



Date: 26 July 2023  
Ref: 10 / 10 / 386 / 2023

التاريخ: 26 يوليو 2023  
الإشارة: 2023 / 386 / 10 / 10

To: Chief Executive Officer  
Boursa Kuwait

Peace, Mercy and Blessings of Allah be upon you,

السيد/ الرئيس التنفيذي المحترم  
بورصة الكويت  
السلام عليكم ورحمة الله وبركاته،

Subject: Supplementary Disclosure  
KFH: Analysts Conference Presentation  
Q (2/2023)

الموضوع: إفصاح مكمل  
بيتك: العرض التقديمي لمؤتمر المحللين  
الربع (2023/2)

In reference to the above, and in line with Kuwait Finance House 'KFH' compliance with the requirements of Chapter 4 of CMA Executive Bylaws Rulebook 10 (Disclosure and Transparency), and with Boursa Kuwait Role Book Article (7-8-1/3) regarding the Listed Companies Obligations (Analysts Conference), KFH would like to report the following:

- KFH has conducted the Analysts Conference for Q (2/2023) through live broadcasting on internet (Live Webcast) at 2 p.m. on Wednesday 26 July 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.

Attached is Appendix (12) "Supplementary Disclosure Form" and "the Investors Presentation Q (2/2023)". The same been submitted to Capital Markets Authority and Bahrain Bourse.

Best Regards,

Abdulwahab Issa Al-Rushood  
Acting Group Chief Executive Officer



بيت التمويل الكويتي  
Kuwait Finance House

بالإشارة إلى الموضوع أعلاه، وحرصاً من بيت التمويل الكويتي (بيتك) على الإلتزام بمتطلبات الفصل الرابع من الكتاب العاشر (الإفصاح والشفافية) من اللائحة التنفيذية لهيئة أسواق المال، والمادة رقم (7-8-1/3) من كتاب قواعد البورصة بشأن إلتزامات الشركات المدرجة (الإفصاح عن مؤتمر المحللين)، يفيد بيتك بما يلي:

- عقد بيتك مؤتمر المحللين للربع (2023/2) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 2 بعد ظهريوم الأربعاء الموافق 26 يوليو 2023م.
- لم يتم تداول أي معلومات جوهرية أخرى خلال المؤتمر.
- سوف يقوم بيتك بالإفصاح لاحقاً عن محضر المؤتمر خلال (3) أيام عمل من تاريخ المؤتمر.

مرفق لكم نموذج "الإفصاح المكمل" وفقاً للملحق رقم (12)، و"العرض التقديمي للمستثمرين للربع (2023/2)". هذا وقد تم تزويد كلاً من السادة/ هيئة أسواق المال والسادة/ بورصة البحرين بنسخة منهما.

وتفضلوا بقبول فائق الإحترام،

عبد الوهاب عيسى الرشود  
الرئيس التنفيذي للمجموعة بالتكليف

26 July 2023

26 يوليو 2023

Kuwait Finance House (KFH)

بيت التمويل الكويتي (بيتك)

Appendix (12)

ملحق رقم (12)

Supplementary Disclosure Form

نموذج الإفصاح المكمل

KFH: Analysts Conference Presentation  
Q (2/2023)

بيتك: العرض التقديمي لمؤتمر المحللين  
الربع (2023/2)

## Supplementary Disclosure

Date	Listed Company
26 July 2023	Kuwait Finance House (KFH)

Disclosure Title
KFH: Analysts Conference Presentation Q (2/2023)

Previous Disclosure	
Date	Title
24 July 2023	Disclosure of Material Information CBK Approval on KFH's Interim Condensed Consolidated Financial Information for the period ended 30 June 2023

Developments that Occurred to the Disclosure
<ul style="list-style-type: none"><li>• KFH has conducted the Analysts Conference for Q (2/2023) through live broadcasting on internet (Live Webcast) at 2 p.m. on Wednesday 26 July 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>

The Financial Effect of The Occurring Developments
<ul style="list-style-type: none"><li>• Currently, there is no effect on KFH's financial position.</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.

## الإفصاح المكمل

اسم الشركة المدرجة	التاريخ
بيت التمويل الكويتي "بيتك"	26 يوليو 2023

عنوان الإفصاح
بيتك: العرض التقديمي لمؤتمر المحللين الربع (2023/2)

الإفصاح السابق	
العنوان	التاريخ
الإفصاح عن المعلومات الجوهرية	24 يوليو 2023
موافقة بنك الكويت المركزي على المعلومات المالية المرحلة المكثفة المجمعة للفترة المنتهية في 30 يونيو 2023	

التطور الحاصل على الإفصاح
<ul style="list-style-type: none"><li>• عقد بيتك مؤتمر المحللين للربع (2023/2) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 2 بعد ظهر يوم الأربعاء الموافق 26 يوليو 2023م.</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>

الأثر المالي للتطور الحاصل
<ul style="list-style-type: none"><li>• لا يوجد أثر في الوقت الحالي على المركز المالي لبيتك.</li></ul>

