

KFH'S GROUP CORPORATE PROFILE

H1-2025

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Financial Performance “H1-2025”

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Economic Highlights

Key Performance Indicators,
Consolidated Statements

HISTORY AND EXPANSION

1977	KFH Established
1978	Doors Opened To Public
1984	Listed In Kuwait Stock Exchange
1989	Kuveyt Turk Established
1999	KFH Capital Established
2002	KFH Bahrain Established
2005	KFH Malaysia Established
2009	KFH Saudi Arabia Established
2015	KFH Germany Established
2016	KFH Assigned D-SIB Status From CBK
2022	Acquisition Of AUB Bahrain
2022	The Largest Listed Company In Kuwait Stock Exchange
2023	Acquisition Of AUB Kuwait

KFH AWARDS

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

KFH RATINGS

FitchRatings

Long-term Issuer Default Rating A
Short-term Issuer Default Rating F1
Stable Outlook

Fitch's Rating Update 12 December 2024

MOODY'S

LT FC Bank Deposits Rating A2
ST FC Bank Deposits Rating P-1
Stable Outlook

Moody's update 4 December 2024

STRATEGY MAP

KFH VISION

- To **lead** the international development of Islamic financial services, and become **the most trusted** and **sustainably most profitable** Shariah-compliant bank **in the world**

KFH MISSION

- To deliver **superior innovation** and customer service excellence while **protecting** and **enhancing** the interests of all our **stakeholders**

KFH STRATEGY MAP

• Financial

Increase Revenue

Decrease Non-Performing
Financial

Increase ROI

Enhance Productivity

• Customer

Product / Service

Customer Satisfaction

Enhance Image
& Reputation

• Internal

Re-design Processes
& Centralization of Processes

Automated Systems

• Learning & Growth

Develop Human Capital

Enhance the Culture

Improve information
and organizational capital

STRATEGIC OBJECTIVE



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H1-25 FINANCIAL HIGHLIGHTS

Net Profit for Shareholders

KD 342.1 mn

0.3 %

Net Financing Income

KD 607.3 mn

8.7 %

Net Operation Income

KD 566.7 mn

7.9 %

Cost to Income Ratio

35.30%

(H1-24: 36.19%)

EPS (fils)

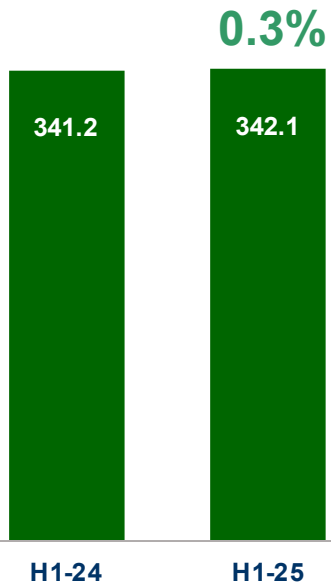
19.23

*(H1-24: 19.19 fils)**

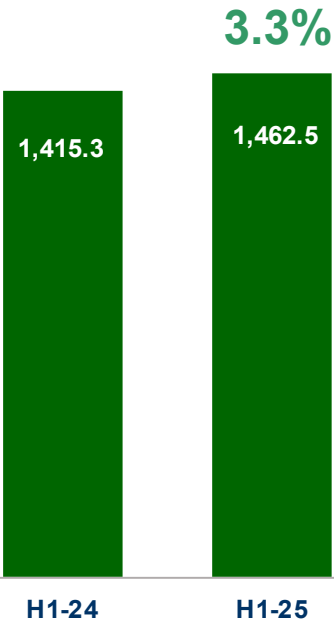
* EPS for prior period is adjusted to reflect the bonus share issuance.

