Burgan Bank K.P.S.C.

(a public shareholding company incorporated in the State of Kuwait)

Burgan Bank K.P.S.C.
Share Capital Increase Prospectus

Offering of up to KWD 50,000,000 through the issuance of 277,777,777 Ordinary Shares with a Pre-emption Right exercisable by the existing shareholders of Burgan Bank K.P.S.C. at an Issue Price of KWD 0.180 per share, representing KWD 0.100 nominal value per share with KWD 0.080 issuance premium

Subscription Period for the Exercising of Pre-emption Rights

From 31 August 2026 to 14 September 2026

Subscription Period for Public Offering

From 21 September 2026 to 5 October 2026

This Prospectus is dated 16 August 2026
ENGLISH TRANSLATION OF THE OFFICIAL ARABIC LANGUAGE PROSPECTUS

Issuance Advisor and Subscription Agent

Kamco Investment Company K.S.C. (Public) ("**Kamco Invest**")

Burgan Bank K.P.S.C. ("**Burgan Bank**" or the "**Bank**" or the "**Company**" or the "**Group**" or the "**Issuer**") was incorporated on 27 December 1975 in Kuwait by way of Amiri Decree, and in accordance with the rules and instructions of the Central Bank of Kuwait (the "**CBK**"). The Bank is registered with the Ministry of Commerce and Industry under Commercial Registration No. 24067 and was listed on the local stock exchange in Kuwait ("Boursa Kuwait") on 29 September 1984. The Bank's registered office is at Sharq, Block 9, Plot 22, Abdulla Al Ahmad Street, Kuwait.

The Issuer's authorized capital as at the date of this share offering Prospectus ("**Prospectus**") is KWD 600,000,000.000 (six hundred million Kuwaiti Dinars) divided into 6,000,000,000 (six billion shares) shares at a value of 100 Fils (one hundred Kuwaiti Fils) per share. The Issuer's issued and paid-up capital as at the date of this share offering Prospectus is KWD 399,635,664.200 (Three hundred ninety-nine million, six hundred thirty-five thousand, six hundred sixty-four Kuwaiti Dinars and two hundred fils) divided into 3,996,356,642 (Three billion, nine hundred ninety-six million, three hundred fifty-six thousand, six hundred forty-two) shares at a value of 100 Fils (one hundred Kuwaiti Fils) per share ("**Existing Shares**").

The new share capital increase offered for subscription (the "**Issue**", or the "**Offering**"), whose provisions include a Pre-emption Right, as defined herein, shall be composed of 277,777,777 (two hundred seventy-seven million, seven hundred seventy-seven thousand, seven hundred seventy-seven) ordinary shares (the "**Issue Shares**") at an Issue Price of 180 Fils (one hundred and eighty Kuwaiti Fils) per share (the "**Issue Price**") of which 100 Fils (one hundred Kuwaiti Fils) is the nominal value and 80 Fils (eighty Kuwaiti Fils) is the share premium.

The Issue represents an increase in the Bank's total issued share capital from KWD 399,635,664.200 (three hundred ninety-nine million, six hundred thirty-five thousand, six hundred sixty-four Kuwaiti Dinars and two hundred fils), divided into 3,996,356,642 (three billion, nine hundred ninety-six million, three hundred fifty-six thousand, six hundred forty-two) shares, to KWD 427,413,441.900 (four hundred twenty-seven million, four hundred thirteen thousand, four hundred forty-one Kuwaiti Dinars and nine hundred Fils only), divided into 4,274,134,419 (four billion, two hundred seventy-four million, one hundred thirty-four thousand, four hundred nineteen) shares, representing an increase of KWD 27,777,777.700 (Twenty-seven million, seven hundred seventy-seven thousand, seven hundred seventy-seven Kuwaiti Dinars and seven hundred fils) in nominal share capital divided into 277,777,777 (Two hundred seventy-seven million, seven hundred seventy-seven thousand, seven hundred seventy-seven) shares, or approximately 7 Per Cent. of the Bank's current issued share capital.

The new shares are issued at an issue price of 180 fils per share, comprising a nominal value of 100 fils per share and a share premium of 80 fils per share, resulting in a nominal value of KWD 27,777,777.700 (Twenty-seven million, seven hundred seventy-seven thousand, seven hundred seventy-seven Kuwaiti Dinars and seven hundred fils) and an aggregate issue value of approximately KWD 49,999,999.860 (Forty-nine million, nine hundred ninety-nine thousand, nine hundred ninety-nine Kuwaiti Dinars and eight hundred sixty Fils only), of which KWD 22,222,222.160 (Twenty-two million, two hundred twenty-two thousand, two hundred twenty-two Kuwaiti Dinars and one hundred sixty fils) represents the share premium.

The initial eligible subscribers ("**Initial Eligible Subscribers**") are comprised of, a) those persons ("**Eligible Shareholders**") whose names are recorded in the shareholder register of the Bank (the "**Bank's Shareholders Register**") held with Kuwait Clearing Company K.S.C and its subsidiaries ("**Clearing and Depository Agent**") as at **30 August** 2026 ("**Record Date**"), and b) those persons to whom pre-emption rights were transferred during the Pre-emption Rights Trading Period (defined below) ("**Owners of Transferred Pre-emption Rights**").

For clarity, any trading made on the Bank's shares prior to the Record Date but for which the settlement process has not been completed at Boursa Kuwait on the Record Date (the "**Ex-Date**") and, accordingly, not recorded in the shareholder register of the Bank (the "**Bank's Shareholders Register**"), shall not be taken into account in defining the Eligible Shareholders recorded in the Bank's Shareholders Register on the Record Date.

In any of the following instances concerning the exercising of any right of pre-emption vis-à-vis the Issue Shares (the "**Pre-emption Right**" (as the context may apply), a) in the case of an Initial Eligible Subscriber, same may subscribe for their pro-rata amount of the Issue Shares based on the amount of Existing Shares registered in the name of the Initial Eligible Subscriber on the Record Date to the extent they have not otherwise transferred their pre-emption right, and b) in the case of an Owners of Transferred Pre-emption Rights, such Owner may subscribe for one Issue Share for each Pre-emption Right transferred to them during the Pre-emption Rights Trading Period. For the avoidance of doubt, any Transferred Pre-emption Rights acquired by an Initial Eligible Subscriber shall not be added to the Existing Shares registered in its name on the Record Date for the purpose of calculating its pro rata entitlement under paragraph (a) but shall constitute a separate entitlement to subscribe for Issue Shares in accordance with paragraph (b).

In addition to the amount of Issue Shares that Initial Eligible Subscribers are entitled to with respect to their Pre-emption Right, the Initial Eligible Subscribers may also subscribe for additional Issue Shares ("**Additional Issue Shares**") at the same time that they subscribe for Issue Shares under their Pre-emption Right. Additional Issue Shares are those Issue Shares that remain unsubscribed as a result of Initial Eligible Subscribers electing not to exercise, or to only partially exercise, their Pre-emption Right. Available Additional Issue Shares subscribed for will be allocated to the Initial Eligible Subscribers pro rata to their subscription for such Additional Issue Shares.

The subscription period for exercising Pre-emption Rights in the Issue Shares (and Additional Issue Shares, if available) will commence on 31 August 2026 and will end on 14 September 2026 ("**Pre-emption Right Subscription Period**").

In the case in which all Issue Shares have not been fully subscribed for by the Initial Eligible Subscribers during the Pre-emption Right Subscription Period, then the unsubscribed Issue Shares shall be offered for public subscription ("**Public Subscription**" or "**Public Offering**") to any person eligible to subscribe for shares in Kuwait (the "**Public Subscribers**"), including without limitation, the Initial Eligible Subscribers.

The Public Subscription shall commence from 21 September 2026 and will end on 5 October 2026 (the "**Public Offering Subscription Period**"). In the event that all of the shares offered for Public Subscription are subscribed for at or prior to the end of the Public Offering Subscription Period, then the subscription may be closed at that time. The board of directors of the Bank (the "**Board of Directors**") may extend the Public Offering Subscription Period in its sole and absolute discretion in accordance with applicable laws and regulations. In the event that the aggregate of the Pre-emption Right Subscription Period and the Public Offering Subscription Period is to extend beyond a period of three (3) months from the date of opening of the Pre-emption Right Subscription Period, then the approval of the Kuwait Capital Markets Authority (the "**CMA**") shall be obtained in order to do so.

Initial Eligible Subscribers and Public Subscribers (collectively, "**Subscribers**") for the Issue Shares will not have the right of retraction except as in accordance with the Companies Law No. 1 of 2016 (as amended) and its executive regulations (each as amended). The share allocation decision shall be final without any liability on the Issuer or the Subscription Agent.

The number of allocated Issue Shares shall be rounded to the nearest whole number. The Issuer shall have the absolute right to dispose of the fractional shares, if any, without issuing fractional shares.

After the relevant subscription period, the completion of the final allocation of the Issue Shares and fulfilment of all necessary regulatory procedures, the Issue Shares will be listed on Boursa Kuwait for trading without any restrictions, consistent with the protocols for the current Existing Shares.

The proceeds from the Offering will be allocated to strengthening the Issuer's capital base, enhancing its financial position, and supporting its strategic growth initiatives. In addition, a portion of the proceeds may be used to fund general corporate purposes and provide the Issuer with greater financial flexibility to pursue future opportunities - see "**Use of Offering Proceeds**" section.

The Bank's Extraordinary General Assembly approved the increase of the authorized share capital to KD 600,000,000 (six hundred million Kuwaiti Dinars) at its meeting held on 15 November 2025. Subsequently, the Board of Directors, at its meetings held on 14 January 2026 and 15 June 2026, approved the proposed increase of the Bank's issued and paid-up share capital through a rights issue with a total offering size of up to KD 50 million. The capital increase will be implemented through the issuance of 277,777,777 (two hundred seventy-seven million, seven hundred seventy-seven thousand, seven hundred seventy-seven) new shares at an issue price of 180 fils per share. The issue price of each new share comprises a nominal value of 100 fils and a share premium of 80 fils. Accordingly, the nominal value component of the capital increase amounts to KD 27,777,777.700 (twenty-seven million, seven hundred seventy-seven thousand, seven hundred seventy-seven Kuwaiti Dinars and seven hundred fils only), which will be added to the Bank's issued and paid-up share capital. The remaining amount of approximately KD 22,222,222.160 (twenty-two million, two hundred twenty-two thousand, two hundred twenty-two Kuwaiti Dinars and one hundred and sixty fils only) will be allocated to the share premium account. The Board of Directors further authorized each individually, Sheikh Abdullah Nasser Sabah Al Ahmad Al Sabah (Chairman), Mr. Faisal M. Sarkhou (Vice Chairman), Mr. Antoine Daher (Group CEO), Mr. Fadel Abdullah (CEO – Kuwait), and Mr. Khaled Al-Zouman (Group CFO), to determine the subscription period for the Issue Shares, issue the prospectus, and undertake all corporate actions required to proceed with and complete the Offering.

The Issue Shares shall be of the same class as the Existing Shares in the Issuer's capital. Each share shall confer one vote on its holder and each shareholder shall be entitled to attend and vote in the General Assembly meeting, to receive future dividends whenever announced by the Issuer, to benefit from pre-emptive rights in new equity subscriptions, to benefit from the rights upon the company's liquidation and any other rights provided for in the Memorandum of Association and the Articles of Association of the Bank. No shareholder shall have any additional rights in preference to any other shareholder.

As per the provisions of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities, without prejudice to the tax exemptions from the prescribed tax on profits arising from disposal of securities issued by companies listed on Boursa Kuwait, returns in respect of securities, bonds, financial sukuk and all other similar securities, regardless of the Issuer, are exempted from taxes.

Following the conclusion of the Pre-emption Right Subscription Period or the Public Offering Subscription Period (whichever occurs later), completion of the final allocation of the Issue Shares, and satisfaction of all applicable regulatory requirements, the Issue Shares will be listed on Boursa Kuwait and admitted for trading. The Issue Shares will rank pari passu in all respects with the Existing Shares and will be freely tradable without any restrictions. The "Important Notices" of this Prospectus should be carefully reviewed prior to deciding to invest in the Issue Shares.

For the purposes of this Prospectus, the term "Business day" means the day on which Boursa Kuwait conducts normal trading business, and for the purposes of the subscription process, it also includes any day on which banks are open for business in the State of Kuwait (other than Fridays and Saturdays) and excluding official holidays.

NOTICE TO POTENTIAL INVESTORS

WE RECOMMEND THAT YOU CONSULT A PERSON LICENSED PURSUANT TO LAW NO. 7 OF 2010 CONCERNING THE ESTABLISHMENT OF THE CAPITAL MARKETS AUTHORITY AND REGULATING SECURITIES ACTIVITIES, AND ITS EXECUTIVE REGULATIONS, AS AMENDED, WHO IS QUALIFIED TO PROVIDE ADVICE ON THE CONTENTS OF THIS PROSPECTUS, BEFORE MAKING A DECISION TO SUBSCRIBE.

It should also be noted that, without the prior approval of the Central Bank of Kuwait (the "**CBK**"), that ownership by one person (whether a natural or juristic in nature) of 5 per cent. (five per cent) or more in the Bank's capital, is not permitted. If the ownership of one person exceeds the aforementioned percentage threshold, then such person should dispose of the increase within the period set by the CBK. This violation shall result in the shareholder not being entitled to exercise voting rights in respect of the excess shares in terms of the voting rights.

On **1st April** 2026, the CBK approved the Offering of the Issue Shares and by letter dated 24 June 2026 the CBK was informed of the share premium being set at 80 fils per share and on 14 July 2026, a second approval was issued by the Central Bank of Kuwait.. In addition, on 19 July 2026 the Kuwait Capital Markets Authority (the "**CMA**") approved the Offering of the Issue Shares.

This Prospectus was approved by the CMA on 16 August 2026 It has been prepared in accordance with the provisions of the Law No. 7 of 2010 concerning the Establishment of the Capital Markets Authority and Regulating Securities Activities, its Executive Regulations and amendments thereto. The members of the Board of Directors of the issuing Company and the persons named in this Prospectus under the heading "Management" are jointly and severally responsible for the accuracy and validity of all information contained herein relating to the issuing Company or the issued shares. They further affirm that, to the best of their knowledge and after making all reasonable inquiries, there are no other facts or information which, if omitted, would affect the accuracy or validity of any statement or information contained herein.

The issuing Company acknowledges its responsibility for any inaccuracies in the Prospectus and affirms that, to the best of its knowledge and after conducting all reasonable inquiries, this prospectus does not omit any material information and has been prepared based on accurate and truthful information. The issuing Company further acknowledges that all necessary requirements and procedures have been followed and that all required documents have been submitted in accordance with the CML Rules.

The Issuer's legal counsel acknowledges having reviewed this Prospectus and related documents provided by the issuing Company and, to the best of its knowledge and after conducting all reasonable inquiries, confirms that the prospectus meets all relevant legal requirements and that the issuing Company has obtained all necessary approvals to ensure the validity and enforceability of its obligations.

The CMA does not bear any responsibility for the contents of this publication, nor does it guarantee its accuracy or completeness. It also expressly and explicitly disclaims any liability of any kind for any loss that may arise or occur as a result of reliance on any part of this publication and will not be a party to any claim for damages arising from this publication.

IMPORTANT NOTICES

Disclaimer and Responsibility Statement

This Prospectus contains information regarding Burgan Bank K.P.S.C. ("**Burgan Bank**" or "the **Bank**" or the "**Company**" or the "**Issuer**") in connection with its share capital increase, including details relating to the offered shares, subscription procedures, and the applicable terms and conditions.

The Issuer has not authorized any person or entity to provide or make any statement, information, or representation concerning the Issuer or the offered shares, other than as expressly set forth in this Prospectus or as otherwise approved by the Issuer in writing for that purpose. Any statements, information, representations, or assumptions made or provided by third parties shall not be relied upon as having been authorized by the Issuer, whether in its capacity as Issuer, Issuance Advisor, or Subscription Agent, except as expressly stated herein.

The Issuer has exercised all reasonable care and conducted appropriate inquiries to ensure the accuracy and completeness of the information contained in this Prospectus as of its date. Certain information herein, particularly relating to the market and industry sectors in which the Issuer operates, has been obtained from external or public sources. While neither the Issuer nor its advisers have any reason to believe that such information is materially inaccurate or misleading, no independent verification of such data has been undertaken, and therefore no representation or warranty (express or implied) is made as to its accuracy, reliability, or completeness.

The information contained in this Prospectus is subject to change after the date of issuance. The Issuer's financial condition and the value of the shares may be affected adversely by future developments, including, without limitation, changes in inflation, interest or financing rates, taxation, economic and political conditions, or other factors beyond the Issuer's control. Neither the delivery of this Prospectus nor any written, verbal, or printed statement in relation to the offering shall be construed as a representation or warranty of any future performance, results, or events.

This Prospectus does not constitute a recommendation by the Issuer, its advisers, or any of their affiliates to participate in the share offering. The information contained herein is of a general nature and does not take into account the investment objectives, financial situation, or particular needs of any specific potential investor. Each recipient of this Prospectus shall be solely responsible for obtaining independent professional advice in respect of the Issuer, the offering, and any investment decision to subscribe for the offered shares. Each prospective investor must undertake their own independent assessment and due diligence of the Issuer, the offered shares, and the information contained herein, including obtaining financial, legal, and tax advice as deemed appropriate.

The distribution of this Prospectus and the offering of the Issue Shares in certain jurisdictions outside the State of Kuwait may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the managers to inform themselves of, and comply with, any such restrictions.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction where such offer or sale would be unlawful. The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, nor with any securities regulatory authority in any state or jurisdiction of the United States, and may not be offered, sold, pledged, or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons.

No person has been authorized to give any information or make any representation in connection with the offering of the Issue Shares other than those contained in this Prospectus. Any such information or representation not contained herein should not be relied upon as having been authorized by the Issuer, whether in its capacity as Issuer or as Subscription Agent. The delivery of this Prospectus or the completion of any sale made hereunder shall not imply that there has been no change in the affairs or financial condition of the Issuer since the date of this Prospectus.

The Issue Shares may not be suitable for all investors. Each prospective investor must determine, based on their own circumstances, the appropriateness of such investment and, in particular, should:

- Possess sufficient knowledge and experience to evaluate the merits and risks of investing in the Issue Shares and to understand the information contained in this Prospectus;
- Have access to appropriate analytical tools to evaluate such investment in the context of their overall financial situation and portfolio;
- Have adequate financial resources and liquidity to bear the economic risk of an investment in the Issue Shares;
- Possess a full understanding of the terms of the Issue Shares and familiarity with trading and investment practices in the relevant financial markets; and
- Be capable, either alone or with the assistance of a professional adviser, of assessing possible scenarios, economic developments, and other factors that may affect their investment and their ability to bear potential losses.

By accepting and reviewing this Prospectus, each recipient acknowledges and agrees to comply with its terms and represents that they are solely responsible for ensuring full compliance with all applicable laws, including obtaining any required governmental or non-governmental approvals prior to making any purchase of the offered shares.

Financial and Statistical Information

Unless otherwise indicated, references in this Prospectus to "**KWD**", "**KD**", "**Kuwaiti Dinars**", or "**Dinars**" refer to the lawful currency of the State of Kuwait, and references to "**USD**", "**US$**", or "**$**" refer to United States Dollars. The term "**Business Day**" means the day on which Boursa Kuwait and banks are open for business in the State of Kuwait, excluding Fridays and Saturdays and official holidays.

Certain figures and percentages in this Prospectus have been subject to rounding adjustments. Accordingly, numerical data presented in different tables may vary slightly, and totals shown may not precisely equal the arithmetic sum of the preceding figures.

Where statistical information has been sourced from publications or external sources, the Issuer believes such information represents the most recent data available from those sources. Financial information for any period ending after 31 December 2025 has not been audited.

Forward-Looking Statements

Certain statements contained in this Prospectus may constitute forward-looking statements. Such statements include references to the Issuer's plans, objectives, strategies, anticipated performance, and future operations, as well as assumptions underlying these expectations. Words and expressions such as "anticipates," "believes," "expects," "intends," "plans," "aims," "seeks," "may," "will," "should," and similar terminology generally identify forward-looking statements.

These statements are based on the Issuer's management's current expectations regarding future events and financial performance. Although the Issuer believes such expectations and assumptions to be reasonable as of the date of this Prospectus, the actual results, performance, or achievements may differ materially due to various risks and uncertainties, including but not limited to:

- General economic conditions and business activity in Kuwait and other jurisdictions;
- The Company's ability to implement its strategies and achieve its growth and expansion objectives;
- Market risks, technological developments, and changes affecting the banking and finance sector;
- Fluctuations in interest rates, inflation, taxation, stock market conditions, and currency values;
- Changes in laws, regulations, or competition frameworks applicable to the Company's business;
- Political, social, or economic instability;
- Natural disasters or other disruptions to operations;
- Labor strikes or workforce disruptions; and
- The Company's ability to retain key management and skilled employees.

Investors are urged to review carefully the section titled "Risk Factors" in this Prospectus for a discussion of the principal risks associated with an investment in the Issue Shares.

Forward-looking statements speak only as of the date of this Prospectus. The Issuer expressly disclaims any obligation to update or revise such statements to reflect any change in expectations, events, or circumstances occurring after the date hereof, except as required under applicable law.

Non-IFRS Financial Measures and APMs

This Prospectus contains references to certain non-IFRS measures, including capital adequacy, leverage and certain other ratios contained in "Selected Financial Information" and referred to elsewhere in this Prospectus. All of these measures constitute alternative performance measures (as defined in the European Securities and Markets Authority guidelines on Alternative Performance Measures ("APMs").

The Bank believes that the APMs included in this Prospectus provide useful supplementary information to both investors and to the Bank's management, as they facilitate the evaluation of underlying operating performance and financial position across financial reporting periods. However, investors should note that, since not all companies calculate financial measurements, such as the APMs presented by the Bank in this Prospectus, in the same manner, these are not always directly comparable to performance metrics used by other companies.

The APMs contained in this Prospectus should not be considered in isolation and are not measures of financial performance or liquidity under IFRS. These non-IFRS measures should not be considered as an alternative to revenues, profit or loss for the period or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating, investing or financing activities or any other measure of liquidity derived in accordance with IFRS. Non-IFRS measures do not necessarily indicate whether cash flow will be sufficient or available for cash requirements and may not be indicative of actual results of operations. In addition, the APMs in this Prospectus may not be comparable to other similarly titled measures used by other companies. The Bank believes that net interest margin and other non-IFRS measures presented in this Prospectus are useful indicators of financial performance that are widely used by investors to monitor the results of banks generally. Because of the discretion that the Bank and other companies have in defining these measures and calculating the reported amounts, care should be taken in comparing these measures with similar measures used by other companies.

RESPONSIBILITY STATEMENT

Individuals Responsible for the Prospectus

This Prospectus has been prepared by:

Name: Mr. Antoine Jean Daher

Title: Group Chief Executive Officer

Address: Burgan Bank K.P.S.C. Sharq - Block 9- plot 22 - Abdulla Al-Ahmad Street - Kuwait

Acknowledgement and Responsibility Statement

Each of the Directors of the Issuer, whose names appear in this Prospectus, hereby accepts full responsibility for the information contained herein. To the best of their knowledge and belief, and having taken all reasonable care and conducted full and detailed due diligence to ensure that such is the case, the Directors confirm that:

- The information contained in this Prospectus is true, complete, accurate, and not misleading in any material respect;

- All material information relating to the Issue Shares and the Issuer has been fully disclosed, thereby enabling potential investors to make an informed decision as to whether or not to subscribe for the Issue Shares; and

- All relevant provisions of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and the executive bylaws thereto (each as amended), including Module Eleven *(Dealing in Securities)* thereof, as well as Law No. 1 of 2016 (as amended) (the Companies Law) and the executive regulations thereto, and all instructions and circulars issued by the Kuwait Capital Markets Authority from time to time, have been duly complied with in connection with the preparation and issuance of this Prospectus.

Executed on behalf of the Board of Directors of the Issuer:

Name: Sheikh Abdullah Nasser Sabah Al Ahmad Al Sabah

Title: Chairman

Signature:

Date: 18/08/2026

Legal Advisor Declaration

I, the in house legal advisor of the Issuer, hereby certify that I have reviewed this Prospectus and relevant documents and ensured- to the best of my knowledge and belief after making reasonable inquiries- that the Prospectus satisfies all the legal requirements and that the Issuer has obtained all the approvals required to ensure the validity and effectiveness of its obligations.

Name: Mahmoud Ezzat

Title: Group Chief Legal Counsel

Signature

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SUMMARY OF THE ISSUANCE

The following summary should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Prospectus. This summary does not contain all the information that prospective investors should consider before deciding to invest in the Issue Shares and does not purport to be complete. Accordingly, any decision by a prospective investor to invest in the Issue Shares should be based on consideration of this Prospectus as a whole.

Issuer	Burgan Bank K.P.S.C.
Issuer's Address	Burgan Tower, Sharq - Block 9- plot 22 - Abdulla Al-Ahmad Street – Kuwait City, P.O. Box 5389, Safat- 12170, Kuwait.
Date of Incorporation	Incorporated in the State of Kuwait by an Amiri Decree on 27 December 1975
Commercial Registration Number	24067
Offering Type	Public Offering to subscribe for Issue Shares with pre-emption rights to Eligible Subscribers.
Issue Price	KWD 0.180 per Issue Share
Nominal Value	KWD 0.100 per Issue Share
Issuance Premium	KWD 0.080 per Issue Share
Authorized Capital prior to Offering	KWD 600,000,000
Total number of Issued and Paid-up Shares prior to Offering	3,996,356,642
Value of Issued and Paid-up Shares prior to Offering	KWD 399,635,664.200
Treasury Shares	81,312,383 shares
Number and type of Issue Shares	277,777,777 ordinary shares
Number of Issue Shares underwritten	None
Value of underwritten Issue Shares	None
Total number of Issued and Paid Up Shares following the Offering	4,274,134,419
Value of Issuer's Issued and Paid Up Capital following the Offering	KWD 427,413,441.900
Percentage increase in Issued and Paid-up share Capital	The capital of the Issuer will be increased by KWD 27,777,777.700 representing an increase of approximately 7 per cent.
Total value of the Offering	Up to KWD 49,999,999.860
Offering, or Issuance	Means the Issuance of 277,777,777 new ordinary shares, offered to Eligible Subscribers or Public Subscribers as the case may be.
Restrictions on trading in the Issue Shares offered for subscription and any future arrangements for trading in them	None

Offering Expenses	Estimated to be approximately KWD 150,000. The Issuer shall be responsible for all costs relating to the Offering which includes offering management fees, marketing expenses, printing and distribution expenses and other related expenses.
Offering Fees	No subscription fees will be imposed on the shares, as the Issuer will bear all issuance costs.
Offering/ Subscription method	Subscribers may submit the Subscription Application Form online via the https://www.ipo.com.kw ("**Subscription Website**") or IPO Kuwait Mobile Application ("**Mobile Application**") operated by Kuwait Clearing Company K.S.C and its subsidiaries during the Subscription Period as described in the Offering Terms, Conditions and Instructions of the Issue section of this Prospectus. Amendments to and/or withdrawal of the Subscription Application Form shall not be permitted once submitted. Upon submission, the Subscription Application Form shall serve as a legally binding agreement between the subscribers and the Issuer.
Allocation date	Within five Business Days of the date of the closure of the Pre-emptive Right Subscription Period, or end of the Public Offering Subscription Period, if applicable (as applicable).
"Subscribers"	Means Initial Eligible Subscribers and Public Subscribers.
"Eligible Subscribers"	Include: (a) **Eligible Shareholders:** Registered holders of Existing Shares recorded in the Company's shareholder register with the Kuwait Clearing Company K.S.C and its subsidiaries at the close of trading on Boursa Kuwait on the Record Date (any trade of the Company's shares prior to the Record Date, but which have not completed the trade settlement process of Boursa Kuwait as of the Record Date (*ex rights date*), and as a result have not yet been registered on the Company's shareholder registry, will not be considered in determining the Eligible Shareholders of record as of the Record Date); and (b) other right holders who have obtained such rights by way of transfer without consideration or purchase during the Pre-emption Rights Trading Period.
"Public Subscribers"	Means any person eligible to subscribe for shares in Kuwait (including Initial Eligible Subscribers) who applies to subscribe for Issue Shares not otherwise taken up during the Pre-emption Right Subscription Period.
Minimum Subscription	1 Issue Share
Pre-emption Rights Trading Period	Means the period which commences on the first day of the Subscription Period and ceases five Business Days prior to the day of closing of the Subscription Period.
Subscription for Additional Issue Shares	Eligible Subscribers have the right to subscribe for additional Issue Shares ("**Additional Issue Shares**") in addition to their entitlement to Issue Shares. Such subscription shall be made at the Issue Price.

Allocation of Issue Shares	Eligible Subscribers who apply for Issue Shares and submit the Subscription Application Form to the Clearing and Depository Agent prior to the end of the Subscription Period will be entitled to subscribe for Issue Shares at a ratio of 7.10 per cent. (rounded, and adjusted fractional shares, if any) of their existing shareholding as of the Record Date, taking into account the Issuer's treasury shares, if any. Holders of Pre-emption Rights shall be entitled to subscribe for the number of Issue Shares corresponding to the acquired rights. If the Eligible Subscribers have not fully subscribed to their entitlement to the Issue Shares, such unsubscribed Issue Shares will be allocated to those Eligible Subscribers who applied for more than their entitlement to the Issue Shares. If the aggregate number of the Additional Issue Shares exceeds the number of available unsubscribed Issue Shares, such shares will be allocated to those Eligible Subscribers applying for such Additional Issue Shares pro rata to their subscription for the Additional Issue Shares. In the case in which all Issue Shares have not been fully subscribed for by the Initial Eligible Subscribers, then any remaining unsubscribed Issue Shares shall be offered for public subscription to any person eligible to subscribe for shares in Kuwait, including without limitation, the Initial Eligible Subscribers. The allocation of any of the Issue Shares shall be final without any recourse or liability against the Issuer (see Section Offering Terms, Conditions and Instructions of the Issue).
Use of Proceeds	The proceeds of the Offering will be allocated to strengthening the Issuer's capital base, enhancing its financial position, and supporting its strategic growth initiatives. In addition, a portion of the proceeds may be used to fund general corporate purposes and provide the Issuer with greater financial flexibility to pursue future opportunities.
Excess Offering Monies	Excess offering monies, if any, will be returned to subscribers who have participated in the Offering without any interest to the subscribers and without any commission, charge or withholding by the Company and no Subscriber shall be entitled to any compensation in respect of any delay in refunding such amounts.
Offering Terms	The acceptance of Subscription Application Forms by the Subscription Agent, the Clearing and Depository Agent and the Issuer constitutes a legally binding agreement between subscribers and the Issuer - refer to "Offering Terms, Conditions and Instructions of the Issue" section in this Prospectus. The Issuer, the Subscription Agent, and the Clearing and Depository Agent retain the right to reject, in full or in part, any Subscription Application Form, which is not in compliance with the terms of the Offering. Once submitted, Subscription Application Forms cannot be amended or withdrawn.
Dividends	The Issue Shares will be entitled to receive any dividends declared by the Issuer in the future.
Voting Rights	The Issuer has only one class of share. Each Issue Share entitles the holder to one vote, and each Shareholder has the right to attend and vote at a General Assembly. No Shareholder has any preferential voting rights (see "Offering Terms, Conditions and Instructions of the Issue" section).

