
BANK ALJAZIRA

(A Saudi Joint Stock Company)

**UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30
SEPTEMBER 2025**



PricewaterhouseCoopers
Professional Limited Liability Company
Share Capital SR 500,000
CR No. 1010371622
5th floor, Jameel Square,
P.O. Box 16415
Jeddah 21464
Kingdom of Saudi Arabia



KPMG Professional Services Company
Zahran Business Center
Prince Sultan Street
P. O. Box 55078
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Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

Independent Auditors' Review Report on the Interim Condensed Consolidated Financial Information

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

Introduction

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

for PricewaterhouseCoopers

Waleed A. Alhidiri
Certified Public Accountant
License Number 559

for KPMG Professional Services Company

Ebrahim Oboud Baeshen
Certified Public Accountant
License Number 382

7 Jumada Al-Ula 1447H
(29 October 2025G)



Bank AlJazira

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000 Restated (note 20)	30 September 2024 (Unaudited) SAR'000 Restated (note 20)
	Notes			
ASSETS				
Cash and balances with Saudi Central Bank (SAMA)	15	6,972,886	6,118,369	5,850,678
Due from banks and other financial institutions, net		7,068,867	6,697,117	7,459,706
Investments, net	5	38,143,272	36,406,356	36,272,780
Positive fair value of Shari'ah compliant derivatives	9	102,957	151,737	167,795
Financing, net	6	107,812,479	96,912,496	92,709,624
Other assets		1,502,998	1,111,117	1,280,628
Investment in an associate	7	331,869	323,716	320,654
Other real estate, net		119,334	139,717	140,628
Property, equipment, intangibles and right of use assets, net		1,373,096	1,258,076	1,202,160
Total assets		163,427,758	149,118,701	145,404,653
LIABILITIES AND EQUITY				
LIABILITIES				
Due to banks, Saudi Central Bank and other financial institutions		21,752,788	19,309,333	20,153,653
Customers' deposits	8	115,283,195	108,186,514	103,348,680
Negative fair value of Shari'ah compliant derivatives	9	174,477	164,999	234,313
Subordinated Sukuk	10	2,042,099	2,005,918	2,045,149
Other liabilities		2,538,089	2,037,607	2,024,136
Total liabilities		141,790,648	131,704,371	127,805,931
EQUITY				
Share capital	11(a)	12,812,500	10,250,000	10,250,000
Treasury shares	11(c)	(83,190)	-	-
Statutory reserve		426,026	1,707,276	1,399,537
Other reserves	12	(451,673)	(880,833)	(513,143)
Retained earnings		2,183,447	2,462,887	2,587,328
Equity attributable to shareholders of the Bank		14,887,110	13,539,330	13,723,722
Tier 1 Sukuk	13	6,750,000	3,875,000	3,875,000
Total equity		21,637,110	17,414,330	17,598,722
Total liabilities and equity		163,427,758	149,118,701	145,404,653

Engr. Abdulmajeed Al-Sultan
Chairman

Naif Al Abdulkareem
CEO and Managing Director

Hani Noori
Chief Financial Officer

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

Bank AlJazira

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED) FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

	For the three-month period ended		For the nine-month period ended	
	30 September 2025	30 September 2024	30 September 2025	30 September 2024
Notes	SAR'000	SAR'000	SAR'000	SAR'000
Income from investments and financing	2,208,497	2,053,701	6,360,506	5,819,314
Return on deposits and financial liabilities	(1,497,407)	(1,403,883)	(4,133,843)	(3,920,012)
Net financing and investment income	711,090	649,818	2,226,663	1,899,302
Fees from banking services - income	299,174	278,020	916,854	828,895
Fees from banking services - expense	(90,173)	(117,171)	(310,132)	(359,304)
Fees from banking services, net	209,001	160,849	606,722	469,591
Exchange income, net	70,498	65,800	214,044	162,135
Net gain on fair value through statement of income (FVIS) financial instruments	53,507	27,724	45,248	63,742
Dividend income	52,593	46,132	186,357	139,194
Net (loss) / gain on de-recognition of financial assets at fair value through other comprehensive income (FVOCI) – debt	(9)	4,186	(3,744)	3,459
Net loss on de-recognition of financial assets at amortised cost	-	-	(10,301)	(6,464)
Other operating income	1,713	66,212	14,463	81,119
Total operating income	1,098,393	1,020,721	3,279,452	2,812,078
Salaries and employee-related expenses	317,298	291,799	923,095	829,186
Rent and premises-related expenses	13,588	15,594	39,792	43,018
Depreciation and amortisation	45,929	44,144	130,545	141,217
Other general and administrative expenses	205,835	203,581	612,719	534,456
Other operating expenses	4,693	1,847	20,960	9,090
Total operating expenses before impairment charge	587,343	556,965	1,727,111	1,556,967
Impairment charge for financing and other financial assets, net	53,981	87,589	253,899	225,745
Impairment reversal for other real estate	-	-	-	(42,571)
Total operating expenses	641,324	644,554	1,981,010	1,740,141
Net operating income	457,069	376,167	1,298,442	1,071,937
Share in net income of an associate	1,349	3,218	8,026	12,992
Net income for the period before zakat and income tax	458,418	379,385	1,306,468	1,084,929
Zakat and income tax				
Zakat	(54,713)	(44,119)	(153,327)	(127,713)
Income tax	(3,578)	(2,545)	(9,892)	(6,504)
Net income for the period	400,127	332,721	1,143,249	950,712
Basic and diluted earnings per share for the period (expressed in SAR per share)-(re-stated)	0.29	0.26	0.79	0.66

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Hani Noori
Chief Financial Officer

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

Bank AlJazira

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025

	<u>Notes</u>	For the three-month period ended		For the nine-month period ended	
		30	30	30	30
		September 2025	September 2024	September 2025	September 2024
		<u>SAR'000</u>	<u>SAR'000</u>	<u>SAR'000</u>	<u>SAR'000</u>
Net income for the period		<u>400,127</u>	<u>332,721</u>	<u>1,143,249</u>	<u>950,712</u>
Other comprehensive income:					
<i>Items that are, or may be, reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>					
Cash flow hedges:					
- Effective portion of change in the fair value	12	1,172	(87,717)	(27,788)	(11,940)
- Net amount transferred to interim condensed consolidated statement of income	12	(6,303)	(3,539)	(23,401)	(3,683)
Net changes in fair value of investments classified as at FVOCI- debt	12	82,046	412,549	424,926	86,282
<i>Items that will not be reclassified to interim condensed consolidated statement of income in subsequent periods</i>					
Net changes in fair value of investments classified as at FVOCI- equity	12	15,766	57,638	41,290	47,123
Share in other comprehensive income of an associate	12	-	-	6,675	984
Total other comprehensive income for the period		<u>92,681</u>	<u>378,931</u>	<u>421,702</u>	<u>118,766</u>
Total comprehensive income for the period		<u>492,808</u>	<u>711,652</u>	<u>1,564,951</u>	<u>1,069,478</u>

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

	Notes	Share capital SAR'000	Treasury shares SAR'000	Statutory reserve SAR'000	Other reserves SAR'000	Retained earnings SAR'000	Total shareholders' equity SAR'000	Tier 1 Sukuk SAR'000	Total equity SAR'000
Balance at 1 January 2025 (audited)		10,250,000	-	1,707,276	(1,093,466)	2,462,887	13,326,697	3,875,000	17,201,697
Impact of restatement	20	-	-	-	212,633	-	212,633	-	212,633
Balance at 1 January 2025 (audited)-restated		10,250,000	-	1,707,276	(880,833)	2,462,887	13,539,330	3,875,000	17,414,330
Net income for the period		-	-	-	-	1,143,249	1,143,249	-	1,143,249
Other comprehensive income		-	-	-	421,702	-	421,702	-	421,702
Total comprehensive income for the period		-	-	-	421,702	1,143,249	1,564,951	-	1,564,951
Issue of bonus shares	11(a)	2,562,500	-	(1,281,250)	-	(1,281,250)	-	-	-
Purchase of treasury shares for employees share plan		-	-	-	-	-	-	-	-
Tier 1 sukuk issued	11(c)	-	(83,190)	-	-	-	(83,190)	-	(83,190)
Tier 1 Sukuk issuance cost	13	-	-	-	-	-	-	2,875,000	2,875,000
Tier 1 Sukuk related costs		-	-	-	-	(11,056)	(11,056)	-	(11,056)
Employee share-based plan reserve		-	-	-	-	(130,383)	(130,383)	-	(130,383)
Balance at 30 September 2025 (unaudited)		12,812,500	(83,190)	426,026	(451,673)	2,183,447	14,887,110	6,750,000	21,637,110
Balance at 1 January 2024 (audited)		8,200,000	-	3,449,537	(844,399)	1,735,356	12,540,494	3,875,000	16,415,494
Impact of restatement	20	-	-	-	212,633	-	212,633	-	212,633
Balance at 1 January 2024 (audited)-restated		8,200,000	-	3,449,537	(631,766)	1,735,356	12,753,127	3,875,000	16,628,127
Net income for the period		-	-	-	-	950,712	950,712	-	950,712
Other comprehensive income		-	-	-	118,766	-	118,766	-	118,766
Transfers to retained earnings on disposal of FVOCI equity investments		-	-	-	(143)	143	-	-	-
Total comprehensive income for the period	12	-	-	-	118,623	950,855	1,069,478	-	1,069,478
Issue of bonus shares		2,050,000	-	(2,050,000)	-	-	-	-	-
Tier 1 Sukuk related costs		-	-	-	-	(98,883)	(98,883)	-	(98,883)
Balance at 30 September 2024 (unaudited)		10,250,000	-	1,399,537	(513,143)	2,587,328	13,723,722	3,875,000	17,598,722

