

**NATIONAL BANK OF KUWAIT GROUP**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION**

**31 MARCH 2026 (UNAUDITED)**



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## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF NATIONAL BANK OF KUWAIT S.A.K.P.**

### *Introduction*

We have reviewed the accompanying interim condensed consolidated statement of financial position of National Bank of Kuwait S.A.K.P. (the “Bank”) and its subsidiaries (collectively the “Group”) as at 31 March 2026, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three months period then ended. The management of the Bank is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.

### **Report on Other Legal and Regulatory Requirements**

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Bank. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulation, as amended, or of the Bank’s Memorandum of Incorporation and Articles of Association, as amended, during the three months period ended 31 March 2026 that might have had a material effect on the business of the Bank or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business, and its related regulations, during the three months period ended 31 March 2026 that might have had a material effect on the business of the Bank or on its financial position.

BADER A. AL-ABDULJADER

LICENCE NO. 207 A

EY

AL AIBAN, AL OSAIMI & PARTNERS

BADER A. AL-WAZZAN

LICENCE NO. 62 A

DELOITTE & TOUCHE

AL-WAZZAN & CO.

23 April 2026

Kuwait

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

31 March 2026 (Unaudited)

	Notes	Three months ended 31 March	
		2026 KD 000's	2025 KD 000's
Interest income		459,024	437,304
Interest expense		265,183	251,877
<b>Net interest income</b>		<b>193,841</b>	<b>185,427</b>
Murabaha and other Islamic financing income		123,390	118,182
Finance cost and Distribution to depositors		69,174	66,850
<b>Net income from Islamic financing</b>		<b>54,216</b>	<b>51,332</b>
<b>Net interest income and net income from Islamic financing</b>		<b>248,057</b>	<b>236,759</b>
Net fees and commissions		58,416	55,274
Net investment income		9,849	7,819
Net gains from dealing in foreign currencies		14,146	11,299
Other operating income (loss)		689	(474)
<b>Non-interest income</b>		<b>83,100</b>	<b>73,918</b>
<b>Net operating income</b>		<b>331,157</b>	<b>310,677</b>
Staff expenses		68,244	62,046
Other administrative expenses		44,747	41,152
Depreciation of premises and equipment		13,406	12,138
Amortisation of intangible assets		412	412
<b>Operating expenses</b>		<b>126,809</b>	<b>115,748</b>
<b>Operating profit before provision for credit losses and impairment losses</b>		<b>204,348</b>	<b>194,929</b>
Provision charge for credit losses and impairment losses	3	26,780	21,528
<b>Operating profit before taxation</b>		<b>177,568</b>	<b>173,401</b>
Taxation	4	30,917	28,264
<b>Profit for the period</b>		<b>146,651</b>	<b>145,137</b>
<b>Attributable to:</b>			
Shareholders of the Bank		135,452	134,083
Non-controlling interests		11,199	11,054
		<b>146,651</b>	<b>145,137</b>
<b>Basic earnings per share attributable to shareholders of the Bank</b>	5	<b>13 fils</b>	<b>14 fils</b>

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

31 March 2026 (Unaudited)

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2026</b>	<b>2025</b>
	<b>KD 000's</b>	<b>KD 000's</b>
<b>Profit for the period</b>	<b>146,651</b>	<b>145,137</b>
<b>Other comprehensive income (loss)</b>		
Investment in debt securities measured at FVOCI:		
Net change in fair value	<b>(105,579)</b>	(14,639)
Net transfer to interim condensed consolidated statement of income	<b>11,715</b>	8
	<b>(93,864)</b>	(14,631)
Exchange differences on translation of foreign operations	<b>(25,614)</b>	11,031
<b>Other comprehensive loss for the period reclassifiable to interim condensed consolidated statement of income in subsequent periods</b>	<b>(119,478)</b>	(3,600)
Net gain on investments in equity instruments designated at FVOCI	<b>67</b>	87
Actuarial loss in respect of defined benefit plans	<b>(9)</b>	-
<b>Other comprehensive income for the period not reclassifiable to interim condensed consolidated statement of income in subsequent periods</b>	<b>58</b>	87
<b>Other comprehensive loss for the period</b>	<b>(119,420)</b>	(3,513)
<b>Total comprehensive income for the period</b>	<b>27,231</b>	<b>141,624</b>
<b>Attributable to:</b>		
Shareholders of the Bank	<b>20,898</b>	130,483
Non-controlling interests	<b>6,333</b>	11,141
	<b>27,231</b>	<b>141,624</b>

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 March 2026 (Unaudited)

