

Kuwait: 31st of January 2024

Chief Executive Officer - Boursa Kuwait Company
State of Kuwait

Dear Sirs,

**Subject: Consolidated Financial Statements
for the financial year ended 31/12/2023**

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 regarding disclosure of Material Information.

National Bank of Kuwait would like to disclose that Central Bank of Kuwait has approved Bank's Consolidated Financial Statements for the financial year ended 31/12/2023, including the Balance Sheet, the Statement of Profits & Losses and the External Auditors' notes.

We would like to advise that Bank's Board of Directors has convoked the General Assembly of Bank's Shareholders to convene an ordinary meeting at 12:30 p.m. on Saturday 23/3/2024, either by attending and voting electronically or by attending and voting directly at the Bank's Headquarters, proposing the following distributions for the financial year ended 31/12/2023, after obtaining the approvals from competent authorities:

- 1- Distribution of the remaining cash dividends, representing 25% of the share's nominal value (twenty five fils per share).
- 2- Distribution of a 5% bonus shares from issued and paid-up capital (five shares for every 100 shares).

Attached; Financial Results Form for Kuwaiti Companies for the financial year ended 31/12/2023 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 3:00 p.m. (according to local time) on Thursday 1/2/2024. 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
Vice-Chairman

And Group Chief Executive Officer

بنك الكويت الوطني
National Bank of Kuwait
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سجل تجاري رقم 8490 C.R. No.

رأس المال المدفوع والمصدور 755,232,916/200 ك.د. Issued and paid-up capital

**Financial Results Form
Kuwaiti Company (KWD)**

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

Company Name	اسم الشركة
National Bank of Kuwait S.A.K.P	بنك الكويت الوطني ش.م.ك.ع

Financial Year Ended on	2023-12-31	نتائج السنة المالية المنتهية في
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Board of Directors Meeting Date	2024-01-15	تاريخ اجتماع مجلس الإدارة
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Required Documents	المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided	نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم وإرفاق هذه المستندات

التغيير (%) Change (%)	السنة المقارنة Comparative Year	السنة الحالية Current Year	البيان Statement
	2022-12-31	2023-12-31	
10.1%	509,085,000	560,620,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
11.5%	61	68	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
-1.9%	17,693,526,000	17,358,709,000	الموجودات المتداولة Current Assets
3.7%	36,338,363,000	37,664,991,000	إجمالي الموجودات Total Assets
4.3%	29,439,775,000	30,713,067,000	المطلوبات المتداولة Current Liabilities
3.3%	31,703,417,000	32,758,416,000	إجمالي المطلوبات Total Liabilities
7.2%	3,622,988,000	3,883,772,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
15.6%	1,009,741,000	1,166,767,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
18.7%	623,617,000	740,308,000	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

البيان	الربع الرابع الحالي	الربع الرابع المقارن	التغيير (%)
Statement	Fourth quarter Current Year	Fourth quarter Comparative Year	Change (%)
	2023-12-31	2022-12-31	
صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company	129,520,000	134,847,000	-4.0%
ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share	16	16	-
إجمالي الإيرادات التشغيلية Total Operating Revenue	303,017,000	262,345,000	15.5%
صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)	186,713,000	157,817,000	18.3%

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

سبب ارتفاع/انخفاض صافي الربح (الخسارة)	Increase/Decrease in Net Profit (Loss) is due to
تعود الزيادة في صافي الربح للسنة المنتهية في 31 ديسمبر 2023 بالمقارنة مع السنة المنتهية في 31 ديسمبر 2022 بشكل أساسي إلى ارتفاع صافي إيرادات التشغيل، فيما قابل ذلك جزئياً ارتفاع في مخصص خسائر الائتمان وخسائر انخفاض القيمة ومصروفات التشغيل.	The increase in net profit for the year ended 31 December 2023 as compared to the year ended 31 December 2022 is primarily due to higher net operating income, partially offset by higher provision charge for credit losses and impairment losses and higher operating expenses.



بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	KD 3,005,000	Total Revenue realized from dealing with related parties (value, KWD)
بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)	KD 1,535,000	Total Expenditures incurred from dealing with related parties (value, KWD)

Auditor Opinion		رأي مراقب الحسابات
1. Unqualified Opinion	<input checked="" type="checkbox"/>	1. رأي غير متحفظ
2. Qualified Opinion	<input type="checkbox"/>	2. رأي متحفظ
3. Disclaimer of Opinion	<input type="checkbox"/>	3. عدم إبداء الرأي
4. Adverse Opinion	<input type="checkbox"/>	4. رأي معاكس

In the event of selecting item No. 2, 3 or 4,
the following table must be filled out, and this form is not
considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة
الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

نص رأي مراقب الحسابات كما ورد في التقرير	Not Applicable/لا ينطبق
شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي	Not Applicable/لا ينطبق
الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات	Not Applicable/لا ينطبق
الجدول الزمني لتتفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات	Not Applicable/لا ينطبق

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
25 Fils	KD 198,248,640.500	توزيعات نقدية Cash Dividends	
5%	KD 39,649,728.100	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 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
ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
 R.C. 8310 - 03		رئيس مجموعة الرقابة المالية	رونجهي سوجيت انيل



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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of National Bank of Kuwait S.A.K.P. (the "Bank") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs"), as adopted by Central Bank of Kuwait ("CBK") for use by the State of Kuwait.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each key audit matter below, our description of how our audit addressed the matter is provided in that context.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

We have identified the following key audit matters:

a) Credit losses on loans, advances and Islamic financing to customers

The recognition of credit losses on loans, advances and Islamic financing ("credit facilities") to customers is the higher of Expected Credit Loss ("ECL") under International Financial Reporting Standard 9: Financial Instruments ("IFRS 9"), determined in accordance with the CBK guidelines, and the provision required by the CBK rules on classification of credit facilities and calculation of their provision (the "CBK rules") as disclosed in the accounting policies and in Note 13 to the consolidated financial statements.

Recognition of ECL under IFRS 9, determined in accordance with CBK guidelines, is a complex accounting policy, which requires considerable judgement in its implementation. ECL is dependent on management's judgement in assessing significant increase in credit risk and classification of credit facilities into various stages, determining when a default has occurred, development of models for assessing the probability of default of customers and estimating cash flows from recovery procedures or realization of collateral.

Recognition of specific provision on impaired facility under the CBK rules is based on the instructions by CBK on the minimum provision to be recognized together with any additional provision to be recognised based on management estimate of expected cash flows related to that credit facility.

Due to the significance of credit facilities and the related estimation uncertainty and judgement in the impairment calculation, this was considered as a key audit matter. This is further heightened by the high degree of estimation uncertainty due to the current inflationary pressure and high interest rate environment.

Our audit procedures included assessing the design and implementation of controls over the inputs and assumptions used by the Group in developing the models, its governance and review controls performed by the management in determining the adequacy of credit losses.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

a) Credit losses on loans, advances and Islamic financing to customers (continued)

With respect to the ECL based on IFRS 9, determined in accordance with the CBK guidelines, we have selected samples of credit facilities outstanding as at the reporting date, which included rescheduled credit facilities, and evaluated the Group's determination of significant increase in credit risk and the resultant basis for classification of the credit facilities into various stages. We involved our specialists to review the Probability of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") and the overlays considered by management in view of the ongoing economic impacts, in order to determine ECL taking into consideration CBK guidelines. For a sample of credit facilities, we have evaluated the Group's staging criteria and computation of ECL including the eligibility and value of collateral considered in the ECL models used by the Group. We have also evaluated the various inputs and assumptions used by the Group's management to determine ECL.

Further, for the CBK rules provision requirements, we have assessed the criteria for determining whether there is a requirement to calculate any credit loss in accordance with the related regulations and, if required, it has been computed accordingly. For the samples selected, which included rescheduled credit facilities, we have verified whether all impairment events have been identified by the Group's management. For the selected samples which also included impaired credit facilities, we have assessed the valuation of collateral and checked the resultant provision calculations.

