بنك الخليج
GULF BANK

Kuwait, 4 August 2022

Boursa Kuwait
State of Kuwait

Dear Sirs,

Subject: Gulf Bank's Disclosure on its Analysts Conference Call Transcript for Q2-2022

In compliance with the provisions of Clause (4) of Article (8-4-2) of Boursa Kuwait rules under Resolution No. (1) of 2018, and based on Gulf Bank's keenness to comply with the requirements of Boursa rules, attached is the Call Transcript of the Analysts Conference for Q2-2022, which was held through live webcast on Thursday, 4/8/2022, at 1:00 PM.

We would like to assure you our continuous cooperation.

Best regards

Mohammad Jasem AlBeloushi
Assistant General Manager
Head of Compliance & Disclosure Unit

بنك الخليج
GULF BANK

Gulf Bank of Kuwait (K.S.C.C.)

Earnings Conference Call Edited Script – 1st Half 2022

4th August 2022

Corporate Participants:

Mr. Raghunandan Menon – Acting Deputy CEO

Mr. David Challinor – CFO

Ms. Dalal AlDousari – Head of Investor Relations

Host:

Ms. Elena Sanchez – EFG Hermes

Elena: Good morning and good afternoon, everyone. This is Elena Sanchez, on behalf of EFG Hermes; I would like to welcome you all to the Gulf Bank first half 2022 earnings conference call. It is a great pleasure to have with us on the call Mr. Raghu Menon, Gulf Bank Acting Deputy CEO, Mr. David Challinor, Gulf Bank CFO and Ms. Dalal AlDousari, Head of Investor Relations at Gulf Bank.

I will now turn the call over to Dalal.

Dalal: Thank you, Elena. Good afternoon and welcome to Gulf Bank's first half 2022 earnings call. We will start our call today with the key highlights and updates on the operating environment of Gulf Bank during the first six months of 2022 presented by our Acting Deputy Chief Executive Officer, Mr. Raghu Menon followed by a detailed presentation of our financial results by the Chief Financial Officer, Mr. David Challinor.

All amounts in the presentation are in millions of Kuwaiti Dinars and have been rounded to simplify the charts. During our presentation, we will try not to repeat the currency when discussing specific amounts unless that amount is in another currency other than Kuwaiti Dinars.

After the presentation, we will open the floor for Q and A received through the webcast platform. Feel free to type in your questions at any time during the call. The presentation will be available at our corporate website and will be disclosed to Boursa Kuwait.

Please note that we can only comment on inquiries and information that are publicly disclosed. I would also like to draw your attention to the disclosure on **page 10** of the presentation, with respect to forward looking statements and confidential information. Please feel free to reach out to our investor relations team if you have any questions.

Now, I would like to handover the call to Mr. Raghu Menon. Raghu?

Raghu: Thanks, Dalal. Good morning and good afternoon, everyone, before we cover the detailed financial performance of the Bank, I would like to start with few remarks on the business and operating environment.

We continued our positive momentum that we started with at the beginning of the year 2022. I am pleased to report that Gulf Bank has achieved a net profit of KD 30 million for the first half of 2022, a remarkable increase of 83% over the same period of last year. We continue to deliver strong performance across all our business lines and make excellent progress with our growth strategy and digital transformation initiatives. Our strong financial position reflects the high quality of the Bank's loan book and effective management of credit risk.

During the second quarter, the Central Bank of Kuwait continued with an additional two interest rate hikes, following the Fed, although at lower levels. We saw an additional two increases of 25 basis points each in the discount rate, rising it to 2.25%.

We continue to see a notable loan growth in the industry. According to the latest published Central Bank of Kuwait numbers, year to date total customer loan growth to May, was 5.9%, whereas we grew by 6.7% to June 2022.

We continue to see steady consumer spending in Kuwait reflected in the good performance of the Bank's retail portfolio as it continued with the upward trajectory momentum from the beginning of the year. Going forward, and given the high level of oil prices, we hope to see more positive impacts on the overall economy in Kuwait with improvement in business activities, ongoing recovery of government spending and at the same time inflation staying somewhat under control.

On the Bank front, we are proactively meeting the changing needs of customers through digital innovation. We have conducted several initiatives to provide our employees and broader society with a new set of skills and opportunities to use data sustainably. Our first Datathon competition for digital data and analytics in Kuwait witnessed many participants in the field of data modeling, visualization, and digital analytics. In addition, Gulf Bank provided coding training for both new and existing employees. This training aims to providing innovative technical solutions and enable effective contribution to the Bank's digital transformation plans.

Additionally, we further integrated ESG into our strategy. Empowering women, youth and people with special needs is a major component of Gulf Bank's sustainability program. We pay special attention to minority groups and implement plans for their financial inclusion and independence. Today, the Bank is a founding member of the Women's Economic Empowerment Platform Kuwait (KWEEP), a local initiative to support the growth and advancement of women in the workplace. Women empowerment is essential at Gulf Bank when it comes to setting future strategies or designing inclusive policies. On this front, it gives us a great pleasure to announce that Gulf Bank has now its first woman independent director on the Board of Directors, Ms. Reem Al Saleh, who has been elected during the last General Assembly Meeting of the Bank.

Before I move on to the financial summary of Gulf Banks performance, I would like to bring to your attention the most recent disclosures that the Bank made in relation to a potential collaboration between Gulf Bank and Ahli Bank of Kuwait. Both banks have received a proposal by major shareholders; namely Alghanim Trading Company and Behbehani Investment Company, to consider a possible business collaboration between the two banks whereby both entities are maintained and one of the entities is converted into a Sharia compliant bank. The proposal was presented to the board of directors of Gulf Bank and the board has agreed to proceed with the due diligence process to consider the viability of this proposal in the best interest of the Banks shareholders. This would entail obtaining necessary approvals from the Central Bank of Kuwait, regulatory authorities, and the general assembly. Any future developments on this matter will be disclosed as and when it becomes available.

