

# BURGAN BANK GROUP

## INVESTOR PRESENTATION

### 9 MONTHS 2021 FINANCIAL RESULTS

8<sup>TH</sup> NOVEMBER 2021

بنك  
برقان

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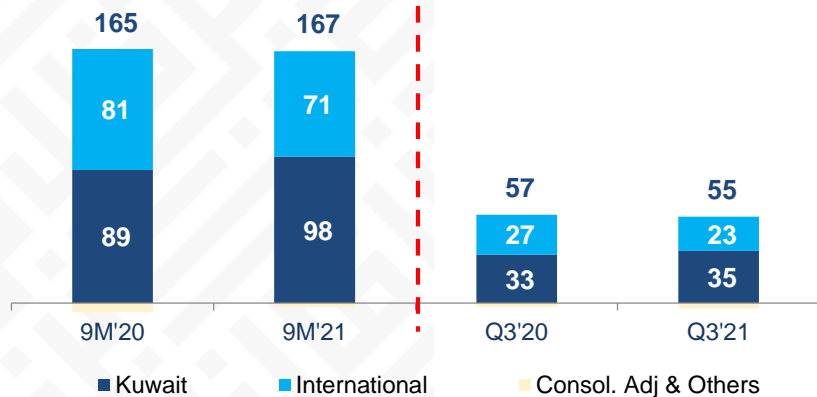
# PERFORMANCE HIGHLIGHTS



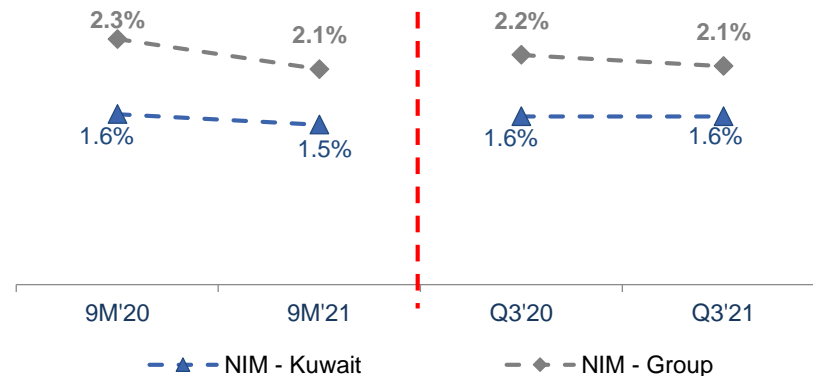
Notes: (1) Refers to Net Interest Margins; annualized; (2) Refer to Loan Loss Provisions; (3) Refers to Net Income attributed to equity holders of bank before perpetual cost; (4) Compared to Q3'20; (5) Compared to 9M'20.

