



BANQUE SAUDI FRANSI

(A SAUDI JOINT STOCK COMPANY)

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED
SEPTEMBER 30, 2025**





**Ernst & Young Professional Services
(Professional LLC)**
Paid-up capital: ﷲ 5,500,000 (Five million five hundred thousand Saudi Riyal)

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INDEPENDENT AUDITORS' REVIEW REPORT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

**To: The Shareholders of Banque Saudi Fransi
(A Saudi Joint Stock Company)**

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Banque Saudi Fransi (the "Bank") and its subsidiaries (collectively referred to as "the Group") as at 30 September 2025, and the related condensed interim consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2025, and the related condensed interim consolidated statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed interim consolidated financial information 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 condensed interim consolidated financial information 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 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 condensed interim consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

Ernst & Young Professional Services

Waleed G. Tawfiq
Certified Public Accountant
License No. 437



Deloitte and Touche & Co.

Waleed bin Moh'd Sobahi
Certified Public Accountant
License Number: 378



5 Jumada Al-Ula 1447
27 October 2025

BANQUE SAUDI FRANSI (A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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As at

ﷲ '000	Notes	Sep 30, 2025 (Unaudited)	Dec 31, 2024 (Audited) Restated – note 24	Sep 30, 2024 (Unaudited) Restated – note 24
ASSETS				
Cash and balances with Saudi Central Bank	5	13,007,924	10,920,606	11,118,415
Due from banks and other financial institutions, net	6	9,734,083	5,015,810	6,763,542
Investments, net	7	65,819,720	60,819,754	58,199,512
Positive fair value of derivatives	11	4,558,379	5,691,581	5,330,305
Loans and advances, net	8	215,591,897	204,168,275	201,008,036
Investment in associate, net		9,695	9,695	9,695
Property, equipment and right of use assets, net		2,260,168	2,318,805	2,229,778
Other real estate, net		227,216	343,500	343,500
Other assets, net		3,736,453	4,018,532	3,481,113
Total assets		314,945,535	293,306,558	288,483,896
LIABILITIES AND EQUITY				
Liabilities				
Due to Saudi Central Bank	9	17,841,436	12,492,716	11,251,935
Due to banks and other financial institutions	10	11,627,708	19,814,143	12,928,872
Customers' deposits	12	185,868,055	185,118,179	193,341,687
Negative fair value of derivatives	11	4,406,536	6,218,422	5,264,439
Debt securities and term loans	13	36,115,900	15,518,054	12,798,009
Other liabilities		7,011,257	7,007,146	5,968,646
Total liabilities		262,870,892	246,168,660	241,553,588
Equity				
Share capital		25,000,000	25,000,000	12,053,572
Statutory reserve		8,189,590	8,189,590	12,053,572
General reserve		982,857	982,857	982,857
Other reserves		741,269	(601,940)	308,008
Retained earnings		6,925,680	4,509,836	13,757,048
Proposed dividend		-	1,245,666	-
Treasury shares		(202,253)	(188,111)	(224,749)
Equity attributable to the shareholders of the Bank		41,637,143	39,137,898	38,930,308
Tier 1 capital	16	10,437,500	8,000,000	8,000,000
Total equity		52,074,643	47,137,898	46,930,308
Total liabilities and equity		314,945,535	293,306,558	288,483,896

The accompanying notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

Ramzy Darwish

Bader AlSalloom

Mazin AlRomaih





Chief Financial Officer

Chief Executive Officer

Chairman of the Board

ﷲ '000	For the three month period ended		For the nine month period ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Special commission income	4,517,331	4,220,968	13,037,591	12,212,303
Special commission expense	2,355,283	2,235,352	6,561,202	6,368,248
Net special commission income	2,162,048	1,985,616	6,476,389	5,844,055
Fee and commission income	410,690	424,565	1,269,321	1,247,152
Fee and commission expense	198,577	201,438	514,408	512,490
Net fee and commission income	212,113	223,127	754,913	734,662
Exchange income, net	121,243	137,765	370,648	331,069
Trading income, net	47,406	52,769	140,424	140,789
Dividend income	4,226	4,197	19,078	11,864
Gains on FVOCI / non-trading investments, net	49,857	8,402	117,988	22,820
Other operating income	2,212	130	36,232	385
Total operating income	2,599,105	2,412,006	7,915,672	7,085,644
Salaries and employee related expenses	461,268	479,657	1,407,677	1,407,483
Rent and premises related expenses	20,735	18,481	57,238	49,154
Depreciation and amortization	84,379	76,542	243,574	210,540
Other operating and general and administrative expenses	287,656	282,194	885,542	771,874
Total operating expenses before impairment charge	854,038	856,874	2,594,031	2,439,051
Impairment charge for expected credit losses on loans and advances, net	179,497	252,061	705,912	821,211
Impairment charge for investments, financial assets and others, net	57,122	22,475	46,167	3,013
Total operating expenses, net	1,090,657	1,131,410	3,346,110	3,263,275
Net income for the period before Zakat	1,508,448	1,280,596	4,569,562	3,822,369
Zakat for the period	155,521	132,474	475,678	395,102
Net income for the period	1,352,927	1,148,122	4,093,884	3,427,267
Basic and diluted earnings per share (ﷲ)	0.50	0.43	1.53	1.31

The accompanying notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

Ramzy Darwish

Bader AlSalloom

Mazin AlRomaih



Chief Financial Officer



Chief Executive Officer



Chairman of the Board

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ﷲ '000	For the three month ended		For the nine month ended	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Net income for the period	1,352,927	1,148,122	4,093,884	3,427,267
Other comprehensive income / (loss):				
Items that cannot be recycled back to condensed interim consolidated statement of income in subsequent periods				
<u>Movement in equity instruments at fair value through other comprehensive income</u>				
Net change in the fair value	(102,037)	(34,960)	29,478	(20,622)
Items that can be recycled back to condensed interim consolidated statement of income in subsequent periods				
<u>Debt instruments at fair value through other comprehensive income</u>				
Net change in the fair value	400,607	793,717	952,723	786,883
Net change in ECL	2,116	733	1,490	3,072
Income transferred to condensed interim consolidated statement of income	(49,857)	(8,401)	(117,988)	(23,858)
<u>Cash flow hedge</u>				
Net change in the fair value	(42,043)	479,119	40,610	(235,968)
Loss transferred to condensed interim consolidated statement of income	161,689	219,146	436,896	690,688
Total other comprehensive income for the period	370,475	1,449,354	1,343,209	1,200,195
Total comprehensive income for the period	1,723,402	2,597,476	5,437,093	4,627,462

The accompanying notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

Ramzy Darwish

Bader AlSalloom

Mazin AlRomaih



Chief Financial Officer



Chief Executive Officer



Chairman of the Board

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BANQUE SAUDI FRANSI (A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Unaudited

