



Date: 28 July 2022
Ref: 10 / 10 / 286 / 2022

التاريخ: 28 يوليو 2022
الإشارة: 2022 / 286 / 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: Disclosure of Material Information

KFH: Analysts Conference Presentation

Q (2/2022)

الموضوع: الإفصاح عن المعلومات الجوهرية

بيتك: العرض التقديمي لمؤتمر المحللين

الربع (2022/2)

In reference to the above, and in line with Kuwait Finance House 'KFH' interest in adhering to 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 (2/2022) through live broadcasting on internet (Live Webcast) at 1 p.m. on Thursday 28 July 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.

Attached is the Investors Presentation Q (2/2022) for your reference. A copy of the same has been submitted to Capital Markets Authority.

Best Regards,

Shadi Zahran

Acting Group Chief Executive Officer

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:

- عقد بيتك مؤتمر المحللين للربع (2022/2) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 1 من بعد ظهريوم الخميس المو افق 28 يوليو 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.

مرفق العرض التقديمي للمستثمرين للربع (2022/2)، هذا وتم تزويد السادة / هيئة أسواق المال بنسخة منه.

وتفضلوا بقبول فائق الاحترام،

شادي زهران

الرئيس التنفيذي للمجموعة بالتكليف



بيت التمويل الكويتي
Kuwait Finance House

28 July 2022

28 يوليو 2022

Kuwait Finance House (KFH)

بيت التمويل الكويتي (بيتك)

Appendix (11)

ملحق رقم (11)

Disclosure of Material Information Form

نموذج الإفصاح عن المعلومات الجوهرية

KFH: Analysts Conference Presentation
Q (2/2022)

بيتك: العرض التقديمي لمؤتمر المحللين
الربع (2022/2)

Disclosure of Material Information

الإفصاح عن المعلومات الجوهرية

Date	Listed Company
28 July 2022	Kuwait Finance House (KFH)

التاريخ	اسم الشركة المدرجة
28 يوليو 2022	بيت التمويل الكويتي "بيتك"

Disclosure Title
KFH: Analysts Conference Presentation Q (2/2022)

عنوان الإفصاح
بيتك: العرض التقديمي لمؤتمر المحللين الربع (2022/2)

Material Information
<ul style="list-style-type: none"> KFH has conducted the Analysts Conference for Q (2/2022) through live broadcasting on internet (Live Webcast) at 1 p.m. on Thursday 28 July 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.

المعلومة الجوهرية
<ul style="list-style-type: none"> عقد بيتك مؤتمر المحللين للربع (2022/2) عن طريق بث مباشر على شبكة الإنترنت وذلك في تمام الساعة 1 من بعد ظهريوم الخميس الموافق 28 يوليو 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.

Effect of the Material Information on the Company's Financial Position
-

أثر المعلومة الجوهرية على المركز المالي للشركة
-

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 يشبهها 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.



Handwritten signature/initials in blue ink.



H1-2022

Earnings Presentation

28 July 2022



Disclaimer

- **IMPORTANT NOTICE**

- This presentation has been prepared by Kuwait Finance House and is subject to the applicable laws and regulations in the State of Kuwait. It is for information purposes only and it shall not be reproduced or redistributed to any other person without obtaining Kuwait Finance House's prior written consent. It does not and shall not constitute either an offer to purchase or buy or a solicitation to purchase or buy or an offer to sell or exchange or a solicitation to sell or exchange any securities of Kuwait Finance House. Neither this presentation nor anything contained herein shall form the basis of any contract, commitment or advice whatsoever. This Presentation must be read in conjunction with all other publicly available information. To the maximum extent permitted by law, Kuwait Finance House and its directors, employees, agents, consultants, affiliates and subsidiaries expressly exclude all liability and responsibility for any loss or damage arising from the use of, or reliance on, the information contained in this presentation or the website whether or not caused by any negligent act or omission. Neither Kuwait Finance House nor any of its directors, employees, agents, consultants, affiliates, or subsidiaries warrant or represent the correctness, accurateness or completeness of the information provided herein. This document is not to be relied upon in any manner as legal, tax or investment advice. Each recipient hereof shall be responsible for conducting its own investigation and analysis of the information contained herein and shall familiarize and acquaint itself with, and adhere to, the applicable local legislations. Except where otherwise expressly indicated herein, this presentation contains time-sensitive information which is based on currently available information to Kuwait Finance House as of the date stated or, if no date is stated, as of the date of this preparation and accordingly does not guarantee specific future results, performances or achievements. The information and the opinions contained herein are subject to change without notice. None of Kuwait Finance House or any of its subsidiaries or affiliates assume any obligation to update or otherwise revise any such information to reflect information that subsequently becomes available or circumstances existing or changes occurring after the date hereof.

