

Gulf Bank

Investors Presentation

1st Half 2025



TABLE OF CONTENT:



AT A GLANCE



GULF BANK STRATEGY 2025



VALUE CREATION BUSINESS MODEL



SUSTAINABILITY AT GULF BANK



STATE OF KUWAIT OPERATING ENVIRONMENT



1ST HALF 2025 FINANCIAL PERFORMANCE





AT A GLANCE

Gulf Bank is one of the leading Conventional banks in Kuwait

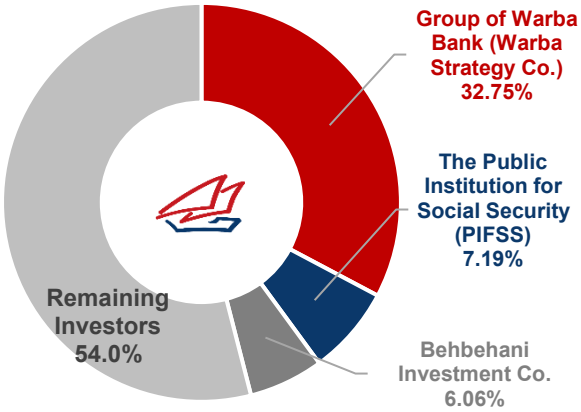


Shareholder information

Gulf Bank Index Landscape

	Listed in Boursa Kuwait Under Premier Market
	FTSE Russell Emerging Markets Index since September 2017
	S&P DJI Emerging Market Index since December 2018
	MSCI Emerging Market Index since November 2020

Ownership Structure as of 30 Jun 2025



Ticker	GBK
ISIN	KW0EQ0100028
Number of Shares Issued	3,992,627,203
Market Cap as of 30 Jun 2025	KD 1,430 Million
Gulf Bank Market Cap Weight in Boursa Kuwait	2.8%

Our Business Model

Consumer Segment

Our Consumer Banking serves a broad range of customer segments, offering customer-centric solutions and a unique experience tailored to each customer segment. Our diversified product offering includes personal loan options, credit and debit cards, and deposits.

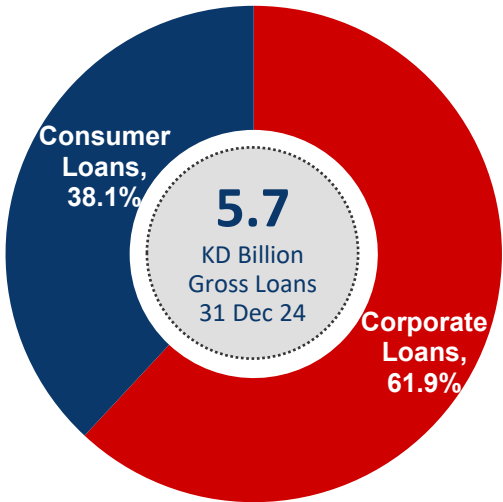
Corporate Segment

Our Corporate and Bank segment has a comprehensive suite of wholesale, commercial and Small and Medium Enterprise (SME) banking products and services. These include structured finance, project finance, transaction banking, Advisory / Corporate Finance and Investment Banking, Merchant Banking and Cards.

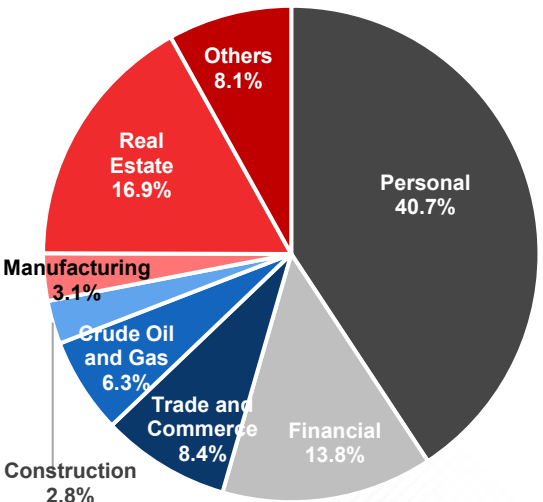
Treasury and Investment

Our Treasury focus is to optimize the balance sheet's efficiency, managing the Bank's liquidity while supporting asset growth and sufficient buffers to meet regulatory requirements. Our Investment Services manages the Bank's proprietary investment and offer investment products to clients.

Gross Loans by Segment⁽¹⁾



Gross Loans by Sector⁽²⁾



(1) Note 24 A in Financial Statement – Credit Quality by class of financial assets and Financial assets individually impaired by segment as of 31 December 2024;

(2) Note 12 A in Financial Statement – Based on the primary purpose of the loans and advances given to customers as of 31 December 2024.



TABLE OF CONTENT:

➤ AT A GLANCE

➤ **GULF BANK STRATEGY 2025**

➤ VALUE CREATION BUSINESS MODEL

➤ SUSTAINABILITY AT GULF BANK

➤ STATE OF KUWAIT OPERATING ENVIRONMENT

➤ 1ST HALF 2025 FINANCIAL PERFORMANCE

GULF BANK STRATEGY 2025

Gulf Bank's strategy is based on simple and innovative services that facilitate customers' lives and achieve sustainable growth, with the aim of cementing the Bank's position as the leading Kuwaiti Bank of the Future. The Bank new strategy aims to provide customers with an unprecedented banking experience in Kuwait, based on digital transformation processes already underway both at the customer service level and internal operations level. The focus of Strategy '2025' is on:

- Promoting selective growth in the corporate banking and SME segment by expanding our product range and services;
- Growing Consumer banking market share, while supporting the youth, women and affluent client segments; and
- Developing the Bank's digital banking platforms in order to improve services and increase competitiveness.

Strategic Foundation

People

Foster a performance-driven culture based on meritocracy and engagement

Technology

Introduce technology solutions to enable a bank wide digital transformation

Risk

Adopt world-class Risk Management practices

Digital Transformation Strategic Focus



1

Digitization of Operations

- ▶ Use Advance Data Science to improve engagement with customers and grow market share.
- ▶ Upgrade of the Core Banking System, which will introduce new products, services and features including Omni-channel initiative.
- ▶ Install new Treasury System to cater for the Full Treasury Trade Cycle and introduce new automation, products, robust credit and market risk limits monitoring, in addition to seamless operational back-office services.
- ▶ Optimize physical branch network utilizing the Banks' digital transformation journey.

2

Tailored Customer Offerings

- ▶ Improve sales and service levels by identifying profitable segments under consumer banking.
- ▶ Develop business with the affluent segment by providing premium services.
- ▶ Expand product range, transaction banking, corporate finance and include small and mid-sized enterprises.
- ▶ Expand footprint outreach in-line with Kuwait Vision 2035 "New Kuwait".



