

Date: 11 November 2025

التاريخ: 11 نوفمبر 2025

To: Issuers and Development Services Department

السادة/ إدارة خدمات وتطوير الإصدار المحترمين

Dear Sirs,

تحية طيبة وبعد...

Subject: Analysts Conference Transcript – Q3 of FY2025

الموضوع: محضر مؤتمر المحللين – الربع الثالث من السنة المالية 2025

With reference to the above, and in line with Bursa Kuwait's in adhering to Article (7-8-1/4) of the Bursa Kuwait Rulebook regarding the Listed Companies Obligations (Analysts Conference Transcript), attached is the Analysts Conference Transcript covering Q3 of FY2025.

بالإشارة إلى الموضوع أعلاه. وحرصاً من بورصة الكويت على الالتزام بمتطلبات المادة (7-8-1/4) من كتاب قواعد البورصة بشأن التزامات الشركات المدرجة (محضر مؤتمر المحللين)، نرفق لكم محضر مؤتمر المحللين للربع الثالث من السنة المالية 2025.

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام والتقدير...

Mohammed Naim Azad Din
Chief Financial Officer

محمد نعيم آزاددين
رئيس قطاع الشؤون المالية





بورصة الكويت
BOURSA KUWAIT

Q3
2025

ANALYSTS CONFERENCE

November 6th, 2025

Boursa Kuwait Securities Company (K.P.S.C.)

Analysts Conference Call Transcript on Boursa Kuwait Earnings Briefing Q3 - 2025

Thursday, 6th November 2025

Edited transcript of Boursa Kuwait Securities Company's (K.P.S.C.) earnings briefing that took place on Thursday, 6th November 2025 at 14:00 Kuwait time.

Corporate participants:

- | | |
|---------------------------|--|
| Mr. Naim Azad Din | - Chief Financial Officer |
| Miss Noura Al-Abdulkareem | - Executive Director of Markets Sector |
| Mr. Fahad Al-Besher | - Investor Relations Director |

Chairperson:

- | | |
|--------------------|--------------|
| Miss Elena Sanchez | - EFG Hermes |
|--------------------|--------------|

Elena Sanchez

Good afternoon, everyone. This is Elena Sanchez from EFG Hermes, and I would like to welcome you all to Boursa Kuwait's Q3 2025 Earnings Call. We have with us from Boursa Kuwait, Mr. Naim Azad Din, Chief Financial Officer, Miss Noura Al-Abdulkareem, Head of Markets Sector, and Mr. Fahad Al-Besher, Director of Investor Relations Department.

I would like to hand over the call now to Mr. Fahad Al-Besher. Please go ahead.

Fahad Al-Besher

Thank you, Elena. Good afternoon, and welcome to Boursa Kuwait's 3rd quarter 2025 Earnings Call. We will begin with Boursa Kuwait's business updates to be presented by our Head of Market, Miss Noura Al-Abdulkareem. Our CFO, Mr. Naim Azad Din, will be covering the financial highlights and performance of Boursa Kuwait Securities Company and its subsidiaries as outlined in the consolidated financial statement for the period ended 30 September 2025.

As per previous calls, we would like to bring to your attention the "Disclaimer" on Slide 2 of the presentation with respect to forward-looking statements and confidential information. During our presentations, we will not repeat the currency when discussing specific amounts, unless the amount is in a currency other than Kuwaiti Dinars (KWD). Once the presentations are concluded, we'll open the floor for a Q&A session. You may also send us any follow-up questions to our designated Investor Relations' email.

Please note that we're only able to comment on matters and information that are publicly disclosed. The presentation will also be made available on our website as well as on our dedicated Investor Relations' website following the call.

Now, I would like to hand over the call to Miss Noura Al-Abdulkareem, Head of Markets Sector, to begin the presentation.

Noura Al-Abdulkareem

Thanks, Fahad. Good afternoon, everyone, and thank you for joining us today. I'm here to provide an overview of the market performance for the 3rd quarter 2025, highlighting key developments in our strategic initiatives moving forward.

As part of our ongoing development strategy, the Central Clearing Counterparty (CCP) became operational on the 13th July 2025. Meanwhile, the rules and the bylaws governing ETFs and fixed-income are expected to receive the necessary approvals hopefully by year-end with the technical infrastructure already prepared for the launch. The successful launch of the CCP represents a major step forward in strengthening Kuwait's capital market infrastructure. Building on this milestone, we are now entering the 4th phase of our Market Development (MD) plan, which will expand our product offerings through the

introduction of standardized derivatives, including options and futures, creating new opportunities for investors while enhancing market depth. Additionally, we recently extended our trading hours by 30 minutes and amended the closing auction order entry, and management procedures.

With these milestones in place, let us now turn to the performance of the markets and how these developments are being reflected in trading activity.

Traded values increased by almost 90% year-on-year to KWD 19.35 billion, up from KWD 10.20 billion last year, while traded volumes increased by 92%. As for the frequency of trades, that also increased by 58%. As for the market split, while the “Premier” market continued to lead with 57% of the total traded values to date, its share has declined from 72% last year, reflecting a growing investor appetite and improved liquidity in the “Main” market, which now represents 43%, up from 28%. The increase in the “Main” market’s activity has been primarily driven by local Retail Investors. Currently, the “Premier” market comprises 33 listed companies with a combined market cap of KWD 43.16 billion, compared to KWD 9.45 billion in the “Main” market. Overall, this represents 24.7% growth in total market capitalization. In terms of market average traded values, up till the end of 3rd quarter, it stood at around KWD 106.9 million versus approximately KWD 55.7 million for the same period last year.

Turning to indices’ performance up to the end of the 3rd quarter, we've seen a clear and broad-based improvement across all key market segments when compared to the same period last year. The BK Main 50 index led the gains, delivering a strong 25% increase during the period compared to 12.15% during the same period in 2024 highlighting momentum among the more active midcap names within the “Main” market. The All-Share index also posted a significant gain of 19.47%, up sharply from 4.68% of the same period in 2024. The “Main” market index, while still in the positive territory, registered 19.12% gain versus 12.69% last year. Meanwhile, the “Premier” market index recorded a 19.56% return versus 3.10% last year.

Shifting to investor turnover, we've observed notable trends in both investor geography and investor type during 2025, with no notable changes from the previous quarters. On the geographic breakdown, local investors accounted for 86% of total traded values, up from 83% in 2024. This increase includes local participation that was accompanied by a decline in international and GCC investor activity, which decreased from 17.16% to around 14 %. The change reflects a return of local liquidity to the market, likely driven by retail participation and growing comfort with the current market environment. From the types of investor perspective, the split between Retail and Institutional Investors’ turnover has remained relatively stable year-on-year. Institutional Investors maintained a dominant share of 64%, up slightly from 63% last year, while Retail Investors activity

accounted for 36% compared to 37.5% in 2024. This indicates the continued institutional confidence and engagement, while Retail Investors remain actively present, especially in the “Main” market, as highlighted earlier.

Consequently, the active accounts in the market increased by almost 77%, reaching a total of 39,662 active accounts with local Retail Investors being the main driver accounting for 16,000 active accounts as of the end of the 3rd quarter 2025. To conclude my section of the presentation, we have recorded 3 de-listings since the beginning of the year, 2 of which were due to non-compliance with regulatory requirements. The exchange currently lists 140 companies with 2 more in the listing pipeline. One of these is Action Energy Group, which has already received regulatory approval while the other is awaiting a decision. Both are expected to be listed on the “Premier” market.

Thank you, and I invite my colleague Mr. Naim Azad Din to continue with the presentation.

Naim Azad Din

Thank you, Noura. These last few quarters have been exciting and full of momentum, and we have managed to capture significant value along the way. Good afternoon, everyone. Thank you for joining us on this call. Let's dive right into the presentation.

During the quarter, we continued to see strong momentum in trading activities, a trend that emerged around the middle of last year. This marked our seventh straight quarter-on-quarter increase in value traded, starting from the first quarter 2024. We closed the quarter on a strong note, value traded climbed to KWD 19.35 billion, with 84.23 billion shares exchanged over 4.26 million trades, marking impressive year-on-year increases of 89.73%, 92.17%, and 58.12%, respectively.

Market capitalization also rose sharply, up 24.67%, reaching KWD 52.61 billion. Our year-to-date results demonstrate the strength and resilience of our business model, reflecting the sustained advantages of our diversified revenue base, and prudent control of operating expenses. However, we remain mindful of external factors that have previously impacted our results, including ongoing geopolitical uncertainties. Additionally, market sentiment around potential interest rate hikes has eased following the Federal Reserve's recent second rate cut.

Market makers continued to be active actors based on the higher value traded recorded at KWD 3.63 billion versus KWD 2.04 billion in 2024, an increase of 78.17% year-on-year. They continue to provide a significant diversification to the market participants' constituents. Driven by

strong activity levels and a sustained commitment to operational efficiency, we have effectively enhanced value creation across our operations.

This has resulted in stronger performance from our trading-related revenue streams, with notable contributions from Trading commission, Settlement operations, and Clearing operations. Further details will be provided during the discussion on operating revenues.

In aggregate, operating revenues increased by 41.45% to KWD 37.06 million, compared to KWD 26.20 million a year earlier. In line with higher activity levels, operating expenses recorded a modest increase of 5.20%, equivalent to approximately KWD 430,000 in absolute terms.

As a result, operating profit recorded a strong increase of 58.16%, reaching KWD 28.36 million, compared to KWD 17.93 million in the same period last year.

Despite higher operating expenses, the robust increase in operating revenues resulted in a higher operating profit margin of 76.52%, up from 68.44% in 2024. This, in turn, contributed to an improved cost-to-income ratio of 23.48%, compared to 31.56% a year earlier. Collectively, we sustained non-operating incomes on a year-on-year basis, with a 5.24% increase to KWD 3.17 million, compared to KWD 3.01 million in 2024. All constituents of the segment reported improvements led, by Other income at 82.28%, Rental income at 7.42%, and Investment income at 3.22%.

Net profit attributable to shareholders of Parent Company recorded a robust increase of 59.81%, reaching KWD 23.05 million, up from KWD 14.43 million in the same period last year.

Lastly, earnings per share stood at 114.82 fils, compared to 71.85 fils achieved in 2024. Overall, this set of results represents a strong performance to-date, and we would like to express our sincere appreciation to our shareholders and analysts for their continued support.

The slide illustrates the quarterly trend of operating revenues, operating expenses, operating profit, and net profit attributable to shareholders of Parent Company from Q3 2024 to Q3 2025. Operating revenues continued their upward trajectory, increasing by 6.9% quarter-on-quarter and 42.1% year-on-year.

Operating expenses decreased by 1.4% quarter-on-quarter, while rising by 10% year-on-year. Operating profit mirrored the performance of operating revenues, improving by 9.7% quarter-on-

quarter and 55.7% year-on-year. Net profit attributable to shareholders of Parent Company also recorded growth, rising 10.7% quarter-on-quarter and 57.4% year-on-year.

This slide presents the year-to-date trend of similar financial performance parameters. Our strong financial performance continues to be supported by a well-diversified operating revenues base, disciplined cost management, and sustainable non-operating incomes – factors that collectively have enabled us to capture value, underpinned by robust trading activities observed to date.

Operating revenues reached KWD 37.06 million, marking a significant increase of 41.4%, compared to KWD 26.20 million in 2024. Operating expenses of KWD 8.70 million represent a modest increase of 5.2% versus KWD 8.27 million reported in 2024. Operating profit surged to KWD 28.36 million, delivering a notable year-on-year growth of 58.2% from KWD 17.93 million. Net profit attributable to shareholders of Parent Company reached a new watermark of KWD 23.05 million, reflecting strong improvement to the financial results by 59.8%, compared to KWD 14.43 million last year.