- **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.





Contents

1 **Kuwait's Operating Environment**

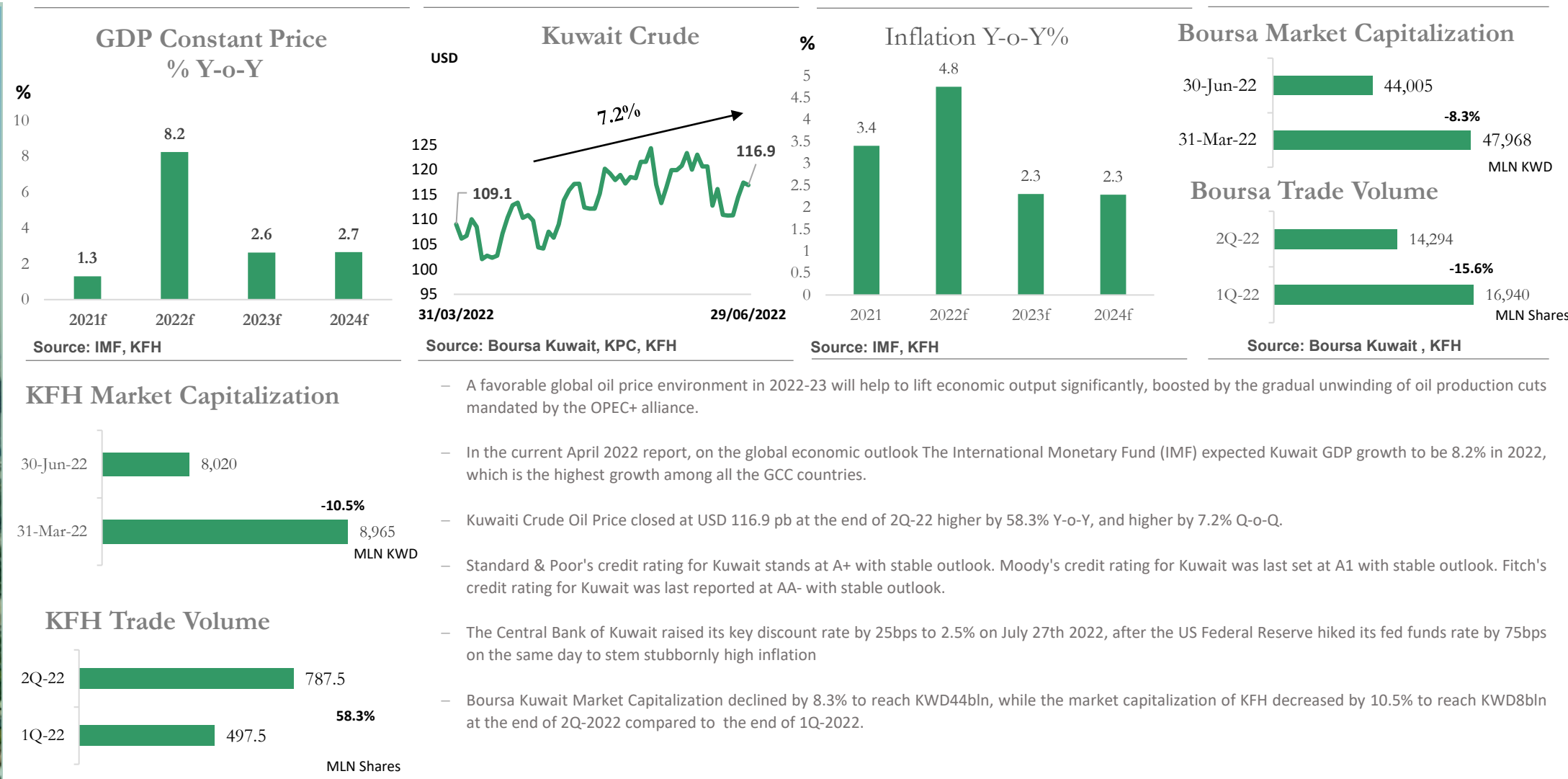
2 **Overview of KFH**

3 **KFH Strategy**

4 **H1-2022 Financial Highlights**

5 **Appendix**

Economic Highlights



Overview of KFH's Awards & Ratings

Kuwait



Regional

Global

Best
Treasury and Cash
Management Bank
in Kuwait

Global Finance

Best
Islamic Financial Institution
in the Middle
East

Global Finance

Best
Islamic Financial Institution
in the World

Global Finance

FitchRatings

Long-Term Issuer Default Rating **A**

Short-Term Issuer Default Rating **F1**

STABLE Outlook

14 April 2022

MOODY's

LT FC Bank Deposits Rating **A2**

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

STABLE Outlook

28 April 2022

Overview of KFH

Germany

1st Islamic bank

6 Branches

- Retail Banking
- Corporate Banking
- Investment Services
- Real Estate Financing



