



Date: 9 February 2023

التاريخ: 9 فبراير 2023

Ref: 10 / 10 / 055 / 2023

الإشارة: 2023 / 055 / 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 (4/2022)

الربع (2022/4)

In reference to the above, and in line with Kuwait Finance House (KFH) compliance with 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 الالتزام 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 (4/2022) through live broadcasting on internet (Live Webcast) at 12 p.m. on Thursday 9 February 2023.
- 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 (2022/4) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 12 ظهريوم الخميس الموافق 9 فبراير 2023.

Attached is the Investors Presentation Q (4/2022) for your reference. A copy of the same has been submitted to CMA and Bahrain Bourse.

- 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،

Abdulwahab Issa Al-Rushood

Acting Group Chief Executive Officer

عبد الوهاب عيسى الرشود

الرئيس التنفيذي للمجموعة بالتكليف



بيت التمويل الكويتي  
Kuwait Finance House

9 February 2023

9 فبراير 2023

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 (4/2022)

بيتك: العرض التقديمي لمؤتمر المحللين  
الربع (2022/4)

## Disclosure of Material Information

## الإفصاح عن المعلومات الجوهرية

Date	Listed Company
9 February 2023	Kuwait Finance House (KFH)

التاريخ	اسم الشركة المدرجة
9 فبراير 2023	بيت التمويل الكويتي "بيتك"

Disclosure Title
KFH: Analysts Conference Presentation Q (4/2022)

عنوان الإفصاح
بيتك: العرض التقديمي لمؤتمر المحللين الربع (2022/4)

Material Information
<ul style="list-style-type: none"> <li>KFH has conducted the Analysts Conference for Q (4/2022) through live broadcasting on internet (Live Webcast) at 12 p.m. on Thursday 9 February 2023.</li> <li>There was no other material information had been discussed during the conference.</li> <li>KFH will disclose the Conference Minutes of Meeting within (3) working days after the conference.</li> </ul>

المعلومة الجوهرية
<ul style="list-style-type: none"> <li>عقد بيتك مؤتمر المحللين للربع (2022/4) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 12 ظهريوم الخميس الموافق 9 فبراير 2023.</li> <li>لم يتم تداول أي معلومات جوهرية أخرى خلال المؤتمر.</li> <li>سوف يقوم بيتك بالإفصاح لاحقاً عن محضر المؤتمر خلال (3) أيام عمل من تاريخ المؤتمر.</li> </ul>

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

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

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.



بيت التمويل الكويتي  
Kuwait Finance House

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Kuwait Finance House



# FY'2022

Earnings Presentation

Date: 09 February 2023

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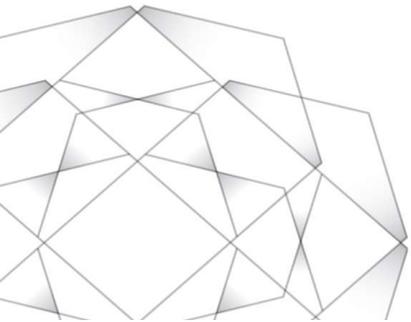
- **FORWARD-LOOKING STATEMENTS**

- All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. Such forward-looking statements are based on Kuwait Finance House's current expectations, predictions and estimates and are not guarantees of future performance, achievements or results. Forward-looking statements are subject to and involve risks and uncertainties and actual results, performance or achievements of Kuwait Finance House may differ materially or adversely from those expressed or implied in the forward-looking statements as a result of various factors. In addition, even if Kuwait Finance House's results of operations, financial condition and the development of the industry in which it operates are consistent with forward-looking statements contained herein, those results or developments may not be indicative of results or developments in subsequent periods. Kuwait Finance House does not undertake to update any forward-looking statements made herein. Past results are not indicative of future performance.

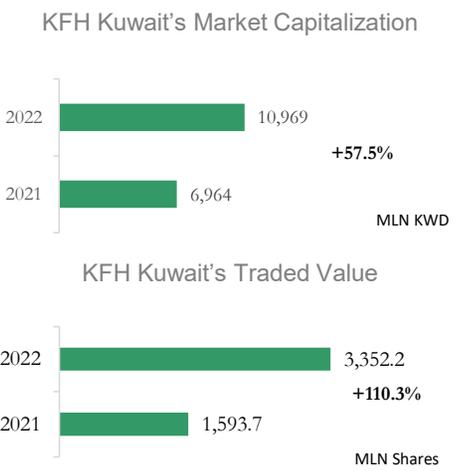
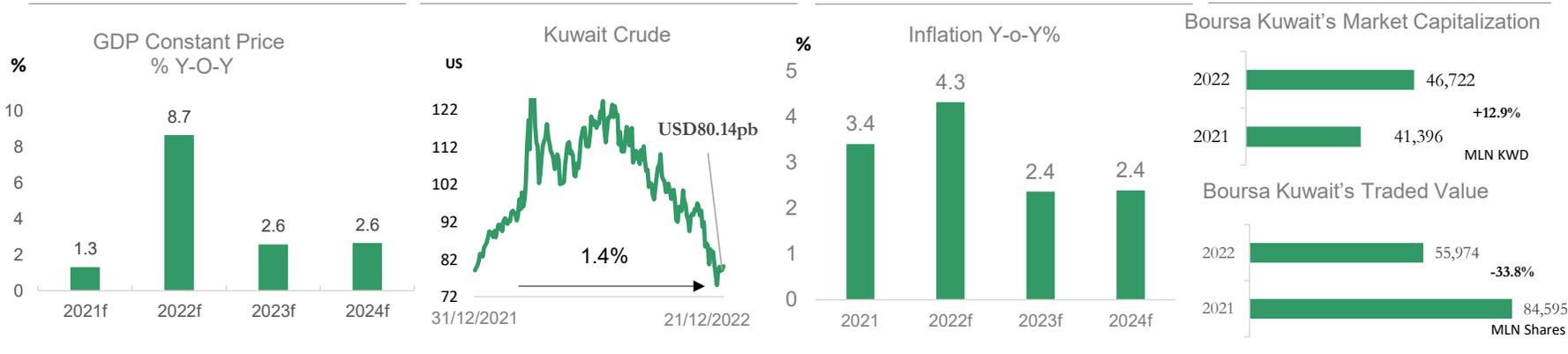