TABLE OF CONTENT:

➤ AT A GLANCE

➤ GULF BANK STRATEGY 2025

➤ **VALUE CREATION BUSINESS MODEL**

➤ SUSTAINABILITY AT GULF BANK

➤ STATE OF KUWAIT OPERATING ENVIRONMENT

➤ 1ST HALF 2025 FINANCIAL PERFORMANCE

VALUE CREATION BUSINESS MODEL



(1) All figures are either as of 1st Half 2025 or as on 30 June 2025.
(2) All figures are either as of year end 2024 or as on 31 December 2024.



TABLE OF CONTENT:

➤ AT A GLANCE

➤ GULF BANK STRATEGY 2025

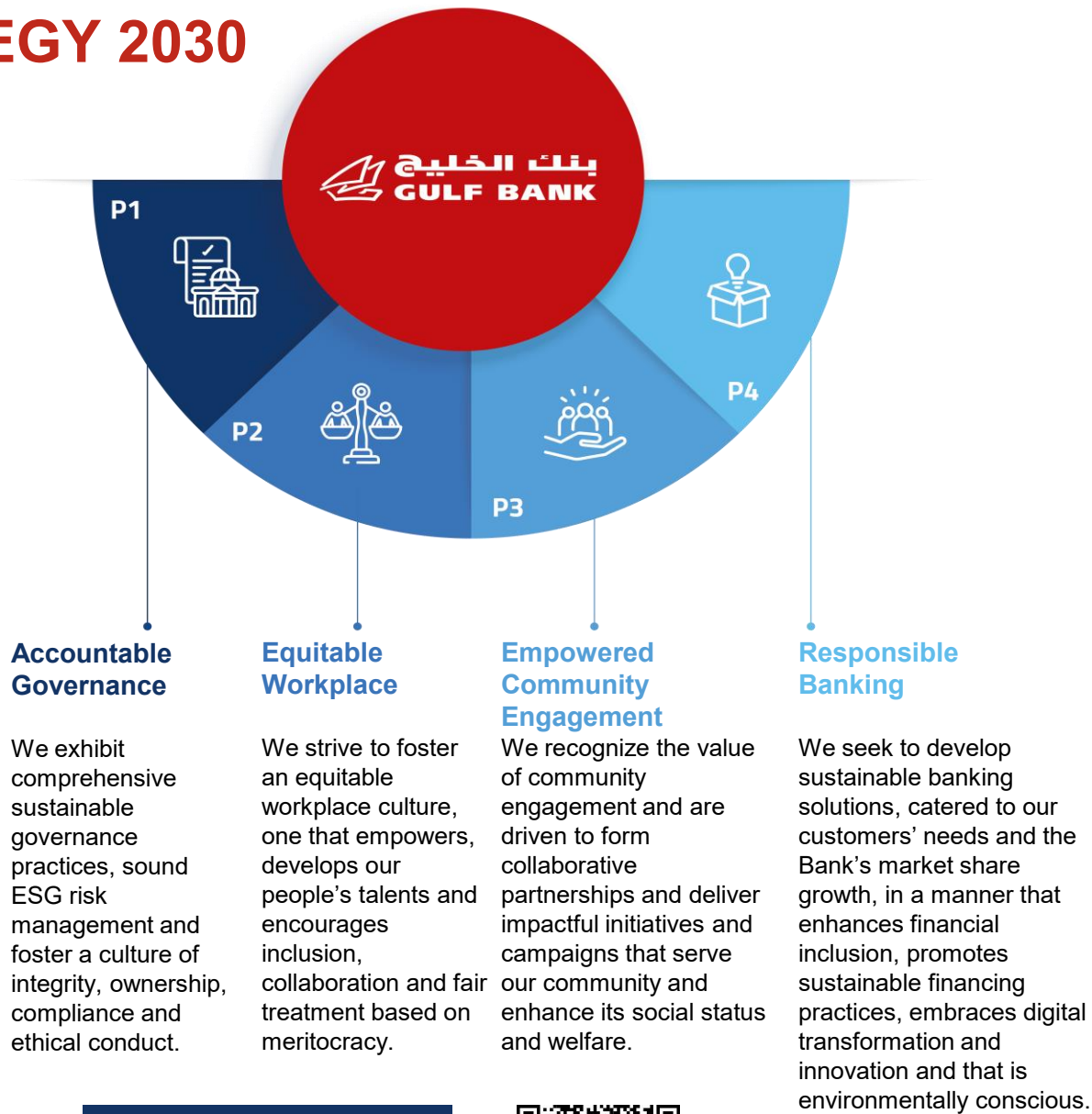
➤ VALUE CREATION BUSINESS MODEL

➤ **SUSTAINABILITY AT GULF BANK**

➤ STATE OF KUWAIT OPERATING ENVIRONMENT

➤ 1ST HALF 2025 FINANCIAL PERFORMANCE

ESG STRATEGY 2030



To access our latest sustainability report for the year 2024



ESG 2025 MILESTONES



Release of Gulf Bank's Sustainability Report 2024

Issued the Bank's 5th Annual Sustainability Report for the year 2024, structured in line with the Bank's ESG Strategy 2030 Pillars.



Activation of the ESG Management Committee

Inaugurated a bank-wide management committee to supervise the Bank's sustainability related activities.



IFRS S1 & S2 Gap Assessment

Conducted a gap assessment covering the Bank's readiness against the newly issued IFRS standards S1 & S2.



TABLE OF CONTENT:

➤ AT A GLANCE

➤ GULF BANK STRATEGY 2025

➤ VALUE CREATION BUSINESS MODEL

➤ SUSTAINABILITY AT GULF BANK

➤ **STATE OF KUWAIT OPERATING ENVIRONMENT**

➤ 1ST HALF 2025 FINANCIAL PERFORMANCE

STATE OF KUWAIT OPERATING ENVIRONMENT

1 Overview

- ▶ **The State of Kuwait is a sovereign state** on the coast of the Arabian Gulf with a population of 5.1 million as of June 2025, of which 30.5% are Kuwaiti Nationals.
- ▶ **Kuwait is a constitutional monarchy**, headed by His Highness the Emir, Sheikh Meshal Al-Ahmad Al-Jaber Al-Sabah. Kuwait constitution was approved and promulgated in November 1962 and an elected National Assembly.
- ▶ **Kuwait Vision 2035**, that was launched in 2019 encompasses seven strategic pillars: 1) Sustainable diversified economy; 2) Human Capital Development; 3) Infrastructure Development; 4) Private Sector Growth; 5) Sustainable Living Environment; 6) Social Development; and 7) Governance and Institutional Reform.

