FIRST SUPPLEMENT DATED 27 MAY 2024
TO THE BASE PROSPECTUS DATED 25 SEPTEMBER 2023

NBK SPC LIMITED

(incorporated in the Dubai International Financial Centre as a special purpose company and converted to a prescribed company on 31 October 2019)

U.S.$5,000,000,000
Global Medium Term Note Programme

unconditionally and irrevocably guaranteed by

NATIONAL BANK OF KUWAIT S.A.K.P.

(incorporated as a Public Shareholding Company in the State of Kuwait)

This supplement (the "**Supplement**") is supplemental to, forms part of, and must be read and construed in conjunction with, the base prospectus dated 25 September 2023 (the "**Base Prospectus**") prepared by NBK SPC Limited (the "**Issuer**") and National Bank of Kuwait S.A.K.P. ("**NBK**", the "**Bank**" or the "**Guarantor**") in connection with the Issuer's U.S.$5,000,000,000 Global Medium Term Note Programme (the "**Programme**") for the issuance of notes (the "**Notes**") unconditionally and irrevocably guaranteed by the Guarantor. Terms defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Central Bank of Ireland (the "**Central Bank of Ireland**") as competent authority under Regulation (EU) 2017/1129, as amended (the "**EU Prospectus Regulation**"). The Central Bank of Ireland only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer, the Guarantor or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

This Supplement which, together with the Base Prospectus, comprises a base prospectus for the purposes of the EU Prospectus Regulation, constitutes a supplement for the purposes of Article 23 of the EU Prospectus Regulation.

The purpose of this Supplement is to: (a) incorporate by reference into the Base Prospectus the unaudited interim condensed consolidated financial information of the Group as at and for the three months ended 31 March 2024, together with the review report thereon and the notes thereto; (b) incorporate by reference into the Base Prospectus the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023, together with the auditor report thereon and the notes thereto; (c) add, amend and/or update the information under the headings "*Presentation of Certain Financial and Other Information*", "*Risk Factors*", "*Selected Consolidated Financial Data*", "*Selected Statistical Data*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Description of the Group*", "*Risk Management*", "*Management*", "*Overview of Kuwait*" and "*Banking Industry* *and Regulation in Kuwait*" in the Base Prospectus; and (d) update the "*Significant or Material Change*" statement in the Base Prospectus.

IMPORTANT NOTICES

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuer and the Guarantor, the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect its import.

None of the Arrangers or the Dealers or their affiliates have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arrangers or the Dealers or their affiliates as to the accuracy or completeness of the information contained or incorporated by reference in this Supplement or for the acts or omissions of the Issuer, the Guarantor or any other person (other than the relevant Dealer) or any other information provided by either of the Issuer or the Guarantor in connection with the Programme, the Notes or their distribution.

Information which is updated by reference to one section of the Base Prospectus may be repeated or referred to in other sections of that document. Accordingly, to the extent that there is any inconsistency between: (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement; and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

Copies of this Supplement and the Base Prospectus can be: (i) viewed on the website of the Irish Stock Exchange plc trading as Euronext Dublin at https://live.euronext.com/; and (ii) obtained from the specified office of the Fiscal Agent in London.

This Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor, any Arranger or any Dealer to any person to subscribe for, or purchase, any Notes.

Neither the Notes nor the Guarantee have been nor will be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or the benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and the offer or sale is made in accordance with all applicable securities laws of any state of the United States and any other jurisdiction. The Notes are being offered and sold outside the United States in offshore transactions to persons that are not U.S. persons in reliance on Regulation S under the Securities Act and within the United States only to persons who are "qualified institutional buyers" in reliance on Rule 144A under the Securities Act.

UPDATES TO THE BASE PROSPECTUS

With effect from the date of this Supplement, the information appearing in, or incorporated by reference into, the Base Prospectus shall be supplemented and/or amended by the information set out below.

AMENDMENT TO DOCUMENTS INCORPORATED BY REFERENCE

1. The bullets under the heading "Documents Incorporated by Reference" (which appears on page 36 of the Base Prospectus) shall be deemed to be updated with the following:

- the unaudited interim condensed consolidated financial information of the Group as at and for the three months ended 31 March 2024, together with the review report thereon and the notes thereto (available at: https://www.nbk.com/dam/jcr:d64de9e3-29a2-4646-bb98-c3daecb60aad/NBK%20FS%2031%20March%202024%20-%20English.pdf);

- the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023, together with the audit report thereon and the notes thereto (available at: https://www.nbk.com/dam/jcr:d8ab6443-3e7d-4117-98a3-12ac767e9276/NBK%20FS%2031%20Dec%202023%20-%20English.pdf);

AMENDMENTS TO PRESENTATION OF CERTAIN FINANCIAL AND OTHER INFORMATION

1. The first six paragraphs and the ninth paragraph under the heading "Historical Financial Statements" (which commences on page x of the Base Prospectus) shall be deemed to be updated with the following:

First six paragraphs

This Base Prospectus contains:

- the unaudited interim condensed consolidated financial information of the Group as at and for the three months ended 31 March 2024 (with comparative data for the three months ended 31 March 2023) the ("**Interim Financial Statements**");

- the audited consolidated financial statements of the Group as at and for the year ended 31 December 2023 (with comparative data for the year ended 31 December 2022) (the "**2023 Financial Statements**"); and

- the audited consolidated financial statements of the Group as at and for the year ended 31 December 2022 (with comparative data for the year ended 31 December 2021) (the "**2022 Financial Statements**").

In this Base Prospectus, the 2023 Financial Statements and the 2022 Financial Statements are together referred to as the "**Annual Financial Statements**" and the Interim Financial Statements and the Annual Financial Statements are together referred to as the "**Financial Statements**".

The Interim Financial Statements have been prepared in accordance with International Accounting Standard ("**IAS**") 34 "*Interim Financial Reporting*", except as noted in note 2 to the Interim Financial Statements in relation to IFRS 9 "*Financial Instruments*". The accounting policies used in the preparation of the Interim Financial Statements are consistent with those used in the preparation of the Annual Financial Statements. The Interim Financial Statements have been jointly reviewed by Ernst & Young Al Aiban, Al Osaimi & Partners with license no. 208A ("**E&Y**") and Deloitte & Touche Al Wazzan & Co. with license no. 62A ("**Deloitte**") in accordance with the International Standard on

Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" as stated in their review report included elsewhere in this Base Prospectus.

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as adopted by the Central Bank of Kuwait (the "**CBK**") in the State of Kuwait and comply with the regulations for financial services institutions as issued by the CBK (the "**CBK regulations**"). The Annual Financial Statements have been jointly audited by E&Y and Deloitte in accordance with International Standards on Auditing as stated in their audit reports incorporated by reference in this Base Prospectus.

The CBK regulations require banks, including the Bank, and other financial institutions regulated by the CBK to adopt IFRS with the following amendments:

- expected credit loss ("**ECL**") on credit facilities is to be measured at the higher of the expected credit loss amount computed under IFRS 9 in accordance with the CBK guidelines or the provisions as required by the CBK instructions ("**CBK instructions**") along with its consequent impact on related disclosures (as discussed in note 2.9 to the 2023 Financial Statements under the headings "*Expected Credit Losses*" and "*provisions for credit losses in accordance with CBK instructions*"); and

- modification losses on financial assets arising from payment holidays to customers extended during 2020 as a result of COVID-19 are to be recognised in retained earnings, as required by the CBK circular no. 2/BS/IBS/461/2020, instead of in the statement of income as required by IFRS 9. However, modification losses on financial assets arising from any other payment holidays to customers (including payment holidays to customers extended during 2021) were recognised in the statement of income. The application of the policy resulted in the application of different accounting presentation for modification losses in 2020 and 2021. There have been no modification losses since 2021.

The Group's financial year ends on 31 December and references in this Base Prospectus to "**2023**", "**2022**" and "**2021**" are to the 12-month period ending on 31 December in each of those years.

Ninth paragraph

All financial information regarding the Group in this Base Prospectus as at 31 March 2024 and for the three months ended 31 March 2024 and 31 March 2023 is unaudited and has been extracted or derived from the Interim Financial Statements or from the Group's unaudited management accounts based on accounting records, as applicable, or is based on calculations of figures from these sources. In addition, all financial information regarding the Group in this Base Prospectus as at, and for the years ended, 31 December 2023 and 31 December 2022 has been extracted or derived from the 2023 Financial Statements and all financial information regarding the Group in this Base Prospectus as at, and for the year ended, 31 December 2021 has been extracted or derived from the 2022 Financial Statements or, in either case, from the Group's unaudited management accounts based on accounting records, as applicable, or, in either case, is based on calculations of figures from these sources.

2. **The first two paragraphs under the heading "Average Balances and Interest Rates" (which appears on page xii of the Base Prospectus) shall be deemed to be updated with the following**:

This Base Prospectus includes information relating to (i) average balances of interest income and finance income-earning assets (together referred to as "**income-earning assets**") and interest expense and financing cost-bearing liabilities (together referred to as "**cost-bearing liabilities**") of the Group, (ii) the amounts of finance income and financing cost of the Group and (iii) the average rates at which finance income was earned on the Group's income-earning assets and financing cost was incurred on the Group's cost-bearing liabilities for the three months ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021. This information is presented in the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Selected Statistical Data*". Unless otherwise specified in this Base Prospectus, average balances of assets and liabilities for the Group for the three months ended 31 March 2024 and 31 March 2023 and for the years ended 31 December in each of 2023, 2022 and 2021 were calculated as the sum of assets or liabilities on a quarterly basis divided by two for the three-month, or five for the annual, periods. The average interest rate for any line item in any period is calculated by dividing finance income or financing cost, as applicable, by the average balance for that line item in the relevant period.

This Base Prospectus also includes information on changes in finance income or financing cost of the Group which are attributed to either: (i) changes in average balances of income-earning assets or cost-bearing liabilities (a volume change); or (ii) changes in average rates at which finance income was earned on such assets or at which financing cost was incurred on such liabilities (a rate change). This information also appears in the sections "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Selected Statistical Data*". Changes in the Group's finance income and financing cost have been allocated between changes in average volume and changes in average rates for the three months ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021. The volume and rate variances are calculated based on the movements of average balances from period to period and changes in average rates on income-earning assets and cost-bearing liabilities from period to period. The net change attributable to changes in both volume and rate has been allocated in line with the amounts derived for pure rate and volume variances.

3. **The first paragraph under the heading "Non-IFRS Financial Measures and APMs" (which commences on page xii of the Base Prospectus) shall be deemed to be updated with the following**:

This Base Prospectus contains references to certain non-IFRS measures, including capital adequacy, leverage and certain other ratios contained in "*Selected Consolidated Financial Data*" and referred to elsewhere in this Base Prospectus. In addition, all of the average information contained in "*Selected Statistical Data*" and referred to elsewhere in this Base Prospectus is non-IFRS data. All of these measures constitute alternative performance measures (as defined in the European Securities and Markets Authority guidelines (the "**ESMA Guidelines**") on Alternative Performance Measures ("**APMs**")).

4. **The final paragraph under the heading "Monetary and Exchange Rate Policy" (which appears on page xiii of the Base Prospectus) shall be deemed to be updated with the following**:

The following table shows the Kuwaiti dinar per U.S.$1.00 exchange rate based on daily data for the three months ended 31 March 2024 and for the years ended 31 December in each of 2023, 2022 and 2021.

	High U.S.$/KD	**Low U.S.$/KD**	**Difference**	**Difference (%)**
31 March 2024	0.308	0.307	0.001	0.42
31 December 2023	0.309	0.305	0.005	1.49
31 December 2022	0.311	0.302	0.009	2.90
31 December 2021	0.303	0.300	0.003	1.02

Source: Central Bank of Kuwait

AMENDMENTS TO RISK FACTORS

1. **The first to fifth paragraphs of the risk factor titled** "**Macro-economic and financial market conditions have materially adversely affected and may continue to materially adversely affect the Group's business, results of operations and financial condition**" **(which commences on page 6 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group, in common with other financial institutions, is susceptible to changes in the macro-economic environment and the performance of financial markets generally. The economies of many oil producing countries in the Middle East, including Kuwait, were adversely impact by market conditions prevailing over the last few years, including the impact of COVID-19 in 2020 and 2021, volatility in commodity prices (including oil) since 2020, and increased inflation and interest rates since 2022.

The Group's operations are concentrated in Kuwait and the MENA region. For the three months ended 31 March 2024, 74.3 per cent. of the Group's net operating income was derived from its operations in Kuwait (compared to 74.4 per cent. in 2023, 73.6 per cent. in 2022 and 75.2 per cent. in 2021. As at 31 December 2023, 75.0 per cent. of its maximum exposure to credit risk (including contingent liabilities) was concentrated in the MENA region, principally in Kuwait.

Kuwait's economy was adversely impacted in 2020 due to low oil prices and the measures put in place to address the COVID-19 pandemic. Economic recovery began in 2021 as oil prices rose and restrictions were eased, and accelerated in 2022 after oil prices surged in February following the Russian invasion of Ukraine and the sanctions imposed on Russia by many countries in response. Oil prices eased in 2023 following changes in the sanctions regime applied to Russia at the end of 2022 and lower than anticipated demand in 2023. Inflation increased significantly in 2023 compared to 2022, accompanied by increased interest rates as central banks around the world sought to counter the high inflation levels by raising interest rates.

Except where otherwise stated, according to the CBK (sourced to data published by the Central Statistical Bureau of Kuwait (the "**CSB**") in the case of GDP and consumer price index data and the Kuwait Ministry of Finance in the case of public finance data):

- Kuwait's real GDP increased by 1.7 per cent. in 2021 and by 6.1 per cent. in 2022. CSB preliminary data showed that real GDP declined by 1.9 per cent during the first nine months of 2023;

- the fiscal deficit in Kuwait was expected to reach KD 6.8 billion in the fiscal year ended 31 March 2024 according to the budget, compared to a surplus of KD 6.4 billion in the fiscal year ended 31 March 2023 (equal to 11.7 per cent. of GDP) and fiscal deficits of KD 4.3 billion and KD 10.8 billion in the fiscal years ended 31 March 2022 (equal to 6.4 per cent. of GDP) and 31 March 2021 (equal to 33.0 per cent. of GDP), respectively;

- the consumer price index in Kuwait was 117 in 2020 and increased to 121 in 2021, 125 in 2022 and 130 in 2023;

- the CBK’s discount rate, which was 1.50 per cent. in 2021, increased to 3.50 per cent. at the end of 2022 and 4.25 per cent. at the end of 2023; and

- the CBK’s average selling rate of the dinar against the U.S. dollar amounted to 302 fils to one U.S. dollar in 2021 compared to 306 fils in 2022 and 307 fils in 2023. Despite this relative stability, the exchange rate of the dinar against other currencies could fluctuate due to macro-economic volatility.

Outside Kuwait, the Group's largest operation within the MENA region is that of its 99.1 per cent. owned Egyptian subsidiary, National Bank of Kuwait – Egypt S.A.E. ("**NBK Egypt**"), which accounted for 8.1 per cent. of the Group's net operating income in 2023 (compared to 7.7 per cent. for 2022 and 7.6 per cent. for 2021). Since the 2011 Egyptian revolution, Egypt has experienced a turbulent period including significant political unrest and multiple terrorist attacks which culminated in a period of economic instability before the COVID-19 outbreak. Egypt continues to face challenges, including high exposure to external shocks and high debt servicing costs, an acceleration in inflation (which was 33.7 per cent. in March 2024), as well as further economic fallout from the slowdown in global growth and global monetary tightening given higher global inflation. In addition, through its consolidation of NBK Egypt, the Group is impacted by exchange rate movements in the Egyptian pound. The significant decline in the value of the Egyptian pound since 2021 has negatively impacted the Group's balance sheet and, to a lesser degree, the Group's profit. The average exchange rate of the Egyptian pound to one dinar declined from 52.0 Egyptian pounds in 2021 to 62.7 Egyptian pounds in 2022 and 99.7 Egyptian pounds in 2023. The Egyptian pound has continued to weaken in 2024 and the average monthly exchange rate of the Egyptian pound to one dinar was 153.7 in March 2024. Any further devaluation of the Egyptian pound could have a material adverse effect on the Group's business, results of operations and financial condition. Any developments of a similar nature involving the major GCC economies may also have an adverse effect on the Group.

2. **The second paragraph of the risk factor titled "The Group may experience a higher level of customer and counterparty defaults arising from adverse changes in credit and recoverability which are inherent in the Group's business" (which appears on page 8 of the Base Prospectus) shall be deemed to be updated with the following**:

As at 31 March 2024, the Group's loans, advances and Islamic financing provided to customers (before provisions), amounted to KD 23,261 million compared to KD 23,144 million as at 31 December 2023, KD 21,826 million as at 31 December 2022 and KD 20,356 million as at 31 December 2021. The Group's non-performing loans, advances and Islamic financing as at the same dates amounted to KD 351 million, KD 318 million, KD 310 million and KD 211 million, respectively, equal to 1.51 per cent., 1.38 per cent., 1.42 per cent. and 1.04 per cent., respectively, of the Group's loans, advances and Islamic financing provided to customers (before provisions). The increase in non-performing assets in the first three months of 2024 was primarily driven by non-performing loans in the Kuwait real estate sector, which are primarily secured loans but, despite this, may still require provisioning in cases where an erosion in value of the collateral is being experienced at a higher than anticipated rate. The increase in non-performing assets in 2023 was primarily driven by the overseas corporate portfolio and the consumer portfolio.

Any future increases in customer and counterparty defaults could have a material adverse effect on the Group's business, results of operations and financial condition.

3. **The first two paragraphs and the fourth and fifth paragraphs of the risk factor titled "The Group's credit facilities and debt securities portfolios are concentrated by geography, sector and client" (which commences on page 8 of the Base Prospectus) shall be deemed to be updated with the following**:

First two paragraphs

The Group's loans, advances and Islamic financing to customers and its debt securities portfolio (including its holding of Kuwaiti Government treasury bonds and CBK bonds) together constituted KD 30,020 million, or 78.3 per cent. of its total assets, as at 31 March 2024, KD 29,924 million, or 79.4 per cent. of its total assets, as at 31 December 2023, KD 27,407 million, or 75.4 per cent. of its total assets, as at 31 December 2022 and KD 25,596 million, or 77.0 per cent. of its total assets, as at 31 December 2021.

In terms of geographical concentration, of the Group's total portfolio of loans, advances and Islamic financing (before provisions) as at 31 March 2024, the borrowers in respect of 84.4 per cent. were located in the MENA region (principally in Kuwait). The proportion of the Group's total portfolio of loans, advances and Islamic financing (after provisions) located in the MENA region (principally in Kuwait) was 84.0 per cent. as at 31 December 2023, 85.6 per cent. as at 31 December 2022 and 87.2 per cent. as at 31 December 2021. In addition, the Group's debt securities portfolio has significant exposure to MENA region issuers which are principally Kuwaiti and other governments. As at 31 March 2024, KD 5,822 million, or 76.3 per cent., of the total debt securities portfolio comprised exposure primarily to MENA region issuers compared to KD 5,835 million, or 76.3 per cent., as at 31 December 2023, KD 5,046 million, or 78.7 per cent., as at 31 December 2022 and KD 5,111 million, or 87.0 per cent., as at 31 December 2021.

Fourth and fifth paragraphs

In terms of sector concentration, the Group discloses the overall sectoral breakdown inclusive of loans, advances and Islamic financing, debt securities and off-balance sheet items reflecting its maximum exposure to credit risk. However, the Group does not disclose the stand-alone sectoral breakdown of its loans, advances and Islamic financing and debt securities portfolios. The Group's maximum exposure to credit risk totalled KD 42,719 million as at 31 March 2024, KD 42,050 million as at 31 December 2023, KD 40,244 million as at 31 December 2022 and KD 37,147 million as at 31 December 2021. The Group's maximum exposure to credit risk has concentrations of exposure to particular economic sectors, including banks and financial institutions which, as at 31 December 2023, accounted for KD 12,929 million, or 30.7 per cent. of its maximum total exposure to credit risk. Other significant sectoral concentrations as at 31 December 2023 were the retail/consumer segment, which accounted for KD 7,436 million, or 17.7 per cent., of the Group's maximum exposure to credit risk, the real estate sector, which accounted for KD 4,597 million, or 10.9 per cent., of the Group's maximum exposure to credit risk and the government sector, which accounted for KD 3,658 million, or 8.7 per cent., of the Group's maximum exposure to credit risk. Each of these sectors presents different levels of risk. For example, the banking sector is particularly exposed to adverse economic conditions, see "*—Economic risks—Macro-economic and financial market conditions have materially adversely affected and may continue to materially adversely affect the Group's business, results of operations and financial condition*" above. In addition, the real estate market is cyclical and the retail/consumer segment is also impacted by economic conditions, particularly inflation, unemployment, wage freezes and house price declines. The Group's consumer financing portfolio was also impacted by the deferral programmes announced as a result of the impact of the measures imposed to combat COVID-19 on the consumer sector.

In terms of client concentration, the Group's 20 largest loans, advances and Islamic financing provided to customers outstanding as a percentage of its gross financing portfolio as at 31 March 2024 was 14 per cent. (as at 31 December in each of 2023, 2022 and 2021: 14 per cent., 15 per cent. and 16 per cent., respectively). The Group is therefore particularly exposed to a default by the borrowers under any one or more of these large exposures.

4. **The second to fifth paragraphs of the risk factor titled "A substantial increase in impairment allowances, or incurred losses greater than the level of existing provisions for credit losses, would adversely affect the Group's results of operations and financial condition" (which commences on page 9 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group is required to recognise impairment allowances for credit facilities at an amount equal to the higher of (i) the ECL under IFRS 9 according to CBK guidelines and (ii) the provisions as required by CBK instructions.

The Group's overall level of impairment allowances is based upon a wide range of factors, including the volume and type of lending and financing being conducted, the collateral held, applicable regulations, past due facilities, economic conditions and other factors related to the recoverability of various facilities. Although the Group endeavours to establish an appropriate level of impairment allowances in accordance with applicable requirements, there can be no assurance that the Group has taken sufficient impairment allowances. Accordingly, the Group may have to significantly increase its impairment allowances for credit losses in the future as a result of increases in non-performing assets, deteriorating economic conditions (especially from the impact of increases in interest rates, rising inflation and any other macro-economic disruptions) leading to increases in defaults and bankruptcies, or for other reasons. As at 31 March 2024, the Group's impaired loans ratio (defined as impaired loans as a percentage of total gross loans) was 1.51 per cent. (as at 31 December in each of 2023, 2022 and 2021: 1.38 per cent., 1.42 per cent. and 1.04 per cent., respectively). The increase in 2022 was primarily driven by the overseas corporate portfolio and the Kuwait consumer portfolio due to the end of the COVID-19 associated repayment holidays. The increase in non-performing assets in the first three months of 2024 was primarily driven by non-performing loans in the Kuwait real estate sector, which are primarily secured loans but, despite this, may still require provisioning in cases where an erosion in value of the collateral is being experienced at a higher than anticipated rate. The increase in non-performing assets in 2023 was primarily driven by the overseas corporate portfolio and the Kuwait consumer portfolio.

As at 31 March 2024, the Group had KD 351 million of impaired loans, advances and Islamic financing and its total provision for credit losses on its loans, advances and Islamic financing was KD 871 million, in each case calculated in accordance with CBK requirements. The Group's expected credit loss on credit facilities, determined under IFRS 9 in accordance with CBK guidelines, was KD 597 million as at 31 March 2024. As at 31 December 2023, the Group had KD 318 million of impaired loans, advances and Islamic financing and its total provision for credit losses on its loans, advances and Islamic financing was KD 863 million, in each case calculated in accordance with CBK requirements. The Group's expected credit loss on credit facilities, determined under IFRS 9 in accordance with CBK guidelines, was KD 616 million as at 31 December 2023. As at 31 December 2022, the Group had KD 310 million of impaired loans, advances and Islamic financing and its total provision for credit losses on its loans, advances and Islamic financing was KD 828 million, in each case calculated in accordance with CBK requirements. The Group's expected credit loss on credit facilities, determined under IFRS 9 in accordance with CBK guidelines, was KD 577 million as at 31 December 2022. As at 31 December 2021, the Group had KD 211 million of impaired loans, advances and Islamic financing and its total provision for credit losses on its loans, advances and Islamic financing was KD 634 million, in each case calculated in accordance with CBK requirements. The Group's expected credit loss on credit facilities, determined under IFRS 9 in accordance with CBK guidelines, was KD 462 million as at 31 December 2021.

As at 31 March 2024, the Group's provision for credit losses on loans, advances and Islamic financing covered 247.9 per cent. of its impaired loans, advances and Islamic financing (as at 31 December in each of 2023, 2022 and 2021: 271.0 per cent., 267.0 per cent. and 300.0 per cent., respectively).

5. **The first sentence of the second paragraph and the fourth paragraph of the risk factor titled "Collateral provided in favour of the Group may not be sufficient to cover any losses and certain security interests may not be legally enforceable in Kuwait" (which commences on page 10 of the Base Prospectus) shall be deemed to be updated with the following:**

First sentence of second paragraph

The estimated fair value of the collateral which the Group held against its loans, advances and Islamic financing to customers individually determined to be non-performing as at 31 December 2023 was KD 172 million.

Fourth paragraph

In addition, even if such security interests are enforceable in Kuwaiti courts, the time and costs associated with enforcing security interests in Kuwait may make it uneconomic for the Group to pursue such proceedings, adversely affecting the Group's ability to recover its credit losses. As at 31 March 2024, the Group had loans, advances and Islamic financing to customers (net of provisions) totalling KD 22,389 million (as at 31 December in each of 2023, 2022 and 2021: KD 22,281 million, KD 20,998 million and KD 19,722 million, respectively). For each of 2023, 2022 and 2021, respectively, on average 45 per cent. of the Group's loans, advances and Islamic financing to customers portfolio (excluding consumer loans and net of provisions) was secured by collateral, primarily comprising cash, shares and real estate collateral.