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

	Notes	For the nine month period ended	
		30 September 2025 SAR'000	30 September 2024 SAR'000
Net income for the period before zakat and income tax		1,306,468	1,084,929
OPERATING ACTIVITIES			
Adjustments to reconcile net income to net cash (used in) / generated from operating activities:			
Net gain on FVIS financial instruments		(50,067)	(64,169)
Net loss on investments held at amortised cost and FVOCI, net		14,045	3,005
Dividend income		(186,357)	(103,976)
Return on subordinated sukuk		106,369	118,772
Depreciation and amortization		130,545	141,217
Impairment charge for financing and other financial assets, net	6 (b)	253,899	225,745
Provision for end of service benefit obligations		36,246	42,061
Share in net income of an associate		(8,026)	(12,992)
Net (gain) / loss on disposal of property and equipment		(374)	26
Reversal of impairment charge for other real estate		-	(42,571)
		<u>1,602,748</u>	<u>1,392,047</u>
Net changes in operating assets:			
Statutory deposit with SAMA		(147,667)	(435,937)
Due from banks and other financial institutions maturing after ninety days from the date of acquisition		(618,023)	(1,987,121)
Investments held at FVIS		(55,673)	(329,108)
Positive fair value of Shari'ah compliant derivatives		48,780	54,713
Financing		(11,129,310)	(12,142,059)
Other real estate		20,383	400,929
Other assets		(391,881)	(554,630)
Net changes in operating liabilities:			
Due to banks, SAMA and other financial institutions		2,443,455	5,167,920
Customers' deposits		7,096,681	9,294,279
Negative fair value of Shari'ah compliant derivatives		9,478	87,252
Other liabilities		<u>413,963</u>	<u>121,309</u>
		<u>(707,066)</u>	<u>1,069,594</u>
End of service benefits paid		(19,913)	(27,935)
Zakat and income tax paid		(165,773)	(189,164)
Net cash (used in) / generated from operating activities		<u>(892,752)</u>	<u>852,495</u>
INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments held at amortised cost and FVOCI		3,009,468	4,226,588
Purchase of investments held at amortised cost and FVOCI		(4,188,038)	(5,320,594)
Dividend received		186,357	103,976
Additional investment in an associate		-	(76,271)
Dividend received from an associate		6,548	-
Acquisition of property and equipment		(183,306)	(172,764)
Proceeds from sale of property and equipment		618	12
Net cash used in investing activities		<u>(1,168,353)</u>	<u>(1,239,053)</u>

(CONTINUED)

The accompanying notes 1 to 21 form integral part of this interim condensed consolidated financial information.

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Bank AlJazira

(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (continued)

		For the nine month period ended	
	Notes	30 September 2025 SAR'000	30 September 2024 SAR'000
FINANCING ACTIVITIES			
Issue of Tier 1 Sukuk		2,875,000	-
Purchase of treasury shares		(83,190)	-
Payment of sukuk related issuance costs		(3,900)	-
Payment of return on Tier 1 sukuk		(130,383)	(99,637)
Payment of return on Tier 2 sukuk		(70,189)	(77,970)
Dividends paid		(161)	(3,650)
Payment for principal portion of lease liabilities		(64,963)	(76,850)
Net cash generated from / (used in) financing activities		2,522,214	(258,107)
Net change in cash and cash equivalents held		461,109	(644,665)
Cash and cash equivalents at the beginning of the period		2,324,385	2,722,860
Cash and cash equivalents at the end of the period	15	2,785,494	2,078,195
Income from investments and financing received during the period		6,317,623	5,745,769
Return on deposits and financial liabilities paid during the period		3,927,828	3,829,570
Supplemental non-cash information			
Right of use assets and lease liabilities		62,503	59,486
Net changes in fair value of cash flow hedges and transfers to the interim condensed consolidated statement of income		(51,189)	(15,623)



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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025

1. GENERAL

This interim condensed consolidated financial information includes the financial information of Bank AlJazira (the “Bank”) and its subsidiaries (collectively referred to as the “Group”). Bank AlJazira is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia and formed pursuant to Royal Decree number 46/M dated 12 Jumad Al-Thani 1395H (21 June 1975). The Bank commenced its business on 16 Shawwal 1396H (9 October 1976) with the takeover of The National Bank of Pakistan’s branches in the Kingdom of Saudi Arabia under commercial registration number 4030010523 dated 29 Rajab 1396H (27 July 1976) issued in Jeddah. The Bank is regulated by the Saudi Central Bank (SAMA). The Bank operates through its 73 branches (31 December 2024: 73 branches and 30 September 2024: 74 branches) and 24 Fawri Remittance Centers (31 December 2024: 38 and 30 September 2024: 43 Fawri Remittance Centers) in the Kingdom of Saudi Arabia. The Bank’s Head Office is located at the following address:

Bank AlJazira
7724 King Abdulaziz Road - Al-Shatea District
Jeddah 23513 - 3551
P.O. Box 6277, Jeddah 21442
Kingdom of Saudi Arabia

The objective of the Bank is to provide a full range of Shari’ah compliant (non-interest based) banking products and services comprising of Murabaha, Istisna’a, Ijarah, Tawaraq, Musharaka, Wa’ad Fx and Sukuk which are approved and supervised by an independent Shari’ah Board established by the Bank. The Bank’s shares are listed on Saudi Exchange in the Kingdom of Saudi Arabia.

The details of the Bank’s subsidiaries are as follows:

Subsidiaries	Country of incorporation	Nature of business	Ownership (direct and indirect) 30 September 2025	Ownership (direct and indirect) 31 December 2024	Ownership (direct and indirect) 30 September 2024
AlJazira Capital Company (AJC)	Kingdom of Saudi Arabia	Brokerage, margin financing and asset management	100%	100%	100%
Aman Development and Real Estate Investment Company	Kingdom of Saudi Arabia	Holding and managing real estate collaterals on behalf of the Bank	100%	100%	100%
Aman Insurance Agency Company (under liquidation – note (a) below)	Kingdom of Saudi Arabia	Acting as an agent for bancassurance activities on behalf of the Bank	100%	100%	100%
AlJazira Securities Limited	Cayman Islands	Carryout Shari’ah compliant derivative and capital market transactions	100%	100%	100%
BAJ Sukuk Tier 1 Limited	Cayman Islands	Trustee for issuance of Tier 1 capital certificates	100%	100%	100%

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

1. GENERAL (continued)

- a) During financial year 2021, Aman Insurance Agency Company (the Company) applied for its license renewal from Saudi Central Bank (“SAMA”), however, it was not renewed, as SAMA had issued rules governing bancassurance activities during May 2020 which require the banks to carry out Bancassurance business directly. This, as a result, restricted the ability of the Company to carry out business activities and therefore, management of the Company has initiated the winding up procedures which are in process as at 30 September 2025.

The detail of the Bank’s associate is as follows:

			Ownership (direct and indirect) 30 September 2025	Ownership (direct and indirect) 31 December 2024	Ownership (direct and indirect) 30 September 2024
	Country of incorporation	Nature of business			
Associate					
AlJazira Takaful Ta’awuni Company (ATT)	Kingdom of Saudi Arabia	Fully Shari’ah compliant protection and saving products	33.08%	33.08%	33.08%

This includes the Bank’s standalone shareholding of 29.36% (31 December 2024: 29.36% and 30 September 2024: 29.36%) and AJC’s shareholding of 3.72% (31 December 2024: 3.72% and 30 September 2024: 3.72%)

2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group as at and for the period ended 30 September 2025, has 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”).

This interim condensed consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024. The consolidated financial statements of the Group as at and for the year ended 31 December 2024, were prepared in accordance with the IFRS Accounting Standards (“IFRS”) as issued by International Accounting Standards Board and endorsed in the Kingdom of Saudi Arabia and in compliance with other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

The preparation of interim condensed consolidated financial information 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.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

2. BASIS OF PREPARATION (continued)

In preparing this interim condensed consolidated financial information, 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 as at and for the year ended 31 December 2024, except for new policies adopted as disclosed in note 4(a) and amendments that are applicable from the period beginning 1 January 2025 as disclosed in note 4(b).

This interim condensed consolidated financial information is expressed in Saudi Arabian Riyals (SAR) and is rounded off to the nearest thousands except where otherwise stated and the functional currency of the Bank is Saudi Riyal.

3. BASIS OF CONSOLIDATION

This interim condensed consolidated financial information comprises the interim condensed financial information of Bank AlJazira and its subsidiaries as set out in note 1. The financial information of the subsidiaries is prepared for the same reporting period as that of the Bank.

The interim condensed consolidated financial information has been prepared using uniform accounting policies and valuation methods for like transactions and other events in similar circumstances. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

a) Subsidiaries

Subsidiaries are entities which are controlled by the Bank. The Bank controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. To meet the definition of control, all of the following three criteria must be met:

- i. the Group has power over an entity;
- ii. the Group has exposure, or rights, to variable returns from its involvement with the entity; and
- iii. the Group has the ability to use its power over the entity to affect the amount of the entity's returns.

The Group re-assesses whether or not it controls an investee in case facts and circumstances indicate that there are changes to one or more of the criteria of control.

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

Bank AlJazira

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

3. BASIS OF CONSOLIDATION (continued)

b) Non-controlling interests

Non-controlling interests represent the portion of net income and net assets of subsidiaries not owned, directly or indirectly, by the Group in its subsidiaries and are presented separately in the interim condensed consolidated statement of income and within equity in the interim condensed consolidated statement of financial position, separately from the Bank's equity. Any losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

c) Transactions eliminated on consolidation

Balances between the Group entities, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the interim condensed consolidated financial information. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

d) Investment in an associate

Associates are entities over which the Group exercises significant influence. Investments in associates are initially recognized at cost and subsequently accounted for under the equity method of accounting and are carried in the interim condensed consolidated statement of financial position at the lower of the equity-accounted value or the recoverable amount.