# SOLID REVENUE LEVELS WITH STABLE MARGINS

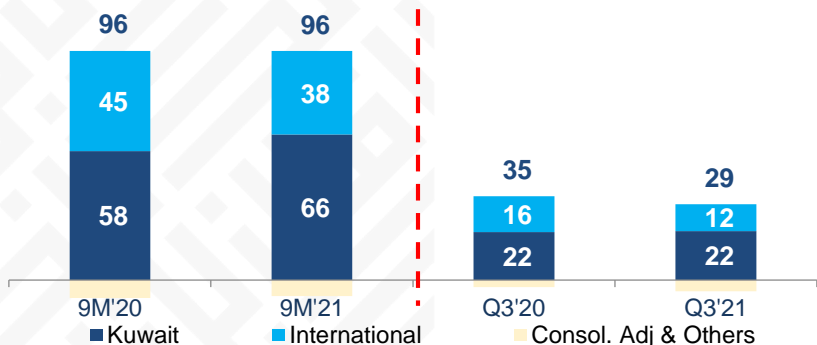
## Revenue | KD mn



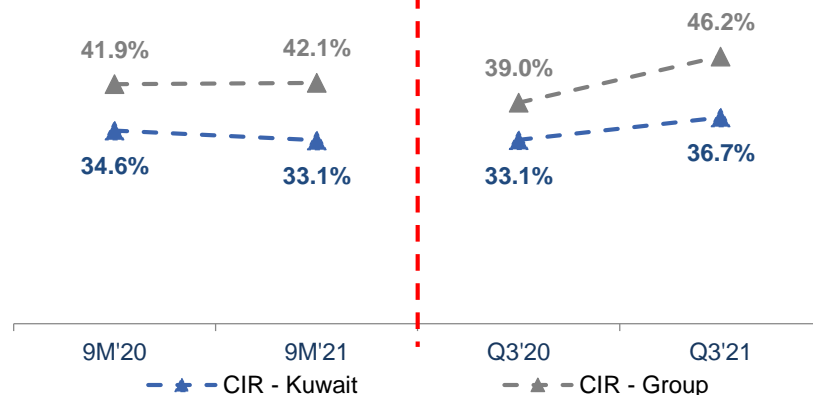
## Net Interest Margins\* | %



## Operating Profit | KD mn



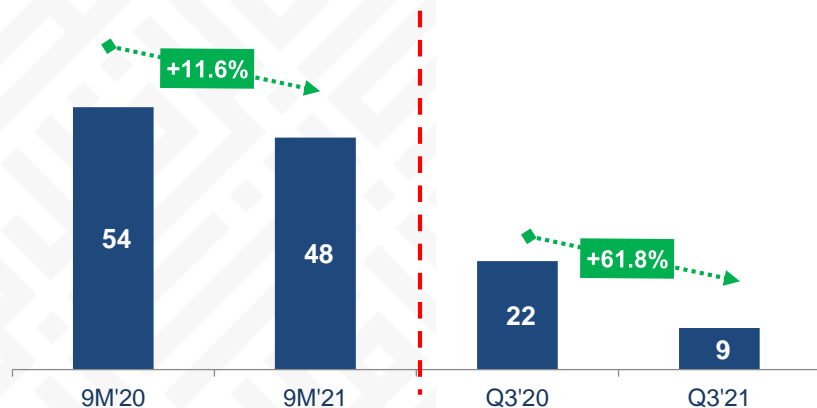
## Cost to Income Ratio\*\* | %



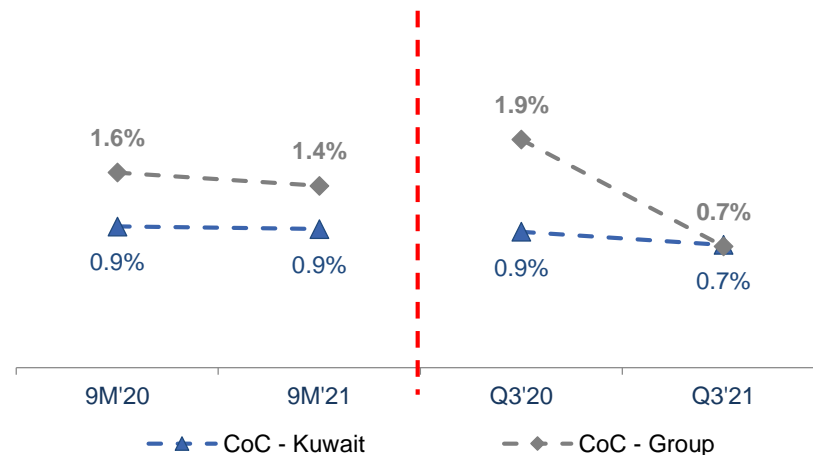
\* NIMs have been annualized; \*\* Cost to Income ratio has been computed as Operating Expenses / Revenues.

