

AL AHLI BANK OF KUWAIT K.S.C.P. AND ITS SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2026

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with confidence

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AL AHLI BANK OF KUWAIT K.S.C.P.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Al Ahli Bank of Kuwait K.S.C.P. (the "Bank") and its subsidiaries (collectively "the Group") as at 30 September 2026 and the related interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine-month period then ended. The management of the Bank is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with the basis of preparation set out in Note 2. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with 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 interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.

Report on other Legal and Regulatory Requirements

Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of account of the Bank. We further report that, to the best of our knowledge and belief, we have not become aware of any violations of the Companies Law No. 1 of 2016, as amended, and its executive regulations, as amended, or of the Bank's Articles of Association and Memorandum of Incorporation, as amended, during the nine-month period ended 30 September 2026 that might have had a material effect on the business of the Bank or on its financial position.

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REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF AL AHLI BANK OF KUWAIT K.S.C.P. (continued)

Report on other Legal and Regulatory Requirements (continued)

We further report that, during the course of our review, to the best of our knowledge and belief, we have not become aware of any violations of the provisions of Law No. 32 of 1968, as amended, concerning currency, the Central Bank of Kuwait and the organisation of banking business, and its related regulations, as amended, during the nine-month period ended 30 September 2026 that might have had a material effect on the business of the Bank or on its financial position.

SHEIKHA AL FULAIJ
LICENCE NO. 289
EY
(AL AIBAN, AL OSAIMI & PARTNERS)

ALI B. AL-WAZZAN
LICENCE NO. 246
DELOITTE & TOUCHE
AL-WAZZAN & CO.

28 October 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2026

	Notes	30 September 2026 KD 000	(Audited) 31 December 2025 KD 000	30 September 2025 KD 000
ASSETS				
Cash and balances with banks		**777,392**	790,404	895,491
Kuwait Government treasury bonds		**286,855**	159,000	107,500
Central Bank of Kuwait bonds		**-**	16,772	16,772
Loans and advances	4	**5,030,716**	4,565,690	4,790,864
Investment securities	5	**1,082,635**	1,100,150	955,252
Investment in an associate		**36,393**	35,482	34,609
Premises and equipment		**119,432**	111,987	111,018
Intangible assets		**4,918**	5,442	5,352
Other assets		**179,399**	140,180	149,115
TOTAL ASSETS		**7,517,740**	6,925,107	7,065,973
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks and other financial institutions		**1,406,366**	1,107,861	1,108,936
Customers' deposits		**4,296,552**	4,071,697	4,235,368
Certificates of deposit		**182,336**	151,387	149,871
Other borrowed funds		**637,551**	632,772	602,151
Other liabilities		**200,942**	186,807	219,529
TOTAL LIABILITIES		**6,723,747**	6,150,524	6,315,855
EQUITY				
Share capital	7	**274,865**	261,776	261,776
Share premium		**158,897**	158,897	158,897
Treasury shares	7	**(5,135)**	(5,135)	(5,135)
Reserves		**271,640**	265,624	241,348
EQUITY ATTRIBUTABLE TO SHAREHOLDERS' OF THE BANK		**700,267**	681,162	656,886
Perpetual Tier 1 Capital Securities	7	**91,560**	91,560	91,560
Non-controlling interests		**2,166**	1,861	1,672
TOTAL EQUITY		**793,993**	774,583	750,118
TOTAL LIABILITIES AND EQUITY		**7,517,740**	6,925,107	7,065,973

Talal Mohamed Reza Behbehani
Chairman

Giel-Jan Van Der Tol
Group Chief Executive Officer

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the period ended 30 September 2026

	Notes	*Three months ended 30 September*		*Nine months ended 30 September*	
		2026	*2025*	***2026***	*2025*
		KD 000	*KD 000*	***KD 000***	*KD 000*
Interest income		**124,355**	125,995	**359,779**	371,786
Interest expense		**(81,183)**	(84,987)	**(230,435)**	(255,620)
NET INTEREST INCOME		**43,172**	41,008	**129,344**	116,166
Net fees and commission income		**9,854**	8,227	**29,545**	29,515
Net foreign exchange gain		**2,643**	1,990	**8,740**	4,516
Net gain on investment securities		**864**	2,471	**3,761**	3,914
Dividend income		**359**	1,253	**1,811**	2,730
Share of results from an associate		**782**	822	**2,511**	2,776
Other operating income	8	**609**	506	**1,787**	5,486
OPERATING INCOME		**58,283**	56,277	**177,499**	165,103
Staff expenses		**(15,914)**	(13,652)	**(45,958)**	(40,783)
Other operating expenses		**(8,200)**	(8,963)	**(26,204)**	(24,827)
Depreciation and amortisation		**(1,677)**	(1,536)	**(4,998)**	(4,428)
OPERATING EXPENSES		**(25,791)**	(24,151)	**(77,160)**	(70,038)
OPERATING PROFIT BEFORE PROVISIONS AND IMPAIRMENT		**32,492**	32,126	**100,339**	95,065
Provision / impairment losses	9	**(10,046)**	(12,732)	**(30,802)**	(37,953)
OPERATING PROFIT FOR THE PERIOD BEFORE TAXATION		**22,446**	19,394	**69,537**	57,112
Taxation	10	**(5,237)**	(4,412)	**(15,042)**	(10,216)
NET PROFIT FOR THE PERIOD		**17,209**	14,982	**54,495**	46,896
Attributable to:					
Shareholders' of the Bank		**17,103**	14,893	**54,194**	46,625
Non-controlling interests		**106**	89	**301**	271
		17,209	14,982	**54,495**	46,896
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS' OF THE BANK	11	**5.1 fils**	4.4 fils	**17.6 fils**	14.9 fils

