NATIONAL BANK OF BAHRAIN GROUP

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

30 September 2026



National Bank of Bahrain Group

Condensed consolidated interim financial information
for the nine months ended 30 September 2026

CONTENTS Page

Independent auditors' report on review of condensed consolidated interim financial information 1

Condensed consolidated interim financial information

Condensed consolidated statement of financial position 2
Condensed consolidated statement of profit or loss 3
Condensed consolidated statement of comprehensive income 4
Condensed consolidated statement of changes in equity 5-6
Condensed consolidated statement of cash flows 7
Notes to the condensed consolidated interim financial information
1. Reporting entity 8
2. Basis of preparation and presentation 8
3. Material accounting policies 8
4. Estimates and management judgement 8-9
5. Seasonality 10
6. Related parties 10
7. Appropriations 10
8. Loans and advances to customers 10-11
9. Other income 11
10. Other operating expenses 11
11. Net impairment losses on financial instruments 12
12. Contingent liabilities and banking commitments 12
13. Cash and cash equivalents 12
14. Operating segment information 13
15. Fair value of financial instruments 14-15
16. Shariah-compliant facilities 16-17
17. Liquidity ratios 17-20
18. Capital adequacy ratio 21

Commercial registration:	269 (Licensed by the Central Bank of Bahrain as a conventional retail bank)
Board of Directors:	Mrs. Hala Ali Husain Yateem, *Chairperson* Mr. Yusuf Abdulla Yusuf Alireza, *Vice Chairperson* Sh. Rashed Bin Salman Mohamed Al Khalifa, *Director* Mr. Rishi Kapoor, *Director* Mr. Vincent Van Den Boogert, *Director* Mr. Zaid Khalid Abdulrahman, *Director* Dr. Paul David Pester, *Director* Mr. Isa Hasan Maseeh, *Director* Mr. Mohamed Farouk Almoayyed, *Director* Mr. Ahmed Fawzi Kanoo, *Director* Mr. Alaa Abdulkhaleq Saeed, *Director*
Office:	PO Box 106, NBB Tower Government Avenue, Manama, Kingdom of Bahrain Telephone 17228800, IR@nbbonline.com
Auditors:	KPMG Fakhro

KPMG Fakhro
Audit
12th Floor, Fakhro Tower,
P.O. Box 710, Manama,
Kingdom of Bahrain

Telephone +973 17224807
Telefax +973 17227443
Website: www.kpmg.com/bh
CR No. 6220 – 2

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

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

Introduction

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

- the condensed consolidated statement of financial position as at 30 September 2026;
- the condensed consolidated statement of profit or loss for the three-month and nine-month periods ended 30 September 2026;
- the condensed consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2026;
- the condensed consolidated statement of changes in equity for the nine-month period ended 30 September 2026;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 September 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 IAS 34, '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 International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

9 November 2026

© 2026 KPMG Fakhro, a Bahrain partnership registered with the Ministry of Industry and Commerce (MOIC), Kingdom of Bahrain and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

National Bank of Bahrain Group

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 September 2026 Bahraini Dinar Millions

	Note	30 September 2026 (reviewed)	31 December 2025 (audited)
Assets			
Cash and balances at central banks		**169.0**	198.5
Treasury bills		**25.0**	10.0
Placements with banks and other financial institutions		**729.8**	800.7
Loans and advances to customers	*8*	**3,395.1**	3,186.2
Investment securities		**1,479.9**	1,751.1
Investment in associates		**39.4**	39.6
Interest receivable and other assets		**192.8**	168.7
Property and equipment		**67.8**	71.5
Goodwill and other intangible assets		**49.6**	50.3
Total assets		**6,148.4**	6,276.6
Liabilities			
Due to banks and other financial institutions		**525.0**	894.7
Borrowings under repurchase agreements		**473.3**	609.2
Customer deposits		**4,426.0**	4,015.5
Interest payable and other liabilities		**169.4**	157.0
Total liabilities		**5,593.7**	5,676.4
Equity			
Share capital		**226.6**	226.6
Treasury shares		**(3.8)**	(4.2)
Shares unallocated under share incentive scheme		**(0.3)**	(0.6)
Share premium		**17.5**	16.9
Statutory reserve		**113.3**	113.3
General reserve		**32.4**	32.4
Other reserves and retained earnings		**154.1**	200.6
Equity attributable to the shareholders of the Bank		**539.8**	585.0
Non-controlling interest		**14.9**	15.2
Total equity		**554.7**	600.2
Total liabilities and equity		**6,148.4**	6,276.6

The Board of Directors approved the condensed consolidated interim financial information on 9 November 2026 and signed on its behalf by:

Mrs. Hala Ali Husain Yateem	**Mr. Yusuf Abdulla Yusuf Alireza**	**Mr. Usman Ahmed**
Chairperson	Vice Chairperson	Group Chief Executive Officer

The accompanying notes 1 to 18 are an integral part of the condensed consolidated interim financial information.

