

Kuwait, 27 July 2023

Boursa Kuwait
State of Kuwait

Dear Sirs,

Subject: Interim Financial Statements for the Period Ended 30/6/2023

This is made pursuant to Module Ten, Chapter Four of the Resolution No. 72 of 2015, concerning the amended Executive Bylaws to Law No. 7/2010 on the "Establishment of Capital Markets Authority and the Regulation of Securities Activity", pertaining to the "Disclosure of Material Information and the Mechanism of Notification". We would like to advise you that the Central Bank of Kuwait has approved Gulf Bank's interim financial statements for the period ended 30/6/2023 as per CBK letter dated 27/7/2023.

Pursuant to the requirements of Boursa Kuwait under Resolution No. (1) of 2018 applicable to listed companies classified under Premier Markets, we are pleased to announce that the Quarterly Analysts Conference will be held through live webcast on Tuesday 1/8/2023, at 1:00pm (local timing). Investors, analysts, and interested parties may visit our bank's website www.e-gulfbank.com under the Investor Relations Section/Investor Presentations to obtain the Invitation link and instructions on how to join the webcast.

Best regards



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



[GBK Classification: **PUBLIC**]



**Central Bank of Kuwait
Executive Director Supervision Sector**

Date: 27 July 2023
Ref: 2/105/---

**Chief Executive Officer
Gulf Bank**

Dear Sir,

This has reference to your letter, dated 16/7/2023, enclosing a copy of your bank's interim financial statements for the period ended 30/6/2023 prepared for disclosure purposes as per Boursa Kuwait's requirements, and further to the clarifications and detailed statements sent to us in this regard, latest dated 26/7/2023.

We would like to advise you that CBK took note of the contents of these statements, and that you may proceed with all applicable necessary actions in this regard.

Best regards

Abdulhameed D. Al-Awadh

c.c. Boursa Kuwait -

[GBK Classification: PUBLIC]



Financial Results Form
 Kuwaiti Company (KWD)

 نموذج نتائج البيانات المالية
 للشركات الكويتية (د.ك.)

Company Name	اسم الشركة
Gulf Bank K.S.C.P.	بنك الخليج ش.م.ك.ع

Second quarter results Ended on	2023-06-30	نتائج الربع الثاني المنتهي في
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Board of Directors Meeting Date	2023-07-13	تاريخ اجتماع مجلس الإدارة
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Required Documents	المستندات الواجب إرفاقها بالنموذج
Approved financial statements. Approved auditor's report This form shall not be deemed to be complete unless the documents mentioned above are provided	نسخة من البيانات المالية المعتمدة نسخة من تقرير مراقب الحسابات المعتمد لا يعتبر هذا النموذج مكتملاً ما لم يتم وإرفاق هذه المستندات

التغيير (%)	فترة الستة أشهر المقارنة	فترة الستة أشهر الحالية	البيان
Change (%)	Six Month Comparative Period	Six Month Current Period	Statement
	2022-06-30	2023-06-30	
18.3%	30,293,000	35,846,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
17.0%	9.12	10.67	ربحية (خسارة) السهم الأساسية والمخففة Basic & Diluted Earnings per Share
-3.3%	3,440,268,000	3,327,008,000	الموجودات المتداولة Current Assets
0.5%	6,877,710,000	6,913,578,000	إجمالي الموجودات Total Assets
-4.6%	5,839,754,000	5,571,045,000	المطلوبات المتداولة Current Liabilities
-0.2%	6,200,614,000	6,190,190,000	إجمالي المطلوبات Total Liabilities
6.8%	677,096,000	723,388,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
8.1%	85,334,000	92,256,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
11.9%	44,077,000	49,315,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)
--	لا يوجد خسائر متراكمة No accumulated losses	لا يوجد خسائر متراكمة No accumulated losses	الخسائر المتراكمة / رأس المال المدفوع Accumulated Loss / Paid-Up Share Capital



التغيير (%)	الربع الثاني المقارن	الربع الثاني الحالي	البيان
Change (%)	Second quarter Comparative Period	Second quarter Current Period	Statement
	2022-06-30	2023-06-30	
21.6%	15,245,000	18,542,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
20.3%	4.59	5.52	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
4.7%	43,814,000	45,877,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
8.9%	22,346,000	24,338,000	صافي الربح (الخسارة) التشغيلية Net Operating Profit (Loss)

