arab national bank

A Saudi joint stock company

Interim Condensed Consolidated Financial Statements

As at and for the period ended June 30, 2026

anb.com.sa

Ernst & Young Professional Services (Professional LLC)
Paid-up capital: ⃁ 5,500,000 (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 and its subsidiaries (collectively referred to as "the Group") as at June 30, 2026, and the related interim consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related interim consolidated statements of changes in equity and cash flows for the six-month period then ended, and the 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.

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

12 Safar 1448H
(26 July 2026)

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EY
سجل تجاري ١٠١٠٣٨٣٨٢١
CR. 1010383821
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

ديلويت آند توش وشركاهم
س.ت ١٠١٠٦٠٠٠٣٠
CR.: 1010600030
HO-Riyadh
Chartered Accountants
Deloitte and Touche & Co.

Interim consolidated statement of financial position as at

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited) - restated
Assets				
Cash and balances with Saudi Central Bank	4	13,610,233	13,167,397	13,933,106
Due from banks and other financial institutions, net	5	1,914,877	2,334,847	4,196,512
Positive fair value of derivatives	11	1,940,826	2,070,228	1,806,556
Investments, net	6 – 21	64,696,693	60,011,931	54,948,030
Loans and advances, net	7	205,781,526	195,299,305	186,475,597
Investments in associates		912,120	908,126	897,095
Other real estate owned, net		228,220	228,220	842,064
Property, equipment and right of use assets, net		3,377,541	3,299,379	3,263,550
Other assets		2,817,733	3,813,756	3,255,399
Assets held for sale		236,241	250,085	-
Total assets		**295,516,010**	**281,383,274**	**269,617,909**
Liabilities and equity				
Liabilities				
Due to banks, Saudi Central Bank and other financial institutions	9	14,406,420	11,948,622	11,579,024
Negative fair value of derivatives	11	1,343,001	1,326,794	1,333,992
Customers' deposits	10	217,751,409	209,286,780	201,723,024
Debt securities in issue	16	461,499	451,962	2,828,870
Other liabilities	21	9,077,863	8,844,755	8,531,436
Liabilities associated with assets held for sale		10,264	11,358	-
Total liabilities		**243,050,456**	**231,870,271**	**225,996,346**
Equity				
Share capital	17.1	20,000,000	20,000,000	20,000,000
Treasury shares	17.4	(290,572)	(316,366)	(175,364)
Statutory reserve		13,175,000	13,175,000	11,890,000
Other reserves		1,430,682	1,411,642	968,765
Retained earnings	21	8,853,045	7,444,734	7,557,268
Equity attributable to shareholders of the Bank		**43,168,155**	**41,715,010**	**40,240,669**
Tier I Sukuk	16	9,267,500	7,767,500	3,350,000
Total equity attributable to equity holders of the Bank		**52,435,655**	**49,482,510**	**43,590,669**
Non-controlling interest		29,899	30,493	30,894
Total equity		**52,465,554**	**49,513,003**	**43,621,563**
Total liabilities and equity		**295,516,010**	**281,383,274**	**269,617,909**

