ITHMAAR HOLDING B.S.C.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
30 JUNE 2026

Ithmaar Holding B.S.C.
Condensed consolidated interim financial information
for the six months period ended 30 June 2026

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

To the Board of Directors of
Ithmaar Holding B.S.C.
Kingdom of Bahrain

Introduction

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

- the condensed consolidated statement of financial position as at 30 June 2026;
- the condensed consolidated statement of income for the three-month and six-month periods ended 30 June 2026;
- the condensed consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2026;
- the condensed consolidated statement of income and attribution related to quasi-equity for the three-month and six-month periods ended 30 June 2026;
- the condensed consolidated statement of changes in owners' equity for the six-month period ended 30 June 2026;
- the condensed consolidated statement of cash flows for the six-month period ended 30 June 2026;
- the condensed consolidated statement of changes in off-balance-sheet assets under management for the six-month period ended 30 June 2026; *and*
- notes to the condensed consolidated interim financial information.

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".

Emphasis of Matter – Basis of preparation

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

KPMG

12 August 2026

Ithmaar Holding B.S.C.

Condensed consolidated statement of financial position

as at 30 June 2026

(Expressed in thousands of United States Dollars unless otherwise stated)

	Note	At 30 June 2026	At 31 December 2025
		(Reviewed)	(Audited)
ASSETS			
Cash and balances with banks and central banks		508,550	457,309
Commodity placements with banks and other financial institutions		407,881	193,617
Financing contracts	3	3,330,122	3,546,721
Investment securities	4	2,747,494	2,451,824
Investment in associates	5	111,503	108,580
Other assets	6	248,927	218,031
Investment in real estate		152,357	153,770
Development properties		181,040	181,776
Property and equipment		265,486	258,779
Intangible assets		16,646	13,830
Total assets		**7,970,006**	7,584,237
LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY			
Customers' current accounts		2,821,053	2,453,658
Due to banks, financial and other institutions		928,533	1,108,605
Other liabilities		332,444	357,224
Total liabilities		**4,082,030**	3,919,487
Quasi-equity	8	**3,707,995**	3,483,667
OWNERS' EQUITY			
Share capital	9	757,690	757,690
Treasury shares	9	(30,149)	(30,149)
Reserves	10	112,040	112,045
Accumulated losses		(827,385)	(827,641)
Total equity attributable to shareholders of the Company		**12,196**	11,945
Non-controlling interests		167,785	169,138
Total owners' equity		**179,981**	181,083
Total liabilities, quasi-equity and owners' equity		**7,970,006**	7,584,237

This condensed consolidated interim financial information was approved by the Board of Directors on 12 August 2026 and signed on its behalf by:

HRH Prince Amr Mohammed Al-Faisal
Chairman

Elham Hasan
Director

Maysan Al Maskati
CEO

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

Ithmaar Holding B.S.C.

Condensed consolidated statement of income

for the six months period ended 30 June 2026

(Expressed in thousands of United States Dollars unless otherwise stated)

	Note	Six months ended		Three months ended	
		30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
		(Reviewed)	(Reviewed)	**(Reviewed)**	(Reviewed)
INCOME					
Income from financing contracts		172,379	150,758	91,870	78,661
Income from investments		156,826	180,547	76,109	84,752
Other income - net		43,108	37,856	22,663	18,789
Finance expense on placements from financial and non-financial institutions		(7,427)	(9,044)	(4,035)	(4,526)
Net income		**364,886**	360,117	**186,607**	177,676
Share of profit / (loss) from equity accounted investees		2,381	(1,021)	262	(552)
Total income		**367,267**	359,096	**186,869**	177,124
EXPENSES					
Operating expenses		112,853	102,035	58,815	49,721
Depreciation and amortization		14,789	13,162	7,465	6,820
Total expenses		**127,642**	115,197	**66,280**	56,541
Profit before impairment allowances, income attribution to quasi-equity and tax		**239,625**	243,899	**120,589**	120,583
Allowances for impairment and expected credit losses, net	7	(2,199)	11,647	(532)	4,206
Profit before income attribution to quasi-equity and tax		**237,426**	255,546	**120,057**	124,789
Less: Net profit attributable to quasi-equity		(186,271)	(191,547)	(98,231)	(95,654)
Profit before overseas taxation		**51,155**	63,999	**21,826**	29,135
Tax expense		(40,612)	(51,125)	(18,218)	(23,675)
PROFIT FOR THE PERIOD		**10,543**	12,874	**3,608**	5,460
Attributable to:					
Shareholders of the Company		256	1,577	(945)	573
Non-controlling interests		10,287	11,297	4,553	4,887
		10,543	12,874	**3,608**	5,460
Basic and diluted earnings / (losses) per share	12	**US Cts 0.01**	US Cts 0.05	**US Cts (0.03)**	US Cts 0.02

HRH Prince Amr Mohammed Al-Faisal
Chairman

Elham Hasan
Director

Maysan Al Maskati
CEO

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Ithmaar Holding B.S.C.

