



BANK ALBILAD
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026



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Independent auditors' report on review of the interim condensed consolidated financial statements

To the shareholders of Bank Albilad
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Bank Albilad (the "Bank") and its subsidiaries (collectively referred to as the "Group") as at March 31, 2026 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended and other 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 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 International Standards on Auditing, as 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.

Ernst & Young Professional Services

Abdullah A. Alshenaibir
Certified Public Accountant
License No. 583

PricewaterhouseCoopers

Waleed A. Alhidiri
Certified Public Accountant
License No. 559



April 30, 2026
(Thul-Qi'dah 13, 1447H)



BANK ALBILAD

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**AS AT**

		March 31, 2026 SAR'000 (Unaudited)	December 31, 2025 SAR'000 (Audited)	March 31, 2025 SAR'000 (Unaudited)
	Note			
ASSETS				
Cash and balances with Saudi Central Bank		9,341,542	9,616,694	9,597,507
Due from banks and other financial institutions, net		5,651,917	5,883,033	7,065,941
Investments, net	5	31,338,552	31,123,031	26,388,587
Financing, net	6	129,802,975	122,188,499	112,427,216
Other assets		998,273	1,364,184	1,134,786
Property, equipment and right of use assets, net		2,825,986	2,796,630	2,488,707
Total assets		<u>179,959,245</u>	<u>172,972,071</u>	<u>159,102,744</u>
LIABILITIES AND EQUITY				
Liabilities				
Due to banks, Saudi Central Bank and other financial institutions		3,720,779	6,982,815	4,686,102
Customers' deposits	7	140,294,307	132,879,116	124,017,853
Sukuk and term financing	8	3,091,616	3,144,407	3,144,743
Other liabilities		9,195,660	8,609,813	9,661,939
Total liabilities		<u>156,302,362</u>	<u>151,616,151</u>	<u>141,510,637</u>
Equity				
Share capital	14	15,000,000	15,000,000	12,500,000
Treasury shares		(414,725)	(223,001)	(190,439)
Statutory reserve		2,646,327	2,646,327	1,883,989
Other reserves		(500,699)	(421,338)	(188,584)
Retained earnings		1,774,813	1,895,955	1,069,518
Proposed issuance of bonus shares	14	-	-	2,500,000
Proposed cash dividends	15	825,000	-	-
Employees' share plan reserve		13,034	20,119	17,623
Equity attributable to the shareholders of the Bank		<u>19,343,750</u>	<u>18,918,062</u>	<u>17,592,107</u>
Tier 1 Sukuk	8	4,313,133	2,437,858	-
Total equity		<u>23,656,883</u>	<u>21,355,920</u>	<u>17,592,107</u>
Total liabilities and equity		<u>179,959,245</u>	<u>172,972,071</u>	<u>159,102,744</u>

The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

BANK ALBILAD

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

	<u>Note</u>	<u>For the three-month period ended</u>	
		March 31, 2026 SAR'000	March 31, 2025 SAR'000
INCOME:			
Income from investing and financing assets		2,395,180	2,192,276
Return on deposits and financial liabilities		(1,136,290)	(1,030,280)
Income from investing and financing assets, net		1,258,890	1,161,996
Fee and commission income		294,367	293,515
Fee and commission expenses		(132,737)	(121,814)
Fee and commission income, net		161,630	171,701
Exchange income, net		57,716	84,816
Dividend income		20,676	21,505
Gain on fair value through statement of income (FVSI) investments, net		8,995	2,245
Other operating income		21,304	21,584
Total operating income		1,529,211	1,463,847
EXPENSES:			
Salaries and employee related expenses		378,527	376,456
Depreciation and amortization		75,364	71,269
Other general and administrative expenses		183,555	182,424
Operating expenses before expected credit losses		637,446	630,149
Impairment charge for expected credit losses, net		71,529	52,891
Total operating expenses		708,975	683,040
Net income for the period before zakat		820,236	780,807
Zakat for the period		84,484	80,423
Net income for the period after zakat		735,752	700,384
Basic and diluted earnings per share (SAR)	16	0.49	0.47

The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

BANK ALBILAD

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

	<u>For the three-month period ended</u>	
	March 31, 2026	March 31, 2025
Note	<u>SAR'000</u>	<u>SAR'000</u>
Net income for the period after zakat	735,752	700,384
Other comprehensive income / (loss):		
Items that will not be reclassified to interim consolidated statement of income in subsequent periods		
- Net changes in fair value of FVOCI - equity instruments	(11,515)	(18,506)
- Re-measurement of employees' end of service benefits ("EOSB")	(4,167)	3,306
Items that may be reclassified to interim consolidated statement of income in subsequent periods		
- Net changes in fair value of FVOCI - debt instruments	(109,387)	219,168
- Net changes in expected credit losses of FVOCI - debt instruments	13,873	1,996
- Effective portion of change in the fair value of cash flow hedges	10 3,252	(7,471)
Total other comprehensive (loss) / income for the period	<u>(107,944)</u>	<u>198,493</u>
Total comprehensive income for the period	<u>627,808</u>	<u>898,877</u>

The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

BANK ALBILAD

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 (UNAUDITED)**

		2026 (SAR' 000)									
	Note	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Proposed cash dividends	Employees' share plan reserve	Equity attributable to the shareholders	Tier 1 sukuk	Total equity
Balance at the beginning of the period		15,000,000	(223,001)	2,646,327	(421,338)	1,895,955	-	20,119	18,918,062	2,437,858	21,355,920
Net changes in fair value of FVOCI - equity instruments					(11,515)				(11,515)		(11,515)
Re-measurement of employees' end of service benefits ("EOSB")					(4,167)				(4,167)		(4,167)
Net changes in fair value of FVOCI - debt instruments					(109,387)				(109,387)		(109,387)
Net changes in expected credit losses of FVOCI - debt instruments					13,873				13,873		13,873
Effective portion of change in fair value of cash flow hedge					3,252				3,252		3,252
Total other comprehensive loss for the period					(107,944)				(107,944)		(107,944)
Net income for the period after zakat						735,752			735,752		735,752
Total comprehensive income for the period					(107,944)	735,752			627,808		627,808
Realized loss from sale of FVOCI - equity instruments					28,583	(28,583)			-		-
Movement in treasury shares			(191,724)						(191,724)		(191,724)
Employees' share plan reserve								(7,085)	(7,085)		(7,085)
Proposed cash dividends for the second half of 2025	15					(825,000)	825,000		-		-
Tier 1 Sukuk issued	8									1,875,275	1,875,275
Tier 1 Sukuk costs						(3,311)			(3,311)		(3,311)
Balance at the end of the period		15,000,000	(414,725)	2,646,327	(500,699)	1,774,813	825,000	13,034	19,343,750	4,313,133	23,656,883

The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

BANK ALBILAD

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025 (UNAUDITED)**

		2025 (SAR' 000)									
	Note	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Proposed issuance of bonus shares	Employees' share plan reserve	Equity attributable to the shareholders	Tier 1 sukuk	Total equity
Balance at the beginning of the period		12,500,000	(210,866)	2,883,989	(387,077)	1,869,134	-	38,050	16,693,230	-	16,693,230
Net changes in fair value of FVOCI - equity instruments					(18,506)				(18,506)		(18,506)
Actuarial gain on re-measurement of ESOB					3,306				3,306		3,306
Net changes in fair value of FVOCI - debt instruments					219,168				219,168		219,168
Impairment reversal for expected credit losses of FVOCI - debt instruments					1,996				1,996		1,996
Effective portion of change in fair value of cash flow hedge					(7,471)				(7,471)		(7,471)
Total other comprehensive income for the period					198,493				198,493		198,493
Net income for the period after zakat						700,384			700,384		700,384
Total comprehensive income for the period					198,493	700,384			898,877		898,877
Movement in treasury shares			20,427						20,427		20,427
Employees' share plan reserve							(20,427)	(20,427)			(20,427)
Proposed issuance of bonus shares	14			(1,000,000)		(1,500,000)	2,500,000		-		-
Balance at the end of the period		12,500,000	(190,439)	1,883,989	(188,584)	1,069,518	2,500,000	17,623	17,592,107	-	17,592,107

The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.

