



البنك الأردني الكويتي
JORDAN KUWAIT BANK

"More than just a bank"

JKB Group

Q1 2024

Presentation to Investors and Analysts

Index

- 01 About JKB
About, The Logan & Commitment,
VMV, Journey, Our Team, Services
and Network
- 02 Credit Rating
Branches, ATMs
- 03 Awards & Recognitions
Awards and ISO Certifications
- 04 Recent Milestone
JKB Accomplishments
- 05 Key Financial Highlights
- 06 Sustainability Reports
- 07 Peer Comparison
- 08 Affiliates & Partners
- 09 Subsidiaries
- 10 Jordan Economy

About

JKB

*About, Slogan & Commitment,
VMV, Journey, Our Team,
Services and Network*

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 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.



More than just a bank

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.

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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.

Vision , Missions & Values



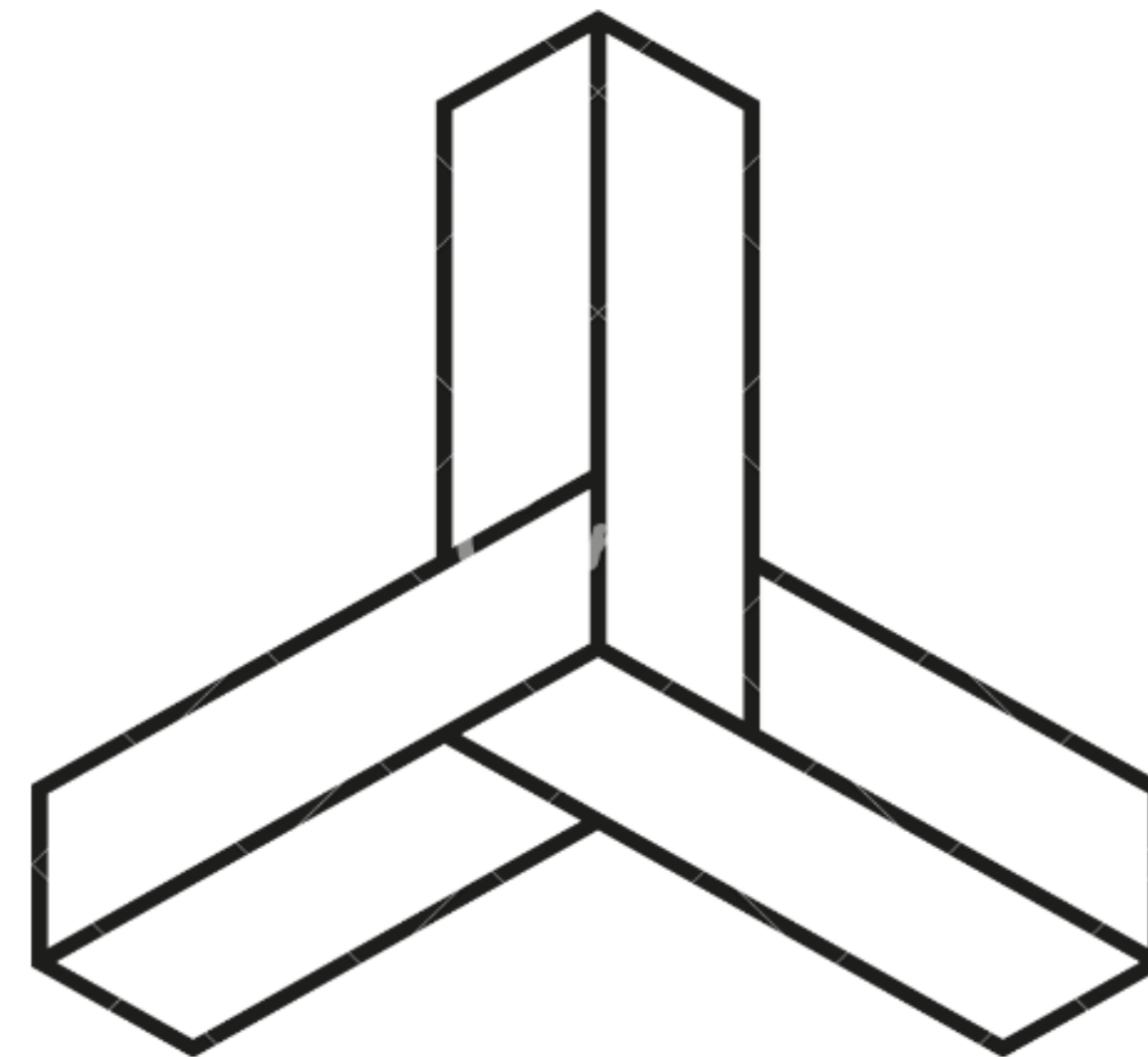
Mission

Providing integrated, tailored, and frictionless banking experience through digitally innovative and agile services.



Value

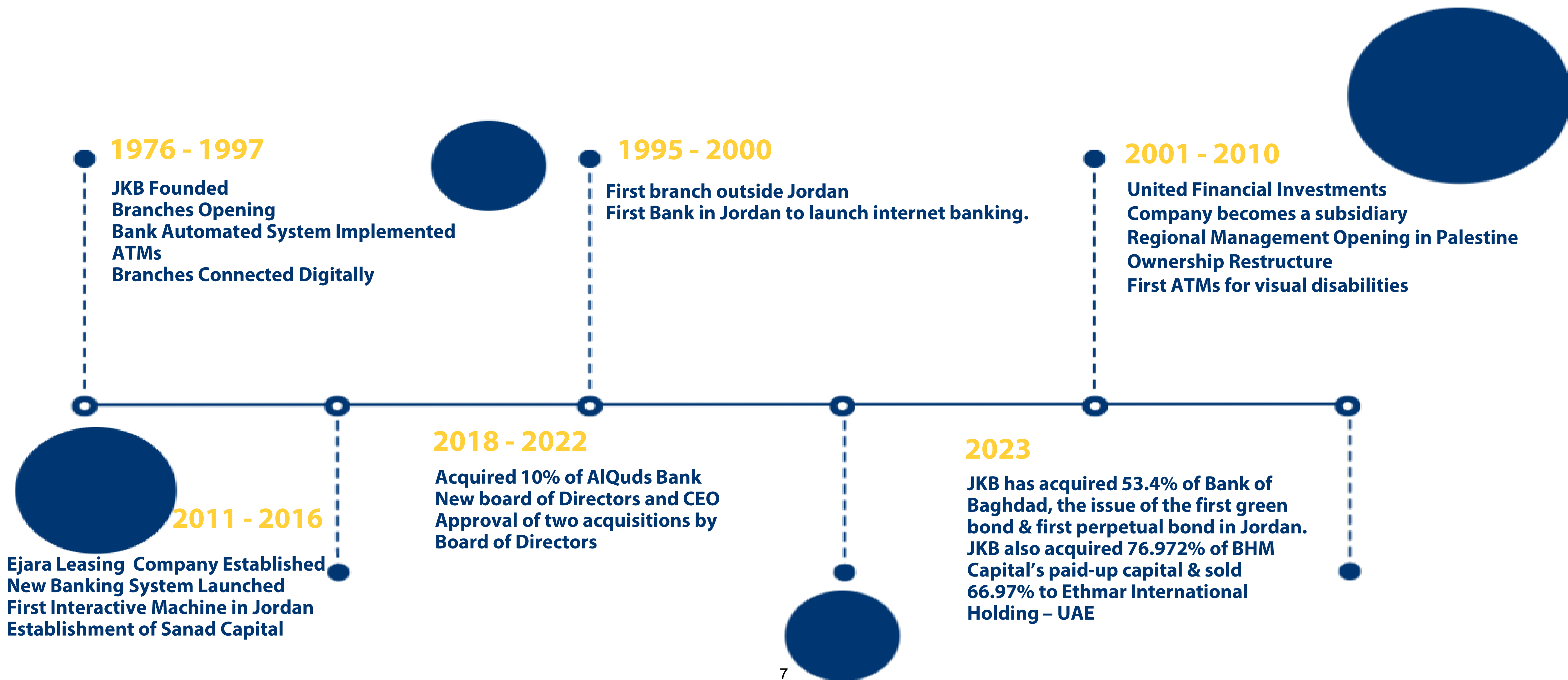
We thrive of empowerment.
We work together.
We treats all stakeholders as family.
We welcome change.
We are corporate citizens.



