

# Gulf Bank records KD 38.4 mln in net profit for the first nine months of 2025 with a 19.4% year-on-year growth in third quarter net profit

KUWAIT CITY, Oct 28: Gulf Bank K.S.C.P. announced its financial results for the first nine months ending 30 September 2025. The Bank reported a net profit of KD 38.4 million for the first nine months of 2025, a slight decline of KD 1.8 million or 5% when compared to 2024 first nine months net profit of KD 40.2 million.

Additionally, Gulf Bank recorded an operating income of KD 140.5 million for the first nine months of 2025, representing a decline of 4% compared to the same period of last year. Moreover, operating profit before provisions and impairments was KD 69.0 million, representing a decline of 12% compared to the first nine months of 2024.

For the third quarter ending 30 September 2025, Gulf Bank reported a net profit of KD 14.3 million, reflecting a year-on-year increase of KD 2.3 million or 19.4%.

## Financial Performance

The decline in net profit for the first nine months of 2025 is attributed to the decline in net interest income of KD 8.0 million or 6.8%, coupled with an increase in operating expenses of KD 4.1 million or 6.1%, compared to the same period of 2024. However, these declines were partially offset by an enhancement in non-interest income of KD 2.5 million or 8.7%, and the improvement in total provisions and impairments, which declined by KD 7.7 million or 21.1% year-on-year, reaching KD 28.8 million for the first nine months of 2025.

As for asset quality, the non-performing loans (NPL) ratio was 1.4% as of 30 September 2025, compared to the prior year level of 1.3%. Additionally, the Bank continues to have significant non-performing loans coverage ratio of 324% including total provisions and collaterals.

Total credit provisions as of 30 September 2025 reached KD 271 million whereas IFRS 9 accounting requirements (i.e., ECL or expected credit losses) were KD 172 million. As a result, the Bank has a healthy excess provision level of KD 99 million, above and beyond what is required by IFRS 9 accounting requirements.

Compared to 31 December 2024, total assets increased by 1.5% to KD 7.6 billion, whereas net loans and advances increased by 4.1% to KD 5.7 billion. On the other hand, total deposits stood at KD 5.6 billion and total Shareholders' equity reached KD 839 million.

The Bank's regulatory Tier 1 ratio of 14.3% was 2.3% above the regulatory minimum of 12% and the Capital Adequacy Ratio (CAR) of 16.4% was 2.4% above the regulatory minimum of 14%.

## Steady Progress

Commenting on the financial results for the first nine months of 2025, Gulf Bank Chairman Mr. Ahmad Mohammad Al-Bahar stated: "Gulf Bank's performance over the first nine months of the year demonstrates continued progress in strengthening the Bank's financial position. This was driven by steady loan growth, stable asset quality, and a robust capital base."

He continued: "The broader operating environment in Kuwait has become more favorable. The Central



**Ahmad Mohammad Al-Bahar:**

- Gulf Bank's performance demonstrates continued progress in strengthening the Bank's financial position, driven by steady loan growth, stable asset quality, and a robust capital base.
- We are making excellent progress on our transformation journey toward becoming a Sharia-compliant institution and have commenced work in alignment with the regulatory framework.
- We enter the final quarter of 2025 with a focus on advancing our strategic transformation and maintaining operational excellence.



**Sami Mahfouz:**

- We have successfully capitalized on emerging opportunities to drive steady loan growth through our strategic focus and deep-rooted client relationships.
- Customer centricity remains at the heart of Gulf Bank's strategy, driving continuous enhancement of our digital capabilities and cybersecurity framework.
- Our talent development programs are equipping employees with the knowledge and skills required for the transition to a Sharia-compliant bank.

Bank of Kuwait's recent decision to lower the discount rate to 3.75%, following the Federal Reserve's 25-basis-point interest rate cut, is expected to foster a more supportive climate for credit expansion and stimulate business activity. Furthermore, Kuwait's successful return to global debt markets with an issuance of a US \$11.25 billion sovereign bond was met with a very strong investor demand. This achievement, combined with the positive momentum generated by national development projects, is set to further enhance credit conditions and bolster business confidence in the local economy."

He added: "Alongside this strong back drop, we are making excellent progress on our transformation journey toward becoming a Sharia-compliant institution. Following the most recent Central Bank of Kuwait's preliminary approval to begin Sharia-compliant con-

version activities, we have commenced detailed work in alignment with the regulatory framework. The Bank continues to coordinate closely with the Central Bank of Kuwait and relevant stakeholders to ensure a smooth and compliant transition, while maintaining business continuity and customer service excellence."