Condensed consolidated statement of comprehensive income

for the six months period ended 30 June 2026

(Expressed in thousands of United States Dollars unless otherwise stated)

	Six months ended		**Three months ended**	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	(Reviewed)	(Reviewed)	**(Reviewed)**	(Reviewed)
Profit for the period	**10,543**	12,874	**3,608**	5,460
Other comprehensive income				
Items that will not be classified to statement of income				
Changes in fair value of land and building	(18)	(829)	11	(582)
Attributable to quasi-equity	13	551	(6)	387
Items that are or may subsequently be classified to income statement				
Exchange difference arising on translation of foreign operations	5,162	(2,497)	2,885	(2,312)
Changes in fair value of investments in real estate	164	180	(2)	(509)
Fair value changes on investment in associates	(15)	257	(15)	257
Changes in fair value of investments carried at fair value through OCI	(15,251)	(12,650)	4,407	6,883
Attributable to quasi-equity	7,027	10,415	(4,563)	(2,732)
Total other comprehensive income for the period	(2,918)	(4,573)	2,717	1,392
Total comprehensive income	**7,625**	8,301	**6,325**	6,852
Attributable to:				
Shareholders of the Company	251	2,186	(1,019)	706
Non-controlling interests	7,374	6,115	7,344	6,146
	7,625	8,301	**6,325**	6,852

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

Ithmaar Holding B.S.C.

Condensed consolidated statement of income and attribution related to quasi-equity

for the six months period ended 30 June 2026

(Expressed in thousands of United States Dollars unless otherwise stated)

	Six months ended		Three months ended	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
	(Reviewed)	(Reviewed)	**(Reviewed)**	(Reviewed)
Profit before impairment allowances, income attribution to quasi-equity and tax	**239,625**	243,899	**120,589**	120,583
Adjusted for:				
Less: loss not attributable to quasi-equity	(16,995)	(13,446)	(8,341)	(6,604)
Add: expenses not attributable to quasi-equity	127,642	115,197	66,280	56,541
Less: institution's share of loss for its own/ share of investments	-	1,541	-	1,072
Less: finance expense on placements from financial and non-financial institutions	7,427	9,044	4,035	4,526
Less: allowance for impairment allowances attributable to quasi-equity	(395)	12,647	351	5,206
Total income available for quasi-equity holders	**357,304**	368,882	**182,914**	181,324
Less: Mudarib's share	(171,033)	(177,335)	(84,683)	(85,670)
Profit attributable to quasi-equity	**186,271**	191,547	**98,231**	95,654
Other comprehensive income that may subsequently be classified to income statement – attributable to quasi-equity	(7,040)	(10,966)	4,569	2,345
Total comprehensive income – attributable to quasi-equity	**179,231**	180,581	**102,800**	97,999
Less: Other comprehensive income not subject to immediate distribution	7,040	10,966	(4,569)	(2,345)
Total comprehensive income subject to immediate distribution	**186,271**	191,547	**98,231**	95,654

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

Ithmaar Holding B.S.C.

Condensed consolidated statement of changes in owners' equity

for the six months period ended 30 June 2026

(Expressed in thousands of United States Dollars unless otherwise stated)

At 30 June 2026 (reviewed)	**Share capital**	**Treasury shares**	**Reserves**	**Accumulated losses**	**Total equity attributable to shareholders of the Company**	**Non-controlling interests**	**Total owners' equity**
At 1 January 2026	**757,690**	**(30,149)**	**112,045**	**(827,641)**	**11,945**	**169,138**	**181,083**
Profit for the period	-	-	-	256	**256**	10,287	**10,543**
Other comprehensive income for the period	-	-	(5)	-	**(5)**	(2,913)	**(2,918)**
Total comprehensive income for the period	**-**	**-**	**(5)**	**256**	**251**	**7,374**	**7,625**
Movement from dividend distribution by subsidiaries	-	-	-	-	**-**	(6,368)	**(6,368)**
Decrease in shareholding of subsidiary	-	-	-	-	**-**	(2,359)	**(2,359)**
At 30 June 2026	**757,690**	**(30,149)**	**112,040**	**(827,385)**	**12,196**	**167,785**	**179,981**

At 30 June 2025 (reviewed)	Share capital	Treasury shares	Reserves	Accumulated losses	Total equity attributable to shareholders of the Company	Non-controlling interests	Total owners' equity
At 1 January 2025	757,690	(30,149)	112,527	(828,650)	11,418	169,448	180,866
Profit for the period	-	-	-	1,577	1,577	11,297	12,874
Other comprehensive income for the period	-	-	609	-	609	(5,182)	(4,573)
Total comprehensive income for the period	-	-	609	1,577	2,186	6,115	8,301
Movement from dividend distribution by subsidiaries	-	-	-	-	-	(7,240)	(7,240)
Decrease in shareholding of subsidiary	-	-	-	-	-	(4,298)	(4,298)
At 30 June 2025	757,690	(30,149)	113,136	(827,073)	13,604	164,025	177,629

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

Ithmaar Holding B.S.C.
Condensed consolidated statement of cash flows
for the six months period ended 30 June 2026
(Expressed in thousands of United States Dollars unless otherwise stated)

