



البنك الأردني الكويتي
JORDAN KUWAIT BANK

"More than just a bank"

JKB Group YE 2024

Presentation to Investors and Analysts

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About JKB

About JKB



More than just a bank

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 211mn) 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.



The Slogan

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.



Our Commitment

Since Jordan Kuwait Bank’s establishment on October 25, 1976, the Bank has been conscientious about playing a leading and distinctive role in serving the national economy through providing distinguished and comprehensive banking services and solutions that meet the needs and interests of the Bank’s clients and general public through a wide network of branches in Jordan and Cyprus.

Mission, Vision and Values



JKB Journey

1976 - 1997

- JKB Founded
- Branches Opening
- Bank Automated System Implemented
- ATMs
- Branches Connected Digitally

1995 - 2000

- First branch outside Jordan
- First Bank in Jordan to launch internet banking.

2001 - 2010

- United Financial Investments
- Company becomes a subsidiary
- Regional Management Opening in Palestine
- Ownership Restructure
- First ATMs for visual disabilities

2011 - 2016

- Ejara Leasing Company Established
- New Banking System Launched
- First Interactive Machine in Jordan
- Establishment of Sanad Capital

2018 - 2022

- Acquired 10% of AlQuds Bank
- New board of Directors and CEO
- Approval of two acquisitions by Board of Directors

2023

- JKB has acquired 53.4% of Bank of Baghdad, the issue of the first green bond & first perpetual bond in Jordan.
- JKB also acquired 76.972% of BHM Capital's paid-up capital & sold 66.97% to Ethmar International Holding – UAE

Our Team

H.E. Sheikha Adana Al-Sabah
Chairperson of the Board



Haethum Buttikhi
Chief Executive Officer



Board and Executive Management



Board Members



Executive Management

Comprehensive Products and Services



البنك الأردني الكويتي
JORDAN KUWAIT BANK

" More than just a bank "

Corporate and SMEs

- Direct Credit: Overdrafts, Revolving Loans, Term loans & Discounted Bills
- Lending Programs: Loan Guarantee, CBJ Financing, EIB, Markabati, Tourism Loan, Startup Loan
 - Financial Lease
- Product in Collaboration with GIG
 - POS
- Indirect Credit: Letters of Guarantee, Letters of Credit, and Guaranteed Accepted Bills
- Bancassurance & Other Services *

Treasury & Investment

- Margin Trading
- Foreign Exchange
- Financial Derivatives
- Money Market Operations
- Capital Market Operations
- Investment Services
- Financial Institutions and International Banking Service

Retail Banking

- Current & Saving Accounts
- Golden Saving Accounts
- Fixed Deposit Accounts
- Certificate of Deposits
- Basic Bank Accounts
 - Credit Cards
 - Debit Cards
 - Prepaid Cards
- Car Loan and Housing Loans
 - Personal Loans
- Bancassurance & Other Services *

Private Banking

- Investment Advisory
- Portfolio Management and wealth planning
- Capital Guaranteed Products
- Sharia Compliant Products

Digital Banking

- JKMOBILE
- JKB Rewards (Cash Back)
 - JKBFawri
- Western Union Digital
 - E-fawateercom
 - ITM
- ATM Cash Order – ACO Services
- SME Portal and Electronic Services
- Corporate Electronic Services

**Other Services Includes:

- Prizes Saving Accounts
- Dividends Disbursement
- Western Union
- Safety Deposit Boxes
- Energy/Efficiency Products
- Direct Debit Services
- Remittance Services
- Safe Store Auto
- Craftsman & Professionals

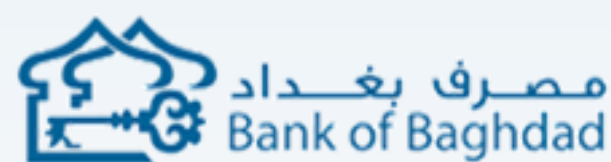
Diversified Operations across Markets & Segments

 البنك الأردني الكويتي JORDAN KUWAIT BANK <small>" More than just a bank "</small>	 مصرف بغداد Bank of Baghdad	 EJARA LEASING COMPANY <small>MEMBER OF JORDAN KUWAIT BANK GROUP</small>	 UNITED FINANCIAL INVESTMENTS <small>المتحدة للاستثمارات المالية</small>
JKB Standalone and Cyprus	Bank of Baghdad (BoB)	Ejara Leasing Company	United Financial Investments (UFICO)
100% Ownership	53.4% Ownership	100% Ownership	78.3% Ownership
<ul style="list-style-type: none"> ▪ 3rd largest commercial bank by total Equity and the 2nd in terms of Net Income ▪ Offers retail, corporate, treasury, investment and private & digital banking services in Jordan & Cyprus ▪ Strategic focus on enhancing market share through organic and inorganic growth 	<ul style="list-style-type: none"> ▪ One of the largest private commercial banks in Iraq with a paid-up capital of IQD 400bn ▪ Provide full gamut of offerings to corporates, SMEs and retail clients ▪ Highly liquid financial position 	<ul style="list-style-type: none"> ▪ Established in 2011 with a paid-up capital of JD 20mn (USD 28 mn) ▪ Offers leasing services to supplement the banking services –alternate financing option to clients ▪ Strategic focus on car, home, solar energy, real estate, industrial and medical equipment portfolios 	<ul style="list-style-type: none"> ▪ Established in 1980 and became subsidiary of JKB in 2002 ▪ Offers brokerage, financial services, and advisory services ▪ Acquired Sanad Capital, Al Mawared Brokerage, Arab Financial Investment & EFG Jordan to achieve leadership position in brokerage market with access to international markets ▪ UFICO completed the merger with the above three companies during Q3 2024.

Strong Distribution Network

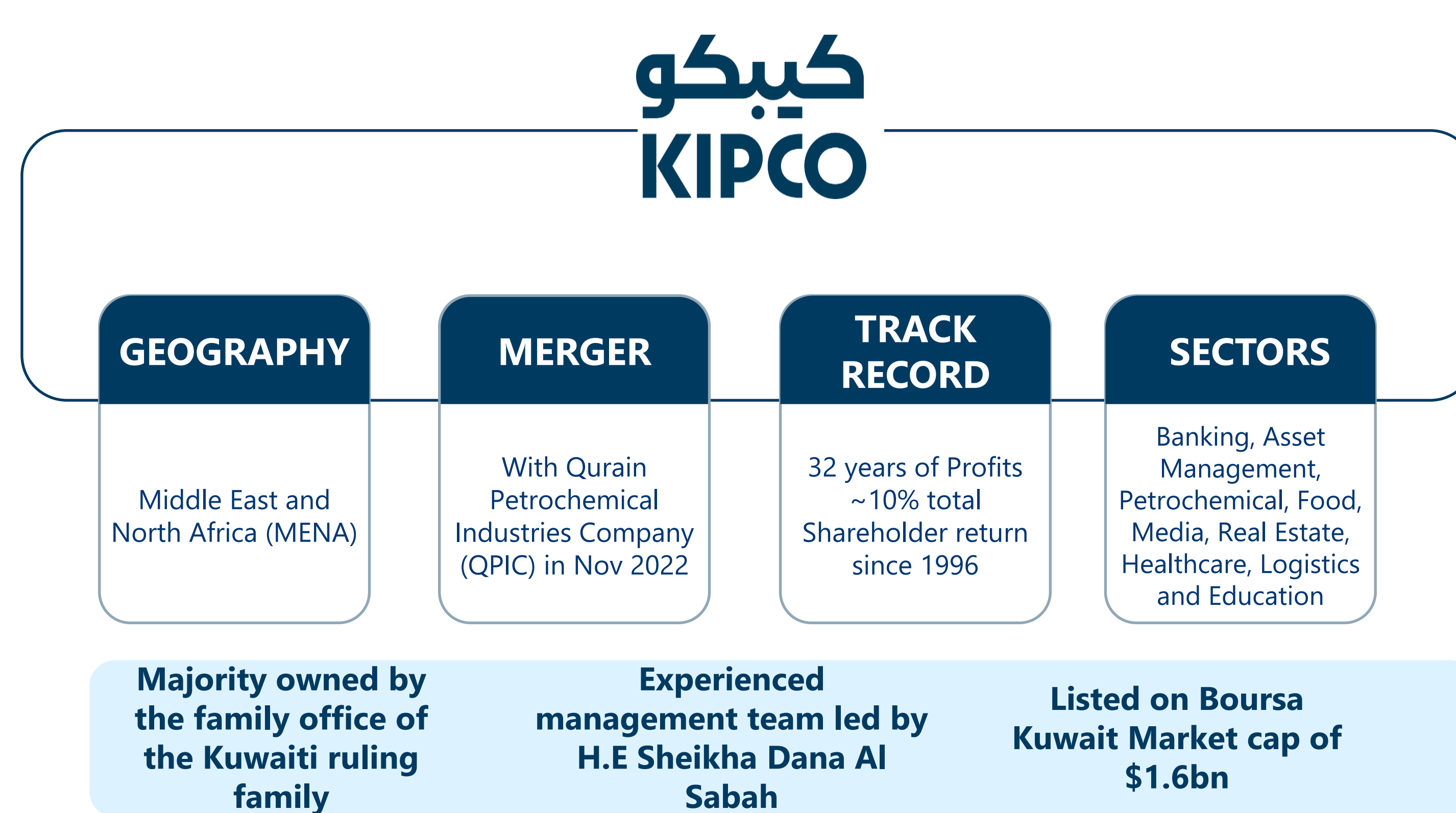


	# of Branches	# of ATMs and ITMs
Amman	41	86 & 8
Zarqa	6	6
Irbid	4	6
Balqa'a	4	5
Al Mafraq	1	1
Jerash	1	1
Madaba	1	1
Al Karak	1	1
Aqaba	1	4
Dead Sea	1	6
Jawwal Branch	1	1
Cyprus	1	0
Total	63	118 ATM and 8 ITMs



	# of Branches	# of ATMs
Baghdad	12	
Al-Basrah	3	
Erbil	3	
Dohouk	2	
Al-Muthanna	1	
Thi-Qar	1	
Al-Najaf	1	
Al-Anbar	1	
Kirkuk	1	
Al-Sulaimaniya	1	
Salahuddin	1	
Diala	1	
Kerbala	1	
Babylon	1	
Wasit	1	
Al-Qadisiya	1	
Missan	1	
Beirut	1	
Total	34	95

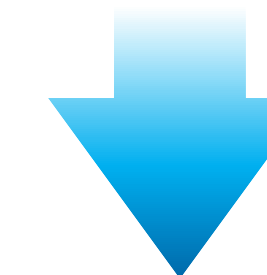
Backed by Strong Shareholder



\$41bn
Total Assets



\$34bn
In Commercial Banking Assets (CBA)



21%
JKB's Share in CBA

JKB is owned by Al Rawabi United Holding Co, a wholly owned subsidiary of KIPCO. The Group has strong interest in Commercial Banking sector (accounting for c.83% of assets and 43% of revenues). JKB is the strategic investment for KIPCO Group (accounting for 20% of its Commercial banking assets) as reflected in strong representation of KIPCO's senior leadership on JKB's board

Backed by Strong Shareholders



\$23bn

Total Assets

المؤسسة العامة للضمان الاجتماعي
Social Security Corporation



About SSC

Social security Corporation is a general solidarity insurance scheme that aims to provide social and economic protection to people. The benefits and funding sources of this scheme are determined by the law. Benefits are funded by the contributions paid by the insured persons and employers. This scheme is concerned with achieving social sufficiency considerations.

