Annual Report 2025

MENA Industrial Bank B.S.C. (c)

His Majesty
King Hamad bin Isa
Al Khalifa

The King of
the Kingdom of Bahrain

His Royal Highness
Prince Salman bin Hamad
Al Khalifa

The Crown Prince and Prime
Minister of the Kingdom of Bahrain

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01 Strategic Outlook, Vision and Mission

Chairman Statement

At a time when the banking industry is undergoing rapid transformation, our vision is clear, to redefine what a conventional wholesale bank can deliver in an increasingly digital world. As a Bahrain-based institution, we are deeply rooted in the Kingdom's financial ecosystem, while remaining firmly focused on the future and expanding our presence in international banking.

Our purpose is to bridge existing gaps in the banking landscape by combining the strength and trust of traditional banking with the speed and efficiency of advanced solutions. We are committed to serving our corporate clients and high-net-worth individuals with agility, precision, and a seamless experience that reflects the evolving demands of modern finance.

Resilience lies at the core of our strategy. Through continuous investment in digital infrastructure and rapid system integration capabilities, we are building a banking platform that is not only robust but also adaptable. This enables us to respond swiftly to market changes while maintaining the highest standards of service and reliability.

As we move forward, we remain focused on delivering sustainable growth, fostering long-term relationships, and positioning ourselves as a trusted partner in Bahrain and beyond. Our ambition is not only to keep pace with industry change, but to actively shape it.

Vision & Mission

Vision

To be a trusted and forward-looking wholesale banking institution, enabling trade connectivity, industrial growth, and infrastructure development across the MENA region.

Mission

To provide comprehensive customer-centric and technology-driven propositions leveraging on agility, innovation and value creation to ensure sustainable growth for all stakeholders.

02 Financial Highlights

This section presents an overview of the Bank's financial position as at 31 December 2025 and its performance for the period from July 2024 to December 2025. As at 31 December 2025, MIB maintained a strong balance sheet, underpinned by high capital adequacy and a conservative asset profile.

Balance Sheet Overview

MENA Industrial Bank total assets as at 31 December 2025 stood at USD 103.6 million. The Bank maintained a highly liquid balance sheet, primarily comprising bank placements and sovereign investment securities.

Cash and balances with banks reached USD 7.8 million, while short-term deposits were recorded at USD 66.2 million. A total of USD 20.8 million was held in investment securities, consisting of Central Bank of Bahrain (CBB) Treasury Bills.

Other assets primarily comprised accrued interest income, insurance prepayments and advance payments. In accordance with IFRS 16, the Bank also recognised right-of-use assets relating to its lease arrangements. Furniture and equipment included IT infrastructure and office furniture. Intangible assets of USD 4.4 million represented work in progress relating to the Bank's core banking platform, with amortisation expected to commence upon system completion by end of 2026.

On the liabilities side, vendor payables and VAT obligations for 2025 remained the primary components of other liabilities. Total equity attributable to shareholders stood at USD 97.4 million.

Total Assets:
USD 103.6 million

Total Shareholders' Equity:
USD 97.4 million

Financial Performance

For the period ended 31 December 2025, MIB reported a net loss of USD 2.55 million. As the Bank's operations commenced in the final quarter of 2025, the results for the year primarily reflect readiness and start-up costs incurred during the establishment phase.

Performance was underpinned by net interest income of USD 3.3 million, mainly derived from bank placements and investments in securities. Operating costs amounted to USD 5.7 million, including staff-related expenses of USD 1.2 million, pre-incorporation expenses of USD 1.1 million and other operating costs of USD 3.3 million.

In accordance with IFRS 9 – Financial Instruments, the Bank recorded an expected credit loss (ECL) charge on financial assets of USD 148 thousand for the period.

Capital Adequacy and Liquidity

The Bank's Capital Adequacy Ratio (CAR) is estimated at 291%, compared with the regulatory threshold of 12.5%.

The Net Stable Funding Ratio (NSFR) stood at 220%, compared with the regulatory requirement of 100%, while the leverage ratio stood at 89.7%, compared with the regulatory minimum of 3.0%.

Regarding the Liquidity Coverage Ratio (LCR), the metric remains not applicable as at 31 December 2025, as the Bank had no contractual deposit outflows other than normal operating accruals.

03 Board of Directors Report

Summary

The Board of Directors is pleased to submit its report together with the audited financial statements of the MENA INDUSTRIAL BANK B.S.C. (c) (“the Bank”) for the period ended 31 December 2025.

Principal Activities

The Bank operates under a conventional wholesale banking license issued by the Central Bank of Bahrain (the “CBB”) on 26 February 2025. The Bank is primarily engaged in providing wholesale banking services including corporate finance, trade finance, deposit-taking, current accounts for customers, and treasury operations.

Financial Position & Financial Results

The financial position and results of the Bank for the period ended 31 December 2025 are set out in the accompanying financial statements. As of 31 December 2025, total assets of the Bank were US$ 103.6 million with total equity of shareholders at US$ 97.4 million. During the period, the Bank reported a net loss of US$ 2.6 million.

Board of Directors

The following were the Directors as of 31 December 2025:

Chairman
H.E. Shaikh Humoud Shamlan A H Alsabah

Directors
H.E. Ayman Tawfeeq Abdulrahman Almoayed
Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar
Mr. Asaf Malik Mohyuddin Nazar Mohyuddin
Ms. Lamis Hazem El Samad

Auditors

The financial statements for the period ended 31 December 2025 have been audited by Ernst & Young.

On behalf of the Directors

H.E. Shaikh Humoud Shamlan A H Alsabah
Chairman of the Board of Directors

Mohamed Tareq Mohamed Sadeq Mohamed Akbar
Member of the Board of Directors

Remuneration of the board members

Remuneration of the Board of Directors and the executive management for the period from 28 July 2024 (date of incorporation) to 31 December 2025

Board of directors' remuneration:

Amounts in USD

Name	Fixed remunerations				Variable remunerations						
	Remunerations of the chairman and BOD	Total allowance for attending Board and committee meetings	Other*	Total	Remunerations of the chairman and BOD	Incentive plans	Others	Total	End-of-service award	Aggregate amount (Does not include expense allowance)	Expenses Allowance
First: Independent Directors											
Mohamed Tareq Mohamed Sadeq Mohamed Akbar	-	29,177	59,682	88,859	-	-	-	-	-	-	-
Asaf Malik Mohyuddin Nazar Mohyuddin	-	21,883	59,682	81,565	-	-	-	-	-	-	-
Second: Non-Executive Directors											
H.E. Shaikh Humoud Shamlan Alsabah	-	-	600,000	600,000	-	-	-	-	-	-	-
H.E. Ayman Tawfeeq Abdulrahman Almoayed	-	15,252	59,682	74,934	-	-	-	-	-	-	-
Lamis Hazem El Samad***	-	18,366	27,246	45,612	-	-	-	-	-	-	-
Yusuf Abdulaziz Jamal Jamal***	-	13,983	32,436	46,419	-	-	-	-	-	-	-
Total		**98,661**	**838,728**	**937,389**	-	-	-	-	-	-	-

* This includes a fixed expertise allowance associated with Board duties and committee responsibilities.
** The Chairman receives a higher allowance due to the greater scope of responsibilities and additional duties undertaken by him during the Bank's formation, as reflected in the agreed terms.
*** Mr. Yusuf Jamal discontinued as Director w.e.f. Aug 3, 2025. Ms. Lamis El Samad started the term as the Director w.e.f. Aug 28, 2025.

Remuneration of the top remunerated management executive for the fiscal year

Executive management's remuneration:

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2025	Aggregate Amount
Top 6 remunerations for executives, including CEO and Senior Financial Officer	-	-	-	458,000

04 Board of Directors Profile

H.E. Shaikh Humoud Shamlan Abdulaziz Alsabah – Kuwait

The Chairman, His Excellency Shaikh Humoud Alsabah, holds a Bachelor's degree in Computer Science and Accounting and brings over 25 years of experience in the investment field. He has worked and trained in various investment institutions, including sovereign funds and multinational investment corporations. He has also served on the boards of several investment and real estate companies.

H.E. Ayman Tawfeeq Abdulrahman Almoayed – Bahrain

His Excellency is currently the Secretary General of the Supreme Council for Youth and Sports by a decree issued by His Majesty the King of the Kingdom of Bahrain in November 2022. He is also the Chairman of the Board of Arab Shipbuilding and Repair Yard Company (ASRY), Chairman of the supervisory board of Kempinski AG, Chairman of Hope Fund that supports youth projects and initiatives, Chairman of Arabian Gulf Capital, and Board Member of Khaleeji Bank and MENA Industrial Bank.

His Excellency holds LLB in Laws from University of Kent in the United Kingdom in 2003 and obtained an MBA degree focused on the Business of Law from the University of Cambridge - Judge Business School in the United Kingdom in 2010.

Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar – Bahrain

Mr. Mohamed Tareq Mohamed Sadeq is the Managing Director of WT Enterprises W.L.L , a Family Office dealing in real estate, private equity and investments based in the Kingdom of Bahrain, since 2015. He is also engaged in providing specialist advisory services to niche family and corporate clients and to high-net-worth individuals.

