

## CAPITAL BANK OF JORDAN

Strong acceleration in revenue growth and balance sheet activity; to meet or exceed MT targets this year

- CAPL expected to meet/exceed 2027 targets with strong NII from NIM expansion and balance sheet growth. Key metrics: Asset growth CAGR: 8% (FY25e: 8% vs 5% YTD), C/I < 40% (FY25e 37.6%), RoTE > 16% (FY25e 17.2%), CAR > 15% (Q3: 16.9%), and DPO 25-50% (ACe 33%)
- Earnings in 9M 25 increased 29.5% y/y due to a 17% y/y rise in NII from margin expansion, 1.5x increase in FX income, lower provisions (CoR: 134bps vs. 184bps last year), and positive JAWs of 3ppts.
- Significant negative 12-month ALM gap of 22.9%, with faster liability adjustments (NIM expanded by 40bps y/y); benefit from lower policy rates.
- Stock valued at 1x tNAV and P/E 25e of 5.6x, vs mid-cycle RoE of c. 17% and FY27 target >16%; strong profitability in Iraqi franchise.

**RoE of 18.9% in 9M 25.** Earnings in Q3 rose by 8% q/q, mainly driven by i) a 3.2% rise in NII, supported by strong BS activity during the quarter (+4.2% q/q) and stable NIM, ii) a 5.6% increase in F&C, and iii) 48.5% growth in FX income (48.5% q/q). Y/y, earnings are 16.8% higher in Q3 and 29.5% y/y in 9M 25 on similar dynamics, further supported by +JAWs of 3.2ppts and 3ppts, respectively. We update our model, reflecting higher balance sheet growth, partly offset by some moderation in F&C for FY26e+ and higher cost growth.

**Beneficiary of rate cuts with NIM up 39bps y/y, though stable NIM q/q, CASA mix improves.** NIM was flat sequentially, as the drop in asset yields (17bps q/q) offset the decline in CoF (15bps q/q), yet rose by 39bps y/y on faster repricing of liabilities, with CoF down -54bps vs. the 20bps decline in asset yields. CASA share improved to 44.1% from 41.2% in Q2 and 42.6% a year earlier. We forecast a 22bps margin expansion this year, given the negative 12-month ALM gap of -22.9% YE 24 (vs. 27.4% YE 23).

**Loan growth accelerated in Q3.** Loan growth accelerated to 4.6% q/q from 1.4% q/q and 3.2% q/q, taking YtD growth to 9.5% (vs. 1.1% in FY24A, 5.8% in FY23A). Growth was broad, driven by large corporates (+9.2% YtD, +6.3% q/q), retail, incl. mortgages (+9% YtD, +4.7% q/q), and gvt and public (+22.6% YtD, 0.6% q/q). On the funding side, deposits rose by 3.6% q/q (5% YtD), mainly driven by CA (+13.4% q/q, 9.4% YtD), while TDs were flat q/q and up 17.6% YtD, and CDs rose by 5.4x YtD q/q. As of July 2025, the bank's deposit market share stood at 8.5% (8.6% YE 24 & 8.9% YE 23), while the loan market share reached 6.7% (vs. 6.9% YE 24 & 7.9% YE 23).

**Limited NPL formation, while CoR is way ahead.** NPL formation stood at 58bps in Q3, compared to 63bps in Q2 and 102bps in the same period last year, while CoR was well ahead at 139bps, vs. 126bps in Q2 and 169bps in Q3 24. Stage 2 share reached 10.7% vs. 10.8% in Q2, above 8.5% a year earlier, while coverage dropped to 10.7% from 11.7% and 13.8%, respectively. Stage 3 share decreased to 7.9% from 8.4% in Q2 and 10.1% in Q3, while coverage reached 60% vs. 59.9% in Q2 and 54.1%. We calculate a provision deficit of -0.4% of total loans vs. our acid test (1% of stage 1, 12% of stage 2, and 60% of stage 3).

**CAR stands at 16.9% vs. CBJ's requirement of 14.5%.** The LCR and NSFR stood at 149% and 121%, respectively, and the LtD at 66.6% (vs. ~64% YE 24 and 66% Q3 24). Tier 1 ratio rose to 16.3% from 14.9% YE 24, supported by robust RoE of 18.9%, despite a c.10% rise in RWA (vs. +4.9% asset growth). CAR stands at 16.9% vs. CBJ's requirement of 14.5%.

BUY

JOD 4.2

### Banks / JORDAN

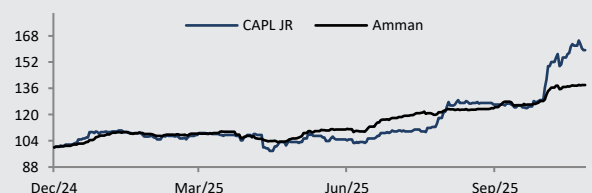
|                |         |
|----------------|---------|
| Bloomberg code | CAPL JR |
| Market index   | Amman   |
| Target Price   | 4.2     |
| Upside (%)     | 38.7    |

### Market data 11/25/2025

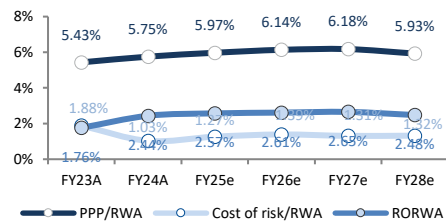
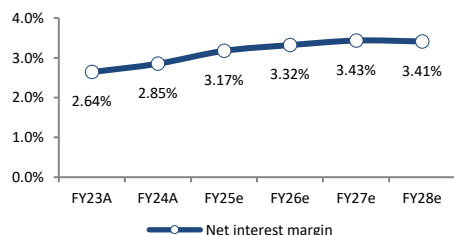
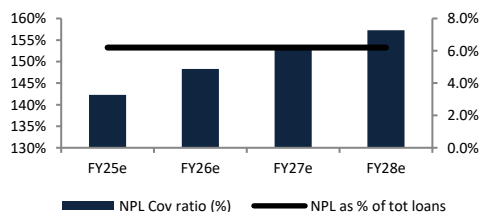
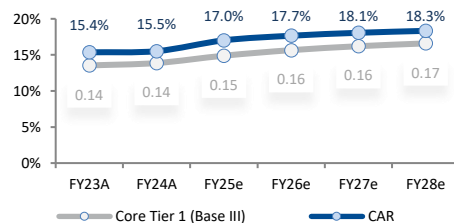
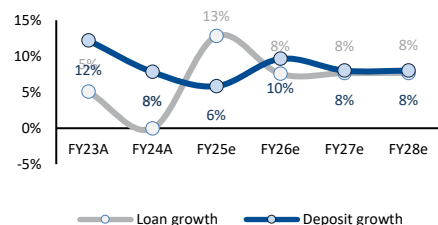
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|------------------------------------|---------|
| Last closing price                 | 3.0     |
| 52 Week range                      | 1.8-3.1 |
| Market cap (JOD m)                 | 797     |
| Market cap (USD m)                 | 1,124   |
| Average Daily Traded Value (JOD m) | 0.00    |
| Average Daily Traded Value (USD m) | 0.5     |
| Free float (%)                     | 44%     |

