

Al Salam Bank B.S.C.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION
31 March 2025

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the three months period ended 31 March 2025

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

To the Board of Directors

*Al Salam Bank B.S.C.
Kingdom of Bahrain*

Introduction

We have reviewed the accompanying 31 March 2025 condensed consolidated interim financial information of Al Salam Bank B.S.C. (the "Bank") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated statement of financial position as at 31 March 2025;
- the condensed consolidated statement of income for the three-month period ended 31 March 2025;
- the condensed consolidated statement of other comprehensive income for the three-month period ended 31 March 2025;
- the condensed consolidated statement of changes in owners' equity for the three-month period ended 31 March 2025;
- the condensed consolidated statement of cash flows for the three-month period ended 31 March 2025;
- the condensed consolidated statement of income and attribution related to quasi-equity for the three-month period ended 31 March 2025,
- the condensed consolidated statement of changes in off-balance sheet assets under management for the three-month period ended 31 March 2025; 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 2025 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".


13 May 2025

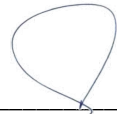
Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		31 March 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
	<i>Note</i>		
ASSETS			
Cash and balances with banks and central banks		678,870	633,611
Placements with financial institutions		481,885	476,450
Investments in sukuk	3	1,559,839	1,447,803
Financing contracts	4	3,840,378	3,661,670
Non-trading investments		99,345	97,944
Takaful and related assets	6	29,629	26,353
Investments in real estate		126,099	129,295
Investments in associates	7	258,467	255,008
Other assets		102,182	129,894
Goodwill and other intangible assets		203,901	204,750
TOTAL ASSETS		7,380,595	7,062,778
LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY			
LIABILITIES			
Placements from financial institutions and individuals		114,284	171,016
Murabaha term financing		783,368	751,062
Customers' current accounts		1,495,995	1,279,886
Takaful and related liabilities	6	78,024	75,550
Other liabilities		108,742	127,822
TOTAL LIABILITIES		2,580,413	2,405,336
QUASI-EQUITY			
Wakala from financial institutions	8	459,146	420,231
Wakala and mudaraba from customers	8	3,682,171	3,643,830
TOTAL QUASI-EQUITY		4,141,317	4,064,061
OWNERS' EQUITY			
Share capital	2.2	296,760	274,778
Treasury shares		(8,251)	(28,010)
Employees incentive scheme shares		(6,617)	(6,617)
Share premium		209	209
Retained earnings		39,693	60,563
Reserves		68,423	59,554
Equity attributable to owners' of the Bank		390,217	360,477
Subordinated mudaraba	2.2	192,309	159,026
Non-controlling interest		76,339	73,878
TOTAL OWNERS' EQUITY		658,865	593,381
TOTAL LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY		7,380,595	7,062,778


H.E. Shaikh Khalid bin Mustahil Al Mashani
Chairman


Matar Mohamed Al Blooshi
Deputy Chairman


Rafik Nayed
Group Chief Executive Officer


The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.


Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months period ended 31 March 2025

		<i>31 March</i> <i>2025</i> <i>(Reviewed)</i>	<i>31 March</i> <i>2024</i> <i>(Reviewed)</i>
	<i>Note</i>	<i>BD '000</i>	<i>BD '000</i>
INCOME			
Income from placements with financial institutions		6,787	5,198
Income from financing contracts		60,481	45,299
Income from investments in sukuk		22,354	14,068
Finance expense on placements from financial institutions and individuals		(1,846)	(1,960)
Finance expense on murabaha term financing		(10,122)	(7,008)
Net finance income		77,654	55,597
Income from non-trading investments, net		175	500
Fees and commission, net		6,531	5,332
Share of profit of associates	7	5,339	4,817
Income from takaful operations, net	9	1,540	754
Other income	10	2,429	1,691
Total income		93,668	68,691
EXPENSES			
Staff costs		11,287	8,990
Other operating expenses		15,506	10,082
Total expenses		26,793	19,072
Profit before allowances for impairment, income attribution to quasi-equity and tax		66,875	49,619
Allowance for impairment on financing contracts, investments and other assets	5	(9,385)	(3,031)
Profit before income attribution to quasi-equity and tax		57,490	46,588
Income attributable to quasi-equity		(36,050)	(28,761)
Profit before tax		21,440	17,827
Tax		(1,523)	(1,564)
PROFIT FOR THE PERIOD		19,917	16,263
ATTRIBUTABLE TO:			
- Owners' of the Bank		18,591	14,006
- Non-controlling interest		1,326	2,257
		19,917	16,263
Basic and diluted earnings per share (fils)		6.1	4.9


H.E. Shaikh Khalid bin Mustahil Al Mashani
Chairman


Matar Mohamed Al Blooshi
Deputy Chairman


Rafik Nayed
Group Chief Executive Officer

The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.

Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months period ended 31 March 2025

	<i>31 March</i> <i>2025</i> <i>(Reviewed)</i> <i>BD '000</i>	<i>31 March</i> <i>2024</i> <i>(Reviewed)</i> <i>BD '000</i>
Profit for the period	19,917	16,263
Other comprehensive income		
Items that are or may be reclassified subsequently to the income statement		
Fair value changes on investments carried at fair value through OCI	7,507	6,928
Share of movement in fair value reserve of an associate	(1,880)	3,719
Movement in foreign currency translation reserve	1,281	1,754
Share in reserve attributable to quasi-equity	1,886	-
Total other comprehensive income for the period	8,794	12,401
Total comprehensive income	28,711	28,664
ATTRIBUTABLE TO:		
- Owners' of the Bank	27,026	26,211
- Non-controlling interest	1,685	2,453
	28,711	28,664

The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.

Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED STATEMENT OF INCOME AND ATTRIBUTION RELATED TO QUASI-EQUITY

For the three months period ended 31 March 2025

	<i>31 March 2025 (Reviewed) BD '000</i>	<i>31 March 2024 (Reviewed) BD '000</i>
<i>Note</i>		
Profit before allowances for impairment, income attribution to quasi-equity and tax	66,875	49,619
Adjusted for:		
Income not attributable to quasi-equity	(11,530)	(7,895)
Expenses not attributable to quasi-equity	26,793	19,072
Share of income for Bank's investments, net	(18,632)	(13,377)
Allowance for impairment attributable to quasi-equity	(6,491)	5
Total income available for quasi-equity holders	57,015	47,424
Mudarib's share	(1,622)	(1,641)
Wakala incentive	(19,343)	(17,022)
Income attributable to quasi-equity	36,050	28,761
	A	
Other comprehensive income – attributable to quasi-equity - before recycling to statement of income		
Items that will not be classified to income statement	(1,880)	3,719
Other comprehensive income not subject to immediate distribution	1,880	(3,719)
Other comprehensive income subject to immediate distribution	-	-
	B	
Total income attributable to quasi-equity	36,050	28,761
	C=A+B	

The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.

Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS EQUITY

For the three months period ended 31 March 2025 (Reviewed)

