

# JKB Group Reports Financial Results for the First Half of 2024

*H1 2024 Net Income at JOD 91 Million, up 85%*

25 July 2024: Jordan Kuwait Bank Group (JKB) reported its financial results for the first half of 2024 recording double-digit growth in net profit income. These results demonstrate the fruitful execution of the planned strategies, providing further evidence that the Bank is well positioned to continue onward on its sustainable growth journey and a strong year ahead.

## Key highlights (H1 2024)

JD 120.8 million

44.5%



Net Income  
before ECL  
& taxes

**Net Income before ECL & taxes** reported at JD 120.8 million for H1 2024 as compared to JD 83.6 million for H1 2023. Up 45% yoy.

JD 90.5 million

85.7%



Net Income

**Net Income** reported at JD 90.5 million for H1 2024, from which JD 51.8 million pertain to the bank's shareholders, as compared to JD 49 million for H1 2023, up 84.7% yoy. This resulted in an EPS of JD 0.341 per share compared to JD 0.242 per share in H1 2023.

JD 185.1 million

54%



Gross  
Income

**Gross Income** increased by 54% yoy to JD 185.1 million for H1 2024 compared to JD 120.2 million for H1 2023 driven by higher non-interest income.

JD 5.6 billion

6.9%



Total  
Assets

**Total Assets** recorded JD 5.6 billion as of H1 2024, compared to JD 5.2 billion at YE 2023, up 6.9%.  
The financial position remains strong, liquid and well diversified.

JD 4.2 billion

9.1%



Customers  
Deposits

**Customers deposits** and cash margins recorded JD 4.2 billion as of H1 2024, compared to JD 3.8 billion at YE 2023, up 9.1%.

JD 1.34 billion

6.1%



Investment  
Portfolio

**Investment portfolio** recorded JD 1.34 billion as of H1 2024, compared to JD 1.26 billion at YE 2023, up 6.1%.

JD 1.97 billion

-2%



Direct  
Credit  
Facilities  
- Net

**Direct credit facilities-net** recorded JD 1.97 billion as of H1 2024, compared to JD 2.0 billion at YE 2023, down 2%.

JD 804.1 Million

10.5%



Total  
Equity

**Total Equity** recorded JD 804.1 million as of H1 2024, compared to JD 727.5 million at YE 2023, up 10.5%. the increase in Equity totaling JD 76.6 million was driven by the high net income achieved during H1.



## **H.E Shaikha Dana Naser Sabah Al Ahmad Al Sabah**

### **Chairperson**

Commenting on the Bank's performance, Chairperson of the Board of Directors of Jordan Kuwait bank, Sheikha Dana Nasser Sabah Al-Ahmad Al-Sabah, said: "We are pleased to announce these record results, with net profits reaching JOD 90.5 million, 84.7% increase compared to the same period last year. These results demonstrate the success of the group's strategic policies despite the geopolitical repercussions and their effects on economic indicators. These achievements are supported by a strong financial position."

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## **Haethum S. Buttikhi**

### **Chief Executive Officer**
















JKB Group successfully maintained profit growth during the first half of 2024 as a result of implementing our planned strategies," commented JKB's CEO, Haethum Buttihki, highlighting key financial indicators that demonstrate the bank's stellar performance during this period. JKB's total assets exceeded JOD 5.6 billion, while shareholders' equity amounted to JOD 804 million. The return on equity reached nearly 23.6%, and the capital adequacy ratio stood at 19.9%, confirming the financial strength of the group and its capacity to respond to any circumstances and challenges. Buttihki further emphasized that "JKB Group will continue to strive for growth and innovation in the services we provide to all customers, and we will persist in our efforts to support all business sectors."

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**Board Members**

**Executive Management**

# Awards & Recognitions:

 <p>"Jordan Best Domestic Private Banking"</p>	 <p>"Best Green Project Financing Bank" By International Finance Magazine</p>	 <p>"Best Corporate Bank" and "Best Private Bank" in Jordan 2022 by International Business Magazine</p>	 <p>Best CSR Bank in Jordan 2024</p>
 <p>"Best Bank for Social Responsibility in Jordan 2023 " by Global Banking and Finance Review.</p>	 <p>JKB certified as one of the best places to work in Jordan in 2022</p>	 <p>Best SME Bank in Jordan</p>	 <p>Best SME Bank in Jordan</p>
 <p>Bank of Baghdad "Best Bank in Iraq 2023" by CFI</p>	 <p>"Peacock Best Corporate Banking" award at the World Fintech summit in 2022</p>	 <p>Jordan's Best Domestic Private Bank 2023</p>	 <p>Best Local Bank in Jordan for ESG Practices</p>
 <p>JKB's Headquarters has been LEED GOLD</p>	 <p>"Best Bank in Jordan" By the Banker</p>	 <p>Global Green Bond of the year 2023.</p>	

