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

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2026

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with confidence

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

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

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

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.

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

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

Report on other Legal and Regulatory Requirements (continued)

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

SHEIKHA AL FULAIJ	ALI B. AL-WAZZAN
LICENCE NO. 289 A	LICENCE NO. 246 A
EY	DELOITTE & TOUCHE
(AL AIBAN, AL OSAIMI & PARTNERS)	AL-WAZZAN & CO.

29 July 2026
Kuwait

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2026

	Notes	*30 June 2026 KD 000*	*(Audited) 31 December 2025 KD 000*	*30 June 2025 KD 000*
ASSETS				
Cash and balances with banks		**789,677**	790,404	1,017,759
Kuwait Government treasury bonds		**236,855**	159,000	30,000
Central Bank of Kuwait bonds		**-**	16,772	77,625
Loans and advances	4	**4,923,912**	4,565,690	4,717,181
Investment securities	5	**1,012,454**	1,100,150	1,040,586
Investment in an associate		**35,611**	35,482	33,788
Premises and equipment		**113,287**	111,987	109,468
Intangible assets		**5,222**	5,442	5,289
Other assets		**154,030**	140,180	154,476
TOTAL ASSETS		**7,271,048**	6,925,107	7,186,172
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks and other financial institutions		**1,196,222**	1,107,861	1,336,922
Customers' deposits		**4,334,979**	4,071,697	4,315,162
Certificates of deposit		**134,907**	151,387	-
Other borrowed funds		**637,068**	632,772	587,967
Other liabilities		**176,584**	186,807	217,663
TOTAL LIABILITIES		**6,479,760**	6,150,524	6,457,714
EQUITY				
Share capital	7	**274,865**	261,776	261,776
Share premium		**158,897**	158,897	158,897
Treasury shares	7	**(5,135)**	(5,135)	(5,135)
Reserves		**268,935**	265,624	219,837
EQUITY ATTRIBUTABLE TO SHAREHOLDERS' OF THE BANK		**697,562**	681,162	635,375
Perpetual Tier 1 Capital Securities	7	**91,560**	91,560	91,560
Non-controlling interests		**2,166**	1,861	1,523
TOTAL EQUITY		**791,288**	774,583	728,458
TOTAL LIABILITIES AND EQUITY		**7,271,048**	6,925,107	7,186,172

Talal Mohamed Reza Behbehani
Chairman

Giel-Jan Van Der Tol
Group Chief Executive Officer

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

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)
For the period ended 30 June 2026

	Notes	*Three months ended 30 June* **2026** **KD 000**	*Three months ended 30 June* 2025 KD 000	*Six months ended 30 June* **2026** **KD 000**	*Six months ended 30 June* 2025 KD 000
Interest income		**118,458**	124,782	**235,424**	245,791
Interest expense		**(74,398)**	(85,382)	**(149,252)**	(170,633)
NET INTEREST INCOME		**44,060**	39,400	**86,172**	75,158
Net fees and commission income		**10,511**	11,341	**19,691**	21,288
Net foreign exchange gain		**3,149**	615	**6,097**	2,526
Net gain on investment securities		**1,908**	970	**2,897**	1,443
Dividend income		**828**	527	**1,452**	1,477
Share of results from an associate		**1,128**	1,229	**1,729**	1,954
Other operating income	8	**671**	4,355	**1,178**	4,980
OPERATING INCOME		**62,255**	58,437	**119,216**	108,826
Staff expenses		**(15,853)**	(14,053)	**(30,044)**	(27,131)
Other operating expenses		**(9,284)**	(9,255)	**(18,004)**	(15,864)
Depreciation and amortisation		**(1,656)**	(1,456)	**(3,321)**	(2,892)
OPERATING EXPENSES		**(26,793)**	(24,764)	**(51,369)**	(45,887)
OPERATING PROFIT BEFORE PROVISIONS AND IMPAIRMENT		**35,462**	33,673	**67,847**	62,939
Provision / impairment losses	9	**(11,505)**	(14,131)	**(20,756)**	(25,221)
OPERATING PROFIT FOR THE PERIOD BEFORE TAXATION		**23,957**	19,542	**47,091**	37,718
Taxation	10	**(4,920)**	(3,399)	**(9,805)**	(5,804)
NET PROFIT FOR THE PERIOD		**19,037**	16,143	**37,286**	31,914
Attributable to:					
Shareholders' of the Bank		**18,938**	16,044	**37,091**	31,732
Non-controlling interests		**99**	99	**195**	182
		19,037	16,143	**37,286**	31,914
BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE SHAREHOLDERS' OF THE BANK	11	**6 fils**	6 fils	**12 fils**	11 fils

