

**ARAB PETROLEUM INVESTMENTS CORPORATION
(APICORP)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED
30 JUNE 2026**

ARAB PETROLEUM INVESTMENTS CORPORATION

**INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026**

CONTENTS	Page
Report on review of interim condensed consolidated financial information	1
Interim condensed consolidated statement of financial position	2
Interim condensed consolidated statement of income	3
Interim condensed consolidated statement of comprehensive income	4
Interim condensed consolidated statement of changes in equity	5 – 6
Interim condensed consolidated statement of cash flows	7
Notes to the Interim condensed consolidated financial information	8 – 29



ERNST & YOUNG PROFESSIONAL SERVICES (PROFESSIONAL LLC)
Paid-Up Capital: ﷲ5,500,000 (Five Million Five Hundred Thousand Saudi Riyals)

Head Office
Financial Boulevard 3126, Al Aqeeq Dist. 6717, Riyadh 13519
KAJD 1.11 B, South Tower, 8th Floor
P.O. Box 2732, Riyadh 11461
Kingdom of Saudi Arabia

C.R. No. 1010383821

Tel: +966 11 215 9898
+966 11 273 4740
Fax: +966 11 273 4730

ey.ksa@sa.ey.com
ey.com

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

TO THE SHAREHOLDERS OF ARAB PETROLEUM INVESTMENTS CORPORATION (APICORP)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Arab Petroleum Investments Corporation ("the Corporation") and its subsidiaries (collectively referred to as "the Group") as at 30 June 2026, and the related interim condensed consolidated statement of income and comprehensive income for the three-month and six-month periods ended 30 June 2026, and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

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

Conclusion

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

for Ernst & Young Professional Services

Fahad M. Altoaimi
Certified Public Accountant
License No. (354)



Riyadh: 13 Rabi' al-Thani 1448H
(24 September 2026)

ARAB PETROLEUM INVESTMENTS CORPORATION

2

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

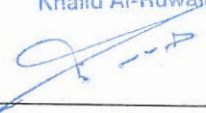
(US\$000)

	Note	30 June 2026 (Unaudited)	31 December 2025 (Audited)
ASSETS			
Cash and cash equivalents	19	270,701	332,338
Placements with banks, net	6	2,006,766	1,064,882
Positive fair value of derivatives	14	83,653	125,154
Loans and advances, net	7	6,244,186	6,025,120
Investments in debt	8	3,198,318	4,074,807
Investments in equity	8	1,717,277	1,471,138
Equity accounted investees, net	9	128,035	121,182
Other assets		322,322	176,205
Property, equipment and right of use assets		24,759	26,814
Total assets		13,996,017	13,417,640
LIABILITIES AND EQUITY			
LIABILITIES			
Deposits	10	830,595	457,028
Securities sold under agreements to repurchase	8 (a)	445,542	445,542
Negative fair value of derivatives	14	70,306	45,378
Other liabilities		272,106	248,194
Term financing	11	1,700,000	1,850,000
Sukuk and bonds issued	12	6,909,480	6,730,338
Total liabilities		10,228,029	9,776,480
EQUITY			
Share capital	1	1,500,000	1,500,000
Legal reserve		351,300	351,238
General reserve		316,149	316,149
Investments fair value and other reserves		578,758	608,072
Retained earnings		1,021,775	865,695
Total equity attributable to shareholders of the Corporation		3,767,982	3,641,154
Non-controlling interests	6		6
Total equity		3,767,988	3,641,160
Total liabilities and equity		13,996,017	13,417,640



Mohammed Abdulrahman
Albrahim
Chairman

Khalid Al-Ruwaigh



Khalid Ali Al Ruwaigh
Chief Executive Officer



Vicky Bhatia
Chief Financial Officer

The accompanying notes 1 to 21 are an integral part of the interim condensed consolidated financial information.

ARAB PETROLEUM INVESTMENTS CORPORATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

(US\$000)

	Note	For the three-month period ended 30 June		For the six-month period ended 30 June	
		2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Interest income		159,595	165,141	319,652	315,357
Interest expense		(103,849)	(110,536)	(205,049)	(204,150)
Net interest income		55,746	54,605	114,603	111,207
Dividend income		12,163	7,218	18,636	13,058
Net gain on disposal of financial assets at FVOCI		4,631	3,755	8,211	10,590
Net change in fair value of financial assets at FVTPL		13,956	5,080	20,478	(279)
Fee income		2,249	2,083	2,712	10,926
Other income, net		4,217	3,037	3,665	1,306
Share of profit of equity accounted investees, net	9	2,869	2,972	2,981	4,167
Total net income before operating expenses		95,831	78,750	171,286	150,975
Operating expenses		(13,321)	(14,749)	(27,074)	(27,096)
Impairment (loss) / release on financial instruments, net	15	(12,599)	(4,312)	(18,790)	5,223
Net income for the period		69,911	59,689	125,422	129,102
Net income for the period attributable to:					
Shareholders of the Corporation		69,911	59,689	125,422	129,102
Non-controlling interests		-	-	-	-
		69,911	59,689	125,422	129,102
Per share information attributable to the shareholders of the Corporation					
Basic and diluted earnings per share		U \$67	U \$60	U \$64	U \$66



Mohammed Abdulrahman Albrahim
Chairman



Khalid Ali Al Ruwaigh
Chief Executive Officer



Vicky Bhatia
Chief Financial Officer

The accompanying notes 1 to 21 are an integral part of the interim condensed consolidated financial information.