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1	<b>Kuwait's Operating Environment</b>
2	<b>Overview of KFH</b>
3	<b>KFH Strategy</b>
4	FY22 Financial Highlights
5	Appendix



# Kuwait's Economic Highlights



- 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 USD80.14pb at the end of 2022 higher by 1.4% compared to the end of 2021.
- 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
- On 25<sup>th</sup> January 2023, The Central Bank of Kuwait further raised its key discount rate by 50 bps to 4%.
- Boursa Kuwait Market Capitalization rose by 12.9% to reach KWD46.7bln, while the market capitalization of KFH notably increased by 57.5% to reach KWD11bln at the end of 2022 compared to the end of 2021.
- Boursa Kuwait traded volume declined by 33.8% to reach 55.9bln shares, while the traded volume of KFH increased by 110.3% to reach 3.4bln shares at the end of 2022 compared to the end of 2021.

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Source: Boursa Kuwait, KPC, IMF, KFH

# Overview of KFH's Awards & Ratings

## Kuwait



## Regional



## Global



**FitchRatings**

**Long-Term Issuer Default Rating A**  
**Short-Term Issuer Default Rating F1**

**STABLE Outlook**

**30 January 2023**

**MOODY'S**

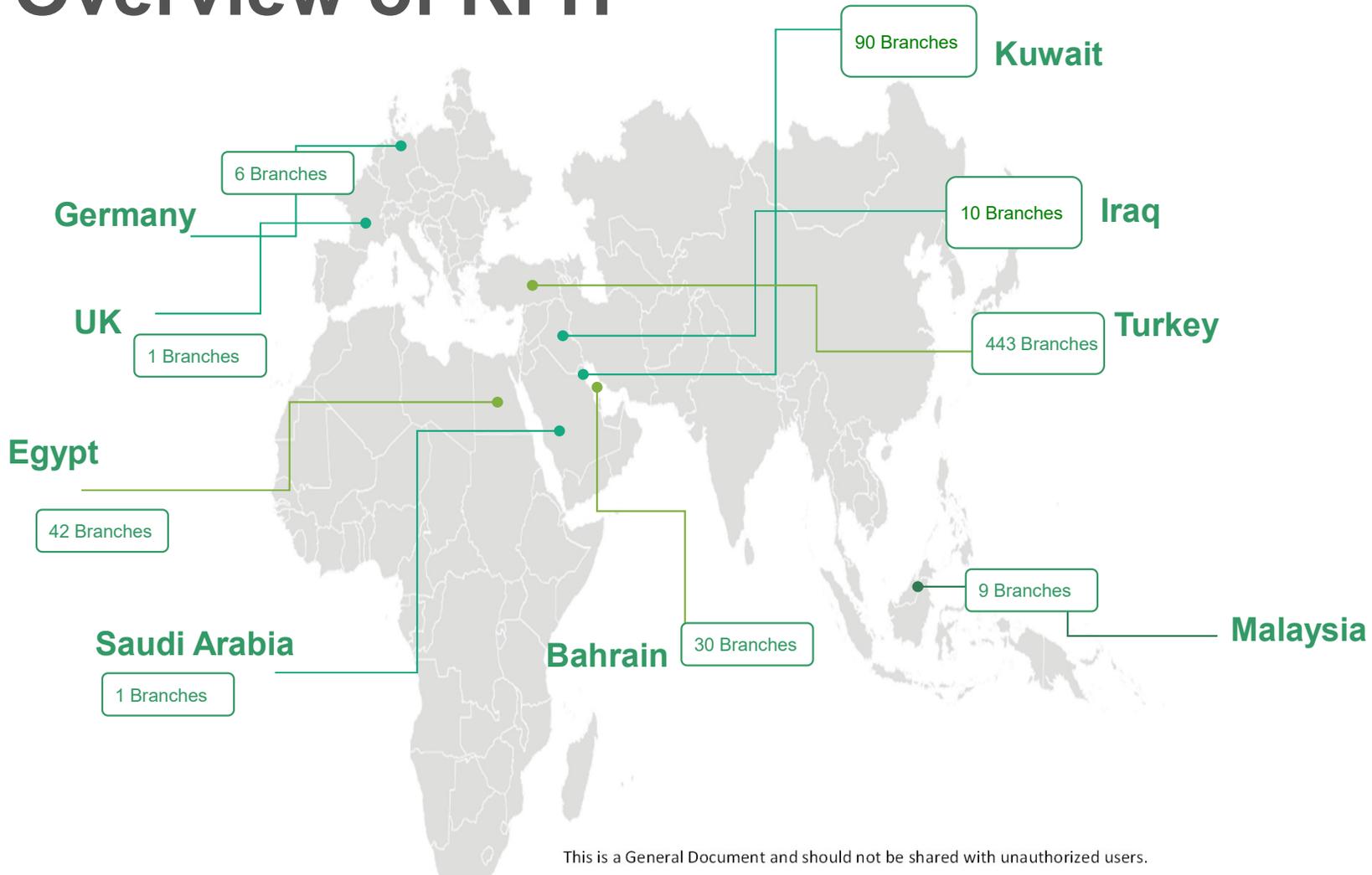
**LT FC Bank Deposits Rating A2**  
**ST FC Bank Deposits Rating P-1**