6. **The second sentence of the first paragraph of the risk factor titled "The Group could be adversely affected by the soundness or the perceived soundness of other financial institutions and counterparties" (which appears on page 11 of the Base Prospectus) shall be deemed to be updated with the following**:

This risk is particularly relevant to the Group since banks and other financial institutions represented 30.7 per cent. of the Group's maximum exposure to credit risk as at 31 December 2023 (as at 31 December 2022 and 31 December 2021: 31.8 per cent. and 30.2 per cent., respectively).

7. **The second paragraph, the last sentence of the third paragraph and the last sentence of the fifth paragraph of the risk factor titled "The Group's cash flow from its operations may not be sufficient at all times to meet its contractual and contingent payment obligations" (which commences on page 11 of the Base Prospectus) shall be deemed to be updated with the following**:

Second paragraph

As at 31 March 2024, the Group had cash and short-term funds of KD 4,271 million (as at 31 December in each of 2023, 2022 and 2021: KD 4,385 million, KD 5,323 million and KD 5,082 million, respectively) and a liquid asset ratio (defined as the sum of cash and short-term funds, CBK bonds, Kuwaiti Government treasury bonds, deposits with banks and investment securities excluding those at amortised cost, divided by total assets) of 33.9 per cent. (as at 31 December in each of 2023, 2022 and 2021: 33.4 per cent., 34.8 per cent. and 33.5 per cent., respectively).

Last sentence of the third paragraph

The Group's three months average LCR as at 31 March 2024 was 167.6 per cent., its HQLAs (post-factor) were valued at KD 7,970 million and its net cash outflow was KD 4,775 million (as at 31 December in each of 2023, 2022 and 2021: an average LCR ratio of 186.1 per cent., 140.7 per cent. and 153.8 per cent., respectively, quarterly average HQLAs valued at KD 7,481 million, KD 7,393 million and KD 7,714 million, respectively, and average net cash outflows of KD 4,054 million, KD 5,264 million and KD 5,025 million, respectively).

Last sentence of the fifth paragraph

As at 31 March 2024, the Group had an NSFR ratio of 109.3 per cent. (as at 31 December in each of 2023, 2022 and 2021: 111.4 per cent., 112.5 per cent. and 110.3 per cent., respectively).

8. **The second to fourth paragraphs of the risk factor titled "The Group relies on short-term demand and time deposits as a major source of funding but primarily has medium- and long-term assets, which may result in asset-liability maturity gaps and this risk is increased by significant concentrations in the Group's customer deposit portfolio" (which commences on page 12 of the Base Prospectus) shall be deemed to be updated with the following**:

Although the Group has accessed wholesale funding, including through international financial markets, in order to diversify and increase the maturity of its funding sources, such borrowings have not eliminated the Group's asset-liability maturity gaps. As at 31 March 2024, 82.0 per cent. of the Group's funding (which comprises total liabilities and equity) had remaining maturities of one year or less or were payable on demand (as at 31 December in each of 2023, 2022 and 2021: 82.1 per cent., 81.5 per cent. and 81.2 per cent., respectively).

The Group's customer deposits amounted to KD 22,271 million, or 66.4 per cent. of its total liabilities, as at 31 March 2024 (as at 31 December in each of 2023, 2022 and 2021: KD 21,949 million, or 67.0 per cent., KD 20,178 million, or 63.6 per cent. and KD 18,281 million, or 63.5 per cent., respectively). Kuwaiti Government and quasi-government deposits ranged from a high of 17 per cent. in March 2024 to a low of 10 per cent. in June 2022 of the Group's total funding in the period between 1 January 2021 and 31 March 2024. In terms of liabilities, the Group's 20 largest customer deposits constituted 25 per cent. of its total customer deposits as at 31 March 2024 (as at 31 December in each of 2023, 2022 and 2021: 24 per cent., 23 per cent. and 23 per cent., respectively).

As at 31 March 2024, 72.0 per cent. of the Group's customer deposits had maturities of less than three months or were repayable on demand (as at 31 December in each of 2023, 2022 and 2021: 71.9 per cent., 72.9 per cent. and 80.2 per cent., respectively), although as is typical in the Kuwaiti banking industry, these deposits have generally proved to be "sticky" in nature and a stable source of funding based on historical behaviour analysis. Nevertheless, they are repayable on demand or very short notice contractually.

9. **The fourth sentence of the last paragraph of the risk factor titled "The Group relies on short-term demand and time deposits as a major source of funding but primarily has medium- and long-term assets, which may result in asset-liability maturity gaps and this risk is increased by significant concentrations in the Group's customer deposit portfolio" (which commences on page 12 of the Base Prospectus) shall be deemed to be updated with the following:**

There has been an increase in Kuwaiti Government and quasi-government deposits accepted by the Group as at 31 March 2024 compared to 31 December 2021.

10. **The last two sentences of the first paragraph of the risk factor titled "The Group has significant off-balance sheet credit-related commitments that may lead to potential losses" (which appears on page 13 of the Base Prospectus) shall be deemed to be updated with the following**:

As at 31 March 2024, the Group had KD 5,992 million outstanding in contingent liabilities and irrevocable commitments to grant credit (as at 31 December in each of 2023, 2022 and 2021: KD 5,943 million, KD 5,492 million and KD 5,485 million, respectively), equal to 21.1 per cent. of its combined loans, advances and Islamic financing to customers and contingent liabilities and commitments (as at 31 December in each of 2023, 2022 and 2021: 21.1 per cent., 20.7 per cent., 21.8 per cent., respectively). As at 31 March 2024, the Group had a KD 41 million provision in relation to its non-cash facilities (as at 31 December in each of 2023, 2022 and 2021: KD 41 million, 40 million and KD 35 million, respectively).

11. **The first paragraph of the risk factor titled "A negative change in the Group's credit rating could limit its ability to raise funding and may increase its borrowing costs" (which commences on page 13 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group has an issuer credit rating of A with a stable outlook from S&P, a long-term bank deposits rating of A1 with a stable outlook from Moody's and a long-term foreign currency issuer default rating of A+ with a stable outlook from Fitch. On 22 September 2020, Moody's downgraded the long-term foreign currency deposits rating for the Group to A1 from Aa3. On 26 July 2021, S&P revised its outlook on the Group's long-term foreign currency issuer default rating of A to negative from stable and in July 2022 it revised the outlook back to stable. On 7 February 2022, Fitch downgraded the long-term foreign currency issuer default rating for the Group to A+ from AA- and revised its negative outlook with a stable outlook. Furthermore, on 2 May 2023, Fitch assigned ex-government support, or 'xgs' ratings, to the Bank of "A-", which matches the level of the Bank's viability rating. This rating action followed the publication of Bank Ex-Government Support Ratings Criteria on 11 April 2023. The Bank's long-term foreign currency issuer default ratings were unaffected by the rating action. These ratings, which are intended to measure the Group's ability to meet its debt obligations as they mature, are an important factor in determining the Group's cost of borrowing funds.

12. **The second paragraph and the last sentence of fifth paragraph of the risk factor titled "Changes in interest rate levels may affect the Group's net interest and Islamic debt margins and borrowing costs, and the value of assets sensitive to interest rates and spread changes may be adversely affected" (which commences on page 14 of the Base Prospectus) shall be deemed to be updated with the following**:

Second paragraph

Interest rates and funding costs are sensitive to many factors beyond the Group's control, including the policies of central banks, such as the CBK and the U.S. Federal Reserve, political factors and domestic and international economic conditions. In response to rising global inflationary pressures, the CBK tightened its monetary policy through increasing its benchmark interest rate by 0.25 per cent. six times (in each of March 2022, April 2022, June 2022, July 2022, August 2022 and September 2022), by an additional 0.5 per cent. twice (in each of December 2022 and January 2023) and by an additional 0.25 per cent. in July 2023, resulting in a benchmark interest rate of 4.25 per cent.

Last sentence of the fifth paragraph

The Group's interest/funding rate sensitivity position as at 31 December 2023, 2022 and 2021 was based on contractual re-pricing arrangements and is set out elsewhere in this Base Prospectus. See "*Risk Management—Principal Risks—Market Risk—Interest rate risk*".

13. **The risk factor titled "The Group may experience challenges with the transition to alternative benchmark rates following the cessation of LIBOR in 2021" (which appears on page 15 of the Base Prospectus) shall be deemed to be updated with the following:**

The transition to alternative benchmark rates has been substantially completed.14. **The first sentence of the second paragraph of the risk factor titled "Changes in equity and debt securities prices may affect the values of the Group's investment portfolios" (which appears on page 15 of the Base Prospectus) shall be deemed to be updated with the following**:

Any changes in the fair value of these securities, for example due to changing equity prices where the securities are quoted on an active market, has an impact on the Group's equity – see "*Risk Management—Principal Risks—Market Risk—Equity price risk*", which illustrates the Group's sensitivity to a 5 per cent. increase in relevant market indices as at 31 December 2023, 2022 and 2021.

15. **The last two sentences of the first paragraph of the risk factor titled "The Group's financial condition and results of operations could be adversely affected by foreign exchange risks" (which commences on page 15 of the Base Prospectus) shall be deemed to be updated with the following**:

See "*Risk Management— Principal Risks—Market Risk—Foreign exchange risk*", which illustrates the Group's sensitivity to a 5 per cent. strengthening in the exchange rate of a number of different currencies against the Kuwaiti dinar as at 31 December 2023, 2022 and 2021. As at 31 December 2023, 36 per cent. of the Group's gross portfolio of loans, advances and Islamic financing was denominated in currencies other than Kuwaiti dinar (namely, in order of largest exposure, U.S. dollars, Egyptian pounds, pounds Sterling and other currencies).

16. **The second sentence of the first paragraph of the risk factor titled "The Group's derivative transactions, which are designed to hedge its exposures to foreign exchange rate and interest rate risks, may not always be effective, may give rise to significant losses and do not protect the Group against all risks associated with foreign exchange rate and interest rate movements" (which appears on page 16 of the Base Prospectus) shall be deemed to be updated with the following**:

These derivative contracts had a notional value of KD 10,169 million as at 31 March 2024 (as at 31 December in each of 2023, 2022 and 2021: KD 10,025 million, KD 8,697 million and KD 7,372 million, respectively) and the Group's derivatives portfolio had a net positive fair value of KD 317 million as at 31 March 2024 (as at 31 December in each of 2023, 2022 and 2021: net positive fair values of KD 248 million and KD 315 million and a net negative fair value of KD 108 million, respectively).

17. **The third sentence of the second paragraph of the risk factor titled "The Group may not be able to recruit and retain qualified and experienced personnel, which could have an adverse effect on its business and its ability to implement its strategy" (which appears on page 17 of the Base Prospectus) shall be deemed to be updated with the following**:

The Bank's Kuwaitisation level as at 31 March 2024 was 76.7 per cent.

18. **The first sentence of the second paragraph of the risk factor titled "Future events may be different from those reflected in the management assumptions and estimates used in the preparation of the Group's financial statements, which may cause unexpected losses in the future" (which appears on page 18 of the Base Prospectus) shall be deemed to be updated with the following**:

Management has identified the most significant judgments and estimates made by it in note 2.36 to the 2023 Financial Statements.

19. **The first three paragraphs of the risk factor titled "Kuwait's economy and government revenues are significantly impacted by, and are dependent upon, international oil prices" (which commences on page 20 of the Base Prospectus) shall be deemed to be updated with the following**:

The oil sector is the principal contributor to Kuwait's economy and oil revenues account for the majority of the Kuwaiti Government's total revenues and export earnings. According to the CSB, the oil sector (excluding refining) accounted for 55.0 per cent., of Kuwait's real GDP in 2022. The oil sector continues to be the main contributor to Kuwait's annual revenues, accounting for 92.7 per cent. of total Government revenues for the fiscal year ended 31 March 2023 and 91.8 per cent. of total Government revenues for the first 10 months of the fiscal year ending 31 March 2024, according to the Kuwait Ministry of Finance. Accordingly, Kuwait's economy is significantly impacted by, and is dependent upon, international oil prices.

The OPEC Reference Basket price has seen significant volatility since early 2020 when it fell significantly as a result of the COVID-19 pandemic. Although the OPEC Reference Basket price returned to pre-COVID 19 levels by the last quarter of 2021, as a result of continued OPEC+ supply restraint, supply shortfalls and strengthening oil demand, it increased sharply in early 2022 following sanctions being imposed on Russia after its invasion of Ukraine. In the second half of 2022, oil prices softened as markets grew increasingly concerned about the health of the global economy amid increases in inflation, tightening monetary policy and the economic damage caused by China's continuing struggle with COVID-19. Amendments to the sanctions imposed on Russia towards the end of 2022 and generally lower than expected demand in 2023 helped constrain prices during that year. Political events in the MENA region had a muted impact on oil prices in the first quarter of 2024. The annual average OPEC Reference Basket prices were U.S.$41.47 in 2020, U.S.$69.89 in 2021, U.S.$100.08 in 2022 and U.S.$82.95 in 2023. The monthly average OPEC Reference Basket prices were U.S.$80.04 in January 2024, U.S.$81.23 in February 2024, U.S.$84.22 in March 2024 and U.S.$89.12 in April 2024.

Except where otherwise stated, according to the CBK (sourced to data published by CSB in the case of GDP and the Kuwait Ministry of Finance in the case of public finance data):

- Kuwait's nominal GDP increased by 29.9 per cent. in 2021 and by 30.9 per cent. in 2022 and its real GDP increased by 1.7 per cent. in 2021 and by 6.1 per cent. in 2022. According to the preliminary IMF data, Kuwait's nominal GDP is estimated to have decreased by 11.2 per cent. in 2023 and its real GDP is estimated to have decreased by 2.2 per cent. in 2023;

- Kuwait's current account balance recorded surpluses of KD 11.3 billion in 2021, KD 19.3 billion in 2022 and KD 15.8 billion in 2023; and

- the fiscal surplus in Kuwait was KD 6.4 billion in the fiscal year ended 31 March 2023 compared to fiscal deficits of KD 4.3 billion and KD 10.8 billion in the fiscal years ended 31 March 2022 and 31 March 2021, respectively. Preliminary data shows that the fiscal budget recorded a deficit of KD 1.1 billion during the first ten months of the 2023/2024 financial year The Ministry of Finance's draft budget for the fiscal year 2024/25 projects a deficit of KD 5.9 billion based on an oil price of U.S.$70 per barrel. The budget appears contractionary, with spending expected to decline by 6.6 per cent. compared to the previous year's budget. Capital expenditures are targeted to be KD 2.3 billion, as per the 2024/25 budget presentation.

20. **The fourth paragraphs of the risk factor titled "Kuwait is located in a region that has been subject to ongoing political and security concerns" (which commences on page 21 of the Base Prospectus) shall be deemed to be updated with the following**:

There have been attacks on both Saudi Arabian and UAE oil and gas facilities. For example, a drone attack on a Saudi Aramco refinery in Riyadh in March 2021, a projectile attack in December 2021 in Jizan in Saudi Arabia which killed two people and attacks on Saudi Aramco refineries in Riyadh and Yasref and petroleum products distribution terminals in Jeddah and Jizan in March 2022. Also, in January 2022, a drone attack claimed by Yemen's Houthi militia, targeting a key oil facility in Abu Dhabi, resulted in casualties and sparked a fire at Abu Dhabi's international airport and, in January 2024, an attack on a U.S. outpost by Iran-backed militants on the Jordan-Syria border resulted in deaths and injuries. In October 2023, following a terrorist incident on its soil, Israel declared war on Hamas and invaded the Gaza strip, a conflict which is continuing. There have been numerous incidents of maritime piracy in the Red Sea region since late 2023, prompting attacks by United States and other western countries on Al Houthi bases in Yemen in response in early 2024. Most recently, in April 2024, following Israel's assassination of Iranian Revolutionary Guard commanders in an Iranian diplomatic compound in Damascus, Iran initiated a missile and drone attack on Israel. The situation in the region remains volatile and uncertain.

AMENDMENTS TO SELECTED CONSOLIDATED FINANCIAL DATA

1. The following information supplements the information in the section titled "Selected Consolidated Financial Data" (which commences on page 101 of the Base Prospectus):

CONSOLIDATED STATEMENT OF INCOME

	Three months ended 31 March		Year ended 31 December
	2024	**2023**	**2023**
	(*KD thousands*)		
Interest income	452,047	361,366	1,632,748
Interest expense	262,873	190,673	908,154
Net interest income	**189,174**	**170,693**	**724,594**
Murabaha and other Islamic financing income	110,584	92,197	402,482
Finance cost and Distribution to depositors	61,644	51,138	221,939
Net income from Islamic financing	**48,940**	**41,059**	**180,543**
Net interest income and net income from Islamic Financing	**238,114**	**211,752**	**905,137**
Net fees and commissions	53,185	51,392	196,606
Net investment income	6,783	5,813	27,466
Net gains from dealing in foreign currencies	10,248	7,984	36,123
Other operating income	635	921	1,435
Non-interest income	**70,851**	**66,110**	**261,630**
Net operating income	**308,965**	**277,862**	**1,166,767**
Staff expenses	58,858	54,851	233,156
Other administrative expenses	40,696	35,629	147,342
Depreciation of premises and equipment	11,514	10,573	44,314
Amortisation of intangible assets	412	412	1,647
Operating expenses	**111,480**	**101,465**	**426,459**
Operating profit before provision for credit losses and impairment losses	**197,485**	**176,397**	**740,308**
Provision charge for credit losses and impairment losses	25,499	28,100	103,068
Operating profit before taxation and directors' remuneration	**171,986**	**148,297**	**637,240**
Taxation	15,754	9,023	48,097
Directors' remuneration	-	-	770
Profit for the period	**156,232**	**139,274**	**588,373**
Attributable to:			
Shareholders of the Bank	146,581	134,203	560,620
Non-controlling interests	9,651	5,071	27,753

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 March 2024	As at 31 December 2023
	(*KD thousands*)	
Assets		
Cash and short-term funds	4,271,244	4,384,700
Central Bank of Kuwait bonds	859,682	856,815
Kuwait Government treasury bonds	192,764	194,111
Deposits with banks	1,918,465	1,318,121
Loans, advances and Islamic financing to customers	22,389,414	22,281,004
Investment securities	6,899,771	6,884,821
Land, premises and equipment	496,892	506,812
Goodwill and other intangible assets	508,010	508,416
Other assets	791,613	730,191

	As at 31 March 2024	As at 31 December 2023
	(*KD thousands*)	
Total assets	**38,327,855**	**37,664,991**
Liabilities		
Due to banks	4,181,296	3,963,802
Deposits from other financial institutions	3,068,456	3,725,629
Customer deposits	22,271,091	21,948,957
Certificates of deposit issued	1,643,832	822,899
Other borrowed funds	1,237,072	1,331,006
Other liabilities	1,119,186	966,123
Total liabilities	**33,520,924**	**32,758,416**
Equity		
Share capital	792,995	792,995
Proposed bonus shares	39,649	39,649
Statutory reserve	396,499	396,499
Share premium account	803,028	803,028
Treasury shares reserve	34,961	34,961
Other reserves	1,720,432	1,816,640
Equity attributable to shareholders of the Bank	**3,787,564**	**3,883,772**
Perpetual Tier 1 Capital Securities	439,032	439,032
Non-controlling interests	580,335	583,771
Total equity	**4,806,931**	**4,906,575**
Total liabilities and equity	**38,327,855**	**37,664,991**

SELECTED RATIOS

	As at and for the three months ended 31 March		As at and for the year ended 31 December
	2024	2023	2023
		(*per cent.*)	
Performance measures			
Return on average assets[(1)]	1.55	1.50	1.53
Return on average equity[(2)]	15.2	15.0	15.0
Cost to income ratio[(3)]	36.1	36.5	36.6
Financial ratios			
Net interest margin[(4)]	2.64	2.48	2.59
Yield[(5)]	6.25	5.31	5.83
Funding cost[(6)]	4.07	3.16	3.63
Net profit margin[(7)]	47.4	48.3	48.0
Asset quality			
Impaired loans ratio[(8)]	1.51	1.55	1.38
Loan loss coverage ratio[(9)]	247.9	244.8	271.0
Liquidity coverage ratio[(10)]	167.6	155.03	186.1
Loans to customer and financial institution deposits ratio[(11)]	88.4	87.8	86.8
Loans to total deposits ratio[(12)]	71.8	71.5	73.1
Liquid asset ratio[(13)]	33.9	34.8	33.4
Other ratios			
Common Equity Tier 1 capital adequacy ratio[(14)(15)]	12.9	12.6	13.0
Tier 1 capital adequacy ratio[(14)(16)]	14.9	14.8	15.0
Total capital adequacy ratio[(14)(17)]	17.2	17.1	17.3
Financial leverage ratio[(18)]	9.4	9.3	9.7
Net stable funding ratio[(19)]	109.3	111.86	111.4

Notes:

(1) Profit for the period attributable to shareholders of the Bank (as set out in the consolidated statement of income in the Interim Financial Statements and in the 2023 Financial Statements) divided by average assets for the period (as shown in "*Selected Statistical Data*").

(2) Profit for the period attributable to shareholders of the Bank less interest paid on Tier 1 Capital (which is not included in shareholders' equity) divided by average shareholders' equity (being equity attributable to shareholders of the Bank as set out in the consolidated statement of financial position in the Interim Financial Statements and in the 2023 Financial Statements) for the period. Average shareholders' equity for the period (excluding the proposed dividend for the year) is calculated as the sum of shareholders' equity on a quarterly basis divided by five (for annual periods) and two (for quarterly periods).

(3) Operating expenses (as set out in the consolidated statement of income in the Interim Financial Statements and in the 2023 Financial Statements) divided by Net operating income (as set out in the consolidated statement of income in the Interim Financial Statements and in the 2023 Financial Statements).

(4) Net interest income and net income from Islamic financing (each as set out in the consolidated statement of income in the Interim Financial Statements and in the 2023 Financial Statements) divided by average income-earning assets for the period (as shown in "*Selected Statistical Data*").

(5) Interest income and income from Islamic financing (each as set out in the consolidated statement of income in the Interim Financial Statements and in the 2023 Financial Statements) divided by average income-earning assets for the period.

(6) Interest expense and financing costs and distribution to depositors (each as set out in the consolidated statement of income in the Interim Financial Statements and in the 2023 Financial Statements) divided by the average cost-bearing liabilities for the period (as shown in "*Selected Statistical Data*").

(7) Profit for the period attributable to shareholders of the Bank divided by net operating income for the period.

(8) Impaired loans (being past due and impaired loans, advances and Islamic financing to customers as set out in note 6 to the Interim Financial Statements and note 13 to the 2023 Financial Statements) as a percentage of total gross loans (being loans, advances and Islamic financing to customers as set out in the first table to note 6 to the Interim Financial Statements and note 13 to the 2023 Financial Statements).

(9) Loan loss provisions (being provision for credit losses as set out in note 6 to the Interim Financial Statements and note 13 to the 2023 Financial Statements) as a percentage of impaired loans.

(10) The liquidity coverage ratio is calculated based on the Central Bank of Kuwait's guidelines which are in line with Basel III recommendations. The liquidity coverage ratio is calculated on a daily basis as the ratio of High Quality Liquid Assets (post factors) to the expected Net Cash Outflows over a 30-day period. The quarterly simple average is computed based on the daily LCR for the quarter and is calculated in accordance with the requirements of CBK Circular number 2/RB/345/2014 dated 23 December 2014.

(11) Loans, advances and Islamic financing to customers (as set out in the statement of financial position in the Interim Financial Statements and in the 2023 Financial Statements) divided by the sum of customer deposits and deposits from financial institutions.

(12) Loans, advances and Islamic financing to customers divided by the sum of customer deposits, due to banks, deposits from other financial institutions and certificates of deposits issued (the latter as set out in the statement of financial position in the Interim Financial Statements and in the 2023 Financial Statements).

(13) The sum of cash and short term funds, Central Bank of Kuwait bonds, Kuwaiti Government treasury bonds, deposits with banks and investment securities (each as set out in the statement of financial position in the Interim Financial Statements and in the 2023 Financial Statements) excluding investment securities at amortised cost (as set out in note 14 to the 2023 Financial Statements and which amounted to KD 1,147,061 thousand and KD 924,400 thousand as at 31 March in each of 2024 and 2023, respectively), divided by total assets (as set out in the statement of financial position in the Interim Financial Statements and in the 2023 Financial Statements).

(14) Calculated in accordance with CBK Circular number 2/RB, RBA/A336/2014 dated 24 June 2014.

(15) Common Equity Tier 1 capital adequacy ratio is defined as Common Equity Tier 1 capital divided by risk-weighted assets at a given date (as set out in note 29 to the 2023 Financial Statements).

(16) Tier 1 capital adequacy ratio is defined as Tier 1 capital resources divided by risk-weighted assets at a given date.

(17) Total capital adequacy ratio is defined as total capital resources divided by risk-weighted assets at a given date.

(18) Calculated in accordance with the requirements of CBK Circular number 2/BS/342/2014 dated 21 October 2014. Leverage ratio is defined as the "capital" measure (being Tier 1 capital) divided by the "exposure" measure (being the sum of on-balance sheet assets, derivative exposures and off-balance sheet exposures).

(19) Calculated in accordance with the requirements of CBK Circular number 2/BS/356/2015 dated 25 October 2015 from 2018.