Currently he is an Independent Board Member and Chairman of the Audit and Compliance Committees of Al Baraka Bank (Pakistan) Limited, Karachi, Pakistan. He also serves as an Independent Board Member of MENA Industrial Bank B.S.C(c), a wholesale bank based in Bahrain and chairs its Risk and Compliance Committee and is a Member of its Audit, Executive and Nomination and Remuneration Committees. Previously he served as a member of the Board of Directors of various banks, viz. Independent Director and Chairman of the Audit and Compliance Committees, Ahli United Bank K.S.C.P., Kuwait, Non-Executive Director and member of the Audit and Compliance Committee and Risk Committee, National Bank of Bahrain B.S.C., Bahrain, The Chairman of the Board of Directors, Ibdar Bank B.S.C. (c), Bahrain, Independent Director and Member of the Audit and Compliance Committees on the Boards of Ahli United Bank (Egypt) S.A.E., Cairo, Egypt, Independent Director, Ahli United Bank Limited, Dubai (UAE), Independent Director, Ahli United Bank B.S.C., Bahrain, and Independent Director, BMI Bank, Bahrain.
He also served as a member of the Board of Directors of various corporate entities in Bahrain; viz. Independent Director and Chairman of the Audit and Compliance Committee, Al Zayani Investments B.S.C.(c), Independent Director of First Motors W.L.L , Bahrain, Independent Director and Chairman of the Audit Committee, A.M. Yateem Brothers W.L.L., Independent Director and Chairman of the Audit Committee, Yateem Air Conditioning W.L.L. and Non-Executive Director on the Board of Bahrain International Golf Course Company B.S.C.(c) and Managing Director of Keystone Consulting Inc. W.L.L. A financial advisory firm based in Bahrain. He also served as a Financial Advisor to a number of Ultra High Net Worth Family Offices based in Bahrain.

Mr. Sadeq served Ernst & Young (EY) Middle East and North Africa (MENA) for over 34 years. He held various leadership roles within the firm from being the Managing Partner of the Bahrain office to a Senior Member of the MENA leadership team first as Account and Business Development Leader and later as Head of Advisory practice of the MENA Firm. At EY Bahrain he was closely involved in developing the Firm’s Assurance, Advisory, Tax and Transaction Advisory services. During this period, he spearheaded several significant initiatives for the Firm especially for the MENA Governments and Public Sectors and the Financial Services Sector by providing valuable insights to the various Ministries and Central Banks.

Mr. Sadeq is a Fellow Chartered Accountant from the Institute of Chartered Accountants in England & Wales (ICAEW).

Mr. Asaf Malik Mohyuddin Nazar Mohyuddin – Bahrain

Mr. Asaf Mohyuddin is a retired Bahraini banking and finance executive with over 50 years of inter-national experience across the GCC, London, Pakistan and key global markets. His career spans corporate governance, financial management, regulatory engagement and strategic oversight.
He spent over 28 years with Bank ABC (formerly known as Arab Banking Corporation) in various leadership roles. He served as Group Chief Administrative and Financial Officer and in his last role as Senior Advisor to the President & CEO.

He has significant Board Leadership experience, both as an Independent and Non-Executive Director. From 2008 – 2012 he served as a Board Member of Banco ABC Brasil as the lead shareholder's representative. Additionally, from 2012 – 2018 he served as an independent board member of Al Baraka Bank (Pakistan), additionally serving as Audit Committee and HR / NRGC Chairman.

Prior to joining Bank ABC, he held senior financial control roles at Citibank in Pakistan, Saudi Arabia (SAMBA) and Bahrain, latterly serving as Regional Financial Controller.

Previously, he worked as the Finance Director of PakArab Fertilizers, a joint-venture of the Government of Pakistan and Abu Dhabi National Oil Company (ADNOC).

Mr. Mohyuddin is a UK qualified Chartered Accountant (ICAEW) having qualified with Ernst & Young, and holds a Bachelor of Commerce degree from the University of Punjab, Pakistan.

Ms. Lamis Hazem El Samad – Bahrain / UAE

Ms. Lamis Hazem El Samad is a GCC-based adviser with extensive expertise in ultra-high-net-worth (UHNW) family governance, dispute mitigation, complex corporate restructuring and mergers, legal advisory, and strategic wealth management. As a Partner at Chambers & Guilds, she leads multifaceted engagements for prominent regional families and institutions, with a focus on succession planning, stakeholder alignment, and special strategic mandates.

She has held senior roles in advisory and currently serves as a Partner at Chambers & Guilds Inc., in addition to her role as a Director at Insaf Partners, where she collaborates closely with leading Bahraini executives on governance and strategic initiatives.

Earlier in her career, Ms. El Samad worked in higher education and research at the Lebanese American University (LAU) and contributed to several international peer-reviewed academic publications on consumer behavior, marketing, and advertising ethics.

Ms. El Samad holds an MBA from the Lebanese American University and a BS from the American University of Sharjah. Her multidisciplinary background supports her ability to drive effective governance and relationship management at the board and shareholder levels.

05 Executive Management

01
Mr. Tarun Reddy
Chief Risk Officer

02
Ms. Kubra Ali
Chief Compliance Officer & MLRO

03
Mr. Shamzani Hussain
Chief Executive Officer

04
Mr. Muhammad Saeed
Chief Financial Officer

05
Mr. Usman Khan
Chief Banking Officer

Mr. Shamzani Hussain
Chief Executive Officer

Mr. Shamzani Hussain is a highly accomplished international banker with 30 years of experience spanning Asia Pacific, the Middle East, Central Asia, Europe, and North Africa. Over the course of his distinguished career, he has successfully established, scaled, and led profitable banking franchises, consistently delivering sustainable growth while building high-performing teams across diverse markets.

Prior to joining MENA Industrial Bank (MIB), Mr. Hussain held senior leadership roles at several leading financial institutions, including HSBC, First Gulf Bank (FGB), and First Abu Dhabi Bank (FAB). Notably, he played a key role in the landmark merger between First Gulf Bank and National Bank of Abu Dhabi which resulted in the creation of one of the largest banking groups in the GCC. Before assuming his current role, Mr. Hussain had spearheaded the business turnaround and led the full scale digital transformation of the largest Islamic banking franchise in Oman while serving as General Manager and Chief Islamic Banking Officer at Meethaq (Bank Muscat).

An expert in both conventional and Islamic banking, Mr. Hussain brings deep expertise in structured finance, transaction banking, cross-border solutions, consumer banking, and the development and transformation of digital financial solutions. He is widely recognised for his strong leadership and strategic acumen, having effectively navigated complex and volatile market environments while maintaining business resilience and performance. As Vice Chairman of the Islamic Banking Committee and as member of the Islamic Banking Chief Executive Officers Committee of the United Arab Emirates Banking Federation, he has contributed significantly to advancing the industry by fostering close engagement with regulators, authorities and key stakeholders.

As Chief Executive officer of MIB, he is driving the bank's strategic growth and regional expansion, leveraging Bahrain's robust and progressive regulatory framework to build a leading wholesale banking platform focused on financing solutions, trade connectivity, industrial growth and infrastructure development across the MENA region.

Mr. Hussain holds a Bachelor of Business Administration (BBA) in Finance and a Master of Business Administration (MBA) in International Business and Human Resource Management from the University of Miami, Florida, USA. He has also completed advanced leadership and management trainings at the HSBC Management Training Centre in the United Kingdom.

Mr. Muhammad Saeed
Chief Financial Officer

Mr. Muhammad Saeed Butt is a seasoned financial executive with over twenty-five years of experience in banking, financial leadership, and audit and assurance services across Bahrain and Pakistan with particular expertise in financial strategy, regulatory governance, and institutional transformation.

Prior to joining MENA Industrial Bank, Mr. Saeed served as Assistant General Manager – Financial Control at Eskan Bank, a Central Bank of Bahrain regulated retail bank with total assets reaching approximately US$ 3 billion by end of 2025. During his 18-year tenure, he played a key role in several phases of the strategic transformation of Eskan Bank and was instrumental in developing long-term funding strategies, including successfully executing billion-dollar competitive syndications with local and regional financial institutions. Throughout his tenure at Eskan Bank, he was an active member of several management committees, contributing to strategic, financial, and operational decision-making across the institution.

Earlier in his career, Mr. Saeed worked with Al Zayani Investments in Bahrain and Ernst & Young in Pakistan, where he gained extensive experience in audit, financial reporting, and advisory services across diverse industries. He also served as a Board member of Eskan Properties Company, a real estate subsidiary of Eskan Bank, and Eskan Bank Realty Income Trust (EBRIT), a listed trust on the Bahrain Bourse.

Mr. Saeed is a Fellow Chartered Accountant of the Institute of Chartered Accountants of Pakistan (ICAP) and an Associate Chartered Accountant of the Institute of Chartered Accountants in England & Wales (ICAEW). In 2023, he was awarded the Overseas Professional Excellence Award for the Middle East by ICAP in recognition of his contributions to strategic finance and institutional development. He also holds executive certifications in Strategy Execution and Sustainable Business Strategy from Harvard Business School Online.

Mr. Usman Khan
Chief Banking Officer

Mr. Usman oversees the Banking Division, comprising Wholesale Coverage, Transaction Banking and Treasury with focus on client centric growth and expansion of Bank’s wholesale platform across target markets.

He has over 25 years of experience, having worked for international firms including HSBC. His experience is almost equally split between Asia Pacific and GCC, in Coverage, Risk Management and Post Merger Integrations. His exposure to GCC includes Abu Dhabi, Dubai, Bahrain and KSA. Key roles held by him in GCC were Head of Commercial Credit & Risk HSBC Abu Dhabi, Head of Commercial & Global Banking HSBC Bahrain and Head of Credit & Lending Integration at The Saudi British Bank Riyadh.

His specialization in GCC markets includes management of complex client portfolios, strategic institutional transformations notably successfully integrating wholesale banking portfolios of The Saudi British Bank and Alawwal Bank. He is well versed with Transaction Banking products in the space of Trade Finance and Liquidity & Cash Management and has led teams to deliver trade and structured lending solutions. He is adept at leading and working with large and diverse teams across different locations, delivering on tight timelines and fast-paced business requirements.

He holds a Bachelor of Arts from the University of Karachi.

Mr. Tarun Reddy
Chief Risk Officer

Mr. Tarun is an experienced risk management professional with extensive expertise across the banking and financial services sector. His experience spans the full spectrum of risk management disciplines, with particular focus on credit risk, asset-liability management and capital management.