Mr. Al-Bahar concluded: "We enter the final quarter of 2025 with a focus on advancing our strategic transformation, sustaining healthy loan growth, and maintaining operational excellence. On behalf of the Board, I thank our shareholders, employees, and customers for their continued trust. I also extend our appreciation to the Central Bank of Kuwait and the regulatory authorities for their ongoing guidance."

## Operational Discipline

Gulf Bank Acting Chief Executive Officer, Mr. Sami

Mahfouz, stated: "Through our strategic focus and deep-rooted client relationships, we have successfully capitalized on emerging opportunities to drive steady growth. As a result, our loan book has expanded by 4.1% year-to-date, reaching KD 5.7 billion for the third quarter of 2025. This growth has been primarily driven by a strong client demand and our balanced approach to credit origination."

Mr. Mahfouz added: "Customer centricity remains at the heart of Gulf Bank's strategy, driving continuous enhancement of our digital capabilities and cybersecurity framework."

Turning to the Bank's upcoming Islamic conversion, he added: "As we prepare for our conversion to a Sharia-compliant institution, we are focused on building internal readiness across all levels of the organization. Our talent development programs are equipping employees with the knowledge and skills required for the transition, while we work closely with leading technology partners to ensure systems compatibility and readiness in line with the Central Bank of Kuwait's requirements."

## Strategic Merger Track

Gulf Bank continues its strategic evaluation of a potential merger with Warba Bank. During the quarter, Gulf Bank appointed independent financial and legal advisors to conduct a detailed review and assessment under the supervision of the Board of Directors and relevant regulators. Any future developments will be announced in accordance with disclosure requirements.

## Recognitions

Gulf Bank's achievements during the year were recognized through several international awards that highlighted its progress in digital innovation and sustainability. Moreover, Gulf Bank's credit ratings remain among the strongest in the domestic banking sector, reaffirming its solid financial position, strong capitalization, and prudent risk management. Fitch Ratings assigned a Long-Term Issuer Default Rating (IDR) of 'A' with a Stable Outlook, while Moody's rated long-term deposits at 'A3' with a Stable Outlook. Capital Intelligence affirmed a Long-Term Foreign Currency rating for the Bank of 'A+' with a Stable Outlook, further highlighting the Gulf Bank's stability and disciplined risk governance.

## Key Financial indicators for the first nine months of 2025:

1. First nine months 2025 net profit of KD 38.4 million.
2. First nine months 2025 operating income of KD 140.5 million.
3. Net loans and advances grew by 4.1% year-to-date to reach KD 5.7 billion.
4. Non-performing loan ratio as of 30 September 2025 was 1.4%, with a significant non-performance loan coverage ratio of 324% including total provisions and collaterals.
5. Capital ratios as of 30 September 2025, Tier 1 ratio was 14.3% and Capital Adequacy Ratio (CAR) was 16.4%, both above regulatory minimum requirements.

## Reaffirming its commitment to diversification and making Kuwait a global financial hub

## Markaz concludes participation in Kuwait Banking Association's conference in Washington



Markaz delegates at KBA event.



KBA event - panelists



KBA event - Mr. Ali Khalil panel

KUWAIT CITY, Oct 28: Kuwait Financial Centre "Markaz" concluded its sponsorship and participation in the "Kuwait - The Beacon of a New Era: Foundations for Economic Transformation" forum, organized by the Kuwait Banking Association (KBA) at the George Washington University's Jack Morton Auditorium in Washington, D.C., on October 14, 2025. The event coincided with the annual meetings of the International Monetary Fund (IMF) and the World Bank Group (WBG). Markaz was represented by Mr. Ali H. Khalil, Chief Executive Officer of Markaz, alongside a distinguished delegation from the company's Wealth Management and International Real Estate teams, represented by Mr. Abdullatif W. Al-Nusif, MD, Wealth Management and Business Development, and Mr. Sami Shabshab, President of Mar-Gulf Management Inc, the real estate arm of Markaz in the US.

Markaz's sponsorship of the forum reflects its commitment to its corporate social responsibility strategy and its continuous efforts to solidify Kuwait's position as a regional and international financial hub. Through these endeavors, the company seeks to align Kuwait's business environment with global governance standards by facilitating the exchange of expertise among financial and policy leaders and by adopting best business practices to enhance competitiveness.

During the event, Mr. Khalil participated in a panel discussion titled "Foundations for a New Era," where he discussed pathways to realize "New Kuwait 2035" vision, and the challenges involved in reallocating resources and creating an enabling environment for private sector investment. He emphasized that Kuwait's advanced economic ecosystem has created a deep and active financial market that

successfully attracted foreign investors, resulting in a significant reduction in the cost of funding and thereby stimulating foreign investment in Kuwait.

