

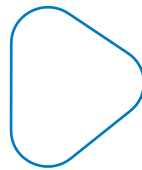


arab national bank

A Saudi joint stock company

Interim Condensed Consolidated Financial Statements

As at and for the period ended September 30, 2025





**Ernst & Young Professional Services
(Professional LLC)**
Paid-up capital: ﷲ5,500,000 (Five million five hundred thousand Saudi Riyal)

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**To: The Shareholders of Arab National Bank
(A Saudi Joint Stock Company)**

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Arab National Bank (the "Bank") and its subsidiaries (collectively referred to as "the Group") as at September 30, 2025, and the related interim consolidated statements of income and comprehensive income for the three and nine-month period then ended, and the related interim consolidated statements of changes in equity and cash flows for the nine-months period then ended and explanatory notes. Management is responsible for the preparation and presentation of this interim 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 financial information based on our review.

Scope of review

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

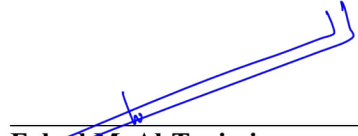
Conclusion

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

Other Matter

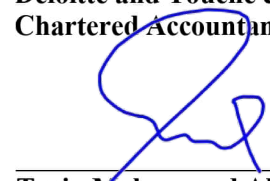
The consolidated financial statements for the year ended December 31, 2024 and the interim financial information for the three and nine-month period ended September 30, 2024 were jointly audited and reviewed, respectively, by another joint auditor who expressed an unmodified audit opinion on those statements and unmodified review conclusion on that information on February 13, 2025 (corresponding to Sha'ban 14, 1446H) and October 28, 2024 (corresponding to Rabi Al-Thani 25, 1446H), respectively.

**Ernst & Young Professional
Services**


Fahad M. Al-Toaimi
Certified Public Accountant
License No. 354



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


Tariq Mohammad Alfattani
Certified Public Accountant
License No. 446



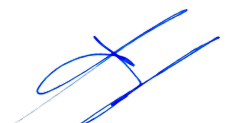
Jumada Al-Ula 6, 1447H
October 28, 2025

Interim consolidated statement of financial position as at

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)-restated	September 30, 2024 (Unaudited)-restated
Assets				
Cash and balances with Saudi Central Bank	4	12,931,865	12,342,361	12,858,179
Due from banks and other financial institutions, net	5	7,760,172	3,853,380	2,403,248
Positive fair value of derivatives	11	1,663,869	2,290,596	1,569,832
Investments, net	6 – 21	57,890,819	52,949,576	51,032,012
Loans and advances, net	7	191,355,875	169,494,661	166,330,329
Investments in associates		901,419	889,646	939,904
Other real estate owned, net		942,064	909,064	1,028,220
Property, equipment and right of use assets, net		3,390,468	2,978,359	2,855,727
Other assets		3,649,216	3,204,153	3,272,322
Total assets		280,485,767	248,911,796	242,289,773
Liabilities and equity				
Liabilities				
Due to banks, Saudi Central Bank and other financial institutions	9	9,672,685	14,410,463	11,764,098
Negative fair value of derivatives	11	1,221,573	1,598,910	1,621,850
Customers' deposits	10	210,696,811	182,223,718	180,852,339
Issued Sukuk	16	2,852,256	2,828,870	2,852,256
Other liabilities	21	8,859,785	9,096,305	7,491,058
Total liabilities		233,303,110	210,158,266	204,581,601
Equity				
Share capital	17.1	20,000,000	20,000,000	20,000,000
Treasury shares	17.4	(316,366)	(98,329)	(98,329)
Statutory reserve		11,890,000	11,890,000	10,648,000
Other reserves		1,286,885	715,427	927,061
Retained earnings	21	7,729,177	6,216,685	6,202,194
Equity attributable to shareholders of the Bank		40,589,696	38,723,783	37,678,926
Tier I Sukuk	16	6,562,500	-	-
Total equity attributable to equity holders of the Bank		47,152,196	38,723,783	37,678,926
Non-controlling interest		30,461	29,747	29,246
Total equity		47,182,657	38,753,530	37,708,172
Total liabilities and equity		280,485,767	248,911,796	242,289,773

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



Saad Al-Dughish
Chief Financial Officer



Obaid A. Al-Rasheed
Managing Director



Hesham Al-Jabr
Authorised Board Member

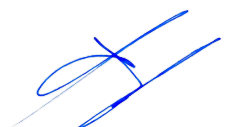
Interim consolidated statement of income

For the periods ended September 30, 2025, and 2024 (Unaudited)

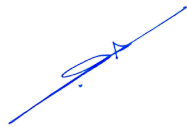
All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	For the three months ended 30 September		For the nine months ended 30 September	
		2025	2024	2025	2024
Special commission income		3,905,313	3,772,351	11,375,183	10,815,618
Special commission expense		1,897,194	1,697,625	5,225,428	4,871,402
Special commission income, net		2,008,119	2,074,726	6,149,755	5,944,216
Fee and commission income		564,635	471,159	1,749,613	1,419,644
Fee and commission expense		339,813	286,824	994,658	815,621
Fee and commission income, net		224,822	184,335	754,955	604,023
Exchange income, net		88,596	81,021	267,959	221,442
(Losses)/ gains on FVSI financial instruments, net		(1,155)	(6,167)	118,374	17,437
Trading income, net		3,647	10,358	49,040	62,625
Dividend income		42,205	45,058	178,278	127,027
Gains/ (losses) on non-trading instruments, net		8,040	256	(47,737)	4,010
Other operating income		17,372	19,461	45,664	72,833
Total operating income		2,391,646	2,409,048	7,516,288	7,053,613
Salaries and employee related expenses		507,198	446,373	1,445,536	1,277,748
Premises related expenses		14,460	16,145	40,081	42,481
Depreciation and amortisation		74,649	61,256	211,494	182,850
Other general and administrative expenses		228,760	265,286	759,628	752,527
Total operating expenses before impairment charges		825,067	789,060	2,456,739	2,255,606
Expected credit losses (ECL) and other impairment charges, net	8	119,320	164,544	540,829	492,761
Reversal of impairment charges on other real estate owned		(100,000)	-	(100,000)	-
Total operating expenses		844,387	953,604	2,897,568	2,748,367
Net operating income		1,547,259	1,455,444	4,618,720	4,305,246
Share in earnings of associates, net		6,874	6,879	20,697	12,804
Net income before Zakat and income tax		1,554,133	1,462,323	4,639,417	4,318,050
Zakat	14	95,870	89,202	289,797	265,599
Income tax	14	129,236	129,715	379,289	342,096
Net income		1,329,027	1,243,406	3,970,331	3,710,355
Attributable to:					
Shareholders of the Bank		1,329,460	1,243,128	3,969,617	3,709,531
Non-controlling interest		(433)	278	714	824
Net income		1,329,027	1,243,406	3,970,331	3,710,355
Basic and diluted earnings per share (expressed in SAR)	17.3	0.64	0.62	1.94	1.86

