H1-2026 Earnings Presentation

Group Financial Control Investor Relations

Kuwait, 28 July 2026

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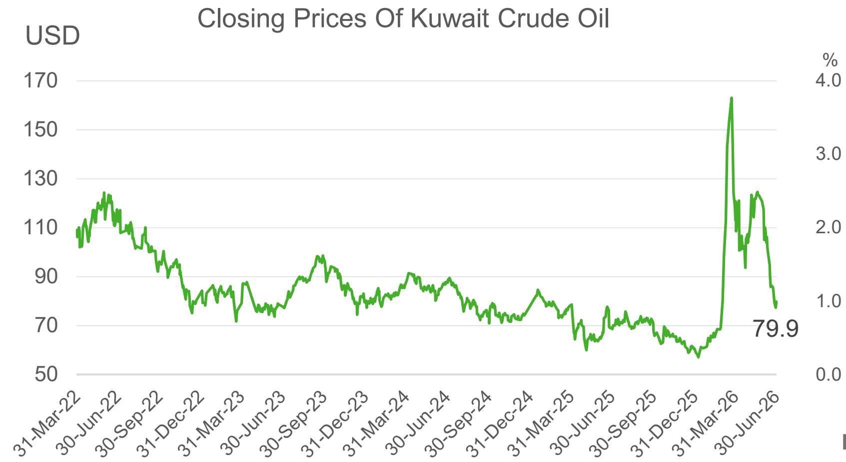
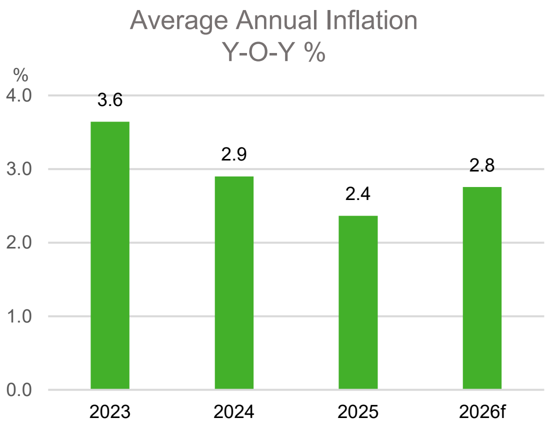
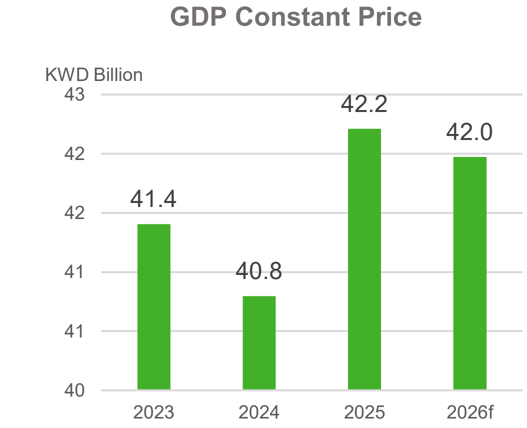
Kuwait's Economic Highlights





IMF World Economic outlook, 14 April 2026



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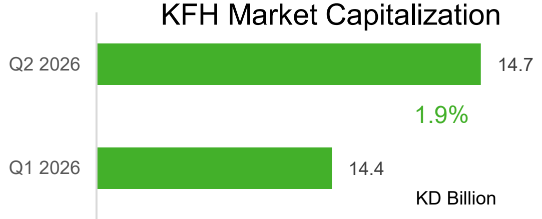
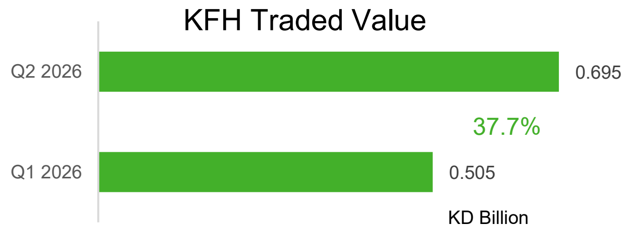
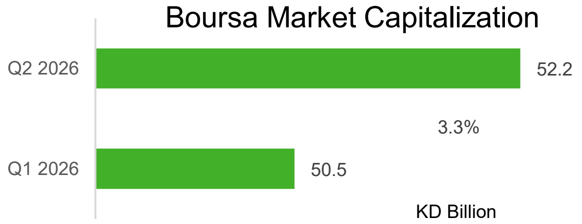
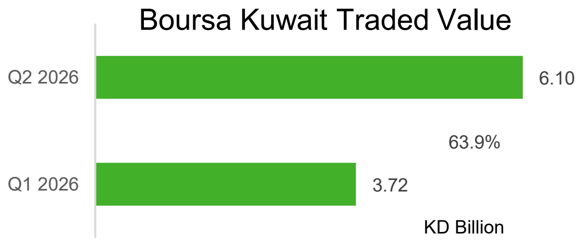








- Despite the current geopolitical challenges, the International Monetary Fund "IMF" forecasts Kuwait's GDP to slightly contract -0.6% reaching to around KWD 42 billion in 2026. Kuwait's strong fiscal position and resilient banking sector continue to support economic stability.
- The IMF also estimates that Kuwait's average annual inflation rate to slightly increase from 2.4% in 2025 to 2.8% in 2026.
- Kuwaiti crude oil prices eased back to $ 79.9 as of 30th of June 2026. This represents a decline of 29.4% compared closing price in the middle of the crisis at the end of Q1 2026, however Kuwait crude oil price is still higher by 15.3% than the end of Q2 2025.
- Kuwait's sovereign credit ratings remain strong, standing at A+ with a stable outlook from Standard & Poor's, A1 with a stable outlook from Moody's, and AA- with a stable outlook from Fitch Ratings.
- The Central Bank of Kuwait (CBK) maintained the discount rate at 3.5% during Q2 2026, following a cumulative 50 basis point reduction in 2025 from 4.0%, as part of its ongoing monitoring of key economic and monetary indicators.
- Market capitalization of listed companies on Boursa Kuwait reached KWD 52.2 billion by the end of Q2 2026, a 3.3% increase compared to Q1 2026. according to Kuwait Boursa, Kuwait Finance House (KFH) recorded a market capitalization of KWD 14.7 billion, representing a 1.9% increase compared to the end of Q1 2026.
- The traded value of listed companies on Boursa Kuwait during Q2 2026 reached KWD 6.1 billion, increasing by 63.9% compared to Q1 2026. Meanwhile, KFH's traded value reached KD 695.3 million during Q2 2026, marking an increase of 37.7% compared to Q1 2026.

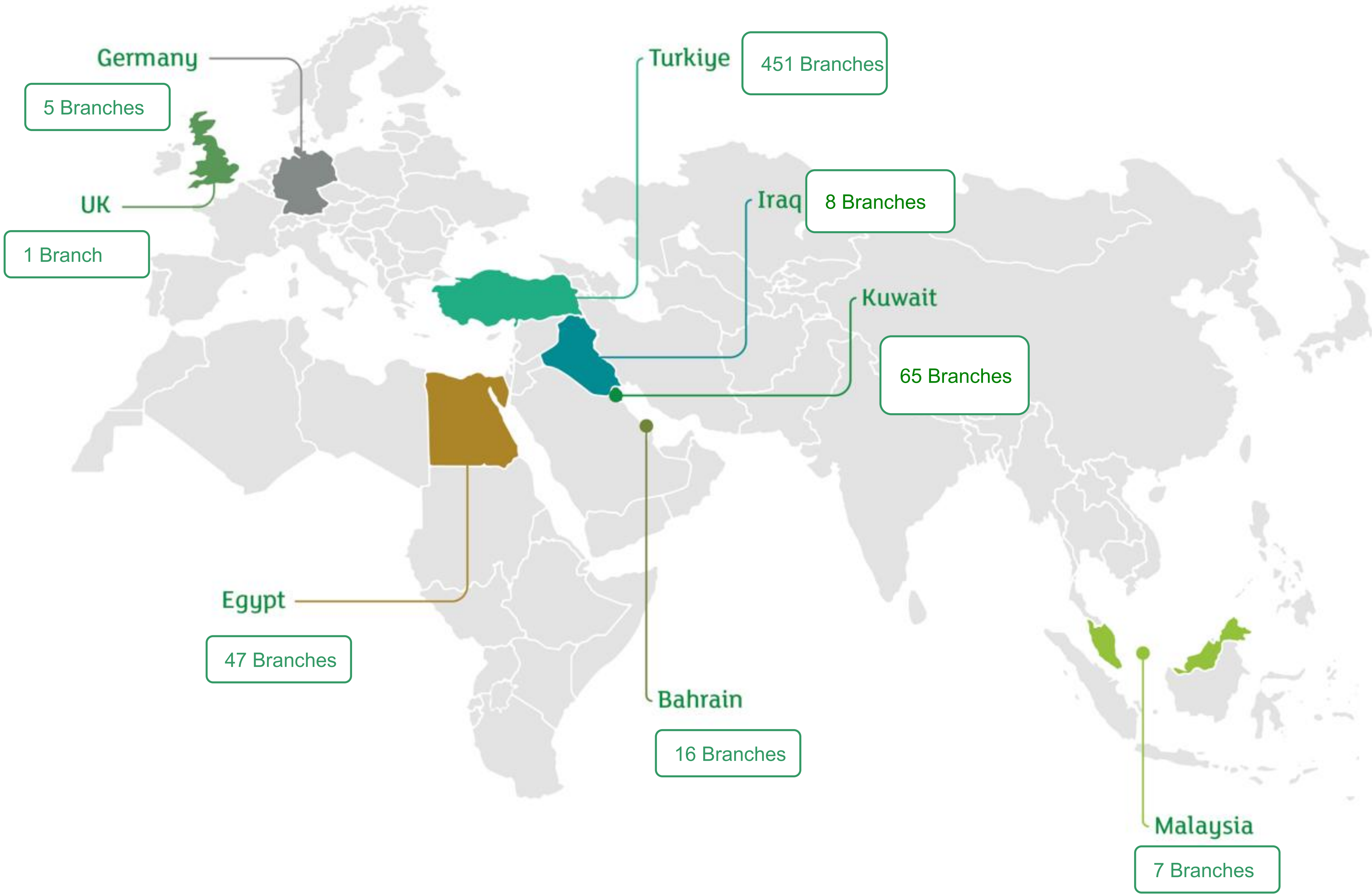
Source: Boursa Kuwait, KPC, IMF, CBK, KFH

Overview of KFH’s Awards & Ratings

Kuwait	Regional	Global
Best Bank in Kuwait	Best Islamic Bank In The Middle East	Best Islamic Financial Institution in the World
EMEA Finance	EMEA Finance	Global Finance

FitchRatings	MOODY’S
Long-Term Issuer Default Rating A	**LT FC Bank Deposits Rating A2**
Short-Term Issuer Default Rating F1	**ST FC Bank Deposits Rating P-1**
STABLE Outlook	**STABLE Outlook**
Fitch’s Rating Action 08 December 2025	**Moody’s update 09 July 2026**