National Bank of Bahrain Group

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the nine months ended 30 September 2026

Bahraini Dinar Millions

	Note	Nine months ended		Three months ended	
		30 September 2026 (reviewed)	30 September 2025 (reviewed)	**30 September 2026 (reviewed)**	30 September 2025 (reviewed)
Interest income		**240.2**	227.2	**79.4**	77.1
Interest expense		**(125.4)**	(124.5)	**(40.2)**	(41.5)
Net interest income		**114.8**	102.7	**39.2**	35.6
Net fee and commission income		**9.2**	9.9	**3.4**	2.9
Other income	*9*	**26.6**	40.7	**5.2**	8.7
Total operating income		**150.6**	153.3	**47.8**	47.2
Staff expenses		**42.4**	40.8	**13.5**	13.2
Depreciation and amortisation expenses		**8.8**	7.9	**2.9**	2.9
Other operating expenses	*10*	**32.8**	30.4	**11.2**	10.5
Total operating expenses		**84.0**	79.1	**27.6**	26.6
Profit before results of associates, impairment and tax		**66.6**	74.2	**20.2**	20.6
Share of profits of associates, net		**0.9**	1.4	**0.5**	0.7
Net impairment losses on financial instruments	*11*	**(5.6)**	(6.7)	**(3.2)**	(2.8)
Profit before tax		**61.9**	68.9	**17.5**	18.5
Tax expense		**(0.2)**	(0.4)	**-**	(0.3)
Profit for the period		**61.7**	68.5	**17.5**	18.2
Attributable to:					
Shareholders of the Bank		**60.1**	66.9	**17.0**	19.4
Non-controlling interest		**1.6**	1.6	**0.5**	(1.2)
		61.7	68.5	**17.5**	18.2
Basic and diluted earnings per share attributable to the shareholders of the Bank		**27 fils**	30 fils	**8 fils**	9 fils

Mrs. Hala Ali Husain Yateem
Chairperson

Mr. Yusuf Abdulla Yusuf Alireza
Vice Chairperson

Mr. Usman Ahmed
Group Chief Executive Officer

The accompanying notes 1 to 18 are an integral part of the condensed consolidated interim financial information.

National Bank of Bahrain Group

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the nine months ended 30 September 2026 Bahraini Dinar Millions

	Nine months ended		Three months ended	
	30 September 2026 (reviewed)	30 September 2025 (reviewed)	**30 September 2026 (reviewed)**	30 September 2025 (reviewed)
Profit for the period	**61.7**	68.5	**17.5**	18.2
Other comprehensive income:				
Items that are or may be reclassified subsequently to profit or loss:				
Cash flow hedges:				
Net change in fair value	**1.0**	-	**0.7**	-
Fair value through other comprehensive income (debt instruments):				
Net change in fair value	**(14.4)**	10.8	**(2.4)**	16.0
Net amount transferred to profit or loss	**(4.8)**	(3.8)	**(0.2)**	(1.0)
Share of comprehensive income of associate	**(0.1)**	-	**-**	-
Items that will not be reclassified to profit or loss:				
Share of comprehensive income of associate	**(0.1)**	-	**-**	-
Net change in fair value of equity instruments at FVOCI	**(5.9)**	(7.9)	**(3.6)**	(2.7)
Total other comprehensive income for the period	**(24.3)**	(0.9)	**(5.5)**	12.3
Total comprehensive income for the period	**37.4**	67.6	**12.0**	30.5
Attributable to:				
Shareholder of the Bank	**35.8**	66.0	**11.5**	31.7
Non-controlling interest	**1.6**	1.6	**0.5**	(1.2)
	37.4	67.6	**12.0**	30.5

The accompanying notes 1 to 18 are an integral part of the condensed consolidated interim financial information.

National Bank of Bahrain Group

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the nine months ended 30 September 2026

Bahraini Dinar Millions

2026 (reviewed)

