Al-Tijari التجاري

Date: 28 January 2026
REF: CCG/004/2026

التاريخ :28 يناير 2026
الإشارة: CCG/004/2026

Sirs, Boursa Kuwait
Sirs, Capital Markets Authority

السادة/ بورصة الكويت المحترمين
السادة/ هيئة أسواق المال المحترمين

According to chapter four (Disclosure of Material Information) of module ten (Disclosure and Transparency) of CMA Executive Bylaws of Law No. 7/2010 and its amendments.

وفقاً لأحكام الفصل الرابع (الإفصاح عن المعلومات الجوهرية) من الكتاب العاشر (الإفصاح والشفافية) من اللائحة التنفيذية للقانون رقم 2010/7 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاتهما.

Kindly find attached the Annex No. (8) Disclosure of Credit Rating Form covering the credit rating report issued by Fitch about Commercial Bank of Kuwait.

مرفق لكم ملحق رقم (8) نموذج الإفصاح عن التصنيف الائتماني، بخصوص تقرير التصنيف الائتماني الصادر من قبل وكالة فيتش عن البنك التجاري الكويتي.

Best regards,

مع أطيب التمنيات،

تميم الميعان
مدير عام الالتزام والحوكمة

Tamim Al-Meaan
GM – Compliance & Corporate Governance

The Commercial Bank of Kuwait S.A.K. البنك التجاري الكويتي ش.م.ك

GEN 222-04-2025

البنك التجاري الكويتي ش.م.ك.ع.
Commercial Bank of Kuwait K.S.C.P.

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سجل تجاري رقم
C.R. No. 7706

رأس المال المصرح به 250,000,000 د.ك – رأس المال المصدر والمدفوع 219,126,208.900 د.ك
Authorized capital KD 250,000,000 - Issued and paid-up capital KD 219,126,208.900

Al-Tijari التجاري

Annex (8)	Disclosure of Credit Rating Form
Date	28 Jan 2026
Name of Listed Company	Commercial Bank of Kuwait (K.P.S.C)
Entity who issues the rating	Fitch Ratings
Rating category	**Foreign Currency:** – Long-Term IDR: **A** – Short-Term IDR: **F1** – Long-Term IDR (xgs): **BB+**(xgs) – Short-Term IDR (xgs): **B**(xgs) – Viability Rating: **bb+** – Government Support Rating: **a** **Sovereign Risk (Kuwait):** – Long-Term Foreign-Currency IDR: AA- – Long-Term Local-Currency IDR: AA- – Country Ceiling: AA+ **Other Debt and Issuer Ratings** – Senior unsecured Long-Term: **A** – Senior unsecured Short-Term: **F1** – Senior unsecured Long-Term (xgs): **BB+**(xgs) – Senior unsecured Short-Term (xgs): **B**(xgs)
Rating implications	"Fitch" applies special methodology when rating banks, the same can be found on the agency website. – **Long-Term (IDR): A** The rating denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. – **Short-Term (IDR): F1** This rating indicates strongest intrinsic capacity for timely payment of financial commitments. – **Long-Term IDR (xgs): BB+** For non-subsidiary banks with a Viability Rating (VR), the LTIDR(xgs) is assigned at the level of the VR.