ARAB PETROLEUM INVESTMENTS CORPORATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

(US\$000)

	For the three-month period ended 30 June		For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)	2026 (Unaudited)	2025 (Unaudited)
Net income for the period	69,911	59,689	125,422	129,102
Other comprehensive income / (loss)	-	-	-	-
<i>Items that will not be reclassified to the statement of income</i>	-	-	-	-
Net change in fair value of equity securities at FVOCI	99,262	21,065	12,963	5,466
<i>Items that are or may be reclassified subsequently to the statement of income</i>				
Net change in fair value of debt securities at FVOCI	35,287	(43,638)	(8,624)	(28,857)
Share of other comprehensive income from equity accounted investees	5,278	-	5,278	-
Reclassified to statement of income on sale of debt securities at FVOCI	(4,631)	(3,755)	(8,211)	(10,590)
Total other comprehensive income / (loss) for the period	135,196	(26,328)	1,406	(33,981)
Total comprehensive income for the period	205,107	33,361	126,828	95,121
Total comprehensive income for the period attributable to:				
Shareholders of the Corporation	205,107	33,361	126,828	95,121
Non-controlling interests	-	-	-	-
	205,107	33,361	126,828	95,121

The accompanying notes 1 to 21 are an integral part of the interim condensed consolidated financial information.

ARAB PETROLEUM INVESTMENTS CORPORATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

(US\$000)

2026 (Unaudited)	Total Equity attributable to Shareholders of the Corporation							
	Share capital	Legal reserve	General reserve	Investments fair value and other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2026	1,500,000	351,238	316,149	608,072	865,695	3,641,154	6	3,641,160
Comprehensive income / (loss):								
Net income for the period	-	-	-	-	125,422	125,422	-	125,422
Other comprehensive income / (loss):								
- Transfer to retained earnings on sale of equity securities at FVOCI	-	-	-	(30,720)	30,720	-	-	-
- Net change in fair value of equity securities at FVOCI	-	-	-	12,963	-	12,963	-	12,963
- Net change in fair value of debt securities at FVOCI	-	-	-	(16,835)	-	(16,835)	-	(16,835)
- Share of other comprehensive income from equity accounted investees (Note 9)	-	-	-	5,278	-	5,278	-	5,278
Total other comprehensive income	-	-	-	(29,314)	30,720	1,406	-	1,406
Total comprehensive income for the period	-	-	-	(29,314)	156,142	126,828	-	126,828
Transfer to legal reserve	-	62	-	-	(62)	-	-	-
Balance at 30 June 2026	1,500,000	351,300	316,149	578,758	1,021,775	3,767,982	6	3,767,988

The accompanying notes 1 to 21 are an integral part of the interim condensed consolidated financial information.

ARAB PETROLEUM INVESTMENTS CORPORATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 June 2026 (continued)

(US\$000)

2025 (Audited)	Total Equity attributable to Shareholders of the Corporation							
	Share capital	Legal reserve	General reserve	Investments fair value and other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2025	1,500,000	323,000	316,149	627,839	586,520	3,353,508	20	3,353,528
Comprehensive income / (loss):								
Net income for the period	-	-	-	-	129,102	129,102	-	129,102
Other comprehensive (loss) / income:								
- Transfer to retained earnings on sale of equity securities at FVOCI	-	-	-	-	-	-	-	-
- Net change in fair value of equity securities at FVOCI	-	-	-	5,466		5,466		5,466
- Net change in fair value of debt securities at FVOCI	-	-	-	(39,447)	-	(39,447)	-	(39,447)
<i>Total other comprehensive loss</i>	-	-	-	(33,981)	-	(33,981)	-	(33,981)
Total comprehensive (loss) / income for the period	-	-	-	(33,981)	129,102	95,121	-	95,121
Return of capital to non-controlling interests	-	-	-	-	-	-	(16)	(16)
Balance at 30 June 2025	1,500,000	323,000	316,149	593,858	715,622	3,448,629	4	3,448,633

The accompanying notes 1 to 21 are an integral part of the interim condensed consolidated financial information.

ARAB PETROLEUM INVESTMENTS CORPORATION

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS'
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

(US\$000)

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net income for the period	125,422	129,102
Adjustment for:		
Depreciation	2,231	2,170
End-of-service benefits	1,143	792
Net interest income	(114,603)	(111,207)
Share of profit from associates	(2,981)	(4,167)
Unrealized gains from derivative valuation, net	(3,968)	1,293
Net gain on disposal of financial assets at FVOCI	(8,211)	(10,590)
Loss from sale of equipment	-	(30)
Dividend income	(18,636)	(13,058)
Impairment on financial instruments and others, net	18,790	(5,223)
Changes in operating assets and liabilities		
Interest received	251,170	288,111
Loans and advances, net	(236,634)	(364,175)
Placements with banks	(944,932)	(618,576)
Investments held at FVTPL	(390,285)	31,056
Other assets	(76,538)	(487)
Other liabilities	(23,519)	(18,195)
Interest paid	(157,618)	(177,322)
Dividends received	20,080	13,000
Deposits	373,567	(261,091)
End-of-service benefits paid	(575)	(541)
Net cash used in operating activities	(1,186,097)	(1,119,138)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments at FVOCI	(1,930,650)	(2,064,096)
Sale and redemption of investments at FVOCI	2,942,462	2,051,686
Purchase of equipment	-	(151)
Proceeds from sale of equipment	-	193
Net cash generated from / (used in) investing activities	1,011,812	(12,368)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sukuk and bonds	1,349,353	2,081,808
Proceeds from term financing	350,000	150,000
Repayment against sukuk and bonds	(1,086,705)	(1,025,000)
Repayment against term financing	(500,000)	-
Dividend paid	-	(16,670)
Net cash generated from financing activities	112,648	1,190,138
Net (decrease) / increase in cash and cash equivalents during the period	(61,637)	58,632
Cash and cash equivalent at the beginning of the period	332,338	137,016
Cash and cash equivalents at the end of the period (note 19)	270,701	195,648
Non-cash transactions		
Net changes in fair value and transfers to interim condensed consolidated statement of income	1,406	(33,981)

The accompanying notes 1 to 21 are an integral part of the interim condensed consolidated financial information.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

1 REPORTING ENTITY

Arab Petroleum Investments Corporation ("APICORP" or the "Corporation") is an Arab joint stock company established on 23 November 1975 in accordance with an international agreement signed and ratified by the ten member states of the Organization of Arab Petroleum Exporting Countries (OAPEC). The agreement defines the objectives of the Corporation as:

- participation in financing petroleum projects and industries, and in fields of activity which are derived there from, ancillary to, associated with, or complementary to such projects and industries; and
- giving priority to Arab joint ventures which benefit the member states and enhance their capabilities to utilise their petroleum resources and to invest their funds to strengthen their economic and financial development and potential.