BANK ALBILAD

(A Saudi Joint Stock Company)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 AND 2025 (UNAUDITED)**

	<u>Note</u>	2026 SAR'000	2025* SAR'000
OPERATING ACTIVITIES			
Net income for the period before zakat		820,236	780,807
Adjustments to reconcile net income to net cash generated from / (used in) operating activities:			
Return on sukuk		49,645	53,201
Gain on FVSI Financial instruments, net		(8,995)	(2,245)
Gain on disposal of property and equipment		(112)	-
Finance charges on lease liabilities		4,653	2,951
Depreciation and amortization		75,364	71,269
Impairment charge for expected credit losses, net		71,529	52,891
Employees' share plan reserve		(7,085)	(20,427)
Net (increase) / decrease in operating assets:			
Statutory deposit with Saudi Central Bank		(387,130)	(122,406)
Due from banks and other financial institutions maturing after ninety days from the date of acquisition		(48,325)	(689,138)
Investments measured at amortized cost maturing after ninety days from the date of acquisition		(2,074)	(13,667)
Financing, net		(7,676,789)	(3,169,476)
Other assets		365,911	775,127
Net increase / (decrease) in operating liabilities:			
Due to banks, Saudi Central Bank and other financial institutions		(3,262,036)	(806,697)
Customers' deposits		7,415,191	2,241,638
Other liabilities		512,922	1,705,886
Net cash (used in) / generated from operating activities		(2,077,095)	859,714
INVESTING ACTIVITIES			
Purchase of investments measured at FVOCI		(607,300)	(1,678,567)
Proceeds from sale of investments measured at FVOCI		137,131	125,359
(Purchase) / proceeds from sale of investments measured at FVSI		(66,515)	11,671
Proceeds from maturity of investments measured at amortized cost		215,987	397,046
Purchase of property and equipment		(96,652)	(148,609)
Net cash used in investing activities		(417,349)	(1,293,100)
FINANCING ACTIVITIES			
Sukuk return and term financing paid		(102,436)	(55,579)
Issuance of tier 1 Sukuk	8	1,875,275	-
Tier 1 Sukuk costs		(3,311)	-
Movement in treasury shares		(191,724)	20,427
Payment of finance charges on lease liabilities		(4,653)	(2,951)
Principal payment of lease liabilities		(20,430)	(24,489)
Net cash from / (used in) financing activities		1,552,721	(62,592)
Net decrease in cash and cash equivalents		(941,723)	(495,978)
Cash and cash equivalents at the beginning of the period		7,435,202	8,727,034
Cash and cash equivalents at the end of the period	11	6,493,479	8,231,056
Income received from investing and financing assets during the period		2,591,414	2,313,093
Return paid on deposits and financial liabilities during the period		1,091,431	1,011,757
Supplemental information			
Right of use assets		7,956	40,631
Effective portion of change in fair value of cash flow hedge		3,252	(7,471)
*Refer note 19 for comparative figures			
The accompanying notes from 1 to 21 form an integral part of these interim condensed consolidated financial statements.			

BANK ALBILAD

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 (UNAUDITED)

1. GENERAL

a) Incorporation and operation

Bank Albilad (“the Bank”), a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia, was formed and licensed pursuant to Royal Decree No. M/48 dated Ramadan 21, 1425H (corresponding to November 4, 2004) in accordance with the Counsel of Ministers’ resolution no. 258 dated Ramadan 18, 1425H (corresponding to November 1, 2004). The Bank operates under Commercial Registration No.1010208295 (Unified Identification No 7001473102) dated Rabi Al Awal 10, 1426H (corresponding to April 19, 2005) and the Bank provides banking services through 108 banking branches (March 31, 2025: 107) in the Kingdom of Saudi Arabia.

The registered address of the Bank's head office is as follows:

Bank Albilad
P.O. Box 140
Riyadh 11411
Kingdom of Saudi Arabia

The Group’s objective is to provide full range of banking services and conduct financing and investing activities through various Islamic instruments. The activities of the Bank are conducted in compliance with the Shariah Committee resolutions and directions and within the provisions of the Bank’s By-laws and the Banking Control Law.

These interim condensed consolidated financial statements comprise the financial statements of the Bank and its subsidiaries, “Albilad Investment Company”, “Albilad Real Estate Company”, “Enjaz Payment Services Company”, “Financial Solutions Company for Investment” and “Dufaa Finance Company” (collectively referred to as “the Group”). Albilad Investment Company, Albilad Real Estate Company, Enjaz Payment Services Company, Financial Solutions Company for Investment and Dufaa Finance Company are directly or indirectly 100% owned by the Bank. All subsidiaries are incorporated in the Kingdom of Saudi Arabia.

b) Sharia Committee

The Bank has established a Shariah Committee (“the Committee”). It ascertains that all the Bank’s activities are subject to its approval and control.

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group as at and for the three-month period ended March 31, 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 endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and the Banking Control Law and the applicable provisions of Regulations for Companies in the Kingdom of Saudi Arabia. The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended December 31, 2025.

BANK ALBILAD

(A Saudi Joint Stock Company)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 (UNAUDITED)

2. BASIS OF PREPARATION (continued)

The consolidated financial statements of the Group as at and for the year ended December 31, 2025, were prepared in accordance with International Financial Reporting Standards (“IFRS”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by SOCPA and the Banking Control Law and the applicable provisions of Regulations for Companies in the Kingdom of Saudi Arabia. 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 and the functional currency of the Bank is Saudi Riyal except where otherwise stated in the notes to the financial information.

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.

In preparing these interim condensed consolidated financial statements, significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation were consistent with those that were applied to the consolidated financial statements for the year ended December 31, 2025, except as disclosed below in note 3.

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

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of new standards effective as of January 1, 2026.

New standards, interpretations and amendments adopted by the Group

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 interim condensed consolidated financial statements of the Group:

Standard, interpretation or amendments	Description	Effective date
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.	January 1, 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.	January 1, 2026

BANK ALBILAD

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 (UNAUDITED)****3. IMPACT OF CHANGES IN ACCOUNTING POLICIES DUE TO ADOPTION OF NEW STANDARDS
(continued)****New standards, interpretations and amendments adopted by the Group (continued)**

Standard, interpretation or amendments	Description	Effective date
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.	January 1, 2026

Accounting standards issued but not yet effective

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which are effective from periods on or after January 1, 2027. The Group did not opt for early adoption of these pronouncements.

Standard, interpretation or 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	IFRS 18 provides guidance on items in statement of income 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.	January 1, 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.	January 1, 2027

4. MATERIAL ACCOUNTING POLICIES AND ESTIMATES

The material 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 for the year ended December 31, 2025.

