



Date: 24 October 2022

التاريخ: 24 أكتوبر 2022

Ref: 10 / 10 / 440 / 2022

الإشارة: 2022 / 440 / 10 / 10

To: Chief Executive Officer

السيد/ الرئيس التنفيذي المحترم

Bursa Kuwait

بورصة الكويت

Peace, Mercy and Blessings of Allah be upon you,

السلام عليكم ورحمة الله وبركاته،

Subject: Disclosure of Material Information

الموضوع: الإفصاح عن المعلومات الجوهرية

KFH: Analysts Conference Presentation

بيتك: العرض التقديمي لمؤتمر المحللين

Q (3/2022)

الربع (2022/3)

In reference to the above, and in line with Kuwait Finance House 'KFH' interest in adhering to Bursa Kuwait Role Book Article (7-8-1/3) regarding the Listed Companies Obligations (Analysts Conference), KFH would like to report the following

بالإشارة إلى الموضوع أعلاه، وحرصاً من بيت التمويل الكويتي "بيتك" على الإلتزام بالمادة رقم (7-8-1/3) من كتاب قواعد البورصة بشأن إلتزامات الشركات المدرجة (الإفصاح عن مؤتمر المحللين)، يفيد بيتك بما يلي:

- KFH has conducted the Analysts Conference for Q (3/2022) through live broadcasting on internet (Live Webcast) at 2 p.m. on Monday 24 October 2022.
- There was no other material information had been discussed during the conference.
- KFH will disclose the Conference Minutes of Meeting within (3) working days after the conference.

- عقد بيتك مؤتمر المحللين للربع (2022/3) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 2 من بعد ظهريوم الإثنين الموافق 24 أكتوبر 2022.

Attached is the Investors Presentation Q (3/2022) for your reference. A copy of the same has been submitted to Capital Markets Authority.

- لم يتم تداول أي معلومات جوهرية أخرى خلال المؤتمر.
- سوف يقوم بيتك بالإفصاح لاحقاً عن محضر المؤتمر خلال (3) أيام عمل من تاريخ المؤتمر.

Best Regards,

وتفضلوا بقبول فائق الإحترام،

Shadi Zahran

Acting Group Chief Executive Officer

شادي زهران

الرئيس التنفيذي للمجموعة بالتكليف



بيت التمويل الكويتي
Kuwait Finance House

24 October 2022

24 أكتوبر 2022

Kuwait Finance House (KFH)

بيت التمويل الكويتي (بيتك)

Appendix (10)

ملحق رقم (10)

Disclosure of Material Information Form

نموذج الإفصاح عن المعلومات الجوهرية

KFH: Analysts Conference Presentation
Q (3/2022)

بيتك: العرض التقديمي لمؤتمر المحللين
الربع (2022/3)

Disclosure of Material Information

Date	Listed Company
24 October 2022	Kuwait Finance House (KFH)

Disclosure Title
KFH: Analysts Conference Presentation Q (3/2022)

Material Information
<ul style="list-style-type: none"> KFH has conducted the Analysts Conference for Q (3/2022) through live broadcasting on internet (Live Webcast) at 2 p.m. on Monday 24 October 2022. There was no other material information had been discussed during the conference. KFH will disclose the Conference Minutes of Meeting within (3) working days after the conference.

Effect of the Material Information on the Company's Financial Position
<ul style="list-style-type: none"> Currently, there is no effect on KFH's financial position.

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.

الإفصاح عن المعلومات الجوهرية

التاريخ	اسم الشركة المدرجة
24 أكتوبر 2022	بيت التمويل الكويتي "بيتك"

عنوان الإفصاح
بيتك: العرض التقديمي لمؤتمر المحللين الربع (2022/3)

المعلومة الجوهرية
<ul style="list-style-type: none"> عقد بيتك مؤتمر المحللين للربع (2022/3) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 2 من بعد ظهر يوم الإثنين الموافق 24 أكتوبر 2022. لم يتم تداول أي معلومات جوهرية أخرى خلال المؤتمر. سوف يقوم بيتك بالإفصاح لاحقاً عن محضر المؤتمر خلال (3) أيام عمل من تاريخ المؤتمر.

أثر المعلومة الجوهرية على المركز المالي للشركة
<ul style="list-style-type: none"> لا يوجد أثر في الوقت الحالي على المركز المالي لبيتك.

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 الإفصاح 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.