Equity-accounted value represents the cost-plus post-acquisition changes in the Group's share of net assets of the associate (share of the results, reserves and accumulated gains/ (losses) based on the latest available financial information) less impairment, if any.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on its investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in 'share in net income / (loss) of an associate' in the interim condensed consolidated statement of income.

The previously recognized impairment loss in respect of investment in associate can be reversed through the interim condensed consolidated statement of income, such that the carrying amount of the investment in the interim condensed consolidated statement of financial position remains at the lower of the equity-accounted (before allowance for impairment) or the recoverable amount.

Unrealized gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

4. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new policies and new standards effective as of 1 January 2025. Several amendments apply for the first time in 2025 but do not have impact on this interim condensed consolidated financial information of the Group. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

a) New accounting policies adopted by the Group:

Treasury shares

These are recorded at cost and presented as a deduction from the equity as adjusted for any transaction cost, dividends and gains or losses on sale of such shares. Subsequent to their acquisition, these are carried at the amount equal to consideration paid.

These stocks are acquired by the Bank with the approval of SAMA, primarily for discharging its obligation under its employee share-based payment plan.

Share based payments

The Bank offers its eligible employees an equity-settled share-based payment plan as approved by Saudi Central Bank. As per the plan, eligible employees of the Bank are offered stocks to be withheld out of their annual bonus payments.

The cost of the plan is measured by reference to the fair value at the date on which the stocks are granted. The cost of the plan is recognized over the period in which the service condition is fulfilled, ending on the date on which the relevant employees become fully entitled to the stocks ('the vesting date'). The cumulative expense recognized for the plan at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Bank's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the interim condensed consolidated statement of income for the period represents the movement in cumulative expense recognized as at the beginning and end of that period.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

4. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS (continued)

b) New standards, interpretations and amendments adopted by the Group

Following standards, interpretation or amendment are effective from the current year and are adopted by the Group, however, these does not have any significant impact on the interim condensed consolidated financial information of the Group, unless otherwise stated below:

Standard, interpretation, amendments	Description	Effective date
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Accounting & Financial reporting standards

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.	1 January 2025
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c) Accounting standards issued but not yet effective

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments and revisions which are not effective. The Group has opted not to early adopt these pronouncements and they do not have a significant impact on the interim condensed consolidated financial statements of the Group.

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
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG (Environmental, Social, and Governance)-linked features could now meet the SPPI (Solely Payments of Principal and Profit) criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

4. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS (continued)

c) Accounting standards issued but not yet effective (continued)

Standard, interpretation, amendments	Description	Effective date
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. The management is currently assessing the impact of IFRS 18.	1 January 2027
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.	1 January 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

5. INVESTMENTS, NET

5.1 Investments are classified as follows:

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000 Restated	30 September 2024 (Unaudited) SAR'000 Restated
Held at FVIS	1,900,358	1,794,618	1,877,405
Held at FVOCI	14,366,212	13,529,718	13,565,762
Allowance for impairment	(2,276)	(1,847)	(1,825)
Held at FVOCI, net	14,363,936	13,527,871	13,563,937
Held at Amortised Cost	21,888,219	21,093,972	20,841,132
Allowance for impairment	(9,241)	(10,105)	(9,694)
Held at Amortized Cost, net	21,878,978	21,083,867	20,831,438
Total	38,143,272	36,406,356	36,272,780

5.2 The details of the Group's investments by type are summarized as follows:

	30 September 2025 (Unaudited) SAR'000		
	Domestic	International	Total
i) FVIS			
Mutual funds	318,112	1,506,775	1,824,887
Equities – quoted	40,264	-	40,264
Equities – unquoted	-	22,589	22,589
Convertible debt instrument	-	12,618	12,618
	358,376	1,541,982	1,900,358
ii) FVOCI			
Equities – unquoted	742,479	1,875	744,354
Fixed rate Sukuk – equities	2,282,927	210,765	2,493,692
Floating rate Sukuk - equities	700,000	-	700,000
Fixed rate Sukuks	9,864,843	-	9,864,843
Floating rate Sukuks	563,323	-	563,323
	14,153,572	212,640	14,366,212
Allowance for impairment	(2,276)	-	(2,276)
	14,151,296	212,640	14,363,936
iii) Amortised cost			
Fixed rate Sukuks	18,058,512	377,288	18,435,800
Floating rate Sukuks	3,452,419	-	3,452,419
	21,510,931	377,288	21,888,219
Allowance for impairment	(8,875)	(366)	(9,241)
	21,502,056	376,922	21,878,978
Total	36,011,728	2,131,544	38,143,272

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

5. INVESTMENTS, NET (Continued)

31 December 2024 (Audited)			
SAR'000			
	Domestic	International	Total
i) FVIS			Restated
Mutual funds	166,845	1,581,302	1,748,147
Equities – quoted	17,264	-	17,264
Equities – unquoted	-	22,589	22,589
Convertible debt instrument	-	6,618	6,618
	184,109	1,610,509	1,794,618
ii) FVOCI			
Equities – unquoted	742,478	1,429	743,907
Fixed rate Sukuk – equities	2,093,206	206,172	2,299,378
Floating rate Sukuk - equities	700,000	-	700,000
Fixed rate Sukuks	9,496,067	-	9,496,067
Floating rate Sukuks	290,366	-	290,366
	13,322,117	207,601	13,529,718
Allowance for impairment	(1,847)	-	(1,847)
	13,320,270	207,601	13,527,871
iii) Amortised cost			
Fixed rate Sukuks	16,187,728	382,707	16,570,435
Floating rate Sukuks	3,412,116	-	3,412,116
Wakala floating rate notes	1,111,421	-	1,111,421
	20,711,265	382,707	21,093,972
Allowance for impairment	(9,733)	(372)	(10,105)
	20,701,532	382,335	21,083,867
Total	34,205,911	2,200,445	36,406,356

30 September 2024 (Unaudited)			
SAR'000			
	Domestic	International	Total
i) FVIS			Restated
Mutual funds	446,621	1,379,890	1,826,511
Equities – quoted	25,908	-	25,908
Equities – unquoted	-	20,486	20,486
Convertible debt instrument	-	4,500	4,500
	472,529	1,404,876	1,877,405
ii) FVOCI			
Equities – unquoted	676,776	918	677,694
Fixed rate Sukuk – equities	2,077,076	206,990	2,284,066
Floating rate Sukuk - equities	500,000	-	500,000
Fixed rate Sukuks	9,818,831	-	9,818,831
Floating rate Sukuks	285,171	-	285,171
	13,357,854	207,908	13,565,762
Allowance for impairment	(1,825)	-	(1,825)
	13,356,029	207,908	13,563,937
iii) Amortised cost			
Fixed rate Sukuks	15,903,150	377,288	16,280,438
Floating rate Sukuks	3,448,292	-	3,448,292
Wakala floating rate notes	1,112,402	-	1,112,402
	20,463,844	377,288	20,841,132
Allowance for impairment	(9,328)	(366)	(9,694)
	20,454,516	376,922	20,831,438
Total	34,283,074	1,989,706	36,272,780

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

6. FINANCING, NET

The financing is classified as at amortized cost as follows:

	SAR'000				
	<u>Credit cards</u>	<u>Consumer</u>	<u>Commercial</u>	<u>Others</u>	<u>Total</u>
30 September 2025 (Unaudited)					
Performing financing	818,587	36,953,921	70,546,730	310,939	108,630,177
Non-performing financing	42,038	201,216	952,509	10,032	1,205,795
Gross financing	860,625	37,155,137	71,499,239	320,971	109,835,972
Allowance for impairment	(65,311)	(237,273)	(1,715,858)	(5,051)	(2,023,493)
Financing, net	795,314	36,917,864	69,783,381	315,920	107,812,479
	SAR'000				
	<u>Credit cards</u>	<u>Consumer</u>	<u>Commercial</u>	<u>Others</u>	<u>Total</u>
31 December 2024 (Audited)					
Performing financing	787,212	34,211,203	62,952,157	288,854	98,239,426
Non-performing financing	50,724	231,581	910,885	8,887	1,202,077
Gross financing	837,936	34,442,784	63,863,042	297,741	99,441,503
Allowance for impairment	(71,896)	(239,431)	(2,213,105)	(4,575)	(2,529,007)
Financing, net	766,040	34,203,353	61,649,937	293,166	96,912,496
	SAR'000				
	<u>Credit cards</u>	<u>Consumer</u>	<u>Commercial</u>	<u>Others</u>	<u>Total</u>
30 September 2024 (Unaudited)					
Performing financing	814,372	32,554,380	60,257,263	293,869	93,919,884
Non-performing financing	50,713	254,082	919,978	10,963	1,235,736
Gross financing	865,085	32,808,462	61,177,241	304,832	95,155,620
Allowance for impairment	(71,704)	(239,626)	(2,129,282)	(5,384)	(2,445,996)
Financing, net	793,381	32,568,836	59,047,959	299,448	92,709,624

Financing, net represents Shari'ah compliant products in respect of Murabaha agreements, Ijarah, Istisnaat, Musharaka and Tawarruq.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

6. FINANCING, NET (continued)

a) Movement in allowance for impairment is as follows:

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Balance at the beginning of the period / year	2,529,007	2,792,532	2,792,532
Impairment charge for financing	496,708	526,381	369,848
Bad debts written off	(885,725)	(585,505)	(581,354)
(Reversal) / (recoveries) of amounts previously provided	(116,497)	(204,401)	(135,030)
Balance at the end of the period / year	<u>2,023,493</u>	<u>2,529,007</u>	<u>2,445,996</u>

b) Net impairment charge for financing and other financial assets for the period in the interim condensed consolidated statement of income comprised of:

	30 September 2025 (Unaudited) SAR'000	30 September 2024 (Unaudited) SAR'000
Impairment charge for financing	496,708	369,848
(Reversal) / (recoveries) of amounts previously provided	(116,497)	(135,030)
(Recoveries) from debts previously written off	(150,883)	(21,482)
Net impairment charge for ECL in respect of due from banks and other financial institutions	533	476
Net impairment reversal for ECL in respect of investments	(435)	(175)
Net impairment charge for ECL in respect of non-funded financing and credit related commitments	24,473	12,108
Impairment charge for financing and other financial assets, net	<u>253,899</u>	<u>225,745</u>

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

6. FINANCING, NET (continued)

- c) The following table explains changes in gross carrying amount of the financing to help explain their significance to the changes in the loss allowance.