Recover the value of shares	Existing and new shareholders can recover the shares' value (either profit or loss) through direct sale on Boursa Kuwait. There are no differences in any of the rights between the Issue Shares and Existing Shares.
Rights arising from the Issue Shares in the event of liquidation of the Issuer	A shareholder is entitled to receive a portion in proportion to the shares they hold from the Issuer's assets on liquidation behind claims of any preferred shareholders, if any, and following repayment of the Issuer's debts and other costs *pari passu* with all other holders of ordinary shares.
Subsequent Equity Subscriptions	The holders of Issue Shares will be entitled to benefit from pre-emptive rights in subsequent public equity subscriptions.
Process and Procedures in the event of an undersubscribed Issue	If the share capital increase has not been fully subscribed for during the Subscription Period, the Board of Directors of the Company may decide to extend the Subscription Period. If the share capital increase has not been fully subscribed for during the extended Subscription Period, the Board of Directors of the Company may decide to either, (i) retract the share capital increase and refund the Subscription Monies in accordance with the terms and conditions of the Offering and no Subscriber shall be entitled to compensation or recourse against the Issuer, the Clearing and Depository Agent, or the Subscription Agent, or (ii) limit the share capital increase to the amount actually subscribed for. Subscribers for the Issue Shares will not have a right of retraction except as per the Law permits.
Listing of Shares	A statement of Issue Shares will be issued and the Issue Shares will be listed on Boursa Kuwait following the close of the Subscription Period, the final allocation of the Issue Shares and completion of all the necessary regulatory procedures and will be traded without any restrictions and will be equal in rights to the Existing Shares.
Taxation	Payments made by the Issuer in respect of the Issue Shares could become subject to taxation (as stated in the Taxation Section)
Summary of the Consolidated Financial Position as at 31/3/2026 (KWD '000s)	Total assets: KD 9,531,090 Total liabilities: KD 8,503,599 Shareholders' Equity: KD 845,256 *Refer to the financial statements and the notes within for more information*
Summary of the Consolidated Financial Position as at 31/12/2025 (KWD '000s)	Total assets: KD 9,098,815 Total liabilities: KD 8,047,514 Shareholders' Equity: KD 871,150 *Refer to the financial statements and the notes within for more information*
Summary of the Consolidated Financial Position as at 31/12/2024 (KWD '000s)	Total assets: KD 8,158,486 Total liabilities: KD 7,138,628 Shareholders' Equity: KD 873,535 *Refer to the financial statements and the notes within for more information*
Summary of the Consolidated Financial Position as at 31/12/2023 (KWD '000s)	Total assets: KD 7,426,131 Total liabilities: KD 6,425,227 Shareholders' Equity: KD 862,217 *Refer to the financial statements and the notes within for more information*

Short-term profit on the Share (in fils)	The earnings per share is 1.5 fils for the six-month period ended 30 June 2026, 0.6 fils for the three-month period ended 31 March 2026, 9.4 fils for the full year ended 31 December 2025, and 9.8 fils for the year ended 31 December 2024.
Risk Factors	An investment in the Offering involves certain risks, which can be broadly grouped into three categories: (i) risks relating to the Issuer, (ii) risks associated with the industries in which the Issuer's subsidiaries operate and the legal and regulatory framework in Kuwait, and (iii) risks specific to the Issue Shares. Investors should carefully consider these risks before deciding to invest in the Issue Shares (see Section "Risk Factors").
Date of the Extraordinary General Assembly resolution approving the increase in authorized share capital and authorizing the Board of Directors to approve any future increases in the issued and paid-up capital within the limits of the authorized capital	15/11/2025
Board approval of the increase of issued and paid up share capital by the issuance of the Issue Shares	14/01/2026 and 15/06/2026
Regulatory Authorities	The Kuwait Capital Markets Authority and the Ministry of Commerce and Industry and the Central Bank of Kuwait
Date of Approvals of the Relevant Regulatory Authorities for the Increase in Issued Capital	Kuwait Capital Markets Authority: 19 July 2026 Kuwait Ministry of Commerce and Industry: 24 August 2026 First Approval Central Bank of Kuwait: 1 April 2026 Second Approval Central Bank of Kuwait: 14 July 2026
Date of Approval of the Prospectus by the Kuwait Capital Markets Authority	16 August 2026
Auditor	Safi Al Mutawa & Partners (KPMG – Kuwait) and RSM Al-Bazie & Partners (RSM – Kuwait)
Issuance Advisor and Subscription Agent	Kamco Investment Company K.S.C. (Public)
Clearing and Depository Agent	Kuwait Clearing Company K.S.C and its subsidiaries
Legal Advisors	ASAR – Al Ruwayeh & Partners
Law	Kuwaiti Law
Courts	Courts of the State of Kuwait
Board of Directors	• Chairman: Sheikh Abdullah Nasser Sabah Al Ahmad Al Sabah • Vice Chairman: Faisal M. E. Sarkhou • Director: Abdullah Mohammed AlSharekh • Director: Abdelkarim A. S. El-Kabariti • Director: Jamal Abdullah Ali Hajeyah Dashti • Director: Moustapha Samir Chami • Director: Fouad Husni Doughlas • Independent Director: Osama Rashed Al Armeli • Independent Director: Sager Abdullah Al-Sharhan • Independent Director: Michel A. Accad • Independent Director: Abdulaziz Saad Abdulaziz Al Rashed

RISK FACTORS

Prior to investing in any Issue Shares, prospective investors should carefully consider, together with all other information contained in this Prospectus, the risk factors described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Issue Shares but these risk factors are not exhaustive and other considerations, including some which may not be presently known to the Bank, or which the Issuer currently deems to be immaterial, may impact any investment in the Issue Shares.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Factors that may have a material adverse effect on the Bank's business, results of operations, financial condition and prospects

RISKS RELATING TO THE BANK

(a) Economic, political and related considerations

The Group's operations are concentrated in the Middle East, North Africa and Turkey ("MENAT") region. Whilst the Bank's principal operations are conducted in Kuwait, the Group also operates through subsidiaries in Turkey, Bahrain, Algeria and Tunisia. Accordingly, the Group is exposed to the economic, political, regulatory and market conditions prevailing in these jurisdictions. Any deterioration in such conditions may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Demand for banking and financial services in the MENAT region is influenced by a number of factors, including economic growth, business activity, market liquidity, investor confidence and financial market performance. Adverse economic conditions, market volatility or a decline in investor confidence in any of the Group's key markets may reduce demand for banking products and services, impair asset quality and adversely affect the Group's profitability and growth prospects.

The Group is also exposed to geopolitical risks arising from developments within the MENAT region and globally, including political instability, armed conflicts, civil unrest, terrorism, sanctions, diplomatic disputes and other geopolitical events. Such developments may adversely affect economic activity, financial markets, customer confidence and the operating environment in one or more of the jurisdictions in which the Group operates. Any such events could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Kuwait's economy remains susceptible to both external and domestic factors, including fluctuations in hydrocarbon prices, political developments, economic cycles and instability in neighbouring countries and the wider Gulf region. In addition, adverse events such as acts of war, terrorism, civil disturbances, natural disasters, pandemics or changes in legal, regulatory or taxation regimes may adversely affect economic conditions and the operating environment for financial institutions in Kuwait.

The hydrocarbon sector continues to represent a significant component of Kuwait's economy and a principal source of government revenue. Consequently, the performance of the Kuwaiti economy remains closely linked to developments in global energy markets. Sustained declines in oil prices or reductions in oil-related revenues may adversely affect economic growth, government spending, private sector activity, liquidity levels and demand for banking services. Although the Kuwaiti government has implemented, and may continue to implement, fiscal reforms, public investment programmes and economic diversification initiatives, there can be no assurance that such measures will be successful in mitigating the adverse effects of volatility in hydrocarbon markets or other adverse economic developments.

The Group's financial condition and results of operations are also influenced by economic, political and market conditions in the jurisdictions in which its subsidiaries operate, as well as broader global economic and financial market developments. Global economic downturns, financial crises, inflationary pressures, changes in monetary policy, market disruptions or other adverse macroeconomic developments may negatively affect the Group's operations, funding costs, liquidity position, asset quality and profitability, irrespective of the relative stability of the economies in which the Group operates.

Any material deterioration in economic, political, geopolitical, regulatory or financial market conditions in Kuwait, the MENAT region or globally may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

(b) Competitive pressures in the banking industry in Kuwait

The banking industry in Kuwait is highly competitive, and the Bank is exposed to substantial competitive pressures across all of its products and services. The Bank faces strong competition from other domestic banks, both conventional and Islamic, as well as from Kuwaiti branches of non-Kuwaiti banks, and this competition is likely to intensify over time.

The Kuwaiti banking sector consists of five local conventional commercial banks, branches of 11 foreign banks, one specialised Bank, and four Islamic banks operating under Shari'a principles. Domestic consumer banking is largely dominated by Kuwaiti banks in terms of market share.

Given the highly competitive landscape, the Bank's inability to maintain or enhance its competitive position in Kuwait could materially and adversely affect its business, financial condition, and operational results.

(c) Dependence on successful execution of business strategy

The Group's business strategy is centred on strengthening its core franchise in Kuwait, optimising the allocation of capital and assets across its businesses and markets, and advancing its digital transformation initiatives. The successful execution of this strategy is dependent upon a number of factors, many of which are beyond the Group's control, including prevailing economic and market conditions, competitive pressures, regulatory developments, customer behaviour, technological change and the availability of appropriate resources and expertise.

The implementation of the Group's strategic objectives requires the effective execution of a range of initiatives, including the growth and diversification of its corporate and retail banking businesses, the expansion of its private banking and wealth management offerings, the optimisation of its balance sheet and asset portfolio, the divestment of non-core assets, the identification and execution of suitable investment opportunities, and the continued enhancement of its digital capabilities, technology infrastructure and cybersecurity framework.

There can be no assurance that the Group will successfully implement its strategic initiatives within the anticipated timeframes or achieve the intended benefits therefrom. The Group may encounter operational, financial, technological, regulatory, competitive or execution-related challenges that could delay, impede or increase the costs associated with the implementation of its strategy. In addition, strategic initiatives may not generate the anticipated growth, operational efficiencies, revenue enhancement, cost savings or other expected benefits.

Any failure to successfully implement the Group's strategy, adapt to changing market conditions or realise the anticipated benefits of its strategic initiatives could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. Such failure could also adversely affect the Group's competitive position, reputation and ability to capitalise on future growth opportunities.

(d) Potential downgrade of credit ratings

The Bank's credit ratings by the major credit rating agencies are intended to measure the probability of its ability to meet its debt obligations as they mature and thus are an important factor in determining the Bank's cost of borrowing funds and the amount of funding it could raise. The cost of funding of the Bank's borrowings is partly dependent on its credit ratings. As at the date of this Prospectus, the Bank had the following ratings:

- Standard & Poor's: BBB+ for long-term Issuer credit rating, with a stable outlook;
- Moody's: Baa1 for long-term Bank deposits rating, with a stable outlook;
- Fitch: A for long-term Issuer default rating, with a stable outlook; and
- Capital Intelligence: A+ for long-term foreign currency rating, with a stable outlook.

Any increase in non-performing loans, deterioration in asset quality, or weakening of the Bank's balance sheet could result in a downgrade of its credit ratings or placement on a negative rating watch. Such a downgrade or negative watch may increase the Bank's borrowing costs and could materially and adversely affect its business, financial condition, results of operations, prospects, and relationships with creditors.

Credit rating agencies also consider anticipated external support, including from the Government of Kuwait, when assigning ratings. A downgrade of the Government's credit rating, placement of the Government on a negative rating watch, or a change in expected government support for the Bank could have a consequential impact on the Bank's own ratings.

Any future downgrade or announcement of a negative rating watch could also limit the Bank's, or its subsidiaries', ability to raise capital. Credit ratings are subject to revision or withdrawal at any time by the assigning rating agency, and each rating should be evaluated independently of other ratings.

(e) Credit risk exposures

Credit risk is an inherent feature of the Bank's business and represents a principal risk in respect of its lending activities. The Bank may be unable to fully control the level of, or successfully restructure, non-performing loans. Allowances for loan impairment may prove insufficient to cover actual losses, which could have a material adverse effect on the Bank's financial condition and results of operations.

- Impaired loans represented 2.7 per cent of cash exposure as at 31 March 2026, compared to 1.9 per cent as at 31 December 2025 and 1.8 per cent as at 31 December 2024. Non-performing assets (NPAs) stood at 2.4 per cent as at 31 March 2026, compared to 1.7 per cent as at both 31 December 2025 and 31 December 2024.
- The Bank's total NPL coverage ratio (including collateral) was 196.0 per cent as at 31 March 2026, compared to 239.2 per cent as at 31 December 2025 and 240.0 per cent as at 31 December 2024. The NPA coverage ratio (including collateral) was 199.4 per cent as at 31 March 2026, compared to 231.7 per cent as at 31 December 2025 and 229.1 per cent as at 31 December 2024.

Any material deterioration in economic, geopolitical, or financial market conditions, whether in Kuwait, other MENAT countries, or globally, could have a significant adverse effect on the Bank's business, financial condition, results of operations, and prospects.

(f) Lending base concentration risk

As at 31 March 2026, 31 December 2025 and 31 December 2024, the Group's top 10 largest loans and advances accounted for 22.6 per cent., 23.2 per cent. and 27.2 per cent., respectively, of its gross loans and advances to customers plus amounts due from other financial institutions. A significant portion of the Group's loans and advances to customers comprises exposures to related parties (see "Ownership concentration and related party exposures" below). Of the Group's top 10 largest loans and advances, 69.3 per cent. as at 31 March 2026, 68.1 per cent. as at 31 December 2025 and 69.8 per cent. as at 31 December 2024 were to related parties, representing 15.7 per cent., 15.8 per cent. and 19.0 per cent., respectively, of gross loans and advances to customers plus amounts due from other financial institutions as at such dates.

In terms of sector, as per the latest annual financials, 22.3 per cent. of the Group's financial assets and commitments and contingent liabilities as at 31 December 2025 related to the personal sector, 14.3 per cent.

represented exposure to sovereigns, 13.0 per cent. represented exposure to the banking sector and 8.2 per cent. represented exposure to the real estate sector. The Group has indirect exposure to the oil and gas sector including through entities and projects related to the Kuwait sovereign and accordingly any deterioration in oil and gas prices may adversely impact the Group both directly through its exposure to these projects and indirectly due to a deterioration in other sectors of the Kuwait economy. In addition, the banking sector is particularly exposed to adverse economic conditions, the real estate market is cyclical and personal borrowers are also impacted by economic conditions, particularly inflation, unemployment, wage freezes and house price declines.

If Kuwait experiences adverse economic conditions or a crisis in the real estate sector, the negative impact on the Group may be significant given its financial asset concentrations described above.

(g) Ownership concentration and related party exposures

As at 31 March 2026, KIPCO held a direct and indirect shareholding interest of 64.6 per cent. in the Bank, including shares held through other KIPCO group companies. The Public Institution for Social Security held 7.8 per cent., and the remaining shares were publicly held.

By virtue of its controlling shareholding, KIPCO is able to exert significant influence over the Bank, including in respect of matters requiring shareholder approval and the nomination of a majority of the Board of Directors. The interests of KIPCO, as the majority shareholder, may not always align with those of the Bank's other shareholders. In circumstances where such interests diverge, decisions may be taken that favour the controlling shareholder over minority shareholders, which could adversely affect the interests of such shareholders.

Although the Bank does not have direct lending exposures to KIPCO or its principal shareholder, it has exposures to other entities within the KIPCO group and other related parties. As at 31 March 2026, aggregate loan exposures to such related parties represented approximately 16.0 per cent. of the Bank's total loan portfolio (excluding banks and other financial institutions within the KIPCO group), compared to 16.3 per cent. as at 31 December 2025 and 19.0 per cent. as at 31 December 2024. Transactions with related parties may give rise to actual or perceived conflicts of interest, which could affect the Bank's operations, decision-making processes and financial performance.

In addition, if shareholders do not fully exercise their rights under the proposed rights issue, their proportional ownership in the Bank may be diluted. There can be no assurance that the rights issue will be fully subscribed or that any excess shares will be placed with other investors. Any such outcome could result in dilution of existing shareholders and may have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

(h) Enforceability of security interests and loan guarantees

The practice of pledging/mortgaging assets (such as share portfolios and real estate assets) to obtain a Bank loan is subject to certain limitations and administrative restrictions under Kuwaiti law. In particular, such security may not be enforced without a court order in Kuwait, as a general rule with some exceptions. As a result, security over certain assets may not be enforced in Kuwait. Accordingly, the Bank may have difficulty foreclosing on collateral (including any real estate collateral) or enforcing guarantees or other third-party credit support arrangements when debtors default on their loans.

In addition, even if such security interests are enforceable in Kuwait through the court or otherwise, the time and costs associated with enforcing security interests in Kuwait may make it uneconomic for the Bank to pursue such proceedings, adversely affecting the Bank's ability to recover its loan losses.

The Bank typically requires additional collateral in the form of cash and/or other assets in situations where the Bank may not be able to exercise rights over pledged shares or where it enters into guarantees or other third-party credit support arrangements for loans made to individuals and corporations. Any decline in the value or liquidity of such collateral may prevent the Bank from foreclosing on such collateral for its full value or at all in the event that a borrower becomes insolvent and enters into bankruptcy and could thereby adversely affect the Bank's ability to recover the full amounts advanced to the borrower.

The occurrence of any of the above could have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

(i) Risk of customer and counterparty defaults

Risks arising from a deterioration in the credit quality and the recoverability of amounts due from borrowers and counterparties are inherent in banking businesses. While the Bank has detailed policies to deal with overdue loans, there can be no assurance that these policies will result in the full or partial recovery of its overdue loans. As at 31 March 2026, non-performing loans (net of collateral) represented 0.6 per cent. of the Bank’s cash exposure, compared to 0.4 per cent. as at each of 31 December 2025 and 31 December 2024. A substantial increase in loan losses would have a material adverse effect on the Bank's business, financial condition, results of operations or prospects.

Credit risks could also arise from a deterioration in the credit quality of specific borrowers and counterparties of the Bank or from adverse changes in global and regional economic conditions, or adverse changes which arise from systemic risks in the financial systems, which could affect the recovery and value of the Bank's assets and require an increase in the Bank's provisions. Adverse fluctuations in the factors mentioned above, amongst others, could have a material adverse effect on the Bank's business, financial condition, results of operations or prospects.

(j) Credit-related contingent liabilities and commitments

As part of its normal banking business, the Bank issues guarantees, letters of credit and acceptances which are accounted for off the Bank’s balance sheet until such time as they are actually funded or cancelled. In addition, the Bank makes irrevocable commitments to advance credit to its customers. Although these commitments are contingent, they nonetheless subject the Bank to both credit and liquidity risks. As at 31 March 2026, 31 December 2025 and 31 December 2024, the Bank had contingent liabilities and commitments outstanding of KD 1,419.0 million, KD 1,388.5 million and KD 1,290.3 million, respectively, representing 22.3 per cent., 22.3 per cent. and 22.4 per cent., respectively, of its aggregate loans and advances to customers and contingent liabilities.

Although the Bank anticipates that only a portion of its obligations in respect of these commitments will be triggered and funds itself accordingly, the Bank may need to make payments in respect of a greater portion of such commitments, particularly in cases where there has been a general deterioration in market conditions. This would result in the Bank needing to obtain additional funding, potentially at relatively short notice, which could have an adverse effect on its financial condition and results of operations.

(k) Deposit base concentration risk

As at 31 March 2026, the Bank received 82.4 Per cent. (KD 7.0 billion) of its total funding from deposits (including retail, corporate, government and non-Bank financial institution deposits), compared to 78.3 Per cent. (KD 6.3 billion) and 78.7 Per cent. (KD 5.6 billion) as at 31 December 2025 and 31 December 2024, respectively.

As at 31 March 2026, the Bank's ten largest depositors accounted for 30.4 Per cent. of total deposits, compared to 31.0 Per cent. and 28.2 Per cent. as at 31 December 2025 and 31 December 2024, respectively. As at 31 March 2026, the Bank's largest depositor represented 12.2 Per cent. of total deposits, compared to 11.2 Per cent. and 8.1 Per cent. as at 31 December 2025 and 31 December 2024, respectively.

The Bank's funding base includes deposits from institutional, government and quasi-governmental entities in Kuwait, which are contracted on a commercial basis. As at 31 March 2026, deposits from government and quasi-governmental entities accounted for 8.0 Per cent. of the Bank's total deposits (deposits from customers and amounts due to other financial institutions) in Kuwait, compared to 9.4 Per cent. and 9.6 Per cent. as at 31 December 2025 and 31 December 2024, respectively. On a consolidated basis, such deposits represented 6.2 Per cent. of the Group's total deposits as at 31 March 2026, compared to 7.2 Per cent. and 7.6 Per cent. as at 31 December 2025 and 31 December 2024, respectively.

Although deposits from government and quasi-governmental entities have historically represented a stable source of funding for the Kuwaiti banking sector, there can be no assurance that such deposits will continue to be available at current levels or on similar terms in the future. A significant reduction in, or withdrawal of, such deposits could increase the Bank's funding costs by requiring it to obtain alternative sources of funding, which may be less readily available or more expensive. Any such development could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

As at the date of this Prospectus, all retail and corporate customer deposits held with banks in Kuwait continue to benefit from the deposit guarantee regime established pursuant to applicable Kuwaiti law and administered by the Central Bank of Kuwait.

(l) Liquidity risk

Liquidity risk is the risk that the Bank will be unable to meet its obligations, including funding commitments, as they fall due. This could arise from, amongst other factors, the inability of the Bank to anticipate and provide for an unforeseen decrease or changes in funding sources.

In common with other banks in Kuwait and the MENAT region, the Bank has historically relied substantially on customer deposits to meet most of its funding needs. Such deposits are subject to fluctuation due to certain factors outside the Bank's control, such as any possible loss of confidence and competitive pressures, which could result in a significant outflow of deposits within a short period of time. If such outflows of deposits were to occur, it could cause liquidity difficulties for the Bank, which in turn could have a material adverse effect on the Bank's business, financial condition, results of operations or prospects.

The Bank's liquidity may also be adversely affected by a number of factors, including significant unforeseen changes in interest rates, ratings downgrades, maturity mismatches between the Bank's funding and assets, higher than anticipated losses on investments and disruptions in the financial markets generally which in turn may result in the Bank not being able to access the markets from which it raises funds at favourable rates.

Should any of the above-mentioned factors materialise, they could have a material adverse effect on the Bank's business, financial condition, results of operations or prospects.

(m) Interest rate and market sensitivity

The Bank is exposed to unexpected fluctuations in market interest rates. An increase in interest rates generally may decrease the value of the Bank’s fixed rate loans and raise the Bank’s funding costs. Such an increase could also generally decrease the value of fixed rate debt securities in the Bank’s securities portfolio. Volatility in interest rates may result in a pricing gap between the Bank’s interest-rate sensitive assets and its liabilities. As a result, the Bank may incur additional costs in raising and maintaining capital. Interest rates react to many factors beyond the Bank’s control, including, for example, the policies of central banks, political factors and domestic and international economic conditions.

Deterioration in the market value of the Bank’s securities portfolio may affect the values of the Bank’s investment and trading portfolios. The Bank’s income from securities operations depends on numerous factors beyond its control, such as overall market trading activity, interest rate levels, fluctuations in currency exchange rates and general market volatility. The Bank also engages, to a limited extent, in foreign currency transactions and maintains open currency positions in relation to a number of currencies, which give rise to currency risks.

Future changes in foreign currency and interest rate risks may have a material adverse effect on the Bank's business, financial condition, results of operations or prospects.

(n) Foreign exchange risks

The Bank maintains its accounts and reports its results in Kuwaiti dinars ("KD"). Since May 2007, the KD has been pegged to an undisclosed weighted basket of international currencies. The undisclosed weighted basket of currencies is calculated using various national currencies, reflecting the foreign trade and financial relations of Kuwait. However, with the removal of the previous peg to the U.S. dollar, relative flexibility has been achieved in exchange rate determination.

The Bank is exposed to the potential impact of any alteration to, or abolition of, this foreign exchange "peg" as well as potential volatility of the constituent basket currencies.

The subsidiaries of the Bank maintain their respective accounts and report their respective results in the local currency of the country of their incorporation. Any fluctuations in those foreign currencies against the KD at the time of translating the subsidiaries' accounts in KD for the preparation of consolidated financials may result in the possibility that the value of foreign currency assets or liabilities of any of the subsidiaries will change due to changes in currency exchange rates which may affect the Bank's reported financial position expressed in KD.

(o) Recruitment and retention of qualified personnel

The Bank's ability to maintain and grow its business will depend, in part, on its ability to continue to recruit and retain qualified and experienced banking and management personnel. The Bank is likely to face challenges in recruiting qualified personnel to manage its business. In common with other banks in the GCC, the Bank may also experience a shortage of qualified employees residing in Kuwait, which requires it to recruit from outside Kuwait. In addition, even after hiring its employees, the Bank has faced and may face future challenges in retaining such employees due to the continued recruitment efforts of its competitors.

In recent years, the Kuwaiti Government has made a number of announcements regarding its intention to encourage a better balance of Kuwaitis and non-Kuwaiti nationals in the private-sector workforce. This process, known as "Kuwaitisation", involves the establishment of suggested ratios for the numbers of Kuwaiti nationals who should be employed by respective industries, with the Government's recommended policy for financial institutions being that 64 per cent. of a bank's total personnel should consist of Kuwaiti nationals. If the Bank is not able to meet or exceed the Kuwaiti Government's minimum threshold for Kuwaiti employees, it may be subject to certain penalties, including an exclusion from participation in certain Kuwaiti Government-related tender processes, the imposition of fines by the Ministry of Social Affairs or the imposition of administrative or corrective action by the CBK and other governmental authorities.

The Bank depends on the efforts, skill, reputation and experience of its senior management, as well as synergies among their diverse fields of expertise and knowledge. The loss of key personnel could impact the Bank in the implementation of its strategies.

While the Bank believes that it has effective staff recruitment, training and incentive programmes in place, challenges in the recruitment, training and/or retention of necessary personnel, or the shortage of qualified Kuwaiti nationals or other nationals prepared to relocate to Kuwait, could have a material adverse effect on its business, financial condition, results of operations or prospects.

(p) Risk of employee fraud or misconduct

The Bank's employees could engage in misrepresentation, misconduct or improper actions that could expose the Bank to direct and indirect financial loss and damage to its reputation. Such practices may include embezzling clients' funds, engaging in corrupt or illegal practices to originate further business, intentionally or inadvertently releasing confidential information about clients or failing to follow internal procedures. It is not always possible to detect or deter employee misconduct, and the precautions the Bank takes to detect and prevent misconduct may not be effective in all cases. There can be no assurance that measures undertaken to combat employee misconduct will be successful. Such actions by employees could expose the Bank to financial losses resulting from the need to reimburse clients, co-investors or other business partners who suffered loss or as a result of fines or other regulatory sanctions and could damage the Bank's reputation.

(q) Reputational risk

All financial institutions depend on the trust and confidence of their customers to succeed in their business. The Bank is exposed to the risk that litigation, misconduct, operational failures, negative publicity and press speculation, whether or not valid, will harm its reputation. The Bank's reputation may also be adversely affected by the conduct of third parties over whom it has no control, including entities to which it lends money or in which it has invested. For example, if one of the Bank's borrowers becomes associated with financial scandals or widely publicised improper behaviour, the Bank's own reputation may be affected.

In common with other banks, the Bank is also exposed to adverse publicity relating to the financial services industry as a whole. Financial scandals unrelated to the Bank or questionable ethical conduct by a competitor may taint the reputation of the industry and affect the perception of investors, public opinion and the attitude of regulators. Any damage to the Bank's reputation could cause existing customers to withdraw their business and lead potential customers to be reluctant to do business with the Bank.

(r) Exposure to systemic risk from other financial institutions

The Bank is exposed to the risk of deterioration in the commercial or financial soundness—or perceived soundness—of other financial institutions. Financial markets are highly interconnected, and distress at a single institution or group of institutions may result in contagion effects across the wider financial system. Historical events, including the bankruptcy of Lehman Brothers in 2008, the failures of certain regional and international financial institutions during periods of market stress, and the distress and resolution of Credit Suisse and Silicon Valley Bank in 2023, demonstrate how idiosyncratic shocks can lead to broader market disruptions, liquidity pressures and losses for financial institutions and other market participants.

Even in the absence of actual defaults, concerns regarding the creditworthiness of financial institutions or counterparties may result in reduced market confidence, higher funding costs, tighter liquidity conditions, and adverse valuation movements. Periods of market stress in recent years, including during the COVID-19 pandemic and subsequent episodes of financial market volatility, illustrate how rapidly liquidity and confidence effects may arise, including in well-capitalised institutions.

In the current environment, while global financial conditions have shown periods of relative stabilisation following earlier phases of volatility, financial markets remain sensitive to macroeconomic and geopolitical developments. Heightened geopolitical tensions in certain regions, including the Middle East, may from time to time contribute to increased market volatility, fluctuations in commodity prices, and shifts in investor risk appetite, which could in turn affect regional funding conditions and capital flows.

More generally, geopolitical or security-related developments, as well as changes in market sentiment, may affect the stability and performance of financial institutions and markets in the regions in which the Bank operates. Although banking systems in the GCC and wider MENAT region continue to benefit from strong regulatory frameworks and liquidity buffers, such systems remain exposed to external shocks, including geopolitical events and global financial market disruptions.

This risk, commonly referred to as "systemic risk," extends beyond banks to other financial intermediaries, including clearing houses, exchanges, custodians, payment systems and other financial market infrastructure providers with which the Bank interacts in the ordinary course of business. Accordingly, any event or development that materially disrupts financial markets or the wider financial system—including declines in market confidence, liquidity disruptions, operational failures or geopolitical shocks—could have a material adverse effect on the Bank's business, financial condition, results of operations and liquidity position.

(s) Limitations of risk management and internal controls

In the course of its business activities, the Bank is exposed to a variety of risks, the most significant of which are credit risk, market risk, liquidity risk and operational risk. Investors should note that any failure to adequately control these risks could result in material adverse effects on the Bank's business, results of operations, financial condition and prospects, as well as its general reputation in the market.

The Bank's risk management techniques may not be fully effective or consistently implemented in mitigating its exposure in all market environments or against all types of risk, including risks that are unidentified or unanticipated. Some of the Bank's methods of managing risk are based upon its use of historical market behaviour. These methods may not always predict future risk exposures, which could be significantly greater than such historical measures indicate. Other risk management practices, including "know your client" practices, depend upon the evaluation of information regarding the markets in which the Bank operates, its clients or other matters that are publicly available or information otherwise accessible to the Bank. As such practices are less developed in the GCC than they are in other markets and may not have been consistently and thoroughly implemented in the past, this information may not be accurate, complete, up-to-date or properly evaluated in all cases.

There can be no assurance that the Bank's risk management and internal control policies and procedures will adequately control, or protect the Bank against, all credit, liquidity, market and other risks. In addition, certain risks could be greater than the Bank's empirical data would otherwise indicate. The Bank also cannot give assurance that all of its staff have adhered or will adhere to its risk policies and procedures.

The Bank is susceptible to, amongst other things, failure of internal processes or systems, unauthorised transactions by employees and operational errors, including clerical or record-keeping errors, or errors resulting from faulty computer or telecommunications systems, and fraud by employees or outsiders. The Bank's risk management and internal control capabilities are also limited by the information tools and technologies available to it. Any material deficiency in the Bank's risk management or other internal control policies or procedures may expose it to significant credit, liquidity, market or operational risk, which may in turn have a material adverse effect on the Bank's business, results of operations, financial condition and prospects.

(t) Operational disruption and business continuity risk

The Bank operates in businesses that are highly dependent on information systems and technologies and relies heavily on its financial, accounting and other data processing systems. In addition, the Bank is increasingly offering its products and services to customers through remote access banking, including online banking and automated teller machines (**ATMs**). If any of these systems do not operate properly or are disabled, or become the target of fraudulent activity, the Bank could suffer financial loss, a disruption of its business, liability to clients, regulatory intervention and reputational damage.

In addition, the Bank's current information systems and technologies may not continue to be able to accommodate the Bank's growth unless the Bank continues to invest in upgrading its operational systems. Such a failure to accommodate growth, or an increase in costs related to such information systems, would have a material adverse effect on the Bank's business. The cost of improving or upgrading such systems and technologies may be substantial and the cost of maintaining such systems is likely to increase from its current level. The Bank's business operations and business processes are vulnerable to damage or interruption from fires, floods, extreme weather, power loss, bomb threats, explosions or other forms of terrorist activity, and other natural and man-made disasters or other extreme events. These systems may also be subject to criminal damage, vandalism, theft and similar wrongdoing.

Further, the Bank relies on third-party service providers for certain aspects of its business including but not limited to ACI Worldwide, Reuters, Bloomberg, SWIFT and Microsoft. Any interruption or deterioration in the performance of these third parties or failures of their information systems and technology could impair the quality of the Bank's operations and could impact its reputation. If any of the foregoing were to occur, it could materially adversely affect the Bank's business, results of operations, financial condition and prospects.

(u) Cybersecurity and technology risks

In common with other financial institutions based in the GCC and elsewhere in the world, the threat to the security of the Bank's information and customer data from cyber-attacks is real and continues to grow at pace. State actors, cybercriminals and other threat actors are among those targeting computer systems around the world. Risks to technology and cyber-security change rapidly and require continued focus and investment. Given the increasing sophistication and scope of potential cyber-attacks, it is possible that future attacks may lead to significant breaches of security. Failure to adequately manage cyber-security risk and continually review and update current processes in response to new threats could disrupt its business, result in the disclosure of confidential information, create significant financial and/or legal exposure and damage the Bank's reputation and/or brands.

(v) Branch network and retail footprint limitations

As at 31 March 2026, the Bank operated 27 branches and 156 ATMs in Kuwait. Among the Bank's subsidiaries, Burgan Bank A.Ş. – Turkey (BBT) operated 28 branches and 22 ATMs in Turkey; Gulf Bank Algeria S.A. (AGB) operated 66 branches and 104 ATMs in Algeria; Tunis International Bank S.A. (TIB) operated three branches with no ATMs in Tunisia; and the recently acquired United Gulf Bank (UGB) currently operates no branches or ATMs, reflecting its wholesale banking operations.

Due to its relatively small branch network and limited retail footprint, the Bank may not be able to fully capitalize on growth opportunities or market developments in the MENAT retail banking sector. This potential limitation could affect the Bank's competitive positioning, restrict the implementation of its retail expansion strategy, and, consequently, have a material adverse impact on its business, financial condition, results of operations, or prospects.

