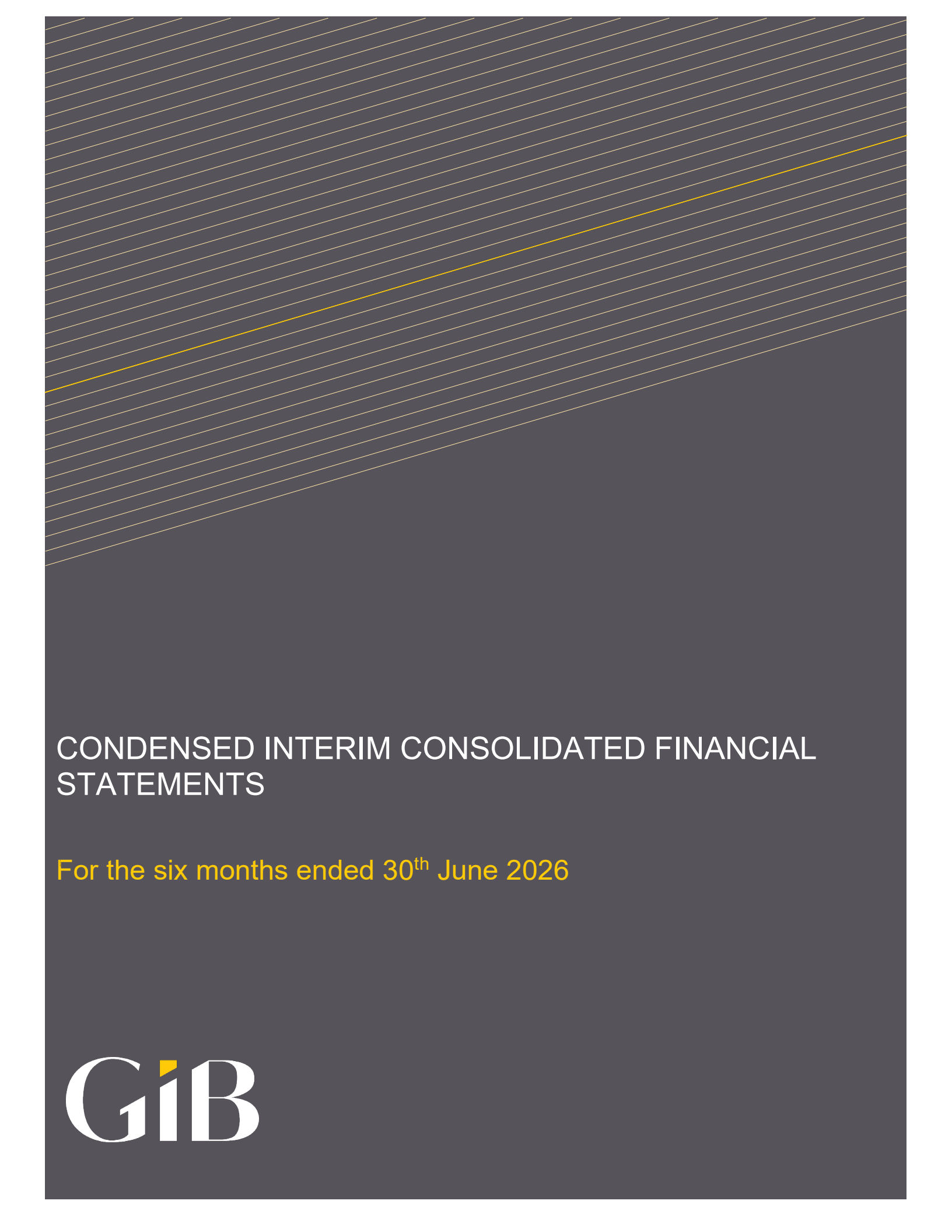




CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 2026

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

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

Introduction

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

- the condensed interim consolidated statement of financial position as at 30 June 2026;
- the condensed interim consolidated statement of income for the six-month period ended 30 June 2026;
- the condensed interim consolidated statement of comprehensive income for the six-month period ended 30 June 2026;
- the condensed interim consolidated statement of changes in equity for the six-month period ended 30 June 2026;
- the condensed interim consolidated statement of cash flows for the six-month period ended 30 June 2026; and
- notes to the condensed interim consolidated financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of this condensed interim consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

6 August 2026

Condensed Interim Consolidated Statement of Financial Position

	Note	30.6.26 US\$ millions	31.12.25 US\$ millions
ASSETS			
Cash and other liquid assets		11,013.9	16,363.7
Securities purchased under agreements to resell		970.2	254.1
Placements		4,992.6	6,206.2
Investment securities	8	11,494.4	10,939.4
Loans and advances	9	15,780.1	16,552.4
Other assets		1,655.2	1,505.6
Total assets		45,906.4	51,821.4
LIABILITIES			
Deposits from banks		1,315.8	1,901.7
Deposits from customers		28,627.5	36,094.7
Securities sold under agreements to repurchase		4,177.7	2,375.2
Other liabilities		1,352.7	1,370.3
Senior term financing		5,768.9	5,442.5
Subordinated term financing		399.2	400.0
Total liabilities		41,641.8	47,584.4
EQUITY			
Share capital		2,000.0	2,000.0
Reserves	10	232.3	245.3
Retained earnings		446.0	403.6
Equity attributable to the shareholders of the Bank		2,678.3	2,648.9
Non-controlling interest of the Bank		1,086.3	1,087.9
Additional Tier 1 capital		500.0	500.2
Non-controlling interest		1,586.3	1,588.1
Total equity		4,264.6	4,237.0
Total liabilities and equity		45,906.4	51,821.4

The condensed interim consolidated financial statements were approved by the Board of Directors on 6th August 2026 and signed on its behalf by:



H.E. Abdulaziz Al-Arifi
Chairman of the Board



Dr. Khalid Al-Faddagh
Chairman of the Board Audit Committee



Abdulaziz A. Al-Helaissi
Group Chief Executive Officer

Condensed Interim Consolidated Statement of Income

	Note	Three months		Six months	
		ended	ended	ended	ended
		30.6.26	30.6.25	30.6.26	30.6.25
		US\$ millions	US\$ millions	US\$ millions	US\$ millions
Interest income		544.9	584.1	1,105.1	1,171.4
Interest expense		418.0	451.1	844.0	910.3
Net interest income		126.9	133.0	261.1	261.1
Net fee and commission income	3	22.5	31.9	49.6	62.7
Net trading income	4	14.1	15.1	11.3	18.4
Foreign exchange income	5	9.4	8.3	16.5	16.7
Other income	6	12.2	3.4	27.7	14.4
Total operating income		185.1	191.7	366.2	373.3
Staff expenses		71.6	69.6	141.6	140.0
Premises expenses		2.3	2.4	4.7	4.5
Depreciation and amortisation		6.1	5.8	12.9	11.6
Other operating expenses		39.4	35.4	72.0	65.9
Total operating expenses		119.4	113.2	231.2	222.0
Net income before provisions and tax		65.7	78.5	135.0	151.3
Provision for expected credit losses	7	(26.3)	(18.6)	(67.3)	(23.5)
Net income before tax		39.4	59.9	67.7	127.8
Taxation and zakat charges		(0.2)	(7.3)	(5.6)	(15.2)
Net income		39.2	52.6	62.1	112.6
Attributable to:					
Shareholders of the Bank		31.3	44.2	50.7	92.2
Non-controlling interest		7.9	8.4	11.4	20.4
		39.2	52.6	62.1	112.6



H.E. Abdulaziz Al-Arifi
Chairman of the Board



Dr. Khalid Al-Faddagh
Chairman of the Board Audit Committee



Abdulaziz A. Al-Helaissi
Group Chief Executive Officer

Condensed Interim Consolidated Statement of Comprehensive Income

	Three months		Six months	
	ended	ended	ended	ended
	30.6.26	30.6.25	30.6.26	30.6.25
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Net income	39.2	52.6	62.1	112.6
Other comprehensive income:				
<u>Items that will be reclassified to consolidated statement of income:</u>				
<i>Cash flow hedges:</i>				
Net change in fair value during the period	32.6	(9.7)	56.0	(4.9)
Reclassification to the consolidated statement of income	(29.3)	4.6	(50.9)	(1.9)
<i>Debt instruments at fair value through other comprehensive income (FVOCI):</i>				
Net change in fair value during the period	16.1	1.6	(15.6)	5.1
Reclassification to the consolidated statement of income	(0.9)	(0.8)	(1.8)	(0.8)
Changes in allowance for expected credit losses	0.2	(0.1)	0.1	0.1
	18.7	(4.4)	(12.2)	(2.4)
<u>Items that will not be reclassified to consolidated statement of income:</u>				
Net change in fair value of equity instruments at FVOCI	(4.2)	(0.1)	(4.5)	1.1
Remeasurement of defined benefit pension fund	0.3	1.2	(1.0)	1.0
Net change in deferred tax reserves	0.1	-	(0.2)	(0.1)
	(3.8)	1.1	(5.7)	2.0
Total other comprehensive income	14.9	(3.3)	(17.9)	(0.4)
Total comprehensive income	54.1	49.3	44.2	112.2
Attributable to:				
Shareholders of the Bank	42.3	40.4	37.7	89.8
Non-controlling interest	11.8	8.9	6.5	22.4
	54.1	49.3	44.2	112.2

Condensed Interim Consolidated Statement of Changes in Equity

	Equity attributable to the shareholders of the Bank				Non-	Total
	Share	Reserves	Retained	Total	controlling	
	capital		earnings		interest	
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
At 1st January 2026	2,000.0	245.3	403.6	2,648.9	1,588.1	4,237.0
Net income for the period	-	-	50.7	50.7	11.4	62.1
Other comprehensive income for the period	-	(13.0)	-	(13.0)	(4.9)	(17.9)
Total comprehensive income for the period	-	(13.0)	50.7	37.7	6.5	44.2
AT1 dividend paid	-	-	(8.3)	(8.3)	(8.3)	(16.6)
At 30th June 2026	2,000.0	232.3	446.0	2,678.3	1,586.3	4,264.6
At 1st January 2025	2,000.0	222.9	252.6	2,475.5	1,041.0	3,516.5
Net income for the period	-	-	92.2	92.2	20.4	112.6
Other comprehensive income for the period	-	(2.4)	-	(2.4)	2.0	(0.4)
Total comprehensive income for the period	-	(2.4)	92.2	89.8	22.4	112.2
At 30th June 2025	2,000.0	220.5	344.8	2,565.3	1,063.4	3,628.7

The notes on pages 6 to 24 form part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Cash Flows