They maintain a 21% ownership in JKB



\$97bn

Total Assets

FAIRFAX
FINANCIAL HOLDINGS LIMITED

About FAIRFAX

Fairfax Financial Holdings Limited is a holding company which, through its subsidiaries, is primarily engaged in property and casualty insurance and reinsurance and the associated investment management.

During 2023, Fairfax acquires controlling interest in Gulf Insurance Group and Falcon Insurance (Thailand). Fairfax has transformed itself to become one of the largest property and casualty companies in the world with \$32 billion in gross written premium, We posted a record underwriting profit of \$1.5 billion and record net earnings of \$4.4 billion, or \$173 per share.

Fairfax own approximately 7% of JKB through Odyssey and GIG

Credit Rating

Credit Rating

FitchRatings

SOVEREIGN

JKB FOREIGN CURRENCY
INHERITANCE PLANNING

OUTLOOK

LT	BB-
LT	B+
ST	BB
Stable	

SOVEREIGN

**JKB FOREIGN CURRENCY
BSR**

OUTLOOK

LT

BB-

LT

BB-

ST

B

Stable

Coverage Report

Coverage Report

BHM Capital initiated coverage on Jordan Kuwait Bank with an Overweight recommendation of JD 3.45 (USD 4.87) per share, the 12-month price target provides an upside of 37.3% from the market price at the date they conducted the valuation (currently is around 11.3%). Below is a summary of the targeted price calculation:



Methodology	Weightage	JD per share
Justified PB multiple	33.3%	3.63
Relative P/E	33.3%	3.34
Relative P/B	33.3%	3.37
Target valuation		3.45
market price (JD)		2.51
Upside / (Downside)		37.3 %

Source: BHM Capital Estimates

Awards & Recognitions

Awards

Recognizing the bank's cutting-edge capabilities and financial services, Jordan Kuwait Bank highlights its long record of international awards and accolades



Best Local Bank in Jordan for ESG Practices



Best Bank of the Year Jordan



Best SME Bank in Jordan



Best Outgoing Transfers STP Award for 2024



Jordan's Best Domestic Private Bank 2023



Best Corporate Bank and Best Private Bank in Jordan 2022



Green Bond of the Year 2023



One of the best places to work in Jordan in 2022



Best Bank for Social Responsibility in Jordan 2023

Awards

Recognizing the bank's cutting-edge capabilities and financial services, Jordan Kuwait Bank highlights its long record of international awards and accolades



Best Green Project Financing Bank



Bank of Baghdad Best Bank in Iraq 2023



Peacock Best Banking award 2022



JKB's Headquarters has been LEED GOLD-Certified



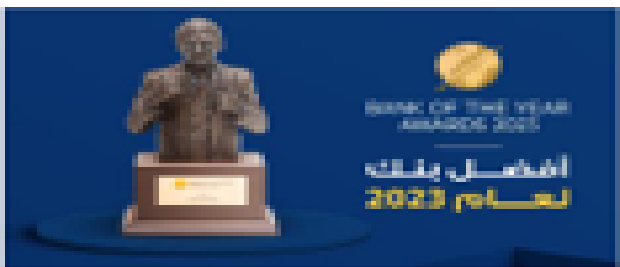
"Artificial Intelligence and Machine Learning" award



Best SME Bank in Jordan



Jordan's Best Domestic Private Bank 2024



Best Bank in Jordan



Best CSR Bank in Jordan 2024



Best Straight-Through Processing (STP) Rate Award for 2023

ISO Certifications



Obtained ISO45001 certification for Workplace Safety



Obtained the ISO27001 Certificate for Information Security Management



Obtained ISO14001 certification for Sustainability

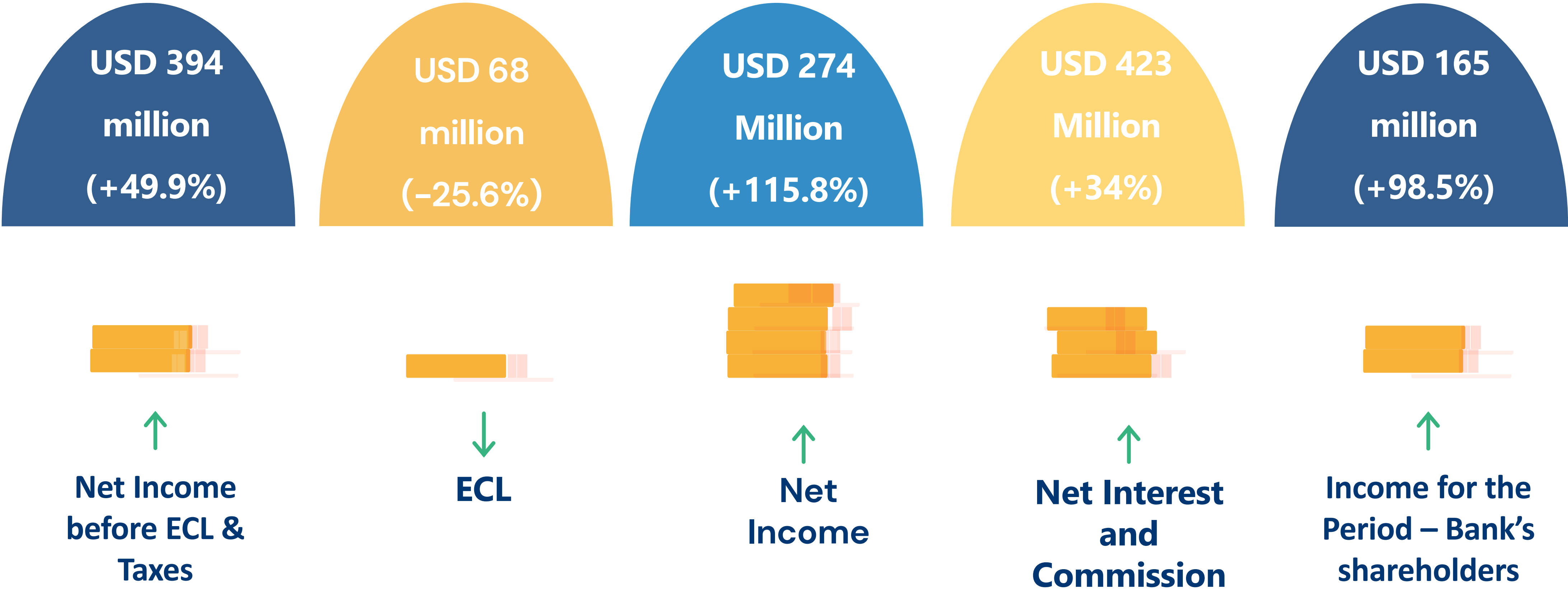


ISO Quality Service Certified

Key Financial Highlights

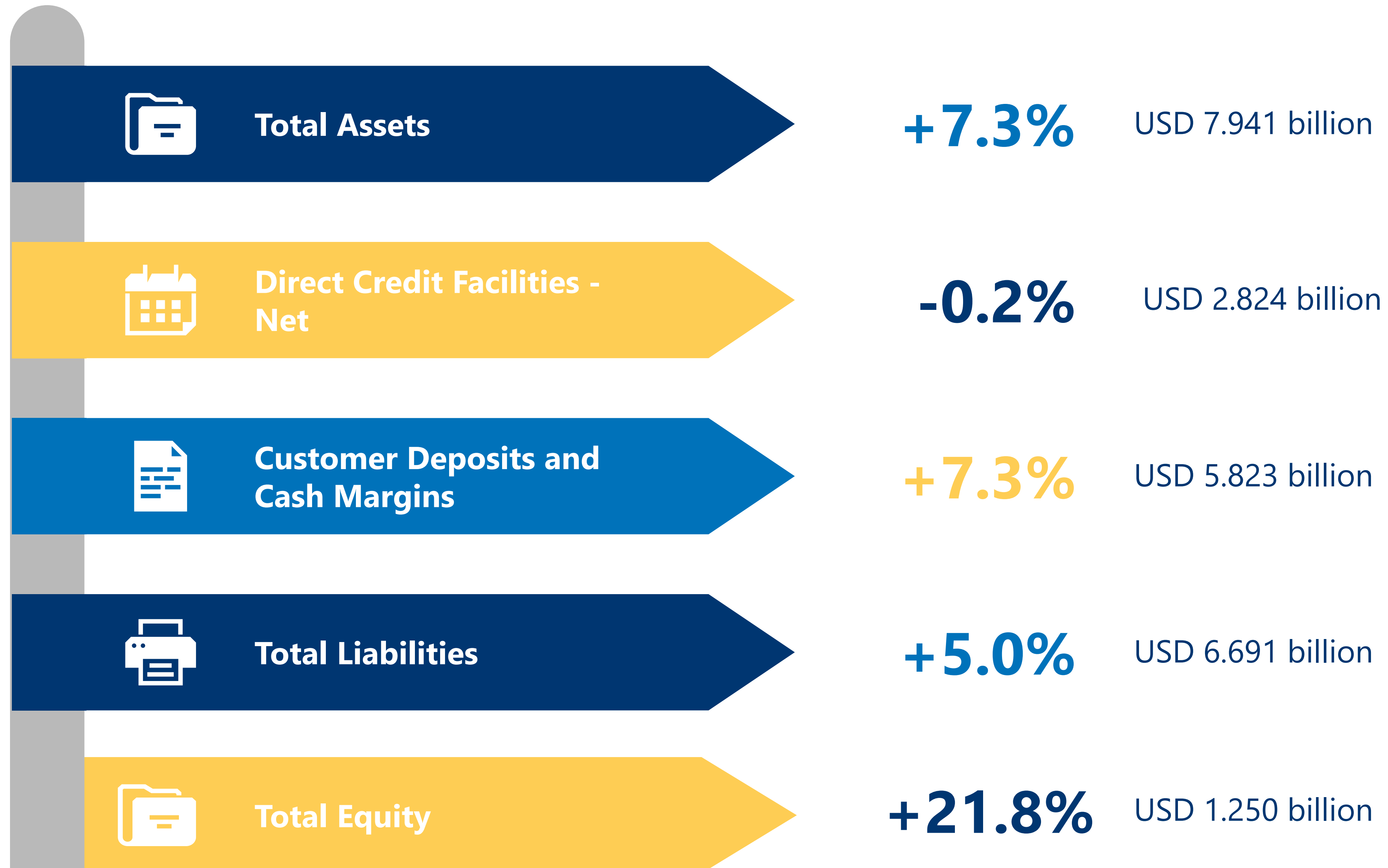
Key Consolidated Financial Performance Figures