2 Economy

- ▶ **Kuwait is an oil driven economy**, however, has witnessed some modest growth from non-oil sectors in recent years.
- ▶ **Kuwait has one of the lowest oil production costs** in the world, making it more resilient to low oil prices. It has one of the world's largest sovereign wealth funds and very low debt, which underpins its investment grade sovereign credit rating.
- ▶ **Kuwait is one of the richest country in the world** by Nominal GDP per capita, reaching \$32,289 for year end 2024e, ranked 37th globally according to the IMF⁽¹⁾.

3 Key Indicators

	2024e	2025f
Sovereign Rating	Fitch: "AA-", Stable Outlook Moody's: "A1", Stable Outlook S&P: "A+", Stable Outlook	
Real GDP ⁽¹⁾	(2.8%)	1.9%
Inflation (%y/y) ⁽¹⁾	2.9%	2.5%
Public Debt (% GDP) ⁽¹⁾	3.0%	7.4%

Public Finance

KD 1.6 bn
Deficit

- ▶ **2023/24 closing account** deficit was lower than the originally budget deficit of KD 6.8 bn due to higher average oil prices.

KD 5.6 bn
Budgeted Deficit

- ▶ **FY24/25 draft budget**, could result in a deficit of KD 5.6 bn due to higher capital expenditure than historical average, plus higher contribution from non-oil revenue.

Major Projects⁽²⁾

KD 1 bn
Awarded Projects in H1'25

- ▶ **An increase of around 30% vs H1'24.**
- ▶ **The awarded projects during Q2'25** primarily fueled by infrastructure investments, targeting modernization in the Oil, Power, and Transport sectors in continuation from Q1'25.
- ▶ **The top 2 segments of awarded projects during Q2'25 were:**
 - Transport and Oil and Gas.

Real Estate Activity⁽³⁾

KD 2.0 bn
Total Sales in H1'25

- ▶ **An increase of 21% vs H1'24.**
 - The increase came mostly from, Investment Segment of 80%, followed by Residential Segment of 11%.
 - Investment Segment now represents 42% of total sales, surpassing the Residential Segment which reached 39%.
 - Higher interest rates environment, high valuations, lack of land availability and an annual fees for unused plots are some of key challenges.

Banking Sector

9 Banks
5 Conventional & 4 Islamic

- ▶ **Prudent regulation and supervision** by the Central Bank of Kuwait who have helped maintain a resilient banking system.
- ▶ **CBK discount rate is 4.0%**, compared to FED target rate of 4.25% to 4.50%.

KD 96 bn
System⁽⁴⁾ Total Assets May 25

- ▶ **An increase of 8.5% y/y.**
- ▶ **The system total credit facilities** reached KD 59.1 bn, up 6.8% y/y.
- ▶ **Banking sector market capitalization** reached KD 32.3 bn⁽⁵⁾, up 28.3% y/y.

(1) IMF Database(WEO April 2025); (2) MEED Projects, Kamco Invest GCC Projects Market; (3) Kuwait Ministry of Justice (MOJ); (4) Central Bank of Kuwait Monthly Statistical Release;

(5) Boursa Kuwait Market Summary by Company Report for the month of June 2025.



TABLE OF CONTENT:

➤ AT A GLANCE

➤ GULF BANK STRATEGY 2025

➤ VALUE CREATION BUSINESS MODEL

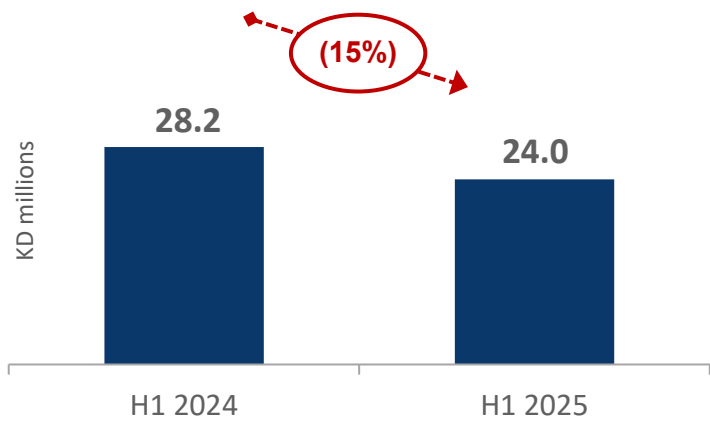
➤ SUSTAINABILITY AT GULF BANK

➤ STATE OF KUWAIT OPERATING ENVIRONMENT

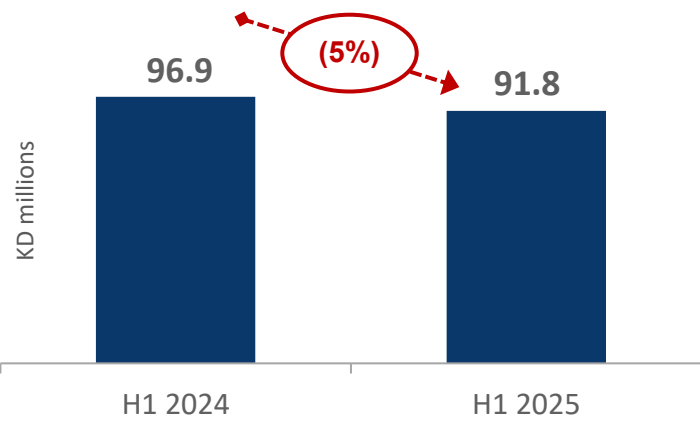
➤ **1ST HALF 2025 FINANCIAL PERFORMANCE**