| Year-end (local m)        | 2023   | 2024 | 2025e | 2026e |
|---------------------------|--------|------|-------|-------|
| Revenue                   | 347    | 403  | 449   | 486   |
| Pre-provisioning profit   | 212    | 247  | 280   | 307   |
| EPS                       | 0.26   | 0.40 | 0.46  | 0.50  |
| P/E (x) (mkt price)       | 11.6   | 7.6  | 6.6   | 6.1   |
| BVPS                      | 2.5    | 2.8  | 3.0   | 3.3   |
| Tangible BVPS             | 2.2    | 2.5  | 2.8   | 3.2   |
| P/B (x) (mkt price)       | 1.2    | 1.1  | 1.0   | 0.9   |
| P/TBVPS (x) (mkt price)   | 1.3    | 1.2  | 1.1   | 1.0   |
| DPS                       | 0.15   | 0.15 | 0.18  | 0.21  |
| Div. yield (%)            | 5.0    | 5.0  | 6.0   | 7.0   |
| EPPS                      | (0.02) | 0.08 | 0.12  | 0.12  |
| RoAA (%)                  | 0.9    | 1.3  | 1.4   | 1.4   |
| RoRWA (%)                 | 1.8    | 2.4  | 2.6   | 2.6   |
| RoATE (%)                 | 12.0   | 16.8 | 17.2  | 16.6  |
| RoEcC (%)                 | 12.8   | 17.9 | 19.5  | 17.8  |
| RAROC (%)                 | 13.1   | 12.9 | 16.6  | 16.1  |
| Net LtD ratio (%)         | 62.9   | 58.3 | 62.2  | 61.0  |
| Risk Weighted Assets (bn) | 3.9    | 4.3  | 4.7   | 5.0   |
| Core Equity T1 ratio (%)  | 13.5   | 13.9 | 14.9  | 15.7  |
| Tier 1 capital ratio (%)  | 12.4   | 13.3 | 16.4  | 17.1  |
| Total capital ratio (%)   | 15.4   | 15.5 | 17.0  | 17.7  |
| NPL ratio (%)             | 6.1    | 8.9  | 6.2   | 6.2   |
| Coverage ratio (%)        | 102.4  | 79.4 | 142.3 | 148.3 |
| Number of shares          | 263    | 263  | 263   | 263   |

### Price Performance



**Abacus** Arqaam Capital Fundamental Data

**Profitability**

**NIM**

**Credit Quality**

**Capital Ratios**

**Growth**

**CAPITAL BANK OF JORDAN**

| Year-end                                    | 2023  | 2024   | 2025e | 2026e | 2027e | 2028e |
|---|-------|--------|-------|-------|-------|-------|
| <b>Performance analysis</b>                 |       |        |       |       |       |       |
| Net Interest Margin (%)                     | 2.64  | 2.85   | 3.17  | 3.32  | 3.43  | 3.41  |
| Asset yield (%)                             | 6.33  | 6.45   | 6.23  | 6.03  | 5.90  | 5.87  |
| Cost of Funds (%)                           | 4.17  | 4.15   | 3.56  | 3.15  | 2.87  | 2.87  |
| Risk Adjusted Margins (%)                   | 1.55  | 2.25   | 2.43  | 2.51  | 2.67  | 2.64  |
| Cost / Income (%)                           | 38.9  | 38.6   | 37.6  | 37.0  | 36.5  | 37.1  |
| Net Interest Income / total income (%)      | 51.4  | 52.1   | 56.4  | 58.8  | 60.8  | 62.4  |
| Fees & Commissions / operating income (%)   | 41.0  | 42.7   | 36.9  | 34.9  | 33.2  | 32.4  |
| Trading gains / operating income (%)        | 0.5   | 0.3    | 0.4   | 0.4   | 0.4   | 0.4   |
| RoATE (%)                                   | 12.0  | 16.8   | 17.2  | 16.6  | 16.3  | 14.8  |
| Pre-prov. RoATE (%)                         | 24.1  | 22.7   | 24.2  | 24.1  | 23.2  | 21.8  |
| RoAA (%)                                    | 0.9   | 1.3    | 1.4   | 1.4   | 1.4   | 1.3   |
| Revenue / RWA (%)                           | 8.89  | 9.37   | 9.57  | 9.74  | 9.72  | 9.43  |
| Costs / RWA (%)                             | 3.46  | 3.62   | 3.60  | 3.60  | 3.55  | 3.50  |
| PPP / RWA (%)                               | 5.43  | 5.75   | 5.97  | 6.14  | 6.18  | 5.93  |
| Cost of Risk / RWA (%)                      | 1.88  | 1.03   | 1.27  | 1.39  | 1.31  | 1.32  |
| RoRWA (%)                                   | 1.76  | 2.44   | 2.57  | 2.61  | 2.65  | 2.48  |
| RoRWA (%) (adj. for gross-up of associates) | 1.76  | 2.44   | 2.57  | 2.61  | 2.65  | 2.48  |
| Year-end                                    | 2023  | 2024   | 2025e | 2026e | 2027e | 2028e |
| <b>Asset Quality</b>                        |       |        |       |       |       |       |
| Provisions charge / avg. gross loans (%)    | 2.0   | 1.2    | 1.5   | 1.6   | 1.5   | 1.5   |
| Past due not impaired / gross loans (%)     | 5.3   | 6.2    | 6.4   | 6.7   | 7.0   | 7.3   |
| NPL / gross loans (%)                       | 6.1   | 8.9    | 6.2   | 6.2   | 6.2   | 6.2   |
| NPL coverage ratio (%)                      | 102.4 | 79.4   | 142.3 | 148.3 | 153.0 | 157.2 |
| Provisions / avg. gross loans (%)           | 5.3   | 6.2    | 6.4   | 6.7   | 7.0   | 7.3   |
| Provisions charge / operating income (%)    | 34.7  | 17.9   | 21.2  | 22.6  | 21.2  | 22.3  |
| Year-end                                    | 2023  | 2024   | 2025e | 2026e | 2027e | 2028e |
| <b>Funding and Liquidity</b>                |       |        |       |       |       |       |
| Net Loans / Deposits (%)                    | 62.9  | 58.3   | 62.2  | 61.0  | 60.8  | 60.6  |
| Cash and interbank / assets (%)             | 17.6  | 20.9   | 17.6  | 19.1  | 19.5  | 19.8  |
| Deposits / liabilities (%)                  | 79.4  | 79.4   | 76.6  | 78.6  | 79.5  | 80.3  |
| Year-end                                    | 2023  | 2024   | 2025e | 2026e | 2027e | 2028e |
| <b>Capital and leverage ratios</b>          |       |        |       |       |       |       |
| Core Tier 1 ratio (Basel III) (%)           | 13.5  | 13.9   | 14.9  | 15.7  | 16.2  | 16.6  |
| Tier 1 ratio (%)                            | 12.4  | 13.3   | 16.4  | 17.1  | 17.5  | 17.8  |
| Total capital ratio (%)                     | 15.4  | 15.5   | 17.0  | 17.7  | 18.1  | 18.3  |
| Tangible equity / assets (%)                | 9.6   | 10.1   | 9.5   | 9.7   | 9.9   | 9.9   |
| RWA / assets (%)                            | 51.4  | 52.2   | 52.3  | 52.0  | 52.2  | 52.2  |
| Year-end                                    | 2023  | 2024   | 2025e | 2026e | 2027e | 2028e |
| <b>Growth</b>                               |       |        |       |       |       |       |
| Revenues (%)                                | 64.7  | 16.1   | 11.6  | 8.2   | 7.3   | 3.6   |
| Cost (%)                                    | 26.0  | 15.3   | 8.7   | 6.4   | 5.9   | 5.5   |
| Pre-Provision Operating Profit Growth (%)   | 104.8 | 16.7   | 13.4  | 9.3   | 8.1   | 2.6   |
| Provisions (%)                              | 156.7 | (39.8) | 34.3  | 16.7  | 1.3   | 8.0   |
| Net Profit (%)                              | 17.3  | 50.2   | 15.4  | 7.9   | 8.9   | (0.2) |
| Assets (%)                                  | 9.1   | 8.5    | 9.0   | 7.0   | 7.0   | 7.0   |
| Loans (%)                                   | 5.1   | (0.1)  | 12.8  | 7.5   | 7.6   | 7.7   |
| Deposits (%)                                | 12.2  | 7.8    | 5.8   | 9.6   | 8.0   | 8.0   |
| Risk Weighted Assets (%)                    | (2.1) | 10.2   | 9.3   | 6.4   | 7.4   | 6.9   |