# STRONG REBOUND IN BOTTOM-LINE

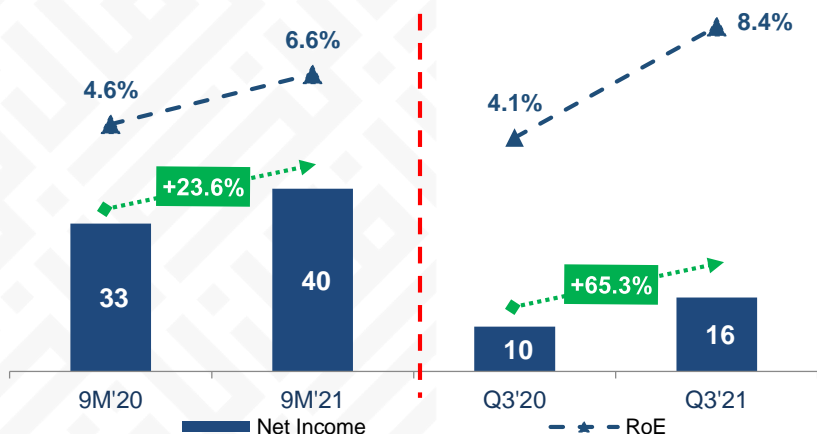
## Loan Loss Provisions | KD mn



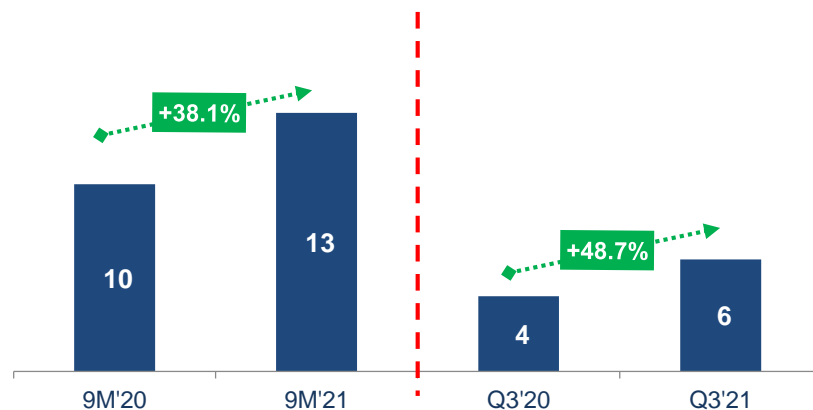
## Cost of Credit<sup>(1)</sup> | %



## Net Income<sup>(2)</sup> & Returns<sup>(3)</sup> | KD mn



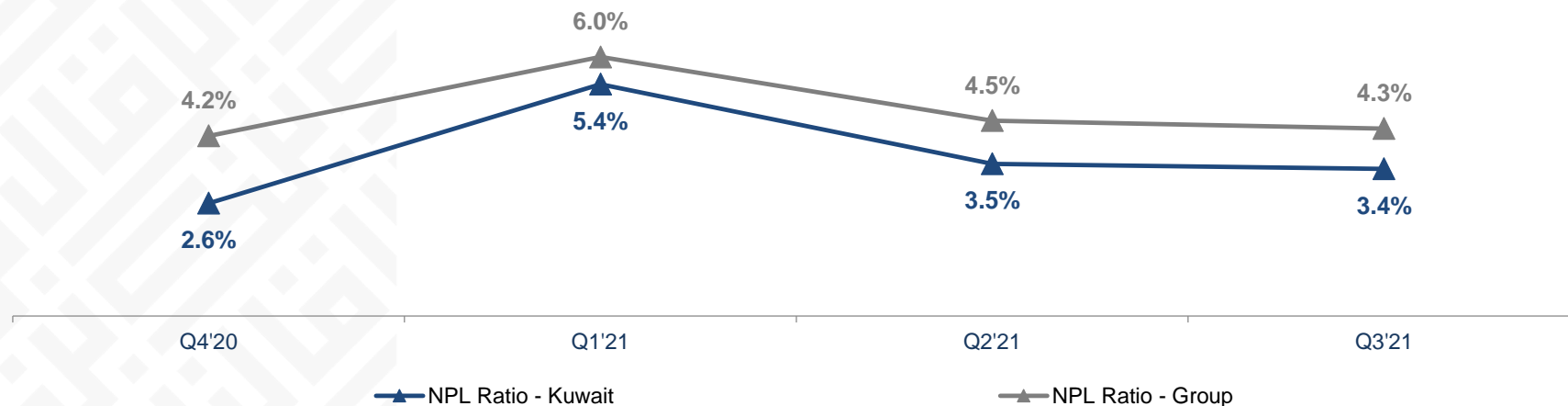
## Earnings Per Share (EPS)<sup>(4)</sup> | Fils