b) Impairment of goodwill in Egypt

The Group had a goodwill with carrying value of KD 20,174 thousand in respect of its component in Egypt which is fully impaired as at 31 December 2023. The impairment tests of goodwill performed by management in the component of Egypt are significant to our audit because the assessment of the recoverable amount of goodwill under the value-in-use basis is complex and requires considerable judgments on part of management, especially due to the current inflationary pressure and high interest rate environment. Estimates of future cash flows are based on management's views of variables such as the growth in the banking sector, economic conditions such as the economic growth and expected inflation rates and yield. Therefore, we identified the impairment testing of goodwill in the component of Egypt as a key audit matter.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Key Audit Matters (continued)

b) Impairment of goodwill in Egypt (continued)

As part of our audit procedures, where “value in use” is the basis to compute the recoverable value we obtained management’s impairment calculations and tested the reasonableness of key assumptions, including profit forecasts and the selection of growth rates and discount rates. We also involved our valuation specialists and challenged management to substantiate the assumptions, including the comparison of relevant assumptions to industry benchmarks and economic forecasts. We tested the integrity of supporting calculations and corroborated certain information with third party sources. We agreed the underlying cash flows to approved budgets and assessed growth rates and discount rates by comparison with third party information, the Group’s cost of capital and relevant risk factors. Future cash flow assumptions were also assessed through comparison to current trading performance against budget and forecasts, considering the historical accuracy of budgeting and forecasting and the understanding of the reasons for growth profiles used. We further evaluated management’s sensitivity analysis to ascertain the impact of reasonably possible changes to key assumptions. We also assessed the controls over the impairment process to determine if they had been appropriately designed and implemented.

We also assessed the adequacy of the Group’s disclosures regarding those assumptions, which are disclosed in Note 15 to the consolidated financial statements, against the requirements of IFRSs.

Other Information included in the Group’s 2023 Annual Report

Management is responsible for the other information. Other information consists of the information included in the Group’s 2023 Annual Report, other than the consolidated financial statements and our auditors’ report thereon. We obtained the report of the Bank’s Board of Directors prior to the date of our auditors’ report, and we expect to obtain the remaining sections of the Group’s Annual Report for the year ended 31 December 2023 after the date of our auditors’ report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of other information; we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by CBK for use by the State of Kuwait, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P. (continued)

Report on the Audit of the Consolidated Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NATIONAL BANK OF KUWAIT S.A.K.P. (continued)

Report on Other Legal and Regulatory Requirements

Furthermore, in our opinion proper books of account have been kept by the Bank and the consolidated financial statements, together with the contents of the report of the Bank's Board of Directors relating to these consolidated financial statements, are in accordance therewith. We further report that we obtained all the information and explanations that we required for the purpose of our audit and that the consolidated financial statements incorporate all information that is required by the Capital Adequacy Regulations and Financial Leverage Ratio Regulations issued by the Central Bank of Kuwait ("CBK") as stipulated in CBK Circular Nos. 2/RB, RBA/336/2014 dated 24 June 2014 and its amendments, and 2/BS/342/2014 dated 21 October 2014, and its amendments, respectively, the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or by the Bank's Memorandum of Incorporation and Articles of Association, as amended, that an inventory was duly carried out and that, to the best of our knowledge and belief, no violations of the Capital Adequacy Regulations and Financial Leverage Ratio Regulations issued by the CBK as stipulated in CBK Circular Nos. 2/RB, RBA/336/2014 dated 24 June 2014 and its amendments, and 2/BS/342/2014 dated 21 October 2014, and its amendments, respectively, the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Bank's Memorandum of Incorporation and Articles of Association, as amended, have occurred during the year ended 31 December 2023 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 audit, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the CBK and the organisation of banking business, and its related regulations during the year ended 31 December 2023 that might have had a material effect on the business of the Bank or on its financial position.