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

Handwritten signature and date: 27/7/23

بيت التمويل الكويتي  
Kuwait Finance House



# H1-2023

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Earnings Presentation

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Date: 26 July 2023

# Disclaimer

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- 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 **Kuwait's Operating Environment**

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- 2 **Overview of KFH**

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- 3 **KFH Strategy**

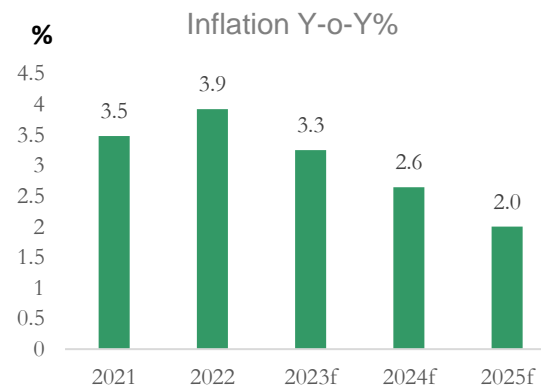
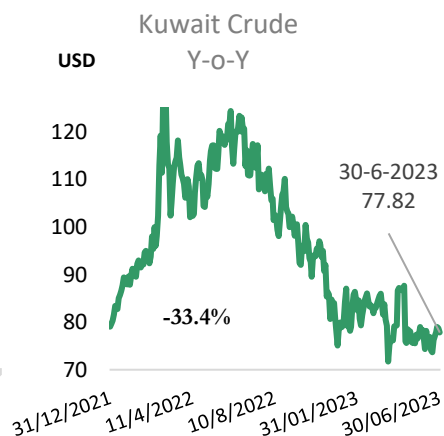
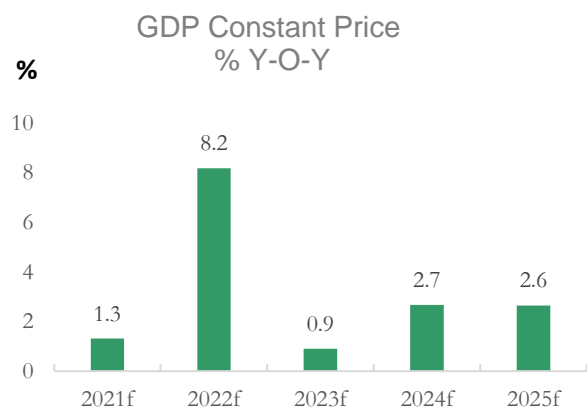
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- 4 H1-23 Financial Results

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- 5 Appendix

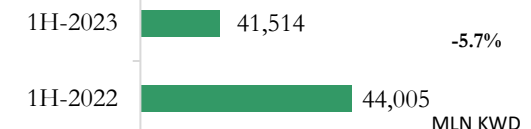
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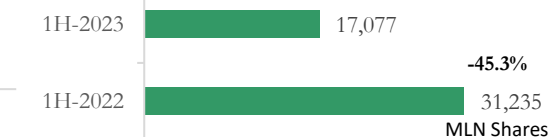
# Kuwait's Economic Highlights



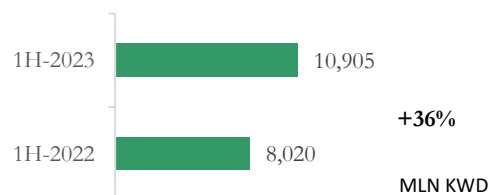
### Boursa Kuwait's Market Capitalization



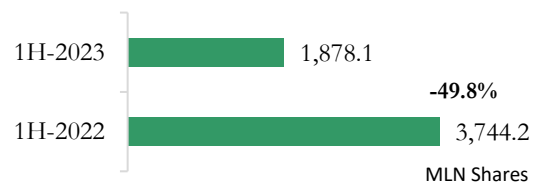
### Boursa Kuwait's Traded Volume



### KFH Kuwait's Market Capitalization



### KFH Kuwait's Traded Volume



- The latest International Monetary Fund (IMF) April 2023 forecasts Kuwait to register 8.2% GDP growth in 2022, and a positive growth in 2023. The annual inflation rate in Kuwait stood at 3.7% Y-o-Y in May of 2023, the same as the previous month.
- Kuwaiti Crude Oil Price closed at USD77.82pb at the end of June 2023 lower by 33.4% compared to same period last year.
- 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 increased its key discount rate by 50 bps to 4%.
- Boursa Kuwait Market Capitalization declined by 5.7% to reach KWD41.5bln, while the market capitalization of KFH notably increased by 36% to reach almost KWD10.9bln at the end of 1H2023 compared to the same period last year.
- Boursa Kuwait traded volume declined by 45.3% to reach 17.1bln shares, while the traded volume of KFH decreased by 49.8% to reach 1.9bln shares at the end of 1H2023 compared to the same period last year.

