البنك الأردني الكويتي

JORDAN KUWAIT BANK

50 Years of Being More than Just a Bank

JKB Group H1 2026

Presentation to Investors and Analysts

Agenda

01 About JKB

About JKB

Jordan Kuwait Bank (JKB) is a leading Jordanian public shareholding bank, established in 1976 and listed on the Amman Stock Exchange, with a paid-up capital of JD 150 million. The Bank is part of the KIPCO Group, providing strong regional backing. JKB operates through a diversified platform across Jordan and Cyprus, complemented by strategic holdings including a 53.4% stake in Bank of Baghdad (Iraq), 100% ownership of Ejara Leasing, and an 89.79% stake in United Financial Investments, enabling a broad offering across banking, leasing, brokerage, and advisory services.

Strategic Positioning

JKB operates under the vision of being **"More than just a bank"** which 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 customers.

Diversified Operations across Markets & Segments

JKB Standalone and Cyprus | **100%** Ownership

- **5th** largest commercial bank by total Equity and the 4th 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**

Bank of Baghdad (BoB) | **53.4%** Ownership

- 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

Ejara Leasing Company | **100%** Ownership

- Established in **2011** with a paid- up capital of JD 20mn
- **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

United Financial Investments (UFICO) | **89.56%** Ownership

- 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, International Financial Company Co. and Hekma Brokerage Company to achieve leadership position in brokerage market with access to international markets
- The current capital is JD/Share **9 mn**

Strong Distribution Network

JKB

البنك الأردني الكويتي
JORDAN KUWAIT BANK

	# of Branches	# of ATMs and ITMs
Amman	43	88 ATM, 3 ITM
Zarqa	3	5
Irbid	4	7 ATM, 1 ITM
Balqa'a	4	11
Al Mafraq	1	1
Jerash	1	1
Madaba	1	2
Al Karak	1	1
Aqaba	1	4
Dead Sea	1	Includes in Balaqa'a
Jawwal Branch	1	Includes in Amman
Cyprus	1	0
Total	**63**	**120 ATM and 4 ITMs**

مصرف بغداد
Bank of Baghdad

	# of Branches	# of ATMs
Baghdad	12	
Al-Basrah	3	
Erbil	3	
Dohouk	2	
Al-Mousal	1	
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	**35**	**149**

Our Team

H.E. Sheikha Adana Al-Sabah

Chairperson of the Board

Haethum Buttikhi

Group Chief Executive Officer

Our Team

Board Members

Executive Management

JKB Investment Thesis

A Well-Capitalized Regional Banking Platform with Diversified Growth

Stronghold Financial Position

CAR **23.9%** | CET1 **22.70%** | LCR **256.2%** | NSFR **150.6%**
Strong capital and liquidity buffers supporting sustainable expansion

Disciplined Risk Management

~81% Stage 3 Coverage Ratio
Conservative provisioning and strong credit governance

Resilient Core Earnings

12.1% ROE | +16% Net Interest Income Growth (H1 2026)
Resilient and sustainable profitability, despite temporary normalization in Iraq

Attractive Shareholder Returns

18% Cash Dividend | **5.9%** Dividend Yield
Balanced capital allocation between growth and distribution

Diversified Regional Platform

Jordan | Cyprus | Iraq | Malta (EU – subject to approvals)
Reduced concentration risk and broader earnings base

Positioned for Scalable Growth

Capital increase aligned with expansion
Strategic acquisitions enhancing regional footprint

Strong Shareholder Structure

Al Rawabi United Holding Co.

50.927%
Ownership in JKB

كيبكو
KIPCO

JKB is owned by **Al Rawabi United Holding Co**, a wholly owned subsidiary of **KIPCO**. The Group has strong interest in the Commercial Banking sector (accounting for **85%** of assets and **64%** of revenues).

JKB is the strategic investment for KIPCO Group (accounting for **16.4%** of its commercial banking assets) as reflected in strong representation of KIPCO's senior leadership on JKB's board

Geography

- Middle East
- North Africa (MENA)

Majority owned by the family office of the Kuwaiti ruling family

Track Record

30 years of Profits(2)
~10% total

Shareholder return
since 1996

Experienced management team led by Sheikha Dana Al Sabah

Sectors

- Banking
- Asset Management
- Petrochemical
- Food
- Media
- Real Estate
- Healthcare
- Logistics
- Education

Listed on Boursa Kuwait Market cap of $2.4 bn(3)

$46.2bn
Total Assets

$39.5 bn
In Commercial Banking Assets (CBA)

16.4%
JKB's Share in CBA

Strong Shareholder Structure

المؤسسة العامة للضمان الاجتماعي
Social Security Corporation

$22bn
Total Assets

21.042%
Ownership in JKB

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.

FAIRFAX
FINANCIAL HOLDINGS LIMITED

$107.8bn
Total Assets

5.850%
Ownership in JKB

Odyssey Reinsurance Company

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

During **2023**, Fairfax acquired 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 **$33 billion** in gross written premium and record net earnings of **$4.7 billion**.

Fairfax own approximately **7% of JKB** though Odyssey and GIG.

02 Key Financial & Strategic Highlights

Strategic Acquisition of FIM Bank (Malta)

Expanding into an EU-Regulated Banking Platform (Subject to Regulatory Approvals)

Established EU Banking Franchise

- Malta-based, EU-regulated institution
- **Total Assets:** USD **1.26 billion** (per FIMBank official disclosure)
- Specialized in trade finance, factoring & niche corporate banking

Capital & Governance Discipline

- Board-approved transaction aligned with long-term roadmap
- Conservative capital buffers maintained post-transaction
- Phased integration under dedicated oversight structure

Strategic Rationale

- Entry into a Euro-denominated earnings environment
- Geographic diversification beyond Jordan, Cyprus & Iraq
- Complementary trade finance expertise aligned with Group capabilities
- Enhanced earnings resilience across cycles

Strategic Outcome

- Strengthens JKB's positioning as a multi-market regional banking group with EU access
- supporting long-term diversification and scalable growth.

Capital Increase

Proactive Capital Planning Supporting Strategic Growth Structure

- Board-approved capital increase aligned with the Group’s strategic roadmap
- Participation by existing shareholders reflecting confidence in the strategy
- Structured to fund expansion while maintaining financial flexibility

Capital Philosophy

- Maintain buffers comfortably above regulatory requirements
- Protect dividend capacity alongside growth
- Preserve financial position flexibility for future opportunities

Key Consolidated Financial Position Figures

As of 30.06.2026

Total Assets	**-1.9%**	JD **5,359** million
Direct Credit Facilities - Net	**-1.7%**	JD **2,056** million
Customer Deposits and Cash Margins	**-3.6%**	JD **3,790** million
Total Liabilities	**-2.1%**	JD **4,413** million
Total Equity	**-0.7%**	JD **946** million

Key Consolidated Financial Performance Figures

As of 30.06.2026

Net Interest and Commission
JD 120.8 million
(-4.3%)

Net Income before ECL & Taxes
JD 75.9 million
(-33.3%)

ECL
JD 4.7 million
(-70.3%)

Net Income
JD 57.6 million
(-32.7%)

Income for the Period – Bank's shareholders
JD 43.7 million
(-16.4%)

