

KHALEEJI BANK B.S.C.

**CONDENSED CONSOLIDATED
INTERIM FINANCIAL INFORMATION**

30 September 2025

Commercial Registration:	55133 (registered with Central Bank of Bahrain as a retail Islamic bank).
Office:	Bahrain Financial Harbour GFH Tower PO Box 60002, Manama, Kingdom of Bahrain
Directors:	Yusuf Abdulla Taqi (appointed as Chairman on 11 th May 2025) Sh. Ahmed Bin Isa Khalifa Al Khalifa – Vice Chairman Ali Murad H.E. Ayman Tawfeeq Almoayed Dawood Alghoul Sh. Isa Bin Khalid Al Khalifa Mazen Ibrahim Abdulkarim Riyadh Eid Al Yaqoob Razi Al Merbati (appointed on 28 th May 2025) Salah Abdulla Sharif
Director (till 11 th May 2025):	Hisham Ahmed Al Rayes – Chairman
Chief Executive Officer:	Sattam Sulaiman Algosaibi
Board Secretary:	Mohammed Abdulla Saleh
External Auditors:	KPMG Fakhro, Bahrain

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

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

Introduction

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

- the condensed consolidated statement of financial position as at 30 September 2025;
- the condensed consolidated statement of income for the three-month and nine-month periods ended 30 September 2025;
- the condensed consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2025;
- the condensed consolidated statement of income and attribution related to quasi-equity for the three-month and nine-month periods ended 30 September 2025;
- the condensed consolidated statement of changes in owners' equity for the nine-month period ended 30 September 2025;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 September 2025;
- the condensed consolidated statement of changes in off-balance sheet assets under management for the nine-month period ended 30 September 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 September 2025 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".

6 November 2025

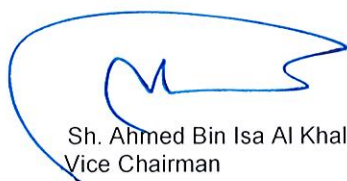
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2025

	Note	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
ASSETS			
Cash and bank balances		69,567	105,446
Placements with financial institutions		49,596	71,017
Investment in sukuk and other yielding investments	7	542,215	502,139
Financing contracts	8	809,528	721,167
Investment securities	9	22,799	20,895
Investment in real estate	10	46,972	39,838
Equity accounted investees	11	6,323	6,516
Other assets	12	22,405	25,549
Property and equipment		3,031	3,562
TOTAL ASSETS		1,572,436	1,496,129
LIABILITIES			
Placements from financial institutions		44,979	134,971
Placements from non-financial institutions and individuals		223,893	329,815
Term financing from financial institutions		327,363	245,526
Customers' current accounts		136,643	117,372
Other liabilities	13	22,368	20,602
TOTAL LIABILITIES		755,246	848,286
QUASI-EQUITY			
- From financial institutions		122,560	10,662
- From non-financial institutions and individuals		561,882	508,534
TOTAL QUASI-EQUITY	14	684,442	519,196
OWNERS' EQUITY			
Share capital	15	113,044	113,044
Statutory reserve		13,460	13,460
Treasury shares		(5,907)	(6,254)
Investment fair value reserve		(3,729)	(5,816)
Retained earnings		15,294	13,626
Equity attributable to Bank's shareholders		132,162	128,060
Non-controlling interest		586	587
TOTAL OWNERS' EQUITY		132,748	128,647
TOTAL LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY		1,572,436	1,496,129

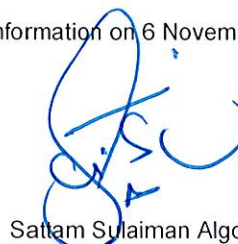
The Board of Directors approved the condensed consolidated interim financial information on 6 November 2025 and signed on its behalf by:



Yusuf Abdullah Taqi
Chairman



Sh. Ahmed Bin Isa Al Khalifa
Vice Chairman



Sattam Sulaiman Algosaibi
Chief Executive Officer

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF INCOME
For the nine-month period ended 30 September 2025

	Note	Nine months ended		Three months ended	
		30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
Income from financing contracts		39,452	34,910	14,026	11,388
Income from placements with financial institutions		3,545	6,160	1,001	2,335
Income from sukuk and other yielding investments		19,021	20,230	7,524	6,765
Finance expense on placements from financial institutions, non-financial institutions and individuals		(14,597)	(21,676)	(3,882)	(6,862)
Finance expense on term financing from financial institutions		(11,400)	(11,894)	(4,597)	(3,732)
Net finance income		36,021	27,730	14,072	9,894
Income from investment securities		967	939	943	149
Income from investment in real estate, net	17	4,744	1,816	310	223
Share of loss from equity accounted investees		(193)	(367)	(193)	(84)
Fees and other income, net	18	2,142	6,026	580	1,386
TOTAL INCOME		43,681	36,144	15,712	11,568
Staff cost		6,701	5,144	2,274	1,540
Other operating expenses		7,603	6,001	2,412	2,214
TOTAL EXPENSE		14,304	11,145	4,686	3,754
Profit before impairment allowances and attribution to quasi-equity		29,377	24,999	11,026	7,814
Allowances for impairment and expected credit losses, net	19	(2,868)	(1,930)	(1,644)	(245)
Profit before attribution to quasi-equity		26,509	23,069	9,382	7,569
Less: Net profit attributable to quasi-equity		(18,502)	(16,035)	(6,989)	(5,673)
PROFIT FOR THE PERIOD		8,007	7,034	2,393	1,896
Attributable to:					
Bank's shareholders		8,008	7,034	2,394	1,896
Non-controlling interest		(1)	-	(1)	-
		8,007	7,034	2,393	1,896
Earnings per share					
Basic and diluted earnings per share (fils)	20	7.38	7.08	2.21	1.75

