



National Bank of Kuwait

Investor Presentation

October 2022

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Contents



Section 1	Overview of NBK
Section 2	Strategy and Business Overview
Section 3	Operating Environment
Section 4	Financial Performance Highlights
Section 5	Appendix

NBK is Kuwait's Leading Banking Group

Snapshot

Background	<ul style="list-style-type: none"> Established in 1952 as the first local and home-grown GCC bank, and first shareholding company in Kuwait The leading banking group in Kuwait in terms of assets, customer deposits and customer loans and advances More than 30% market share of assets in Kuwait Ranked amongst the 50 safest commercial banks in the world by Global Finance, named the most valuable banking brand in Kuwait, and top 10 bank in the region by Brand Finance
Ownership	<ul style="list-style-type: none"> Established by a group of leading Kuwaiti merchants, NBK has retained the same core shareholder base since its inception NBK's shares are listed on the Kuwait Stock Exchange since 1984 with only one shareholder holding more than 5% of the Bank's share capital (PIFSS owns 5.77% as of December 2021) NBK's market capitalization at 31 December 2021 was USD 23.7 bn.
Operations	<ul style="list-style-type: none"> The Bank's core businesses are (i) consumer and private banking, (ii) corporate banking, (iii) Islamic banking and (iv) investment banking and asset management The Bank operates across 13 countries with a predominant focus on the MENA region.

Credit Ratings

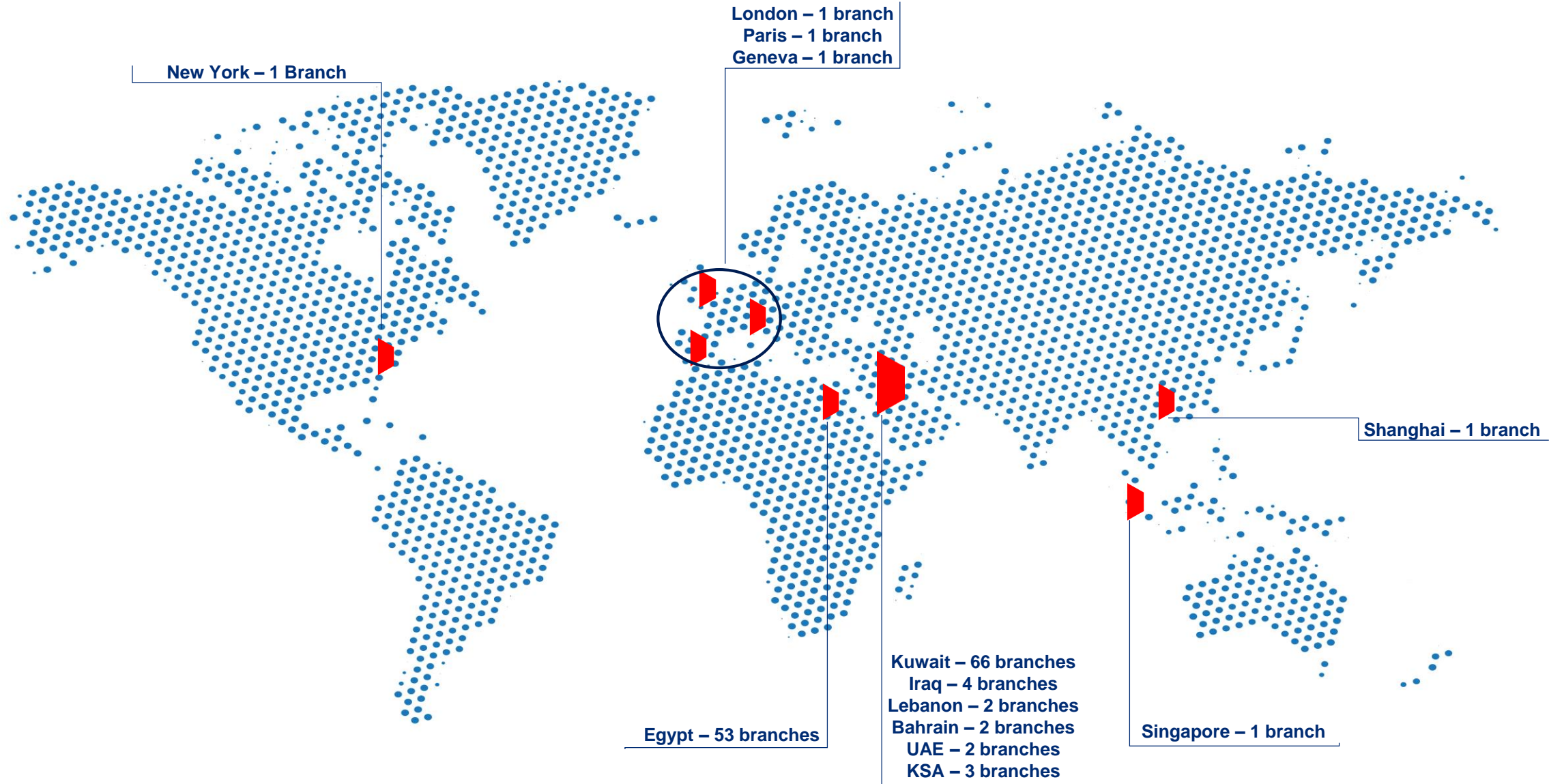
Rating Agency	Long Term Rating	Standalone Rating	Outlook
MOODY'S	A1	a3	Stable
STANDARD & POOR'S	A	a-	Stable
FitchRatings	A+	a-	Stable

Financial snapshot

USD million	2019	2020	2021
Total Assets	96,763	98,239	109,939
Loans, advances & Islamic financing	54,719	57,866	65,198
Customer Deposits	52,663	56,543	60,433
Total Equity	14,080	13,689	14,767
Net Operating Income	2,960	2,785	2,996
Net Profit attributable	1,327	814	1,198
Cost to Income (%)	34.0%	37.0%	39.6%
Net Interest Margin (%)	2.56%	2.21%	2.21%
NPL Ratio (%)	1.10%	1.72%	1.04%
Loan Loss Coverage Ratio (%)	272%	220%	300%
Return on Average Equity (%)	12.3%	7.0%	10.2%
Tier 1 Ratio (%)	15.9%	16.0%	15.7%
Capital Adequacy Ratio (%)	17.8%	18.4%	18.1%



Regional and International Geographic Presence





Key Strengths

High credit ratings and among the top brand values regionally

- NBK has one of the highest credit ratings in the MENA region
- Ranked amongst the 50 safest commercial banks in the world by Global Finance, named most valuable banking brand in Kuwait and among the top 10 in the Middle East by Brand Finance

Largest banking group in Kuwait with dominant market position

- As at 31 December 2021, the Bank was the largest bank in Kuwait in terms of total assets, loans and customer deposits. In addition, the Bank enjoys a dominant market share across its business segments
- NBK also has one of the largest and most diversified distribution networks

Sound and consistent financial performance

- Long history of profitability, even throughout the global financial crisis
- Excellent asset quality with an NPL ratio standing at 1.04% at end-2021
- Strong liquidity serving as a buffer in times of need

Only banking group in Kuwait to provide both conventional and Islamic banking

- Following its consolidation of Boubyan Bank in 2012, NBK became the only banking group in Kuwait to offer both conventional and Islamic banking services
- This has allowed the Bank to leverage off the opportunities across both markets, particularly given the growing importance of Islamic Finance in Kuwait

Stable shareholder base and strong management team

- Established in 1952 by a group of leading Kuwaiti merchants and has retained the same core shareholder base since
- NBK's stable shareholder base is complemented by a strong and stable Board of Directors and a long-serving executive team with in-depth experience



A strong regional and international network

- Operations in 13 countries, 7 of which are in the MENA region.
- The Bank continues to explore opportunities to expand geographically with a primary focus on further strengthening operations in MENA region

Strong investment banking capability

- NBK conducts its investment banking and asset management business through its subsidiary, Watani Investment Company K.S.C.C. (Known as NBK Capital)

A well-defined sustainability strategy

- NBK's leadership is deeply committed to the bank's sustainability journey and views sustainability as integral to business performance

Contents

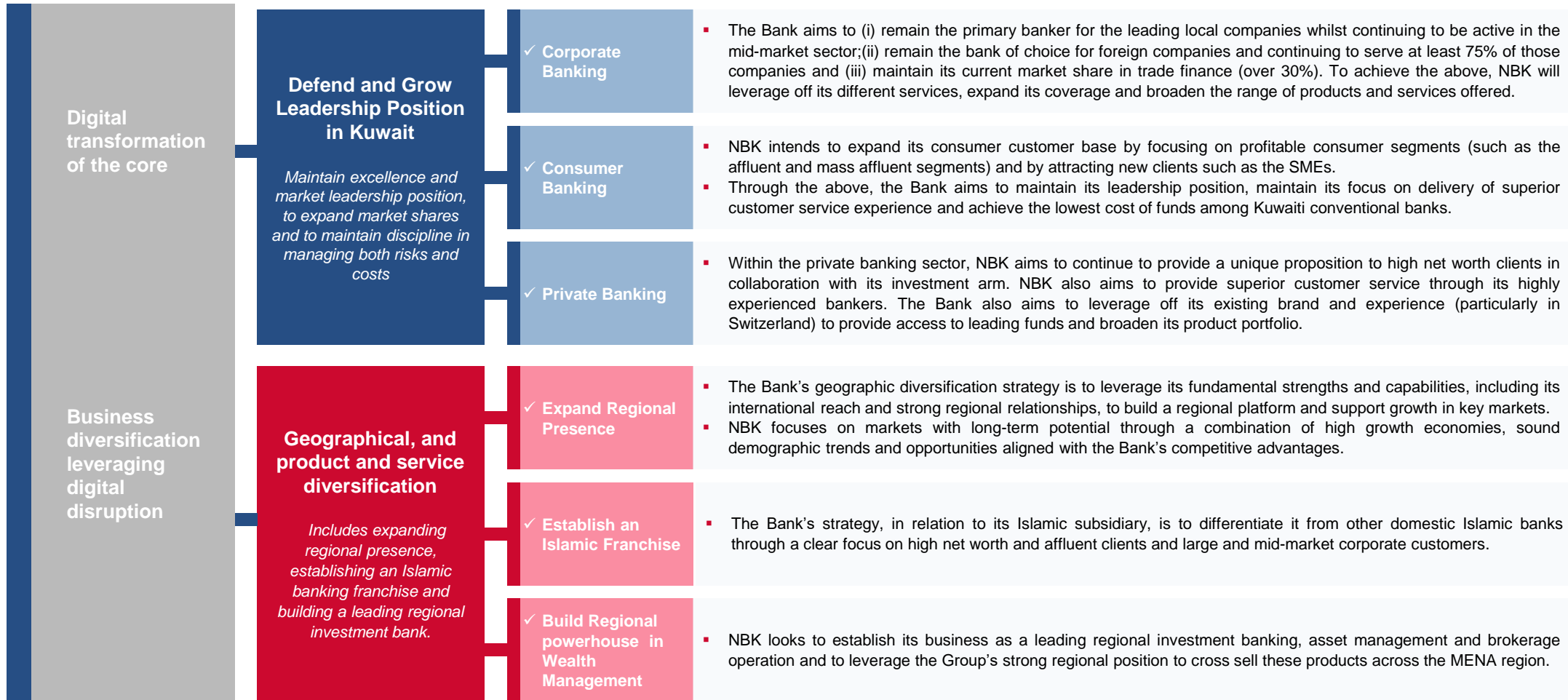


Section 1	Overview of NBK
Section 2	Strategy and Business Overview
Section 3	Operating Environment
Section 4	Financial Performance Highlights
Section 5	Appendix