		Audited 31 December 2025	31 March 2026	Audited 31 March 2025
	Notes	KD 000's	KD 000's	KD 000's
<b>Assets</b>				
Cash and short term funds		4,878,491	4,456,454	4,685,431
Central Bank of Kuwait bonds		30,605	13,882	333,535
Kuwait Government treasury bonds		847,019	965,875	150,134
Deposits with banks		2,106,526	2,078,408	1,766,564
Loans, advances and Islamic financing to customers	6	26,815,568	27,284,550	24,606,812
Investment securities		9,151,443	9,480,795	8,275,902
Land, premises and equipment		543,691	543,593	523,905
Goodwill and other intangible assets		507,103	506,704	510,324
Other assets		732,398	770,897	794,215
<b>Total assets</b>		<b>45,612,844</b>	<b>46,101,158</b>	<b>41,646,822</b>
<b>Liabilities</b>				
Due to banks		5,473,308	5,758,715	5,209,279
Deposits from other financial institutions		3,653,222	3,606,755	3,440,262
Customer deposits		26,064,003	25,867,156	23,507,862
Commercial papers and certificates of deposit issued		2,131,284	2,450,741	1,740,837
Other borrowed funds		1,559,614	1,621,391	1,459,082
Other liabilities		1,081,166	1,452,698	1,222,915
<b>Total liabilities</b>		<b>39,962,597</b>	<b>40,757,456</b>	<b>36,580,237</b>
<b>Equity</b>				
Share capital	7	874,277	874,277	832,644
Proposed bonus shares	7	43,713	43,713	41,633
Share premium account		803,028	803,028	803,028
Statutory reserve		437,140	437,140	416,324
Retained earnings		2,171,979	2,292,812	2,104,100
Proposed cash dividend	7	305,997	-	-
Other reserves	7	(66,604)	(181,158)	(168,812)
Equity attributable to shareholders of the Bank		4,569,530	4,269,812	4,028,917
Perpetual Tier 1 Capital Securities	8	455,335	455,335	439,032
Non-controlling interests		625,382	618,555	598,636
<b>Total equity</b>		<b>5,650,247</b>	<b>5,343,702</b>	<b>5,066,585</b>
<b>Total liabilities and equity</b>		<b>45,612,844</b>	<b>46,101,158</b>	<b>41,646,822</b>

Hamad Mohamed Al-Bahar  
Chairman

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

31 March 2026 (Unaudited)

	Notes	Three months ended 31 March	
		2026 KD 000's	2025 KD 000's
<b>Operating activities</b>			
Profit for the period		146,651	145,137
Adjustments for:			
Net investment income		(9,849)	(7,819)
Provision for staff terminal benefits		4,210	2,663
Depreciation of premises and equipment		13,406	12,138
Amortisation of intangible assets		412	412
Provision charge for credit losses and impairment losses	3	26,780	21,528
Taxation	4	30,917	28,264
Cash flow from operating activities before changes in operating assets and liabilities		212,527	202,323
Changes in operating assets and liabilities:			
Central Bank of Kuwait bonds		17,000	10,117
Kuwait Government treasury bonds		(120,000)	-
Deposits with banks		28,030	(383,189)
Loans, advances and Islamic financing to customers		(482,034)	(922,855)
Other assets		(21,702)	(80,862)
Due to banks		285,407	(194,523)
Deposits from other financial institutions		(46,467)	490,506
Customer deposits		(196,847)	641,657
Commercial papers and certificates of deposit issued		319,457	239,380
Other liabilities		44,523	3,819
Payment of staff terminal benefits		(970)	(1,437)
Tax paid		(10,125)	(5,574)
Net cash from (used in) operating activities		28,799	(638)
<b>Investing activities</b>			
Purchase of investment securities		(1,617,547)	(1,656,147)
Proceeds from sale/redemption of investment securities		1,141,026	1,104,139
Dividend income		148	138
Change in holding in subsidiaries		-	(304)
Purchase of land, premises and equipment		(16,967)	(13,696)
Proceeds from sale of land, premises and equipment		145	-
Purchase of investment in associate		(300)	-
Net cash used in investing activities		(493,495)	(565,870)
<b>Financing activities</b>			
Redemption of Global Medium term Sukuk by a subsidiary		-	(231,075)
Interest paid on Perpetual Tier 1 Capital Securities		(11,750)	(3,923)
Profit distribution on Perpetual Tier 1 Sukuk by a subsidiary		(3,056)	(3,046)
Net movement in other borrowed funds		57,465	166,710
Net cash from (used in) financing activities		42,659	(71,334)
<b>Decrease in cash and short term funds</b>		<b>(422,037)</b>	<b>(637,842)</b>
Cash and short term funds at 1 January		4,878,491	5,323,273
<b>Cash and short term funds at 31 March</b>		<b>4,456,454</b>	<b>4,685,431</b>