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period ended 30 June 2026

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD 000	*KD 000*	***KD 000***	*KD 000*
Net profit for the period	**19,037**	16,143	**37,286**	31,914
Items that will not be reclassified subsequently to interim condensed consolidated income statement:				
Equity instruments at fair value through other comprehensive income:				
- Effect of net changes in fair value	**16,697**	1,905	**15,084**	1,011
	16,697	1,905	**15,084**	1,011
Items that are or may be reclassified subsequently to interim condensed consolidated income statement:				
Debt instruments at fair value through other comprehensive income:				
- Effect of net changes in fair value	**2,364**	(1,649)	**(2,418)**	2,237
- Expected credit loss (release) charge on other financial assets	**-**	(43)	**4**	(33)
- Recycling of net (gain) loss on sale	**(154)**	176	**(2,016)**	176
	2,210	(1,516)	**(4,430)**	2,380
Foreign currency translation:				
- Exchange difference on translation of foreign operations	**9,357**	899	**(2,180)**	7
	11,567	(617)	**(6,610)**	2,387
Other comprehensive income for the period	**28,264**	1,288	**8,474**	3,398
Total comprehensive income for the period	**47,301**	17,431	**45,760**	35,312
Attributable to:				
Shareholders' of the Bank	**46,877**	17,295	**45,401**	35,109
Non-controlling interests	**424**	136	**359**	203
	47,301	17,431	**45,760**	35,312

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period ended 30 June 2026

	Attributable to shareholders' of the Bank													
				Reserves										
	Share capital KD 000	*Share premium KD 000*	*Treasury shares KD 000*	*Statutory reserve KD 000*	*Voluntary reserve KD 000*	*Treasury shares reserve KD 000*	*Other reserves (Note 7) KD 000*	*Cumulative changes in fair value KD 000*	*Retained earnings KD 000*	*Total reserves KD 000*	*Total KD 000*	*Perpetual Tier 1 Capital Securities KD 000*	*Non-controlling interests KD 000*	*Total equity KD 000*
Balance as at 1 January 2026	**261,776**	**158,897**	**(5,135)**	**103,750**	**82,075**	**8,065**	**(52,440)**	**30,120**	**94,054**	**265,624**	**681,162**	**91,560**	**1,861**	**774,583**
Net profit for the period	-	-	-	-	-	-	-	-	**37,091**	**37,091**	**37,091**	-	**195**	**37,286**
Other comprehensive (loss) income for the period	-	-	-	-	-	-	**(2,151)**	**10,461**	-	**8,310**	**8,310**	-	**164**	**8,474**
Total comprehensive (loss) income for the period	-	-	-	-	-	-	**(2,151)**	**10,461**	**37,091**	**45,401**	**45,401**	-	**359**	**45,760**
Bonus shares issued (Note 7)	**13,089**	-	-	-	-	-	-	-	**(13,089)**	**(13,089)**	-	-	-	-
Dividend paid (Note 7)	-	-	-	-	-	-	-	-	**(26,008)**	**(26,008)**	**(26,008)**	-	-	**(26,008)**
Interest payment on Perpetual Tier 1 Capital Securities	-	-	-	-	-	-	-	-	**(2,993)**	**(2,993)**	**(2,993)**	-	-	**(2,993)**
Dividend paid to non-controlling interest by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	**(54)**	**(54)**
Balance as at 30 June 2026	**274,865**	**158,897**	**(5,135)**	**103,750**	**82,075**	**8,065**	**(54,591)**	**40,581**	**89,055**	**268,935**	**697,562**	**91,560**	**2,166**	**791,288**

