



Mr. Majed Essa Al Ajeel, Chairman of Burgan Bank Group



Mr. Masaud M.J. Hayat, Vice Chairman and Group CEO of Burgan Bank Group

## Burgan Bank reports 36% growth in Q1 2021 Operating Profit of KD 27mn

**Kuwait – 2 May 2021:** Burgan Bank K.P.S.C. (“Burgan” or “Bank”) announced its financial results for the first quarter ending on 31<sup>st</sup> March 2021.

Burgan reported Revenue of KD 48mn for Q1’21, driven by higher Non-Interest Income (up 34% vs Q4’20). Burgan continued to exhibit strong cost discipline leading to lower operating expenses of KD 21mn in Q1’21 (reduced by 27% vs Q4’20). These factors resulted in strong operating profit of KD 27mn (up 36% vs Q4’20). Provision Charge for Q1’21 was also lower by KD 2mn compared to Q4’20. Burgan reported Net Income of KD 5mn for the quarter.

Key Performance indicators as at 31<sup>st</sup> March 2021 are as follows:

- NPL Coverage Ratio: 169%
- CAR: 17%
- Liquidity Coverage Ratio: 152%
- Net Stable Funding Ratio: 105%

During the quarter, Burgan continued to progress on its Digitalization Journey and launched its New Burgan Prepaid card portal and app. Burgan also successfully launched its first Interactive Teller Machine (ITM) machine at Marina Mall to give its customers continued access.

Commenting on the results, Mr. Majed Essa Al Ajeel, Chairman of Burgan Bank Group said, *“Global economy continues to face challenges due to the pandemic and the restrictions imposed. We expect Kuwait’s economy to recover its growth momentum over the next two quarters on the back of increasing vaccinations. Burgan continues to deliver resilient performance despite these challenges and the team is making strong progress to further strengthen the bank’s operating model by investing in digitalization efforts.”*

Mr. Masoud M.J. Hayat, Vice Chairman and Group CEO, Burgan Bank Group, added, *“Burgan is continuing to deliver results while maintaining strong liquidity and capital metrics despite the difficult operating environment. Burgan has continued to improve its operating efficiency through focused cost optimization efforts. We continue to make solid progress on digital enhancements and this quarter also was no exception. Burgan is also strengthening its Cybersecurity Framework given the increased usage of online channels”.*

The consolidated financials encompass the results of the Group’s operations in Kuwait, and its share of results from its subsidiaries, Burgan Bank Turkey, Gulf Bank Algeria, Bank of Baghdad and Tunis International Bank. Through this regional reach, Burgan Bank has one of the largest regional branch networks with 162 branches across Kuwait, Turkey, Algeria, Iraq, Tunis, Lebanon and a representative office in the United Arab Emirates.

-END-

#### About Burgan Bank

Established in 1977, Burgan Bank is the third largest bank by assets in Kuwait, with a significant focus on the corporate and financial institutions sectors, as well as having a growing retail and private bank customer base.

Burgan Bank has majority owned subsidiaries, collectively known as the “Burgan Bank Group”, in the MENAT region supported by one of the largest regional branch networks, which includes Gulf Bank Algeria - AGB (Algeria), Bank of Baghdad - BOB (Iraq & Lebanon), Tunis International Bank – TIB (Tunisia), and fully owned Burgan Bank Turkey. Furthermore, Burgan Bank has a presence in the UAE through its corporate office, Burgan Financial Services Limited.

The Bank has continuously improved its performance over the years through an expanded revenue structure, diversified funding sources, and a strong capital base. The adoption of state-of-the-art services and technology has positioned it as a trendsetter in the domestic market and within the MENA region. Burgan Bank’s brand has been created on a foundation of real values – of trust, commitment, excellence and progression, to remind us of the high standards to which we aspire. ‘Driven by You’ is the foundation on which its products and services are developed.



The bank obtained the ISO/IEC 27001: 2013 Information Security Management Systems certificate (ISMS) and was re-certified with the prestigious ISO 9001:2015, making it the one of the few banks in the GCC and Kuwait to receive such certification for the Fifth consecutive time. The Bank also has to its credit the distinction of being the only Bank in Kuwait to have won the JP Morgan Chase Quality Recognition Award for twenty consecutive years.

Burgan Bank is a majority owned subsidiary of KIPCO (Kuwait Projects Company), one of the largest holding companies in the Middle East and North Africa