**STABLE Outlook**

**08 August 2022**

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# Overview of KFH



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# 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 &amp; 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 9 countries giving access to Europe, Middle East and Asian markets</p> <p>Extensive accessibility option with a wide network of 631 branches and over 2,100 ATMs</p>	<p>KFH continuously develops its risk management framework in light of development in the business, banking and market regulations</p> <p>Disciplined &amp; risk adjusted approach to capital allocation</p> <p>Large and diversified portfolio</p> <p>Reduced non-core assets</p>

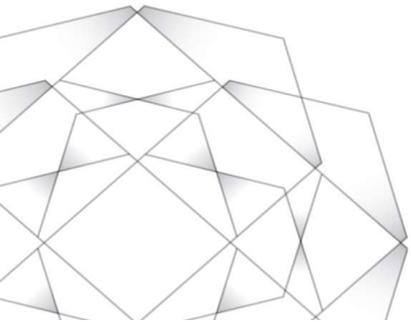
# KFH Strategy

KFH's main focus is on core banking business activities



# Contents

1	Kuwait's Operating Environment
2	Overview of KFH
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4	<b>FY2022 Financial Results</b>
5	Appendix



# FY-22 Financial Highlights

<b>Net Profit for Shareholders</b> <b>KD 357.7 m</b> 47.0%	<b>Net Financing Income</b> <b>KD 800.5 m</b> 36.7%	<b>Net Operating Income</b> <b>KD 723.3 m</b> 43.8%
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**Cost to Income Ratio**

**32.55%**

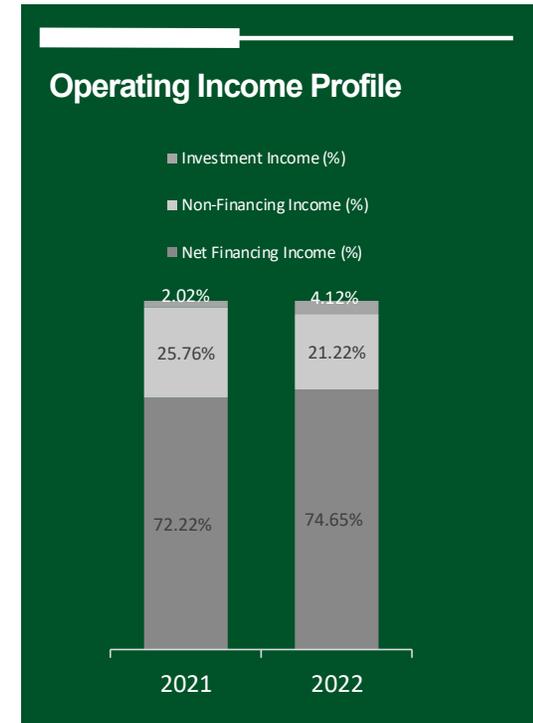
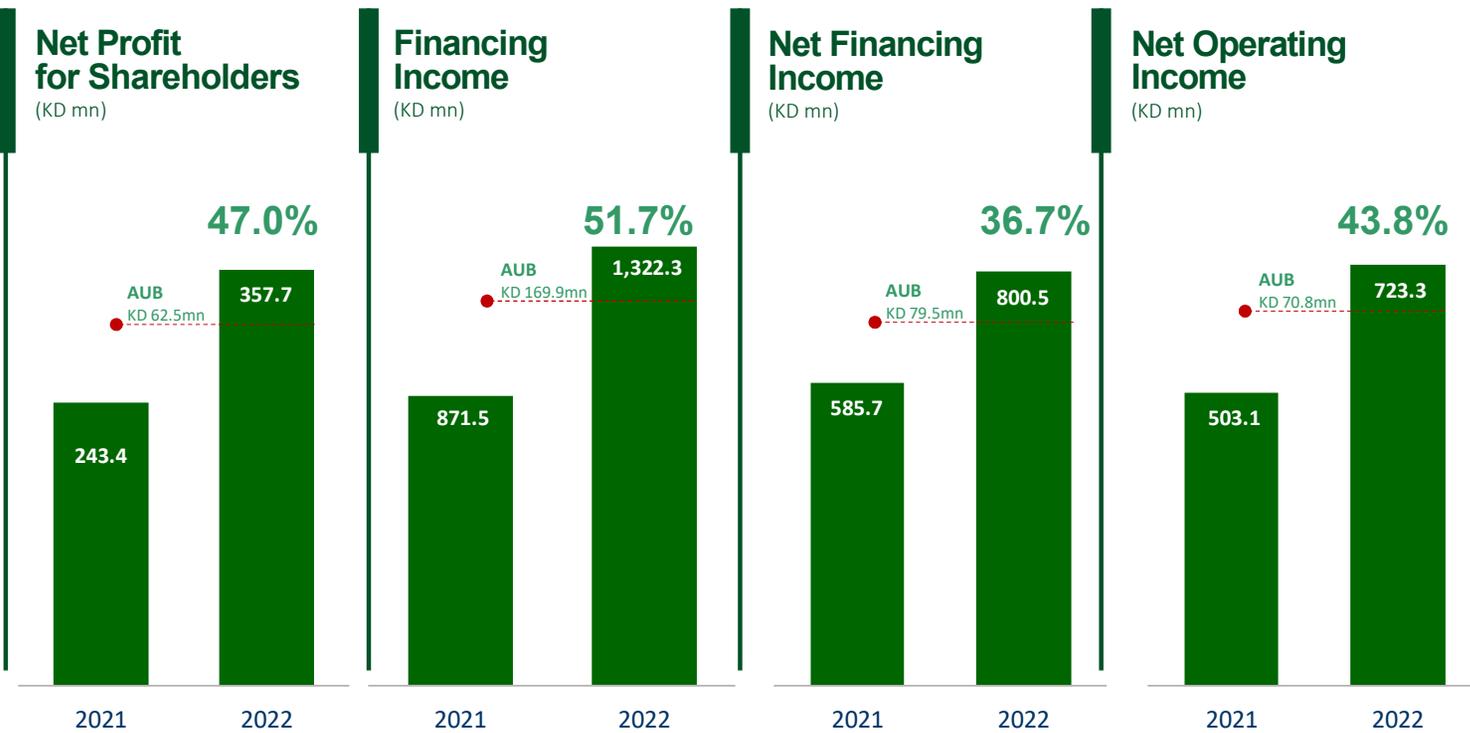
*(FY-21: 37.97%)*

