

8 August 2021

8 أغسطس 2021 م

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

إلى السيد محمد سعود العصيمي  
الرئيس التنفيذي  
بورصة الكويت  
دولة الكويت

تحية طيبة وبعد ،

Dear Sir,

**Subject: Disclosure of Ahli United Bank B.S.C. Bahrain (AUB) Analyst/ Investors Conference Presentation for the Period Ended 30 June 2021.**

**الموضوع: إفصاح البنك الأهلي المتحد ش.م.ب. (البحرين) عن مؤتمر المحللين \ المستثمرين للفترة المنتهية في 30 يونيو 2021م.**

With reference to Article number 8-4-2 "Continuing Obligations in the Premier Market" of Boursa Kuwait Rule Book issued as per resolution number 1 for the year 2018, AUB, as a "Premier Market" category listed entity, hereby advises you that an Analyst/ Investors Conference was held through a live webcast at 2 PM local time on Sunday, 8 August 2021.

عملا بأحكام المادة رقم 8-4-2 "الالتزامات المستمرة للسوق الأول" من قواعد بورصة الكويت الصادرة بموجب القرار رقم 1 لسنة 2018 وحيث أن البنك الأهلي المتحد ش.م.ب. (البحرين) من ضمن مجموعة "السوق الأول". يرجى الإحاطة بأن مؤتمر المحللين \ المستثمرين قد انعقد عن طريق البث المباشر على شبكة الانترنت وذلك في تمام الساعة 2:00 بعد الظهر بالتوقيت المحلي يوم الأحد الموافق 8 أغسطس 2021م.

Kindly note that during the conference there was no disclosure of any material information that is not in the public domain.

علما بأنه أثناء المؤتمر لم يتم الإفصاح عن أية معلومات جوهرية غير متوفرة لجمهور المتعاملين.

Attached is the Analyst/ Investor's Conference Presentation for the period ended 30 June 2021.

مرفق طية استعراض مؤتمر المحللين \ المستثمرين عن الفترة المنتهية في 30 يونيو 2021م.

With kind regards,

وتفضلوا بقبول خالص التحية والتقدير.

Yours sincerely,

Sanjeev Baijal  
Deputy Group Chief Executive Officer  
Finance & Strategic Development

سنجيف بايجال  
نائب الرئيس التنفيذي للمجموعة  
المالية والتطوير الاستراتيجي

مرفقات

Encl: As above.

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البنك الأهلي المتحد



ahli united bank

# Financial Performance – Half Year Ended 30 June 2021

## Presentation to Investors and Analysts

8 August 2021

# Disclaimer

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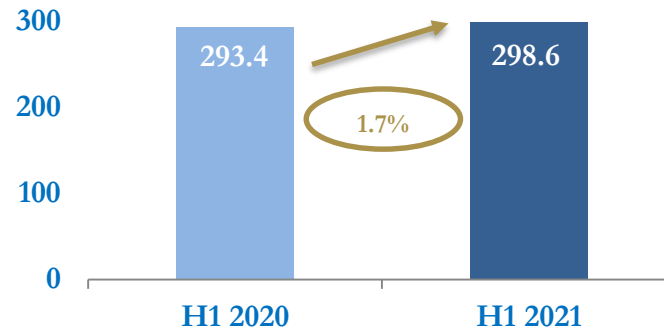
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## Agenda

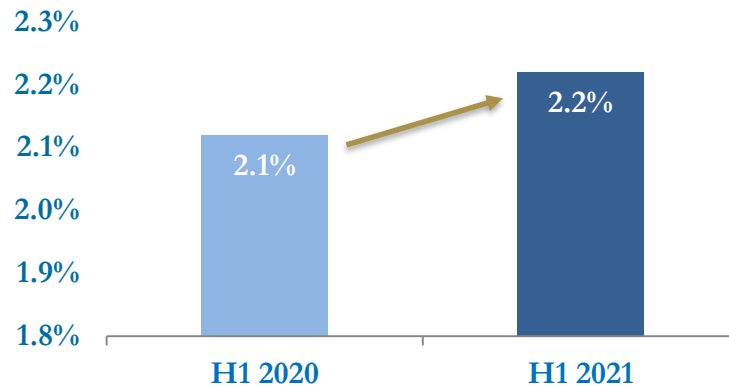
1. Financial Performance – Half Year Ended 30 June 2021
2. Q&A Session