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 September 2026

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000	*2025 KD 000*	***2026 KD 000***	*2025 KD 000*
Net profit for the period	**17,209**	14,982	**54,495**	46,896
Items that will not be reclassified subsequently to interim condensed consolidated income statement:				
Equity instruments at fair value through other comprehensive income:				
- Effect of net changes in fair value	**(2,043)**	3,669	**13,041**	4,680
	(2,043)	3,669	**13,041**	4,680
Items that are or may be reclassified subsequently to interim condensed consolidated income statement:				
Debt instruments at fair value through other comprehensive income:				
- Effect of net changes in fair value	**(3,384)**	8,393	**(5,802)**	10,630
- Expected credit loss release on other financial assets	**(9)**	(17)	**(5)**	(50)
- Recycling of net gain on sale	**-**	(3,441)	**(2,016)**	(3,265)
	(3,393)	4,935	**(7,823)**	7,315
Foreign currency translation:				
- Exchange difference on translation of foreign operations	**(6,062)**	1,050	**(8,242)**	1,057
	(9,455)	5,985	**(16,065)**	8,372
Other comprehensive (loss) income for the period	**(11,498)**	9,654	**(3,024)**	13,052
Total comprehensive income for the period	**5,711**	24,636	**51,471**	59,948
Attributable to:				
Shareholders' of the Bank	**5,711**	24,487	**51,112**	59,596
Non-controlling interests	**-**	149	**359**	352
	5,711	24,636	**51,471**	59,948

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 September 2026

	Attributable to shareholders' of the Bank													
				Reserves										
	Share capital KD 000	*Share premium KD 000*	*Treasury shares KD 000*	*Statutory reserve KD 000*	*Voluntary reserve KD 000*	*Treasury shares reserve KD 000*	*Other reserves (Note 7) KD 000*	*Cumulative changes in fair value KD 000*	*Retained earnings KD 000*	*Total reserves KD 000*	*Total KD 000*	*Perpetual Tier 1 Capital Securities KD 000*	*Non-controlling interests KD 000*	*Total equity KD 000*
Balance as at 1 January 2026	**261,776**	**158,897**	**(5,135)**	**103,750**	**82,075**	**8,065**	**(52,440)**	**30,120**	**94,054**	**265,624**	**681,162**	**91,560**	**1,861**	**774,583**
Net profit for the period	-	-	-	-	-	-	-	-	**54,194**	**54,194**	**54,194**	-	**301**	**54,495**
Other comprehensive (loss) income for the period	-	-	-	-	-	-	**(8,134)**	**5,052**	-	**(3,082)**	**(3,082)**	-	**58**	**(3,024)**
Total comprehensive (loss) income for the period	-	-	-	-	-	-	**(8,134)**	**5,052**	**54,194**	**51,112**	**51,112**	-	**359**	**51,471**
Bonus shares issued (Note 7)	**13,089**	-	-	-	-	-	-	-	**(13,089)**	**(13,089)**	-	-	-	-
Dividend paid (Note 7)	-	-	-	-	-	-	-	-	**(26,008)**	**(26,008)**	**(26,008)**	-	-	**(26,008)**
Interest payment on Perpetual Tier 1 Capital Securities	-	-	-	-	-	-	-	-	**(5,999)**	**(5,999)**	**(5,999)**	-	-	**(5,999)**
Dividend paid to non-controlling interest by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	**(54)**	**(54)**
Transfer due to derecognition of equity investments at FVOCI	-	-	-	-	-	-	-	**(1,695)**	**1,695**	-	-	-	-	-
Balance as at 30 September 2026	**274,865**	**158,897**	**(5,135)**	**103,750**	**82,075**	**8,065**	**(60,574)**	**33,477**	**104,847**	**271,640**	**700,267**	**91,560**	**2,166**	**793,993**

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (CONTINUED)