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



Saad Al-Dughish
Chief Financial Officer



Obaid A. Al-Rasheed
Managing Director



Hesham Al-Jabr
Authorised Board Member

Interim consolidated statement of comprehensive income

For the periods ended September 30, 2025, and 2024 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	For the three months ended 30 September		For the nine months ended 30 September	
		2025	2024 (restated)	2025	2024 (restated)
Net income		1,329,027	1,243,406	3,970,331	3,710,355
Other comprehensive income/ (loss):					
Items that will not be reclassified to interim consolidated statement of income in subsequent periods					
Equity instruments at fair value through other comprehensive income (FVOCI):					
- Net changes in fair value	21	107,016	12,151	147,635	(225,878)
Items that may be reclassified to interim consolidated statement of income in subsequent periods					
Debt instruments at FVOCI:					
- Net changes in fair value		201,084	235,777	381,198	105,321
- Net amounts transferred to interim consolidated statement of income		(7,936)	(256)	(9,113)	(4,010)
Cash flow hedges:					
- Effective portion of change in the fair value		11,939	36,421	33,622	32,122
Total other comprehensive income/(loss)		312,103	284,093	553,342	(92,445)
Total comprehensive income		1,641,130	1,527,499	4,523,673	3,617,910
Attributable to:					
Shareholder of the Bank		1,641,563	1,527,221	4,522,959	3,617,086
Non-controlling interest		(433)	278	714	824
Total comprehensive income		1,641,130	1,527,499	4,523,673	3,617,910

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



Saad Al-Dughish
Chief Financial Officer



Obaid A. Al-Rasheed
Managing Director



Hesham Al-Jabr
Authorised Board Member

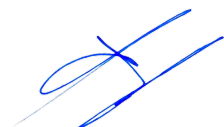
Interim consolidated statement of changes in equity

For the period ended September 30, 2025

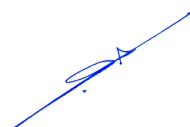
All amounts in thousands of Saudi Riyals unless stated otherwise

2025	Note	Attributable to equity holders of the Bank							Non-controlling interests	Total equity
		Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Tier I Sukuk	Total		
Balance as at December 31, 2024 (restated)	21	20,000,000	(98,329)	11,890,000	715,427	6,216,685	-	38,723,783	29,747	38,753,530
Net income		-	-	-	-	3,969,617	-	3,969,617	714	3,970,331
Changes in equity for the period:										
Net changes in fair values of FVOCI equity instruments		-	-	-	147,635	-	-	147,635	-	147,635
Net changes in fair values of FVOCI debt instruments		-	-	-	381,198	-	-	381,198	-	381,198
Net changes in fair value of cash flow hedges		-	-	-	33,622	-	-	33,622	-	33,622
Net transfers to interim consolidated statement of income		-	-	-	(9,113)	-	-	(9,113)	-	(9,113)
Total comprehensive income		-	-	-	553,342	3,969,617	-	4,522,959	714	4,523,673
Employee share plan reserve	17.4	-	-	-	18,116	-	-	18,116	-	18,116
Issuance of Tier I Sukuk	16	-	-	-	-	-	6,562,500	6,562,500	-	6,562,500
Tier I Sukuk cost	16	-	-	-	-	(117,340)	-	(117,340)	-	(117,340)
Treasury shares	17.4	-	(218,037)	-	-	-	-	(218,037)	-	(218,037)
2024 final dividends	17.2.3	-	-	-	-	(1,166,127)	-	(1,166,127)	-	(1,166,127)
2025 interim dividend	17.2.4	-	-	-	-	(1,173,658)	-	(1,173,658)	-	(1,173,658)
Balance as at September 30, 2025		20,000,000	(316,366)	11,890,000	1,286,885	7,729,177	6,562,500	47,152,196	30,461	47,182,657

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



Saad Al-Dughish
Chief Financial Officer



Obaid A. Al-Rasheed
Managing Director



Hesham Al-Jabr
Authorised Board Member

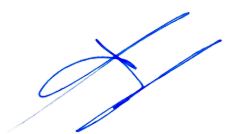
Interim consolidated statement of changes in equity

For the period ended September 30, 2024

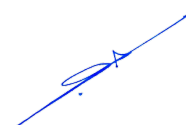
All amounts in thousands of Saudi Riyals unless stated otherwise

2024 restated	Note	Attributable to equity holders of the Bank						Non-Controlling interests	Total equity
		Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Total		
Balance as at December 31, 2023 as previously presented		15,000,000	-	10,648,000	436,656	8,984,821	35,069,477	28,422	35,097,899
Restatement	21	-	-	-	543,739	708,862	1,252,601	-	1,252,601
Restated balance as at January 1, 2024		15,000,000	-	10,648,000	980,395	9,693,683	36,322,078	28,422	36,350,500
Net income		-	-	-	-	3,709,531	3,709,531	824	3,710,355
Changes in equity for the period:									
Net changes in fair values of FVOCI equity instruments	21	-	-	-	(225,878)	-	(225,878)	-	(225,878)
Net changes in fair values of FVOCI debt instruments		-	-	-	105,321	-	105,321	-	105,321
Net changes in fair value of cash flow hedges		-	-	-	32,122	-	32,122	-	32,122
Net transfers to interim consolidated statement of income		-	-	-	(4,010)	-	(4,010)	-	(4,010)
Total comprehensive income		-	-	-	(92,445)	3,709,531	3,617,086	824	3,617,910
Loss on derecognition of FVOCI equity instruments		-	-	-	39,111	(39,111)	-	-	-
Treasury shares		-	(98,329)	-	-	-	(98,329)	-	(98,329)
2023 final dividends	17.2.1	-	-	-	-	(956,692)	(956,692)	-	(956,692)
2024 interim dividend	17.2.2	-	-	-	-	(1,205,217)	(1,205,217)	-	(1,205,217)
Issuance of bonus shares	17.1	5,000,000	-	-	-	(5,000,000)	-	-	-
Balance as at September 30, 2024 (restated)	21	20,000,000	(98,329)	10,648,000	927,061	6,202,194	37,678,926	29,246	37,708,172

