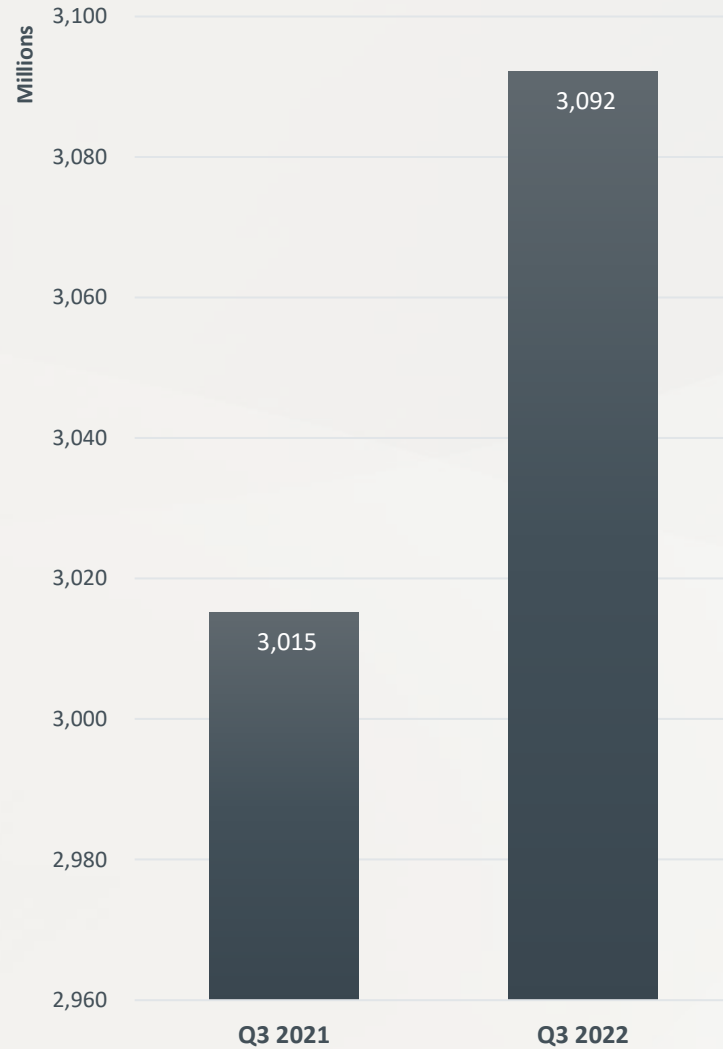
Trading Volumes

▼ -21.9%



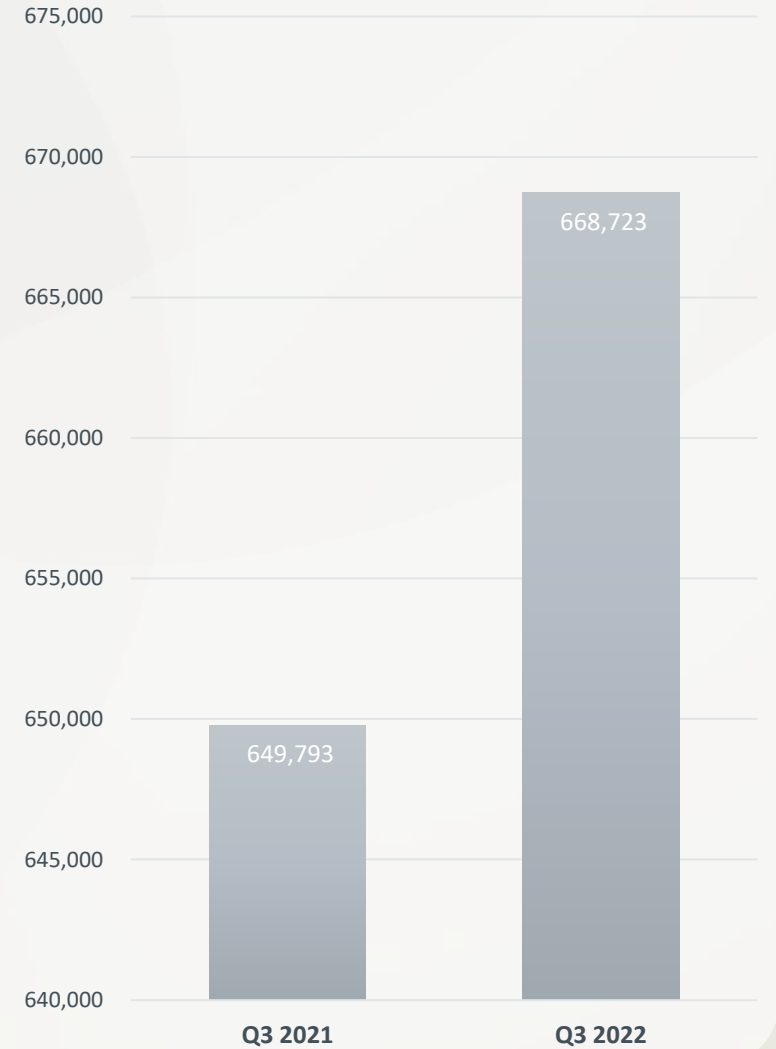
Trading Values (KWD)

