

Kuwait, 10 August 2020

Boursa Kuwait
State of Kuwait

Subject: Interim Financial Statements for the Period Ended 31/3/2020

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 31/3/2020 as per CBK letter dated 10/8/2020.

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/Investors Conference will be held through live webcast on Sunday 16/8/2020, 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



Antoine Daher
Chief Executive Officer



Enclosures:

- Copy of CBK approval on the Financial Statements
- Copy of Gulf Bank’s Interim Financial Statements for the period ended 31/3/2020
- Announcement Form of the Interim Financial Statements as at 31/3/2020

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

Date: 10 August 2020
Ref: 2/105/4825

**Chief Executive Officer
Gulf Bank**

Dear Sir,

This has reference to the two letters from your bank, dated 23/7/2020, which enclosed your bank's interim financial statements for the period ended on 31/3/2020 and 30/6/2020 prepared for disclosure purposes as per the requirements of Boursa Kuwait, and further to the clarifications and detailed information sent to us in this regard, latest dated on 9/8/2020.

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

Best regards

Waleed M. Al-Awadhi

c.c. Boursa Kuwait

Financial Results Form
Kuwaiti Company (KWD)

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

Select from the list	2020-03-31	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
2020-07-22	
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 الثلاث اشهر المقارنة	فترة الثلاث اشهر الحالية	البيان
Change (%)	Three Month Comparative Period	Three Month Current Period	Statement
	2019-03-31	2020-03-31	
-27.0%	11,780,000	8,596,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
-27.1%	4.06	2.96	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
13.8%	3,269,144,000	3,718,851,000	الموجودات المتداولة Current Assets
10.2%	5,837,028,000	6,433,171,000	إجمالي الموجودات Total Assets
15.7%	4,846,046,000	5,608,814,000	المطلوبات المتداولة Current Liabilities
10.9%	5,223,369,000	5,794,213,000	إجمالي المطلوبات Total Liabilities
4.1%	613,659,000	638,958,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
-18.9%	47,246,000	38,315,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
-23.7%	25,664,000	19,569,000	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 الاول المقارن	الربع الاول الحالي	البيان
Change (%)	First Quarter Comparat	First Quarter Current	Statement
	Period	Period	
	2019-03-31	2020-03-31	
Not Applicable	Not Applicable	Not Applicable	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
Not Applicable	Not Applicable	Not Applicable	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
Not Applicable	Not Applicable	Not Applicable	إجمالي الإيرادات التشغيلية Total Operating Revenue
Not Applicable	Not Applicable	Not Applicable	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 for period ended 31 March 2020 of KD 8.6 million is a decrease of 27% over the same quarter in 2019 due to lower operating revenue offset by lower operating expenses and provisions/impairment losses.	انخفض صافي الربح للبنك للفترة المنتهية في 31 مارس 2020 إلى 8.6 مليون د.ك. ، أي بنسبة 27% عن نفس الفترة في عام 2019. ويعزى ذلك إلى الانخفاض في الإيرادات التشغيلية والتي قوبلت بانخفاض في المصروفات التشغيلية والمخصصات/خسائر انخفاض القيمة.
Total Revenue realized from dealing with related parties (value, KWD)	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 1,815,000	1,815,000 دك
Total Expenditures incurred from dealing with related parties (value, KWD)	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
KD 683,000	683,000 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 مر قب 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 ارفاق نسخة البيانات المالية المعتمدة من مجلس الإدارة وتقرير مر قب 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 31 March 2020, and the related interim condensed statement of income, interim condensed statement of comprehensive income, interim condensed statement of cash flows and interim condensed statement of changes in equity for the three 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 three months period ended 31 March 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 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 three months period ended 31 March 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

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

09 August 2020
Kuwait

GULF BANK K.S.C.P.
Interim Condensed Statement of Income
(Unaudited)
PERIOD ENDED 31 MARCH 2020

	<i>Notes</i>	<i>3 months ended 31 March 2020 KD 000's</i>	<i>3 months ended 31 March 2019 KD 000's</i>
Interest income		58,024	63,736
Interest expense		29,131	26,160
Net interest income		28,893	37,576
Net fees and commissions		6,757	6,669
Net gains from dealing in foreign currencies and derivatives		2,069	2,189
Dividend income		352	575
Other income		244	237
Operating income		38,315	47,246
Staff expenses		11,507	11,735
Occupancy costs		733	637
Depreciation		1,938	1,718
Other expenses		4,568	7,492
Operating expenses		18,746	21,582
OPERATING PROFIT BEFORE PROVISIONS / IMPAIRMENT LOSSES		19,569	25,664
Charge (release) of provisions:			
- specific		8,267	13,004
- general		3,299	(877)
Loan recoveries, net of write-off		(919)	912
Net provision on other financial assets		(79)	291
OPERATING PROFIT		9,001	12,334
Contribution to Kuwait Foundation for the Advancement of Sciences		91	124
National Labour Support Tax		223	306
Zakat		91	124
PROFIT FOR THE PERIOD		8,596	11,780
BASIC AND DILUTED EARNINGS PER SHARE (Fils)	3	3	4

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 31 MARCH 2020

	<i>3 months ended 31 March 2020 KD 000's</i>	<i>3 months ended 31 March 2019 KD 000's</i>
Profit for the period	<u>8,596</u>	<u>11,780</u>
Other comprehensive income		
<i>Items that will not to be reclassified subsequently to interim condensed statement of income:</i>		
Net changes in fair value of investment securities-equity	(3,852)	2,172
<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	-	(5)
Other comprehensive income for the period	<u>(3,852)</u>	<u>2,167</u>
Total comprehensive income for the period	<u><u>4,744</u></u>	<u><u>13,947</u></u>

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> 31 March <i>2020</i> KD 000's	<i>(Audited)</i> 31 December <i>2019</i> KD 000's	<i>(Unaudited)</i> 31 March <i>2019</i> KD 000's
ASSETS			
Cash and cash equivalents	1,012,476	847,881	677,786
Treasury bills and bonds	187,500	232,000	368,304
Central Bank of Kuwait bonds	279,357	278,675	307,798
Deposits with banks and other financial institutions	164,071	128,368	146,691
Loans and advances to banks	200,438	212,978	119,191
Loans and advances to customers	4,268,248	4,224,608	3,889,950
Investment securities	166,391	170,694	168,008
Other assets	118,571	113,549	122,319
Premises and equipment	36,119	36,664	36,981
TOTAL ASSETS	6,433,171	6,245,417	5,837,028
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	477,848	398,713	349,972
Deposits from financial institutions	924,467	1,018,487	978,832
Customer deposits	4,143,886	3,949,901	3,631,439
Subordinated Tier 2 bonds	100,000	100,000	100,000
Other liabilities	148,012	113,993	163,126
TOTAL LIABILITIES	5,794,213	5,581,094	5,223,369
EQUITY			
Share capital	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	22,926	24,111	24,111
Fair valuation reserve	3,670	7,522	9,339
Retained earnings	167,576	190,927	145,565
Treasury shares	709,540 (70,582)	737,928 (73,605)	687,264 (73,605)
TOTAL EQUITY	638,958	664,323	613,659
TOTAL LIABILITIES AND EQUITY	6,433,171	6,245,417	5,837,028



Jassim Mustafa Boodai
(Chairman)



Antoine Daher
(Chief Executive Officer)

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