For the period ended 30 September 2026

	Attributable to shareholders' of the Bank													
				Reserves										
	Share capital KD 000	*Share premium KD 000*	*Treasury shares KD 000*	*Statutory reserve KD 000*	*Voluntary reserve KD 000*	*Treasury shares reserve KD 000*	*Other reserves (Note 7) KD 000*	*Cumulative changes in fair value KD 000*	*Retained earnings KD 000*	*Total reserves KD 000*	*Total KD 000*	*Perpetual Tier 1 Capital securities KD 000*	*Non-controlling interests KD 000*	*Total equity KD 000*
Balance as at 1 January 2025	249,311	158,897	(5,135)	97,338	82,075	8,065	(55,505)	11,927	81,068	224,968	628,041	91,560	1,320	720,921
Net profit for the period	-	-	-	-	-	-	-	-	46,625	46,625	46,625	-	271	46,896
Other comprehensive income for the period	-	-	-	-	-	-	1,044	11,927	-	12,971	12,971	-	81	13,052
Total comprehensive income for the period	-	-	-	-	-	-	1,044	11,927	46,625	59,596	59,596	-	352	59,948
Bonus shares issued (Note 7)	12,465	-	-	-	-	-	-	-	(12,465)	(12,465)	-	-	-	-
Dividend paid (Note 7)	-	-	-	-	-	-	-	-	(24,770)	(24,770)	(24,770)	-	-	(24,770)
Interest payment on Perpetual Tier 1 Capital Securities	-	-	-	-	-	-	-	-	(5,981)	(5,981)	(5,981)	-	-	(5,981)
Transfer due to derecognition of equity investments at FVOCI	-	-	-	-	-	-	-	(23)	23	-	-	-	-	-
Balance as at 30 September 2025	261,776	158,897	(5,135)	97,338	82,075	8,065	(54,461)	23,831	84,500	241,348	656,886	91,560	1,672	750,118

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 September 2026

	Note	Nine months ended 30 September	
		2026	2025
		KD 000	KD 000
OPERATING ACTIVITIES			
Profit for the period before taxation		**69,537**	57,112
Adjustments for:			
Net gain on sale of investment securities		**(2,062)**	(2,883)
Dividend income		**(1,811)**	(2,730)
Share of results from an associate		**(2,511)**	(2,776)
Depreciation and amortisation		**4,998**	4,428
Provision / impairment losses	9	**30,802**	37,953
Operating profit before changes in operating assets and liabilities		**98,953**	91,104
Changes in operating assets and liabilities:			
Deposits with banks		**(21,241)**	96,663
Kuwait Government treasury bonds		**(127,855)**	(102,500)
Central Bank of Kuwait bonds		**16,772**	64,681
Investments at fair value through profit or loss		**(4,959)**	(7,496)
Loans and advances		**(546,601)**	12,640
Other assets		**(34,872)**	(4,574)
Due to banks and other financial institutions		**301,688**	(406,010)
Customers' deposits		**295,029**	(187,660)
Certificates of deposit		**30,949**	149,871
Other liabilities		**25,001**	20,708
Taxes paid		**(16,164)**	(10,166)
Net cash flows from (used in) operating activities		**16,700**	(282,739)
INVESTING ACTIVITIES			
Purchase of investment securities		**(708,640)**	(362,910)
Proceeds from sale/redemption of investment securities		**709,821**	559,881
Dividend received from investment in an associate		**1,600**	1,601
Net purchase of premises and equipment		**(14,822)**	(6,564)
Dividend income received		**1,811**	2,730
Net cash flows (used in) from investing activities		**(10,230)**	194,738
FINANCING ACTIVITIES			
Interest paid on Tier 1 Capital Securities		**(5,999)**	(5,981)
Dividend paid		**(26,008)**	(24,770)
Syndicated borrowings		**-**	68,518
Net cash flows (used in) from financing activities		**(32,007)**	37,767
Foreign currency translation difference		**(3,577)**	(3,314)
Net decrease in cash and cash equivalents		**(29,114)**	(53,548)
Cash and cash equivalents as at 1 January		**669,594**	888,055
Cash and cash equivalents as at 30 September		**640,480**	834,507
Cash and cash equivalents comprise:			
Cash in hand and in current account with other banks		**56,189**	52,059
Balances and deposits with the Central Banks (original maturity not exceeding thirty days)		**232,039**	452,926
Deposits with banks (original maturity not exceeding thirty days)		**352,252**	329,522
		640,480	834,507

The attached notes 1 to 14 form part of the interim condensed consolidated financial information.

1 INCORPORATION AND REGISTRATION

Al Ahli Bank of Kuwait K.S.C.P. (the "Bank") is a public shareholding company incorporated in Kuwait on 23 May 1967 and is registered as a Bank with the Central Bank of Kuwait ("CBK"). Its registered office is at Al Safat Square, Ahmed Al Jaber Street, Kuwait City. It is engaged in banking operations, primarily in Kuwait, United Arab Emirates and Egypt.