							Other reserves and retained earnings						
	Share capital	Treasury shares	Un-allocated shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Cash flow hedge reserve	Donation charity reserve	Retained earnings	Total owners' equity	Non-controlling interest	Total equity
Balance at 1 January 2026	**226.6**	**(4.2)**	**(0.6)**	**16.9**	**113.3**	**32.4**	**33.6**	**(0.7)**	**13.8**	**153.9**	**585.0**	**15.2**	**600.2**
2025 appropriations:													
Cash dividend at 25%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(56.4)**	**(56.4)**	**-**	**(56.4)**
Transfer to donations and charity reserve	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.5**	**(0.5)**	**-**	**-**	**-**
2026 appropriations:													
Cash dividend at 10%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(22.6)**	**(22.6)**	**-**	**(22.6)**
Balance after 2025 & 2026 appropriations	**226.6**	**(4.2)**	**(0.6)**	**16.9**	**113.3**	**32.4**	**33.6**	**(0.7)**	**14.3**	**74.4**	**506.0**	**15.2**	**521.2**
Employee shares assigned	**-**	**-**	**0.3**	**0.6**	**-**	**-**	**-**	**-**	**-**	**-**	**0.9**	**-**	**0.9**
Movement in treasury shares	**-**	**0.4**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.4**	**-**	**0.4**
Comprehensive income for the period:													
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**60.1**	**60.1**	**1.6**	**61.7**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**(25.3)**	**1.0**	**-**	**-**	**(24.3)**	**-**	**(24.3)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(25.3)**	**1.0**	**-**	**60.1**	**35.8**	**1.6**	**37.4**
Utilisation of donation and charity reserve	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2.3)**	**-**	**(2.3)**	**-**	**(2.3)**
Disposal of equity securities	**-**	**-**	**-**	**-**	**-**	**-**	**(1.0)**	**-**	**-**	**1.0**	**-**	**-**	**-**
Other movements	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1.0)**	**(1.0)**	**(1.9)**	**(2.9)**
Balance at 30 September 2026	**226.6**	**(3.8)**	**(0.3)**	**17.5**	**113.3**	**32.4**	**7.3**	**0.3**	**12.0**	**134.5**	**539.8**	**14.9**	**554.7**

The accompanying notes 1 to 18 are an integral part of the condensed consolidated interim financial information.

National Bank of Bahrain Group

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the nine months ended 30 September 2026 (continued)

Bahraini Dinar Millions

2025 (reviewed)

							Other reserves and retained earnings					
	Share capital	Treasury shares	Un-allocated shares	Share premium	Statutory reserve	General reserve	Fair value reserve	Donation charity reserve	Retained earnings	Total owners' equity	Non-controlling interest	Total equity
Balance at 1 January 2025	226.6	(2.5)	(0.5)	15.1	113.3	32.4	35.3	14.2	149.9	583.8	13.2	597.0
2024 appropriations:												
Cash dividend at 25%	-	-	-	-	-	-	-	-	(56.4)	(56.4)	-	(56.4)
Transfer to donations and charity reserve	-	-	-	-	-	-	-	2.0	(2.0)	-	-	-
2025 appropriations:												
Cash dividend at 10%	-	-	-	-	-	-	-	-	(22.6)	(22.6)	-	(22.6)
Balance after 2024 & 2025 appropriations	226.6	(2.5)	(0.5)	15.1	113.3	32.4	35.3	16.2	68.9	504.8	13.2	518.0
Employee shares assigned	-	-	(0.1)	1.8	-	-	-	-	-	1.7	-	1.7
Movement in treasury shares	-	(1.6)	-	-	-	-	-	-	-	(1.6)	-	(1.6)
Comprehensive income for the period:												
Profit for the period	-	-	-	-	-	-	-	-	66.9	66.9	1.6	68.5
Other comprehensive income	-	-	-	-	-	-	(0.9)	-	-	(0.9)	-	(0.9)
Total comprehensive income for the period	-	-	-	-	-	-	(0.9)	-	66.9	66.0	1.6	67.6
Utilisation of donation and charity reserve	-	-	-	-	-	-	-	(1.8)	-	(1.8)	-	(1.8)
Other movements	-	-	-	-	-	-	-	-	(0.4)	(0.4)	-	(0.4)
Balance at 30 September 2025	226.6	(4.1)	(0.6)	16.9	113.3	32.4	34.4	14.4	135.4	568.7	14.8	583.5

The accompanying notes 1 to 18 are an integral part of the condensed consolidated interim financial information.

National Bank of Bahrain Group

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the nine months ended 30 September 2026