بيت التمويل الكويتي
Kuwait Finance House

بيت التمويل الكويتي
Kuwait Finance House



Q3-2022

Earnings Presentation

24 October 2022

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Contents

1 **Kuwait's Operating Environment**

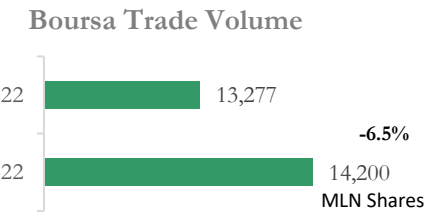
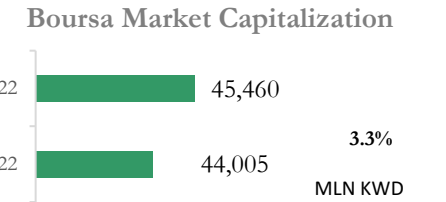
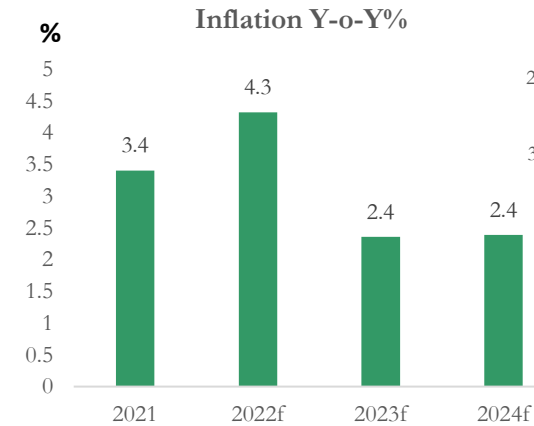
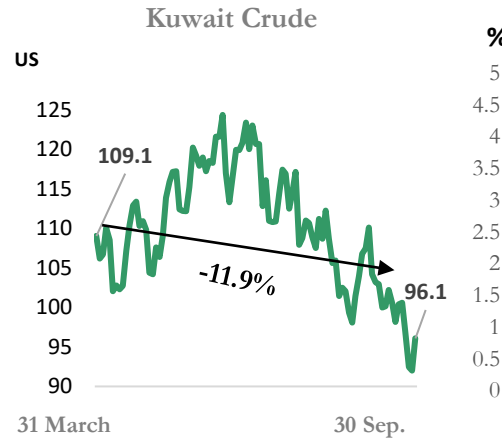
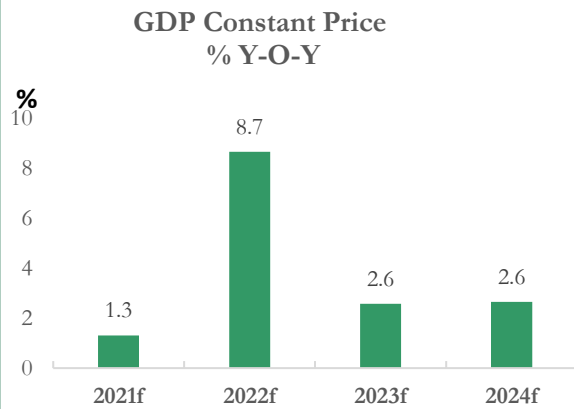
2 **Overview of KFH**

3 **KFH Strategy**

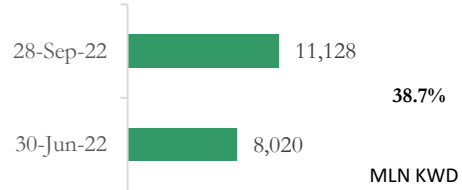
4 Q3-2022 Financial Highlights

5 Appendix

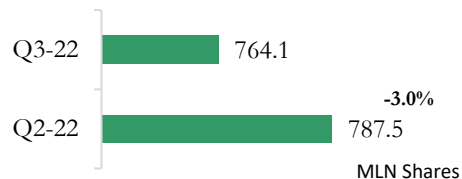
Economic Highlights



KFH Market Capitalization



KFH Trade Volume



- The International Monetary Fund (IMF) expected Kuwait GDP growth to be 8.7% in 2022, which is the highest growth among all the GCC countries and higher than their April forecast.
- Kuwaiti Crude Oil Price closed at USD96.1pb at the end of Q3-22 lower by 11.9% compared to Q1-22, lower by 17.8% Q-o-Q, while higher by 22.3% Y-o-Y.
- Standard & Poor's credit rating for Kuwait stands at A+ with stable outlook. Moody's credit rating for Kuwait was last set at A1 with stable outlook. Fitch's credit rating for Kuwait was last reported at AA- with stable outlook
- The Central Bank of Kuwait raised its key discount rate by 25 bps to 3.0% on September 21, 2022, bringing borrowing costs to the highest since September 2019.
- Boursa Kuwait Market Capitalization rose by 3.3% to reach KWD45.5bln, while the market capitalization of KFH notably increased by 38.7% to reach KWD11.1bln at the end of Q3-22 compared to the end of Q2-22.
- Boursa Kuwait traded volume declined by 6.5% to reach 13.3 bln shares, while the traded volume of KFH declined by 3% to reach 764.1mln shares at the end of Q3-22 compared to the end of Q2-22.