Saudi Arabia

- Asset Management
- Wealth Management and Custody
- Investment Services
- Product & Business Development



Bahrain

9 Branches

- Retail Banking
- Wealth Management
- Corporate Banking
- Real Estate



58 Branches

Kuwait

- Retail Banking
- Wealth Management and Private Banking
- Corporate Banking
- Investment Services
- Real Estate Financing

449 Branches

Turkey

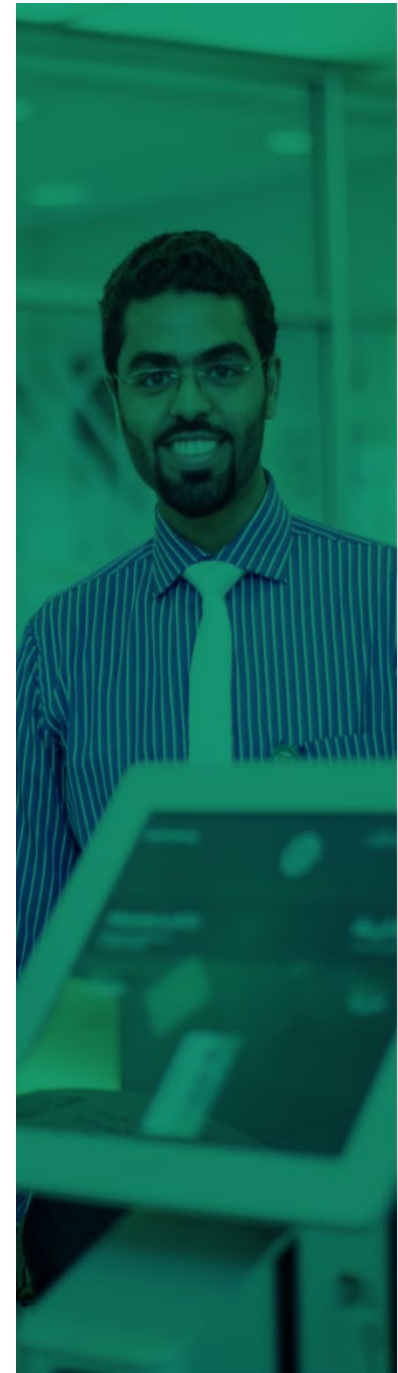
- Retail Banking
- Wealth Management and Personal Banking
- Corporate Banking



