

Solidarity Bahrain B.S.C.

**Condensed consolidated interim
financial information**

Period ended 31 March 2026

Solidarity Bahrain B.S.C.

Condensed consolidated interim financial information

Period ended 31 March 2026

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Solidarity Bahrain B.S.C.

General information

For the period ended 31 March 2026

Commercial registration	5091 obtained on 17 August 1976
Board of Directors	
H.E.Shaikh Khalid Al Mashani	Chairman of the Board, Chairman of Remuneration Committee and Chairman of the Executive Committee (Non-Executive Director)
Salman Al Mahmeed	Vice Chairman of the Board, Chairman of Audit & Risk Committee and Member of the Nomination and Corporate Governance Committee (Non-Executive Director)
Tariq AlAujaili	Board Member, Member of the Executive Committee and Member of the Remuneration Committee (Non-Executive Director)
Ashraf Bseisu	Board Member, Member of the Executive Committee, Member of the Nomination and Corporate Governance Committee and Member of the Remuneration Committee (Executive Director)
Anwar Murad	Board Member, Member of the Audit & Risk Committee and Member of the Remuneration Committee (Executive Director)
Ahmed Habib Kassim	Board Member, Member of the Executive Committee (Non-Executive Director)
Dr. Nawaf Al Hamar	Board Member, Member of the Nomination and Corporate Governance Committee and Member of the Audit & Risk Committee (Independent Non-Executive Director)
Hala Farooq Al Moayyed	Board Member, Member of the Executive Committee (Independent Non-Executive Director)
Fawaz Fuad Kanoo	Board Member, Member of the Audit & Risk Committee (Independent Non-Executive Director)
Executive Committee	H.E.Shaikh Khalid Al Mashani – Chairman Tariq AlAujaili – Member Ashraf Bseisu – Member Hala Farooq Al Moayyed – Member Ahmed Habib Kassim – Member
Audit and Risk Committee	Salman Al Mahmeed – Chairman Dr. Nawaf Al Hamar – Member Fawaz Fuad Kanoo – Member Anwar Murad – Member
Nomination and Corporate Governance Committee	Shaikh Dr. Osama Bahar – Chairman Salman Al Mahmeed – Member Ashraf Bseisu – Member Dr. Nawaf Al Hamar – Member
Remuneration Committee	H.E.Shaikh Khalid Al Mashani – Chairman Tariq AlAujaili – Member Ashraf Bseisu – Member Anwar Murad – Member
Sharia Supervisory Board	Shaikh Dr. Osama Bahar – Chairman Shaikh Mohsin Shaikh A. Hussain Al Asfoor – Vice Chairman Shaikh Abdul Naser Al Mahmood – Member

Solidarity Bahrain B.S.C.

General information (continued) For the period ended 31 March 2026

Management

Jawad Mohammed	Chief Executive Officer
Enas Asiri	Deputy Chief Executive Officer – Life & Medical
Amer Janahi	Deputy Chief Executive Officer – Corporate Support
Sanjeev Aggarwal	Chief Financial Officer
Jai Prakash Pandey	Chief Business Development Officer
Husain Sabt	Chief Innovation & Strategy Officer
Ali Shaban	Chief Motor Insurance Officer
Yasmeen Ameer	Chief General Insurance Officer
Rashid Turk	Chief Medical Operations Officer
Eman Alghannami	Chief Medical Underwriting Officer
Omar Alaseeri	Chief Life Insurance Officer
Abdulla Albasteki	Head of Compliance, Legal & MLRO

Head Office

7th Floor – Seef Tower
Flat 71, Building 2080, Road 2825, Block 428
PO Box 5282
Seef Area, Manama – Kingdom of Bahrain
Telephone: +973 17585222
Fax: +973 17585200
Website: www.solidarity.com.bh

Branches

BNH Tower	1 st floor BNH Tower, Building 2491, Road 2832, Block 428, Al Seef
Seef Mall Branch	Flat 379, Building 2102, Road 2825, Block 428 Al Seef
Arad Branch	Building 35, Road 40, Block 240 Arad
Sanad Branch	Building 2414, Road 4571, Block 745 Sanad
Muharraq Branch	Promoseven Building 1130, Shop No. 2, Road 1531, Block 215, Al Ghous Highway, Muharraq
Al Nuwaidrat Branch	BNH Building 1809, Al Estiglal Highway, Road 4635, Block 646, Al Nuwaidrat
Budaiya Branch	Najeebi Complex, Building No.3, Shop No.9, Saar Avenue, Saar 515
Kuwait Branch	February 25 Tower, 10 th floor, Khalid Bin Alwaleed St., Sharq, Kuwait City, Kuwait.

Principal bankers

Al Salam Bank B.S.C., Kingdom of Bahrain
Kuwait Finance House B.S.C., Kingdom of Bahrain

Auditor

KPMG Fakhro
P.O. Box 710
Manama, Kingdom of Bahrain

Actuary

Lux Actuaries and Consultants
PO Box 50912 – Manama, Kingdom of Bahrain

Shares registrar

Bahrain Clear, Kingdom of Bahrain



KPMG Fakhro
Audit
12th Floor, Fakhro Tower,
P.O. Box 710, Manama,
Kingdom of Bahrain

Telephone +973 17224807
Telefax +973 17227443
Website: www.kpmg.com/bh
CR No. 6220 - 2

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

To the Directors

Solidarity Bahrain B.S.C.

Kingdom of Bahrain

Introduction

We have reviewed the accompanying 31 March 2026 condensed consolidated interim financial information of Solidarity Bahrain B.S.C. (the "Company") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2026;
- the condensed consolidated statement of income for the three-month period ended 31 March 2026;
- the condensed consolidated statement of other comprehensive income for the three-month period ended 31 March 2026;
- the condensed consolidated statement of participants' surplus and deficit for the three-month period ended 31 March 2026;
- the condensed consolidated statement of changes in shareholders' equity for the three-month period ended 31 March 2026;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2026; and
- notes to the condensed consolidated interim financial information.

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".

11 May 2026

Solidarity Bahrain B.S.C.