REGULATORY RISKS

The Bank operates in a highly regulated environment and is subject to extensive supervision by relevant regulatory authorities. Changes in applicable laws or regulations, or in the interpretation, application or enforcement thereof, as well as any failure by the Bank to comply with such requirements, may result in sanctions, fines, restrictions on activities, increased compliance costs or reputational damage. In addition, changes in the regulatory capital framework, including the capital treatment of the Bank's instruments, may adversely affect the Bank's capital position, funding structure and cost of capital. Any such developments could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

(a) Capital adequacy regulations

The Basel Committee on Banking Supervision (the "Basel Committee") has established international standards for the capital adequacy of banks. The 1988 Basel Capital Accord recommended a minimum total capital adequacy ratio of 8.0 per cent. Under the Basel III reforms (as defined in the Conditions), the minimum total capital adequacy ratio remains 8.0 per cent., increasing to 10.5 per cent. upon full phase-in of the capital conservation buffer.

The Central Bank of Kuwait (the "CBK"), as the banking regulator in Kuwait, requires Kuwaiti commercial banks to maintain capital adequacy ratios in accordance with its regulations, which are based on Basel III and may be more stringent than the Basel Committee's minimum requirements. Kuwaiti commercial banks were required to maintain a minimum total capital adequacy ratio of 12.5 per cent. of risk-weighted assets by the end of 2015, increasing to 13.0 per cent. in 2016. In addition, banks are required to maintain an additional capital buffer ranging from 0.5 per cent. to 2.0 per cent., as determined by the CBK based on the bank's size and systemic importance, in the form of a domestic systemically important Bank (D-SIB) surcharge.

The Bank is currently subject to a 1.0 per cent. D-SIB surcharge. Accordingly, its effective minimum total capital adequacy requirement is 14.0 per cent.

The Bank's capital adequacy ratio under CBK regulations (based on Basel III) was 16.8 per cent. as at 31 December 2025, compared to 18.6 per cent. as at 31 December 2024 and 20.0 per cent. as at 31 December

2023. The Bank's Tier 1 capital ratio was 13.3 per cent. as at 31 December 2025, compared to 14.9 per cent. as at 31 December 2024 and 16.1 per cent. as at 31 December 2023. The Bank's Common Equity Tier 1 ("CET1") ratio was 11.2 per cent. as at 31 December 2025, compared to 12.6 per cent. as at 31 December 2024 and 13.5 per cent. as at 31 December 2023.

On 26 March 2026, the CBK issued Circular No. (2) RB / RBA / 619 introducing a temporary stimulus package in response to prevailing regional geopolitical and macroeconomic developments. The measures include a partial release of the capital conservation buffer, reducing the minimum total capital adequacy requirement applicable to Kuwaiti banks from 13.0 per cent. to 12.0 per cent. for the duration of the relief period. Notwithstanding the temporary reduction in the regulatory buffer, the D-SIB surcharge applicable to the Bank remains unchanged at 1.0 per cent. Accordingly, the temporary relief reduced the Bank's effective minimum total capital adequacy requirement from 14.0 per cent. to 13.0 per cent., including the D-SIB surcharge.

The CBK's minimum regulatory requirements applicable to the Bank are 9.5 per cent. for the Common Equity Tier 1 (CET1) ratio, 11.0 per cent. for the Tier 1 capital ratio, and 13.0 per cent. for the total capital adequacy ratio.

These measures are intended to support banking system liquidity and stability during a period of regional geopolitical and macroeconomic uncertainty; however, they result in the Bank operating with lower prudential buffers compared to the standard regulatory framework.

The Bank's capital adequacy ratio under CBK regulations (based on Basel III) was 15.9 per cent. as at 31 March 2026, compared to 16.8 per cent. as at 31 December 2025 and 18.6 per cent. as at 31 December 2024. The Tier 1 capital ratio was 12.5 per cent. as at 31 March 2026, compared to 13.3 per cent. as at 31 December 2025 and 14.9 per cent. as at 31 December 2024. The CET1 ratio was 10.5 per cent. as at 31 March 2026, compared to 11.2 per cent. as at 31 December 2025 and 12.6 per cent. as at 31 December 2024.

Although the Bank currently maintains capital ratios in excess of applicable regulatory requirements, its capital position may be adversely affected by growth in its loan portfolio, increases in loan impairments, reduced profitability, changes in regulatory requirements or capital adequacy frameworks, or changes in the regulatory capital treatment of the Bank's instruments. In such circumstances, the Bank may be required to raise additional capital in order to maintain compliance with applicable requirements. Such capital may not be available on favourable terms, or at all.

Failure to maintain the required capital adequacy ratios could result in supervisory measures or sanctions imposed by the CBK, including restrictions on dividend distributions, requirements to increase capital or reduce assets, fines, or other regulatory actions. Any such measures could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects

(b) Credit risk regulations

The Bank is subject to credit risk and lending concentration limits imposed by the Central Bank of Kuwait ("CBK"). Since October 2016, Kuwaiti banks have been prohibited from extending credit in excess of 90 per cent. of their qualifying deposits, irrespective of the maturity profile of such deposits. These restrictions limit excessive leverage and enhance liquidity resilience within the banking sector.

As at 31 March 2026, the Bank's lending-to-qualifying deposits ratio was 73 per cent., and the Bank was in compliance with the applicable regulatory limit. However, any significant increase in lending, reduction in qualifying deposits or changes in the regulatory definition of qualifying deposits or credit exposures could cause this ratio to approach or exceed the prescribed threshold.

If the Bank were to breach the applicable limit, it could be required to curtail lending activities, restructure its balance sheet or raise additional qualifying deposits, which may not be achievable on commercially acceptable terms or within required timeframes. In addition, non-compliance could result in supervisory measures or sanctions imposed by the CBK. Any such actions or constraints could adversely affect the Bank's growth strategy, profitability, financial condition and results of operations.

(c) Concentration risk regulations

The Bank is subject to concentration risk and large exposure limits imposed by the Central Bank of Kuwait ("CBK"). Subject to limited exceptions and any prior approval from the CBK, the total credit exposure of a Bank to any single customer, including its legally or economically related counterparties, may not exceed 15 per cent. of the Bank's regulatory capital. In addition, the aggregate of large credit exposures (being exposures exceeding 10 per cent. of a bank's regulatory capital), including approved exceptions, may not exceed four times the Bank's regulatory capital. As at 31 March 2026, the Bank was in compliance with these regulatory concentration limits.

A breach of applicable concentration limits, whether as a result of growth in exposures, a reduction in regulatory capital, changes in the composition of related counterparties or amendments to regulatory definitions, could require the Bank to reduce exposures, obtain additional capital or seek regulatory approval. There can be no assurance that such measures could be implemented in a timely manner or on commercially acceptable terms. Any failure to comply with applicable concentration regulations could result in supervisory measures, penalties or restrictions imposed by the CBK, which could adversely affect the Bank's business, financial condition, results of operations and prospects.

(d) Interest rate cap regulations

The Bank's lending activities in Kuwaiti dinars are subject to interest rate ceilings imposed by the Central Bank of Kuwait ("CBK"). Under applicable CBK resolutions, the maximum interest rates that may be charged on KD-denominated corporate loans are: (i) 2.5 per cent above the CBK discount rate for commercial loans with a maturity of one year or less; and (ii) 4.0 per cent above the CBK discount rate for commercial loans with a maturity exceeding one year.

As at 31 March 2026, the CBK discount rate stood at 3.50 per cent. Between 2010 and 2025, the discount rate fluctuated between 1.50 per cent and 4.25 per cent, reflecting changing domestic liquidity conditions and global monetary developments. The rate was reduced to 1.50 per cent in March 2020 in response to the COVID-19 pandemic, subsequently increased to 4.25 per cent in 2023 amid rising inflationary pressures and global monetary tightening, and then reduced gradually during 2024 and 2025 to 3.50 per cent.

These regulatory interest rate caps may constrain the Bank's ability to price loans in line with prevailing market conditions, funding costs, and borrower risk profiles. In periods of rising interest rates or elevated funding costs, the Bank may be unable to fully pass on increased costs to borrowers, which could compress net interest margins and adversely affect profitability. Conversely, reductions in benchmark rates may also reduce the Bank's interest income.

Any changes to the CBK discount rate, the applicable interest rate ceilings, or the interpretation or enforcement of the relevant regulations could further restrict lending growth, increase the Bank's cost of doing business, or require adjustments to its asset and liability management strategy. Such developments could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

(e) *Reliance on government or sovereign support*

Neither the Government of Kuwait nor the Kuwaiti Investment Authority ("KIA") is under any obligation to invest in, provide financial support to, or otherwise engage in business with the Bank.

Historically, the Government and the Central Bank of Kuwait ("CBK") have intervened to support the banking sector in periods of stress. For example, during the global financial crisis in 2009, the KIA acquired a 16 per cent. stake in Gulf Bank (K.S.C.) as part of a rescue plan following significant losses from derivatives trading incurred by that Bank.

Kuwait has also enacted a formal framework to enhance financial system stability. Under Law No. 30 of 2008 Regarding the Guarantee of Deposits at Local Banks (the "Deposit Guarantee Law"), the State of Kuwait guarantees the principal of all deposits held with local banks, including savings and current accounts, to bolster depositor confidence and systemic stability. This guarantee is broad in scope and, as of the latest available information, remains in effect. In addition, the now repealed Financial Stability Law enacted as a result of the aforementioned global financial crisis provided the CBK with discretionary authority to support financial system stability through regulatory and supervisory measures.

Although the Deposit Guarantee Law establishes a framework for deposit protection, there can be no assurance that other support will be made available to the Bank in the future beyond the protections expressly provided by the Deposit Guarantee Law or the now repealed Financial Stability Law. The Deposit Guarantee Law guarantees only the principal amount of deposits and does not extend to interest, profits or other financial instruments. Moreover, any future amendments to the Deposit Guarantee Law, its interpretation or enforcement, or any shift in government policy regarding sovereign support, could materially alter the level of protection afforded to depositors and banks.

Accordingly, in the event of another significant economic disruption or financial stress, similar support or interventions by the Government, CBK or KIA may not be forthcoming, or may be limited to the existing legal framework, which could restrict the Bank's access to liquidity, capital or other critical resources. Such outcomes could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

(f) *Tax changes in Kuwait*

As at the date of this Prospectus, Kuwait does not impose value-added tax ("VAT") on the sale of goods or services. Certain other GCC states have implemented VAT as part of a GCC-wide framework. While the Government of Kuwait has not announced a definitive timeline for the introduction of VAT, the implementation of such a tax in the future could increase the Group's operating costs and adversely affect its profitability.

The Group is also subject to international tax developments, including the OECD Inclusive Framework on Base Erosion and Profit Shifting ("BEPS") and its two-pillar solution addressing tax challenges arising from the digitalisation of the economy. Under Pillar 2, multinational enterprises ("MNEs") with annual consolidated revenues exceeding EUR 750 million are required to pay a minimum effective corporate tax rate of 15 per cent. in each jurisdiction in which they operate. Jurisdictions in which the Group operates, including Kuwait, Turkey, Bahrain, the UAE and the UK, have adopted or announced measures to implement Pillar 2 requirements.

In Kuwait, Law Number 157 of 2024 (the "MNE Law"), effective from 2025, introduces a domestic minimum top-up tax ("DMTT") for MNEs with annual group revenues of EUR 750 million or more. The DMTT applies to the difference between 15 per cent. and the effective tax rate of all constituent entities of the MNE operating within Kuwait. On 29 June 2025, the Ministry of Finance issued Executive Regulations clarifying the calculation of taxable income and effective tax rate, as well as procedures and implementation measures under the MNE Law. The MNE Law replaces the National Labour Support Tax and Zakat regimes for entities within its scope.

The Parent Company, acting as the Group's Tax Function, is responsible for computing the DMTT for each jurisdiction and allocating amounts to sub-groups for financial reporting purposes. For the year ended 31 December 2025, the Group's entities in Kuwait were in a global loss position and, accordingly, no Domestic Minimum Top-up Tax ("DMTT") liability was expected to arise. No DMTT was recognised in the consolidated financial statements; however, in accordance with the tax-sharing arrangement with the Parent Company, the Group recorded a charge-out expense of KD 1.8 million in 2025 under "Other expenses". For the three-month period ended 31 March 2026, the Kuwait jurisdiction remained in a global loss position and, accordingly, no DMTT liability has been recognised in the interim condensed consolidated financial information.

Other jurisdictions in which the Group operates, including Bahrain, the UAE, Turkey and the UK, have also implemented Pillar 2 or similar undertaxed profits rules, which could result in additional tax liabilities if the effective tax rate in any jurisdiction falls below 15 per cent.

To the extent that Kuwaiti or other authorities impose new taxes, adjust existing tax laws, or introduce measures that increase the tax burden or reduce the attractiveness of doing business in relevant jurisdictions, the Group's operating costs, profitability, cash flows, and financial condition could be materially adversely affected.

(g) Regulatory compliance risk

The Group is required to comply with applicable anti-money laundering (AML) laws, anti-terrorism financing laws, sanctions administered by the U.S. Office of Foreign Assets Control ("OFAC") and other regulations. These laws and regulations require the Group, among other things, to adopt and enforce "know your customer" (KYC) policies and procedures and to report suspicious and large transactions to the applicable regulatory authorities. The Group has adopted KYC/AML policies and procedures and reviews them regularly in light of any relevant regulatory and market developments. To the extent the Group fails to comply with applicable laws and regulations, the relevant government agencies to which it reports have the power and authority to impose fines and other penalties. In addition, the Group's business and reputation could suffer if customers use the Group for money laundering or illegal purposes.

(h) Accounting policies and estimates risk

Accounting policies and methods are fundamental to how the Bank records and reports its financial condition and results of operations. Management must exercise judgement in selecting and applying many of these accounting policies and methods so they comply with IFRS, as adopted for use by Kuwait. These judgements and estimates include, for example, the determination of when assets may be impaired, the classification of financial assets, the determination of provisions for credit losses and fair values of assets and liabilities.

A variety of factors could affect the ultimate value that is obtained either when earning income, recognising an expense, recovering an asset or reducing a liability. The Bank has established policies and control procedures that are intended to ensure that its significant accounting estimates and judgements are well controlled and applied consistently. In addition, the policies and procedures are intended to ensure that the process for changing methodologies occurs in an appropriate manner. However, due to the uncertainty surrounding the Bank's judgements and the estimates pertaining to these matters, the Bank cannot guarantee that it will not be required to make changes in accounting estimates or restate prior period financial statements in the future.

RISKS RELATING TO KUWAIT AND THE MENAT REGION

(a) Kuwait's economy and government revenues exposed to international oil price fluctuations

The Kuwaiti economy and government revenues are substantially dependent on the oil sector and are exposed to fluctuations in international oil prices

The oil sector remains a principal contributor to Kuwait's economy and a significant source of government revenue and export earnings. As a result, Kuwait's economic performance, fiscal position and external accounts remain highly dependent on developments in international oil markets. Fluctuations in oil prices and production levels have historically had a significant impact on economic activity, government revenues, fiscal balances and liquidity conditions in Kuwait.

International crude oil prices are inherently volatile and are influenced by numerous factors beyond the Group's control, including global and regional economic conditions, geopolitical developments, changes in supply and demand, the policies and actions of OPEC+ and other major oil-producing countries, technological developments affecting energy markets, environmental and climate-related policies, and the pace of the global energy transition. Trade restrictions, tariffs and other measures affecting global economic activity may also reduce demand for oil and adversely affect oil prices.

In addition, geopolitical tensions and conflicts in the Middle East, including tensions involving Iran and disruptions affecting regional energy infrastructure, shipping routes or trade flows, may contribute to increased volatility in oil markets and adversely affect economic activity in Kuwait and the wider GCC region. Such developments may result in lower government revenues, reduced liquidity in the financial system, increased market volatility and weaker investor confidence.

Sustained periods of lower oil prices, reduced oil production, disruptions to oil exports or weaker global demand for oil could adversely affect Kuwait's economic growth, fiscal position and external balances. Such developments could lead to reduced government expenditure, lower levels of liquidity in the banking sector, weaker private sector activity and reduced demand for credit. They may also adversely affect the financial condition of the Group's customers, resulting in higher credit losses, increased provisioning requirements and deterioration in asset quality.

There can be no assurance that future developments in international oil markets, geopolitical conditions or global economic activity will not adversely affect Kuwait's economy. Any such developments could, in turn, have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

(b) Kuwait's economy and growth could be affected by Kuwaiti political considerations

Kuwait's political system is characterised by the interaction between the Government and the elected National Assembly, which plays an important role in the legislative process and the formulation of economic, fiscal and social policies. Government-proposed legislation generally requires approval by the National Assembly before it can be enacted. As a result, political developments and differences in policy priorities between the legislative and executive branches may affect the timing, scope and implementation of government initiatives and reforms.

Kuwait has experienced periods of political uncertainty and legislative deadlock in recent years, including the dissolution of the National Assembly in 2024 and the temporary suspension of certain constitutional provisions relating to its operation. While the long-term implications of such developments remain uncertain, similar events in the future could affect policy continuity, delay the implementation of economic reforms and infrastructure projects, and increase uncertainty regarding the legislative and regulatory environment.

The pace of implementation of key economic, fiscal and structural reforms, including initiatives relating to economic diversification, fiscal sustainability, public sector reform, privatisation and private sector participation, may be affected by political considerations and legislative processes. Any delay in the implementation of such reforms could adversely affect investor confidence, economic growth, government finances and Kuwait's ability to address long-term economic challenges arising from its dependence on hydrocarbons.

Political developments may also affect business sentiment, foreign investment, capital market activity and broader economic conditions in Kuwait. Any prolonged period of political uncertainty, legislative disruption or delays in policy implementation could adversely affect economic activity and the operating environment in which the Group conducts its business.

There can be no assurance that future political developments in Kuwait will not adversely affect the country's economic performance or the implementation of government policies and reforms. Any such developments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

(c) The Group is located in a region that is subject to ongoing political and security concerns

The Group operates in the MENAT region and its business, financial condition, results of operations and prospects are, and will continue to be, influenced by political, economic and security developments affecting the region. Events such as war, military conflict, terrorism, civil unrest, political instability, sanctions or other geopolitical tensions may adversely affect the Group’s operations, customers, counterparties and markets. There can be no assurance that the Group will be able to sustain its business without interruption or avoid material adverse effects should such events occur.

Although Kuwait has historically maintained relative political stability and continues to benefit from generally constructive international relations, parts of the MENAT region remain subject to periodic geopolitical and security developments. These have from time to time included civil unrest, armed conflicts, terrorism, sanctions and diplomatic tensions, as well as temporary disruptions to trade and transportation routes. Such developments have contributed to periods of regional uncertainty and volatility in financial, commodity and energy markets.

In recent periods, certain geopolitical tensions in the broader Middle East have shown signs of partial stabilisation, including diplomatic engagement between regional stakeholders and efforts to reduce escalation risks in key areas. Notwithstanding these developments, the region continues to experience elevated geopolitical sensitivity, and the risk of renewed or escalating tensions remains.

The broader Middle East has also experienced periodic disruptions affecting maritime trade routes, including key shipping lanes, as well as fluctuations in energy markets driven by geopolitical developments. While some disruptions have eased compared to prior periods, the region remains exposed to the risk of renewed instability, which could affect supply chains, shipping costs and market volatility.

Any deterioration in geopolitical or security conditions could result in disruption to regional trade flows, transportation networks, energy infrastructure and critical shipping routes. This may adversely affect economic activity in Kuwait and the wider GCC region, reduce investor confidence, increase market volatility and negatively impact liquidity conditions.

In addition, geopolitical instability and related security developments may adversely affect the financial condition and operating performance of the Group’s customers and counterparties, leading to increased credit risk, higher impairment charges, deterioration in asset quality, reduced business volumes and increased funding and operating costs. Such developments may also adversely affect foreign investment flows, economic growth and fiscal conditions in Kuwait and other jurisdictions in which the Group operates.

There can be no assurance that geopolitical or security conditions in the region will not deteriorate in the future or that current periods of relative stability will persist. Any such developments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects and may adversely affect the ability of the Issuer or the Bank to perform their respective obligations.

The Bank's financial condition and results of operations may be adversely affected by the relaxation of certain regulatory requirements and the geopolitical conditions prompting such measures.

On 26 March 2026, the CBK issued Circular No. (2) RB / RBA / 619, introducing a stimulus package to mitigate the economic repercussions of ongoing regional geopolitical developments. While these measures are intended to support banking system liquidity and financial stability during a period of regional geopolitical and macroeconomic uncertainty, they involve significant changes to various ratios and maximums normally required by the CBK. Specifically, the CBK has:

- Reduced the minimum Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) from 100 per cent. to 80 per cent.;
- Lowered the Regulatory Liquidity Ratio (RLR) from 18 per cent. to 15 per cent.;
- Expanded the maximum limits for negative cumulative gaps in the Maturity Mismatch Ladder by 10 per cent.;
- Increased the Maximum Lending Limit (MLL) to 100 per cent. from 90 per cent.; and
- Released a portion of the Capital Conservation Buffer (CCB), effectively reducing the overall capital base requirement to 12 per cent. from the standard regulatory limit of 13 per cent (excluding the D-SIB surcharge).

These measures constitute temporary prudential easing measures intended to support banking system liquidity and stability during the period of geopolitical uncertainty and do not represent a permanent amendment to the CBK's underlying regulatory framework. Although these relaxed standards mean that the Bank — and the Kuwaiti banking sector more broadly — is operating with lower liquidity and capital cushions than under the standard regulatory regime, there can be no assurance that such measures will be sufficient to protect the Bank from the impact of sustained geopolitical instability or economic volatility.

Notwithstanding the foregoing, the CBK has historically demonstrated commitment to systemic stability by adopting a phased and measured approach when restoring regulatory benchmarks following periods of temporary relaxation. For example, following the relaxed regulatory standards allowed by the CBK during the COVID-19 pandemic, the CBK returned the standard regulatory benchmarks through a phased and gradual transition thereby ensuring no strain on the banking system. This historical precedent suggests a regulatory preference for a structured reintroduction of normal limits intended to minimize market disruption and allow the banking sector sufficient time to recalibrate to normal regulatory benchmarks.

Country-Specific Risks Arising from Macroeconomic Conditions in Key Jurisdictions

Certain of the Bank's subsidiaries are exposed to country-specific economic risks that may affect their operations, performance and financial results:

- **Burgan Bank A.Ş. — Turkey**

Turkey has continued to experience macroeconomic imbalances following a period of elevated inflation, currency volatility and policy tightening. While recent economic policies have supported a gradual moderation in inflation and improved external buffers, inflation remains elevated by international standards and the disinflation process remains incomplete.

The Turkish economy remains vulnerable to external shocks, including fluctuations in global energy prices, changes in investor sentiment, exchange rate volatility and shifts in domestic monetary and fiscal policy. In particular, the persistence of tight financial conditions and inflationary pressures may weigh on credit growth, borrowing costs and overall economic activity.

Ongoing economic adjustment, exchange rate sensitivity and political and policy uncertainties may affect BBT's operational environment, including credit demand, asset quality and cost of funds.

Any deterioration in macroeconomic stability or reversal in disinflation trends could adversely affect the operating environment of the Group's operations in Türkiye, including asset quality, funding costs and demand for financial services.

- **Gulf Bank Algeria S.P.A. — Algeria**

  Algeria's economy remains significantly dependent on hydrocarbons, with limited progress in diversification continuing to present structural vulnerabilities. While hydrocarbon revenues and public expenditure have supported economic activity, the economy remains exposed to fluctuations in global energy prices, fiscal pressures and regulatory complexity. Recent fiscal and structural reform initiatives aim to improve budget sustainability and support the development of non-hydrocarbon sectors; however, their effectiveness remains subject to implementation risk and broader macroeconomic conditions.

  The Algerian economy remains sensitive to external commodity price cycles and fiscal reliance on hydrocarbon-related revenues, which may affect public spending, liquidity conditions and overall economic stability. Ongoing policy adjustments, regulatory developments and investment execution risks may also contribute to uncertainty in the operating environment.

  Economic concentration and external exposure to commodity price fluctuations may adversely affect demand for banking services, credit quality and the overall financial performance of AGB.

- **Tunis International Bank S.A. — Tunisia**
  Tunisia's economy remains structurally constrained, characterised by subdued growth, elevated fiscal pressures and persistent external financing challenges. Public finances continue to face strain, while access to external funding remains limited, contributing to ongoing pressure on liquidity conditions and macroeconomic stability. The banking sector operates in an environment affected by weak economic activity and heightened financial system pressures, including shifts in deposit behaviour and liquidity dynamics, as well as periodic labour and sectoral disruptions reflecting broader economic stress.

  Ongoing fiscal imbalances, constrained external funding sources and policy uncertainty may adversely affect financial stability, credit demand and risk appetite within the banking sector.

  Such conditions may negatively impact banking operations in Tunisia, including asset quality, liquidity management and overall financial performance.

- **United Gulf Bank B.S.C. — Bahrain**
  Bahrain's economy is expected to record modest growth in the near term, supported by activity in the services sector and non-oil segments. However, the economy remains exposed to fiscal and external pressures, including relatively high public debt levels and sensitivity to fluctuations in global energy prices. In addition, ongoing geopolitical tensions and regional conflict dynamics in the Middle East may weigh on investor sentiment, disrupt trade and capital flows, and contribute to increased volatility across GCC financial markets, including Bahrain.

  Such conditions may affect liquidity conditions, funding costs and overall credit demand within the banking sector. These factors may adversely impact banking sector performance in Bahrain and, in a broader GCC context, may influence the operating environment of the Group, including asset quality, profitability and growth prospects.

- **Overall Risk Implication**
  Weakening economic conditions in any of the countries in which the Group's subsidiaries operate may adversely affect these entities through reduced demand for banking products and services, increased credit risk, strained liquidity conditions and higher operating costs. In addition, significant macroeconomic deterioration — including, for example, a prolonged period of elevated inflation in Türkiye, increased fiscal and external financing pressures in Algeria and Tunisia, or heightened geopolitical tensions and regional conflict — could materially impair the financial performance and strategic execution of the Group's operations across these markets.

  Such developments, including the escalation or continuation of armed conflict in the wider Middle East region, may also adversely affect investor sentiment, capital flows, energy markets and overall economic stability in the Group's operating jurisdictions.

(d) Legal and regulatory uncertainty in Kuwait and other key jurisdictions

Kuwait and other countries in which the Group has a significant presence are in the process of developing governing institutions and legal and regulatory systems, which are not yet as firmly established as they are in Western Europe and the United States. Kuwait, along with these other countries, has enacted measures to promote greater efficiency and certainty within their legal and regulatory systems.

The legal systems in Kuwait and these other countries may not provide the same degree of protection or require the levels of disclosure of information that would be the case in Western Europe or the United States. No assurance can be given that the Government or the governments of these other countries will not implement regulation or fiscal or monetary policies, including policies, regulations, or new legal interpretations of existing regulations, relating to or affecting expropriation, nationalisation, taxation, interest rates or exchange controls, or otherwise take actions which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

(e) Potential Changes in the regulatory framework of the Central Bank of Kuwait (CBK)

As the Bank is a regulated entity, changes in applicable laws or regulations, the interpretation or enforcement of such laws or regulations, or the Bank's failure to comply with such laws or regulations, could have a material adverse effect on the Bank's business, financial condition, results of operations or prospects. The supervisory and regulatory rules and activities of the CBK, and respective central banks in respect of the Bank's subsidiaries, cover in greater detail than in many other countries matters such as capital adequacy requirements, liquidity, the rationalisation and organisation of credit policy, the policy for the classification of credit facilities and the calculation of relevant provisions, credit concentration, the organisation of investment policy, internal control systems, risk measurement and management systems, rules and regulations concerning the required experience of banks' board members and executive officers, and the combating of money laundering, suspicious operations and the financing of terrorism.

These regulations may limit banks' activities (including those of the Bank) while changes by any of the relevant central banks in their supervision and regulation policies and practices could affect, to varying degrees, each bank's business, the products or services that it offers or may offer, the value of its assets, the costs of doing business and its financial condition.

(f) Investing in securities involving emerging markets generally involves a higher degree of risk

Investing in securities of companies operating in emerging markets, including Kuwait, generally involves a higher degree of risk than investing in securities of issuers from more developed markets. These risks include, but are not limited to, higher volatility and limited liquidity, sudden changes in the legal, economic or political environment, instability in neighbouring countries, operational risks relating to fraud, bribery, corruption, or weak governance, and insufficient infrastructure to support sustained economic growth.

There can be no assurance that the market for securities in emerging markets will not be negatively affected by events occurring elsewhere, particularly in the MENAT region. Investor reactions to developments in one emerging market often create a "contagion" effect, where negative sentiment spreads across the region or asset class. If such a contagion effect occurs, the market value of the securities could be adversely affected by economic or financial developments in other emerging market countries, over which the Group has no control.

Emerging markets may also be particularly sensitive to disruptions in capital markets, reduced availability of credit, or increased cost of financing. These factors could adversely affect the performance of companies operating in such markets, including the Group, and there is no assurance that such risks will not materialize in the future.

Accordingly, investing in securities of the Group carries risks not typically associated with investments in more mature markets. Prospective investors should carefully evaluate the risks involved and determine for themselves whether an investment is suitable. Generally, investments in emerging markets are more appropriate for sophisticated investors who fully understand the significance of the risks involved.

RISKS RELATED TO THE ISSUE SHARES

(a) Liquidity and volatility in the Share price

Subscribers may not be able to resell their Shares, including the Issue Shares, at or above the Offer Price, or at all. The market price of the Shares following the Offering may be adversely affected by factors both within and beyond the Issuer's control, including, but not limited to, variations in the Issuer's financial performance, prevailing market conditions, and changes in Government regulations.

Investors should be aware that the value of an investment in the Shares, including the Issue Shares, may decrease as well as increase. The market price of the Issue Shares could be volatile and may experience significant fluctuations due to changes in market sentiment regarding the Shares. Historically, stock markets have witnessed substantial price and volume fluctuations that have affected securities prices, often independently of an issuer's actual performance or prospects.

In addition, the Issuer's operating results and prospects may, at times, fall short of market or analyst expectations. Any of these factors could lead to a decline in the market price of the Shares.

(b) Dividend payments

The Issue Shares will be entitled to receive any dividends that may be declared by the Issuer in the future. The Issuer intends to maintain a dividend policy that takes into account sustainable levels of dividend distribution and reflects its assessment of the outlook for recurring earnings. The Issuer does not intend to create reserves that are unavailable for distribution to Shareholders, except as required by law. Dividends will be paid at the discretion of the Board of Directors, when deemed appropriate, based on the Issuer's financial performance, cash flow position, and other relevant factors, subject to approval by the Shareholders.

Investors should note that the Issuer's dividend policy may be revised from time to time, and there can be no assurance as to the amount, timing, or frequency of any future dividend payments.

(c) Dilution of existing shareholdings

If Eligible Subscribers do not fully exercise their rights by the latest date for receipt of applications and payments as specified in this Prospectus, their proportionate ownership and voting interests in the Issuer will be reduced. Consequently, the percentage of the Issuer's share capital represented by their Existing Shares immediately following the Offering will decline.

Furthermore, Eligible Subscribers as of the Record Date who exercise their rights in full may still experience some dilution of their interest, as their entitlement may be rounded down to the nearest whole number of Issue Shares. In the event that unsubscribed Issue Shares are available, such Subscribers may have the opportunity to apply for Additional Issue Shares, which could enable them to maintain or increase their proportionate interest in the Issuer.

(d) Risks related to non-exercise of rights by major shareholders

If the main shareholders, including the strategic shareholders, do not subscribe to all of their rights to acquire new shares in the Offering, their ownership, voting rights and representation on the Board of Directors will decrease, as well as the return they receive due to the reduction in the ownership share in the company's capital. The decrease in voting rights of major shareholders will reduce their influence over key corporate decisions and may affect the Company's governance and financial position.

(e) Risks related to non-profitability or sale of Pre-emption Rights

There is no guarantee that the Shares will be profitable or can be traded at a higher price. There is also no guarantee that there will be sufficient demand in the market to exercise priority rights or to collect any compensation from the Company for failure to exercise the rights. In the event that investors are unable to dispose of the priority rights at least five working days before the closing of the Offering Period, they may be required to exercise, or otherwise utilise, these rights to subscribe in the offering shares, and if the investors do not subscribe or fail to follow the procedures for subscribing the rights in the correct manner, then there is no guarantee that an amount of compensation will be distributed to them, which will lead to them incurring some losses. Accordingly, investors should review full details of the mechanism for listing and trading priority rights in the rules of Boursa Kuwait and in the applicable provisions of the executive regulations. They must be aware of all the factors affecting them, to ensure that any investment decision is based on full awareness and understanding of the nature of investment and the risks related to it.

