

Kuwait: 14th of February 2021

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

Dear Sir,

Subject: Credit rating

As per Chapter No. 4 of the “Disclosure and 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.

We would like to advise you that Credit Rating Agency “Fitch Ratings” on 11th of February 2021 has affirmed National Bank of Kuwait’s ratings as follows:

- 1- Long-Term Issuer Default Rating affirmed: (AA-)
- 2- Short-Term Issuer Default Rating affirmed: (F1+)
- 3- Viability Rating affirmed: (a-).
- 4- Support Rating affirmed: (1).
- 5- Support Rating Floor affirmed: (AA-).

The agency has changed the outlook from stable to negative.

Attached; Disclosure Form of Material Information.

Sincerely yours,

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



Isam J. Al-Sager

Group Chief Executive Officer

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سجل المدفوع د.ك. رأس المال المصدر والمدفوع د.ك. Issued and paid-up capital KD 685,018,518/100

Appendix No. (9)

Disclosure of Credit Rating Form

Date	14 th of February 2021
Name of the Listed Company	National Bank of Kuwait (S.A.K.P)
Entity who issues the rating	Fitch Ratings
Rating category	<p>1- Long-Term Issuer Default Rating affirmed: (AA-) 2- Short-Term Issuer Default Rating affirmed: (F1+) 3- Viability Rating affirmed: (a-). 4- Support Rating affirmed: (1). 5- Support Rating Floor affirmed: (AA-).</p> <p>The agency has changed the outlook from stable to negative.</p>
Rating implications	<p>1- Long-Term Issuer Default Rating (AA-): Very high credit quality. Its denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.</p> <p>2- Short-Term Issuer Default Rating (F1+): Highest Short-Term Credit Quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments.</p> <p>3- Viability Rating (a-): High Fundamental Credit Quality. Ratings denote strong prospects for ongoing viability. Fundamental characteristics are strong and stable, such that it is unlikely that the bank would have to rely on extraordinary support to avoid default.</p> <p>4- Support Rating (1): There is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question.</p> <p>5- Support Rating Floor (AA-): The likelihood that the rated entity will receive extraordinary support, in case of need, specifically from government authorities.</p>

Rating effect on the status of the company	<ol style="list-style-type: none"> 1. The rating reflects Bank's leading franchise as Kuwait's flagship bank. 2. The negative outlook reflects the Kuwaiti sovereign rating.
Outlook	Negative
The press release or executive summary	<p><u>Executive summary:</u></p> <p>Fitch Ratings on 11th of February 2021 has affirmed National Bank of Kuwait rating as the following:</p> <ul style="list-style-type: none"> • Long-Term Issuer Default Rating (IDR) affirmed at (AA-). • Short-Term Issuer Default Rating (IDR) affirmed at (F1+). • Viability Rating affirmed at (a-). • Support Rating affirmed at (1). • Support Rating Floor affirmed at (AA-). <p>The agency has changed the outlook from stable to negative.</p> <p>Fitch report stated that the negative outlook on NBK's Long -Term IDR reflects the negative outlook on the Kuwaiti sovereign rating.</p>