9 Branches

Malaysia

- Retail Banking
- Wealth Management
- Corporate Banking
- Commercial Banking

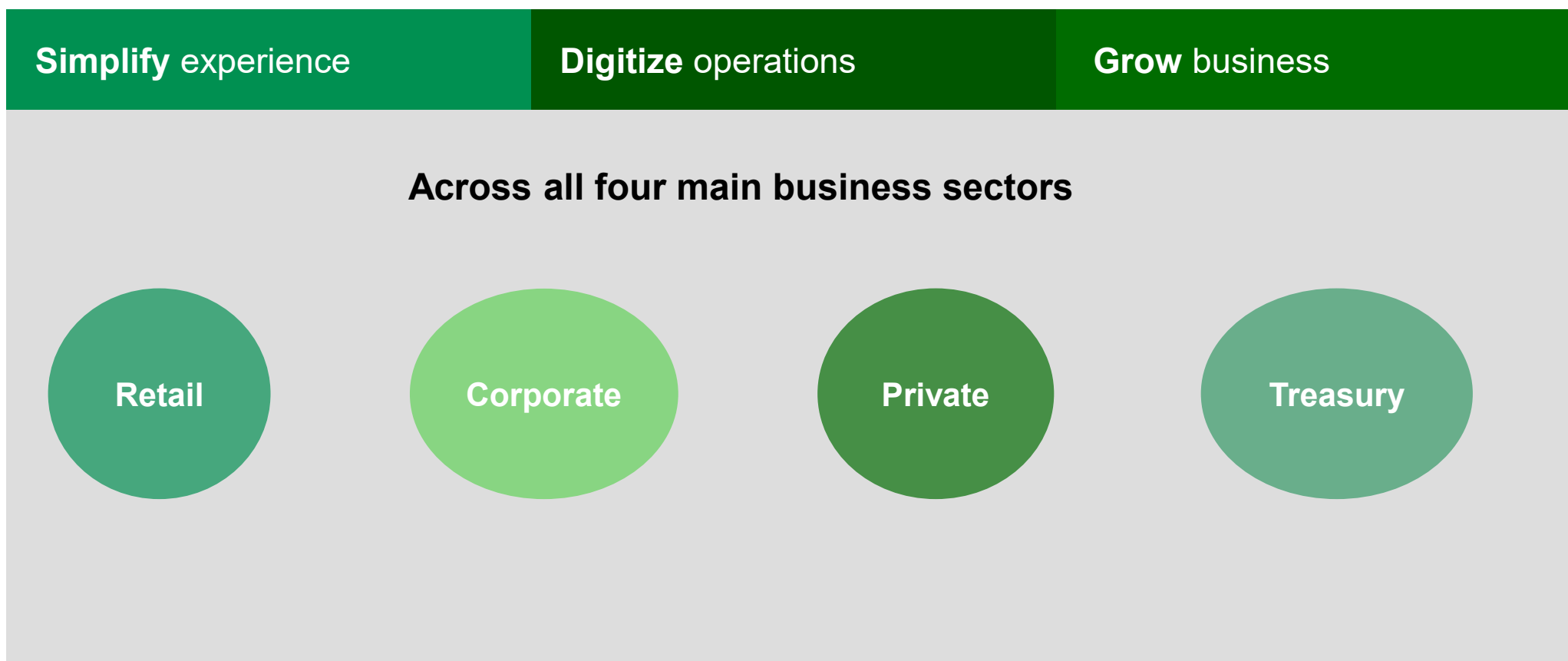


KFH Strengths

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 531 branches and over 1,830 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 **H1-22 Financial Results**