Yusuf Abdullah Taqi
Chairman

Sh. Ahmed Bin Isa Al Khalifa
Vice Chairman

Sattam Sulaiman Algozaibi
Chief Executive Officer

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the nine-month period ended 30 September 2025

	Nine months ended		Three months ended	
	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
Profit for the period	8,007	7,034	2,393	1,896
Other comprehensive income				
Items that are or may subsequently be classified to statement of income				
- Fair value changes on debt investments carried at fair value through other comprehensive income	1,276	1,330	706	1,417
- Fair value changes on equity investments carried at fair value through other comprehensive income	957	101	633	205
- Less: Attributable to quasi-equity	(146)	(207)	(19)	(98)
Total other comprehensive income for the Period	2,087	1,224	1,320	1,524
Total comprehensive income	10,094	8,258	3,713	3,420
Attributable to:				
Bank's shareholders	10,095	8,258	3,714	3,420
Non-controlling interest	(1)	-	(1)	-
	10,094	8,258	3,713	3,420

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF INCOME AND ATTRIBUTION RELATED TO QUASI-EQUITY**For the nine-month period ended 30 September 2025**

	Nine months ended		Three months ended	
	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
Profit before impairment allowances and attribution to quasi-equity	29,377	24,999	11,026	7,814
Adjusted for:				
Less: Income not attributable to quasi-equity	(6,693)	(8,414)	(673)	(1,674)
Add: Finance expense on due to FIs and non-FIs	25,997	33,570	8,479	10,594
Add: Expenses not attributable to quasi-equity	14,304	11,145	4,686	3,754
Less: Institution's share of income for its own / share of investments	(36,996)	(43,267)	(12,080)	(13,119)
Less: Allowances for impairment and expected credit losses, net – attributable to quasi-equity	(1,246)	1,841	(934)	(259)
Total income available for quasi-equity holders	24,743	19,874	10,504	7,110
Profit equalization reserve – net movement	-	-	-	-
Total income attributable to quasi-equity holders	24,743	19,874	10,504	7,110
Less: Mudarib's share	(5,548)	(2,288)	(3,108)	(375)
Less: Wakala incentive	(693)	(1,551)	(407)	(1,062)
Net income attributable to quasi-equity	18,502	16,035	6,989	5,673
Investment risk reserve – net movement	-	-	-	-
Profit attributable to quasi-equity	18,502	16,035	6,989	5,673
Other comprehensive income that may subsequently be classified to statement of income – attributable to quasi-equity	146	207	19	98
Total comprehensive income – attributable to quasi-equity	18,648	16,242	7,008	5,771
Less: Other comprehensive income not subject to immediate distribution	(146)	(207)	(19)	(98)
Total comprehensive income subject to immediate distribution	18,502	16,035	6,989	5,673

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
For the nine-month period ended 30 September 2025

30 September 2025 (Reviewed)	Equity attributable to Bank's shareholders					Non-controlling interest BD '000	Total owners' equity BD '000	
	Share capital BD '000	Statutory reserve BD '000	Treasury shares BD '000	Investment fair value reserve BD '000	Retained earnings BD '000			Total BD '000
Balance at 1 January 2025	113,044	13,460	(6,254)	(5,816)	13,626	128,060	587	128,647
Profit for the period	-	-	-	-	8,008	8,008	(1)	8,007
Other comprehensive income	-	-	-	2,087	-	2,087	-	2,087
Total comprehensive income for the period	-	-	-	2,087	8,008	10,095	(1)	10,094
Transfer to Zakah fund	-	-	-	-	(827)	(827)	-	(827)
Dividend declared for 2024 (Note 21 b)	-	-	-	-	(5,414)	(5,414)	-	(5,414)
Issue of shares under staff incentive scheme	-	-	347	-	(164)	183	-	183
Parent's contribution towards staff incentive scheme	-	-	-	-	65	65	-	65
Balance at 30 September 2025	113,044	13,460	(5,907)	(3,729)	15,294	132,162	586	132,748

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
For the nine-month period ended 30 September 2025 (Continued)

30 September 2024 (Reviewed)	Equity attributable to Bank's shareholders					Perpetual Mudaraba (AT1) BD '000	Non-controlling interest BD '000	Total owners' equity BD '000	
	Share capital BD '000	Statutory reserve BD '000	Treasury shares BD '000	Investment fair value reserve BD '000	Retained earnings BD '000				Total BD '000
Balance at 1 January 2024	84,783	12,410	(6,254)	(7,165)	17,719	101,493	47,222	8,679	157,394
Profit for the period	-	-	-	-	7,034	7,034	-	-	7,034
Other comprehensive income	-	-	-	2,046	-	2,046	-	-	2,046
Total comprehensive income for the period	-	-	-	2,046	7,034	9,080	-	-	9,080
Transfer to Zakah fund	-	-	-	-	(768)	(768)	-	-	(768)
Redemption of AT1	-	-	-	-	-	-	-	-	-
Conversion of AT1 (Note 15)	28,261	-	-	-	(12,778)	15,483	(47,222)	-	(31,739)
Sale of shares in subsidiary	-	-	-	-	-	-	-	(8,092)	(8,092)
Balance at 30 September 2024	113,044	12,410	(6,254)	(5,119)	11,207	125,288	-	587	125,875

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the nine-month period ended 30 September 2025