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 June 30, 2026, and 2025 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	For the three months ended 30 June		For the six months ended 30 June	
		2026	2025 - restated	2026	2025 - restated
Special commission income		3,962,587	3,882,785	7,945,835	7,436,392
Special commission expense		1,797,213	1,726,772	3,667,972	3,326,365
Special commission income, net		**2,165,374**	**2,156,013**	**4,277,863**	**4,110,027**
Fee and commission income		621,278	572,224	1,240,374	1,185,049
Fee and commission expense		374,625	322,943	753,431	654,845
Fee and commission income, net		**246,653**	**249,281**	**486,943**	**530,204**
Exchange income, net		108,286	86,944	186,415	179,363
Gains on FVSI financial instruments, net		143,571	6,588	178,002	119,529
Trading income, net		3,646	26,635	37,429	45,393
Dividend income		70,076	119,226	152,162	169,551
Gains/ (losses) on non-trading instruments, net		1,139	(56,209)	3,070	(55,777)
Other operating income/ (loss)		3,259	(14,029)	8,887	(12,213)
Total operating income		**2,742,004**	**2,574,449**	**5,330,771**	**5,086,077**
Salaries and employee related expenses		513,569	470,021	1,026,806	924,649
Premises related expenses		13,292	12,558	28,014	24,799
Depreciation and amortisation		65,969	64,374	133,599	125,482
Other general and administrative expenses		300,765	268,788	567,006	527,234
Total operating expenses before impairment charges		**893,595**	**815,741**	**1,755,425**	**1,602,164**
Expected credit losses (ECL) and other impairment charges, net	8	179,645	216,146	314,925	421,509
Total operating expenses		**1,073,240**	**1,031,887**	**2,070,350**	**2,023,673**
Net operating income		**1,668,764**	**1,542,562**	**3,260,421**	**3,062,404**
Share in earnings of associates, net		10,309	7,768	18,694	13,823
Net income before Zakat and income tax		**1,679,073**	**1,550,330**	**3,279,115**	**3,076,227**
Zakat	14	111,480	92,156	215,391	193,892
Tax	14	141,640	125,755	277,480	250,053
Net (loss)/ income from discontinued operations					
(Loss)/ income for the period from discontinued operations, net of Zakat and tax		(3,484)	4,641	(4,727)	9,022
Net income		**1,422,469**	**1,337,060**	**2,781,517**	**2,641,304**
Attributable to:					
Shareholders of the Bank		1,422,908	1,336,471	2,782,111	2,640,157
Non-controlling interest		(439)	589	(594)	1,147
Net income		**1,422,469**	**1,337,060**	**2,781,517**	**2,641,304**
Basic and diluted earnings per share (expressed in SAR)	17.3	**0.68**	**0.64**	**1.28**	**1.30**

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 June 30, 2026, and 2025 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	For the three months ended 30 June		For the six months ended 30 June	
		2026	2025 - restated	2026	2025 - restated
Net income		**1,422,469**	**1,337,060**	**2,781,517**	**2,641,304**
Other comprehensive income:					
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	160,881	(82,495)	251,902	53,657
Items that may be reclassified to interim consolidated statement of income in subsequent periods					
Debt instruments at FVOCI:					
- Net changes in fair value		165,052	83,448	(200,383)	167,076
- Net amounts transferred to interim consolidated statement of income		(1,139)	(745)	(3,070)	(1,177)
Cash flow hedges:					
- Effective portion of change in the fair value		-	8,687	9,103	21,683
Total other comprehensive income		**324,794**	**8,895**	**57,552**	**241,239**
Total comprehensive income		**1,747,263**	**1,345,955**	**2,839,069**	**2,882,543**
Attributable to:					
Shareholder of the Bank		1,747,702	1,345,366	2,839,663	2,881,396
Non-controlling interest		(439)	589	(594)	1,147
Total comprehensive income		**1,747,263**	**1,345,955**	**2,839,069**	**2,882,543**

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 June 30, 2026 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

		Attributable to equity holders of the Bank								
2026	Note	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Tier I Sukuk	Total	Non-controlling interests	Total equity
Balance as at December 31, 2025		**20,000,000**	**(316,366)**	**13,175,000**	**1,411,642**	**7,444,734**	**7,767,500**	**49,482,510**	**30,493**	**49,513,003**
Net income/ (loss)		-	-	-	-	2,782,111	-	2,782,111	(594)	2,781,517
Changes in equity for the period:										
Net changes in fair values of FVOCI equity instruments		-	-	-	251,902	-	-	251,902	-	251,902
Net changes in fair values of FVOCI debt instruments		-	-	-	(200,383)	-	-	(200,383)	-	(200,383)
Net changes in fair value of cash flow hedges		-	-	-	9,103	-	-	9,103	-	9,103
Net transfers to interim consolidated statement of income		-	-	-	(3,070)	-	-	(3,070)	-	(3,070)
Total comprehensive income/ (loss)		**-**	**-**	**-**	**57,552**	**2,782,111**	**-**	**2,839,663**	**(594)**	**2,839,069**
Gain on derecognition of FVOCI equity investments		-	-	-	(40,317)	40,317	-	-	-	-
Employee share plan reserve		-	-	-	1,805	(1,640)	-	165	-	165
Issuance of Tier I Sukuk		-	-	-	-	-	1,500,000	1,500,000	-	1,500,000
Tier I Sukuk cost	16	-	-	-	-	(247,907)	-	(247,907)	-	(247,907)
Treasury shares	17.4	-	25,794	-	-	-	-	25,794	-	25,794
2025 final dividends	17.2.1	-	-	-	-	(1,164,570)	-	(1,164,570)	-	(1,164,570)
Balance as at June 30, 2026		**20,000,000**	**(290,572)**	**13,175,000**	**1,430,682**	**8,853,045**	**9,267,500**	**52,435,655**	**29,899**	**52,465,554**