▲ +2.6%



No. of Trades

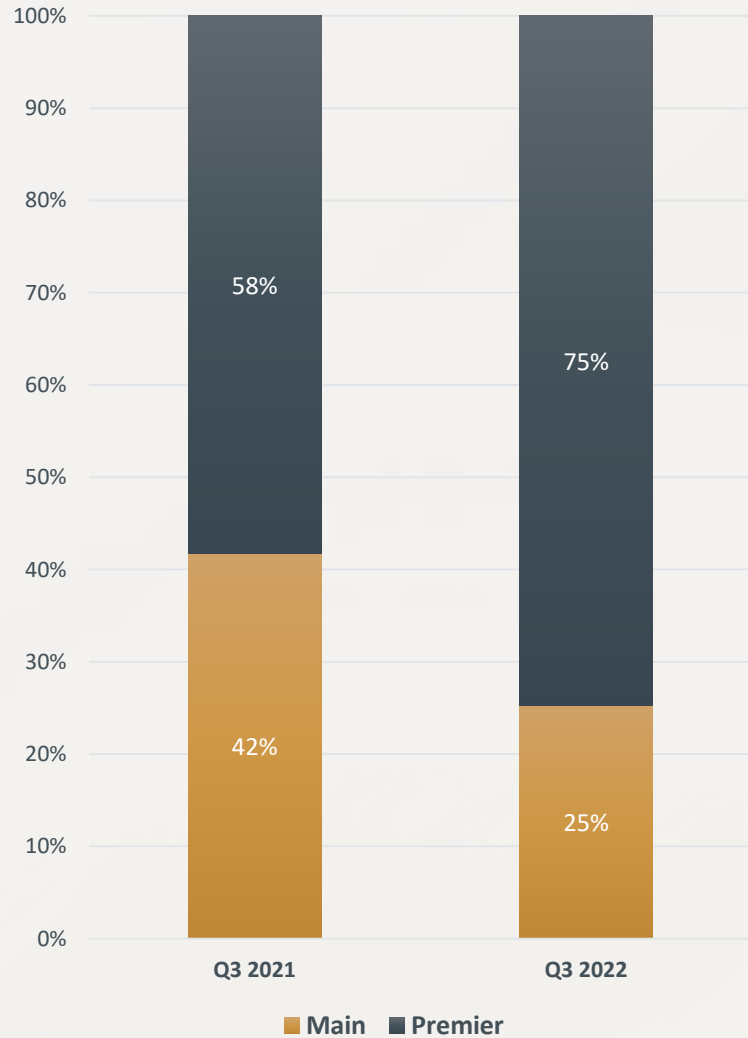
▲ +2.9%



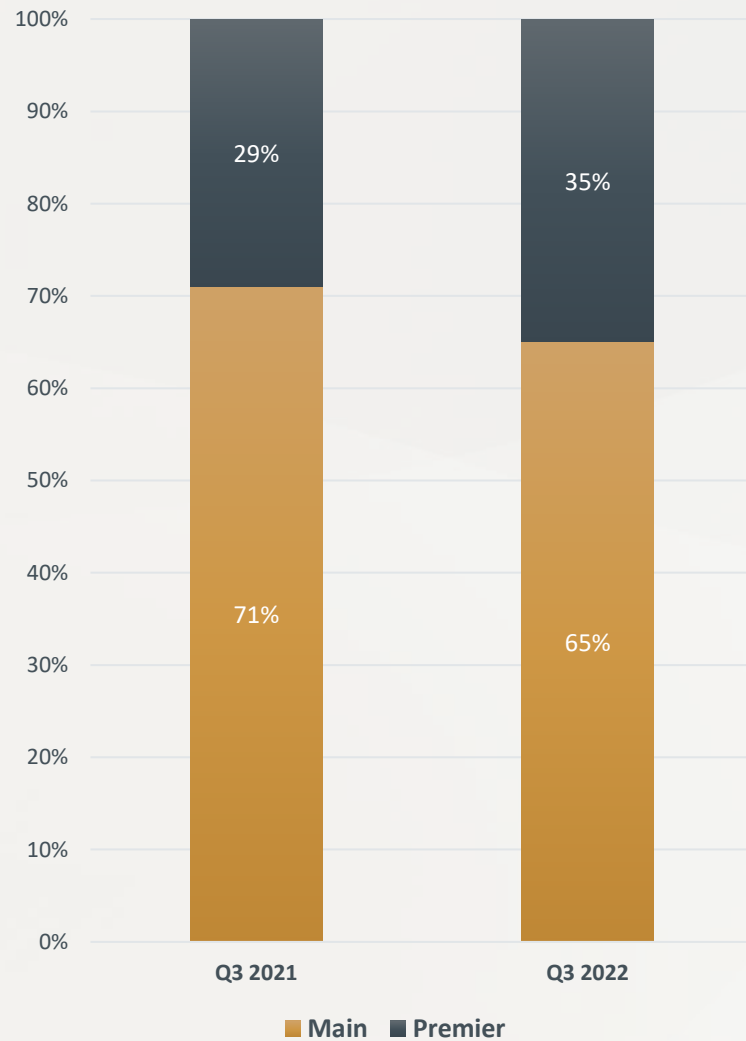
MARKET SPLITS (Premier vs Main)



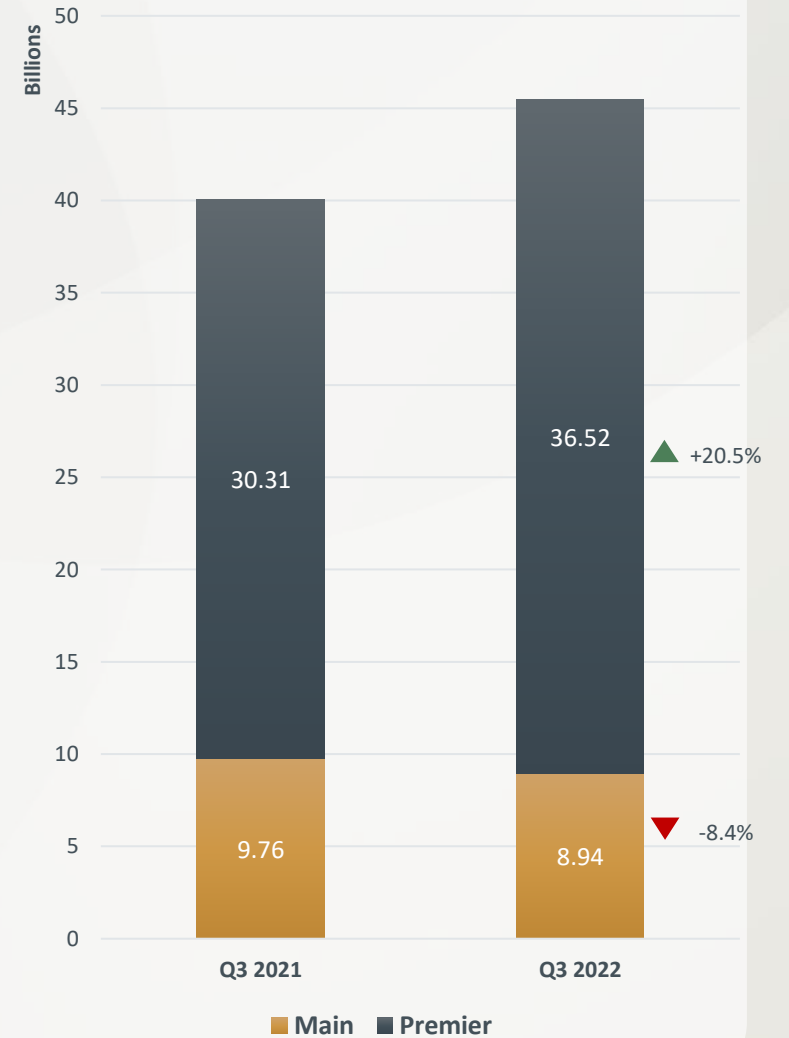
Traded Values (%)



Volumes (%)