This slide presents the movement in the consolidated statement of financial position elements from Q3 2024 to Q3 2025. Total assets increased by 11.7%, reaching KWD 132.96 million, up from KWD 118.99 million a year earlier. Total liabilities rose by 14.2%, reaching KWD 10.95 million, compared to KWD 9.59 million as of 30th September 2024. Shareholders' equity increased to KWD 122.01 million from KWD 109.40 million as of 30th September 2024, representing a year-on-year growth of 11.5%. Equity attributable to shareholders of Parent Company, saw an even stronger growth of 16.2%, reaching KWD 74.14 million from KWD 63.80 million a year earlier.

The quarterly operating revenues showed a notable increase, rising from KWD 9.05 million in Q3 2024 to KWD 12.86 million in Q3 2025. During the quarter, all constituents of operating revenues recorded growth compared to the corresponding quarter of 2024, with the exception of Shareholders register services. Subscription fees increased by 9.03%, reaching KWD 1.91 million compared to KWD 1.75 million last year. The growth was primarily driven by an increase in market capitalization from KWD 39.91 billion to KWD 43.12 billion (*excluding Boursa Kuwait*).

Trading commission rose significantly to KWD 4.55 million, up from KWD 2.33 million, an increase of 95.73%. This strong performance was supported by an 88.50% increase in the value traded, which reached KWD 6.73 billion, compared to KWD 3.57 billion in 2024. The blended trading commission stood at 6.44 basis points, compared to 6.20 basis points in Q3 2024, reflecting 3.92% increase. The value traded split was approximately 54% in the "Premier" market and 46%

in the “Main” market. The market maker rebates for the period reached approximately KWD 416,000, compared to approximately KWD 190,000 last year. The significant growth in the value traded, together with the higher trading concentrated in the “Main” market, collectively contributed to the increase in the blended trading commission.

Clearing operations recorded a solid improvement of 31.16%, reaching KWD 1.90 million, up from KWD 1.45 million in Q3 2024. The performance was directly correlated with the increase in value traded recorded during the period.

Additionally, the number of foreign trade confirmations improved significantly by 14.43%, reaching approximately 323,000 from approximately 282,000 in Q3 2024. This substantial increase contributed to the higher revenue recognized in the third quarter, which rose to KWD 1.74 million from KWD 1.37 million in Q3 2024, representing an improvement of 27.39%.

Shareholders register services, which accounted for 5.97% of total operating revenues, approximately KWD 767,000, recorded a 17.16% decline compared to a year ago. This decrease was mainly driven by the following sub-service components:

- (a) Corporate action services reported a decline of 14.78%, reaching approximately KWD 35,000, down from KWD 41,000.
- (b) IPO, auction, acquisition, and merge services also declined, reaching approximately KWD 87,000, compared to approximately KWD 306,000 in the prior year.

Central depository services increased notably by 27.47%, reaching approximately KWD 1.42 million, compared to KWD 1.11 million last year.

Settlement operations outperformed last year's results significantly, rising by 82.16% to approximately KWD 1.63 million, compared to approximately KWD 895,000 in 2024. This improvement was supported by a higher number of trades executed during the period, approximately 1.80 million trades versus approximately 1.00 million in 2024.

Under Miscellaneous, which comprises Trustee and investment controller services, Data, OTC and Brokerage and Other miscellaneous fees, revenues increased by 15.01%, reaching approximately KWD 679,000 from KWD 590,000 in 2024.

In aggregate, total operating revenues recorded a marked improvement, reaching approximately KWD 12.86 million, up 42.06%, compared to KWD 9.05 million a year earlier.

The year-to-date operating revenues increased notably by 41.45%, rising to KWD 37.06 million, compared to KWD 26.20 million last year. All constituents of operating revenues recorded growth with the exception of Shareholders register services.

Subscription fees increased by 8.94% year-on-year, reaching KWD 5.77 million, compared to KWD 5.29 million last year.

On the back of stronger trading activities, Trading commission more than doubled in revenue at 105.19%, reaching KWD 13.06 million, compared to approximately KWD 6.36 million recorded in 2024. Year-to-date, traded value increased by 89.73%, reaching a new high of KWD 19.35 billion, compared to KWD 10.20 billion last year. The blended trading commission reached 6.49 basis points in 2025 versus 6.02 basis point last year, increasing by 7.39% year-on-year. The value traded was divided approximately 57% in the "Premier" market and 43% in the "Main" market. The market maker rebates reached approximately KWD 979,000, compared to KWD 540,000 last year.

Clearing operations increased by 24.10%, reaching KWD 5.33 million, compared to KWD 4.30 million last year. The performance was driven by strong value traded and improved number of foreign trade confirmations. The number of foreign trade confirmations increased by 12.68%, reaching approximately 942,000, compared to 836,000 recorded in 2024. As a result, the revenue increased by 19.84%, reaching approximately KWD 4.88 million from KWD 4.07 million.

Shareholders register services, which account for 7.12% of total operating revenues, approximately KWD 2.64 million, decreased marginally by 3.53% from a year ago. This decrease was mainly contributed by IPO, auction, acquisition, and merge services, reaching approximately KWD 538,000, compared to KWD 751,000 in 2024.

Central depository services increased notably by 19.95%, reaching KWD 3.88 million from KWD 3.24 million. This was mainly driven by the increase in the average value of portfolio custodized for both shares and bonds.

Settlement operations outperformed last year's results by 60.52%, reaching approximately KWD 3.86 million from KWD 2.41 million. During the period, the number of trades increased by 58.12%, reaching approximately 4.26 million trades, compared to 2.70 million trades recorded in 2024.

As for Miscellaneous, revenues recorded a notable increase of 34.88%, reaching approximately KWD 2.52 million from KWD 1.87 million recorded in 2024. In aggregate, total operating revenues

recorded a significant increase of 41.45%, reaching approximately KWD 37.06 million, compared to KWD 26.20 million a year ago.

Total operating expenses for the quarter were higher by 9.99%, reaching KWD 2.97 million, compared to the previous year's quarter of KWD 2.70 million.

Staff costs increased by 7.13%, reaching KWD 1.56 million, compared to KWD 1.46 million last year. This increase was partly due to the annual review of salaries and benefits, which takes effect every April. The costs accounted for 52.60% of total operating expenses, compared to 54.01% last year. IT expenses recorded a marginal increase of 4.87%, reaching approximately KWD 425,000, compared to KWD 405,000 a year earlier. This accounted for 14.31% of total operating expenses versus 15.01% in 2024. The increase was driven by new infrastructure contracts for securities and systems improvement, including an offshore disaster recovery site.

Depreciation and amortization increased by 25.42%, reaching KWD 310,000 from KWD 247,000 recorded in 2024. The increase was due to the transfer of various completed assets to the fixed assets register, including those related to the CCP. Building expenses recorded a marginal decrease of 8.95%, reaching approximately KWD 70,000 compared to KWD 77,000 in 2024. The savings were achieved despite the increase in the building occupancy that has almost reached its full capacity.

Consultancy fees were lower by 44.91%, reduced to approximately KWD 68,000 from KWD 124,000. CMA commission increased by 88.82%, reaching approximately KWD 142,000, compared to KWD 75,000 recorded in 2024. As for Others, the costs were higher by 25.20%, reaching approximately KWD 393,000, compared to KWD 314,000 last year. The increase was due to a combination of movements during the period and was deemed normal for business.

Premised on the above, the cost-to-income ratio for the quarter improved to 23.09%, compared to 29.82% recorded in 2024.

We continue to benefit from controlled operating expenses with a modest increase of 5.20%, reaching KWD 8.70 million, compared to KWD 8.27 million recorded in 2024. Staff costs have risen at an average of 7.28% over the last three quarters, reaching KWD 4.78 million, up from KWD 4.45 million in the corresponding period last year. This accounted for 54.89% of total operating expenses, compared to 53.81% recorded in 2024.

IT expenses increased marginally by 2.31%, reaching approximately KWD 1.25 million compared to KWD 1.23 million a year earlier. Depreciation and amortization recorded an increase of 21.37% year-on-year, reaching KWD 773,000, compared to KWD 637,000 in 2024.

Building-related expenses were almost comparable year-on-year, achieving a saving of 4.66%, reaching KWD 210,000, compared to KWD 220,000 in 2024. Consultancy fees also recorded a saving of 43.78%, reaching KWD 258,000, compared to KWD 459,000 last year. This decrease was mainly due to lower consultancy requirements following completion of various projects.

CMA commission, which is directly correlated with Trading commission, recorded a higher expense of 102.38%, reaching around KWD 424,000 compared to KWD 210,000 recorded in 2024. Nil impairment was recorded this year. As for Others, total savings of 3.49% was achieved, bringing the aggregated costs to KWD 8.70 million, compared to KWD 8.27 million recorded in 2024.

Premised on the above, the cost-to-income ratio improved to 23.48%, compared to 31.56% in 2024.

This slide provides a snapshot of key financial indicators quarterly from Q3 2024 to Q3 2025. Premised on the presentation of the financial data up to the last quarter, we continued to demonstrate resilience toward market challenges, which mainly emanated from a wide range of macroeconomic factors through diversified operating revenues stream, disciplined cost control, and improvements to a wide range of non-operating incomes by optimizing assets' turnover. Notwithstanding the challenges, we remain committed and focused on delivering the optimum financial results to our shareholders.

To that end, thank you for your attention.

- Fahad Al-Besher** Thank you, Miss Noura and Mr. Naim. We are now ready to receive your questions. We will pause for a moment to allow time for questions to come through and respond accordingly. Please type your questions in the chat box. Thank you.
- Is the KWD 70.5 million term deposit maintained by Boursa Kuwait held to satisfy regulatory requirements? If not, has the company considered distributing this amount to shareholders as a one-off dividend?
- Naim Azad Din** The KWD 70.58 million term deposit is partly the regulatory capitals required for the subsidiaries of KCC, totaling around KWD 25.00 million, and the remaining amount is cash held by Boursa Kuwait and also KCC, generated mainly from their operations.
- In terms of the distribution of dividends, it shall remain at the board of directors' discretion, which will be primarily underpinned by the performance of the company, and the requirement for any capital expenditure. This discussion normally takes place at the conclusion of the year and upon assessing the financial performance of the company.
- Fahad Al-Besher** It was reported that Boursa Kuwait has submitted a new study regarding potential enhancement to trader fees. Could you please provide an update on this matter? Does Boursa Kuwait intend to review the fee structure applied to listed companies? What feedback, if any, has been received from the CMA, and is there any estimated timeline for the implementation of any proposed changes?
- Noura Al-Abdulkareem** At present, there are no changes being considered to the listing fees. The current conversation or dialog we are having with the regulator is in regard to the trading, clearing, and settlement fees. These discussions are still ongoing. We don't have a clear timeline as to when they're going to get implemented, but it's an ongoing discussion between the stakeholders.
- Fahad Al-Besher** Given that the stock has reached a relatively high nominal price, does Boursa Kuwait have any plans to undertake a stock split?
- Noura Al-Abdulkareem** This topic has been discussed internally, the minimum value set for the par value is 100 fils and currently, stock split can't be performed until the company's law is amended.