	Nine months ended 30 September 2025 BD '000 (Reviewed)	Nine months ended 30 September 2024 BD '000 (Reviewed)
OPERATING ACTIVITIES		
Profit for the period	8,007	7,034
Adjustments:		
Depreciation	1,047	1,271
Finance expenses on term financing	11,400	11,894
Allowances for impairment and expected credit losses, net	2,868	1,930
Amortization of premium / discount on sukuk	525	1,781
Fair value gains	(940)	(539)
Foreign exchange revaluation	(900)	(923)
Amortization of right-of-use assets	310	290
Investment securities income	-	(301)
Gain on sale of investment in sukuk	624	(792)
Gain on sale of investment in real estate	(5,577)	(1,820)
Share of results of associates, net	193	367
Operating profit before changes in operating assets and liabilities	17,557	20,192
Mandatory reserve with Central Bank of Bahrain	(343)	(2,787)
Financing contracts	(88,361)	(132,020)
Other assets	3,143	(4,641)
Customers' current accounts	19,271	80,687
Other liabilities	1,421	(801)
Placements from financial institutions	(89,992)	(63,846)
Placements from non-financial institutions and individuals	(105,922)	113,752
Quasi-equity	165,246	(25,086)
Net cash used in operating activities	(77,980)	(14,550)
INVESTING ACTIVITIES		
Purchase of sukuk	(228,369)	(69,795)
Proceeds from sale / redemption of sukuk	183,874	63,709
Proceeds from sale of investment in real estate	-	21,800
Proceeds from disposal / redemption of investment securities	-	7,623
Purchase of property and equipment, net	(190)	(340)
Net movement in margin call	4,266	6,330
Net cash (used in) / generated from investing activities	(40,419)	29,327
FINANCING ACTIVITIES		
Drawdown of term financing, net	81,836	(18,233)
Finance expenses paid on term financing	(11,400)	(11,894)
Dividend paid	(5,414)	-
Redemption of AT1 Capital	-	(31,739)
Net cash generated from / (used in) financing activities	65,022	(61,866)
Net decrease in cash and cash equivalents	(53,377)	(47,089)
Cash and cash equivalents at beginning of the period	138,904	202,371
Cash and cash equivalents at end of the period	85,527	155,282
Cash and cash equivalents comprises:*		
Cash and bank balances (excluding CBB reserve)	37,266	41,309
Placement with financial institutions with original maturities of 90 days or less (excluding margin call account)	48,261	113,973
	85,527	155,282

*Cash and cash equivalents is net of the expected credit loss of BD 13 thousand (30 September 2024: BD 1 thousand).
The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF OFF-BALANCE-SHEET ASSETS UNDER MANAGEMENT
For the nine-month period ended 30 September 2025

Investment in real estate	Nine months ended 30 September 2025 BD '000 (Reviewed)	Nine months ended 30 September 2024 BD '000 (Reviewed)
Balance at 1 January	1,533	1,533
Additions	-	-
Recoveries / disposals / withdrawals / expenses	-	-
Net movement	1,533	1,533
Bank's management share	-	-
Distributions	-	-
Balance at 30 September	1,533	1,533

The accompanying notes 1 to 27 form an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

1 REPORTING ENTITY

Khaleeji Bank B.S.C. (the “Bank”), a public shareholding company, was incorporated on 24 November 2004 in the Kingdom of Bahrain under Commercial Registration No. 55133. The Bank operates under an Islamic retail license granted by the Central Bank of Bahrain (“CBB”). The Bank’s shares are listed on the Bahrain Bourse.

82.95% (31 December 2024: 82.95%) of the ordinary shares of the Bank are held by GFH Financial Group B.S.C. (the “Parent”), a Bahraini incorporated investment bank operating under an Islamic wholesale banking license issued by the Central Bank of Bahrain (“CBB”) and whose shares are listed on Bahrain Bourse, Boursa Kuwait, Dubai Financial Markets (“DFM”) and Abu Dhabi Securities Exchange (“ADX”). During March 2024, the Parent sold 25% (282,610,178 shares) of its stake in Khaleeji Bank B.S.C. to Southern Star Investments W.L.L., a quasi-government owned company. Subsequently, the Parent repurchased those shares in September 2024. Additionally, in May 2024, the Parent sold 6.11% (69,057,399 shares) of its stake to Royal Humanitarian Foundation.

The condensed consolidated interim financial information comprises results of the Bank and its subsidiaries (together the “Group”).

2 BASIS OF PREPARATION AND PRESENTATION

The condensed consolidated interim financial information of the Group has been prepared 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.

These consolidated financial information are presented in Bahraini Dinars, being the functional and presentation currency of the Bank, rounded to the nearest thousand [BD ‘000], except where otherwise indicated.

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 statements of income, the condensed consolidated statement of income and attribution related to quasi-equity, the condensed consolidated statement of changes in off-balance sheet assets under management, changes in owners’ equity and cash flows, have been extracted from the reviewed condensed consolidated interim financial information for the nine months ended 30 September 2024.

3 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 the preparation of the Group’s last audited consolidated financial statements as at and for the year ended 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**For the nine-month period ended 30 September 2025****3 SIGNIFICANT ACCOUNTING POLICIES (continued)****A. Relevant new standards, amendments, and interpretations issued but not yet effective****1) 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 financial statement on the adoption of this standard

2) 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 financial statement on the adoption of this standard.

3) 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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**For the nine-month period ended 30 September 2025**

3 SIGNIFICANT ACCOUNTING POLICIES (continued)**A. Relevant new standards, amendments, and interpretations issued but not yet effective (continued)****3) FAS 47: Transfer of Assets Between Investment Pools (continued)**

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 financial statement on the adoption of this standard.

4) 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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**For the nine-month period ended 30 September 2025****4 FINANCIAL RISK MANAGEMENT**

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

5 ESTIMATES AND JUDGEMENTS

Preparation of 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 similar to those applied to the Group's audited consolidated financial statements as at and for the year ended 31 December 2024.