	Six months ended 30.6.26 US\$ millions	Six months ended 30.6.25 US\$ millions
OPERATING ACTIVITIES		
Net income before tax	67.7	127.8
Adjustments for:		
Depreciation and amortisation	7.7	9.2
Provision for expected credit losses - net	67.3	23.5
Realised (gain) / loss on debt investment securities	(2.8)	0.1
Operating income before changes in operating assets and liabilities	139.9	160.6
Changes in operating assets and liabilities:		
Statutory deposits with central banks	29.2	(27.9)
Certificates of deposit with original maturities of three months and more	(279.2)	(270.4)
Derivative valuation margin	(5.0)	4.9
Securities purchased under agreements to resell	(716.1)	166.7
Placements with original maturities of three months and more	(252.1)	(135.1)
Investment securities at FVTPL	225.9	(44.5)
Loans and advances	694.4	(725.5)
Interest receivable	(61.2)	(53.5)
Other assets	(33.3)	356.5
Deposits from banks	(585.9)	152.6
Deposits from customers	(7,467.2)	5,577.7
Securities sold under agreement to repurchase	1,802.5	439.2
Interest payable	57.4	71.3
Other liabilities	(45.3)	(392.4)
Income tax paid	(24.2)	(26.5)
Net cash (used in) / from operating activities	(6,520.2)	5,253.7
INVESTING ACTIVITIES		
Purchase of investment securities	(2,267.8)	(2,849.0)
Proceeds from sale / maturity of investment securities	1,472.5	967.4
Net movement in premises and equipment	(64.1)	(14.4)
Net cash used in investing activities	(859.4)	(1,896.0)
FINANCING ACTIVITIES		
Proceeds from issuance of term financing	603.3	535.8
Repayments of term financing	(277.7)	(201.6)
Payment of cash dividends	(16.6)	-
Net cash from financing activities	309.0	334.2
Net (decrease) / increase in cash and cash equivalents	(7,070.6)	3,691.9
Cash and cash equivalents at 1st January	18,360.4	11,950.7
Cash and cash equivalents at 30th June	11,289.8	15,642.6
Below is a reconciliation between cash and other liquid assets as presented in the consolidated statement of financial position to the cash and cash equivalents balances:		
	Six months ended 30.6.26 US\$ millions	Six months ended 30.6.25 US\$ millions
Cash and other liquid assets	11,013.9	14,913.4
Less: statutory deposits with central banks	(480.9)	(530.6)
Less: certificates of deposit with original maturities of three months and more	(898.7)	(947.8)
Less: derivative valuation margin	(263.6)	(248.0)
Add: placements with original maturities of less than three months	1,919.1	2,455.6
Cash and cash equivalents at 30th June	11,289.8	15,642.6

The notes on pages 6 to 24 form part of these condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 2026

1 Incorporation and registration

The parent company, Gulf International Bank B.S.C. ("the Bank"), is a Bahraini Shareholding Company incorporated in the Kingdom of Bahrain by Amiri Decree Law No. 30 dated 24th November 1975 and is registered as a conventional wholesale bank and a conventional retail bank with the Central Bank of Bahrain. The registered office of the Bank is located at Al-Dowali Building, 3 Palace Avenue, Manama, Kingdom of Bahrain.

The Bank and its subsidiaries (together "the Group") are principally engaged in the provision of wholesale commercial, asset management, investment banking and retail consumer banking services. The Group operates through subsidiaries, branch offices and representative offices located in seven countries worldwide. The total number of staff as at 30th June 2026 was 1,306 (31st December 2025: 1,354). The ultimate parent of the Group is the Public Investment Fund (PIF) of Saudi Arabia.

2 Basis of accounting

2.1 Basis of preparation

The condensed interim consolidated financial statements of the Group are prepared in accordance with International Accounting Standard IAS 34, Interim Financial Reporting ("IAS 34").

The condensed interim consolidated financial statements of the Group do not contain all information and disclosures required for the annual audited consolidated financial statements, and should be read in conjunction with the Group's annual audited consolidated financial statements for the year ended 31st 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 financial statements. Further, results for the interim periods are not necessarily indicative of the results that may be expected for the financial year ending 31st December 2026.

2.2 Basis of consolidation

The condensed interim consolidated financial statements include the accounts of Gulf International Bank B.S.C. and its material subsidiaries. Subsidiaries are companies and other entities which the Bank controls. The Bank controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiary's accounts are derecognised from the consolidated financial statements from the point when the control ceases. All intercompany balances and transactions, including unrealised gains and losses on transactions between Group companies, have been eliminated.

2.3 Material accounting policies

The accounting policies have been consistently applied by the Group and are consistent with those of the previous year, as set out in the consolidated financial statements for the year ended 31st December 2025, except for the adoption of applicable new and amended standards and interpretations with effect from 1st January 2026 as referred to below:

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards - Volume 11
- Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7

The above new and amended standards and interpretations had no material impact on the condensed interim consolidated financial statements of the Group.

New and amended standards and interpretations that are issued but not yet effective include the below:

- IFRS 18, Presentation and Disclosure in Financial Statements - Effective 1st January 2027

The Group has not early adopted any new and amended standards and interpretations that are issued but not yet effective and is planning to adopt the above standards and amendments when they become effective. The Group is currently evaluating the impact of these standards and amendments.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTSFor the six months ended 30th June 2026**3 Net fee and commission income**

	Three months ended		Six months ended	
	30.6.26	30.6.25	30.6.26	30.6.25
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Fee and commission income				
Commissions on letters of credit and guarantee	11.8	12.4	23.6	24.8
Investment banking and management fees	6.9	13.5	15.0	24.0
Loan agency, underwriting and distribution fees	2.2	3.4	6.1	6.4
Loan commitment fees	1.4	2.0	3.1	4.6
Retail banking fees	1.5	1.5	2.8	2.8
Other fee and commission income	1.0	0.9	3.4	3.8
Total fee and commission income	24.8	33.7	54.0	66.4
Fee and commission expense	(2.3)	(1.8)	(4.4)	(3.7)
Net fee and commission income	22.5	31.9	49.6	62.7

Investment banking and management fees comprise fees relating to the provision of investment management and financial services, including asset and fund management, underwriting activities, and services relating to structured financing, privatisations, initial public offerings, and mergers and acquisitions.

Investment banking and management fees for the period ended 30th June 2026 included fee income relating to the Group's fiduciary activities amounting to US\$12.0 million (30th June 2025: US\$15.4 million).

Fee and commission expense principally comprises security custody fees and bank charges and commissions.

4 Net trading income

	Three months ended		Six months ended	
	30.6.26	30.6.25	30.6.26	30.6.25
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Managed funds	14.0	14.3	10.9	15.0
Interest rate derivatives	1.0	0.6	2.7	2.1
Commodity options	0.1	0.2	0.2	0.3
Debt securities	0.1	0.2	0.1	0.6
FX arbitrage	(1.1)	(0.2)	(2.6)	0.4
	14.1	15.1	11.3	18.4

Net trading income comprises gains and losses arising both on the purchase and sale, and from changes in the fair value of trading instruments, together with the related interest income, interest expense and dividend income. Net trading income accordingly incorporates all income and expenses related to the Group's trading activities. Trading income on debt securities include US\$0.1 million (30th June 2025: US\$0.3 million) interest income on the securities.