- Fahad Al-Besher** Given the technical readiness of ETFs and fixed-income instruments, when can we expect the first launch, and how material could data and information services become as a recurring revenue driver over the next 12 to 18 months?
- Noura Al-Abdulkareem** The contribution of data and information services will largely depend on whether the ETF managers choose to license and use Boursa Kuwait's indices and its products. In regard to timing, we've met with around ten leading investment firms so far. Some have shown strong interest, while others have indicated that ETFs are not currently part of their product strategy. So, while the infrastructure is ready, the exact launch timeline will depend on the fund managers' internal decision and the publications of the final bylaws and rules.
- Fahad Al-Besher** The recent reduction in the "Main" market's free float requirements from KWD 15 million to KWD 5 million should make listing more accessible to family-owned and mid-sized firms. Do you expect to see that translate into higher listing activity or liquidity over the next year?
- Noura Al-Abdulkareem** Since the reduction in the free float requirement was implemented, we've seen a noticeable increase in engagements, particularly, more inquiries and discussions are coming from family-owned and mid-sized companies who are exploring "Main" market listing option. At the same time, many of these conversations have also shifted towards the "Emerging companies" market, which is planned to be launched in December 2025, subject to market participants passing the tests. So, while the regulatory changes have definitely sparked renewed interests, we haven't yet seen it translated into confirmed listings. However, the pipeline dialog has clearly been strengthened.
- Fahad Al-Besher** Value traded trends since the extension of the traded session in mid-October?
- Noura Al-Abdulkareem** In the 19 trading days since the implementation of the trading hours extension, it remains challenging to directly attribute any increase in traded value to the extension, especially in light of the unusually strong market performance in October. That said, and based on the observed data, the average daily traded value increased by approximately KWD 10.6 million during this period.
- Fahad Al-Besher** Feedback from international investors is that Kuwait is an expensive market to trade. Are there any plans to revise some of the additional fees that foreign trades are subject to?
- Noura Al-Abdulkareem** As I've mentioned previously, yes, we are actively engaged with the regulator to review the current fee structure for trades in general whether it is for foreign or local trade. The goal is to make the market more competitive and accessible to all investors, both international and local, while

maintaining the integrity of the overall framework. Discussions are progressing, but we don't have an exact timeline for the implementation.

Fahad Al-Besher

Why has the restricted cash balance risen in September to KWD 5.2 million from KWD 2.6 million in June 2025?

Naim Azad Din

Following the implementation of the CCP, some changes were introduced regarding the default fund. This arrangement replaced the previous arrangement, whereby KCC provided KWD 2.60 million for similar purpose. This amount has been released. Under the CCP, a minimum pool of KWD 25.00 million is established, and KCC is required to contribute 10%, or KWD 2.50 million. The remaining amount is provided by the participating brokers/clearing members.

The pool is scheduled to be assessed quarterly after the last trading session of the quarter, and the requirements shall be recalibrated accordingly, with a minimum amount set to remain unchanged. In addition to this, KCC is required to set aside KWD 2.50 million reserve funds as an additional layer in the default waterfall. You may refer to the published document titled *Default Procedures* on KCC's website, which is currently available in Arabic. These amounts are currently placed in call accounts, earning an income of 1.00% per annum, and the status of these funds must be maintained as liquid funds.

Fahad Al-Besher

Are you planning to revise your cost-to-income ratio target, given the tight grip on operating expenses this year?

Naim Azad Din

For the time being, there is no intention to revise the guidance, as we are still within the MD plan as depicted in one of the earlier slides.

Fahad Al-Besher

Are qualified brokers now able to offer margin trading to their customers?

Noura Al-Abdulkareem

Qualified brokers are able to offer it, subject to obtaining the licensing approvals from the CMA.

Fahad Al-Besher

So, we believe we have addressed most of the questions raised during the call. Should you have any follow-up queries, please feel free to contact us at our designated Investor Relations' email IR@boursakuwait.com.kw

Thank you for your participation. With that, we conclude today's call.

Q3 FY 2025 Earnings Briefing

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

6 November 2025

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All figures stated are in KWD unless otherwise stated and may be subject to rounding differences.

AGENDA



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Q3 2025 Business Updates

Noura Al-Abdulkareem, Head of Markets Sector



MARKET DEVELOPMENTS



Diversifying product offerings, increasing accessibility and transparency of our market, while continuing to improve infrastructure.

MD1

- Ticks & Price Limits
- Settlement Cycle & Corporate Actions
- Market Makers
- Randomized Closing Auction

MD2

- Market Segmentation
- Circuit Breakers
- OTC Platform
- Boursa Kuwait Rulebook

MD3

- REITs
- Intentional Crossing
- Trade-at-Last
- Closing Auction Amendment
- Tender Offers
- Swaps
- Short-selling & SLB

MD3.2

- Netting
- Tradable Rights Issue
- Margin Lending for IC
- Cash CCP
- Fixed Income
- ETFs (Equity & Commodity)
- Margin Lending for QB

MD4

- Derivatives CCP
- Derivatives (SSF & IF)
- Derivatives (Options)

2017

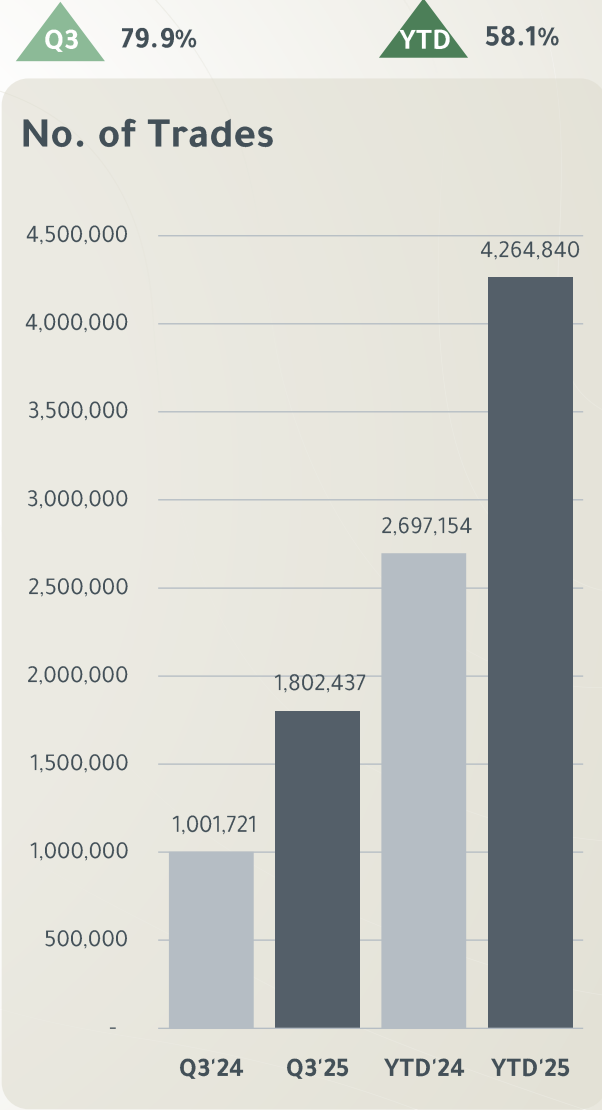
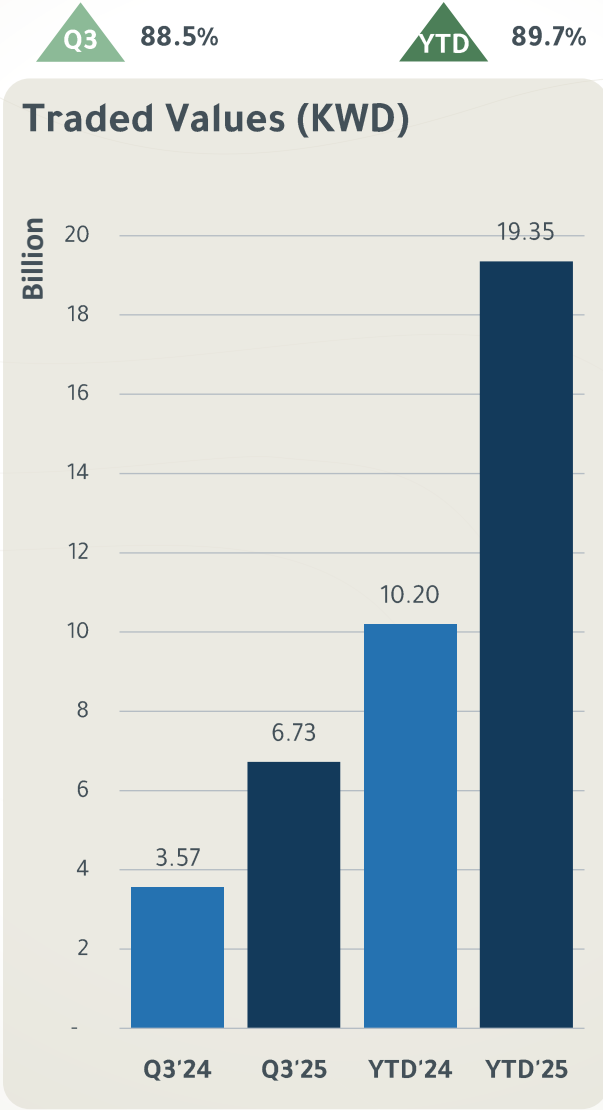
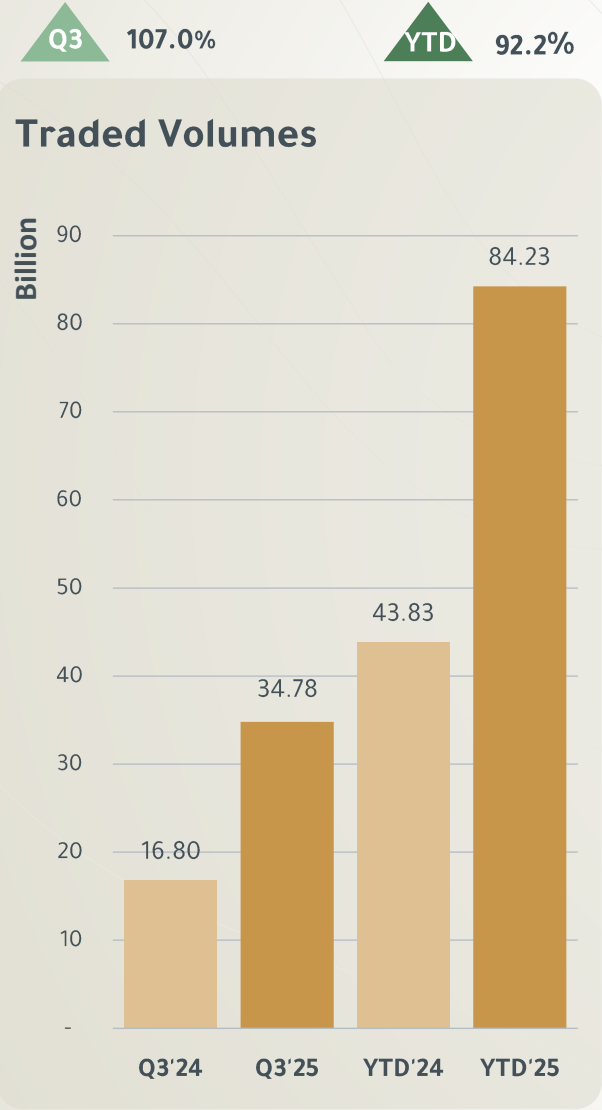
2018