Condensed consolidated statement of financial position

As at 31 March 2026

In thousands of Bahraini Dinars

	Note	31 March 2026 (reviewed)	31 December 2025 (audited)
Assets			
Cash and cash equivalents		23,132	19,651
Placements with financial institutions		4,963	4,812
Investments	5	51,324	61,056
Investment in associates		23,914	24,354
Investments of participants in units	5	9,889	10,040
Goodwill and other intangible assets		37,609	37,855
Takaful arrangement assets		-	1
Retakaful arrangement assets	6	20,590	19,708
Prepayments and other assets		11,934	28,669
Conventional assets - under run-off management	14	320	324
Property and equipment		824	828
Right-of-use assets		855	963
Total assets		185,354	208,261
Liabilities, participants' funds and shareholders' equity			
Liabilities			
Takaful arrangement liabilities	6	79,777	79,201
Retakaful arrangement liabilities	6	996	2,781
Investment contract liabilities		1,053	1,755
Other liabilities		7,503	25,623
Conventional liabilities - under run-off management	14	320	324
Ijarah liabilities		914	1,017
Total liabilities		90,563	110,701
Participants' funds			
		1,718	1,216
Shareholders' equity			
Share capital	15	17,000	17,000
Preference shares	17	11,812	11,812
Treasury shares		(4)	(4)
Statutory reserve		5,839	5,839
Share premium		5,733	5,733
Investment fair value reserve		521	151
Retained earnings		10,494	14,135
Total equity attributable to the shareholders		51,395	54,666
Subordinated Mudaraba	16	41,678	41,678
Total equity		93,073	96,344
Total liabilities, participants' funds and equity		185,354	208,261

This condensed consolidated interim financial information was approved and authorised for issue on 11 May 2026 and signed on behalf of the Board by:



H.E. Shaikh Khalid Al Mashani
Chairman



Salman Al Mahmeed
Vice Chairman



Jawad Mohammed
Chief Executive Officer

Notes 1 to 20 form an integral part of this condensed consolidated interim financial information.

Solidarity Bahrain B.S.C.

Condensed consolidated statement of income
Three-month period ended 31 March 2026

In thousands of Bahraini Dinars

	Note	General Takaful fund		Family Takaful fund		Shareholders' fund		Total	
		31 March 2026 (reviewed)	31 March 2025 (reviewed)	31 March 2026 (reviewed)	31 March 2025 (reviewed)	31 March 2026 (reviewed)	31 March 2025 (reviewed)	31 March 2026 (reviewed)	31 March 2025 (reviewed)
Recognised takaful contributions	7	26,390	13,043	571	611	-	-	26,961	13,654
Recognised takaful costs		(19,812)	(8,279)	(584)	(582)	-	-	(20,396)	(8,861)
Retakaful net results		(6,156)	(4,406)	104	74	-	-	(6,052)	(4,332)
Takaful participants' gross margin		422	358	91	103	-	-	513	461
Net participants' investment income	9	133	143	28	30	-	-	161	173
Amortisation of deferred cost (related to provision of takaful arrangements)		(538)	(272)	(3)	(94)	-	-	(541)	(366)
Amortisation of deferred income (related to retakaful arrangements held)		367	73	19	(12)	-	-	386	61
Other participants' expenses		-	-	(13)	-	-	-	(13)	-
Net participants' surplus		384	302	122	27	-	-	506	329
Wakala fee income	8	-	-	-	-	6,544	3,459	6,544	3,459
Investment income, net	9	-	-	-	-	795	642	795	642
Mudarib share	9	-	-	-	-	107	115	107	115
Share of profit from an associate		-	-	-	-	484	311	484	311
Other income		-	-	-	-	77	166	77	166
Total shareholders' income		-	-	-	-	8,007	4,693	8,007	4,693
Employee costs		-	-	-	-	(1,817)	(1,148)	(1,817)	(1,148)
Commission expenses incurred		-	-	-	-	(2,030)	(766)	(2,030)	(766)
Third-party administrators (TPA) fees		-	-	-	-	(406)	(206)	(406)	(206)
Other expenses		-	-	-	-	(1,921)	(1,315)	(1,921)	(1,315)
Total shareholders' expense		-	-	-	-	(6,174)	(3,435)	(6,174)	(3,435)
Net profit for the period		384	302	122	27	1,833	1,258	2,339	1,587
Basic and diluted earnings per share						10.79 Fils	7.4 Fils		

This condensed consolidated interim financial information was approved and authorised for issue on 11 May 2026 and signed on behalf of the Board by:


H.E. Shaikh Khalid Al Mashani
Chairman


Salman Al Mahmeed
Vice Chairman


Jawad Mohammed
Chief Executive Officer

Notes 1 to 20 form an integral part of this condensed consolidated interim financial information.

Solidarity Bahrain B.S.C.

Condensed consolidated statement of other comprehensive Income
Three-month period ended 31 March 2026

In thousands of Bahraini Dinars

	General Takaful fund		Family Takaful fund		Shareholders' fund		Total	
	31 March 2026 (reviewed)	31 March 2025 (reviewed)	31 March 2026 (reviewed)	31 March 2025 (reviewed)	31 March 2026 (reviewed)	31 March 2025 (reviewed)	31 March 2026 (reviewed)	31 March 2025 (reviewed)
Net profit for the period	384	302	122	27	1,833	1,258	2,339	1,587
<i>Items to be reclassified to the statement of income:</i>								
Fair value changes arising during the period	(7)	-	3	-	443	42	439	42
Share of fair value reserve of Associate Transferred to investment income on disposal of equity instruments	-	-	-	-	(72)	7	(72)	7
Other comprehensive income for the period	(7)	-	3	-	(1)	-	(1)	-
Total comprehensive income for the period	377	302	125	27	2,203	1,307	2,705	1,636

This condensed consolidated interim financial information was approved and authorised for issue on 11 May 2026 and signed on behalf of the Board by:



H.E. Shaikh Khalid Al Mashani
Chairman



Salman Al Mahmeed
Vice Chairman



Jawad Mohammed
Chief Executive Officer

Notes 1 to 20 form an integral part of this condensed consolidated interim financial information.

Solidarity Bahrain B.S.C.