Vision

To bring the bright future of banking to our customers today.

JKB Journey



Our Team

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



**Haethum Buttikhi
Chief Executive Officer**



Board and Executive Management

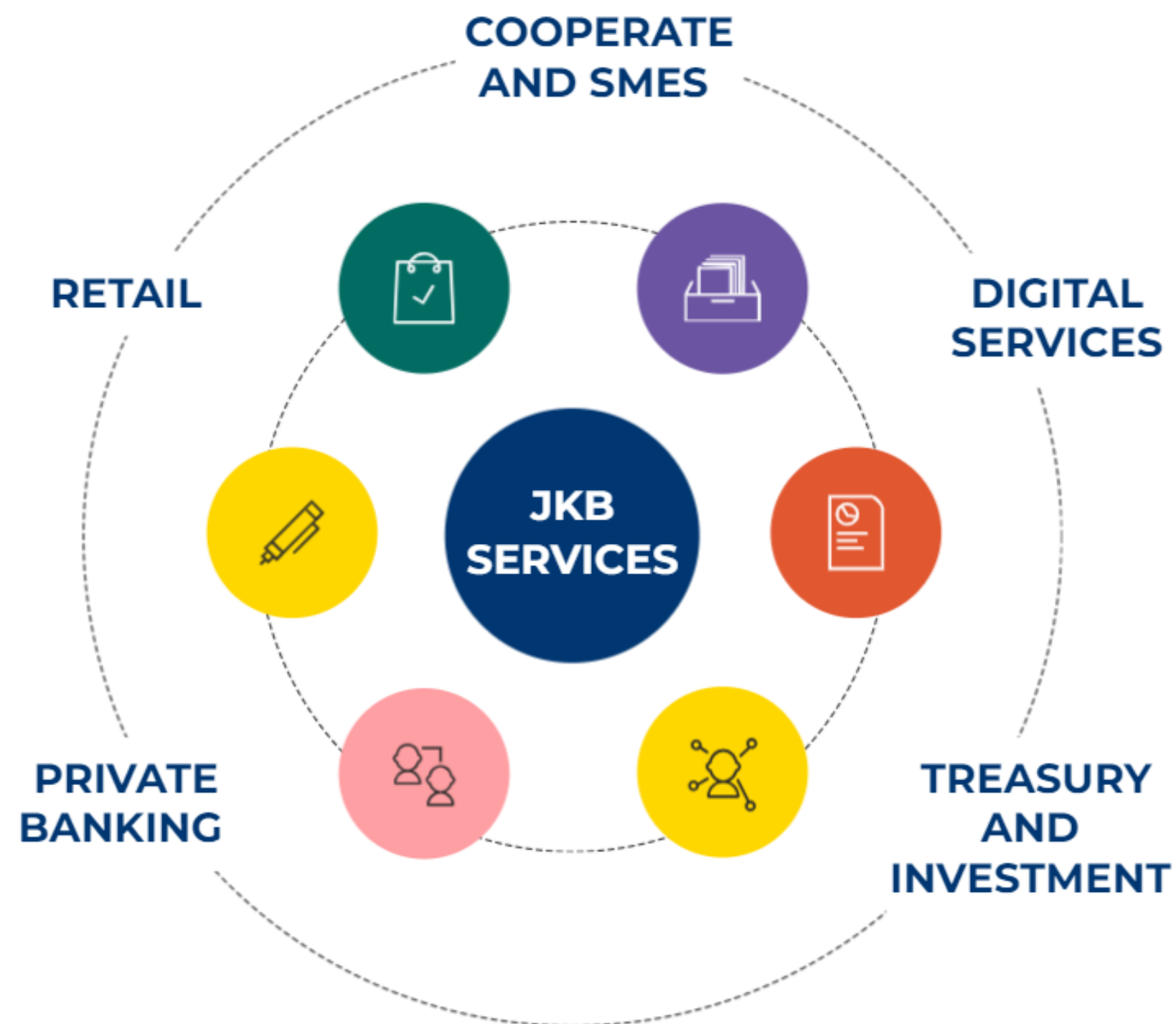


Board Members



Executive Management

Services



RETAIL

Accounts, Loans, Cards, Bancassurance and other services.

1

TREASURY & INVESTMENT

Foreign Exchange, Margin Trading & Asset Management. Investment & International Banking Services. Capital & Money Market Operations.

2

CORPORATE AND SME'S

Small and Mid Size Business Banking Project Finance and Syndications Corporate Bus Services and trade finance services along with other Services.

3

PRIVATE BANKING

Investment Advisory, Portfolio Management, Capital Guaranteed Products and Sharia Complaint Products.

