

ITHMAAR BANK B.S.C. (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
30 JUNE 2025

ITHMAAR BANK B.S.C. (c)
Condensed consolidated interim financial information
for the six months period ended 30 June 2025

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Independent auditors' report on review of condensed consolidated interim financial information

To the Board of Directors of
Ithmaar Bank B.S.C. (c)
Kingdom of Bahrain

Introduction

We have reviewed the accompanying 30 June 2025 condensed consolidated interim financial information of Ithmaar Bank B.S.C. (c) (the "Bank") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 June 2025;
- the condensed consolidated statement of income for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of income and attribution related to quasi-equity for the three-month and six-month periods ended 30 June 2025;
- the condensed consolidated statement of changes in owners' equity for the six-month period ended 30 June 2025;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2025;
- the condensed consolidated statement of changes in off-balance-sheet assets under management for the six-month period ended 30 June 2025; *and*
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Bank is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with FAS 41, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Auditing standards for Islamic Financial Institutions and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2025 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".



Independent auditors' report (continued)
Ithmaar Bank B.S.C. (c)

Emphasis of Matter – Basis of going concern

We draw attention to Notes 1.1 and 1.2 to the condensed consolidated interim financial information, which describes significant judgments and assumptions relating to the Board of Directors assessment of the appropriateness of the going concern assumption for preparation of the condensed consolidated interim financial information. Our conclusion is not modified in respect of this matter.

A handwritten signature in blue ink, appearing to read 'KPMG', with a horizontal line underneath.

3 August 2025

Ithmaar Bank B.S.C. (c)

Condensed consolidated statement of financial position

as at 30 June 2025

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

	Note	At 30 June 2025 (Reviewed)	At 31 December 2024 (Audited)
ASSETS			
Cash and balances with banks and central banks		154,306	161,685
Placements with banks, financial and other institutions		72,316	43,529
Financing contracts	3	1,319,362	1,236,492
Investment securities	4	997,016	983,492
Investment in associates		3,881	2,411
Other assets	5	57,462	51,828
Investment in real estate		3,916	3,919
Development properties		53,868	53,374
Property and equipment		87,799	81,969
Intangible assets		5,737	6,351
Total assets		2,755,663	2,625,050
LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY			
Customers' current accounts		890,208	754,879
Due to banks, financial and other institutions		544,498	648,293
Other liabilities		142,726	156,697
Total liabilities		1,577,432	1,559,869
Quasi-equity	7	1,071,403	959,013
OWNERS' EQUITY			
Share capital	8	100,000	100,000
Reserves	9	(51,971)	(51,971)
Retained earnings		5,312	2,508
Total equity attributable to shareholders of the Bank		53,341	50,537
Non-controlling interests		53,487	55,631
Total owners' equity		106,828	106,168
Total liabilities, quasi-equity and owners' equity		2,755,663	2,625,050

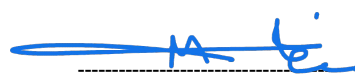
This condensed consolidated interim financial information was approved by the Board of Directors on 3 August 2025 and signed on its behalf by:



HRH Prince Amr Mohammed Al-Faisal
Chairman



Elham Hasan
Director



Maysan Al Maskati
CEO

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

Ithmaar Bank B.S.C. (c)

Condensed consolidated statement of income

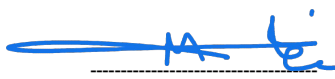
for the six months period ended 30 June 2025

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

Note	Six months ended		Three months ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
INCOME				
Income from financing contracts	58,752	79,285	30,614	39,788
Income from investments	67,693	94,687	31,762	46,746
Other income - net	13,109	9,814	6,680	4,924
Finance expense on placements from financial and non-financial institutions	(3,627)	(3,340)	(1,834)	(1,440)
Net income	135,927	180,446	67,222	90,018
Share of profit from equity accounted investees	196	97	191	(31)
Total income	136,123	180,543	67,413	89,987
EXPENSES				
Operating expenses	37,228	31,290	18,124	15,798
Depreciation and amortization	4,930	3,662	2,554	1,967
Total expenses	42,158	34,952	20,678	17,765
Profit before impairment allowances, income attribution to quasi-equity and tax	93,965	145,591	46,735	72,222
Allowances for impairment and expected credit losses, net	6 4,391	(4,154)	1,586	(3,408)
Profit before income attribution to quasi-equity and tax	98,356	141,437	48,321	68,814
Less: Net profit attributable to quasi-equity	(72,213)	(113,036)	(36,062)	(56,296)
Profit before overseas taxation	26,143	28,401	12,259	12,518
Tax expense	(19,046)	(14,877)	(8,929)	(6,734)
PROFIT FOR THE PERIOD	7,097	13,524	3,330	5,784
Attributable to:				
Shareholders of the Bank	2,804	7,778	1,467	3,531
Non-controlling interest	4,293	5,746	1,863	2,253
	7,097	13,524	3,330	5,784


 HRH Prince Amr Mohammed Al-Faisal
 Chairman


 Elham Hasan
 Director


 Maysan Al Maskati
 CEO

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

Ithmaar Bank B.S.C. (c)

Condensed consolidated statement of comprehensive income

for the six months period ended 30 June 2025

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

	Six months ended		Three months ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Profit for the period	7,097	13,524	3,330	5,784
Other comprehensive income				
Items that will not be re-classified to statement of income				
Fair value changes on land and building	(313)	(326)	(220)	108
Attributable to quasi-equity	207	224	145	(65)
Items that are or may be re-classified subsequently to income statement				
Exchange difference arising on translation of foreign operations	(1,122)	394	(1,046)	(901)
Fair value changes on investments in real estate	(18)	170	(14)	349
Fair value changes on investments carried at fair value through OCI	(4,769)	(1,942)	2,595	(2,270)
Attributable to quasi-equity	3,927	525	(1,029)	1,771
Total other comprehensive income for the period	(2,088)	(955)	431	(1,008)
Total comprehensive income	5,009	12,569	3,761	4,776
Attributable to:				
Shareholders of the Bank	2,804	8,096	1,467	3,849
Non-controlling interest	2,205	4,473	2,294	927
	5,009	12,569	3,761	4,776