The interim condensed consolidated financial information of the Bank and its subsidiaries (collectively the "Group") for the period ended 30 September 2026 were authorised for issue by the Bank's Board of Directors on 11 October 2026.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" except for the point below.

The interim condensed consolidated financial information of the Group for the period ended 30 September 2026 was prepared in accordance with the regulations for financial services institutions as issued by the Central Bank of Kuwait (CBK) in the State of Kuwait. These regulations require banks and other financial institutions regulated by CBK to adopt the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) with the following amendment:

Expected credit loss ("ECL") to be measured at the higher of ECL provision on credit facilities computed under IFRS 9 – Financial Instruments ("IFRS 9") in accordance with CBK guidelines or the provisions as required by CBK instructions along with its consequent impact on related disclosures.

The above framework is hereinafter referred to as "IFRS Accounting Standards as adopted by CBK for use by the State of Kuwait".

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. Further, 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.

2.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the previous financial year, except for the new standards and amendments to IFRS Accounting Standards which are effective for annual accounting period starting from 1 January 2026 and for those mentioned in Note 2.2.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued *Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments* (the Amendments), which are effective from annual periods starting on or after 1 January 2026. The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and liabilities
- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed

2.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (continued)

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 (continued)

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

Other than the above, there are no other significant IFRS Accounting Standards, amendments or interpretations that were effective for the first time for the financial year beginning on or after 1 January 2026. Further, the Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.2 CASH SETTLED SHARE BASED COMPENSATION

The fair value of cash settled share-based compensation scheme ("the scheme") at each reporting date is recognised as an expense in the interim condensed consolidated income statement with a corresponding increase in the liability. This liability is initially measured by reference to the fair value of the scheme calculated based on the 30-day average share price of the Bank prior to the grant date and the amount is expensed over the vesting period. Subsequently, the liability is remeasured to fair value at each reporting date, with all changes in fair value recognised in the interim condensed consolidated income statement.

2.3 USE OF ESTIMATES AND JUDGMENTS

The preparation of these interim condensed consolidated 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, accompanying disclosures, including disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation of uncertainty were the same as those described in the last annual financial statements.

3 SEGMENTAL INFORMATION

The Group is organised into segments that engage in business activities which earn revenue and incur expenses. These segments are regularly reviewed by the chief operating decision maker for resource allocation and performance assessment. The Group's operating segments are as follows:

Commercial Banking	-	Comprising a full range of credit facilities, deposit and related banking services provided to its corporate and institutional customers.
Retail and Private Banking	-	Comprising a full range of products and services to customers which includes loans, credit cards and wealth and asset management.
Treasury and Investments	-	Comprising of treasury services provided to customers and balance sheet management activities including money market, derivatives, proprietary investment activities, asset management and residual impact of inter-segment fund transfer pricing.

3 SEGMENTAL INFORMATION (continued)

Segmental information for the nine months period ended and as at 30 September is as follows:

	Commercial banking KD 000	*Retail and Private banking KD 000*	*Treasury and Investments KD 000*	*Total KD 000*
2026				
Net interest income	**53,199**	**47,308**	**28,837**	**129,344**
Operating income	**78,504**	**59,616**	**39,379**	**177,499**
Segment results	**41,879**	**30,740**	**27,925**	**100,544**
Unallocated expense				**(31,007)**
Profit for the period before taxation				**69,537**
Segment assets	**4,257,188**	**940,113**	**2,160,779**	**7,358,080**
Unallocated assets				**159,660**
Total assets				**7,517,740**
Segment liabilities	**1,392,415**	**2,224,396**	**3,007,238**	**6,624,049**
Unallocated liabilities				**99,698**
Total liabilities				**6,723,747**

	Commercial banking KD 000	*Retail and Private banking KD 000*	*Treasury and Investments KD 000*	*Total KD 000*
2025				
Net interest income	52,317	45,899	17,950	116,166
Operating income	80,787	59,159	25,157	165,103
Segment results	38,287	27,883	17,873	84,043
Unallocated expense				(26,931)
Profit for the period before taxation				57,112
Segment assets	3,992,311	956,096	1,976,432	6,924,839
Unallocated assets				141,134
Total assets				7,065,973
Segment liabilities	1,252,433	2,475,723	2,499,468	6,227,624
Unallocated liabilities				88,231
Total liabilities				6,315,855

3 SEGMENTAL INFORMATION (continued)

Geographic information:
The following table show the Group's operating income and segment assets from international operations (international branches and subsidiaries):

	2026 ***KD 000***	*2025* *KD 000*
Operating income	**76,511**	65,771
Segment assets	**2,953,215**	2,585,657

4 LOANS AND ADVANCES

	30 September 2026 ***KD 000***	*(Audited) 31 December 2025* *KD 000*	*30 September 2025* *KD 000*
Loans and advances	**5,338,213**	4,889,141	5,139,459
Provision for credit losses as per CBK instructions	**(307,497)**	(323,451)	(348,595)
	5,030,716	4,565,690	4,790,864

The available provision on non-cash facilities of KD 26,379 thousand (31 December 2025: KD 27,358 thousand,30 September 2025: KD 24,429 thousand) is included under other liabilities.

