

Kuwait: 13th of June 2024

**Chief Executive Officer - Boursa Kuwait Company
State of Kuwait**

Dear Sir,

Subject: Credit Rating

As per Chapter No. 4 of the “Disclosure and Transparency” Module of the Capital Markets Authority’s Executive Bylaws and its Law No.7/2010 and amendments regarding disclosure of Material Information.

We would like to advise that Credit Rating Agency Moody’s has affirmed National Bank of Kuwait ratings as the following:


1. Long-Term Deposit Rating: A1
2. Short-Term Deposit Rating: P-1
3. Long-Term Counterparty Risk Rating: A1
4. Short-Term Counterparty Risk Rating: P-1
5. Long-Term Counterparty Risk Assessment: A1(cr)
6. Short-Term Counterparty Risk Assessment: P-1(cr)
7. Baseline Credit Assessment: a3
8. Adjusted Baseline Credit Assessment: a3

With Stable outlook.

Attached; Disclosure of Credit Rating Form

Sincerely yours,

On behalf of National Bank of Kuwait (S.A.K.P) FOR



Isam J. Al-Sager

Vice-Chairman

And Group Chief Executive Officer

Appendix No. (8)

Disclosure of Credit Rating Form

Date	13 th of June 2024
Name of the Listed Company	National Bank of Kuwait (S.A.K.P)
Entity who issues the rating	Credit Rating Agency "Moody's"
Rating category	<ol style="list-style-type: none"> 1. Affirmed Long-Term Deposit Rating: A1 2. Affirmed Short-Term Deposit Rating: P-1 3. Affirmed Long-Term Counterparty Risk Rating: A1 4. Affirmed Short-Term Counterparty Risk Rating: P-1 5. Affirmed Long-Term Counterparty Risk Assessment: A1(cr) 6. Affirmed Short-Term Counterparty Risk Assessment: P-1(cr) 7. Affirmed Baseline Credit Assessment: a3 8. Affirmed Adjusted Baseline Credit Assessment: a3 <p>With Stable Outlook.</p>
Rating implications	<ol style="list-style-type: none"> 1. Long-Term Rating Scale (A): Obligations rated (A) are judged to be upper-medium grade and are subject to low credit risk. 2. Short-Term Rating Scale (P-1): Issuers rated (P-1) have a superior ability to repay short-term debt obligations. 3. CR Assessment Long-Term Scale A(cr): Issuers assessed A(cr) are judged to be upper-medium grade and are subject to low risk of defaulting on certain senior operating obligations and other contractual commitments. 4. CR Assessment Short-Term Scale P-1(cr): Issuers assessed P-1(cr) have a superior ability to honor short-term operating obligations. 5. Baseline Credit Assessment Scale (a): Issuers assessed (a) are judged to have upper-medium-grade intrinsic, or standalone, financial strength, and thus subject to low credit risk absent any possibility of extraordinary support from an affiliate or a government.

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Rating effect on the status of the company	No effect
Outlook	Stable
The press release or executive summary	<p><u>Executive summary:</u></p> <p>Moody's credit rating agency has affirmed National Bank of Kuwait ratings as the following:</p> <ol style="list-style-type: none"> 1. Long-Term Deposit Rating: A1 2. Short-Term Deposit Rating: P-1 3. Long-Term Counterparty Risk Rating: A1 4. Short-Term Counterparty Risk Rating: P-1 5. Long-Term Counterparty Risk Assessment: A1(cr) 6. Short-Term Counterparty Risk Assessment: P-1(cr) 7. Baseline Credit Assessment: a3 8. Adjusted Baseline Credit Assessment: a3 <p>With Stable outlook.</p> <p>Moody's report rely on number of factors in the assessment process, key factors are as follows:</p> <ol style="list-style-type: none"> 1. Consistently strong asset quality, with high loan loss coverage. 2. Dominant domestic market position, which underpins a robust income-generating capacity. 3. Solid capitalisation providing sufficient loss absorption buffer. 4. Stable and low-cost deposit base, supported by solid liquidity buffers. 5. Very high probability of government support, in case of need 6. The stable outlook on NBK's long-term ratings reflects its resilient financial fundamentals, while it also considers the stable outlook on the Kuwait government.

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