	Six months ended	
	30 June 2026	30 June 2025
	(Reviewed)	(Reviewed)
OPERATING ACTIVITIES		
Net profit before tax:	**51,155**	63,999
Adjustments for:		
Depreciation and amortization	14,789	13,162
Share of results after tax from associates	(2,381)	1,021
Provision for / (reversal of) impairment - net	2,199	(11,647)
Income from investments	(156,826)	(180,547)
Finance cost on net Ijarah liability	4,127	3,685
Gain on sale of property and equipment	(863)	(64)
Operating loss before changes in operating assets and liabilities	**(87,800)**	(110,391)
Net changes in operating assets and liabilities:		
Balances with banks maturing after 90 days including central banks balances relating to minimum reserve requirement	11,848	333
Financing contracts	237,531	(265,242)
Other assets	(45,990)	(38,303)
Customers' current accounts	350,116	401,593
Due to banks, financial and other institutions	(207,694)	(261,403)
Other liabilities	21,200	(11,772)
Quasi-equity	201,960	329,794
Taxes paid	(64,159)	(68,123)
Net cash generated from / (used in) operating activities	**417,012**	(23,514)
INVESTING ACTIVITIES		
Investment securities	(121,198)	106,616
Property and equipment	(14,489)	(19,028)
Net cash (used in) / generated from investing activities	**(135,687)**	87,588
FINANCING ACTIVITIES		
Repayment of net Ijarah liability	(6,929)	(6,875)
Net cash used in financing activity	**(6,929)**	(6,875)
Foreign currency translation adjustments	1,863	(8,925)
Net increase in cash and cash equivalents	**276,259**	48,274
Cash and cash equivalents at beginning of the period	**600,916**	515,303
Cash and cash equivalents at end of the period	**877,175**	563,577
<u>Cash and cash equivalents comprise:</u>		
Cash and balances with banks and central banks	508,550	418,618
Commodity placements with banks and other financial institutions	407,881	195,425
Less: Placements with original maturing after 90 days and balances with central banks relating to minimum reserve requirement	(39,256)	(50,466)
	877,175	563,577

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

Ithmaar Holding B.S.C.

Condensed consolidated statement of changes in off-balance-sheet assets under management

for the six months period ended 30 June 2026

(Expressed in thousands of United States Dollars unless otherwise stated)

At 30 June 2026 (reviewed)	**Shamil Bosphorus Modaraba***	**European Real Estate Placements***	**US Real Estate Placements***	**Total**
Balance at 1 January 2026	**6,250**	**11,205**	**4,708**	**22,163**
Additions	-	-	-	-
Foreign exchange movements	-	(337)	-	(337)
Recoveries/ disposals/ maturities	-	-	-	-
Net decrease	-	(337)	-	(337)
Net income	-	-	-	-
Mudarib's share	-	-	-	-
Fixed agency fee	-	-	-	-
Variable agency fee	-	-	-	-
Total Group's management share	-	-	-	-
Distributions/ withdrawals	-	-	-	-
Balance at 30 June 2026	**6,250**	**10,868**	**4,708**	**21,826**

At 30 June 2025 (reviewed)	Shamil Bosphorus Modaraba*	European Real Estate Placements*	US Real Estate Placements*	Total
Balance at 1 January 2025	6,250	9,877	4,708	20,835
Additions	-	-	-	-
Foreign exchange movements	-	1,366	-	1,366
Recoveries/ disposals/ maturities	-	-	-	-
Net increase	-	1,366	-	1,366
Net income	-	-	-	-
Mudarib's share	-	-	-	-
Fixed agency fee	-	-	-	-
Variable agency fee	-	-	-	-
Total Group's management share	-	-	-	-
Distributions/ withdrawals	-	-	-	-
Balance at 30 June 2025	6,250	11,243	4,708	22,201

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

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

1 REPORTING ENTITY

Ithmaar Holding B.S.C. (“Ithmaar" or the "Company") was incorporated in the Kingdom of Bahrain under the Commercial Companies Law and registered with Ministry of Industry and Commerce (MOIC) under Commercial Registration number 15210-20 on 26 October 2016. Formerly, Ithmaar was incorporated as an investment bank on 13 August 1984 and regulated by the Central Bank of Bahrain (“CBB”). Post restructuring over the years, Ithmaar is now licensed by the CBB under Volume 4, Category 1 investment firm.

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

Dar Al-Maal Al-Islami Trust (“DMIT”), a Trust incorporated in the commonwealth of Bahamas is the ultimate parent company of Ithmaar.

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

The principal activities of Ithmaar and its subsidiaries include a wide range of financial services, including retail, commercial, investment banking, private banking, fund management and real estate development.

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

Ithmaar’s ordinary shares are listed on the Bahrain Bourse and Dubai Financial Market.

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

The Group carries out its business activities through Ithmaar's it’s head office in Bahrain and its following principal subsidiaries:

	% owned			
	30 June 2026	31 December 2025	**Country of Incorporation**	**Principal business activities**
<u>Direct subsidiaries</u>				
Ithmaar Bank B.S.C. (c) (the "Bank")	100	100	Kingdom of Bahrain	Banking
IB Capital B.S.C. (c) (IBC)	100	100	Kingdom of Bahrain	Asset management
Faisal Private Bureau (Switzerland) S.A.	100	100	Switzerland	Wealth and asset management
Shamil Financial (Luxembourg) S.A.	100	100	Luxembourg	Investment holding
<u>Principal indirect subsidiaries</u>				
Faysal Bank Limited (FBL) (Note 1)	67	67	Pakistan	Banking
Ithmaar Development Company Limited	100	100	Cayman Islands	Real estate
Health Island W.L.L.	50	50	Kingdom of Bahrain	Real estate
Dilmunia Development Fund I L.P.	94	92	Cayman Islands	Real estate

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

Islamic Investment Company of the Gulf (Bahamas) Limited (IICG), a company incorporated in the Commonwealth of Bahamas and owned 100% by DMIT, is an affiliate of Ithmaar.