Overview of KFH



KFH Strengths

Robust Financial Performance	**Leading** Islamic Financial Institution	**Strong** Government Sponsorship	**Professional** Management Team	**Strategic** Distribution Channels	**Effective Risk** Management Framework
A consistent track record of profitability & dividend payment Solid funding and liquidity profile Consistently low NPF rates Improved cost to income ratio Solid profit margins and Improved efficiency	Second largest Islamic Financial Institution globally in terms of asset base Operating history of more than 40 years Strong retail franchise Pioneer of Islamic products in Kuwait	36.3% ownership by various Kuwaiti Government authorities KFH operates mainly in Kuwait where the economy benefits from high level of economic strength Systemic important bank in Kuwait Large retail deposit and global flagship Islamic bank	Well-rounded human capital through meritocratic management structure Significant improvement in the Management team for the diversified international operation Strong and stable Board of Directors, collectively bringing more than two hundred and fifty years of professional experience	Diversified international operations KFH has branches in eight countries giving access to Europe, Middle East and Asian markets Extensive accessibility option with a wide network of over 600 branches and over 2000 ATMs	KFH continuously develops its risk management framework in light of development in the business, banking and market regulations Disciplined & risk adjusted approach to capital allocation Large and diversified portfolio Reduced non-core assets

KFH Strategy

KFH's main focus is on core banking business activities

Customer Centric Experience	AI – Driven Digitalization	Growth through Synergies

Across all four main business sectors

- Retail
- Corporate
- Private & Wealth Management
- Treasury

Contents

Key Metrics & guidance

Executive Summary H1'26 Results

Net Operating Income reached KD 687.9mn, increasing 16.2% y-o-y, driven by core revenue growth and enhanced operating efficiency

Cost-to-income ratio improved to 30.6%, an improvement of 3.8 ppts y-o-y, reflecting ongoing structural cost discipline and creating positive operating leverage

Net profit attributable to shareholders increased to KD 363.1mn, up 6.1% y-o-y, demonstrating the strength and resilience of KFH's diversified franchise

Earnings per share improved to 18.86 fils, representing 4.9% growth year-on-year, driven by higher earnings generation and sustained balance sheet expansion.

Net financing receivables increased to KD 22.8bn, up 4.4% from year-end 2025, supported by broad-based growth across the Group's diversified franchise

Total assets stood at KD 42.2bn, representing a 1.3% decline from year-end 2025, mainly because cash and interbank balances were redeployed into financing and debt securities.

Net Operating Income
KD 687.9mn
+16.2% y-o-y

Cost to Income
30.6%
3.8% ppt y-o-y
2026 Guidance
Below 32% (updated)

NPAT shareholders
KD 363.1mn
+6.1% y-o-y

EPS
18.86 fils
+4.9% y-o-y*

Net Financing Receivables
KD 22.8bn
+4.4% from 2025
2026 Guidance
Low double-digit growth in 2026

Total Assets
KD 42.2bn
-1.3% from 2025
Note – mainly due to decrease in Cash and Due from Banks / FIs by KD 2.1bn

***Note**: June-2026 (6 months) versus June-2025 (6 months) = y-o-y movement*

** EPS growth of 4.9% lagged profit growth of 6.1% due to increased Perpetual Tier 1 Sukuk profit distributions*

Consistent Earnings Growth with a Strong Return Profile

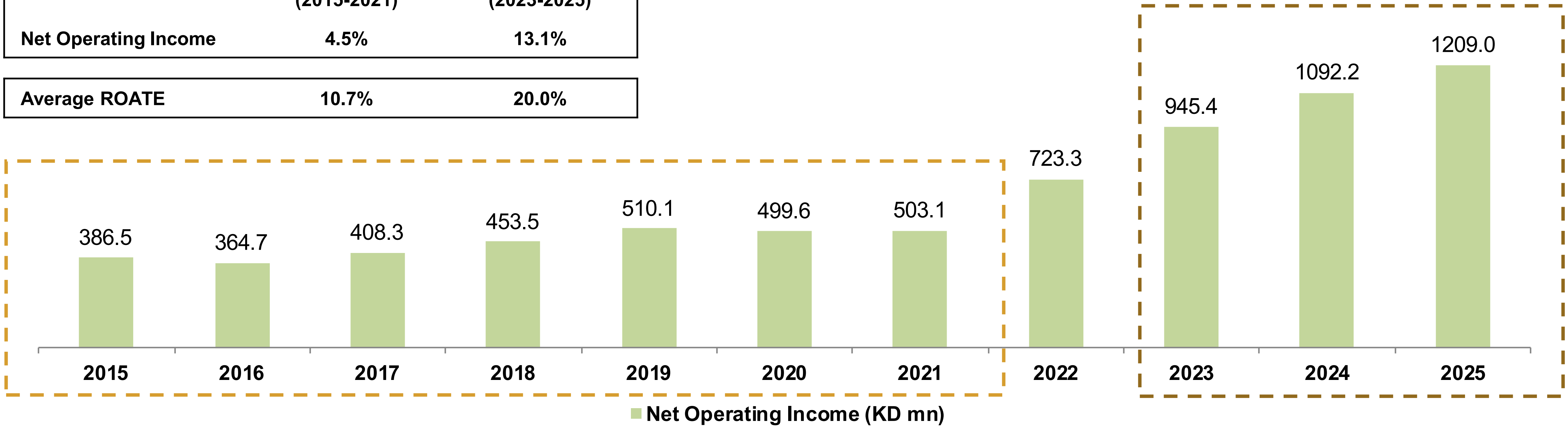
KFH Net Operating Income annual trend

Return on Tangible Equity

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
8.7%	9.5%	10.4%	12.7%	13.2%	7.8%	13.0%	16.5%	20.5%	19.9%	19.4%

	CAGR (2015-2021)	CAGR (2023-2025)
Net Operating Income	**4.5%**	**13.1%**

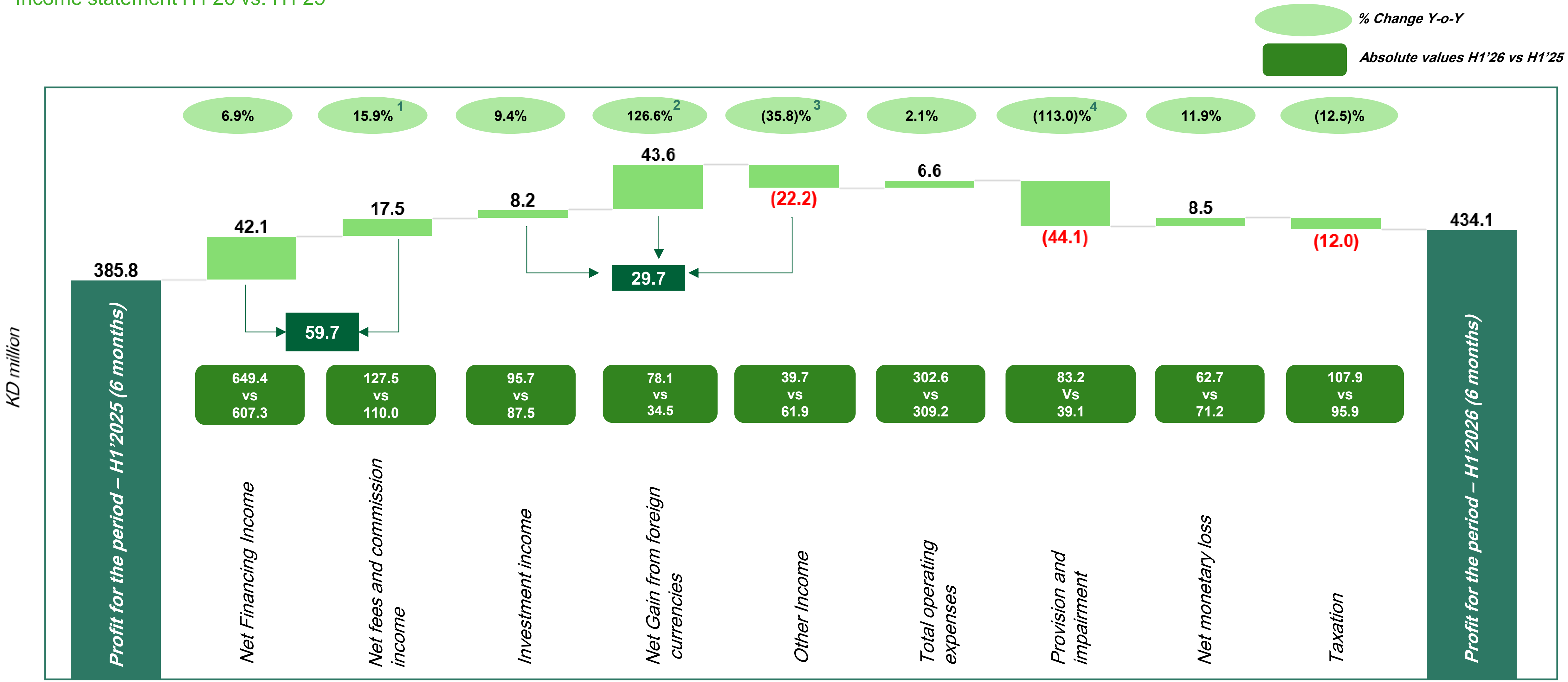
Average ROATE	**10.7%**	**20.0%**



__Note__: KFH completed the acquisition of AUB Group in Q4-2022; therefore, only one quarter of AUB Group's financial results was consolidated into KFH's 2022 financial statements. As a transition year, 2022 has been excluded from both the pre-acquisition and post-acquisition CAGR analyses presented above.

KFH continues delivering sustained performance - Profit for the period in H1’26 (6 months)