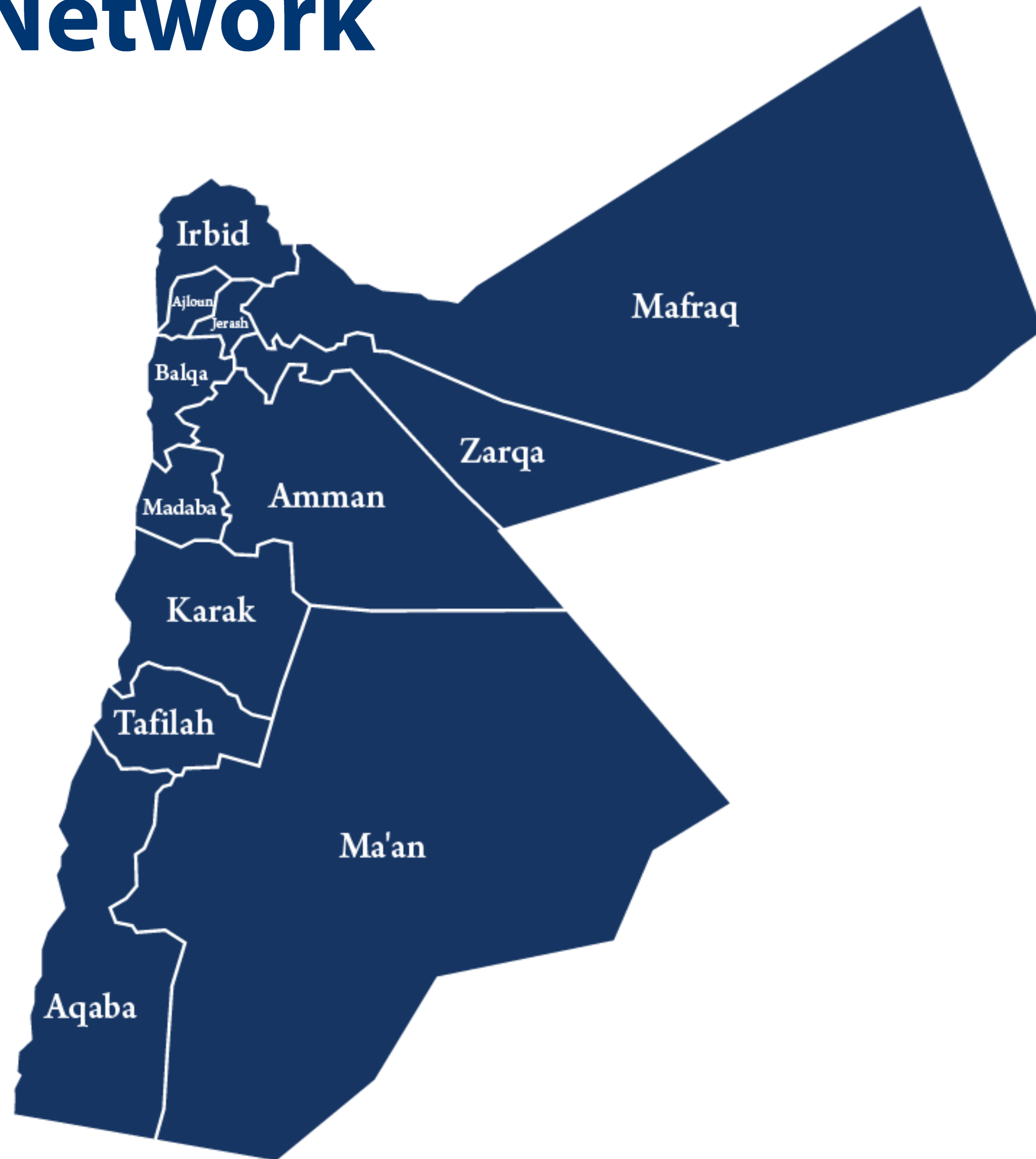
4

DIGITAL SERVICES

JKBMOBILE, JKB Rewards (cash back), JKBFawri, Western Union Digital, ITM, E-fawateercom and ATM Cash Order- ACO Services. SME portal and electronic services, corporate electronic services.

5

Network



City	Branch	ATM
AMMAN	41	82 ATM 6 ITMS
ZARQA	6	5
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 BRRANCH	1	1
CYPRUS - LIMASSOL	2	-
IRAQ - BANK OF BAGHDAD	35	-

Credit Rating



CREDIT RATING

SOVEREIGN	LT	B+
	ST	B
JKB FOREIGN CURRENCY INHERTIANCE PLANNING	LT (POSITIVE OUTLLOOK)	B+
	ST	B
JKB BSR OUTLOOK	BB	
CORPORATE FINANCE	STABLE	

Awards & Recognitions

*Awards and
ISO Certifications*

Awards & Recognitions



Best Bank in Jordan
" By the Banker"



Best Bank for Social Responsibility
in Jordan 2023 " by Global Banking
and Finance Review.



Best Green Project Financing Bank
"By International Finance
Magazine"



" Jordan Best Domestic Private
Banking" by Euromoney



Global Green Bond of the year 2023.



Bank Of Baghdad
Best Bank Iraq 2023 by CFI

Awards & Recognitions



“Best Corporate Bank” and “Best Private Bank” in Jordan 2022 by International Business Magazine



JKB certified as one of the best places to work in Jordan in 2022



“Peacock Best Corporate Banking” award at the World Fintech summit in 2022



JKB’s Headquarters has been LEED GOLD-Certified

ISO Certifications 2023



JKB has successfully obtained the ISO 14001 and ISO 45001 certifications for Sustainability and Workplace Safety



JKB has successfully obtained the ISO27001 Certificate for Information Security Management

Recent Milestone



Merging with Bank Al Etihad

The Board of Directors decided to kick-off the necessary technical, financial and legal valuation to assess the concept of merging with Bank Al Etihad. Based on the outcome, the appropriate decision will be taken. This issue is still in the preliminary evaluation stage.



البنك الأردني الكويتي
JORDAN KUWAIT BANK

" More than just a bank "



Bank Of Baghdad PPA

As per IFRS 3, the bank has finalized the purchase price allocation (PPA) which resulted in additional gains of around USD 36.4 mn as intangible assets/core deposits intangibles (CDI). This matter was discussed with the external auditors and the Central Bank of Jordan which advised us not to book these assets/income as they will be amortized on the upcoming few years and due to the economic uncertainty and the sustainability in deposits.