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Rp '000	Share capital	Statutory reserve	General reserve	Retained earnings	Other reserves			Proposed dividend	Treasury shares	Total equity attributable to the shareholders	Tier 1 capital	Total Equity
					FVOCI	Actuarial gain / (loss) on defined benefit plans	Cash flow hedge					
For the nine month period ended Sep 30, 2025												
Balance at the beginning of the period	25,000,000	8,189,590	982,857	4,509,836	(550,817)	26,537	(608,556)	1,245,666	(188,111)	38,607,002	8,000,000	46,607,002
Impact on prior years adjustment (note 24)	-	-	-	-	530,896	-	-	-	-	530,896	-	530,896
Restated balance as at January 01, 2025	25,000,000	8,189,590	982,857	4,509,836	(19,921)	26,537	(608,556)	1,245,666	(188,111)	39,137,898	8,000,000	47,137,898
Net income for the period	-	-	-	4,093,884	-	-	-	-	-	4,093,884	-	4,093,884
Net change in the fair value	-	-	-	-	983,691	-	40,610	-	-	1,024,301	-	1,024,301
Net amount transferred to condensed interim consolidated statement of income	-	-	-	-	(117,988)	-	436,896	-	-	318,908	-	318,908
Total comprehensive income for the period	-	-	-	4,093,884	865,703	-	477,506	-	-	5,437,093	-	5,437,093
Issuance of Tier 1 capital	-	-	-	-	-	-	-	-	-	-	2,437,500	2,437,500
Tier 1 capital related cost	-	-	-	(303,750)	-	-	-	-	-	(303,750)	-	(303,750)
Final dividend paid for 2024	-	-	-	-	-	-	-	(1,245,666)	-	(1,245,666)	-	(1,245,666)
Interim dividend for 2025	-	-	-	(1,374,290)	-	-	-	-	-	(1,374,290)	-	(1,374,290)
Net change in treasury shares	-	-	-	-	-	-	-	-	(14,142)	(14,142)	-	(14,142)
Balance at the end of the period	25,000,000	8,189,590	982,857	6,925,680	845,782	26,537	(131,050)	-	(202,253)	41,637,143	10,437,500	52,074,643
For the nine month period ended Sep 30, 2024												
Balance at the beginning of the period	12,053,572	12,053,572	982,857	11,428,181	(633,619)	6,418	(795,882)	1,197,738	(171,616)	36,121,221	5,000,000	41,121,221
Impact on prior years adjustment (note 24)	-	-	-	282,777	530,896	-	-	-	-	813,673	-	813,673
Restated balance as at January 01, 2024	12,053,572	12,053,572	982,857	11,710,958	(102,723)	6,418	(795,882)	1,197,738	(171,616)	36,934,894	5,000,000	41,934,894
Net income for the period	-	-	-	3,427,267	-	-	-	-	-	3,427,267	-	3,427,267
Net change in the fair value	-	-	-	-	769,333	-	(235,968)	-	-	533,365	-	533,365
Net amount transferred to condensed interim consolidated statement of income	-	-	-	-	(23,858)	-	690,688	-	-	666,830	-	666,830
Total comprehensive income for the period	-	-	-	3,427,267	745,475	-	454,720	-	-	4,627,462	-	4,627,462
Final dividend paid for 2023	-	-	-	-	-	-	-	(1,197,738)	-	(1,197,738)	-	(1,197,738)
Interim dividend for 2024	-	-	-	(1,199,541)	-	-	-	-	-	(1,199,541)	-	(1,199,541)
Tier 1 capital related cost	-	-	-	(181,636)	-	-	-	-	-	(181,636)	-	(181,636)
Issuance of additional Tier 1 Sukuk	-	-	-	-	-	-	-	-	-	-	3,000,000	3,000,000
Net change in treasury shares	-	-	-	-	-	-	-	-	(53,133)	(53,133)	-	(53,133)
Balance at the end of the period	12,053,572	12,053,572	982,857	13,757,048	642,752	6,418	(341,162)	-	(224,749)	38,930,308	8,000,000	46,930,308

The accompanying notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

Ramzy Darwish



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Chief Financial Officer

Bader AlSalloom



Chief Executive Officer

Mazin AlRomaih



Chairman of the Board

BANQUE SAUDI FRANSI (A Saudi Joint Stock Company)
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
Unaudited

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S'000	Notes	For the nine month period ended	
		Sep 30, 2025	Sep 30, 2024
OPERATING ACTIVITIES			
Net income for the period before zakat		4,569,562	3,822,369
Adjustments to reconcile net income before zakat to net cash from / (used in) operating activities:			
Accretion of discounts on investments not held as FVSI, net		73,258	62,543
Gains on FVOCI		(117,988)	(23,858)
Depreciation and amortization		243,574	210,540
Gains on disposal of property, equipment, net		(35,872)	(139)
Impairment charge for expected credit losses, net	8	1,033,575	931,177
Impairment reversal for investments, financial assets and others, net		46,167	3,013
Long term incentive scheme provision		76,647	39,963
Operating income before changes in operating assets and liabilities		5,888,923	5,045,608
Net increase in operating assets:			
Statutory deposit with Saudi Central Bank		153,491	(562,030)
Due from banks and other financial institutions maturing after ninety days from the date of acquisition		(79,717)	223,770
Investments held as FVSI, trading		223,597	(274,733)
Loans and advances		(12,457,196)	(22,547,989)
Other assets		1,951,268	104,599
Net (decrease) / increase in operating liabilities:			
Due to Saudi Central Bank, banks and other financial institutions, net		(2,837,715)	5,235,537
Customers' deposits		749,876	21,132,704
Other liabilities		(1,361,788)	(1,068,897)
Zakat paid		(7,769,261)	7,288,569
Net cash (used in) / generated from operating activities		(8,293,378)	6,803,157
INVESTING ACTIVITIES			
Proceeds from sales and maturities of investment not held as FVSI		9,977,872	4,310,337
Purchase of investments not held as FVSI		(14,233,264)	(12,249,581)
Purchases of property and equipment		(236,895)	(343,750)
Proceeds from sale of property and equipment		76,097	192
Net cash used in investing activities		(4,416,190)	(8,282,802)
FINANCING ACTIVITIES			
Issuance of debt securities and term loans		20,238,273	4,087,500
Dividend paid		(2,619,956)	(2,397,279)
Issuance of Tier 1 capital		2,437,500	3,000,000
Tier 1 capital related cost		(303,750)	(181,636)
Payment of lease liability		(71,753)	(64,361)
Purchase of Treasury Shares		(90,789)	(93,096)
Net cash from financing activities		19,589,525	4,351,128
Increase in cash and cash equivalents		6,879,957	2,871,483
Cash and cash equivalents at the beginning of the period		3,029,528	3,118,898
Cash and cash equivalents at the end of the period	15	9,909,485	5,990,381
Special commission received during the period		12,730,286	11,535,197
Special commission paid during the period		6,328,048	6,385,011
Supplemental non-cash information			
RoU assets		57,986	68,261
Lease liability		21,941	21,914
Movement in other reserve and transfers to the condensed interim consolidated statement of income		1,343,209	1,200,195

The accompanying notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

Ramzy Darwish

Bader AlSalloom

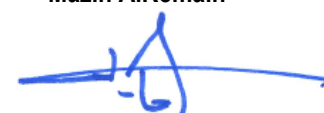
Mazin AlRomaih



Chief Financial Officer



Chief Executive Officer



Chairman of the Board

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

1. General

Banque Saudi Fransi (the Bank) is a Saudi Joint Stock Company established by Royal Decree No. M/23 dated Jumada Al Thani 17, 1397H (corresponding to June 04, 1977). The Bank formally commenced its activities on Muharram 01, 1398H (corresponding to December 11, 1977), by taking over the branches of the Banque de l'Indochine et de Suez in the Kingdom of Saudi Arabia. The Bank operates under Commercial Registration Number 1010073368 dated Safar 04, 1410H (corresponding to September 05, 1989), through its 79 branches (September 30, 2024: 82 branches) in the Kingdom of Saudi Arabia, employing 3,117 people (September 30, 2024: 3,140 people).

The objective of the Bank is to provide a full range of banking services, including Islamic products, which are approved and supervised by an independent Shariah Board. The Bank's Head Office is located at King Saud Road, P.O. Box 56006, Riyadh 11554, Kingdom of Saudi Arabia.

The Bank is regulated by the Saudi Central Bank (SAMA).

The consolidated financial statements comprise the financial statement of Banque Saudi Fransi and its wholly owned subsidiaries (collectively referred to as the "Group").