**EPS (fils)**

**33.58**

*(FY-21 : 25.99fils)*

# FY-22 Financial Performance

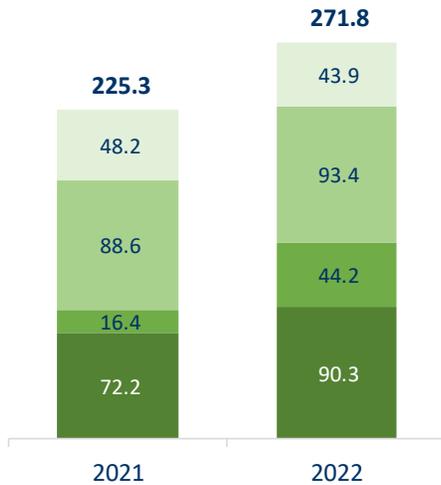


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# FY-22 Financial Performance

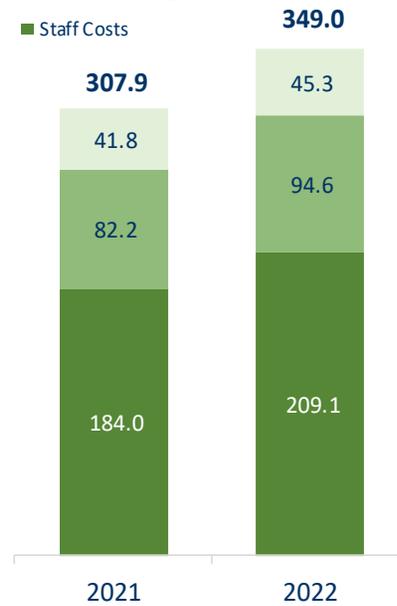
## Non - Financing Income (KD mn)