H1-25 Financial Performance

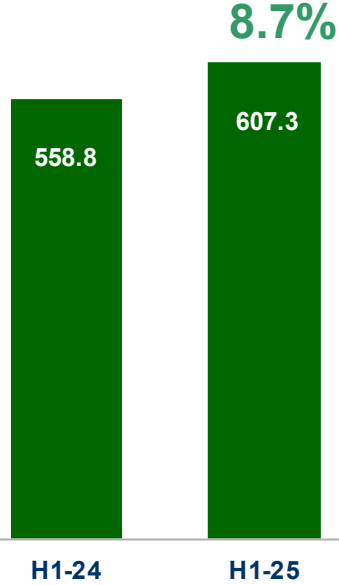
Net Profit for Shareholders
(KD mn)



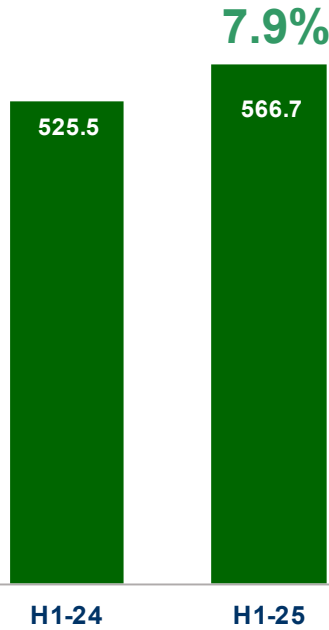
Financing Income
(KD mn)



Net Financing Income
(KD mn)

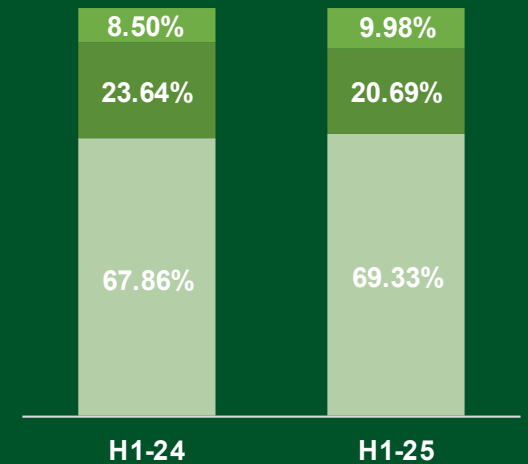


Net Operating Income
(KD mn)



Total Operating Income Profile

- Investment Income (%)
- Non-Financing Income - excluding investment income (%)
- Net Financing Income (%)



H1-25 Financial Performance

Non - Financing Income

(KQ m)

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



Total Operating Expenses

(KQ m)

