

Kuwait: 17<sup>th</sup> of July 2023

Chief Executive Officer - Boursa Kuwait Company  
State of Kuwait

Dear Sirs,

**Subject: Interim Consolidated Financial Information  
for the period ended 30/6/2023**

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 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 30/6/2023.

Attached; Financial Results Form for Kuwaiti Companies for Q2 ended 30/6/2023 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 p.m. (according to local time) on Tuesday 18/7/2023. 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.)



Salah Al-Fulaij

Chief Executive Officer - Kuwait

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

Second quarter results Ended on	2023-06-30	نتائج الربع الثاني المنتهي في
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Board of Directors Meeting Date	2023-07-09	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 إرفاق هذه المستندات

التغيير (%)	فترة السنة اشهر المقارنة	فترة السنة اشهر الحالية	البيان
Change (%)	Six Month Comparative Period	Six Month Current Period	Statement
	2022-06-30	2023-06-30	
15.8%	237,826,000	275,347,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
13.8%	29	33	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
-1.4%	16,929,341,000	16,696,081,000	الموجودات المتداولة Current Assets
5.3%	34,282,687,000	36,085,322,000	إجمالي الموجودات Total Assets
4.9%	27,904,204,000	29,268,781,000	المطلوبات المتداولة Current Liabilities
5.3%	29,825,045,000	31,392,422,000	إجمالي المطلوبات Total Liabilities
6.6%	3,453,940,000	3,682,252,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
18.8%	476,343,000	565,857,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
23.1%	291,773,000	359,208,000	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
	2022-06-30	2023-06-30	
16.4%	121,248,000	141,144,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
13.3%	15	17	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
19.1%	241,714,000	287,995,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
24.2%	147,237,000	182,811,000	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 period ended 30 June 2023 as compared to the period ended 30 June 2022 was primarily due to higher net operating income, partially offset by higher operating expenses and provision charge for credit losses and impairment losses.	تعود الزيادة في صافي الربح للفترة المنتهية في 30 يونيو 2023 بالمقارنة مع الفترة المنتهية في 30 يونيو 2022 بشكل أساسي إلى ارتفاع صافي إيرادات التشغيل، فيما قابل ذلك جزئياً ارتفاع في مصروفات التشغيل ومخصص خسائر الائتمان وخسائر انخفاض القيمة.



Total Revenue realized from dealing with related parties (value, KWD)	KD 1,450,000	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
Total Expenditures incurred from dealing with related parties (value, KWD)	KD 690,000	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)

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	لا ينطبق / Not Applicable
شرح تفصيلي بالحالة التي استندت 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

Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)		
النسبة	القيمة			
10 Fils	KD 79,299,456.20	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	Not Applicable/ لا ينطبق	زيادة رأس المال
		Issue Premium		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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## **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 2023, 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 preparation 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 preparation 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 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 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 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

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

16 July 2023  
Kuwait

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

30 June 2023 (Unaudited)

	Notes	Three months ended 30 June		Six months ended 30 June	
		2023 KD 000's	2022 KD 000's	2023 KD 000's	2022 KD 000's
Interest income		394,521	200,676	755,887	372,676
Interest expense		219,004	66,391	409,677	113,056
<b>Net interest income</b>		<b>175,517</b>	<b>134,285</b>	<b>346,210</b>	<b>259,620</b>
Murabaha and other Islamic financing income		98,502	67,721	190,699	128,593
Finance cost and Distribution to depositors		53,721	22,421	104,859	39,939
<b>Net income from Islamic financing</b>		<b>44,781</b>	<b>45,300</b>	<b>85,840</b>	<b>88,654</b>
<b>Net interest income and net income from Islamic financing</b>		<b>220,298</b>	<b>179,585</b>	<b>432,050</b>	<b>348,274</b>
Net fees and commissions		48,215	49,196	99,607	92,429
Net investment income (loss)		9,711	(1,561)	15,524	10,625
Net gains from dealing in foreign currencies		9,449	14,107	17,433	24,146
Other operating income		322	387	1,243	869
<b>Non-interest income</b>		<b>67,697</b>	<b>62,129</b>	<b>133,807</b>	<b>128,069</b>
<b>Net operating income</b>		<b>287,995</b>	<b>241,714</b>	<b>565,857</b>	<b>476,343</b>
Staff expenses		60,136	56,130	114,987	107,731
Other administrative expenses		33,516	28,234	69,145	56,918
Depreciation of premises and equipment		11,120	9,701	21,693	19,097
Amortisation of intangible assets		412	412	824	824
<b>Operating expenses</b>		<b>105,184</b>	<b>94,477</b>	<b>206,649</b>	<b>184,570</b>
<b>Operating profit before provision for credit losses and impairment losses</b>		<b>182,811</b>	<b>147,237</b>	<b>359,208</b>	<b>291,773</b>
Provision charge for credit losses and impairment losses	3	19,859	8,525	47,959	21,044
<b>Operating profit before taxation</b>		<b>162,952</b>	<b>138,712</b>	<b>311,249</b>	<b>270,729</b>
Taxation	4	13,225	13,276	22,248	21,951
<b>Profit for the period</b>		<b>149,727</b>	<b>125,436</b>	<b>289,001</b>	<b>248,778</b>
<b>Attributable to:</b>					
Shareholders of the Bank		141,144	121,248	275,347	237,826
Non-controlling interests		8,583	4,188	13,654	10,952
		<b>149,727</b>	<b>125,436</b>	<b>289,001</b>	<b>248,778</b>
<b>Basic earnings per share attributable to shareholders of the Bank</b>	5	<b>17 fils</b>	<b>15 fils</b>	<b>33 fils</b>	<b>29 fils</b>