(20) The capital adequacy ratios as at 31 March in each of 2024 and 2023 represent the figures as per regulatory filings as at that date.

AMENDMENTS TO SELECTED STATISTICAL DATA

1. The following information supplements the information in the section titled "Selected Statistical Data" (which commences on page 105 of the Base Prospectus):

AVERAGE BALANCES AND RATIO INFORMATION

The following tables show the average balances of the Group's assets and liabilities and the related interest income or expense for the periods indicated. For the purposes of the following tables, the average balances have been calculated on the basis of quarterly averages.

	Three months ended 31 March									
	2024					2023				
	Average balance		Interest earned/paid		Average yield/ rate	Average balance		Interest earned/paid		Average yield/ rate
	Amount	% of total	Amount	% of total	%	Amount	% of total	Amount	% of total	%
	(KD thousands, except percentages)									
Income-earning assets										
Cash and short term funds and deposits with banks	5,946,265	16.4	62,230	11.1	4.24	6,674,578	19.3	63,098	13.9	3.83
Central Bank of Kuwait bonds	858,249	2.4	9,454	1.7	4.47	887,390	2.6	8,530	1.9	3.90
Kuwait Government treasury bonds	193,438	0.5	3,132	0.6	6.57	205,035	0.6	2,754	0.6	5.45
Loans, advances and Islamic financing to customers	22,335,209	61.7	370,180	65.8	6.72	21,093,945	60.9	290,718	64.1	5.59
Investment securities	6,892,296	19.0	117,634	20.9	6.92	5,802,415	16.7	88,463	19.5	6.18
Total income-earning assets	**36,225,456**	**100.0**	**562,631**	**100.0**	**6.25**	**34,663,361**	**100.0**	**453,562**	**100.0**	**5.31**
Cost-bearing liabilities										
Due to banks and other financial institutions	7,469,592	23.3	83,463	25.7	4.53	7,740,311	25.0	70,063	29.0	3.67
Customer deposits	22,110,024	68.9	209,789	64.6	3.85	20,307,231	65.5	138,614	57.3	2.77
Certificates of deposit issued	1,233,361	3.8	18,145	5.6	5.97	1,641,184	5.3	21,972	9.1	5.43
Other borrowed funds	1,284,039	4.0	13,120	4.0	4.14	1,307,510	4.2	11,161	4.6	3.46
Total cost-bearing liabilities	**32,097,016**	**100.0**	**324,517**	**100.0**	**4.07**	**30,996,236**	**100.0**	**241,810**	**100.0**	**3.16**
Net interest spread[(1)]					2.18					2.15
Net finance income					238,114					211,752
Net interest margin[(2)]					2.64					2.48

(1) Net interest spread is the difference between the yield (finance income divided by average income-earning assets on a quarterly basis divided by two) and funding costs (financing cost divided by the average cost-bearing liabilities on a quarterly basis divided by two).

(2) Net interest margin is net finance income divided by average income-earning assets for the period, with average income-earning assets calculated as the sum of income-earning assets on a quarterly basis divided by two.

	Year ended 31 December				
	2023				
	Average balance		Interest earned/paid		Average yield/ rate
	Amount	% of total	Amount	% of total	%
(KD thousands, except percentages)					
Income-earning assets					
Cash and short term funds and deposits with banks	6,051,814	17.3	253,215	12.4	4.18
Central Bank of Kuwait bonds................	877,002	2.5	37,009	1.8	4.22
Kuwait Government treasury bonds........	198,287	0.6	11,981	0.6	6.04
Loans, advances and Islamic financing to customers...	21,565,855	61.8	1,327,857	65.2	6.16
Investment securities	6,189,859	17.7	405,168	19.9	6.55
Total income-earning assets	**34,882,817**	**100.0**	**2,035,231**	**100.0**	**5.83**
Cost-bearing liabilities					
Due to banks and other financial institutions	7,582,080	24.4	319,474	28.3	4.21
Customer deposits	20,753,436	66.7	680,579	60.2	3.28
Certificates of deposit issued	1,463,228	4.7	82,229	7.3	5.62
Other borrowed funds	1,306,321	4.2	47,811	4.2	3.66
Total cost-bearing liabilities................	**31,105,065**	**100.0**	**1,130,093**	**100.0**	**100.0**
Net interest spread[(1)]					2.20%
Net finance income................................					905,137
Net interest margin[(2)]					2.59%

(1) Net interest spread is the difference between the yield (finance income divided by average income-earning assets on a quarterly basis divided by five) and funding costs (financing cost divided by the average cost-bearing liabilities on a quarterly basis divided by five).

(2) Net interest margin is net finance income divided by average income-earning assets for the year, with average income-earning assets calculated as the sum of income-earning assets on a quarterly basis divided by five.

The following table shows the Group's quarterly net interest margin data for the periods indicated.

	31 March 2024	31 December 2023	30 September 2023
Yield on income earning assets[(1)]	6.25%	6.22%	6.12%
Funding cost on cost-bearing liabilities[(2)].............................	4.07%	3.98%	3.85%
Net interest margin[(3)]	2.64%	2.68%	2.68%

(1) Yield on income-earning assets is finance income divided by average income earning assets for the period.
(2) Funding costs on cost-bearing liabilities is financing cost divided by average cost bearing liabilities for the period.
(3) Net interest margin is net finance income divided by average income-earning assets for the period.

NET CHANGES IN FINANCE INCOME AND FINANCING COST – VOLUME AND RATE ANALYSIS

The following tables show a comparative analysis of net changes in finance income and financing cost by reference to changes in average volume and rates for the period indicated. Net changes in net finance income are attributed to either changes in average balances (volume changes) or changes in average rates (rate change) for income-earning assets and cost-bearing liabilities. Volume change is calculated as the change in volume multiplied by the previous rate, while rate change is the change in rate multiplied by the previous volume. The rate/volume change (change in rate multiplied by change in volume) is allocated between volume change and rate change at the ratio each component bears to the absolute value of their total. Average balances represent the average of the quarterly balances for the period.

	Three months ended 31 March 2024/2023					
	Increase (decrease) due to changes in					
	Volume		**Rate**		**Net change**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**
	(KD thousands, except percentage)					
Finance income						
Cash and short term funds, deposits with banks[1][2]	(7,622)	(27.5)	6,755	8.3	(867)	(0.8)
Central Bank of Kuwait bonds	(268)	(1.0)	1,192	1.5	924	0.8
Kuwait Government treasury bonds	(144)	(0.5)	522	0.6	378	0.3
Loans, advances and Islamic financing to customers[1]	17,887	64.6	61,575	75.7	79,462	72.9
Investment securities[1]	17,830	64.4	11,341	13.9	29,171	26.7
Total finance income	**27,683**	**100.0**	**81,385**	**100.0**	**109,068**	**100.0**
Financing cost						
Due to banks and other financial institutions[1]	(1,937)	(41.2)	15,336	19.7	13,398	16.2
Customer deposits[1]	13,196	280.5	57,979	74.3	71,175	86.1
Certificates of deposit issued	(6,357)	(135.1)	2,530	3.2	(3,827)	(4.6)
Other borrowed funds[1]	(196)	(4.2)	2,155	2.8	1,959	2.4
Total financing cost	**4,705**	**100.0**	**78,002**	**100.0**	**82,706**	**100.0**
Net change in net finance income	**22,978**		**3,383**		**26,362**	

(1) These line items aggregate conventional and Islamic income and cost streams.

(2) Rate/volume change amounting to KD 737 thousand has been considered in its entirety in volume change for March 2024/March 2023.

	Year ended 31 December 2023/2022					
	Increase (decrease) due to changes in					
	Volume		Rate		Net change	
	Amount	% of total	Amount	% of total	Amount	% of total
	(KD thousands, except percentage)					
Finance income						
Cash and short term funds, deposits with banks[(1)]	(1,085)	(1.1)	153,595	22.0	152,510	19.1
Central Bank of Kuwait bonds	(164)	(0.2)	19,897	2.9	19,733	2.5
Kuwait Government treasury bonds	(1,318)	(1.3)	5,956	0.9	4,637	0.6
Loans, advances and Islamic financing to customers[(1)]	58,221	57.1	381,519	54.7	439,740	55.0
Investment securities[(1)]	46,365	45.4	137,098	19.6	183,463	22.9
Total finance income	**102,018**	**100.0**	**698,065**	**100.0**	**800,083**	**100.0**
Financing cost						
Due to banks and other financial institutions[(1)]	118	0.4	186,364	30.0	186,482	28.7
Customer deposits[(1)]	28,924	94.9	364,118	58.7	393,042	60.4
Certificates of deposit issued	723	2.4	58,794	9.5	59,517	9.1
Other borrowed funds[(1)]	725	2.4	11,017	1.8	11,742	1.8
Total financing cost	**30,490**	**100.0**	**620,293**	**100.0**	**650,784**	**100.0**
Net change in net finance income	**71,528**		**77,771**		**149,299**	

(1) These line items aggregate conventional and Islamic income and cost streams.

NET FINANCE INCOME AND NET OPERATING INCOME – GEOGRAPHICAL ANALYSIS

The tables below show a geographical analysis of net finance income and net operating income for the periods indicated.

	Three months ended 31 March 2024		
	Domestic	International	Total
		(KD thousands)	
Net finance income[(1)]	175,195	62,919	238,114
Net operating income	229,424	79,541	308,965

(1) Comprises interest income and income from Islamic financing less interest expense and finance cost and distribution to depositors.

	Three months ended 31 March 2023		
	Domestic	International	Total
		(KD thousands)	
Net finance income[(1)]	152,194	59,558	211,752
Net operating income	205,034	72,828	277,862

(1) Comprises interest income and income from Islamic financing less interest expense and finance cost and distribution to depositors.

	Year ended 31 December 2023		
	Domestic	International	Total
		(KD thousands)	
Net finance income[(1)]	663,663	241,474	905,137
Net operating income	867,692	299,075	1,166,767

(1) Comprises interest income and income from Islamic financing less interest expense and finance cost and distribution to depositors.

CUSTOMER LOAN PORTFOLIO - ANALYSIS

The following table shows the Group's customer loan portfolio comprising loans, advances and Islamic financing to customers, net of impairment allowances, by type as at 31 December 2023.

	As at 31 December 2023
	(KD thousands)
Corporate	15,421,350
Retail	7,722,504
Less: allowance for impairment	(862,850)
Total loans, advances and Islamic financing to customers, net	**22,281,004**

The following table shows the Group's customer loan portfolio net of impairment allowances as at 31 December 2023 specified by location of the Group's markets and customers.

	MENA	Other	Total	Impairment allowances	Net Total
			(KD thousands)		
Loans, advances and Islamic financing, net					
At 31 December 2023	19,526,002	3,617,852	**23,143,854**	(862,850)	**22,281,004**

The following table shows the Group's customer loan portfolio by maturity as at the dates indicated.

	As at 31 March 2024		As at 31 December 2023	
	Amount	% of total	Amount	% of total
	(KD thousands, except percentages)			
Demand of less than 3 months	7,393,335	33.0%	6,271,945	28.1%
From 3 to 12 months	2,113,968	9.4%	2,794,350	12.5%
Above 1 year	12,882,111	57.6%	13,214,709	59.3%
Total	**22,389,414**	**100.0%**	**22,281,004**	**100.0%**

The following table shows the composition of the Group's gross customer loan portfolio by currency exposure as at 31 December 2023.

	As at 31 December 2023
	(KD thousands)
Currency	
KD	14,729,020
Other[(1)]	8,414,834
Total	**23,143,854**

(1) Other comprises currency exposure from other currencies, namely, in order of largest exposure, the U.S. dollars, pounds sterling, euro and other currencies.

The following table shows the Group's non-performing loans, advances and Islamic financing to customers as at 31 December 2023.

	As at 31 December 2023	Change from prior date 2023/2022
	(KD thousands, except percentage)	
Neither past due nor impaired[(1)]	22,732,676	1,379,573
Past due and not impaired[(2)]	92,792	(70,416)

	As at 31 December	Change from prior date
	2023	2023/2022
	(KD thousands, except percentage)	
Past due and impaired[3]	318,386	8340
Total loans, advances and Islamic financing	**23,143,854**	**1,317,497**
Less: allowance for impairment	(862,850)	(34,909)
Total	**22,281,004**	**1,282,588**
Allowance for loan impairment as a percentage of total loans, advances and Islamic financing	3.7%	-0.1%
Allowance for loan impairment as a percentage of non-performing loans, advances and Islamic financing	271.0%	4.0%
Non-performing loans as a percentage of total loans, advances and Islamic financing	1.4%	0.0%

(1) Loans, advances and Islamic financing to customers that are neither past due nor show any evidence of impairment.
(2) Loans, advances and Islamic financing to customers between one and 90 days past due are not considered impaired, unless evidence is available to indicate the contrary.
(3) Loans, advances and Islamic financing to customers over 90 days past due.

The following table shows the total amount of past due but not impaired loans, advances and Islamic financing to customers as at 31 December 2023.

	As at 31 December
	2023
	(KD thousands)
Up to 30 days past due	52,883
Past due 31-60 days	30,649
Past due 61-90 days	9,260
Total	**92,792**

The following table shows the Group's total amount of past due but not impaired loans, advances and Islamic financing to customers by business segment as at 31 December 2023.

	As at 31 December 2023		
	Corporate	Retail	Total
		(KD thousands)	
Up to 30 days past due	13,145	39,738	52,883
Past due 31-60 days	8,477	22,172	30,649
Past due 61-90 days	3,112	6,148	9,260
Total	**24,734**	**68,058**	**92,792**

The following table shows the Group's impaired loans, advances and Islamic financing to customers by business segment as at the dates indicated. Impairment is identified as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

	As at 31 December
	2023
	(KD thousands)
Corporate	181,740
Retail	136,646
Total	**318,386**

The following table shows the Group's gross customer loan portfolio by industry before allowance for impairment as at 31 December 2023.

	As at 31 December 2023	
	Amount	% of total
	(KD thousands, except percentages)	
Trade and commerce	1,334,658	6%
Manufacturing	1,596,998	7%
Financial	2,200,371	10%
Construction	577,710	3%
Real estate	4,614,460	20%
Retail	7,722,503	33%
Crude oil and gas	1,244,247	5%
Purchase of securities	775,739	3%
Others	3,077,168	13%
Total	**23,143,854**	**100%**

DEPOSITS

Deposits placed with the Group comprise customer deposits, amounts due to banks, deposits from other financial institutions and certificates of deposit issued. The following table shows the types of deposits placed with the Group as at the dates indicated.

	As at 31 March 2024	As at 31 December 2023
	(KD thousands)	
Customer deposits	22,271,091	21,948,957
Due to banks	4,181,296	3,963,802
Deposits from other financial institutions	3,068,456	3,725,629
Certificates of deposit issued	1,643,823	822,899
Total deposits	**31,164,666**	**30,461,287**

The following table shows customer deposits placed with the Group by location as at the dates indicated.

	As at 31 March 2024	As at 31 December 2023
	(KD thousands)	
Domestic	15,310,229	15,115,042
International	6,960,892	6,833,915
Total customer deposits	**22,271,091**	**21,948,957**

MATURITY PROFILE

The following tables show the maturity profile of the Group's major assets and liabilities as at the dates indicated. The contractual maturities of assets and liabilities have been determined based on contractual cash flows and maturity dates. This does not necessarily take account of effective maturities. The Group defines effective maturities as maturities reflecting customer behaviour patterns.

	As at 31 March 2024			
	Up to 3 months	3 to 12 months	Over 1 year	Total
	(KD thousands)			
Assets				
Cash and short term funds, deposits with banks	5,935,739	253,970	—	6,189,709
Central Bank of Kuwait bonds	728,492	131,190		859,682
Kuwait Government treasury bonds	12,000	35,000	145,764	192,764

	As at 31 March 2024			
	Up to 3 months	3 to 12 months	Over 1 year	Total
	(*KD thousands*)			
Loans, advances and Islamic financing to customers	7,393,335	2,113,968	12,882,111	22,389,414
Investment securities	594,793	629,520	5,675,458	6,899,771
Land, premises and equipment	—	—	496,892	496,892
Goodwill and other intangible assets	—	—	508,010	508,010
Other assets	317,619	51,973	422,021	791,613
Total assets	**14,981,978**	**3,215,621**	**20,130,256**	**38,327,855**
Liabilities and equity				
Due to banks	3,244,904	924,713	11,679	4,181,296
Deposits from other financial institutions	2,307,868	740,224	20,364	3,068,456
Customer deposits	16,033,218	5,562,610	675,263	22,271,091
Certificates of deposit issued	1,452,205	191,618	—	1,643,823
Other borrowed funds	—	—	1,237,072	1,237,072
Other liabilities	955,819	13,031	150,336	1,119,186
Share capital and reserves	—	—	3,787,564	3,787,564
Perpetual Tier 1 Capital Securities	—	—	439,032	439,032
Non-controlling interests	—	—	580,335	580,335
Total liabilities and equity	**23,994,014**	**7,432,196**	**6,901,645**	**38,327,855**
Liquidity gap[(1)]	(9,012,036)	(4,216,575)	13,228,611	—
Cumulative liquidity gap	**(9,012,036)**	**(13,228,611)**	—	—

(1) This figure represents the maturity gap between total assets and total liabilities, and is the sum of (A) the maturity gaps between assets and liabilities maturing in less than three months, between three months and twelve months and more than one year, and (B) assets with no maturity less liabilities with no maturity.

	As at 31 December 2023			
	Up to 3 months	3 to 12 months	Over 1 year	Total
	(*KD thousands*)			
Assets				
Cash and short term funds, deposits with banks	5,520,612	182,209	—	5,702,821
Central Bank of Kuwait bonds	472,911	383,904	—	865,815
Kuwait Government treasury bonds	—	47,000	147,111	194,111
Loans, advances and Islamic financing to customers	6,271,945	2,794,350	13,214,709	22,281,004
Investment securities	779,059	539,776	5,565,986	6,884,821
Land, premises and equipment	—	—	506,812	506,812
Goodwill and other intangible assets	—	—	508,416	508,416
Other assets	313,603	53,340	363,248	730,191
Total assets	**13,358,130**	**4,000,579**	**20,306,282**	**37,664,991**
Liabilities and equity				
Due to banks	3,223,281	728,464	12,057	3,963,802
Deposits from other financial institutions	2,543,653	1,167,902	14,074	3,725,629
Customer deposits	15,776,574	5,493,783	678,600	21,948,957
Certificates of deposit issued	637,710	185,189	—	822,899
Other borrowed funds	—	153,690	1,177,316	1,331,006
Other liabilities	783,894	18,927	163,302	966,123
Share capital and reserves	—	—	3,685,523	3,685,523
Proposed cash dividend	—	198,249	—	198,249
Perpetual Tier 1 Capital Securities	—	—	439,032	439,032
Non-controlling interests	—	—	583,771	583,771
Total liabilities and equity	**22,965,112**	**7,946,204**	**6,753,675**	**37,664,991**
Liquidity gap[(1)]	**(9,606,982)**	**(3,945,625)**	**13,552,607**	**—**
Cumulative liquidity gap	**(9,606,982)**	**(13,552,607)**	**—**	**—**

(1) This figure represents the maturity gap between total assets and total liabilities, and is the sum of (A) the maturity gaps between assets and liabilities maturing in less than three months, between three months and twelve months and more than one year, and (B) assets with no maturity less liabilities with no maturity.

INVESTMENT PORTFOLIO

The following table shows details of the Group's investment securities measured at amortised cost as at the dates indicated.

	As at 31 March	As at 31 December
	2024	2023
	(KD thousands)	
Debt securities – Government (Non-Kuwait)	1,147,061	1,054,260
Central Bank of Kuwait bonds	859,682	856,815
Kuwait Government treasury bonds	192,764	194,111
Total	**2,199,507**	**2,105,186**

The following table shows details of the Group's investment securities measured at fair value through other comprehensive income as at the dates indicated.

	As at 31 March	As at 31 December
	2024	2023
	(KD thousands)	
Debt securities – Government (Non-Kuwait)	2,904,616	2,959,018
Debt securities – Non-Government	2,508,424	2,560,626
Equities	41,047	40,987
Total	**5,454,087**	**5,560,631**

RETURN ON EQUITY AND ASSETS

The following table shows the Group's return on average assets, return on equity, equity payout ratio and equity to assets ratio as at the dates, and for the periods, indicated.

	As at/three months ended 31 March		As at/year ended 31 December
	2024	2023	2023
		(per cent.)	
Return on average assets[1]	1.55	1.50	1.53
Return on equity[2]	15.2	15.0	15.0
Equity payout ratio[3]	N/A	N/A	49.5
Equity to asset ratio[4]	9.8	9.5	9.8

(1) Profit for the period attributable to shareholders of the Bank divided by average total assets for the period, with average total assets calculated as the sum of assets on a quarterly basis divided by five (for annual periods) and two (for quarterly periods).

(2) Profit for the period attributable to shareholders of the Bank less interest paid on Tier 1 Capital (which is not included in shareholders' equity) divided by average shareholders' equity (being equity attributable to shareholders of the Bank as set out in the consolidated statement of financial position in the Interim Financial Statements and in the 2023 Financial Statements) for the period. Average shareholders' equity for the period is calculated as the sum of shareholders' equity excluding proposed dividend on a quarterly basis divided by five (for annual periods) and two (for quarterly periods).

(3) Proposed dividends for the period (including interim dividends for the period) divided by profit for the period attributable to shareholders of the Bank.

(4) Average shareholders' equity for the period divided by average total assets for the period, with average shareholders' equity and average total assets each calculated as described above.

AMENDMENTS TO MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

1. **The third italicised paragraph under the heading to the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" (which appears on page 117 of the Base Prospectus) shall be deemed to be updated with the following:**

Financial information in this section as at, and for the three months ended, 31 March 2024 and 31 March 2023 is unaudited. Financial results for any interim period in a year are not necessarily indicative of the likely financial results for the full year.

2. **The second to sixth paragraphs under the heading "Overview" (which commences on page 117 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group's core businesses are consumer banking, corporate banking, Islamic banking (offered through its majority-owned subsidiary, Boubyan Bank) and private banking and asset management services offered to institutional investors through NBK Wealth. The Group is a regional banking group, focused on offering its products and services in Kuwait and other countries within the MENA region, including Bahrain, Egypt, Iraq, Lebanon, Saudi Arabia and the United Arab Emirates, in each of which it has a presence through a subsidiary or branches.

The Group currently operates through six financial reporting segments:

- Consumer Banking;
- Corporate Banking;
- NBK Wealth;
- Islamic Banking;
- Group Centre; and
- International Banking.

The Group's strategy is built on three cornerstones which guide the priorities that it sets for each business unit and internal function. These cornerstones are:

- defending its core business, which is conventional retail and wholesale banking in Kuwait, by maintaining its market share and achieving above market growth in target segments in addition to providing private banking and asset management services to institutional investors through NBK Wealth;
- growing outside its core business, including through Islamic finance both within and outside Kuwait, continuous expansion in the MENA region, particularly Egypt and the GCC, building a global network that facilitates its clients' trade and investments and building a regional powerhouse in wealth management; and
- improving profitability in terms of cost to income and return on equity by introducing capital productivity into day-to-day decision making.

As at 31 March 2024, and based on the Interim Financial Statements and the publicly available interim financial statements of the Group's main domestic competitors for the same period, the Group was the largest conventional bank in Kuwait in terms of: (i) total assets; (ii) total loans (which, in the Group's case, also includes Islamic financing to customers); and (iii) total customer deposits.

As at 31 March 2024, the Group's customer loan portfolio amounted to KD 22.4 billion and its total customer deposits were KD 22.3 billion. In the three months ended 31 March 2024, the Group's net operating income was KD 309 million and its profit for the period was KD 156 million, of which KD 147 million was attributable to shareholders of the Bank. In 2023, the Group's net operating income was KD 1,167 million and its profit for the year was KD 588 million, of which KD 561 million was attributable to shareholders of the Bank. In 2022, the Group's net operating income was KD 1,010 million and its profit for the year was KD 530 million, of which KD 509 million was attributable to shareholders of the Bank.

3. **The last three paragraphs under the heading "Economic conditions" (which appears on page 118 of the Base Prospectus) shall be deemed to be updated with the following**:

According to the CSB preliminary data, Kuwait's nominal GDP increased by 29.9 per cent. in 2021 and by 30.9 per cent. in 2022 and its real GDP increased by 1.7 per cent. in 2021 and by 6.1 per cent. in 2022. In addition, real GDP declined by 1.9 per cent during the first nine months of 2023.

Kuwait's economy grew strongly in 2021 and 2022 as restrictions imposed to combat the COVID-19 pandemic were eased and on the back of a recovery in oil prices and increased production. According to provisional figures, during the first three quarters of 2023 real GDP contracted by 1.9 per cent. compared to the same period in 2022, driven by lower oil production in line with Kuwait's OPEC+ commitments. According to the IMF, among the 32 emerging market and developing economies in the Middle East and Central Asia for which it provides data, Kuwait had the fifth highest real GDP (at purchasing power parity) per capita in 2023, at U.S.$48,835.

Based on CSB information, the oil sector (excluding refining) accounted for 55.0 per cent. of Kuwait's nominal GDP in 2022 and 44.3 per cent. in 2021. According to provisional data from the CSB, in 2022, the other major economic sectors in Kuwait were public administration and defence (at 9.3 per cent. of nominal GDP), financial intermediation (at 7.6 per cent.), other services, which includes real estate and business services, sanitary services and recreation (at 7.6 per cent.), manufacturing (at 6.9 per cent.), communications (at 3.1 per cent.) and transport and storage (at 2.1 per cent.).