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

# National Bank of Kuwait Group

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

31 March 2026 (Unaudited)

	Equity attributable to shareholders of the Bank								KD 000's		
	Share Capital	Proposed bonus shares	Share premium account	Statutory reserve	Retained earnings	Proposed Cash Dividend	Other Reserves (Note 7)	Total	Perpetual Tier 1 Capital Securities	Non-Controlling Interests	Total equity
At 1 January 2026	874,277	43,713	803,028	437,140	2,171,979	305,997	(66,604)	4,569,530	455,335	625,382	5,650,247
Profit for the period	-	-	-	-	135,452	-	-	135,452	-	11,199	146,651
Other comprehensive loss	-	-	-	-	-	-	(114,554)	(114,554)	-	(4,866)	(119,420)
<b>Total comprehensive income (loss)</b>	-	-	-	-	135,452	-	(114,554)	20,898	-	6,333	27,231
Transfer to dividends payable (Note 7b)	-	-	-	-	-	(305,997)	-	(305,997)	-	-	(305,997)
Interest paid on perpetual Tier 1 Capital Securities	-	-	-	-	(11,750)	-	-	(11,750)	-	-	(11,750)
Profit distribution on Perpetual Tier 1 Sukuk by a subsidiary	-	-	-	-	(1,845)	-	-	(1,845)	-	(1,211)	(3,056)
Dividend payable to non-controlling interests by a subsidiary	-	-	-	-	-	-	-	-	-	(12,319)	(12,319)
Other movements	-	-	-	-	(1,024)	-	-	(1,024)	-	370	(654)
<b>At 31 March 2026</b>	<b>874,277</b>	<b>43,713</b>	<b>803,028</b>	<b>437,140</b>	<b>2,292,812</b>	<b>-</b>	<b>(181,158)</b>	<b>4,269,812</b>	<b>455,335</b>	<b>618,555</b>	<b>5,343,702</b>
At 1 January 2025	832,644	41,633	803,028	416,324	1,975,750	208,161	(165,212)	4,112,328	439,032	605,372	5,156,732
Profit for the period	-	-	-	-	134,083	-	-	134,083	-	11,054	145,137
Other comprehensive (loss) income	-	-	-	-	-	-	(3,600)	(3,600)	-	87	(3,513)
<b>Total comprehensive income (loss)</b>	-	-	-	-	134,083	-	(3,600)	130,483	-	11,141	141,624
Transfer to dividends payable (Note 7b)	-	-	-	-	-	(208,161)	-	(208,161)	-	-	(208,161)
Interest paid on perpetual Tier 1 Capital Securities	-	-	-	-	(3,923)	-	-	(3,923)	-	-	(3,923)
Profit distribution on Perpetual Tier 1 Sukuk by a subsidiary	-	-	-	-	(1,839)	-	-	(1,839)	-	(1,207)	(3,046)
Dividend payable to non-controlling interests by a subsidiary	-	-	-	-	-	-	-	-	-	(16,677)	(16,677)
Other movements	-	-	-	-	29	-	-	29	-	7	36
<b>At 31 March 2025</b>	<b>832,644</b>	<b>41,633</b>	<b>803,028</b>	<b>416,324</b>	<b>2,104,100</b>	<b>-</b>	<b>(168,812)</b>	<b>4,028,917</b>	<b>439,032</b>	<b>598,636</b>	<b>5,066,585</b>

The attached notes 1 to 14 form part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL  
INFORMATION

31 March 2026 (Unaudited)

**1 INCORPORATION AND REGISTRATION**

The interim condensed consolidated financial information of National Bank of Kuwait S.A.K.P. (the “Bank”) and its subsidiaries (collectively the “Group”) for the three months period ended 31 March 2026 was authorised for issue in accordance with a resolution of the directors on 12 April 2026. The Bank is a public shareholding company incorporated in the State of Kuwait in 1952 and is registered as a bank (commercial registration number – 8490) with the Central Bank of Kuwait. The Bank’s registered office is at Al Shuhada Street, P.O. Box 95, Safat 13001, Kuwait.

**2 ACCOUNTING POLICIES**

**Basis of preparation**

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard (IAS) 34, ‘Interim Financial Reporting’ except as noted below. The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025.

The annual consolidated financial statements for the year ended 31 December 2025 have been prepared in accordance with the regulations for financial services institutions as issued by the Central Bank of Kuwait (CBK) in the State of Kuwait. These regulations require banks and other financial institutions regulated by CBK to adopt the International Financial Reporting Standards (“IFRS”) with an amendment for measuring the expected credit loss (“ECL”) on credit facilities at the higher of ECL computed under IFRS 9 – ‘Financial Instruments’ in accordance to the CBK guidelines or the provisions as required by CBK instructions along with its consequent impact on related disclosures.

The above framework is hereinafter referred to as ‘IFRS Accounting Standards as adopted by CBK for use by the State of Kuwait’.

The interim condensed consolidated financial information does not contain all information and disclosures required for the annual consolidated financial statements prepared in accordance with IFRS, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2025. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

Amendments to IFRSs which are effective for annual accounting period starting from 1 January 2026 did not have any material impact on the accounting policies, financial position or performance of the Group.

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 3 PROVISION CHARGE FOR CREDIT LOSSES AND IMPAIRMENT LOSSES

	Three months ended 31 March	
	2026 KD 000's	2025 KD 000's
Provision charge for credit facilities – specific	2,239	17,034
Provision charge for credit facilities – general	9,844	7,484
Expected credit losses charge (release)	12,634	(3,183)
Other impairment losses	2,063	193
	<u>26,780</u>	<u>21,528</u>

### 4 TAXATION

	Three months ended 31 March	
	2026 KD 000's	2025 KD 000's
Kuwait Domestic Minimum Top-up Tax (DMTT)	12,339	13,313
Contribution to Kuwait Foundation for the Advancement of Sciences	1,495	1,364
Overseas tax	17,083	13,587
	<u>30,917</u>	<u>28,264</u>

### 5 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders of the Bank (adjusted for interest and profit paid on Perpetual Tier 1 Capital Securities) by the weighted average number of shares outstanding during the period net of treasury shares. There are no dilutive potential shares that are convertible into shares.