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

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

For the period ended 30 June 2026

	Attributable to shareholders' of the Bank													
				Reserves										
	Share capital KD 000	*Share premium KD 000*	*Treasury shares KD 000*	*Statutory reserve KD 000*	*Voluntary reserve KD 000*	*Treasury shares reserve KD 000*	*Other reserves (Note 7) KD 000*	*Cumulative changes in fair value KD 000*	*Retained earnings KD 000*	*Total reserves KD 000*	*Total KD 000*	*Perpetual Tier 1 Capital securities KD 000*	*Non-controlling interests KD 000*	*Total equity KD 000*
Balance as at 1 January 2025	249,311	158,897	(5,135)	97,338	82,075	8,065	(55,505)	11,927	81,068	224,968	628,041	91,560	1,320	720,921
Net profit for the period	-	-	-	-	-	-	-	-	31,732	31,732	31,732	-	182	31,914
Other comprehensive income for the period	-	-	-	-	-	-	7	3,370	-	3,377	3,377	-	21	3,398
Total comprehensive income for the period	-	-	-	-	-	-	7	3,370	31,732	35,109	35,109	-	203	35,312
Bonus shares issued (Note 7)	12,465	-	-	-	-	-	-	-	(12,465)	(12,465)	-	-	-	-
Dividend paid (Note 7)	-	-	-	-	-	-	-	-	(24,770)	(24,770)	(24,770)	-	-	(24,770)
Interest payment on Perpetual Tier 1 Capital Securities	-	-	-	-	-	-	-	-	(3,005)	(3,005)	(3,005)	-	-	(3,005)
Transfer due to derecognition of equity investments at FVOCI	-	-	-	-	-	-	-	77	(77)	-	-	-	-	-
Balance as at 30 June 2025	261,776	158,897	(5,135)	97,338	82,075	8,065	(55,498)	15,374	72,483	219,837	635,375	91,560	1,523	728,458

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the period ended 30 June 2026

	Note	*Six months ended 30 June* 2026	
		2026	*2025*
		KD 000	*KD 000*
OPERATING ACTIVITIES			
Profit for the period before taxation		**47,091**	37,718
Adjustments for:			
Net gain on sale of investment securities		**(2,062)**	(707)
Dividend income		**(1,452)**	(1,477)
Share of results from an associate		**(1,729)**	(1,954)
Depreciation and amortisation		**3,321**	2,892
Provision / impairment losses	9	**20,756**	25,221
Operating profit before changes in operating assets and liabilities		**65,925**	61,693
Changes in operating assets and liabilities:			
Deposits with banks		**(53,123)**	37,291
Kuwait Government treasury bonds		**(77,855)**	(25,000)
Central Bank of Kuwait bonds		**16,772**	3,828
Investments at fair value through profit or loss		**(3,718)**	(4,513)
Loans and advances		**(399,232)**	89,881
Other assets		**(16,584)**	(9,851)
Due to banks and other financial institutions		**88,739**	(177,339)
Customers' deposits		**284,247**	(92,740)
Certificates of deposit		**(16,480)**	-
Other liabilities		**(3,151)**	22,677
Taxes paid		**(12,127)**	(7,747)
Net cash flows used in operating activities		**(126,587)**	(101,820)
INVESTING ACTIVITIES			
Purchase of investment securities		**(471,563)**	(245,040)
Proceeds from sale/redemption of investment securities		**572,982**	338,538
Dividend received from investment in an associate		**1,600**	1,600
Net purchase of premises and equipment		**(4,925)**	(3,721)
Dividend income received		**1,452**	1,477
Net cash flows from investing activities		**99,546**	92,854
FINANCING ACTIVITIES			
Interest paid on Tier 1 Capital Securities		**(2,993)**	(3,005)
Dividend paid		**(26,008)**	(24,770)
Syndicated borrowings		**-**	53,944
Net cash flows (used in) from financing activities		**(29,001)**	26,169
Foreign currency translation difference		**2,126**	(4,292)
Net (decrease) increase in cash and cash equivalents		**(53,916)**	12,911
Cash and cash equivalents as at 1 January		**669,594**	888,055
Cash and cash equivalents as at 30 June		**615,678**	900,966
Cash and cash equivalents comprise:			
Cash in hand and in current account with other banks		**54,465**	60,586
Balances and deposits with the Central Banks (original maturity not exceeding thirty days)		**291,988**	557,469
Deposits with banks (original maturity not exceeding thirty days)		**269,225**	282,911
		615,678	900,966

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

1 INCORPORATION AND REGISTRATION

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

The interim condensed consolidated financial information of the Bank and its subsidiaries (collectively the "Group") for the period ended 30 June 2026 were authorised for issue by the Bank's Board of Directors on 12 July 2026.

