

BURGAN BANK GROUP

INVESTOR PRESENTATION

Q1'21 FINANCIAL RESULTS

5TH MAY 2021

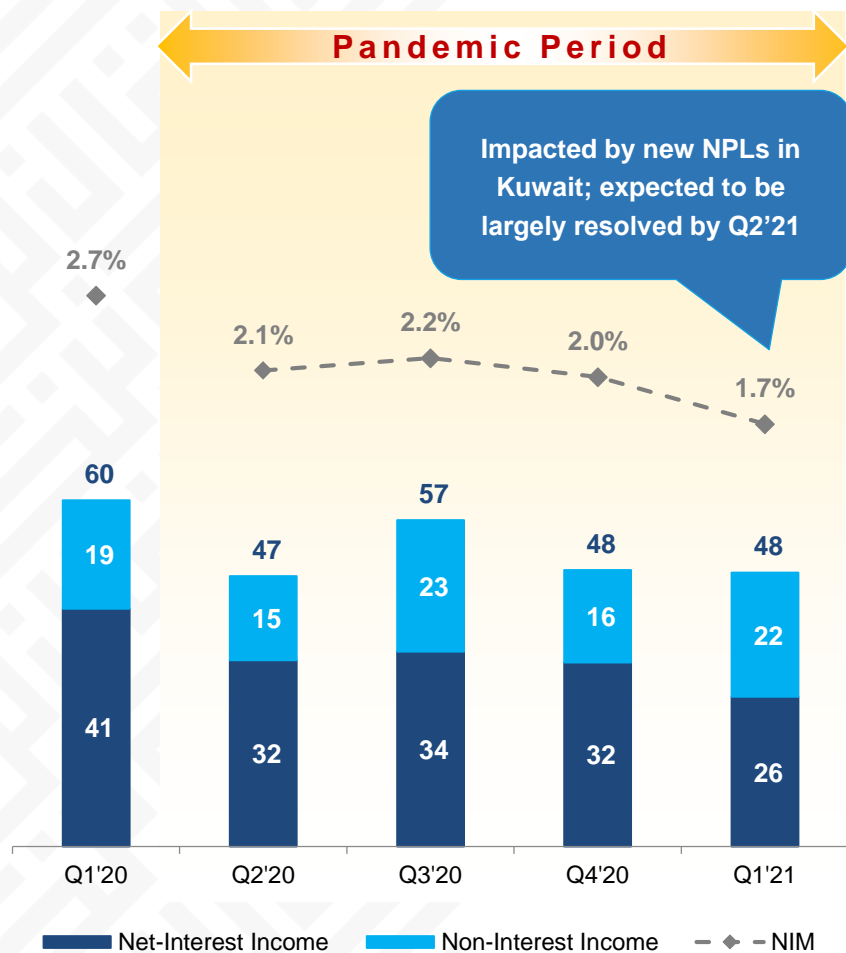
بنک
برقان

TABLE OF CONTENTS

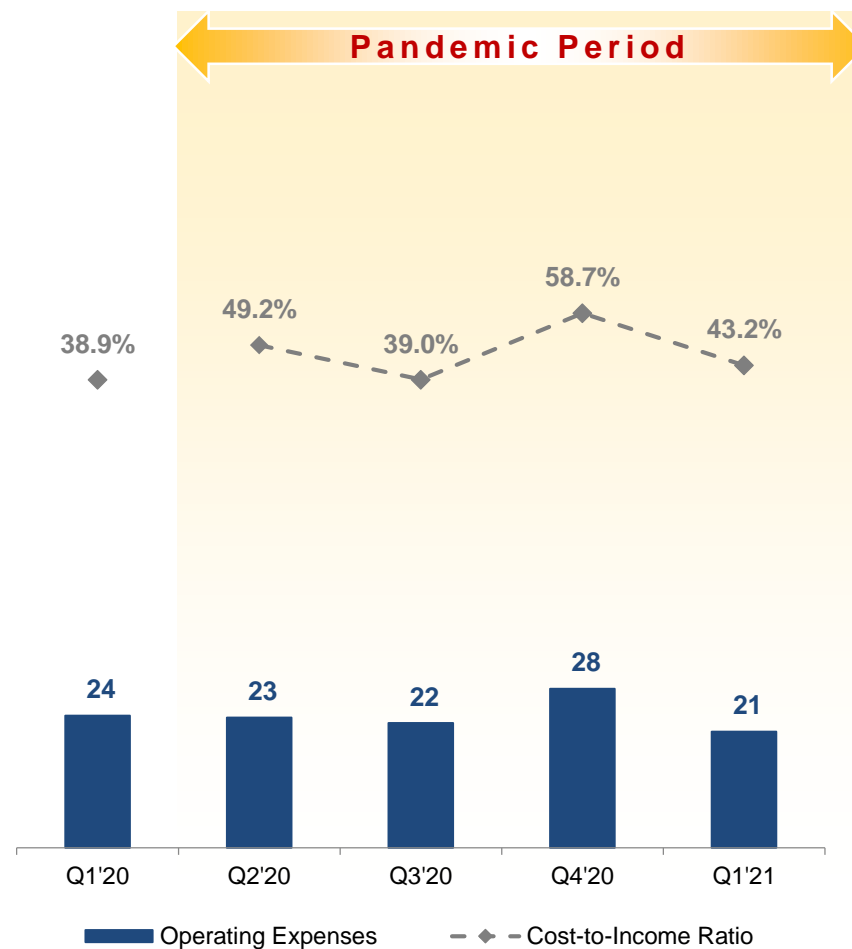
Contents	Page
Key P&L Metrics	3 - 4
Asset Quality	5