NBK's Strategy

The Group's strategy, which is based on two main pillars, focuses on defending and growing its leadership position in Kuwait whilst also diversifying its business





Kuwait Operations

NBK



Corporate Banking



Consumer Banking



Private Banking

- Remain the primary banker for local blue-chip companies
- Remain bank of choice among foreign corporations; serving 75% of them active in the Kuwaiti market
- Maintain current market share in excess of 30% in trade finance
- Increase market share in medium corporate segment
- Focus on project finance benefiting from NBK's large capital base
- Maintain asset quality

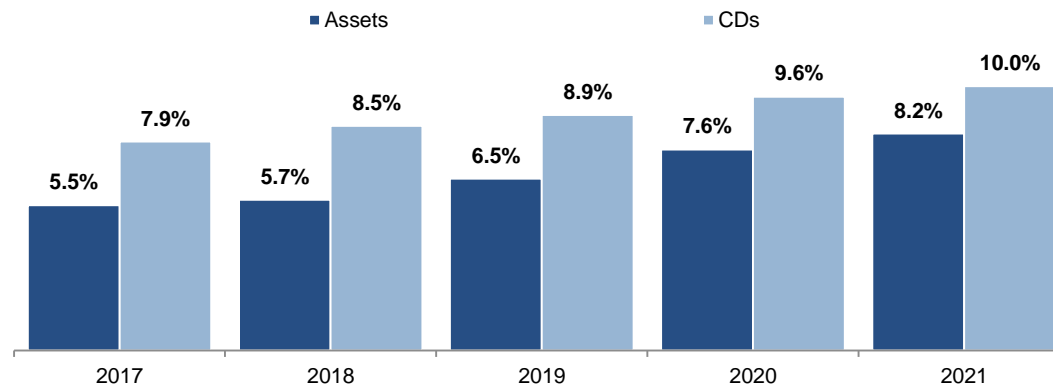
- Maintain leadership with largest market share and highest customer penetration
- Maintain focus on customer service
- Aim to attract new bankable clients such as SMEs
- Pioneer innovative products and services utilizing the latest tools and technologies
- Proactive attrition management
- Meet evolving banking demands

- Continue to provide a unique proposition to HNW
- Provide access to best of breed international funds leveraging NBK's wealth management expertise
- Leverage NBK's strong brand to acquire new clients and retain onshore relationships
- Broaden the product portfolio to accommodate growing needs

Islamic Banking (Boubyan Bank 60.1% owned subsidiary)

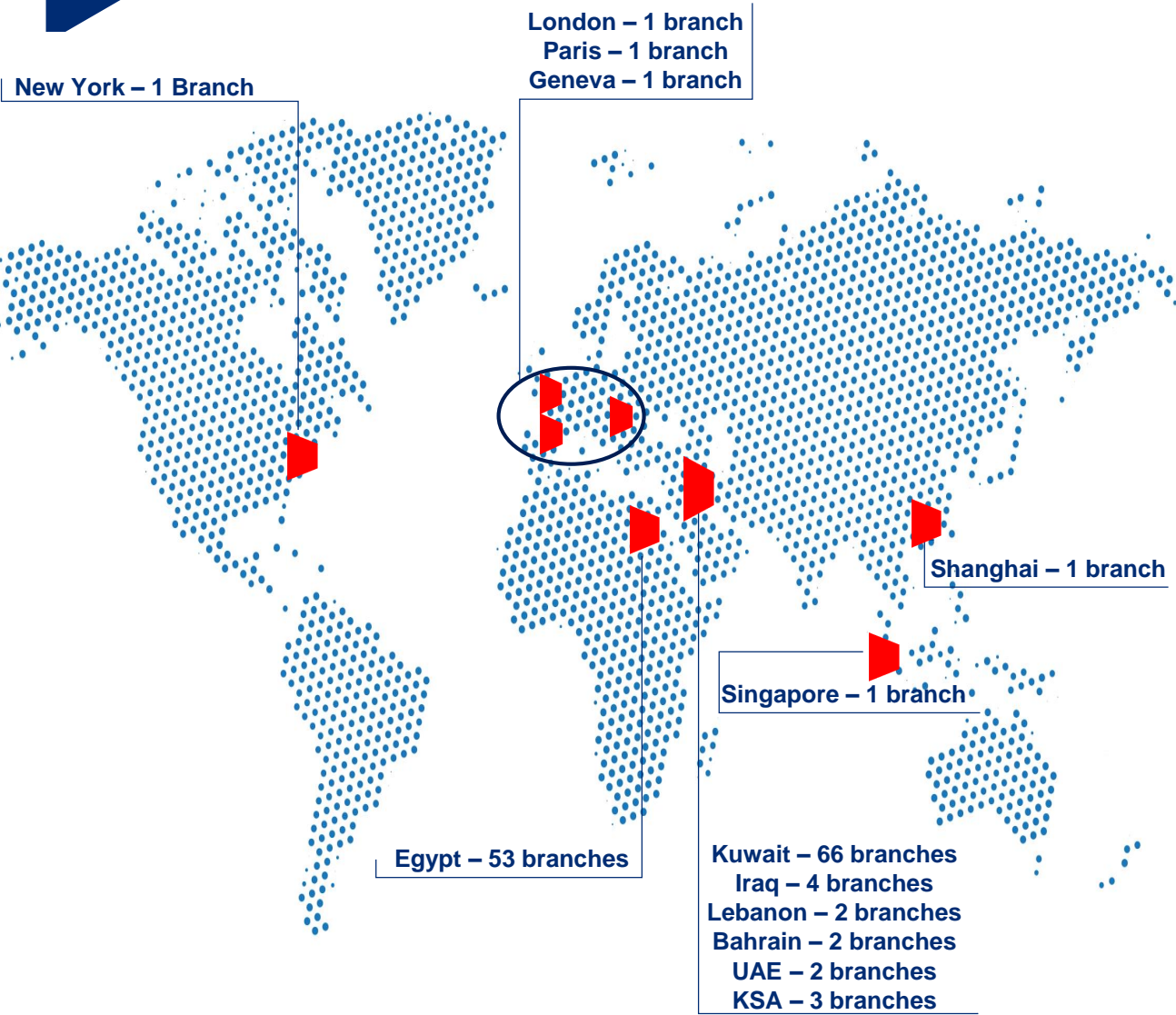
- After a series of gradual share acquisitions since 2009, NBK's stake in Boubyan bank reached 58.4% in 2012. Through Boubyan, NBK aims at diversifying its income stream, complementing its product offering as well as targeting a new segment of clients.
- The size and market share development of Boubyan relative to other Islamic banks leaves significant room for repositioning the bank and acquiring market share.
- NBK is committed to the future growth and transformation of Boubyan Bank and establishing a strong presence in the growing Islamic banking segment.
- The Bank's transformation and strategy implementation is led by a highly proficient management team with extensive regional banking experience, with key positions filled by NBK veterans aligned with the NBK culture.

Market share of Assets and Customer Deposits



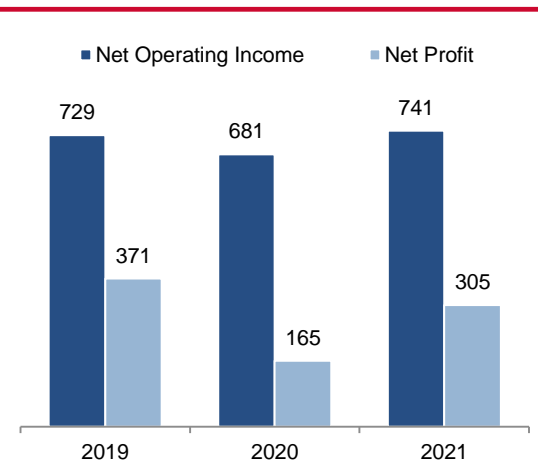


International Operations

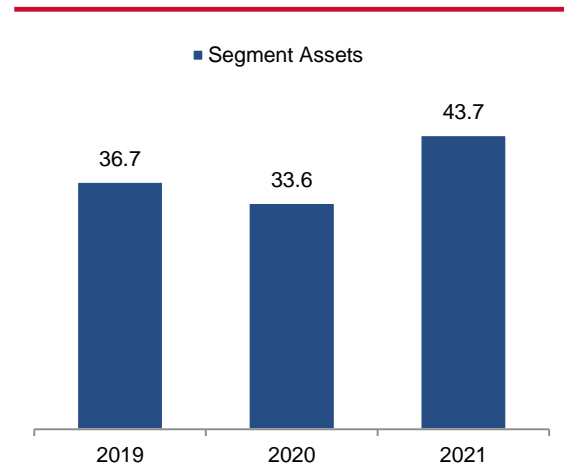


- NBK’s international operations has been traditionally contributing to 25% of the Group’s bottom line.
- NBK’s international presence is a differentiating factor for the Group, enabling better service and strengthening client relationships.
- The Bank is focused on growing its business in existing and new markets; meanwhile, across the international locations, the Bank’s focus is on:
 - increasing its market share in Egypt
 - building a regional powerhouse in wealth management
 - servicing its corporate and private customers who are active internationally and growing its business with international corporates active in the MENA region
- Within its international network, NBK is focused on managing risks and costs to improve efficiency and achieve long-term cost savings and productivity gains.

Revenue Trends (USD mn)



Balance Sheet Trends (USD bn)



Digital Transformation Strategy

With a solid digital transformation strategy, we are committed to our strong ambitions to be relevant to our customers' needs in the era of new normal, to enhance efficiency and to increase stakeholders' value through our two-pronged approach

1.

Digital transformation of the core (comprehensive program to transform our business in Kuwait)

2.

Business diversification leveraging digital disruption (our key markets outside Kuwait)

We developed our digital agenda with strong ambitions



Being and perceived as the digital leader and trendsetter in Kuwait



Building "next generation digital banking" to deliver the best experience to our customers



Establishing a digital working environment – Building digital skillsets - Digital tools to work efficiently

Digital Transformation programs across all segments
(Consumer, Private, Corporate)

Leveraging the change through six main pillars

Enhancing Existing Channels Experience

Developing New Channels

Building New Digital Capabilities

Fully Digital Value Proposition

New Way of Working

Trendsetting Innovation



Sustainability is Embedded in NBK's DNA and Strategy

Our ESG Strategy is built upon six robust pillars...



