

SICO BSC (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2025 (Reviewed)

Commercial Registration	33469
Board of Directors	Abdulla Kamal <i>Chairman of the Board and the Investment Committee</i> Waleed Al-Hashar <i>Member of the Board and the Investment Committee</i> Elham AlMajed <i>Member of the Board and the Investment Committee</i> Khalid Al Jasim <i>Member of the Board and Chairman of the Nominations, Remuneration and Corporate Governance Committee</i> Dana Raees <i>Member of the Board and Vice Chairperson of the Nominations, Remuneration and Corporate Governance Committee</i> Mohammed Abdulla <i>Member of the Board and the Audit, Risk and Compliance Committee</i> Tala Fakhro <i>Member of the Board and Chairperson of the Audit, Risk and Compliance Committee</i> Naseema Haider <i>Member of the Board and Vice Chairperson of the Audit, Risk and Compliance Committee</i> Fadi AlQutub <i>Member of the Board and the Nominations, Remuneration and Corporate Governance Committee</i>
Group Chief Executive Officer	Najla M. Al Shirawi
Office	Bahrain World Trade Center, Isa Al Kabeer Avenue 365 Block 316, Kingdom of Bahrain Telephone 17515000, Fax 17514000
Principal Banker	Bank of Bahrain and Kuwait B.S.C.
Auditors	Ernst and Young - Middle East

SICO BSC (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the period ended 30 September 2025 (Reviewed)

Contents	Page
Independent auditor's report on the review of condensed consolidated interim financial statements	1
Condensed consolidated interim financial statements	
Consolidated interim statement of financial position	2
Consolidated interim statement of profit or loss	3
Consolidated interim statement of comprehensive income	4
Consolidated interim statement of changes in equity	5 - 6
Consolidated interim statement of cash flows	7
Notes to the condensed consolidated interim financial statements	8 - 16

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SICO BSC (c)

Introduction

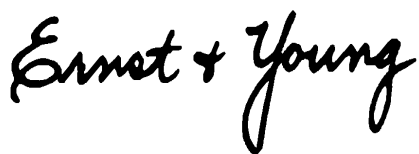
We have reviewed the accompanying condensed consolidated interim financial statements of SICO BSC (c) ("the Bank") and its subsidiaries (collectively, "the Group") as at 30 September 2025, comprising of the consolidated interim statement of financial position as at 30 September 2025 and the related interim consolidated statements of profit or loss and comprehensive income for the three month and nine month periods then ended, and the consolidated interim statements of changes in equity and cash flows for the nine month period then ended and explanatory notes. The Board of Directors of the Bank is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

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

Conclusion

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



10 November 2025
Manama, Kingdom of Bahrain

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2025 (Reviewed)

Bahraini Dinars '000

		30 September 2025 (Reviewed)	31 December 2024 (Audited)
ASSETS	Notes		
Cash and bank balances		105,720	52,414
Treasury bills		13,860	14,505
Securities bought under repurchase agreements		363,954	272,366
Investments at fair value through profit or loss	11	29,064	26,488
Investments at fair value through other comprehensive income	11	16,546	13,858
Investments at amortised cost	11	17,528	13,800
Fees receivable		3,425	3,384
Other assets		15,920	11,597
Property and equipment		870	1,249
Intangible assets		1,493	1,489
TOTAL ASSETS		568,380	411,150
LIABILITIES AND EQUITY			
Liabilities			
Short term bank borrowings		13,195	7,540
Deposits	12	58,392	-
Securities sold under repurchase agreements		374,663	279,033
Customer accounts		34,121	38,100
Other liabilities		10,433	11,271
Payable to other unit holders in consolidated funds		1,483	1,223
Total liabilities		492,287	337,167
Equity			
Share capital		44,134	44,134
Shares under employee share incentive scheme		(2,263)	(2,263)
Treasury shares		(1,913)	(1,913)
Statutory reserve		10,331	10,331
General reserve		3,217	3,217
Investments fair value reserve		1,273	860
Retained earnings		21,314	19,617
Total equity		76,093	73,983
TOTAL LIABILITIES AND EQUITY		568,380	411,150

The condensed consolidated interim financial statements was approved by the Board of Directors on 10 November 2025 and signed on its behalf by:



Abdulla Kamal
Chairman



Tala Fakhro
Director



Najla M. Al Shirawi
Group Chief Executive Officer

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

For the three months and nine months ended 30 September 2025 (Reviewed) Bahraini Dinars '000

Notes	For the nine months ended		For the three months ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
Net investment income	13	3,498	2,604	1,393
Net fee income		8,503	7,960	2,979
Brokerage and other income		2,379	3,091	827
Net interest income		3,199	2,915	910
NET OPERATING INCOME		17,579	16,570	6,109
Staff cost		7,977	7,419	2,459
Other operating expenses		4,413	3,908	1,428
Share of profit of other unit holders in consolidated funds		106	32	57
TOTAL OPERATING EXPENSES		12,496	11,359	4,345
PROFIT FOR THE PERIOD		5,083	2,165	2,037
Basic and diluted earnings per share (fils)		12.45	12.76	5.30
				4.99



Abdulla Kamal
Chairman



Tala Fakhro
Director



Najla M. Al Shirawi
Group Chief Executive Officer

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 30 September 2025 (Reviewed) Bahraini Dinars '000

	<i>For the nine months ended</i>		<i>For the three months ended</i>	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
Profit for the period	5,083	5,211	2,165	2,037
Other comprehensive income:				
<i>Items that will be reclassified to profit or loss in subsequent periods:</i>				
Net changes in fair value of debt instruments at fair value through other comprehensive income	212	188	194	266
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>				
Net changes in fair value of equity instruments at fair value through other comprehensive income	94	156	(39)	234
Other comprehensive income for the period	306	344	155	500
Total comprehensive income for the period	5,389	5,555	2,320	2,537

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2025 (Reviewed)

Bahraini Dinars '000

	<i>Share capital</i>	<i>Shares under employee share incentive scheme</i>	<i>Treasury shares</i>	<i>Statutory reserve</i>	<i>General reserve</i>	<i>Investments fair value reserve</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance at 1 January 2025 (Audited)	44,134	(2,263)	(1,913)	10,331	3,217	860	19,617	73,983
Profit for the period	-	-	-	-	-	-	5,083	5,083
Other comprehensive income	-	-	-	-	-	306	-	306
Total other comprehensive income	-	-	-	-	-	306	5,083	5,389
Amount transferred to retained earnings on sale of equity instruments at fair value through other comprehensive income	-	-	-	-	-	107	(107)	-
Transfer to charitable donation reserve	-	-	-	-	-	-	(60)	(60)
<i>Transaction with owners recognised directly in equity:</i>								
Cash dividend paid for 2024	-	-	-	-	-	-	(3,219)	(3,219)
Balance at 30 September 2025 (Reviewed)	44,134	(2,263)	(1,913)	10,331	3,217	1,273	21,314	76,093

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2025 (Reviewed)

Bahraini Dinars '000

	Share capital	Shares under employee share incentive scheme	Treasury shares	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
Balance at 1 January 2024 (Audited)	44,134	(2,263)	(1,913)	9,781	3,217	618	16,908	70,482
Profit for the period	-	-	-	-	-	-	5,211	5,211
Other comprehensive income	-	-	-	-	-	344	-	344
Total other comprehensive income	-	-	-	-	-	344	5,211	5,555
Amount transferred to retained earnings on sale of equity instruments at fair value through other comprehensive income	-	-	-	-	-	48	(48)	-
Transfer to charitable donation reserve	-	-	-	-	-	-	(50)	(50)
<i>Transaction with owners recognised directly in equity:</i>								
Cash dividend paid for 2023	-	-	-	-	-	-	(2,146)	(2,146)
Balance at 30 September 2024 (Reviewed)	44,134	(2,263)	(1,913)	9,781	3,217	1,010	19,875	73,841

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2025 (Reviewed)