Now turning to Page 2, I would like to summarize our financial results with six key messages:

First, our net profit grew by 83% for the first half 2022, to reach KD 30 million in comparison to KD 17 million in 2021.

Second, our return on average equity increased to 9.1% for first half 2022 from 5.2% at same period last year.

Third, our gross customer loans reached KD 5.2 billion, an increase of KD 599 million or 13% compared to the first half of 2021. This growth was supported by both our Corporate and Consumer segments although at a faster pace for the latter.

Fourth, the quality of our portfolio continued to be resilient as our non-performing loan ratio (NPL) in second quarter 2022 stood at 1.0%, an improvement when compared to last year (NPL) ratio of 1.4%. Additionally, we continue to have ample provisions achieving an NPL coverage ratio of 531%.

Fifth, the relaxed capital regulatory minimums that were introduced in

2020 were partially restored starting from first of January 2022 and will remain for the remainder of the year. With that, our Tier 1 ratio has a buffer of 254 basis points, and our capital adequacy ratio has a buffer of 273 basis points.

And sixth, the Bank remains an 'A' rated bank by three major credit rating agencies. Our current position stands as follows:

- Moody's Investors Service maintained the Long-Term Deposits Rating of "A3" with a "Stable" outlook.
- Capital Intelligence maintained the Bank's Long-Term Foreign Currency Rating of "A+" with a "Stable" outlook.
- Fitch Ratings has upgraded the Viability Rating of the Bank from 'bb+' to 'bbb-' and affirmed the Bank's Long-Term Issuer Default Rating at "A" with a "Stable" outlook.
- S&P Global Ratings has maintained the Bank Issuer Credit Rating at "BBB+" with a "Stable" outlook.

So, our performance during the first six months of 2022 has provided a strong foundation to sustainable growth and we remain optimistic about the remainder of the year.

With that, I'll turn it over to our CFO, David Challinor, who will cover the financials of the first half of 2022 in more depth, thank you. David, over to you.

David: Thanks Raghu.

David: **Turning to page 3,** we can see the evolution of net profit from 16.5 to 30.3. The increase of 13.8 in the first half of 2022 was mainly driven by a 13.5 drop in total provisions. The Cost of Risk for the first half of 2022 was only 33 basis points compared to 112 last year which shows the overall improvement in the quality of our book. We also saw higher non-interest income of 1.7, as a result of the resumption of economic activities in comparison to a very restrictive environment in first half of last year.

You can also see our Return on Equity improved by nearly 3.9% and we are now generating a Return on Equity at similar levels to the pre-covid period.

Turning to page 4, we have a detailed breakdown of our income statement.

On the far right of line 1, interest income was up 8.0 or 9% in first half 2022 in comparison to same period of last year.

On line 2, our interest expense increased by 7.6 or 29%. This was the result of upward pressure on cost of funds in anticipation of rate hikes, and also following the actual rate hikes themselves.

On line 6, operating income increased by 2.1 or 3% reaching 85.3 in first half 2022. This was predominately due to the increase in non-interest income of 9%, mainly driven by fees and foreign exchange income due to the resumption of economic activities and the strong loan growth.

On line 7, operating expenses have increased by 1.1 or 3% year-on-year, with Cost to Income Ratio of 48.3%. We continue to manage our cost base without hindering the progress in our digital transformation and human capital investment and development.

On line 9, you can see our credit costs declined by 16.8, from 24.8 in first half 2021 to 8.0 in 2022. Cost of risk was 33 basis points in the first half 2022, declining from 112 basis points for the same period last year. This was as a result of improvement in the operating environment in Kuwait, higher recoveries and the overall quality of our loan book.

Turning to page 5, we can see the balance sheet and how the individual line items have moved from 30 June 2021 to same period in 2022.

First, I'd like to focus on Assets.

Over the last year, our total assets increased by 586 or 9% to reach 6.9 billion. This was largely driven by a 663 or 15% increase in Net Loans, reflecting a pick-up in economic activity in comparison to last year. Compared to the year-end 2021, Net Loans grew by 345 or 7%. With almost all the growth coming in second quarter itself.

In terms of the major components of total assets (shown in bold), you can see that the mix is essentially unchanged from a year ago.

On line item 17, we can see Customer Deposits grew 6% year to date to reach 4.6 billion and our CASA ratio was relatively stable at 37.2% on 30 June 2022.

On line item 21, our total equity increased by 34 or 5% to reach 677 million compared to 643 million the year before. This was largely driven by the improvement in the profitability of the Bank from first half 2021 to first half 2022.

Moving on to asset quality, our non-performing loan ratio, shown on line 25, was 1.0% at the end of June 2022, down from 1.4% for the same period last year. Our coverage ratio on line 26, remains exceptionally strong reaching 531% at the end of June 2022.

Now, turning to Page 6 you can see in the chart on the left that as at 30 June 2022, the Bank has 114 of excess provisions, representing 37% of total provisions.

Looking at the pie charts on the top right of the page, you can see that our stage 1 loans have increased to 94.2%, Stage 2 has declined from 5.6% to 4.7%, and Stage 3 also declined, from 1.5% to 1.1%.

The chart on the bottom right side of the page shows the evolution of Stage 2 and 3 percentages over the past five quarters. We can see that our Stage 2 is continuing to be on a downward trend, while Stage 3 remains stable at around 1% for the last three quarters.

