

Kuwait: 18<sup>th</sup> of July 2021

Chief Executive Officer - Boursa Kuwait Company  
State of Kuwait

Dear Sirs,

**Subject: Interim Consolidated Financial Information**  
**for the period ended 30/6/2021**

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 30/6/2021.

Attached; Financial Results Form for Kuwaiti Companies for Q2 ended 30/6/2021 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 Tuesday 27/7/2021. Interested parties should reach out to the Bank through the following email address: [Investor-Relations@nbk.com](mailto: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.م.ب.

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C.R. No. 8490 سجل تجاري رقم

رأس المال المصدر والمدفوع 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.)

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

<b>Select from the list</b>	2021-06-30	اختر من القائمة
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<b>Board of Directors Meeting Date</b>	2021-07-12	تاريخ اجتماع مجلس الإدارة
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<b>Required Documents</b>	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 (%)	فترة الستة أشهر المقارنة Six Month Comparative Period	فترة الستة أشهر الحالية Six Month Current Period	البيان Statement
	2020-06-30	2021-06-30	
44.7%	111,092,000	160,766,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
50.0%	14	21	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
3.4%	14,615,156,000	15,112,193,000	الموجودات المتداولة Current Assets
6.4%	29,680,260,000	31,578,632,000	إجمالي الموجودات Total Assets
5.5%	24,340,552,000	25,669,221,000	المطلوبات المتداولة Current Liabilities
6.0%	25,779,227,000	27,318,490,000	إجمالي المطلوبات Total Liabilities
8.6%	3,079,553,000	3,343,733,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
9.2%	414,557,000	452,534,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
8.5%	260,260,000	282,412,000	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 (%)	الربع الثاني المقارن	الربع الثاني الحالي	البيان
Change (%)	Second quarter Comparative Period	Second quarter Current Period	Statement
	2020-06-30	2021-06-30	
128.8%	33,419,000	76,458,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
218.6%	3	9	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
21.7%	189,768,000	231,014,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
21.3%	117,910,000	142,975,000	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 six months period ended 30 June 2021 as compared to the six months period ended 30 June 2020 was primarily due to higher net income from Islamic financing, higher non-interest income and lower charges for expected credit losses, partially offset by higher operating expenses.	تعود الزيادة في صافي الربح لفترة الستة أشهر المنتهية في 30 يونيو 2021 بالمقارنة مع فترة الستة أشهر المنتهية في 30 يونيو 2020 بشكل أساسي إلى ارتفاع صافي الإيرادات من التمويل الإسلامي وزيادة إيرادات غير الفوائد بالإضافة إلى انخفاض مخصصات خسائر الائتمان المتوقعة، فيما قابل ذلك جزئياً ارتفاع في مصروفات التشغيل.

Total Revenue realized from dealing with related parties (value, KWD)	KD 866,000	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
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Total Expenditures incurred from dealing with related parties (value, KWD)	KD 194,000	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
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Auditor Opinion		رأي مراقب الحسابات
1.	Unqualified Opinion	رأي غير متحفظ
2.	Qualified Opinion	رأي متحفظ
3.	Disclaimer of Opinion	عدم إبداء الرأي
4.	Adverse Opinion	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	لا ينطبق/Not Applicable
شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي	لا ينطبق/Not Applicable
الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات	لا ينطبق/Not Applicable
الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات	لا ينطبق/Not Applicable

*Handwritten signature*

Corporate Actions		استحقاقات الأسهم (الإجراءات 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
ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
 R.C. 8310 - 03		رئيس مجموعة الرقابة المالية بالإنايه	رونجهي سوجيت انيل



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# Deloitte.

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Al-Wazzan & Co.**

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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 30 June 2021, and the related interim condensed consolidated statement of income and the interim condensed consolidated statement of comprehensive income for the three month and six month periods then ended, and the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six 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 six months period ended 30 June 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 six months period ended 30 June 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.