	30 September 2025 (Unaudited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
Gross carrying amount as at 1 January 2025	93,437,785	2,571,824	3,431,894	99,441,503
Transfer to 12-month ECL	132,469	(126,518)	(5,951)	-
Transfer to lifetime ECL not credit – Impaired	(604,965)	911,167	(306,202)	-
Transfer to lifetime ECL credit impaired	(169,928)	(277,130)	447,058	-
New financial assets originated	21,054,483	-	-	21,054,483
Financial assets that have been derecognized	(8,619,405)	(171,115)	(277,640)	(9,068,160)
Changes in financing income accrual	58,248	-	-	58,248
Other movements	(296,228)	(507,707)	39,558	(764,377)
Write-offs	-	-	(885,725)	(885,725)
Gross carrying amount as at 30 September 2025	104,992,459	2,400,521	2,442,992	109,835,972

	31 December 2024 (Audited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
Gross carrying amount as at 1 January 2024	76,337,327	3,332,655	3,903,451	83,573,433
Transfer to 12-month ECL	889,925	(796,507)	(93,418)	-
Transfer to lifetime ECL not credit – Impaired	(779,324)	834,861	(55,537)	-
Transfer to lifetime ECL credit impaired	(46,661)	(673,580)	720,241	-
New financial assets originated	22,900,247	187,320	16,506	23,104,073
Financial assets that have been derecognized	(8,412,339)	(167,211)	(388,475)	(8,968,025)
Changes in financing income accrual	234,669	-	-	234,669
Other movements	2,313,941	(145,714)	(85,369)	2,082,858
Write-offs	-	-	(585,505)	(585,505)
Gross carrying amount as at 31 December 2024	93,437,785	2,571,824	3,431,894	99,441,503

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

6. FINANCING, NET (continued)

	30 September 2024 (Unaudited)			Total
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
	(SAR'000)			
Gross carrying amount as at 1 January 2024	76,337,327	3,332,655	3,903,451	83,573,433
Transfer to 12-month ECL	841,440	(771,496)	(69,944)	-
Transfer to lifetime ECL not credit – Impaired	(340,706)	414,215	(73,509)	-
Transfer to lifetime ECL credit impaired	(30,789)	(661,137)	691,926	-
New financial assets originated	27,267,624	160,485	174,290	27,602,399
Financial assets that have been derecognized	(17,294,087)	(200,655)	(268,040)	(17,762,782)
Changes in financing income accrual	47,742	-	-	47,742
Other movements	2,514,810	(20,165)	(218,463)	2,276,182
Write-offs	-	-	(581,354)	(581,354)
Gross carrying amount as at 30 September 2024	<u>89,343,361</u>	<u>2,253,902</u>	<u>3,558,357</u>	<u>95,155,620</u>

Other movements reflect changes in exposures for customers who remained in the same stage during the period.

d) An analysis of changes in ECL for financing is, as follows:

	30 September 2025 (Unaudited)			Total
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
	(SAR'000)			
ECL as at 1 January 2025	317,382	282,012	1,929,613	2,529,007
Transfer to 12-month ECL	4,366	(1,589)	(2,777)	-
Transfer to lifetime ECL not credit – Impaired	(3,158)	22,332	(19,174)	-
Transfer to lifetime ECL credit impaired	(2,695)	(47,124)	49,819	-
Net re-measurement of loss allowance	(17,617)	(14,568)	380,855	348,670
New financial assets originated	90,846	-	-	90,846
Financial assets that have been derecognized	(26,641)	(1,509)	(31,155)	(59,305)
Write-offs	-	-	(885,725)	(885,725)
ECL as at 30 September 2025	<u>362,483</u>	<u>239,554</u>	<u>1,421,456</u>	<u>2,023,493</u>

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

6. FINANCING, NET (continued)

d) An analysis of changes in ECL for financing is, as follows: (continued)

	31 December 2024 (Audited)			Total
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	
	(SAR'000)			
ECL as at 1 January 2024	256,078	250,907	2,285,547	2,792,532
Transfer to 12-month ECL	56,291	(41,764)	(14,527)	-
Transfer to lifetime ECL not credit – Impaired	(2,119)	8,446	(6,327)	-
Transfer to lifetime ECL credit impaired	(372)	(33,317)	33,689	-
Net re-measurement of loss allowance	(57,563)	99,797	283,921	326,155
New financial assets originated	93,837	2,012	7,982	103,831
Financial assets that have been derecognized	(28,770)	(4,069)	(75,167)	(108,006)
Write-offs	-	-	(585,505)	(585,505)
ECL as at 31 December 2024	<u>317,382</u>	<u>282,012</u>	<u>1,929,613</u>	<u>2,529,007</u>
	30 September 2024 (Unaudited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
ECL as at 1 January 2024	256,078	250,907	2,285,547	2,792,532
Transfer to 12-month ECL	46,419	(41,598)	(4,821)	-
Transfer to lifetime ECL not credit - impaired	(1,680)	15,137	(13,457)	-
Transfer to lifetime ECL credit impaired	(310)	(33,065)	33,375	-
Net re-measurement of loss allowance	(53,989)	64,263	193,089	203,363
New financial assets originated	87,171	1,512	72,151	160,834
Financial assets that have been derecognized	(32,541)	(2,401)	(94,437)	(129,379)
Write-offs	-	-	(581,354)	(581,354)
ECL as at 30 September 2024	<u>301,148</u>	<u>254,755</u>	<u>1,890,093</u>	<u>2,445,996</u>

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

7. INVESTMENT IN AN ASSOCIATE

Investment in an associate represents the investment made by the Group in AlJazira Takaful Ta'awuni Company ("ATT"). The Group effectively holds 33.08% (31 December 2024: 33.08% and 30 September 2024: 33.08%) shareholding in ATT.

The share of total comprehensive income in an associate represents the Group's share in the total comprehensive income of ATT and was based on the latest available financial information of ATT for the period ended 30 June 2025. ATT is listed with Saudi Stock Exchange (Tadawul) and the market value of the investment in ATT as of 30 September 2025 was SAR 279.2 million (31 December 2024: SAR 359.34 million and 30 September 2024: SAR 370.69 million) based on Saudi Stock Exchange (Tadawul) market price.

8. CUSTOMERS' DEPOSITS

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Demand	32,084,453	34,564,643	32,974,899
Saving and call deposits	14,267,692	11,114,104	7,850,701
Customers' time investments	66,847,016	60,193,863	59,513,466
Other	2,084,034	2,313,904	3,009,614
Total	115,283,195	108,186,514	103,348,680

Customers' time investments comprise deposits received on Shari'ah Compliant (non-commission based) Murabaha and Wakala products.

9. SHARIAH COMPLIANT DERIVATIVES

9.1 Nature/type of derivatives held

In the ordinary course of business, the Group utilizes the following Shari'ah compliant derivative financial instruments for both trading and strategic hedging purposes:

a) Swaps

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

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9. SHARIAH COMPLIANT DERIVATIVES

9.1 Nature/type of derivatives held (continued)

b) Options (Wa'ad Fx)

Foreign exchange options are transactions, whereby a client, in consideration for the payment of a fee agrees to enter into one or a series of trades in which one party (promisor) gives a commitment as a unilateral undertaking, to a second party (promisee).

An option can be a unilateral promise or combination of promises. The Group enters into the option depending on the client's risk profile, whereby the client may promise to buy, sell or buy and sell a currency with or without conditions for hedging its exposure.

9.2 Purpose of derivatives

a) Held for trading purposes

Most of the Group's derivative trading activities relate to sales, positioning and arbitrage. Sales activities involve offering products to customers in order, to enable them to transfer, modify or reduce current and future risks. Positioning involves managing market risk positions with the expectation of profiting from favourable movements in prices, rates or indices. Arbitrage involves identifying, with the expectation of profiting from, price differentials between markets or products.

b) Held for hedging purposes

The Group uses Shari'ah compliant derivatives for hedging purposes in order to reduce its exposure to profit rate risk and foreign exchange risk.

The Group has adopted a comprehensive system for the measurement and management of risk. Part of the risk management process involves managing the Group's exposure to fluctuations in foreign exchange and profit rates to reduce its exposure to currency and profit rate risks to acceptable levels as determined by the Board of Directors within the guidelines issued by Saudi Central Bank.

As part of its financial asset and liability management, the Group uses Shari'ah compliant derivatives for hedging purposes in order to adjust its own exposure to currency and profit rate risk. This is generally achieved by hedging specific transactions.

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9. SHARIAH COMPLIANT DERIVATIVES (continued)

9.2 Purpose of derivatives (continued)

b) Held for hedging purposes (continued)

Cash flow hedges

The Group is exposed to variability in future cash flows on non-trading assets and liabilities which bear profit at a variable rate. The Group uses profit rate swaps as cash flow hedges of these profit rate risks.