## Consolidated Statement of Financial Position - H1 2024

JD mn	30-Jun-24	31-Dec-23	Change	
<b>Assets</b>				%
Cash and balances with Central Banks	1526.0	1072.3	453.6	42%
Balances at banks and financial institutions	3943	540.3	-145.9	-27%
Direct credit facilities - net	1968.3	2006.7	-38.5	-2%
Financial assets at fair value through P/L	6.1	24.8	-18.7	-76%
Financial assets at fair value through other comprehensive income	124.1	116.2	7.0	6%
Financial assets at amortized cost	1211.3	1122.9	88.5	8%
Fixed assets - net	83.5	80.5	3.0	4%
Intangible assets - net	13.8	11.9	1.9	16%
Deferred tax assets	54.1	58.7	-4.7	-8%
Right of use of leased assets	12.3	12.6	-0.2	-2%
Assets held for sale	18.8	22.9	-4.1	-18%
Other assets	192.5	174.6	18.6	11%
<b>Total assets</b>	<b>5605.0</b>	<b>5,244.4</b>	<b>360.6</b>	<b>7%</b>

JD mn	30-Jun-24	31-Dec-23	Change	
<b>Liabilities</b>				%
Bank and financial institutions deposits	32	69.6	-37.0	-53%
Customers' deposits	4050.3	3707.1	343.2	9%
Cash margins	146.9	140.0	6.9	5%
Borrowed funds	341.7	363.2	-21.4	-6%
Other Provisions	22.3	20.3	2.0	10%
Green Bonds	35.5	35.5	0.0	0%
Income tax provision	20.2	32.6	-12.5	-38%
Deferred tax liabilities	4.0	3.5	0.5	14%
Liabilities against right of use of leased assets	12.4	12.8	-0.4	-3%
Other liabilities	135.0	132.4	2.7	2%
<b>Total liabilities</b>	<b>4800.9</b>	<b>4516.9</b>	<b>284.0</b>	<b>6%</b>

JD mn	30-Jun-24	31-Dec-23	Change	
<b>Equity</b>				<b>%</b>
Paid-in capital	150.0	150.0	0.0	0%
Statutory reserve	106.4	106.4	0.0	0%
Voluntary reserve	98.9	110.9	-12.0	-11%
Financial assets revaluation reserve	21.5	20.0	1.5	7%
Remeasurement of post-employment benefits	0.7	0.7	0.0	0%
FX Translation Reserve	-3.6	-4.1	0.4	-11%
Equity against right of use of leased assets	-1.6	-1.5	-0.1	8%
Retained earnings	139.5	143.3	-3.8	-3%
Income for the period	51.1	0.0	51.1	100%
<b>Total equity - Bank's shareholders</b>	<b>562.7</b>	<b>525.7</b>	<b>37.0</b>	<b>6%</b>
Non-controlling interests	152.4	112.8	39.6	35%
Perpetual bonds	89.0	89.0	0.0	0%
<b>Total equity</b>	<b>804.1</b>	<b>727.5</b>	<b>76.6</b>	<b>11%</b>
<b>Total liabilities and equity</b>	<b>5605.0</b>	<b>5244.4</b>	<b>360.6</b>	<b>7%</b>

## Consolidated Statement of Income -H1 2024

JD mn	2024	2023	Change	
				<b>%</b>
Interest income	139.9	119.3	20.6	17%
Less: Interest expense	72.5	53.1	19.5	37%
<b>Net interest income</b>	<b>67.4</b>	<b>66.2</b>	<b>1.1</b>	<b>2%</b>
Commission income	73.0	29.4	43.6	148%
<b>Net interest and commission income</b>	<b>140.3</b>	<b>95.7</b>	<b>44.7</b>	<b>47%</b>
Foreign currency exchange gain	36.2	10.1	26.1	257%
Gain from financial assets (Investments)	2.1	5.8	-3.8	-65%
Other income	6.4	8.5	-2.1	-25%
<b>Gross Income</b>	<b>185.1</b>	<b>120.2</b>	<b>64.9</b>	<b>54%</b>
Employees' expenses	25.3	23.9	1.4	6%
Depreciation and amortization	3.9	3.5	0.4	12%
Expected credit losses	6.4	22.7	-16.4	-72%
Other provisions	2.9	2.3	0.6	27%
Other expenses	32.2	22.4	9.8	44%
<b>Total expenses</b>	<b>70.7</b>	<b>74.8</b>	<b>4.1</b>	<b>-6%</b>
Gain from acquisition	0.0	15.5	-15.5	-100%
<b>Profit for the Period before income tax</b>	<b>114.4</b>	<b>60.9</b>	<b>53.6</b>	<b>88%</b>
Income tax expense	23.9	11.9	12.0	101%
<b>Net Income for the Period Pertains to:</b>	<b>90.5</b>	<b>49.0</b>	<b>41.5</b>	<b>85%</b>
Bank's Shareholders	51.1	36.3	14.7	41%
Non-Controlling Interest	39.4	12.6	26.8	212%