For the Year Ended at 31.12.2024



Key Consolidated Financial Position Figures

As at 31.12.2024



Financial Ratios
For the Year Ended 31.12.2024



Consolidated Statement of Financial Position – As of Dec. 2024

USD mn

	31-Dec-24	31-Dec-23	Change	
				%
Assets				
Cash and balances with Central Banks	1,881.4	1,512.4	369.0	24.4%
Balances at banks and financial institutions	501.3	762.1	(260.8)	-34.2%
Direct credit facilities - net	2,823.6	2,830.3	(6.8)	-0.2%
Financial assets at fair value through P/L	9.7	35.0	(25.1)	-71.8%
Financial assets at fair value through other comprehensive income	176.2	163.9	12.3	7.5%
Financial assets at amortized cost	2,022.6	1,583.8	438.8	27.7%
Fixed assets – net	117.1	113.5	3.5	3.1%
Intangible assets – net	17.6	16.8	0.8	5.0%
Deferred tax assets	88.4	82.8	5.5	6.6%
Right of use of leased assets	15.9	17.8	(1.8)	-10.3%
Assets held for sale	0.0	32.3	(32.3)	-100.0%
Other assets	287.6	246.3	41.3	16.8%
Total assets	7,941.2	7,396.9	544.3	7.4%

USD mn

	31-Dec-24	31-Dec-23	Change	
				%
Liabilities				
Bank and financial institutions deposits	62.8	98.2	(35.4)	-36.1%
Customers' deposits	5,605.2	5,228.6	376.6	7.2%
Cash margins	217.5	197.5	20.0	10.1%
Borrowed funds	488.7	512.3	(23.6)	-4.6%
Other Provisions	37.7	28.6	9.0	31.5%
Green Bonds	50.1	50.1	0.0	0.0%
Income tax provision	54.7	46.0	8.7	19.0%
Deferred tax liabilities	2.3	4.9	(2.7)	-54.3%
Liabilities against right of use of leased assets	17.3	18.1	(0.7)	-3.9%
Other liabilities	155.1	186.7	(31.6)	-16.9%
Total liabilities	6,691.4	6,370.8	320.6	5.0%

USD mn

	31-Dec-24 31-Dec-23		Change	
				%
Equity				
Paid-in capital	211.6	211.6	-	-
Perpetual bonds	125.5	125.5	-	-
Statutory reserve	167.0	150.1	16.9	11.3%
Voluntary reserve	139.5	156.4	(16.9)	-10.8%
Financial assets revaluation reserve	20.9	28.2	(7.3)	-26.0%
Remeasurement of post-employment benefits	(0.4)	1.0	(1.3)	-128.6%
FX Translation Reserve	(5.1)	(5.8)	0.6	-9.8%
Equity against right of use of leased assets	0.0	(2.1)	2.1	-100.0%
Retained earnings	339.8	202.1	137.7	68.1%
Total equity - Bank's shareholders	998.7	867.0	131.7	15.2%
Non-controlling interests	251.1	159.1	92.0	57.8%
Total equity	1,249.8	1,026.1	223.7	21.8%
Total liabilities and equity	7,941.2	7,396.9	544.3	7.4%

Consolidated Statement of Income –YE 2024

USD mn

	For the Year ended December 31			
	2024	2023	Change	
				%
Interest income	390.8	356.8	34.0	9.5%
Less: Interest expense	195.3	169.0	26.4	15.6%
Net interest income	195.5	187.9	7.6	4.0%
Commission income	227.4	126.8	100.4	79.2%
Net interest and commission income	422.8	314.8	108.0	34.3%
Foreign currency exchange gain	115.2	44.6	70.5	158.2%
Gain from financial assets (Investments portfolio)	5.6	14.8	(9.2)	-61.9%
Other income	11.3	16.9	(5.5)	-32.5%
Gross income	555.0	391.1	164.0	41.9%

	For the Year ended December 31			
	2024	2023	Change	
USD mn				%
Employees' expenses	68.8	68.7	0.1	0.2%
Depreciation and amortization	12.0	9.6	2.4	25.0%
Expected credit losses	67.7	91.0	(23.4)	-25.7%
Other provisions	6.9	6.5	0.4	6.5%
Other expenses	78.8	65.4	8.0	12.3%
Total expenses	228.9	241.3	(12.4)	-5.1%
Gain from acquisition	-	21.9	(21.9)	-100.0%
Profit for the Year before income tax	326.1	171.7	154.4	90.0%
Income tax expense	52.0	44.6	7.3	16.6%
Net Income for the Year	274.0	126.9	147.1	115.8%
Pertains to:				
Bank's Shareholders	165.4	83.4	82.1	98.5%
Non-Controlling Interest	108.6	43.6	65.0	148.9%

Financial, Coverage & Sustainability Reports

2024 Sustainability Highlights

As we continue to prioritize sustainability, Jordan Kuwait Bank made significant strides in 2024. 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.



Environmental

Fully allocated the green bond amount to wastewater treatment projects with an amount of USD 50 million.

Our green portfolio reached USD 93 million.

22% decrease in scope 1 GHG emissions compared to 2023.

31% reduction in paper consumption during the past 4 years.

48% decrease in water consumption compared to the previous year.

Obtained the 14001 ISO Certification.

Obtained the 50001 ISO Certification.

Adopted the second environmental park in collaboration with the Ministry of Environment.



Social

92% customer satisfaction score.

3% increase in training hours compared to 2023.

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

38% of full-time employees are women.

40% of the new hires are women.

Obtained the ISO 45001 certification.

1,840 hours spent on community volunteering.

Local suppliers constituted 78% of total supplier base.

Onboarding new SMEs reached 82%.

105% growth in direct facilities in SMEs during the past 4 years.

Community investments reached JOD 1.8 million, supporting 280 community projects.



Social

Established the Environmental and Social Management System (ESMS)

Formalization of the sustainability committee and the sustainability working group.

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

Zero incidents of data breaches.

New customers onboarded digitally reached 17,542 accounts.

Number of active customers digitally reached 78,599.

96% increase in new accounts held by first-time account holders compared to 2023.

New corporate digital platform for banking transaction "JKBCorp+".

Financial, Coverage & Sustainability Reports



JKB Financial Reports

[Click Here to view](#)



Coverage Report

[Click Here to view](#)



JKB Sustainability Reports

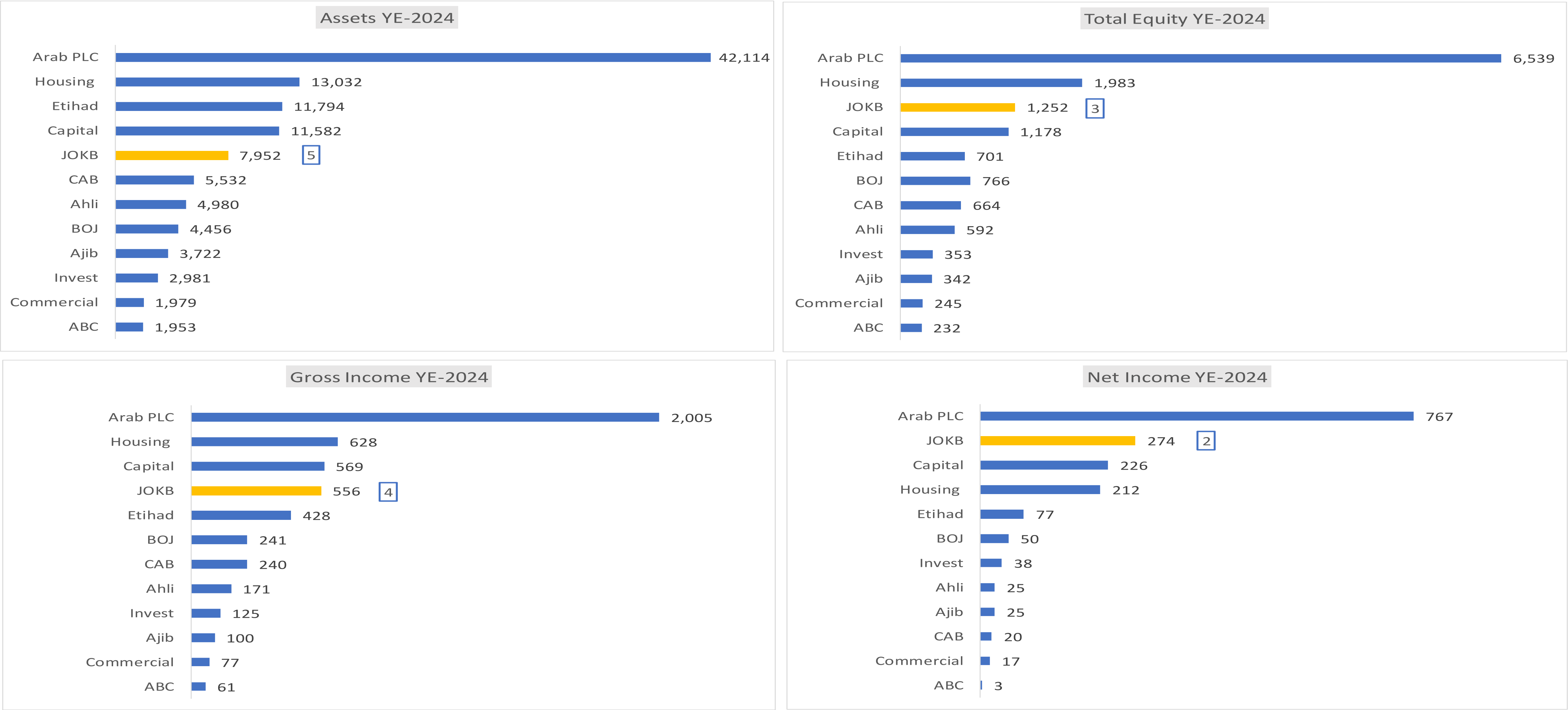
[Click Here to view](#)

Peer Comparison

Peer Comparison YE 2024

USD mn

Our market-leading position in Jordan is evident by ranking 3rd based on the total equity



Affiliates & Partners



Kuwait Projects Company Holding (KIPCO)

Relationship with Bank: KIPCO is the main shareholder in Al Rawabi United Holding Co., which in turn owns about 51% of Jordan Kuwait Bank's capital.

Kuwait Projects Company (Holding) – KIPCO – is a holding company that focuses on investments in the Middle East and North Africa. It's strategy of acquiring, building, scaling and selling companies in the MENA region has worked successfully for over 30 years.