2 BASIS OF PREPARATION

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

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

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

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

The interim condensed consolidated financial information does not contain all information and disclosures required for full financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. Further, results for the six months period ended 30 June 2026, are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2.1 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the previous financial year, except for the new standards and amendments to IFRS Accounting Standards which are effective for annual accounting period starting from 1 January 2026 and for those mentioned in Note 2.2. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

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

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

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

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

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

Other than the above, there are no other significant IFRS Accounting Standards, amendments or interpretations that were effective for the first time for the financial year beginning on or after 1 January 2026.

2.2 CASH SETTLED SHARE BASED COMPENSATION

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

2.3 USE OF ESTIMATES AND JUDGMENTS

The preparation of these interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, accompanying disclosures, including disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability in the future periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

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

3 SEGMENTAL INFORMATION

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

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

3 SEGMENTAL INFORMATION (continued)

Segmental information for the six months period ended and as at 30 June is as follows:

	Commercial banking KD 000	***Retail and Private banking KD 000***	***Treasury and Investments KD 000***	***Total KD 000***
2026				
Net interest income	**35,767**	**31,950**	**18,455**	**86,172**
Operating income	**52,001**	**40,009**	**27,206**	**119,216**
Segment results	**28,454**	**19,623**	**20,497**	**68,574**
Unallocated expense				**(21,483)**
Profit for the period before taxation				**47,091**
Segment assets	**4,145,142**	**946,565**	**2,025,708**	**7,117,415**
Unallocated assets				**153,633**
Total assets				**7,271,048**
Segment liabilities	**1,330,419**	**2,314,044**	**2,749,243**	**6,393,706**
Unallocated liabilities				**86,054**
Total liabilities				**6,479,760**

	Commercial banking KD 000	*Retail and Private banking KD 000*	*Treasury and Investments KD 000*	*Total KD 000*
2025				
Net interest income	34,673	30,180	10,305	75,158
Operating income	55,860	39,901	13,065	108,826
Segment results	27,958	18,278	8,868	55,104
Unallocated expense				(17,386)
Profit for the period before taxation				37,718
Segment assets	3,945,375	928,366	2,160,885	7,034,626
Unallocated assets				151,546
Total assets				7,186,172
Segment liabilities	1,266,443	2,588,334	2,517,349	6,372,126
Unallocated liabilities				85,588
Total liabilities				6,457,714

3 SEGMENTAL INFORMATION (continued)

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

	2026	*2025*
	KD 000	*KD 000*
Operating income	**50,099**	43,210
Segment assets	**2,894,115**	2,669,640

4 LOANS AND ADVANCES

	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
	KD 000	*KD 000*	*KD 000*
Loans and advances	**5,225,487**	4,889,141	5,053,739
Provision for credit losses as per CBK instructions	**(301,575)**	(323,451)	(336,558)
	4,923,912	4,565,690	4,717,181

The available provision on non-cash facilities of KD 27,382 thousand (31 December 2025: KD 27,358 thousand,30 June 2025: KD 24,648 thousand) is included under other liabilities.

Expected Credit Losses (ECL) on credit facilities determined under IFRS 9 according to CBK guidelines amounted to KD 133,288 thousand as at 30 June 2026 (31 December 2025: KD 136,198 thousand; 30 June 2025: KD 143,072 thousand), which is lower than the provision of KD 328,957 thousand for credit losses under the CBK Instructions as at 30 June 2026 (31 December 2025: KD 350,809 thousand; 30 June 2025: KD 361,206 thousand).

4 LOANS AND ADVANCES (continued)

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

30 June 2026	***Stage 1 KD 000***	***Stage 2 KD 000***	***Stage 3 KD 000***	***Total KD 000***
Loans and advances				
Corporate	**4,204,327**	**157,651**	**48,857**	**4,410,835**
Retail	**776,550**	**22,482**	**15,620**	**814,652**
	4,980,877	**180,133**	**64,477**	**5,225,487**
Commitments and contingent liabilities (Note 12)	**1,991,409**	**31,608**	**31,595**	**2,054,612**
Gross Credit Facilities	**6,972,286**	**211,741**	**96,072**	**7,280,099**
ECL on cash facilities				
Corporate	**21,368**	**7,114**	**34,772**	**63,254**
Retail	**18,447**	**1,555**	**15,485**	**35,487**
ECL on non-cash facilities	**4,513**	**3,052**	**26,982**	**34,547**
Total ECL	**44,328**	**11,721**	**77,239**	**133,288**