Consolidated Financial Ratios

As of 30.06.2026

12.1%	Return on Equity
2.1%	Return on Assets
256.2%	Liquidity Coverage Ratio
150.6%	Net Stable Funding Ratio
59.6%	Total Expenses (Excl. ECL) to Net Interest & Commission
80.6%	Stage 3 facilities Coverage Ratio
8.3%	Stage 3 to Total Facilities
23.8%	CAR | Capital Adequacy Ratio
18%	Cash Dividends - 2025
12%	Cash Dividends - 2024

Consolidated Financial Position Summary
June 30, 2026

JOD m	H1 2026	YE 2025	Change	Change%
Total assets	**5,358.9**	**5,460.6**	**-101.7**	**-1.9%**
Direct credit facilities – net	2,056.3	2,091.8	-35.5	-1.7%
Investments Portfolio	1,937.8	1,789.6	148.2	8.3%
Total liabilities	**4,413.0**	**4,508.5**	**-95.5**	**-2.1%**
Customers' Deposits	3,544.8	3,749.9	-205.2	-5.5%
Total equity	**945.9**	**952.1**	**-6.2**	**-0.6%**
Total equity - Bank's shareholders	796.5	779.5	17.0	2.2%
Non-controlling interests	149.4	172.5	-23.2	-13.4%

Financial position optimization and liquidity repositioning during regulatory transition year for Bank of Baghdad

JKB continues to demonstrate financial strength and prudent risk management, with a Common Equity Tier 1 ratio of **22.58%**

JKB continues to be conservative by maintaining Stage 3 coverage ratio at **80.6%**

Consolidated Financial Performance Summary June 30, 2026

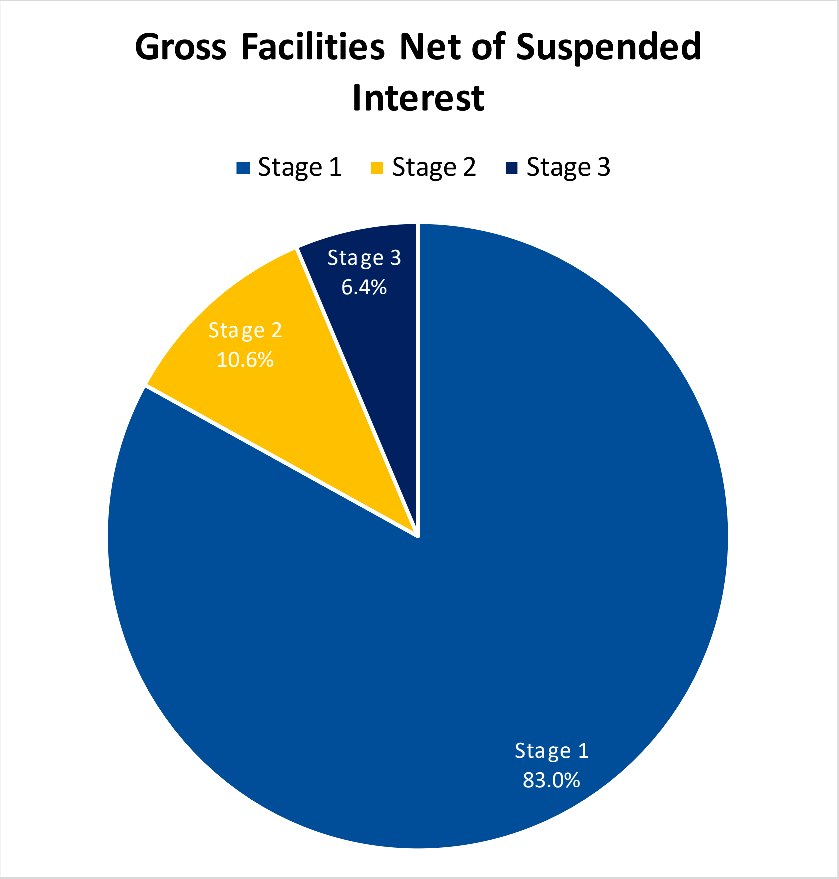
JOD m	H1 2026	H1 2025	Change	Change%
Net interest income	94.8	81.8	13.1	16.0%
Commission & FX income	39.5	88.2	-48.7	-55.2%
Other Income	13.6	5.0	8.6	172%
Operating income	147.9	175.0	-27.1	-15.5%
Operating expenses	72.0	61.1	10.9	17.8%
Profit before ECL	75.9	113.9	-38.0	-33.3%
Expected credit losses	4.7	15.7	-11.1	-70.3%
EBT	71.2	98.1	-26.9	-27.4%
Income tax expense	13.6	12.5	1.1	9.1%
Net profit	57.6	85.6	-28.0	-32.7%

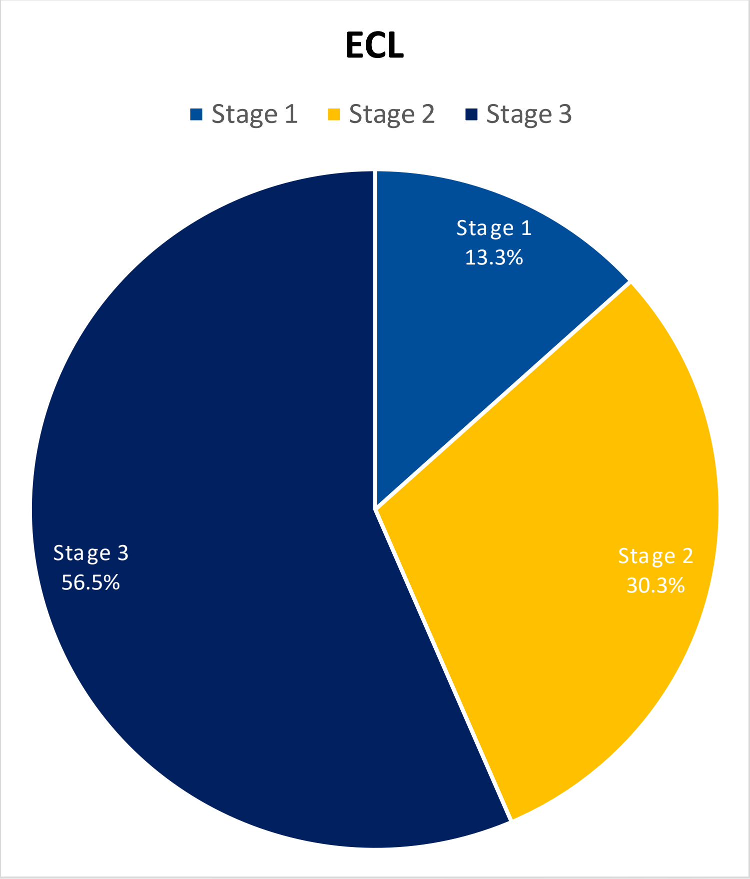
Core profitability remains resilient, supported by **16% increase** in net interest income

