

التاريخ	رقم الصادر	الإشارة
2020/11/19	548	ب و / ر ت

M/s. Boursa Kuwait Company

السادة/ شركة بورصة الكويت المحترمين

May Allah's Peace and Blessing be upon you,

السلام عليكم ورحمة الله وبركاته،،

**Subject: Disclosure of Material Information**  
**Warba Bank Disclosure on Credit Rating**

**الموضوع: الإفصاح عن المعلومات الجوهرية**  
**إفصاح من بنك وربة بشأن التصنيف الائتماني**

At the very beginning, we would like to express our sincere greetings.

بدايةً أتقدم إليكم بأطيب التحيات متمنياً لكم دوام التوفيق والسداد.

We refer to the abovementioned subject and as per the requirements of Article (4-1-1/18) of Chapter Four (Disclosure of Material Information) of the Tenth Rule Book (Disclosure & Transparency) of the Executive Regulations of the Capital Markets Authority Law No. 7/2010 as amended.

بالإشارة إلى الموضوع أعلاه، ووفقاً لمتطلبات المادة رقم (4-1-1/18) من الفصل الرابع (الإفصاح عن المعلومات الجوهرية) من الكتاب العاشر (الإفصاح والشفافية) من اللائحة التنفيذية لقانون هيئة أسواق المال رقم 7 لسنة 2010 وتعديلاته.

Please be informed that, Moody's Investors Services has made an update to Warba Bank on 17/11/2020 where it affirmed the Bank's credit ratings and other ratings in addition to affirming the stable outlook as follows:

نحيطكم علماً أن وكالة موديز للتصنيف الائتماني قد أصدرت بتاريخ 2020/11/17 تحديث على التصنيف الائتماني جرى خلاله تأكيد تصنيفات البنك الائتمانية والتصنيفات الأخرى فضلاً عن تثبيت النظرة المستقبلية المستقرة وذلك على النحو التالي:

1. Outlook, Stable
2. Counterparty Risk Rating, Baa1/P-2
3. Bank Deposits, Baa2/P-2
4. Baseline Credit Assessment, ba3
5. Adjusted Baseline Credit Assessment, ba3
6. Counterparty Risk Assessment, Baa1(cr)/P-2(cr)

1. النظرة المستقبلية مستقرة
2. تصنيف مخاطر الطرف المقابل: Baa1/P-2
3. تصنيف الودائع: Baa2/P-2
4. التقييم الائتماني الأساسي: ba3
5. التقييم الائتماني الأساسي المعدل: ba3
6. تقييم مخاطر الطرف المقابل: Baa1(cr)/P-2(cr)

Attached herewith the annexure (9) Disclosure of Credit Rating Form.

كما نرفق لكم ملحق رقم (9) نموذج الإفصاح التصنيف الائتماني.

Best regards,

وتفضلوا بقبول فائق التقدير والاحترام،،

Shaheen Hamad Al Ghanem

شاهين حمد الغانم

Chief Executive Officer

الرئيس التنفيذي

Appendix No. (9)

Disclosure of Credit Rating Form

Date	19/11/2020
Name of the listed Company	Warba Bank K.S.C.P.
Entity who issues the rating	Credit Rating Agency "Moody's"
Rating Implications	<p><b>1. Counterparty Risk Assessment: Baa1/p-2</b> Issuers with Obligations rated "Baa" are judged to be medium and are subject to moderate credit risk of inability to meet specific significant operational liabilities and other contractual obligations with counterparties. Number 1 refers to the subcategory in the general rating.</p> <p><b>2. Long Term Deposit Ratings: Baa2/P-2</b> Issuers with Obligations rated "Baa" are judged to be medium-grade and subject to moderate credit risk. Number two refers to the subcategory in the general rating. Issuers or supporting entities classified under P-2 rating have strong capability for meeting short-term liabilities.</p> <p><b>3. Baseline Credit Assessment (BCA):ba3</b> Issuers with Obligations rated "Ba" are judged to be speculative and are subject to substantial credit risk without taking into account resorting to unusual support from the parent group or government. Number 3 refers to the subcategory in the general rating.</p> <p><b>4. Adjusted Baseline Credit Assessment:ba3</b> Issuers with Obligations rated "Ba" are judged to be speculative and are subject to substantial credit risk taking into account resorting to unusual support from the parent group or government. Number 3 refers to the subcategory in the general rating.</p>
Rating Category	<p>1. Outlook, Stable 2. Counterparty Risk Rating, Baa1/P-2 3. Bank Deposits, Baa2/P-2 4. Baseline Credit Assessment, ba3 5. Adjusted Baseline Credit Assessment, ba3 6. Counterparty Risk Assessment, Baa1(cr)/P-2(cr)</p>
Rating effect on the status of the company	Affirming the Bank's credit ratings with stable outlook

Outlook	Stable
The press release or the Executive summary	<p><b>Executive Summary</b></p> <p>On 17 November 2020, Moody's Investors Service ("Moody's") issue update to credit analysis affirmed credit ratings of Warba Bank K.S.C.P. (Warba) Baa2 long-term deposit ratings reflects the affirmation of the bank's ba3 Baseline Credit Assessment (BCA) and an unchanged four notch government support uplift underpinning the rating agency's expectation of a very high probability of government support given the established track record of Kuwait, Government (A1 stable) in extending support to banks in times of need. The uplift reflects the government's direct and indirect stake in Warba and the Kuwaiti authorities' track record of supporting the country's banks.</p> <p>The bank's ba3 BCA captures its (1) solid liquid resources with liquid assets representing 21% of tangible banking assets as of June 2020, (2) adequate, albeit pressured, capitalisation. The BCA also captures its relatively low profitability reflecting a young and developing franchise. High credit concentration, particularly to the volatile construction and real estate sector, moderates Warba's standalone credit strength. The bank's funding profile is also moderated by reliance on key government related depositors.</p>