- Depreciation and Amortization
- Other Operating Expenses
- Staff Costs



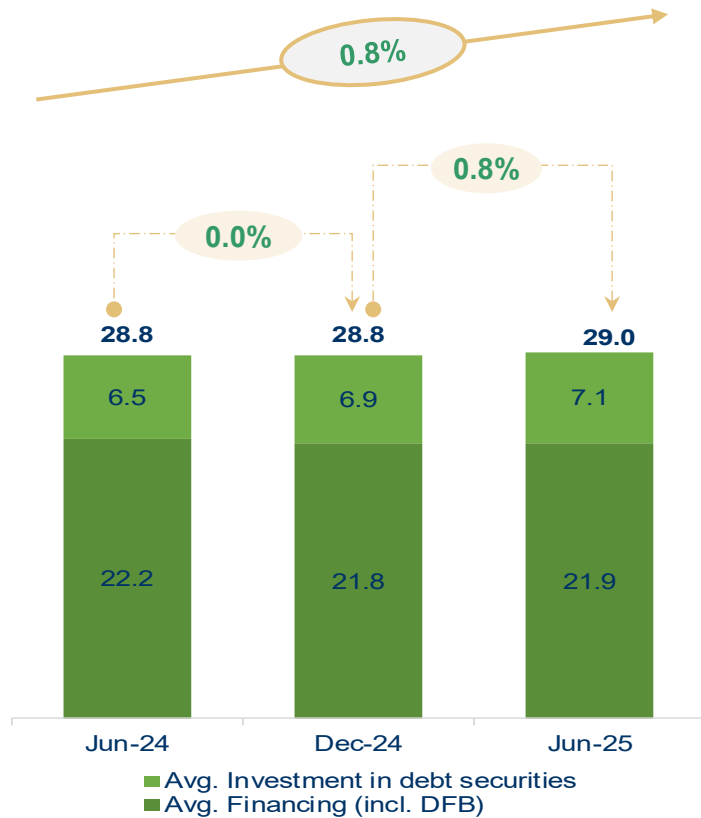
C/I Ratio

H1-24
36.19%

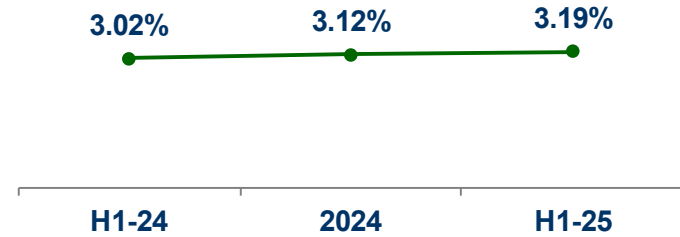
H1-25
35.30%

H1-25 Financial Performance

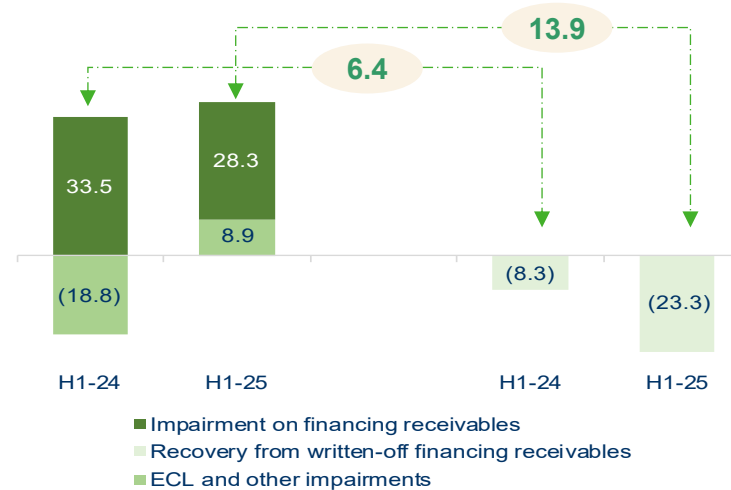
Average Profit Earning Assets (KD bn)



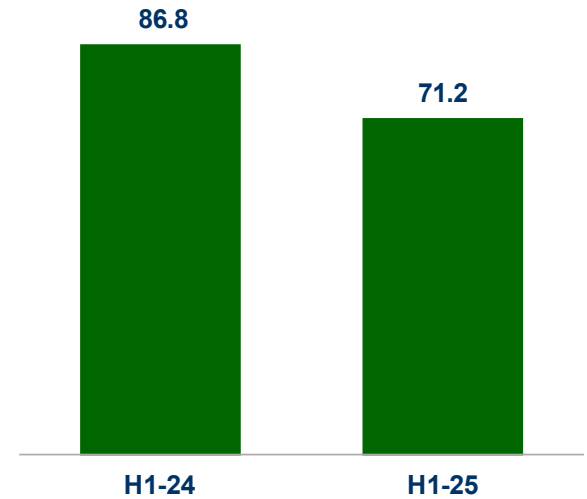
Net Financing Margin



Provision and Impairment (KD mn)



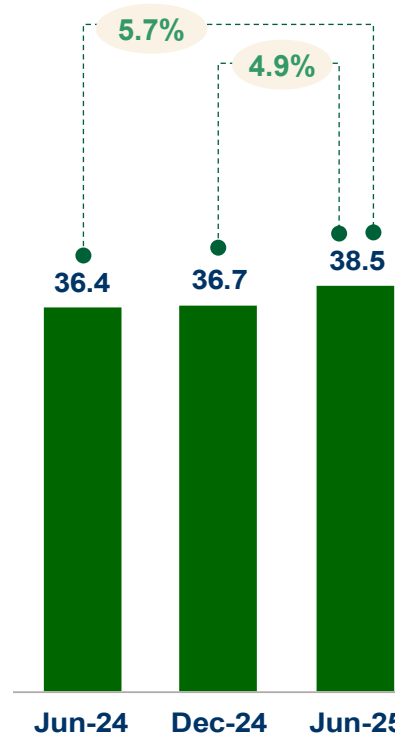
Net Monetary Loss* (KD mn)