Condensed consolidated statement of participants' surplus and deficit

Three-month period ended 31 March 2026

In thousands of Bahraini Dinars

	Accumulated surplus		Investment fair value reserve		Total
	General Takaful	Family Takaful	General Takaful	Family Takaful	
2026 (reviewed)					
At 1 January	1,073	113	35	(5)	1,216
Surplus for the period	384	122	-	-	506
Other comprehensive income	-	-	(7)	3	(4)
At 31 March (reviewed)	1,457	235	28	(2)	1,718

	Accumulated (deficit)/surplus		Investment fair value reserve		Total
	General Takaful	Family Takaful	General Takaful	Family Takaful	
2025 (reviewed)					
At 1 January	510	(21)	18	6	513
Surplus for the period	302	27	-	-	329
At 31 March (reviewed)	812	6	18	6	842

Notes 1 to 20 form an integral part of this condensed consolidated interim financial information.

Solidarity Bahrain B.S.C.

Condensed consolidated statement of changes in shareholders' equity
Three-month period ended 31 March 2026

In thousands of Bahraini Dinars

2026 (reviewed)	Share capital	Preference shares	Treasury shares	Statutory reserve	Share premium	Investment fair value reserve	Retained earnings	Total equity attributable to the shareholders	Subordinated Mudaraba	Total equity
At 1 January	17,000	11,812	(4)	5,839	5,733	151	14,135	54,666	41,678	96,344
Net profit for the period	-	-	-	-	-	-	1,833	1,833	-	1,833
Other comprehensive income	-	-	-	-	-	370	-	370	-	370
Total comprehensive income	-	-	-	-	-	370	1,833	2,203	-	2,203
Dividends declared on ordinary shares 2025	-	-	-	-	-	-	(4,247)	(4,247)	-	(4,247)
Dividends on preference shares	-	-	-	-	-	-	(474)	(474)	-	(474)
Profit distribution on subordinated mudaraba	-	-	-	-	-	-	(753)	(753)	-	(753)
At 31 March (reviewed)	17,000	11,812	(4)	5,839	5,733	521	10,494	51,395	41,678	93,073

2025 (reviewed)	Share capital	Preference shares	Treasury shares	Statutory reserve	Share premium	Property revaluation reserve	Investment fair value reserve	Retained earnings	Total equity attributable to the shareholders	Subordinated Mudaraba	Total equity
At 1 January	13,333	-	(4)	4,967	5,733	532	3,413	11,537	39,511	-	39,511
Net profit for the period	-	-	-	-	-	-	-	1,258	1,258	-	1,258
Other comprehensive income	-	-	-	-	-	-	49	-	49	-	49
Total comprehensive income	-	-	-	-	-	-	49	1,258	1,307	-	1,307
Bonus shares issued (Note 15)	3,667	-	-	-	-	-	-	(3,667)	-	-	-
Issuance of subordinated mudaraba	-	-	-	-	-	-	-	-	-	28,437	28,437
Issuance cost of subordinated mudaraba	-	-	-	-	-	-	-	-	-	(853)	(853)
At 31 March (reviewed)	17,000	-	(4)	4,967	5,733	532	3,462	9,128	40,818	27,584	68,402

Notes 1 to 20 form an integral part of this condensed consolidated interim financial information.

Solidarity Bahrain B.S.C.
Condensed consolidated statement of cash flows
Three-month period ended 31 March 2026
In thousands of Bahraini Dinars

	Notes	31 March 2026 (reviewed)	31 March 2025 (reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period		2,339	1,587
<i>Adjustments for:</i>			
Depreciation		42	34
Depreciation of right-of-use assets		110	74
Ijarah cost		14	4
Amortization of intangible asset		246	116
Murabaha finance cost		-	168
Provision for employees end of service benefits		50	13
Investment income, net		(956)	(815)
Share of profit from associates		(484)	(311)
		1,361	870
<i>Changes in:</i>			
Takaful arrangement assets	6	1	-
Retakaful arrangement assets	6	(882)	(3,837)
Prepayments and other assets		(1,789)	878
Takaful arrangement liabilities	6	576	2,795
Retakaful arrangement liabilities	6	(1,785)	14
Investment contract liabilities		(702)	-
Other liabilities		1,067	(1,956)
Cash used in operating activities		(2,153)	(1,236)
Payment towards employees end of service benefits		(4)	(6)
Net cash used in operating activities		(2,157)	(1,242)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment and intangible assets		(38)	(5)
Purchase of investments	5	(470)	-
Placements with financial institutions, net		-	156
Proceeds from disposal of investments		10,801	4,993
Investment income received		938	811
Restricted bank balance		-	(16,876)
Net cash generated from/(used in) investing activities		11,231	(10,921)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid on ordinary shares	15	(4,247)	-
Dividends paid on preference shares	17	(474)	-
Ijarah liabilities paid		(119)	(78)
Issuance of Subordinated Mudaraba	16	-	28,437
Profit distribution on Subordinated Mudaraba	16	(753)	-
Profit paid on Murabaha Financing		-	(166)
Net cash (used in)/generated from financing activities		(5,593)	28,193
Net increase in cash and cash equivalents		3,481	16,030
Cash and cash equivalents at the beginning of the period		19,651	26,866
Cash and cash equivalents at the end of the period		23,132	42,896
Shareholders' fund		3,434	23,953
Participants' fund		19,698	18,943
Cash and cash equivalents at the end of the period		23,132	42,896

Notes 1 to 20 form an integral part of this condensed consolidated interim financial information.

1 GENERAL INFORMATION

Solidarity Bahrain B.S.C. (the “Company”) is a public shareholding company incorporated in the Kingdom of Bahrain under commercial registration number 5091 obtained on 17 August 1976. The majority shareholder of the Group is Solidarity Group Holding B.S.C. (c) (the “Parent Company”) which is a subsidiary of Al Salam Bank B.S.C. (the “Ultimate Parent Company”), a listed bank incorporated in in the Kingdom of Bahrain.