The gains on cash flow hedges reclassified to the interim condensed consolidated statement of income during the period are as follows:

	30 September 2025 (Unaudited) SAR'000	30 September 2024 (Unaudited) SAR'000
Income from investments and financing	43,192	24,500
Return on deposits and financial liabilities	(19,791)	(20,817)
Net gains on cash flow hedges reclassified to the interim condensed consolidated statement of income	23,401	3,683

The cash flow hedges of profit rate swap were highly effective in offsetting the variability of return on investments and deposits.

Fair value loss on cash flow hedges amounting to SAR 27.79 million (30 September 2024: loss of SAR 11.94 million) included in the interim condensed consolidated statement of comprehensive income comprised of net unrealized loss of SAR 67.26 million (30 September 2024: net unrealized loss of SAR 145.07 million) and net realized gain of SAR 39.47 million (30 September 2024: net realized gain of SAR 133.13 million) on terminated hedge relationships.

During the current and prior periods, the Group sold certain of its profit rate swaps used for cash flows hedges. However, the gain / (loss) would continue to be classified in interim condensed consolidated statement of comprehensive income as the related hedge items are still outstanding. In accordance with the IFRS requirements, the gain / (loss) will be reclassified to interim condensed consolidated statement of income in the period when the cash flows pertaining to hedged items will affect the interim condensed consolidated statement of income i.e. when profit receipts / payments impact the interim condensed consolidated statement of income which is over the remaining maturity of financial instrument / hedge items.

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9. SHARIAH COMPLIANT DERIVATIVES (continued)

9.3 Details of shar'iah compliant derivatives

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

30 September 2025 (Unaudited) SAR'000			
	Positive fair value	Negative fair value	Notional amount
Held for trading:			
Options	6,026	6,026	1,188,833
Profit rate swaps	57,274	49,224	6,678,852
Cross currency profit rate swaps	20,855	21,103	1,875,000
Currency swaps	3,159	1,380	4,631,250
Currency forwards (Wa'ad)	2	11	13,040
Total	87,316	77,744	14,386,975
Held as cash flow hedge:			
Profit rate swaps	15,641	96,733	3,781,250
Total	102,957	174,477	18,168,225

31 December 2024 (Audited) SAR'000			
	Positive fair value	Negative fair value	Notional amount
Held for trading:			
Options	19,636	19,636	1,188,832
Profit rate swaps	73,630	65,104	5,650,087
Cross currency profit rate swaps	411	2,020	1,875,000
Currency swaps	1,175	3,516	3,168,750
Currency forwards (Wa'ad)	199	149	82,529
Total	95,051	90,425	11,965,198
Held as cash flow hedge:			
Profit rate swaps	56,686	74,574	5,137,500
Total	151,737	164,999	17,102,698

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9. SHARIAH COMPLIANT DERIVATIVES (continued)

9.3 Details of shar'iah compliant derivatives (continued)

	30 September 2024 (Unaudited)		
	SAR'000		
	Positive fair value	Negative fair value	Notional amount
Held for trading:			
Options	21,598	21,598	1,188,833
Profit rate swaps	99,153	90,602	6,385,015
Cross currency profit rate swaps	18,927	25,512	1,875,000
Currency swaps	1,258	1,446	4,028,507
Currency forwards (Wa'ad)	78	56	106,531
Total	141,014	139,214	13,583,886
Held as cash flow hedge:			
Profit rate swaps	26,781	95,099	4,100,000
Total	167,795	234,313	17,683,886

Held for trading profit rate swaps (positive fair value / negative fair value) include accrued receivable amounting to SAR 34.39 million (31 December 2024: SAR 8.40 million and 30 September 2024: SAR 38.09 million) and accrued payable amounting to SAR 36.43 million (31 December 2024: SAR 8.40 million and 30 September 2024: SAR 39.99 million). Held as cash flow hedge profit rate swaps (positive fair value / negative fair value) include accrued receivable amounting to SAR 15.64 million (31 December 2024: SAR 35.26 million and 30 September 2024: SAR 22.53 million) and accrued payable amounting to SAR 12.91 million (31 December 2024: SAR 36.59 million and 30 September 2024: SAR 18.44 million).

10. SUBORDINATED SUKUK

On 8 December 2021, the Bank issued 2,000 Subordinated Sukuk Certificates (Sukuk) of SAR 1 million each, with a profit distribution rate based on 6 month Saudi Inter-Bank Offered Rate (SIBOR), reset semi-annually in advance, plus a margin of 155 basis point per annum and payable semi-annually in arrears on 8 December and 8 June each year until 8 December 2031, on which date the Sukuk will expire. The Bank has a call option which can be exercised on or after 8 December 2026 on meeting certain conditions and as per the terms mentioned in the related offering circular. The Sukuk may also be called upon occurrence of certain other conditions as per the terms specified in the offering circular. These Sukuk are registered with Saudi Exchange (Tadawul).

11. SHARE CAPITAL AND EARNINGS PER SHARE

a) Share Capital:

The shareholders of the Bank in their Extra Ordinary General Assembly Meeting held on April 28, 2025 approved the increase in the Bank's share capital from SAR 10.25 billion to SAR 12.8 billion (increase of SAR 2.56 billion) through the issuance of bonus shares to shareholders of the Bank in the ratio of one share for every four shares held. The legal formalities relating to the increase in share capital completed during second quarter of 2025. Accordingly, the authorized, issued and fully paid share capital of the Bank consists of 1,281.25 million shares of SAR 10 each (31 December 2024: 1,025 million shares of SAR 10 each and 30 September 2024: 1,025 million shares of SAR 10 each).

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11. SHARE CAPITAL AND EARNINGS PER SHARE (continued)

b) Earnings per share

Basic earnings per share for the current and prior periods is calculated by dividing the net income for the period attributable to common equity holders of the Bank (adjusted for Tier 1 sukuk related costs) by the weighted average number of ordinary shares outstanding.

The weighted average number of shares have been retrospectively adjusted for prior periods to reflect the effect of the changes in number of shares due to issue of bonus shares.

	For the three month period ended		For the nine month period ended	
	30 September 2025 (Unaudited) SAR'000	30 September 2024 (Unaudited) SAR'000	30 September 2025 (Unaudited) SAR'000	30 September 2024 (Unaudited) SAR'000
Net income for the period attributable to ordinary shareholders (adjusted for Tier 1 sukuk related costs) For basic and diluted earnings per share	368,627	332,721	1,012,866	851,829
Weighted-average number of ordinary shares after the adjustment of treasury shares For basic and diluted earnings per share	1,275,625,000	Restated 1,281,250,000	1,276,393,224	Restated 1,281,250,000
Basic and diluted earnings per share (in SAR)	0.29	0.26	0.79	0.66

The calculations of basic and diluted earnings per share are same for the Bank.

c) Treasury Shares

The Extraordinary General Assembly Meeting held on 11 December 2024, approved the Employee Share Plan for which 4.5 million shares (pre-bonus issue) were to be purchased as treasury shares for allocating them to the Employee Share Plan. The Bank completed the purchase of these shares during the first quarter of 2025.

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12. OTHER RESERVES

<u>30 September 2025 (Unaudited)</u>	<u>Cash flow hedges SAR' 000</u>	<u>Fair value reserve – FVOCI debt SAR' 000</u>	<u>Fair value reserve – FVOCI equity SAR' 000</u>	<u>Actuarial Gains SAR' 000</u>	<u>Employees share- based plan reserve SAR' 000</u>	<u>Share in OCI of associate SAR' 000</u>	<u>Total SAR' 000</u>
Balance at beginning of the period	38,319	(1,187,941)	226,281	31,691	-	10,817	(880,833)
Net change in fair value	(27,788)	424,926	41,290	-	-	6,675	445,103
Transfer to interim condensed consolidated statement of income (note 9.2(b))	(23,401)	-	-	-	-	-	(23,401)
Employee share based plan reserve	-	-	-	-	7,458	-	7,458
Net movement during the period	(51,189)	424,926	41,290	-	7,458	6,675	429,160
Balance at end of the period	(12,870)	(763,015)	267,571	31,691	7,458	17,492	(451,673)

<u>31 December 2024 (Audited)-Restated</u>	<u>Cash flow hedges SAR' 000</u>	<u>Fair value reserve – FVOCI debt SAR' 000</u>	<u>Fair value reserve – FVOCI equity SAR' 000</u>	<u>Actuarial gains SAR' 000</u>	<u>Share in OCI of associate SAR' 000</u>	<u>Total SAR' 000</u>
Balance at beginning of the year	31,290	(859,574)	(75,324)	49,376	9,833	(844,399)
Impact of restatement (note 20)	-	-	212,633	-	-	212,633
Balance at beginning of the year – restated	31,290	(859,574)	137,309	49,376	9,833	(631,766)
Net change in fair value	17,178	(328,367)	89,115	-	984	(221,090)
Transfers to retained earnings on disposal	-	-	(143)	-	-	(143)
Transfer to consolidated statement of income	(10,149)	-	-	-	-	(10,149)
Actuarial gains on employee benefit obligation	-	-	-	(17,685)	-	(17,685)
Net movement during the year	7,029	(328,367)	88,972	(17,685)	984	(249,067)
Balance at end of the year	38,319	(1,187,941)	226,281	31,691	10,817	(880,833)

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

12. OTHER RESERVES (continued)

<u>30 September 2024</u> <u>(Unaudited)-Restated</u>	Cash flow hedges <u>SAR' 000</u>	Fair value reserve – FVOCI debt <u>SAR' 000</u>	Fair value reserve – FVOCI equity <u>SAR' 000</u>	Actuarial Gains <u>SAR' 000</u>	Share in OCI of associate <u>SAR' 000</u>	Total <u>SAR' 000</u>
Balance at beginning of the period	31,290	(859,574)	(75,324)	49,376	9,833	(844,399)
Impact of restatement (note 20)	-	-	212,633	-	-	212,633
Balance at beginning of the period – restated	31,290	(859,574)	137,309	49,376	9,833	(631,766)
Net change in fair value	(11,940)	86,282	47,123	-	984	122,449
Transfers to retained earnings on disposal	-	-	(143)	-	-	(143)
Transfer to interim condensed consolidated statement of income (note 9.2(b))	(3,683)	-	-	-	-	(3,683)
Net movement during the period	(15,623)	86,282	46,980	-	984	118,623
Balance at end of the period	15,667	(773,292)	184,289	49,376	10,817	(513,143)

13. TIER 1 SUKUK

During the current quarter, the Bank issued cross border Tier 1 Sukuk through a Shari'ah compliant arrangement amounting to SAR 1.875 billion (denominated in US Dollars). This issuance forms part of the Bank's USD 1.5 billion Additional Tier 1 Capital Sukuk Programme. This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6.5% per annum from date of issue up to September 2030 and is subject to reset every 5 years.