Turing to page 7, on the top left, our Tier 1 ratio was 13.0%, which is well above our current regulatory minimum of 10.5%.

On the bottom left, our Capital Adequacy Ratio of 15.2% was well above our current regulatory minimum of 12.5%.

Our risk weighted assets, shown on the top right, grew by 11%, mainly driven by year-on-year growth in the loan book.

On the bottom right, our leverage ratio as of 30 June 2022 was 8.7%, which was lower than 9.5% for the same period of last year, but well above the 3% regulatory minimum.

Turning to page 8, we can see our key liquidity ratios. On the left side, you can see our Liquidity Coverage Ratio was 258%, and on the right side, Net Stable Funding Ratio was 104% as of 30 June 2022. It's worth noting that both ratios are still well above their respective current minimums of 90% and pre-covid minimums of 100%.

Also, during the fourth quarter of 2021 the Central Bank of Kuwait communicated that it will gradually start withdrawing the relaxed regulatory limits for the Liquidity Ratios and Capital Adequacy Ratio and restore them back to the pre-covid levels by beginning of 2023.

With that, I would like to turn it back over to Dalal for the Q and A session.

Dalal: Thank you David. We are now ready for Q and A. If you wish to ask a question, please submit your question into the designated questions text area. We will pause for few minutes to receive most of your questions.

(Pause)

Ok, we will go through the questions.

بنك الخليج
GULF BANK

Gulf Bank

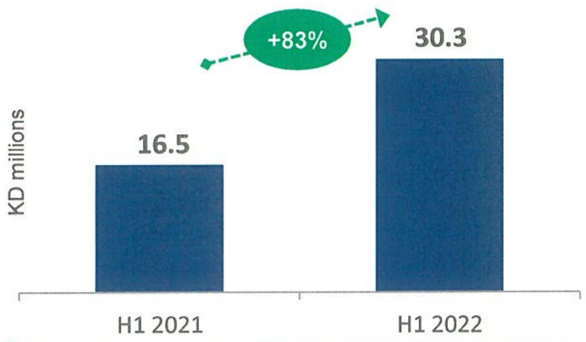
Earnings Presentation
1st Half 2022

4th August 2022

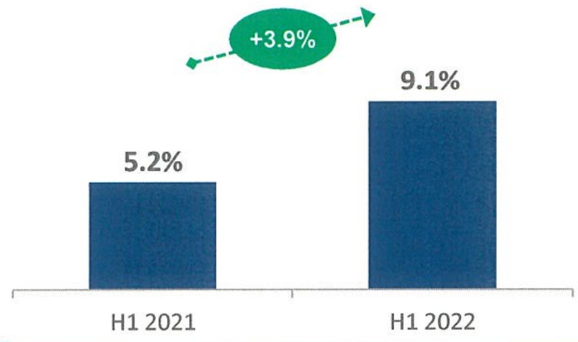
[GBK Classification: PUBLIC]

1st Half 2022 Key Highlights

1 Net Profit

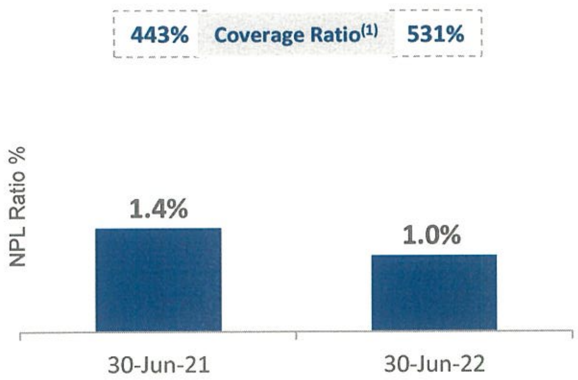


2 Return on Equity



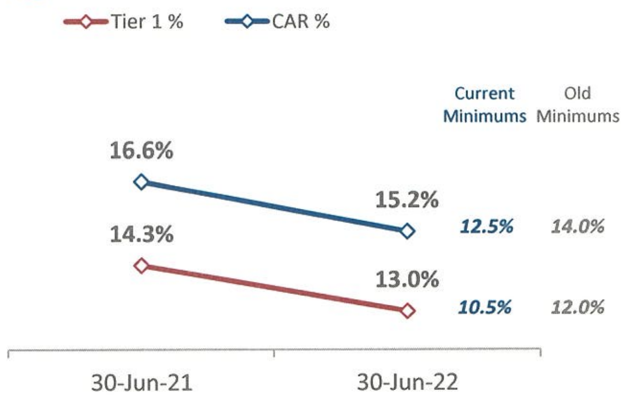
3 Gross Customer Loans

4 Asset Quality



(1) Coverage ratio includes total provisions and collaterals.