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



Saad Al-Dughish
Chief Financial Officer



Obaid A. Al-Rasheed
Managing Director



Hesham Al-Jabr
Authorised Board Member

Interim consolidated statement of cash flow

For the nine-month periods ended September 30, 2025, and 2024 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	2025	2024
Operating activities			
Net income before Zakat and income tax		4,639,417	4,318,050
Adjustments to reconcile net income to net cash from operating activities:			
Amortisation of discounts on debt instruments, net		(209,181)	(124,508)
Special commission expense on issued Sukuk		70,158	70,158
Losses/ (gains) on non-trading instruments, net		47,737	(4,010)
Gains on FVSI financial instruments, net		(118,374)	(17,437)
Dividend income		(178,278)	(127,027)
Depreciation and amortisation		211,494	182,850
Gains on disposal of property and equipment, net		(1,370)	(15,383)
Expected credit losses and other impairment charges, net	8	540,829	492,761
Reversal of impairment charges on other real estate owned		(100,000)	-
Share in earnings of associates, net		(20,697)	(12,804)
Losses on sale of other real estate owned		17,000	-
Net (increase)/ decrease in operating assets:			
Statutory deposit with Saudi Central Bank		(1,145,725)	(684,385)
Instruments held at FVSI		701,623	(145,096)
Positive fair value of derivatives		626,727	232,059
Loans and advances		(22,392,749)	(14,583,765)
Other real estate owned		50,000	-
Other assets		(453,921)	(1,128,885)
Net increase/ (decrease) in operating liabilities:			
Due to banks, Saudi Central Bank and other financial institutions		(4,737,778)	3,333,321
Negative fair value of derivatives		(377,337)	218,490
Customers' deposits		28,473,093	14,984,330
Other liabilities		(90,690)	477,320
Zakat and income tax paid		(869,533)	(665,169)
Net cash from operating activities		4,682,445	6,800,870
Investing activities			
Proceeds from sale and maturities of instruments not held as FVSI		1,609,581	1,133,077
Purchase of instruments not held as FVSI		(6,410,925)	(4,013,535)
Dividends received from investments		178,278	127,027
Dividends received from investment in associates		8,924	22,304
Proceeds from sale of property and equipment		1,370	7,241
Purchase of property and equipment		(475,791)	(430,231)
Net cash used in investing activities		(5,088,563)	(3,154,117)
Financing activities			
Dividends paid		(2,339,785)	(2,161,909)
Special commission paid on issued Sukuk		(46,772)	(46,765)
Tier I sukuk issuance		6,562,500	-
Purchase of treasury shares		(218,037)	(98,329)
Tier I Sukuk cost		(117,340)	-
Payment of lease liabilities		(84,338)	(134,108)
Net cash from/ (used in) financing activities		3,756,228	(2,441,111)
Net increase in cash and cash equivalents		3,350,110	1,205,642
Cash and cash equivalents at the beginning of the period		6,505,335	4,549,290
Cash and cash equivalents at the end of the period	13	9,855,445	5,754,932
Special commission received		11,544,301	10,424,818
Special commission paid		(5,368,026)	(4,614,234)

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.


Saad Al-Dughish
 Chief Financial Officer


Obaid A. Al-Rasheed
 Managing Director


Hesham Al-Jabr
 Authorised Board Member

Notes to interim condensed consolidated financial statements

As at and for the period ended September 30, 2025

1. General

Arab National Bank (a Saudi Joint Stock Company, the "Bank") was formed pursuant to Royal Decree No. M/38 dated Rajab 18,1399H (corresponding to June 13, 1979). The Bank commenced business on February 2, 1980 by taking over the operations of Arab Bank Limited in the Kingdom of Saudi Arabia. The Bank operates under Commercial Registration No. 1010027912 dated Rabi Awal 1, 1400H (corresponding to January 19, 1980) through its 121 branches (September 30, 2024: 121 branches), 57 remittance centres (September 30, 2024: 57 remittance centers) in the Kingdom of Saudi Arabia and one branch in the United Kingdom. The address of the Bank's head office is as follows:

Arab National Bank
P.O. Box 56921
Riyadh 11564
Kingdom of Saudi Arabia

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

The interim condensed consolidated financial statements comprise the financial statements of the Bank and the following subsidiaries (collectively referred to as "the Group"):

1.1 ANB Capital

In accordance with the Capital Market Authority (CMA) directives, a wholly owned subsidiary and a Saudi closed joint stock company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010239908 issued on Shawwal 26, 1428H (corresponding to November 7, 2007), to takeover and manage the Bank's investment services and asset management activities consisting of dealing, managing, arranging, advising and custody of securities regulated by the CMA. The subsidiary commenced its operations effective Muharram 3, 1429H (corresponding to January 12, 2008). On Muharram 19, 1436H (corresponding to November 12, 2014), the subsidiary changed its legal structure from a limited liability company to a closed joint stock company.

The objective of the subsidiary was amended and approved by CMA Board of Commissioners on Muharram 28, 1437H (corresponding to November 10, 2015) through a resolution number S/1/6/14832/15 to include dealing as a principal activity.

The objective of the subsidiary was further amended on Sha'ban 26, 1437H (corresponding to June 2, 2016) to provide loans to the subsidiary's customers to trade in shares as per the Saudi Central Bank (SAMA) circular No. 371000014867 dated Safar 5, 1437H, and the CMA's circular No. S/6/16287/15 dated Rabi' Al-Awal 10, 1437H.

1.2 Arabian Heavy Equipment Leasing Company (AHEL)

An 87.5% owned subsidiary incorporated in the Kingdom of Saudi Arabia, as a Saudi closed joint stock company, under Commercial Registration no 1010267489 issued in Riyadh dated Jumada I 15, 1430H (corresponding to May 10, 2009). The Company is engaged in the leasing of heavy equipment and operates in compliance with Sharia's principles.

The Bank started consolidating the subsidiary's financial statements effective May 10, 2009, the date the subsidiary started its operations. On May 6, 2014 the Bank increased its ownership percentage in this subsidiary from 62.5% to reach 87.5%.