Prior to joining MENA Industrial Bank, Mr. Tarun spent over a decade with Ithmaar Bank in Bahrain, where he served as Senior Manager within the Risk Management Department. During his tenure, he worked closely with the Chief Risk Officer in strengthening the Bank's risk governance framework and supporting the implementation and monitoring of enterprise-wide risk management practices across all major risk categories. He also contributed to several strategic initiatives and special projects across the Bank.

Earlier in his career, Mr. Tarun worked with KPMG in Bahrain, advising retail and investment banks on the implementation of the Basel II Framework, strengthening regulatory compliance and risk management frameworks.

At MENA Industrial Bank, he is responsible for overseeing the Bank's risk management function and internal control environment, ensuring the effective identification, measurement, monitoring, and mitigation of risks in line with regulatory requirements and industry best practices. In this capacity, he works closely with senior management and the Board Risk and Compliance Committee in maintaining a robust risk governance framework and supporting the Bank's strategic objectives.

Mr. Tarun holds a Master of Business Administration (MBA) in Finance from the University of Technology Sydney, Australia, and a Bachelor's degree in Electrical and Electronics Engineering from the University of Madras, India.

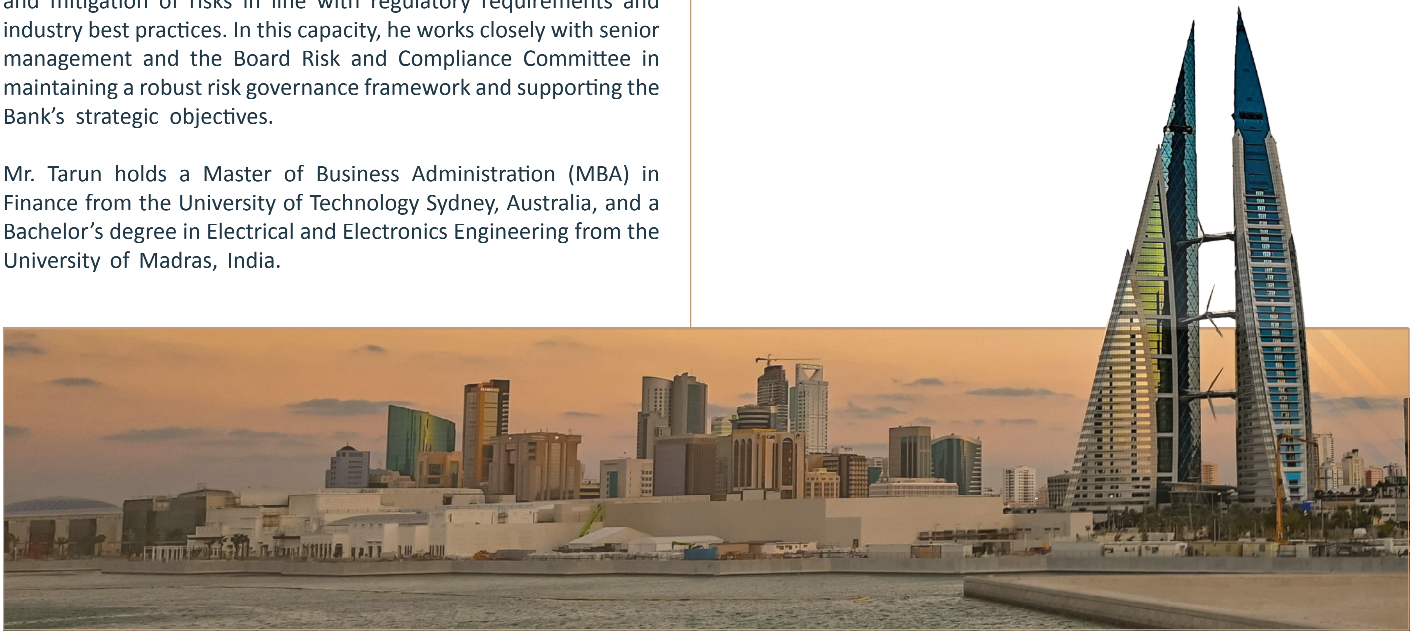
Ms. Kubra Ali
Chief Compliance Officer & MLRO

Ms. Kubra is a strategic executive with extensive experience in corporate governance, regulatory compliance, and ESG leadership. Throughout her career in the financial and real estate sectors, she has focused on building resilient GRC frameworks and advising boards on complex institutional restructuring.

She previously held senior roles including Board Secretary for Dar Al Arkan in Riyadh, where she aligned operations with Saudi Vision 2030 and CMA regulations. During a significant tenure in Bahrain at Bank Alkhair, she served as Group Acting CEO and Group Chief Compliance Officer. In these capacities, she successfully managed the Bank's transition into a holding company and resolved legacy investment challenges to safeguard stakeholder interests.

Her technical background includes the development of national policy and Central Bank regulations during her tenor at the CBB and authoring over 30 regulatory policies to drive institutional alignment with Central Bank mandates. Ms. Kubra now leads MIB's compliance culture and internal controls, ensuring the Bank's governance and sustainability strategies meet international standards.

Ms. Kubra holds a Bachelor of Accounts and Masters in Business and several professional certifications in AML and Compliance.



06 Business Highlights and Product Focus

Who We Are

MIB is a purpose-built wholesale bank serving one of the world's most dynamic trade corridors, connecting Asia, the Middle East and Europe. The Bank was established to provide structured financing, trade facilitation and transaction banking solutions that support cross-border trade, investment and economic activity across the region.

By connecting institutional capital with commodity flows, energy infrastructure, settlements and industrial trade, MIB plays a role in facilitating the movement of capital and commerce across key regional markets, leveraging Bahrain's position as a leading regional financial centre.

What Sets MIB Apart

Our value proposition is built upon six structural advantages:

Structured and Commodity Finance Expertise

Management and shareholders bring extensive experience across physical commodities, energy and infrastructure.

Regional Origination Strength

GCC-rooted ownership and relationships provide access to sovereign, government-related and large corporate opportunities.

Robust Risk Culture

Risk and compliance are overseen through a board-supervised framework established at the Bank's inception.

Corporate Focus and Agility

A dedicated wholesale banking model that allows for faster decision-making, tailored structuring a senior-banker partnership model.

Privileged Client Access

Shareholder relationships span sovereigns, government-related entities, corporates and financial institutions across the GCC and wider MENA region.

Modern, Connected Infrastructure

Advanced banking and treasury platforms connect directly to SWIFT and regional payment networks to streamline multi-currency and cross-border transactions.

Coverage & Target Segments

Our mandate focuses on geographic reach and client selectivity.

Geographic Coverage

The Markets We Serve

- **Middle East & North Africa**
  Bahrain, KSA, UAE, Kuwait, Qatar and Oman, with broader reach across Egypt, the Levant and North Africa.
- **Türkiye**
  Strategic gateway linking MENA, Europe and Eurasian markets for corporate and financial institution counterparties.
- **Select East African Markets**
  Resource exporters and infrastructure financing opportunities across selected Sub-Saharan African markets.
- **Select South & East Asia**
  India and the Subcontinent, serving as important counterparts for trade and commodity flows.

Target Segments

The Clients We Serve

- Sovereigns and government-related entities (GREs)
- Financial institutions, including correspondent and counterparty relationships
- Large corporates across energy, commodities, industrials and infrastructure
- Select high-net-worth and institutional investors

Selectivity
We onboard fewer clients, build deeper relationships, and maintain disciplined credit and KYC standards.

Core Product Suite

Our offering is structured across three product pillars to support the financing, transaction banking and investment needs of our clients:

Credit & Lending Solutions
Structured Financing Solutions

- Bilateral and club-led term financing
- Working capital and revolving facilities
- Project, energy and infrastructure finance
- Asset-backed and receivables-secured lending

Trade Finance Solutions
Supporting Cross-Border Trade

- Letters of credit (issuance, advising and confirmation)
- Standby LCs, guarantees and bonds
- Documentary collections
- Receivables and supply-chain discounting

Cash Management & Treasury
Multi-Currency Settlement Backbone

- Operating, escrow and segregated accounts
- Multi-currency clearing and settlements
- FX execution and hedging: spot, forwards and swaps
- SWIFT MT/MX and regional network connectivity

07 Corporate Governance

Purpose Statement

MENA Industrial Bank B.S.C. (Closed) (the "Bank" or "MIB") was incorporated in the Kingdom of Bahrain and licensed and regulated by the Central Bank of Bahrain ("CBB") in February 2025 as a Bahraini conventional wholesale bank.

As a Bahrain-based bank, MIB is subject to the corporate governance standards issued by the CBB and the Corporate Governance Code issued by the Ministry of Industry and Commerce of the Kingdom of Bahrain. During its first year of operations, the Bank devoted significant effort to establishing and adopting a robust governance framework aimed at strengthening its institutional foundation and ensuring effective oversight of its operations.

The Bank's approved Corporate Governance Framework clearly defines roles, responsibilities, and accountability across the organisation to promote sound and ethical business conduct. From inception, the Bank has committed to full adherence to the Corporate Governance Code of the Kingdom of Bahrain and international best practices. This reflects the Bank's dedication to establishing strong internal controls and applying leading governance and risk management practices from the outset. The guiding principles of the Bank's Corporate Governance Framework are fairness, transparency, accountability and responsibility.

Framework

The Bank operates under a clearly defined governance structure comprising:

- The Board of Directors
- Board Committees
- Senior Management
- Senior Management Committee
- Independent Control Functions

The Bank operates under a formally approved Corporate Governance Framework which defines the roles, and responsibilities of the Board, its Committees, and Senior Management. The framework ensures appropriate segregation of duties, independent oversight, and effective decision-making.

Key governance principles include:

01 Ethical and professional conduct

02 Clear segregation of duties

03 Accurate, transparent, and timely financial and non-financial reporting

04 Regulatory compliance

05 Prudent risk management

06 Protection of shareholder interests

Development during 2025

During 2025, the Bank focused on developing and implementing its Corporate Governance Framework, establishing Board committees, and approving key governance policies and procedures to support operational readiness. Governance mechanisms, including Board and committee oversight structures, were progressively established in line with the Bank's size, complexity, and stage of development.