2019

2020-25

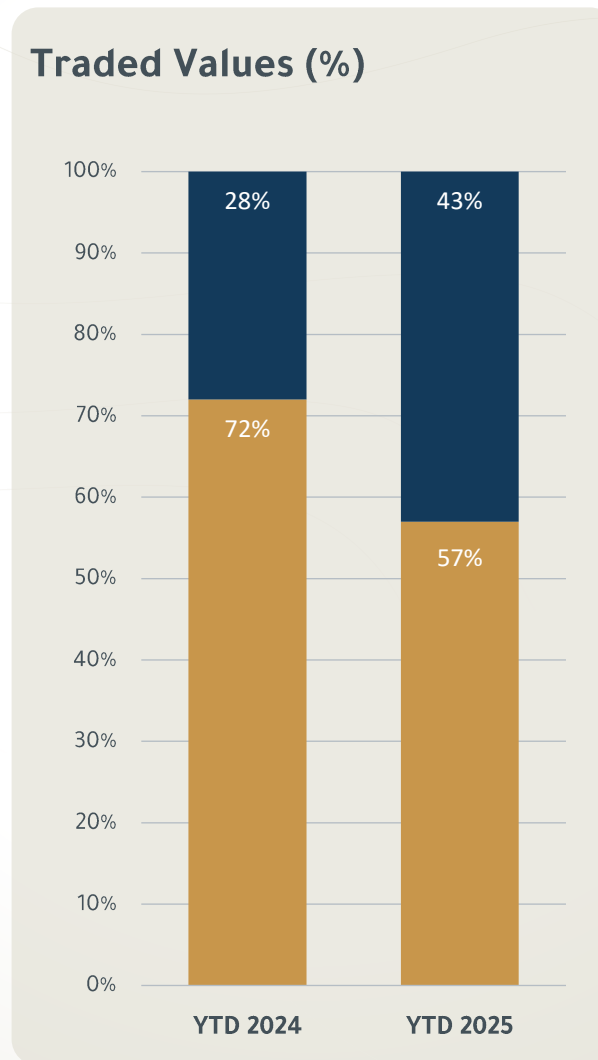
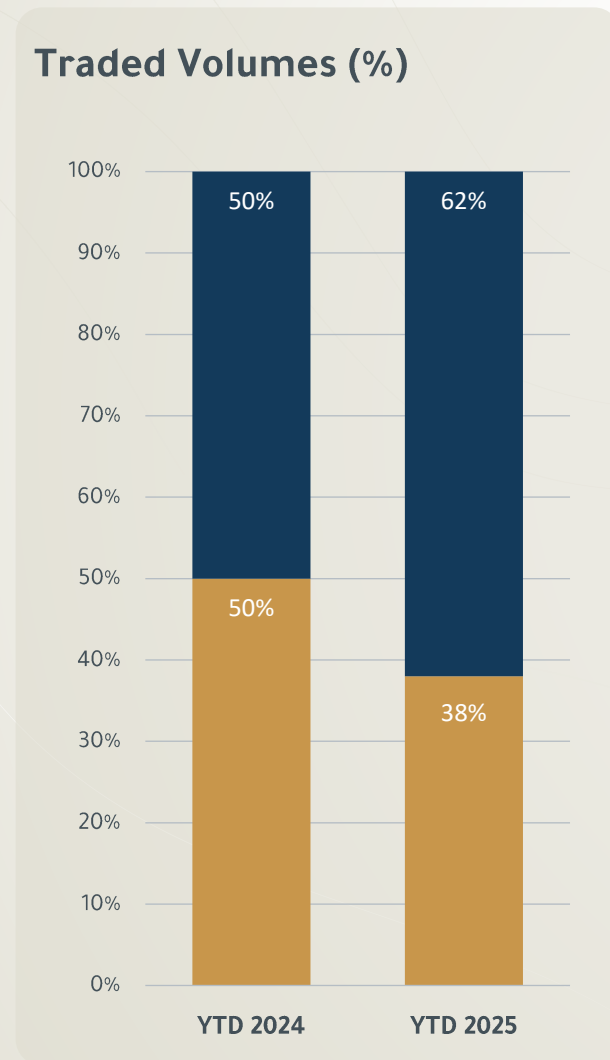
2027+

MARKET PERFORMANCE

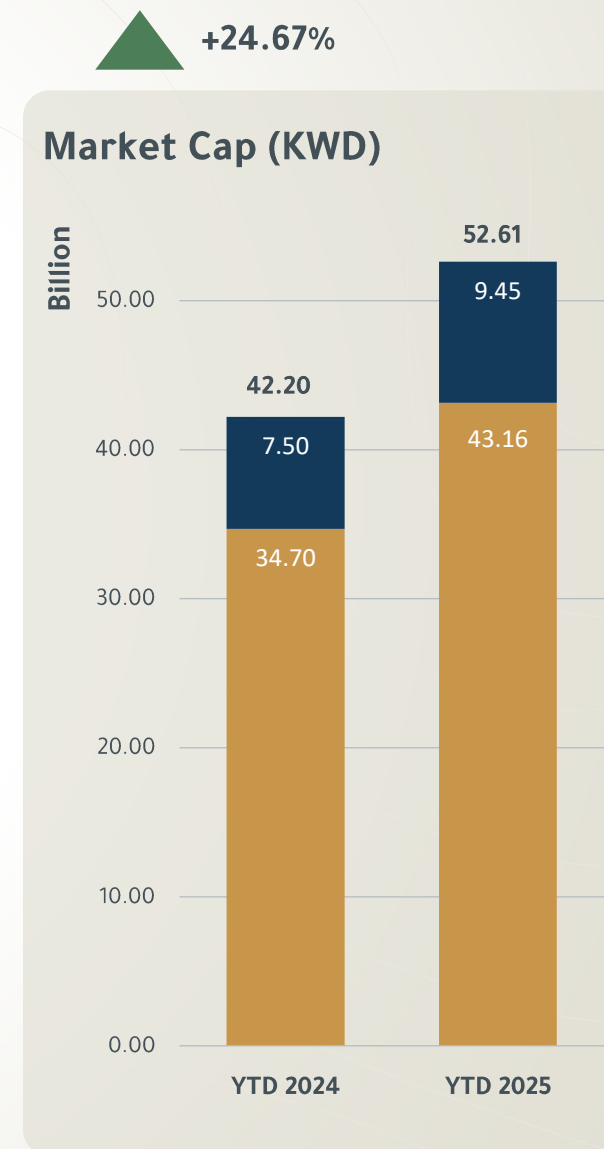


Includes TRI

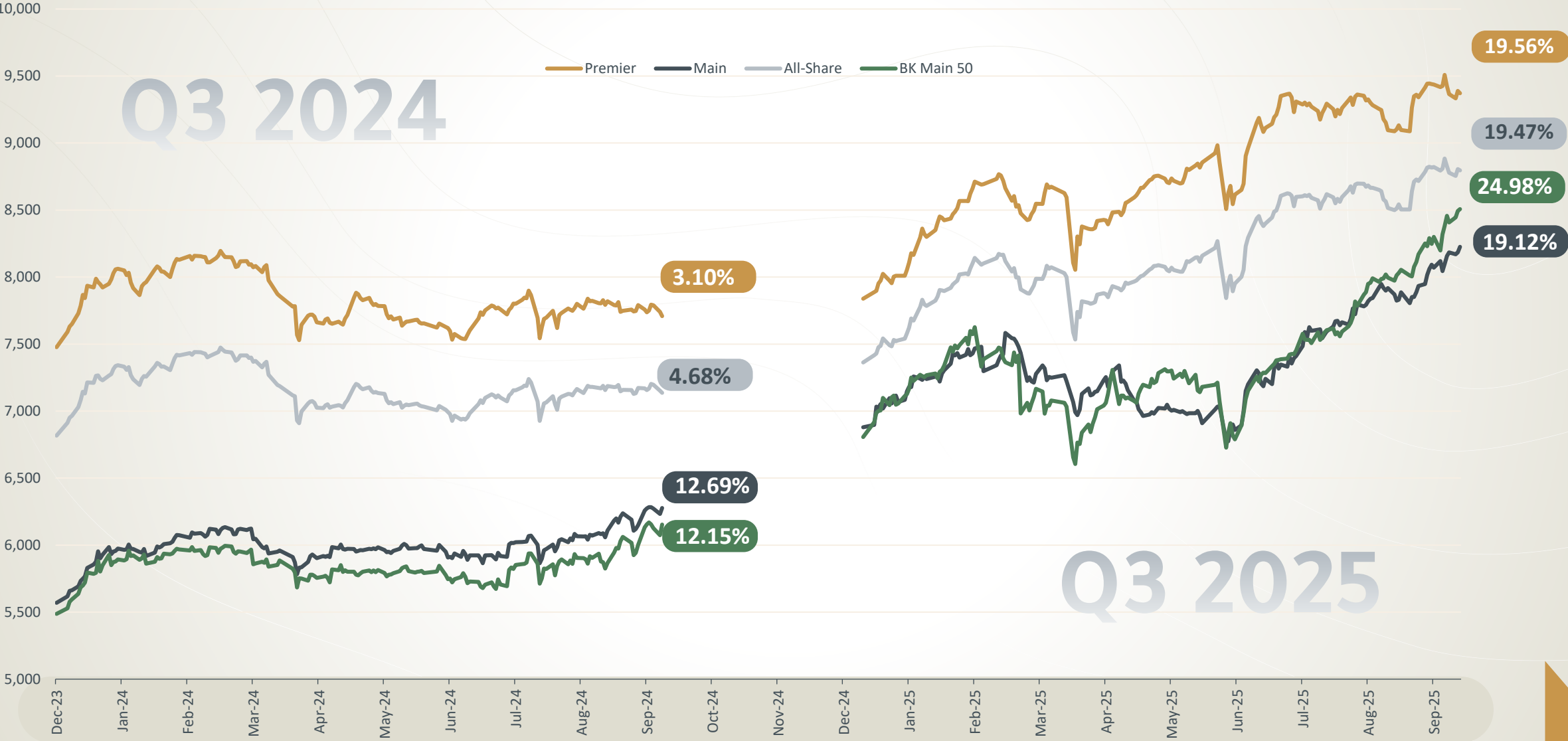
MARKET SPLIT (“Premier” vs. “Main”)



