

Riyad Bank

(A Saudi Joint Stock Company)

Interim Condensed Consolidated Financial
Statements for period ended 31 March 2026



KPMG Professional Services Company

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Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh



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**INDEPENDENT AUDITORS’ REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

**To the Shareholders of Riyadh Bank
(A Saudi Joint Stock Company)**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Riyadh Bank (“the Bank”) and its subsidiaries (collectively referred to as “the Group”) as at 31 March 2026, and the related interim condensed consolidated statements of income, comprehensive income, statements of changes in equity and cash flows for the three-month period then ended, and other explanatory notes (collectively referred to as “the interim condensed consolidated financial statements”). 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 the 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 information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the 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.

KPMG Professional Services Company

Ebrahim Oboud Baeshen
Certified Public Accountant
License No. 382



**Deloitte and Touche & Co.
Chartered Accountants**



Tariq Bin Mohammad Al-Fattani
Certified Public Accountant
License No. 446

11 Dhul Qadah 1447H
(28 April 2026)

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 March 2026 SAR'000 (Unaudited)	31 December 2025 SAR'000 (Audited)	31 March 2025 SAR'000 (Unaudited) Restated
	Note			
ASSETS				
Cash and balances with Saudi Central Bank (SAMA), net		38,476,908	19,295,251	26,910,416
Due from banks and other financial institutions, net		13,497,752	21,272,353	11,144,224
Investments, net	6 a)	86,842,417	79,512,892	69,722,280
- Investment at fair value through income statement (FVIS)		4,821,009	4,870,489	4,521,245
- Investment at amortised cost, net		57,139,118	50,945,418	42,626,243
- Investments at fair value through other comprehensive income(FVOCI)		24,882,290	23,696,985	22,574,792
Positive fair value of derivatives	7	7,022,762	6,398,711	4,867,967
Loans and advances, net	8 a)	377,047,013	373,304,812	338,991,099
Other assets		5,092,266	10,899,109	6,849,954
Investment in associates		439,820	427,963	415,060
Other real estate, net		634,979	648,713	761,873
Property, equipment and right of use assets, net		8,029,499	7,721,487	6,791,692
Total assets		537,083,416	519,481,291	466,454,565
LIABILITIES AND EQUITY				
Liabilities				
Due to banks and other financial institutions		32,174,902	39,082,215	43,770,619
Negative fair value of derivatives	7	5,892,716	5,418,500	4,341,033
Customer deposits	9	352,567,445	331,721,047	304,092,494
Debt securities in issue and term loan	10	51,428,296	47,937,627	22,752,011
Other liabilities		15,855,137	19,840,445	18,530,749
Total liabilities		457,918,496	443,999,834	393,486,906
Shareholders' equity				
Share capital		30,000,000	30,000,000	30,000,000
Treasury shares		(371,733)	(371,733)	(165,105)
Statutory reserve		17,886,727	17,886,727	15,283,989
Other reserves		991,038	1,225,715	731,215
Retained earnings		16,199,218	15,364,548	13,045,385
Proposed dividends	16	1,643,140	-	2,695,525
Equity attributable to the shareholders of the Bank		66,348,390	64,105,257	61,591,009
Tier 1 Sukuk		12,816,530	11,376,200	11,376,650
Total equity		79,164,920	75,481,457	72,967,659
Total liabilities and equity		537,083,416	519,481,291	466,454,565

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.


Abdullah A. Al-Oraini
Chief Financial Officer


Nadir S Al-Koraya
Chief Executive Officer


Eng. Abdullah M. Al-Issa
Chairman of the Board


INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (Unaudited)

	Note	For the three month period ended 31 March	
		2026 SAR'000	2025 SAR'000
Special commission income		6,807,268	6,350,556
Special commission expense		3,422,733	3,068,074
Net special commission income		3,384,535	3,282,482
Fee and commission income		1,070,664	1,189,926
Fee and commission expense		356,837	378,747
Fee and commission income, net		713,827	811,179
Exchange income, net		174,256	174,647
Trading income, net		322,821	215,948
Dividend income		3,026	4,894
Loss on disposal of non-trading investments, net		(3,410)	(7,891)
Other operating income		18,992	22,382
Total operating income, net		4,614,047	4,503,641
Salaries and employee-related expenses		740,910	734,137
Rent and premises-related expenses		53,483	69,979
Depreciation of property, equipment and right of use assets		218,151	188,744
Other general and administrative expenses		350,766	363,442
Other operating expenses		8,440	22,582
Total operating expenses before impairment charge		1,371,750	1,378,884
Impairment charge for credit losses and other financial assets, net	8 d)	209,455	370,793
Impairment charge/(reversal) for investments, net		65,677	(9,070)
Total operating expenses, net		1,646,882	1,740,607
Net operating income		2,967,165	2,763,034
Share in income of associates, net		10,191	8,744
Income before zakat		2,977,356	2,771,778
Zakat		363,817	285,771
Net income for the period		2,613,539	2,486,007
Basic and diluted earnings per share (in SAR)	17	0.83	0.79

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.


Abdullah A. Al-Oraini
Chief Financial Officer


Nadir S Al-Koraya
Chief Executive Officer


Eng. Abdullah M. Al-Issa
Chairman of the Board

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

	For the three month period ended 31 March	
	2026 SAR'000	2025 SAR'000
Net income for the period	2,613,539	2,486,007
Other comprehensive income (OCI):		
<u>a) Items that are or may be reclassified to interim condensed consolidated statement of income in subsequent periods</u>		
- Fair value through other comprehensive income (FVOCI- debt instruments)		
- Net change in fair value	(273,842)	236,932
- Net amounts transferred to interim condensed consolidated statement of income	3,410	7,891
- Net changes in allowance for expected credit losses (ECL) of debt instruments	66,508	(13,322)
- Effective portion of net change in fair value of cash flow hedge	10,946	(85,576)
<u>b) Items that cannot be reclassified to interim condensed consolidated statement of income in subsequent periods</u>		
- Net change in fair value and transfers of equity instruments at fair value through other comprehensive income	(41,699)	50,874
Other comprehensive (loss)/ income for the period	(234,677)	196,799
Total comprehensive income for the period	2,378,862	2,682,806

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.



Abdullah A. Al-Oraini
Chief Financial Officer



Nadir S Al-Koraya
Chief Executive Officer



Eng. Abdullah M. Al-Issa
Chairman of the Board

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Unaudited)


