

Date: 13 August 2025
REF: CCG/049/2025

التاريخ: 13 أغسطس 2025
الإشارة: CCG/049/2025

Sirs, Boursa Kuwait
Sirs, Capital Markets Authority

السادة/ بورصة الكويت المحترمين
السادة/ هيئة أسواق المال المحترمين

According to chapter four (Disclosure of Material Information) of module ten (Disclosure and Transparency) of CMA Executive Bylaws of Law No. 7/2010 and its amendments.

وفقاً لأحكام الفصل الرابع (الإفصاح عن المعلومات الجوهرية) من الكتاب العاشر (الإفصاح والشفافية) من اللائحة التنفيذية للقانون رقم 2010/7 بشأن إنشاء هيئة أسواق المال وتنظيم نشاط الأوراق المالية وتعديلاتهما.

Please be informed that the Central Bank of Kuwait has approved the Bank's Interim Condensed Consolidated Financial Information for the period ended 30/6/2025.

نود الإفادة أن بنك الكويت المركزي قد وافق على المعلومات المالية المرحلية المكثفة المجمعة لمصرفنا للفترة المنتهية في 2025/6/30.

Kindly find attached Disclosure of Material Information Form and the Financial Results Form, along with a copy of the Central Bank of Kuwait letter issued in this regard.

ونرفق لكم نموذج الإفصاح عن المعلومات الجوهرية، ونموذج نتائج البيانات المالية، بالإضافة إلى صورة من كتاب الموافقة الصادر من بنك الكويت المركزي.

Best regards,

مع أطيب التمنيات،

تميم الميعان
مدير عام الالتزام والحوكمة

Tamim Al-Mean
GM – Compliance & Corporate Governance





Annex (10) - Disclosure of Material Information Form		ملحق رقم (10) - نموذج الإفصاح عن المعلومات الجوهرية	
Date	13/8/2025	2025/8/13	التاريخ
Name of the listed company	Commercial Bank of Kuwait (K.P.S.C)	البنك التجاري الكويتي (ش.م.ك.ع)	اسم الشركة المدرجة
Material information	Disclosure of the Bank's Interim Condensed Consolidated Financial Information for the period ended 30/6/2025.	الإفصاح عن المعلومات المالية المرحلية المكثفة المجمعة لمصرفنا للفترة المنتهية في 2025/6/30.	المعلومة الجوهرية
Significant effect of the material information on the financial position of the company	The Bank achieves net profit of KD 60,363,000.	تحقيق البنك صافي ربح بمبلغ 60,363,000 د.ك.	أثر المعلومة الجوهرية على المركز المالي للشركة

The issuer of this disclosure bears full responsibility for the soundness, accuracy, and completeness of the information contained therein. The issuer acknowledges that it has assumed Care of a Prudent Person to avoid any misleading, false, or incomplete information. The Capital Markets Authority and Boursa Kuwait Securities Exchange shall have no liability whatsoever for the contents of this disclosure. This disclaimer applies to any damages incurred by any Person as a result of the publication of this disclosure, permitting its dissemination through their electronic systems or websites, or its use in any other manner.	يتحمل من أصدر هذا الإفصاح كامل المسؤولية عن صحة المعلومات الواردة فيه ودقتها واكتمالها، ويقر بأنه بذل عناية الشخص الحريص في تجنب أية معلومات مضللة أو خاطئة أو ناقصة، وذلك دون أدنى مسؤولية على كل من هيئة أسواق المال وبورصة الكويت للأوراق المالية بشأن محتويات هذا الإفصاح، وبما ينفي عنهما المسؤولية عن أية أضرار قد تلحق بأي شخص جراء نشر هذا الإفصاح أو السماح بنشره عن طريق أنظمتها الإلكترونية أو موقعها الإلكتروني، أو نتيجة استخدام هذا الإفصاح بأي طريقة أخرى.
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يتم ذكر الأثر على المركز المالي في حال كانت المعلومة الجوهرية قابلة لقياس ذلك الأثر، ويستثنى الأثر المالي الناتج عن المناقصات والممارسات وما يشبهها من عقود.

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contracts.

إذا قامت شركة مدرجة من ضمن مجموعة بالإفصاح عن معلومة جوهرية تخصها ولها انعكاس مؤثر على باقي الشركات المدرجة من ضمن المجموعة، فإن واجب الإفصاح على باقي الشركات المدرجة ذات العلاقة يقتصر على ذكر المعلومة والأثر المالي المترتب على تلك الشركة بعينها.

If a Listed Company, which is a member of a Group, disclosed some material information related to it and has Significant Effect on other listed companies' which are members of the same Group, the other companies' disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.