Income statement H1’26 vs. H1’25

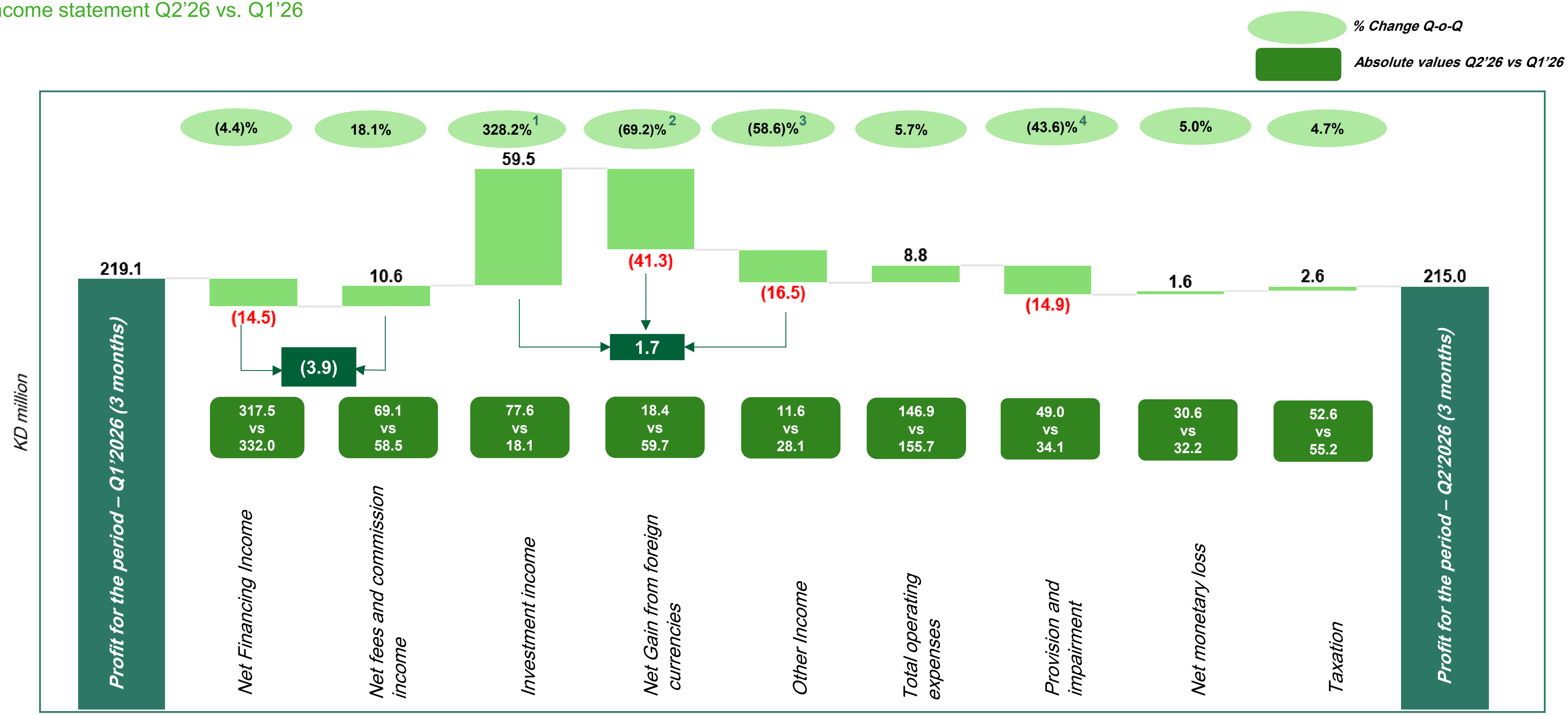


	H1'25	H1'26	Y-o-Y %
Total profit for the period	385.8	434.1	12.5%
Non-controlling interests	(43.6)	(71.0)	62.8%
Profit attributable to shareholders	**342.1**	**363.1**	**6.1%**

Note 1 *– Driven by higher transaction-related fee income in KTPB, led by banking services and investment activities.*
Note 2 *– Driven by strong performance in KTPB (mainly due to FX and Gold dealing income) and FX revaluation*
Note 3 *– Mainly lower contribution from non-banking entities of the Group*
Note 4 *– Higher provision charges were mainly driven by increased precautionary provisions*

KFH continues delivering sustained performance - Profit for the period in Q2’26 (3 months)

Income statement Q2’26 vs. Q1’26



	Q1'26	Q2'26	Q-o-Q %
Total profit for the period	219.1	215.0	-1.9%
Non-controlling interests	(42.6)	(28.4)	-33.2%
Profit attributable to shareholders	**176.5**	**186.5**	**5.7%**

Note 1 *– KFH completed the sale of a Saudi real estate asset, realizing a gain of KD 40.5mn*
Note 2 *– Primarily driven by lower FX revaluation gains in KFH Turkey compared with Q1’26, due to market conditions*
Note 3 *– Driven by lower contributions from non-banking entities during Q2’26*
Note 4 *– Increase in precautionary provision recorded in Q2’26*

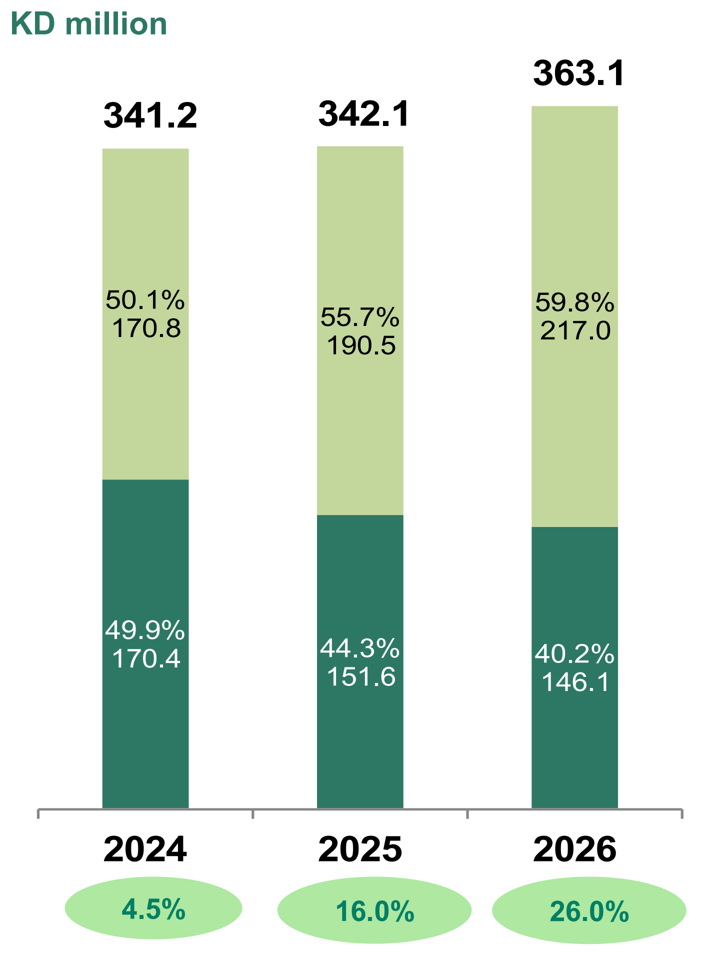
Strong Regional Franchise Supported by Diversified Group

Entities' Contribution - 30 June 2026

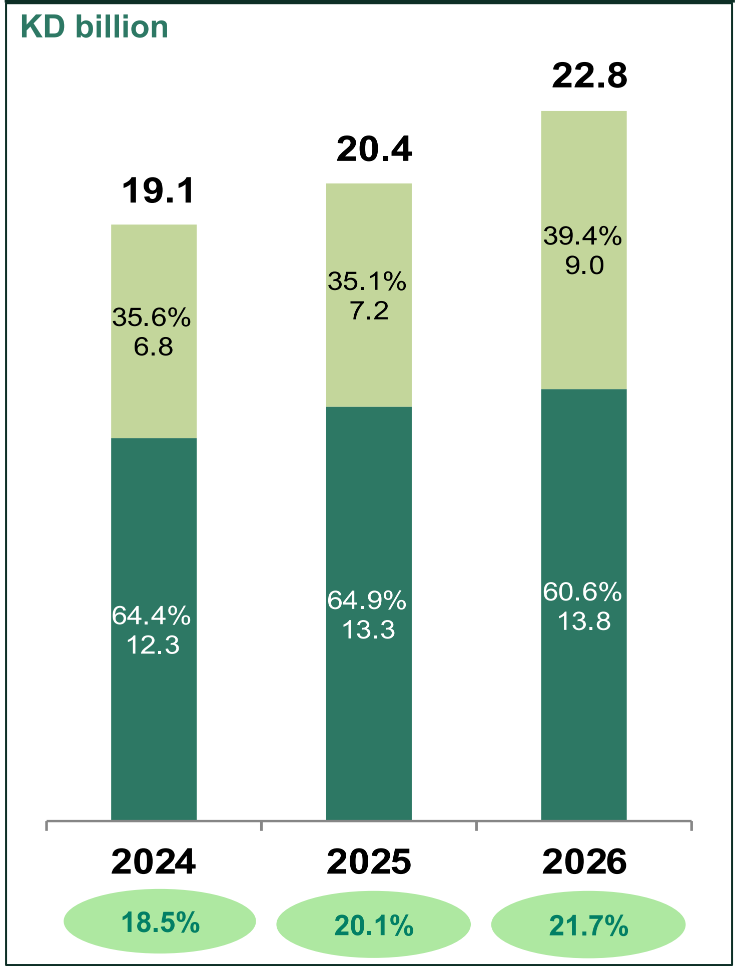
■ Kuwait ■ International

% KTPB contribution as percentage of the total

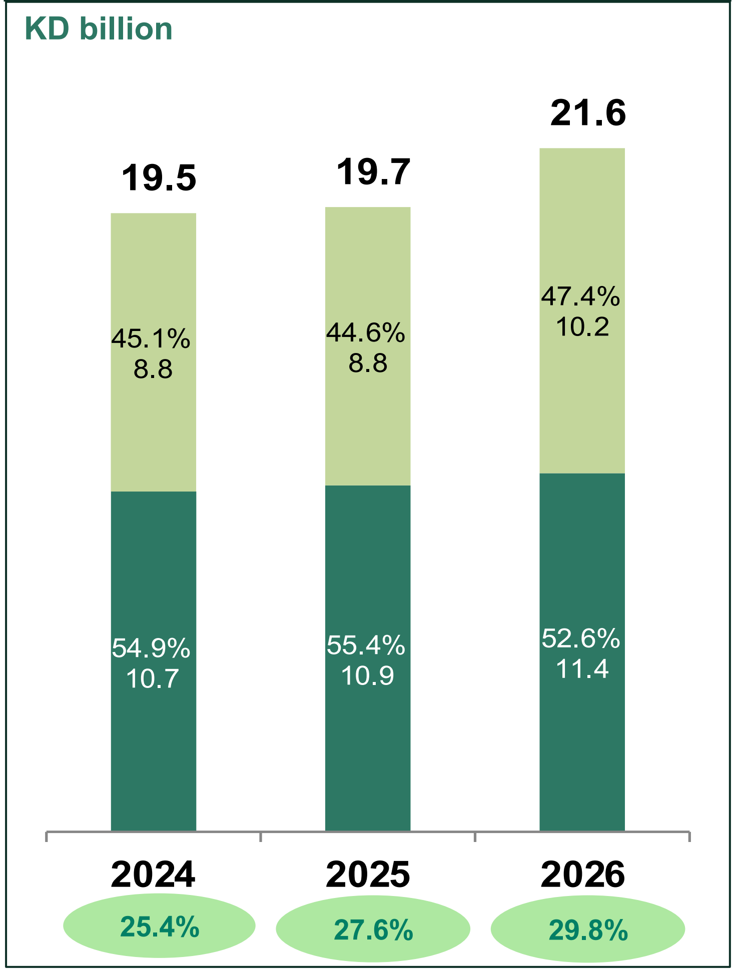
Net Profit to Shareholders



Financing



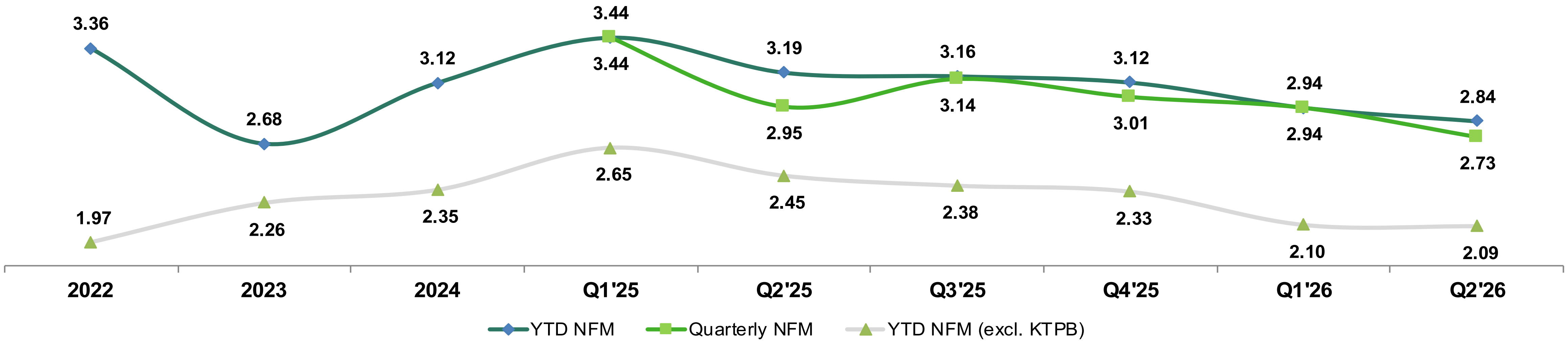
Deposits



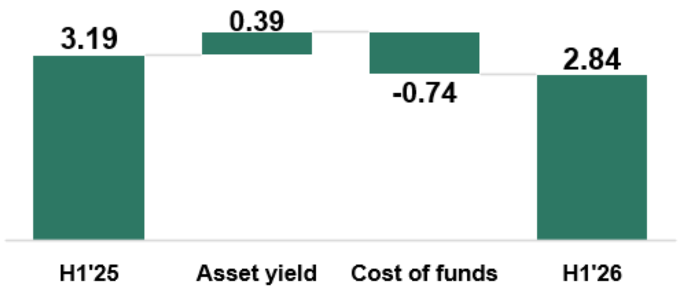
Note: All numbers are comparative June periods