In addition to economic conditions in the region, the Group remains exposed to the risk of external changes, such as an increase in global financial market volatility, including as a result of interest rate volatility and high levels of inflation, which could pose funding, market and credit risks for investment companies and banks. See "*Risk Factors—Factors that may affect the Bank's ability to fulfil its obligations in respect of Notes issued under the Programme—Economic risks—Macro-economic and financial market conditions have materially adversely affected and may continue to materially adversely affect the Group's business, results of operations and financial condition*". See also "*—Impact of COVID-19 Pandemic*" below.

4. **The section titled "Factors affecting net interest income and net income from Islamic financing" (which commences on page 119 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group's net interest income and net income from Islamic financing (which comprises its interest income and Murabaha and other Islamic financing income less its interest expense and finance cost and distribution to depositors) is a major contributor to its total net operating income, comprising 77.1 per cent., 76.2 per cent., 77.6 per cent., 74.9 per cent. and 74.4 per cent. of net operating income in each of the three-month periods ended 31 March 2024 and 31 March 2023 and in each of 2023, 2022 and 2021, respectively.

The major components of the Group's finance income are:

- interest income on loans and advances to customers, which comprised 49.1 per cent., 46.5 per cent., 48.1 per cent., 50.9 per cent. and 54.7 per cent. of total finance income in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively;

- murabaha and other Islamic financing income, which comprised 19.7 per cent., 20.3 per cent., 19.8 per cent., 23.3 per cent. and 25.6 per cent. of total finance income in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively; and

- interest income from debt investment securities, which comprised 18.8 per cent., 18.0 per cent., 18.2 per cent., 16.4 per cent. and 15.6 per cent. of total finance income in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively.

In addition, interest income from deposits with banks and Kuwaiti Government treasury bonds and CBK bonds together comprised 12.4 per cent., 15.2 per cent., 13.9 per cent., 9.4 per cent. and 4.1 per cent. of the Group's total finance income in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively.

The major components of the Group's financing cost are:

- interest paid on customer deposits, which comprised 47.8 per cent., 40.6 per cent., 43.6 per cent., 41.7 per cent. and 49.2 per cent. of total financing expense in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively;

- due to banks and deposits from other financial institutions, which together comprised 25.5 per cent., 27.1 per cent., 27.4 per cent., 25.8 per cent. and 13.4 per cent. of total financing expense in each of the three-month periods ended 31 March 2024 and 31 March 2023 and each of 2023, 2022 and 2021, respectively; and

- finance cost and distribution to depositors, which comprised 19.0 per cent., 21.1 per cent., 19.6 per cent., 24.1 per cent. and 29.5 per cent. of total financing expense in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively.

In addition, certificates of deposit issued and other borrowed funds together comprised 7.7 per cent., 11.2 per cent., 9.3 per cent., 8.4 per cent. and 8.0 per cent. of the Group's total financing expense in each of the three-month periods ended 31 March 2024 and 31 March 2023 and for each of 2023, 2022 and 2021, respectively.

The Group's net finance income is affected by a number of factors. It is primarily determined by the volume of its income-earning assets relative to its cost-bearing liabilities, as well as the differential between rates earned on income-earning assets and paid on cost-bearing liabilities. The Group's income-earning assets primarily consist of its customer loan portfolio and the debt investment securities held by it. The Group's cost-bearing liabilities primarily comprise its customer deposits, amounts due to banks and deposits from financial institutions.

The changes in the Group's net finance income for the three months ended 31 March 2024 compared to the corresponding period in 2023 were primarily driven by loans repricing faster than deposits in an increasing benchmark rate environment and growth in loans and advances to customers and debt investment securities. The Group's average customer loan portfolio was KD 22,335 million for the three months ended 31 March 2024 compared to KD 21,094 million for the three months ended 31 March 2023.

The changes in the Group's net finance income for 2023 compared to 2022 were primarily driven by loans repricing faster than deposits in an increasing benchmark rate environment and growth in loans and advances to customers and debt investment securities. The Group's average customer loan portfolio was KD 21,566 million in 2023 compared to KD 20,303 million for 2022.

The changes in the Group's net finance income for 2022 compared to 2021 were primarily driven by growth in loans and advances to customers and debt investment securities and higher benchmark rates. The Group's average customer loan portfolio was KD 20,303 million in 2022 compared to KD 18,508 million for 2021.

The Group's net interest margin (being its net finance income divided by its average income-earning assets for the period, with average income-earning assets calculated as the sum of income-earning assets on a quarterly basis divided by five (for annual periods) and two (for quarterly periods)) was 2.64 per cent. in the three months ended 31 March 2024 compared to 2.48 per cent. in the corresponding period of 2023 and 2.59 per cent. in 2023 compared to 2.30 per cent. in 2022 and 2.21 per cent. in 2021. Typically, the Group's net interest margins widen in an increasing interest rate environment as many of the Group's wholesale loans reprice immediately on a floating basis, while the Group's funding cost increases gradually based on the maturity profile of its deposit base. The increases in the net interest margin in the first three months of 2024 compared to the corresponding period in 2023 and in 2023 compared to 2022 were primarily driven by loans repricing faster than deposits in an increasing benchmark rate environment and growth in loans and advances to customers and debt investment securities. The increase in 2022 compared to 2021 primarily reflected the impact of growth in loans and advances to customers and debt investment securities as well as higher benchmark rates.

5. **The section titled "Movements in provision charge for credit losses" (which commences on page 121 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group's provision charge for credit losses for the three months ended 31 March 2024 was KD 25 million compared to KD 29 million for the corresponding period in 2023. The Group's provision charge for credit losses for 2023 was KD 82 million compared to KD 5 million for 2022 and KD 121 million for 2021.

The Group is required to recognise impairment allowances for credit facilities at an amount equal to the higher of ECL under IFRS 9 according to CBK guidelines, and the provisions required by CBK instructions as described in note 2.9 to the 2023 Financial Statements.

In the three months ended 31 March 2024, the Group's provision charge for credit losses comprised KD 23 million in specific provision and KD 3 million in general provisioning. In the three months ended 31 March 2023, the Group's provision charge for credit losses comprised KD 2 million in specific provisioning and KD 27 million in general provisioning. The increase in specific provision charges for credit losses in the three months ended 31 March 2024 compared to the corresponding period in 2023 was mainly due to additional provisions in the overseas real estate sector and Kuwait consumer delinquencies and the reduction in general provision charges for credit losses in the three months ended 31 March 2024 compared to the corresponding period was mainly due to additional precautionary provisions in the first three months of 2023. The Group's non-performing loans, advances and Islamic financing amounted to KD 351 million as at 31 March 2024, compared to KD 318 million as at 31 December 2023. The increase in non-performing loans in the first three months of 2024 was primarily driven by non-performing loans in the Kuwait real estate sector, which are primarily secured loans that are fully secured by collateral covering their exposure amounts and therefore do not require any provisions under the applicable CBK provisioning requirements.

In 2023, the Group's provision charge for credit losses comprised KD 45 million in specific provisioning and KD 37 million in general provisioning against cash facilities. The increase in provision charges for credit losses in 2023 compared to 2022 was mainly due to a net release of specific provisions which substantially offset the precautionary general provisions taken in 2022.

In 2022, the Group's provision release for credit losses comprised a release of KD 147 million in specific provisioning and a charge of KD 152 million in general provisioning.

In 2021, the Group's provision charge for credit losses comprised KD 66.0 million in specific provisioning and KD 54.8 million in general provisioning. The decrease in provision charges for credit losses in 2022 compared to 2021 was mainly due to recoveries of amounts provided towards credit losses during prior years, partly offset by ordinary course and precautionary general provisions.

Banks in Kuwait continue to be permitted to make precautionary general provisions. The amount of the Group's precautionary general provision reflects its policy of maintaining the overall provision level at a level perceived as appropriate by Management at the Bank.

6. **The first paragraph and the fourth paragraph under the heading "Net investment income" (which appears on page 122 of the Base Prospectus) shall be deemed to be updated with the following**:

First paragraph

Net investment income principally consists of realised gains or losses on the sale of investments, net gains or losses from investments carried at fair value through the income statement, dividend income and share of results of associates.

Fourth paragraph

The Group's investments at fair value through other comprehensive income or fair value through profit or loss are measured at fair value. For further information on the manner in which the fair value of these securities is determined, see note 23 to the 2023 Financial Statements.

7. **The third, fourth and sixth paragraphs under the heading "Provision charge for credit losses and impairment losses ("ECL")" (which commences on page 123 of the Base Prospectus) shall be deemed to be updated with the following**:

Third paragraph

In accordance with CBK instructions, the Group’s losses on financial assets (consumer and other instalment loans and credit card receivables) arising from payment holidays to customers in response to COVID-19 (referred to as “**modification losses**”) were charged directly to retained earnings in 2020, instead of being recognised in the consolidated statement of income as required by IFRS 9. These modification losses totalled KD 130 million in 2020.In 2021, the Group’s modification losses were KD 140 million and were recognised in retained earnings. In 2021, the modification losses were offset by an equivalent amount receivable from the Kuwaiti Government. There have been no modification losses since 2021.

Fourth paragraph

IFRS 9. IFRS 9 as set forth in the CBK guidelines includes certain prescribed criteria and may not be directly comparable to the IFRS 9 methodology as applied in other jurisdictions. The manner in which the Group determines ECL and the provisions for credit losses required by the CBK is set out in note 2.9 to the 2023 Financial Statements and summarised in "*Risk Management—Principal Risks—Credit risk—Impairment, expected credit loss and/or provisions*".

Sixth paragraph

The Group's impairment requirements are calculated under both methodologies described above and, for each applicable period, the provisions for credit losses required by CBK instructions have been higher than the amount calculated pursuant to IFRS 9 in accordance with CBK guidelines. For example, in the three months ended 31 March 2024, the provision for credit losses for credit facilities as determined under IFRS 9 amounted to KD 597 million compared to KD 912 million as determined under CBK Instructions. In 2023, the provision for credit losses for credit facilities as determined under IFRS 9 amounted to KD 616 million compared to KD 903 million as determined under CBK Instructions. In 2022, the provision for credit losses for credit facilities as determined under IFRS 9 amounted to KD 577 million compared to KD 868 million as determined under CBK instructions. In 2021, the provision for credit losses for credit facilities as determined under IFRS 9 amounted to KD 462 million compared to KD 668 million as determined under CBK instructions.

8. **The section titled "Results of Operations for the Six-Month Periods Ended 30 June 2023 and 2022" (which commences on page 125 of the Base Prospectus) shall be deemed to be updated with the following**:

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED 31 MARCH 2024 AND 2023

The following table shows the Group's results of operations for the periods indicated.

	Three months ended 31 March	
	2024	**2023**
	(KD thousands)	
Interest income	452,047	361,366
Interest expense	262,873	190,673
Net interest income	**189,174**	**170,693**
Murabaha and other Islamic financing income	110,584	92,197
Finance cost and distribution to depositors	61,644	51,138
Net income from Islamic financing	**48,940**	**41,059**
Net interest income and net income from Islamic financing	**238,114**	**211,752**
Net fees and commissions	53,185	51,392
Net investment income	6,783	5,813
Net gains from dealing in foreign currencies	10,248	7,984
Other operating income	635	921
Non-interest income	**70,851**	**66,110**
Net operating income	**308,965**	**277,862**
Staff expenses	58,858	54,851
Other administrative expenses	40,696	35,629
Depreciation of premises and equipment	11,514	10,573
Amortisation of intangible assets	412	412
Operating expenses	**111,480**	**101,465**
Operating profit before provision for credit losses and impairment losses	**197,485**	**176,397**
Provision charge for credit losses and impairment losses	25,499	28,100
Operating profit before taxation	**171,986**	**148,297**
Taxation	15,754	9,023
Profit for the period	**156,232**	**139,274**
Attributable to:		
Shareholders of the Bank	146,581	**134,203**
Non-controlling interests	9,651	5,071

Net interest income

The following table sets forth the details of the Group's interest income for the periods indicated.

	Three months ended 31 March				Variation
	2024	% of total	2023	% of total	2024/2023
	(KD thousands, except percentage columns)				*(per cent.)*
Deposits with banks	57,145	12.6	57,745	16.0	(1.0)
Loans and advances to customers	276,262	61.1	210,877	58.4	31.0
Debt investment securities	106,054	23.5	81,460	22.5	30.2
Kuwait Government treasury bonds and CBK bonds	12,586	2.8	11,284	3.1	11.5
Total interest income	**452,047**	**100.0**	**361,366**	**100.0**	**25.1**

The Group's total interest income for the three months ended 31 March 2024 amounted to KD 452 million compared to KD 361 million for the corresponding period in 2023.

The increase of KD 91 million, or 25.1 per cent., in the three months ended 31 March 2024 principally reflected:

- a KD 65 million, or 31.0 per cent., increase in interest income from loans and advances to customers reflecting higher benchmark rates and growth in volumes; and

- a KD 25 million, or 30.2 per cent., increase in interest income from debt investment securities reflecting growth in volumes and higher benchmark rates.

The following table shows details of the Group's interest expense for the periods indicated.

	Three months ended 31 March				Variation
	2024	% of total	2023	% of total	2024/2023
	(KD thousands, except percentage columns)				*(per cent.)*
Due to banks and other financial institutions	82,603	31.4	65,560	34.4	26.0
Customer deposits	155,195	59.0	98,127	51.5	58.2
Certificates of deposit issued	18,145	6.9	21,972	11.5	(17.4)
Other borrowed funds	6,930	2.6	5,014	2.6	38.2
Total interest expense	**262,873**	**100.0**	**190,673**	**100.0**	**37.9**

The Group's total interest expense for the three months ended 31 March 2024 amounted to KD 263 million compared to KD 191 million for the corresponding period in 2023.

The increase of KD 72 million, or 37.9 per cent., in the three months ended 31 March 2024 principally reflected:

- a KD 57 million, or 58.2 per cent., increase in interest expense on customer deposits which was driven by higher benchmark rates and growth in volumes; and

- a KD 17 million, or 26.0 per cent., increase in interest expense on amounts due to banks and other financial institutions which was driven by higher benchmark rates partially offset by lower volumes.

The above factors were partially offset by a KD 4 million, or 17.4 per cent., decrease in interest expense on certificates of deposit issued driven by lower volumes partially offset by higher benchmark rates.

Reflecting the above factors, the Group's net interest income in the three months ended 31 March 2024 amounted to KD 189 million, an increase of KD 18 million, or 10.8 per cent., from the KD 171 million net interest income recorded in the three months ended 31 March 2023.

Net income from Islamic financing

The Group's murabaha and other Islamic financing income for the three months ended 31 March 2024 amounted to KD 111 million compared to KD 92 million for the corresponding period in 2023. This represented an increase of KD 18 million, or 19.7 per cent. and principally reflected higher benchmark rates and growth in the volume of the Group's Islamic financing to customers and investment securities.

The Group's finance cost and distribution to depositors for the three months ended 31 March 2024 amounted to KD 62 million compared to KD 51 million for the corresponding period in 2023. The increase of KD 11 million, or 20.5 per cent., primarily reflected higher benchmark rates and volumes.

Reflecting the above factors, the Group's net income from Islamic financing for the three months ended 31 March 2024 amounted to KD 49 million compared to KD 41 million for the corresponding period in 2022, an increase of KD 8 million, or 19.2 per cent.

Net interest income and net income from Islamic financing

The Group's net interest income and net income from Islamic financing for the three months ended 31 March 2024 amounted to KD 238 million compared to KD 212 million for the corresponding period in 2023, an increase of KD 26 million, or 12.4 per cent.

The increase in the Group's net interest income and net income from Islamic financing for the three months ended 31 March 2024 compared to the corresponding period in 2023 reflected the changes in the net interest income and net income from Islamic financing described above. The Group's average customer loan portfolio (based on quarterly balances in each period divided by two) was KD 22,335 million for the three months ended 31 March 2024 compared to KD 21,094 million for the corresponding period in 2023, an increase of KD 1,241 million, or 5.9 per cent.

The Group's net interest margin was 2.64 per cent. in the three months ended 31 March 2024 compared to 2.48 per cent. in the corresponding period of 2023, with the increase principally driven by loans repricing faster than deposits in an increasing benchmark rate environment and growth in loans and advances to customers and debt investment securities.

Net fees and commissions

The following table shows the Group's net fees and commissions for each of the periods indicated.

	Three months ended 31 March				**Variation**
	2024	**% of total**	**2023**	**% of total**	**2024/2023**
	(KD thousands, except percentage columns)				*(per cent.)*
Credit facilities	19,266	36.2	16,765	32.6	14.9
Other	33,919	63.8	34,627	67.4	(2.0)
Total net fees and commissions	**53,185**	**100.0**	**51,392**	**100.0**	**3.5**

The Group's net fees and commission income for the three months ended 31 March 2024 was KD 53 million, an increase of KD 2 million, or 3.5 per cent., from the KD 51 million recorded in the corresponding period of 2023. This increase reflected contributions across major lines of business.

Net investment income

The Group’s net investment income for the three months ended 31 March 2024 amounted to KD 7 million compared to KD 6 million in the corresponding period of 2023. This increase principally reflected higher valuations of investments.

Net gains from dealing in foreign currencies

The Group's net gains from dealing in foreign currencies for the three months ended 31 March 2024 amounted to KD 10 million compared to KD 8 million in the corresponding period of 2023. The increase of KD 2 million principally reflected a higher volume of transactions and increased valuations.

Operating expenses

The Group’s operating expenses comprise staff expenses, other administrative expenses, depreciation of premises and equipment and amortisation of intangible assets.

The Group's total operating expenses amounted to KD 111 million for the three months ended 31 March 2024 compared to KD 101 million for the corresponding period in 2023. The increase of KD 10 million, or 9.9 per cent., in the three months ended 31 March 2024 principally reflected higher other administrative expenses and staff expenses due to increased headcount, annual increments and continued investments in key businesses, digital technologies and processes.

Provision charge for credit losses and impairment losses

The table below shows the Group's provision charge for credit losses and impairment losses for the periods indicated.

	Three months ended 31 March	
	2024	**2023**
	(KD thousands)	
Provision for credit facilities - specific	22,730	2,008
Provision for credit facilities - general	2,528	26,775
Expected credit losses release	(92)	(683)
Total provision charge for credit losses	**25,166**	**28,100**
Other impairment losses	333	-
Provision charge for credit losses and impairment losses	**25,499**	**28,100**

The Group's total provision charge for credit losses and impairment losses amounted to KD 25 million for the three months ended 31 March 2024 compared to KD 28 million for the corresponding period in 2023. The decrease in the three months ended 31 March 2024 principally reflected a KD 24 million lower general provision offset by a KD 21 million higher specific provision compared to the first quarter of 2023, as discussed below. The Group’s non-performing loans, advances and Islamic financing amounted to KD 351 million as at 31 March 2024, compared to KD 318 million as at 31 December 2023. The increase in non-performing loans in the first three months of 2024 was primarily driven by non-performing loans in the Kuwait real estate sector, which are primarily secured loans that are fully secured by collateral covering their exposure amounts and therefore do not require any provisions under the applicable CBK provisioning requirements.

The Group's total specific provision charge for credit losses amounted to KD 23 million for the three months ended 31 March 2024 and KD 2 million for the corresponding period in 2023. The increase in specific provision charges for credit losses in the three months ended 31 March 2024 compared to the corresponding period in 2023 was mainly due to additional provisions in the overseas real estate sector and Kuwait consumer delinquencies.

The Group's total general provision charge amounted to KD 3 million for the three months ended 31 March 2024 compared to KD 27 million for the corresponding period in 2023. The decrease in general provision charges for credit losses in the three months ended 31 March 2024 compared to the corresponding period in 2023 was mainly due to additional precautionary provisions in the 2023 period.

Taxation

The Group's taxation charge for the three months ended 31 March 2024 amounted to KD 16 million compared to KD 9 million for the corresponding period in 2023. The increase of KD 7 million, or 74.6 per cent., in the three months ended 31 March 2024 principally reflected a higher tax charge at overseas operations.

Segmental analysis

Since 1 January 2023, the Group's reporting segments have comprised:

Consumer Banking

Consumer Banking provides a diversified range of products and services to individuals. The range includes consumer loans, credit cards, deposits, foreign exchange and other branch related services.

Corporate Banking

Corporate Banking provides a comprehensive product and service offering to business and corporate customers, including lending, deposits, trade finance, foreign exchange and advisory services.

NBK Wealth

NBK Wealth provides a full range of asset management, custody, brokerage, lending, deposits and other customised and innovative banking services to high net worth individuals and institutional clients across the Group.

Islamic Banking

Islamic banking represents the financial results of Boubyan Bank K.S.C.P., the Islamic banking subsidiary of the Group.

Group Centre

Group Centre includes treasury, investments, and other defined Group activities. Treasury provides a comprehensive range of treasury services and products to its clients, and is also responsible for the Bank's liquidity and market risk management. Group Centre includes any residual in respect of transfer pricing and inter segment allocations.

International Banking

International Banking provides a broad range of products and services including lending, deposits and trade finance, to corporate and individual customers at Group's overseas locations.

The tables below show certain statement of income line items of each of the Group's reporting segments for the periods indicated.

	Three months ended 31 March 2024						
	Consumer Banking	**Corporate Banking**	**NBK Wealth**	**Islamic Banking**	**Group Centre**	**International Banking**	**Total**
				(KD thousand)			
Net interest income and net income from Islamic financing	48,880	30,425	10,699	48,940	37,693	61,477	**238,114**
Net operating income	61,522	40,472	27,623	63,351	41,743	74,254	**308,965**
Profit for the period	26,831	32,965	16,987	24,621	22,083	32,745	**156,232**

	Three months ended 31 March 2023						
	Consumer Banking	**Corporate Banking**	**NBK Wealth**	**Islamic Banking**	**Group Centre**	**International Banking**	**Total**
				(KD thousand)			
Net interest income and net income from Islamic financing	39,460	30,352	11,074	41,059	31,675	58,132	**211,752**
Net operating income	53,142	40,798	28,677	54,069	33,337	67,839	**277,862**
Profit for the period	23,021	34,897	18,007	19,442	2,366	41,541	**139,274**

Consumer Banking

Consumer Banking's net operating income for the three months ended 31 March 2024 amounted to KD 62 million compared to KD 53 million for the corresponding period in 2023. The increase in net operating income of KD 8 million, or 15.8 per cent., principally reflected higher net interest income due to improved margins, in part offset by lower fee income. Consumer Banking's profit was KD 27 million for the three months ended 31 March 2024 compared to KD 23 million for the corresponding period in 2023. The increase in profit of KD 4 million, or 16.6 per cent., principally reflected higher net operating income, in part offset by higher provisions for credit losses and higher costs.

Corporate Banking

Corporate Banking's net operating income for the three months ended 31 March 2024 amounted to KD 40 million compared to KD 41 million for the corresponding period in 2023. Corporate Banking's profit was KD 33 million for the three months ended 31 March 2024 compared to KD 35 million for the corresponding period in 2023. The decrease in profit of KD 2 million, or 5.5 per cent., principally reflected higher provisions.

NBK Wealth

NBK Wealth's net operating income for the three months ended 31 March 2024 amounted to KD 28 million compared to KD 29 million for the corresponding period in 2023. NBK Wealth's profit was KD 17 million for the three months ended 31 March 2024 compared to KD 18 million for the corresponding period in 2023.

Islamic Banking

Islamic Banking's net operating income for the three months ended 31 March 2024 amounted to KD 63 million compared to KD 54 million for the corresponding period in 2023. The increase in net operating income of KD 9 million, or 17.2 per cent., principally reflected higher net income from Islamic financing driven by higher benchmark rates and higher business volumes and higher fee income. Islamic Banking's profit was KD 25 million for the three months ended 31 March 2024 compared to KD 19 million for the corresponding period in 2023. The increase in profit of KD 5 million, or 26.6 per cent., principally reflected higher net operating income and lower provisions and impairment, in part offset by higher costs and higher taxes.

Group Centre

Group Centre's net operating income for the three months ended 31 March 2024 amounted to KD 42 million compared to KD 33 million for the corresponding period in 2023. The increase in net operating income of KD 8 million, or 25.2 per cent., principally reflected higher net interest income due to higher benchmark rates and higher gains from dealing in foreign currencies. Group Centre's profit was KD 22 million for the three months ended 31 March 2024 compared to KD 2 million for the corresponding period in 2023. The increase of KD 20 million, or 833.3 per cent., principally reflected higher net operating income and lower provisions and impairment, in part offset by higher costs.

International Banking

International Banking's net operating income for the three months ended 31 March 2024 amounted to KD 74 million compared to KD 68 million for the corresponding period in 2023. The increase in net operating income of KD 6 million, or 9.5 per cent., principally reflected higher net interest income due to growth in business volumes and higher benchmark rates and higher fee income. International Banking's profit was KD 33 million for the three months ended 31 March 2024 compared to KD 42 million for the corresponding period in 2023. The decrease in profit of KD 9 million, or 21.2 per cent., principally reflected higher provisions and impairment and higher costs, in part offset by higher net operating income.

9. **The section titled "Results of Operations for the Years Ended 31 December 2022, 2021 and 2020" (which commences on page 129 of the Base Prospectus) shall be deemed to be updated with the following**:

RESULTS OF OPERATIONS FOR THE YEARS ENDED 31 DECEMBER 2023, 2022 AND 2021

The following table shows the Group's results of operations for the years indicated.