GEN 207-12/2018

	– **Short-Term IDR (xgs): B** In the case of non-subsidiary banks and subsidiary banks where ex-government support ratings are driven by VRs, Short-Term IDRs (xgs) reflect the banks' funding and liquidity factor scores. – **Viability Rating (VR): bb+** The ratings denote moderate prospects for ongoing viability. A moderate degree of fundamental financial strength exists, which would have to be eroded before the bank would have to rely on extraordinary support to avoid default. However, an elevated vulnerability exists to adverse changes in business or economic conditions over time. – **Government Support Rating (GSR): a** Very high probability of external support being forthcoming. The potential provider of support is very highly rated, and has at least a high propensity to support the financial institution in question. – The Bank's certificates of deposits Programme ratings are driven by CBK's ratings.
Rating effect on the status of the company	CBK's (IDR) reflect potential support from the Kuwaiti authorities, as reflected in its 'a' Government Support Rating (GSR).
Outlook	Stable The Stable Outlook on the long-term IDR reflects that on the sovereign rating.
Translation of the press release or executive summary	Fitch Ratings has affirmed Commercial Bank of Kuwait K.P.S.C.'s Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook, its Government Support Rating (GSR) at 'a' and its Viability Rating (VR) at 'bb+'. **The CBK Viability Rating (VR):** reflects its moderate franchise and high concentrations. The VR also factors in the bank's stable asset quality, strong profitability, healthy capital ratios and stable funding and liquidity. **GSR of 'a'**: The Kuwaiti authorities have a strong ability and willingness to provide support to domestic banks, irrespective of their size, franchise, funding and level of government ownership. This view considers Kuwait's record of supporting domestic banks and its willingness to maintain market confidence and stability, due to high contagion risk among domestic banks.

Al-Tijari التجاري

Stable Operating Environment:

The Kuwaiti operating environment will remain stable in 2026, supported by higher forecast real GDP growth and real non-oil GDP growth. The ratified public debt law and extremely strong external assets will continue to support government spending on wages and capital expenditure, and maintain business confidence, despite volatile oil prices, creating appropriate operating conditions for banks.

Fitch expects bank credit growth to remain reasonable at 7%–8% in 2026 but to be much higher if large government projects are promptly tendered and the residential mortgage law is approved, supported by likely lower interest rates.

High Concentrations:

Risk appetite remains high with significant sector and single-obligor concentrations. Top 20 exposures equalled 2.8x CET1 capital at end-3Q25 (funded portion: 1.5x). Lending to purchase securities (12% of loans) exceeds sector average (6%).

Stable Asset Quality:

Stage 3 loans ratio remained low (end-3Q25: 0.7%; end-2024: 0%). Gross write-offs reached 3% (non-annualised) in 9M25 (2024: 0.8%), or 0.1% net of recoveries, related to fully-provisioned legacy exposures. CBK no longer follows strict 0% Stage 3 policy but targets below 2%. Stage 2 declined to 8.1% (end-2024: 12.6%; end-2023: 14.5%). Loan loss reserve coverage was high at 6.6% (sector: 4%). Fitch expects Stage 3 around 1% by end-2026.

Strong Profitability:

CBK has adequate business generation, healthy net interest margins (NIMs) and cost efficiency (both better than peers), and low net impairment charges due to recoveries. Annualised operating profit/risk weighted assets (RWAs) declined to 2.8% in 9M25 (2024: 3.8%) after large non-recurring loan loss recoveries in 2024 but remained above peers. Operating profit grew only 2% in 9M25 as lower rates compressed NIMs (9M25 annualised: 3.2%; 2024: 3.4%). Fitch expects operating profit/RWAs ratio to be 2.7% in 2026.

Healthy Capitalisation:

CBK CET1 capital ratio at 14.3% at end-3Q25 (15.8% including 50% of 9M25 interim profits; end-2024: 15.4%) remained stable despite interim cash dividend distribution and 5% RWA growth.

	Fitch forecasts 15%-15.5% by end-2026. Tangible assets/equity of 14.9% exceeds sector average (10.3%). **Stable Funding and Liquidity**: CBK is mainly funded by customer deposits (end-3Q25: 67% of non-equity funding) although declined from 73% at end-2024, with the bank diversifying and optimising funding through medium-term bilateral borrowing (16%), repos (8%), and bank deposits (7%). The bank's liquidity is adequate with gross loans/customer deposits of 113% at end-3Q25 (sector average: 97%), mitigated by other stable non-equity funding. The liquidity coverage (222%) and net stable funding (109%) ratios reflect sound liquidity and funding.