Expected Credit Losses (ECL) on credit facilities determined under IFRS 9 according to CBK guidelines amounted to KD 133,975 thousand as at 30 September 2026 (31 December 2025: KD 136,198 thousand; 30 September 2025: KD 142,549 thousand), which is lower than the provision of KD 333,876 thousand for credit losses under the CBK Instructions as at 30 September 2026 (31 December 2025: KD 350,809 thousand; 30 September 2025: KD 373,024 thousand).

4 LOANS AND ADVANCES (continued)

An analysis of the gross amounts of credit facilities, and the corresponding ECL based on the staging criteria under IFRS 9 in accordance with CBK guidelines are given below.

30 September 2026	***Stage 1 KD 000***	***Stage 2 KD 000***	***Stage 3 KD 000***	***Total KD 000***
Loans and advances				
Corporate	**4,345,939**	**145,325**	**48,047**	**4,539,311**
Retail	**762,668**	**22,247**	**13,987**	**798,902**
	5,108,607	**167,572**	**62,034**	**5,338,213**
Commitments and contingent liabilities (Note 12)	**2,019,129**	**32,093**	**30,644**	**2,081,866**
Gross Credit Facilities	**7,127,736**	**199,665**	**92,678**	**7,420,079**
ECL on cash facilities				
Corporate	**20,568**	**5,211**	**40,955**	**66,734**
Retail	**18,375**	**1,565**	**14,355**	**34,295**
ECL on non-cash facilities	**4,451**	**3,251**	**25,244**	**32,946**
Total ECL	**43,394**	**10,027**	**80,554**	**133,975**

31 December 2025 (Audited)	*Stage 1 KD 000*	*Stage 2 KD 000*	*Stage 3 KD 000*	*Total KD 000*
Loans and advances				
Corporate	3,784,020	171,631	47,674	4,003,325
Retail	852,390	18,660	14,766	885,816
	4,636,410	190,291	62,440	4,889,141
Commitments and contingent liabilities (Note 12)	1,924,546	37,924	32,955	1,995,425
Gross Credit Facilities	6,560,956	228,215	95,395	6,884,566
ECL on cash facilities				
Corporate	15,580	16,110	31,004	62,694
Retail	19,382	1,389	14,583	35,354
ECL on non-cash facilities	3,973	3,263	30,914	38,150
Total ECL	38,935	20,762	76,501	136,198

4 LOANS AND ADVANCES (continued)

30 September 2025	*Stage 1 KD 000*	*Stage 2 KD 000*	*Stage 3 KD 000*	*Total KD 000*
Loans and advances				
Corporate	4,014,121	229,871	49,548	4,293,540
Retail	813,474	16,208	16,237	845,919
	4,827,595	246,079	65,785	5,139,459
Commitments and contingent liabilities (Note 12)	2,019,694	45,325	12,348	2,077,367
Gross Credit Facilities	6,847,289	291,404	78,133	7,216,826
ECL on cash facilities				
Corporate	17,568	27,541	37,388	82,497
Retail	19,219	1,290	15,435	35,944
ECL on non-cash facilities	5,571	6,556	11,981	24,108
Total ECL	42,358	35,387	64,804	142,549

The ECL movement for the period is as follows:

30 September 2026	***Stage 1 KD 000***	***Stage 2 KD 000***	***Stage 3 KD 000***	***Total KD 000***
Opening balance of ECL as at 1 January	**38,935**	**20,762**	**76,501**	**136,198**
Net ECL movement for the period	**4,459**	**(10,735)**	**51,080**	**44,804**
Amounts written-off net of recovery	**-**	**-**	**(47,027)**	**(47,027)**
Closing balance of ECL as at 30 September	**43,394**	**10,027**	**80,554**	**133,975**

31 December 2025 (Audited)	*Stage 1 KD 000*	*Stage 2 KD 000*	*Stage 3 KD 000*	*Total KD 000*
Opening balance of ECL as at 1 January	40,809	42,024	66,376	149,209
Net ECL movement for the year	(1,874)	(21,262)	57,126	33,990
Amounts written-off net of recovery	-	-	(47,001)	(47,001)
Closing balance of ECL as at 31 December	38,935	20,762	76,501	136,198