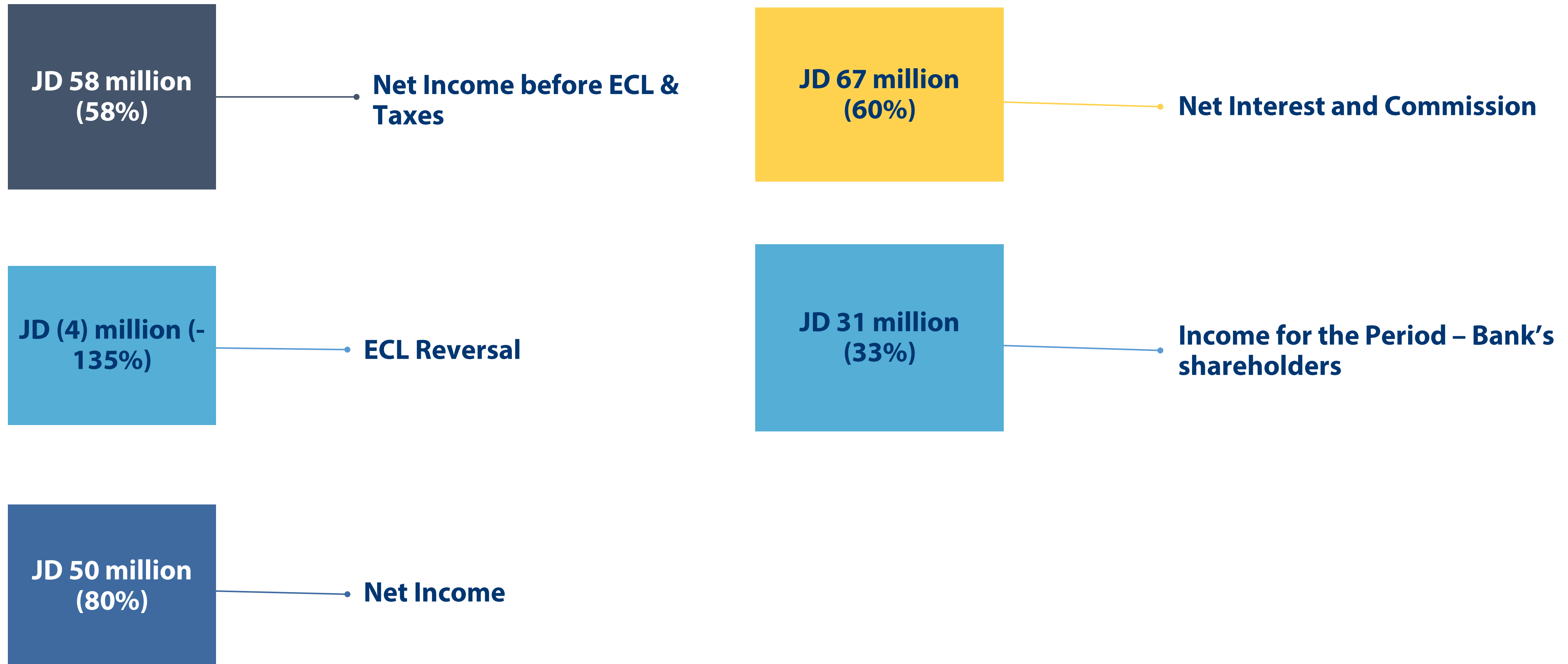


مصرف بغداد
Bank of Baghdad

Key Financial Highlights & Sustainability Reports

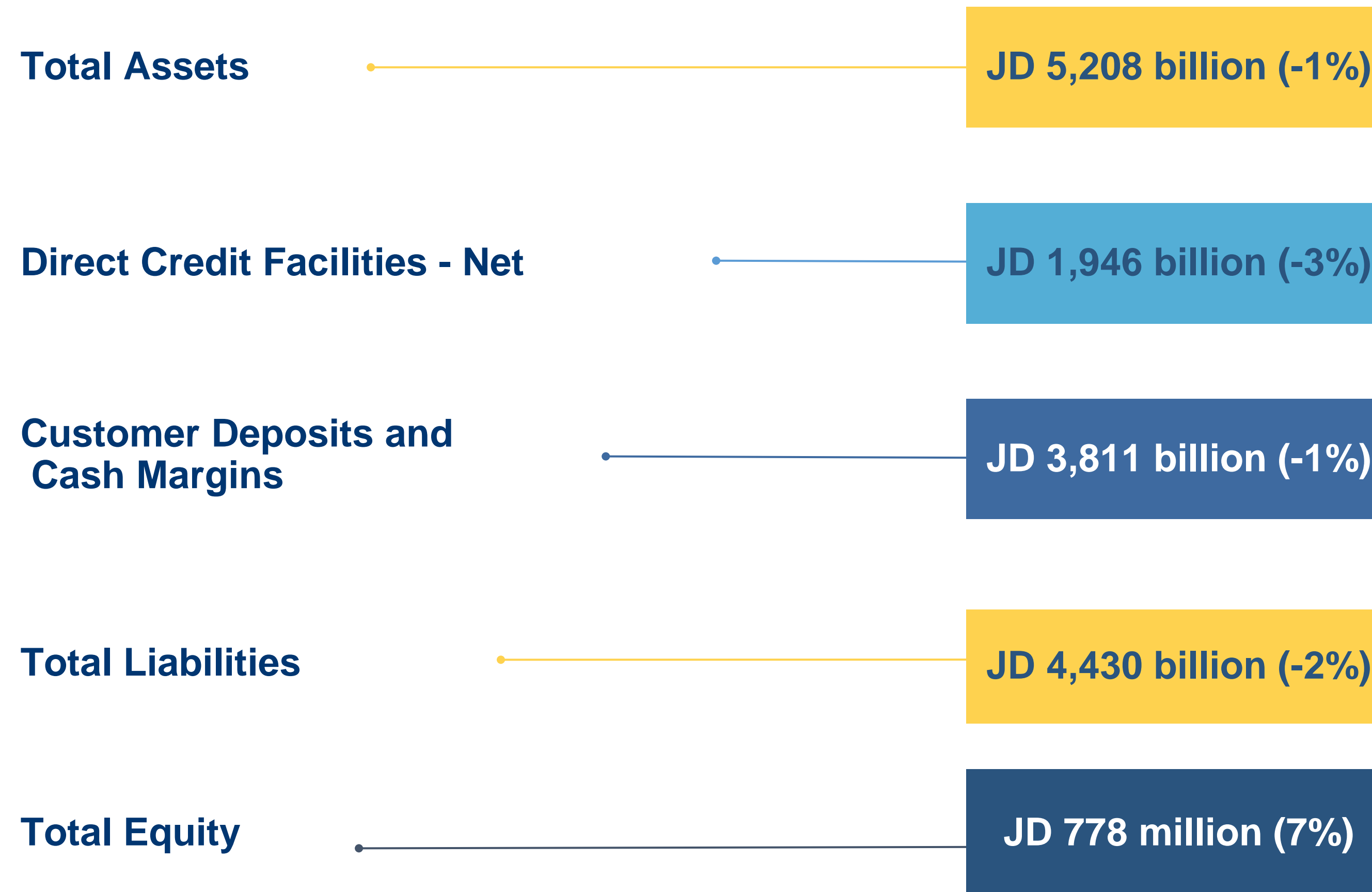
Key Consolidated Financial Performance Figures