ABDULKARIM ALSAMDAN
LICENCE NO. 208 A
EY
AL-AIBAN, AL-OSAIMI & PARTNERS



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

31 January 2024
Kuwait

National Bank of Kuwait Group
CONSOLIDATED STATEMENT OF INCOME
For the year ended 31 December 2023

	Notes	2023 KD 000's	2022 KD 000's
Interest income	4	1,632,748	947,589
Interest expense	5	908,154	363,821
Net interest income		724,594	583,768
Murabaha and other Islamic financing income		402,482	287,558
Finance cost and Distribution to depositors		221,939	115,487
Net income from Islamic financing		180,543	172,071
Net interest income and net income from Islamic financing		905,137	755,839
Net fees and commissions	6	196,606	181,778
Net investment income	7	27,466	15,736
Net gains from dealing in foreign currencies		36,123	55,379
Other operating income		1,435	1,009
Non-interest income		261,630	253,902
Net operating income		1,166,767	1,009,741
Staff expenses		233,156	220,125
Other administrative expenses		147,342	125,430
Depreciation of premises and equipment		44,314	38,922
Amortisation of intangible assets	15	1,647	1,647
Operating expenses		426,459	386,124
Operating profit before provision for credit losses and impairment losses		740,308	623,617
Provision charge for credit losses and impairment losses	8	103,068	45,363
Operating profit before taxation and directors' remuneration		637,240	578,254
Taxation	9	48,097	47,422
Directors' remuneration	27	770	770
Profit for the year		588,373	530,062
Attributable to:			
Shareholders of the Bank		560,620	509,085
Non-controlling interests		27,753	20,977
		588,373	530,062
Basic earnings per share attributable to shareholders of the Bank	10	68 fils	61 fils

The attached notes 1 to 31 form part of these consolidated financial statements.

National Bank of Kuwait Group

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Note	2023 KD 000's	2022 KD 000's
Profit for the year		588,373	530,062
Other comprehensive income:			
Investment in debt securities measured at FVOCI:			
Net change in fair value		4,506	3,158
Net transfer to consolidated statement of income		376	5,129
		4,882	8,287
Exchange differences on translation of foreign operations		(13,699)	(125,273)
Other comprehensive loss for the year reclassifiable to consolidated statement of income in subsequent years		(8,817)	(116,986)
Net gain (loss) on investments in equity instruments designated at FVOCI		601	(4,446)
Actuarial gain in respect of defined benefit plans	18	3,969	8,252
Other comprehensive income for the year not reclassifiable to consolidated statement of income in subsequent years		4,570	3,806
Other comprehensive loss for the year		(4,247)	(113,180)
Total comprehensive income for the year		584,126	416,882
Attributable to:			
Shareholders of the Bank		553,485	398,266
Non-controlling interests		30,641	18,616
		584,126	416,882


The attached notes 1 to 31 form part of these consolidated financial statements.

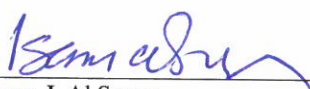
National Bank of Kuwait Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	2023 KD 000's	2022 KD 000's
Assets			
Cash and short term funds	11	4,384,700	5,323,452
Central Bank of Kuwait bonds	14	856,815	881,241
Kuwait Government treasury bonds	14	194,111	211,629
Deposits with banks	12	1,318,121	1,490,286
Loans, advances and Islamic financing to customers	13	22,281,004	20,998,416
Investment securities	14	6,884,821	5,634,672
Land, premises and equipment		506,812	474,724
Goodwill and other intangible assets	15	508,416	534,936
Other assets	16	730,191	789,007
Total assets		37,664,991	36,338,363
Liabilities			
Due to banks		3,963,802	4,017,979
Deposits from other financial institutions		3,725,629	3,740,877
Customer deposits		21,948,957	20,178,062
Certificates of deposit issued		822,899	1,801,623
Other borrowed funds	17	1,331,006	1,243,563
Other liabilities	18	966,123	721,313
Total liabilities		32,758,416	31,703,417
Equity			
Share capital	19	792,995	755,233
Proposed bonus shares	20	39,649	37,762
Statutory reserve	19	396,499	377,618
Share premium account	19	803,028	803,028
Treasury share reserve	19	34,961	34,961
Other reserves	19	1,816,640	1,614,386
Equity attributable to shareholders of the Bank		3,883,772	3,622,988
Perpetual Tier 1 Capital Securities	21	439,032	439,032
Non-controlling interests	24	583,771	572,926
Total equity		4,906,575	4,634,946
Total liabilities and equity		37,664,991	36,338,363


Hamad Mohamed Al-Bahar
Chairman


Isam J. Al Sager
Vice Chairman and Group Chief
Executive Officer

The attached notes 1 to 31 form part of these consolidated financial statements.