5 Appendix



H1-22 Financial Highlights

Net Profit
for Shareholders

KD 138.1 m

35.1%

Net Financing
Income

KD 320.2 m

9.7%

Net Operating
Income

KD 308.3 m

24.3%

Cost to Income Ratio

32.64%

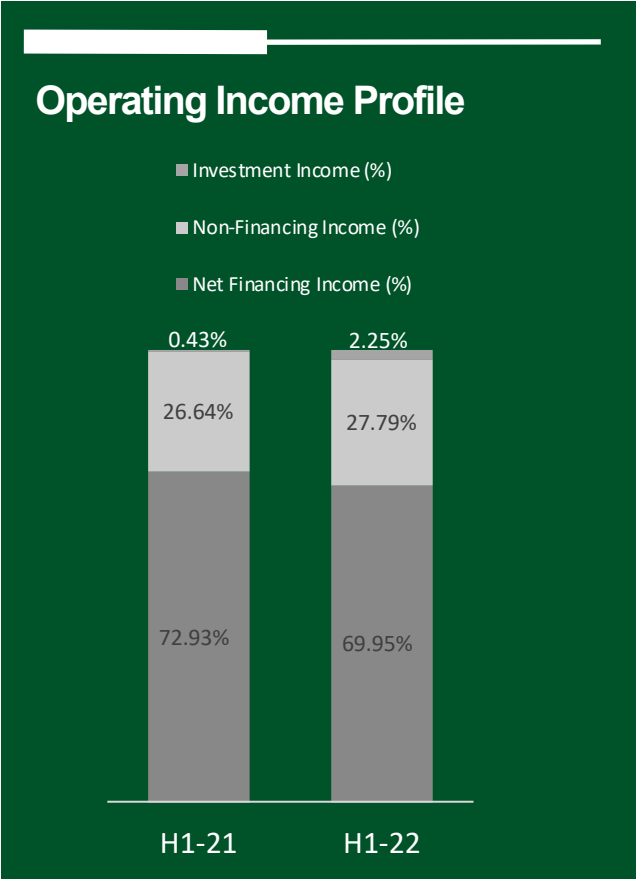
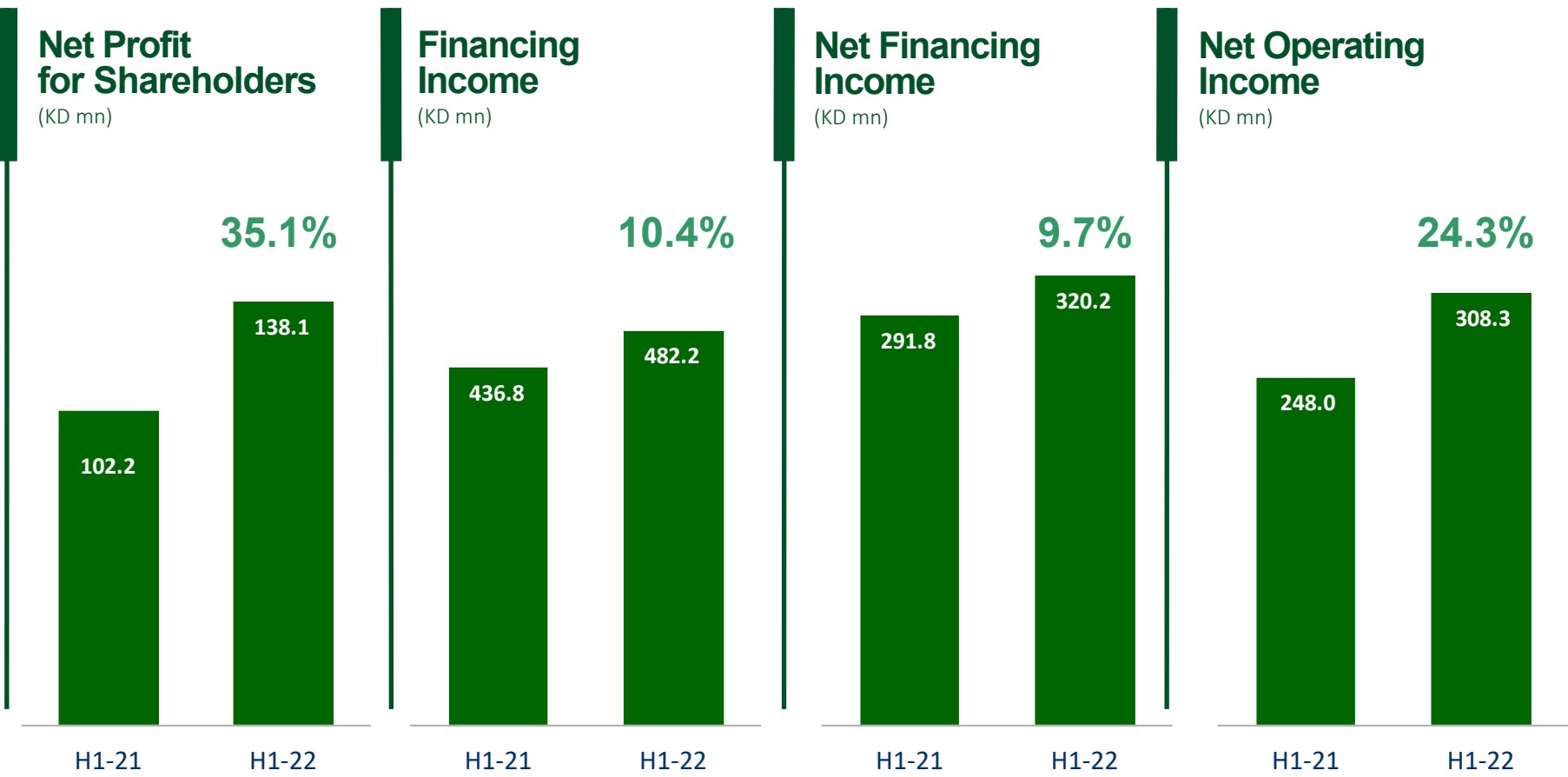
(H1-21: 38.01%)

EPS (fils)

14.55

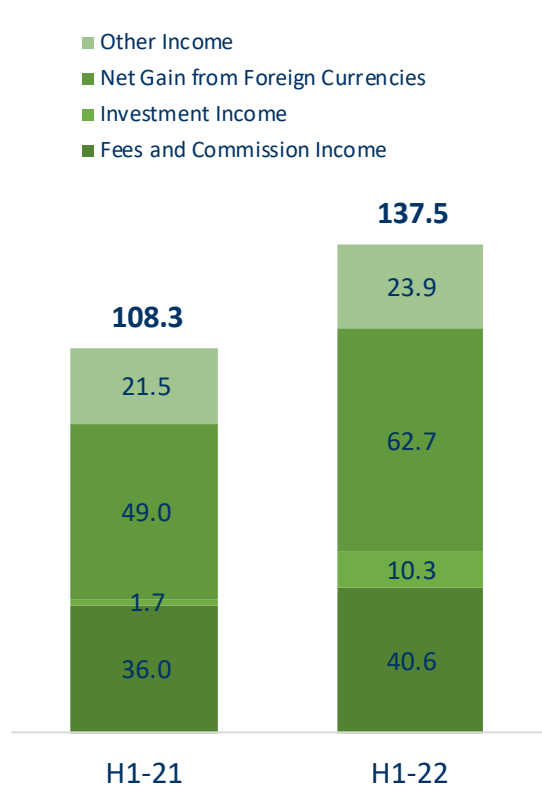
(H1-21 : 11.10fils)