BANK ALBILAD

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 (UNAUDITED)****5. INVESTMENTS, NET****a. Investments comprise the following:**

<u>SAR' 000</u>	<u>March 31, 2026 (Unaudited)</u>		
	<u>Domestic</u>	<u>International</u>	<u>Total</u>
Fair value through other comprehensive income (FVOCI)			
Equities	736,369	72,831	809,200
Sukuk	17,321,249	1,089,733	18,410,982
	<u>18,057,618</u>	<u>1,162,564</u>	<u>19,220,182</u>
Fair value through statement of income (FVSI)			
Mutual funds	479,601	521,111	1,000,712
Equities	128,476	76,093	204,569
	<u>608,077</u>	<u>597,204</u>	<u>1,205,281</u>
Amortized cost			
Bei-Ajel with Saudi Central Bank	311,623	-	311,623
Sukuk	8,449,782	2,151,684	10,601,466
	<u>8,761,405</u>	<u>2,151,684</u>	<u>10,913,089</u>
Total	<u>27,427,100</u>	<u>3,911,452</u>	<u>31,338,552</u>
<u>SAR' 000</u>	<u>December 31, 2025 (Audited)</u>		
	<u>Domestic</u>	<u>International</u>	<u>Total</u>
Fair value through other comprehensive income (FVOCI)			
Equities	845,089	50,626	895,715
Sukuk	16,854,064	1,107,263	17,961,327
	<u>17,699,153</u>	<u>1,157,889</u>	<u>18,857,042</u>
Fair value through statement of income (FVSI)			
Mutual funds	464,500	514,538	979,038
Equities	89,159	61,574	150,733
	<u>553,659</u>	<u>576,112</u>	<u>1,129,771</u>
Amortized cost			
Bei-Ajel with Saudi Central Bank	309,549	-	309,549
Sukuk	8,461,066	2,365,603	10,826,669
	<u>8,770,615</u>	<u>2,365,603</u>	<u>11,136,218</u>
Total	<u>27,023,427</u>	<u>4,099,604</u>	<u>31,123,031</u>

BANK ALBILAD

(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026 (UNAUDITED)****5. INVESTMENTS, NET (continued)**

SAR' 000	March 31, 2025 (Unaudited)*		
	Domestic	International	Total
Fair value through other comprehensive income (FVOCI)			
Equities	661,841	-	661,841
Sukuk	11,430,386	723,733	12,154,119
	<u>12,092,227</u>	<u>723,733</u>	<u>12,815,960</u>
Fair value through statement of income (FVSI)			
Mutual funds	491,914	508,285	1,000,199
Equities	66,478	46,118	112,596
	<u>558,392</u>	<u>554,403</u>	<u>1,112,795</u>
Amortized cost			
Bei-Ajel with Saudi Central Bank	1,165,607	-	1,165,607
Sukuk	8,945,339	2,348,886	11,294,225
	<u>10,110,946</u>	<u>2,348,886</u>	<u>12,459,832</u>
Total	<u>22,761,565</u>	<u>3,627,022</u>	<u>26,388,587</u>

*Refer note 19 for comparative figures

Income from investing and financing assets includes profit for tier 1 sukuk amounting to SAR 76.0 million (2025: SAR 58.8 million).

b. The analysis of investments by rate type is as follows:

SAR' 000	March 31, 2026 (Unaudited)		
	Domestic	International	Total
Fixed-rate securities	24,525,485	2,955,972	27,481,457
Floating-rate securities	1,557,168	285,446	1,842,614
Others	1,344,447	670,034	2,014,481
Total	<u>27,427,100</u>	<u>3,911,452</u>	<u>31,338,552</u>

SAR' 000	December 31, 2025 (Audited)		
	Domestic	International	Total
Fixed-rate securities	24,068,443	3,190,981	27,259,424
Floating-rate securities	1,556,236	281,885	1,838,121
Others	1,398,748	626,738	2,025,486
Total	<u>27,023,427</u>	<u>4,099,604</u>	<u>31,123,031</u>

SAR' 000	March 31, 2025 (Unaudited)		
	Domestic	International	Total
Fixed-rate securities	19,703,364	2,775,433	22,478,797
Floating-rate securities	1,837,969	297,185	2,135,154
Others	1,220,232	554,404	1,774,636
Total	<u>22,761,565</u>	<u>3,627,022</u>	<u>26,388,587</u>

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c. The analysis of investments by counterparty is as follows:

	March 31, 2026 SAR' 000 (Unaudited)	December 31, 2025 SAR' 000 (Audited)	March 31, 2025 SAR' 000 (Unaudited)
Government and quasi government	18,561,971	18,629,981	15,547,131
Corporate and banks	12,776,581	12,493,050	10,841,456
Total	<u>31,338,552</u>	<u>31,123,031</u>	<u>26,388,587</u>

The following tables further explains changes in gross exposure amount for investments measured at amortized cost to help explain their significance to the changes in the loss allowance for the same portfolio:

March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2026	11,159,007	-	-	11,159,007
Net change for the period	(228,444)	-	-	(228,444)
Gross exposure amount as at March 31, 2026	<u>10,930,563</u>	-	-	<u>10,930,563</u>

December 31, 2025 (Audited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2025	12,871,027	-	-	12,871,027
Net change for the year	(1,712,020)	-	-	(1,712,020)
Gross exposure amount as at December 31, 2025	<u>11,159,007</u>	-	-	<u>11,159,007</u>

March 31, 2025 (Unaudited)* SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2025	12,871,027	-	-	12,871,027
Net change for the period	(383,996)	-	-	(383,996)
Gross exposure amount as at March 31, 2025	<u>12,487,031</u>	-	-	<u>12,487,031</u>

*Refer note 19 for comparative figures

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The analysis of changes in expected credit loss allowance for investments measured at amortized cost is as follows:

March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12- month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2026	22,789	-	-	22,789
Net reversal for the period	(5,315)	-	-	(5,315)
Expected credit loss allowance as at March 31, 2026	17,474	-	-	17,474
December 31, 2025 (Audited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2025	21,271	-	-	21,271
Net charge for the year	1,518	-	-	1,518
Expected credit loss allowance as at December 31, 2025	22,789	-	-	22,789
March 31, 2025 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2025	21,271	-	-	21,271
Net charge for the period	5,928	-	-	5,928
Expected credit loss allowance as at March 31, 2025	27,199	-	-	27,199

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March 31, 2026 (Unaudited) SAR' 000	Performing financing	Non-performing financing	Gross financing	Allowance for expected credit losses	Financing, net
Commercial	69,332,134	1,037,870	70,370,004	(1,638,060)	68,731,944
- Corporate	57,903,942	779,283	58,683,225	(1,251,138)	57,432,087
- MSMEs	11,428,192	258,587	11,686,779	(386,922)	11,299,857
Retail	61,364,052	529,964	61,894,016	(822,985)	61,071,031
- Real estate	45,219,465	418,105	45,637,570	(670,063)	44,967,507
- Personal financing	12,771,721	73,644	12,845,365	(107,201)	12,738,164
- Credit cards	592,594	11,848	604,442	(13,448)	590,994
- Auto financing	2,780,272	26,367	2,806,639	(32,273)	2,774,366
Total	130,696,186	1,567,834	132,264,020	(2,461,045)	129,802,975

December 31, 2025 (Audited) SAR' 000	Performing financing	Non-performing financing	Gross financing	Allowance for expected credit losses	Financing, net
Commercial	64,734,615	710,058	65,444,673	(1,629,783)	63,814,890
- Corporate	53,335,997	476,090	53,812,087	(1,285,731)	52,526,356
- MSMEs	11,398,618	233,968	11,632,586	(344,052)	11,288,534
Retail	58,643,378	505,164	59,148,542	(774,933)	58,373,609
- Real estate	43,620,947	403,263	44,024,210	(640,342)	43,383,868
- Personal financing	11,753,668	65,596	11,819,264	(93,645)	11,725,619
- Credit cards	605,294	10,399	615,693	(11,155)	604,538
- Auto financing	2,663,469	25,906	2,689,375	(29,791)	2,659,584
Total	123,377,993	1,215,222	124,593,215	(2,404,716)	122,188,499