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 June 30, 2025 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

		Attributable to equity holders of the Bank								
2025 - restated	Note	Share capital	Treasury shares	Statutory reserve	Other reserves	Retained earnings	Tier I Sukuk	Total	Non-Controlling interests	Total equity
Balance as at December 31, 2024 as previously presented		**20,000,000**	**(98,329)**	**11,890,000**	**110,945**	**6,216,685**	**-**	**38,119,301**	**29,747**	**38,149,048**
Restatement	21	-	-	-	604,482	(71,825)	-	532,657	-	532,657
Restated balance as at January 1, 2025		**20,000,000**	**(98,329)**	**11,890,000**	**715,427**	**6,144,860**	**-**	**38,651,958**	**29,747**	**38,681,705**
Net income		-	-	-	-	2,640,157	-	2,640,157	1,147	2,641,304
Changes in equity for the period:										
Net changes in fair values of FVOCI equity instruments	21	-	-	-	53,657	-	-	53,657	-	53,657
Net changes in fair values of FVOCI debt instruments	21	-	-	-	167,076	-	-	167,076	-	167,076
Net changes in fair value of cash flow hedges		-	-	-	21,683	-	-	21,683	-	21,683
Net transfers to interim consolidated statement of income		-	-	-	(1,177)	-	-	(1,177)	-	(1,177)
Total comprehensive income		**-**	**-**	**-**	**241,239**	**2,640,157**	**-**	**2,881,396**	**1,147**	**2,882,543**
Employee share plan reserve		-	-	-	12,099	-	-	12,099	-	12,099
Issuance of Tier I Sukuk		-	-	-	-	-	3,350,000	3,350,000	-	3,350,000
Tier I Sukuk cost	16	-	-	-	-	(61,622)	-	(61,622)	-	(61,622)
Treasury shares	17.4	-	(77,035)	-	-	-	-	(77,035)	-	(77,035)
2024 final dividends	17.2.2	-	-	-	-	(1,166,127)	-	(1,166,127)	-	(1,166,127)
Balance as at June 30, 2025 - restated		**20,000,000**	**(175,364)**	**11,890,000**	**968,765**	**7,557,268**	**3,350,000**	**43,590,669**	**30,894**	**43,621,563**

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 six-month periods ended June 30, 2026, and 2025 (Unaudited)

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	2026	2025 - restated
Operating activities			
Net income before Zakat and tax		3,279,115	3,076,227
Adjustments to reconcile net income to net cash from operating activities:			
Amortisation of discounts on debt instruments, net		(130,957)	(187,602)
Special commission expense on debt securities in issue		9,537	46,772
(Gains)/ losses on non-trading instruments, net		(3,070)	55,777
Gains on FVSI financial instruments, net		(178,002)	(119,529)
Dividend income		(152,162)	(169,551)
Depreciation and amortisation		133,599	136,845
Gains on disposal of property and equipment, net		(2,583)	(987)
Expected credit losses and other impairment charges, net	8	314,925	421,509
Share in earnings of associates, net		(18,694)	(13,823)
Loss on sale of other real estate owned		-	17,000
Share-based payment expense		25,959	12,099
Net (increase)/ decrease in operating assets:			
Statutory deposit with Saudi Central Bank		(508,093)	(902,055)
Instruments held at FVSI		(284,255)	778,368
Positive fair value of derivatives		129,402	484,040
Loans and advances		(10,876,359)	(17,392,876)
Other real estate owned		-	50,000
Other assets		980,447	(42,688)
Net increase/ (decrease) in operating liabilities:			
Due to banks, Saudi Central Bank and other financial institutions		2,457,798	(2,831,439)
Negative fair value of derivatives		16,207	(264,918)
Customers' deposits		8,464,629	19,499,306
Other liabilities		507,924	(361,921)
Zakat and tax paid		(648,860)	(747,886)
Net cash from operating activities		**3,516,507**	**1,542,668**
Investing activities			
Proceeds from sale and maturities of instruments not held as FVSI		3,565,302	875,073
Purchase of instruments not held as FVSI		(7,575,941)	(3,169,074)
Dividends received from investments		152,162	169,551
Dividends received from investment in associates		14,700	6,374
Proceeds from sale of property and equipment		11,709	987
Purchase of property and equipment		(198,140)	(340,607)
Net cash used in investing activities		**(4,030,208)**	**(2,457,696)**
Financing activities			
Dividends paid		(1,164,570)	(1,166,127)
Special commission paid on Tier II Sukuk		-	(46,772)
Tier I sukuk issuance		1,500,000	3,350,000
Tier I sukuk cost		(247,907)	(61,622)
Treasury shares		-	(77,035)
Payment of lease liabilities		(59,649)	(51,801)
Net cash from financing activities		**27,874**	**1,946,643**
Net (decrease)/ increase in cash and cash equivalents		**(485,827)**	**1,031,615**
Cash and cash equivalents at the beginning of the period		4,467,708	6,505,335
Cash and cash equivalents at the end of the period	13	**3,981,881**	**7,536,950**