Key Balance Sheet & Liquidity Metrics	6 - 7
Capital Levels	8
Performance by Entity – Q1'21	9
Conclusion	10

REVENUE & OPERATING EXPENSES

Revenue & Net Interest Margin⁽¹⁾ | KD mn, %



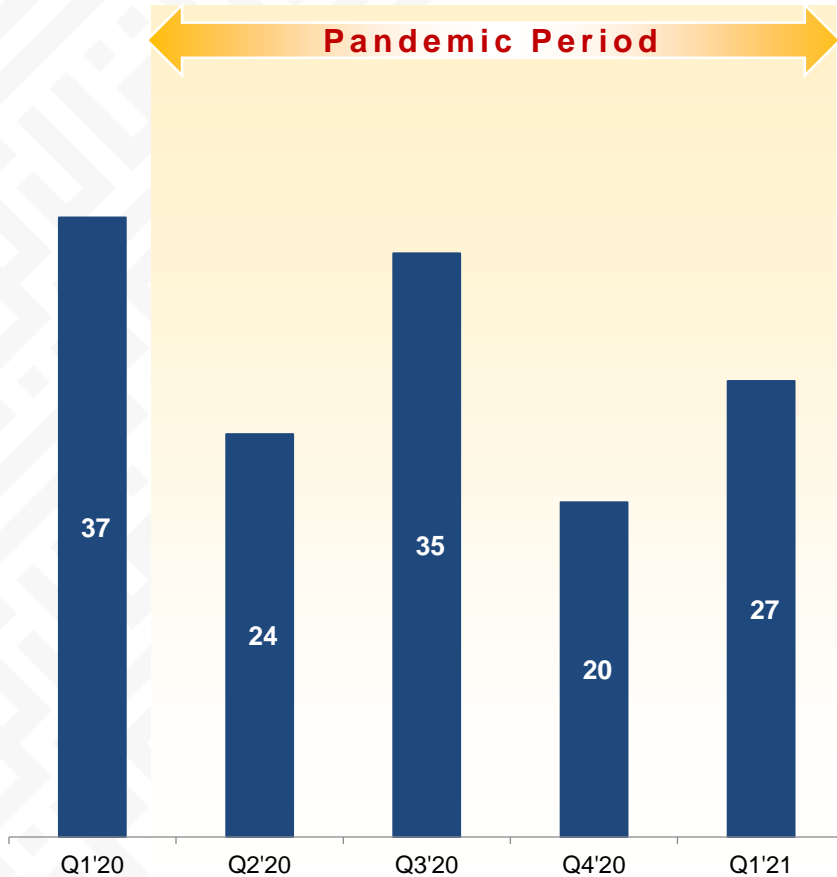
Operating Exp. & Cost-to-Income Ratio⁽²⁾ | KD mn, %