PREMIER MAIN



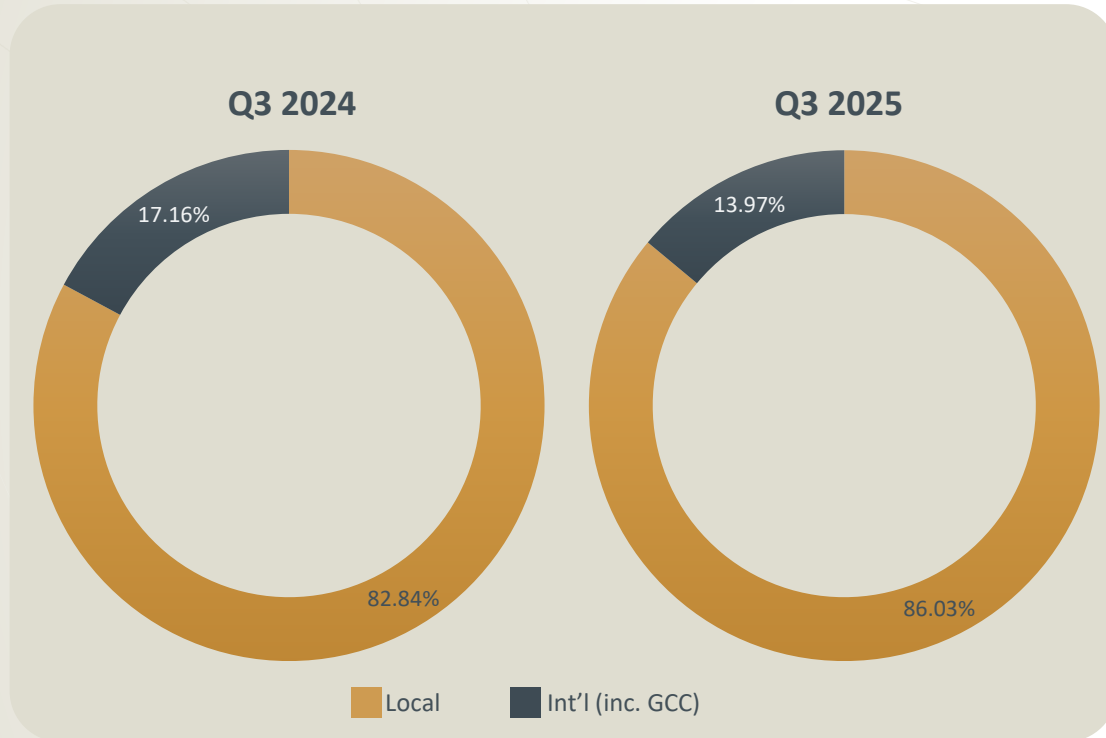
YTD INDEX PERFORMANCE



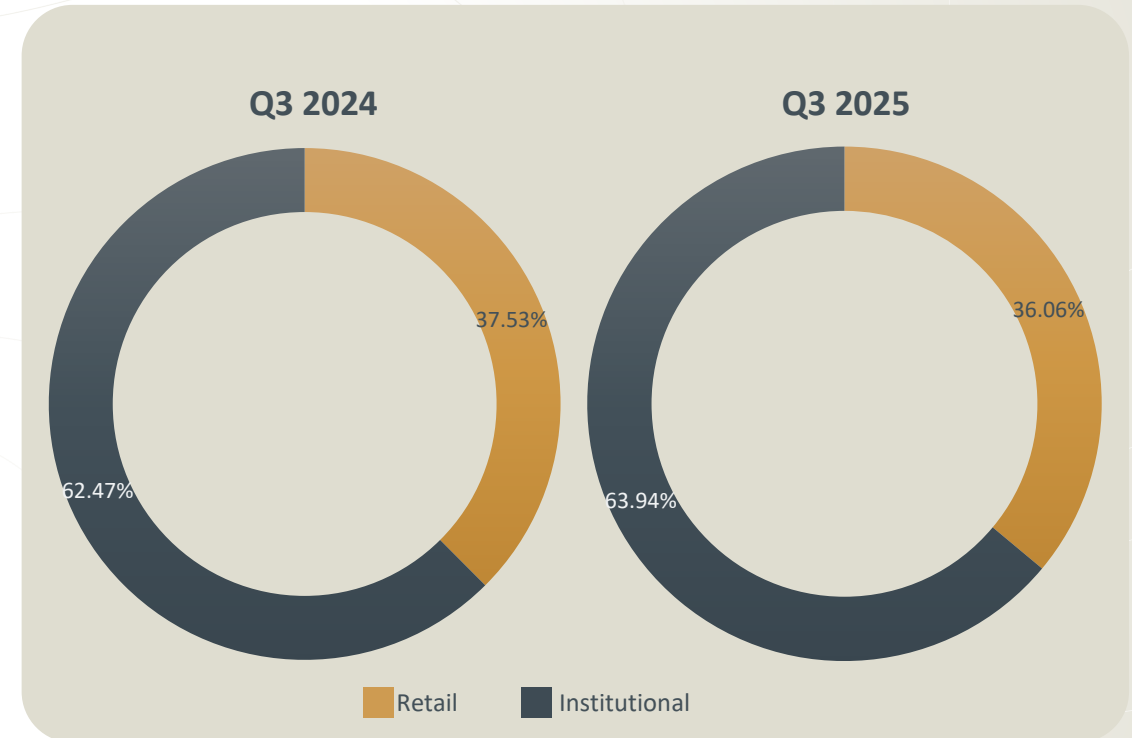
INVESTOR TURNOVER



Breakdown of Value Turnover by Investor Geography



Breakdown of Value Turnover by Investor Type

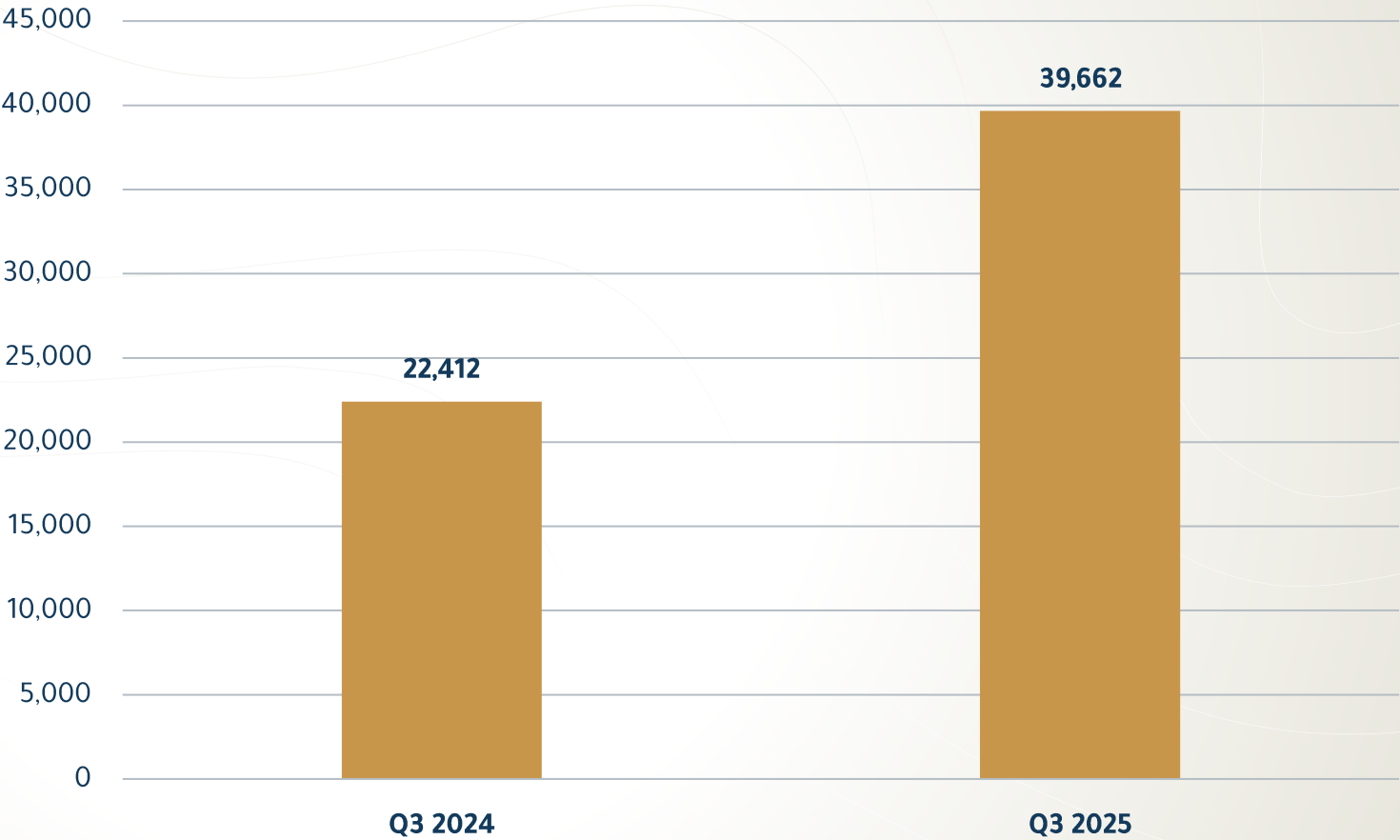


ACTIVE ACCOUNTS



76.9%

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





Q3 2025







Financial Highlights and Performance

Naim Azad Din, Chief Financial Officer

HIGHLIGHTS ON PERFORMANCE

Robust performance supported by strong trading activities and efficient operations



OPERATING REVENUES	OPERATING EXPENSES	OPERATING PROFIT	NP ATTRI. TO SHAREHOLDERS OF PARENT
 <div>37,058,531</div> <div>41.45%</div>	 <div>(8,699,628)</div> <div>5.20%</div>	 <div>28,358,903</div> <div>58.16%</div>	 <div>23,052,887</div> <div>59.81%</div>
VALUE TRADED	COST TO INCOME RATIO	OPERATING PROFIT MARGIN	EPS ATTRI. TO SHAREHOLDERS OF PARENT
 <div>19,351,612,764</div> <div>89.73%</div>	<div>9M FY2025</div> <div>23.48%</div> <div>9M FY2024</div> <div>31.56%</div>	<div>9M FY2025</div> <div>76.52%</div> <div>9M FY2024</div> <div>68.44%</div>	 <div>114.82 fils</div> <div>59.81%</div>

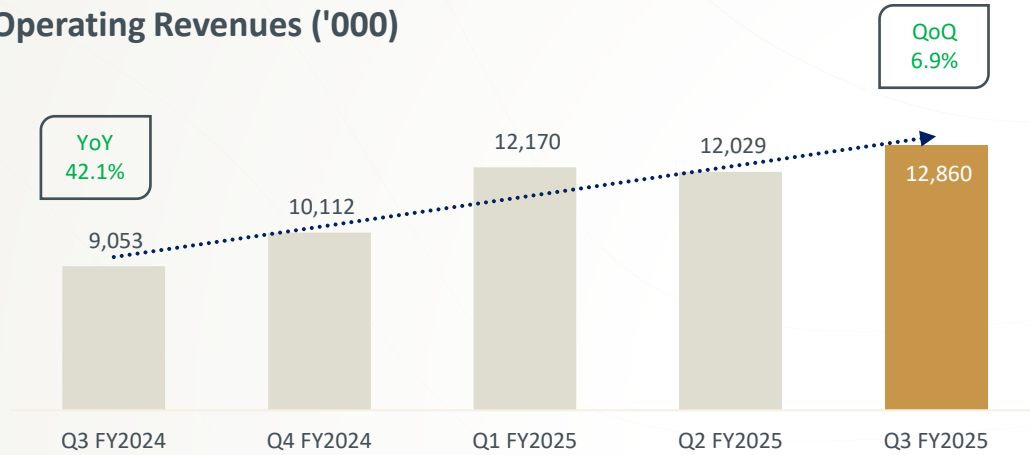
- Value traded and trade count were higher by 89.73% and 58.12%, respectively, at KWD 19.35 bn and approximately 4.26 mn trades, positively contributed to the robust growth in key revenue streams, including Share in trading commission by 105.19%, and Settlement operations by 60.52%. Supported by higher foreign investors trade confirmation of 12.68%, Clearing operations improved by 24.10%.
- The increase in Operating Revenues to KWD 37.06 mn or 41.45%, coupled with a modest 5.20% rise in Operating Expenses to KWD 8.70 mn, resulted in a significant improvement in Cost to Income ratio, which stood at 23.48%, compared to 31.56% in the prior year.
- As a result, Operating Profit margin improved to 76.52%, compared to 68.44% in the previous year, reflecting our ability to capture value from continued operational efficiency and revenue momentum.
- Non-operating Incomes inched up by 5.24%, reaching KWD 3.17 mn.
- In aggregate, Net Profit surged by 59.81% to KWD 23.05 mn from KWD 14.43 mn a year earlier.
- EPS stood at 114.82 fils, compared to 71.85 fils achieved last year.

