

**United Gulf Bank B.S.C. (c)**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**31 MARCH 2025 (REVIEWED)**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF UNITED GULF BANK B.S.C. (c)**

### *Introduction*

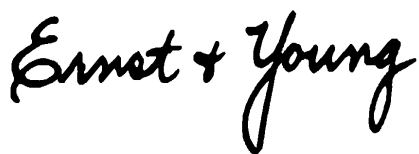
We have reviewed the accompanying interim condensed consolidated financial statements of United Gulf Bank B.S.C. (c) (the "Bank") and its subsidiaries (together, the "Group") as at 31 March 2025, comprising of the interim consolidated statement of financial position as at 31 March 2025 and the related interim consolidated statements of income, comprehensive income, cash flows and changes in equity for the three month period then ended and explanatory notes. The Board of Directors of the Bank is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 - Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### *Scope of Review*

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

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.



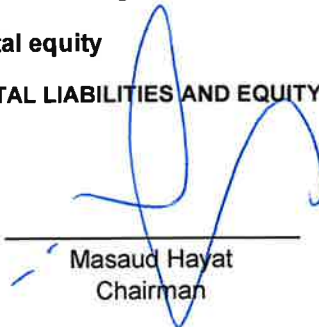
13 May 2025  
Manama, Kingdom of Bahrain

# United Gulf Bank B.S.C. (c)

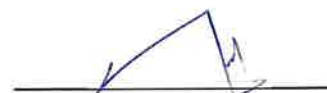
## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025 (Reviewed)

|   |             | <b>Reviewed<br/>31 March<br/>2025<br/>US\$ 000</b> | <b>Audited<br/>31 December<br/>2024<br/>US\$ 000</b> | <b>Reviewed<br/>31 March<br/>2024<br/>US\$ 000</b> |
|---|-------------|--|--|--|
|   | <i>Note</i> |  |  |  |
| <b>ASSETS</b>   |             |  |  |  |
| Demand and call deposits with banks                                     | 4           | 92,936   | 104,559  | 81,368   |
| Treasury bills  | 4           | 5,030  | 4,844  | -  |
| Placements with banks   | 4           | 82,350   | 54,749   | 72,469   |
| Investments carried at fair value through<br>profit or loss             |             | 106,723  | 106,663  | 123,593  |
| Investments carried at fair value through<br>other comprehensive income |             | 133,989  | 133,174  | 127,458  |
| Loans and receivables   |             | 6,037  | 6,149  | 19,513   |
| Other assets  |             | 59,244   | 48,937   | 63,111   |
| Investment in associates  |             | 70,974   | 68,003   | 118,410  |
| Investment properties   |             | 133,095  | 133,145  | 127,271  |
| Property and equipment  |             | 17,157   | 17,173   | 15,792   |
| Goodwill and other intangible assets                                    |             | 60,050   | 60,434   | 61,944   |
| <b>TOTAL ASSETS</b>   |             | <b>767,585</b>                                     | <b>737,830</b>                                       | <b>810,929</b>                                     |
| <b>LIABILITIES AND EQUITY</b>   |             |  |  |  |
| <b>Liabilities</b>  |             |  |  |  |
| Due to banks and other financial institutions                           |             | 112,214  | 112,078  | 111,345  |
| Deposits from customers   |             | 39,550   | 17,078   | 17,616   |
| Term loans  |             | 201,433  | 195,596  | 242,410  |
| Other liabilities   |             | 70,899   | 72,734   | 91,620   |
| <b>Total liabilities</b>  |             | <b>424,096</b>                                     | <b>397,486</b>                                       | <b>462,991</b>                                     |
| <b>Equity</b>   |             |  |  |  |
| Share capital   | 6           | 116,132  | 116,132  | 116,132  |
| Share premium   |             | 5,687  | 5,687  | 5,687  |
| Statutory reserve   |             | 54,034   | 54,034   | 54,034   |
| General reserve   |             | 3,765  | 3,765  | 3,765  |
| Fair value reserve  |             | 21,245   | 21,286   | 17,156   |
| Foreign currency translation reserve                                    |             | (4,296)  | (5,923)  | (6,236)  |
| (Accumulated deficit) / retained earnings                               |             | (3,517)  | (3,097)  | 3,318  |
| Equity attributable to shareholders of the Parent                       |             | 193,050  | 191,884  | 193,856  |
| Perpetual Additional Tier 1 Capital                                     |             | 33,000   | 33,000   | 33,000   |
| Non-controlling interests   |             | 117,439  | 115,460  | 121,082  |
| <b>Total equity</b>   |             | <b>343,489</b>                                     | <b>340,344</b>                                       | <b>347,938</b>                                     |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                     |             | <b>767,585</b>                                     | <b>737,830</b>                                       | <b>810,929</b>                                     |

  
Masaud Hayat  
Chairman

  
Faisal Al Ayyar  
Vice Chairman

  
Hussain Lalani  
Chief Executive Officer

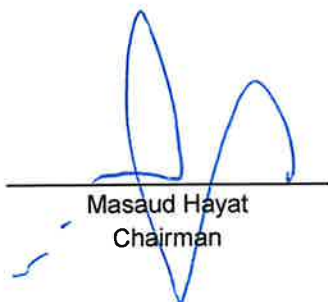
The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

United Gulf Bank B.S.C. (c)

**INTERIM CONSOLIDATED STATEMENT OF INCOME**

For the three-month period ended 31 March 2025 (Reviewed)

|   | Note | <b>Three-month period<br/>ended 31 March</b> |                 |
|---|------|--|-----------------|
|   |      | <b>2025</b>                                  | <b>2024</b>     |
|   |      | <b>US\$ 000</b>                              | <b>US\$ 000</b> |
| Interest income   |      | <b>1,731</b>                                 | 2,010           |
| Investment income - net   |      | <b>4,742</b>                                 | 6,302           |
|   |      | <b>6,473</b>                                 | 8,312           |
| Fees and commission income - net  |      | <b>11,390</b>                                | 11,814          |
| Foreign exchange gain - net   |      | <b>629</b>                                   | 435             |
| Share of results of associates  |      | <b>3,370</b>                                 | 3,634           |
| <b>Total income</b>   |      | <b>21,862</b>                                | 24,195          |
| Interest expense  |      | <b>(4,832)</b>                               | (5,628)         |
| <b>Operating income before expenses<br/>and expected credit losses</b>  |      | <b>17,030</b>                                | 18,567          |
| Salaries and benefits   |      | <b>(10,911)</b>                              | (9,944)         |
| General and administrative expenses                                     |      | <b>(5,541)</b>                               | (4,864)         |
| <b>Operating income before expected credit losses</b>                   |      | <b>578</b>                                   | 3,759           |
| Allowance for expected credit losses - net                              | 5    | <b>(81)</b>                                  | (1,036)         |
| <b>Profit before tax</b>  |      | <b>497</b>                                   | 2,723           |
| Tax expense   |      | <b>(248)</b>                                 | (286)           |
| <b>Net profit for the period</b>  |      | <b>249</b>                                   | 2,437           |
| <b>Net profit attributable to<br/>non-controlling interests</b>         |      | <b>669</b>                                   | 1,940           |
| <b>Net (loss) profit attributable to<br/>shareholders of the Parent</b> |      | <b>(420)</b>                                 | 497             |

