Bahrain Islamic Bank B.S.C.

CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION

30 June 2026

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the six months ended 30 June 2026

CONTENTS

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

To the Board of Directors of
Bahrain Islamic Bank B.S.C.
Kingdom of Bahrain

Introduction

We have reviewed the accompanying 30 June 2026 condensed consolidated interim financial information of Bahrain Islamic Bank B.S.C. (the "Bank") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 June 2026;
- the condensed consolidated statement of income for the three-month and six-month periods ended 30 June 2026;
- the condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2026;
- the condensed consolidated statement of income and attribution related to quasi-equity for the three-month and six-month periods ended 30 June 2026;
- the condensed consolidated statement of changes in owners' equity for the six-month period ended 30 June 2026;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2026; 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 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".

KPMG

4 August 2026

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	**30 June 2026 BD'000 (reviewed)**	*31 December 2025 BD'000 (audited)*
ASSETS			
Cash and balances with banks and Central Bank		**70,435**	73,664
Placements with financial institutions		**238,308**	293,129
Financing contracts	8	**1,007,054**	998,523
Investment securities	9	**413,305**	390,347
Investment in associates	10	**7,822**	7,691
Investment in real estate	11	**13,721**	13,721
Property and equipment		**16,197**	15,948
Other assets	12	**12,593**	11,253
TOTAL ASSETS		**1,779,435**	1,804,276
LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY			
Liabilities			
Placements from financial institutions		**47,200**	90,595
Placements from non-financial institutions and individuals		**82,132**	167,054
Financing from financial institutions	13	**305,764**	260,125
Customers' current accounts		**268,333**	254,596
Other liabilities	14	**53,909**	43,296
Total Liabilities		**757,338**	815,666
Quasi-equity			
Financial institutions		**25,967**	73,261
Non-financial institutions and individuals		**834,006**	752,066
Total Quasi-equity	15	**859,973**	825,327
Owners' Equity			
Share capital	16	**106,406**	106,406
Treasury shares	16	**(677)**	(677)
Shares under employee share incentive scheme		**(50)**	(245)
Share premium		**197**	132
Reserves		**31,248**	32,667
Equity attributable to Bank's shareholders		**137,124**	138,283
Subordinated Mudaraba (AT1)		**25,000**	25,000
Total Owners' Equity		**162,124**	163,283
TOTAL LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY		**1,779,435**	1,804,276

The condensed consolidated interim financial information was approved by the Board of Directors on 4 August 2026 and signed on its behalf by:

Zaid Khalid Abdulrahman	Usman Ahmed	Fatema AlAlawi
Chairman	Vice Chairman	Chief Executive Officer

CONDENSED CONSOLIDATED STATEMENT OF INCOME
For the six months ended 30 June 2026

		Six months ended 30 June		Three months ended 30 June	
	Note	**2026** **BD'000** **(reviewed)**	2025 BD'000 (reviewed)	**2026** **BD'000** **(reviewed)**	2025 BD'000 (reviewed)
INCOME					
Income from financing contracts		**25,897**	26,797	**13,052**	13,514
Income from placements with financial institutions		**5,637**	4,735	**2,577**	2,811
Income from investment in Sukuk	17	**10,634**	7,296	**5,341**	3,764
Expense on placements from financial institutions		**(1,309)**	(1,890)	**(539)**	(749)
Expense on placements from non-financial institutions and individuals		**(3,924)**	(9,243)	**(1,621)**	(3,794)
Expense on financing from financial institutions		**(6,630)**	(4,597)	**(3,484)**	(2,418)
Net finance income		**30,305**	23,098	**15,326**	13,128
Fee and commission income, net		**3,346**	3,795	**1,731**	2,055
Income from investment securities		**12**	66	**12**	66
Income from investment in real estate, net		**14**	9,963	**7**	409
Share of results of associates, net		**131**	72	**131**	37
Other income, net		**2,437**	2,177	**1,326**	1,424
Total income		**36,245**	39,171	**18,533**	17,119
EXPENSES					
Staff costs		**7,311**	7,791	**3,746**	3,499
Depreciation and amortization		**1,009**	882	**506**	479
Other operating expenses		**6,279**	6,333	**3,001**	3,495
Total expenses		**14,599**	15,006	**7,253**	7,473
Profit before impairment allowances and attribution to quasi-equity		**21,646**	24,165	**11,280**	9,646
Impairment allowance on financial instruments, net	18	**(3,739)**	(5,084)	**(2,275)**	(2,396)
Profit before attribution to quasi-equity		**17,907**	19,081	**9,005**	7,250
Profit attributable to quasi-equity		**(11,418)**	(5,893)	**(5,696)**	(4,064)
PROFIT FOR THE PERIOD		**6,489**	13,188	**3,309**	3,186
BASIC AND DILUTED EARNINGS PER SHARE (fils)		**4.33**	10.70	**1.33**	1.22

Zaid Khalid Abdulrahman Chairman	Usman Ahmed Vice Chairman	Fatema AlAlawi Chief Executive Officer

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Six months ended 30 June		Three months ended 30 June	
	2026	2025	**2026**	2025
	BD'000	BD'000	**BD'000**	BD'000
	(reviewed)	(reviewed)	**(reviewed)**	(reviewed)
Profit for the period	**6,489**	13,188	**3,309**	3,186
Other comprehensive income				
Items that are or may be reclassified subsequently to the statement of income				
Fair value changes on equity investments carried at fair value through other comprehensive income	**(1)**	(84)	**(13)**	(32)
Fair value changes on investment in real estate	**-**	(59)	**-**	-
Total other comprehensive income	**(1)**	(143)	**(13)**	(32)
Total comprehensive income for the period	**6,488**	13,045	**3,296**	3,154