QUARTERLY TREND

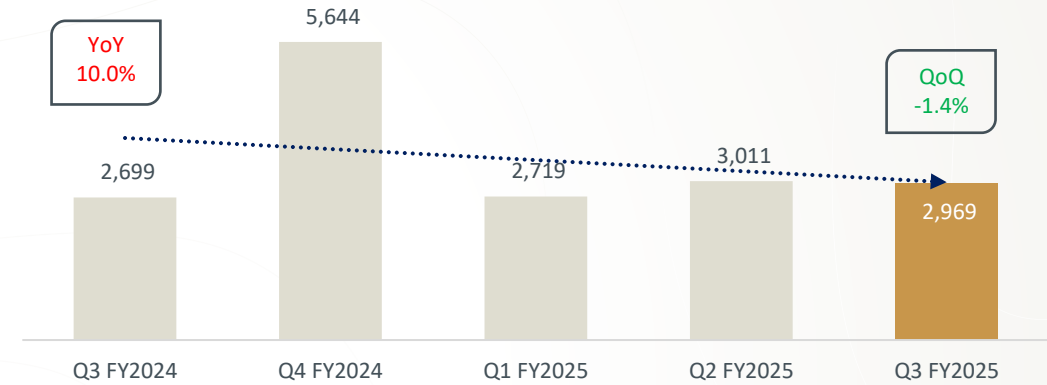
Foster sustainable value creation through operational efficiency and improved revenues



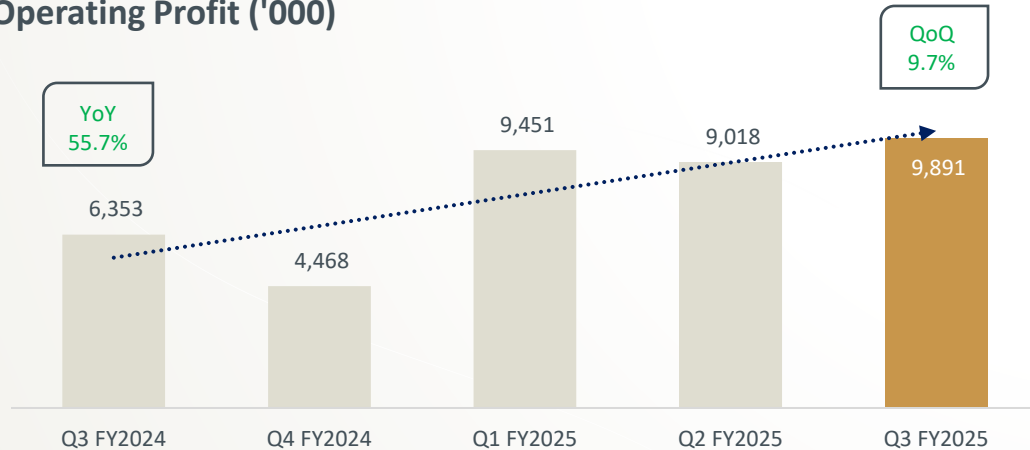
Operating Revenues ('000)



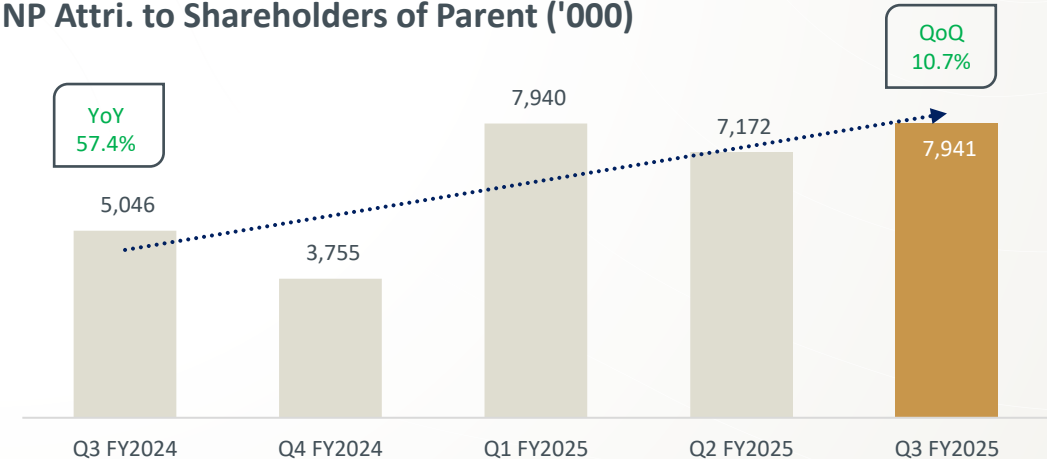
Operating Expenses ('000)



Operating Profit ('000)



NP Attri. to Shareholders of Parent ('000)

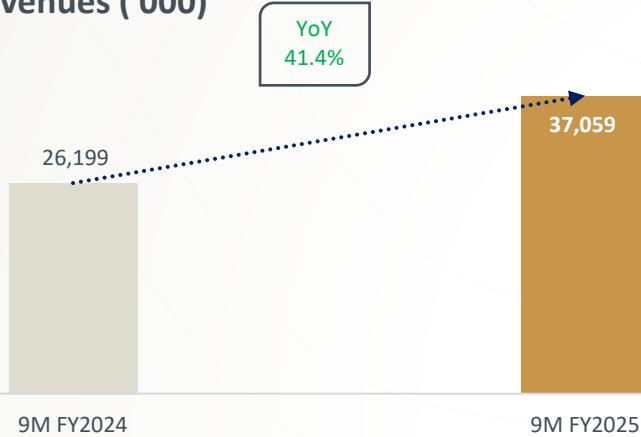


YTD TREND

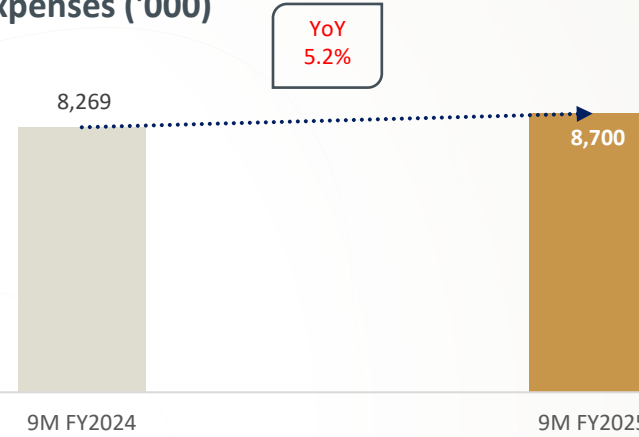
Revenue growth and robust operating margin further enhance net profit



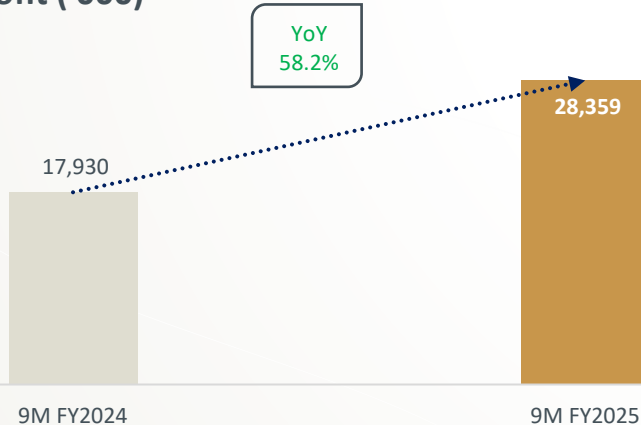
Operating Revenues ('000)



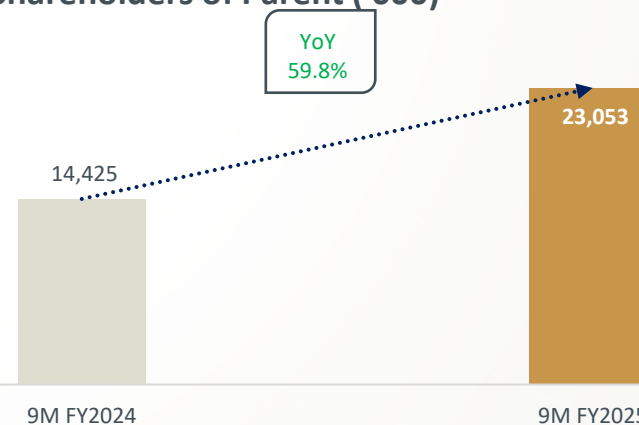
Operating Expenses ('000)



Operating Profit ('000)



NP Attri. to Shareholders of Parent ('000)

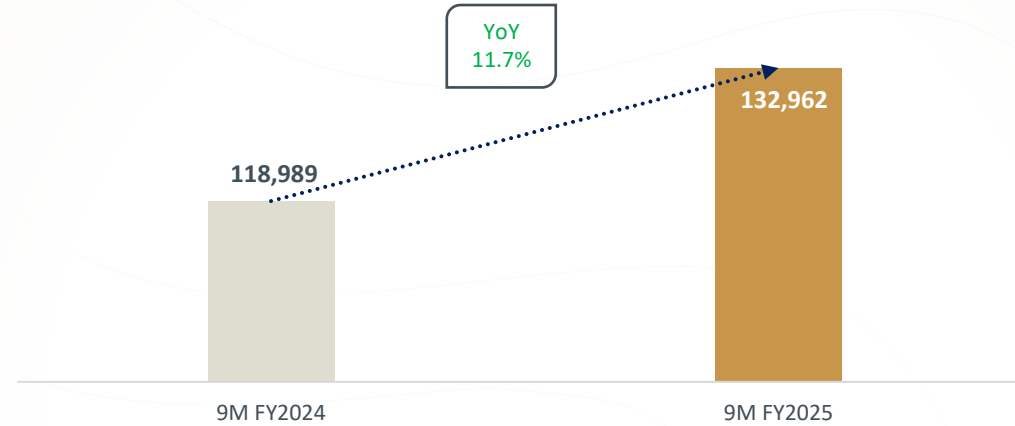


FINANCIAL POSITION

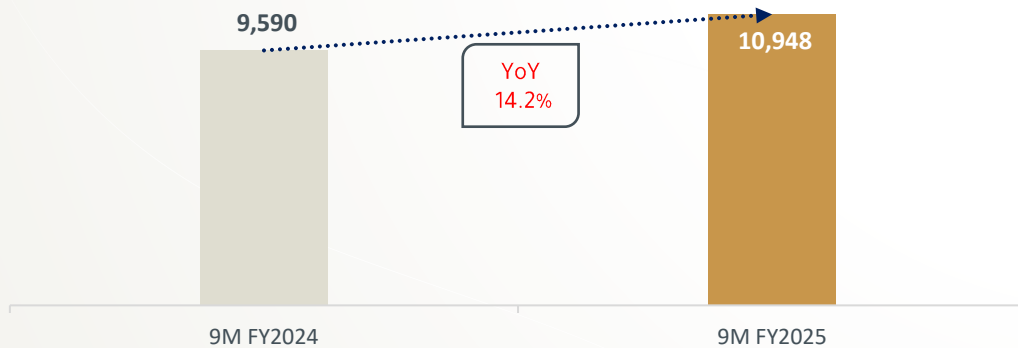
Robust performance bolsters financial resilience