6 SEASONALITY

The Bank does not have significant income of a seasonal nature. However, given the inherent nature of the banking business and changes in market benchmark rates, the results reported in one period may not be directly comparable to those of other periods.

7 INVESTMENT IN SUKUK AND OTHER YIELDING INVESTMENTS

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Debt type instruments - at amortised cost		
- Quoted sukuk*	435,823	419,267
- Unquoted sukuk	1,317	1,317
Less: impairment allowance	(1,799)	(2,096)
Debt type instruments - at fair value through other comprehensive income		
- Quoted sukuk**	55,982	54,502
Equity type instruments - at fair value through other comprehensive income		
- Quoted sukuk	29,149	29,149
Other yielding investments - at amortised cost ***	21,743	-
	542,215	502,139

* As of 30 September 2025, out of sukuk of BD 435,823 thousand (31 December 2024: BD 419,267 thousand), BD 338,089 thousand (31 December 2024: BD 272,028 thousand) were pledged against term financing from financial institutions of BD 320,230 thousand (31 December 2024: BD 245,526 thousand).

** Fair value loss reserve amounted to BD 3,619 thousand (31 December 2024: BD 4,895 thousand). The impairment expense on debt type instrument at fair value through other comprehensive income amounted to Nil (30 September 2024: Nil). The impairment expenses are recognised in the investment fair value reserve in the statement of changes in owners' equity.

*** Related to structured investments with exposure to sovereign entities.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

8 FINANCING CONTRACTS

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Murabaha (net of deferred profit)*	517,568	491,297
Mudaraba	721	6,818
Ijarah assets	308,723	244,043
Gross financing contracts	827,012	742,158
Less: Impairment allowance	(17,484)	(20,991)
Net financing contracts	809,528	721,167

*Murabaha financing assets are net of deferred profits of BD 27,496 thousand (31 December 2024: BD 15,718 thousand).

The movement on impairment allowances is as follows:

30 September 2025 (Reviewed)	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	POCI* BD '000	Total BD '000
Gross financing contracts	708,536	58,979	57,991	1,506	827,012
Less: Expected credit losses allowance					
At 1 January 2025	933	4,364	15,242	452	20,991
Net movement between stages	(374)	(172)	546	-	-
Net charge	1,103	(63)	1,950	75	3,065
Write-off	-	-	(5,291)	-	(5,291)
Settlements	-	-	(1,281)	-	(1,281)
Expected credit losses allowance at 30 September 2025	1,662	4,129	11,166	527	17,484
Net financing contracts	706,874	54,850	46,825	979	809,528

31 December 2024 (Audited)	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	POCI* BD '000	Total BD '000
Gross financing contracts	613,372	71,084	56,196	1,506	742,158
Less: Expected credit losses allowance					
At 1 January 2024	1,709	5,717	15,200	325	22,951
Net movement between stages	3,442	(4,224)	782	-	-
Net charge	(4,218)	2,871	2,652	127	1,432
Write-off	-	-	(3,392)	-	(3,392)
Expected credit losses allowance at 31 December 2024	933	4,364	15,242	452	20,991
Net financing contracts	612,439	66,720	40,954	1,054	721,167

* Purchased or originated credit impaired (POCI) assets are initially recognised at their fair value and subsequently remeasured for any change in ECL or expected recoverable amounts. The POCI assets are currently carried at 22.45% (31 December 2024: 24.17%) compared to their original contractual outstanding amounts. On a cumulative basis, the impaired assets (Stage 3 and POCI) are carried at 76.67% (31 December 2024: 69.39%) compared to their original contractual outstanding amounts.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

9 INVESTMENT SECURITIES

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Equity type instruments:		
<i>At fair value through other comprehensive income -</i>		
Unquoted equity securities	22,799	20,895
	22,799	20,895

10 INVESTMENT IN REAL ESTATE

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Development property*	10,097	7,774
Investment property**	20,091	32,064
Trading property***	16,784	-
	46,972	39,838

* Includes Bank's share in real estate properties with carrying value of BD 4,401 thousand (31 December 2024: BD 3,207 thousand) for which the title deeds are in the name of a third party held for beneficial interest of the Bank.

** Includes Bank's share in real estate properties with carrying value of BD 9,222 thousand (31 December 2024: BD 16,201 thousand) for which the title deeds are in the name of a third party held for beneficial interest of the Bank.

*** Includes Bank's share in flats with carrying value of BD 16,784 thousand (31 December 2024: Nil) for which the title deeds are in the name of a third party held for beneficial interest of the Bank.

11 EQUITY ACCOUNTED INVESTEEES

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
At beginning of the period	6,516	24,689
Addition	-	3,128
Sale	-	(20,797)
Share of loss for the period	(193)	(504)
At end of the period	6,323	6,516

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For the nine-month period ended 30 September 2025

12 OTHER ASSETS

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Reposessed assets	3,116	5,465
Profit accrued on Sukuk	7,821	6,428
Receivable from customers*	7,412	7,412
Right-of-use assets (Note 12.1)	850	1,069
Prepaid expenses	838	803
Due from investments	414	454
Other receivables	1,954	3,918
	22,405	25,549

*Pertains to receivables from customers of BD 4,600 thousand (31 December 2024: BD 4,600 thousand) upon the in-kind settlement of stage 3 financing exposures. The process of transfer of the collateral real estate was not completed as at 30 September 2025. However, beneficial interest has been transferred to the Bank.