Market Cap (KWD) ▲ +13.4%



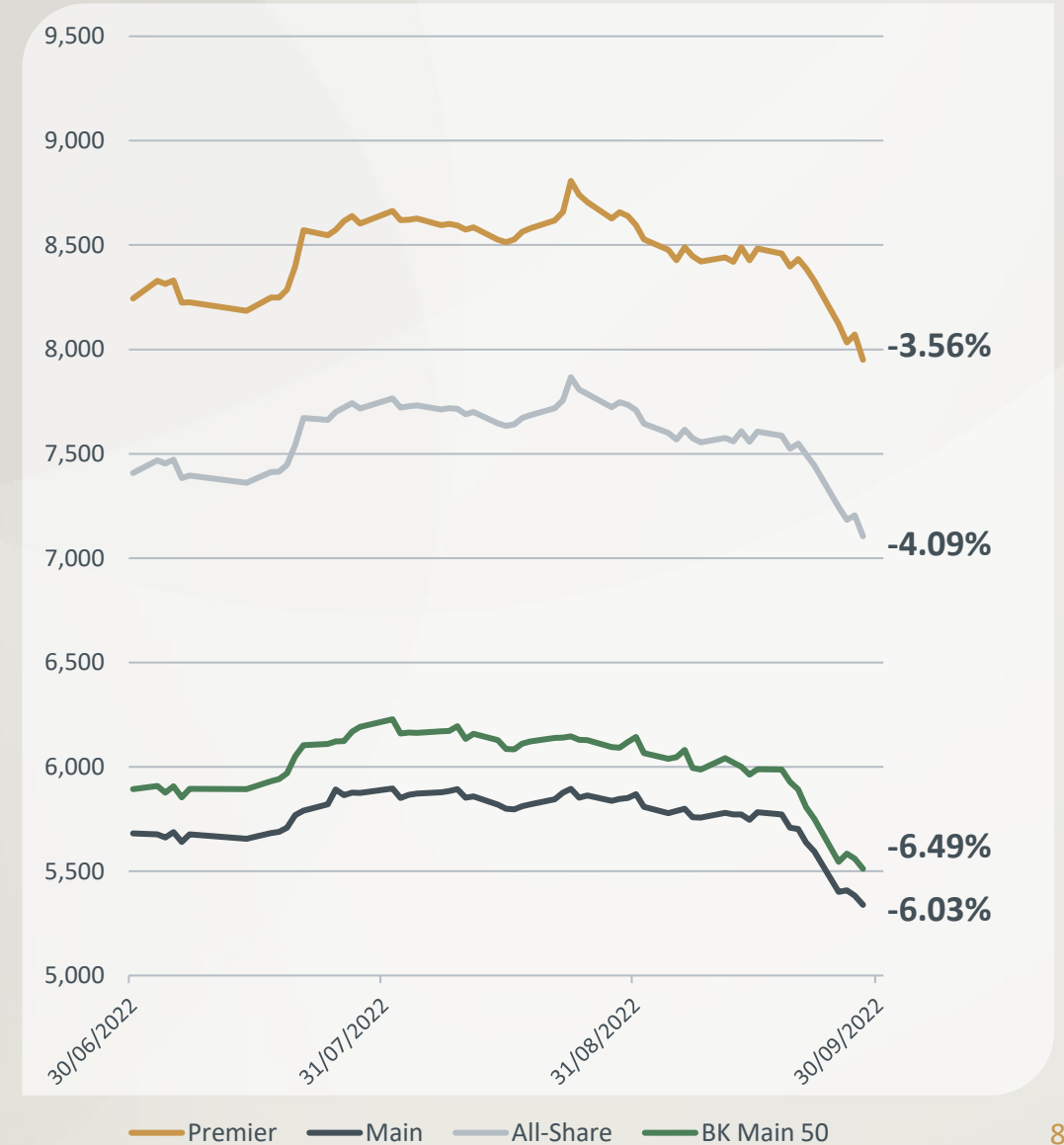
INDEX PERFORMANCE



YTD Performance



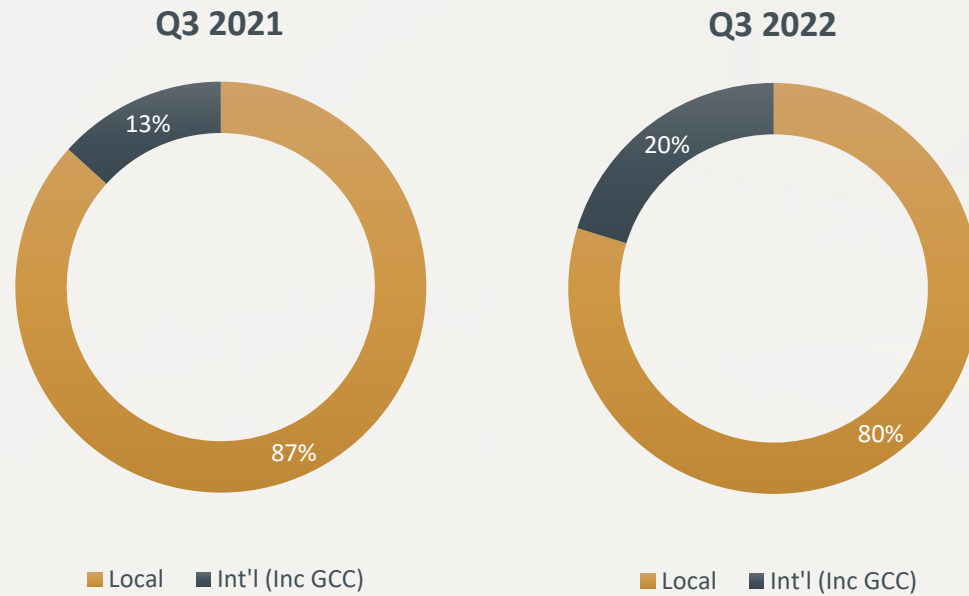
Q3 2022 Performance



INVESTOR TURNOVER

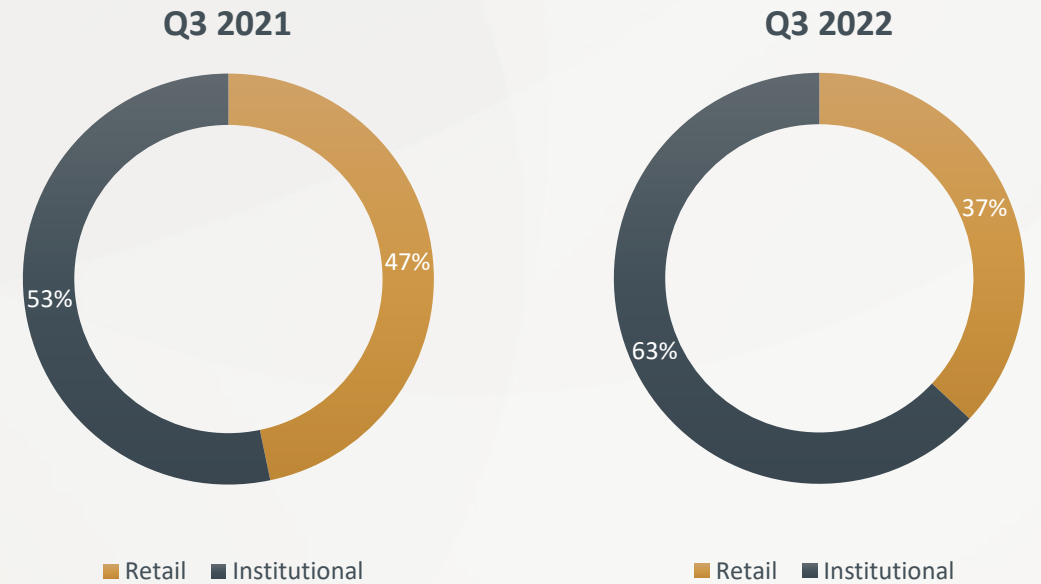


Breakdown of Value Turnover by Investor Geography



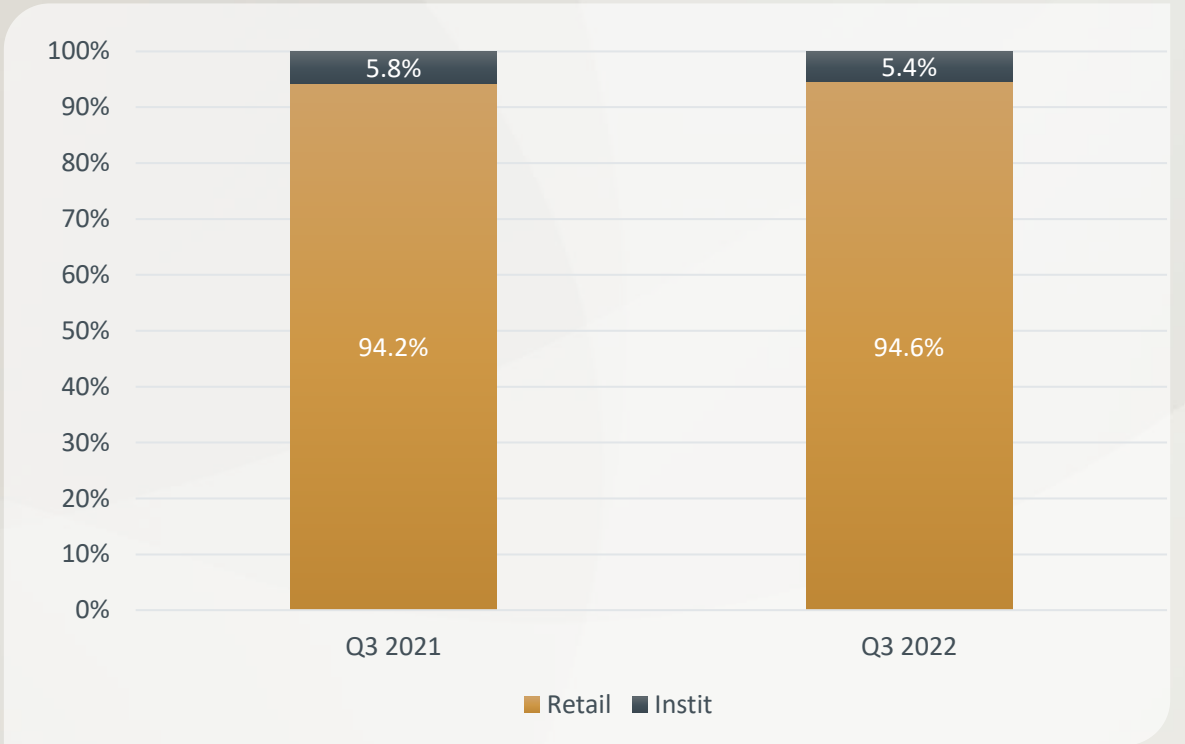
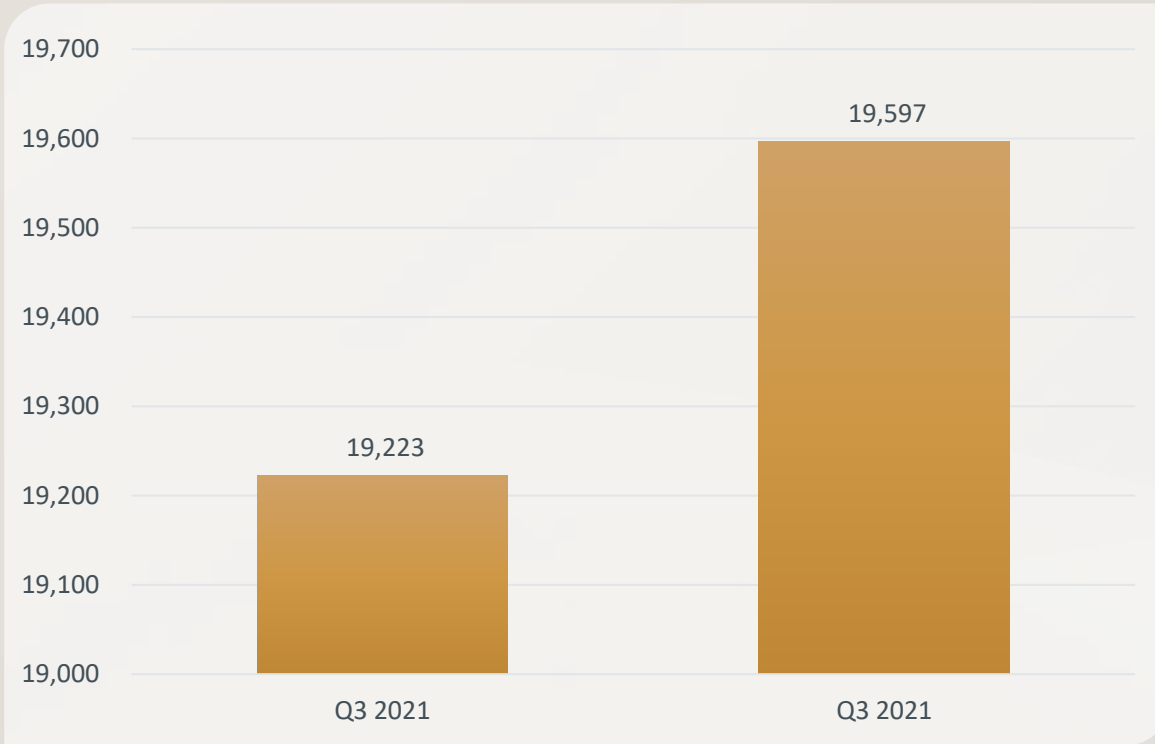
International Investors +52%

