The Commercial Bank of Kuwait Group

Consolidated Public Disclosures on Capital Adequacy Standard

30 June 2026

The following detailed quantitative public disclosures are being provided in accordance with Central Bank of Kuwait (CBK) rules and regulations on Capital Adequacy Standard Basel III issued through Circular No. 2/BS/IBS/336/2014 on June 24, 2014. These disclosure requirements shall enable and allow market participants to assess key pieces of information about a licensed bank's exposure to risks and provides a consistent and understandable disclosure framework that enhances comparability.

I Subsidiaries and significant investments

The Commercial Bank of Kuwait K.P.S.C (the "Bank") has a subsidiary, Al-Tijari Financial Brokerage Company K.S.C (Closed) - (98.16% owned) engaged in brokerage services and owns a 32.00% interest in Al Cham Islamic Bank S.A (an associate), a private bank incorporated in Republic of Syria engaged in Islamic Banking activities.

The Bank and its subsidiary are collectively referred to as "the Group".

II Capital structure

The authorised share capital of the Bank comprises of 2,500,000,000 shares of 100 fils each.

Share Capital – Share capital comprises of 2,191,262,089 subscribed and fully paid ordinary shares of 100 fils each. As at 30 June 2026, the Bank held 217,989,569 treasury shares.

The Group has the following components of Tier 1 and Tier 2 capital base:

	30 June 2026 KD 000's
a. Tier 1 capital consist of:	
i Common equity tier 1 (CET1)	
1. Paid-up share capital	219,127
2. Proposed bonus shares	-
3. Share premium	66,791
4. Retained earnings	305,397
5. Investment valuation reserve	73,174
6. Property revaluation reserve	18,921
7. Statutory reserve	115,977
8. General reserve	17,927
9. Treasury shares reserve	49
10 Other intangibles	(3,506)
11 Treasury shares	(98,890)
12 Non significant investments in banking, financial and insurance entities	-
13 Significant investments in banking, financial and insurance entities	-
Total	**714,967**
ii Additional tier 1	
1. Non-controlling interests in consolidated subsidiaries	367
Total	**367**
Total tier 1 capital	**715,334**

	30 June 2026 KD 000's
b. Tier 2 capital.	
1. Directly issued qualifying Tier 2 instruments plus related stock surplus	100,000
2. General provisions (subject to a maximum of 1.25% of total credit risk weighted assets)	58,420
Total tier 2 capital	**158,420**
Total eligible capital	**873,754**

III Capital adequacy

A. Capital requirement

	30 June 2026 KD 000's		
	Gross exposures	**Net risk weighted assets**	**Capital requirement**
a. Credit risk			
1. Claims on sovereigns	685,421	83,187	9,982
2. Claims on international organisations	-	-	-
3. Claims on PSEs	298,313	114,263	13,712
4. Claims on MDBs	161,963	34,119	4,094
5. Claims on banks	1,820,619	739,770	88,772
6. Claims on corporates	5,137,074	2,788,389	334,608
7. Claims on central counter parties	-	-	-
8. Cash items	21,874	-	-
9. Regulatory retail	561,939	539,334	64,720
10 RHLs eligible for 35% RW	-	-	-
11 Past due exposure	11,898	9,735	1,168
12 Other assets	225,228	220,044	26,405
13 Claims on securitised assets	-	-	-
Total	**8,924,329**	**4,528,841**	**543,461**
b. Market risk			
1. Interest rate position risk	-	-	-
2. Equities position risk	-	-	-
3. Foreign exchange risk	10,534	10,534	1,264
4. Commodities risk	-	-	-
5. Options	-	-	-
Total	**10,534**	**10,534**	**1,264**
c. Operational risk	179,499	320,428	38,451
Total	**9,114,362**	**4,859,803**	**583,176**

	30 June 2026 KD 000's
B. Capital ratios	
1. Total capital ratio	**17.98%**
2. Tier 1 capital ratio	**14.72%**
3. CET 1 capital ratio	**14.71%**

