



بورصة الكويت
BOURSA KUWAIT

Date: 17 May 2022

التاريخ: 17 مايو 2022

To: Issuers and Development Services Department

Boursa Kuwait

Dear Sirs,

السادة/ إدارة خدمات وتطوير الإصدار المحترمين

بورصة الكويت

تحية طيبة وبعد،،،

Subject: Analyst Conference Transcript – Q1 of FY2022

الموضوع: محضر مؤتمر المحللين – الربع الأول من السنة

المالية 2022

With reference to the above, and in line with Boursa Kuwait's in adhering to Article (7-8-1/4) of the Boursa Kuwait Rulebook regarding the Listed Companies Obligations (Analyst Conference Transcript), attached is the Analyst Conference Transcript covering Q1 of FY2022.

بالإشارة إلى الموضوع أعلاه، وحرصاً من بورصة الكويت على الالتزام بمتطلبات المادة (7-8-1/4) من كتاب قواعد البورصة بشأن التزامات الشركات المدرجة (محضر مؤتمر المحللين)، نرفق لكم محضر مؤتمر المحللين للربع الأول من السنة المالية 2022.

Sincerely Yours,

وتفضلوا بقبول فائق الاحترام والتقدير،،،

Mohammed Naim Azad Din
Chief Financial Officer

محمد نعيم آزاددين
رئيس قطاع الشؤون المالية



Copy to the Capital Markets Authority.

نسخة للسادة / هيئة أسواق المال.

info@boursakuwait.com.kw

Mubarak Al Kabeer Street, Kuwait City, Kuwait
P.O.Box 1027 Dasman, 15461 Kuwait
T: +965 22992000 F: +965 22440476

شارع مبارك الكبير، الكويت، دولة الكويت
ص.ب : 1027 دسمان، 15461 الكويت
هاتف: +965 22992000 فاكس: +965 22440476

رأس المال المصرح به: 60,000,000/- دينار كويتي | رأس المال المصدر والمدفوع: 20,077,575/- دينار كويتي | رقم السجل التجاري: 355538 | ش.م.ك.ع.
Authorised Capital: 60,000,000/- KWD | Issued Capital (Paid-up): 20,077,575/- KWD | C.R: 355538 | K.P.S.C



بورصة الكويت
BOURSA KUWAIT



ANALYST CONFERENCE

**Q1-2022
Earnings Webcast**

May 11, 2022

Boursa Kuwait Securities Company (K.P.S.C.) Earnings Webcast

Wednesday, May 11, 2022

Edited transcript of Boursa Kuwait Securities Company (K.P.S.C.) earnings conference call that took place on Wednesday, May 11th, 2022, at 14:00 Kuwait time.

Corporate participants:

Mr. Mohammed Naim Azad Din – Chief Financial Officer, Boursa Kuwait

Miss. Noura Al-Abdulkareem – Head of Markets, Boursa Kuwait

Mr. Fahad Al Beshar – Investor Relations Director, Boursa Kuwait

Chairperson:

Elena Sanchez – EFG Hermes

Elena Sanchez

Afternoon, everyone. This is Elena Sanchez. And on behalf of EFG Hermes.

I would like to welcome you all to Boursa Kuwait's Q1 2022 Earnings call. We have with us on the call the following speakers from Boursa Kuwait, Mr. Naim Azad Din, Chief Financial Officer, Miss. Noura Al Abdulkareem, Head of Markets, and Mr. Fahad Al Beshar, Investor Relations Director.

I would like to hand over the call now to Mr. Fahad Al Beshar so that he can begin with the presentation.

Thank you.

Fahad Al Beshar

Earnings call.

Joining us today is our Chief Financial Officer, Mr. Mohammed Naim Azad Din, who will be covering the financial highlights and performance of Boursa Kuwait Securities Company and its subsidiaries' Consolidated Financial Statements for the first quarter of the year 2022. Miss. Noura Al Abdulkareem, Head of Markets Sector, will be covering the latest business highlights and updates of Boursa Kuwait.

I would like to bring to your attention the disclosure on slide two of the presentation with respect to forward-looking statements and confidential information. All amounts in the presentation are shown in millions of Kuwaiti Dinars unless stated otherwise, and have been rounded to simplify the charts. During our presentation, we will try not to repeat the currency when discussing specific amounts, unless the amount is in a currency other than Kuwaiti Dinars.

After we conclude the presentation, we will open the floor for Q&A sessions which will be read in the order they were received on the webcast. Please note that we only comment on the questions with information that is publicly disclosed. This presentation will also be available at our company's website. You can also send us some follow-up questions to our designated Investor Relations email.

Now I would like to hand over the call to Mr. Mohammed Naim, Boursa Kuwait's CFO, to start the presentation.

Mohammed Naim Azad Din

Thank you, Fahad.

Good afternoon and I welcome all of you to Boursa Kuwait's first Earnings Briefing for 2022 webcast covering the quarter ended 31 March 2022. Thank you for giving your time amidst your busy schedule to attend this call today. As you have become more well-versed with our operations, I will move straight away to the presentation.

Boursa Kuwait Securities Company and its Subsidiaries' Consolidated Financial Statements for the quarter ended 31 March 2022 were approved by the Board of Directors on 28 April 2022 and subsequently published on the same day. In view of the festive break and to be in compliant with the regulatory requirement, we had to bring forward our Earnings Briefing webcast to today instead of our usual Thursday afternoon session.

In today's briefing, I will be presenting the financial performance of Boursa Kuwait Securities Company and its Subsidiaries Consolidated Financial Statements for the quarter ended 31 March 2022. Then, I will hand it over to my esteemed colleague, Miss Noura, Head of Markets Sector to share business updates. At the end of this session, we welcome questions and we will try to address them all accordingly. As per previous calls, post-call responses will also be provided if required.

Boursa Kuwait continued its growth momentum by delivering yet another robust and more importantly, resilient set of quarterly results as we continued to realise the positive impacts of realisation of strategies, the opening of the economy post COVID-19 and stronger market activities.

Operating revenue was higher by 30.52% to 8.79 million from 6.73 million a year earlier. Operating expenses was lower by 16.45% to 2.47 million from 2.96 million recorded in 2021. This resulted in a lower Cost-to-Income ratio of 28.15% compared to 43.98% recorded in 2021.

Subsequently, the Operating profit improved strongly, by 67.41% to 6.32 million compared to 3.77 million in 2021. Resultantly, the Operating profit margin stood at 71.85% compared to 56.02% recorded a year earlier. Net profit attributable to equity holders of Parent Company recorded a commendable improvement of 60.67% to 5.25 million compared to 3.26 million recorded in 2021.

Earnings Per Share stood at 26.13 fils versus 16.26 fils recorded in 2021. During the quarter, the value of equity traded improved significantly by 60.31% to a total value traded of approximately 4.15 billion compared to a year ago at approximately 2.59 billion. Total volume traded gained marginally by 0.71% to 16.94 billion shares compared to 16.82 billion shares in 2021.

This slide charts the quarterly trends of Operating revenue, Operating expenses, Operating profit and Net profit from Q1 2021 to Q1 2022. In each of the indicators highlighted, except Operating expenses, the trend continues its upward trajectory over the five quarters charted. Operating revenue grew by 30.5%, year on year. Quarter on quarter, it was marginally lower by 0.7%.

Operating expenses decreased by 16.5% and 32.1% year on year and quarter on quarter respectively. Operating profit increased by 67.4% and 21.3% year on year and quarter on quarter respectively. Net profit attributable to equity holders of Parent Company also recorded improvements by 60.7% and 24.7% year on year and quarter on quarter respectively.

This slide presents the movements in the Consolidated Statement of Financial Position elements from Q1 2021 to Q1 2022. Total assets grew by approximately 10% to 121.4 million. As of 31 December 2021, total assets stood at 110.37 million.

Total liabilities grew by 55.1% to 28.1 million. This was primarily due to the declaration of dividends for the Financial Year Ended 31 December 2021 on 24 March 2022. As of 31 December 2021, total liabilities stood at 10.51 million. Shareholders' equity increased by 1.1% to 93.34 million from 92.33 million. For equity attributable to equity holder of Parent Company, it decreased by 5.82% from 56.07 million to 52.8 million and this is due to the dividend declaration, as

previously mentioned. As of 31 December 2021, total equity stood at 99.85 million.

We have restructured the information presented on this slide after taking into consideration the weight of contribution of various revenue streams to total Operating revenue. The following changes were subsequently made: Data, OTC & Brokerage and Trustee and Investment Controller Services (TICS) are now grouped under Miscellaneous. Central Depository Services is now reported separately from TICS. Clearing & Settlement are now reported as separate revenue streams. Shareholders Register Services, which was previously grouped under "Others", is now reported as a separate revenue stream.

The quarterly revenue shows an upward trend from Q1 2021 of 6.73 million to 8.79 million in Q1 2022, an increase of 30.52%. Subscription Fee increased by 13.3% to 1.93 million. This is attributable to a higher market capitalisation of 41.4 billion compared to 32.2 billion, which is the basis of deriving the fee.