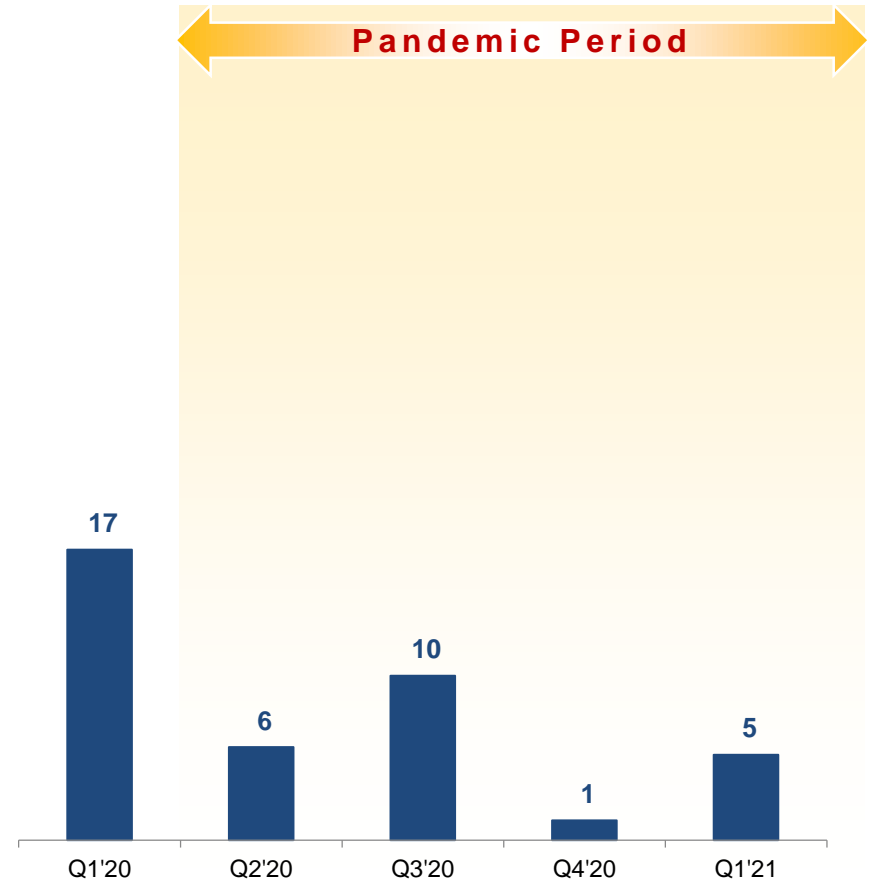
(1) NIMs have been annualized; (2) Cost-to-income ratio is calculated as Total Operating expenses / Total Revenues.