The consolidated financial information comprise the results of the Company and its subsidiaries (collectively the “Group”). The Company’s effective holding in the below subsidiaries and associates is as follows:

Name of the entity	Location of business / country	Percentage of ownership		Nature of relationship	Nature of activities
		2026	2025		
Bahrain National Insurance Company B.S.C. (c)	Bahrain	100%	100%	Subsidiary	Takaful
Bahrain National Life Assurance Company B.S.C. (c)	Bahrain	100%	100%	Subsidiary	Takaful
United Insurance Company B.S.C. (c)	Bahrain	20%	20%	Associate	Conventional insurance
Alliance Insurance P.S.C.	UAE	28.99%	28.99%	Associate	Conventional insurance
Health 360 Ancillary Services W.L.L.	Bahrain	22.22%	22.22%	Associate	Third Party Administrator

The Company is licensed by the Central Bank of Bahrain (the “CBB”) to carry out the following principal activities:

- (i) developing and providing protection covers for property, engineering, general accident, liability, marine cargo, marine hull, aviation, medical, group life, motor, level term assurance and decreasing term assurance; and
- (ii) management of general takaful and family takaful funds in accordance with the Islamic Shari’a principles on behalf of the participants of the fund.

The Group’s general takaful funds comprise of all protection covers except decreasing term assurance, level term assurance and savings takaful which are part of family takaful fund.

The conventional run-off fund represents technical assets and liabilities of the insurance portfolio of the Company (formerly Al Ahlia Insurance) prior to merger. This portfolio is under run-off and belongs to the shareholders’ fund.

During the year ended 31 December 2025, the Group acquired full ownership and control of Bahrain National Insurance Company B.S.C. (c) (“BNI”) and Bahrain National Life Assurance Company B.S.C. (c) (“BNL”) from Bahrain National Holding Company B.S.C. (“BNH”) for a total cash consideration of BD 75 million. The acquisition encompassed 100% of the assets, liabilities, and business operations of BNI and BNL. All legal formalities and requisite regulatory approvals were duly obtained during the year ended 31 December 2025. Following the acquisition, the Group initiated the conversion of the conventional insurance operations of BNI and BNL into Shariah-compliant Takaful operations. This conversion process commenced in 2025 and was completed during the period in 2026, in accordance with applicable regulatory requirements and the resolutions of the Group’s Shariah Supervisory Board. Upon completion of the conversion, the conventional insurance portfolios, including the related assets and insurance liabilities, were transferred to the Participants’ Takaful Fund, in line with the principles governing Takaful operations and the segregation between shareholders’ funds and participants’ funds.

2 BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with Financial Accounting Standard 41 ("FAS 41") issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI") and in conformity with the Central Bank of Bahrain and Financial Institutions Law 2006, the applicable regulations set out in Volume 3 - Insurance, Volume 6 - capital markets of the Central Bank of Bahrain's rule book and the relevant provisions of the Commercial Companies Law 2001 (as amended) and its subsequent amendments. For the matters which are not covered by AAOIFI accounting standards, the Group uses guidance from the relevant IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). Accordingly, this interim financial information has been presented in condensed form in accordance with FAS 41, which permits the interim financial information to be in summarised form and does not include all of the information required for full annual financial statements. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2025.

3 ACCOUNTING POLICIES

The accounting policies used in the preparation of this condensed consolidated interim financial information are consistent with those used in the annual audited financial statements of the Group prepared as at, and for the year ended 31 December 2025, except for the adoption of new and amended standards issued and effective from 1 January 2026.

Several amendments apply for the first time in 2026, but had no material impact on the condensed consolidated interim financial information.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

4 CYCLICAL VARIABILITY

The condensed interim results may not represent a proportionate share of the annual profits due to cyclical variability in contributions and uncertainty of claim occurrences.

5 INVESTMENTS

	31 March 2026 (reviewed)	31 December 2025 (audited)
Sukuk		
Amortised cost:		
Quoted instruments - Sukuk	39,623	34,614
Quoted instruments - Bonds	-	13,993
Fair value through equity:		
Quoted instruments	3,794	2,903
Fair value through income statement:		
Quoted instruments - Sukuk	894	95
Quoted instruments - Bonds	-	1,274
Equity type instruments		
Fair value through equity:		
Quoted instruments	4,668	6,033
Unquoted instruments	2,207	1,995
Fair value through income statement:		
Quoted instruments	93	95
Unquoted instruments	45	54
	51,324	61,056
Investments of participants in units		
At fair value:		
Investment in funds	9,889	10,040
	9,889	10,040

5.1 The movements in investments are as follows:

	31 March 2026 (reviewed)	31 December 2025 (audited)
At the beginning of the period/year	61,056	28,362
Investment held by acquired entity - BNI	-	28,061
Investment held by acquired entity - BNL	-	13,869
Additions during the period/year	470	20,850
Disposals during the period/year	(10,646)	(23,026)
Amortisation during the period/year, net	19	101
Transferred to investment income on disposal of equity instruments	(1)	(565)
Reclassification of equity instruments carried at fair value through equity to Investment in associate	-	(7,244)
Net change in impairment/ECL during the period/year	2	98
Change in fair value, net	424	550
At the end of the period/year	51,324	61,056

6 TAKAFUL AND RETAKAFUL CONTRACTS

31 March 2026 (reviewed)	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
Takaful arrangement liabilities – opening	38,355	2,129	37,607	1,110	79,201
Takaful arrangement assets – opening	-	-	(1)	-	(1)
Opening balance, net	38,355	2,129	37,606	1,110	79,200
Adjustment on conversion to Takaful (exclusion of deferred acquisition costs)*	905	-	-	-	905
Changes in the statement of income					
Recognised takaful contributions	(26,961)	-	-	-	(26,961)
Takaful service expenses					
Incurred claims and other takaful service expenses	-	(126)	36,017	-	35,891
Adjustments to liabilities	-	-	(15,637)	54	(15,583)
Reversal of losses on onerous contracts	-	88	-	-	88
Takaful service expenses	-	(38)	20,380	54	20,396
Net deferred cost from insurance contracts	(282)	16	657	(1)	390
Total changes in the statement of income	(27,243)	(22)	21,037	53	(6,175)
Cash flows					
Contributions received	23,791	-	-	-	23,791
Claims and other takaful service expenses paid	-	-	(17,944)	-	(17,944)
Total cash flows	23,791	-	(17,944)	-	5,847
Takaful arrangement liabilities - closing	35,808	2,107	40,699	1,163	79,777
Takaful arrangement assets – closing	-	-	-	-	-
Net closing balance	35,808	2,107	40,699	1,163	79,777

*The opening balance of Liabilities for remaining coverage includes deferred acquisition costs reported on the acquisition of conventional subsidiaries. Upon conversion to Takaful, these are excluded from the Participants' Fund, resulting in an adjustment of BD 905 thousand, which is a presentation change and not an insurance service movement.