As of 31 March 2022, there were 165 listed companies compared to 167 as of 31 December 2021, with two de-listings during the quarter under review. Subscription Fee contributed 21.95% towards total Operating revenue. The delisted companies' market capitalisation represents approximately 0.03% of the base market capitalisation.

Trading commission increased significantly to 3.05 million from 1.77 million or 72.4%. During the quarter, both indicators of trading activity, trading value and volume, were higher by 60.31% or approximately 4.15 billion and 0.71% or 16.94 billion shares, respectively. The blended trading commission recorded a marginal contraction of 1.77% to 6.67 basis points from 6.79 basis points recorded in 2021. It contributed 34.64% towards total Operating revenue.

Clearing operations improved significantly by 22.33% or approximately 924,000 from 756,000 recorded in 2021. Its performance was driven by the robust trading value recorded during the period. Additionally, the number of foreign trade confirmation also recorded an increase of 19.33% to 167,117 from 140,046 trades recorded in 2021, which resulted in an increase of trade confirmation revenue by 19.11% to 823,000. Clearing operations represent 10.52% towards total Operating revenue.

Shareholders Register Services, which represents 7.8% or approximately 686,000, recorded a marginal contraction of 3.96% from a year ago. The difference is mainly contributed from the drop in the sub-service components of Shareholders report and Auction and subscription services.

Central Depository Services also recorded a commendable increase of 34.96% to 953,000 compared to 706,000 reported in 2021. It represents 10.84% towards the total Operating revenue. This was mainly driven by the increase in the market value of the shares custodised. Settlement operations recorded an increase of 20.07% to 693,000 compared to 577,000 recorded a year earlier. It represents 7.89% towards total Operating revenue.

Under Miscellaneous, which is now comprised of Data, OTC & Brokerage, TICS and Other Miscellaneous Fees, it reported an increase of 9.19% to 559,000 from

512,000. In total, Operating revenue recorded a robust increase in 30.52% to 8.79 million versus 6.73 million a year ago.

Investment income, which is a KCC exclusive, reported a drop by 58.37% to approximately 25,000 from approximately 59,000. This is mainly due to lower allocation towards fixed income investments which stood at approximately 2.11 million versus 2.9 million invested in 2021. It represents 5.31% towards total Non-operating income.

Interest income, however, reported an increase of 37.49% to approximately 287,000 from approximately 208,000 as more allocation was made towards money market instruments. This was also partly due to liquidity management towards dividend payment. It represents 62.08% towards total Non-operating income.

Rent, which represents 30.23% of total Non-operating income, reported a drop of 34.29% to approximately 140,000 and this is mainly due to expiration of a lease of one of the large tenants. The space will be offered for let soon.

Other income, which represents 2.37% of the total Non-operating income, was lower by 83.11% to approximately 11,000 and this is mainly due to the absence of any ECL reversal. In total, the Non-operating income is reduced by 15.24% at approximately 462,000 compared to approximately 545,000 in Q1 2021.

The total cost for the quarter was considerably lower compared to the previous year's quarter. Total costs were reduced to 2.47 million or 16.45%, compared to 2.96 million recorded in 2021. Some expenses were reclassified to better reflect their nature and to streamline reporting between the parent and subsidiary.

Staff costs recorded an improvement of 29.58% to 1.43 million versus 2.03 million recorded a year earlier. As mentioned in previous calls, we will be seeing the savings to be generated from KCC's employment contract streamlining throughout 2022. This represents 57.71% of the total Operating expenses compared to 68.46% recorded a year earlier. In Q1 2021, the End of Service expense was approximately 204,000 compared to approximately 33,000 recorded in Q1 2022, a total reduction of approximately 84%.

Further, within Boursa Kuwait, we have seen movements in turnover following the merger of some departments, namely Data Services with Product Development within the Markets sector and OTC with Equity within the Trading Operations sector. At Boursa Kuwait, the total number of employees as at Q1 2021 was 102 compared to 93 as at Q1 2022.

IT, on the other hand, recorded a marginal increase of 4.22% to approximately 258,000 compared to approximately 247,000 a year earlier. This represents 10.42% of the total Operating expenses. Depreciation and amortisation is marginally lower by 2.29% or approximately 218,000 compared to approximately 223,000 in 2021. Building recorded higher expense at 35.51% or approximately 79,000 compared to approximately 58,000 in 2021 or higher by 21,000. This is mainly due to additional provision in utility charges.

Consultancy fees is lower by 32.76% or approximately 64,000 from approximately 96,000 recorded earlier. This is due to lower spending due to completion of assignments. CMA commission, which is directly correlated with the Trading Commission, recorded an increase of 72.98% to approximately 97,000 versus approximately 56,000 recorded in 2021. Impairment recorded an increase of 200.99% to approximately 132,000 allocated to accounts receivable of KCC. There was nil impairment cost on Boursa Kuwait.

As for Others, a total reduction of 5.44% was recorded, bringing the aggregated cost to approximately 198,000 from approximately 209,000 recorded a year earlier. Underpinning the above, we are seeing reasonable movements in Cost to Income, which stood at 28.15% compared to 43.98% recorded in 2021. I would like to correct the statement made on Consultancy fees. It is lower due to a lesser spent on consultants as opposed to completion of assignments.

The main factor contributing to the increase in Non-operating expenses is the taxation-related provisions comprising KFAS, Zakat and NLST in view of the stronger financial performance of the group. KFAS provision is approximately 42,000 versus approximately 24,000 in 2021. Zakat provision is approximately 43,000 versus approximately 24,000 in 2021. NLST provision is approximately 142,000 versus approximately 61,000 in 2021. The next slide shows the summary of the key indicators explained herein. With that, I pass the presentation to Noura for business updates.

Noura Al Abdulkareem

Hello. Good afternoon, everyone, and thank you for joining us for our quarterly analyst conference.

I'm going to walk you through our business and market updates. Q1 of 2022 was continuing to carry on the superb performance we've had in 2021, if not better, based on the average traded values throughout this quarter.

In terms of our development plans and strategy, we again confirm our dedication to diversifying the product offerings in the market and, for example, since the launch of the tradeable rights issue, we've concluded the successful trading of six issues, with one upcoming issue to start on the 15th of this month. As many of you are aware, these developments are joint projects that are contingent on the approvals of the CMA and the readiness of all market participants.

In terms of updates of this year's market developments regarding the CCP, ETFs and fixed income, KCC has successfully established a connection with the payment clearing and settlement system of the Central Bank of Kuwait. The brokers are on their way in their technical developments to become qualified brokers, followed by the CMA's licensing requirements to manage the cash of their clients.

ETFs and fixed income proposed rules and bylaws are also under review by the CMA, planning to be finalised later this month, and the market-wide tests are scheduled to start by November of this year. After the successful launch of these major changes in the market, we will be finally moving into the fourth phase of our market developments that cover derivatives.

Moving to the market performance, trading values has increased by 60% quarter on quarter to almost 4.15 billion Kuwaiti Dinars, up from 2.6 billion Kuwaiti Dinars

from Q1 of 21, while the traded volumes barely increased by 1%. As for the frequency of trades, that increased by 20%.

As for the market split between the premier segment versus the main segment, the premier market continues to dominate the value traded by 67% at the 4 billion mentioned previously. As for the split, it remains unchanged quarter on quarter. On the other hand, the volume split saw a decrease of 16% within the main market as the main concentration within Q1 of 2020 was on the premier market, which we can see in the next slide in terms of performance.

The following slide basically shows the indices performance of Boursa Kuwait, where all the indices continued with the positive performance seen since Q1 of 21, where the velocity of the performance in Q1 22 was driven mainly by the premier index, which contributed to the overall All Share index performance by 15.67%.

And finally, in terms of investor turnover, Boursa Kuwait saw a 22% decrease quarter on quarter in terms of local versus international investors, although we expect this rate to increase by the end of this month due to the MSCI rebalancing event.

As for the split of trade turnover between retail and institutional investors, a slight decrease of 2% in institutional investors' turnover, although they still dominate the market. On the other hand, 51% of institutional turnover was buys versus 49% for sales. The opposite is also true for the retail investors, where 49% of their turnover was buys while 51% was sales.

Concluding my part of the presentation, we had seven regulatory delistings so far and one voluntary delisting. We currently stand at 159 listed companies, with one new listing coming up early June. Thank you, and we shall pause. Sorry, I should transfer to my colleague, Fahad.

Fahad Al Beshar

Thank you very much, Noura and thank you Mr. Mohammed Naim.

Now we are ready for Q&A. Please submit your inquiries in the Question text area. We will pause for a few minutes to receive most of your questions and answer them accordingly.

Noura Al Abdulkareem

In terms of the upcoming listing, it's a premier market listing. It has already been announced and they've received the preapproval to list and IPO by the CMA. It's the Ali Alghanim & Sons company. The owner of the dealerships here in Kuwait for the automotive industry, BMW, Range Rover and whatnot, they're expected to float around 45% of their holding. The entire holding is estimated to be valued at 220 million Kuwaiti Dinars.