OPERATING PROFIT & NET INCOME

Operating Profit | KD mn



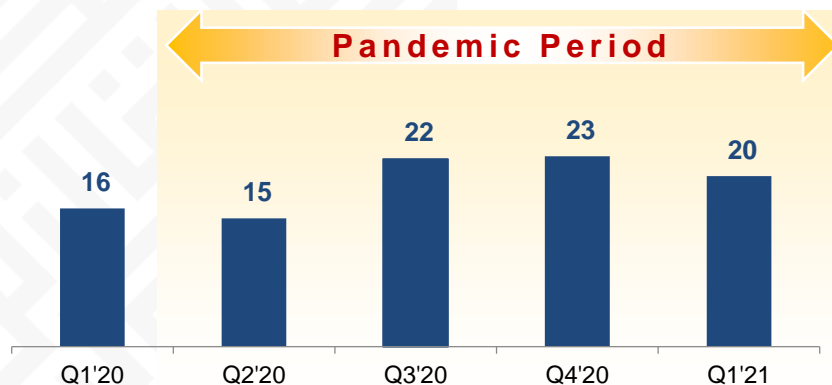
Net Income⁽¹⁾ | KD mn



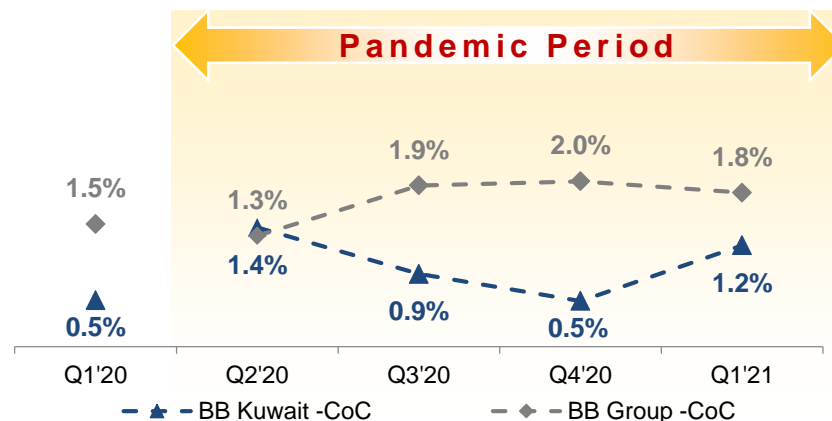
(1) Net Income attributed to equity holders of bank before perpetual cost

ASSET QUALITY

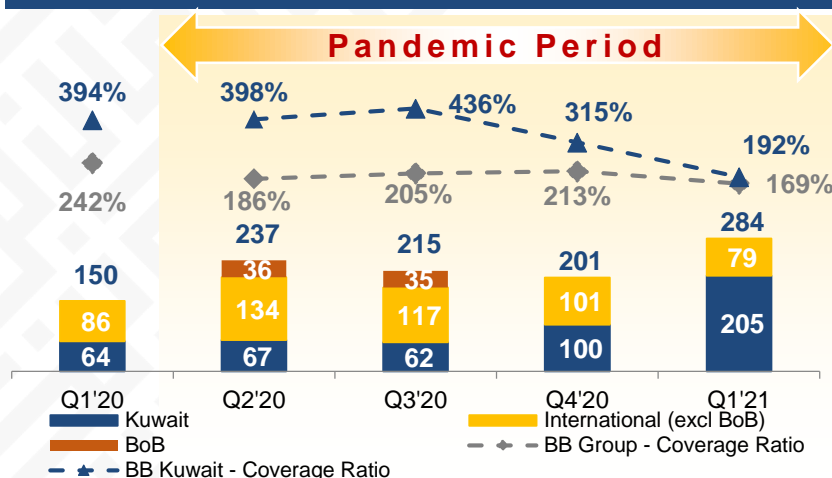
Provisions⁽¹⁾ | KD mn



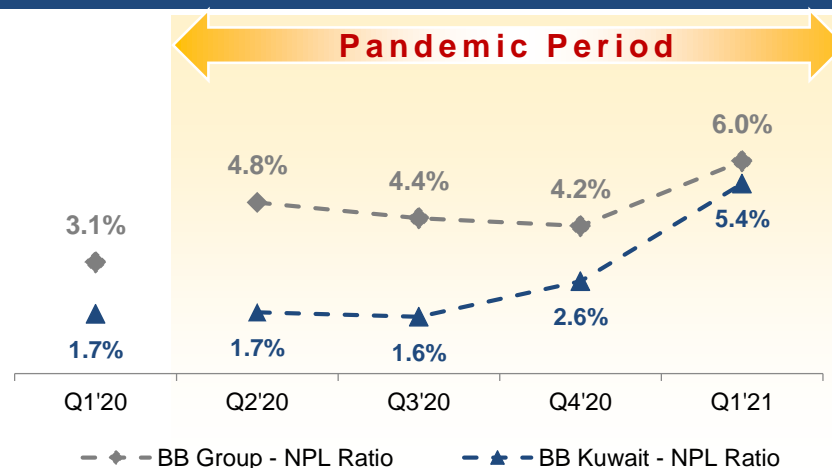
Cost of Credit (CoC)⁽²⁾ | %



NPLs (KD mn) & Coverage⁽³⁾ (%)