Our long-term ESG focus is supported by strategic memberships, awards and ratings...



Our pioneering journey to drive sustainable growth...





Our Key ESG Achievements

Our ESG Strategic Pillars



Contributing to Economic Development



Serving Customers



Leading in Governance



Respecting & Developing People



Giving back to our Community



Caring for our Environment

What we achieved

- **74.6%** Kuwaitization rate
 - **71%** Local Procurement which contributed to **84%** of our expenditure
-
- Launched **Weyay** Bank, the **first digital bank for the Youth** in Kuwait
 - **94%** Customer Satisfaction Index (CSI)
 - Launched '**Live Chat**' feature on the NBK Egypt website to serve customers with special needs
-
- Elected **first** female Board Member
 - Elected **2 new** independent directors, one with **extensive ESG experience**
 - Launched **NBK RISE**, a Global leadership initiative designed to elevate talented women to more significant leadership roles
-
- **45%** female employees; females comprise **30%** in all Managerial positions
 - Total training hours were calculated at **41,037 training hours**
 - Invested in the mental & health well-being of employees through regular specialist visits at NBK Clinic
-
- Contributed **KD 17,705,000** in total community investment
 - Contributed around **KD 13 million** for the expansion of NBK Children's Hospital specialized in stem cell transplant; project to start in 2023
 - Sponsored **TAMAKAN** graduate training scheme, with **40** fresh graduates
-
- Achieved the **LEED Gold Certification** for NBK new Headquarters
 - Completed our first **CDP** Submission
 - Constituent in **Refinitiv AFE Low Carbon** Select Index MENA



Introducing NBK's Sustainable Financing Framework

Expanding our sustainable financing activities in line with industry leading practices and standards...

NBK has established a Sustainable Financing Framework to support and advance NBK's goal to integrate critical ESG issues into the business, culture and operations, thereby advancing the transition to a sustainable and low carbon economy and contributing to achieve Kuwait's sustainability vision.

Use of Proceeds

- Under this framework, an amount equivalent to the net proceeds from NBK's sustainable financing instruments will be used to finance or re-finance, in part or in full, Eligible Assets with social or environmental benefits:
 - **Green Assets**, including but not limited to: Renewable Energy, Energy Efficiency, Sustainable Water, Green Buildings.
 - **Social Assets**, including but not limited to: Healthcare & Education, Access to Essential Services, Affordable Housing.

Management of Proceeds

- NBK's Finance and Treasury teams will manage the allocation of an amount equivalent to the net proceeds of its Sustainable Financing Instruments to Eligible Assets using a portfolio approach.
- NBK will follow the process described in the Sustainable Finance Framework along with its professional judgement, discretion and sustainability expertise when identifying the Eligible Assets.

Project Evaluation & Selection

- NBK has established a Sustainable Financing Working Group to govern the selection and monitoring of the Eligible Assets in accordance with the eligibility criteria defined by the Sustainable Financing Framework.
- The Sustainable Financing Working Group will be chaired by a member of Senior Management and consist of senior members from Finance, Treasury, Risk Management, Sustainability and Investor Relations.

Reporting

- NBK commits to publish an allocation and impact report annually, and until full allocation of the proceeds, and in the event of any material changes until the relevant maturity date.
- NBK will request on an annual basis, starting one year after issuance and until full allocation, an assurance report on the allocation of the Sustainable Financing Instrument proceeds to eligible assets, provided by its external auditor.

NBK Sustainable Financing Framework has been externally verified with a Second Party Opinion (SPO) by S&P Global to confirm alignment with the ICMA 2021 Green Bond Principles, ICMA 2021 Social Bond Principles, ICMA 2021 Sustainability Bond Guidelines, LMA 2021 Green Loan Principles and LMA 2021 Social Loan Principles.

Use of Proceeds

Strong

Project Evaluation & Selection

Aligned


Management of Proceeds

Aligned

Reporting

Aligned

Contents



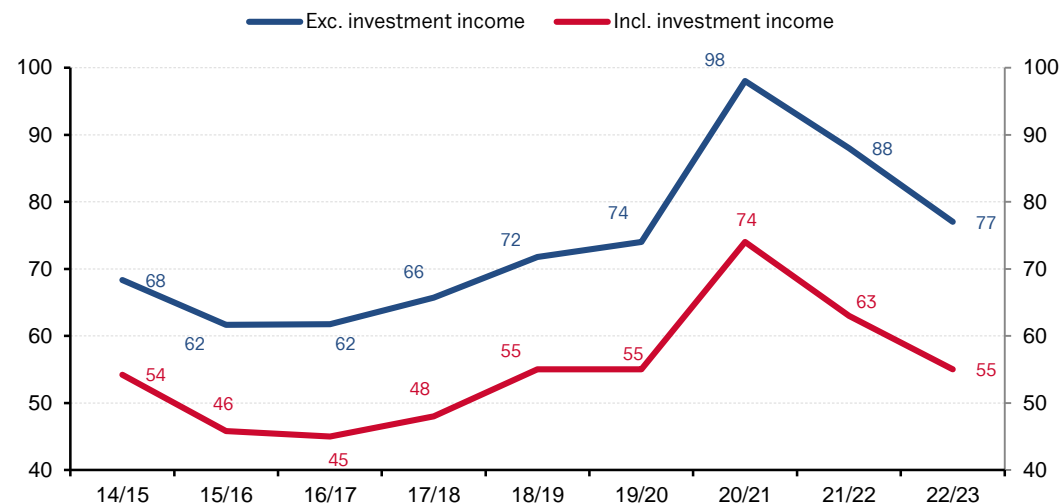
Section 1	Overview of NBK
Section 2	Strategy and Business Overview
Section 3	Operating Environment
Section 4	Financial Performance Highlights
Section 5	Appendix

Overview of Kuwait

Overview

- The State of Kuwait is a sovereign state on the coast of the Arabian Gulf with a population of 4.5 million
- Kuwait is a constitutional monarchy, headed by His Highness the Emir, Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah
- Kuwait enjoys an open economy, dominated by the government sector. Its economy is primarily dependent on the oil industry, but has witnessed growing contribution from non-oil sectors
- Kuwait has one of the lowest industry breakeven oil prices in the world and a fiscal breakeven lower than some other GCC countries, making it more resilient to low oil prices. It has one of the world's largest sovereign wealth funds and very low debt, which underpins its investment grade sovereign credit rating
- Kuwait has a long-term policy vision under the banner of “**Kuwait Vision 2035**”. It encompasses six strategic aims: increasing GDP growth; encouraging the private sector; supporting human and social development; promoting demographic policies; enhancing and improving the effectiveness of government administration and consolidating the country's Islamic and Arab identity

Fiscal breakeven oil price (USD)



Key economic indicators

Key Indicators	2021e	2022f
Sovereign Ratings	A1 / A+ / AA- (M / S / F)	
Current Account	\$34 bn	\$60 bn
Government Revenues* (% GDP)	44%	52%
Public Debt* (% GDP)	5.0%	3.5%

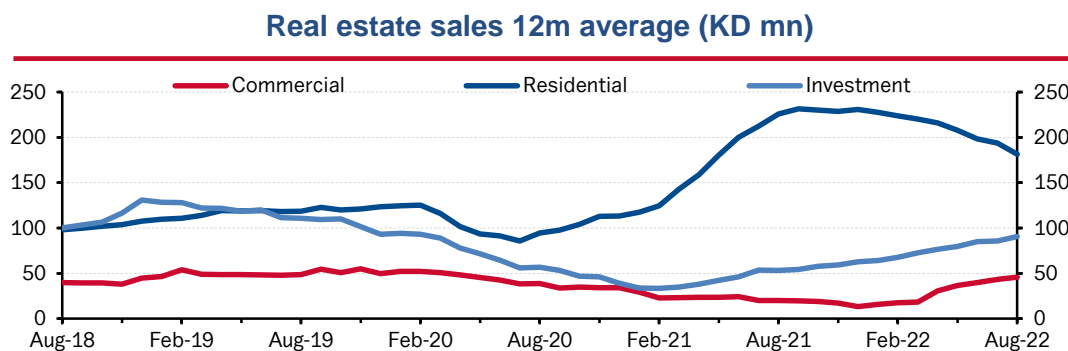
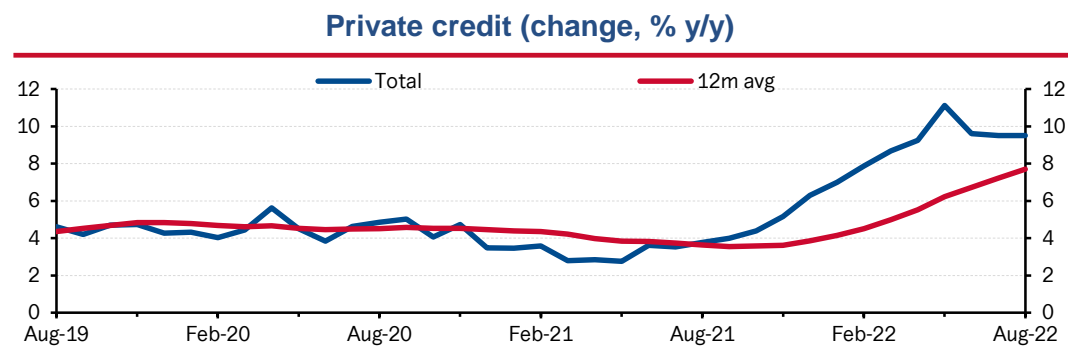
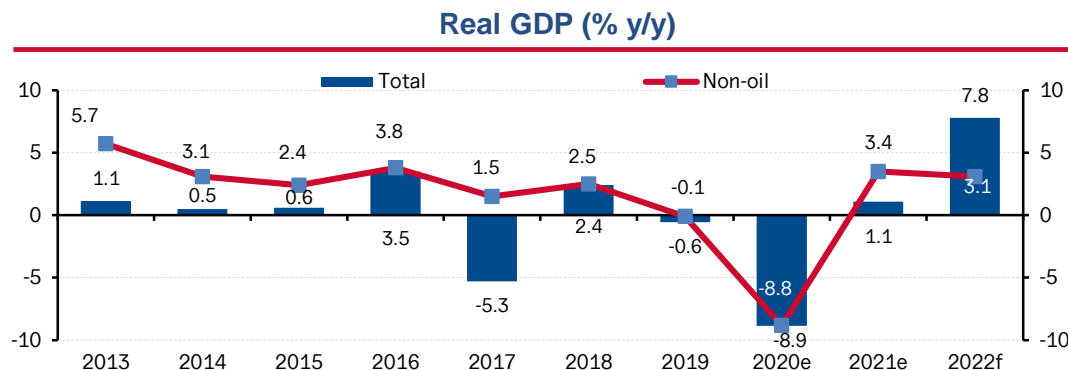
*Fiscal year