H1-22 Operating Performance



H1-22 Operating Performance

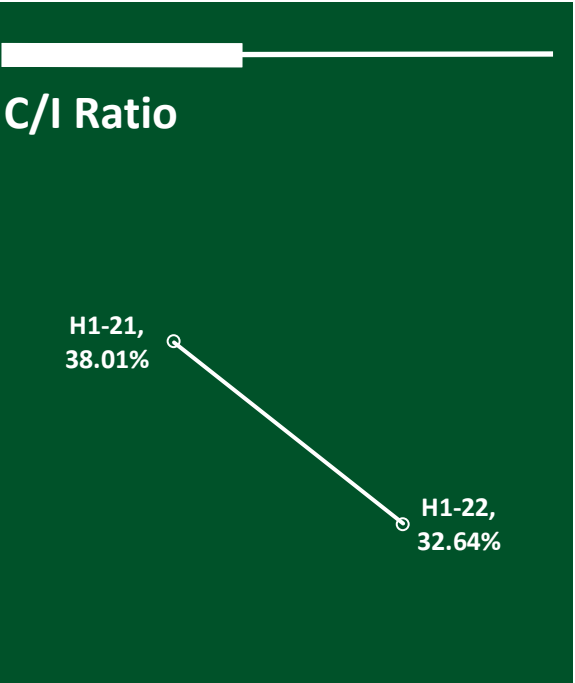
Non - Financing Income (KD mn)



Total Operating Expenses (KD mn)