Bahraini Dinar Millions

	Note	Nine months ended 30 September 2026 (reviewed)	Nine months ended 30 September 2025 (reviewed)
Cash flow from operating activities			
Profit for the period		**61.7**	68.5
Adjustments to reconcile profit for the period to net cash from operating activities:			
Depreciation and amortisation		**8.8**	7.9
Amortisation of right-of-use leased property		**1.4**	1.4
Fair value loss of investment properties		**-**	0.2
Net impairment losses on financial instruments		**5.6**	6.7
Share of profits from associates, net		**(0.9)**	(1.4)
Profit for the period after adjustments		**76.6**	83.3
Change in operating assets and liabilities:			
Balances with central banks (mandatory cash reserve)		**21.6**	(13.7)
Treasury bills		**(14.7)**	99.3
Placements with banks and other financial institutions		**15.9**	(1.8)
Loans and advances to customers		**(213.2)**	(111.3)
Investment securities		**202.4**	(327.8)
Interest receivable and other assets		**36.8**	(47.2)
Due to banks and other financial institutions		**(369.8)**	80.5
Borrowings under repurchase agreements		**(135.9)**	224.8
Customer deposits		**410.9**	103.7
Interest payable and other liabilities		**(5.9)**	(1.6)
Net cash from operating activities		**24.7**	88.2
Cash flow from investing activities			
Dividend received from associates		**0.8**	0.8
Capital reduction of associates		**-**	1.0
Purchase of property and equipment, net		**(5.3)**	(6.2)
Net cash used in investing activities		**(4.5)**	(4.4)
Cash flow from financing activities			
Dividends paid		**(79.0)**	(79.0)
Net investment in treasury shares		**0.4**	(0.5)
Donations and charities paid		**(3.0)**	(2.2)
Payment of lease liabilities		**(1.2)**	(1.9)
Net cash used in financing activities		**(82.8)**	(83.6)
Net (decrease) / increase in cash and cash equivalents during the period		**(62.6)**	0.2
Cash and cash equivalents at 1 January		**840.5**	664.8
Cash and cash equivalents at 30 September	*13*	**777.9**	665.0

The accompanying notes 1 to 18 are an integral part of the condensed consolidated interim financial information.

1. Reporting entity

The parent company of the Group, National Bank of Bahrain B.S.C. (the “Bank”), is a public shareholding company incorporated in the Kingdom of Bahrain by an Amiri decree in January 1957. The Bank is licensed by the Central Bank of Bahrain (“CBB”) as a conventional retail bank and is listed on Bahrain Bourse.

The condensed consolidated interim financial statements include the results of the Bank and its subsidiary (together the "Group"). The Bank holds 80.2% (31 December 2025: 78.8%) of the share capital of Bahrain Islamic Bank B.S.C. (“BISB”), (the “subsidiary”) which operates under an Islamic retail banking license issued by the CBB.

2. Basis of preparation and presentation

The condensed consolidated interim financial information of the Group has been prepared in accordance with IAS 34 ‘Interim Financial Reporting’.

The condensed consolidated interim financial information is reviewed by the external auditors, not audited. The comparatives for the condensed consolidated statement of financial position have been extracted from the Group’s audited financial statements for the year ended 31 December 2025. The comparatives for the condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows have been extracted from the reviewed condensed consolidated interim financial information for the nine months period ended 30 September 2025.

In accordance with IAS 34, the condensed consolidated interim financial information does not contain all the information and disclosures required for the full annual consolidated financial statements and should be read in conjunction with the Group’s 2025 annual audited consolidated financial statements. The results for the nine months period ended 30 September 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The Group’s financial risk management objectives and policies are consistent with those disclosed in the Group’s audited consolidated financial statements for the year ended 31 December 2025, except as disclosed in note 4.

3. Material accounting policies

The condensed consolidated interim financial information has been prepared using the same accounting policies and methods of computation applied in the preparation of the Group’s audited consolidated financial statements for the year ended 31 December 2025.

(a) New and amended accounting standards issued but not yet effective

The following new and relevant standard is effective for annual periods beginning after 1 January 2027 and earlier application is permitted.

IFRS 18 Presentation and Disclosure in Financial Statements

The standard requires a more structured income statement and greater disaggregation of information. It also makes management-defined performance measures part of the audited financial statements for the first time. This will bring more credibility to certain key performance indicators.

The Group is in the process of assessing the impact on its consolidated financial statements for adopting this standard.

4. Estimates and management judgement

The Group’s condensed consolidated interim financial information and its financial results are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the financial information.

4. Estimates and management judgement (continued)

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation are in accordance with the application of standards and are the same as those applied to the Group's audited financial statements for the year ended 31 December 2025, with the exception of the change described below.

Revision to significant accounting estimates arising from the current geopolitical situation

The geopolitical situation in the Middle East has continued to evolve during the period, resulting in additional uncertainties 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, particularly 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:

	30 September 2026	31 December 2025	30 September 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 also considered 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 September 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 announced several measures to support the economy and financial sector, including offering liquidity lines to retail banks against eligible securities, allowing repayment deferrals of up to three months for borrowers, extending repurchase operation maturities, reducing the required cash reserve ratio, and lowering LCR and NSFR thresholds for banks. The measures did not have a material impact on the Group's condensed consolidated interim financial information.

5. Seasonality

The Group does not have significant income of seasonal nature.

6. Related parties

Certain related parties (major shareholders, directors of the Bank and their families and companies of which they are principal owners, and key management personnel) were customers and/or suppliers of the Group in the ordinary course of business. The transactions with these parties were made on an arm's length basis.