5 Capital Ratios



6 Credit Ratings

	Credit Rating	Outlook
Moody's	A3	Stable
Capital Intelligence	A+	Stable
Fitch Ratings	A	Stable
S&P Global Ratings	BBB+	Stable

بنك الخليج GULF BANK

[GBK Classification: PUBLIC]

1st Half 2022 Net Profit vs. 1st Half 2021 Net Profit Evolution

[GBK Classification: PUBLIC]

Income Statement

	KD Millions	Q1 2021A	Q2 2021A	Q3 2021A	Q4 2021A	Q1 2022A	Q2 2022A	Q2 22A vs Q1 22A		H1 2021A	H1 2022A	H1 22A vs H1 21A	
								Amt	%			Amt	%
1	Interest Income	45.3	46.0	46.7	48.0	46.7	52.5	5.9	13%	91.2	99.2	8.0	9%
2	Interest Expense	(12.6)	(13.3)	(13.5)	(14.3)	(14.4)	(19.1)	(4.6)	-32%	(25.9)	(33.5)	(7.6)	-29%
3	**Net Interest Income**	**32.6**	**32.7**	**33.3**	**33.7**	**32.2**	**33.5**	**1.3**	**4%**	**65.3**	**65.7**	**0.4**	**1%**
4	Fees/ FX Income	8.8	8.9	8.6	10.3	9.1	10.0	0.8	9%	17.6	19.1	1.4	8%
5	Other Income	0.1	0.2	0.4	0.5	0.2	0.4	0.2	103%	0.3	0.6	0.3	87%
6	**Operating Income**	**41.5**	**41.7**	**42.3**	**44.5**	**41.5**	**43.8**	**2.3**	**6%**	**83.2**	**85.3**	**2.1**	**3%**
7	Operating Expenses	(20.5)	(19.7)	(18.9)	(19.1)	(19.8)	(21.5)	(1.7)	-8%	(40.1)	(41.3)	(1.1)	-3%
8	**Operating Margin**	**21.1**	**22.0**	**23.3**	**25.4**	**21.7**	**22.3**	**0.6**	**3%**	**43.1**	**44.1**	**1.0**	**2%**
9	Credit Costs(1)	(8.3)	(16.5)	(10.5)	(8.5)	(5.1)	(2.9)	2.1	42%	(24.8)	(8.0)	16.8	68%
10	General Provisions	(0.1)	(0.8)	(1.3)	(1.4)	(0.9)	(3.4)	(2.5)	-282%	(0.9)	(4.2)	(3.4)	-385%
11	Other Provisions/Impairments	(0.1)	0.0	(0.0)	(0.0)	0.0	(0.1)	(0.1)	656%	(0.1)	(0.0)	0.0	47%
12	Taxes/ Other	(0.6)	(0.2)	(0.5)	(0.9)	(0.7)	(0.7)	(0.0)	-1%	(0.8)	(1.5)	(0.7)	-81%
13	**Net Profit**	**12.0**	**4.6**	**11.0**	**14.6**	**15.0**	**15.2**	**0.2**	**1%**	**16.5**	**30.3**	**13.8**	**83%**
14	Return on Assets (ROA) %	0.8%	0.3%	0.7%	0.9%	0.9%	0.9%			0.5%	0.9%		
15	Return on Equity (ROE) %	7.6%	2.9%	6.7%	8.8%	9.2%	9.1%			5.2%	9.1%		
16	Cost to Income Ratio (CIR) %	49.3%	47.2%	44.8%	42.9%	47.7%	49.0%			48.2%	48.3%		
17	Net Interest Margin (NIM) bps(2)	214	209	209	208	200	201			212	199		
18	Cost of Risk (COR) bps(3)	76	146	90	71	43	24			112	33		

(1) Includes specific provisions, recoveries, and write-offs (2) Net Interest Income / Average assets;
(3) Credit Costs / Average gross customer loans.

بنك الخليج GULF BANK

Balance Sheet

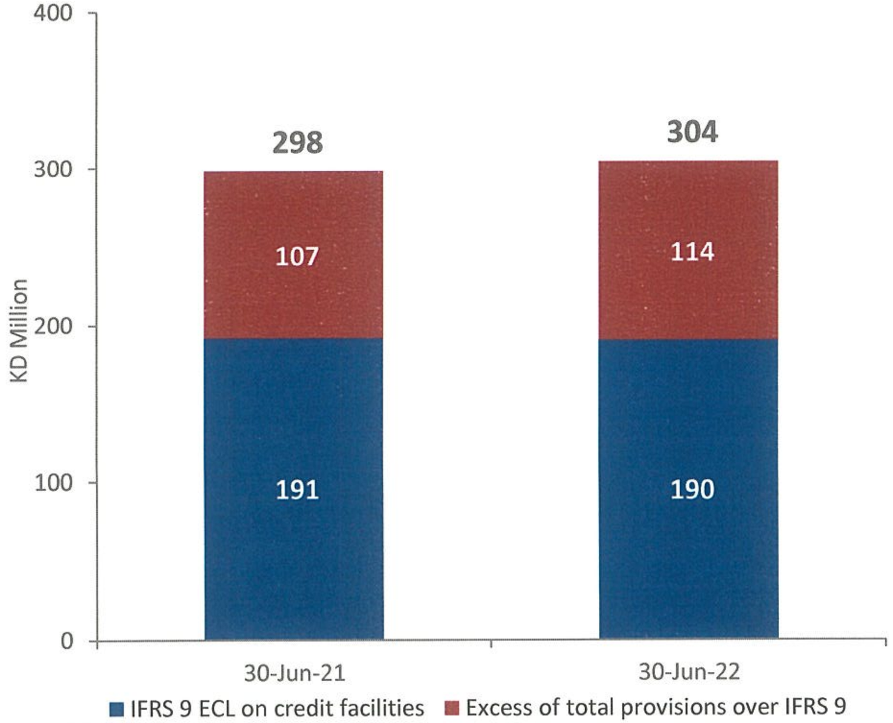
	KD Millions	30-Jun-21	% of Total	31-Dec-21	% of Total	30-Jun-22	% of Total	Var June 22 vs June 21		Var June 22 vs Dec 21	
								Amount	%	Amount	%
	ASSETS										
1	Cash and cash equivalents	1,101		942		1,028		-73	-7%	85	9%
2	Kuwait Government Bonds	91		74		48		-43	-47%	-26	-35%
3	CBK Bills	281		281		299		19	7%	18	6%
4	Deposits with banks and OFIs	0		125		58		58		-67	-53%
5	**Liquid Assets**	**1,472**	**23%**	**1,422**	**22%**	**1,433**	**21%**	**-39**	**-3%**	**11**	**1%**
6	Loans and advances to customers	4,565		4,838		5,164		599	13%	326	7%
7	Loans and advances to banks	233		280		302		69	29%	22	8%
8	Provisions	-281		-282		-285		-4	2%	-3	1%
9	**Net Loans**	**4,518**	**72%**	**4,837**	**74%**	**5,182**	**75%**	**663**	**15%**	**345**	**7%**
10	**Investment securities**	**153**	**2%**	**142**	**2%**	**111**	**2%**	**-42**	**-27%**	**-31**	**-22%**
11	Other assets	115		121		116		2	1%	-4	-4%
12	Premises and equipment	33		34		36		2	7%	1	4%
13	**Other assets**	**148**	**2%**	**155**	**2%**	**152**	**2%**	**4**	**3%**	**-3**	**-2%**
14	TOTAL ASSETS	6,291	100%	6,556	100%	6,878	100%	586	9%	322	5%
	LIABILITIES										
15	Due to banks	635		596		682		47	7%	87	15%
16	Deposits from FIs	604		673		599		-5	-1%	-75	-11%
17	**Customer deposits**	**4,167**	**66%**	**4,304**	**66%**	**4,571**	**66%**	**404**	**10%**	**267**	**6%**
18	Other borrowed funds	150		215		246		96	64%	31	14%
19	Other liabilities	93		102		103		9	10%	1	1%
20	**TOTAL LIABILITIES**	**5,649**	**90%**	**5,889**	**90%**	**6,201**	**90%**	**552**	**10%**	**311**	**5%**
21	**Total Equity**	**643**	**10%**	**666**	**10%**	**677**	**10%**	**34**	**5%**	**11**	**2%**
22	TOTAL LIABILITIES AND EQUITY	6,291	100%	6,556	100%	6,878	100%	586	9%	322	5%
23	Average assets	6,225		6,312		6,642					
24	Average equity	639		647		669					
25	NPL ratio	1.4%		0.9%		1.0%					
26	Coverage ratio(1)	443%		615%		531%					
27	CASA Ratio	37.4%		38.5%		37.2%					