For the three month period ended 31 March 2026 & 2025

SAR'000	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Proposed dividends	Equity attributable to the shareholders	Tier 1 sukuk	Total equity
31 March 2026									
Balance at the beginning of the period	30,000,000	(371,733)	17,886,727	1,225,715	15,364,548	-	64,105,257	11,376,200	75,481,457
Total comprehensive income									
Net changes in fair values of									
- FVOCI -equity instruments	-	-	-	(41,699)	-	-	(41,699)	-	(41,699)
- FVOCI -debt instruments	-	-	-	(273,842)	-	-	(273,842)	-	(273,842)
Net amount reclassified to the interim condensed consolidated statement of income for FVOCI -debt instruments	-	-	-	3,410	-	-	3,410	-	3,410
Net changes in allowance for expected credit on FVOCI -debt instruments	-	-	-	66,508	-	-	66,508	-	66,508
Net change in fair value of cash flow hedge	-	-	-	10,946	-	-	10,946	-	10,946
Net income for the period	-	-	-	-	2,613,539	-	2,613,539	-	2,613,539
Total comprehensive income	-	-	-	(234,677)	2,613,539	-	2,378,862	-	2,378,862
Disposal of FVOCI equity instruments	-	-	-	-	47	-	47	-	47
Tier 1 sukuk issued	-	-	-	-	-	-	-	1,440,330	1,440,330
Tier 1 sukuk costs	-	-	-	-	(135,776)	-	(135,776)	-	(135,776)
Final dividends proposed - 2025(note 16)	-	-	-	-	(1,643,140)	1,643,140	-	-	-
Balance at the end of the period	30,000,000	(371,733)	17,886,727	991,038	16,199,218	1,643,140	66,348,390	12,816,530	79,164,920
31 March 2025									
Balance at the beginning of the period	30,000,000	(165,105)	15,283,989	77,216	13,359,899	-	58,555,999	9,386,100	67,942,099
Impact of fair valuation of equity investment	-	-	-	451,483	-	-	451,483	-	451,483
Restated balance beginning of year(note 21))	30,000,000	(165,105)	15,283,989	528,699	13,359,899	-	59,007,482	9,386,100	68,393,582
Total comprehensive income									
Net changes in fair values of									
- FVOCI -equity instruments	-	-	-	50,874	-	-	50,874	-	50,874
- FVOCI -debt instruments	-	-	-	236,932	-	-	236,932	-	236,932
Net amount reclassified to the interim condensed consolidated statement of income for FVOCI -debt	-	-	-	7,891	-	-	7,891	-	7,891
Net changes in allowance for expected credit on FVOCI -debt instruments	-	-	-	(13,322)	-	-	(13,322)	-	(13,322)
Net change in fair value of cash flow hedge	-	-	-	(85,576)	-	-	(85,576)	-	(85,576)
Net income for the period	-	-	-	-	2,486,007	-	2,486,007	-	2,486,007
Total comprehensive income	-	-	-	196,799	2,486,007	-	2,682,806	-	2,682,806
Final dividends proposed - 2024(note 16)	-	-	-	-	(2,695,525)	2,695,525	-	-	-
Tier 1 sukuk issued	-	-	-	-	-	-	-	1,990,550	1,990,550
Tier 1 sukuk costs	-	-	-	-	(104,996)	-	(104,996)	-	(104,996)
Employee share plan reserve	-	-	-	5,717	-	-	5,717	-	5,717
Balance at the end of the year	30,000,000	(165,105)	15,283,989	731,215	13,045,385	2,695,525	61,591,009	11,376,650	72,967,659

The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.


Abdullah A. Al-Oraini
Chief Financial Officer


Nadir S Al-Koraya
Chief Executive Officer


Eng. Abdullah M. Al-Issa
Chairman of the Board

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

	Note	For the three month period ended 31 March	
		2026	2025
		SAR'000	SAR'000
OPERATING ACTIVITIES			
Income before zakat		2,977,356	2,771,778
Adjustments to reconcile net income for the period to net cash from operating activities:			
Accretion of discounts and amortisation of premium on non-FVIS instruments, net		(156,339)	(182,657)
Loss on disposal of non-trading investments, net		3,410	7,891
Gains on trading investments, net		(34,958)	(25,099)
Loss on sale of property and equipment, net		-	(1,170)
Dividend income		(3,026)	(4,894)
Depreciation of property, equipment and right of use assets		218,151	188,744
Share in income of associates, net		(10,191)	(8,744)
Impairment charge for credit losses and other financial assets, net	8 d)	209,455	370,793
Interest on lease liabilities		5,299	3,698
Impairment charge/(reversal) for investments, net		65,677	(9,070)
		3,274,834	3,111,270
Net (increase) decrease in operating assets:			
Statutory deposit with SAMA		(1,124,324)	(1,383,388)
Positive fair value of derivatives		(624,051)	700,985
Investments at FVIS		84,490	(3,566)
Loans and advances, net		(4,166,160)	(19,233,176)
Other real estate		13,734	(8,173)
Other assets		5,806,843	(1,798,014)
Net increase (decrease) in operating liabilities:			
Due to banks and other financial institutions		(6,907,313)	2,607,817
Negative fair value of derivatives		474,216	(824,560)
Customer deposits		20,846,398	(2,330,897)
Other liabilities		(4,058,044)	1,559,788
		13,620,623	(17,601,914)
Zakat paid		-	-
Net cash from (used in) operating activities		13,620,623	(17,601,914)
INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments not held as FVIS instruments		3,090,582	6,992,109
Purchase of investments not held as FVIS instruments		(10,679,571)	(6,443,523)
Purchase of property and equipment		(517,294)	(469,502)
Proceeds from sale of property and equipment		-	7,365
Net cash (used in) from investing activities		(8,106,283)	86,449
FINANCING ACTIVITIES			
Repayment of Tier 2 Sukuk	10 a)	(3,081,275)	-
Proceeds from issue of Tier 2 sukuk	10 a)	4,710,255	-
Proceeds from issue of debt securities in issue and term loans, net		6,609,351	9,427,558
Maturities of debt securities in issue and term loans, net		(6,064,163)	-
Debt securities in issue and term loans, net, related movements		1,316,501	-
Proceeds from issue of Tier 1 sukuk	10 b)	1,440,330	1,990,550
Tier 1 sukuk related costs		(135,776)	(104,997)
Dividend paid		(710)	(1,192)
Payment of principal portion of lease liabilities		(26,121)	(24,006)
Net cash from financing activities		4,768,392	11,287,913
Net increase (decrease) in cash and cash equivalents		10,282,732	(6,227,552)
Cash and cash equivalents at beginning of the period		24,513,927	27,271,436
Cash and cash equivalents at end of the period	12	34,796,659	21,043,884
Special commission received during the period		6,670,686	5,674,593
Special commission paid during the period		3,627,849	3,029,636
Supplemental non-cash information			
Net changes in fair value and transfers to interim condensed consolidated statement of		(301,185)	210,121
Right of use (ROU) assets		595	10,236
Lease liabilities		21,180	27,703


The accompanying notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.



Abdullah A. Al-Oraini
Chief Financial Officer



Nadir S Al-Koraya
Chief Executive Officer



Eng. Abdullah M. Al-Issa
Chairman of the Board

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

1. GENERAL

Riyad Bank (the "Bank") is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia, formed pursuant to the Royal Decree and the Council of Ministers' Resolution No. 91 dated 1 Jumad Al-Awal 1377H (corresponding to 23 November 1957G). The Bank operates under commercial registration No. 1010001054 dated 25 Rabi Al-Thani 1377H (corresponding to 18 November 1957G) through its 332 licensed branches (31 March 2025: 333 licensed branches) in the Kingdom of Saudi Arabia, a branch in London, United Kingdom, an agency in Houston, United States, and a representative office in Singapore. The registered address of the Bank's Head Office is as follows:

Riyad Bank Tower, King Abdullah Financial District (KAFFD),
 Financial Boulevard - Al Aqeeq District - Building No. 3128,
 P.O. Box 22622, Riyadh 13519 – 6671,
 Kingdom of Saudi Arabia

The objective of the Group is to provide a full range of banking and investment services. The Bank also provides to its customers Islamic (non-interest based) banking products which are approved and supervised by an independent Shariah Board established by the Bank.