Mohammed Naim Azad Din

In terms of the growth drivers for the company going forward, mainly we have two key strategies. Number one is disciplined cost management and secondly is to continue with the market developments which include product development as part of it. These are the two key principles which the company will continue to pursue going forward.

In terms of sustainability of Opex in coming quarters, one of the key contributions to the reduction of the Opex, as can be seen, is from the staff resources, staff cost. And this year, we expect to see a full savings of the employment contract streamlining, which we have touched on since Q3 of 2021.

As mentioned in the presentation, the total savings of the provision of End of Service has dropped quite significantly, by approximately 80%. And with the internal strategy involving mergers of functions within Boursa Kuwait, we also see some turnover in terms of headcount that will contribute towards a further cost saving in terms of human resources.

In terms of other G&A, as the economy is fully opened, it is rather early for us to say as to whether we are able to maintain the 20% to 30% level of Cost to Income. However, we remain hopeful that we will remain on track by ensuring a disciplined cost management of Boursa Kuwait's operations as well as KCC's.

Noura Al Abdulkareem

In terms of products, the products that we are planning to launch in the near future, like I mentioned, are the ETFs and fixed income trading boards, which is related to another question regarding probable changes in regulations and rules.

So, the launch of these products requires changes in our rulebook, Boursa Kuwait's rulebook, in addition to changes of rules or bylaws within the CMA books, basically. So, the changes complement each other towards the successful launch of these products.

Mohammed Naim Azad Din

We, the management, have established a KPI at the beginning of the year with regards to expectations of reduction of staff at the Group level. However, the success of that implementation is dependent on a number of factors which are currently in the mix.

I would like to defer a response to the question probably to Q3 of this year when things are clearer as to the foundation for us to achieve a further reduction in cost savings for human resources.

In continuation to my response earlier, we are not able to quantify as to what the staff costs are likely to be for 2023 as we are currently in the process of optimising the human resources at the group level, involving both Boursa Kuwait and KCC. I will take note to provide more updates in Q3 of 2022 and hopefully by then, we should be able to know the plan in terms of realising the KPI which I had mentioned earlier.

Noura Al Abdulkareem

There is a question in regard to increasing trading hours. We are still conducting our analysis and studies in that regard and the impact it would have on Boursa Kuwait. So, this is still under study. In regard to updates on new product offerings, I've already mentioned that we are working on the CCP, ETFs and fixed income. So, part of the development has already progressed to finalising the rules and

regulations, and the other part is more technical, which involves brokers updating their systems.

There's a question regarding the outlook of value traded volume over the remaining year. We really cannot foresee the future, but if there's nothing disastrous coming up in the world, I don't think or believe. I believe the momentum will continue as is.

Fahad Al Beshar

We'll pause for a minute, if you have any questions. We believe we have covered all of the questions that were raised today during the call.

Oh, okay. Sorry. We have another question.

Noura Al Abdulkareem

We don't have any foreign ownership limits in Kuwait actually. The market is free in terms of ownership structure.

Fahad Al Beshar

If there are any follow-up questions which may not have been raised during the call, you may visit our Investor Relations page at our website or you can reach us at our designated Investor Relations email at ir@boursakuwait.com.

Thank you all for your participation. And with that, I would conclude the call.

Thank you.



1Q FY2022

Earnings Briefing

Naim Azad Din, Chief Financial Officer

Noura Al Abdulkareem, Head of Markets

11 May 2022



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AGENDA



No.	Segments	Slide Nos.
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A 3D rendering of a globe centered on the Asian continent, surrounded by several concentric, white, ring-like structures that resemble orbital paths or data tracks. The rings have small circular cutouts. The background is a light beige with large, soft, overlapping circular shapes in shades of gray and beige.

First Quarter FY2022


Financial Highlights and Performance

Naim Azad Din, Chief Financial Officer


1Q FY2022 FINANCIAL HIGHLIGHTS




- Operating revenue increased by 30.52% YoY to KWD 8.79 million from KWD 6.73 million.
- Operating expenses decreased by 16.45% YoY to KWD 2.47 million from KWD 2.96 million. This resulted in Cost to Income ratio of 28.15% compared to 43.98% recorded in the corresponding period in 2021.
- Operating profit improved to KWD 6.32 million or 67.41% from KWD 3.77 million.
- Net profit (Attributable to Equity Holders of Parent Company) increased by 60.67% YoY to KWD 5.25 million from KWD 3.26 million. This resulted in Earnings Per Share of 26.13 Fils compared to 16.26 Fils recorded in the corresponding period in 2021.
- Operating profit growth is mainly driven by the strong performances in value traded that contributed to the robust growth in Trading Commission and lower Operating expenses recorded during the period under review.


OPERATING REVENUE		
•	KWD	8,789,657
•		30.52%


Note: Reclassification of Reversal of ECL to Non-operating Income

OPERATING EXPENSES		
•	KWD	(2,474,401)
•		(16.45)%

OPERATING PROFIT		
•	KWD	6,315,256
•		67.41%

Note: Reclassification of Reversal of ECL to Non-operating Income


NP ATTRI. TO EQ. HOLDERS OF PARENT		
•	KWD	5,245,503
•		60.67%

VALUE TRADED		
•	KWD	4,146,771,016
•		60.31%

COST TO INCOME RATIO		
•	1Q FY2022	28.15%
•	1Q FY2021	43.98%

Note: Reclassification of Reversal of ECL to Non-operating Income

OPERATING PROFIT MARGIN		
•	1Q FY2022	71.85%
•	1Q FY2021	56.02%

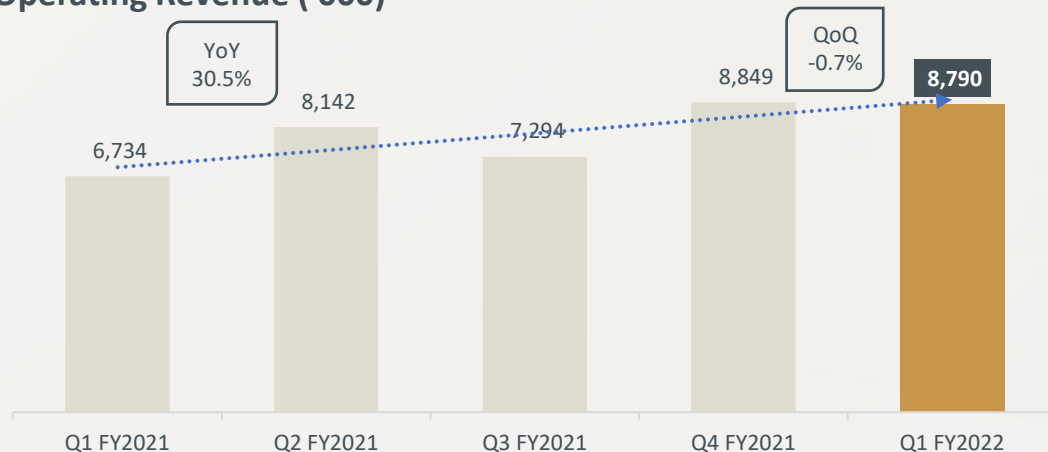
EPS ATTRI. TO EQ. HOLDERS OF PARENT		
•	Fils	26.13
•		60.67%

Note: All figures in KWD unless otherwise stated and may be subject to rounding.

FINANCIAL PERFORMANCE – QUARTERLY TREND

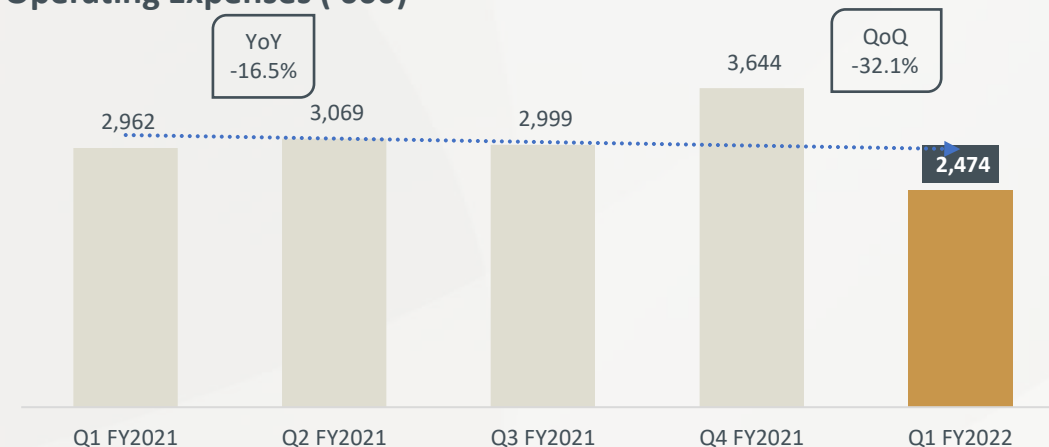


Operating Revenue ('000)