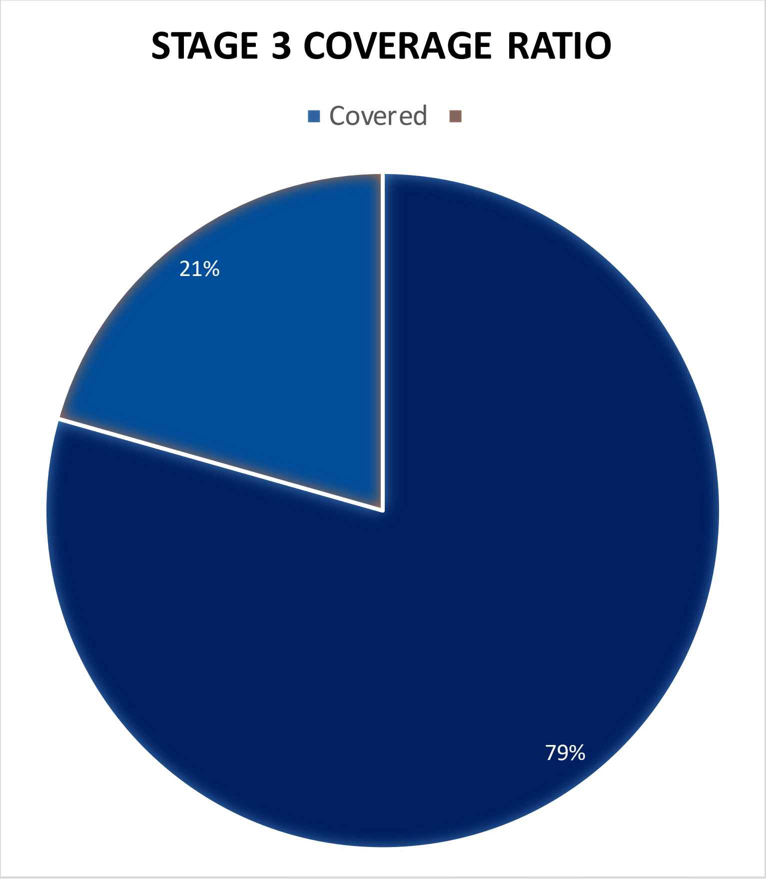
The YOY decline in commission income is primarily driven by a significant reduction in transfer volumes at BOB. Despite the YOY pressure, BOB's profitability is already turning with net income up in Q2 2026 by 54.7%, outpacing the group's own 30% sequential improvement in net income.

Excluding this change, the Group's commissions and non-interest income remained stable

Asset Quality – Credit Facilities:







Dividend & Shareholder Return

Proposed Dividend

- **18%** of par value (JOD 0.18/share)
- Reflects earnings quality and capital strength
- Balanced between shareholder distribution and reinvestment needs

Total Shareholder Return

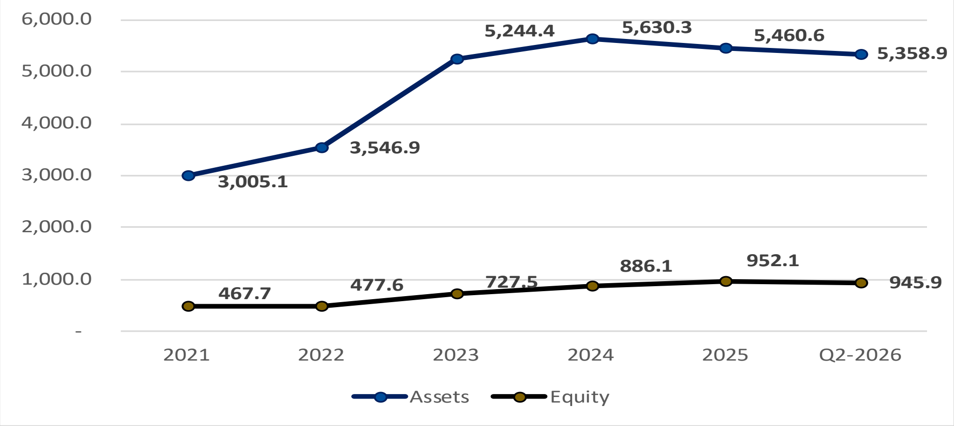
- Dividend yield of **~5.9%**

Share Performance (2026)

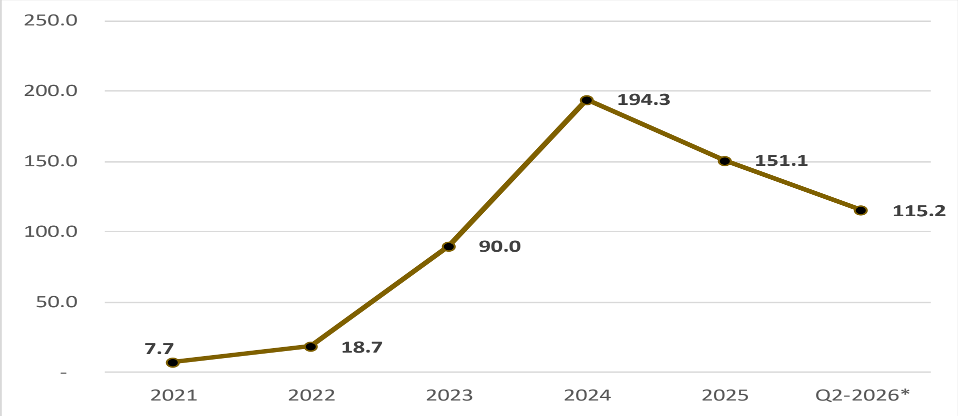
- Share price decreased from **JOD 3.45** in Dec 2025 to **JOD 3.04** in June 2026 by around 11.9%.