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

4 LOANS AND ADVANCES (continued)

30 June 2025	*Stage 1* *KD 000*	*Stage 2* *KD 000*	*Stage 3* *KD 000*	*Total* *KD 000*
Loans and advances				
Corporate	3,986,206	190,270	51,201	4,227,677
Retail	795,314	15,431	15,317	826,062
	4,781,520	205,701	66,518	5,053,739
Commitments and contingent liabilities (Note 12)	2,015,996	40,000	12,365	2,068,361
Gross Credit Facilities	6,797,516	245,701	78,883	7,122,100
ECL on cash facilities				
Corporate	18,079	25,792	39,983	83,854
Retail	18,729	1,281	15,148	35,158
ECL on non-cash facilities	5,829	6,234	11,997	24,060
Total ECL	42,637	33,307	67,128	143,072

The ECL movement for the period is as follows:

30 June 2026	***Stage 1*** ***KD 000***	***Stage 2*** ***KD 000***	***Stage 3*** ***KD 000***	***Total*** ***KD 000***
Opening balance of ECL as at 1 January	**38,935**	**20,762**	**76,501**	**136,198**
Net ECL movement for the period	**5,393**	**(9,041)**	**43,596**	**39,948**
Amounts written-off net of recovery	**-**	**-**	**(42,858)**	**(42,858)**
Closing balance of ECL as at 30 June	**44,328**	**11,721**	**77,239**	**133,288**

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

30 June 2025	*Stage 1* *KD 000*	*Stage 2* *KD 000*	*Stage 3* *KD 000*	*Total* *KD 000*
Opening balance of ECL as at 1 January	40,809	42,024	66,376	149,209
Net ECL movement for the period	1,828	(8,717)	15,255	8,366
Amounts written-off net of recovery	-	-	(14,503)	(14,503)
Closing balance of ECL as at 30 June	42,637	33,307	67,128	143,072

5 INVESTMENT SECURITIES

	30 June 2026 KD 000	*(Audited) 31 December 2025 KD 000*	*30 June 2025 KD 000*
Fair value through other comprehensive income (FVOCI)	**733,065**	781,346	740,212
Amortised cost (AC)	**254,518**	297,556	282,473
Fair value through profit or loss (FVTPL)	**24,871**	21,248	17,901
	1,012,454	1,100,150	1,040,586

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

	30 June 2026 KD 000		*(Audited) 31 December 2025 KD 000*		*30 June 2025 KD 000*	
	FVTPL	***FVOCI***	*FVTPL*	*FVOCI*	*FVTPL*	*FVOCI*
Level 1:						
Equity	**-**	**36,085**	-	19,679	-	11,472
Debt securities						
- Government	**-**	**371,658**	-	396,615	-	407,687
- Non-Government	**-**	**84,710**	-	138,121	-	243,892
Level 2:						
Debt securities						
- Government	**14**	**192,899**	-	188,384	-	38,899
- Non-Government	**-**	**3,050**	-	3,050	-	2,350
Managed funds	**22,238**	**-**	18,631	-	15,525	-
Level 3:						
Debt securities						
- Non-Government	**2,619**	**9,916**	2,617	8,873	2,376	10,751
Equity	**-**	**34,747**	-	26,624	-	25,161
	24,871	**733,065**	21,248	781,346	17,901	740,212

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

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

6 RELATED PARTY TRANSACTIONS

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

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

	30 June 2026 KD 000	*(Audited) 31 December 2025 KD 000*	*30 June 2025 KD 000*
Loans and advances	**7,746**	11,919	9,102
Customers' deposits	**42,182**	38,288	48,686
Portfolio managed by Group	**12,767**	11,422	1,071
Commitment and contingent liabilities	**10,064**	11,006	10,286
Directors' compensation	**-**	1,253	-

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

Interest income and interest expense includes KD 232 thousand (30 June 2025: KD 281 thousand) and KD 675 thousand (30 June 2025: KD 962 thousand) respectively on transactions with related parties.