1.1 Going Concern

As of 30 June 2026, the total consolidated owners' equity of the Group stood at $180.0 million (31 December 2025: $181.1 million) however, its accumulated losses are in excess of its paid-up capital. Further the Group continue to earn low profits during the period ended 30 June 2026. These events and conditions required the Group's management to undertake a detailed going concern assessment.

The Board of Directors is working on various initiatives to strengthen the Group's consolidated equity, meet the minimum regulatory capital requirement of its licensed group entities and liquidity profile in the next twelve months from the reporting date of this condensed consolidated interim financial information ("Equity Strengthening Plans"). These initiatives include, amongst others, the following:

- Cancellation of accumulated losses against share capital;
- Issuance of additional share capital by way of Rights issue of up to $100 million to existing shareholders. The majority shareholder – DMIT, has committed to support the Group and has expressed its intention to subscribe to its pro-rata share in the rights issue which is approximately $50 million. DMIT's intended participation comprises a combination of cash and an in-kind contribution, with the in-kind component supported by independent valuation. Both the above measures (capital reduction and increase) have been approved by the shareholders during an Extraordinary General Meeting (EGM) held on 8 March 2026. The Group is currently in the process of completion of all necessary legal and regulatory formalities;
- Continuing regulatory support on matters related to capital and liquidity requirements on licensed group entities;
- Focusing on recovery of financing exposures by way of sale / realization of underlying collateral;
- Development of a restructuring plan with the assistance of external consultants to further enhance the Group's financial position and support long term value creation.

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

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

These represent the key assumptions underlying management's going concern assessment. In concluding that the going concern-basis remains appropriate, the management and the Board have exercised significant judgment, particularly in evaluating the feasibility and expected timing of the capital plan, the recoverability of financing exposures, and the reasonableness of projected liquidity flows.

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

2 BASIS OF PREPARATION AND PRESENTATION

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

The condensed consolidated interim financial information of the Group does not contain all information and disclosures required for the annual consolidated financial statements and should be read in conjunction with the Group’s audited annual consolidated financial statements for the year ended 31 December 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2025. Further, results for the interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The condensed consolidated interim financial information are presented in United States Dollars ($), being the presentation currency of the Group. All values are rounded to nearest thousand [$ ‘000] unless otherwise indicated. The functional currency of the Group is United States Dollars and that of one subsidiary is Pakistani Rupees. Items included in the financial statements of each entity are measured using respective functional currency.”

Comparatives
The condensed consolidated interim financial information is reviewed, not audited. The comparatives for the condensed consolidated statement of financial position have been extracted from the audited consolidated financial statements for the year ended 31 December 2025 and comparatives for the condensed consolidated income statement, statement of comprehensive income, statement of income and attribution to quasi-equity, changes in owners' equity, cash flows and changes in off-balance-sheet assets under management have been extracted from the reviewed condensed consolidated interim financial information for the six months period ended 30 June 2025.

2.1 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation applied by the Group in the preparation of the condensed consolidated interim financial information are the same as those used in preparation of the Group's last audited consolidated financial statements as at and for the year ended 31 December 2025, except for the following changes which became effective on 1 January 2026. The adoption of these standards did not have significant impact on the condensed consolidated interim financial information.

(i) FAS 45: Quasi-Equity (Including Investment Accounts)
(ii) FAS 46: Off-Balance-Sheet Assets Under Management
(iii) FAS 47: Transfer of Assets Between Investment Pools
(iv) FAS 48: Promotional Gifts and Prizes
(v) FAS 49: Financial Reporting for Institutions Operating in Hyperinflationary Economies

2.1 SIGNIFICANT ACCOUNTING POLICIES (continued)

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

The following new standards and amendments to the standards are effective for annual periods beginning after 1 January 2027 and earlier application is permitted. The Group is currently evaluating the impact of these standards and amendments.

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

This standard replaces FAS 14 – Investment Funds and updates the financial reporting framework for Islamic investment institutions.

Key enhancements include alignment with revised FAS 1 and the AAOIFI Conceptual Framework, removal of the separate statement of portfolio investments (now included in the notes), elimination of the cash-equivalent-value concept, and introduction of quasi-equity accounting principles.

The standard also provides guidance for Islamic investment institutions (IIIs) with multiple virtual entities or sub-funds, introduces requirements on NAV differential, removes earlier governance and stakeholder reporting requirements, and grants exemptions from consolidation or equity-accounting based on the unique business model and investment intent of the III.

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

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

(ii) FAS 51: Participatory Ventures

FAS 51 replaces FAS 3 (Mudaraba Financing) and FAS 4 (Musharaka Financing), it provides guidance for accounting in the books of the working partner and the venture. The scope of this standard is expanded to include additional venture types, for example, Running Musharaka, Diminishing Musharaka and restricted Mudaraba.

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

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

(iii) FAS 52: Deferred Delivery Sales: Salam and Istisna

The replaces FAS 7 “Salam and Parallel Salam” and FAS 10 “Istisna’a and Parallel Istisna’a”. This standard introduces guidance for accounting in the book of buyers and sellers including the treatment of parallel Salam and Istisna. This standard is aligned with the requirements of FAS 30 “Impairment, credit losses and onerous commitments”.

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

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

(iv) Withdrawal of FAS 26 – Investment in Real Estate and Related Transitional Provisions

AAOIFI issued a guidance relating to withdrawal of FAS 26 – Investment in Real Estate and related transitional provisions (“Guidance”). Following the withdrawal, investment in real estate shall be accounted for in accordance with IAS 40 – Investment property.