The interim condensed consolidated financial statements comprise the financial statements of Riyad Bank and its subsidiaries (the Bank and the subsidiaries are collectively referred to as "the Group"). The significant subsidiaries of Riyad Bank are given below:

Subsidiary	Ownership	Description
Riyad Capital	100%	Engaged in investment services and asset management activities related to dealing, managing, arranging, advising and custody of securities regulated by the Capital Market Authority, incorporated in the Kingdom of Saudi Arabia
Ithra Al-Riyad Real Estate Company	100%	Formed with the objective to hold, manage, sell and purchase real estate assets for owners or third parties for financing activities, incorporated in the Kingdom of Saudi Arabia
Esnad Al-Riyadh	100%	A limited liability company registered in the Kingdom of Saudi Arabia to provide human resources services to the Group, incorporated in the Kingdom of Saudi Arabia
Curzon Street Properties Limited	100%	A property holding company, incorporated in the Isle of Man
Riyad Financial Markets	100%	A netting and bankruptcy jurisdiction country, to execute derivative transactions with international counterparties on behalf of Riyad Bank, incorporated in the Cayman Islands
Jeel Digital Innovation Company	100%	Engaged in systems analysis, application and operating systems development, hosting websites, financial technology solutions and related activities, incorporated in the Kingdom of Saudi Arabia.
1957 Ventures Fund	100%	Engaged in fostering innovation by investing in building FinTech ventures and offering comprehensive support, including resources, mentorship, and strategic insights, incorporated in the Kingdom of Saudi Arabia

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group as at and for the three months period ended 31 March 2026 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). The consolidated financial statements of the Group as at and for the year ended 31 December 2025, were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements as endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"), the Banking Control Law, the Regulations for Companies in the Kingdom of Saudi Arabia and by-laws of the Bank. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and therefore should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

2. BASIS OF PREPARATION(continued)

The interim condensed consolidated financial statements are expressed in Saudi Arabian Riyals (SAR) and amounts are rounded to the nearest thousand except where otherwise stated. The functional currency of the Group is Saudi Arabian Riyal except where otherwise stated in the notes to the interim condensed consolidated financial statements.

The preparation of interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

3. BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements include the financial statements of the subsidiaries which are prepared for the same reporting period as that of the Bank, using consistent accounting policies.

Subsidiaries are investees controlled by the Group. The Group controls an investee when 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 the subsidiaries are included in the interim condensed consolidated financial statements from the date that control commences until the date that control ceases.

Balances between the Bank and its subsidiaries, and any income and expenses arising from intra-group transactions, are eliminated in preparing the interim condensed 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.

The Group acts as a Fund Manager to a number of investment funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of the aggregate economic interests of the Group in the Fund (comprising any carried interests and expected management fees) and the investors' rights to remove the Fund Manager. As a result the Group has concluded that it acts as an agent for the investors in all cases, and therefore has not consolidated these funds.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

4. IMPACT OF CHANGES IN ACCOUNTING POLICIES DUE TO ADOPTION OF NEW STANDARDS

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 new standards 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.

<u>Standard, Interpretation, Amendments</u>	<u>Description</u>	<u>Effective date</u>
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	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
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

New /Amended Standards not yet effective and not early adopted.

<u>Standard, Interpretation, Amendments</u>	<u>Description</u>	<u>Effective date</u>
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: 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
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

5. MATERIAL ACCOUNTING POLICIES

The accounting policies, estimates and assumptions used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements as at and for the year ended 31 December 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

6. INVESTMENTS, NET

a) Investments by type of securities

SAR'000	Domestic			International			Total		
	31 March 2026	31 December 2025	31 March 2025	31 March 2026	31 December 2025	31 March 2025	31 March 2026	31 December 2025	31 March 2025
	(Unaudited)	(Audited)	(Unaudited) (Restated)	(Unaudited)	(Audited)	(Unaudited) (Restated)	(Unaudited)	(Audited)	(Unaudited) (Restated)

i) Investment at FVIS

Mutual Funds	4,814,650	4,865,903	4,521,245	6,359	4,586	-	4,821,009	4,870,489	4,521,245
Total	4,814,650	4,865,903	4,521,245	6,359	4,586	-	4,821,009	4,870,489	4,521,245

ii) Investment at amortised cost, net

Fixed rate securities	54,277,261	48,190,249	39,914,875	105,519	105,140	103,961	54,382,780	48,295,389	40,018,836
Floating rate securities	2,756,338	2,650,029	2,607,407	-	-	-	2,756,338	2,650,029	2,607,407
Total	57,033,599	50,840,278	42,522,282	105,519	105,140	103,961	57,139,118	50,945,418	42,626,243

iii) Investments at FVOCI, net

Fixed rate securities	-	11,697	-	22,170,515	20,549,957	20,139,057	22,170,515	20,561,654	20,139,057
Floating rate securities	-	-	-	646,211	1,005,040	385,892	646,211	1,005,040	385,892
Equities	1,048,119	1,050,508	880,981	1,017,445	1,079,783	1,168,862	2,065,564	2,130,291	2,049,843
Total	1,048,119	1,062,205	880,981	23,834,171	22,634,780	21,693,811	24,882,290	23,696,985	22,574,792
Total	62,896,368	56,768,386	47,924,508	23,946,049	22,744,506	21,797,772	86,842,417	79,512,892	69,722,280

Above investments include sukuks amounting to SAR 39.8 billion as at 31 March 2026 (31 December 2025: SAR 33.9 billion and 31 March 2025 : SAR 27.5 billion).

Investments include SAR 18.12 billion (Dec 31 2025: SAR 19.08 billion, March 31, 2025: SAR 16.18 billion), which have been pledged under repurchase agreements with other banks and customers.

b) The analysis of the composition of investment at amortised cost, net is as follows

	31 March 2026 (Unaudited)			31 December 2025 (Audited)			31 March 2025 (Unaudited)		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total	Quoted	Unquoted	Total
Fixed rate securities	43,173,517	11,209,263	54,382,780	37,209,201	11,086,188	48,295,389	30,846,138	9,172,698	40,018,836
Floating rate securities	1,471,775	1,284,563	2,756,338	1,382,150	1,267,879	2,650,029	1,382,274	1,225,133	2,607,407
Total	44,645,292	12,493,826	57,139,118	38,591,351	12,354,067	50,945,418	32,228,412	10,397,831	42,626,243

c) The analysis of investments by counter-party is as follows:

	31 March 2026	31 December 2025	31 March 2025
	SAR '000	SAR '000	SAR '000
	(Unaudited)	(Audited)	(Unaudited)
Government and quasi Government	58,509,806	52,212,291	42,785,300
Corporate	20,861,300	20,044,864	21,099,019
Banks and other financial institutions	7,471,311	7,255,737	5,837,961
Total	86,842,417	79,512,892	69,722,280

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

6. INVESTMENTS, NET (continued)

d) An analysis of changes in loss allowance is as follows:

Debt instruments carried at amortised cost

(SAR'000)

	<u>Stage 1</u> <u>12-month</u> <u>ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit</u> <u>impaired</u>	<u>Total</u>
Balance at 1 January 2026	5,091	440	-	5,531
Transfer from Stage 2 & Stage 3 to Stage 1	-	-	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Net other movements*	(771)	(60)	-	(831)
Balance as at 31 March 2026	<u>4,320</u>	<u>380</u>	<u>-</u>	<u>4,700</u>
Balance at 1 January 2025	2,853	611	-	3,464
Transfer from Stage 2 & Stage 3 to Stage 1	-	-	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Net other movements*	4,383	(131)	-	4,252
Balance as at 31 March 2025	<u>7,236</u>	<u>480</u>	<u>-</u>	<u>7,716</u>

Debt instruments carried at FVOCI

(SAR'000)

	<u>Stage 1</u> <u>12-month</u> <u>ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit</u> <u>impaired</u>	<u>Total</u>
Balance at 1 January 2026	27,641	53,621	413,053	494,315
Transfer from Stage 2 & Stage 3 to Stage 1	240	(240)	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(296)	296	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	(32)	(615)	647	-
Net other movements*	715	(1,441)	67,234	66,508
Balance as at 31 March 2026	<u>28,268</u>	<u>51,621</u>	<u>480,934</u>	<u>560,823</u>
Balance at 1 January 2025	32,147	70,941	380,886	483,974
Transfer from Stage 2 & Stage 3 to Stage 1	-	-	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(42)	42	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Net other movements*	(2,115)	(10,539)	(668)	(13,322)
Balance as at 31 March 2025	<u>29,990</u>	<u>60,444</u>	<u>380,218</u>	<u>470,652</u>

* Includes remeasurement

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

6. INVESTMENTS, NET (continued)

e) An analysis of changes in gross carrying amount is as follows:

Debt instruments carried at amortised cost

(SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL</u> <u>- not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at 1 January 2026	50,845,849	105,100	-	50,950,949
Transfer from Stage 2 & Stage 3 to Stage 1	-	-	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Other movements*	6,192,832	37	-	6,192,869
Balance as at 31 March 2026	57,038,681	105,137	-	57,143,818

Balance at 1 January 2025	44,049,664	105,337	-	44,155,001
Transfer from Stage 2 & Stage 3 to Stage 1	-	-	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	-	-	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Other movements*	(1,520,853)	(189)	-	(1,521,042)
Balance as at 31 March 2025	42,528,811	105,148	-	42,633,959

Debt instruments carried at FVOCI

(SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL</u> <u>- not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at 1 January 2026	19,825,281	858,766	882,647	21,566,694
Transfer from Stage 2 & Stage 3 to Stage 1	13,373	(13,373)	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(39,102)	39,102	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	(17,025)	(5,161)	22,186	-
Other movements*	1,281,515	(17,751)	(13,732)	1,250,032
Balance as at 31 March 2026	21,064,042	861,583	891,101	22,816,726

Balance at January 1, 2025	17,235,352	1,398,462	846,413	19,480,227
Transfer from Stage 2 & Stage 3 to Stage 1	-	-	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(43,777)	43,777	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Other movements*	1,098,160	(52,531)	(907)	1,044,722
Balance as at 31 March 2025	18,289,735	1,389,708	845,506	20,524,949

* Includes remeasurement

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

7. DERIVATIVES

The table below sets out the positive and negative fair values of derivative financial instruments, together with their notional amounts. The notional amounts, which provide an indication of the volumes of the transactions outstanding at the end of the period, 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 to market risk.

	31 March 2026 (Unaudited)			31 December 2025 (Audited)			31 March 2025 (Unaudited)		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
	SAR'000	SAR'000	SAR'000	SAR'000	SAR'000	SAR'000	SAR'000	SAR'000	SAR'000
Held for trading:									
Special commission rate swaps	6,849,670	(5,696,164)	363,726,604	6,216,504	(5,274,373)	345,374,759	4,701,428	(4,164,776)	281,755,110
Forward foreign exchange contracts	131,676	(67,540)	29,091,937	134,562	(53,556)	40,754,048	120,220	(90,716)	26,157,349
Currency options	906	(666)	1,768,556	677	(613)	293,849	599	(832)	681,210
Commodity swaps	26,646	(24,337)	571,911	36,150	(35,687)	262,764	28,311	(27,766)	1,993,119
Held as fair value hedges:									
Special commission rate swaps	12,932	-	788,046	10,818	-	787,668	17,409	-	787,731
Cross currency swaps	-	(69,027)	2,337,549	-	(9,275)	526,771	-	-	-
Held as cash flow hedges:									
Special commission rate swaps	-	(29,462)	1,375,000	-	(32,774)	1,375,000	-	(56,943)	1,375,000
Cross currency swaps	932	(5,520)	2,883,468	-	(12,222)	2,911,668	-	-	-
Total	7,022,762	(5,892,716)	402,543,071	6,398,711	(5,418,500)	392,286,527	4,867,967	(4,341,033)	312,749,519

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

8. LOANS AND ADVANCES, NET

a) These comprise the following:

31 March 2026

SAR'000

(Unaudited)

Commercial loans

Corporate loans	186,228,503	920,000	187,148,503	(2,998,737)	184,149,766
Micro,small and medium enterprises loans	93,685,618	1,179,567	94,865,185	(409,718)	94,455,467
Total	279,914,121	2,099,567	282,013,688	(3,408,455)	278,605,233

Retail loans

Personal loans	23,055,910	302,106	23,358,016	(501,988)	22,856,028
Mortgage loans	67,448,895	708,338	68,157,233	(832,329)	67,324,904
Auto loans	6,516,929	42,791	6,559,720	(33,415)	6,526,305
Credit cards	1,760,793	55,665	1,816,458	(81,915)	1,734,543
Total	98,782,527	1,108,900	99,891,427	(1,449,647)	98,441,780
Total	378,696,648	3,208,467	381,905,115	(4,858,102)	377,047,013

31 December 2025

SAR'000

(Audited)

Commercial loans

Corporate loans	185,363,680	694,350	186,058,030	(2,467,548)	183,590,482
Micro,small and medium enterprises loans	90,130,800	1,125,802	91,256,602	(538,133)	90,718,469
Total	275,494,480	1,820,152	277,314,632	(3,005,681)	274,308,951

Retail loans

Personal loans	23,530,058	309,325	23,839,383	(510,837)	23,328,546
Mortgage loans	67,800,540	729,133	68,529,673	(819,744)	67,709,929
Auto loans	6,161,406	35,650	6,197,056	(32,307)	6,164,749
Credit cards	1,804,010	72,855	1,876,865	(84,228)	1,792,637
Total	99,296,014	1,146,963	100,442,977	(1,447,116)	98,995,861
Total	374,790,494	2,967,115	377,757,609	(4,452,797)	373,304,812

31 March 2025

(Unaudited)

SAR'000

Commercial loans

Corporate loans	189,042,913	1,325,609	190,368,522	(3,074,218)	187,294,304
Micro,small and medium enterprises loans	52,568,282	1,345,701	53,913,983	(571,380)	53,342,603
Total	241,611,195	2,671,310	244,282,505	(3,645,598)	240,636,907

Retail loans

Personal loans	24,288,294	333,726	24,622,020	(526,110)	24,095,910
Mortgage loans	67,301,328	802,304	68,103,632	(921,943)	67,181,689
Auto loans	5,460,332	30,315	5,490,647	(28,618)	5,462,029
Credit cards	1,622,330	77,112	1,699,442	(84,878)	1,614,564
Total	98,672,284	1,243,457	99,915,741	(1,561,549)	98,354,192
Total	340,283,479	3,914,767	344,198,246	(5,207,147)	338,991,099

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

8. LOANS AND ADVANCES, NET

a) Loans and advances held at amortised cost

The non-conventional banking products gross portfolio mainly comprises of the following :

	31 March 2026	31 December 2025	31 March 2025
SAR Billions	(Unaudited)	<u>(Audited)</u>	<u>(Unaudited)</u>
Tawarooq	161.8	161.8	152.5
Murabaha	29.9	29.3	29.6
Ijarah	22.1	22.0	21.7
Total	213.8	213.1	203.8

b) An analysis of changes in loss allowance for total loans and advances is, as follows:

ECL on total loans and advances (SAR'000)

(Unaudited)

	<u>Stage 1</u> <u>12-month</u> <u>ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit</u> <u>impaired</u>	<u>Total</u>
Balance at 1 January 2026	866,996	1,466,891	2,118,910	4,452,797
Transfer from Stage 2 & Stage 3 to Stage 1	93,422	(17,004)	(76,418)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(25,529)	54,241	(28,712)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(1,517)	(93,344)	94,861	-
Net re-measurement of loss allowance	(67,070)	146,383	530,749	610,062
Write-offs*	-	-	(204,757)	(204,757)
Balance as at 31 March 2026	866,302	1,557,167	2,434,633	4,858,102

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at 1 January 2025	982,176	2,296,954	2,022,418	5,301,548
Transfer from Stage 2 & Stage 3 to Stage 1	70,196	(43,559)	(26,637)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(25,540)	52,761	(27,221)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(1,958)	(837,644)	839,602	-
Net re-measurement of loss allowance	(98,920)	186,412	370,795	458,287
Write-offs*	-	-	(552,688)	(552,688)
Balance as at 31 March 2025	925,954	1,654,924	2,626,269	5,207,147

* Includes charge-offs (consumer loans and credit cards)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

8. LOANS AND ADVANCES, NET (continued)

b) An analysis of changes in loss allowance for loans and advances (continued)

