شركة البحرين للتسهيلات التجارية ش.م.ب.
BAHRAIN COMMERCIAL FACILITIES COMPANY BSC



Innovation with Purpose. Growth with Responsibility

Annual Report 2025

CONTENTS

STRATEGIC REVIEW	Corporate Profile	02
	Principles	04
	Principal Activities	06
	Financial Highlights	08
	Operational Achievements	10
	Chairman's Report	16
	Board of Directors	20
	CEO's Message	26
	Executive Management	30
CORPORATE GOVERNANCE	Organization Chart	36
	Corporate Governance	37
	BCFC's Strategy Review	50
SUSTAINABILITY REPORT	Sustainability Report	52
FINANCIAL STATEMENTS	Independent Auditors' Report	98
	Consolidated Statement of Financial Position	101
	Consolidated Statement of Profit or Loss	102
	Consolidated Statement of Comprehensive Income	103
	Consolidated Statement of Changes in Equity	104
	Consolidated Statement of Cash Flows	105
	Notes to the Consolidated Financial Statements	106
	GRI content index	142

CONTACT

BAHRAIN COMMERCIAL FACILITIES COMPANY (BCFC)

Building 290, Road 111, Block 701 Tubli
P.O. Box 1175 Kingdom of Bahrain
Telephone: 8000 8000
International: +973 1778 7222
Email: info@bcfc.bh
Website: www.bcfc.bh

BRANCHES

Main Branch - Isa Town	17786000
Seef Mall Muharraq	17899390
Reef Mall	17787722
Budaiya	17899388
District 2 Janabiyah	17787226
Sitra	17899391



His Majesty King Hamad bin Isa Al Khalifa

The King of the Kingdom of Bahrain



His Royal Highness Prince Salman bin Hamad Al Khalifa

The Crown Prince and Prime Minister of the Kingdom of Bahrain

Corporate Profile

From personal goals to business ambitions, we provide the financial and non-financial tools to make essential needs a reality.

Bahrain Commercial Facilities Company B.S.C. (BCFC) was established on August 29, 1983 under Bahrain's Commercial Companies Law 1975 (Legislative Decree No 28 of 1975), as a closed company with an authorized capital of BD 10,000,000 and issued capital of BD 5,000,000 with the objective of acting as a specialist finance company in Bahrain. In April 1993, the Company was registered as a Public Shareholding Company.

In 2003, the Company's Memorandum and Articles of Association were amended in accordance with the Commercial Companies Law (21) of 2001 and its duration became indefinite, following a resolution of the shareholders passed at the Extraordinary General Assembly Meeting on March 10, 2003. The Company has an authorized capital of BD 50,000,000 and an issued capital of BD 20,418,750.

Effective 26th June 2005, the Company became licensed and regulated by the Central Bank of Bahrain to operate as a Financing Company.

Our Commitment to Bahrain's Future

Bahrain Commercial Facilities Company is deeply committed to national development and Bahrain Vision 2030, with 98% of its headquarter workforce being Bahraini nationals, reflecting its commitment to creating meaningful employment opportunities and contributing to the economic empowerment of Bahraini citizens.

The company demonstrates strong commitment to diversity and inclusion, with 40% women in executive positions, and invests continuously in staff training, leadership development, and professional growth to ensure excellence, innovation, and superior customer service across all operations.

98%

Bahrain Commercial Facilities Company's headquarter workforce consists of Bahraini nationals.

40%

Bahrain Commercial Facilities Company demonstrates strong commitment to diversity, with 40% women in executive positions.









From personal goals to business ambitions, we provide the financial and non-financial tools to make essential needs a reality.

Principles

Vision

BCFC is a social mobility enabler for the Bahraini population.

Mission

We help individuals and businesses to fulfil their essential life needs through financing & non-financing offerings.

Values

One Group

Entrepreneurship

Innovation

Ethics

Principal Activities

Everything you need.
One group you trust.



FINANCING SERVICES

Company	Bahrain Commercial Facilities Company (BCFC)
Established	1983
Services	Automotive Loans, Personal Loans, Credit Cards, and Mortgage Loans.

BCFC is the leading provider of short, medium and long-term consumer finance, including vehicle finance, personal finance, mortgage finance, commercial and SME finance and credit card.



AUTOMOTIVE

Company	- National Motor Company (NMC) - Tasheelat Automotive Company (TAC) - Tasheelat Car Leasing Company (TCL)
Established	NMC in 1988, TAC in 2015 and TCL in 2017
Services	- Car dealers for Honda, Chevrolet, GMC & Cadillac. - Car dealers for GAC Motor, Haval and Great Wall. - Car Rental, long and short term leasing services

NMC is one of the leading companies in Bahrain for the sale and service of vehicles. The company has the exclusive national franchises for Honda, General Motors (Chevrolet, GMC and Cadillac) and Mack Defense. In 2013, the company's wholly owned subsidiary Tasheelat for General Trading and Cars W.L.L. (TGTC) was established in Kurdistan, Iraq with the purpose of selling Honda vehicles in Erbil, Kurdistan, Iraq. The subsidiary is currently undergoing liquidation. The Group established the fully owned subsidiary TAC in 2015 and has introduced GAC Motor, Haval, Great Wall, and Tank brands to the Bahrain market. The Group established the fully owned subsidiary TCL in 2017 to provide car leasing and rentals services.



INSURANCE SERVICES

Company	Altashilat Insurance Services Company (TISCO)
Established	1997
Services	Medical, Motor, Life, Home and Travel Insurance

TISCO offers a wide range of insurance products and services that include motor, home, medical, life and travel insurance.



REAL ESTATE

Company	Tas'heelat Real Estate Services Company (TRESCO)
Established	2002
Services	Sales of Lands, Rental, Valuation, Investment and Properties Development

TRESCO is involved in the acquisition, sales, marketing, valuation, property development, rental services of lands and properties within the Kingdom of Bahrain.

Financial Highlights

Net Profit
(BD Million)
BD 5.1m

Operating Income
(BD Million)
BD 22m

Return on average equity
(%)
4.8%

Earnings per share
(Fils)
25 Fils

Total Assets
(BD Million)
BD 216m

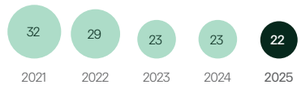
Liabilities
(BD Million)
BD 109m

Equity
(BD Million)
BD 107m

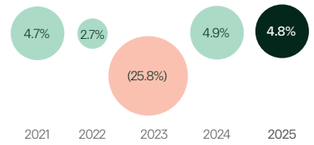
Net Profit/ (Loss) by Segment
(BD Thousands)
BD 5,077 Thousands

	2021	2022	2023	2024	2025
Lending	4,437	1,638	(30,733)	2,778	2,265
Automotive	1,536	2,233	1,910	2,824	2,475
Real Estate	57	(242)	(2,075)	(678)	212
Insurance	151	36	86	110	125
Net Profit/ (Loss)	**6,181**	**3,665**	**(30,812)**	**5,034**	**5,077**

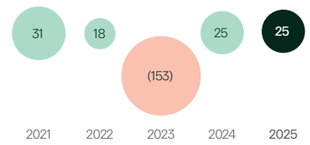
Operating Income
(BD Million)
BD 22 m



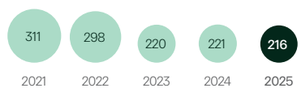
Return on Average Equity
(%)
4.8%



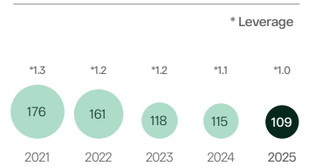
Earning Per Share
(Fils)
25 Fils



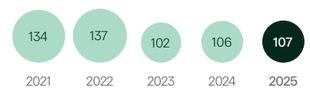
Total Assets
(BD Million)
BD 216 m



Liabilities
(BD Million)
BD 109 m



Equity
(BD Million)
BD 107 m



Operational Achievements

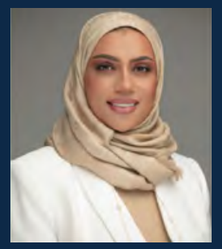


Received recognition at the Bahrain Digital Content Awards 2025 for its innovative Sahel App, demonstrating the company's commitment to digital excellence in financial services.

Hosted an appreciation event that brought together a select group of its clients and strategic partners, alongside members of the Board of Directors and Executive Management, at Mei Ling Restaurant in Adliya.







The official launch of credit card processing services in collaboration with Sinnad, making it the exclusive processor for IMTIAZ credit and prepaid cards. This step comes as part of the company's efforts to enhance its financial services and improve customer experience.

Marking its second anniversary, Sahel digital app powered by Bahrain Commercial Facilities Company, celebrated two years of delivering convenient, user-friendly financial services to customers across the Kingdom.





Newly opened branch in Sitra, strategically positioned to serve the community with comprehensive financial services in a convenient and accessible location.

IMTIAZ brand launched its Winter Campaign 2025, rewarding cardholders who used their IMTIAZ Mastercard Credit Cards with the chance to win travel vouchers valued at BD 2,000 each, with four winners across three draws throughout the campaign period.



Operational Achievements
(continued)



Shukran on IMTIAZ Loyalty Programme
IMTIAZ, the commercial brand under Bahrain Commercial Facilities Company, announced its strategic partnership with Landmark Group through its Shukran loyalty programme, to provide exclusive benefits to IMTIAZ cardholders. This partnership allows IMTIAZ cardholders to enjoy Shukran rewards through IMTIAZ's Loyalty Programme on the 'Sahel' application.



Unveiled refreshed designs for its IMTIAZ credit cards, fully designed by a Bahraini team, using recycled materials, reflecting the company's commitment to innovation and environmental sustainability.



IMTIAZ, the commercial brand under Bahrain Commercial Facilities Company, celebrated the winners of its second campaign for holders of the Mastercard UEFA Champions League Credit Card issued by IMTIAZ, awarding them an exclusive trip to attend the UEFA Champions League final in Munich.

Formalized partnership with the Royal Humanitarian Fund, demonstrating the company's commitment to supporting humanitarian initiatives and contributing to social responsibility efforts in Bahrain.





Signed a strategic partnership with Durrat Al Bahrain at Cityscape 2025, expanding real estate financing solutions to support the Kingdom's growing real estate market.

Signed with Kanoo Real Estate to launch Bahrain Commercial Facilities Company new branch at Sitra Service Station.





Building Tomorrow, From Today

Innovation at work Every single day

Innovation at BCFC is not a response to change, it is how we lead it. Every product we design, every solution we build, and every service we enhance begins with a clear intention: to stay ahead of what our customers need before they even know they need it. In 2025, that intention translated into new financing solutions, bolder product offerings, and a digital experience that continues to set the standard for the industry.

Chairman's Report

A new chapter of growth built on resilience, powered by innovation.

On behalf of the Board of Directors, I am pleased to present the annual report and the Consolidated Financial Statement of Bahrain Commercial Facilities Company BSC (BCFC) and its subsidiaries for the financial year ended 31 December 2025.

The consolidated financial statements include the financial results of Bahrain Commercial Facilities Company BSC and its subsidiaries: National Motor Company WLL, Tasheelat Real Estate Services Company WLL, Altashilat Insurance Services Company WLL, Tasheelat Automotive Company WLL, Tasheelat Car Leasing Company WLL and Tasheelat for General Trading Company WLL (under liquidation).

In 2025, the global economy experienced steady growth while navigating a range of emerging challenges despite elevated trade policy uncertainty. Global output expanded by 3.2 percent, with advanced economies growing at approximately 1.5 percent and emerging markets demonstrating greater dynamism at just above 4 percent. While inflationary pressures continued to ease across most major economies, the international community navigated persistent uncertainties arising from trade policy shifts, geopolitical complexities, and the recalibration of monetary policy stances by central banks worldwide. Against this backdrop, the successful normalisation of price levels and the commencement of monetary easing cycles in key economies provided renewed impetus for investment and consumption.

The Gulf Cooperation Council region emerged as a notable outperformer within the global context. Regional growth accelerated in excess of 3 percent in 2025, representing a marked improvement from 1.7 percent recorded in the preceding year. The region's commitment to economic diversification continued to yield tangible results, with non-oil activities increasingly serving as the primary engine of sustainable growth.

The Kingdom of Bahrain maintained its trajectory of steady economic advancement, firmly anchored in the strategic priorities of Economic Vision 2030. Real GDP expanded by 4.0 percent in the third quarter of 2025, reflecting balanced contributions from both the non-oil sector, which grew by 3.1 percent, and oil-related activities, which rebounded strongly at 9.3 percent. The non-oil economy continued to account for 85 percent of real GDP, affirming the Kingdom's successful transition towards a more diversified economic base.

This favorable macroeconomic environment provided a supportive foundation for BCFC Group's operations. The resilience of consumer spending, the vitality of the automotive market, and the continued maturation of the financial services ecosystem created conducive conditions across our diversified business segments. As we look ahead, we remain cautiously optimistic that the Kingdom's sound economic fundamentals and progressive policy agenda will continue to support sustainable growth opportunities for the Group.

The year 2025 marks the culmination of BCFC's three-year strategic transformation journey. As we close this pivotal chapter, I am proud to report that the Group has not only returned to sustainable profitability but has fundamentally repositioned itself for the next phase of growth.



AbdulRahman Yusuf Fakhro
Chairman

Chairman's Report
(continued)

Digital innovation remained central to our strategy. The "Sahel by BCFC" application was honored with the Bahrain Digital Content Award for the second consecutive year, validating our customer-centric approach. We successfully migrated our credit card operations to a new third-party processor, enabling a notable increase in card issuance and improved customer experience including fraud detection capabilities, and attained ISO 27001:2022 certification for Information Security Management affirming our commitment to protecting customer data and maintaining operational resilience.

As artificial intelligence continues to reshape the financial services landscape, BCFC is committed to the thoughtful and responsible integration of AI-driven solutions across our operations. Our focus centers on three strategic priorities: enhancing customer experience through more responsive and personalized service delivery, strengthening our fraud detection and risk management capabilities to protect both the Company and our customers, and improving operational efficiency to ensure sustainable cost management. We are approaching this transformation with prudence—prioritizing data security, regulatory compliance, and ethical considerations while building the internal capabilities necessary for successful implementation. These initiatives align with our broader digital transformation roadmap and the Kingdom's vision for a technology-enabled financial sector.

These achievements collectively demonstrate that BCFC has emerged from its transformation as a stronger, more agile organization, well-positioned to deliver sustainable value in the years ahead.

The Group performance during 2025 reaffirms the Group's robust position and commitment to driving sustainable performance. The Group achieved a net profit of BD 5.1 million compared to BD 5 million reported last year. The basic and diluted earnings per share stood at 25 Fils, unchanged from 2024.

The Group's financial position remains strong, with total assets of BD 216.4 million (2024: BD 220.8 million) and total equity of BD 107.3 million (2024: BD 105.9 million). BCFC maintains a healthy liquidity position, operating at a leverage ratio of 1.02 multiples. During the year, the Group availed BD 28.3 million and settled BD 31.1 million in bank term loans and other borrowings.

In the lending activities segment, the Group recorded a net profit of BD 2.3 million (2024: BD 2.8 million). Our lending operations delivered strong performance, with new lending volumes expanding across both retail and corporate and SME segments. The Group disbursed BD 49.5 million in new loans compared to BD 35.1 million in the prior year, representing an encouraging 41% growth in new lending. Enhanced recovery efforts from non-performing loans further strengthened the segment's performance . We established strategic partnerships with leading real estate developers, positioning BCFC as a preferred financing partner for homebuyers, and inaugurated a new flagship branch in Sitra to strengthen our physical presence across the Kingdom.

During 2025, the Group's automotive segment reported a net profit of BD 2.5 million, compared to BD 2.8 million reported last year. Despite the modest decline in net profit, the segment delivered strong sales growth driven by enhanced customer experience initiatives and improved inventory management practices, resulting in greater operational efficiency. Management remains focused on streamlining operations, optimizing cost structures, and strengthening operating margins. The segment's diversified portfolio of brands continues to perform well across targeted market segments, offering a comprehensive range of models at various price points to meet evolving customer preferences. The Chinese car brands portfolio has demonstrated encouraging performance, reflecting growing consumer acceptance and presenting promising prospects for future growth.

Altashilat Insurance Services Company WLL achieved a net profit of BD 125 thousand during the year compared to BD 110 thousand in the prior year, reflecting the strength of its business model and the team's dedication. The company continued to expand its customer base through innovative insurance solutions, strengthening customer relationships and loyalty. Digital transformation remained a key focus, enhancing service accessibility and improving the overall customer experience.

Tasheelat Real Estate Services Company WLL achieved a net profit of BD 212 thousand (2024: net loss of BD 678 thousand). The improved performance was primarily driven by the successful disposal of certain investment properties during the year. Management continues to progress in refining the company's business model to drive sustainable profitability and adapt to evolving customer needs in the real estate sector.

As per the Company Law 2001, the aggregate amount accrued / paid to the directors during 2025 is BD 387 thousand. As required by Article 188 of the Company Commercial Law, all the details in respect of fees and Committees' attendance allowance are included in the annexure with this report. The total shareholding of the directors (Elected and Nominee) in the Company is 134 million shares (65.7% of paid-up capital).

Finally, on behalf of the Board, I extend my deep appreciation to His Majesty King Hamad bin Isa Al Khalifa and the Crown Prince and Prime Minister His Royal Highness Prince Salman bin Hamad Al Khalifa. I also extend our gratitude to the government ministries and organizations of the Kingdom of Bahrain for their continued support and cooperation received, particularly to the Central Bank of Bahrain and the Ministry of Industry and Commerce and the Bahrain Bourse.

AbdulRahman Yusuf Fakhro
Chairman of the Board of Directors
22 February 2026

Disclosure forms for the remuneration of members of the board of directors and the executive management in the report of the board of directors 2025

First: Board of directors' remuneration details:

Name	Fixed remunerations					Variable remunerations					End-of-service award	Aggregate amount (Does not include expense allowance)	Expenses Allowance
	Remunerations of the chairman and BOD***	Total allowance for attending Board and committee meetings	Salaries	Others*	Total	Remunerations of the chairman and BOD	Bonus	Incentive plans	Others**	Total			
First: Independent Directors													
1- AbdulRahman Yusuf Fakhro	55,963	15,750	-	-	71,713	-	-	-	-	-	-	71,713	-
2- Reyadh Yusuf Hasan Sater	27,981	8,000	-	-	35,981	-	-	-	-	-	-	35,981	-
3- Ebrahim Abdulla Buhindi	20,189	5,500	-	-	25,689	-	-	-	-	-	-	25,689	-
4- Yusuf Saleh Sultan Khalaf	27,981	12,250	-	-	40,231	-	-	-	-	-	-	40,231	-
5- Najla Mohamed Al Shirawi	27,981	6,000	-	-	33,981	-	-	-	-	-	-	33,981	-
Second: Non-Executive Directors													
1- Sh. Salman Bin Isa Al-Khalifa	27,981****	10,250	-	-	38,231	-	-	-	-	-	-	38,231	-
2- Mishal Ali Mohamed Al hellow	27,981****	8,000	-	-	35,981	-	-	-	-	-	-	35,981	-
Third: Executive Directors													
1- Yaser Abduljalil AlSharifi	27,981	6,500	-	-	34,481	-	-	-	-	-	-	34,481****	-
2- Abdulaziz Abdulla A.Aziz Al-Ahmed	27,981	6,500	-	-	34,481	-	-	-	-	-	-	34,481	-
3- Mohamed Abdulla Isa	27,981	8,000	-	-	35,981	-	-	-	-	-	-	35,981*****	-
Total	**300,000**	**86,750**	**-**	**-**	**386,750**	**-**	**-**	**-**	**-**	**-**	**-**	**386,750**	**-**

Note: All amounts stated in Bahraini Dinars.

Other remunerations:

* It includes in-kind benefits – specific amount - remuneration for technical, administrative and advisory work (if any).

** It includes the board member's share of the profits - Granted shares (value is added if any).

*** Subject to the Ordinary General Meeting's Approval on 25 March 2026.

**** It includes Nomination/Representation Remuneration to be paid to the entity (the shareholder) represented by these Board Members.

***** It includes Nomination/Representation Remuneration and Allowances to be paid / paid to the entity (the shareholder) represented by the Board.

Second: Executive management remuneration details:

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2025	Aggregate Amount
Top 6 remunerations for executives, including CEO and Senior Financial Officer	902,063	257,003*	3,692	1,162,758

Note: All amounts must be stated in Bahraini Dinars.

* Subject to the Board of Directors' approval.

Board of Directors



Abdulrahman Yusuf Fakhro
Board Chairperson

Chairperson of the Nomination, Remuneration, Sustainability and Governance Committee, the Independent Directors Committee and TISCO Board

- Chairperson of Yusif Bin Yusif Fakhro W.L.L., Bahrain.
- Partner at Yusif Fakhro Technical Services W.L.L., Bahrain.
- Board Chairperson and Chairperson of the Nomination, Remuneration, Sustainability and Governance Committee and the Independent Directors Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Board Chairperson of Altashilat Insurance Services Company W.L.L. (TISCO), Bahrain.
- Director since 12 November 1989 (Independent and Non-Executive).
- He has over 61 years of experience in business, trade, investment and insurance.



Reyadh Yusuf Hasan Sater
Board Vice Chairperson

Chairperson of the Automotive Board, Vice Chairperson of the TISCO Board and Member of the Independent Directors Committee

- Certificate in Executive Leadership, The Gulf Executive Development Program, University of Virginia – Darden School of Business, USA, 2003.
- Certified Internal Auditor (CIA), The Institute of Internal Auditors, USA, in 2002.
- Master's degree in Business Administration, University of Glamorgan, UK, 2001.
- Executive Management Diploma, University of Bahrain, Bahrain, 1996.
- Board Vice Chairperson and Member of the Independent Directors Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Automotive Board Chairperson of National Motor Company W.L.L. (NMC), Tasheelat Automotive Company W.L.L. (TAC) and Tasheelat Car Leasing Company W.L.L. (TCL), Bahrain.
- Board Vice Chairperson of Altashilat Insurance Services Company W.L.L. (TISCO), Bahrain.
- Chairman of Bahrain Marina Development Company W.L.L., Bahrain.
- Director from 18 March 2014 to 31 March 2020 (Executive, representing "BBK" at the time).
- He was subsequently elected as a Director (Non-Executive) since 31 March 2020 and later transitioned to an Independent and Non-Executive role since 01 April 2021.
- He has over 47 years of experience in banking and auditing.



Sh. Salman Bin Isa Al Khalifa
Board Member

Chairperson of the Executive Committee and Vice Chairperson of the Automotive Board - Nominee of Social Insurance Organization, Bahrain

- Master's degree in Finance Science, American University, 1999.
- Bachelor of Science in Business Administration, Finance, American University, 1997.
- Board Member and Chairperson of the Executive Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Automotive Board Vice Chairperson of National Motor Company W.L.L. (NMC), Tasheelat Automotive Company W.L.L. (TAC) and Tasheelat Car Leasing Company W.L.L. (TCL), Bahrain.
- Board Member of Singapore Gulf Bank (SGB), Bahrain.
- Board Member of The Benefit Company B.S.C (C), Bahrain.
- Director since 29 March 2023 (Non-Executive, representing Social Insurance Organization "SIO").
- He has over 32 years of experience in the public and private sectors and governmental, financial and investment bodies.



Yaser Abduljalil Alsharifi
Board Member

Vice Chairperson of the Executive Committee - Nominee of Bank of Bahrain and Kuwait B.S.C.

- Group Chief Executive of Bank of Bahrain and Kuwait B.S.C. (BBK), Bahrain.
- Bachelor of Business Administration with a concentration in Accounting (Cum Laude), University of Massachusetts at Amherst, Amherst – USA, 1994.
- Associate Diploma in Accounting, University of Bahrain, Bahrain, 1992.
- YPO HBS Alumni 2025 The Presidents' Program in Leadership.
- Board Member and Vice Chairperson of the Executive Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Chairman of Credimax B.S.C. (c), Bahrain.
- Chairman of The Bahrain Association of Banks (BAB), Bahrain.
- Chairman of The Bahrain Institute for Pearls and Gemstones (DANAT W.L.L.), Bahrain.
- Board Member of INJAZ Bahrain, Bahrain.
- Director since 29 October 2024 (Executive, representing "BBK"). He has over 31 years of experience in banking and financial services industry.



Abdulaziz Abdulla A.Aziz Al-Ahmed
Board Member

Member of the Executive Committee and Member of the Automotive Board - Nominee of National Bank of Bahrain B.S.C.

- Chief Executive, Strategic Accounts of National Bank of Bahrain B.S.C. (NBB), Bahrain.
- Certificate in Executive Leadership, The Gulf Executive Development Program, University of Virginia – Darden School of Business, USA, 2001 – 2002.
- Attended numerous management and business-related courses held locally and internationally.
- Board Member and Member of the Executive Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Automotive Board Member of National Motor Company W.L.L. (NMC), Tasheelat Automotive Company W.L.L. (TAC) and Tasheelat Car Leasing Company W.L.L. (TCL), Bahrain.
- Board Member of Infonas W.L.L., Bahrain
- Awarded as a national action pioneer by His Majesty the King of Bahrain.
- Honored with the Medal of His Royal Highness Crown Prince Shaikh Salman bin Hamad bin Salman Al Khalifa.
- Director since 28 March 2011 (Executive, representing "NBB").
- He has 51 years of experience in Management and Banking.



Yusuf Saleh Sultan Khalaf
Board Member

Chairperson of the Audit, Risk and Compliance Committee and Member of the Independent Directors Committee

- Member of the Association of Chartered Certified Accountants (ACCA) since 1980.
- Higher National Diploma in Business Studies, Salford College of Technology, UK.
- Board Member, Chairperson of the Audit, Risk and Compliance Committee and Member of the Independent Directors Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Director since 09 April 2018 (Independent and Non-Executive).
- He has over 45 years of experience in the banking and financial services industry.

Board of Directors
(continued)



Najla Mohammed Qassim Al Shirawi
Board Member

Vice Chairperson of the Nomination, Remuneration, Sustainability and Governance Committee and Member of the Independent Directors Committee

- Chief Executive Officer of SICO B.S.C.(c), Bahrain.
- Master's degree in Business Administration from the American College, London, 1996.
- Bachelor's degree in Civil Engineering, University of Bahrain, Bahrain, 1994.
- INSEAD, Fontainebleau, France – Executive Management and Leadership Certificate for next line General Managers.
- Board Member, Vice Chairperson of the Nomination, Remuneration, Sustainability and Governance Committee and Member of the Independent Directors Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Board Member of The Bahrain Economic Board (EDB), Bahrain.
- Board Member of The Future Generation Reserve Fund, Bahrain.
- Board Member of Eskan Bank BSC.(c), Bahrain.
- Board Member of The Deposit and Unrestricted Investment Accounts Protection Scheme, The Central Bank of Bahrain, Bahrain.
- Board Member of The Bahrain Institute of Banking and Finance, Bahrain.
- Board Member of the Supreme Council for Women, Bahrain.
- Board Vice Chairperson of SICO Capital, Kingdom of Saudi Arabia. Director since 29 March 2023 (Independent and Non-Executive).
- She has over 29 years of experience in investment banking.



Ebrahim Abdulla Buhindi
Board Member

Member of the Executive Committee, the Nomination, Remuneration, Sustainability and Governance Committee, the Audit, Risk and Compliance Committee and the Independent Directors Committee

- Master's degree in Management Consultancy, Sheffield Hallam University, UK, 1999.
- Board Member and Member of the Executive Committee, the Nomination, Remuneration, Sustainability and Governance Committee, the Audit, Risk and Compliance Committee and the Independent Directors Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Director from 15 March 1988 to July 2004 (Executive, representing "BBK" at the time). He was subsequently elected as a Director (Independent and Non-Executive) since March 2007.
- He has over 50 years of experience in banking.



Mohamed Abdulla Isa
Board Member

Member of the Audit, Risk and Compliance Committee - Nominee of Bank of Bahrain and Kuwait B.S.C.

- Group Chief Financial Officer, Bank of Bahrain and Kuwait B.S.C. (BBK), Bahrain.
- Certified Public Accountant (CPA), State of Delaware - USA, 2000.
- Member of American Institute of Certified Public Accountant.
- Certificate in Executive Leadership, The Gulf Executive Development Program, University of Virginia – Darden, USA, 2007.
- University of Bahrain Graduate, Bahrain, 1992.
- Board Member and Member of the Audit, Risk and Compliance Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Board Member and Member of the Audit, Risk and Compliance Committee, SICO BSC.(c), Bahrain.
- Board Member of The Deposit and Unrestricted Investment Accounts Protection Scheme, The Central Bank of Bahrain, Bahrain.
- Director since 31 March 2020 (Executive, representing "BBK"). He has over 33 years of experience in finance, treasury operations, financial and management accounting.



Mishal Ali Mohamed Alhellow
Board Member

Vice Chairperson of the Audit, Risk and Compliance Committee - Nominee of Social Insurance Organization, Bahrain

- Chief Operating Officer - SICO Capital, Kingdom of Saudi Arabia.
- Master's degree in Business Administration, Open University of Malaysia, 2014.
- Bachelor's degree in Computer Science, University of Bahrain, Bahrain, 2000.
- Board Member and Vice Chairperson of the Audit, Risk and Compliance Committee of Bahrain Commercial Facilities Company B.S.C. (BCFC), Bahrain.
- Chairperson of Technology and Business Society, Bahrain.
- Counsel Member of IT College - University of Bahrain, Bahrain.
- Director since 29 March 2023 (Non-Executive, representing Social Insurance Organization "SIO").
- He has over 24 years of experience in the public and private sectors and governmental, financial and investment bodies.



Sayed Jalal Jaafar Al-Mousawi
Group Corporate Secretary

- BSc in Law, Kingdom University, 2019.
- BA in English Literature and Translation, University of Bahrain, 2002.
- First Diploma in Instrumentation and Control Engineering, Bahrain Training Institute, 1997.
- Certificate in Board Secretarial Practice, Informa Connect Middle East In association with the George Washington University School of Business, 2013.
- Over 24 years of experience in Group Corporate Secretariat Leadership and Administration.
- He has rich experience in Corporate Governance, Regulatory and Board-Related Risk Management and Legal Compliance, and specialised writing and translation.
- Joined BCFC in 2007.



Talent Without Borders

Behind every success, exceptional team

At BCFC, our people are our greatest competitive advantage. With a Bahraini workforce and a leadership team that champions diversity at every level, we have built one of the most capable and culturally rich teams. Every decision we make, every product we launch, every customer we serve, it all starts with the people who show up for this company every single day.

CEO's Message

From foundation to momentum, three years of transformation, a future of limitless potential.

Bahrain Commercial Facilities Company BSC (BCFC) Group delivered another year of solid performance in 2025, demonstrating the tangible outcomes of our strategic transformation which started from 2023 till 2025. I am pleased to report that the Group achieved a net profit of BD 5.1 million with a robust financial position and total equity rising to BD 107.3 million and a healthy leverage ratio of 1.02 multiples, underscoring the Group's disciplined approach to financial position management. In recognition of these results the Board have recommended a cash dividend of 17 fils per share for shareholders' approval at the Ordinary General Meeting.

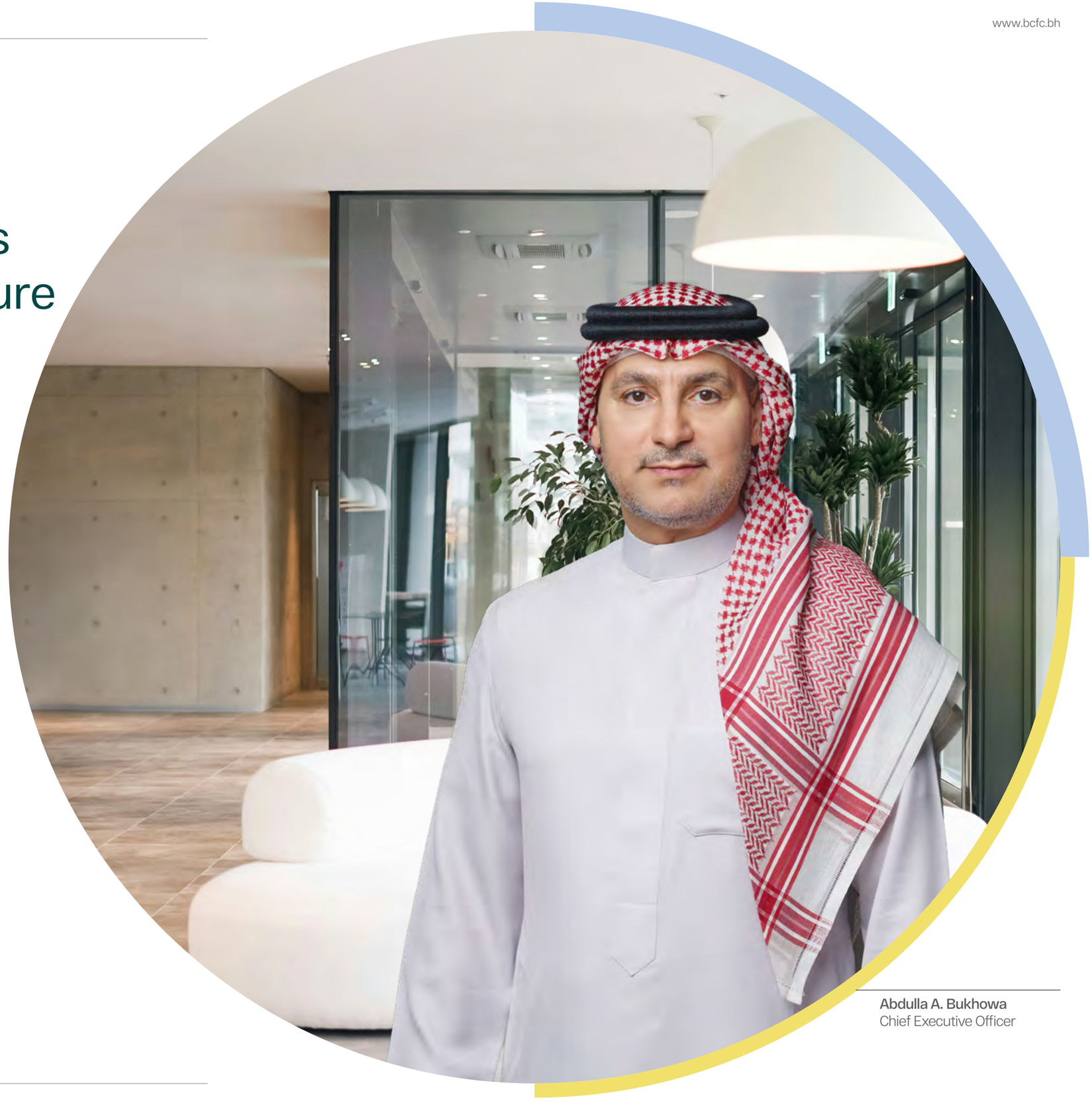
The year 2025 marks the successful conclusion of BCFC's 2023–2025 strategic cycle, a proud and dynamic journey that has reshaped BCFC. Guided by three overarching goals, sustainability, competitiveness, and financial inclusion and aligned with Bahrain's Economic Vision 2030, we structured our transformation across three stages: Fix the Core, Develop Adjacencies, and Go Beyond the Core. Across the various strategic initiatives we have achieved, we were adapting to evolving market dynamics while remaining focused on maximising shareholder value.