Amounts in BD '000s

	Attributable to shareholders of the bank														
	Reserves											Equity Attributable to Bank's shareholders	Subordinated mudaraba	Non- controlling interest	Total owners' equity
	Share capital	Treasury shares	Employee incentive scheme shares	Share premium	Retained earnings	Statutory reserve	Share grant scheme	Investment fair value reserve	Real estate fair value reserve	Foreign exchange translation reserve	Total reserves				
Balance at 1 January 2025	274,778	(28,010)	(6,617)	209	60,563	31,883	947	4,198	22,683	(157)	59,554	360,477	159,026	73,878	593,381
Profit for the period	-	-	-	-	18,591	-	-	-	-	-	-	18,591	-	1,326	19,917
Other comprehensive income	-	-	-	-	-	-	-	7,513	-	922	8,435	8,435	-	359	8,794
Issuance of subordinated mudaraba	-	-	-	-	-	-	-	-	-	-	-	-	33,283	-	33,283
Profit distribution on subordinated mudaraba	-	-	-	-	(2,476)	-	-	-	-	-	-	(2,476)	-	-	(2,476)
Bonus shares issued	21,982	-	-	-	(21,982)	-	-	-	-	-	-	-	-	-	-
Cash dividend for the year 2024	-	-	-	-	(16,211)	-	-	-	-	-	-	(16,211)	-	-	(16,211)
Movement of treasury shares, net	-	19,759	-	-	2,208	-	-	-	-	-	-	21,967	-	-	21,967
Shares vested	-	-	-	-	-	-	434	-	-	-	434	434	-	-	434
Appropriation towards charity fund	-	-	-	-	(1,000)	-	-	-	-	-	-	(1,000)	-	-	(1,000)
Movements in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	776	776
Balance at 31 March 2025	296,760	(8,251)	(6,617)	209	39,693	31,883	1,381	11,711	22,683	765	68,423	390,217	192,309	76,339	658,865
Balance at 1 January 2024	261,693	(6,799)	(8,770)	209	44,348	25,982	2,120	(2,607)	22,691	(1,464)	46,722	337,403	-	71,247	408,650
Impact of adoption of FAS 42 and 43 (note 2.1 (ii) and (iii))	-	-	-	-	(1,332)	-	-	-	-	-	-	(1,332)	-	(1,290)	(2,622)
Restated balance as at 1 January 2024	261,693	(6,799)	(8,770)	209	43,016	25,982	2,120	(2,607)	22,691	(1,464)	46,722	336,071	-	69,957	406,028
Profit for the period	-	-	-	-	14,006	-	-	-	-	-	-	14,006	-	2,257	16,263
Other comprehensive income	-	-	-	-	-	-	-	10,647	-	1,558	12,205	12,205	-	196	12,401
Issuance of subordinated mudaraba	-	-	-	-	-	-	-	-	-	-	-	-	50,453	-	50,453
Issuance cost on subordinated mudaraba	-	-	-	-	-	-	-	-	-	-	-	-	(550)	-	(550)
Profit distribution on subordinated mudaraba	-	-	-	-	(428)	-	-	-	-	-	-	(428)	-	-	(428)
Bonus shares issued	13,085	-	-	-	(13,085)	-	-	-	-	-	-	-	-	-	-
Cash dividend for the year 2023	-	-	-	-	(17,947)	-	-	-	-	-	-	(17,947)	-	-	(17,947)
Movement of treasury shares, net	-	(157)	-	-	-	-	-	-	-	-	-	(157)	-	-	(157)
Shares vested	-	-	2,153	-	(23)	-	(623)	-	-	-	(623)	1,507	-	-	1,507
Appropriation towards charity fund	-	-	-	-	(500)	-	-	-	-	-	-	(500)	-	-	(500)
Movements in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	(544)	(544)
Balance at 31 March 2024	274,778	(6,956)	(6,617)	209	25,039	25,982	1,497	8,040	22,691	94	58,304	344,757	49,903	71,866	466,526

The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.

Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months period ended 31 March 2025

	31 March 2025 (Reviewed) BD '000	31 March 2024 (Reviewed) BD '000
OPERATING ACTIVITIES		
Profit for the period	19,917	16,263
Adjustments:		
Tax	1,523	1,564
Depreciation and amortisation	1,857	1,283
Amortisation of sukuk, net	2,390	14,068
Income from non-trading investments	(175)	(500)
Allowance for impairment on financing contracts, investments and other assets	9,385	3,031
Share of profits from associates	(5,339)	(4,817)
Operating income before changes in operating assets and liabilities	29,558	30,892
Changes in operating assets and liabilities:		
Mandatory reserve with central banks	(694)	6,357
Murabaha and Wakala receivables from banks with original maturities of 90 days or more	(18,994)	-
Financing contracts	(187,122)	(55,269)
Takaful and related assets	(3,276)	40,197
Other assets	27,455	(48,868)
Placements from financial institutions and individuals	(56,732)	(9,790)
Customers' current accounts	216,109	73,926
Takaful and related liabilities	2,474	(36,686)
Other liabilities	(17,596)	17,997
Quasi-equity	77,256	156,155
Net cash from operating activities	68,438	174,911
INVESTING ACTIVITIES		
Purchase of sukuk, net	(106,753)	(39,601)
Disposal of securities and real estate	1,638	1,428
Purchase of premises and equipment	(988)	(760)
Net cash used in investing activities	(106,103)	(38,933)
FINANCING ACTIVITIES		
Drawdown / (repayment) of murabaha term financing	32,306	(92,622)
Dividends paid	(16,211)	(17,947)
Issuance of subordinated mudaraba	30,807	49,475
Movement of treasury shares, net	21,967	(157)
Net cash from / (used in) financing activities	68,869	(61,251)
NET INCREASE IN CASH AND CASH EQUIVALENTS	31,204	74,727
Cash and cash equivalents at 1 January	920,511	711,643
CASH AND CASH EQUIVALENTS AT 31 MARCH	951,715	786,370
Cash and other balances with central banks*	231,064	254,445
Balances with other banks **	238,736	178,274
Placements with financial institutions with original maturities of less than 90 days*	481,915	353,651
	951,715	786,370
Profit received	80,256	45,934
Profit paid	56,618	36,838

* Cash and cash equivalents is gross of the expected credit loss of BD 333 thousand (2024: BD 135 thousand).

** Balances with other banks is net of restricted cash of BD 26,756 thousand (2024: BD 8,194 thousand) which is not available for day to day operations.

The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.

Al Salam Bank B.S.C.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OFF-BALANCE-SHEET ASSETS UNDER MANAGEMENT

For the three months period ended 31 March 2025

Amounts in BD '000s

31 March 2025

Fixed income portfolio
Equity and funds portfolio
Real estate portfolio
Other portfolio

<i>Balance at 1 January 2025</i>	<i>Movement during the period</i>					<i>Balance at 31 March 2025 Total</i>
	<i>Investment / (withdrawals)</i>	<i>Revaluation</i>	<i>Gross income</i>	<i>Bank's fees as an agent</i>	<i>Administration expenses</i>	
471,448	(859)	-	4,886	(123)	-	475,352
33,425	(2,247)	-	-	5	-	31,183
140,846	(5,478)	(559)	179	-	-	134,988
5,955	-	189	-	-	-	6,144
651,674	(8,584)	(370)	5,065	(118)	-	647,667

Amounts in BD '000s

31 March 2024

Fixed income portfolio
Equity and funds portfolio
Real estate development portfolio
Other portfolio

<i>Balance at 1 January 2024</i>	<i>Movement during the period</i>					<i>Balance at 31 March 2024 Total</i>
	<i>Investment / (withdrawals)</i>	<i>Revaluation</i>	<i>Gross income</i>	<i>Bank's fees as an agent</i>	<i>Administration expenses</i>	
157,647	19,776	-	-	-	-	177,423
50,396	(5,263)	-	-	-	-	45,133
128,195	-	39	-	-	-	128,234
5,963	-	-	-	-	(2)	5,961
342,201	14,513	39	-	-	(2)	356,751

The attached notes 1 to 20 form an integral part of the condensed consolidated interim financial information.

1 REPORTING ENTITY

Al Salam Bank B.S.C. ("the Bank") was incorporated in the Kingdom of Bahrain under the Bahrain Commercial Companies Law No. 21/2001 (as amended) and registered with Ministry of Industry and Commerce ("MOIC") under Commercial Registration number 59308 on 19 January 2006. The Bank is regulated and supervised by the Central Bank of Bahrain ("the CBB") and has an Islamic retail banking license and operates under Islamic principles in accordance with all relevant regulatory guidelines for Islamic banks issued by the Central Bank of Bahrain ("CBB").

The Bank's registered office is at Building 935, Road 1015, Block 410, Sanabis, Kingdom of Bahrain. The Bank's ordinary shares are listed on Bahrain Bourse and Dubai Financial Market.

The principal subsidiaries as follows:

Name of entity	Country of incorporation	Principal activities	% holding	
			2025	2024
Al Salam Bank- Seychelles limited.	Seychelles	Banking services	70.0%	70.0%
Solidarity Group Holding B.S.C. (c).	Kingdom of Bahrain	Holding Company	55.9%	55.9%
Al Salam Bank Algeria (S.P.A).	Algeria	Banking services	68.0%	68.0%
ASB Finance B.S.C. (c) (formerly Kuwait Finance House (Bahrain) B.S.C. (c)).	Kingdom of Bahrain	Banking services	100.0%	-
ASB Capital limited.	United Arab Emirates	Assets management	100.0%	-

The Bank and its principal banking subsidiaries operates through 20 branches and 1 auto finance office (2024: 24 branches) in the Kingdom of Bahrain, 26 branches in Algeria (2024: 25 branches) and 1 branch (2024: 1 branch) in Seychelles and offer a full range of Shari'a-compliant banking services and products. The activities of the Bank includes managing profit sharing investment accounts, offering Islamic financing contracts, dealing in Shari'a-compliant financial contracts as principal / agent, managing Shari'a-compliant financial contracts and other activities permitted under the CBB's Regulated Islamic Banking Services as defined in the licensing framework.