12.1 Below are further details related to the right-of-use assets:

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Balance as at beginning of the period	1,069	1,378
Additional right-of-use assets for the period, net	91	81
Amortisation charge during the period	(310)	(390)
Balance as at end of the period	850	1,069

13 OTHER LIABILITIES

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Payable to investors*	5,738	5,738
Mudaraba profit accrual	5,862	5,706
Net Ijarah liability (Note 13.1)	832	1,042
Zakah and charity payable**	1,169	352
Employee related accruals	1,019	1,196
Payable for Istisna'a contracts	27	27
Other payables and accrued expenses***	7,721	6,541
	22,368	20,602

*Relates to cash settlement with investors on account of restructuring.

**During the period ended 30 September 2025, BD 834 thousand (2024: BD 778 thousand) was transferred into the Zakah and charity fund and BD 267 thousand (2024: BD 812 thousand) was utilised from the Zakah and charity fund.

***Includes impairment allowance on commitments and financial guarantees of BD 32 thousand (31 December 2024: BD 73 thousand).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

13 *OTHER LIABILITIES (continued)*

13.1 The breakup of the Net Ijarah liability per maturity analysis is as follows:

Net ijarah liability

30 September 2025 (Reviewed)			
Maturity analysis	Gross ijarah liability BD '000	Deferred ijarah BD '000	Net ijarah liability BD '000
Less than one year	400	(5)	395
One to five years	459	(22)	437
Total	859	(27)	832

31 December 2024 (Audited)			
Maturity analysis	Gross ijarah liability BD '000	Deferred ijarah BD '000	Net ijarah liability BD '000
Less than one year	387	(5)	382
One to five years	699	(39)	660
Total	1,086	(44)	1,042

14 **QUASI-EQUITY**

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Participatory-based		
Mudaraba	685,036	519,936
Fair value reserve attributable to Quasi-equity	(594)	(740)
	684,442	519,196

The funds received from investment account holders have been commingled and jointly invested with the Group in the following asset classes:

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
CBB reserve account	32,301	31,958
Investment in sukuk*	67,451	67,438
Financing contracts**	566,174	391,712
Investment securities	11,365	11,630
Investment in real estate	7,151	16,458
	684,442	519,196

*Impairment allowance as at 30 September 2025 amounts to BD 459 thousand (BD 461 thousand 31 December 2024).

**Impairment allowance as at 30 September 2025 amounts to BD 4,272 thousand (BD 3,024 thousand 31 December 2024).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

14 *QUASI-EQUITY (continued)*

The distribution of income by ownership is as follows:

	30 September 2025		31 December 2024	
	BD '000		BD '000	
	(Reviewed)		(Audited)	
	Self	Quasi equity (jointly financed)	Self	Quasi equity (jointly financed)
Balances with banks	37,266	-	73,488	-
CBB reserve account	-	32,301	-	31,958
Placements with financial institutions	49,596	-	71,017	-
Investment in sukuk and other yielding investments	474,764	67,451	434,701	67,438
Financing contracts	243,354	566,174	329,455	391,712
Investment securities	11,434	11,365	9,265	11,630
Investment in real estate	39,821	7,151	23,380	16,458
Equity accounted investees	6,323	-	6,516	-
Other assets	22,405	-	25,549	-
Property and equipment	3,031	-	3,562	-
Total	887,994	684,442	976,933	519,196

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

14 *QUASI-EQUITY (continued)*

The distribution of income by ownership is as follows:

	30 September 2025 BD '000 (Reviewed)		30 September 2024 BD '000 (Reviewed)	
	Self	Quasi equity (jointly financed)	Self	Quasi equity (jointly financed)
Income				
Income from financing contracts	20,352	19,100	21,613	13,297
Income from placements with financial institutions	3,545	-	6,160	-
Income from sukuk	13,099	5,922	15,494	4,736
Finance expense on placements from financial institutions, non-financial institutions and individuals	(14,597)	-	(21,676)	-
Finance expense on term financing from financial institutions	(11,400)	-	(11,894)	-
Net finance income	10,999	25,022	9,697	18,033
Income from investment securities	-	967	939	-
Income from investment in real estate, net	4,744	-	1,816	-
Share of loss from equity accounted investees	(193)	-	(367)	-
Fees and other income, net	2,142	-	6,026	-
TOTAL INCOME	17,692	25,989	18,111	18,033
Staff cost	6,701	-	5,144	-
Other operating expenses	7,603	-	6,001	-
TOTAL EXPENSES	14,304	-	11,145	-
Profit before impairment allowances and attribution to quasi-equity	3,388	25,989	6,966	18,033
Allowances for impairment and expected credit losses, net	(1,622)	(1,246)	(3,771)	1,841
Profit before attribution to quasi-equity	1,766	24,743	3,195	19,874
Group's share as a mudarib and wakil	6,241	(6,241)	3,839	(3,839)
PROFIT FOR THE PERIOD	8,007	18,502	7,034	16,035

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**For the nine-month period ended 30 September 2025****15 SHARE CAPITAL**

The shareholders, in their Extraordinary General Assembly meeting on 4 March 2024 resolved to convert 47% of the AT1 Sukuk with a par value of BD 28,261 thousand into 282,610 thousand ordinary shares of BD 0.100 each representing 25% of the Bank's issued and paid-up capital. As a result, the issued and paid-up capital increased to 1,130,441 thousand shares of BD 0.100 each (excluding 47,588 thousand treasury shares).

16 COMMITMENTS AND CONTINGENCIES

	30 September 2025 BD '000 (Reviewed)	31 December 2024 BD '000 (Audited)
Undrawn commitments to extend finance*	60,142	35,188
Financial guarantees	41,396	38,762
	101,538	73,950

* The Group has a right to revoke the undrawn commitment to extend finance prior to expiry of its tenor.

During the period, a net impairment reversal of BD 41 thousand (2024: BD 5 thousand) has been reflected in relation to the credit risk on these for commitments and contingent liabilities.

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 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.