March 31, 2025 (Unaudited) SAR' 000	Performing financing	Non-performing financing	Gross financing	Allowance for expected credit losses	Financing, net
Commercial	59,330,077	802,776	60,132,853	(1,925,370)	58,207,483
- Corporate	49,095,265	516,324	49,611,589	(1,541,368)	48,070,221
- MSMEs	10,234,812	286,452	10,521,264	(384,002)	10,137,262
Retail	54,366,972	559,778	54,926,750	(707,017)	54,219,733
- Real estate	40,716,740	449,168	41,165,908	(558,487)	40,607,421
- Personal financing	10,729,842	67,351	10,797,193	(101,389)	10,695,804
- Credit cards	540,953	9,983	550,936	(10,806)	540,130
- Auto financing	2,379,437	33,276	2,412,713	(36,335)	2,376,378
Total	113,697,049	1,362,554	115,059,603	(2,632,387)	112,427,216

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The following tables further explains changes in gross exposure amount for financing portfolio to help explain their significance to the changes in the loss allowance for the same portfolio:

Commercial March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2026	58,410,816	6,323,799	710,058	65,444,673
Transfers to stage 1	2,635	(2,635)	-	-
Transfers to stage 2	(1,363,033)	1,363,033	-	-
Transfers to stage 3	-	(326,953)	326,953	-
Net change for the period	4,978,670	(54,198)	859	4,925,331
Write-offs	-	-	-	-
Gross exposure amount as at March 31, 2026	62,029,088	7,303,046	1,037,870	70,370,004

Commercial December 31, 2025 (Audited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2025	50,134,530	7,878,447	807,655	58,820,632
Transfers to stage 1	269,583	(269,583)	-	-
Transfers to stage 2	(1,475,320)	1,475,320	-	-
Transfers to stage 3	(178,667)	(70,007)	248,674	-
Net change for the year	9,660,690	(2,690,378)	(40,476)	6,929,836
Write-offs	-	-	(305,795)	(305,795)
Gross exposure amount as at December 31, 2025	58,410,816	6,323,799	710,058	65,444,673

Commercial March 31, 2025 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2025	50,134,530	7,878,447	807,655	58,820,632
Transfers to stage 1	104,406	(104,406)	-	-
Transfers to stage 2	(914,392)	914,392	-	-
Transfers to stage 3	(566)	(70,117)	70,683	-
Net change for the period	2,296,885	(909,102)	(54,466)	1,333,317
Write-offs	-	-	(21,096)	(21,096)
Gross exposure amount as at March 31, 2025	51,620,863	7,709,214	802,776	60,132,853

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Retail March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2026	57,404,004	1,090,930	653,608	59,148,542
Transfers to stage 1	240,226	(216,665)	(23,561)	-
Transfers to stage 2	(473,177)	475,903	(2,726)	-
Transfers to stage 3	(25,731)	(71,287)	97,018	-
Net change for the period	2,754,483	16,948	(5,311)	2,766,120
Write-offs	-	-	(20,646)	(20,646)
Gross exposure amount as at March 31, 2026	59,899,805	1,295,829	698,382	61,894,016
Retail December 31, 2025 (Audited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2025	51,926,573	672,904	522,177	53,121,654
Transfers to stage 1	284,056	(234,959)	(49,097)	-
Transfers to stage 2	(641,232)	664,928	(23,696)	-
Transfers to stage 3	(167,798)	(126,866)	294,664	-
Net change for the year	6,002,405	114,923	36,033	6,153,361
Write-offs	-	-	(126,473)	(126,473)
Gross exposure amount as at December 31, 2025	57,404,004	1,090,930	653,608	59,148,542
Retail March 31, 2025 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount as at January 1, 2025	51,926,573	672,904	522,177	53,121,654
Transfers to stage 1	199,108	(180,197)	(18,911)	-
Transfers to stage 2	(308,380)	313,563	(5,183)	-
Transfers to stage 3	(23,067)	(58,378)	81,445	-
Net change for the period	1,829,777	(4,931)	(1,002)	1,823,844
Write-offs	-	-	(18,748)	(18,748)
Gross exposure amount as at March 31, 2025	53,624,011	742,961	559,778	54,926,750

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Total	Stage 1	Stage 2	Stage 3	
March 31, 2026 (Unaudited)	(12-month	(Lifetime ECL	(Lifetime	
SAR' 000	ECL)	not credit	ECL credit	Total
		impaired)	impaired)	
Gross exposure amount as at January 1, 2026	115,814,820	7,414,729	1,363,666	124,593,215
Transfers to stage 1	242,861	(219,300)	(23,561)	-
Transfers to stage 2	(1,836,210)	1,838,936	(2,726)	-
Transfers to stage 3	(25,731)	(398,240)	423,971	-
Net change for the period	7,733,153	(37,250)	(4,452)	7,691,451
Write-offs	-	-	(20,646)	(20,646)
Gross exposure amount as at March 31, 2026	121,928,893	8,598,875	1,736,252	132,264,020
Total	Stage 1	Stage 2	Stage 3	
December 31, 2025 (Audited)	(12-month	(Lifetime ECL	(Lifetime	
SAR' 000	ECL)	not credit	ECL credit	Total
		impaired)	impaired)	
Gross exposure amount as at January 1, 2025	102,061,103	8,551,351	1,329,832	111,942,286
Transfers to stage 1	553,639	(504,542)	(49,097)	-
Transfers to stage 2	(2,116,552)	2,140,248	(23,696)	-
Transfers to stage 3	(346,465)	(196,873)	543,338	-
Net change for the year	15,663,095	(2,575,455)	(4,443)	13,083,197
Write-offs	-	-	(432,268)	(432,268)
Gross exposure amount as at December 31, 2025	115,814,820	7,414,729	1,363,666	124,593,215
Total	Stage 1	Stage 2	Stage 3	
March 31, 2025 (Unaudited)	(12-month	(Lifetime ECL	(Lifetime	
SAR' 000	ECL)	not credit	ECL credit	Total
		impaired)	impaired)	
Gross exposure amount as at January 1, 2025	102,061,103	8,551,351	1,329,832	111,942,286
Transfers to stage 1	303,514	(284,603)	(18,911)	-
Transfers to stage 2	(1,222,772)	1,227,955	(5,183)	-
Transfers to stage 3	(23,633)	(128,495)	152,128	-
Net change for the period	4,126,662	(914,033)	(55,468)	3,157,161
Write-offs	-	-	(39,844)	(39,844)
Gross exposure amount as at March 31, 2025	105,244,874	8,452,175	1,362,554	115,059,603

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The analysis of changes in expected credit loss allowance is as follows:

Commercial March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2026	185,177	819,845	624,761	1,629,783
Transfers to stage 1	-	-	-	-
Transfers to stage 2	(12,406)	12,406	-	-
Transfers to stage 3	-	(254,154)	254,154	-
Net charge / (reversal) for the period	2,481	11,679	(5,883)	8,277
Write-offs	-	-	-	-
Expected credit loss allowance as at March 31, 2026	175,252	589,776	873,032	1,638,060

Commercial December 31, 2025 (Audited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2025	166,171	1,174,654	633,129	1,973,954
Transfers to stage 1	4,260	(4,260)	-	-
Transfers to stage 2	(48,054)	48,054	-	-
Transfers to stage 3	(178,460)	(66,182)	244,642	-
Net charge / (reversal) for the year	241,260	(332,421)	52,785	(38,376)
Write-offs	-	-	(305,795)	(305,795)
Expected credit loss allowance as at December 31, 2025	185,177	819,845	624,761	1,629,783