Overview of KFH's Awards & Ratings

Kuwait



Regional



Global



FitchRatings

Long-Term Issuer Default Rating **A**

Short-Term Issuer Default Rating **F1**

STABLE Outlook

02 August 2022

MOODY'S

LT FC Bank Deposits Rating **A2**

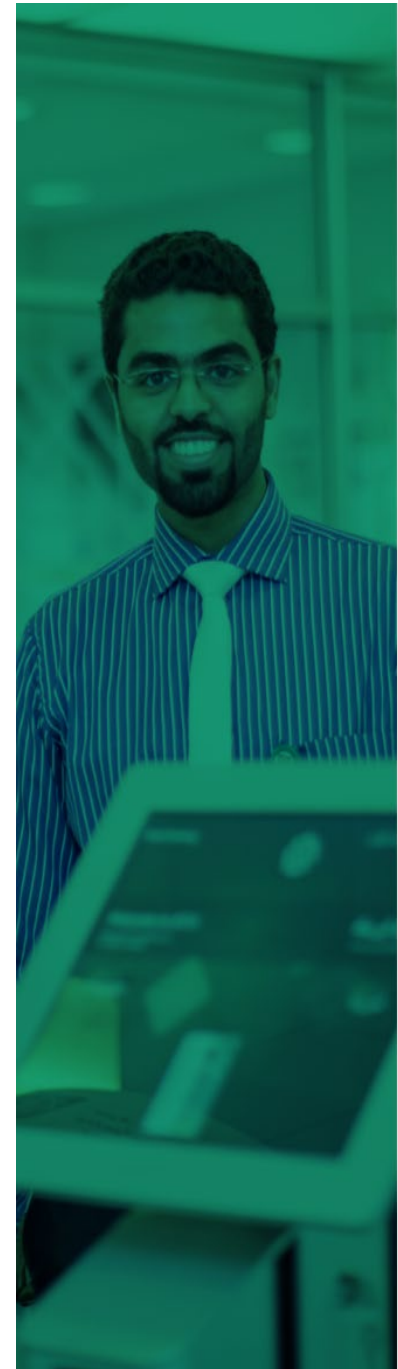
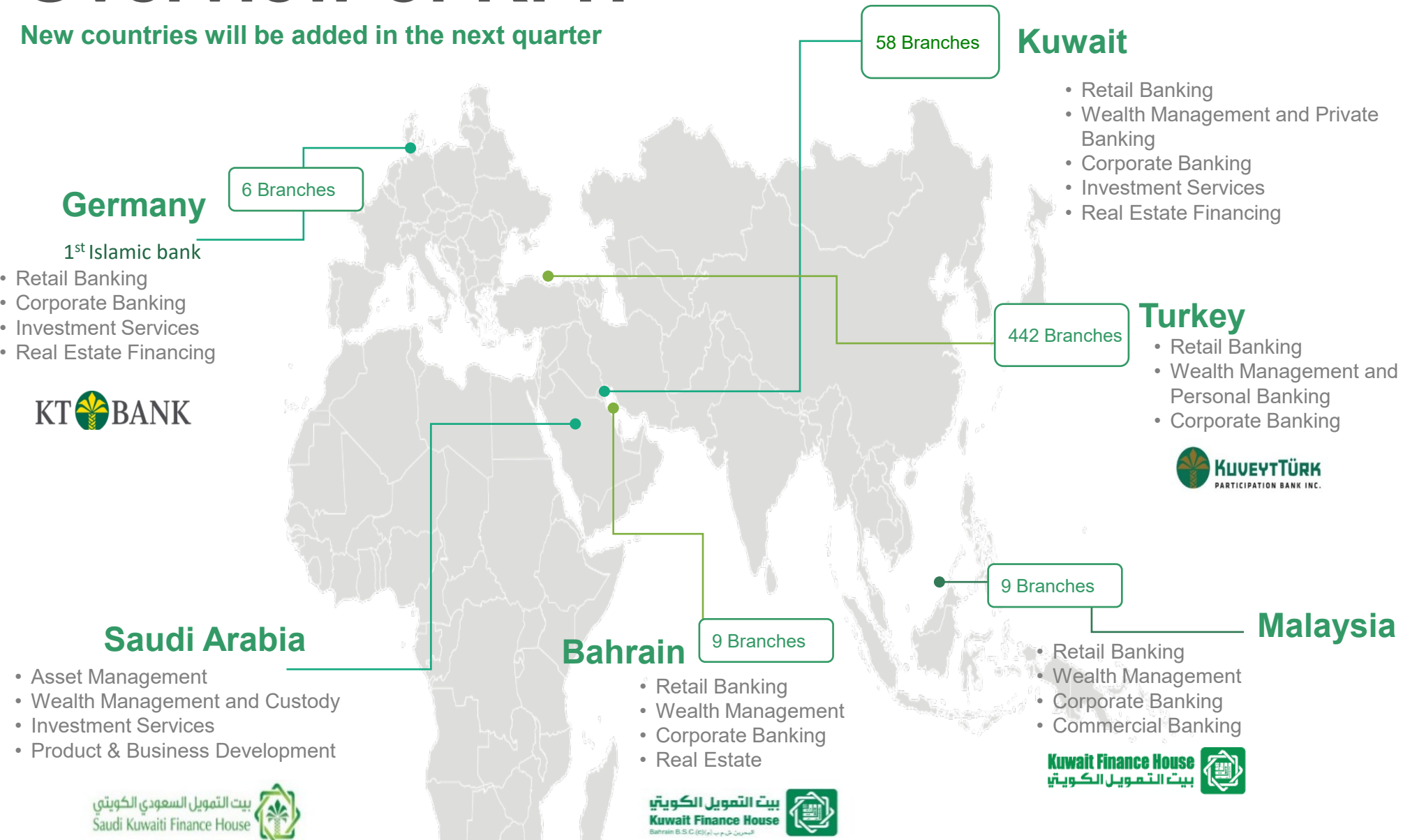
ST FC Bank Deposits Rating **P-1**