Trends (2021-2026) JD mn

Assets & Equity

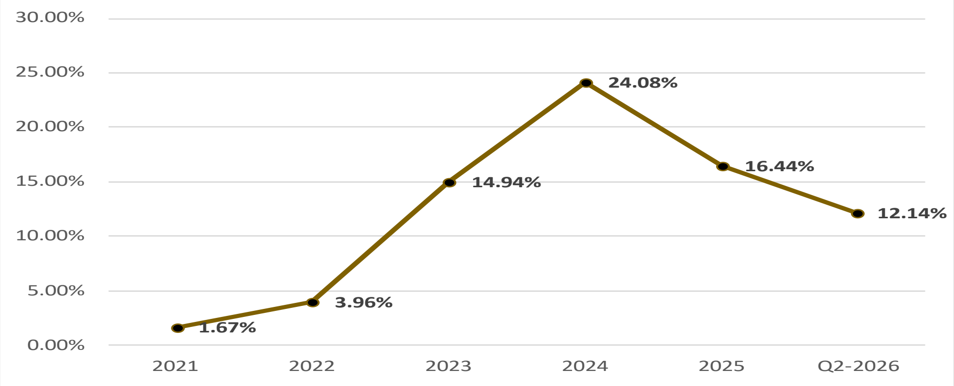


Income

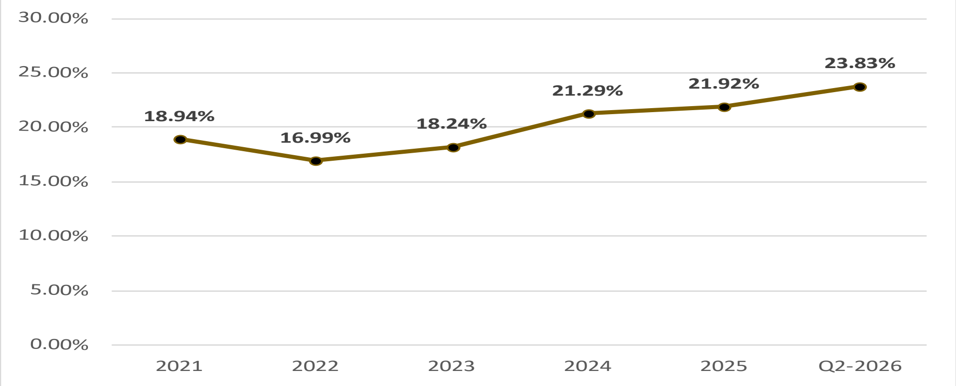


*2026 Annulized

ROE



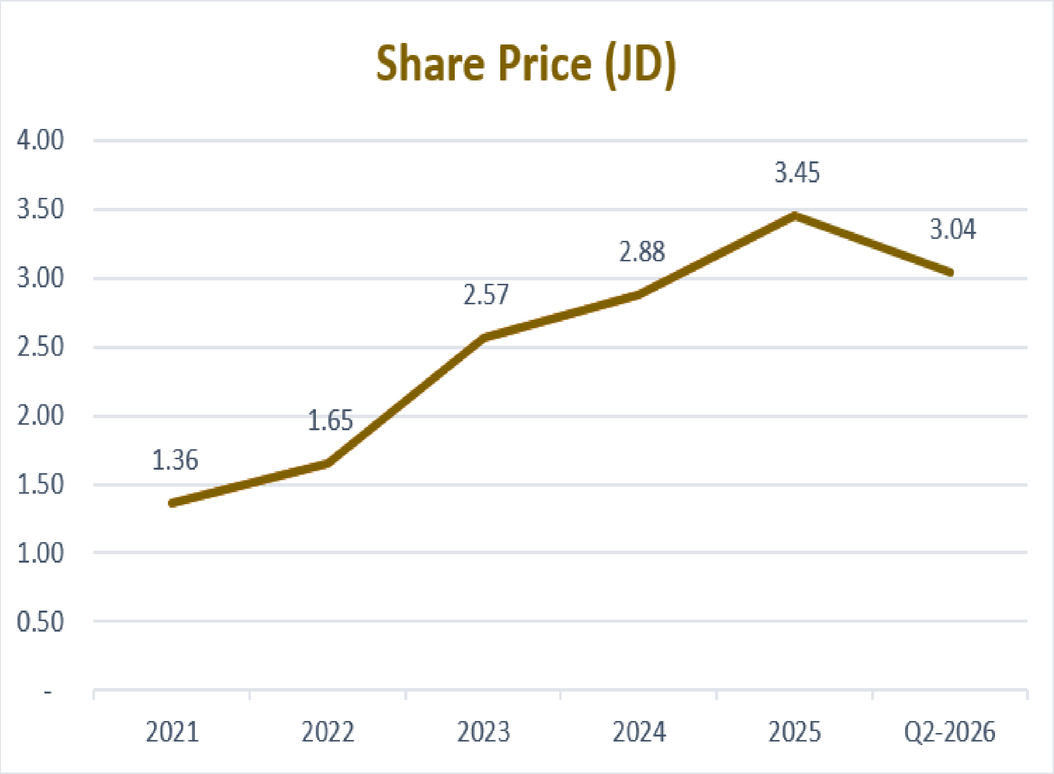
CAR

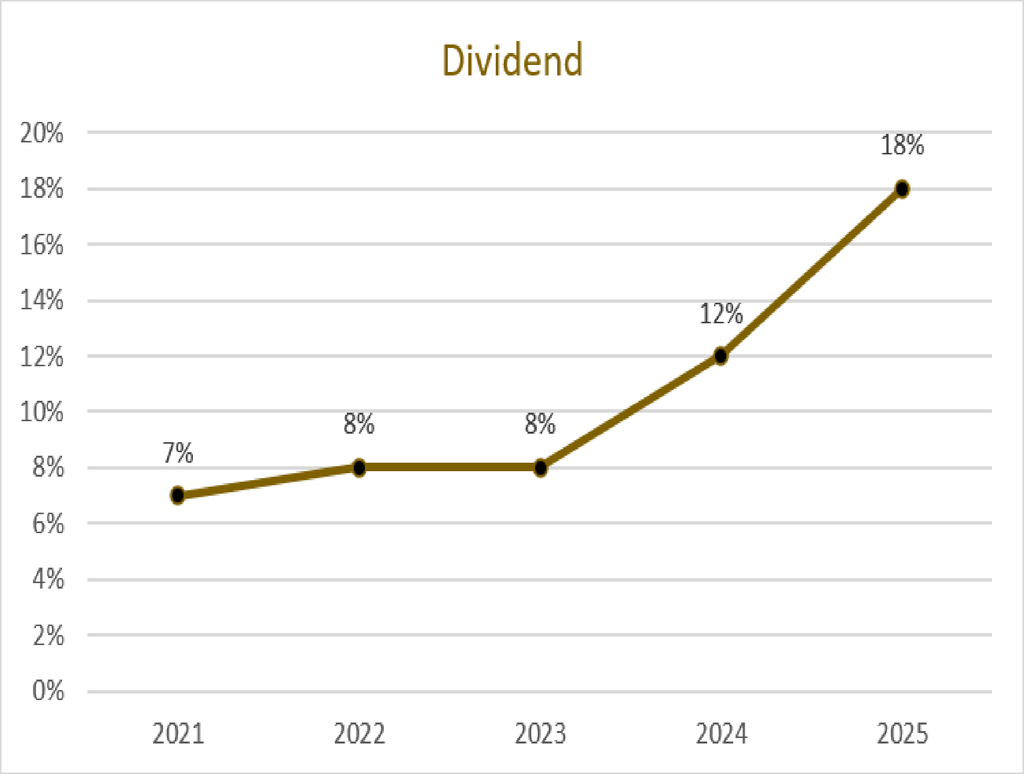


Trends (2021-2026)

Share Price (JD)

Dividend





03 Financial, Credit Rating, Coverage & Sustainability Reports

Financial, Credit Rating, Coverage & Sustainability Reports

JKB FINANCIAL REPORTS

Click Here to view

CREDIT RATING & COVERAGE REPORTS

Click Here to view

JKB SUSTAINABILITY REPORTS

Click Here to view

04 Credit Rating

Credit Rating

Fitch Ratings

Sovereign	LT	BB-
JKB Foreign Currency Inheritance Planning	LT	B+
	ST	BB
Outlook	Stable	

Capital Intelligence

Sovereign	LT	BB-
JKB Foreign Currency BSR	LT	BB-
	ST	B
Outlook	Stable	

05 Coverage Report

Coverage Report

BHM Capital has reiterated their overweight recommendation on the shares of Jordan Kuwait Bank with a revised target price of **JD 3.95** per share (Previous TP **JD 3.45** per share). BHM Capital continue to be bullish the bank's ongoing transformational phase through strategic acquisitions and digital initiatives to tap growth opportunities in **Jordan and Iraq.**

Valuation summary

Methodology	Weightage	JD per share
Justified PB multiple	33.3%	3.98
Relative P/E	33.3%	3.88
Relative P/B	33.3%	4.00
Target valuation		**3.95**
Current market price (JD): June 30, 2026		3.04
Upside / (Downside)		29.9%