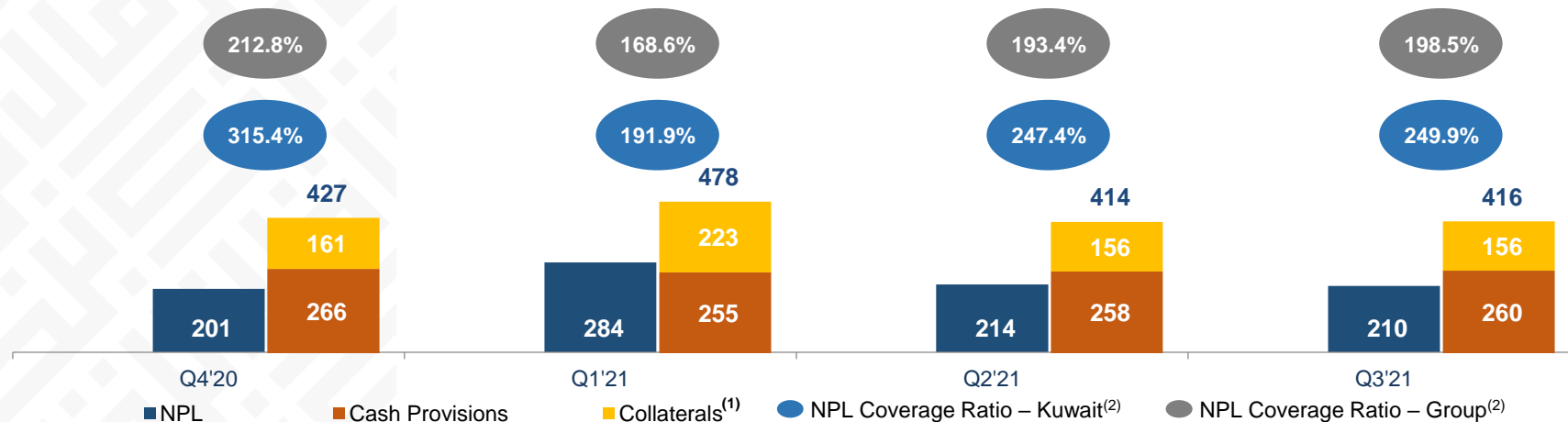
Notes: (1) Cost of Credit based on Loan Loss Provisions over Gross Loans; annualized; (2) Net Income attributed to equity holders of bank before perpetual cost; (3) ROE is based on Net Income after perpetual cost and calculated on opening equity; RoE% annualized; (4) EPS as reported in financials.