Breakdown of Value Turnover by Investor Type



Institutional Investors +18%

ACTIVE ACCOUNTS



Active Accounts +2%

Active Accounts are those that have executed one trade at least in the last six months



3Q FY2022







Financial Highlights and Performance

Naim Azad Din, Chief Financial Officer

Financial Highlights and Performance

Solid performance driven by trade-related income streams and improving operating cost structure



OPERATING REVENUE	OPERATING EXPENSES	OPERATING PROFIT	NP ATTRI. TO EQ. HOLDERS OF PARENT
 <p>26,435,357 19.24%</p>	 <p>(7,431,165) (17.70)%</p>	 <p>19,004,192 44.61%</p>	 <p>15,089,624 29.17%</p>
VALUE TRADED	COST TO INCOME RATIO	OPERATING PROFIT MARGIN	EPS ATTRI. TO EQ. HOLDERS OF PARENT
 <p>11,508,661,524 21.36%</p>	<p>9M FY2022 28.11% 9M FY2021 40.73%</p>	<p>9M FY2022 71.89% 9M FY2021 59.27%</p>	 <p>75.16 fils 29.17%</p>

- Strong growth in Operating Revenue was driven by higher value traded at KWD 11.51 billion or +21.36% and total trades at 2.26 million trades or +5.54%.
- Positive contribution to Trading Commission and Clearing operations with double-digit reported growth and Settlement operation. Other non-trade revenue sustained at double-digit growth comprising Subscription fees, Shareholders register services and Central depository services.
- Continuing improvement to Operating Expenses at -17.70% or KWD 1.60 million through ongoing cost optimization efforts group-wide and conversion of variable compensation. Improved Cost / Income ratio to 28.11% from 40.73%.
- These contributed to improving the Operating Profit Margin to 71.89% from 59.27% recorded in 2021.
- Resultantly, Net Profit increased by +29.17% to KWD 15.09 million from KWD 11.68 million. Earnings Per Share stood 75.16 Fils compared to 58.19 Fils recorded in 2021.

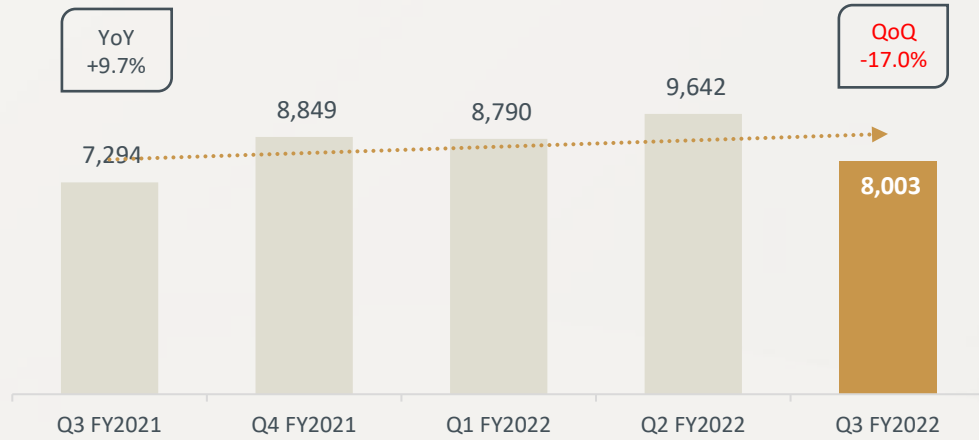
Note: All figures in KWD unless otherwise stated and may be subject to rounding.

Quarterly Trend

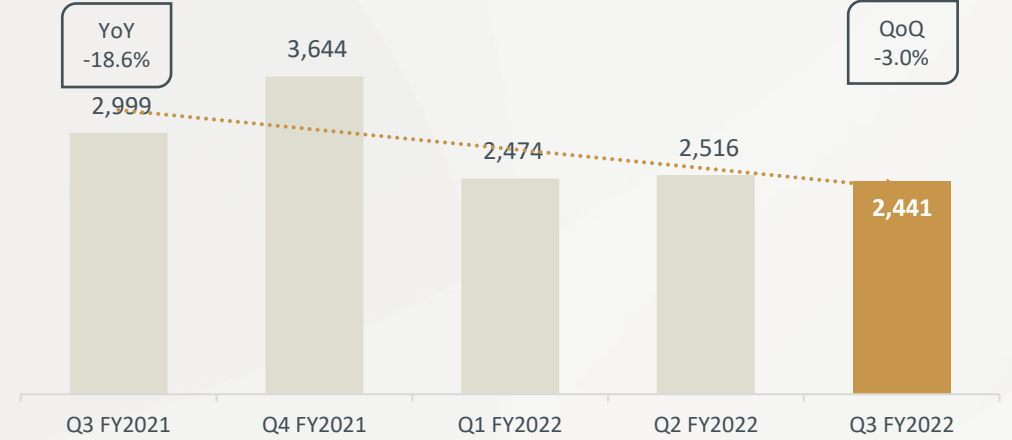
Resilient performance underpinned value creation