Commercial March 31, 2025 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2025	166,171	1,174,654	633,129	1,973,954
Transfers to stage 1	423	(423)	-	-
Transfers to stage 2	(23,417)	23,417	-	-
Transfers to stage 3	(566)	(48,524)	49,090	-
Net charge / (reversal) for the period	32,880	(36,998)	(23,370)	(27,488)
Write-offs	-	-	(21,096)	(21,096)
Expected credit loss allowance as at March 31, 2025	175,491	1,112,126	637,753	1,925,370

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Retail	Stage 1	Stage 2	Stage 3	
March 31, 2026 (Unaudited)	(12-month	(Lifetime	(Lifetime	
SAR' 000	ECL)	ECL not	ECL	Total
		credit	credit	
		impaired)	impaired)	
Expected credit loss allowance as at January 1, 2026	168,450	143,069	463,414	774,933
Transfers to stage 1	2,005	(1,882)	(123)	-
Transfers to stage 2	(49,692)	49,932	(240)	-
Transfers to stage 3	(12,803)	(37,755)	50,558	-
Net charge / (reversal) for the period	66,190	15,047	(12,539)	68,698
Write-offs	-	-	(20,646)	(20,646)
Expected credit loss allowance as at March 31, 2026	174,150	168,411	480,424	822,985
Retail	Stage 1	Stage 2	Stage 3	
December 31, 2025 (Audited)	(12-month	(Lifetime	(Lifetime	
SAR' 000	ECL)	ECL not	ECL credit	Total
		credit	impaired)	
		impaired)	impaired)	
Expected credit loss allowance as at January 1, 2025	148,107	105,446	410,693	664,246
Transfers to stage 1	2,195	(1,921)	(274)	-
Transfers to stage 2	(78,841)	84,002	(5,161)	-
Transfers to stage 3	(105,185)	(81,683)	186,868	-
Net charge / (reversal) for the year	202,174	37,225	(2,239)	237,160
Write-offs	-	-	(126,473)	(126,473)
Expected credit loss allowance as at December 31, 2025	168,450	143,069	463,414	774,933
Retail	Stage 1	Stage 2	Stage 3	
March 31, 2025 (Unaudited)	(12-month	(Lifetime	(Lifetime	
SAR' 000	ECL)	ECL not	ECL credit	Total
		credit	impaired)	
		impaired)	impaired)	
Expected credit loss allowance as at January 1, 2025	148,107	105,446	410,693	664,246
Transfers to stage 1	1,342	(1,248)	(94)	-
Transfers to stage 2	(45,167)	46,461	(1,294)	-
Transfers to stage 3	(17,787)	(44,946)	62,733	-
Net charge / (reversal) for the period	58,007	16,012	(12,500)	61,519
Write-offs	-	-	(18,748)	(18,748)
Expected credit loss allowance as at March 31, 2025	144,502	121,725	440,790	707,017

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Total	Stage 1	Stage 2	Stage 3	
March 31, 2026 (Unaudited)	(12-month	(Lifetime	(Lifetime	
SAR' 000	ECL)	ECL not	ECL	Total
		credit	credit	
		impaired)	impaired)	
Expected credit loss allowance as at January 1, 2026	353,627	962,914	1,088,175	2,404,716
Transfers to stage 1	2,005	(1,882)	(123)	-
Transfers to stage 2	(62,098)	62,338	(240)	-
Transfers to stage 3	(12,803)	(291,909)	304,712	-
Net charge / (reversal) for the period	68,671	26,726	(18,422)	76,975
Write-offs	-	-	(20,646)	(20,646)
Expected credit loss allowance as at March 31, 2026	349,402	758,187	1,353,456	2,461,045
Total		Stage 2	Stage 3	
December 31, 2025 (Audited)	Stage 1	(Lifetime	(Lifetime	
SAR' 000	(12-month	ECL not	ECL credit	Total
	ECL)	credit	impaired)	
		impaired)	impaired)	
Expected credit loss allowance as at January 1, 2025	314,278	1,280,100	1,043,822	2,638,200
Transfers to stage 1	6,455	(6,181)	(274)	-
Transfers to stage 2	(126,895)	132,056	(5,161)	-
Transfers to stage 3	(283,645)	(147,865)	431,510	-
Net charge / (reversal) for the year	443,434	(295,196)	50,546	198,784
Write-offs	-	-	(432,268)	(432,268)
Expected credit loss allowance as at December 31, 2025	353,627	962,914	1,088,175	2,404,716
Total		Stage 2	Stage 3	
March 31, 2025 (Unaudited)	Stage 1	(Lifetime	(Lifetime	
SAR' 000	(12-month	ECL not	ECL credit	Total
	ECL)	credit	impaired)	
		impaired)	impaired)	
Expected credit loss allowance as at January 1, 2025	314,278	1,280,100	1,043,822	2,638,200
Transfers to stage 1	1,765	(1,671)	(94)	-
Transfers to stage 2	(68,584)	69,878	(1,294)	-
Transfers to stage 3	(18,353)	(93,470)	111,823	-
Net charge / (reversal) for the period	90,887	(20,986)	(35,870)	34,031
Write-offs	-	-	(39,844)	(39,844)
Expected credit loss allowance as at March 31, 2025	319,993	1,233,851	1,078,543	2,632,387

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The breakdown of gross exposure amount and the related expected credit loss allowance by IFRS 9 stage is presented below:

March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Gross exposure amount				
Commercial	62,029,088	7,303,046	1,037,870	70,370,004
Retail	59,899,805	1,295,829	698,382	61,894,016
Total	121,928,893	8,598,875	1,736,252	132,264,020
Expected credit loss allowance				
Commercial	175,252	589,776	873,032	1,638,060
Retail	174,150	168,411	480,424	822,985
Total	349,402	758,187	1,353,456	2,461,045
December 31, 2025 (Audited) SAR' 000				
Gross exposure amount				
Commercial	58,410,816	6,323,799	710,058	65,444,673
Retail	57,404,004	1,090,930	653,608	59,148,542
Total	115,814,820	7,414,729	1,363,666	124,593,215
Expected credit loss allowance				
Commercial	185,177	819,845	624,761	1,629,783
Retail	168,450	143,069	463,414	774,933
Total	353,627	962,914	1,088,175	2,404,716
March 31, 2025 (Unaudited) SAR' 000				
Gross exposure amount				
Commercial	51,620,863	7,709,214	802,776	60,132,853
Retail	53,624,011	742,961	559,778	54,926,750
Total	105,244,874	8,452,175	1,362,554	115,059,603
Expected credit loss allowance				
Commercial	175,491	1,112,126	637,753	1,925,370
Retail	144,502	121,725	440,790	707,017
Total	319,993	1,233,851	1,078,543	2,632,387

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Customers' deposits comprise of the following:

	March 31, 2026 SAR'000 (Unaudited)	December 31, 2025 SAR'000 (Audited)	March 31, 2025 SAR'000 (Unaudited)
Demand	<u>44,778,454</u>	44,361,140	45,227,623
Direct investment	<u>57,354,967</u>	53,364,980	40,885,139
Albilad account (Mudarabah)	<u>34,494,717</u>	31,437,032	34,081,804
Others	<u>3,666,169</u>	3,715,964	3,823,287
Total	<u>140,294,307</u>	<u>132,879,116</u>	<u>124,017,853</u>

8. SUKUK AND TERM FINANCING

Sukuk and term financing comprises of:

	March 31, 2026 SAR' 000 (Unaudited)	December 31, 2025 SAR' 000 (Audited)	March 31, 2025 SAR' 000 (Unaudited)
Tier 2 Sukuk	<u>3,041,616</u>	3,044,407	3,044,743
Term financing	<u>50,000</u>	100,000	100,000
Total	<u>3,091,616</u>	<u>3,144,407</u>	<u>3,144,743</u>

On April 15, 2021, the Bank issued 3,000 Tier 2 Sukuk Certificates (Sukuk) of SAR 1 million each. The profit on Sukuk is payable quarterly each year until April 15, 2031. The Bank has a call option which can be exercised on or after April 15, 2026 as per the terms mentioned in the related offering circular. The expected profit distribution on the sukuk is the base rate for three-month in addition to a profit margin of 1.65% per annum. The Bank has not defaulted on any of payments (profit / principal) due during the current and prior period. The Bank exercised the call option on its sukuk. Regulatory approval has been obtained in this regard.