The condensed consolidated interim financial information comprise the financial statements of the Bank and its subsidiaries together (the "Group") as at 31 March 2025.

These condensed consolidated interim financial information have been authorised for issue in accordance with a resolution of the Board of Directors dated 13 May 2025.

2 BASIS OF PREPARATION AND PRESENTATION

The condensed consolidated interim financial information of the Group has been prepared in accordance with Financial Accounting Standard 41, Interim Financial Reporting ("FAS 41") issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI"). In line with the requirements of AAIOFI and CBB rulebook for matters not covered under AAIOFI standards, the Group uses guidance from the relevant IFRS Accounting standards issued by the International Accounting Standard Board ("IFRS Accounting standards").

The condensed consolidated interim financial information of the Group does not contain all information and disclosures required for the annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements for the year ended 31 December 2024. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of 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.

2.1 SIGNIFICANT ACCOUNTING POLICIES**New standards, amendments, and interpretations issued but not yet effective.****i) FAS 45: Quasi-Equity (Including Investment Accounts)**

AAOIFI had issued Financial Accounting Standard (FAS) 45 "Quasi-Equity (Including Investment Accounts)" during 2023. The objective of this standard is to establish the principles for identifying, measuring, and presenting "quasi-equity" instruments in the financial statements of Islamic Financial Institutions "IFIs".

The standard prescribes the principles of financial reporting to participatory investment instruments (including investment accounts) in which an IFI controls underlying assets (mostly, as working partner), on behalf of the stakeholders other than owner's equity. This standard provides the overall criteria for on-balance sheet accounting for participatory investment instruments and quasi-equity, as well as, pooling, recognition, derecognition, measurement, presentation and disclosure for quasi-equity.

This standard shall be effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

2.1 SIGNIFICANT ACCOUNTING POLICIES (continued)

New standards, amendments, and interpretations issued but not yet effective. (continued)

ii) FAS 46: Off-Balance-Sheet Assets Under Management

AAOIFI had issued Financial Accounting Standard (“FAS”) 46 "Off-Balance-Sheet Assets Under Management" during 2023. The objective of this standard is to establish principles and rules for recognition, measurement, disclosure, and derecognition of off-balance-sheet assets under management, based on Shari’a and international best practices. The standard aims to improve transparency, comparability, accountability, and governance of financial reporting related to off-balance-sheet assets under management.

This standard is applicable to all IFIs with fiduciary responsibilities over asset(s) without control, except for the following:

- The participants’ Takaful fund and / or participants’ investment fund of a Takaful institution; and
- An investment fund managed by an institution, being a separate legal entity, which is subject to financial reporting in line with the requirements of the respective AAOIFI FAS.

This standard shall be effective for the financial periods beginning on or after 1 January 2026 with an option to early adopt. This standard shall be adopted at the same time as adoption of FAS 45 “Quasi-Equity (Including Investment Accounts)”.

The Group does not expect any significant impact on the adoption of this standard.

iii) FAS 47: Transfer of Assets Between Investment Pools

AAOIFI had issued Financial Accounting Standard (“FAS”) 47 "Transfer of Assets Between Investment Pools" during 2023. The objective of this standard is to establish guidance on the accounting treatment and disclosures for transfers of assets between investment pools that are managed by the same institution or its related parties. The standard applies to transfers of assets that are not part of a business combination, a disposal of a business, or a restructuring of an institution.

The standard defines an investment pool as a group of assets that are managed together to achieve a common investment objective, such as a fund, a portfolio, or a trust. The standard also defines a transfer of assets as a transaction or event that results in a change in the legal ownership or economic substance of the assets, such as a sale, a contribution, a distribution, or a reclassification.

The transfer of assets between investment pools should be accounted for based on the substance of the transaction and the terms and conditions of the transfer agreement. The standard classifies transfers of assets into three categories: transfers at fair value, transfers at carrying amount, and transfers at other than fair value or carrying amount. The standard also specifies the disclosure requirements for transfers of assets between investment pools.

This standard shall be effective for the financial periods beginning on or after 1 January 2026 with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

iv) FAS 48: Promotional Gifts and Prizes

This standard prescribes accounting and financial reporting requirements applicable to promotional gifts and prizes awarded by the Islamic financial institutions. The standard categorizes them into a) Promotional Gifts, where entitlement to gifts is declared instantly; b) Promotional Prizes, that are announced in advance to be awarded at a future date and c) Loyalty Programs, where the obligation is accumulated over the period.

This standard is effective for the financial periods beginning on or after 1 January 2026, with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

2 BASIS OF PREPARATION AND PRESENTATION (continued)

2.2 SHARE CAPITAL

The shareholders in their Annual General Meeting held on 19 March 2025 approved to issue 219,822,133 bonus shares of BD 21,982 thousand representing 8% of issued and paid up share capital and approved a cash dividend of BD 15,551 thousand (2024: BD 17,947 thousand) being 0.006 fils per share or 6% of the par value of BD 0.100 per share excluding treasury shares. The total outstanding shares as of 31 March 2025 were 2,967,598,791 shares (December 2024: 2,747,776,658 shares). The calculation of basic and diluted earnings per share for previous period has also been adjusted to reflect the impact of bonus shares.

i) Subordinated Mudaraba issued by the Bank

The Bank issued bilateral subordinated mudaraba, classified as additional Tier 1 mudaraba (AT1) of BD 163,872 thousand (2024: BD 159,026 thousand). The subscription was fully paid in cash.

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

- a) Profits on this contract are distributed monthly starting from date of subscription at an expected rate of 6% p.a. Profit payments under the contract are discretionary and non-cumulative and non-payment will not be considered as an event of default.
- b) The contract does not have a stated maturity and is perpetual in nature and the Bank has an option to settle the AT1 Mudaraba at its discretion after 5 years from the date of its initial subscription.
- c) The AT1 mudaraba has a write-down feature in the event of non-viability as per the terms of the contract.

Accordingly, AT1 mudaraba meets the criteria for classification as equity as per FAS 1 and is recognized under the owners' equity in the condensed consolidated statement of financial position and the profits paid under the contract are accounted for as appropriation of profits. During the period, BD 2,476 thousand (2024 BD 428 thousand) was paid as profit on AT1 Mudaraba.

ii) Subordinated Mudaraba issued by the Subsidiary

During the period, Solidarity Bahrain BSC issued bilateral subordinated mudaraba of BD 28,437 thousand, classified as upper Tier 2 as per volume 3 of the CBB rule book. The subscription was fully paid in cash.

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

- a) Profits on this contract are distributed quarterly starting from the date of subscription at an expected rate of 7% p.a. Profit payments under the contract are discretionary and non-cumulative and non-payment will not be considered as an event of default.
- b) The contract does not have a stated maturity and is perpetual in nature and the issuer has an option to settle the Mudaraba at its discretion after 5 years from the date of its initial subscription.
- c) The mudaraba has a write-down feature in the event of non-viability as per the terms of the contract.

Accordingly, mudaraba meets the criteria for classification as equity as per FAS 1 and is recognized under the owners' equity in the condensed consolidated statement of financial position and the profits paid under the contract are accounted for as appropriation of profits. During the year, BD nil thousand was paid as profit on Mudaraba

3 INVESTMENTS IN SUKUK

	31 March			31 December
	2025			2024
	(Reviewed)			(Audited)
	Sovereign	Corporate Sukuk	Total	Total
	BD '000	BD '000	BD '000	BD '000
Carried at FVTOCI				
At beginning of the period	774,079	26,308	800,387	364,518
Purchases	173,236	14,273	187,509	391,333
Acquired through business combination	-	-	-	124,365
Sale / redemption	(5,116)	(751)	(5,867)	(96,094)
Fair value movement	7,211	296	7,507	7,905
Allowance for credit losses	66	65	131	(106)
Profit accrual / Dividend	2,428	(11)	2,417	8,466
At end of the period	951,904	40,180	992,084	800,387

Sukuk with carrying value of BD 22,553 thousand (2024: BD 13,916 thousand) are equity-type sukuk and remaining are debt-type sukuk.

This includes sukuk with carrying value of BD 434,341 thousand (2024: BD 293,525 thousand) which are pledged against murabaha term financing (note 16).