Key management compensation

Compensation for key management is as follows:

	Three months ended 30 June		*Six months ended 30 June*	
	2026 KD 000	*2025 KD 000*	***2026 KD 000***	*2025 KD 000*
Salaries and other benefits	**1,056**	1,056	**2,162**	2,080
Post-employment benefits	**103**	79	**151**	114
Share based compensation	**20**	-	**46**	-
	1,179	1,135	**2,359**	2,194

7 EQUITY

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

(b) Treasury shares and Treasury shares reserve:

	30 June 2026	*(Audited) 31 December 2025*	*30 June 2025*
Number of shares held	**17,770,596**	16,923,674	16,923,674
Percentage of shares held	**0.65%**	0.65%	0.65%
Market value (KD 000)	**4,620**	4,959	5,094
Weighted average market value per share (fils)	**279**	289	286

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

(c) Movement in other reserves is as below:

	Property revaluation reserve KD 000	*Foreign currency translation reserve KD 000*	*Employee benefit plan reserve KD 000*	*Total other reserves KD 000*
At 1 January 2025	10,697	(66,686)	484	(55,505)
Other comprehensive (loss) income for the period	(11)	11	7	7
As at 30 June 2025	10,686	(66,675)	491	(55,498)
At 1 January 2026	**11,085**	**(63,843)**	**318**	**(52,440)**
Other comprehensive (loss) income for the period	**(37)**	**(2,116)**	**2**	**(2,151)**
As at 30 June 2026	**11,048**	**(65,959)**	**320**	**(54,591)**

(d) Perpetual Tier 1 Capital Securities

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

8 OTHER OPERATING INCOME

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

9 PROVISION / IMPAIRMENT LOSSES

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
	KD 000	*KD 000*	***KD 000***	*KD 000*
Provision charge for credit losses on credit facilities	**11,461**	11,793	**20,696**	22,681
Expected credit losses charge (release) on other financial assets	**44**	(72)	**60**	130
Impairment on property acquired in settlement of debt	**-**	2,410	**-**	2,410
	11,505	14,131	**20,756**	25,221

10 TAXATION

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

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

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

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

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

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

	Three months ended 30 June		*Six months ended 30 June*	
	2026	*2025*	***2026***	*2025*
Net profit for the period attributable to shareholders of the Bank (KD 000)	**18,938**	16,044	**37,091**	31,732
Less: Interest payment on perpetual tier 1 Capital Securities (KD 000)	**-**	-	**(2,993)**	(3,005)
Adjusted net profit for the period attributable to shareholders of the Bank (KD 000)	**18,938**	16,044	**34,098**	28,727
Weighted average number of the Bank's issued and paid-up shares (000)	**2,748,650**	2,748,650	**2,748,650**	2,748,650
Less: weighted average number of treasury shares (000)	**(17,771)**	(17,771)	**(17,771)**	(17,771)
Adjusted weighted average number of shares outstanding during the period (000)	**2,730,879**	2,730,879	**2,730,879**	2,730,879
Basic and diluted earnings per share attributable to shareholders of the Bank	**6 fils**	6 fils	**12 fils**	11 fils

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

12 COMMITMENTS AND CONTINGENT LIABILITIES

Financial instruments with contractual amounts representing credit risk.

	30 June 2026 KD 000	*(Audited) 31 December 2025 KD 000*	*30 June 2025 KD 000*
Acceptances	**144,398**	59,789	81,931
Letters of credit	**166,047**	191,777	295,504
Guarantees	**990,891**	891,407	912,939
	1,301,336	1,142,973	1,290,374

Total commitments to extend credit at the interim condensed consolidated statement of financial position date amounted to KD 753,276 thousand (31 December 2025: KD 852,452 thousand and 30 June 2025: KD 777,987 thousand).

13 DERIVATIVE INSTRUMENTS

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

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

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

	30 June 2026			*(Audited) 31 December 2025*			*30 June 2025*		
	Assets KD 000	***Liabilities KD 000***	***Contractual amounts KD 000***	*Assets KD 000*	*Liabilities KD 000*	*Contractual amounts KD 000*	*Assets KD 000*	*Liabilities KD 000*	*Contractual amounts KD 000*
Forward foreign exchange contracts	**1,992**	**624**	**376,840**	759	532	286,095	3,122	3,088	542,830
Interest rate swaps (held as fair value hedges)	**1,101**	**1,088**	**163,990**	838	3,915	188,198	1,045	5,288	223,688
Interest rate swaps (others)	**64**	**26**	**23,773**	213	171	23,009	194	149	22,385
	3,157	**1,738**	**564,603**	1,810	4,618	497,302	4,361	8,525	788,903

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

14 IMPACT OF GEOPOLITICAL ESCALATION RISK AND RELATED UNCERTAINTY

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

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

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

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

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

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

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