(f) Risks of shortage of demand for Pre-emption Rights and Company shares, or rescinding the subscription

There is no guarantee that there will be sufficient demand for Pre-emption Rights during the Pre-emption Rights Trading Period in order to enable Pre-emption Rights holders to sell those rights and realise a profit from them. Nor is there any guarantee that there will be sufficient demand for the company's shares by the

Eligible Subscribers during the Offering Period, in which case there will be no compensation for the unexercised rights holders. In addition, there is no guarantee that there will be sufficient market demand for the shares that the subscriber obtains through exercising the Pre-emption Right, or through the public offering, or from the market, which may negatively affect the share price and the profitability of the Issuer and the shareholders. Also, there is no guarantee that the subscription will be successful or that it will not be rescinded. In the case of a rescinded Offering, Pre-emption Rights holders won't be able to exercise their right to subscribe to the Issue Shares prescribed for these rights, which could lead to the buyer thereof losing the Pre-emption Right for the price paid by the buyer in return for the right without having the right to recourse against the Issuer, the Subscription Agent and Lead Managers for any claim or compensation. It is also required that the Issuer's shares shall remain traded on Boursa Kuwait throughout the Offering Period of the Pre-emption Right, so that trading of Pre-emption Rights continues.

(g) Taxation risks on payments

The application and enforcement of the Kuwaiti income tax regime, including any new or emerging tax frameworks such as the Deferred Minimum Tax-Type Regime or similar measures, remain uncertain as applied to holders of the Issue Shares that are "non-GCC corporate entities" (as defined in "Taxation"). There is a possibility that such holders of the Issue Shares may become subject to the Kuwaiti income tax regime in the future if the Department of Income Tax (the "DIT"), the Ministry of Finance, and/or the Kuwaiti courts determine that income received with respect to the Issue Shares is taxable, notwithstanding applicable Tax Exemptions.

To date, no binding public ruling or official interpretation has been issued by the DIT regarding the application of Tax Exemptions to income received by non-GCC corporate entity shareholders in connection with an equity issuance such as the Issue Shares. Similarly, the Kuwaiti courts have not yet construed the relevant provisions in this context. Although there is no precedent of the DIT imposing income tax on non-GCC corporate shareholders under the circumstances described above, it is not possible to predict how the DIT, the Ministry of Finance, or the courts may apply or enforce the Taxation Laws and any new tax regime in practice. The DIT's interpretations of Kuwaiti tax law have, at times, lacked consistency.

If the DIT and/or the Kuwaiti courts were to determine that income received by a non-GCC corporate entity holder of Issue Shares is subject to tax, such holder could become liable for Kuwaiti income tax (currently imposed at a rate of 15 per cent. on net income and potentially on capital gains), and may be required to comply with related disclosure, reporting, and tax return obligations in Kuwait. In certain circumstances, a deduction of up to five per cent. of payments made by the Issuer to holders of the Issue Shares may be applied pending resolution of their tax status.

While there has been no definitive application of the Kuwaiti income tax regime to non-GCC corporate holders of Issue Shares to date, there can be no assurance that holders of such shares will not become subject to this regime under the circumstances described above. Prospective subscribers are advised to consult their own tax advisers regarding the consequences under Kuwaiti and other applicable tax laws of acquiring, holding, disposing of the Issue Shares and receiving related payments. See "Taxation" for further information.

(h) Value Added Taxes

The Gulf Cooperation Council ("GCC") formally agreed and finalized a common framework for value-added tax ("Gulf VAT Framework") in 2017, and several GCC member states subsequently implemented VAT beginning in 2018. However, as of the date of this Prospectus, the State of Kuwait has not yet implemented a value-added tax regime, despite its prior commitment under the Gulf VAT Framework.

No local legislation has been enacted in Kuwait to give effect to VAT, and detailed rules or regulations regarding the structure, scope, rates, exemptions, compliance requirements, or timing of a potential VAT system in Kuwait have not been published. As a result, it is currently not possible to determine if, when, or how VAT will be introduced in Kuwait, or how any such VAT regime might apply to the Issuer, holders of the Issue Shares, or transactions involving the Issuer.

Additionally, the Gulf VAT Framework allows each GCC member state to exercise significant discretion in specifying the design and implementation of its own VAT system. Consequently, even if Kuwait enacts VAT legislation in the future, the precise terms, conditions, taxable transactions, and treatment of cross-border supplies remain uncertain.

Prospective investors should be aware that the introduction of VAT in Kuwait could affect the Issuer's costs, pricing, reporting obligations, and cash flows, and may result in increased compliance requirements or reduced post-tax returns for holders of the Issue Shares. Investors are advised to consult their own tax advisers regarding potential VAT implications under Kuwaiti law once any VAT legislation is enacted.

(i) Change in Law

No assurance can be given as to the impact of any possible change to Kuwaiti law or to administrative practice after the date of the Prospectus, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments and/or make deliveries under the Issue Shares, as applicable.

OFFERING TERMS, CONDITIONS AND INSTRUCTIONS OF THE ISSUE

Subscription Agreement

The Issuance Advisor and Subscription Agent have entered into a Subscription Agreement with the Issuer pursuant to which, and subject to the satisfaction of certain conditions precedent, they have agreed to exercise due care and take all necessary measures to facilitate the offering of the Issue Shares to Subscribers at the Issue Price.

For the avoidance of doubt, the Issuance Advisor and Subscription Agent shall not, under any circumstances, be obliged to subscribe for or underwrite any portion of the Issue Shares that remain unsubscribed following the conclusion of the Offering.

Shares Offered in the Offering

The Issuer is offering 277,777,777 Ordinary Shares (the "**Issue Shares**") representing approximately 7 per cent. of the Issuer's existing issued share capital.

Issue Price per Issue Share

The Issue Price has been set at KWD 0.180 per Issue Share, comprising the nominal value of KWD 0.100 per Issue Share and with KWD 0.080 issuance premium.

Subscribers

The Offering shall be open to the initial eligible subscribers ("**Initial Eligible Subscribers**") comprised of a) those persons ("**Eligible Shareholders**") whose names are recorded in the shareholder register of the Bank (the "**Bank's Shareholders Register**") held with Kuwait Clearing Company K.S.C and its subsidiaries ("**Clearing and Depository Agent**") as at 30 August 2026 ("**Record Date**"), and b) those persons to whom pre-emption rights were transferred during the Pre-emption Rights Trading Period (defined above) ("**Owners of Transferred Pre-emption Rights**").

For clarity, any trading made on the Bank's shares prior to the Record Date but for which the settlement process has not been completed at Boursa Kuwait on the Record Date (the "**Ex-Date**") and, accordingly, not recorded in the shareholder register of the Bank (the "**Bank's Shareholders Register**"), shall not be taken into account in defining the Eligible Shareholders recorded in the Bank's Shareholders Register on the Record Date.

In any of the following instances concerning the exercising of any right of pre-emption vis-à-vis the Issue Shares (the "**Pre-emption Right**" (as the context may apply), i) in the case of an Initial Eligible Subscriber, same may subscribe for their pro-rata amount of the Issue Shares based on the amount of Existing Shares registered in the name of the Initial Eligible Shareholder on the Record Date to the extent they have not otherwise transferred their pre-emption right, and ii) in the case of Owners of Transferred Pre-emption Rights, same may subscribe for their pro-rata amount of the Issue Shares based on the amount of pre-emption rights which were transferred during the Pre-emption Rights Trading Period. Each Owner of Transferred Pre-emption Rights may subscribe to Issue Shares based on the amount of Pre-emption Rights so transferred to them.

In addition to the amount of Issue Shares that Initial Eligible Subscribers are entitled to with respect to their Pre-emption Right, the Initial Eligible Subscribers may also subscribe for additional Issue Shares ("**Additional Issue Shares**") at the same time that they subscribe for Issue Shares under their Pre-emption Right. Additional Issue Shares are those Issue Shares that remain unsubscribed as a result of Initial Eligible Subscribers electing not to exercise, or to only partially exercise, their Pre-emption Right.. Available Additional Issue Shares subscribed for will be allocated to the Initial Eligible Subscribers pro rata to their subscription for such Additional Issue Shares.

In the case in which all Issue Shares have not been fully subscribed for by the Initial Eligible Subscribers during the Pre-emption Right Subscription Period, then the unsubscribed Issue Shares shall be offered for public subscription

("**Public Subscription**" or "**Public Offering**") to any person eligible to subscribe for shares in Kuwait (the "**Public Subscribers**"), including without limitation, the Initial Eligible Subscribers.

Initial Eligible Subscribers and Public Subscribers (collectively, "**Subscribers**") for the Issue Shares will not have the right of retraction except as in accordance with the Companies Law No. 1 of 2016 (as amended) and its executive regulations (each as amended). The share allocation decision shall be final without any liability on the Issuer or the Subscription Agent.

Each Eligible Subscriber shall be entitled to subscribe for Issue Shares at a ratio of 7.10 per cent. (rounded, and adjusted for fractional shares, if any) of their existing shareholding as of the Record Date, taking into account the Issuer's treasury shares, if any. Holders of Pre-emption Rights shall be entitled to subscribe for the number of Issue Shares corresponding to the acquired rights.

Subscribers shall not be entitled to receive any proceeds from the Offering.

If the capital increase is not fully subscribed during the Subscription Period, the Issuer's Board of Directors may, with the approval of the Kuwait Capital Markets Authority, extend the Subscription Period for one or more additional periods, provided that the total Subscription Period, including any extensions, does not exceed three months.

In the event that the capital increase remains unsubscribed after the extended period, the Board of Directors may decide either to retract the capital increase or to limit the capital increase to the amount actually subscribed. Subscribers shall have a right of retraction only in accordance with applicable law.

Rights Attached to the Issue Shares

The Issuer has a single class of Ordinary Shares. Each Issue Share entitles its holder to one vote and the right to attend and vote at the Issuer's General Assembly meetings. No shareholder enjoys any preferential voting rights.

Once issued, the Issue Shares shall rank *pari passu* with the Issuer's existing shares in all respects, including entitlement to any dividends declared by the Issuer and participation in the Issuer's net assets upon liquidation after settlement of its liabilities.

Convertibility of Issue Shares

The Issue Shares shall not be convertible into any other class or form of securities

Tradability of Issue Shares and Pre-emption Rights

Pre-emption Rights shall be freely tradable in accordance with the applicable rules of Boursa Kuwait and the Kuwait Clearing Company K.S.C and its subsidiaries.

Approval of this Prospectus constitutes authorization for the listing and trading of the Pre-emption Rights during the Subscription Period, which shall be terminated upon disclosure of the final subscription results.

Following the completion of all necessary procedures and approvals, the Issue Shares shall be listed and freely tradable on Boursa Kuwait, ranking pari passu with all existing shares of the Issuer in all respects.

Exercise and Disposal of Pre-emption Rights

Subscribers may take any of the following actions:

- Exercise their Pre-emption Rights, in whole or in part, to subscribe for Issue Shares;
- Exercise their Pre-emption Rights to subscribe for Issue Shares and apply for Additional Issue Shares;
- Trade their Pre-emption Rights by sale and/or purchase during the Subscription Period and up to five Business Days prior to Subscription Period closing, in accordance with the relevant rules of Boursa Kuwait;

- Assign, without consideration, their Pre-emption Rights (in whole or in part) to another party during the Subscription Period and up to five Business Days prior to its closing, in accordance with the applicable rules of Boursa Kuwait and the Kuwait Clearing Company K.S.C and its subsidiaries; or
- Choose not to exercise, assign, or trade their Pre-emption Rights, in which case their entitlement to subscribe for Issue Shares shall lapse and the corresponding Issue Shares not subscribed for shall be made available for subscription by other Eligible Subscribers through additional subscriptions for Additional Issue Shares.,

Eligible Shareholders who do not subscribe to the Issue Shares shall be subject to a reduction in the proportion of their equity in the Issuer Capital as well as a reduction in the value of their Issued Shares. Owners of Transferred Pre-emption Rights who do not exercise their right to subscribe to the Issue Shares prescribed for these rights, shall waive the price paid (if any) by them in exchange for these rights without having the right of any recourse against the Bank, the Subscription Agent, or the Clearing and Depository Agent for any claim or compensation.

Any person who disposes of their Pre-emption Rights, whether by sale or assignment, shall no longer be entitled to subscribe for the Issue Shares represented by such rights. However, the transferee of such rights shall be entitled to subscribe for the corresponding number of Issue Shares or further dispose of them in accordance with the applicable laws, regulations, and procedures of the Kuwait Capital Markets Authority, Boursa Kuwait, and the Kuwait Clearing Company K.S.C and its subsidiaries, provided that such disposal by means of trading occurs at least five Business Days prior to the closing of the Subscription Period or, if by means of transfer without consideration, occurs at least five Business Days prior to the closing of the Subscription Period.

The transferor and transferee shall visit Boursa Kuwait, Fifth Floor to complete the transfer. Individuals shall provide copies of their civil identifications, and the authorized representatives of non-natural entities shall provide To Whom It May Concern Letter (Ministry of Commerce and Industry) along with the authorized signatories extract.

Owners of Transferred Pre-emption Rights in the case of Retraction of Capital Increase

In the event of retracting the capital increase, the Owners of Transferred Pre-emption Rights will not be able to exercise their right to subscribe to the Issue Shares, which will lead to the loss of the price that the Owners of Transferred Pre-emption Rights paid for the Pre-emptive Right (if any) without having the right of any recourse against the Bank, the Subscription Agent, or the Clearing and Depository Agent for any claim or compensation.

Maximum Subscription

Subscribers may apply for any amount of Additional Issue Shares, which will be allocated only in the event that unsubscribed Issue Shares remain after the initial subscription period. Such unsubscribed shares will be allocated to applicants for Additional Issue Shares on a pro-rata basis.

Subscription Period

The Subscription Period shall commence according to the Offering Timetable set forth below, unless extended in accordance with the terms of this Prospectus and subject to the prior approval of the Kuwait Capital Markets Authority.

Subscription Application Form

During the Pre-emption Right Subscription Period, the offering of the Issue Shares is restricted to Initial Eligible Subscribers only. Initial Eligible Subscribers who would like to participate in the Offering can submit the Subscription Application Form during the Pre-emption Right Subscription Period on the Subscription Website or Mobile Application operated by Kuwait Clearing Company K.S.C and its subsidiaries..

A Subscriber must specify on the Subscription Application Form the number of Issue Shares he wishes to subscribe to and transfer the Subscription Monies.

Each Subscriber must agree to the terms and conditions and provide all required information in the Subscription Application Form. The Issuer, the Clearing and Depository Agent, and the Subscription Agent reserve the right, without any liability, to reject (in whole or in part) any Subscription Application Form that fails to meet the applicable conditions or requirements, including without limitation:

- Non-payment of the full Subscription Monies;
- Failure to comply with the laws and regulations in force;
- Inaccuracy or invalidity of any of the information requested above or insufficiency of any additional information that may be requested by the Clearing and Depository Agent or the Subscription Agent; or
- Non-compliance with the instructions set forth in this Prospectus or in the Subscription Application Form.
- In the event of any discrepancy between the Subscriber's information and the data recorded with the Public Authority for Civil Information, the Issuer or the Clearing and Depository Agent shall be entitled to exclude such applications from the allocation process without any liability on the Issuer or the Clearing and Depository Agent, unless the reasons for the discrepancy are provided with the submitted documents.

Once submitted and approved, the Subscription Application Form may not be amended or withdrawn, and shall constitute a legally binding agreement between the Subscriber and the Issuer. The terms, conditions, and undertakings therein shall be binding upon the Subscriber, its heirs, executors, assigns, and beneficiaries, unless expressly stated otherwise. The Subscriber must accept whatever number of Issue Shares is allocated to him.

All Subscribers with mortgaged shares must provide to the Clearing and Depository Agent an original and signed approval letter from the mortgagee stating that the Subscriber may subscribe in the capital increase. The approval letter along with the copies of the civil identification and authorized signatories extract must be submitted in the Subscription Website. Please note that after completing the procedures of lifting the subscription suspension by the Clearing and Depository Agent by virtue of the aforementioned letter, the Subscriber will then be able to view the number of Issue Shares allotted to them for subscription on the Subscription Website.

For Restricted Shares, Eligible Subscribers must visit the premises of the Clearing and Depository Agent at Boursa Kuwait Building, Fifth floor, Mubarak Al Kabeer Street, Sharq, Kuwait City. For the purposes of this paragraph, '**Restricted Shares'** means any Shares that, by operation of law, contract or court order, may not be transferred or otherwise disposed of, or in respect of which any rights attaching thereto may not be exercised.

All Subscribers must read the instructions relating to the Offering carefully before submitting the Subscription Application Form. Signing the Subscription Application Form shall be considered agreement to and acceptance of the Offering Terms, Conditions and Instructions of the Issue section contained in this Prospectus.

Applicant Declarations

By submitting the Subscription Application Form, each Subscriber:

- Irrevocably agrees to subscribe for the number of Issue Shares specified therein;

- Declares that he has read and fully understood this Prospectus;

- Accepts the Issuer's Memorandum and Articles of Association, the Offering Terms, Conditions and Instructions of the Issue section, each as referenced in this Prospectus;

- Acknowledges that the Issuer, the Clearing and Depository Agent, and the Subscription Agent reserve the right to reject any incomplete or non-compliant application in their sole and exclusive discretion;

- Accepts the final allocation of Issue Shares (to a maximum of the amount he has subscribed for) and all other instructions of subscription outlined in the Subscription Application Form and in this Prospectus;

- Undertakes not to cancel or amend the Subscription Application Form after submission; and

- Corporate Subscribers further declare that all internal and statutory authorizations necessary to participate in the subscription have been duly obtained.

Subscription Process

Subscriptions and all required documents must be submitted through the Subscription Website or Mobile Application operated by Kuwait Clearing Company K.S.C and its subsidiaries.

All Subscribers must:

1. Login to the Subscription Website via the link: https://www.ipo.com.kw or download the IPO Kuwait Mobile Application operated by Kuwait Clearing Company K.S.C and its subsidiaries.
2. In the event that the Subscriber is an individual, the Subscriber shall enter their Civil ID number, following which the system will verify whether the Subscriber is eligible to subscribe. Such verification will be carried out only during the Pre-emption Rights exercise period. .
3. In the event the Subscriber is a legal entity or a Company, the Subscriber must enter the commercial registration number, and then the system will verify the eligibility of the Subscriber.
4. Record the number of shares to be subscribed for.
5. The Subscriber must make the payment through either K-NET service or Bank wire transfer as follows:

For Subscribers paying through K-NET service, the Subscriber shall:

- Pay from their own account (no other person may pay on behalf of the Subscriber except in the cases provided for under the law and the Subscriber shall bear all legal consequences arising from any breach thereof.). If the payment is successful, the system will display a confirmation containing the subscription payment details, and an automatic email will be sent with a PDF receipt to the Subscriber's registered email address, along with a text message to the Subscriber's registered mobile phone confirming the successful completion of the subscription process.

  Subscribers are advised to confirm with their Bank that their payment limit on their K-NET card will enable them to pay for their subscription.

Or,

For Subscribers paying through Bank wire transfer, the Subscriber shall:

- Print the Subscription Application Form and visit their own Bank and submit a copy of the Subscription Application Form printed from the link (htttps://www.ipo.com.kw) and transfer the amount required to the Subscription Bank Account (net amount without any charges by the transferring Bank and the receiving Bank) stated below:

Name of Bank:	Burgan Bank
Account number:	0231704506000144020002
IBAN:	KW05 BRGN 0000 0000 0000 7045 0600 03
SWIFT:	BRGNKWKW
Beneficiary:	Burgan Bank Capital Increase
Reference/Description:	Subscription Application Form number + subscriber civil identification (for residents and citizens)/ passport (for non-residents and non-citizens)/ commercial registration number (for corporates) + subscriber contact number **(all of the above information mentioned in the Reference/Description is required in the transfer receipt, failure to provide the above information may result in the rejection of the subscription)**

- The Subscriber shall upload the copy of the transfer receipt of the amount transferred from their own Bank in addition to the documents listed in item "Required Documentation" stated below through the electronic link that will be sent from the Subscription Website to the subscriber by e-mail and text message on the registered phone.

Review of Bank-transfer applications may take up to 24 hours. If the subscription is not approved, an email will be sent to the Subscriber's registered email indicating the reason for the rejection, and the Subscriber may try again. A Subscriber is permitted to submit multiple subscription requests in case they have not subscribed to their full available pre-emptive rights. However, Subscribers are advised to submit their applications sufficiently in advance of the end of the Subscription Period, as the review period of up to 24 hours does not extend or exempt them from the Subscription Period deadline. Any applications submitted at or near the closing time of the Subscription Period remain subject to the same review timeline and may therefore risk non-acceptance if found non-compliant after the deadline.

In case the subscription is successful, an email will be sent with a PDF receipt to the Subscriber's registered email address, along with a text message to the Subscriber's registered mobile phone confirming the successful completion of the subscription process.

Failure of any Subscriber to submit a duly completed Subscription Application Form (together with all applicable supporting documentation thereto) to the Subscription Website or the Mobile Application after the transfer or deposit of the subscription funds (the "**Subscription Monies**") as required in this Prospectus shall render the Subscription null and void. Subscription Monies shall not be accepted in cash.

In cases where the shares are held with a Company that manages client portfolios, the Subscriber shall:

1. Contact the portfolio manager to inquire about the subscription procedure.
2. The portfolio manager shall then follow the steps outlined above to complete the subscription process and submit the subscription details.

Required Documentation

The Subscription Application Form must be submitted through the Subscription Website or Mobile Application along with the following documentation, as applicable to the nature of and payment method chosen by the Subscriber:

a) Individual Subscribers

- Subscription Application Form signed by the Subscriber;
- Copy of the Subscriber civil identification card;
- Copy of passport to verify the Subscriber signature;
- Copy of the Bank transfer receipt;
- Copy of the IBAN number;
- Copy of special legal proxy for subscribing in shares (for proxy subscriber);
- Copy of Certificate of Guardianship for orphans;
- Copy of Certificate of Guardianship for minors; or
- Copy of a Limitation of Succession Deed for beneficiaries.
- Copy of Guardianship rule.

b) Corporate Subscribers

- Subscription Application Form signed by the authorized signatory;
- Copy of the Bank transfer receipt;
- Copy of the IBAN number;
- Copy of Commercial Registration Certificate (authorized activities in the Commercial Registration Certificate must include owning of shares);
- Copy of the Authorized Signatories Certificate or the Extract of the Commercial Register; as the case requires; and
- Copy of the personal identification card of the authorized signatory;

- Copy of the authorized signatory issued by the Ministry of Social Affairs or certified by the Kuwait Chamber of Commerce and Industry; and
- A letter issued by the authorized signatory of the legal entity confirming its approval to subscribe.

c) Non-Residents of Kuwait Subscribers

- Non-resident subscribers (whether corporates or individuals, as the case may be) are required to provide the equivalent of the aforementioned documentation as issued by their jurisdictional authorities if they do not have Kuwaiti issued documentation as highlighted further above.

Cash will not be accepted. The Subscription Monies must be paid in full upon submitting the Subscription Application Form on the Subscription Website or the Mobile Application either by direct debit from the Subscriber's bank account or by bank transfer.. Subscription amounts will be deposited in full in the Issuer's Bank account designated by the Issuer (the "**Subscription Bank Account**"). The Subscriber must, in any event relating to the Issue Shares or the Additional Issue Shares, ensure that the Bank debit or the Bank transfer has been processed from their respective personal Bank account and that the subscription bank account with the Issuer has been credited with the appropriate amount at the time of the submission of the Subscription Application Form to the Clearing and Depository Agent.

Without prejudice to the other grounds of rejection of the Subscription Application Forms, the Subscription Agent, the Clearing and Depository Agent and the Issuer shall have the right to reject the Subscription Application Form in the event the Subscription Monies are not received in the subscription account at the time of submission of the Subscription Application Form to the Clearing and Depository Agent without any liability whatsoever on the part of any of them..

Allocation and Refund of Surplus

The Issuer shall announce the final allocation not later than five (5) Business Days (which is a day (on which Boursa Kuwait and banks are open for business in the State of Kuwait, excluding Fridays and Saturdays and official holidays) from the date of closing of the Pre-emption Right Subscription Period (or in the case in which all Issue Shares have not been fully subscribed for by the Initial Eligible Subscribers during the Pre-emption Right Subscription Period from the date of closing the Public Offering Subscription Period) and will refund the surplus Subscription Monies within five (5) Business Days from the date of announcement of the final allocation. Such surplus Subscription Monies shall be refunded without any interest, fees or deductions, and no Subscriber shall be entitled to any compensation in respect of any delay in refunding such amounts.

If a Subscription Application is rejected in whole or in part, the Subscriber shall, as applicable, be refunded the full Subscription amount or the portion corresponding to the Shares not allocated to it, to the bank account used to pay the Subscription amount or in accordance with the mechanism determined by the Issuer or the Subscription Agent, within five (5) Business Days from the date of announcement of the final allocation. The corresponding Subscription Monies shall be refunded without any interest, fees or deductions, and no Subscriber shall be entitled to any compensation in respect of any delay in refunding such amounts.

If the Offering is cancelled, the Subscription amounts paid by Subscribers shall be refunded using the same payment mechanism used for the Subscription or in accordance with the mechanism determined by the Issuer or the Subscription Agent, within five (5) Business Days from the date of announcement of the cancellation of the Offering, without any interest, fees, deductions or compensation for any delay in refunding such amounts.

Subscribers should contact the Issuance Advisor and the Subscription Agent to obtain further information.

Governing Law and Jurisdiction

All applications and related agreements shall be governed by and construed in accordance with the laws of the State of Kuwait and must be interpreted and applied in accordance therewith. The Courts of Kuwait have exclusive jurisdiction over any matter related to the Offering, the Subscription Application Form, and contracts and all matters arising therefrom.

OFFERING TIMETABLE

Event	
Record date	30 August 2026
Ex-date	26 August 2026 (i.e. two (2) trading days prior to the Record Date according to the T+3 settlement cycle)
First Subscription Period Allocated for the Issue Shares during the Pre-emption Right Subscription Period	From **31 August** 2026 to **14 September** 2026 (inclusive)
Opening of trading and transfer of Pre-emption Rights	The period for trading of Pre-Emption Rights starts from the date of opening of the Pre-emptive Right Subscription Period until five (5) Business Days prior to the end of the Pre-emptive Right Subscription Period. **31 August** 2026 has been set as the date for the start of trading in Pre-Emption Rights.
Closing of Trading and transfer of Pre-emption Rights	**7 September** 2026
Second Subscription Period Allocated for Issue Shares during the Public Offering Subscription Period (if any)	From 21 September 2026 up until 5 October 2026 (inclusive), if any
Allocation of Issue Shares	Within 5 (five) Business Days of the end of the Pre-emptive Right Subscription Period, or end of the Public Offering Subscription Period, if applicable.
Refund to Subscribers	Within five Business Days of the date of announcement of the Allocation of the Issue Shares date.
Trading Issue Shares on Boursa Kuwait	The Issue Shares will be listed on Boursa Kuwait following completion of all necessary regulatory procedures.

USE OF PROCEEDS

The total proceeds from the proposed capital increase are expected to amount to KWD 50,000,000. The net proceeds will be primarily utilized to:

1. **Strengthen the Issuer's Capital Base:** Enhance the Issuer's Tier 1 and regulatory capital ratios, thereby improving financial stability and resilience.

2. **Support Strategic Growth Initiatives:** Finance ongoing and planned strategic projects, including expansion of core banking activities, investment in technology and digital platforms, and development of new products and services to capture growth opportunities.

3. **Enhance Financial Flexibility:** Provide the Issuer with greater liquidity and flexibility to respond to market opportunities, manage risks, and optimise the capital structure.

4. **General Corporate Purposes:** A portion of the proceeds may also be applied towards general corporate purposes, including operational needs, working capital requirements, and potential selective investments or acquisitions in line with the Issuer's strategic objectives.

BASIS OF CALCULATING THE ISSUE SHARE PRICE AND PREMIUM

The Issuer has appointed an independent asset valuator, namely, KPMG Advisory W.L.L ("KPMG"), approved by the Capital Market Authority (the "CMA"), to calculate the fair value of the net equity of Burgan Bank for the purpose of a share capital increase and to submit an independent report thereof to the CMA. The Issuer has obtained the approval of KPMG Advisory W.L.L. to incorporate their work as set forth below in this Prospectus, and their conclusions are valid in accordance with the Valuation Report.

The Valuation Report has been prepared as of 31 March 2026 (the "Valuation Date") and has been submitted to the Capital Markets Authority. According to the Valuation Report, the valuation range for the Bank is between 212 Fils per share to 230 Fils per share (average price 221 Fils per share).

The Issue Price has been set at 180 Fils per share representing a premium of 80 Fils over the nominal value of the share (100 Fils) based on the Valuation Report prepared by the above-mentioned asset valuator. A discount of 18.6 Per cent has been applied on the average valuation price as per the Valuation Report.

It is worth noting that select valuation methodologies were used to arrive at the aforementioned assessment based on the audited financial statements for the years ending 31 December 2022 to 2025, unaudited interim financial statements for quarter ended 31 March 2026, projected management information for the years ending 2026 to 2031 for the issuing Company and publicly available information.

The assessment methodologies are summarized as follows:

- Volume Weighted Average Price
- Market Multiples (P/BV)
    - Volume Weighted Average Price ("VWAP") approach is used when the shares are adequately traded. As the trading volumes of Burgan Bank are adequate the market price of the security has been considered for valuation purposes. We have considered a weight of 60 per cent for the VWAP method. This method incorporates current market participants' expectations regarding the Bank's future performance, growth prospects, risk profile, and prevailing market conditions. Further, the shares exhibit adequate trading volume and liquidity, indicating that the quoted market price is a reliable indicator of fair value. Accordingly, a higher weight has been assigned to the VWAP Method in determining the equity value.
    - The Market Multiples approach can be used/applied when the shares of similar companies are traded appropriately and with high liquidity on the stock exchange. As the selected companies similar to Burgan Bank meet this basic requirement and therefore, the use of the market multiples approach may be appropriate for Burgan Bank's assessment. A weight of 40 per cent has been assigned to this approach, given there are adequate comparable companies operating in the banking business in GCC. The method provides an indication based on the P/BV multiples of the comparable firms traded on the stock exchanges.
    - The Dividend Discount Model ("DDM") approach is used when forecast dividends expected to be paid to shareholders are discounted back to the present date, generating a net present value of the anticipated dividend stream. A terminal value is then estimated at the end of the explicit forecast period, representing the value of dividends beyond that period and is similarly discounted back to the Valuation Date to derive the overall equity value of the business. At the Valuation Date, management's business plan and financial projections were under review in response to the current geopolitical environment, resulting in significant uncertainty regarding the timing and magnitude of future profitability, capital requirements and dividend-paying capacity. In addition, the current Bank's business plan incorporates various transformation and growth initiatives, the outcomes of which remain subject to execution and market risks, thereby increasing the level of forecast uncertainty. Furthermore, the Bank's future dividend distributions are expected to remain

dependent on meeting regulatory capital requirements, strategic capital allocation decisions and potential future capital-raising initiatives. Given the absence of sufficiently reliable and updated projections that would support a robust estimation of sustainable distributable earnings and dividends, the application of DDM may result in valuation outcomes that are not sufficiently reliable and may be subject to high degree of judgment. Based on these factors, the DDM outcome was considered particularly sensitive to changes in key assumptions and was therefore not used as one of the valuation approaches.

Valuation summary							
		100% Equity			VPS (in KD)		
KD million	***Weightage***	**Low**	**High**	**Average**	**Low**	**High**	**Average**
VWAP method							
- Market Price	*60%*	755	854	805	0.193	0.218	0.205
Market Multiples							
- P/BV	*40%*	944	970	957	0.241	0.247	0.244
Valuation range		**830**	**901**	**865**	**0.212**	**0.230**	**0.221**

The above disclosure is subject to the limitations and analysis set out in the Valuation Report prepared by the Asset Valuator, which includes information, facts and assumptions made available by the Issuer and forms an integral part thereof.

CAPITALIZATION AND BORROWINGS OF THE ISSUER

The following table sets forth the Bank's capitalization as of 31 March 2026, as well as pro-forma figures post Capital Increase:

KWD ('000)	Period Ending 31 March 2026	Period Ending 31 March 2026 (Pro-forma of KD 50mn Rights Issue)
Equity		
Share capital	380,605	408,383
Share premium	282,802	305,024
Treasury shares	(18,095)	(18,095)
Statutory reserve	127,562	127,562
Voluntary reserve	127,940	127,940
Other reserves	(225,468)	(225,468)
Retained earnings	169,910	169,910
Total equity attributable to the equity holders of the Bank	**845,256**	**895,256**
Perpetual Tier 1 capital securities	150,000	150,000
Non-controlling interests	32,235	32,235
Total Equity	**1,027,491**	**1,077,491**
Liabilities		
Due to banks	587,326	587,326
Due to other financial institutions	908,877	908,877
Deposits from customers	6,097,769	6,097,769
Certificate of deposit issued	71,254	71,254
Other borrowed funds	470,490	470,490
Other liabilities	367,883	367,883
Total Liabilities	**8,503,599**	**8,503,599**
Total Liabilities and Equity	**9,531,090**	**9,581,090**

^ Pro forma capital as at 31 March 2026 includes the rights issue of approximately KD 50 million. It excludes the bonus share issuance, which occurred in April 2026. While the bonus shares have no impact on total equity, they affect the presentation of sub-line equity components, which is not reflected in these figures as the issuance had not occurred as at 31 March 2026.