Margin Profile Driven by Diversified Group Operations

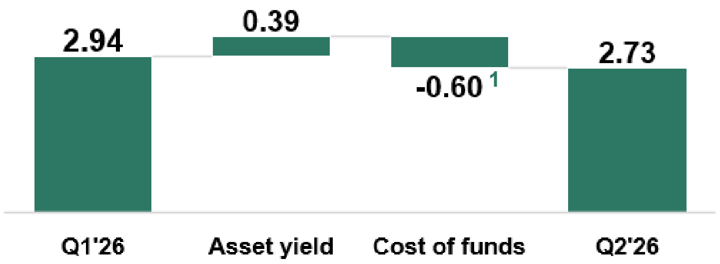
Net financing margin (NFM) (%)



NFM drivers H1'26 vs H1'25 (%)



NFM drivers Q2'26 vs Q1'26 (%)



***Note 1** – Higher COF in Q2'26 was largely attributable to KTPB, driven by increased TL funding costs amid market conditions.*

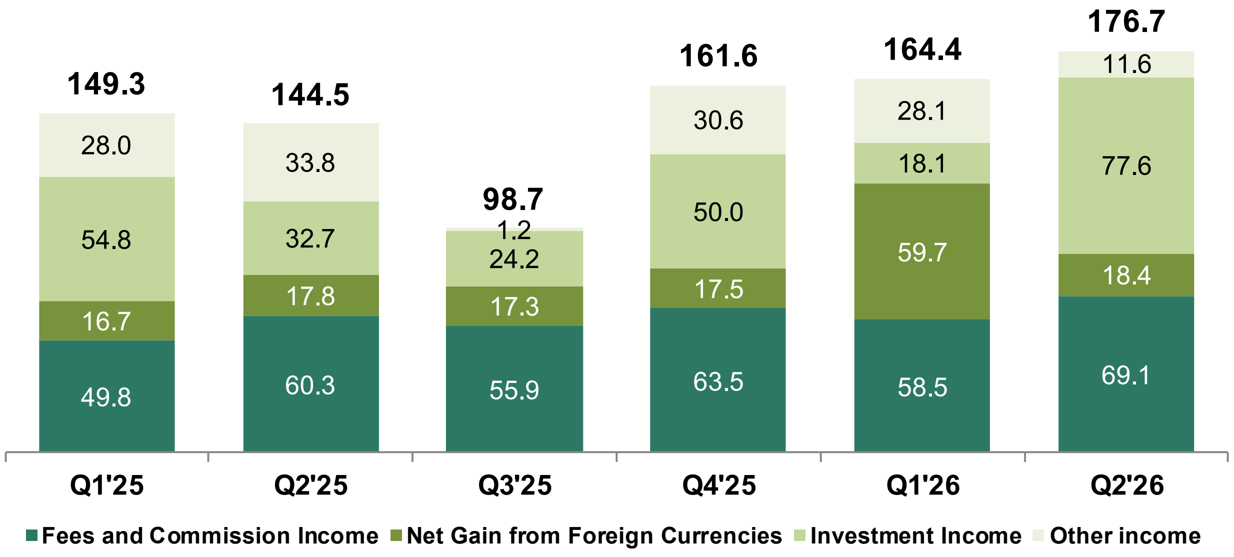
NFM sensitivity to 25bps movement

A parallel 25bps movement in benchmark profit rates is estimated to impact Group NFM by approximately 5 bps (assuming all other factors remain constant)

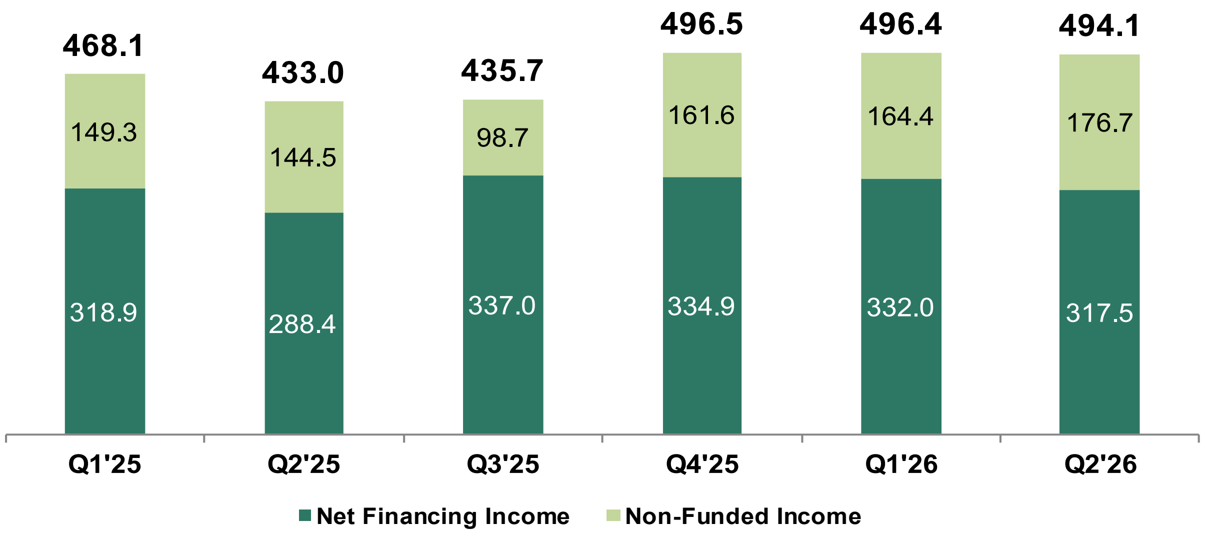
Broad-Based Business Growth Enhancing Non-Funded Income

Non-funded income (KD mn)	H1'26 (6m)	H1'25 (6m)	%YoY	Q2'26 (3m)	Q1'26 (3m)	%QoQ
Fee and commission income	276.3	222.3	24.3%	148.9	127.3	17.0%
Fee and commission expense	(148.7)	(112.3)	32.4%	(79.9)	(68.8)	16.0%
Net fee & commission income	**127.6**	**110.0**	**15.9%**	**69.1**	**58.5**	**18.1%**
Total other non-funded income	213.5	183.8	16.2%	107.6	105.9	1.6%
Total non-funded income	**341.1**	**293.8**	**16.1%**	**176.7**	**164.4**	**7.5%**

Total other non-funded income - Quarterly (KD mn)

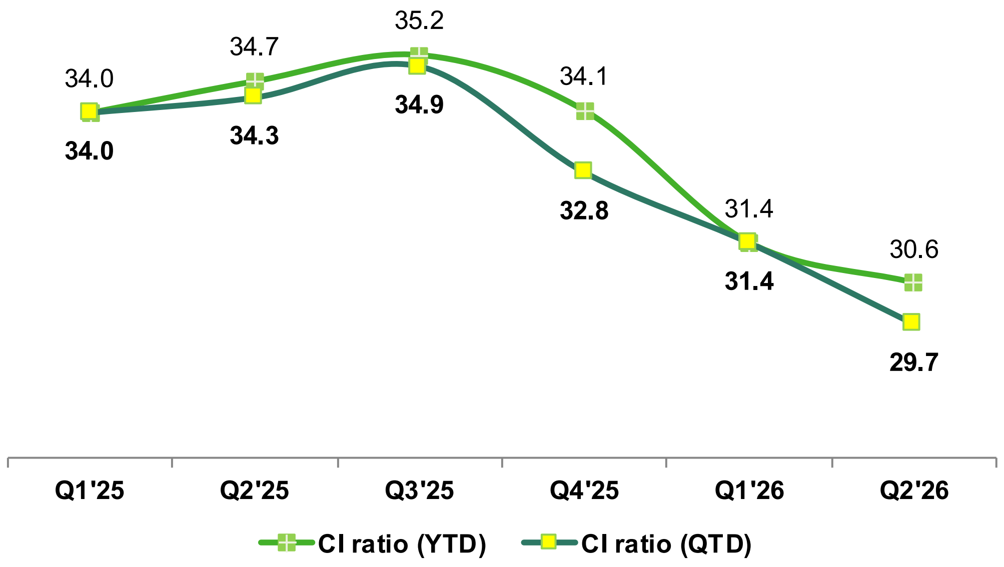


Total Operating Income - Quarterly (KD mn)