For the Period Ended at 31.03.2024



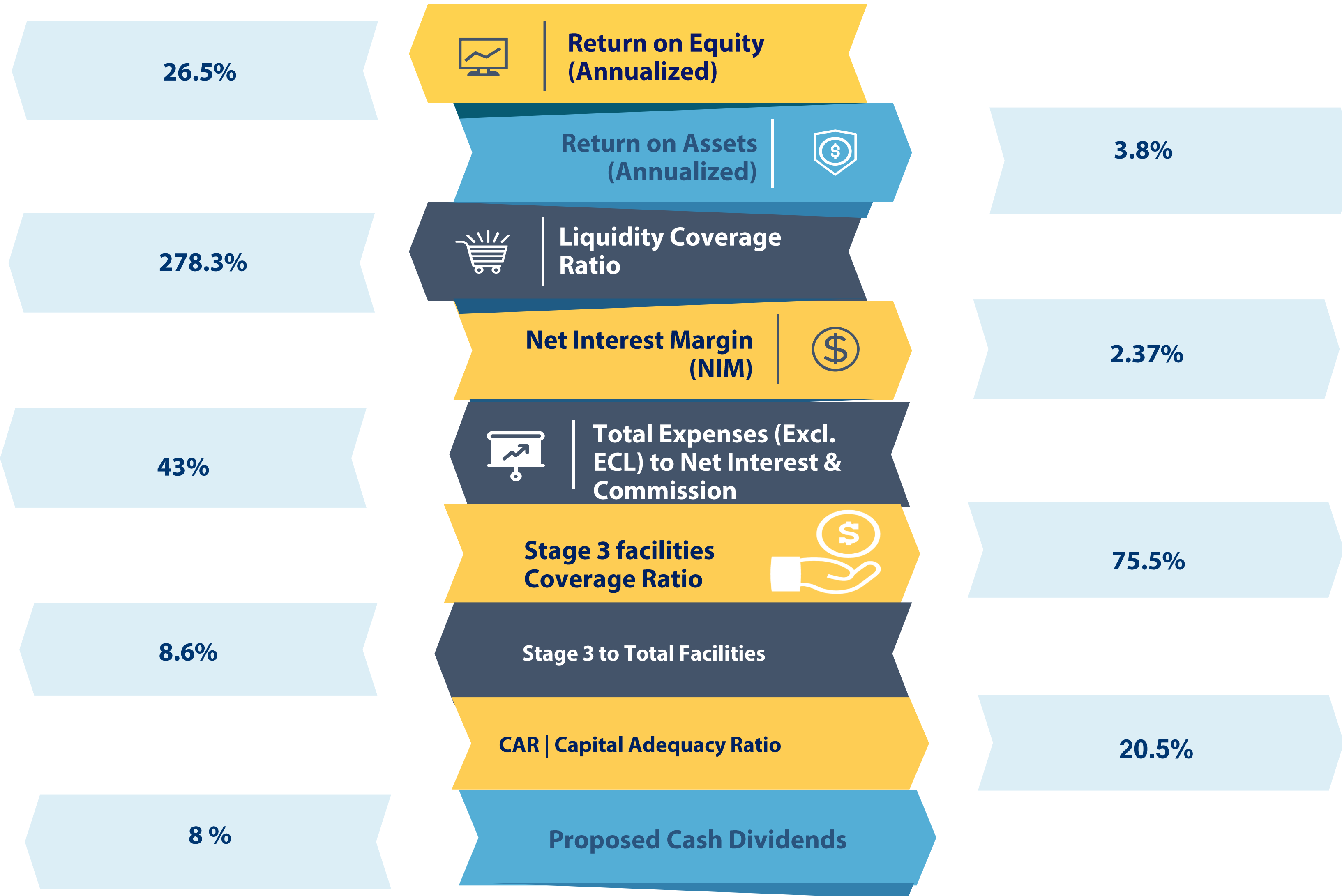
Key Consolidated Financial Position Balances

As at 31.03.2024



Consolidated Financial Ratios

As at 31.03.2024



Consolidated Statement of Financial Position – Period Ended 31-03-2024

JD mn

	31-Mar-24	31-Dec-23	Change	%
Assets				
Cash and balances with Central Banks	1,076	1,072	3.3	0%
Balances at banks and financial institutions	430	540	(110.1)	-20%
Direct credit facilities - net	1,946	2,007	(60.7)	-3%
Financial assets at fair value through P/L	6	25	(18.7)	-76%
Financial assets at fair value through other comprehensive income	120	116	3.5	3%
Financial assets at amortized cost	1,261	1,123	138.3	12%
Fixed assets – net	81	80	0.5	1%
Intangible assets – net	13	12	1.3	11%
Deferred tax assets	55	59	(3.7)	-6%
Right of use of leased assets	13	13	0.1	1%
Held for sale assets	21	23	(1.6)	-7%
Other assets	187	175	12.0	7%
Total assets	5,209	5,244	(35.9)	-1%

JD mn

	31-Mar-24	31-Dec-23	Change	%
Liabilities				
Bank and financial institutions deposits	32.9	69.6	-36.7	-53%
Customers' deposits	3670.1	3707.1	-37.0	-1%
Cash margins	141.2	140.0	1.3	1%
Borrowed funds	352.1	363.2	-11.1	-3%
Other Provisions	21.2	20.3	1.0	5%
Bonds - IFC	0.0	0.0	0.0	0%
Green Bonds	35.5	35.5	0.0	0%
Income tax provision	31.9	32.6	-0.7	-2%
Deferred tax liabilities	4.1	3.5	0.6	16%
Liabilities against right of use of leased assets	12.6	12.8	-0.2	-1%
Other liabilities	128.4	132.4	-4.0	-3%
Total liabilities	4,430.1	4,516.9	-86.8	-2%

JD mn

	31-Mar-24	31-Dec-23	Change	%
Equity				
Paid-in capital	150.0	150.0	0.0	0%
Perpetual bonds	89.0	89.0	0.0	0%
Statutory reserve	106.4	106.4	0.0	0%
Voluntary reserve	110.9	110.9	0.0	0%
Financial assets revaluation reserve	22.5	20.0	2.5	12%
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	-1.9	-1.5	-0.4	28%
Retained earnings	141.4	143.3	-1.9	-1%
Income for the period	30.6	0.0	30.6	100%
Total equity - Bank's shareholders	645.9	614.7	31.2	5%
Non-controlling interests	132.5	112.8	19.7	18%
Total equity	778.4	727.5	50.9	7%
Total liabilities and equity	5,208.5	5,244.4	-35.9	-1%