1.3 Al-Manzil Al-Mubarak Real Estate Financing Ltd.

A wholly owned Saudi limited liability company, registered in the Kingdom of Saudi Arabia under the commercial registration no. 1010199647 issued in Riyadh dated Jumada I 18, 1425H (corresponding to July 6, 2004). The subsidiary is engaged in the purchase of lands and real estates and invest them through sale or rent in favor of the company, maintenance and management of owners and others' assets as guarantee, sale and purchase of real estates for financing purposes as per SAMA approval No. 361000109161 dated 10/8/1436H.

1.4 ANB Global Markets Limited

The Bank established on Jumada I 3, 1438H (corresponding to January 31, 2017) ANB Global Markets Limited, as a limited liability company registered in the Cayman Islands. The Bank has 100% ownership in the investee. The objective of ANB Global Markets Limited is trading in derivatives and Repo activities on behalf of the Bank.

Notes to interim condensed consolidated financial statements

As at and for the period ended September 30, 2025

2. Basis of preparation

The interim condensed consolidated financial statements of the Group as at and for nine-months periods ended September 30, 2025 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34), as endorsed in the Kingdom of Saudi Arabia and other standards and announcements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

These interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024.

These interim condensed consolidated financial statements are expressed in Saudi Arabian Riyals (ﷲ) and are rounded off to the nearest thousand, except where indicated otherwise.

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

3. Accounting policies and estimates

The accounting policies, estimates and assumptions adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for certain accounting policies that became applicable to the Group during the current period as follows:

Tier I Sukuk

The Group classifies Sukuk issued with no fixed redemption/maturity dates (Perpetual Sukuk) and not obliging the Group for payment of profit, as part of equity. The related costs and distributions thereon are recognised directly in the retained earnings.

Share based payments

Under the terms of the Employee Share Program, eligible employees of the Group are offered shares at a predetermined price for a fixed period of time. At the vesting dates determined under the terms of the plan, the Group delivers the underlying allotted shares to the employees, subject to the satisfactory completion of the vesting conditions. The cost of the plans is recognised over the period in which the service condition is fulfilled, ending on the date on which the relevant employees become fully entitled to the shares ('the vesting date').

The cumulative expense recognised for these plans at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

3.1 Changes in accounting policies and other standards

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

3.1.1 New standards, interpretations and amendments adopted by the Group

The below amendment applies for the first time in 2025, but does not have a significant impact on the interim condensed consolidated financial statements of the Group:

- 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. Effective date is January 1, 2025.

3.1.2 Standards issued but still subject to the endorsement by SOCPA

- IFRS S1 - General requirements for disclosure of sustainability-related financial information: This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. Effective date is January 1, 2024 subject to the endorsement by SOCPA, thus not yet adopted by the Bank.
- IFRS S2 - Climate-related disclosures: This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities. Effective date is January 1, 2024 subject to the endorsement by SOCPA, thus not yet adopted by the Bank.

Notes to interim condensed consolidated financial statements

As at and for the period ended September 30, 2025

3.1.3 Accounting standards issued but not yet effective

- 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-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system. Effective date is January 1, 2026.
- Contracts referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7. Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements. Effective date is January 1, 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. Effective date is January 1, 2026.

- IFRS 18, Presentation and Disclosure in Financial Statements: IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as management-defined performance measures ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. Effective date is January 1, 2027.
- IFRS 19 Subsidiaries without Public Accountability: Disclosures: IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards. Effective date is January 1, 2027.

Notes to interim condensed consolidated financial statements

As at and for the period ended September 30, 2025

All amounts in thousands of Saudi Riyals unless stated otherwise

4. Cash and balances with Saudi Central Bank

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Cash in hand	1,226,180	1,204,664	1,156,053
Cash held in custody with others	781,273	881,827	848,666
Statutory deposit	10,840,672	9,694,947	9,507,535
Reverse repo with SAMA*	33,000	560,000	1,344,000
Current account	50,740	923	1,925
Total	12,931,865	12,342,361	12,858,179

* Reverse repo with SAMA represents money market placements.

5. Due from banks and other financial institutions, net

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Current accounts	520,495	458,195	795,356
Money market placements	7,243,757	3,399,726	1,608,932
ECL allowance	(4,080)	(4,541)	(1,040)
Total	7,760,172	3,853,380	2,403,248

Due from banks and other financial institutions' exposures, along with their related ECLs, are classified in Stage 1, with no movements in staging during the periods.

6. Investments, net

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited) - restated	September 30, 2024 (Unaudited) - restated
Instruments at amortised cost	42,224,122	39,223,140	37,789,703
Debt instruments at FVOCI	10,633,067	8,466,450	8,419,884
Equity instruments at FVOCI	3,775,218	3,416,181	3,282,669
Instruments at FVSI	1,271,730	1,854,979	1,550,141
ECL allowance	(13,318)	(11,174)	(10,385)
Total	57,890,819	52,949,576	51,032,012

Dividend income recognised from equity investment at FVOCI in the interim consolidated statement of income amounted to ﷲ 147,959 thousand for the nine months period ended September 30, 2025 (September 30, 2024: ﷲ 102,371 thousand).

Debt instruments' exposures, along with their related ECLs, are classified in Stage 1, with no movements in staging during the periods.

7. Loans and advances, net

7.1 Loans and advances held at amortised cost comprise of the following:

September 30, 2025 (Unaudited)	Overdrafts	Credit cards	Consumer loans	Commercial loans and others	Total
Performing loans and advances	4,710,555	1,402,465	48,647,088	137,750,446	192,510,554
Non-performing loans and advances	11,797	12,513	88,564	1,694,587	1,807,461
Total loans and advances	4,722,352	1,414,978	48,735,652	139,445,033	194,318,015
ECL allowance	(82,822)	(138,500)	(590,554)	(2,150,264)	(2,962,140)
Loans and advances, net	4,639,530	1,276,478	48,145,098	137,294,769	191,355,875

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December 31, 2024 (Audited)	Overdrafts	Credit cards	Consumer loans	Commercial loans and others	Total
Performing loans and advances	4,674,232	1,219,849	43,471,320	121,131,240	170,496,641
Non-performing loans and advances	13,959	21,722	93,041	1,938,195	2,066,917
Total loans and advances	4,688,191	1,241,571	43,564,361	123,069,435	172,563,558
ECL allowance	(142,473)	(142,487)	(525,547)	(2,258,390)	(3,068,897)
Loans and advances, net	4,545,718	1,099,084	43,038,814	120,811,045	169,494,661