**Abacus** Arqaam Capital Fundamental Data

**Company Profile**

The bank is a public shareholding company registered and incorporated in Jordan in 1995. The bank provides its banking services through its 34 branches located in Jordan along with its subsidiaries, The National Bank of Iraq in Iraq (39 branches), Capital Investments in Jordan and Dubai International Finance Center (DIFC), Capital Leasing in Jordan, National Iraqi Instalments (51% stake), and one branch in Riyadh through NBI. With USD 12.2bn in assets, it ranks the fourth bank after Arab Bank (USD 43.5b), Housing Bank (13.1b) and Bank al Etihad (12.3b), but ahead of Jordan Kuwait Bank (7.5b).

In February 2022, Capital Bank Group bolstered its capital base with the issuance of a Tier 1 perpetual bond for USD 100m. The bond is the first issuance of its kind for a Jordanian bank in the local market and the first by a Jordanian Company to be listed in the region's international financial market – NASDAQ Dubai. Coupon Rate of 7%.

PIF is a strategic investor with a 24% stake, helping with the funding of the acquisition of Société Générale de Banque Jordanie.

In 2023, Capital Bank expanded into leasing in Iraq and expand its leasing operations in Jordan.

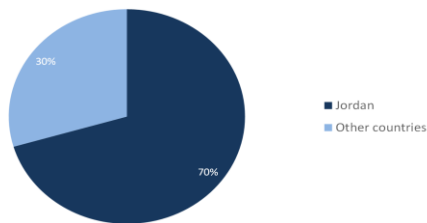
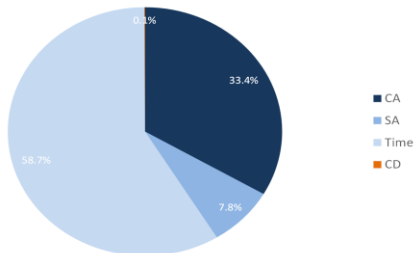
In October 2025, Capital Bank signed a USD 135m Green Subordinated loan (Tier 2), led by EBRD along with a consortium of international financial and regional institutions.

CAPL has secured a B1 from Moody's with a stable outlook.

All Board of Directors are non-executive, and 4 out of the 13 are independent.

Capital Bank implements a regular Environmental & Social performance assessment through an E&S board-approved policy that is based on IFC standards.

2027 targets: Asset growth CAGR > 8%, C/I < 40%, RoTE > 16%, CAR > 15%, DPO 25-50%.

**Geographical breakdown (Credit)**

**Deposit breakdown**

**Management**

Chairman, Non-Executive: Bassem Al-Salem  
 CEO: Tamer Ghazaleh

**Major Shareholders**

Saftey First Investment Company (PIF): 23.97%  
 Saad Al Janaabi: 7.20%  
 Social Security: 7.19%

**CAPITAL BANK OF JORDAN**

| Year-end                              | 2023       | 2024       | 2025e      | 2026e      | 2027e      | 2028e      |
|---------------------------------------|------------|------------|------------|------------|------------|------------|
| <b>Income statement (JODmn)</b>       |            |            |            |            |            |            |
| Interest income                       | 427        | 475        | 498        | 520        | 545        | 581        |
| Interest expense                      | 249        | 265        | 245        | 234        | 228        | 243        |
| <b>Net Interest Income</b>            | <b>178</b> | <b>210</b> | <b>254</b> | <b>286</b> | <b>317</b> | <b>338</b> |
| Fee income                            | 142        | 172        | 166        | 170        | 173        | 175        |
| Net investment income                 | -          | -          | -          | 1          | 1          | 1          |
| Other operating income                | 26         | 21         | 29         | 30         | 31         | 28         |
| <b>Total operating income</b>         | <b>347</b> | <b>403</b> | <b>449</b> | <b>486</b> | <b>522</b> | <b>541</b> |
| Total operating expenses              | 135        | 156        | 169        | 180        | 190        | 201        |
| <b>Pre-provision operating profit</b> | <b>212</b> | <b>247</b> | <b>280</b> | <b>307</b> | <b>331</b> | <b>340</b> |
| Net provisions                        | 73         | 44         | 59         | 69         | 70         | 76         |
| Other provisions / impairment         | 11         | 17         | 4          | 3          | 3          | 3          |
| <b>Operating profit</b>               | <b>127</b> | <b>186</b> | <b>217</b> | <b>235</b> | <b>258</b> | <b>261</b> |
| Associates                            | -          | -          | -          | -          | -          | -          |
| <b>Pre-tax profit</b>                 | <b>127</b> | <b>186</b> | <b>217</b> | <b>235</b> | <b>258</b> | <b>261</b> |
| Taxation                              | 21         | 25         | 33         | 35         | 41         | 44         |
| <b>Net profit</b>                     | <b>107</b> | <b>160</b> | <b>185</b> | <b>199</b> | <b>217</b> | <b>217</b> |
| Minorities                            | 35         | 52         | 61         | 66         | 72         | 72         |
| ADT1 coupon                           | 3          | 3          | 3          | 3          | 3          | 3          |
| <b>Attributable net profit</b>        | <b>69</b>  | <b>105</b> | <b>121</b> | <b>131</b> | <b>142</b> | <b>142</b> |
| Diluted EPS                           | 0.26       | 0.40       | 0.46       | 0.50       | 0.54       | 0.54       |
| DPS                                   | 0.15       | 0.15       | 0.18       | 0.21       | 0.24       | 0.26       |
| BVPS                                  | 2.50       | 2.75       | 3.03       | 3.32       | 3.62       | 3.90       |
| Tangible BVPS                         | 2.24       | 2.50       | 2.83       | 3.16       | 3.49       | 3.80       |