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

Ithmaar Bank B.S.C. (c)

**Condensed consolidated statement of income and attribution related to quasi-equity
for the six months period ended 30 June 2025**

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

	Six months ended		Three months ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
Profit before impairment allowances, income attribution to quasi-equity and tax	93,965	145,591	46,735	72,222
Adjusted for:				
Less: loss not attributable to quasi-equity	(5,596)	(3,118)	(3,001)	(346)
Add: expenses not attributable to quasi-equity	42,158	34,952	20,678	17,765
Less: institution's share of loss for its own/ share of investments	(196)	(97)	(191)	31
Less: finance expense on placements from financial and non-financial institutions	3,627	3,340	1,834	1,440
Less: allowance for impairment allowances attributable to quasi-equity	4,768	(6,398)	1,963	(5,652)
Total income available for quasi-equity holders	138,726	174,270	68,018	85,460
Less: Mudarib's share	(66,856)	(61,234)	(32,299)	(29,164)
Profit attributable to quasi-equity	71,870	113,036	35,719	56,296
Other comprehensive income that may subsequently be classified to income statement – attributable to quasi-equity	(4,134)	(749)	884	(1,706)
Total comprehensive income – attributable to quasi-equity	67,736	112,287	36,603	54,590
Less: Other comprehensive income not subject to immediate distribution	4,134	749	(884)	1,706
Total comprehensive income subject to immediate distribution	71,870	113,036	35,719	56,296

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

Ithmaar Bank B.S.C. (c)

**Condensed consolidated statement of changes in owners' equity
for the six months period ended 30 June 2025**

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

30 June 2025 (reviewed)	Share capital	Reserves	Retained earnings	Total equity attributable to shareholders of the Bank	Non- controlling interests	Total owners' equity
At 1 January 2025	100,000	(51,971)	2,508	50,537	55,631	106,168
Profit for the period	-	-	2,804	2,804	4,293	7,097
Other comprehensive income for the period	-	-	-	-	(2,088)	(2,088)
Total comprehensive income for the period	-	-	2,804	2,804	2,205	5,009
Movement from dividend distribution by subsidiaries	-	-	-	-	(2,729)	(2,729)
Decrease in shareholding of subsidiary	-	-	-	-	(1,620)	(1,620)
At 30 June 2025	100,000	(51,971)	5,312	53,341	53,487	106,828

	Share capital	Reserves	(Accumulated losses) / Retained earnings	Total equity attributable to shareholders of the Bank	Non- controlling interests	Total owners' equity
At 30 June 2024 (reviewed)						
At 1 January 2024	100,000	(53,304)	(6,620)	40,076	52,862	92,938
Profit for the period	-	-	7,778	7,778	5,746	13,524
Other comprehensive income for the period	-	318	-	318	(1,273)	(955)
Total comprehensive income for the period	-	318	7,778	8,096	4,473	12,569
Movement from dividend distribution by subsidiaries	-	-	-	-	(1,353)	(1,353)
Decrease in shareholding of subsidiary	-	-	-	-	(6,267)	(6,267)
At 30 June 2024	100,000	(52,986)	1,158	48,172	49,715	97,887

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

lthmaar Bank B.S.C. (c)**Condensed consolidated statement of cash flows
for the six months period ended 30 June 2025**

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

	Six months ended	
	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)
OPERATING ACTIVITIES		
Net profit before tax:	26,143	28,401
Adjustments for:		
Depreciation and amortization	4,930	3,661
Provision for impairment - net	(4,391)	4,154
Income from investment securities	(67,693)	(94,687)
Finance cost on net ijarah liability	1,389	1,133
Share of profit from equity accounted investees	(196)	(97)
Gain on sale of property and equipment	(24)	(21)
Operating loss before changes in operating assets and liabilities	(39,842)	(57,456)
Net changes in operating assets and liabilities:		
Balances with banks maturing after 90 days including central banks balances relating to minimum reserve requirement	(1,532)	1,374
Financing contracts	(96,557)	(6,433)
Other assets	(12,587)	(11,678)
Customers' current accounts	147,646	23,867
Due to banks, financial and other institutions	(98,489)	47,977
Due to investors	-	(3,289)
Other liabilities	(5,040)	1,930
Quasi-equity	127,129	20,659
Taxes paid	(25,517)	(19,019)
Net cash used in operating activities	(4,789)	(2,068)
INVESTING ACTIVITIES		
Assets acquired for leasing	-	84
Investment securities	38,972	46,218
Property and equipment	(10,569)	(7,347)
Net cash generated from investing activities	28,403	38,955
FINANCING ACTIVITY		
Repayment of net Ijarah liability	(2,592)	(2,051)
Net cash used in financing activity	(2,592)	(2,051)
Foreign currency translation adjustments	(1,094)	866
Net increase in cash and cash equivalents	19,928	35,702
Cash and cash equivalents at the beginning of the period	189,001	122,814
Cash and cash equivalents at the end of the period	208,929	158,516
Cash and cash equivalents comprise:		
Cash and balances with banks and central banks	154,306	154,390
Placements with banks, financial and other institutions	72,316	25,057
Less: Placements with original maturing after 90 days and balances with central banks relating to minimum reserve requirement	(17,693)	(20,931)
	208,929	158,516

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

Ithmaar Bank B.S.C. (c)

**Condensed consolidated statement of changes in off-balance-sheet assets under management
for the six months period ended 30 June 2025**

(Expressed in thousands of Bahraini Dinars unless otherwise stated)