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 2023 (Unaudited)

	<i>Three months ended</i>		<i>Six months ended</i>	
	<i>30 June</i>		<i>30 June</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
<b>Profit for the period</b>	<b>149,727</b>	<b>125,436</b>	<b>289,001</b>	<b>248,778</b>
<b>Other comprehensive income (loss):</b>				
Investment in debt securities measured at FVOCI:				
Net change in fair value	31,781	(45,193)	2,292	(56,716)
Net transfer to interim condensed consolidated statement of income	1,574	1,768	2,193	4,877
	<b>33,355</b>	<b>(43,425)</b>	<b>4,485</b>	<b>(51,839)</b>
Exchange differences on translation of foreign operations	8,387	(8,399)	(16,902)	(44,816)
<b>Other comprehensive income (loss) for the period reclassifiable to interim condensed consolidated statement of income in subsequent periods</b>	<b>41,742</b>	<b>(51,824)</b>	<b>(12,417)</b>	<b>(96,655)</b>
Net loss on investments in equity instruments designated at FVOCI (not reclassifiable to interim condensed consolidated statement of income in subsequent periods)	(394)	(278)	(422)	(223)
<b>Other comprehensive income (loss) for the period</b>	<b>41,348</b>	<b>(52,102)</b>	<b>(12,839)</b>	<b>(96,878)</b>
<b>Total comprehensive income for the period</b>	<b>191,075</b>	<b>73,334</b>	<b>276,162</b>	<b>151,900</b>
<b>Attributable to:</b>				
Shareholders of the Bank	178,362	71,128	260,978	143,604
Non-controlling interests	12,713	2,206	15,184	8,296
	<b>191,075</b>	<b>73,334</b>	<b>276,162</b>	<b>151,900</b>

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 2023 (Unaudited)

		<i>Audited</i>	
	Notes	30 June 2023 KD 000's	31 December 2022 KD 000's
			30 June 2022 KD 000's
<b>Assets</b>			
Cash and short term funds		3,818,837	5,323,452
Central Bank of Kuwait bonds		891,166	881,241
Kuwait Government treasury bonds		196,271	211,629
Deposits with banks		1,668,555	1,490,286
Loans, advances and Islamic financing to customers	6	21,563,725	20,998,416
Investment securities		6,145,456	5,634,672
Land, premises and equipment		488,930	474,724
Goodwill and other intangible assets		529,469	534,936
Other assets		782,913	789,007
<b>Total assets</b>		<b>36,085,322</b>	<b>36,338,363</b>
<b>Liabilities</b>			
Due to banks		3,923,816	4,017,979
Deposits from other financial institutions		3,687,239	3,740,877
Customer deposits		20,269,756	20,178,062
Certificates of deposit issued		1,460,537	1,801,623
Other borrowed funds		1,249,694	1,243,563
Other liabilities		801,380	721,313
<b>Total liabilities</b>		<b>31,392,422</b>	<b>31,703,417</b>
<b>Equity</b>			
Share capital	7	792,995	755,233
Proposed bonus shares	7	-	37,762
Statutory reserve		377,618	377,618
Share premium account		803,028	803,028
Treasury shares reserve		34,961	34,961
Other reserves	7	1,673,650	1,614,386
Equity attributable to shareholders of the Bank		3,682,252	3,622,988
Perpetual Tier 1 Capital Securities	8	439,032	439,032
Non-controlling interests		571,616	572,926
<b>Total equity</b>		<b>4,692,900</b>	<b>4,634,946</b>
<b>Total liabilities and equity</b>		<b>36,085,322</b>	<b>36,338,363</b>