| Year-end                             | 2023         | 2024         | 2025e        | 2026e        | 2027e         | 2028e         |
|--------------------------------------|--------------|--------------|--------------|--------------|---------------|---------------|
| <b>Balance sheet (JODmn)</b>         |              |              |              |              |               |               |
| <b>Gross loans and advances</b>      | <b>3,715</b> | <b>3,756</b> | <b>4,169</b> | <b>4,502</b> | <b>4,862</b>  | <b>5,251</b>  |
| Less: loan loss provisions           | 284          | 327          | 301          | 342          | 385           | 430           |
| Net loans and advances               | 3,431        | 3,429        | 3,868        | 4,160        | 4,478         | 4,821         |
| Cash and central bank                | 1,319        | 1,654        | 1,386        | 1,481        | 1,574         | 1,668         |
| Due from banks                       | 165          | 222          | 651          | 697          | 745           | 797           |
| Investments, net                     | 2,197        | 2,420        | 2,463        | 2,635        | 2,820         | 3,017         |
| of which: Sukuks                     | 116          | 106          | 109          | 112          | 116           | 119           |
| Other assets                         | 296          | 340          | 449          | 480          | 514           | 550           |
| <b>Total assets</b>                  | <b>7,592</b> | <b>8,238</b> | <b>8,980</b> | <b>9,608</b> | <b>10,281</b> | <b>11,001</b> |
| Customer deposits                    | 5,453        | 5,879        | 6,222        | 6,822        | 7,367         | 7,957         |
| Due to banks                         | 146          | 153          | 455          | 339          | 312           | 289           |
| Debt                                 | 601          | 515          | 515          | 515          | 515           | 515           |
| Other liabilities                    | 664          | 859          | 936          | 1,002        | 1,072         | 1,147         |
| <b>Total liabilities</b>             | <b>6,864</b> | <b>7,406</b> | <b>8,128</b> | <b>8,677</b> | <b>9,267</b>  | <b>9,908</b>  |
| <b>Total equity</b>                  | <b>728</b>   | <b>833</b>   | <b>852</b>   | <b>931</b>   | <b>1,014</b>  | <b>1,092</b>  |
| Risk Weighted Assets (bn)            | 4            | 4            | 5            | 5            | 5             | 6             |
| Average Interest-Earning Assets      | 6,750        | 7,365        | 7,990        | 8,612        | 9,232         | 9,894         |
| Average Interest-Bearing Liabilities | 5,982        | 6,373        | 6,869        | 7,433        | 7,935         | 8,478         |
| Common shareholders                  | 590          | 657          | 744          | 830          | 918           | 999           |
| Core Equity Tier 1 (Basel III)       | 528          | 596          | 699          | 782          | 869           | 952           |
| Tier 1 capital                       | 483          | 570          | 770          | 853          | 940           | 1,023         |

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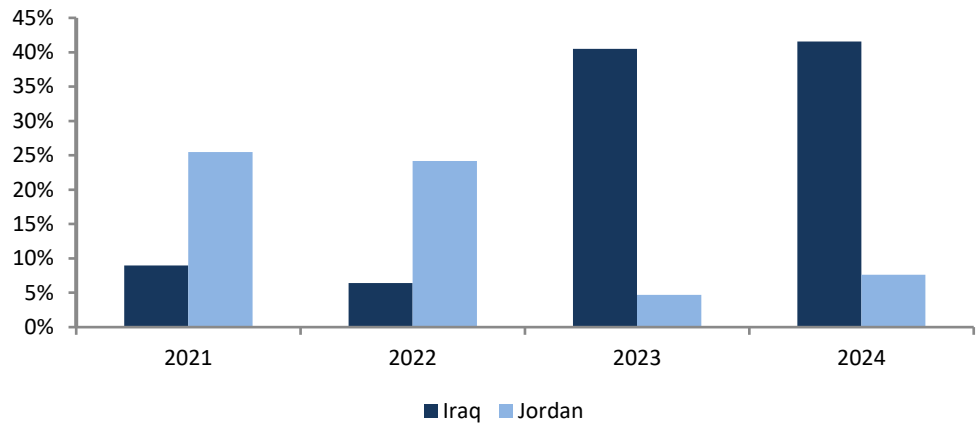
Arqaam Capital Research Offshore s.a.l

The stock's low valuation is unwarranted by RoE, EPS growth, and DY. It trades at an undemanding FY26e P/E of 5.7x and FY25e P/tNAV of 1x, with a DY of c.6-7% in FY25e. Our TP of JOD 4.2 offers a substantial upside. Key risks: normalization in F&C and FX income from its Iraqi operations

