

Kuwait: 20th of April 2021

Mr. Mohammad Saud Al-Osaimi
Chief Executive Officer - Boursa Kuwait Company
State of Kuwait

Dear Sirs,

Subject: Interim Consolidated Financial Information
for the period ended 31/3/2021

As per chapter No.4 of the “Disclosure & Transparency” Module of the Capital Markets Authority’s Executive Bylaws and its Law No. 7/2010 and amendments issued on 9/11/2015 regarding disclosure of Material Information.

National Bank of Kuwait would like to disclose that Central Bank of Kuwait has approved NBK’s Interim Consolidated Financial Information for the period ended 31/3/2021.

Attached; Financial Results Form for Kuwaiti Companies for Q1 ended 31/3/2021 published on Boursa Kuwait Company website and a copy of Central Bank of Kuwait approval.

With reference to Boursa Kuwait Rule Book requirements issued as per the decision No (1) for year 2018 and since National Bank of Kuwait has been classified under the “Premier Market” category. The Bank is glad to announce a quarterly Analysts/Investors Conference that will take place through a Live Webcast at 3 p.m. (according to local time) on Monday 26/4/2021. Interested parties should reach out to the Bank through the following email address: Investor-Relations@nbk.com in order to provide them with the invitation and access details for the aforementioned conference.

Sincerely yours,

 On behalf of National Bank of Kuwait (S.A.K.P.)


Isam J. Al-Sager

Group Chief Executive Officer

بنك الكويت الوطني
National Bank of Kuwait
ش.م.ك.م. س.ا.ك.ب.

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C.R. No. 8490 سجل تجاري رقم

رأس المال المصدر والمقدم د.ك. 685,018,518/100 Issued and paid-up capital

Financial Results Form
Kuwaiti Company (KWD)

نموذج نتائج البيانات المالية
للشركات الكويتية (د.ك.)

First Quarter Results Ended on

2021-03-31

نتائج الربع الاول المنتهي في

Company Name

اسم الشركة

National Bank of Kuwait S.A.K.P

بنك الكويت الوطني ش.م.ك.ع

Board of Directors Meeting Date

تاريخ اجتماع مجلس الإدارة

2021-04-12

Required Documents

المستندات الواجب إرفاقها بالنموذج

Approved financial statements

نسخة من البيانات المالية المعتمدة

Approved auditor's report

نسخة من تقرير مراقب الحسابات المعتمد

التغيير (%) Change (%)	فترة الثلاث اشهر المقارنة Three Month Comparative Period	فترة الثلاث اشهر الحالية Three Month Current Period	البيان Statement
	2020-03-31	2021-03-31	
8.5%	77,673,000	84,308,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
5.7%	11	12	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
-5.1%	15,702,982,000	14,904,525,000	الموجودات المتداولة Current Assets
1.5%	30,541,094,000	31,000,718,000	إجمالي الموجودات Total Assets
-0.9%	24,682,312,000	24,457,197,000	المطلوبات المتداولة Current Liabilities
0.4%	26,623,975,000	26,734,549,000	إجمالي المطلوبات Total Liabilities
6.6%	3,073,318,000	3,275,271,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
-1.5%	224,789,000	221,520,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
-2.0%	142,350,000	139,437,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
Not Applicable/ لا ينطبق	لا يوجد خسائر متراكمة No accumulated losses	لا يوجد خسائر متراكمة No accumulated losses	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital

التغيير (%) Change (%)	الربح الأول المقارن	الربح الأول الحالي	البيان Statement
	First Quarter Comparative Period	First Quarter Current Period	
	2020-03-31	2021-03-31	
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	إجمالي الإيرادات التشغيلية Total Operating Revenue
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)



• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
The increase in net profit for the period ended 31 March 2021 as compared to the period ended 31 March 2020 was primarily due to lower impairment losses.	تعود الزيادة في صافي الربح للفترة المنتهية في 31 مارس 2021 مقارنة بالفترة المنتهية في 31 مارس 2020 بشكل أساسي إلى انخفاض خسائر انخفاض القيمة.
Total Revenue realized from dealing with related parties (value, KWD)	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 367,000	367,000 دينار كويتي
Total Expenditures incurred from dealing with related parties (value, KWD)	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 33,000	33,000 دينار كويتي

Corporate Actions		استحقاقات الأسهم (الاجراءات المؤسسية)	
النسبة	القيمة		
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق		توزيعات نقدية Cash Dividends
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق		توزيعات أسهم منحة Bonus Share
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق		توزيعات أخرى Other Dividend
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق		عدم توزيع أرباح No Dividends
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق	علاوة الإصدار Issue Premium	زيادة رأس المال Capital Increase
Not Applicable/ لا ينطبق	Not Applicable/ لا ينطبق		تخفيض رأس المال Capital Decrease