STABLE Outlook

08 August 2022

Overview of KFH

New countries will be added in the next quarter

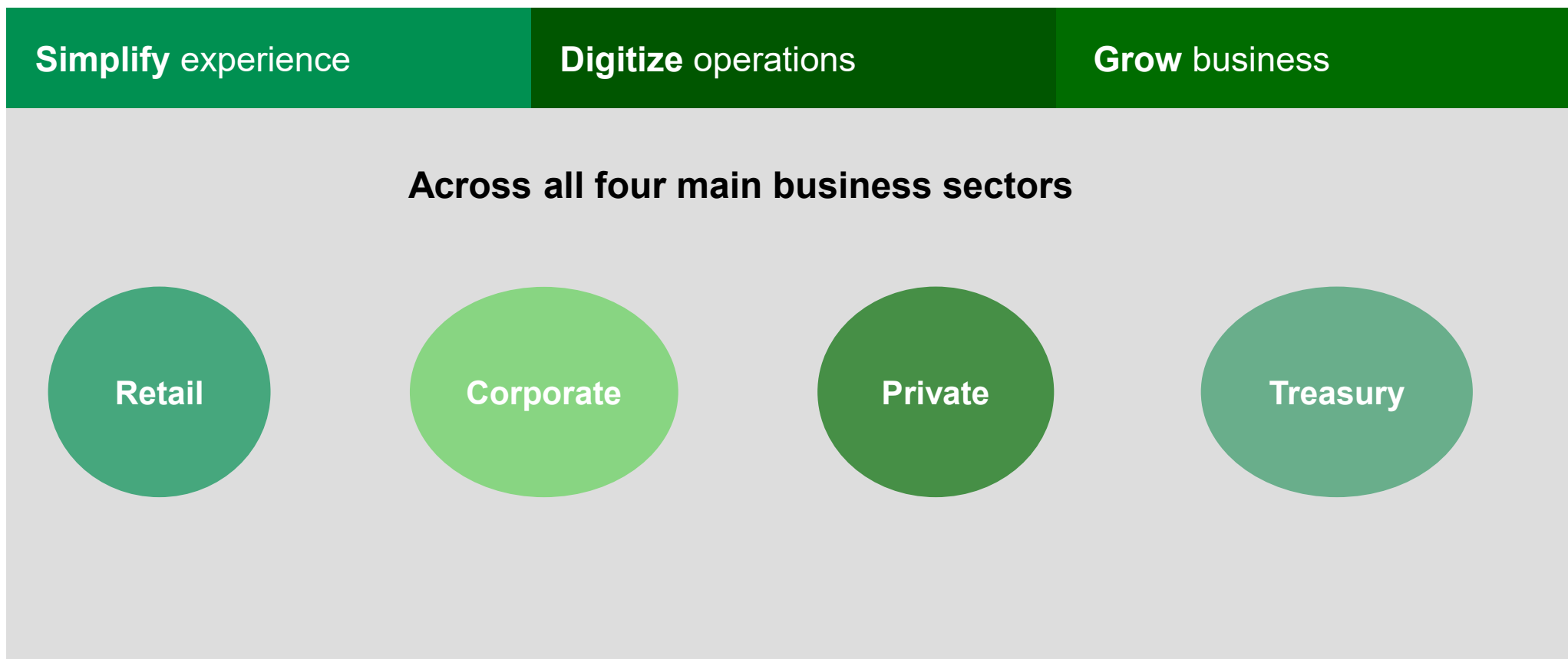


KFH Strengths

Robust Financial Performance	Leading Islamic Financial Institution	Strong Government Sponsorship	Professional Management Team	Strategic Distribution Channels	Effective Risk Management Framework
<p>A consistent track record of profitability & dividend payment</p> <p>Solid funding and liquidity profile</p> <p>Consistently low NPF rates</p> <p>Improved cost to income ratio</p> <p>Solid profit margins and improved efficiency</p>	<p>Second largest Islamic Financial Institution globally in terms of asset base</p> <p>Operating history of more than 40 years</p> <p>Strong retail franchise</p> <p>Pioneer of Islamic products in Kuwait</p>	<p>48% ownership by various Kuwaiti Government authorities</p> <p>KFH operates mainly in Kuwait where the economy benefits from high level of economic strength</p> <p>Systemic important bank in Kuwait Large retail deposit and global flagship Islamic bank</p>	<p>Well-rounded human capital through meritocratic management structure</p> <p>Significant improvement in the Management team for the diversified international operation</p> <p>Strong and stable Board of Directors, collectively bringing more than two hundred and fifty years of professional experience</p>	<p>Diversified international operations</p> <p>Presence in 6 countries giving access to Europe, Middle East and Asian markets</p> <p>Extensive accessibility option with a wide network of 524 branches and over 1,812 ATMs</p>	<p>KFH continuously develops its risk management framework in light of development in the business, banking and market regulations</p> <p>Disciplined & risk adjusted approach to capital allocation</p> <p>Large and diversified portfolio</p> <p>Reduced non-core assets</p>

KFH Strategy

KFH's main focus is on core banking business activities





Contents

- 1 Kuwait's Operating Environment

- 2 Overview of KFH

- 3 KFH Strategy

- 4 **Q3-22 Financial Results**

- 5 Appendix

9M-22 Financial Highlights

Net Profit for Shareholders KD 205.8 m 22.4%	Net Financing Income KD 508.5 m 14.8%	Net Operating Income KD 463.4 m 27.2%
------------------------------------------------------------------	-----------------------------------------------------------	-----------------------------------------------------------

Cost to Income Ratio

33.61%

(9M-21: 38.34%)

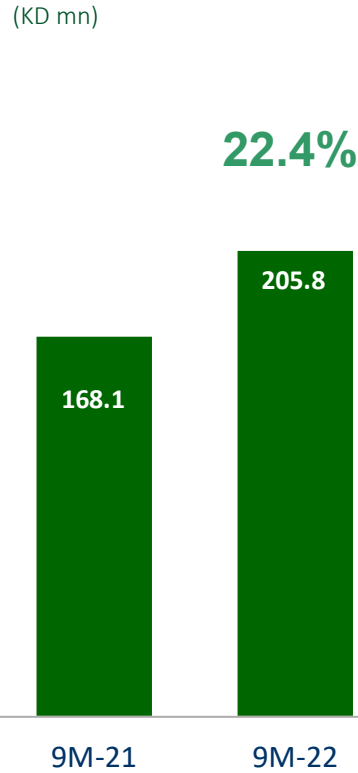
EPS (fils)