**Medium / Long Term Guidance – 2027:**

- Total assets CAGR > 8%
- C/I < 40%
- CAR> 15%
- RoE > 16%
- DPO: 25-50%

**Exhibit 1: RoE per country**



Source: Arqaam Capital Research, Company Data

**Exhibit 2: Capital Bank of Jordan Q3 25A review**

| JODm                | Q3 25A |       | AC Q3 25e |       | Q2 25A  |       | q/q 25 |         | Q3 24A  |         | Q2 24A |       | q/q 24  |       | y/y Q3  |       | y/y Q2 |       | 9M 25A |       | 9M 25a |       | y/y 9M |       |
|---------------------|--------|-------|-----------|-------|---------|-------|--------|---------|---------|---------|--------|-------|---------|-------|---------|-------|--------|-------|--------|-------|--------|-------|--------|-------|
|                     | Value  | YoY % | Value     | YoY % | Value   | YoY % | Value  | YoY %   | Value   | YoY %   | Value  | YoY % | Value   | YoY % | Value   | YoY % | Value  | YoY % | Value  | YoY % | Value  | YoY % | Value  | YoY % |
| Interest Income     | 125    | 125   | 0.3%      | 124   | 1.2%    | 122   | 117    | 4.2%    | 2.3%    | 5.3%    | 370    | 370   | 0.1%    | 357   | 3.7%    |       |        |       |        |       |        |       |        |       |
| Interest expense    | 65     | 62    | (1.8%)    | 61    | (0.8%)  | 68    | 65     | 3.4%    | (0.3%)  | (6.5%)  | 183    | 185   | (0.6%)  | 198   | (7.1%)  |       |        |       |        |       |        |       |        |       |
| Net Interest Income | 60     | 63    | 2.4%      | 62    | 3.2%    | 55    | 52     | 5.1%    | 17.0%   | 20.3%   | 186    | 185   | 0.8%    | 159   | 17.0%   |       |        |       |        |       |        |       |        |       |
| Fee Income          | 43     | 41    | 6.1%      | 41    | 5.6%    | 37    | 40     | (6.8%)  | 15.9%   | 2.3%    | 125    | 122   | 2.0%    | 128   | (1.0%)  |       |        |       |        |       |        |       |        |       |
| Net Trading Income  | 0.0    | 0     | (96.8%)   | 0     | nm      | 0     | 0      | nm      | nm      | nm      | 0      | 0     | (96.0%) | 0     | nm      |       |        |       |        |       |        |       |        |       |
| Other Income        | 8      | 4     | (50.0%)   | 6     | (47.2%) | 4     | 5      | (15.7%) | 113.7%  | 22.5%   | 23     | 19    | 22.5%   | 14    | (61.0%) |       |        |       |        |       |        |       |        |       |
| Non-Interest Income | 55     | 45    | 14.1%     | 46    | 10.6%   | 41    | 44     | (7.3%)  | 25.1%   | 4.4%    | 147    | 141   | 4.5%    | 142   | 3.4%    |       |        |       |        |       |        |       |        |       |
| Total Income        | 116    | 108   | 7.3%      | 109   | 6.3%    | 96    | 96     | (0.7%)  | 21.0%   | 12.9%   | 334    | 326   | 2.4%    | 302   | 10.6%   |       |        |       |        |       |        |       |        |       |
| Operating expenses  | 45     | 39    | 16.1%     | 44    | 3.2%    | 38    | 46     | (16.2%) | 17.8%   | (4.4%)  | 126    | 119   | 5.2%    | 117   | 7.6%    |       |        |       |        |       |        |       |        |       |
| Operating profit    | 71     | 69    | 2.3%      | 65    | 8.4%    | 57    | 51     | 11.1%   | 21.1%   | 28.5%   | 208    | 207   | 0.8%    | 185   | 11.5%   |       |        |       |        |       |        |       |        |       |
| LIP                 | 14     | 12    | 19.0%     | 12    | nm      | 17    | 21     | (22.8%) | (13.7%) | (42.2%) | 41     | 39    | 5.9%    | 54    | (23.4%) |       |        |       |        |       |        |       |        |       |
| Group Net Income    | 48     | 47    | 2.2%      | 44    | 8.3%    | 39    | 21     | 88.3%   | 21.0%   | 110.5%  | 142    | 141   | 0.7%    | 110   | 29.5%   |       |        |       |        |       |        |       |        |       |
| Attributable NI     | 31     | 35    | (11.3%)   | 29    | 8.0%    | 26    | 11     | 140.0%  | 16.8%   | 159.5%  | 92     | 96    | (4.1%)  | 71    | 29.5%   |       |        |       |        |       |        |       |        |       |
| Cost/Income         | 38.9%  | 35.9% |           | 40.1% |         | 39.9% | 47.3%  |         |         |         | 37.6%  | 36.6% |         | 38.7% |         |       |        |       |        |       |        |       |        |       |
| Loans to deposits   | 66.6%  | 66.0% |           | 66.0% |         | 66.0% | 66.5%  |         |         |         | 66.6%  | 66.0% |         | 66.0% |         |       |        |       |        |       |        |       |        |       |
| Annualized LIP      | 1.39%  | 1.20% |           | 1.20% |         | 1.69% | 2.23%  |         |         |         | 1.34%  | 1.30% |         | 1.44% |         |       |        |       |        |       |        |       |        |       |
| Gross Loans         | 4,111  | 3,994 | 2.9%      | 3,932 | 4.6%    | 3,914 | 3,851  |         | 5.1%    | 2.1%    | 4,111  | 3,994 | 2.9%    | 3,914 | 5.1%    |       |        |       |        |       |        |       |        |       |
| Net Loans           | 3,788  | 3,686 | 3.0%      | 3,611 | 5.2%    | 3,569 | 3,529  |         | 6.4%    | 2.3%    | 3,788  | 3,686 | 3.0%    | 3,569 | 6.4%    |       |        |       |        |       |        |       |        |       |
| Customer deposits   | 6,175  | 6,056 | 2.0%      | 5,962 | 3.0%    | 5,926 | 5,791  |         | 4.2%    | 3.0%    | 6,175  | 6,056 | 2.0%    | 5,926 | 4.2%    |       |        |       |        |       |        |       |        |       |