	31 March			31 December
	2025			2024
	(Reviewed)			(Audited)
	Sovereign	Corporate Sukuk	Total	Total
	BD '000	BD '000	BD '000	BD '000
Carried at Amortised cost				
At beginning of the period	627,299	20,117	647,416	638,321
Purchases	17,894	2,228	20,122	178,116
Acquired through business combination	-	-	-	102,904
Redemption	(95,638)	(3,274)	(98,912)	(273,594)
Allowance for credit losses	34	(5)	29	(46)
Amortisation of premium / discount	(85)	19	(66)	1,324
Profit accrual / Dividend	(842)	8	(834)	391
At end of the period	548,662	19,093	567,755	647,416
	1,500,566	59,273	1,559,839	1,447,803

This includes sukuk with carrying value of of BD 294,282 thousand (2024: BD 360,813 thousand) which are pledged against murabaha term financing (note 16).

	31 March	31 December
	2025	2024
	(Reviewed)	(Audited)
	BD '000	BD '000
Breakup of Sukuk by type of issuer		
Sovereign sukuk	1,500,566	1,401,378
Corporate sukuk	59,273	46,425
	1,559,839	1,447,803

	31 March	31 December
	2025	2024
	(Reviewed)	(Audited)
	BD '000	BD '000
The rating of corporate sukuk are as follows:		
Investment grade (AAA - BBB+)	48,789	24,842
High Yielding (Below BBB-)	8,034	10,923
Un-rated sukuk	2,510	10,782
Allowance for credit losses	(60)	(122)
	59,273	46,425

4 FINANCING CONTRACTS

<i>31 March 2025 (Reviewed)</i>					
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Leased-based:					
Ijarah	1,374,251	111,547	48,311	29,942	1,564,051
Trade-based:					
Murabaha	1,178,622	33,748	27,485	12,381	1,252,236
Salam	271,601	11,324	26,449	454	309,828
Istisnaa	93,287	6,209	5,099	154	104,749
Participatory-based:					
Mudaraba	579,130	18,021	30,508	89	627,748
Musharaka	27,869	20	2,334	-	30,223
Credit cards	23,025	359	263	-	23,647
Total gross financing contracts	3,547,785	181,228	140,449	43,020	3,912,482
Allowance for credit losses	(25,612)	(15,427)	(41,539)	-	(82,578)
Foreign currency translation	9,604	324	532	14	10,474
	3,531,777	166,125	99,442	43,034	3,840,378
<i>31 December 2024 (Audited)</i>					
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Leased-based:					
Ijarah	1,333,453	105,440	45,999	23,900	1,508,792
Trade-based:					
Murabaha	1,079,838	41,763	19,435	13,118	1,154,154
Salam	265,419	5,590	25,809	499	297,317
Istisnaa	73,534	1,587	4,722	154	79,997
Participatory-based:					
Mudaraba	581,757	21,613	31,394	55	634,819
Musharaka	30,020	22	2,353	-	32,395
Credit cards	26,251	239	1,421	-	27,911
Total gross financing contracts	3,390,272	176,254	131,133	37,726	3,735,385
Allowance for credit losses	(22,590)	(14,947)	(30,574)	-	(68,111)
Foreign currency translation	(5,202)	(86)	(307)	(9)	(5,604)
	3,362,480	161,221	100,252	37,717	3,661,670

Murabaha financing is reported net of deferred profits of BD 141,864 thousand (2024: BD 133,184 thousand).

Movement on allowance for credit losses

<i>31 March 2025 (Reviewed)</i>					
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>Purchased credit-impaired POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Balance at 1 January	22,590	14,947	30,574	-	68,111
Movement between stages, net	314	(5,906)	5,592	-	-
Movement in allowance for credit loss	2,708	6,386	6,603	(7,283)	8,414
Exchange adjustments and other transfers on settlement	-	-	-	7,283	7,283
Exposures written off during the period *	-	-	(1,230)	-	(1,230)
Balance at 31 March	25,612	15,427	41,539	-	82,578
<i>31 December 2024 (Audited)</i>					
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>Purchased credit-impaired POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Balance at 1 January	16,334	8,332	23,922	435	49,023
Movement between stages, net	590	2,351	(2,941)	-	-
Movement in allowance for credit loss	5,666	4,264	15,734	(5,319)	20,345
Exposures written off during the year *	-	-	-	4,884	4,884
Exchange adjustments and other transfers on settlement	-	-	(6,141)	-	(6,141)
Balance at 31 December	22,590	14,947	30,574	-	68,111

* Represent exposures charged off during the period / year for which recovery efforts will continue.

The non-performing financing ratio at 31 March 2025 exclusive and inclusive of non-performing POCI is 3.6% and 4.7% respectively (31 December 2024: 3.5% and 4.5%).

Non-performing facilities provision coverage including collateral amounts to 127.7% (2024: 126.6%). The POCI assets are currently carried at 39.2% (2024: 33.4%) compared to the original contractual amounts. On a cumulative basis, the impaired assets (Stage 3 and POCI) have a provision coverage of 43.2% (2024: 43.4%) compared to their original contractual amounts.

5 ALLOWANCE FOR IMPAIRMENT ON FINANCING CONTRACTS, INVESTMENTS AND OTHER ASSETS

The balance of allowance for credit losses in the below table includes all financing, finance lease assets and off-balance sheet exposures.

	<i>31 March 2025 (Reviewed)</i>				
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Balance at 1 January	26,133	15,088	33,329	-	74,550
- transfer to Stage 1: 12 month ECL	654	(570)	(84)	-	-
- transfer to Stage 2: Lifetime ECL not credit-impaired	(284)	543	(259)	-	-
- transfer to Stage 3: Lifetime ECL credit-impaired	(60)	(5,876)	5,936	-	-
Net remeasurement of loss allowance	3,125	6,397	6,989	(7,283)	9,228
Allowance for credit losses	3,435	494	12,582	(7,283)	9,228
Exchange adjustments and other transfers	-	-	(1,947)	7,283	5,336
Exposures written off during the period*	-	-	(1,230)	-	(1,230)
Balance at 31 March	29,568	15,582	42,734	-	87,884

* Represent exposures charged off during the period for which recovery efforts will continue.

	<i>31 March 2025 (Reviewed)</i>				
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Cash and balances with banks and central banks	303	-	-	-	303
Placements with financial institutions	30	-	-	-	30
Investments in sukuk	500	-	-	-	500
Financing contracts	25,612	15,427	41,539	-	82,578
Financing other assets	255	18	33	-	306
Other receivables	-	-	236	-	236
Financing commitments and financial guarantee contracts	2,868	137	926	-	3,931
	29,568	15,582	42,734	-	87,884

	<i>31 March 2025 (Reviewed)</i>	<i>31 March 2024 (Reviewed)</i>
	<i>BD '000</i>	<i>BD '000</i>
Net impairment charge on financing contracts, investments and other assets for the period		
Cash and balances with banks and central banks	174	(182)
Placements with financial institutions	24	(8)
Investments in sukuk	(160)	46
Financing contracts (note 4)	8,414	3,976
Other Assets	384	(1,007)
Financing commitments and financial guarantee contracts	392	189
Investments	157	17
	9,385	3,031

	<i>31 March 2024 (Reviewed)</i>				
	<i>Stage 1: 12-month ECL</i>	<i>Stage 2: Lifetime ECL not credit-impaired</i>	<i>Stage 3: Lifetime ECL credit-impaired</i>	<i>POCI</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Balance at 1 January	19,222	8,487	26,450	435.00	54,594
- transfer to Stage 1: 12 month ECL	472	(461)	(11)	-	-
- transfer to Stage 2: Lifetime ECL not credit-impaired	(5,373)	10,977	(5,604)	-	-
- transfer to Stage 3: Lifetime ECL credit-impaired	(110)	(685)	795	-	-
Net remeasurement of loss allowance	1,094	249	1,978	(307)	3,014
Allowance for credit losses	(3,917)	10,080	(2,842)	(307)	3,014
Exchange adjustments and other transfers on settlement	-	-	132	307	439
Balance at 31 December	15,305	18,567	23,740	435	58,047