# CONTINUED IMPROVEMENT IN ASSET QUALITY

## NPL Ratio | %



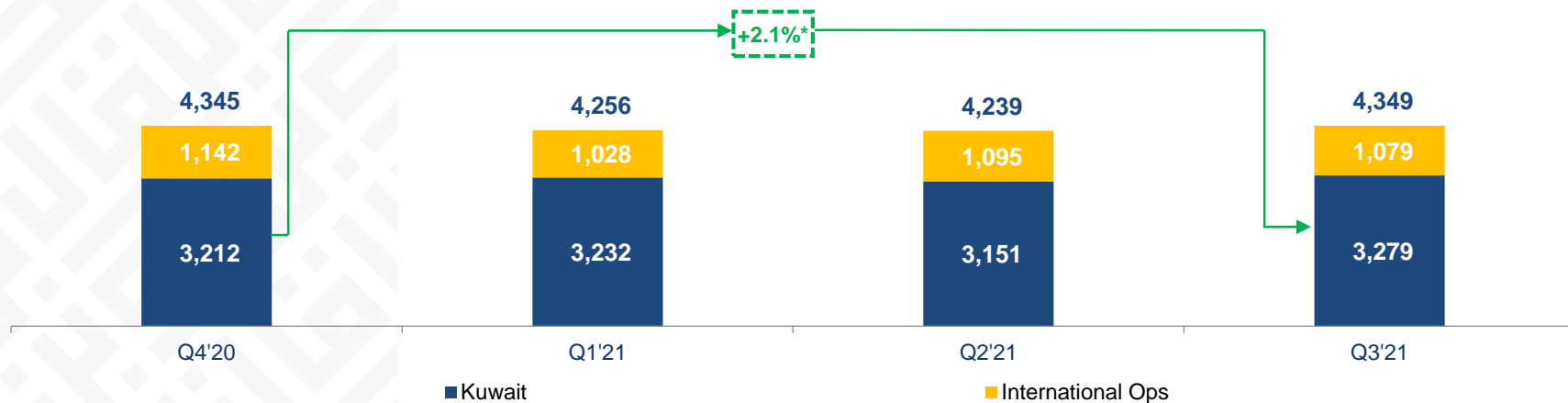
## NPLs & Coverage Ratio | KD mn, %



Note: (1) Collaterals against NPLs; (2) NPL Coverage ratio calculated as Cash Provision + Collaterals / NPLs.

# LOAN GROWTH LED BY KUWAIT

## Customer Loans | KD mn



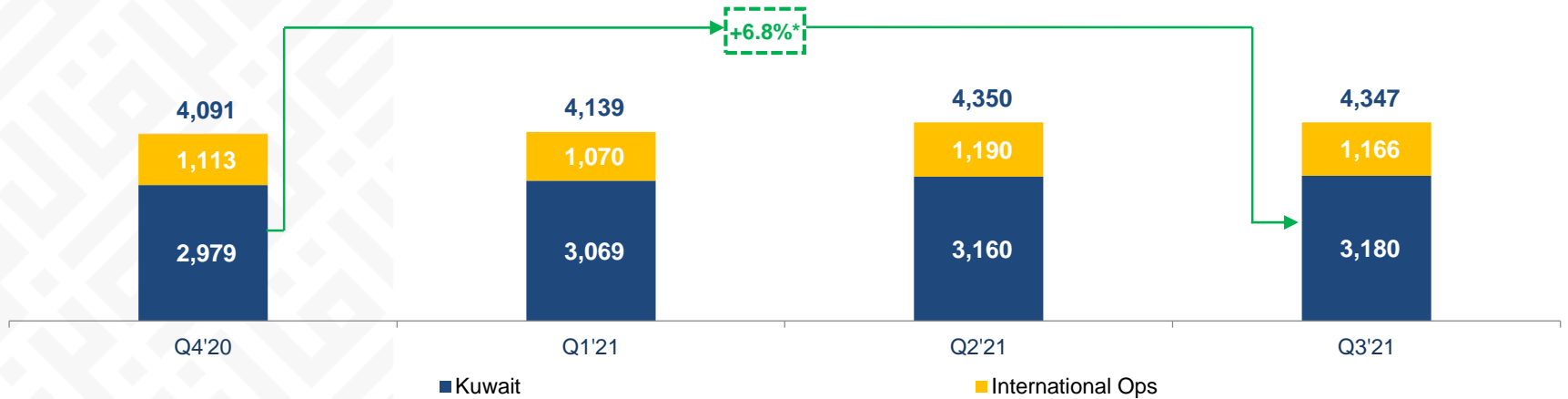
## Sector Concentration | %



\* Adjusted for Debt to asset swap the growth would improve to 4%; refers to the loan growth in Kuwait only.