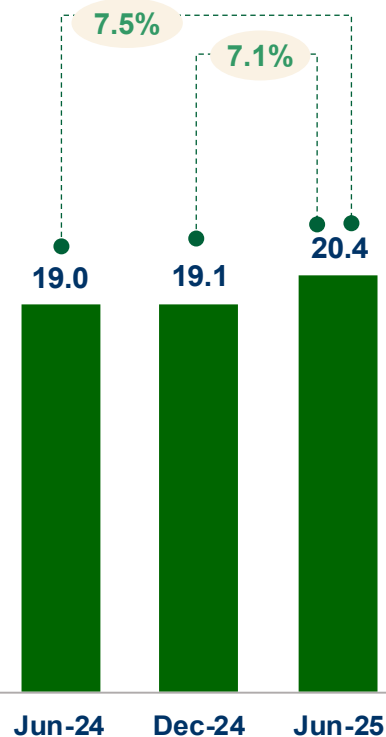
* Hyper-inflation impact

H1-25 Financial Performance

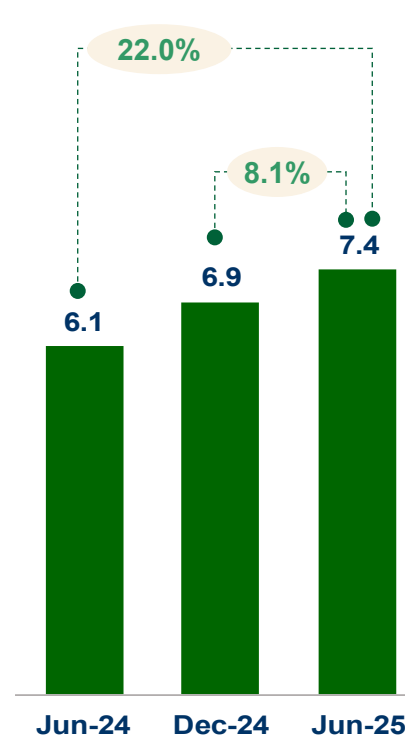
Total Assets (KD bn)



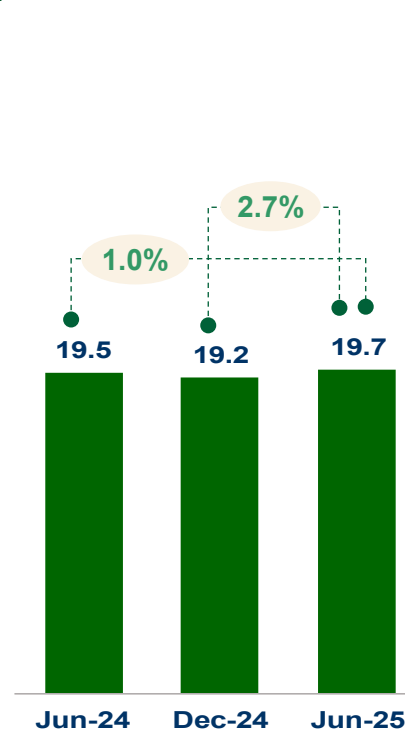
Net Financing (KD bn)



Investment in debt securities (KD bn)

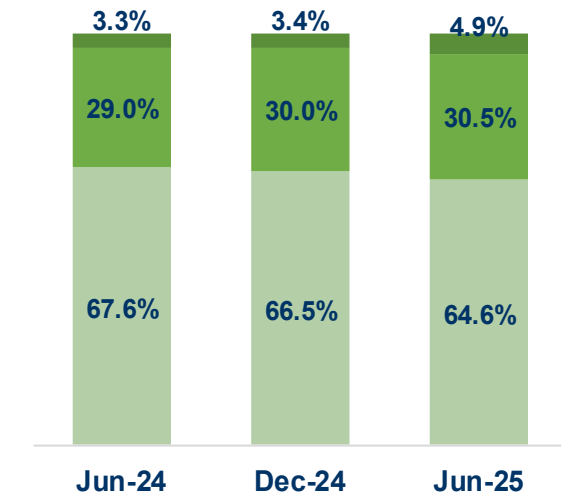


Depositors' Accounts (KD bn)



Funding Mix

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



H1-25 Key Financial Ratios

Return on Average Tangible Equity (%) *

23.26% 21.62%

H1-24 H1-25

Return on Average Equity (%) *

12.92% 12.49%

H1-24 H1-25

Return on Average Assets (%) *

1.92% 2.08%

H1-24 H1-25

C/I (%)