ECL on commercial loans (SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL - not</u> <u>credit impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at January 1, 2026	413,989	1,203,204	1,388,488	3,005,681
Transfer from Stage 2 & Stage 3 to Stage 1	4,871	(4,454)	(417)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(18,589)	19,950	(1,361)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(508)	(38,555)	39,063	-
Other movements*	3,796	107,495	291,483	402,774
Write-offs	-	-	-	-
Balance as at 31 March 2026	403,559	1,287,640	1,717,256	3,408,455
Balance at January 1, 2025	532,654	2,003,240	1,255,157	3,791,051
Transfer from Stage 2 & Stage 3 to Stage 1	35,494	(34,864)	(630)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(4,968)	5,473	(505)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(227)	(784,136)	784,363	-
Other movements*	(119,449)	180,227	163,154	223,932
Write-offs	-	-	(369,385)	(369,385)
Balance as at 31 March 2025	443,504	1,369,940	1,832,154	3,645,598

ECL on retail loans (SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL - not</u> <u>credit impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at January 1, 2026	453,007	263,687	730,422	1,447,116
Transfer from Stage 2 & Stage 3 to Stage 1	88,551	(12,550)	(76,001)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(6,940)	34,291	(27,351)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(1,009)	(54,789)	55,798	-
Other movements*	(70,866)	38,888	239,266	207,288
Write-offs	-	-	(204,757)	(204,757)
Balance as at 31 March 2026	462,743	269,527	717,377	1,449,647
Balance at January 1, 2025	449,522	293,714	767,261	1,510,497
Transfer from Stage 2 & Stage 3 to Stage 1	34,702	(8,695)	(26,007)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(20,572)	47,288	(26,716)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(1,731)	(53,508)	55,239	-
Other movements*	20,529	6,185	207,641	234,355
Write-offs	-	-	(183,303)	(183,303)
Balance as at 31 March 2025	482,450	284,984	794,115	1,561,549

*Includes remeasurement

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

8. LOANS AND ADVANCES, NET (continued)

c) An analysis of changes in gross carrying amount of loans and advances

Total loans and advances (SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at 1 January 2026	359,626,221	13,898,398	4,232,990	377,757,609
Transfer from Stage 2 & Stage 3 to Stage 1	1,281,091	(1,043,721)	(237,370)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(5,739,254)	5,836,901	(97,647)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(134,843)	(978,849)	1,113,692	-
Net other movements*	3,161,196	1,131,530	59,537	4,352,263
Write-off**	-	-	(204,757)	(204,757)
Balance as at 31 March 2026	<u>358,194,411</u>	<u>18,844,259</u>	<u>4,866,445</u>	<u>381,905,115</u>
Balance at 1 January 2025	307,845,048	13,522,245	4,023,746	325,391,039
Transfer from Stage 2 & Stage 3 to Stage 1	756,564	(663,123)	(93,441)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(3,096,478)	3,189,781	(93,303)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(141,776)	(1,687,134)	1,828,910	-
Net other movements*	19,626,068	83,861	(350,034)	19,359,895
Write-offs**	-	-	(552,688)	(552,688)
Balance as at 31 March 2025	<u>324,989,426</u>	<u>14,445,630</u>	<u>4,763,190</u>	<u>344,198,246</u>

*Includes new loans generated, loans repaid and other movements

** Includes charge-offs (consumer loans and credit cards)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

8. LOANS AND ADVANCES, NET (continued)

c) An analysis of changes in gross carrying amount of loans and advances

Commercial loans (SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at January 1, 2026	262,397,104	11,831,502	3,086,026	277,314,632
Transfer from Stage 2 & Stage 3 to Stage 1	612,975	(611,457)	(1,518)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(4,788,320)	4,794,660	(6,340)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(31,813)	(690,013)	721,826	-
Net other movements*	3,505,374	1,291,793	(98,111)	4,699,056
Write-off	-	-	-	-
Balance as at 31 March 2026	261,695,320	16,616,485	3,701,883	282,013,688
Balance at January 1, 2025	213,729,171	11,434,872	2,766,455	227,930,498
Transfer from Stage 2 & Stage 3 to Stage 1	325,539	(323,328)	(2,211)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(2,137,214)	2,143,763	(6,549)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(51,055)	(1,417,227)	1,468,282	-
Net other movements*	16,890,034	168,217	(336,859)	16,721,392
Write-offs	-	-	(369,385)	(369,385)
Balance as at 31 March 2025	228,756,475	12,006,297	3,519,733	244,282,505

Retail loans*(SAR'000)

	<u>Stage 1</u> <u>12-month ECL</u>	<u>Stage 2</u> <u>lifetime ECL -</u> <u>not credit</u> <u>impaired</u>	<u>Stage 3</u> <u>lifetime ECL -</u> <u>credit impaired</u>	<u>Total</u>
Balance at January 1, 2026	97,229,117	2,066,896	1,146,964	100,442,977
Transfer from Stage 2 & Stage 3 to Stage 1	668,116	(432,264)	(235,852)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(950,934)	1,042,241	(91,307)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(103,030)	(288,836)	391,866	-
Net other movements*	(344,178)	(160,263)	157,648	(346,793)
Write offs	-	-	(204,757)	(204,757)
Balance as at 31 March 2026	96,499,091	2,227,774	1,164,562	99,891,427
Balance at January 1, 2025	94,115,877	2,087,373	1,257,291	97,460,541
Transfer from Stage 2 & Stage 3 to Stage 1	431,025	(339,795)	(91,230)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(959,264)	1,046,018	(86,754)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(90,721)	(269,907)	360,628	-
Net other movements*	2,736,034	(84,356)	(13,175)	2,638,503
Write-offs	-	-	(183,303)	(183,303)
Balance as at 31 March 2025	96,232,951	2,439,333	1,243,457	99,915,741

*Includes new loans generated, loans repaid and other movements

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

8. LOANS AND ADVANCES, NET (continued)

- d) Impairment charges for credit losses and other financial assets, net as reflected in the interim condensed consolidated statement of income are detailed as follows:

	For the three months period ended 31 March	
	2026 (Unaudited)	2025 (Unaudited)
SAR'000		
Impairment charge for credit losses, net	423,959	331,568
Impairment charge(reversal) for other financial assets, net	(214,504)	39,225
Total	209,455	370,793

9. CUSTOMER DEPOSITS

Customer deposits comprise the following:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
SAR'000			
Demand	164,950,819	142,263,106	148,704,082
Saving	2,112,311	1,368,453	1,485,600
Time	171,926,819	173,788,672	140,959,536
Others	13,577,496	14,300,816	12,943,276
Total	352,567,445	331,721,047	304,092,494

Customer time deposits include non-conventional banking deposits of SAR 66,820 million as at 31 March 2026 (31 December 2025: SAR 53,818 million and 31 March 2025: SAR 44,756 million).

10. DEBT SECURITIES IN ISSUE AND TERM LOANS AND TIER 1 SUKUK

a) DEBT SECURITIES IN ISSUE AND TERM LOANS

During current period, the Bank obtained the necessary approvals from SAMA for exercising its call option on its Tier 2 Sukuk amounting to SAR 3 billion and were redeemed after the expiry five year period on February 9, 2026.

During current period, the Bank successfully completed the issuance of U.S. dollar denominated tier 2 capital sustainable notes (the "Notes") amounting to USD 1 billion, carrying special commission rate of 5.805 % and have maturity of 10 years, callable after 5 years.

The Bank also issued Tier 2 capital notes with a principal amount of SGD 300 million due 2036, represented by up to 1,200 notes at a nominal value of SGD 250,000 per note, with the first call date on 22 January 2031, under its U.S.\$5 billion medium term note programme.

b) TIER 1 SUKUK

During current period, the Bank successfully completed the issuance of SAR denominated additional Tier 1 capital-eligible sukuk amounting to SAR 1.25 billion. The Sukuk carry a special commission rate of 6.37% and are classified as perpetual securities with no fixed or contractual maturity.