Company Name	اسم الشركة
The Commercial Bank of Kuwait Group K.P.S.C	مجموعة البنك التجاري الكويتي - ش.م.ك.ع

Second quarter results Ended on	2025-06-30	نتائج الربع الثاني المنتهي في
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Board of Directors Meeting Date	2025-08-12	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 اشهر المقارنة	فترة الستة اشهر الحالية	البيان
Change (%)	Six Month Comparative Period	Six Month Current Period	Statement
	2024-06-30	2025-06-30	
(3.7%)	62,655,000	60,363,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(3.8%)	31.8	30.6	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
(12.7%)	3,311,256,000	2,891,193,000	الموجودات المتداولة Current Assets
1.8%	4,770,813,000	4,859,044,000	إجمالي الموجودات Total Assets
(6.7%)	3,199,730,000	2,985,551,000	المطلوبات المتداولة Current Liabilities
0.5%	4,102,400,000	4,123,524,000	إجمالي المطلوبات Total Liabilities
10.0%	668,149,000	735,218,000	إجمالي حقوق الملكية الخاصة بمساهمي الشركة الأم Total Equity attributable to the owners of the Parent Company
1.6%	89,920,000	91,381,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
(1.4%)	61,116,000	60,256,000	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
	2024-06-30	2025-06-30	
(5.9%)	34,356,000	32,344,000	صافي الربح (الخسارة) الخاص بمساهمي الشركة الأم Net Profit (Loss) represents the amount attributable to the owners of the parent Company
(5.7%)	17.4	16.4	ربحية (خسارة) السهم الأساسية والمخفضة Basic & Diluted Earnings per Share
5.9%	45,801,000	48,486,000	إجمالي الإيرادات التشغيلية Total Operating Revenue
0.8%	32,602,000	32,863,000	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)
Net profit for the period ended 30 June 2025 decreased by KD 2,292,000 as compared to the corresponding period ended 30 June 2024 mainly due to higher operating expenses and lower loan loss recoveries that partially got offset by higher net interest income and fees income.	إن انخفاض صافي الربح بمبلغ 2,292,000 دينار كويتي للفترة المنتهية في 30 يونيو 2025 مقارنة بالفترة المقابلة المنتهية في 30 يونيو 2024 يعود بشكل أساسي إلى زيادة مصاريف التشغيل وانخفاض الاسترداد المرتبطة بخسائر القروض والتي تم تعويضها بشكل جزئي عن طريق زيادة صافي إيرادات الفوائد والإيرادات من الرسوم.

Total Revenue realized from dealing with related parties (value, KWD)	20,511	بلغ إجمالي الإيرادات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)
Total Expenditures incurred from dealing with related parties (value, KWD)	386,108	بلغ إجمالي المصروفات من التعاملات مع الأطراف ذات الصلة (المبلغ د.ك.)



Auditor Opinion		رأي مراقب الحسابات	
1.	Unqualified Opinion	<input checked="" type="checkbox"/>	1. رأي غير متحفظ
2.	Qualified Opinion	<input type="checkbox"/>	2. رأي متحفظ
3.	Disclaimer of Opinion	<input type="checkbox"/>	3. عدم إبداء الرأي
4.	Adverse Opinion	<input type="checkbox"/>	4. 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

None / لا يوجد	نص رأي مراقب الحسابات كما ورد في التقرير
None / لا يوجد	شرح تفصيلي بالحالة التي استدعت مراقب الحسابات لإبداء الرأي
None / لا يوجد	الخطوات التي ستقوم بها الشركة لمعالجة ما ورد في رأي مراقب الحسابات
None / لا يوجد	الجدول الزمني لتنفيذ الخطوات لمعالجة ما ورد في رأي مراقب الحسابات



Corporate Actions		استحقاقات الأسهم (الإجراءات المؤسسية)	
النسبة	القيمة		
12 Fils	23,679,270.228	توزيعات نقدية	Cash Dividends
لا يوجد/ None	لا يوجد/ None	توزيعات أسهم منحة	Bonus Share
لا يوجد/ None	لا يوجد/ None	توزيعات أخرى	Other Dividend
لا يوجد/ None	لا يوجد/ None	عدم توزيع أرباح	No Dividends
لا يوجد/ None	لا يوجد/ None	زيادة رأس المال	Capital Increase
لا يوجد/ None	لا يوجد/ None	تخفيض رأس المال	Capital Decrease

ختم الشركة Company Seal	التوقيع Signature	المسمى الوظيفي Title	الاسم Name
		رئيس الجهاز التنفيذي	إلهام يسرى محفوظ



The Commercial Bank of Kuwait Group

Interim Condensed Consolidated Financial Information

**30 June 2025
(Unaudited)**

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

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Commercial Bank of Kuwait K.P.S.C. ("the Bank") and its subsidiary (together called "the Group") as of 30 June 2025 and the related interim condensed consolidated statements of income and comprehensive income for the three-month and six-month periods then ended and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended. Management 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 the 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 and its executive regulations, as amended, or of the Memorandum of Incorporation and Articles of Association of the Bank as amended, during the six-month period ended 30 June 2025 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 and 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 during the six-month period ended 30 June 2025 that might have had a material effect on the business of the Bank or on its financial position.