21.90

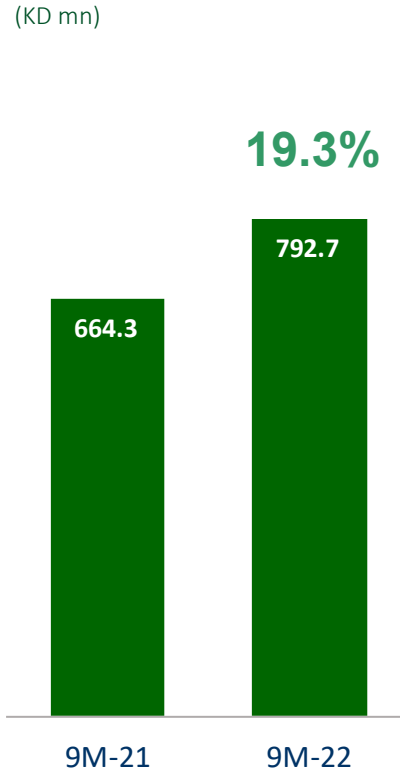
(9M-21 : 18.26fils)

9M-22 Operating Performance

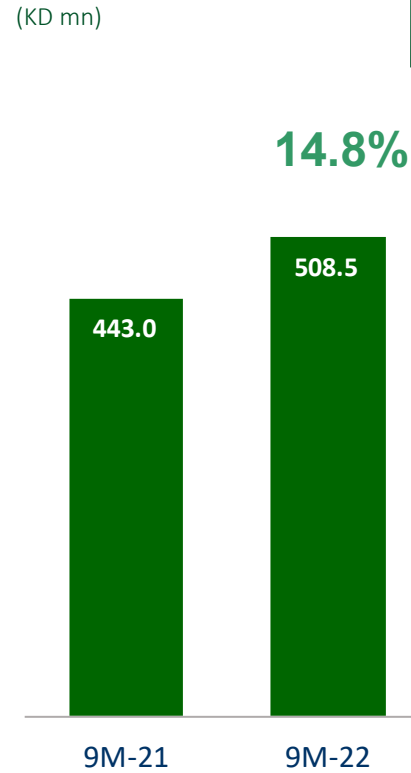
Net Profit for Shareholders (KD mn)



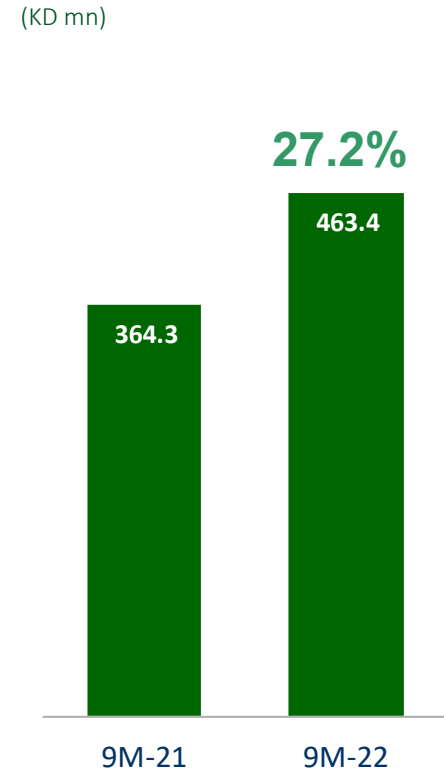
Financing Income (KD mn)



Net Financing Income (KD mn)



Net Operating Income (KD mn)



Operating Income Profile

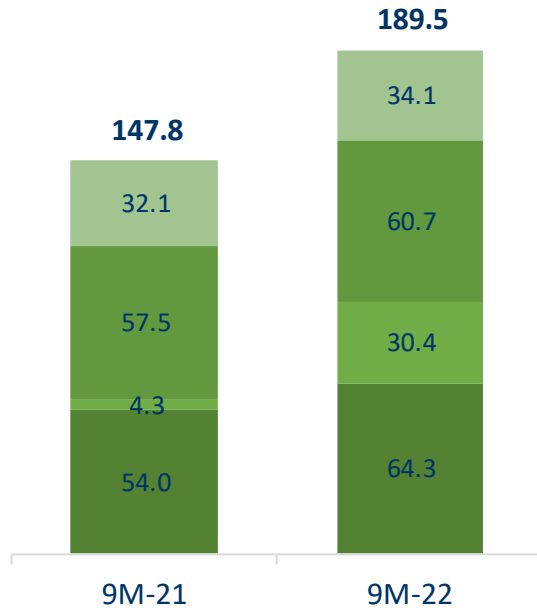
- Investment Income (%)
- Non-Financing Income (%)
- Net Financing Income (%)



9M-22 Operating Performance

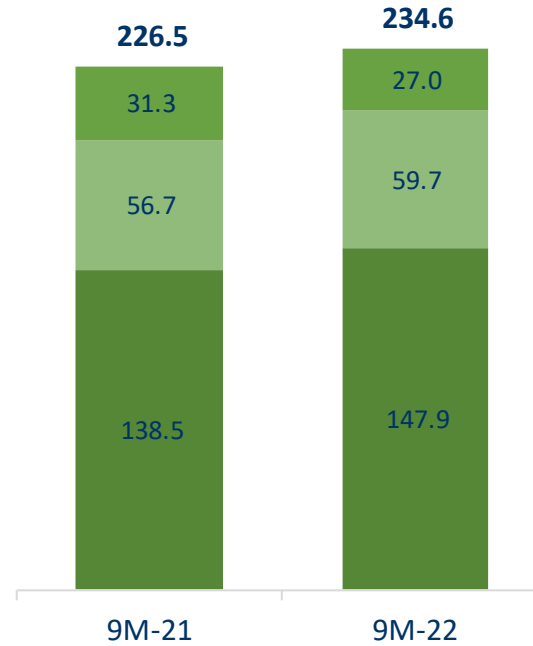
Non - Financing Income (KD mn)