	Three months ended 31 March	
	2026 KD 000's	2025 KD 000's
Profit attributable to shareholders of the Bank	135,452	134,083
Less: Interest paid on Perpetual Tier 1 Capital Securities	(11,750)	(3,923)
Less: Profit distribution on Perpetual Tier 1 sukuk by a subsidiary attributable to shareholders of the bank	(1,845)	(1,839)
	<u>121,857</u>	<u>128,321</u>
Weighted average number of shares outstanding during the period net of treasury shares (thousands)	<u>9,179,903</u>	<u>9,179,903</u>
Basic earnings per share	<u>13 fils</u>	<u>14 fils</u>

Earnings per share calculations for the period ended 31 March 2026 and 31 March 2025 have been adjusted to take account of the bonus shares approved by the Annual General Assembly meeting of the shareholders. (Note 7b).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

**6 LOANS, ADVANCES AND ISLAMIC FINANCING TO CUSTOMERS**

	<b>31 March 2026 KD 000's</b>	Audited 31 December 2025 KD 000's	31 March 2025 KD 000's
Loans, advances and Islamic financing to customers	<b>28,201,132</b>	27,717,632	25,490,125
Provision for credit losses	<b>(916,582)</b>	(902,064)	(883,313)
	<b><u>27,284,550</u></b>	<u>26,815,568</u>	<u>24,606,812</u>

The available provision on non-cash facilities of KD 52,177 thousand (31 December 2025: KD 52,031 thousand, 31 March 2025: KD 45,223 thousand) is included under other liabilities. The total provision for cash and non cash credit facilities in accordance with CBK guidelines amounted to KD 968,759 thousand as at 31 March 2026 (31 December 2025: KD 954,095 thousand, 31 March 2025: KD 928,536 thousand)

The Expected Credit Losses (“ECL”) on credit facilities determined under IFRS 9 in accordance to the CBK guidelines amounted to KD 748,905 thousand as at 31 March 2026 (31 December 2025: 698,446 thousand, 31 March 2025: KD 688,882 thousand). CBK guidelines prescribe certain parameters to determine the ECL on credit facilities such as floors for estimating Probability of Default (PD), eligible collateral with haircuts for determining Loss Given Default (LGD), deemed minimum maturity for Stage 2 exposures, 100% credit conversion factors for utilised cash and non-cash facilities, Stage 3 ECLs at 100% of the defaulted exposure net of eligible collateral after applying applicable haircuts etc.

An analysis of the carrying amounts of credit facilities, and the corresponding ECL based on the staging criteria under IFRS 9 in accordance to the CBK guidelines is as follows:

<i>31 March 2026</i>	<i>Stage 1 KD 000's</i>	<i>Stage 2 KD 000's</i>	<i>Stage 3 KD 000's</i>	<i>Total KD 000's</i>
Loans, advances and Islamic financing to customers	<b>26,220,670</b>	<b>1,600,016</b>	<b>380,446</b>	<b>28,201,132</b>
Contingent liabilities (Note 10)	<b>5,203,952</b>	<b>891,648</b>	<b>30,003</b>	<b>6,125,603</b>
Commitments (revocable and irrevocable) to extend credit	<b>11,864,126</b>	<b>976,645</b>	<b>3,420</b>	<b>12,844,191</b>
ECL allowance for credit facilities	<b>231,119</b>	<b>198,647</b>	<b>319,139</b>	<b>748,905</b>
	<b><u>231,119</u></b>	<b><u>198,647</u></b>	<b><u>319,139</u></b>	<b><u>748,905</u></b>
	<i>Stage 1 KD 000's</i>	<i>Stage 2 KD 000's</i>	<i>Stage 3 KD 000's</i>	<i>Total KD 000's</i>
<i>31 December 2025</i>				
Loans, advances and Islamic financing to customers	25,790,845	1,550,828	375,959	27,717,632
Contingent liabilities (Note 10)	5,078,474	953,847	32,301	6,064,622
Commitments (revocable and irrevocable) to extend credit	11,653,546	1,075,580	4,989	12,734,115
ECL allowance for credit facilities	195,771	192,753	309,922	698,446
	<u>195,771</u>	<u>192,753</u>	<u>309,922</u>	<u>698,446</u>

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 6 LOANS, ADVANCES AND ISLAMIC FINANCING TO CUSTOMERS (continued)

<i>31 March 2025</i>	<i>Stage 1 KD 000's</i>	<i>Stage 2 KD 000's</i>	<i>Stage 3 KD 000's</i>	<i>Total KD 000's</i>
Loans, advances and Islamic financing to customers	23,551,452	1,586,742	351,931	25,490,125
Contingent liabilities (Note 10)	4,542,711	889,489	12,959	5,445,159
Commitments (revocable and irrevocable) to extend credit	9,922,961	833,239	1,012	10,757,212
ECL allowance for credit facilities	185,105	224,140	279,637	688,882

An analysis of the changes in the ECL in relation to credit facilities (cash and non-cash facilities) computed under IFRS 9 in accordance to the CBK guidelines is as follows:

	<i>Stage 1 KD 000's</i>	<i>Stage 2 KD 000's</i>	<i>Stage 3 KD 000's</i>	<i>Total KD 000's</i>
ECL allowance as at 1 January 2026	195,771	192,753	309,922	698,446
Transfer between stages				
Transfer from Stage 1	(2,778)	2,185	593	-
Transfer from Stage 2	15,181	(43,025)	27,844	-
Transfer from Stage 3	5,771	3,049	(8,820)	-
Amounts (written off) recovered net of exchange movements	(250)	1	3,061	2,812
Net increase (decrease) in ECL for the period	17,424	43,684	(13,461)	47,647
At 31 March 2026	231,119	198,647	319,139	748,905
ECL allowance as at 1 January 2025	176,315	199,369	258,681	634,365
Transfer between stages				
Transfer from Stage 1	(3,474)	2,937	537	-
Transfer from Stage 2	33,756	(49,695)	15,939	-
Transfer from Stage 3	5,575	2,622	(8,197)	-
Amounts recovered (written off) net of exchange movements	246	141	(6,425)	(6,038)
Net (decrease) increase in ECL for the period	(27,313)	68,766	19,102	60,555
At 31 March 2025	185,105	224,140	279,637	688,882

### 7 SHAREHOLDERS' EQUITY

a) The authorised share capital of the Bank comprises 15,000,000,000 shares (31 December 2025: 10,000,000,000 shares and 31 March 2025: 10,000,000,000 shares) of 100 fils each. The increase in authorized share capital was approved by the Extraordinary General Meeting of the shareholders held on 28 March 2026. The issued and fully paid up share capital of the Bank comprises 8,742,765,046 shares (31 December 2025: 8,742,765,046 shares and 31 March 2025: 8,326,442,901 shares) of 100 fils each.

b) Dividend and bonus shares

The Annual General Assembly meeting of the shareholders held on 14 March 2026 approved 5% bonus shares and a final cash dividend of 35 fils per share for the year ended 31 December 2025 (5% bonus shares and a final cash dividend of 35 fils per share distributed between 25 fils per share as final cash dividend and 10 fils per share as an interim cash dividend for the year ended 31 December 2024). The final cash dividend payable amounting to KD 305,997 thousand is included in other liabilities as at 31 March 2026 and will be paid on 9 April 2026. The bonus shares will increase the number of issued and fully paid up shares by 437,138,252 (2025: 416,322,145) and increase the share capital by KD 43,713 thousand (2025: KD 41,632 thousand). The bonus shares will be distributed on 9 April 2026.

National Bank of Kuwait Group

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7 SHAREHOLDERS' EQUITY (continued)

c) Other reserves

KD 000's

	General reserve	Foreign currency translation reserve	Cumulative changes in fair values	Share based payment reserve	Actuarial valuation reserve	Treasury share reserve	Total other Reserves
Balance as at 1 January 2026	117,058	(368,051)	150,437	-	(1,009)	34,961	(66,604)
Other comprehensive loss	-	(25,752)	(88,793)	-	(9)	-	(114,554)
<b>At 31 March 2026</b>	<b>117,058</b>	<b>(393,803)</b>	<b>61,644</b>	<b>-</b>	<b>(1,018)</b>	<b>34,961</b>	<b>(181,158)</b>
Balance as at 1 January 2025	117,058	(427,418)	92,980	14,409	2,798	34,961	(165,212)
Other comprehensive income (loss)	-	10,403	(14,003)	-	-	-	(3,600)
<b>At 31 March 2025</b>	<b>117,058</b>	<b>(417,015)</b>	<b>78,977</b>	<b>14,409</b>	<b>2,798</b>	<b>34,961</b>	<b>(168,812)</b>

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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### 8 PERPETUAL TIER 1 CAPITAL SECURITIES

The Bank issued the following Perpetual Tier 1 Capital Securities (the “Capital Securities”), through wholly owned special purpose vehicles:

	<i>31 March</i> <i>2026</i> <i>KD 000's</i>	<i>Audited</i> <i>31 December</i> <i>2025</i> <i>KD 000's</i>	<i>31 March</i> <i>2025</i> <i>KD 000's</i>
USD 750,000 thousand (issued in November 2019 at an interest rate of 4.5% per annum, semi-annually in arrears, until the first reset date in November 2025, redeemable at the option of the bank in August 2025) – redeemed during 2025	-	-	227,737
USD 700,000 thousand (issued in February 2021 at an interest rate of 3.625% per annum, semi-annually in arrears, until the first reset date in February 2027, redeemable at the option of the bank in August 2026)	<b>211,295</b>	211,295	211,295
USD 800,000 thousand (issued in July 2025 at an interest rate of 6.375% per annum, payable semi-annually in arrears, until the first reset date in July 2031, redeemable at the option of the Bank in January 2031)	<b>244,040</b>	244,040	-
	<b>455,335</b>	455,335	439,032

During 2021, Boubyan Bank K.S.C.P, a subsidiary of the Group, issued Tier 1 Sukuk (the “Capital Securities”), through a Sharia’s compliant Sukuk arrangement amounting to USD 500,000 thousand, callable in October 2026 and bears an expected profit rate of 3.95% per annum until the first reset date in April 2027, payable semi-annually in arrears.

The Parent Bank did not subscribe to the Tier 1 Sukuk issue and the total amount is included in non-controlling interest in the interim condensed consolidated statement of financial position.

The above mentioned Capital Securities are subordinated, unsecured and are eligible to be classified under equity in accordance with IAS 32: Financial Instruments – Presentation.

### 9 SEGMENTAL ANALYSIS

The Group has six reportable segments as described below. Management treats the operations of these segments separately for the purposes of decision making, resource allocation and performance assessment.

#### Consumer Banking

Consumer Banking provides a diversified range of products and services to individuals. The range includes consumer loans, credit cards, deposits, foreign exchange and other branch related services.