Subsidiary	Ownership	Main activities
Saudi Fransi Capital (BSF Capital)	100%	Brokerage, asset management and corporate finance business
Saudi Fransi for Finance Leasing (rebranded from SFL to JB)	100%	Islamic lease financing for vehicles and personal financing
Saudi Fransi Insurance Agency (SAFIA)	100%	Insurance agent for Banque Saudi Fransi in Saudi Arabia (under liquidation)
Sofinco Saudi Fransi	100%	Lease financing of automobiles and household equipment (under liquidation)
Saudi Fransi Digital Ventures (SFDV)	100%	Providing digital services to Banque Saudi Fransi (under liquidation)
Sakan Real Estate Financing	100%	Sakan holds title deeds on behalf of Banque Saudi Fransi (Banque Saudi Fransi holds 95% direct ownership and 5% indirect ownership through its subsidiary)
Sur Multi Family Office Limited	100%	Provides a wide range of wealth management services to BSF's high net worth clients and their families

The above subsidiaries are incorporated in the Kingdom of Saudi Arabia except for Sur Multi Family Office which is registered in United Kingdom.

The Bank also formed subsidiaries, BSF Markets Limited and BSF Finance Limited registered in Cayman Islands having 100% share in equity in each of these subsidiaries. The objective of BSF Markets Limited is derivative trading and Repo activities. BSF Finance Limited is a special purpose vehicle established to raise capital for Banque Saudi Fransi by the issuance of debt instruments.

The Bank has investment in an associate and has shareholding in Banque BEMO Saudi Fransi, incorporated in Syria. Banque Bemo Saudi Fransi offers diverse banking services and solutions to individuals and companies.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**For the nine month period ended September 30, 2025 and 2024****2. Basis of preparation**

The condensed interim consolidated financial statements of the Group as at and for the period ended September 30, 2025 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 condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2024.

The consolidated financial statements of the Group as at and for the year ended December 31, 2024, were prepared in accordance with IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the SOCPA. The condensed interim consolidated financial statements are expressed in Saudi Arabian Riyals (ﷲ) and amounts are rounded to the nearest thousand.

3. Basis of consolidation

The new Companies Law issued through Royal Decree M/132 on 1/12/1443H (corresponding to June 30, 2022) (hereinafter referred as "the Law") came into force on 26/6/1444H (corresponding to January 19, 2023). For certain provisions of the Law, full compliance is expected not later than two years from 26/6/1444H (corresponding to January 19, 2023). The management has assessed the impact of the New Companies Law and amended its Articles of Association / By-Laws for changes to align the Articles to the provisions of the Law. General Assembly on December 23, 2024 approved on amending the Bank's Bylaws to comply with the new Companies Law, and rearranging the articles and numbering them to be compatible with the proposed amendments

The condensed interim consolidated financial statements comprise the financial statements of the Bank and its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting period as that of the Bank, using consistent accounting policies. Adjustments are made wherever necessary in the financial statements of the subsidiaries to align with the Bank's condensed interim consolidated financial statements.

Subsidiaries are the entities that are controlled by the Bank. The Bank controls an entity when it is exposed, or has a right, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over that entity.

Subsidiaries are consolidated from the date on which control is transferred to the Bank and cease to be consolidated from the date on which the control is transferred from the Bank. The results of subsidiaries acquired or disposed during the period, if any, are consolidated in the condensed interim consolidated statement of income from the effective date of the acquisition or up to the effective date of disposal, as appropriate.

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

4. Material Accounting Policies and Estimates

The accounting policies, estimates and assumptions used in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2024.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new standards effective as of January 01, 2025. 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 2025, but do not have a significant impact on the condensed interim consolidated financial statements of the Group.

Standard, interpretation, amendments	Description	Effective date
Amendment to IFRS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	01 January 2025

New standards issued but not yet effective

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

4. Material Accounting Policies and Estimates (continued)

Standard, interpretation, 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 01, 2026
Contracts referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7	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 01, 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.	January 01, 2026
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.	January 01, 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 01, 2027

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

5. Cash and balances with Saudi Central Bank

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Cash on hand	958,680	874,134	1,085,397
Current account	130,472	109,209	-
Statutory deposit	9,783,772	9,937,263	10,033,018
Money market placements	2,135,000	-	-
Total	13,007,924	10,920,606	11,118,415

6. Due from banks and other financial institutions, net

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Current accounts	2,404,814	2,026,792	4,186,872
Money market placements	7,330,482	2,989,639	2,577,285
	9,735,296	5,016,431	6,764,157
Less: impairment	(1,213)	(621)	(615)
Total	9,734,083	5,015,810	6,763,542

- i) The following table shows the stage wise movement in ECL allowance for due from banks and other financial institutions:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	462	159	-	621
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net charge for the period	393	199	-	592
Balance at the end of the period	855	358	-	1,213

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at January 01, 2024	590	315	-	905
Net reversal for the year	(128)	(156)	-	(284)
Balance as at December 31, 2024	462	159	-	621

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

6. Due from banks and other financial institutions, net (continued)

ﷲ'000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	590	315	-	905
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net reversal for the period	(60)	(230)	-	(290)
Balance at the end of the period	530	85	-	615

ii) The following table shows the gross carrying amount of the due from banks and other financial institutions:

ﷲ'000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at January 01	5,012,801	3,630	-	5,016,431
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net change for the period	4,713,892	4,973	-	4,718,865
Write-offs	-	-	-	-
Balance at the end of the period	9,726,693	8,603	-	9,735,296

ﷲ'000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at January 01	4,106,233	7,837	-	4,114,070
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net change for the year	906,568	(4,207)	-	902,361
Write-offs	-	-	-	-
Balance at the end of the year	5,012,801	3,630	-	5,016,431

ﷲ'000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at January 01	4,106,233	7,837	-	4,114,070
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net change for the period	2,653,205	(3,118)	-	2,650,087
Write-offs	-	-	-	-
Balance at the end of the period	6,759,438	4,719	-	6,764,157

7. Investments, net

a) Investment securities are classified as follows:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Investment at amortized cost - gross	28,701,581	27,695,178	27,751,052
Less: impairment	(17,505)	(17,013)	(16,729)
Investment at amortized cost, net	28,684,076	27,678,165	27,734,323
Investments at FVOCI – Debt instruments	35,918,263	31,824,414	28,738,626
Investments at FVOCI – Equity/other investments	1,081,481	959,263	947,116
Total FVOCI	36,999,744	32,783,677	29,685,742
Investment at FVSI – Debt/equity instruments	135,900	357,912	779,447
Total	65,819,720	60,819,754	58,199,512

Gross Investments include Shariah based investments amounting to ﷲ 47,746 million (December 31, 2024: ﷲ 40,413 million; September 30, 2024: ﷲ 39,241 million).

b) Investments held at fair value through statement of income (FVSI)

Investments by type of securities

ﷲ '000	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)			September 30, 2024 (Unaudited)		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Fixed-rate securities	134,133	-	134,133	357,912	-	357,912	496,670	-	496,670
Floating-rate securities	-	-	-	-	-	-	-	-	-
Equities	1,767	-	1,767	-	-	-	-	282,777	282,777
Total	135,900	-	135,900	357,912	-	357,912	496,670	282,777	779,447

c) Investments held at fair value through other comprehensive income (FVOCI)