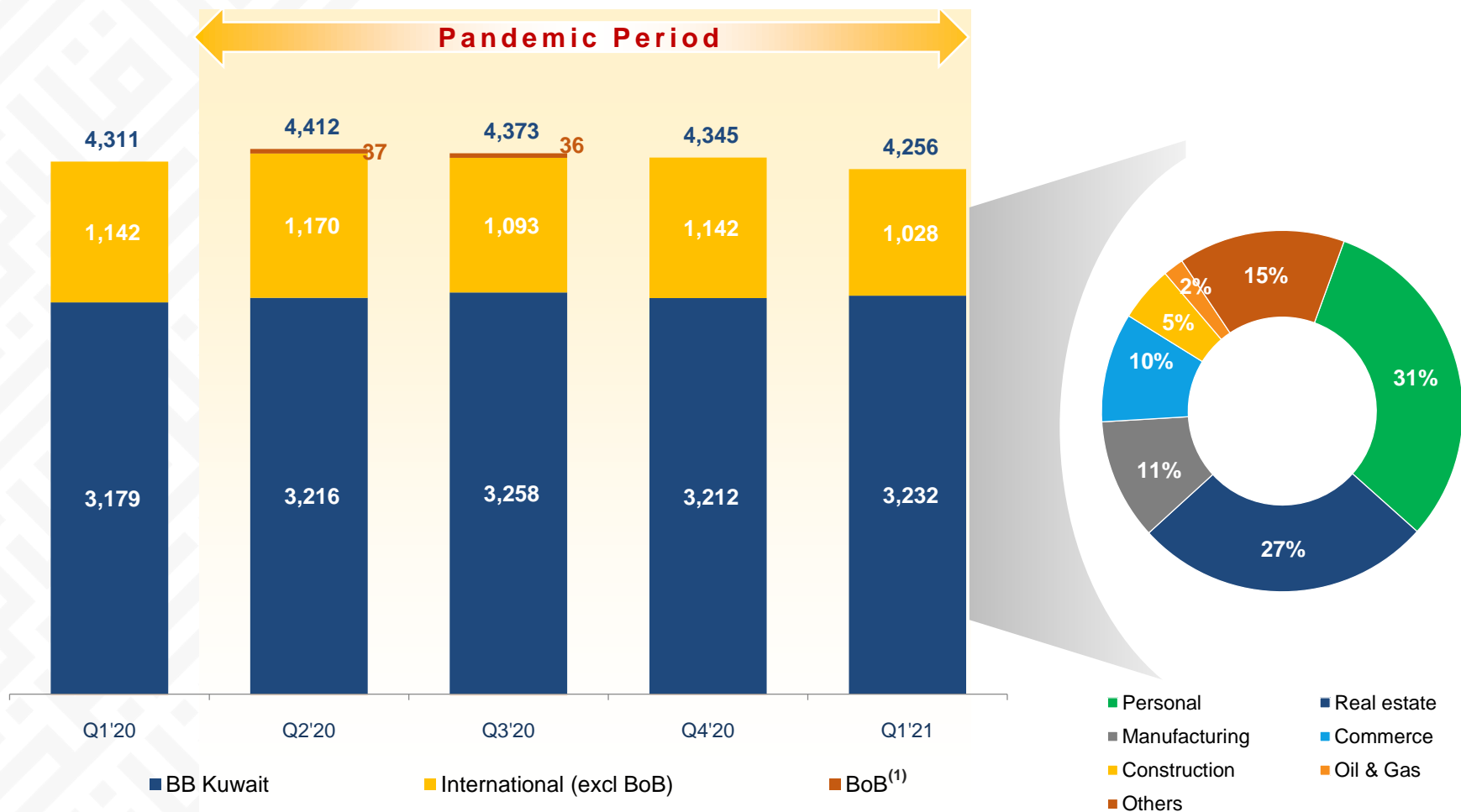
NPL Ratio (%)



(1) Loan loss provision only; (2) Calculated as Loan Loss Provisions / Gross Loans; (3) NPL Coverage ratio calculated as Cash Provision + Collaterals / NPLs