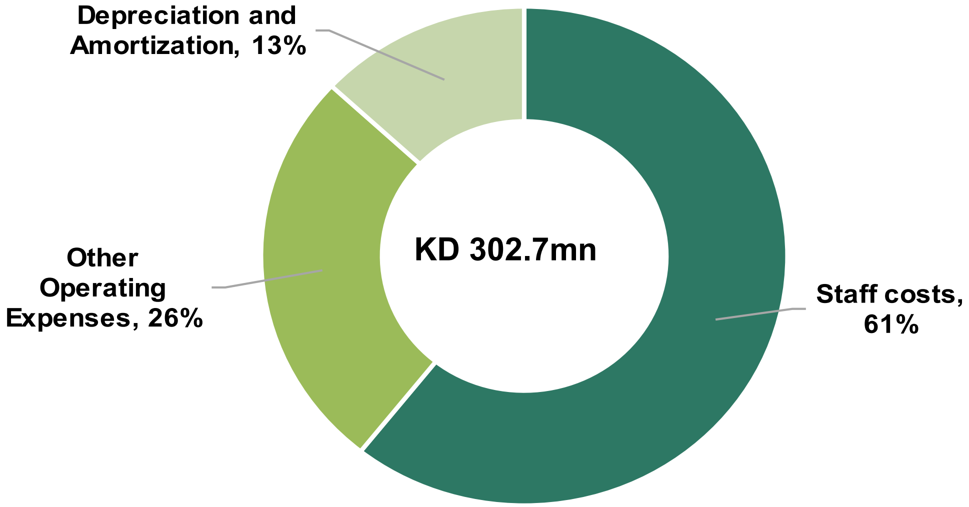


Sustained Cost Discipline Underpins Operating Efficiency

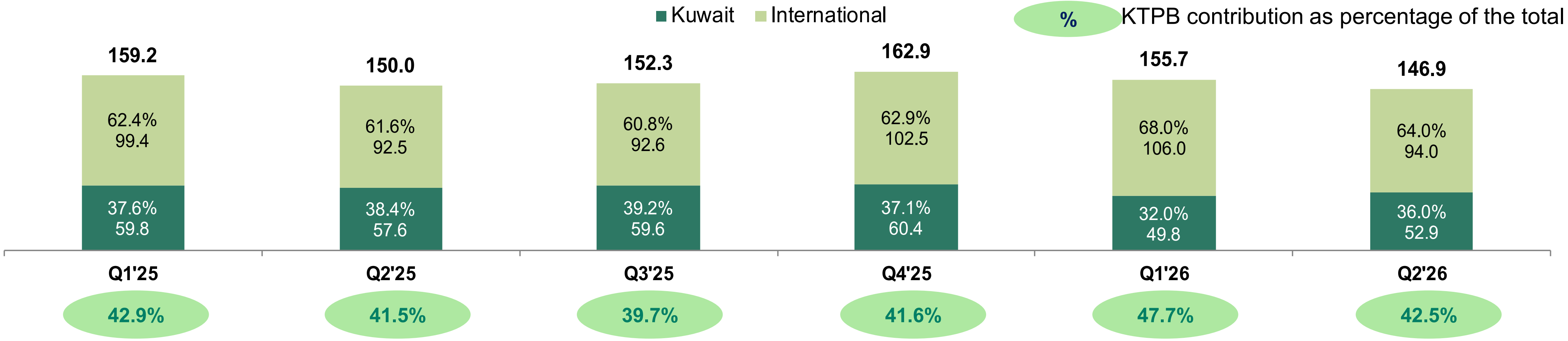
Cost to income ratio (%)



Operating expense composition% - H1'26



Total Operating Expenses - Quarterly (KD mn)

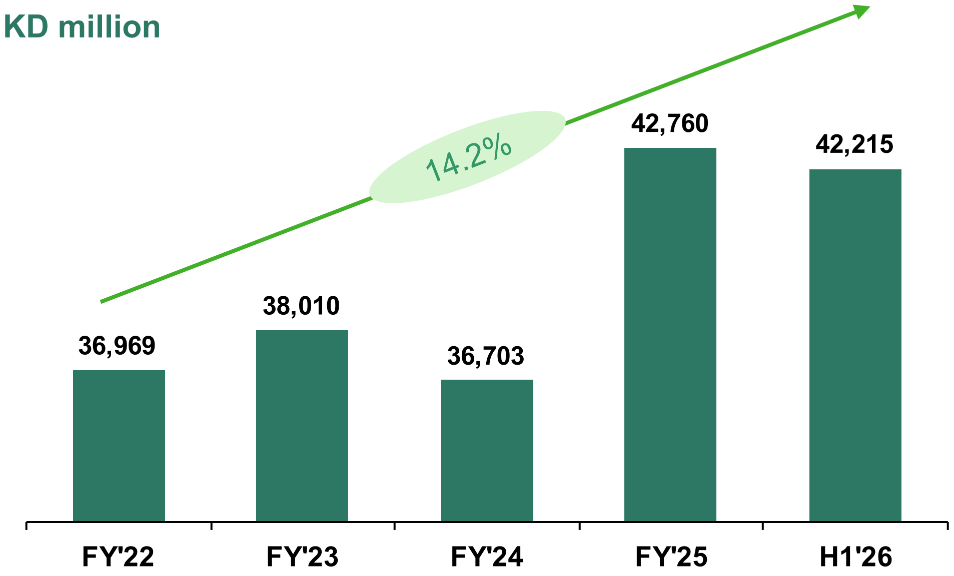


Diversified Entity Contributions Support a Resilient Asset Base

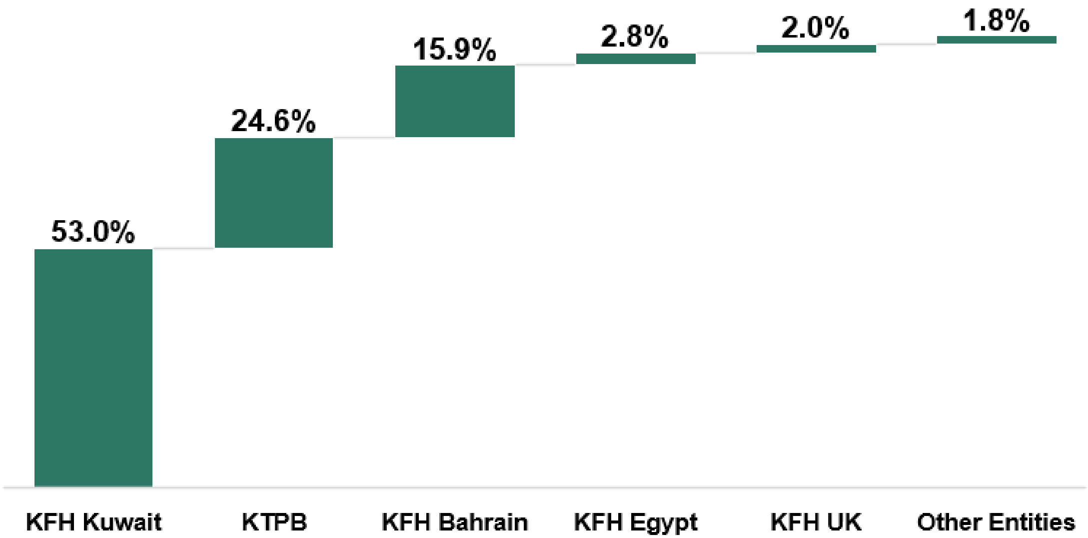
Assets Analysis 30 June 2026

Total Assets Evolution

KD million

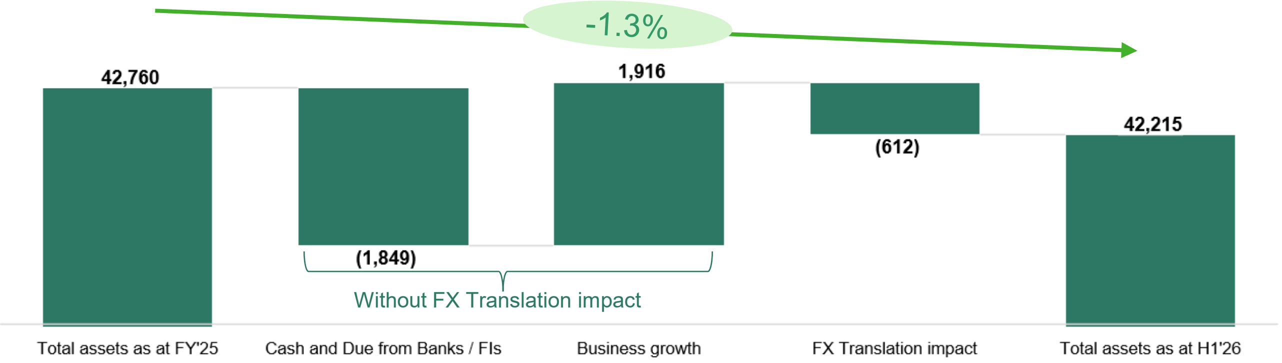


H1’26 Split of Assets by Entity



Total Assets movement from FY-25

KD million

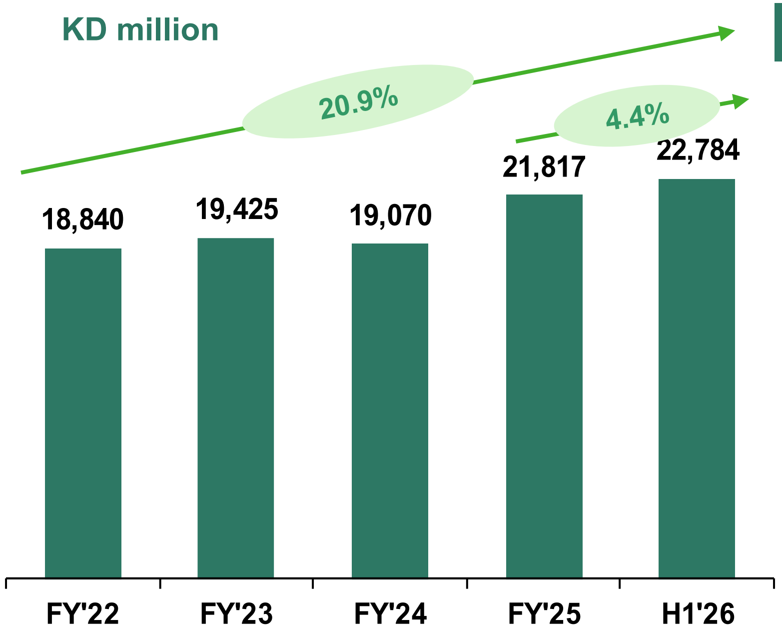


The reported 1.3% decline in assets was mainly due to redeployment of cash and bank-related balances to financing receivables and investments in debt securities evidenced by the growth of 4.4% and 3.0%, respectively, during H1'26.

Stable Financing momentum driven by diversified Group Operations

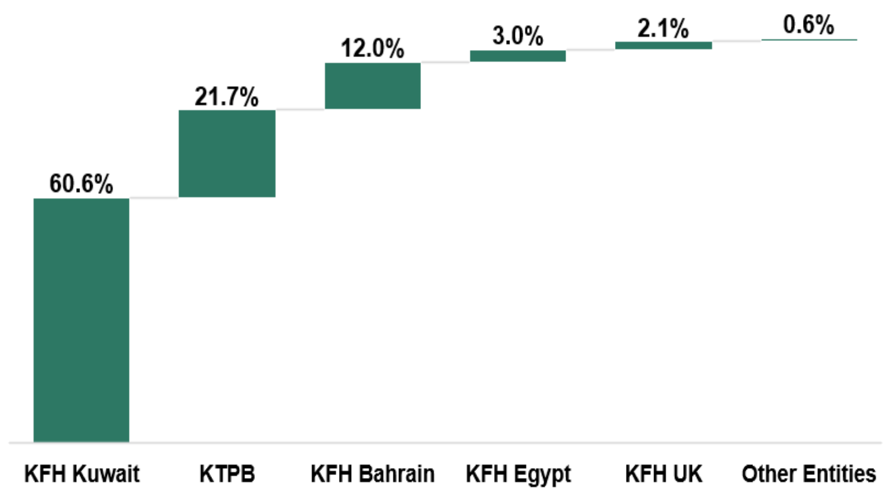
Financing Analysis 30 June 2026

Total Financing Evolution

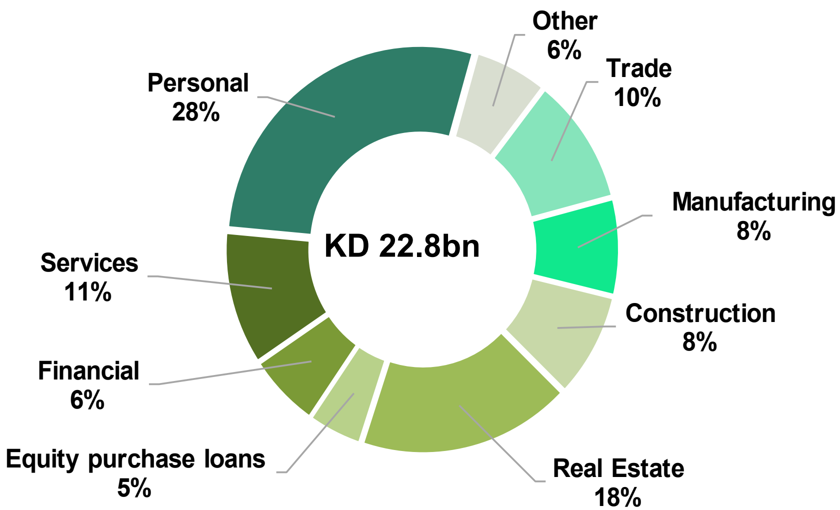


H1'26 Split of Financing (%)