36.19% 35.30%

H1-24 H1-25

EPS (fils) **

19.19 19.23

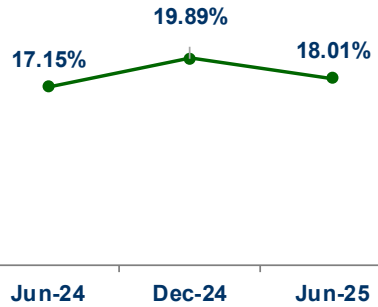
H1-24 H1-25

* Annualized

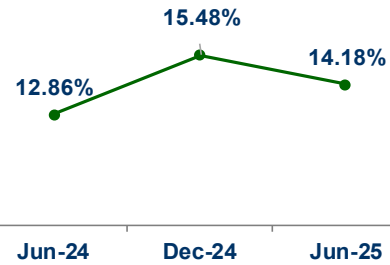
** EPS for prior period is adjusted to reflect the bonus share issuance.

H1-25 Capital & Asset Quality Ratios

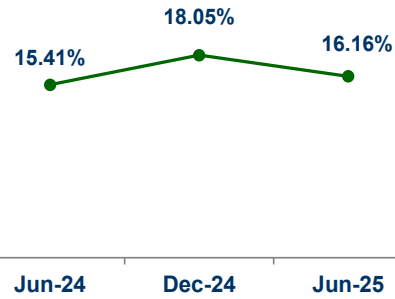
Capital Adequacy Ratio (%) *



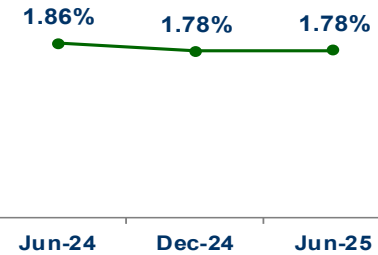
CET1 (%) *



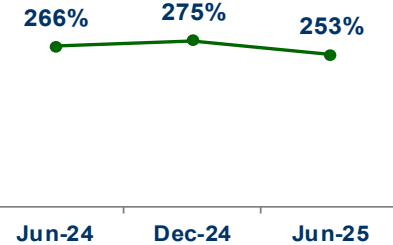
TIER 1 (%) *



NPF (%)



NPF Coverage Ratio (%)



* After proposed dividend

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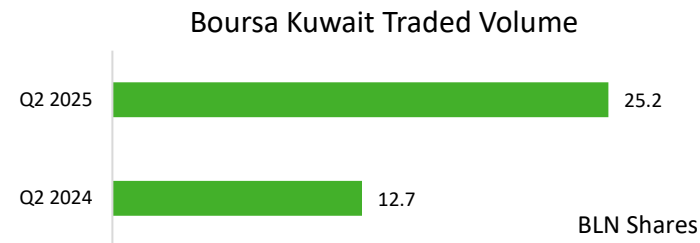
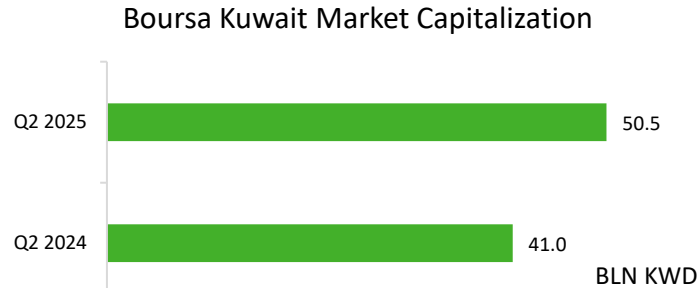
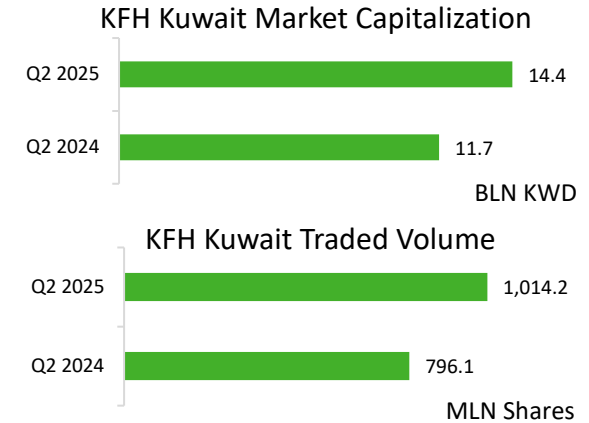
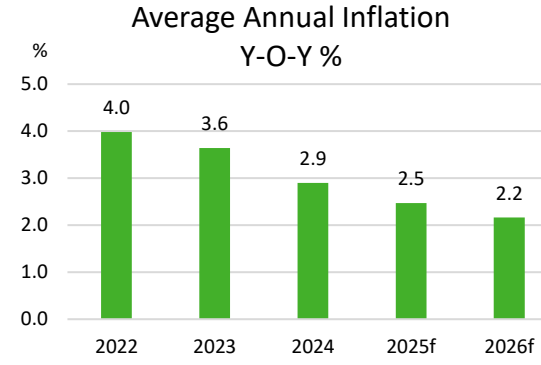
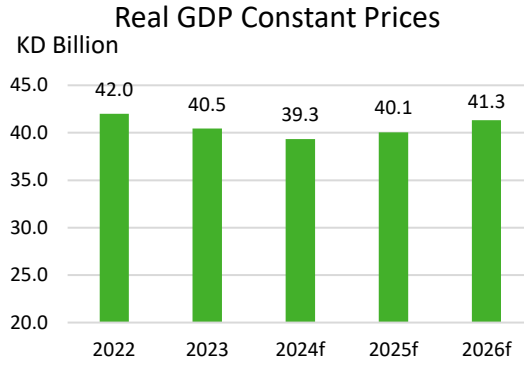
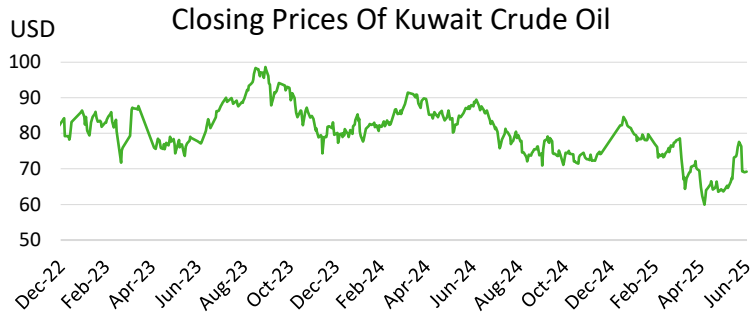
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Appendix :