# ACCESS TO CUSTOMER DEPOSITS REMAINS STRONG

## Customer Deposits | KD mn



## Deposits by Type | %

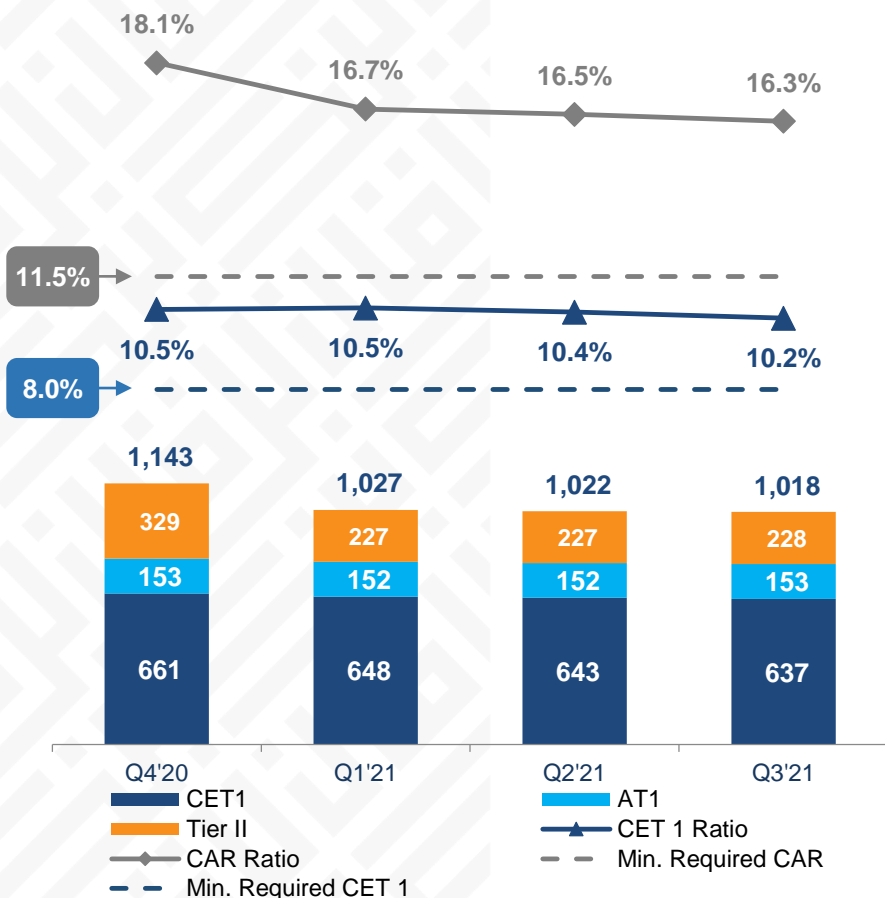


\* Refers to deposit growth in Kuwait only.