On May 22, 2025, the Bank successfully completed the issuance of a USD 650 million (SAR 2,438 million) USD-denominated Additional Tier 1 Sukuk. This issuance forms part of the Bank's USD 2 billion Additional Tier 1 Capital Sukuk Programme and was executed through a private placement in both Kingdom of Saudi Arabia and international markets. This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The Sukuk carries a return rate of 6.5% per annum and is classified as perpetual security, with no fixed or contractual maturity date.

On January 15, 2026, the Bank successfully completed the issuance of a USD 500 million (SAR 1,875 million) USD-denominated Additional Tier 1 Sukuk as part of the Bank's USD 2 billion Additional Tier 1 Capital Sukuk Programme. The Sukuk carries a return rate of 6.375% per annum and is classified as a perpetual security, with no fixed or contractual maturity date.

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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a) The Group's credit related commitments and contingencies are as follows:

	March 31, 2026 SAR' 000 (Unaudited)	December 31, 2025 SAR' 000 (Audited)	March 31, 2025 SAR' 000 (Unaudited)
Letters of guarantee	12,303,113	12,564,026	15,238,943
Letters of credit	2,050,830	1,742,894	1,791,824
Acceptances	585,495	1,136,263	782,778
Irrevocable commitments to extend credit	1,260,951	975,344	1,560,701
Total	16,200,389	16,418,527	19,374,246

The following tables further explains changes in gross exposure amount for commitments and contingencies:

	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
March 31, 2026 (Unaudited) SAR' 000				
Gross exposure amount as at January 1, 2026	15,310,390	919,417	188,720	16,418,527
Transfers to stage 1	1,207	(1,207)	-	-
Transfers to stage 2	(206,287)	206,287	-	-
Transfers to stage 3	-	(6,839)	6,839	-
Net change for the period	(77,856)	(95,622)	(44,660)	(218,138)
Gross exposure amount as at March 31, 2026	15,027,454	1,022,036	150,899	16,200,389
December 31, 2025 (Audited) SAR' 000				
Gross exposure amount as at January 1, 2025	18,969,418	819,485	171,396	19,960,299
Transfers to stage 1	222,575	(222,575)	-	-
Transfers to stage 2	(568,482)	568,482	-	-
Transfers to stage 3	(38,010)	(18,628)	56,638	-
Net change for the year	(3,275,111)	(227,347)	(39,314)	(3,541,772)
Gross exposure amount as at December 31, 2025	15,310,390	919,417	188,720	16,418,527
March 31, 2025 (Unaudited) SAR' 000				
Gross exposure amount as at January 1, 2025	18,969,418	819,485	171,396	19,960,299
Transfers to stage 1	3,190	(3,190)	-	-
Transfers to stage 2	(433,700)	433,700	-	-
Transfers to stage 3	-	(18,619)	18,619	-
Net change for the period	(547,050)	(39,003)	-	(586,053)
Gross exposure amount as at March 31, 2025	17,991,858	1,192,373	190,015	19,374,246

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The analysis of changes in expected credit loss allowance is as follows:

March 31, 2026 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2026	23,524	16,355	65,499	105,378
Transfers to stage 1	46	(46)	-	-
Transfers to stage 2	(61)	61	-	-
Transfers to stage 3	-	-	-	-
Net charge / (reversal) for the period	3,769	136	(18,567)	(14,662)
Expected credit loss allowance as at March 31, 2026	27,278	16,506	46,932	90,716
<hr/>				
December 31, 2025 (Audited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2025	41,867	14,243	72,578	128,688
Transfers to stage 1	3	(3)	-	-
Transfers to stage 2	(10,211)	10,211	-	-
Transfers to stage 3	(18,500)	(4,350)	22,850	-
Net charge / (reversal) for the year	10,365	(3,746)	(29,929)	(23,310)
Expected credit loss allowance as at December 31, 2025	23,524	16,355	65,499	105,378
<hr/>				
March 31, 2025 (Unaudited) SAR' 000	Stage 1 (12-month ECL)	Stage 2 (Lifetime ECL not credit impaired)	Stage 3 (Lifetime ECL credit impaired)	Total
Expected credit loss allowance as at January 1, 2025	41,867	14,243	72,578	128,688
Transfers to stage 1	-	-	-	-
Transfers to stage 2	(11,096)	11,096	-	-
Transfers to stage 3	-	(3,045)	3,045	-
Net charge / (reversal) for the period	9,653	2,930	(268)	12,315
Expected credit loss allowance as at March 31, 2025	40,424	25,224	75,355	141,003

- b) 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 at December 31, 2025.

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

March 31, 2026 (Unaudited) SAR in '000'	Positive fair value	Negative fair value	Notional amount Total	Effective portion of change in the fair value of cash flow hedges	Ineffective portion of change in the fair value of cash flow hedges
Held for trading:					
Profit rate swaps	23,530	(15,955)	4,673,632	-	-
Forward foreign exchange contracts	2,956	(2,550)	4,159,464	-	-
Held as cash flow hedges:					
Profit rate swaps	-	(6,526)	600,000	3,252	-
Total	26,486	(25,031)	9,433,096	3,252	-

December 31, 2025 (Audited) SAR in '000'	Positive fair value	Negative fair value	Notional amount Total	Effective portion of change in the fair value of cash flow hedges	Ineffective portion of change in the fair value of cash flow hedges
Held for trading:					
Profit rate swaps	29,783	(22,735)	3,974,535	-	-
Forward foreign exchange contracts	3,923	(3,336)	4,027,550	-	-
Held as cash flow hedges:					
Profit rate swaps	-	(9,778)	600,000	(7,710)	-
Total	33,706	(35,849)	8,602,085	(7,710)	-

March 31, 2025 (Unaudited) SAR in '000'	Positive fair value	Negative fair value	Notional amount Total	Effective portion of change in the fair value of cash flow hedges	Ineffective portion of change in the fair value of cash flow hedges
Held for trading:					
Profit rate swaps	16,553	(15,109)	1,150,427	-	-
Forward foreign exchange contracts	861	(377)	1,647,233	-	-
Held as cash flow hedges:					
Profit rate swaps	-	(9,539)	600,000	(7,471)	-
Total	17,414	(25,025)	3,397,660	(7,471)	-

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

	March 31, 2026 SAR' 000 (Unaudited)	December 31, 2025 SAR' 000 (Audited)	March 31, 2025 SAR' 000 (Unaudited)
Cash and balances with Saudi Central Bank (excluding statutory deposit)	2,602,876	3,265,158	3,462,836
Due from banks and other financial institutions (maturing within ninety days from acquisition)	3,890,603	4,170,044	4,768,220
Total	6,493,479	7,435,202	8,231,056

12. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the accessible principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous accessible market for the asset or liability.

The fair values of on-balance sheet financial instruments are not significantly different from their carrying amounts included in the interim condensed consolidated financial statements.

Determination of fair value and fair value hierarchy

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

Level 1: quoted prices in active markets for the same or identical instrument that an entity can access at the measurement date;

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.