# Financial Highlights – H1/2021

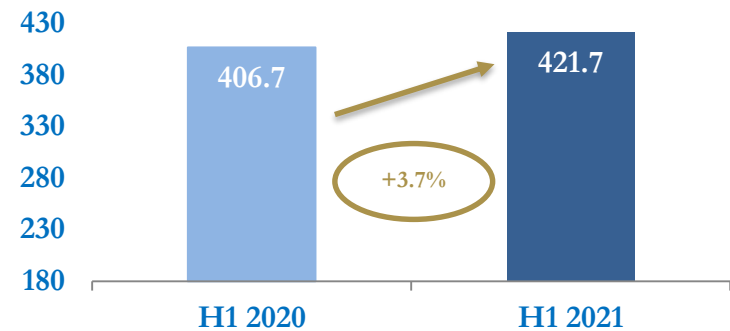
NPAT  
(US\$ MM)



Net Interest Margin (NIM %)



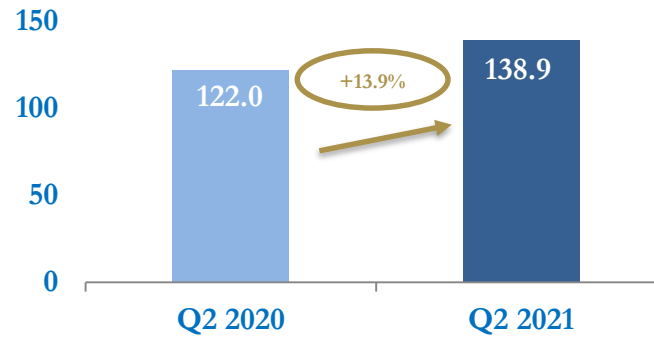
Net Interest Income  
(US\$ MM)



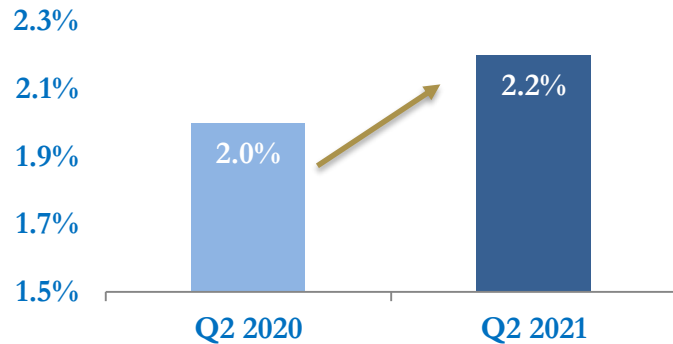
**Improved Spread**

# Financial Highlights – Q2/2021

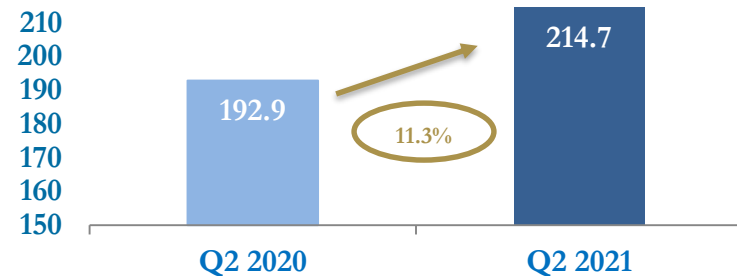
NPAT  
(US\$ MM)



Net Interest Margin (NIM %)



Net Interest Income  
(US\$ MM)