1ST HALF 2025 KEY HIGHLIGHTS

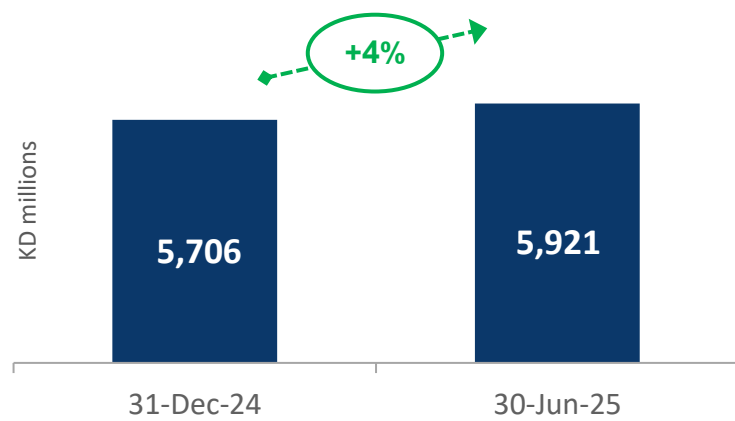
1 Net Profit



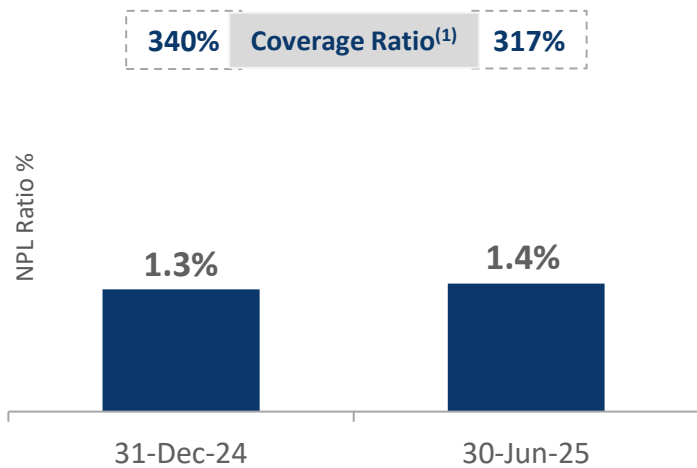
2 Operating Income



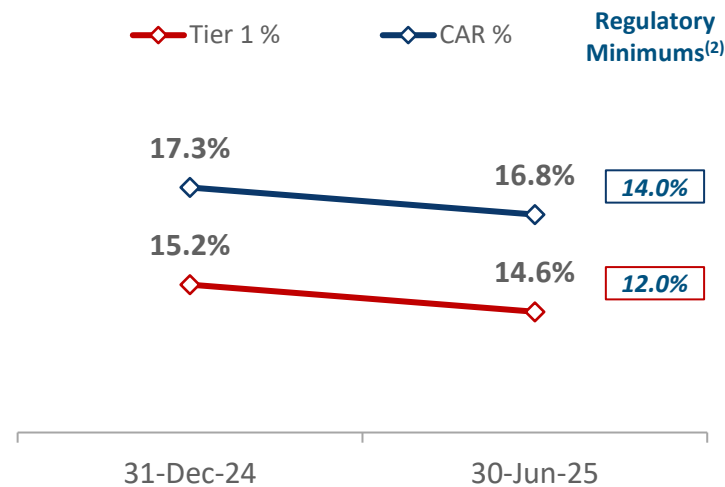
3 Gross Loans and Advances



4 Asset Quality



5 Capital Ratios

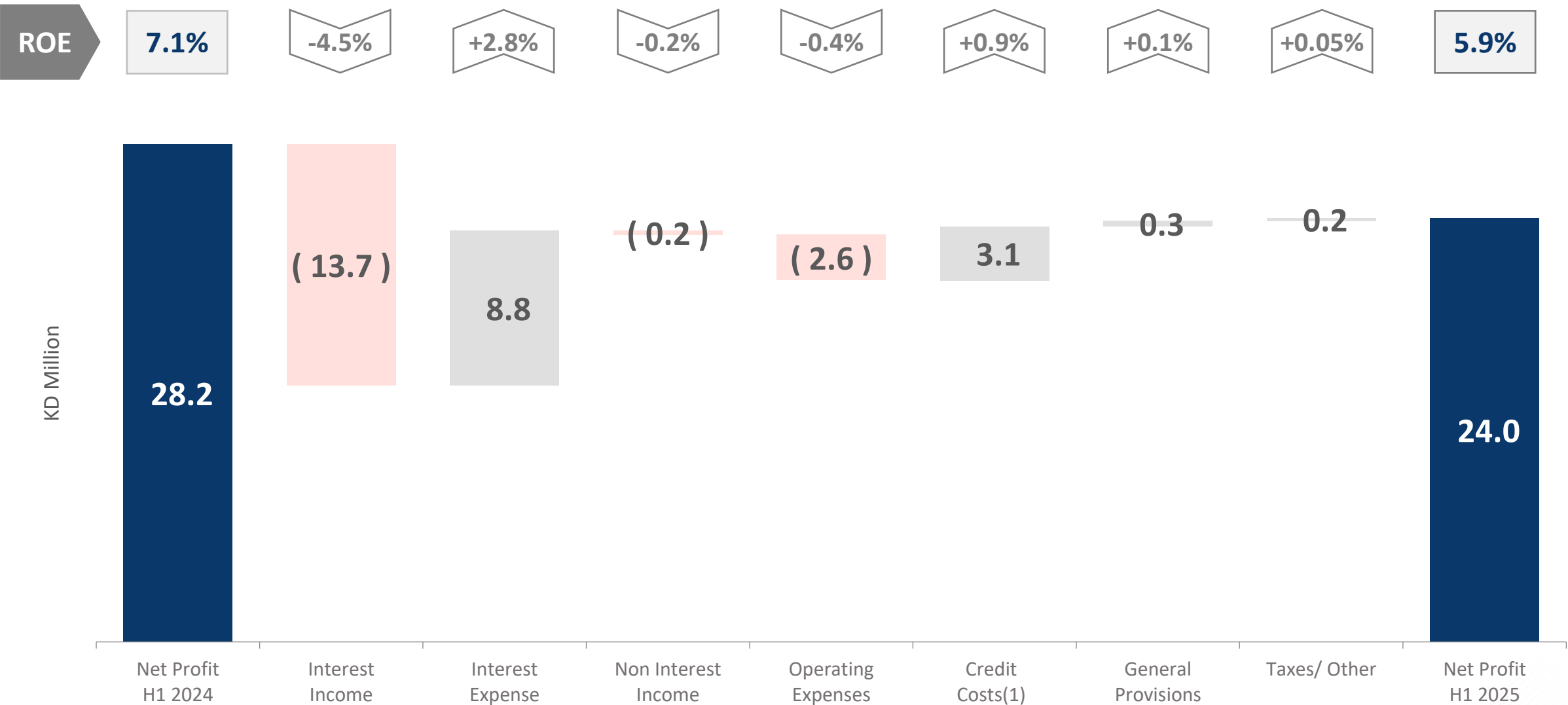


6 Credit Ratings

	Credit Rating	Outlook
MOODY'S RATINGS	A3	Stable
CI CAPITAL intelligence	A+	Stable
Fitch Ratings	A	Stable

(1) Coverage ratio includes total provisions and collaterals; (2) Tier 1 and CAR regulatory minimums include 1% DSIB charge.

1ST HALF 2025 NET PROFIT VS. 1ST HALF 2024 NET PROFIT EVOLUTION



(1) Credit costs = Specific Provision Charge + P&L write off on settlements – recoveries + excess general provision movement.