	Year ended 31 December		
	2023	**2022**	**2021**
		(KD thousands)	
Interest income	1,632,748	947,589	661,056
Interest expense	(908,154)	(363,821)	(154,889)
Net interest income	**724,594**	**583,768**	**506,167**
Murabaha and other Islamic financing income	402,482	287,558	227,849
Finance cost and Distribution to depositors	(221,939)	(115,487)	(64,757)
Net income from Islamic financing	**180,543**	**172,071**	**163,092**
Net interest income and net income from Islamic financing	**905,137**	**755,839**	**669,259**
Net fees and commissions	196,606	181,778	168,836
Net investment income	27,466	15,736	27,905
Net gains from dealing in foreign currencies	36,123	55,379	29,739
Other operating income	1,435	1,009	4,054
Non-interest income	**261,630**	**253,902**	**230,534**
Net operating income	**1,166,767**	**1,009,741**	**899,793**
Staff expenses	(233,156)	(220,125)	(201,113)
Other administrative expenses*	(147,342)	(125,430)	(115,609)
Depreciation of premises and equipment	(44,314)	(38,922)	(34,049)
Amortisation of intangible assets	(1,647)	(1,647)	(1,647)
Operating expenses	**(426,459)**	**(386,124)**	**(352,418)**
Operating profit before provision for credit losses and impairment losses	**740,308**	**623,617**	**547,375**
Provision charge for credit losses and impairment losses	(103,068)	(45,363)	(132,498)
Operating profit before taxation	**637,240**	**578,254**	**414,877**

	Year ended 31 December		
	2023	2022	2021
		(KD thousands)	
Taxation	(48,097)	(47,422)	(34,136)
Directors' remuneration	(770)	(770)	(120)
Profit for the year	**588,373**	**530,062**	**380,621**
Attributable to:			
Shareholders of the Bank	560,620	509,085	362,249
Non-controlling interests	27,753	20,977	18,372

Net interest income

The following table shows the Group's interest income for the years indicated.

	Year ended 31 December						Variation	
	2023	% of total	2022	% of total	2021	% of total	2023/2022	2022/2021
			(KD thousands)				*(per cent.)*	
Deposits with banks	233,519	14.3	90,873	9.6	18,926	2.9	157.0	380.1
Loans and advances to customers	979,350	60.0	629,180	66.4	486,023	73.5	55.7	29.5
Debt investment securities	370,889	22.7	202,916	21.4	138,706	21.0	82.8	46.3
Kuwait Government treasury bonds and CBK bonds	48,990	3.0	24,620	2.6	17,401	2.6	99.0	41.5
Total interest income	**1,632,748**	**100.0**	**947,589**	**100.0**	**661,056**	**100.0**	**72.3**	**43.3**

The Group's total interest income for 2023 amounted to KD 1,633 million compared to KD 948 million for 2022 and KD 661 million for 2021.

The increase of KD 685 million, or 72.3 per cent., in 2023 principally reflected:

- a KD 350 million, or 55.7 per cent., increase in interest income from loans and advances to customers reflecting higher benchmark rates and growth in volumes;

- a KD 168 million, or 82.8 per cent., increase in interest income from debt investment securities reflecting higher benchmark rates and growth in volumes; and

- a KD 143 million, or 157.0 per cent., increase in interest income from deposits with banks reflecting higher benchmark rates.

The increase of KD 287 million, or 43.3 per cent., in 2022 principally reflected:

- a KD 143 million, or 29.5 per cent., increase in interest income from loans and advances to customers reflecting growth in volumes and higher benchmark rates;

- a KD 72 million, or 380.1 per cent., increase in interest income from deposits with banks reflecting growth in volumes and higher benchmark rates; and

- a KD 64 million, or 46.3 per cent., increase in interest income from debt investment securities reflecting growth in volumes and higher benchmark rates.

The following table shows the Group's interest expense for the years indicated.

	Year ended 31 December						Variation	
	2023	**% of total**	**2022**	**% of total**	**2021**	**% of total**	**2023/2022**	**2022/2021**
			(KD thousands)				*(per cent.)*	
Due to banks and other financial institutions	309,688	34.1	123,471	33.9	29,344	18.9	150.8	320.8
Customer deposits	493,049	54.3	199,930	55.0	108,068	69.8	146.6	85.0
Certificates of deposit issued	82,229	9.1	22,712	6.2	3,401	2.2	262.1	567.8
Other borrowed funds	23,188	2.6	17,708	4.9	14,076	9.1	30.9	25.8
Total interest expense	**908,154**	**100.0**	**363,821**	**100.0**	**154,889**	**100.0**	**149.6**	**134.9**

The Group's total interest expense for 2023 amounted to KD 908 million compared to KD 364 million for 2022 and KD 155 million for 2021.

The increase of KD 544 million, or 149.6 per cent., in 2023 principally reflected:

- a KD 293 million, or 146.6 per cent., increase in interest expense on customer deposits which was driven by higher benchmark rates and growth in volumes;
- a KD 186 million, or 150.8 per cent., increase in interest expense on amounts due to banks and other financial institutions which was driven by higher benchmark rates; and
- a KD 60 million, or 262.1 per cent., increase in interest on certificates of deposit issued which was driven by higher benchmark rates.

The increase of KD 209 million, or 134.9 per cent., in 2022 principally reflected:

- a KD 92 million, or 85.0 per cent., increase in interest expense on customer deposits which was driven by growth in volumes and higher benchmark rates; and
- a KD 94 million, or 320.8 per cent., increase in interest expense on amounts due to banks and other financial institutions which was driven by growth in volumes and higher benchmark rates.

Reflecting the above factors, the Group's net interest income in 2023 amounted to KD 725 million, an increase of KD 141 million, or 24.1 per cent., from the KD 584 million net interest income recorded in 2022 which was an increase of KD 78 million, or 15.3 per cent., from the KD 506 million net interest income recorded in 2021.

Net income from Islamic financing

The Group's murabaha and other Islamic financing income for 2023 amounted to KD 402 million compared to KD 288 million for 2022 and KD 228 million for 2021. This represented an increase of KD 115 million, or 40.0 per cent., in 2023 and principally reflected higher benchmark rates and growth in the volume of the Group's Islamic financing to customers and investment securities. The increase of KD 60 million, or 26.2 per cent., in 2022 principally reflected growth in the Group's Islamic financing to customers and in debt investment securities, in part offset by lower benchmark rates.

The Group's finance cost and distribution to depositors for 2023 amounted to KD 222 million compared to KD 115 million for 2022 and KD 65 million for 2021. The increase of KD 106 million, or 92.2 per cent., in 2023 primarily reflected higher benchmark rates and growth in volumes. The increase of KD 51 million, or 78.3 per cent., in 2021 primarily reflected lower benchmark rates and a more favourable funding mix, in part offset by growth in the volume of the Group's Islamic deposits.

Reflecting the above factors, the Group's net income from Islamic financing for 2023 amounted to KD 181 million compared to KD 172 million for 2022 and KD 163 million for 2021.

Net finance income

The Group's net financing income for 2023 amounted to KD 905 million compared to KD 756 million for 2022 and KD 669 million for 2021. These changes in the Group's net financing income for 2023 compared to 2022 and for 2022 compared to 2021 reflected the changes in net interest income and net income from Islamic financing discussed above.

The Group's average customer loan portfolio (based on quarterly balances in each year divided by five) was KD 21,566 million for 2023 compared to KD 20,303 million for 2022 and KD 18,508 million for 2021, an increase of KD 1,263 million, or 6.2 per cent., in 2023 and an increase of KD 1,795 million, or 9.7 per cent., in 2022.

The Group's net interest margin increased in 2023 to 2.59 per cent. from 2.30 per cent. in 2022 and 2.21 per cent. in 2021. The increase in 2023 was driven by loans repricing faster than deposits in an increasing benchmark rate environment and growth in loans and advances to customers and debt investment securities. The increase in 2022 was driven by growth in loans and advances to customers and debt investment securities as well as higher benchmark rates.

Net fees and commissions

The following table shows the Group's net fees and commissions for the years indicated.

	Year ended 31 December			Variation	
	2023	**2022**	**2021**	**2023/2022**	**2022/2021**
		(KD thousands)		*(per cent.)*	
Credit facilities	71,007	63,051	60,270	12.6	5.4
Others	125,559	118,727	108,566	5.8	8.9
Net fees and commissions	**196,606**	**181,778**	**168,836**	**8.2**	**7.7**

The Group's net fees and commission income for 2023 was KD 197 million, an increase of KD 15 million, or 8.2 per cent., from the KD 182 million recorded for 2022. This increase principally reflected an increase across all major lines of business.

The Group's net fees and commission income for 2022 was KD 182 million, an increase of KD 13 million, or 7.7 per cent., from the KD 169 million recorded for 2021. This increase principally reflected an increase across all major lines of business.

Net investment income

The Group's net investment income for 2023 amounted to KD 27 million compared to KD 16 million for 2022. This increase of KD 12 million, or 74.5 per cent., principally reflected higher net gains from investments carried at fair value through statement of income. The Group's net investment income for 2022 amounted to KD 16 million compared to KD 28 million for 2021. This decrease of KD 12 million, or 43.6 per cent., principally reflected lower net gains from investments carried at fair value through statement of income which was driven by negative movements in fair valuation of investments and a gain in 2021 on the sale of assets acquired in a debt swap.

Net gains from dealing in foreign currencies

The Group's net gains from dealing in foreign currencies for 2023 amounted to KD 36 million compared to KD 55 million for 2022. This decrease of KD 19 million, or 34.8 per cent., reflected the impact of unfavourable currency movements.

The Group's net gains from dealing in foreign currencies for 2022 amounted to KD 55 million compared to KD 30 million for 2021. The increase of KD 26 million, or 86.2 per cent., principally reflected the impact of favourable currency movements and higher transaction volumes.

Operating expenses

The Group's total operating expenses amounted to KD 426 million for 2023 compared to KD 386 million for 2022 and KD 352 million for 2021.

The increase of KD 40 million, or 10.4 per cent., in 2023 principally reflected increased headcount, annual increments and continued investments in key businesses, digital technologies and processes.

The increase of KD 34 million, or 9.6 per cent., in 2022 principally reflected staff expenses driven by increased headcount, annual increments and variable pay and increases in other administrative expenses and depreciation and equipment.

Provision charge for credit losses and impairment losses

The table below shows the Group's provision charge for credit losses and impairment losses for the years indicated.

	Year ended 31 December		
	2023	**2022**	**2021**
		(KD thousands)	
Specific	44,545	(146,796)	66,033
General	37,220	152,146	54,809
Total provision charge for credit losses	**81,765**	**5,350**	**120,842**
Other impairment losses	21,303	40,013	11,656
Provision charge for credit losses and impairment losses	**103,068**	**45,363**	**132,498**

The Group's total provision charge for credit losses and impairment losses amounted to KD 103 million for 2023 compared to KD 45 million for 2022 and KD 132 million for 2021. The increase in 2023 was primarily due to higher provisions for credit losses offset by lower other impairment losses in 2023 compared to 2022. The reduction in 2022 was primarily due to recoveries of amounts provided towards credit losses during prior years, partly offset by higher precautionary general provisions and other impairment losses in 2022 compared to 2021.

The Group's total specific provision charge for credit losses amounted to KD 45 million for 2023, compared to a total specific provision release of KD 147 million for 2022 and a total specific provision charge of KD 66 million for 2021. In 2023, the increase in specific provisions is primarily from Kuwait consumer delinquencies. The significant release of provisions in 2022 was attributable to recoveries of amounts provided towards credit losses during prior years. The specific provision charge in 2023 was lower than that in 2021, reflecting lower provisions required under the CBK regime due to the available collateral that is securing the non-performing loans.

The Group's total general provision charge amounted to KD 37 million for 2023, compared to KD 152 million for 2022 and KD 55 million for 2021. In 2022, the increase was due to additional precautionary provisions.

The Group's other impairment losses amounted to KD 21 million for 2023, compared to KD 40 million for 2022 and KD 12 million for 2021. In both 2023 and 2022, the Group recorded impairment losses on goodwill of KD 20 million relating to NBK Egypt. In addition, in 2023 the Group recorded other impairment losses of KD 1 million compared to KD 13 million in 2022 and KD 12 million in 2021.

Taxation

The Group's taxation charge for 2023 amounted to KD 48 million compared to KD 47 million for 2022 and KD 34 million for 2021. The increase of KD 13 million, or 38.9 per cent., in 2022 principally reflected higher profits for the year partly offset by tax decreases at overseas operations.

Under the second pillar of the OECD's Inclusive Framework on Base Erosion and Profit Shifting, multinational entities whose revenue exceeds EUR 750 million are liable to pay corporate income tax at a minimum effective tax rate of 15 per cent. The Group expects to be liable to pay tax under this pillar starting from 2025. The Group' assessment indicates that a substantial portion of Group's earnings, primarily from Kuwait and Bahrain, will be subject to additional income taxes under this framework, although a reasonable estimate of the additional tax cannot be provided at this stage, as the relevant tax legislation is yet to be introduced in Kuwait and some other jurisdictions.

Segmental analysis

From 1 January 2023, the Group reorganised its reporting segments. Accordingly, the tables below show certain statement of income line items of each of the Group's reporting segments for 2023 and 2022 and separately, using the Group's previous reporting segment structure, for 2022 and 2021.

2023 and 2022

	2023						
	Consumer Banking	**Corporate Banking**	**NBK Wealth**	**Islamic Banking**	**Group Centre**	**International Banking**	**Total**
				(KD thousand)			
Net interest income and net income from Islamic financing	182,745	123,688	45,919	180,543	136,760	235,482	**905,137**
Net operating income	237,974	162,894	112,192	224,424	152,182	277,101	**1,166,767**
Profit for the period	102,060	145,818	66,667	78,221	58,686	136,921	**588,373**

	2022						
	Consumer Banking	**Corporate Banking**	**NBK Wealth**	**Islamic Banking**	**Group Centre**	**International Banking**	**Total**
				(KD thousand)			
Net interest income and net income from Islamic financing	188,558	105,182	32,866	172,071	47,757	209,405	**755,839**
Net operating income	241,910	145,443	93,800	207,528	72,688	248,372	**1,009,741**
Profit/(loss) for the period	117,750	199,544	55,199	54,273	(28,465)	131,761	**530,062**

Consumer Banking

Consumer Banking's net operating income for 2023 amounted to KD 238 million compared to KD 242 million for 2022. The decrease in net operating income of KD 4 million, or 1.6 per cent., principally reflected tighter margins, driven by migration of certain current and savings deposits to time deposits with higher interest rates, in part offset by increased business volumes and higher fee income. Consumer Banking's profit was KD 102 million for 2023 compared to KD 118 million for 2022. The decrease in profit of KD 16 million, or 13.3 per cent., principally reflected a decrease in net operating income, higher costs and higher provisions for credit losses.

Corporate Banking

Corporate Banking's net operating income for 2023 amounted to KD 163 million compared to KD 145 million for 2022., The increase of KD 17 million, or 12.0 per cent., principally reflected improved margins and higher business volumes. Corporate Banking's profit was KD 146 million for 2023 compared to KD 200 million for 2022. The decrease in profit of KD 54 million, or 26.9 per cent., principally reflected provision recoveries in 2022, in part offset by higher net operating income for the year in 2023.

NBK Wealth

NBK Wealth's net operating income for 2023 amounted to KD 112 million compared to KD 94 million for 2022. The increase in net operating income of KD 18 million, or 19.6 per cent., principally reflected improved margins and higher fee income. NBK Wealth's profit was KD 67 million for 2023 compared to KD 55 million for 2022. The increase in profit of KD 11 million, or 20.8 per cent., principally reflected improved margins and higher fee income, in part offset by higher costs.

Islamic Banking

Islamic Banking's net operating income for 2023 amounted to KD 224 million compared to KD 208 million for 2022. The increase in net operating income of KD 17 million, or 8.1 per cent., principally reflected higher investment income and higher net income from Islamic financing driven by higher business volumes in part offset by tighter margins. Islamic Banking's profit was KD 78 million for 2023 compared to KD 54 million for 2022. The increase in profit of KD 24 million, or 44.1 per cent., principally reflected higher net operating income, lower provisions and impairment and lower taxes, in part offset by higher costs.

Group Centre

Group Centre's net operating income for 2023 amounted to KD 152 million compared to KD 73 million for 2022. The increase in net operating income of KD 79 million, or 109.4 per cent., principally reflected higher net interest income due to higher benchmark rates, in part offset by adverse currency movements. Group Centre's profit was KD 59 million for 2023 compared to a loss of KD 28 million for 2022. This positive change principally reflected higher net operating income and lower provisions and impairment, in part offset by higher costs.

International Banking

International Banking's net operating income for 2023 amounted to KD 277 million compared to KD 248 million for 2022. The increase in net operating income of KD 29 million, or 11.6 per cent., principally reflected growth in business volumes, higher benchmark rates and higher fee income. International Banking's profit was KD 137 million for 2023 compared to KD 132 million for 2022. The increase in profit of KD 5 million, or 3.9 per cent., principally reflected strong operating performance, in part offset by higher provisions and impairment.

2022 and 2021

The Group's reporting segments in 2022 and 2021 were Consumer and Private Banking ("**CPB**"), Corporate Banking ("**CB**"), Investment Banking and Asset Management ("**IBAM**"), Islamic Banking ("**IB**"), Group Centre ("**GC**") and International.

	2022						
	CPB	**CB**	**IBAM**	**IB**	**GC**	**International**	**Total**
				(KD thousand)			
Net interest income and net income from Islamic financing..........	219,084	105,182	1,103	172,071	45,811	212,588	755,839
Net operating income	302,284	145,443	36,539	207,528	51,334	266,613	1,009,741
Profit / (loss) for the period.........	165,318	199,544	22,657	54,273	(48,851)	137,121	530,062
Total assets	**5,629,576**	**4,933,723**	**97,138**	**7,880,757**	**2,045,500**	**15,751,669**	**36,338,363**
Total liabilities...	**6,946,140**	**2,459,515**	**15,934**	**6,901,058**	**208,334**	**15,172,436**	**31,703,417**

	2021						
	CPB	**CB**	**IBAM**	**IB**	**GC**	**International**	**Total**
				(KD thousand)			
Net interest income and net income from Islamic financing..........	225,184	90,930	590	163,092	12,942	176,521	669,259
Net operating income	299,054	137,023	34,157	193,275	12,927	223,357	899,793
Profit / (loss) for the period.........	193,854	40,913	20,010	47,955	(14,331)	92,220	380,621
Total assets	**5,102,009**	**4,907,015**	**84,129**	**7,351,899**	**2,605,969**	**13,205,565**	**33,256,586**
Total liabilities...	**6,597,002**	**2,131,032**	**13,038**	**6,601,827**	**777,049**	**12,669,521**	**28,789,469**

Consumer and private banking (CPB)

CPB's net operating income for 2022 amounted to KD 302 million compared to KD 299 million for 2021. The increase in net operating income of KD 3 million, or 1.1 per cent., principally reflected higher fee income, higher foreign exchange income and increased volumes of consumer loans and deposits, in part offset by tighter margins. CPB's profit was KD 165 million for 2022 compared to KD 194 million for 2021. The decrease in profit of KD 29 million, or 14.7 per cent., principally reflected higher provisions for credit losses and higher costs, in part offset by higher net operating income.

Corporate banking (CB)

CB's net operating income for 2022 amounted to KD 145 million compared to KD 137 million for 2021. The increase in net operating income of KD 8 million, or 6.1 per cent., principally reflected higher margins, in part offset by a negative development in the fair valuation of investments and lower fee income. CB's profit was KD 200 million for 2022 compared to KD 41 million for 2021. The increase in profit of KD 159 million, or 387.7 per cent., principally reflected provision recoveries in 2022 and higher net operating income.

Investment banking and asset management (IBAM)

IBAM's net operating income for 2022 amounted to KD 37 million compared to KD 34 million for 2021. IBAM's profit was KD 23 million for 2022 compared to KD 20 million for 2021. The increase in net operating income of KD 2 million, or 7.0 per cent and the increase in profit of KD 3 million, or 13.2 per cent., principally reflected higher asset management fees.

Islamic banking (IB)

IB's net operating income for 2022 amounted to KD 208 million compared to KD 193 million for 2021. The increase in net operating income of KD 14 million, or 7.4 per cent., principally reflected higher net income from Islamic financing driven by growth in the Group's Islamic financing to customers and higher foreign exchange income, in part offset by lower investment income. IB's profit was KD 54 million for 2022 compared to KD 48 million for 2021. The increase in profit of KD 6 million, or 13.2 per cent., principally reflected higher net operating income and lower provisions for credit losses, in part offset by higher costs.

Group centre (GC)

GC's net operating income for 2022 amounted to KD 51 million compared to KD 13 million for 2021. The increase in net operating income of KD 38 million, or 297.1 per cent., principally reflected higher net interest income due to higher benchmark rates and the benefit of favorable currency movements. GC's loss was KD 49 million for 2022 compared to a loss of KD 14 million for 2021. The increase in loss of KD 35 million, or 240.9 per cent., principally reflected higher provisions for credit losses and impairments, in part offset by higher net operating income.

International

International's net operating income for 2022 amounted to KD 267 million compared to KD 223 million for 2021. The increase in net operating income of KD 43 million, or 19.4 per cent., principally reflected growth in loans and advances to customers and debt investment securities and higher benchmark rates. International's profit was KD 137 million for 2022 compared to KD 92 million for 2021. The increase in profit of KD 45 million, or 48.7 per cent., principally reflected higher net operating income and lower provisions for credit losses and impairments, in part offset by higher costs.

10. **The following information updates the information in the section titled "Financial Position" (which commences on page 136 of the Base Prospectus)**:

Assets

The following table shows data regarding the Group's assets as at the periods indicated.

	As at 31 March		**As at 31 December**	
	2024		**2023**	
	(KD thousands)	*(per cent.)*	*(KD thousands)*	*(per cent.)*
Assets				
Cash and short term funds	4,271,244	11.1	4,384,700	11.6
Central Bank of Kuwait bonds	859,682	2.2	856,815	2.3
Kuwait Government treasury bonds	192,764	0.5	194,111	0.5
Deposits with banks	1,918,465	5.0	1,318,121	3.5
Loans, advances and Islamic financing to customers	22,389,414	58.4	22,281,004	59.2
Investment securities	6,899,771	18.0	6,884,821	18.3
Land, premises and equipment	496,892	1.3	506,812	1.3
Goodwill and intangible assets	508,010	1.3	508,416	1.3
Other assets(1)	791,613	2.1	730,191	1.9
Total assets	**38,327,855**	**100.0**	**37,664,991**	**100.0**

The Group's total assets increased by 1.8 per cent. to KD 38.3 billion as at 31 March 2024 from KD 37.7 billion as at 31 December 2023. This increase in total assets was principally attributable to an increase in deposits with banks and loans, advances and Islamic financing to customers. The Group's total assets increased by 3.7 per cent. to KD 37.7 billion as at 31 December 2023 from KD 36.3 billion as at 31 December 2022. This increase in total assets was principally attributable to increases in loans, advances and Islamic financing to customers and investment securities, offset by a decrease in cash and short term funds. The Group's total assets increased by 9.3 per cent. to KD 36.3 billion as at 31 December 2022 from KD 33.3 billion as at 31 December 2021. This increase in total assets was principally attributable to increases in loans, advances and Islamic financing to customers, investment securities, deposits with banks and other assets.

Loans, advances and Islamic financing to customers

The Group's total customer loan portfolio comprising loans, advances and Islamic financing provided to customers (net of provisions) was KD 22.4 billion as at 31 March 2024 and KD 22.3 billion as at 31 December 2023.

The table below shows the Group's customer loan portfolio, provisions and loan to deposit ratio as at 31 March 2024 and as at 31 December 2023.

	As at 31 March	**As at 31 December**
	2024	**2023**
	(KD in thousands, except percentages)	
Gross loans[(1)]	23,260,648	23,143,854
Less: provision for credit losses	(871,234)	(862,850)
Net loans[(2)]	**22,389,414**	**22,281,004**
Net loans/customer and financial institution deposits[(3)]	88.4%	86.8%
Net loans/total deposits[(4)]	71.8%	73.1%

(1) Gross loans comprise total loans, advances and Islamic financing provided to customers.
(2) Net loans comprise gross loans less provisions.
(3) Customer and financial institution deposits comprise customer deposits and deposits from other financial institutions.
(4) Total deposits comprise customer deposits, due to banks, deposits from other financial institutions and certificates of deposit issued.

Distribution of customer loans by maturity

The table below shows the distribution of the Group's net customer loan portfolio by maturity (based on contractual cash flows and maturity dates) as at 31 March 2024 and as at 31 December 2023.

	Up to 3 months	**3 to 12 months**	**Over 1 year**	**Total**
		(KD thousands)		
31 March 2024	7,393,335	2,113,968	12,882,111	**22,389,414**
31 December 2023	6,271,945	2,794,350	13,214,709	**22,281,004**

Distribution of customer loans by geographical region

The table below shows the distribution of the Group's gross customer loan portfolio by geographical region as at 31 December 2023.

	MENA	**North America**	**Europe**	**Asia**	**Other**	**Total**
			(KD thousands)			
31 December 2023	18,706,076	579,586	1,911,118	652,231	431,993	**22,281,004**

Distribution of customer type

The table below shows the distribution of the Group's customer loan portfolio by customer type as at 31 December 2023.

	Gross exposure	Specific provisions	Exposure net of provisions
		(KD thousands)	
31 December 2023			
Corporate	15,421,350	63,065	15,358,285
Retail	7,722,504	102,208	7,620,296
Customer loan portfolio	**23,143,854**	**165,273**	**22,978,581**
Less general provision	697,577		697,577
Total	**22,446,277**	**165,273**	**22,281,004**

Distribution of the Group's maximum exposure to credit risk by sector

The table below shows the breakdown by industry sector of the Group's maximum exposure to credit risk as at 31 December 2023.