CUSTOMER LOANS & SECTORAL BREAKDOWN

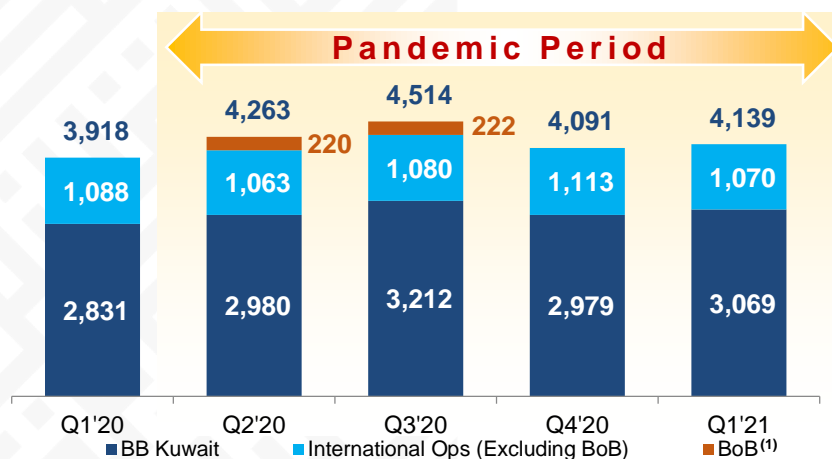
Customer Loans & Sector Concentration | KD mn , %



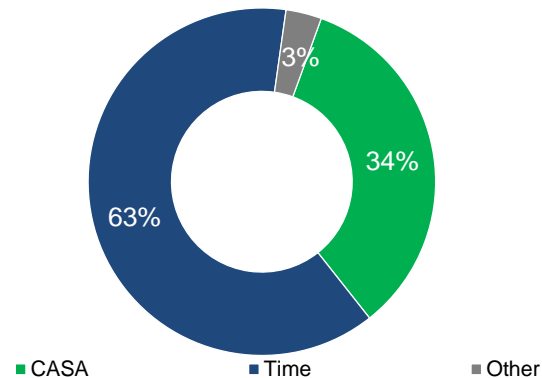
(1) BoB was classified as "Held for Sale" during Q1'20, Q4'20 and Q1'21