7. Appropriations

At the annual ordinary general meeting and the extraordinary general meeting for the year 2025, which were held on 18 March 2026, certain appropriations and amendments were approved and effected during the period. These appropriations include BHD 79.0 million of cash dividend at 35% (of which BHD 22.6 million or 10% was paid as interim dividends during 2025) and BHD 0.5 million for donations.

The Board of Directors declared an interim cash dividend at 10% for the year 2026, equivalent to BHD 22.6 million.

8. Loans and advances to customers

(a) Exposure by staging

30 September 2026

	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Gross loans and advances to customers	**3,284.4**	**64.4**	**108.8**	**24.7**	**3,482.3**
Less: impairment loss allowance	**(12.3)**	**(7.7)**	**(61.0)**	**(6.2)**	**(87.2)**
Net loans and advances to customers	**3,272.1**	**56.7**	**47.8**	**18.5**	**3,395.1**

31 December 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Gross loans and advances to customers	3,049.3	90.5	108.6	29.9	3,278.3
Less: impairment loss allowance	(15.1)	(9.2)	(59.3)	(8.5)	(92.1)
Net loans and advances to customers	3,034.2	81.3	49.3	21.4	3,186.2

Stage 3 includes BHD 1.1 million of loans designated as FVTPL (31 December 2025: BHD 1.3 million included in stage 2).

Purchased or originated credit impaired ("POCI") financial assets were acquired as part of a business combination at fair value and reflect the credit losses on which a lifetime ECL is already recognised. The POCI portfolio comprises performing and non-performing credit facilities and is 97.7% covered by provisions and / or high quality collateral as at 30 September 2026 (31 December 2025: 96.6%).

(b) Impairment provisions on loans and advances to customers

30 September 2026

	Stage 1	**Stage 2**	**Stage 3**	**POCI**	**Total**
Balance at 1 January 2026	15.1	9.2	59.3	8.5	**92.1**
Net transfer between stages	4.4	(4.7)	0.3	-	**-**
Net charge for the period (note 11)	(7.2)	3.2	6.7	1.6	**4.3**
Write off during the period	-	-	(5.3)	(3.9)	**(9.2)**
Balance at 30 September 2026	**12.3**	**7.7**	**61.0**	**6.2**	**87.2**

8. Loans and advances to customers (continued)

(b) Impairment provisions on loans and advances to customers (continued)

31 December 2025

	Stage 1	Stage 2	Stage 3	POCI	Total
Balance at 1 January 2025	15.7	14.3	66.9	6.1	103.0
Net transfer between stages	7.7	(8.0)	0.3	-	-
Net charge for the period	(8.3)	2.9	10.9	3.1	8.6
Write off during the period	-	-	(18.8)	(0.7)	(19.5)
Balance at 31 December 2025	15.1	9.2	59.3	8.5	92.1

(c) Aging schedule of non-performing loans and advances to customers

	30 September 2026	31 December 2025
Up to 1 year	**62.5**	68.4
1 to 3 years	**24.3**	34.4
Over 3 years	**22.0**	5.8
	108.8	108.6
Fair market value of collateral	**88.7**	101.5
Stage 3 provisions	**61.0**	59.3

The non-performing loan ratio at 30 September 2026 exclusive of POCI and inclusive of non-performing POCI is 3.1% and 3.5% respectively (31 December 2025: 3.3% and 3.9%).

9. Other income

Other income for the period ended 30 September 2025 includes gains of BHD 9.7 million arising from the sale of land held by a subsidiary.

10. Other operating expenses

	30 September 2026	30 September 2025
Equipment expenses	**10.3**	9.6
Communication expenses	**4.9**	4.6
Regulatory licenses, deposit protection and VAT expenses	**4.4**	4.5
Professional fees	**3.4**	3.5
Premises expenses	**2.9**	3.0
Advertising and public relation expenses	**1.6**	1.8
Audit, legal, insurance and board expenses	**1.6**	1.7
Other, including potential merger expenses	**3.7**	1.7
	32.8	30.4

11. Net impairment losses on financial instruments

	30 September 2026	30 September 2025
Loans and advances to customers (note 8b)	**4.3**	7.4
Investment securities	**0.3**	0.1
Loan commitments and contingents	**-**	(0.8)
Other	**1.0**	-
	5.6	6.7

12. Contingent liabilities and banking commitments

	30 September 2026	31 December 2025
Contingent liabilities		
Letters of credit	**113.8**	78.5
Guarantees	**283.5**	298.7
	397.3	377.2
Banking commitments		
Undrawn loan commitments	**390.7**	450.9
Forward commitments	**67.9**	122.4
Cross currency swaps	**80.8**	80.5
Interest rate contracts	**4,784.2**	6,850.2
Foreign exchange contracts	**3,482.5**	3,246.8
	8,806.1	10,750.8
	9,203.4	11,128.0