Through this unified vision, we cascaded our strategy across the organisation, ensuring that every employee clearly understood their role in driving our collective success.

As a result, we concluded the cycle with significantly stronger operational performance across all Group subsidiaries, a more streamlined and targeted product portfolio serving diverse customer segments, the establishment of Sahel as our digital brand, an enhanced and competitive credit card suite, and impactful Our dedication to diversity and empowerment is reflected in the composition of our leadership team, with women now representing more than 40% of executive management–a meaningful transformation that positions BCFC as a leader in female leadership representation within the financial services sector.

Partnerships with key stakeholders that expanded and strengthened our financing solutions.

Digital transformation remained at the heart of our progress in 2025. Our award-winning "Sahel by BCFC" platform is now actively utilized by most of our clients, with digital loan disbursements growing and new credit card issuance contribution through the platform increasing significantly. The platform processed significant payment transactions during the year, representing the majority of the total payment processing which is a clear testament to our customers' growing confidence in our digital capabilities. For the second consecutive year, Sahel was honoured with the Bahrain Digital Content Award, further validating our customer-centric digital approach.



Abdulla A. Bukhowa
Chief Executive Officer

CEO's Message
(continued)

On the artificial intelligence front, we continued to integrate AI-driven solutions thoughtfully across our operations from enhanced credit scoring models that improve assessment accuracy, to automation in loan workflows that has reduced turnaround times from days to minutes. The enterprise-wide deployment of AI productivity tools has positioned BCFC among the early adopters of full-organisation AI integration in Bahrain, supporting our teams in delivering more responsive and efficient service.

Furthermore, the successful certification under ISO 27001:2022 for Information Security Management reaffirmed our commitment to safeguarding customer data and maintaining operational resilience.

During the year, we established strategic partnerships with leading real estate developers, positioning BCFC as a preferred financing partner for homebuyers and broadening our lending footprint. We inaugurated a new flagship branch in Sitra, strengthening our physical presence across the Kingdom, while continuing to optimise our network through the introduction of digital-first branch formats that balance accessibility with operational efficiency. Our collaboration with Unipal for youth-oriented prepaid cards and the launch of the exclusive UEFA Champions League co-branded card with Mastercard demonstrated our commitment to reaching new customer segments through innovative product design.

We also achieved a significant milestone with the successful migration of our credit card operations to a new third-party processor, enabling a notable increase in card issuance and enhanced various capabilities to our credit card offerings. BCFC recorded its highest credit card spend in a single year since the launch of the IMTIAZ credit card in 2009, positioning BCFC as one of Mastercard's largest credit card issuers in the Kingdom of Bahrain in terms of transaction volume.

The mentioned initiatives resulted in encouraging growth in new loan disbursements of 41% year-on-year, with healthy growth across both the retail and corporate and SME segments. Furthermore, remedial initiatives have significantly enhanced recovery efforts from non-performing and written-off loans, which supported the segment's performance during 2025.

Financial inclusion remains at the core of our mission. We disbursed financing to commercial and SME clients, self-employed individuals, entrepreneurs, and modest-income professionals - segments traditionally underserved by conventional banking. Our commitment to social responsibility was further demonstrated through our debt relief partnership with the Ministry of Interior and the Ministry of Justice. We are proud that this initiative was formally recognised by the Ministry of Justice for its humanitarian contribution to society.

The automotive segment delivered solid sales growth during the year, supported by enhanced customer experience initiatives, an expanded brand portfolio, and a continued focus on operational excellence. Strengthened relationships with automotive manufacturers enabled access to new models and collaborative support, with several model launches further broadening our offering and attracting new customer segments. The opening of a new showroom also reinforced our market presence and enhanced the customer experience.

In parallel, the continued centralisation of operations across the automotive companies streamlined processes, generated synergies, and improved overall performance, positioning the segment for sustainable growth.

As we turn the page on our transformation journey, BCFC enters its next strategic cycle for 2026–2028 from a position of strength. Building on the foundations established over the past three years, our new strategy is centred on creating lasting value for our ecosystem. We will continue to enhance our corporate governance and risk management frameworks while maximising business growth and embracing the latest developments in digitalisation and artificial intelligence to streamline operations and deliver distinctive customer experiences.

Through the execution of this next strategy, we aim to remain a positive contributor to the Bahraini economy, delivering sustainable returns to our shareholders while empowering individuals, businesses, and communities through inclusive financial solutions, innovation, and a commitment to long-term value creation.

I would like to express my deepest gratitude to our esteemed Board of Directors for their exceptional leadership, strategic guidance, and unwavering trust throughout this transformative period. I sincerely appreciate our dedicated management team and staff, whose commitment, hard work, and professionalism form the cornerstone of our achievements.

We are profoundly grateful for the continued support and trust of our customers and business partners. Their loyalty has been instrumental to our success and inspired us to reach new heights.

We also extend our appreciation to the Central Bank of Bahrain and other regulatory authorities for their steadfast guidance and support throughout our operations in 2025.

Abdulla A. Bukhowa
Chief Executive Officer

The year 2025 marks the successful conclusion of BCFC's 2023–2025 strategic cycle, a proud and dynamic journey that has reshaped BCFC. Guided by three overarching goals, sustainability, competitiveness, and financial inclusion and aligned with Bahrain's Economic Vision 2030, we structured our transformation across three stages: Fix the Core, Develop Adjacencies, and Go Beyond the Core.

Executive Management



Abdulla Abdulrazaq Bukhowa
Chief Executive Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- Bachelor of Business Administration, University of Texas, 1995.
- Investment Representative Certificate (Series 7).
- 29 years' experience in the field of financial services.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2021.



Mohamed Jehad Bukamal, CFA
Deputy Chief Executive Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- BA (Honors) in International Business, Leeds Metropolitan University, 2008.
- Chartered Financial Analyst (CFA), 2019.
- Investment Representative Certificate (Series 7), 2011.
- 18 years of experience in the field of Investment Management & Corporate Finance
- Joined Bahrain Commercial Facilities Company B.S.C. in 2022.



Ali Khalaf, CPA, CIPA
Chief Financial Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- Bachelor of Science in Business Management, University of Bahrain, 2002.
- Certified Public Accountant (CPA).
- Certified Islamic Professional Accountant (CIPA).
- 23 years' experience in the financial industry.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2022.



Mazen Salman Sater
Chief Consumer Finance Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- MBA in Marketing & Change Management, DePaul University, Chicago, Illinois, USA, 2007.
- 30 years' experience in Islamic and conventional banking.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2023.



Kubra Abdulrahman Aghayar, AIFS
Chief Commercial & SME Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- BSc in Financial Services, University of Manchester, UK, 2002.
- Associateship in Chartered Institute of Banking (AIFS), Chartered Banker Institute, UK, 2003.
- 31 years' experience in the field of credit risk and corporate lending.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2022.



Ali Ebrahim Al-Marzooq
Chief Technology Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- MBA in Information Technology Management, Sunderland University, UK, 2010.
- 33 years' experience in IT Management, Sales, and Digital Transformation.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2006.



Huda Faisal Janahi CIPA, APRM
Chief Risk Officer & Acting Head of Compliance

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- B.Sc. in Accounting, University of Bahrain, 2004
- APRM, Professional Risk Manager's International Association (PRMIA), 2012
- CIPA, Accounting and Auditing Organization for Islamic Financial Institutions (AAIOFI), 2009
- 21 years' experience in the field of internal audit and risk management in both Conventional and Islamic sectors.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2019.



Hanan Ahmed Al Ali, CIPD
Chief People & Culture Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- MSc in Digital Business, University of Salford, UK, 2025
- CIPD Level 5 Associate Diploma in People Management 2021.
- Oracle Certified Professional (OCP) - Developer 2014.
- 23 years' experience in the fields of Human Resources and Information Technology.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2024.



Tariq Abdulaziz Fathalla
Chief Remedial Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- Advanced Diploma in Banking Studies, Bahrain Institute of Banking and Finance.
- 33 years' experience in the field of financial and banking services.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2021.



Maryam Abdulrahman Abdulla
Chief Legal Officer

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- Master of Laws (LLM) in International Economic Law, University of Warwick, UK, 2004.
- Postgraduate Diploma in Legal Practice Course (LPC), College of Law, London, UK, 2005.
- 20 years' experience in law and corporate & commercial legal advisory, real estate, governance, compliance, and banking.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2023.



Fatema Hashem Salman, CIA, APRM
Acting Chief Internal Auditor

Bahrain Commercial Facilities Company B.S.C.

Qualifications and Experience

- B.Sc. in Accounting, University of Bahrain, 2008.
- 17 years' experience in the field of Internal Audit.
- Joined Bahrain Commercial Facilities Company B.S.C. in 2009.

Executive Management
(continued)



Mohamed Shehabi
General Manager

Altashilat Insurance Services Co. W.L.L. (TISCO)

Qualifications and Experience

- Bachelor of Science in Business Administration, New York Institute of Technology, 2008.
- Advanced Diploma in Insurance (ACII), Chartered Insurance Institute, 2024.
- 18 years' experience in the field of insurance.
- Joined Altashilat Insurance Services Co. W.L.L. "TISCO" in 2023.



Fadi Al-Shaikh
General Manager

Tas'heelat Real Estate Company W.L.L. (TRESCO)

Qualifications and Experience

- M.Sc. in Engineering Management, The George Washington University, 2015.
- Certified Arbitrator (Real Estate & FIDIC).
- Certified Property Manager (RERA).
- Certified Broker (RERA).
- Certified Grade "A" (CRPEP).
- More than 26 years' experience in real estate development and investment.
- Joined Tas'heelat Real Estate Company W.L.L. in 2023.



Abdelmohsen Ahmed Kassem
Chief Executive Officer

Automotive Group

Qualifications and Experience

- Bachelor's degree in commerce, Alexandria University, Egypt, 1998.
- More than 26 years of Automotive Management Experience in GCC.
- Joined the Automotive Group in 2024.

www.bcfc.bh

IMTIAZ
world elite



EXPLORE
A NEW WORLD

Elevating Every Interaction

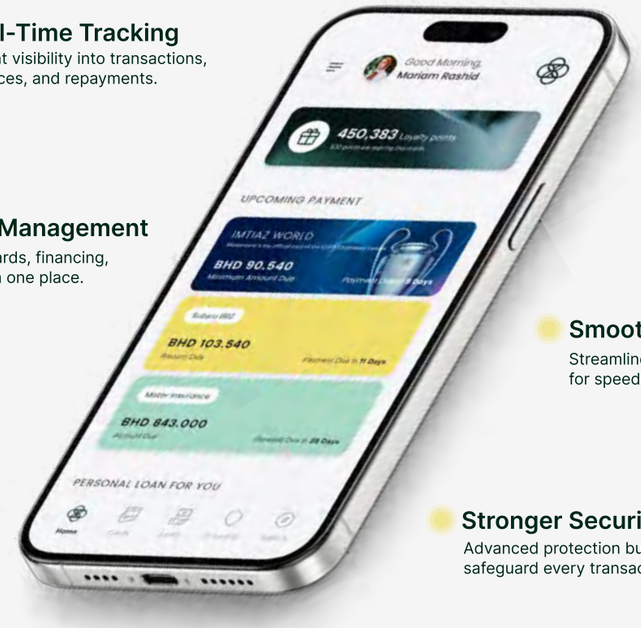


Scan to Download
Sahel By BCFC App

A Smarter App

Real-Time Tracking
Instant visibility into transactions, balances, and repayments.

Effortless Management
Full control of cards, financing, and payments in one place.



Smoother Experience
Streamlined processes designed for speed and simplicity.

Stronger Security
Advanced protection built to safeguard every transaction.

Designed for Greater Control

The app unifies cards, financing, and insurance into one secure digital experience, enabling smarter, faster financial decisions.

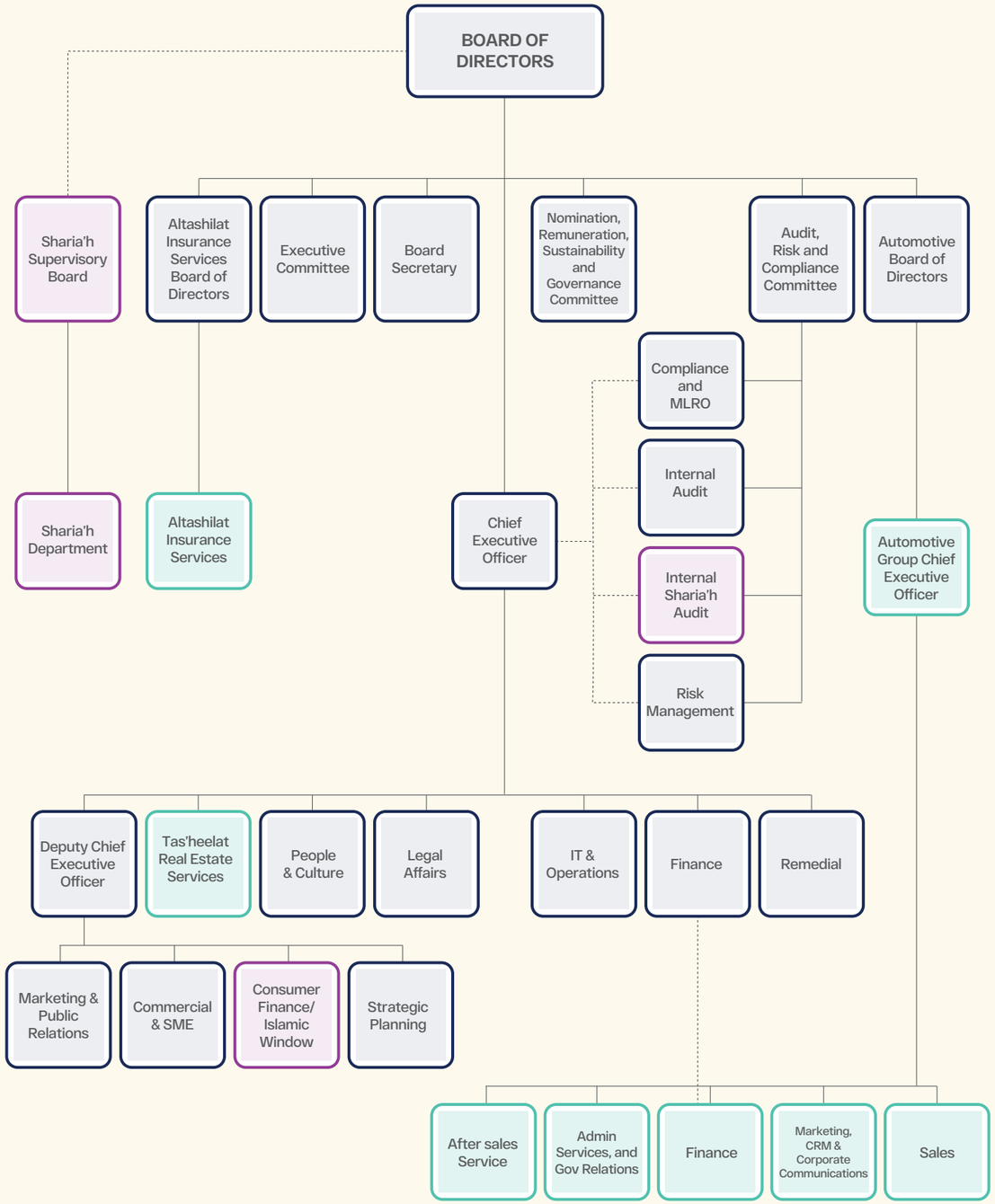
Credit Cards | Financing | Insurance

Digital finance unified with simpler access and clearer visibility

Secure | Reliable | Accessible



Organization Chart



Corporate Governance

Bahrain Commercial Facilities Company B.S.C. referred to as ("BCFC") or the ("the Company") is licensed by the Central Bank of Bahrain (CBB) as a 'Financing Company' regulated under Rulebook Volume 5 'Specialized Licensees' category. BCFC is also a listed company on Bahrain Bourse and the provisions of Rulebook Volume 6 apply to it as a capital market participant. The corporate governance provisions relate to the High-Level Controls (Module HC) of the respective Rulebook Volumes. BCFC applies the Comply-or-Explain principle under the MOIC's Corporate Governance Code (2022). For 2025, the Company complied with all applicable provisions except the ARCC majority independence composition, for which CBB approval was obtained as temporary regulatory accommodation. In addition, the Executive Committee composition was not fully aligned with the Company's internal independence policy, for which CBB was informed and approval was obtained on a temporary basis. Remediation plan: restore full independence by Q2 2026. The AGM agenda includes a separate item to discuss and approve the Corporate Governance Report.

BCFC is committed to the best practices of corporate governance in line with the legal and regulatory requirements. Maintenance of high standards in corporate governance is an intrinsic part of the Company's pursuit of its business activities. To uphold its commitment to the highest standards of corporate governance, BCFC has formulated comprehensive policies designed to ensure compliance with applicable legal and regulatory requirements. These Policies highlight the areas the Company including the Board, and its Management and employees have to comply with in relation to the corporate governance and disclosure requirements, particularly with reference to Corporate Governance Code of the Ministry of Industry and Commerce (MOIC), applicable regulatory requirements under HC Modules of Rulebook Volumes 5 and 6 and any other rules, regulations and Directives issued on this matter and the Memorandum and Articles of Association of the Company.

A. Shareholder Information

Details of the Company's capital, shareholders and distribution of equity shares are disclosed under Note 18 to the Consolidated Financial Statements for the year ended 31 December 2025.

The Company has only one class of equity shares, and the holders of these shares have equal voting rights. Out of the total shareholders, 98% (2024: 98%) are Bahraini individuals or corporates and 2% (2024: 2%) are other nationalities.

B. Board of Directors

The Board is constituted of ten directors, divided into independent, non-executive and executive members. The current term of office runs from March 2023 to March 2026, while the upcoming term will extend from March 2026 to March 2029 and the Board will be elected and nominated at the AGM scheduled to convene on 25 March 2026 in accordance with the constitutive documents, Board Charter and CBB Fit and Proper Requirements Module. The members are appointed and elected for a three-year term unless terminated earlier in accordance with applicable laws or as per the Company's Memorandum and Articles of Association or the Board of Directors Charter. To ensure adherence to the highest standards, the Company enters into a written appointment agreement with each director which recites the directors' powers, duties, responsibilities and accountabilities and other matters relating to their appointment including their term, the time commitment envisaged, the committee assignment if any, their remuneration and expense reimbursement entitlement, and their access to independent professional advice when that is needed. Additionally, as per the High-Level Controls Module (Module HC) of the CBB Rulebook, which requires disclosure of the percentage of women's representation on the board of directors of listed companies, the BCFC Board of Directors is comprised of one female Board member who represents 10% of the overall Board composition and the Board fosters this direction to progressively enhancing female representation while maintaining merit-based selection. Furthermore, the independent Directors represent 50% of the Board composition, while the executive directors represent 30% and the non-executive directors represent 20%. The Board represents a mix of high-caliber professional skills and expertise. Any newly appointed/elected director undergoes a comprehensive, formal, and tailored induction to ensure the director's fiduciary responsibilities are well understood and appreciated. In this regard, it is worth mentioning that training of the Board Members has always been at the forefront of the responsibilities of the Company, which ensures proper Continuous Professional Development (CPD) Training is extended to all Directors. The training of the Board of Directors was centered around key areas including corporate governance, regulatory compliance, risk management, strategic oversight, financial reporting, ethics, and sector-specific developments relevant to the Company's operations. In this respect, the majority of the Board members (80%) fulfilled their training and competency requirements for the year ended 31st December 2025, in accordance with the regulatory directive. In the remaining cases, non-completion was primarily due to illness or due to prior unavoidable commitments, or because certain directors attended alternative training programs within their respective organizations. To fulfill some of its responsibilities, the Board has in place an Executive Committee ("EXCOM"), a Nomination, Remuneration, Sustainability and Governance Committee ("NRSG"), Audit, Risk and Compliance Committee ("ARCC")

Corporate Governance
(continued)

B. Board of Directors (continued)

and Board-Independent Members Committee ("IMC") whose compositions consist of members with adequate professional background and experience. In connection with the Company's Islamic Window activities, the Board of Directors has appointed a Sharia Supervisory Board (SSB) comprising three qualified Shari'a scholars to oversee and supervise compliance of the Islamic Window operations with Shari'a principles. The SSB was appointed in 2025 in accordance with the rules and requirements of the Central Bank of Bahrain and pursuant to shareholder authorization obtained at the Annual General Meeting. The appointment remains valid in accordance with the terms of the approved contract. The Board annually reviews its own composition and Charter and conducts a comprehensive evaluation of its performance, the performances, and contributions of all Committees vis-à-vis their respective charters and the performance, effectiveness, and contribution of each board member. This performance evaluation process is fully conducted and administered by the Group Corporate Secretariat. The performance evaluations employ a robust methodology that includes both qualitative and quantitative measures. Qualitative measures involve self-assessments covering board composition, meeting effectiveness, strategic oversight, risk management and stakeholders' engagement, peer reviews and feedback, and committee assessment against charters while quantitative measures include performance metrics and benchmarks. These evaluations are conducted through written forms made at the last scheduled meeting of the calendar year. The final performance appraisal report is then reviewed and recommended by the Nomination, Remuneration, Sustainability and Governance Committee for the approval of the Board. The BCFC Board of Directors gives final approval at the first meeting of the calendar year where the Company's year-end results are approved for publication. This rigorous evaluation process not only ensures accountability but also enhances governance practices by identifying areas for improvement and fostering a culture of continuous development and excellence. As part of our ongoing commitment to governance excellence, the entire evaluation framework has been refreshed, revamped and enhanced internally in 2025 by the Group Corporate Secretariat to align with the mandates of the NRSG Charter, sound corporate governance principles, Fit and Proper requirements and recent amendments to the Commercial Companies Law, reflecting our proactive approach to evolving regulatory expectations and best practices. These enhanced evaluation forms further strengthen the rigor, depth and forward-looking value of the evaluation process by aligning with global and regulatory standards and supporting meaningful insights and continuous improvement. Following the circulation and analysis of the evaluation forms, the overall rating of the Board, Board Committees and Boards of the portfolio companies was 3.92 out 4.

The Board is responsible for the preparation and fair representation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), and for establishing such internal controls as the Board determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors of Bahrain Commercial Facilities Company B.S.C. are under an obligation to exercise their individual and collective business judgment objectively, transparently and in good faith in what they reasonably believe to be in the best interest of the Company, its shareholders, and stakeholders. The Board of Directors oversees the process of disclosure and communications to internal and external stakeholders. The Board of Directors ensures that disclosures are fair, transparent, and comprehensive; and reflect the character of the Company and the nature and complexity of risks inherent in the business activities of the Company. The Board of Directors and Senior Management oversee and ensure that Information and Cyber Security controls are periodically evaluated for adequacy.

In compliance with the local statutory and regulatory requirements, the Board of Directors oversees the exercise of corporate powers and ensures that the Company's business and affairs are well managed to meet its stated goals and objectives. Maintenance of the highest standards of corporate conduct, including compliance with applicable laws, regulations, business and ethical standards, receives considerable attention by the Board of Directors.

The types of material transactions that require the Board of Directors' approval cover a wide area ranging from credit approvals, approval of policies, strategies, donations to signing and investment authorities.

The Company strives to promote the highest standard of professional ethical norms and values towards its stakeholders (including without limitation, its customers, employees, regulators and the community). The Board has approved a Code of Conduct (the Code) that applies to the Directors and another one dedicated for the Executive Management and staff that includes the "Whistle-Blowing" procedures. It is in the best interest of the company and shareholders to bind all the concerned to the highest standards of professionalism and due diligence in discharging their duties. The Code include areas pertaining to conflict of interest, related parties' transactions, obligations of integrity and loyalty, confidentiality, and the responsibilities of all those concerned to adhere to best practices and high standards in ethical norms and values.

Furthermore, directors abide by their fiduciary duties of care and owe loyalty not to use property of the Company for their personal needs as though it was their own property, not to disclose confidential information or use it for their personal profit, not to take business opportunities for themselves that constitute direct and material conflicts of interest, not to compete directly or indirectly in business with the Company; and to declare their conflict and abstain from participating in any deliberation in or voting on any transaction contemplated between the Company and a company in which they have personal interests.

In compliance with the regulatory requirements, below are the numbers of shares held by the Company's directors, in their capacity as Board Members, and the connected persons as at 31st December 2025 as follows:

Directors *	Type of Shares	31 December 2025	31 December 2024
Mr. AbdulRahman Yusuf Fakhro, Chairperson	Ordinary	1,091,708	1,071,718
Mr. Reyadh Yusuf Hasan Sater, Vice Chairperson	Ordinary	Nil	Nil
Sh. Salman Bin Isa Al-Khalifa, Director	Ordinary	Nil	Nil
Mr. Yaser Abduljalil Alsharifi, Director	Ordinary	Nil	Nil
Mr. AbdulAziz Abdulla Al-Ahmed, Director	Ordinary	Nil	Nil
Mr. Yusuf Saleh Khalaf, Director	Ordinary	Nil	Nil
Mrs. Najla Mohamed Al Shirawi, Director	Ordinary	Nil	Nil
Mr. Ebrahim Abdulla Buhindi, Director	Ordinary	Nil	Nil
Mr. Mohamed Abdulla Isa, Director	Ordinary	Nil	Nil
Mr. Mishal Ali Mohamed Alhellow, Director	Ordinary	Nil	Nil

** The Board of Directors and their connected persons, with the exception of Mr. AbdulRahman Yusuf Fakhro, did not trade in the shares of the Company during the financial year ending 31st December 2025.*

Annual confirmations as well as an on-going obligation update regarding the profiles, directorships, conflicts and personal interests of the Board of Directors are sought from the Board of Directors. The process of declaration of interests takes place on an annual basis and as part of the public disclosure requirements in the Company's Annual Report. The Group Corporate Secretary writes to all the Directors, requesting them to confirm and/or update their existing directorships and profiles. Upon receiving their responses, profiles, directorships, conflicts and personal interests of the Board of Directors are disclosed in the annual report at the end of each financial year. Similar confirmations and declarations are also applied at the time of election (which is done based on cumulative secret ballot) and nomination or appointment of a new Board of Director, when candidates fill in and submit the CBB forms together with their declarations of interest in other enterprises and these declarations are refreshed thereafter with necessary information on an annual and regular basis to fully adhere to the applicable CBB Rulebook provisions.

The Board of Directors meets at least four times in each financial year upon the summons of the Chairperson of the Board or his Deputy (in case of absence or disability) or at least two of its members. A quorum shall be attained if one half plus one of the members are present. In 2025, the Board of Directors convened six ordinary meetings and one unscheduled meeting. The meetings were attended as follows:

Board of Directors	29 Jan.	26 Feb.	07 May	30 Jul.	29 Oct. (3)	17 Nov. (2)	09 Dec.	Total	Attendance Percentage
Mr. AbdulRahman Yusuf Fakhro, Chairperson	✓	✓	✓	✓	✓	✓	✓	7	100%
Mr. Reyadh Yusuf Hasan Sater, Vice Chairperson	✓	✓	✓	✓	✓	✓	Virtual	7	100%
Sh. Salman Bin Isa Al-Khalifa, Director	✓	✓	✓	Virtual	✓	Virtual	✓	7	100%
Mr. Yaser Abduljalil Alsharifi, Director	Virtual	✓	Virtual	Virtual	✓	Virtual	✓	7	100%
Mr. AbdulAziz Abdulla Al-Ahmed, Director	✓	Virtual	Virtual	✓	✓	Virtual	✓	7	100%
Mr. Yusuf Saleh Khalaf, Director	✓	✓	✓	Virtual	✓	Virtual	✓	7	100%
Mrs. Najla Mohamed Al Shirawi, Director	Virtual	Absent (1)	✓	Virtual	✓	Virtual	✓	6	85.7%
Mr. Ebrahim Abdulla Buhindi, Director	✓	Absent (1)	✓	✓	Absent (4)	Absent (4)	Absent (4)	3	42.8%
Mr. Mohamed Abdulla Isa, Director	✓	✓	✓	✓	✓	Virtual	✓	7	100%
Mr. Mishal Ali Mohamed Alhellow, Director	Virtual	Virtual	✓	Virtual	Virtual	✓	Virtual	7	100%

1. *Apologies were received due to an unavoidable commitment.*
2. *To review and assess a potential business opportunity and take an appropriate decision.*
3. *Several Board Members declared a conflict of interest regarding an agenda item. They absented themselves from the discussion and decision-making process on this matter.*
4. *Apology for absence was received due to illness.*

Corporate Governance
(continued)

B. Board of Directors (continued)

Additionally, where there is a potential for conflict of interest, or there is a need for impartiality in relation to a subject or proposed transaction where a conflict of interest exists, the Board shall form ad hoc Board sub-committees, comprising of a sufficient number of non-banking and non-conflicted Board members capable of exercising independent, objective judgment. This is to ensure that the Board members discharge their duties with a high degree of integrity and loyalty, taking into account applicable laws, codes and regulations. In this regard, the Board disclosed the areas that featured discussions and decision-making where potential conflicts of interest might engage, and where the respective members absented themselves to avoid conflict of interest. In 2025, The Board formed three Board ad hoc sub-committees to handle specific assignments. One of these Board Ad hoc Sub-committees was formed and tasked with reviewing and approving the refinancing proposals related to the loan maturities falling due in 2025. Three directors representing the banking shareholders declared their interest in the subject financing proposals and, accordingly, abstained from attending all related presentations, discussions and voting. The Board ad hoc sub-committee convened and the meetings were attended as follows:

Board Sub-Committee Meeting *(To approve the proposed new term loan)*	**16 Feb.**
Mr. AbdulRahman Yusuf Fakhro, Chairperson	By email
Mr. Reyadh Yusuf Hasan Sater, Vice Chairperson	By email
Sh. Salman Bin Isa Al-Khalifa, Member	By email
Mrs. Najla Mohamed Al Shirawi, Member	By email

Another Board Ad hoc Board Sub-Committee was formed and tasked with reviewing and recommending to the NRSG and the Board the bonus methodology and distribution criteria at both the corporate and subsidiary levels. The Board Ad hoc Sub-Committee held two meetings, and the meetings were attended as follows:

Board ad hoc Sub-Committee Meetings *(To review the bonus methodology & distribution criteria at corporate & subsidiary level)*	**12 May**	**30 Nov.**
Mr. AbdulRahman Yusuf Fakhro, Chairperson	✓	✓
Mr. Reyadh Yusuf Hasan Sater, Vice Chairperson	✓	✓
Sh. Salman Bin Isa Al-Khalifa, Member	Virtual	Virtual
Mr. Yusuf Saleh Khalaf, Member	✓	Virtual

C. Key Persons Dealing Policy

The Company has in place a Key Persons Dealing Policy to ensure that insiders are fully aware of the regulatory requirements regarding dealing with BCFC shares, with the objective of preventing abuse of inside information. A Key Person is defined as a natural person or a juristic person that possesses or has access to price-sensitive information, from time to time, by nature of their duties performed. Key persons are Board of Directors, Senior/Executive Management and other persons or third parties as decided by the Company's Board. The Chief Compliance, MLRO and Governance Officer maintains at all times an updated Register of Key Persons and makes immediate notification to Bahrain Bourse of their dealings in the Company's shares.

D. Board of Directors Committees

1. Executive Committee ("EXCOM")

In accordance with the Company's Articles of Association and the Board of Directors Charter, the Executive Committee is delegated with a defined scope of duties and authorities in relation to BCFC, TRESCO and TISCO and to review and make recommendations to the whole Board in respect of the aforementioned scope of duties and authorities as per the Executive Committee Charter.