INCOME STATEMENT

KD Millions	Q1 2024A	Q2 2024A	Q3 2024A	Q4 2024A	Q1 2025A	Q2 2025A	Q2 25A vs Q1 25A		H1 2024A	H1 2025A	H1 25A vs H1 24A	
							Amt	%			Amt	%
1 Interest Income	98.6	102.3	103.0	99.6	92.6	94.6	2.0	2%	200.9	187.2	(13.7)	-7%
2 Interest Expense	(60.2)	(63.0)	(63.3)	(60.7)	(57.5)	(57.0)	0.5	1%	(123.2)	(114.5)	8.8	7%
3 Net Interest Income	38.4	39.2	39.7	38.9	35.1	37.6	2.5	7%	77.6	72.7	(4.9)	-6%
4 Non Interest Income ⁽¹⁾	9.8	9.4	9.5	14.3	8.9	10.2	1.3	15%	19.2	19.0	(0.2)	-1%
5 Operating Income	48.3	48.6	49.2	53.3	44.0	47.8	3.8	9%	96.9	91.8	(5.1)	-5%
6 Operating Expenses	(21.7)	(22.6)	(23.1)	(25.2)	(23.1)	(23.8)	(0.6)	-3%	(44.3)	(46.9)	(2.6)	-6%
7 Operating Profit	26.6	26.0	26.1	28.1	20.9	24.0	3.2	15%	52.6	44.9	(7.7)	-15%
8 Credit Costs ⁽²⁾	(11.4)	(9.3)	(14.2)	(7.7)	(10.1)	(7.5)	2.6	26%	(20.6)	(17.6)	3.1	15%
9 General Provisions	(1.8)	(0.6)	0.7	0.7	(1.0)	(1.1)	(0.1)	-15%	(2.4)	(2.0)	0.3	14%
10 Taxes/ Other	(0.6)	(0.7)	(0.6)	(1.2)	(0.5)	(0.7)	(0.3)	-57%	(1.4)	(1.2)	0.2	11%
11 Net Profit	12.9	15.3	12.0	19.9	9.4	14.7	5.3	57%	28.2	24.0	(4.2)	-15%
12 Return on Assets (ROA) %	0.7%	0.8%	0.6%	1.1%	0.5%	0.8%			0.8%	0.7%		
13 Return on Equity (ROE) %	6.5%	7.8%	5.9%	9.6%	4.6%	7.2%			7.1%	5.9%		
14 Cost to Income Ratio (CIR) %	44.9%	46.6%	47.0%	47.3%	52.6%	49.7%			45.7%	51.1%		
15 Net Interest Margin (NIM) bps ⁽³⁾	214	215	212	207	190	204			214	197		
16 Cost of Risk (COR) bps ⁽⁴⁾	82	65	97	53	71	51			73	61		

(1) Includes Fees and Foreign Exchange Income and Other Income; (2)) Credit costs = Specific Provision Charge + P&L write off on settlements – recoveries + excess general provision movement;
(3) Net Interest Income / Average assets; (4) Credit Costs / Average gross loans and advances.