Domicile and taxation

The Corporation is an international entity, and operates from its registered head office in Riyadh, Kingdom of Saudi Arabia. The establishing agreement states that APICORP is exempt from taxation in respect of its operations in the member states.

Activities

APICORP is independent in its administration and the performance of its activities and operates on a commercial basis with the intention of contributing to the development of its member states as well as generating net income. It operates from its registered head office in Riyadh, Kingdom of Saudi Arabia and through a banking branch in Manama, Kingdom of Bahrain. The Corporation's financing activities take the form of loans, equity investments and project and trading financing and fund investments as well as treasury investments. These activities are funded by shareholders' equity, term-financing from banks, bonds, sukuks, deposits from governments and corporates as well as short-term deposits from banks.

During 2023, to align with the Group's strategic plan of becoming a leading energy impact fund in the MENA region and commitment to supporting the MENA region's energy landscape transition towards a net-zero future, the Group was rebranded from APICORP to The Arab Energy Fund ("TAEF").

Subsidiaries

The interim condensed consolidated financial statements include the financial information of APICORP and its subsidiaries (together "the Group").

APICORP Sukuk Limited

The Corporation has set up a vehicle in 2015, APICORP Sukuk Limited, incorporated in Cayman Islands. It is a 100% owned subsidiary with the primary activity to issue Sukuk and related products.

APICORP Trading SPV Limited

The Corporation has set up a vehicle in 2019, APICORP Trading SPV Limited, incorporated in Cayman Islands. It is a 100% owned subsidiary set up primarily for the purpose of holding interest rate swap, foreign exchange and repurchase agreement deals.

BMIF Polar Holdings Co-Invest Fund, L.P.

The Corporation has co-invest in a limited partnership set up during 2024 incorporated in the United Arab Emirates. It is a 99.98% owned subsidiary primarily for the purpose to co-invest alongside BMIF in the portfolio company, to share the profits and losses therefrom and engage in activities and conduct any other business.

ARAB PETROLEUM INVESTMENTS CORPORATION
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)
1 REPORTING ENTITY (continued)
Share capital

The capital is denominated in shares of US\$ 1,000 each and is owned by the governments of the ten OAPEC states as of 30 JUNE 2026 and 31 December 2025 were as follows:

	(US\$000)				
	Authorised Capital	Subscribed capital	Issued and fully paid	Unissued Capital	Percentage
United Arab Emirates	3,400,000	1,700,000	255,000	1,445,000	17%
Kingdom of Bahrain	600,000	300,000	45,000	255,000	3%
Democratic and Popular Republic of Algeria	1,000,000	500,000	75,000	425,000	5%
Kingdom of Saudi Arabia	3,400,000	1,700,000	255,000	1,445,000	17%
Syrian Arab Republic	600,000	300,000	45,000	255,000	3%
Republic of Iraq	2,000,000	1,000,000	150,000	850,000	10%
State of Qatar	2,000,000	1,000,000	150,000	850,000	10%
State of Kuwait	3,400,000	1,700,000	255,000	1,445,000	17%
Libya	3,000,000	1,500,000	225,000	1,275,000	15%
Arab Republic of Egypt	600,000	300,000	45,000	255,000	3%
	20,000,000	10,000,000	1,500,000	8,500,000	100%

2 BASIS OF PREPARATION

The interim condensed consolidated financial information has been prepared in condensed form in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting as endorsed in the Kingdom of Saudi Arabia. The interim condensed consolidated financial information does not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

The Group presents the interim condensed consolidated statement of financial position in order of liquidity. Non-current assets include portion of loans and advances, portion of placement with banks, equity accounted investee, portion of investments, portion of positive fair value of derivatives, other assets and property and equipment. Cash and cash equivalents and portions of loans and advances, portion of placement with banks, portion of investments are considered as current assets. Current liabilities include deposits, portion of term financing, portion of negative fair value of derivatives and portion of sukuk and bond issued. Non-current liabilities include, portion of term financing, portion of negative fair value of derivatives, other liabilities and portion of sukuk and bonds issued.

The Group's functional and presentation currency is United States dollars (US\$) because it is a supranational organisation with its capital and the majority of its transactions and assets denominated in that currency.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

2 BASIS OF PREPARATION (continued)

New standards, interpretations, and amendments

The accounting policies adopted in the preparation of the condensed interim consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of amendments and improvements in IFRS Accounting Standards as endorsed in Kingdom of Saudi Arabia effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2026, but do not have a significant impact on the condensed interim consolidated financial information of the Group.

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026
Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	1 January 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026

ARAB PETROLEUM INVESTMENTS CORPORATION
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)
2 BASIS OF PREPARATION (continued)
New standards not yet effective

The International Accounting Standards Board (IASB) has issued the following standards and amendments which will become effective on or after 1 January 2026. The Group has opted not to early adopt these pronouncements, and these standards and interpretations are not expected to have any material impact on the Group's interim condensed consolidated financial information, except for IFRS 18, the impact of which the Group is currently evaluating.

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
IFRS 18 - Presentation and Disclosure in Financial Statements	This standard sets out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure the entity provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	1 January 2027
IFRS 19 - Reducing subsidiaries' Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that; at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027
Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21	The amendments require translation from a non- hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.	1 January 2027
IFRS 20 - Regulatory Assets and Regulatory Liabilities	IFRS 20 introduces requirements that will result in information that supplements the information an entity already provides by applying IFRS accounting standards, such as IFRS 15. Such information enables users of financial statements to understand the total allowed compensation for regulatory goods or services supplied in each reporting period and the related rights and obligations.	1 January 2029

A. MATERIAL ACCOUNTING POLICIES

The Group's accounting policies are consistent with those disclosed in the last audited consolidated financial statements for the year ended 31 December 2025. These accounting policies have been applied consistently to all periods presented in the interim condensed consolidated financial statements and have been consistently applied by the Group unless otherwise stated.

B. BASIS OF CONSOLIDATION

"Subsidiaries" are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights, to variable returns from its involvement with the investee company and has the ability to influence the returns through its power over the entity.