(1) Coverage ratio includes total provisions and collaterals.

بنك الخليج GULF BANK

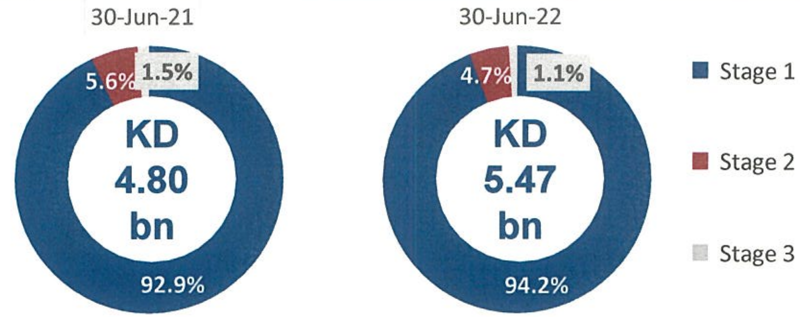
Total Credit Provisions exceed IFRS 9 accounting requirements by KD 114 million

Total Provisions on Credit Facilities

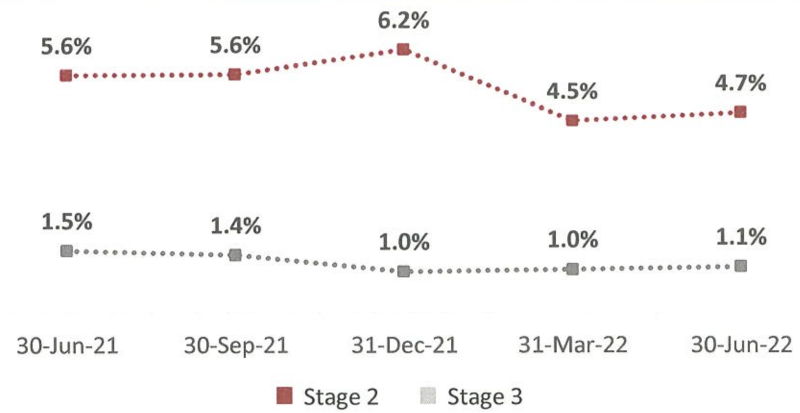


Excess / Total Provision	36%	37%

Gross Loans by Stages %[1]