The Executive Committee is comprised of a minimum of three members, who are not members of the ARCC, appointed by the Board of Directors. At least one member shall be independent. Currently and as disclosed last year, the Committee has in place four members, one of whom is an independent member [who is already a member of the ARCC] and is not in line with the Company's policy. This internal requirement for an independent member within the Committee composition was substantiated as necessary to ensure independence. This was communicated with the relevant department and obtained CBB approval. In accordance with its charter, the Executive Committee has the role of reviewing reports and activities, taking decisions on issues within its defined authorities and recommending to the Board of Directors on other issues that are above its authorities, where applicable. These responsibilities and authorities cover a wide area ranging from credit approvals, write-offs, strategy, business planning, donations, signing and investment authorities.

To ensure full discharge of duties, the Executive Committee shall convene its meetings regularly as required, but with a minimum of four meetings per annum. In 2025, the Executive Committee held four ordinary meetings and two unscheduled meetings. The meetings were attended as follows:

Committee Member	**25 Feb.** [1]	**20 Apr.**	**15 Jul.**	**13 Aug.** [2]	**28 Sep.**	**25 Nov.**	**Total**	**Attendance Percentage**
Sh. Salman Bin Isa Al-Khalifa, Chairperson	Virtual	✓	✓	Virtual	Virtual	✓	6	100%
Mr. Yaser Abduljalil Alsharifi, Vice Chairperson	Virtual	✓	Virtual	Virtual	✓	Virtual	6	100%
Mr. AbdulAziz Abdulla Al-Ahmed, Member	Virtual	Virtual	✓	Virtual	✓	Virtual	6	100%
Mr. Ebrahim Abdulla Buhindi, Member	Absent [3]	Absent [3]	✓	✓	✓	Absent [3]	3	50%

1. To Review & Recommend the Appointment of the Consultant for the Group Reorganization Structure.

2. To discuss different agenda items.

3. Apology for absence was received due to illness.

2. Audit, Risk and Compliance Committee ("ARCC")

In accordance with the Company's Articles of Association, and with the objective of assisting the Board of Directors (the Board) in fulfilling its responsibilities and duties, the Audit, Risk and Compliance Committee is delegated with defined scope of roles and authorities related to Company's Audit matters, Risk Management and Compliance with relevant rules and regulations.

The Committee must have at least three directors of which the majority must be independent and have no conflict of interest with any other duties they have and must be appointed by the Board of Director for a three-year term. The Committee will elect a Chairperson and Vice Chairperson. The Chairperson of the Committee must be an independent director and does not chair any other committee nor serve as the Board of Directors Chair under the criteria stated in the Corporate Governance Code. However, and as disclosed last year, the Committee composition was not in line with the requirements, since the majority of the committee members were not independent directors, this was communicated with the relevant department and obtained CBB approval. The Company is taking the appropriate steps to regularize the composition, and full compliance with the independence requirements will be restored by Q2 2026. The CEO and other Senior/Executive Management of the Company must not be members of the Committee.

The Board Audit, Risk and Compliance Committee ("ARCC") assists the Board of Directors, in overseeing the responsibilities for the financial reporting process, the system of internal control and the audit process, monitoring compliances with the Company's policies and procedures and overall risks related to the Group's operations and matters pertaining to anti-money laundering relevant to regulatory requirements. Consistent with this function, the Committee encourages continuous improvement of, and fosters adherence to, the Company's policies, procedures, and sound practices at all levels.

The Committee must receive internal and external audit, risk management and compliance reports and ensure that Senior/Executive Management is taking necessary corrective actions in a timely manner to address any control weaknesses, non-compliance with policies, laws and regulations, and other problems identified by external auditors, the Chief Internal Audit Officer, Chief Risk Officer, and Chief Compliance, MLRO and Governance Officer and other control functions.

The Committee directs the role and assesses the performance of the Internal Audit, Risk Management, Compliance and Anti-Money Laundering Departments. The Committee is also responsible for developing and recommending to the Board risk related policies and the Company's risk management framework in addition to reviewing those policies at least once a year in compliance with the regulatory requirements. The Committee reviews and recommends any amendments to the Company's Memorandum and Articles of Associations in consultation with a legal counsel. The Committee reviews and challenges where necessary, the actions and judgment of management, in relation to the interim and annual financial statements before submission to the Board.

Additionally, the Chief Executive Officer and Group Chief Financial Officer shall certify in writing to the ARCC Committee and the Board as a whole the Company's interim and annual financial information / statements.

Corporate Governance
(continued)

D. Board of Directors Committees (continued)

The Committee is authorized by the Board to seek appropriate professional advice inside and outside of the Company as and when it considers this necessary at the Company's expense. To ensure full discharge of duties, the Committee shall convene its meetings regularly as required, but with a minimum of four meetings per annum. In 2025, the Audit, Risk and Compliance Committee held five ordinary and five unscheduled meetings. The meetings were attended as follows:

Committee Member	16 Jan. [2]	19 Feb.	27 Apr.	1 Jun. [3]	19 Jun. [4]	22 Jul.	21 Oct.	12 Nov. [5]	16 Nov. [5]	08 Dec.	Total	Attendance Percentage
Mr. Yusuf Saleh Khalaf, Chairperson	✓	✓	✓	✓	✓	✓	✓	Virtual	Virtual	✓	10	100%
Mr. Mishal Ali Mohamed Alhellow, Vice Chairperson	✓	Virtual	✓	✓	✓	✓	Virtual	Virtual	Virtual	Virtual	10	100%
Mr. Ebrahim Abdulla Buhindi, Member (1)	Absent	Absent	Absent	✓	✓	Absent [6]	Absent	Absent	Absent	Absent	2	20%
Mr. Mohamed Abdulla Isa, Member	Virtual	Virtual	Virtual	Virtual	Virtual	Virtual	Virtual	Virtual	Virtual	Virtual	10	100%

1. *Apology for absence was received due to illness.*
2. *To discuss different agenda items.*
3. *A joint meeting was* convened with *the Committee, the Chairperson of the Board, the Vice Chairperson, and the Chairperson of the Executive Committee.*
4. *To discuss different agenda items including policies.*
5. *Meetings were held to interview candidates for the new Head of Compliance, MLRO and Governance role.*
6. *An apology for absence was received due to bereavement leave.*

3. Nomination, Remuneration, Sustainability and Governance Committee ("NRSG")

In accordance with the Company's Articles of Association, and with the objective of assisting the Board of Directors (the Board) in fulfilling its responsibilities and duties, the Nomination, Remuneration, Sustainability and Governance Committee is delegated with a defined scope of roles and authorities related to the nomination and appointment of Directors and the remuneration of Directors and Senior Executives of the Group as outlined in the NRSG Committee Charter, in addition to Corporate Governance and Sustainability matters to co-ordinate and integrate the implementation of the governance and sustainability policies and regulatory framework.

The Nomination, Remuneration, Sustainability and Governance Committee is comprised of at least three directors, appointed by the Board. The Nomination, Remuneration, Sustainability and Governance Committee provides advice and makes recommendations to the Board on matters related to the nomination and appointment of Directors, memberships to all Committees of the Board, Directors to the Boards and memberships of Executive Committees of the Group, the Chief Executive Officer or his/her delegate and controlled functions under BCFC, the General Managers or their Delegates of all the subsidiaries of the Group and the Group Corporate Secretary.

The Nomination, Remuneration, Sustainability and Governance Committee reviews and makes recommendations to the Board on all matters of remuneration and compensation of Directors and the remuneration of the Chief Executive Officer, General Managers or their delegates of the subsidiaries and the Group Corporate Secretary, the bonus, share option, redundancy, and termination payment policies of the Company. The Committee assesses the roles of the Chief Executive Officer (CEO) or his/her delegates, all the General Managers or their delegates of the subsidiaries, and the Group Corporate Secretary. Moreover, the Committee reviews and approves the salary and bonus payments for the CEO's direct reports. The Committee also ensures that failure is not rewarded and that the duty to mitigate loss is fully recognized. Additionally, the Committee determines the policy for the disclosure of Directors and Executive Management's remuneration for approval of the Board of BCFC.

The Committee evaluates and recommends Corporate Governance policies, practices, and guidelines applicable to the Board and the Company. The Committee also reviews and makes recommendations to the Board on all matters relevant to Corporate Governance to coordinate and integrate the implementation of the governance policy framework. In addition, the Board of Directors delegates their responsibilities towards Environmental, Social and Governance (ESG) as outlined in the Group's ESG policy.

The Board of Directors also appoints the role of the Group's Corporate Governance Officer in order to assist the NRSG Committee in fulfilling its responsibilities and duties pertaining to the process of reviewing on an annual basis the Corporate Governance disclosure guidelines in the Company's annual report to ensure that the scope of the disclosure is in line with the Corporate Governance Code, High Level Control Module, Public Disclosure Module, and other Corporate Governance matters. He/she also assesses the Board and the Committee's composition and carries out an annual test of directors' independence and subsequently reports the results to the NRSG Committee. In addition, the Group's Corporate Governance Officer provides support in the process of evaluating and recommending Corporate Governance policies, practices, and guidelines applicable to the Board and the Company.

The Board recognizes the succession planning as critical to business continuity, NRSG Committee oversees the succession planning for key roles in the Company.

The Committee shall meet as necessary to ensure full discharge of duties based upon a request of the Chairperson, Vice Chairperson or the Chief Executive Officer. The Committee shall convene not less than two meetings each year. In 2025, the Nomination, Remuneration, Sustainability and Governance Committee convened two ordinary meetings and three unscheduled meetings. The meetings were attended as follows:

Committee Member	28 Jan.	13 Feb. [2]	26 Feb. [3]	30 Apr. [3]	02 Dec.	Total	Attendance Percentage
Mr. AbdulRahman Yusuf Fakhro, Chairperson	✓	✓	✓	✓	✓	5	100%
Mrs. Najla Mohamed Al Shirawi, Vice Chairperson	Virtual	✓	✓	✓	✓	5	100%
Mr. Ebrahim Abdulla Buhindi, Member [1]	✓	✓	✓	Absent	Absent	3	60%

1. *Apology for absence was received due to illness.*
2. *Unscheduled meetings were held to discuss various agenda items that required the Committee's attention and decisions before making final recommendations to the Board.*
3. *To discuss different agenda items.*

4. BCFC Board-Independent Directors Committee

In accordance with the Company's Articles of Association, and with the objective of assisting the Board of Directors in fulfilling its responsibilities and duties, the Independent Board Members Committee is delegated with a defined scope of roles related to the Company's corporate governance activities, as well as serving as a reference point for the Independent Members' Committee activities and ensuring that the Board maintains a high level of independence, objectivity, and fiduciary responsibility.

The Committee shall comprise of three or more independent directors appointed by the Board (after nomination by the Nomination, Remuneration, Sustainability and Governance (NRSG) Committee), who should be free from any responsibility or relationship that, in the opinion of the Board would interfere with the exercise of his/her independent judgment as a member of this Committee. The Chairperson of the Committee shall be an Independent Director. In accordance with its charter, the Independent Board Members Committee has the role of ensuring that there is a platform to review and address potential conflict of interest between the strategy and interests of controlling shareholdings and the Company, in all such cases this Committee will be expected to act with impartiality.

The primary objective of the Committee is to assist the Board of Directors in managing potential conflicts of interest between the strategy and interests of controlling shareholders and the Company, ensuring impartiality in all cases. The Committee also ensures that majority shareholders consider the needs of minority shareholders and other stakeholders. Additionally, if there are multiple controlling shareholders (more than 10%) who can act together, the Committee is responsible for safeguarding the interests of all shareholders and key stakeholders.

The Committee shall meet annually or more frequently as circumstances warrant to address various matters. These include reviewing and recommending items referred by the Board that may involve conflicts of interest, identifying controlling shareholders at the start of the year to pinpoint significant transactions or investments for discussion, and conducting an annual review of key transactions or activities approved by the Board to ensure they benefit all stakeholders, not just majority shareholders. Additionally, the Committee is responsible for protecting the interests of minority shareholders, allowing individual members to propose discussion items if any actions or approvals potentially infringe on minority shareholders' rights.

The Committee is authorized by the Board to conduct or authorize investigations and reviews within its scope of responsibility. It can seek information from any officer or employee of the Company or its subsidiaries, as well as from external parties, and may obtain outside legal or independent advice at the Company's expense. The Committee is entitled to review the workings of the Management Committees of both the Parent and Subsidiary companies. It makes recommendations to the Board for approval or final decision but has no executive powers regarding its findings. The independence of each Independent Board Member shall be reviewed annually by the Board, based on disclosed interests, and each Independent Member must provide the Board with necessary and updated information for this purpose.

Corporate Governance
(continued)

D. Board of Directors Committees (continued)

To ensure full discharge of duties, the Independent Board Members Committee shall convene its meetings annually or more frequently as circumstances warrant. The Independent Members Committee held one meeting in 2025. The meeting was attended as follows:

Committee Member	2 Feb.	Attendance Percentage
Mr. AbdulRahman Yusuf Fakhro, Board Chairperson	✓	100%
Mr. Reyadh Yusuf Hasan Sater, Board Vice Chairperson	✓	100%
Mr. Yusuf Saleh Khalaf, Member	✓	100%
Mrs. Najla Mohamed Al Shirawi, Member	Virtual	100%
Mr. Ebrahim Abdulla Buhindi, Member	✓	100%

E. Risk Management

BCFC is fully aware of its responsibilities toward implementing the international best practices on risk management as reflected by the regulatory requirements of the Central Bank of Bahrain. The overall responsibility for Risk Management in the Group remains with the Board of Directors. The Board approves appropriate credit, liquidity, market, and operational and any other risk policies based on the advice of the Board Audit, Risk and Compliance Committee.

The Company has a Chief Risk Officer who is independent of business lines and the day-to-day running of the various business areas and is separate from the Internal Audit and Compliance functions. In addition, the Chief Risk Officer reports directly to the Board Audit, Risk and Compliance Committee, has full access to the Board of Directors, and administratively to the Chief Executive Officer.

The Group's risk management policies are in place to identify and analyze risks, to establish appropriate limits and controls, and to monitor risk and compliance with limits. Risk management policies are reviewed on a regular basis to ensure they remain relevant in light of changing market conditions and the Group's activities. The Group strives to create a disciplined and constructive control environment in which all employees understand their roles and responsibilities through its training and management standards and procedures.

F. Environmental, Social and Governance / Sustainability

The Group's Risk Management Strategy is a cornerstone of our corporate governance, ensuring the prudent and effective handling of financial and non-financial risks that could impact our operations, including Environmental, Social, and Governance (ESG) factors. Guided by BCFC's Board of Directors delegated to the NRSG Board Committee, and in alignment with the Central Bank of Bahrain's requirements, the strategy incorporates a robust framework for risk identification, evaluation, and mitigation, supported by continuous monitoring and a proactive approach to the evolving risk landscape. Through ESG materiality assessments, measurable goals, and a cross-functional ESG taskforce, the Group integrates sustainability into its risk processes, promoting a disciplined control environment and empowering employees to contribute to long-term resilience and value creation for stakeholders.

G. Compliance and Anti-Money Laundering

BCFC is fully aware of its responsibilities in observing all regulatory provisions and best international practices in relation to its functioning. It is committed to complying with international best practices on compliance and anti-money laundering as reflected by the regulatory requirements of the Central Bank of Bahrain.

The Company has a Chief Compliance, Money Laundering Reporting Officer (MLRO) and Governance Officer. These functions are independent of business lines and the day-to-day running of the various business areas and are separate from the Internal Audit and Risk Management functions. In addition, the Chief Compliance, Money Laundering Reporting and Governance Officer reports directly to the ARCC Committee and has full access to the Board of Directors and administratively to the Chief Executive Officer.

The Company has in place clear strategies, frameworks, and risk-based plans for compliance to identify, monitor and test compliance and money laundering risks, and to put right controls on a regular and on an ongoing basis. The Company also retains an approved Compliance and Anti-Money Laundering Policies, which contain Customer Due Diligence measures, procedures for identifying and reporting suspicious transactions, an annual awareness programme for staff training, record-keeping requirements and documentation, which are reviewed annually and approved by the Board of Directors.

The Group's Compliance, MLRO and Governance function ensures implementation of applicable regulatory requirements on a Group-wide level to the subsidiaries and branches. The AML is subject to annual independent review and examination by External Audit/Independent Third Party, and Internal Audit.

H. Corporate Governance

The Chief Compliance, MLRO and Governance Officer also assumes the role of the Group Corporate Governance Officer and in this context, he/she supports the NRSG Committee in the process of reviewing on an annual basis the Corporate Governance disclosure guidelines in the Company's annual report to ensure that the scope of the disclosure is in line with the Corporate Governance Code, High Level Control Module, Public Disclosure (PD) Module, and other Corporate Governance matters. He/she also assesses the board and the committees composition and carries out an annual test of directors' independence and then reports the results to the NRSG Committee. In addition, he/she supports the process of evaluating and recommending Corporate Governance policies, practices, and guidelines applicable to the Board and the Company. The appointment of the Group Governance Officer is subject to the approval of the NRSG Committee.

I. Internal Audit

BCFC is fully aware of its responsibilities toward assuring that the Company's Risk Management, Governance, and Internal Control Processes are operating effectively. It is committed to performing with international standards and best practices in the audit industry.

The Company has a Chief Internal Audit Officer which is independent of business lines and the day-to-day running of the various business areas and is separate from the Risk Management and Compliance functions.

The Chief Internal Auditor reports directly to the ARCC Committee and has full access to the Board of Directors and administratively to the Chief Executive Officer.

The Group's Internal Audit is appropriately established to detect the Company from violations of laws, regulations, policies and procedures, and provisions of contracts and agreements. The Group strives to create a disciplined and constructive control environment in which all employees understand and adhere to their roles and responsibilities.

J. Management Committees

The Group has established a comprehensive governance framework through its management committees, designed to oversee critical areas of the Group's operations and ensure alignment with its strategic objectives. The committees play an essential role in driving effective decision-making, enhancing operational oversight, and ensuring adherence to regulatory requirements, industry standards, and best practices.

These management committees are chaired by the Chief Executive Officer (CEO) or Senior Management Members, with a well-defined term of reference for each committee, outlining its specific responsibilities and decision authority. Collectively, these committees ensure robust oversight of the Group's financial and non-financial performance and address the dynamic requirements ensuring effective integration of corporate governance. The management committees meet regularly to discuss and approve critical decisions, monitor performance, and address emerging challenges.

a. The Assets and Liabilities Committee ("ALCO").
b. The Credit Committee.
c. The Risk Management Committee.
d. The Impairment and Provisioning Committee.
e. The Write off Committee.
f. The Information and Cyber Security Committee.
g. The Management and Marketing Committee.
h. The Investment Committee.
i. The Senior Human Resources Committee.
j. The Donation Committee
k. The Tender Committee
l. Other Committees may be established to oversee specific aspects of the Group's operations, ensuring comprehensive governance and control across all areas.

Corporate Governance
(continued)

K. Remuneration Policy

a. Board Remuneration

The Company's remuneration practices are aligned with the guidelines and rules of the CBB High-Level Controls, HC-5 Remuneration of Approved Person and Material Risk Takers duly prescribed under Volume 1: Conventional Banks.

The Company has in place policies and guidelines for the attendance and sitting fees payable to all the Directors in consideration of attending one or more of Board and Committee meetings in a financial year. This Policy reflects the Company's commitment to best practices of corporate governance in line with the legal and regulatory requirements and is intended to remunerate its Board and Committee members fairly and responsibly. The Policy ensures that the remuneration of Board and Committee members is sufficient to attract, retain and motivate persons of quality and desired competencies needed to run the Company successfully. The Remuneration Policy of the Company applies to all the Boards of Directors of the Parent Company, its Committees, the Boards of its Subsidiaries, and any other Committee of a subsidiary formed from time to time.

The structure and level of the compensation for the Board and Committee Members are as follows:

a) A fixed amount representing an annual remuneration fee approved by the Shareholders at the AGM; and
b) Attendance fees payable to members attending different Board-related committees' meetings.

b. CEO and Management Remuneration:

The performance and remuneration of the CEO is reviewed by the Nomination, Remuneration, Sustainability and Governance Committee and approved by the Board. The remuneration of the Chief Executive Officer's direct reports is reviewed and approved by the Nomination, Remuneration, Sustainability and Governance Committee. Furthermore, the Board takes into consideration the following dimensions to remunerate the CEO:

1- Bonus distribution shall be determined at the Board's discretion, based on accruals and performance.
2- The strength of internal controls and risk management practices.
3- Meeting all the funding requirements needed to ensure the growth of the Company.
4- Quality of loan portfolio and levels of non-performing loans.
5- Achieving business plan and meeting agreed upon strategic objectives both financial objectives and non-financial objectives.

c. Directors Remuneration

Every director shall be entitled to receive gross remuneration as Director Sitting Fees, when approved by the Annual General Meeting per annum. The Directors' remuneration shall not exceed 10% of the net profits after deducting the statutory and general reserves and distributing dividends of no less than 5% of the Company's paid-up capital to the shareholders:

a) As per the Attendance Fees and Remuneration Policy, a director shall be also paid quarterly in arrears for his/her services during the term of his/her appointment attendance fees in consideration of attending one or more of the Board Committees;

b) A 100% of the attendance fees shall be paid to the independent and non-executive directors as well as the executive management occupying memberships in the Board of Subsidiaries in order to attract and retain talents for the best interest of the Company;

c) The Board shall ensure disclosure of all remuneration and benefits received by the directors during the financial year in the company's annual reports and make it available at shareholders' meetings; and the nominating shareholder shall be entitled to the amounts due to be paid to its representative on the company's Board of Directors of any kind whatsoever.

d) Remuneration of non-executive directors does not include performance-related elements.

L. Directors and Officers Liability Insurance Governance and Oversight Responsibilities

The Company shall maintain Directors and Officers (D&O) Liability Insurance to provide financial protection to its Directors and officers against claims arising from their official duties. The Audit, Risk and Compliance Committee (ARCC) shall be responsible for reviewing the adequacy, scope, and terms of the D&O insurance policy annually or as needed. The Committee shall make a formal recommendation to the Board of Directors, which retains authority for final review and approval of the policy. Remuneration of non-executive directors does not include performance-related elements.

M. Conflict of Interest and Connected Persons/ Related Party Policy

The Company has in place a policy which is set out to define the related parties, related transactions and how the Company discloses information related to conflict of interest. The policy applies to the Directors, Key Management Personnel, Senior Management and Staff, including transactions between the Company and its Subsidiaries. It also covers within its scope credit facilities granted to, purchases made from, joint ventures and business agreements.

N. Communication Strategy/Policy

The Company has a clear policy in relation to communication with its stakeholders, shareholders, and employees, customers, Government bodies, Regulator and society and has approved Corporate Communication Policy Guidelines. Shareholders are invited by the Chairperson of the Board to attend the Annual General Meeting in the presence of the Chairperson and other directors including the Executive Committee Chairperson, the Nomination, Remuneration, Sustainability and Governance Chairperson, Audit, Risk and Compliance Committee Chairperson, the Chairpersons of subsidiaries' boards and the External Auditors, who are available to answer any questions raised by shareholders or media representatives with regard to the operations and performance of the Company. Additionally, the Company is cognizant and fully aware of its regulatory and statutory obligations regarding dissemination of information to its stakeholders. Without prejudice to the disclosure standards, guidelines on key persons and other requirements of the relevant statutory bodies, financial and non-financial corporate information is provided by the Company on all events that merit announcement, either on its website: www.bcfc.bh or through local newspapers, Bahrain Bourse website or other means of communication. The financials and annual reports of the Company; the Charters of the Board and its Committees are made available on the Company's website. The website features a specific section that is related to investors' and shareholders' relations in general and describes shareholders' rights to participate and vote at each shareholders' meeting that include documents relating to meetings with full text of notices and minutes. Internally, electronic mail and departmental portals are used for communicating with the Company's staff on general matters and sharing information of common interest and concern. At board level, there is an easy-to-use electronic web-based portal that is aimed at automating all board works and providing Board Members with secure, real-time access to the Board's and Committees' materials and archives.

O. Key Persons Policy

a. Controlled Functions

The Board of Directors and the Chief Executive Officer are responsible for the organisation structure and for identifying the senior management functions that require CBB notification. The Company adheres to all the CBB requirements regarding the appointment of the Members of the Board of Directors and Senior Executives. In particular, it complies with the CBB's "fit and proper" requirements whereby approval or notification to the CBB is obtained prior to appointing individuals to such key positions.

Key positions that require CBB prior written approval are those of:

1. Board Member.
2. Chief Executive Officer, Deputy CEO or General Manager or equivalent.
3. Money Laundering Reporting Officer.
4. Chief Compliance Officer (relevant for TISCO)

Senior Management Functions that require CBB notification are those of:

1. Group Chief Financial Officer.
2. Group Corporate Secretary
3. Chief Risk Officer
4. Chief Compliance Officer
5. Chief Internal Audit Officer.
6. Chief People & Culture Officer.
7. Chief Information Technology Officer.
8. Chief Consumer Finance Officer/Islamic Window.
9. Chief Commercial and SME Officer.
10. Chief Legal Officer.
11. Chief Remedial Officer.

b. Key Functions

Each key person must inform the entire board of (potential) conflicts of interest in their activities with, and commitments to other organisations as they arise. Board members must abstain from voting on the matter in accordance with the relevant provisions of the Company's Law (The Commercial Companies Law). This disclosure must include all material facts in the case of a contract or transaction involving the key person. The key persons must understand that any approval of a conflicted transaction is effective only if all material facts are known to the authorising persons and the conflicted person did not participate in the decision. In any case, all key persons must declare in writing all of their other interests in other enterprises or activities (whether as a shareholder of above 5% of the voting capital of the Company, a manager, or other form of significant participation) to the Board (or the Nominations or ARCC Committees) on an annual basis.

P. Employment of Relatives Policy

The Company has in place a board approved policy on the employment of relatives of key persons that are embedded in various policies. The Chief Executive Officer/General Manager of the Company shall disclose to the Board of Directors, on an annual basis, relatives of any key persons occupying controlled functions within the Company, if any.

Corporate Governance
(continued)

Q. Code of Conduct Policy

BCFC strives to promote the highest standard of professional ethical norms and values towards its stakeholders (i.e. customers, employees, regulators and the community) including 10 Principles of Business detailed in Volume 5 of CBB Rule book and other ethical values as per the following:

a) Principles 1 to 8 apply to approved persons in respect of the controlled function for which they have been approved.

b) Principles 1 to 8 do not apply to behaviour by an approved person with respect to any other functions or activities they may undertake. However, behaviour unconnected to their controlled function duties may nonetheless be relevant to an assessment of that person's fitness and propriety.

1. Principle 1 – Integrity

The Company must observe high standards of integrity and fair dealing. It must be honest and straightforward in their dealings with customers and provide full disclosure of all relevant information to customers, as required by CBB's and regulatory bodies' regulations and directives.

2. Principle 2 – Conflicts of Interest

The Company must take all reasonable steps to identify, and prevent or manage, conflicts of interest that could harm the interests of the customer.

3. Principle 3 – Due Skill, Care and Diligence

The Company must act with due skill, care, and diligence.

4. Principle 4 – Confidentiality

The Company must observe in full any obligations of confidentiality, including with respect to client information. This should not override lawful disclosures.

5. Principle 5 – Market Conduct

The Company must observe proper standards of Market Conduct and avoid action that would generally be viewed as improper.

6. Principle 6 – Customer Assets

The Company must take reasonable care to safeguard the Assets of Customers for which they are responsible.

7. Principle 7 – Customer Interests

The Company must pay due regard to the legitimate Interests and Information needs of its customers and communicate with them in a fair and transparent manner and, when dealing with customers who are entitled to rely on advice or discretionary decisions, must take reasonable care to ensure the suitability of such advice or decisions.

8. Principle 8 – Relations with Regulators/Supervisors

The Company must act in an open and cooperative relationship with the CBB and other regulatory/supervisory bodies whose authority they come under. It must take reasonable care to ensure that activities comply with all applicable laws and regulations.

9. Principle 9 – Adequate Resources

The Company must maintain adequate resources, whether human, financial or otherwise, sufficient to run the business in an orderly manner.

10. Principle 10 – Management, Systems & Controls

The Company must take reasonable care to ensure that affairs are managed effectively and responsibly, with appropriate Management, Systems and Controls in relation to the size and complexity of operations. The Company's systems and controls, as far as is reasonably practical, must be sufficient to manage the level of risk inherent in their business and ensure compliance with the CBB requirements.

c) For the protection of all parties with whom the Company deals with, written contracts and agreements should be provided to all parties involved.

d) The Company is committed to creating openness and transparency in the Company's operations.

e) The Company is committed to achieving customer excellence. Complaint handling procedures are in place and the results are continuously reviewed.

f) The Company should ensure that all approved persons submit their conflict of interest declarations on an annual basis. Further, the annual declarations by the approved person pertaining to conflict of interest other than dealing in shares must be updated in the Code of Conduct.

R. Whistleblowing Policy

a) This Whistle Blowing Policy is in furtherance of the desire of the Board of Directors of Bahrain Commercial Facilities Company (BCFC) and its subsidiaries to strengthen the company's system of integrity and the fight against corruption and related offences.

b) Whistle blowing encourages and enables employees to raise serious concerns within the Company rather than overlooking a problem or 'blowing the whistle' outside.

c) Employees are often the first to realize and detect a potential wrongdoing that may affect the company financially or from a reputational risk perspective.

S. General Guidelines

a) Business Plans

The strategic planning exercise for the Company is conducted every three years. Operating plans are created on an annual basis. The strategic plan is approved by the BCFC Board and the operating plans are reviewed by the Executive Committee/subsidiary Boards and approved by the BCFC Board. The strategy to be reviewed by the Board on an annual basis.

b) Board Members

The Board and its members shall continually educate themselves as to the Company's business and corporate governance. At a minimum, they individually and collectively should:

1. Act with honesty, integrity and in good faith, with due diligence and care, with a view to the best interest of the Company and its shareholders and other stakeholders;
2. Act within the scope of their responsibilities and not participate in the day-to-day management of the Company;
3. Have a proper understanding of, and competence to deal with the affairs and products of the Company and devote sufficient time to their responsibilities; and
4. To independently assess and question the policies, processes and procedures of the Company, with the intent to identify and initiate management action on issues requiring improvement. (i.e. to act as checks and balances on management).

c) Maintenance of The Policies

The Board shall annually review, approve and amend, if it sees necessary as part of the regulatory requirements, its Corporate Governance Policies at the first scheduled meeting of the new calendar year.

d) Controllers

The Company shall obtain prior approval from the CBB in respect of any changes in the Company's controllers as defined by the CBB's guidelines or otherwise comply with the notification of the CBB following the resignation/termination/retirement of a controller, as applicable.

e) Best Practice Standards

1. Besides fulfilling the compliance/licensing requirements and abiding by Kingdom of Bahrain's relevant laws and regulations, the Company strives to adopt related best practice standards issued by the Central Bank of Bahrain, Bahrain Bourse, local and/or international organizations.
2. A summary of the Corporate Governance Policies shall be produced by the Board and incorporated in the Company's annual report.

f) Financial Penalties

Any financial penalty resulted from violating any of the CBB rules and regulations or as part of the rulebook shall be duly disclosed in the annual report in line with the regulatory requirements. No penalties were levied against BCFC during the year 2025.

g) Disclosure of Write off

Any written-off exposures equal to or in excess of BHD 100,000 should be notified to the CBB as per the specified rules and regulations.

h) Remuneration of Board Members, Senior Management and Fees Paid to External Auditor

The detailed remuneration paid to the Board Members individually and aggregate remuneration paid to top six senior management personnel are disclosed in the Chairperson's Report which is also published on the website of Bahrain Bourse. Ernst & Young are the Group's external auditors for the financial year ended 31 December 2025. The Group total audit and quarterly review services fees for the year ended 31 December 2025 amount to BHD 71,400 Other attestation services fees amount to BHD 33,788 which include CBB related mandatory review requirements under the Agreed Upon Procedures engagement. Given the performance achieved by the External Auditor, BCFC will re-appoint Ernst & Young are the Group's external auditors for 2026.

BCFC's Strategy Review

2023-2025 Strategy Cycle

As we approach the end of our Strategy Cycle, we can proudly say that this has been a proud and dynamic journey for Bahrain Commercial Facilities Company (BCFC) over the past 3 years.

We were able to adapt and change to the market dynamics and any impediments that came along the way while focusing and aligning with Bahrain's 2030 Vision through our main goals which are sustainability, competitiveness and financial inclusion.

We focused on 3 stages to set us apart and re-establish our position as a market driver and a leading financial institute in Bahrain's ecosystem:

1. Fix the Core
2. Develop Adjacencies
3. Go Beyond the Core

We came out of this strategic cycle in a stronger position than we first started through achieving many of the objectives and initiatives that we have set, as we focused on various initiatives to drive our strategy forward to remain focused and committed to maximizing our shareholder value. Through this unified vision we were able to cascade our strategy to all our company while highlighting every employee's contribution to our overall success.

Together we were able to power through any obstacles and come out of this cycle with a more efficient product portfolio that caters for various demographics through many success stories such as the launch of Sahel as our digital brand, an enhanced IMTIAZ product suite or partnering with key stakeholders to provide additional financing solutions.

Future Direction (2026-2028)

As Bahrain Commercial Facilities Company (BCFC) has completed its three-year plan for 2026-2028, we are focused on creating value for our ecosystem. As a continuation of the previous strategy, we are focused on enhancing our corporate governance, risk management frameworks, maximizing our business growth and adopting the latest digitalization and AI technologies to streamline our operations and produce unique customer experiences.

We are committed to the Kingdom of Bahrain's cause of providing financial inclusion. Therefore, we will continue to provide the most modern and seamless financial solutions to all our customer segments for their daily lives, as we are committed to serving our customers through all our available channels. Additionally, through a partnership approach we are focused on building on our previous strategy's efforts and providing tailored products that will tackle different lifestyles, whether on a consumer or commercial level by empowering businesses to launch and grow.