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

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

(Expressed in thousands of United States Dollars unless otherwise stated)

2.2 ESTIMATES AND JUDGEMENTS

Impact of current geopolitical developments

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

Impact on expected credit losses (ECL)

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

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

The scenario weightings applied by the Group were as follows:

Scenario	30 June 2026	31 December 2025	30 June 2025
Best	5%	10%	10%
Base	45%	65%	65%
Worst	50%	25%	25%

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

2.2 ESTIMATES AND JUDGEMENTS

Impact on expected credit losses (ECL) (continued)

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

Assessment of the carrying values of assets

As of 30 June 2026, management performed an assessment of the carrying values of the Group’s financial and non-financial assets, including financing contracts, investments, real estate portfolio, goodwill and other intangible assets, for any indicators of impairment or the need for valuation adjustments arising from the current geopolitical environment. Based on the information available at the reporting date, management concluded that the carrying values of these assets remain appropriate and no additional adjustments were required in this condensed consolidated interim financial information.

The Group continues to closely monitor regional and global developments and will revise its assumptions, judgments and estimates, where necessary, as the situation evolves.

CBB measures

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

The Group continues to monitor these developments and is assessing the extent to which these measures may have an impact on its condensed consolidated interim financial information.

(Expressed in thousands of United States Dollars unless otherwise stated)

3 FINANCING CONTRACTS

	30 June 2026	31 December 2025
Murabaha and tawarruq financings	1,759,684	1,981,483
Musharaka financing	1,438,929	1,395,359
Istisna financings	341,698	380,749
	3,540,311	3,757,591
Less: Allowance for impairment	(210,189)	(210,870)
	3,330,122	3,546,721

The movement on allowance for impairment is as follows:

	30 June 2026	31 December 2025
At beginning of the period	210,870	212,188
Charge for the period	218	5,259
Utilised during the period	(1,414)	(5,138)
Exchange differences	515	(1,439)
At end of the period	**210,189**	210,870

(Expressed in thousands of United States Dollars unless otherwise stated)

4 INVESTMENT SECURITIES

	30 June 2026	31 December 2025
Investment securities at fair value through income statement		
Debt-type instruments – unlisted	4,809	3,783
Equity-type securities – listed	2,331	79
	7,140	3,862
Investment securities at fair value through other comprehensive income		
Debt-type instruments – unlisted	2,408,161	2,246,210
Equity-type securities – listed	37,135	35,025
Equity-type securities – unlisted	177,847	171,735
	2,623,143	2,452,970
Less: Allowance for impairment	(141,664)	(141,748)
	2,481,479	2,311,222
Investment securities carried at amortised cost		
Debt-type instruments – listed	116,946	116,957
Debt-type instruments – unlisted	141,970	19,783
	258,916	136,740
Less: Allowance for impairment	(41)	-
	258,875	136,740
	2,747,494	2,451,824

(Expressed in thousands of United States Dollars unless otherwise stated)

4 INVESTMENT SECURITIES (continued)

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

Level 1 – Quoted prices (unadjusted) in active markets for identical 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 investments that are not based on observable market data (unobservable inputs).

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

Investments measured at fair value	Level 1	Level 2	Level 3	Total
At 30 June 2026				
Investment securities at fair value through income statement				
Debt-type instruments	-	4,809	-	4,809
Equity-type securities	2,331	-	-	2,331
Investment securities at fair value through other comprehensive income				
Debt-type instruments	-	2,404,724	-	2,404,724
Equity-type securities	35,506	-	41,249	76,755
	37,837	2,409,533	41,249	2,488,619
Investments not measured at fair value				
Investment securities carried at amortised cost*				
Debt-type instruments - fair value	111,760	132,834	-	244,594
At 31 December 2025				
Investment securities at fair value through income statement				
Debt-type instruments	-	3,783	-	3,783
Equity-type securities	79	-	-	79
Investment securities at fair value other comprehensive income				
Debt-type instruments	-	2,242,659	-	2,242,659
Equity-type securities	33,397	-	35,166	68,563
	33,476	2,246,442	35,166	2,315,084
Investments not measured at fair value				
Investment securities carried at amortised cost*				
Debt-type instruments - fair value	113,185	19,843	-	133,028

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

(Expressed in thousands of United States Dollars unless otherwise stated)

5 INVESTMENT IN ASSOCIATES

Investment in associated entities, as adjusted for the Group's share of their results comprise:

Name of entity	**30 June 2026**	**% of Share-holding**	31 December 2025	% of Share-holding	**Country of Incorporation**	**Nature of business**
Unlisted:						
Citic International Assets Management Limited	11,918	20	12,115	20	Hong Kong	Asset management
Naseej B.S.C. (c)	67,039	31	65,956	31	Bahrain	Infrastructure
Dilmunia Eduprop Company W.L.L.	20,165	50	18,976	50	Bahrain	Real estate
Faysal Halal Amdani Fund	2,585	1	4,790	4	Pakistan	Mutual funds
Faysal Islamic Saving Growth Fund	1,767	5	2,408	12	Pakistan	Mutual funds
Faysal Islamic Sovereign Fund FISIP-1	2,243	27	2,403	50	Pakistan	Mutual funds
Faysal Islamic Cash Fund	5,144	4	1,138	0	Pakistan	Mutual funds
Faysal Islamic Asset Allocation Fund - III	374	6	361	100	Pakistan	Mutual funds
Faysal Islamic Pension Fund - Money Market	112	5	194	12	Pakistan	Mutual funds
Faysal Islamic Pension Fund - Debt	106	15	188	26	Pakistan	Mutual funds
Faysal Islamic Stock Fund	21	0	16	-	Pakistan	Mutual funds
Faysal Islamic Stock Fund II	21	0	16	1	Pakistan	Mutual funds
Faysal Islamic Mehmood Muddat Plan -1	-	0	13	0	Pakistan	Mutual funds
Others	8	0	6	0	Pakistan	Mutual funds
	111,503		**108,580**			