CUSTOMER DEPOSITS & LIQUIDITY

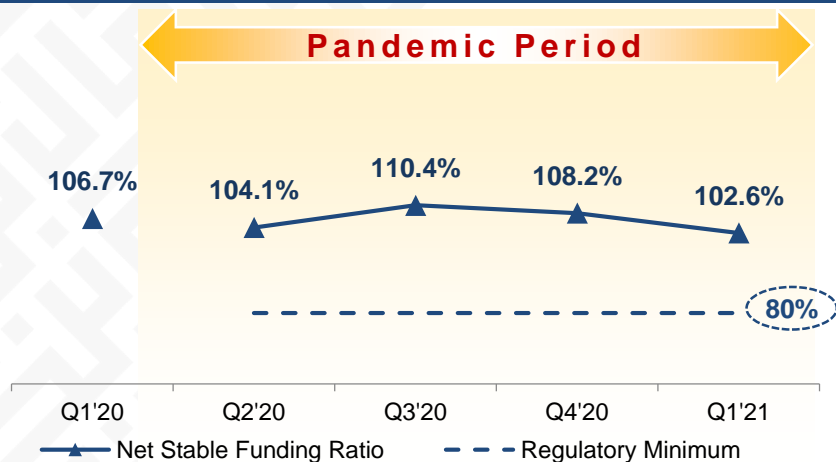
Customer Deposits | KD mn



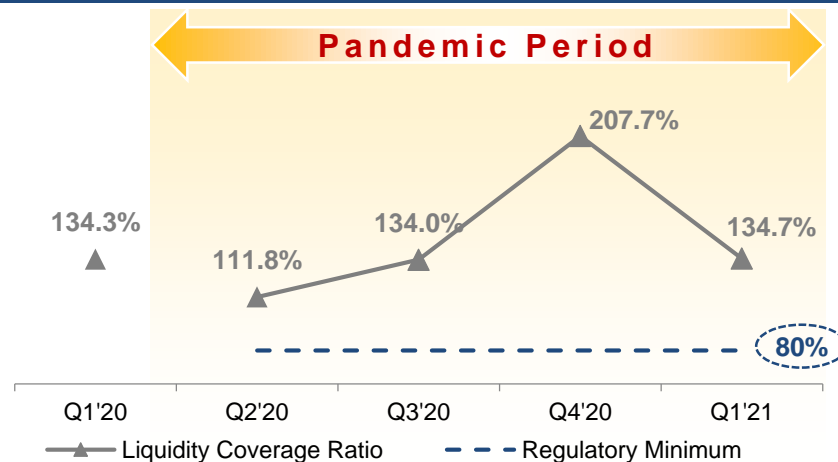
Deposits by Type – Q1'21 | %



Net Stable Funding Ratio (NSFR)⁽²⁾ | %



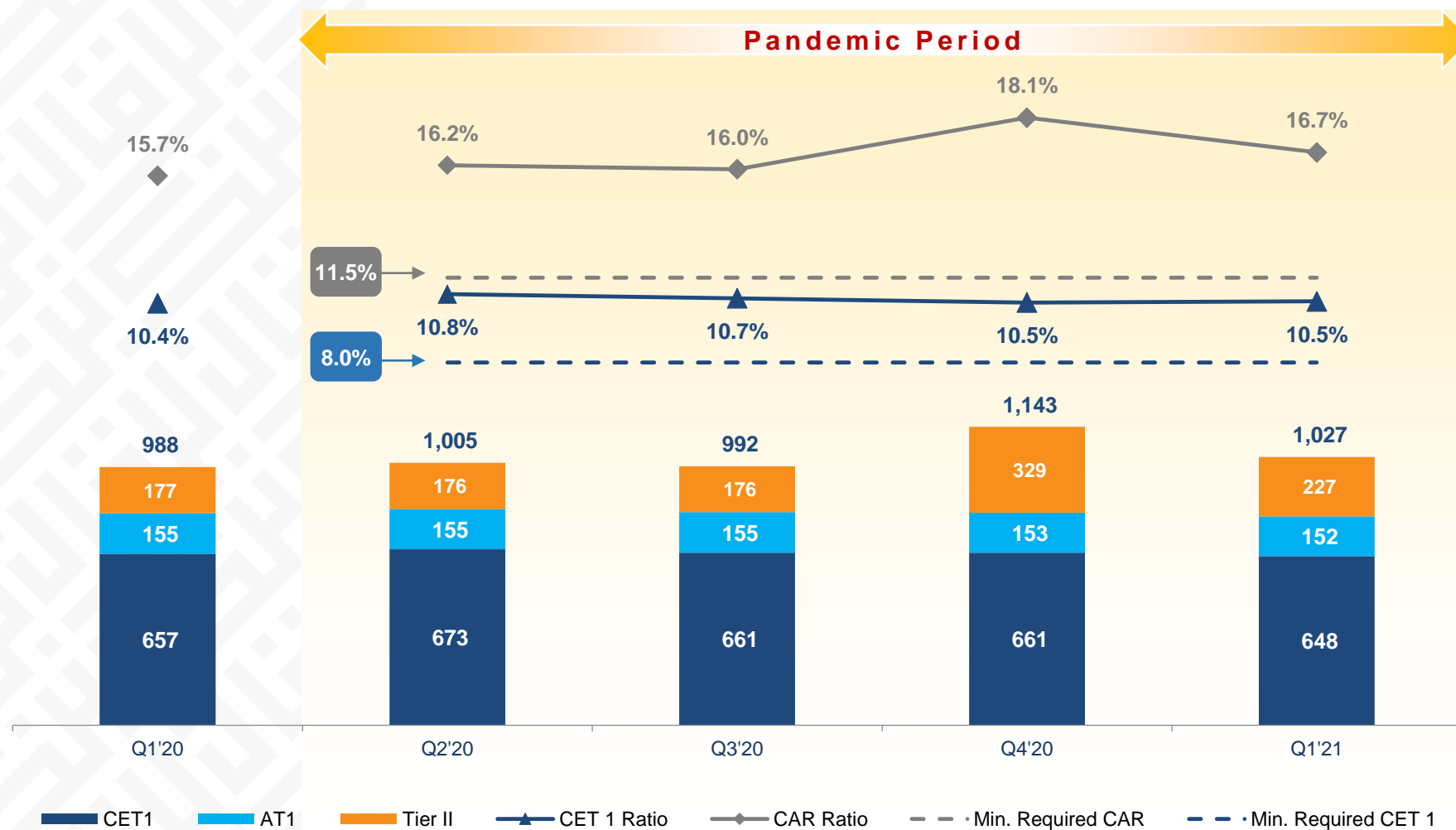
Liquidity Coverage Ratio (LCR)⁽²⁾ | %



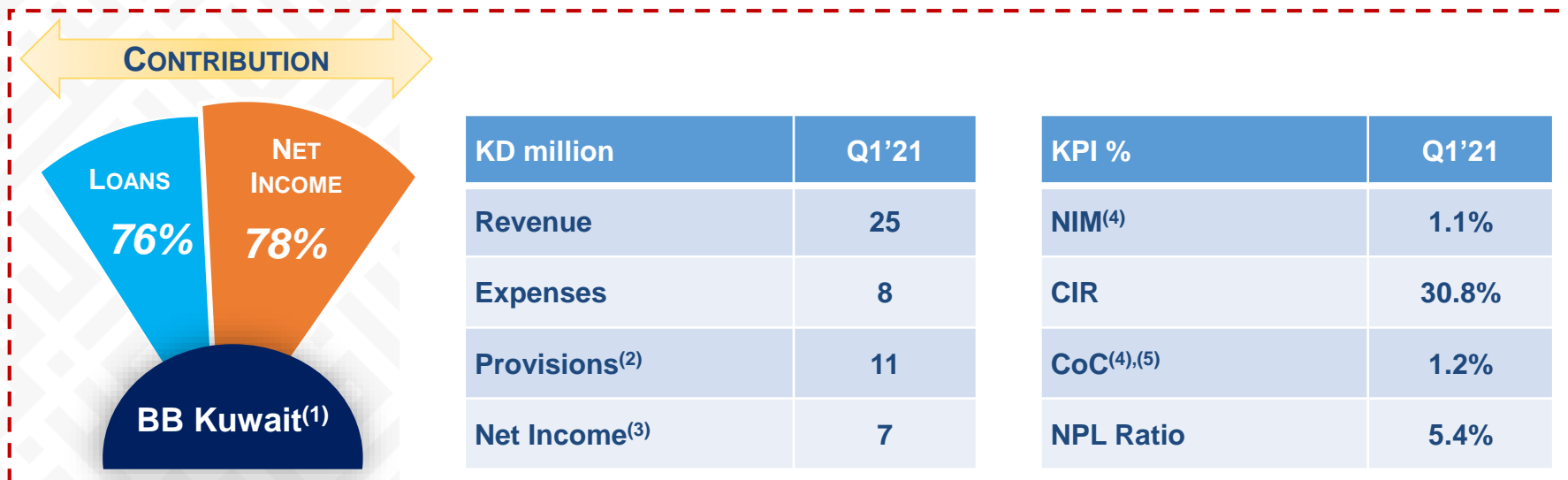
(1) BOB has been classified as "Held for Sale" in Q1'20, Q4'20 and Q1'21; (2) Represents daily average ratios for the quarters

CAPITAL LEVELS

Regulatory Capital | KD mn, %



PERFORMANCE BY ENTITY – Q1'21



(1) BB Kuwait numbers are as per MIS view; (2) Loan loss provisions only; (3) Net Income attributed to equity holders of bank before perpetual cost;

(4) NIMs & CoC have been annualized (5) Calculated as Loan Loss Provisions / Gross Loans; (6) P&L Metrics includes BoB (BoB has been classified as held for sale since Q4'20 therefore excluded from Balance sheet metrics);

Note: Figures exclude consolidation adjustments;

CONCLUSION

☞ Q1'21 Earnings impacted predominantly due to **loss of interest income due to new NPLs in Kuwait**

☞ **Asset Quality deterioration in Kuwait is temporary**; Actions to regularize already underway; Expect to reduce majority of these NPLs by Q2'21

☞ Focus remains on **Operating cost optimization & continued Digitalization**

Thank You

بنک
برقان

DISCLAIMERS

IMPORTANT NOTICE

This presentation has been prepared by Burgan Bank K.P.S.C. 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 Burgan Bank K.P.S.C.'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 Burgan Bank K.P.S.C.. 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, Burgan Bank K.P.S.C. 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 Burgan Bank K.P.S.C. 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 Burgan Bank K.P.S.C. 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 Burgan Bank K.P.S.C. 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 Burgan Bank K.P.S.C.'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 Burgan Bank K.P.S.C. 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 Burgan Bank K.P.S.C.'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. Burgan Bank K.P.S.C. does not undertake to update any forward-looking statements made herein. Past results are not indicative of future performance.

INVESTOR RELATIONS

Contact details below for any enquiries related to Burgan Bank K.P.S.C. and Subsidiaries;

Email: IR@burgan.com

Phone: +965 2298 8652