BCFC is aligning with Bahrain's national vision for a digitally empowered financial sector by focusing heavily on our technology and infrastructure, as themes revolving around AI and Digitalization will continue to have a central role in our next strategic cycle. A big player in this space will be our Sahel app which will continue evolving and introducing new state-of-the-art concepts. We are aware that as digital transactions grow, so do fraud risks. Therefore, we are prioritizing robust fraud prevention and cybersecurity strategies by continuing our regulatory alignments, cyber resilience and fraud detection measures that are kept in place.

By achieving our next strategy, we aim to continue as a positive contributor to the Bahraini economy, delivering sustainable returns to our shareholders while empowering individuals, businesses, and communities through inclusive financial solutions, innovation and a commitment to long-term value creation.





Sustainability Report

Progress With Purpose

Sustainability Report

"A Legacy of Responsibility, A Journey Toward Sustainable Impact"

Sustainability

For decades, Bahrain Commercial Facilities Company (BCFC) has been committed to responsible business practices, evolving from telling our impact story to actively shaping measurable environmental, social, and governance (ESG) outcomes. We have built a legacy grounded in trust, accountability, and contribution to Bahrain's economic and social development—one that continues to guide how we operate today.

From the earliest days of our operations, our impact has extended beyond financial services, reaching the communities we serve. What began as a commitment to empowering individuals and businesses has evolved into a broader responsibility—recognizing the interconnection between financial performance, social well-being, and environmental stewardship. Even before formally integrating ESG into our business strategy, our core values have emphasized integrity, responsible growth, and creating positive, lasting impact.

Today, sustainability is no longer viewed as a standalone initiative, but as an integral part of how BCFC plans, operates, and measures success. As global and regional expectations continue to rise, BCFC has strengthened its focus on embedding ESG principles into governance structures, operational processes, and decision-making, moving beyond intention toward consistent execution and measurable performance.

Our sustainability journey is closely aligned with the Kingdom of Bahrain's Vision 2030, the national emissions reduction targets, the Net-Zero 2060 Strategy, and the introduction of the ESG Module by the Central Bank of Bahrain (CBB). These developments represent a defining shift for the financial sector, and BCFC is committed to meeting these expectations through practical, transparent, and accountable ESG integration.

This report presents BCFC's ESG journey in 2025—highlighting how strategy is translated into action, how actions are measured, and how outcomes create value for our stakeholders. As you navigate the sections ahead, you will see how ESG is embedded across our governance, material topics, and day-to-day operations, supporting a more resilient, responsible, and sustainable future.

Sustainability Governance

At BCFC, strong governance is the foundation of our sustainability journey, ensuring accountability, transparency, and long-term value creation. Our governance structure is designed to integrate Environmental, Social, and Governance (ESG) considerations and Corporate Social Responsibility (CSR) commitments into corporate decision-making, aligning with regulatory requirements, industry best practices, and BCFC's strategic vision.

Our Sustainability Strategy provides a structured roadmap that ensures ESG principles and CSR initiatives are embedded across our operations. It establishes a governance framework that drives compliance, accountability, and strategic ESG decision-making at all levels, reinforcing BCFC's commitment to ethical business practices and positive societal impact.

Our approach to governance:

- Align with the Kingdom of Bahrain's Vision 2030 and international sustainability frameworks.
- Ensure compliance with the Central Bank of Bahrain (CBB) ESG regulations.
- Drive impactful ESG decision-making through structured committees and clear oversight.

Through a comprehensive governance structure, dedicated committees, and clear accountability mechanisms, BCFC ensures sustainability is not just an aspiration but a core pillar of our business model.

> *"With this foundation, we begin by outlining our governance framework—because strong governance is the cornerstone of effective ESG integration, ensuring sustainability is embedded in leadership, strategy, and corporate culture."*

Our Vision, Mission, Value

At BCFC, our Vision, Mission, and Values serve as the guiding principles that shape our business strategy and sustainability journey. They define our commitment to ethical business practices, responsible financial services, and long-term value creation for all stakeholders.

Vision

Our aim is to be a leading national organization that drives positive change, empowers communities, and creates a sustainable future, leveraging Bahrain economic vision 2030.

Mission

Our mission is to provide innovative solutions and exceptional services to our customers while prioritizing sustainability, social responsibility, and ethical business practices. Through collaboration, integrity, and continuous improvement, we aim to make a positive impact on society and contribute to the well-being of our employees, customers, and communities.

Value

We are committed to sustainable progress in line with Bahrain's vision 2030. Through innovation and social responsibility, we empower communities, creating a positive impact on society and the environment. Collaboration, integrity, and customer focus drive our journey towards a sustainable future.

Sustainability Strategy

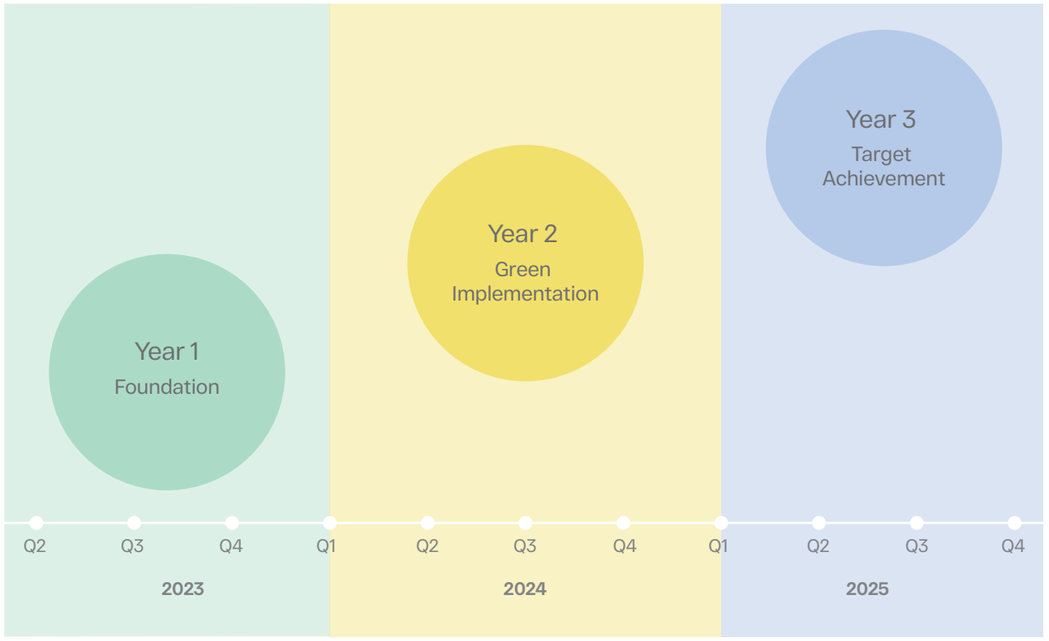
BCFC's sustainability strategy is designed to embed ESG principles into every aspect of our operations, aligning with both local and global sustainability frameworks. Our approach ensures that sustainability is not just a goal, but a fundamental pillar of our business growth and risk management.

BCFC's Strategy Statement:

BCFC is deeply committed to sustainability in its business practices, aligning with Bahrain's vision 2030, government action plans, and the United Nations' Sustainable Development Goals. Our strategy is centered on innovation, social responsibility, and ethical conduct, making a positive impact on society and the environment. This commitment underscores our core values of collaboration, integrity, and customer focus, driving our journey toward a sustainable future across diverse sectors within the Group's portfolio.

Sustainability Report (continued)

BCFC's Strategic 3-Year Sustainability Roadmap



At BCFC, our three-year sustainability strategy reflects our commitment to integrating ESG principles into our operations. This roadmap is designed to transition from foundation-building to full-scale implementation and continuous enhancement.

BCFC's sustainability roadmap is designed to transform commitment into action by progressing through distinct phases:

1. Year 1: Foundation (2023)
Establishing governance, policies, and compliance frameworks.

2. Year 2: Green Implementation (2024)
Embedding ESG initiatives into operations, governance, and digital transformation.

3. Year 3: Target Achievement (2025)
Measuring and enhancing ESG outcomes, compliance, and long-term sustainability performance.

This structured approach ensures a clear and measurable progression towards full ESG integration, reinforcing BCFC's commitment to responsible and sustainable business practices.

BCFC's sustainability journey has been marked by strategic milestones, transitioning from foundational governance to full-scale ESG integration. Our structured approach ensures measurable progress, reinforcing our commitment to a responsible and sustainable future.

Year 1: Foundation - 2023

BCFC laid the groundwork for ESG integration in 2023, establishing a structured sustainability governance framework and aligning its strategic direction with Bahrain Vision 2030 and international best practices. This foundational year focused on policy development, governance structuring, and ensuring compliance readiness.

Key Achievements:

- Approval and adoption of the Group ESG Policy.
- Creation of BCFC's Sustainability Strategy and 3-Year Roadmap.
- Establishment of dedicated Sustainability and ESG-related Committees.
- Development of a comprehensive Sustainability Governance Structure.
- Execution of BCFC's first Materiality Assessment.
- Development of a bespoke Sustainability Framework.

Year 2: Green Implementation – 2024

With a strong foundation in place, 2024 focused on execution and integration, driving measurable ESG progress. BCFC fully operationalized sustainability governance, advanced digital transformation, and strengthened ESG performance tracking—all executed internally, reinforcing BCFC's commitment to self-sufficiency and resourcefulness.

Key Achievements

Governance & ESG Integration	• Fully operationalized the Sustainability function. • Launched the Sustainability Champions Program. • Implemented a structured ESG initiatives system. • Defined BCFC's 2024 Material Topics.
Digitalization & Sustainable Innovation	• Advanced digital transformation. • Enhanced paperless operations. • Strengthened cybersecurity and data privacy measures.
Performance & Compliance	• Embedded ESG performance measurement across departments. • Conducted awareness campaigns on sustainability. • Completed a gap analysis for CBB-mandated ESG KPIs, ensuring compliance readiness • Empowered internal expertise by executing ESG governance and compliance initiatives in-house.

Year 3: Target Achievement – 2025

Building on the strong foundation and implementation phases, 2025 marked a pivotal year focused on achieving measurable ESG outcomes, strengthening data-driven reporting, and embedding sustainability deeper into BCFC's operations. During the year, BCFC advanced ESG performance measurement, enhanced regulatory alignment, and delivered tangible environmental, social, and governance impacts across its material topics—driven primarily through internal capabilities.

Key Achievements

Governance, Compliance & ESG Performance	• Strengthened alignment with the CBB ESG Module through structured tracking and disclosure of ESG Key Performance Indicators. • Enhanced ESG data collection, validation, and internal review processes to improve reporting accuracy and consistency. • Further integrated ESG considerations into business planning and operational decision-making.
ESG Reporting & Transparency	• Developed BCFC's Sustainability Annual Report fully in-house, without external consultants, demonstrating strong internal ESG and reporting capabilities. • Strengthened linkage between material topics, initiatives, KPIs, and disclosures to enable measurable performance tracking.
Digitalization & Sustainable Innovation	• Expanded digital-first customer journeys through the Sahel App and other platforms, improving accessibility and reducing paper-based processes. • Advanced paperless operations across finance, legal, and customer service functions, supporting resource efficiency and emission reduction.
Environmental & Social Impact	• Implemented energy efficiency initiatives and resource optimization measures across headquarters and branches. • Supported national environmental initiatives through afforestation and awareness activities. • Expanded community engagement, philanthropic contributions, and employee wellbeing initiatives addressing public health, youth empowerment, and social welfare.
Data Protection & Cybersecurity	• Achieved ISO/IEC 27001:2022 certification for the first time, establishing a formal Information Security Management System. • Maintained PCI DSS v4.0.1 recertification, reinforcing protection of customer and business information.

Sustainability Report (continued)

Sustainability Priority Areas

At Bahrain Commercial Facilities Company (BCFC), our focus on Environmental, Social, and Governance (ESG) principles shapes our sustainability goals. These goals reflect our commitment to integrating ESG into the heart of our operations, driving positive change and fostering a sustainable future.



United Nation Sustainability Development Goals (UN SDGs) Integration

At BCFC, sustainability is not just a concept—it is embedded within our operations, decision-making, and strategic direction. Recognizing the global significance of the United Nations Sustainable Development Goals (UN SDGs), BCFC actively integrates these goals into its ESG initiatives, reporting frameworks, and financial operations, ensuring alignment with global sustainability priorities.

Our approach ensures that all sustainability initiatives are mapped to relevant SDGs, reinforcing a structured and impactful contribution to sustainable development. This mapping is facilitated through BCFC's initiative tracking system, ensuring that all ESG efforts are aligned with international sustainability standards.

Additionally, BCFC has embedded UN SDG alignment into its lending processes, allowing all loan purposes to be linked with their respective SDGs.

This integration serves to:

- Strengthen responsible financing practices.
- Enhance transparency in sustainable lending.
- Promote SDG-aligned financial solutions for long-term impact.

2025 Focused SDGs

While BCFC contributes to multiple Sustainable Development Goals (SDGs) across its operations, in 2025 the Company placed strategic emphasis on the following SDGs, directing its sustainability initiatives toward the areas where it seeks to create the greatest impact. These priority SDGs guide the design and implementation of BCFC's initiatives and align closely with the Company's business model, material topics, and sustainability objectives:

SDG 3: Good Health & Well-being
Employee and community wellbeing are supported through health awareness campaigns, wellbeing initiatives, and workplace practices that promote physical and mental wellbeing and a healthy work environment.

SDG 9: Industry, Innovation & Infrastructure
By investing in digital transformation and innovative financial solutions, BCFC strengthens operational resilience, enhances service delivery, and supports the development of modern, technology-enabled financial infrastructure.

SDG 16: Peace, Justice & Strong Institutions
BCFC contributes to SDG 16 by strengthening governance, ethics, compliance, risk management, data protection, and cybersecurity practices to promote transparency, accountability, and responsible business conduct.

SDG 17: Partnerships for the Goals
Through collaboration with regulators, industry partners, service providers, and community organisations, BCFC supports sustainability initiatives, shares expertise, and contributes to collective action that advances ESG implementation and sustainable development outcomes.

While these SDGs represent the most addressed goals based on BCFC's practices, the Company's sustainability efforts extend across multiple SDGs. Later sections of this report will highlight the associated with BCFC's initiatives.

Group ESG Policy

At BCFC, our commitment to sustainability and responsible governance is embedded within our Group ESG Policy, which serves as the foundation for integrating Environmental, Social, and Governance (ESG) principles into our business practices. This policy ensures that BCFC operates in a transparent, ethical, and responsible manner, aligning with global best practices, regulatory requirements, and stakeholder expectations.

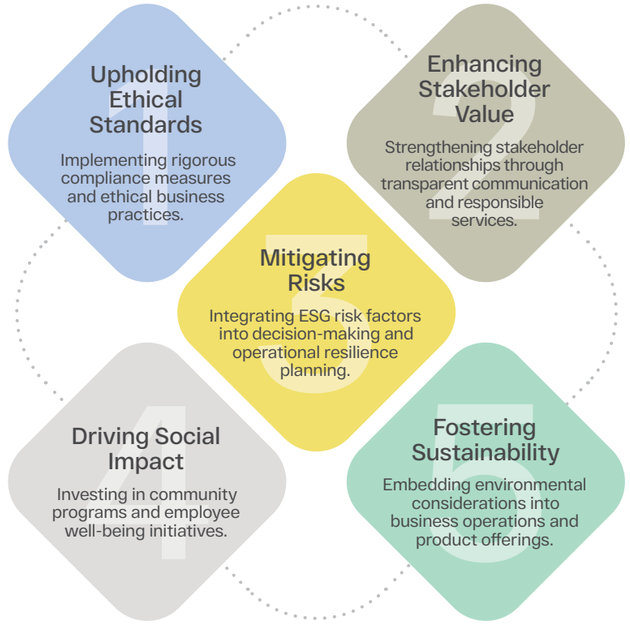
The Group ESG Policy is structured to:

- Establish a clear governance framework for sustainability.
- Align ESG commitments with corporate strategy, risk management, and regulatory mandates.
- Strengthen stakeholder trust by reinforcing ethical business conduct and responsible operations.

Since its adoption in 2023, the ESG policy has been operationalized, guiding BCFC's governance structure and ensuring sustainability considerations are embedded across the company's decision-making processes.

BCFC's Sustainability Core Objectives

BCFC's ESG policy is built on five core sustainability objectives, which guide all ESG-related initiatives and governance practices:



Strategic Integration of Sustainability within Risk Management

BCFC has embedded sustainability into its Risk Management Department, ensuring that ESG considerations are aligned with the company's broader risk strategy. The Sustainability function, operating under the Head of Risk Management, plays a pivotal role in:

- Enhancing compliance with CBB ESG regulations, global frameworks (GRI, UN SDGs), and internal ESG policies.
- Facilitating ESG reporting by aligning data collection and disclosures with the best international practices.
- Supporting regulatory audits & disclosures, ensuring BCFC's ESG compliance remains transparent and accountable.
- Integrating ESG and climate-related risks into BCFC's risk management framework, including identification, assessment, and monitoring within the organization risk management processes.

Our approach ensures sustainability is systematically incorporated into business continuity, regulatory adherence, and decision-making.

Sustainability Framework

At BCFC, sustainability is not just commitment, it is a structured approach embedded into our governance and operational model. Our Sustainability Framework provides a clear pathway to integrate Environmental, Social, and Governance (ESG) principles into our business strategy. Designed to align with global sustainability standards, regulatory requirements, and Bahrain's Vision 2030, the framework ensures that BCFC's ESG efforts are systematic, measurable, and impactful.

A key driver of our framework's success is BCFC's investment in ESG expertise, demonstrated through sponsorship of professional ESG certifications and knowledge-building programs for employees. This proactive approach empowers our workforce, equipping them with the necessary skills and knowledge to integrate ESG principles into their daily responsibilities. By fostering a culture of ownership and accountability, BCFC ensures that ESG considerations go beyond compliance requirements, becoming a core aspect of decision-making across all levels of the organization, driving long-term impact and sustainable business growth.

To ensure continuous progress, our framework follows a structured cycle based on the Plan-Do-Check-Act (PDCA) model, where ESG goals are planned, executed, monitored, and refined in a continuous improvement loop. This model allows us to remain agile and responsive to evolving sustainability.

Sustainability Report (continued)

Our Sustainability Pillars

Our sustainability approach is structured around eight core pillars that guide BCFC's ESG efforts and align with our business strategy:

1

Responsible Services

Committed to ethical business practices that prioritize the well-being and satisfaction of our customers.

2

Customer Centricity

Placing customer needs and ESG considerations at the heart of our product and service offerings.

3

Workforce Well-being and Development

Ensuring a supportive and inclusive work environment that fosters employee growth.

4

Positive Social Impact

Engaging in community initiatives that create lasting value and social impact.

5

Technology and Innovation

Leveraging technology to enhance sustainability performance and deliver innovative solutions.

6

Corporate Governance

Upholding strong governance practices that ensure transparency, accountability, and ethical behavior.

7

Stakeholder Engagement

Connecting with stakeholders and actively incorporating their feedback into our sustainability efforts.

8

Environmental Responsibility

Implementing initiatives aimed at reducing environmental impact and promoting sustainability

Sustainability Report (continued)

Our ESG Execution Model

BCFC's sustainability execution follows a structured framework, ensuring a systematic approach to ESG integration. Our model is designed to facilitate clear implementation, governance, risk management, stakeholder engagement, and continuous improvement, allowing for long-term ESG impact.

Our framework operates through distinct stages:

Initiation & Planning	Defining sustainability objectives, setting ESG targets, and aligning with regulatory requirements.
Implementation & Governance	Executing sustainability initiatives and embedding ESG considerations across business functions.
Risk Management & Compliance	Ensuring sustainability risks are identified, assessed, and managed within BCFC's risk framework.
Stakeholder Engagement & Reporting	Engaging stakeholders, gathering insights, and maintaining transparent ESG disclosures.
Monitoring & Continuous Improvement	Evaluating ESG performance, refining strategies, and driving enhancements year over year.

This structured model enables us to integrate ESG principles seamlessly into business operations while maintaining governance and compliance with local regulations and international standards.



ESG Initiatives Process

We understand the importance of having a structured process for reporting ESG initiatives, ensuring data collection standardization, accuracy, and alignment with sustainability goals. Therefore, BCFC has implemented a systematic initiative process that enhances governance, compliance, and transparency, allowing us to effectively track progress and measure impact. Each initiative follows a defined workflow from identification to validation and impact assessment, ensuring alignment with global ESG frameworks and CBB regulatory requirements. Furthermore, initiatives are mapped to relevant GRI Standards, BCFC Sustainability Pillars, Material Topics, Sustainability Objectives, and UN SDGs, reinforcing a data-driven and strategic approach to sustainability.



Sustainability Reporting – a Commitment to Transparency & Accountability

At BCFC, we are committed to transparent and accountable sustainability reporting, ensuring our disclosures reflect both regulatory requirements and global best practices. Our approach integrates a variety of internationally recognized ESG frameworks, ensuring a comprehensive and dynamic sustainability reporting structure.

BCFC's sustainability disclosures are aligned with the Central Bank of Bahrain (CBB) Rulebook (Common Volume - ESG Requirements Module), ensuring compliance with the Kingdom's evolving ESG regulatory landscape. Additionally, our reporting is in reference to the Global Reporting Initiative (GRI) Standards, supporting consistency, comparability, and stakeholder relevance.

Beyond these core frameworks, BCFC monitors the evolution of other global sustainability standards and guidance, such as TCFD, ISSB, and related climate and sustainability disclosure frameworks, and considers relevant elements where applicable. BCFC's primary reporting references remain the CBB ESG Module and the GRI Standards.

"All ESG data included in this report is subject to internal validation and review by relevant departments and the ESG function prior to publication."

Sustainability Report (continued)

Sustainability Roles & Responsibilities – A Unified Approach

Board of Directors

The Board of Directors sets the strategic direction for sustainability, integrating ESG principles into governance and oversight.

Head of Risk Management

Leading the development and oversight of the ESG strategy, the Head of Risk Management ensures compliance, accurate ESG reporting, and stakeholder engagement.

Senior Management

Senior Management translates the Board's ESG strategic vision into operational reality, embedding sustainability into daily operations and decision-making.

ESG Team Leader

Leads the execution of BCFC's Sustainability strategy and oversees the governance and management of ESG initiatives to ensure alignment with objectives and regulatory requirements. The role leads sustainability reporting, including CBB submissions, and oversees the implementation and monitoring of sustainability objectives and the Sustainability Champions Program.

ESG Team

Acts as the working group supporting the implementation of ESG action points as established by the Sustainability Implementation Taskforce. The ESG Team is established under the Risk Management Department and comprises cross-functional members to support ESG projects and initiatives.

Sustainability Champions

Sustainability Champions are instrumental in driving ESG initiatives within their departments. They manage data collection for reporting, identify and mitigate ESG risks, and monitor sustainability performance, fostering a culture of responsibility and collaboration across the organization.

Employees

All employees are encouraged to integrate sustainability into their work practices, comply with organizational policies, and conserve resources.



Nomination, Remuneration, Sustainability, and Governance Board Committee (NRSGC)

The Nomination, Remuneration, Sustainability, and Governance Committee (NRSGC) plays a crucial role at BCFC, shaping our sustainability efforts at the board level. This committee ensures robust, transparent governance and ESG integration, driving BCFC to meet high ESG standards and share sustainability achievements with stakeholders, highlighting our dedication to operational and regulatory excellence in sustainability.

"During 2025, the NRSG Committee convened once to review and provide strategic oversight on ESG matters, including ensuring alignment with regulatory requirements and BCFC's long-term sustainability vision."

Sustainability Implementation Taskforce Committee (SIT)

The Sustainability Implementation Taskforce Committee (SIT) brings BCFC's sustainability vision to life, embedding ESG principles deeply within our operations. It ensures sustainability becomes a practical aspect of our organizational culture

"In 2025, the SIT Committee also convened twice to oversee the implementation of ESG initiatives, monitor progress, and ensure BCFC's readiness in meeting CBB's ESG requirements."



Sustainability Integration in Corporate Governance

At BCFC, sustainability is deeply embedded within our corporate governance framework, ensuring that ESG considerations are integrated into decision-making at all levels. Our governance structure aligns with international best practices and regulatory expectations, reinforcing accountability, transparency, and ethical business conduct.

To strengthen ESG integration within corporate governance, BCFC has established structured oversight mechanisms, including:

- **Board-Level Governance** The NRSG Committee provides strategic ESG direction, ensuring sustainability remains a core component of BCFC's long-term vision.
- **Management Oversight** The SIT Committee actively monitors the execution of ESG initiatives, driving alignment with corporate objectives and regulatory requirements.
- **Cross-Functional Collaboration** The ESG Team works closely with all departments through the sustainability champions, facilitating the implementation of ESG initiatives and ensuring compliance with sustainability frameworks.
- **Regulatory Compliance** ESG requirements set forth by the CBB, including mandated disclosures and governance expectations, are systematically embedded into BCFC's operational and reporting structures.

"With a solid governance framework guiding BCFC's sustainability efforts, identifying the most material ESG topics remains essential. The next section outlines BCFC's materiality assessment process, stakeholder engagement approach, and key sustainability topics shaping its ESG agenda."

Sustainability Report (continued)

Materiality Assessment

At BCFC, identifying and prioritizing key ESG topics is essential to ensuring that our sustainability strategy aligns with business objectives, stakeholder expectations, and regulatory requirements. Our materiality assessment is a structured process that determines the most significant environmental, social, and governance (ESG) factors affecting BCFC's operations, long-term value creation, and stakeholder interests.

The materiality assessment is conducted every three years to ensure continued relevance and alignment with BCFC's strategic direction, regulatory obligations, and global sustainability standards. However, an annual review is performed to assess the need for updates based on evolving stakeholder expectations, regulatory developments, emerging risks, market trends, and BCFC's own sustainability progress. This ensures that material topics continue to reflect both external sustainability shifts and BCFC's internal advancements in ESG practices.

Our approach to materiality is designed to:

- Align with the Central Bank of Bahrain (CBB) ESG Module and the GRI 3: Material Topics (2021) Standard, with a primary focus on BCFC's actual and potential impacts on the economy, environment, and people (impact materiality), while also considering stakeholder input.
- Driving ESG strategy and decision-making, ensuring sustainability is embedded into BCFC's governance and operations.
- Ensure a stakeholder-driven approach, where material topics reflect the concerns and priorities of BCFC's key stakeholder groups.
- Prioritize ESG issues based on their significance to BCFC's operations and impact on stakeholders.

Materiality Assessment Process

At BCFC, we follow a structured and data-driven approach to materiality assessment, ensuring that our ESG priorities reflect the most significant impacts on our business, stakeholders, and the broader sustainability landscape. Our process have been designed to be aligned with the CBB ESG requirements and the GRI 3: Material Topics 2021 Standard, ensuring regulatory compliance and adherence to global best practices.

To determine the ESG material topics, BCFC conducts a systematic nine-step assessment, integrating stakeholder insights, regulatory expectations, risk analysis, and sustainability trends into the decision-making process. The steps are outlined below:

BCFC's 9-Step Materiality Assessment Process

1	Understanding the Context	Defining the scope, including BCFC's activities, business relationships, and sustainability context.
2	Impacts Identification	Identifying initial actual and potential ESG impacts through a thorough process of peer benchmarking, market research, risk analysis, internal interviews, regulatory analysis, and best practice considerations.
3	Stakeholder Engagement	Engaging stakeholders via surveys and interviews to capture diverse perspectives on ESG priorities.
4	Survey Results	Reviewing and analyzing stakeholder input to ensure a comprehensive understanding of key ESG concerns.
5	Assessing Significance of Impacts	Evaluating the positive and negative effects of identified ESG impacts based on business and stakeholder relevance.
6	Prioritizing Impacts	Ranking ESG impacts by 3, ensuring that the most critical topics receive focused attention.
7	Material Topics Definition	Setting the materiality threshold to determine which ESG topics qualify as material for BCFC.
8	Final Approval	Seeking formal approval from the Board of Directors (BOD) on the finalized material ESG topics.
9	Reporting & Disclosures	Integrating material topics into sustainability reporting, ensuring transparency and alignment with regulatory frameworks.

Stakeholder Engagement:

As part of BCFC's initial materiality assessment conducted in 2024, a diverse range of stakeholder groups were engaged to ensure a holistic representation of perspectives from both internal and external stakeholders including:

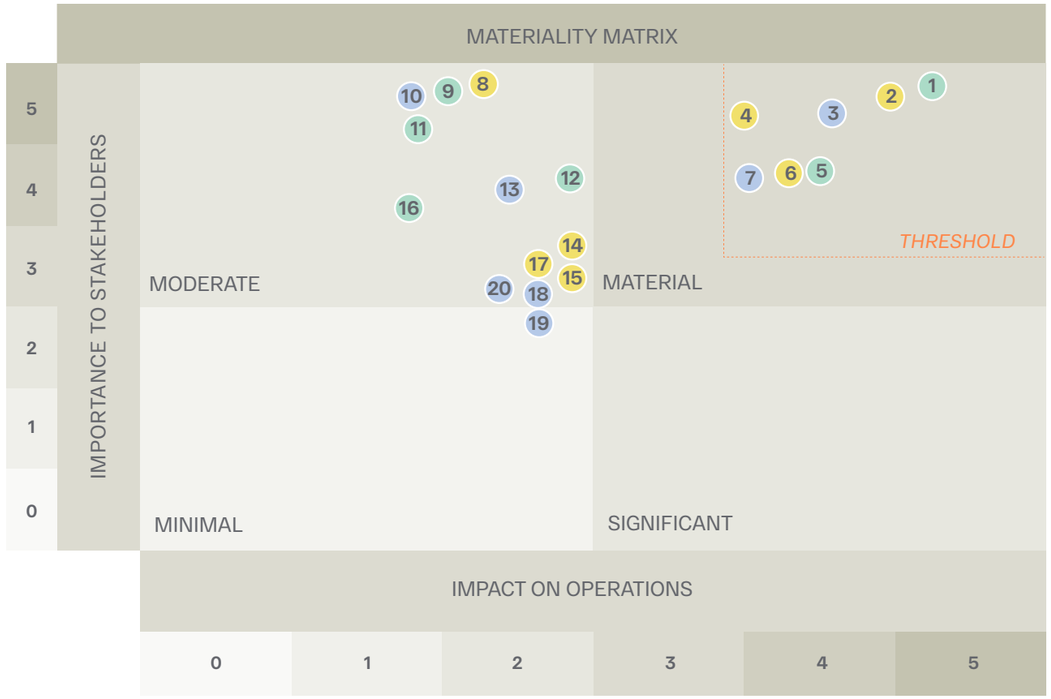


Through structured surveys and direct engagements, BCFC gathered 75 comprehensive responses, providing valuable insights into the ESG topics most relevant to our stakeholders. This engagement serves as a critical input in prioritizing ESG issues within our materiality matrix.

During 2025, BCFC retained the same material topics identified in 2024 to support continuity and consistent progress measurement, with a formal review of material topics planned in 2026.

Sustainability Report (continued)

Materiality Matrix



Sr	Topics
1	Product and Service Innovation
5	Climate Change and Environmental Impact
9	Water usage, discharge/pollution
11	Energy Management
12	GHG (Greenhouse gases) emissions
16	Biodiversity and habitat

Sr	Topics
2	Customer Relations and Satisfaction
4	Employee Well-being and Development
6	Community Engagement and Philan-thropy
8	Labor standards & working conditions
14	Diversity, Equity, and Inclusion
15	Responsible Investment and Lending
17	Social enterprise partnering

Sr	Topics
3	Data protection & privacy
7	Financial Performance
10	Governance and Ethics
13	Corporate Transparency and Account-ability
18	Board composition
19	Supplier and Vendor Relations
20	Work diversity

Our materiality Matrix visually represents how ESG topics are evaluated based on:

- **Importance to Stakeholders** – The level of concern and expectation from stakeholders regarding the topic.
- **Impact on Operations**– The level of influence the topic has on our operations, governance, and long-term strategy.

" Topics within the designated threshold area in the materiality matrix represent BCFC's material topics, all of which have met or exceeded the defined threshold score of 4, forming the foundation of our ESG strategy and disclosures."

Our Material Topics

BCFC's material topics represent the most significant Environmental, Social, and Governance (ESG) factors influencing our business and stakeholders. These topics shape our strategic priorities and sustainability initiatives, ensuring that BCFC drives meaningful impact while aligning with regulatory and global best practices.

During 2025, BCFC maintained the same material topics identified in 2024, as approved by the Sustainability Implementation Taskforce (SIT). As 2024 represented BCFC's first year of establishing sustainability practices and material topics, maintaining the same topics supports continuity, consistent progress measurement, strategic focus, resource efficiency, and alignment with regulatory and reporting requirements. A formal review of material topics is planned in 2026 to ensure continued relevance based on BCFC's evolving sustainability maturity.

Our Material Topics		
1	Product and Service Innovation	Actual & Potential Positive Impact
2	Customer Relations and Satisfaction	Actual & Potential Positive Impact
3	Data Protection & Privacy	Actual & Potential Positive & Negative Impact
4	Employee Well-being and Development	Actual & Potential Positive Impact
5	Climate Change and Environmental Impact	Actual & Potential Positive & Negative Impact
6	Community Engagement and Philanthropy	Actual & Potential Positive Impact
7	Financial Performance	Actual & Potential Positive & Negative Impact

" Defining our material topics provides a strategic foundation for BCFC's sustainability journey, ensuring that our ESG efforts are targeted, impactful, and aligned with long-term commitments. In the next section, we translate these priorities into concrete sustainability objectives and measurable initiatives, demonstrating how BCFC is actively driving ESG progress across its operations.