6 OTHER ASSETS

	30 June 2026	31 December 2025
Accounts receivable	267,573	246,723
Due from related parties (Note 11)	161	114
Taxes – deferred	13,483	8,335
Taxes – current (advance tax)	21,524	15,723
Non-current assets held for sale	2,608	2,676
	305,349	273,571
Less: Allowance for impairment	(56,422)	(55,540)
	248,927	218,031

(Expressed in thousands of United States Dollars unless otherwise stated)

7 IMPAIRMENT ALLOWANCE

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

30 June 2026 (reviewed)

	Stage 1	**Stage 2**	**Stage 3**	**Total**
Commodity placements with banks and other financial institutions				
Gross exposure	407,977	-	-	407,977
Less: expected credit loss	(96)	-	-	(96)
Net exposure	**407,881**	**-**	**-**	**407,881**
Financing contracts				
Gross exposure	2,517,699	753,241	269,371	3,540,311
Less: Allowance for impairment	(5,428)	(69,974)	(134,787)	(210,189)
Net exposure	**2,512,271**	**683,267**	**134,584**	**3,330,122**
Other assets				
Gross exposure	224,416	26,907	54,026	305,349
Less: Allowance for impairment	(2,226)	(170)	(54,026)	(56,422)
Net exposure	**222,190**	**26,737**	**-**	**248,927**
Total gross exposure	**3,150,092**	**780,148**	**323,397**	**4,253,637**
Less: Total expected credit loss	**(7,750)**	**(70,144)**	**(188,813)**	**(266,707)**
Total Net exposure	**3,142,342**	**710,004**	**134,584**	**3,986,930**

31 December 2025 (audited)

	Stage 1	Stage 2	Stage 3	Total
Commodity placements with banks and other financial institutions				
Gross exposure	193,726	-	-	193,726
Less: expected credit losses	(109)	-	-	(109)
Net exposure	193,617	-	-	193,617
Financing contracts				
Gross exposure	2,663,935	827,459	266,197	3,757,591
Less: Allowance for impairment	(5,162)	(70,849)	(134,859)	(210,870)
Net exposure	2,658,773	756,610	131,338	3,546,721
Other assets				
Gross exposure	213,222	7,010	53,339	273,571
Less: Allowance for impairment	(2,195)	(6)	(53,339)	(55,540)
Net exposure	211,027	7,004	-	218,031
Total gross exposure	3,070,883	834,469	319,536	4,224,888
Less: Total expected credit loss	(7,466)	(70,855)	(188,198)	(266,519)
Total Net exposure	3,063,417	763,614	131,338	3,958,369

	30 June 2026	30 June 2025
At beginning of the period	562,269	583,315
Charge/(write back) for the period	2,199	(11,647)
Utilised during the period	(1,414)	(2,134)
Exchange differences	(407)	(1,471)
At end of the period	**562,647**	568,063

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

(Expressed in thousands of United States Dollars unless otherwise stated)

8 QUASI-EQUITY

Quasi-equity comprise:

	30 June 2026	31 December 2025
Modaraba accounts - corporates	1,769,349	1,915,294
Modaraba accounts - financial institutions	1,179,878	770,621
Modaraba accounts - individuals	757,598	789,541
Wakala from financial institutions	27,311	27,312
Fair value & foreign exchange translation movement from investments attributable to quasi-equity (i)	(26,141)	(19,101)
	3,707,995	3,483,667

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

	30 June 2026	31 December 2025
Cash and balances with banks and central banks	394,304	388,046
Commodity placements with banks and other financial institutions	198,082	-
Financing contracts	2,839,781	2,822,477
Investments in equity (i)	275,828	273,144
	3,707,995	3,483,667

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

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

Distribution of income by ownership

	Period ended					
	30 June 2026			30 June 2025		
	Self-financed	**Quasi-equity financed**	**Total**	Self-financed	Quasi-equity financed	Total
INCOME						
Income from financing contracts	1,858	170,521	**172,379**	1,791	148,967	150,758
Income from investments	2,787	154,039	**156,826**	3,445	177,102	180,547
Other income - net	10,535	32,573	**43,108**	8,210	29,646	37,856
Finance expense on placements from financial and non-financial institutions	(7,427)	-	**(7,427)**	(9,044)	-	(9,044)
Net income	**7,753**	**357,133**	**364,886**	4,402	355,715	360,117
Share of loss from equity accounted investees	1,815	566	**2,381**	(1,541)	520	(1,021)
Total income	**9,568**	**357,699**	**367,267**	2,861	356,235	359,096
Operating expenses	112,853	-	**112,853**	102,035	-	102,035
Depreciation and amortization	14,789	-	**14,789**	13,162	-	13,162
Total expenses	**127,642**	**-**	**127,642**	115,197	-	115,197
Profit before impairment allowances, income attribution to quasi-equity and tax	**(118,074)**	**357,699**	**239,625**	(112,336)	356,235	243,899
Allowances for impairment and expected credit losses, net	(1,804)	(395)	**(2,199)**	(1,000)	12,647	11,647
Group's share as mudarib and wakil	171,033	(171,033)	**-**	177,335	(177,335)	-
Profit before income attribution to quasi-equity and tax	**51,155**	**186,271**	**237,426**	63,999	191,547	255,546