Developments during the year included:

- Development and approval of the Corporate Governance Framework
- Establishment of Board committees
- Appointing Senior Management and forming Management Committees.
- Development and approval of key policies and procedures, including Risk, Compliance, AML/CFT/CPF, and other departmental policies and procedures
- Conducting a comprehensive performance evaluation of the Board, its Committees, and individual
- Directors, identifying area for further enhancement

Governance mechanisms, including Board and Committee oversight structures, were progressively implemented in line with the Bank's size, complexity, and stage of development.

Shareholders

Shareholders as of 31 December 2025

Shareholder Name	Country	No. of Shares	Ownership%
MENA DEVELOPMENT W.L.L	Kingdom of Bahrain	80,000,000	80%
ERTH ARABIA SPV LIMITED Previously known as "10XED SPV LIMITED"	United Arab Emirates	20,000,000	20%

Board of Directors

Roles & Responsibilities

The Board of Directors is ultimately responsible for the overall governance, strategic direction, and oversight of the Bank.

The key responsibilities of the Board include, but are not limited to:

- Setting the Bank's strategic objectives & overseeing their implementation;
- Establishing the Bank's corporate culture, values, & ethical standards;
- Approving governance frameworks, policies, & internal control systems;
- Overseeing the Bank's risk management and compliance frameworks;
- Appointing and overseeing Senior Management;
- Ensuring the integrity and transparency of financial and regulatory reporting; and
- Safeguarding the interests of shareholders and other stakeholders.

Board Composition

The Board of Directors comprises of individuals with a balance of skills, diversity, and expertise, who individually and collectively possess the necessary qualifications commensurate with the size, complexity, and risk profile of the Bank.

As at 31 December 2025, the Board of Directors comprised five members, consisting of three Non-Executive Directors and two Independent Directors.

Director Name	Directorship position
H.E. Shaikh Humoud Shamlan Alsabah	Chairman
H.E. Ayman Tawfeeq Abdulrahman Almoayed	Board Member
Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar	Board Member
Mr. Asaf Malik Mohyuddin Nazar Mohyuddin	Board Member
Ms. Lamis Hazem El Samad	Board Member

Board Meetings & Attendance

The Board meets frequently to enable it to discharge its responsibilities effectively, but in no event less than four times a year.
During the year ended 31 December 2025, the Board held four Board meetings.

Members	27 Apr	23 Jun	8 Sep	23 Oct	Attendance %
H.E. Shaikh Humoud Shamlan Alsabah (Chairman)	✓	✓	✓	✓	100
H.E. Ayman Tawfeeq Abdulrahman Almoayed	✓	✓	✓	✓	100
Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar	✓	✓	✓	✓	100
Mr. Asaf Malik Mohyuddin Nazar Mohyuddin	✓	✓	✓	✓	100
Ms. Lamis Hazem El Samad*	NA	NA	✓	✓	100
Mr. Yusuf Abdulaziz Jamal Jamal **	✓	✓	NA	NA	100

***Joined 28 August 2025**
****Resigned 3rd August 2025**

Board Committees

The Board may, from time to time, create specialised committees when and as such committees are needed. While committees are formed to assist the board in performing its duties effectively, the board retains the authority to take direct action on matters within its overall responsibility as it deems appropriate from time to time. Acting in accordance with the CBB rules, and to enhance oversight and governance effectiveness, the Board established the following committees:

Board Audit Committee (AC)

The Audit Committee shall comprise at least three Non-Executive Directors, with the majority being Independent.

Roles And Responsibilities

Key responsibilities include:

- Overseeing the integrity of the financial reporting and disclosures.
- Reviewing the performance and independence of external and internal auditors.
- Approving the audit plan, scope, and fees.
- Monitoring internal controls, compliance with financial policies, and whistleblower mechanisms.
- Recommending the appointment, compensation, and oversight of the external auditors.

Composition

As at 31 December 2025, the Audit Committee comprises of three Non-Executive Directors.

Director Name	Directorship position
Ms. Lamis Hazem El Samad	Chairman
Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar	Board Member
Mr. Asaf Malik Mohyuddin Nazar Mohyuddin	Board Member

Board Risk & Compliance Committee (BRCC)

The Risk and Compliance Committee shall comprise at least three Non-Executive Directors, with a majority being Independent.

Roles And Responsibilities

Key responsibilities include:

- Overseeing the Bank's risk appetite, risk management framework.
- Reviewing and recommending risk policies for Board approval.
- Monitoring key risk indicators, capital adequacy, and stress testing results.
- Ensuring the independence and effectiveness of the Risk Management Function.
- Ensuring the Bank's compliance with laws, regulations, and CBB requirements; approving the Anti-Money Laundering / Countering the Financing of Terrorism / CPF and compliance policies, plan, and monitoring the effectiveness and independence of the AML and compliance function.
- Reviewing periodic compliance reports, regulatory breaches, audit findings with respect to compliance, and overseeing communication and responses to the CBB.
- Approving the appointment and evaluating the performance of the Chief Compliance Officer and AML and ensuring direct access to the Board and independent escalation of compliance issues.
- Overseeing AML/CFT/CPF and compliance training, and ensuring policies, procedures, and awareness efforts support a strong culture of compliance and ethical conduct.

Composition

As at 31 December 2025, the Board Risk and Compliance Committee comprises three Non-Executive Directors.

Director Name	Directorship position
Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar	Chairman
Mr. Asaf Malik Mohyuddin Nazar Mohyuddin	Board Member
Ms. Lamis Hazem El Samad	Board Member

Board Nomination, Remuneration and Governance Committee (NRGC)

The Nomination, Remuneration and Governance Committee shall include at least three members, the majority of whom must be Independent.

Roles And Responsibilities

Key responsibilities include:

- Reviewing nominations for Board and executive appointments in line with CBB's fit and proper criteria.
- Developing succession plans & leadership development frameworks.
- Recommending the remuneration framework aligned with the Bank's long-term strategy and High level Control 5 requirements.
- Ensuring the performance evaluation and compensation structure are risk-aligned and merit-based.
- Establish the Corporate Governance Framework of the Bank and align it with the regulations of the CBB.

Composition

As at 31 December 2025, the Board Nominations, Remunerations & Governance Committee comprises three Non-Executive Directors.

Director Name	Directorship position
H.E Ayman Tawfeeq Abdulrahman Almoayed	Chairman
Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar	Board Member
Ms. Lamis Hazem El Samad	Board Member

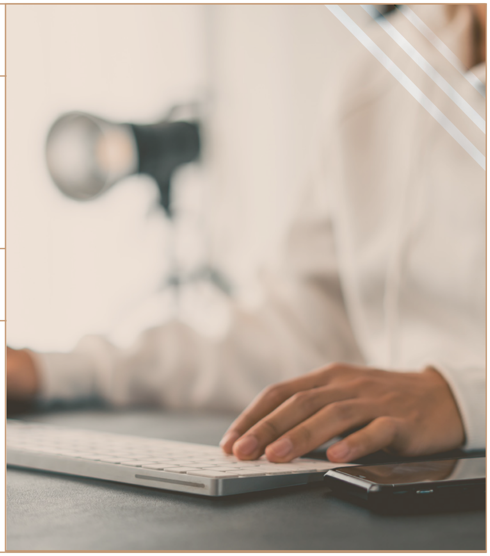
Board Executive Committee

The Board Executive Committee is a Board committee established by the Board to oversee the bank's operational readiness, key business, financial, and operational matters, and supports Board decision-making on behalf of the Bank.

The Committee is chaired by H.E Ayman Tawfeeq Abdulrahman Almoayed, with its other members being Mr. Mohamed Tareq Mohamed Sadeq Mohamed Akbar, Mr. Asaf Malik Mohyuddin Nazar Mohyuddin and Ms. Lamis Hazem El Samad.

Board Election/Appointment, And Re-Election

Directors are appointed and elected by shareholders in accordance with the Bank's Articles of Association and applicable laws and regulations, subject to CBB approval. Directors serve terms of up to three years and are eligible for re-election.



Continuous Board Training And Development

In line with the Corporate Governance Framework, the Board attended a formal induction session. Ongoing training on governance, regulatory updated, risk, ESG topics, including attending seminars and workshops regionally and internationally, is planned and will be monitored by the NRGC to ensure the Board fulfil its duties in areas of Governance and Risk Management.

Compensation Of The Board Of Directors And Senior Management

Compensation of the Board of Directors is recommended to the Board of Directors by the Nomination, Remuneration & Governance Committee, and the Board of Directors then make the necessary recommendation/disclosures to the shareholders at the annual general meeting.
The remuneration of the Board of Directors and Senior Management is aligned with regulatory requirements.

Senior Management members are entitled to fixed remuneration as per their contractual agreements, and any other performance-related incentives/bonuses must be approved by the Board. Details of the aggregate compensation (including benefits) for the Board of Directors and Senior Management for the year ended 31 December 2025 can be found in Note 19 to the Financial Statements. The Bank ensures full compliance with all CBB guidelines and Ministry of Industry and Commerce laws with regards to compensation.

Board Performance Evaluation

As per the Bank's Corporate Governance Framework and in line with the applicable rules and regulations, MIB has a mechanism in place to govern the annual review of the Board, the Board's Committees, and each individual director, against specific criteria. MIB's Board of Directors has established a mechanism for the annual periodic review of the Board and each of its committee's performance and directors evaluation. The review evaluates the Board as a whole, and each of its committees in the light of its strategic objectives, and accordingly, each Director, including the Chairman, is subject to NRGC evaluation.