Gains and losses on interest rate derivatives principally comprises customer-initiated contracts which have been offset in the market with matching contracts. There is no remaining market risk associated with these contracts.

5 Foreign exchange income

Foreign exchange income principally comprises customer-initiated foreign exchange contracts which have been offset in the market with matching contracts. There is no remaining market risk associated with these offset customer-related foreign exchange contracts.

Foreign exchange includes spot and forward foreign exchange contracts, and currency futures and options.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 20266 Other income

	Three months ended		Six months ended	
	30.6.26	30.6.25	30.6.26	30.6.25
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Recoveries on previously written off assets	10.5	5.0	15.2	6.6
Net realised gain on sale of debt securities at amortised cost	0.9	(0.7)	2.8	(0.1)
Dividends on equity investments classified as FVOCI	-	-	0.1	0.1
Sundry income	0.8	(0.9)	9.6	7.8
	12.2	3.4	27.7	14.4

Recoveries on previously written off assets comprise recoveries on assets that had previously been either written off or transferred to the memorandum records.

Net realised gain on investment debt securities principally relates to the sale of securities for liquidity management.

7 Provision for expected credit losses

	30.6.26			
	Stage 1	Stage 2	Stage 3	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Loans and advances	10.4	(0.7)	68.2	77.9
Investment securities	0.6	-	-	0.6
Placements	(0.1)	-	-	(0.1)
Credit-related financial instruments	0.3	(1.0)	(10.4)	(11.1)
	11.2	(1.7)	57.8	67.3

	30.6.25			
	Stage 1	Stage 2	Stage 3	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Loans and advances	(0.4)	(5.8)	30.2	24.0
Investment securities	1.6	-	-	1.6
Placements	-	-	-	-
Credit-related financial instruments	(2.4)	0.5	(0.3)	(2.2)
Other assets	0.1	-	-	0.1
	(1.1)	(5.3)	29.9	23.5

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 20268 Investment securities

8.1 Composition

	30.6.26 US\$ millions	31.12.25 US\$ millions
<u>Investment securities at amortised cost</u>		
Gross debt securities	10,179.8	9,890.4
Provisions for expected credit losses	(6.0)	(5.5)
Net investment securities at amortised cost	10,173.8	9,884.9
<u>Investment securities at FVOCI</u>		
Debt securities	1,195.8	701.7
Equity securities	20.6	22.7
Total investment securities at FVOCI	1,216.4	724.4
<u>Investment securities at FVTPL</u>		
Managed funds	91.6	312.2
Equity securities	7.7	7.9
Debt securities	4.9	10.0
Total investment securities at FVTPL	104.2	330.1
Total investment securities	11,494.4	10,939.4

Managed funds comprised funds placed for investment with specialist managers.

Investment securities include securities that had been pledged as collateral under repurchase agreements amounting to US\$3,761.0 million (31st December 2025: US\$2,446.3 million). This amount excludes back to back investment securities pledged under resell agreements.

Debt Securities carried at amortised cost and FVOCI were classified under stage 1 as at 30th June 2026 and as at 31st December 2025.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 20268 Investment securities (continued)

8.1 Composition (continued)

	30.6.26		31.12.25	
	US\$ millions	%	US\$ millions	%
AAA to A- / Aaa to A3	9,988.9	87.8	9,200.2	86.8
BBB+ to BBB- / Baa1 to Baa3	393.3	3.5	425.3	4.0
BB+ to B / Ba1 to B2	992.3	8.7	971.1	9.2
Total debt securities	11,374.5	100.0	10,596.6	100.0
Equity securities and managed funds	119.9		342.8	
	11,494.4		10,939.4	

Investment securities principally comprised investment-grade rated debt securities issued by major international financial institutions and government-related entities.

Investment securities rated BB+ to B / Ba1 to B2 at 30th June 2026 and at 31st December 2025 principally comprised GCC sovereign debt securities.

8.2 Provisions for expected credit losses

The movements in the provisions for expected credit losses for investment securities at amortised cost were as follows:

	30.6.26				30.6.25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
At 1 st January	5.5	-	-	5.5	3.6	-	-	3.6
Net remeasurement of ECL allowance	0.5	-	-	0.5	1.5	-	-	1.5
Exchange rate movements	-	-	-	-	-	-	-	-
At 30 th June	6.0	-	-	6.0	5.1	-	-	5.1

The allowance for expected credit losses for debt securities at FVOCI amounted to US\$1.6 million (31st December 2025: US\$1.5 million) which is classified under stage 1.

The above provisions reflect the probability-weighted estimate of expected credit losses. The provisions comprise both quantitative and qualitative information and analysis, based on the Group's historical experience and taking into consideration both internal and external indicators and including forward-looking information (refer note 19).

9 Loans and advances

9.1 Composition

	30.6.26	31.12.25
	US\$ millions	US\$ millions
Gross loans and advances	16,134.5	16,847.7
Provisions for expected credit losses	(354.4)	(295.3)
Net loans and advances	15,780.1	16,552.4

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 20269 Loans and advances (continued)9.1 Composition (continued)

	30.6.26				31.12.25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Gross loans and advances	15,167.6	692.2	274.7	16,134.5	15,665.7	898.2	283.8	16,847.7
ECL allowance	(81.9)	(56.4)	(216.1)	(354.4)	(71.6)	(57.0)	(166.7)	(295.3)
Net loans and advances	15,085.7	635.8	58.6	15,780.1	15,594.1	841.2	117.1	16,552.4

9.2 Provisions for expected credit losses

The stage 1 and stage 2 provisions reflect the probability-weighted estimate of expected credit losses under IFRS 9. The provisions comprise both quantitative and qualitative information and analysis, based on the Group's historical experience and taking into consideration both internal and external indicators and includes forward-looking information (refer note 19).