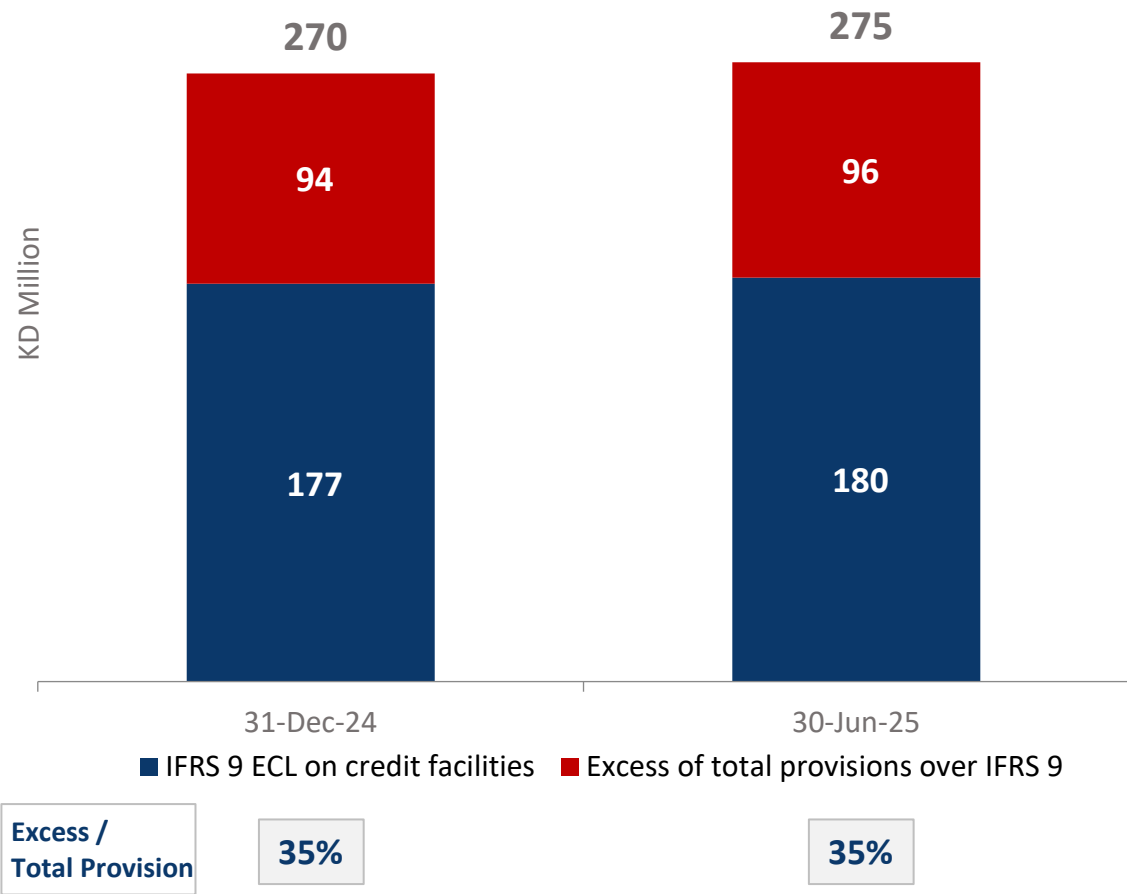
BALANCE SHEET

KD Millions	30-Jun-24	% of Total	31-Dec-24	% of Total	30-Jun-25	% of Total	Var Jun 25 vs Jun 24		Var Jun 25 vs Dec 24	
							Amount	%	Amount	%
ASSETS										
1 Cash and cash equivalents	1,119		1,388		948		-171	-15%	-440	-32%
2 Kuwait Government Bonds	10		3		74		65	679%	72	2860%
3 CBK Bonds	302		140		113		-189	-62%	-27	-19%
4 Deposits with banks and OFIs	126		135		128		2	1%	-8	-6%
5 Gross loans and advances	5,809		5,706		5,921		112	2%	215	4%
6 Provisions	-256		-239		-244		11	-4%	-6	2%
7 Net Loans and advances	5,553	75%	5,467	73%	5,677	78%	124	2%	210	4%
8 Investment securities	157	2%	205	3%	211	3%	53	34%	6	3%
9 Other assets	123		102		109		-15	-12%	7	7%
10 Premises and equipment	40		41		41		1	2%	0	0%
11 Other assets	164	2%	143	2%	150	2%	-14	-9%	7	5%
12 TOTAL ASSETS	7,431	100%	7,480	100%	7,300	100%	-130	-2%	-180	-2%
LIABILITIES										
13 Due to banks	305		365		182		-123	-40%	-183	-50%
14 Deposits from FIs	946		945		879		-67	-7%	-66	-7%
15 Customer deposits	4,620	62%	4,657	62%	4,503	62%	-116	-3%	-153	-3%
16 Other borrowed funds	614		520		757		143	23%	238	46%
17 Other liabilities	144		160		154		10	7%	-6	-4%
18 TOTAL LIABILITIES	6,629	89%	6,647	89%	6,476	89%	-153	-2%	-171	-3%
19 Total Equity	802	11%	834	11%	825	11%	23	3%	-9	-1%
20 TOTAL LIABILITIES AND EQUITY	7,431	100%	7,480	100%	7,300	100%	-130	-2%	-180	-2%
21 Average assets	7,292		7,366		7,436					
22 Average equity	802		811		822					
23 NPL ratio	1.2%		1.3%		1.4%					
24 Coverage ratio ⁽¹⁾	390%		340%		317%					
25 CASA Ratio	28.5%		27.7%		28.5%					

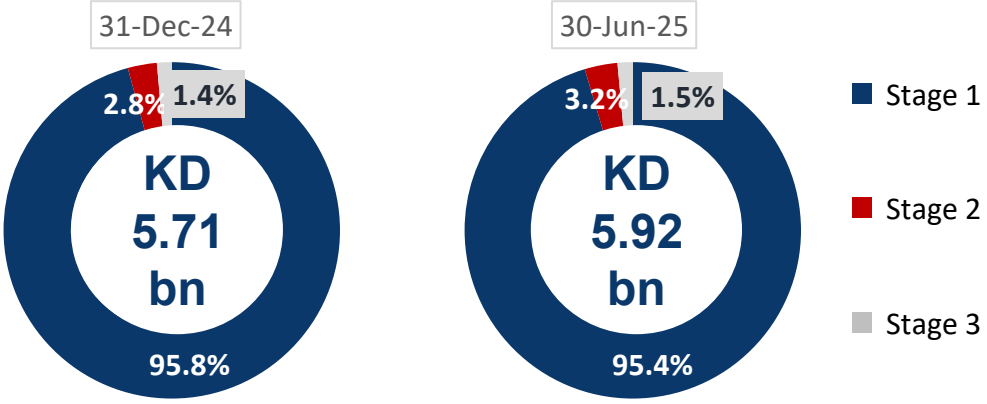
(1) Coverage ratio includes total provisions and collaterals.