06 Awards & Recognition

Awards & Recognition
2026

Awards & Recognition
2026

"Best CSR Bank in Jordan" for 2026 by Global Banking & Finance Review

Best Private Bank in Jordan for 2026 by Euromoney

Awards & Recognition
2025

Jordan's Best Domestic Private Bank

2025

Best CSR Bank in Jordan

2025

Best Customer Centric Bank in Jordan

2025

Bank of the Year in Jordan

2025

Awards & Recognition
2024

Jordan's Best Domestic Private Bank
2024

Best SME Bank in Jordan
2024

Best Bank in Jordan for ESG
2024

Best Outgoing Transfers STP Award for 2024 by J.P. Morgan Chase

Best Bank SME Bank in Jordan
2024

Best Bank for CSR in Jordan
2024

Award for Excellence in AI and Machine Learning
2024

Awards & Recognition
2023

Best Bank of the Year – Jordan 2023

2023

Jordan's Best Domestic Private Bank

2023

Best Bank for CSR in Jordan

2023

Green Bond of the Year

2023

Best Green Project Financing Bank

2023

Best Straight Through Processing STP Rate Award from Citi 2023

2023

Certifications

OBTAINED ISO45001 CERTIFICATION

FOR WORKPLACE SAFETY

OBTAINED THE ISO27001 CERTIFICATE FOR INFORMATION SECURITY MANAGEMENT

OBTAINED ISO14001 CERTIFICATION FOR SUSTAINABILITY

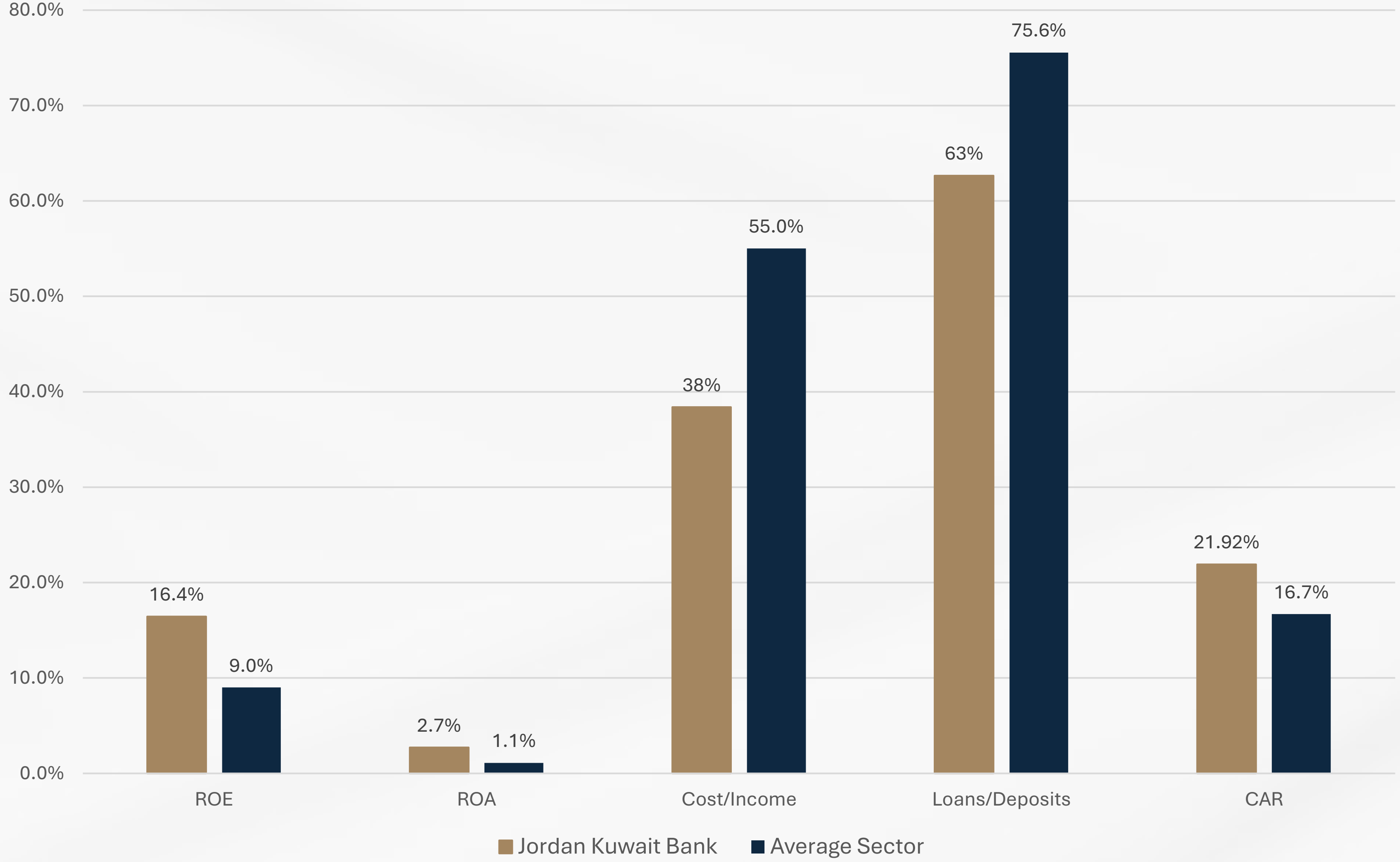
ISO QUALITY SERVICE CERTIFIED

ONE OF THE BEST PLACES TO WORK IN JORDAN IN 2022

OBTAINED GOLD LEED V4.1 IN OPERATION AND MAINTENANCE, HIGHLIGHTING THE BANK'S COMMITMENT TO SUSTAINABLE BUILDING PRACTICES.

07 Peers Comparison

Key Financial Indicators



JKB continues to demonstrate strong financial performance across key indicators, outperforming the sector in profitability and operational efficiency. Return on Equity and Return on Assets stand at 16.4% and 2.7% respectively, both significantly above sector averages, reflecting effective capital and asset utilization. The Bank also maintains a highly efficient operating model with a cost-to-income ratio of 38% compared to the sector's 55%. In addition, the loan-to-deposit ratio of 63% indicates a prudent liquidity position with room for further lending growth, while a strong capital adequacy ratio of 21.9% underscores the Bank's solid capital base and financial resilience.

08 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

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

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**. Thabat Real Estate Investment Company is a real estate company, offering development and management services.