September 30, 2024 (Unaudited)	Overdrafts	Credit cards	Consumer loans	Commercial loans and others	Total
Performing loans and advances	4,338,207	1,143,017	43,059,548	118,782,305	167,323,077
Non-performing loans and advances	15,495	21,863	117,389	2,075,241	2,229,988
Total loans and advances	4,353,702	1,164,880	43,176,937	120,857,546	169,553,065
ECL allowance	(84,743)	(115,017)	(492,860)	(2,530,116)	(3,222,736)
Loans and advances, net	4,268,959	1,049,863	42,684,077	118,327,430	166,330,329

7.2 The following table further explains changes in gross carrying amount:

	September 30, 2025 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	158,186,016	12,252,942	2,124,600	172,563,558
Transfers to stage 1	3,117,278	(3,103,014)	(14,264)	-
Transfers to stage 2	(4,821,714)	4,856,504	(34,790)	-
Transfers to stage 3	(114,896)	(530,705)	645,601	-
Net change for the period	25,249,649	(2,654,612)	(73,080)	22,521,957
Write-offs	-	-	(767,500)	(767,500)
Closing balance as at September 30, 2025	181,616,333	10,821,115	1,880,567	194,318,015

	December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2024	138,660,682	14,531,404	2,372,184	155,564,270
Transfers to stage 1	2,012,454	(1,958,155)	(54,299)	-
Transfers to stage 2	(6,059,969)	6,092,181	(32,212)	-
Transfers to stage 3	(201,033)	(986,572)	1,187,605	-
Net change for the year	23,773,882	(5,425,916)	(445,670)	17,902,296
Write-offs	-	-	(903,008)	(903,008)
Closing balance as at December 31, 2024	158,186,016	12,252,942	2,124,600	172,563,558

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	September 30, 2024 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2024	138,660,682	14,531,404	2,372,184	155,564,270
Transfers to stage 1	2,195,287	(2,147,497)	(47,790)	-
Transfers to stage 2	(5,761,254)	5,791,493	(30,239)	-
Transfers to stage 3	(143,396)	(987,879)	1,131,275	-
Net change for the period	16,967,928	(1,833,894)	(534,155)	14,599,879
Write-offs	-	-	(611,084)	(611,084)
Closing balance as at September 30, 2024	151,919,247	15,353,627	2,280,191	169,553,065

7.3 The movement in the expected credit losses of loans and advances is as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Balance at the beginning of the period/ year	3,068,897	3,329,161	3,329,161
Charge for the period/ year, net	660,743	642,744	504,659
Bad debts written off against impairment allowance	(767,500)	(903,008)	(611,084)
Balance at the end of the period/ year	2,962,140	3,068,897	3,222,736

The net impairment charge for expected credit losses for the period ended September 30, 2025 amounted to ~~ﷲ~~ 511,664 thousand (December 31, 2024: ~~ﷲ~~ 494,298 thousand; September 30, 2024: ~~ﷲ~~ 389,849 thousand), The bad debts directly written-off to interim consolidated statement of income amounting to ~~ﷲ~~ 6,173 thousand (December 31, 2024: ~~ﷲ~~ 6,982 thousand; September 30, 2024: ~~ﷲ~~ 4,882 thousand) and net of recoveries and others amounting to ~~ﷲ~~ 155,252 thousand (December 31, 2024: ~~ﷲ~~ 155,428 thousand; September 30, 2024: ~~ﷲ~~ 119,692 thousand).

7.4 An analysis of changes in the ECL allowance as follows:

	September 30, 2025 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	875,672	717,419	1,475,806	3,068,897
Transfers to stage 1	85,868	(77,667)	(8,201)	-
Transfers to stage 2	(57,744)	83,235	(25,491)	-
Transfers to stage 3	(14,570)	(198,671)	213,241	-
Net charge for the period	266,339	144,979	249,425	660,743
Write-offs	-	-	(767,500)	(767,500)
Closing balance as at September 30, 2025	1,155,565	669,295	1,137,280	2,962,140

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	December 31, 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2024	860,756	901,604	1,566,801	3,329,161
Transfers to stage 1	96,874	(57,960)	(38,914)	-
Transfers to stage 2	(50,550)	73,294	(22,744)	-
Transfers to stage 3	(2,582)	(154,154)	156,736	-
Net charge for the year	(28,826)	(45,365)	716,935	642,744
Write-offs	-	-	(903,008)	(903,008)
Closing balance as at December 31, 2024	875,672	717,419	1,475,806	3,068,897

	September 30, 2024 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2024	860,756	901,604	1,566,801	3,329,161
Transfers to stage 1	88,807	(58,407)	(30,400)	-
Transfers to stage 2	(51,174)	72,403	(21,229)	-
Transfers to stage 3	(1,757)	(155,381)	157,138	-
Net charge for the period	(25,617)	1,970	528,306	504,659
Write-offs	-	-	(611,084)	(611,084)
Closing balance as at September 30, 2024	871,015	762,189	1,589,532	3,222,736

8. Expected credit losses (ECL) and other impairment charges, net

Expected credit losses charge for the periods ended as reflected in the interim consolidated statement of income are detailed as follows:

	For the three months ended		For the nine months ended	
	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
ECL allowance charges for loans and advances, net	141,847	157,190	511,664	389,849
Other ECL allowance (reversal)/ charges, net	(275)	5,543	9,295	4,215
Charge of provisions for credit-related commitments and contingencies, net	(22,252)	1,811	19,870	98,697
Total	119,320	164,544	540,829	492,761

9. Due to banks, Saudi Central Bank and other financial institutions

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Current accounts	179,017	162,151	44,229
Money market deposits	4,787,385	4,635,340	3,656,348
Repo with SAMA	-	-	1,500,000
Deposits from SAMA	4,706,283	9,612,972	6,563,521
Total	9,672,685	14,410,463	11,764,098

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10. Customers' deposits

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Demand	100,774,942	92,727,933	91,548,434
Time	104,267,124	82,216,649	83,236,518
Saving	543,323	464,613	400,002
Other	5,111,422	6,814,523	5,667,385
Total	210,696,811	182,223,718	180,852,339

11. Derivative financial instruments

The table below sets out the positive and negative fair values of derivative financial instruments, together with their notional amounts, analysed by their term to maturity. The notional amounts provide an indication of the volumes of transactions outstanding at the end of the period. It does 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 derivatives, nor to market risk.

