

Kuwait, 3 November 2020

Boursa Kuwait
State of Kuwait

Subject: Interim Financial Statements for the Period Ended 30/9/2020

Dear Sirs,

This is 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 CBK Board of Directors has approved Gulf Bank's interim financial statements for the period ended 30/9/2020 as per CBK letter dated 3/11/2020.

Pursuant to the requirements of the Bourse 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 Monday 9/11/2020, at 3:00 pm (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



Jihad Khodr
Assistant General Manager
Head of Compliance & Disclosure Unit

Enclosures:

- Copy of CBK approval on the Financial Statements
- Copy of Gulf Bank's Interim Financial Statements for the period ended 30/9/2020
- Announcement Form of the Interim Financial Statements as at 30/9/2020

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

Date: 3 November 2020
Ref: 2/105/7237

**Chief Executive Officer
Gulf Bank**

Dear Sir,

This has reference to your letter, dated 15/10/2020, containing a copy of your bank's interim financial statements for the period from 1/1/2020 to 30/9/2020, prepared for disclosure purposes as per the requirements of Boursa Kuwait, and further reference is made to the clarifications and detailed statements sent to us in this regard, latest dated 2/11/2020.

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

Waleed M. Al-Awadhi

c.c. Boursa Kuwait - 7238

Financial Results Form
Kuwaiti Company (KWD)

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

Select from the list	2020-09-30	اختر من القائمة
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Company Name	اسم الشركة
Gulf Bank K.S.C.P.	بنك الخليج ش.م.ك.ع
Board of Directors Meeting Date	تاريخ اجتماع مجلس الإدارة
2020-10-14	
Required Documents	المستندات الواجب إرفاقها بالنموذج
<input checked="" type="checkbox"/> Approved financial statements	<input checked="" type="checkbox"/> نسخة من البيانات المالية المعتمدة
<input checked="" type="checkbox"/> Approved auditor's report	<input checked="" type="checkbox"/> نسخة من تقرير مراقب الحسابات المعتمد

التغيير (%)	فترة التسعة اشهر المقارنة	فترة التسعة اشهر الحالية	البيان
Change (%)	Nine Month Comparison Period	Nine Month Current Period	Statement
	2019-09-30	2020-09-30	
-50.6%	37,129,000	18,354,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
-50.7%	12.81	6.31	ربحية (خسارة) السهم الأساسية والمخففة Basic & Diluted Earnings per Share
-7.1%	3,511,952,000	3,261,745,000	الموجودات المتداولة Current Assets
-3.6%	6,155,179,000	5,934,177,000	إجمالي الموجودات Total Assets
-3.4%	5,309,719,000	5,127,315,000	المطلوبات المتداولة Current Liabilities
-3.7%	5,517,090,000	5,311,904,000	إجمالي المطلوبات Total Liabilities
-2.5%	638,089,000	622,273,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
-18.0%	141,851,000	116,364,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
-17.5%	83,415,000	68,791,000	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

التغير (%)	الربع الثالث المقارن	الربع الثالث الحالي	البيان
Change (%)	Third quarter Comparison Period	Third quarter Current Period	Statement
	2019-09-30	2020-09-30	
-49.9%	13,154,000	6,587,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
-50.2%	4.54	2.26	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
-15.4%	46,268,000	39,151,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
-9.8%	27,761,000	25,052,000	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)
The Bank's net profit of KD 18 million for the nine month period ended 30 September 2020 is a decrease of KD 19 million compared with the same nine month period in 2019 due to lower operating revenue and higher provisions / impairments partially offset by lower operating expenses. Financial results for the nine month period ended 30 September 2020 reflects the COVID-19 Impact.	يمثل صافي الربح البالغ 18 مليون د.ك. للأشهر التسعة المنتهية في 30 سبتمبر 2020 انخفاضاً بمقدار 19 مليون د.ك.، مقارنةً بنفس فترة الأشهر التسعة من سنة 2019 ويعزى ذلك إلى انخفاض الإيرادات التشغيلية وارتفاع المخصصات وانخفاض القيمة، والذي قوبل جزئياً بانخفاض المصروفات التشغيلية. وقد انعكست آثار جائحة كورونا في النتائج المالية لفترة الأشهر التسعة المنتهية في 30 سبتمبر 2020.
Total Revenue realized from dealing with related parties (value, KWD)	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 4,492,000	4,492,000 دك
Total Expenditures incurred from dealing with related parties (value, KWD)	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 1,723,000	1,723,000 دك

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

The Company's comments in case the auditor has concerns or a qualified opinion	تعقيب الشركة في حال قيام مراقب الحسابات بإبداء ملاحظات أو تحفظات
No comments were raised by the auditors.	لا توجد أية ملاحظات من قبل مراقب الحسابات

التوقيع Signature	المسمى الوظيفي Title	الاسم Name
	Chief Executive Officer الرئيس التنفيذي	Antoine Daher أنطوان ضاهر

Attach a copy of the financial statements approved by the Board of Directors and the approved auditor's report

يجب إرفاق نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مراقب الحسابات المعتمد



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

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Gulf Bank K.S.C.P. (the “Bank”) as at 30 September 2020, and the related interim condensed statement of income and interim condensed statement of comprehensive income for the three months and nine months periods then ended and the related interim condensed statement of cash flows and interim condensed statement of changes in equity for the nine months period then ended. The management of the Bank is responsible for the preparation and presentation of this interim condensed 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 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 condensed 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 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 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 nine months period ended 30 September 2020 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 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, or of the provisions of Law No 7 of 2010 concerning the Capital Markets Authority and its related regulations during the nine months period ended 30 September 2020 that might have had a material effect on the business of the Bank or on its financial position.