# Overview of KFH's Awards & Ratings

## Kuwait

**Best**

Islamic Bank  
in Kuwait  
euromoney

## Regional

**Best**

Islamic Bank  
in the Middle East  
Global Finance

## Global

**Best**

Islamic Financial Institution  
in the World  
Global Finance

**FitchRatings**

**Long-Term Issuer Default Rating A**

**Short-Term Issuer Default Rating F1**

**STABLE Outlook**

**13 February 2023**

**MOODY'S**

**LT FC Bank Deposits Rating A2**

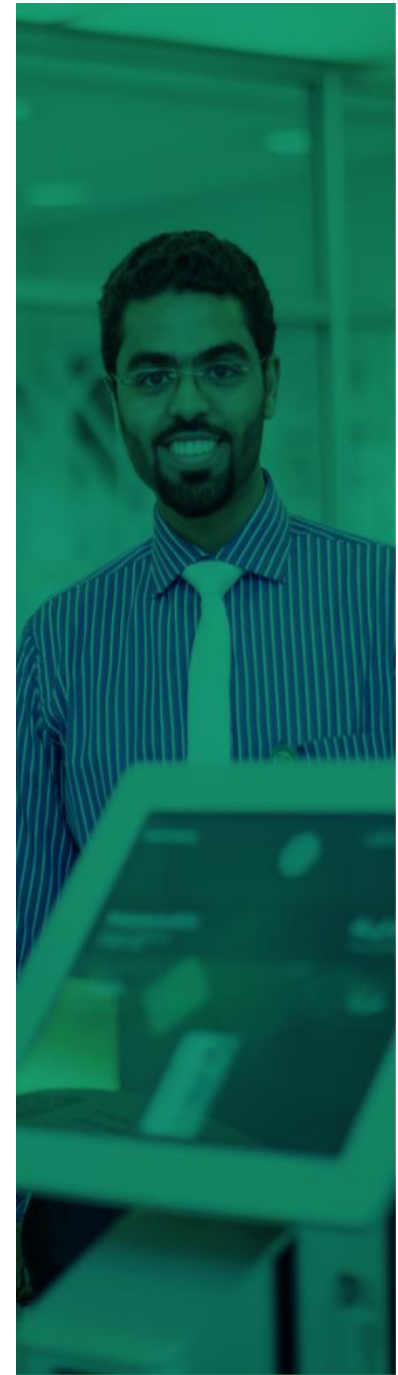
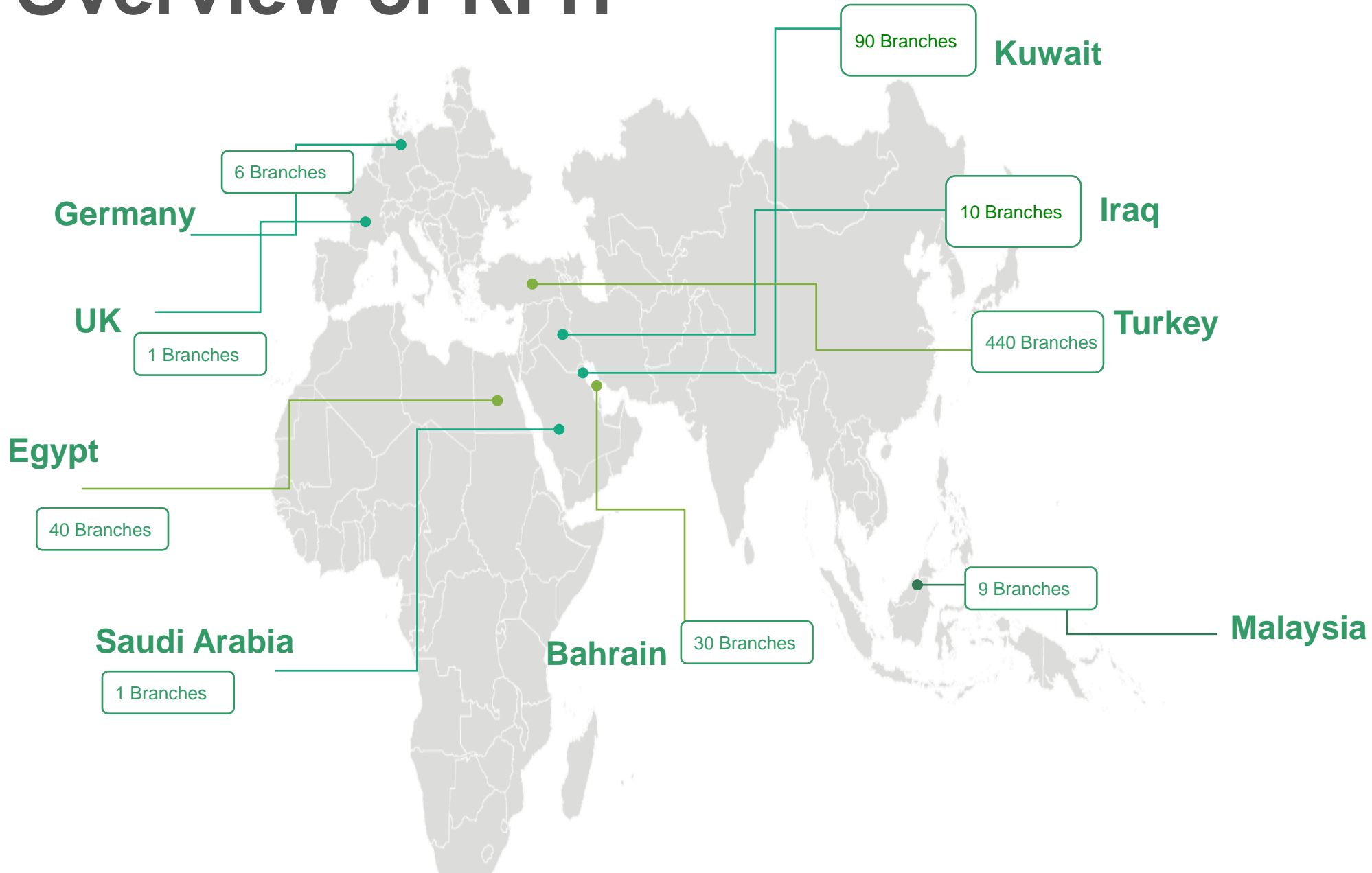
**ST FC Bank Deposits Rating P-1**