The Company's comments in case the auditor has concerns or a qualified opinion	تعقيب الشركة في حال قيام مراقب الحسابات بإبداء ملاحظات أو تحفظات
None	لا يوجد

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
 R.C. 8310 - 03		رئيس مجموعة الرقابة المالية بالإنابة	رونجهي سوجيت أنيل

Attach a copy of the financial statements approved by the Board of Directors and the approved auditor's report

يجب إرفاق نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مراقب الحسابات المعتمد



Building a better
working world

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF NATIONAL BANK OF KUWAIT S.A.K.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Bank of Kuwait S.A.K.P. (the "Bank") and its subsidiaries (collectively the "Group") as at 31 March 2021, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three months period then ended. The management of the Bank is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of presentation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of presentation set out in Note 2.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Bank. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulation, as amended, or of the Bank's Articles of Association and Memorandum of Incorporation, as amended, during the three months period ended 31 March 2021 that might have had a material effect on the business of the Bank or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business, and its related regulations, during the three months period ended 31 March 2021 that might have had a material effect on the business of the Bank or on its financial position.

ABDULKARIM AL SAMDAN
LICENCE NO. 208 A
ERNST & YOUNG
AL AIBAN, AL OSAIMI & PARTNERS

BADER A. AL-WAZZAN
LICENCE NO. 62 A
DELOITTE & TOUCHE
AL-WAZZAN & CO.

18 April 2021
Kuwait

National Bank of Kuwait Group

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

31 March 2021 (Unaudited)

	Notes	Three months ended 31 March	
		2021 KD 000's	2020 KD 000's
Interest income		159,887	228,137
Interest expense		37,749	92,555
Net interest income		122,138	135,582
Murabaha and other Islamic financing income		56,006	58,423
Finance cost and Distribution to depositors		15,748	24,809
Net income from Islamic financing		40,258	33,614
Net interest income and net income from Islamic financing		162,396	169,196
Net fees and commissions		39,410	38,297
Net investment income (loss)		8,307	(3,333)
Net gains from dealing in foreign currencies		8,116	19,533
Other operating income		3,291	1,096
Non-interest income		59,124	55,593
Net operating income		221,520	224,789
Staff expenses		46,041	45,537
Other administrative expenses		27,205	28,489
Depreciation of premises and equipment		8,425	8,001
Amortisation of intangible assets		412	412
Operating expenses		82,083	82,439
Operating profit before provision for credit losses and impairment losses		139,437	142,350
Provision charge for credit losses and impairment losses	3	42,626	51,498
Operating profit before taxation		96,811	90,852
Taxation	4	7,833	9,036
Profit for the period		88,978	81,816
Attributable to:			
Shareholders of the Bank		84,308	77,673
Non-controlling interests		4,670	4,143
		88,978	81,816
Basic earnings per share attributable to shareholders of the Bank	5	12 fils	11 fils

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

National Bank of Kuwait Group

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

31 March 2021 (Unaudited)

	Three months ended 31 March	
	2021 KD 000's	2020 KD 000's
Profit for the period	88,978	81,816
Other comprehensive income / (loss)		
Investment in debt securities measured at FVOCI :		
Net change in fair value	34,810	(247,667)
Net transfer to interim condensed consolidated statement of income	(6,342)	8,928
	28,468	(238,739)
Share of other comprehensive loss of associates	(3)	(287)
Exchange differences on translation of foreign operations	(6,574)	13,848
Other comprehensive income / (loss) for the period reclassifiable to interim condensed consolidated statement of income in subsequent periods	21,891	(225,178)
Net gain / (loss) on investments in equity instruments designated at FVOCI (not reclassifiable to interim condensed consolidated statement of income in subsequent periods)	22	(1,005)
Other comprehensive income / (loss) for the period	21,913	(226,183)
Total comprehensive income / (loss) for the period	110,891	(144,367)
Attributable to:		
Shareholders of the Bank	104,670	(134,053)
Non-controlling interests	6,221	(10,314)
	110,891	(144,367)

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

National Bank of Kuwait Group

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2021 (Unaudited)