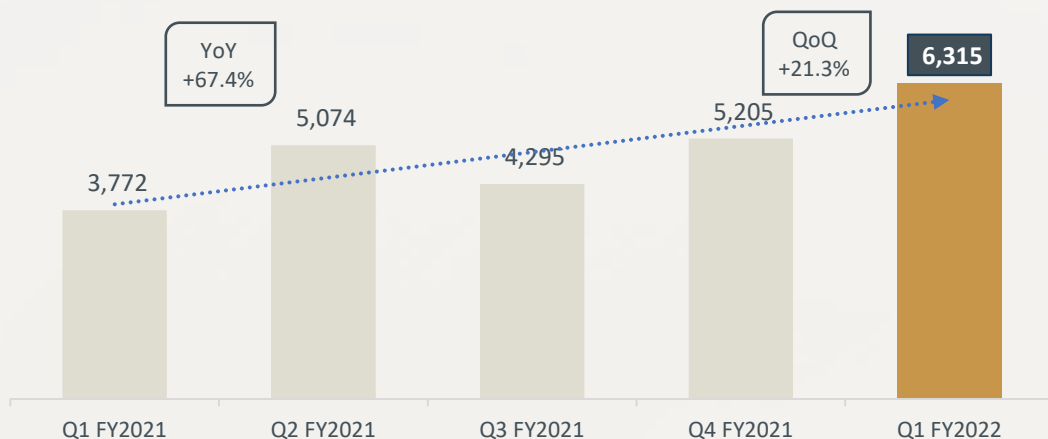


Note: Reclassification of Reversal of ECL to Non-operating Income

Operating Expenses ('000)

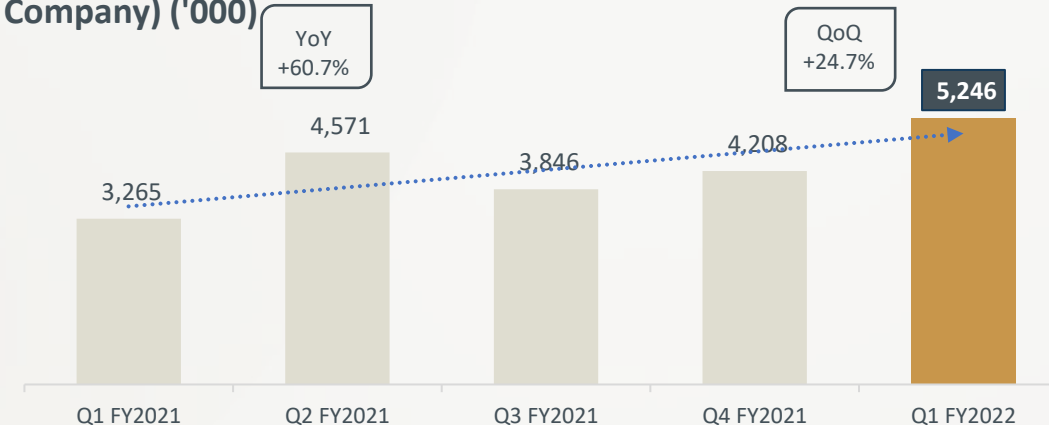


Operating Profit ('000)



Note: Reclassification of Reversal of ECL to Non-operating Income

Net Profit (Attributable to Equity Holders of the Parent Company) ('000)

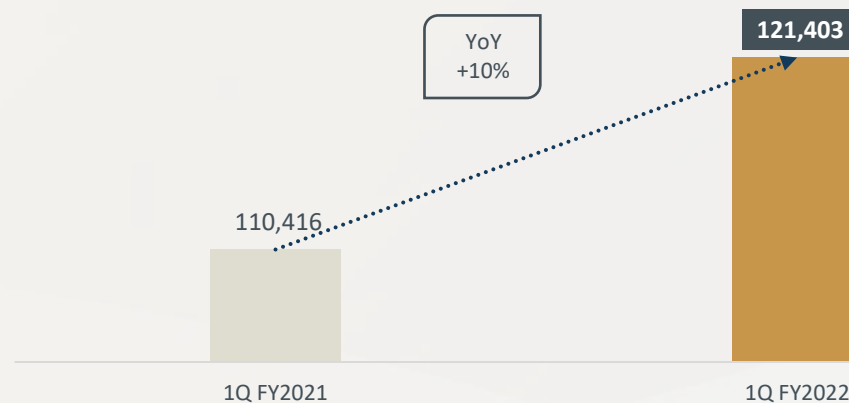


Note: All figures in KWD unless otherwise stated and may be subject to rounding.

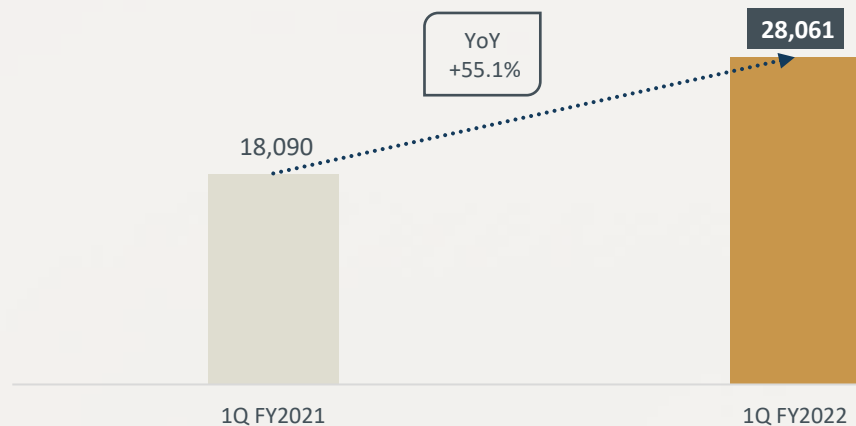
CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ANNUAL TREND



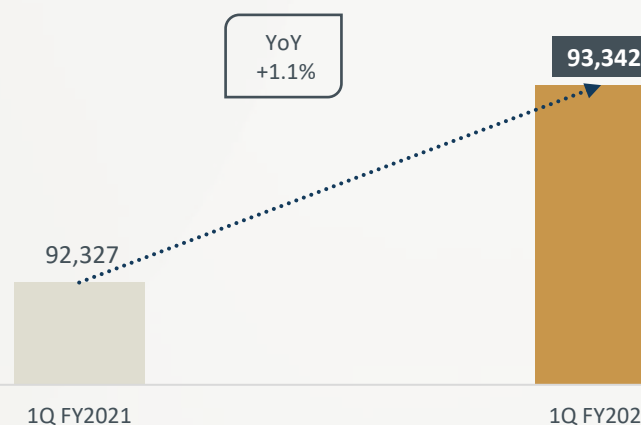
Total Assets ('000)



Total Liabilities ('000)



Total Shareholders Equity ('000)



Note: Equity Attributable to Equity Holders of the Parent Company stood at KWD 52,803,382, a 5.82% decrease.

1Q22 OPERATING REVENUE

Contribution by revenue streams



	Operating Revenue ('000)														Total
	Subscription Fee		Trading Commission		Clearing		Shareholders Register		Central Depository		Settlement		Miscellaneous		
Q1 FY2022	1,929	21.95%	3,045	34.64%	924	10.52%	686	7.80%	953	10.84%	693	7.89%	559	6.36%	8,790
Q1 FY2021	1,703	25.29%	1,766	26.23%	756	11.22%	714	10.60%	706	10.48%	577	8.58%	512	7.60%	6,734
YoY	13.30% ⬆️		72.40% ⬆️		22.33% ⬆️		(3.96%) ⬆️		34.96% ⬆️		20.07% ⬆️		9.19% ⬆️		30.52% ⬆️