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value:

SAR' 000	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
March 31, 2026 (Unaudited)					
Financial assets measured at fair value					
Measured at FVSI - mutual funds	1,000,712	73,232	927,480	-	1,000,712
Measured at FVSI - equity instruments	204,569	204,569	-	-	204,569
Measured at FVOCI - equity instruments	809,200	646,195	-	163,005	809,200
Measured at FVOCI - Sukuk	18,410,982	14,521,570	3,889,412	-	18,410,982
Financial assets not measured at fair value					
Due from banks and other financial institutions, net	5,651,917	-	-	5,651,917	5,651,917
Investments measured at amortized cost	10,913,089	7,855,165	2,369,141	-	10,224,306
Financing, net	129,802,975	-	-	130,172,012	130,172,012
Fair value					
SAR' 000	Carrying value	Level 1	Level 2	Level 3	Total
December 31, 2025 (Audited)					
Financial assets measured at fair value					
Measured at FVSI - mutual funds	979,038	71,914	907,124	-	979,038
Measured at FVSI - equity instruments	150,733	150,733	-	-	150,733
Measured at FVOCI - equity instruments	895,715	732,710	-	163,005	895,715
Measured at FVOCI - Sukuk	17,961,327	13,710,421	4,250,906	-	17,961,327
Financial assets not measured at fair value					
Due from banks and other financial institutions, net	5,883,033	-	-	5,883,033	5,883,033
Investments measured at amortized cost	11,136,218	8,120,624	2,381,641	-	10,502,265
Financing, net	122,188,499	-	-	122,434,238	122,434,238
Fair value					
SAR' 000	Carrying value	Level 1	Level 2	Level 3	Total
March 31, 2025 (Unaudited)*					
Financial assets measured at fair value					
Measured at FVSI - mutual funds	1,000,199	67,064	933,135	-	1,000,199
Measured at FVSI - equity instruments	112,596	112,596	-	-	112,596
Measured at FVOCI - equity instruments	661,841	500,901	-	160,940	661,841
Measured at FVOCI - Sukuk	12,154,119	9,276,200	2,877,919	-	12,154,119
Financial assets not measured at fair value					
Due from banks and other financial institutions, net	7,065,941	-	-	7,065,941	7,065,941
Investments measured at amortized cost	12,459,832	9,014,112	2,637,864	-	11,651,976
Financing, net	112,427,216	-	-	112,481,086	112,481,086

*Refer note 19 for comparative figures

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SAR' 000	<u>Carrying value</u>	Fair value			<u>Total</u>
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
March 31, 2026 (Unaudited)					
Financial liabilities not measured at fair value					
Due to banks, Saudi Central Bank and other financial institutions	3,720,779	-	-	3,720,779	3,720,779
Customers' deposits	140,294,307	-	-	140,294,307	140,294,307
Sukuk and term financing	3,091,616	-	-	3,091,616	3,091,616
SAR' 000	<u>Carrying value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
December 31, 2025 (Audited)					
Financial liabilities not measured at fair value					
Due to banks, Saudi Central Bank and other financial institutions	6,982,815	-	-	6,982,815	6,982,815
Customers' deposits	132,879,116	-	-	132,879,116	132,879,116
Sukuk and term financing	3,144,407	-	-	3,144,407	3,144,407
SAR' 000	<u>Carrying value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
March 31, 2025 (Unaudited)					
Financial liabilities not measured at fair value					
Due to banks, Saudi Central Bank and other financial institutions	4,686,102	-	-	4,686,102	4,686,102
Customers' deposits	124,017,853	-	-	124,017,853	124,017,853
Sukuk and term financing	3,144,743	-	-	3,144,743	3,144,743

The fair values of financial instruments which are not measured at fair value in these interim condensed consolidated financial statements are not significantly different from the carrying values included in these interim condensed consolidated financial statements.

Cash and balances with Saudi central banks, due from banks and other financial institutions with maturity of less than 90 days and other short-term receivable are assumed to have fair values that reasonably approximate their corresponding carrying values due to their short-term nature.

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The fair values of profit bearing customers' deposits, due from banks and other financial institutions and due to banks, Saudi central bank and other financial institutions which are measured at amortized cost, are not significantly different from the carrying values included in the interim condensed consolidated financial statements, since either the current market profit rates for similar financial instruments are not significantly different from the contracted rates, or for the short duration of certain financial instruments particularly due from banks and other financial institutions and due to banks, Saudi central bank and other financial institutions or a combination of both. 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.

Valuation technique and significant unobservable inputs for level 2

Type	Valuation technique	Significant unobservable input	Inter-relationship between significant unobservable inputs and fair value measurement
FVSI investments	Fair value is determined based on the investee fund's most recent reported net assets value which is based on fair value of underlying assets.	None	Not applicable
FVOCI equity instruments	Market comparable approach	None	Not applicable

Financing classified as level 3 have been valued using expected cash flows discounted at relevant SAIBOR.

During the current period, no financial assets / liabilities have been transferred between level 1 and / or level 2 fair value hierarchy.

Reconciliation of level 3 fair values measured at FVOCI

	March 31, 2026 SAR' 000 (Unaudited)	December 31, 2025 SAR' 000 (Audited)	March 31, 2025 SAR' 000 (Unaudited)
Balance at the beginning of the period	163,005	160,940	160,940
Gain / (loss) included in OCI			
Net changes in fair value (unrealised)	-	2,065	-
Balance at the end of the period	163,005	163,005	160,940

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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Operating segments based on customer groups are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Assets and Liabilities Committee (“ALCO”) in order to allocate resources to the segments and to assess its performance. The Group’s main business is conducted in the Kingdom of Saudi Arabia.

There has been no change to the basis of segmentation or the measurements basis for the segment profit or loss since December 31, 2025.

For management purposes, the Group is divided into the following four operating segments:

Retail banking

Services and products to individuals, including deposits, financing, remittances and currency exchange.

Corporate banking

Services and products to corporate customers including deposits, financing and trade services.

Treasury

Money market and treasury services.

Investment banking and brokerage

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

Transactions between the above operating segments are under the terms and conditions of the approved Fund Transfer Pricing (FTP) system. The support segments and Head Office expenses are allocated to other operating segments, based on an approved criterion.

The Group’s total operating income and expenses, and net income before zakat, for the three-month period ended March 31, 2026 and 2025, for each segment are as follows:

	March 31, 2026 (Unaudited)				
	Retail banking	Corporate banking	Treasury	Investment banking and brokerage	Total
SAR’000					
Income from investing and financing assets, net	518,883	435,040	271,259	33,708	1,258,890
Fee, commission and other income, net	99,339	57,849	58,841	54,292	270,321
Total operating income	618,222	492,889	330,100	88,000	1,529,211
Impairment charge for expected credit losses, net	68,758	(6,385)	8,709	447	71,529
Depreciation and amortization	63,937	9,045	1,924	458	75,364
Total operating expenses	519,521	99,712	41,342	48,400	708,975
Net income for the period before zakat	98,701	393,177	288,758	39,600	820,236

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	March 31, 2025 (Unaudited)				Total
	Retail banking	Corporate banking	Treasury	Investment banking and brokerage	
SAR'000					
Income from investing and financing assets, net	480,897	389,259	253,063	38,777	1,161,996
Fee, commission and other income, net	103,447	59,692	76,556	62,156	301,851
Total operating income	584,344	448,951	329,619	100,933	1,463,847
Impairment charge for expected credit losses, net	61,547	(18,528)	11,802	(1,930)	52,891
Depreciation and amortization	57,643	11,438	1,841	347	71,269
Total operating expenses	513,767	83,841	44,504	40,928	683,040
Net income for the period before zakat	70,577	365,110	285,115	60,005	780,807

The Group's total assets and liabilities at March 31, 2026 and 2025 and December 31, 2025, for each segment are as follows:

SAR'000	March 31, 2026 (Unaudited)				Total
	Retail banking	Corporate banking	Treasury	Investment banking and brokerage	
Total assets	72,962,086	67,854,972	37,622,607	1,519,580	179,959,245
Total liabilities	80,573,900	30,225,221	45,194,375	308,866	156,302,362

SAR'000	December 31, 2025 (Audited)				Total
	Retail banking	Corporate banking	Treasury	Investment banking and brokerage	
Total assets	69,320,282	63,019,288	39,109,737	1,522,764	172,972,071
Total liabilities	75,005,265	30,211,567	46,051,632	347,687	151,616,151

SAR'000	March 31, 2025 (Unaudited)				Total
	Retail banking	Corporate banking	Treasury	Investment banking and brokerage	
Total assets	65,446,329	57,832,844	34,609,393	1,214,178	159,102,744
Total liabilities	73,720,456	32,087,451	35,501,889	200,841	141,510,637

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The authorized, issued and fully paid share capital of the Bank consists of 1,500 million shares of SAR 10 each (March 31, 2025: 1,250 million shares of SAR 10 each).