**Improving Core Earnings**

# Income Statement

US\$ MM	Q2 2020	Q2 2021	Var %	H1 2020	H1 2021	Var %
Net Interest Income	192.9	214.7	11.3%	406.7	421.7	3.7%
Fees and Commissions	22.9	24.0	4.8%	55.3	53.5	(3.3%)
Trading Income	12.4	8.1	(34.7%)	24.5	16.6	(32.2%)
Investment Income & Others	28.6	14.4	(49.7%)	89.1	60.4	(32.2%)
Operating Income	256.8	261.2	1.7%	575.6	552.2	(4.1%)
Provision for Credit Losses	(49.9)	(32.0)	35.9%	(82.4)	(62.8)	23.8%
Net Operating Income	206.9	229.2	10.8%	493.2	489.4	(0.8%)
Operating Expenses	(71.0)	(73.3)	(3.2%)	(157.5)	(154.1)	2.2%
Tax Expense & Zakat	(8.4)	(10.1)	(20.2%)	(21.4)	(19.5)	8.9%
NPAT to Non-Controlling Interests	(5.5)	(6.9)	(25.5%)	(20.9)	(17.2)	17.7%
NPAT to the Owners of the Bank	122.0	138.9	13.9%	293.4	298.6	1.7%

**Improving Business Traction**

# ECL Coverage

	Jun 21			
US\$ MM	Stage 1	Stage 2	Stage 3	Total
Gross Loans and Advances (a)	18,532	3,303	561	22,396
Less: ECL Allowances (b)	(154)	(387)	(470)	(1,011)
Net Loans and Advances (a)-(b)	18,378	2,917	90	21,385
Gross Loans Stage-wise Mix as %	82.7%	14.7%	2.5%	
Coverage %	0.8%	11.7%	83.9%	
Collaterals for Stage 3			347	
	Dec 20			
US\$ MM	Stage 1	Stage 2	Stage 3	Total
Gross Loans and Advances (a)	17,920	3,236	559	21,715
Less: ECL Allowances (b)	(139)	(376)	(480)	(995)
Net Loans and Advances (a)-(b)	17,781	2,860	79	20,720
Gross Loans Stage-wise Mix as %	82.5%	14.9%	2.6%	
Coverage %	0.8%	11.6%	85.9%	
Collaterals for Stage 3			313	

**Solid Coverage**



# Key Performance Indicators

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Financial Indicators KPIs	H1 2020	H1 2021
Return on Average Equity (ROAE)	13.6%	13.8%
Return on Average Assets (ROAA)	1.6%	1.6%
C/I Ratio	27.4%	27.9%
EPS (US Cents) *	2.7	2.8

\* EPS adjusted for bonus share issue of 5%

**Overall Covid-19 Driven Impact – Balanced**

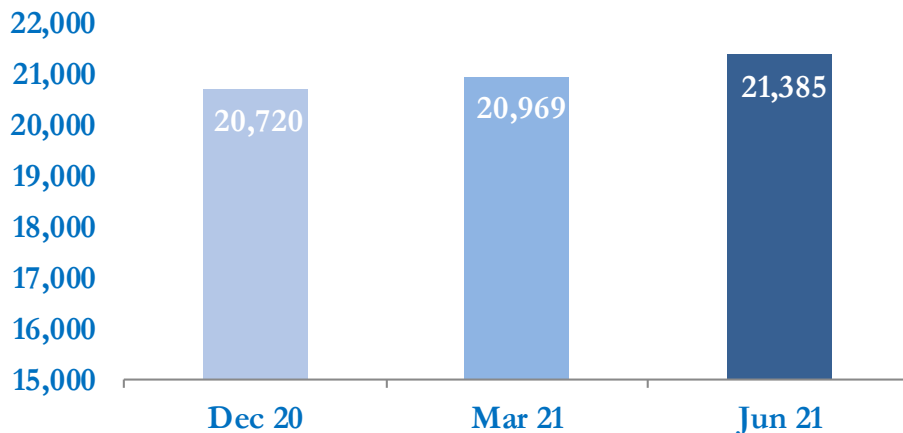
# Balance Sheet Highlights

US\$ MM	Dec 20	Jun 21	Var %
Loans and Advances	20,720	21,385	3.2%
Non-Trading Investments	9,608	9,520	(0.9%)
Total Assets	40,071	40,475	1.0%
Deposits from Banks	4,218	4,518	7.1%
Borrowings Under Repos	3,618	3,680	1.7%
Customers' Deposits	25,183	24,444	(2.9%)
Term Debts	175	525	200.0%
Total Deposits	33,194	33,167	(0.1%)
Perpetual Tier 1 Capital Securities	600	1,161	93.5%
Shareholders' Equity	4,002	4,193	4.8%