The Bank also issued additional Tier 1 capital sukuk with a face amount of U.S.\$50 million, represented by up to 250 sukuk at a nominal value of U.S.\$200,000 per sak, with the first call date on 5 February 2031, under its U.S.\$5 billion additional Tier 1 capital certificate issuance programme.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

11. COMMITMENTS AND CONTINGENCIES

a) The Group's credit related commitments and contingencies are as follows:

SAR'000	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Letters of credit	8,290,213	8,359,657	9,854,054
Letters of guarantee	128,230,794	130,003,116	125,049,368
Acceptances	3,005,698	3,678,758	4,779,933
Irrevocable commitments to extend credit	35,401,438	39,396,468	44,277,129
Total	174,928,143	181,437,999	183,960,484

b) An analysis of changes in loss allowance for credit related commitments and contingencies are, as follows:

SAR'000	Stage 1 12-month ECL	Stage 2 lifetime ECL - not credit impaired	Stage 3 lifetime ECL - credit impaired	Total
Balance at January 1, 2026	98,185	15,393	108,927	222,505
Transfer from Stage 2 & Stage 3 to Stage 1	2,710	(2,710)	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(1,460)	1,460	-	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Net re-measurement of loss allowance	8,171	(697)	142,608	150,082
Transfer to write-off reserves	-	-	-	-
Balance as at '31 March 2026	107,606	13,446	251,535	372,587
Balance at January 1, 2025	60,634	10,276	479,343	550,253
Transfer from Stage 2 & Stage 3 to Stage 1	126	(126)	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(53)	162	(109)	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	-	-	-
Net re-measurement of loss allowance	13,418	(4,111)	32,033	41,340
Transfer to write-off reserves	-	-	-	-
Balance as at 31 March 2025	74,125	6,201	511,267	591,593

Other liabilities as at 31 March 2026, include write-off reserves amounting to SAR 64 million (31 December 2025: SAR 426 million and 31 March 2025: SAR 168 million).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

11. COMMITMENTS AND CONTINGENCIES

c) An analysis of changes in gross carrying amount for credit quality of letters of credit, letters of guarantee and acceptances as at, 31 March 2026 and 2025 are, as follows:

<u>SAR'000</u>	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12-month ECL</u>	<u>lifetime ECL - not credit impaired</u>	<u>lifetime ECL - credit impaired</u>	
Balance at January 1, 2026	137,348,755	4,008,253	684,523	142,041,531
Transfer from Stage 2 & Stage 3 to Stage 1	1,188,701	(1,184,365)	(4,336)	-
Transfer from Stage 1 & Stage 3 to Stage 2	(1,166,539)	1,167,684	(1,145)	-
Transfer from Stage 1 & Stage 2 to Stage 3	-	(140,446)	140,446	-
Net re-measurement of loss allowance	(2,657,177)	(173,048)	315,399	(2,514,826)
Transfer to write-off reserves	-	-	-	-
Balance as at '31 March 2026	134,713,740	3,678,078	1,134,887	139,526,705
Balance at January 1, 2025	132,074,034	3,475,639	1,026,195	136,575,868
Transfer from Stage 2 & Stage 3 to Stage 1	174,075	(174,075)	-	-
Transfer from Stage 1 & Stage 3 to Stage 2	(755,674)	806,454	(50,780)	-
Transfer from Stage 1 & Stage 2 to Stage 3	(3,817)	(96,018)	99,835	-
Net re-measurement of loss allowance	3,349,692	(225,364)	(16,841)	3,107,487
Transfer to write-off reserves	-	-	-	-
Balance as at '31 March 2025	134,838,310	3,786,636	1,058,409	139,683,355

d) Legal proceedings

The Group is subject to legal proceedings in the ordinary course of business. There was no material change in the status of legal proceedings as disclosed in December 31, 2025 annual consolidated financial statements.

12. CASH AND CASH EQUIVALENTS

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

	<u>31 March 2026</u> <u>(Unaudited)</u>	<u>1 December 2025</u> <u>(Audited)</u>	<u>31 March 2025</u> <u>(Unaudited)</u> <u>(Restated)</u>
	<u>SAR'000</u>	<u>SAR'000</u>	<u>SAR'000</u>
Cash and balances with SAMA excluding statutory deposit	21,298,907	3,241,574	9,899,660
Due from banks and other financial institutions maturing within three months from date of acquisition	13,497,752	21,272,353	11,144,224
Total	34,796,659	24,513,927	21,043,884

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

13. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

Level 1: quoted market price: financial instruments with quoted unadjusted prices for identical instruments in active markets.

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; and

Level 3: valuation techniques for which any significant input is not based on observable market data.

Following are the financial instruments carried at fair value in the interim condensed consolidated financial statements.

Fair value and fair value hierarchy

31 March 2026

SAR'000 (Unaudited)

Financial assets measured at fair value

	Level 1	Level 2	Level 3	Total
- Positive fair value of derivatives	-	7,022,762	-	7,022,762
- Investments held at FVIS	4,821,009	-	-	4,821,009
Mutual Funds	4,821,009	-	-	4,821,009
- Investments held at FVOCI	23,756,495	41,004	1,084,791	24,882,290
Fixed rate securities	22,129,511	41,004	-	22,170,515
Floating rate securities	646,211	-	-	646,211
Equities	980,773	-	1,084,791	2,065,564
- Negative fair value of derivatives	-	5,892,716	-	5,892,716

31 December 2025

SAR'000 (Audited)

Financial assets measured at fair value

	Level 1	Level 2	Level 3	Total
- Positive fair value of derivatives	-	6,398,711	-	6,398,711
- Investments held at FVIS	4,870,489	-	-	4,870,489
Mutual Funds	4,870,489	-	-	4,870,489
- Investments held at FVOCI	22,564,523	47,271	1,085,191	23,696,985
Fixed rate securities	20,514,383	47,271	-	20,561,654
Floating rate securities	1,005,040	-	-	1,005,040
Equities	1,045,100	-	1,085,191	2,130,291

Financial liabilities measured at fair value

- Negative fair value of derivatives	-	5,418,500	-	5,418,500
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31 March 2025

SAR'000 (Unaudited) -Restated

Financial assets measured at fair value

	Level 1	Level 2	Level 3	Total
- Positive fair value of derivatives	-	4,867,967	-	4,867,967
- Investments held at FVIS	4,521,245	-	-	4,521,245
Mutual Funds	4,521,245	-	-	4,521,245
- Investments held at FVOCI (Restated)	21,612,042	-	962,750	22,574,792
Fixed rate securities	20,139,057	-	-	20,139,057
Floating rate securities	385,892	-	-	385,892
Equities	1,087,093	-	962,750	2,049,843

Financial liabilities measured at fair value

- Negative fair value of derivatives	-	4,341,033	-	4,341,033
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

13. FAIR VALUES OF FINANCIAL INSTRUMENTS(continued)

	For the three months period ended 31 March 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)	For the three months period ended 31 March 2025 (Unaudited) <u>Restated</u>
	SAR'000	SAR'000	SAR'000
Reconciliation of movement in Level 3			
Opening balance	1,085,191	955,685	955,685
Valuation impact recognized in other comprehensive income	12	106,013	-
Other movements	(412)	23,493	502
Purchases	-	-	6,563
Sales/ redemptions	-	-	-
Closing balance	1,084,791	1,085,191	962,750

There were no transfers between the fair value hierarchy levels during the current or prior period.

Although the Group believes that its estimates of fair value of Level 3 securities are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. Level 3 consists of local and international unquoted equity securities. The Group uses net assets valuation and price to book value method based on most recent available audited financial statements to fair value these investments. Other methodology that could be used to value the securities is discounted cash flow model based on expected dividend yield for which no data is available. Therefore potential impact of using reasonably possible alternative assumptions for the valuation techniques is not quantified.