TOTAL CREDIT PROVISIONS EXCEED IFRS 9 REQUIREMENTS BY KD 96 MILLION

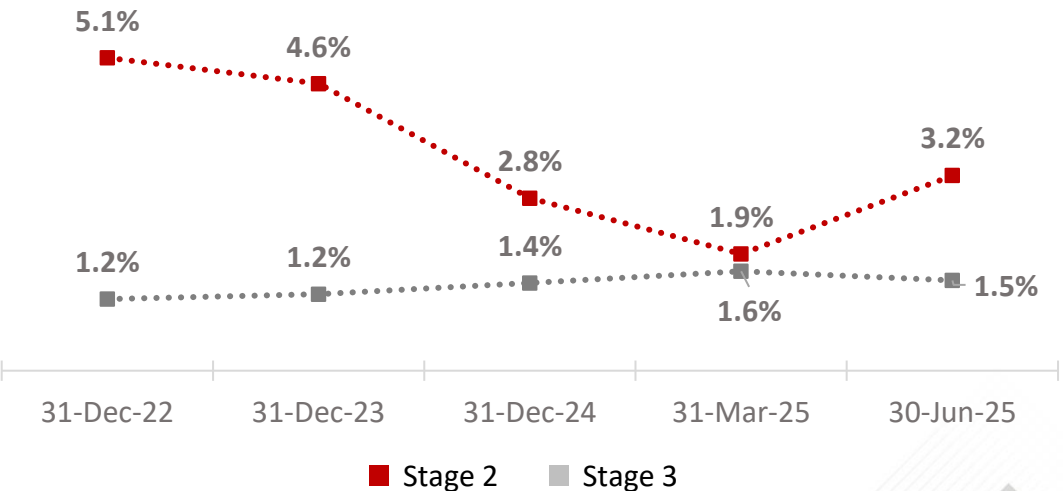
Total Provisions on Credit Facilities



Gross Loans by Stages %⁽¹⁾

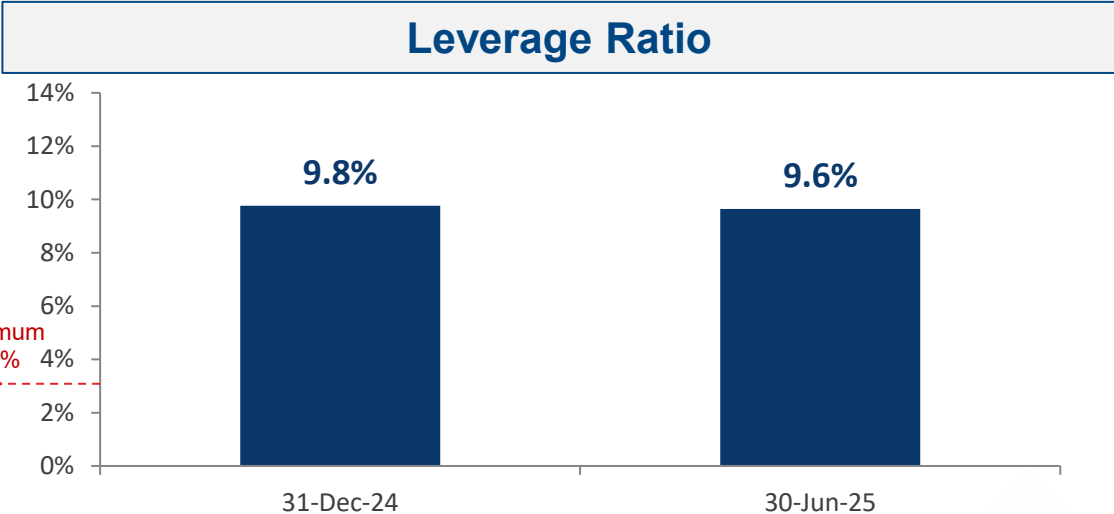
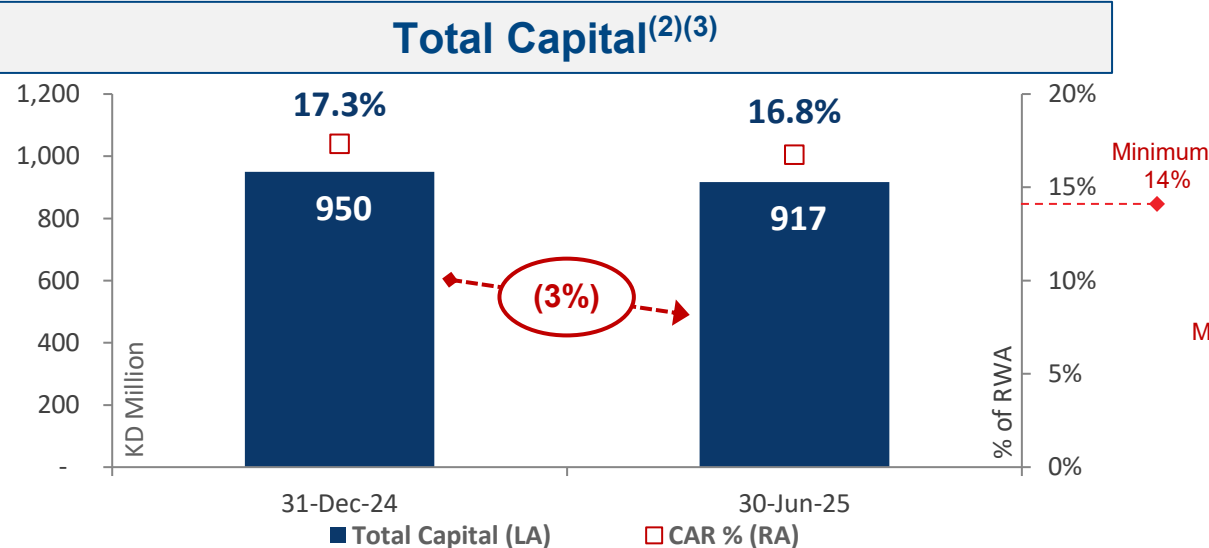
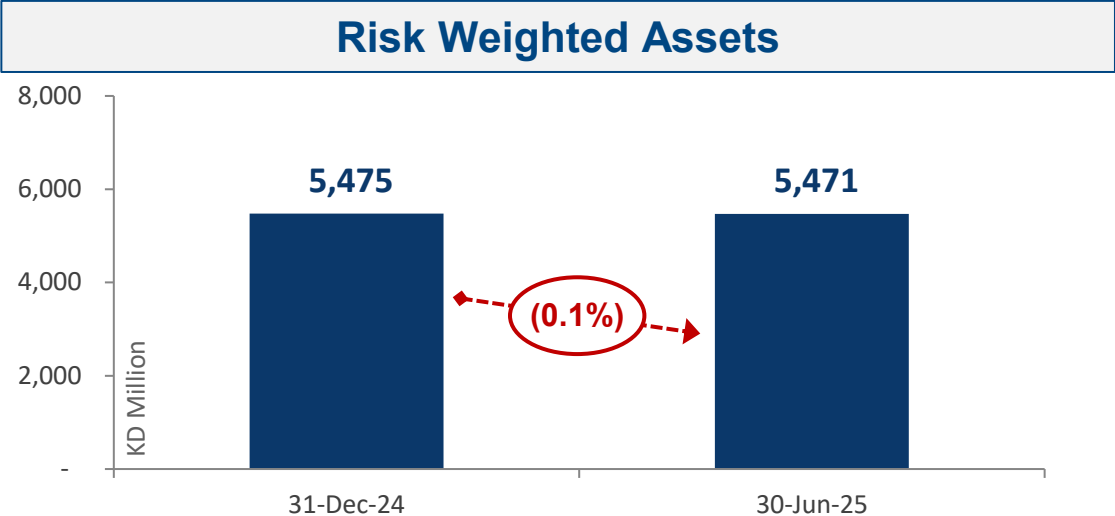
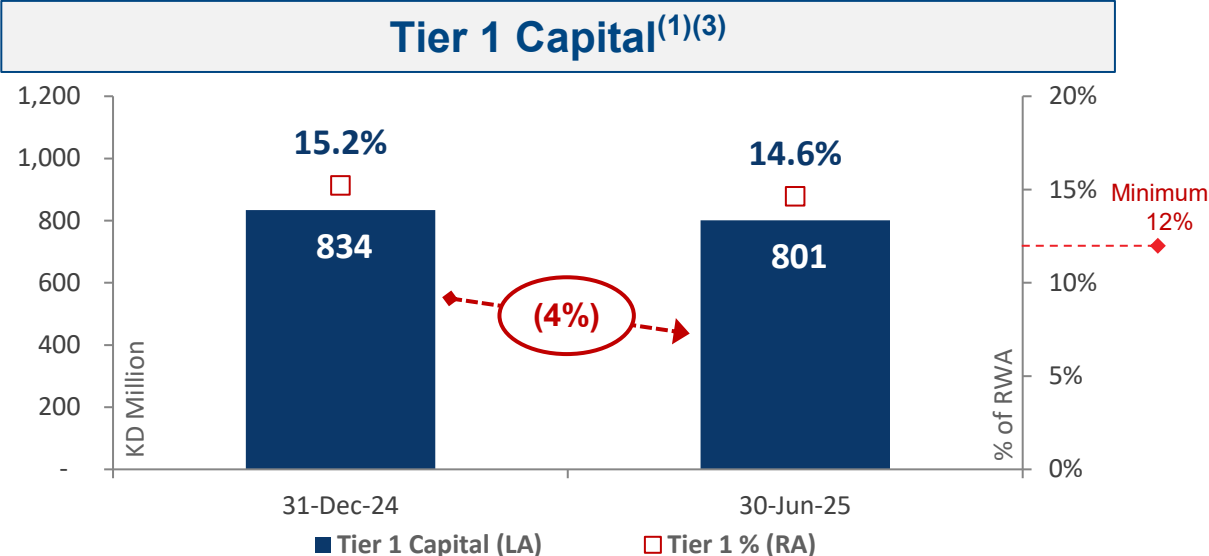


Evolution of Gross Loans Stages 2 and 3 (%)⁽¹⁾



(1) Stage 3 loans are marginally higher than the credit impaired loans due too qualitative and quantitative factors as per IFRS 9.