Kuwait's Economy

Recent Developments

GDP Growth	<ul style="list-style-type: none"> Following a decline of 8.9% in 2020 due to the twin shocks of Covid-19 and lower oil activity/prices, output is estimated to have rebounded by 1.1% in 2021, led by gains in private consumption and non-oil activity more broadly (+3.5%). Oil sector GDP is estimated to have contracted by 1% in 2021 in line with Kuwait's participation in the OPEC+ production cut agreement. Looking ahead, headline GDP growth could reach 7.8% in 2022 on oil (+12.1%) and non-oil sector output gains (+3.1%), with the latter benefitting from consumer, real estate and refining sector output gains.
Public Finance and Inflation	<ul style="list-style-type: none"> The fiscal deficit in FY21/22 is estimated to have narrowed to 8.6% of GDP from 33% the year before. With oil prices forecast to average about \$100/bbl in 2022, the fiscal balance could post a surplus of 10.2% of GDP in FY22/23 on modest increase in expenditures. Inflation averaged 3.4% in 2021 and likely peaked at 4.7% y/y in April 2022 amid elevated global food and commodity prices, rising housing rents and robust domestic demand. Inflation is forecast to average 3.9% in 2022.
Consumer Sector	<ul style="list-style-type: none"> Consumer spending remains strong (+13% y/y to KD2.9bn in September), according to one metric, benefitting from healthy consumer borrowing and positive sentiment.
Credit Growth	<ul style="list-style-type: none"> Private credit expanded by 9.5% y/y in August on gains in household credit (+12.8% y/y) and corporate credit (+6.4% y/y). The CBK followed the US Fed and raised its key discount rate six times since March, by a cumulative 150 bps to 3.0%, with more rate rises expected in 2022. Deposit growth, having turned positive in January, continued its strong run, rising by 7.1% y/y in August on increasing private sector deposits (+5.0% y/y) and accelerating government deposit growth (+32.8% y/y).
Real Estate Activity	<ul style="list-style-type: none"> In 2021, property sales reached a 7-year high of KD3.7 billion, driven by buoyant residential sector activity. In August 2022, total sales were up 75% m/m but down 2.7% y/y to KD365 million. Final approval of a mortgage law in 2022-23 could boost activity (and prices) as well.



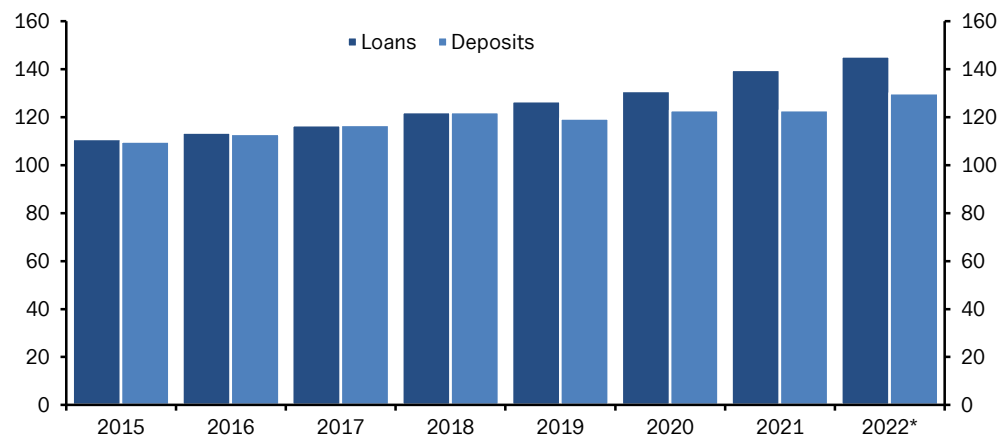


Kuwait's Banking Sector

Snapshot

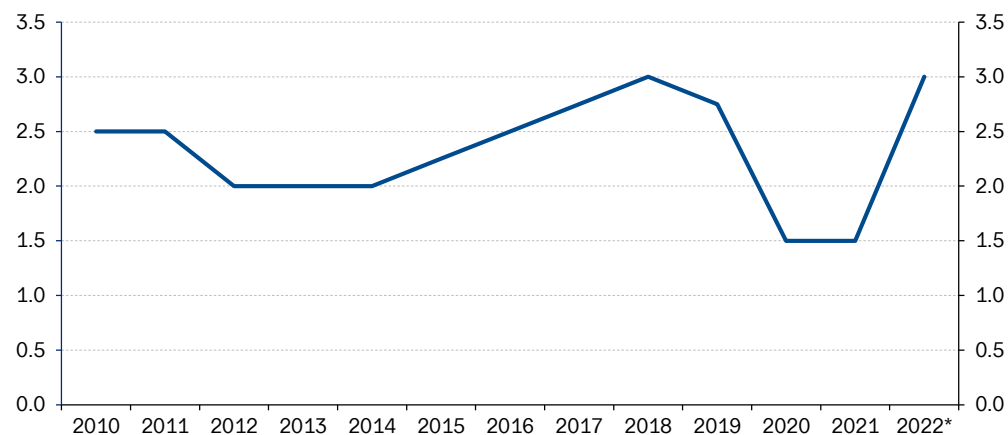
- **The Kuwaiti banking sector comprises 22 banks**, including 11 domestic banks (five conventional, five Shariah-compliant and one specialized), and branches of 11 international banks (10 conventional and one Islamic).
- **The sector is well regulated by the Central Bank of Kuwait (“CBK”)** with a number of regulations and supervisory norms to ensure the safety of the banking sector including through strict supervision and imposition of prudential ratios, such as lending limits and concentrations, investment limits, liquidity and capital adequacy.
- **The banking sector has demonstrated strong resilience and elevated levels of financial soundness over the past 10 years.** In fact, the sector is very well capitalized, with an average Capital Adequacy Ratio of 18.6% in 1Q22, higher than the required minimum. Non-performing loans to total loans stood at 1.4% in 1Q22.

Key indicators (USD bn, end year)



Source: Central Bank of Kuwait / Refinitiv

Development of the Discount rate (% , end year)



Source: Central Bank of Kuwait / Refinitiv;* as of Oct 2022

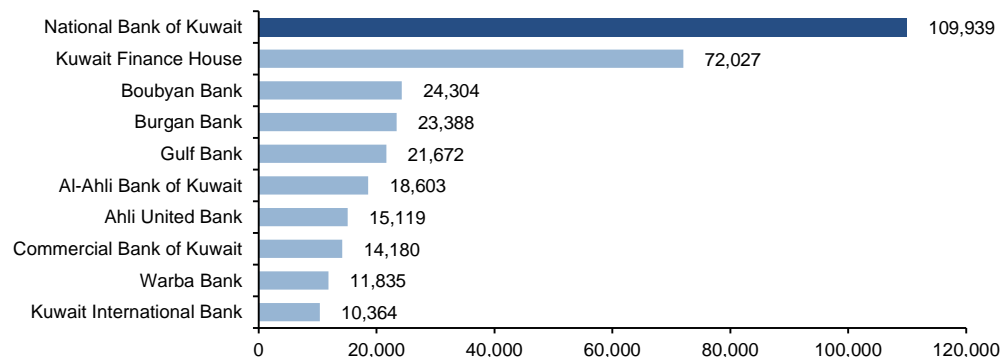
¹Loans refers to total credit facilities to residents and deposits refer to private resident deposits, all as reported by the Central Bank of Kuwait (*as of August 2022)



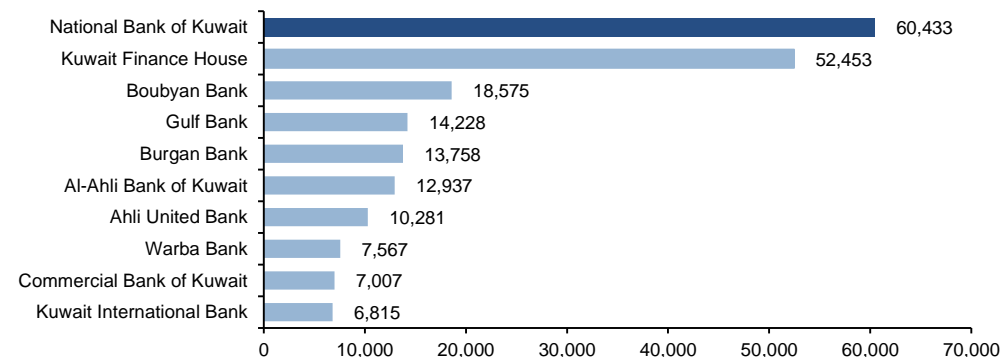
Dominant Kuwaiti Franchise

NBK is the leading banking group in Kuwait with a market leading position across its business segments

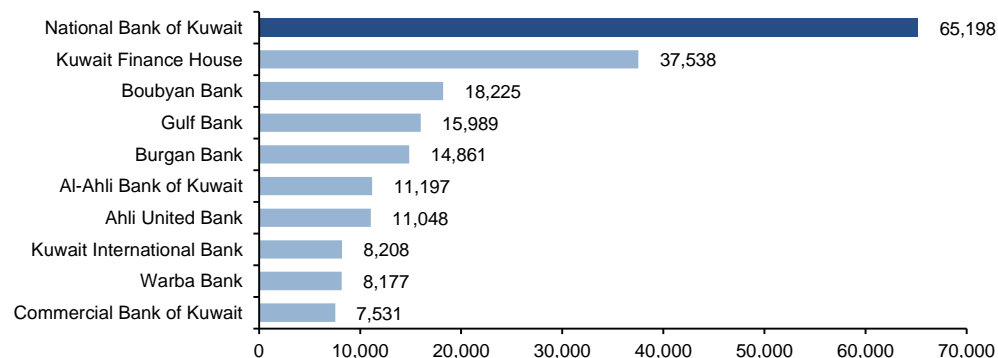
Total Assets (USD million)



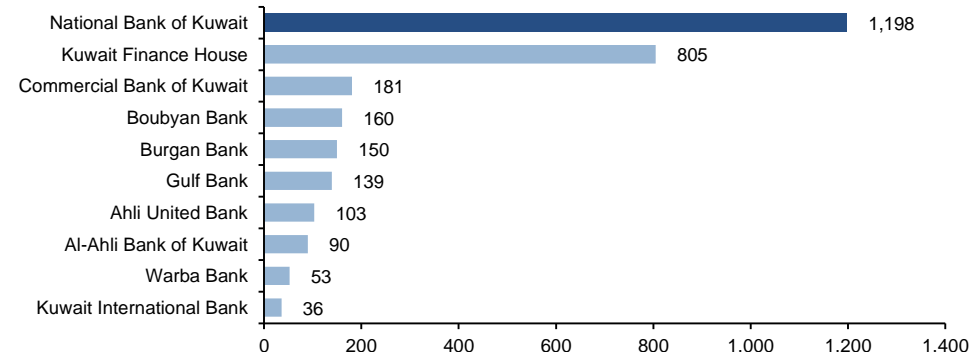
Customer Deposits (USD million)



Customer Loans & Advances (USD million)




Net Profit attributable (USD million)



Sources: Bank's annual reports. All data as of 31 December 2021 for Balance Sheet items and Income Statement Items.