6 TAKAFUL AND RETAKAFUL CONTRACTS (continued)

31 December 2025

	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
Takaful arrangement liabilities – opening	23,843	2,854	21,869	533	49,099
Takaful arrangement assets – opening	-	-	-	-	-
Opening balance, net	23,843	2,854	21,869	533	49,099
Transfer from BNI	6,012	3	14,173	605	20,793
Transfer from BNL	1,963	740	6,657	132	9,492
Changes in the statement of income					
Recognised takaful contributions	(94,133)	-	-	-	(94,133)
Takaful service expenses					
Incurred claims and other takaful service expenses	-	(72)	78,311	-	78,239
Adjustments to liabilities	4,927	(2,590)	(19,626)	(160)	(17,449)
Reversal of losses on onerous contracts	-	1,177	-	-	1,177
Takaful service expenses	4,927	(1,485)	58,685	(160)	61,967
Net deferred cost from insurance contracts	22	17	1,969	-	2,008
Total changes in the statement of income	(89,184)	(1,468)	60,654	(160)	(30,158)
Cash flows					
Contributions received	98,122	-	-	-	98,122
Claims and other takaful service expenses paid	-	-	(65,747)	-	(65,747)
Insurance acquisition cashflows paid	(2,401)	-	-	-	(2,401)
Total cash flows	95,721	-	(65,747)	-	29,974
Takaful arrangement liabilities - closing	38,355	2,129	37,607	1,110	79,201
Takaful arrangement assets – closing	-	-	(1)	-	(1)
Net closing balance	38,355	2,129	37,606	1,110	79,200

6 TAKAFUL AND RETAKAFUL CONTRACTS (continued)

31 March 2026 (reviewed)	Assets for remaining coverage		Assets for incurred claims		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
Retakaful arrangement liabilities – opening	2,781	-	-	-	2,781
Retakaful arrangement assets – opening	5,164	(1,671)	(22,651)	(550)	(19,708)
Opening balance, net	7,945	(1,671)	(22,651)	(550)	(16,927)
Allocation of retakaful contribution expenses	9,894	6	-	-	9,900
Claims recovered and other directly attributable expenses	-	16	(10,914)	-	(10,898)
Recoveries and reversal of losses on onerous contracts	-	24	-	-	24
Adjustments to assets	-	-	7,096	(70)	7,026
Net expenses from retakaful contracts	9,894	46	(3,818)	(70)	6,052
Net deferred expense from retakaful contracts	(5)	(9)	(373)	1	(386)
Total changes in the statement of income	9,889	37	(4,191)	(69)	5,666
Cashflows					
Contributions paid	(16,152)	-	-	-	(16,152)
Amounts received related to incurred claims	-	-	7,819	-	7,819
Total cash flows	(16,152)	-	7,819	-	(8,333)
Retakaful arrangement liabilities – closing	2,338	(2)	(1,311)	(29)	996
Retakaful arrangement assets – closing	(656)	(1,632)	(17,712)	(590)	(20,590)
Net closing balance	1,682	(1,634)	(19,023)	(619)	(19,594)

6 TAKAFUL AND RETAKAFUL CONTRACTS (continued)

31 December 2025	Assets for remaining coverage		Assets for incurred claims		Total
	Excluding loss component	Loss component	Estimate of present value of future cash flows	Risk adjustment for non-financial risk	
Retakaful arrangement liabilities – opening	586	-	-	-	586
Retakaful arrangement assets – opening	1,717	(1,994)	(7,493)	(208)	(7,978)
Opening balance, net	2,303	(1,994)	(7,493)	(208)	(7,392)
Transfer from BNI	6,251	(2)	(12,188)	(357)	(6,296)
Transfer from BNL	6,405	(8)	(7,225)	(82)	(910)
Allocation of retakaful contribution expenses	40,378	-	-	-	40,378
Claims recovered and other directly attributable expenses	(1,325)	8	(18,712)	-	(20,029)
Recoveries and reversal of losses on onerous contracts	-	(280)	-	-	(280)
Adjustments to assets	(608)	608	8,598	97	8,695
Net expenses from retakaful contracts	38,445	336	(10,114)	97	28,764
Net deferred expense from retakaful contracts	(10)	(3)	(302)	-	(315)
Total changes in the statement of income	38,435	333	(10,416)	97	28,449
Cashflows					
Contributions paid	(45,449)	-	-	-	(45,449)
Amounts received related to incurred claims	-	-	14,671	-	14,671
Total cash flows	(45,449)	-	14,671	-	(30,778)
Retakaful arrangement liabilities – closing	2,781	-	-	-	2,781
Retakaful arrangement assets – closing	5,164	(1,671)	(22,651)	(550)	(19,708)
Net closing balance	7,945	(1,671)	(22,651)	(550)	(16,927)

7 RECOGNISED TAKAFUL CONTRIBUTIONS

The following tables present an analysis of the insurance revenue recognized in the period.