C. Additional capital disclosure

1. Common disclosure template

		30 June 2026 KD 000's	
		Component of capital disclosure template	**Cross reference from consolidated regulatory financial position**
	Common Equity Tier 1 Capital: Instruments and Reserves		
1	Directly issued qualifying common share capital plus related share premium	**285,918**	**i+l**
2	Retained earnings	**305,397**	**r**
3	Accumulated other comprehensive income (and other reserves)	**226,048**	**j+m+n+o+p+q**
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-	
5	Common share capital issued by subsidiaries and held by third parties (minority interest)	-	
6	Common Equity Tier 1 capital before regulatory adjustments	**817,363**	
	Common Equity Tier 1 Capital: Regulatory Adjustments		
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
9	Other intangibles other than mortgage-servicing rights (net of related tax liability)	**3,506**	**f**
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	
11	Cash-flow hedge reserve	-	
12	Shortfall of provisions to expected losses (based on the Internal Models Approach, if applied)	-	
13	Securitization gain on sale	-	
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-	
15	Defined-benefit pension fund net assets	-	
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	**98,890**	**k**
17	Reciprocal cross-holdings in common equity of banks, FIs, and insurance entities	-	
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold of bank's CET1 capital)	-	**d**
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold of bank's CET1 capital)	-	
20	Mortgage servicing rights (amount above 10% threshold of bank's C ET1 capital)	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	

	30 June 2026 KD 000's Component of capital disclosure template	Cross reference from consolidated regulatory financial position
22 Amount exceeding the 15% threshold	-	
23 of which: significant investments in the common stock of financials	-	
24 of which: mortgage servicing rights	-	
25 of which: deferred tax assets arising from temporary differences	-	
26 National specific regulatory adjustments	-	
27 Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-	
28 Total regulatory adjustments to Common equity Tier 1	102,396	
29 Common Equity Tier 1 capital (CET1) after regulatory adjustments	714,967	
Additional Tier 1 Capital: Instruments		
30 Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	
31 of which: classified as equity under applicable accounting standards	-	
32 of which: classified as liabilities under applicable accounting standards	-	
33 Directly issued capital instruments subject to phase out from Additional Tier 1	-	
34 Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	367	s
35 of which: instruments issued by subsidiaries subject to phase-out	-	
36 Additional Tier 1 capital before regulatory adjustments	367	
Additional Tier 1 Capital: Regulatory Adjustments		
37 Investments in own Additional Tier 1 instruments	-	
38 Reciprocal cross-holdings in Additional Tier 1 instruments	-	
39 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10%of the issued common share capital of the entity (amount above 10% threshold)	-	
40 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
41 National specific regulatory adjustments	-	
42 Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
43 Total regulatory adjustments to Additional Tier 1 capital	-	
44 Additional Tier 1 capital (AT1)	367	
45 Tier 1 capital (T1 = CET1 + AT1)	715,334	
Tier 2 Capital: Instruments and Provisions		
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	100,000	g
47 Directly issued capital instruments subject to phase-out from Tier 2		
48 Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
49 of which: instruments issued by subsidiaries subject to phase-out	-	
50 General Provisions included in Tier 2 capital	58,420	c
51 Tier 2 capital before regulatory adjustments	158,420	
Tier 2 Capital: Regulatory Adjustments		
52 Investments in own Tier 2 instruments	-	
53 Reciprocal cross-holdings in Tier 2 instruments	-	