Investments by type of securities

ﷲ '000	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)			September 30, 2024 (Unaudited)		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Fixed-rate securities	23,071,910	9,198,945	32,270,855	17,313,251	10,630,748	27,943,999	16,945,868	7,877,513	24,823,381
Floating-rate securities	3,101,468	545,940	3,647,408	3,072,313	808,102	3,880,415	3,030,563	884,682	3,915,245
Equities and others	773,853	307,628	1,081,481	948,670	10,593	959,263	936,858	10,258	947,116
Total	26,947,231	10,052,513	36,999,744	21,334,234	11,449,443	32,783,677	20,913,289	8,772,453	29,685,742

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

7. Investments, net (continued)

d) Investments held at amortised cost

Investments by type of securities

S'000	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)			September 30, 2024 (Unaudited)		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Fixed-rate securities	27,849,503	-	27,849,503	26,839,229	-	26,839,229	26,898,898	-	26,898,898
Floating-rate securities	834,573	-	834,573	838,936	-	838,936	835,425	-	835,425
Total	28,684,076	-	28,684,076	27,678,165	-	27,678,165	27,734,323	-	27,734,323

- i) The following table shows the stage wise movement in ECL allowance for debt instruments held at FVOCI and amortised cost:

S'000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	44,582	-	-	44,582
Net reversal for the period	1,981	-	-	1,981
Balance at the end of the period	46,563	-	-	46,563

S'000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	33,739	-	-	33,739
Net charge for the year	10,843	-	-	10,843
Balance at the end of the year	44,582	-	-	44,582

S'000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	33,739	-	-	33,739
Net charge for the period	3,491	-	-	3,491
Balance at the end of the period	37,230	-	-	37,230

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

7. Investments, net (continued)

ii) The following table shows the stage wise gross carrying value of debt instruments:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	59,519,592	-	-	59,519,592
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net change for the period	5,100,252	-	-	5,100,252
Write-offs	-	-	-	-
Balance at the end of the period	64,619,844	-	-	64,619,844

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	47,905,926	-	-	47,905,926
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net change for the year	11,613,666	-	-	11,613,666
Write-offs	-	-	-	-
Balance at the end of the year	59,519,592	-	-	59,519,592

ﷲ '000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	47,905,926	-	-	47,905,926
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net change for the period	8,583,752	-	-	8,583,752
Write-offs	-	-	-	-
Balance at the end of the period	56,489,678	-	-	56,489,678

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

8. Loans and advances, net

i) Loans and advances held at amortised cost are classified as follows:

ﷲ '000	September 30, 2025 (Unaudited)			
	Overdraft & Commercial Loans	Credit Cards	Consumer Loans	Total
Performing loans and advances – gross	173,130,470	949,893	43,130,717	217,211,080
Non-performing loans and advances, net	1,846,200	39,241	287,772	2,173,213
Total loans and advances	174,976,670	989,134	43,418,489	219,384,293
Allowance for impairment	(3,325,116)	(51,655)	(415,625)	(3,792,396)
Loans and advances held at amortised cost, net	171,651,554	937,479	43,002,864	215,591,897

ﷲ '000	December 31, 2024 (Audited)			
	Overdraft & Commercial Loans	Credit Cards	Consumer Loans	Total
Performing loans and advances – gross	167,950,716	724,210	37,073,642	205,748,568
Non-performing loans and advances, net	1,637,925	24,568	272,006	1,934,499
Total loans and advances	169,588,641	748,778	37,345,648	207,683,067
Allowance for impairment	(3,118,432)	(44,235)	(352,125)	(3,514,792)
Loans and advances held at amortised cost, net	166,470,209	704,543	36,993,523	204,168,275

ﷲ '000	September 30, 2024 (Unaudited)			
	Overdraft & Commercial Loans	Credit Cards	Consumer Loans	Total
Performing loans and advances – gross	165,723,522	711,548	36,142,786	202,577,856
Non-performing loans and advances, net	1,369,074	29,083	287,115	1,685,272
Total loans and advances	167,092,596	740,631	36,429,901	204,263,128
Allowance for impairment	(2,864,865)	(43,689)	(346,538)	(3,255,092)
Loans and advances held at amortised cost, net	164,227,731	696,942	36,083,363	201,008,036

Gross Loans and advances include Shariah based products amounting to ﷲ 162,290 million (December 31, 2024: ﷲ 154,194 million; June 30, 2024: ﷲ 147,652 million).

ii) The movement in the allowance for impairment of loans and advances to customers for the period is as follows:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Opening loss allowance as at January 01	3,514,792	2,643,990	2,643,990
Charge for the period / year, net	1,033,575	1,287,934	931,177
Bad debts written off against provision	(755,971)	(417,132)	(320,075)
Balance at the end of the period / year	3,792,396	3,514,792	3,255,092

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

8. Loans and advances, net (continued)

iii) The following table shows the stage wise movement in ECL allowance for loans and advances:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	945,871	1,247,200	1,321,721	3,514,792
Transfer from 12-month ECL	(23,296)	19,892	3,404	-
Transfer from lifetime ECL not credit impaired	40,644	(306,544)	265,900	-
Transfer from Lifetime ECL credit impaired	15,006	4,052	(19,058)	-
Net charge for the period	10,396	170,467	852,712	1,033,575
Write-offs	-	-	(755,971)	(755,971)
Balance at the end of the period	988,621	1,135,067	1,668,708	3,792,396

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	509,846	849,666	1,284,478	2,643,990
Transfer from 12-month ECL	(8,925)	7,473	1,452	-
Transfer from lifetime ECL not credit impaired	20,890	(64,289)	43,399	-
Transfer from Lifetime ECL credit impaired	12,673	160,671	(173,344)	-
Net charge for the year	411,387	293,679	582,868	1,287,934
Write-offs	-	-	(417,132)	(417,132)
Balance at the end of the year	945,871	1,247,200	1,321,721	3,514,792

ﷲ '000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	509,846	849,666	1,284,478	2,643,990
Transfer from 12-month ECL	(8,975)	7,482	1,493	-
Transfer from lifetime ECL not credit impaired	19,180	(35,336)	16,156	-
Transfer from Lifetime ECL credit impaired	11,391	162,050	(173,441)	-
Net charge for the period	457,360	143,072	330,745	931,177
Write-offs	-	-	(320,075)	(320,075)
Balance at the end of the period	988,802	1,126,934	1,139,356	3,255,092

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

8. Loans and advances, net (continued)

iv) The following table shows the stage wise gross loans and advances by product:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Overdraft & commercial loans	161,018,025	11,869,384	2,089,261	174,976,670
Credit Card	906,999	36,569	45,566	989,134
Consumer	42,475,826	500,968	441,695	43,418,489
Balance at the end of the period	204,400,850	12,406,921	2,576,522	219,384,293

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Overdraft & commercial loans	156,545,338	11,327,349	1,715,954	169,588,641
Credit Card	696,839	16,488	35,451	748,778
Consumer	36,620,994	387,293	337,361	37,345,648
Balance at the end of the year	193,863,171	11,731,130	2,088,766	207,683,067

ﷲ '000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Overdraft & commercial loans	151,748,156	13,966,875	1,377,565	167,092,596
Credit Card	680,447	19,056	41,128	740,631
Consumer	35,711,482	386,683	331,736	36,429,901
Balance at the end of the period	188,140,085	14,372,614	1,750,429	204,263,128

v) The following table shows the stage wise gross carrying value of loans and advances:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	193,863,171	11,731,130	2,088,766	207,683,067
Transfer from 12-month ECL	(2,981,579)	2,683,218	298,361	-
Transfer from lifetime ECL not credit impaired	1,568,740	(2,514,320)	945,580	-
Transfer from Lifetime ECL credit impaired	25,845	5,891	(31,736)	-
Net change for the period	11,924,673	501,002	31,522	12,457,197
Write-offs	-	-	(755,971)	(755,971)
Balance at the end of the period	204,400,850	12,406,921	2,576,522	219,384,293