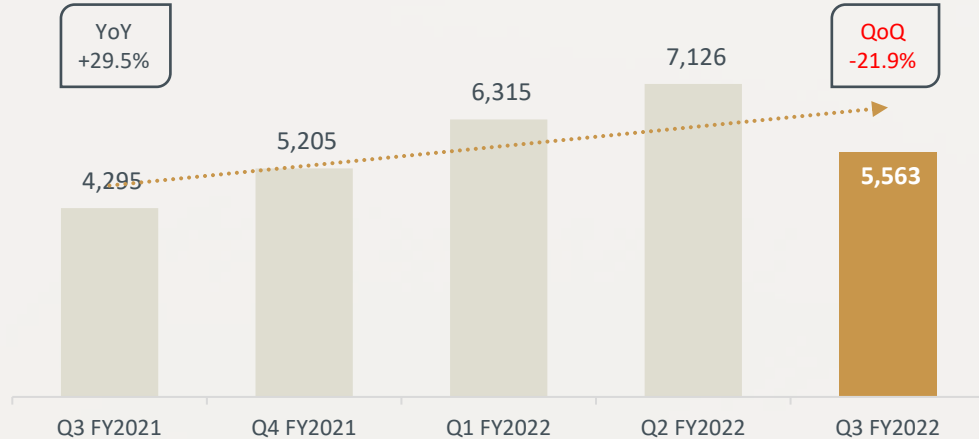
Operating Revenue ('000)



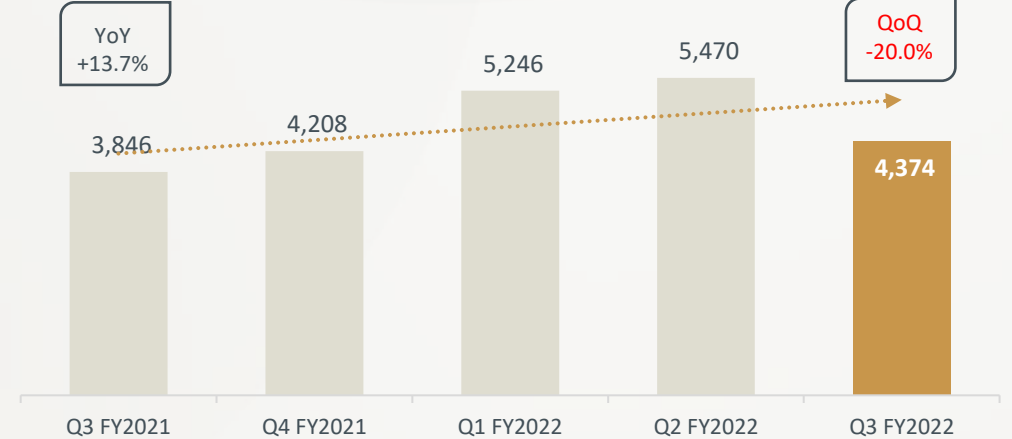
Operating Expenses ('000)



Operating Profit ('000)



NP Attri. to Eq. Holders of Parent ('000)

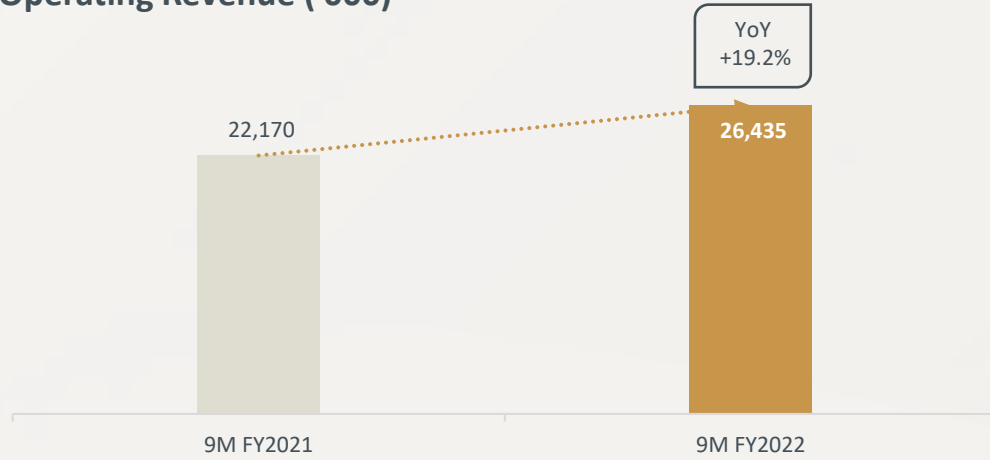


YTD Trend

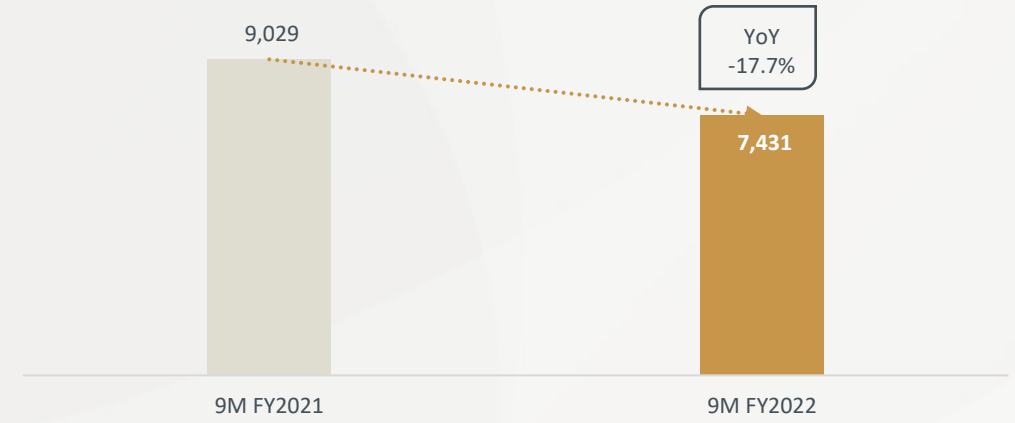
Continued realization of successful strategy implementation



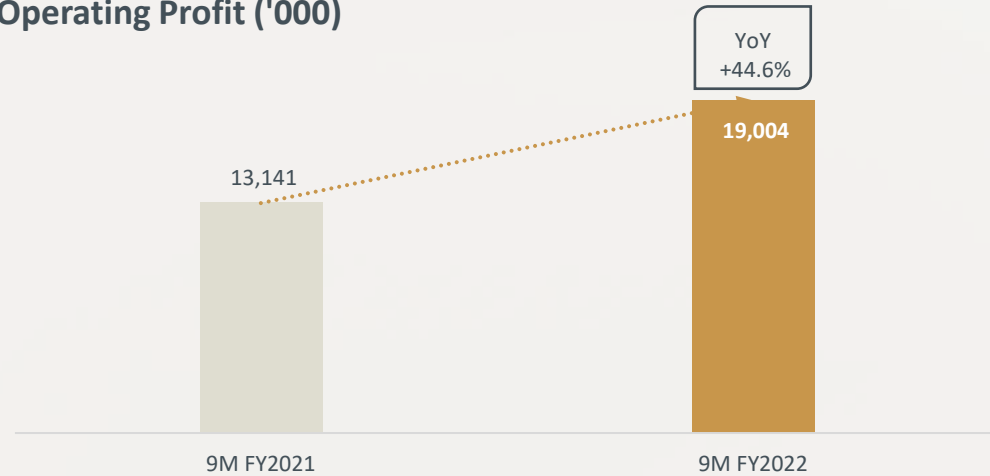
Operating Revenue ('000)



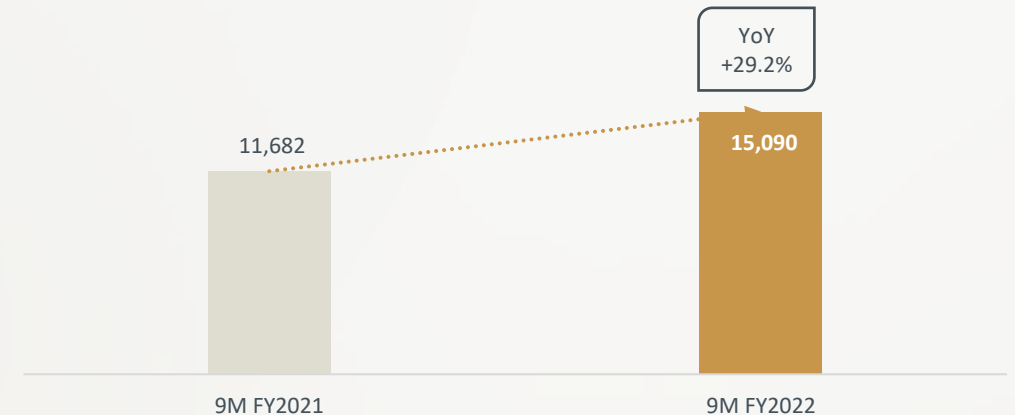
Operating Expenses ('000)