  
Masaud Hayat  
Chairman

  
Faisal Al Ayyar  
Vice Chairman

  
Hussain Lalani  
Chief Executive Officer

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

United Gulf Bank B.S.C. (c)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025 (Reviewed)

|  | <i>Three-month period<br/>ended 31 March</i> |                 |
|--|--|-----------------|
|  | <i>2025</i>                                  | <i>2024</i>     |
|  | <i>US\$ 000</i>                              | <i>US\$ 000</i> |
| <b>Net profit for the period</b>   | <b>249</b>                                   | <b>2,437</b>    |
| <b><i>Other Comprehensive Income (OCI)</i></b>   |  |                 |
| <b><i>Items that may be reclassified to<br/>profit or loss in subsequent periods</i></b>             |  |                 |
| Foreign currency translation changes   | <b>1,717</b>                                 | 431             |
| Net change in cashflow hedges  | <b>34</b>                                    | 304             |
| <b><i>Items that will not be reclassified to<br/>profit or loss in subsequent periods</i></b>        |  |                 |
| Fair value changes of equity investments carried at<br>fair value through other comprehensive income | <b>661</b>                                   | 814             |
| Share of other comprehensive<br>income of associates   | -  | 510             |
| <b>Other comprehensive income for the period</b>   | <b>2,412</b>                                 | 2,059           |
| <b>Total comprehensive income for the period</b>   | <b>2,661</b>                                 | 4,496           |
| <b>Total comprehensive income attributable to:</b>   |  |                 |
| - Shareholders of the Parent   | <b>1,166</b>                                 | 2,095           |
| - Non-controlling interests  | <b>1,495</b>                                 | 2,401           |
|  | <b>2,661</b>                                 | 4,496           |

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

# United Gulf Bank B.S.C. (c)

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025 (Reviewed)

|  | Note | <i>Three-month period ended 31 March</i> |                 |
|--|------|--|-----------------|
|  |      | <b>2025</b>                              | <b>2024</b>     |
|  |      | <b>US\$ 000</b>                          | <b>US\$ 000</b> |
| <b>OPERATING ACTIVITIES</b>                                      |      |  |                 |
| Net profit before tax  |      | <b>497</b>                               | 2,723           |
| Adjustments for non-cash items:                                  |      |  |                 |
| Interest expense   |      | <b>4,832</b>                             | 5,628           |
| Depreciation and amortisation                                    |      | <b>1,014</b>                             | 749             |
| Interest income  |      | <b>(1,731)</b>                           | (2,010)         |
| Gain on investments carried at fair value through profit or loss |      | <b>(3,105)</b>                           | (4,262)         |
| Share of results of associates                                   |      | <b>(3,370)</b>                           | (3,634)         |
| Allowance for expected credit losses - net                       | 5    | <b>81</b>                                | 1,036           |
| Operating (loss) income before working capital changes           |      | <b>(1,782)</b>                           | 230             |
| Changes in operating assets and liabilities:                     |      |  |                 |
| Placements with banks  |      | <b>(6,053)</b>                           | (211)           |
| Investments carried at fair value through profit or loss         |      | <b>3,045</b>                             | 8,943           |
| Investments carried at fair value through OCI                    |      | <b>(1,155)</b>                           | 3,574           |
| Investments carried at amortised cost                            |      | <b>(186)</b>                             | -               |
| Loans and receivables  |      | <b>112</b>                               | 166             |
| Other assets   |      | <b>(13,286)</b>                          | 6,580           |
| Due to banks and other financial institutions                    |      | <b>136</b>                               | (10,165)        |
| Deposits from customers  |      | <b>22,472</b>                            | 1,701           |
| Other liabilities  |      | <b>1,180</b>                             | 3,026           |
| Interest received  |      | <b>4,710</b>                             | 2,834           |
| Interest paid  |      | <b>(7,697)</b>                           | (6,574)         |
| Directors' remuneration paid                                     |      | <b>(100)</b>                             | (19)            |
| Donations paid   |      | <b>(50)</b>                              | (200)           |
| Net cash flows from operating activities                         |      | <b>1,346</b>                             | 9,885           |
| <b>INVESTING ACTIVITIES</b>                                      |      |  |                 |
| Investments in associates - net                                  |      | <b>393</b>                               | (53,880)        |
| Property and equipment - net                                     |      | <b>(467)</b>                             | (862)           |
| Purchase of intangible assets                                    |      | <b>(17)</b>                              | -               |
| Net cash flows used in investing activities                      |      | <b>(91)</b>                              | (54,742)        |
| <b>FINANCING ACTIVITIES</b>                                      |      |  |                 |
| Term loans obtained  |      | <b>5,837</b>                             | 38,788          |
| Movement in non-controlling interests                            |      | <b>484</b>                               | (1,134)         |
| Net cash flows from financing activities                         |      | <b>6,321</b>                             | 37,654          |
| <b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>                   |      | <b>7,576</b>                             | (7,203)         |
| Foreign currency translation adjustments                         |      | <b>2,348</b>                             | (263)           |
| Cash and cash equivalents at 1 January                           |      | <b>159,179</b>                           | 143,374         |
| <b>CASH AND CASH EQUIVALENTS AT 31 March</b>                     | 4    | <b>169,103</b>                           | 135,908         |

