

| | <i>Statement of Financial position as per in published financial statements</i> | <i>Statement of Financial position as per Regulatory Reporting</i> |
|---|---|--|
| | Q2 2018 BD'000 | Q2 2018 BD'000 |
| Assets | | |
| Cash and balances with banks and Central Bank | 60,813 | 60,813 |
| Gross Placements with financial institutions | 89,055 | 89,055 |
| Less: Expected credit loss (stage 3) | - | - |
| Less: Expected credit loss (stage 1 and stage 2) | (3) | - |
| Net placements with financial institutions | 89,052 | 89,055 |
| Gross financing assets | 586,232 | 586,232 |
| Less: Expected credit loss (stage 3) | (22,192) | (22,192) |
| Less: Expected credit loss (stage 1 and stage 2) | (5,094) | - |
| Net financing assets | 558,946 | 564,040 |
| Gross investment securities | 256,932 | 256,932 |
| Less: Expected credit loss (stage 3) | (12,178) | (12,178) |
| Less: Expected credit loss (stage 1 and stage 2) | (52) | - |
| Net investment securities | 244,702 | 244,754 |
| Ijarah Muntahia Bittamleek | 161,844 | 161,844 |
| Gross ijarah rental receivables | 31,609 | 31,609 |
| Less: Expected credit loss (stage 3) | (12,816) | (12,816) |
| Less: Expected credit loss (stage 1 and stage 2) | (1,190) | - |
| Net ijarah rental receivables | 17,603 | 18,793 |
| Investment in associates | 22,155 | 22,155 |
| Investment in real estate | 26,737 | 26,737 |
| Property and equipment | 13,816 | 13,816 |
| Gross other assets | 12,407 | 12,407 |
| Less: Expected credit loss (stage 3) | (97) | (97) |
| Less: Expected credit loss (stage 1 and stage 2) | (34) | - |
| Net other assets | 12,276 | 12,310 |
| TOTAL ASSETS | 1,207,944 | 1,214,317 |
| Liabilities, Equity Of Investment Accountholders And Owners' Equity | | |
| Liabilities | | |
| Placements from financial institutions | 159,897 | 159,897 |
| Borrowings from financial institutions | 38,090 | 38,090 |
| Customers' current accounts | 149,941 | 149,941 |
| Other liabilities | 15,853 | 15,644 |
| of which: Expected credit loss - Off balance sheet exposures (stage 3) | 2 | 2 |
| (stage 1 and stage 2) | 209 | - |
| of which: Other liabilities | 15,642 | 15,642 |
| Total Liabilities | 363,781 | 363,572 |
| Equity of Investment Accountholders | 732,973 | 732,973 |
| Owners' Equity | | |
| Share capital | 106,405 | 106,405 |
| Treasury shares | (892) | (892) |
| Shares under employee share incentive scheme | (391) | (391) |
| Share premium | 120 | 120 |
| Statutory reserve | 2,977 | 2,977 |
| Real estate fair value reserve | 6,145 | 6,145 |
| Investment securities fair value reserve | 718 | 718 |
| Expected credit loss | - | 6,582 |
| of which: amount eligible for Tier 2 capital subject to a maximum of 1.25% of credit risk weighted assets | - | - |
| of which: amount ineligible for Tier 2 capital | - | 6,582 |
| Profit for the period | 3,507 | 3,507 |
| Retained earnings brought forward | (7,399) | (7,399) |
| Total Owners' Equity | 111,190 | 117,772 |
| TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY | 1,207,944 | 1,214,317 |

| | <i>CET 1</i> | <i>T2</i> |
|---|----------------|---------------|
| | <i>BD'000</i> | <i>BD'000</i> |
| Components of capital | | |
| Issued and fully paid ordinary shares | 106,405 | - |
| General reserves | - | - |
| Legal / statutory reserves | 2,977 | - |
| Share premium | 120 | - |
| Retained earnings brought forward | (7,399) | - |
| Current period profits | 3,507 | - |
| Unrealized gains and losses on available for sale financial instruments | 718 | - |
| Less: | | |
| Employee stock incentive program funded by the bank (outstanding) | 391 | - |
| Treasury Shares | 892 | - |
| Total Common Equity Tier 1 capital after the regulatory adjustments above (CET1 d) | <u>105,045</u> | <u>-</u> |
| Assets revaluation reserve - property, plant, and equipment | | 6,145 |
| General financing loss provisions | | 6,582 |
| Total Available AT1 & T2 Capital | | <u>12,727</u> |
| Total Capital | | 117,772 |

| Disclosure template for main features of regulatory capital instruments | | |
|---|---|---|
| 1 | Issuer | Bahrain Islamic Bank BSC |
| 2 | Unique identifier (Bahrain bourse ticker) | BISB |
| 3 | Governing law(s) of the instrument | All applicable laws and regulations in the Kingdom of Bahrain |
| | <i>Regulatory treatment</i> | |
| 4 | Transitional CBB rules | Common Equity Tier 1 |
| 5 | Post-transitional CBB rules | Common Equity Tier 1 |
| 6 | Eligible at solo/group/group & solo | Group and solo |
| 7 | Instrument type (types to be specified by each jurisdiction) | Equity shares |
| 8 | Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date) | BD 106.40 million |
| 9 | Par value of instrument | BD 0.100 |
| 10 | Accounting classification | Shareholders' equity |
| 11 | Original date of issuance | Various |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | No maturity |
| 14 | Issuer call subject to prior supervisory approval | No |
| 15 | Optional call date, contingent call dates and redemption amount | Not applicable |
| 16 | Subsequent call dates, if applicable | Not applicable |
| | <i>Coupons / dividends</i> | |
| 17 | Fixed or floating dividend/coupon | Dividend as declared by shareholders |
| 18 | Coupon rate and any related index | Not applicable |
| 19 | Existence of a dividend stopper | Not applicable |
| 20 | Fully discretionary, partially discretionary or mandatory | Fully discretionary |
| 21 | Existence of step up or other incentive to redeem | No |
| 22 | Noncumulative or cumulative | Non-cumulative |
| 23 | Convertible or non-convertible | Not applicable |
| 24 | If convertible, conversion trigger (s) | Not applicable |
| 25 | If convertible, fully or partially | Not applicable |
| 26 | If convertible, conversion rate | Not applicable |
| 27 | If convertible, mandatory or optional conversion | Not applicable |
| 28 | If convertible, specify instrument type convertible into | Not applicable |
| 29 | If convertible, specify issuer of instrument it converts into | Not applicable |
| 30 | Write-down feature | No |
| 31 | If write-down, write-down trigger(s) | Not applicable |
| 32 | If write-down, full or partial | Not applicable |
| 33 | If write-down, permanent or temporary | Not applicable |
| 34 | If temporary write-down, description of write-up mechanism | Not applicable |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | Not applicable |
| 36 | Non-compliant transitioned features | No |
| 37 | If yes, specify non-compliant features | Not applicable |