- 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



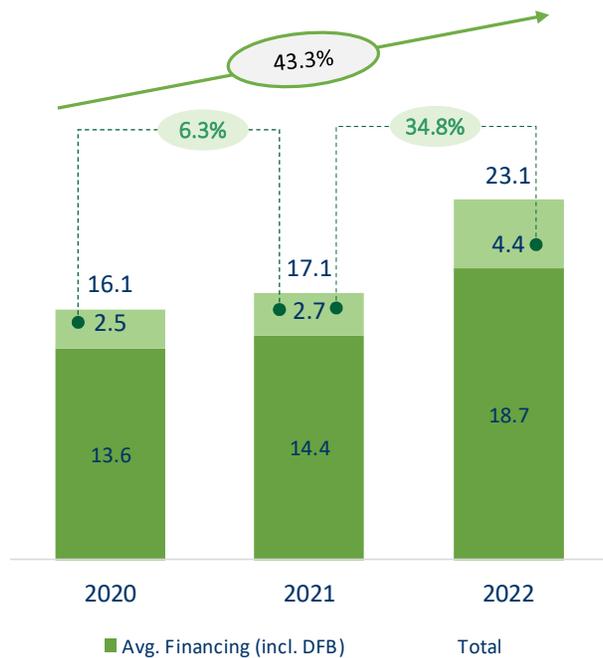
## C/I Ratio

2021,  
37.97%

2022,  
32.55%

# FY-22 Financial Performance

## Average Profit Earning Assets (KD bn)



## Net Financing Margin



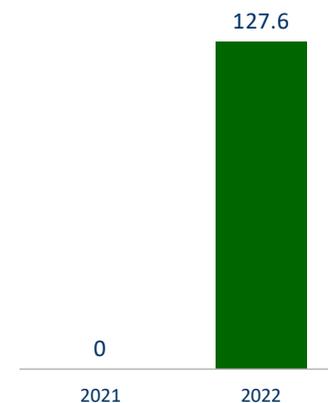
\* Quarterly average

## Provision and Impairment (KD mn)



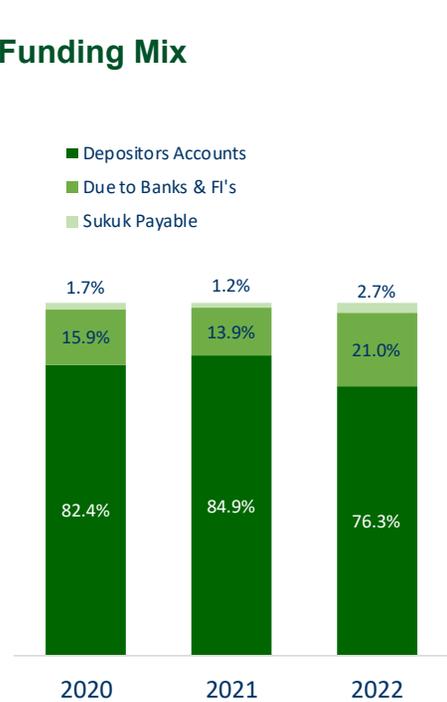
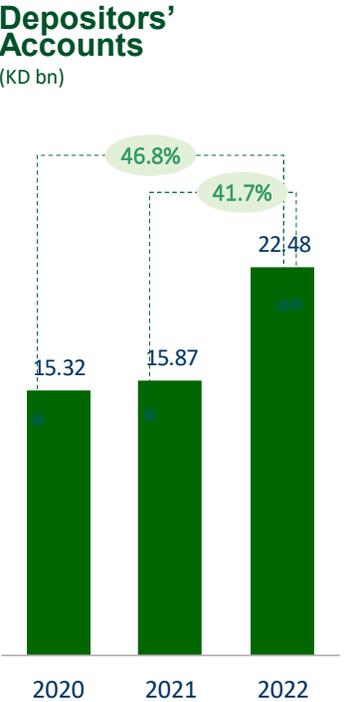
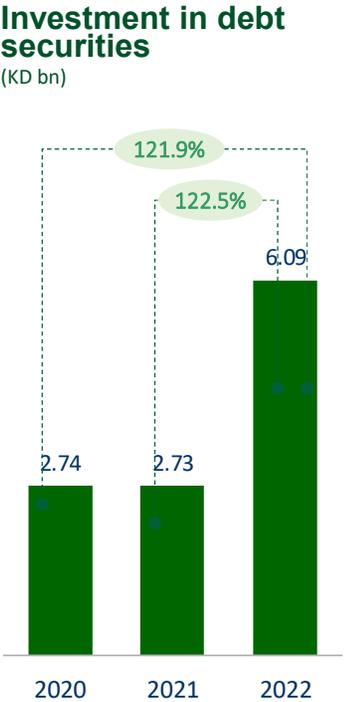
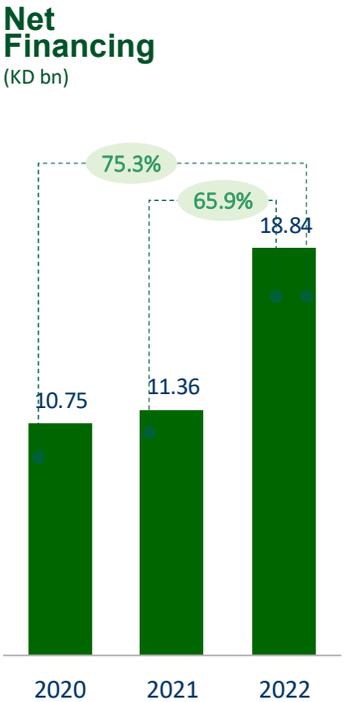
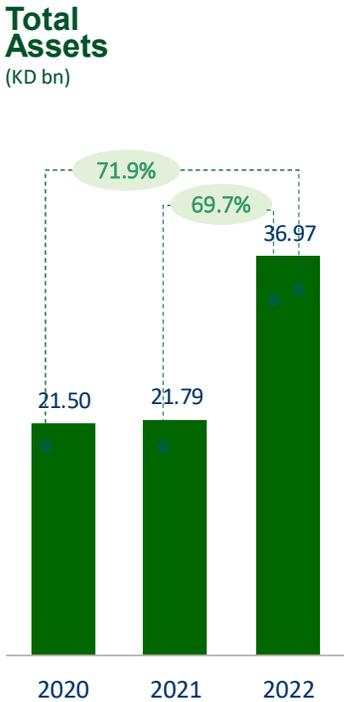
General