Stage 3 provisions reflect credit-impaired provisions based on the difference between the net carrying amount and the recoverable amount of the loan.

The movements in the provisions for expected credit losses during the periods ended 30th June 2026 and 30th June 2025 are as follows:

	30.6.26				30.6.25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
At 1st January	71.6	57.0	166.7	295.3	80.4	102.5	118.7	301.6
Transfer to stage 1	0.3	(0.2)	(0.1)	-	0.3	(0.2)	(0.1)	-
Transfer to stage 2	(0.2)	0.7	(0.5)	-	(0.7)	1.6	(0.9)	-
Transfer to stage 3	(0.1)	(0.3)	0.4	-	-	(38.4)	38.4	-
Exchange rate movements	(0.1)	(0.1)	(0.2)	(0.4)	-	0.1	0.2	0.3
Net remeasurement of ECL allowance	10.4	(0.7)	68.2	77.9	(0.4)	(5.8)	30.2	24.0
Loans derecognised	-	-	(15.6)	(15.6)	-	-	-	-
Write-offs	-	-	(2.8)	(2.8)	-	-	(73.4)	(73.4)
At 30th June	81.9	56.4	216.1	354.4	79.6	59.8	113.1	252.5

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 202610 Reserves

	Compulsory reserve US\$ millions	Cash flow hedge reserve US\$ millions	Investment securities revaluation reserve US\$ millions	Defined pension reserve US\$ millions	Deferred tax and other reserve US\$ millions	Total US\$ millions
At 1st January 2026	243.5	(0.4)	(3.0)	7.5	(2.3)	245.3
<u>Net fair value changes:</u>						
Securities at FVOCI	-	-	(14.3)	-	-	(14.3)
Cash flow hedges	-	54.5	-	-	-	54.5
ECL on debt securities at FVOCI	-	-	0.1	-	-	0.1
Other movements during the period	-	(50.9)	(1.3)	(0.9)	(0.2)	(53.3)
Net increase / (decrease)	-	3.6	(15.5)	(0.9)	(0.2)	(13.0)
At 30th June 2026	243.5	3.2	(18.5)	6.6	(2.5)	232.3
At 1st January 2025	226.6	1.9	(13.1)	10.5	(3.0)	222.9
<u>Net fair value changes:</u>						
Securities at FVOCI	-	-	3.9	-	-	3.9
Cash flow hedges	-	(4.6)	-	-	-	(4.6)
ECL on debt securities at FVOCI	-	-	0.1	-	-	0.1
Other movements during the period	-	(1.9)	(0.8)	1.0	(0.1)	(1.8)
Net (decrease) / increase	-	(6.5)	3.2	1.0	(0.1)	(2.4)
At 30th June 2025	226.6	(4.6)	(9.9)	11.5	(3.1)	220.5

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTSFor the six months ended 30th June 2026**11 Derivatives and foreign exchange instruments**

The notional amounts of derivatives and foreign exchange instruments were as follows:

	Trading	Hedging	Notional amounts
	US\$ millions	US\$ millions	Total US\$ millions
At 30th June 2026			
Foreign exchange contracts:			
Unmatured spot, forward and futures contracts	7,532.5	1,110.1	8,642.6
Options purchased	316.8	-	316.8
Options written	316.8	-	316.8
	8,166.1	1,110.1	9,276.2
Interest rate contracts:			
Interest rate swaps	19,489.6	9,760.9	29,250.5
Cross currency swaps	538.0	-	538.0
Options, caps and floors purchased	2,706.3	-	2,706.3
Options, caps and floors written	2,706.3	-	2,706.3
	25,440.2	9,760.9	35,201.1
Equity and commodity contracts:			
Options and swaps purchased	162.4	-	162.4
Options and swaps written	162.4	-	162.4
	324.8	-	324.8
Credit default swaps:			
Protection purchased	34.8	-	34.8
Protection sold	34.8	-	34.8
	69.6	-	69.6
	34,000.7	10,871.0	44,871.7

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 202611 Derivatives and foreign exchange instruments (continued)

	Trading	Hedging	Notional amounts Total
	US\$ millions	US\$ millions	US\$ millions
At 31 st December 2025			
Foreign exchange contracts:			
Unmatured spot, forward and futures contracts	10,769.5	1,161.9	11,931.4
Options purchased	753.1	-	753.1
Options written	753.1	-	753.1
	<u>12,275.7</u>	<u>1,161.9</u>	<u>13,437.6</u>
Interest rate contracts:			
Interest rate swaps	18,212.5	8,476.6	26,689.1
Cross currency swaps	401.1	-	401.1
Futures	85.8	-	85.8
Options, caps and floors purchased	2,836.1	-	2,836.1
Options, caps and floors written	2,836.1	-	2,836.1
	<u>24,371.6</u>	<u>8,476.6</u>	<u>32,848.2</u>
Equity and commodity contracts:			
Options and swaps purchased	247.0	-	247.0
Options and swaps written	247.0	-	247.0
	<u>494.0</u>	<u>-</u>	<u>494.0</u>
Credit default swaps:			
Protection purchased	34.8	-	34.8
Protection sold	34.8	-	34.8
	<u>69.6</u>	<u>-</u>	<u>69.6</u>
	<u>37,210.9</u>	<u>9,638.5</u>	<u>46,849.4</u>

There is no credit risk in respect of options written as they represent obligations of the Group.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTSFor the six months ended 30th June 2026**12 Credit-related financial instruments****12.1 Composition**

	30.6.26	31.12.25
	Notional	Notional
	principal	principal
	amount	amount
	US\$ millions	US\$ millions
Direct credit substitutes	1,046.7	1,228.3
Transaction-related contingent items	3,955.2	4,065.5
Short-term self-liquidating trade-related contingent items	902.3	960.1
Commitments, including undrawn loan commitments and underwriting commitments under note issuance and revolving facilities	1,845.5	2,191.1
	7,749.7	8,445.0

The notional principal amounts reported above are stated gross before applying credit risk mitigants, such as cash collateral, guarantees and counter-indemnities. At 30th June 2026, the Group held cash collateral, guarantees, counter-indemnities or other high quality collateral in relation to credit-related contingent items amounting to US\$400.4 million (31st December 2025: US\$428.1 million).