30 June 2025 (reviewed)	Shamil Bosphorus Modaraba*	European Real Estate Placements*	US Real Estate Placements*	Total
Balance at 1 January 2025	2,356	3,723	1,775	7,854
Additions	-	-	-	-
Foreign exchange movements	-	515	-	515
Recoveries/ disposals/ maturities	-	-	-	-
Net increase	-	515	-	515
Net income	-	-	-	-
Mudarib's share	-	-	-	-
Fixed agency fee	-	-	-	-
Variable agency fee	-	-	-	-
Total Bank's management share	-	-	-	-
Distributions/ withdrawals	-	-	-	-
Balance at 30 June 2025	2,356	4,238	1,775	8,369

At 30 June 2024 (reviewed)	Shamil Bosphorus Modaraba*	European Real Estate Placements*	US Real Estate Placements*	Total
Balance at 1 January 2024	2,356	4,065	9,514	15,935
Additions	-	-	-	-
Foreign exchange movements	-	(212)	-	(212)
Recoveries/ disposals/ maturities	-	-	-	-
Net decrease	-	(212)	-	(212)
Net income	-	-	-	-
Mudarib's share	-	-	-	-
Fixed agency fee	-	-	-	-
Variable agency fee	-	-	-	-
Total Bank's management share	-	-	-	-
Distributions/ withdrawals	-	-	(7,739)	(7,739)
Balance at 30 June 2024	2,356	3,853	1,775	7,984

* Income/(loss) will be recognised and distributed at the time of disposal of the underlying investments.

The accompanying notes 1 to 15 form an integral part of the condensed consolidated interim financial information.

Ithmaar Bank B.S.C. (c)**Notes to the condensed consolidated interim financial information
for the six months period ended 30 June 2025****1 REPORTING ENTITY**

Ithmaar Bank B.S.C. (c) (the "Bank" or the "Company") was incorporated in the Kingdom of Bahrain on 12 May 2016 as a Closed Joint Stock entity and registered with the Ministry of Industry and Commerce (MOIC) under commercial registration number 99336-1 and is licensed as an Islamic retail bank by the Central Bank of Bahrain (the "CBB") on 14 August 2016.

The Company's registered office is at Building 2080, Road 2825, Block 428, Al Seef, Kingdom of Bahrain.

Ithmaar Holding B.S.C., a Volume 4, Category 1 investment firm licensed and regulated by the CBB, owns 100% of the share capital of the Bank, is the Parent company of the Bank ["Ithmaar" or "Parent"]. Dar Al-Maal Al-Islami Trust ("DMIT" or "Ultimate Parent"), a Trust incorporated in the commonwealth of Bahamas is the ultimate parent company of the Bank.

The condensed consolidated interim financial information includes the results of the Bank and its subsidiaries (the "Group").

The principal activities of the Bank and its subsidiaries include a wide range of financial services, including retail, commercial and private banking services.

The Bank's activities are regulated by the CBB and are subject to the supervision of Shari'a Supervisory Board.

The Group's activities also include acting as a Mudarib (manager, on a trustee basis), of funds deposited for investment in accordance with Islamic laws and principles particularly with regard to the prohibition of receiving or paying interest. These funds are included in the condensed consolidated interim financial information as quasi equity and off-balance-sheet assets under management. In respect of quasi equity, the investment accountholders authorise the Group to commingle and invest the accountholders' funds in a manner which the Group deems appropriate without laying down any restrictions as to where, how and for what purpose the funds should be invested. In respect of off-balance-sheet assets under management, the investment accountholders impose certain restrictions as to where, how and for what purpose the funds are to be invested. Further, the Group may be restricted from commingling its own funds with the funds of off-balance-sheet assets under management.

The Group carries out its business activities through the Bank's head office, 1 commercial branch in Bahrain and its following principal subsidiaries:

	% owned		Country of Incorporation	Principal business activities
	30 June 2025	31 December 2024		
Faysal Bank Limited (Note 1)	67	67	Pakistan	Banking
Dilmunia Development Fund I L.P.	92	92	Cayman Islands	Real estate
Sakana Holistic Housing Solutions B.S.C. (c) (Sakana) [under Voluntary Liquidation]	50	50	Kingdom of Bahrain	Mortgage finance

Note 1: The Group owns 67% stake in FBL, through a direct legal ownership of 57% and 10% of indirect ownership of DMIT, held for the beneficial interest of the Bank.

Ithmaar Bank B.S.C. (c)

**Notes to the condensed consolidated interim financial information
for the six months period ended 30 June 2025**

1.1 Going Concern

As of 30 June 2025, the consolidated equity of the Group stood at BD53.3 million (2024: BD50.5 million), which is below the minimum regulatory shareholder equity of BD100 million required by the CBB as per LR module of Volume 2 and CBB Rule Book.

The Board of Directors of the Group's immediate parent, Ithmaar Holding, is working on various initiatives to strengthen the Group's consolidated equity and liquidity profile in the next twelve months from reporting date of this condensed consolidated interim financial information ('Equity Strengthening Plans'). These initiatives include, amongst others, the following:

- Issuance of Tier 1 capital instrument (T1) of up to \$140 million, subject to regulatory and shareholders' approvals;
- Continuing regulatory support on matters related to capital and liquidity requirements on licensed group entities;
- Sourcing long term funding lines against assets to support unplanned liquidity needs;
- Focusing on recovery of financing exposures (including the related party receivables) by way of sale / realization of underlying collateral.

On 4 June 2023, Ithmaar's shareholders, in an Extraordinary General Meeting, approved issuance of Tier 1 Capital instrument of up to \$200 million. The Board of Directors are in the process of discussing the issuance of T1 capital with the regulators and its interested shareholders.

The Group's management has also assessed liquidity and equity projections for the next twelve months from reporting date of these condensed consolidated interim financial information. Management's assessment includes the following significant assumptions:

- No change in status of sanctioned liabilities and accordingly no repayments;
- Use of ALCO approved rollover/ renewal related behavioral patterns of liabilities;
- Ability to maintain core deposits through increased focus on corporate customers as part of the new business model (evidenced by actual cash flows till the reporting date);
- Positive progress in key aspects of the Equity Strengthening Plans;
- Stressing the expected behavioral outflows of the liabilities and expected behavioral inflows from assets; and
- Putting in place the necessary liquidity lines in the form of medium-term interbank liquidity support facilities.