Economic Highlights

**Key Performance Indicators,
Consolidated Statements**

KUWAIT'S ECONOMIC HIGHLIGHTS



- Kuwait's economy is set for a recovery in 2025 recording KWD 40.1 billion, it is expected to grow by 1.9%, compared to a 2.8% contraction in 2024.
- IMF has estimated a decline for Kuwait's average annual Inflation rate to 2.5% in 2025 compared to 2.9% in 2024.
- By 30th of June 2025, the Kuwaiti Crude Oil Price closed at USD 69.23 per barrel, reflecting a decrease of 21.3% compared to the same period last year.
- Kuwait's credit rating is A+ with a stable outlook, according to Standard & Poor's, A1, with a stable outlook, by Moody's, and AA- with a stable outlook by Fitch Rating.
- The Central Bank of Kuwait "CBK" has maintained the discount rate at 4%, unchanged since September 2024.
- Market Capitalization of all the listed companies in Boursa Kuwait reached KWD 50.5 Billion as of the end of Q2 2025 with an increase of 23.2% compared to the same period last year. KFH's Market Capitalization increased to KWD 14.4 Billion or 22.9% compared to Q2 2024.
- Traded volume of the listed companies in Boursa Kuwait during Q2 2025 reached to 25.2 Billion shares increasing by 98.7% compared to the same period last year. While KFH's traded volume exceeded 1.0 Billion shares during Q2 2025.

CONSOLIDATED FINANCIAL STATEMENTS H1-25 VS. H1-24

Consolidated Statement of Financial Position (KD million)	Jun-25	Jun-24
Cash and balances with banks and financial institutions	3,857	3,356
Due from Banks	2,016	3,058
Financing receivables	20,430	19,002
Investments in debt securities	7,424	6,084
Trading properties	92	97
Investments	306	298
Investment in associates and joint ventures	250	534
Investment properties	356	384
Other assets	1,009	913
Goodwill and Intangible assets	2,330	2,338
Property and equipment	428	363
TOTAL ASSETS	38,498	36,425
Due to banks	6,158	5,071
Due to financial institutions	3,153	3,310
Sukuk payables and term financing	1,507	964
Depositors' accounts	19,730	19,539
Other liabilities	1,590	1,376
TOTAL LIABILITIES	32,139	30,259
Share capital	1,848	1,711
Share premium	4,267	4,267
Treasury shares	(822)	(822)
Proposed cash dividend	172	0
Reserves	100	190
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	5,565	5,346
Perpetual Tier 1 Capital Securities and Sukuks	382	502
Non-controlling interests	412	319
TOTAL EQUITY	6,359	6,166
TOTAL LIABILITIES AND EQUITY	38,498	36,425