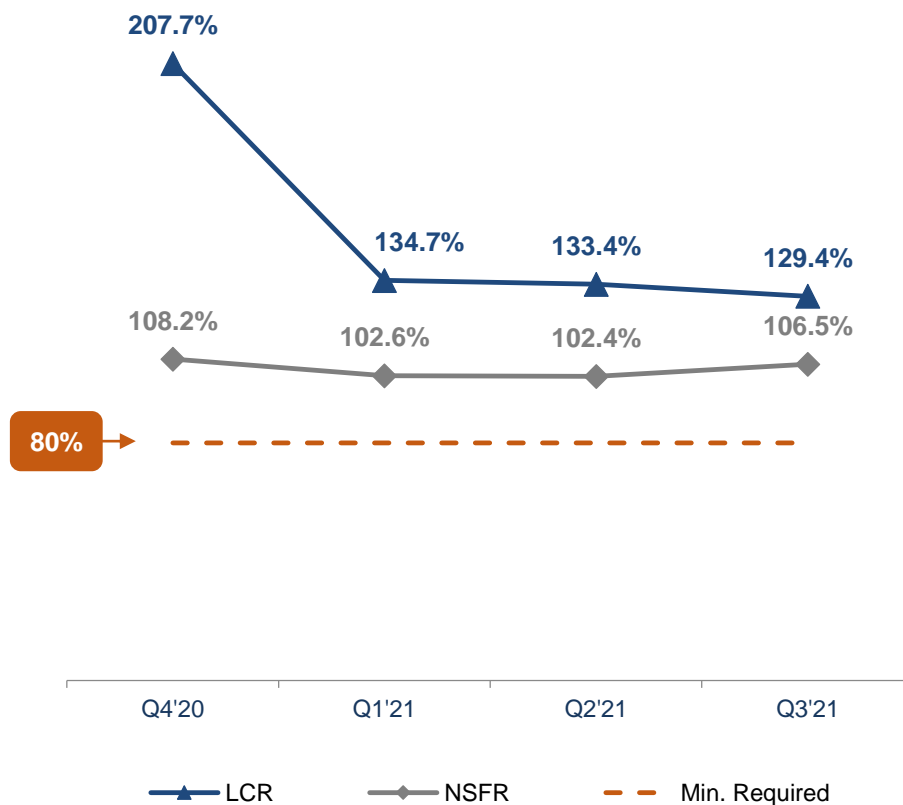


# CAPITAL & LIQUIDITY LEVELS WELL ABOVE REGULATORY REQUIREMENTS

## Regulatory Capital | KD mn, %



## Liquidity Coverage Ratio (LCR)\* & Net Stable Funding Ratio (NSFR)\* | %



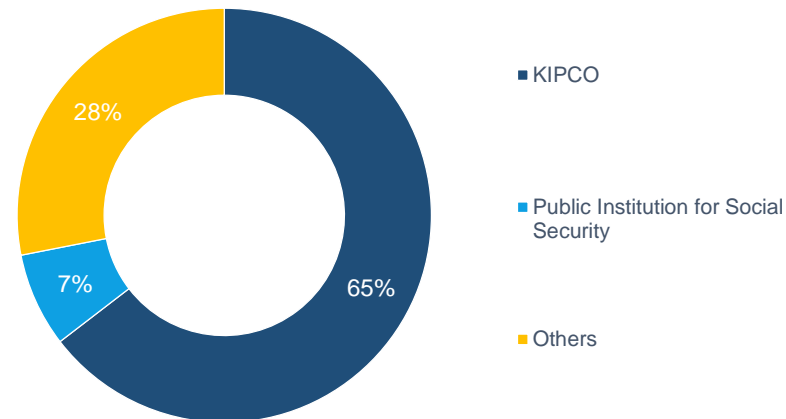
\* Represents daily average ratios for the quarters.

# PLANNED RIGHTS ISSUE

## Details of the Rights Issue Offering

Shares Offered (#)	375mn shares
Rights Issue Price (Fils)	190 /share
Size of Offering (KD mn)	KD 71.3 mn
Offering Period	Nov'21-Dec'21