Bahraini Dinars '000

	Notes	30 September 2025	30 September 2024
Operating activities			
Profit for the period		5,083	5,211
<i>Adjustments for:</i>			
Depreciation and amortisation		526	551
Unrealised fair value gain	13	(1,446)	(492)
Operating profit before changes in operating assets and liabilities		4,163	5,270
<i>Changes in operating assets and liabilities</i>			
Treasury bills with original maturity of 90 days or more		(2,889)	(79)
Securities bought under repurchase agreements		(91,588)	14,707
Investments at fair value through profit or loss		(1,130)	250
Investments at fair value through other comprehensive income		(2,382)	703
Investments at amortised cost		(3,728)	(136)
Fees receivable		(41)	(409)
Other assets		(4,323)	(2,007)
Securities sold under repurchase agreements		95,630	(12,789)
Customer accounts		(3,979)	1,677
Other liabilities		(898)	(1,565)
Payable to other unit holders in consolidated funds		260	(2,540)
Net cash (used in) / generated from operating activities		(10,905)	3,082
Investing activities			
Net movement on property, equipment and intangible assets		(151)	(293)
Net cash used in investing activities		(151)	(293)
Financing activities			
Short-term bank borrowings		5,655	5,655
Deposits		58,392	(2,080)
Dividend paid	8	(3,219)	(2,146)
Net cash generated from financing activities		60,828	1,429
Net movement in cash and cash equivalents		49,772	4,218
Cash and cash equivalents at the beginning of the period		64,585	62,562
Cash and cash equivalents at the end of the period		114,357	66,780
Represented by:			
Cash and bank balances		105,720	58,752
Treasury bills with original maturity of less than 90 days		8,637	8,028
Cash and cash equivalents		114,357	66,780

The accompanying notes 1 to 16 form an integral part of these condensed consolidated interim financial statements.

1 REPORTING ENTITY

SICO BSC (c) ("SICO" or the "Bank") is a closed joint stock company registered in Bahrain with Ministry of Industry and Commerce under commercial registration number 33469 on 11 February 1995 and operates under a wholesale banking license from the Central Bank of Bahrain (the "CBB"). On 7 May 2003, the Bank was listed on the Bahrain Bourse as a closed company.

These are the reviewed condensed consolidated interim financial statements of the Bank and its subsidiaries (together the "Group").

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting), which permits the interim financial statements to be in summarised form.

The condensed consolidated interim financial statements do not include all the information required for full set of annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to understand the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2024.

The condensed consolidated interim financial statements are prepared in Bahraini Dinars (BD), which is also the functional currency of the Bank. Furthermore, all values are rounded-off to the nearest thousands, unless otherwise indicated.

The condensed consolidated interim financial statements incorporate the interim financial statements of the Bank and its subsidiaries. All intra-group transactions and balances including unrealised gains and losses on transactions between the Group companies have been eliminated on consolidation.

3 ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of computation applied in the preparation of the Group's audited consolidated financial statements as at and for the year ended 31 December 2024, except for the adoption of new standards or amendments to existing standards that have become applicable effective from 1 January 2025. The adoption of such new standards or amendments had no impact on the Group's condensed consolidated interim financial information.

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

Standards issued but not yet effective

A number of new accounting standards, amendments and interpretations are effective for annual periods beginning after 1 January 2026 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these condensed consolidated interim financial statements.

The following new standards, amendments and interpretations to standards that are relevant to the Group are not expected to have a significant impact on the Group's condensed consolidated interim financial statements:

3 ACCOUNTING POLICIES (continued)***Standards issued but not yet effective (continued)***

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 - The amendments are effective for annual reporting periods starting on or after 1 January 2026.
- IFRS 18 Presentation and Disclosure in Financial Statements - IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 introduces new requirements for: presentation within the statement of profit or loss, including specified totals and subtotals; disclosure of management-defined performance measures; and aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures - IFRS 19, which allows eligible subsidiaries to elect to provide reduced disclosures when they apply the recognition, measurement and presentation requirements in other IFRS accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and can be early adopted.

4 JUDGMENTS AND ESTIMATES

The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the consolidated financial statements as at and for the year ended 31 December 2024.

5 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk and operational risk.

The condensed consolidated interim financial statements does not include all financial risk management information and disclosures required in the annual consolidated financial statements and they should be read in conjunction with the Group's audited consolidated financial statements as at and for the year ended 31 December 2024. There have been no changes in the risk management department or in any risk management policies since during the period.

The key regulatory ratios are as follows:

	Regulatory Requirement	30 September 2025 (Reviewed)	31 December 2024 (Audited)
Liquidity Coverage Ratio	100%	182%	735%
Net Stable Funding Ratio (refer note 16)	100%	133%	174%

The Group continues to meet minimum required regulatory liquidity ratios and is also in compliance with the minimum required capital adequacy ratio ("CAR"), as determined by the CBB.