PROFIT DISTRIBUTIONS BY THE ISSUER

The below shows the profit distribution by the Issuer over the last five years:

Dividend distribution	**For the year ended 31 December 2021**	**For the year ended 31 December 2022**	**For the year ended 31 December 2023**	**For the year ended 31 December 2024**	**For the year ended 31 December 2025**
Cash dividend (Fils)	5	8	6	6	6
Stock Dividend (per cent.)	5	5	5	5	5

PREVIOUS ISSUANCES OF THE ISSUER

Previous securities issuances of the Bank are listed below.

1) Number and details of securities issuances by the Issuer not classified as capital security

Issue Date	Value (million)	Tenor (Yrs.)	Basis	Coupon (Per cent.)	Interest Payment Frequency
11-Jun-01	KD 30.0	5	Fixed	6.750	Semi-annual
17-Apr-02	KD 30.0	5	Fixed	5.875	Semi-annual
27-Sep-10[a]	USD 400.0[b]	10	Fixed	7.875	Semi-annual
27-Dec-12[a]	KD 41.1[d]	10[c]	Fixed	5.650[e]	Semi-annual
	KD 58.9[d]	10[c]	Floating	CBK DR + 390bps[e][f]	Semi-annual
14-Sep-16	USD 500.0	5	Fixed	3.125	Semi-annual
30-Dec-18	KD 100.0	3	Fixed	4.125	Semi-annual
16-Oct-25	USD 500.0	5	Fixed	4.875	Semi-annual

(a) The bonds issued in 2010 and 2012 were eligible as capital instruments at the time of issuance. With the advent of Basel III in 2014, these bonds seized to qualify as capital securities.
(b) The bonds have been fully redeemed during the fourth quarter (Q4) of 2015.
(c) Non-callable for the first five year (10NC5).
(d) The bonds have been fully recalled as of 24 April 2018.
(e) Step up of 25 bps after the fifth anniversary of the issuance date (if not called by the Issuer).
(f) Floating-rate tranche capped at 6.65 per cent. for the first five years and 6.90 per cent. for the next five years.

2) Number and details of securities issuances guaranteed by the Issuer classified as Additional Tier 1 Capital Security

Issue Date	Value (million)	Tenor (Yrs.)	Basis	Coupon (Per cent.)	Interest Payment Frequency
30-Sep-14	USD 500	Perpetual	Fixed	7.250[a]	Semi-annual
9-Jul-19	USD 500	Perpetual	Fixed	5.7492[b]	Semi-annual
9-May-24	KD 75[c]	Perpetual	Fixed	7.25	Quarterly
9-May-24	KD 75[c]	Perpetual	Floating	CBK DR + 325bps	Quarterly

(a) Perpetual Securities, with a call option for redemption after five years from the date of their issuance, or on any interest payment date thereafter.
(b) Pricing will reset every five years to a rate equal to the weekly average yield to maturity for U.S. Treasury securities with a maturity of five years plus a margin of 4.007 per cent.
(c) In May 2024, the Bank issued its inaugural KD-denominated perpetual instrument, with a total size of KD 150 million, comprising two equal tranches of KD 75 million each: a fixed-rate tranche at 7.25 per cent. and a floating-rate tranche at CBK Discount Rate plus 325 basis points.

3) Number and details of securities issuances by the Issuer classified as Tier 2 Capital Security

Issue Date	Value (million)	Tenor (Yrs.)	Basis	Coupon (Per cent.)	Interest Payment Frequency
9-Mar-16	KD 30.1	10[a][c]	Fixed	6.000	Semi-annual
9-Mar-16	KD 69.9	10[a][c]	Floating	CBK DR +395 bps[b]	Semi-annual
15-Dec-20	USD 500	11[d]	Fixed	2.750	Semi-annual

(a) Non-callable for the first five year (10NC5) from the date of issuance.
(b) Interest on the floating-rate tranche is capped at 7.000 per cent. up to the Reset Date, and following the reset date, the effective interest rate will be capped at the sum of the interest rate applicable at the time to the fixed-rate tranche plus 1.000 per cent. The reset date is defined as the fifth anniversary from the date of issuance.
(c) The bonds have been fully recalled as of 9 March 2021.
(d) Non-callable for the first six years (11NC6).

4) Number and details of Share Capital Issuances since Incorporation

Issue Date	Issue type	Total Number of shares	Value (KD)	Increase (per cent.)	Type of shares
1980	New shares issuance	3,000,000	12,000,000	30.0	Ordinary shares
1982	New shares issuance	4,200,000	16,800,000	30.0	Ordinary shares
1984	New shares issuance	24,068,406	96,273,624	100.0	Ordinary shares
27-Apr-10	Rights Issue	360,000,000	100,800,000	34.6	Ordinary shares
30-Nov-14	Rights Issue	216,000,000	102,600,000	12.4	Ordinary shares
10-Oct-18	Rights Issue	240,581,530	62,551,198	10.6	Ordinary shares
28-Nov-21	Rights Issue	375,000,000	71,250,000	13.6	Ordinary shares

5) Details of last 10 share dividends distributions

Issue Date	Issue type	Total Number of shares	Value (KD)	Increase (per cent.)	Type of shares
20-Apr-14	Share Dividends	113,555,088	11,355,509	7.0	Ordinary shares
15-Apr-15	Share Dividends	97,588,531	9,758,853	5.0	Ordinary shares
30-Apr-17	Share Dividends	102,467,957	10,246,796	5.0	Ordinary shares
25-Apr-18	Share Dividends	107,591,355	10,759,136	5.0	Ordinary shares
17-April-19	Share Dividends	125,000,000	12,500,000	5.0	Ordinary shares
10-Jun-21	Share Dividends	131,250,000	13,125,000	5.0	Ordinary shares
27-April-22	Share Dividends	156,562,250	15,656,250	5.0	Ordinary shares
28-April-23	Share Dividends	164,390,625	16,439,063	5.0	Ordinary shares
25-April-24	Share Dividends	172,610,156	17,261,016	5.0	Ordinary shares
27-April-25	Share Dividends	181,240,664	18,124,066	5.0	Ordinary shares
23-April-26	Share Dividends	190,302,697	19,030,270	5.0	Ordinary shares

BUSINESS DESCRIPTION OF THE ISSUER

Overview

Burgan Bank is one of Kuwait's leading full-service commercial banks, recognized for its strong market position, financial stability, and consistent performance. As of 31 March 2026, it was the second-largest conventional commercial Bank in the country by total assets, supported by a solid balance sheet and resilient consolidated results. As at 31 March 2026, the Bank's market capitalization was approximately KD 783 million, underscoring its prominent position in the Kuwaiti banking sector and its important role in the country's financial system.

During the three months ended 31 March 2026, the Group continued to deliver resilient operating performance, supported by strong contributions from its international operations and integration of UGB. The Group maintained a strong capital, liquidity and funding profile while further advancing its strategic priorities across its domestic and international businesses.

The Bank's consolidated subsidiaries include Burgan Bank Turkey (BBT), Gulf Bank Algeria (AGB), Tunis International Bank (TIB), and United Gulf Bank (UGB), operating in Turkey, Algeria, Tunisia, and Bahrain, respectively. BBT and AGB operate as full-service commercial banks, offering a broad range of banking services in their markets. TIB is licensed as an offshore Bank in Tunisia, while UGB, a wholesale conventional Bank incorporated in Bahrain, holds a 60 per cent. equity interest in KAMCO Investment Company K.S.C.P. (KAMCO Invest), one of Kuwait's leading investment companies.

The Bank, together with its subsidiaries, delivers a comprehensive suite of commercial banking services to corporate, private, and retail clients. As of 31 March 2026, these services were provided through an extensive distribution network:

- **Kuwait:** 27 branches and 156 ATMs; a representative office in the UAE;
- **Algeria (AGB):** 66 branches and 104 ATMs;
- **Turkey (BBT):** 28 branches and 22 ATMs;
- **Tunisia (TIB):** 3 branches; a representative office in Libya.

In addition to its branch network, the Group offers its products and services via digital channels, including internet and mobile banking, as well as telephone banking, ensuring convenient access for all customer segments.

The Bank also maintains a robust network of international banking relationships, including correspondent banking arrangements and strategic partnerships with affiliate banks within the KIPCO Group, such as Jordan Kuwait Bank Public Limited Shareholding Company (JKB), FIMBank p.l.c. (FIMBank), and the Bank of Baghdad (BoB). These relationships enable the Bank to offer seamless cross-border banking services and strengthen its international presence.

Credit Ratings & Outlook:
The Bank maintains strong investment-grade credit ratings from leading international agencies, reflecting the resilience of its balance sheet, disciplined risk management, consistent profitability, and robust capital position. The ratings as at 31 March 2026 are as follows:

- **Standard & Poor's:** BBB+ for long-term Issuer credit rating, with a stable outlook;
- **Moody's:** Baa1 for long-term Bank deposits rating, with a stable outlook;
- **Fitch:** A for long-term Issuer default rating, with a stable outlook; and
- **Capital Intelligence:** A+ for long-term foreign currency rating, with a stable outlook.

These ratings firmly position the Bank within the investment-grade category, highlighting market confidence in its creditworthiness, financial stability, and sustainable operating performance, while the stable outlooks reflect expectations of continued strength and prudent execution of its strategic objectives.

History and Corporate Evolution of the Bank

The Bank was incorporated in the State of Kuwait pursuant to an Amiri Decree dated 27 December 1975 and is registered with the Ministry of Commerce and Industry under Commercial Registration No. 24067. It is also listed in the register of banks maintained by the Central Bank of Kuwait (CBK). The Bank's registered office is located at Burgan Tower, Al Sharq, Abdullah Al Ahmed Street, P.O. Box 5389, Al Safat 12170, Kuwait (Tel: +965 2298 8000).

The Bank has been listed on Boursa Kuwait since 29 September 1984, reflecting its long-standing presence in Kuwait's financial sector. As part of Kuwait's banking privatisation initiative, the Bank was privatised in 1997, when the Government reduced its ownership from 61.0 per cent. to less than 10.0 per cent. As part of the privatisation, KIPCO, a multi-sector operating holding Company headquartered in Kuwait with entities across the GCC and the wider MENAT region, acquired a majority shareholding in the Bank. Following this change in ownership, the Bank realigned its strategic focus to align with KIPCO's broader vision and transitioned its management style from that of a government-owned entity to a private sector, profit-oriented institution. As of 31 March 2026, KIPCO held a consolidated direct and indirect shareholding of 64.6 per cent., while the Government retained a direct and indirect shareholding of less than 10.0 per cent.

Over the years, the Bank has strengthened its footprint and developed into a leading regional commercial banking group through a series of strategic acquisitions:

- 2008: In July 2008, the Bank acquired a 43.9 per cent. interest in JKB from UGB. Together with the 7.2 per cent. interest previously held by the Bank, this increased its total equity stake in JKB to a controlling 51.2 per cent.
- 2009: The Bank acquired a 60.0 per cent. stake in AGB. This stake was subsequently increased to 91.1 per cent. in 2010 and later adjusted to 86.01 per cent. in 2015.
- 2010: The Bank acquired a 45.3 per cent. interest in BoB, which was subsequently increased to 51.8 per cent., establishing a controlling position. In the same year, the Bank acquired a 76.6 per cent. stake in TIB, which, combined with a prior 10.0 per cent. holding, resulted in a controlling stake of 86.7 per cent. of TIB.
- 2012: In December 2012, the Bank acquired 99.3 per cent. of Eurobank Tekfen in Turkey, which was subsequently rebranded as Burgan Bank A.Ş. in January 2013.

The Bank has continued to actively manage and rebalance its strategic investments portfolio in line with its strategic objectives and capital allocation priorities, resulting in selected disposals and ownership adjustments.

- 2015: The Bank sold its 51.2 per cent. controlling stake in JKB to Al Rawabi United Holding K.S.C.C. (Al Rawabi).
- 2023: The Bank completed the sale of its shareholding in BoB to JKB and 52.0 per cent. of BBT to Al Rawabi. Following the sale of a 52.0 per cent. stake in BBT, the Bank retained a 47.6 per cent. interest and continues to consolidate BBT under IFRS 10 as it retains control through board representation and rights under the shareholders' agreement.

In February 2025, the Bank acquired 100 per cent. of UGB from United Gulf Holdings B.S.C. (UGH) for US$190 million (KWD 58.6 million), further expanding its regional footprint and reinforcing its position as a leading, diversified commercial banking group in the MENAT region.

Authorised, Issued and Fully Paid-Up Share Capital

At the Extraordinary General Meeting of shareholders held on 15 November 2025, the shareholders approved an increase of the Bank's authorised share capital from KD 400,000,000 (Four Hundred Million Kuwaiti Dinar) to KD 600,000,000 (Six Hundred Million Kuwaiti Dinar).

As at the date of this Prospectus, the Bank's authorised share capital is KD 600,000,000 (Six Hundred Million Kuwaiti Dinar), divided into 6,000,000,000 shares (Six Billion Shares), each with a nominal value of KD 0.100.

The Bank's issued and fully paid-up share capital is KD 399,635,664.200 (Three hundred ninety-nine million, six hundred thirty-five thousand, six hundred sixty-four Kuwaiti Dinar and two hundred fils), comprising 3,996,356,642 (Three billion, nine hundred ninety-six million, three hundred fifty-six thousand, six hundred forty-two) shares, all of which are cash shares and rank pari passu in all respects.

Business Strategy

In 2023, following a comprehensive review of its strategic priorities, market positioning, and technological capabilities, the Bank launched a new forward-looking strategy aimed at driving sustainable growth, enhancing operational efficiency, and creating long-term value for its stakeholders.

The Bank also refined its vision to be: "***The most modern and progressive Bank in Kuwait, driven by its employees, customers and community"***

Aligned with this vision, the Bank's strategy focuses on strengthening its competitive position in Kuwait, leveraging technological innovation, and selectively pursuing growth opportunities in high-potential international markets. The Bank's strategy is anchored on three core pillars, underpinned by a continued emphasis on organisational culture, brand equity, risk management, and the adoption of international best practices:

1. Strengthen Kuwait Business
2. Asset Reallocation
3. Digital Transformation

Strengthen Kuwait Business

The Bank is committed to enhancing its market leadership across corporate, private, and retail banking in Kuwait through targeted customer growth, innovative products and services, and operational excellence, underpinned by sustainability and ESG principles. Key strategic priorities include:

- **Corporate Banking:** Drive sector-focused growth to diversify the portfolio, capture emerging market opportunities, and deliver value-added solutions to corporate clients. The Bank leverages advanced analytics and risk management to optimise credit allocation while supporting strategic sectors that contribute to Kuwait's economic development.
- **Private Banking and Wealth Management:** Provide best-in-class offerings for high-net-worth individuals (HNWIs) and select premier clients, supported by a dedicated private banking brand and enhanced wealth management capabilities. The Bank emphasises personalised advisory services, investment solutions, and ESG-aligned investment options to meet evolving client needs.
- **Retail Banking:** Optimise product and service offerings through targeted customer segmentation, innovative solutions, and branch network rationalisation, ensuring convenience, accessibility, and tailored financial solutions across all retail segments. The Bank is embedding digital-first approaches to enhance customer experience while reducing environmental impact through paperless operations and energy-efficient branch practices.

- **Treasury and FI Banking:** Expand the financial institutions (FI) business, streamline treasury operations, and optimise liquidity and funding efficiency while developing cross-selling synergies across the Group. The Bank also intends to further develop sustainable finance capabilities, including green bonds and financing solutions aligned with ESG objectives, where appropriate.

  Through these initiatives, the Bank seeks to create long-term value for stakeholders, strengthen its competitive position, and support sustainable and profitable growth in Kuwait, while aligning financial performance with broader societal and environmental considerations.

As at the date of this Prospectus, there are no exceptional factors having a material impact on the Issuer's principal activities

Asset Reallocation

The Bank pursues a disciplined approach to capital allocation and portfolio optimisation, ensuring resources are deployed to markets, sectors, and opportunities that generate sustainable, risk-adjusted returns. This strategy is designed to strengthen the Bank's competitive position, diversify revenue streams, and support long-term shareholder value creation. Key initiatives include:

- Portfolio Optimisation: Divestment of non-core or lower-performing assets to free capital for higher-growth, higher-return opportunities. Legacy portfolios are actively managed to enhance balance sheet efficiency and maintain strong capital ratios.
- Targeted Growth Investments: Redeployment of capital into high-potential markets and sectors, both domestically and internationally, to capture emerging opportunities aligned with strategic objectives.
- Strategic Transactions: Executing selective acquisitions and divestments to optimise the Bank's regional presence and product offerings. Recent examples include the sale of BoB and partial divestment of BBT, alongside the strategic acquisition of UGB, which enhances capabilities in Islamic finance, asset management, brokerage, and investment banking.

Through disciplined capital reallocation, the Bank ensures that resources are strategically deployed to deliver sustainable growth, strengthen its regional footprint, and maximise long-term shareholder value.

Digital Transformation

The Bank is accelerating a comprehensive digital transformation to deliver seamless, innovative, and customer-centric banking experiences while improving operational efficiency and supporting sustainable business practices. This transformation is guided by four strategic pillars:

- Digital-First Customer Experience: Deliver convenient, secure, and personalised digital solutions across all customer touchpoints, enabling routine banking activities to migrate online and reducing reliance on physical branches.
- Technology and Innovation: Invest in advanced analytics, artificial intelligence (AI), and machine learning (ML) to personalise product offerings, optimise customer journeys, anticipate client needs, and increase adoption of digital services.
- Operational Efficiency: Streamline internal processes through digitalisation, automation, and process reengineering to enhance speed, reduce costs, and maintain high compliance and risk standards.
- Sustainability Integration: Promote energy-efficient operations, paperless workflows, and environmentally friendly solutions, aligning digital initiatives with ESG objectives while enhancing customer engagement and long-term business resilience.

Through this digital agenda, the Bank aims to deliver an "anytime, anywhere" banking experience, strengthen client relationships, enhance operational performance, and create sustainable value for shareholders in line with its long-term strategic vision.

In summary, the Bank's strategy is designed to consolidate its leadership in the domestic market, selectively expand its presence in high-potential international markets, and deliver sustainable, long-term value to shareholders. By combining disciplined execution, innovative financial solutions, and operational excellence, the Bank aims to drive profitable growth, enhance customer experience, and maintain a resilient, future-ready platform that is aligned with ESG principles and best-in-class corporate governance.

Sustainability and ESG Strategy

Sustainability is integral to the Bank's strategy, governance framework and risk management approach. The Bank embeds environmental, social and governance ("ESG") considerations across its operations to support responsible lending, disciplined capital allocation and long-term value creation. ESG risks, including climate-related and social risks, are incorporated into credit assessment, financial planning and enterprise risk management processes.

The Bank's ESG strategy is structured around four core pillars:

- Good Governance – promoting transparency, accountability, ethical conduct, diversity and robust data protection standards;
- Responsible Banking – advancing sustainable lending and investment practices, financial inclusion and customer-focused digital innovation;
- Environmental Impact Reduction – managing climate-related risks, reducing operational footprint and supporting green finance initiatives; and
- Community Betterment – investing in human capital development, employee wellbeing and broader community engagement.

ESG oversight is exercised by senior management and the Board, supported by the Management ESG Committee, which oversees ESG strategy, risk monitoring and reporting. Since 2019, the Bank has published annual sustainability reports aligned with recognised international frameworks, including GRI and SASB standards, the UN Sustainable Development Goals, Kuwait Vision 2035 and Boursa Kuwait ESG reporting guidelines.

Sustainable Finance Framework

The Bank has established a Sustainable Finance Framework under which it may issue Sustainable Notes and allocate an amount equivalent to the net proceeds to finance and/or refinance eligible green and social projects.

The Framework aligns with internationally recognised principles, including the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines, as well as the LMA Green and Social Loan Principles. A Second Party Opinion has been obtained confirming such alignment.

Eligible projects include renewable energy, energy efficiency, clean transportation, green buildings, pollution prevention, sustainable waste management and initiatives delivering measurable social benefits. Proceeds are tracked internally, allocated in accordance with defined eligibility criteria and reported annually, including disclosure of allocation and impact metrics.

Through its ESG integration and sustainable finance activities, the Bank seeks to enhance resilience, strengthen stakeholder confidence and support sustainable economic development.

GROUP STRUCTURE AND OWNERSHIP

Group structure

The Group principally comprises the Bank and four subsidiaries. The table below shows the principal operating subsidiaries of the Bank as at 31 March 2026, 31 December 2025 and 31 December 2024.

	Country of incorporation	Date of initial purchase	Effective holding as at 31 March 2026	Effective holding as at 31 December 2025	Effective holding as at 31 December 2024
			(*per cent.*)	(*per cent.*)	(*per cent.*)
Burgan Bank A.S. (BBT)	Turkey	December 2012	47.6	47.6	47.6
Gulf Bank Algérie S.P.A. (AGB)	Algeria	April 2009	86.01*	86.01*	86.01*
Tunis International Bank S.A. (TIB)	Tunisia	June 2010	86.7	86.7	86.7
United Gulf Bank (UGB)	Bahrain	February 2025	100	100	—

Note:
*The Bank directly owns 60 per cent. of AGB and TIB owns 30 per cent. As the Bank holds 86.7 per cent. of TIB, its total effective ownership in AGB is 86.01 per cent.
** UGB holds a 60 per cent. stake in KAMCO Investment Company K.S.C.P.; therefore, through its acquisition of UGB, Burgan has gained indirect ownership in KAMCO Investment and consolidates its investment operations through UGB.

In addition, the Bank owns 100 per cent. of Burgan Bank Financial Services Limited, a UAE Company that provides financial advisory services.

Principal shareholders

As at 31 March 2026, the Bank's principal shareholders (being those that had holdings exceeding 5.0 per cent. of the Bank's issued ordinary share capital) were:

Shareholders	Number of ordinary shares owned (*millions*)	Percentage of total
Kuwait Projects Company Holding K.S.C.P.	1,274.7	33.5
United Gulf Holding Company B.S.C.*	571.1	15.0
Public Institution for Social Security..................................	296.4	7.8
Kuwait United Consulting Company*................................	282.8	7.4

** KIPCO Group Companies*

Kuwait Projects Company Holding K.S.C.P. (KIPCO)

Kuwait Projects Company (Holding), commonly referred to as KIPCO, is a leading diversified investment holding Company headquartered in Kuwait, with a strong regional presence across the Gulf Cooperation Council (GCC) and the Middle East and North Africa (MENA) region. Founded in 1975, KIPCO has grown into a significant regional investor with operations spanning more than 20 countries across multiple industries, demonstrating resilience, diversification and long-term strategic focus.

KIPCO's strategic vision is to be an agile, value driven investment holding Company in its core markets, focused on long-term growth, portfolio realignment, operational optimisation and sustainable value creation for its stakeholders. It pursues a disciplined investment approach, acquiring and building high-potential businesses, enhancing their operational and financial performance, and pursuing selective divestments when they support value maximisation.

With a highly experienced management team and extensive regional networks — strengthened by support from key shareholders including members of Kuwait's ruling family — KIPCO leverages its deep market insights to identify strategic opportunities and drive sustainable growth across diversified sectors.

KIPCO's diversified portfolio encompasses a broad range of core industries, which contributes to its resilience and growth potential:

- Financial Services: Including commercial banking, asset management and investment banking,
- Petrochemicals & Oil Services: Investments in major petrochemical and energy-related ventures.
- Food and Consumer Services: Regional consumer brands and food production businesses.
- Real Estate and Infrastructure: Development and investment in strategic property assets across the region.
- Media, Healthcare, Education and Logistics: Strategic positions in dynamic sectors that support long-term socioeconomic development.

As of 31 December 2025, KIPCO reported consolidated assets of KD 13.8 billion, representing a 6.5 per cent. increase from KD 13.0 billion at year-end 2024. The Group delivered improved financial performance during the year, with net profit rising 4.4 per cent. to KD 16.3 million and earnings per share reaching 1.8 fils, supported by the resilient performance of its portfolio companies. Overall, the results reflect continued growth and operational strength, consistent with KIPCO's strategy to enhance efficiency, strengthen its capital structure, and create long-term stakeholder value.

For the three-month period ended 31 March 2026, KIPCO delivered a stable performance across its core segments. The Group reported revenue of KD 376 million, net profit of KD 3.5 million, and total assets of KD 14.2 billion during the period, reflecting the performance of its diversified portfolio and underlying operating subsidiaries. KIPCO's investment model - focused on acquiring, building, scaling and selectively divesting businesses - has underpinned its development into a dynamic regional holding Company with diversified revenue streams and strategic depth, positioning it as a key investor and operator within the MENA region.

BUSINESS OVERVIEW

Overview of Core Activities of the Bank

Burgan Bank is a leading commercial Bank in Kuwait, providing a comprehensive range of conventional banking and investment services to corporate, institutional, and individual clients. The Bank has a strong foothold in the corporate and financial institutions sectors while actively expanding its retail and private banking businesses, leveraging innovation, customer-centric solutions, and a robust distribution network.

For management and reporting purposes, the Bank organizes its operations on a geographic basis, distinguishing between Domestic and International markets. Domestic operations are further structured into three primary business segments:

- Corporate and Consumer Banking (CCB): Providing corporate clients, financial institutions, and retail customers with tailored financing solutions, deposits, transactional services, as well as personalized private banking and comprehensive wealth management offerings.
- Treasury, Financial Institutions, and Investment Banking (Treasury, FI & IB): Managing liquidity, capital markets activities, investment services, and relationships with domestic and international financial institutions.

- Central Office: Overseeing group-wide strategy, governance, risk management, and operational support functions to ensure efficiency and compliance across all business lines.

The table below presents the relative contribution of each segment to the Group's financial performance and position, including net interest income, segment operating results, profit or loss for the year, total assets, and total liabilities, for the year ended 31 December 2024.

	Kuwait operations				**International operations**	**Unallocated/ intragroup transactions**	**Group total**
	CCB	***Treasury & IB***	***Central Office***	***Total***			
				(*per cent.*)			
Net interest income	54.7	3.1	(8.0)	**49.8**	50.2	-	**100.0**
Segment operating result	46.2	4.8	(5.2)	**45.8**	54.2	-	**100.0**
Profit (loss) for the year.	100.3	7.7	(44.0)	**63.9**	35.2	0.9	**100.0**
Total assets..................	48.0	17.3	12.3	**77.5**	24.8	(2.4)	**100.0**
Total liabilities.............	39.3	12.9	26.2	**78.4**	24.2	(2.6)	**100.0**

In February 2025, the Bank completed the acquisition of 100 per cent. of United Gulf Bank (UGB), which now forms an integral part of its international operations. The table below highlights the relative contribution of the Bank's Domestic (Kuwait) and International operations in terms of net interest income, segment operating results, profit or loss for the year, total assets, and total liabilities, as at and for the year ended 31 December 2025.

	Kuwait operations				**International operations**	**Unallocated/ intragroup transactions**	**Group total**
	CCB	***Treasury & IB***	***Central Office***	***Total***			
				(*per cent.*)			
Net interest income	43.1	4.2	(7.5)	**39.7**	60.3	-	**100.0**
Segment operating result	37.4	7.2	(2.2)	**42.3**	58.5	(0.8)	**100.0**
Profit (loss) for the year.	82.9	23.0	(23.7)	**82.3**	23.5	(5.7)	**100.0**
Total assets..................	45.6	16.9	10.6	**73.0**	30.1	(3.1)	**100.0**
Total liabilities.............	34.5	8.4	31.8	**74.7**	28.7	(3.3)	**100.0**

The table below presents the relative contribution of each segment to the Group's financial performance and position, including net interest income, segment operating results, profit or loss for the year, total assets, and total liabilities, for the three months period ended 31 March 2026.

	Kuwait operations				**International operations**	**Unallocated/ intragroup transactions**	**Group total**
	CCB	***Treasury & IB***	***Central Office***	***Total***			
				(*per cent.*)			
Net interest income	42.6	5.5	(13.1)	**35.0**	65.0	-	**100.0**
Segment operating result	36.3	5.3	(8.8)	**32.8**	67.2	-	**100.0**
Profit (loss) for the year.	134.9	32.3	(53.0)	**114.2**	(7.2)	(7.0)	**100.0**
Total assets..................	45.0	16.5	11.2	**72.7**	30.6	(3.3)	**100.0**
Total liabilities.............	36.7	3.8	33.8	**74.3**	29.2	(3.5)	**100.0**

Kuwait operations

In 2025, the Group's Kuwait operations remained a cornerstone of its business, contributing 39.7 per cent. of the Group's net interest income, 42.3 per cent. of its operating profit, and 82.3 per cent. of its profit for the period. By comparison, in 2024, Kuwait operations accounted for 49.8 per cent. of net interest income, 45.8 per cent. of operating profit, and 63.9 per cent. of total profit, reflecting the evolving balance between domestic and international activities.

For the three-month period ended 31 March 2026, Kuwait operations contributed 35.0 per cent. of Group net interest income and 32.8 per cent. of Group operating profit.

The Bank's domestic operations are structured across three key segments - Corporate and Consumer Banking (CCB), Treasury, Financial Institutions and Investment Banking (Treasury, FI & IB), and Central Office - each playing a strategic role in delivering comprehensive banking solutions and sustaining the Group's competitive position in Kuwait.

Corporate and Consumer Banking (CCB)

In 2025, CCB contributed 43.1 per cent. of the Group's net interest income and 37.4 per cent. of its operating profit, compared with 54.7 per cent. of net interest income and 46.2 per cent. of operating profit in 2024. For the three-month period ended 31 March 2026, CCB contributed 42.6 per cent. of Group net interest income and 36.3 per cent. of Group operating profit.

Through CCB, the Bank delivers a comprehensive suite of banking products and services to corporate and individual clients, encompassing lending, deposits, trade finance, foreign exchange, advisory services, credit and debit cards, and other bespoke financial solutions. CCB is structured across three key business units: Corporate Banking (CB), Private Banking and Wealth Management (PBWM), and Retail Banking (RB).

Corporate Banking (CB)

CB serves as a strategic partner to Kuwait's commercial and industrial sectors, supporting large-scale infrastructure, petrochemical, energy, and industrial projects through both syndicated and bilateral financing. Its diversified client base spans key sectors, including services, oil & gas, contracting, trading, and real estate. The division provides tailored financial solutions to corporates of all sizes, supporting expansion through organic and inorganic opportunities, while driving innovation via advanced digital banking capabilities. CB's focus on strategic sectors aligns with Kuwait's national development priorities, contributing to the country's long-term economic growth and the success of its clients.

Private Banking and Wealth Management (PBWM)

PBWM provides a full suite of services for high-net-worth and ultra-high-net-worth individuals (HNWIs and UHNWIs), combining traditional banking and lending with investment advisory, portfolio management, and wealth planning solutions. Clients benefit from bespoke relationship management and access to multi-asset investment strategies—including equities, fixed income, sukuk, and alternative investments—aligned with their individual goals, risk appetite, and liquidity needs. In 2024, the Bank launched a refreshed PBWM brand to reinforce its strategy of "building trust and growing wealth," expanding capabilities with new licenses from the Capital Markets Authority to operate as custodian, investment advisor, portfolio manager, and unregistered securities broker. PBWM also integrates exclusive lifestyle privileges, concierge services, and bespoke banking solutions, enhancing client experience and reinforcing long-term relationships. This division represents a cornerstone of the Bank's strategy to deepen engagement with affluent clients across Kuwait and the wider region.

Retail Banking (RB)

RB offers a comprehensive suite of products and services tailored to retail clients, including savings and deposit accounts, loans, and a full range of credit, debit, and prepaid card solutions. Its card portfolio spans MasterCard and Visa credit cards, Visa debit cards, and multi-currency prepaid cards. The Bank continuously enhances its offerings through targeted customer segmentation, process optimisation, innovative products, and digital-first initiatives. RB integrates technology to deliver a seamless, paperless, and energy-efficient banking experience while maintaining robust risk management controls. As of 31 March 2026, the Bank operated 27 branches and 156 ATMs in Kuwait, supported by digital channels, including online banking, mobile applications, WhatsApp, and 24/7 telephone banking, providing customers with secure, convenient, and integrated access to services beyond traditional branches.

Treasury, Financial Institutions & Investment Banking (Treasury, FI & IB)

In 2025, Treasury, FI & IB accounted for 4.2 per cent. of the Group's net interest income and 7.2 per cent. of its operating profit, compared with 3.1 per cent. and 4.8 per cent., respectively, in 2024. For the three-month period ended 31 March 2026, Treasury, FI & IB contributed 5.5 per cent. of Group net interest income and 5.3 per cent. of Group operating profit.

This segment is responsible for the Bank's treasury functions, investment management, and the provision of banking services to financial institutions, offering a comprehensive suite of solutions including money market operations, lending, deposits, foreign exchange, and related financial products.

Treasury & IB is structured into two principal business units: Treasury & Financial Institutions and Investments, each focused on optimising financial performance, managing risk, and supporting both domestic and international institutional clients.