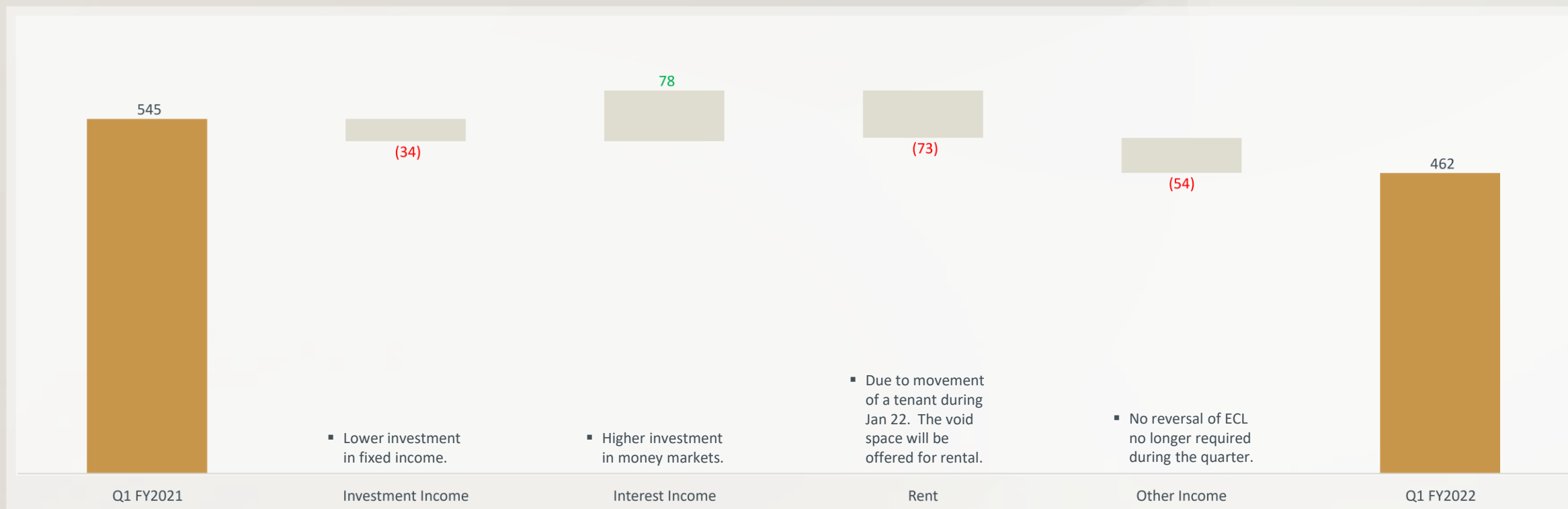
Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

1Q22 NON-OPERATING INCOME

Contribution by non-operating income streams



	Non-Operating Income ('000)								Total
	Investment Income		Interest Income		Rent		Other Income		
Q1 FY2022	25	5.31%	287	62.08%	140	30.23%	11	2.37%	462
Q1 FY2021	59	10.82%	208	38.27%	212	39.00%	65	11.92%	545
YoY	(58.37%) 		37.49% 		(34.29%) 		(83.11%) 		(15.24%) 



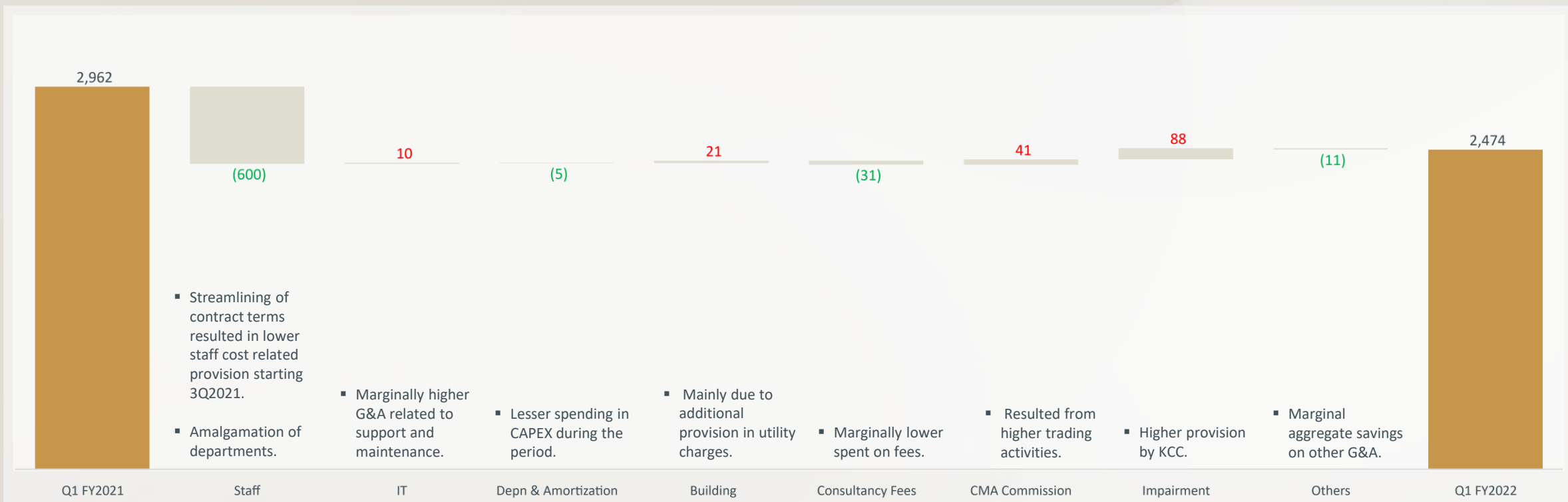
Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

1Q22 OPERATING EXPENSES

Prudent management of operating costs



	Operating Expenses (KWD '000)																Total	
	Staff		IT		Depn & Amortization		Building		Consultancy Fees		CMA Commission		Impairment		Others			
Q1 FY2022	1,428	57.71%	258	10.42%	218	8.81%	79	3.20%	64	2.61%	97	3.94%	132	5.32%	198	8.00%	2,474	
Q1 FY2021	2,028	68.46%	247	8.35%	223	7.53%	58	1.97%	96	3.24%	56	1.90%	44	1.48%	209	7.06%	2,962	
YoY	(29.58%)	⬇️	4.22%	⬆️	(2.29%)	⬇️	35.51%	⬆️	(32.76%)	⬇️	72.98%	⬆️	200.99%	⬆️	(5.44%)	⬇️	(16.45%)	⬇️






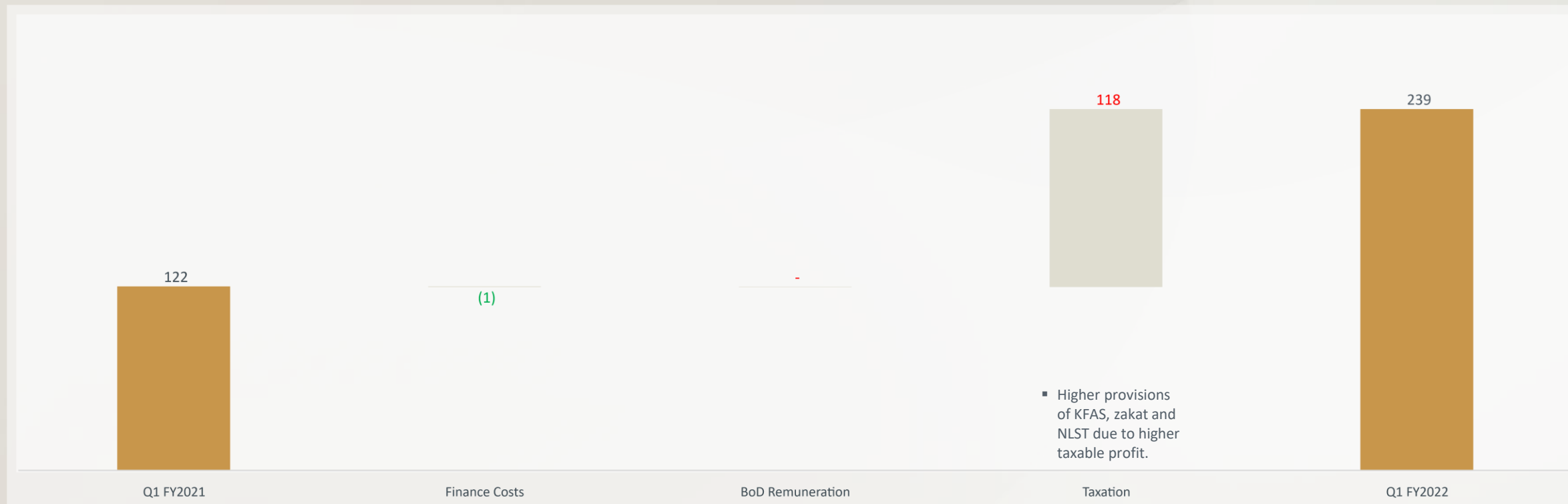
Note: All figures in KWD unless otherwise stated and may be subject to rounding. Some reclassifications were made to improve the quality of information presented.

1Q22 NON-OPERATING EXPENSES

Net increase is mainly due to higher provisions of KFAS, Zakat and NLST



	Non-Operating Expenses (KWD '000)						Total
	Finance Costs		BoD Remuneration		Taxation		
Q1 FY2022	11	4.51%	-	0.00%	228	95.49%	239
Q1 FY2021	11	9.35%	-	0.00%	110	90.65%	122
YoY	(5.41%) 				106.73% 		96.24% 



KEY INDICATORS



- High Operating profit margin and Return on Average Equity of 71.85% and 32.83%.
- Operating revenue of KWD 8.79 million, increased by 30.52% YoY. Operating profit improved to KWD 6.32 million, up by 67.41% and Net profit (Attributable to Equity Holders of Parent Company) increased to KWD 5.25 million, up by 60.67% YoY.
- For the quarter, the blended trading commission stood at 6.67 bps compared to 6.79 bps a year earlier, nearly flat at approximately -1.7% YoY.