(Expressed in thousands of United States Dollars unless otherwise stated)

8 QUASI EQUITY (continued)

The movement in reserves attributable to quasi equity as follows:

					30 June 2026
30 June 2026 (reviewed)	**Investments fair value reserve**	**Fixed assets fair value reserve**	**Investment in real estate fair value reserve**	**Foreign currency translation reserve**	**Total**
At 1 January 2026	**16,534**	**(2,202)**	**(1,999)**	**(31,434)**	**(19,101)**
Movement in fair value of investment securities	(10,196)	-	-	-	**(10,196)**
Movement in fair value of investment in real estate	-	-	-	-	**-**
Movement in fair value of land and building	-	(188)	-	-	**(188)**
Foreign currency translation adjustments	42	175	-	3,127	**3,344**
At 30 June 2026	**6,380**	**(2,215)**	**(1,999)**	**(28,307)**	**(26,141)**

					31 December 2025
31 December 2025 (audited)	Investments fair value reserve	Fixed assets fair value reserve	Investment in real estate fair value reserve	Foreign currency translation reserve	Total
At 1 January 2025	34,832	(1,011)	(145)	(33,801)	(125)
Movement in fair value of investment securities	(18,096)	-	-	-	(18,096)
Movement in fair value of land and building	-	(2,916)	-	-	(2,916)
Transfer during the year	-	1,838	(1,838)	-	-
Foreign currency translation adjustments	(202)	(113)	(16)	2,367	2,036
At 31 December 2025	16,534	(2,202)	(1,999)	(31,434)	(19,101)

(Expressed in thousands of United States Dollars unless otherwise stated)

9 SHARE CAPITAL

	Number of shares (thousands)	Share capital
Authorised	8,000,000	2,000,000
Issued and fully paid		
Total outstanding as at 1 January 2026	3,030,755	757,690
Treasury shares	(120,595)	(30,149)
At 30 June 2026 (Reviewed)	**2,910,160**	**727,541**
Issued and fully paid		
Total outstanding as at 1 January 2025	3,030,755	757,690
Treasury shares	(120,595)	(30,149)
At 31 December 2025 (Audited)	2,910,160	727,541

Ithmaar's total issued and fully paid share capital at 30 June 2026 comprises 3,030,755,027 shares at $0.25 per share amounting to $757,690 thousands. The share capital of Ithmaar is denominated in United States dollars and these shares are listed on Bahrain Bourse in United States dollars and Dubai Financial Market in Arab Emirates Dirham (AED).

Ithmaar owned 120,595,238 (31 December 2025: 120,595,238) of its own shares at 30 June 2026. The shares are held as treasury shares and Ithmaar has the right to reissue these shares at a later date.

The Group's shareholders, during an Extraordinary General Meeting (EGM) held on 8 March 2026, approved (i) cancellation of 120,595,238 shares held as treasury shares; and (ii) cancellation of accumulated losses of $828,649,740 firstly against share premium, statutory reserve & legal reserve balances of $149,085,354, $43,391,453 and $3,306,294 respectively, and thereafter the remaining balance against share capital of $632,866,639, thereby resulting in the reduction of the issued share capital of Ithmaar from $757,688,757, consisting of 3,030,755,027 shares with a nominal value of US$ 0.25 per share to 378,693,233 shares at $0.25 per share amounting to $94,673,308.25. The share capital reduction remains subject to regulatory approvals.

10 RESERVES

	30 June 2026	31 December 2025
Share premium	149,085	149,085
Statutory reserve	43,503	43,503
General reserve	50,727	50,727
Investments fair value reserve	4,476	4,491
Fixed Assets fair value reserve	26,941	26,941
Investment in real estate fair value reserve	2,435	2,260
Foreign currency translation reserve	(165,127)	(164,962)
	112,040	112,045

(Expressed in thousands of United States Dollars unless otherwise stated)

11 RELATED PARTY TRANSACTIONS AND BALANCES

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

(a) Directors and companies in which they have an ownership interest.

(b) Major shareholders of Ithmaar, Ultimate Parent and companies in which Ultimate Parent has ownership interest and subsidiaries of such companies (affiliates).

(c) Associated companies of Ithmaar.

(d) Senior management.

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

Significant balances with related parties comprise:

					30 June 2026
	Shareholders & Affiliates	**Associates and other investments**	**Directors and related entities**	**Senior management**	**Total**
Assets					
Financing contracts*	373,206	-	-	-	**373,206**
Investment in associates	-	111,503	-	-	**111,503**
Other assets	-	-	-	161	**161**
Liabilities					
Customers' current accounts	9,298	171	-	-	**9,469**
Due to banks, financial and other institutions	-	6,223	-	-	**6,223**
Quasi equity	38,521	313	-	-	**38,834**

*Financing contracts are gross of ECL general provisions of USD65 million

Income					
Net profit attributable to quasi-equity	(390)	-	-	-	**(390)**
Income from financing contracts	1,918	-	-	-	**1,918**
Share of results after tax from associates	-	2,381	-	-	**2,381**
Finance expense on placements from financial and non-financial institutions	(125)	-	-	-	**(125)**
Expenses					
General and administrative expenses	(163)	-	(116)	-	**(279)**