• Not Applicable for first Quarter

• لا ينطبق على الربع الأول

Increase/Decrease in Net Profit (Loss) is due to	سبب ارتفاع/انخفاض صافي الربح (الخسارة)
<p>The Bank's net profit of KD 35.8 million for the period ended 30 June 2023 is an increase of KD 5.6 million compared with the same period in 2022.</p> <p>The increase in net profit compared with the prior period was primarily driven by higher operating income (KD 6.9 million) and lower provisions and impairment losses (KD 0.6 million) offset by an increase in operating expenses (KD 1.7 million).</p>	<p>بلغ صافي ربح البنك 35.8 مليون دك. للفترة المنتهية في 30 يونيو 2023 أي زيادة بمقدار 5.6 مليون دك. مقارنة بنفس الفترة من عام 2022.</p> <p>وتُعزى الزيادة في صافي الربح بشكل أساسي مقارنة بالفترة السابقة إلى ارتفاع الإيرادات التشغيلية (6.9 مليون دينار كويتي) وانخفاض المخصصات وخسائر انخفاض القيمة (0.6 مليون دينار كويتي) مقابل زيادة في المصروفات التشغيلية (1.7 مليون دينار كويتي).</p>

Total Revenue realized from dealing with related parties (value, KWD)	KD 4,291,000	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
Total Expenditures incurred from dealing with related parties (value, KWD)	KD 1,424,000	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)



Auditor Opinion		رأي مراقب الحسابات
1.	Unqualified Opinion	رأي غير متحفظ
2.	Qualified Opinion	رأي متحفظ
3.	Disclaimer of Opinion	عدم إبداء الرأي
4.	Adverse Opinion	رأي معاكس

In the event of selecting item No. 2, 3 or 4, the following table must be filled out, and this form is not considered complete unless it is filled.

بحال اختيار بند رقم 2 أو 3 أو 4 يجب تعبئة الجدول التالي، ولا يعتبر هذا النموذج مكتملاً ما لم يتم تعبئته

Not applicable	نص رأي مراقب الحسابات كما ورد في التقرير
Not applicable	شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي
Not applicable	الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات
Not applicable	الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات



Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)		
النسبة	القيمة			توزيعات نقدية
NIL	NIL			Cash Dividends
NIL	NIL			توزيعات أسهم منحة
NIL	NIL			Bonus Share
NIL	NIL			توزيعات أخرى
NIL	NIL			Other Dividend
NIL	NIL			عدم توزيع أرباح
NIL	NIL			No Dividends
NIL	NIL	علاوة الإصدار Issue Premium	NIL	زيادة رأس المال
NIL	NIL		NIL	Capital Increase
NIL	NIL			تخفيض رأس المال
NIL	NIL			Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		Chief Financial Officer رئيس المدراء الماليين	David Challinor ديفيد تشالينور





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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF GULF BANK K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Gulf Bank K.S.C.P. (the “Bank”) and its subsidiary (collectively the “Group”) as at 30 June 2023, and the related interim condensed consolidated statement of income, interim condensed consolidated statement of comprehensive income for the three months and six months periods then ended and the related interim condensed consolidated statement of cash flows and interim condensed consolidated statement of changes in equity for the six months period then ended. The management of the Bank is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of presentation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of presentation set out in Note 2.

Report on Other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Bank. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Bank’s Memorandum of Incorporation and Articles of Association, as amended, during the six months period ended 30 June 2023 that might have had a material effect on the business of the Bank or on its financial position.

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any material violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organization of banking business, and its related regulations, during the six months period ended 30 June 2023 that might have had a material effect on the business of the Bank or on its financial position.

ABDULKARIM ALSAMDAN
LICENCE NO. 208 A
EY
AL AIBAN, AL OSAIMI & PARTNERS

TALAL YOUSEF AL-MUZAINI
LICENCE NO. 209 A
DELOITTE & TOUCHE
AL-WAZZAN & CO.

27 July 2023
Kuwait



GULF BANK GROUP
Interim Condensed Consolidated Statement of Income
(Unaudited)