By Entity

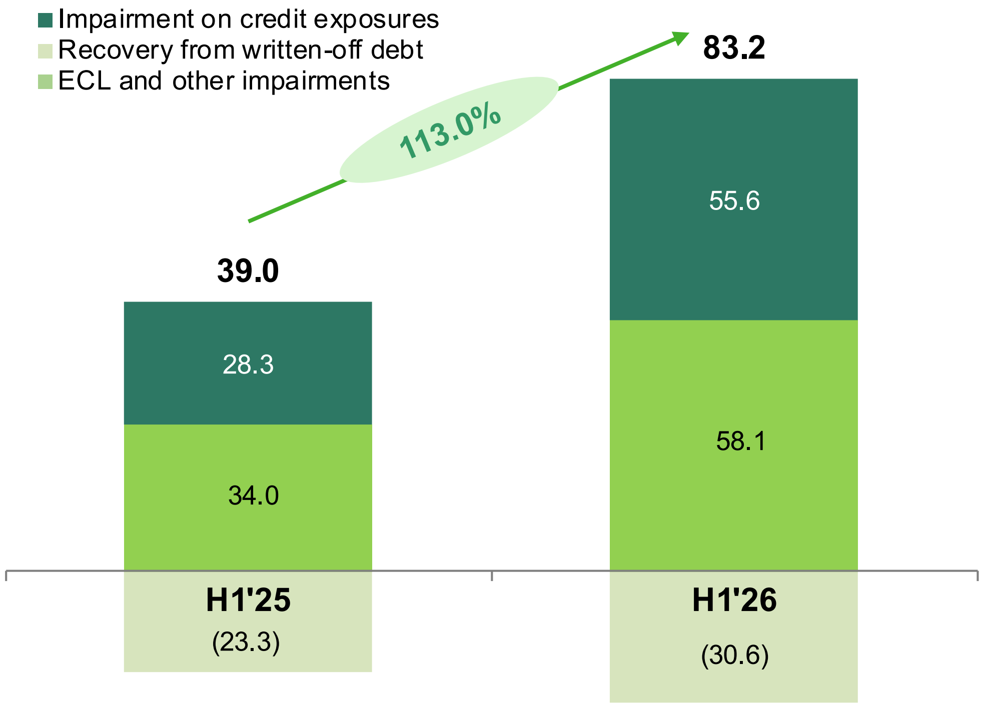


By Economic Sector



Credit Fundamentals Underpin Portfolio Resilience

Provision and impairment charge (KD mn)

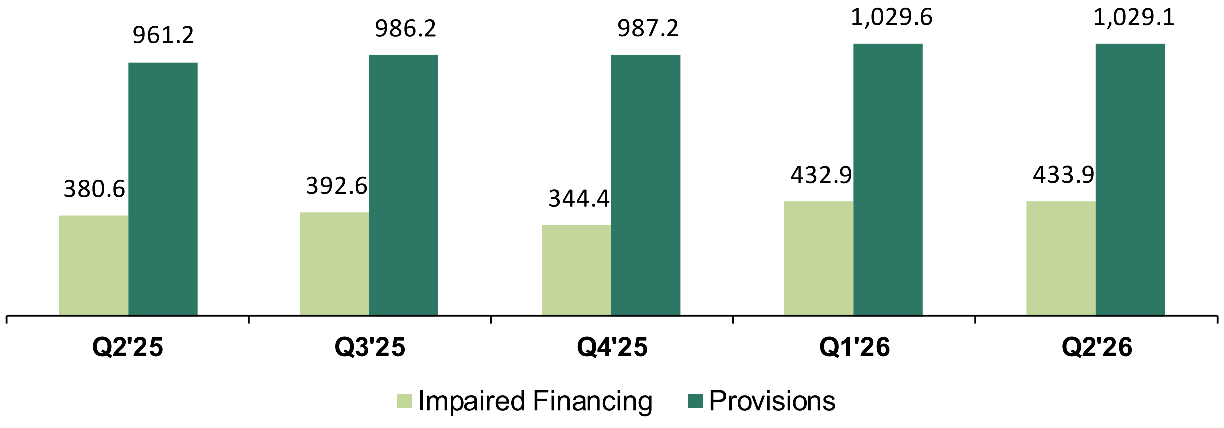


- *H1'26 includes KD 32.5mn of precautionary provisions charge; excluding this, total provision and impairment charges would have been **KD 50.7mn** for **H1'26**.*
- *Included in ECL and other impairments a provision charge of KD 29mn (H1'25 KD 25mn) relating to takaful insurance activity*

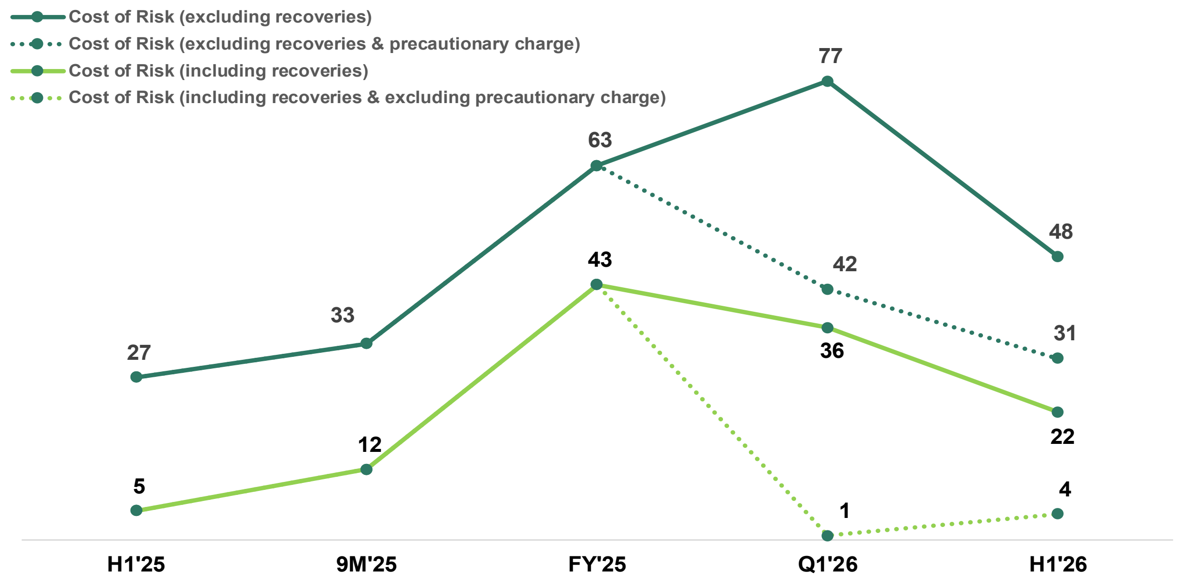
Ratios	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
NPF	1.78%	1.77%	1.51%	1.90%	1.82%
Coverage	253%	251%	287%	238%	237%

The rise in NPFs and the corresponding decline in the coverage ratio in 2026 mainly reflect the recognition of additional non-performing exposures in selected sectors across KTPB and KFH Bahrain.

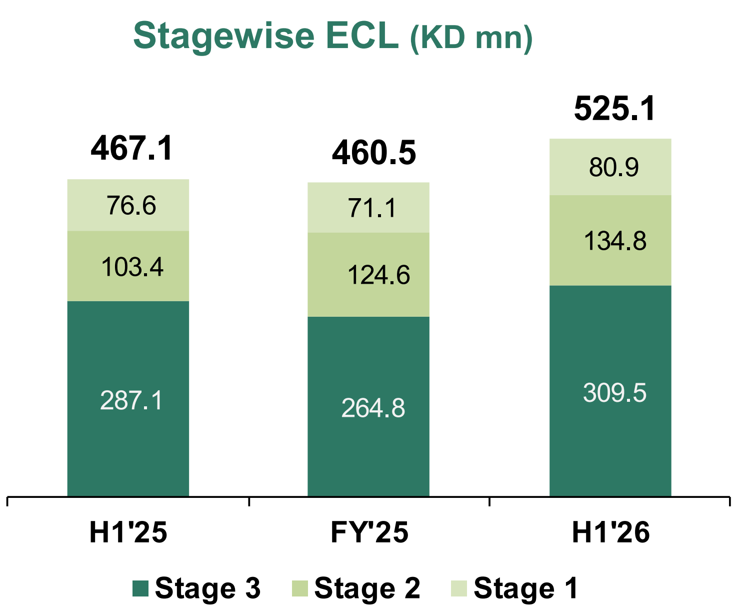
Impaired Financing & Provisions (Cash + Non-Cash) (KD mn)

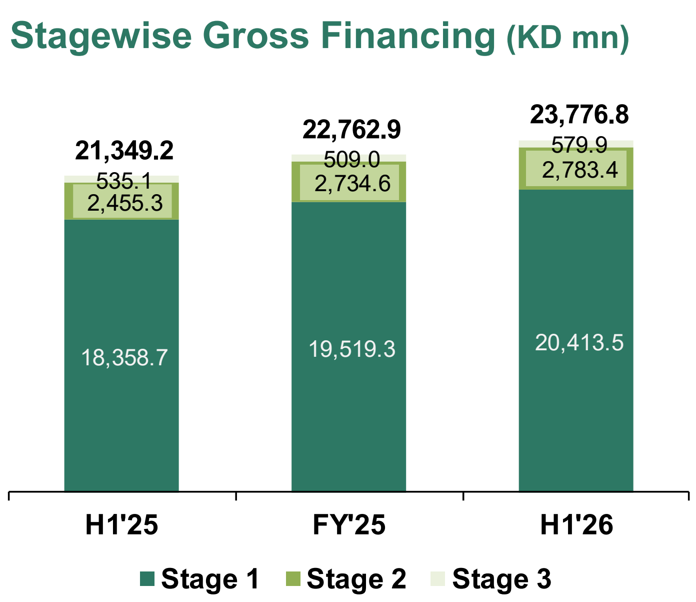


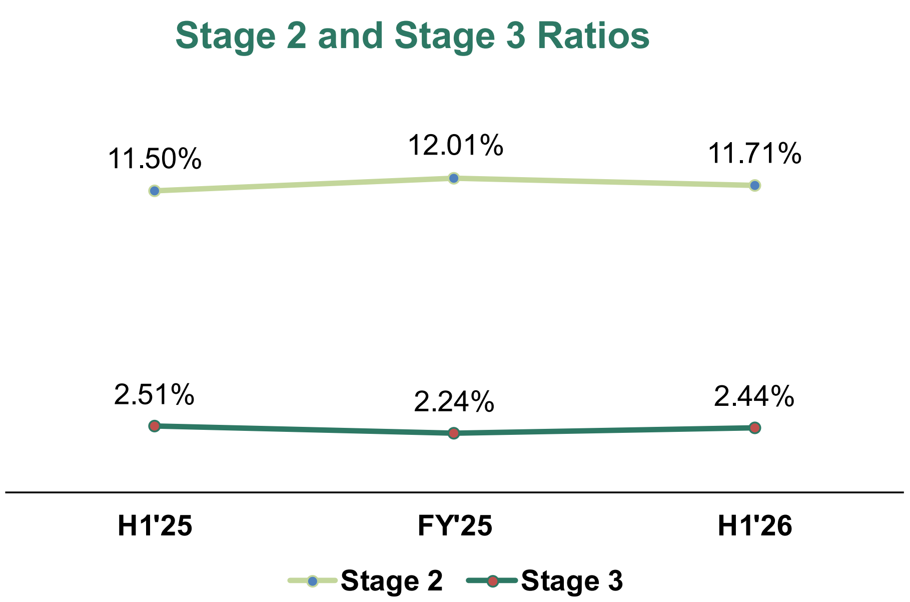
Credit Cost of Risk (bps) (YTD)