Mr. Khalil commended the efforts of Kuwait Investment Authority (KIA) in developing the stock market in Kuwait, and praised Boursa Kuwait and the Capital Markets Authority (CMA) for creating an attractive and sustainable investment environment, and praised the vital role played by the Kuwait Direct Investment Promotion Authority (KDIPA) since its establishment in facilitating business operations and enabling full foreign ownership within a clear legal framework that encourages international joint investments through an appealing tax regime and efficient, fair dispute resolution mechanisms.

He also underscored the importance of adopting Environmental, Social, and Governance (ESG) principles, explaining that awareness and integration of ESG practices generate both direct and indirect benefits that create long-term added value through innovation and creativity. Mr. Khalil further highlighted the importance of investing in human capital in Kuwait, referring to Markaz's Graduate Development Program (MGDP), which is renowned for cultivating national talent and preparing young professionals for the financial and investment sectors.

He added that this integrated environment has enabled Kuwaiti banks to issue bonds with competitive yields comparable to global benchmarks in attracting foreign investment, reflecting the positive role of the Central Bank of Kuwait in effective supervision and the implementation of sound regulatory frameworks.

Mr. Khalil noted the increasing prevalence of digital investment platforms in recent years, providing Kuwaiti investors with opportunities to build glob-

ally diversified portfolios at lower costs. He added that demand is expected to accelerate with the growing proportion of the young population, emphasizing the importance of market regulation and investor protection frameworks in an open and digitally interconnected world facing cybersecurity challenges. He also highlighted that cross-border Gulf integration represents a significant opportunity in this context.

Moreover, Mr. Khalil stated that the private sector possesses the flexibility and capacity to contribute to achieving national development aspirations. Through innovative financial instruments, governments can create investment-friendly environments that encourage private capital to enter new sectors such as digital and logistics services. In this context, Markaz has played a central role, from launching Kuwait's first investment and real estate funds, to pioneering bond and sukuk programs, and supporting the development of the domestic debt market.

On the sidelines of the conference, Markaz's delegation attended a reception hosted by the Kuwait Banking Association for major banking and financial leaders under the patronage of H.E. Basel Ahmad Al Haroun, Governor of the Central Bank of Kuwait. Among the attendees were H.E. Dr. Subaih Abdulaziz Abdul Mosen Al-Mukhaizeem, Minister of Electricity, Water and Renewable Energy, Acting Minister of Finance and Minister of State for Economic Affairs & Investment; and H.E. Jassem Mohamed AlBudaiwi, Secretary General of the Gulf Cooperation Council (GCC), as well as central bank governors from Arab countries, senior executives from the financial and banking sectors, and other prominent figures from around the world.

## Retail Banking GM highlights ABK's commitment to supporting youth and education

## Al Ahli Bank of Kuwait promotes A+ Student Account at AUK

KUWAIT CITY, Oct 28: As part of its ongoing efforts to engage with the student community and raise awareness of its range of banking solutions, Al Ahli Bank of Kuwait (ABK) participated at the American University in Kuwait (AUK). The participation aimed to introduce students to ABK's banking products, offers, and services designed to provide them with a seamless and rewarding banking experience, positioning the Bank as their preferred financial partner.

Students interacted with the Bank's representatives to learn more about the A+ Student Account and its newly enhanced features. The team provided detailed explanations of the account's exclusive benefits, which have been tailored to meet the needs of students and young customers.

On this occasion, **Johair Marafi**, General Manager of Retail Banking at ABK, stated: "Our presence at the American University

in Kuwait allows us to gain deeper insights into the needs of youth and students, enabling us to develop innovative promotional campaigns, products, and banking solutions that meet their aspirations in the coming period."

Marafi emphasized that supporting students and the education sector in Kuwait represents a key priority for ABK, highlighting the Bank's ongoing collaboration with a wide range of universities and educational institutions across the country. This comes as part of ABK's commitment to its role as a responsible financial institution dedicated to contributing to the growth of the education sector and serving the needs of the student community.

She concluded by inviting everyone to visit ABK's official website and social media channels, as well as its branches across Kuwait, to learn more about the Bank's wide range of campaigns, solutions, and banking products designed to cater to the needs of various customer segments in the local market.

Since its establishment in 1967, ABK has progressed to become one of the leading Kuwaiti banks in the region that offers a wide array of personal, corporate, and private banking products and services. ABK also provides a broad range of local, regional, and global investment solutions and services through its subsidiary, ABK Capital.

Across the region, the Bank offers individuals and corporates the convenience of local and financial services in the Egyptian market through ABK-Egypt's network of 46 branches.

For more information about ABK, please follow the Bank's Instagram account @abk\_kuwait, visit eahli.com, contact Ahlan Ahli 1 899 899 or visit one of the Bank's branches across Kuwait.



**Johair Marafi**



ABK pavilion at AUK.