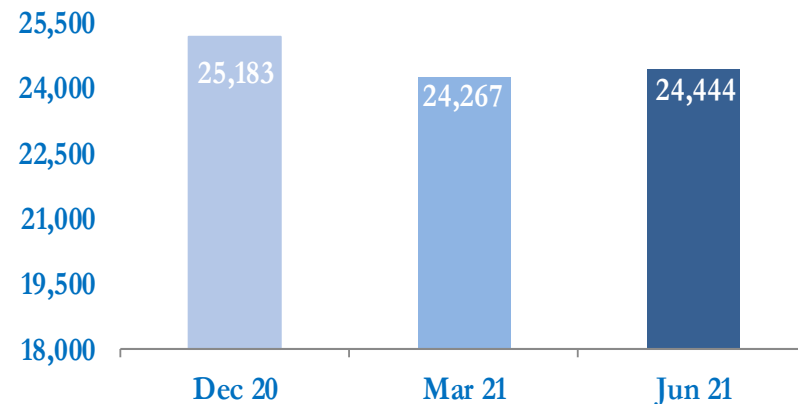
**Structured Balance Sheet Profile**

# Balance Sheet Highlights

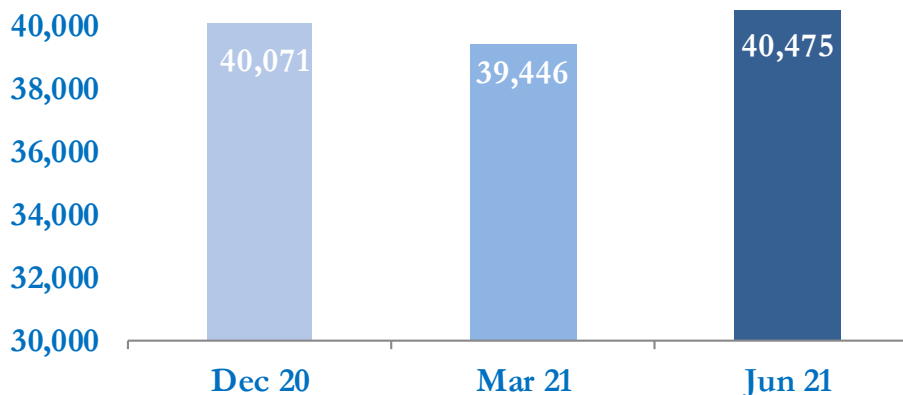
Loans & Advances  
(US\$ MM)



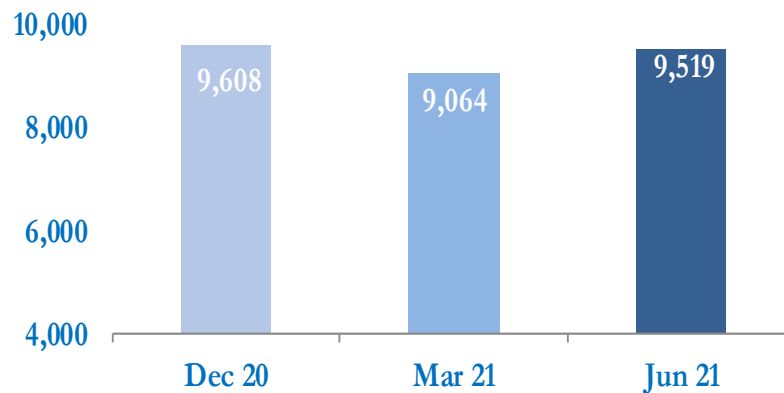
Customers' Deposits  
(US\$ MM)



Total Assets  
(US\$ MM)