Treasury and Financial Institutions

This group manages all domestic and international wholesale market transactions, customer-related operations, and the Bank's proprietary portfolio. It serves banks and non-banking financial institutions, optimising correspondent banking and institutional relationships while managing market and balance sheet risks. Key responsibilities include funding efficiency, liquidity management, foreign exchange, trade finance, and risk-appropriate lending, spanning activities such as asset and liability management, fixed income and debt capital markets, money market and FX trading, and treasury sales. The unit focuses on strengthening the Bank's performance and international presence, enhancing fee-based income, and supporting clients' growth objectives while maintaining strong institutional relationships and effective management of liquidity, funding, and risk.

Investments

The Investments department manages a diversified proprietary investment portfolio of listed and private equity securities. Investment decisions follow a disciplined, top-down methodology, aligned with Board-approved risk/reward parameters and regulatory requirements, to maximise returns while ensuring prudent risk management.

Central Office

Central Office contributed negative 7.5 per cent. of net interest income and an operating loss of 2.2 per cent. in 2025, compared with negative 8.0 per cent. and a 5.2 per cent. operating loss in 2024. For the three-month period ended 31 March 2026, Central Office contributed negative 13.1 per cent. of Group net interest income and recorded an operating loss equivalent to 8.8 per cent. of Group operating profit. The segment principally comprises liquidity and funding management activities, transfer pricing adjustments and other unallocated Group items.

International operations

The Group's international operations primarily comprise the activities of its key subsidiaries: BBT, AGB, TIB, and UGB. These entities provide full-service commercial banking, tailored corporate solutions, and specialised investment services across their respective markets, enhancing the Group's cross-border capabilities and reinforcing its presence in high-potential regions of the MENAT area.

In the year ended 31 December 2025, the Group's International operations accounted for 60.3 per cent. of the Group's net interest income, 58.5 per cent. of its operating profit, and 23.5 per cent. of its profit for the year, reflecting the significant contribution of its regional footprint. This compares with 50.2 per cent., 54.2 per cent., and 35.2 per cent., respectively, in 2024, underscoring the growing role of the Bank's international subsidiaries in driving revenue and operational performance. For the three-month period ended 31 March 2026, international operations contributed 65.0 per cent. of Group net interest income and 67.2 per cent. of Group operating profit.

International Banks Office (IBO)

The International Banks Office (IBO) serves as the strategic oversight hub for the Group's subsidiaries and affiliates, ensuring alignment with the Group's overarching vision and long-term strategy while upholding rigorous regulatory compliance. Through a data-driven, fact-based approach, the IBO cultivates synergies, promotes cross-border collaboration, and optimises operational performance across the Group's international banking network.

In executing its mandate, the IBO drives the implementation, communication, and management of Group-wide initiatives, providing strategic insights and recommendations to the Group Chief Executive Officer (GCEO), senior management, and where appropriate, the Board. Its analysis integrates global financial trends, economic developments, and market dynamics to safeguard and enhance the value of the Group's holdings. Close collaboration with independent control functions ensures robust, continuous oversight, reinforcing governance, risk management, and operational excellence across all subsidiaries.

BBT

Burgan Bank Turkey was originally established in 1989 as Tekfen Yatırım Finansman Bankası A.Ş. (Tekfen Investment Finance Bank Inc.), providing a comprehensive range of corporate, commercial, SME, and retail banking services. In 2006, Tekfen Group entered into a strategic partnership with Eurobank EFG, resulting in the rebranding of the Bank as Eurobank Tekfen. In December 2012, the Bank acquired a 99.3 per cent. stake in Eurobank Tekfen and subsequently rebranded it as Burgan Bank A.Ş.

In December 2023, the Bank sold a 52 per cent. shareholding in BBT to Al Rawabi. As at 31 December 2025, the Bank retained a 47.6 per cent. ownership in BBT. The Bank continues to consolidate BBT as a subsidiary, reflecting its effective control exercised through its representation on the Board of Directors and the rights conferred under the shareholders' agreement.

BBT operates through a network of branches supported by robust digital banking platforms, including its flagship digital brand, "ON." The Bank provides a broad range of products and services, including corporate and investment banking, commercial financial solutions, wealth management, and retail banking services such as deposits, loans, and card products. Its strategic priorities focus on client centricity, operational and technological excellence, and the creation of sustainable shareholder value.

BBT is strategically positioned to strengthen its role as a private, digital-focused Bank. Key initiatives include enhancing customer onboarding, launching new mobile applications and credit card products, and expanding its digital platform. The Bank is also focused on broadening its ultra-high-net-worth investment offerings, introducing insurance solutions, and delivering digitized trade finance and cash management products, with continued emphasis on digital transformation and sustainability.

BBT has three wholly owned subsidiaries. Burgan Yatırım Menkul Değerler A.Ş. is a securities institution active in brokerage, corporate finance, and asset management within the Turkish capital markets. Burgan Finansal Kiralama A.Ş. conducts leasing operations, while Burgan Teknoloji Anonim Şirketi is a non-financial technology subsidiary focused on research, development, and innovation.

In 2025, BBT reported revenue of KD 70.1 million, an operating profit of KD 15.4 million, and a net loss of KD 7.3 million (Burgan's Share: KD 3.5 million). As at 31 March 2026, the Bank's total assets amounted to KD 1.4 billion, contributing to 14 per cent. of total group assets with net worth of KD 134.9 million. As at 31 March 2026, its operations were supported by a network of 28 branches and 22 ATMs, and it employed a total of 1,515 personnel.

In 2025, BBT's performance and innovation were further recognized through its designation as the Best Digital Bank in Turkey by Global Brands and the receipt of the Bronze Stevie Award at the International Business Awards. The Company also obtained Great Place to Work® Certification for a second consecutive year. BBT remains committed to delivering innovative banking solutions, enhancing its digital capabilities, and creating sustainable long-term value for its shareholders.

AGB

Algeria Gulf Bank is a commercial Bank established in December 2003. In 2009, Burgan Bank acquired a 60.0 per cent. interest in AGB. Since then, Burgan Bank's effective shareholding has increased to 86.01 per cent., comprising a direct ownership of 60.0 per cent. and an indirect ownership through its 86.7 per cent. stake in TIB, which holds a 30.0 per cent. interest in AGB. This structure results in an effective ownership of 86.01 per cent. in AGB.

AGB has developed a robust retail and corporate banking platform, offering a comprehensive range of products and services across conventional banking and Shari'a-compliant financing, supported by innovative digital banking solutions. This dual financial offering positions AGB to capitalise effectively on emerging market growth opportunities.

The Bank's strategy is focused on strengthening its position as a leading privately-owned Bank in Algeria by delivering sustainable growth through prudent risk management, operational efficiency, and disciplined capital allocation. Key strategic priorities include expanding digital banking and electronic payment solutions, enhancing customer experience, and supporting the real economy through increased financing to corporates and SMEs. AGB also continues to develop Shari'a-compliant products to meet growing demand for Islamic finance, while maintaining strong governance, compliance, and financial resilience.

In 2025, AGB reported revenue of KD 54.9 million, an operating profit of KD 35.2 million, and net income of KD 12.2 million (Burgan's share: KD 10.5 million). As at 31 March 2026, the Bank's total assets amounted to KD 1.1 billion, contributing to 10 per cent. of total group assets with net worth of KD 117.6 million. As at 31 March 2026, AGB's operations were supported by a network of 66 branches and 104 ATMs, with a total workforce of 1,094 employees.

AGB received the Elite Quality Recognition Award from J.P. Morgan for payment processing excellence

TIB

Tunis International Bank is a private commercial Bank established in June 1982 as the first fully licensed offshore banking corporation in Tunisia. The Bank holds a special license enabling it to conduct operations primarily with non-resident clients, positioning it as a niche player in the Tunisian financial sector. In the second quarter of 2010, Burgan

Bank acquired a controlling stake in TIB by purchasing a 76.6 per cent. interest from UGB, increasing its total ownership from an initial 10.0 per cent. to 86.7 per cent.

TIB's business is focused on international and private banking services, with core activities including foreign exchange operations, trade finance, money market transactions, and investment services such as syndication and forfaiting. The Bank serves corporations, governments, financial institutions, and high-net-worth individuals, particularly those with international exposure. Its strategic focus on non-resident clients provides TIB with a distinctive position in Tunisia's banking landscape.

TIB seeks to deliver consistent shareholder returns by emphasizing growth in syndicated loans and investment portfolios while maintaining a robust risk profile. The Bank also aims to explore opportunities to expand its loan and investment portfolio in high-yield segments, leveraging its diversified asset base to support sustainable growth.

In 2025, TIB reported revenue of KD 9.2 million, an operating profit of KD 6.8 million, and net income of KD 3.4 million (Burgan's Share: KD 3.0 million). As at 31 March 2026, the Bank's total assets amounted to KD 175.8 million, contributing to 2 per cent. of total group assets with net worth of KD 59.3 million. As at 31 March 2026, TIB's operations were supported by a network of three branches and a workforce of 133 employees.

TIB's performance and service excellence were further recognised in 2025 when it was selected as a leading contender for the Best International Banking Partner Tunisia 2025 award, reflecting its strong reputation and commitment to delivering high-quality banking solutions.

UGB

United Gulf Bank ("UGB") was established in 1980 and operates under a conventional wholesale banking license issued by the Central Bank of Bahrain. In February 2025, Burgan Bank acquired 100 per cent. of UGB's shares from UGH, making it a wholly-owned subsidiary.

UGB is a regionally focused asset management and investment banking institution headquartered in the Kingdom of Bahrain, with activities spanning the Middle East and North Africa. The Bank offers an integrated platform of financial services, primarily to corporate and institutional clients, encompassing investment banking, asset and portfolio management, corporate finance, and advisory services. The Bank's investment activities are diversified across multiple asset classes, including private equity, quoted securities, and real estate, complemented by its capabilities in capital markets, international banking, and treasury management. In parallel, UGB undertakes wholesale commercial banking activities, including the provision of lending and structured credit solutions, as well as deposit-taking and related services. UGB's business model is anchored in its ability to originate, structure, and manage investments and financial solutions across the capital structure, supported by its regional expertise, established client relationships, and disciplined investment approach.

UGB strengthened its capital position through an USD 80 million equity infusion from Burgan Bank, providing a solid foundation for future growth initiatives. In addition, high-cost AT1 capital was redeemed to enhance capital efficiency, and expensive third-party borrowings were refinanced, reducing annual interest expenses and improving overall profitability. Additional credit lines from Burgan Bank further ensured reliable funding to support UGB's ongoing expansion.

UGB's principal subsidiary is KAMCO Invest, a regional non-banking financial institution established in 1998 and headquartered in Kuwait, with a presence in the UAE, Saudi Arabia, Jordan, and the UK. KAMCO Invest provides a comprehensive range of asset management, investment banking, and brokerage services. Leveraging decades of regional expertise, KAMCO Invest managed assets in excess of US$16.5 billion as of 31 December 2025 and has served as investment banker on transactions totalling more than US$48.3 billion since inception, encompassing equity capital markets, debt capital markets, and mergers and acquisitions.

In 2025, following its consolidation into the Burgan Bank Group's results from the second quarter of 2025, UGB reported revenue of KD 22.7 million, operating profit of KD 2.8 million, and net income of KD 2.4 million (Burgan's share: KD 1.2 million). As at 31 March 2026, its total assets amounted to KD 270.8 million, contributing to 3 per cent. of total group assets with net worth of KD 83.3 million.

MANAGEMENT

The Board consists of eleven directors. The Bank's articles of association provide that each director is elected at an ordinary general meeting of shareholders for a three-year term and is eligible for re-election upon expiration of such term. The Board has the power to appoint and remove the GCEO at any time provided there is a quorum of six directors.

The Board holds at least six meetings annually, with at least one meeting every quarter called by the Chairman. The Board may also hold meetings if called by at least three directors. To be valid, a Board meeting must be attended by at least half the members of the Board and attendance may not be by proxy. In 2025, the Board held thirteen meetings.

BOARD OF DIRECTORS

The following table sets out the names, titles and date of first appointment of the members of the Board as at the date of this Offering Circular.

The business address of each of the directors is Burgan Bank K.P.S.C., Burgan Tower, Al Sharq – Abdullah Al Ahmed Street, P.O. Box 5389, Al Safat 12170, Kuwait. There are no potential conflicts of interest between the duties owed to the Bank by the persons listed above and their private interests or other duties.

Name	Title	Board member since
Sh.Abdullah Nasser Sabah Al Ahmad Al Sabah	Chairman	2022
Faisal M. Sarkhou	Vice Chairman	2022
H.E. Abdulkareem El-Kabariti	Member	2004
Fouad Husni Douglas	Member	2019
Sager Abdullah Al Sharhan	Member – Independent	2022
Michel A. Accad	Member – Independent	2022
Abdullah Mohammed AlSharekh	Member	2022
Abdulaziz Saad Al Rashed	Member – Independent	2023
Jamal Abdullah Dashti	Member	2023
Osama Rashed Saqer Al Armeli	Member – Independent	2025
Moustapha Samir Chami	Member	2025

Note: There are no family ties between any members of the Issuer's Board of Directors.

Sheikh Abdullah Nasser Sabah Al Ahmad Al Sabah

Chairman Since 2022

Professional experience and board directorships

- Vice Chairman of Kamco Investment Co.
- Board Member at Kuwait Projects Company (Holding)
- Chairman of United Gulf Bank, Bahrain

Academic qualifications

- Royal Military Academy, Sandhurst, UK
- BSc in Business Administration, New York Institute of Technology, USA

Mr. Faisal M. Sarkhou

Vice Chairman Since 2022

Professional experience and board directorships

- CEO - Kamco Investment Co.
- Vice Chairman of the Union of Investment Companies of Kuwait
- Board Member at Kuwait Direct Investment Promotion Authority

Academic qualifications

- BSc Economics degree with honors from the University of Birmingham, UK
- EMBA with distinction from HEC Paris, France

H.E Abdulkareem El-Kabariti

Board Member Since 2004

Professional experience and board directorships

- Previous member of the Jordanian Senate - Head of the Economics and Finance Committee
- Chairman of Algeria Gulf Bank – Algeria
- Vice Chairman Burgan Bank Turkey – Turkey
- Board Member at Bank of Baghdad – Iraq
- Board Member at Gulf Insurance Group – Kuwait

Academic qualifications

- Bachelor’s degree (Honors) in Business Administration, St. Edwards University, Texas, USA
- Honorary Doctor of Business Administration (Hon DBA), Coventry University, UK

Mr. Fouad Husni Douglas

Board Member Since 2019

Professional experience and board directorships

- Former Partner and Board member at PWC
- Former Board Member at Burgan Bank Turkey

- Former Partner at Ernst & Young
- Former Partner at Arthur Andersen

Academic qualifications

- Bachelor of Business Administration, American University of Beirut, Lebanon
- Master of Business Administration, American University of Beirut, Lebanon

Mr. Sager Abdullah Al Sharhan

Independent Board Member Since 2022

Professional experience and board directorships

- Chairman & CEO of Al Mutatawera Services Holding Company
- Board member at Private Universities Union
- Secretary Board Member at Australian University Industrial Advisory
- Board Member at Saudi Makamin
- Former Chairman and Managing Director of Al Dorra Petroleum Company
- Managing Director of the Metal and Recycling Company

Academic qualifications

- Mechanical Engineering from the University of Kuwait

Mr. Michel A. Accad

Independent Board Member Since 2022

Professional experience and board directorships

- Executive General Manager (Group Chief Executive Officer) of BANKMED
- Former CEO of Ahli Bank of Kuwait and Gulf Bank of Kuwait
- Former Assistant CEO for Arab Bank PLC
- Chairman of Banque des Monts Blancs and T-Bank
- Former Board Member of BankMed, ABK-Egypt and Al-Ahli Capital Investment Company
- Former Board Member of Europe Arab Bank, Arab Tunisian Bank and Arab Invest

Academic qualifications

- Master's in Business Administration, University of Texas, Austin, USA
- Bachelor's in Business Administration, The American University of Beirut, Lebanon

Mr. Abdullah Mohammed AlSharekh

Board Member Since 2022

Professional experience and board directorships

- Managing Director of Markets & Investment Banking at Kamco Investment Co.
- Vice Chairman at First Securities Brokerage Company KSC

Academic qualifications

- Dual BA in Economics and Public & Private Sector Organisations, Brown University, USA
- Dual MBA in Finance and Entrepreneurial Management, The Wharton School, University of Pennsylvania, USA

<u>Mr. Abdulaziz Saad Al Rashed</u>

Independent Board Member Since 2023

Professional experience and board directorships

- Chairman & CEO of Al Rashed Group Holding Co.
- Chairman of STORK Mechanical Services & Maintenance Co.
- Chairman of Solutions and Services to Oil & Gas, Power and Petrochemical Industry
- Vice Chairman of Al Qibla International Real Estate Co.
- Board Director at Saffar Capital – U.A.E. Financial Services, Kalaam Telecom – Bahrain
- Board Director at Al Rashed International Shipping Co.
- Director at Smith International Gulf Services – Kuwait
- Trustee at The Will of Late Abdulaziz Abdulmohsen Al Rashed

Academic qualifications

- Bachelor's degree in Business Administration, Eastern Washington University, USA
- Diplomas in Financial Analysis, Investment Risk Management and Capital market

<u>Mr. Jamal Abdullah Dashti</u>

Board Member Since 2023

Professional experience and board directorships

- Founder and CEO of Nomad Entertainment
- Chairman of Credit One Kuwait Holding Company
- Former member of the Founding Board of Directors of Warba Bank Kuwait

Academic qualifications

- Bachelor's degree in Economics, The American University, Washington DC, USA

<u>Mr. Osama Rashed Saqer Al Armeli</u>

Independent Board Member Since 2025

Professional experience and board directorships

- Board Member at KFIC Invest Co., Kuwait
- Board Member at Kuwait National Cinema Co., Kuwait
- Former Member at Kuwait Stock Exchange Committee

Academic qualifications

- BSc in Business Administration, Modern Academy, Egypt
- Advanced Diploma in Banking Sciences, The Institute of Banking Studies, Kuwait

<u>Mr. Moustapha Samir Chami</u>

Board Member Since 2025

Professional experience and board directorships

- Deputy Group CFO at Kuwait Projects Company (Holding)
- Board member at Jordan Kuwait Bank
- Board member at Burgan Bank - Turkey
- Board Member at Bank of Baghdad

Academic qualifications

- Master of Business Administration (MBA), USJ University, Lebanon
- Bachelor of Business Administration, USJ University, Lebanon
- CPA, Certified Public Accountant (USA)
- CFA, Chartered Financial Analyst (USA)
- CMA, Certified Management Accountant (USA)

The number of the shares owned by each member of the Board as at 31 December 2025 are as follows:

Director Name	No. of Shares (Direct & Indirect)	Holding (Direct & Indirect)
		(*per cent.*)
H.E. Sheikh Abdullah Nasser Al Sabah- Chairman	6,265,514	0.1646
Mr. Faisal M. Sarkhou - Vice Chairman	1,103	0.0000
H.E. Abdulkareem El-Kabariti - Board Member	116	0.0000
Mr. Fouad H. Douglas – Board Member	133	0.0000
Mr. Abdullah Mohammed AlSharekh - Board Member	1,323	0.0000
Mr. Jamal Abdullah Dashti – Board Member	1,213	0.0000
Mr. Moustapha Samir Chami – Board Member	31,500	0.0000
Mr. Michel A. Accad – Independent Board Member	-	-
Mr. Sager Abdullah Al Sharhan – Independent Board Member	-	-
Mr. Abdul Aziz Saad Al Rashed – Independent Board Member	-	-
Mr. Osama Rashed Saqer Al Armeli – Independent Board Member	-	-

CORPORATE GOVERNANCE FRAMEWORK

Board Committees

Committee Name	Chairperson	Members	Brief Description	Number of Meetings held during the Year
Board Corporate Governance Committee (BCGC)	H.E. Sh. Abdullah Al Sabah	• Mr. Osama Al Armeli • Mr. Abdullah AlSharekh • Mr. Jamal Dashti	Responsible for assisting the Board of Directors in setting the Bank's corporate governance policies, following up on their execution and their periodic review to ensure their effectiveness.	5
Board Audit Committee (BAC)	Mr. Abdulaziz Al Rashed	• H.E Abdulkarem El-Kabariti • Mr. Moustapha Samir Chami • Mr. Fouad Douglas	Responsible for setting and overseeing the sufficiency of internal control and the audit functions of the Bank, along with ensuring compliance with applicable laws, regulations, policies and codes of business conduct and ethics.	7
Board Risk Committee (BRC)	Mr. Osama Al Armeli	• Mr. Fouad Douglas • Mr. Moustapha Samir Chami	Responsible for reviewing and providing reports to the Board of Directors on the current and future risk strategy and tolerance of the Bank; supervising the implementation of this strategy by Executive Management; and ensuring the existence of effective systems for risk management in the Bank and the independence of the Risk Management function	5
Board Nomination and Remuneration Committee (BNRC)	Mr. Sager Al Sharhan	• Mr. Faisal Sarkhou • Mr. Michel Accad	Responsible for presenting recommendations to the Board of Directors regarding Board Member nominations; reviewing the Board's structure on an annual basis; undertaking performance evaluations of the Board and its individual Members on an annual basis. Responsible for developing a Bank-wide reward policy for the appointment of key Executive Management posts, for setting performance standards and succession plans for Executive Management	6

Committee Name	Chairperson	Members	Brief Description	Number of Meetings held during the Year
Board Credit and Investment Committee (BCIC)	Mr. Faisal Sarkhou	• Mr. Abdullah AlSharekh • Mr. Michel Accad • Mr. Sager Al Sharhan	Responsible for overseeing the Bank's lending, credit recovery and investment activities, making recommendations to the Board of Directors within its delegated authorities, and implementing decisions made by the Board of Directors.	66

Board of Director's Compensation

Burgan Bank's Board of Directors compensation details are as follows:

Financial Period	2025 (KD)	2024 (KD)	2023 (KD)
Board of Directors Remuneration	**445,000**	**420,000**	**389,800**

Transactions Carried Out between Related Parties and the Company

The Company has entered into several transactions with members of the key management and certain other related parties. Prices and terms of payment relating to these transactions are approved by the Company's management.

Confirmation of Financials

Financial Period	Approved by the Board of Directors	Approved by the General Assembly
31/12/2025 (Audited)	14/1/2026	28/03/2026
31/12/2024 (Audited)	13/1/2025	29/03/2025
31/12/2023 (Audited)	15/1/2024	30/03/2024

Contracts with the Company in which any Director has a Personal Interest

The Bank's directors and their immediate family conduct business with the Bank and its subsidiaries as customers on commercial, arm's length terms in the normal course of business activities. This includes Bank accounts, savings and investment products, and other such services. None of these transactions is for a material amount.

There are no potential conflicts of interest between the duties to the Bank of the persons listed above and their private interests or other duties.

EXECUTIVE MANAGEMENT

The following table sets out the names, titles, age, total service at Burgan Bank, and total years of experience of the executive management team as at the date of this Offering Circular.

Name	**Title**	**Age**	**Total Service at Burgan Bank**	**Total Years of Experience**
Antoine Jean Daher	Group Chief Executive Officer	56	3	26
Fadel Mahmoud Abdullah	Chief Executive Officer- Kuwait	62	28	35
Khalid Fahed Al Zouman	Group Chief Financial Officer	62	27	36
Venkatakrishnan Menon	Chief Operating Services Officer	62	21	39
Andrew Christopher Singh	Chief Risk Officer	60	11	36
Naqeeb Hamed Amin	General Manager- Human Resources Group	55	3	27
Mohammad Najeeb Al-Zanki	General Manager - Corporate Banking	46	17	19
Abdullah Abdulmajeed Marafie	General Manager- Treasury & Financial Institutions	52	12	24
Meshari Abduljalil Shehab Ahmad	General Manager– Private Banking & Wealth Management	53	3	21
Manaf Khaled Al-Menaifi	General Manager- Strategic Planning & Monitoring	50	6	23
Mahmoud Mohamed Moursi	General Manager- Legal Group	60	8	33
Barrak Jassem Al-Mattar	General Manager - Information Technology	48	3	23
Mohammad Abdullah Al Zayed	General Manager- Operations	50	17	26
Danah Faisal Al Jassem	General Manager – Corporate Communications	44	1	21
Saud Abdulaziz Al-Hadbah	General Manager - General Services Administration	53	16	25
Abdullah Mahmoud Alosta Ahmad	General Manager- Board Secretariat & Corporate Governance	71	9	30
Amro Mohamed ElBanna	General Manager- International Banks Office	45	0.2	23
Hamad Abdulhadi Mohammad	Deputy General Manager- Anti Financial Crimes Group	47	4	20
Reham Essa Sultan	Deputy General Manager- Compliance Group	51	19	27
Mishary Yousef Al-Essa	Deputy General Manager - Investments	42	3	15
Omar Khaled Khalifouh	Deputy General Manager - Digital Transformation	39	3	19

Mr. Antoine Jean Daher

Group Chief Executive Officer | Joined since April 2023

Professional experience and memberships

- Chief Executive Officer - Gulf Bank
- Deputy Chief Executive Officer - Gulf Bank

- General Manager for Domestic Corporate Banking - National Bank of Kuwait
- Vice President in Structured Finance, Corporate Banking, – National City Bank

Academic qualifications

- Advanced management program at Harvard Business School, USA
- Master's in Business Administration, Case Western Reserve University, Ohio, USA
- Bachelor of Science in Civil Engineering, Cleveland State University, USA

Mr. Fadel Mahmoud Abdullah

Chief Executive Officer - Kuwait | Joined since September 1998

Professional experience and memberships

- Chairman, Burgan Bank Financial Services Ltd - Dubai International Financial Center-(Current)
- Board Member, Burgan Bank Turkey (Current)
- Chief Corporate Banking Officer - Burgan Bank
- General Manager, Corporate Banking - Burgan Bank
- Head of Investment and Real Estate Unit, Burgan Bank

Academic qualifications

- Bachelor of Science degree in Mathematics, Kuwait University

Mr. Khalid Fahed Al Zouman

Group Chief Financial Officer | Joined since January 2000

Professional experience and memberships

- Chief Financial Officer - Burgan Bank
- Head of Risk Management - Burgan Bank
- Various Senior Financial Management roles - Ernst & Young, Kuwait and USA

Academic qualifications

- Bachelor's degree in Computer Science, Kuwait University
- Certified Public Accountant (CPA), State of New Hampshire, USA

Mr. Venkatakrishnan Menon

Chief Operating Services Officer | Joined since April 2005

Professional experience and memberships

- Chief Center of Excellence - Burgan Bank
- Group Chief Operations & Information Technology Officer - Burgan Bank
- Chief Retail Banking Officer - Burgan Bank
- Head of Operations - Burgan Bank
- Senior Management roles - QNB, BNP Paribas, Standard Chartered Bank and HDFC Bank

Academic qualifications

- Master's in Business Administration, University of Mumbai, India
- Bachelor's degree in Science, University of Mumbai, India

Mr. Andrew Christopher Singh

Chief Risk Officer | Joined since February 2015

Professional experience and memberships

- Regional Head of Enterprise Risk for Europe - Credit Suisse
- Regional Head of Risk, Americas - Depfa Bank Plc
- Group Chief Risk Officer - EFG Hermes Holding for MENA region
- Various Risk and Control related roles- JP Morgan Asia Pacific and UK

Academic qualifications

- Bachelor of Science degree in Chemistry, Imperial College, London
- Associate of the Royal College of Science in Management Science

Mr. Naqeeb Hamed Amin

General Manager - Human Resources Group | Joined since November 2023

Professional experience and memberships

- General Manager, Human Resources - Ahli United Bank
- Group Director, Human Resources - International Turnkey Systems
- Director, Human Resources - Dasman Diabetes Center
- Director, Human Resources - Zain

Academic qualifications

- Executive Development programs - Harvard Business School, London Business School and University of Oxford
- Bachelor's degree in Management, University of South Carolina, USA

Mr. Mohammad Najeeb Al-Zanki

General Manager - Corporate Banking | Joined since January 2010

Professional experience and memberships

- Assistant General Manager, Corporate Banking & Financial Institutions Department - Burgan Bank
- Head of Contracting Unit, Corporate Banking - Burgan Bank
- Various Managerial roles - Commercial Bank of Kuwait
- Various roles in Investment and Real Estate - Al Tijaria Group (Commercial Real Estate)

Academic qualifications

- Bachelor of Science in International Business Administration (Cum Laude), University of Baltimore, USA
- Fresh Graduate Training Program - Kuwait Investment Authority
- Executive Development programs, Harvard Business School and INSEAD (Alumni Status)

Mr. Abdullah Abdulmajeed Marafie

General Manager - Treasury & Financial Institutions | Joined since July 2014

Professional experience and memberships

- Deputy General Manager, Investments & Treasury - Burgan Bank
- General Manager, Treasury Department - QNB
- Various Senior Management roles, Treasury & Investment - Gulf Bank
- Board Member, Real Estate Facilities Investment Co. (Current)
- Board Member, The Gulf Capital Market Association (Current)
- Board Member, 91 Springboard (Former)

Academic qualifications

- Bachelor of Electrical Engineering, Cornell University, Ithaca, USA
- Executive Development programs- Harvard Business School
- Certified Valuation Analyst, IACVA

Mr. Meshari Abduljalil Shehab Ahmad

General Manager - Private Banking & Wealth Management | Joined since October 2023

Professional experience and memberships

- Deputy General Manager of Private Banking & Wealth Management - Ahli United Bank.
- Assistant General Manager - Priority Banking, Wealth Management & Business Banking - Gulf Bank
- Executive Manager - Unit Head, Private Banking Group - NBK
- Senior Management roles in Retail & Affluent Banking, Investments and Product Development - NBK

Academic qualifications

- Executive Master of Business Administration, American University of Beirut, Lebanon
- Bachelor's Degree in Finance, University of Miami, USA
- General Management Program (GMP) from Harvard Business School, USA

Mr. Manaf Khaled Al-Menaifi

General Manager - Strategic Planning & Monitoring | Joined since October 2020

Professional experience and memberships

- General Manager (Acting) Retail - Burgan Bank
- General Manager, Strategic Planning & Monitoring - Burgan Bank
- Director General - National Fund for SME Development
- Principal - INVESTCORP
- Executive Roles in Corporate Finance - KFH, NBK, & CBK
- Board Member - K-Net (Current), Gulf Bank Algeria (current)
- Advisory Board Member - Gulf University for Science & Technology (Current)

Academic qualifications

- Executive Master of Business Administration, London Business School
- Bachelor's degree in Business Administration MIS, Northeastern University Boston, USA

- Senior Executive Development Program, Harvard Business School

Mr. Mahmoud Mohamed Moursi

General Manager - Legal Group | Joined since October 2018

Professional experience and memberships

- Senior Counsel - CMA Commissioners' Counsel, Capital Markets Authority Kuwait
- Executive Director, Legal & Market Supervision - Boursa Kuwait
- Chief Legal Counsel - Burgan Bank
- Lawyer (Egypt) & Senior Legal Counsel (Kuwait)
- Participated in drafting many laws and bylaws such as Companies law and its bylaws, Public Private Partnership (PPP) Law, Commercial Licenses Law and its bylaws and the Bankruptcy law

Academic qualifications

- Bachelor of Law (LL.B), Cairo University, Egypt

Mr. Barrak Jassem Al-Mattar

General Manager - Information Technology | Joined since August 2023

Professional experience and memberships

- IT General Manager - Kuwait International Bank
- Enterprise Solutions Group Leader - EQUATE Petrochemical Company
- Board Member, SAP USER Group, MENA (Current)
- Advisory Board Member, Australian University, Kuwait (Current)
- Advisory Board Member, KFAS digital transformation (Current)
- Advisory Board Member, IDC (Current)

Academic qualifications

- Bachelor of Science degree in Management Information Systems, Kuwait University
- General Management Program (GMP) from Harvard Business School, USA
- Six Sigma - (Green Belt) Certification

Mr. Mohammad Al Abdullah Al Zayed

General Manager - Operations | Joined since June 2009

Professional experience and memberships

- Head of Operations - Burgan Bank
- Unit Head, Centralised Funds Transfer & Swift Operations - Burgan Bank
- Various Operational roles - Kuwait Investment Authority and HSBC Middle East
- Assistant Communications Engineer - Ministry of Defense

Academic qualifications

- Diploma in Electronic Communication Engineering
- Senior Executive Leadership program - Harvard Business School

Mrs. Danah Faisal Al Jassem

General Manager - Corporate Communications| Joined since May 2025

Professional experience and memberships

- General Manager - Corporate Communications, stc Kuwait
- Vice President & Head of Marketing, Kamco Invest
- Program Assistant, Recruitment Unit - The World Bank Group, Washington D.C.
- Database & Website Editor - American-Arab Anti-Discrimination Committee (ADC)

Academic qualifications

- Bachelor of Business Administration - Management Information Systems, George Washington University (GWU), Washington D.C., USA
- General Managers - Leadership Program, McKinsey & Company
- NBK RISE Leadership Program
- Leadership Program- Franklin Covey

Mr. Saud Abdulaziz Al-Hadbah

General Manager - General Services Administration | Joined since June 2010

Professional experience and memberships

- Deputy General Manager - General Services Administration
- Assistant General Manager of General Services Administration - Burgan Bank
- Manager of Security and Maintenance Department - Al Ahli Bank of Kuwait
- Head of Central Control Room - Ministry of Interior