17 INCOME FROM INVESTMENT IN REAL ESTATE, NET

	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
Gain on disposal of investment properties	4,636	1,820
Rental income on investment in real estate, net	108	(4)
	4,744	1,816

18 FEES AND OTHER INCOME, NET

	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
Fees income	896	1,206
Foreign exchange gain	1,012	1,067
Recovery of written-off assets	234	3,753
	2,142	6,026

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

19 ALLOWANCES FOR IMPAIRMENT AND EXPECTED CREDIT LOSSES, NET

	30 September 2025	30 September 2024
	BD '000	BD '000
	(Reviewed)	(Reviewed)
Balances and placements with banks and financial institutions	12	(4)
Financing contracts (note 8)	3,065	1,770
Investments in sukuk (note 7)	(297)	159
Commitments and financial guarantees (note 16)	(41)	5
Investment in real estate	19	-
Other assets	110	-
	2,868	1,930

Movement on ECL in various stages during the period:

30 September 2025 (Reviewed)	Stage 1	Stage 2	Stage 3	POCI	Total
	BD '000	BD '000	BD '000	BD '000	BD '000
ECL balance at 1 January	1,779	4,366	16,564	452	23,161
Transfer to Stage 1	681	(409)	(272)	-	-
Transfer to Stage 2	(394)	394	-	-	-
Transfer to Stage 3	(660)	(158)	818	-	-
Net movement	(373)	(173)	546	-	-
Charge for the period (net)	777	(64)	1,951	75	2,739
Write-off	-	-	(5,291)	-	(5,291)
Settlement	-	-	(1,281)	-	(1,281)
ECL balance as at 30 September 2025	2,183	4,129	12,489	527	19,328

30 September 2025 (Reviewed)

	Stage 1: 12- month ECL	Stage 2: Lifetime ECL non-credit impaired	Stage 3: Lifetime ECL credit impaired *	Total
	BD '000	BD '000	BD '000	BD '000
Balances and placements with banks and financial institutions	13	-	-	13
Financing contracts (note 8)	1,662	4,129	11,693	17,484
Investments in sukuk at amortised cost	481	-	1,318	1,799
Commitments and financial guarantees	27	-	5	32
	2,183	4,129	13,016	19,328

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION**For the nine-month period ended 30 September 2025****19 ALLOWANCES FOR IMPAIRMENT AND EXPECTED CREDIT LOSSES, NET (continued)**

Movement on ECL in various stages during the period:

30 September 2024 (Reviewed)	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	POCI BD '000	Total BD '000
ECL balance at 1 January	2,032	5,440	16,837	325	24,634
Transfer to Stage 1	3,407	(3,309)	(98)	-	-
Transfer to Stage 2	(183)	749	(566)	-	-
Transfer to Stage 3	(4)	(930)	934	-	-
Net movement	3,220	(3,490)	270	-	-
Charge for the period (net)	(2,755)	2,134	2,520	31	1,930
Disposals	-	-	(506)	-	(506)
ECL balance as at 30 September 2024	2,497	4,084	19,121	356	26,058

30 September 2024 (Reviewed)

	Stage 1: 12- month ECL BD '000	Stage 2: Lifetime ECL non-credit impaired BD '000	Stage 3: Lifetime ECL credit impaired * BD '000	Total BD '000
Financing contracts (note 8)	1,977	4,084	18,154	24,215
Investments in sukuk	460	-	1,317	1,777
Commitments and financial guarantees	60	-	6	66
	2,497	4,084	19,477	26,058

* Stage 3: Life time ECL credit impaired includes POCI

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
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20 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders 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.

	Nine months ended		Three months ended	
	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
Profit for the period attributable to the shareholders of the parent	8,008	7,034	2,394	1,896
Profit for the period attributable to the shareholders of the parent for basic and diluted earnings per share computation	8,008	7,034	2,394	1,896
Weighted average number of shares outstanding during the period, net of treasury shares (thousand)	1,084,884	994,150	1,085,354	1,082,853
Basic and diluted earnings per share (fils)	7.38	7.08	2.21	1.75

21 a Appropriations of net profit, if any, are made only after obtaining approval of the shareholders.

21 b The shareholders, in their General Assembly meeting on 17 March 2025 resolved to declare dividends on all ordinary shares, excluding treasury shares, at a rate of 5% of the nominal value of the share, equivalent to 5 Fils per share, totalling BD 5,414 thousand which was effected during the period ended 30 September 2025.

22 FUNDS UNDER MANAGEMENT

The Group provides corporate administration, investment management and advisory services to its investment entities, which involves making decisions on behalf of such entities. Assets that are held in such capacity are not included in these consolidated financial statements. No income or expenses has been recognized from the funds under management during the period. At the reporting date, the Group had Funds under management of having net asset value of BD 158,930 thousand (2024: BD 158,930 thousand).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

23 SIGNIFICANT RELATED PARTY TRANSACTIONS

The significant related party transactions and balances included in this condensed consolidated interim financial information are as follows:

30 September 2025 (Reviewed)	Related parties				Total BD '000
	Associates	Directors / Key management personnel and shari'a board members	Parent / related entities / other significant shareholders / entities in which directors are interested	Assets under management (including special purpose entities)	
	BD '000	BD '000	BD '000	BD '000	
Assets					
Financing contracts		4,480	19,905	-	24,385
Investment in sukuk and other yielding investments	-	-	58,297	-	58,297
Investment securities	-	-	2,284	6,968	9,252
Equity accounted investees	6,323	-	-	-	6,323
Other assets	-	-	591	173	764
Liabilities and Quasi-equity					
Placement from financial institutions, non-financial institutions and individuals	-	3,200	2,607	-	5,807
Customers' current accounts	223	35	4,680	1,934	6,872
Other liabilities	-	616	-	-	616
Quasi-equity	321	2,612	44,042	126	47,101