Bader A. Al Wazzan
License No. 62A
Deloitte & Touche - Al-Wazzan & Co.



Dr Shuaib A. Shuaib
License No. 33A
RSM Albazie & Co.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

30 June 2025 (Unaudited)

			(Audited)	
		30 June 2025	31 December 2024	30 June 2024
	Note	KD 000's	KD 000's	KD 000's
ASSETS				
Cash and short term funds	4	764,598	1,024,854	1,115,104
Treasury and Central Bank bonds		114,155	86,461	159,235
Due from banks and other financial institutions	5	451,551	227,640	348,301
Loans and advances	6	2,791,880	2,806,909	2,740,348
Investment securities	7	572,256	423,166	320,853
Premises and equipment		21,785	28,698	30,016
Intangible assets		3,506	3,506	3,506
Other assets		139,313	64,667	53,450
TOTAL ASSETS		4,859,044	4,665,901	4,770,813
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks		296,719	244,406	278,635
Due to other financial institutions		146,490	176,339	252,542
Customer deposits		2,501,244	2,489,763	2,535,897
Other borrowed funds	8	934,912	759,960	796,100
Other liabilities		244,159	249,707	239,226
TOTAL LIABILITIES		4,123,524	3,920,175	4,102,400
EQUITY				
Equity attributable to shareholders of the Bank				
Share capital		219,127	199,206	199,206
Proposed bonus shares		-	19,921	-
Treasury shares		(98,890)	(98,890)	(99,369)
Reserves		273,682	279,294	275,500
Retained earnings		317,620	274,161	271,297
Proposed dividend		711,539	673,692	646,634
		23,679	71,755	21,515
Non-controlling interests		735,218	745,447	668,149
		302	279	264
TOTAL EQUITY		735,520	745,726	668,413
TOTAL LIABILITIES AND EQUITY		4,859,044	4,665,901	4,770,813

Abdulrahman Abdulla Al Ali
Deputy Chairman

Elham Yousry Mahfouz
Chief Executive Officer

The attached notes 1 to 14 form an integral part of this interim condensed consolidated financial information.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME**

Period ended 30 June 2025 (Unaudited)

	Note	Three months ended		Six months ended	
		30 June		30 June	
		2025	2024	2025	2024
		KD 000's	KD 000's	KD 000's	KD 000's
Interest income		61,186	61,110	119,299	118,782
Interest expense		(30,392)	(31,230)	(59,314)	(59,438)
NET INTEREST INCOME		30,794	29,880	59,985	59,344
Fees and commissions		12,573	11,915	24,292	23,414
Net gain from dealing in foreign currencies		2,117	1,890	3,825	4,448
Net gain (loss) from investment securities		14	(66)	15	(69)
Dividend income		2,361	2,120	2,361	2,621
Other operating income		627	62	903	162
OPERATING INCOME		48,486	45,801	91,381	89,920
Staff expenses		(9,081)	(8,073)	(18,671)	(17,443)
General and administrative expenses		(6,104)	(4,827)	(11,930)	(10,958)
Depreciation and amortisation		(438)	(299)	(524)	(403)
OPERATING EXPENSES		(15,623)	(13,199)	(31,125)	(28,804)
OPERATING PROFIT BEFORE PROVISIONS		32,863	32,602	60,256	61,116
Net reversal of impairment and other provisions	9	981	3,324	2,957	4,500
PROFIT BEFORE TAXATION AND CONTRIBUTIONS		33,844	35,926	63,213	65,616
Taxation and contributions		(1,489)	(1,561)	(2,827)	(2,944)
NET PROFIT FOR THE PERIOD		32,355	34,365	60,386	62,672
Attributable to:					
Shareholders of the Bank		32,344	34,356	60,363	62,655
Non-controlling interests		11	9	23	17
		32,355	34,365	60,386	62,672
Basic and diluted earnings per share attributable to shareholders of the Bank (fils)	10	16.4	17.4	30.6	31.8

The attached notes 1 to 14 form an integral part of this interim condensed consolidated financial information.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Period ended 30 June 2025 (Unaudited)

	Three months ended 30 June		Six months ended 30 June	
	2025 KD 000's	2024 KD 000's	2025 KD 000's	2024 KD 000's
Net profit for the period	32,355	34,365	60,386	62,672
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to interim condensed consolidated statement of income				
Equity securities classified as fair value through other comprehensive income:				
Net changes in fair value	1,713	(7,624)	2,393	(9,828)
Property revaluation loss	(460)	-	(460)	-
Items that are or may be reclassified subsequently to interim condensed consolidated statement of income				
Debt securities classified as fair value through other comprehensive income:				
Net changes in fair value	(156)	(619)	(770)	(186)
	1,097	(8,243)	1,163	(10,014)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	33,452	26,122	61,549	52,658
Attributable to:				
Shareholders of the Bank	33,442	26,113	61,526	52,640
Non-controlling interests	10	9	23	18
	33,452	26,122	61,549	52,658

The attached notes 1 to 14 form an integral part of this interim condensed consolidated financial information.



INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Period ended 30 June 2025 (Unaudited)

	KD 000's														
	Attributable to shareholders of the Bank														
	Share Capital	Proposed Bonus Shares	Treasury Shares	Reserves							Retained Earnings	Proposed Dividend	Non-controlling Interests		
Share Premium				Statutory Reserve	General Reserve	Treasury Shares Reserve	Property Revaluation Reserve	Investment Valuation Reserve	Total Reserves	Total					Total
Balance at 1 January 2024	199,206	-	(99,369)	66,791	115,977	17,927	-	24,869	59,951	285,515	230,157	44,823	660,332	246	660,578
Total comprehensive (loss) income	-	-	-	-	-	-	-	-	(10,015)	(10,015)	62,655	-	52,640	18	52,658
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(44,823)	(44,823)	-	(44,823)
Proposed dividend	-	-	-	-	-	-	-	-	-	-	(21,515)	21,515	-	-	-
Balance at 30 June 2024	199,206	-	(99,369)	66,791	115,977	17,927	-	24,869	49,936	275,500	271,297	21,515	668,149	264	668,413
Balance at 1 January 2025	199,206	19,921	(98,890)	66,791	115,977	17,927	49	24,100	54,450	279,294	274,161	71,755	745,447	279	745,726
Total comprehensive (loss) income for the period	-	-	-	-	-	-	-	(460)	1,623	1,163	60,363	-	61,526	23	61,549
Transfer of revaluation surplus on disposal	-	-	-	-	-	-	-	(6,775)	-	(6,775)	6,775	-	-	-	-
Dividend paid	19,921	(19,921)	-	-	-	-	-	-	-	-	-	(71,755)	(71,755)	-	(71,755)
Proposed dividend	-	-	-	-	-	-	-	-	-	-	(23,679)	23,679	-	-	-
Balance at 30 June 2025	219,127	-	(98,890)	66,791	115,977	17,927	49	16,865	56,073	273,682	317,620	23,679	735,218	302	735,520

Annual General Assembly of the shareholders held on 9 April 2025 approved to distribute final cash dividend of 40 fils per share (2023: 25 fils) and 10 bonus shares for every 100 shares held (2023: nil) for the year 2024.

The Board of Directors in their meeting held on 9 July 2025, recommends distribution of interim cash dividend of 12 fils per share (2024: 12 fils per share), to the registered shareholders, subject to regulatory approvals.

Investment valuation reserve includes a loss of KD 5,480 thousand (31 December 2024: KD 5,530 thousand and 30 June 2024: KD 5,504 thousand) arising from foreign currency translation of the Bank's investment in a foreign associate.

The attached notes 1 to 14 form an integral part of this interim condensed consolidated financial information.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

Period ended 30 June 2025 (Unaudited)

	Note	Six months ended	
		30 June	
		2025	2024
		KD 000's	KD 000's
OPERATING ACTIVITIES			
Profit before taxation and contributions		63,213	65,616
Adjustments for:			
Net reversal of impairment and other provisions	9	(2,957)	(4,500)
Income from investment securities		(2,376)	(2,552)
Foreign exchange (gain) loss on investment securities		(4,516)	1,737
Depreciation and amortisation		524	403
Cash flow before changes in operating assets and liabilities		53,888	60,704
Changes in operating assets and liabilities:			
Treasury and Central Bank bonds		(27,694)	17,652
Due from banks and other financial institutions		(223,965)	96,462
Loans and advances		18,790	(304,861)
Other assets		(66,578)	8,075
Due to banks		52,313	117,481
Due to other financial institutions		(29,849)	61,772
Customer deposits		11,481	335,561
Other liabilities		(22,531)	11,513
Net cash (used in) from operating activities		(234,145)	404,359
INVESTING ACTIVITIES			
Proceeds from sale/maturity of investment securities		60,364	75,929
Acquisition of investment securities		(199,102)	(75,467)
Dividend income from investment securities		2,361	2,621
Proceeds from disposal of premises and equipment		7,754	88
Acquisition of premises and equipment		(677)	(279)
Net cash (used in) from investing activities		(129,300)	2,892
FINANCING ACTIVITIES			
Other borrowed funds		174,952	56,004
Dividends paid		(71,755)	(44,823)
Net cash from financing activities		103,197	11,181
Net (decrease) increase in cash and short term funds		(260,248)	418,432
Cash and short term funds at 1 January		1,024,865	696,699
Cash and short term funds at 30 June	4	764,617	1,115,131

The attached notes 1 to 14 form an integral part of this interim condensed consolidated financial information.


NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025 (Unaudited)

1 CORPORATE INFORMATION

The Commercial Bank of Kuwait K.P.S.C ("the Bank") is a public shareholding company incorporated in the State of Kuwait and is registered as a Bank with the Central Bank of Kuwait ("CBK") and listed on the Boursa Kuwait. The address of the Bank's registered office is P.O. Box 2861, 13029 Safat, State of Kuwait.

The Bank and its subsidiary are together referred to as ("the Group") in this interim condensed consolidated financial information.

The interim condensed consolidated financial information of the Group were authorised for issue in accordance with a resolution of the Board of Directors on 12 August 2025.

The principal activities of the Group are explained in note 13.

2 MATERIAL ACCOUNTING POLICIES

a) The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard (IAS) 34, 'Interim Financial Reporting' except for point (b) below. The accounting policies used in the preparation of these interim condensed consolidated financial information are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024.

b) The interim condensed consolidated financial statements have been prepared in accordance with the regulations for financial services institutions as issued by the CBK in the State of Kuwait. These regulations, require banks and other financial institutions regulated by CBK to adopt the IFRS - Accounting Standards with the following amendments:

- i) Expected credit loss ("ECL") on credit facilities to be measured at the higher of ECL computed under IFRS 9 - Financial Instruments ("IFRS") in accordance to the CBK guidelines or the provisions as required by CBK instructions along with its consequent impact on related disclosures;

The above framework is hereinafter referred to as 'IFRS as adopted by CBK for use by the State of Kuwait'.

The interim condensed consolidated financial information does not contain all information and disclosures required for the annual consolidated financial statements prepared in accordance with IFRS - Accounting Standards, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024. In the opinion of the Group's management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Further, results for interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

New standards, interpretations and amendments adopted by the Group

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Other new standards or amendments to existing standards which are effective for annual accounting period starting from 1 January 2025 did not have any material impact on financial position or performance of the Group.

3 SUBSIDIARY

Name of entity	Country of incorporation	Principal activities	% of ownership		
			30 June 2025	31 December 2024	30 June 2024
Al-Tijari Financial Brokerage Company K.S.C. (Closed)	Kuwait	Brokerage Services	98.16	98.16	98.16

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

30 June 2025 (Unaudited)

4 CASH AND SHORT TERM FUNDS

	30 June 2025 KD 000's	<i>(Audited)</i> 31 December 2024 KD 000's	30 June 2024 KD 000's
Cash and cash items	84,574	63,739	179,492
Balances with the CBK	280,389	302,746	329,593
Deposits with banks maturing within seven days	399,654	658,380	606,046
	764,617	1,024,865	1,115,131
Less : Provision for impairment (ECL)	(19)	(11)	(27)
	764,598	1,024,854	1,115,104

Deposits with banks are classified as stage 1 at each reporting period. During the period, there were no movement between stages.

5 DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	30 June 2025 KD 000's	<i>(Audited)</i> 31 December 2024 KD 000's	30 June 2024 KD 000's
Placements with banks	338,788	121,067	163,762
Less: Provision for impairment (ECL)	(60)	(16)	(21)
	338,728	121,051	163,741
Loans and advances to banks	114,309	108,133	138,269
Amounts due from other financial institutions	-	-	48,000
Less: Provision for impairment	(1,486)	(1,544)	(1,709)
	112,823	106,589	184,560
	451,551	227,640	348,301

Due from banks and other financial institution are classified as stage 1 at each reporting period. During the period, there were no movement between stages.

6 LOANS AND ADVANCES

	30 June 2025 KD 000's	<i>(Audited)</i> 31 December 2024 KD 000's	30 June 2024 KD 000's
Loans and advances	2,991,858	3,016,049	2,931,531
Less: Provision for impairment	(199,978)	(209,140)	(191,183)
	2,791,880	2,806,909	2,740,348

Provision for expected credit losses (ECL) on credit facilities are the higher of ECL under IFRS 9, determined in accordance with the CBK guidelines and the provision required by the CBK rules on classification of credit facilities.

The available provision on non-cash facilities of KD 43,250 thousand (31 December 2024: KD 46,406 thousand and 30 June 2024: KD 50,440 thousand) is included under other liabilities. The total provision for cash and non cash credit facilities in accordance with CBK rules amounted to KD 243,228 thousand as at 30 June 2025 (31 December 2024: KD 255,546 and 30 June 2024: KD 241,623 thousand)


NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025 (Unaudited)

The ECL on credit facilities (cash and non cash) determined under IFRS 9 in accordance with the CBK guidelines amounted to KD 136,685 thousand as at 30 June 2025 (31 December 2024: KD 90,844 thousand and 30 June 2024: KD 96,947 thousand).

The provision required under CBK rules on classification of credit facilities is higher than ECL under CBK guidelines for IFRS 9.