- Other Income
- Net Gain from Foreign Currencies
- Investment Income
- Fees and Commission Income



Total Operating Expenses (KD mn)

- Depreciation and Amortization
- Other Operating Expenses
- Staff Costs



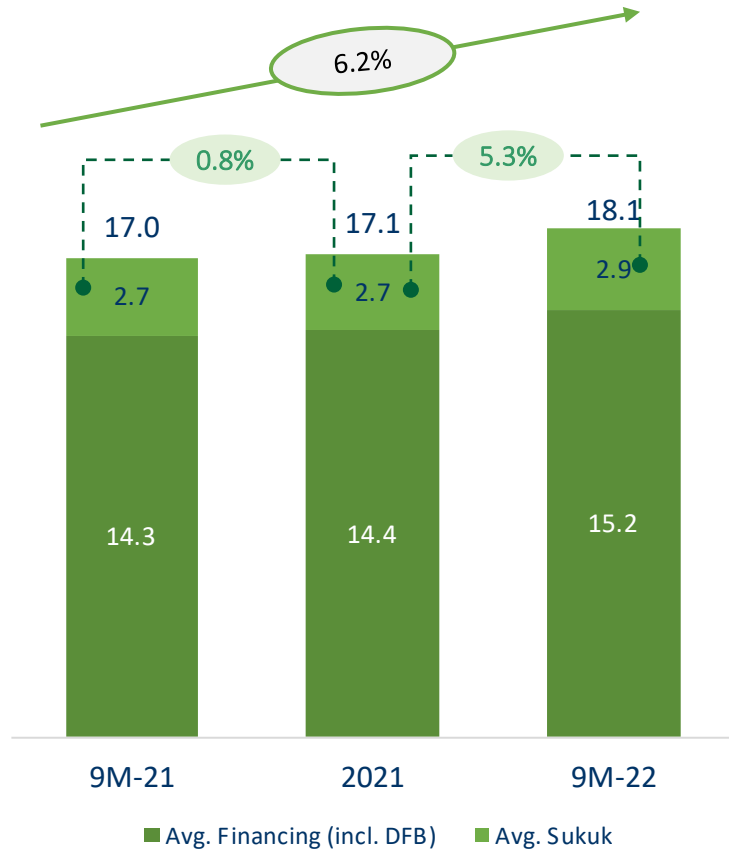
C/I Ratio

9M-21,
38.34%

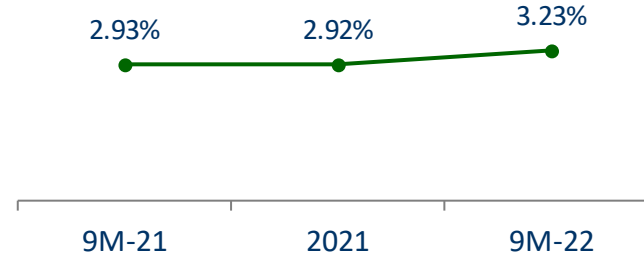
9M-22,
33.61%

9M-22 Operating Performance

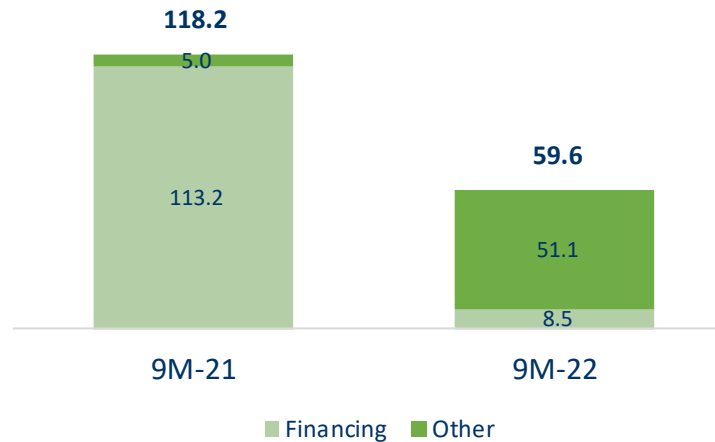
Average Profit Earning Assets (KD bn)



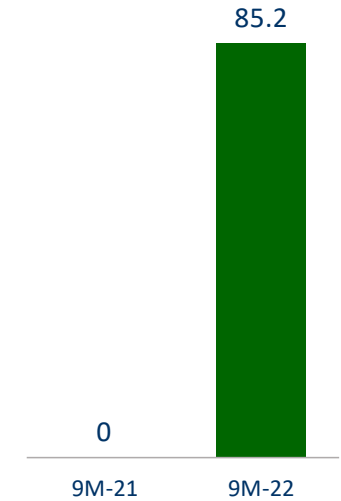
Net Financing Margin



Provision and Impairment (KD mn)



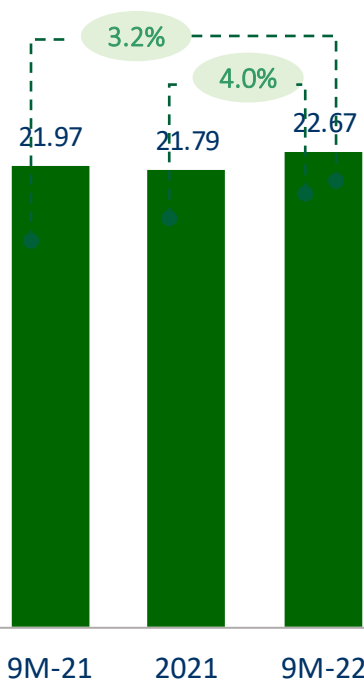
Net Monetary Loss* (KD mn)