	September 30, 2025 (Unaudited)			December 31, 2024 (Audited)			September 30, 2024 (Unaudited)		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
Held for trading:									
Commission rate and cross currency swaps	1,189,701	1,120,967	41,543,510	1,535,398	1,455,714	40,765,093	1,169,740	1,108,818	41,324,398
Commission rate futures and options	2,420	2,049	9,955,061	9,600	8,795	1,335,374	9,727	8,739	3,089,540
Forward foreign exchange and commodity contracts	79,867	63,870	13,993,103	89,533	73,321	7,023,979	44,925	29,804	2,431,357
Currency and commodity options	273	424	233,737	1,628	1,467	179,274	210	339	231,768
Held as fair value hedges:									
Commission rate swaps	391,608	13,557	13,395,688	654,437	5,285	13,695,363	345,230	420,598	12,477,791
Held as cash flow hedges:									
Commission rate swaps	-	20,706	1,800,000	-	54,328	1,800,000	-	53,552	1,800,000
Total	1,663,869	1,221,573	80,921,099	2,290,596	1,598,910	64,799,083	1,569,832	1,621,850	61,354,854

12. Commitments and contingencies

12.1 Legal proceedings

The Group is subject to legal proceedings in the ordinary course of business. There was no material change in the status of legal proceedings as disclosed in December 31, 2024 annual consolidated financial statements.

Notes to interim condensed consolidated financial statements

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12.2 Credit related commitments and contingencies

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

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Letters of credit	7,125,727	5,899,143	5,775,478
Letters of guarantee	35,465,592	32,268,297	30,516,843
Acceptances	2,518,673	2,061,217	1,911,420
Irrevocable commitments to extend credit	9,702,488	9,840,260	7,008,214
Other	9,750	9,750	122,250
Total	54,822,230	50,078,667	45,334,205

13. Cash and cash equivalents

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

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)	September 30, 2024 (Unaudited)
Cash and balances with Saudi Central Bank excluding statutory deposit (note 4)	2,091,193	2,647,414	3,350,644
Due from banks and other financial institutions maturing within ninety days of acquisition	7,764,252	3,857,921	2,404,288
Total	9,855,445	6,505,335	5,754,932

14. Zakat and income tax

Zakat attributable to the Group on Saudi shareholders for the period ended September 30, 2025 amounted to ﷲ 290 million (September 30, 2024: ﷲ 266 million). Income tax attributable to the Group on the current period's share of net income for the non-Saudi strategic shareholder is ﷲ 379 million (September 30, 2024: ﷲ 342 million), including the charge of deferred tax amounting to ﷲ 9 million (September 30, 2024: net of reversal of ﷲ 18 million).

The provision for Zakat and income tax is estimated based on the respective interim condensed consolidated financial position as at September 30, 2025 and the results of the operations of the Group for the nine-months then ended.

There are no significant changes in the Bank's Zakat and income tax assessments to those mentioned in the Group's annual consolidated financial statements for the year ended December 31, 2024.

15. Operating segments

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief executive officer in order to allocate resources to the segments and to assess its performance.

For management purposes, the Group is organised into the following major operating segments:

Retail banking

Deposit, credit and investment products for individuals.

Corporate banking

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

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Treasury

Manages the Bank's trading and investment portfolios and the Bank's funding, liquidity, currency and commission rate risks.

Investment and brokerage services

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

Other

Includes income on capital and unallocated costs and assets and liabilities of Head Office and other supporting departments.

Transactions between operating segments are reported as recorded in the Group's transfer pricing system. The basis for determining intersegment operating income/ (expense) for the current year are consistent with the basis used for December 31, 2024. Segment assets and liabilities comprise mainly operating assets and liabilities.

The Group's primary business is conducted in the Kingdom of Saudi Arabia with one international branch in United Kingdom. The total assets, liabilities, commitments and results of operations of this branch are, however, not material to the Group's overall interim condensed consolidated financial statements.

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

September 30, 2025 (Unaudited)	Retail banking	Corporate banking	Treasury	Investment and brokerage services	Other	Total
Total assets	75,327,123	122,294,904	78,164,898	1,110,162	3,588,680	280,485,767
Investments in associates	-	-	-	286,119	615,300	901,419
Total liabilities	101,169,110	119,593,995	10,379,942	144,842	2,015,221	233,303,110
Operating income/ (expense) from external customers	1,632,770	5,266,730	579,624	441,429	(404,265)	7,516,288
Intersegment operating income/ (expense)	1,281,108	(2,096,220)	437,129	-	377,983	-
Total operating income/ (expense)	2,913,878	3,170,510	1,016,753	441,433	(26,286)	7,516,288
Of which:						
Net special commission income	2,761,588	2,343,464	458,484	187,368	398,851	6,149,755
ECL allowance charges and other provisions, net	234,262	292,773	9,294	4,500	-	540,829
Reversal of impairment charges on other real estate owned	-	-	-	-	(100,000)	(100,000)
Depreciation and amortisation	180,134	8,605	3,341	3,470	15,944	211,494
Total operating expenses	1,674,019	1,133,111	124,569	143,623	(177,754)	2,897,568
Share in earnings of associates	-	-	-	7,553	13,144	20,697
Net income before Zakat and income tax	1,239,859	2,037,399	892,184	305,363	164,612	4,639,417

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September 30, 2024 (Unaudited) restated	Retail banking	Corporate banking	Treasury	Investment and brokerage services	Other	Total
Total assets	68,502,462	103,390,439	66,858,626	725,885	2,812,361	242,289,773
Investments in associates	-	-	-	314,193	625,711	939,904
Total liabilities	89,867,674	95,767,762	16,749,143	102,944	2,094,078	204,581,601
Operating income/ (expense) from external customers	1,751,926	5,347,454	42,692	381,033	(469,492)	7,053,613
Intersegment operating income/ (expense)	1,602,308	(2,381,300)	406,358	-	372,634	-
Total operating income/ (expense)	3,354,234	2,966,154	449,050	381,033	(96,858)	7,053,613
Of which:						
Net special commission income	3,166,970	2,279,528	30,668	191,721	275,329	5,944,216
ECL allowance charges and other provisions, net	152,801	335,745	4,215	-	-	492,761
Depreciation and amortisation	153,916	8,156	29	3,757	16,992	182,850
Total operating expenses	1,670,282	887,580	113,651	112,763	(35,909)	2,748,367
Share in earnings of associates	-	-	-	3,304	9,500	12,804
Net income before Zakat and income tax	1,683,952	2,078,574	335,399	271,574	(51,449)	4,318,050

16. Issued Sukuk and Tier I Sukuk

On October 21, 2020 the Group issued a US Dollar 750 million 10 years subordinated tier II capital Sukuk callable in 5 years and carrying a special commission rate of 3.326%. The Bank has established the intention to call (redeem) the said Sukuk, in full, at face value at the end of year 5 i.e., October 2025.