5 ALLOWANCE FOR IMPAIRMENT ON FINANCING CONTRACTS, INVESTMENTS AND OTHER ASSETS (continued)

	31 March 2024 (Reviewed)				
	Stage 1: 12-month ECL	Stage 2: Lifetime ECL not credit-impaired	Stage 3: Lifetime ECL credit-impaired	POCI	Total
	BD '000	BD '000	BD '000	BD '000	BD '000
Cash and balances with banks and central banks	146	-	-	-	146
Placements with financial institutions	18	-	-	-	18
Investments in sukuk	507	48	-	-	555
Financing contracts	13,552	18,287	21,032	435	53,306
Financing other assets	75	-	-	-	75
Other receivables	-	-	2,082	-	2,082
Financing commitments and financial guarantee contracts	1,007	232	626	-	1,865
	<u>15,305</u>	<u>18,567</u>	<u>23,740</u>	<u>435</u>	<u>58,047</u>

6 TAKAFUL ASSETS AND LIABILITIES

	31 March 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
Takaful assets	20,349	17,140
Investments of participants in units	9,280	9,213
Takaful assets	29,629	26,353
Takaful liabilities	67,393	66,273
Other liabilities	10,631	9,277
Takaful liabilities	78,024	75,550

7 INVESTMENTS IN ASSOCIATES

The Group has a 20.9% (2024: 20.9%) stake in Gulf African Bank ("GAB"), an Islamic commercial bank incorporated as the first Islamic bank in Kenya in August 2006, licensed by the Central Bank of Kenya.

During 2022, as part of its acquisition of the retail business of Ithmaar Holding, the Group acquired economic interests in a sharia compliant financing arrangement provided to FINCORP W.L.L (formerly Al Salam International W.L.L. ("ASI")), the holder of 26.2% stake in Bank of Bahrain and Kuwait B.S.C. ("BBK"), a retail bank incorporated in Bahrain and licensed by the Central Bank of Bahrain. FINCORP W.L.L's investment in BBK forms part of a security package assigned to the Bank under a shariah compliant financing structure. The Bank or its quasi-equity do not directly participate in the underlying business activities of FINCORP W.L.L and are not legal owners of its underlying assets. The returns generated by the Bank are to the extent of the profit and the respective repayment, if any, generated from the sharia compliant financing arrangement only. As per the requirements of the financial accounting standards, the effective economic interest of this arrangement is recognized in these financial statements.

During 2024, Solidarity Bahrain B.S.C., insurance subsidiary of the Group acquired 28.9% stake in Alliance Insurance P.J.S.C., an insurance company listed on the Dubai Financial Market resulting in the Groups share of bargain purchase BD 2,681 thousand.

	31 March 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
Balance at beginning of the period	255,008	231,484
Acquisitions during the period	-	16,131
Share of profits	5,339	18,169
Share of other changes in equity	(1,880)	4,276
Dividends received from associates	-	(15,052)
Balance at end of the period	258,467	255,008

The summary of financial information of the Group's material investments in associates, which is adjusted for changes in accounting policies and fair value adjustments on acquisition.

Reconciliation of financial information to carrying value of Group's interest in BBK.

	31 March 2025 (Reviewed) BD '000	31 March 2024 (Reviewed) BD '000
Group's holding	26.20%	26.20%
Total assets	4,228,824	3,905,720
Total liabilities	3,568,900	3,288,000
Net assets (100%)	659,924	617,720
Group's share of recognised net assets	172,834	161,781
Acquisition accounting related adjustments	65,202	65,202
Carrying amount of interest in associate	238,036	226,983
Revenue	40,300	43,100
Profit (100%)	19,200	18,200
Other change in equity (comprehensive income)	(2,500)	14,202
Total comprehensive income (100%)	18,600	39,102
Group's share of profits	5,028	4,537
Groups share of other changes in equity	(1,886)	3,719

The market value of BBK stood at BD 235.5 million as at 31 March 2025 (2024: BD 229.3 million). This fair value was determined using market value per share and was not adjusted for any holding of account related adjustments.

For other associates based on the summarized financial statements, the revenue, profit and Group's share of profit were BD 3,350 thousand (2024: BD 2,797 thousand), BD 1,419 thousand (2024: BD 1,304 thousand) and BD 311 thousand (2024: BD 310 thousand), respectively.

8 QUASI-EQUITY

	<i>31 March 2025 (Reviewed)</i>	<i>31 December 2024 (Audited)</i>
	<i>BD '000</i>	<i>BD '000</i>
Wakala from financial institutions	459,146	420,231
Wakala, Mudaraba from customers	3,682,171	3,643,830
	4,141,317	4,064,061

Including in Quasi-equity is an amount of BD 3,490 thousand (2024: BD 5,376 thousand) representing the Quasi-equity holders share of movement in fair value reserve.

Quasi-equity mudaraba and wakala is commingled with Group's funds to form one general pool. The pooled fund are used to fund and invest in income generating assets, however no priority is granted to any party for the purpose of investments and distribution of profits.

The Group does not allocate stage 3 assets to quasi-equity pool. All the impairment allowances relating to non performing assets are allocated to owners' equity. Recoveries from non-performing financial assets are also not allocated to quasi-equity. Only the profits earned on pool of assets funded from quasi-equity are allocated between the owners' equity and quasi-equity. As per the policy of the Group, minimum of 15% of return on assets earned is distributed to quasi-equity and up to 85% is retained by the Group as mudarib share. The Group did not charge any administration expenses to quasi-equity. The average profit rate earned on assets attributed to quasi-equity based on the above ratio for the period ended 31 March 2025 was 5.9% (2024: 6.7%) and the average profit rate distributed to quasi-equity for the period ended 31 March 2025 was 3.3% (2024: 4.1%).

Distribution of assets by ownership

	31 March 2025 (Reviewed)			31 December 2024 (Audited)		
	Self-financed	Quasi equity	Total	Self-financed	Quasi equity	Total
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Cash and balances with banks and central banks	580,267	98,603	678,870	489,993	143,618	633,611
Placements with financial institutions	5,961	475,924	481,885	8,094	468,356	476,450
Investments in sukuk	1,559,839	-	1,559,839	1,447,803	-	1,447,803
Financing contracts	538,290	3,302,088	3,840,378	469,986	3,191,684	3,661,670
Non-trading investments	89,854	9,491	99,345	89,676	8,268	97,944
Takaful and related assets	29,629	-	29,629	26,353	-	26,353
Investments in real estate*	108,924	17,175	126,099	112,053	17,242	129,295
Investments in associates	20,431	238,036	258,467	20,115	234,893	255,008
Other assets	102,182	-	102,182	129,894	-	129,894
Goodwill and other intangible assets	203,901	-	203,901	204,750	-	204,750
Total Assets	3,239,278	4,141,317	7,380,595	2,998,717	4,064,061	7,062,778

*real estate investments allocated to quasi-equity are yielding.

Distribution of income by ownership

	31 March 2025 (Reviewed)			31 March 2024 (Reviewed)		
	Self-financed	Quasi equity	Total	Self-financed	Quasi equity	Total
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
INCOME						
Income from placements with financial institutions	38	6,749	6,787	355	5,046	5,401
Income from financing contracts	9,258	51,223	60,481	7,260	37,836	45,096
Income from Investments in sukuk	22,354	-	22,354	14,068	-	14,068
Finance expense on placements from financial institutions and individuals	(1,846)	-	(1,846)	(1,960)	-	(1,960)
Finance expense on murabaha term financing	(10,122)	-	(10,122)	(7,008)	-	(7,008)
Net finance income	19,682	57,972	77,654	12,715	42,882	55,597
Income from non-trading investments, net	175	-	175	500	-	500
Fees and commission, net	6,531	-	6,531	5,332	-	5,332
Share of profit from associates	311	5,028	5,339	280	4,537	4,817
Income from Takaful operations, net	1,540	-	1,540	754	-	754
Other income	1,923	506	2,429	1,691	-	1,691
Total income	30,162	63,506	93,668	21,272	47,419	68,691
EXPENSES						
Staff costs	11,287	-	11,287	8,990	-	8,990
Other operating expenses	15,506	-	15,506	10,082	-	10,082
Total expenses	26,793	-	26,793	19,072	-	19,072

Profit before impairment allowances, tax and income attribution to quasi-equity

	3,369	63,506	66,875	2,200	47,419	49,619
Allowance for impairment on financing contracts, investments and other assets	(2,894)	(6,491)	(9,385)	(3,036)	5	(3,031)
Group's share as a mudarib and wakil	20,965	(20,965)	-	18,663	(18,663)	-
Allocated profits	21,440	36,050	57,490	17,827	28,761	46,588

9 INCOME FROM TAKAFUL OPERATIONS, NET

	<i>31 March 2025 (Reviewed)</i>	<i>31 March 2024 (Reviewed)</i>
	<i>BD '000</i>	<i>BD '000</i>
Takaful revenue	24,220	22,626
Takaful service expenses	(12,950)	(11,790)
Net from retakaful contracts	(6,590)	(6,635)
Net finance expense from takaful contracts	(702)	(437)
Net finance expense from retakaful contracts	116	120
Takaful corporate expenses	(2,554)	(3,130)
	1,540	754

10 OTHER INCOME

	<i>31 March 2025 (Reviewed)</i>	<i>31 March 2024 (Reviewed)</i>
	<i>BD '000</i>	<i>BD '000</i>
Foreign exchange gains	812	926
Recoveries	918	8
Others	699	757
	2,429	1,691

11 RELATED PARTY TRANSACTIONS

Related parties comprise major shareholders, directors of the Bank, senior management, close members of their families, entities owned or controlled by them and companies affiliated by virtue of common ownership with that of the Bank. The transactions with these parties were approved by the board of directors.