Operating Profit ('000)

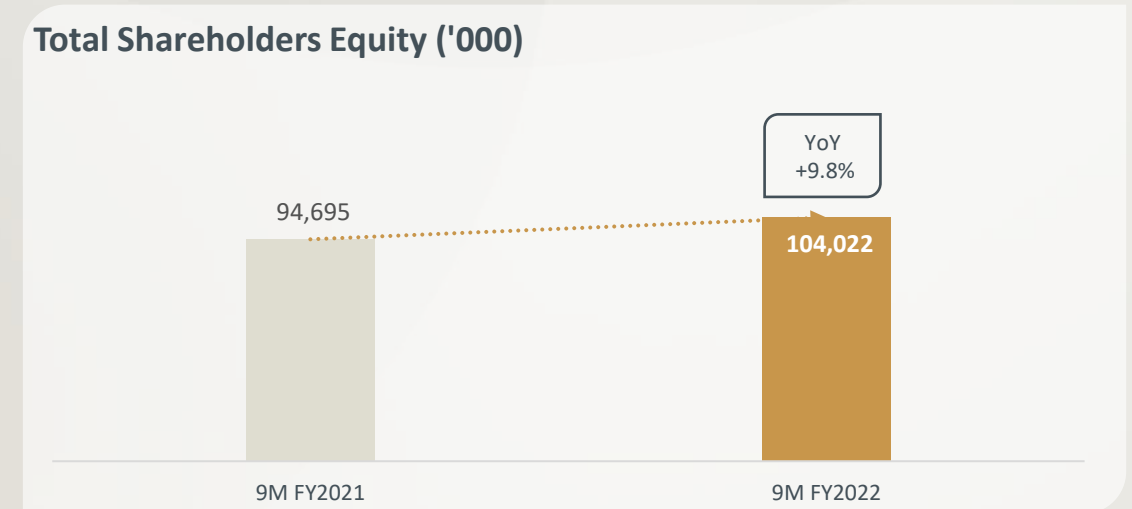
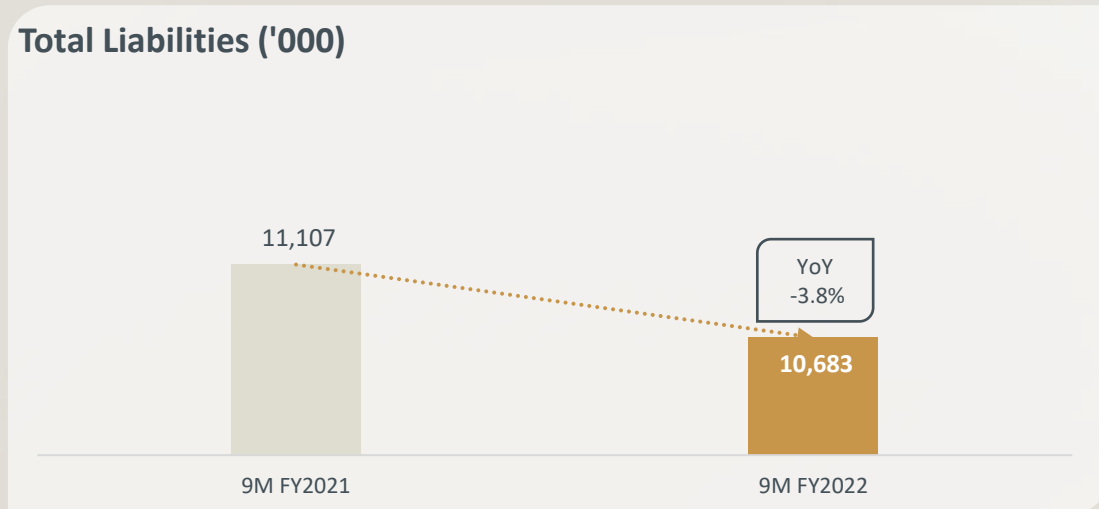
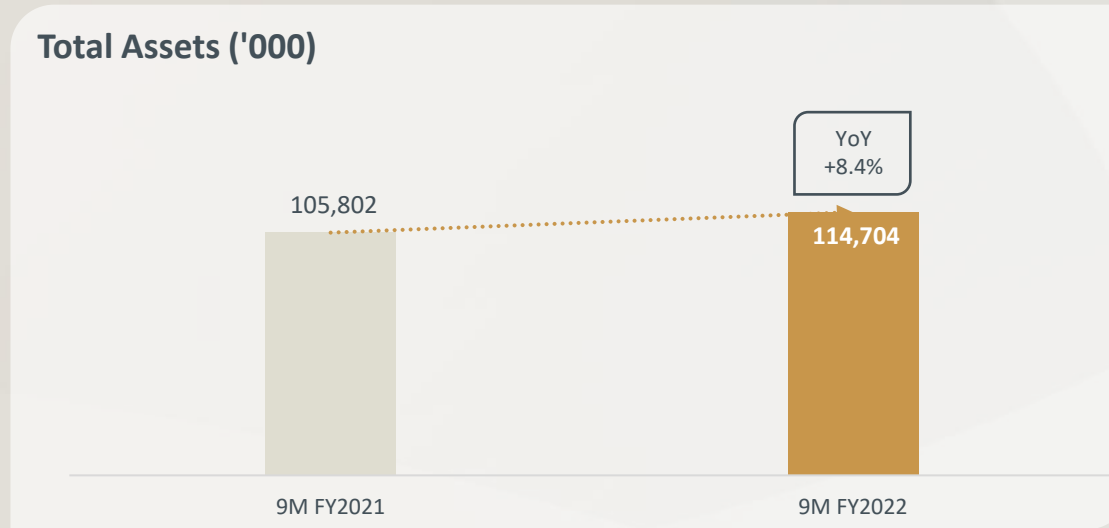


NP Attri. to Eq. Holders of Parent ('000)



Financial Position Summary

Strengthened financial position through assets growth and lower liabilities



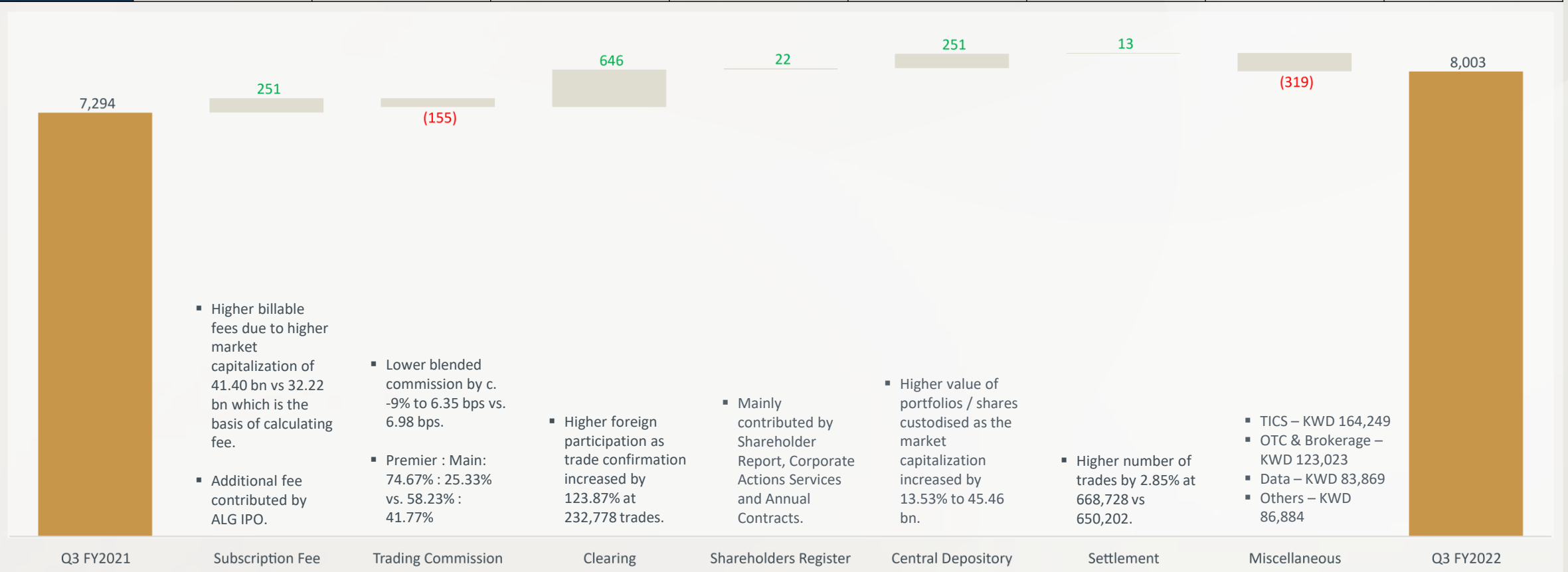
Note: Equity Attributable to Equity Holders of the Parent Company stood at KWD 62,647,503, a 10.97% increase.