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

8. Loans and advances, net (continued)

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	167,788,441	12,277,226	1,969,546	182,035,213
Transfer from 12-month ECL	(3,481,080)	3,269,612	211,468	-
Transfer from lifetime ECL not credit impaired	1,212,596	(1,979,200)	766,604	-
Transfer from Lifetime ECL credit impaired	24,495	171,293	(195,788)	-
Net change for the year	28,318,719	(2,007,801)	(245,932)	26,064,986
Write-offs	-	-	(417,132)	(417,132)
Balance at the end of the year	193,863,171	11,731,130	2,088,766	207,683,067

ﷲ '000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	167,788,441	12,277,226	1,969,546	182,035,213
Transfer from 12-month ECL	(3,395,263)	3,206,705	188,558	-
Transfer from lifetime ECL not credit impaired	905,887	(1,058,257)	152,370	-
Transfer from Lifetime ECL credit impaired	22,169	174,438	(196,607)	-
Net change for the period	22,818,851	(227,498)	(43,363)	22,547,990
Write-offs	-	-	(320,075)	(320,075)
Balance at the end of the period	188,140,085	14,372,614	1,750,429	204,263,128

9. Due to Saudi Central Bank

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Current accounts	-	-	65,615
Repo	11,956,788	7,984,110	6,991,296
Deposits	5,884,648	2,367,279	1,596,176
Government grant	-	2,143,403	2,618,276
Modification impact, net	-	(2,076)	(19,428)
Total	17,841,436	12,492,716	11,251,935

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

10. Due to banks and other financial institutions

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Current accounts	309,596	417,407	293,497
Money market placements	4,133,104	8,791,786	5,117,945
Repos	7,185,008	10,604,950	7,517,430
Total	11,627,708	19,814,143	12,928,872

11. Derivatives

In the ordinary course of business, the Bank utilizes the following derivative financial instruments for both trading and hedging purposes:

a) Swaps

Swaps are commitments to exchange one set of cash flows for another. For commission rate swaps, counterparties generally exchange fixed and floating rate commission payments in a single currency without exchanging principal. For currency rate swaps, fixed and floating commission payments and principal are exchanged in different currencies.

b) Forwards and futures

Forwards and futures are contractual agreements to either buy or sell a specified currency, commodity or financial instrument at a specified price and date in the future. Forwards are customized contracts transacted in the over the counter market. Foreign currency and commission rate futures are transacted in standardized amounts on regulated exchanges and changes in futures contract values are settled daily.

c) Forward rate agreements

Forward rate agreements are individually negotiated commission rate contracts that call for a cash settlement for the difference between a contracted commission rate and the market rate on a specified future date, on a notional principal for an agreed period of time.

d) Options

Options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, to either buy or sell at fixed future date or at any time during a specified period, a specified amount of a currency, commodity or financial instrument at a pre-determined price.

Held for trading purposes

Most of the Bank's derivative trading activities relate to sales, positioning and arbitrage. Sales activities involve offering products to customers, Banks and other financial institutions in order, inter alia, to enable them to transfer, modify or reduce current and future risks. Positioning involves managing market risk positions with the expectation of profiting from favorable movements in prices, rates or indices. Arbitrage involves identifying, with the expectation of profiting from price differentials between markets or products. The Bank also holds structured derivatives which are fully back to back in accordance with the Bank's risk management strategy.

Held for hedging purposes

The Bank has adopted a comprehensive system for the measurement and the management of risk. Part of the risk management process involves managing the Bank's exposure to fluctuations in foreign exchange and commission rates to reduce its exposure to currency and commission rate risks to an acceptable level as determined by the Board of Directors in accordance with the guidelines issued by SAMA.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

11. Derivatives (continued)

The Board of Directors has established the levels of currency risk by setting limits on counterparty and currency position exposures. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within the established limits. The Board of Directors has also established the level of commission rate risk by setting commission rate sensitivity limits. Commission rate exposure in terms of the sensitivity is reviewed on a periodic basis and hedging strategies are used to reduce the exposure within the established limits.

As part of its asset and liability management the Bank uses derivatives for hedging purposes in order to adjust its own exposure to currency and commission rate risks. This is generally achieved by hedging specific transactions as well as strategic hedging against overall consolidated statement of financial position exposures. Strategic hedging does not qualify for special hedge accounting and the related derivatives are accounted for as held for trading.

The Bank uses forward foreign exchange contracts and currency rate swaps to hedge against specifically identified currency risks. In addition, the Bank uses commission rate swaps and commission rate futures to hedge against the commission rate risk arising from specifically identified fixed commission rate exposures. The Bank also uses commission rate swaps to hedge against the cash flow risk arising on certain floating rate exposures. In all such cases, the hedging relationship and objective, including details of the hedged items and hedging instrument are formally documented and the transactions are accounted for as fair value or cash flow hedges.

Cash flow hedges

The Bank is exposed to variability in future special commission income cash flows on non-trading assets and liabilities which bear variable commission rate. The Bank uses commission rate swaps as cash flow hedges of these commission rate risks. Also, as a result of firm commitments in foreign currencies, such as its issued foreign currency debt, the Bank is exposed to foreign exchange and commission rate risks which are hedged with cross currency commission rate swaps.

The tables below show the positive and negative fair values of derivative financial instruments held, 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 / year, 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 to market risk.

S'000	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)			September 30, 2024 (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
Held for trading:									
Commission rate swaps	3,905,983	3,991,859	273,156,464	5,199,731	5,372,363	266,091,409	4,688,996	4,559,336	249,747,618
Commission rate futures and options	45,906	45,906	7,078,882	92,940	92,940	8,815,881	81,752	81,752	9,015,881
Forward foreign exchange contracts & currency swaps	22,062	59,342	16,156,649	105,016	112,685	20,681,986	76,206	20,466	20,486,788
Currency options	3,575	3,575	3,815,936	21,930	21,930	1,680,017	4,842	4,842	2,123,841
Others	41,231	41,231	2,830,007	26,161	26,161	1,486,432	19,412	19,412	1,439,058
Held as fair value hedges:									
Commission rate swaps	162,998	112,657	18,543,750	-	137,469	13,575,000	65,228	149,301	11,000,000
Held as cash flow hedges:									
Commission rate swaps	361,088	148,263	28,101,500	245,803	454,874	31,238,250	393,869	429,330	30,078,250
Foreign currency swaps	15,536	3,703	24,645,475	-	-	-	-	-	-
Total	4,558,379	4,406,536	374,328,663	5,691,581	6,218,422	343,568,975	5,330,305	5,264,439	323,891,436

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

12. Customers' deposits

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Demand	83,940,793	80,365,630	83,591,445
Saving	865,958	976,105	884,997
Time	96,217,034	98,059,257	102,101,691
Other	4,844,270	5,717,187	6,763,554
Total	185,868,055	185,118,179	193,341,687

Time deposits include Shariah based product amounting to ﷲ 47,589 million (December 31, 2024: ﷲ 48,536 million; September 30, 2024: ﷲ 46,799 million).

13. Debt securities and term loans

Debt securities and term loans comprises of:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Debt securities	17,011,822	9,721,887	9,809,947
Term loans	11,061,973	5,796,167	2,988,062
Certificate of deposit	8,042,105	-	-
Total	36,115,900	15,518,054	12,798,009

During 2022 the Bank has established a USD 4 Billion Euro Medium term Note (MTN) Programme. The issuer under the programme is BSF Finance Limited, operating as a special purpose entity for the guarantor Banque Saudi Fransi.

In 2023 the Bank established a USD 4 Billion Trust Certificate Issuance Programme. The issuer under the programme is BSF Sukuk Company, which operates as a special purpose entity for the guarantor Banque Saudi Fransi.