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

## United Gulf Bank B.S.C. (c)

## INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2025 (Reviewed)

|                                   | Attributable to shareholders of the Parent |          |           |          |          |             |              | Perpetual  | Non-        | Total    |         |
|-----------------------------------|--|----------|-----------|----------|----------|-------------|--------------|------------|-------------|----------|---------|
|                                   | Share                                      | Share    | Statutory | General  | Fair     | Foreign     | (Accumulated | Additional | controlling | equity   |         |
|                                   | capital                                    | premium  | reserve   | reserve  | value    | currency    | deficit)     | Tier 1     | interests   |          |         |
|                                   | US\$ 000                                   | US\$ 000 | US\$ 000  | US\$ 000 | reserve  | translation | retained     | Capital    | US\$ 000    | US\$ 000 |         |
|                                   |  |          |           |          | US\$ 000 | reserve     | earnings     |            |             |          |         |
|                                   |  |          |           |          |          | US\$ 000    | US\$ 000     | Total      |             |          |         |
|                                   |  |          |           |          |          |             |              | US\$ 000   |             |          |         |
| Balance at 1 January 2025         | 116,132                                    | 5,687    | 54,034    | 3,765    | 21,286   | (5,923)     | (3,097)      | 191,884    | 33,000      | 115,460  | 340,344 |
| Net (loss) profit for the period  | -  | -        | -         | -        | -        | -           | (420)        | (420)      | -           | 669      | 249     |
| Other comprehensive (loss) income | -  | -        | -         | -        | (41)     | 1,627       | -            | 1,586      | -           | 826      | 2,412   |
| Total comprehensive (loss) income |  |          |           |          |          |             |              |            |             |          |         |
| for the period                    | -  | -        | -         | -        | (41)     | 1,627       | (420)        | 1,166      | -           | 1,495    | 2,661   |
| Other movements in                |  |          |           |          |          |             |              |            |             |          |         |
| non-controlling interests         | -  | -        | -         | -        | -        | -           | -            | -          | -           | 484      | 484     |
| Balance at 31 March 2025          | 116,132                                    | 5,687    | 54,034    | 3,765    | 21,245   | (4,296)     | (3,517)      | 193,050    | 33,000      | 117,439  | 343,489 |
| Balance at 1 January 2024         | 116,132                                    | 5,687    | 54,034    | 3,765    | 14,641   | (6,505)     | 4,007        | 191,761    | 33,000      | 119,815  | 344,576 |
| Net profit for the period         | -  | -        | -         | -        | -        | -           | 497          | 497        | -           | 1,940    | 2,437   |
| Other comprehensive income        | -  | -        | -         | -        | 1,329    | 269         | -            | 1,598      | -           | 461      | 2,059   |
| Total comprehensive income        |  |          |           |          |          |             |              |            |             |          |         |
| for the period                    | -  | -        | -         | -        | 1,329    | 269         | 497          | 2,095      | -           | 2,401    | 4,496   |
| Transfer upon disposal of equity  |  |          |           |          |          |             |              |            |             |          |         |
| investments carried at FVOCI      | -  | -        | -         | -        | 1,186    | -           | (1,186)      | -          | -           | -        | -       |
| non-controlling interests         | -  | -        | -         | -        | -        | -           | -            | -          | -           | (1,134)  | (1,134) |
| Balance at 31 March 2024          | 116,132                                    | 5,687    | 54,034    | 3,765    | 17,156   | (6,236)     | 3,318        | 193,856    | 33,000      | 121,082  | 347,938 |

The attached notes 1 to 13 form part of these interim condensed consolidated financial statements.

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

### 1 CORPORATE INFORMATION

#### 1.1 Incorporation

United Gulf Bank B.S.C. (c) ("UGB" or the "Bank") is a closed joint stock company incorporated in the Kingdom of Bahrain in 1980, under Commercial Registration number 10550 issued by the Ministry of Industry and Commerce ("MOIC"). The Bank's registered office is situated at UGB Tower, Diplomatic Area, P.O. Box 5964, Manama, Kingdom of Bahrain.

The Bank operates in the Kingdom of Bahrain under a Wholesale Banking License of Volume 1 issued by the Central Bank of Bahrain (the "CBB").

#### 1.2 Activities

The principal activities of the Bank and its subsidiaries (together, the "Group") comprise of investment and commercial banking. Investment banking activities include asset portfolio management, corporate finance, advisory, investment in quoted and private equity / funds, real estate, capital markets, international banking and treasury functions. Commercial banking activities include extending loans and other credit facilities, accepting deposits and current accounts from corporate and institutional customers.

During the period, Burgan Bank K.P.S.C ("Burgan" or the "Parent") acquired 100% shares of the Bank from United Gulf Holding Company ("UGH"). The ultimate holding company is Kuwait Projects Company Holding K.S.C.P. ("KIPCO" or the "Ultimate Parent"). Both of Burgan and KIPCO are incorporated in the State of Kuwait as a public share holding companies and are listed on the Kuwait Stock Exchange (Boursa Kuwait).

These interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 13 May 2025.

### 2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation

The interim condensed consolidated financial statements for the three-month period ended 31 March 2025 have been prepared in accordance with IAS 34 - *Interim Financial Reporting*. The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate as a going concern. The Board of Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. The Group has formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the date of approval of the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024. In addition, results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending on 31 December 2025.

Certain corresponding figures have been reclassified in order to conform to the presentation of the interim condensed consolidated financial statements for the current period. Such reclassifications did not affect previously reported net profit or total equity of the Group.

These interim condensed consolidated financial statements are reviewed, not audited.



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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

### 2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

#### 2.2 Material accounting policies

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2024, except for the adoption of new and amended standards and interpretations effective as of 1 January 2025 as stated in note 2.3. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### 2.3 New standards, interpretations and amendments adopted by the Group

One amendment applies for the first time in 2025, but does not have an impact on the interim condensed consolidated financial statements of the Group.

##### 2.3.1 Lack of exchangeability – Amendments to IAS 21

The amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments had no impact on the Group's interim condensed consolidated financial statements.

### 3 BASIS OF CONSOLIDATION

These interim condensed consolidated financial statements include the interim condensed financial statements of the Bank and its subsidiaries as at and for the three-month period ended 31 March 2025. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The basis of consolidation used in these interim condensed consolidated financial statements of the Group is consistent to the basis of consolidation used and disclosed in the annual consolidated financial statements of the Group for the year ended 31 December 2024.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

**3 BASIS OF CONSOLIDATION (continued)**

The principal subsidiaries of the Group are as follows:

| Name of the subsidiary                                    | Country of incorporation   | Ownership     |                  |
|---|----------------------------|---------------|------------------|
|   |                            | 31 March 2025 | 31 December 2024 |
| <b>Held directly</b>                                      |                            |               |                  |
| KAMCO Investment Company K.S.C.P. [KAMCO]                 | Kuwait                     | 60%           | 60%              |
| United Gulf Realty International, Ltd [UGRIL]             | The British Virgin Islands | 50%           | 50%              |
| <b>Partly held directly and partly through KAMCO</b>      |                            |               |                  |
| Manafae Investment Company                                | Kuwait                     | 54%           | 54%              |
| N.S. 88   | Bahrain                    | 77%           | 77%              |
| <b>Held through KAMCO</b>                                 |                            |               |                  |
| 1925 Investor Inc.  | Jersey                     | 100%          | 100%             |
| Al Jazi Money Market Fund                                 | Kuwait                     | 51%           | 51%              |
| Al Tadamun United Holding Company K.S.C.                  | Kuwait                     | 100%          | 96%              |
| American Boulevard Investor, Inc                          | U.S.A.                     | 100%          | 100%             |
| Bukeye Power Advisory Company L.L.C.                      | U.S.A.                     | 48%           | 48%              |
| Bukeye Power Manager Limited                              | Jersey                     | 100%          | 100%             |
| Centerstone Investor Inc.                                 | U.S.A.                     | 100%          | 100%             |
| EGLS Holdings, s.r.o.                                     | Czechia                    | 60%           | 0%               |
| First Securities Brokerage Company K.S.C.                 | Kuwait                     | 93%           | 93%              |
| HP Plaza Investor Inc.                                    | USA                        | 100%          | 100%             |
| Kamco European Logistics Company                          | Luxembourg                 | 100%          | 0%               |
| KAMCO Global Fund (formerly KAMCO GCC Opportunistic Fund) | Kuwait                     | 97%           | 97%              |
| KAMCO Investment Company Saudi                            | Saudi Arabia               | 100%          | 100%             |
| KAMCO Investment Company DIFC Limited                     | U.A.E.                     | 100%          | 100%             |
| Kamco Investment Company Ltd                              | UK                         | 100%          | 100%             |
| KAMCO MENA Plus Fixed Income Fund OEIC Ltd                | U.A.E.                     | 56%           | 56%              |
| Kubbar United Real Estate Company                         | Kuwait                     | 100%          | 100%             |
| Kuwait Private Equity Opportunity Fund                    | Kuwait                     | 73%           | 73%              |
| Lawson Lane Investor Incorporation                        | U.S.A.                     | 100%          | 100%             |
| Nawasi United Holding Company K.S.C. (Closed)             | Kuwait                     | 100%          | 96%              |
| Plans United Real Estate Co.                              | Kuwait                     | 100%          | 100%             |
| Project Plaza Investor Inc                                | U.S.A.                     | 100%          | 100%             |
| HP Plaza Investor Inc.                                    | Jersey                     | 100%          | 100%             |
| KAMCO Capital Management Ltd.                             | Oman                       | 100%          | 100%             |
| KAMCO Capital Partners Ltd.                               | Cayman Islands             | 100%          | 100%             |
| KAMCO Investment Company DIFC Limited                     | U.A.E.                     | 100%          | 100%             |
| Martley Finance GP Limited                                | Jersey                     | 100%          | 100%             |
| Martley Holdings GP Limited                               | Jersey                     | 100%          | 100%             |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 4 CASH AND CASH EQUIVALENTS

|   | <i><b>Reviewed<br/>31 March<br/>2025<br/>US\$ 000</b></i> | <i><b>Audited<br/>31 December<br/>2024<br/>US\$ 000</b></i> | <i><b>Reviewed<br/>31 March<br/>2024<br/>US\$ 000</b></i> |
|---|---|---|---|
| Demand and call deposits with banks                         | <b>92,936</b>   | 104,559   | 81,368  |
| Treasury bills  | <b>5,030</b>  | 4,844   | -   |
| Placements with banks                                       | <b>82,350</b>   | 54,749  | 72,469  |
|   | <b>180,316</b>  | 164,152   | 153,837   |
| <i>Adjusted for:</i>  |   |   |   |
| Mandatory reserves  | <b>(318)</b>  | (318)   | (318)   |
| Time deposits with original maturities of more than 90 days | <b>(10,895)</b>   | (4,655)   | (17,611)  |
| <b>Cash and cash equivalents</b>                            | <b>169,103</b>  | 159,179   | 135,908   |

## 5 MOVEMENT IN EXPECTED CREDIT LOSS (ECL)

An analysis of movement in ECL allowances during the three-month period ended 31 March 2025 is as follows:

|                                       | <i><b>Stage 1<br/>US\$ 000</b></i> | <i><b>Stage 2<br/>US\$ 000</b></i> | <i><b>Stage 3<br/>US\$ 000</b></i> | <i><b>Total<br/>US\$ 000</b></i> |
|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|----------------------------------|
| <b>As at 1 January 2025</b>           | <b>17,593</b>                      | -                                  | <b>7,830</b>                       | <b>25,423</b>                    |
| Net remeasurement of loss allowances  | <b>102</b>                         | -                                  | <b>(21)</b>                        | <b>81</b>                        |
| <b>As at 31 March 2025 (Reviewed)</b> | <b>17,695</b>                      | -                                  | <b>7,809</b>                       | <b>25,504</b>                    |

An analysis of movement in ECL allowances during the three-month period ended 31 March 2024 is as follows:

|                                       | <i><b>Stage 1<br/>US\$ 000</b></i> | <i><b>Stage 2<br/>US\$ 000</b></i> | <i><b>Stage 3<br/>US\$ 000</b></i> | <i><b>Total<br/>US\$ 000</b></i> |
|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|----------------------------------|
| As at 1 January 2024                  | 16,226                             | -                                  | 7,840                              | 24,066                           |
| Net remeasurement of loss allowances  | 1,031                              | -                                  | 5                                  | 1,036                            |
| Foreign exchange adjustments          | (20)                               | -                                  | (11)                               | (31)                             |
| <b>As at 31 March 2024 (Reviewed)</b> | <b>17,237</b>                      | -                                  | <b>7,834</b>                       | <b>25,071</b>                    |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 6 SHARE CAPITAL

|   | <b>Reviewed<br/>31 March<br/>2025<br/>US\$ 000</b> | <b>Audited<br/>31 December<br/>2024<br/>US\$ 000</b> | <b>Reviewed<br/>31 March<br/>2024<br/>US\$ 000</b> |
|---|--|--|--|
| Authorised share capital                        |  |  |  |
| Number of shares (in thousands)                 | <b>500,000</b>                                     | 500,000  | 500,000  |
| Par value (US\$)                                | <b>0.50</b>  | 0.50   | 0.50   |
| Authorised share capital (US'000)               | <b>250,000</b>                                     | 250,000  | 250,000  |
| Issued and fully paid up share capital          |  |  |  |
| Number of shares (in thousands)                 | <b>232,263</b>                                     | 232,263  | 232,263  |
| Par value (US\$)                                | <b>0.50</b>  | 0.50   | 0.50   |
| Issued and fully paid up share capital (US'000) | <b>116,132</b>                                     | 116,132  | 116,132  |

## 7 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent the Ultimate Parent, Parent, associates and joint ventures, directors and key management personnel and entities which are controlled, jointly controlled or significantly influenced by any of the above mentioned parties.