6 OPERATING SEGMENTS

The Group's lines of business are brokerage, asset management, investment banking, real estate, investments, market making and custody business. At present, the Group's revenue is reviewed by lines of business. However, the expenses and results are reviewed at a Group level therefore, no operating segment and geographic segment disclosures are provided in these condensed consolidated interim financial statements.

7 COMPARABILITY

Due to nature of the Group's business, the three and nine months' results reported in these condensed consolidated interim financial statements may not represent a proportionate share of the overall annual results. In particular, dividends and performance fee are not necessarily recognised in the same interim reporting periods each year and are dependent on actions and performances of the investee companies and portfolio performance.

8 APPROPRIATIONS

At the shareholders Annual General Meeting for the year 2024 held on 24 March 2025, the shareholders resolved to make the appropriations of the profit for the year ended 31 December 2024, which were given effect during the first quarter of 2025. These include a cash dividend of BD 3,219 i.e., 7.5 fils per share (2023: BD 2,146 i.e., 5 fils per share), representing 7.5% (2023: 5%) of the paid up capital and charitable donations of BD 60 (2023: BD 50).

9 SHARES UNDER EMPLOYEE SHARE INCENTIVE SCHEME

The Group has established an employee share incentive scheme (the "Scheme") which is operated through a Trustee. The Trust has been set up by the transfer of shares of the Bank allotted to the employees under the Scheme.

Under the Scheme, employees are entitled to receive shares as part of their bonus in ratios determined by the Board of Directors. The value of the shares is to be determined based on the fair value of the Group's net assets as at the reporting date. This Scheme is treated as a cash-settled share based payment transaction due to the restrictions imposed under the Scheme, whereby the employees have to sell back the shares to the Group on resignation / retirement based on the vesting conditions mentioned in the Scheme.

The liability under the Scheme has different vesting conditions based on the nature of incentive, which is based on the period of service with the Group. The liability vests pro-rata from the date of grant over a period of five years. 50% of the liability can be settled after five years at the option of the employee, while the remaining liability is settled after the employee is separated. The settlement is based on the last net assets value as per the most recent audited annual financial statements of the Group.

Upon issuance of shares under the Scheme, the share capital is increased with a corresponding increase in employee share incentive scheme account classified under equity. As at 30 September 2025, the Group has recognised a liability of BD 2,924 (2024: BD 2,565) on the shares granted until date. This has been determined on the value of the Group's net assets at reporting date, in accordance with the rules of the Scheme. This is considered under Level 1 valuation of the fair value hierarchy.

As at 30 September 2025, total number of shares issued under the Scheme is 20,880,797 (31 December 2024: 20,880,797).

10 CONTINGENCIES, COMMITMENTS AND MEMORANDUM ACCOUNTS

	30 September 2025 (Reviewed)	31 December 2024 (Audited)
Assets under custody	4,084,673	3,417,095
Assets under management *	2,528,109	2,387,391
Guarantees	1,540	3,593
Other commitments	3,862	4,905

* On a gross basis, including leverage, SICO's total AUMs as of 30 September 2025 was BD 3,040,897 (31 December 2024: BD 2,776,125).

11 INVESTMENTS

	30 September 2025 (Reviewed)	31 December 2024 (Audited)
<u>Carried at Fair Value Through Profit or Loss (FVTPL):</u>		
Quoted equity securities		
- Parent	1,784	2,075
Funds		
- Quoted	15,913	12,213
- Unquoted	5,882	5,279
Quoted debt securities		
- Parent	809	1,767
- Consolidated funds	4,082	4,560
Unquoted debt securities		
- Parent	594	594
	29,064	26,488
<u>Carried at Fair Value Through Other Comprehensive Income (FVOCI):</u>		
Equity securities		
- Quoted	6,331	5,722
- Unquoted	377	377
Debt securities		
- Quoted	9,838	7,759
	16,546	13,858

At amortised cost:

Investments at amortised cost include investments in sovereign issuances which are held to maturity. As at the balance sheet date, the market value of these investments was BD 18,376 (31 December 2024: BD 14,128).

12 DEPOSITS

These represent wholesale banking deposits from the Group's asset management clients, comprising both CBB licensees and non-residents, denominated in foreign currencies having maturity of less than 3 months at interest rates ranging between 5.15% to 5.90% (2024: NIL).