Consolidated Statement of Income For the Period ended March 31

	2024	2023	Change	
<i>JD mn</i>				%
Interest income	67.3	56.9	10.4	18%
Less: Interest expense	36.2	25.2	11.0	44%
Net interest income	31.1	31.7	-0.6	-2%
Commission income	35.4	10.0	25.4	256%
Net interest and commission income	66.5	41.7	24.8	60%
Foreign currency exchange gain	16.2	5.5	10.7	193%
Gain from financial assets (Investments portfolio)	0.7	8.9	-8.2	-92%
Other income	3.1	5.1	-2.0	-40%
Gross income	86.6	61.3	25.3	41%

For the Period ended March 31

JD mn

	For the Period ended March 31			
	2024	2023	Change	%
Employees' expenses	12.8	11.6	1.2	11%
Depreciation and amortization	2.0	1.7	0.3	18%
Expected credit losses	-4.6	11.0	-15.5	-142%
Other provisions	1.8	1.1	0.7	59%
Other expenses	12.8	10.1	2.6	26%
Total expenses	24.7	35.5	-10.7	-30%
Gain from acquisition	0.0	8.9	-8.9	-100%
Profit for the Period before income tax	61.8	34.7	27.2	78%
Income tax expense	12.0	7.0	5.1	72%
Net Income for the Period	49.8	27.7	22.1	80%
Pertains to:				
Bank's Shareholders	30.6	23.0	7.7	33%
Non-Controlling Interest	19.2	4.7	14.5	306%

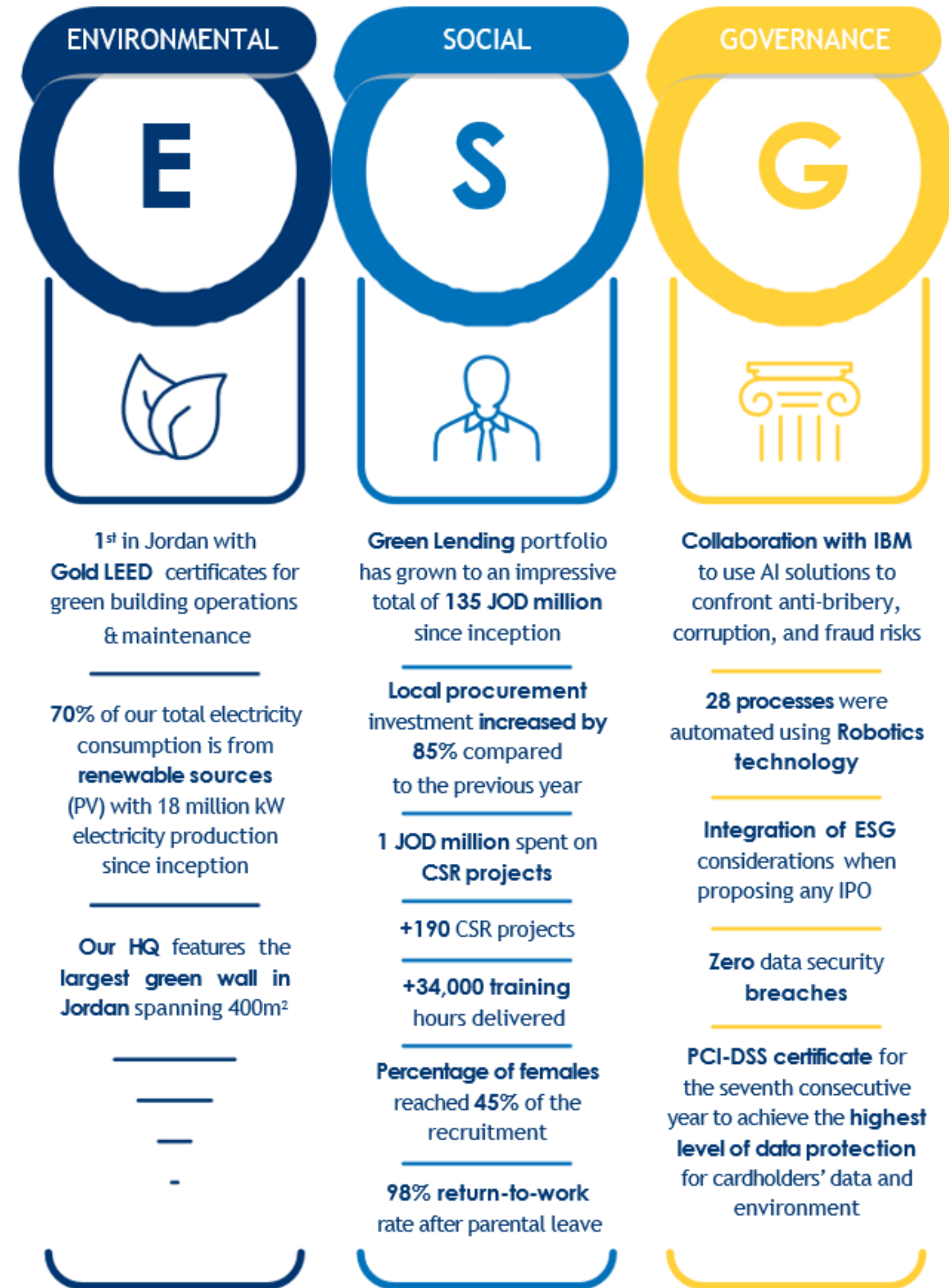
Sustainability Reports



2022 Highlights

As we continue to prioritize sustainability, Jordan Kuwait Bank made significant strides in 2022.

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 governance.



Financial & Sustainability Reports



JKB Financial Reports

[Click Here to view](#)



JKB Sustainability Reports

[Click Here to view](#)