The Board of Directors has reviewed the above assumptions and events, along with mitigating factors and concluded that there are no material uncertainties related to these events and conditions that may cast significant doubt on the Group's ability to continue as a going concern. Accordingly, the Board of Directors believe that the Group will be able to continue its business without any significant curtailment of operations and will be able to meet its obligations for the next twelve months from the date of reporting of this condensed consolidated interim financial information. Accordingly, the condensed consolidated interim financial information has been prepared on a going concern basis.

1.2 Transfer of business and sale of assets

In February 2024, the Board of Ithmaar Holding and Board of GFH Financial Group B.S.C. ('GFH') agreed to an overall framework of terms regarding sale of certain assets and liabilities of Ithmaar's corporate banking business in Bahrain and investment assets (the "Transaction"). The Transaction was approved by Ithmaar Holding's shareholders during its Extraordinary General Meeting on 29 May 2024.

On 14 April 2025, following preliminary due diligence and discussions, both parties mutually agreed to terminate the discussions with regard to the Transaction.

Ithmaar Bank B.S.C. (c)
Notes to the condensed consolidated interim financial information
for the six months period ended 30 June 2025

2 BASIS OF PREPARATION AND PRESENTATION

The condensed consolidated interim financial information of the Group has been prepared and presented in accordance with Financial Accounting Standard FAS 41, Interim Financial Reporting ("FAS 41") issued by the Accounting and Auditing Organisation of Islamic Financial Institutions ("AAOIFI").

The condensed consolidated interim financial information of the Group does not contain all information and disclosures required for the annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2024. Further, results for the interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The condensed consolidated interim financial information are presented in Bahraini Dinars (BD), being the presentation currency of the Bank. All values are rounded to nearest thousand [BD '000] unless otherwise indicated. The functional currency of the Bank is Bahraini Dinars and that of one subsidiary is Pakistani Rupees. Items included in the financial statements of each entity are measured using respective functional currency.

Comparatives

The condensed consolidated interim financial information is reviewed, not audited. The comparatives for the condensed consolidated statement of financial position have been extracted from the audited consolidated financial statements for the year ended 31 December 2024 and comparatives for the condensed consolidated income statement, statement of comprehensive income, statement of income and attribution to quasi-equity, changes in owners' equity, cash flows and changes in off-balance-sheet assets under management have been extracted from the reviewed condensed consolidated interim financial information for the six months period ended 30 June 2024.

The comparative balances in the condensed consolidated statement of income has been reclassified to include those operations that were classified as discontinued in the prior period.

2.1 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation applied by the Group in the preparation of the condensed consolidated interim financial information are the same as those used in preparation of the Group's last audited consolidated financial statements as at and for the year ended 31 December 2024.

A. Relevant new standards, amendments, and interpretations issued about not yet effective

(i) FAS 45: Quasi-Equity (Including Investment Accounts)

AAOIFI has issued Financial Accounting Standard (FAS) 45 "Quasi-Equity (Including Investment Accounts)" during 2023. The objective of this standard is to establish the principles for identifying, measuring, and presenting "quasi-equity" instruments in the financial statements of Islamic Financial Institutions "IFIs".

The standard prescribes the principles of financial reporting to participatory investment instruments (including investment accounts) in which an IFI controls underlying assets (mostly, as working partner), on behalf of the stakeholders other than owner's equity. This standard provides the overall criteria for on-balance sheet accounting for participatory investment instruments and quasi-equity, as well as, pooling, recognition, derecognition, measurement, presentation and disclosure for quasi-equity.

This standard shall be effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

Ithmaar Bank B.S.C. (c)
Notes to the condensed consolidated interim financial information
for the six months period ended 30 June 2025

A. Relevant new standards, amendments, and interpretations issued about not yet effective (continued)

(ii) FAS 46: Off-Balance-Sheet Assets Under Management

AAOIFI has issued Financial Accounting Standard ("FAS") 46 "Off-Balance-Sheet Assets Under Management" during 2023. The objective of this standard is to establish principles and rules for recognition, measurement, disclosure, and derecognition of off-balance-sheet assets under management, based on Shari'a and international best practices. The standard aims to improve transparency, comparability, accountability, and governance of financial reporting related to off-balance-sheet assets under management.

This standard is applicable to all IFIs with fiduciary responsibilities over asset(s) without control, except for the following:

- The participants' Takaful fund and / or participants' investment fund of a Takaful institution; and
- An investment fund managed by an institution, being a separate legal entity, which is subject to financial reporting in line with the requirements of the respective AAOIFI FAS.

This standard shall be effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

This standard shall be effective for the financial periods beginning on or after 1 January 2026 with an option to early adopt. This standard shall be adopted at the same time as adoption of FAS 45 "Quasi-Equity (Including Investment Accounts)".

The Group does not expect any significant impact on the adoption of this standard.

(iii) FAS 47: Transfer of Assets Between Investment Pools

AAOIFI has issued Financial Accounting Standard ("FAS") 47 "Transfer of Assets Between Investment Pools" during 2023. The objective of this standard is to establish guidance on the accounting treatment and disclosures for transfers of assets between investment pools that are managed by the same institution or its related parties. The standard applies to transfers of assets that are not part of a business combination, a disposal of a business, or a restructuring of an institution.

The standard defines an investment pool as a group of assets that are managed together to achieve a common investment objective, such as a fund, a portfolio, or a trust. The standard also defines a transfer of assets as a transaction or event that results in a change in the legal ownership or economic substance of the assets, such as a sale, a contribution, a distribution, or a reclassification.

The transfer of assets between investment pools should be accounted for based on the substance of the transaction and the terms and conditions of the transfer agreement. The standard classifies transfers of assets into three categories: transfers at fair value, transfers at carrying amount, and transfers at other than fair value or carrying amount. The standard also specifies the disclosure requirements for transfers of assets between investment pools.