The income and expenses in respect of related party transactions included in the interim consolidated statement of income were as follows:

|                                     | <b>(Reviewed)</b><br><b>Three-month period ended 31 March 2025</b> |                   |                                      |                 |
|-------------------------------------|--|-------------------|--------------------------------------|-----------------|
|                                     | <b>Parent</b>  | <b>Associates</b> | <b>Other<br/>related<br/>parties</b> | <b>Total</b>    |
|                                     | <b>US\$ 000</b>  | <b>US\$ 000</b>   | <b>US\$ 000</b>                      | <b>US\$ 000</b> |
| Fees and commissions - net*         | <b>8</b>   | <b>263</b>        | <b>1,646</b>                         | <b>1,917</b>    |
| Rental income                       | -  | -                 | <b>274</b>                           | <b>274</b>      |
| Interest income                     | <b>2</b>   | -                 | <b>96</b>                            | <b>98</b>       |
| Interest expense                    | <b>(354)</b>   | -                 | <b>(1,154)</b>                       | <b>(1,508)</b>  |
| General and administrative expenses | <b>(8)</b>   | -                 | <b>(569)</b>                         | <b>(577)</b>    |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 7 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

|                                     | <i>(Reviewed)</i>                             |                   |                              |                 |
|-------------------------------------|---|-------------------|------------------------------|-----------------|
|                                     | <i>Three-month period ended 31 March 2024</i> |                   |                              |                 |
|                                     | <i>Parent</i>                                 | <i>Associates</i> | <i>Other related parties</i> | <i>Total</i>    |
|                                     | <i>US\$ 000</i>                               | <i>US\$ 000</i>   | <i>US\$ 000</i>              | <i>US\$ 000</i> |
| Fees and commissions - net*         | 500   | 317               | 1,581                        | 2,398           |
| Rental income                       | -   | -                 | 275                          | 275             |
| Interest income                     | -   | -                 | 88                           | 88              |
| Interest expense                    | (81)  | -                 | (1,244)                      | (1,325)         |
| General and administrative expenses | (3)   | -                 | (498)                        | (501)           |

All related party transactions are on terms that are mutually agreed between the counterparties.

\* The Bank and UGH have entered into an arrangement for service sharing between the two entities. In line with the arrangement, the Bank provides certain service to the UGH against mutually agreed service fee.

The balances with related parties included in the interim consolidated statement of financial position are as follows:

|   | <i>(Reviewed)</i>    |                   |                              |                 |
|---|----------------------|-------------------|------------------------------|-----------------|
|   | <i>31 March 2025</i> |                   |                              |                 |
|   | <i>Parent</i>        | <i>Associates</i> | <i>Other related parties</i> | <i>Total</i>    |
|   | <i>US\$ 000</i>      | <i>US\$ 000</i>   | <i>US\$ 000</i>              | <i>US\$ 000</i> |
| Demand and call deposits with banks                                   | 9,872                | -                 | 737                          | 10,609          |
| Placements with banks   | -                    | -                 | 18,454                       | 18,454          |
| Investments carried at fair value through profit or loss              | 539                  | -                 | 1,766                        | 2,305           |
| Investments carried at fair value through other comprehensive income* | -                    | -                 | 63,546                       | 63,546          |
| Loans and receivables   | -                    | -                 | 246                          | 246             |
| Other assets  | 71                   | 500               | 2,940                        | 3,511           |
| Due to banks and other financial institutions                         | (25,000)             | -                 | (58,005)                     | (83,005)        |
| Deposits from customers   | -                    | -                 | (28,602)                     | (28,602)        |
| Other liabilities   | (86)                 | -                 | (9,290)                      | (9,376)         |
| Perpetual Additional Tier 1 Capital                                   | -                    | -                 | (5,000)                      | (5,000)         |
| <i>Off statement of financial position items:</i>                     |                      |                   |                              |                 |
| Letters of guarantee  | -                    | -                 | 150                          | 150             |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

**7 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

|  | <i>(Audited)</i>        |                   |                              |                 |
|--|-------------------------|-------------------|------------------------------|-----------------|
|  | <i>31 December 2024</i> |                   |                              |                 |
|  | <i>Parent</i>           | <i>Associates</i> | <i>Other related parties</i> | <i>Total</i>    |
|  | <i>US\$ 000</i>         | <i>US\$ 000</i>   | <i>US\$ 000</i>              | <i>US\$ 000</i> |
| Demand and call deposits with banks                                  | -                       | -                 | 10,253                       | 10,253          |
| Placements with banks  | -                       | -                 | 18,422                       | 18,422          |
| Investments carried at fair value through profit or loss             | -                       | -                 | 1,725                        | 1,725           |
| Investments carried at fair value through other comprehensive income | -                       | 49                | 61,883                       | 61,932          |
| Loans and receivables  | -                       | -                 | 238                          | 238             |
| Other assets   | 234                     | 470               | 2,412                        | 3,116           |
| Due to banks and other financial institutions                        | -                       | -                 | (82,868)                     | (82,868)        |
| Deposits from customers  | (1,822)                 | -                 | (4,632)                      | (6,454)         |
| Other liabilities  | (5,101)                 | -                 | (557)                        | (5,658)         |
| Perpetual Additional Tier 1 Capital                                  | -                       | -                 | (5,000)                      | (5,000)         |
| <i>Off statement of financial position items:</i>                    |                         |                   |                              |                 |
| Letters of guarantee   | -                       | -                 | 150                          | 150             |

All related party exposures are performing as of 31 March 2025 and 31 December 2024.

Compensation of key management personnel was as follows:

|                              | <i>Three-month period ended 31 March</i> |                 |
|------------------------------|--|-----------------|
|                              | <i>2025</i>                              | <i>2024</i>     |
|                              | <i>Reviewed</i>                          | <i>Reviewed</i> |
|                              | <i>US\$ 000</i>                          | <i>US\$ 000</i> |
| Short-term employee benefits | 718                                      | 629             |
| Long-term employee benefits  | 90                                       | 107             |
|                              | <b>808</b>                               | <b>736</b>      |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 8 COMMITMENTS

The Group has the following credit and investment-related commitments:

|                                  | <b>Reviewed</b><br><b>31 March</b><br><b>2025</b><br><b>US\$ 000</b> | <i>Audited</i><br><i>31 December</i><br><i>2024</i><br><i>US\$ 000</i> | <i>Reviewed</i><br><i>31 March</i><br><i>2024</i><br><i>US\$ 000</i> |
|----------------------------------|--|--|--|
| Credit-related commitments:      |  |  |  |
| Letters of guarantee             | <b>4,415</b>   | 2,318  | 2,317  |
| Investments related commitments* | <b>1,125</b>   | 5,379  | 2,758  |
|                                  | <b>5,540</b>   | 7,697  | 5,075  |

\*Investment related commitments are Group's commitment to invest in private equity funds representing the uncalled capital by the investment managers (general partners) of various private equity funds in which the Group has made investments. The capital can be called at the investment manager's discretion.