## Shareholding Structure\* | %

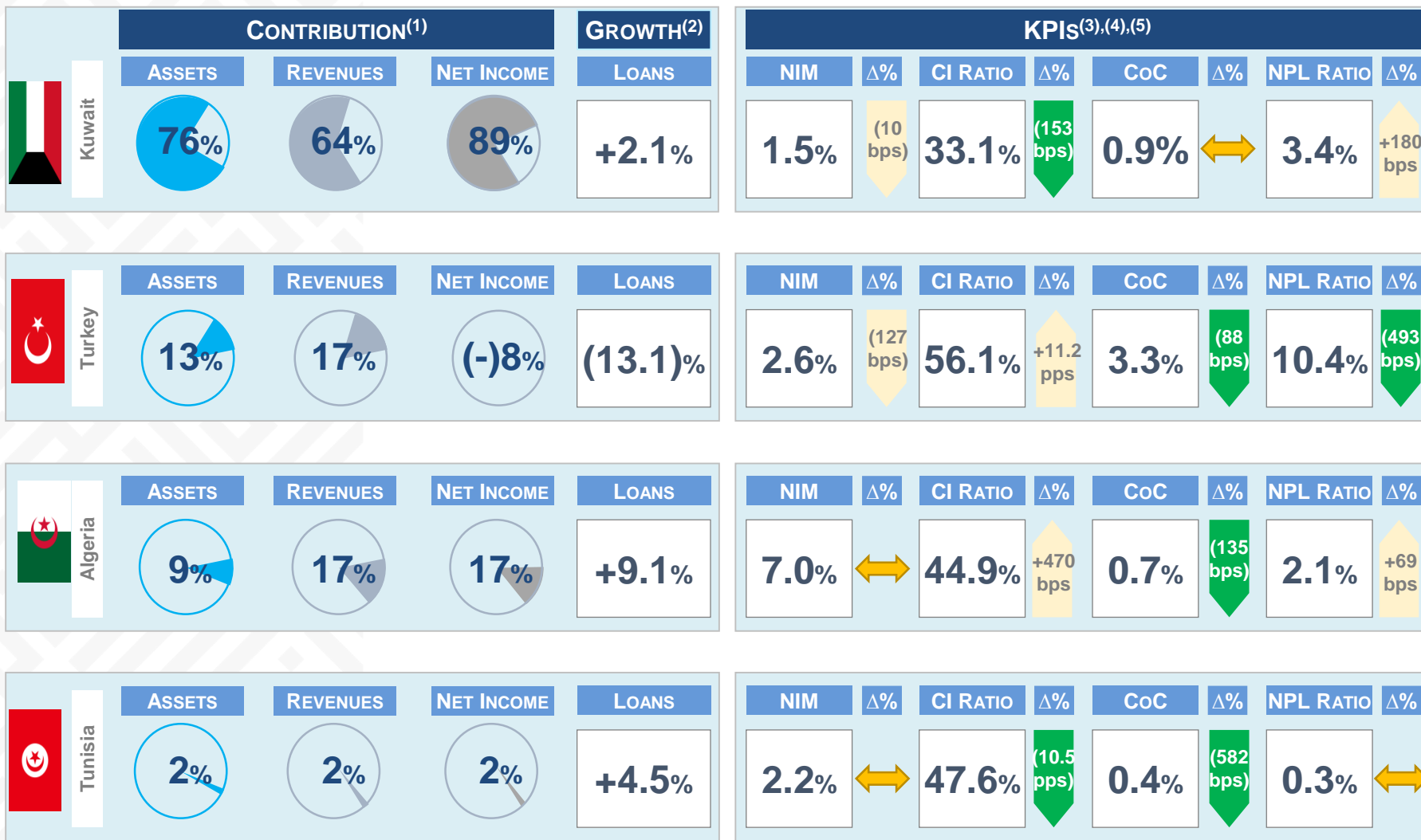


## Impact on Capital

Capital Type	Q3'21 (reported)		Rights Issue (KD mn)	Q3'21 (Proforma – incl Rights Issue)		
	KD mn	Ratios (%)		KD mn	Ratios %	Δ (bps)
CET1	637	10.2%	+71.3	714**	11.4%	+123bps
Tier I	790	12.7%		867	13.8%	+122bps
CAR	1,018	16.3%		1,095	17.5%	+122bps
RWAs (KD mn)	6,240			6,247**		

\* As at 30<sup>th</sup> Sept 2021; Adjusted for elimination of current CET1 deductions.

# IMPROVING PERFORMANCE METRICS ACROSS FRANCHISES



Note: (1) Excludes Contribution from BoB; Contributions in KD; (2) Growth vs FY'20 figures in KD terms; (3) NIM figures are annualized; (4) Deltas are for 9M'21 over 9M'20; (5) CoC has been calculated as Loan Loss Provisions on Gross Loans; annualized.

\* Contribution percentages are rounded figures and are before consolidation adjustments; \* bps: Basis point; pps: Percentage Point

# SUMMARY

1

Burgan delivered another strong quarter with **consistently improving earnings**

2

**Asset Quality** continues to **improve across franchises**

3

**The planned Rights Issue** will boost capital levels & enable achievement of Group's growth plans

Thank You

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