13 NET INVESTMENT INCOME

	<u>Nine months ended</u>	
	30 September 2025 (Reviewed)	30 September 2024 (Reviewed)
Interest income from debt instruments	1,525	1,541
Realised (loss) / gain on sale	(138)	106
Unrealised fair value gain	1,446	492
Net gain on investments at FVTPL	1,308	598
Dividend income	648	462
Realised gain on sale of treasury bills	14	2
Other Investment Income	3	-
Net gain on sale of investments at FVOCI	-	1
	3,498	2,604

14 RELATED PARTY TRANSACTIONS AND BALANCES

The following are the related party transactions during the period. All of these transactions are in the ordinary course of business and on normal commercial terms.

Transactions and balances with/relating to funds owned by the subsidiary companies

Transactions with funds owned by the subsidiary companies namely SICO Funds Company BSC (c), SICO Funds Company III BSC (c), SICO Funds Company IV BSC (c), SICO Funds Company VI BSC (c), SICO Funds Company VIII BSC (c), SICO Funds Company IX BSC (c), SICO Funds Company X BSC (c), SICO Funds Company XI BSC (c), SICO Ventures Company WLL, SICO Kingdom Equity Fund, Dilmun Compounder Fund, Flow Mena Residential RE Funds 1, SICO Mena Equity Fund, SICO Capital Money Market Fund, Al Qasr Real Estate Fund, SICO Saudi REIT Fund, SICO VC Fund, Najd Real Estate Fund, SICO Capital's AlShatee Fund and SICO Capital's La Pearl Fund are as follows:

	<u>Nine months ended</u>	
	<u>30 September</u>	<u>30 September</u>
	<u>2025</u>	<u>2024</u>
	<u>(Reviewed)</u>	<u>(Reviewed)</u>
Fee income	1,234	1,724
Dividend income	38	19
	<u>30 September</u>	<u>31 December</u>
	<u>2025</u>	<u>2024</u>
	<u>(Reviewed)</u>	<u>(Audited)</u>
Fees receivable	1,523	1,404
Other receivables	51	69
Investments in own funds	13,013	12,231
Funds under management	246,165	180,480
Securities bought under repurchase agreements	3,160	1,031

Transactions and balances with shareholders

As at 30 September 2025, the Group obtained short-term borrowings from its shareholders of BD 7,540 (31 December 2024: BD 3,770). During the nine months ended 30 September 2025, the Group entered into repurchase agreements with its shareholders and as of 30 September 2025, the Group had no outstanding repurchase agreements with them (31 December 2024: BD 4,367). The Group has banking relationships, makes deposits and placements, obtains short-term borrowings and has unutilised credit facilities with certain of its shareholders that are local banks.

The Group also provides discretionary portfolio management account services to two of its shareholders in the ordinary course of business. These services are provided on commercial terms and conditions and the related funds are held by the Group in a fiduciary capacity. The excess funds are placed with the other banks as deposits on commercial terms.

	<u>Nine months ended</u>	
	<u>30 September</u>	<u>30 September</u>
	<u>2025</u>	<u>2024</u>
	<u>(Reviewed)</u>	<u>(Reviewed)</u>
Fee income	212	220
Dividend income	12	11
Expenses	103	49

14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	30 September 2025 (Reviewed)	31 December 2024 (Audited)
Fees receivable	49	77
Fees payable	45	53
Securities sold under repurchase agreements	-	4,367
Funds under management	86,220	78,159
Investments	1,412	1,343
Placements	1,807	4,692
Short-term bank borrowings	7,540	3,770

15 FAIR VALUE

The Group measures fair values of financial instruments using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements from the date of reclassification.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques based on observable inputs, 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 than active; or other valuation techniques where all significant inputs are directly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes instruments where the valuation technique includes inputs not based on market observable data.

The carrying amount of assets and liabilities carried at amortised cost approximates the fair value in view of the short-term nature of such assets and liabilities.

The tables below analyses financial assets and liabilities carried at fair value, by the level in the fair value hierarchy into which the fair value measurement is categorised.