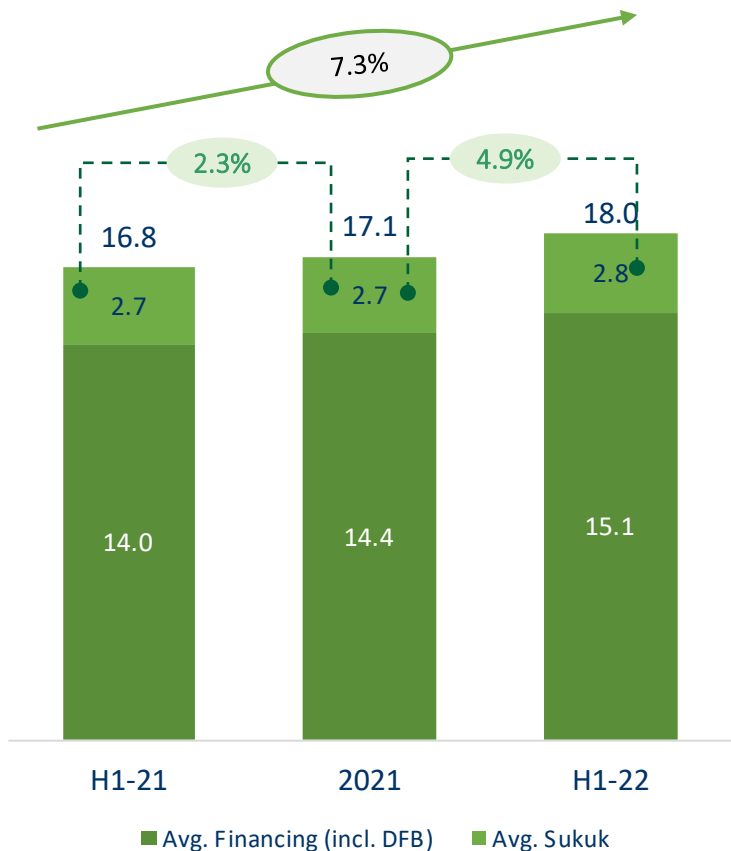


C/I Ratio

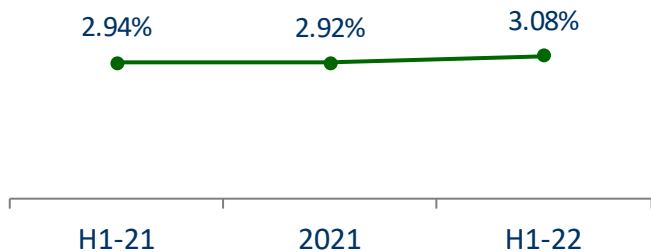


H1-22 Operating Performance

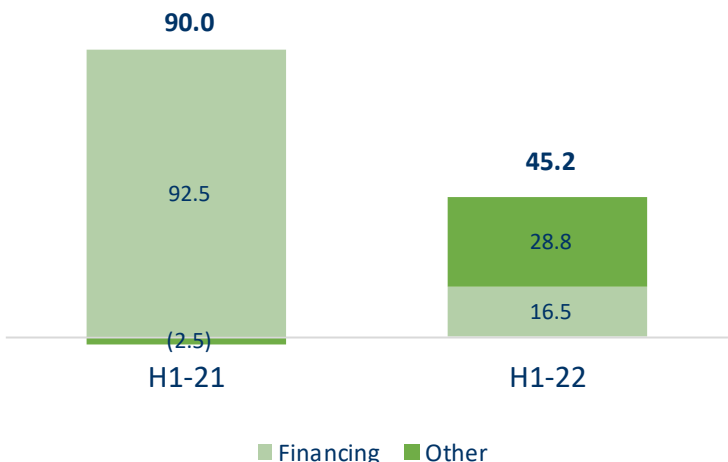
Average Profit Earning Assets (KD bn)



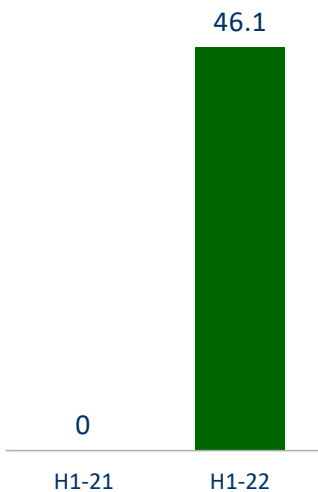
Net Financing Margin



Provision and Impairment (KD mn)

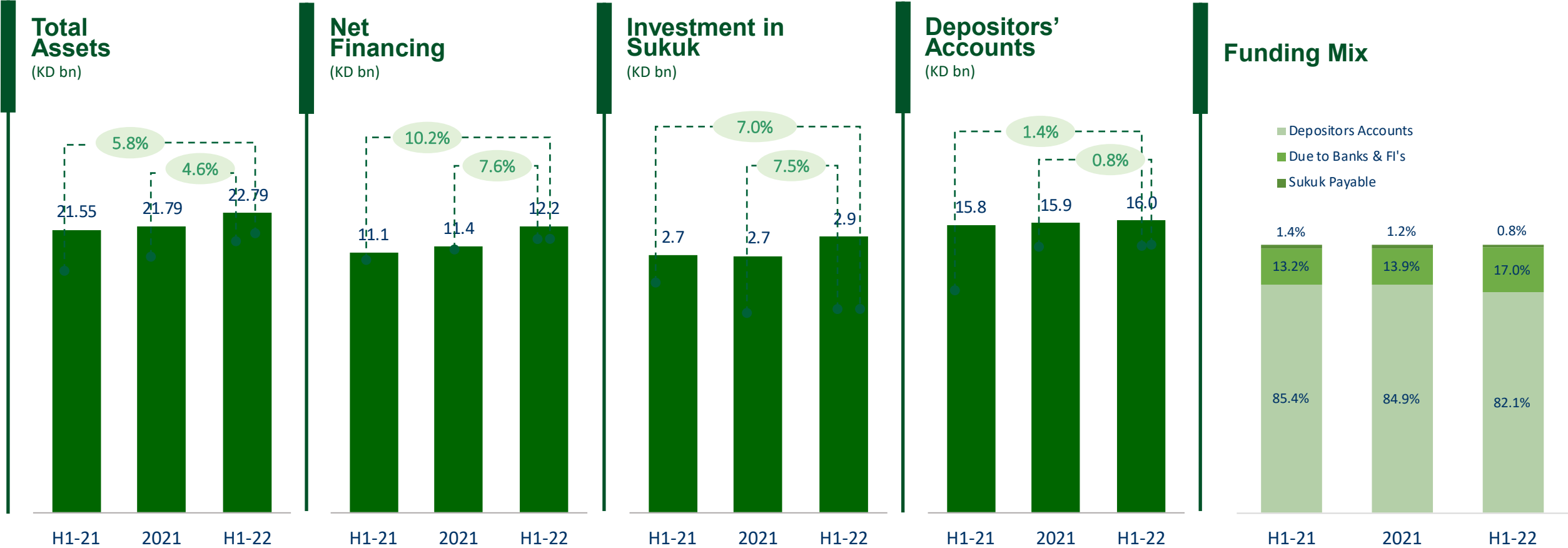


Net Monetary Loss* (KD mn)