Special Purpose Entities (SPEs) are entities that are created to accomplish a narrow and well-defined objective such as the execution of a specific borrowing or investment transaction. An SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group:

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

2 BASIS OF PREPARATION (continued)

B. BASIS OF CONSOLIDATION (continued)

1) the Corporation has power over the SPE and is exposed to or has rights to variable returns from its involvement with the SPE;

2) the Corporation has the ability to use its power over the SPE at inception; and

3) the Corporation can subsequently affect the amount of its return, the Corporation concludes that it controls the SPE.

The assessment of whether the Corporation has control over a SPE is carried out at inception and normally no further reassessment of control is carried out in the absence of changes in the structure or terms of the SPE, or additional transactions between the Corporation and the SPE, except whenever there is a change in the substance of the relationship between the Corporation and a SPE.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The financial statements of subsidiaries are included in the interim condensed consolidated financial statements from the date control commences until the date on which control ceases. When necessary, adjustments are made to the interim condensed consolidated financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All significant intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated on consolidation.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interest (NCI) are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the NCI is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners' equity of the Group.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resultant gain or loss is recognised in the consolidated statement of income. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9, or when appropriate, the cost on initial recognition of an equity accounted investee.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objectives and policies are consistent with those disclosed in the last audited consolidated financial statements for the year ended 31 December 2025.

4 USE OF JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed consolidated financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(i) Judgements

Classification of financial assets

Assessment of the business model within which the assets are held and assessment of whether contractual terms of the financial assets are SPPI on the principal amount outstanding.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

4 USE OF JUDGEMENTS AND ESTIMATES (continued)**(i) Judgements (continued)*****Significant increase of credit risk***

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

(ii) Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of financial instruments

Determination of inputs into the expected credit losses (ECL) measurement model, including key assumptions used in estimating recoverable cash flows and incorporation of forward-looking information.

In determining the appropriate level of ECLs the Group considered the macro-economic outlook, customer credit quality, the type of collateral held, exposure at default, and the effect of payment deferral options as at the reporting date.

During 2026, the ECL model methodology, significant increase in credit risk (SICR) thresholds, and definition of default remain consistent with those used as at 31 December 2025.

The model inputs, including forward-looking information, scenarios, and associated weightings, were revised to reflect the current outlook.

The Group's models are calibrated to consider past performance and macroeconomic forward-looking variables as inputs. This includes consideration of significant government support and the high degree of uncertainty around historic long-term trends used in determining reasonable and supportable forward-looking information as well as the assessment of underlying credit deterioration and migration of balances to progressive stages.

The Group considers both qualitative and quantitative information in the assessment of significant increase in credit risk.

Impact of Geo-Political situation on expected credit losses ("ECL")

The geopolitical situation in the Middle East has deteriorated significantly since 28 February 2026. The situation has remained highly volatile and has impacted several countries in the Middle East including Kingdom of Saudi Arabia, causing disruption to some business and economic activities.

The prevailing geopolitical situation has brought about additional uncertainties in the economic environment which require the Group to revise certain inputs and assumptions used for the determination of expected credit losses ("ECL").

The impact of such uncertain economic environment is judgmental, and the Group will continue to reassess its position and the related impact on a regular basis as more reliable data becomes available and accordingly determine if any adjustment in the ECL is required in subsequent reporting periods.

Measurement of fair value of financial instruments with significant unobservable inputs (Level 3).
(Refer note 17).

5 SEASONALITY OF OPERATION

Except for dividend income of US\$ 18.6 million (30 June 2025: US\$ 13.1 million) the Corporation doesn't have any significant income of seasonal nature.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

6 PLACEMENTS WITH BANKS, NET

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
With Islamic financial institutions	1,590,000	900,000
With conventional financial institutions	425,573	95,124
Margin call accounts	65,807	3,458
High quality liquid assets	148,469	165,886
Expected credit loss	(7,510)	(4,462)
	2,222,339	1,160,006
Placements with banks less than 90 days maturity (note 19)	(215,573)	(95,124)
	2,006,766	1,064,882

7 LOANS AND ADVANCES, NET

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Islamic loans held at amortised cost	1,144,763	1,009,889
Conventional loans held at amortised cost	5,248,522	5,152,748
Gross Loans	6,393,285	6,162,637
Unamortized participation and upfront fees	(86,067)	(92,053)
	6,307,218	6,070,584
Expected credit losses	(106,568)	(89,000)
Loans and advances at amortised cost, net	6,200,650	5,981,584
Conventional loan held at FVTPL	43,536	43,536
	6,244,186	6,025,120

Below tables show the loans and advances breakdown of credit exposure and expected credit losses of loans and advances at amortized cost:

30 June 2026 (Unaudited)	Performing	Non- performing	Gross	Unamortized participation and upfront fees	Expected credit losses	Loans and advances at amortised cost, net
Islamic loans held at amortised cost	1,144,763	-	1,144,763	(17,105)	(18,301)	1,109,357
Conventional loans held at amortised cost	5,189,014	59,508	5,248,522	(68,962)	(88,267)	5,091,293
Total	6,333,777	59,508	6,393,285	(86,067)	(106,568)	6,200,650

31 December 2025 (Audited)	Performing	Non- performing	Gross	Unamortized participation and upfront fees	Expected credit losses	Loans and advances at amortised cost, net
Islamic loans held at amortised cost	1,009,889	-	1,009,889	(19,956)	(16,215)	973,718
Conventional loans held at amortised cost	5,139,284	13,464	5,152,748	(72,097)	(72,785)	5,007,866
Total	6,149,173	13,464	6,162,637	(92,053)	(89,000)	5,981,584

Performing loans are under stage 1 and stage 2 i.e. 12-month ECL and lifetime ECL not credit impaired, and the non-performing loans includes all the loans that are under stage 3 i.e. lifetime ECL credit impaired. FVTPL loan is also classified as performing.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

(US\$000)

7 LOANS AND ADVANCES, NET (continued)

Below tables show the stage-wise breakdown of gross exposure and loss allowance for expected credit loss of loan and advances at amortized cost:

30 June 2026 (Unaudited)								
	Gross exposure			Total Gross Exposure	Allowance for impairment			
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired		12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total Allowance for impairment
Islamic loans held at amortised cost	1,144,763	-	-	1,144,763	(18,301)	-	-	(18,301)
Conventional loans held at amortised cost	5,189,014	-	59,508	5,248,522	(47,176)	-	(41,091)	(88,267)
Total	6,333,777	-	59,508	6,393,285	(65,477)	-	(41,091)	(106,568)

31 December 2025 (Audited)								
	Gross exposure			Total Gross Exposure	Allowance for impairment			
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired		12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total Allowance for impairment
Islamic loans held at amortised cost	1,009,889	-	-	1,009,889	(16,215)	-	-	(16,215)
Conventional loans held at amortised cost	5,090,523	48,761	13,464	5,152,748	(43,220)	(16,101)	(13,464)	(72,785)
Total	6,100,412	48,761	13,464	6,162,637	(59,435)	(16,101)	(13,464)	(89,000)

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

7 LOANS AND ADVANCES, NET (continued)

Movement of gross loan exposure for Islamic loans is as follows:

	30 June 2026 (Unaudited)			Total Gross Exposure
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2026	1,009,889	-	-	1,009,889
New loans and advances originated	348,227	-	-	348,227
Loans and advances settled	(213,353)	-	-	(213,353)
Balance as at 30 June 2026	1,144,763	-	-	1,144,763

	31 December 2025 (Audited)			Total Gross Exposure
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2025	490,890	252,290	-	743,180
Transfer to 12-month ECL	252,290	(252,290)	-	-
New loans and advances originated	400,762	-	-	400,762
Loans and advances settled	(134,053)	-	-	(134,053)
Balance as at 31 December 2025	1,009,889	-	-	1,009,889

Movement on expected credit loss impairment allowance for Islamic loans is as follows:

	30 June 2026 (Unaudited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2026	16,215	-	-	16,215
Net charge for the period	2,086	-	-	2,086
Balance as at 30 June 2026	18,301	-	-	18,301

	31 December 2025 (Audited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2025	200	16,225	-	16,425
Transfer to 12-month ECL	16,225	(16,225)	-	-
Net reversal for the year	(210)	-	-	(210)
Balance as at 31 December 2025	16,215	-	-	16,215

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

7 LOANS AND ADVANCES, NET (continued)

Movement of gross loan exposure for Conventional loans is as follows:

	30 June 2026 (Unaudited)			Total Gross Exposure
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2026	5,090,523	48,761	13,464	5,152,748
Transfer to 12-month ECL	2,717	(2,717)	-	-
Transfer to life-time ECL, credit impaired	-	(46,044)	46,044	-
New loans and advances originated	366,299	-	-	366,299
Loans and advances settled	(270,525)	-	-	(270,525)
Balance as at 30 June 2026	5,189,014	-	59,508	5,248,522

	31 December 2025 (Audited)			Total Gross Exposure
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2025	4,127,617	829,245	26,360	4,983,222
Transfer to 12-month ECL	829,245	(829,245)	-	-
Transfer to life-time ECL, not credit impaired	(37,883)	48,761	(10,878)	-
New loans and advances originated	1,946,429	-	-	1,946,429
Loans and advances settled	(1,774,885)	-	(2,018)	(1,776,903)
Balance as at 31 December 2025	5,090,523	48,761	13,464	5,152,748

Movement on expected credit loss impairment allowance for conventional loans is as follows:

	30 June 2026 (Unaudited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2026	43,220	16,101	13,464	72,785
Transfer to 12-month ECL	819	(819)	-	-
Transfer to life-time ECL, credit impaired	-	(15,282)	15,282	-
Net charge for the period	3,137	-	12,345	15,482
Balance as at 30 June 2026	47,176	-	41,091	88,267

	31 December 2025 (Audited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2025	11,371	61,113	26,360	98,844
Transfer to 12-month ECL	61,113	(61,113)	-	-
Transfer to life-time ECL, not credit impaired	(15,989)	26,867	(10,878)	-
Net reversal for the year	(13,275)	(10,766)	(2,018)	(26,059)
Balance as at 31 December 2025	43,220	16,101	13,464	72,785

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

8 INVESTMENTS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Debt securities at FVOCI		
Treasury bills	999,801	2,198,499
Fixed-rate bonds	1,242,511	1,144,522
Floating-rate bonds	26,395	84,553
	2,268,707	3,427,574
Islamic		
Fixed-rate bonds	686,795	611,526
Floating-rate bonds	10,094	8,187
	696,889	619,713
Total debt securities at FVOCI	2,965,596	4,047,287
Debt securities at FVTPL		
Debt securities – Islamic	27,405	-
– Conventional	54,014	-
Managed funds	151,303	27,520
	232,722	27,520
Total debt securities at FVTPL	232,722	27,520
Investments in debt securities	3,198,318	4,074,807
Equity securities at FVOCI		
Unlisted equities	1,025,678	931,934
Listed equities	15	32,702
Total equity securities at FVOCI	1,025,693	964,636
Equity securities at FVTPL		
Managed funds	513,278	328,922
Listed equities	178,306	177,580
	691,584	506,502
Total equity securities at FVTPL	691,584	506,502
Investments in equity securities	1,717,277	1,471,138
Total investments	4,915,595	5,545,945

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

8 INVESTMENTS (continued)

Debt Securities at FVOCI:

The following table further explains changes in gross carrying amount of the debt instruments measured at FVOCI to help explain their significance to the changes in the provision for ECL of the same portfolio.