Sizable Provisioning Buffer Maintained Above IFRS-9 Requirements







IFRS-9 ECL versus CBK Provision buffer trend (KD mn)

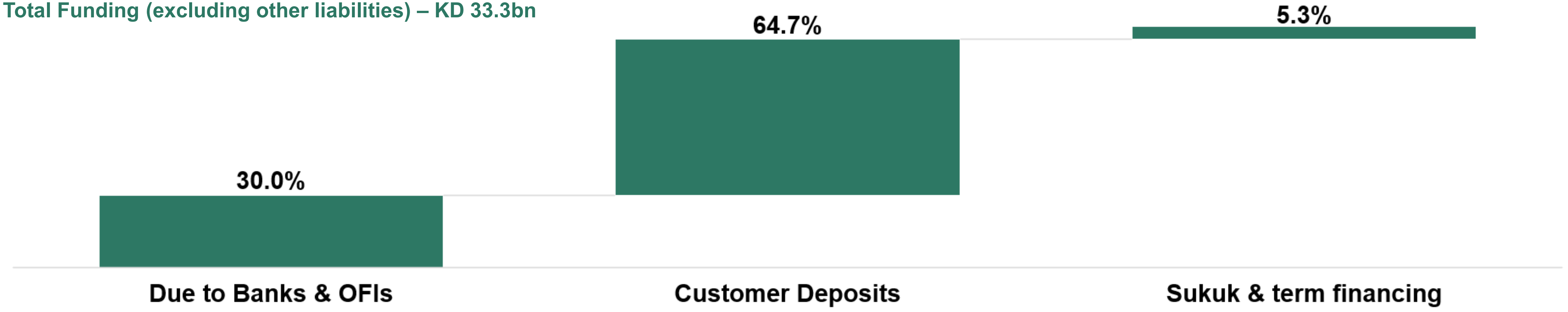
As of	H1'26	Q1'26	FY'25	9M'25	H1'25	Q1'25	FY'24	FY'23	FY'22
CBK Provision	1,029.1	1,029.6	987.2	986.2	989.5	1,003.9	977.2	1,016.8	924.9
CBK IFRS-9 ECL	525.1	503.4	460.5	508.2	467.1	452.0	438.4	443.6	407.7
Buffer	**504.0**	**526.2**	**526.6**	**478.0**	**522.4**	**551.9**	**538.8**	**573.2**	**517.2**

Deposit Franchise Underpins Funding Stability

Funding Analysis 30 June 2026

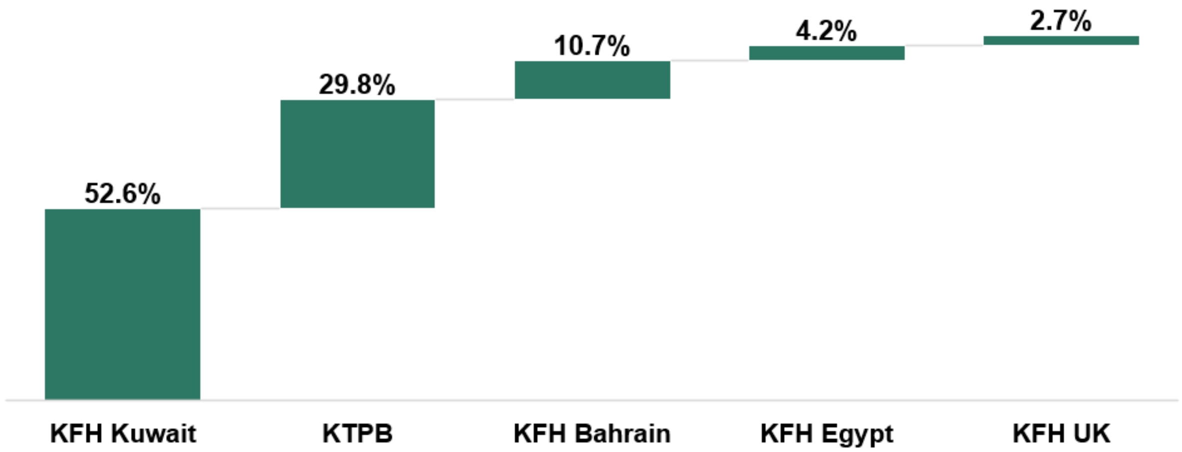
H1’26 Sources of Funding (%)

Total Funding (excluding other liabilities) – KD 33.3bn

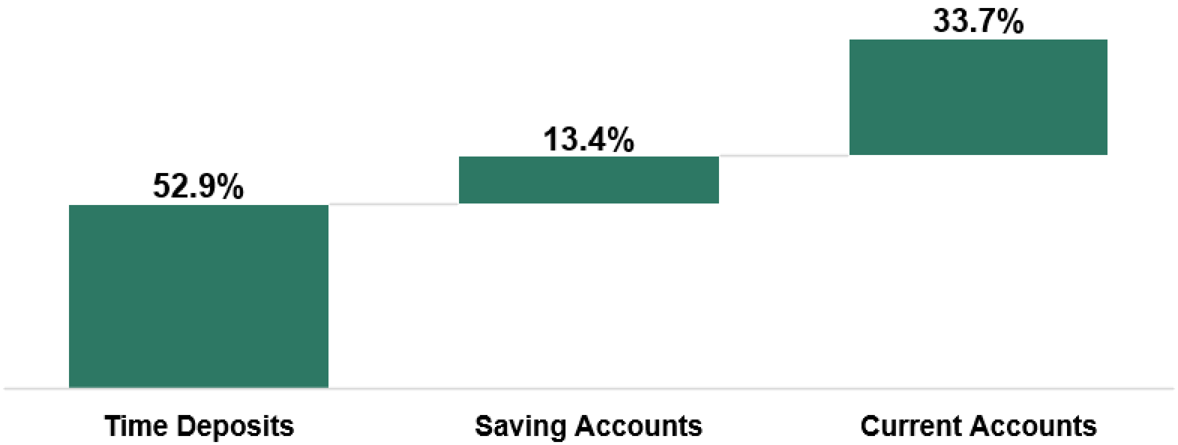


H1’26 Split of Customer Deposits %

By Entity



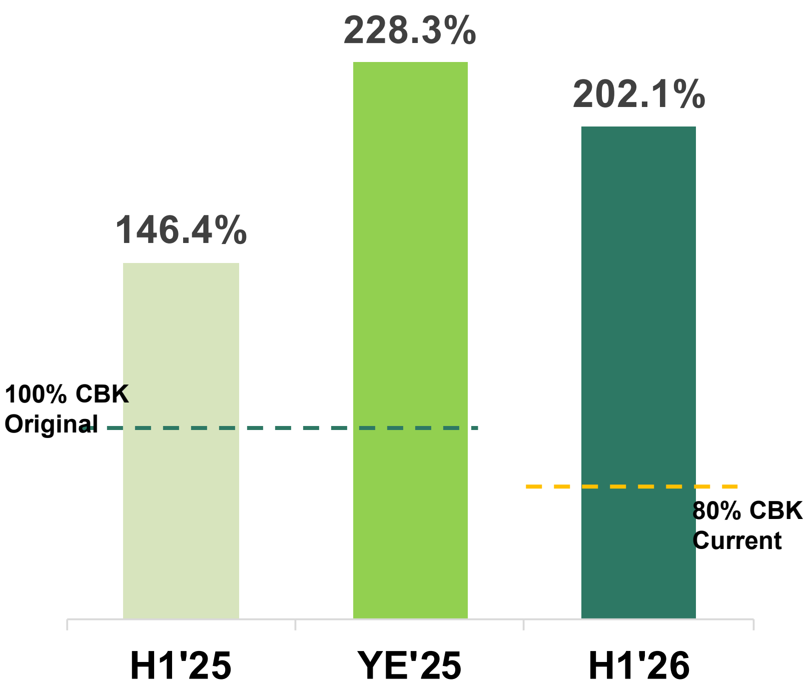
By Type



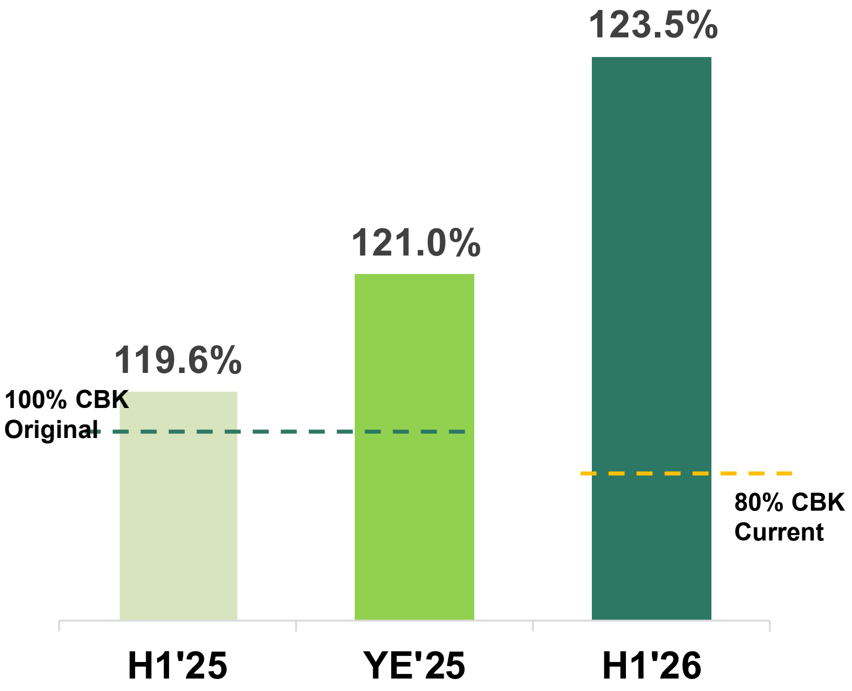
Liquidity Profile Continues to Significantly Exceed Regulatory Requirements