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 June 30, 2026

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 unified No. 7000018007 and Commercial Registration No. 1010027912 dated Rabi Awal 1, 1400H (corresponding to January 19, 1980) through its 118 branches (June 30, 2025: 121 branches), 34 remittance centres (June 30, 2025: 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

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), was established in accordance with Capital Market Authority (CMA) directives to assume the Bank's investment services and asset management activities, including dealing, managing, arranging, advising, custody of securities, dealing as a principal, and providing loans to customers to trade in shares in accordance with Saudi Central Bank (SAMA) requirements. The subsidiary commenced operations on Muharram 3, 1429H (corresponding to January 12, 2008) and subsequently changed its legal structure from a limited liability company to a closed joint stock company on Muharram 19, 1436H (corresponding to November 12, 2014).

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.

AHEL is under the sale process and has been classified as non-current assets held for sale and discontinued operations.

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 Shaban 10, 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.

2. Basis of preparation

The interim condensed consolidated financial statements of the Group as at and for six-months periods ended June 30, 2026 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34), as endorsed in the Kingdom of Saudi Arabia and other standards and 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, 2025.

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

Notes to interim condensed consolidated financial statements

As at and for the period ended June 30, 2026

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 material accounting policies, judgements, estimates and assumptions adopted in the preparation of the condensed interim consolidated financial statements are consistent with these followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

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 2026, but do not have a significant impact on the interim condensed consolidated financial statements of the Group:

- Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments: 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.
- Amendments to IFRS 9 and IFRS 7 contracts referencing nature-dependent electricity: contracts referencing nature-dependent electricity amends IFRS 9 and IFRS 7: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.
- 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.

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 Group.
- 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 Group.

3.1.3 Accounting standards issued but not yet effective

- Amendments to IFRS 10 and IAS 28 Investment in Associates and Joint Ventures - sale or contribution of assets between an investor and its associate or joint Venture, Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. Effective date deferred indefinitely.
- IFRS 18, Presentation and Disclosure in Financial Statements: IFRS 18 provides guidance on items in statement of 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 Bank is currently assessing the detailed presentation and disclosure requirements of IFRS 18 and has initiated a gap assessment to evaluate the expected impact on the financial statements upon its effective date. Effective date is January 1, 2027.
- Annual 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.

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4. Cash and balances with Saudi Central Bank

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Cash in hand	1,213,628	1,280,148	1,245,607
Cash held in custody with others	848,679	823,629	852,894
Statutory deposit	11,546,629	11,038,536	10,597,002
Reverse repo with SAMA*	-	24,000	1,235,000
Current account	1,297	1,084	2,603
Total	**13,610,233**	**13,167,397**	**13,933,106**

* Reverse repo with SAMA represents money market placements.

5. Due from banks and other financial institutions, net

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Current accounts	729,843	763,614	2,159,369
Money market placements	1,188,434	1,575,233	2,041,477
ECL allowance	(3,400)	(4,000)	(4,334)
Total	**1,914,877**	**2,334,847**	**4,196,512**

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

6.1 Investment securities are classified as follows:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited) - restated
Instruments at amortised cost	40,581,616	42,792,004	39,172,838
Debt instruments at FVOCI	16,744,561	9,915,984	9,341,565
Equity instruments at FVOCI	4,730,361	5,130,571	5,251,472
Instruments at FVSI	2,644,944	2,182,687	1,196,142
ECL allowance	(4,789)	(9,315)	(13,987)
Total	**64,696,693**	**60,011,931**	**54,948,030**

Dividend income recognised from equity investment at FVOCI in the interim consolidated statement of income amounted to ⃁ 127,446 thousand for the six months period ended June 30, 2026 (June 30, 2025 - restated: ⃁ 150,774 thousand).