**STABLE Outlook**

**27 February 2023**



# Overview of KFH

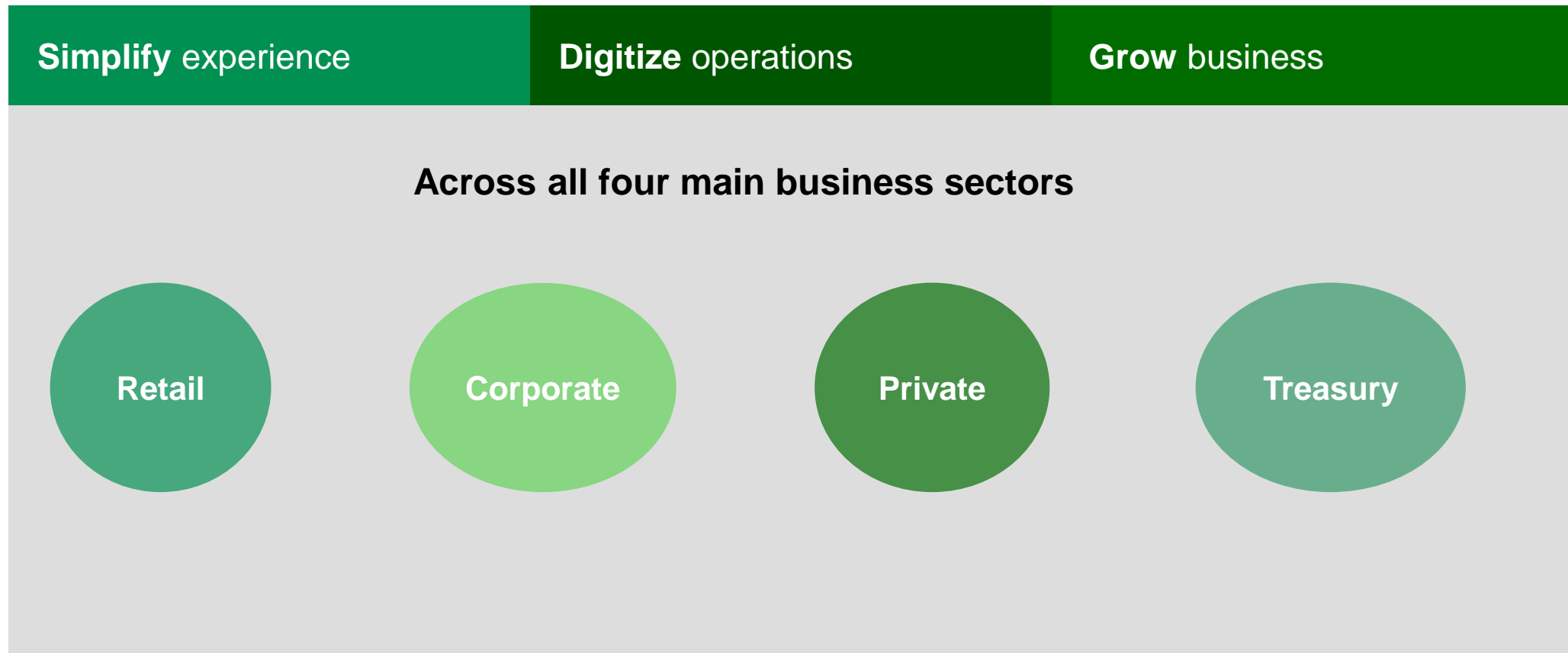


# KFH Strengths

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>38.4% 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 637 branches and over 2,025 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



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# H1-23 Financial Highlights