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

14 October 2020
Kuwait

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

GULF BANK K.S.C.P.
Interim Condensed Statement of Income
(Unaudited)
PERIOD ENDED 30 SEPTEMBER 2020

	<i>3 months ended</i> <i>30 September</i> <i>2020</i> <i>KD 000's</i>	<i>3 months ended</i> <i>30 September</i> <i>2019</i> <i>KD 000's</i>	<i>9 months ended</i> <i>30 September</i> <i>2020</i> <i>KD 000's</i>	<i>9 months ended</i> <i>30 September</i> <i>2019</i> <i>KD 000's</i>
Interest income	49,300	64,824	162,569	192,963
Interest expense	17,818	28,696	69,785	82,346
Net interest income	31,482	36,128	92,784	110,617
Net fees and commissions	5,604	7,092	17,095	20,990
Net gains from dealing in foreign currencies and derivatives	1,832	2,860	5,425	7,441
Dividend income	120	-	472	575
Other income	113	188	588	2,228
Operating income	39,151	46,268	116,364	141,851
Staff expenses	7,653	11,713	28,042	34,963
Occupancy costs	673	731	2,084	2,020
Depreciation	1,925	1,798	5,795	5,246
Other expenses	3,848	4,265	11,652	16,207
Operating expenses	14,099	18,507	47,573	58,436
OPERATING PROFIT BEFORE PROVISIONS / IMPAIRMENT LOSSES	25,052	27,761	68,791	83,415
Charge of provisions:				
- specific	17,725	17,900	49,971	53,217
- general	1,549	612	4,301	266
Loan recoveries, net of write-off	(1,101)	(4,263)	(4,968)	(9,153)
Net provision on other financial assets	(17)	(279)	(101)	53
Impairment loss on other assets	-	19	372	159
OPERATING PROFIT	6,896	13,772	19,216	38,873
Contribution to Kuwait Foundation for the Advancement of Sciences	69	138	192	390
National Labour Support Tax	171	342	478	964
Zakat	69	138	192	390
PROFIT FOR THE PERIOD	6,587	13,154	18,354	37,129
BASIC AND DILUTED EARNINGS PER SHARE (Fils)	2	5	6	13

The attached notes 1 to 13 form part of the interim condensed financial information.

GULF BANK K.S.C.P.
Interim Condensed Statement of Comprehensive Income
(Unaudited)
PERIOD ENDED 30 SEPTEMBER 2020

	<i>3 months ended 30 September 2020 KD 000's</i>	<i>3 months ended 30 September 2019 KD 000's</i>	<i>9 months ended 30 September 2020 KD 000's</i>	<i>9 months ended 30 September 2019 KD 000's</i>
Profit for the period	6,587	13,154	18,354	37,129
Other comprehensive income				
<i>Items that will not be reclassified subsequently to interim condensed statement of income :</i>				
Net changes in fair value of investment securities -equity	372	16	(4,087)	1,270
<i>Items that are reclassified or may be reclassified subsequently to interim condensed statement of income:</i>				
Net changes in fair value of debt instruments at FVOCI	-	(10)	1	(22)
Other comprehensive income (loss) for the period	372	6	(4,086)	1,248
Total comprehensive income for the period	6,959	13,160	14,268	38,377

The attached notes 1 to 13 form part of the interim condensed financial information.

GULF BANK K.S.C.P.
Interim Condensed Statement of Financial Position

		<i>(Unaudited)</i> 30 September 2020 KD 000's	<i>(Audited)</i> 31 December 2019 KD 000's	<i>(Unaudited)</i> 30 September 2019 KD 000's
ASSETS				
Cash and cash equivalents		826,365	847,881	1,054,899
Treasury bills and bonds		108,500	232,000	252,000
Central Bank of Kuwait bonds		279,799	278,675	278,853
Deposits with banks and other financial institutions		-	128,368	117,861
Loans and advances to banks		193,586	212,978	153,907
Loans and advances to customers		4,206,899	4,224,608	3,992,207
Investment securities		165,491	170,694	161,633
Other assets	12	118,941	113,549	107,787
Premises and equipment		34,596	36,664	36,032
TOTAL ASSETS		5,934,177	6,245,417	6,155,179
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks		310,067	398,713	549,274
Deposits from financial institutions		828,162	1,018,487	940,346
Customer deposits		3,971,357	3,949,901	3,787,685
Subordinated Tier 2 bonds		100,000	100,000	100,000
Other liabilities		102,318	113,993	139,785
TOTAL LIABILITIES		5,311,904	5,581,094	5,517,090
EQUITY				
Share capital	4	304,813	304,813	304,813
Statutory reserve		39,106	39,106	32,429
Share premium		153,024	153,024	153,024
Property revaluation reserve		18,425	18,425	17,983
Treasury share reserve		2,395	24,111	24,111
Fair valuation reserve		3,086	7,522	8,317
Retained earnings		135,472	190,927	171,017
Treasury shares	5	656,321 (34,048)	737,928 (73,605)	711,694 (73,605)
TOTAL EQUITY		622,273	664,323	638,089
TOTAL LIABILITIES AND EQUITY		5,934,177	6,245,417	6,155,179


Jassim Mustafa Boodai
(Chairman)


Antoine Daher
(Chief Executive Officer)

The attached notes 1 to 13 form part of the interim condensed financial information.