12.2 Provisions for expected credit losses

	30.6.26				30.6.25			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
At 1st January	7.1	3.7	24.8	35.6	9.4	3.8	39.9	53.1
Transfer to stage 1	-	-	-	-	0.3	(0.3)	-	-
Transfer to stage 3	-	-	-	-	-	(0.3)	0.3	-
Exchange rate movements	-	-	(0.1)	(0.1)	0.1	-	0.1	0.2
Net remeasurement of ECL allowance	0.3	(1.0)	(10.4)	(11.1)	(2.4)	0.5	(0.3)	(2.2)
At 30th June	7.4	2.7	14.3	24.4	7.4	3.7	40.0	51.1

13 Fair value of financial instruments

The Group's financial instruments are accounted for under the historical cost method with the exception of investment securities at FVTPL, investment securities at FVOCI, derivative financial instruments and financial instruments hedged for fair value, which are accounted for at fair value. The fair value represents the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. Differences therefore can arise between book values under the historical cost method and fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms. Generally accepted methods of determining fair value include reference to quoted prices (level 1 measurement) or to the pricing prevailing for similar financial instruments (level 2 measurement) and the use of unobservable inputs in estimation techniques such as discounted cash flow analysis (level 3 measurement).

The valuation methodologies applied are outlined below.

13.1 Investment securities

The fair values of equity investment securities are based on quoted prices (level 1) or valuation techniques (level 2 or 3). The fair values of debt investment securities are based on quoted market prices (level 1). At 30th June 2026, the fair value of investment securities at amortised cost amounted to US\$10,334.4 million (31st December 2025: US\$10,032.6 million).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTSFor the six months ended 30th June 2026**13 Fair value of financial instruments (continued)****13.2 Loans and advances**

The fair values (level 2) of loans on a floating interest rate basis are principally estimated to approximate their book values. The fair values (level 3) of impaired loans are estimated at the recoverable amount, measured as the present value of expected future cash flows discounted based on the interest rate at the inception of the loan. The fair values of fixed rate loans are estimated on a discounted cash flow basis utilising discount rates equal to prevailing market rates of interest in the respective currencies for loans of similar residual maturity and credit quality. At 30th June 2026 and 31st December 2025, the fair values (level 2) approximate the carrying values.

13.3 Term financing

The fair value of term financing is based on observable market data, including quoted market prices for debt instruments issued by similarly rated financial institutions and with similar maturities, or estimated on a discounted cash flow basis utilising currently prevailing spreads for borrowings with similar maturities. At 30th June 2026 and 31st December 2025, the fair values (level 2) of senior and subordinated term financing approximate the carrying values.

13.4 Other financial on-balance sheet items

The fair values of foreign exchange and derivative financial instruments are valued using market standard techniques and using market inputs, discounted cash flow techniques or option pricing models as appropriate. At 30th June 2026 and 31st December 2025, the fair values of all other financial on-balance sheet assets and liabilities approximate their respective book values due to their short-term nature.

13.5 Credit-related contingent items

There was no material fair value excess or shortfall in respect of credit-related off-balance sheet financial instruments, which include commitments to extend credit, standby letters of credit and guarantees, as the related future income streams reflected contractual fees and commissions actually charged at the reporting date for agreements of similar credit standing and maturity. Impairment provisions made in respect of individual transactions where a potential for loss has been identified are included in provisions for the impairment of other liabilities.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 202613 Fair value of financial instruments (continued)

13.6 Valuation basis (continued)

The valuation basis for financial assets and financial liabilities carried at fair value was as follows:

	Quoted prices (level 1) US\$ millions	Valuation based on observable market data (level 2) US\$ millions	Other valuation techniques (level 3) US\$ millions
At 30th June 2026			
Financial assets:			
Investment securities - FVTPL	104.2	-	-
Investment securities - FVOCI	1,200.5	-	15.9
Derivative financial instruments	-	616.0	-
Financial liabilities:			
Derivative financial instruments	-	462.3	-
At 31st December 2025			
Financial assets:			
Investment securities - FVTPL	139.8	190.3	-
Investment securities - FVOCI	706.0	-	18.4
Derivative financial instruments	-	608.6	-
Financial liabilities:			
Derivative financial instruments	-	496.1	-

The fair value of financial instruments traded in active markets is based on quoted market prices at the consolidated statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

No transfers out of the level 3 measurement classification occurred during the periods ended 30th June 2026 and 31st December 2025. Similarly, no transfers between level 1 and level 2 measurement classifications were made during the periods ended 30th June 2026 and 31st December 2025.

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 2026**13** Fair value of financial instruments (continued)**13** Valuation basis (continued)

The movements in the level 3 category is as follows:

	<u>30.6.26</u>	<u>31.12.25</u>
	US\$ millions	US\$ millions
At 1st January	18.4	15.5
Purchases	-	4.0
Fair value movement	(2.5)	(1.1)
At 30th June	15.9	18.4

14 Segmental information

For financial reporting purposes, the Group is organised into four main operating segments:

- Wholesale banking: the provision of wholesale commercial financing and other credit facilities for corporate and institutional customers.
- Treasury: the provision of a broad range of treasury and capital market products and services to corporate and financial institution clients, money market, proprietary investment and trading activities and the management of the Group's balance sheet, including funding.
- Asset management and investment banking: the provision of asset and fund management services, and of financial advisory services relating to structured financing, privatisations, initial public offerings, and mergers and acquisitions.
- Head office and support units: income arising on the investment of the Group's trading securities and net free capital funds.

The results reported for the business segments are based on the Group's internal financial reporting systems, which report interest revenue and interest expense on a net basis. The accounting policies of the segments are the same as those applied in the preparation of these condensed interim consolidated financial statements. Transactions between business segments are conducted on normal commercial terms and conditions. Transfer pricing between the business units is based on the market cost of funds.