On January 13, 2025, the Bank announced its intention to issue a Saudi Riyal denominated additional tier I capital Sukuk by way of private placement in the Kingdom of Saudi Arabia pursuant to its ﷲ 11,250 million additional tier I capital Sukuk program. As at September 30, 2025, the value of the offer is ﷲ 3,750 million.

On August 28, 2025, the Bank announced its intention to issue a US Dollar denominated additional tier I capital sustainable Sukuk by way of an offer to eligible investors in the Kingdom of Saudi Arabia and internationally pursuant to its additional tier I capital sustainable Sukuk program. As at September 30, 2025, the value of the offer is US Dollar 750 million.

17. Share capital, dividends, basic and diluted earnings per share and treasury shares

17.1 Share capital

As at September 30, 2025, the authorised, issued and fully paid share capital of the Bank consists of 2,000 million shares of ﷲ 10 each (December 31, 2024: 2,000 million shares and September 30, 2024: 2,000 million shares of ﷲ 10 each).

On February 7, 2024, the Board of Directors recommended to the Extraordinary General Assembly of the Bank to increase the share capital by ﷲ 5 billion through capitalization from the retained earnings by way of granting one share for every three shares (i.e. issue of bonus shares). The issue of bonus shares was approved by Extra Ordinary General Assembly on May 20, 2024, after obtaining the necessary regulatory approvals. The regulatory procedures to update the Bank's by-law and Commercial Registration to reflect the increase in share capital were completed during the three-months period.

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17.2 Dividends

- 17.2.1** On February 6, 2024, the Board of Directors approved to pay cash dividends of ﷲ 1,050 million from net income after deducting Zakat for the second half of 2023. This final dividend resulted in a net payment of ﷲ 0.70 per share to Saudi shareholders. Upon distribution, the income tax liability of the non-Saudi strategic shareholder for the current and prior period was deducted from their share of the dividend. This cash dividend was distributed on February 25, 2024.
- 17.2.2** On August 7, 2024, the Board of Directors approved to pay cash dividends of ﷲ 1,300 million from net income after deducting Zakat for the first half of 2024. This interim dividend resulted in a net payment of ﷲ 0.65 per share to Saudi shareholders. Upon distribution, the income tax liability of the non-Saudi strategic shareholder for the related period was deducted from their share of the dividend. This cash dividend was distributed on August 21, 2024.
- 17.2.3** On February 5, 2025, the Board of Directors approved to pay cash dividends of ﷲ 1,300 million from net income after deducting Zakat for the second half of 2024. This final dividend resulted in a net payment of ﷲ 0.65 per share to Saudi shareholders. Upon distribution, the income tax liability of the non-Saudi strategic shareholder for the current and prior period was deducted from their share of the dividend. This cash dividend was distributed on February 19, 2025.
- 17.2.4** On July 22, 2025, the Board of Directors approved to pay cash dividends of ﷲ 1,300 million from the net income after deducting Zakat for the first half of 2025. This interim dividend resulted in a net payment of ﷲ 0.65 per share to Saudi shareholders. Upon distribution, the income tax liability of the non-Saudi strategic shareholder for the current and prior period was deducted from their share of the dividend. This interim cash dividend was distributed on August 6, 2025.

17.3 Basic and diluted earnings per share

Basic and diluted earnings per share for the periods ended September 30, 2025 and 2024 is calculated by dividing net income for the period attributable to equity holders by the weighted average number of outstanding shares as of September 30, 2025: 1,992 million shares (September 30, 2024: 2,000 million shares) after accounting for treasury shares.

17.4 Treasury shares

On May 20, 2024, the Extraordinary General Assembly Meeting approved the purchase of 5 million treasury shares. The purchase was completed during the year ended December 31, 2024. These shares are intended for allocation to the Employee Share Program.

On December 17, 2024, the Board of Directors recommended to buy-back additional number of the Bank's shares with a maximum of 10 million shares to allocate them to Employee Share Program. This buy-back was approved by the Extraordinary General Assembly meeting held in April 8, 2025. The purchase was completed during the period ended September 30, 2025.

18. Fair values of assets and liabilities

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

- The accessible principal market for the asset or liability; or
- The absence of a principal market, in the most advantageous accessible market for the asset or liability.
- The fair values of on-consolidated statement of financial position for assets and liabilities are not significantly different from their carrying amounts included in the interim consolidated financial statements.

For determination of fair value and fair value hierarchy, the Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities:

Level 1: quoted prices in active markets for the same instrument (i.e., without modification or repacking);

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

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

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18.1 Carrying amounts and fair value

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments. It does not include the fair value hierarchy information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

18.1.1 Financial assets

September 30, 2025 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Instruments at FVSI	1,271,730	24,961	-	1,246,769	1,271,730
Instruments at FVOCI	14,408,285	3,125,179	10,633,067	650,039	14,408,285
Positive fair value of derivatives	1,663,869	-	1,663,869	-	1,663,869
Financial assets not measured at fair value					
Instruments at amortised cost	42,210,804	-	39,116,573	-	39,116,573
Loans and advances	191,355,875	-	-	188,313,028	188,313,028

December 31, 2024 (Audited) - restated	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Instruments at FVSI	1,854,979	925,158	-	929,821	1,854,979
Instruments at FVOCI	11,882,631	2,811,699	8,466,450	604,482	11,882,631
Positive fair value of derivatives	2,290,596	-	2,290,596	-	2,290,596
Financial assets not measured at fair value					
Instruments at amortised cost	39,211,966	-	35,620,577	-	35,620,577
Loans and advances	169,494,661	-	-	165,794,208	165,794,208

September 30, 2024 (Unaudited) - restated	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Instruments at FVSI	1,550,141	768,046	-	782,095	1,550,141
Instruments at FVOCI	11,702,553	2,693,372	8,419,884	589,297	11,702,553
Positive fair value of derivatives	1,569,832	-	1,569,832	-	1,569,832
Financial assets not measured at fair value					
Instruments at amortised cost	37,779,318	-	35,778,045	-	35,778,045
Loans and advances	166,330,329	-	-	163,958,070	163,958,070

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18.1.2 Financial Liabilities

September 30, 2025 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,221,573	-	1,221,573	-	1,221,573
Financial liabilities not measured at fair value					
Issued Sukuk	2,852,256	-	2,805,975	-	2,805,975

December 31, 2024 (Audited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,598,910	-	1,598,910	-	1,598,910
Financial liabilities not measured at fair value					
Issued Sukuk	2,828,870	-	2,758,050	-	2,758,050

September 30, 2024 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,621,850	-	1,621,850	-	1,621,850
Financial liabilities not measured at fair value					
Issued Sukuk	2,852,256	-	2,753,438	-	2,753,438

18.2 Measurement of fair values

18.2.1 Transfer between levels of the fair value hierarchy

There have been no transfers between levels of the fair value hierarchy during the nine-months period ended September 30, 2025 and 2024.