CONDENSED CONSOLIDATED STATEMENT OF INCOME AND ATTRIBUTION RELATED TO QUASI-EQUITY

For the six months ended 30 June 2026

	Six months ended 30 June		Three months ended 30 June	
	2026	2025	**2026**	2025
	BD'000	BD'000	**BD'000**	BD'000
	(reviewed)	(reviewed)	**(reviewed)**	(reviewed)
Profit before impairment allowances and attribution to quasi-equity	**21,646**	24,165	**11,280**	9,646
Adjusted for:				
Less: income not attributable to quasi-equity	**(5,940)**	(16,073)	**(3,207)**	(3,991)
Add: expenses not attributable to quasi-equity	**26,461**	30,736	**12,896**	14,434
Less: institution's share of income from jointly financed assets	**(18,519)**	(22,343)	**(9,291)**	(10,205)
Less: allowance for impairment allowances attributable to quasi-equity	**(2,085)**	(2,142)	**(1,263)**	(1,204)
Total income available for quasi-equity holders	**21,563**	14,343	**10,415**	8,680
Profit equalization reserve – net movement	**(136)**	(128)	**(67)**	(67)
Total income attributable to quasi-equity holders (adjusted for reserves)	**21,427**	14,215	**10,348**	8,613
Less: mudarib's share	**(7,792)**	(7,802)	**(3,792)**	(4,067)
Less: wakala fees	**(2,217)**	(520)	**(860)**	(482)
Profit attributable to quasi-equity	**11,418**	5,893	**5,696**	4,064

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the six months ended 30 June 2026

	Equity attributable to Bank's shareholders											
					Reserves							
2026 - reviewed	*Share capital BD'000*	*Treasury shares BD'000*	*Shares under employee share incentive scheme BD'000*	*Share premium BD'000*	*Statutory reserve BD'000*	*Real estate fair value reserve BD'000*	*Investment securities fair value reserve BD'000*	*Retained earnings BD'000*	*Total reserves BD'000*	*Equity attributable to Bank's shareholders BD'000*	*Sub-ordinated mudaraba (AT1) BD'000*	*Total Owners' Equity BD'000*
Balance at 1 January 2026	**106,406**	**(677)**	**(245)**	**132**	**10,081**	**1,246**	**1,362**	**19,978**	**32,667**	**138,283**	**25,000**	**163,283**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,489**	**6,489**	**6,489**	**-**	**6,489**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**-**	**(1)**	**(1)**	**-**	**(1)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**6,489**	**6,488**	**6,488**	**-**	**6,488**
Cash dividends								**(5,298)**	**(5,298)**	**(5,298)**	**-**	**(5,298)**
Zakah approved	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(638)**	**(638)**	**(638)**	**-**	**(638)**
Donations approved	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(70)**	**(70)**	**(70)**	**-**	**(70)**
Profit distribution on AT1 Capital	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,901)**	**(1,901)**	**(1,901)**		**(1,901)**
Shares allocated to staff during the period	**-**	**-**	**195**	**65**	**-**	**-**	**-**	**-**	**-**	**260**	**-**	**260**
Balance at 30 June 2026	**106,406**	**(677)**	**(50)**	**197**	**10,081**	**1,246**	**1,361**	**18,560**	**31,248**	**137,124**	**25,000**	**162,124**
2025 - reviewed												
Balance at 1 January 2025	106,406	(892)	(101)	206	8,227	1,320	1,652	5,602	16,801	122,420	25,000	147,420
Profit for the period	-	-	-	-	-	-	-	13,188	13,188	13,188	-	13,188
Other comprehensive income	-	-	-	-	-	(59)	(84)	-	(143)	(143)	-	(143)
Total comprehensive income for the period	-	-	-	-	-	(59)	(84)	13,188	13,045	13,045	-	13,045
Zakah approved	-	-	-	-	-	-	-	(356)	(356)	(356)	-	(356)
Donations approved	-	-	-	-	-	-	-	(50)	(50)	(50)	-	(50)
Profit distribution on AT1 Capital	-	-	-	-	-	-	-	(1,901)	(1,901)	(1,901)		(1,901)
Shares allocated to staff during the period	-	-	67	-	-	-	-	-	-	67	-	67
Transfer to shares under employee share incentive scheme	-	215	(141)	(74)	-	-	-	-	-	-	-	-
Balance at 30 June 2025	106,406	(677)	(175)	132	8,227	1,261	1,568	16,483	27,539	133,225	25,000	158,225

The accompanying notes 1 to 25 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	BD'000	BD'000
	(reviewed)	(reviewed)
OPERATING ACTIVITIES		
Profit for the period	**6,489**	13,188
Adjustments for non-cash items:		
Depreciation and amortization	**852**	708
Impairment allowance on financial instruments, net	**3,739**	5,084
Amortization of right-of-use asset	**157**	174
Gain on sale of investment in sukuk	**(4)**	(8)
Gain on sale of investment in real estate	**-**	(9,742)
Share of results of associates, net	**(131)**	(72)
Operating profit before changes in operating assets and liabilities	**11,102**	9,332
Working capital adjustments:		
Mandatory reserve with Central Bank of Bahrain	**14,149**	(3,345)
Financing contracts	**(11,384)**	(5,267)
Other assets	**2,672**	(7,710)
Customers' current accounts	**13,737**	30,762
Other liabilities	**7,842**	8,121
Placements from financial institutions	**(44,821)**	(44,625)
Placements from non-financial institutions and individuals	**(84,922)**	(267,433)
Quasi-equity	**34,646**	293,627
Net cash (used in) / from operating activities	**(56,979)**	13,462
INVESTING ACTIVITIES		
Disposal of investment in real estate	**-**	14,684
Purchase of property and equipment	**(1,101)**	(998)
Purchase of investment securities	**(27,934)**	(60,987)
Disposal of investment securities	**348**	40,243
Net cash used in investing activities	**(28,687)**	(7,058)
FINANCING ACTIVITIES		
Profit distribution on AT1 Capital	**-**	(1,901)
Financing from financial institutions availed	**45,639**	28,962
Dividends paid	**(5,298)**	-
Net cash from financing activities	**40,341**	27,061
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	**(45,325)**	33,465
Cash and cash equivalents at 1 January	**314,201**	175,629
CASH AND CASH EQUIVALENTS AT 30 JUNE	**268,876**	209,094
Cash and cash equivalents comprise:		
Cash on hand	**7,212**	9,381
Balances with CBB, excluding mandatory reserve deposits	**17,706**	1,012
Balances with banks and other financial institutions excluding restricted balances	**5,650**	8,349
Placements with financial institutions with original maturities less than 90 days	**238,308**	190,352
	268,876	209,094

The accompanying notes 1 to 25 form an integral part of this condensed consolidated interim financial information.