	As at 31 December
	2023
	(KD thousands)
Trading	2,206,795
Manufacturing	3,369,644
Banks and other financial institutions	12,929,028
Construction	1,658,949
Real estate	4,596,994
Retail	7,435,574
Government	3,658,123
Others	6,195,291
Total	**42,050,398**

As at 31 December 2023, the Group's exposure to banks and other financial institutions, before taking into account any collateral held or credit enhancements, accounted for 30.7 per cent. of its maximum exposure to credit risk. 41.4 per cent. of the Group's exposure to banks and other financial institutions as at 31 December 2023 was in the form of short-dated inter-bank placements and 13.8 per cent. was in the form of trade finance exposures.

The Group's second major sector of credit exposure is the retail segment, which accounted for 17.7 per cent. of the Group's maximum exposure to credit risk at 31 December 2023, and represented loans made to a diverse base of individual borrowers and a small number of small and medium sized enterprises ("**SMEs**"). These exposures mainly comprise a range of products and services to individuals, including consumer loans, credit cards, deposits, foreign exchange credit facilities to SMEs and other branch-related services.

The real estate sector constituted 10.9 per cent. of the Group's maximum exposure to credit risk at 31 December 2023. As per CBK regulations, the real estate segment includes not only credit facilities granted to companies engaged in real estate business but also to borrowers where the purpose of the specific facility concerned is to finance real estate development and acquisition. The Group's exposure to this sector is also spread across Kuwait and certain major cities internationally, including in the United States and the United Kingdom. In all cases, the Group has full recourse to all the assets and resources of the borrower concerned, which, with only limited exceptions, includes assets beyond those being financed.

The government sector constituted 8.7 per cent. of the Group's maximum exposure to credit risk as at 31 December 2023 and represented exposures to Kuwaiti Government treasury bonds, investment securities issued by governments and government entities and credit facilities to government entities.

Investment securities

The table below shows the Group's investment securities portfolio as at 31 March 2024 and as at 31 December 2023.

	As at 31 March 2024	As at 31 December 2023
	(KD thousands)	
CBK bonds (amortised cost)..	859,682	856,815
Kuwait Government treasury bonds (amortised cost) .	192,764	194,111
Non Kuwaiti government debt securities		
Amortised cost (net of ECL)	1,147,061	1,054,260
Fair value through other comprehensive income.........	2,904,616	2,959,018
Non-government debt securities		
Fair value through other comprehensive income.........	2,508,424	2,560,626
Fair value through statement of income	18,376	17,979
Equities		
Fair value through other comprehensive income.........	41,047	40,987
Fair value through statement of income	36,285	34,767
Other investments		
Fair value through statement of income	243,962	217,184
Total...	**7,952,217**	**7,935,747**

Excluding Central Bank of Kuwait bonds and Kuwaiti Government treasury bonds, the Group's investment portfolio comprised 58.7 per cent. non-Kuwait government debt, 36.6 per cent. non-government debt, 1.1 per cent. equities and 3.5 per cent. other investments as at 31 March 2024, of which 79.0 per cent. were held at fair value through other comprehensive income, 16.6 per cent. were held at amortised cost and 4.3 per cent. were held at fair value through statement of income.

Cash and short term funds

The tables below show the Group's cash and short term funds as at 31 March 2024 and as at 31 December 2023.

	As at 31 March 2024	
	(KD thousands)	(*per cent.*)
Cash on hand	193,297	4.5
Current account with other banks	1,283,970	30.1
Money at call	451,043	10.6
Balances and deposits with the Central Bank of Kuwait	938,617	22.0
Deposits and murabaha with banks maturing within seven days	1,432,354	33.5
Expected credit losses...	(28,037)	(0.7)
Total cash and short term funds..	**4,271,244**	**100.0**

	As at 31 December 2023	
	(KD thousands)	(*per cent.*)
Cash on hand	165,937	3.8
Current account with other banks	1,525,474	34.8
Money at call	635,106	14.5
Balances and deposits with the Central Bank of Kuwait	1,526,210	34.8

	As at 31 December 2023	
	(KD thousands)	(*per cent.*)
Deposits and murabaha with banks maturing within seven days	560,352	12.8
Expected credit losses...	(28,379)	(0.6)
Total cash and short term funds..	**4,384,700**	**100.0**

The Group's cash and short-term funds, consisting of cash on hand, current accounts with other banks, money at call, balances with the CBK and deposits and murabaha with banks maturing within seven days, was KD 4.4 billion as at 31 March 2024.

As at 31 March 2024, the Group has recognised an ECL of KD 28 million in respect of cash and short term funds, mainly relating to operations in Lebanon.

The Group's cash and short-term funds decreased by 2.6 per cent. to KD 4.3 billion as at 31 March 2024 from KD 4.4 billion as at 31 December 2023. The decrease principally reflected a decline in balances with the CBK and current account with other banks, partially offset by an increase in deposits and murabaha with banks maturing within seven days. The Group's cash and short-term funds decreased by 17.6 per cent. to KD 4.4 billion as at 31 December 2023 from KD 5.3 billion as at 31 December 2022. The decrease principally reflected a decrease in current accounts with other banks, partially offset by an increase in balances and deposits with the CBK.

Total liabilities

The following table presents data regarding the Group's liabilities as at 31 March 2024 and as at 31 December 2023.

	As at 31 March 2024		As at 31 December 2023	
	(KD thousands)	*(per cent.)*	*(KD thousands)*	*(per cent.)*
Liabilities				
Due to banks...	4,181,296	12.5	3,963,802	12.1
Deposits from other financial institutions	3,068,456	9.2	3,725,629	11.4
Customer deposits	22,271,091	66.4	21,948,957	67.0
Certificates of deposit issued...................................	1,643,823	4.9	822,899	2.5
Other borrowed funds..	1,237,072	3.7	1,331,006	4.1
Other liabilities..	1,119,186	3.3	966,123	2.9
Total liabilities	**33,520,924**	**100.0**	**32,758,416**	**100.0**

The Group's total liabilities increased by 2.3 per cent. to KD 33.5 billion as at 31 March 2024 from KD 32.8 billion as at 31 December 2023. The increase was principally due to an increase in certificates of deposit issued, customer deposits and other liabilities, partially offset by a decrease in deposits from other financial institutions.

The Group's total liabilities increased by 3.3 per cent. to KD 32.8 billion as at 31 December 2023 from KD 31.7 billion at 31 December 2022. The increase was principally due to increases in customer deposits which was offset by a decrease in certificates of deposit issued.

Customer deposits

The following table shows the Group's customer deposits by location as at 31 March 2024 and as at 31 December 2023.

	As at 31 March	As at 31 December
	2024	2023
	(KD thousands)	
Domestic	15,310,229	15,115,042
International	6,960,862	6,833,915
Total customer deposits	**22,271,091**	**21,948,957**

Customer deposits increased by 1.5 per cent. to KD 22.3 billion as at 31 March 2024 from KD 21.9 billion as at 31 December 2023. The increase was principally attributable to an increase in Islamic banking deposits. Customer deposits increased by 8.8 per cent. to KD 21.9 billion as at 31 December 2023 from KD 20.2 billion as at 31 December 2022. The increase was principally attributable to an increase in time deposits, offset in part by a decline in sight deposits.

Due to banks

Due to banks increased by 5.5 per cent. to KD 4.2 billion as at 31 March 2024 compared to KD 4.0 billion as at 31 December 2022. The increase was primarily attributable to an increase in time deposits. Due to banks remained at KD 4.0 billion as at both 31 December 2023 and 31 December 2022.

Deposits from other financial institutions

Deposits from other financial institutions decreased by 17.6 per cent. to KD 3.1 billion as at 31 March 2024 compared to KD 3.7 billion as at 31 December 2023. The decrease was primarily attributable to a decrease in time deposits and Islamic deposits, partially offset by an increase in sight deposits. Deposits from other financial institutions remained flat at KD 3.7 billion as at each of 31 December 2023 and 31 December 2022.

11. The following information updates the information in the section titled "Liquidity, Funding and Capital" which commences on page 142 of the Base Prospectus):

Liquidity

The following table shows the composition of the Group's liquid assets as at 31 March 2024 and 2023 and as at 31 December 2023.

	As at 31 March 2024		As at 31 December 2023	
	(KD thousands, except percentage contribution columns)			
Cash and short term funds	4,271,244	32.9%	4,384,700	34.8%
CBK Bonds	859,682	6.6%	856,815	6.8%
Kuwait Government treasury bonds	192,764	1.5%	194,111	1.5%
Deposits with banks	1,918,465	14.8%	1,318,121	10.5%
Investment securities(1)	5,752,710	44.3%	5,830,561	46.3%
Total liquid assets	**12,994,865**	**100.0%**	**12,584,308**	**100.0%**

(1) Excludes investment securities held at amortised cost.

Capital expenditure

As at 31 March 2024, the Group had commitments in respect of capital expenditure amounting to KD 92 million.

Funding

The Group's customer deposits were KD 22.3 billion, or 66.4 per cent. of its total liabilities, as at 31 March 2024. Kuwaiti Government and quasi-governmental deposits ranged from a high of 17 per cent. in March 2024 to a low of 10 per cent. in June 2022 of the Group's total funding in the period between 1 January 2021 and 31 March 2024.

Other borrowed funds in the form of global medium term notes, global medium term Sukuk, subordinated Tier 2 bonds and medium term borrowings from banks and financial institutions at 31 March 2024 were KD 306 million, KD 376 million, KD 242 million and KD 313 million, respectively. Short-term certificates of deposit issued by the Group and outstanding as at 31 March 2024 were KD 1,644 million.

Perpetual Tier 1 securities of KD 211 million (U.S.$700 million) issued in 2021 and KD 228 million (U.S.$750 million) issued in 2019 form part of the Group's equity funding.

The table below shows the Group's funding in the form of customer deposits, due to banks, deposits from financial institutions, certificates of deposit issued and other borrowed funds as at 31 March 2024 and as at 31 December 2023.

	As at 31 March 2024		**As at 31 December 2023**	
	(KD thousands, except percentage contribution column)			
Customer deposits	22,271,091	68.7%	21,948,957	69.0%
Due to banks	4,181,296	12.9%	3,963,802	12.5%
Deposits from other financial institutions	3,068,456	9.5%	3,725,629	11.7%
Certificates of deposit issued	1,643,823	5.1%	822,899	2.6%
Other borrowed funds	1,237,072	3.8%	1,331,006	4.2%
Total funding	**32,401,738**	**100.0%**	**31,792,293**	**100.0%**

As at 31 March 2024, the Group's customer deposits accounted for 68.7 per cent. of its total funding.

The table below shows the maturity profile of the Group's total funding as at 31 March 2024 and as at 31 December 2023. This analysis is based on contractual cash flows and maturity data.

	Up to 3 months	**3 to 12 months**	**Over 1 year**	**Total**
	(KD thousands)			
As at 31 March 2024				
Due to banks	3,244,904	924,713	11,679	4,181,296
Deposits from other financial institutions	2,307,868	740,224	20,364	3,068,456
Customer deposits	16,033,218	5,562,610	675,263	22,271,091
Certificates of deposit issued	1,452,205	191,618	-	1,643,823
Other borrowed funds	-	-	1,237,072	1,237,072
Total	**23,038,195**	**7,419,165**	**1,944,378**	**32,401,738**
As at 31 December 2023				
Due to banks	3,223,281	728,464	12,057	3,963,802
Deposits from other financial institutions	2,543,653	1,167,902	14,074	3,725,629
Customer deposits	15,776,574	5,493,783	678,600	21,948,957
Certificates of deposit issued	637,710	185,189	-	822,899
Other borrowed funds	-	153,690	1,177,316	1,331,006
Total	**22,181,218**	**7,729,028**	**1,882,047**	**31,792,293**

12. **The following information updates the information in the section titled "Capital Adequacy" (which commences on page 144 of the Base Prospectus)**:

The table below sets out the Group's minimum capital requirements and associated levels of regulatory capital expressed as a percentage of risk-weighted assets as at the dates indicated.

Minimum Capital Requirement	**Common Equity Tier 1**	**Tier 1**	**Total**
31 March 2024	11.50%	13.00%	15.00%
31 December 2023	11.50%	13.00%	15.00%

As at the date of this Base Prospectus and for each of the three months ended 31 March 2024 and the year ended 31 December 2023, the countercyclical capital buffer, ranging from 0 per cent. to 2.5 per cent., was not required in the minimum capital requirements and the CBK has not indicated when the countercyclical capital buffer may be required.

The table below shows the composition of the Group's regulatory capital and its capital ratios as at 31 March 2024 and as at 31 December 2023 (determined in accordance with Basel III as implemented in Kuwait).

	As at 31 March 2024	**As at 31 December 2023**
	(KD thousands, except percentages)	
Risk-weighted assets:		
Credit risk-weighted assets	23,970,077	24,162,320
Operational risk-weighted assets	1,882,956	1,882,956
Market risk-weighted assets	440,803	424,389
Total risk-weighted assets(1)	**26,293,836**	**26,469,664**
Capital required(2)	3,944,075	3,970,540
Capital available		
Common Equity Tier 1 capital(3)	3,397,996	3,442,577
Additional Tier 1 capital(4)	531,812	531,776
Tier 1 capital(5)	**3,929,808**	**3,974,353**
Tier 2 capital(6)	595,754	597,889
Total capital	**4,525,561**	**4,572,242**
Common Equity Tier 1 capital adequacy ratio(7)(8)	12.9%	13.0%
Tier 1 capital adequacy ratio(7)(9)	14.9%	15.0%
Total capital adequacy ratio(7)(10)	17.2%	17.3%

Notes:

(1) Risk-weighted assets are calculated under the standardised approach.

(2) Capital required comprises the minimum total capital requirement of 15 per cent. for both 31 March 2024 and 31 December 2022.

(3) Common Equity Tier 1 capital comprises share capital, share premium, eligible reserves, retained earnings and eligible non-controlling interests net of regulatory adjustments.

(4) Additional Tier 1 capital comprises Perpetual Tier 1 Capital Securities classified as equity and certain additional eligible portion of non-controlling interests.

(5) Tier 1 capital comprises Common Equity Tier 1 capital and Additional Tier 1 capital which includes eligible portions of non-controlling interests.

(6) Tier 2 capital comprises Subordinated Tier 2 Bonds classified as debt, the allowed portions of general provisions and certain additional eligible non-controlling interests.

(7) Calculated in accordance with the requirements of the CBK and the capital adequacy regulations issued by the CBK as stipulated in CBK Circular number 2/RB, RBA/A336/2014 dated 24 June 2014.

(8) Common Equity Tier 1 capital adequacy ratio is defined as Common Equity Tier 1 capital divided by risk-weighted assets at a given date.

(9) Tier 1 capital adequacy ratio is defined as Tier 1 capital resources divided by risk-weighted assets at a given date.

(10) Total capital adequacy ratio is defined as total capital resources divided by risk-weighted assets at a given date.

The Group's financial leverage ratio was 9.4 per cent. as at 31 March 2024 and 9.7 per cent. as at 31 December 2023.

13. **The following information updates the information in the section titled "Commitments and Contingent Liabilities" (which appears on page 147 of the Base Prospectus)**:

The table below shows the Group's commitments and contingent liabilities as at 31 March 2024 and as at 31 December 2023.

	As at 31 March 2024	**As at 31 December 2023**
	(KD thousands)	
Guarantees	1,343,407	1,327,508
Irrevocable commitments to extend credit	4,049,904	4,035,345
Letters of credit	483,376	391,486
Acceptances	115,454	189,080
	5,992,141	**5,943,419**

The table below shows the liquidity profile of Group's other credit-related and commercial commitments and reflects the cash flows including future interest payments over the life of these financial liabilities based on contractual repayment arrangements as at 31 December 2023.

	Up to 3 months	**3 to 12 months**	**Over 1 year**	**Total**
		(KD thousands)		
As at 31 December 2023				
Contingent liabilities	1,364,374	1,885,643	1,365,894	4,615,911
Irrevocable commitments	274,707	313,361	739,440	1,327,508
Total	**1,639,081**	**2,199,004**	**2,105,334**	**5,943,419**

In addition to the foregoing, the Group had commitments in respect of capital expenditure amounting to KD 86 million as at 31 December 2023.

14. **The following information updates the information in the section titled "Cash Flows" (which commences on page 148 of the Base Prospectus)**:

The following tables show certain information about the consolidated cash flows of the Group for the periods indicated.

	Three months ended 31 March	
	2024	2023
	(KD thousands)	
Net cash from operating activities	133,669	12,503
Net cash used in investing activities	(147,962)	(349,242)
Net cash (used in)/from financing activities	(99,163)	121,544
Decrease in cash and short term funds	(113,456)	(215,195)
Cash and short term funds at the beginning of the period	4,384,700	5,323,452
Cash and short term funds at the end of the period	4,271,244	5,108,257

	Year ended 31 December
	2023
	(KD thousands)
Net cash from operating activities	530,981
Net cash used in investing activities	(1,254,007)
Net cash used in financing activities	(215,726)
Decrease in cash and short term funds	(938,752)
Cash and short term funds at the beginning of the year	5,323,452
Cash and short term funds at the end of the year	4,384,700

Net cash from operating activities

Net cash from operations for the three months ending 31 March 2024 was KD 134 million compared to KD 13 million for the corresponding period in 2023. The principal contributors to net cash from operating activities were operating profit and changes in operating assets and liabilities.

Net cash from operations for 2023 was KD 531 million compared to KD 1,822 million in 2022. The principal contributors to net cash from operating activities were operating profit and changes in operating assets and liabilities.

Net cash used in investing activities

Net cash used in investing activities for the three months ending 31 March 2024 was KD 148 million compared to KD 349 million for the corresponding period in 2023. The principal investment activities in each period were purchases and sales or redemptions of investment securities. The decrease in net cash used in investment activities was mainly due to lower net purchases of investment securities.

Net cash used in investing activities for 2023 was KD 1,254 million compared to KD 1,309 million in 2022. The principal investment activities in each period were purchases and sales or redemptions of investment securities.

Net cash used in or from financing activities

Net cash used in financing activities for the three months ending 31 March 2024 was KD 99 million compared to net cash from financing activities of KD 122 million for the corresponding period in 2023. In the three months ended 31 March 2024, the principal cash outflow was the net movement in other borrowed funds. In the three months ended 31 March 2023, the principal cash inflow was the net movement in other borrowed funds.

Net cash used in financing activities for 2023 was KD 216 million compared to KD 272 million in 2021. In 2023, the principal cash outflows related to dividends paid and the principal cash inflows related to net movement in other borrowed funds.

15. **The fourth paragraph under the heading "Related Party Transactions" (which appears on page 149 of the Base Prospectus) shall be deemed to be updated with the following**:

Further information on the Group's related party transactions is set out in note 13 to the Interim Financial Statements, note 27 to the 2023 Financial Statements and note 27 to the 2022 Financial Statements.

16. **The last sentence in the second paragraph under the heading "Credit risk" (which commences on page 149 of the Base Prospectus) shall be deemed to be updated with the following**:

The 20 largest loans, advances and Islamic financing to customers outstanding as a percentage of gross loans, advances and Islamic financing to customers as at 31 March 2024 was 14 per cent.

17. **The last two paragraphs under the heading "Analysis of credit quality" (which commences on page 150 of the Base Prospectus) shall be deemed to be updated with the following**:

The following table shows the Group's past due and impaired loans, advances and Islamic financings portfolio by category based on their delinquency as at 31 December 2023.

	Corporate		**Retail**		**Total**	
	Past due and not impaired	**Impaired**	**Past due and not impaired**	**Impaired**	**Past due and not impaired**	**Impaired**
			(KD thousands)			
Up to 30 days........	13,145	7,773	39,738	746	52,883	8,519
31-60 days........	8,477	-	22,172	120	30,649	120
61-90 days........	3,112	-	6,148	89	9,260	89
91-180 days........	-	26,525	-	27,681	-	54,206
More than 180 days........	-	147,442	-	108,010	-	255,452
	24,734	**181,740**	**68,058**	**136,646**	**92,792**	**318,316**

The Group's impaired loans, advances and Islamic financings as a percentage of total gross loans, advances and Islamic financings was 1.38 per cent. as at 31 December 2023 compared to 1.42 per cent. as at 31 December 2022 and 1.04 per cent. as at 31 December 2021.

18. **The last two paragraphs under the heading " Interest rate risk" (which commences on page 151 of the Base Prospectus) shall be deemed to be updated with the following**:

Based on the Group's financial assets and financial liabilities held at the year end, an assumed 25 basis points increase in interest rate, with all other variables held constant, would impact the Group's profit and equity as follows:

		2023		**2022**		**2021**	
Currency	**Movement in basis points**	**Effect on profit**	**Effect on equity**	**Effect on profit**	**Effect on equity**	**Effect on profit**	**Effect on equity**
				(KD thousands)			
KWD	+25	8,525	-	9,138	-	9,290	-

Currency	Movement in basis points	2023 Effect on profit	2023 Effect on equity	2022 Effect on profit	2022 Effect on equity	2021 Effect on profit	2021 Effect on equity
				(KD thousands)			
USD.........	+25	5,548	-	5,579	-	4,343	-
EUR.........	+25	305	-	463	-	256	-
GBP	+25	788	-	621	-	857	-
EGP	+25	366	(180)	169	(402)	128	(1,085)

For further information regarding the Group's interest rate risk, including its interest sensitivity position, see note 28 to the 2023 Financial Statements and note 28 to the 2022 Financial Statements and "*Risk Management—Principal Risks—Market Risk—Interest rate risk*".

19. **The last paragraph under the heading "Derivative Financial Instruments" (which commences on page 152 of the Base Prospectus) shall be deemed to be updated with the following**:

The fair values of the Group's derivative financial instruments as at 31 March 2024 and as at 31 December in each of 2023, 2022 and 2021 are set out in note 12 to the Interim Financial Statements, note 26 to the 2023 Financial Statements and note 26 to the 2022 Financial Statements.

20. **The last sentence in each paragraph under the heading "Critical Accounting Policies" (which appears on page 153 of the Base Prospectus) shall be deemed to be updated with the following**:

Last sentence in first paragraph

For a discussion of the material accounting policies applied by the Group generally, see note 2 to the 2023 Financial Statements.

Last sentence in second paragraph

For a discussion of the most significant accounting judgments and estimates made in the preparation of the Group's financial statements, see note 2.36 to the 2023 Financial Statements.

AMENDMENTS TO DESCRIPTION OF THE GROUP

1. **The second to fifth paragraphs under the heading "Overview" (which commences on page 154 of the Base Prospectus) shall be deemed to be updated with the following**:

As at 31 March 2024, and based on the Interim Financial Statements and the publicly available interim financial statements of the Group's main domestic competitors for the same period, the Group was the largest conventional bank in Kuwait in terms of: (i) total assets; (ii) total loans (which, in the Group's case, also includes Islamic financing to customers); and (iii) total customer deposits. As at 31 March 2024, the Group's equity attributable to shareholders of the Bank was KD 3,788 million.

The Group's core businesses are consumer banking, corporate banking, Islamic banking (offered through its majority-owned subsidiary, Boubyan Bank) and private banking and asset management services offered to institutional investors through NBK Wealth. The Group is a regional banking group, focused on offering its products and services in Kuwait and other countries within the MENA region, including Bahrain, Egypt, Iraq, Lebanon, Saudi Arabia and the United Arab Emirates, in each of which it has a presence through a subsidiary or branches.

The Bank offers its clients a wide range of banking and financial services through one of the largest branch networks in Kuwait, which, as at 31 March 2024, comprised 72 branches, a network of more than 450 automated teller machines and customer deposit machines (together referred to as "**ATMs**") and over 21,160 point-of-sale ("**POS**") terminals (all of which are near field communication ("**NFC**") enabled devices), tele-banking, internet banking and mobile banking. As at 31 March 2024, the Group served around 3,000 corporate customers in its domestic Kuwait market.

The Group currently operates through six financial reporting segments:

- ***Consumer Banking***: the consumer banking segment provides a diversified range of products and services to individuals, including consumer loans, credit cards, deposits, foreign exchange and other branch-related services. In 2023, KD 238 million, or 20.4 per cent., of the Group's net operating income was attributable to the consumer banking segment compared to KD 242 million, or 24.0 per cent., in 2022;

- ***Corporate Banking***: corporate banking provides a comprehensive product and service offering to business and corporate customers, including lending, deposit-taking, trade finance, foreign exchange and advisory services. In 2023, KD 163 million, or 14.0 per cent., of the Group's net operating income was attributable to the corporate banking segment compared to KD 145 million, or 14.4 per cent., in 2022;

- ***NBK Wealth***: NBK Wealth provides wealth management, portfolio and fund management, custody and brokerage services through its asset management department and customised banking services to high net worth individuals through its private banking department. In 2023, KD 112 million, or 9.6 per cent., of the Group's net operating income was attributable to the NBK wealth reporting segment compared to KD 94 million, or 9.3 per cent., in 2022;

- ***Islamic Banking***: the Group's Islamic banking reporting segment represents the financial results of Boubyan Bank, the Group's Islamic banking subsidiary. In 2023, KD 224 million, or 19.2 per cent., of the Group's net operating income was attributable to the Islamic banking reporting segment compared to KD 208 million, or 20.6 per cent., in 2022;

- ***Group centre***: the group centre reporting segment includes treasury, investments and other defined Group activities. The treasury department provides treasury services to its clients and is also responsible for the Bank's liquidity and market risk management. The group centre reporting segment also includes any residual in respect of transfer pricing and inter-segment allocations. In 2023, KD 152 million, or 13.0 per cent., of the Group's net operating income was attributable to the Group centre reporting segment compared to KD 73 million, or 7.2 per cent., in 2022; and

- ***International Banking***: the international banking reporting segment provides a broad range of products and services including lending, deposits and trade finance to corporate and individual customers at Group’s overseas locations. In 2023, KD 277 million, or 23.7 per cent., of the Group's net operating income was attributable to the international banking segment compared to KD 248 million, or 24.6 per cent., in 2022.