#### Corporate Banking

Corporate Banking provides a comprehensive product and service offering to business and corporate customers, including lending, deposits, trade finance, foreign exchange and advisory services.

#### NBK Wealth

NBK Wealth provides a full range of asset management, custody, brokerage, lending, deposits and other customized and innovative banking services to high net worth individuals and institutional clients across the Group.

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 9 SEGMENTAL ANALYSIS (continued)

#### Islamic Banking

Islamic banking represents the financial results of Boubyan Bank K.S.C.P., the Islamic banking subsidiary of the Group.

#### Group Centre

Group Centre includes treasury, investments, and other defined Group activities. Treasury provides a comprehensive range of treasury services and products to its clients, and is also responsible for the Bank's liquidity and market risk management. Group Centre includes any residual in respect of transfer pricing and inter segment allocations.

#### International Banking

International Banking provides a broad range of products and services including lending, deposits, trade finance etc. to corporate and individual customers at Group's overseas locations.

The following table shows net operating income, profit for the period, total assets and total liabilities information in respect of the Group's business segments:

	31 March 2026						
	Consumer Banking KD 000's	Corporate Banking KD 000's	NBK Wealth KD 000's	Islamic Banking KD 000's	Group Centre KD 000's	International Banking KD 000's	Total KD 000's
<i>Three months</i>							
Net operating income	<u>66,027</u>	<u>35,635</u>	<u>33,556</u>	<u>72,013</u>	<u>36,017</u>	<u>87,909</u>	<u>331,157</u>
Profit for the period	<u>24,441</u>	<u>35,636</u>	<u>18,333</u>	<u>27,210</u>	<u>6,706</u>	<u>34,325</u>	<u>146,651</u>
Total assets	<u>5,075,307</u>	<u>5,714,453</u>	<u>1,483,868</u>	<u>10,358,324</u>	<u>2,292,552</u>	<u>21,176,654</u>	<u>46,101,158</u>
Total liabilities	<u>5,057,759</u>	<u>3,067,067</u>	<u>2,322,453</u>	<u>9,239,343</u>	<u>2,569,392</u>	<u>18,501,442</u>	<u>40,757,456</u>
	31 March 2025						
	Consumer Banking KD 000's	Corporate Banking KD 000's	NBK Wealth KD 000's	Islamic Banking KD 000's	Group Centre KD 000's	International Banking KD 000's	Total KD 000's
<i>Three months</i>							
Net operating income	<u>62,247</u>	<u>36,058</u>	<u>28,991</u>	<u>67,283</u>	<u>36,014</u>	<u>80,084</u>	<u>310,677</u>
Profit for the period	<u>22,505</u>	<u>25,398</u>	<u>14,858</u>	<u>27,057</u>	<u>16,383</u>	<u>38,936</u>	<u>145,137</u>
Total assets	<u>5,087,079</u>	<u>5,332,311</u>	<u>1,188,301</u>	<u>9,720,684</u>	<u>2,249,046</u>	<u>18,069,401</u>	<u>41,646,822</u>
Total liabilities	<u>5,124,766</u>	<u>2,589,118</u>	<u>2,347,834</u>	<u>8,654,010</u>	<u>1,945,753</u>	<u>15,918,756</u>	<u>36,580,237</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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**10 COMMITMENTS AND CONTINGENT LIABILITIES**

	<b>31 March 2026 KD 000's</b>	Audited 31 December 2025 KD 000's	31 March 2025 KD 000's
Commitments on behalf of customers for which there are corresponding liabilities by the customers concerned:			
Acceptances	<b>122,055</b>	145,542	185,083
Letters of credit	<b>637,694</b>	575,733	497,538
Guarantees	<b>5,365,854</b>	5,343,347	4,762,538
	<b><u>6,125,603</u></b>	<u>6,064,622</u>	<u>5,445,159</u>

Irrevocable commitments to extend credit amount to KD 2,513,190 thousand (31 December 2025: KD 2,615,137 thousand, 31 March 2025: KD 1,635,115 thousand). This includes commitments to extend credit which are irrevocable over the life of the facility or are revocable only in response to a material adverse change.

In the normal course of business, the Group has exposure to various indirect credit commitments which, though not reflected in the interim condensed consolidated statement of financial position, are subject to normal credit standards, financial controls and monitoring procedures.

These credit commitments do not necessarily represent future cash requirements, since many of these commitments will expire or terminate without being funded. Credit losses, if any, which may result from exposure to such commitments are not expected to be significant.

The Group has commitments in respect of capital expenditure amounting to KD 71,340 thousand (31 December 2025: KD 78,066 thousand, 31 March 2025: KD 78,581 thousand).

**11 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The fair value of financial assets and financial liabilities that are traded in active markets is based on quoted market prices or dealer price quotations. For all other financial instruments the Group determines fair values using valuation techniques.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are observable from market data. Debt securities under this category mainly include sovereign debt instruments in the Middle East & North Africa (MENA) region.

Level 3: valuation techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The valuation techniques and inputs used in this interim condensed consolidated financial information are same as those disclosed in the annual consolidated financial statements for the year ended 31 December 2025.