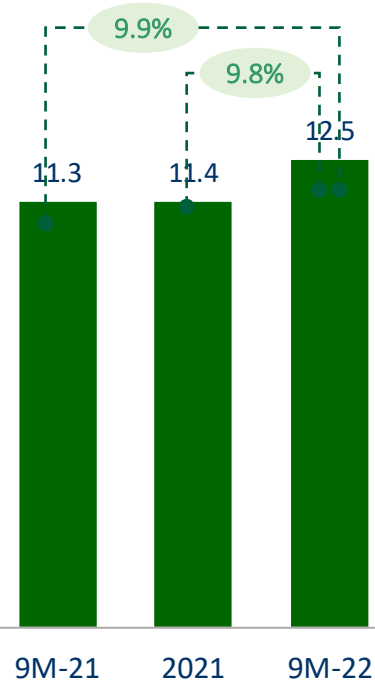
* Hyper-inflation impact

9M-22 Operating Performance

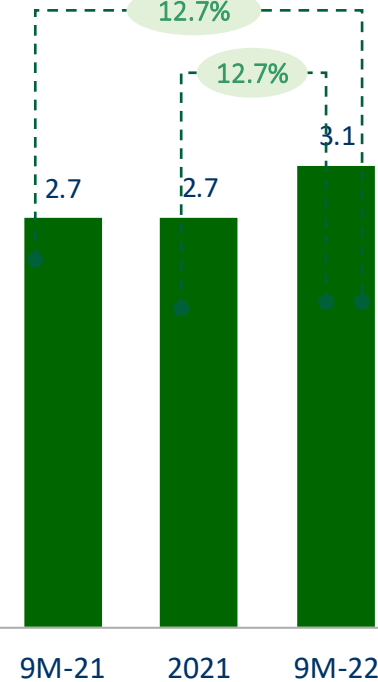
Total Assets
(KD bn)



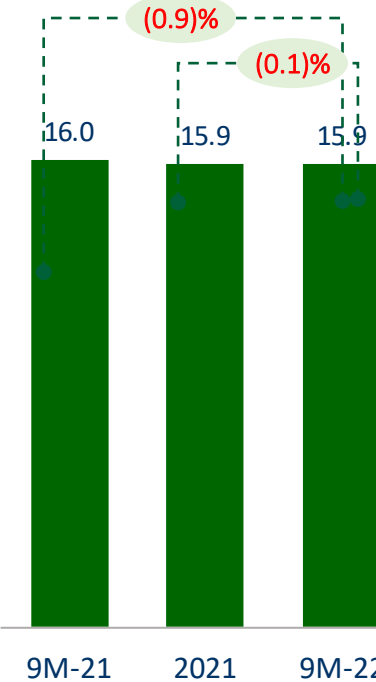
Net Financing
(KD bn)



Investment in Sukuk
(KD bn)

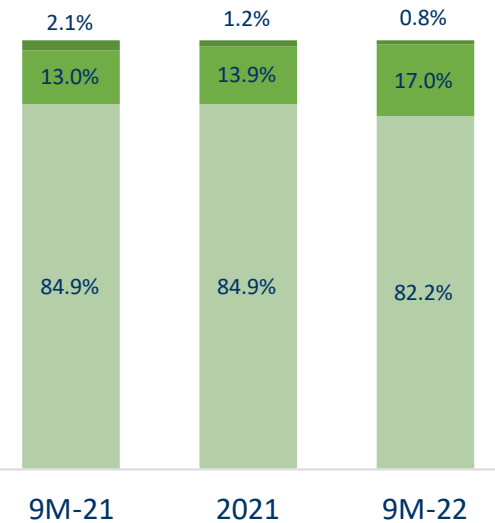


Depositors' Accounts
(KD bn)