Academic qualifications

- Bachelor's degree in Civil Engineering, University of Toledo, Ohio, USA
- Maintenance Planning, Control and Documentation Certification

Mr. Abdullah Mahmoud Alosta Ahmad

General Manager- Board Secretariat & Corporate Governance | Joined since November 2017

Professional experience and memberships

- Chief Executive Officer - Iskan International Real Estate Development Co.
- General Manager, Board Secretary - Al Ahli Bank of Kuwait
- Board member, BAC Chairman and BRC Member, UNICAP Investment & Finance. - (Current)
- Board member, Credit One Holding Co. - (Former)
- Board member, Kuwait Reinsurance Co. - (Former)

Academic qualifications

- Bachelor's degree in business from Grand View College, Iowa, USA

Mr. Amro Mohamed Elbanna

General Manager- International Banks Office | Joined in April 2026

Professional experience and memberships

- Executive Member of the Board of Directors – United Gulf Bank (Current)
- Member of the CFA Society, Kuwait (Current)
- Director Head of Advisory Services – ROK Capital
- Commercial Banking Director – Wyth Financial Services
- Head of Corporate Finance – Gulf Bank
- Associate Director Structured Finance - HSBC

Academic Qualifications

- CFA Charterholder. CFA Institute
- Masters in Investments, Arab Academy for Science & Technology, Egypt
- Bachelor's in Commerce, Alexandria University, Egypt

Mr. Hamad Abdulhadi Mohammad

Deputy General Manager - Anti Financial Crimes Group | Joined since March 2023

Professional experience and memberships

- Deputy General Manager- Anti-Financial Crimes (MLRO) - Burgan Bank
- Assistant General Manager, Group AML and CFT Effectiveness - Kuwait Finance House
- Senior Management roles in Retail Banking - National Bank of Kuwait

Academic qualifications

- Bachelor's degree in Computer Science and Software Engineering, October 6 University, Egypt
- Executive Development programs from Harvard Business School
- PMI-RMP Risk Management / ACAMS / Lean Six Sigma (Black Belt) Certification
- Integrated Risk Management (Cambridge Judge Business School) Certification

Ms. Reham Essa Sultan

Deputy General Manager - Compliance Group | Joined since June 2007

Professional experience and memberships

- Group Head - Compliance and Acting Head of AFC - Burgan Bank
- Group Head - Compliance - Burgan Bank
- Senior Management Roles in Risk and AFC - Burgan Bank
- Senior Management Roles in Credit Risk and Human Resources - Bank of Kuwait & the Middle East (Ahli United Bank) (KFH now)

Academic qualifications

- Bachelor's degree of Science in Industrial Engineering, Kuwait University
- Anti-Money Laundering & Counter Terrorism Financing Certification - Ernst & Young
- Certified Compliance Manager - National Skills Institute

Mr. Mishary Yousef Al-Essa

Deputy General Manager - Investments | Joined since February 2024

Professional experience and memberships

- Vice President of Alternative Investments - Kamco Invest
- Assistant Vice President of Corporate Finance and Advisory - Arab Investment Company
- Several positions in Alternative Investments - NBK Capital
- Board Member, United Gulf Bank and at Middle East Payment Services - (Current)
- Advisory Committee Member, HQ Capital Auda Co-Investment Fund III - (Current)

Academic qualifications

- Master of Business Administration, MIT Sloan School of Management, USA
- Chartered Financial Analyst, CFA Institute
- Bachelor of Computer Engineering, Kuwait University

Mr. Omar Khaled Khalifouh

Deputy General Manager - Digital Transformation | Joined since March 2024

Professional experience and memberships

- Assistant General Manager, Digital Transformation & Data Intelligence - Kuwait International Bank
- Executive Manager, Digital Transformation - Warba Bank
- Chairman, Al-Awsat AlOula Holding (Former)
- Board Member, Middle East Financial Brokerage Co (Former)
- Senior Director - Financial Brokerage

Academic qualifications

- Bachelor's degree in Business Administration Major Accounting from Kuwait University
- Executive Development programs at MIT, Chicago Booth, and Harvard Kennedy School
- Certified Agile Leader and full-stack development in various modern development frameworks

Remuneration and Benefits

The benefits paid with respect to the key management were as follows:

Key Management Compensation and Benefits (KWD)	2025	2024	2023
Short term employee benefits – including salary and bonus	7,826	5,743	4,889
Accrual for end of service indemnity	1,268	927	1,511
Accrual for cost of long-term incentive rights	831	891	436
Accrual for committee services	330	290	440
Total	**10,255**	**7,851**	**7,276**

Description of material contract between any of the Board of Directors and Executive Management of the Issuer or any of its subsidiaries:

The Issuer has entered into transactions with certain related parties (Directors and key management personnel of the Bank) who were customers of the Bank during the year. The terms of these transactions are substantially on the same commercial basis as approved by the Bank's management, including collateral. Lending to Board Members and their related parties is secured by tangible collateral in accordance with regulations of Central Bank of Kuwait. The outstanding balances and transactions are as follows:

	No. of board members or executive staff	2025	2024	2023
Board Members**				
Loans and Advances to customers	5	1,191	581	1,208
Deposits from customers	8	1,082	3,374	3,190
Executive Staff				
Loans and Advances to customers	29	4,097	1,573	1,610
Deposits from customers	40	2,538	2,451	2,027

**As of 31 December 2025, the fair value of the total eligible collateral to the extent of the outstanding balances amounted to KD 1,123 thousand (2024: KD 510 thousand).

FINANCIAL SUMMARY OF THE ISSUER

The selected financial information presented below has been derived from, and should be read in conjunction with, the Bank's audited consolidated financial statements and the notes thereto as at and for the years ended 31 December 2025, 2024 and 2023 (the "Annual Financial Statements"), and the Bank's interim condensed consolidated financial statements and the notes thereto as at and for the three-month period ended 31 March 2026, including comparative financial information for the corresponding three-month period ended 31 March 2025 (the "Interim Financial Statements"). The information set out below is qualified in its entirety by reference to such financial statements and the related notes thereto.

The Annual Financial Statements and the Interim Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the State of Kuwait for financial services institutions regulated by the Central Bank of Kuwait ("CBK"). The financial position data as at 31 December 2025, 2024 and 2023 and the results of operations data for the years then ended have been extracted from the Annual Financial Statements. The financial position data as at 31 March 2026 and the results of operations data for the three-month period ended 31 March 2026, together with comparative results of operations data for the corresponding three-month period ended 31 March 2025, have been extracted from the Interim Financial Statements.

Each of the directors of the Bank confirms that they have committed themselves to ensuring that the financial statements of the Bank included in this Prospectus have been compiled in accordance with the provisions of the Companies Law and that each of the directors accepts responsibility for the information contained in such financial statements.

Consolidated statement of financial position data

The following table shows the Group's consolidated statement of financial position data as at 31 March 2026, 31 March 2025, 31 December 2025, 31 December 2024 and 31 December 2023.

	As at 31 March		**As at 31 December**		
	2026	**2025**	**2025**	**2024**	**2023**
ASSETS					
Cash and cash equivalents............................	1,036,482	1,120,321	811,938	1,053,071	870,332
Treasury bills and bonds with the CBK and others...	558,733	353,369	510,818	315,393	364,286
Due from banks and other financial institutions	1,108,206	860,416	1,251,274	835,045	656,532
Loans and advances to customers.................	4,935,382	4,655,457	4,830,710	4,471,403	4,236,942
Investment securities	1,025,856	896,580	845,051	825,239	732,205
Investment properties.................................	41,216	41,023	40,864	—	—
Other assets...	560,330	455,422	555,932	443,494	372,114
Property and equipment..............................	233,509	207,267	220,560	198,706	176,982
Goodwill and other intangible assets[(1)]..........	31,376	33,860	31,668	16,135	16,738
Total assets …………………………………….	**9,531,090**	**8,623,715**	**9,098,815**	**8,158,486**	**7,426,131**
LIABILITIES AND EQUITY					
Liabilities					
Due to banks	587,326	879,176	834,916	853,013	701,942
Due to other financial institutions................	908,877	436,935	846,793	712,339	437,236
Deposits from customers	6,097,769	5,417,147	5,456,555	4,903,922	4,463,243
Certificates of deposit issued........................	71,254	23,786	61,125	—	—
Other borrowed funds.................................	470,490	490,998	557,183	399,541	549,961
Other liabilities	367,883	323,547	290,942	269,813	272,845
Total liabilities	**8,503,599**	**7,571,589**	**8,047,514**	**7,138,628**	**6,425,227**

	As at 31 March		As at 31 December		
	2026	2025	2025	2024	2023
Equity					
Share capital..	380,605	362,481	380,605	362,481	345,220
Share premium	282,802	282,802	282,802	282,802	282,802
Treasury shares..	(18,095)	(1,742)	(17,253)	(1,742)	(1,742)
Statutory reserve..	127,562	122,822	127,562	122,822	117,903
Voluntary reserve.......................................	127,940	123,200	127,940	123,200	118,281
Other reserves..	(225,468)	(200,638)	(215,104)	(200,633)	(185,941)
Retained earnings.......................................	169,910	176,638	184,598	184,605	185,694
Total equity attributable to the equity holders of the Bank	**845,256**	**865,563**	**871,150**	**873,535**	**862,217**
Perpetual Tier 1 capital securities	150,000	150,000	150,000	150,000	153,375
Non-controlling interests	32,235	36,563	30,151	(3,677)	(14,688)
Total equity...	**1,027,491**	**1,052,126**	**1,051,301**	**1,019,858**	**1,000,904**
Total liabilities and equity........................	**9,531,090**	**8,623,715**	**9,098,815**	**8,158,486**	**7,426,131**

Note:

(1) This line item was referred to as "Intangible assets" in the 2023 Financial Statements.

Consolidated statement of income data

The following table shows the Group's consolidated statement of income data for the 3 months period ended in each of 31 March 2026 and 2025 and years ended 31 December in each of 2025, 2024 and 2023.

	Three months ended 31 March		Year ended 31 December		
	2026	2025	2025	2024	2023
Interest income	159,554	159,552	660,504	610,313	448,309
Interest expense	(119,978)	(115,325)	(482,586)	(452,924)	(313,446)
Net interest income...............................	39,576	44,227	**177,918**	**157,389**	**134,863**
Fee and commission income	18,849	10,542	58,442	41,508	46,125
Fee and commission expense	(2,651)	(2,418)	(8,616)	(7,998)	(8,441)
Net fee and commission income.............	16,198	8,124	**49,826**	**33,510**	**37,684**
Net (loss) gain from foreign currencies[1]...	(1,498)	97	(3,280)	5,845	20,370
Net investment income...........................	1,051	2,042	18,867	8,220	7,750
Dividend income....................................	604	152	2,533	1,127	1,483
Other income...	7,858	3,241	21,934	22,951	19,588
Net operating income	63,789	57,883	**267,798**	**229,042**	**221,738**
Staff expenses..	(25,584)	(20,057)	(95,554)	(73,451)	(59,580)
Other expenses	(20,689)	(13,383)	(67,578)	(57,035)	(56,652)
Operating profit….	17,516	24,443	**104,666**	**98,556**	**105,506**
Provision for credit losses........................	(13,865)	(13,420)	(59,421)	(38,072)	(47,818)
Recoveries from written-off debt..............	9,702	7,188	30,896	31,761	43,015
Provision release (charge) for other financial asset[2]...	(419)	(552)	(395)	403	(877)
Net monetary loss .... ………	(5,853)	(6,364)	(17,376)	(24,080)	(32,094)
Profit for the year before taxation and Board of Directors' remuneration	7,081	11,295	**58,370**	**68,568**	**67,732**
Taxation..	(3,878)	(2,350)	(12,481)	(17,840)	(22,527)
Board of Directors' remuneration	-	-	(110)	(110)	(110)
Profit for the period/year.......................	**3,203**	**8,945**	**45,779**	**50,618**	**45,095**

	Three months ended 31 March		Year ended 31 December		
	2026	2025	2025	2024	2023
Attributable to:					
Equity holders of the Bank......................	5,109	10,682	46,534	46,437	43,547
Non-controlling interests	(1,906)	(1,737)	(755)	4,181	1,548
....	**3,203**	**8,945**	**45,779**	**50,618**	**45,095**
Basic and diluted earnings per share attributable to the equity holders of the Bank (in fils)	**0.6**	**2.0**	**9.4**	**9.8**[(3)]	**9.5**[(3)]

Notes:

(1) This line item was referred to as "Net gain from foreign currencies" in the 2024, 2023 Financial Statements.

(2) This line item was referred to as "Provision (charge) release for other financial assets" in the 2023 Financial Statements.

(3) Restated to reflect the impact of bonus shares. The actual values for the years ended 2024 and 2023 were 10.3 and 10.0, respectively, as reported in the 2024 and 2023 Financial Statements.

Consolidated statement of comprehensive income data

The following table shows the Group's consolidated statement of comprehensive income data for the 3 months period ended in each of 31 March 2026 and 2025 and years ended 31 December in each of 2025, 2024 and 2023.

	Three months ended 31 March		Year ended 31 December		
	2026	2025	2025	2024	2023
Profit for the year....................................	**3,203**	**8,945**	**45,779**	**50,618**	**45,095**
Other comprehensive (loss) income:					
Items that will not be reclassified to consolidated statement of income in subsequent years:					
Net change in fair value of equity instruments at fair value through other comprehensive income...........	(161)	3,359	(11,061)	(10,449)	(10,530)
	(161)	**3,359**	**(11,061)**	**(10,449)**	**(10,530)**
Items that are or may be reclassified to consolidated statement of income in subsequent years:					
Debt instruments at fair value through other comprehensive income:					
- Net change in fair value	(4,844)	1,547	13,968	4,255	7,463
- Net transfer to consolidated statement of income	(301)	(857)	(8,600)	(1,418)	(1,212)
Foreign currency translation adjustment.......	(5,708)	(7,238)	(22,152)	(17,677)	(34,413)
Changes in fair value of cash flow hedges ...	(1,168)	(2,019)	(1,393)	(6,629)	4,139
Net (loss) gain on hedge of a net investment[(1)]	—	—	—	(2,506)	14,522
Reversal of disposal group held for sale:					
- Net transfer to consolidated statement of income on sale of disposal group held for sale..............	—	—	—	—	6,153
Other comprehensive loss for the year	**(12,182)**	**(5,208)**	**(29,238)**	**(34,424)**	**(13,878)**
Total comprehensive income for the year..	**(8,979)**	**3,737**	**16,541**	**16,194**	**31,217**
Attributable to:					
Equity holders of the Bank.........................	(5,250)	10,820	30,058	24,712	30,425

	Three months ended 31 March		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
Non-controlling interests	(3,729)	(7,083)	(13,517)	(8,518)	792
	(8,979)	**3,737**	**16,541**	**16,194**	**31,217**

(1) This line item was referred to as "Net loss on hedge of a net investment" in the 2025 Financial Statements and "Net gain on hedge of a net investment" in the 2023 Financial Statements.

Consolidated statement of cash flows data

	3 Months ended 31 March		Year ended 31 December		
	2026	2025	2025	2024	2023
Operating activities					
Profit for the year before taxation and Board of directors' remuneration	7,081	11,295	58,370	68,568	67,732
Adjustments:					
Net investment income..............................	(1,051)	(2,042)	(18,867)	(8,220)	(7,750)
Provision for credit losses..........................	13,865	13,420	59,421	38,072	47,818
Provision charge (release) for other financial assets(1)	419	552	395	(403)	877
Dividend income.......................................	(604)	(152)	(2,533)	(1,127)	(1,483)
Depreciation and amortisation.....................	4,683	4,188	18,216	13,828	15,803
Net monetary loss.....................................	5,853	6,364	17,376	24,080	32,094
Interest on tier 1 capital securities			-	775	-
Operating profit before changes in operating assets and liabilities	30,246	33,625	**132,378**	**135,573**	**155,091**
Changes in operating assets and liabilities:					
Treasury bills and bonds with CBK and others	(47,915)	(36,609)	(194,058)	48,893	(62,732)
Due from banks and other financial institutions	143,020	(14,997)	(406,821)	(178,503)	(172,396)
Loans and advances to customers................	(118,489)	(195,437)	(415,725)	(272,543)	(58,905)
Other assets..	(3,843)	22,725	(71,805)	(67,202)	(112,248)
Due to banks	(247,590)	8,475	(35,785)	151,071	422,667
Due to other financial institutions................	62,084	(275,404)	134,454	275,103	(262,185)
Deposits from customers	640,046	501,119	539,134	440,679	530,752
Certificate of deposit issued........................	10,129	23,786	61,125	-	-
Other liabilities...	46,352	(16,354)	(46,365)	(31,452)	(30,945)
Taxation paid..	(1,732)	(1,790)	(9,063)	(12,671)	(9,699)
Net cash flows (used in) from operating activities(2)	**512,308**	**49,139**	**(312,531)**	**488,948**	**399,400**
Investing activities					
Purchase of investment securities	(332,852)	(148,372)	(708,545)	(492,395)	(554,404)
Proceeds from sale of investment securities..	147,373	173,640	794,943	391,237	557,790
Purchase of property and equipment (net of disposals)(3)	(12,681)	(5,932)	(24,289)	(19,887)	(19,980)
Net movement in non-controlling interests...	-	-	(11,405)	-	-
Dividend income received	604	152	2,533	1,127	1,483
Net cash outflow on sale of disposal group held for sale	-	-	-	-	(109,692)
Acquisition of subsidiary, net of cash acquired	-	(30,052)	(30,052)	-	-
Proceeds from partial sale of subsidiary(4).....	-	-	-	-	57,830
Net cash flows from (used in) investing activities(5)	**(197,556)**	**(10,564)**	**23,185**	**(119,918)**	**(66,973)**
Financing activities					
Other borrowed funds................................	(86,693)	31,394	97,579	(303,845)	(233,431)

	3 Months ended 31 March		Year ended 31 December		
	2026	2025	2025	2024	2023
Purchase of treasury shares	(842)	-	(15,511)	-	-
Cash dividend paid to equity holders of the Bank[6]	-	-	(21,715)	(20,681)	(26,262)
Cash dividend paid to non-controlling interests	-	-	(1,265)	(326)	(820)
Net proceeds from the issuance of Tier 1 Capital Securities	-	-	-	148,502	-
Interest payment on Tier 1 capital securities.	(2,673)	(2,719)	(10,875)	(9,941)	(8,835)
Net cash flows (used in) from financing activities[7]	(90,208)	28,675	**48,213**	**(186,291)**	**(269,348)**
Net (decrease) increase in cash and cash equivalents[8]	224,544	67,250	**(241,133)**	**182,739**	**63,079**
Cash and cash equivalents on 1 January	811,938	1,053,071	1,053,071	870,332	807,253
Cash and cash equivalents on EoP...........	1,036,482	1,120,321	**811,938**	**1,053,071**	**870,332**
Additional cash flow information:					
Interest received..	155,286	170,051	652,613	603,012	398,216
Interest paid..	104,641	109,469	454,564	447,121	283,321

(1) This line item was referred to as "Provision (release) charge for other financial asset" in the 2024 Financial Statements.
(2) This line item was referred to as "Net cash flows from operating activities" in the 2024 Financial Statements.
(3) This line item was referred to as "Purchase of property and equipment" in the 2023 Financial Statements.
(4) This line item was referred to as "Proceeds from sales of partial stake in subsidiary" in the 2024 Financial Statements.
(5) This line item was referred to as "Net cash flows used in investing activities" in the 2024, 2023 Financial Statements.
(6) This line item was referred to as "Cash dividend paid to shareholders of the Bank" in the 2024 Financial Statements.
(7) This line item was referred to as "Net cash flows used in financing activities" in the 2024 Financial Statements.
(8) This line item was referred to as "Net increase in cash and cash equivalents" in the 2024 Financial Statements.

Financial ratios and APMs

The following table sets out certain financial ratios and APMs. These ratios are not calculated based on IFRS and are not IFRS measures of financial performance.

	3 Months ended 31 March		As at/year ended 31 December		
	2026	2025	2025	2024	2023
Measures of profitability, per cent.					
Return on average assets[1]	0.2	0.5	0.5	0.6	0.6
Return on average equity[2]	2.4	4.9	5.3	5.4	5.4
Net interest margin[3]	1.9	2.3	2.3	2.2	2.0
Net interest spread[4]...	1.5	1.7	1.8	1.5	1.4
Efficiency, per cent.					
Cost to income[5]	72.5	57.8	60.9	57.0	52.4
Total operating expenses to average total assets[6]............	2.0	1.6	1.9	1.7	1.6
Asset quality, per cent.					
NPLs to cash exposure[7]..	2.7	1.8	1.9	1.8	2.0
Risk provision to NPLs [7], [9]	117.5	169.7	161.1	161.5	220.5
NPLs net of collateral to cash exposure[7], [8]	0.6	0.5	0.4	0.4	0.4

Non-performing assets to total exposure[(7)]	2.4	1.7	1.7	1.7	1.8
Risk provision to non-performing assets[(7), (9)]	127.0	169.2	162.0	161.9	213.0
Non-performing assets net of collateral to total exposure [(7), (8)]..	0.7	0.6	0.5	0.6	0.5
Cost of credit ratio[(10)]	0.3	0.5	0.6	0.1	0.1
Funding/liquidity/capitalisation, per cent. unless otherwise indicated					
Loans and advances to customers to deposits from customers (*times*)[(11)]	0.8	0.9	0.9	0.9	0.9
Loans and advances to customers to total assets	51.8	54.0	53.1	54.8	57.1
Total assets to total equity (*times*)[(12)]	11.3	10.0	10.4	9.3	8.6
Total liabilities to total equity (*times*) [(12)]..........................	10.1	8.7	9.2	8.2	7.5
Capital adequacy ratio[(13)]..	15.9	17.5	16.8	18.6	20.0
Tier 1 capital ratio[(13)]..	12.5	13.9	13.3	14.9	16.1
Liquidity ratio[(14)]..	28.4	27.1	28.3	27.0	25.5

Notes:

(1) This ratio shows how many KD of earnings the Group derives from each KD of assets it controls. The ratio is calculated as profit for the year attributable to equity holders of the Bank divided by average total assets. Average total assets for annual periods is calculated as the average of the current and preceding fiscal year ends.

(2) This ratio is a measure of the profitability of the Group's business in relation to the book value of its shareholders' equity and is a measure of how well the Group uses shareholders' equity to generate earnings growth. The ratio is calculated as profit for the year attributable to equity holders of the Bank divided by average total equity attributable to the equity holders of the Bank. Average total equity attributable to the equity holders of the Bank for annual periods is calculated as the average of the current and preceding fiscal year ends.

(3) A positive figure denotes that the Group's return on its interest earning assets exceeds its interest expenses. The ratio is calculated as net interest income for the year divided by average interest-earning assets. Interest earning assets comprise all assets excluding other assets, property and equipment, investment properties and intangible assets. Average interest-earning assets for annual periods is calculated as the average of the current and preceding fiscal year ends.

(4) A positive figure denotes that the Group's lending rates exceed its borrowing rates. The ratio is calculated as yield (interest income/average interest-earning assets) less cost of funds (interest expenses/average interest-bearing liabilities). Interest-bearing liabilities comprise total liabilities excluding other liabilities. Average interest-bearing liabilities for annual periods is calculated as the average of the current and preceding fiscal year ends.

(5) A lower percentage indicates that operating expenses are low relative to operating income. This ratio is calculated as total operating expenses (being the sum of staff expenses and other expenses) divided by net operating income.

(6) A lower percentage indicates that operating expenses are low relative to the Group's average assets during the financial year or period. The ratio is calculated as total operating expenses divided by average total assets.

(7) NPLs comprise non-performing loans and advances to customers and non-performing due from banks and other financial institutions (excluding placements). Non-performing assets comprise NPLs plus non-cash NPLs. Cash exposure comprises loans and advances to customers and due from banks and other financial institutions (excluding placements). Total exposure comprises loans and advances to customers and due from banks and other financial institutions (excluding placements) and commitments and contingent liabilities. As at 31 March 2026, 31 March 2025, 31 December 2025, 31 December 2024 and 31 December 2023 (i) non-performing loans amounted to KD 154 million, KD 95 million, KD 107 million, KD 92 million and KD 94 million, respectively, (ii) non-performing assets amounted to KD 167 million, KD 110 million, KD 120 million, KD 107 million and KD 109 million, respectively, (iii) cash exposure amounted to KD 5,668 million, KD 5,220 million, KD 5,536 million, KD 4,972 million and KD 4,681 million, respectively and (iv) total exposure amounted to KD 7,087 million, KD 6,518 million, KD 6,925 million, KD 6,262 million and KD 5,932 million, respectively.

(8) NPLs net of collateral amounted to KD 33 million, KD 27 million, KD 23 million, KD 20 million and KD 17 million, respectively, as at 31 March in each of 2026 and 2025 and 31 December in each of 2025, 2024 and 2023. Non-performing assets net of collateral amounted to KD 46 million, KD 42 million, KD 36 million, KD 35 million and KD 32 million, respectively, as at 31 March in each of 2026 and 2025 and 31 December in each of 2025, 2024 and 2023.

(9) Risk provision against NPLs comprises total provisions, i.e. the sum of general and specific provisions available against loans and advances to customers and exposure to other financial institutions and banks. Risk provision against non-performing assets comprises the risk provision against NPLs plus provisions for non-cash credit facilities and is set out in the notes to each of the Annual Financial Statements. As at 31

March in each of 2026 and 2025 and 31 December in each of 2025, 2024 and 2023, risk provision against NPLs amounted to KD 181 million, KD 161 million, KD 172 million, KD 149 million and KD 206 million, respectively. As at 31 March in each of 2026 and 2025 and 31 December in each of 2025, 2024 and 2023, risk provision against NPAs amounted to KD 204 million, KD 186 million, KD 194 million, KD 174 million and KD 232 million, respectively.

(10) Calculated as provision for credit losses for the year divided by gross loans and advances to customers. Credit losses are calculated as provisions for credit losses adjusted for recoveries from written off debt. Gross loans and advances to customers are set out in note 5 to the Annual Financial Statements.

(11) The loan to deposit ratio is used to assess the liquidity position of the Group. A ratio of less than one implies that the Group has relied on funds deposited by customers to make loans and advances. A ratio of more than one implies that the Group has extended loans and advances from funds borrowed by it in addition to deposits.

(12) A high ratio indicates that the Group is highly leveraged and its liquidity is low. Total equity means total equity attributable to the equity holders of the Bank.

(13) Calculated in accordance with the requirements of the CBK's Basel III regulations.

(14) A high percentage indicates higher liquidity. This ratio is calculated as the sum of cash and cash equivalents, treasury bills and bonds with CBK and others and due from banks and other financial institutions divided by total assets.

SUMMARY OF OPERATING PERFORMANCE AND FINANCIAL REVIEW

Set out below is a discussion of the Group's consolidated operating performance and financial position based on its audited consolidated financial statements as at and for the years ended 31 December 2025, 2024 and 2023, and its interim condensed consolidated financial statements as at and for the three-month period ended 31 March 2026, including comparative financial information for the corresponding three-month period ended 31 March 2025.

OPERATING PERFORMANCE

Net operating income

The Group's net operating income comprises net interest income and non-interest income, representing the overall income generated from the Bank's core banking, investment, and fee-based activities.

Three-month periods ended 31 March 2026 and 2025 compared

For the three-month period ended 31 March 2026, the Group reported net operating income of KD 64 million, compared to KD 58 million for the corresponding period in 2025, representing an increase of KD 6 million, or 10.2 per cent. The increase was primarily driven by growth in non-interest income, which increased by 77.3 per cent. year-on-year to KD 24 million. This performance was supported by stronger fee generation and increased cross-selling activity across the Group's franchise, with the cross-sell ratio improving to 38 per cent., compared to 24 per cent. in the corresponding period of 2025.

Net interest income amounted to KD 40 million for the three-month period ended 31 March 2026, compared to KD 44 million for the corresponding period in 2025, representing a decrease of 10.5 per cent. The decline primarily reflected margin pressures arising from a competitive interest rate environment. Notwithstanding this decrease, the Group maintained a resilient and diversified revenue base, underpinned by the continued strength of its core banking operations and growing contribution from non-interest income streams.

2025 and 2024 compared

The Group's net operating income increased by KD 39 million, or 16.9 per cent., to KD 268 million in 2025 from KD 229 million in 2024, reflecting the continued strength and resilience of its core business operations.

The growth was primarily driven by higher net interest income, which increased by KD 21 million, or 13.0 per cent., in 2025 compared to 2024. The year-on-year improvement in net interest income was supported by the continued expansion of the lending portfolio and improved net interest margins of 2.3 Per Cent. in 2025, reflecting disciplined balance sheet management.

Non-interest income increased by KD 18 million, or 25.4 per cent., to KD 90 million in 2025 from KD 72 million in 2024. This performance was primarily driven by higher fee and securities-related income, as well as the successful integration of UGB, including Kamco Invest, which contributed positively to the diversification and expansion of the Group's revenue base.

2024 and 2023 compared

For the year ended 31 December 2024, the Group reported net operating income of KD 229 million, representing an increase of KD 7 million, or 3.3 per cent., compared to KD 222 million for the year ended 31 December 2023. This performance reflects the continued strength and resilience of its core business operations despite a dynamic interest rate environment.

The year-on-year growth was primarily driven by higher net interest income, which increased by KD 23 million, or 16.7 per cent., in 2024 compared to 2023. The expansion in net interest income was supported by an improvement in the Group's net interest margin, which increased from 2.0 per cent. in 2023 to 2.2 per cent. in 2024. The margin expansion was achieved alongside continued robust growth across the Group's franchises, and together, these factors contributed to the overall rise in net interest income.

Non-interest income amounted to KD 72 million in 2024, compared to KD 87 million in 2023, representing a decrease of KD 15 million, or 17.5 per cent. This reduction was primarily attributable to lower net fee and commission income and reduced net gains from foreign exchange activities within the Bank's international franchises. Notwithstanding this moderation, the Group's overall income base continued to demonstrate resilience and diversification across its business segments.

Total operating expenses

The Group's total operating expenses consist of staff costs and other operating expenses.

Three-month periods ended 31 March 2026 and 2025 compared

For the three-month period ended 31 March 2026, the Group's total operating expenses increased by KD 13 million, or 38.4 per cent., to KD 46 million, compared to KD 33 million for the corresponding period in 2025. This increase primarily reflects the consolidation of UGB, which contributed approximately KD 6 million to the year-on-year increase. Excluding UGB's contribution, operating expenses increased by KD 7 million, or 19.5 per cent., compared to the corresponding period in 2025. The increase was largely attributable to higher operating costs across the Group, driven by continued investment in digital transformation initiatives, technology infrastructure and other strategic growth initiatives, as well as the impact of hyperinflationary conditions in Turkey. These investments support the Group's ongoing focus on enhancing operational efficiency, strengthening its digital capabilities and supporting long-term business growth.

2025 and 2024 compared

The Group's total operating expenses for 2025 increased by KD 33 million, or 25.0 per cent., to KD 163 million, compared to KD 130 million in 2024. This increase primarily reflects the full consolidation of UGB. Excluding UGB's contribution, operating expenses grew by KD 13 million, or 9.8 per cent., year-on-year. The rise in operating expenses was largely attributable to elevated personnel costs across the Group, driven by workforce expansion and inflation-indexed salary adjustments, which were particularly significant at BBT amid hyperinflationary conditions. In parallel, the Group sustained strategic investments in digital platforms, IT systems, and technology-enabled infrastructure, supporting its ongoing commitment to operational efficiency, innovation, and long-term business growth.

2024 and 2023 compared

For the year ended 31 December 2024, the Group's total operating expenses amounted to KD 130 million, reflecting an increase of KD 14 million, or 12.3 per cent., compared to KD 116 million in 2023. The growth was primarily driven by higher personnel costs, reflecting both the recruitment of additional staff and inflation-linked salary adjustments, particularly at BBT, which continued to operate under hyperinflationary conditions. The year also saw further strategic investment in digital platforms, IT systems, and technology-enabled infrastructure to advance the Group's digital transformation, enhance operational efficiency, and support long-term growth initiatives. Collectively, these factors contributed to the overall expansion of the Group's operating cost base.

Provisions

The Group's provisions consist of charges for expected credit losses recognized during the year, net of recoveries on exposures previously written off.

Three-month periods ended 31 March 2026 and 2025 compared

For the three-month period ended 31 March 2026, the Group's provisions for credit losses, net of recoveries, amounted to KD 4 million, compared to KD 6 million for the corresponding period in 2025. The Group's cost of credit, after recoveries, improved to 30 basis points from 50 basis points in the corresponding period of 2025. During the period, the Group maintained a prudent provisioning approach, including the recognition of precautionary provisions in response to evolving credit conditions and ongoing geopolitical developments. Loan loss provisions increased by 3.0 per cent. year-on-year; however, strong recoveries contributed to the lower net provision charge and the improvement in the Group's cost of credit. These results reflect the sound quality of the Group's credit portfolio and its disciplined approach to risk management.