30 September 2025	*Stage 1 KD 000*	*Stage 2 KD 000*	*Stage 3 KD 000*	*Total KD 000*
Opening balance of ECL as at 1 January	40,809	42,024	66,376	149,209
Net ECL movement for the period	1,549	(6,637)	13,908	8,820
Amounts written-off net of recovery	-	-	(15,480)	(15,480)
Closing balance of ECL as at 30 September	42,358	35,387	64,804	142,549

5 INVESTMENT SECURITIES

	30 September 2026 KD 000	*(Audited) 31 December 2025 KD 000*	*30 September 2025 KD 000*
Fair value through other comprehensive income (FVOCI)	**791,273**	781,346	630,433
Amortised cost (AC)	**265,441**	297,556	303,934
Fair value through profit or loss (FVTPL)	**25,921**	21,248	20,885
	1,082,635	1,100,150	955,252

Fair value hierarchy of investments carried at fair value is as follows:

	30 September 2026 KD 000		*(Audited) 31 December 2025 KD 000*		*30 September 2025 KD 000*	
	FVTPL	***FVOCI***	*FVTPL*	*FVOCI*	*FVTPL*	*FVOCI*
Level 1:						
Equity	**-**	**27,064**	-	19,679	-	15,296
Debt securities						
- Government	**-**	**417,321**	-	396,615	-	414,718
- Non-Government	**-**	**107,037**	-	138,121	-	137,397
Level 2:						
Debt securities						
- Government	**674**	**193,347**	-	188,384	1	24,568
- Non-Government	-	**3,050**	-	3,050	-	2,350
Managed funds	**22,328**	**-**	18,631	-	18,404	-
Level 3:						
Debt securities						
- Non-Government	**2,919**	**8,758**	2,617	8,873	2,480	10,929
Equity	**-**	**34,696**	-	26,624	-	25,175
	25,921	**791,273**	21,248	781,346	20,885	630,433

Fair values of financial instruments that are carried at amortised cost are not materially different from their carrying values.

The impact on the interim condensed consolidated statement of financial position or the interim condensed consolidated statement of changes in equity would be immaterial if the relevant risk variables used to fair value the securities classified under level 2 and level 3 were altered by 5 per cent.

6 RELATED PARTY TRANSACTIONS

These represent transactions with certain related parties (directors and senior management of the Group, close members of their families and entities of which they are principal owners or over which they are able to exercise significant influence and associate of the Group) who were customers of the Group during the period. The terms of these transactions are approved by the Group's management.

In the normal course of business, these related parties have deposits with the Group and credit facilities granted to them by the Group. The balances included in the interim condensed consolidated financial information are as follows:

	30 September 2026 KD 000	*(Audited) 31 December 2025 KD 000*	*30 September 2025 KD 000*
Loans and advances	**31,124**	11,919	8,857
Customers' deposits	**41,263**	38,288	48,129
Portfolio managed by Group	**12,724**	11,422	1,292
Commitment and contingent liabilities	**13,395**	11,006	10,448
Directors' compensation	**-**	1,253	-

Loans and advances to related parties are secured by collaterals in accordance with of Central Bank of Kuwait regulations.

Interest income and interest expense includes KD 422 thousand (30 September 2025: KD 391 thousand) and KD 941 thousand (30 September 2025: KD 1,402 thousand) respectively on transactions with related parties.

Key management compensation

Compensation for key management is as follows:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026 KD 000	*2025 KD 000*	***2026 KD 000***	*2025 KD 000*
Salaries and other benefits	**1,186**	1,138	**3,348**	3,218
Post-employment benefits	**71**	40	**222**	154
Share based compensation	**31**	-	**77**	-
	1,288	1,178	**3,647**	3,372

7 EQUITY

(a) The shareholders at the Annual General Meeting held on 28 March 2026 approved the distribution of cash dividend of 10 fils per share (31 December 2024: 10 fils per share) and bonus shares of 5% (31 December 2024: 5%) for the year ended 31 December 2025. Accordingly, the authorised, issued and fully paid-up capital of the Bank as at 30 September 2026 is KD 274,865 thousand (31 December 2025: KD 261,776 thousand and 30 September 2025: KD 261,776 thousand). The increase in authorized capital has been approved by Ministry of Commerce and Industry.

On 16 September 2026, the shareholders of the Bank, at an Extraordinary General Assembly meeting, approved an increase in the Bank's authorised capital from KD 274,865 thousand to KD 600,000 thousand and the related amendments to the Memorandum and Articles of Association. The Board of Directors was authorised, subject to the applicable regulatory approvals, to increase the issued and paid-up capital within the authorised capital limit and determine the terms of any issuance. The increase in authorized capital has been approved by Ministry of Commerce and Industry, subsequent to the reporting period.