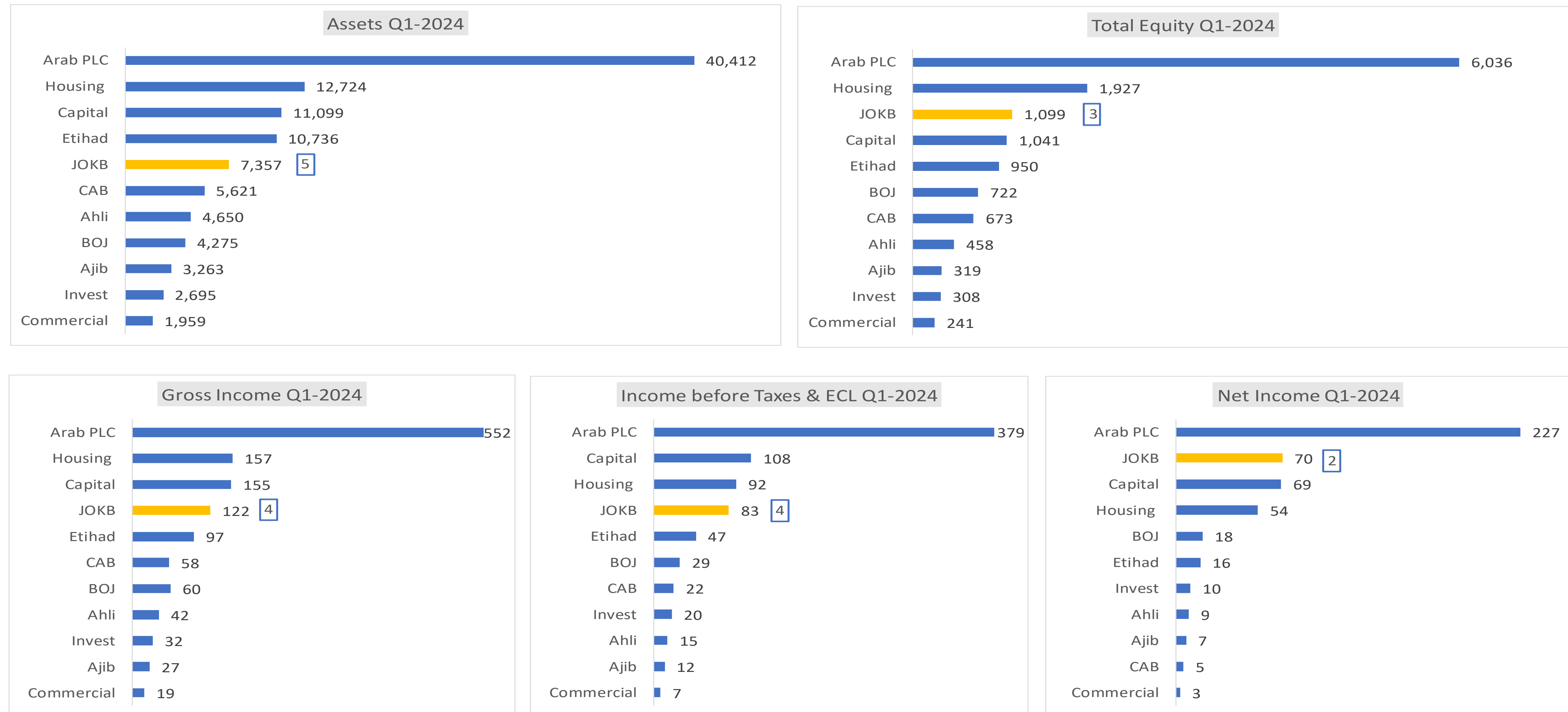
Peer Comparison



Peer Comparison Q1 2024 – Top 3

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

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

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/>



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).

Subsidiaries





United Financial Investments Company (UFICO) was established in 1980 to be later listed in 1996 (Ticker: UCFI). UFICO is considered one of the best brokerage firms and financial services companies operating in Jordan as it depends on the latest technology and direct electronic link with global financial markets. In 2002, UFICO became a subsidiary of Jordan Kuwait Bank.

In October 2021, UFICO acquired Sanad Capital, a fully-owned subsidiary of Jordan Kuwait Bank. Sanad Capital was established in 2016 and offers a wide range of financial advisory services including lead managing stocks and bonds issuances, financial advisory services to companies and family groups, in addition to offering financial investment opportunities.

UFICO also acquired Al Mawared Brokerage in Q2 2022, previously a subsidiary of Invest Bank, offering brokerage services.

During December 2022, UFICO acquired Arab Financial Investment Company ("AFIN") which offers local and foreign brokerage services.



Ejara Leasing Company (Ejara) was established in 2011, as a private shareholding company with a paid-up capital of JD 20 million, fully owned by the Bank.

Ejara aims to provide innovative and high-quality leasing services to supplement the banking and financing services offered at Jordan Kuwait Bank to be in line with the developments in the financial market, meet the needs of the Bank's clients and support the various economic activities, while developing the concept of financial leasing and providing the Bank's clients with different financing alternatives.



BoB is one of the largest private commercial banks in Iraq with a paid-up capital of IQD 300 billion. BoB provides trusted high-quality financial services through offering its commercial and international services to small and medium enterprises, including commercial real estate and construction loans, credit services, letters of credit and trade finance, in addition to individual customers' services which include a full range of savings accounts, loans through its Head office and 33 branches covering all governates in Iraq in addition to 1 branch located in Lebanon.

Jordan Economy



Key Indicators

Nonetheless, due to its substantial reserve buffers, the Central Bank's gross foreign reserves remained at an adequate level. while Jordan continues to retain investors' confidence and access to foreign financial markets.

2023 Projected Real GDP (% Change)

2.7

Inflation rate. average consumer prices

2.6

Country Population

10.32
M

Unemployment Rate

22.9

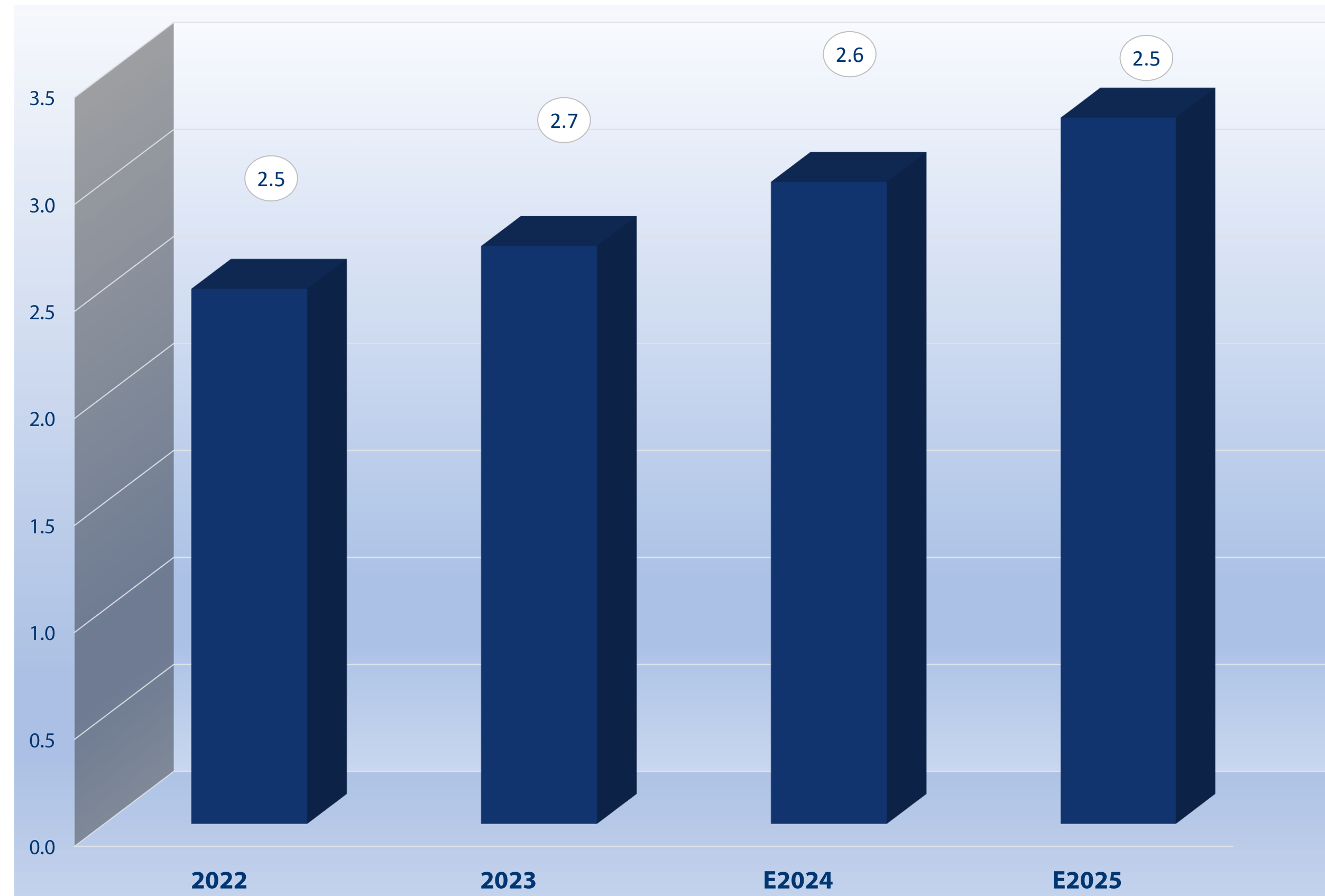
Current account balance. (% of GDP)