13. Cash and cash equivalents

	30 September 2026	30 September 2025
Cash and balances at central banks	**169.0**	195.7
Less: mandatory cash reserves	**(125.7)**	(151.4)
	43.3	44.3
Treasury bills	**25.0**	142.3
Less: treasury bills with an original maturity over 3 months	**(14.7)**	(87.7)
	10.3	54.6
Placement with banks and other financial institutions	**729.8**	585.5
Less: placements with an original maturity over 3 months	**(5.5)**	(19.4)
	724.3	566.1
	777.9	665.0

14. Operating segment information

	Retail Banking		Corporate & Commercial Banking		Overseas Branches		Market & Client Solutions		Other		Total	
	30 Sep 2026	30 Sep 2025	**30 Sep 2026**	30 Sep 2025	**30 Sep 2026**	30 Sep 2025	**30 Sep 2026**	30 Sep 2025	**30 Sep 2026**	30 Sep 2025	**30 Sep 2026**	30 Sep 2025
Interest and other income	**62.3**	60.3	**48.4**	43.8	**25.7**	22.5	**132.1**	136.8	**7.5**	14.4	**276.0**	277.8
Interest expense	**(38.4)**	(40.4)	**(30.7)**	(31.8)	**(12.2)**	(11.0)	**(43.1)**	(40.3)	**(1.0)**	(1.0)	**(125.4)**	(124.5)
Inter-segment interest income / (expense)	**44.6**	42.3	**6.3**	11.0	**-**	-	**(55.9)**	(59.2)	**5.0**	5.9	**-**	-
Operating income	**68.5**	62.2	**24.0**	23.0	**13.5**	11.5	**33.1**	37.3	**11.5**	19.3	**150.6**	153.3
Profit for the period	**30.7**	23.7	**8.1**	5.6	**(1.9)**	(0.9)	**26.3**	29.4	**(1.5)**	10.7	**61.7**	68.5

Result above is after direct and indirect cost allocations and the application of impairment provisions to each applicable segment.

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.

15. Fair value of financial instruments

(a) Financial instruments measured at fair value

The Group measures fair values of financial instruments using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.
Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs which are not based on observable data and for which the unobservable inputs have a significant effect on the instrument's valuation.

The following analyses financial assets and liabilities carried at fair value, by valuation method.

	30 September 2026				31 December 2025			
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Fair value through profit or loss:								
Equity instruments / managed funds	**-**	**5.5**	**-**	**5.5**	-	3.8	-	3.8
Debt instruments	**0.1**	**5.1**	**-**	**5.2**	27.8	26.3	-	54.1
Loans and advances to customers	**-**	**-**	**1.1**	**1.1**	-	-	1.3	1.3
Fair value through other comprehensive income:								
Debt instruments	**419.8**	**47.2**	**-**	**467.0**	527.8	64.8	-	592.6
Equity instruments	**44.0**	**-**	**23.1**	**67.1**	50.4	-	23.9	74.3
Derivative financial assets	**-**	**83.5**	**-**	**83.5**	-	57.0	-	57.0
	463.9	**141.3**	**24.2**	**629.4**	606.0	151.9	25.2	783.1
Derivative financial liabilities	**-**	**37.6**	**-**	**37.6**	-	20.2	-	20.2

15. Fair value of financial instruments (continued)

(a) Financial instruments measured at fair value (continued)

The following analyses the movement in level 3 financial assets during the period. There were no transfers between level 1, level 2 and level 3 of the fair value hierarchy:

	Investment securities		Loans and advances	
	2026	2025	**2026**	2025
At 1 January	**23.9**	24.5	**1.3**	1.7
Total losses in other comprehensive income	**(0.8)**	(0.5)	**-**	-
Total gains in profit or loss	**-**	-	**0.1**	0.1
Principal reduction	**-**	-	**-**	(0.3)
Impairment loss allowance	**-**	-	**(0.3)**	-
At 30 September	**23.1**	24.0	**1.1**	1.5

Total gain for the year included in the statement of profit or loss for assets / liabilities classified as level 3 at 30 September 2026 is BHD 0.1 (30 September 2025: BHD 0.1 million).

Level 3 comprises unquoted equity investments classified as fair value through other comprehensive income which are measured at their estimated fair value based on the investment's latest available financial information. The valuation of BHD 3.3 million (31 December 2025: BHD 3.3 million) of level 3 unquoted equities is based on discounted cash flow (DCF) method which involves the application of a discount rate to free cashflow to calculate the enterprise value. The discount rate applied for the purpose of valuation is weighted average capital cost (WACC) of 11.1% (31 December 2025: 11.1%).

Sensitivity analysis of the movement in fair value of the financial instruments in the level 3 category financial assets is assessed as not significant to the other comprehensive income and total equity.