Consolidated Statement of Income (KD million)	Jun-25	Jun-24
Financing income	1,463	1,415
Financing cost and distribution to depositors	855	856
Net finance income	607	559
Investment income	87	70
Fees and commission income	110	81
Net gain from foreign currencies	34	94
Other operating income	37	20
Non-Financing Income	269	265
Tota Operating Income	876	823
Staff costs	177	173
General and administrative expenses	88	84
Depreciation and amortization	44	41
Total Expenses	309	298
Net Operating Income	567	525
Provisions and impairment	14	6
Net Monetary Loss	71	87
Profit for the Period Before Taxation	482	432
Taxation and Proposed Directors' fees	96	78
Non-controlling interests	44	13
Profit Attributable to Shareholders of the Bank	342	341

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 2020 - 2024

Consolidated Statement of Financial Position (KD million)	2020	2021	2022	2023	2024
Cash and balances with banks and financial institutions	2,491	2,325	3,156	3,612	3,695
Due from Banks	3,365	3,350	3,870	2,971	2,227
Financing receivables	10,748	11,355	18,801	19,425	19,070
Investments in debt securities	2,742	2,735	6,085	7,006	6,865
Trading properties	102	96	95	105	92
Investments	192	219	247	310	242
Investment in associates and joint ventures	521	492	520	543	384
Investment properties	351	325	400	377	366
Other assets	728	654	999	903	1,059
Goodwill and Intangible assets	32	32	2,463	2,398	2,328
Property and equipment	230	204	335	359	376
TOTAL ASSETS	21,502	21,788	36,969	38,010	36,703
Due to banks & Financial Institutions	4,215	3,424	7,633	7,984	8,674
Sukuk payables and term financing	315	217	784	636	987
Depositors' accounts	14,056	15,038	21,030	21,813	19,220
Other liabilities	814	803	1,235	1,414	1,405
TOTAL LIABILITIES	19,401	19,481	30,683	31,847	30,286
Share capital	767	844	1,342	1,476	1,711
Share premium	720	720	3,612	3,612	4,267
Treasury shares	(28)	(28)	(42)	(113)	(822)
Reserves	476	395	446	341	363
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE BANK	1,936	1,932	5,358	5,316	5,519
Perpetual Tier 1 Capital Securities and Sukuks	0	227	502	502	504
Non-controlling interests	165	149	427	345	395
TOTAL EQUITY	2,101	2,307	6,286	6,163	6,418
TOTAL LIABILITIES AND EQUITY	21,502	21,788	36,969	38,010	36,703

CONSOLIDATED STATEMENT OF INCOME 2020 - 2024

Consolidated Statement of Income (KD million)	2020	2021	2022	2023	2024
Financing income	893	871	1,322	2,194	2,886
Financing cost and distribution to depositors	279	286	522	1,228	1,739
Net finance income	614	586	801	966	1,147
Investment income	(6)	16	44	184	138
Fees and commission income	73	72	90	136	177
Net gain from foreign currencies	70	89	93	140	154
Other income	45	48	44	34	15
Non-Financing Income	181	225	272	495	484
Total operating income	796	811	1,072	1,461	1,631
Staff costs	172	184	209	287	347
General and administrative expenses	81	82	95	150	168
Depreciation and amortisation	43	42	45	79	84
Total Expenses	296	308	349	515	600
Net Operating Income	500	503	723	945	1,031
Provisions and impairment	284	135	62	44	58
Net Monetary Loss	0	0	128	73	155
Profit Before Tax and Zakat	215	368	534	828	817
Taxation and Proposed Directors' fees	31	58	99	153	175
Non-controlling interests	36	67	77	91	40
Profit Attributable to Shareholders of the Bank	148	243	358	585	602

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