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	30 June 2026 KD 000's Component of capital disclosure template	Cross reference from consolidated regulatory financial position
54 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-	
55 Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	
56 National specific regulatory adjustments	-	
57 Total regulatory adjustments to Tier 2 capital	-	
58 Tier 2 capital (T2)	158,420	
59 Total capital (TC = T1 + T2)	873,754	
60 Total risk weighted assets	4,859,803	
Capital Ratios and Buffers		
61 Common Equity Tier 1 (as a percentage of risk weighted assets)	14.71%	
62 Tier 1 (as a percentage of risk weighted assets)	14.72%	
63 Total capital (as a percentage of risk weighted assets)	17.98%	
64 Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement, expressed as a percentage of risk weighted assets)	9.00%	
65 of which: capital conservation buffer requirement	2.50%	
66 of which: bank specific countercyclical buffer requirement	-	
67 of which: D-SIB buffer requirement	0.50%	
68 Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	8.71%	
National Minima		
69 National Common Equity Tier 1 minimum ratio	8.50%	
70 National Tier 1 minimum ratio	10.00%	
71 National total capital minimum ratio excluding CCY and DSIB buffers	12.00%	
Amounts below the Thresholds for Deduction (before Risk Weighting)		
72 Non-significant investments in the capital of financials institutions	-	e
73 Significant investments in the common stock of financials institutions	-	
74 Mortgage servicing rights (net of related tax liability)	-	
75 Deferred tax assets arising from temporary differences (net of related tax liability)	-	
Applicable Caps on the Inclusion of Provisions in Tier 2		
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	203,174	a+b+h
77 Cap on inclusion of provisions in Tier 2 under standardized approach	58,420	c
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-	
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-	

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2. Consolidated financial position under financial accounting and regulatory scope of consolidation

The basis of consolidation used to prepare consolidated financial position under International Financial Reporting Standards (IFRSs) is consistent with those used for regulatory purpose. The basis of consolidation is explained in note 2 of the annual consolidated financial statements as at 31 December 2025. There is no difference between the consolidated financial position and the consolidated regulatory financial position.

The consolidated regulatory financial position are as follows;

	30 June 2026 KD 000's		
	Consolidated regulatory financial position	**Component used in capital disclosure**	**Cross reference to common disclosure template**
Assets			
Cash and short term funds	**646,556**		
Treasury and Central Bank bonds	**134,199**		
Due from banks and other financial institutions	**546,587**	**1,839**	**a**
Loans and advances	**2,969,040**		
Of which: general provisions on funded exposure eligible for inclusion in Tier 2		**192,715**	**b**
Of which: Cap on inclusion of general provisions in Tier 2		**58,420**	**c**
Investment securities	**765,897**		
of which: non significant investment in capital of financial institutions (amount above the threshold for deduction)		-	**d**
Of which: non significant investment in the capital of financial institutions (amounts below the thresholds for deduction)		-	**e**
Premises and equipment	**23,933**		
Intangible assets	**3,506**	**3,506**	**f**
Other assets	**151,293**		
Total assets	**5,241,011**		
Liabilities and equity			
Liabilities			
Due to banks	**202,384**		
Due to other financial institutions	**64,200**		
Customer deposits	**2,563,935**		
Certificates of deposit	**300,484**		
Other borrowed funds	**1,021,264**	**100,000**	**g**
Other liabilities	**283,941**		
Of which: general provisions on unfunded exposure eligible for inclusion in Tier 2		**8,620**	**h**
Total liabilities	**4,436,208**		

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Equity			
Equity attributable to shareholders of the Bank			
Share capital	219,127	219,127	i
Proposed bonus shares	-	-	j
Treasury shares	(98,890)	98,890	k
Reserves	292,839		
of which: share premium		66,791	l
of which: statutory reserve		115,977	m
of which: general reserve		17,927	n
of which: treasury share reserve		49	o
of which: property revaluation reserve		18,921	p
of which: investment valuation reserve		73,174	q
Retained earnings	367,681	305,397	r
	780,757		
Proposed dividend	23,679		
	804,436		
Non-controlling interests	367	367	s
Total equity	804,803		
Total liabilities and equity	5,241,011		