As at 30 September 2025 (Reviewed)	Level 1	Level 2	Level 3	Total
Assets				
<i>At FVTPL:</i>				
- Equity	1,784	-	-	1,784
- Debt securities	4,891	594	-	5,485
- Funds	15,005	908	5,882	21,795
<i>At FVOCI:</i>				
- Equities	6,331	377	-	6,708
- Debt securities	9,838	-	-	9,838
	37,849	1,879	5,882	45,610
Liabilities				
Payable to other unit holders in consolidated funds	-	-	1,483	1,483

SICO BSC (c)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2025 (Reviewed)

Bahraini Dinars '000

15 FAIR VALUE (continued)

31 December 2024 (Audited)	Level 1	Level 2	Level 3	Total
Assets				
<i>At FVTPL:</i>				
- Equity	2,075	-	-	2,075
- Debt securities	6,327	594	-	6,921
- Funds	11,830	383	5,279	17,492
<i>At FVOCI:</i>				
- Equities	5,722	377	-	6,099
- Debt securities	7,759	-	-	7,759
	<u>33,713</u>	<u>1,354</u>	<u>5,279</u>	<u>40,346</u>
Liabilities				
Payable to other unit holders in consolidated funds	-	-	1,223	1,223
	<u>-</u>	<u>-</u>	<u>1,223</u>	<u>1,223</u>

The following table analyses the movement in Level 3 financial assets during the period:

	Level 3 30 September 2025 (Reviewed)	Level 3 30 September 2024 (Reviewed)
At 1 January	5,279	2,470
Gain / (loss) recognised in profit or loss	4	(49)
Purchases	851	3,141
Settlements	(252)	(72)
At 30 September	<u>5,882</u>	<u>5,490</u>

16 NET STABLE FUNDING RATIO (NSFR)

In August 2018, the CBB issued its regulations on Liquidity Risk Management (Module LM). The main objective of the NSFR is to promote the resilience of the banking system by improving the funding profile of banks by ensuring they have sufficient level of stable funding in relation to their assets and commitments. The NSFR thus promotes banks to rely on funding from stable sources and long-term borrowing in order to reduce the risks of disruptions which might impact the bank's liquidity position.

As per CBB Module LM, banks are required to meet the minimum NSFR of at least 100% on a continuous basis.

SICO BSC (c)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2025 (Reviewed)

Bahraini Dinars '000

16 NET STABLE FUNDING RATIO (NSFR) (continued)

	<i>Unweighted values (before applying factors)</i>				<i>Total weighted value</i>
<i>30 September 2025 (Reviewed)</i>	<i>No specified maturity</i>	<i>Less than 6 months</i>	<i>More than 6 months and less than one year</i>	<i>Over one year</i>	
Available stable funding (ASF):					
Capital:					
Regulatory capital	73,773	-	-	79	73,852
Retail deposits and deposits from small business customers:					
Less stable deposits	-	17,771	-	-	15,994
Other liabilities:					
All other liabilities not included in above categories	-	473,813	5,655	3,846	10,151
Total ASF (A)					99,997
Required stable funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	399,208	-	5,655	-	25,542
Performing loans and securities:					
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	33,317	-	-	16,659
Other assets:					
All other assets not included in the above categories	16,159	109,881	-	-	32,641
Off-balance sheet items	5,402	-	-	-	270
Total RSF (B)					75,112
NSFR % (A/B)					133%

SICO BSC (c)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2025 (Reviewed)

Bahraini Dinars '000

16 NET STABLE FUNDING RATIO (NSFR) (continued)

	<i>Unweighted values (before applying factors)</i>				<i>Total weighted value</i>
<i>31 December 2024 (Audited)</i>	<i>No specified maturity</i>	<i>Less than 6 months</i>	<i>More than 6 months and less than one year</i>	<i>Over one year</i>	
Available stable funding (ASF):					
Capital:					
Regulatory capital	73,841	-	-	66	73,907
Retail deposits and deposits from small business customers:					
Less stable deposits	-	16,221	-	-	14,599
Other liabilities:					
NSFR derivative liabilities					
All other liabilities not included in above categories	-	291,826	28,660	5,598	22,666
Total ASF (A)					111,172
Required stable funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	308,372	-	25,488	-	30,489
Performing loans and securities:					
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	33,016	-	-	16,508
Other assets:					
All other assets not included in the above categories	8,862	50,766	-	-	16,477
Off-balance sheet items	8,498	-	-	-	425
Total RSF (B)					63,899
NSFR % (A/B)					174%