Source: Company Data, Arqaam Capital Research

**Exhibit 3: Earnings estimate changes**

| JOD m                      | FY 25e     |            |               | FY 26e     |            |               | FY 27e     |            |               | FY 28e     |            |                | FY 29e     |            |                |
|----------------------------|------------|------------|---------------|------------|------------|---------------|------------|------------|---------------|------------|------------|----------------|------------|------------|----------------|
|                            | New        | Old        | Δ             | New        | Old        | Δ             | New        | Old        | Δ             | New        | Old        | Δ              | New        | Old        | Δ              |
| Net interest income        | 254        | 242        | 5.0%          | 286        | 271        | 5.5%          | 317        | 301        | 5.2%          | 338        | 322        | 4.9%           | 359        | 343        | 4.6%           |
| Fee income                 | 166        | 163        | 1.6%          | 170        | 173        | (1.8%)        | 173        | 184        | (5.5%)        | 175        | 195        | (10.1%)        | 186        | 206        | (10.1%)        |
| Investment income          | 0          | 1          | (59.6%)       | 1          | 1          | (59.3%)       | 1          | 1          | (59.3%)       | 1          | 1          | (59.3%)        | 1          | 2          | (59.3%)        |
| Non-interest income        | 196        | 187        | 4.5%          | 201        | 199        | 0.8%          | 205        | 211        | (3.1%)        | 203        | 224        | (9.4%)         | 216        | 238        | (9.4%)         |
| <b>Total income</b>        | <b>449</b> | <b>429</b> | <b>4.8%</b>   | <b>486</b> | <b>470</b> | <b>3.5%</b>   | <b>522</b> | <b>513</b> | <b>1.8%</b>   | <b>541</b> | <b>546</b> | <b>(1.0%)</b>  | <b>575</b> | <b>581</b> | <b>(1.2%)</b>  |
| Opex                       | 169        | 157        | 7.8%          | 180        | 159        | 13.1%         | 190        | 169        | 12.9%         | 201        | 178        | 12.8%          | 212        | 188        | 12.7%          |
| <b>Operating income</b>    | <b>280</b> | <b>272</b> | <b>3.0%</b>   | <b>307</b> | <b>311</b> | <b>(1.4%)</b> | <b>331</b> | <b>344</b> | <b>(3.7%)</b> | <b>340</b> | <b>368</b> | <b>(7.6%)</b>  | <b>363</b> | <b>394</b> | <b>(7.8%)</b>  |
| Loan loss provision        | 59         | 51         | 17.0%         | 69         | 76         | (8.6%)        | 70         | 77         | (9.3%)        | 76         | 74         | 2.8%           | 82         | 80         | 2.8%           |
| <b>Other provision</b>     | <b>4</b>   | <b>4</b>   | <b>2.5%</b>   | <b>3</b>   | <b>3</b>   | <b>2.5%</b>   | <b>3</b>   | <b>3</b>   | <b>2.5%</b>   | <b>3</b>   | <b>3</b>   | <b>2.5%</b>    | <b>3</b>   | <b>3</b>   | <b>2.5%</b>    |
| <b>Net income reported</b> | <b>124</b> | <b>130</b> | <b>(5.1%)</b> | <b>134</b> | <b>141</b> | <b>(5.2%)</b> | <b>145</b> | <b>160</b> | <b>(9.2%)</b> | <b>145</b> | <b>177</b> | <b>(17.9%)</b> | <b>154</b> | <b>188</b> | <b>(18.1%)</b> |
| <b>Net income adjusted</b> | <b>121</b> | <b>127</b> | <b>(5.2%)</b> | <b>131</b> | <b>138</b> | <b>(5.3%)</b> | <b>142</b> | <b>157</b> | <b>(9.3%)</b> | <b>142</b> | <b>174</b> | <b>(18.2%)</b> | <b>151</b> | <b>185</b> | <b>(18.4%)</b> |
| <b>Ratios</b>              |            |            |               |            |            |               |            |            |               |            |            |                |            |            |                |
| NIM                        | 3.17%      | 3.05%      | 0.12%         | 3.32%      | 3.20%      | 0.11%         | 3.43%      | 3.33%      | 0.11%         | 3.41%      | 3.31%      | 0.10%          | 3.39%      | 3.30%      | 0.09%          |
| Cost/income                | 37.6%      | 36.6%      | 1.1%          | 37.0%      | 33.8%      | 3.1%          | 36.5%      | 32.9%      | 3.6%          | 37.1%      | 32.6%      | 4.5%           | 36.9%      | 32.3%      | 4.5%           |
| LLP                        | 1.50%      | 1.30%      | 0.20%         | 1.60%      | 1.80%      | -0.20%        | 1.50%      | 1.70%      | -0.20%        | 1.50%      | 1.50%      | 0.00%          | 1.50%      | 1.50%      | 0.00%          |
| NPL                        | 2.9%       | 2.9%       | 0.03%         | 2.9%       | 2.9%       | 0.03%         | 2.9%       | 2.9%       | 0.03%         | 3.0%       | 2.9%       | 0.03%          | 3.0%       | 3.0%       | 0.03%          |
| Coverage                   | 142.3%     | 143.7%     | -1.40%        | 148.3%     | 151.5%     | -3.17%        | 153.0%     | 157.8%     | -4.82%        | 157.2%     | 161.7%     | -4.48%         | 161.2%     | 165.4%     | -4.16%         |
| <b>Growth</b>              |            |            |               |            |            |               |            |            |               |            |            |                |            |            |                |
| Assets                     | 9%         | 7%         | 2.0%          | 7%         | 7%         | -             | 7%         | 7%         | -             | 7%         | 7%         | -              | 7%         | 7%         | -              |
| Loan                       | 11%        | 8%         | 3.0%          | 8%         | 8%         | -             | 8%         | 8%         | -             | 8%         | 8%         | -              | 8%         | 8%         | -              |
| Deposit                    | 6%         | 5%         | 1.2%          | 10%        | 8%         | 1.6%          | 8%         | 8%         | -             | 8%         | 8%         | -              | 8%         | 8%         | -              |
| <b>AED</b>                 |            |            |               |            |            |               |            |            |               |            |            |                |            |            |                |
| EPS                        | 0.46       | 0.48       | (5.2%)        | 0.50       | 0.52       | (5.3%)        | 0.54       | 0.60       | (9.3%)        | 0.54       | 0.66       | (18.2%)        | 0.58       | 0.71       | (18.4%)        |
| TP                         | 4.2        | 4.0        | 4.5%          |            |            |               |            |            |               |            |            |                |            |            |                |