KIPCO's main business sectors are financial services, media, real estate and industry. KIPCO's financial service interests include holdings in commercial banks, insurance companies, asset management and investment banking.

www.kipco.com

Al Rawabi United Holding Co.

Relationship with Bank: Al Rawabi United Holding Co. is the holding Company of Jordan Kuwait Bank, it owns about 51% of JKB's capital.

Al Rawabi United Holding Co. is a subsidiary of KIPCO (Kuwait Investment Projects Company).



Burgan Bank

Burgan Bank, a subsidiary of KIPCO (Kuwait Investment Projects Company), is a regional bank with majority owned subsidiaries in the MENA region. The youngest and most dynamic regional commercial bank, established in 1977, the Bank has acquired a leading role in the retail, corporate and investment banking sector through innovative product offers and technologically advanced delivery channels.

www.burgan.com

Social Security Corporation

Relationship with Bank: Social Security Corporation owns around 21% of Jordan Kuwait Bank's Capital.

The Social Security Corporation was founded, as a public financially and administratively independent organization to enforce the Social Security Law in the aim of securing respectable standards of living to citizens, ensure fair income distribution between the same generation and successive generations, deepen the values of solidarity in the society and participating in economic and social development plans through contribution in the strategic national economic projects.

www.ssc.gov.jo

المؤسسة العامة للضمان الاجتماعي
Social Security Corporation





Odyssey Reinsurance Co.

Relationship with Bank: Odyssey owns 5.85 % of Jordan Kuwait Bank's Capital.

Odyssey Reinsurance Company is a leading worldwide underwriter of reinsurance and specialty insurance and a wholly-owned subsidiary of Fairfax Financial Holdings Limited, a financial services holding company headquartered in Canada with total assets of \$31.7 billion.

www.odysseyre.com



Quds Bank

Relationship with Bank: Jordan Kuwait Bank holds 10% of its capital.

Established in Ramallah in 1995, Quds Bank today has a portfolio that offers a wide range of retail and corporate banking solutions including but not limited to personal account services, home and auto financing, SME's financing, commercial loans and project support.

The bank runs its' main operations through its' headquarter located in Ramallah, Al Masyoun, in addition to 37 fully-fledged branches and offices across Palestine (West Bank and Gaza).

www.qudsbank.ps



Gulf Bank Algeria

Relationship with Bank: A sister company. Gulf Bank Algeria is a subsidiary of Burgan Bank Group. Jordan Kuwait Bank holds a stake of 10% in its capital.

Gulf Bank Algeria was established in March 2004 with a paid-up capital of \$90 million. The bank's main mission is contributing to the financial and economic growth in Algeria. The Bank offers a wide range of banking products and services in addition to traditional banking services that are "sharia" compliant to meet the needs of different segments of customers.

<https://www.agb.dz/>



MEPs

Relationship with Bank: Jordan Kuwait Bank holds 19.77% of its capital.

MEPS was established in 2009 . Middle East Payment Services (MEPS) is a payment service provider and licensed by the Central Bank of Jordan, offering secure e-commerce payment gateway solutions, PCI and security services, as well as a comprehensive set of customized value-added services that meets the growing demand for payment solutions throughout the region. MEPS is a payment processor, card issuer and merchant acquirer of payment cards in Jordan, Palestine and Iraq.

www.mepspay.com



BHM Capital Financial Services is a private joint stock company listed in Dubai Financial Market (DFM) and regulated by UAE Securities and Commodities Authority.

Since its inception in 2006, it has been ranked as one of the top firms in the country's financial markets. It is considered a pioneer in providing specialized technological services to its retail and corporate clients on a regional level due to its advanced systems.

BHM also offers other trade fields to its clients through access to capital markets in UAE, KSA, USA, UK, Europe and other regional and international markets as well as a wide range of financial services and investment instruments including prime brokerage, investment management, liquidity providing, market making, corporate advisory and research.

The head office is located in Dubai, and has branches in Abu Dhabi, Sharjah, RAK, Al Ain and inside Dubai Financial Market (DFM).



Thabat Real Estate Investment Company

Relationship with Bank: Jordan Kuwait Bank holds 19.98% of its capital.

Thabat was established in 2022. ThabatReal Estate Investment Company is a real estate company, offering development and management services.

Economy Overview

Jordan: Macroeconomic Overview



"BB-" Fitch Rating



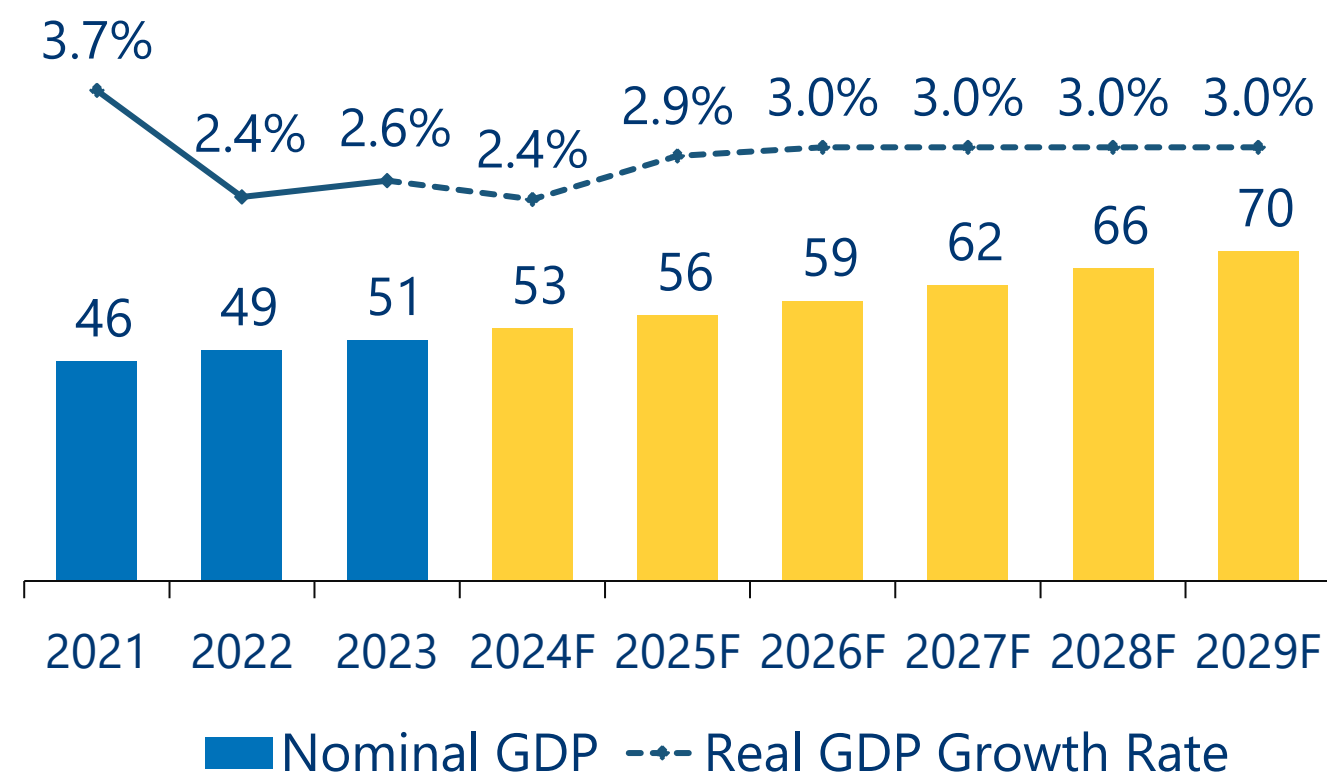
supported by economic & political stability, progress in fiscal & economic reforms, and resilient financing linked to the liquid banking sector