An analysis of the gross amounts of credit facilities, and the corresponding ECL based on the staging criteria under IFRS 9 in accordance with CBK guidelines are as follows:

	30 June 2025			
	KD 000's			
	Stage 1	Stage 2	Stage 3	Total
Superior	657,875	4,365	-	662,240
Good	1,232,093	63,298	-	1,295,391
Standard	755,145	111,975	-	867,120
Past due but not impaired	76,211	73,765	35	150,011
Impaired	-	-	17,096	17,096
Cash credit facilities	<u>2,721,324</u>	<u>253,403</u>	<u>17,131</u>	<u>2,991,858</u>
Non cash credit facilities	<u>2,800,009</u>	<u>141,117</u>	<u>35,756</u>	<u>2,976,882</u>
ECL provision for credit facilities	<u>41,622</u>	<u>44,473</u>	<u>50,590</u>	<u>136,685</u>
	31 December 2024 (Audited)			
	KD 000's			
	Stage 1	Stage 2	Stage 3	Total
Superior	684,837	11,700	-	696,537
Good	1,124,838	103,636	-	1,228,474
Standard	713,262	255,946	-	969,208
Past due but not impaired	112,027	9,803	-	121,830
Impaired	-	-	-	-
Cash credit facilities	<u>2,634,964</u>	<u>381,085</u>	<u>-</u>	<u>3,016,049</u>
Non cash credit facilities	<u>2,642,261</u>	<u>163,268</u>	<u>37,855</u>	<u>2,843,384</u>
ECL provision for credit facilities	<u>29,318</u>	<u>23,974</u>	<u>37,552</u>	<u>90,844</u>
	30 June 2024			
	KD 000's			
	Stage 1	Stage 2	Stage 3	Total
Superior	410,857	8,254	-	419,111
Good	1,264,907	95,653	-	1,360,560
Standard	761,244	45,557	-	806,801
Past due but not impaired	111,840	233,219	-	345,059
Impaired	-	-	-	-
Cash credit facilities	<u>2,548,848</u>	<u>382,683</u>	<u>-</u>	<u>2,931,531</u>
Non cash credit facilities	<u>2,286,837</u>	<u>175,064</u>	<u>42,416</u>	<u>2,504,317</u>
ECL provision for credit facilities	<u>29,909</u>	<u>25,087</u>	<u>41,951</u>	<u>96,947</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

30 June 2025 (Unaudited)

Movement in ECL for Credit Facilities:

	30 June 2025			
	KD 000's			
	Stage 1	Stage 2	Stage 3	Total
ECL 1 January 2025	29,318	23,974	37,552	90,844
Transfer to stage 1	5,172	(5,172)	-	-
Transfer to stage 2	(226)	226	-	-
Transfer to stage 3	(83)	(333)	416	-
Net charged	7,444	25,778	99,648	132,870
Written-off	-	-	(87,026)	(87,026)
Exchange difference	(3)	-	-	(3)
ECL 30 June 2025	41,622	44,473	50,590	136,685
	30 June 2024			
	KD 000's			
	Stage 1	Stage 2	Stage 3	Total
ECL 1 January 2024	22,612	29,515	47,200	99,327
Transfer to stage 1	753	(753)	-	-
Transfer to stage 2	(83)	83	-	-
Transfer to stage 3	(2)	-	2	-
Net charged / (released)	6,632	(3,755)	1,683	4,560
Written-off	-	-	(6,933)	(6,933)
Exchange difference	(3)	(3)	(1)	(7)
ECL 30 June 2024	29,909	25,087	41,951	96,947

7 INVESTMENT SECURITIES

The Group designated certain debt securities as hedge items, to hedge the fair value changes arising from changes in market interest rates. Interest rate swap (IRS) is used as hedging instruments in which the Group pays fixed and receives floating interest rate.

Based on the matching of critical terms between the hedge items and the hedged instruments it was concluded that the hedges are effective.

The carrying value of debt securities designated as hedged item as at 30 June 2025 was KD 471,135 thousand (31 December 2024: KD 292,305 thousand and 30 June 2024 was KD 174,638 thousand). The net loss from the change in fair value of these securities resulting from changes in market interest rate (hedged risk) during the period was KD 4,096 thousand (30 June 2024: gain KD 212 thousand). The changes in the fair value related to hedged risk during the period was recognised in the interim condensed consolidated statement of income.


NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025 (Unaudited)

8 OTHER BORROWED FUNDS

Other borrowed funds include securities sold under agreements to repurchase amounting to KD 266,827 thousand (31 December 2024: KD 223,714 thousand and 30 June 2024: KD 222,722 thousand). The Group enters into collateralised borrowing transactions (repurchase agreements) in the ordinary course of its financing activities. Collateral is provided in the form of securities held within the investment securities portfolio. At 30 June 2025, the fair value of investment securities that had been pledged as collateral under repurchase agreements was KD 300,929 thousand (31 December 2024: KD 252,815 thousand and 30 June 2024: KD 248,320 thousand). The collateralised borrowing transactions are conducted under standardised terms that are usual and customary for such transactions.