09 Economy Overview

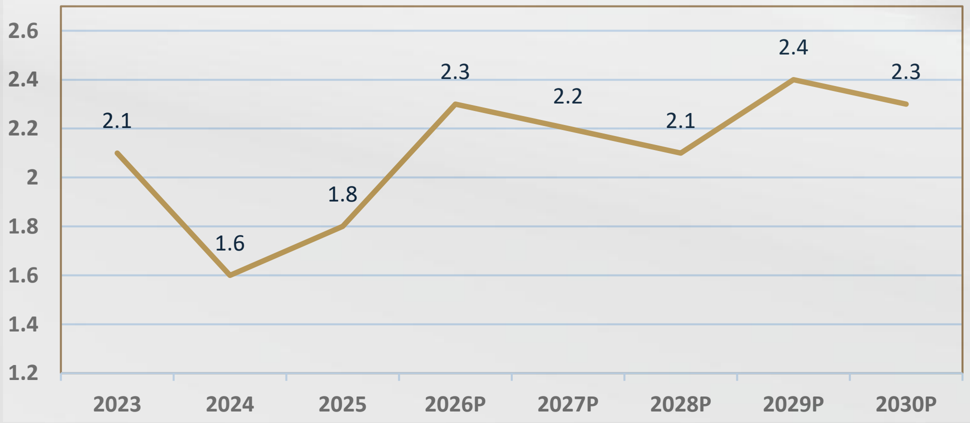
Jordan’s Macroeconomic Overview

Snapshot of Jordan’s Economy

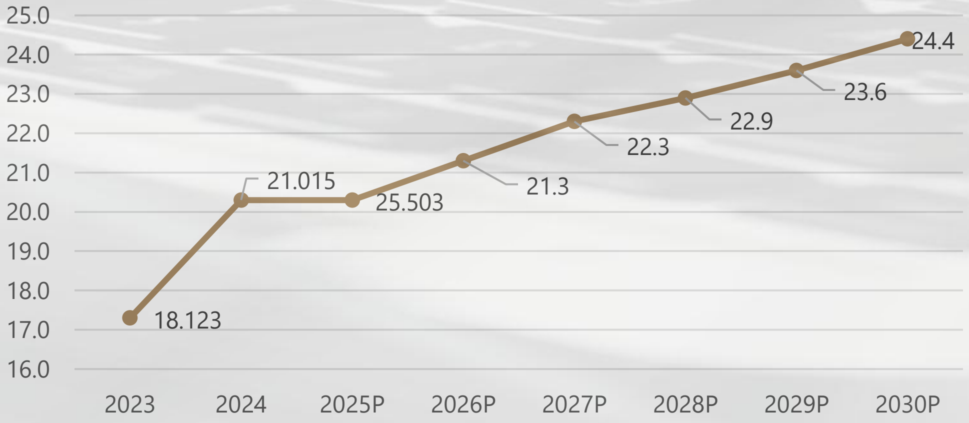
- Jordan demonstrates structural economic stability despite enduring severe external spillovers, trade bottlenecks, and regional volatility.
- Despite limited natural resources, Jordan benefits from a well-educated labor force, strong banking and financial institutions, and consistent government commitment to fiscal discipline. So, the country's primary structural vulnerability remains its labor market
- Real GDP growth has remained moderate, supported by services, remittances, and foreign investment inflows. Ongoing structural reforms, particularly in energy diversification, digitalization, and business climate enhancement are positioning Jordan as a stable investment hub in a turbulent region.

Nominal and Real GDP ($ bn)

Inflation Rate (%)



Gross International Reserves ($bn)

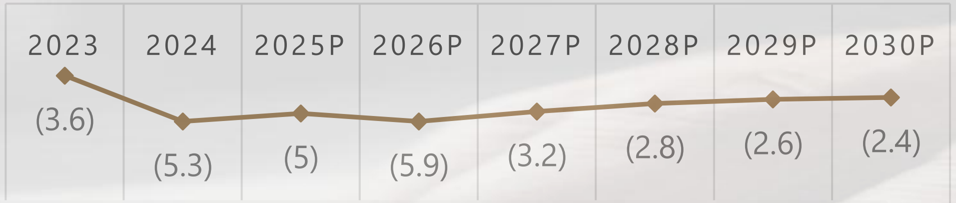


Gross International Reserves are estimated based on IMF projections; note actual CBJ-reported reserves reached $26.1bn as of end-June 2026, above this IMF-based estimate for the year.

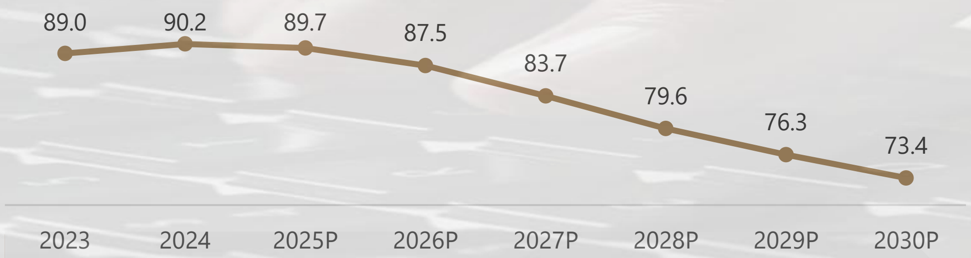
Jordan: Macroeconomic Overview (Contd.)

- Inflation remains contained, running around 1.8%–2.3% through 2026–27, reflecting the prudent monetary policy by the Central Bank of Jordan and the strength of the dinar's peg to the U.S dollar.
- Based on this, Jordan holds the strongest foreign currency reserves ever , and there are no signs of dollarization, instead, depositors are increasingly converting their saving from us dollar to Jordanian dinar.
- This shift reflects growing confidence in the local currency and supports overall monetary stability.
- For the monetary policy, the fiscal deficit is gradually narrowing due to stronger tax revenues and restrained current spending, while public debt stood at roughly 90% of GDP in 2024, with authorities targeting a decline to about 80% of GDP by 2028.
- On the external front, remittances and tourism receipts are cushioning the current account, and foreign reserves remain ample.
- Looking ahead, Jordan's growth outlook is constructive, anchored in structural reforms, digital transformation, and renewed regional investment momentum, particularly from Gulf partners.
- Transforming macroeconomic stability into private sector-led job creation, while addressing systemic climate risks like acute water scarcity, remains the primary domestic imperative

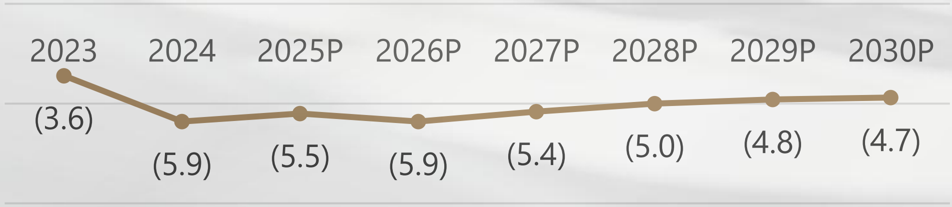
Current Account Balance (% of GDP)



Net Debt to GDP (%)



Jordan Government Fiscal policy trends



Jordan’s Macroeconomic Overview (Contd.)

Jordan’s Economic Resilience Amid Regional Pressures

- Despite regional tensions including the US-Iran war that erupted in February 2026, and the ceasefire reached in April 2026 , Jordan’s key economic indicators are expected to remain within a stable range, broadly in line with prior trends, provided tensions do not escalate again.

- The Central Bank of Jordan launched a new precautionary package worth roughly JOD 760 million in April 2026, building on the deployed in mid-2025, combining liquidity injections with targeted sectoral support, especially for tourism, where receipts fell around 9.2% (~JOD2.1 billion) in the first five months of 2026 amid renewed tensions.

- Banking liquidity was further enhanced in 2026 through an additional 2 percentage-point cut in reserve requirements (~JOD 700 million) and continued CD drawdowns (~JOD 400 million since June 2025), expanding lending capacity while the policy rate was held at 5.75%.