Note: Kuwait Finance House, Boubyan Bank, AUB, KIB and Warba Bank are Islamic banks while Burgan Bank, Gulf Bank, Commercial Bank of Kuwait and Al-Ahli Bank of Kuwait are conventional banks.

Contents

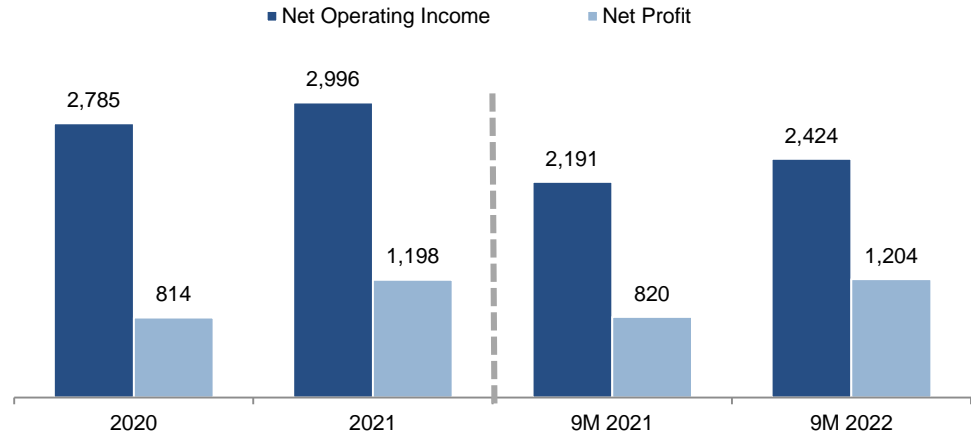


Section 1	Overview of NBK
Section 2	Strategy and Business Overview
Section 3	Operating Environment
Section 4	Financial Performance Highlights
Section 5	Appendix

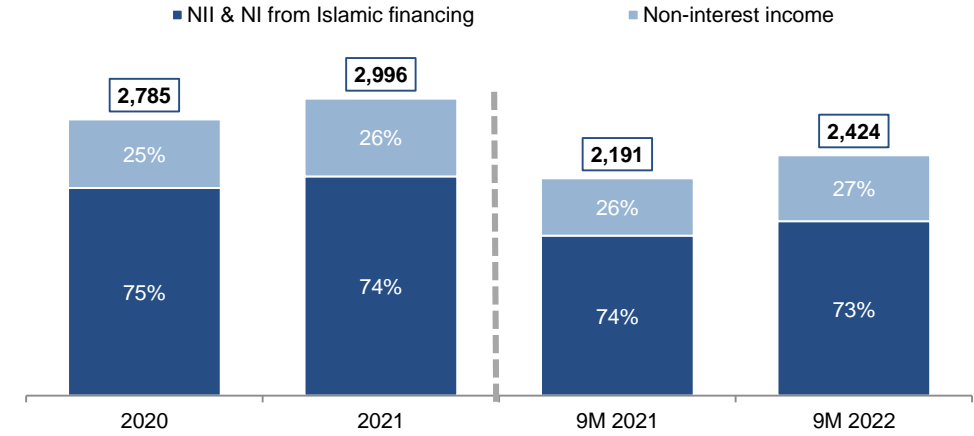


Operating Performance & Profitability

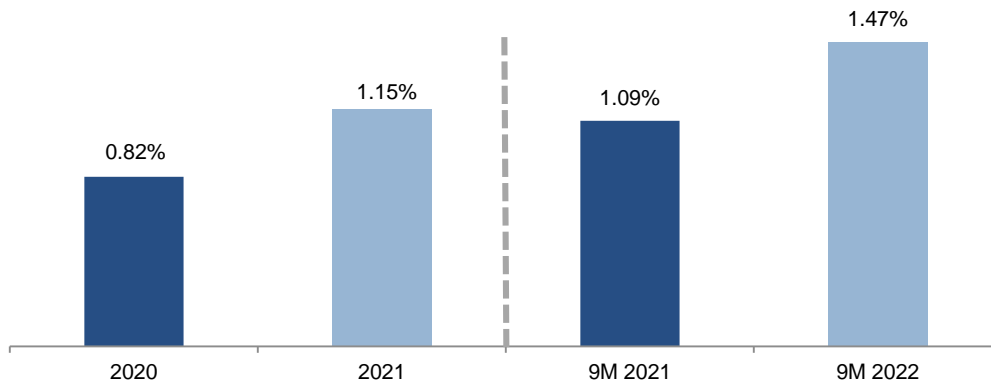
Profitability (USD mn)



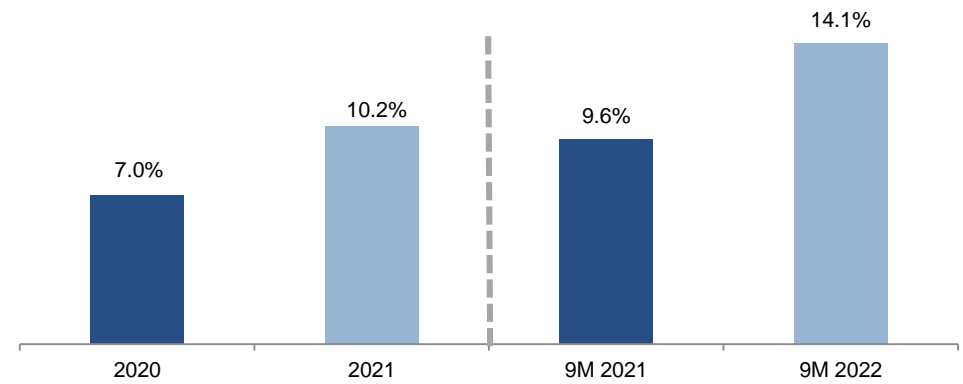
Operating Income Composition (USD mn)



Return on average assets (%)



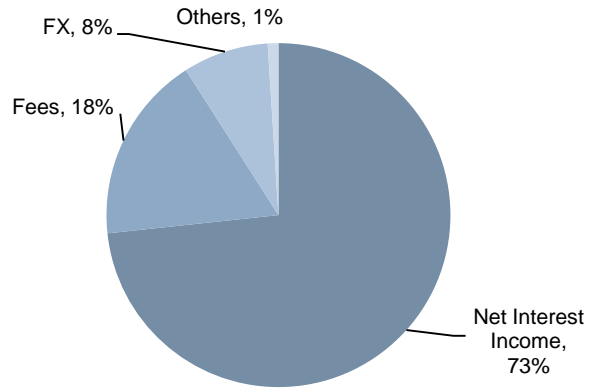
Return on average equity (%)



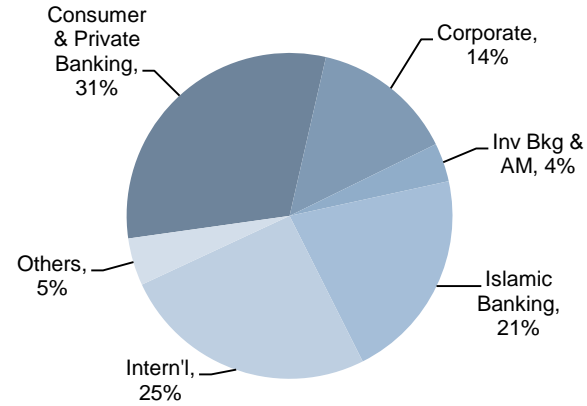


Operating Performance & Profitability (cont'd)

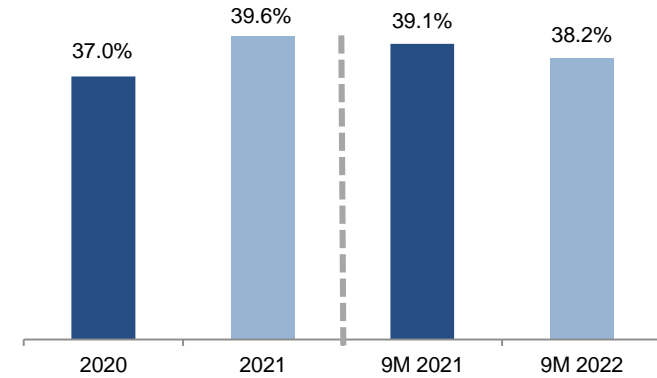
9M 2022 Op. income by type (%)



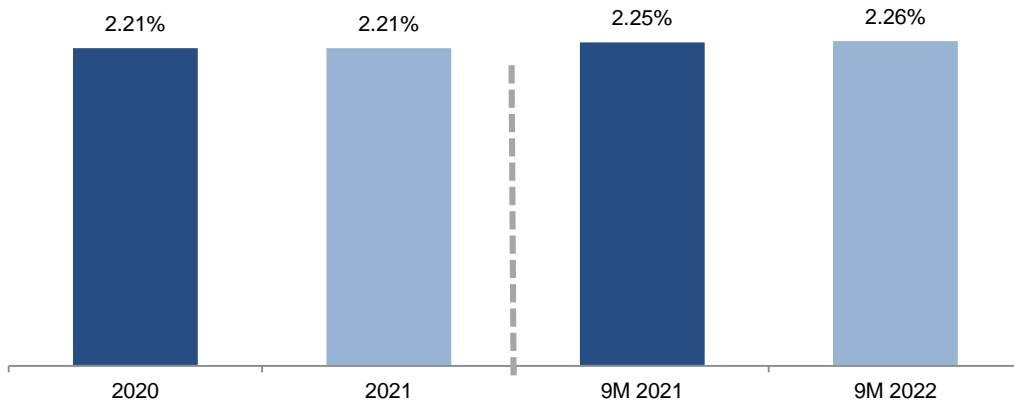
9M 2022 Op. income by business line (%)



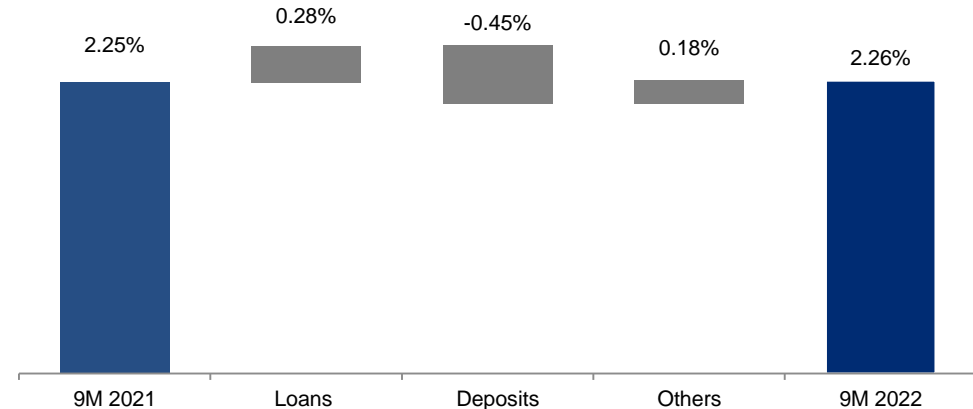
Cost to income (%)