1 REPORTING ENTITY

Bahrain Islamic Bank B.S.C. (the "Bank") was incorporated in the Kingdom of Bahrain in 1979 by Amiri Decree No.2 of 1979 and registered with the Ministry of Industry and Commerce ("MOIC") under Commercial Registration (CR) number 9900, to carry out banking and other financial trading activities in accordance with the teachings of Islam (Shari'a). The Bank operates under an Islamic retail banking license issued by the Central Bank of Bahrain ("CBB"). The Bank's Shari'a Supervisory Board is entrusted to ensure the Bank's adherence to Shari'a rules and principles in its transactions and activities. The Bank is listed on the Bahrain Bourse.

National Bank of Bahrain (NBB) owns 80.22% (31 December 2025: 78.81%) of shares. Hence NBB is considered as Parent of the Bank for financial reporting purposes.

The Bank's registered office is at Building 722, Road 1708, Block 317, Manama, Kingdom of Bahrain.

The Bank has six branches (2025: seven), all operating in the Kingdom of Bahrain.

The condensed consolidated interim financial information includes the results of the Bank and its wholly owned subsidiaries (together the "Group"). The Bank holds 100% of the share capital of Abaad Real Estate Company W.L.L., a real estate company incoprorated in Kingdom of Bahrain.

2 BASIS OF PREPARATION AND PRESENTATION

The condensed consolidated interim financial information of the Group has been prepared in accordance with Financial Accounting Standard 41, Interim Financial Reporting ("FAS 41") issued by the Accounting and Auditing Organisation for 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 consolidated financial statements for the year ended 31 December 2025. 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 2025.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in the preparation of the condensed consolidated interim financial information are consistent with those used in the previous year, except for the following changes which became effective on 1 January 2026. The adoption of these standards did not have a significant impact on the condensed consolidated interim financial information.

(i) FAS 45: Quasi-Equity (Including Investment Accounts).
(ii) FAS 46: Off-Balance-Sheet Assets Under Management.
(iii) FAS 47: Transfer of Assets Between Investment Pools.
(iv) FAS 48: Promotional Gifts and Prizes.

New standards, amendments, and interpretations issued but not yet effective:

The following new standards and amendment to standards are effective for annual periods beginning after 1 January 2027 and earlier application is permitted. The Group did not early adopt any of these new standards.

(i) FAS 50: Financial reporting for Islamic Investment institutions (including investment funds).
(ii) Withdrawal of FAS 26: Investment in Real Estate and Related Transitional Provisions.

The Group is currently evaluating the impact of these standards and amendments.

4 FINANCIAL RISK MANAGEMENT

The Group’s financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended 31 December 2025 except as explained in note 5.

5 JUDGMENT AND ESTIMATES

Preparation of the condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The areas of significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited consolidated financial statements as at and for the year ended 31 December 2025 except for the below:

Revision to significant accounting estimates arising from current geopolitical situation

The geopolitical situation in the Middle East has continued to evolve during the period, resulting in a heightened level of uncertainty in the economic environment across the region, including the Kingdom of Bahrain. The Group continues to closely monitor developments and maintains appropriate business continuity and risk management measures to mitigate the potential impact of any disruption on its operations, customers and financial performance. The Group also continues to assess the potential business and credit implications arising from these conditions, together with the effect of any support or relief measures introduced by regional governments and central banks.

The measurement of expected credit losses ("ECL") requires the application of significant judgement and the use of assumptions and estimates, in particular in relation to the assessment of significant increases in credit risk, the incorporation of forward-looking information, and the selection and weighting of forward-looking macroeconomic scenarios.

In June 2026 , the Group updated the forward-looking macroeconomic factors, economic forecasts and assumptions incorporated within its ECL models to reflect the latest available economic information and prevailing market conditions. The Group considered a range of plausible economic outcomes and incorporated the impact of increased volatility in forward-looking macroeconomic factors when assessing the probability weighting, severity and likelihood of the economic scenarios applied within the impairment models.

The scenario weightings applied by the Group were as follows:

Scenario	30 June 2026	31 December 2025	30 June 2025
Best	0%	15%	15%
Base	70%	70%	70%
Worst	30%	15%	15%

Management also evaluated whether the modelled outcomes appropriately reflected prevailing and emerging credit risks across the Group's portfolios. The macroeconomic variables reassessed as part of this update included Bahrain and GCC gross domestic product growth, crude oil price assumptions, benchmark profit rate expectations, inflation forecasts and real estate market indicators, together with other economic factors considered relevant to the credit performance of the Group's financing and investment portfolios. In addition to the assumptions outlined above, the Group has given specific consideration to the relevant impact of these disruptions on the qualitative and quantitative factors when determining the significant increase in credit risk and assessing the indicators of impairment for the exposures in potentially affected sectors. This has resulted in recognition of relevant ECLs and impairment allowances.

The Group also considered management overlays to address model limitations and portfolio-specific risk characteristics that were not fully captured within the underlying modelled outcomes. The reported ECL allowance represents management's best estimate at the reporting date, based on reasonable and supportable information available as at 30 June 2026. The economic environment remains subject to uncertainty, and the Group will continue to monitor developments and reassess the impact of changing macroeconomic conditions, portfolio performance and emerging risks on its ECL estimates in future reporting periods.

On 14 April 2026, the Central Bank of Bahrain introduced a number of support measures for the economy and the banking sector, including liquidity lines to retail banks against eligible securities, repayment deferrals of up to three months for eligible financed parties, extension of repurchase operation maturities, a reduction in the required cash reserve ratio, and a lowering of the minimum LCR and NSFR thresholds applicable to banks.

6 COMPARATIVE INFORMATION

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 Group's audited consolidated financial statements for the year ended 31 December 2025, and comparatives for the condensed consolidated statements of income, comprehensive income, income and attribution related to quasi-equity, changes in owner's equity, and cash flows have been extracted from the Group's reviewed condensed consolidated interim financial information for the six months ended 30 June 2025.

The comparative figures have been regrouped in order to conform with the presentation for the current period. Such regrouping did not affect previously reported profit for the period or total equity.