	1Q FY2021	2Q FY2021	3Q FY2021	4Q FY2021	1Q FY2022
Operating Revenue ('000)	6,734	8,142	7,294	8,849	8,790
Operating Expenses ('000)	(2,962)	(3,069)	(2,999)	(3,644)	(2,474)
Cost to Income Ratio	43.98%	37.69%	41.11%	41.18%	28.15%
Operating Profit ('000)	3,772	5,074	4,295	5,205	6,315
Operating Profit Margin	56.02%	62.31%	58.89%	58.82%	71.85%
Net Profit Attributable to Equity Holder of the Parent Company ('000)	3,265	4,571	3,846	4,208	5,246
Net Profit Margin Attributable to Equity Holder of the Parent Company	48.48%	56.14%	52.73%	47.56%	59.68%
Return on Average Equity	56.45%	65.66%	29.77%	28.02%	32.83%
EPS (fils) - (Parent Company)	16.26	22.77	19.16	20.96	26.13
DPS (fils)	-	-	-	65.00	-
Total Dividends ('000)	-	-	-	13,050	-
Blended Trading Commision (bps)	6.79	6.99	6.98	7.03	6.67



First Quarter FY2022






Business Updates

Noura Al Abdulkareem, Head of Markets

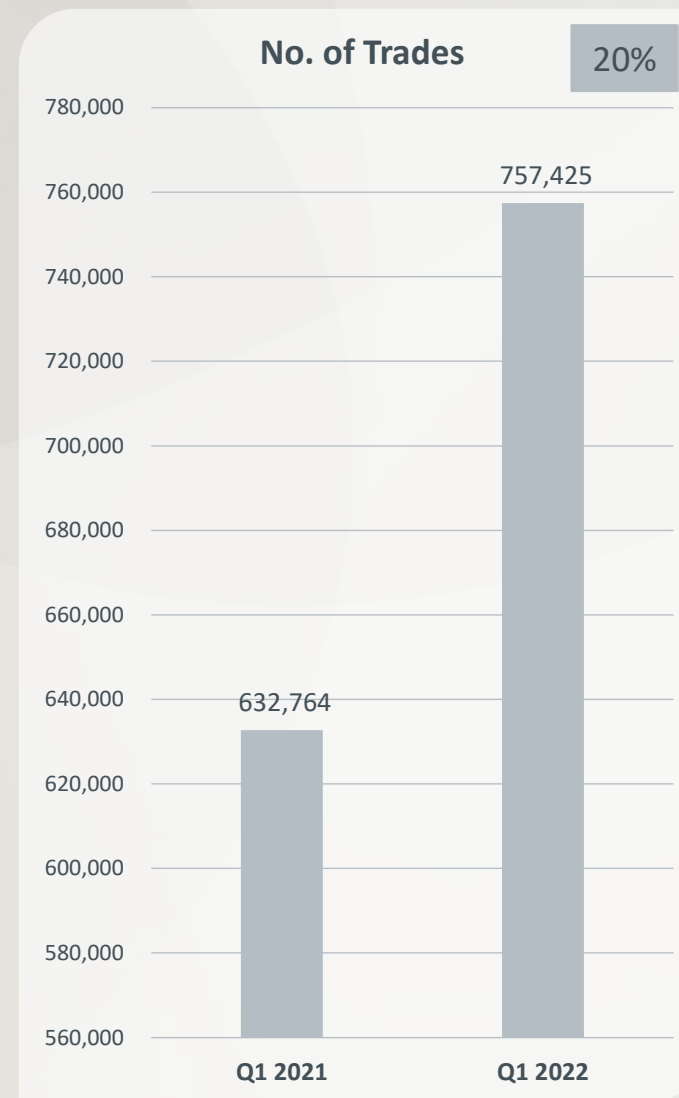
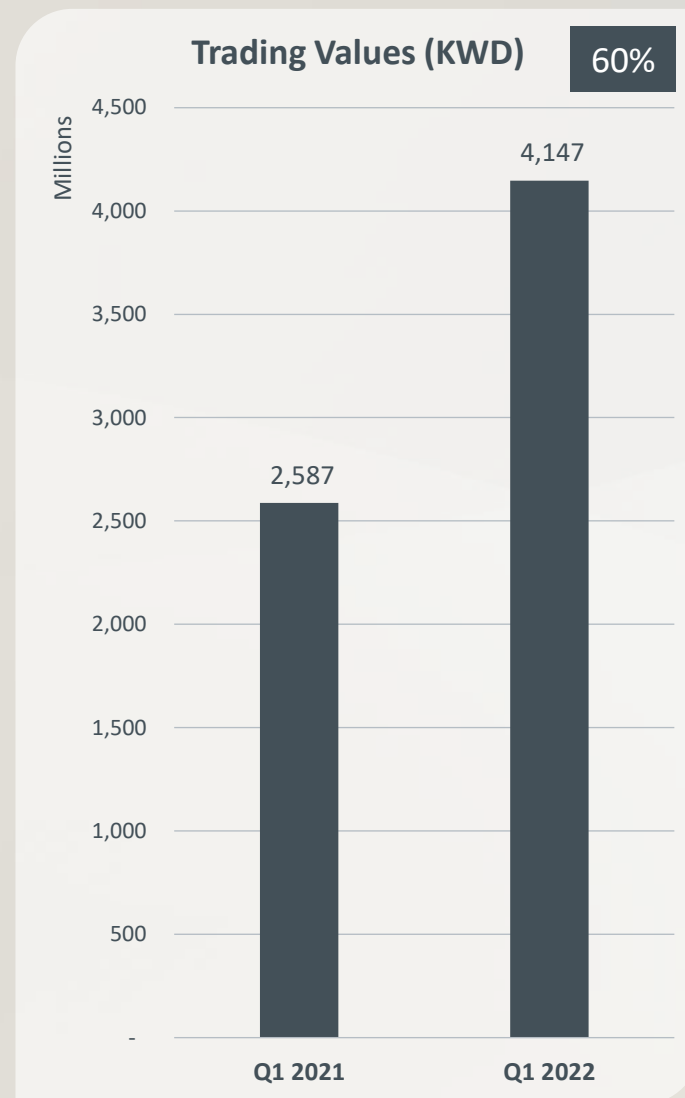
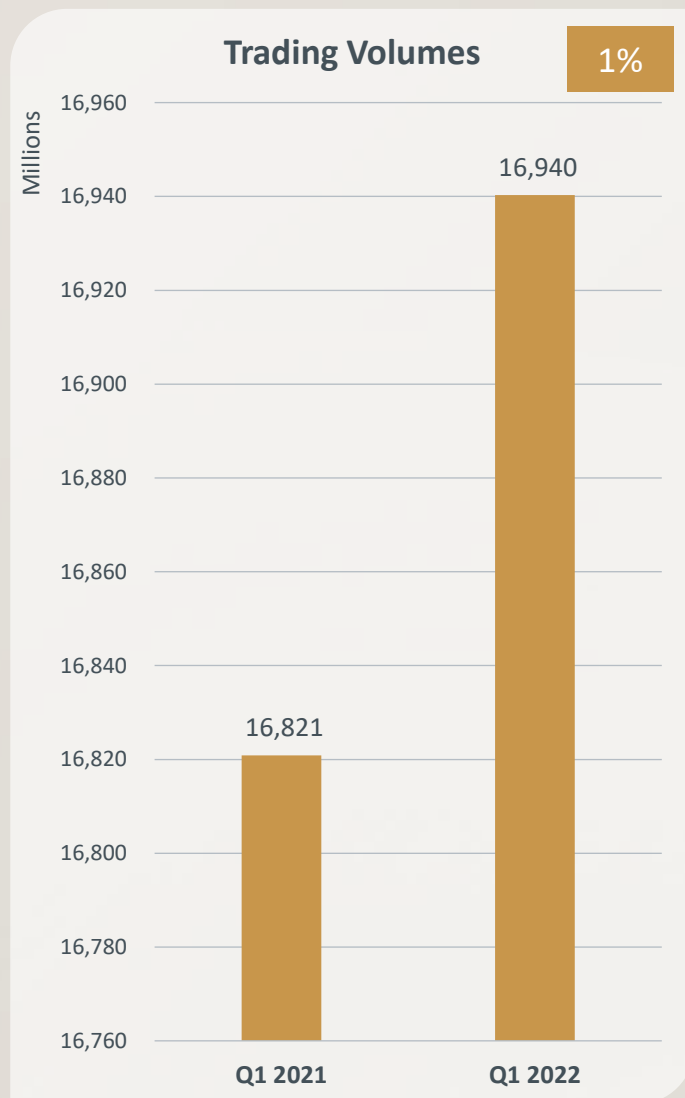
MARKET DEVELOPMENTS



Diversifying product offerings, increasing accessibility and transparency of our Market while continuing improving infrastructures.