Net Interest Margin (%)



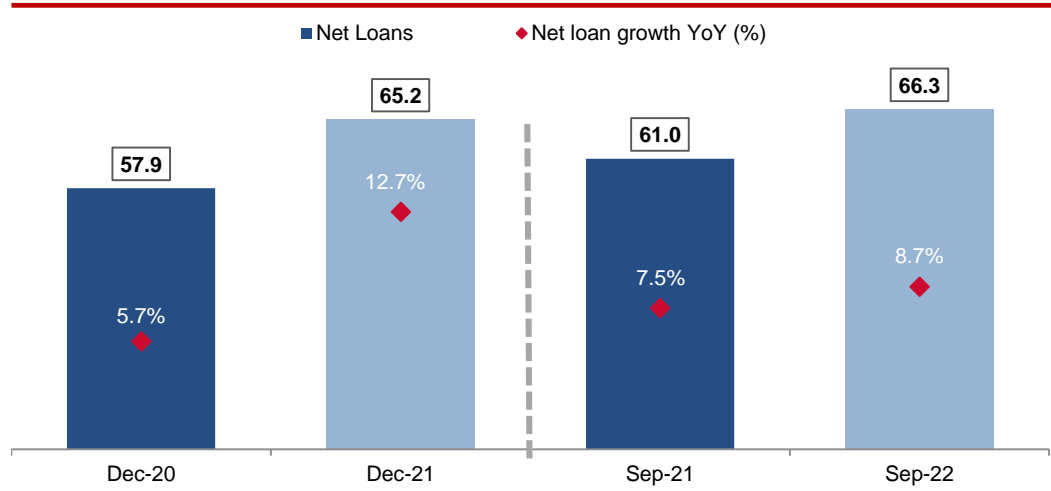
Net Interest Margin Drivers



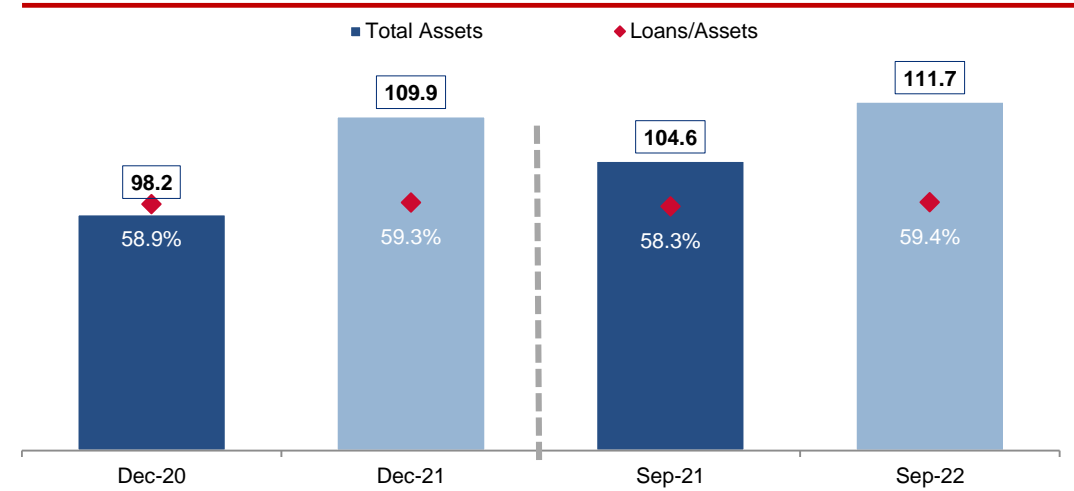


Balance Sheet Parameters

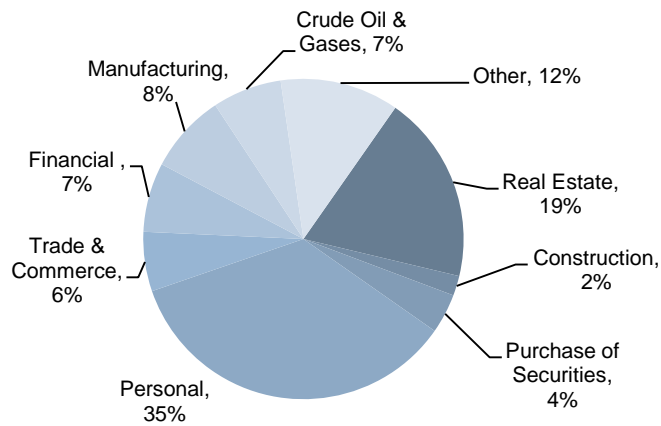
Net loan portfolio (USD bn)



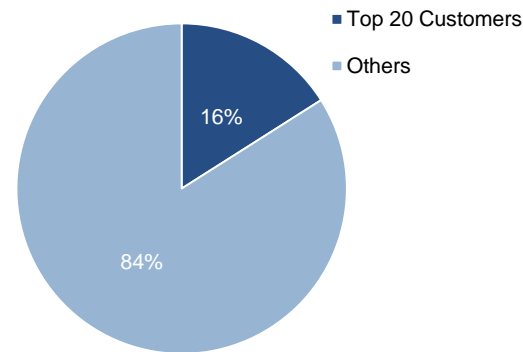
Loans to assets (USD bn)



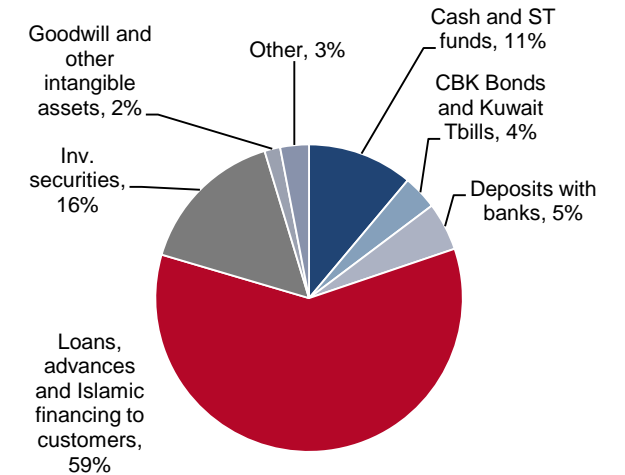
Loan exposure by sector (%) (as at 30 Sep. 2022)



Low loan concentrations (as at 30 Sep. 2022)



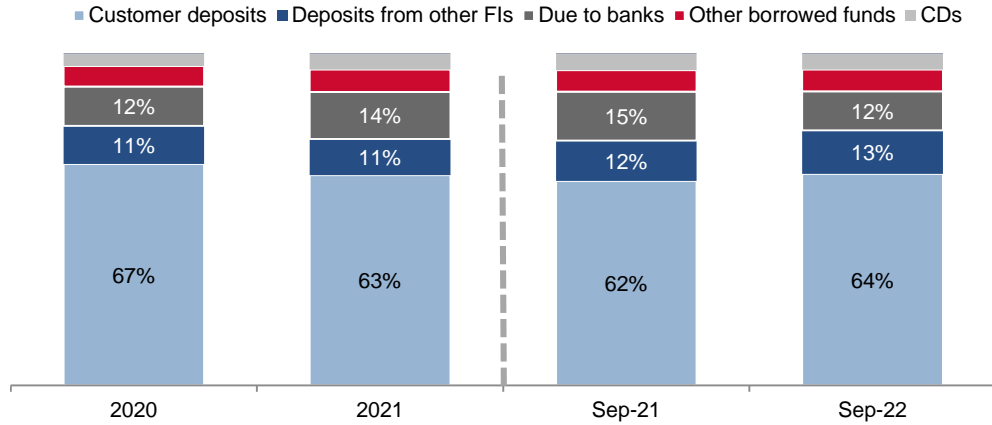
Assets by Type (as at 30 Sep. 2022)



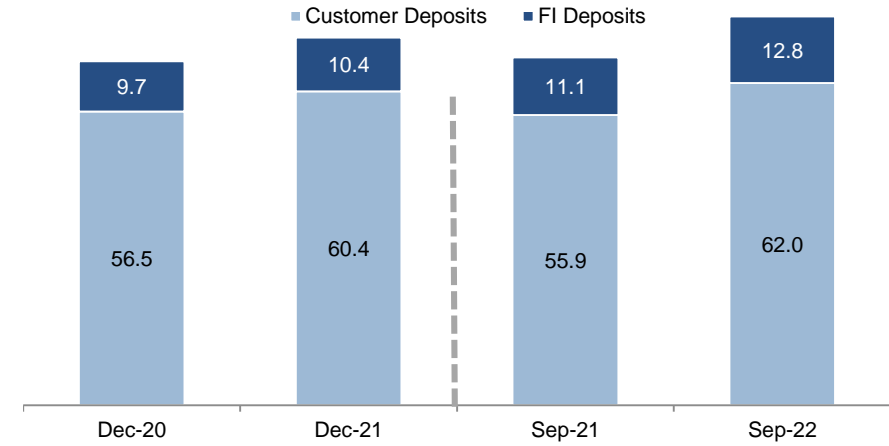


Funding and Liquidity Positions

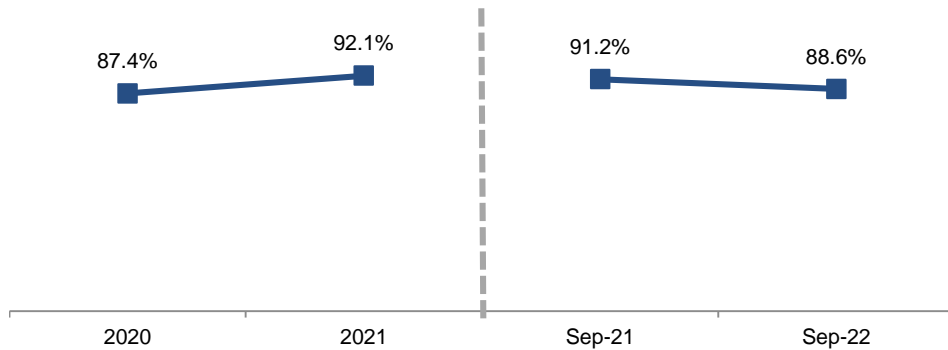
Funding Mix (Total Liabilities)



Customer and FI Deposits (USD bn)