2025 and 2024 compared

In 2025, the Group's provisions for credit losses, net of recoveries, amounted to KD 29 million, compared to KD 6 million in 2024. The Group's cost of credit, after recoveries, remained low at 60 basis points in 2025, although it increased from 10 basis points in 2024. The increase in provisions was broad-based across the Group; however, the overall cost of credit remains reasonable and well-contained. This reflects continued strength and resilience in the Group's credit portfolio, supported by prudent and disciplined risk management framework.

2024 and 2023 compared

In 2024, the Group's provisions for credit losses, net of recoveries, amounted to KD 6 million, compared to KD 5 million in 2023. The Group's cost of credit, after recoveries, remained very low at just 10 basis points, largely unchanged from 2023, reflecting the inherent strength and quality of the Group's credit portfolio.

Net monetary losses

The Group's net monetary loss reflects the application of IAS 29 (*Financial Reporting in Hyperinflationary Economies*) at the Group level in connection with the consolidation of its Turkish subsidiary, BBT, which operates in a hyperinflationary environment.

Three-month periods ended 31 March 2026 and 2025 compared

For the three-month period ended 31 March 2026, net monetary losses arising from the Group's Turkish operations, as measured under IAS 29, amounted to KD 5.9 million, compared to KD 6.4 million for the corresponding period in 2025, representing a decrease of KD 0.5 million, or 8 per cent. The reduction primarily reflects the continued moderation of inflationary pressures in Turkey.

2025 and 2024 compared

For the year ended 31 December 2025, net monetary losses arising from the Group's Turkish operations, as measured under IAS 29, stood at KD 17 million, representing a decrease of KD 7 million, or 27.8 per cent., compared to KD 24 million in 2024. The reduction primarily reflects the continued easing of inflationary pressures in Turkey and an overall improvement in the country's macroeconomic environment.

2024 and 2023 compared

For the year ended 31 December 2024, net monetary losses attributable to the Group's Turkish operations decreased by KD 8 million, or 25.0 per cent., to KD 24 million from KD 32 million in 2023. The reduction was mainly driven by an easing of ongoing macroeconomic and inflationary pressures in Turkey.

Profit for the year

The profit for the year represents Burgan's share of net income after taxes, excluding minority interests, and therefore does not correspond to the Group's total reported net profit.

Three-month periods ended 31 March 2026 and 2025 compared

For the three-month period ended 31 March 2026, profit attributable to equity holders of the Bank amounted to KD 5.1 million, compared to KD 10.7 million for the corresponding period in 2025, representing a decrease of 52.2 per cent. The decline was primarily attributable to margin pressures, higher operating expenses following the consolidation of UGB and increased tax expenses, which rose by approximately KD 2 million year-on-year. Despite the decline in profit attributable to equity holders, the Group continued to demonstrate resilience in its core operating performance.

2025 and 2024 compared

For the year ended 31 December 2025, profit attributable to equity holders of the Bank amounted to KD 47 million, largely stable compared with KD 46 million in 2024, reflecting a marginal year-on-year increase of 0.2 per cent. The result demonstrates the strength and resilience of the Group's business model, with stable profitability maintained despite continued investment in human capital and digital initiatives, as well as elevated credit costs arising from the evolving economic environment.

2024 and 2023 compared

In 2024, profit attributable to equity holders of the Bank increased by KD 3 million, or 6.6 per cent., to KD 46 million, compared with KD 44 million in 2023. The 2024 result was impacted by the sale of a 52 per cent. stake in BBT in December 2023. Adjusted to exclude the effect of this transaction, the Group's profit for 2024 would have been higher by KD 5 million, representing a 12.6 per cent. increase compared with 2023, reflecting the underlying strength, resilience, and sustainable earnings capacity of the Group's business model.

FINANCIAL POSITION

Assets

As at 31 March 2026, the Group's total assets amounted to KD 9.5 billion, compared with KD 8.6 billion as at 31 March 2025, representing an increase of KD 0.9 billion, or 10.5 per cent. The increase was driven primarily by growth in loans and advances to customers and higher placements with banks and other financial institutions, reflecting continued expansion of the Group's core business activities.

As at 31 December 2025, the Group's total assets amounted to KD 9.1 billion, compared to KD 8.2 billion as at 31 December 2024 and KD 7.4 billion as at 31 December 2023, representing a compound annual growth rate of 10.7 per cent. between 2023 and 2025. The increase during the period was principally attributable to growth in loans and advances to customers, together with higher placements with banks and other financial institutions. A significant portion of this growth was generated by the Group's operations in Kuwait, reflecting the importance of its domestic franchise to the Group's overall business.

Loans and advances to customers

As at 31 March 2026, loans and advances to customers amounted to KD 4.9 billion, compared with KD 4.7 billion as at 31 March 2025, representing an increase of 6 per cent. The increase was driven by continued lending activity across the Group's core markets and business segments. Loans and advances to customers accounted for 52 per cent. of total assets as at 31 March 2026, compared with 54 per cent. as at 31 March 2025.

As at 31 December 2025, loans and advances to customers amounted to KD 4.8 billion, compared with KD 4.5 billion as at 31 December 2024 and KD 4.2 billion as at 31 December 2023. Loans and advances to customers represented 53.1 per cent. of the Group's total assets as at 31 December 2025, compared with 54.8 per cent. as at 31 December 2024 and 57.1 per cent. as at 31 December 2023. The decrease in the proportion of loans and advances to customers as a percentage of total assets primarily reflected growth in other asset categories, including placements with banks and other financial institutions, while loans and advances to customers continued to constitute the largest component of the Group's asset base.

The table below presents the Group's gross loans and advances to customers by customer category, together with the corresponding provisions and net loans and advances to customers, as at 31 December 2025, 2024 and 2023. Information on a comparable quarterly basis is not available, as the Group does not disclose this level of customer-segment detail in its interim condensed consolidated financial statements.

	As at 31 December		
	2025	**2024**	**2023**
		(KD '000s)	
Corporate	4,259,871	4,003,690	3,896,134
Retail	718,561	592,745	523,534
Gross loans and advances to customers	**4,978,432**	**4,596,435**	**4,419,668**
Less: provision	(147,722)	(125,032)	(182,726)
Net loans and advances to customers	**4,830,710**	**4,471,403**	**4,236,942**

The table below summarises the maturity profile of the Group's loans and advances to customers. The maturities have been determined according to when the loans and advances to customers are expected to be recovered or settled. The actual maturities may differ from the maturities shown below since borrowers may have the right to prepay obligations with or without prepayment penalties. Information on a comparable quarterly basis is not available, as the Group does not disclose this level of customer-segment detail in its interim condensed consolidated financial statements.

	Up to 3 months	**3 to 6 months**	**6 to 12 months**	**More than 12 months**	**Total**
			(*KD '000s*)		
As at 31 December 2025					
Loans and advances to customers	1,738,290	676,597	971,949	1,443,874	**4,830,710**
As at 31 December 2024					
Loans and advances to customers	1,777,583	664,570	595,721	1,433,529	**4,471,403**
As at 31 December 2023					
Loans and advances to customers	1,415,363	633,861	617,604	1,570,114	**4,236,942**

As at 31 December 2025, 36.0 per cent. of loans and advances to customers were expected to mature within three months, with 70.1 per cent. maturing within one year and the remaining 29.9 per cent. extending beyond one year.

For comparison, as at 31 December 2024, 39.8 per cent. of loans were expected to mature within three months, 67.9 per cent. within one year, and 32.1 per cent. beyond one year. At 31 December 2023, the respective figures were 33.4 per cent., 62.9 per cent., and 37.1 per cent.

This profile demonstrates the Group's prudent and disciplined approach to managing liquidity and loan maturities, supporting operational flexibility while ensuring short-term adaptability and long-term portfolio stability and resilience.

Investment securities

The Group's investment securities comprise (i) a portfolio of debt and equity investments held at FVOCI; (ii) a portfolio of debt securities held at amortised cost; (iii) a portfolio of managed funds and debt and equity securities held at FVTPL; and (iv) its investment in an associate.

As at 31 March 2026, the Group's investment securities amounted to KD 1.0 billion, compared with KD 897 million as at 31 March 2025, representing an increase of KD 129 million, or 14 per cent. Investment securities accounted for 11 per cent. of total assets as at 31 March 2026, compared with 10 per cent. as at 31 March 2025.

As at 31 December 2025, the Group's investment securities amounted to KD 845 million, compared with KD 825 million as at 31 December 2024 and KD 732 million as at 31 December 2023. Investment securities represented 9.3 per cent. of the Group's total assets as at 31 December 2025, compared with 10.1 per cent. as at 31 December 2024 and 9.9 per cent. as at 31 December 2023. The decrease in investment securities as a proportion of total assets in 2025 was primarily attributable to the higher rate of growth in other asset categories, particularly loans and advances to customers and placements with banks and other financial institutions.

The table below sets out the Group's investment securities by accounting classification as at 31 December 2025. Information on a comparable quarterly basis is not available, as the Group does not disclose investment securities by accounting classification in its interim condensed consolidated financial statements.

	FVOCI	FVTPL	Amortised cost	Associate	Total
			(*KD '000s*)		
Debt securities	268,513	41,397	261,361	—	571,271
Equity securities	147,066	40,054	—	19,345	206,465
Managed funds	—	68,256	—	—	68,256
Less: Expected credit losses	—	—	(941)	—	(941)
	415,579	**149,707**	**260,420**	**19,345**	**845,051**

For further information on the Group's investment securities, see note 6 to the 2023 Financial Statements and note 22 to each of the Annual Financial Statements.

Liabilities

As at 31 March 2026, the Group's total liabilities amounted to KD 8.5 billion, compared with KD 7.6 billion as at 31 March 2025, representing an increase of KD 0.9 billion or 12 per cent. The movement was primarily driven by changes in customer deposits and interbank borrowings, reflecting the continued management of the Group's funding base and liquidity position across its core markets.

As at 31 December 2025, the Group's total liabilities amounted to KD 8.0 billion, compared with KD 7.1 billion as at 31 December 2024 and KD 6.4 billion as at 31 December 2023, representing a compound annual growth rate of 11.9 per cent. over the period. The increase was primarily driven by growth in customer deposits and interbank borrowings, predominantly within the Group's operations in Kuwait. This was further supported by Burgan's USD 500 million Certificate of Deposit programme, under which outstanding issuances as at 31 December 2025 amounted to approximately USD 200 million (KD 61 million), providing additional stable funding to support the Group's business activities and growth initiatives.

Deposits from customers

The Group's customer deposits primarily comprise demand deposits—including current and savings accounts (CASA)—and time deposits. Demand deposits are largely non-interest bearing and can be withdrawn at any time without notice, providing a stable and low-cost funding base. Time deposits, in contrast, carry interest and have a fixed maturity, contributing to the Group's predictable and structured funding profile.

As at 31 March 2026, customer deposits amounted to KD 6.1 billion, compared to KD 5.4 billion as at 31 March 2025, representing an increase of KD 681 million, or 13 per cent. The increase was principally attributable to growth in deposits across the Group's core markets and customer segments. Customer deposits represented approximately 72 per cent. of total liabilities as at 31 March 2026, broadly stable compared with 31 March 2025, underscoring the stability and resilience of the Group's funding base.

As at 31 December 2025, customer deposits amounted to KD 5.5 billion, compared with KD 4.9 billion as at 31 December 2024 and KD 4.5 billion as at 31 December 2023. Customer deposits represented 67.8 per cent. of the Group's total liabilities as at 31 December 2025, compared with 68.7 per cent. as at 31 December 2024 and 69.5 per cent. as at 31 December 2023, reflecting the continued significance of customer deposits as the Group's principal source of funding and the relative stability of its funding structure over the period.

The Group's customer deposits are well diversified, with CASA balances accounting for 28.4 per cent. of total deposits as at 31 March 2026, compared with 27.2 per cent. as at 31 December 2025, 30.9 per cent. in 2024 and 32.4 per cent. in 2023. This reflects a stable and diversified deposit structure, supporting a low-cost and resilient funding profile.

The table below sets out the maturity profile of the Group's customer deposits as at 31 December in each of 2025, 2024 and 2023, based on remaining undiscounted contractual maturities. Information on a comparable quarterly basis is not available, as the Group does not disclose this level of detail in its interim condensed consolidated financial statements.

	Up to 3 months	3 to 6 months	6 to 12 months	More than 12 months	Total
			(*KD '000s*)		
As at 31 December 2025					
Deposits from customers	3,573,688	1,039,209	733,620	166,174	**5,512,691**
As at 31 December 2024					
Deposits from customers	3,674,815	677,296	458,697	145,594	**4,956,402**
As at 31 December 2023					
Deposits from customers	3,235,371	578,179	620,324	83,150	**4,517,024**

The Group's customer deposits demonstrate a well-structured maturity profile, supporting both liquidity and operational flexibility. As at 31 December 2025, 64.8 per cent. of deposits had a remaining contractual maturity of less than three months, 97.0 per cent. matured within one year, and 3.0 per cent. had maturities extending beyond one year.

As at 31 December 2024, 74.1 per cent. of deposits were expected to mature within three months, 97.1 per cent. within one year, and 2.9 per cent. beyond one year. At 31 December 2023, the respective proportions were 71.6 per cent., 98.2 per cent., and 1.8 per cent.

The maturity profile reflects the Group's prudent liquidity management approach and supports the maintenance of a stable and diversified funding base.

RECENT DEVELOPMENTS

Acquisition of UGB

On 17 December 2024, the Group received final approval from the Central Bank of Kuwait to acquire 100 per cent. of the voting equity of United Gulf Bank B.S.C (closed) ("UGB"), a licensed conventional wholesale Bank based in Bahrain, for USD 190 million (KD 58.6 million). The acquisition aligns with the Bank's strategy to reallocate assets and diversify revenue streams. The share purchase agreement was executed on 14 January 2025, with legal transfer of shares and control occurring on 25 February 2025. During the year, the Group completed the Purchase Price Allocation (PPA), recognising intangible assets of KD 9.3 million related to the brand, customer relationships, and brokerage license, and goodwill of KD 6 million. Further details are set out in Note 24 (Business Combination) to the 2025 Annual Financial Statements.

CAPITAL ADEQUACY

Capital adequacy, financial leverage and the use of regulatory capital instruments are monitored regularly by Management and governed by Basel Committee guidelines as adopted by the CBK.

The CBK's Basel III framework consists of three pillars:

- Pillar 1 provides a framework for measuring capital requirements for credit, operational and market risks under the "Standardised Approach";
- Pillar 2 relates to the supervisory review process and emphasises the importance of the Internal Capital Adequacy Assessment Process (ICAAP) performed by banks; and

- Pillar 3 aims to complement the capital adequacy requirements under Pillar 1 and Pillar 2 by requiring banks to provide a consistent and understandable disclosure framework which facilitates comparison, thus enhancing the safety and soundness of the banking industry in Kuwait.

The Basel III minimum requirements for capital are underpinned by a leverage ratio that serves as a backstop to the risk-based capital measures. There are also buffer requirements in the form of a capital conservation buffer, a countercyclical capital buffer and an additional surcharge for banks designated as domestic systemically important.

The primary objectives of the Group's capital management policy are to ensure that the Group complies with regulatory capital requirements and that the Group maintains strong credit ratings and healthy capital ratios to support its business and maximise shareholder value.

The table below sets out the Bank's minimum capital requirements expressed as a percentage of risk-weighted assets.

Minimum Capital Requirement (per cent.) (1)	**CET1**	**Tier 1**	**Total**
31 March 2026(2)	9.50	11.00	13.00
31 December 2025	10.50	12.00	14.00
31 December 2024	10.50	12.00	14.00
31 December 2023	10.50	12.00	14.00

Notes:

(1) Includes a CET1 Domestic Systemically Important Bank buffer of 1 per cent.

(2) Represents the reduced capital adequacy requirements implemented pursuant to the CBK's Circular No. (2) RB/RBA/619 dated 26 March 2026

The Bank is required to maintain a minimum total capital adequacy ratio of 14.0 per cent. under the Basel III framework as implemented by the CBK, comprising a 2.5 per cent. Capital Conservation Buffer and a 1.0 per cent. Domestic Systemically Important Bank ("D-SIB") surcharge, in addition to the minimum regulatory capital requirement of 10.5 per cent.

In light of evolving regional geopolitical developments during the first quarter of 2026, the CBK issued Circular No. (2) RB/RBA/619 on 26 March 2026, introducing a temporary package of regulatory relief measures aimed at enhancing the flexibility and resilience of the Kuwaiti banking sector and supporting the continued flow of credit to the real economy. As part of this package, the CBK released 1.0 per cent. of the Capital Conservation Buffer, thereby reducing the applicable minimum total capital adequacy requirement from 13.0 per cent. to 12.0 per cent., to be met through Common Equity Tier 1 ("CET1") capital. The measure is intended to provide additional prudential headroom and balance sheet capacity to support lending activity while maintaining sound capitalisation levels. The CBK noted that Kuwaiti banks continue to operate with capital adequacy ratios comfortably above regulatory minima and international benchmarks. The relief measures are temporary in nature and may be amended, withdrawn or replaced by the CBK depending on future economic and geopolitical developments.

As at the date of this Base Offering Circular, and based on the interim condensed consolidated financial statements for the three-month period ended 31 March 2026 and for each of the years ended 31 December 2025, 2024 and 2023, the countercyclical capital buffer, which ranges from 0 to 2.5 per cent., has not been included in the minimum capital requirements. The CBK has not indicated when such buffer may be introduced. Should it be mandated in the future, Basel Committee guidelines provide for a 12-month lead time for compliance.

The table below shows the composition of the Group's regulatory capital and its capital ratios as at 31 March 2026 (reflecting the temporary regulatory relief measures), and as at 31 December in each of 2025, 2024 and 2023 (determined in accordance with Basel III as implemented in Kuwait). Capital ratios reported at interim period-end dates are typically lower than those at year-end, as retained year-to-date profits (net of interim proposed dividends) are only recognised in regulatory capital at year-end, whereas asset growth during interim periods is reflected in risk-weighted assets on an ongoing basis

	As at 31 March	As at 31 December		
	2026	2025	2024	2023
Total risk-weighted assets (KD '000s)[1]	**8,298,119**	**7,806,078**	**7,017,117**	**6,358,901**
Common Equity Tier 1 capital (KD '000s)[2]	873,574	874,512	885,040	861,475
Additional Tier 1 capital (KD '000s)[3]	164,398	162,645	161,432	162,335
Tier 2 capital (KD '000s)[4]	281,470	271,853	261,671	247,954
Total eligible capital (KD '000s)	**1,319,442**	**1,309,010**	**1,308,143**	**1,271,764**
CET1 capital adequacy ratio (per cent.)[5][6]	10.5	11.2	12.6	13.5
Tier 1 capital adequacy ratio (per cent.)[5][7]	12.5	13.3	14.9	16.1
Total capital adequacy ratio (per cent.)[5][8]	15.9	16.8	18.6	20.0

Notes:

(1) Risk-weighted assets are calculated under the standardised approach.

(2) Common Equity Tier 1 capital comprises share capital, share premium, eligible reserves, retained earnings and eligible non-controlling interests net of regulatory adjustments.

(3) Additional Tier 1 capital comprises Perpetual Tier 1 Capital Securities classified as equity and certain additional eligible portion of non-controlling interests.

(4) Tier 2 capital comprises Subordinated Tier 2 Bonds classified as debt, the allowed portions of general provisions and certain additional eligible non-controlling interests.

(5) Calculated in accordance with the requirements of the CBK and the capital adequacy regulations issued by the CBK as stipulated in CBK Circular number 2/RB, RBA/A336/2014 dated 24 June 2014.

(6) Common Equity Tier 1 capital adequacy ratio is defined as Common Equity Tier 1 capital divided by risk-weighted assets at a given date.

(7) Tier 1 capital adequacy ratio is defined as Tier 1 capital resources divided by risk-weighted assets at a given date.

(8) Total capital adequacy ratio is defined as total capital resources divided by risk-weighted assets at a given date.

The Group is subject to a minimum Basel III leverage ratio requirement of 3 per cent. prescribed by the CBK, designed as a non-risk-based backstop to the risk-weighted capital framework. The Group's leverage ratio remained significantly above the regulatory minimum, amounting to 10.6 per cent. as at 31 December 2025, 11.9 per cent. as at 31 December 2024 and 12.6 per cent. as at 31 December 2023, reflecting a consistently strong leverage position over the period. As at 31 March 2026, the leverage ratio was 10.2 per cent., continuing to demonstrate a robust capital structure and prudent balance sheet management.

Transactions with related parties

The Bank has entered into transactions with certain related parties (Parent Company and entities controlled, jointly controlled or significantly influenced) who were customers of the Bank during the year. The "Others" column in the table below mainly represents transactions with other related parties that are either controlled or significantly influenced by the parent Company. The terms of these transactions are substantially on the same commercial basis as approved by the Bank's management, including collateral. Lending to related parties is secured by tangible collateral in accordance with regulations of Central Bank of Kuwait. The outstanding balances and transactions are as follows:

Particulars (KD '000s)	Parent Company KD '000s	Associates KD '000s	Others KD '000s	31 March	31 December	31

				2026 KD'000s	2025 KD '000s	March 2025 KD '000s
Consolidated Statement of Financial Position						
Due from banks and OFIs*	-	-	148,402	148,402	150,489	166,834
Loans and advances to customers*	-	-	815,719	815,719	813,427	863,841
Investment securities	7,895	-	90,422	98,317	98,655	101,339
Investment securities managed by a related party	-	-	68,110	68,110	68,033	72,729
Investment properties	17,974	-	-	17,974	17,799	-
Other assets	426	-	512	938	1,184	8,281
Due to banks	-	-	501	501	5,377	9,490
Due to other financial institutions	6	5	10,157	10,168	9,232	59
Deposits from customers	197,351	8,507	69,400	275,258	271,783	149,749
Other liabilities	1,795	-	266	2,061	2,787	3,068
Commitments and contingent liabilities						
Letters of credit	-	-	4,153	4,153	1,657	10,981
Letters of guarantee	-	-	46,454	46,454	46,128	46,420
Undrawn lines of credit	-	-	93,066	93,066	97,937	42,056
Other commitments	-	-	24,372	24,372	25,208	13,840
Transactions						
Interest income	-	-	10,745	10,745	50,287	12,943
Interest expense	(1,795)	(82)	(446)	(2,323)	(5,682)	(949)
Fee and commission income	339	-	480	819	3,029	321
Fee and commission expenses	-	-	(4)	(4)	(16)	-
Dividend income	-	-	-	-	34	-
Other income	56	-	4	60	310	-
Other expense	-	-	(1,099)	(1,099)	(6,336)	(1,196)
Other transactions during the year						
Acquisition of subsidiary	-	-	-	-	58,596	58,596
Purchase of property and equipment	-	-	-	-	-	-
Tier 1 capital securities issuance cost	-	-	-	-	-	-

* As of 31 March 2026, the fair value of the total eligible collateral to the extent of the outstanding balances amounted to KD 510,980 thousand (31 December 2025: KD 518,854 thousand and 31 March 2025: KD 512,849 thousand).

TAXATION

The following is a summary description of certain Kuwaiti tax considerations relating to the Issue Shares. It does not purport to be a complete analysis of all tax considerations relating to the Shares, whether in Kuwait or elsewhere. Prospective subscribers of Issue Shares should consult their tax advisers as to the consequences under the tax laws of the country in which they are resident for tax purposes and the tax laws of Kuwait of acquiring, holding and disposing of Issue Shares and receiving payments under the Issue Shares and the consequences of such actions under the tax laws of the State of Kuwait. This summary is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date.

This summary of taxation in Kuwait is based on the Kuwait Income Tax Decree No. 3 of 1955 (the Decree), as amended by Law No. 2 of 2008 "Amending Certain Provisions of Kuwait Income Tax Decree No. 3 of 1955" (the "**Amendment**"), the Executive Bylaws of the Amendment (the "**Regulations**"), Decree Law No. 157 of 2024 introducing the Domestic Minimum Top-Up Tax (DMTT), and various ministerial resolutions and circulars relating thereto issued by the Ministry of Finance (the "**MOF**") (together, the "**Taxation Laws**") as interpreted and implemented by the MOF's Department of Income Tax ("**DIT**") as at the date of this Prospectus. Any subsequent changes in either the Taxation Laws or the interpretation or implementation of the same by the DIT would alter and affect this summary.

Income Tax

Under the Taxation Laws, income tax (at a flat rate of 15 per cent.) is levied on, *inter alia*, the net income and capital gains realized by any corporate entity (interpreted by the DIT to mean any form of Company or partnership), wherever incorporated, that conducts business in Kuwait. However, the DIT to date has granted a concession to such corporate entities incorporated in Kuwait or in any other GCC country (being referred to in this Prospectus as GCC corporate entities) and has only imposed income tax on corporate entities which are not GCC corporate entities (being referred to in this Prospectus as non-GCC corporate entities) which, for the avoidance of doubt, includes shareholders of GCC corporate entities which are themselves non-GCC corporate entities, in each case, conducting business in Kuwait. The following paragraphs in this section are therefore applicable only to non-GCC corporate entities. In parallel, Kuwait has enacted the DMTT, effective 1 January 2025, which applies to multinational enterprise groups with global consolidated revenues of at least EUR 750 million in at least two of the previous four fiscal years. The DMTT imposes a minimum effective tax rate of 15 per cent on Kuwait profits of such groups, regardless of whether they are incorporated in Kuwait, in another GCC country, or elsewhere.

Notwithstanding the above, the Article 8(1) of the Regulations have exempted capital gains from the trading of listed Company shares on Boursa Kuwait (the "Capital Gain Exemption") and the recently implemented Law No. 22 of 2015 amending Law No. 7 of 2010 (the "CMA Amendment") provides that "yields of securities, bonds, finance sukuk and all other similar securities regardless of the Issuer thereof shall be exempted from tax" (Article 150 bis of the CMA Amendment) (the "Dividend Exemption", and together with the Capital Gain Exemption, the "Tax Exemptions"). Although the Tax Exemptions are yet to be tested, they clearly provide for a tax exemption to the holders of securities such as, for example, the Issue Shares. Notwithstanding the foregoing, the application and enforcement of the Kuwaiti income tax regime remains uncertain, especially as a result of the lack of DIT and/or Kuwaiti court precedent referred to above and as a result of the fact that the DIT has to date not always adopted consistent rulings on Kuwaiti tax matters more generally. While the Capital Gain Exemption and the Dividend Exemption remain in force under Kuwaiti law, the DMTT incorporates exclusions consistent with OECD Pillar Two rules, under which certain dividends and capital gains may be excluded from the effective tax rate calculation if specific conditions are met. As a result, although the DMTT may override exemptions in some cases to ensure the minimum effective tax rate is achieved, qualifying dividends and capital gains may continue to benefit from favourable treatment under the DMTT framework.

The introduction of the DMTT forms part of Kuwait's broader compliance with the OECD/G20 Base Erosion and Profit Shifting (BEPS) Pillar Two framework, which seeks to ensure that large multinational groups are subject to a global minimum level of taxation. Accordingly, holders of Issue Shares that are part of multinational enterprise groups within the scope of the DMTT may be subject to additional Kuwaiti tax obligations, including filing and compliance requirements with the MOF, even where local exemptions would otherwise apply. Non-GCC corporate entities that do not meet the DMTT threshold remain subject to the traditional 15 per cent income tax regime.

Individuals are not subject to any Kuwaiti income tax on their income or capital gains.

Retention

Under the Regulations, a Kuwaiti-based party making such a payment (being referred to in this section as the payer) to any other party (being referred to in this section as the payee), wherever incorporated, is obliged to deduct five per cent of the amount of each such payment until such time as the DIT issues a tax clearance certificate approving the release of such amount. The payer is not required to transfer the deducted amount to the DIT immediately, but instead retains such amount and releases it either (i) to the payee upon presentation to the payer by such payee of a tax clearance certificate from the DIT confirming that the payee is not subject to or is exempt from income tax, or has realized a loss, or has paid or guaranteed the payment of its income tax; or (ii) in the absence of such a tax clearance certificate, to the DIT, on demand. According to a literal interpretation of the Regulations, payments which are subject to a deduction as described above would include dividend payments.

Although payments made by the Issuer would likely not subject to retention because of the Tax Exemptions, there is a lack of guidance on this issue currently from DIT, and as such, there is a remote possibility that retention could apply. It should be noted that although the DMTT does not itself contain provisions relating to retention and has replaced the Income Tax Decree for in-scope multinational groups, the DIT has instructed that the retention mechanism continues to be applied in practice., In the event of retention, the Issuer would be required to deduct five per cent. from every payment made by it to the holders of Shares, which amount would be released by the Issuer upon presentation to it by the relevant holder of Shares of a tax clearance certificate from DIT.

Other taxes

Save as described above, all payments in respect of the Issue Shares may be made without withholding, deduction or retention for, or on account of, present taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Kuwait.

No stamp, registration or similar duties or taxes will be payable in Kuwait by holders of Issue Shares in connection with the issue or any transfer of the Issue Shares.

MAJOR CONTRACTS

The Company has not entered into any major contracts outside of its area of activities in the past two years.

The Issuer has no specific clients or suppliers and patents, intellectual property rights, licenses or private contracts which have a major significance for the Issuer's activity (except as described in the Prospectus description of the business).

GENERAL INFORMATION

Capital Markets Authority

The CMA in Kuwait is the regulating authority in charge of, as per the Capital Markets Law No. 7 of 2010 and its executive regulations as amended by Decision No. (72) of 2015 issued on 10 November 2015, regulating the issuance of securities in Kuwait and to issue the required licenses and approvals for the Offering.

The authority to issue and offer securities

The Capital Markets Authority in Kuwait (in addition to the CBK in respect of banks and financial institutions regulated by the CBK), are the regulating authorities in charge of issuing the required licenses and approvals for the Offering in Kuwait.

Material Change

Save as disclosed in this Prospectus, there has been no material adverse change in the financial position of the Company since 31 March 2026, and there have been no negative material changes in the future expectations of the Issuer since 31 March 2025.

Independent Auditors

The financial statements for the periods ended December 2023, December 2024, and December 2025 were audited jointly between the office of Safi Al-Mutawa and Partners (KPMG) - License No. - 130 Class A - and Al-Bazie & Partners Office (RSM) - License No. - 33 Class A.

The financial statements for the three months ended 30 March 2026 were reviewed jointly between the office of Safi Al-Mutawa and Partners (KPMG) - License No. - 130 Class A - and Al-Bazie & Partners Office (RSM) - License No. - 33 Class A.

Litigation

The Bank is not involved in any litigation or arbitration proceedings (including any such proceedings which are pending or threatened of which the Bank is aware) which if adversely determined may have a significant effect or material adverse effect on the financial position or profitability of the Bank

Resolution of the Extraordinary General Assembly and Board of Directors

The Issue Shares shall be issued pursuant to the Kuwait Capital Markets Law No. 7 Of 2010 and its Executive Regulations as amended and the Companies Law No. 1 of 2016.

The authorized capital of the Issuer was increased to KD 600,000,000 pursuant to a resolution of the Extraordinary General Assembly passed on 25 November 2025. At meetings held on 14 January 2026 and 15 June 2026, the Board of Directors approved the increase of the Issuer's issued and paid-up share capital through the issuance of the Issue Shares and made a final determined an Offer Price of 180 fils per Issue Share, having taken into consideration prevailing market conditions, sector dynamics and execution considerations.

Official Consent

Approval to the issuance of the Issue Shares has been granted by the Central Bank of Kuwait ("CBK") on 1 April 2026 and by letter dated 24 June 2026 the CBK was informed of the share premium being set at 80 fils per share and on 14 July 2026, a second approval was issued by the Central Bank of Kuwait.. Approval has been granted by the CMA on 19 July 2026 for the Issuer to issue the Issue Shares. The approval of the Prospectus has been granted by the CMA on 16 August 2026.

Clearance

The clearing of the shares' transaction shall be completed through the Kuwait Clearing Company K.S.C and its subsidiaries.

Control/Supervision of the Company

The Issuer operates in the State of Kuwait in accordance with the provisions of the Monetary Law and the Central Bank of Kuwait and the Regulation of the Banking Profession No. 32 of 1968 and the instructions issued by the Central Bank of Kuwait, Law No. 7 of 2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activities and its executive regulations, and the Kuwaiti Companies Law promulgated by Law No. 1 for the year 2016 and its amended executive regulations. The Bank is subject to the supervision of the Central Bank of Kuwait, the Capital Markets Authority and the Ministry of Commerce and Industry in the State of Kuwait, each within the limits of its jurisdiction.

ISSUER'S MEMORANDUM AND ARTICLES OF ASSOCIATION

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• Consolidated financial statements for year ended 31 December 2024	Click here
• Consolidated financial statements for year ended 31 December 2023	Click here

Issuer

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State of Kuwait

Issuance Advisor and Subscription Agent

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Khaled Ibn Al-Waleed Street, Sharq
P.O. Box 28873, Safat 13149
State of Kuwait

Clearing and Depository Agent

Kuwait Clearing Company K.S.C
and its subsidiaries
(For general inquiries and restricted shares):
Mubarak Al Kabeer Street, Kuwait Stock Exchange Building
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Safat 13081
State of Kuwait

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