Net Profit  
for Shareholders

**KD 333.4 m**

141.4%

Net Financing  
Income

**KD 458.5 m**

43.2%

Net Operating  
Income

**KD 489.1 m**

58.6%

**Cost to Income Ratio**

**33.40%**

*(H1-22: 32.64%)*

**EPS (fils)**

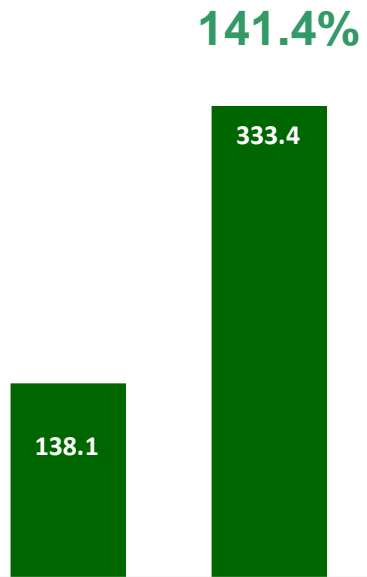
**22.03**

*(H1-22 : 12.71fils)*

# H1-23 Financial Performance

## Net Profit for Shareholders

(KD mn)

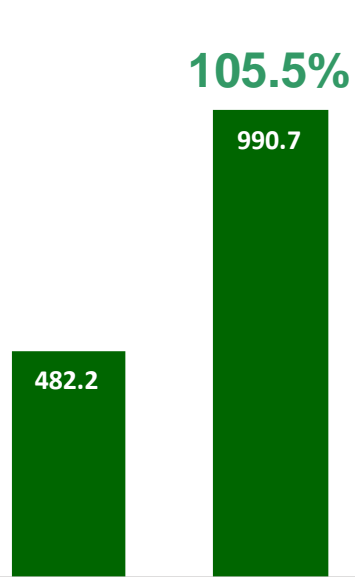


H1-22

H1-23

## Financing Income

(KD mn)

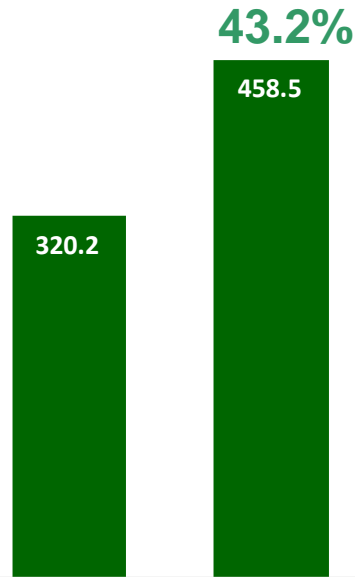


H1-22

H1-23

## Net Financing Income

(KD mn)

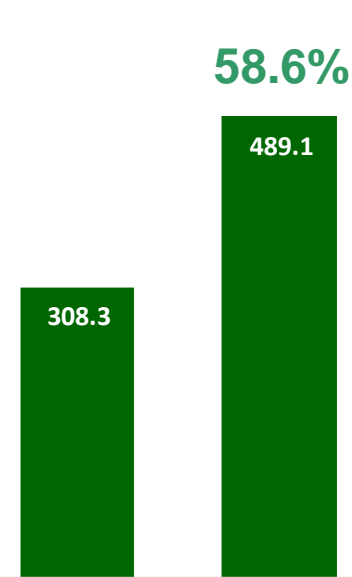


H1-22

H1-23

## Net Operating Income

(KD mn)



H1-22

H1-23

## Operating Income Profile

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



H1-22

H1-23

# H1-23 Financial Performance

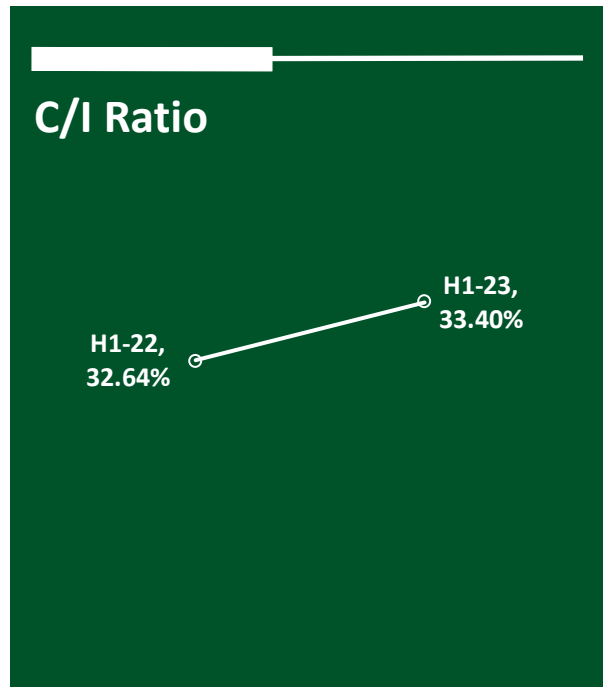
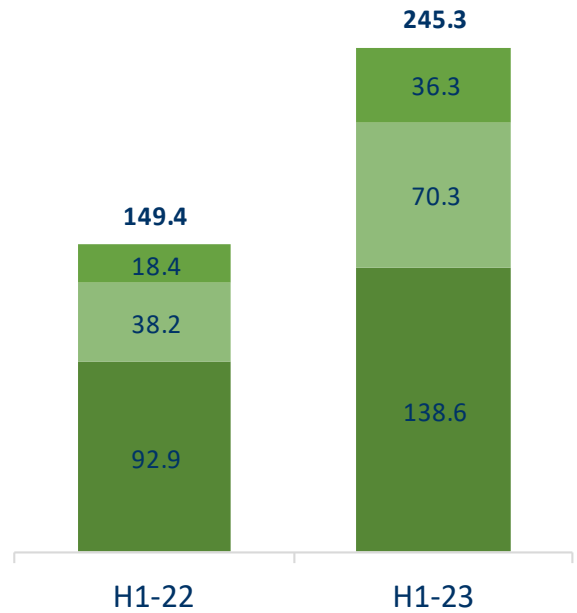
## Non - Financing Income (KD mn)