This standard shall be effective for the financial periods beginning on or after 1 January 2026 with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

(iv) FAS 48: Promotional Gifts and Prizes

This standard prescribes accounting and financial reporting requirements applicable to promotional gifts and prizes awarded by the Islamic financial institutions. The standard categorizes them into a) promotional gifts where entitlement occurs instantly; b) promotional prizes that are announced in advance to be awarded at a future date and c) loyalty programs where the obligation is accumulated over the period.

This standard is effective for the financial periods beginning on or after 1 January 2026, with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

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A. Relevant new standards, amendments, and interpretations issued about not yet effective (continued)

(v) FAS 49: Financial Reporting for Institutions Operating in Hyperinflationary Economies

This standard establishes the principles of financial reporting for the institutions operating in hyperinflationary economies. This standard is applicable to the institutions whose functional currency is the currency of a hyperinflationary economy, and on consolidated financial statements of an institution to the extent of impacts relating to a subsidiary(ies) whose functional currency(ies) is the currency(ies) of a hyperinflationary economy(ies).

The standard prescribes pertinent factors for determination of hyperinflationary economy(ies).

This standard is effective for the financial periods beginning on or after 1 January 2026, with an option to early adopt.

AAOIFI recommended that all institutions operating in the same hyperinflationary economy shall apply this standard from the same date to ensure that comparability between their results is possible.

The Group does not expect any significant impact on the adoption of this standard.

(vi) FAS 50: Financial reporting for Islamic Investment institutions (including investment funds)

This standard replaces "FAS 14 – Investment funds" and is not applicable to a) financial reporting for Sukuk holders and the Sukuk in the books of the originator; b) off-balance sheet assets under management that do not take form of a separate legal entity; c) investment institutions taking the form of a Waqf from Shari'ah perspective; and d) investment funds (e.g., participants' investment funds) managed by Takaful institutions. If these are subject to financial reporting requirements as prescribed in the respective AAOIFI FAS.

This standard is effective for the financial periods beginning on or after 1 January 2027, with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

2.2 ESTIMATES AND JUDGEMENTS

Preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual result may differ from these estimates. The areas of significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the audited consolidated financial statements as at and for the year ended 31 December 2024.

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**Notes to the condensed consolidated interim financial information
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3 FINANCING CONTRACTS

	30 June 2025	31 December 2024
Murabaha and tawarruq financings	819,838	762,817
Musharaka financing	485,611	463,379
Istisna financings	91,815	91,221
	<u>1,397,264</u>	<u>1,317,417</u>
Less: Allowance for impairment	(77,902)	(80,925)
	<u>1,319,362</u>	<u>1,236,492</u>

The movement on allowance for impairment is as follows:

	30 June 2025	31 December 2024
At beginning of the period	80,925	81,223
Charge for the period	7,169	25,514
Write back during the period	(9,341)	(14,238)
Utilised during the period	(324)	(11,593)
Exchange differences	(527)	19
At end of the period	<u>77,902</u>	<u>80,925</u>

4 INVESTMENT SECURITIES

	30 June 2025	31 December 2024
Investment securities at fair value through income statement		
Debt-type instruments – unlisted	1,701	3,973
Equity-type securities – listed	-	1,061
	<u>1,701</u>	<u>5,034</u>
Investment securities at fair value through other comprehensive income		
Debt-type instruments – listed	61,995	54,322
Debt-type instruments – unlisted	873,726	863,843
Equity-type securities – listed	5,790	14,818
Equity-type securities – unlisted	4,634	3,851
	<u>946,145</u>	<u>936,834</u>
Less: Allowance for impairment	(3,049)	(4,061)
	<u>943,096</u>	<u>932,773</u>
Investment securities carried at amortised cost		
Debt-type instruments – listed	43,938	36,301
Debt-type instruments – unlisted	8,296	11,286
	<u>52,234</u>	<u>47,587</u>
Less: Allowance for impairment	(15)	(1,902)
	<u>52,219</u>	<u>45,685</u>
	<u>997,016</u>	<u>983,492</u>

Ithmaar Bank B.S.C. (c)**Notes to the condensed consolidated interim financial information
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4 INVESTMENT SECURITIES (continued)

The Group uses a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 – Quoted prices (unadjusted) in active markets for identical investments.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the investments, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the investments that are not based on observable market data (unobservable inputs).

This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible.

Investment securities at fair value

	Level 1	Level 2	Level 3	Total
At 30 June 2025				
Investment securities at fair value through income statement				
Debt-type instruments	-	1,701	-	1,701
Investment securities at fair value through other comprehensive income				
Debt-type instruments	-	934,294	-	934,294
Equity-type securities	5,758	2,521	523	8,802
	5,758	938,516	523	944,797
Investment securities carried at amortised cost*				
Debt-type instruments	41,977	8,281	-	50,258
At 31 December 2024				
Investment securities at fair value through income statement				
Debt-type instruments	-	3,973	-	3,973
Equity-type securities	1,061	-	-	1,061
Investment securities at fair value through other comprehensive income				
Debt-type instruments	-	916,736	-	916,736
Equity securities	13,804	1,710	523	16,037
	14,865	922,419	523	937,807
Investment securities carried at amortised cost*				
Debt-type instruments	33,982	9,384	-	43,366

*This pertains to the fair value of investment securities measured at amortised cost.