14 July 2021  
Kuwait

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

30 June 2021 (Unaudited)

	Notes	Three months ended 30 June		Six months ended 30 June	
		2021 KD 000's	2020 KD 000's	2021 KD 000's	2020 KD 000's
Interest income		<b>166,147</b>	190,637	<b>326,034</b>	418,774
Interest expense		<b>36,649</b>	75,501	<b>74,398</b>	168,056
<b>Net interest income</b>		<b>129,498</b>	115,136	<b>251,636</b>	250,718
Murabaha and other Islamic financing income		<b>56,607</b>	55,653	<b>112,613</b>	114,076
Finance cost and Distribution to depositors		<b>14,899</b>	21,461	<b>30,647</b>	46,270
<b>Net income from Islamic financing</b>		<b>41,708</b>	34,192	<b>81,966</b>	67,806
<b>Net interest income and net income from Islamic financing</b>		<b>171,206</b>	149,328	<b>333,602</b>	318,524
Net fees and commissions		<b>42,007</b>	33,218	<b>81,417</b>	71,515
Net investment income (loss)		<b>9,798</b>	550	<b>18,105</b>	(2,783)
Net gains from dealing in foreign currencies		<b>7,807</b>	6,080	<b>15,923</b>	25,613
Other operating income		<b>196</b>	592	<b>3,487</b>	1,688
<b>Non-interest income</b>		<b>59,808</b>	40,440	<b>118,932</b>	96,033
<b>Net operating income</b>		<b>231,014</b>	189,768	<b>452,534</b>	414,557
Staff expenses		<b>48,506</b>	39,273	<b>94,547</b>	84,810
Other administrative expenses		<b>30,590</b>	23,512	<b>57,795</b>	52,001
Depreciation of premises and equipment		<b>8,531</b>	8,662	<b>16,956</b>	16,663
Amortisation of intangible assets		<b>412</b>	411	<b>824</b>	823
<b>Operating expenses</b>		<b>88,039</b>	71,858	<b>170,122</b>	154,297
<b>Operating profit before provision for credit losses and impairment losses</b>		<b>142,975</b>	117,910	<b>282,412</b>	260,260
Provision charge for credit losses and impairment losses	3	<b>54,580</b>	75,146	<b>97,206</b>	126,644
<b>Operating profit before taxation</b>		<b>88,395</b>	42,764	<b>185,206</b>	133,616
Taxation	4	<b>8,594</b>	6,404	<b>16,427</b>	15,440
<b>Profit for the period</b>		<b>79,801</b>	36,360	<b>168,779</b>	118,176
<b>Attributable to:</b>					
Shareholders of the Bank		<b>76,458</b>	33,419	<b>160,766</b>	111,092
Non-controlling interests		<b>3,343</b>	2,941	<b>8,013</b>	7,084
		<b>79,801</b>	36,360	<b>168,779</b>	118,176
<b>Basic earnings per share attributable to shareholders of the Bank</b>	5	<b>9 fils</b>	3 fils	<b>21 fils</b>	14 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

30 June 2021 (Unaudited)

	Three months ended 30 June		Six months ended 30 June	
	2021 KD 000's	2020 KD 000's	2021 KD 000's	2020 KD 000's
<b>Profit for the period</b>	<b>79,801</b>	36,360	<b>168,779</b>	118,176
<b>Other comprehensive income (loss):</b>				
Investment in debt securities measured at FVOCI:				
Net change in fair value	7,552	132,223	42,362	(115,444)
Net transfer to interim condensed consolidated statement of income	(1,819)	1,468	(8,161)	10,396
	<b>5,733</b>	133,691	<b>34,201</b>	(105,048)
Share of other comprehensive loss of associates	(2)	(2)	(5)	(289)
Exchange differences on translation of foreign operations	(2,071)	(6,880)	(8,645)	6,968
<b>Other comprehensive income (loss) for the period reclassifiable to interim condensed consolidated statement of income in subsequent periods</b>	<b>3,660</b>	126,809	<b>25,551</b>	(98,369)
Net gain (loss) on investments in equity instruments designated at FVOCI (not reclassifiable to interim condensed consolidated statement of income in subsequent periods)	703	(6,260)	725	(7,265)
<b>Other comprehensive income (loss) for the period</b>	<b>4,363</b>	120,549	<b>26,276</b>	(105,634)
<b>Total comprehensive income for the period</b>	<b>84,164</b>	156,909	<b>195,055</b>	12,542
<b>Attributable to:</b>				
Shareholders of the Bank	80,219	149,770	184,889	15,717
Non-controlling interests	3,945	7,139	10,166	(3,175)
	<b>84,164</b>	156,909	<b>195,055</b>	12,542

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

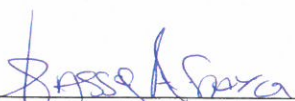


# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2021 (Unaudited)