During the first quarter of the current period, the Bank also completed the issuance of an SAR-denominated additional Tier 1 sukuk of SAR 1 billion (which is part of additional Tier 1 Capital Sukuk Programme of SAR 5 billion) by way of a private placement in Saudi Arabia. This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6.3% per annum from date of issue up to January 2030 and is subject to reset every 5 years.

As part of the additional Tier 1 Capital Sukuk Programme of SAR 5 billion, the Bank had also completed during year 2023, the issuance of an SAR-denominated additional Tier 1 sukuk of SAR 2 billion by way of a private placement in Saudi Arabia. This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6% per annum from date of issue up to June 2028 and is subject to reset every 5 years.

Additionally, during the year 2021, the Bank issued cross border Tier 1 Sukuk (the "Sukuk") through a Shari'ah compliant arrangement amounting to SAR 1.875 billion (denominated in US Dollars). This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 3.95% per annum from date of issue up to June 2026 and is subject to reset every 5 years.

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13. TIER 1 SUKUK (continued)

These Sukuks are perpetual securities in respect of which there is no fixed redemption dates and represents an undivided ownership interest of the Sukuk-holders in the Sukuk assets, with each Sakk constituting an unsecured, conditional and subordinated obligation of the Bank classified under equity. However, the Bank shall have the exclusive right to redeem or call the Sukuks in a specific period of time, subject to the terms and conditions stipulated in the Sukuk agreement.

The applicable profit on the Sukuks is payable semi-annual 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.

14. COMMITMENTS AND CONTINGENCIES

a) 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 31 December 2024.

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

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Letters of credit	3,958,878	2,880,118	3,422,568
Letters of guarantee	18,054,203	12,223,553	12,278,833
Acceptances	916,779	1,108,259	1,350,038
Irrevocable commitments to extend credit	2,005,094	2,092,329	2,261,509
Total	24,934,954	18,304,259	19,312,948
Allowance for impairment [b(ii)]	(375,725)	(351,252)	(341,919)
Net exposure	24,559,229	17,953,007	18,971,029

-b)(i) The following table explains changes in gross exposure of the credit related commitments and contingencies to help explain their significance to the changes in the credit loss allowance for the same portfolio.

	30 September 2025 (Unaudited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
Gross exposure as at 1 January 2025	17,283,933	486,381	533,945	18,304,259
Transfer to 12-month ECL	17,859	(16,583)	(1,276)	-
Transfer to lifetime ECL not credit impaired	(591,628)	591,628	-	-
Transfer to lifetime ECL credit impaired	(28,709)	-	28,709	-
New financial assets originated	4,947,151	-	-	4,947,151
Financial assets derecognised during the period	(941,305)	(5,148)	(25,693)	(972,146)
Other movements	1,513,893	1,142,382	(585)	2,655,690
Gross exposure as at 30 September 2025	22,201,194	2,198,660	535,100	24,934,954

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14. COMMITMENTS AND CONTINGENCIES (continued)

	31 December 2024 (Audited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
Gross exposure as at 1 January 2024	13,187,483	48,116	519,682	13,755,281
Transfer to 12-month ECL	46,078	(44,772)	(1,306)	-
Transfer to lifetime ECL not credit impaired	(127,236)	127,236	-	-
Transfer to lifetime ECL credit impaired	(28,475)	(1,178)	29,653	-
New financial assets originated	5,148,474	5,000	-	5,153,474
Financial assets derecognised during the year	(1,008,259)	(685)	(14,078)	(1,023,022)
Other movements	65,868	352,664	(6)	418,526
Gross exposure as at 31 December 2024	17,283,933	486,381	533,945	18,304,259
	30 September 2024 (Unaudited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
Gross exposure as at 1 January 2024	13,187,483	48,116	519,682	13,755,281
Transfer to 12-month ECL	47,308	(46,001)	(1,307)	-
Transfer to lifetime ECL not credit impaired	(32,858)	32,858	-	-
Transfer to lifetime ECL credit impaired	(28,400)	-	28,400	-
New financial assets originated	4,263,178	7,590	-	4,270,768
Financial assets derecognised during the period	(903,566)	(685)	(14,077)	(918,328)
Other movements	2,216,055	(10,828)	-	2,205,227
Gross exposure as at 30 September 2024	18,749,200	31,050	532,698	19,312,948

Other movements reflect changes in exposures for customers who remained in the same stage during the period.

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14. COMMITMENTS AND CONTINGENCIES (continued)

- b)(ii) An analysis of changes in allowance for ECL for credit related commitments and contingencies is as follows:

	30 September 2025 (Unaudited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
ECL as at 1 January 2025	52,487	2,059	296,706	351,252
Transfer to 12-month ECL	712	(74)	(638)	-
Transfer to lifetime ECL not credit impaired	(4,458)	4,458	-	-
Transfer to lifetime ECL credit impaired	(153)	-	153	-
Net re-measurement of loss allowance	(3,722)	11,384	32,621	40,283
New financial assets originated	11,091	-	-	11,091
Financial assets that have been derecognized	(1,450)	(9)	(25,442)	(26,901)
ECL as at 30 September 2025	54,507	17,818	303,400	375,725
	31 December 2024 (Audited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
ECL as at 1 January 2024	44,753	301	284,757	329,811
Transfer to 12-month ECL	270	(232)	(38)	-
Transfer to lifetime ECL not credit impaired	(344)	344	-	-
Transfer to lifetime ECL credit impaired	(196)	(6)	202	-
Net re-measurement of loss allowance	(5,102)	1,640	19,889	16,427
New financial assets originated	15,270	38	-	15,308
Financial assets that have been derecognized	(2,164)	(26)	(8,104)	(10,294)
ECL as at 31 December 2024	52,487	2,059	296,706	351,252
	30 September 2024 (Unaudited)			
	12 month ECL (Stage 1)	Life time ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	(SAR'000)			
ECL as at 1 January 2024	44,753	301	284,757	329,811
Transfer to 12-month ECL	276	(238)	(38)	-
Transfer to lifetime ECL not credit impaired	(162)	162	-	-
Transfer to lifetime ECL credit impaired	(195)	-	195	-
Net re-measurement of loss allowance	(1,421)	(30)	12,570	11,119
New financial assets originated	10,852	10	-	10,862
Financial assets that have been derecognized	(1,743)	(26)	(8,104)	(9,873)
ECL as at 30 September 2024	52,360	179	289,380	341,919

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14. COMMITMENTS AND CONTINGENCIES (continued)

- c) During the current period, the Bank received a Zakat assessment for the year 2021 amounting to SAR 65.5 million, and has submitted an objection to the Zakat, Tax, and Customs Authority (ZATCA) regarding this assessment.

Furthermore, during 2024, the Bank received a Zakat assessment for the year 2019 with an additional Zakat amount of SAR 77.57 million. The Bank has submitted its objection to the imposition of this additional Zakat to the General Secretariat of Tax Committees (GSTC) and is confident that the outcome will be in the Bank's favor.

As of 30 September 2025, the Bank has filed its Zakat and Income Tax returns with the Zakat, Tax, and Customs Authority (ZATCA) and has paid Zakat and Income Tax for the years up to and including 2024. Zakat and Income Tax assessments have been finalized up to the fiscal year 2018.

15. CASH AND CASH EQUIVALENTS

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

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Cash and balances with SAMA, excluding statutory deposit	1,395,764	688,914	741,607
Due from banks and other financial institutions with an original maturity of 90 days or less from the date of acquisition	1,389,730	1,635,471	1,336,588
Total	2,785,494	2,324,385	2,078,195

The reconciliation of cash and cash equivalents to cash and balances with Saudi Central Bank is as follows:

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Cash and cash equivalents as per statement of cash flows	2,785,494	2,324,385	2,078,195
Due from banks and other financial institutions with original maturity of 90 days or less from the date of acquisition	(1,389,730)	(1,635,471)	(1,336,588)
Cash and balances with SAMA, excluding statutory deposit	1,395,764	688,914	741,607
Statutory deposit	5,577,122	5,429,455	5,109,071
Cash and balances with SAMA	6,972,886	6,118,369	5,850,678

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15. CASH AND CASH EQUIVALENTS (continued)

15.1 Below is a reconciliation of liabilities arising from financing activities:

30 September 2025 (Unaudited)	Subordinated Sukuk	Dividend Payable	lease liabilities against right of use assets
	(SAR' 000)		
Balances as at 1 January 2025	2,005,918	62,934	177,821
Changes from financing cash flows			
Payment of return on Subordinate Sukuk	(70,189)	-	-
Payment of leased liability - principal	-	-	(64,963)
Dividend paid	-	(161)	-
Other changes			
Increase due to additions	-	-	62,503
Payment of leased liability - profit	-	-	(13,280)
Financing cost	105,063	-	13,280
Amortisation of transaction cost	1,307	-	-
Balances as at 30 September 2025	2,042,099	62,773	175,361

30 September 2024 (Unaudited)	Subordinated Sukuk	Dividend Payable	lease liabilities against right of use assets
	(SAR' 000)		
Balances as at 1 January 2024	2,004,346	66,610	197,373
Changes from financing cash flows			
Payment of return on Subordinate Sukuk	(77,970)	-	-
Payment of leased liability - principal	-	-	(76,850)
Dividend paid	-	(3,650)	-
Other changes			
Increase due to additions	-	-	59,486
Payment of leased liability - profit	-	-	(9,052)
Financing cost	117,466	-	9,052
Amortisation of transaction cost	1,307	-	-
Balances as at 30 September 2024	2,045,149	62,960	180,009

16. OPERATING SEGMENTS

The operating segments have been identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision-maker (Chief Executive Officer) in order to allocate resources to the segments and to assess their performance.