- Concessional financing for tourism, with government-covered interest, preserves operations, safeguards jobs, and positions the sector for faster recovery once conditions stabilize.

- An additional JOD 60 million in support for essential food imports, with high loan guarantees, strengthens supply chains and helps contain inflationary pressures.

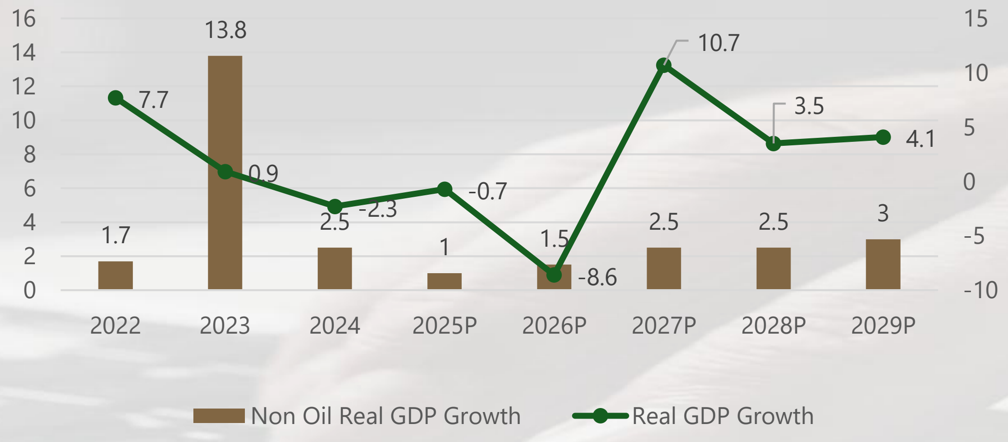
- Overall, these coordinated measures reinforce liquidity, protect critical sectors, and maintain macroeconomic stability while supporting investor confidence.

Iraq's Macroeconomic Overview

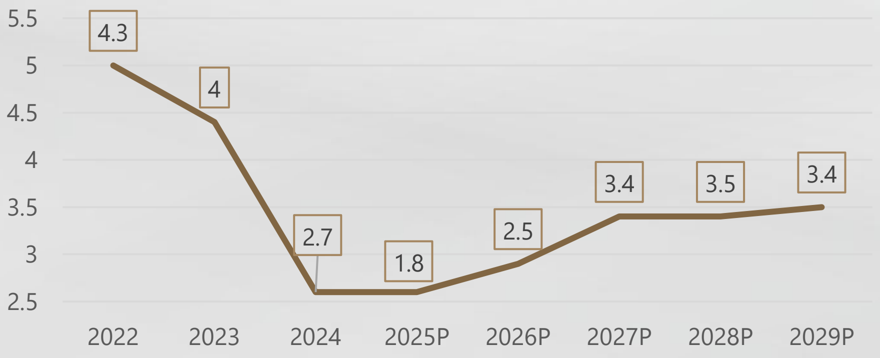
Snapshot of Iraq's Economy

- Iraq's macroeconomic landscape is shaped by oil market dynamics and ongoing fiscal reforms.
- Oil accounts for around 91% of Iraq's merchandise exports and roughly 88% of federal government revenue, though a smaller (still dominant) ~53% of real GDP, making the country highly vulnerable to fluctuations in global oil prices and export disruptions.
- Real GDP growth turned negative in 2025 (around -0.7%) and is projected to contract sharply in 2026 (around -8.6%) after the US-Iran war (Feb–Apr 2026) disrupted oil exports and Gulf shipping, with a rebound expected in 2027 as output normalizes (World Bank, April 2026).
- The non-oil economy driven by construction, retail, and public spending and agriculture continues to expand moderately, supported by higher budget allocations and improving domestic liquidity.

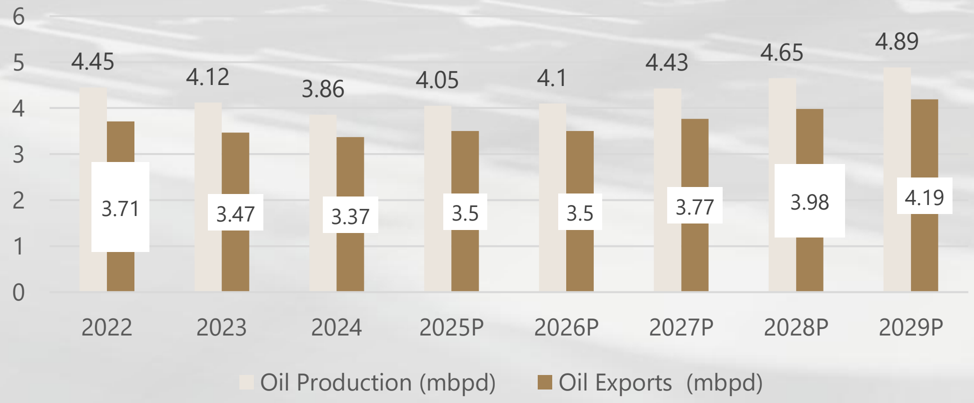
Real GDP Growth % Vs. Non-Oil GDP Growth %



Inflation Rate (%)



Oil Production Vs. Oil Exports



Iraq: Macroeconomic Overview (Contd.)

- Inflation eased to just 0.3% in 2025 on exchange rate stability and lower import prices, though it is projected to pick back up to around 3% in 2026 amid renewed regional disruption.

- Efforts to diversify the economy, enhance governance, and improve electricity supply remain critical for sustainable long-term growth.

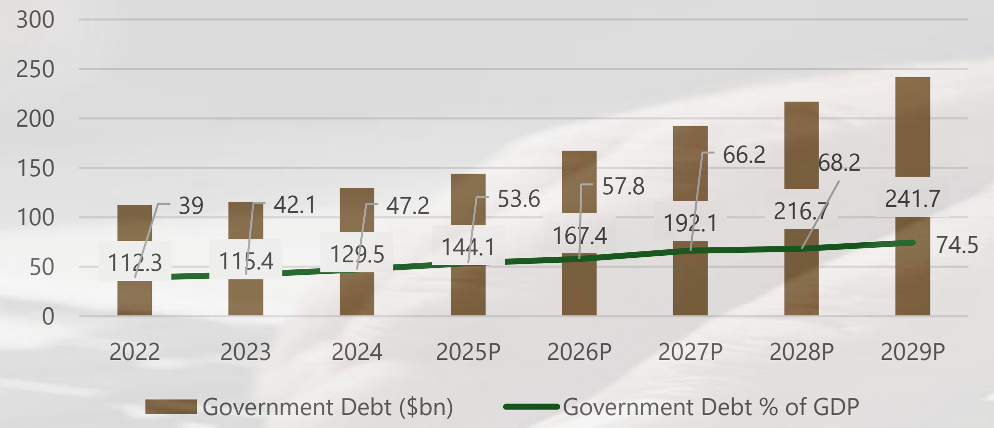
- The outlook is cautiously optimistic, balancing near-term oil gains against structural and institutional constraints.

- Reforms aimed at strengthening governance, modernizing the financial sector, and enhancing the business environment are essential for attracting private investment and fostering sustainable, long-term growth.