Segment results, assets and liabilities comprise items directly attributable to the business segments. Liabilities reported for head office and support units comprise senior and subordinated term finance facilities and related accrued interest, the cost of which is recharged to the relevant operating business segments.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 202614 Segmental information (continued)

The business segment analysis is as follows:

	Wholesale banking	Treasury	Asset management and investment banking	Head office and support units	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
Six months ended 30th June 2026					
Net interest income	123.4	75.0	1.7	61.0	261.1
Net fee and commission income	35.2	(1.6)	14.9	1.1	49.6
FX and net trading income	-	16.9	2.3	8.6	27.8
Other income	20.8	2.8	0.2	3.9	27.7
Total operating income	179.4	93.1	19.1	74.6	366.2
Segment result	24.7	63.2	(0.1)	(20.1)	67.7
Taxation and zakat charges					(5.6)
Net income after tax					62.1
At 30th June 2026					
Segment assets	15,575.2	29,506.5	31.4	793.3	45,906.4
Segment liabilities	12,210.6	21,449.6	0.6	7,981.0	41,641.8
Total equity					4,264.6
Total liabilities and equity					45,906.4
Six months ended 30th June 2025					
Net interest income	122.7	93.3	1.6	43.5	261.1
Net fee and commission income	40.1	(1.4)	22.5	1.5	62.7
FX and net trading income	-	19.8	3.6	11.7	35.1
Other income	4.2	5.9	0.1	4.2	14.4
Total operating income	167.0	117.6	27.8	60.9	373.3
Segment result	89.1	97.7	11.7	(70.7)	127.8
Taxation and zakat charges					(15.2)
Net income after tax					112.6
At 31st December 2025					
Segment assets	16,452.9	34,480.2	186.2	702.1	51,821.4
Segment liabilities	15,815.3	25,227.6	2.0	6,539.5	47,584.4
Total equity					4,237.0
Total liabilities and equity					51,821.4

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 202615 Related party transactions

The Group enters into transactions with major shareholders, senior management and companies which are controlled, jointly controlled or significantly influenced by such parties (affiliates) in the ordinary course of business at arm's length. All the loans and advances to related parties are performing and are subject to ECL assessments.

The income, expense and the period end balances in respect of related parties included in the consolidated financial statements were as follows:

	Shareholders	Affiliates	Directors and senior Management	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
<i>As at 30th June 2026</i>				
Cash and other liquid assets	-	0.8	-	0.8
Placements	-	215.0	-	215.0
Investment securities	-	1,343.3	-	1,343.3
Loans and advances	-	2,870.1	18.3	2,888.4
Other assets	-	77.8	-	77.8
Deposits	1,288.9	2,725.7	21.3	4,035.9
Other liabilities	1.2	49.3	-	50.5
Senior term financing	-	946.1	-	946.1
Commitments and contingent liabilities	-	1,120.0	4.8	1,124.8
<i>For the six months ended 30th June 2026</i>				
Net interest (expense) / income	(30.3)	47.1	-	16.8
Fee and commission income	1.1	3.4	-	4.5
Net trading and foreign exchange income	-	(2.4)	-	(2.4)
Other income	-	0.2	-	0.2
Short term employee benefits	-	-	(18.8)	(18.8)
Post-employment benefits	-	-	(1.4)	(1.4)
Long-term incentive plan	-	-	(2.5)	(2.5)
Directors' fees and related expenses	-	-	(1.7)	(1.7)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 202615 Related party transactions (continued)

	Shareholders	Affiliates	Directors and senior Management	Total
	US\$ millions	US\$ millions	US\$ millions	US\$ millions
<i>As at 31st December 2025</i>				
Cash and other liquid assets	-	0.8	-	0.8
Placements	-	352.3	-	352.3
Investment securities	-	930.6	-	930.6
Loans and advances	-	2,524.1	19.1	2,543.2
Other assets	-	58.1	-	58.1
Deposits	3,073.5	2,293.3	23.1	5,389.9
Other liabilities	2.2	423.4	-	425.6
Senior term financing	-	1,025.7	-	1,025.7
Commitments and contingent liabilities	-	1,146.1	4.8	1,150.9
<i>For the six months ended 30th June 2025</i>				
Net interest expense	(31.1)	(9.5)	-	(40.6)
Fee and commission income	0.3	3.7	-	4.0
Net trading and foreign exchange income	-	5.0	-	5.0
Short term employee benefits	-	-	(21.6)	(21.6)
Post-employment benefits	-	-	(1.0)	(1.0)
Long-term incentive plan	-	-	(1.5)	(1.5)
Directors' fees and related expenses	-	-	(2.0)	(2.0)

Senior management personnel comprise the Group Chief Executive Officer and other executive officers of the Group.

Post-employment benefits principally comprise compensation paid to personnel on retirement or resignation from the services of the Group.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 2026**16 Liquidity and capital adequacy ratios**

The Group is also required to comply with Basel 3 liquidity ratio requirements as stipulated by its lead regulator, the Central Bank of Bahrain (CBB). The LCR is calculated as a ratio of the stock of High Quality Liquid Assets (HQLA) to the net outflows over the next 30 calendar days. The NSFR is calculated as a ratio of 'available stable funding' to 'required stable funding'. At 30th June 2026, the Group's LCR and NSFR were 117.0% and 137.6% respectively, (31st December 2025: 148.6% and 137.2% respectively). The Group's total capital adequacy as of 30th June 2026 was 18.7% (31st December 2025: 17.5%).