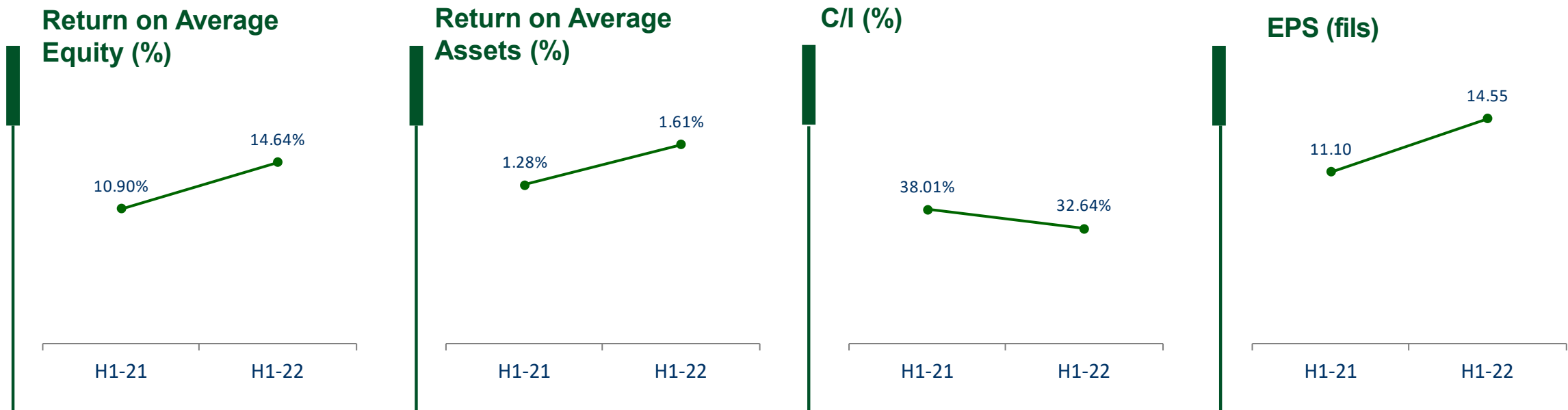


* Hyper-inflation impact

H1-22 Operating Performance



H1-22 Operating Performance



Q&A

Appendix

Consolidated Financial Statements H1-22 Vs. H1-21

Consolidated Statement of Financial Position (KD million)	Jun-22	Jun-21
Cash and balances with banks and financial institutions	2,293	2,958
Due from Banks	3,366	2,832
Financing receivables	12,213	11,086
Investment in sukuk	2,939	2,747
Trading properties	97	100
Investments	220	226
Investment in associates and joint ventures	477	496
Investment properties	300	346
Other assets	623	507
Intangible assets and goodwill	35	33
Property and equipment	228	216
TOTAL ASSETS	22,790	21,547
Due to banks and financial institutions	3,319	2,435
Sukuk payables	160	268
Depositors' accounts	16,001	15,776
Other liabilities	953	806
TOTAL LIABILITIES	20,432	19,285
Share capital	929	844
Share premium	720	720
Treasury shares	(28)	(28)
Reserves	299	335
TOTAL EQUITY ATTRIBUTABLE TO THE SHAREHODERS OF THE BANK	1,920	1,871
Perpetual Tier 1 Sukuk	230	226
Non-controlling interests	207	165
TOTAL EQUITY	2,358	2,262
TOTAL LIABILITIES AND EQUITY	22,790	21,547

Consolidated Statement of Income (KD million)	Jun-22	Jun-21
Financing income	482	437
Financing cost and estimated distribution to depositors	162	145
Net finance income	320	292
Investment income	10	2
Fees and commission income	41	36
Net gain from foreign currencies	63	49
Other income	24	22
Non-Financing Income	138	108
Tota Operating Income	458	400
Staff costs	93	93
General and administrative expenses	38	38
Depreciation and amortization	18	21
Total Expenses	149	152
Net Operating Income	308	248
Provisions and impairment	45	90
Net Monetary Loss	46	0
Profit for the Period Before Taxation	217	158
Taxation and Proposed Directors' fees	39	22
Non-controlling interests	40	34
Profit Attributable to Shareholders of the Bank	138	102

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

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