7 SEASONALITY

The Bank does not have significant income of seasonal nature.

8 FINANCING CONTRACTS

	30 June 2026 BD'000 (Reviewed)	31 December 2025 BD'000 (Audited)
Trade-based		
Murabaha	**730,013**	740,445
Participatory-based		
Musharaka	**87,749**	92,273
Mudaraba	**8,091**	4,728
Lease-based		
Ijarah Muntahia Bittamleek (net of accumulated depreciation)	**299,059**	301,355
Gross financing contracts	**1,124,912**	1,138,801
Deferred profits	**(77,718)**	(94,982)
Impairment allowance	**(40,140)**	(45,296)
Net financing contracts	**1,007,054**	998,523

8.1 The movement on financing contracts is as follows:

2026	**Stage 1 BD'000**	**Stage 2 BD'000**	**Stage 3 BD'000**	**Total BD'000**
Gross financing contracts	**1,003,942**	**40,376**	**80,594**	**1,124,912**
Less: Deferred profits	**52,729**	**3,724**	**21,265**	**77,718**
Less: Impairment allowance				
At 1 January 2026	**5,201**	**3,867**	**36,228**	**45,296**
Net movement between stages	**870**	**(540)**	**(330)**	**-**
Net charge for the period	**(1,792)**	**645**	**4,000**	**2,853**
Write-off	**-**	**-**	**(8,009)**	**(8,009)**
At 30 June 2026	**4,279**	**3,972**	**31,889**	**40,140**
Net financing contracts	**946,934**	**32,680**	**27,440**	**1,007,054**

2025	Stage 1 BD'000	Stage 2 BD'000	Stage 3 BD'000	Total BD'000
Gross financing contracts	998,615	51,365	88,821	1,138,801
Less: Deferred profits	67,801	5,240	21,941	94,982
Less: Impairment allowance				
At 1 January 2025	5,438	4,624	36,512	46,574
Net movement between stages	508	(1,258)	750	-
Net charge for the year	(745)	501	9,368	9,124
Write-off	-	-	(10,402)	(10,402)
At 31 December 2025	5,201	3,867	36,228	45,296
Net financing contracts	925,613	42,258	30,652	998,523

9 INVESTMENT SECURITIES

	30 June 2026 BD'000 (Reviewed)	31 December 2025 BD'000 (Audited)
i) Debt type instruments - at amortised cost		
Quoted Sukuk		
Gross balance at the beginning of the period	**368,739**	253,928
Acquisitions	**27,934**	179,068
Disposals and redemptions	**(344)**	(64,257)
Gross balance at the end of the period*	**396,329**	368,739
Expected credit losses allowance	**(206)**	(112)
Fair value gains / (losses) on hedged items attributable to profit rate risk hedged*	**(2,297)**	1,870
Net balance at the end of the period	**393,826**	370,497
Unquoted Sukuk		
Gross balance at the beginning of the period	**12,509**	12,507
Foreign currency translation changes	**(1)**	2
Gross balance at the end of the period	**12,508**	12,509
Expected credit losses allowance	**(12,508)**	(12,509)
Net balance at the end of the period	**-**	-
ii) Equity type instruments - at fair value		
Unquoted shares - at fair value through other comprehensive income		
Balance at beginning of the period	**19,414**	19,931
Fair value movement - net	**(371)**	(517)
Balance at the end of the period	**19,043**	19,414
Unquoted managed funds	**436**	436
Total net investment securities	**413,305**	390,347

** As of 30 June 2026, debt type instruments includes Sukuk of BD 270,382 thousand (31 December 2025: BD 196,075 thousand) pledged against financing from financial institutions of BD 218,606 thousand (31 December 2025: BD 172,726 thousand) (note 13).*

Furthermore, as of 30 June 2026, Sukuk of BD 252,603 thousand (31 December 2025: BD 227,988) carried at amortised cost were hedged through profit rate swaps and the resultant fair value gain on the hedged items related to profit rate risk of BD 2,297 thousand loss (31 December 2025: BD 1,870 thousand gain) were adjusted to the carrying value.

10 INVESTMENT IN ASSOCIATES

	30 June 2026 BD'000 (Reviewed)	31 December 2025 BD'000 (Audited)
Balance at beginning of the period	**7,691**	11,441
Share of results of associates, net	**131**	128
Disposal	**-**	(3,878)
Balance at end of the period	**7,822**	7,691

11 INVESTMENT IN REAL ESTATE

	30 June 2026 BD'000 (Reviewed)	31 December 2025 BD'000 (Audited)
Lands	**9,933**	9,933
Buildings	**3,788**	3,788
	13,721	13,721

	30 June 2026 BD'000 (Reviewed)	31 December 2025 BD'000 (Audited)
Movement on investment in real estate:		
Balance at the beginning of the period	**13,721**	14,583
Acquisition	**-**	3,946
Disposal	**-**	(4,942)
Fair value changes	**-**	134
Balance at the end of the period	**13,721**	13,721

Investment in real estate comprise plots of land and buildings in the Kingdom of Bahrain and the United Arab Emirates.

12 OTHER ASSETS

	30 June 2026 BD'000 (Reviewed)	31 December 2025 BD'000 (Audited)
Repossessed assets*	**953**	953
Receivables	**321**	2,300
Staff advances	**1,601**	1,598
Prepaid expenses	**1,163**	528
Risk management instruments (12.1)	**2,297**	430
Other	**6,258**	5,444
	12,593	11,253

**Repossessed assets comprise lands located in Kingdom of Bahrain and are net of impairment allowance of BD 311 thousand (31 December 2025: 311 thousand).*

12.1 Risk management instruments

The risk management instruments are valued based on observable inputs. The fair values of risk management financial instruments held by the Group as at 30 June 2026 are provided below:

	30 June 2026		31 December 2025	
	Assets BD'000	**Liabilities BD'000**	Assets BD'000	Liabilities BD'000
Profit rate swaps (Fair value hedges)	**2,297**	**-**	-	1,870
Foreign exchange contracts (Waad) (Other risk management instruments)	**-**	**162**	430	-
	2,297	**162**	430	1,870

The notional amount of risk management financial instruments held by the Group as at 30 June 2026 are provided below:

	30 June 2026		31 December 2025	
	Assets BD'000	**Liabilities BD'000**	Assets BD'000	Liabilities BD'000
Profit rate swaps (Fair value hedges)	**252,603**	**-**	227,988	-
Foreign exchange contracts (Waad) (Other risk management instruments)	**129,708**	**129,871**	265,574	266,190
	382,311	**129,871**	493,562	266,190

The net hedge ineffectiveness gain / losses recognized in the condensed consolidated income statement are as follows:

	30 June 2026 BD'000	30 June 2025 BD'000
(Losses) / Gains on the hedged items attributable to risk hedged	**(2,297)**	1,518
Gains / (Losses) on the hedging instruments	**2,297**	(1,518)
Net hedge ineffectiveness (loss)/gain	**-**	-

13 FINANCING FROM FINANCIAL INSTITUTIONS

This represents term murabaha facilities of BD 305,764 thousand (2025: BD 260,125 thousand), of which, BD 218,606 thousand (2025: BD 172,726 thousand) is secured by pledge over Sukuk of BD 270,382 thousand (2025: BD 196,075 thousand). The average profit rate on financing is 4.49% (2025: 4.43%).

14 OTHER LIABILITIES

	30 June 2026 BD'000 (Reviewed)	*31 December 2025 BD'000 (Audited)*
Managers' cheques	**1,824**	2,118
Payable to vendors	**3,949**	2,581
Accrued expenses	**7,316**	9,319
Zakah and charity fund*	**616**	545
Net Ijarah liability	**296**	401
Other**	**39,908**	28,332
	53,909	43,296

**During the period ended 30 June 2026, BD 743 thousand (2025: BD 484 thousand) was transferred into the Zakah and charity fund and BD 672 thousand (2025 BD 131 thousand) was utilised from the Zakah and charity fund. There were no movements in the good faith and Qard fund during the period.*

***Other includes expected credit losses allowance for commitments and contingent liabilities of BD 1,041 thousand (31 December 2025: BD 1,019 thousand).*

15 QUASI-EQUITY

	30 June 2026 BD'000 (Reviewed)	*31 December 2025 BD'000 (Audited)*
Placements from financial institutions – Wakala	**25,967**	73,261
Placements from non-financial institutions and individuals – Wakala	**603**	603
Placements from non-financial institutions and individuals - Mudharaba	**833,403**	751,463
	859,973	825,327

The funds received from Wakala pool and mudharba pool together with quasi-equity have been commingled and jointly invested with the Group in the following asset classes and reported under quasi-equity:

	30 June 2026 BD'000 (Reviewed)	*31 December 2025 BD'000 (Audited)*
Cash and balances with banks and Central Bank	**49,076**	45,750
Placements with financial institutions	**14,026**	2,427
Financing contracts, net	**572,849**	566,831
Investment securities, net	**224,022**	210,319
	859,973	825,327

Profit equalisation reserve

	30 June 2026 BD'000 (Reviewed)	*31 December 2025 BD'000 (Audited)*
Opening reserve balance	**611**	342
Movement during the period	**136**	269
Ending reserve balance	**747**	611

15 QUASI-EQUITY (continued)

Distribution of assets by ownership

	30 June 2026 (Reviewed)			31 December 2025 (Audited)		
	Self-financed	**Quasi-equity**	**Total**	Self-financed	Quasi-equity	Total
Cash and balances with banks and Central Bank	**21,359**	**49,076**	**70,435**	27,914	45,750	73,664
Placements with financial institutions	**224,282**	**14,026**	**238,308**	290,702	2,427	293,129
Financing contracts	**434,205**	**572,849**	**1,007,054**	431,692	566,831	998,523
Investment in Sukuk	**169,804**	**224,022**	**393,826**	160,178	210,319	370,497
Investment in equities and funds	**19,479**	**-**	**19,479**	19,850	-	19,850
Investment in associates	**7,822**	**-**	**7,822**	7,691	-	7,691
Investment in real estate	**13,721**	**-**	**13,721**	13,721	-	13,721
Property and equipment	**16,197**	**-**	**16,197**	15,948	-	15,948
Other assets	**12,593**	**-**	**12,593**	11,253	-	11,253
	919,462	**859,973**	**1,779,435**	978,949	825,327	1,804,276

Distribution of income

	30 June 2026 (Reviewed)			30 June 2025 (Reviewed)		
	Self-financed	**Quasi-equity**	**Total**	Self-financed	Quasi-equity	Total
INCOME						
Income from financing contracts	**12,710**	**13,187**	**25,897**	16,544	10,253	26,797
Income from placements with financial institutions	**1,241**	**4,396**	**5,637**	1,706	3,029	4,735
Income from investment in Sukuk	**4,705**	**5,929**	**10,634**	4,222	3,074	7,296
Expense on placements from financial institutions	**(1,309)**	**-**	**(1,309)**	(1,890)	-	(1,890)
Expense on placements from non-financial institutions and individuals	**(3,924)**	**-**	**(3,924)**	(9,243)	-	(9,243)
Expense on financing from financial institutions	**(6,630)**	**-**	**(6,630)**	(4,597)	-	(4,597)
Net finance income	**6,793**	**23,512**	**30,305**	6,742	16,356	23,098
Fee and commission income, net	**3,346**	**-**	**3,346**	3,795	-	3,795
Income from investment securities	**12**	**-**	**12**	66	-	66
Income from investment in real estate, net	**14**	**-**	**14**	9,963	-	9,963
Share of results of associates, net	**131**	**-**	**131**	72	-	72
Other income, net	**2,437**	**-**	**2,437**	2,177	-	2,177
Total income	**12,733**	**23,512**	**36,245**	22,815	16,356	39,171
EXPENSES						
Staff costs	**7,311**	**-**	**7,311**	7,791	-	7,791
Depreciation and amortization	**1,009**	**-**	**1,009**	882	-	882
Other operating expenses	**6,279**	**-**	**6,279**	6,333	-	6,333
Total expenses	**14,599**	**-**	**14,599**	15,006	-	15,006
Profit before impairment allowances and attribution to quasi-equity	**(1,866)**	**23,512**	**21,646**	7,809	16,356	24,165
Impairment allowance on financial instruments, net	**(1,654)**	**(2,085)**	**(3,739)**	(2,942)	(2,142)	(5,084)
Group's share as Mudarib and Wakil	**10,009**	**(10,009)**	**-**	8,321	(8,321)	-
ALLOCATED PROFIT	**6,489**	**11,418**	**17,907**	13,188	5,893	19,081