Source: Company Data, Arqaam Capital Research

**Exhibit 4: Capital Bank of Jordan EVA**

|   | 2016       | 2017       | 2018       | 2019       | 2020      | 2021      | 2022      | 2023       | 2024       | 2025e      | 2026e      | 2027e      | 2028e      | 2029e      | 2030e      | perp  | subtotal   | % of total   |              |
|---|------------|------------|------------|------------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|-------|------------|--------------|--------------|
| <b>1. DCF</b>   |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            |              |              |
| Net profit  | 12         | 24         | 31         | 25         | 26        | 79        | 84        | 69         | 105        | 121        | 131        | 142        | 142        | 151        | 163        | 166   |            |              |              |
| Other adjustments (comprehensive income and GW amor)  | --         | --         | --         | --         | --        | --        | --        | --         | --         | --         | --         | --         | --         | --         | --         | --    |            |              |              |
| Minus: excess return excess capital                   | 5          | 9          | 7          | 8          | 5         | 3         | 5         | 9          | 12         | 11         | 14         | 16         | 18         | 19         | 21         | 22    |            |              |              |
| Risk free rate  | 6.90%      | 6.90%      | 6.90%      | 6.90%      | 6.90%     | 6.90%     | 6.90%     | 6.90%      | 6.90%      | 6.90%      | 6.90%      | 6.90%      | 6.90%      | 6.90%      | 6.90%      | 6.90% |            |              |              |
| Tax shelter   | 40.4%      | 13.0%      | 18.8%      | 22.4%      | 20.3%     | 13.8%     | 6.3%      | 16.4%      | 13.7%      | 15.0%      | 15.0%      | 16.0%      | 17.0%      | 17.0%      | 17.0%      | 17.0% |            |              |              |
| Adjusted net profit                                   | 7          | 16         | 24         | 17         | 21        | 76        | 79        | 60         | 92         | 110        | 117        | 127        | 125        | 132        | 142        | 144   |            |              |              |
| Capital requirements                                  | 191        | 182        | 178        | 196        | 219       | 286       | 478       | 468        | 516        | 564        | 599        | 644        | 688        | 739        | 794        | 810   |            |              |              |
| RoE/C   | 3.8%       | 8.7%       | 13.3%      | 8.6%       | 9.6%      | 26.6%     | 16.6%     | 12.8%      | 17.9%      | 19.5%      | 19.5%      | 19.7%      | 18.1%      | 17.9%      | 17.8%      | 17.8% |            |              |              |
| Cost of capital                                       | 14%        | 14%        | 14%        | 14%        | 14%       | 14%       | 14%       | 14%        | 14%        | 14%        | 14%        | 14%        | 14%        | 14%        | 14%        | 14%   |            |              |              |
| Capital charge  | 27         | 25         | 25         | 27         | 31        | 40        | 67        | 66         | 72         | 79         | 84         | 90         | 96         | 103        | 111        | 113   |            |              |              |
| Economic profit                                       | (20)       | (10)       | (1)        | (10)       | (10)      | 36        | 12        | (6)        | 20         | 31         | 33         | 36         | 28         | 28         | 30         | 31    |            |              |              |
| Discount factor                                       | --         | --         | --         | --         | --        | --        | --        | --         | --         | --         | 1.00       | 0.88       | 0.77       | 0.67       | 0.59       | 0.52  |            |              |              |
| NPV of Economic Profit                                | --         | --         | --         | --         | --        | --        | --        | --         | --         | --         | 33         | 32         | 22         | 19         | 18         | 16    |            |              |              |
| DCF EVA Forecast period                               |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       | 124        | 11.2%        |              |
| Perpetual growth rate (nominal GDP)                   |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       | 2.0%       |              |              |
| Terminal Value  |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       | 258        |              |              |
| Terminal value discounted                             |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | 134          | 12.1%        |
| Required Capital                                      |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | 516          | 46.7%        |
| <b>Value of the bank operations</b>                   |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>774</b>   | <b>70.0%</b> |
| <b>2. Capital surplus/deficit</b>                     |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            |              |              |
| Available capital:                                    |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            |              |              |
| Shareholders equity                                   | 278        | 292        | 287        | 294        | 307       | 363       | 617       | 658        | 725        | 798        | 873        | 953        | 1,026      | 1,104      | 1,188      |       |            |              |              |
| Minorities  | 56         | 58         | 50         | 54         | 48        | 29        | 35        | 71         | 108        | 54         | 58         | 62         | 66         | 71         | 76         |       |            |              |              |
| Less Goodwill & Intangibles                           | (6)        | (6)        | (11)       | (3)        | (22)      | (31)      | (58)      | (68)       | (68)       | (54)       | (43)       | (35)       | (28)       | (22)       | (18)       |       |            |              |              |
| Less non equity elements reported shareholders equity | --         | --         | --         | --         | --        | --        | --        | --         | --         | --         | --         | --         | --         | --         | --         |       |            |              |              |
| Less Dividends (if included in reported equity)       | (10)       | (20)       | (20)       | --         | (24)      | (30)      | (39)      | (39)       | (39)       | (47)       | (55)       | (63)       | (68)       | (74)       | (79)       |       |            |              |              |
| Tangible equity                                       | 319        | 324        | 306        | 344        | 310       | 332       | 555       | 621        | 725        | 750        | 833        | 917        | 996        | 1,079      | 1,167      |       |            |              |              |
| Capital needs   |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            |              |              |
| RWAs (Basel II)                                       | 1,590      | 1,514      | 1,486      | 1,630      | 1,826     | 2,385     | 3,984     | 3,901      | 4,298      | 4,696      | 4,995      | 5,366      | 5,737      | 6,157      | 6,614      |       |            |              |              |
| RWAs (Basel III)                                      | 1,590      | 1,514      | 1,486      | 1,630      | 1,826     | 2,385     | 3,984     | 3,901      | 4,298      | 4,696      | 4,995      | 5,366      | 5,737      | 6,157      | 6,614      |       |            |              |              |
| Equity as % RWA                                       | 12.0%      | 12.0%      | 12.0%      | 12.0%      | 12.0%     | 12.0%     | 12.0%     | 12.0%      | 12.0%      | 12.0%      | 12.0%      | 12.0%      | 12.0%      | 12.0%      | 12.0%      |       |            |              |              |
| Financial stakes                                      | --         | --         | --         | --         | --        | --        | --        | --         | --         | --         | --         | --         | --         | --         | --         |       |            |              |              |
| Capital Requirements                                  | 191        | 182        | 178        | 196        | 219       | 286       | 478       | 468        | 516        | 564        | 599        | 644        | 688        | 739        | 794        |       |            |              |              |
| <b>Surplus capital</b>                                | <b>128</b> | <b>142</b> | <b>128</b> | <b>149</b> | <b>91</b> | <b>46</b> | <b>77</b> | <b>153</b> | <b>210</b> | <b>187</b> | <b>233</b> | <b>273</b> | <b>308</b> | <b>340</b> | <b>373</b> |       | <b>287</b> | <b>26.0%</b> |              |
| <b>3. Other adjustments</b>                           |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            |              |              |
| ADT1  |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | 35           |              |
| Underprovisioning                                     |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | (30)         |              |
| <b>Total adjustments</b>                              |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>5</b>     |              |
| <b>4. Dividends</b>                                   |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>39</b>    |              |
| <b>Total Fair Value</b>                               |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>1,105</b> |              |
| Fully diluted number of shares                        |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>263</b>   |              |
| <b>Fair value per share</b>                           |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>4.20</b>  |              |
| <b>Current share price</b>                            |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>3.0</b>   |              |
| <b>Upside</b>   |            |            |            |            |           |           |           |            |            |            |            |            |            |            |            |       |            | <b>39.2%</b> |              |
| Implied P/E (x)                                       | 67.6       | 34.5       | 27.2       |            |           |           |           |            |            | 9.2        | 8.5        | 7.8        | 7.8        | 7.3        |            |       |            |              |              |
| Implied P/NAV (x)                                     | 3.1        | 2.9        | 3.0        |            |           |           |           |            |            | 1.5        | 1.3        | 1.2        | 1.1        | 1.0        |            |       |            |              |              |

Source: Company Data, Arqaam Capital Research

### **National Bank of Iraq (61.85% owned)**

National Bank of Iraq (NBI) is one of the leading commercial banks in Iraq, offering various banking services. The Bank was established in 1995 and is headquartered in Baghdad, Iraq. NBI is publicly traded on the Iraq Stock Exchange (symbol: BNOI) and is ranked first amongst privately held banks in terms of total assets. Capital Bank of Jordan ('Capital Bank') owns a majority stake of c.62% in NBI. NBI provides innovative banking services through three main segments: personal, corporate, and SMEs. NBI also provides Brokerage Services, Leasing, Custody Services, and Investment Services (including trading in gold, foreign currency, and oil). NBI has access to an extensive network of correspondent banks directly and through Capital Bank and solid relations with foreign and international development financial institutions such as Saudi Exim Bank, PROPARCO, and the IFC.

### **Capital Investments (100% owned)**

Headquartered in Jordan, with a wide-reaching presence across the Middle East, including offices in Dubai International Financial Center (DIFC), Capital Investments has been shaping and elevating the MENA region's financial services sector since its establishment in 2006. Capital Investments is a market leader in providing comprehensive investment banking services, from Asset Management and Brokerage to Corporate Financial Advisory, serving diverse local, regional, and international clientele and high-net-worth individuals.