(b) Treasury shares and Treasury shares reserve:

	30 September 2026	*(Audited) 31 December 2025*	*30 September 2025*
Number of shares held	**17,770,596**	16,923,674	16,923,674
Percentage of shares held	**0.65%**	0.65%	0.65%
Market value (KD 000)	**5,313**	4,959	4,857
Weighted average market value per share (fils)	**280**	289	289

The balance in the treasury share reserve account is not available for distribution. Further, an amount equal to the cost of treasury shares is not available for distribution from general reserve throughout the holding period of these treasury shares.

(c) Movement in other reserves is as below:

	Property revaluation reserve KD 000	*Foreign currency translation reserve KD 000*	*Employee benefit plan reserve KD 000*	*Total other reserves KD 000*
At 1 January 2025	10,697	(66,686)	484	(55,505)
Other comprehensive (loss) income for the period	12	1,022	10	1,044
As at 30 September 2025	10,709	(65,664)	494	(54,461)
At 1 January 2026	**11,085**	**(63,843)**	**318**	**(52,440)**
Other comprehensive (loss) income for the period	**(115)**	**(8,014)**	**(5)**	**(8,134)**
As at 30 September 2026	**10,970**	**(71,857)**	**313**	**(60,574)**

7 EQUITY (continued)

(d) Perpetual Tier 1 Capital Securities

The Bank on 12 September 2024 issued Basel III compliant Perpetual Tier 1 Capital Securities (the "Securities"), amounting to USD 300 million (KD 91,560 thousand) and which is classified as equity. The Securities are perpetual, subordinated, unsecured and redeemable at the option of the Bank at or after first call date of 12 September 2029. The Securities carry a coupon of 6.5% per annum till first call date and thereafter will be reset at five years interval. Interest will be payable semi-annually in arrears and will be treated as a deduction from equity.

8 OTHER OPERATING INCOME

Other operating income includes an amount of KD Nil (30 September 2025: KD 4,054 thousand) which represented a gain on sale of a property acquired in settlement of debt.

9 PROVISION / IMPAIRMENT LOSSES

	Three months ended 30 September		*Nine months ended 30 September*	
	2026	*2025*	***2026***	*2025*
	KD 000	*KD 000*	***KD 000***	*KD 000*
Provision charge for credit losses on credit facilities	**10,048**	12,661	**30,744**	35,342
Expected credit losses (release) charge on other financial assets	**(2)**	121	**58**	251
Impairment on property acquired in settlement of debt	**-**	(50)	**-**	2,360
	10,046	12,732	**30,802**	37,953

10 TAXATION

The taxation amount during the period, represents contribution to Kuwait Foundation for the Advancement of Sciences and Tax on overseas locations.

On 31 December 2024, the State of Kuwait issued Law Number 157 of 2024 (the Law) introducing Domestic Minimum Top-up Tax (DMTT) effective from 1 January 2025 on entities which are part of Multi National Entities (MNE) Group with annual revenues of EUR 750 million or more. The Law provides that a top-up tax shall be payable on the taxable income at a rate equal to the difference between 15% and the effective tax rate in each of the jurisdictions it operates in. The Law effectively replaces the existing National Labour Support Tax (NLST) and Zakat tax regimes in Kuwait for MNEs within the scope of this Law. The taxable income and effective tax rate shall be computed in accordance with the Executive Regulations, which was issued on 30 June 2025.

The Group has completed its registration under the MNE Group Tax Law and the management has assessed the applicability of the DMTT law to the Group as of the reporting date and has concluded that the Group should be eligible for tax relief for the current period in accordance with the provision of the Law where the tax liability should be zero.

This relief is subject to annual reassessment with the tax relief available for a maximum period of five years.

11 BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK

Basic and diluted earnings per share are computed by dividing the adjusted net profit for the period attributable to shareholders of the Bank by the adjusted weighted average number of shares outstanding during the period:

	Three months ended 30 September		*Nine months ended 30 September*	
	2026	*2025*	***2026***	*2025*
Net profit for the period attributable to shareholders of the Bank (KD 000)	**17,103**	14,893	**54,194**	46,625
Less: Interest payment on perpetual tier 1 Capital Securities (KD 000)	**(3,006)**	(2,976)	**(5,999)**	(5,981)
Adjusted net profit for the period attributable to shareholders of the Bank (KD 000)	**14,097**	11,917	**48,195**	40,644
Weighted average number of the Bank's issued and paid-up shares (000)	**2,748,650**	2,748,650	**2,748,650**	2,748,650
Less: weighted average number of treasury shares (000)	**(17,771)**	(17,771)	**(17,771)**	(17,771)
Adjusted weighted average number of shares outstanding during the period (000)	**2,730,879**	2,730,879	**2,730,879**	2,730,879
Basic and diluted earnings per share attributable to shareholders of the Bank	**5.1 fils**	4.4 fils	**17.6 fils**	14.9 fils

For computation of earnings per share, the weighted average number of the outstanding shares for the period ended 30 September 2026 and 30 September 2025 have been adjusted for bonus shares for 2025 which was approved by the shareholders in the Annual General Assembly Meeting held on 28 March 2026.