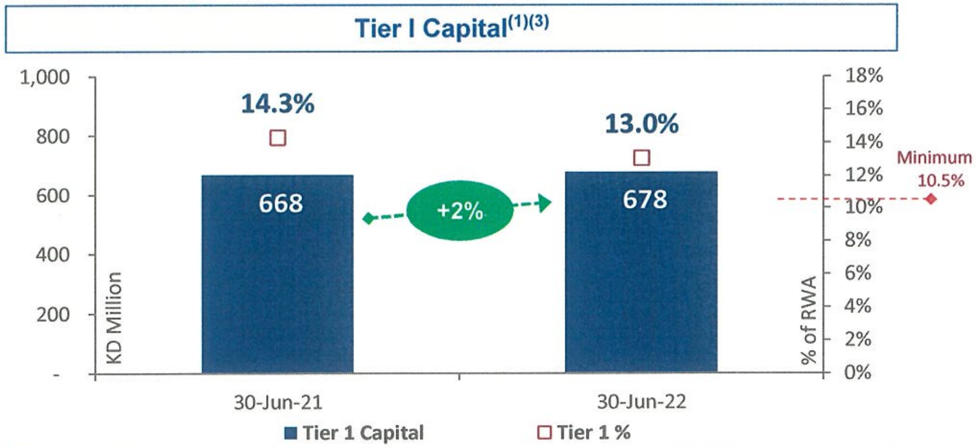


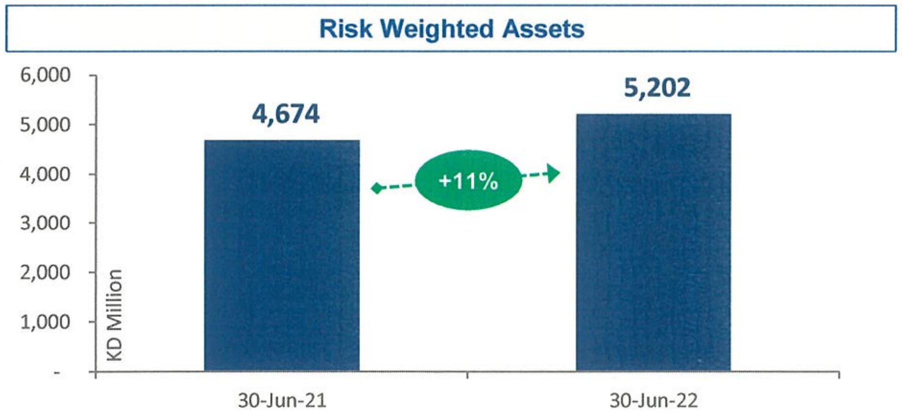
Evolution of Gross Loans Stages 2 and 3 (%)[1]

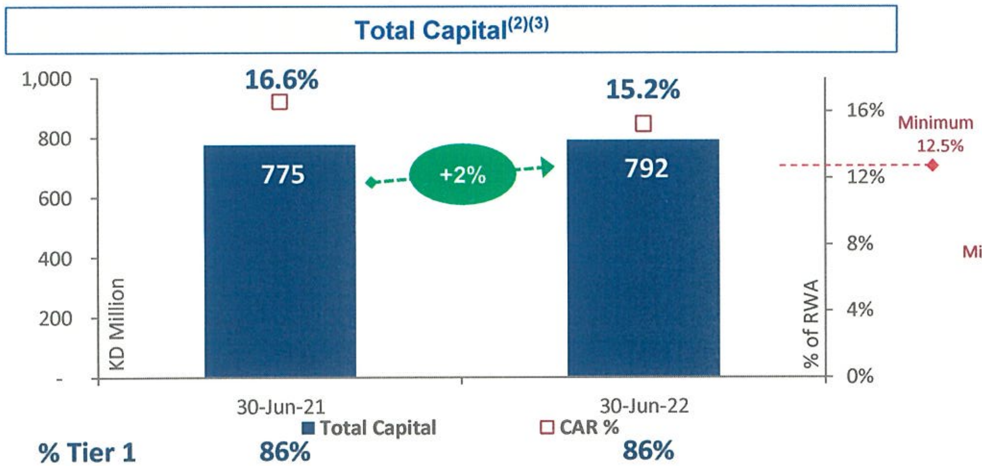


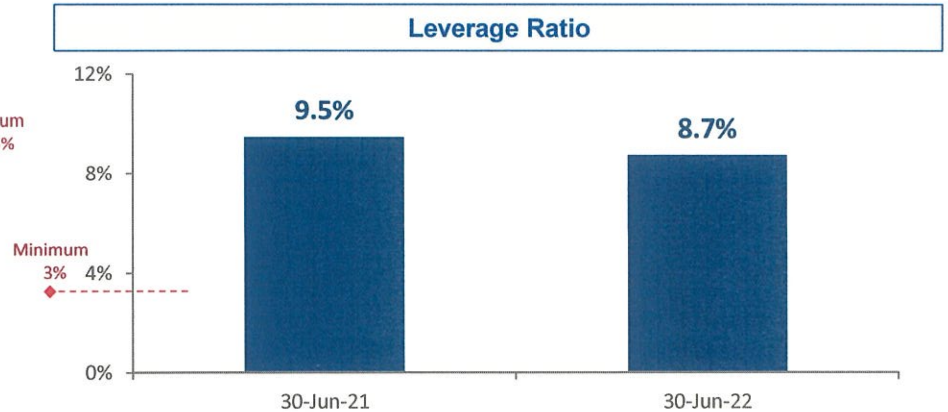
(1) Stage 3 loans are marginally higher than the credit impaired loans due too qualitative and quantitative factors as per IFRS 9;
(2) Total Credit facilities includes Loans and advances to banks and customers and Contingent liabilities and commitments.