### **Capital Leasing Co.(100% owned)**

In a brief timeframe, Capital Leasing established itself in the market after its inception in 2017 and subsequent acquisition by Capital Bank of Jordan in 2022. The preference for leasing among customers in Jordan stems from its advantages, especially in real estate contracts, due to the benefits extended to lessors and lessees surpassing conventional bank mortgage loans. Lessors, usually real estate developers, benefit from tax exemptions when acquiring property through lease agreements, while lessees, the buyers, enjoy waived title deed transfer fees. Capital Leasing's portfolio has increased more than six times since its acquisition, with an anticipated opportunity for further growth due to the high demand for this specific lending approach. The portfolio has expanded to USD 85m.

### **Blink by Capital Bank – The All-Digital Channel**

Launched in February 2022, Blink targets customers within the consumer banking space in Jordan to elevate financial services through a seamless digital-only experience while supporting financial inclusion. Blink offers an entirely new and unique user interface and experience, positioning it as a challenger to the status quo and a disruptor, reimagining how customers receive financial services. Blink focuses on simple and transparent ways of banking to foster financial literacy, educate customers, and empower them to get financial freedom. Blink offers end-to-end digital onboarding and eKYC, a full-fledged bank account with an IBAN, virtual and physical debit and credit cards facilitating online and offline payments with the ability to manage cards digitally, money transfers, contactless payment through Apple Pay, and eVouchers. Blink has also partnered with players outside the financial services industry to bring lifestyle value-added services to its customers through promotions, discounts, cash back, etc. Blink is the first bank in Jordan to integrate with Royal Jordanian, allowing customers to book their flights directly from the Blink app.

### ESG framework

During the second quarter of 2025, Capital Bank published its third sustainability report in line with the standards and guidelines of the Global Reporting Initiative (GRI) and the United Nations' Sustainable Development Goals 2030 (UNSDGs). The report outlines the Bank's approach to addressing the impact of its activities on the environment and society, highlighting the achievements and aspirations for sustainable development and growth. The report also highlights the Bank's approach to sustainability, which revolves around three pillars and is focused on twelve material topics: Pillar 1 – Environmental: Climate Action and Protecting the Environment: a. Climate Change and Decarbonisation b. Environmental Management c. Sustainable Lending and Investing. Pillar 2 – Social: Creating Value for Our People and Communities: a. Gender Equality and Workforce Development and Wellbeing b. Local Communities c. Financial Inclusion & Literacy d. SME Growth e. Customer Experience and Satisfaction. Pillar 3 – Governance: Implementing Robust and Responsible Corporate Governance: a. Data Security b. Innovation and Digitisation c. Incorporation of ESG Factors in Credit Analysis. Compliance and Ethical Conduct.

### Jordan Macro highlights

#### Exhibit 5: Jordan economic data

|   | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026    |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Gross domestic product, constant prices           | 1.8     | (1.1)   | 3.7     | 2.4     | 3.1     | 2.5     | 2.6     | 2.9     |
| Gross domestic product per capita, current prices | 4,165.5 | 4,004.3 | 4,158.6 | 4,317.1 | 4,512.7 | 4,692.8 | 4,903.1 | 5,143.7 |
| Total investment                                  | 18.8    | 18.7    | 19.7    | 18.5    | 18.6    | 20.5    | 19.6    | 18.9    |
| Gross national savings                            | 17.0    | 13.0    | 11.6    | 10.4    | 15.0    | 14.8    | 14.1    | 13.1    |
| Volume of imports of goods and services           | 2.1     | (16.7)  | 19.3    | 7.2     | 5.2     | 1.8     | 2.9     | 3.1     |
| Volume of Imports of goods                        | 2.6     | (9.1)   | 17.3    | 1.9     | 5.0     | 1.7     | 3.0     | 2.9     |
| Unemployment rate                                 | 19.1    | 22.7    | 24.1    | 22.9    | 22.0    | n/a     | n/a     | n/a     |
| Population  | 10.7    | 10.9    | 11.1    | 11.3    | 11.3    | 11.4    | 11.4    | 11.5    |
| General government revenue                        | 24.3    | 22.7    | 24.7    | 25.7    | 25.2    | 25.0    | 26.0    | 26.0    |
| General government total expenditure              | 30.1    | 31.7    | 32.2    | 32.6    | 32.8    | 33.3    | 31.3    | 30.5    |
| General government net lending/borrowing          | (5.8)   | (9.1)   | (7.5)   | (7.0)   | (7.6)   | (8.3)   | (5.3)   | (4.6)   |
| General government primary net lending/borrowing  | (2.3)   | (4.9)   | (3.2)   | (2.7)   | (3.0)   | (2.8)   | 0.3     | 1.0     |
| General government gross debt                     | 78.0    | 88.0    | 98.2    | 97.9    | 97.0    | 95.9    | 92.6    | 88.6    |
| Current account balance                           | (1.7)   | (5.7)   | (8.0)   | (8.1)   | (3.6)   | (5.8)   | (5.5)   | (5.8)   |

Source: Company Data, Arqaam Capital Research

### Iraq Macro highlights

#### Exhibit 6: Iraq economic data

|   | 2019    | 2020    | 2021    | 2022    | 2023    | 2024    | 2025    | 2026    |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| Gross domestic product, constant prices           | 5.6     | (12.4)  | 1.4     | 7.7     | 0.9     | 0.3     | (1.5)   | 1.4     |
| Gross domestic product per capita, current prices | 6,048.9 | 4,547.3 | 5,116.5 | 6,818.2 | 6,250.5 | 6,247.4 | 5,668.2 | 5,591.8 |
| Gross national savings                            | 21.2    | 11.2    | 20.2    | 31.8    | 20.9    | 15.0    | 13.3    | 12.7    |
| Population  | 39.1    | 40.2    | 41.2    | 42.2    | 43.3    | 44.4    | 45.5    | 46.6    |
| General government revenue                        | 35.5    | 29.1    | 36.0    | 42.0    | 40.0    | 38.9    | 37.9    | 35.8    |
| General government total expenditure              | 34.7    | 41.9    | 36.3    | 33.9    | 41.2    | 40.4    | 42.1    | 42.1    |
| General government net lending/borrowing          | 0.8     | (12.8)  | (0.4)   | 8.1     | (1.1)   | (1.5)   | (4.2)   | (6.4)   |
| General government primary net lending/borrowing  | 1.8     | (11.6)  | 0.1     | 8.6     | (0.5)   | (0.9)   | (3.1)   | (5.1)   |
| General government gross debt                     | 41.7    | 72.5    | 54.7    | 39.0    | 42.1    | 42.9    | 50.2    | 56.0    |
| Current account balance                           | 6.2     | (5.6)   | 6.1     | 15.8    | 7.5     | 2.0     | 1.5     | 1.5     |

Source: Company Data, Arqaam Capital Research

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