PERIOD ENDED 30 JUNE 2023

	<i>3 months ended</i>	<i>3 months ended</i>	<i>6 months ended</i>	<i>6 months ended</i>
	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>	<i>30 June</i>
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
<i>Note</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
Interest income	89,843	52,549	175,418	99,205
Interest expense	52,997	19,069	103,762	33,500
Net interest income	36,846	33,480	71,656	65,705
Net fees and commissions	6,050	7,497	13,699	14,238
Net gains from dealing in foreign currencies and derivatives	2,419	2,461	5,045	4,830
Dividend income	225	224	436	224
Other income	337	152	1,420	337
Operating income	45,877	43,814	92,256	85,334
Staff expenses	13,768	14,020	27,252	26,680
Occupancy costs	709	602	1,410	1,213
Depreciation	1,824	1,726	3,568	3,427
Other expenses	5,238	5,120	10,711	9,937
Operating expenses	21,539	21,468	42,941	41,257
OPERATING PROFIT BEFORE PROVISIONS / IMPAIRMENT LOSSES	24,338	22,346	49,315	44,077
Charge (release) of provisions:				
- specific	6,921	7,502	21,114	12,658
- general	12	3,365	(265)	4,245
Loan recoveries, net of write-off	(2,005)	(4,552)	(9,042)	(4,623)
Net provision on other financial assets	(31)	50	(81)	41
OPERATING PROFIT	19,441	15,981	37,589	31,756
Directors' remuneration	30	21	60	41
Contribution to Kuwait Foundation for the Advancement of Sciences	194	160	376	318
National Labour Support Tax	481	395	931	786
Zakat	194	160	376	318
PROFIT FOR THE PERIOD	18,542	15,245	35,846	30,293
BASIC AND DILUTED EARNINGS PER SHARE (Fils)	3	6	5	11
	3	5	11	9

The attached notes 1 to 15 form part of the interim condensed consolidated financial information.



GULF BANK GROUP
Interim Condensed Consolidated Statement of Comprehensive Income
(Unaudited)

PERIOD ENDED 30 JUNE 2023

	<i>3 months ended</i> <i>30 June</i> <i>2023</i> <i>KD 000's</i>	<i>3 months ended</i> <i>30 June</i> <i>2022</i> <i>KD 000's</i>	<i>6 months</i> <i>30 June</i> <i>2023</i> <i>KD 000's</i>	<i>6 months ended</i> <i>30 June</i> <i>2022</i> <i>KD 000's</i>
Profit for the period	18,542	15,245	35,846	30,293
Other comprehensive income				
<i>Items that will not be reclassified subsequently to interim condensed consolidated statement of income :</i>				
Net changes in fair value of investment securities-equity	11	(1,928)	(476)	(214)
Other comprehensive income (loss) for the period	11	(1,928)	(476)	(214)
Total comprehensive income for the period	18,553	13,317	35,370	30,079

The attached notes 1 to 15 form part of the interim condensed consolidated financial information.



GULF BANK GROUP
Interim Condensed Consolidated Statement of Financial Position

		<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>
		<i>30 June</i>	<i>31 December</i>	<i>30 June</i>
		<i>2023</i>	<i>2022</i>	<i>2022</i>
	<i>Notes</i>	<i>KD 000's</i>	<i>KD 000's</i>	<i>KD 000's</i>
ASSETS				
Cash and cash equivalents		1,078,978	929,888	1,027,727
Kuwait Government treasury bonds		22,000	22,000	48,000
Central Bank of Kuwait bonds		341,878	337,703	299,276
Deposits with banks and other financial institutions		66,014	131,222	57,983
Loans and advances	4	5,173,723	5,128,680	5,181,553
Investment securities		73,443	128,935	111,247
Other assets	5	117,363	134,392	116,257
Premises and equipment		40,179	38,660	35,667
TOTAL ASSETS		6,913,578	6,851,480	6,877,710
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks		317,882	489,651	682,220
Deposits from financial institutions		969,850	774,611	598,662
Customer deposits		4,215,606	4,246,837	4,571,389
Other borrowed funds	6	539,484	493,926	245,670
Other liabilities		147,368	126,432	102,673
TOTAL LIABILITIES		6,190,190	6,131,457	6,200,614
EQUITY				
Share capital	7	336,056	320,053	320,053
Proposed bonus shares	8	-	16,003	-
Statutory reserve		53,052	53,052	46,562
Share premium		153,024	153,024	153,024
Property revaluation reserve		18,154	18,154	18,194
Fair valuation reserve		1,073	1,549	2,160
Retained earnings		162,029	158,188	153,245
		723,388	720,023	693,238
Treasury shares	9	-	-	(16,142)
TOTAL EQUITY		723,388	720,023	677,096
TOTAL LIABILITIES AND EQUITY		6,913,578	6,851,480	6,877,710


Ali Morad Bahbehani
(Deputy Chairman)


Waleed Mandani
(Acting Chief Executive Officer)

The attached notes 1 to 15 form part of the interim condensed consolidated financial information.