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



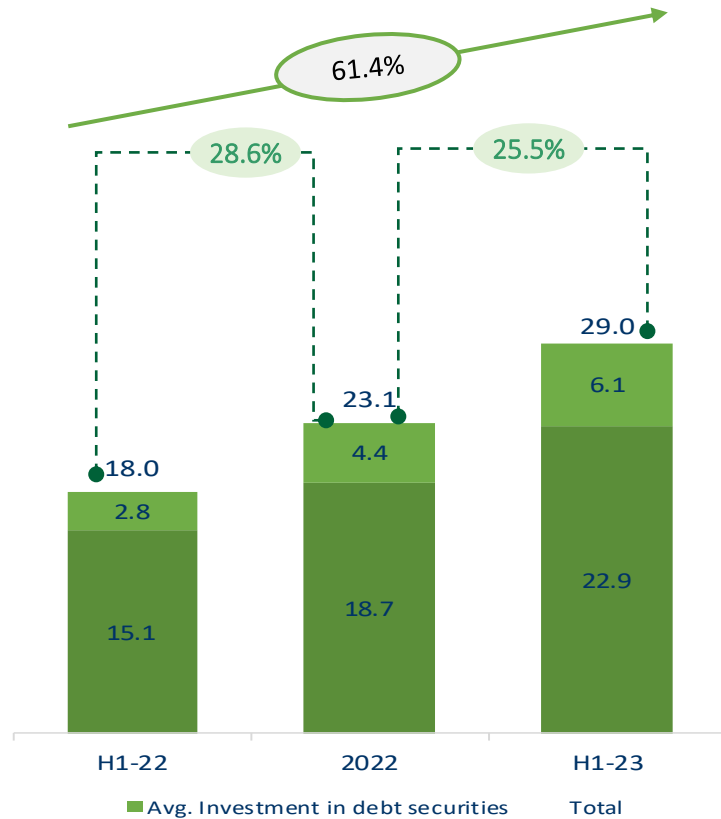
## Total Operating Expenses (KD mn)

- Depreciation and Amortization
- Other Operating Expenses
- Staff Costs

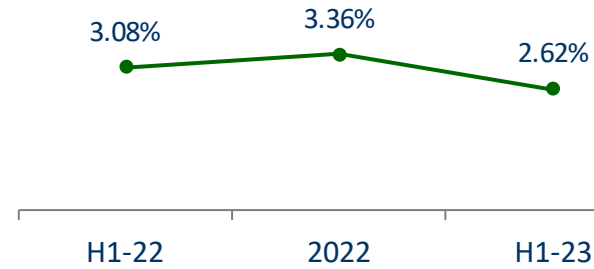


# H1-23 Financial Performance

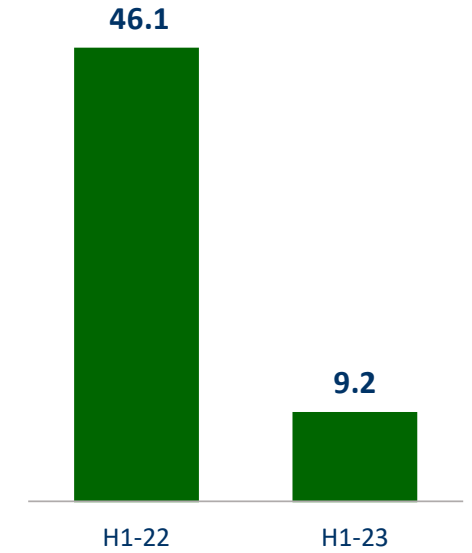
## Average Profit Earning Assets (KD bn)