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

23 **SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)**

Nine months ended 30 September 2025 (Reviewed)	Related parties			Assets under management (including special purpose entities)	Total
	Associates	Directors / Key management personnel and shari'a board members	Parent / related entities / other significant shareholders / entities in which directors are interested		
	BD '000	BD '000	BD '000		
Income					
Income from financing	-	185	1,317	-	1,502
Income from Sukuk and other yielding investments	-	-	1,312	-	1,312
Income from investment securities	-	-	940	-	940
Share of loss from equity accounted investees	(193)	-	-	-	(193)
Other income	-	-	14	-	14
Expenses					
Finance expense on placements from financial institutions, non-financial institutions and individuals	-	54	690	-	744
Net income attributable to quasi-equity	12	59	1,353	4	1,428
Staff cost	-	1,816	-	-	1,816
Other operating expenses	-	238	-	-	238

31 December 2024 (Audited)	Related parties			Assets under management (including special purpose entities)	Total
	Associates	Directors / Key management personnel and shari'a board members	Parent / related entities / other significant shareholders / entities in which directors are interested		
	BD '000	BD '000	BD '000		
Assets					
Financing contracts	-	3,995	23,091	-	27,086
Investment securities	-	-	2,284	3,151	5,435
Equity accounted investees	6,516	-	-	-	6,516
Investment in sukuk and other yielding investments	-	-	58,297	-	58,297
Other assets	-	-	66	173	239
Liabilities and Quasi-equity					
Placement from financial institutions, non-financial institutions and individuals	-	2,439	61,908	-	64,347
Customers' current accounts	699	350	13,687	410	15,146
Other liabilities	-	560	-	-	560
Quasi-equity	318	2,147	29,855	123	32,443

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

23 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

Nine months ended 30 September 2024 (Reviewed)	Associates	Directors / Key management personnel and Shari'a board members	Parent / related entities / other significant shareholders / entities in which directors are interested	Assets under management (including special purpose entities)	Total
	BD '000	BD '000	BD '000	BD '000	BD '000
Income					
Income from financing contracts	-	170	653	-	823
Income from sukuk and other yielding investments	-	-	2,394	-	2,394
Income from investment securities	-	-	-	-	-
Share of loss from equity accounted investees	(367)	-	-	-	(367)
Other income	2,828	-	-	-	2,828
Expenses					
Finance expense on placements from financial institutions, non- financial institutions and individuals	-	76	5,188	-	5,264
Net income attributable to quasi- equity	14	75	3,306	5	3,400
Staff cost	-	1,506	-	-	1,506
Other operating expenses	-	166	-	107	273

During 2025, the Bank paid BD 5,414 as dividend to its shareholders. During the year 2024, 47% of the AT1 Sukuk with a par value of BD 28,261 thousand were converted into 282,610 thousand ordinary shares of BD 0.100 each representing 25% of the Bank's issued and paid-up capital. Furthermore, the Shareholders resolved to approve the redemption of the remaining 53% of the AT1 Sukuk of BD 31,739 thousand in cash.

24 SEGMENT INFORMATION

30 September 2025 (Reviewed)

	Corporate and Retail Banking BD '000	Investment Banking BD '000	Unallocated BD '000	Total BD '000
Segment revenue	68,801	877	-	69,678
Segment results	16,493	323	(8,809)	8,007
Segment assets	1,480,027	79,395	13,014	1,572,436

30 September 2024 (Reviewed)

	Corporate and Retail Banking BD '000	Investment Banking BD '000	Unallocated BD '000	Total BD '000
Segment revenue	69,026	688	-	69,714
Segment results	14,143	(93)	(7,016)	7,034

31 December 2024 (Audited)

	Corporate and Retail Banking BD '000	Investment Banking BD '000	Unallocated BD '000	Total BD '000
Segment assets	1,406,745	73,159	16,225	1,496,129

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25 FINANCIAL INSTRUMENTS

a) Fair value

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

The fair value of quoted Sukuk carried at amortised cost (net of expected credit losses allowance) of BD 435,823 thousand (31 December 2024: BD 419,267 thousand) is BD 430,384 thousand as at 30 September 2025 (31 December 2024: BD 411,228 thousand).

The estimated fair values of the Group's other financial instruments are not significantly different from their carrying values due to their short-term nature.

b) Fair value hierarchy

The table below analyses the financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30 September 2025 (Reviewed)

	Level 1 BD '000	Level 2 BD '000	Level 3 BD '000	Total BD '000
Debt-type sukuk at fair value through other comprehensive income	-	55,982	-	55,982
Equity-type sukuk at fair value through other comprehensive income	-	29,149	-	29,149
Equity-type securities carried at fair value through other comprehensive income	-	-	22,799	22,799
	-	85,131	22,799	107,930

31 December 2024 (Audited)

	Level 1 BD '000	Level 2 BD '000	Level 3 BD '000	Total BD '000
Debt-type sukuk at fair value through other comprehensive income	-	54,502	-	54,502
Equity-type sukuk at fair value through other comprehensive income	-	29,149	-	29,149
Equity-type securities carried at fair value through other comprehensive income	-	-	20,895	20,895
	-	83,651	20,895	104,546

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
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25 *FINANCIAL INSTRUMENTS (continued)*

The following table analyses the movement in Level 3 financial assets during the nine-month period ended 30 September 2025:

	30 September 2025 BD '000 (Reviewed)	30 September 2024 BD '000 (Reviewed)
At 1 January	20,895	23,774
Reversal of impairment	940	-
Movement in investment fair value reserve	957	-
Other movements	7	366
As at 30 September	22,799	24,140

During the nine months period ended 30 September 2025 and 30 September 2024, there were no transfers between Level 1 and Level 2 fair value measurements.

c) Instruments not measured at fair value

Other financial instruments

Placements with financial institutions and placements from financial institutions are for short term tenure hence their carrying value is not different from the fair value. Placements from non-financial institutions and individuals which are not short term are re-priced at regular intervals hence carrying value approximates its fair value. Fair value of other financial assets and liabilities are not significantly different from their carrying values due to their short-term nature.