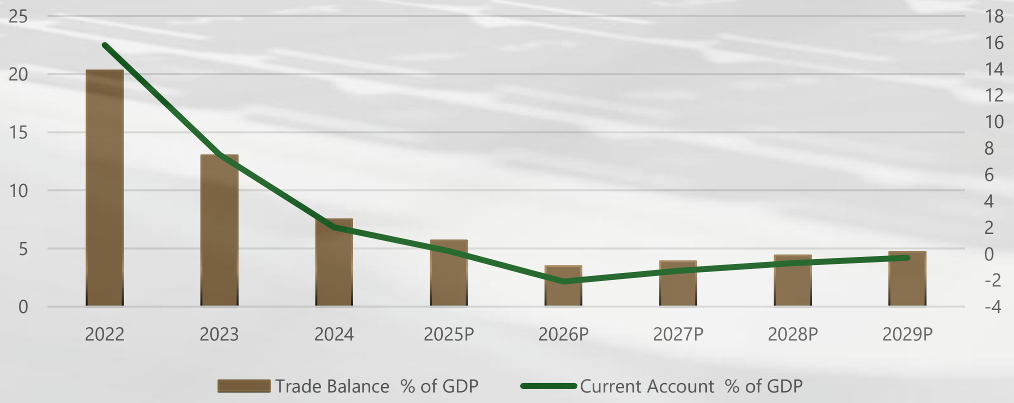
- Around two-thirds of the government's savings would be used to reduce the overall deficit, stabilize public debt albeit only by 2030, while one third would support an increase in non-oil investment by around 20 percent relative to the baseline.

- Priority areas for additional investment could be trade and transportation infrastructure, where Iraq underperforms regional peers.

Iraq's Government Public Debts Trend



Trade Balance Vs. Current Account



Iraq: Macroeconomic Overview (Contd.)

Iraq: Economic Outlook Amid Regional Risks

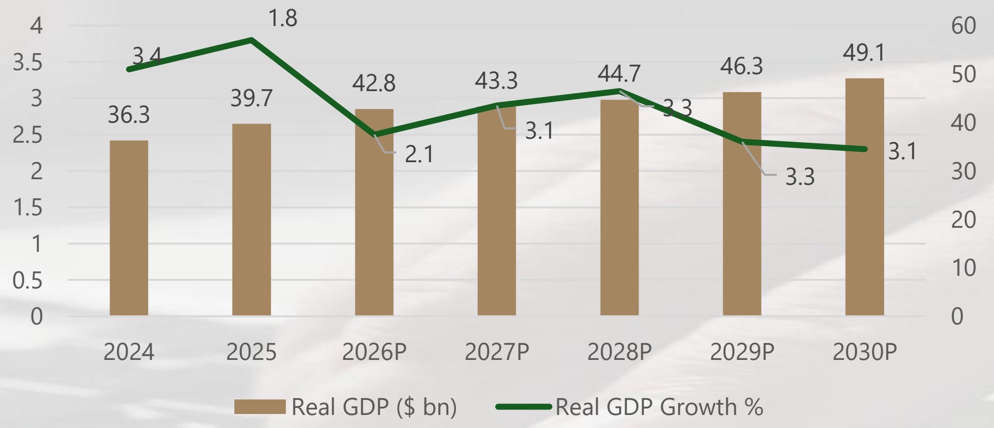
- Iraq's stability was hit hard by the US-Iran war that erupted in February 2026: oil production collapsed from roughly 4.2 mbpd to about ~1.3 mbpd by March 2026, before a partial recovery to ~1.48 mbpd by May following the April 7 ceasefire.
- The disruption cost Iraq up to $7 billion in foregone oil revenue in March 2026 alone, and central bank reserves fell from about $98.7 billion (February 2026) to roughly $90.8 billion by late May 2026.
- Reliance on Iranian gas and electricity makes infrastructure vulnerable to supply shocks, while security risks deter international oil majors.
- Political paralysis, potential militia activity, and a new OPEC+ quota dispute , with Iraq pushing for a 5 mbpd production ceiling, underscore the fragility of the Iraqi economic environment.

Cyprus's Macroeconomic Overview

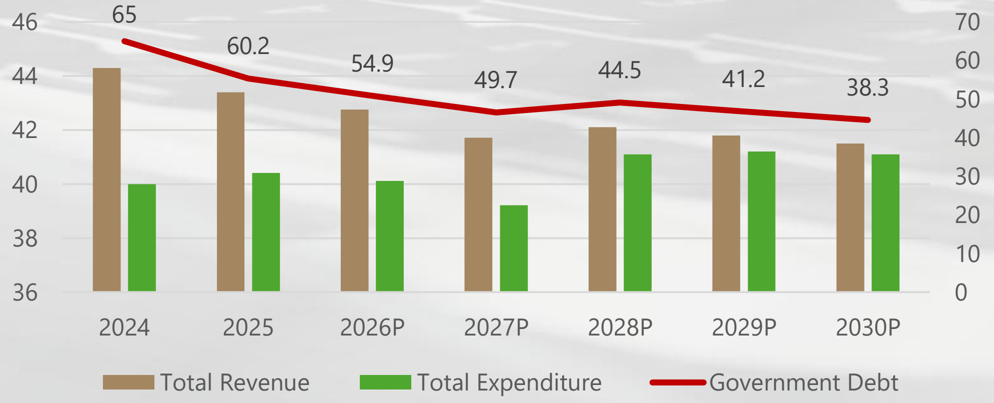
Snapshot of Cyprus's Economy

- As a small, open Eurozone economy, Cyprus represents an advanced service-driven model characterized by high convergence and strong institutional frameworks.
- Real GDP grew 3.8% in 2025 (CYSTAT, preliminary) underpinned by strong domestic demand, tourism recovery, and expanding financial and ICT services, before moderating to around 2.5% in 2026 amid Middle East-related headwinds and reaccelerating toward 3% in 2027-28 (Central Bank of Cyprus, June 2026).
- Inflation averaged just 0.83% in 2025, though the Central Bank of Cyprus revised its 2026 forecast up sharply to 3.2% amid Middle East-driven energy price pressure; unemployment fell to 4.4% in 2025 and continued declining into 2026, reaching 3.1% by May, reflecting a resilient labor market.
- The fiscal balance remains in surplus, supported by prudent public finances and robust revenue collection, which drove public debt to GDP down to about 55% by the end of 2025; already on track to fall below 50% during 2026, one to two years ahead of earlier projections (IMF Fiscal Monitor, April 2026).
- Cyprus continues to leverage its strategic geographic position, EU membership, and sound regulatory framework to attract foreign investment in technology, renewable energy, and professional services.
- The medium-term outlook is positive, anchored in fiscal discipline, digital transition, and energy sector development.

Nominal and Real GDP Growth



Cyprus Fiscal Policy main Drivers(% of GDP)



البنك الأردني الكويتي
JORDAN KUWAIT BANK
Years of Being More than Just a Bank

Thank You

For more information, please contact:

: Financial_Analysis@jkbank.com.jo

: +962 6 562 9400, 5401

jkb.com | jkb.com.cy | bankofbaghdad.com.iq | ufico.com | ejarahleasing.com