The Board and Board Committee evaluation is facilitated internally by the Board Secretary and the Chief Compliance Officer, who reports the results to the Nomination, Remuneration and Governance Committee (NRGC). The NRGC may elect to hire an external consultant to evaluate the effectiveness of the Board and Board Committees. The NRGC presents the results of the evaluation to the Board, and subsequently reports to the Shareholders during the AGM. Board Evaluations for the Board of Directors, its members, and its Committees were conducted for the year ending 2025, and the results have been reported to the NRGC and subsequently to the Board of Directors, and reported to the shareholders in the AGM.

For the year ended 2025:

- The Board conducted a self-evaluation of its performance and that of its Committees; and
- An NRGC-led evaluation was conducted covering the full Board, its Committees, and individual Directors.

Corporate Governance Policies And Procedures

The Bank has adopted governance policies supporting its governance framework.

Key policies include:

- Corporate Governance Framework
- Code of Conduct, which includes:
  - Conflict of Interest Policy
  - Whistleblowing Policy
  - Related Party Transactions Policy
- Delegated Authority Policy
- Risk Management Framework
- Compliance Policy
- AML/CFT/CPF Policy
- Customer Complaints Handling Policy

These policies are periodically reviewed to ensure alignment with regulatory requirements and evolving business needs.

Conflict Of Interest

MIB has a formal Conflict of Interest policy as part of the Corporate Governance Framework and the Bank's Code of Conduct that applies to all directors and employees, which includes a signed undertaking requiring directors to disclose their personal interests annually. The Conflict of Interest policy requires Board members to inform the entire Board of potential conflicts of interest between the Bank's activities and their personal interests, and abstain from voting on matters relating to them in accordance with the relevant provisions of the BCCL or any other Law.

Related Party Transactions

The Bank has a process in place for related party transactions. The process is reflected in the Bank's Group Code of Conduct and Corporate Governance Framework. In this regard, the Bank has complied with Article 189 of the Bahrain Commercial Companies Law (CCL). Details of related party transactions are disclosed in Note 19 of the Financial Statements.

Delegated Authority Limits

The Bank has adopted a set of delegated authority limits that prescribes the approval process for its transactions and operations. It also sets out the respective authority levels of the Board, Board Committees and Senior Management.

Customer Complaints Handling Manual

In order to strengthen and formalise the Investor complaints mechanism, MIB has developed a policy for managing complaints received from customers, along with a formal escalation structure to ensure complaints are dealt with effectively and efficiently. For logging any complaints, the Customer Complaints Guidelines and escalation information is available on the Bank's website.

Whistle-Blowing Policy

MIB's endeavours to operate in a climate of transparency and, in order to strengthen and encourage transparency, has a formal whistleblowing policy in place to facilitate the escalation of employees' concerns and suspicions of criminal or unethical conduct.

Shareholder Communications

MIB is dedicated to maintaining an open line of communication with its stakeholders and ensures transparent and accurate information is disclosed in a professional and timely manner. Communication with shareholders is disseminated through several channels, including the corporate website, the annual report, the annual general meeting, and timely announcements in the local media.

Corporate Social Responsibility

MIB is committed to improving the well-being and quality of life of its employees and the wider community in the Kingdom of Bahrain. During 2025, and as part of its development as a start-up institution, the Bank introduced several internal initiatives aimed at promoting employee well-being, engagement, and social responsibility. These initiatives included celebrating World Mental Health Day to raise awareness about mental well-being in the workplace, recognising Bahraini Women's Day in appreciation of the contributions of women in the Bank and society, and organising employee gatherings to strengthen collaboration and social connection among staff. In addition, the Bank conducted awareness initiatives on energy conservation and responsible resource usage, encouraging employees to adopt sustainable practices within the workplace. Through these initiatives, MIB continues to foster a supportive, inclusive, and socially responsible work environment.

Compliance with regulatory requirements

The Bank is committed to complying with all applicable laws, rules and regulations in the Kingdom of Bahrain. The Bank's corporate governance practices are aligned with the requirements of the CBB Rulebook, including the High-Level Controls Module ("HC Module"), which focuses on strengthening the corporate governance function of banks, as well as the Corporate Governance Code issued by the Ministry of Industry and Commerce. The Bank is dedicated to continuously reviewing its measures and policies to ensure ongoing compliance with CBB requirements and applicable governance standards.

Control Functions

01. *Compliance*

02. *Anti-Money Laundering (AML)*

03. *Risk Management*

04. *Internal Audit*

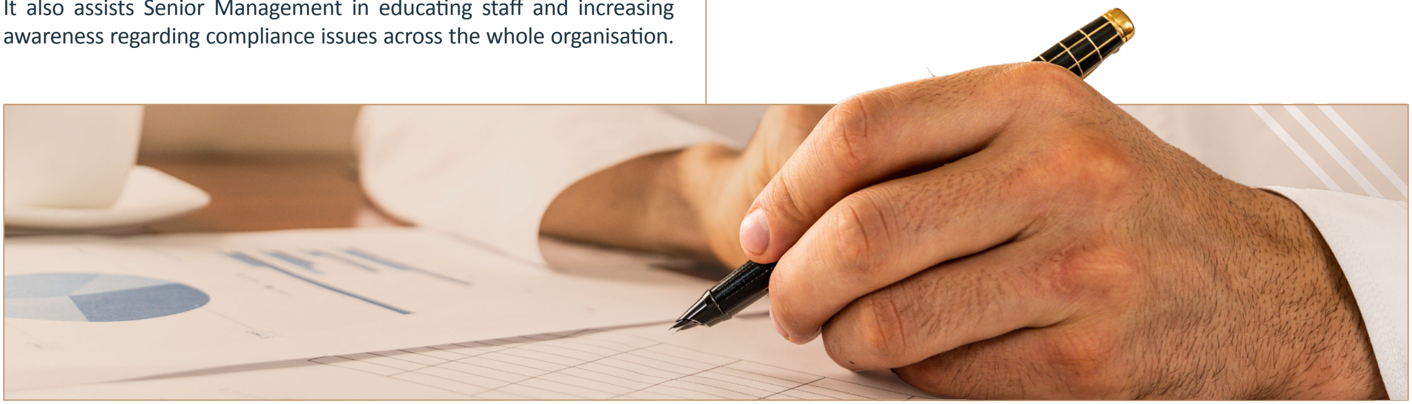
Compliance

MIB is committed to meeting the highest levels of ethical standards in all areas of its operations. The Board of Directors were keen to establish a strong and independent Compliance department to assist the Senior Management of the Bank in effectively managing its compliance risk. The Compliance department reports functionally to the Board of Directors and administratively to the CEO, and is responsible for overseeing the Bank's compliance programme. It is responsible solely for compliance-related issues, and functions independently from other business activities, including those where the department's independence and objectivity may be compromised.

The Compliance department is responsible for the management of compliance risk of the Bank and for ensuring that its policies, procedures and operations are in line with all applicable rules and regulations. It also assists Senior Management in educating staff and increasing awareness regarding compliance issues across the whole organisation.

Anti-Money Laundering (AML)

MIB's Anti-Money Laundering function administers the onboarding process and thereafter continues to monitor clients to ensure effective compliance with the rules and regulations as stipulated in the CBB's Financial Crime Module and international best practices. This has been achieved through the appointment of a designated Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer and the development of detailed AML/CFT/CPF policies and procedures, and comprehensive KYC documentation, to rigorously screen potential investors' identities and source of funds. The Bank has registered and implemented all FATCA and CRS required regulations.



Risk Management

MIB has developed an enterprise Risk Management Framework in line with the envisioned strategy and business plan of the Bank and in compliance with CBB regulations. Adherence to the Risk Framework is given utmost priority by the Board and Senior Management.

Internal Audit

Internal Audit function is controlled function responsible for providing independent and objective assurance on the effectiveness of the Bank's internal controls, governance, and risk management processes. It is responsible to evaluate and improve the Bank's systems of internal control to ensure that operations are conducted efficiently, securely, and in compliance with the CBB regulations, the Commercial Companies Law, and internal policies. Its scope, authorities and roles are defined and approved by the Audit Committee in a formal Internal Audit Charter.

Corporate Governance Conclusion Statement

As we continue to grow, the Bank will further enhance its governance framework through periodic reviews and updates to internal policies, ensuring alignment with governance principles, regulatory standards related to risk management, and codes of business ethics. These efforts support our objective of evaluating operations effectively and mitigating risks in a structured and transparent manner. The Bank remains committed to diligently complying with all governance regulations issued by the CBB and to continuously strengthening its governance practices in line with international standards.

Remuneration of external auditors

For the year 2025, the Bank has appointed Messers Ernst & Young as their external auditors to provide audit and various other non-audit services. These services include year-end audit, prudential information return reviews and quarterly reviews. Messers Ernst & Young expressed their willingness to continue as the auditors of the Bank for the financial year ending 31 December 2026.

The ARCC has recommended the appointment of Ernst & Young and a resolution proposing their re-appointment was presented and approved at the Annual General Meeting held on 29 March 2026. The breakdown of the external auditor's fee in relation to audit and non-audit related services are maintained at the Bank and available upon request.

08 Risk Management

The Bank's risk management philosophy is anchored in maintaining a balanced approach between growth, profitability, and risk, ensuring long-term sustainability and resilience across economic cycles. Risk management is embedded at the core of the Bank's strategic decision-making and is aligned with its overall business objectives and risk appetite.