-7.6

General government gross debt (% of GDP)

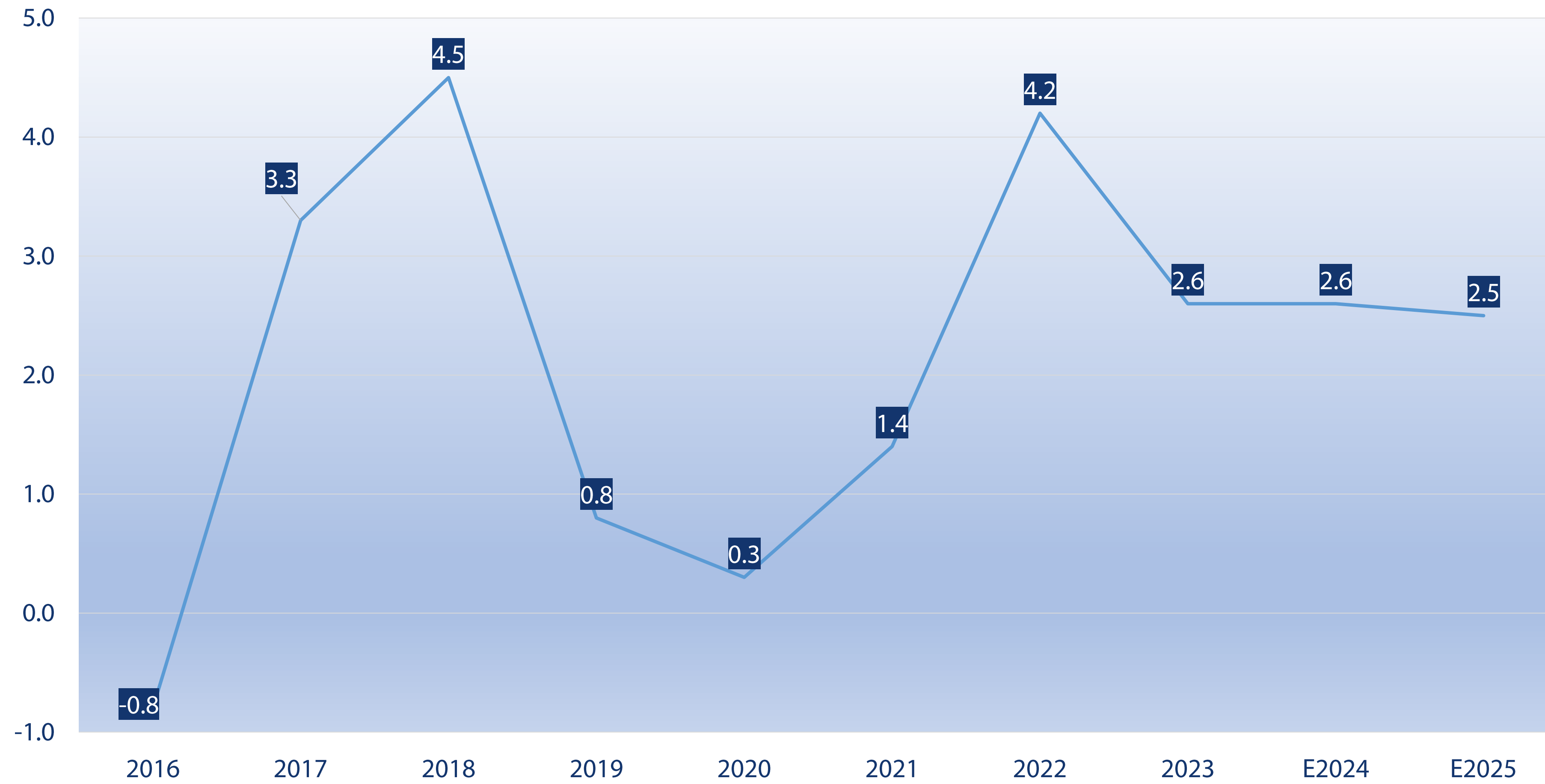
93.8

Economic Growth %



**Source: IMF website*

Inflation in Jordan



Sources: International Monetary Fund

Interest on Monetary policy instrument and open market operations at CBJ rate

Description	Rate (July 2023)
CBJ main Rate	7.50%
Re-discount Rate	8.50%
Overnight Deposit Window Rate	7.25%
Repurchase agreements Interest Rate	8.25%
Repurchase agreements Interest Rate – One week/ One month	7.50%
Certificate of Deposit Interest Rate – One week	7.50%

Source: Central Bank of Jordan



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JORDAN KUWAIT BANK

"More than just a bank"

Contact Details

**Head Office 62 Ummaya Bin Abed Shams Street
Abdali, Amman**

P.O. Box: 9776 Amman, 11191 Jordan

Contact: Finance Department

Telephone: (+962 6) 5629400/Ext. 5401

Email: Financial_Reporting@jkbank.com.jo

Website: www.Jkb.com

Thank You

jkb.com