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5 OTHER ASSETS

	30 June 2025	31 December 2024
Accounts receivable	56,380	47,373
Due from related parties (note 10)	7,266	7,541
Taxes – deferred	5,838	5,116
Taxes – current (advance tax)	1,534	5,178
Assets acquired against claims	866	925
	71,884	66,133
Less: Allowance for impairment	(14,422)	(14,305)
	57,462	51,828

6 IMPAIRMENT ALLOWANCE

The following table sets out information about the credit quality of financings and receivables. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

30 June 2025 (reviewed)

	Stage 1	Stage 2	Stage 3	Total
Placements with banks, financial and other institutions				
Gross exposure	72,343	-	-	72,343
Less: expected credit loss	(27)	-	-	(27)
Net exposure	72,316	-	-	72,316
Financing contracts				
Gross exposure	1,274,886	44,119	78,259	1,397,264
Less: expected credit loss	(28,131)	(2,048)	(47,723)	(77,902)
Net exposure	1,246,755	42,071	30,536	1,319,362
Other assets				
Gross exposure	58,170	79	13,635	71,884
Less: expected credit loss	(708)	(79)	(13,635)	(14,422)
Net exposure	57,462	-	-	57,462
Total gross exposure	1,405,399	44,198	91,894	1,541,491
Less: Total allowance for impairment	(28,866)	(2,127)	(61,358)	(92,351)
Total Net exposure	1,376,533	42,071	30,536	1,449,140

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6 IMPAIRMENT ALLOWANCE (continued)

31 December 2024 (audited)

	Stage 1	Stage 2	Stage 3	Total
Placements with banks, financial and other institutions				
Gross exposure	43,556	-	-	43,556
Less: expected credit loss	(27)	-	-	(27)
Net exposure	43,529	-	-	43,529
Financing contracts				
Gross exposure	1,087,825	150,697	78,895	1,317,417
Less: expected credit loss	(27,040)	(5,727)	(48,158)	(80,925)
Net exposure	1,060,785	144,970	30,737	1,236,492
Other assets				
Gross exposure	52,559	-	13,574	66,133
Less: expected credit loss	(731)	-	(13,574)	(14,305)
Net exposure	51,828	-	-	51,828
Total gross exposure	1,183,940	150,697	92,469	1,427,106
Less: Total allowance for impairment	(27,798)	(5,727)	(61,732)	(95,257)
Total Net exposure	1,156,142	144,970	30,737	1,331,849

	30 June 2025	31 December 2024
At beginning of the period	133,895	139,157
Charge for the period	7,430	27,589
Write back during the period	(11,821)	(18,651)
Utilised during the period	(805)	(11,093)
Exchange differences	(612)	(3,107)
At end of the period	128,087	133,895

Cash and balances with banks and central banks do not have significant ECL allowance.

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7 QUASI-EQUITY

Quasi-equity comprise:

	30 June 2025	31 December 2024
Modaraba accounts - corporates	544,043	480,350
Modaraba accounts - financial institutions	245,903	188,508
Modaraba accounts - individuals	275,342	280,948
Wakala from financial institutions	10,296	9,254
Fair value & foreign exchange translation movement from investments attributable to quasi-equity (i)	(4,181)	(47)
	1,071,403	959,013

The Group utilizes the above funds to invest in the following assets:

	30 June 2025	31 December 2024
Cash and balances with banks and central banks	139,246	147,107
Placements with banks, financial and other institutions	4,657	118
Financing contracts	828,865	712,166
Investments in equity (i)	98,635	99,622
	1,071,403	959,013

(i) Effective 1 January 2023, the unrestricted Modaraba pool of the parent includes an allocation to its investment in subsidiaries as they form part of the income generating pool of assets that support the Modaraba investment accounts. In line with the requirements of Financial Accounting Standards, at the time of preparation of the condensed consolidated interim financial information, foreign exchange translation & fair value reserves arising from consolidation of a foreign subsidiary is attributed to the equity of the investment accountholders. While this attribution is at a consolidated level, the URIA pool considers the net asset value of the investment in subsidiary for the purpose of allocation of assets to Modaraba pools. Any subsequent changes in the value of the net investments is recognised respectively in income statement and equity of the investment accountholders.

The Quasi-equity assets of the parent bank also include investments in its banking subsidiary (refer i above), hence the distribution of assets by ownership has been disclosed accordingly.

Distribution of income by ownership

	Period ended					
	30 June 2025			30 June 2024		
	Self-financed	Quasi-equity financed	Total	Self-financed	Quasi-equity financed	Total
INCOME						
Income from financing contracts	2,591	56,161	58,752	2,381	76,904	79,285
Income from investments	730	66,963	67,693	(1,315)	96,002	94,687
Other income - net	1,932	11,177	13,109	2,052	7,762	9,814
Finance expense on placements from financial and non-financial institutions	(3,627)	-	(3,627)	(3,340)	-	(3,340)
Net income	1,626	134,301	135,927	(222)	180,668	180,446
Share of profit from equity accounted investees	196	-	196	97	-	97
Total income	1,822	134,301	136,123	(125)	180,668	180,543
Operating expenses	37,228	-	37,228	31,290	-	31,290
Depreciation and amortization	4,930	-	4,930	3,662	-	3,662
Total expenses	42,158	-	42,158	34,952	-	34,952
Profit before impairment allowances, income attribution to quasi-equity and tax	(40,336)	134,301	93,965	(35,077)	180,668	145,591
Allowances for impairment and expected credit losses, net	(377)	4,768	4,391	2,244	(6,398)	(4,154)
Group's share as mudarib and wakil	66,856	(66,856)	-	61,234	(61,234)	-
Profit before income attribution to quasi-equity and tax	26,143	72,213	98,356	28,401	113,036	141,437

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7 QUASI-EQUITY (continued)

The movement in reserves attributable to quasi-equity as follows:

	30 June 2025				
	Investments fair value reserve	Fixed assets fair value reserve	Investment in real estate fair value reserve	Foreign currency translation reserve	Total
30 June 2025 (reviewed)					
At 1 January 2025	13,130	(381)	(55)	(12,741)	(47)
Movement in fair value of investment securities	(3,019)	-	-	-	(3,019)
Movement in fair value of investment in real estate	-	-	-	-	-
Movement in fair value of land and building	-	(44)	-	-	(44)
Foreign currency translation adjustments	(155)	(163)	(12)	(741)	(1,071)
At 30 June 2025	9,956	(588)	(67)	(13,482)	(4,181)
	31 December 2024				
	Investments fair value reserve	Fixed assets fair value reserve	Investment in real estate fair value reserve	Foreign currency translation reserve	Total
31 December 2024 (audited)					
At 1 January 2024	4,964	(84)	(167)	(14,875)	(10,162)
Movement in fair value of investment securities	8,145	-	-	-	8,145
Movement in fair value of investment in real estate	-	(386)	-	-	(386)
Movement in fair value of land and building	-	-	106	-	106
Foreign currency translation adjustments	21	89	6	2,134	2,250
At 31 December 2024	13,130	(381)	(55)	(12,741)	(47)