## Net Monetary Loss\* (KD mn)



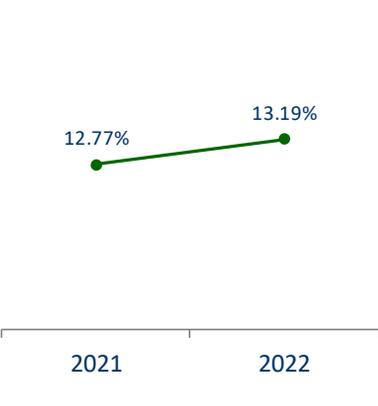
\* Hyper-inflation impact

# FY-22 Financial Performance

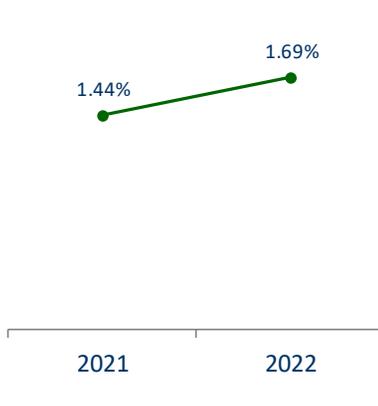


# FY-22 Key Financial Ratios

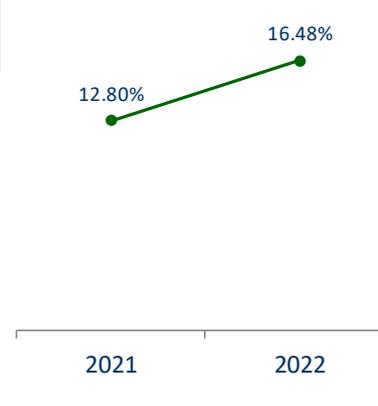
**Return on Average Equity (%) \***



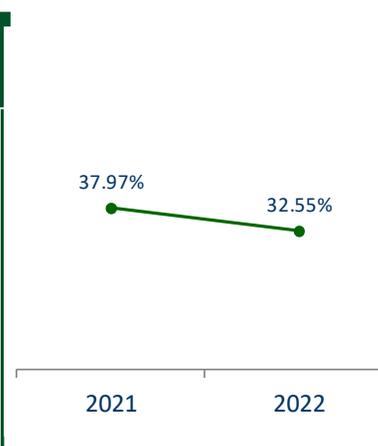
**Return on Average Assets (%) \***



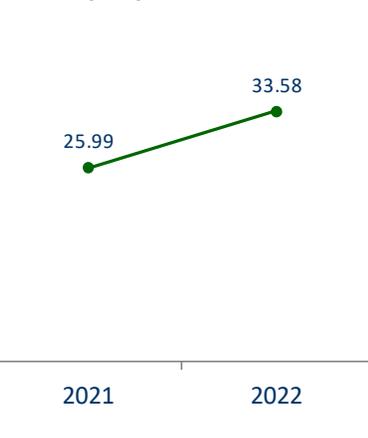
**Return on Average Tangible Equity (%) \***