(b) Financial instruments measured at amortised cost

The following 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 financial position:

	30 September 2026				31 December 2025			
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Investment securities								
Carrying value	**366.4**	**568.7**	**-**	**935.1**	312.8	713.5	-	1,026.3
Fair value	**347.2**	**572.1**	**-**	**919.3**	314.7	711.2	-	1,025.9

The fair value of financial assets and liabilities other than those disclosed above approximate their carrying value.

16. Shariah-compliant facilities

The Group offers various shariah-compliant facilities through approved products at the Bank or through BISB, the Islamic retail banking subsidiary. The activities of each bank are supervised by their respective Shariah Supervisory Board. The accounting and measurement of all its financial assets and liabilities and for any resulting income and expenses with regards to Shariah-compliant facilities are consistent with those disclosed in the audited consolidated financial statements for the year ended 31 December 2025.

The Group's shariah-compliant assets and liabilities are as follows:

	30 September 2026	31 December 2025
Assets		
Cash and balances at central banks	**41.3**	56.3
Placements with banks and other financial institutions	**189.9**	307.3
Loans and advances to customers	**1,650.9**	1,666.6
Investment securities	**463.4**	497.0
Investment in associates	**9.2**	9.0
Interest receivable and other assets	**10.3**	24.0
Property and equipment	**18.6**	17.7
Goodwill and other intangible assets	**49.6**	50.3
	2,433.2	2,628.2
Liabilities		
Due to banks and other financial institutions	**138.8**	302.0
Borrowings under repurchase agreements	**40.3**	114.9
Customer deposits	**1,229.6**	1,204.3
Interest payable and other liabilities	**22.0**	41.5
	1,430.7	1,662.7

16. Shariah-compliant facilities (continued)

The Group's statement of profit and loss limited to shariah-compliant activities is presented below:

	30 September 2026	30 September 2025
Profit income	**83.9**	87.5
Profit expense	**(35.7)**	(37.3)
Net profit income	**48.2**	50.2
Net fee and commission income	**2.7**	3.1
Other income	**3.6**	12.8
Total operating income	**54.5**	66.1
Staff expenses	**11.4**	11.7
Depreciation, amortisation and equipment expenses	**4.0**	3.6
Other operating expenses	**5.4**	6.1
Total operating expenses	**20.8**	21.4
Operating profit before results of associates and impairment	**33.7**	44.7
Share of profits from associates, net	**0.2**	0.2
Net impairment losses on financial instruments	**(5.3)**	(6.9)
Profit for the period	**28.6**	38.0

17. Liquidity ratios

(a) Liquidity coverage ratio

The Bank calculates the liquidity coverage ratio ("LCR") in accordance with the CBB guidelines and the Basel III framework. LCR is defined as the ratio of the stock of high quality liquid assets ("HQLA") to total net cash outflows over a 30-day stress period. This measure is designed to ensure that the Bank maintains sufficient liquidity to withstand short-term financial stress. Banks are required to meet a minimum LCR of 100% on a continuous basis. The average daily LCR for the quarter ending 30 September 2026 and 31 December 2025 is presented below.

	30 September 2026	31 December 2025
Stock of HQLA	**1,763.5**	1,901.1
Net Cash outflows	**610.5**	461.0
LCR	**292%**	425%

17. Liquidity ratios (continued)

(b) Net stable funding ratio

The main objective of the NSFR is to promote resilience in the banking system by improving the funding profile of banks by ensuring sufficient level of stable funding in relation to assets and commitments. The NSFR thus promotes banks to rely on funding from stable sources and long-term borrowing in order to reduce the risks of disruptions which might impact the bank's liquidity position. Banks are required to meet a minimum NSFR of 100% on a continuous basis.

The main drivers behind the Group's strong available stable funding (ASF) are the healthy capital base (14% of the Group's ASF), large deposits portfolio with strong contributions from the retail and small business sectors (61% of the Group's ASF) and the sizable corporate and sovereign deposits (25% of the Group's ASF).

The majority of the Group's investment security portfolio is classified as high-quality liquid assets (HQLA). The Group's HQLA securities accounted for 27% of the Group's required stable funding (RSF) before applying the relevant weights. Lending provided to financial institutions in the form of loans or placements was evenly distributed in terms of residual maturity, with 73% of total lending provided to financial institutions being in the less than 6 months maturity bucket.

The NSFR ratio of 138% at 30 September 2026 is 5% higher than the 31 December 2025 ratio at 133%. This was predominantly driven by an 8% increase in total ASF due mainly to a 16% increase in retail and SME deposits.

Further details on the calculation of the NSFR are presented in the following tables.