Capital and Leverage Ratios





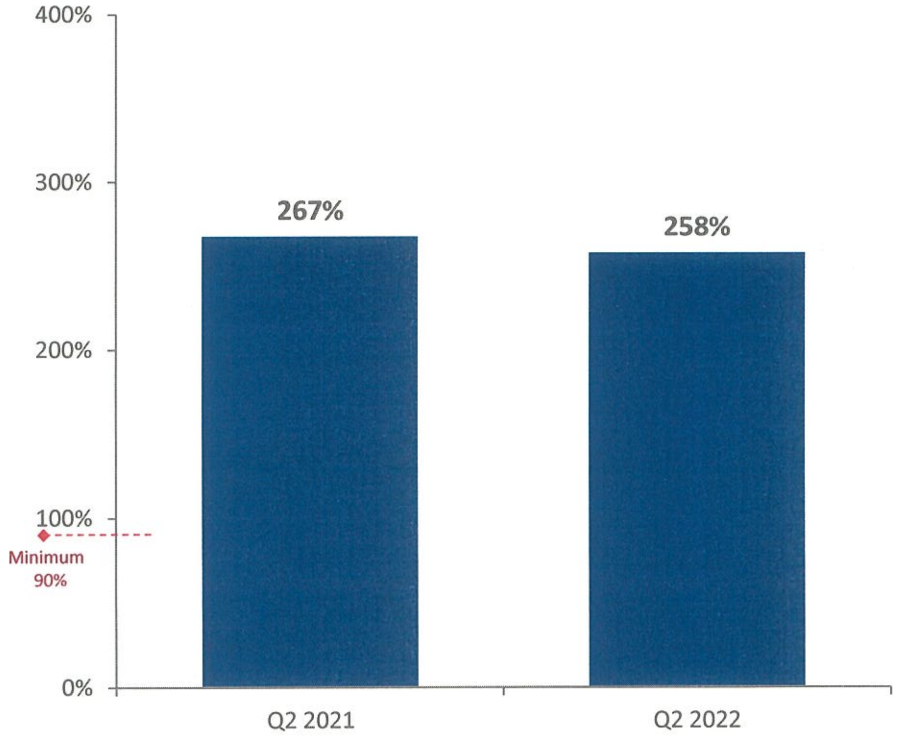




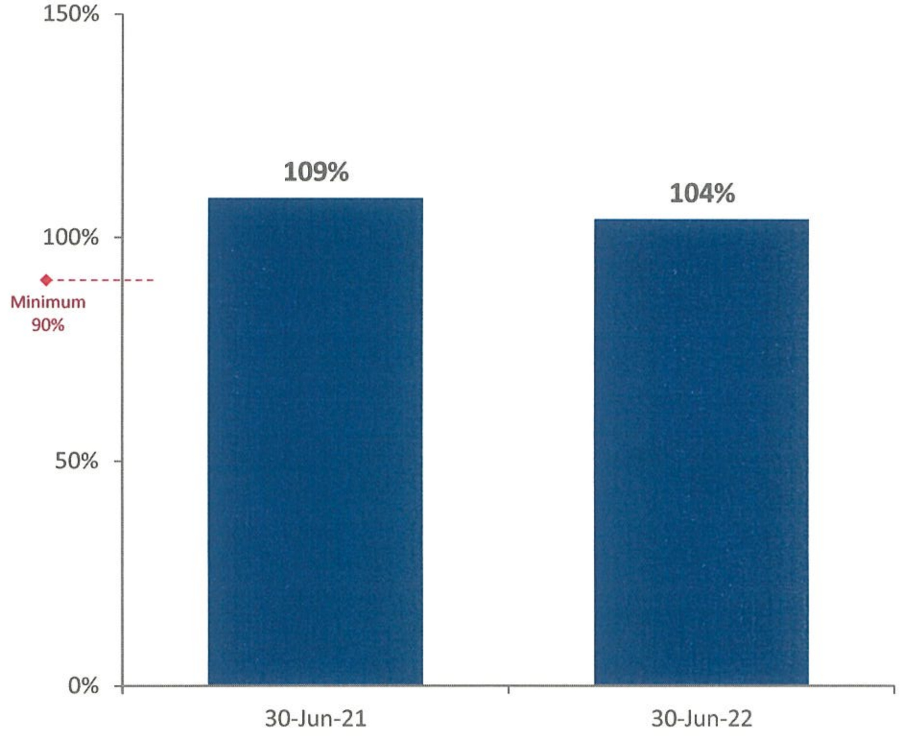
(1) Tier 1 Ratio regulatory minimum has been partially restored from 9.5% to 10.5%; (2) CAR regulatory minimum has been partially restored from 11.5% to 12.5%; (3) Tier 1 regulatory minimums include 1% DSIB.
Note: The partial restoration in the regulatory minimums were instructed by CBK in October 2021 and to be effective from 1 January 2022 until 31 December 2022, before reverting to the old minimums of 12% for Tier 1 and 14% for CAR in 2023.

Liquidity Ratios

Liquidity Coverage Ratio[1]



Net Stable Funding Ratio[1]



(1) Liquidity Coverage Ratio and Net Stable Funding Ratio regulatory minimums have been partially restored from 80% to 90%, before reverting to the old minimum of 100% in 2023.
Note: The partial restoration in the regulatory minimums were instructed by CBK in October 2021 and to be effective from 1 January 2022 until 31 December 2022.

[GBK Classification: PUBLIC]

بنك الخليج GULF BANK

Q&A

Gulf Bank

Investor Relations Team
Tel : +965 2244-9501
Fax : +965 2243-7872
P.O. Box 3200, Safat, 13032 Kuwait
Investor.relations@gulfbank.com.kw

Dalal (Q1): **We have a few questions regarding cost of risk. What is driving the declining trends of the cost of risk? And will this declining trend continue? David.**

David (A1): This is the 4th consecutive quarter we've seen a drop in credit costs. We booked only 2.9m in Q2, which is a 24-basis point cost of risk. I've said the long-term normalized number is probably in the region of a 100. So, we're very happy with the way the portfolio is performing and we're not seeing evidence of deterioration. The stage 2 and stage 3 numbers are all looking very strong and stable, so I think we're in a great position to weather any future stresses that may come from the rate increase cycle that we are seeing.