2. **The first paragraph under the heading "Largest conventional banking group in Kuwait with a dominant market position" (which appears on page 155 of the Base Prospectus) shall be deemed to be updated with the following**:

As at 31 March 2024 the Group had total assets of KD 38,328 million, total loans, advances and Islamic financing to customers of KD 22,389 million and total customer deposits of KD 22,271 million, and as at the same date it was the largest conventional banking group in Kuwait on all three metrics. The Group is also one of the leading banks in Kuwait with a broad portfolio of consumer and corporate products, an extensive distribution network and well-established relationships with its client base. With around 3,000 corporate customers as at 31 March 2024, the Group has one of the largest customer bases in

Kuwait and the Group believes that, as at 31 March 2024, it had a 34.9 per cent. market share in Kuwait's consolidated banking assets. The Group also maintains one of the largest distribution networks in Kuwait. This distribution network offers significant opportunities to attract additional clients and expand the Group's range of products and services to existing clients. As at 31 March 2024, the distribution network in Kuwait comprised 72 branches, more than 450 ATMs and over 21,160 POS terminals, in addition to tele-banking, internet banking and mobile banking platforms.

3. **The last sentence of the first paragraph and the last paragraph under the heading "Only banking group in Kuwait to provide both conventional and Islamic banking" (which commences on page 155 of the Base Prospectus) shall be deemed to be updated with the following**:

Last sentence of first paragraph

In 2023, the Group generated net income from Islamic financing of KD 181 million compared to KD 172 million in 2022.

Last paragraph

As at 31 March 2024, Boubyan Bank had made available KD 6,464 million of Islamic financing to customers and had accepted KD 6,846 million in customer deposits across its 49 branches.

4. **The first paragraph under the heading "A strong regional and international network" (which appears on page 156 of the Base Prospectus) shall be deemed to be updated with the following**:

Within the MENA region, the Group's subsidiary, National Bank of Kuwait – Egypt S.A.E., operates 54 branches in Egypt while the Group's subsidiaries in Iraq (Credit Bank of Iraq S.A.) and Lebanon (National Bank of Kuwait (Lebanon) S.A.L.) operate networks of three and two branches, respectively. The Bank itself has two branches in Bahrain, three in Saudi Arabia and two in the United Arab Emirates. In addition, Boubyan Bank has an investment of 21.7 per cent. in United Capital Bank, Sudan. In May 2022, the Bank sold its business in Jordan to Arab Jordan Investment Bank and the business ceased to be part of the Group on 25 May 2022. In addition, the Bank is considering selling its operations in Iraq and Lebanon. Internationally, the Group has subsidiaries incorporated in the United Kingdom (National Bank of Kuwait (International) plc), France (National Bank of Kuwait France S.A.) and Switzerland (NBK Banque Privée (Suisse) S.A.) and branches in New York, Singapore and Shanghai.

5. **The section titled "Strong asset management and investment banking capability" (which appears on page 156 of the Base Prospectus) shall be deemed to be updated with the following:**

Strong wealth management capability

The Group conducts its asset management business through its subsidiary, NBK Capital. In addition, brokerage services are conducted through the Group's brokerage subsidiary, Watani Financial Brokerage Co. K.S.C., and asset management activities are undertaken in Saudi Arabia through Watani Wealth Management Company, a subsidiary incorporated in 2018. The Group believes that each business unit within the NBK Wealth reporting segment has unique strengths that are specific to that segment. The asset management team benefits from the Group's strong distribution network and its own strong track record. The brokerage team provides professional execution to its clients. The team's strong fundraising capabilities differentiate it from other similar teams in Kuwait.

6. **The last two sentences of the first paragraph, the third paragraph and the last paragraph under the heading "Strong capital base and liquidity" (which appears on page 157 of the Base Prospectus) shall be deemed to be updated with the following**:

Last two sentences of first paragraph

In light of the COVID-19 pandemic, the CBK lowered these minimum requirements to 12.5 per cent., 10.5 per cent. and 9.0 per cent., respectively, from 1 April 2020 to 31 December 2021, which were subsequently increased to 13.5 per cent., 11.5 per cent. and 10.0 per cent., respectively, as of 1 January 2022. The Group's financial leverage ratio was 9.7 per cent. as at 31 December 2023 compared to the required minimum level of 3 per cent.

Third paragraph

As at 31 March 2024, the Group had a total capital adequacy ratio of 17.2 per cent., a Tier 1 capital adequacy ratio of 14.9 per cent. and a Common Equity Tier 1 capital adequacy ratio of 12.9 per cent. calculated in accordance with Basel III methodology as adopted by the CBK.

Last paragraph

The Group has maintained a strong liquidity position with an LCR of between 140 per cent. and 186 per cent., since 1 January 2017. The Group believes its adherence to the LCR criteria will ensure it is well-equipped to absorb any unanticipated systemic shocks to the Kuwaiti or MENA economies or banking sectors. The Group has also maintained an NSFR ratio in the range of 108 per cent. to 119 per cent. indicating strong funding stability. See "*Risk Factors—Factors that may Affect the Bank's Ability to Fulfil its Obligations in Respect of Notes Issued under the Programme—Liquidity risks—The Group's cash flow from its operations may not be sufficient at all times to meet its contractual and contingent payment obligations*". As at 31 March 2024, the Group held a portfolio of HQLAs valued at KD 7,970 million and had a three months average LCR ratio of 167.6 per cent., while the NSFR ratio was 109.3 per cent. As at 31 March 2024, the Group had cash and short term funds of KD 4,271 million.

7. **The last sentence of the first paragraph and the remaining information under the heading "Sound and consistent financial performance" (which commences on page 157 of the Base Prospectus) shall be deemed to be updated with the following**:

In 2023, the Group's profit for the year attributable to shareholders of the Bank was KD 561 million. Additionally, its total assets grew by 29.0 per cent. from 1 January 2021 to 31 March 2024.

As at 31 March 2024, the Group's impaired loans ratio (defined as impaired loans as a percentage of total gross loans) was 1.51 per cent. compared to 1.38 per cent. as at 31 December 2023, 1.42 per cent. as at 31 December 2022 and 1.04 per cent. as at 31 December 2021. As at 31 March 2024, the Group had KD 351 million of impaired loans and carried loan loss reserves of KD 871 million to cover potential loan losses. As at 31 December 2023, the Group had KD 318 million of impaired loans and carried loan loss reserves of KD 863 million to cover potential loan losses. As at 31 December 2022, the Group had KD 310 million of impaired loans and carried loan loss reserves of KD 828 million to cover potential loan losses. As at 31 December 2021, the Group had KD 211 million of impaired loans and carried loan loss reserves of KD 634 million to cover potential loan losses.

8. **The paragraph under the heading "High credit ratings and among the top brands regionally" (which appears on page 158 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group has some of the highest credit ratings in the MENA region and internationally, with ratings of "A1" with a stable outlook from Moody's, "A" with a stable outlook from Standard and Poor's and "A+" with a stable outlook from Fitch. The Bank was recognised as the Best Bank in Kuwait by Global Finance in 2024 and was named as the most valuable banking brand in Kuwait in 2023 and among the top 10 most valuable banking brands in the Middle East by Brand Finance, with a brand value of U.S.$1.4 billion.

9. **Under the heading "Building a digital future" (which appears on page 158 of the Base Prospectus), (i) the following new sentences shall be added at the end of fourth and sixth paragraphs and (ii) the third sentence of the last paragraph shall be deemed to be updated with the following:**

Fourth paragraph

Leveraging the agile framework, "Weyay" is evolving at a fast pace introducing new products and services. In January 2024, the Bank also launched Weyay-Jeel to equip children between eight to 14 years old with financial knowledge through hands-on experience with a child-friendly app.

Sixth paragraph

In September 2023, the Bank launched the first wave of its new NBK tech academy, which focuses on digital and data technologies in preparing and qualifying young Kuwaiti talents to join the banking sector.

Last paragraph

Actions are being executed across three streams: customer-facing initiatives, internal initiatives to transform processes and digital culture and execution capacity.

10. **Under the heading "Defend and grow leadership position in Kuwait" (which commences on page 158 of the Base Prospectus), the following changes shall be deemed to be made:**

First paragraph

The last sentence shall be deemed to be updated with the following:

Within its core domestic product groups of corporate banking, consumer banking and wealth management, the Group intends to implement this strategy as follows:

Under the heading "Corporate Banking"

The third bullet shall be deemed to be updated with the following:

- maintaining its current market share in trade finance.

Under the heading "Consumer Banking"

The second paragraph shall be deemed to be updated with the following:

The Group intends to expand its consumer banking customer base by focusing on select consumer segments such as the affluent and mass affluent segments, in addition to younger clients and the expatriate segment, and by attracting new clients.

The section headed "Private Banking"

This section shall be deemed to be updated with the following:

Within the wealth management business in Kuwait, the Group's aims include:

- servicing clients in a holistic and client-centric manner by developing a deep understanding of their needs (beyond financial) and offering holistic solutions that meet their ever-changing requirements;

- effective relationship management through continuous client interaction across all locations and client segments to develop a deep understanding of clients' holistic needs; and

- availing clients with innovative solutions including:

  - *Tailor-made advisory*: client-specific and tailor-made wealth, portfolio investment, real estate planning, and advisory services, including using holistic multi-asset strategies.

  - *Open architecture product platform*: providing access to a unique platform covering a wide array of investment vehicles across liquid and illiquid solutions, developed in-house or through partnerships with renowned global providers.

  - *Global booking centre footprints*: expanded booking centres with the optionality of a relationship management coverage model at the choice of the clients.

  - *Unique banking services*: differentiated propositions to high net worth individuals for core banking products such as loans, deposits and credit cards.

11. **Under the heading "Geographic and product service diversification" (which commences on page 160 of the Base Prospectus), the following changes shall be deemed to be made:**

First paragraph

The first paragraph shall be deemed to be updated with the following:

The Group's geographic and product and service diversification strategy involves expanding its regional presence, strengthening its Islamic banking franchise and building a leading asset management capability in the region.

Under the heading "Strengthening its Islamic banking franchise"

The second, third and fourth sentences of the first paragraph shall be deemed to be updated with the following:

The Group's current stake in Boubyan Bank is 60.4 per cent. Boubyan Bank had an estimated market share of total banking sector assets and customer deposits in Kuwait of 7.7 per cent. and 10.2 per cent., respectively, as at 31 December 2023 (according to the consolidated financial statements of Boubyan Bank as at that date). Further, on 27 January 2020, the Group, through Boubyan Bank, increased its ownership in BLME from 27.91 per cent. to 72.10 per cent.

Under the heading "Building a regional leader in asset management and investment banking"

This section shall be deemed to be updated with the following:

Building a leading asset management capability

The Group's strategy in relation to its asset management business is to build a leading asset management capability servicing both existing Group clients and acquiring new clients. NBK Wealth intends to focus on increasing its assets under management by (i) broadening its suite of products to offer fixed-income and equity products across the MENA region, in addition to structured leasing and real estate products on an international basis, to meet market demand and (ii) investing in technology and human resources to complement its existing product base.

12. **The first three paragraphs under the heading "Capital Structure and Shareholders" (which appears on page 162 of the Base Prospectus) shall be deemed to be updated with the following**:

The Bank has been listed on the Boursa Kuwait since 29 September 1984. As at 31 March 2024, the Group had only one shareholder which had direct and indirect holdings in excess of 5 per cent. of its issued share capital (being The Public Institution for Social Security, which had a 6.00 per cent. holding in the Group as at 31 March 2024).

The Bank's total market capitalisation as at 31 March 2024 was KD 7.5 billion. As at 31 March 2024, the Bank's authorised share capital comprised 10 billion shares of KD 0.1 each, giving it an authorised share capital of KD 1,000 million.

The issued and fully paid up share capital of the Bank as at 31 March 2024 comprised 7,929,945,620 shares of KD 0.1 each, giving it an issued and fully paid up share capital of KD 793 million. On 18 April 2024, the Bank paid a dividend in shares equal to 5 per cent. of its issued share capital, increasing its issued and fully paid up share capital to KD 833 million.

13. **Under the heading "Subsidiaries" (which appears on page 162 of the Base Prospectus) references to the dates "30 June 2023" should be read as "31 December 2023". In addition, the last row of the table shall be deemed to be updated with the following:**

Name	Country of Incorporation	Primary Business	Holding (%)
Bank of London and the Middle East (held through Boubyan Bank K.S.C.P.)	United Kingdom	Islamic Banking	72.1

14. **The Group's private banking business has ceased to be part of its consumer banking reporting segment and is now part of the NBK Wealth reporting segment. Accordingly, the section titled "Private banking" (which appears on page 163 of the Base Prospectus) is no longer relevant to the consumer banking business.**

15. **The information under the heading "Distribution channels" (which commences on page 163 of the Base Prospectus) should be read in light of changes made to earlier sections under "Description of the Group" (including the sections titled "Overview" (which commences on page 153 of the Base Prospectus) and "Largest banking group in Kuwait with a dominant market position" (which appears on page 155 of the Base Prospectus)) and is supplemented by the following information**:

As at 31 March 2024, the Bank had one of the largest branch networks in Kuwait, with 72 branches across the country, and a large ATM network, with more than 450 ATMs, three mobile ATMs and 21,160 POS terminals.

In the three months ended 31 March 2024, the Group's call centre handled approximately 524,000 calls.

The Group commenced offering online banking to its consumer banking customers in 1998 and, as at 31 March 2024, had more than 746,000 registered online banking customers with approximately 370,000 million financial transactions executed in the three months ended 31 March 2024.

The Group had more than 644,000 registered mobile banking subscribers as at 31 March 2024 with more than 8.1 million financial transactions executed in the three months ended 31 March 2024.

The 'Tap and Pay' system allows customers to make payments of up to KD 25 at over 21,161 NFC point-of-sale terminals throughout Kuwait.

16. **The penultimate bullet under the heading "Distribution channels" (which commences on page 163 of the Base Prospectus) is also no longer relevant to the consumer banking business.**

17. **The first bullet and the second paragraph in the second bullet under the heading "Products and services" (which commences on page 164 of the Base Prospectus) shall be deemed to be updated with the following:**

First bullet

- *Deposits*: The Group has a complete range of deposit products, including a broad selection of accounts for customers' everyday banking needs, such as current, trust, express and call accounts. The Group also offers a selection of interest-bearing deposits, such as savings accounts, super accounts and notice accounts. For customers who would like to have higher interest on their savings, the Group offers term deposits, flexible term deposits for receiving regular interest, and partial withdrawal term deposits where customers may withdraw up to 10 per cent. of the deposit annually. In addition, the Group offers a draw account, named Al-Jawhara Account, which is non-interest bearing and features weekly, monthly, and three grand prize draws each year allowing customers to win cash prizes with a total of KD 5 million annually. Furthermore, Al-Jawhara Account holders below the age of 21 are automatically enrolled into the Al-Jawhara Junior draw with monthly cash prizes. The Group's new Al-Jawhara Saver Account was introduced in 2024. It is an interest-bearing account which offers customers a guaranteed interest rate for the first year and a chance to enter monthly and grand prize draws when saving KD 5,000 and above. The Group also plans to launch a long-term fixed savings deposit account offering customers up to 4 per cent. interest as well as a new E-Saver account, which is a digital only goal-based saving account with gamification to encourage savings behaviour. For an analysis of the Group's customer deposits, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Financial Position*".

Second paragraph of second bullet

- The Group uses local and international merchant relationships, promotions, a credit card reward programme and other incentives in order to increase card usage and expenditure levels and to increase customer loyalty and retention. The Bank was the first bank in Kuwait to launch an automatic reward redemption programme based on card usage through POS terminals without the need of vouchers. Its rewards programme is the largest merchant-based rewards programme in Kuwait and enables cardholders to earn and redeem rewards at over 900 outlets in Kuwait which catered to a variety of lifestyle needs as at 31 March 2024. The Bank recently launched a new prepaid card "247 Cashback Visa Platinum Prepaid Card" with cashback up to 24 per cent. and also partnered with Qatar Airways and British Airways to launch NBK Avios Visa Signature Prepaid Card, which allows customers to collect Avios, the rewards currency for Qatar Airways Privilege Club and British Airways Executive Club, on their everyday payments. Both 247 Cashback Visa Platinum Prepaid Card and NBK Avios Visa Signature Card can be opened through NBK's mobile banking app, and customers can use the cards immediately after enrolling them in the digital wallet. NBK also offers other cards which provide KD 1,000 cashback every month and cards which provide points towards Kuwait Airways and other airline miles programmes.

18. **The last sentence in the second paragraph under the heading "Corporate banking reporting segment" (which commences on page 165 of the Base Prospectus) shall be deemed to be updated with the following**:

As at 31 March 2023, the Group had more than 3,970 active corporate online banking accounts.

19. **The Group no longer carries on an investment banking business and the section titled "Investment banking and asset management reporting segment" (which appears on page 167 of the Base Prospectus) shall be deemed to be updated with the following**:

NBK Wealth

The Group has offered wealth management services to its clients since 1982. These services are customised to fit each client's risk tolerance and financial needs which are assessed by relationship managers on a quarterly basis. The Group's services include fixed-income and money-market products, wealth and asset management products, including equities and funds, and offshore services designed to preserve customers' capital without restricting capital growth. Beyond Kuwait, an extensive range of international banking products and services are offered through the Group's international branches and subsidiaries, including NBK Banque Privée (Suisse) S.A. and Al Watani Wealth Management in Saudi Arabia.

The Group aims to establish strong relationships with its personal banking clients based on professional expertise, integrity, confidentiality and trustworthiness. Within the NBK Wealth business, the Group intends to continue to grow at a consistent pace by focusing on key objectives including:

- new client acquisition, with continued emphasis being placed on attracting younger clients through the introduction of digital platforms;
- increasing its "share of wallet" of existing clients and maintaining strong and durable relationships with clients supported by quality service coupled with innovation in products and solutions to meet the changing needs of the Group's clients; and
- building a global private banking offering by leveraging its presence in, amongst other jurisdictions, the UAE, Saudi Arabia, the United Kingdom, Lebanon and Egypt.

In 2023, NBK was awarded "*Best Private Bank for Sustainable Investing- ME*" by Global Finance.

20. **The first paragraph, the last sentence of the third paragraph and the eighth, ninth and tenth paragraphs under the heading "Islamic banking reporting segment" (which commences on page 167 of the Base Prospectus) shall be deemed to be updated with the following:**

First paragraph

The Group's Islamic banking reporting segment comprises the activities of Boubyan Bank, in which the Group has a 60.4 per cent. holding.

Last sentence of the third paragraph

Boubyan Bank offers its clients a wide range of banking and financial services through one of the fastest growing branch networks in Kuwait, comprising 49 branches as at 31 March 2024, a network of more than 295 instant teller machines (ITMs) and ATMs in addition to telebanking, internet banking and mobile banking.

Eighth, ninth and tenth paragraphs

As at 31 March 2024, Boubyan Bank's total assets (on an unconsolidated basis) were KD 8,673 million and its equity attributable to shareholders of the bank was KD 848 million.

Boubyan Bank's customer financing portfolio was KD 6,464 million as at 31 March 2024 and its aggregate customer deposits and deposits from banks and financial institutions were KD 7,002 million as at the same date. In the three months ended 31 March 2024, Boubyan Bank's net profit attributable to shareholders of the bank was KD 25 million. In 2023, Boubyan Bank's net profit attributable to shareholders of the bank was KD 80 million. In 2022, Boubyan Bank's net profit attributable to shareholders of the bank was KD 58 million and in 2021, Boubyan Bank's net profit attributable to shareholders of the bank was KD 48 million.

In 2024, Boubyan Bank received several international and regional awards in addition to being recognised by many global institutions that are renowned for their fairness and strength, including being named "Best Islamic Bank in Service Level - Kuwait" for the fourteenth consecutive year by Service Hero and being named "Best Islamic Bank in Kuwait" by Global Finance for the eighth consecutive year.

21. **The second to sixth paragraphs under the heading "Treasury" (which commences on page 168 of the Base Prospectus) shall be deemed to be updated with the following:**

Group Treasury manages the Group's assets and liabilities and liquidity requirements under the supervision of the Group Assets and Liabilities Executive Committee ("**ALEC**"), which meets on a periodic basis to monitor and review all aspects of the Group's liquidity profile, asset and liability structure and internal and statutory ratio requirements. Local level cash-flow requirements, liquidity ratios as well as foreign exchange activities in each of the Group's locations are managed by the respective treasury of that location, under the supervision of Group Treasury.

In addition, Group Treasury:

- manages the money market books and money market funding positions for the Group's own account to fund its domestic and international foreign-currency assets;
- undertakes a wide range of foreign exchange business, across both spot and forward markets, largely on behalf of the Group's customer base, and conducts proprietary foreign exchange trading within the constraints of what the Group considers to be prudent risk guidelines; and
- maintains a portfolio of liquid assets, including Kuwaiti Government Treasury bills and bonds to meet relevant CBK requirements and to manage surplus domestic currency liquidity.

In 2019, Group Treasury completed the development of a new, end-to-end treasury booking system, which become operational in Kuwait in 2021 and provides real-time metrics from across the Group. The system comprises a Group-level Treasury function, and assists the Bank in mitigating and reducing risk, improving efficiencies and expanding revenue streams. Group Treasury expanded its product offerings, including long-term deposits used to improve the Group's funding profile as well as structured deposits and hedging solutions for the Group's clients.

Group Treasury was awarded the *"Best Foreign Exchange Provider in Kuwait"* for 2024 and *"Best Bank for Cash Management in Kuwait"* by Global Finance for 2023.

22. **The first sentence of the first paragraph and the last sentence in the third paragraph under the heading "International reporting segment" (which commences on page 169 of the Base Prospectus) shall be deemed to be updated with the following**:

First sentence of first paragraph

As at 31 March 2024, the Group had a presence in 13 countries across four continents that provide a diversified platform for sustainable growth in the future.

Last sentence of third paragraph

The Group increased its presence in Saudi Arabia in 2019 by opening two additional branches in Riyadh and Khobar with a view to expanding its corporate banking activities and building a retail business and wealth management base in Saudi Arabia.

23. **The first paragraph and the third to sixth paragraphs under the heading "Competition in Kuwait" (which commences on page 170 of the Base Prospectus) shall be deemed to be updated with the following:**

First paragraph

The Group is the largest conventional bank in Kuwait in terms of total assets, customer deposits and customer loans and advances according to the publicly available financial statements of the Group's main domestic competitors as at 31 March 2024 and as at 31 December in each of 2023, 2022 and 2021.

Third to sixth paragraphs

The tables below show rankings for the six largest Kuwaiti banks by consolidated total assets, by consolidated customer deposits and by consolidated customer loans and advances as at 31 March 2024 and as at 31 December in each of 2023, 2022 and 2021.

	As at 31 March	**As at 31 December**		
	2024	**2023**	**2022**	**2021**
			(KD million)	
Ranking by consolidated total assets[(1)]				
The Group	38,328	37,665	36,338	33,257
Kuwait Finance House	37,022	38,010	36,969	21,788
Burgan Bank	7,767	7,426	7,166	7,075
Gulf Bank	7,270	7,175	6,851	6,556
Al Ahli Bank of Kuwait K.S.C.P	6,551	6,289	6,422	5,627
Commercial Bank of Kuwait	4,405	4,176	4,310	4,290

Source: 31 March 2024 interim financial statements and historical annual reports for each bank. CBK statistics for total Kuwaiti conventional commercial banking sector figure.

(1) Total assets are based on consolidated figures and include international assets.

As at 31 March 2024, the Group's consolidated total assets represented 59.6 per cent. of the total consolidated assets of the Kuwaiti conventional commercial banking sector.

	As at 31 March	**As at 31 December**		
	2024	**2023**	**2022**	**2021**
			(KD million)	
Ranking by consolidated customer deposits[(1)]				
The Group	22,271	21,949	20,178	18,281
Kuwait Finance House	20,008	21,813	22,483	15,867
Burgan Bank	5,065	4,463	3,932	4,162
Gulf Bank	4,414	4,219	4,247	4,304
Al Ahli Bank of Kuwait K.S.C.P	3,913	3,831	4,421	3,913
Commercial Bank of Kuwait	2,292	2,200	2,340	2,120

Source: 31 March 2024 interim financial statements and historical annual reports for each bank. CBK statistics for total Kuwaiti conventional commercial banking sector figure.

(1) Customer deposits are based on consolidated figures and include international customer deposits.

As at 31 March 2024, the Group's consolidated customer deposits represented 58.7 per cent. of the total consolidated customer deposits of the Kuwaiti conventional commercial banking sector.

	As at 31 March	As at 31 December		
	2024	**2023**	**2022**	**2021**
			(KD million)	
Ranking by consolidated loans and advances[(1)]				
The Group..	22,389	22,281	20,998	19,722
Kuwait Finance House	18,889	19,425	18,840	11,355
Burgan Bank...	4,322	4,237	4,228	4,279
Gulf Bank	5,384	5,197	5,129	4,837
Al Ahli Bank of Kuwait K.S.C.P..........	4,273	4,258	4,039	3,387
Commercial Bank of Kuwait................	2,615	2,430	2,420	2,278

Source: 31 March 2024 interim financial statements and historical annual reports for each bank. CBK statistics for total Kuwaiti conventional commercial banking sector figure.