Liquidity Analysis 30 June 2026

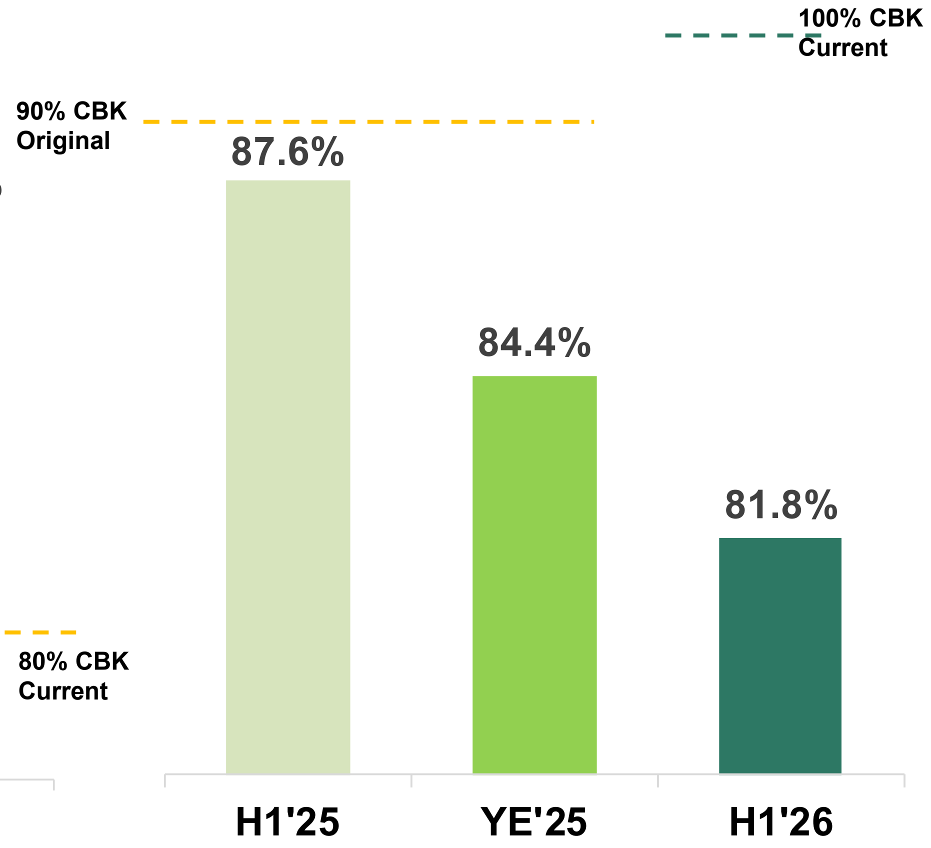
LCR (%)



NSFR (%)



FDR - Kuwait (%)

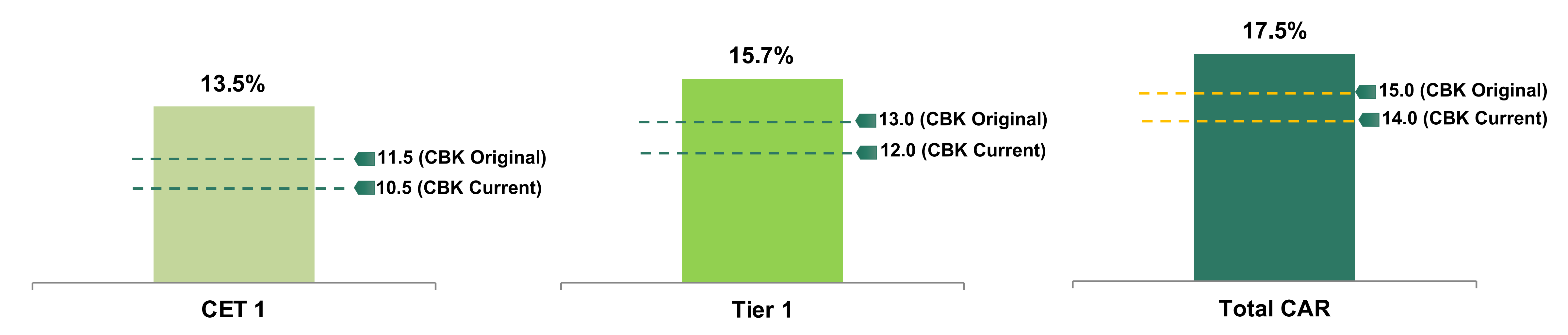


Note - Following the CBK circular issued in March 2026, the H1'26 FDR, LCR, and NSFR ratios are presented against the revised CBK requirements, while H2'25 and YE'25 are shown against the original regulatory thresholds applicable during those periods

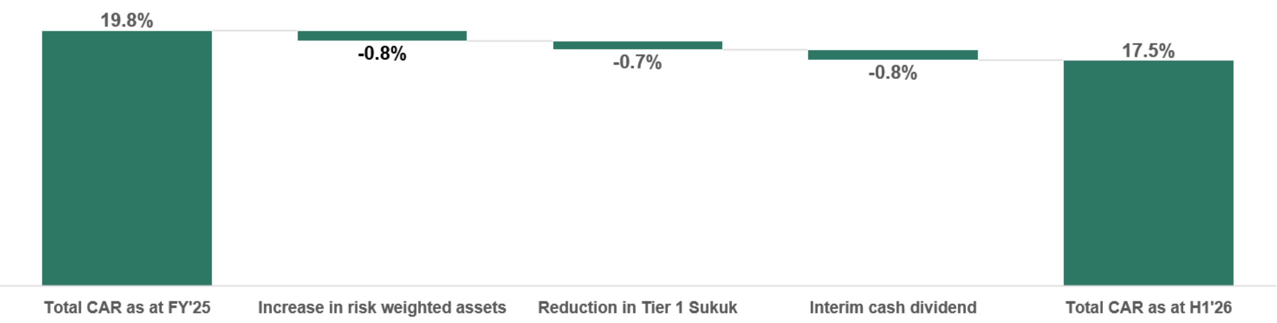
Capital adequacy above CBK capital requirements

Capital Analysis 30 June 2026

Basel III Capital Adequacy Ratio including Reform Requirements (%)



CAR movement from FY-25

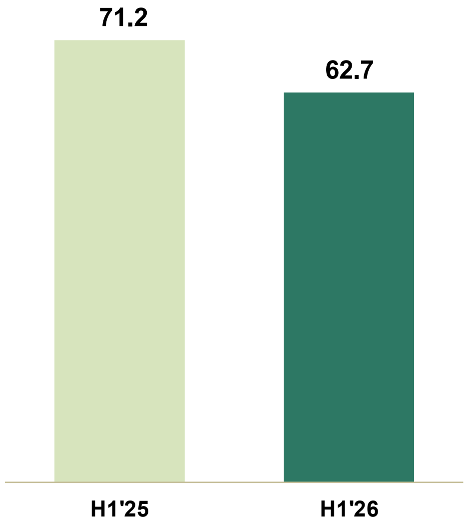


As per CBK guidelines, interim profit is not considered as part of H-1 2026 CAR ratio

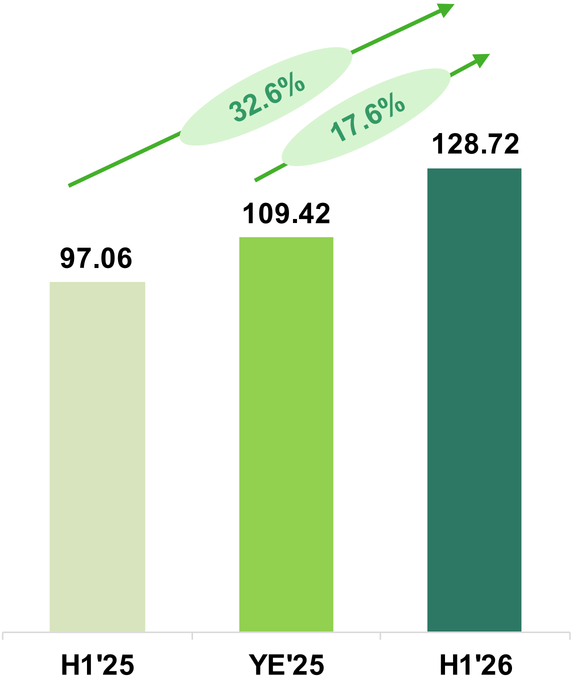
Note - The CBK revised Capital Adequacy Ratio requirements through its March 2026 circular. Accordingly, H1'26 ratios are assessed against the current limits, while the original regulatory thresholds are also presented for reference. Moreover, the ratios above after considering the impact of interim approved cash dividends.

Türkiye – Hyperinflation Accounting, FX Impact and Outlook

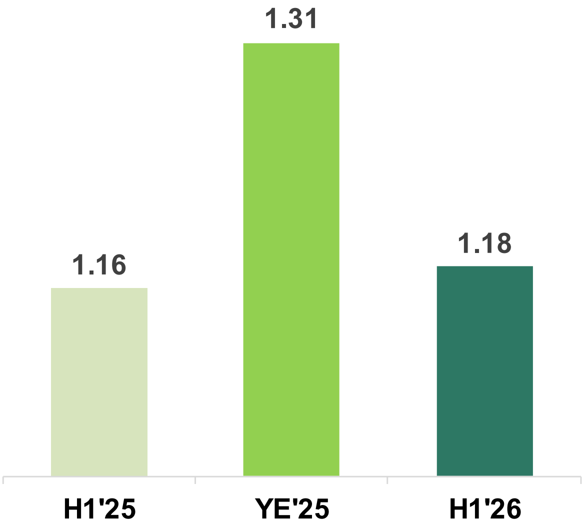
IAS-29 Impact (KD mn)



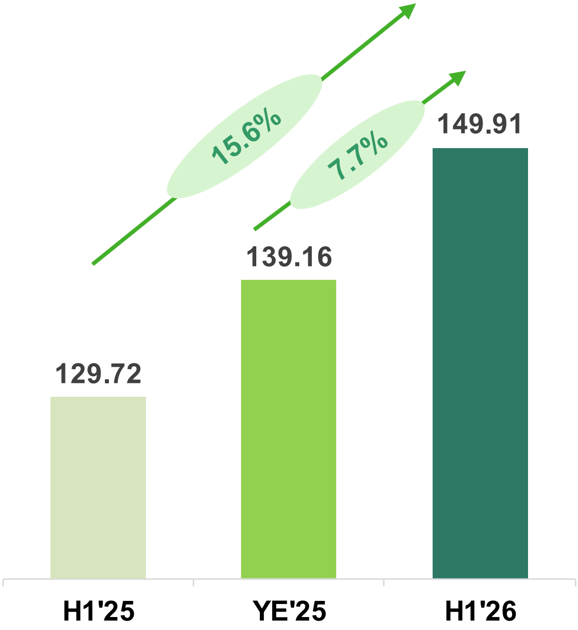
CPI Index



Conversion Factor



Exchange rate KD/TL



Inflation Outlook - Türkiye inflation is forecast to moderate but remain elevated by end-2026, with the Central Bank of Republic of Türkiye (CBRT) projecting 26% year-end inflation, and our estimate is close to 35%.

Contents

2026 Guidance

	FY'2025	H1'26	2026 Guidance	Status
Financing growth	+14.4%	+4.4%	Low double-digit	On track
Fees and commission	+29.5%	+15.9%	Above 15%	On track
NFM%	3.12%	2.84%	Stable	Updated
Cost to income ratio	34.1%	30.6%	Below 32%	Updated
Cost of risk (excluding recoveries)	63 bps	48 bps	c. 40-50 bps	On track
Cost of risk (including recoveries)	43 bps	22 bps	c. 20-25 bps	Updated

Q&A

Thank you

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