c.\$20.1bn FX Reserves⁽²⁾

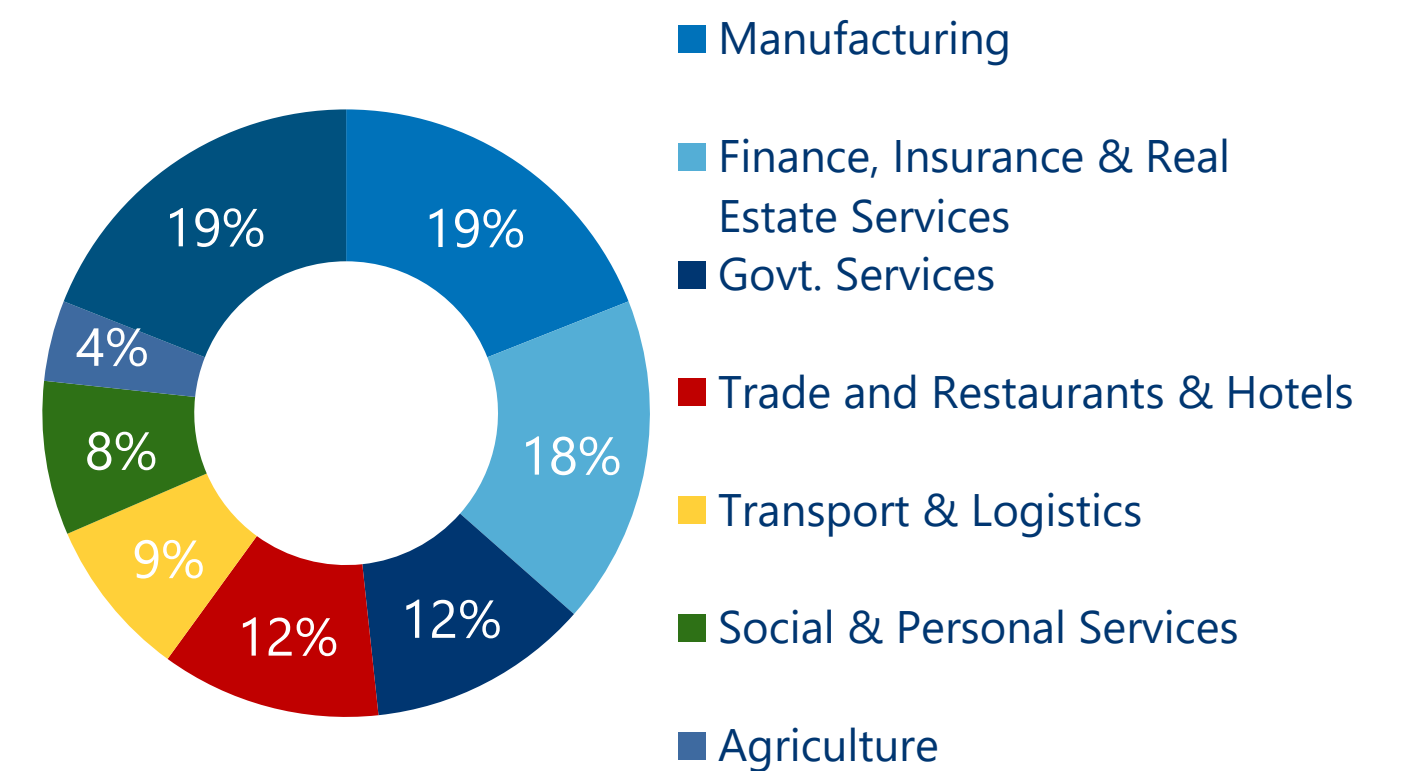


covering c.8 months of import. JD continues to remain pegged to USD

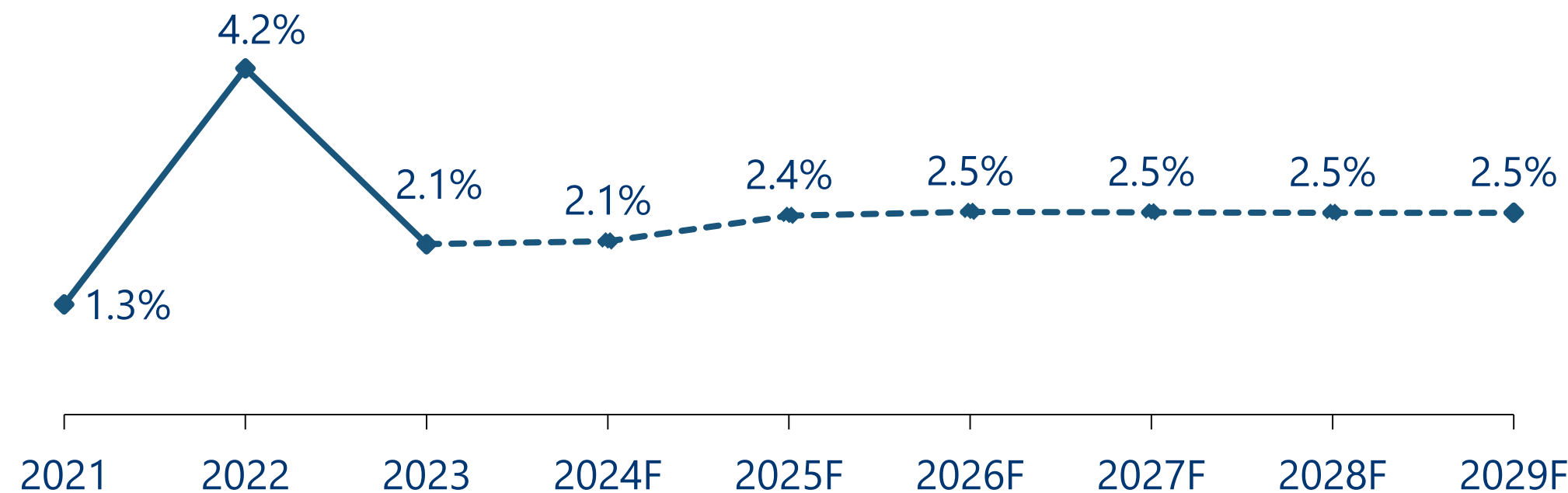
Nominal and Real GDP (\$ bn)



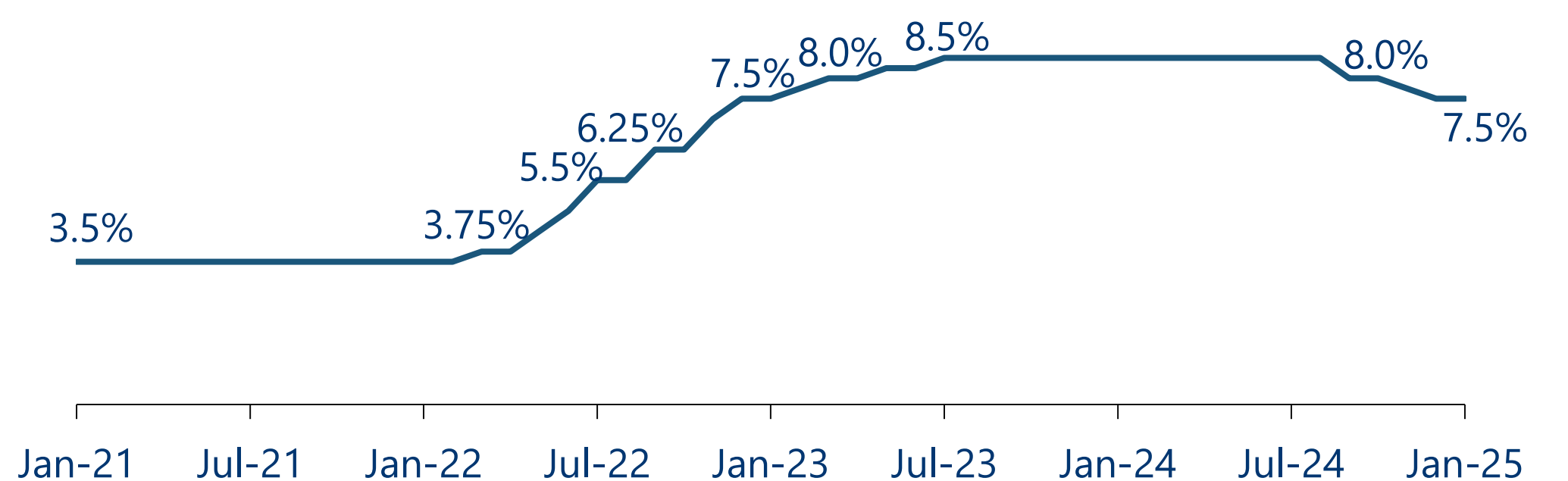
GDP by Sector – Q3 2024 (%)



Inflation Rate (%)



Interest Rate⁽¹⁾ (%)



Jordan's economy demonstrated resilience amidst a challenging regional environment. The economic impact of the current conflict in the Middle East has been broadly contained so far, but a longer and/or broader conflict would likely have a bigger impact.

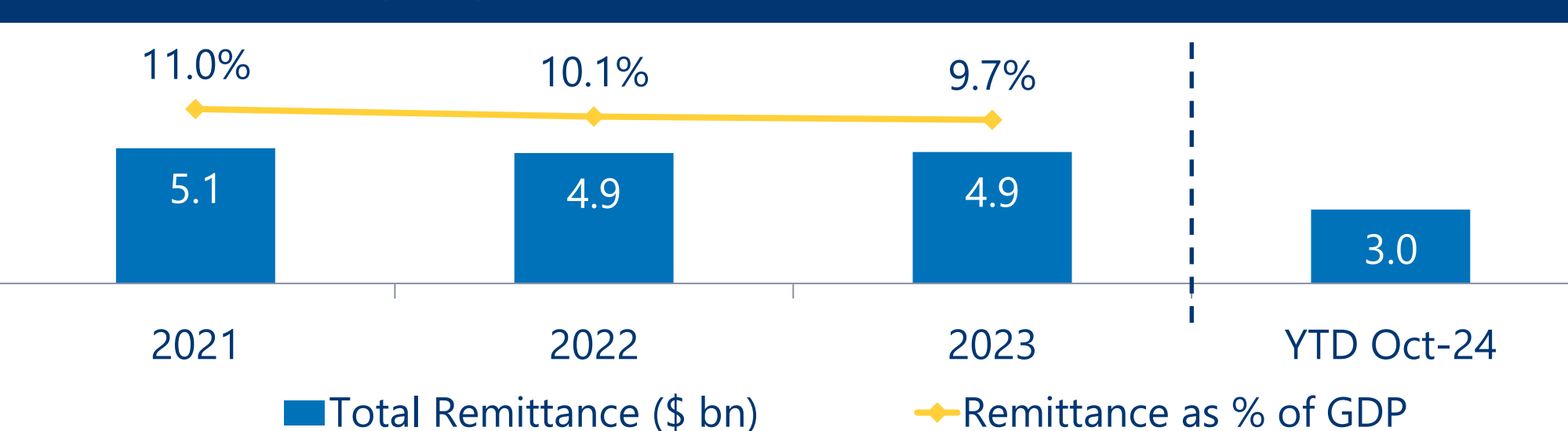
Source: World Bank, Fitch Rating, IMF WEO October 2024 Database, Central Bank of Jordan (CBJ) & Department of Statistics of Jordan

(1) Re-discount rate as published by CBJ (2) As of November 2024

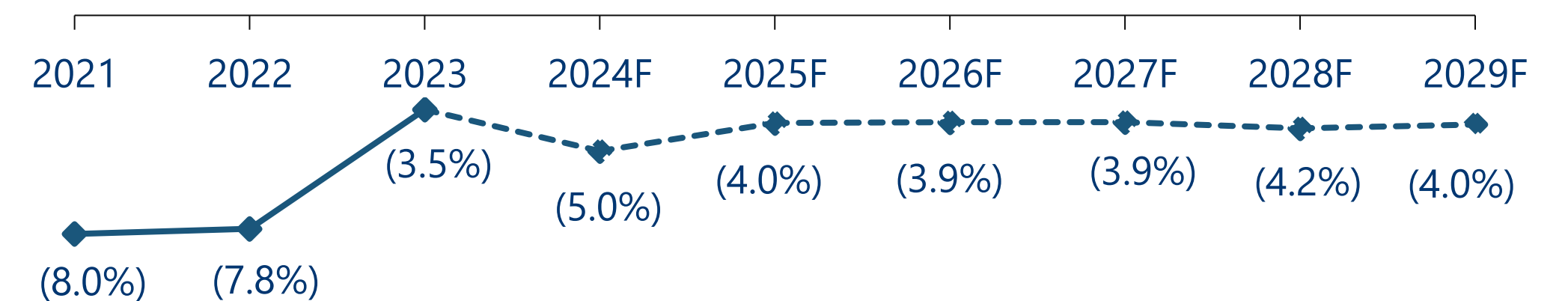
Jordan: Macroeconomic Overview (Contd.)