Sustainability Report (continued)

Our ESG Journey: From Strategy to Impact

Building on BCFC's established material topics, sustainability objectives were developed to enhance practices, address stakeholder priorities, and ensure regulatory alignment. Each objective is tied to specific key performance indicators, ensuring measurable progress while embedding ESG considerations into operational decision-making.

For reporting purposes, an ESG initiative is defined as a distinct and approved action or project with a documented owner, objective, and measurable outcome.

BCFC's approach follows the GRI 3-3 Management of Material Topics principle, ensuring that material topics are systematically addressed through:

- Defined sustainability objectives that directly address key ESG priorities.
- SMART key performance indicators (KPIs) assigned to relevant departments to ensure accountability.
- Regular monitoring & progress reviews to track performance against ESG commitments.

We aim to drive tangible ESG progress while ensuring long-term business resilience by aligning our objectives with BCFC's sustainability vision and regulatory expectations.

Our Progress Across Key ESG Areas

In 2025, BCFC continued to advance its ESG journey by translating strategy into action across its material topics. Through digital transformation, strengthened governance, and targeted social and environmental initiatives, BCFC focused on delivering practical, outcome-driven solutions that create value for customers, employees, communities, and other stakeholders.

Our sustainability efforts during the year were guided by the material topics identified through BCFC's materiality assessment, ensuring that initiatives address the most relevant environmental, social, and governance priorities. Each initiative is designed to contribute to measurable improvements in performance, while reinforcing responsible business practices and long-term resilience.

The following section presents BCFC's progress across its key ESG areas, demonstrating how each material topic is advanced through strategic actions, operational improvements, measurable outcomes, and stakeholder impact—providing a clear and transparent view of our ESG performance.

"An ESG initiative may represent a strategic directive, policy implementation, system enhancement, process improvement, digital solution, awareness program, or partnership activity that delivers measurable ESG impact."

2025 Sustainability Objectives & Performance Outcomes

SR	Material Topic	Objective	Results
1	Product & Service Innovation	Enhance service efficiency and accessibility through digital innovation	- Reached 64,760 registered customers on digital platforms. - Achieved an average 4.7 rating on application stores.
2	Customer Relations & Satisfaction	Enhance customer experience, feedback, and resolution	- Delivered digital, automation, and accessibility initiatives to enhance customer experience, streamline service journeys, and strengthen feedback and resolution processes. - Achieved an average complaint resolution time of 1.76 days
3	Data Protection & Privacy	Enhance BCFC's data protection framework	- Enhanced BCFC's data protection framework through improved technical and procedural controls to safeguard personal and sensitive information. - Achieved 100% staff coverage for data privacy and protection awareness training.
4	Employee Well-being & Development	Strengthen employee development and workplace engagement	- Achieved 100% employee participation in at least two professional training courses. - Achieved an 86% participation rate in the CultureAmp employee engagement and satisfaction survey.
5	Climate Change and Environmental Impact	Reduce emissions and enhance resource efficiency	- Achieved a 4% reduction in total GHG emissions (2025 vs 2024), excluding newly added Scope 3 categories, exceeding the 3% target, following expansion of Scope 3 reporting boundaries.
6	Community Engagement & Philanthropy	Enhance community engagement and philanthropic impact	- Achieved 97% adherence to the Annual Donations Plan, supporting 65 charitable organisations across Bahrain.
7	Financial Performance	Strengthen BCFC's financial resilience and stability	- Sustained profitability for the second consecutive year, reinforcing BCFC's financial resilience and business stability.



Sustainability Report (continued)

Material Topic

1. Product & Service Innovation

Objective

Enhance service efficiency and accessibility through digital innovation

Number of Initiatives

17

BCFC Pillars

UN SDGs

During 2025, BCFC accelerated its digital transformation by expanding platform-enabled financial services, introducing new digital-first products, and strengthening processing and onboarding capabilities. These initiatives improved service accessibility, reduced turnaround times, enhanced customer experience, and reinforced BCFC's position as an innovative digital financial services provider.

Strategic Actions

- Introduced Islamic finance solutions, providing Shariah-compliant financing options and broadening customer choice across BCFC's portfolio.
- Expanded the Sahel App as a multi-service digital financial platform covering cards, loans, insurance, and service requests.
- Introduced Open Banking–enabled onboarding using Tarabut Gateway for secure, efficient, and paperless customer verification.
- Strengthened card processing capabilities through collaboration with SINNAD as exclusive processor for IMTIAZ credit and prepaid cards.

Measurable Outcomes

- Reached 64,760 registered customers on digital platforms.
- Achieved an average 4.7 rating on application stores.
- Sahel App awarded the Bahrain Digital Content Award for the second consecutive time, recognizing excellence in digital financial service innovation and customer-centric design.
- City Center Sahel App activation campaign engaged 2,181 customers (75% new users).

Operational Improvements

- Digitalized onboarding, limit increase requests, digital letters, mortgage financing, and travel insurance issuance, reducing manual processing and branch dependency.
- Implemented paperless payment processes through expanded wire transfer usage for disbursements and liabilities.
- Optimized cloud infrastructure through AWS saving plans to improve efficiency and reduce energy footprint.

Stakeholder Impact

- Customers benefit from faster, paperless, and accessible financial services.
- Young customers supported through UniPal prepaid cards and digital channels.
- Strengthened card processing reliability and service performance through SINNAD partnership as exclusive processor for IMTIAZ cards.



Material Topic

2. Customer Relations & Satisfaction

Objective

Enhance customer experience, feedback, and resolution

Number of Initiatives

34

BCFC Pillars

UN SDGs

During 2025, BCFC strengthened customer relations and satisfaction by simplifying service journeys, expanding digital self-service channels, and enhancing feedback and complaint resolution mechanisms. These initiatives improved turnaround times, increased service transparency, and reinforced a consistent, customer-centric experience across physical and digital channels.

Strategic Actions

- Implemented multi-channel customer feedback and survey mechanisms (phone, email, IVR, and branch QR) to capture satisfaction and Net Promoter Score (NPS).
- Expanded self-service digital customer journeys across the Sahel App and other platforms.
- Enhanced branch experience through process simplification, queuing system upgrades, and integrated sales and service models.

Measurable Outcomes

- Reduced de-mortgage request turnaround time from over 10 working days to 2–3 days.
- Digitalized life insurance refund requests with automated IBAN retrieval and processing.
- Recorded only one CBB complaint during Q1 and Q2 of 2025, reflecting strong customer service quality and effective issue resolution.
- Implemented automated turnaround time (TAT) calculation and reporting through a centralized dashboard, enabling real-time monitoring of complaint handling performance.

Operational Improvements

- Designed and implemented a centralized customer complaint handling process supported by electronic complaint submission channels.
- Digitized legal notifications, customer letters, and service requests to replace paper-based processes.
- Automated multiple service workflows, including death claims, Direct Pay registration notifications, and collateral valuation extraction.

Stakeholder Impact

- Customers experience faster resolution, clearer communication, and greater convenience.
- Customers facing financial hardship are supported through responsible recovery practices and targeted assistance.
- Enhanced value proposition through loyalty programs, preferential campaigns, and reduced financing rates for property and vehicle loans.





Sustainability Report (continued)

Material Topic

3. Data Protection & Privacy

Objective

Enhance BCFC's data protection framework

Number of Initiatives

16

BCFC Pillars

UN SDGs

During 2025, BCFC strengthened its data protection and privacy framework by reinforcing information security governance, enhancing protective controls, and expanding organizational awareness. These initiatives improved the protection of customer and business information, reduced cyber and data privacy risks, and strengthened compliance with regulatory and international standards.

Strategic Actions

- Strengthened information security governance through alignment with international standards and regulatory requirements.
- Enhanced protection of sensitive and personal data across systems and platforms through strengthened technical and procedural controls.
- Embedded secure-by-design principles within customer onboarding and data processing activities.

Measurable Outcomes

- Achieved ISO/IEC 27001:2022 Information Security Management System Certification.
- Successfully completed PCI DSS v4.0.1 recertification, strengthening protection of cardholder data and secure payment processing.
- Strengthened authentication and access control mechanisms for critical systems.

Operational Improvements

- Automated customer information and KYC data capture to improve data accuracy, integrity, and regulatory compliance.
- Strengthened data privacy and protection controls across the information lifecycle.
- Enhanced secure data handling, transfer, and network protection capabilities.

Stakeholder Impact

- Customers' personal and financial information is better protected.
- Reduced risk of data leakage, fraud, and unauthorized access.
- Increased regulatory confidence and stakeholder trust in BCFC's data protection practices.





Material Topic

4. Employee well-being & development

Objective

Strengthen employee development and workplace engagement

Number of Initiatives

21

BCFC Pillars

UN SDGs

During 2025, BCFC advanced employee wellbeing, engagement, and development by delivering targeted health awareness initiatives, strengthening learning and leadership pathways, and enhancing workplace flexibility and employee voice. These initiatives supported a healthier, more engaged workforce and strengthened internal capabilities for long-term organizational performance.

Strategic Actions

- Implemented targeted health awareness initiatives, including "Think Pink – You Are the Supporter" sessions engaging male employees on their role in supporting women with breast cancer.
- Strengthened learning and development pathways focused on leadership, digital readiness, and future skills.
- Enhanced workplace engagement, flexibility, and employee voice mechanisms, including organizing staff engagement and team-building activities such as the BCFC Bowling Tournament.

Measurable Outcomes

- Conducted the Culture Amp Employee Engagement Survey for the second consecutive year to capture workforce feedback on engagement, leadership, communication, recognition, and wellbeing.
- Delivered AI readiness training and the "Effective Leadership & Management" development program for mid- to senior-level managers.
- Implemented work-from-home arrangements and introduced one-day sick leave without medical certificate to support work-life balance.

Operational Improvements

- Enhanced workplace ergonomics through procurement of ergonomic chairs and strengthened health & safety preparedness through first aid and fire safety training.
- Established structured summer internship and Furas trainee programs to support talent development and national workforce growth.
- Introduced the Social Committee and "I Have an Idea" initiative to strengthen engagement, collaboration, and continuous improvement.

Stakeholder Impact

- Employees experience improved wellbeing, motivation, and work-life balance.
- Strengthened internal capabilities and leadership pipeline.
- More engaged, skilled, and productive workforce supporting BCFC's long-term success.







Sustainability Report (continued)

Material Topic

5. Climate Change and Environmental Impact

Objective

Reduce emissions and enhance resource efficiency

Number of Initiatives

15

BCFC Pillars

UN SDGs



During 2025, BCFC reduced its environmental footprint by improving energy efficiency, accelerating the shift toward paperless operations, and supporting national environmental initiatives. These actions enhanced resource efficiency, lowered operational emissions, and strengthened environmental awareness across the organization.

Strategic Actions

- Implemented energy efficiency and resource optimization initiatives across headquarters and branches.
- Expanded digital and paperless processes across finance, legal, and customer services.
- Supported biodiversity and carbon sequestration initiatives in the Kingdom of Bahrain.

Measurable Outcomes

- Reduced after-hours electricity consumption through BMS optimization at headquarters.
- Digitalized key documentation and approval processes across multiple functions.
- Completed afforestation of a selected site in Hamad Town through planting 110 trees and shrubs.

Operational Improvements

- Adopted digital signatures, electronic invoicing, digital legal case files, and digital legal notifications.
- Implemented energy-efficient air-conditioning systems in new branches.
- Introduced reusable bottles for staff and recycled-material IMTIAZ card designs.

Stakeholder Impact

- Reduced environmental footprint through lower paper consumption and energy usage.
- Improved alignment with national environmental priorities through afforestation initiatives.
- Strengthening environmental awareness and responsible behavior across the workforce.





Material Topic

6. Community engagement & philanthropy

Objective

Enhance community engagement and philanthropic impact

Number of Initiatives

32

BCFC Pillars

UN SDGs



BCFC has long embedded corporate social responsibility (CSR) into its core values, focusing on delivering long-term social impact through community engagement, charitable contributions, and inclusive support programs. During 2025, BCFC further strengthened this commitment by expanding targeted partnerships and initiatives that promote public health, youth empowerment, social welfare, and financial inclusion—creating lasting value for communities across Bahrain.

Strategic Actions

- Supported public health, rehabilitation, disability, and special education organizations across Bahrain.
- Partnered with charities to support orphans, elderly care centers, vulnerable families, and customers facing financial hardship.
- Conducted university visits, supported youth empowerment initiatives, and organized Bahraini Vendor Day to promote local businesses.
- Contributed to national humanitarian, social welfare, and food security organizations.

Measurable Outcomes

- Contributed to Ramadan "30 Days of Giving" initiative supporting preparation and distribution of 3,000 iftar meals.
- Provided financial support to the Zakat Fund and Hefth Alneama Society (Food Bank).
- Delivered financial contributions to multiple health, disability, and social welfare organizations.
- Engaged university students through career awareness visits and supported local vendors through Bahraini Vendor Day.

Operational Improvements

- Formalized sponsorship and donation review through internal committees.
- Strengthened coordination between ESG, Marketing, and Social Committee for community initiatives.

Stakeholder Impact

- Improved access to care and support for vulnerable communities.
- Strengthened partnerships with national institutions and civil society.
- Positive social impact across health, education, and welfare sectors.





Sustainability Report (continued)

Material Topic

7. Financial Performance

Objective

Strengthen BCFC's financial resilience and stability

Number of Initiatives

19

BCFC Pillars

UN SDGs

During 2025, BCFC advanced its financial performance by strengthening governance and financial crime controls, rolling out targeted growth and acquisition campaigns, expanding market presence, and improving operational efficiency. These initiatives supported portfolio growth, enhanced affordability and accessibility of financing solutions, improved cost discipline, and reinforced confidence among customers, regulators, and business partners.

Strategic Actions

- Enhanced AML/CFT controls through system automation, integration, and targeted employee training.
- Launched consumer finance and credit card acquisition campaigns supported by rewards and incentive structures.
- Reduced financing rates for property and vehicle loans in line with the CBB key interest rate cut.
- Expanded market presence through opening the Sitra Branch and recruiting Direct Sales representatives.
- Conducted corporate and institutional roadshows to promote consumer finance products and IMTIAZ credit cards.

Measurable Outcomes

- Increased customer acquisition across consumer finance and credit card portfolios.
- Improved accessibility and affordability of financing solutions.
- Enhanced consistency of financial crime monitoring and compliance activities.
- Improved efficiency of financial and governance-related processes.

Operational Improvements

- Automated dealer commission calculation, invoicing, and settlement communications.
- Digitized the Board Election Nomination process to improve efficiency and transparency.
- Optimized cloud cost structure through transitioning AWS resources from on-demand pricing to saving plans.

Stakeholder Impact

- Stronger financial governance and regulatory compliance.
- Better customer experience and access to responsible financing.
- Improved cost management and operational effectiveness.
- Increased confidence among customers, partners, and regulators.





"Driving sustainability requires not only implementing meaningful initiatives but also measuring their outcomes to ensure accountability and continuous improvement. In the next section, we present BCFC's ESG Key Performance Indicators (KPIs) in alignment with the CBB's ESG reporting framework, demonstrating our commitment to transparency, regulatory compliance, and measurable ESG performance.

ESG Key Performance Indicators (KPIs) – CBB Disclosures

BCFC is committed to fulfilling the regulatory requirements set by the Central Bank of Bahrain (CBB). In line with the CBB's ESG Module, BCFC discloses 31 ESG Key Performance Indicators (KPIs) as outlined in Appendix A of the module.

These disclosures provide quantifiable insights into BCFC's environmental, social, and governance performance, ensuring compliance with the CBB's ESG reporting framework and reinforcing transparency in our sustainability efforts.

Note: The ESG disclosures presented in this section pertain exclusively to BCFC and TISCO, the entities within our group that are licensed by the Central Bank of Bahrain (CBB) and are required to report in accordance with the CBB ESG Module under the Common Volume. These disclosures reflect the ESG performance and initiatives undertaken by these entities, ensuring compliance with regulatory requirements and transparency in our sustainability reporting.

These disclosures cover the reporting period from 1 January 2025 to 31 December 2025.

Environmental KPIs:

E.1 Environmental Oversight

1. Environmental Oversight and Governance

BCFC addresses its environmental impact through a structured governance framework:

- Board-Level Oversight: The NRSG Committee continues to oversee environmental strategies, ensuring compliance with regulations, and integrating environmental considerations into BCFC's long-term planning.
- Management-Level Execution: The Sustainability Implementation Committee (SIT) continues to monitor the implementation of environmental initiatives and tracks the environmental performance.
- ESG Team: Ensures an effective implementation of the environmental strategies and initiatives.

2. Board/Management Purpose and Approach to Environmental Matters

BCFC is committed to reducing its environmental footprint through governance driven actions. The NRSG Committee continues to provide strategic oversight on environmental matters, while the SIT Committee ensures the continued implementation of environmental targets through initiatives monitored by the ESG Team.

3. Environmental Management Framework

3.1 Policies

BCFC's Group ESG Policy serves as the foundation for environmental governance, governing the integration of environmental initiatives into company operations. The policy outlines BCFC's Framework for environmental implementations.

3.2 Commitments

- Strategic Alignment: BCFC continues to align its environmental goals with Bahrain's Vision 2030 and the Government Plan (2023-2026) 'From Recovery to Sustainable Development', reinforcing its commitment to sustainable resource management.

Environmental Commitments: Key focus areas include reducing electricity and water consumption, transitioning to digital operations, and minimizing waste generation.

3.3 Goals and Targets

- Annual environmental targets continue to be established annually to track progress in energy and water.
- SIT Committee monitors environmental KPIs and reports progress to the NRSG Committee at the board level.

Quantitative tracking ensures ongoing assessment and refinement of BCFC's environmental impact reduction strategy.

3.4 Responsibilities

- NRSG Committee (Board Level): Sets strategic direction for environmental governance.
- SIT Committee (Management Level): Ensures execution and performance tracking of environmental initiatives.
- ESG Team: Implement environmental policies, initiatives, and monitoring activities.

3.5 Key Environmental Initiatives and Oversight Actions

- Continued year-on-year electricity and water consumption tracking to identify reduction opportunities.
- Advancing digital transformation to optimize resource efficiency and reduce environmental impact.
- Conducting internal awareness campaigns on climate impact and responsible environmental practices.

Our ESG Journey: From Strategy to Impact (continued)

E.2 Energy Consumption:

1. 2025 Energy Consumption (GJ)

1.1 Indirect Energy

Source	Total Consumption (GJ)
Electricity Consumption (Non-Renewable)	**9,037**

1.2 Direct Energy

Source	Total Consumption (GJ)
Petrol Consumption (Non-Renewable)	**1,197**

2025 Total Energy Consumption (GJ)

Energy Sources	Consumption (GJ)
Total Indirect Energy Consumption (Non-Renewable)	9,037
Total Direct Energy Consumption (Non-Renewable)	1,197
Total Energy Consumption (Non-Renewable)	**10,234**

2. Standards, Techniques, Assumptions, and Calculation Methodology

- Electricity consumption was converted from kWh to GJ using a conversion factor of 0.0036 GJ per kWh.
- Petrol conversion factor used is 44.65 GJ per tonne (equivalent to 0.033123 GJ per liter) for petrol, as per DEFRA's 2025 conversion factors.

Notes:

- *Petrol Consumption calculations were based on money spent, then converted to consumption using the Tariffs imposed in the Kingdom of Bahrain on the type of Gasoline Consumed for each vehicle owned (Gasoline 91 or 95). The Tariffs rate per liter for Gasoline 91 is BHD 0.140, and for Gasoline 95 is BHD 0.200.*
- *Electricity consumption data was sourced from EWA (Electricity & Water Authority) utility bills for all BCFC locations.*

E.3 Energy Intensity

1. Energy Intensity per Revenue

BCFC Energy Intensity per Revenue	0.157 GWh per Million BHD

2. Standards, Techniques, Assumptions, and Calculation Methodology

Energy conversion factors used:

- Electricity consumption was converted from kWh to GJ using a conversion factor of 0.0036 GJ per kWh.
- Petrol conversion factor used is 44.65 GJ per tonne (equivalent to 0.033123 GJ per liter) for petrol, as per DEFRA's 2025 conversion factors.
- GJ to GWh: 1 GWh = 3,600 GJ.

E.4 Energy Mix

1. 2025 Energy Percentage by Source

Energy Sources	%	Consumption
Indirect Energy Consumption	88.3	9,037
Direct Energy Consumption	11.7	1,197
Total Energy Consumption	**100.00**	**10,234**

2. 2025 Energy Percentage by Type

Energy Type	%
Non-Renewable Energy	100%
Renewable Energy	0%

E.5 Green House Gas (GHG) Emissions

1. Total GHG Emissions Breakdown (MTCO2E)

Scope	Item	Emissions (MTCO2)
Scope 1	Fuel Consumption of Owned Vehicles	83.5
Scope 2	Electricity Purchased	1,192.1
	Non-Hazardous Waste	5.4
	Business Travel	2.5
	Water Consumption	0.8
Scope 3	Employee Commuting	223.3
Total Emissions (Scope 1,2,3)		**1,507.6**

2. Standards, Techniques, Assumptions, and Calculation Methodology

- (MTCO2E) refers to Metric Tons of Carbon Dioxide Equivalent
- Emissions calculated based on GHG Protocol methodology
- Emission factors were used based on:
  - Country-specific factors (when available).
  - DEFRA 2025 conversion factors.
- Electricity & Water consumptions were based on EWA utility bills.
- Fuel consumption is based on company-owned vehicle fuel usage records.
- Waste emissions are calculated based on reported non-hazardous waste disposal.
- Business travel emissions were based on emissions provided by airlines where available, where emissions were not provided, emissions were calculated using DEFRA 2025 Aviation emission factors based on each flight details.
- Employee commuting emissions were estimated by averaging the employee commute by regular car's Petrol consumption for the year (excluding weekends, public holidays, and annual leave) as per the DEFRA 2025 conversion rates.
- As for BCFC branch in Seef Mall Muharraq, District cooling (chilled water) charges are billed by the landlord based on an allocation methodology, and physical consumption data is not available for emissions calculation. Accordingly, related emissions are not included in the reported figures.

E.6 Emission Intensity

1. Emissions Intensity

Item	Emission Intensity
Emission Intensity per Size	0.07 Metric Tons of CO2 per Square Meter
Emission Intensity per Employee	5.98 Metric Tons per Employee
Emission Intensity per Revenue	83.51 Metric Tons of CO2 per Million BHD

2. Standards, Techniques, Assumptions, and Calculation Methodology

Emission intensity is calculated by dividing total GHG emissions (Scope 1, Scope 2, and Scope 3) by selected scaling factors (square meters, employee headcount, and revenue).

Our ESG Journey: From Strategy to Impact (continued)

E.7 Climate Risk Mitigation

1. Climate-Related Risk Identification, Assessment & Management

In 2025, BCFC integrated climate-related risks into its Risk Management Framework as part of the Company's ESG risk integration, fulfilling the commitment disclosed in the previous reporting year.

BCFC identifies climate-related risks through its enterprise risk identification process and inclusion of climate risks within the corporate risk register, covering both physical and transition risks, where applicable. Climate-related risks are assessed using BCFC's established risk assessment methodology, applying likelihood and impact scoring to evaluate potential financial and operational impacts. Climate-related risks are managed through defined controls, action plans, and ongoing monitoring under the Risk Management and ESG function, whereby:

- ESG considerations are integrated into the Company's risk management practices and strategic objectives, including both physical and transition climate risks.
- ESG and climate risks are monitored and updates are provided to Senior Management and the Board where relevant.
- The ESG function collaborates with relevant departments to ensure compliance with ESG-related regulations and frameworks.
- Sustainability initiatives are promoted in alignment with the Company's ESG objectives.
- Sustainability awareness is promoted to all stakeholders.
- ESG-related matters, including climate risk management, are governed by the Group ESG Policy.

2. Investment in Climate-Related Initiatives

In 2025, BCFC invested BHD 121,727.00 in climate-related initiatives aimed at enhancing sustainability across operations. These investments were strategically directed toward:

- Energy Efficiency Improvements: Enhancing building and operational energy efficiency to reduce overall energy consumption and emissions.
- Digitalization & Paperless Operations: Expanding digital services and automated processes to minimize paper usage and physical branch visits.
- Sustainable Infrastructure & Environmental Initiatives: Strengthening technology infrastructure efficiency and supporting environmental improvement initiatives.

E.8 Water Usage

1. Total Water Usage

Item	Usage (M^3)
Water Consumed	N/A
Water Withdrawn	3992
Water Recycled/Reclaimed	N/A
Total Water Usage	**3992**

E.9 Waste Generation

1. Total Waste Generated

– Total waste generated in 2025 is 10.3 metric tons (all non-hazardous waste).

2. Waste Disposal Methods

– BCFC disposes of waste through municipal waste collection systems in compliance with Bahrain's waste management regulations.

2.1 Sustainable Waste Management Practices

– BCFC currently focuses on monitoring total non-hazardous waste generated and raising employee awareness on waste reduction practices. Phased implementation of waste segregation and recycling is planned starting 2026.

3. Standards, Techniques, and Calculation Methods

– BCFC calculates total waste generated by weighing waste daily across all its locations.

E.10 Emission Targets

1. Approach to Managing Total Emissions

BCFC is committed to reducing its environmental footprint by setting emission reduction targets and implementing resource efficiency initiatives. In 2025, BCFC maintained a 3% emission reduction target supported through energy efficiency, water conservation, and waste reduction measures.

During the year, BCFC enhanced its total emissions reporting by expanding Scope 3 coverage to include additional categories such as water consumption, business travel, and employee commuting, strengthening the completeness of its emissions inventory. Emission reduction efforts continue to include digital transformation initiatives and operational improvements aimed at optimizing resource consumption.

2. Board & Management Approach to Emissions

BCFC's Board and Senior Management recognize the importance of addressing climate-related risks and aligning emission reduction efforts with Bahrain's 2030 sustainability goals. The NRSG Board Committee provides strategic oversight, while the Sustainability Implementation Taskforce (SIT) ensures continuous monitoring and integration of emission reduction strategies into BCFC's operations.

SIT committee oversees emissions tracking, reviews progress quarterly and ensures that climate-related risks and opportunities are factored into decision-making processes.

3. Policies, Commitments, Goals and Targets, Responsibilities, Key Actions & Oversight:

3.1 Policies

BCFC's ESG Policy outlines its commitment to environmental responsibility, integrating emissions reduction into operational and strategic decision-making.

3.2 Commitments

BCFC is committed to continuously reducing emissions, aligning its efforts with Bahrain's 2030 sustainability vision and broader environmental policies.

3.3 Goals and Targets

BCFC set a target to achieve a 3% reduction in total greenhouse gas (GHG) emissions in 2025 compared to the previous year.

In 2025, BCFC reported total emissions of 1,507.60 MTCO2E, compared to 1,335.43 MTCO2E in 2024. The increase in reported emissions is primarily attributable to the expansion of Scope 3 reporting boundaries in 2025 to include additional categories such as water consumption, business travel, and employee commuting, which were not included in the prior year.

On a like-for-like basis, excluding the newly added Scope 3 categories, BCFC's 2025 total emissions have reduced by a 4% compared to 2024, thereby exceeding the Company's 3% emission reduction target

3.4 Responsibilities

- NRSG Board Committee – Provides strategic oversight and ensures alignment with national sustainability goals.
- SIT Committee – Leads emission reduction initiatives and ensures performance tracking.
- ESG Team Leader – Oversees the planning, coordination, implementation, and monitoring of initiatives supporting BCFC's emission reduction goals, including data collection, validation, and reporting.

3.5 Key Actions & Oversight

BCFC employs a range of processes, projects, and initiatives to manage and reduce emissions, including:

- Implementation of structured GHG emissions measurement and tracking across Scope 1, Scope 2, and selected Scope 3 categories.
- Energy consumption monitoring through utility bills and centralized data collection.
- Sustainability awareness initiatives promoting efficient use of electricity and water.
- Waste data tracking and monitoring of non-hazardous waste generation.
- Digitalization initiatives to reduce paper usage and streamline internal processes.

Our ESG Journey: From Strategy to Impact (continued)

Social KPIs:

S.1 Total Workforce by sex, age-group, and employment type

1. Total Workforce Composition

As of the reporting year, BCFC's total workforce consists of 252 employees.

1.1 Workforce by Sex

Gender	Count	%
Male	179	71%
Female	73	29%
Total	**252**	**100%**

1.2 Workforce by Age Group

Age Group	Count	%
Under 30 years old	28	11%
30-50	212	84%
50-Over	12	5%
Total	**252**	**100%**

1.3 Workforce by Employment Type

Contract Type	Count	%
Full Time	252	90%
Outsourced	14	5%
Temporary	7	2%
Trainee	8	3%
Total	**281**	**100%**

S.2 Child and Forced Labour

1. Statement on Prohibition of Child and Forced Labour

Bahrain Commercial Facilities Company (BCFC) is committed to maintaining the highest ethical and legal standards in its employment practices. The company strictly adheres to Bahrain Labour Law, which explicitly prohibits child labour and forced labour in any form. BCFC ensures that all recruitment and employment processes align with this legal framework, safeguarding the rights and dignity of all employees.

2. Board and Management Approach

BCFC's Board of Directors provides strategic oversight to ensure full compliance with Bahrain's labour regulations and ethical employment practices, including requirements relating to minimum employment age. Management actively enforces this commitment through strict hiring policies, due diligence in employment contracts, and ethical workforce practices. In line with the Group's HR Policy, BCFC exclusively employs individuals who meet the minimum legal age for employment, ensuring compliance with the Labour Law and promoting a responsible and mature workforce. The Board is informed about employment-related matters as part of its governance and compliance monitoring responsibilities.

3. Description of Policies, Commitments, Goals and Targets, Responsibilities, and Specific Actions

3.1 Policies

BCFC's HR policy incorporate compliance with Bahrain Labour Law and explicitly prohibit child and forced labour.

3.2 Commitments

BCFC maintains zero tolerance for child and forced labour and is committed to upholding fair and ethical employment practices across its operations.

3.3 Goals and Targets

N\A

3.4 Responsibilities

The People and Culture Department are responsible for implementing and monitoring compliance with labour-related policies and applicable legal and regulatory requirements.

3.5 Specific Actions

No incidents of child or forced labour have been identified within BCFC's operations.

S.3 Employee Turnover

1. Total Annual Employee Turnover Rate

The total employee turnover rate for BCFC in the reporting year is 10.3%.

1.1 Employee Turnover by Sex

Gender	Count	%
Male	18	62%
Female	11	38%
Total	**29**	**100%**

1.2 Employee Turnover by Age Group

Age Group	Count	%
Under 30 years old	5	17%
30-50	24	83%
50-Over	0	0%
Total	**29**	**100%**

S.4 Gender Pay Ratio

1. Median Total Compensation for Women to Men

Ratio	1:1

S.5 Health and Safety

1. Total Number of Injuries and Fatalities

BCFC monitors and reports workplace injuries to ensure a safe working environment. The following table provides the number of injuries and fatalities that occurred over the past three years, including the reporting year:

Year	Number of Injuries	Date of Injury	Number of Fatalities
2025	0	N/A	0
2024	1	29-Jul-24	0
2023	0	N/A	0

Our ESG Journey: From Strategy to Impact (continued)

2. Lost Days Due to Work Injury

The table below presents the total number of lost workdays due to workplace injuries in each of the past three years:

Year	Lost Days Due to Injury
2025	N/A
2024	14 days
2023	N/A

3. Occupational Health and Safety Measures:

BCFC adopts a comprehensive approach to occupational health and safety, ensuring a secure work environment through structured policies, training programs, and continuous monitoring.

The company has implemented the following key measures:

- Medical Insurance Policy – Ensures all employees have access to healthcare services.
- Life Insurance Policy – Provides financial security for employees' families in case of unforeseen events.
- Safety and Security Policy – Establishes workplace safety protocols and hazard prevention measures.
- Annual Safety & Security Control Training to all employees – Employees undergo mandatory training on risk mitigation and emergency preparedness.
- Annual Fire Drills – Simulated exercises to enhance evacuation and emergency response readiness.
- Professional First Aid Training
- Professional Fire Safety Training Annual

The measures are implemented & measured through:

- Regular safety audits to ensure compliance with workplace safety regulations.
- Employee feedback during training sessions to refine safety programs.
- Incident report analysis to detect risks and improve preventive measures.
- Management reviews of emergency response procedures to enhance effectiveness.

S.6 Non-Discrimination

1. BCFC Approach to Address Harassment and Discrimination Matters

The Group is committed to creating an environment free of harassment and welcoming to all. Workplace harassment is any conduct, verbal or physical, that has the intention or effect of unreasonably interfering with an individual or group of employees at work. Harassment may include intimidating or hostile behavior, sexist, racial, religious, or ethnic harassment, and may be based on age, gender, disability, or appearance. Harassment of any kind is not acceptable within the Group and will be dealt with swiftly and respectfully in accordance with the Group People and Culture Procedures Manual.

2. BCFC Board & Management Approach:

The Board of Directors and Management oversee the implementation of non-discrimination practices in line with Bahrain Labour Law. The Group does not discriminate based on age, gender, ethnic origin, marital and social status, religion or belief. The Group is striving to increase the representation of women and Nationals, and more specifically in management and leadership roles. The Group People and Culture Procedures Manual govern all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training. Any breach of this anti-discrimination policy shall be considered a serious offence, and immediate action will be taken.