Consolidated Key Financial Ratios

H1 2024

Book value per share	JD 3.75 / Share	Return on Equity (Annualized)	23.6%
Net Interest Margin (NIM)	2.39%	Liquidity Coverage Ratio	235.9%
Stage 3 facilities Coverage Ratio (with Collaterals)	139.7%	Total Expenses to Net (Excl. ECL) Interest 82 Commission	46%
CAR   Capital Adequacy Ratio	21.48%	Stage 3 to Gross Facilities	8.6%
Cash Dividends 2023 -	8%	Return on Assets (Annualized)	3.3%



## About JKB

A Jordanian public shareholding company listed on the Amman Stock Exchange (Ticker: JOKB); founded in 1976 as the country's fifth national commercial bank. The Bank's paid-up capital is JD 150 mn (USD 211 mn) and is a member of Kuwait Projects Company Holding (KIPCO) group.

The context of the slogan "More than just a bank" reflects the Bank's commitment in achieving a pivotal leap in all areas of business, expanding the services and products offered to include the latest innovations and technologies in the banking arena that relate to banking or that complement it.

Within this concept, the Bank's services were expanded to include the provision of investment advisory, legal services, financial engineering, insurance, brokerage and other services that global financial institutions already practice, thus turning the Bank into a one stop customer service provider of integrated and comprehensive set of offerings that meet all the needs of individual and institutional customer.



# 2023 Sustainability Highlights

As we continue to prioritize sustainability, Jordan Kuwait Bank made significant strides in 2023. We are thrilled to share our key accomplishments, which underscore our efforts to address climate change and reduce greenhouse gas (GHG) emissions. Our achievements demonstrate our commitment to environmental responsibility, social impact, and good

E



## Environmental

Issued first Green Bond in Jordan with the amount of USD 50 million.

7% decrease in scope 1 GHG emissions compared to 2022.

15% decrease in water consumption compared to previous year.

4% reduction in paper consumption compared to last year.

Obtained the ISO 14001 certification

S



## Social

29% increase in training hours compared to 2022.

38% of full-time employees are women.

43% of the new hires are women.

36% of full-time employees are under 30 years old.

Obtained the ISO 45001 certification

JOD 2,149,976 in community investments; a 105% increase compared to last year.

265 CSR projects were implemented.

2,280 hours spent on community volunteering.

82% increase in the number of SMEs compared to previous year

Local suppliers constituted 96% of total supplier base.

G



## Governance

Established the Environmental and Social Management System (ESMS)

100% business units analyzed for risks related to AML/CTF

Zero incidents of data breaches

Acquired the ISO 27001 certification

11% increase in new accounts held by first-time credit card holders compared to 2022.

8% increase in online/mobile transactions compared to 2022



# 2023 Sustainability Highlights



## Engaging Customer Experience

11% YoY increase in new accounts held by first-time credit card holders

82% YoY increase in the number of SMEs

8% YoY increase in online/mobile transactions

92% customer satisfaction score

68% Net Promoter Score (up from 63% in 2022)



## Embedding Responsible Business Practices

Issued first Green Bond in Jordan

Established the Environmental and Social Management System (ESMS)

100% business units analyzed for risks related to AML/CTF

Local suppliers constituted 96% of total supplier base

Zero incidents of data breaches and Ethical Code of Conduct breach

Acquired ISO 27001 certification

5% YoY growth in green financing

## Subsidiaries



**Bank of Baghdad**

[www.bankofbaghdad.com](http://www.bankofbaghdad.com)



شركة إجارة للتأجير التمويلي  
عضو مجموعة البنك الأردني الكويتي

**Ejara Leasing Company**

[www.ejaraleasing.com](http://www.ejaraleasing.com)



**United Financial  
Investments Company**

[www.ufico.com](http://www.ufico.com)

## Shareholders



**Kuwait Projects  
Company Holding (KIPCO)**

[www.kipco.com](http://www.kipco.com)

المؤسسة العامة للضمان الاجتماعي  
Social Security Corporation



**Social Security Corporation**

[www.ssc.gov.jo](http://www.ssc.gov.jo)



**Odyssey Reinsurance Co.**

[www.odysseyre.com](http://www.odysseyre.com)

## Affiliates



**Quds Bank**

[www.qudsbank.ps](http://www.qudsbank.ps)



**Burgan Bank**

[www.burqan.com](http://www.burqan.com)



**Tunis International Bank**

[www.tib.com.tn](http://www.tib.com.tn)



**Burgan Bank – Turkey**

[www.burgan.com.tr](http://www.burgan.com.tr)



**United Gulf Bank**

[www.ugbbh.com](http://www.ugbbh.com)



**MEPS**

[www.mepspay.com](http://www.mepspay.com)



**Gulf Bank Algeria**

[www.agb.dz](http://www.agb.dz)



**BHM**

[www.bhmuae.ae](http://www.bhmuae.ae)



**Alihtirafia Real  
Estate Investment PSC**