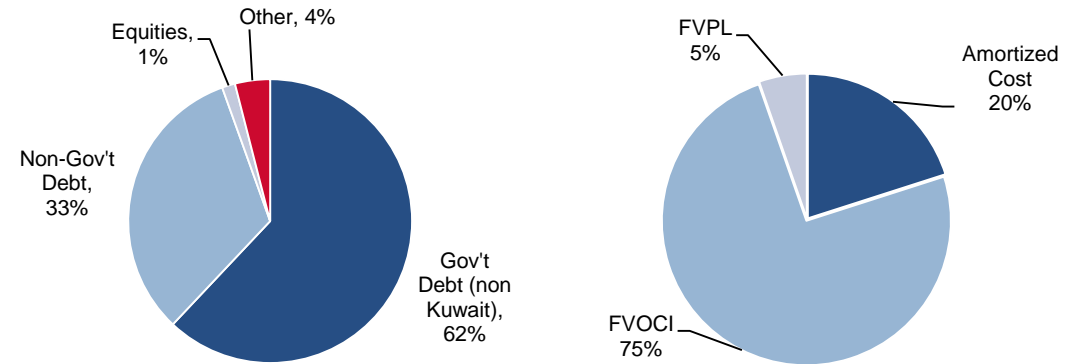


Loans to Customer and other FI Deposits Ratio (%)



Overview of Investment Securities¹ – USD 16.2 bn

As at 31 Dec. 2021

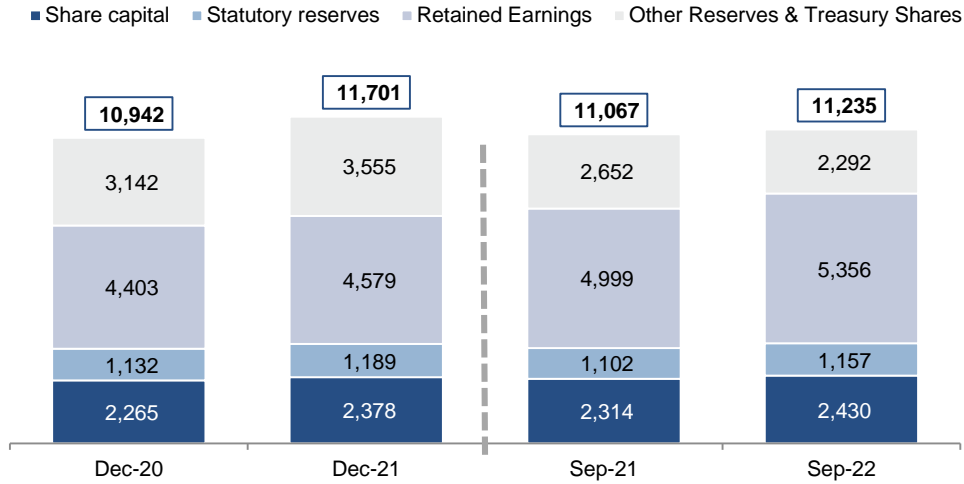


Notes:¹Excludes investments in Central Bank of Kuwait Bonds and Kuwait Government Treasury Bonds

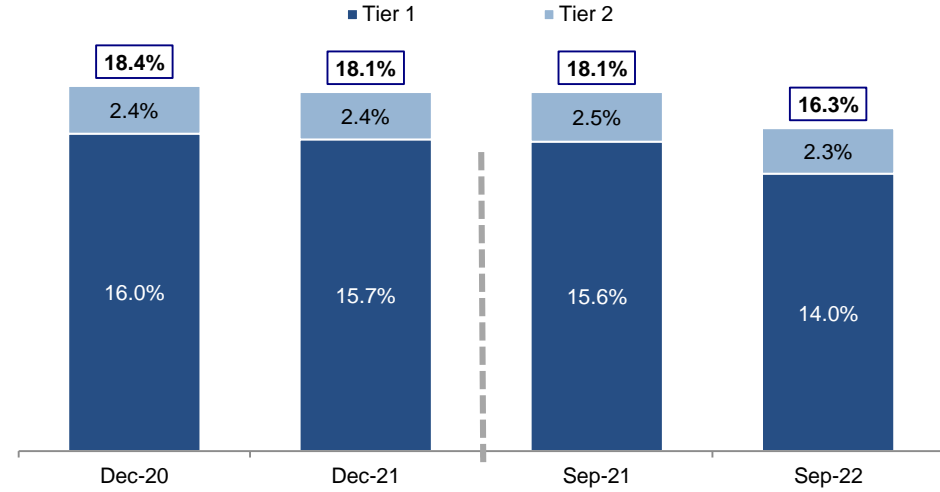


Capitalization and Asset Quality

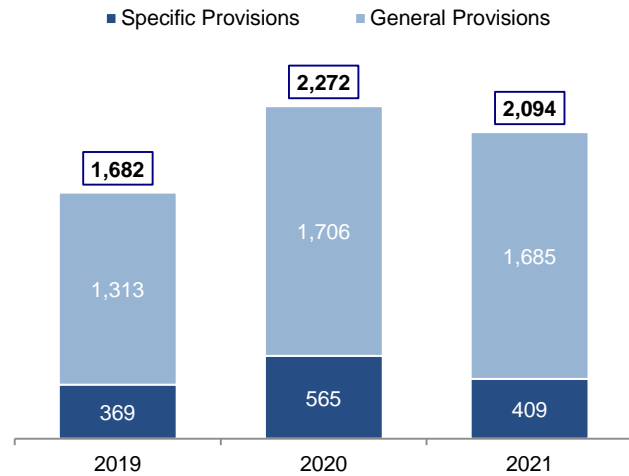
Total Equity¹ Breakdown (USD mn)



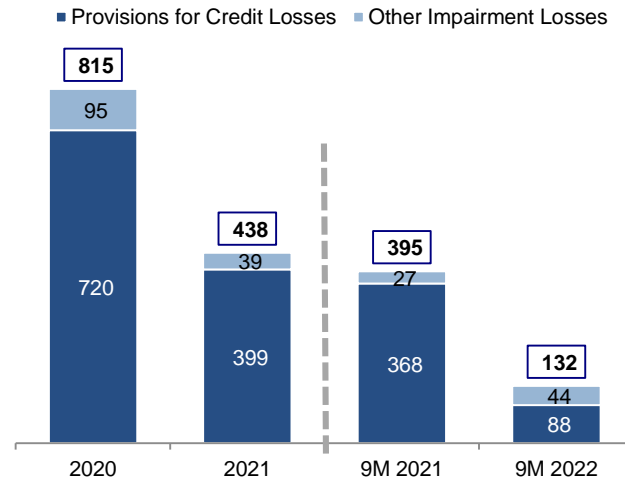
Prudent capitalization (%)



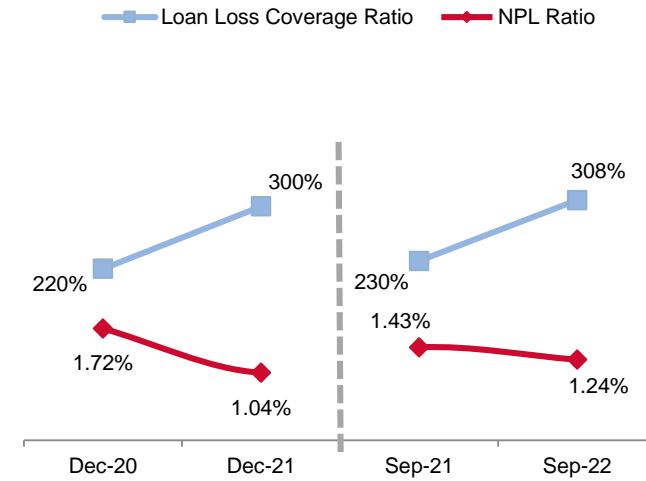
Prudent Provisioning (USD mn)



Provisions and Impairments Charges (USD mn)



Asset Quality Ratios (%)



Notes:¹Equity here refers to total equity attributable to the shareholders of National Bank of Kuwait S.A.K.P.

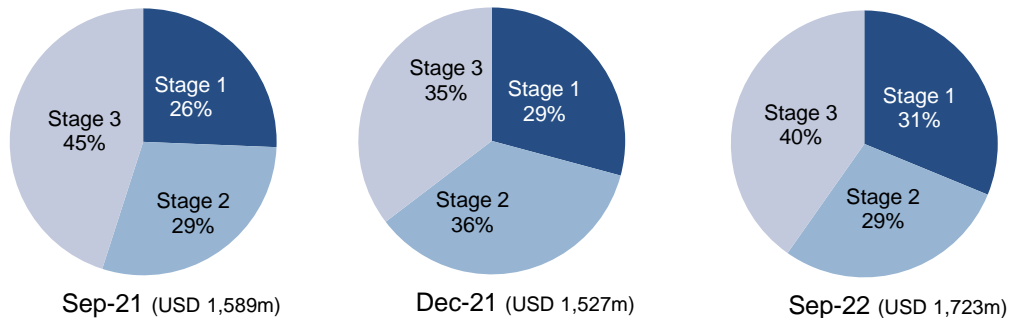


Expected Credit Losses (ECL) 9M 2022

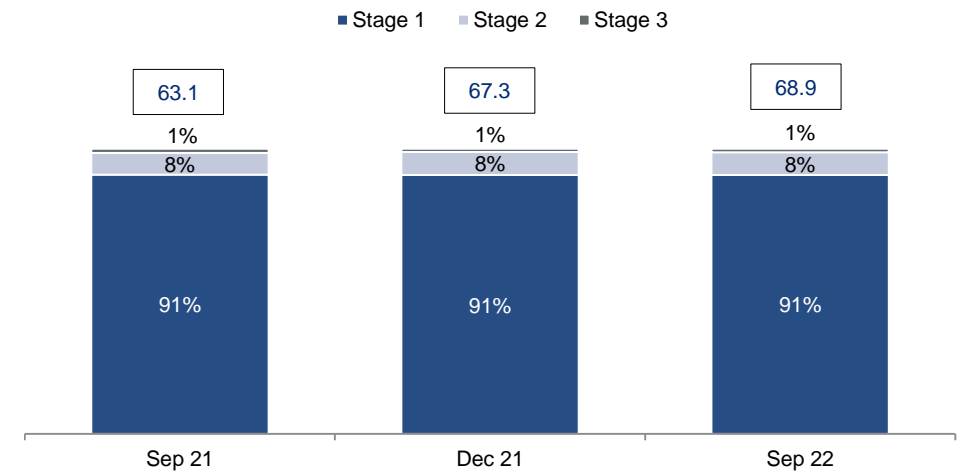
Financial Statements ECL Disclosure (USDm)

30 September 2022	Stage1	Stage 2	Stage 3	Total
Loans, advances and Islamic financing to customers	62,631	5,444	858	68,933
Contingent liabilities	12,507	2,028	65	14,600
Commitments (revocable and irrevocable) to extend credit	23,038	3,287	0	26,325
ECL allowance for credit facilities	538	492	693	1,723