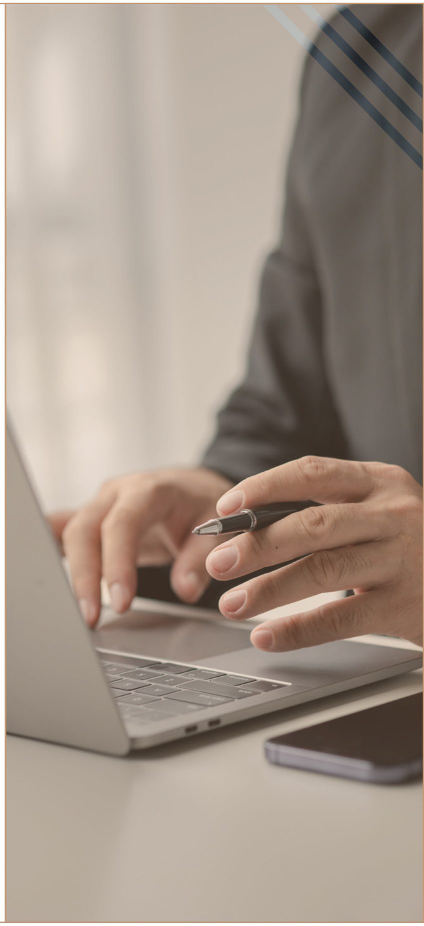
The Bank adopts a forward-looking and integrated risk management framework, designed to identify, measure, monitor, and control risks across all business lines and geographies. This framework is aligned with the principles of Basel Committee on Banking Supervision and applicable regulatory requirements, including those of the Central Bank of Bahrain.

The Bank maintains a strong governance structure, with clear segregation of duties across the three lines of defense. The Board of Directors retains ultimate responsibility for risk oversight and approves the Bank's risk appetite, while senior management ensures effective implementation through robust policies, procedures, and controls.

The Bank's risk framework encompasses all key risk categories, including both Pillar 1 and Pillar 2 risks, ensuring a holistic and enterprise-wide approach to risk management. The framework comprises well-defined policies, measurement and assessment methodologies, procedures, and internal controls, which collectively support the effective identification, measurement, monitoring, and control of risks.

The Bank's systems and procedures are designed to strengthen the internal control environment and mitigate operational and fraud risks. These are continuously reviewed and enhanced to ensure alignment with evolving regulatory requirements and industry best practices.

The Bank also fosters a strong risk culture, promoting accountability, transparency, and awareness across all levels of the organisation. This ensures that risk management is not confined to a control function but is an integral part of day-to-day business activities.



09 Independent Auditors report and financial statements

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of MENA Industrial Bank B.S.C. (c) (the "Bank"), which comprise the statement of financial position as at 31 December 2025, and the statements of profit or loss and other comprehensive income, cash flows, changes in equity for the period from 28 July 2024 (date of incorporation) to 31 December 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and its financial performance and its cash flows for the period from 28 July 2024 (date of incorporation) to 31 December 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Bahrain, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the Bank's Report of the Board of Directors, other than the financial statements and our auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IASB), and for such internal controls as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors. We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other legal and regulatory requirements

As required by Bahrain Commercial Companies Law and Volume 1 of the Central Bank of Bahrain (CBB) Rule Book, we report that:

- The Bank has maintained proper accounting records and the financial statements are in agreement therewith;

- The financial information contained in the Report of the Board of Directors is consistent with the financial statements;

- We are not aware of any violations of the Bahrain Commercial Companies Law, the Central Bank of Bahrain and Financial Institutions Law, the CBB Rule Book (Volume 1 and applicable provisions of Volume 6) and CBB directives during the period ended 31 December 2025 that might have had a material adverse effect on the business of the Bank or on its financial position; and

- Satisfactory explanations and information have been provided to us by Management in response to all our requests.

Ernst + Young

Auditor’s Registration No: 115
26 February 2026
Manama, Kingdom of Bahrain

Statement Of Financial Position

As at 31 December 2025

	Notes	31 December 2025 USD ‘000
Assets		
Cash and short-term deposits	5	73,963
Investment securities	6	20,796
Other assets		732
Right-of-use assets	7	517
Furniture and equipment	8	3,115
Intangible assets under development	10	4,446
Total Assets		**103,569**
Equity and Liabilities		
Equity		
Share capital	11	100,000
Accumulated losses		(2,555)
Total Equity		**97,445**
Liabilities		
Lease liabilities	8	519
Other liabilities	12	5,605
Total liabilities		**6,124**
Total Equity and Liabilities		**103,569**

Statement Of Profit Or Loss & Other Comprehensive Income

For the period from 28 July 2024 (date of incorporation) to 31 December 2025

	Notes	For the period from 28 July 2024 (date of incorporation) to 31 December 2025 USD ‘000
Interest income	13	3,290
Staff costs	14	(1,233)
Other operating expenses	15	(3,265)
Pre-incorporation expenses	16	(1,089)
Depreciation and amortisation	17	(110)
Total operating expenses		**(5,697)**
Net operating loss before expected credit loss		**(2,407)**
ECL charge on financial assets	18	(148)
Net and total comprehensive loss for the period		**(2,555)**

The attached notes 1 to 22 form a part of these financial statements

H.E. Shaikh Humoud Shamlan A H Alsabah
Chairman of the Board of Directors

Mohamed Tareq Mohamed Sadeq Mohamed Akbar
Member of the Board of Directors

Shamzani Hussain
Chief Executive Officer

Statement Of Cash Flows

For the period from 28 July 2024 (date of incorporation) to 31 December 2025

	Notes	For the period from 28 July 2024 (date of incorporation) to 31 December 2025 USD '000
Operating Activities		
Net loss for the period		(2,555)
Adjustments for:		
Depreciation and amortisation	17	110
ECL charge on financial assets	18	148
Interest on lease liabilities	8	4
Amortisation of investment securities	13	(110)
		(2,403)
Changes in operating assets and liabilities:		
Other assets	7	(732)
Other liabilities	12	5,605
Net cash from operating activities		**2,470**
Investing Activities		
Purchase of investment securities		(5,052)
Purchase of equipments	9	(3,195)
Purchase of intangible assets under development	10	(4,446)
Cash flow used in investing activities		**(12,693)**
Financing Activities		
Issue of share capital		100,000
Payment of lease liabilities	8	(32)
Net cash from financing activities		**99,968**
Net increase in cash and cash equivalents		**89,745**
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period	22	**89,745**

The attached notes 1 to 22 form a part of these financial statements

Statement Of Changes In Equity

For the period from 28 July 2024 (date of incorporation) to 31 December 2025

	Share capital USD '000	Accumulated losses USD '000	Total USD '000
At 28 July 2024 (date of incorporation)	-	-	-
Issue of share capital	100,000	-	100,000
Net and total comprehensive loss for the period	-	(2,555)	(2,555)
Balance at 31 December 2025	**100,000**	**(2,555)**	**97,445**

Notes to the Financial statements

01 Incorporation And Activities

MENA Industrial Bank B.S.C (c) (the "Bank") is a conventional wholesale bank, incorporated in the Kingdom of Bahrain. The Bank operates under a conventional wholesale banking license issued by the Central Bank of Bahrain (the "CBB") on 26 February 2025. The Bank is registered with the Ministry of Industry and Commerce in the Kingdom of Bahrain and operates under commercial registration number 176708-1 obtained on 28 July 2024. The Bank's registered office is at Flat 1601, Building 1411, Road 4626, Block 346, Manama, Kingdom of Bahrain.

The Bank is a subsidiary of MENA Development W.L.L (the "Ultimate Parent") which holds 80% of the share capital of the Bank. The other shareholder of the Bank is 10XED SPV Limited which holds 20% of the share capital.

The Bank is principally engaged in the provision of wholesale banking services.

The financial statements have been approved by the Board of Directors on 25 February 2026 and authorised for issue on 26 February 2026.

02 Basis Of Preparation

2.1 Statement of compliance

These financial statements of the Bank are prepared in accordance with IFRS Accounting Standards issued by International Accounting Standard Board ("IASB") and the relevant provisions of the Bahrain Commercial Companies Law and the CBB and Financial Institutions Law and the CBB Rulebook (Volume 1 and applicable provisions of Volume 6) and CBB directives.

As this is the first year of the Bank's operations, the Bank has prepared its financial statements for the period from 28 July 2024 (date of incorporation) to 31 December 2025. Accordingly, no comparative figures have been presented, as there were no prior period financial statements.

The financial statements are prepared under the historical cost convention, as modified by the measurement at fair value of certain debt financial assets.

The financial statements have been presented in United States Dollars (USD) which is also the functional currency of the Bank and are rounded to the nearest USD thousand except when otherwise indicated.

03 Material Accounting Policies

3.1 Cash and cash equivalents

Cash and cash equivalents comprise balances maintained with bank on demand and investment securities with original maturity of three months or less. Cash and cash equivalents are initially measured at their fair value and subsequently remeasured at amortised cost.

3.2 Recognition of income and expenses

3.2.1 The effective interest rate (EIR) method
Interest income is recorded using the EIR method for all financial assets measured at amortised cost. Interest expense is also calculated using the EIR method for all financial liabilities held at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or liability or, when appropriate, a shorter period, to the gross carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the financial asset) is calculated by taking into account transaction costs and any discount or premium on the acquisition of the financial asset, as well as fees and costs that are an integral part of the EIR. The Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial asset.

Hence, the EIR calculation also takes into account the effect of potentially different interest rates that may be charged at various stages of the financial asset's expected life, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations of fixed rate financial assets' or liabilities' cash flows are revised for reasons other than credit risk, then changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference from the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset or liability on the balance sheet with a corresponding increase or decrease in interest revenue/expense calculated using the effective interest method.

For floating-rate financial instruments, periodic re-estimation of cash flows to reflect the movements in the market rates of interest also alters the effective interest rate, but when instruments were initially recognised at an amount equal to the principal, re-estimating the future interest payments does not significantly affect the carrying amount of the asset or the liability.

3.2.2 Interest income/expense
Interest income and interest expense is calculated using the EIR method.

The Bank calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

When a financial asset becomes credit-impaired (therefore regarded as 'Stage 3'), the Bank suspends the recognition of interest income of the financial asset. If the financial asset cures and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.

3.3 Financial instruments

3.3.1 Date of recognition
Financial assets and liabilities, with the exception of deposits to customers and banks, are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans and advances to customers are recognised when funds are transferred to the customers' accounts. The Bank recognises deposits from customers when funds are received by the Bank.