## 9 DERIVATIVES

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments.

|   | <b>Positive fair</b><br><b>value</b><br><b>US\$ 000</b> | <b>Negative</b><br><b>fair value</b><br><b>US\$ 000</b> | <b>Notional</b><br><b>amount</b><br><b>US\$ 000</b> |
|---|---|---|---|
| <b>31 March 2025 (Reviewed)</b>   |   |   |   |
| <b>Derivatives held for trading</b>                                       |   |   |   |
| Interest rate swaps   | <b>2,027</b>  | (2,027)   | 165,000   |
| Forward foreign exchange contracts*                                       | <b>6,819</b>  | (6,386)   | 726,397   |
| <b>Derivatives used as hedge of net investments in foreign operations</b> |   |   |   |
| Forward foreign exchange contracts  | <b>2,010</b>  | (64)  | 189,815   |
| <b>Derivatives used as cash flow hedges</b>                               |   |   |   |
| Interest rate swaps   | <b>437</b>  | -   | 22,500  |
|   | <i>Positive fair</i><br><i>value</i><br><i>US\$ 000</i> | <i>Negative fair</i><br><i>value</i><br><i>US\$ 000</i> | <i>Notional</i><br><i>amount</i><br><i>US\$ 000</i> |
| <b>31 December 2024 (Audited)</b>   |   |   |   |
| <b>Derivatives held for trading</b>                                       |   |   |   |
| Interest rate swaps   | 2,369   | (2,369)   | 165,000   |
| Forward foreign exchange contracts*                                       | 2,741   | (2,288)   | 757,572   |
| <b>Derivatives used as hedge of net investments in foreign operations</b> |   |   |   |
| Forward foreign exchange contracts  | 372   | -   | 173,452   |
| <b>Derivatives used as cash flow hedges</b>                               |   |   |   |
| Interest rate swaps   | 403   | -   | 22,500  |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 9 DERIVATIVES (continued)

\* The Group uses foreign currency denominated borrowings and forward currency contracts to manage some of its transaction exposures. These currency forward contracts are not designated as cash flow, fair value or net investment in foreign operations hedges and are entered into for periods consistent with currency transaction exposures.

## 10 FINANCIAL INSTRUMENTS

The tables below summarises the accounting classification of the Group's financial assets and financial liabilities:

|   | <i>At<br/>FVTPL</i> | <i>At<br/>FVOCI</i> | <i>Amortised<br/>cost</i> | <i>Total</i>    |
|---|---------------------|---------------------|---------------------------|-----------------|
| <b>31 March 2025 (Reviewed)</b>               | <b>US\$ 000</b>     | <b>US\$ 000</b>     | <b>US\$ 000</b>           | <b>US\$ 000</b> |
| Demand and call deposits with banks           | -                   | -                   | 92,936                    | 92,936          |
| Treasury bills                                | -                   | -                   | 5,030                     | 5,030           |
| Placements with banks                         | -                   | -                   | 82,350                    | 82,350          |
| Investments carried at FVTPL                  | 106,723             | -                   | -                         | 106,723         |
| Investments carried at FVOCI                  | -                   | 133,989             | -                         | 133,989         |
| Loans and receivables                         | -                   | -                   | 6,037                     | 6,037           |
| Other assets                                  | 8,846               | 2,447               | 46,054                    | 57,347          |
| <b>Total financial assets</b>                 | <b>115,569</b>      | <b>136,436</b>      | <b>232,407</b>            | <b>484,412</b>  |
| Due to banks and other financial institutions | -                   | -                   | 112,214                   | 112,214         |
| Deposits from customers                       | -                   | -                   | 39,550                    | 39,550          |
| Term loans                                    | -                   | -                   | 201,433                   | 201,433         |
| Other liabilities                             | 8,413               | 64                  | 62,309                    | 70,786          |
| <b>Total financial liabilities</b>            | <b>8,413</b>        | <b>64</b>           | <b>415,506</b>            | <b>423,983</b>  |
|   | <i>At<br/>FVTPL</i> | <i>At<br/>FVOCI</i> | <i>Amortised<br/>cost</i> | <i>Total</i>    |
| <b>31 December 2024 (Audited)</b>             | <b>US\$ 000</b>     | <b>US\$ 000</b>     | <b>US\$ 000</b>           | <b>US\$ 000</b> |
| Demand and call deposits with banks           | -                   | -                   | 104,559                   | 104,559         |
| Treasury Bills                                | -                   | -                   | 4,844                     | 4,844           |
| Placements with banks                         | -                   | -                   | 54,749                    | 54,749          |
| Investments carried at FVTPL                  | 106,663             | -                   | -                         | 106,663         |
| Investments carried at FVOCI                  | -                   | 133,174             | -                         | 133,174         |
| Loans and receivables                         | -                   | -                   | 6,149                     | 6,149           |
| Other assets                                  | 5,110               | 775                 | 41,666                    | 47,551          |
| <b>Total financial assets</b>                 | <b>111,773</b>      | <b>133,949</b>      | <b>211,967</b>            | <b>457,689</b>  |
| Due to banks and other financial institutions | -                   | -                   | 112,078                   | 112,078         |
| Deposits from customers                       | -                   | -                   | 17,078                    | 17,078          |
| Term loans                                    | -                   | -                   | 195,596                   | 195,596         |
| Other liabilities                             | 4,657               | -                   | 67,924                    | 72,581          |
| <b>Total financial liabilities</b>            | <b>4,657</b>        | <b>-</b>            | <b>392,676</b>            | <b>397,333</b>  |

## 11 FAIR VALUE MEASUREMENT

### Fair value hierarchy

Fair value is 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.



# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 11 FAIR VALUE MEASUREMENT (continued)

### *Fair value hierarchy (continued)*

Fair values of quoted securities are derived from quoted market prices in active markets, if available. For unquoted securities, fair value is estimated using appropriate valuation techniques. Such techniques may include using recent market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

The fair values of the funds that are listed on active markets are determined by reference to their quoted bid prices. The fair values of unlisted funds are based on net asset values which are determined by the fund manager using the quoted market prices of the underlying assets, if available, or other acceptable methods such as a recent price paid by another investor or the market value of a comparable company.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

The Group uses the following hierarchy for determining and disclosing the fair value of the Group's assets and liabilities by valuation technique:

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities;