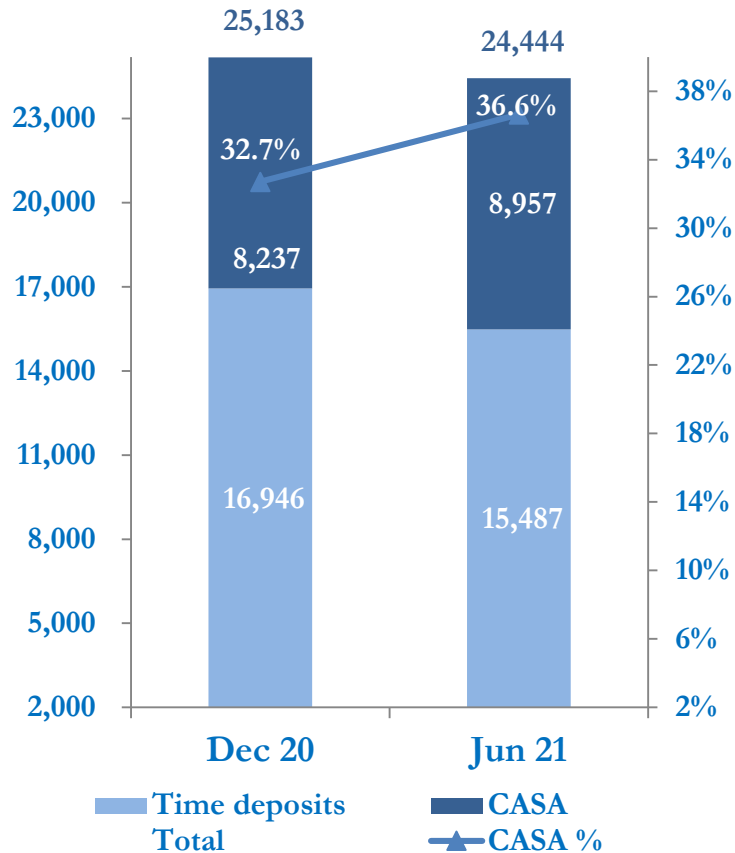
Non-Trading Investments  
(US\$ MM)



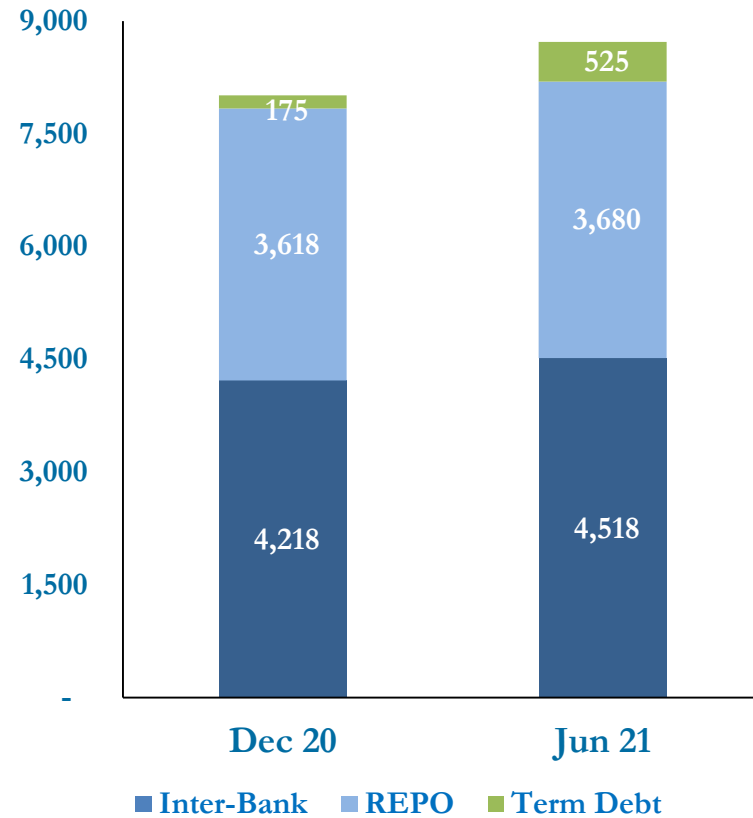
**Prudent Balance Sheet Management**

# Funding

Customers' Deposits Break-up  
(US\$ MM)