Investments include ⃁ 5,855 million (December 31, 2025:⃁ 1,580 million, June 30, 2025: ⃁ 2,005 million), which have been pledged under repurchase agreements with other banks and customers.

Total investments include Shariah based investments amounting to ⃁ 46.6 billion (December 31, 2025: ⃁ 43.1 billion; June 30, 2025: ⃁ 40.0 billion).

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6.2 Investments by type of securities:

	Domestic			International			Total		
	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Amortized cost									
Fixed rate debt securities	39,383,009	39,374,449	35,756,402	45,863	45,805	46,316	39,428,872	39,420,254	35,802,718
Floating rate debt securities	1,152,744	3,371,750	3,370,120	-	-	-	1,152,744	3,371,750	3,370,120
ECL allowance	(4,040)	(8,333)	(12,941)	(749)	(982)	(1,046)	(4,789)	(9,315)	(13,987)
FVOCI									
Fixed rate debt securities	10,694,759	3,933,432	2,922,987	5,762,129	5,769,441	6,016,987	16,456,888	9,702,873	8,939,974
Floating rate debt securities	287,673	213,111	401,591	-	-	-	287,673	213,111	401,591
Equities	3,651,079	4,030,635	4,337,207	1,079,282	1,099,936	914,265	4,730,361	5,130,571	5,251,472
FVSI									
Equities and funds	1,645,585	1,243,020	366,772	999,359	939,667	829,370	2,644,944	2,182,687	1,196,142
Total	**56,810,809**	**52,158,064**	**47,142,138**	**7,885,884**	**7,853,867**	**7,805,892**	**64,696,693**	**60,011,931**	**54,948,030**

6.3 Staging details by class of investments:

6.3.1 The following table further explains changes in gross carrying amount of debt investments at amortised cost:

	June 30, 2026 (Unaudited)			
Debt instruments carried at amortised cost	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	42,792,004	-	-	42,792,004
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	(2,210,388)	-	-	(2,210,388)
Closing balance as at June 30	**40,581,616**	**-**	**-**	**40,581,616**

	December 31, 2025 (Audited)			
Debt instruments carried at amortised cost	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	38,685,327	-	-	38,685,327
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the year	4,106,677	-	-	4,106,677
Closing balance as at December 31	**42,792,004**	**-**	**-**	**42,792,004**

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	June 30, 2025 (Unaudited) - restated			
Debt instruments carried at amortised cost	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	38,685,327	-	-	38,685,327
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	487,511	-	-	487,511
Closing balance as at June 30	**39,172,838**	**-**	**-**	**39,172,838**

6.3.2 The following table further explains changes in gross carrying amount of debt investments at FVOCI:

	June 30, 2026 (Unaudited)			
Debt instruments carried at FVOCI	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	9,915,984	-	-	9,915,984
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	6,828,577	-	-	6,828,577
Write-offs	-	-	-	-
Closing balance as at June 30	**16,744,561**	**-**	**-**	**16,744,561**

	December 31, 2025 (Audited)			
Debt instruments carried at FVOCI	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	7,868,485	-	-	7,868,485
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the year	2,047,499	-	-	2,047,499
Write-offs	-	-	-	-
Closing balance as at December 31	**9,915,984**	**-**	**-**	**9,915,984**

	June 30, 2025 (Unaudited) - restated			
Debt instruments carried at FVOCI	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	7,868,485	-	-	7,868,485
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	1,473,080	-	-	1,473,080
Write-offs	-	-	-	-
Closing balance as at June 30	**9,341,565**	**-**	**-**	**9,341,565**

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6.3.3 The analysis of changes in ECL allowance for debt instruments carried at amortised cost:

	June 30, 2026 (Unaudited)			
Debt instruments carried at amortised cost	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	9,315	-	-	9,315
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	(4,526)	-	-	(4,526)
Write-offs	-	-	-	-
Closing balance as at June 30	**4,789**	**-**	**-**	**4,789**

	December 31, 2025 (Audited)			
Debt instruments carried at amortised cost	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	11,174	-	-	11,174
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the year	(1,859)	-	-	(1,859)
Write-offs	-	-	-	-
Closing balance as at December 31	**9,315**	**-**	**-**	**9,315**

	June 30, 2025 (Unaudited)			
Debt instruments carried at amortised cost	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	11,174	-	-	11,174
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	2,813	-	-	2,813
Write-offs	-	-	-	-
Closing balance as at June 30	**13,987**	**-**	**-**	**13,987**