## Net Financing Margin

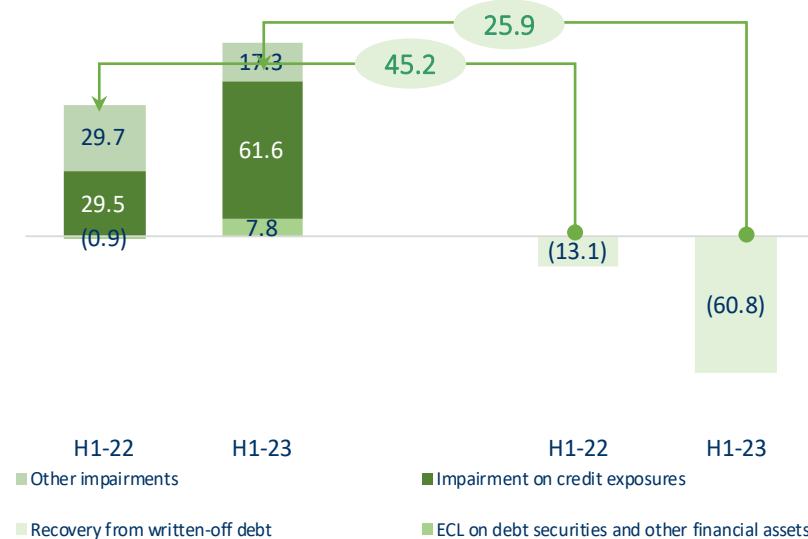


## Net Monetary Loss\* (KD mn)



\* Hyper-inflation impact

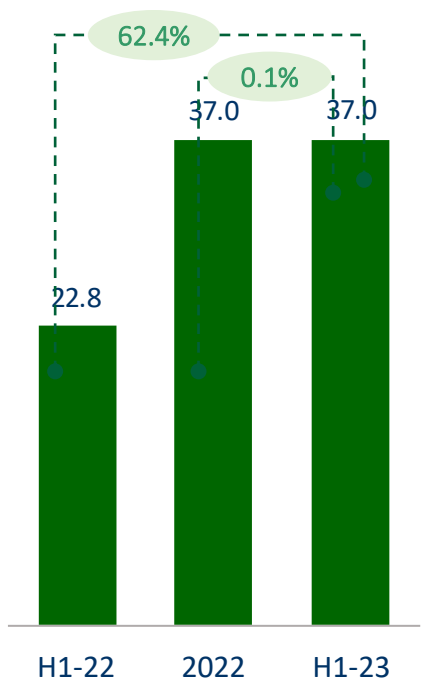
## Provision and Impairment (KD mn)



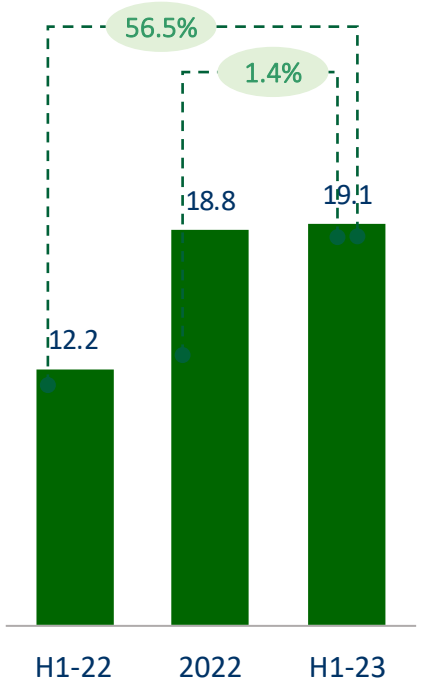


# H1-23 Financial Performance

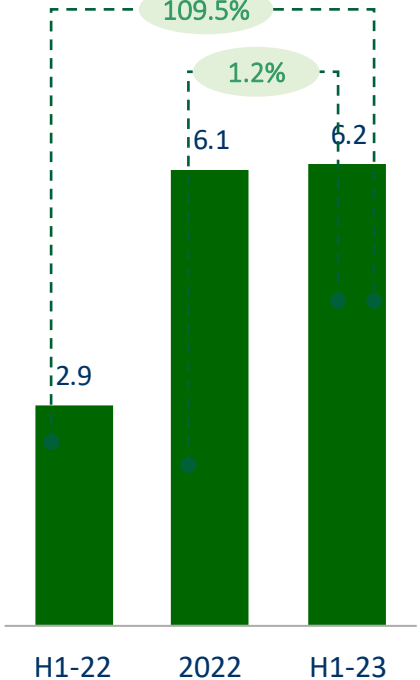
**Total Assets**  
(KD bn)



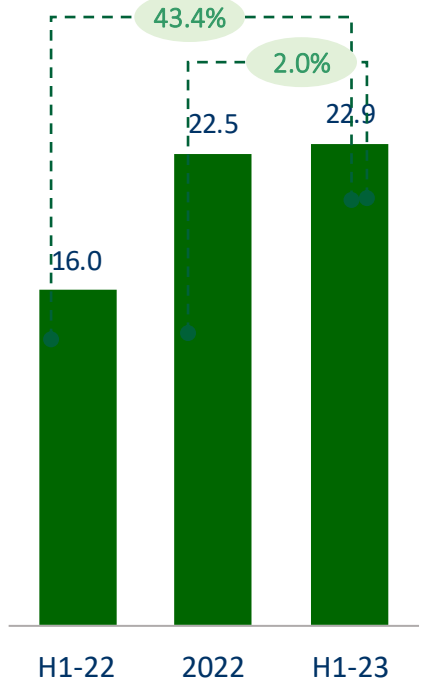
**Net Financing**  
(KD bn)