16 OWNERS' EQUITY

		30 June 2026 BD'000 (Reviewed)	*31 December 2025 BD'000 (Audited)*
a.	Share capital		
i.	*Authorised*		
	2,000,000,000 shares (2025: 2,000,000,000 shares) of BD 0.100 each	**200,000**	200,000
ii.	*Issued and fully-paid up*		
	1,064,058,587 shares (2025: 1,064,058,587 shares) of BD 0.100 each	**106,406**	106,406

b. Treasury shares

	30 June 2026 (Reviewed)		*31 December 2025 (Audited)*	
	Number of Shares	***BD'000***	*Number of Shares*	*BD'000*
	4,444,508	**677**	4,444,508	677

17 INCOME FROM INVESTMENT IN SUKUK

	30 June 2026 BD'000 (Reviewed)	*30 June 2025 BD'000 (Reviewed)*
Profit income	**10,630**	7,288
Gain on sale	**4**	8
	10,634	7,296

18 IMPAIRMENT ALLOWANCE ON FINANCIAL INSTRUMENTS, NET

	30 June 2026 BD'000 (Reviewed)	*30 June 2025 BD'000 (Reviewed)*
Financing contracts (note 8.1)	**2,853**	4,917
Investments in Sukuk	**94**	70
Investments at fair value through other comprehensive income	**371**	66
Placements with financial institutions	**(1)**	(1)
Other assets	**-**	24
Commitments	**22**	8
Others	**400**	-
	3,739	5,084

19 COMMITMENTS AND CONTINGENT LIABILITIES

These include commitments to enter into financing contracts which are designed to meet the requirements of the Group's customers. Letters of credit and guarantees commit the Group to make payments on behalf of customers.

The Group has the following credit related commitments and contingent liabilities on behalf of customers:

	30 June 2026 BD'000 (Reviewed)	*31 December 2025 BD'000 (Audited)*
Letters of credit and acceptances	**1,565**	1,094
Guarantees	**26,367**	31,303
Credit Cards	**47,210**	45,125
Altamweel Almaren	**13,309**	23,862
Commitments to finance	**7,683**	10,865
	96,134	112,249

Expected credit losses allowance of BD 1,041 thousand (31 December 2025: BD 1,019 thousand) has been provided on account of the credit risk on these for commitments and contingent liabilities.

20 LITIGATIONS AND CLAIMS

In the normal course of business, legal cases are filed by the Bank against its customers and against the Bank by its customers, employees or investors. The Group's legal department engages with in-house legal counsel and external legal counsel depending on the nature of the cases. A periodic assessment is carried out to determine the likely outcome of these legal cases and is reported to the senior management and Board of directors. The Group as part of the periodic assessment maintains adequate provisions. No further disclosures regarding contingent liabilities arising from any such claims are being made by the Bank as the directors believe that such disclosures may be prejudicial to the Group’s legal position.

21 RELATED PARTY TRANSACTIONS

Related parties comprise of major shareholders, directors of the Bank, senior management, close members of their families, entities owned or controlled by them and companies affiliated by virtue of common ownership or directors with that of the Bank. The transactions with these parties were made on commercial terms.

The significant balances and transactions with related parties at 30 June 2026 were as follows:

	30 June 2026 (reviewed)				
	Shareholders BD'000	Associates and joint ventures BD'000	Directors and related entities BD'000	Senior management BD'000	Total BD'000
Assets					
Cash and balances with banks and Central Bank	8,497	-	-	-	8,497
Placements with financial institutions	1,809	-	-	-	1,809
Financing contracts	-	-	2,182	424	2,606
Investment in associates	-	7,822	-	-	7,822
Other assets	7,202	-	-	665	7,867
Liabilities and Quasi-equity					
Financing from financial institutions	92,339	-	-	-	92,339
Placements from financial institutions	7,541	-	-	-	7,541
Customers’ current accounts	-	210	7,280	393	7,883
Other liabilities	17,889	-	181	-	18,070
Quasi-equity	-	-	3,747	2,633	6,380
Off Balance sheet					
Profit rate swap - notional amount	252,603	-	-	-	252,603

	30 June 2026 (reviewed)				
	Shareholders BD'000	Associates and joint ventures BD'000	Directors and related entities BD'000	Senior management BD'000	Total BD'000
Income					
Income from financing contracts	-	-	72	18	90
Income from investment in Sukuk	(45)	-	-	-	(45)
Income from placements with financial institutions	201	-	-	-	201
Share of results of associates, net	-	131	-	-	131
Other income	4,168	-	-	-	4,168
Profit attributable to quasi-equity	-	-	(93)	(68)	(161)
Expense on placements from financial institutions	(144)	-	-	-	(144)
Expense on placements from non-financial institutions and individuals	-	-	-	-	-
Expense on financing from financial institutions	(1,800)	-	-	-	(1,800)
Expenses					
Staff costs	-	-	-	(981)	(981)
Other operating expenses	-	-	(146)	-	(146)

21 RELATED PARTY TRANSACTIONS (continued)

	31 December 2025 (audited)				
	Shareholders BD'000	Associates and joint ventures BD'000	Directors and related entities BD'000	Senior management BD'000	Total BD'000
Assets					
Cash and balances with banks and Central Bank	7,071	-	-	-	7,071
Placements with financial institutions	29,004	-	-	-	29,004
Financing contracts	-	-	2,390	987	3,377
Investment in associates	-	7,691	-	-	7,691
Other assets	4,963	-	-	680	5,643
Liabilities and Quasi-equity					
Placements from financial institutions	20,016	-	-	-	20,016
Financing from financial institutions	56,829	-	-	-	56,829
Customers' current accounts	-	78	7,624	420	8,122
Other liabilities	14,902	-	440	-	15,342
Quasi-equity	-	-	4,286	2,816	7,102
Off Balance sheet					
Profit rate swap - notional amount	227,988				227,988