	30 June 2026 (Unaudited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2026	4,047,287	-	-	4,047,287
Purchase of new investments	1,839,734	-	-	1,839,734
Disposals and maturities during the period	(2,921,425)	-	-	(2,921,425)
Balance as at 30 June 2026	2,965,596	-	-	2,965,596

	31 December 2025 (Audited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2025	3,011,547	133,862	15,277	3,160,686
Transfer to 12-month ECL	6,796	(6,796)	-	-
Purchase of new investments	4,738,713	11,385	-	4,750,098
Disposals and maturities during the year	(3,709,769)	(138,451)	(1,817)	(3,850,037)
Write-off	-	-	(13,460)	(13,460)
Balance as at 31 December 2025	4,047,287	-	-	4,047,287

An analysis of changes in provision for ECL of debt instruments measured at FVOCI, is as follows:

	30 June 2026 (Unaudited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2026	8,134	-	-	8,134
Net charge for the period	309	-	-	309
Balance as at 30 June 2026	8,443	-	-	8,443

	31 December 2025 (Audited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening balance at 1 January 2025	1,726	3,910	15,277	20,913
Transfer to 12-month ECL	246	(246)	-	-
Write-off from lifetime ECL credit impaired	-	-	(13,460)	(13,460)
Net charge for the year	6,162	(3,664)	(1,817)	681
Balance as at 31 December 2025	8,134	-	-	8,134

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

8 INVESTMENTS (continued)

Investments at FVTPL:

Investments at FVTPL movement:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at 1 January	534,022	517,141
Purchases during the period / year	897,925	305,772
Disposal during the period / year	(529,548)	(302,379)
Fair value changes	21,907	13,488
	924,306	534,022

All the investment at FVTPL are classified as performing. Performing investments are those that are expected to generate returns in line with projections.

8 (a) Securities sold under agreements to repurchase:

The Group enters into collateralised borrowing transactions (repurchase agreements) in the ordinary course of its financing activities. Collateral is provided in the form of debt securities at FVOCI. At 30 June 2026, the fair value of debt investment at FVOCI pledged as collateral under repurchase agreements was US\$ 494 million (31 December 2025: US\$ 503 million). These transactions are conducted under the terms that are usual and customary to standard securities borrowings and lending activities. The decrease in the amount of debt securities used as collateral under repurchase agreements is primarily driven by the Group's financing needs.

9 EQUITY ACCOUNTED INVESTEEES, NET

	AI Khorayef United Holding	Infrataf Holding	Metito Utilities Limited	Tagaddod B.V.	Total
30 June 2026 (Unaudited)					
Opening balance at 1 January 2026	44,993	20,688	35,160	20,341	121,182
Share of profit for the period	2,182	2,130	(203)	(1,128)	2,981
Dividends paid during the period	-	(1,200)	-	-	(1,200)
Change in foreign exchange value	(206)	-	-	-	(206)
Share of OCI for the period	98	3,044	2,136	-	5,278
Balance as at 30 June 2026	47,067	24,662	36,891	19,213	128,035

	AI Khorayef United Holding	Infrataf Holding	Metito Utilities Limited	Tagaddod B.V.	Total
31 December 2025 (Audited)					
Opening balance at 1 January 2025	41,770	20,419	34,000	-	96,189
Purchases	-	-	-	20,341	20,341
Share of profit for the year	5,567	2,477	1,160	-	9,204
Dividends paid during the year	(2,576)	(2,208)	-	-	(4,784)
Change in foreign exchange value	232	-	-	-	232
Balance as at 31 December 2025	44,993	20,688	35,160	20,341	121,182

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

10 DEPOSITS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Deposits from banks	96,800	199,531
Deposits from corporates	566,817	92,624
Deposits from shareholders	166,978	164,873
	830,595	457,028

11 TERM FINANCING

Movement of term financing during the period / year is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	1,850,000	1,450,000
Proceeds during the period / year	350,000	600,000
Repayments during the period / year	(500,000)	(200,000)
Balance at the end of the period / year	1,700,000	1,850,000

Including US\$ 800 million Islamic term financing.

12 SUKUK AND BONDS ISSUED

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Public bond issued *	4,907,908	2,860,917
Private placement issued	2,001,572	3,869,421
	6,909,480	6,730,338

*These sukuk and bonds were issued and listed in Irish Stock Exchange plc trading as Euronext Dublin ("Euronext Dublin").

The bonds issued include Green Bonds of US\$ 1,700 million (31 December 2025: US\$ 1,700 million).

The proceeds from any of the Green Bonds will exclusively be used to finance, refinance and/or invest in whole or in part, new or existing projects under development and/or projects in operation from any of the Eligible Green Categories. All Eligible Green Projects are expected to provide significant environmental benefits towards Climate Change Mitigation while avoiding significant harm to either Climate Change Adaptation, Sustainable Use of Water Resources, the Transition to a Circular Economy, Pollution Prevention and Control and Biodiversity Preservation.

The Group commits to comply with the Green Bond Framework which is in accordance with the International Capital Markets Association ("ICMA") Green Bond Principles and UN Sustainable Development Goals ("SDGs").

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

12 SUKUK AND BONDS ISSUED (continued)

Movement of sukuk and bonds issued during the period / year is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	6,730,338	4,573,147
Proceeds during the period / year	1,349,353	3,185,936
Repayments during the period / year	(1,086,705)	(1,225,000)
Foreign currency translation and other adjustment	(83,506)	196,255
Balance at the end of the period / year	6,909,480	6,730,338

13 COMMITMENTS AND GUARANTEES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Commitments to underwrite and fund loans	1,950,868	2,131,699
Letters of credit	62,611	1,073
Letters of guarantee	313,380	301,131
Expected credit losses	(23,803)	(25,938)
	2,303,056	2,407,965
Commitments to subscribe capital investments	372,383	509,468
Other commitments	550	1,733
	2,675,989	2,919,166

The following table shows reconciliations from the opening to the closing balance of the gross exposure of credit commitments and contingencies:

	30 June 2026 (Unaudited)			
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total Gross Exposure
Opening balance at 1 January 2026	2,401,421	32,482	-	2,433,903
Net commitments – issued / expired and matured during the period	(107,044)	-	-	(107,044)
Balance as at 30 June 2026	2,294,377	32,482	-	2,326,859

	31 December 2025 (Audited)			
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total Gross Exposure
Opening balance at 1 January 2025	2,447,132	292,738	-	2,739,870
Transfer to 12-month ECL	292,738	(260,256)	-	32,482
Net commitments – issued / expired and matured during the year	(338,449)	-	-	(338,449)
Balance as at 31 December 2025	2,401,421	32,482	-	2,433,903