3Q FY2022 Operating Revenue

Amidst heightened uncertainties, some revenue streams remain resilient



Operating Revenue ('000)																
	Subscription Fee		Trading Commission		Clearing		Shareholders Register		Central Depository		Settlement		Miscellaneous		Total	
Q3 FY2022	1,957	24.45%	1,977	24.71%	1,241	15.51%	714	8.93%	1,054	13.18%	601	7.51%	458	5.72%	8,003	
Q3 FY2021	1,706	23.39%	2,133	29.24%	595	8.16%	692	9.49%	803	11.01%	588	8.06%	777	10.66%	7,294	
YoY	14.73%	↑	-7.28%	↓	108.61%	↑	3.20%	↑	31.26%	↑	2.26%	↑	-41.07%	↓	9.72%	↑



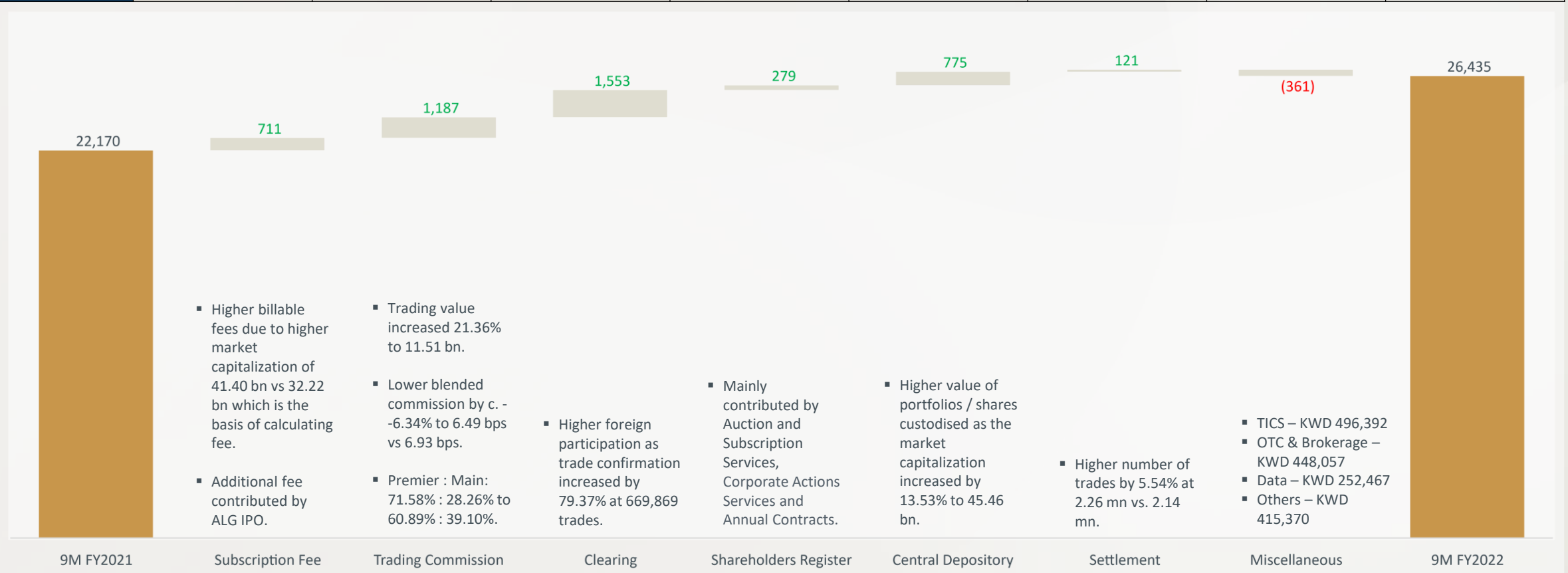
Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

9M FY2022 Operating Revenue

Solid performance driven by trade-related income streams



	Operating Revenue ('000)															
	Subscription Fee		Trading Commission		Clearing		Shareholders Register		Central Depository		Settlement		Miscellaneous		Total	
9M FY2022	5,823	22.03%	7,837	29.65%	3,652	13.81%	2,399	9.07%	3,054	11.55%	2,059	7.79%	1,612	6.10%	26,435	
9M FY2021	5,111	23.05%	6,650	30.00%	2,098	9.46%	2,120	9.56%	2,279	10.28%	1,939	8.74%	1,973	8.90%	22,170	
YoY	13.92%	↑	17.85%	↑	74.03%	↑	13.14%	↑	34.02%	↑	6.22%	↑	-18.29%	↓	19.24%	↑



- Higher billable fees due to higher market capitalization of 41.40 bn vs 32.22 bn which is the basis of calculating fee.
- Additional fee contributed by ALG IPO.
- Trading value increased 21.36% to 11.51 bn.
- Lower blended commission by c. -6.34% to 6.49 bps vs 6.93 bps.
- Premier : Main: 71.58% : 28.26% to 60.89% : 39.10%.
- Higher foreign participation as trade confirmation increased by 79.37% at 669,869 trades.
- Mainly contributed by Auction and Subscription Services, Corporate Actions Services and Annual Contracts.
- Higher value of portfolios / shares custodised as the market capitalization increased by 13.53% to 45.46 bn.
- Higher number of trades by 5.54% at 2.26 mn vs. 2.14 mn.
- TICS – KWD 496,392
- OTC & Brokerage – KWD 448,057
- Data – KWD 252,467
- Others – KWD 415,370