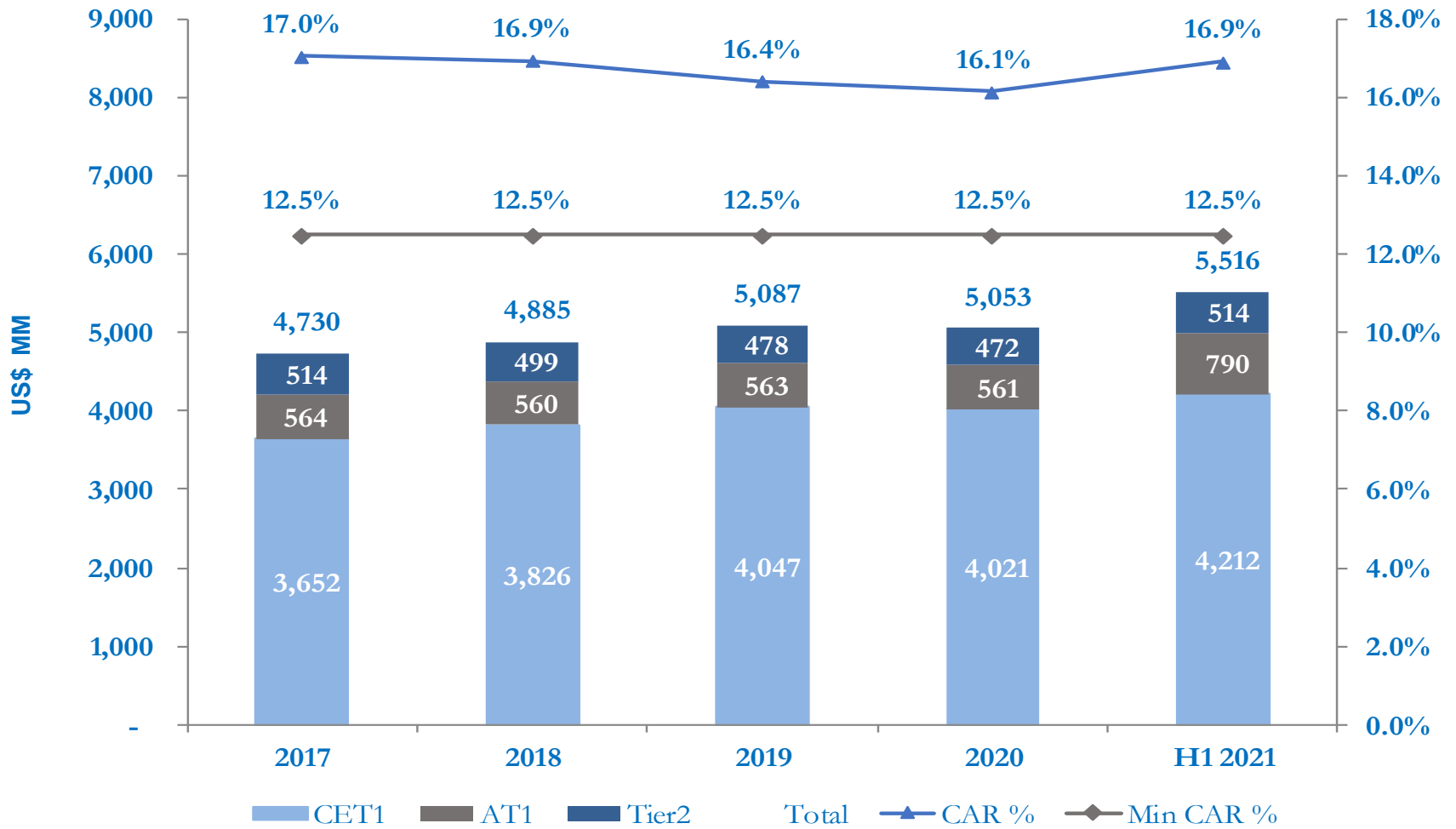


Wholesale Funding  
(US\$ MM)