The fair values of on-balance sheet financial instruments, except for loans and advances and investments held at amortised cost are not significantly different from the carrying values included in the interim condensed consolidated financial statements. The fair values of customer deposits, debt securities in issue and term loan, cash and balances with SAMA, due from and due to banks and other financial institutions, other assets and other liabilities which are carried at amortised cost, are not significantly different from the carrying values included in the interim condensed consolidated financial statements, since the current market special commission rates for similar financial instruments are not significantly different from the contracted rates, and for the short duration of due from and due to banks and other financial institutions, other assets and other liabilities.

The management uses discounted cash flow method, using the current yield curve adjusted for credit risk spreads to arrive at the fair value of loans and advances, which are categorised within level 3 of fair value hierarchy. The estimated fair values of loans and advances was SAR 383.1 billion (carrying value: SAR 381.9 billion), as at 31 March 2026 (31 December 2025: SAR 379.7 billion, carrying value: SAR 377.7 billion and 31 March 2025: SAR 343.3 billion (carrying value: SAR 344.6 billion).

The estimated fair values of investments held at amortised cost are based on quoted market prices when available or pricing models when used in the case of certain fixed rate bonds. The estimated fair values of these investments was SAR 54.3 billion as at 31 March 2026 (carrying value: SAR 57.1 billion), (31 December 2025: SAR 48.3 billion, carrying value: SAR 50.9 billion and 31 March 2025: SAR 40.0 billion (carrying value: SAR 42.6 billion).

14. OPERATING SEGMENTS

The Group determines and presents operating segments based on the information that is provided internally to the chief operating decision maker in order to allocate resources to the segments and to assess its performance. The operating segments are managed separately based on the Group's management and internal reporting structure. The Group's primary business is conducted in the Kingdom of Saudi Arabia with one international branch, a representative office and an agency. However, the total assets, liabilities, commitments and results of operations of this branch, the representative office and the agency are not material to the Group's overall interim condensed consolidated financial statements and as a result have not been separately disclosed. The transactions between the Group's operating segments are recorded as per the Group's transfer pricing system. There are no other material items of income or expenses between the operating segments.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

14. OPERATING SEGMENTS (continued)

The Group's reportable segments under IFRS 8 are as follows:

Retail banking

Deposits, credit and investment products for individuals.

Investment banking and brokerage

Investment management services and asset management activities related to dealing, managing, arranging, advising and custody of securities.

Corporate banking

Principally handling corporate customers' current accounts, deposits and providing loans, overdrafts and other credit facilities and includes small to medium sized businesses.

Treasury and investment

Principally providing money market, trading and treasury services, derivative products as well as the management of the Group's investment portfolios.

The Group's total assets and liabilities at 31 March 2026 and 2025 and its net total operating income, total operating expenses and income before zakat for the three months periods then ended, by operating segments, are as follows:

31 March 2026

SAR'000 (Unaudited)	Retail banking	Investment banking and brokerage	Corporate banking	Treasury and investment	Total
Total assets	118,081,832	4,407,856	296,899,725	117,694,003	537,083,416
Total liabilities	96,470,904	514,720	271,199,446	89,733,426	457,918,496
Operating income from external customers	1,107,473	236,869	2,792,446	477,259	4,614,047
Inter segment income/(expense)	(78,808)	-	182,698	(103,890)	-
Total operating income, net of which	1,028,665	236,869	2,975,144	373,369	4,614,047
- Net special commission income	1,000,403	99,857	2,405,213	(120,938)	3,384,535
- Fee and commission income, net	28,002	120,550	558,454	6,821	713,827
Total operating expenses, net of which	903,684	81,876	533,248	128,074	1,646,882
- Depreciation of property, equipment & right of use assets	146,130	11,066	48,131	12,824	218,151
- Impairment charge/(reversal) for credit losses and other financial assets, net	88,118	662	124,452	(3,777)	209,455
- Impairment charge for investments, net	-	-	-	65,677	65,677
Share in profits of associates, net	-	-	-	10,191	10,191
Income for the period before zakat	124,981	154,993	2,441,896	255,486	2,977,356

31 March 2025

SAR'000 (Unaudited)	Retail banking	Investment banking and brokerage	Corporate banking	Treasury and investment	Total
Total assets (restated)	114,469,778	3,642,661	249,361,514	98,980,612	466,454,565
Total liabilities	94,184,682	512,612	232,123,937	66,665,675	393,486,906
Operating income from external customers	1,173,423	249,131	2,274,668	806,419	4,503,641
Inter segment income/(expense)	(115,721)	-	303,648	(187,927)	-
Total operating income, net of which	1,057,702	249,131	2,578,316	618,492	4,503,641
- Net special commission income	988,967	93,173	1,974,425	225,917	3,282,482
- Fee and commission income, net	84,462	142,524	573,809	10,384	811,179
Total operating expenses, net of which	926,757	68,490	680,651	64,709	1,740,607
- Depreciation of property, equipment & right of use assets	127,741	6,524	47,612	6,867	188,744
- Impairment charge/(reversal) for credit losses and other financial assets, net	144,035	(1,607)	226,572	1,793	370,793
- Impairment reversal for investment, net	-	-	-	(9,070)	(9,070)
Share in profits of associates, net	-	-	-	8,744	8,744
Income for the period before zakat	130,945	180,641	1,897,665	562,527	2,771,778

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

15. FINANCIAL RISK MANAGEMENT

Credit risk

Credit exposures arise principally in lending activities (for both conventional and non-conventional banking products) that lead to loans and advances, and investment activities. There is also credit risk in off-balance sheet financial instruments, such as loan commitments. The Group uses internal credit rating tools to assess credit standing of its counterparties and assigns credit ratings accordingly. Also the Group uses the external ratings, of the major rating agency, where applicable.

The Group attempts to control credit risk by deploying various credit risk management techniques and processes, such as, application Risk Acceptance Criteria (RAC's) as credit risk screening tools, appropriate credit structuring, credit review process, post-disbursal monitoring of credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. The Group's risk management policies are designed to identify and to set appropriate risk limits and to monitor the risks and adherence to limits. Actual exposures against limits are monitored daily. In addition to monitoring credit limits, the Group manages the credit exposure relating to its trading activities by entering into master netting agreements and collateral arrangements with counterparties in appropriate circumstances, and limiting the duration of exposure. In certain cases, the Group may also close out transactions or assign them to other counterparties to mitigate credit risk.

The Group's credit risk for derivatives, represents the potential cost to replace the derivative contracts if counterparties fail to fulfil their obligation, and to control the level of credit risk taken, the Group assesses counterparties using the same techniques as for its lending activities.

Concentration risk refers to the risk from an uneven distribution of counterparties in credit or in other business relationship or from concentration in business sectors or economic sectors or geographical regions. Accordingly, concentration risk in the credit portfolios comes into existence through a skewed distribution of financing to (a) individual borrower (name concentration) (b) industry /service sector (sector concentration) and (c) geographical regions (regional concentration). Concentrations of credit risk indicate the relative sensitivity of the Group's performance to developments affecting any particular category of concentration.

The Group seeks to manage its credit risk exposure through diversification of lending activities to ensure that there is no undue concentration of risks with individuals or groups of customers in specific locations or business. It also takes security when appropriate. The Group also seeks additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

Management monitors the market value of collateral recurrently, requests additional collateral in accordance with the underlying agreement and monitors the market value of collateral obtained during its review of the adequacy of the allowance for impairment losses. The Group regularly reviews its risk management policies and systems to reflect changes in markets products and emerging best practice.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

16. DIVIDENDS

During July 2025, interim dividends of SAR 2,543 million at SAR 0.85 per share (2024: SAR 2,396 million at SAR 0.80 per share) were declared by the Bank with 17 August 2025 as the distribution date.