All of the Group's operations are based in the Kingdom of Saudi Arabia.

Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the chief operating decision maker is measured in a manner consistent with that in the interim condensed consolidated statement of income. Segment assets and liabilities comprise operating assets and liabilities.

There have been no changes to the basis of segmentation or the measurement basis for the segment profit or loss since 31 December 2024.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

16. OPERATING SEGMENTS (continued)

For management purposes, the Group is organized into following main operating segments:

Personal banking

Financing, deposits, other credit and investment products for individuals.

Corporate banking

Financing, deposits and other credit products for corporate, small to medium sized businesses and institutional customers.

Treasury

Treasury includes money market, foreign exchange, trading and treasury services.

Brokerage and asset management

Group provides shares brokerage services to customers (this segment includes the activities of the Bank's subsidiary AlJazira Capital Company).

Others

Others include investment in associate, inter segment income and expense eliminations and gain on sale of other real estate.

The Group's total assets and liabilities at 30 September 2025 and 30 September 2024, its total operating income and expenses, and its net income for the nine month period then ended, by operating segment, are as follows:

(SAR'000)	Personal banking	Corporate banking	Treasury	Brokerage and asset management	Others	Total
30 September 2025						
(Unaudited)						
Total assets	48,190,193	58,031,755	52,029,320	4,844,695	331,795	163,427,758
Total liabilities	47,383,376	51,234,836	40,431,278	2,741,232	(74)	141,790,648
Inter - segment income / (loss)	251,369	(151,321)	(100,048)	-	-	-
Total operating income	1,711,289	1,035,133	327,333	465,211	(259,514)	3,279,452
Of which:						
- Net financing and investment income	1,339,960	791,658	(6,089)	101,134	-	2,226,663
- Fees from banking services, net	223,493	169,473	90	259,470	(45,804)	606,722
- Net gain on FVIS financial instruments	-	-	9,680	35,568	-	45,248
Total operating expenses	(1,200,843)	(459,592)	(128,245)	(193,129)	799	(1,981,010)
Of which:						
- Impairment charge for financing and other financial assets, net	(25,821)	(228,199)	121	-	-	(253,899)
- Depreciation and amortization	(100,721)	(12,170)	(8,772)	(8,882)	-	(130,545)
Share in net income of an associate	-	-	-	1,147	6,879	8,026
Net income / (loss) before zakat and income tax	510,446	575,541	199,088	273,229	(251,836)	1,306,468

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16. OPERATING SEGMENTS (continued)

(SAR'000)	<u>Personal banking</u>	<u>Corporate banking</u>	<u>Treasury</u>	<u>Brokerage and asset management</u>	<u>Others</u>	<u>Total</u>
31 December 2024 (Audited)						
Total assets – Restated	44,685,961	50,552,799	49,617,330	3,938,976	323,635	149,118,701
Total liabilities	43,727,176	52,491,559	33,279,798	2,205,919	(81)	131,704,371
30 September 2024 (Unaudited)						
Total assets – Restated	42,345,711	48,640,189	50,089,651	4,008,529	320,573	145,404,653
Total liabilities	47,644,702	46,605,501	31,347,251	2,208,558	(81)	127,805,931
Inter - segment income / (loss)	451,356	92,455	(504,966)	-	(38,845)	-
Total operating income	1,526,574	878,270	301,560	362,324	(256,650)	2,812,078
Of which:						
- Net financing and investment income / (loss)	1,213,501	636,340	23,171	65,134	(38,844)	1,899,302
- Fees from banking services, net	174,216	134,661	60	206,902	(46,248)	469,591
- Net gain/ (loss) on FVIS financial instruments	-	-	10,058	53,685	(1)	63,742
Total operating expenses	(1,118,871)	(334,596)	(115,074)	(172,415)	815	(1,740,141)
Of which:						
- Impairment charge for financing and other financial assets, net	(49,169)	(176,274)	(302)	-	-	(225,745)
- Impairment reversal for other real estate	-	42,571	-	-	-	42,571
- Depreciation and amortization	(110,566)	(13,317)	(10,569)	(6,765)	-	(141,217)
Share in net income of an associate	-	-	-	1,856	11,136	12,992
Net income / (loss) before zakat and income tax	407,703	543,674	186,486	191,765	(244,699)	1,084,929

17. 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 takes place either:

- in the accessible principal market for the asset or liability, or
- in the absence of a principal market, in the most advantages accessible market for the asset or liability

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 (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included in level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data

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17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of input used in the fair value measurements during the period.

a) The following table presents the Group's financial assets and liabilities that are measured at fair values:

30 September 2025 (Unaudited)					
Fair Value (SAR'000)					
	Carrying Value	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value:</u>					
FVIS - Mutual funds	1,824,887	-	1,824,887	-	1,824,887
FVIS – Equities	62,853	40,264	-	22,589	62,853
FVIS – Convertible debt instrument	12,618	-	-	12,618	12,618
FVOCI – Equities	744,354	-	-	744,354	744,354
FVOCI – Sukuk – equity	3,193,692	-	3,193,692	-	3,193,692
FVOCI – Sukuk – debt	10,425,890	-	10,425,890	-	10,425,890
Shari'ah compliant derivatives	102,957	-	102,957	-	102,957
Total	16,367,251	40,264	15,547,426	779,561	16,367,251
<u>Financial liabilities measured at fair value:</u>					
Shari'ah compliant derivatives	174,477	-	174,477	-	174,477
31 December 2024 (Audited)					
Fair value (SAR'000)					
Restated	Carrying Value	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value:</u>					
FVIS - Mutual funds	1,748,147	-	1,748,147	-	1,748,147
FVIS – Equities	39,853	17,264	-	22,589	39,853
FVIS–Convertible debt instrument	6,618	-	-	6,618	6,618
FVOCI – Equities	743,907	-	-	743,907	743,907
FVOCI – Sukuk – equity	2,999,378	-	2,999,378	-	2,999,378
FVOCI – Sukuk – debt	9,784,586	-	9,784,586	-	9,784,586
Shari'ah compliant derivatives	151,737	-	151,737	-	151,737
Total	15,474,226	17,264	14,683,848	773,114	15,474,226
<u>Financial liabilities measured at fair value:</u>					
Shari'ah compliant derivatives	164,999	-	164,999	-	164,999

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17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

		30 September 2024 (Unaudited)			
		Fair Value (SAR'000)-			
Restated	Carrying Value	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value:</u>					
FVIS - Mutual funds	1,826,511	-	1,826,511	-	1,826,511
FVIS – Equities	46,394	25,908	-	20,486	46,394
FVIS – Convertible debt instrument	4,500	-	-	4,500	4,500
FVOCI – Equities	673,633	-	-	673,633	673,633
FVOCI – Sukuk – equity	2,784,066	-	2,784,066	-	2,784,066
FVOCI – Sukuk – debt	10,102,177	-	10,102,177	-	10,102,177
Shari’ah compliant derivatives	167,795	-	167,795	-	167,795
Total	15,605,076	25,908	14,880,549	698,619	15,605,076
<u>Financial liabilities measured at fair value:</u>					
Shari’ah compliant derivatives	234,313	-	234,313	-	234,313

Fair value of quoted investments is based on price quoted on the reporting date. Level 2 trading and hedging derivatives comprise foreign exchange, options and profit rate swaps. These foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market. Profit rate swaps and options are fair valued using forward profit rates extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

There were no changes in valuation techniques during the period.

There were no transfers between levels 1 and 2 during the year. New investments acquired during the year are classified under the relevant levels. Level 3 includes investment in unquoted equities which have been valued using a valuation model.

- b) Following table represent fair values of financial assets and liabilities which are carried at amortised cost. There are no financial assets and liabilities where fair value is measurable as level 1 and level 3 fair value.

	30 September 2025 (Unaudited) (SAR'000)	
	Amortised cost	Fair value Level 2
<u>Financial assets:</u>		
Due from banks and other financial institutions, net	7,068,867	7,088,430
Investment held at amortised cost, net (note 5.1)	21,878,978	21,430,511
Financing, net	107,812,479	108,769,310
Total	136,760,324	137,288,251
<u>Financial liabilities:</u>		
Due to banks, SAMA and other financial institutions	21,752,788	23,213,272
Customers' deposits	115,283,195	116,188,188
Subordinated Sukuk	2,042,099	2,042,099
Total	139,078,082	141,443,559

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17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

	31 December 2024 (Audited) (SAR'000)	
	Amortised cost	Fair value Level 2
<u>Financial assets:</u>		
Due from banks and other financial institutions, net	6,697,117	6,706,393
Investment held at amortised cost, net (note 5.1)	21,083,867	20,131,588
Financing, net	96,912,496	97,309,690
Total	124,693,480	124,147,671
<u>Financial liabilities:</u>		
Due to banks, SAMA and other financial institutions	19,309,333	20,816,924
Customers' deposits	108,186,514	108,874,632
Subordinated Sukuk	2,005,918	2,005,918
Total	129,501,765	131,697,474
	30 September 2024 (Unaudited) (SAR'000)	
	Amortised cost	Fair value Level 2
<u>Financial assets:</u>		
Due from banks and other financial institutions, net	7,459,706	7,467,724
Investment held at amortised cost, net (note 5.1)	20,831,438	20,352,228
Financing, net	92,709,624	93,719,653
Total	121,000,768	121,539,605
<u>Financial liabilities:</u>		
Due to banks, SAMA and other financial institutions	20,153,653	21,620,986
Customers' deposits	103,348,680	104,033,291
Subordinated Sukuk	2,045,149	2,045,149
Total	125,547,482	127,699,426

The fair value of the cash and balances with Saudi Central Bank, other assets and other liabilities approximate to their carrying amount. The fair values of level 2 financial instruments are estimated as at 30 September 2025 at the current applicable yield curve taking into account the counterparty risks and applicable market rate.