3.3.2 Initial measurement
The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in note 3.4.1 and 3.5.1.

At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in profit or loss. Immediately after initial recognition, an expected credit loss (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at fair value through other comprehensive income (FVOCI), which results in an accounting loss being recognised in the profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities at initial recognition differs from the transaction price, the Bank recognises the difference as day 1 profit or loss on recognition.

3.4 Financial assets

3.4.1 Debt type instruments - classification & subsequent measurement
Classification and subsequent measurement of debt instruments depend on:

- the Bank's business model for managing the asset; and
- the cash flow characteristics of the asset i.e. solely payments of principal and interest (SPPI) test.

Taking into account the above factors, the Bank classifies all of its debt type instruments into amortised cost category as explained below:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any ECL allowance recognised and measured. Interest income from these financial assets is included in 'Interest income' using the EIR method.

- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and that are not designated at FVTPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of expected credit losses or writebacks, interest income and foreign exchange gains and losses. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from retained earnings to profit or loss and recognised as 'Gain or loss on disposal of non-trading debt investments' included in 'Other operating income'. Interest income from these financial assets is included in 'Interest income' using the EIR method.

- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. The Bank may also designate a financial asset at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss as 'Gain on trading securities' included in 'Other operating income' in the year in which it arises. Interest income from these financial assets is included in 'Interest income' using the EIR method.

3.4.2 Business model
The Bank determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model reflects how the Bank manages the assets in order to generate cash flows. That is, whether the Bank's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'held for trading' business model and measured at FVTPL.

The business model assessment is not carried out on an instrument-by-instrument basis but at the aggregate portfolio level and is based on observable factors.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

3.4.3 Solely payments of principal and interest (SPPI) test
The Bank assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

Interest is the consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- The currency in which the financial asset is denominated, and the period for which the interest rate is set;
- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms; and
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse asset arrangements).

Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

3.4.4 Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Bank transfers substantially all the risks and rewards of ownership, or (ii) the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

The Bank enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Bank:

- Has no obligation to make payments unless it collects equivalent amounts from the assets;
- Is prohibited from selling or pledging the assets; and
- Has an obligation to remit any cash it collects from the assets without material delay.

3.4.5 Modification

If the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, the original financial asset is derecognised and a new financial asset is recognised at either amortised cost or fair value. If the cash flows are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Bank recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. There were no modification to financial assets during the period.

3.5 Financial liabilities

3.5.1 Classification and subsequent measurement

The Bank's financial liabilities are classified as subsequently measured at amortised cost.

3.5.2 Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Bank and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original EIR, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

3.6 Property and equipment

Property and equipment is stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates. Right-of-use assets are presented together with property and equipment in the statement of financial position. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Depreciation of owned assets is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Furniture and fittings (5 years)
- Office equipment (3 - 10 years)

3.7 Intangible under development

Intangible assets under development represent expenditures incurred on projects that are not yet available for use and for which the criteria for capitalisation under IAS 38 Intangible Assets have been met. Expenditures that do not meet these criteria are expensed as incurred.

Initial Measurement
Intangible assets under development are initially measured at cost, which includes all directly attributable expenditures necessary to create, produce, and prepare the asset for its intended use, i.e;

Direct payroll and related costs of personnel engaged in development activities Fees to third-party developers or consultants
Costs of testing and pilot activities
Costs of licenses or materials used directly in development
Research expenditures are expensed as incurred in accordance with IAS 38.

The attached notes 1 to 22 form a part of these financial statements

Subsequent Measurement

Subsequent to initial recognition, intangible assets under development are carried at cost less any accumulated impairment losses. Amortisation is not commenced until the asset is ready for its intended use.

Once the project is completed and the asset becomes available for use, the carrying amount is reclassified from "Intangible Assets Under Development" to the appropriate class of "Intangible Assets" (e.g., software, licenses). At that point:

Amortization begins based on the asset's useful life and any residual values, amortization methods, and useful lives are reviewed annually.

Intangible assets under development are assessed at each reporting date for indications of impairment in accordance with IAS 36 Impairment of Assets. If indicators of impairment exist, the recoverable amount is estimated and any impairment loss is recognised immediately in profit or loss.

3.8 Impairment

The Bank assesses on a forward-looking basis, the expected credit loss (ECL) associated with its financial instruments assets carried at amortised cost and FVOCI and against the exposure arising from loan commitments and financial guarantee contracts.

The Bank recognises an ECL for such losses on origination and reassess the expected losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
  The time value of money; and
  Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

To calculate ECL, the Bank estimates the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset, i.e., the difference between: the contractual cash flows that are due to the Bank under the contract, and the cash flows that the Bank expects to receive, discounted at the effective interest rate of the financial asset or an approximation thereof.

- **Stage 1:** for financial instruments where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired on origination, the Bank recognises an allowance based on the 12-month ECL.
- **Stage 2:** for financial instruments where there has been a significant increase in credit risk since initial recognition but that are not credit-impaired, the Bank recognises an allowance for the lifetime ECL.
- **Stage 3:** for credit-impaired financial instruments, the Bank recognises the lifetime ECL.
  Purchased or originated credit impaired ('POCI'): when financial assets are purchased or are originated at a deep discount or are credit-impaired on initial recognition. These are subject to lifetime ECLs. It also includes recognition of previously written off loans of the Bank where the expectation of recovery has improved.

For the purposes of categorisation into above stages, the Bank performs an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

The Bank records ECL for FVOCI debt securities, depending on whether they are classified as Stage 1, 2, or 3, as explained above. However, ECL does not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss.

No impairment is recorded on equity instruments.

3.8.1 The calculation of ECL

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

PD

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD

The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD
The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral or credit enhancements that are integral to the loan and not required to be recognised separately. It is usually expressed as a percentage of the EAD.

The estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD). There may be multiple default events over the lifetime of an instrument.

3.9 Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the profit or loss net of any reimbursement.

3.10 Fair value measurement

The Bank measures financial instruments at fair value at each statement of financial position date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Bank. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interests.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Bank uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 valuation:** Directly observable quotes for the same instrument.
- **Level 2 valuation:** Directly observable proxies for the same instrument accessible at valuation date.
- **Level 3 valuation:** Derived proxies (interpolation of proxies) for similar instruments that have not been observed.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Bank 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.

3.11 Foreign currencies

Transactions and balances
Transactions in foreign currencies are initially recorded at the spot rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities in foreign currencies are translated into the Bank's functional currency at the rates of exchange ruling at the date of the statement of financial position. Any gains or losses are taken to the profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Income and expense items are translated at average exchange rates for the period.

3.12 Trade and settlement date accounting

All "regular way" purchases and sales of financial assets are recognised on the trade date, i.e. the date that the Bank commits to purchase or sell the asset, except for deposits from customers.

3.13 Offsetting

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and the Bank intends to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

3.14 Significant accounting judgements, estimates and assumptions

The preparation of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Bank's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Bank's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

Going concern

The Bank's management has made an assessment of the Bank's ability to continue as a going concern and is satisfied that the Bank has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

04 New And Amended Standards And Interpretations

4.1 Standards issued but not yet effective

New and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Bank's financial statements are disclosed below. The Bank intends to adopt these standards, if applicable, when they become effective:

- Amendments to the Classification and Measurement of Financial Instruments - amendments to IFRS 9 and IFRS 7: effective for annual reporting periods beginning on or after 1 January 2026;
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7:effective for annual reporting periods beginning on or after 1 January 2026; and
- IFRS 18 Presentation and Disclosure in Financial Statements: replacing IAS 1 - Presentation of Financial Statements: effective for annual reporting periods beginning on or after 1 January 2027.

05 Cash And Short-Term Deposits

		31 December 2025
	Notes	**USD '000**
Balances with banks	5.1	7,848
Short-term deposits	5.2	66,180
Cash and short-term deposit before ECL allowance		**74,028**
ECL allowances	18	(65)
Cash and short-term deposits - net		**73,963**

5.1 This includes saving account of the Bank with a reputable islamic financial institution rated "B" in the Kingdom of Bahrain which carries effective interest rate of 1.9% per annum.

5.2 The Bank has invested in multiple mudaraba certificates with reputable financial institutions in the Kingdom of Bahrain. These deposits carry effective interest rate of 4.5% per annum having original maturity between 1 to 3 months.

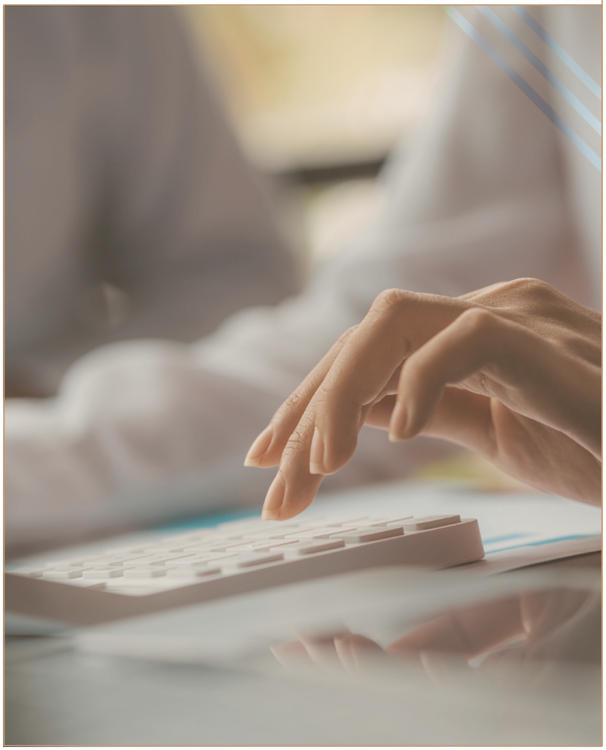
Cash and short-term deposits are classified under Stage 1 as of 31 December 2025.