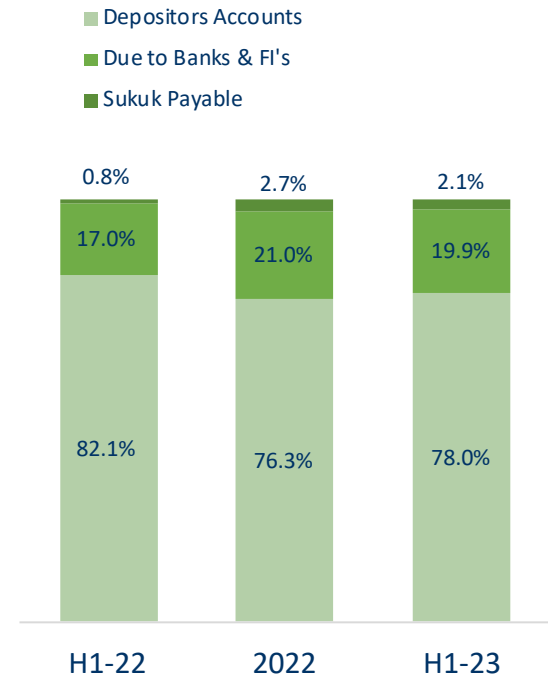
**Investment in debt securities**  
(KD bn)



**Depositors' Accounts**  
(KD bn)

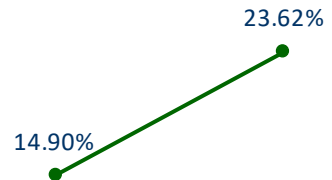


**Funding Mix**



# H1-23 Key Financial Ratios

Return on Average Tangible Equity (%)



Return on Average Equity (%)



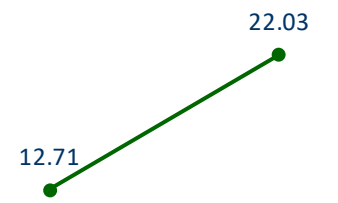
Return on Average Assets (%)



C/I (%)



EPS (fils)



The background features a complex network of thin, light gray lines that intersect at various points, creating a series of overlapping triangles and quadrilaterals. The lines are oriented in several different directions, including horizontal, vertical, and diagonal, creating a sense of dynamic movement and structure.

# Q&A

The background of the slide features a complex geometric pattern of thin, light gray lines. These lines intersect at various points, creating a series of overlapping triangles and quadrilaterals. The lines are oriented in several different directions, including horizontal, vertical, and diagonal, creating a sense of depth and structure.

# Appendix

# Consolidated Financial Statements H1-23 Vs. H1-22

Consolidated Statement of Financial Position (KD million)	Jun-23	Jun-22
Cash and balances with banks and financial institutions	2,568	2,293
Due from Banks	3,966	3,366
Financing receivables	19,108	12,213
Investments in debt securities	6,157	2,939
Trading properties	95	97
Investments	268	220
Investment in associates and joint ventures	515	477
Investment properties	400	300
Other assets	1,186	623
Goodwill and Intangible assets	2,420	35
Property and equipment	336	228
<b>TOTAL ASSETS</b>	<b>37,021</b>	<b>22,790</b>
Due to banks and financial institutions	5,849	3,319
Sukuk payables and term financing	629	160
Depositors' accounts	22,942	16,001
Other liabilities	1,545	953
<b>TOTAL LIABILITIES</b>	<b>30,966</b>	<b>20,432</b>
Share capital	1,476	929
Share premium	3,612	720
Treasury shares	(82)	(28)
Reserves	229	299
<b>TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHODERS OF THE BANK</b>	<b>5,235</b>	<b>1,920</b>
Perpetual Tier 1 Capital Securities and Sukuks	503	230
Non-controlling interests	317	207
<b>TOTAL EQUITY</b>	<b>6,055</b>	<b>2,358</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>37,021</b>	<b>22,790</b>

Consolidated Statement of Income (KD million)	Jun-23	Jun-22
Financing income	991	482
Financing cost and distribution to depositors	532	162
<b>Net finance income</b>	<b>458</b>	<b>320</b>
Investment income	90	10
Fees and commission income	59	41
Net gain from foreign currencies	93	63
Other operating income	34	24
<b>Non-Financing Income</b>	<b>276</b>	<b>138</b>
<b>Tota Operating Income</b>	<b>734</b>	<b>458</b>
Staff costs	139	93
General and administrative expenses	70	38
Depreciation and amortization	36	18
<b>Total Expenses</b>	<b>245</b>	<b>149</b>
<b>Net Operating Income</b>	<b>489</b>	<b>308</b>
Provisions and impairment	26	45
Net Monetary Loss	9	46
<b>Profit for the Period Before Taxation</b>	<b>454</b>	<b>217</b>
Taxation	59	39
Non-controlling interests	61	40
<b>Profit Attributable to Shareholders of the Bank</b>	<b>333</b>	<b>138</b>

# 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>

# 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>



[Investor.relations@kfh.com](mailto:Investor.relations@kfh.com)