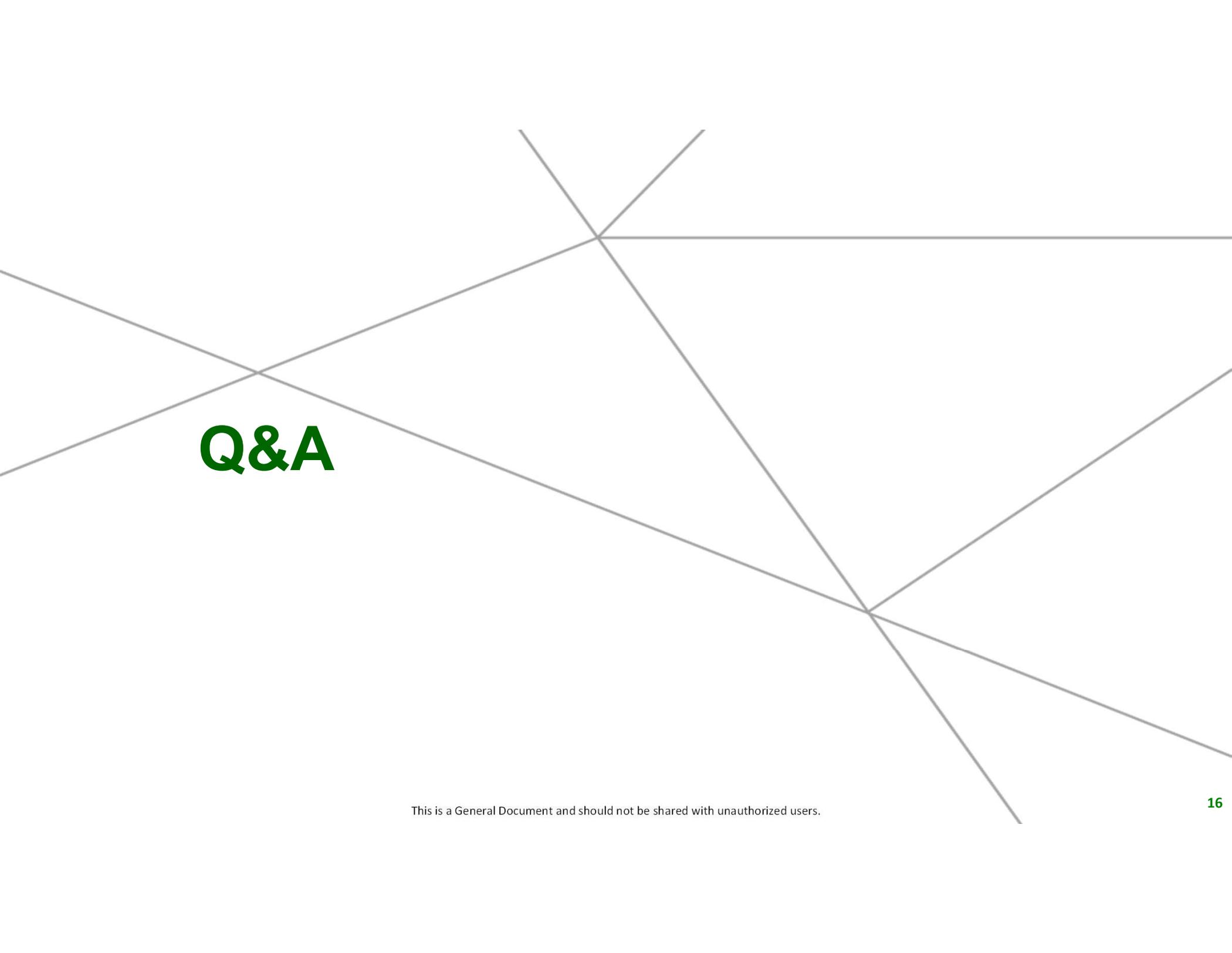
**C/I (%)**



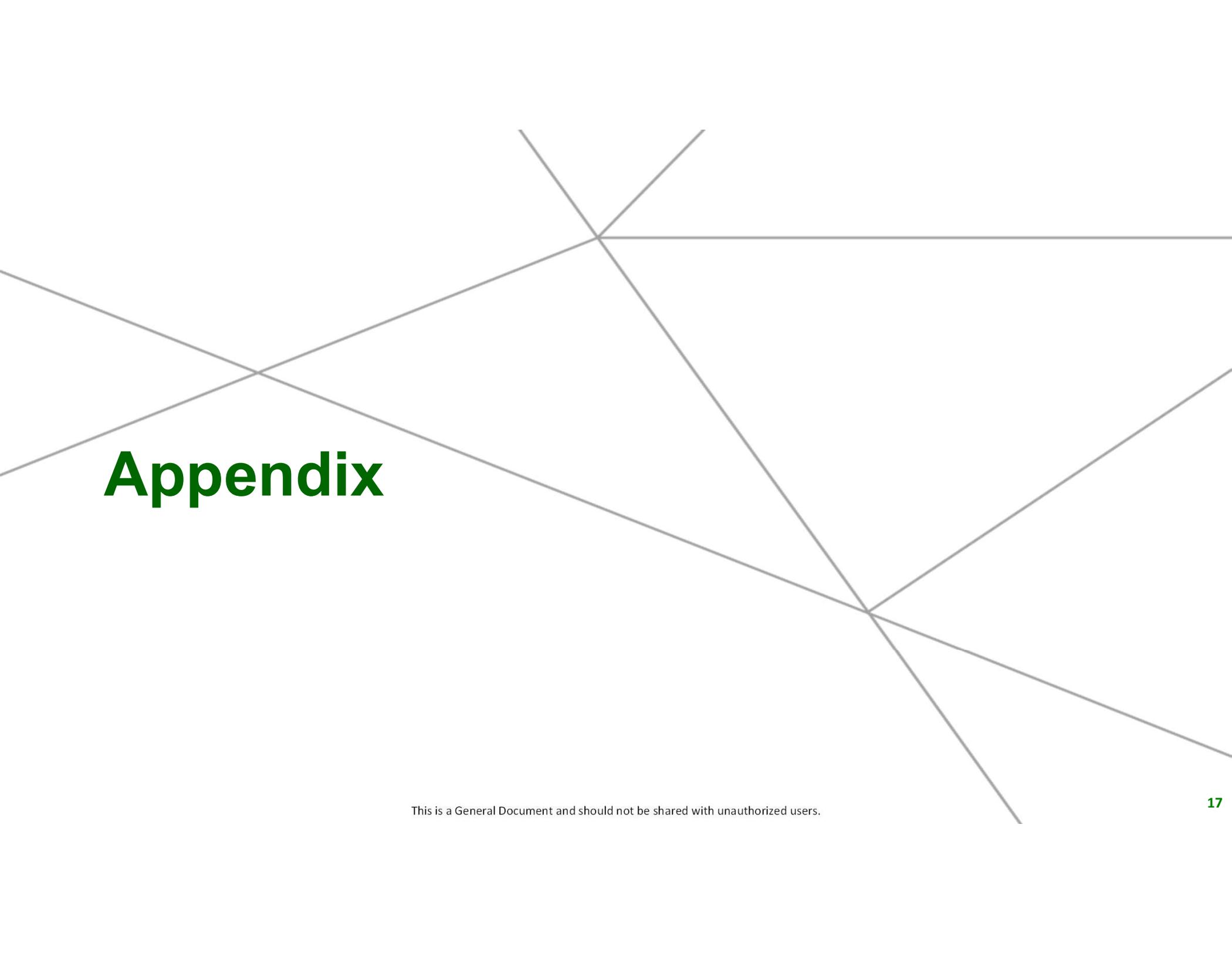
**EPS (fils)**



\* Based on monthly averages for 2022

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# Q&A

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# Appendix

# Consolidated Financial Statements FY-22 Vs. FY-21

Consolidated Statement of Financial Position (KD million)	Dec-22	Dec-21
Cash and balances with banks and financial institutions	3,156	2,325
Due from Banks	3,870	3,350
Financing receivables	18,840	11,355
Investments in debt securities	6,085	2,735
Trading properties	95	96
Investments	247	219
Investment in associates and joint ventures	520	492
Investment properties	384	325
Other assets	976	654
Goodwill and Intangible assets	2,463	32
Property and equipment	335	204
<b>TOTAL ASSETS</b>	<b>36,969</b>	<b>21,788</b>
Due to banks and financial institutions	6,181	2,595
Sukuk payables and term financing	784	217
Depositors' accounts	22,483	15,867
Other liabilities	1,235	803
<b>TOTAL LIABILITIES</b>	<b>30,683</b>	<b>19,481</b>
Share capital	1,342	844
Share premium	3,612	720
Treasury shares	(42)	(28)
Reserves	446	395
<b>TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHODERS OF THE BANK</b>	<b>5,358</b>	<b>1,932</b>
Perpetual Tier 1 Capital Securities and Sukuks	502	227
Non-controlling interests	427	149
<b>TOTAL EQUITY</b>	<b>6,286</b>	<b>2,307</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>36,969</b>	<b>21,788</b>