	30 June 2025 (reviewed)				
	Shareholders BD'000	Associates and joint ventures BD'000	Directors and related entities BD'000	Senior management BD'000	Total BD'000
Income					
Income from financing contracts	-	-	38	23	61
Income from investment in Sukuk	392	-	-	-	392
Income from placements with financial institutions	1,738	-	-	-	1,738
Share of results of associates, net	-	72	-	-	72
Other income	(3,653)	-	-	-	(3,653)
Profit attributable to quasi-equity	-	-	(35)	(46)	(81)
Expense on placements from financial institutions	(1,324)	-	-	-	(1,324)
Expense on placements from non-financial institutions and individuals	-	-	(9)	(18)	(27)
Expense on financing from financial institutions	(740)	-	-	-	(740)
Expenses					
Staff costs	-	-	-	(1,287)	(1,287)
Other operating expenses	-	-	(246)	-	(246)

Compensation of the key management personnel is as follows:

	Six months ended 30 June	
	2026 BD'000	*2025 BD'000*
Short term employee benefits	**879**	1,169
Other long term benefits	**102**	118
	981	1,287

22 FINANCIAL INSTRUMENTS

Fair value

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in an arm's length transaction.

Fair values of quoted securities/Sukuk are derived from quoted market prices in active markets, if available. For unquoted securities/Sukuk, fair value is estimated using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

In case of financing assets, the average profit rate of the portfolio is in line with current market rates for similar facilities and hence after consideration of adjustment for prepayment risk and impairment charges it is expected that the current value would not be materially different from fair value of these assets. Unquoted shares and unquoted managed funds of BD 19,479 thousand (31 December 2025: BD 19,850 thousand) are treated as Level 3 investments. During the period fair value movement of BD 371 thousand (31 December 2025: BD 336) was charged to income statement and BD 1 thousand fair value loss was reported in the fair value reserve (31 December 2025: BD 290 thousand fair value loss). The estimated fair value of the Bank's other financial instruments are not significantly different from their carrying values due to their short-term nature.

Fair value hierarchy

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

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

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

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

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

30 June 2026	***Level 1 BD'000***	***Level 2 BD'000***	***Level 3 BD'000***	***Total BD'000***
Investment securities				
Unquoted shares	**-**	**-**	**19,043**	**19,043**
Unquoted managed funds	**-**	**-**	**436**	**436**
Other assets	**-**	**2,297**	**-**	**2,297**
Total	**-**	**2,297**	**19,479**	**21,776**

31 December 2025	*Level 1 BD'000*	*Level 2 BD'000*	*Level 3 BD'000*	*Total BD'000*
Investment securities				
Unquoted shares	-	-	19,414	19,414
Unquoted managed funds	-	-	436	436
Other liabilities	-	1,870	-	1,870
Total	-	1,870	19,850	21,720

Transfers between Level 1, Level 2 and Level 3

During the three-months period ended 30 June 2026 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurement.

The following table analyses the fair value of the financial assets carried at amortised cost where the fair value is different from the carrying value in the consolidated statement of financial position:

30 June 2026	***Level 1 BD'000***	***Level 2 BD'000***	***Level 3 BD'000***	***Total BD'000***
Investment securities - Sukuk				
Carrying value	**299,851**	**93,975**	**-**	**393,826**
Fair value	**294,132**	**94,038**	**-**	**388,170**

31 December 2025	*Level 1 BD'000*	*Level 2 BD'000*	*Level 3 BD'000*	*Total BD'000*
Investment securities - Sukuk				
Carrying value	276,522	93,975	-	370,497
Fair value	278,350	94,053	-	372,403

23 SEGMENTAL INFORMATION

For management purposes, the Group is organised into three major business segments;

Corporate	Principally handling equity of corporate investment accountholders', corporate current accounts, and providing Islamic financing facilities to corporate customers.
Retail	Principally handling equity of individual retail customers' investment accountholders', retail current accounts, and providing Islamic financing facilities to individual customers.
Market and Client Solutions	Principally handling equity of banks' and financial institutions' investment accountholders, providing money market, trading and treasury services as well as the management of the Group’s investment activities. Market and Client Solutions' activities involve handling investments in local and international markets and investment in properties.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm’s length basis. Transfer charges are based on a pool rate which approximates the cost of funds.

Segment information is disclosed as follows:

	For the six months ended 30 June 2026 (Reviewed)				
	Corporate BD'000	***Retail BD'000***	***Market and Client Solutions BD'000***	***Others BD'000***	***Total BD'000***
Total net income	**4,640**	**15,973**	**1,261**	**2,953**	**24,827**
Total expenses	**(2,604)**	**(9,667)**	**(1,008)**	**(1,320)**	**(14,599)**
Impairment allowance on financial instruments, net	**(3,012)**	**(263)**	**(93)**	**(371)**	**(3,739)**
Profit for the period	**(976)**	**6,043**	**160**	**1,262**	**6,489**

Other information

	30 June 2026 (Reviewed)				
	Corporate BD'000	***Retail BD'000***	***Market and Client Solutions BD'000***	***Others BD'000***	***Total BD'000***
Segment assets	**334,588**	**655,148**	**702,613**	**87,086**	**1,779,435**
Segment liabilities, quasi-equity and owners' equity	**451,654**	**769,039**	**367,748**	**190,994**	**1,779,435**

	For the six months ended 30 June 2025 (Reviewed)				
	Corporate BD'000	*Retail BD'000*	*Market and Client Solutions BD'000*	*Others BD'000*	*Total BD'000*
Total net income	5,675	16,839	(1,415)	12,179	33,278
Total expenses	(2,805)	(9,911)	(982)	(1,308)	(15,006)
Impairment allowance on financial instruments, net	(3,295)	(1,629)	(70)	(90)	(5,084)
Profit / (Loss) for the period	(425)	5,299	(2,467)	10,781	13,188

Other information

	31 December 2025 (Audited)				
	Corporate BD'000	*Retail BD'000*	*Market and Client Solutions BD'000*	*Others BD'000*	*Total BD'000*
Segment assets	336,514	671,937	699,476	96,349	1,804,276
Segment liabilities, quasi-equity and owners' equity	438,146	780,662	418,888	166,580	1,804,276

Other includes activities that do not fall under the Group’s main operating segments and predominately relate to investment properties management, remedial activities, equity securities management and unallocated expenses.