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8 SHARE CAPITAL

	30 June 2025	31 December 2024
Authorised (7.54 billion share @BD 0.100 each)	754,000	754,000
Issued and fully paid (1 billion share @BD 0.100 each)	100,000	100,000

9 RESERVES

	30 June 2025	31 December 2024
Statutory reserve	2,018	2,018
Investments fair value reserve	1,787	1,787
Fixed assets fair value reserve	9,981	9,981
Investment in real estate fair value reserve	951	951
Foreign currency translation reserve	(66,708)	(66,708)
	(51,971)	(51,971)

10 RELATED PARTY TRANSACTIONS AND BALANCES

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

- (a) Directors and companies in which they have an ownership interest.
- (b) Major shareholders of the Bank, Parent Company, Ultimate Parent and companies in which Ultimate Parent has ownership interest and subsidiaries of such companies (affiliates).
- (c) Associated companies of the Bank.
- (d) Senior management.

A related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged.

Significant balances with related parties comprise:

	30 June 2025				
	Shareholders & affiliates	Associated companies and other investments	Directors and related entities	Senior management	Total
Assets					
Financing contracts*	322,135	-	-	-	322,135
Investment in associates	-	3,881	-	-	3,881
Other assets	7,243	-	-	23	7,266
Liabilities					
Customers' current accounts	7,695	144	-	-	7,839
Due to banks, financial and other institutions	1,528	2,660	-	-	4,188
Other liabilities	2,884	-	-	-	2,884
Quasi-equity	18,583	140	-	-	18,723
Income:					
Net profit attributable to quasi-equity	(161)	-	-	-	(161)
Income from financing contracts	2,610	-	-	-	2,610
Profit paid to banks, financial and other institutions	(142)	-	-	-	(142)
Other income - Management fees	(343)	-	-	-	(343)
Expenses:					
General and administrative expenses	(38)	-	(42)	-	(80)

*Financing contracts are gross of ECL general provisions of BD25 million

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10 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	31 December 2024				
	Shareholders & affiliates	Associated companies and other investments	Directors and related entities	Senior management	Total
Assets					
Financing contracts*	323,358	-	-	-	323,358
Investment in associates	-	2,411	-	-	2,411
Other assets	7,504	-	-	37	7,541
Liabilities					
Customers' current accounts	12,623	23	-	-	12,646
Due to banks, financial and other institutions	1,102	2,823	-	-	3,925
Other liabilities	2,707	-	-	-	2,707
Quasi-equity	15,570	-	-	-	15,570

*Financing contracts are gross of ECL general provisions of BD25 million

	30 June 2024				
Income					
Net profit attributable to quasi-equity	(347)	-	-	-	(347)
Income from financing contracts	2,492	-	-	-	2,492
Share of results after tax from associates	-	256	-	-	256
Profit paid to banks, financial and other institutions	(436)	-	-	-	(436)
Other income - Management fees	(104)	-	-	-	(104)
Expenses					
General and administrative expenses	(85)	-	(42)	-	(127)

11 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

	30 June 2025	31 December 2024
Acceptances and endorsements	44,691	32,554
Guarantees and letters of credit	305,051	215,686
Customer and other claims	5,483	5,578
	355,225	253,818

Commitments

	30 June 2025	31 December 2024
Undrawn facilities, financing lines and other commitments to finance	640,795	673,495

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12 SEGMENT REPORTING

The Group constitutes of two main business segments, namely;

- (i) Retail/ Commercial banking business, in which the Group receives customer funds and deposits and extends financing to its retail and corporate clients.
- (ii) Asset Management/Investment Banking, in which the Group directly participates in investment opportunities.

	30 June 2025			30 June 2024		
	Retail & Corporate Banking	Asset Management / Investment Banking	Total	Retail & Corporate Banking	Asset Management / Investment Banking	Total
Total income	134,103	2,020	136,123	179,058	1,485	180,543
Total expenses	39,551	2,607	42,158	33,053	1,899	34,952
Profit before impairment allowances, income attribution to quasi-equity and tax	94,552	(587)	93,965	146,005	(414)	145,591
Provision and overseas tax	(14,304)	(351)	(14,655)	(21,013)	1,982	(19,031)
Less: Net income attributable to quasi-equity	(72,213)	-	(72,213)	(113,036)	-	(113,036)
PROFIT FOR THE PERIOD	8,035	(938)	7,097	11,956	1,568	13,524
Attributable to:						
Shareholders of the Bank	3,555	(751)	2,804	6,233	1,545	7,778
Non-controlling interests	4,480	(187)	4,293	5,723	23	5,746
	8,035	(938)	7,097	11,956	1,568	13,524
Total assets	2,685,179	70,484	2,755,663	2,554,272	70,778	2,625,050
Total liabilities and quasi-equity	2,636,456	12,379	2,648,835	2,506,889	11,993	2,518,882

12 SEGMENT REPORTING (continued)

[illegible]

Ithmaar Bank B.S.C. (c)**Notes to the condensed consolidated interim financial information
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13 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended 31 December 2024.

14 REGULATORY RATIOS**14.1 Liquidity Coverage Ratio (LCR)**

LCR is computed as a ratio of Stock of HQLA over the net cash outflows. The average consolidated LCR for six months calculated as per the requirements of the CBB rulebook and guidelines applicable for the Bank, as of 30 June 2025 and 31 December 2024, is as follows:

	30 June 2025	31 December 2024
Stock of HQLA	602,215	640,914
Net cashflows	537,503	616,746
LCR %	112%	104%
Minimum required by CBB	100%	100%

14.2 Capital Adequacy Ratio

The table below summarises the composition of regulatory capital and the ratios of the Group for the period ended. The capital adequacy ratio has been calculated in accordance with CBB guidelines & CBB directives applicable for the Bank, incorporating credit risk, operational risk and market risk. The banking subsidiaries comply with the directives of the respective local regulators for their capital management and their capital and risk-weighted assets are aggregated for the purpose of reporting the Group's CAR.