3. Main features of capital instrument issued

1	Issuer	Commercial Bank of Kuwait
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	CBK
3	Governing law(s) of the instrument	Kuwait Law
	Regulatory treatment	
4	Type of Capital (CET1, AT1 or T2)	Common equity tier 1
5	Eligible at solo/group/group & solo	Group
6	Instrument type	Ordinary shares
7	Amount recognized in regulatory capital (KD '000')	KD 219,127
8	Par value of instrument	100 fils
9	Accounting classification	Shareholders' equity
10	Original date of issuance	19 June 1960
11	Perpetual or dated	Perpetual
12	Original maturity date	No maturity
13	Issuer call subject to prior supervisory approval	No
14	Optional call date, contingent call dates and redemption amount	N/A
15	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
16	Fixed or floating dividend/coupon	Floating
17	Coupon rate and any related index	N/A
18	Existence of a dividend stopper	No
19	Fully discretionary, partially discretionary or mandatory	Fully discretionary
20	Existence of step up or other incentive to redeem	No
21	Noncumulative or cumulative	Noncumulative
22	Convertible or non-convertible	Nonconvertible
23	If convertible, conversion trigger (s)	N/A
24	If convertible, fully or partially	N/A
25	If convertible, conversion rate	N/A
26	If convertible, mandatory or optional conversion	N/A
27	If convertible, specify instrument type convertible into	N/A
28	If convertible, specify issuer of instrument it converts into	N/A
29	Write-down feature	No
30	If write-down, write-down trigger(s)	N/A
31	If write-down, full or partial	N/A
32	If write-down, permanent or temporary	N/A
33	If temporary write-down, description of write-up mechanism	N/A
34	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
35	Non-compliant transitioned features	No
36	If yes, specify non-compliant features	N/A

IV Financial Leverage ratio

The financial leverage ratio is being provided in accordance with CBK circular No. 2/BS/342/2014 dated October 21, 2014. The application of this disclosure is intended to restrict the build up of financial leverage in the banking sector that leads to stress on the financial system and the economy in general. The financial leverage ratio is measure of Basel III tier 1 capital divided by total on and off balance sheet exposures of the Bank.

(a) Summary comparison of accounting assets vs total leverage ratio exposure:

		30 June 2026 KD 000's
1	Total consolidated assets as per published financial statements	5,241,011
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognized on the balance sheet pursuant to the bank's operative accounting framework but excluded from total exposures in calculation of leverage ratio	-
4	Derivative exposures	39,352
5	Securities Financing Transaction Exposures	-
6	Exposures for off-balance sheet items (i.e. credit equivalent amounts)	1,365,905
7	Other exposures	(3,506)
8	**Total exposures in calculation of leverage ratio**	**6,642,762**

(b) Leverage ratio common disclosure:

		30 June 2026 KD 000's
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	5,241,011
2	(Asset amounts deducted in determining Tier 1 capital)	(3,506)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**5,237,505**
4	Replacement cost associated with all derivative transactions (net of eligible cash variation margin)	30,625
5	Add-on amounts for Potential Future Exposure (PFE) associated with all derivative transactions	8,727
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the bank's operative accounting framework	-
7	Deductions of receivables assets for cash variation margin provided in derivative transactions	-
8	Exempted exposures to Central Counterparties (CCP)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	Adjusted effective notional offsets and add-on deductions for written credit derivatives	-
11	**Total derivative exposures**	**39,352**
12	Gross SFT assets (with no recognition of netting)	-
13	Netted amounts of cash payables and cash receivables of gross SFT assets	-
14	CCR exposures for SFT assets	-
15	Exposure of the bank in its capacity as gent in the securities finance transaction (SFT)	-
16	**Total securities financing transaction exposures**	**-**
17	Off-balance sheet exposure (before application of credit conversion factors)	3,492,270
18	Adjustments for conversion to credit equivalent amounts	(2,126,365)
19	**Total Off-balance sheet exposure**	**1,365,905**
20	**Total exposures**	**6,642,762**
21	**Tier 1 capital**	**715,334**
22	**Leverage ratio (Tier 1 capital / total exposures)**	**10.77%**