		30 June 2021 KD 000's	Audited 31 December 2020 KD 000's	30 June 2020 KD 000's
<b>Assets</b>				
Cash and short term funds		4,358,026	3,903,371	3,771,114
Central Bank of Kuwait bonds		830,000	830,233	829,963
Kuwait Government treasury bonds		448,015	462,922	580,248
Deposits with banks		1,289,183	1,027,373	1,113,173
Loans, advances and Islamic financing to customers	6	18,502,856	17,504,342	17,571,038
Investment securities		4,734,457	4,728,778	4,504,557
Investment in associates		4,143	5,195	6,251
Land, premises and equipment		439,842	426,963	447,896
Goodwill and other intangible assets		580,726	581,881	582,882
Other assets	14	391,384	246,333	273,138
<b>Total assets</b>		<b>31,578,632</b>	<b>29,717,391</b>	<b>29,680,260</b>
<b>Liabilities</b>				
Due to banks and other financial institutions		6,967,561	5,981,573	6,336,669
Customer deposits		17,400,182	17,104,232	17,563,721
Certificates of deposit issued		1,401,308	918,862	501,894
Other borrowed funds		820,204	808,665	595,066
Other liabilities		729,235	763,004	781,877
<b>Total liabilities</b>		<b>27,318,490</b>	<b>25,576,336</b>	<b>25,779,227</b>
<b>Equity</b>				
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	1,443,964	1,410,240	1,279,450
Equity attributable to shareholders of the Bank		3,343,733	3,310,009	3,079,553
Perpetual Tier 1 Capital Securities	8	439,032	438,438	438,438
Non-controlling interests	7	477,377	392,608	383,042
<b>Total equity</b>		<b>4,260,142</b>	<b>4,141,055</b>	<b>3,901,033</b>
<b>Total liabilities and equity</b>		<b>31,578,632</b>	<b>29,717,391</b>	<b>29,680,260</b>

  
 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

30 June 2021 (Unaudited)

	Notes	Six months ended 30 June	
		2021 KD 000's	2020 KD 000's
<b>Operating activities</b>			
Profit for the period		168,779	118,176
Adjustments for:			
Net investment (income) loss		(18,105)	2,783
Depreciation of premises and equipment		16,956	16,663
Amortisation of intangible assets		824	823
Provision charge for credit losses and impairment losses	3	97,206	126,644
Taxation	4	16,427	15,440
Cash flow from operating activities before changes in operating assets and liabilities		282,087	280,529
Changes in operating assets and liabilities:			
Central Bank of Kuwait bonds		233	(6,734)
Kuwait Government treasury bonds		14,907	81,927
Deposits with banks		(273,979)	788,143
Loans, advances and Islamic financing to customers		(1,173,075)	(695,754)
Other assets		(6,163)	23,644
Due to banks and other financial institutions		985,988	(1,394,682)
Customer deposits		295,950	1,268,260
Certificates of deposit issued		482,446	(36,717)
Other liabilities		(60,863)	(1,702)
Tax paid		(16,785)	(16,579)
Net cash from operating activities		530,746	290,335
<b>Investing activities</b>			
Purchase of investment securities		(1,805,391)	(885,100)
Proceeds from sale/redemption of investment securities		1,811,984	629,812
Dividend income		1,224	45
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		579	701
Purchase of land, premises and equipment		(26,786)	(27,544)
Net cash used in investing activities		(18,390)	(284,074)
<b>Financing activities</b>			
Net proceeds from issuance of Perpetual Tier 1 Capital Securities		210,436	-
Redemption of Perpetual Tier 1 Capital Securities		(210,700)	-
Interest paid on Perpetual Tier 1 Capital Securities		(10,950)	(11,474)
Net Proceeds from issue of Perpetual Tier 1 Sukuk by a subsidiary		149,775	228,600
Redemption of Perpetual Tier 1 Sukuk by a subsidiary		(75,388)	-
Profit distribution on Perpetual Tier 1 sukuk by a subsidiary		(2,443)	(2,608)
Dividends paid	7	(137,004)	(226,373)
Dividend paid by a subsidiary to non-controlling interests		-	(10,465)
Other borrowed funds		18,573	-
Net cash used in financing activities		(57,701)	(22,320)
<b>Increase (decrease) in cash and short term funds</b>		<b>454,655</b>	<b>(16,059)</b>
Cash and short term funds at 1 January		3,903,371	3,787,173
<b>Cash and short term funds at 30 June</b>		<b>4,358,026</b>	<b>3,771,114</b>

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



الإشارة : ..... /105/2 ..... ٤٤٦٢ Ref.

التاريخ : 8 ذو الحجة 1442 Date :  
الموافق : 18 يوليو 2021


السيد الرئيس التنفيذي لمجموعة بنك الكويت الوطني المحترم

تحية طيبة وبعد ،

بالإشارة إلى كتابكم المؤرخ 2021/7/12 المرفق به البيانات المالية المرحلية المجمعة لمصرفكم عن الفترة من 2021/1/1 حتى 2021/6/30 والتي تم إعدادها لأغراض النشر وفقاً لمتطلبات بورصة الكويت، وعطفاً على الإيضاحات والبيانات التفصيلية الواردة إلينا في هذا الشأن والتي كان آخرها بتاريخ 2021/7/14.

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

٤٤٦٢ - نسخة إلى بورصة الكويت .