During Q2 2025 the Bank has established a USD 4 Billion Certificate of Deposit Programme. The issuer under the programme is Banque Saudi Fransi.

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For the nine month period ended September 30, 2025 and 2024

14. Commitments and contingencies

The Bank's credit related commitments and contingencies are as follows:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Letters of credit	10,610,865	10,914,044	8,990,216
Letters of guarantee	52,733,911	51,075,695	51,107,000
Acceptances	3,156,145	3,016,542	2,679,107
Irrevocable commitments to extend credit	13,186,217	16,878,266	15,893,005
Total	79,687,138	81,884,547	78,669,328

i) The following table shows the stage wise movement in ECL allowance for commitments and contingencies:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	50,011	23,836	147,863	221,710
Transfer from 12-month ECL	(517)	513	4	-
Transfer from lifetime ECL not credit impaired	5,133	(6,517)	1,384	-
Net (reversal) / charge for the period	(7,834)	51,991	(627)	43,530
Write-offs	-	-	-	-
Balance at the end of the period	46,793	69,823	148,624	265,240

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	14,639	6,637	174,825	196,101
Transfer from 12-month ECL	(404)	404	-	-
Transfer from lifetime ECL not credit impaired	135	(222)	87	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net charge / (reversal) for the year	35,641	17,017	(27,049)	25,609
Write-offs	-	-	-	-
Balance as at December 31, 2024	50,011	23,836	147,863	221,710

ﷲ '000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	14,639	6,637	174,825	196,101
Transfer from 12-month ECL	(294,240)	294,240	-	-
Transfer from lifetime ECL not credit impaired	21,397	(21,397)	-	-
Net charge / (reversal) for the period	275,053	(247,965)	(26,966)	122
Write-offs	-	-	-	-
Balance at the end of the period	16,849	31,515	147,859	196,223

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

14. Commitments and contingencies (continued)

ii) The following table shows the ECL stages movement in off statement of financial position:

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	76,702,102	4,202,611	979,834	81,884,547
Transfer from 12-month ECL	(350,167)	257,282	92,885	-
Transfer from lifetime ECL not credit impaired	1,044,457	(1,050,031)	5,574	-
Transfer from Lifetime ECL credit impaired	1,500	1,240	(2,740)	-
Net change for the period	(3,144,956)	971,213	(23,666)	(2,197,409)
Write-offs	-	-	-	-
Balance at the end of the period	74,252,936	4,382,315	1,051,887	79,687,138

ﷲ '000	December 31, 2024 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	66,547,335	3,057,887	1,126,015	70,731,237
Transfer from 12-month ECL	(1,587,517)	1,575,253	12,264	-
Transfer from lifetime ECL not credit impaired	472,622	(545,267)	72,645	-
Transfer from Lifetime ECL credit impaired	750	108	(858)	-
Net change for the year	11,268,912	114,630	(230,232)	11,153,310
Write-offs	-	-	-	-
Balance at the end of the year	76,702,102	4,202,611	979,834	81,884,547

ﷲ '000	September 30, 2024 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at January 01	66,547,335	3,057,887	1,126,015	70,731,237
Transfer from 12-month ECL	(1,431,155)	1,420,119	11,036	-
Transfer from lifetime ECL not credit impaired	324,809	(332,083)	7,274	-
Transfer from Lifetime ECL credit impaired	214	-	(214)	-
Net change for the period	8,208,622	(104,635)	(165,896)	7,938,091
Write-offs	-	-	-	-
Balance at the end of the period	73,649,825	4,041,288	978,215	78,669,328

The Group is subject to legal proceedings in the ordinary course of business. There was no material change in the status of legal proceedings filed against the Bank as disclosed at December 31, 2024.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

15. Cash and cash equivalents

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

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Cash and balances with Saudi Central Bank excluding statutory deposit (note 5)	3,224,152	983,343	1,085,397
Due from banks and other financial institutions maturing within three months from the date of acquisition	6,685,333	2,046,185	4,904,984
Total	9,909,485	3,029,528	5,990,381

16. Tier 1 Capital

During 2020, the Bank through a Shariah compliant arrangement issued Tier 1 Sukuk (the "Sukuk"), amounting to ﷲ 5 billion. The issuance was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 4.5% per annum from date of issue up to 2025 and is subjected to reset every 5 years.

During Q3 2024, the Bank through a Shariah compliant arrangement issued Tier 1 Sukuk (the "Sukuk"), amounting to ﷲ 3 billion under its ﷲ 8 billion Tier 1 Sukuk Programme established in Q1 2024. The issuance was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6.0% per annum from date of issue up to 2029 and is subjected to reset every 5 years.

The applicable profit on the Sukuk is payable quarterly in arrears on each periodic distribution date, except upon the occurrence of a non-payment event or non-payment election by the Bank, whereby the Bank may at its sole discretion (subject to certain terms and conditions) elect not to make any distributions. Such non-payment event or non-payment election are not considered to be events of default and the amounts not paid thereof shall not be cumulative or compound with any future distributions.

During Q2 2025, the Bank issued USD 650 million Additional Tier 1 Capital as part of its USD 3 Billion Additional Tier 1 Capital Note Programme established in Q3 2024, the issuer under the programme is Banque Saudi Fransi. The applicable profit rate is 6.375% per annum from date of issue up to 2030.

17. Zakat

Zakat, Tax and Customs Authority ("ZATCA") issued new zakat regulations through Ministerial Decree No. 2215 dated Rajab 07, 1440H corresponding to March 14, 2019, which provides the new basis for the calculation of Zakat for companies engaged in financing activities and licensed by SAMA. The Bank has calculated zakat in accordance with the above regulation.

The Bank submitted its zakat return for the year ended December 31 2024, and obtained the unrestricted zakat certificate. The assessments in respect to the Bank's zakat returns for the financial year up to 2020 have been finalized. The assessments for the financial years 2021 to 2024 have not been finalized with ZATCA.

Zakat for the period ended September 30, 2025 amounted to approximately ﷲ 476 million (September 30, 2024: ﷲ 395 million). The provision of Zakat is estimated based on the results of operations of the Bank for the nine month period ended and the consolidated financial position at September 30, 2025.

18. Fair values of financial assets and liabilities

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 principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Valuation models

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates, bond and equity prices and foreign currency exchange rates.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The Bank uses widely recognized valuation models for determining the fair value of common and simpler financial instruments.

Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple over-the-counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Bank believes that a third party market participant would take them into account in pricing a transaction. Fair values aim also to reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Bank and the counterparty where appropriate.

Valuation Framework

The Bank has an established control framework with respect to the measurement of fair values. This framework includes a Market Risk Department, which is independent of Front Office management and reports to the Chief Risk Officer, and which has overall responsibility for independently verifying the results of trading and investment operations and all significant fair value measurements.

Determination of fair value and fair value hierarchy

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

Level 1: Quoted prices in active markets for the same instrument (i.e. without modification or repackaging)

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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For the nine month period ended September 30, 2025 and 2024

18. Fair values of financial assets and liabilities (continued)

Derivative products valued using a valuation technique with market observable inputs are mainly commission rate swaps and options, currency swaps and forward foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including foreign exchange spot and forward rates and commission rate curves. Other investments in level 2 are valued based on market observable data including broker rates etc.