- Fiscal consolidation is expected to continue in line with the IMF targets supported by:
 - Economic growth, reforms in tax collection, growth in tourism receipts and steady remittance inflows
 - Foreign assistance / grants reached 2.0% of GDP in 2023 and is expected to reach 1.7% of GDP by 2026
- Near-term stress likely due to geopolitical tensions, increase in commodity prices (*driven by red sea clashes*), etc., however, current account deficit will average c.4% in medium-term

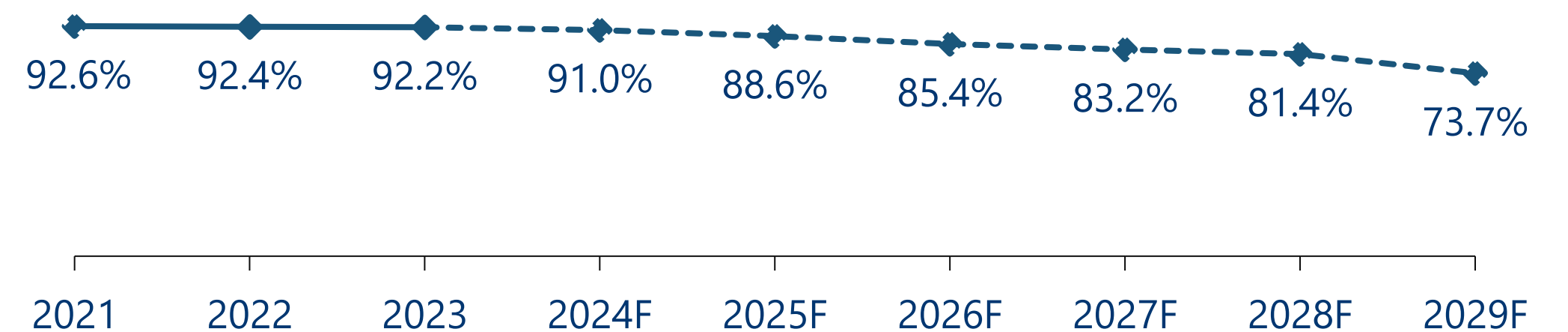
Total Remittance (\$ bn) and Remittance as % of GDP



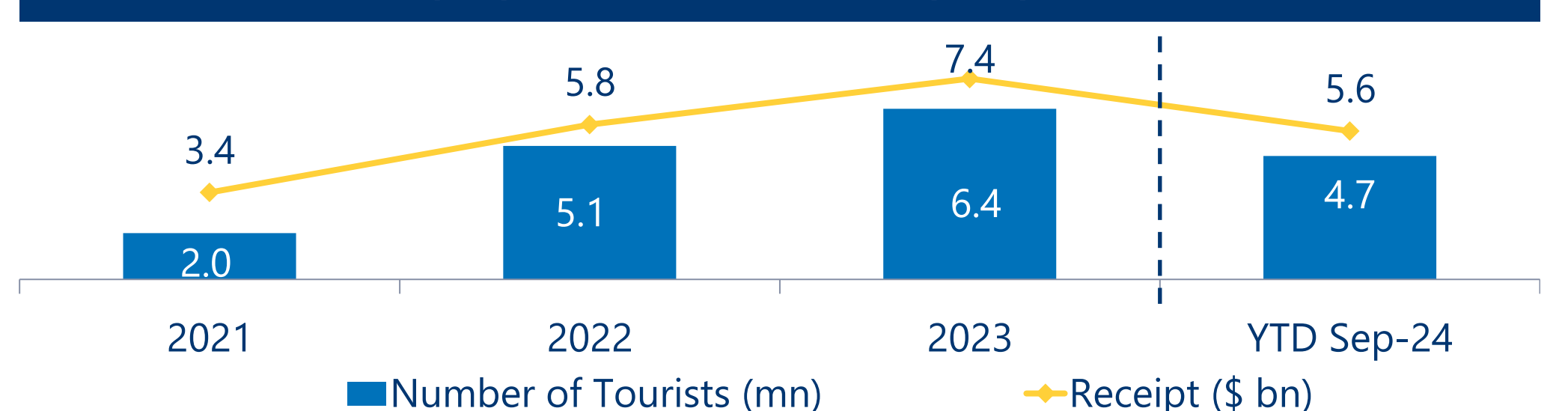
Current Account Balance (% of GDP)



Net Debt to GDP (%)



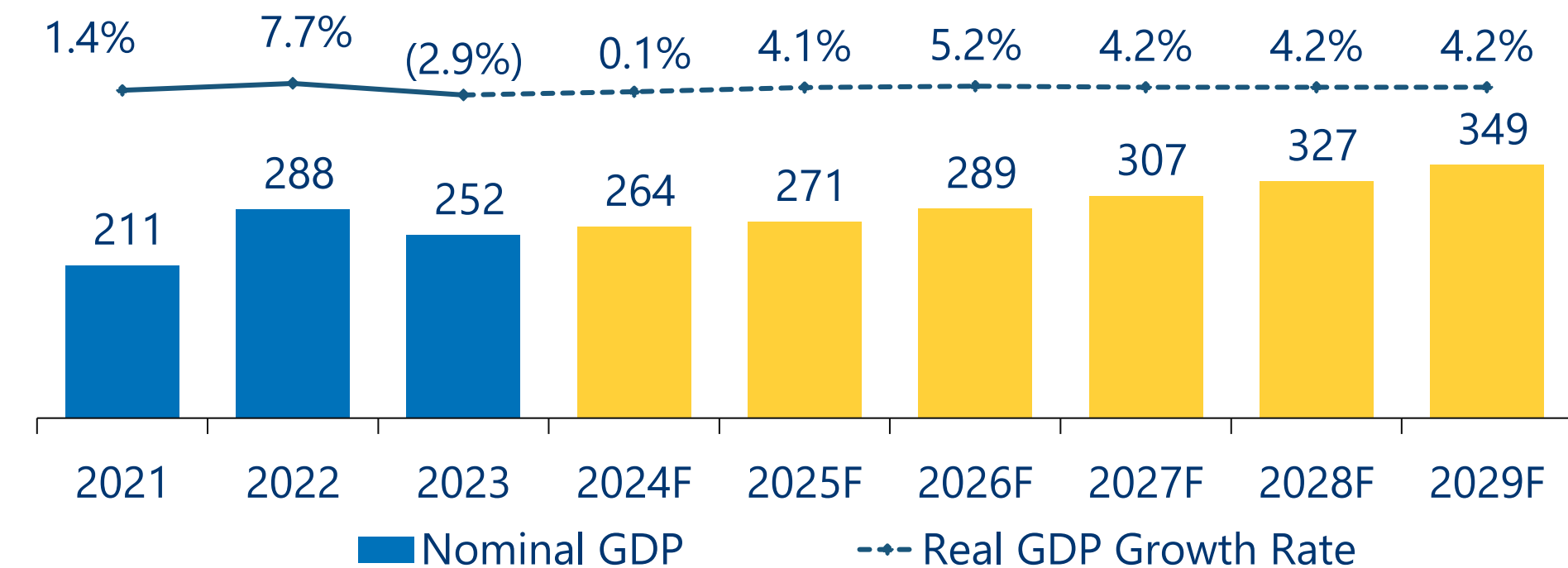
Number of Tourists (mn) and Tourism Income (\$ bn)



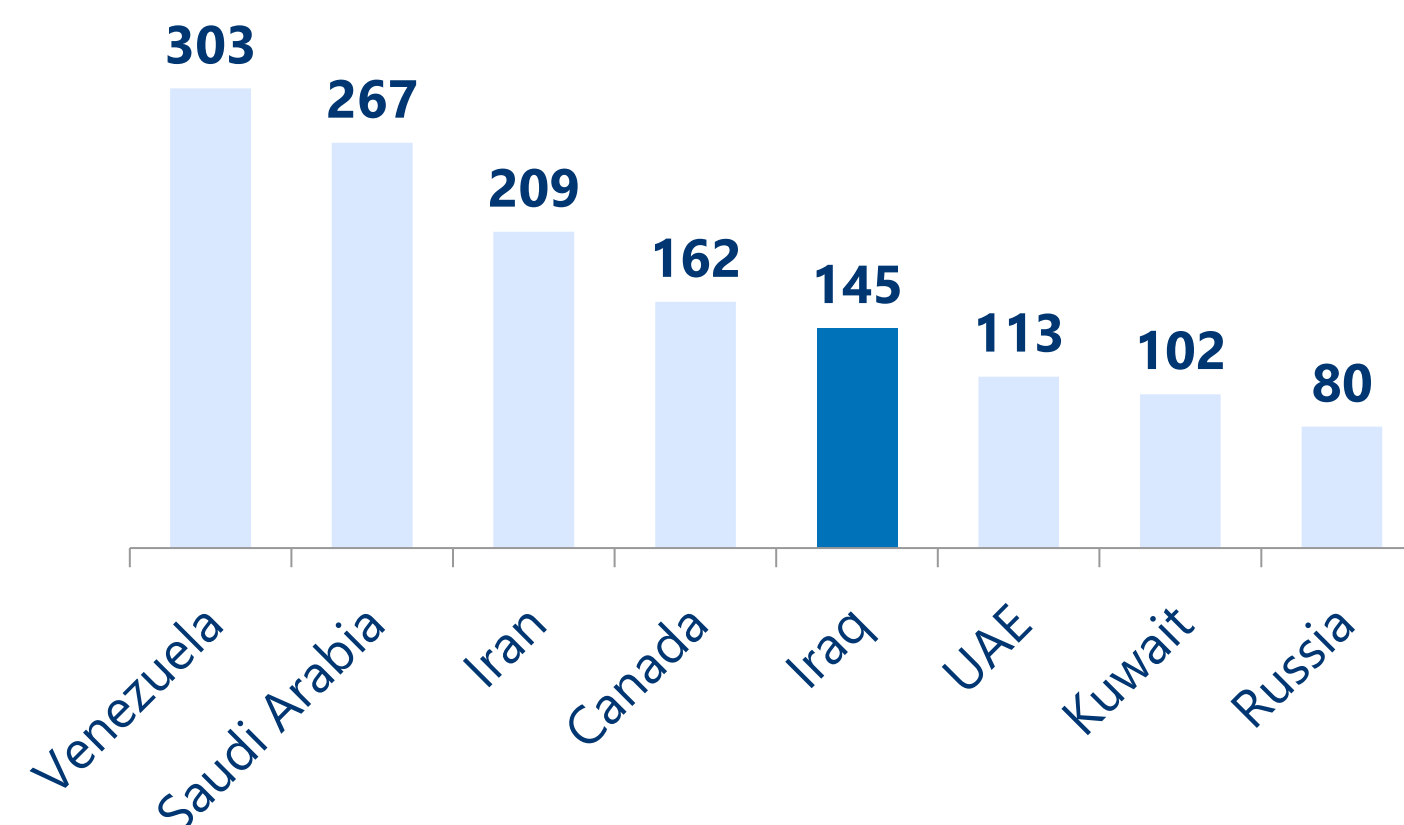
Iraq: Macroeconomic Overview

- Strong rebound in demand post-Covid – GDP grew at 7.0% in 2022 before shrinking by 2.2% in 2023 & estimated 0.1% in 2024 primarily due to oil productions cuts by OPEC
 - Iraq's economy is projected to increase at 3.6% over the medium term driven by growth in non-oil sector as well as robust government spending
- Iraq is the 5th largest oil producer in the world:
 - Oil sector accounts for around half of Iraq's GDP and 90% of exports
 - Oil production is expected to increase from c.4.7 million barrels (bbl) in 2024 to 7 million barrels per day by 2027
- Rated "B-" by Fitch with stable outlook – high commodity dependence, weak governance, political risk balanced by high FX reserves and a favorable debt profile

Nominal and Real GDP (\$ bn)