Other borrowed funds include Subordinated Tier 2 bonds for the period ended 30 June 2025 amounting to KD 100,000 thousand (31 December 2024: 100,000 thousand and 30 June 2024: KD 50,000 thousand). The bonds issued first tranche in September 2023 amounting to KD 50,000 thousand and second tranche in July 2024 amounting to KD 50,000 thousand with carrying an interest rate of 3% per annum over the CBK discount rate, subject to a floor of 5%. The bonds are unsecured, callable in whole and not in part at the option of the bank after 5 years from the date of issuance, subject to certain conditions and approval of CBK.

9 NET REVERSAL OF IMPAIRMENT AND OTHER PROVISIONS

Net reversal of impairment and other provisions for the period ended 30 June 2025 amounted to KD 2,957 thousand (30 June 2024: KD 4,500 thousand) which mainly represent specific, general and other provisions against loans and advances and other financial assets after recoveries amounting to KD 81,522 thousand (30 June 2024: KD 14,945 thousand).

Impairment and other provisions includes release of ECL on financial assets other than loans and advances for the period ended 30 June 2025 amounting to KD 11 thousand (30 June 2024: KD 7 thousand).

10 EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the net profit for the period attributable to shareholders of the Bank by the weighted average number of shares outstanding during the period.

	Three months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024
Net profit for the period attributable to shareholders of the Bank (KD 000's)	32,344	34,356	60,363	62,655
Weighted average of authorised and subscribed shares (numbers in 000's)	2,191,262	2,191,262	2,191,262	2,191,262
Less: Weighted average of treasury shares held (numbers in 000's)	(217,989)	(219,047)	(217,989)	(219,047)
	1,973,273	1,972,215	1,973,273	1,972,215
Basic and diluted earnings per share attributable to shareholders of the Bank (fils)	16.4	17.4	30.6	31.8

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

30 June 2025 (Unaudited)

11 RELATED PARTY TRANSACTIONS

During the period, certain related parties (directors and officers of the Group, their families and companies of which they are principal owners) were customers of the Group in the ordinary course of business. The terms of these transactions are approved by the Group's management. The balances at the date of interim condensed consolidated financial position are as follows:

	30 June 2025			30 June 2024		
	Number of Directors/ Executives	Number of Related Members	Amount in KD 000's	Number of Directors/ Executives	Number of Related Members	Amount in KD 000's
Board of Directors						
Loans	2	-	76	2	-	75
Credit cards	4	1	22	4	1	17
Deposits	11	7	1,477	11	9	1,440
Contingent liabilities	4	2	269	4	2	269
Directors' remuneration	11	-	294	11	-	263
Executive Management						
Loans	33	5	1,529	51	4	2,109
Credit cards	29	2	48	47	-	58
Deposits	45	37	3,550	68	51	2,054
Contingent liabilities	36	3	131	45	2	138
Associates						
Deposits	1	-	13,501	1	-	13,605
Major Shareholders						
Deposits	1	-	126	1	-	95

Interest income and interest expense include KD 21 thousand (30 June 2024: KD 27 thousand) and KD 386 thousand (30 June 2024: KD 551 thousand) respectively on transactions with related parties.

The detail of compensation for key management personnel included in the interim condensed consolidated statement of income are as follows:

	Six months ended 30 June	
	2025 KD 000's	2024 KD 000's
Salaries and other short-term benefits	1,280	1,137
Post employment benefits	13	16
End of service benefits	101	98

12 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values of all financial instruments are not materially different from their carrying values. For financial assets and financial liabilities that are liquid or having a short-term maturity (less than three months) it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits, saving accounts without a specific maturity and variable rate financial instruments.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and


NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025 (Unaudited)

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial assets and liabilities that are carried at amortised cost, are not materially different from their fair values as most of these financial assets and liabilities are of short term maturities or repriced immediately based on market movement in interest rates.

The method and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

30 June 2025				
KD 000's				
	Level 1	Level 2	Level 3	Total
Debt securities	507,573	10,572	-	518,145
Equities and other securities	31,578	22,533	-	54,111
	539,151	33,105	-	572,256
31 December 2024 (Audited)				
KD 000's				
	Level 1	Level 2	Level 3	Total
Debt securities	360,887	10,544	-	371,431
Equities and other securities	30,980	20,755	-	51,735
	391,867	31,299	-	423,166
30 June 2024				
KD 000's				
	Level 1	Level 2	Level 3	Total
Debt securities	260,079	10,839	-	270,918
Equities and other securities	30,587	19,348	-	49,935
	290,666	30,187	-	320,853

During the period ended 30 June 2025, 31 December 2024 and 30 June 2024, there were no transfers between level 1, level 2 and

13 SEGMENTAL ANALYSIS

The Group operates in banking, brokerage services and investment activities which are segmented between:

- a) Corporate and Retail banking provides a full range of lending, deposit and related banking services to domestic and international corporate and individual customers.
- b) Treasury and Investment banking comprises of money market, foreign exchange, treasury bonds, asset management and brokerage services.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025 (Unaudited)

Management monitors the operating results of these segments separately for the purpose of making decisions based on key performance indicators.