**Funding Diversification/ CASA Traction**

# Capital Mix Strategy



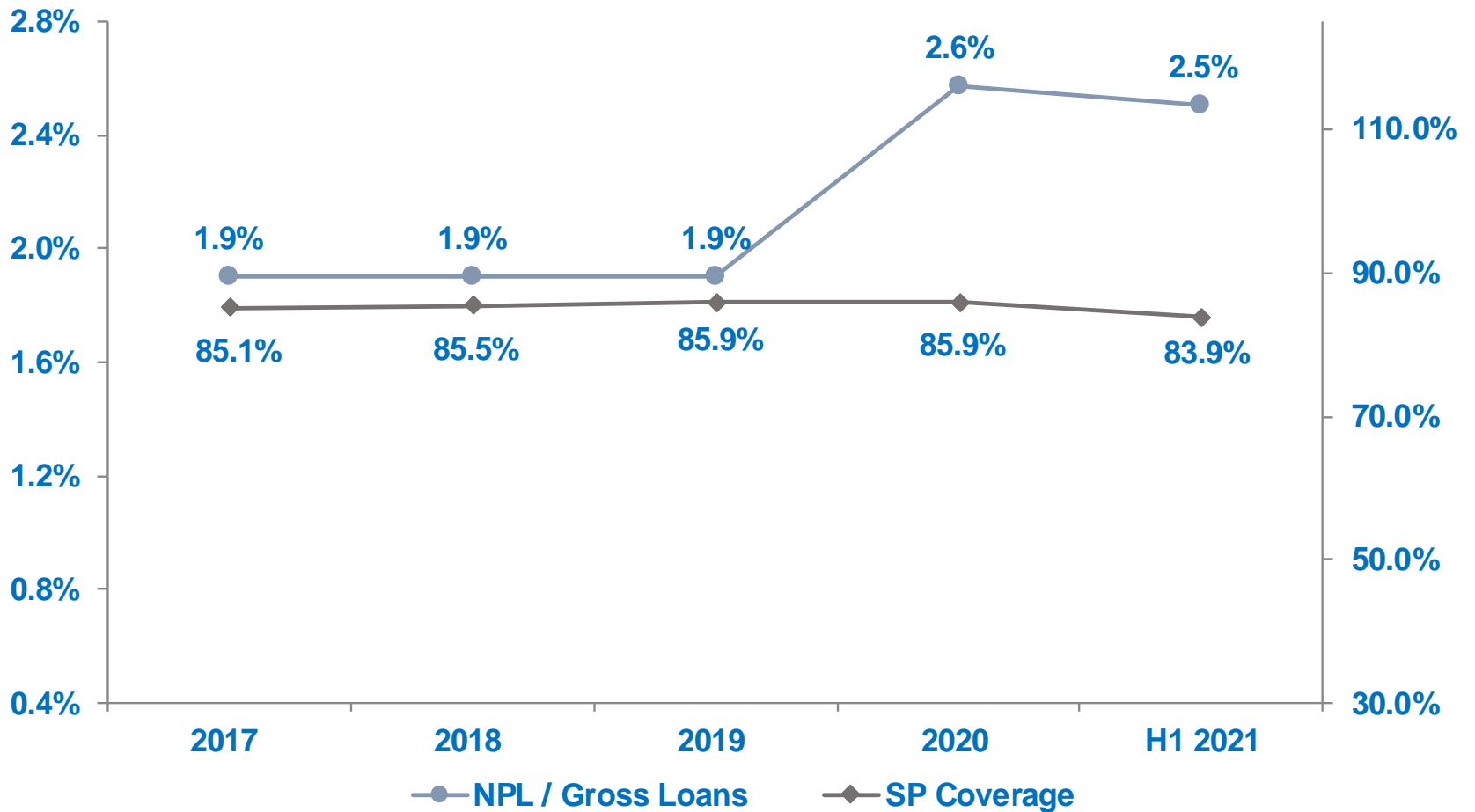
**Optimal**

# Key Performance Indicators

Financial Indicators KPIs	Dec-20	Jun-21
Asset Quality Related KPIs :		
Gross NPL Ratio	2.6%	2.5%
SP Coverage Ratio	85.9%	83.9%
Liquidity Related KPIs :		
Group LCR	238.2%	182.4%
Group NSFR	117.0%	115.7%
Capital Related KPIs :		
Total Capital Adequacy Ratio	16.1%	16.9%
CET 1 Ratio	12.8%	12.9%
Tier 1 Ratio	14.6%	15.3%

**KPIs Sustained**

# SP Coverage Trend



**Robust SP Coverage Sustained**

# Q&A Session

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