CAPITAL AND LEVERAGE RATIOS



Tier 1 Capital /
Total Capital

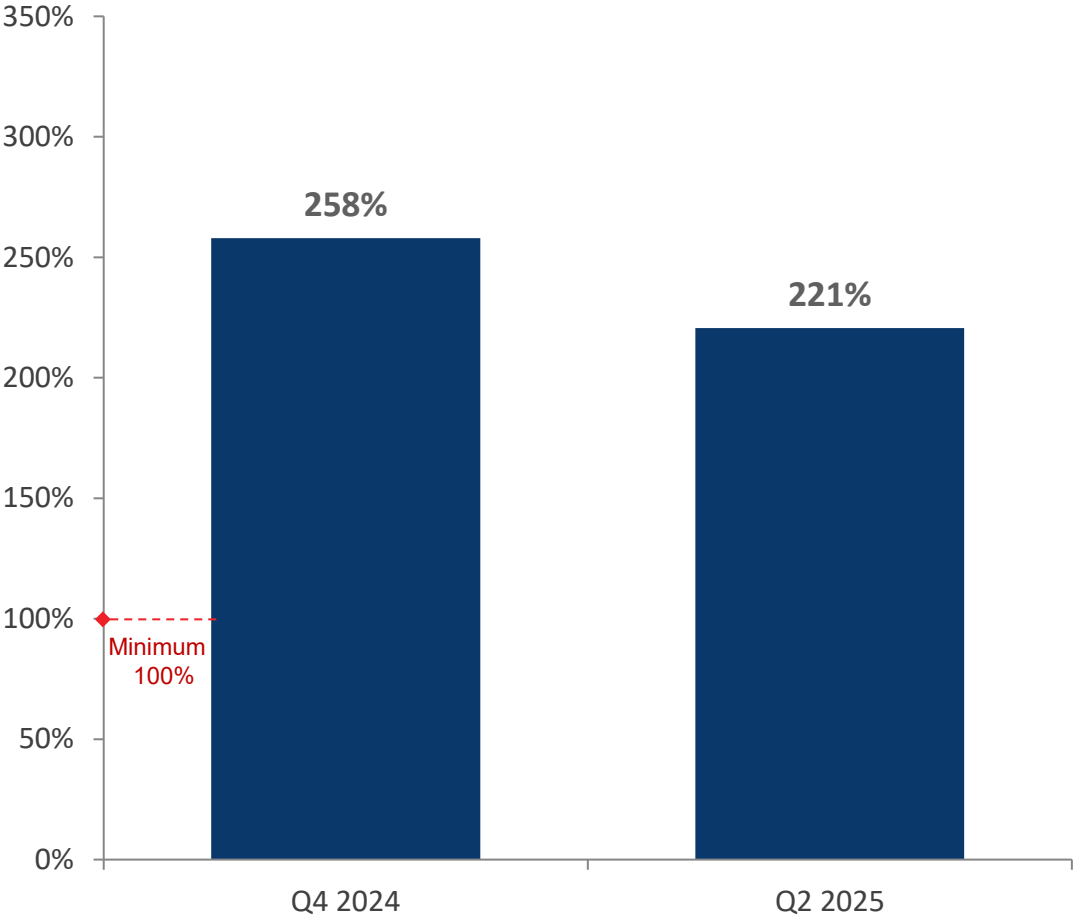
88%

87%

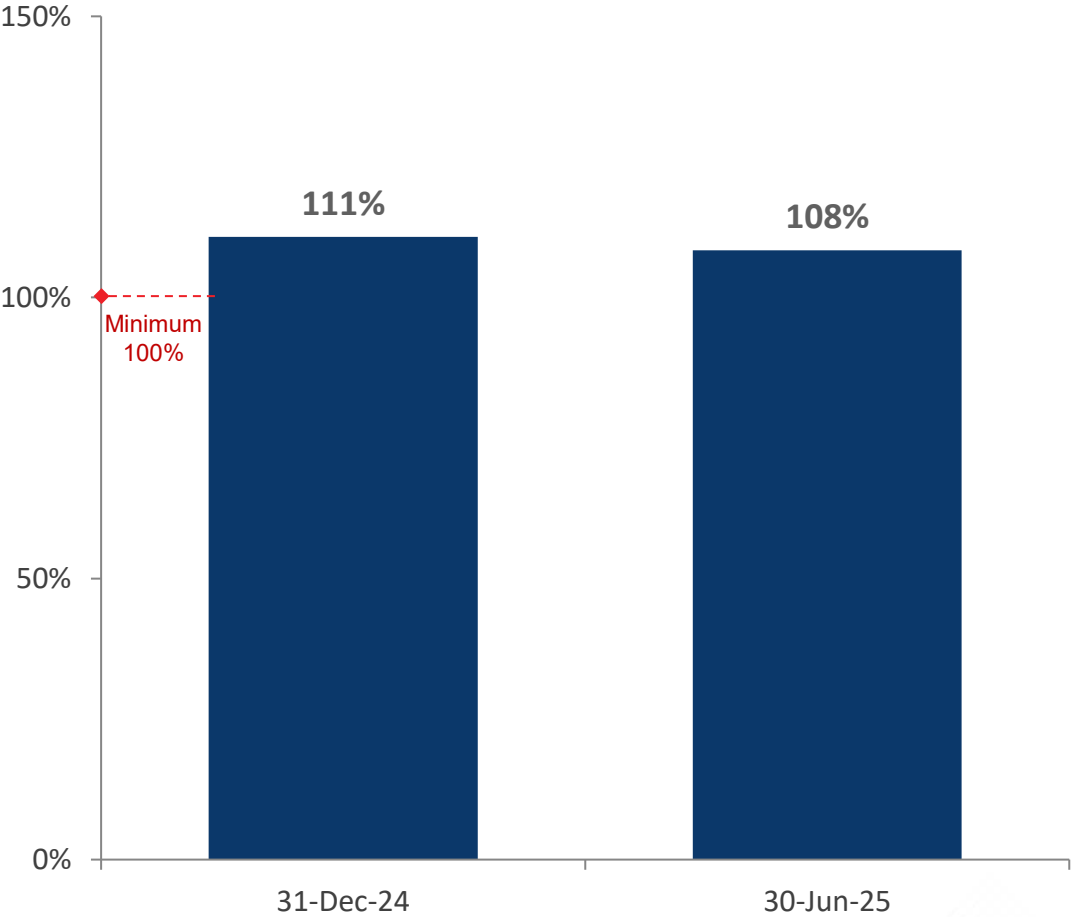
(1) Tier 1 Ratio regulatory minimum is 12%; (2) CAR regulatory minimum is 14%; (3) Tier 1 and CAR regulatory minimums include 1% DSIB charge.

LIQUIDITY RATIOS

Liquidity Coverage Ratio⁽¹⁾



Net Stable Funding Ratio⁽¹⁾



(1) Liquidity Coverage Ratio and Net Stable Funding Ratio regulatory minimums is 100%.

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

[For more information, please
contact Gulf Bank's IR's team](#)