26 REGULATORY RATIOS

a. Liquidity Coverage Ratio (LCR)

LCR is computed as a ratio of Stock of HQLA over the Net cash outflows over the next 30 calendar days. As at 30 September 2025, the Bank is required to maintain LCR greater than 100%. As of 30 September 2025, the Bank had LCR ratio of 584.85% (31 December 2024: 182.02%).

b. Net stable funding Ratio (NSFR)

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 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. NSFR as a percentage is calculated as "Available stable funding" divided by "Required stable funding".

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

26 **REGULATORY RATIOS** (continued)

The Consolidated NSFR calculated as per the requirements of the CBB rulebook, as of 30 September 2025 is as follows:

	Unweighted values (i.e. before applying relevant factors)				Total weighted value BD '000
	No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
	BD '000	BD '000	BD '000	BD '000	
Available Stable Funding (ASF):					
Capital:					
Regulatory Capital	132,795	-	-	6,312	139,107
Other Capital Instruments	-	-	-	-	-
Retail deposits and deposits from small business customers:					
Stable deposits	-	67,043	17,929	200	80,924
Less Stable deposits	-	290,240	122,538	507	372,006
Wholesale funding:					
Operational deposits	-	-	-	-	-
Other wholesale funding	-	826,464	79,095	14,723	230,345
Other liabilities:					
NSFR derivative liabilities	-	-	-	-	-
All other liabilities not included in the above categories	-	22,617	-	920	920
Total ASF	132,795	1,206,364	219,562	22,662	823,302

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

26 REGULATORY RATIOS (continued)

b. Net stable funding Ratio (NSFR) (continued)

Required Stable Funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	535,530	-	-	-	24,748
Performing financing assets and loans / securities:					
Performing loan to financial institutions secured by level 1 HQLA	-	-	-	-	-
Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	-	60,302	-	-	9,045
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	57,327	80,944	528,515	500,988
With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	-	-	-	86,924	56,501
Performing residential mortgages, of which:					
With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	100,729	65,474
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	30,903	13,611	20,805	39,446	81,640
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 contracts liabilities before deduction of variation margin posted	-	-	-	-	-
All other assets not included in the above categories	112,405	-	-	-	112,405
OBS items	96,925	-	-	-	4,846
Total RSF	775,763	131,240	101,749	668,690	799,146
NSFR%					103.02%

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

26 **REGULATORY RATIOS (continued)**

b. Net stable funding Ratio (NSFR)

The Consolidated NSFR calculated as per the requirements of the CBB rulebook, as of 31 December 2024 is as follows:

	Unweighted values (i.e. before applying relevant factors)				Total weighted value BD '000
	No specified maturity BD '000	Less than 6 months BD '000	More than 6 months and less than one year BD '000	Over one year BD '000	
Available Stable Funding (ASF):					
Capital:					
Regulatory Capital	131,214	-	-	6,581	137,795
Other Capital Instruments	-	-	-	-	-
Retail deposits and deposits from small business customers:					
Stable deposits	-	24,870	11,124	327	34,521
Less Stable deposits	-	311,967	101,958	8,252	380,785
Wholesale funding:					
Operational deposits	-	-	-	-	-
Other wholesale funding	-	763,459	75,000	51,019	284,346
Other liabilities:					
NSFR derivative liabilities	-	-	-	-	-
All other liabilities not included in the above categories	-	22,161	-	-	-
Total ASF	131,214	1,122,456	188,082	66,180	837,447

Required Stable Funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	409,422	-	-	-	19,612
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	-	135,212	-	-	20,282
Performing financing to non-financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	86,424	36,861	452,870	433,794
- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	-	-	-	63,940	41,561
Performing residential mortgages, of which:					
- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	108,302	70,396
Securities / sukuk that are not in default and do not qualify as HQLA, including exchange-traded equities	29,241	23,735	-	111,012	136,169
All other assets not included in the above categories	110,986	-	-	-	110,986
OBS items	76,423	-	-	-	3,821
Total RSF	626,071	245,372	36,861	672,183	795,060
NSFR%					105.34%

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
For the nine-month period ended 30 September 2025

26 *REGULATORY RATIOS (continued)*

c. *Capital Adequacy Ratio*

	30 September 2025 BD '000	31 December 2024 BD '000
CET 1 Capital before regulatory adjustments	132,795	131,214
Less: regulatory adjustments	-	-
<i>CET 1 Capital after regulatory adjustments</i>	132,795	131,214
<i>T1 Capital</i>	-	-
T 2 Capital adjustments	6,312	6,145
Regulatory Capital	139,107	137,359
Risk weighted exposure:		
Credit Risk Weighted Assets	520,623	518,901
Market Risk Weighted Assets	8,832	8,725
Operational Risk Weighted Assets	76,519	76,519
Total Regulatory Risk Weighted Assets	605,975	604,145
Investment risk reserve (30% only)	-	-
Profit equalization reserve (30% only)	-	-
Total Adjusted Risk Weighted Exposures	605,975	604,145
Capital Adequacy Ratio	22.96%	22.74%
Tier 1 Capital Adequacy Ratio	21.91%	21.72%
Minimum required by CBB	12.5%	12.5%

27 **COMPARATIVE FIGURES**

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