ﷲ'000	Carrying Value	Level 1	Level 2	Level 3	Total
September 30, 2025 (Unaudited)					
Financial assets					
Derivative financial instruments positive fair value	4,558,379	-	4,558,379	-	4,558,379
Financial investments designated at FVSI	135,900	60,247	75,653	-	135,900
Financial investments at FVOCI	36,999,744	18,855,697	17,180,838	963,209	36,999,744
Total	41,694,023	18,915,944	21,814,870	963,209	41,694,023
Financial Liabilities					
Derivative financial instruments negative fair value	4,406,536	-	4,406,536	-	4,406,536
Total	4,406,536	-	4,406,536	-	4,406,536

ﷲ'000	Carrying Value	Level 1	Level 2	Level 3	Total
December 31, 2024 (Audited)					
Financial assets					
Derivative financial instruments positive fair value	5,691,581	-	5,691,581	-	5,691,581
Financial investments designated at FVSI	357,912	-	357,912	-	357,912
Financial investments at FVOCI	32,783,677	20,125,409	11,827,693	830,575	32,783,677
Total	38,833,170	20,125,409	17,877,186	830,575	38,833,170
Financial Liabilities					
Derivative financial instruments negative fair value	6,218,422	-	6,218,422	-	6,218,422
Total	6,218,422	-	6,218,422	-	6,218,422

ﷲ'000	Carrying Value	Level 1	Level 2	Level 3	Total
September 30, 2024 (Unaudited)					
Financial assets					
Derivative financial instruments positive fair value	5,330,305	-	5,330,305	-	5,330,305
Financial investments designated at FVSI	779,447	282,777	496,670	-	779,447
Financial investments at FVOCI	29,685,742	17,316,723	11,556,496	812,523	29,685,742
Total	35,795,494	17,599,500	17,383,471	812,523	35,795,494
Financial Liabilities					
Derivative financial instruments negative fair value	5,264,439	-	5,264,439	-	5,264,439
Total	5,264,439	-	5,264,439	-	5,264,439

During the period there have been no transfers in between level 1, level 2 and level 3.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

18. Fair values of financial assets and liabilities (continued)

The fair values of investments held at amortized cost are ~~ﷲ~~ 27,236 million (December 31, 2024: ~~ﷲ~~ 26,098 million and September 30, 2024: ~~ﷲ~~ 27,494 million) against carrying value of ~~ﷲ~~ 28,684 million (December 31, 2024: ~~ﷲ~~ 27,678 million and September 30, 2024: ~~ﷲ~~ 27,734 million). The fair values of commission bearing customers' deposits, debt securities, due from and due to banks and other financial institutions which are carried at amortized cost, are not significantly different from the carrying values included in the condensed interim consolidated financial statements, since the current market commission rates for similar financial instruments are not significantly different from the contracted rates, and due to the short duration of due from and due to banks and other financial institutions. An active market for these instruments is not available and the Bank intends to realize the carrying value of these financial instruments through settlement with the counter party at the time of their respective maturities.

The estimated fair values of investments held at amortized cost are based on quoted market prices when available or pricing models when used in the case of certain fixed rate bonds. Consequently, differences can arise between carrying values and fair value estimates. The fair values of derivatives are based on the quoted market prices when available or by using the appropriate valuation technique. The Bank uses the discounted cash flow method using current yield curve to arrive at the fair value of loans and advances after adjusting internal credit spread which is ~~ﷲ~~ 216,850 million (December 31, 2024: ~~ﷲ~~ 205,276 million and September 30, 2024: ~~ﷲ~~ 201,340 million). The carrying values of those loans and advances are ~~ﷲ~~ 215,592 million (December 31, 2024: ~~ﷲ~~ 204,168 million and September 30, 2024: ~~ﷲ~~ 201,008 million).

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Balance at the beginning of the period / year	830,575	741,313	741,313
Additions during the period / year	92,672	107,503	81,077
Disposal during the period / year	-	(9,000)	-
Change in value	39,962	(9,241)	(9,867)
Balance at the end of period / year	963,209	830,575	812,523

19. Segment information

Operating segments are identified on the basis of internal reports about components of the Bank that are regularly reviewed by the Bank's Board of Directors in its function as chief decision maker in order to allocate resources to the segments and to assess its performance.

Transactions between operating segments are approved by the management as per agreed terms and are reported according to the Bank's internal transfer pricing policy. These terms are in line with normal commercial terms and conditions. The revenue from external parties report to the Board is measured in a manner consistent with that in the condensed interim consolidated statement of income.

Bank has adopted new FTP methodology from the beginning of 2025 to derive inter-segment revenues which is reflected in the segment profit or loss as of September 30, 2025.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

19. Segment information (continued)

The Bank is organised into the following main operating segments:

Retail banking – incorporates private and small establishment customers' demand accounts, overdrafts, loans, saving accounts, deposits, credit and debit cards, consumer loans, certain forex products and auto leasing.

Corporate banking – incorporates corporate and medium establishment customers' demand accounts, deposits, overdrafts, loans and other credit facilities and derivative products.

Treasury – incorporates treasury services, trading activities, investment securities, money market, Bank's funding operations and derivative products.

Investment banking and brokerage – Investment management services and asset management activities related to dealing, managing, arranging, advising and custody of securities, retail investments products, corporate finance and international and local shares brokerage services and insurance.

The Bank's total assets and liabilities, together with total operating income, total operating expenses and net income before zakat for the nine month then ended, by operating segments, are as follows:

ﷲ '000	Retail banking	Corporate banking	Treasury	Investment banking & brokerage	Total
<u>September 30, 2025 (Unaudited)</u>					
Total assets	61,215,228	155,860,613	95,089,527	2,780,167	314,945,535
Loans and advances, net	59,352,323	154,595,495	-	1,644,079	215,591,897
Total liabilities	73,711,215	116,323,590	72,004,086	832,001	262,870,892
Customers' deposits	70,985,061	114,882,994	-	-	185,868,055
Total operating income	2,258,366	4,185,987	977,187	494,132	7,915,672
Total operating expenses before impairment charge	1,397,405	659,502	313,421	223,703	2,594,031
Impairment charges for financial assets & others, net	180,362	569,474	2,212	31	752,079
Net income for the period before zakat	680,599	2,957,011	661,554	270,398	4,569,562
Net special commission income	2,221,450	3,715,673	361,220	178,046	6,476,389
Fee and commission income, net	(3,044)	470,784	(6,532)	293,705	754,913
Exchange income, net	39,048	(471)	332,071	-	370,648
Trading income, net	-	-	134,987	5,437	140,424
Inter-segment revenue	400,152	(1,165,845)	765,693	-	-
Depreciation and amortization	159,242	57,782	24,227	2,323	243,574

ﷲ '000	Retail banking	Corporate banking	Treasury	Investment banking & brokerage	Total
<u>December 31, 2024 (Audited)</u>					
Total assets	53,007,714	153,956,271	83,628,111	2,714,462	293,306,558
Total liabilities	66,658,784	120,746,974	57,868,729	894,173	246,168,660

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For the nine month period ended September 30, 2025 and 2024

19. Segment information (continued)

ﷲ'000	Retail banking	Corporate banking	Treasury	Investment banking & brokerage	Total
<u>September 30, 2024 (Unaudited)</u>					
Total assets	51,581,962	152,066,530	82,277,155	2,558,249	288,483,896
Loans and advances, net	49,576,555	149,711,405	-	1,720,076	201,008,036
Total liabilities	63,348,653	131,829,218	45,515,767	859,950	241,553,588
Customers' deposits	62,589,978	130,751,709	-	-	193,341,687
Total operating income	3,020,217	3,804,994	(143,693)	404,126	7,085,644
Total operating expenses before impairment charge	1,336,174	634,034	273,978	194,865	2,439,051
Impairment charges for financial assets & others, net	185,474	636,402	2,348	-	824,224
Net income for the period before zakat	1,498,569	2,534,558	(420,019)	209,261	3,822,369
Net special commission income	2,917,693	3,381,337	(577,212)	122,237	5,844,055
Fee and commission income, net	57,762	414,659	-	262,241	734,662
Exchange income, net	44,761	8,998	277,310	-	331,069
Trading income, net	-	-	136,559	4,230	140,789
Inter-segment revenue	2,403,533	1,711,719	(4,115,252)	-	-
Depreciation and amortization	142,614	41,902	20,842	5,182	210,540

20. Share capital and Earnings per share

The authorised, issued and fully paid share capital of the Bank consists of 2,500 million shares of ﷲ 10 each (December 31, 2024: 2,500 million shares of ﷲ 10 each and September 30, 2024: 1,205 million shares of ﷲ 10 each).