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 11 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The following table provides the fair value measurement hierarchy of the Group's financial instruments recorded at fair value:

<i>31 March 2026</i>	<i>Level 1 KD 000's</i>	<i>Level 2 KD 000's</i>	<i>Level 3 KD 000's</i>	<i>Total KD 000's</i>
Debt securities	7,168,898	311,095	88,645	7,568,638
Equities and other investments	61,259	367,206	42,754	471,219
Kuwait Government treasury bonds	88,285	-	-	88,285
	<u>7,318,442</u>	<u>678,301</u>	<u>131,399</u>	<u>8,128,142</u>
Derivative financial instruments (Note 12)	-	128,155	-	128,155
	<u>-</u>	<u>128,155</u>	<u>-</u>	<u>128,155</u>
<i>31 December 2025</i>	<i>Level 1 KD 000's</i>	<i>Level 2 KD 000's</i>	<i>Level 3 KD 000's</i>	<i>Total KD 000's</i>
Debt securities	7,067,069	267,462	88,465	7,422,996
Equities and other investments	60,870	306,616	45,975	413,461
Kuwait Government treasury bonds	91,314	-	-	91,314
	<u>7,219,253</u>	<u>574,078</u>	<u>134,440</u>	<u>7,927,771</u>
Derivative financial instruments (Note 12)	-	93,027	-	93,027
	<u>-</u>	<u>93,027</u>	<u>-</u>	<u>93,027</u>
<i>31 March 2025</i>	<i>Level 1 KD 000's</i>	<i>Level 2 KD 000's</i>	<i>Level 3 KD 000's</i>	<i>Total KD 000's</i>
Debt securities	6,369,476	200,589	131,890	6,701,955
Equities and other investments	62,549	341,515	42,827	446,891
	<u>6,432,025</u>	<u>542,104</u>	<u>174,717</u>	<u>7,148,846</u>
Derivative financial instruments (Note 12)	-	218,915	-	218,915
	<u>-</u>	<u>218,915</u>	<u>-</u>	<u>218,915</u>

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 11 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The table below analyses the movement in level 3 and the income (interest, dividend and realised/unrealised gain) generated during the periods.

	<i>At 1 January 2026 KD 000's</i>	<i>Change in fair value KD 000's</i>	<i>Additions KD 000's</i>	<i>Sale/ redemption KD 000's</i>	<i>Exchange rate movements KD 000's</i>	<i>At 31 March 2026 KD 000's</i>	<i>Net gain in the interim condensed consolidated statement of income KD 000's</i>
Debt securities	88,465	-	-	-	180	88,645	1,232
Equities and other investments	45,975	(219)	41	(2,958)	(85)	42,754	1,866
	<u>134,440</u>	<u>(219)</u>	<u>41</u>	<u>(2,958)</u>	<u>95</u>	<u>131,399</u>	<u>3,098</u>

	<i>At 1 January 2025 KD 000's</i>	<i>Change in fair value KD 000's</i>	<i>Additions KD 000's</i>	<i>Sale/ redemption KD 000's</i>	<i>Exchange rate movements KD 000's</i>	<i>At 31 March 2025 KD 000's</i>	<i>Net gain in the interim condensed consolidated statement of income KD 000's</i>
Debt securities	82,317	-	49,500	-	73	131,890	1,749
Equities and other investments	42,461	127	274	(55)	20	42,827	217
	<u>124,778</u>	<u>127</u>	<u>49,774</u>	<u>(55)</u>	<u>93</u>	<u>174,717</u>	<u>1,966</u>

### 12 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are financial instruments that derive their value by referring to interest rates, foreign exchange rates, index of prices or rates and credit rating or credit index. Notional principal amounts merely represent amounts to which a rate or price is applied to determine the amounts of cash flows to be exchanged and do not represent the potential gain or loss associated with the market or credit risk of such instruments.

Derivative financial instruments are carried at fair value in the interim condensed consolidated statement of financial position. Positive fair value represents the cost of replacing all transactions with a fair value in the Group's favour had the rights and obligations arising from that instrument been closed in an orderly market transaction at the reporting date. Credit risk in respect of derivative financial instruments is limited to the positive fair value of the instruments. Negative fair value represents the cost to the Group's counter-parties of replacing all their transactions with the Group.

The Group deals in interest rate swaps to manage its interest rate risk on interest bearing assets and liabilities and to provide interest rate risk management solutions to customers. Similarly the Group deals in forward foreign exchange contracts for customers and to manage its foreign currency positions and cash flows.

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 12 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Interest rate swaps used to hedge the change in fair value of the Group's financial assets and liabilities and which qualifies as effective hedging instruments are disclosed as 'held as fair value hedges'. Other interest rate swaps and forward foreign exchange contracts are carried out for customers or used for hedging purpose but do not meet the qualifying criteria for hedge accounting. The risk exposures on account of derivative financial instruments for customers are covered by entering into opposite transactions (back to back) with counter-parties or by other risk mitigating transactions.

#### Interest rate swaps

Interest rate swaps are contractual agreements between two counter-parties to exchange interest payments on a defined principal amount for a fixed period of time. In cross currency interest rate swaps, the Group exchanges interest payment in two different currencies on a defined principal amount for a fixed period of time and also exchanges defined principal amounts in two different currencies at inception of the contract and re-exchanges principal amounts on maturity.

#### Forward foreign exchange

Forward foreign exchange contracts are agreements to buy or sell currencies at a specified rate and at a future date.