31 March 2026
(reviewed)

Arrangements not measured under the contribution allocation approach (CAA)

Amounts relating to changes in liabilities for remaining coverage

- Takaful residue margin (TRM) recognised in statement of income for services provided
- Change in risk adjustment for nonfinancial risk for risk expired
- Expected incurred claims and other takaful service expenses

	Family Takaful	General Takaful	Total
	188	-	188
	26	-	26
	357	-	357
	571	-	571
Arrangements measured under contribution allocation approach	-	26,390	26,390
Total recognised takaful contributions	571	26,390	26,961

31 March 2025
(reviewed)

Arrangements not measured under the contribution allocation approach (CAA)

Amounts relating to changes in liabilities for remaining coverage

- Takaful residue margin (TRM) recognised in statement of income for services provided
- Change in risk adjustment for nonfinancial risk for risk expired
- Expected incurred claims and other takaful service expenses

	Family Takaful	General Takaful	Total
	196	-	196
	27	-	27
	388	-	388
	611	-	611
Arrangements measured under contribution allocation approach	-	13,043	13,043
Total recognised takaful contributions	611	13,043	13,654

8 WAKALA FEE

The Group receives Wakala fee for administration of the takaful funds on behalf of the participants in accordance with the contracts of the respective takaful funds. The Group has charged the Wakala within the Wakala cap approved by the Shari'a Supervisory Board (SSB) on the overall gross contributions, net of refunds.

9 INVESTMENT INCOME, NET

	31 March 2026 (reviewed)	31 March 2025 (reviewed)
Income from placements with financial institutions	279	264
Income from debt instruments	582	319
Income from equity instruments	242	350
Net change in Impairment during the period	-	6
Investment management expenses	(40)	(9)
Net investment income	1,063	930
Mudarib share*	(107)	(115)
	956	815
Shareholders' fund	795	642
General takaful fund	133	143
Family takaful fund	28	30
	956	815

**Mudarib share*

The shareholders manage the participants' investments and charges a fixed fee of the investment income earned by takaful funds as mudarib share, as approved by the Shari'a Supervisory Board. Mudarib share has been included in shareholders condensed consolidated interim statement of income.

10 RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the significant shareholder and entities over which the Group and the shareholder exercises significant influence, directors and executive management of the Group.

During the period ended 31 March 2026 and 2025, the Group has entered into transactions with related parties on terms approved by the management.

Transactions with key management personnel

Key management personnel of the Group comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Group. Remuneration paid to the Board of Directors of the Group during the period amounted to BD 290 thousand (2025: BD 220 thousand). Sitting fees paid to the members of the Committees of the Board of Directors amounted to BD 29 thousand (2025: BD 27 thousand) and salaries and benefits for key members of management amounted to BD 350 thousand (2025: BD 238 thousand). End of service and other benefits due to key management personnel as at 31 March 2025 amounted to BD 577 thousand (31 December 2025: BD 540 thousand).

10 RELATED PARTIES (Continued)

Transactions and balances with related parties

a) Transactions with related parties

31 March 2026 (reviewed)	Associate	Parent company	Ultimate parent	Key management personnel	Entities under common control	Total
Takaful contributions	-	1	1,130	1	338	1,470
Takaful expenses for Retakaful arrangements held	-	-	-	-	8	8
Takaful costs	-	-	79	-	28	107
TPA fees	234	-	-	-	-	234
Income from placements	-	-	21	-	-	21
Other income	13	-	-	-	-	13

31 March 2025 (reviewed)	Associate	Parent company	Ultimate parent	Key management personnel	Entities under common control	Total
Takaful contributions	-	1	792	1	637	1,431
Takaful expenses for Retakaful arrangements held	-	-	-	-	8	8
takaful costs	-	-	85	-	190	275
TPA fees	182	-	-	-	-	182
Income from placements	-	-	32	-	-	32
Other income	71	-	-	-	-	71

b) Balances with related parties

31 March 2026 (reviewed)	Associate	Parent company	Ultimate parent	Key management personnel	Entities under common control	Total
Placements with financial institutions	-	-	1,515	-	-	1,515
Cash and cash equivalents	-	-	2,602	-	-	2,602
Investments	-	-	1,522	-	-	1,522
Takaful receivables	-	-	-	-	1,960	1,960
Takaful liabilities	706	2	1,550	-	11	2,269
Prepayments and other assets	850	-	-	-	-	850

31 December 2025 (audited)	Associate	Parent company	Ultimate parent	Key management personnel	Entities under common control	Total
Placements with financial institutions	-	-	1,515	-	-	1,515
Cash and cash equivalents	-	-	636	-	-	636
Investments	-	-	1,610	-	-	1,610
Takaful receivables	141	-	-	-	2,150	2,291
Takaful liabilities	-	-	842	-	1,032	1,874

11 SEGMENTAL INFORMATION

The Group makes operating decisions on a combined basis for general takaful, family takaful and conventional insurance run-off fund. Management monitors the underwriting results and performance of the Group using the following business segments:

- Non-motor which includes fire, marine, general accident, liability, aviation and engineering lines of business
- Motor
- Medical
- Group Life which includes group life and credit life business
- Family Takaful which includes long-term decreasing term, level term business, protection takaful and saving takaful

Management monitors the underwriting results of the operating segments separately for the purpose of making decisions on the resource allocation and performance assessment. Segment performance is evaluated based on underwriting profit. The table overleaf presents the segment revenues, measurement of segment profit for the period and their reconciliation to the total income and profit for the period of the Group.

11 SEGMENTAL INFORMATION (continued)

	31 March 2026 (reviewed)						31 March 2025 (reviewed)					
	Non-Motor (*)	Motor	Medical	Group Life	Family Takaful	Total	Non-Motor (*)	Motor	Medical	Group Life	Family Takaful	Total
Recognised takaful contributions	7,201	8,554	9,379	1,256	571	26,961	3,319	3,659	5,549	516	611	13,654
Recognised takaful costs	(4,526)	(8,311)	(6,360)	(615)	(584)	(20,396)	(1,245)	(3,311)	(2,899)	(824)	(582)	(8,861)
Takaful service result before retakaful contracts held	2,675	243	3,019	641	(13)	6,565	2,074	348	2,650	(308)	29	4,793
Retakaful net results	(2,660)	83	(2,962)	(617)	104	(6,052)	(2,032)	(102)	(2,587)	315	74	(4,332)
Takaful gross margin	15	326	57	24	91	513	42	246	63	7	103	461
Net Investment income	34	32	62	5	28	161	26	28	84	5	30	173
Amortisation of deferred cost (related to provision of takaful arrangements)	(230)	(177)	(71)	(60)	(3)	(541)	(53)	(163)	(34)	(22)	(94)	(366)
Amortisation of deferred profit (related to provision of retakaful arrangements held)	253	(1)	66	49	19	386	50	(1)	3	21	(12)	61
Other participants' expenses	-	-	-	-	(13)	(13)	-	-	-	-	-	-
Profit for the period	72	180	114	18	122	506	65	110	116	11	27	329
Identifiable assets	12,127	-	4,502	794	23,238	40,661	5,031	1	4,652	1,745	20,323	31,752
Identifiable liabilities	21,863	27,245	6,592	3,304	23,005	82,009	20,887	26,243	9,049	4,822	20,215	81,216

(*) Non - motor includes fire, marine, aviation, general accident, liability, and engineering.