MD1	MD2	MD3.1	MD3.2	MD4
<ul style="list-style-type: none">• Ticks & Price Limits• Settlement Cycle & Corporate Actions• Market Makers• Randomized Closing Auction	<ul style="list-style-type: none">• Market Segmentation• Circuit Breakers• OTC Platform• Bursa Kuwait Rulebook	<ul style="list-style-type: none">• REITs• Intentional Crossing• Trade-at-Last• Closing Auction Amendment• Tender Offers• Swaps• Short-selling & SLB	<ul style="list-style-type: none">• Tradable Rights Issue• Margin Lending for IC• Cash CCP• Fixed Income• ETFs (Equity & Commodity)• Margin Lending for QB	<ul style="list-style-type: none">• Derivatives CCP• Derivatives (SSF & IF)• Derivatives (Options)
 2017	 2018	 2019	 2020-22	 2022-24

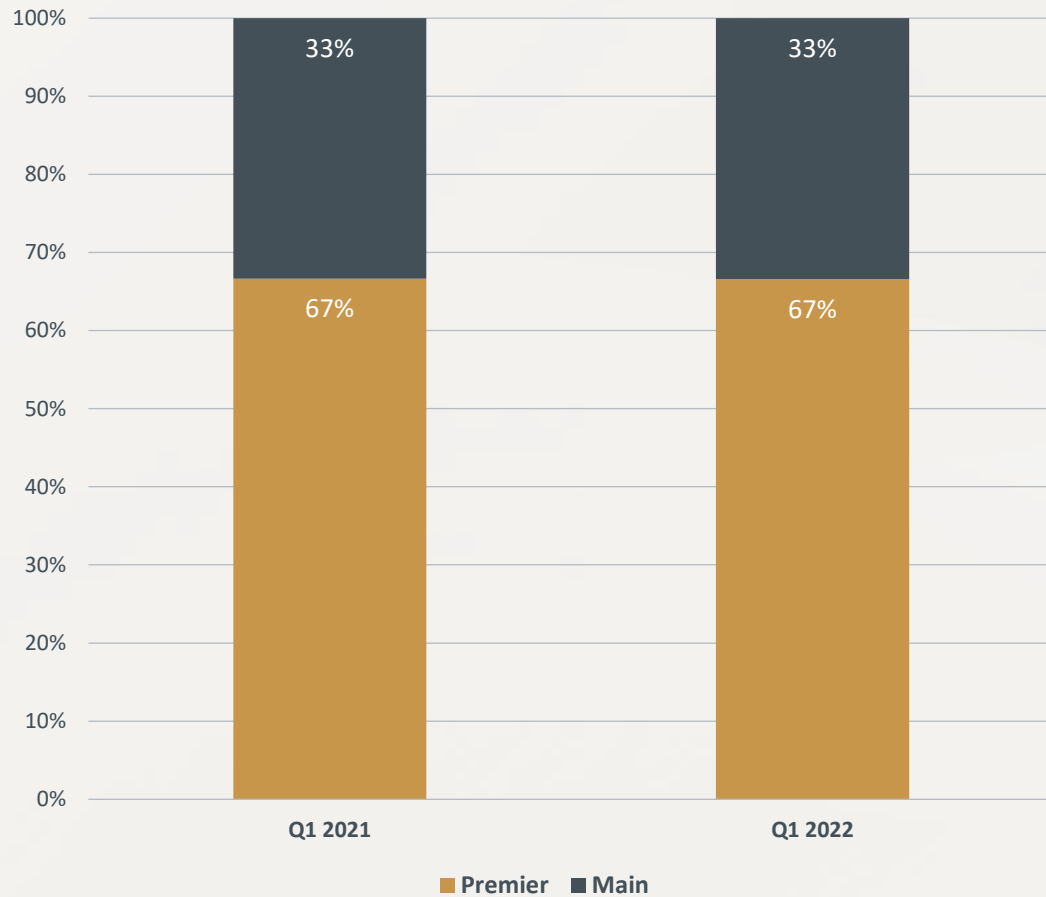
MARKET PERFORMANCE



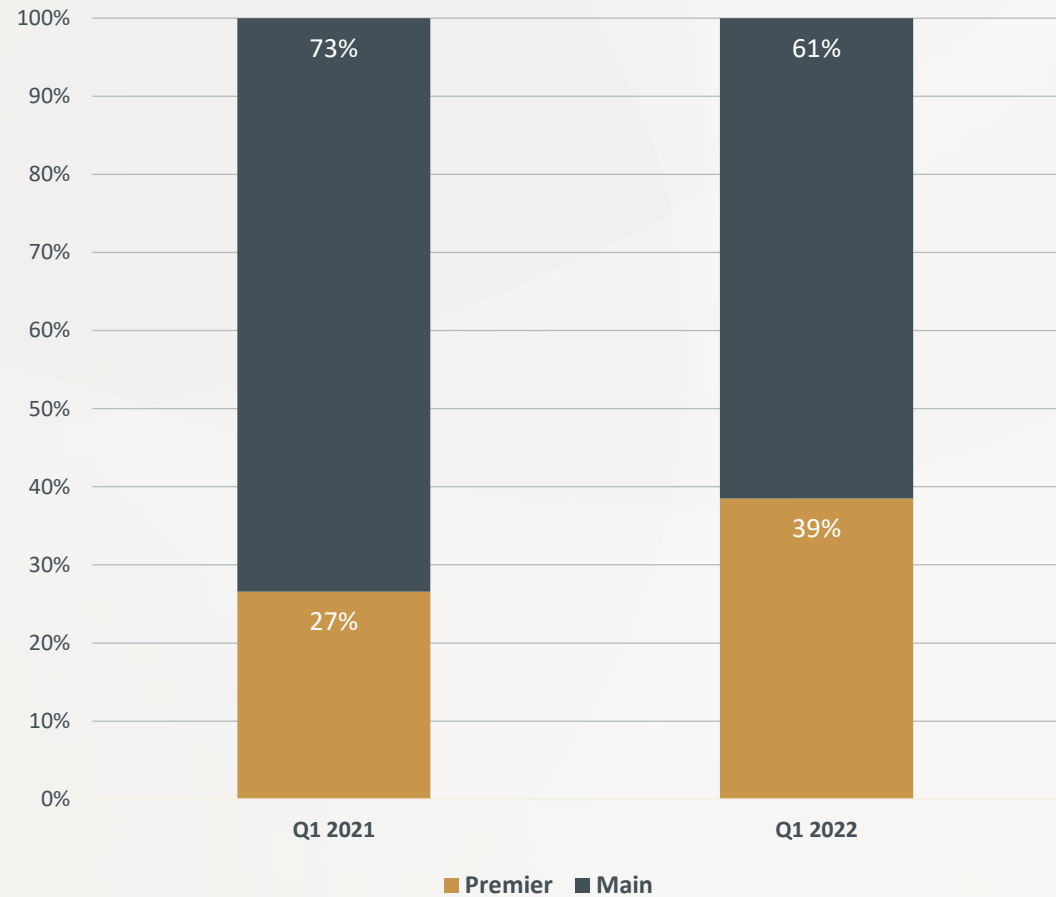
MARKET SPLIT (Premier vs Main)