(Expressed in thousands of United States Dollars unless otherwise stated)

11 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

					31 December 2025
	Shareholders & Affiliates	Associates and other investments	Directors and related entities	Senior management	Total
Assets					
Financing contracts*	373,422	-	-	-	373,422
Investment in associates	-	108,580	-	-	108,580
Other assets	-	-	-	114	114
Liabilities					
Customers' current accounts	9,330	48	-	-	9,378
Due to banks, financial and other institutions	-	2,424	-	-	2,424
Quasi equity	49,050	6,116	-	-	55,166

*Financing contracts are gross of ECL general provisions of $65 million

					30 June 2025
Income					
Net profit attributable to quasi-equity	(427)	-	-	-	(427)
Income from financing contracts	1,840	-	-	-	1,840
Share of results after tax from associates	-	(1,021)	-	-	(1,021)
Finance expense on placements from financial and non-financial institutions	(206)	-	-	-	(206)
Expenses					
General and administrative expenses	(162)	-	(150)	-	(312)

(Expressed in thousands of United States Dollars unless otherwise stated)

12 BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share are calculated by dividing the net income attributable to shareholders by the weighted average number of issued and fully paid up ordinary shares during the period.

	Six months period ended		Three months period ended	
	30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
Income attributable to shareholders ($'000)	256	1,577	(945)	573
Weighted average number of issued and fully paid up ordinary shares ('000)	2,910,160	2,910,160	2,910,160	2,910,160
Earnings per share (Basic & Diluted) – US Cents	**0.01**	0.05	**(0.03)**	0.02

13 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

	30 June 2026	31 December 2025
Acceptances and endorsements	175,141	96,167
Guarantees and letters of credit	937,889	925,816
Customer and other claims	40,543	39,325
	1,153,573	1,061,308

Commitments

	30 June 2026	31 December 2025
Undrawn facilities, financing lines and other commitments to finance	**2,432,125**	2,051,198

(Expressed in thousands of United States Dollars unless otherwise stated)

14 SEGMENT REPORTING

The Group constitutes of two main business segments, namely;

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

	30 June 2026			30 June 2025		
	Retail & Corporate banking	**Asset Management / Investment Banking**	**Total**	Retail & Corporate banking	Asset Management / Investment Banking	Total
Total income	355,255	12,012	**367,267**	348,327	10,769	359,096
Total expenses	117,072	10,570	**127,642**	104,901	10,296	115,197
Profit before impairment allowances,						
income attribution to quasi-equity and ta	**238,183**	**1,442**	**239,625**	243,426	473	243,899
Provision and overseas taxation	(39,814)	(2,997)	**(42,811)**	(37,943)	(1,535)	(39,478)
Less: Net income attributable						
to quasi-equity	(186,271)	-	**(186,271)**	(191,547)	-	(191,547)
PROFIT FOR THE PERIOD	**12,098**	**(1,555)**	**10,543**	13,936	(1,062)	12,874
Attributable to:						
Equity holders of Ithmaar	396	(140)	**256**	2,052	(475)	1,577
Non-controlling interests	11,702	(1,415)	**10,287**	11,884	(587)	11,297
	12,098	**(1,555)**	**10,543**	13,936	(1,062)	12,874
						31 December 2025
Total assets	**7,047,810**	**922,196**	**7,970,006**	6,655,515	928,722	7,584,237
Total liabilities and quasi equity	**7,741,431**	**48,594**	**7,790,025**	7,354,182	48,972	7,403,154

(Expressed in thousands of United States Dollars unless otherwise stated)

14 SEGMENT REPORTING (continued)

The Group constitutes of two geographical segments which are Middle East & Others and Asia

			30 June 2026			30 June 2025
	Middle East & Others	Asia	Total	Middle East & Others	Asia	Total
Total income	12,675	354,592	**367,267**	7,840	351,256	**359,096**
Total expenses	17,858	109,784	**127,642**	15,640	99,557	**115,197**
Profit before impairment allowances, income attribution to quasi-equity and tax	**(5,183)**	**244,808**	**239,625**	**(7,800)**	**251,699**	**243,899**
Provision and overseas tax	(6,223)	(36,588)	**(42,811)**	(3,237)	(36,241)	**(39,478)**
Less: Net income attributable to quasi-equity	(14,381)	(171,890)	**(186,271)**	(13,317)	(178,230)	**(191,547)**
PROFIT FOR THE PERIOD	**(25,787)**	**36,330**	**10,543**	**(24,354)**	**37,228**	**12,874**
Attributable to:						
Equity holders of Ithmaar	(23,915)	24,171	**256**	(23,199)	24,776	**1,577**
Non-controlling interests	(1,872)	12,159	**10,287**	(1,155)	12,452	**11,297**
	(25,787)	**36,330**	**10,543**	**(24,354)**	**37,228**	**12,874**
						31 December 2025
Total assets	**1,390,392**	**6,579,614**	**7,970,006**	1,374,796	6,209,441	7,584,237
Total liabilities and quasi equity	**1,619,569**	**6,170,456**	**7,790,025**	1,565,738	5,837,416	7,403,154

15 TAXATION

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

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

As per the Group's assessment of applicability of the Bahrain DMTT law and global anti-base erosion model (GloBE) rules, it has assessed and concluded that it is not in scope for fiscal year 2026 as it does not have total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years.

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