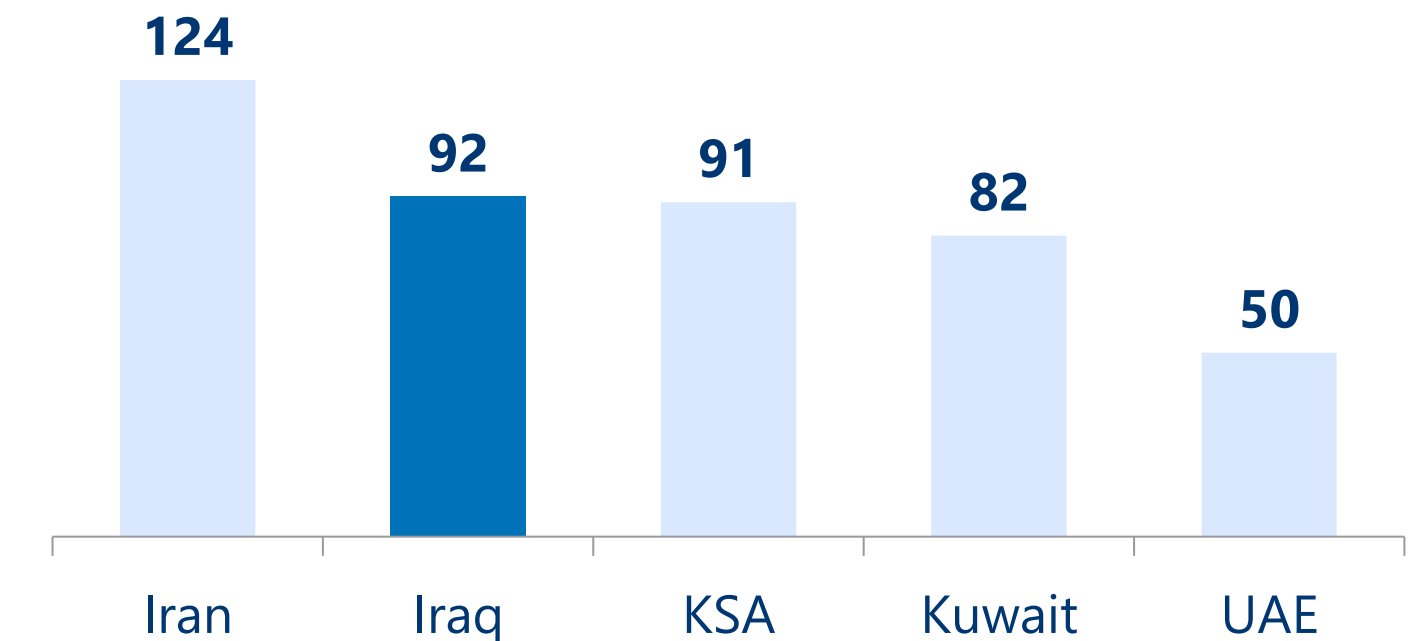
Proven Oil Reserves – 2023 (bn bbl)



Brent Crude Oil Prices (\$/bbl)



Fiscal Breakeven Oil Price – 2025E (\$/bbl)



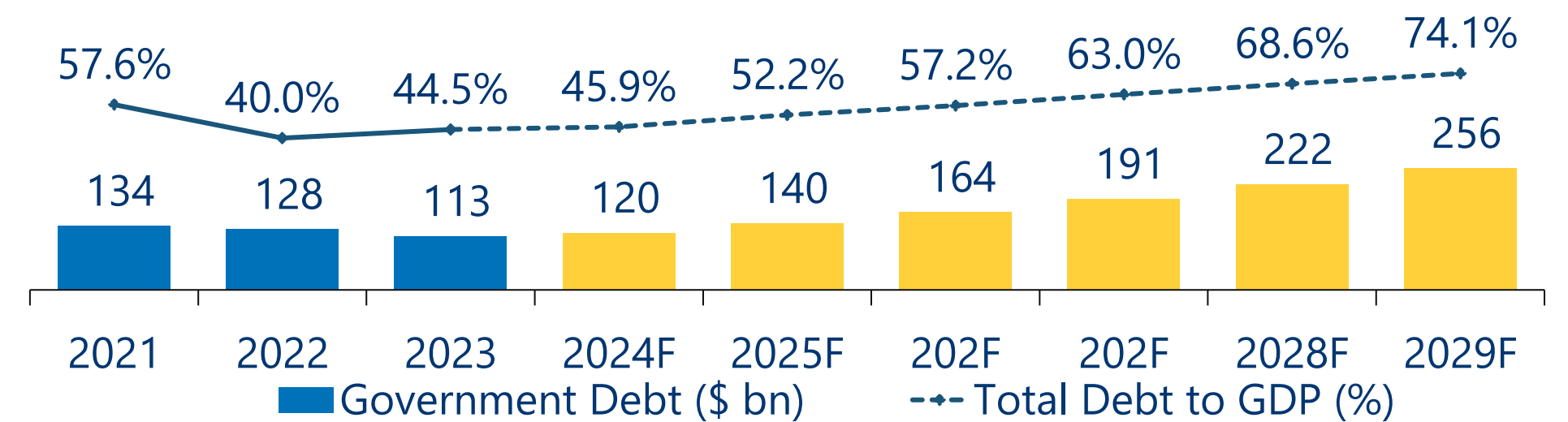
Iraq: Public Debt Indicators

- Government revenue increased by c.50% in 2022 before declining by 16% in 2023, mainly due to lower oil prices which averaged at \$100/bbl in 2022 as compared to \$83/bbl in 2023
 - Total debt to GDP ratio increased from 40.0% in 2022 to c.45% in 2024 driven by lower oil prices
 - Softening of oil prices and subdued non-oil GDP growth coupled with continued public spending in 2024 & beyond will continue to put pressure on fiscal position
- Global trends (especially food prices) have exerted inflationary pressure in Iraq, however re-pegging of IQD at a stronger rate have resulted in moderation in inflation
 - In 2024, Central Bank of Iraq (CBI) strengthened the fixed exchange rate to 1,300 dinars to the USD vs. 1,460 dinars earlier
- As of end-2024, Iraq's forex reserves stood at a strong c.\$100bn+

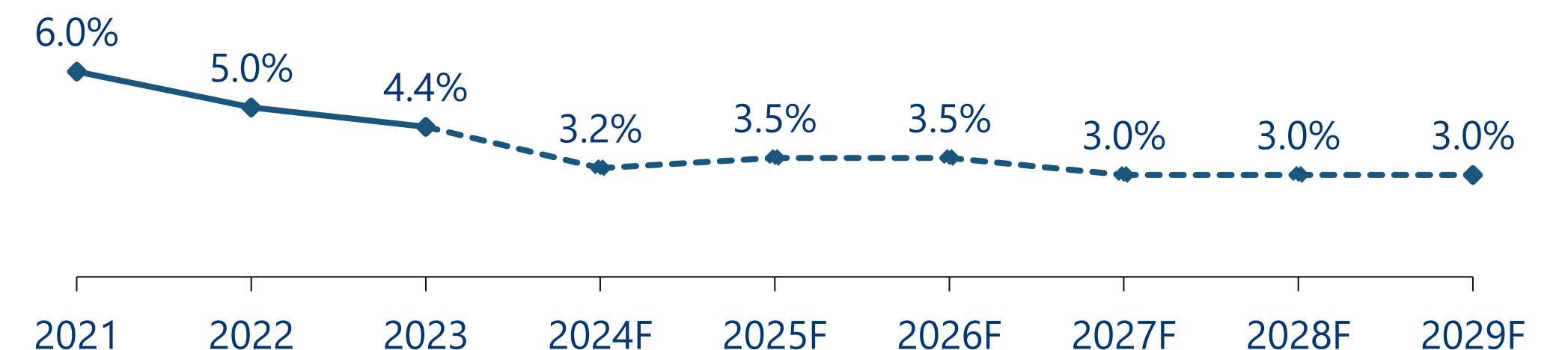
International Reserves



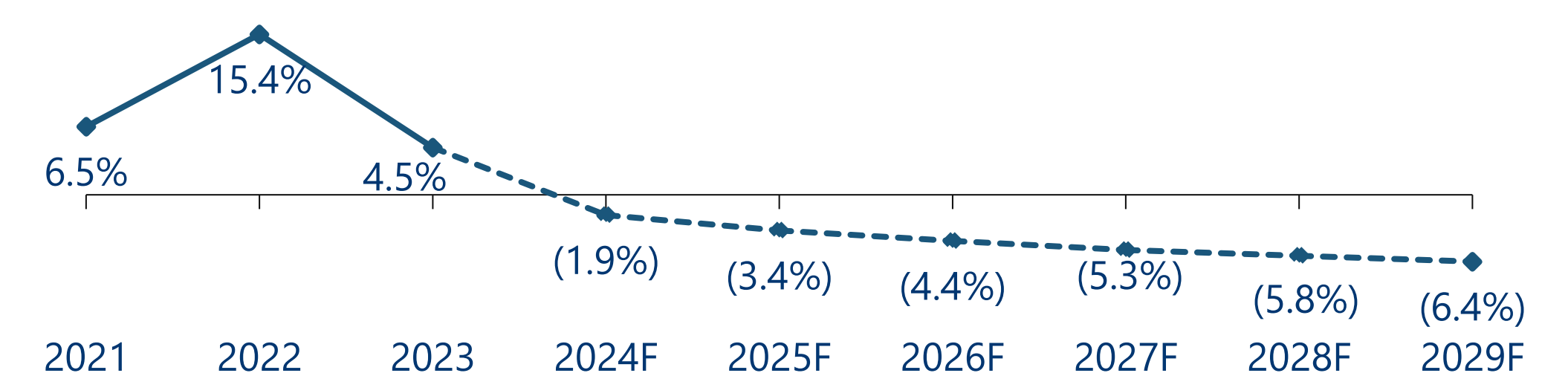
Government Debt (\$ bn)



Inflation (%)



Current Account (as % of GDP)