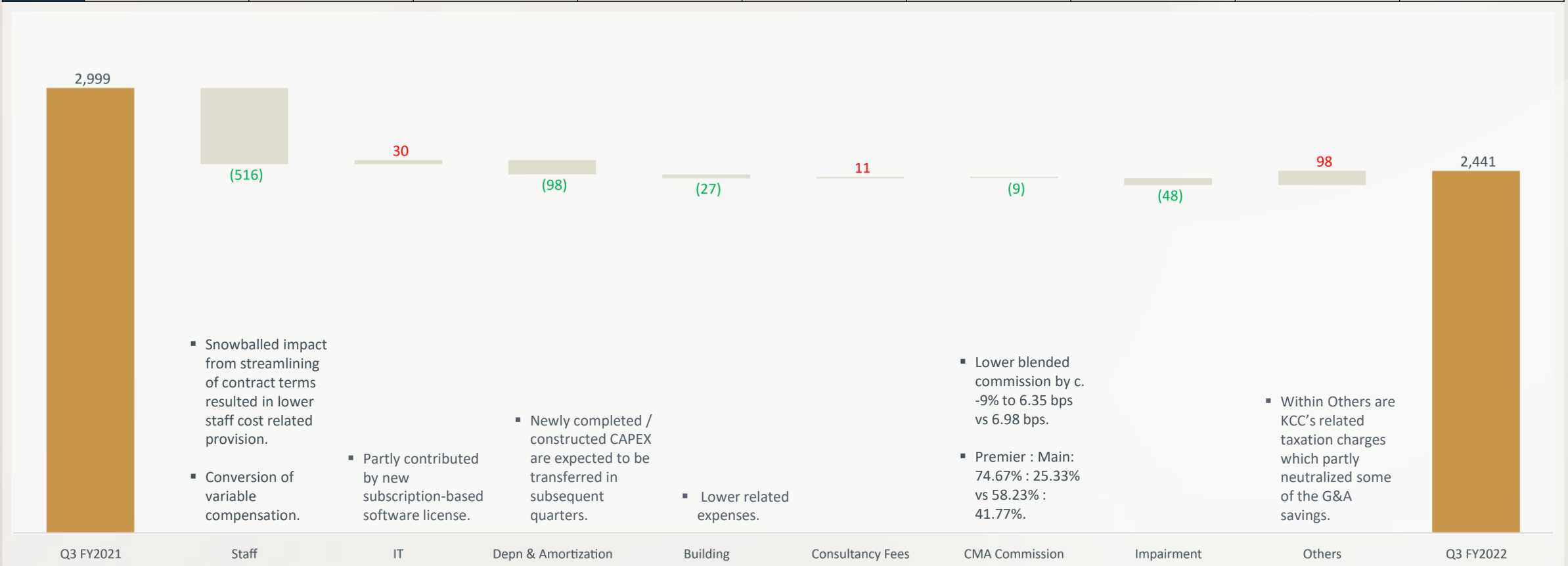
Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

3Q FY2022 Operating Expenses

Streamlining of Staff costs contributed to improving operating cost structure



Operating Expenses ('000)																		
	Staff		IT		Depn & Amortization		Building		Consultancy Fees		CMA Commission		Impairment		Others		Total	
Q3 FY2022	1,371	56.15%	298	12.19%	192	7.86%	74	3.02%	166	6.78%	62	2.53%	0	0.00%	280	11.46%	2,441	
Q3 FY2021	1,887	62.91%	268	8.93%	289	9.65%	101	3.36%	155	5.15%	70	2.35%	48	1.59%	181	6.05%	2,999	
YoY	-27.35%	↓	11.09%	↑	-33.75%	↓	-26.84%	↓	7.15%	↑	-12.25%	↓	-100.00%	↓	54.30%	↑	-18.61%	↓



Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

9M FY2022 Operating Expenses

Streamlining of Staff costs contributed to improving operating cost structure



	Operating Expenses ('000)																Total	
	Staff		IT		Depn & Amortization		Building		Consultancy Fees		CMA Commission		Impairment		Others			
9M FY2022	4,286	57.67%	875	11.78%	618	8.32%	216	2.91%	370	4.97%	249	3.35%	132	1.77%	685	9.22%	7,431	
9M FY2021	5,863	64.93%	790	8.75%	747	8.27%	229	2.53%	390	4.32%	217	2.41%	172	1.90%	621	6.88%	9,029	
YoY	-26.90%	↓	10.78%	↑	-17.22%	↓	-5.51%	↓	-5.27%	↓	14.68%	↑	-23.26%	↓	10.30%	↑	-17.70%	↓



Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

Key Indicators

High Operating Margin continued to support growth



	3Q FY2021	4Q FY2021	1Q FY2022	2Q FY2022	3Q FY2022
Operating Revenue ('000)	7,294	8,849	8,790	9,642	8,003
Operating Expenses ('000)	(2,999)	(3,644)	(2,474)	(2,516)	(2,441)
Cost to Income Ratio	41.11%	41.18%	28.15%	26.09%	30.50%
Operating Profit ('000)	4,295	5,205	6,315	7,126	5,563
Operating Profit Margin	58.89%	58.82%	71.85%	73.91%	69.50%
Net Profit Attributable to Equity Holder of the Parent Company ('000)	3,846	4,208	5,246	5,470	4,374
Net Profit Margin Attributable to Equity Holder of the Parent Company	52.73%	47.56%	59.68%	56.73%	54.65%
Return on Average Equity	29.77%	28.02%	32.83%	33.86%	32.41%
EPS Attributable to Equity Holder of the Parent Company (Fils)	19.16	20.96	26.13	27.25	21.79
DPS (Fils)	-	65.00	-	-	-
Total Dividends ('000)	-	13,050	-	-	-
Blended Trading Commission (bps)	6.98	7.03	6.67	6.42	6.35

Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.



BOURSA KUWAIT SHARE INFORMATION



▪ Legal Name	Boursa Kuwait Securities Company K.P.S.C
▪ Date Established	21 April 2014
▪ Regulated By	Kuwait's Capital Markets Authority (CMA)
▪ Listing Date	14 September 2020
▪ Exchange Ticker	BOURSA
▪ Code	827
▪ Bloomberg Ticker	BOURSA KK
▪ Thomson Reuters Ticker	BOURSA.KW
▪ ISIN	KW0EQ0607022
▪ Sector	Financial Services
▪ Paid-Up Share Capital	KWD 20,077,575.000
▪ Outstanding Number of Shares	200,775,750
▪ Par-value per Share	KWD 0.100
▪ Fiscal Year	31 December
▪ Registrar	Kuwait Clearing Company

Major Shareholders (over 5%)

National Investments Co. and group (Al-Bawaba Al-Watania General Trading & Contracting Co.)	Direct & Indirect	15.46%
Arzan Financial Group For Financing & Investment	Direct	14.41%
Gulf Cable & Electrical Industries Co.	Indirect	14.41%
The Public Institution for Social Security	Direct	6.00%

ANALYST COVERAGE



Research House	Analysts	Date	Target Price (KWD)	Rating
EFG HERMES	Elena Sanchez, CFA Ahmed El-Shazly	12 October 2022	3.07	BUY
Arqaam Capital	Jaap Meijer, MBA, CFA Janany Vamadeva	16 August 2022	2.84	BUY

AWARDS



WORLD FINANCE

Most Sustainable Company in the Financial Services Industry for 2022

Boursa Kuwait was awarded Most Sustainable Company in the Financial Services Industry of the Year by [World Finance](#)

PAN FINANCE

Sustainable Stock Exchange of the Year Middle East 2022

Boursa Kuwait was awarded Sustainable Stock Exchange of the Year in the Middle East by [Pan Finance](#)

PAN FINANCE

Sustainable Stock Exchange of the Year - MENA 2021

Boursa Kuwait was awarded Sustainable Stock Exchange of the Year in the Middle East and North Africa by [Pan Finance](#)



Outstanding Contribution to Capital Market Development – Kuwait 2021

Boursa Kuwait was recognized by [Global Business Outlook Magazine](#) for its “Outstanding Contribution to Capital Market Development” in 2021.



Best Investor Relations Company - Kuwait 2021

Boursa Kuwait was awarded “Best Investor Relations Company” by [Global Banking & Finance Review](#).



Best Culture of Learning 2021

Boursa Kuwait was awarded “Best Culture of Learning” for employers below 500 employees in the Middle East Region 2021 by [LinkedIn](#).

AWARDS



Second Place in the Best Annual Report – Print Category for Small Cap Companies – Middle East 2021

Bursa Kuwait's 2020 Annual Report was voted second best annual report in the print category for Small Cap Companies in the Middle East by the Middle East Investor Relations Association (MEIRA)



Most Improved Company 2018

Bursa Kuwait was voted "Most Improved Company" by the Banker Middle East Magazine.



Best Digital Transformation Strategy – GCC 2021

Bursa Kuwait won the "Outstanding Contribution to the SDGs – GCC 2021" award from Capital Finance International magazine.



Best Investor Relations Company - Kuwait 2021

Bursa Kuwait was awarded "Best Investor Relations Company" by Global Banking & Finance Review.



Best Securities Exchange Corporate Governance – GCC 2018

Bursa Kuwait won the "Best Securities Exchange Corporate Governance – GCC" award from Capital Finance International magazine.

CONTACT INFORMATION



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