12 COMMITMENTS AND CONTINGENT LIABILITIES

Financial instruments with contractual amounts representing credit risk.

	30 September 2026 KD 000	*(Audited) 31 December 2025 KD 000*	*30 September 2025 KD 000*
Acceptances	**144,708**	59,789	80,867
Letters of credit	**129,007**	191,777	281,380
Guarantees	**1,004,074**	891,407	892,599
	1,277,789	1,142,973	1,254,846

Total commitments to extend credit at the interim condensed consolidated statement of financial position date amounted to KD 804,077 thousand (31 December 2025: KD 852,452 thousand and 30 September 2025: KD 822,521 thousand).

13 DERIVATIVE INSTRUMENTS

The Group deals in interest rate swaps to manage its interest rate risk on interest bearing assets and liabilities and to provide interest rate risk management solutions to customers. Similarly, the Group deals in forward foreign exchange contracts for customers and to manage its foreign currency positions and cash flows.

Interest rate swaps used to hedge the change in fair value of the Group's financial assets and liabilities which qualify as effective hedging instruments are disclosed as 'held as fair value hedges'. Other interest rate swaps and forward foreign exchange contracts are carried out for customers or used for hedging purpose but do not meet the qualifying criteria for hedge accounting. The risk exposures on account of derivative financial instruments for customers are covered by entering into back-to-back transactions with counter parties.

The notional or contractual amounts of outstanding derivative instruments together with their fair values are as follows:

	30 September 2026			*(Audited) 31 December 2025*			*30 September 2025*		
	Assets KD 000	***Liabilities KD 000***	***Contractual amounts KD 000***	*Assets KD 000*	*Liabilities KD 000*	*Contractual amounts KD 000*	*Assets KD 000*	*Liabilities KD 000*	*Contractual amounts KD 000*
Forward foreign exchange contracts	**2,434**	**1,123**	**428,059**	759	532	286,095	729	2,877	409,339
Interest rate swaps (held as fair value hedges)	**8,386**	**-**	**179,972**	838	3,915	188,198	651	5,056	181,851
Interest rate swaps (others)	**496**	**461**	**24,057**	213	171	23,009	233	190	22,578
	11,316	**1,584**	**632,088**	1,810	4,618	497,302	1,613	8,123	613,768

All derivative contracts are fair valued using observable market inputs and are classified as level 2.

14 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

Geopolitical events in the Middle East that commenced in late February 2026 have affected GCC countries, including Kuwait and other GCC jurisdictions where the Group operates, resulting in regional disruptions such as airspace closures, flight cancellations, supply chain delays and heightened uncertainty. These developments continue to evolve and have created increased business and economic uncertainties.

In response to address the crisis, the Central Bank of Kuwait (CBK) implemented various measures targeted at reinforcing the banking sector's ability to play a vital role in the economy, including but not limited to the expansion of lending capacity, strengthening financing capabilities and in the provision of liquidity to impacted customers. Some of the important measures are given below:

- Reducing the Liquidity Coverage Ratio (LCR) from 100% to 80%
- Reducing the Net Stable Funding Ratio (NSFR) from 100% to 80%
- Reducing the regulatory Liquidity Ratio from 18% to 15%
- Increasing the permissible negative cumulative liquidity gap
- Increasing the maximum lending limit (MLL) from 90% to 100%
- Releasing 1.0% of risk weighted assets from the Capital Conservation Buffer (CET1), reducing the capital adequacy requirement from 13% to 12%

Similar measures were announced in many of the jurisdictions where the Group has operations.

Expected Credit Loss (ECL) estimates
The Group considered the potential impact of the uncertainties caused by the ongoing geopolitical event in its estimation of ECL requirements for the period ended 30 September 2026. The Group has also given specific consideration on the relevant quantitative and qualitative factors when determining any significant increase in credit risk (SICR) and in assessing indicators of impairment for exposures to potentially affected sectors.

Notwithstanding the above, ECL requirement for credit facilities estimated as at 30 September 2026 continues to be lower than the provisions required as per CBK instructions. In accordance with Group accounting policy, the higher amount, being the provision required as per CBK instructions, is therefore recognized as the provision requirement for credit losses on credit facilities.

Fair value measurement of financial and non-financial assets
The Group considered the potential impact of the current economic volatility on the reported amounts of the Group's fair value of the financial and non-financial assets. The reported amounts best represent management's assessment of the fair values based on observable information. Markets, however, remain volatile and asset carrying values remain sensitive to market fluctuations. The impact of the highly uncertain economic environment remains judgmental, and the Group will accordingly continue to reassess its position and the related impact on a regular basis.