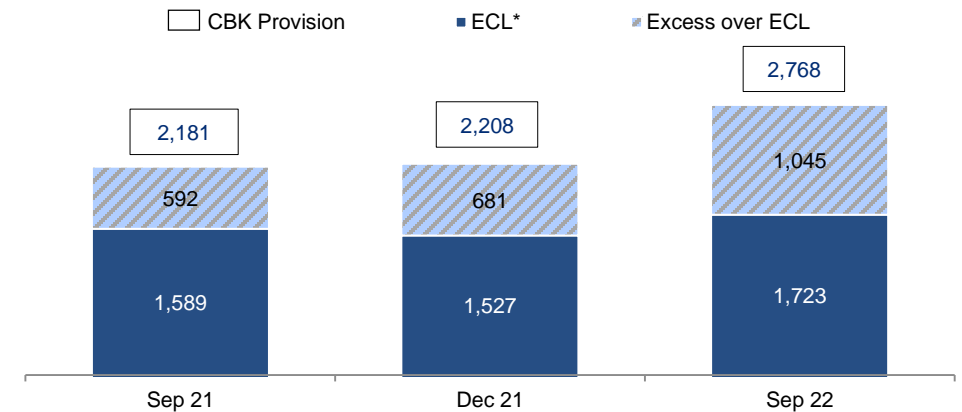
ECL Allowance for Credit Facilities



Total Gross Loans (USDbn)




CBK Credit Provisions vs IFRS 9 ECL (USDm)



* ECLs as per CBK guidelines

Contents



Section 1	Overview of NBK
Section 2	Strategy and Business Overview
Section 3	Operating Environment
Section 4	Financial Performance Highlights
Section 5	Appendix



Kuwait Selected Mega Projects

Project	Sector	NPV (KD bn)	Scope	Status
South Al Mutlaa City	Housing	3.5	30,000 residential units, schools and other facilities	Underway: Construction works have progressed up to 85% and the project is expected to be completed by February 2023 on Multaa Future City Roads.
Jahra & Sulaibiya Low Cost Housing City	Housing	0.4	Low cost housing project north of Kuwait City; 824 Hectares	Underway: Infrastructure works completed. Project was in the execution stage as per latest update in June-2021 and scheduled to complete in 2030. Construction works on an infrastructure package are completed.
Kuwait Environmental Remediation Programme (KERP)	Oil & gas	0.65	Environmental remediation project to address the environmental damage resulting from the Gulf War	Underway: Five zones has been awarded as part of the North and South excavation, transportation and remediation projects with a combined value of KD 305 mn. P-3 bids submission closed by end-March 2022; KD 150 mn.
Clean Fuels Project (CFP)	Oil & gas	3.70	Specification upgrade and expansion of 2 existing refineries to produce 800,000 b/d	Complete: Overall progress 100%. The project is currently under operation and the time for its shutdown mechanical maintenance is still unknown.
Jurassic Non Associated Oil & Gas Reserves Expansion: Phase 2	Oil & gas	0.1	Production of 120,000 b/d of wet crude and more than 300 million cubic feet a day (cf/d) of sour gas	Underway: Construction works have been completed ahead of schedule on the West Raudhatain Field Upgrade project.
Petrochemical Facility at Al-Zour	Oil & gas	2.0	Petrochemical plant to be integrated with Al-Zour refinery	Planning/Underway: FEED works completed. Project Engineering and Management Services for 6 years contract has been awarded. KIPIC qualified 7 bidders for the main contract tender expected before end-2022.
North Shuaiba Power Plant	Power & Water	0.4	Dual-fuel plant with a net power generation capacity of 778 MW and includes 3 desalination units with a capacity of 45 MIGD	Bidding/Planning: Consultancy contract bids submitted in November 2021.
Al-Zour North (IWPP) – P2 to P5	Power & water	2.1	1800 MW of power generation capacity and 464,100m ³ /day of desalination capacity	Complete/Planning: KAPP obtained approval from SAB to award the transaction advisory contract for the planned Al-Zour North 2 and 3 IQPP projects. Al-Zour North IWPP Phases 4&5 are in the initial stage of development.
Al-Khairan Power & Desalination Plant (IWPP)	Power & water	0.02	Net capacity of a min 1,500 MW of power and a min 125 MIGD of desalinated water	Bidding/Planning: The client is expected to issue the request for pre-qualification by Q4, 2022, and is also expected to issue the request for proposals by Q2, 2023. Project is expected to reach financial closure by Q2, 2024.
Umm Al Hayman Waste Water (PPP)	Power & water	0.47	Initial treatment capacity of 500,000 m ³ /d. Plant may replace Riqqa WWTP in future	Underway (pending): KAPP signed final agreements and financial closure has been achieved for the project. Construction works commenced, ongoing per schedule and set to be completed by Jan-2024. IPO will open for citizens once construction is completed.
Kabd Municipal Solid Waste Project	Power & water	0.2	Waste to energy facility; 50% of all the municipal solid waste produced in Kuwait will be processed at the facility	On Hold: The project has been put on hold.
Kuwait Metropolitan Rapid Transit	Transport	5.4	165 km transit line running across Kuwait.	Planning: Feasibility study for the project has been completed stating the PPP models is more economically viable than the traditional tendered approach.
Airport Expansion (New Passenger Building)	Transport	0.4	To increase the annual handling capacity of the airport to 20 million passengers and new runways and infrastructure expansion	Underway/Bidding: DGCA has announced that the Fatwa and Legislation Department has approved the US\$ 976 million contract for the global operator of the T2 passenger terminal. Construction works have progressed to 64% on New Passenger Terminal 2 project.

Consolidated financials 9M 2022 (USD million)

<i>Income Statement (USD million)</i>	9M 2021	9M 2022	YoY Growth (%)	<i>Balance sheet (USD million)</i>	Sep- 21	Sep-22	YoY Growth (%)
Interest Income	1,582	2,022	28%	Cash and short term funds	16,782	12,311	(27%)
Interest Expense	364	685	88%	Central Bank of Kuwait bonds	2,673	3,338	25%
Net Interest Income	1,218	1,337	10%	Kuwait Government Treasury bonds	1,438	686	(52%)
Murabaha and other Islamic financing income	549	653	19%	Deposits with banks	2,668	5,626	NM
Distribution to depositors and Murabaha costs	152	231	53%	Loans, advances and Islamic financing to customers	61,004	66,293	9%
Net Income from Islamic financing	398	422	6%	Investment securities	15,392	17,482	14%
NII and NI from Islamic financing	1,615	1,759	9%	Investment in associates	13	12	(6%)
Net fees and commissions	398	426	7%	Land, premises and equipment	1,437	1,498	4%
Net investment income	77	42	(46%)	Goodwill and other intangible assets	1,871	1,833	(2%)
Net gains from dealing in foreign currencies	89	194	NM	Other assets (incl. assets held for sale)	1,316	2,584	96%
Other operating income	12	4	(70%)	Total Assets	104,594	111,663	7%
Non-interest income	576	666	16%	Due to banks	13,387	11,407	(15%)
Net Operating Income	2,191	2,424	11%	Deposits from other financial institutions	11,052	12,806	16%
Staff expenses	482	527	9%	Customer deposits	55,872	62,028	11%
Other administrative expenses	289	301	4%	Certificates of deposit issued	4,410	4,547	3%
Depreciation of premises and equipment	82	93	13%	Other borrowed funds	3,581	4,092	14%
Amortisation of intangible assets	4	4	0%	Other liabilities (incl. liabilities directly associated with assets held for sale)	2,262	2,307	2%
Operating Expenses	857	926	8%	Total Liabilities	90,563	97,188	7%
Pre-provision profits (and impairments)	1,334	1,499	12%	Share capital	2,314	2,430	5%
Provision charge for credit losses and impairment losses	395	132	(67%)	Proposed bonus shares	-	-	NA
Operating profit before taxation	939	1,367	46%	Statutory reserve	1,102	1,157	5%
Taxation	81	111	36%	Share premium account	2,584	2,584	0%
Non-controlling interest	38	52	38%	Treasury share reserve	112	112	0%
Profit attributable to shareholders of the Bank	820	1,204	47%	Other reserves	4,955	4,952	0%
				Equity attributable to shareholders	11,067	11,235	2%
				Perpetual Tier 1 Capital Securities	1,413	1,413	0%
				Non-controlling interests	1,551	1,828	18%
				Total equity	14,031	14,475	3%
				Total liabilities and equity	104,594	111,663	7%



Consolidated Statement Of Income *(USD million)*

<i>USD million</i>	2019	2020	2021
Interest Income	3,261	2,502	2,185
Interest Expense	1,394	882	512
Net Interest Income	1,867	1,621	1,673
Murabaha and other Islamic financing income	699	744	753
Finance cost and Distribution to depositors	288	271	214
Net Income from Islamic financing	411	474	539
Net interest income and net income from Islamic financing	2,278	2,094	2,212
Net fees and commissions	520	483	546
Net investment income	28	7	92
Net gains from dealing in foreign currencies	130	126	132
Other operating income	5	76	13
Non-interest income	682	691	784
Net Operating Income	2,960	2,785	2,996
Staff expenses	581	577	665
Other administrative expenses	327	337	404
Depreciation of premises and equipment	88	111	113
Amortisation of intangible assets	11	5	5
Operating Expenses	1,006	1,030	1,187
Op. profit before provision for credit losses and impairment losses	1,955	1,755	1,810
Provision charge for credit losses	405	720	399
Impairment losses	24	95	39
Operating profit before taxation	1,526	941	1,371
Taxation	117	85	113
Directors' remuneration	-	-	0
Non-controlling interest	82	41	61
Profit attributable to shareholders of the Bank	1,327	814	1,198

Consolidated Statement Of Financial Position *(USD million)*

<i>USD million</i>	2019	2020	2021
Cash and short term funds	12,520	12,904	16,800
Central Bank of Kuwait bonds	2,721	2,745	2,744
Kuwait Government treasury bonds	2,189	1,530	1,379
Deposits with banks	6,311	3,396	2,927
Loans, advances and Islamic financing to customers	54,719	57,866	65,198
Investment securities	13,932	15,632	16,234
Investment in associates	117	17	12
Land, premises and equipment	1,433	1,411	1,508
Goodwill and other intangible assets	1,927	1,924	1,922
Other assets	893	814	1,216
Total Assets	96,763	98,239	109,939
Due to banks	11,920	10,090	13,549
Deposits from other financial institutions	13,144	9,683	10,366
Customer deposits	52,663	56,543	60,433
Certificates of deposit issued	1,781	3,038	4,428
Other borrowed funds	1,164	2,673	4,187
Other liabilities	2,012	2,522	2,209
Total Liabilities	82,683	84,550	95,172
Share capital	2,157	2,265	2,378
Proposed bonus shares	108	113	119
Statutory reserve	1,078	1,132	1,189
Share premium account	2,655	2,655	2,655
Treasury shares	(130)	-	-
Treasury share reserve	83	116	116
Other reserves	5,400	4,662	5,245
Equity attributable to shareholders of the bank	11,351	10,942	11,701
Perpetual Tier 1 Capital Securities	1,449	1,449	1,451
Non-controlling interests	1,279	1,298	1,615
Total equity	14,080	13,689	14,767
Total liabilities and equity	96,763	98,239	109,939

Contact

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Useful information

Download copies of NBK's:

- [Financial statements](#)
- [Earnings release](#)
- [Annual report](#)



National Bank of Kuwait

Investor Presentation

October 2022