		31 March 2021 KD 000's	Audited 31 December 2020 KD 000's	31 March 2020 KD 000's
Assets				
Cash and short term funds		4,704,797	3,903,371	3,772,541
Central Bank of Kuwait bonds		830,817	830,233	826,304
Kuwait Government treasury bonds		455,780	462,922	612,155
Deposits with banks		1,170,719	1,027,373	1,864,443
Loans, advances and Islamic financing to customers	6	17,850,669	17,504,342	17,717,767
Investment securities		4,730,165	4,728,778	4,419,455
Investment in associates		4,945	5,195	6,620
Land, premises and equipment		429,016	426,963	450,223
Goodwill and other intangible assets		581,288	581,881	585,080
Other assets		242,522	246,333	286,506
Total assets		31,000,718	29,717,391	30,541,094
Liabilities				
Due to banks and other financial institutions		6,807,076	5,981,573	7,342,435
Customer deposits		17,043,457	17,104,232	17,220,721
Certificates of deposit issued		1,378,425	918,862	606,918
Other borrowed funds		792,217	808,665	593,988
Other liabilities		713,374	763,004	859,913
Total liabilities		26,734,549	25,576,336	26,623,975
Equity				
Share capital	7	719,269	685,019	685,019
Proposed bonus shares	7	-	34,250	-
Statutory reserve		342,511	342,511	326,199
Share premium account		803,028	803,028	803,028
Treasury shares	7	-	-	(39,258)
Treasury shares reserve		34,961	34,961	25,115
Other reserves	7	1,375,502	1,410,240	1,273,215
Equity attributable to shareholders of the Bank		3,275,271	3,310,009	3,073,318
Perpetual Tier 1 Capital Securities	8	591,770	438,438	438,438
Non-controlling interests	7	399,128	392,608	405,363
Total equity		4,266,169	4,141,055	3,917,119
Total liabilities and equity		31,000,718	29,717,391	30,541,094


 Nasser Musaed Abdullah Al-Sayer
 Chairman

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

National Bank of Kuwait Group

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

31 March 2021 (Unaudited)

	Notes	Three months ended 31 March	
		2021 KD 000's	2020 KD 000's
Operating activities			
Profit for the period		88,978	81,816
Adjustments for:			
Net investment (income) loss		(8,307)	3,333
Depreciation of premises and equipment		8,425	8,001
Amortisation of intangible assets		412	412
Provision charge for credit losses and impairment losses	3	42,626	51,498
Taxation	4	7,833	9,036
Cash flow from operating activities before changes in operating assets and liabilities		139,967	154,096
Changes in operating assets and liabilities:			
Central Bank of Kuwait bonds		(584)	(3,075)
Kuwait Government treasury bonds		7,142	50,020
Deposits with banks		(154,669)	35,259
Loans, advances and Islamic financing to customers		(388,351)	(666,068)
Other assets		3,811	10,276
Due to banks and other financial institutions		825,503	(388,916)
Customer deposits		(60,775)	925,260
Certificates of deposit issued		459,563	68,307
Other liabilities		2,197	155,689
Tax paid		(3,873)	(8,028)
Net cash from operating activities		829,931	332,820
Investing activities			
Purchase of investment securities		(856,680)	(517,846)
Proceeds from sale/redemption of investment securities		835,321	194,815
Dividend income		18	24
Proceeds from sale of investment in associate		-	690
Purchase of investment in associate		-	(538)
Acquisition of subsidiary net of cash acquired		-	(325)
Transaction costs related to acquisition of a subsidiary		-	(1,815)
Proceeds from sale of land, premises and equipment		197	718
Purchase of land, premises and equipment		(9,272)	(25,402)
Net cash used in investing activities		(30,416)	(349,679)
Financing activities			
Net proceeds from issuance of Perpetual Tier 1 Capital Securities		210,516	-
Partial redemption of Perpetual Tier 1 Capital Securities		(57,963)	-
Interest paid on Perpetual Tier 1 Capital Securities		(1,461)	-
Proceeds from issuance of Sukuk		-	228,600
Other borrowed funds		(12,177)	-
Dividends paid	7	(137,004)	(226,373)
Net cash from financing activities		1,911	2,227
Increase (decrease) in cash and short term funds		801,426	(14,632)
Cash and short term funds at 1 January		3,903,371	3,787,173
Cash and short term funds at 31 March		4,704,797	3,772,541

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.



الإشارة : 2385/105/2 Ref

التاريخ : 8 رمضان 1442 Date :
الموافق : 20 أبريل 2021


السيد الرئيس التنفيذي لمجموعة بنك الكويت الوطني المحترم

تحية طيبة وبعد ،

بالإشارة إلى كتابكم المؤرخ 2021/4/12 المرفق به البيانات المالية المرحلية المجمعة لمصرفكم عن الفترة المنتهية في 2021/3/31 والتي تم إعدادها لأغراض النشر وفقاً لمتطلبات بورصة الكويت، وعطفاً على الإيضاحات والبيانات التفصيلية الواردة إلينا في هذا الشأن والتي كان آخرها بتاريخ 2021/4/19.

نفيدكم بأن بنك الكويت المركزي قد أحيط علماً بما جاء في البيانات المشار إليها ، وعليه فإنه يمكنكم اتخاذ كافة الإجراءات الضرورية المتبعة في مثل هذا الخصوص .

مع أطيب التحيات .


وليد محمود العوضي

2386 - نسخة إلى بورصة الكويت -