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

**Level 3:** techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows an analysis of the Group's assets and liabilities recorded at fair value by level of the fair value hierarchy at 31 March 2025 (Reviewed):

|  | <i>Level 1</i><br><i>US\$ 000</i> | <i>Level 2</i><br><i>US\$ 000</i> | <i>Level 3</i><br><i>US\$ 000</i> | <i>Total</i><br><i>US\$ 000</i> |
|--|-----------------------------------|-----------------------------------|-----------------------------------|---------------------------------|
| <b><i>Assets measured at fair value</i></b>      |                                   |                                   |                                   |                                 |
| Investments carried at FVTPL                     |                                   |                                   |                                   |                                 |
| Equities   | 19,289                            | -                                 | 9,227                             | 28,516                          |
| Debt securities                                  | 11,476                            | -                                 | 325                               | 11,801                          |
| Managed funds                                    | -                                 | 44,842                            | 21,564                            | 66,406                          |
| Investments carried at FVOCI                     |                                   |                                   |                                   |                                 |
| Equities   | 1,360                             | -                                 | 132,163                           | 133,523                         |
| Managed funds                                    | -                                 | -                                 | 466                               | 466                             |
| Investment properties                            | -                                 | -                                 | 133,095                           | 133,095                         |
| Derivatives                                      |                                   |                                   |                                   |                                 |
| Interest rate swaps                              | -                                 | 2,464                             | -                                 | 2,464                           |
| Forward foreign exchange contracts               | -                                 | 8,829                             | -                                 | 8,829                           |
|  | <b>32,125</b>                     | <b>56,135</b>                     | <b>296,840</b>                    | <b>385,100</b>                  |
| <b><i>Liabilities measured at fair value</i></b> |                                   |                                   |                                   |                                 |
| Derivatives                                      |                                   |                                   |                                   |                                 |
| Interest rate swaps                              | -                                 | 2,027                             | -                                 | 2,027                           |
| Forward foreign exchange contracts               | -                                 | 6,450                             | -                                 | 6,450                           |
|  | <b>-</b>                          | <b>8,477</b>                      | <b>-</b>                          | <b>8,477</b>                    |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 11 FAIR VALUE MEASUREMENT (continued)

### Fair value hierarchy (continued)

The following table shows an analysis of the Group's assets and liabilities recorded at fair value by level of the fair value hierarchy at 31 December 2024 (Audited):

|   | Level 1<br>US\$ 000 | Level 2<br>US\$ 000 | Level 3<br>US\$ 000 | Total<br>US\$ 000 |
|---|---------------------|---------------------|---------------------|-------------------|
| <i>Assets measured at fair value</i>      |                     |                     |                     |                   |
| <i>Investments carried at FVTPL</i>       |                     |                     |                     |                   |
| Equities                                  | 14,892              | -                   | 15,571              | 30,463            |
| Debt securities                           | 11,638              | -                   | 325                 | 11,963            |
| Managed funds                             | -                   | 40,627              | 23,610              | 64,237            |
| <i>Investments carried at FVOCI</i>       |                     |                     |                     |                   |
| Equities                                  | 837                 | -                   | 131,863             | 132,700           |
| Managed funds                             | -                   | -                   | 474                 | 474               |
| Investment properties                     | -                   | -                   | 133,145             | 133,145           |
| <i>Derivatives</i>                        |                     |                     |                     |                   |
| Interest rate swaps                       | -                   | 2,772               | -                   | 2,772             |
| Forward foreign exchange contracts        | -                   | 3,113               | -                   | 3,113             |
|   | <u>27,367</u>       | <u>46,512</u>       | <u>304,988</u>      | <u>378,867</u>    |
| <i>Liabilities measured at fair value</i> |                     |                     |                     |                   |
| <i>Derivatives</i>                        |                     |                     |                     |                   |
| Interest rate swaps                       | -                   | 2,369               | -                   | 2,369             |
| Forward foreign exchange contracts        | -                   | 2,288               | -                   | 2,288             |
|   | <u>-</u>            | <u>4,657</u>        | <u>-</u>            | <u>4,657</u>      |

The fair values of financial instruments carried at amortised cost are not significantly different from their carrying values included in the interim condensed consolidated financial statements.

### Transfers between Level 1, Level 2 and Level 3

The following table shows a reconciliation of the opening and closing amount of Level 3 financial instruments and other assets, which are recorded at fair value:

|                                     | As at<br>1 January<br>2025<br>US\$'000 | Net<br>purchases,<br>sales,<br>transfer and<br>settlement<br>US\$'000 | Gain (loss)<br>recognised<br>in the<br>consolidated<br>statement<br>of income<br>US\$'000 | Gain (loss)<br>recognised<br>in OCI<br>US\$'000 | As at<br>31 March<br>2025<br>(Reviewed)<br>US\$'000 |
|-------------------------------------|--|---|---|---|---|
| <i>Investments carried at FVTPL</i> |  |   |   |   |   |
| Equities                            | 15,571                                 | (6,374)   | 30  | -   | 9,227   |
| Debt securities                     | 325                                    | -   | -   | -   | 325   |
| Managed funds                       | 23,610                                 | (1,385)   | (661)   | -   | 21,564  |
|                                     | <u>39,506</u>                          | <u>(7,759)</u>  | <u>(631)</u>  | <u>-</u>  | <u>31,116</u>                                       |
| <i>Investments carried at FVOCI</i> |  |   |   |   |   |
| Equities                            | 131,863                                | 26  | -   | 274   | 132,163   |
| Managed funds                       | 474                                    | 1   | -   | (9)   | 466   |
|                                     | <u>132,337</u>                         | <u>27</u>   | <u>-</u>  | <u>265</u>                                      | <u>132,629</u>                                      |
| Investment properties               | <u>133,145</u>                         | <u>-</u>  | <u>(50)</u>   | <u>-</u>  | <u>133,095</u>                                      |

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

## 11 FAIR VALUE MEASUREMENT (continued)

### Transfers between Level 1, Level 2 and Level 3 (continued)

|                                     | As at<br>1 January<br>2024<br>US\$'000 | Net<br>purchases,<br>sales,<br>transfer and<br>settlement<br>US\$'000 | Gain (loss)<br>recognised<br>in the<br>consolidated<br>statement<br>of income<br>US\$'000 | Loss<br>recognised<br>in OCI<br>US\$'000 | As at<br>31 March<br>2024<br>(Reviewed)<br>US\$'000 |
|-------------------------------------|--|---|---|--|---|
| <i>Investments carried at FVTPL</i> |  |   |   |  |   |
| Equities                            | 26,449                                 | (7,881)   | 207   | -  | 18,775  |
| Debt securities                     | 326                                    | -   | -   | -  | 326   |
| Managed funds                       | 19,430                                 | 2,234   | (58)  | -  | 21,606  |
|                                     | <u>46,205</u>                          | <u>(5,647)</u>  | <u>149</u>  | <u>-</u>                                 | <u>40,707</u>                                       |
| <i>Investments carried at FVOCI</i> |  |   |   |  |   |
| Equities                            | 128,316                                | (2,011)   | -   | (309)                                    | 125,996   |
| Managed funds                       | 93                                     | 376   | -   | (2)                                      | 467   |
|                                     | <u>128,409</u>                         | <u>(1,635)</u>  | <u>-</u>  | <u>(311)</u>                             | <u>126,463</u>                                      |
| Investment properties               | <u>127,388</u>                         | <u>-</u>  | <u>(117)</u>  | <u>-</u>                                 | <u>127,271</u>                                      |

## 12 REGULATORY RATIOS

### Net Stable Funding Ratio ("NSFR")

The NSFR ratio is calculated in accordance with the Liquidity Risk Management Module guidelines, issued by the CBB. The minimum NSFR ratio limit as per CBB is 100%. The Group's consolidated NSFR as of 31 March 2025 is 108.0% (31 December 2024: 109.1%).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

**12 REGULATORY RATIOS (continued)****Net Stable Funding Ratio ("NSFR") (continued)**

42% (2024: 42%) of the total available stable funding is made up of the Group's capital base with 42% (2024: 42%) comprising of other deposits and funding from financial institutions and 14% (2024: 15%) comprising of other liabilities.