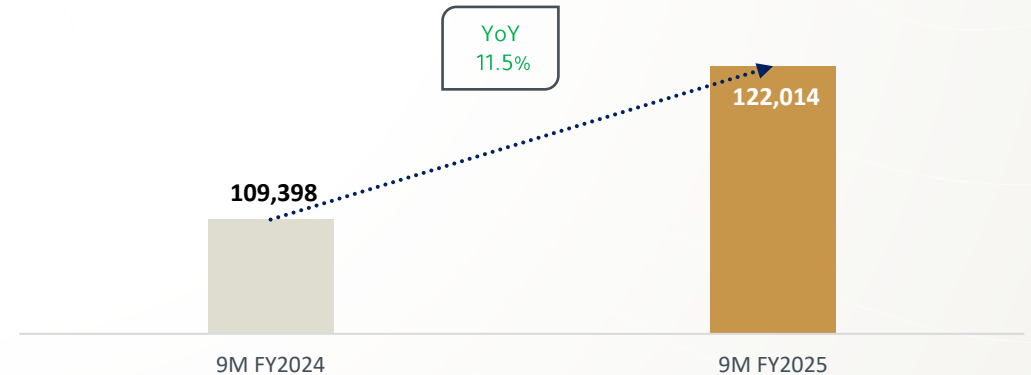
Total Assets ('000)



Total Liabilities ('000)



Total Shareholders Equity ('000)



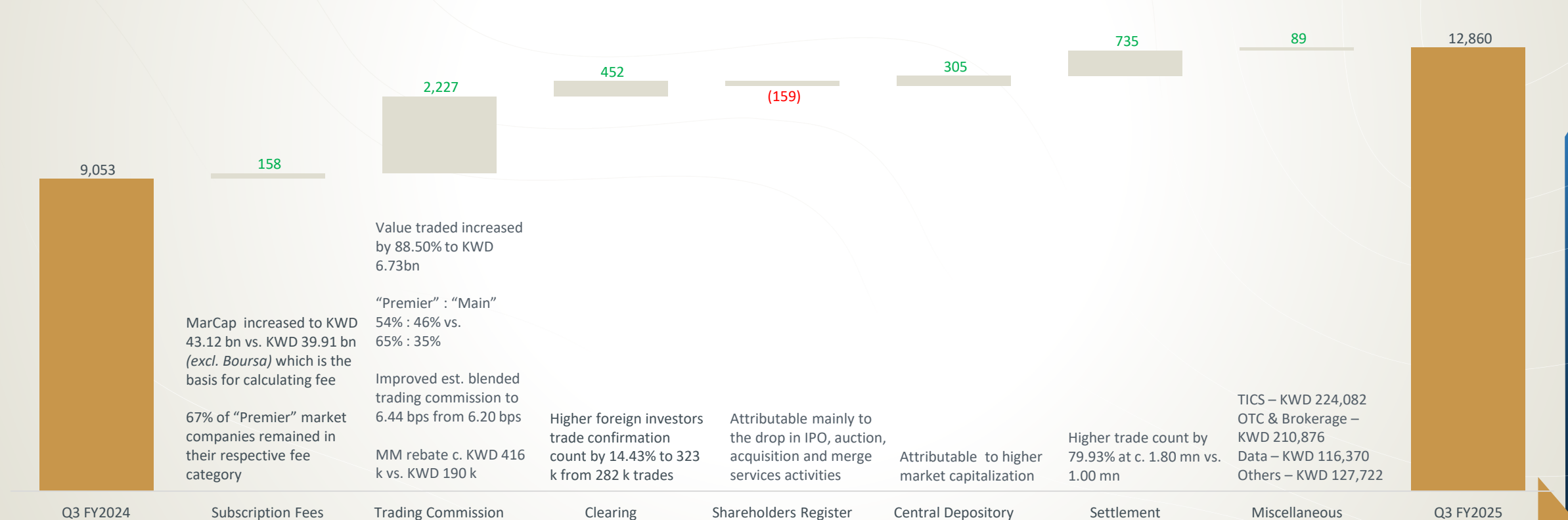
Note: Equity Attributable to Shareholders of Parent Company stood at KWD 74,141,562 or higher by 16.2% YoY.

Q3 FY2025 OPERATING REVENUES

Strong trading activities and revenues diversification reinforce value creation



Operating Revenues ('000)																
	Subscription Fees		Trading Commission		Clearing		Shareholders Register		Central Depository		Settlement		Miscellaneous		Total	
Q3 FY2025	1,912	14.87%	4,552	35.40%	1,902	14.79%	767	5.97%	1,417	11.02%	1,630	12.68%	679	5.28%	12,860	
Q3 FY2024	1,753	19.37%	2,326	25.69%	1,450	16.02%	926	10.23%	1,112	12.28%	895	9.88%	590	6.52%	9,053	
Variance	9.03%	↑	95.73%	↑	31.16%	↑	(17.16%)	↓	27.47%	↑	82.16%	↑	15.01%	↑	42.06%	↑



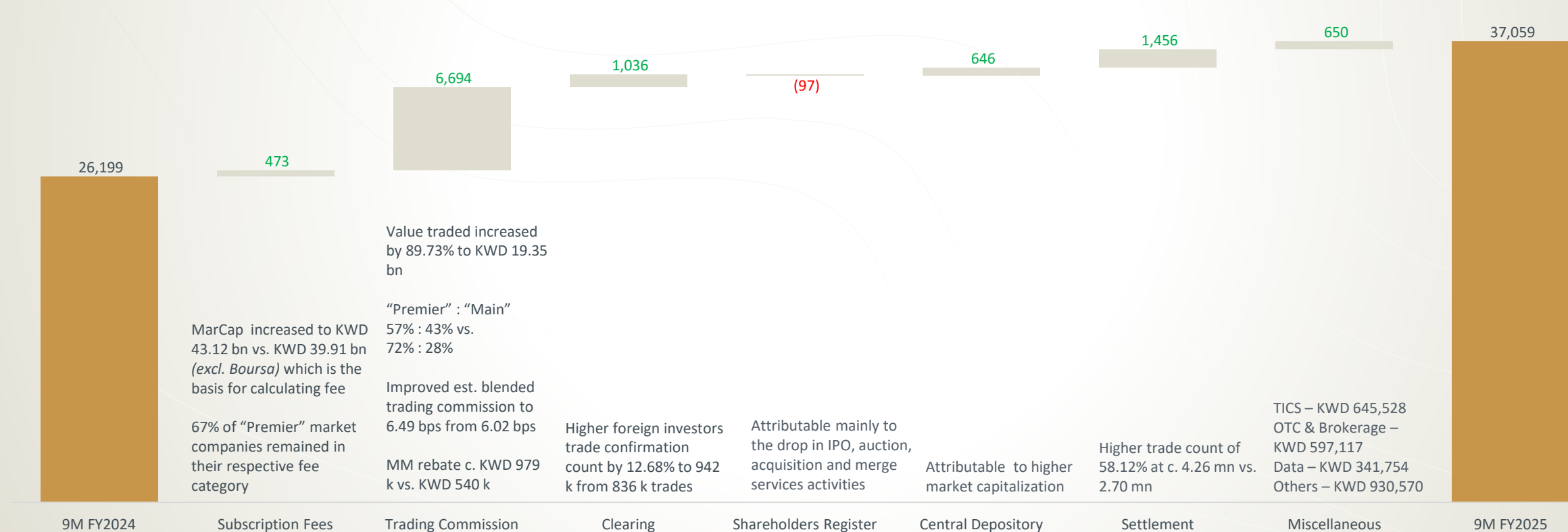
Note: Some reclassifications were made to improve the quality of information presented.

9M FY2025 OPERATING REVENUES

Robust growth in Operating Revenues delivers a record performance



Operating Revenues ('000)																
	Subscription Fees		Trading Commission		Clearing		Shareholders Register		Central Depository		Settlement		Miscellaneous		Total	
9M FY2025	5,766	15.56%	13,057	35.23%	5,334	14.39%	2,640	7.12%	3,883	10.48%	3,863	10.42%	2,515	6.79%	37,059	
9M FY2024	5,293	20.20%	6,363	24.29%	4,298	16.41%	2,737	10.45%	3,237	12.36%	2,407	9.19%	1,865	7.12%	26,199	
Variance	8.94%	↑	105.19%	↑	24.10%	↑	(3.53%)	↓	19.95%	↑	60.52%	↑	34.88%	↑	41.45%	↑



Note: Some reclassifications were made to improve the quality of information presented.

Q3 FY2025 OPERATING EXPENSES

Disciplined cost management while supporting business expansion



	Operating Expenses ('000)																
	Staff		IT		Depn & Amortization		Building		Consultancy Fees		CMA Commission		ECL		Others		Total
Q3 FY2025	1,562	52.60%	425	14.31%	310	10.43%	70	2.36%	68	2.30%	142	4.78%	0	0.00%	393	13.23%	2,969
Q3 FY2024	1,458	54.01%	405	15.01%	247	9.15%	77	2.85%	124	4.58%	75	2.78%	0	0.00%	314	11.62%	2,699
Variance	7.13%	↑	4.87%	↑	25.42%	↑	(8.95%)	↓	(44.91%)	↓	88.82%	↑	-	-	25.20%	↑	9.99% ↑



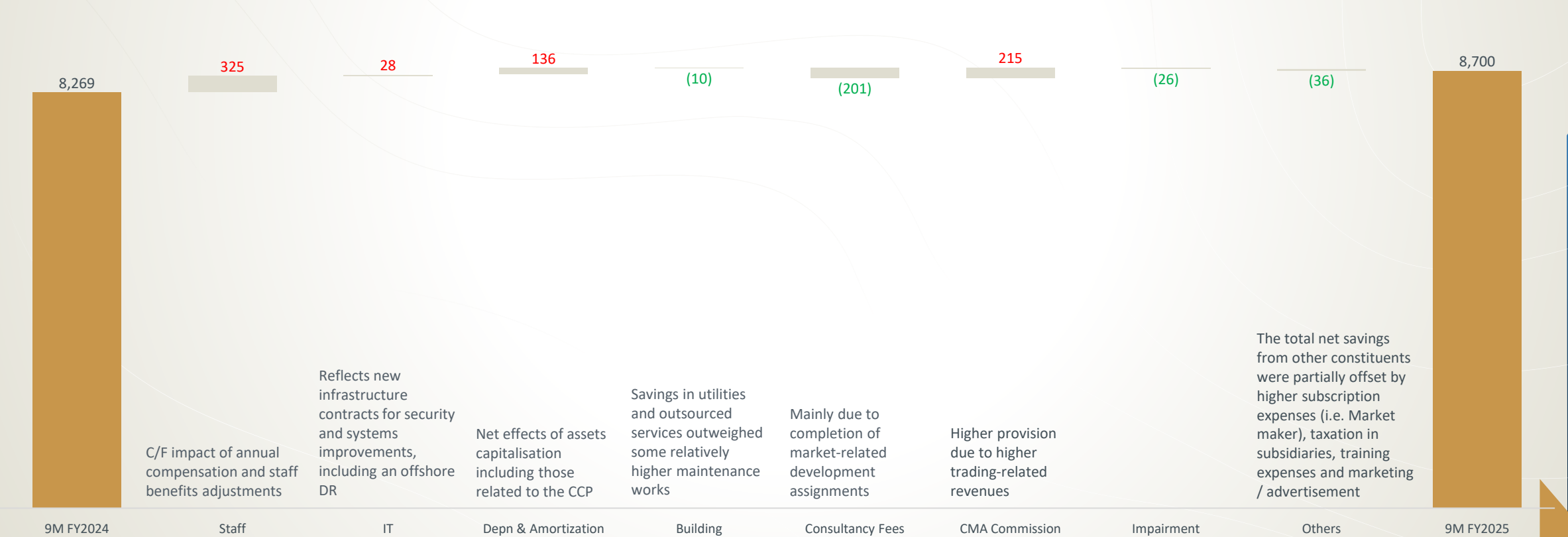
Note: Some reclassifications were made to improve the quality of information presented.