The balances with related parties at 31 March 2025 and 31 December 2024 were as follows:

	<i>31 March 2025 (Reviewed)</i>				
	<i>Associates and joint ventures</i>	<i>Major shareholders</i>	<i>Directors and related entities</i>	<i>Senior management</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Assets:					
Cash and balances with banks and central bank	-	136	-	-	136
Placements with financial institutions	-	5,659	-	-	5,659
Financing contracts	23,957	-	2,306	1,025	27,288
Non-trading investments	68,650	-	-	-	68,650
Takaful and related assets	-	-	1,024	-	1,024
Investments in associates	258,467	-	-	-	258,467
Liabilities and Quasi-equity:					
Customers' current accounts	6,350	684	5,998	1,344	14,376
Other liabilities	20	-	40	52	112
Takaful Liabilities	655	-	-	-	655
Quasi-equity	7,647	-	6,033	5,285	18,965
Contingent liabilities and commitments	-	-	502	140	642

11 RELATED PARTY TRANSACTIONS (continued)

	31 December 2024 (Audited)				
	Associates and joint ventures	Major shareholders	Directors and related entities	Senior management	Total
	BD '000	BD '000	BD '000	BD '000	BD '000
Assets:					
Cash and balances with banks and central bank	-	244	-	-	244
Financing contracts	24,958	-	2,557	2,036	29,551
Non-trading investments	68,854	-	-	-	68,854
Takaful and related assets	-	-	620	-	620
Investments in associates	255,008	-	-	-	255,008
Liabilities and Quasi-equity:					
Customers' current accounts	1,234	358	3,944	1,795	7,331
Other liabilities	16	-	106	85	207
Takaful Liabilities	372	-	-	-	372
Quasi-equity	12,271	3,407	7,718	7,655	31,051
Contingent liabilities and commitments	8	-	502	191	701

The income and expenses in respect of related parties included in the condensed consolidated income statement are as follows:

The income and expenses in respect of related parties included in the condensed consolidated income statement are as follows:

	31 March 2025 (Reviewed)				
	Associates and joint ventures	Major shareholders	Directors and related entities	Senior management	Total
	BD '000	BD '000	BD '000	BD '000	BD '000
Income:					
Placements with financial institutions	-	16	-	-	16
Income from financing contracts	396	-	41	11	448
Share of profit from associates, net	5,339	-	-	-	5,339
Dividend Income	92	-	-	-	92
Income from takaful operations	-	-	621	1	622
Expenses:					
Other operating expenses	-	-	1,189	41	1,230
Expense from takaful operations	182	-	190	-	372
Income attributable to quasi-equity	122	80	59	48	309
Allowance for impairment	-	-	-	-	-

	31 March 2024 (Reviewed)				
	Associates and joint ventures	Major shareholders	Directors and related entities	Senior management	Total
	BD '000	BD '000	BD '000	BD '000	BD '000
Income:					
Income from financing contracts	407	1	27	12	447
Share of profit from associates, net	4,817	-	-	-	4,817
Dividend Income	179	-	-	-	179
Income from takaful operations	9	-	1	-	10
Expenses:					
Other operating expenses	-	-	1,316	-	1,316
Expense from takaful operations	2	-	-	-	2
Income attributable to quasi-equity	79	32	91	23	225
Allowance for impairment	17	-	-	-	17

12 CONTINGENT LIABILITIES AND COMMITMENTS

	31 March 2025 (Reviewed) BD '000	31 December 2024 (Audited) BD '000
Contingent liabilities on behalf of customers		
Guarantees	147,534	155,363
Letters of credit	216,861	212,977
Acceptances	1,567	1,558
	365,962	369,898
Unutilised commitments		
Unutilised financing commitments	389,492	384,562
Unutilised non-funded commitments	70,605	46,089
	460,097	430,651

Letters of credit, guarantees (including standby letters of credit) commit the Group to make payments on behalf of customers contingent upon their failure to perform under the terms of the contract.

Commitments generally have fixed expiration dates, or other termination clauses. Since commitments may expire without being utilized, the total contract amounts do not necessarily represent future cash requirements.

13 WA'AD BASED FX TRANSACTIONS FOR RISK MANAGEMENT

The Group enter into Wa'ad based FX transactions to manage its exposures to foreign currency risk. The fair values of FX Wa'ad instruments is as follows;

	31 March 2025 (Reviewed)		31 December 2024 (Audited)	
	Notional Amount	Fair Value	Notional Amount	Fair Value
	BD '000	BD '000	BD '000	BD '000
FX Wa'ad instruments				
Assets position	150,202	2,039	49,024	321
Liabilities position	117,784	864	82,281	847

The above contracts have residual maturity of up to six months as at the end of the reporting period.

14 SEGMENT INFORMATION**Primary segment information**

For management purposes, the Group is organised into the following primary business segments:

Banking

Principally managing Shari'a compliant profit sharing investment accounts, and offering Shari'a compliant financing contracts and other Shari'a-compliant products. This segment comprises corporate banking, retail banking, private banking and wealth management in Kingdom of Bahrain and through the Bank's subsidiaries in Seychelles and Algeria. Banking segment also includes the Group's investments in banking associates which are allocated as assets attributable to the jointly financed pool of investment accountholders. Other overseas associate investments form part of the investment segment.

Treasury

Principally handling Shari'a compliant money market, trading, fixed income products and treasury services including short-term commodity murabaha.

Investments

Principally the Group's proprietary portfolio and asset management services to clients with a range of investment products, funds and alternative investments. These also include the Group's investmet in certain associates and joint ventures.

Takaful

Represents the Group's investment in Solidarity Group Holding BSC (c) which is primarily involved in the business of offering Shari'a compliant takaful contracts. These comprise motor, non-motor, medical, group life and family takaful products. All activities of this business including its investment activities are reported under this segment as they are managed together along with the Takaful business.

Transactions between banking and other segments are conducted at estimated allocated internal rates. Transfer charges are based on a pool rate which approximates the cost of funds.

Segment information is disclosed as follows:

	<i>31 March 2025 (Reviewed)</i>					
	<i>Banking</i>	<i>Treasury</i>	<i>Investments</i>	<i>Takaful</i>	<i>Unallocated</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Income						
Income from placements with financial institutions	-	6,787	-	-	-	6,787
Income from financing contracts	59,865	178	-	438	-	60,481
Income from Investments in sukuk	-	21,886	-	468	-	22,354
Finance expense on placements from financial institutions and individuals	(620)	(1,226)	-	-	-	(1,846)
Finance expense on murabaha term financing	-	(10,122)	-	-	-	(10,122)
Net finance income	59,245	17,503	-	906	-	77,654
Income from non-trading investments, net	(73)	-	(253)	501	-	175
Fees and commission, net	5,377	1,154	-	-	-	6,531
Share of profit from associates	5,028	-	-	311	-	5,339
Income from Takaful operations, net	-	-	-	1,540	-	1,540
Other income	1,522	813	3	91	-	2,429
Total income	71,099	19,470	(250)	3,349	-	93,668
Expenses						
Staff costs	9,285	1,891	111	-	-	11,287
Other operating expenses	11,094	2,335	139	1,938	-	15,506
Total Expenses	20,379	4,226	250	1,938	-	26,793
Profit before allowances for impairment, income attribution to quasi-equity and tax	50,720	15,244	(500)	1,411	-	66,875
Allowance for impairment on financing contracts, investments and other assets	(9,214)	(14)	(163)	6	-	(9,385)
Profit before income attribution to quasi-equity and tax	41,506	15,230	(663)	1,417	-	57,490
Income attributable to quasi-equity	(30,690)	(5,360)	-	-	-	(36,050)
Profit before tax	10,816	9,870	(663)	1,417	-	21,440
Tax	(1,523)	-	-	-	-	(1,523)
Profit for the period	9,293	9,870	(663)	1,417	-	19,917
Segment assets	4,571,799	2,377,990	197,415	178,544	54,847	7,380,595
Segment liabilities, and quasi-equity	5,006,536	1,576,253	678	71,024	67,239	6,721,730

14 SEGMENT INFORMATION (continued)

Goodwill and other intangibles include BD 193,013 thousand (2024: BD 193,841 thousand) allocated from acquisitions during prior years within the banking segment and BD 10,888 thousand (2024: 10,909 thousand) attributable to the Takaful segment.