18.2.2 Reconciliation of Level 3 fair values

The following table shows the movement of Level 3 instruments measured at fair value for the period/ year:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited) - restated	September 30, 2024 (Unaudited) - restated
Balance at the beginning of the period/ year	1,534,303	1,170,025	1,170,025
Change in fair value	59,056	70,630	56,252
Additions during the period/ year	303,449	293,648	145,115
Balance at the end of the period/ year	1,896,808	1,534,303	1,371,392

18.2.3 Valuation technique and significant unobservable inputs

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

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Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVSI and FVOCI instruments classified as Level 3	Fair value is determined based on the investee most recent reported valuation	These inputs include risk-adjusted discount rates, marketability and liquidity discounts and control premiums	The higher the discount rate, the lower is the valuation; vice versa
Financial assets and liabilities that are disclosed at fair value and classified as Level 3 include loans and advances and debt issuances	These instruments are fair valued using simple discounted cash flow techniques that use observable market data inputs for yield curves and credit spreads	Additional buffer is added to the credit spreads to account for any potential model discrepancy or any stressed market conditions	The higher the credit spread, the lower is the valuation; vice versa
Other real estate asset	Earning Before Tax, Depreciation and Amortization (EBITDA) margins has been forecasted based on market and similar products offerings, taking into account the expected growth rate, room occupancy rate, rate per room, discount rate, yield, construction cost and other costs	– EBITDA forecast – Discount rate and yield rate – Room occupancy rate – Rent per room	– EBITDA has been forecasted as higher or (lower) – The discount rate or yield were lower or (higher) – The occupancy rate was higher or (lower) – The rent per room were higher or (lower)

Certain unobservable inputs were applied for the above valuation and the impact of the sensitivity is not material.

19. Related party transactions

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

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Board of directors, board committee members and other major shareholders:		
Loans and advances	11,409,558	7,870,679
Investments	1,131,511	820,675
Commitments and contingencies	2,756,118	1,346,220
Associates:		
Investments in associates	901,419	939,904
Loans and advances	1,797,992	1,776,619
Key management personnel of the bank:		
Loans and advances	99,268	81,012
Compensation paid to key management personnel:		
Short-term employee benefits (Salaries and allowances)	44,336	30,174
Post-employment benefits (End of service indemnity and social security)	4,602	2,994

Key management personnel are those persons, including an executive director, having direct or indirect authority and responsibility for planning, directing and controlling the activities of the Group.

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20. Capital adequacy

The Group's objectives when managing capital is 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. During the period, the Group fully complied with regulatory capital requirements.

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 consolidated statement of financial position assets, commitments and notional amounts of derivatives at a weighted amount to reflect their relative risk.

The Group's Pillar I consolidated Risk Weighted Assets (RWA), total capital and related ratios are as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited) - restated	September 30, 2024 (Unaudited) - restated
Credit Risk RWA	223,299,544	198,349,209	189,850,335
Operational Risk RWA	12,256,651	10,684,489	10,684,489
Market Risk RWA	14,400,992	14,410,729	11,809,217
Total Pillar I RWA	249,957,187	223,444,427	212,344,041
Tier I Capital	47,152,196	38,723,783	37,678,926
Tier II Capital	4,229,180	3,905,342	3,843,571
Total Tier I & II Capital	51,381,376	42,629,125	41,522,497
Capital Adequacy Ratio %			
CET I	16.24%	17.33%	17.74%
Tier I ratio %	18.86%	17.33%	17.74%
Tier I + Tier II ratio %	20.56%	19.08%	19.55%

The Group maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision as adopted by SAMA in supervising the Bank.

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21. Comparative figures

- 21.1 Certain prior period figures have been reclassified to conform with current period presentation, which are not material in nature to the interim condensed consolidated financial statements.
- 21.2 During the year ended December 31, 2024, management identified certain historic holdings in equity instruments by the Group which had not previously been recorded. These instruments have been accounted for at the same year and been classified as instruments at FVSI. The impact of these unrecorded equity instruments on the interim consolidated statement of income for the period ended September 30, 2024 was not considered material, and therefore amounts for the comparative period have not been restated.
- 21.3 During the three-months period ended September 30, 2025, the Group corrected its valuation of its equity interest in equity instruments that are classified as investment at FVOCI which was historically valued at cost. These adjustments are considered as correction as per IAS 8 (Accounting policies, Changes and Accounting Estimates and Error) and are material to the interim condensed consolidated financial statements and accordingly the interim consolidated statement of financial position, interim consolidated statement of comprehensive income and interim consolidated statement of changes in equity have been restated.

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

	As previously presented	Restatement (Note 21.2)	Restatement (Note 21.3)	Restated
Interim consolidated statement of financial position as at:				
September 30, 2024				
Investments, net	49,703,854	738,862	589,296	51,032,012
Other liabilities	7,487,996	3,062*	-	7,491,058
Retained earnings	5,493,332	708,862	-	6,202,194
Other reserve	337,765	-	589,296	927,061
December 31, 2024				
Investments, net	52,345,094	-	604,482	52,949,576
Other reserve	110,945	-	604,482	715,427
Interim consolidated statement of comprehensive income:				
For the three months ended September 30, 2024				
Equity instruments at FVOCI: Net changes in fair value	(3,034)	-	15,185	12,151
For the nine months ended September 30, 2024				
Equity instruments at FVOCI: Net changes in fair value	(271,435)	-	45,557	(225,878)

* The restated amount as stated in the above table includes a debit balance of ﷲ 26,938 thousand pertains to reclassification as per note 21.1 above.

22. Board of Directors' approval

The interim condensed consolidated financial statements were approved by the Board on Rabi al-Thani 29, 1447 (corresponding to October 21, 2025).