Consolidated Statement of Income (KD million)	Dec-22	Dec-21
Financing income	1,322	871
Financing cost and distribution to depositors	522	286
<b>Net finance income</b>	<b>801</b>	<b>586</b>
Investment income	44	16
Fees and commission income	90	72
Net gain from foreign currencies	93	89
Other income	44	48
<b>Non-Financing Income</b>	<b>272</b>	<b>225</b>
<b>Tota Operating Income</b>	<b>1,072</b>	<b>811</b>
Staff costs	209	184
General and administrative expenses	95	82
Depreciation and amortization	45	42
<b>Total Expenses</b>	<b>349</b>	<b>308</b>
<b>Net Operating Income</b>	<b>723</b>	<b>503</b>
Provisions and impairment	62	135
Net Monetary Loss	128	0
<b>Profit for the Period Before Taxation</b>	<b>534</b>	<b>368</b>
Taxation and Proposed Directors' fees	99	58
Non-controlling interests	77	67
<b>Profit Attributable to Shareholders of the Bank</b>	<b>358</b>	<b>243</b>

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# Consolidated Statement of Financial Position 2018 - 2022

Consolidated Statement of Financial Position (KD million)	2018	2019	2020	2021	2022
Cash and balances with banks and financial institutions	1,381	1,910	2,491	2,325	3,156
Due from Banks	3,444	3,646	3,365	3,350	3,870
Financing receivables	9,190	9,474	10,748	11,355	18,840
Investments in debt securities	1,563	2,292	2,742	2,735	6,085
Trading properties	148	108	102	96	95
Investments	285	195	192	219	247
Investment in associates and joint ventures	499	504	521	492	520
Investment properties	490	455	351	325	384
Other assets	544	547	728	654	976
Goodwill and Intangible assets	31	31	32	32	2,463
Property and equipment	195	229	230	204	335
<b>TOTAL ASSETS</b>	<b>17,770</b>	<b>19,391</b>	<b>21,502</b>	<b>21,788</b>	<b>36,969</b>
Due to banks and financial institutions	2,689	2,427	2,954	2,595	6,181
Sukuk payables and term financing	499	320	315	217	784
Depositors' accounts	11,780	13,553	15,317	15,867	22,483
Other liabilities	728	848	814	803	1,235
<b>TOTAL LIABILITIES</b>	<b>15,696</b>	<b>17,147</b>	<b>19,401</b>	<b>19,481</b>	<b>30,683</b>
Share capital	634	698	767	844	1,342
Share premium	720	720	720	720	3,612
Treasury shares	(44)	(36)	(28)	(28)	(42)
Reserves	584	679	476	395	446
<b>TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK</b>	<b>1,894</b>	<b>2,060</b>	<b>1,936</b>	<b>1,932</b>	<b>5,358</b>
Perpetual Tier 1 Capital Securities and Sukuks	0	0	0	227	502
Non-controlling interests	180	183	165	149	427
<b>TOTAL EQUITY</b>	<b>2,074</b>	<b>2,243</b>	<b>2,101</b>	<b>2,307</b>	<b>6,286</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>17,770</b>	<b>19,391</b>	<b>21,502</b>	<b>21,788</b>	<b>36,969</b>

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## Consolidated Statement of Income 2018 - 2022

Consolidated Statement of Income (KD million)	2018	2019	2020	2021	2022
Financing income	862	932	893	871	1,322
Financing cost and distribution to depositors	335	401	279	286	522
<b>Net finance income</b>	<b>527</b>	<b>530</b>	<b>614</b>	<b>586</b>	<b>801</b>
Investment income	63	130	-6	16	44
Fees and commission income	87	79	73	72	90
Net gain from foreign currencies	30	34	70	89	93
Other income	39	41	45	48	44
<b>Non-Financing Income</b>	<b>219</b>	<b>284</b>	<b>182</b>	<b>225</b>	<b>272</b>
<b>Total operating income</b>	<b>746</b>	<b>814</b>	<b>796</b>	<b>811</b>	<b>1,072</b>
Staff costs	178	182	172	184	209
General and administrative expenses	81	79	81	82	95
Depreciation and amortisation	33	43	43	42	45
<b>Total Expenses</b>	<b>292</b>	<b>304</b>	<b>296</b>	<b>308</b>	<b>349</b>
<b>Net Operating Income</b>	<b>454</b>	<b>510</b>	<b>500</b>	<b>503</b>	<b>723</b>
Provisions and impairment	163	197	284	135	62
Net Monetary Loss	0	0	0	0	128
<b>Profit Before Tax and Zakat</b>	<b>291</b>	<b>313</b>	<b>216</b>	<b>368</b>	<b>534</b>
Taxation and Proposed Directors' fees	27	51	31	58	99
Non-controlling interests	36	11	36	67	77
<b>Profit Attributable to Shareholders of the Bank</b>	<b>227</b>	<b>251</b>	<b>149</b>	<b>243</b>	<b>358</b>

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