On May 30, 2024 the Board of Directors of the Bank recommended to increase the Capital of the Bank by Granting Bonus Shares to the Shareholders by issuing 1.0740740325 share for every 1 share owned. Subsequently, the Extraordinary General Assembly resolved on December 23, 2024 to increase the share capital from ﷲ 12,053 million to ﷲ 25,000 million by transferring an amount of ﷲ 7,946 million from Retained earnings and ﷲ 5,000 million from Statutory reserve to Share capital account.

The Bank has obtained approvals from the Saudi Central Bank (SAMA), Capital Market Authority (CMA) and Tadawul to increase share capital and updated its commercial registration (CR) to reflect the increase in share capital by SAR 12,946 million.

Basic and diluted earnings per share for the periods ended September 30, 2025 and 2024 are calculated on a weighted average basis by dividing the net income adjusted for Tier 1 capital costs for the period by 2,500 million shares after excluding treasury shares consisting of 22.4 million shares as of September 30, 2025 (December 31, 2024: 19.7 million shares and September 30, 2024: 9.0 million shares).

The Board of Directors of the Bank approved to distribute interim cash dividend of ﷲ 0.55 million being ﷲ 1,372 per share for the six month period ended June 30, 2025 (2024: ﷲ 1,200 at ﷲ 1.00 per share).

21. Related party balances

In the ordinary course of its activities, the Bank transacts business with related parties. In the opinion of the management and the Board, the related party transactions are carried out on group's internal pricing framework. The related party transactions are governed by limits set by the Banking Control Law and Regulations issued by SAMA. The balances with related parties have been defined as per regulatory guidelines which also include relationships with entities with common directorships or common key management personal.

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For the nine month period ended September 30, 2025 and 2024

21. Related party balances (continued)

The balances as at September 30, 2025, December 31, 2024 and September 30, 2024 resulting from such transactions included in the consolidated financial statements are as follows:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Associates			
Investments	9,695	9,695	9,695
Due to banks and other financial institutions	9,020	8,781	8,707
Directors, senior management, shariah members and their affiliates (key management personal)			
Loans and advances	8,216,665	6,558,236	7,256,143
Investments	817,508	683,674	673,804
Due from banks and other financial institutions	-	395,625	402,048
Other assets	29,035	49,182	15,220
Customers' deposits	9,868,547	8,201,695	8,109,912
Due to banks and other financial institutions	-	40,000	500,000
Other liabilities	3,101	247	6,488
Derivatives at fair value, net	(25,013)	(48,141)	(31,846)
Commitments and contingencies	2,328,037	2,666,822	2,949,760
Major shareholders' and their affiliates			
Loans and advances	600,067	1,532,037	1,528,889
Customers' deposits	337,435	128,146	6,367,990
Derivatives at fair value, net	(39)	37	(16)
Commitments and contingencies	24,203	12,500	12,500

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

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Special commission income			
-Directors, senior management, shariah members and their affiliates (key management personal)	458,621	604,622	485,241
-Major shareholders' and their affiliates	61,736	95,011	68,853
Total Special commission income	520,357	699,633	554,094
Special commission expense			
-Directors, senior management, shariah members and their affiliates (key management personal)	209,131	233,423	244,931
Major shareholders' and their affiliates	3,462	12,102	231,591
-Associates	211	315	243
Total Special commission expense	212,804	245,840	476,765
Fees, commission income and others, net	93,480	76,897	32,442
Directors' fees	16,229	18,980	7,856
Other general and administrative expenses	22,927	75,840	93,920

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

22. Capital Adequacy

The Bank's objectives when managing capital are, to comply with the capital requirements set by SAMA; to safeguard the Bank'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 daily by the Bank's management.

The Bank 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 amount of derivatives at a weighted amount to reflect their relative risk.

SAMA requires holding the minimum level of the regulatory capital of and maintaining a ratio of total regulatory capital to the risk-weighted asset (RWA) at or above the agreed minimum level.

Bank's total risk weighted assets and total Tier I & Tier I + Tier II Capital are as follows:

ﷲ '000	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Credit Risk RWA	253,248,414	239,713,124	237,880,834
Operational Risk RWA	9,647,584	8,627,534	8,649,785
Market Risk RWA	3,367,362	3,958,794	4,889,179
Total RWA	266,263,360	252,299,452	251,419,798
Common Equity Tier I Capital	41,768,193	39,746,454	39,271,470
Additional Tier I Capital	10,437,500	8,000,000	8,000,000
Tier I Capital	52,205,693	47,746,454	47,271,470
Tier II Capital	6,001,310	2,193,948	2,000,318
Total Tier I & II Capital	58,207,003	49,940,402	49,271,788
Capital Adequacy Ratio %			
Common Equity Tier I ratio	15.69%	15.75%	15.62%
Tier I ratio	19.61%	18.92%	18.80%
Tier I + Tier II ratio	21.86%	19.79%	19.60%

23. Comparative figures

Certain prior period figures have been reclassified to conform to current period's presentation, which are not material in nature to the condensed interim consolidated financial statements.

24. Restatement

a). During the year ended December 31, 2024, management identified equity investments in which the Bank held interest, in prior years. These were not recorded in the prior year's consolidated financial statements. Upon identifying these equity investments, management decided to classify this as fair value through statement of income and sold these investments during Q4 2024. Consequently, the Bank's investments and retained earning balances were understated as of September 30, 2024. The Bank's management has rectified this by restating the affected consolidated financial statement line items.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2025 and 2024

24. Restatement (continued)

b). During the three month period ended September 30, 2025, the Bank corrected valuation of its interest in an equity investment that is classified as investment at Fair Value through Other Comprehensive Income which was historically valued at cost.

These adjustment are considered as correction as per IAS 8 (Accounting policies, Changes and Accounting Estimates and Error) and are material to the condensed interim consolidated financial information and accordingly the condensed interim consolidated statement of financial position and condensed interim consolidated statement of changes in equity have been restated.

The impact of these equity investments on the condensed interim consolidated statement of income and condensed interim consolidated statement of comprehensive income for the three month and nine month period ended September 30, 2024 was insignificant and accordingly, these have not been restated.

Accordingly, the Bank has restated the impacted line items to correct the financial information for prior period as follows:

ﷲ '000	As previously presented	Restatement (a)	Restatement (b)	Restated balance
As at September 30, 2024				
Consolidated statement of financial position				
Investments, net	57,385,839	282,777	530,896	58,199,512
Retained earnings	13,474,271	282,777	-	13,757,048
Other reserves	(222,888)	-	530,896	308,008

ﷲ '000	As previously presented	Restatement (a)	Restatement (b)	Restated balance
As at December 31, 2024				
Consolidated statement of financial position				
Investments, net	60,288,858	-	530,896	60,819,754
Other reserves	(1,132,836)	-	530,896	(601,940)

25. Board of Directors Approval

The condensed interim consolidated financial statements were authorised for issue by the Board of Directors on October 19, 2025 corresponding to Rabi Al-Akhar 27, 1447H.