	31 March 2024 (Reviewed)					
	<i>Banking</i>	<i>Treasury</i>	<i>Investments</i>	<i>Takaful</i>	<i>Unallocated</i>	<i>Total</i>
	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>	<i>BD '000</i>
Income						
Income from placements with financial institutions	5,198	-	-	-	-	5,198
Income from financing contracts	39,789	5,133	-	377	-	45,299
Income from Investments in sukuk	-	13,736	-	332	-	14,068
Finance expense on placements from financial institutions and individuals	(37)	(1,923)	-	-	-	(1,960)
Finance expense on murabaha term financing	-	(7,008)	-	-	-	(7,008)
Net finance income	44,950	9,938	-	709	-	55,597
Income from non-trading investments, net	-	-	-	500	-	500
Fees and commission, net	4,231	1,101	-	-	-	5,332
Share of profit from associates	4,537	-	273	7	-	4,817
Income from Takaful operations, net	-	-	-	754	-	754
Other income	1,180	433	(82)	160	-	1,691
Total income	54,898	11,472	191	2,130	-	68,691
Expenses						
Staff costs	7,366	1,404	220	-	-	8,990
Other operating expenses	7,613	1,343	315	811	-	10,082
Total Expenses	14,979	2,747	535	811	-	19,072
Profit before allowances for impairment, income attribution to quasi-equity and tax	39,919	8,725	(344)	1,319	-	49,619
Allowance for impairment on financing contracts, investments and other assets	(3,151)	137	(17)	-	-	(3,031)
Profit before income attribution to quasi-equity and tax	36,768	8,862	(361)	1,319	-	46,588
Income attributable to quasi-equity	(23,321)	(5,440)	-	-	-	(28,761)
Profit before tax	13,447	3,422	(361)	1,319	-	17,827
Tax	(1,564)	-	-	-	-	(1,564)
Profit for the period	11,883	3,422	(361)	1,319	-	16,263

Segment information for the year ended 31 December 2024 (audited) was as follows:

Segment assets	4,381,587	2,234,185	199,354	156,631	91,021	7,062,778
Segment liabilities, and quasi-equity	4,838,936	1,464,323	679	78,932	86,527	6,469,397

Secondary segment information

The Group primarily operates in the GCC and derives substantially all its operating income and incurs all operating expenses in the GCC.

As at 31 March 2025

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

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

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

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

(i) Financial instruments measured at fair value

The following table shows an analysis of the non-trading investments, sukuk and FX waad portfolio carried at fair value in the condensed consolidated statement of financial position:

31 March 2025 (Reviewed)	Level 1	Level 2	Level 3	Total
	BD '000	BD '000	BD '000	BD '000
Sovereign sukuk at fair value through OCI	858,499	93,405	-	951,904
Corporate sukuk at fair value through OCI	38,850	1,330	-	40,180
Equity securities at fair value through income statement	2,924	544	75,536	79,004
Equity securities at fair value through OCI	13,127	-	7,214	20,341
	913,400	95,279	82,750	1,091,429
FX Wa'ad assets position	-	2,039	-	2,039
FX Wa'ad liabilities position	-	864	-	864
	-	1,175	-	1,175
31 December 2024 (Audited)	Level 1	Level 2	Level 3	Total
	BD '000	BD '000	BD '000	BD '000
Sovereign sukuk at fair value through OCI	679,521	94,559	-	774,080
Corporate sukuk at fair value through OCI	25,001	1,306	-	26,307
Equity securities at fair value through income statement	2,927	638	75,789	79,354
Equity securities at fair value through OCI	11,577	-	7,013	18,590
	719,026	96,503	82,802	898,331
FX Wa'ad assets position	-	321	-	321
FX Wa'ad liabilities position	-	847	-	847
	-	(526)	-	(526)

(ii) Financial instruments measured at amortised cost

31 March 2025 (Reviewed)	Level 1	Level 2	Level 3	Total
	BD '000	BD '000	BD '000	BD '000
Sovereign sukuk	512,221	36,441	-	548,662
Corporate sukuk	17,373	-	1,720	19,093
	529,594	36,441	1,720	567,755
Fair value	525,759	36,767	107	562,633
31 December 2024 (Audited)	Level 1	Level 2	Level 3	Total
	BD '000	BD '000	BD '000	BD '000
Sovereign sukuk	553,718	73,581	-	627,299
Corporate sukuk	15,865	-	4,252	20,117
	569,583	73,581	4,252	647,416
Fair value	410,145	276,767	4,252	691,164

The movements in fair value of non-trading investments classified in Level 3 of the fair value hierarchy are as follows:

	31 March 2025 (Reviewed)	31 December 2024 (Audited)
	BD '000	BD '000
At 1 January	82,802	78,694
Acquired as part of business combination	-	3,055
Fair value changes	(52)	1,053
	82,750	82,802

The sensitivity analysis for Level 3 of non-trading investments are summarized below:

Valuation technique used	Key unobservable inputs	Fair value at 31 March 2025 BD'000	Reasonable possible shift +/- (in average input)	Increase / (decrease) in valuation
Asset Valuation	Underlying real estate	104,554	+/- 5%	5,228 / (5,228)

15 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**(iii) Other Financial instruments not measured at fair value**

The estimated fair value of yielding financing liabilities approximates their carrying value as their pricing is not materially different to expected market return on such contracts.

The estimated fair values of other financial assets are not expected to be materially different from their carrying values as of 31 March 2025 and 31 December 2024 due to their short term nature.

16 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the condensed consolidated interim financial information period ended 31 March 2025.

17 REGULATORY RATIOS**(i) Capital Adequacy Ratio**

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders or issue capital securities. No changes were made in the objectives, policies and processes from the previous years.

The regulatory capital and risk-weighted assets have been calculated in accordance with Basel III as adopted by the CBB.

	<i>As at</i>	
	<i>31 March 2025 (Reviewed)</i>	<i>31 December 2024 (Audited)</i>
BD'000		
CET 1 Capital before regulatory adjustments	383,138	352,201
Less: regulatory adjustments	48,368	48,628
CET 1 Capital after regulatory adjustments	334,770	303,573
AT 1 Capital	168,966	163,719
T 2 Capital adjustments	78,306	63,425
Regulatory Capital	582,042	530,717
Risk weighted exposure:		
Credit Risk Weighted Assets	2,098,281	1,962,782
Market Risk Weighted Assets	2,656	1,357
Operational Risk Weighted Assets	244,092	174,544
Total Regulatory Risk Weighted Assets	2,345,029	2,138,683
Total Adjusted Risk Weighted Exposures	2,345,029	2,138,683
Capital Adequacy Ratio	24.8%	24.8%
Common Equity Tier 1 Capital Ratio	14.3%	14.2%
Tier 1 Capital Adequacy Ratio	21.5%	21.8%
Tier 2 Capital Ratio	3.3%	3.0%
Minimum required by CBB	14.0%	14.0%

As of 31 March 2025, aggregate of modification loss of BD 8,256 thousand (2024: BD 8,256 thousand) has been added back to Tier 1 capital.

(ii) Liquidity Coverage Ratio (LCR)

LCR has been developed to promote short-term resilience of a bank's liquidity risk profile. The LCR requirements aim to ensure that a bank has an adequate stock of unencumbered high quality liquidity assets (HQLA) that consists of assets that can be converted into cash immediately to meet its liquidity needs for a 30 calendar day stressed liquidity year. The stock of unencumbered HQLA should enable the bank to survive until day 30 of the stress scenario, by which time appropriate corrective actions would have been taken by management to find the necessary solutions to the liquidity crisis.