I think in the second half we'd probably see a higher cost of risk, but it would still be expected to be well below the long-term normalized number. And on NPL's, these are expected to continue to be low and stay below the 2% mark that we guided at the start of the year.

Dalal (Q2): **We have another question on NIM's. NIM's are down year or year in first half 2022, do you expect an improvement in the second half 2022?**

David (A2): We said at the beginning of the year we expected the low point in the margin cycle to be in Q1, and from there on we'd start seeing some expansion, and this is indeed what we saw in Q2. But the market continues to be very competitive on loan pricing and we've also seen pressures on the interest expense side with deposit pricing, so the overall expansion was less than we'd hoped for. But it's something we're very focused on, and in the second half we would expect to see a further expansion in NIM's from current levels.

Dalal: Thanks David. We will pause for few minutes to receive more questions.

(Pause)

Dalal (Q3): **We have questions on loan growth. Could you elaborate more on your loan growth and what segment/sector drove this growth?**

David (A3): Thanks Dalal. Q2 was an exceptional quarter for loan growth - we grew almost 7% which is perhaps the highest growth the bank has seen in any one quarter. And the growth was very strong for both our consumer and corporate. Gross loans to customers in the quarter grew around 330 million with broadly 2/3rds coming from corporate and a 1/3rd from consumer.

If we compare to the system, we can see that we grew 6.7% to the end of June and the system grew 5.9% to the end of May (as the June data isn't out yet). So, we'll probably be tracking broadly in line with the system for the first half when the data comes out.

But for consumer, we're growing well ahead of system. To the end of June, consumer grew 8.8% whereas the system grew 3.8% to the end of May. So, we're tracking around double the system growth. And as you know, market share gains in consumer are a key part of the bank's strategy, so its very pleasing to see the significant progress being made here, particularly in such a competitive market.

I think looking forward, I think overall the second half will be slower though. But we're still looking to grow strongly in consumer and consolidate these market share gains that we've seen in the first half.

Dalal (Q4): **On the expenses, can you explain the increase in the operating expenses compared to previous quarters? David.**

David (A4): We saw expenses increased 3% year on year, and 8% sequentially from Q1 2022. The Bank is still very much in investment mode. Both in terms of staff and in terms of the digital transformation that we're going through.

Specifically, we've seen an increase in staff costs and this represents the significant investment we're making in our people who are a key strategic pillar. We've also seen some underlying inflationary pressures feed through.

And as I said earlier, we've also had significant loan growth in Q2, and an element of our cost base is variable, and that contributed to some of the increase.

Dalal: Thank you David. We will pause for few minutes.

(Pause)

Dalal (Q5): We received one more question on capital. How comfortable is the Bank with the current levels, as the capital and liquidity regulatory minimums are reverting to the old minimums by 2023? David.

David (A5): We saw the capital ratios drop quite significantly in Q2, primarily because of the 7% loan growth we saw. We wouldn't ordinarily expect to see these type of quarterly capital drops going forward though. We're comfortably above the current minimums, as I mentioned earlier, but as we know the pre Covid minimums come back in at the start of 2023.

When I think about capital I also think about ROE. And we're obviously looking to lift ROEs into the double-digit space. So, if we can continue delivering our planned growth and strategy without the need to raise capital, then I think that's the best outcome for all stakeholders. Already at the half, profitability is up significantly from last year, and the full year profits will add to capital at the end of the year. So internal capital generation should be much stronger than what we've seen in recent years.

Dalal: Thank you, David.

I believe we answered the majority of the questions. And with that, we would like to conclude our call for today.

If you have any questions, you may visit our investor relations page at our website or reach us at our dedicated investor relations email. Thank you all very much for your participation today.

Disclaimer

THE INFORMATION SET OUT IN THIS PRESENTATION AND PROVIDED IN THE DISCUSSION SUBSEQUENT THERETO DOES NOT CONSTITUTE AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. IT IS SOLELY FOR USE AT AN INVESTOR PRESENTATION AND IS PROVIDED AS INFORMATION ONLY. THIS PRESENTATION DOES NOT CONTAIN ALL OF THE INFORMATION THAT IS MATERIAL TO AN INVESTOR.

This presentation has been prepared by (and is the sole responsibility of) GULF BANK K.S.C.P. (the "Bank"). The information herein may be amended and supplemented and may not as such be relied upon for the purposes of entering into any transaction. This presentation may not be reproduced (in whole or in part), distributed or transmitted to any other person without the Bank's prior written consent. The information in this presentation and the views reflected therein are those of the Bank and are subject to change without notice.

All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of the matters described herein. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and, to the extent that they are based on historical information, they should not be relied upon as an accurate prediction of future performance. These materials are not intended to provide the basis for any recommendation that any investor should subscribe for or purchase any securities.

This presentation does not disclose all the risks and other significant issues related to an investment in any securities/transaction. Past performance is not indicative of future results. GULF BANK is under no obligation to update or keep current the information contained herein. No person shall have any right of action against the Bank or any other person in relation to the accuracy or completeness of the information contained in this presentation.

No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation, and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of the Bank.

This presentation does not constitute an offer or an agreement, or a solicitation of an offer or an agreement, to enter into any transaction (including for the provision of any services). No assurance is given that any such transaction can or will be arranged or agreed.

Certain statements in this presentation may constitute forward-looking statements. These statements reflect the Bank's expectations and are subject to risks and uncertainties that may cause actual results to differ materially and may adversely affect the outcome and financial effects of the plans described herein. You are cautioned not to rely on such forward-looking statements. The Bank does not assume any obligation to update its view of such risks and uncertainties or to publicly announce the result of any revisions to the forward-looking statements made herein.

THANK YOU