The Group operates solely in the Kingdom of Bahrain and, as such, no geographical segment information is presented.

24 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholder of the Bank (adjusted for Profit distribution on AT 1 Capital) by the weighted average number of shares outstanding during the period net of treasury shares. There are no dilutive potential shares that are convertible into shares.

	Six months ended 30 June		Three months ended 30 June	
	2026 (Reviewed)	*2025 (Reviewed)*	***2026 (Reviewed)***	*2025 (Reviewed)*
Profit for the period attributable to the shareholders of the bank for basic and diluted earnings per share computation	**6,489**	13,188	**3,309**	3,186
Less: Profit distribution on AT 1 Capital	**(1,901)**	(1,901)	**(1,901)**	(1,901)
Profit for the period attributable to the shareholders of the bank for basic and diluted earnings per share computation	**4,588**	11,287	**1,408**	1,285
Weighted average number of shares outstanding during the period, net of treasury shares (thousand)	**1,059,227**	1,055,190	**1,059,227**	1,055,190
Basic and diluted earnings per share (fils)	**4.33**	10.70	**1.33**	1.22

AT1 Profits are paid annually and hence not adjusted every quarter. Accordingly, the quarterly EPS may not be indicative of the annual measure.

25 NET STABLE FUNDING RATIO

The objective of the NSFR is to promote the resilience of banks' liquidity risk profiles and to incentivise a more resilient banking sector over a longer time horizon. The NSFR will require banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the likelihood that disruptions to a bank's regular sources of funding will erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on-balance sheet and off-balance sheet items and promotes funding stability.

The NSFR is calculated in accordance with the Liquidity Risk Management Module guidelines issued by CBB and its effective from 31 December 2019. The minimum NSFR ratio as per CBB is 100%.

25 NET STABLE FUNDING RATIO (continued)

The NSFR (as a percentage) as at 30 June 2026 is calculated as follows:

	Unweighted Values (before applying factors)				BD'000
Item	No Specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	Total Weighted Value
Available Stable Funding (ASF):					
Capital:					
Regulatory Capital	160,877	-	-	9,954	170,831
Other Capital Instruments	-	-	-	-	-
Retail Deposits and deposits from small business customers:					
Stable Deposits	-	273,312	4,367	42	263,837
Less stable deposits	-	390,977	43,521	11,575	402,624
Wholesale funding:					
Operational deposits	-	-	-	-	-
Other wholesale funding	-	727,916	80,382	31,310	236,093
Other liabilities:					
NSFR Shari'a-compliant hedging contract liabilities	-	-	-	-	-
All other liabilities not included in the above categories	-	53,660	-	-	-
Total ASF	160,877	1,445,865	128,270	52,881	1,073,385
Required Stable Funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	450,321	-	-	-	19,702
Deposits held at other financial institutions for operational purposes	-	-	-	-	-
Performing financing and sukuk/ securities:					
Performing financing to financial institutions secured by Level 1 HQLA	-	-	-	-	-
Performing financing to financial institutions secured by non-level 1 HQLA and unsecured performing financing to financial institutions	-	23,228	510	8,256	11,995
Performing financing to non- financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	328,122	84,584	787,124	762,909
- With a risk weight of less than or equal to 35% as per the Capital Adequacy Ratio guidelines	-	-	-	-	-
Performing residential mortgages, of which:					
- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	-	-
Securities/ sukuk that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
Other assets:					
Physical traded commodities, including gold	-	-	-	-	-
Assets posted as initial margin for Shari'a-compliant hedging contracts and contributions to default funds of CCPs	-	-	-	-	-
NSFR Shari'a-compliant hedging assets	2,297	-	-	-	2,297
NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted	-	-	-	-	-
All other assets not included in the above categories	94,955	-	-	8,497	103,452
OBS items	96,134	-	-	-	4,807
Total RSF	643,707	351,350	85,094	803,877	905,162
NSFR (%)					118.6%

25 NET STABLE FUNDING RATIO (continued)

The NSFR (as a percentage) as at 31 December 2025 is calculated as follows:

Item	No Specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	Total Weighted Value
	Unweighted Values (before applying factors)				BD'000
Available Stable Funding (ASF):					
Capital:					
Regulatory Capital	162,036	-	-	10,654	172,691
Other Capital Instruments	-	-	-	-	-
Retail Deposits and deposits from small business customers:					
Stable Deposits	-	268,388	5,494	11	260,199
Less stable deposits	-	410,480	43,330	10,777	419,206
Wholesale funding:					
Operational deposits	-	-	-	-	-
Other wholesale funding	-	756,540	64,207	38,469	212,020
Other liabilities:					
NSFR Shari'a-compliant hedging contract liabilities	1,870	-	-	-	-
All other liabilities not included in the above categories	-	41,198	-	-	-
Total ASF	163,906	1,476,606	113,031	59,911	1,064,116
Required Stable Funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	426,901	-	-	-	18,530
Deposits held at other financial institutions for operational purposes	-	-	-	-	-
Performing financing and sukuk/ securities:					
Performing financing to financial institutions secured by Level 1 HQLA	-	-	-	-	-
Performing financing to financial institutions secured by non-level 1 HQLA and unsecured performing financing to financial institutions	-	58,187	-	-	8,728
Performing financing to non- financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	356,038	76,327	789,817	766,777
- With a risk weight of less than or equal to 35% as per the Capital Adequacy Ratio guidelines	-	-	-	-	-
Performing residential mortgages, of which:					
- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	-	-
Securities/ sukuk that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
Other assets:					
Physical traded commodities, including gold	-	-	-	-	-
Assets posted as initial margin for Shari'a-compliant hedging contracts and contributions to default funds of CCPs	-	-	-	-	-
NSFR Shari'a-compliant hedging assets	-	-	-	-	-
NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted	-	-	-	-	-
All other assets not included in the above categories	99,115	-	-	7,071	106,186
OBS items	112,249	-	-	-	5,612
Total RSF	638,265	414,225	76,327	796,888	905,833
NSFR (%)					117.5%