06 Investment Securities

	Notes	31 December 2025 USD '000
Government treasury bills	6.1	20,879
ECL allowances	18	(83)
Investment securities - net		20,796

6.1 The securities represent Government treasury bills issued by the CBB with the original maturity between 3 to 12 months from the date of issuance which are carried at amortised cost. As at 31 December 2025, all debt instruments were rated "B" and classified as stage 1.

The fair value of investment securities as of 31 December 2025 is USD 20.9 million under level 1 of fair value hierarchy.



07 Other Assets

	31 December 2025 USD '000
Accrued Income	424
Prepayments	258
Security deposits	50
	732

08 Right-Of-Use Assets And Lease Liabilities

The Bank has a lease contract for premises occupied by it. The Bank is restricted from assigning and subleasing the leased assets.

Set out below is the carrying amount of right-of-use assets and lease liabilities recognised and movements during the period:

	31 December 2025 USD '000
At 28 July 2024 (date of incorporation)	-
Additions during the period	547
Amortisation of right-of-use assets	(30)
As at 31 December	**517**
At 28 July 2024 (date of incorporation)	**-**
Additions during the period	**547**
Accretion of interest	4
Payment of lease liabilities	(32)
As at 31 December	**519**
Current	**175**
Non-current	344
	519

The attached notes 1 to 22 form a part of these financial statements

09 Furniture And Equipment

	Furniture & fittings USD '000	Equipment USD '000	Total USD '000
Cost:			
At 28 July 2024 (date of incorporation)	-	-	-
Additions during the period	106	3,089	3,195
At 31 December 2025	**106**	**3,089**	**3,195**
Accumulated depreciation:			
At 28 July 2024 (date of incorporation)	-	-	-
Charge for the period	3	77	80
At 31 December 2025	**3**	**77**	**80**
Net book value:			
At 31 December 2025	**103**	**3,012**	**3,115**

10 Intangible Assets Under Development

Intangible assets under development represents work in progress related to Core Banking and other software related to banking activities. These are still under development and therefore no amortisation has been charged for the period ended 31 December 2025.

11 Share Capital

	31 December 2025 USD '000
Authorised - 200 million shares of USD 1 each	200,000
Issued and fully paid - 100 million shares of USD 1 each	**100,000**

12 Other Liabilities

	31 December 2025 USD '000
Vendor payables	4,905
VAT payable	323
Accrued expenses	377
	5,605

13 Interest Income

	For the period from 28 July 2024 (date of incorporation) to 31 December 2025 USD '000
Interest income from:	
Placements with banks	3,180
Investment Securities	110
	3,290

14 Staff Costs

	For the period from 28 July 2024 (date of incorporation) to 31 December 2025
Salaries	965
Social Insurance Organisation (SIO) charges	133
Medical insurance expenses	61
Relocation expenses	67
Other benefits	6
Training expenses	1
	1,233

15 Other Operating Expenses

	For the period from 28 July 2024 (date of incorporation) to 31 December 2025
	USD '000
Core banking expenses	359
Professional & advisory expenses	1,187
Fee to the Board of Directors	937
IT equipment and subscriptions	213
Rent	174
Others	375
Foreign exchange loss	16
Interest expenses	4
	3,265

16 Pre-Incorporation Expenses

Pre-incorporation expenses comprise legal and professional fees amounting to USD 1,039 thousand, CBB license expense amounting to USD 30 thousand and other initial setup expenses amounting to USD 20 thousand.

17 Depreciation And Amortisation

		For the period from 28 July 2024 (date of incorporation) to 31 December 2025
	Notes	**USD '000**
Furniture and equipment	9	80
Right-of-use assets	8	30
		110

18 Expected Credit Losses ("ECL")

	At 28 July 2024 (date of incorporation) USD'000	ECL charge during the period USD'000	At 31 December 2025 USD'000
Balances with banks	-	7	7
Short-term deposits	-	58	58
Investment securities	-	83	83
	-	**148**	**148**

19 Transactions With Related Parties

Related parties represent the ultimate parent, major shareholders, associates, directors and key management personnel of the Bank and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Bank's management.

	31 December 2025
	USD '000
The expenses in respect of related parties included in the financial statements are as follows:	
Pre-incorporation expenses with other related party	**1,003**
Board of directors' fee and compensation of the key management personnel are as follows:	
Board of Directors' fee	**937**
Remuneration to key management personnel	**458**

20 Risk Management

Risk is an inherent aspect of the Bank's operations. The overall governance and oversight of risk management are conducted with the support of the Bank's Management with oversight of Board of Directors. The Bank is exposed to various financial risks, including liquidity risk, credit risk, market risk, and operational risk.

20.1 Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due. The Bank's exposure to liquidity risk is minimal.

The maturity profile of the assets and liabilities given below has been determined on the basis of the remaining period at the date of the statement of financial position to the contractual maturity date, except in the case of deposits with Banks which entirely comprises of "Current & Savings Account".

31 December 2025	Up to 3 months USD '000	More than 3 months to 1 Year USD'000	More than 1 year to 5 years USD'000	Undated USD'000	Total USD'000
Assets					
Cash and short-term deposits	72,379	1,584	-	-	73,963
Investment securities	15,736	5,060	-	-	20,796
Other assets	682	-	50	-	732
Right-of-use assets	46	136	335	-	517
Furniture and equipment	-	-	104	3,011	3,115
Intangible assets under					
Development	-	-	-	4,446	4,446
Total assets	**88,843**	**6,780**	**489**	**7,457**	**103,569**
EQUITY					
Share capital	-	-	-	100,000	100,000
Accumulated losses	-	-	-	(2,555)	(2,555)
Total equity	**-**	**-**	**-**	**97,445**	**97,445**
Liabilities					
Lease liabilities	43	132	344	-	519
Other liabilities	4,261	31	1,313	-	5,605
Total liabilities	**4,304**	**163**	**1,657**	**-**	**6,124**
Total equity and liabilities	**4,304**	**163**	**1,657**	**97,445**	**103,569**
Liquidity gap	**84,539**	**6,617**	**(1,168)**	**(89,988)**	**-**

The attached notes 1 to 22 form a part of these financial statements

20.2 Credit Risk

Credit risk is the risk that the Bank will incur a loss because its counterparties fail to discharge their contractual obligations. The Bank's financial assets comprise investment securities, other assets, cash and short-term deposits. Investment securities are from the government treasury bills of the Kingdom of Bahrain, while cash and short-term deposits are held with a reputable Islamic financial institution rated "B" in the Kingdom of Bahrain. Accordingly, the Bank considers these assets to carry minimal risk. However, appropriate ECL has been recorded against these. Maximum credit exposure of the Bank at the reporting date is equal to the carrying value of the financial assets.

The following table contains an analysis of the credit risk exposure of financial assets for which an ECL allowance is recognised. The gross carrying amount of financial assets (before ECL) below also represents the Bank's maximum exposure to credit risk on these financial assets.

	2025			
	ECL staging			
	Stage 1	Stage 2	Stage 3	Total USD'000
	12-month ECL USD'000	Lifetime ECL USD'000	Lifetime ECL USD'000	
Financial assets				
Cash and short-term deposits	74,028	-	-	74,028
Investment securities	20,879	-	-	20,879
ECL allowance	148	-	-	148
Carrying amount	**94,759**	**-**	**-**	**94,759**

20.2.1 Concentration of risks of financial assets with credit risk exposure

The following table breaks down the Bank's main credit exposure at their carrying amounts, as categorised by geographical region and by the industry sectors as of 31 December 2025.

By geographical regions	Middle East USD'000
2025	
Financial assets	
Cash and short-term deposits	73,963
Investment securities	20,796
Total	**94,759**

By Industry	Banks financial institutions USD'000	Government USD'000	Middle East USD'000
2025			
Financial assets			
Cash and short-term deposits	73,963		73,963
Investment securities		20,796	20,796
Total	**73,963**	**20,796**	**94,759**

The attached notes 1 to 22 form a part of these financial statements

20.3 Market risk

Market risk is the risk that the interest rate, foreign exchange rates, or equity and commodity prices will move and result in profits or losses to the Bank. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

a. Price List

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

b. Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Positions are monitored on a daily basis and the Bank is in the process of establishing the hedging strategies in order to ensure positions are maintained within established limits.

The Bank's assets and liabilities are denominated primarily in United States Dollars (USD), Bahraini Dinar (BHD), Kuwaiti Dinar (KWD) and United Arab Emirates Dirham (AED). The Bank takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The carrying amounts of the Bank's foreign currency denominated monetary financial assets and liabilities at the reporting date are as follows:

	Assets	Liabilities	Net exposure - long (short)
	USD'000	**USD'000**	**USD'000**
BHD	1,978	-	1,978
KWD	163	-	163
AED	1,358	-	1,358

A sensitivity analysis is not disclosed because the above-mentioned currencies are pegged to the USD, resulting in immaterial foreign exchange volatility.

20.4 Operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems including internal frauds, or from external events including external frauds. This definition includes legal, Information technology (IT) and non-compliance risks, but excludes strategic and reputational risk. The Bank is in process of implementing infrastructure, controls, systems, and procedures to minimise the operational risk.

21 Fair Value Of Financial Instruments

Financial assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Bank recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

- Quoted prices in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs that are based on unobservable inputs (Level 3).

The Bank's financial assets and liabilities are measured at their carrying amount less any impairment charge. Financial instruments mainly consist of short-term deposits carried at amortised cost and carrying values of the financial assets approximates their fair values.

There were no transfers between level 1 and level 2 during the period ended 31 December 2025.

22 Cash & Cash Equivalents

		31 December 2025
	Note	**USD '000**
Cash and short-term deposits	5	74,028
Investment securities with original maturity of 3 months		15,717
		89,745

The attached notes 1 to 22 form a part of these financial statements