(1) Customer loans and advances are based on consolidated figures and include international customer loans and advances. Figures for the Group include Islamic financing.

As at 31 March 2024, the Group's consolidated customer loans, advances and Islamic financing to customers represented approximately 57.4 per cent. of the total consolidated customer loans and advances of the Kuwaiti conventional commercial banking sector.

24. **The heading "Data security" (which commences on page 172 of the Base Prospectus) and the first two paragraphs under it shall be deemed to be updated with the following:**

Disaster Recovery and Data Security

The Group has two active data centres in Kuwait. This set up ensures that all systems are fully operational in line with the Group's business continuity plan, providing essential services to its customers. The systems rely on storage area network-based storage infrastructure which is backed up by tapeless back-up technology. The Group carries out daily and other periodic data back-ups for all the critical systems.

Additionally, the Group provides near real time back-ups of all critical systems and data to an international location (which is in the United Kingdom) in line with the Group's disaster recovery policies.

25. **The last sentence under the heading "Litigation" (which appears on page 173 of the Base Prospectus) shall be deemed to be updated with the following:**

Therefore, no material provision has been made as at 31 March 2024 regarding any outstanding legal proceedings.

26. **The last two paragraphs under the heading** "**Employees**" **(which appears on page 173 of the Base Prospectus) shall be deemed to be updated with the following**:

The Group employed 8,133 full-time staff as at 31 March 2024, compared to 8,049 full-time staff as at 31 December 2023, 7,760 full-time staff as at 31 December 2022 and 7,511 full-time staff as at 31 December 2021.

The Bank is committed to identifying, attracting and developing Kuwaiti nationals in its workforce. The Kuwaiti Government's recommended policy is that, with effect from June 2019, 70 per cent. of a bank's total personnel in Kuwait should consist of Kuwaiti nationals. The Bank's Kuwaitisation level as at 31 March 2024 was 76.7 per cent. (which was compliant with the recommended policy at that date) and it is currently in compliance with all other applicable employment regulations.

AMENDMENTS TO RISK MANAGEMENT

1. **The first sentence of the first paragraph and the fourth bullet point in the fourth paragraph under the heading "Introduction" (which appears on page 174 of the Base Prospectus) shall be deemed to be updated with the following**:

First paragraph

In common with other financial institutions, risk, including credit risk, market risk, liquidity risk and operational and technology risks, is inherent in the Group's activities.

Fourth bullet point

- the Group manages its credit, market, liquidity and operational and technology risks in a co-ordinated manner within the organisation; and

2. **The last sentence in the last paragraph under the heading "Credit risk management strategy" (which appears on page 177 of the Base Prospectus) shall be deemed to be updated with the following**:

All country-limit exposures are subject to periodic review and approval by the Board or the BCC.

3. **The fifth bullet in the third paragraph under the heading "Corporate credit risk management" (which commences on page 177 of the Base Prospectus) shall be deemed to be updated with the following**:

- *Management international credit committee*, which consists of the Chief Credit Officer, the CEO of the International Banking Group and other senior members representing International Banking Group and International Credit Risk Management as appointed from to time by the BRCC and is responsible for reviewing, approving or recommending all credit proposals originating from the Group's international offices except those concerning criticised accounts, which are escalated to the senior international credit committee.

4. **The last three paragraphs under the heading "Portfolio management" (which commences on page 179 of the Base Prospectus) shall be deemed to be updated with the following**:

The table below shows a classification of the Group's customer loan portfolio by credit quality as at 31 December in each of 2023, 2022 and 2021 and has been extracted from note 13 to each of the 2023 Financial Statements and the 2022 Financial Statements.

	Neither past due nor impaired			
	High[(1)]	**Standard**[(2)]	**Impaired**	**Total gross customer loan portfolio**
	(KD thousands)			
31 December 2023	20,020,437	2,805,031	318,386	23,143,854
31 December 2022	19,049,904	2,466,407	310,046	21,826,357
31 December 2021	17,689,493	2,455,348	211,154	20,355,995

(1) Credit exposures classified as "High" quality are those where the default risk from the obligor's failure to discharge its obligation is assessed to be low. These include facilities to corporate entities with financial condition, risk indicators and repayment capacity which are considered to be good to excellent.

(2) Credit exposures classified as "Standard" quality comprise all other facilities whose payment performance is fully compliant with contractual conditions and which are not impaired.

As at 31 December 2023, 31 December 2022 and 31 December 2021, 87.4 per cent., 92.8 per cent. and 92.6 per cent., respectively, of the past due but not impaired category of loans, advances and Islamic financing to customers was 60 days or less past due, with the remaining loans being between 61 and 90 days past due.

Of the aggregate amount of gross past due or impaired loans, advances and Islamic financing to customers, the fair value of collateral that the Group held as at 31 December 2023 was KD 228 million (31 December 2022: KD 211 million and 31 December 2021: KD 182 million).

5. **The seventh paragraph under the heading "Credit risk mitigation strategy" (which appears on page 181 of the Base Prospectus) shall be deemed to be updated with the following**:

For each of the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively, an average of 45 per cent. of the Group's loans, advances and Islamic financing to customers portfolio (excluding consumer loans and net of provisions) were secured by collateral, primarily including cash, shares and real estate collateral.

6. **The second paragraph under the heading "Non-trading market risk in the banking book" (which commences on page 185 of the Base Prospectus) shall be deemed to be updated with the following**:

This analysis of scenarios showed the following impacts in the banking book as at the dates stated:

	+5 bps	**-5 bps**	**+10 bps**	**-10 bps**
		(KD thousands)		
31 December 2023..................................	3,307	(3,307)	6,614	(6,614)
31 December 2022..................................	3,359	(3,359)	6,717	(6,717)
31 December 2021..................................	3,014	(3,014)	6,028	(6,028)

7. **The last paragraph under the heading "Interest rate risk" (which appears on page 186 of the Base Prospectus) shall be deemed to be updated with the following**:

Based on the Group's financial assets and financial liabilities held as at 31 December 2023, 31 December 2022 and 31 December 2021, respectively, an assumed 25 basis points increase in interest rate, with all other variables held constant, would impact the Group's profit and equity as follows:

		2023		**2022**		**2021**	
Currency	**Movement in basis points**	**Effect on Profit**	**Effect on equity**	**Effect on profit**	**Effect on equity**	**Effect on profit**	**Effect on equity**
			(KD thousands)				
KWD	+25	8,525	-	9,138	-	9,290	-
USD	+25	5,548	-	5,579	-	4,343	-
EUR	+25	305	-	463	-	256	-
GBP	+25	788	-	621	-	857	-
EGP	+25	366	(180)	169	(402)	128	(1,085)

8. **The last paragraph under the heading "Foreign exchange risk" (which commences on page 186 of the Base Prospectus) shall be deemed to be updated with the following**:

The table below shows the effect on profit of an assumed 5 per cent. strengthening in value of the currency rate against the Kuwaiti dinar from levels applicable at the year end, with all other variables held constant. A negative amount in the table reflects a potential net reduction in profit, whereas a positive amount reflects a net potential increase.

Currency	**2023**	**2022**	**2021**
		(KD thousands)	
	+5%	+5%	+5%
USD	(393)	(248)	(151)
GBP	(1)	99	(20)
EUR	38	57	213
Other..........................	108	(74)	(97)

9. **The last paragraph under the heading "Equity price risk" (which appears on page 187 of the Base Prospectus) shall be deemed to be updated with the following**:

The table below shows the effect of equity price risk on the Group's profit (as a result of changes in the fair value of equity investments held as fair value through profit and loss) and on the Group's equity (as a result of changes in the fair value of equity investments classified as fair value through other comprehensive income) as at the dates provided based on an assumed 5 per cent. change in market indices, with all other variables held constant.

Market indices	**2023**		**2022**		**2021**	
	Effect on profit	**Effect on equity**	**Effect on profit**	**Effect on equity**	**Effect on profit**	**Effect on equity**
			(KD thousands)			
Kuwait stock exchange............	82	32	121	28	135	26
Qatar stock exchange............	177	-	97	-	228	-
UAE stock indices.	366	-	342	-	205	-
Saudi Stock Exchange	999	220	883	81	856	92

10. **The seventh and ninth paragraphs under the heading "Liquidity risk" (which commences on page 187 of the Base Prospectus) shall be deemed to be updated with the following**:

Seventh paragraph

As at 31 March 2024, the Group's portfolio of HQLAs was valued at KD 7,970 million (post factor) and the LCR was 167.6 per cent. As at 31 December 2023, the HQLA portfolio was valued at KD 7,481 million (post-factor) and the LCR was 186.1 per cent. As at 31 December 2022, the Group's portfolio of HQLAs was valued at KD 7,393 million (post factor) and the LCR was 140.7 per cent. As at 31 December 2021, the Group's portfolio of HQLAs was valued at KD 7,714 million (post factor) and the LCR was 153.8 per cent. See "*Risk Factors—Factors that may Affect the Bank's Ability to Fulfil its Obligations in Respect of Notes Issued under the Programme—Liquidity Risks*" for more information.

Ninth paragraph

In accordance with the Basel III framework, as implemented by the CBK, the Group also manages its liquidity through compliance with the NSFR. As at 31 March 2024, the NSFR ratio was 109.3 per cent. (31 December 2023: 111.4 per cent., 31 December 2022: 112.5 per cent. and 31 December 2021: 110.3 per cent.).

11. **The seventh paragraph under the heading "Derivatives" (which commences on page 189 of the Base Prospectus) shall be deemed to be updated with the following**:

The fair values and notional amounts of the Group's positions in these instruments are set out in note 12 to the Interim Financial Statements and in note 26 to each of the 2023 Financial Statements and the 2022 Financial Statements.

12. **The paragraph under the heading "Counterparty credit risk" (which appears on page 190 of the Base Prospectus) and the last sentence shall be deemed to be updated with the following**:

The Group risk management function independently monitors counterparty credit risk exposures arising from the Group's derivatives transactions using the concept of potential future exposure ("**PFE**"). The PFE is defined as the maximum expected credit exposures over a specified horizon at a particular confidence level. As such, the risk exposure is an upper bound of possible exposures at the selected confidence level and not the maximum risk exposure possible. For 2023, the Group's PFE on its derivatives transactions amounted to KD 354 million. For 2022, the Group's PFE on its derivatives transactions amounted to KD 388 million. For 2021, the Group's PFE on its derivatives transactions amounted to KD 136 million.

AMENDMENTS TO MANAGEMENT

1. **The second sentence of the second paragraph under the heading "Board" (which commences on page 195 of the Base Prospectus) shall be deemed to be updated with the following:**

The Board convened a total of 10 times in 2023.

2. **The following information updates the biographical information of the members of the Board set out under the first table under the heading "Board members" (which commences on page 196 of the Base Prospectus)**:

Mr. Hamad Mohammed Abdulrahman Al-Bahar – Chairman

Mr. Al-Bahar is the Chairman of the Board Credit Committee.

Dr. Robert Maroun Eid – Independent Board Member

Dr. Eid is no longer the Chairman or a member of the BNRC.

Mr. Abdulwahab Ahmad H. Al-Bader – Independent Board Member

Mr. Al-Bader is the chairman of the BNRC.

Mr. Farouq Ali Akbar A. Bastaki – Independent Board Member

Mr. Bastaki has been an Independent Board Member of Mabanee Co. since March 2022. He is also the Chairman of the Board Audit Committee.

3. **The last paragraph under the heading "Board members" (which commences on page 196 of the Base Prospectus) shall be deemed to be updated with the following**:

The table below sets out the number of shares held by each director as at 31 March 2024:

Director	**31 March 2024**

Mr. Hamad Mohammed A. Al-Bahar	59,425,306
Mr. Isam Jasem A. Al-Sager	16,493,710
Mr. Yacoub Yousef A. Al-Fulaij	5,509,651
Mr. Muthana Mohammed A. Al-Hamad	16,058,014
Mr. Haitham Sulaiman H. Al-Khaled	210,007
Mr. Emad Mohamed A. Al-Bahar	57,881,250
Mrs. Huda Mohammad S. Al-Refaei	1,736,437
Dr. Robert Maroun Eid	278,580
Dr. Nasser Amin H. Saidi	Nil
Mr. Abdulwahab Ahmad H. Al-Bader	Nil
Mr. Farouq Ali Akbar A. Bastaki	Nil

4. **The following information updates the information in the section titled "Board committees" (which commences on page 199 of the Base Prospectus):**

Board Audit Committee

In 2023, the BAC sat 10 times. Mr. Bastaki is the Chairman of the BAC.

Board Credit Committee

In 2023, the BCC sat 23 times. Mr. Hamad Mohamed Al-Bahar is Chairman of the BCC.

Board Risk and Compliance Committee

In 2023, the BRCC sat 8 times. Dr. Eid is Chairman of the BRCC.

Board Corporate Governance Committee

In 2023, the BCGC sat 2 times. Mr. Hamad Mohamed Al-Bahar is Chairman of the BCGC.

Board Nomination and Remuneration Committee

In 2023, the BNRC sat 3 times. Mr. Abdulwahab Ahmad H. Al-Bader is Chairman of the BNRC.

5. **The following information updates the biographical information of the members of executive management under the heading "Members of executive management" (which commences on page 201 of the Base Prospectus)**:

Mr. Sulaiman Barrak Al-Marzouq – Deputy Chief Executive Officer - Kuwait

Mr. Al-Marzouq is a board member of NBK Egypt.

Mr. Faisal Abdulatif Al-Hamad – CEO - NBK Wealth

Mr. Al-Hamad has been the CEO of NBK Wealth since April 2021.

He is the Chairman of NBK Capital and a board member of several other Group entities.

Prior to April 2021, Mr. Al-Hamad was the CEO of NBK Capital and held several positions there since joining in 2007. He has previously held senior positions in leading organisations, including General Manager at Agility Kuwait and Associate Director at Wellington Management International in the UK.

Mr. Maged Fanous – Group Chief Risk Officer

Mr. Fanous is no longer a member of the executive team.

Mr. Mohammed Al Kharafi – Chief Operating Officer – Head of Operations & Information Technology

Mr. Mohammed Al Kharafi joined the Bank in 2001 and has been Chief Operating Officer – Head of Operations and Information Technology for the Group since May 2023. His previous posts include leadership positions in Operations and the Consumer Banking Group. He is a member of various management committees. He has also been a board member of the Credit Information Network Company (Ci-Net) and Kuwait's Credit Bureau.

He has extensive experience in retail banking, technology and operations.

Mr. Mohammed Al Kharafi has a Bachelor's degree in Business Administration from the Arab Open University and is a Harvard Business School alumnus. He has participated in executive education programmes at Harvard Business School, Stanford, Columbia Business School, Chicago Booth School of Business, INSEAD and American University of Beirut.

6. **The third last paragraph and the last sentence of the last paragraph under the heading "Group Executive Committee" (which commences on page 205 of the Base Prospectus) shall be deemed to be updated with the following:**

Third last paragraph

As at the date of this Base Prospectus, the EC has 14 members, with the GCEO serving as chairman of the committee.

Last sentence of the last paragraph

In 2023, the EC sat 17 times.

7. **The last sentence of the last paragraph under the heading "Group Asset Liability Executive Committee" (which commences on 206 of the Base Prospectus) shall be deemed to be updated with the following:**

In 2023, the ALEC sat 10 times.

8. **The penultimate paragraph in the section titled "Internal Controls" (which appears on page 207 of the Base Prospectus) shall be deemed to be updated with the following**:

None of the external review reports for 2023, 2022 and 2021 have highlighted any significant issues with the Group's internal control functions.

9. **The first paragraph in the section titled "Compensation" (which appears on page 207 of the Base Prospectus) shall be deemed to be updated with the following**:

In 2023, the total compensation paid to the executive management amounted to KD 15.0 million, compared to 13.6 million in 2022 and KD 12.2 million in 2021. The remuneration paid to directors of the Bank, amounting to KD 770 thousand for 2023 (2022: KD 770 thousand and 2021: KD 120 thousand), is in accordance with local regulations and is subject to the approval of shareholders at the Annual General Meeting.

AMENDMENTS TO OVERVIEW OF KUWAIT

1. **The second paragraph under the heading "Population" (which appears on page 208 of the Base Prospectus) shall be deemed to be updated with the following:**

The most recent estimate of the population in Kuwait published by the Public Authority for Civil Information estimated the population to be approximately 4.86 million as at 31 December 2023, of which approximately 1.55 million were Kuwaiti nationals (31.8 per cent.) and approximately 3.31 million were non-Kuwaiti nationals (68.2 per cent.).

2. **The second, third, fifth and sixth paragraphs under the heading "Economic Overview" (which commences on page 208 of the Base Prospectus) shall be deemed to be updated with the following:**

Second and third paragraphs

According to provisional figures published by the CSB, Kuwait's real GDP declined by 5.3 per cent. in 2020 and then increased by 1.7 per cent. in 2021 and by 6.4 per cent. in 2022. CSB preliminary data showed that real GDP declined by 1.9 per cent during the first nine months of 2023. According to preliminary IMF data (as of April 2024), Kuwait's real GDP is estimated to have decreased by 2.2 per cent. in 2023 and is forecast to decline by 1.4 per cent. in 2024 and to increase by 3.8 per cent. in 2025.

According to data from Kuwait's Ministry of Finance, oil revenues comprised 87.1 per cent. of total Government revenues for the fiscal year ended 31 March 2022, 92.7 per cent. of total Government revenues for the fiscal year ended 31 March 2023 and 91.8 per cent. of total Government revenues for the first 10 months of the fiscal year ending 31 March 2024. According to the CSB, oil and oil products represented 92.2 per cent. of total exports for the year ended 31 December 2021, 93.7 per cent. of total exports for the year ended 31 December 2022 and 92.7 per cent. of total exports for the year ended 31 December 2023. Kuwait's economy has generally benefitted from healthy fiscal and current account surpluses, although lower oil prices meant that Kuwait realised a net budget deficit (before transfers to the Future Generations Fund ("**FGF**")) for the fiscal years ended 31 March 2021 and 2022. Available data for the fiscal year ending 31 March 2024 indicates that the budget deficit was KD 1.1 billion. The annual average OPEC Reference Basket prices in each of 2020, 2021, 2022 and 2023 were U.S.$41.47, U.S.$69.89, U.S.$100.08 and U.S.$82.95, respectively. In the first half of 2022, the OPEC Reference Basket price per barrel increased significantly, reaching U.S.$117.72 in June 2022 against a backdrop of a recovery in global oil demand from its pandemic lows and concerns over the oil supply outlook due to sanctions imposed on Russia as a result of the Russia-Ukraine conflict. However, prices fell in each month in the second half of 2022, as markets grew increasingly concerned about the health of the global economy amid soaring inflation, tightening monetary policy and the economic damage caused by China’s continuing struggle with COVID-19. Oil prices eased in 2023 following changes in the sanctions regime applied to Russia at the end of 2022 and generally lower than anticipated demand in 2023.

Fifth and sixth paragraphs

While the oil industry has historically dominated and continues to be the largest part of, Kuwait's economy with the oil sector (excluding refining) accounting for approximately 52.3 per cent. of real GDP for the year ended 31 December 2022 according to provisional figures from the CSB), for the past several years, Kuwait has been concentrating on the diversification of its economy by encouraging private sector participation and promoting foreign investment in non-oil sectors as articulated in the "**New Kuwait 2035**" plan. Based on provisional figures from the CSB, the non-oil sector of the economy (including oil refining) contributed approximately 47.7 per cent. of Kuwait's real GDP in 2022 and increased by 0.3 per cent. in real terms to KD 19.6 billion.

Kuwait's public finances benefit from one of the world's largest sovereign wealth funds. Based on third party public sources, the KIA is ranked as the world's fifth largest sovereign wealth fund with approximately U.S.$923 billion in assets according to the Sovereign Wealth Fund Institute. The KIA is prohibited by law from publicly discussing the exact size of its holdings. The KIA is responsible for the management of Kuwait's General Reserve Fund ("**GRF**") and its FGF, as well as other funds entrusted to it by the Minister of Finance for and on behalf of Kuwait. On an annual basis and by law, a minimum of 10 per cent. of all Government revenues were transferred to the FGF, though in 2020 this rule was modified such that transfers are suspended when the budget is in deficit. The GRF is available to fund budget deficits in Kuwait and Kuwait has never drawn down on the funds in the FGF since the FGF's inception in 1976, other than for liberation and reconstruction costs related to the Iraqi invasion. Recently, the Government changed the law to make transfers to the FGF contingent on approval by the Minister of Finance and the Cabinet.

3. **The information under the heading "Inflation"(which commences on page 209 of the Base Prospectus) shall be deemed to be updated with the following:**

The following table shows the consumer price index ("**CPI**") and annual inflation rate in Kuwait for the years ended 31 December 2023, 2022, 2021 and 2020, respectively.

	Average for the year ended 31 December			
	2023	**2022**	**2021**	**2020**
Consumer Price Index (base year 2013=100)..	130.0	125.4	120.6	116.6
Inflation (percentage change, year on year)* ...	3.6	4.0	3.4	2.1

*Inflation (percentage change, year on year) in March 2024 was 3.0 per cent.
Source: Central Statistical Bureau

4. **The first and third paragraphs under the heading "Government, Political and Legal System" (which appears on page 210 of the Base Prospectus) shall be deemed to be updated with the following:**

First paragraph

Kuwait is a constitutional monarchy with a parliamentary system of government. Under its Constitution, which entered into force in 1963, the head of the State is the Emir, who is chosen from among the members of the ruling Al-Sabah family and confirmed by the National Assembly. The current Emir is His Highness Sheikh Meshal Al-Ahmad Al-Jaber Al Sabah, who ascended to the throne in December 2023. The Emir has, among other powers, the power to appoint the Prime Minister, dissolve the National Assembly, suspend certain parts of the Constitution and refer bills to the National Assembly for consideration. The Emir has the right to propose legislation as well as the right to promulgate and sanction laws. Historically, the Emir has been selected by family consensus although the Emir Succession Law provides for National Assembly input under certain circumstances.

On 10 May 2024, Kuwait's parliament was suspended by the Emir for up to four years. This suspension also included the sidelining of several articles of the Constitution. A new Cabinet was appointed by the Emir on 12 May 2024 and, during the suspension, the Emir and the newly appointed Cabinet will take over the 50-member Parliament's legislative powers. The Emir has expressed that the transitional period will be used to review the democratic process in Kuwait.

Third paragraph

The Council of Ministers forms the executive level of government and advises and assists the Prime Minister, who is appointed by the Emir. The current Prime Minister is His Highness Sheikh Ahmad Al-Abdullah Al-Sabah who was appointed in May 2024.

AMENDMENTS TO BANKING INDUSTRY AND REGULATION IN KUWAIT

1. **The last paragraph under the heading "Central Bank of Kuwait" (which appears on page 212 of the Base Prospectus) shall be deemed to be updated with the following:**

The CBK's total assets as at 31 March 2024 were KD 13,251 million, an increase of 0.5 per cent. as compared to KD 13,321 million as at December 2023 and 6.5 per cent. as compared to KD 12,441 million as at 31 December 2022.

2. **The penultimate sentence in the first paragraph and the last two sentences in the second paragraph under the heading "Application of CBK Regulations to the Bank" (which appears on page 216 of the Base Prospectus) shall be deemed to be updated with the following:**

Penultimate sentence in first paragraph

The Bank has a valid commercial license which expires on 21 December 2026.

Last two sentences in second paragraph

The CBK's most recent comprehensive inspection of the Bank was conducted between August 2022 to August 2023 and an AML inspection was conducted in 2023. The final inspection reports were issued in March and April 2024 with no material issues.

3. **The information under the heading "Banking System" (which commences on page 216 of the Base Prospectus) shall be deemed to be updated with the following:**

The Kuwait banking sector has experienced increased competition and diversification from the entry of international banks establishing branches in Kuwait, following the promulgation of Law No. 28 of 2004 amending certain provisions of the CBK Law. As at 31 March 2024, total local bank assets in the Kuwaiti banking sector amounted to KD 87.6 billion and total credit facilities to Kuwaiti residents advanced by local banks amounted to KD 43.4 billion (source: CBK).

The key performance indicators of the conventional Kuwaiti banks as at 31 March 2024 are set out below (source: financial statements and investor publications published on the company website of each bank listed below).

	Cost to income ratio	**Return on assets**	**Return on equity**	**Earnings per share**
		(*per cent.*)		(*fils**)
The Bank	36.1	1.55	15.2	17.0
Burgan Bank	55.6[(1)]	n/r[(1)]	n/r[(1)]	2.7
Gulf Bank	44.9	0.7	6.5	3.0
Commercial Bank of Kuwait	35.4	n/r[(1)]	n/r[(1)]	15.8
Al-Ahli Bank of Kuwait	46.4	1.7	9.6	6.0

* 1,000 fils equals KD 1.
(1) Figure not reported in the bank's financial statements.

In addition, as at 31 March 2024, 11 foreign bank branches also operate in Kuwait. These are Bank of Bahrain and Kuwait, BNP Paribas, HSBC Bank Middle East Limited, First Abu Dhabi Bank, Citibank, Qatar National Bank, Doha Bank, Mashreq Bank, Al-Rajhi Banking & Investment Corporation, Bank Muscat and Industrial and Commercial Bank of China Limited.

AMENDMENT TO GENERAL INFORMATION

The paragraph under "Significant or Material Change" on page 247 of the Base Prospectus shall be deemed to be updated with the following:

There has been no significant change in the financial performance or position of the Group since 31 March 2024 and there has been no material adverse change in the prospects of the Issuer, the Guarantor or the Group since 31 December 2023.