Final dividends of SAR 1,643 million (2024: SAR 2,696 million) at SAR 0.55 per share (2024: SAR 0.90 per share), were proposed for the year 2025.

17. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share for the three month period ended 31 March 2026 are calculated on a weighted average basis by dividing the net income adjusted for Tier 1 sukuk costs for the period, by 2,988 million shares (three month period ended 31 March 2025 : 2,995 million shares), after excluding treasury shares.

18. CAPITAL ADEQUACY

The Group's objectives when managing capital are to comply with the capital requirements set by SAMA to safeguard the Group's ability to continue as a going concern and to maintain a strong capital base.

Capital adequacy and the use of regulatory capital are monitored regularly by management. SAMA requires holding a minimum level of regulatory capital and maintaining a ratio of total regulatory capital to the risk-weighted asset at or above Basel prescribed minimum.

The Group monitors the adequacy of its capital using ratios established by SAMA. These ratios measure capital adequacy by comparing the Bank's eligible capital with its statement of financial position assets, commitments and notional amounts of derivatives at a weighted amount to reflect their relative risk.

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

	31 March 2026 (Unaudited) SAR Millions	31 December 2025 (Audited) SAR Millions	31 March 2025 (Unaudited) SAR Millions
Risk weighted assets			
Credit risk weighted assets	440,892	440,038	407,165
Operational risk weighted assets	21,127	17,583	17,583
Market risk weighted assets	11,988	14,955	15,605
Total Pillar-I Risk Weighted Assets	474,007	472,576	440,353
Eligible capital			
Common equity Tier 1 (CET 1) Capital	66,303	64,065	61,031
Total Tier I Capital	79,120	75,441	72,408
Tier II Capital	12,808	11,287	4,620
Total Tier I and II Capital	91,928	86,728	77,028
CET 1 Ratio %	14.0%	13.6%	13.9%
Tier I Capital Adequacy Ratio %	16.7%	16.0%	16.4%
Total Capital Adequacy Ratio %	19.4%	18.4%	17.5%

Tier 1 capital of the Group comprises share capital, statutory reserve, other reserves, retained earnings, Tier 1 eligible debt securities, treasury shares less intangible assets and other deductions

Tier 2 capital of the Group comprises prescribed amounts of eligible portfolio provisions less prescribed deductions. As at 31 March 2026, the Bank is in compliance with all externally imposed capital requirements.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

19. RELATED PARTY TRANSACTIONS

In the ordinary course of its activities, the Group transacts business with related parties. Related party transactions are governed by the limits set by the Banking Control Law and regulations issued by SAMA. The balances at 31 March 2026 and 2025, resulting from such transactions are as follows:

	31 March 2026	31 March 2025
	<u>SAR'000</u> (Unaudited)	<u>SAR'000</u> (Unaudited)
a) Major Shareholders		
Loans and advances	1,046,973	1,045,000
Customer deposits	53,880,376	40,148,398
Derivatives asset (at fair value)	(1,399)	(1,557)
Commitments and contingencies (irrevocable)	793,027	195,000
b) Bank's Board of Directors and Senior Executives:		
Loans and advances	826,728	422,434
Customer deposits	311,778	564,399
Commitments and contingencies (irrevocable)	2,144,822	2,059,706
Executive end of service	28,899	27,818
c) Associates		
Loans and advances	76,361	234,480
Customer deposits	39,235	94,905
Commitments and contingencies (irrevocable)	164,083	208,048
Group's mutual funds:		
Customer deposits	-	218,594

Key management personnel are those persons, including a non-executive director, having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. Related party balances include balances arising from transactions with governmental shareholders

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

19. RELATED PARTY TRANSACTIONS (continued)

Income and expenses pertaining to transactions with related parties included in these interim condensed consolidated financial statements are as follows:

	31 March 2026	31 March 2025
	<u>SAR'000</u> (Unaudited)	<u>SAR'000</u> (Unaudited)
a) Major Shareholders		
Special commission income	16,547	15,386
Special commission expense	538,045	524,144
Fees from banking services, net	252	321
Directors and committees remuneration and expenses	-	-
Executive remuneration and bonus	-	-
Executive end of service	-	-
Other expenses	21,348	42,658
b) Bank's Board of Directors and Senior Executives:		
Special commission income	13,902	8,615
Special commission expense	2,488	5,329
Fees from banking services, net	1,214	1,437
Directors and committees remuneration and expenses	375	327
Executive remuneration and bonus	60,854	52,321
Executive end of service	1,005	1,624
Other expenses	-	-
c) Associates and funds managed by the group		
Special commission income	1,953	3,505
Special commission expense	1,893	2,296
Fees from banking services, net	73,109	73,108
Directors and committees remuneration and expenses	-	-
Executive remuneration and bonus	-	-
Executive end of service	-	-
Other expenses	-	-

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

For the three month period ended 31 March 2026 & 2025

20. IMPACT OF GEO-POLITICAL SITUATION ON EXPECTED CREDIT LOSSES (“ECL”)

The geopolitical situation in the MiddleEast 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 Bank continues to evaluate and closely monitor the current situation to assess any impact geopolitical situation may have had on its business and financial performance. The prevailing geopolitical situation has increased uncertainty in the economic environment despite favorable changes in oil prices and certain industries, and the Bank continues to objectively assess the potential implications on the inputs and assumptions used in the measurement of expected credit losses (“ECL”). However, based on the overall information available as of the reporting date, the Bank has not identified the need for any specific adjustments to staging criteria, macroeconomic variables, scenario weightings, or management overlays since the last reporting date.

The Bank has applied multiple approaches to ensure the existing ECL provision are appropriate, including conducting stress testing scenarios on critical model assumptions and a more granular review of credit exposures within distressed economic sectors. The impact of such uncertain economic environment is judgmental, and the Bank 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.

21. COMPARATIVE FIGURES

During the year ended December 31, 2025, the Bank reclassified certain margin balances receivable and payable on derivatives to other assets and other liabilities respectively for a more appropriate financial statement line-item classification. In addition, margin balances that were previously presented on a net basis have been grossed up to reflect the actual settlement mechanism under the derivative collateral arrangements.

A summary of the effect on the individual components of consolidated statement of financial position for the aforementioned changes is summarized as follows:

As at 31 March 2025 (SAR 000s)	Balance as previously reported	Effect of reclassification	Balance as restated
Assets			
Due from banks and other financial institutions, net	15,227,443	(4,083,219)	11,144,224
Other assets	2,108,867	4,741,087	6,849,954
Liabilities			
Due to banks and other financial institutions	47,820,037	(4,049,418)	43,770,619
Other liabilities	13,823,463	4,707,286	18,530,749

During third quarter of 2025, the Bank corrected the valuation of its equity interest in Saudi Credit Bureau (SIMAH) that is classified as investments at fair value through other comprehensive income(FVOCI), which was historically valued at net asset. The impact of the change in valuation method from net asset to fair value has resulted in an increase by SAR 451 million as at 31 March 2025 and accordingly, the Bank has restated investments, net and other reserves.

In addition to the above, certain prior year balances have been reclassified to conform to the current year presentation. The effect of all the reclassifications is not material to the consolidated financial statements.

22. EVENTS AFTER THE REPORTING PERIOD

The Extraordinary General Assembly Meeting held on 17th Shawwal, 1447H (corresponding to 5 April 2026) approved

a) the capital Increase of the bank by granting bonus shares to the shareholders by capitalization from the Statuary reserve and retained earnings by way of granting one share for every three shares totaling, SAR 10,000 million, which will be capitalized from the statutory reserve and retained earnings in equal proportion.and

b) the distribution of the cash dividends of SAR 1,643 million at SAR 0.55 per share for second half of 2025.

23. BOARD OF DIRECTORS APPROVAL

The interim condensed consolidated financial statements were authorised for issue by the Board of Directors on 3 Dhul Qadah, 1447H (corresponding to 20 April 2026).