Assets amounting to BD 144.693 million (2025: BD 176.509 million) and liabilities amounting to BD 8.554 million (2025: BD 29.486 million) are not specifically identifiable.

Solidarity Bahrain B.S.C.

Notes to the condensed consolidated interim financial information
Period ended 31 March 2026

In thousands of Bahraini Dinars

11 SEGMENTAL INFORMATION (continued)

	General Takaful fund		Family Takaful fund		Shareholders' fund		Total	
	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2026 (reviewed)	31 December 2025 (audited)	31 March 2026 (reviewed)	31 December 2025 (audited)
Assets								
Cash and cash equivalents	18,562	680	1,136	70	3,434	18,901	23,132	19,651
Placements with financial institutions	3,684	565	565	-	714	4,247	4,963	4,812
Investments	20,735	9,754	7,521	997	23,068	50,305	51,324	61,056
Investment in associates	-	-	-	-	23,914	24,354	23,914	24,354
Investments of participants in units	-	-	9,889	10,040	-	-	9,889	10,040
Intangible assets	-	-	-	-	37,609	37,855	37,609	37,855
Takaful arrangement assets	-	-	-	-	-	1	-	1
Retakaful arrangement assets	17,423	7,710	3,167	2,527	-	9,471	20,590	19,708
Prepayments and other assets	3,286	15,437	960	6,689	7,688	6,543	11,934	28,669
Conventional assets - under run-off management	-	-	-	-	320	324	320	324
Property and equipment	-	-	-	-	824	828	824	828
Right-of-use assets	-	-	-	-	855	963	855	963
Total assets	63,690	34,146	23,238	20,323	98,426	153,792	185,354	208,261
Liabilities, participants' funds and shareholders' equity								
Liabilities								
Takaful arrangement liabilities	58,564	31,868	21,213	19,548	-	27,785	79,777	79,201
Retakaful arrangement liabilities	876	-	120	-	-	2,781	996	2,781
Investment contract liabilities	-	-	1,053	-	-	1,755	1,053	1,755
Other liabilities	2,765	1,170	619	667	4,119	23,786	7,503	25,623
Conventional liabilities - under run-off management	-	-	-	-	320	324	320	324
Ijarah liabilities	-	-	-	-	914	1,017	914	1,017
Total liabilities	62,205	33,038	23,005	20,215	5,353	57,448	90,563	110,701
Participants' funds	1,485	1,108	233	108	-	-	1,718	1,216
Shareholders' equity								
Share capital	-	-	-	-	17,000	17,000	17,000	17,000
Preference Shares	-	-	-	-	11,812	11,812	11,812	11,812
Treasury shares	-	-	-	-	(4)	(4)	(4)	(4)
Statutory reserve	-	-	-	-	5,839	5,839	5,839	5,839
Share premium	-	-	-	-	5,733	5,733	5,733	5,733
Investment fair value reserve	-	-	-	-	521	151	521	151
Retained earnings	-	-	-	-	10,494	14,135	10,494	14,135
Total equity attributable to the shareholders	-	-	-	-	51,395	54,666	51,395	54,666
Subordinated Mudaraba	-	-	-	-	41,678	41,678	41,678	41,678
Total owners' equity	-	-	-	-	93,073	96,344	93,073	96,344
Total liabilities, participants' funds and owners' equity	63,690	34,146	23,238	20,323	98,426	153,792	185,354	208,261

12 CONTINGENT LIABILITIES AND COMMITMENTS

The Group is a defendant in a number of cases brought by policyholders in respect of claims which the Group disputes. While it is not possible to predict the eventual outcome of such legal actions, the management has made provisions which, in their opinion, are adequate. There are no commitments as at 31 March 2026 (31 December 2025: Nil).

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or broker price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included with in level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted market prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. All fair value measurements below are recurring:

31 March 2026 (reviewed)

	Level 1	Level 2	Level 3	Total
Investments carried at fair value through equity	8,462	-	2,207	10,669
Investments carried at fair value through income statement	987	-	45	1,032
Investments of participants in units	9,889	-	-	9,889
	19,338	-	2,252	21,590

31 December 2025

	Level 1	Level 2	Level 3	Total
Investments carried at fair value through equity	8,936	-	1,995	10,931
Investments carried at fair value through income statement	1,464	-	54	1,518
Investments of participants in units	10,040	-	-	10,040
	20,440	-	2,049	22,489

13 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The table below sets out the Group's classification of each class of financial assets and liabilities, and their fair values:

31 March 2026	Fair value through equity	Fair value through income statement	At amortised cost	Total carrying value	Fair value
Cash and cash equivalents	-	-	23,132	23,132	23,132
Placements with financial institutions	-	-	4,963	4,963	4,963
Investment securities	10,669	1,032	39,623	51,324	50,040
Other assets	-	-	11,934	11,934	11,934
Total financial assets	10,669	1,032	79,652	91,353	90,069
Other liabilities	-	-	7,503	7,503	7,503
Investment contract liabilities	-	-	1,053	1,053	1,053
Total financial liabilities	-	-	8,556	8,556	8,556

31 December 2025	Fair value through equity	Fair value through income statement	At amortised cost	Total carrying value	Fair value
Cash and cash equivalents	-	-	19,651	19,651	19,651
Placements with financial institutions	-	-	4,812	4,812	4,812
Investment securities	10,931	1,518	48,607	61,056	60,521
Other assets	-	-	28,669	28,669	28,669
Total financial assets	10,931	1,518	101,739	114,188	113,653
Other liabilities	-	-	25,623	25,623	25,623
Investment contract liabilities	-	-	1,755	1,755	1,755
Total financial liabilities	-	-	27,378	27,378	27,378

The carrying value of the Group's financial instruments except investments were deemed to approximate fair value due to the immediate or short-term maturities of those financial instruments.