National Bank of Kuwait Group

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Notes	2023 KD 000's	2022 KD 000's
Operating activities			
Profit for the year		588,373	530,062
Adjustments for:			
Net investment income	7	(27,466)	(15,736)
Depreciation of premises and equipment		44,314	38,922
Amortisation of intangible assets	15	1,647	1,647
Provision charge for credit losses and impairment losses	8	103,068	45,363
Taxation	9	48,097	47,422
Cash flows from operating activities before changes in operating assets and liabilities		758,033	647,680
Changes in operating assets and liabilities:			
Central Bank of Kuwait bonds		24,426	(51,187)
Kuwait Government treasury bonds		20,138	188,596
Deposits with banks		174,677	(612,423)
Loans, advances and Islamic financing to customers		(1,354,615)	(1,528,359)
Other assets		46,773	(122,294)
Due to banks		(54,177)	(79,345)
Deposits from other financial institutions		(15,248)	605,672
Customer deposits		1,770,895	2,254,665
Certificates of deposit issued		(978,724)	462,269
Other liabilities		178,390	90,925
Tax paid		(39,587)	(33,856)
Net cash from operating activities		530,981	1,822,343
Investing activities			
Purchase of investment securities		(3,633,073)	(4,131,965)
Proceeds from sale/redemption of investment securities		2,480,036	2,871,878
Dividend income	7	2,570	2,272
Proceeds from sale of a foreign branch		-	25,597
Proceeds from sale of land, premises and equipment		1,817	2,732
Purchase of land, premises and equipment		(56,260)	(61,505)
Change in holding in subsidiaries		(11,884)	(7,889)
Purchase of investment properties		(38,494)	(22,914)
Proceeds from sale of investment properties		1,281	12,625
Net cash used in investing activities		(1,254,007)	(1,309,169)
Financing activities			
Proceeds from issue of unsecured sukuk by a subsidiary		-	152,225
Redemption of Global Medium term notes		-	(229,238)
Proceeds from capital increase in a subsidiary		-	80,238
Interest paid on Perpetual Tier 1 Capital Securities		(18,224)	(18,119)
Profit distribution on Perpetual Tier 1 Sukuk by a subsidiary		(6,079)	(6,068)
Net movement in other medium and short term borrowing		86,290	47,335
Dividends paid		(268,107)	(291,304)
Dividends paid by subsidiaries to non-controlling interests		(9,606)	(6,782)
Net cash used in financing activities		(215,726)	(271,713)
(Decrease) increase in cash and short term funds		(938,752)	241,461
Cash and short term funds at the beginning of the year		5,323,452	5,081,991
Cash and short term funds at the end of the year	11	4,384,700	5,323,452

The attached notes 1 to 31 form part of these consolidated financial statements.



المحافظ

التاريخ : 19 رجب 1445
الموافق : 31 يناير 2024
الإشارة : 2024/593/105/2

الأخ الفاضل حمد محمد عبدالرحمن البحر
رئيس مجلس إدارة بنك الكويت الوطني
تحية طيبة وبعد،

بالإشارة إلى كتابكم المؤرخ 2024/1/15 المرفق به نسخة من البيانات المالية الختامية المجمعة لمصرفكم لعام 2023، وعطفاً على البيانات والإيضاحات الواردة إلينا في هذا الخصوص والتي كان آخرها بتاريخ 2024/1/28.

أود الإفادة بأنه بناءً على ما انتهت إليه دراسة البيانات المالية المشار إليها، فإنه لا يوجد لدينا ملاحظات في هذا الشأن، كما نفيديكم بموافقة بنك الكويت المركزي على قيام مصرفكم بتوزيع أرباح نقدية بنسبة 25% من القيمة الاسمية للسهم الواحد، أي بواقع خمسة وعشرون فلساً لكل سهم، وكذلك بتوزيع أسهم منحة بنسبة 5%.

وبناءً على ما تقدم، فإنه يمكن لمصرفكم اتخاذ الإجراءات اللازمة مع الجهات المختصة لعقد الجمعية العامة للبنك.

مع أطيب التمنيات،،،


باسل أحمد الهارون

594 - نسخة لهيئة أسواق المال.
595 - نسخة لبورصة الكويت.