Hamad Mohamed Al-Bahar  
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 2023 (Unaudited)

	Notes	Six months ended 30 June	
		2023 KD 000's	2022 KD 000's
<b>Operating activities</b>			
Profit for the period		289,001	248,778
Adjustments for:			
Net investment income		(15,524)	(10,625)
Depreciation of premises and equipment		21,693	19,097
Amortisation of intangible assets		824	824
Provision charge for credit losses and impairment losses	3	47,959	21,044
Taxation	4	22,248	21,951
Cash flow from operating activities before changes in operating assets and liabilities		366,201	301,069
Changes in operating assets and liabilities:			
Central Bank of Kuwait bonds		(9,925)	(17,925)
Kuwait Government treasury bonds		14,819	138,230
Deposits with banks		(176,255)	(283,511)
Loans, advances and Islamic financing to customers		(612,888)	(532,203)
Other assets		68,934	(86,190)
Due to banks		(94,163)	(119,040)
Deposits from other financial institutions		(53,638)	637,819
Customer deposits		91,694	794,686
Certificates of deposit issued		(341,086)	11,203
Other liabilities		55,463	5,473
Tax paid		(30,245)	(20,798)
Net cash (used in) from operating activities		(721,089)	828,813
<b>Investing activities</b>			
Purchase of investment securities		(1,744,668)	(2,083,231)
Proceeds from sale/redemption of investment securities		1,228,211	1,498,850
Dividend income		715	643
Change in holding in subsidiaries		(9,219)	(6,954)
Proceeds from sale of disposal group held for sale		-	25,597
Proceeds from sale of land, premises and equipment		934	543
Purchase of land, premises and equipment		(22,459)	(28,760)
Purchase of investment properties		(31,608)	-
Net cash used in investing activities		(578,094)	(593,312)
<b>Financing activities</b>			
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		(9,097)	(9,020)
Profit distribution on Perpetual Tier 1 sukuk by a subsidiary		(3,027)	(3,001)
Dividends paid	7	(188,808)	(215,781)
Dividend paid by a subsidiary to non-controlling interests		(8,938)	(6,376)
Net movement in other borrowed funds		4,438	86
Net cash used in financing activities		(205,432)	(230,867)
<b>(Decrease ) increase in cash and short term funds</b>		<b>(1,504,615)</b>	<b>4,634</b>
Cash and short term funds at 1 January		5,323,452	5,081,991
<b>Cash and short term funds at 30 June</b>		<b>3,818,837</b>	<b>5,086,625</b>

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



الإشارة : ..... /105/2  
Ref. : .....

التاريخ : .....  
الموافق : ١٠٧ يوليو ٢٠٢٣

السيد نائب رئيس مجلس الإدارة والرئيس التنفيذي للمجموعة المحترم  
بنك الكويت الوطني  
تحية طيبة وبعد،

بالإشارة إلى كتابكم المؤرخ 2023/7/9 المرفق به البيانات المالية المرحلية المجمعة لمصرفكم عن الفترة المنتهية في 2023/6/30 والتي تم إعدادها لأغراض النشر وفقاً لمتطلبات بورصة الكويت، وعطفاً على الإيضاحات والبيانات التفصيلية الواردة إلينا في هذا الشأن والتي كان آخرها بتاريخ 2023/7/16.

نفيدكم بأن بنك الكويت المركزي قد أحيط علماً بما جاء في البيانات المالية المشار إليها، كما نفيدكم بموافقة بنك الكويت المركزي على قيام مصرفكم بتوزيع أرباح نقدية نصف سنوية بنسبة 10% من القيمة الاسمية للسهم الواحد، أي بواقع عشرة فلوس لكل سهم.

وعليه، فإنه يمكن لمصرفكم اتخاذ كافة الإجراءات الضرورية المتبعة في مثل هذا الخصوص.

مع أطيب التمنيات ،،،

  
عبد الحميد داود العوض

- نسخة إلى بورصة الكويت .