The fair value of derivative financial instruments included in the financial records, together with their notional amounts is summarised as follows:

	31 March 2026			Audited 31 December 2025			31 March 2025		
	Positive fair value KD 000's	Negative fair value KD 000's	Notional KD 000's	Positive fair value KD 000's	Negative fair value KD 000's	Notional KD 000's	Positive fair value KD 000's	Negative fair value KD 000's	Notional KD 000's
Interest rate swaps (held as fair value hedges)	191,539	62,616	8,001,173	172,910	86,191	7,991,891	243,305	51,792	6,878,003
Interest rate swaps (others)	14,598	17,303	795,817	14,847	18,718	756,198	9,042	8,996	269,265
Forward foreign exchange contracts	20,602	18,665	4,086,408	22,587	12,408	4,531,054	42,614	15,258	5,208,403
	<b>226,739</b>	<b>98,584</b>	<b>12,883,398</b>	<b>210,344</b>	<b>117,317</b>	<b>13,279,143</b>	<b>294,961</b>	<b>76,046</b>	<b>12,355,671</b>

## National Bank of Kuwait Group

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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#### 13 RELATED PARTY TRANSACTIONS

Related parties comprise Board Members and Executive Officers of the Bank, their close family members, companies controlled by them or close family members and associates of the Group. Certain related parties were customers of the Group in the ordinary course of business. Transactions with related parties were made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with unrelated parties and did not involve more than a normal amount of risk. Lending to Board Members and their related parties is secured by tangible collateral in accordance with regulations of Central Bank of Kuwait.

Details of the interests of related parties are as follows:

	Number of Board Members and Executive Officers			Number of related parties			31 March 2026	31 December 2025	31 March 2025
	31 March 2026	31 December 2025	31 March 2025	31 March 2026	31 December 2025	31 March 2025			
Loans	9	8	8	17	20	20	<b>44,057</b>	Audited 40,221	42,884
Contingent liabilities	1	1	1	9	9	8	<b>15,514</b>	15,878	21,662
Credit cards	18	20	18	36	40	34	<b>154</b>	223	190
Deposits	26	26	26	98	99	96	<b>46,994</b>	42,098	67,069
Collateral against credit facilities	4	3	2	16	17	16	<b>151,722</b>	176,072	168,944
Interest and fee income							<b>524</b>	2,450	609
Interest expense							<b>203</b>	991	246
Purchase of equipment and other expenses							<b>19</b>	317	46

# National Bank of Kuwait Group

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

31 March 2026 (Unaudited)

### 13 RELATED PARTY TRANSACTIONS (continued)

Details of compensation to key management personnel are as follows:

	Three months ended 31 March	
	2026 KD 000's	2025 KD 000's
Salaries and other short term benefits	2,762	2,710
Post-employment benefits	154	30
Share based compensation	179	440
	<u>3,095</u>	<u>3,180</u>

### 14 IMPACTS OF GEOPOLITICAL CONFLICT IN MIDDLE EAST AND RELATED UNCERTAINTIES

Geopolitical events in the Middle East since the end of February 2026 have affected Kuwait and other GCC countries, where the Group operates, resulting in increased macro-economic uncertainties and unfavorable business conditions.

In response to the crisis, the Central Bank of Kuwait (CBK) implemented various measures targeted at reinforcing the banking sector's ability to play a vital role in the economy, including but not limited to the expansion of lending capacity, strengthening financing capabilities and in the provision of liquidity to impacted customers. Some of the important measures are given below:

- Reducing the Liquidity Coverage Ratio (LCR) from 100% to 80%
- Reducing the Net Stable Funding Ratio (NSFR) from 100% to 80%
- Reducing the regulatory Liquidity Ratio from 18% to 15%
- Increasing the permissible negative cumulative liquidity gap
- Increasing the maximum lending limit (MLL) from 90% to 100%
- Releasing 1.0% of risk weighted assets from the Capital Conservation Buffer included in CET1, thereby reducing the Group's total capital adequacy (including D-SIB) ratio requirement from 15% to 14%

Similar measures were announced in many of the jurisdictions where the Group operates.

#### *Expected Credit Loss (ECL) estimates*

The Group considered the potential impact of the uncertainties caused by the ongoing geopolitical event in its estimation of ECL requirements for the period ended 31 March 2026, making adjustments to the macro-economic variables and scenarios as appropriate. The Group has also given specific consideration and overlays on the relevant quantitative and qualitative factors when determining any significant increase in credit risk (SICR) and in assessing indicators of impairment for exposures to potentially affected sectors.

Notwithstanding the above, ECL requirement for credit facilities estimated as at 31 March 2026 continues to be lower than the provisions required as per CBK instructions. In accordance with Group accounting policy, the higher amount, being the provision required as per CBK instructions, is therefore recognized as the provision requirement for credit losses on credit facilities.

#### *Fair value measurement of financial and non-financial assets*

The Group considered the potential impact of the current economic volatility on the reported amounts of the Group's fair value of the financial and non-financial assets. The reported amounts best represent management's assessment of the fair values based on observable information. Markets, however, remain volatile and asset carrying values remain sensitive to market fluctuations.

The impact of the highly uncertain geopolitical and economic environment remains judgmental, and the Group will accordingly continue to reassess its position and the related impact on a regular basis.