S.7 Nationalisation

1. Board Approach to Nationalisation

The Board of Directors at Bahrain Commercial Facilities Company (BCFC) recognizes nationalisation as a key strategic priority that strengthens Bahrain's workforce and contributes to the country's economic development. BCFC's Equal Employment Opportunity Policy ensures that recruitment and career progression are aligned with Bahrain's labour regulations, prioritizing employment opportunities for Bahraini nationals while fostering a diverse and inclusive workplace.

2. Number and Percentage of National Employees

As of the reporting year, the composition of BCFC's workforce is as follows:

Employee Category	Number of Employees	Percentage of Workforce
Bahraini Employees	247	98%
Non-Bahraini Employees	5	2%
Total Workforce	252	100%

S.8 Community Investment

1. Community Investment as a Percentage of Revenue

BCFC invested 0.88% of its total revenue in community initiatives during the reporting year.

2. Scope and Impact of Community Investment Initiatives

In 2025, BCFC executed its Annual Donations Plan, aiming to support 68 charity organizations. The company successfully provided donations to 65 organizations, with three excluded due to regulatory licensing requirements.

Additionally, BCFC fulfilled commitments to 33 philanthropic organizations, reinforcing its role in supporting community well-being.

Community investment covered various focus areas, including:

- General donations.
- Support for individuals with disabilities.
- Specialty-related contributions.
- Elderly care initiatives.
- Heritage preservation.
- Orphanage support.
- Broader social responsibility programs.

S.9 Human Rights

1. BCFC Approach to Addresses Human Rights

Bahrain Commercial Facilities Company (BCFC) is committed to upholding human rights principles in line with Bahraini Labour Law, ensuring a workplace that is fair, inclusive, and free from discrimination or harassment. The company integrates human rights considerations into its employment practices, policies, and employee rights frameworks to safeguard the well-being of all employees.

2. Board and Management Approach

BCFC's Board of Directors ensures that human rights are embedded in corporate policies and workplace practices, fully aligned with Bahraini Labour Law and industry regulations. The management team is responsible for implementing these policies, ensuring compliance with legal standards and fostering a respectful and inclusive work environment.

Our ESG Journey: From Strategy to Impact (continued)

3. Human Rights Commitments and Policies

3.1 Policies:

BCFC's commitment to human rights is reflected in the following policies:

- Equal Employment Opportunity Policy – Ensures fair treatment of all employees, regardless of sex, ethnicity, language, religion, or belief.
- Code of Conduct – Reinforces ethical behavior and non-discriminatory practices.
- Anti-Harassment Policy – Provides clear procedures for reporting discrimination or harassment.

3.2 Commitments

Compliance with Bahraini Labour Law, including:

- Article 2 bis – Prohibits workplace discrimination.
- Article 19 – Ensures all employees receive written contracts in Arabic with clearly defined rights and obligations.
- Article 192 bis – Addresses sexual harassment prevention and strict handling of complaints.

3.3 goals and targets

N\A

(Note: Since "where applicable" applies to goals and targets, these are not disclosed as they are not relevant to BCFC.)

3.4 Responsibilities

The People and Culture Department is responsible for enforcing human rights policies and providing employees with awareness materials, including the Employee Handbook, which educates staff on their rights under Bahraini law.

S.10 Management Composition/Diversity

1. Management Composition Breakdown

Gender	Entry-Level	Mid-Level	Senior/Executive level positions	Grand Total
Female	12.30%	13.89%	2.78%	**73**
Male	31.35%	32.14%	7.54%	**179**
Total	**43.65%**	**46.03%**	**10.32%**	**252**

S.11 Development and Training

1. Average Hours of Training by Categories

1.1 By Sex

Gender	Average Training Hours
Male	34 Hours
Female	44 Hours

1.2 By Employment Category

Employment Type	Average Training Hours
Full-Time	37 hours
Part-Time	N/A
Interns	1 hour
Temporary	1 hour

Governance KPIs:

G.1 Board Composition

The composition of BCFC's Board of Directors is detailed in the Corporate Governance Section of this report.

G.2 Collective Bargaining

1. Enterprise Headcount Covered by Collective Bargaining Agreements

BCFC does not have collective bargaining agreements as Bahraini Labour Law does not mandate or recognize collective bargaining for financial institutions.

2. Process for Employee Contract Negotiation & Engagement

While BCFC does not engage in collective bargaining, the company ensures that employees have structured mechanisms to negotiate and address employment-related matters through the following:

- All employee contracts are individual agreements aligned with Bahraini Labour Law.
- Employee rights, benefits, and workplace policies are governed through standardized HR policies.
- Open communication channels ensure employee concerns are addressed without the need for collective bargaining structures.
- Employees have formal channels to raise concerns, which are reviewed and addressed through structured HR processes to ensure fair resolution.
- People and Culture conducts regular benchmarking assessments of employee benefits and policies, ensuring alignment with industry standards and evolving workforce needs.
- A Senior HR committee in place to evaluate special cases requiring additional considerations, ensuring consistency and fairness in employment practices.
- BCFC fosters open dialogue and employee participation through established engagement and feedback platforms, enabling staff to contribute to workplace improvements.

G.3 Whistleblowing

1. Internal and External Mechanisms for Reporting Concerns

BCFC has established internal and external whistleblowing mechanisms to ensure a transparent and accountable corporate environment. The culture at the Group is based on its values, and all Group employees are expected to abide by these values and contribute to a positive and collaborative workplace.

All Group managers are expected to know and apply, where appropriate, the policy and procedures that govern the workplace and strive to communicate policy and procedure requirements across the Group.

All employees are expected to have read the documentation provided to them or made available to them electronically, including employment contracts, job descriptions, People and Culture policies, People and Culture procedures, the employee Code of Conduct, Whistleblowing Policy and Procedures, and any relevant disciplinary Schedules of Penalties.

A. Internal Reporting Procedures:

- Employees are encouraged to report concerns to immediate supervisors or higher management levels, where appropriate.
- For sensitive cases, employees can escalate concerns to:
  - Chief Internal Auditor
  - Audit, Risk, and Compliance Committee (ARCC)
  - Chairman of the Board

B. External Reporting Options:

Where internal channels are insufficient, employees may seek guidance from relevant external regulatory bodies or whistleblower protection organisations.

Confidentiality & Protection:

Whistleblowers are assured confidentiality and protection from retaliation, enabling concerns to be raised without fear of adverse consequences.

2. Awareness Initiatives on Whistleblowing

- BCFC promotes whistleblowing awareness through its Employee Handbook, which details reporting procedures.
- The handbook is accessible via the HR system, ensuring all employees are aware of their rights and responsibilities.

Our ESG Journey: From Strategy to Impact (continued)

G.4 Data Privacy

1. Data Privacy Policy

BCFC has Privacy Guidelines in place to govern personal data handling and protection practices. During 2025, BCFC continued to enhance its security governance frameworks to strengthen alignment with Bahrain's Personal Data Protection Law (PDPL) and international information security best practices.

2. Steps Taken to Comply with Personal Data Protection Law (PDPL) rules.

To ensure compliance with Bahrain's PDPL, BCFC has implemented the following measures:

- Continued enhancement of the Data Privacy and Protection Program to strengthen governance and oversight of personal data processing.
- Privacy Guidelines to provide guidance on data handling practices.
- Enhancement of data accessibility, protection, and monitoring capabilities through advanced data management practices. Advancement of data management controls.
- Planned implementation of a formal Data Privacy Policy in 2026 to enhance compliance with PDPL regulations.
- Continued improvement of transparency in customer data processing and handling practices.
- Improvement of channels for receiving and addressing data privacy related requests to improve responsiveness and compliance.
- Ongoing information security and data privacy awareness and training for employees.

G.5 Disclosure Practices

1. Sustainability Data Reporting to Supporting Organizations

BCFC has been a member of the GRI Community Program since April 2024 and is committed to enhancing transparency in sustainability disclosures. The Company reports in reference to the GRI Standards and submitted its 2024 Sustainability Report to the Global Reporting Initiative (GRI) Secretariat as part of this commitment. This practice will be continued for future Sustainability Reports. BCFC's Sustainability Report is also available on the GRI Sustainability Disclosure Database.

2. Focus on UN Sustainable Development Goals (SDGs)

BCFC integrates the United Nations Sustainable Development Goals (SDGs) into its operations and sustainability initiatives, ensuring that its ESG efforts contribute to global sustainability priorities. While the Company's approach is holistic and considers multiple SDGs, in 2025 greater emphasis is placed on the following SDGs, as they are most closely aligned with BCFC's business model, material topics, and sustainability objectives:

- SDG 3: Good Health & Well-being
- SDG 9: Industry, Innovation & Infrastructure
- SDG 16: Peace, Justice & Strong Institutions
- SDG 17: Partnerships for the Goals

BCFC remains open to contributing to other SDGs where relevant and applicable. Progress against the emphasized SDGs is monitored through the implementation of targeted initiatives and reported within this Sustainability Report.

3. Sustainability Reporting & Data Integration

BCFC continues to publish a comprehensive sustainability report as a dedicated section within its annual report. Sustainability data is integrated into corporate disclosures through:

- Ongoing alignment with the CBB's ESG reporting framework to ensure compliance with regulatory expectations.
- Continued GRI-referenced reporting to maintain international best practices in transparency and accountability.
- Established internal validation processes to ensure the accuracy and consistency of ESG data prior to publication.
- Continuous engagement with relevant departments to track ESG initiatives and performance across business functions.

G.6 Conflict of interest

1. Conflicts of Interest to Stakeholders:

1.1 Cross-board Membership

The company discloses the membership of all Board members in the various Boards and Committees they serve on within the annual Corporate Governance report which is included in the annual report. Additionally, this information is shared and published with the relevant authorities in accordance with regulatory requirements, such as the Bahrain Bourse, the Ministry of Industry and Commerce, and the Central Bank of Bahrain (CBB). This is also disclosed in the Directors Profiles together with other directorships and memberships (as other membership/directorships) as well as in the letter of disclosure signed by each director upon appointment. This disclosure ensures the proper allocation of memberships across the Board, mitigating any potential conflicts of interest due to competing interests or influence, particularly with entities that may have business dealings or interests in the company. Additionally, at the start of each and every meeting across the Group there is a fixed agenda item that is: "Conflict of Interest Disclosure" in which directors should disclose any potential conflict of interest before proceeding with meetings' agendas. If there is a subject matter presented from review and/or approval, conflicted directors declare any conflict and request to absent themselves from any discussion or decision. Finally, any incident of conflict of interest with any further action taken is referred to briefly in the Corporate Governance Report.

1.2 Cross-shareholding with Suppliers and Other Stakeholders

The company discloses, on a regular basis, the number of shares owned by its directors in the company within the same annual Corporate Governance report. This disclosure is made to ensure transparency and to avoid potential Cross-shareholding conflicts of interest that could influence decision-making or lead to biased business relationships. The Disclosure is also embedded in the Disclosure of Declaration of Interest produced by the director after each election or nomination or appointment.

1.3 Existence of controlling shareholders

As noted in the previous point, the company discloses any controlling interests held by its directors, if applicable, by providing information on the number of shares and voting powers owned by its directors that could potentially influence the company's decisions. A list of shares held by the directors is disclosed in the Corporate Governance Report and the controlling shareholders are also listed in the annual report as part of the year end financials.

1.4 Related parties, their relationships, nature, transactions, and outstanding balances

Details of related party transactions are disclosed by the Directors or senior management during meetings and sometimes they are captured directly by business units and reported to Accounts and Finance, as the Related Party Transaction Notification, along with conflict of interest disclosures, are fixed agenda items in Board and Committee meetings of the Group. Additionally, such transactions are reported to the relevant department every quarter and a brief summary is mentioned in the Annual Report as part of the financials and details of such transactions for transparency are in the custody of the Accounts and Finance.

These disclosures are typically found in the company's governance or financial reports to regularly update stakeholders on any potential conflicts of interest to maintain trust and ensure ethical practices. Finally, shareholders of BCFC are notified in every AGM that a snapshot of related party transactions are available in the annual reports and the full details are also available with the Group Corporate Secretary during the AGM for further examination by shareholders or regulators.

G.7 Supplier Code of Conduct

BCFC has not yet established a Supplier Code of Conduct. A plan remains in place to develop and implement the code to set clear expectations for responsible business practices among suppliers. Currently, 0% of suppliers are assessed for compliance, and a formal assessment mechanism will be introduced alongside the code's implementation.

Our ESG Journey: From Strategy to Impact (continued)

G.8 Incentivised Pay

1. Executive Incentives for Sustainability

In 2025, BCFC formally Incentivised executives to perform on sustainability through the integration of sustainability-linked objectives within executive performance scorecards, which influence executive performance evaluation and variable compensation outcomes.

2. Percentage of Executive Compensation Tied to ESG Performance Metrics

Sustainability-related performance objectives represent an average of 50% of total performance objective weightings across executive roles and directly influence executive performance evaluation and variable compensation outcomes.

3. Other Links Between Executive Performance and Sustainability Performance

No other links have been established between executive performance and sustainability performance beyond the integration of sustainability-linked objectives within executive performance scorecards.

G.9 Ethics & Anti-corruption

1. Ethics and Anti-Corruption Policy

BCFC follows an Ethics and Anti-Corruption policy, ensuring integrity and ethical business conduct across all operations.

1.1 Employee Compliance Certification

Certification Type	Percentage of Workforce Certified
Employee Code of Conduct	100%
AML & Compliance Training	100%

All employees are required to formally certify compliance with BCFC's ethical policies through mandatory training and acknowledgment of the Code of Conduct.

2. BCFC's Commitment to Ethics & Anti-Corruption

BCFC is committed to maintaining the highest standards of ethics, integrity, and transparency in all business operations. The Group strives to operate in an honest, fair, and transparent manner in its business and workplace dealings and to ensure that ethical considerations are taken into account when resolving issues.

The principles guiding this approach include:

- Living the Group's values.
- Promoting equality and inclusion and respecting diversity.
- Being responsible and accountable for personal behavior.
- Acting honestly and truthfully in all work dealings.
- Acting with integrity when faced with ethical dilemmas.

To reinforce this commitment, BCFC mandates annual AML & Compliance and Fraud Awareness training for all employees and requires them to sign and adhere to the Employee Code of Conduct. The Board of Directors oversees corporate governance, ensuring compliance with local laws, regulations, and ethical business standards, thereby fostering a culture of transparency, accountability, and responsible business conduct.

G.10 Assurance

1. Process for Assuring and Validating Sustainability Disclosures

BCFC conducts internal validation of its sustainability disclosures through a two-layer review process to ensure accuracy and reliability:

A. ESG Team Leader Review – Initial validation is conducted by the ESG Team Leader upon receiving disclosure's data.

B. Management Validation – The disclosures undergo a second level of review and approval at the management level before external reporting.

1.1 External Assurance or Validation

BCFC does not currently engage an independent third party for external assurance of sustainability disclosures.

Reflecting on Our ESG Journey

Delivering Sustainable Value

BCFC's sustainability journey has continued to evolve from commitment to consistent action and measurable outcomes. During 2025, we strengthened ESG integration across governance, operations, and material topics—translating strategy into practical initiatives that deliver value for our business and stakeholders. Our progress reflects a more mature ESG approach, where sustainability is embedded into decision-making, performance management, and day-to-day operations.

Throughout the year, BCFC advanced responsible financial services, accelerated digital transformation, strengthened data protection and privacy, enhanced employee wellbeing, reduced environmental impact, and expanded community engagement and philanthropic contributions. These efforts demonstrate our commitment to building a resilient, responsible, and future-ready financial institution.

Looking Ahead: Our Commitment to the Future

Sustainability is a continuous journey. BCFC remains committed to strengthening ESG performance, enhancing data quality and disclosures, and aligning with evolving regulatory and international best practices. We will continue to leverage technology, innovation, and strong governance to drive sustainable growth and long-term value creation.

A Shared Responsibility: Join Us in This Journey

Sustainability is a collective responsibility that extends across our entire ecosystem. We invite our employees, customers, partners, and communities to continue engaging with us as we advance our ESG journey. Together, we can create meaningful impact and contribute to a more resilient, inclusive, and sustainable future.

Together, we can drive meaningful changes, build a resilient, inclusive, and sustainable future, and continue making a positive impact for generations to come.

"Our ESG journey continues, and we remain committed to advancing sustainable value together."



Unstoppable Forward

A vision that leads
An achievement that embodies

Our transformation was built on three clear and deliberate stages: Fix the Core, Develop Adjacencies, and Go Beyond the Core. Each stage was executed with focus and discipline, delivering tangible outcomes: stronger credit quality, deeper customer relationships, new strategic partnerships, and a digital brand that has earned the trust of a growing community of customers across the Kingdom.

CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Contents

98 Independent Auditors' Report
101 Consolidated Statement of Financial Position
102 Consolidated Statement of Profit or Loss
103 Consolidated Statement of Comprehensive Income
104 Consolidated Statement of Changes in Equity
105 Consolidated Statement of Cash Flows
106 Notes to the Consolidated Financial Statements

Bahrain Commercial Facilities Company B.S.C.

GENERAL INFORMATION

Bahrain Commercial Facilities Company BSC is a Bahraini Public Shareholding Company. Initially the Company was registered on 29 August 1983 as a B.S.C. (closed). In April 1993, the Company was registered as a Public Shareholding Company following the public offering of its shares. Since 26th June 2005, the Company has been licensed and regulated by the Central Bank of Bahrain

The Company wholly owns National Motor Company WLL, which was established in March 1988, Altashilat Insurance Services Company WLL, which was established in April 1997, Tasheelat Real Estate Service Company WLL, which was established in May 2002. In December 2013, the Group established Tasheelat for General Trading Company WLL in Erbil, Kurdistan, Iraq, which is currently under liquidation. In March 2015, the Company has incorporated Tasheelat Automotive Company WLL and Tasheelat Car Leasing Company WLL was established in April 2017.

CR Number	13444
P.O. Box	1175, Manama, Kingdom of Bahrain
Tel	+973 1778 6000
Toll Free	8000 8000
International	+973 1778 7222
Investors Hotline	+973 1778 7209
Fax	+973 1791 1900
Website	www.bcfc.bh
E-Mail	info@bcfc.bh
Office	Building 290, Road 111, Block 701 Tubli
Branches	13444-1, 13444-2, 13444-7, 13444-10, 13444-13 , 13444-15
Board of Directors	• Abdulrahman Yusuf Fakhro - Chairman • Reyadh Yusuf Hasan Sater - Vice Chairman • Sh. Salman Bin Isa Al Khalifa • Yaser Abduljalil Alsharifi • AbdulAziz Abdulla A.Aziz Al-Ahmed • Yusuf Saleh Sultan Khalaf • Najla Mohammed Alshirawi • Ebrahim Abdulla Buhindi • Mohamed Abdulla Isa • Mishal Ali Alhellow
Chief Executive Officer	Abdulla Abdulrazaq Abdulla Ali Bukhowa
Deputy Chief Executive Officer	Mohamed Jehad Bukamal
Chief Financial Officer	Ali Khalaf
General Manager - TISCO	Mohamed Shehabi
General Manager - TRESCO	Fadi Al-Shaikh
Automotive Companies' Chief Executive Officer	Abdelmohsen Ahmed Abdelmohsen Kassem
Banks	• Bank of Bahrain and Kuwait BSC • Kuwait Finance House BSC (c) • Arab Bank PLC • Standard Chartered Bank • Arab Banking Corporation BSC • The Housing Bank for Trade and Finance – Bahrain Branch • National Bank of Bahrain BSC • Gulf International Bank • Mashreq Bank • Al Salam Bank • HBL (Habib Bank Ltd)
External Auditors	Ernst & Young - Middle East

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Bahrain Commercial Facilities Company B.S.C.

Building a better working world

Ernst & Young Middle East
P.O. Box 140
10th Floor, East Tower
Bahrain World Trade Center
Manama
Kingdom of Bahrain

Tel: +973 1753 5455
Fax: +973 1753 5405
manama@bh.ey.com
www.ey.com/mena
C.R. No. 29977-1

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Bahrain Commercial Facilities Company B.S.C. (the "Company") and its subsidiaries (together the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

1. Impairment of loans and advances	
Refer to notes 4, 5 & 10	
Key audit matter / risk	How the key audit matter was addressed in the audit
The process for estimating Expected Credit Loss ("ECL") on credit risk associated with loans and advances in accordance with IFRS 9 – Financial Instruments ("IFRS 9") is a significant and complex area. IFRS 9 requires use of the ECL model for the purposes of calculating loss allowances. The key areas of judgement applied by the management in the determination of the ECL include: • Determining whether the risk of default on a customer has increased significantly due to increase in credit risk; • Choosing appropriate models and assumptions for the measurement of ECL, including the changes in forward-looking macroeconomic variables; and • Qualitative adjustments (overlays) made to the ECL results to address model limitations or emerging risks and trends in the underlying portfolio which are inherently judgmental.	Our approach included understanding the relevant processes for estimating the ECL and performing audit procedures on such estimates. We assessed the Group's IFRS 9 based ECL policy including the Group's determination of the significant increase in credit risk and its impact on the staging criteria with the requirements of IFRS 9. We assessed the basis of determination of the management overlays against the requirements of the Group's ECL policy. For a sample of exposures, we checked the appropriateness of the Group's staging. For Probability of Default ("PD") used in the ECL calculations we checked the Through the Cycle ("TTC") PDs with internal historical data and checked the appropriateness of conversion of the TTC PDs to Point in Time PDs. We checked the appropriateness of the Loss Given Default used by the Group's management in the ECL calculations.

1. Impairment of loans and advances (continued)	
Refer to notes 4, 5 & 10	
Key audit matter / risk	How the key audit matter was addressed in the audit
Due to the complexity of the requirements under IFRS 9, the significance of judgments and estimations applied in the ECL calculations, and the Group's exposure to loans and advances, which account for 65% of the Group's total assets, the audit of ECL for loans and advances is a key area of focus. As at 31 December 2025, the Group's gross loans and advances amounted to BD 170.3 million and the related ECL amounted to BD 30.3 million, comprising BD 2.7 million of ECL against Stage 1 and 2 exposures and BD 27.5 million against exposures classified under Stage 3.	For a sample of exposures, we checked the appropriateness of determining Exposure at Default, including the consideration of repayments in the cash flows and the resultant arithmetical calculations. We checked the completeness of loans and advances to customers and credit related contingent items included in the ECL calculations as of 31 December 2025. We involved specialist to verify the appropriateness of the model. We evaluated the key management assumptions related to the determination of the future macroeconomic scenarios including forward looking information and assigning probability weights, incorporating management overlays. We considered the adequacy of the disclosures in the consolidated financial statements in relation to ECL on loans and advances as per the applicable financial reporting standards.

Other information included in the Group's 2025 annual report

Other information consists of the information included in the Group's 2025 annual report, other than the consolidated financial statements and our auditor's report thereon. The Board of Directors is responsible for the other information. Prior to the date of this auditor's report, we obtained the Chairman's Statement which will form part of the annual report, and the remaining sections of the annual report are expected to be made available to us after that date.

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

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

Responsibilities of the Board of Directors for the consolidated financial statements

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Bahrain Commercial Facilities Company B.S.C.

Report on the Audit of the Consolidated Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all and where applicable, action taken to eliminate threats or safeguards applied. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Bahrain Commercial Companies Law and the Central Bank of Bahrain (CBB) Rule Book (Volume 5), we report that:

a) the Company has maintained proper accounting records and the consolidated financial statements are in agreement therewith;

b) the financial information contained in the Chairman's Statement consistent with the consolidated financial statements;

c) we are not aware of any violations of the Bahrain Commercial Companies Law, the Central Bank of Bahrain and Financial Institutions Law, the CBB Rule Book (Volume 5 and applicable provisions of Volume 6) and CBB directives, regulations and associated resolutions, rules and procedures of the Bahrain Bourse or the terms of the Company's memorandum and articles of association having occurred during the year ended 31 December 2025 that might have had a material adverse effect on the business of the Company or on its financial position; and

d) satisfactory explanations and information have been provided to us by management in response to all our requests.

The partner in charge of the audit resulting in this independent auditor's report is Ashwani Siotia.

Ernst & Young

Auditor's Registration No: 117
22 February 2026
Manama, Kingdom of Bahrain

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	31 December 2025 BD '000	31 December 2024 BD '000
ASSETS			
Cash and balances with banks		6,792	15,232
Loans and advances to customers	10	140,054	137,320
Trade receivables	11	4,718	3,927
Inventories	12	21,924	18,900
Investment properties	13	4,755	9,849
Property and equipment	14	30,296	28,613
Other assets	15	7,861	6,963
TOTAL ASSETS		**216,400**	220,804
LIABILITIES AND EQUITY			
LIABILITIES			
Trade and other payables	16	18,082	21,197
Bank term loans and other borrowings	17	91,053	93,731
TOTAL LIABILITIES		**109,135**	114,928
EQUITY			
Share capital	18	20,419	20,419
Treasury shares	18	(599)	(599)
Statutory reserve		10,210	10,210
Share premium		25,292	25,292
Other reserves		27,557	28,074
Retained earnings		24,386	22,480
TOTAL EQUITY		**107,265**	105,876
TOTAL LIABILITIES AND EQUITY		**216,400**	220,804

AbdulRahman Yusuf Fakhro
Chairman

Reyadh Yusuf Sater
Vice Chairman

Abdulla Abdulrazaq Bukhowa
Chief Executive Officer

The attached notes 1 to 34 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Note	2025 BD '000	2024 BD '000
Interest income		15,882	17,187
Interest expense		(6,619)	(7,115)
Net interest income		**9,263**	10,072
Automotive revenue	19	45,853	45,615
Cost of sales		(37,940)	(37,764)
Gross profit on automotive revenue		**7,913**	7,851
Net fee and commission income	20	2,151	2,631
Rental and real estate income	21	1,396	768
Other income	22	1,236	1,486
Total operating income		**21,959**	22,808
Salaries and related costs		(8,395)	(8,519)
Other operating expenses	23	(11,577)	(10,302)
Total operating expenses		**(19,972)**	(18,821)
Profit before provisions, credit losses and recoveries		**1,987**	3,987
Provisions and credit losses	24	(2,478)	(2,226)
Recoveries from written off balances	24	5,568	3,273
Profit for the year		**5,077**	5,034
Basic and diluted earnings per 100 fils share	30	**25 fils**	25 fils
Proposed cash dividend per 100 fils share		**17 fils**	15 fils

AbdulRahman Yusuf Fakhro
Chairman

Reyadh Yusuf Sater
Vice Chairman

Abdulla Abdulrazaq Bukhowa
Chief Executive Officer

The attached notes 1 to 34 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 BD '000	2024 BD '000
Profit for the year	**5,077**	5,034
Other comprehensive loss:		
Items that are or may be reclassified to profit or loss		
Net change in cash flow hedge reserve	(509)	(685)
Total comprehensive income for the year	**4,568**	4,349

The attached notes 1 to 34 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital		Reserves and retained earnings						
					Other reserves				
	Share Capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Share Premium BD '000	Cash flow hedge reserve BD '000	Donation reserve BD '000	General reserve BD '000	Retained earnings BD '000	Total equity BD '000
As at 1 January 2025	20,419	(599)	10,210	25,292	559	15	27,500	22,480	**105,876**
2024 appropriations (approved by shareholders):									
- Donation	-	-	-	-	-	150	-	(150)	**-**
- Dividend to equity holders	-	-	-	-	-	-	-	(3,021)	**(3,021)**
Balance after 2024 appropriations	20,419	(599)	10,210	25,292	559	165	27,500	19,309	**102,855**
Comprehensive income for the year:									
Profit for the year	-	-	-	-	-	-	-	5,077	**5,077**
Other comprehensive loss:									
- Net change in cash flow hedge reserve	-	-	-	-	(509)	-	-	-	**(509)**
	20,419	(599)	10,210	25,292	50	165	27,500	24,386	**107,423**
Utilisation of donation reserve	-	-	-	-	-	(158)	-	-	**(158)**
At 31 December 2025	**20,419**	**(599)**	**10,210**	**25,292**	**50**	**7**	**27,500**	**24,386**	**107,265**

	Share capital		Reserves and retained earnings						
					Other reserves				
	Share Capital BD '000	Treasury shares BD '000	Statutory reserve BD '000	Share Premium BD '000	Cash flow hedge reserve BD '000	Donation reserve BD '000	General reserve BD '000	Retained earnings BD '000	Total equity BD '000
As at 1 January 2024	20,419	(599)	10,210	25,292	1,244	33	27,500	17,546	101,645
2023 appropriations (approved by shareholders):									
- Donation	-	-	-	-	-	100	-	(100)	-
Balance after 2023 appropriations	20,419	(599)	10,210	25,292	1,244	133	27,500	17,446	101,645
Comprehensive income for the year:									
Profit for the year	-	-	-	-	-	-	-	5,034	5,034
Other comprehensive loss:									
- Net change in cash flow hedge reserve	-	-	-	-	(685)	-	-	-	(685)
	20,419	(599)	10,210	25,292	559	133	27,500	22,480	105,994
Utilisation of donation reserve	-	-	-	-	-	(118)	-	-	(118)
At 31 December 2024	20,419	(599)	10,210	25,292	559	15	27,500	22,480	105,876

The attached notes 1 to 34 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	2025 BD '000	2024 BD '000
OPERATING ACTIVITIES		
Loan repayments, interest received and other credit related receipts	224,982	206,100
Cash receipts from automotive sales	45,888	45,478
Insurance commission received	697	674
Proceeds from sale of real estate inventory	681	1,051
Rental and valuation income received	695	1,380
Loans and advances to customers	(206,628)	(178,243)
Payments to suppliers	(40,405)	(38,434)
Payments for operating expenses	(17,218)	(15,406)
Payment for real estate inventory	(18)	(22)
Directors' fees paid	(300)	-
Interest paid	(6,627)	(7,337)
Net cash generated from operating activities	**1,747**	15,241
INVESTING ACTIVITIES		
Capital expenditure on property and equipment	(11,308)	(10,281)
Addition to investment properties	(31)	(61)
Proceeds from sale of property and equipment	5,846	3,761
Sale of investment properties	1,301	-
Fixed deposit held with banks with maturities of more than three months	4,000	2,000
Net cash used in investing activities	**(192)**	(4,581)
FINANCING ACTIVITIES		
Bank term loans and other borrowings availed	28,276	27,617
Bank term loans and other borrowings paid	(31,102)	(33,716)
Dividends paid	(3,021)	-
Donations paid	(158)	(118)
Net cash used in financing activities	**(6,005)**	(6,217)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(4,450)**	4,443
Cash and cash equivalents at 1 January	10,658	6,215
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**6,208**	10,658
Cash and cash equivalents comprise:		
Cash and balances with banks	6,792	15,232
Less:		
Restricted cash	(124)	(179)
Bank overdrafts	(460)	(395)
Fixed deposit held with banks with maturities more than three months	-	(4,000)
	6,208	10,658

The attached notes 1 to 34 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

1. REPORTING ENTITY

Bahrain Commercial Facilities Company BSC ("the Company") is a public shareholding company incorporated and registered in the Kingdom of Bahrain. It provides term loans and issues credit cards. Since 26 June 2005, the Company has been licensed and regulated by the Central Bank of Bahrain ("the CBB"). The consolidated financial statements of the Group as at and for the year ended 31 December 2025 comprise the Company, its subsidiaries and its branches (together referred to as "the Group").

The consolidated financial statements of the Group comprise the results of the Company and its subsidiaries. Significant subsidiaries are set out below:

Name of subsidiary	Country of incorporation	% Holding by Group	Principal activities
National Motor Company WLL	Bahrain	100%	Distributor for General Motors (GMC, Chevrolet and Cadillac) and Honda vehicles and represents Mack Defence in the Kingdom of Bahrain
Tasheelat Real Estate Company WLL	Bahrain	100%	Real estate related services
Altashilat Insurance Services Company WLL	Bahrain	100%	Insurance brokerage services
Tasheelat for General Trading Company WLL	Kurdistan, Iraq	100%	Established through NMC, currently under liquidation
Tasheelat Automotive Company WLL	Bahrain	100%	Distributor for GAC, Haval and Great Wall vehicles in the Kingdom of Bahrain
Tasheelat Car Leasing Company WLL	Bahrain	100%	Car rentals, long and short term leasing services

2. BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements of the Group are prepared in accordance with the relevant provisions of the Bahrain Commercial Companies Law, directives, regulations and associated resolutions, rules and procedures of the Central Bank of Bahrain ("CBB"), which require the preparation of financial statements under International Financial Reporting Standards ("IFRS"). The consolidated financial statements of the Group for the years ended 31 December 2024 and 31 December 2025 were prepared in accordance with International Financial Reporting Standards.

For the purpose of these consolidated financial statements, the financial statements of subsidiaries have been adjusted to align with the above framework.

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments which are carried at fair value.

2.3 Functional and presentation currency

The consolidated financial statements are presented in Bahraini Dinars ("BD"), which is also the Group's functional currency. All financial information presented in BD has been rounded to the nearest thousand, except when otherwise indicated.

2.4 New standards, interpretations and amendments

The accounting policies used in the preparation of these consolidated financial statements are consistent with those used in previous year, except for the adoption of the following new and amended standards and interpretation applicable to the Group, which are effective for annual periods beginning on or after 1 January 2025. The adoption of below new and amended standards and interpretations did not have any significant impact on the Group's consolidated financial statements.

2.4.1 Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments had no impact on the Group's consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2.5 New standards, interpretations and amendments issued but not yet effective

Standards, interpretations and amendments to existing standards issued but not yet effective up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group reasonably expects these issued standards, interpretations and amendments to existing standards to be applicable at a future date. The Group intends to adopt these standards, interpretations and amendments to existing standards, if applicable, when they become effective.