14 CONVENTIONAL ASSETS AND LIABILITIES – UNDER RUN OFF MANAGEMENT

	Conventional run-off fund	
	31 March 2026	31 December 2025
ASSETS		
Cash and cash equivalents	11	-
Reinsurance arrangement assets	171	171
Prepayments and other assets	138	153
Total assets under run-off management	320	324
	Conventional run-off fund	
	31 March 2026	31 December 2025
LIABILITIES		
Insurance arrangement liabilities	309	313
Other liabilities	11	11
Total liabilities under run-off management	320	324

15 DIVIDENDS

Cash dividends amounting to BD 4.247 million, representing 25% of the paid-up share capital, were declared and paid in 2026 in respect of the year ended 31 December 2025 (2025: stock dividends of 27.5% of the paid-up share capital, equivalent to one share for every 3.636 shares held, in respect of the year ended 31 December 2024).

16 SUBORDINATED MUDARABA

In 2025, the Group launched a bilateral subordinated mudaraba programme amounting to BD 43 million, which qualifies as Upper Tier 2 capital in accordance with Volume 3 of the CBB Rulebook. The total amount of BD 43 million has been fully subscribed and received in cash, net of issuance costs.

Summary of key terms and conditions of this issue are as follows:

- Profits on this contract are distributed quarterly at a rate of 7% per annum from the date of subscription until (but excluding) the first optional liquidation date. Profit distributions are fully discretionary, non-cumulative, and non-payment does not constitute an event of default.
- The contract is perpetual in nature and does not have stated maturity. The Group has the right, subject to CBB approval, to liquidate the mudaraba in full (but not in part) on the first optional liquidation date of 22 June 2030 and on every fifth anniversary thereafter.
- The subordinated mudaraba includes a non-viability clause under which, in the event of non-viability as per the terms of the contract, the capital may be written down in whole or in part on a permanent basis with no right of reinstatement.

Accordingly, subordinated mudaraba meets the criteria for classification as equity as per FAS 1 and hence, is recognized under equity in the consolidated statement of financial position and the profits paid under the contract are accounted for as appropriation of profits. During the period, profit for an amount of BD 753 thousand was paid to subscribers.

17 PREFERENCE SHARES

In 2025, the Group completed the issuance of perpetual, non-cumulative, non-redeemable preference shares through a private placement. The total issuance comprised 12,000,000 preference shares with a nominal value of BD 1.000 per share, amounting to a total of BD 12 million, which has been fully subscribed and received in cash, net of issuance costs.

As the Group's obligation is limited to issuing a fixed number of equity instruments with no contractual obligation to deliver cash or other financial assets, and given the discretionary nature of dividend payments, the instrument qualifies as equity under IAS 32. Accordingly, the total amount received has been recognised as preference share capital within equity in the consolidated statement of financial position.

These preference shares are perpetual in nature and carry non-cumulative, discretionary dividends, and do not confer voting rights. Accordingly, they are classified as equity instruments, consistent with their contractual terms and economic substance.

During the period, dividends amounting to BD 474 thousand were paid. Dividends are recognised directly in equity in the period in which they are declared.

18 GLOBAL MINIMUM TAX

Al Salam Bank B.S.C. ('Ultimate Parent Entity'), MNE group, is domiciled and operates in the Kingdom of Bahrain which has issued and enacted Decree Law No. (11) of 2024 ('Bahrain DMTT law') on 1 September 2024 introducing a domestic minimum top-up tax ("DMTT") of 15% on the taxable income of the Bahrain resident constituent entities of the MNE group for fiscal years commencing on or after 1 January 2025.

The Ultimate Parent Entity has assessed that it is in scope of the Bahrain DMTT law. The Group is the constituent entity of the MNE Group which is also domiciled and operates in the Kingdom of Bahrain and therefore it is also within the scope of the Bahrain DMTT law, effective 1 January 2025.

The Ultimate Parent Entity is the designated filing constituent entity responsible for filing DMTT on behalf of the group entities operating in the Kingdom of Bahrain. The Ultimate Parent Entity is currently preparing for compliance with the Bahrain DMTT law and GloBE rules by upgrading reporting systems, evaluating transfer pricing adjustments and aligning with domestic and international DMTT regulations. Based on management's assessment, the Ultimate Parent Entity falls within the scope of the Bahrain DMTT Law. However, no DMTT liability arises for the period ended 31 March 2026 in respect of the Ultimate Parent Entity's Bahrain-resident entities, as the Ultimate Parent Entity qualifies for the Initial Phase of International Activity exclusion under the Bahrain DMTT Law.

19 REGIONAL GEOPOLITICAL EVENTS

During the period ended 31 March 2026, ongoing geopolitical developments in the Middle East have contributed to heightened instability and uncertainty in the region, including Kingdom of Bahrain and volatility in global and regional financial markets.

Management has considered the potential implications of these developments in preparing these condensed consolidated interim financial statements in accordance with FAS 1. The situation is fast evolving, and the effect of the escalations is subject to significant levels of uncertainty. Given the evolving nature of the situation, management continues to monitor developments and will assess the potential impact on the Group's financial position, financial performance and cash flows.

Based on the information available as of the issuance date, the Group's operations have not been materially disrupted and no material impact has been identified requiring adjustments to these condensed consolidated interim financial statements.

20 COMPARATIVES

Certain prior year/period figures have also been reclassified to conform to the current period presentation. Such re-grouping did not affect previously reported profit for the year or total owners' equity of the Group.

Given that the transfer of business, assets and liabilities from Bahrain National Insurance Company B.S.C. (c) ("BNI") and Bahrain National Life Assurance Company B.S.C. (c) ("BNL") occurred during the year ended 31 December 2025, the profit and loss comparative information does not include the results of BNI and BNL. Therefore, the comparative information is not comparable.