Cyprus: Macroeconomic Overview



"A-" Fitch Rating



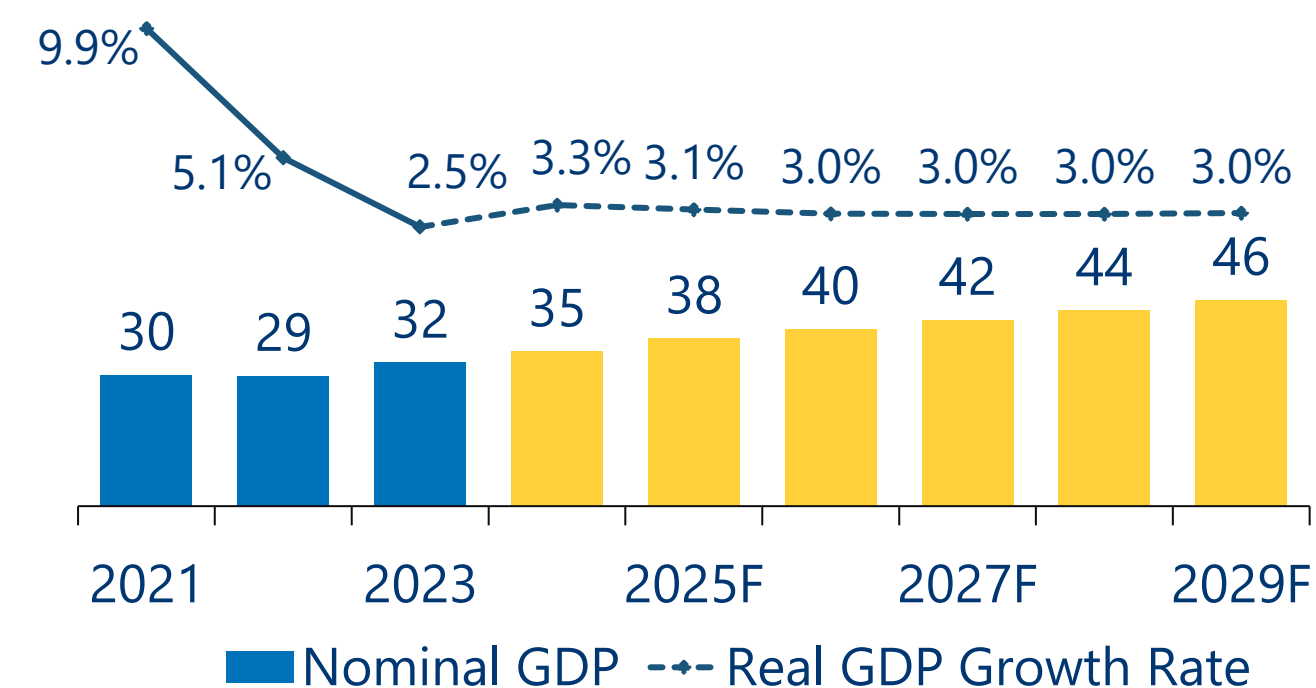
reflects rapid decline in public debt, strong fiscal surpluses and positive medium-term outlook, underpinned by strong revenue growth



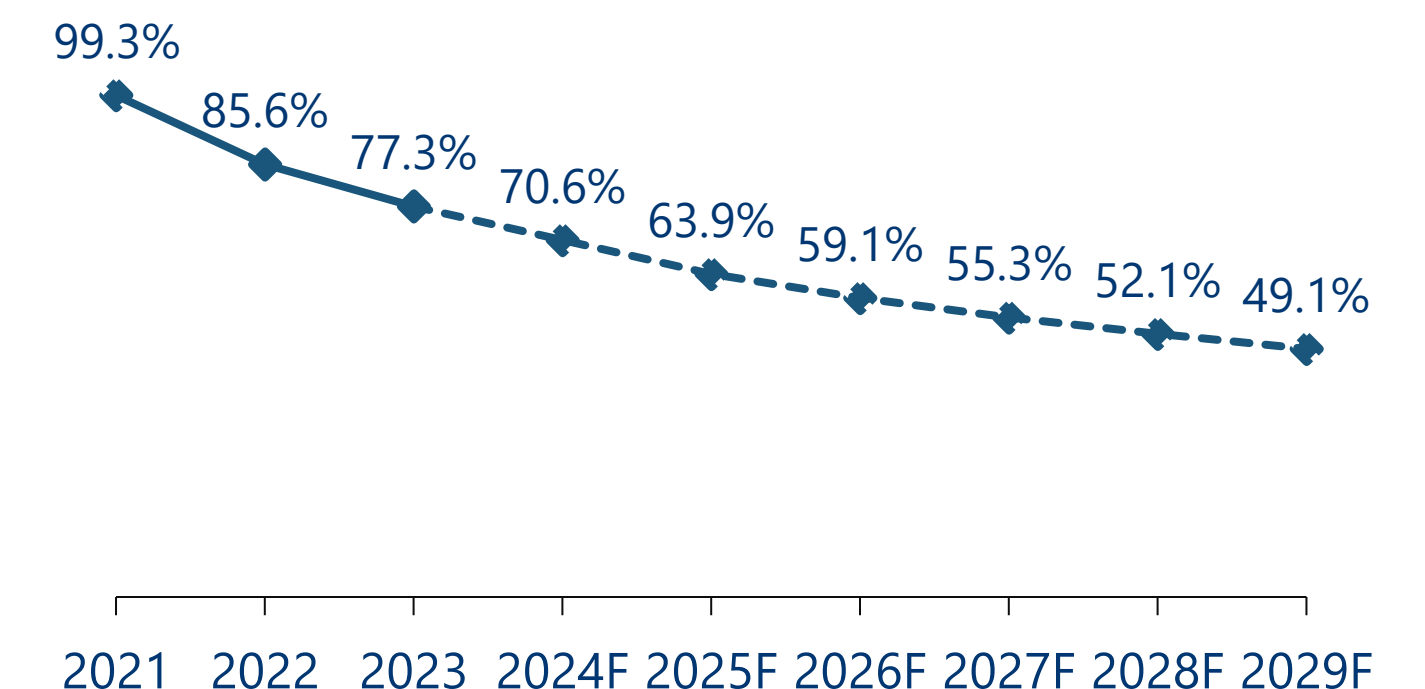
Services account for c.77% of Gross Value Added

primary sectors include tourism, communications, financial services and real estate

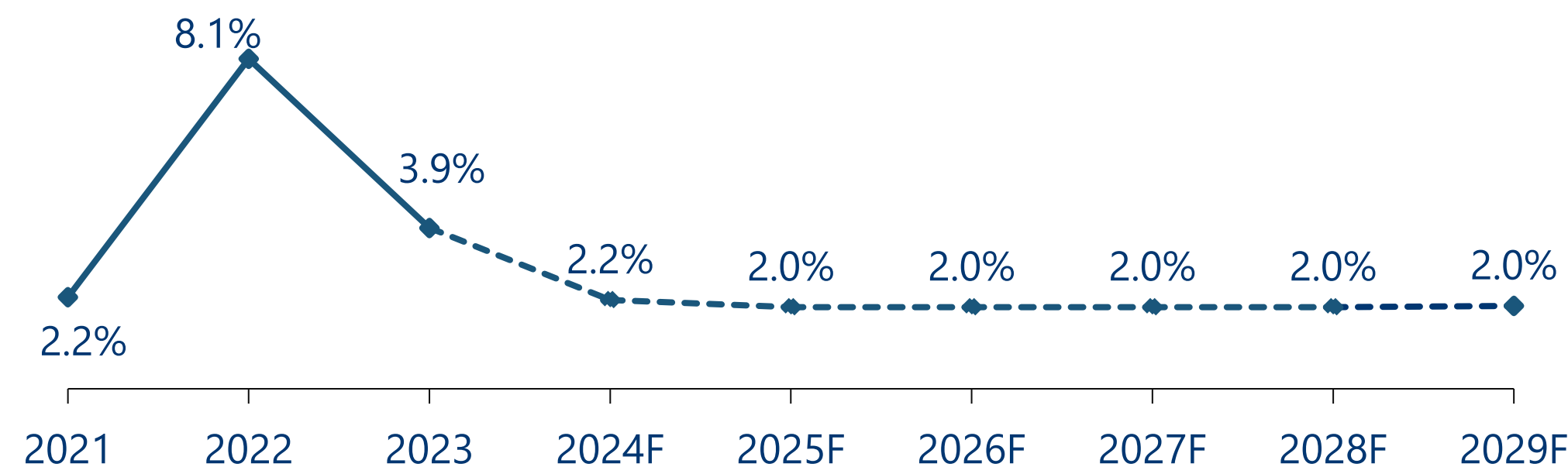
Nominal and Real GDP (\$ bn)



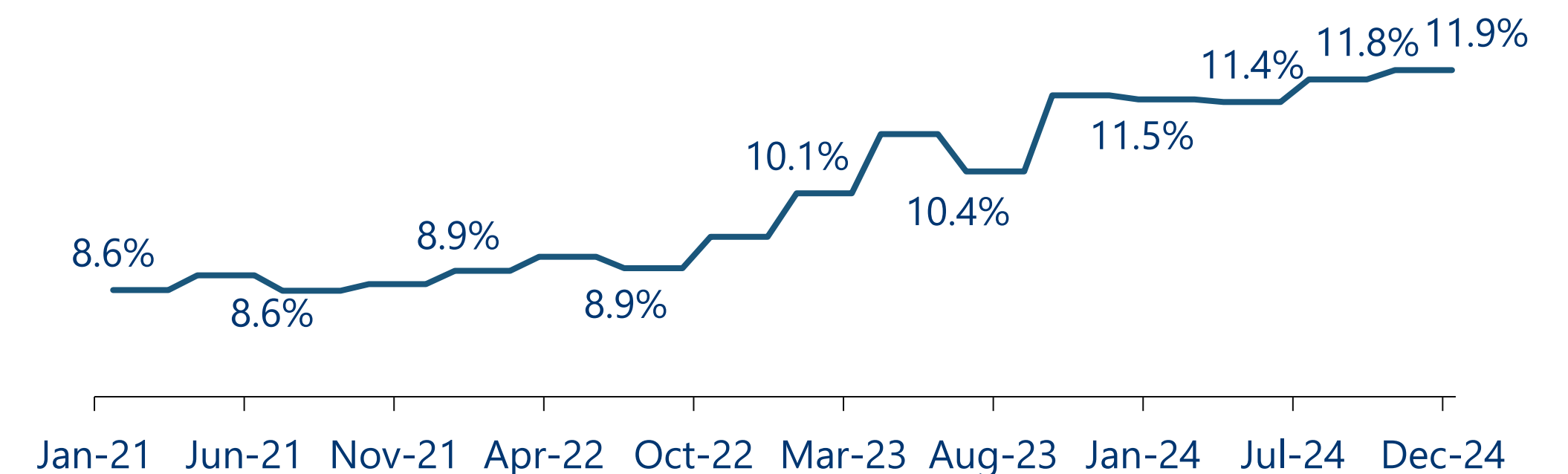
Gross Debt to GDP (%)



Inflation Rate (%)



Interest Rate⁽¹⁾ (%)



Real GDP growth moderated in 2023 due to decline in tourism & lower trading volume with Russia (a key partner), reduced government expenditure and tight monetary policy (impacting household consumption). For 2024 and beyond, GDP growth is expected to remain at c.3% driven by the fiscal consolidation measures and lower exports (subdued growth in Eurozone and continued sanctions on Russia)

Source: Fitch Rating, IMF October 2024 Database, Central Bank of Cyprus and Secondary Research

(1) Reference interest rates as published by Central Bank of Cyprus



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