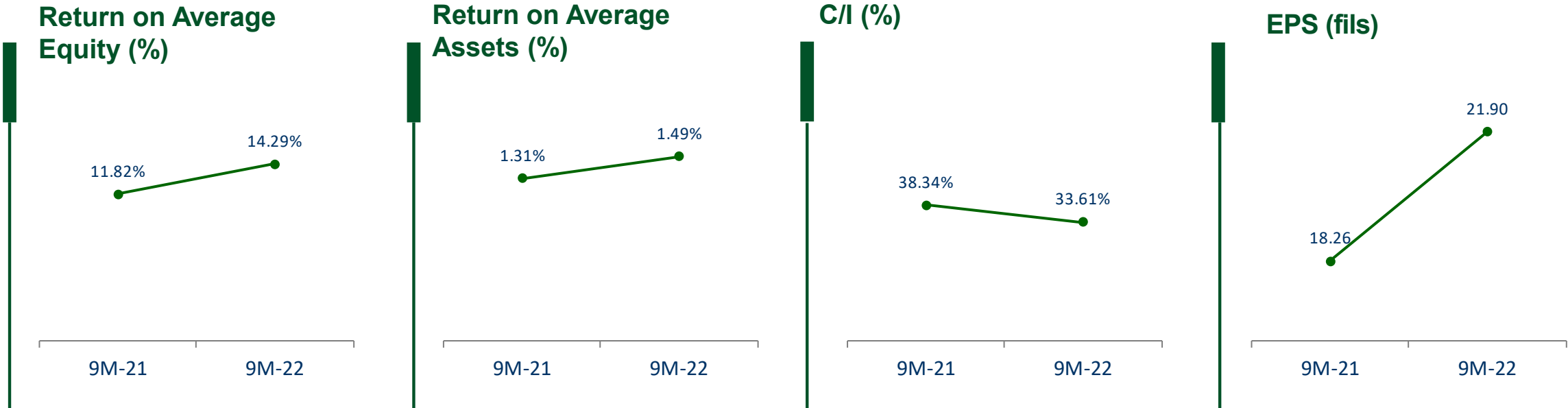


Funding Mix

- Depositors Accounts
- Due to Banks & FI's
- Sukuk Payable



9M-22 Operating Performance



Q&A

Appendix

Consolidated Financial Statements 9M-22 Vs. 9M-21

Consolidated Statement of Financial Position (KD million)	Sep-22	Sep-21
Cash and balances with banks and financial institutions	2,074	2,901
Due from Banks	3,132	3,072
Financing receivables	12,466	11,345
Investment in sukuk	3,083	2,734
Trading properties	97	99
Investments	210	226
Investment in associates and joint ventures	429	491
Investment properties	345	340
Other assets	569	516
Intangible assets and goodwill	34	33
Property and equipment	230	214
TOTAL ASSETS	22,668	21,971
Due to banks and financial institutions	3,274	2,445
Sukuk payables	163	394
Depositors' accounts	15,858	16,009
Other liabilities	911	800
TOTAL LIABILITIES	20,206	19,649
Share capital	929	844
Share premium	720	720
Treasury shares	(28)	(28)
Reserves	378	392
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	1,999	1,929
Perpetual Tier 1 Sukuk	233	226
Non-controlling interests	230	167
TOTAL EQUITY	2,462	2,322
TOTAL LIABILITIES AND EQUITY	22,668	21,971

Consolidated Statement of Income (KD million)	Sep-22	Sep-21
Financing income	793	664
Financing cost and estimated distribution to depositors	284	221
Net finance income	508	443
Investment income	30	4
Fees and commission income	64	54
Net gain from foreign currencies	61	58
Other income	34	32
Non-Financing Income	190	148
Tota Operating Income	698	591
Staff costs	148	139
General and administrative expenses	60	57
Depreciation and amortization	27	31
Total Expenses	235	227
Net Operating Income	463	364
Provisions and impairment	60	118
Net Monetary Loss	85	0
Profit for the Period Before Taxation	319	246
Taxation and Proposed Directors' fees	70	34
Non-controlling interests	43	44
Profit Attributable to Shareholders of the Bank	206	168

Consolidated Statement of Financial Position 2016 - 2021

Consolidated Statement of Financial Position (KD million)	2016	2017	2018	2019	2020	2021
Cash and balances with banks	1,495	1,262	1,381	1,910	2,491	2,325
Due from Banks	2,877	2,982	3,444	3,646	3,365	3,350
Financing receivables	8,176	9,159	9,190	9,474	10,748	11,355
Investments in sukuk	1,100	1,429	1,563	2,292	2,742	2,735
Trading properties	186	161	148	108	102	96
Investments	357	304	285	195	192	219
Investment in associates and joint ventures	469	464	499	504	521	492
Investment properties	591	554	490	455	351	325
Other assets	549	465	544	547	728	654
Intangible assets and goodwill	39	39	31	31	32	32
Property and equipment	216	214	195	229	230	204
Assets classified as held for sale	445	324	0	0	0	0
TOTAL ASSETS	16,499	17,358	17,770	19,391	21,502	21,788
Due to banks and financial institutions	2,399	2,240	2,689	2,427	2,954	2,595
Sukuk payables	473	518	499	320	315	217
Depositors' accounts	10,717	11,597	11,780	13,553	15,317	15,867
Other liabilities	645	699	728	848	814	803
Liabilities directly associated with assets classified as held for sale	227	188	0	0	0	0
TOTAL LIABILITIES	14,461	15,242	15,696	17,147	19,401	19,481
Share capital	524	577	634	698	767	844
Share premium	720	720	720	720	720	720
Treasury shares	(49)	(45)	(44)	(36)	(28)	(28)
Reserves	615	620	584	679	476	395
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	1,810	1,872	1,894	2,060	1,936	1,932
Perpetual Tier 1 Sukuk	0	0	0	0	0	227
Non-controlling interests	228	244	180	183	165	149
TOTAL EQUITY	2,039	2,116	2,074	2,243	2,101	2,307
TOTAL LIABILITIES AND EQUITY	16,499	17,358	17,770	19,391	21,502	21,788

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Consolidated Statement of Income 2016 - 2021

Consolidated Statement of Income (KD million)	2016	2017	2018	2019	2020	2021
Financing income	718	741	862	932	893	871
Financing cost and distribution to depositors	283	296	335	401	279	286
Net finance income	435	445	527	530	614	586
Investment income	79	107	63	130	-6	16
Fees and commission income	89	97	87	79	73	72
Net gain from foreign currencies	23	17	30	34	70	89
Other income	34	48	39	41	45	48
Non-Financing Income	225	268	219	284	182	225
Total operating income	660	713	746	814	796	811
Staff costs	174	188	178	182	172	184
General and administrative expenses	84	83	81	79	81	82
Depreciation and amortisation	37	35	33	43	43	42
Total Expenses	295	305	292	304	296	308
Net Operating Income	365	408	454	510	500	503
Provisions and impairment	157	163	163	197	284	135
Loss for the year from discontinued operations	22	0	0	0	0	0
Profit Before Tax and Zakat	186	245	291	313	216	368
Taxation and Proposed Directors' fees	24	30	27	51	31	58
Non-controlling interests	(3)	30	36	11	36	67
Profit Attributable to Shareholders of the Bank	165	184	227	251	149	243



Investor.relations@kfh.com