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

13 COMMITMENTS AND GUARANTEES (continued)

The Group has expected credit losses against commitments and guarantees of US\$ 23.8 million as of 30 June 2026 (31 December 2025: US\$ 25.9 million). The movement of expected credit losses related to commitments and guarantees is as below:

	30 June 2026 (Unaudited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2026	18,212	7,726	-	25,938
ECL on newly originated commitments and guarantees	78	-	-	78
Net reversal for the period	(2,213)	-	-	(2,213)
Balance as at 30 June 2026	16,077	7,726	-	23,803

	31 December 2025 (Audited)			Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Opening allowance at 1 January 2025	3,238	10,540	-	13,778
Transfer to 12-month ECL	2,814	(2,814)	-	-
ECL on newly originated commitments and guarantees	18,212	-	-	18,212
Net reversal for the year	(6,052)	-	-	(6,052)
Balance as at 31 December 2025	18,212	7,726	-	25,938

14 DERIVATIVE FINANCIAL INSTRUMENTS

Fair value hedges

The Group enters into fixed-for-floating-interest-rate swaps to manage the exposure to changes in fair value due to movements in market interest rates on certain fixed rate financial instruments which are not measured at fair value through profit or loss, including debt securities held and issued.

Other derivatives held for risk management

The Group uses derivatives, not designated in qualifying accounting hedge relationship, to manage its exposure to market risks. The Group enters into foreign exchange forward contracts to manage against foreign exchange fluctuations. Fair values of the forward currency contracts are estimated based on the prevailing market rates of interest and forward rates of the related foreign currencies, respectively.

The derivatives are valued based on observable inputs. The fair values of derivative financial instruments held by the Group Comparative figures as at 31 December 2025 are provided below:

The tables below summarise the positive and negative fair values of derivative financial instruments, together with the notional amounts. The notional amounts, which provide an indication of the volumes of the transactions outstanding at the period/year-end, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of the Group's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, nor market risk.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

14 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Other derivatives held for risk management (continued)

30 June 2026 (Unaudited)	Positive fair value	Negative fair value	Notional amount total	Within 3 months	3-12 months	1-5 years	More than 5 years
Held as fair value hedges:							
Interest rate swaps	83,653	70,306	8,123,569	1,500	1,546,682	5,161,739	1,413,647
Foreign currency	-	-	-	-	-	-	-
Total	83,653	70,306	8,123,569	1,500	1,546,682	5,161,739	1,413,647
31 December 2025 (Audited)	Positive fair value	Negative fair value	Notional amount total	Within 3 months	3-12 months	1-5 years	More than 5 years
Held as fair value hedges:							
Interest rate swaps	125,154	45,378	7,526,294	1,119,982	967,100	3,811,101	1,628,111
Foreign currency	-	-	-	-	-	-	-
Total	125,154	45,378	7,526,294	1,119,982	967,100	3,811,101	1,628,111

15 IMPAIRMENT LOSS ON FINANCIAL INSTRUMENTS, NET

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Placements with banks (Note 6)	(3,048)	(4,011)
Loans and advances (Note 7)	(17,568)	16,859
Debt securities at FVOCI (Note 8)	(309)	4,622
Loan commitments and financial guarantees (Note 13)	2,135	(12,247)
	(18,790)	5,223

16 RELATED PARTY TRANSACTIONS AND BALANCES

The Corporation's principal related parties comprise its associates, affiliates, key management personnel, and entities over which the Corporation has significant influence. Related party balances as of 30 June 2026 and 31 December 2025 was as follows:

	Nature of relationship	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Loans and advances, net of expected credit loss	Affiliates	64,300	61,314
Commitments, net of expected credit loss	Affiliates	41,162	35,612
Equity accounted investees	Associates	128,035	121,182
Interest and fee income	Affiliates	3,217	7,584
Expected credit loss charges	Affiliates	(22)	(74)

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

16 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

For key management personnel transactions refer to the summarized table below:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Key management salaries and related compensations*	2,246	4,827
End of service benefits accrued	144	323
Board of directors' remunerations and related committees	2,080	6,108

* Key management personnel are those persons, including executive directors, having authority and responsibility for planning, directing and controlling the activities at the Group level.

17 FAIR VALUES OF FINANCIAL INSTRUMENTS

a) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. 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.

b) Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data.
- Level 3: Valuation techniques for which any significant input is not based on observable market data.

The table below analyses financial instruments, measured at fair value as at the end of the period, by level in the fair value hierarchy into which the fair value measurement is categorized:

30 June 2026 (Unaudited)	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Loans and advances at FVTPL	43,536	-	-	43,536	43,536
Debt securities at FVOCI:					
- Treasury Bills	999,801	999,801	-	-	999,801
- Fixed-rate bonds	1,929,306	1,929,306	-	-	1,929,306
- Floating-rate bonds	36,489	36,489	-	-	36,489
Investments at FVTPL					
Debt securities	81,419	81,419	-	-	81,419
Managed funds	664,581	-	151,303	513,278	664,581
Listed equities	178,306	178,306	-	-	178,306
Equity securities at FVOCI					
Unlisted equities	1,025,678	-	-	1,025,678	1,025,678
Listed equities	15	15	-	-	15
Positive fair value of derivatives	83,653	-	83,653	-	83,653
	5,042,784	3,225,336	234,956	1,582,492	5,042,784
Financial liabilities measured at fair value					
Negative fair value of derivatives	70,306	-	70,306	-	70,306

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

17 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

b) Fair value hierarchy (continued)

The table below analyses financial instruments, measured at fair value as at the end of the period, by level in the fair value hierarchy into which the fair value measurement is categorized:

	Carrying Value	Level 1	Level 2	Level 3	Total
31 December 2025 (Audited)					
Financial assets measured at fair value					
Loans and advances at FVTPL	43,536	-	-	43,536	43,536
Debt securities at FVOCI:					
- Treasury Bills	2,198,499	2,198,499	-	-	2,198,499
- Fixed-rate bonds	1,756,048	1,756,048	-	-	1,756,048
- Floating-rate bonds	92,740	92,740	-	-	92,740
Investments at FVTPL					
Debt securities	-	-	-	-	-
Managed funds	356,442	-	27,520	328,922	356,442
Listed equities	177,580	177,580	-	-	177,580
Equity securities at FVOCI					
Unlisted equities	931,934	-	-	931,934	931,934
Listed equities	32,702	32,702	-	-	32,702
Positive fair value of derivatives	125,154	-	125,154	-	125,154
	5,714,635	4,257,569	152,674	1,304,392	5,714,635
Financial liabilities measured at fair value					
Negative fair value of derivatives	45,378	-	45,378	-	45,378

The fair values of commission bearing deposits, sukuk and bond issued, term financing loan and advances and other financial instruments which are carried at amortized cost, are not significantly different from the carrying values included in the interim condensed consolidated financial information, since the current market commission rates for similar financial instruments are not significantly different from the contracted rates, and due to the short duration of these financial instruments. An active market for these instruments is not available and the Group intends to realize the carrying value of these financial instruments through settlement with the counter party at the time of their respective maturities.

The valuation technique and significant unobservable inputs are as follows:

1) Investment held at FVOCI and Sukuks, bonds & equities

Fair valued using the broker quoted prices or estimating present value by discounting cash flows using adjusted discount rate, revenue and market multiple.

2) Forward foreign exchange contracts

Fair valued using discounted Notional techniques that use observable market data inputs for Foreign Exchange (FX) and yield curves.

3) Interest rate swaps and equities

The fair value is determined by discounting the future cash flows using observable market data inputs for yield curves. Listed equity securities are fair valued based on market prices as available on stock exchange.

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

17 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

b) Fair value hierarchy (continued)

Movement on Level 3 fair values are as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period / year	1,304,392	1,086,680
Total gains or losses:		
In other comprehensive income	2,829	15,792
In profit or loss	9,771	12,260
Purchases	267,461	197,769
Sold	(1,961)	(8,109)
Balance at end of the period / year	1,582,492	1,304,392

There were no transfers between the levels of fair value hierarchies during the period.

18 SEGMENT ANALYSIS

Reportable segments

Operating segments are identified based on management's view of the business.

The Group's reportable segments under IFRS 8 *Operating Segments* are therefore as follows:

Corporate banking – caters mainly to the banking requirements of corporate and institutional banking.

Equity Investments – includes activities of the Group's equity securities, investment in its associates and subsidiaries.

Treasury and Capital markets – manages the Group's liquidity, currency, and interest rate risks. It is also responsible for funding the Group's operations and managing the Group's fixed income portfolio and liquidity position. This segment also holds the capital for the group and manages deployment for the same.

Enterprise – assets and liabilities held centrally which are not directly attributed to any of the above business lines. This also includes overall general and administrative expenses, which are not allocated to respective business segments.

30 June 2026 (Unaudited)	Corporate Banking	Equity Investments	Treasury and Capital Markets	Enterprise	Total
Segment assets	6,200,650	1,887,383	5,419,016	488,968	13,996,017
Segment liabilities	-	-	9,885,617	342,412	10,228,029
Interest income	195,529	-	124,123	-	319,652
Interest expense	(135,138)	-	(69,911)	-	(205,049)
Net interest income	60,391	-	54,212	-	114,603
Non-interest income	2,710	34,708	19,265	-	56,683
Operating income	63,101	34,708	73,477	-	171,286
Operating expenses	-	-	-	(27,074)	(27,074)
Impairment charge	(15,433)	-	(3,357)	-	(18,790)
Net income / (loss) for the period	47,668	34,708	70,120	(27,074)	125,422

Attributable to:

Shareholders of the Corporation
Non-controlling interests

125,422
-

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
(US\$000)

18 SEGMENT ANALYSIS (continued)

31 December 2025 (Audited)	Corporate Banking	Equity Investments	Treasury and Capital Markets	Enterprise	Total
Segment assets	5,981,584	1,635,349	5,472,534	328,173	13,417,640
Segment liabilities	-	-	9,482,908	293,572	9,776,480
Interest income	426,688	-	234,874	-	661,562
Interest expense	(310,171)	-	(119,494)	-	(429,665)
Net interest income	116,517	-	115,380	-	231,897
Non-interest income	23,579	66,994	17,239	-	107,812
Operating income	140,096	66,994	132,619	-	339,709
Operating expenses	-	-	-	(66,370)	(66,370)
Impairment charge	14,109	-	(5,065)	-	9,044
Net income / (loss) for the year	154,205	66,994	127,554	(66,370)	282,383

Attributable to:

Shareholders of the Corporation

282,383

Non-controlling interests

-

19 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim condensed consolidated statement of cash flows comprise the following:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cash and bank balances	55,128	237,214
Placements with banks maturing within ninety days of acquisition	215,573	95,124
Total	270,701	332,338

ARAB PETROLEUM INVESTMENTS CORPORATION

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (US\$000)

20 CAPITAL ADEQUACY

The Group uses the standardized approach of Basel III to calculate the Risk Weighted Assets (RWAs) and Pillar -1 capital (including Credit Risk, Market Risk and Operational Risk).

The Group's capital base primarily comprises:

Common Equity Tier 1 capital (CET 1) of the Group comprises share capital, statutory reserve, other reserves, proposed dividend, retained earnings, Tier 1 eligible debt securities, foreign currency translation reserve and non-controlling interests less treasury shares, goodwill, intangible assets and other prescribed deductions.

Tier 2 Capital includes expected credit losses.

The following table summarizes the Group's Pillar-1 Risk Weighted Assets, Tier 1 and Tier 2 capital and capital adequacy ratios:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
CET 1 Capital	3,767,982	3,641,154
Tier 2 Capital	130,371	114,938
Total capital base	3,898,353	3,756,092
Risk weighted assets	13,969,028	12,337,058
Common equity tier 1 ratio	26.97%	29.51%
Tier 1 capital ratio	26.97%	29.51%
Capital adequacy ratio	27.91%	30.45%

21 APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

This interim condensed consolidated financial information was approved by the Board of Directors of the Group on 19 September 2026.