9M FY2025 OPERATING EXPENSES

Measured and efficient operations management



Operating Expenses ('000)																		
	Staff		IT		Depn & Amortization		Building		Consultancy Fees		CMA Commission		ECL		Others		Total	
9M FY2025	4,775	54.89%	1,253	14.40%	773	8.89%	210	2.41%	258	2.97%	424	4.88%	0	0.00%	1,006	11.57%	8,700	
9M FY2024	4,450	53.81%	1,225	14.81%	637	7.71%	220	2.66%	459	5.55%	210	2.53%	26	0.32%	1,043	12.61%	8,269	
Variance	7.31%	⬆️	2.31%	⬆️	21.37%	⬆️	(4.66%)	⬇️	(43.78%)	⬇️	102.38%	⬆️	(100.00%)	⬇️	(3.49%)	⬆️	5.20%	⬆️



Note: Some reclassifications were made to improve the quality of information presented.

KEY FINANCIAL INDICATORS

Sustained growth and expense discipline underpin financial resilience



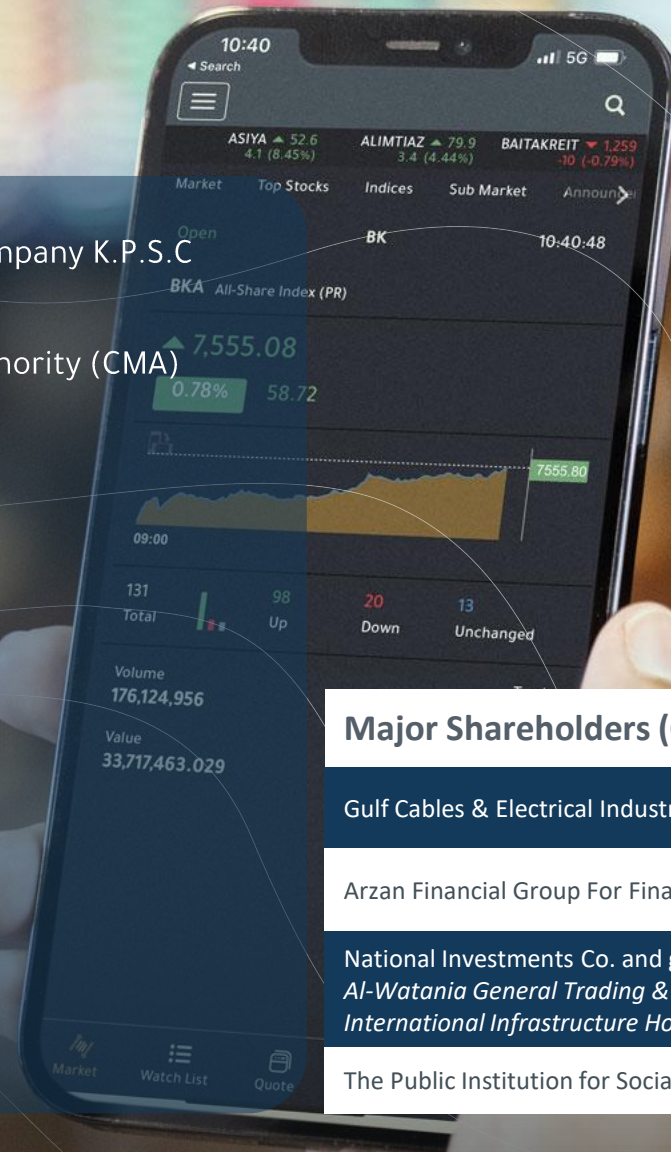
	Q3 FY2024	Q4 FY2024	Q1 FY2025	Q2 FY2025	Q3 FY2025
Operating Revenues ('000)	9,053	10,112	12,170	12,029	12,860
Operating Expenses ('000)	(2,699)	(5,644)	(2,719)	(3,011)	(2,969)
Cost to Income Ratio	29.82%	55.82%	22.34%	25.03%	23.09%
Operating Profit ('000)	6,353	4,468	9,451	9,018	9,891
Operating Profit Margin	70.18%	44.18%	77.66%	74.97%	76.91%
Net Profit Attributable to Shareholder of the Parent Company ('000)	5,046	3,755	7,940	7,172	7,941
Net Profit Margin Attributable to Shareholder of the Parent Company	55.74%	37.13%	65.24%	59.62%	61.75%
Return on Average Equity	28.24%	27.59%	37.91%	38.27%	38.87%
EPS Attributable to Equity Holder of the Parent Company (Fils)	25.13	18.70	39.54	35.72	39.55
DPS (Fils)	-	82.00	-	-	-
Total Dividends ('000)	-	16,464	-	-	-
Dividend Payout Ratio	-	90.56%	-	-	-
Blended Trading Commission (bps)	6.20	6.63	6.83	6.14	6.44

Note: Blended trading commission considers the "Premier" and "Main" markets only.





▪ 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%)

Gulf Cables & Electrical Industries Group Co.	Indirect	14.41%
Arzan Financial Group For Financing & Investment	Direct & Indirect	14.41%
National Investments Co. and group (Al-Bawaba Al-Watania General Trading & Contracting Co. and International Infrastructure Holding Company)	Direct & Indirect	12.46%
The Public Institution for Social Security	Indirect	6.00%

ANALYST COVERAGE



Research House	Analysts	Date	Target Price (KWD)	Rating	Previous Rating
EFG Hermes	Elena Sanchez, CFA Ahmed El-Shazly	14 October 2025	4.13	BUY	BUY
KAMCO Invest	Junaid Ansari	27 July 2025	4.06	OUTPERFORM	-
Arqaam Capital	Jaap Meijer, MBA, CFA Janany Vamadeva	6 July 2025	3.80	Core BUY	BUY

AWARDS AND CERTIFICATES



2025



"The Middle East's Best Exchange "
2025

Boursa Kuwait was awarded "The Middle East's Best Exchange" for the year 2025 by **Euromoney**



"Brand Of The Year 2024 - 2025"
Finance - Investment - Kuwait

Boursa Kuwait was awarded the "Brand Of The Year - Kuwait" award in the finance and investment category for the year 2024-2025 by **World Branding Awards**.



Best Sustainable Corporate Governance
2025

Boursa Kuwait was awarded "Best Sustainable Corporate Governance" by **The European**



Women's Empowerment Champions

Boursa Kuwait was awarded "Women's Empowerment Champions" by **The European**

2025



Best for Sustaining Communities
- Middle East 2025

Boursa Kuwait was awarded "Best for Sustainability Transparency" by **Global Finance**

2024



Best ESG & Sustainability Report in the
Middle East - Small-Cap

Boursa Kuwait's 2023 Sustainability Report has been recognized as the Best Sustainability and ESG Report at **the Middle East Investor Relations Association Awards**



Best Capital Market ESG Strategy - GCC
2023

Boursa Kuwait won the "Best Capital Market ESG Strategy - GCC" award from **Capital Finance International** magazine.



Outstanding Contribution to
Financial Inclusion - GCC 2023

Boursa Kuwait won the "Outstanding Contribution to Financial Inclusion - GCC" award from **Capital Finance International** magazine.

AWARDS AND CERTIFICATES (Cont'd)



2024



**Outstanding Contribution to
Female Empowerment - MENA 2023**

Boursa Kuwait won the "Outstanding
Contribution to Female
Empowerment MENA 2023" award
from **Capital Finance
International** magazine.



**Best ESG Development Strategy
2024**

Boursa Kuwait was awarded "Best ESG
Development Strategy" by **The European**



**Best Sustainable Corporate
Governance 2024**

Boursa Kuwait was awarded "Best
Sustainable Corporate Governance"
by **The European**



**Best for Sustainability Transparency -
Middle East 2024**

Boursa Kuwait was awarded "Best for
Sustainability Transparency" by **Global
Finance**

2023



**Best Sustainable Corporate
Governance 2023 - Kuwait**

Boursa Kuwait was awarded "Best
Sustainable Corporate Governance -
Kuwait" by **The European**



**Outstanding Financial Leadership in
Sustaining Communities - Middle East 2023**

Boursa Kuwait was awarded "Outstanding
Financial Leadership in Sustaining
Communities" by **Global Finance**



**Outstanding Leadership in Sustainability
Transparency - Middle East 2023**

Boursa Kuwait was awarded "Outstanding
Leadership in Sustainability Transparency"
by **Global Finance**



**Leadership in Energy and Environmental
Design (LEED) Gold certification**

Boursa Kuwait obtained the Leadership in
Energy and Environmental Design (LEED)
Gold certification for its building from the
U.S. Green Building Council (USGBC)

AWARDS AND CERTIFICATES (Cont'd)



2023



Approved Employer for Professional Development

Boursa Kuwait was certified as an Approved Employer for Professional Development by the **Association of Chartered Certified Accountants (ACCA)**



Third Place in the Best Annual Report - Print Category for Small Cap Companies - Middle East 2023

Boursa Kuwait's 2022 Annual Report was voted third best annual report in the print category for Small Cap Companies in the Middle East by the **Middle East Investor Relations Association (MEIRA)**

2022



OUTSTANDING CONTRIBUTION TO FINANCIAL INCLUSION - GCC 2022

Boursa Kuwait won the "OUTSTANDING CONTRIBUTION TO FINANCIAL INCLUSION - GCC" award from **Capital Finance International** magazine.



Best Capital Market ESG Strategy - GCC 2022

Boursa Kuwait won the "Best Capital Market ESG Strategy - GCC" award from **Capital Finance International** magazine.

2022



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**



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**



Best Investor Relations Company - Kuwait 2022

Boursa Kuwait was awarded "Best Investor Relations Company" by **Global Brands**



Most Sustainable Practices in ESG for 2022

Boursa Kuwait was awarded Most Sustainable Practices in ESG for 2022 by **Global Business Outlook**

AWARDS AND CERTIFICATES (Cont'd)



2021

**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**



**Best Investor Relations Company - Kuwait
2021**

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

**GLOBAL BANKING &
Finance
review**

**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.

cfi.co

**Best Digital Transformation
Strategy - GCC 2021**

Boursa Kuwait won the "Outstanding Contribution to the SDGs - GCC 2021" award from **Capital Finance International** magazine.

2021



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

Boursa 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)**

**LinkedIn
Talent Awards**

Best Culture of Learning 2021

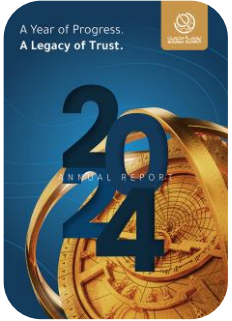
Boursa Kuwait was awarded "Best Culture of Learning" for employers below 500 employees in the Middle East Region 2021 by **LinkedIn**.

cfi.co

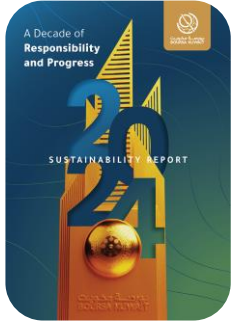
**Best Investor Relations Company -
Kuwait 2021**

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

ANNUAL REPORTS



2024
Annual Report



2024
Sustainability
Report



CONTACT INFORMATION

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