	No specified maturity	Within 6 months	6 months to 1 year	Over 1 year	Total unweighted value	Total weighted value
	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions	US\$ millions
At 30th June 2026						
Available Stable Funding (ASF):						
<u>Capital:</u>						
Regulatory Capital	3,727.0	-	-	284.2	4,011.2	4,011.2
Other Capital Instruments	37.6	-	-	615.0	652.6	652.6
<u>Retail deposits and deposits from small business customers:</u>						
Less stable deposits	224.5	1,136.1	23.9	-	1,384.5	1,246.0
<u>Wholesale funding:</u>						
Other wholesale funding	14,229.1	18,130.6	1,280.3	5,003.3	38,643.3	15,523.3
Total ASF						21,433.1
Required Stable Funding (RSF):						
<u>Total NSFR high-quality liquid assets (HQLA)</u>						1,931.0
<u>Performing loans and securities:</u>						
Performing loans to financial institutions secured by Level 1 HQLA	-	477.8	42.4	-	520.2	69.0
Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	724.8	4,188.1	370.6	549.0	5,832.5	1,471.2
Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	7,397.6	1,233.9	4,983.3	13,614.8	8,551.6
- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	-	-	-	2,164.6	2,164.6	1,407.0
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	115.3	941.2	106.9	338.0	1,501.4	966.6
<u>Other assets:</u>						
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	81.0	-	-	81.0	68.9
NSFR derivative assets	-	222.0	-	-	222.0	222.0
NSFR derivative liabilities before deduction of variation margin posted	-	51.6	-	-	51.6	51.6
All other assets not included in the above categories	300.1	-	-	-	300.1	300.1
OBS items	-	3,471.6	1,524.4	5,709.5	10,705.5	535.3
Total RSF						15,574.3
NSFR (%)						137.6%
At 31st December 2025 - NSFR (%)						137.2%

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 2026

17 Taxation

Domestic minimum top-up tax ("DMTT")

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 1st 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 1st January 2025.

As per the Group's assessment of applicability of the Bahrain DMTT law and global anti-base erosion model (GloBE) rules, the tax liability for the fiscal year 2025 was Nil for the Bahrain resident entities as the group is expected to meet certain conditions for exclusions as specified in the Bahrain DMTT law. The Group continues to satisfy the exclusions criteria as at 30th June 2026 and no DMTT charges were booked for the period.

Taxation on income from foreign entities is provided for in accordance with the fiscal regulations of the countries in which the respective entities operate.

Change in accounting estimate - recognition of deferred tax assets

During the quarter ended 30th June 2026, the Group revised its assessment of the recoverability of certain deferred tax assets relating to tax losses carried forward in its New York, London and Oman branches. The revised assessment was based on updated management forecasts, expected future taxable profits and the anticipated utilization of accumulated tax losses in the respective jurisdictions.

As a result of this reassessment, the Group recognized a total deferred tax asset recognized / outstanding as at 30th June 2026 in respect of New York, London and Oman branches amounted to approximately US\$3.4 million.

The recognition has been accounted for prospectively as a change in accounting estimate, as it reflects a change in management's assessment of the availability of future taxable profits against which the relevant tax losses are expected to be utilized. The effect of the change has been recognized in taxation and zakat charges for the period.

The recoverability of deferred tax assets is reassessed at each reporting date and depends on the generation of sufficient future taxable profits in the relevant jurisdictions. If future taxable profits differ from management's current expectations, the carrying amount of deferred tax assets may be adjusted in future periods.

18 Fiduciary activities

The Group conducts investment management and other fiduciary activities on behalf of clients. Assets held in trust or in a fiduciary capacity are not assets of the Group and accordingly have not been included in the consolidated financial statements. The aggregate amount of the funds concerned at 30th June 2026 was US\$10,211.5 million (31st December 2025: US\$7,174.4 million).

The Group acts as fund manager to a number of investment funds. In its capacity as fund manager, the Group is entitled to performance and management fees. The Group maintains an investment in the funds.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June 2026

19 Geopolitical developments in the Middle East region

The geopolitical situation in the Middle East region which started on 28th February 2026 continues to evolve and has direct and indirect impacts on several countries across the Middle East, causing disruption to some business and economic activities. This has resulted in additional uncertainties in the economic environment.

The Group is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption it may have on its customers, operations and financial performance. The Group also continues to assess the potential business implications arising from these uncertainties, together with the effect of any support and relief measures introduced by regional governments and central banks. Based on the assessment performed up to the date of approval of these consolidated financial statements, the Group's core operations have continued without material disruption.

Impact on expected credit losses (ECL)

The Bank continues to evaluate and closely monitor the current situation through measures such as enhanced monitoring and reporting (accretive to proactive management as required). In June 2026, the Group updated the ECL models including forward-looking macroeconomic factors, economic forecasts and assumptions 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.

Management further evaluated whether the ECL model outputs appropriately captured prevailing and emerging credit risks across the Group's portfolios. This assessment included a review of the forward-looking economic assumptions and scenarios used in the estimation process, considering current and anticipated economic conditions, market trends and other relevant factors affecting the credit risk profile of the Group's wholesale financing and investment exposures.

Given the recent and rapidly evolving nature of the situation, the Group revisited the probability weightings assigned to the forward-looking macroeconomic scenarios used in the measurement of ECL to reflect the heightened uncertainty in the current environment. The revised scenario weightings applied by the Group are as follows:

	30.6.26	31.12.25
Base case	40%	50%
Optimistic case	5%	5%
Pessimistic case	55%	45%

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 30th June 2026. The economic environment remains subject to uncertainty, and the Group will continue to monitor developments and reassess the related impact as developments unfold.

Carrying values of other financial and non-financial assets

As at 30th June 2026, management has assessed the carrying values of the Group's other financial and non-financial assets, such as investments, derivatives, properties and other intangible assets, for indicators of impairment or valuation adjustments due to the current geopolitical environment. Based on the information available at the reporting date, management has concluded that the carrying values of these assets are reasonable and recognized as per the requirements of its accounting policies and do not require any further adjustments.

The Group continues to actively monitor regional and global developments and will refine its assumptions, judgments and estimates as circumstances further evolve.

20 Comparatives

Comparatives have been reclassified in order to conform with the presentation for the current period. Such reclassifications do not affect previously reported net income and total equity of the Group.