LCR is computed as a ratio of Stock of HQLA over the net cash outflows. The average consolidated LCR for three months calculated as per the requirements of the CBB rulebook, as of 31 March 2025 and 31 December 2024, is as follows:

	<i>Total weighted value BD'000</i>	
	<i>31 March 2025 (Reviewed)</i>	<i>31 December 2024 (Audited)</i>
Stock of HQLA	1,129,750	1,121,664
Net cashflows	453,006	316,329
LCR %	252.6%	363.5%
Minimum required by CBB	100.0%	100.0%

17 REGULATORY RATIOS (continued)**(iii) Net Stable funding Ratio**

The objective of the NSFR is to promote the resilience of banks' liquidity risk profiles and to incentivize a more resilient banking sector over a longer time horizon. The NSFR limits overreliance on short-term wholesale funding, encourages better assessment of funding risk across all on-balance sheet and off-balance sheet items, and promotes funding stability.

NSFR is calculated in accordance with the Liquidity Risk Management Module guidelines, issued by CBB and its affective from 2019. The minimum NSFR ratio as per CBB is 100%.

The NSFR (as a percentage) as at 31 March 2025 is calculated as follows:

<i>BD'000</i>	<i>Unweighted Values (before applying relevant factors)</i>				
Item	<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>	<i>Total weighted value</i>
<u>Available Stable Funding (ASF):</u>					
Capital:					
Regulatory Capital	544,561	-	-	78,306	622,867
Retail deposits and deposits from small business customers:					
Stable deposits	-	593,806	31,624	10,755	604,913
Less stable deposits	-	1,994,192	577,681	268,995	2,583,681
Wholesale funding:					
Other wholesale funding	-	2,660,430	227,921	104,695	820,817
Other liabilities:					
All other liabilities not included in the above categories	-	144,830	-	-	-
Total ASF	544,561	5,393,258	837,226	462,751	4,632,278
<u>Required Stable Funding (RSF):</u>					
Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	61,967
Performing financing and sukuk/ securities:					
Performing financing to financial institutions secured by non-level 1 HQLA and unsecured performing financing to financial institutions	-	689,489	3,906	714	106,090
Performing financing to non- financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	1,202,416	636,508	1,394,683	2,085,179
With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio guidelines	-	-	-	98,819	64,232
Performing residential mortgages, of which:	-	-	-	497,751	323,538
With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	497,751	323,538
Securities/ sukuk that are not in default and do not qualify as HQLA, including exchange-traded equities	-	17,569	235	-	8,902
Other assets:					
All other assets not included in the above categories	1,031,747	37,738	-	110,095	1,093,061
OBS items	-	825,138	-	-	41,257
Total RSF	1,031,747	2,772,350	640,649	2,003,243	3,719,994
NSFR (%)	-	-	-	-	124.5%

17 REGULATORY RATIOS (continued)**(iii) Net Stable funding Ratio (continued)**

The NSFR (as a percentage) as at 31 December 2024 is calculated as follows:

Item	BD'000	Unweighted Values (before applying relevant factors)				
		No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	Total weighted value
<u>Available Stable Funding (ASF):</u>						
Capital:						
Regulatory Capital	508,378	-	-	63,425	571,803	
Retail deposits and deposits from small business customers:						
Stable deposits	-	571,095	33,455	11,305	585,628	
Less stable deposits	-	2,058,395	540,615	219,778	2,558,887	
Wholesale funding:						
Other wholesale funding	-	2,421,460	253,136	105,069	756,018	
Other liabilities:						
All other liabilities not included in the above categories	-	172,320	-	-	-	
Total ASF	508,378	5,223,270	827,206	399,577	4,472,336	
<u>Required Stable Funding (RSF):</u>						
Total NSFR high-quality institutions for operational purposes						
Performing financing and secured by Level 1 HQLA						
Performing financing to financial institutions secured by non-level 1 HQLA and unsecured performing financing to financial institutions						
	-	648,620	210	3,783	101,181	
Performing financing to non- financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:						
	-	1,341,203	444,796	1,249,265	1,934,973	
With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio guidelines						
	-	-	-	99,508	64,680	
Performing residential mortgages, of which:						
With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines						
	-	-	-	497,045	323,079	
Securities/ sukuk that are not in default and do not qualify as HQLA, including exchange-traded equities						
	-	19,557	867	-	10,212	
Other assets:						
All other assets not included in the above categories						
	1,108,102	26,366	3,970	101,667	1,131,103	
OBS items	-	799,874	-	-	39,994	
Total RSF	1,108,102	2,835,620	449,843	1,851,760	3,594,743	
NSFR (%)	-	-	-	-	124.4%	

18 GLOBAL MINIMUM TAX

The OECD Global Anti-Base Erosion Pillar Two Model Rules ('GloBE rules') apply to multinational enterprise (MNE) groups with total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years.

In line with the requirements of GloBE rules, the Kingdom of Bahrain 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 up to 15% on the taxable income of the Bahrain resident entities of the Group for fiscal years commencing on or after 1 January 2025.

Al Salam Bank, the Ultimate Parent Entity of the Group is domiciled and operates in the Kingdom of Bahrain and has assessed that it is in scope of the Bahrain DMTT law effective 1 January 2025.

The Group has applied a temporary mandatory relief from deferred tax accounting for the impact of the top-up tax and accounts for it as a current tax when it is incurred.

The Group 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. However as at the reporting date, the Group's initial assessment is that it will be able to meet the requirements of an exclusion for the year ending 31 December 2025.

19 BUSINESS COMBINATION**i) Acquisition of Bahrain National Insurance Company BSC Closed ("BNI") and Bahrain National Life Assurance Company BSC**

During Q1 2025, Solidarity Bahrain, a subsidiary of the Group that engages in Takaful business, listed on Bahrain Bourse has entered into a sale and purchase agreement with Bahrain National Holding company BSC, a company incorporated in Kingdom of Bahrain and listed on Bahrain Bourse for the purchase of 100% of the issued share capital of its two subsidiaries, BNI and BNL for a total consideration of BD 75 million. In April 2025, the legal formalities for share transfer have been completed after obtaining necessary regulatory and shareholders approvals.

ii) Acquisition of Kuwait Finance House (Bahrain) BSC closed

On 1 April 2024, the Bank acquired 100% shareholding in ASB Finance B.S.C. (c) formerly Kuwait Finance House (Bahrain) B.S.C. (c), a Retail Islamic Bank incorporated in the Kingdom of Bahrain, which was fully owned subsidiary of Kuwait Finance House K.S.C.P. ("KFH Group") an Islamic retail bank listed on Kuwait stock exchange, after obtaining the requisite regulatory approvals. The Group has consolidated the results and financial position of KFH Bahrain from 1 April 2024.

The fair value of assets, liabilities, equity interests are reported in these disclosures on a provisional basis and will be finalized within a period of 12 months from the date of acquisition. In line with the provisions of IFRS 3 "Business Combinations", if new information, obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date, identified adjustments to the above amounts, or any additional provisions that existed at the acquisition date, then the acquisition accounting will be revised. Revisions to provisional acquisition accounting will be reflected on a retrospective basis.

a) Total consideration

Total cash consideration paid is BD 214,488 thousand.

b) Fair value of identifiable assets acquired and liabilities assumed**ASSETS ACQUIRED**

	<i>BD '000</i>
Cash and balances with banks and central banks	77,967
Placements with financial institutions	48,583
Financing contracts	977,930
Investments in non-trading assets	12,887
Investments in sukuk	227,269
Investments in real estate	47,090
Identified Intangible assets	15,000
Other assets	15,190
Total assets acquired (A)	1,421,916

LIABILITIES ASSUMED

	<i>BD '000</i>
Customers' current accounts	119,759
Placements from financial institutions and individuals	23,019
Other liabilities	31,348
Total liabilities	174,126
Quasi-equity	1,148,340
Total liabilities and Quasi-equity (B)	1,322,466
Total fair value of identifiable net assets acquired (C = A-B)	99,450

c) Goodwill

	<i>BD '000</i>
Consideration paid	214,488
Fair value of identifiable net assets acquired	(99,450)
Goodwill	115,038

20 COMPARATIVE FIGURES

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