	KD 000's					
	Corporate and Retail Banking		Treasury and Investment Banking		Total	
	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2025	2024	2025	2024	2025	2024
Net interest income	48,227	47,179	11,758	12,165	59,985	59,344
Net non interest income	23,867	23,177	7,529	7,399	31,396	30,576
Operating income	72,094	70,356	19,287	19,564	91,381	89,920
Impairment and other provisions	7,384	10,692	(4,427)	(6,192)	2,957	4,500
Net profit (loss) for the period	64,540	65,339	(4,154)	(2,667)	60,386	62,672
Assets	2,947,214	2,875,658	1,911,830	1,895,155	4,859,044	4,770,813
Liabilities	1,894,738	1,917,740	2,228,786	2,184,660	4,123,524	4,102,400

14 OFF BALANCE SHEET ITEMS AND LEGAL CLAIMS

(a) Financial instruments with contractual amounts

In the normal course of business, the Group makes commitments to extend credit to customers. The contracted amounts represent the credit risk assuming that the amounts are fully advanced and that any collateral is of no value. The total contractual amount of the commitment does not necessarily represent the future cash requirement as in many cases these contracts terminate without being funded.

(i) Financial instruments with contractual amounts representing credit risk

	30 June 2025	<i>(Audited)</i> 31 December 2024	30 June 2024
	KD 000's	KD 000's	KD 000's
Acceptances	222,557	268,224	157,837
Letters of credit	135,097	140,027	153,709
Letters of guarantee	1,755,454	1,698,532	1,660,372
Undrawn lines of credit	820,524	690,195	481,959
	2,933,632	2,796,978	2,453,877

(ii) Financial instruments with contractual or notional amounts that are subject to credit risk

30 June 2025	KD 000's		
	Positive Fair Value	Negative Fair Value	Notional Amount
Forward foreign exchange contracts	825	2,389	357,506
Interest rate swaps (held as fair value hedges)	690	3,279	466,115
Interest rate swaps (others)	25,767	23,812	373,588
	27,282	29,480	1,197,209


NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025 (Unaudited)

	KD 000's		
	Positive Fair Value	Negative Fair Value	Notional Amount
31 December 2024 (Audited)			
Forward foreign exchange contracts	2,293	503	224,222
Interest rate swaps (held as fair value hedges)	2,300	787	314,411
Interest rate swaps (others)	28,192	26,564	269,778
	<u>32,785</u>	<u>27,854</u>	<u>808,411</u>
	KD 000's		
	Positive Fair Value	Negative Fair Value	Notional Amount
30 June 2024			
Forward foreign exchange contracts	147	380	205,129
Interest rate swaps (held as fair value hedges)	2,801	135	199,280
Interest rate swaps (others)	29,948	28,289	259,309
	<u>32,896</u>	<u>28,804</u>	<u>663,718</u>

The amount subject to credit risk is insignificant and is limited to the current replacement value of instruments, which is only a fraction of the contractual or notional amounts used to express the volumes outstanding.

(b) Legal claims

At the reporting date certain legal claims existed against the Group for which KD 4,858 thousand (31 December 2024: KD 4,709 thousand and 30 June 2024: 3,887 thousand) have been provided.

/105/2

Ref.: الإشارة :

Date : التاريخ :

..... ١٣ أغسطس ٢٠٢٥ الموافق :

المحترمة
الفاضلة رئيس الجهاز التنفيذي
البنك التجاري الكويتي

تحية طيبة وبعد،

بالإشارة إلى كتاب مصرفكم المؤرخ 2025/7/10 والمرفق به البيانات المالية المرحلية
المجمعة لمصرفكم عن الفترة من 2025/1/1 حتى 2025/6/30. وعطفاً على الإيضاحات
والبيانات التفصيلية الواردة إلينا في هذا الشأن والتي كان آخرها بتاريخ 2025/8/13.

نفيدكم بأن بنك الكويت المركزي قد أحيط علماً بما جاء في البيانات المشار إليها. كما
نفيدكم بموافقة بنك الكويت المركزي على قيام مصرفكم بتوزيع أرباح نقدية عن النصف الأول من
عام 2025 بنسبة 12% من القيمة الاسمية للسهم الواحد، أي بواقع إثني عشر فلس لكل سهم.
وعليه فإنه يمكنكم اتخاذ كافة الإجراءات الضرورية المتبعة في مثل هذا الخصوص.

مع أطيب التمنيات،،،



زيد بدر الرخيص
مدير إدارة الإشراف

- نسخة إلى بورصة الكويت .