The Board of Directors in its meeting held on Sha'ban 7, 1446H (corresponding to February 6, 2025) recommended to the Extra-ordinary General Assembly the issuance of bonus shares of one share for every five shares held. The increase has been approved in the Extraordinary General Assembly meeting held on Shawwal 16, 1446H (corresponding to April 14, 2025), increasing the Bank's capital from SAR 12,500 million to SAR 15,000 million. The increase has been done through capitalization of SAR 1,500 million from the retained earnings and SAR 1,000 million from statutory reserve. The number of shares outstanding after the bonus issuance increased from 1,250 million shares to 1,500 million shares.

15. CASH DIVIDEND

The Board of Directors recommended to the General Assembly to distribute interim cash dividends of SAR 825 million (SAR 0.55 per share after deduction of Zakat) to shareholders for the Second half of 2025 in the meeting held Sha'aban 16, 1447H (corresponding to February 4, 2026).

The Board of Directors resolved to distribute interim cash dividends of SAR 675 million (SAR 0.45 per share after deduction of Zakat) to shareholders for the first half of 2025 in the meeting held Muharram 27, 1447H (corresponding to July 22, 2025) and the dividends have been distributed.

16. BASIC AND DILUTED EARNING PER SHARE

Basic and diluted earnings per share for the three-month period ended March 31, 2026 and 2025 is calculated by dividing the net income for the period attributable to the equity holders (after deduction of Tier 1 sukuk costs) by the weighted average number of outstanding shares as at March 31, 2026: 1,488 million shares (March 31, 2025: 1,488 million shares – restated) after accounting for treasury shares.

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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In the ordinary course of activities, the Group transacts business with related parties. Related party transactions are governed by limits set by the Banking Control Law and regulations issued by Saudi Central Bank.

The nature and balances of transactions with the related parties for the three-month period ended March 31 are as follows:

	2026 SAR' 000 <u>(Unaudited)</u>	2025 SAR' 000 <u>(Unaudited)</u>
a. Directors, key management personnel, other major shareholders, their affiliates balances and others:		
• Financing	3,021,147	2,362,233
• Commitments and contingencies	129,552	129,578
• Customers' deposits	115,496	101,621
	2026 SAR' 000 <u>(Unaudited)</u>	2025 SAR' 000 <u>(Unaudited)</u>
b. Group's mutual funds:		
These are the outstanding balances with Group's mutual funds as of March 31:		
• Customers' deposits	200	2,983
• Investments	430,474	401,430
c. Income and expense:		
Directors, Key management personnel, other major shareholders and their affiliates and mutual funds managed by the Group:		
	2026 SAR' 000 <u>(Unaudited)</u>	2025 SAR' 000 <u>(Unaudited)</u>
• Income	75,182	66,273
• Expenses	4,703	8,707
d. The total amount of compensation paid to key management personnel for the three-month period ended March 31 is as follows:		
	2026 SAR' 000 <u>(Unaudited)</u>	2025 SAR' 000 <u>(Unaudited)</u>
• Employee benefits	117,446	87,196

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**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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The Group's objectives when managing capital are to comply with the capital requirements set by Saudi Central Bank; 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 the Group's management. Saudi Central Bank requires holding the minimum level of the regulatory capital of and maintaining a ratio of total regulatory capital to the risk-weighted asset at or above the agreed minimum of 8%.

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

The following table summarizes the Group's Pillar-I Risk Weighted Assets, Tier I and Tier II Capital and Capital Adequacy Ratios.

	March 31, 2026 SAR' 000 (Unaudited)	December 31, 2025 SAR' 000 (Audited)	March 31, 2025 SAR' 000 (Unaudited)
Credit Risk RWA	125,060,333	118,341,390	109,640,552
Operational Risk RWA	5,464,554	5,022,005	5,022,005
Market Risk RWA	3,526,649	4,072,222	3,560,398
Total Pillar-I RWA	134,051,536	127,435,617	118,222,955
CET1	19,204,312	18,918,062	17,592,107
Tier I Capital	23,517,445	21,355,920	17,592,107
Tier II Capital	4,176,919	4,386,562	4,369,706
Total Tier I & II Capital	27,694,364	25,742,482	21,961,813
Capital Adequacy Ratio %			
Common Equity Tier I ratio	14.33%	14.85%	14.88%
Tier I ratio	17.54%	16.76%	14.88%
Tier I + Tier II ratio	20.66%	20.20%	18.58%

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During the three - month period ended March 31, 2026, the Bank has reassessed the classification of its Tier 1 Sukuk and reclassified these investments amounting to SAR 3,544 million as at March 31, 2025 from “Amortized cost” to “Fair value through other comprehensive income” categories within note 5 to the interim condensed consolidated financial statements, due to fact that these are equity instruments. These Tier 1 Sukuks are equity instruments from the issuer's perspective and therefore did not meet the amortized cost classification criteria in IFRS 9 (Financial Instruments) on initial recognition.

These adjustments are considered as correction of error in accordance with the requirements of International Accounting Standard 8 (Accounting policies, Changes in Accounting Estimates and Errors). As a result, the purchase of investments measured at amortized costs amounting to SAR 1,246 million during the three - month period ended March 31, 2025 have been re-classified from “Proceeds from maturity / (purchase) of investments held as amortized cost” to “purchase of investments measured at FVOCI”, both within investing activities in the interim consolidated statement of cash flows.

The impact of the reclassification of Tier 1 sukuk investments on the interim consolidated statement of financial position as at March 31, 2025 and the interim consolidated statement of income, interim consolidated statement of comprehensive income and interim consolidated statement of changes in equity for the three - month period ended March 31, 2025 was immaterial.

20. 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 the 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 Bank to revise certain inputs and assumptions used for the determination of expected credit losses (“ECL”). As a result, the management has taken certain steps to respond to the above. Those steps includes the following:

- Review of credit exposures at a more granular level with particular focus on specific economic sectors.
- Update of macroeconomic factors for the period ended March 31, 2026.

Based on the above and the level of uncertainties, the management has recognized overlays against its financing portfolio during the three - month period ended March 31, 2026 using expert credit judgement to estimate ECL by considering reasonable and supportable information not already included in the quantitative models.

The impact of uncertain economic environment continues to be difficult to assess for the purpose of ECL estimation and cannot be fully incorporated into the ECL model calculations at this point in time, thereby necessitating overlays to be recorded. These overlays have been mainly based on sector-based analysis performed by the Bank on the impacted portfolios.

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

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. BOARD OF DIRECTORS’ APPROVAL

These interim condensed consolidated financial statements were authorized for issue by the Bank’s Board of Directors on Dhual-Qa’dah 11, 1447H (corresponding to April 28, 2026).