17. Liquidity ratios (continued)

(b) Net stable funding ratio (continued)

30 September 2026	Unweighted values (before applying factors)				Total weighted value
	No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
Available stable funding (ASF):					
Capital:					
Regulatory capital	**548.1**	**-**	**-**	**20.9**	**569.0**
Retail deposits and deposits from small business customers:					
Stable deposits	**-**	**294.0**	**4.8**	**0.1**	**283.9**
Less stable deposits	**-**	**2,291.4**	**179.2**	**1.2**	**2,224.8**
Wholesale funding:					
Other wholesale funding	**-**	**2,138.5**	**210.6**	**297.9**	**1,053.4**
Other liabilities:					
All other liabilities not included in above categories	**-**	**137.5**	**-**	**14.9**	**14.9**
Total ASF					**4,146.0**
Required stable funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	**-**	**-**	**-**	**-**	**91.7**
Performing loans and securities:					
Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	**-**	**201.5**	**33.2**	**41.9**	**88.7**
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs:	**-**	**566.7**	**184.4**	**1,525.3**	**1,672.0**
-With a risk weight of less than or equal to 35% under the CBB capital adequacy ratio guidelines	**-**	**-**	**-**	**799.1**	**519.4**
Performing residential mortgages, of which:					
-With a risk weight of less than or equal to 35% under the CBB capital adequacy ratio guidelines	**-**	**-**	**-**	**162.9**	**105.9**
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	**-**	**7.6**	**19.5**	**20.9**	**33.0**
Other assets:					
NSFR derivative assets	**-**	**45.7**	**-**	**-**	**45.7**
NSFR derivative liabilities before deduction of variation margin posted	**-**	**7.5**	**-**	**-**	**7.5**
All other assets not included in the above categories	**337.1**	**-**	**-**	**-**	**337.1**
Off-balance sheet items	**-**	**-**	**-**	**-**	**103.0**
Total RSF					**3,004.0**
NSFR %					**138%**

17. Liquidity ratios (continued)

(b) Net stable funding ratio (continued)

31 December 2025	Unweighted values (before applying factors)				Total weighted value
	No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
Available stable funding (ASF):					
Capital:					
Regulatory capital	594.5	-	-	25.0	619.5
Retail deposits and deposits from small business customers:					
Stable deposits	-	300.2	5.8	-	290.7
Less stable deposits	-	1,852.7	223.4	0.1	1,868.6
Wholesale funding:					
Other wholesale funding	-	2,582.6	249.0	312.0	1,048.2
Other liabilities:					
All other liabilities not included in above categories	-	130.0	-	15.3	15.3
Total ASF					3,842.3
Required stable funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	107.0
Performing loans and securities:					
Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	-	316.6	8.6	47.3	99.0
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs:	-	497.5	188.1	1,553.6	1,663.3
-With a risk weight of less than or equal to 35% under the CBB capital adequacy ratio guidelines	-	-	-	594.0	386.1
Performing residential mortgages, of which:					
-With a risk weight of less than or equal to 35% under the CBB capital adequacy ratio guidelines	-	-	-	156.4	101.7
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	14.9	44.4	18.1	46.4
Other assets:					
NSFR derivative assets	-	36.5	-	-	36.5
NSFR derivative liabilities before deduction of variation margin posted	-	3.6	-	-	3.6
All other assets not included in the above categories	355.6	-	-	-	355.6
Off-balance sheet items	-	-	-	-	81.5
Total RSF					2,880.7
NSFR %					133%

18. Capital adequacy ratio

The Group operates as an independent banking institution with headquarters in Bahrain, subsidiary and branches in Bahrain, United Arab Emirates and Saudi Arabia.

The capital adequacy ratio has been calculated in accordance with Basel III and Central Bank of Bahrain guidelines incorporating credit risk, operational risk and market risk. The Group uses the standardised approach for computing credit risk. Operational risk is computed using the basic indicator approach. Market risk is computed using the standardised method.

The details of the Group's capital adequacy calculations are shown below:

	30 September 2026	31 December 2025
Common equity (CET1)	**498.5**	544.2
Additional tier 1	**-**	-
Tier 1 capital	**498.5**	544.2
Tier 2 capital	**20.9**	25.0
Total capital base	**519.4**	569.2
Risk weighted exposures:		
Credit risk	**2,184.1**	2,432.7
Market risk	**53.0**	27.1
Operational risk	**319.4**	319.4
Total risk weighted exposure	**2,556.5**	2,779.2
CET1 ratio	**19.5%**	19.6%
Total capital adequacy ratio	**20.3%**	20.5%

Conventional banks are required to maintain a minimum total capital adequacy ratio of 12.5%. Additionally, according to Central Bank of Bahrain rulebook, banks designated as domestic systemically important banks (DSIBs) must hold designated HLA (high loss absorbency) expressed as common equity tier 1 capital at 1.5% of the total risk weighted assets, as calculated for the purposes of capital adequacy.