2.5.1 IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

2.5.2 IFRS 18 - Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the Primary Financial Statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

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

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed. 'Foreign exchange difference will be classified in the category where the related income and expense form the item giving rising to the foreign exchange difference.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only. The Group does not anticipate that the amendments will have a material effect on the Group's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

2. BASIS OF PREPARATION (continued)

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

2.5.4 Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts.
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts.
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The Group does not expect that the amendments will have a material impact on its financial statements.

2.5.5 Annual Improvements to IFRS Accounting Standards - Volume 11

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statements of Cash Flows.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

2.5.6 International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

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.

As per the Group's assessment, it has concluded that it is not in scope for the Bahrain DMTT law or the GloBE rules as it does not have total annual consolidated revenue exceeding EUR 750 million in at least two of the four preceding fiscal years. Accordingly, it does not expect to be subject to the Bahrain DMTT law and GloBE rules for the next fiscal year.

The above amendments are not expected to have a material impact on the Group's consolidated financial statements.

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These have been consistently applied by the Group to all periods presented in these consolidated financial statements.

3.1 Basis of consolidation

3.1.1 Subsidiaries:

Subsidiaries' are investees controlled by the Group. The Group 'controls' an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3.1.2 Loss of control:

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognised in the statement of profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.1.3 Transactions eliminated on consolidation:

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Revenue recognition

3.2.1 Interest income and expense

Interest income and expense is recognised in the statement of profit or loss, using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not Expected Credit loss ("ECL").

The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability. The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

3.2.2 Income from sale of goods and provision of services

Revenue from sale of goods (motor vehicles and spare parts) is recognised at a point in time when the control of the goods is transferred to the customer, i.e. when the goods have been delivered to and accepted by the customer.

Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises revenue from car maintenance and repair and warranty services. Revenue is recognised over time as the services are rendered, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain.

Revenue from investment property and cars leased out under an operating lease are recognised over the tenure of the lease / service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

3.2 Revenue recognition (continued)

3.2.2 Income from sale of goods and provision of services (continued)

Specific criteria for each of the Group's activities are as follows:

a) Income from sales of motor vehicles and spare parts is recognised when an invoice is raised, and the customer becomes entitled to take possession of the goods.

b) Income from maintenance and repair services is recognised when the service is rendered.

c) Revenue from warranty claims is recognised when these services have been rendered to the customers under warranty obligations.

d) Rental income from car hire is recognised on a straight-line basis over the lease term.

e) Income from sale of land inventory is recognised when the customer becomes entitled to take possession of the land which is normally when the title deed passes to him; and

f) Rental income from investment property is recognised as revenue on a straight-line basis over the rental agreement term.

3.2.3 Income from maintenance and repairs

Revenue from car maintenance and repair and warranty services is recognised over time as the services are rendered, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain.

3.2.4 Fee and commission

Fees and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the measurement of the effective interest rate.

Other fees and income is recognised when such services are performed.

Insurance commission income is recognised when the insurance cover is issued, and the customer has fulfilled their obligations to the insurance company.

3.3 Foreign currency transactions

Transactions in foreign currencies are translated to Bahraini Dinars at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are retranslated to Bahraini Dinars at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year adjusted for the effective interest and payments during the year and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in foreign currency are translated using the exchange rate at the date of transaction.

Foreign currency differences arising on retranslation are recognised in the statement of profit or loss.

3.4 Financial instruments

3.4.1 Recognition and initial measurement

The financial instruments of the Group consist primarily of cash and balances with banks, loans and advances to customers, trade receivables, derivative financial instruments, trade and other payables, and bank term loans and other borrowings. The Group initially recognises loans and advances and trade receivables on the date on which they are originated. All other financial instruments are initially recognised on the trade date, which is the date when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3.4.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt security; FVOCI – equity security; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

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

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual interest rate, including variable-rate features; prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

3.4 Financial instruments (continued)

3.4.2 Classification and subsequent measurement (continued)

Modifications of financial assets

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in the statement of profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Any gain or loss on de-recognition is recognised in the statement of profit or loss.

3.4.3 De-recognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the statement of profit or loss.

3.4.4 Offsetting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position, when and only when, the Group currently has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.4.5 Impairment

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost. The Group measures loss allowances at an amount equal to lifetime ECLs, unless there has been no SICR since origination in which case the allowance is based on 12 months ECL.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment including forward-looking information.

The Group has assumed that the credit risk on a financial asset has increased significantly if it is more than 30 days past due for the loan portfolio.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs- Loans and advances

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD).

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. If a counterparty or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. LGD estimates are recalibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortisation. The EAD of a financial asset is its gross carrying amount. For lending commitments and financial guarantees, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

Measurement of ECLs- Trade receivables (simplified approach)

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate (Net-flow)' method based on the probability of a receivable progressing through successive stages of delinquency to the loss bucket. Recovery from the loss bucket is also considered for computing the historical loss rates. Roll rates are calculated separately for exposures based on the customer's common credit risk characteristics.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

3.4 Financial instruments (continued)

3.4.5 Impairment (continued)

Measurement of ECLs- Trade receivables (simplified approach) (continued)

Loss rates are based on actual credit loss experience over the past five years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and group view of economic conditions over the expected lives of the receivables. The forward looking adjustment of the loss rates is based on a qualitative score card which factors the management's view on the future economic and business conditions.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is considered 'credit-impaired' when one or more events, that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties; and
- Liquidation of collaterals.

Stage 1, 2 and 3 - Collectively assessed loans

The Group applies a three-stage approach to measure expected credit losses (ECL) on financial assets carried at amortised cost. Financial assets migrate through the following three stages based on the change in credit quality since initial recognition:

- Stage 1: 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date;
- Stage 2 lifetime ECLs - not credit impaired: these are ECLs that result from all possible default events over the expected life of a financial instrument. Includes financial assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment; and
- Stage 3 lifetime ECLs - credit impaired: these are ECLs that result from all possible default events over the expected life of a financial instrument. Includes financial instruments that have objective evidence of impairment at the reporting date.

Stage 3 – Specifically assessed loans

- The Group considers evidence of impairment for all individually significant loans and advances which are assessed for impairment on a specific basis.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

3.5 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, less expected credit loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3.6 Inventories

Vehicle inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis for spare parts and on a specific identification basis for motor vehicles. Cost includes purchase price, freight, customs duty and other incidental expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Land and property inventory is stated at the lower of cost and net realisable value. A property is subsequently reclassified from inventory to investment property if there is an actual change in use and reclassified from inventory to property and equipment upon change in use or vice versa.

3.7 Property, equipment and right of use assets

Recognition:

Items of property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its residual amount if the carrying amount of the asset is greater than its estimated recoverable amount.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

Depreciation

Depreciation is charged to the statement of profit or loss on a straight-line basis over the estimated useful life of items of property and equipment. No depreciation is charged on freehold land. The estimated useful life are as follows:

Buildings	15 to 35 years
Furniture, fixture and equipment	3 to 6 years
Owned Vehicles	4 to 6 years
Leased Vehicles	4 to 6 years
Right of Use	Over lease period

3.8 Investment properties

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost less accumulated depreciation and impairment if any.

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

Depreciation

Depreciation on investment property is charged to the statement of profit or loss on a straight-line basis over the estimated useful life of property. The land component is not depreciated. The estimated useful life of the investment is as follows:

Buildings	35 years
Furniture, fixture and equipment	4 years

3.9 Borrowing costs

Borrowing cost directly attributable to the acquisition, construction or production of a qualifying asset is capitalised. Other borrowing cost is recognised in the statement of profit or loss in the year in which it arises.

3.10 Dividends

Dividends and other proposed appropriations are recognised as a liability in the period in which they are approved by the shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

3.11 Statutory reserve

In accordance with the Company's Articles of Association and in compliance with the Commercial Companies Law, a minimum of 10% of the net profit is appropriated to a statutory reserve, until it reaches 50% of the paid-up share capital (excluding share premium). This reserve is not normally distributable except in circumstances stipulated in the law.

3.12 General reserve

In accordance with the Company's Articles of Association and the recommendations of the Board of Directors, specific amounts are transferred to the general reserve. The reserve carries no restriction on its distribution.

The appropriations are subject to the approval of the shareholders at the Annual General Meeting.

3.13 Donations reserve

Based on the recommendations of the Board of Directors, an amount is transferred from the profit for the year to this reserve. The reserve represents the uncommitted amount of the donations and charities approved by the Shareholders.

3.14 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

Treasury shares

Where the Company purchases its own equity share capital, the consideration paid, including any attributable transaction costs, are deducted from total equity and recorded as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any gain or loss is included in equity.

3.15 Cash flow hedges

The Group uses interest rate swaps and foreign exchange forward contracts to hedge its exposures to the variability of future cash flows. Derivative financial instruments are contracts, the value of which, are derived from one or more underlying financial instruments or indices, and include foreign exchange contracts, forwards and swaps in the interest rate and foreign exchange markets. All derivative financial instruments are initially recognised at cost, being the fair value at contract date, and are subsequently re-measured at their fair values. Changes in the fair value of the derivative financial instruments that are designated and qualify as cash flow hedges and that prove to be highly effective in relation to the hedged risk are recognised in other comprehensive income and presented in a hedge reserve as a separate component of equity. The corresponding effect of the unrealised gains or losses recognised in other comprehensive income is recognised as other assets or other liabilities in the statement of financial position. The effective portion of the gain or loss on derivative instruments recognised in other comprehensive income is removed and included in statement of profit or loss in the same period as the hedged cash flows affect profit or loss under the same line item in the statement of comprehensive income as the hedged item. Any gains or losses arising from changes in fair value on derivative instruments that do not qualify for hedge accounting or are determined to be ineffective are recognised directly in the statement of profit or loss. Fair value gains and losses on trading derivatives are recognised in the statement of profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated, exercised, or the designation is revoked, then hedge accounting is discontinued prospectively.

The cumulative gain or loss previously recognised in other comprehensive income and presented in the hedging reserve in equity remains there until the forecast transaction affects the statement of profit or loss.

If the forecast transaction is no longer expected to occur, then the balance in other comprehensive income is recognised immediately in the statement of profit or loss. In other cases, the amount recognised in other comprehensive income is transferred to the statement of profit or loss in the same period that the hedged item affects the profit or loss.

3.16 Impairment of non-financial assets

The carrying amounts of the Group's assets other than financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated, and an impairment loss is recognised whenever the carrying amount exceeds the recoverable amount. Impairment losses are recognised in the statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

3.17 Retirement benefits cost

Pensions and other social benefits for Bahraini employees are covered by the Social Insurance Organization scheme to which employees and the Group contribute monthly on a fixed-percentage-of salaries basis. The Group's contribution to this scheme, which represents a defined contribution scheme under International Accounting Standard 19 – Employee Benefits, is expensed as incurred.

Expatriate employees on limited-term contracts are entitled to leaving indemnities payable under the Bahrain Labour Law, based on length of service and final remuneration.

3.18 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost.

3.19 Lease Liability

At the date of initial application, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

3.20 Bank term loans and other borrowings

Interest bearing bank term loans and other borrowings are initially measured at fair value plus any transaction costs and subsequently measured at their amortised cost using the effective interest rate method.

3.21 Cash and cash equivalent

Cash and balances with banks comprise cash on hand, unrestricted balances and deposits with banks with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of restricted cash.

3.22 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.23 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenues and expenses that relate to transactions with any of the other components of the Group. All operating results of the operating segments are regularly reviewed by the executive management to make decisions about resource allocation and assess its performance, and for which discrete financial information is available.

3.24 Provision

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle such obligation.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

4. USE OF JUDGEMENTS AND ESTIMATES (continued)

4.1 Judgements

4.1.1 Classification of financial assets

Assessment of the business model within which the assets are held and assessment of whether contracted terms of the financial asset are SPPI and the principal amount outstanding (Note 3.4.2).

4.1.2 Classification of derivative financial instruments

In the process of applying the Group's accounting policies, management decides on the transaction date the purpose of the derivative financial instrument acquired and based on the management purpose the accounting treatment is determined in accordance with the IFRS 9.

4.1.3 Significant increase in credit risk (SICR)

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporation, forward looking information into measurement of ECL and selection and approval of models used to measure ECL.

Judgement is involved in setting the rules and trigger points to determine whether there has been a SICR since initial recognition of a financing facility, which would result in the financial asset moving from 'stage 1' to 'stage 2'. The Group continues to assess borrowers for other indicators of unlikeliness to pay, taking into consideration the underlying cause of any financial difficulty and whether it is likely to be temporary or longer term.

4.1.4 Reasonableness of forward-looking information

Judgement is involved in determining which forward looking information variables are relevant for particular financing portfolios and for determining the sensitivity of the parameters to movements in these forward-looking variables.

Due to macro economic variables being not statistically acceptable, the Group has used Vasicek- Merton single factor model for conversion of TTC PD to PIT PD instead of the regression methodology as per the Group's approved policy. Vasicek Based Analysis method has been used to forecast the forward-looking PIT PDs by developing composite index oil price as macro-economic variables.

4.1.5 Probability weights

Management judgement is involved in determining the probability weighting of each scenario considering the risks and uncertainties surrounding the base case scenario, to reflect the enhanced economic environment, the Group has updated the scenario weighting to reflect the improved economic environment in measuring the estimated credit losses for the year ended 31 December 2025.

4.2 Estimates

4.2.1 Impairment of financial instruments

- Determining inputs into the ECL measurement models, including incorporation of forward looking information.
- Key assumptions used in estimating recoverable cash flows.

4.2.2 Impairment on trade receivables

The Group measures expected credit loss for trade receivables using a 'roll rate' (net flow) method based on the probability of a receivable progressing through successive stages of delinquency to the loss bucket. The Group estimates the loss rates based on historical loss experience, which are adjusted to reflect future economic and business conditions.

4.2.3 Provision on inventory

The Group reviews the carrying amounts of the inventories at each reporting date to determine whether the inventories have been impaired. The Group identifies the inventories, which have been impaired based on the age of the inventory and their estimate of the future demand for the inventory. If any impairment indication exists, the inventories recoverable amount is estimated based on past experience relating to disposal of such inventory.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5. FINANCIAL RISK MANAGEMENT

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

Risk management framework

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

5.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation. The Group is principally exposed to credit risk on balances with banks, loans and advances to customers, trade receivables, and other assets. The maximum credit risk is the carrying value of the assets.

On going economic environment impact

The Group has performed an assessment of the relevant available macro-economic information. This assessment resulted in certain changes to the expected credit loss methodology and judgements as at and for the year ended 31 December 2025.

The rising interest rates and inflationary pressures in many countries across the globe and ongoing geopolitical tensions. The Group has updated the inputs and assumptions used for the determination of ECL including additional management overlays.

The risk management department has also enhanced its monitoring of financing portfolio by reviewing the performance of exposures to sectors expected to be directly or indirectly impacted to identify potential SICR on a qualitative basis.

Management of credit risk

The Group's credit risk management framework includes:

- Credit risk policies and strategy: Defining the Group's credit risk appetite and strategies employed, and outlining the principals and standards governing the credit risk related activities within the Group;
- Define the methodologies used for assessing the credit exposures, and outlines the procedures of reviewing the credit facilities in accordance with the a defined authorization structure;
- Diversification of lending activities; and
- Conducting regular independent reviews of the credit risk process, exposures and limits, ensuring effectiveness and compliance, while incorporating stress testing scenarios for preparedness against adverse market conditions.

5.1.1 Loans and advances to customers

All loans and advances are with local individuals and locally incorporated entities. The credit risk on these loans and advances is actively managed and rigorously monitored in accordance with well-defined credit policies and procedures. The creditworthiness of each borrower is evaluated prior to lending and with a comprehensive review of information which includes the Credit Bureau report, financial position of the customer, market position, tangible security where applicable. The Group is also subject to single obligor limits as specified by the CBB.

Regular Credit review procedures are in place to identify at early stage exposures which require more detailed monitoring and review. Appropriate remedial procedures for follow-up and recovery (including recourse to legal action) are in place to monitor the credit risk on loans and advances.

Exposure to credit risk

The Group is not exposed to any significant concentration of credit risk arising from exposures to a single debtor or debtors having similar characteristics such that their ability to meet their obligations is expected to be affected similarly by changes in economic or other conditions. Regular audits of business units and the Group credit processes are undertaken by the Internal Audit department.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.1 Credit risk (continued)

5.1.1 Loans and advances to customers (continued)

Exposure to credit risk (continued)

The Group measures its exposure to credit risk by reference to the gross carrying amount of financial assets less interest suspended and impairment losses, if any. The maximum credit risk exposure of the loans and advances is the carrying value amount net of the deferred income and net of impairment allowance reported at year end.

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts:

	31 December 2025 BD '000	31 December 2024 BD '000
Stage 1, 2 and 3		
Stage 1 - 12 month	106,497	103,884
Stage 2 - lifetime - not credit impaired	8,544	12,518
Stage 3 - lifetime - credit impaired	55,280	60,577
Expected credit loss	(30,267)	(39,659)
Net loans and advances to customers	**140,054**	137,320

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- The remaining lifetime probability of default (PD) as at the reporting date; with
- The remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

Monitoring of credit risk

Generating the term structure of PD

Ageing buckets based on days past due ("Ageing buckets") are a primary input into the determination of the term structure of PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by type of product and borrower as well as by ageing buckets.

The Group employs statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors as well as in-depth analysis of the impact of certain other factors (e.g. forbearance experience) on the risk of default. For most exposures, key macro-economic indicators include: GDP growth, benchmark interest rates, unemployment and oil prices. Considering the extra ordinary circumstances and the variations in the forward looking data for this variables, the Group has used Vasicek- Merton methodology using oil prices as a factor to determine the PDs.

Based on consideration of a variety of external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. The Group then uses these forecasts to adjust its estimates of PDs.

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs and qualitative factors, including a backstop based on delinquency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (stage 1) and lifetime PD (stage 2).

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy.

The Group renegotiates loans to customers in financial difficulties (referred to as 'forbearance activities'") to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the Group's previous experience of similar forbearance action. As part of this process, the Group evaluates the borrower's payment performance against the modified contractual terms and considers various behavioral indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit impaired. A customer needs to demonstrate consistently good payment behaviour over a period of 3 months for retail and 6 months for corporate before the exposure is no longer considered to be credit-impaired or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECL based on regulatory guidance.

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on economic experts and consideration of a variety of external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome.

The base case represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes.

Past due but not impaired loans and advances include those for which contractual interest and principal payments are past due, but the Group believes that impairment is not appropriate on the basis of level of security and collateral available and/or in the process of collecting the amounts owed to the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.1 Credit risk (continued)

5.1.1 Loans and advances to customers (continued)

Monitoring of credit risk (continued)

Generating the term structure of PD (continued)

Aging analysis of loans and advances to customers as follows:

2025	Stage 1 BD'000	Stage 2 BD'000	Stage 3 BD'000	Total BD'000
Current	99,956	2,190	1,814	**103,960**
Past due:				
1-30 days	6,541	785	1,075	**8,401**
31-60 days	-	4,094	1,267	**5,361**
61-89 days	-	1,475	1,486	**2,961**
90 days – 1 year	-	-	13,897	**13,897**
1 year – 3 years	-	-	18,458	**18,458**
More than 3 years	-	-	17,283	**17,283**
Expected credit loss	(1,434)	(1,287)	(27,546)	**(30,267)**
Carrying value	**105,063**	**7,257**	**27,734**	**140,054**

2024	Stage 1 BD'000	Stage 2 BD'000	Stage 3 BD'000	Total BD'000
Current	93,271	1,633	1,837	96,741
Past due:				
1-30 days	10,613	1,495	274	12,382
31-60 days	-	7,288	934	8,222
61-89 days	-	2,102	2,191	4,293
90 days – 1 year	-	-	21,156	21,156
1 year – 3 years	-	-	23,729	23,729
More than 3 years	-	-	10,456	10,456
Expected credit loss	(1,066)	(1,978)	(36,615)	(39,659)
Carrying value	102,818	10,540	23,962	137,320

2025	Retail BD'000	CSME* BD'000	Total BD'000
Current	87,641	16,319	**103,960**
Past due:			
1-30 days	7,388	1,013	**8,401**
31-60 days	4,941	420	**5,361**
61-89 days	2,572	389	**2,961**
90 days – 1 year	13,771	126	**13,897**
1 year – 3 years	17,262	1,196	**18,458**
More than 3 years	13,830	3,453	**17,283**
Gross loans and advance	**147,405**	**22,916**	**170,321**
Expected credit loss	(27,240)	(3,027)	**(30,267)**
Net loans and advances	**120,165**	**19,889**	**140,054**

** Corporate and small to medium enterprises (CSME)*

2024	Retail BD'000	CSME* BD'000	Total BD'000
Current	85,707	11,034	96,741
Past due:			
1-30 days	9,924	2,458	12,382
31-60 days	7,223	999	8,222
61-89 days	4,198	95	4,293
90 days – 1 year	19,868	1,288	21,156
1 year – 3 years	21,272	2,457	23,729
More than 3 years	7,722	2,734	10,456
Gross loans and advance	155,914	21,065	176,979
Expected credit loss	(35,757)	(3,902)	(39,659)
Net loans and advances	120,157	17,163	137,320

** Corporate and small to medium enterprises (CSME)*

The Group's exposure to customers who are less than 90 days past due and in stage 3 as of the reporting date pertains to customers either in their cooling-off period, the pledged collateral has been liquidated, or customer experiencing financial difficulties that may lead to default.

Credit risk concentration

All loans are made to borrowers that are residents in Bahrain. Credit risk concentration of loans at the reporting date represents 86% (2024: 88%) retail loans and 14% (2024: 12%) to CSME customers.

By geographical region

All loans and advances are geographically located in Bahrain.

The credit limit at 31 December 2025 amounted to BD 21,130 thousand (2024: BD 22,716 thousand). Off balance sheet exposures are converted into on balance sheet equivalents by applying a credit conversion factor (CCF). During the year ended 31 December 2025, the average gross credit exposure for loans and advances to customers is BD 172,176 thousand (2024: BD 179,191 thousand) and average unutilised credit limit is BD 22,366 thousand (2024: BD 22,802 thousand). The average was calculated based on the end of the quarter balances during the year.

Management estimates the fair value of collaterals and other security enhancements held against individually impaired customers loans are reasonably sufficient to cover the value of such loans at the reporting date. The Group monitors concentrations of credit risk by product.

At the reporting date, the loans and advances to customers represent 24% vehicle loans (2024: 26%), 27% mortgage collateral backed loans (2024: 25%), 31% personal loans and other (2024: 35%), 7% business loans (2024: 3%), and 11% credit card lending (2024: 11%).

The Group issues prepaid cards to customers and funds received from the customers are recognised as off-balance sheet. As of 31 December 2025, the total fund is BD 7 thousand (2024: BD 7 thousand).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.1 Credit risk (continued)

5.1.1 Loans and advances to customers (continued)

Monitoring of credit risk (continued)

Impaired loans and advances

Impaired loans and advances are financial assets for which the Group determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the agreements. The Group's exposure to credit risk from loans and trade receivables is influenced mainly by the individual characteristics of each customer. Loans which are past due 90 days are considered as non-performing.

At 31 December 2025, the total gross amount of accounts with days past due 90 days or more, was BD 49,638 thousand (2024: BD 55,341 thousand). The total stage 3 accounts were BD 55,280 thousand (2024: BD 60,577 thousand). In compliance with the CBB requirements, interest on stage 3 is suspended and is accounted for on a cash basis.

Loans with renegotiated terms and the Group's forbearance policy

Loans with renegotiated terms are loans that have been restructured due to deterioration in the borrower's financial position, where the Group has made concessions by agreeing to terms and conditions that are more favourable for the borrower than the Group has provided initially. The Group implements forbearance policy in order to maximise collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis in situation where the debtor is currently in default on its debt, or where there is a high risk of default, there is evidence that the debtor made all the reasonable effort to pay under the original contractual terms and it is expected to be able to meet the revised terms.

The revised terms usually include extending maturity, changing timing of interest payments and amendments to the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. During the year ended 31 December 2025, loans and advances amounting to BD 264 thousand (2024: BD 2,145 thousand) were restructured.

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the Group's previous experience of similar forbearance action. As part of this process, the Group evaluates the borrower's payment performance against the modified contractual terms and considers various behavioural indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit impaired. A retail customer needs to demonstrate consistently good payment behaviour over a period of 3 months (6 months for corporate) before the exposure is no longer considered to be credit-impaired/ in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECL based on regulatory guidance.

Collateral

The Group generally holds collateral against loans which may be in the form of mortgage interests over property with custody of title deeds, joint registration of vehicles and personal guarantees.

In case of vehicle lending, estimates of fair value for collaterals are based on the value of the collateral assessed at the time of borrowing, and generally are not revalued except when a loan is individually assessed as impaired.

As at 31 December 2025, mortgage loans amounting to BD 29,153 thousand (2024: BD 25,996 thousand) were fully collateralised and mortgage loans amounting to BD 14,504 thousand (2024: BD 16,005 thousand) were partly collateralised with a collateral value of BD 9,888 thousand (2024: BD 10,760 thousand). Stage 3 mortgage loans amounting to BD 26,068 thousand (2024: BD 32,960 thousand) are collateralised by real estate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5.1.2 Credit risk related to trade receivables

Credit risk related to trade receivables arises from the potential for a counterparty to default from repayment of their dues. The Group has established an appropriate authorisation structure with limits for the approval and renewal of credits.

During the year ended 31 December 2025, the average gross exposure for trade and other receivables is BD 6,512 thousand (2024: BD 4,903 thousand). Such amounts are calculated based on the average of last four quarterly results.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Geographically the concentration of credit risk is in the Kingdom of Bahrain as majority of the Group's customers are based in Bahrain.

5.1.3 Credit risk related to balances with banks

Credit risk from balances with banks is managed by the Group's finance department in accordance with the Group's policy. Placement of surplus funds are made only with approved banks and within credit limits assigned to each bank. The Group's balances with banks are placed with banks of good credit ratings, therefore, are considered to be low credit risk placements.

During the year ended 31 December 2025, the average gross credit exposure for balances with banks is BD 9,903 thousand (2024: BD 14,624 thousand). Such amounts are calculated based on the average of last four quarterly results.

5.1.4 Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a counter party to honour its obligations to deliver cash, securities or other assets as contractually agreed.

5.1.5 Derivative related credit risk

Credit risk in respect of derivative financial instruments arises from the potential for a counterparty to default on its contractual obligations and is limited to the positive market value of instruments that are favourable to the Group which are included in other assets. The positive market value is also referred to as the "replacement cost" since it is an estimate of what it would cost to replace transactions at prevailing market rates if a counterparty defaults. The Group's derivative contracts are entered into with other financial institutions.

5.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management ensures that funds are available at all times to meet the funding requirements of the Group.

Management of liquidity risk

The Group's approach to managing liquidity risk is to ensure that the Group secures funding significantly larger than present and future requirements. The Group continuously monitors the extent to which contractual receipts exceed contractual payments and the levels of new advances are correlated to the levels of liquidity. Liquidity risks are closely monitored by the risk management and finance departments and reported to the Assets and Liabilities Committee (ALCO) and the Board.

The Group monitors CBB requirements for liquidity ratios and ensures that those ratios remain within the CBB limits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.2 Liquidity risk (continued)

Management of liquidity risk (continued)

The residual future contractual maturity of financial assets and liabilities are summarised in the table below. The future contractual undiscounted cash flows of financial assets and financial liabilities have been disclosed at the carrying value and prevailing interest rates at the reporting date until their final maturities.

2025	Carrying amount BD '000	Gross contractual cash flows BD '000	Within 1 Year BD '000	1 year to 5 years BD '000	Over 5 years BD '000
Assets					
Cash and balances with banks	6,792	6,794	6,794	-	-
Loans and advances to customers	140,054	247,302	60,589	131,038	55,675
Trade receivables	4,718	4,718	4,718	-	-
Other assets	1,642	1,642	1,592	50	-
	153,206	**260,456**	**73,693**	**131,088**	**55,675**
Liabilities					
Trade and other payables	16,120	16,120	16,120	-	-
Derivative financial instruments	-	-	-	-	-
Lease liabilities	523	596	333	191	72
Bank term loans and other borrowings	91,053	105,461	22,822	82,639	-
	107,696	**122,177**	**39,275**	**82,830**	**72**
Unutilised credit limits	**15,991**	**15,991**	**15,991**	**-**	**-**

2024	Carrying amount BD '000	Gross contractual cash flows BD '000	Within 1 Year BD '000	1 year to 5 years BD '000	Over 5 years BD '000
Assets					
Cash and balances with banks	15,232	15,449	15,449	-	-
Loans and advances to customers	137,320	246,988	53,636	127,410	65,942
Trade receivables	3,927	3,927	3,927	-	-
Other assets	2,524	2,524	2,256	268	-
	159,003	268,888	75,268	127,678	65,942
Liabilities					
Trade and other payables	18,901	18,901	18,901	-	-
Derivative financial instruments	23	23	23	-	-
Lease liabilities	912	1,039	615	349	75
Bank term loans and other borrowings	93,731	107,390	38,418	68,972	-
	113,567	127,353	57,957	69,321	75
Unutilised credit limits	19,066	19,066	19,066	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5.3 Market risk

Market risk is the risk that the Group's income and / or value of a financial instrument will fluctuate because of changes in market prices such as interest rates.

Management of market risks

Market risks are closely monitored by the risk management and finance department and reported to the Assets and Liabilities Committee (ALCO) and the Board.

Interest rate risk

Interest rate risk is the risk that the Group's earnings will be affected as a result of movements in interest rates. The Group's interest rate exposures arise from its interest earning assets and interest-bearing liabilities i.e. balance with banks, loans and term loans. The distribution of financial instruments between interest rate categories is summarised below:

At 31 December	Fixed rate		Floating rate		Non-interest earning		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	BD '000	BD '000	**BD '000**	BD '000	**BD '000**	BD '000	**BD '000**	BD '000
ASSETS								
Cash and balances with banks	2,472	11,045	-	-	4,320	4,187	6,792	15,232
Loans and advances to customers	139,594	136,863	-	-	460	457	140,054	137,320
Trade receivables	-	-	-	-	4,718	3,927	4,718	3,927
Other assets	-	-	50	582	1,592	1,942	1,642	2,524
	142,066	147,908	**50**	582	**11,090**	10,513	**153,206**	159,003
LIABILITIES								
Trade and other payables	-	-	-	-	16,822	18,901	16,822	18,901
Derivative financial instruments	-	-	-	-	-	23	-	23
Lease liabilities	523	912	-	-	-	-	523	912
Bank term loans and other borrowings	-	-	91,053	93,731	-	-	91,053	93,731
	523	912	**91,053**	93,731	**16,822**	18,924	**108,398**	113,567

The unhedged portion of the floating rate borrowing is sensitive to changes in the interest rates. As at 31 December 2025 a change in variable rate financial instruments by 100 basis points will increase / (decrease) net profits by BD 785 thousand (2024: BD 575 thousand).

Bank term loans extended have floating interest rates, which are subject to re-pricing on a quarterly basis. The effective interest rate on term loans inclusive of the effect of the interest rate swaps and FX hedge contracts was 7.20% p.a. (2024: 7.51% p.a.).

5.4 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates and arises from financial instruments denominated in a foreign currency. The Group had BD 61,602 thousand net liability denominated in US Dollars (2024: BD 74,190 thousand) and BD 6 thousand net asset (2024: BD 143 thousand) denominated in Japanese Yen.

A probable change of 5% in foreign currency exchange rates of the Japanese Yen, with all other variables held constant, is expected to have an impact of BD 0.3 thousand (2024: BD 7 thousand) on the consolidated statement of comprehensive income.

The Bahraini Dinar is effectively pegged to the US Dollar.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

5. FINANCIAL RISK MANAGEMENT (continued)

5.5 Capital management

The Group's policy is to maintain a strong capital base. The Central Bank of Bahrain sets and monitors capital requirements for the Group. The conventional financing company license granted by the Central Bank of Bahrain limits borrowings to five times the capital and reserves (shareholders' equity) of the Company. Such rate for the Group was 1.0 as at 31 December 2025 (2024: 1.1).

6. DERIVATIVES AND HEDGING

In the ordinary course of business the Group enters into various types of transactions that involve derivative financial instruments.

The notional amount is that of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year end and are not indicative of either market or credit risk.

At 31 December 2025 interest rate risk attributable to the term loans of BD 11.3 million (USD 30 million) (2024: BD 35.8 million, USD 95 million) has been hedged. The fair value of this hedge instruments is BD 50 thousand asset (2024: BD 582 thousand, asset).

At 31 December 2025 no foreign exchange forwards were attributable to term loans (2024: BD 18.2 million). There was no negative fair value of hedged instruments in 2025 (2024: BD 23 thousand, liability).

Derivatives are carried at fair value using valuation techniques based on observable market inputs.

Derivative product types

Foreign exchange forwards are contractual agreements to either buy or sell a specified currency at a specific price and date in the future. Forwards are customised contracts transacted in the over-the-counter market.

Interest rate swaps are contractual agreements between two parties to exchange interest based on a specific notional amount. Counterparties generally exchange fixed and floating rate interest payments based on a notional value in a single currency.

Derivative related credit risk

Credit risk in respect of derivative financial instruments arises from the potential for a counterparty to default on its contractual obligations and is limited to the positive fair value of instruments that are favourable to the Group. The majority of the Group's derivative contracts are entered into with other financial institutions and there is no significant concentration of credit risk in respect of contracts with positive fair value with any individual counterparty at the date of the consolidated statement of financial position.