	30 June 2025	31 December 2024
Tier 1	146,228	130,203
Tier 2	9,376	8,768
Total Capital Base	155,604	138,971
 Total Risk-Weighted Exposures	 1,062,997	 1,027,379
 Capital Adequacy Ratio (CAR)	 14.64%	 13.53%

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14 NET STABLE FUNDING RATIO (NSFR) (continued)

The consolidated NSFR is calculated in accordance with applicable Liquidity Risk Management Module guidelines agreed with the CBB. The minimum NSFR ratio as per CBB is 100% . The NSFR as at 30 June 2025 is calculated as follows:

No.	Item	Unweighted Values (i.e. before applying relevant factors)				Total weighted value
		No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
Available Stable Funding (ASF):						
1	Capital:	146,228	-	-	9,376	155,604
2	Regulatory Capital	146,228	-	-	-	146,228
3	Other Capital Instruments	-	-	-	9,376	9,376
4	Retail deposits and deposits from small business customers:	-	823,844	32,079	2,769	775,942
5	Stable deposits	-	56,064	767	55	54,045
6	Less stable deposits	-	767,780	31,312	2,714	721,897
7	Wholesale funding:	-	378,891	630,409	326,332	852,230
8	Operational deposits	-	-	-	-	33,657
9	Other wholesale funding	-	378,891	630,409	326,332	818,573
10	Other liabilities::	-	444,836	-	14,306	14,306
11	NSFR Shari'a-compliant hedging contract liabilities	-	3,578	-	-	-
12	All other liabilities not included in the above categories	-	441,258	-	14,306	14,306
13	Total ASF					1,798,082
Available Stable Funding (ASF):						
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	42,062
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	Performing loans and securities:	-	532,738	112,898	710,875	881,369
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	28,108	2,461	8,864	14,311
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	504,630	110,437	514,165	744,574
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	-	-	-	164,318	106,806
21	Performing residential mortgages, of which:					
22	- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	22,427	14,577
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	1,101	1,101
24	Other assets:	-	306,254	-	-	306,254
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for Shari'a-compliant hedging contracts and contributions to default funds of CCPs	-	-	-	-	-
27	NSFR Shari'a-compliant hedging assets	-	437	-	-	437
28	NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted	-	710	-	-	710
29	All other assets not included in the above categories	-	305,107	-		305,107
30	OBS items	-	786,160	-	-	39,308
31	Total RSF	-	-	-	-	1,268,993
32	NSFR (%)	-	-	-	-	142%

Ithmaar Bank B.S.C. (c)
Notes to the condensed consolidated interim financial information
for the six months period ended 30 June 2025
(Expressed in thousands of Bahraini Dinars unless otherwise stated)

14 NET STABLE FUNDING RATIO (NSFR) (continued)

The consolidated NSFR is calculated in accordance with applicable Liquidity Risk Management Module guidelines agreed with the CBB. The minimum NSFR ratio as per CBB is 100% . The NSFR as at 31 December 2024 is calculated as follows:

No.	Item	Unweighted Values (i.e. before applying relevant factors)				Total weighted value
		No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
Available Stable Funding (ASF):						
1	Capital:	130,203	-	-	8,768	138,971
2	Regulatory Capital	130,203	-	-	-	130,203
3	Other Capital Instruments	-	-	-	8,768	8,768
4	Retail deposits and deposits from small business customers:	-	715,391	101,936	2,312	695,433
5	Stable deposits	-	52,005	51,465	37	50,386
6	Less stable deposits	-	663,386	50,471	2,275	645,047
7	Wholesale funding:	-	647,209	222,387	347,019	620,018
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	647,209	222,387	347,019	620,018
10	Other liabilities::	-	493,461	-	20,961	20,961
11	NSFR Shari'a-compliant hedging contract liabilities	-	5,874	-	-	-
12	All other liabilities not included in the above categories	-	487,587	-	20,961	20,961
13	Total ASF					1,475,383
Available Stable Funding (ASF):						
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	45,860
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	Performing loans and securities:	-	552,630	74,815	678,192	847,194
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	34,847	8,259	6,631	15,988
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	517,783	66,556	510,655	726,227
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	-	-	-	131,861	85,710
21	Performing residential mortgages, of which:					
22	- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	27,931	18,155
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	1,114	1,114
24	Other assets:	-	299,342	-	-	299,342
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for Shari'a-compliant hedging contracts contracts and contributions to default funds of CCPs	-	-	-	-	-
27	NSFR Shari'a-compliant hedging assets	-		-	-	-
28	NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted	-	1,175	-	-	1,175
29	All other assets not included in the above categories	-	298,167	-		298,167
30	OBS items	-	754,795	-	-	37,740
31	Total RSF	-	-	-	-	1,230,136
32	NSFR (%)	-	-	-	-	120%

15 TAXATION

The Global Anti-Base Erosion Pillar Two Model Rules ("GloBE rules") established by the Organization for Economic Cooperation and Development ("OECD") apply to multinational enterprise ("MNE") groups with total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years.

In line with the requirements of GloBE rules, the Kingdom of Bahrain has issued and enacted Decree Law No. (11) of 2024 ("Bahrain DMTT law") on 1 September 2024 introducing a domestic minimum top-up tax ("DMTT") of up to 15% on the taxable income of the Bahrain resident entities within the Group for fiscal years beginning on or after 1 January 2025.

As per the Group's assessment of applicability of the Bahrain DMTT law and global anti-base erosion model (GloBE) rules, it has assessed and concluded that it is not in scope for fiscal year 2025 as it does not have total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years.

Accordingly, it does not expect to be subject to the Bahrain DMTT law and GloBE rules for the current fiscal year.