Valuation technique and significant unobservable inputs

The following table shows the valuation techniques used in measuring level 2 and Level 3 fair values at 30 September 2025, 31 December 2024 and 30 September 2024, as well as the significant unobservable inputs used.

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17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Type	Accounting Classification	Valuation Technique	Significant unobservable Inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund units	FVIS	Fair valued using the net asset value determined by the fund manager. The fund manager deploys various techniques for the valuation of underlying assets classified under level 2 of the respective fund's fair value hierarchy	Not applicable	Not applicable
Equities	FVIS	Includes investment in unquoted equities which have been valued using a valuation model.	Risk Free Rate, Asset Volatility	Valuation is highly sensitive to changes in the asset volatility
Equities	FVOCI	Includes investment in unquoted equities which have been valued using a valuation model.	Revenue growth rate, terminal growth rate	Higher growth rates increase fair value, while lower growth rates reduce it.
Investment held at FVOCI – Sukuks (debt & equity)	FVOCI	Fair valued using the broker quoted prices or estimating present value by discounting cash flows using adjusted discount rate.	Not applicable	Not applicable
Forward exchange contracts (Wa'ad) and Profit rate swaps	FVIS	Forward exchange contracts (Wa'ad): Fair valued using discounted Notional techniques that use observable market data inputs for Foreign Exchange (FX) and yield curves Profit rate swaps: The fair value is determined by discounting the future cash flows using observable market data inputs for yield curves.	Not applicable	Not applicable
Due from banks and other financial institutions, Financing, Due to banks and other financial institutions, Customer Deposits	Amortised Cost	Market Data: Used observable market data inputs for yield curves. Fair value technique: The fair value is determined by discounting the future cash flows. A discounted cash flow is the product of: - The anticipated nominal magnitude and sign of a cash flow. - The accumulated discount over the amount of time remaining until the anticipated time of the cash flow, at a rate of discount. The fair value is determined only for the Customers' time investments.	Not applicable	Not applicable
Investment held at amortised cost - net	Amortised Cost	Fair valued using the quoted prices, where available or estimating present value by discounting cash flows using adjusted discount rate.	Not applicable	Not applicable

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18. CAPITAL ADEQUACY

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

Capital adequacy and the use of regulatory capital are monitored on a periodic basis by the Bank's management. SAMA requires holding the minimum level of the regulatory capital and maintaining a ratio of total eligible capital to the risk-weighted assets at or above the agreed minimum percentage.

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

The following table summarizes the Group's Pillar-I Risk Weighted Assets (RWA), Regulatory Capital and Capital Adequacy Ratios as per Basel III final reforms issued by SAMA (circular number 44047144) effective from January 01, 2023.

	30 September 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Credit Risk RWA	120,326,135	103,418,920	103,193,206
Market Risk RWA	2,091,814	1,468,837	2,065,257
Operational Risk RWA	5,228,815	4,860,836	4,860,836
Total Pillar-I RWA	127,646,764	109,748,593	110,119,299
Common Equity Tier 1 (CET 1) Capital	14,899,980	13,288,378	13,495,421
Additional Tier 1 (AT1) Capital	6,750,000	3,875,000	3,875,000
Tier I Capital	21,649,980	17,163,378	17,370,421
Tier II Capital	2,692,618	2,616,245	2,552,130
Total Tier I and II Capital	24,342,598	19,779,623	19,922,551
Capital Adequacy Ratio (%)			
Common Equity Tier I Ratio	11.67%	12.11%	12.26%
Tier I ratio	16.96%	15.64%	15.77%
Total Tier I and II Capital	19.07%	18.02%	18.09%

As at September 30, 2025, the Bank is in compliance with all externally imposed capital requirements.

19. RELATED PARTY BALANCES AND TRANSACTIONS

In the ordinary course of its activities, the Group transacts business with related parties. The related party transactions are governed by the limits set by the Banking Control Law and regulations issued by Saudi Central Bank (SAMA).

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

19. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

The balances as at September 30 resulting from such transactions are as follows:

	30 September 2025 (Unaudited) SAR' 000	31 December 2024 (Audited) SAR'000	30 September 2024 (Unaudited) SAR'000
Subsidiary companies			
Investments	500,980	500,980	501,480
Customers' deposits	2,143,566	2,389,506	5,283
Due from banks and other financial institutions	2,445,967	2,023,568	2,029,001
Due to banks and other financial institutions	1,288,671	291,019	801,840
Receivables and other assets	268,110	161,081	393,446
Payables and liabilities	66,937	30,623	63,265
Commitments and contingencies	66	98	-
Notional values of outstanding shari'ah compliant contracts	3,642,944	3,675,436	3,425,436
Outstanding Sukuk liability	1,875,000	1,875,000	1,875,000
Associate with significant influence			
Investments	331,869	323,716	320,654
Customers' deposits	263,289	305,417	150,950
Contingencies and commitments	7,280	7,280	7,280
Outstanding sukuk liability	160,000	150,000	150,000
Directors, key management personnel, other major shareholders and their affiliates			
Financing	2,413,942	327,474	331,114
Customers' deposits	153,737	119,835	144,166
Contingencies and commitments	13,208	35,835	32,499
Other major shareholders represent shareholdings of more than 5% of the Bank's issued share capital.			
Mutual Funds under subsidiary's management			
Investments	882,190	579,306	527,761
Customers' deposits	34,047	111,785	188,901

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

19. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

Material income, expenses and other transactions with related parties included in the interim condensed consolidated financial statements information are as follows:

	Period ended 30 September 2025 (Unaudited) SAR' 000	Period ended 30 September 2024 (Unaudited) SAR' 000
Subsidiary companies		
Income from investments and financing	173,585	215,252
Return on deposits and financial liabilities	212,501	210,191
Fees income	27	207
Fee expense	6,776	10,846
Income under shared service agreements	863	863
Reimbursement of building related expense	1,125	2,215
Associate with significant influence		
Return on deposits and financial liabilities	9,513	5,403
Fees income	342	113
Insurance premium	16,837	62,240
Claims received	27,350	23,410
Investment in the sukuku issued by BAJ	10,000	-
Dividend received by Bank	5,813	-
Profit on the sukuku issued by BAJ	4,815	4,500
Purchase of shares of associate (ATT)	-	76,218
Directors, key management personnel, other major shareholders and their affiliates		
Income from investments and financing	126,621	15,738
Return on deposits and financial liabilities	4,977	3,137
Directors' remuneration	14,321	8,752
Operating expenses	5,042	-
Rent expense for branches	748	768
Mutual Funds under subsidiary's management		
Return on deposits and financial liabilities	5,582	7,712

The total amount of compensation paid to directors and key management personnel during the period is as follows:

	Period ended 30 September 2025 SAR' 000	Period ended 30 September 2024 SAR' 000
Short-term employee benefits	64,812	53,926
Termination benefits	1,788	1,641

Key management personnel are those persons, including executive directors, having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

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NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025 (CONTINUED)

20. RESTATEMENT AND COMPARATIVE FIGURES

During the three-month and nine-month periods ended 30 September 2025, the Bank corrected the valuation of its interest in an equity investment that is classified as investments at fair value through other comprehensive income (FVOCI) which was historically valued at cost and net assets value as at 31 December 2023 and 31 December 2024 respectively. As a result of using correct/appropriate valuation method, the fair value of the investment has increased by SAR 212.63 million as at 30 September 2024 and 31 December 2024.

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

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

SAR' 000	As previously presented	Restatement	Restated balance
As at 30 September 2024			
Interim condensed consolidated statement of financial position			
Investments, net	36,060,147	212,633	36,272,780
Total assets	145,192,020	212,633	145,404,653
Other reserves	(725,776)	212,633	(513,143)
Equity attributable to shareholders of the Bank	13,511,089	212,633	13,723,722
Total equity	17,386,089	212,633	17,598,722
Total liabilities and equity	145,192,020	212,633	145,404,653
Interim condensed consolidated statement of changes in equity			
Other reserves	(725,776)	212,633	(513,143)
As at 31 December 2024			
Interim condensed consolidated statement of financial position			
Investments, net	36,193,723	212,633	36,406,356
Total assets	148,906,068	212,633	149,118,701
Other reserves	(1,093,466)	212,633	(880,833)
Equity attributable to shareholders of the Bank	13,326,697	212,633	13,539,330
Total equity	17,201,697	212,633	17,414,330
Total liabilities and equity	148,906,068	212,633	149,118,701
Interim condensed consolidated statement of changes in equity			
Other reserves	(1,093,466)	212,633	(880,833)

In addition, certain prior period amounts have been rearranged or reclassified, wherever necessary, so as to align with the current period's presentation. However, there was no impact of such reclassifications on the interim condensed consolidated statement of income and interim condensed consolidated statement of changes in equity.

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21. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was authorized for issue by the Board of Directors of the Bank on 20 October 2025 (corresponding to 28th Rabi Al-Akhar 1447H).