Derivatives held or issued for hedging purposes

The Group has adopted a comprehensive system for the measurement and management of risk. Part of the risk management process involves managing the Group's exposure to fluctuations in foreign exchange rates (currency risk) and interest rates through asset and liability management. It is the Group's policy to reduce its exposure to currency and interest rate risks to acceptable levels as determined by the Board of Directors. The Board has established levels of currency risk by setting limits on currency position exposures. Positions are monitored on an ongoing basis and hedging strategies used to ensure positions are maintained within established limits. The Board has established levels of interest rate risk by setting limits on the interest rate gaps for stipulated periods. Interest rate gaps are reviewed on an ongoing basis and hedging strategies are used to reduce the interest rate gaps within the limits established by the Board of Directors.

The Group uses forward foreign exchange contracts to hedge against specifically identified currency risks. In addition, the Group uses interest rate swaps to hedge against the interest rate risk arising from specifically identified borrowings bearing floating interest rates. In all such cases the hedging relationship and objective, including details of the hedged item and hedging instrument, are formally documented and the transactions are accounted for as hedges.

The Group's instalment loans receivables are predominantly of a fixed rate nature (the Group has, however, reserved the right under the terms of the agreement with customers to vary the rate at its discretion after giving a customer one month notice) while its bank borrowings are of a floating rate nature. To hedge this risk, the Group uses interest rate swap contracts to convert floating rate of interest on bank term loans and other borrowings to fixed rate of interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Only the interest rate risk element is hedged and therefore other risks, such as credit risk, are managed but not hedged by the Group. The interest rate risk component is determined as the change in fair value of the fixed rate loans and advances arising solely from changes in floating rate benchmark. Such changes are usually the largest component of the overall change in fair value. This strategy is designated as a cash flow hedge and its effectiveness is assessed by hypothetical derivative method and comparing the changes in the fair value of the hedging instrument against the changes in fair value of the hedged item attributable to the hedged risk.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the interest rate swap match the terms of the bank term loans and other borrowings (i.e., notional amount, maturity, payment and reset dates). The Group has established a portfolio hedge for the hedging relationships as the underlying risk of the interest rate swap is identical to the hedged risk component. Possible sources of ineffectiveness are as follows:

- Different interest rate curve applied to discount the hedged item and hedging instrument;
- Differences in timing of cash flows of the hedged item and hedging instrument; and
- The counterparties' credit risk differently impacting the fair value movements of the hedging instrument and hedged item.

The hedge relationships have been assessed to be fully effective, accordingly, fair value changes of the interest rate swaps and forward contracts are recognised in equity.

The following table sets out the maturity profile of the hedging instruments used in the Group's hedging strategies:

Notional	Within 1 month BD'000	1 - 3 months BD'000	3 - 6 months BD'000	6 - 12 months BD'000	1 - 5 years BD'000	Total BD'000
2025	**-**	**-**	**-**	**-**	**11,310**	**11,310**
2024	-	7,540	13,740	21,425	11,310	54,015

7. OPERATIONAL RISKS

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology and infrastructure, fraud and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's operations and are faced by all business entities.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage, to the Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The Group manages the operational risk by policies and procedures to identify, assess, control, manage and report risks. Additionally, prior to the implementation of new products and services, it's reviewed and assessed for operational risks. The Group's risk management division employs clear internal policies and procedures and the Risk Control Self-Assessment (RCSA) methodology to reduce the likelihood of any operational losses. Where appropriate, risk is mitigated by way of insurance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

8. MATURITY PROFILE

The maturity profile of the Group's financial assets and liabilities based on the contractual maturities.

At 31 December	Within 1 Year		1 year to 5 years		5 year to 10 years		More than 10 years		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	BD '000	BD '000	**BD '000**	BD '000	**BD '000**	BD '000	**BD '000**	BD '000	**BD '000**	BD '000
ASSETS										
Cash and balances with banks	6,792	15,232	-	-	-	-	-	-	**6,792**	15,232
Loans and advances to customers	43,014	40,668	76,018	71,890	16,933	19,448	4,089	5,314	**140,054**	137,320
Trade receivables	4,718	3,927	-	-	-	-	-	-	**4,718**	3,927
Other assets	1,592	2,256	50	268	-	-	-	-	**1,642**	2,524
	56,116	62,083	**76,068**	72,158	**16,933**	19,448	**4,089**	5,314	**153,206**	159,003
LIABILITIES										
Trade and other payables	16,120	19,836	-	-	-	-	-	-	**16,120**	19,836
Derivative financial instruments	-	23	-	-	-	-	-	-	**-**	23
Lease liabilities	308	546	175	326	4	10	36	30	**523**	912
Bank term loans and other borrowings	17,344	32,771	73,709	60,960	-	-	-	-	**91,053**	93,731
	33,772	53,176	**73,884**	61,286	**4**	10	**36**	30	**107,696**	114,502

As of 31 December 2025, the Group's loans and advances to customers totaled BD 140,054 thousand (2024: BD 137,320 thousand), with BD 135,965 thousand (2024: BD 132,006 thousand) maturing before 10 years, BD 3,954 thousand (2024: BD 4,951 thousand) maturing between 10 and 20 years, and BD 135 thousand (2024: BD 363 thousand) maturing after 20 years.

The maturity profile is monitored by the management to ensure adequate liquidity is maintained.

9. FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS

The Group's financial assets and financial liabilities are measured at amortised cost except for derivative financial instruments, which are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

Underlying the definition of fair value is a presumption that an enterprise is a going concern without any intention or need to liquidate, curtail materially the scale of its operations or undertake a transaction on adverse terms.

Except for derivative instruments which are classified as at fair value, all of the Group's other financial assets and liabilities are classified as at amortised cost.

Fair value hierarchy

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.

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. ask 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.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

Financial assets and liabilities measured at fair value

The fair value of the derivatives, which are not exchange traded, is estimated at the amount the Group would receive or pay to terminate the contract at the reporting date taking into account current market conditions and the current credit worthiness of the counterparties. The Group's net exposure to derivatives, whose fair value as of 31 December 2025 is BD 50 thousand (2024: BD 559 thousand) are categorised under Level 2. There were no transfers between Level 1 and Level 2 during 2025.

Financial assets and liabilities not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value analysed by the level in the fair value hierarchy into which each fair value measurement is categorised as at 31 December.

2025	**Level 1 BD '000**	**Level 2 BD '000**	**Level 3 BD '000**	**Total fair value BD '000**	**Total Carrying value BD '000**
Loans and advances to customers	-	-	140,054	**140,054**	**140,054**
Bank term loans and other borrowings	-	-	91,053	**91,053**	**91,053**

2024	Level 1 BD '000	Level 2 BD '000	Level 3 BD '000	Total fair value BD '000	Total Carrying value BD '000
Loans and advances to customers	-	-	137,320	137,320	137,320
Bank term loans and other borrowings	-	-	93,731	93,731	93,731

In case of loans and advances to customers, the average interest rate of the loan portfolio is in line with current market rates for similar facilities and hence after consideration of adjustment for prepayment risk and impairment charges it is expected that the carrying value would not be materially different to fair value of these assets.

The fair value of bank term loans and bonds issued approximate their carrying value since they are at floating interest rates.

The fair values of all other financial instruments approximated their respective book values due to their short-term nature.

10. LOANS AND ADVANCES TO CUSTOMERS

(a) Exposure by staging

	31 December 2025			
	Stage 1 BD '000	**Stage 2 BD '000**	**Stage 3 BD '000**	**Total BD '000**
Loans and advances	106,497	8,544	55,280	170,321
Less: expected credit loss	(1,434)	(1,287)	(27,546)	(30,267)
Loans and advances	**105,063**	**7,257**	**27,734**	**140,054**

	31 December 2024			
	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	Total BD '000
Loans and advances	103,884	12,518	60,577	176,979
Less: expected credit loss	(1,066)	(1,978)	(36,615)	(39,659)
Loans and advances	102,818	10,540	23,962	137,320

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
At 31 December 2025

10. LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Expected credit loss movement

2025	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	Total BD '000
Expected credit loss at 1 January 2025	1,066	1,978	36,615	**39,659**
Net transfer between stages	(149)	(953)	1,102	**-**
Net charges for the year	517	262	976	**1,755**
Net write off during the year	-	-	(11,147)	**(11,147)**
Expected credit loss at 31 December 2025	**1,434**	**1,287**	**27,546**	**30,267**

2024	Stage 1 BD '000	Stage 2 BD '000	Stage 3 BD '000	Total BD '000
Expected credit loss at 1 January 2024	1,088	2,413	45,241	48,742
Net transfer between stages	(148)	(534)	682	-
Net charges for the year	126	99	1,029	1,254
Net write off during the year	-	-	(10,337)	(10,337)
Expected credit loss at 31 December 2024	1,066	1,978	36,615	39,659

11. TRADE RECEIVABLES

	31 December 2025 BD '000	31 December 2024 BD '000
Trade receivables	6,527	5,564
Less: expected credit loss	(1,809)	(1,637)
	4,718	3,927

Expected credit loss movement

	2025 BD '000	2024 BD '000
At beginning of the year	1,637	2,114
Net charge for the year	172	133
Write off during the year	-	(610)
At end of the year	**1,809**	1,637

12. INVENTORIES

	31 December 2025 BD '000	31 December 2024 BD '000
Vehicles	11,130	12,724
Automotive spare parts	7,098	6,210
Real estate inventory	5,329	1,351
	23,557	20,285
Provisions	(1,633)	(1,385)
	21,924	18,900

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
At 31 December 2025

Movement in provisions

	2025 BD '000	2024 BD '000
At beginning of the year	1,385	1,294
Net charge for the year	477	195
Utilisation	(229)	(104)
At end of the year	**1,633**	1,385

13. INVESTMENT PROPERTIES

	31 December 2025 BD '000	31 December 2024 BD '000
Cost		
At 1 January	14,773	14,712
Additions during the year	1,026	61
Disposals during the year	(7,635)	-
Book value before depreciation and impairment	**8,164**	14,773

Accumulated depreciation and impairment

	2025 BD '000	2024 BD '000
At 1 January	4,924	4,740
Depreciation charge for the year	146	184
Disposal during the year	(1,735)	-
Impairment provision charges	74	-
At 31 December	**3,409**	4,924
Net book value at 31 December	**4,755**	9,849

The fair value of investment properties as at 31 December 2025 is BD 5,884 thousand (2024: BD 14,406 thousand) were determined by independent external property valuers with the appropriate recognised qualification and experience in the location and category of the property being valued. All such valuers are approved by the Bahrain Real Estate Regulatory Authority to carry out such valuations. The fair value was determined based on investment method by comparing market rental rates and vacant lands and accordingly categorised as level 3 in fair value hierarchy.

During the year, the Group disposed of certain investment properties with a carrying amount of BD 5,888 thousand. The disposal was settled through a combination of cash and non-cash consideration, whereby the Group classified the received non-cash consideration as either real estate inventory or investment properties based on management's assessment of their intended use. The total consideration received was measured at a fair value of BD 6,758 thousand. A gain of BD 715 thousand was recognized in profit or loss during the year after the related transaction expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
At 31 December 2025

14. PROPERTY AND EQUIPMENT

	Land and buildings BD '000	Furniture, fixtures & equipment BD '000	Vehicles BD '000	Work in Progress BD '000	Right of Use BD '000	2025 Total BD '000	2024 Total BD '000
Cost							
At 1 January	25,815	11,097	11,561	431	3,981	52,885	51,856
Additions	868	440	8,825	848	327	11,308	10,281
Disposals / termination	(5)	(269)	(6,673)	-	(573)	(7,520)	(9,252)
Reclassified	323	567	-	(890)	-	-	-
At 31 December	**27,001**	**11,835**	**13,713**	**389**	**3,735**	**56,673**	52,885
Depreciation							
At 1 January	10,391	10,020	1,636	-	2,225	24,272	26,433
Charge for the year	419	665	2,053	-	587	3,724	3,205
Disposals / termination	(5)	(67)	(1,101)	-	(446)	(1,619)	(5,366)
At 31 December	**10,805**	**10,618**	**2,588**	**-**	**2,366**	**26,377**	24,272
Net book value							
At 31 December 2025	**16,196**	**1,217**	**11,125**	**389**	**1,369**	**30,296**	
At 31 December 2024	15,424	1,077	9,925	431	1,756		28,613

The cost of fully depreciated assets still in use at 31 December 2025 was BD 13,335 thousand (2024: BD 13,277 thousand).

15. OTHER ASSETS

	31 December 2025 BD '000	31 December 2024 BD '000
Advance to suppliers and automotive factories' incentives	6,147	3,770
VAT receivables	685	1,520
Prepaid expenses	774	669
Positive fair value derivative	50	582
Others	205	422
	7,861	6,963

16. TRADE AND OTHER PAYABLES

	31 December 2025 BD '000	31 December 2024 BD '000
Accounts payable	6,577	8,364
Accrued expenses	8,474	8,796
Advance from customers	814	739
Interest payable	736	861
Lease liabilities (note 16.1)	523	912
Negative fair value derivative	-	23
Others	958	1,502
	18,082	21,197

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
At 31 December 2025

16.1 Lease liabilities

	31 December 2025		31 December 2024	
	Minimum lease payments BD '000	Present value of lease payments BD '000	Minimum lease payments BD '000	Present value of lease payments BD '000
Within one year	333	308	615	546
After one year but not more than five years	191	175	349	326
More than five years and less than 10 years	12	4	30	10
More than 10 years	60	36	45	30
Total minimum lease payments	**596**	**523**	1,039	912
Less: finance charges	(73)	-	(127)	-
Net lease liability	**523**	**523**	912	912

The movement in lease liabilities is as follows:

	2025 BD '000	2024 BD '000
Lease liabilities as at 1 January	912	1,118
Additions	327	612
Termination	(226)	(307)
Finance cost	60	69
Payments made	(550)	(580)
Lease liabilities as at 31 December	**523**	912

17. BANK TERM LOANS AND OTHER BORROWINGS

	31 December 2025 BD '000	31 December 2024 BD '000
Within 1 year	17,343	32,771
More than 1 year	73,710	60,960
	91,053	93,731

Bank term loans of BD 27,679 thousand have floating interest rates based on SOFR (2024: BD 27,306 thousand) and BD 31,706 thousand have floating interest rates based on BHIBOR (2024: BD 19,934 thousand). The Group syndicated loans amounting to BD 31,668 thousand (2024: BD 46,491 thousand) with floating interest rates based on SOFR. All the Group's borrowing include a negative pledge requirement, with maturities disclosed in note 8 to these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

18. SHARE CAPITAL

	31 December 2025 BD '000	31 December 2024 BD '000
Authorised share capital		
500,000,000 (2024: 500,000,000) shares of 100 fils each	**50,000**	50,000
Issued and fully paid		
204,187,500 (2024: 204,187,500) shares of 100 fils each	20,419	20,419
At 31 December	**20,419**	20,419

	31 December 2025 BD '000	31 December 2024 BD '000
Treasury shares 2,759,029 shares (2024: 2,758,029 shares)	**599**	599

The Company's memorandum of association allows it to hold up to 10% of its own issued shares as treasury shares.

Additional information on shareholding pattern

i. Names and nationalities of the major shareholders and the number of equity shares held in which they have an interest of 5% or more of issued and fully paid shares.

	Nationality	No. of shares	% holding
Social Insurance Organisation*	Bahrain	63,165,039	30.93%
Bank of Bahrain and Kuwait	Bahrain	47,023,363	23.03%
National Bank of Bahrain	Bahrain	22,910,775	11.22%

* Shareholding under Social Insurance Organisation represents holding of shares by Social Insurance Organisation (GOSI) and Social Insurance Organisation (Pension) which is a government organization.

ii. The Company has only one class of equity shares and the holders of these shares have equal voting rights. Out of the total shareholders, 98% (2024: 98%) are Bahraini individuals or corporates and 2% (2024: 2%) are other nationalities.

iii. The shareholding of directors, other than nominee directors representing major shareholders, is 1,344,218 shares (2024: 1,324,218 shares).

iv. Distribution schedule of equity shares, setting out the number of shareholders and their percentage in the following categories:

2025 Categories*	Number of Shares	Number of shareholders	% of total issued shares
Less than 1%	48,039,906	1,222	23.53%
1% up to less than 5%**	23,048,417	7	11.29%
5% up to less than 20%	22,910,775	1	11.22%
20% up to less than 50%	110,188,402	2	53.96%
Total	**204,187,500**	**1,232**	**100.00%**

2024 Categories*	Number of Shares	Number of shareholders	% of total issued shares
Less than 1%	48,039,906	1,234	23.53%
1% up to less than 5%**	23,048,417	7	11.29%
5% up to less than 20%	22,910,775	1	11.22%
20% up to less than 50%	110,188,402	2	53.96%
Total	204,187,500	1,244	100.00%

* Expressed as a percentage of total issued and fully paid shares of the Company

** Includes 2,759,029 treasury shares (2024: 2,759,029 shares)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

19. AUTOMOTIVE REVENUE

	2025 BD '000	2024 BD '000
Sale of cars	26,427	24,446
Sales of parts and accessories	12,344	14,442
Car repair and maintenance services	4,160	4,246
Car leasing revenue	2,922	2,481
	45,853	45,615

20. NET FEE AND COMMISSION INCOME

	2025 BD '000	2024 BD '000
Loan administration and other credit card related fees	5,068	5,270
Insurance commission income	781	714
Less: fees and commission expense	(3,698)	(3,353)
	2,151	2,631

21. RENTAL AND REAL ESTATE INCOME

	2025 BD '000	2024 BD '000
Sale of real estate		
Revenue	7,439	792
Cost of sales	(6,701)	(775)
Profit from sale of real estate	**738**	17
Rental and valuation income	658	751
Rental and real estate income	**1,396**	768

22. OTHER INCOME

	2025 BD '000	2024 BD '000
Income from fixed deposits	223	393
Automotive factories' incentives	518	315
Miscellaneous income	495	778
	1,236	1,486

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

23. OTHER OPERATING EXPENSES

	2025 BD '000	2024 BD '000
General and administration costs	7,161	6,191
Depreciation	2,336	2,214
Selling and promotion costs	1,752	1,534
Operating expenses relating to investment properties	270	296
Automotive finance cost	58	67
	11,577	10,302

24. PROVISIONS AND CREDIT LOSSES

	2025 BD '000	2024 BD '000
Net expected credit loss charges	1,755	1,254
Impairment on investment properties	74	-
Allowances charged for inventory	477	195
Allowances on trade receivables, net	172	133
Provision for legal claims	-	644
	2,478	2,226
Recoveries from written off balances	**5,568**	3,273

A provision of BD 676 thousand was recognized in the prior year in respect of litigation involving a subsidiary, based on an interim court judgment. The provision reflected management's best estimate of the potential financial obligation at the time of recognition. A definitive judgment was issued in 2025 and final amount paid was BD 683 thousand, including interest and litigation related expenses.

25. DISTRIBUTION OF ASSETS AND LIABILITIES

The geographic distribution of all assets and liabilities of the Group is predominantly in Bahrain. The allocation of the Group's assets are disclosed in note 26 of these consolidated financial statements.

26. SEGMENTAL INFORMATION

For management purposes, the Group is organised into four operating segments based on products and services as follows:

- Lending - principally providing consumer, Corporate and small to medium enterprises (CSME) loans and credit card facilities;
- Automotive - trading in motor vehicles, spares and the provision of after sales services and car leasing services;
- Real estate - include buying, selling and renting of properties and providing property valuation services; and
- Insurance - provision of insurance brokerage services.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the consolidated financial statements. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in 2025 and 2024. The following table presents income and profit and certain asset and liability information regarding the Group's operating segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

At 31 December	Lending		Automotive		Real estate		Insurance		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	BD '000	BD '000	**BD '000**	BD '000	**BD '000**	BD '000	**BD '000**	BD '000	**BD '000**	BD '000
Operating income	10,845	12,102	8,769	8,734	1,415	1,068	930	904	**21,959**	22,808
Inter segment revenue	-	-	72	89	19	3	-	-	**91**	92
Operating costs	(12,309)	(11,259)	(5,901)	(5,818)	(957)	(950)	(805)	(794)	**(19,972)**	(18,821)
Net provisions and credit losses	3,815	2,019	(460)	(173)	(265)	(799)	-	-	**3,090**	1,047
Inter segment expenses	(86)	(84)	(5)	(8)	-	-	-	-	**(91)**	(92)
Profit / (loss) for the year	**2,265**	2,778	**2,475**	2,824	**212**	(678)	**125**	110	**5,077**	5,034
Assets and (liabilities)										
Cash and balances with banks	5,077	9,406	672	1,901	6	11	1,037	3,914	**6,792**	15,232
Loans and advances to customers	140,054	137,320	-	-	-	-	-	-	**140,054**	137,320
Trade and other receivables	773	819	3,634	2,822	113	150	198	136	**4,718**	3,927
Intercompany balances	1,717	1,371	(1,790)	(753)	447	(327)	(374)	(291)	**-**	-
Inventories	-	-	16,764	17,689	5,160	1,211	-	-	**21,924**	18,900
Investment properties	-	-	-	-	4,755	9,849	-	-	**4,755**	9,849
Property and equipment	8,828	8,784	21,468	19,829	-	-	-	-	**30,296**	28,613
Other assets	387	1,004	7,474	5,957	-	-	-	2	**7,861**	6,963
Trade and other payables	(10,505)	(11,550)	(7,182)	(8,658)	(254)	(879)	(141)	(110)	**(18,082)**	(21,197)
Bank term loans and other borrowings	(89,372)	(93,336)	(1,681)	(395)	-	-	-	-	**(91,053)**	(93,731)
Equity	**56,959**	53,818	**39,359**	38,392	**10,227**	10,015	**720**	3,651	**107,265**	105,876
Capital expenditure for property and equipment	**1,078**	822	**10,230**	9,459	**-**	-	**-**	-	**11,308**	10,281
Depreciation charge for the property and equipment	**819**	871	**2,905**	2,334	**-**	-	**-**	-	**3,724**	3,205

27. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties comprise major shareholders, directors, and key management personnel of the Group and entities owned or controlled, jointly controlled or significantly influenced by them and companies affiliated by virtue of shareholding in common with that of the Group.

The Group has banking relationships and obtains term borrowings and has unutilised credit facilities with certain of its shareholder banks (Bank of Bahrain and Kuwait B.S.C and National Bank of Bahrain B.S.C). All such transactions are in the ordinary course of business and on terms agreed between the parties.

Major shareholders:	2025 BD '000	2024 BD '000
As at 31 December		
Term loans	42,984	31,034
Bank balances	1,234	1,078
For the year ended 31 December		
Interest expense	3,127	2,415
Other Income	-	300

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

27. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (continued)

Key management personnel:

Transactions with related parties are transactions with key management personnel or their direct family members.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The key management personnel include members of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officer, the automotive companies' Chief Executive Officer, approved personnel by the CBB and the General Managers.

	2025 BD '000	2024 BD '000
As at 31 December		
Loans and advances to customers*	611	865
For the year ended 31 December		
Salaries and short term and end of service employee benefits	2,530	2,256
Directors remuneration and attendance fees	508	511
Sales, service and lease of vehicles	54	59

*The Group has allowance of BD 580 thousand (2024: BD 375 thousand) for impairment losses on loans and advances with related parties.

28. RETIREMENT COST

The Group's contributions in respect of Bahrainis for the year amounted to BD 794 thousand (2024: BD 981 thousand). The Group's provision for expatriate employees' leaving indemnities at 31 December 2025 was BD 777 thousand (2024: BD 871 thousand). The Group employed 670 staff at 31 December 2025 (2024: 723).

The movement in the employees end of service benefits is as follows:

	2025 BD '000	2024 BD '000
At 1 January	871	984
Provided during the year	137	87
Paid during the year to employees	(136)	(123)
Paid during the year to SIO	(95)	(77)
At 31 December	**777**	871

Effective 1 March 2024, pursuant to an Edict number 109 of 2023 issued by His Royal Highness the Prime Minister of the Kingdom of Bahrain, the end of service benefits liability have been transferred to Social Insurance Organization (SIO) monthly and SIO will settle the amounts to employees' who are not covered under SIO Law for periods commencing 1 March 2024 when they leave the Group.

29. STAFF SAVING SCHEME

The scheme is a contribution saving fund between the Company and the employees of the Company. The objective is to provide employees with cash benefit upon resignation, retirement or death. Participation is discretionary. Effective 1 January 2026, employees can contribute any amount up to 20% of their salary (prior to 1 January 2026 10%), and the Company will match the contribution up to a maximum of 10% of salary. Since the cash is held under fiduciary capacity on behalf of employees, it is accounted as asset under management.

Effective 1 January 2026, the employee becomes eligible for the full amount of the Company's contribution once the employee has completed 3 years of service (prior to 1 January 2026 10 years). Otherwise, it will be calculated based on number of year of services.

As at 31 December 2025, the Group saving plan funds stand at BD 3,215 thousand (2024: BD 3,316 thousand). The fund is invested within reputable bank in Bahrain.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

At 31 December 2025

30. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss attributable to shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the average number of ordinary shares purchased by the Company and held as treasury shares, as follows:

	2025 BD '000	2024 BD '000
Profit for the year	5,077	5,034
Weighted average number of equity shares (in 000's) (note 18)	201,429	201,429
Basic earnings per share	**25 fils**	25 fils

Diluted earnings per share is same as basic earnings per share as the Group does not have any potential dilutive instruments in issue.

31. OUTSTANDING COMMITMENTS

As at 31 December 2025, the Group has standby letters of credit issued on its behalf in the normal course of business amounting to BD 10,715 thousand (2024: BD 9,246 thousand) and unutilised credit limits of BD 21,130 thousand (2024: BD 22,716 thousand) to its customers.

32. RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

	Liabilities		Derivatives liabilities borrowings	Equity				
	Trade and other payables BD '000	Bank Term loans and other borrowings BD '000	Interest rate swap and forward exchange contracts used for hedging – liabilities BD '000	Share capital BD '000	Treasury shares BD '000	Reserves BD '000	Retained earnings BD '000	Total BD '000
Balance at 1 January 2025	**21,174**	**93,731**	**23**	**20,419**	**(599)**	**63,576**	**22,480**	**220,804**
Proceeds from loans and borrowings	-	28,276	-	-	-	-	-	28,276
Repayment of borrowings	-	(31,102)	-	-	-	-	-	(31,102)
Dividend paid	(3,021)	-	-	-	-	-	(3,021)	(6,042)
Donation paid	-	-	-	-	-	(158)	-	(158)
Total changes from financing cash flows	**(3,021)**	**(2,826)**	**-**	**-**	**-**	**(158)**	**(3,021)**	**(9,026)**
Changes in fair value	-	-	(23)	-	-	(509)	-	(532)
Profit for the year	-	-	-	-	-	-	5,077	5,077
Liability-related changes	(63)	-	-	-	-	-	-	(63)
Donation declared	-	-	-	-	-	150	(150)	-
Dividend declared	-	-	-	-	-	-	-	-
Borrowing upfront cost	-	148	-	-	-	-	-	148
Interest expense	6,619	-	-	-	-	-	-	6,619
Interest paid	(6,627)	-	-	-	-	-	-	(6,627)
Total liability-related other changes	**(71)**	**148**	**(23)**	**-**	**-**	**-**	**-**	**54**
Total equity-related other changes	**-**	**-**	**-**	**-**	**-**	**(359)**	**4,927**	**4,568**
Balance at 31 December 2025	**18,082**	**91,053**	**-**	**20,419**	**(599)**	**63,059**	**24,386**	**216,400**

33. PROPOSED APPROPRIATIONS

The board of directors has proposed the following appropriations for 2025. These appropriations are subject to approval by the shareholders at the Annual General Meeting.

	2025 BD '000	2024 BD '000
Cash dividends	3,424	3,021
Donations	150	150
	3,574	3,171

34. COMPARATIVES

The corresponding figures have been reclassified where necessary to conform to the current year's presentation. The reclassified did not affect previously reported profit or total equity.

GRI content index

Statement of use	Bahrain Commercial Facilities Company has reported the information cited in this GRI content index for the period from 1 January 2025 to 31 December 2025 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	Notes
GRI 2: General Disclosures 2021	2-1 Organizational details	Corporate Profile	
	2-2 Entities included in the organization's sustainability reporting	Principal Activities	
	2-3 Reporting period, frequency and contact point	Contents Chairman's Report Sustainability	
	2-4 Restatements of information		No restatements of information have been made in this reporting period
	2-5 External assurance	ESG KPIs - CBB Disclosures: Governance KPIs	
	2-6 Activities, value chain and other business relationships	Principal Activities	
	2-7 Employees	ESG KPIs - CBB Disclosures: Social KPIs	
	2-8 Workers who are not employees	ESG KPIs - CBB Disclosures: Social KPIs	
	2-9 Governance structure and composition	Corporate Governance	
	2-10 Nomination and selection of the highest governance body	Corporate Governance	
	2-11 Chair of the highest governance body	Board of Directors	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance Sustainability Governance	
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance Sustainability Governance	
	2-15 Conflicts of interest	Corporate Governance	
	2-16 Communication of critical concerns	Corporate Governance	No critical concerns were raised by stakeholders during the reporting period.
	2-17 Collective knowledge of the highest governance body	Corporate Governance	
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	
	2-19 Remuneration policies	Corporate Governance	
	2-20 Process to determine remuneration	Corporate Governance	
	2-22 Statement on sustainable development strategy	Sustainability Governance ESG KPIs - CBB Disclosures: Governance KPIs	
	2-23 Policy commitments	Corporate Governance Sustainability Governance	
	2-24 Embedding policy commitments	Corporate Governance Sustainability Governance	
	2-25 Processes to remediate negative impacts	Corporate Governance	
	2-26 Mechanisms for seeking advice and raising concerns	Corporate Governance	
	2-27 Compliance with laws and regulations	Independent Auditor's Report	
	2-28 Membership associations	ESG KPIs - CBB Disclosures: Governance KPIs	
	2-29 Approach to stakeholder engagement	Materiality Assessment	
	2-30 Collective bargaining agreements	ESG KPIs - CBB Disclosures: Governance KPIs	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	
	3-2 List of material topics	Materiality Assessment	
	3-3 Management of material topics	Materiality Assessment Our ESG Journey: From Strategy to Impact	
GRI 102: Climate Change 2025	102-5 Scope 1 GHG emissions	ESG KPIs - CBB Disclosures: Environmental KPIs	
	102-6 Scope 2 GHG emissions	ESG KPIs - CBB Disclosures: Environmental KPIs	
	102-7 Scope 3 GHG emissions	ESG KPIs - CBB Disclosures: Environmental KPIs	
	102-8 GHG emissions intensity	ESG KPIs - CBB Disclosures: Environmental KPIs	
GRI 103: Energy 2025	103-2 Energy consumption and self-generation within the organization	ESG KPIs - CBB Disclosures: Environmental KPIs	
	103-4 Energy intensity	ESG KPIs - CBB Disclosures: Environmental KPIs	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Strategic Review Financial Statements	
	201-2 Financial implications and other risks and opportunities due to climate change	ESG KPIs - CBB Disclosures: Environmental KPIs Financial Statements	
	201-3 Defined benefit plan obligations and other retirement plans	Notes to the Consolidated Financial Statements	
	201-4 Financial assistance received from government	Strategic Review Financial Statements	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	CEO's Message	
	203-2 Significant indirect economic impacts	Materiality Assessment Our ESG Journey: From Strategy to Impact ESG KPIs - CBB Disclosures: Social KPIs	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance ESG KPIs - CBB Disclosures: Governance KPIs	
	205-2 Communication and training about anti-corruption policies and procedures	ESG KPIs - CBB Disclosures: Governance KPIs	
	205-3 Confirmed incidents of corruption	ESG KPIs - CBB Disclosures: Governance KPIs	None Reported
GRI 303: Water and Effluents 2018	303-5 Water consumption	ESG KPIs - CBB Disclosures: Environmental KPIs	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	ESG KPIs - CBB Disclosures: Environmental KPIs	
	306-2 Management of significant waste-related impacts	ESG KPIs - CBB Disclosures: Environmental KPIs	
	306-3 Waste generated	ESG KPIs - CBB Disclosures: Environmental KPIs	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG KPIs - CBB Disclosures: Social KPIs	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	ESG KPIs - CBB Disclosures: Social KPIs	
	403-5 Worker training on occupational health and safety	ESG KPIs - CBB Disclosures: Social KPIs	
	403-9 Work-related injuries	ESG KPIs - CBB Disclosures: Social KPIs	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Our ESG Journey: From Strategy to Impact ESG KPIs - CBB Disclosures: Social KPIs	
	404-2 Programs for upgrading employee skills and transition assistance programs	Our ESG Journey: From Strategy to Impact ESG KPIs - CBB Disclosures: Social KPIs	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Corporate Governance ESG KPIs - CBB Disclosures: Social KPIs	
	405-2 Ratio of basic salary and remuneration of women to men	ESG KPIs - CBB Disclosures: Social KPIs	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESG KPIs - CBB Disclosures: Social KPIs	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	ESG KPIs - CBB Disclosures: Social KPIs	
GRI 409: Forced or Compulsory Labor	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESG KPIs - CBB Disclosures: Social KPIs	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Our ESG Journey: From Strategy to Impact ESG KPIs - CBB Disclosures: Social KPIs	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Our ESG Journey: From Strategy to Impact ESG KPIs - CBB Disclosures: Governance KPIs	No substantiated complaints regarding breaches of customer privacy or data loss were reported in 2025

© GRI 2026
Version 1.3 (January 2026)