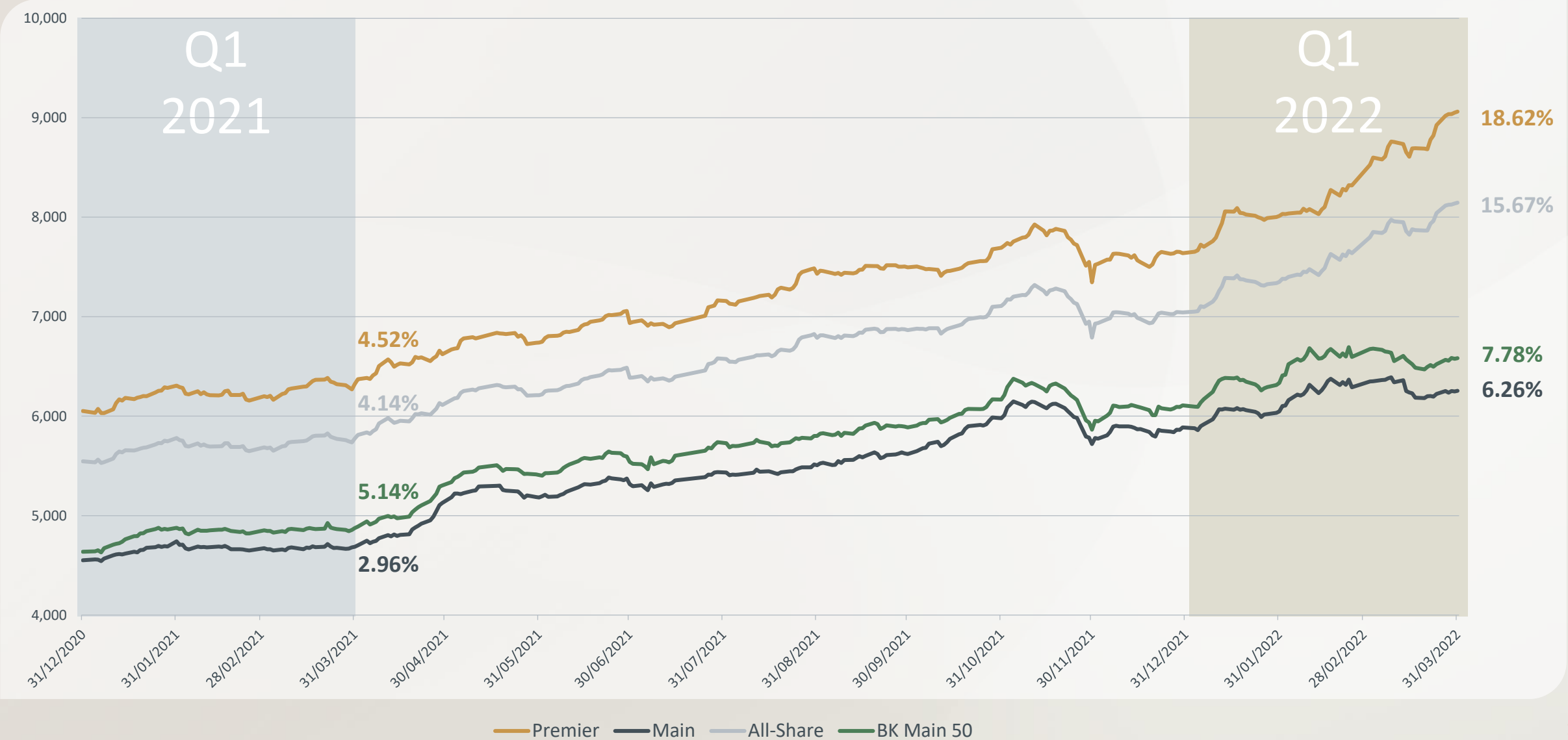
Traded Values Q/Q



Traded Volumes Q/Q



INDEX PERFORMANCE

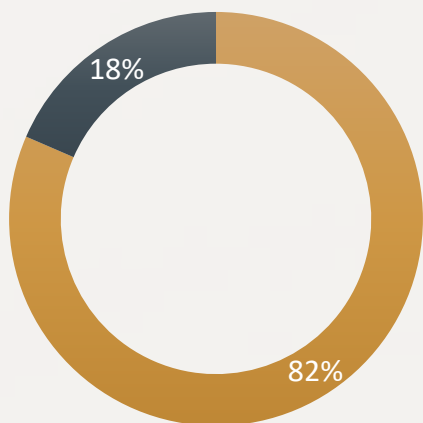


INVESTOR TURNOVER



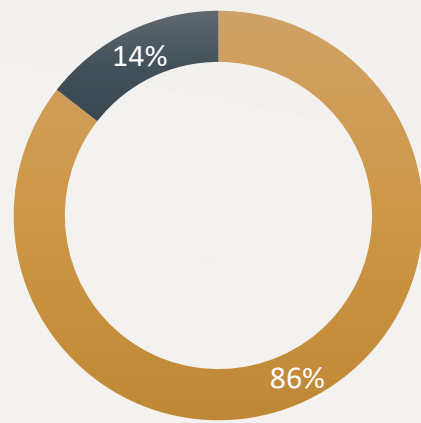
Breakdown of Value Turnover by Investor Geography

Q1 2021



Local Int'l (Inc GCC)

Q1 2022

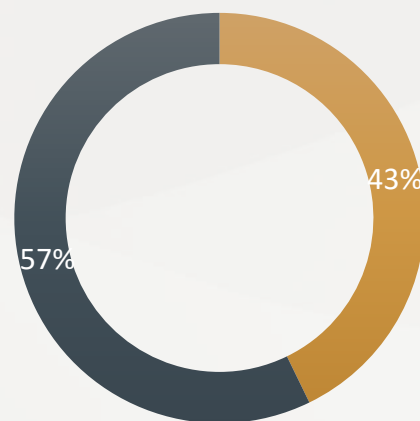


Local Int'l (Inc GCC)

International Investors -22% Q/Q

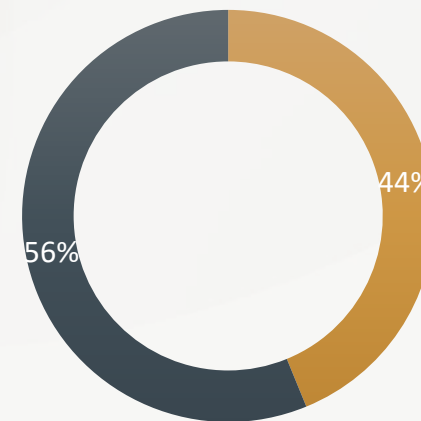
Breakdown of Value Turnover by Investor Type

Q1 2021



Retail Institutional

Q1 2022



Retail Institutional

Institutional Investors -2% Q/Q



BOURSA KUWAIT SHARE INFORMATION



▪ Legal Name	Boursa Kuwait Securities Company K.P.S.C
▪ Date Established	21 April 2014
▪ Regulated By	Kuwait's Capital Markets Authority (CMA)
▪ Listing Date	14 September 2020
▪ Exchange Ticker	BOURSA
▪ Code	827
▪ Bloomberg Ticker	BOURSA KK
▪ Thomson Reuters Ticker	BOURSA.KW
▪ ISIN	KW0EQ0607022
▪ Sector	Financial Services
▪ Paid-Up Share Capital	KWD 20,077,575.000
▪ Outstanding Number of Shares	200,775,750
▪ Par-value per Share	KWD 0.100
▪ Fiscal Year	31 December
▪ Registrar	Kuwait Clearing Company

Major Shareholders (over 5%)

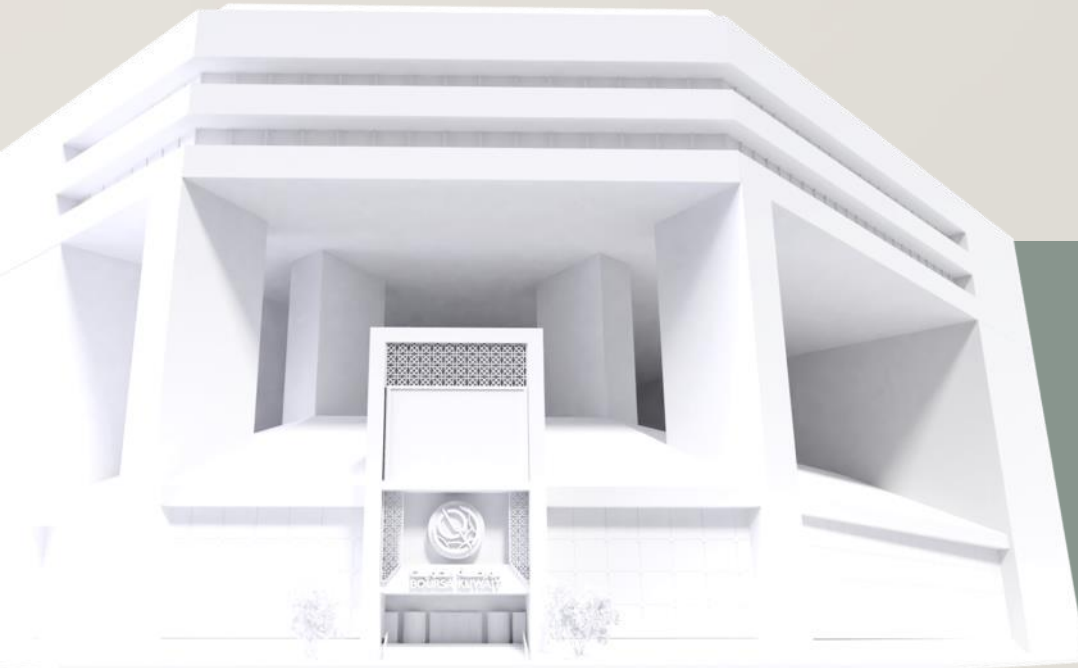
National Investments Co. and group (Al-Bawaba Al-Watania General Trading & Contracting Co.)	Direct & Indirect	15.46%
Arzan Financial Group For Financing & Investment	Direct	14.41%
Gulf Cable & Electrical Industries Co.	Indirect	14.41%
The Public Institution for Social Security	Direct	6.00%

ANALYST COVERAGE



Research House	Analysts	Date	Target Price (KWD)	Rating
EFG HERMES	Elena Sanchez, CFA Ahmed El-Shazly	6 April 2022	3.07	BUY
Arqaam Capital	Jaap Meijer, MBA, CFA Janany Vamadeva	20 February 2022	2.59	BUY

CONTACT INFORMATION



Fahad Al Bsher

Director, Investor Relations

فهد عبدالمحسن البشير
مدير إدارة علاقات المستثمرين

Tel: +965 2299 2273

Email: ir@boursakuwait.com.kw

Website: www.boursakuwait.com.kw