The Group's required stable funding comprises of 89% (2024: 91%) assets that have no specified maturity, 7% (2024: 6%) that have contractual maturities of less than 6 months, and 0% (2024: 1%) non-HQLA (the "High Quality Liquid Assets") assets (after application of risk weights).

|  | 31 March 2025 (Reviewed)                |                                   |  |                              |  |
|--|---|-----------------------------------|--|------------------------------|--|
|  | Unweighted values                       |                                   |  |                              |  |
|  | No<br>specified<br>maturity<br>US\$ 000 | Less than<br>6 months<br>US\$ 000 | More<br>than 6<br>months<br>and less<br>than one<br>year<br>US\$ 000 | Over one<br>year<br>US\$ 000 | Total<br>weighted<br>value<br>US\$ 000 |
| <b>Available Stable Funding (ASF)</b>  |   |                                   |  |                              |  |
| Capital  | 260,914                                 | -                                 | -  | 19,223                       | 280,137                                |
| Secured and unsecured funding  | -                                       | 39,281                            | -  | 355                          | 19,995                                 |
| Other deposits and funding<br>from financial institutions  | -                                       | 31,362                            | 5,602  | 276,683                      | 279,483                                |
| Other liabilities  | -                                       | -                                 | -  | 92,536                       | 92,536                                 |
| <b>Total ASF</b>   | <b>260,914</b>                          | <b>70,643</b>                     | <b>5,602</b>   | <b>388,797</b>               | <b>672,151</b>                         |
| <b>Required Stable Funding (RSF)</b>   |   |                                   |  |                              |  |
| Unencumbered Level 2B HQLA   | 29,233                                  | -                                 | -  | -                            | 14,617                                 |
| Unencumbered Non-HQLA securities that<br>are not in default and exchange-traded<br>equities in cases where the issuer is<br>not in default | -                                       | -                                 | 6,037  | -                            | 3,019                                  |
| Loans  | -                                       | 90,317                            | -  | -                            | 13,548                                 |
| Deposits held at other financial institutions<br>for operational purposes  | -                                       | 63,877                            | -  | 18,473                       | 50,411                                 |
| All other assets including fixed assets,<br>items deducted from regulatory capital,<br>insurance assets and defaulted securities           | 540,827                                 | -                                 | -  | -                            | 540,827                                |
| <i>Off-Balance Sheet exposures</i>   |   |                                   |  |                              |  |
| Trade finance-related obligations (including<br>guarantees and letters of credit)  | 2,074                                   | -                                 | -  | -                            | 104                                    |
| <b>Total RSF</b>   | <b>572,134</b>                          | <b>154,194</b>                    | <b>6,037</b>   | <b>18,473</b>                | <b>622,526</b>                         |
| <b>NSFR (%)</b>  |   |                                   |  |                              | <b>108.0%</b>                          |

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (Reviewed)

**12 REGULATORY RATIOS (continued)****Net Stable Funding Ratio ("NSFR") (continued)**

|   | 31 December 2024 (Audited)        |                                |   |                           |                                  |
|---|-----------------------------------|--------------------------------|---|---------------------------|----------------------------------|
|   | Unweighted values                 |                                |   |                           |                                  |
|   | No specified maturity<br>US\$ 000 | Less than 6 months<br>US\$ 000 | More than 6 months and less than one year<br>US\$ 000 | Over one year<br>US\$ 000 | Total weighted value<br>US\$ 000 |
| Available Stable Funding (ASF)  |                                   |                                |   |                           |                                  |
| Capital   | 256,788                           | -                              | -   | 17,391                    | 274,179                          |
| Secured and unsecured funding   | -                                 | 12,503                         | -   | 4,575                     | 10,827                           |
| Other deposits and funding from financial institutions  | -                                 | 29,581                         | 16,278  | 261,815                   | 269,954                          |
| Other liabilities   | -                                 | -                              | -   | 94,698                    | 94,698                           |
| Total ASF   | 256,788                           | 42,084                         | 16,278  | 378,479                   | 649,658                          |
| Required Stable Funding (RSF)   |                                   |                                |   |                           |                                  |
| Unencumbered Level 2B HQLA  | 35,867                            | -                              | -   | -                         | 17,933                           |
| Unencumbered Non-HQLA securities that are not in default and exchange-traded equities in cases where the issuer is not in default | -                                 | -                              | 6,149   | -                         | 3,074                            |
| Loans   | -                                 | 101,940                        | -   | -                         | 15,291                           |
| Deposits held at other financial institutions for operational purposes  | -                                 | 36,327                         | -   | 18,422                    | 36,585                           |
| All other assets including fixed assets, items deducted from regulatory capital, insurance assets and defaulted securities        | 522,755                           | -                              | -   | -                         | 522,755                          |
| Off-Balance Sheet exposures   |                                   |                                |   |                           |                                  |
| Trade finance-related obligations (including guarantees and letters of credit)  | 2,074                             | -                              | -   | -                         | 104                              |
| Total RSF   | 560,696                           | 138,267                        | 6,149   | 18,422                    | 595,742                          |
| NSFR (%)  |                                   |                                |   |                           | 109.1%                           |

**13 SUBSEQUENT EVENTS**

In an Extraordinary General Meeting (the "EGM") held on 6 May 2025, the shareholders approved increasing the issued and paid up share capital of the Bank from the amount of US\$ 116,131,520.50 to the amount of US\$ 196,131,520.50, by issuing 160,000,000 new ordinary shares, of nominal value of US\$ 0.50 each, to be fully subscribed and settled entirely by the Parent, in cash, subject to the approval of the Central Bank of Bahrain and the Ministry of Industry and Commerce.

Subsequent to the reporting period, the Group received a settlement amounting to QAR 60 million (US\$ 16.5 million) in relation to a legal case that had been ongoing for several years, wherein the Qatari courts have issued a final and non-appealable judgment in favor of the Group.