6.3.4 The analysis of changes in ECL allowance for debt instruments carried at FVOCI:

	June 30, 2026 (Unaudited)			
Debt instruments carried at FVOCI	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	47,679	-	-	47,679
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	(15,761)	-	-	(15,761)
Write-offs	-	-	-	-
Closing balance as at June 30	**31,918**	**-**	**-**	**31,918**

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	December 31, 2025 (Audited)			
Debt instruments carried at FVOCI	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	40,899	-	-	40,899
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the year	6,780	-	-	6,780
Write-offs	-	-	-	-
Closing balance as at December 31	**47,679**	**-**	**-**	**47,679**

	June 30, 2025 (Unaudited)			
Debt instruments carried at FVOCI	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1	40,899	-	-	40,899
Transfers to stage 1	-	-	-	-
Transfers to stage 2	-	-	-	-
Transfers to stage 3	-	-	-	-
Net change for the period	6,963	-	-	6,963
Write-offs	-	-	-	-
Closing balance as at June 30	**47,862**	**-**	**-**	**47,862**

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Government and quasi government	51,098,211	45,607,553	42,240,219
Banks and other financial institutions	6,681,958	7,019,838	5,230,923
Corporate	6,916,524	7,384,540	7,476,888
Total	**64,696,693**	**60,011,931**	**54,948,030**

7. Loans and advances, net

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

June 30, 2026 (Unaudited)	Corporate Banking	Retail Banking	Total
Performing loans and advances	152,779,854	54,449,299	207,229,153
Non-performing loans and advances	1,810,629	129,701	1,940,330
Total loans and advances	**154,590,483**	**54,579,000**	**209,169,483**
ECL allowance	(2,673,568)	(714,389)	(3,387,957)
Loans and advances, net	**151,916,915**	**53,864,611**	**205,781,526**

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December 31, 2025 (Audited)	Corporate Banking	Retail Banking	Total
Performing loans and advances	145,687,375	50,891,780	196,579,155
Non-performing loans and advances	1,762,761	100,884	1,863,645
Total loans and advances	**147,450,136**	**50,992,664**	**198,442,800**
ECL allowance	(2,428,718)	(714,777)	(3,143,495)
Loans and advances, net	**145,021,418**	**50,277,887**	**195,299,305**

June 30, 2025 (Unaudited)	Corporate Banking	Retail Banking	Total
Performing loans and advances	139,412,612	47,980,277	187,392,889
Non-performing loans and advances	2,119,160	118,179	2,237,339
Total loans and advances	**141,531,772**	**48,098,456**	**189,630,228**
ECL allowance	(2,448,256)	(706,375)	(3,154,631)
Loans and advances, net	**139,083,516**	**47,392,081**	**186,475,597**

Net loans and advances include Shariah based amounting to ⃁ 179.4 billion (December 31, 2025: ⃁ 167.9 billion; June 30, 2025: ⃁ 156.0 billion).

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

	June 30, 2026 (Unaudited)			
Total loans and advances	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2026	183,847,930	12,656,984	1,937,886	198,442,800
Transfers to stage 1	1,033,108	(1,022,372)	(10,736)	-
Transfers to stage 2	(4,959,295)	5,006,235	(46,940)	-
Transfers to stage 3	(59,535)	(156,356)	215,891	-
Net change for the period	13,202,253	(2,391,682)	147,157	10,957,728
Write-offs	-	-	(231,045)	(231,045)
Closing balance as at June 30, 2026	**193,064,461**	**14,092,809**	**2,012,213**	**209,169,483**

	December 31, 2025 (Audited)			
Total loans and advances	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	2,532,530	(2,513,260)	(19,270)	-
Transfers to stage 2	(4,167,540)	4,215,901	(48,361)	-
Transfers to stage 3	(124,693)	(170,616)	295,309	-
Net change for the year	27,421,617	(1,127,983)	405,931	26,699,565
Write-offs	-	-	(820,323)	(820,323)
Closing balance as at December 31, 2025	**183,847,930**	**12,656,984**	**1,937,886**	**198,442,800**

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	June 30, 2025 (Unaudited)			
Total loans and advances	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	2,786,824	(2,776,551)	(10,273)	-
Transfers to stage 2	(4,463,979)	4,490,612	(26,633)	-
Transfers to stage 3	(85,568)	(540,967)	626,535	-
Net change for the period	17,628,533	(172,352)	(33,996)	17,422,185
Write-offs	-	-	(355,515)	(355,515)
Closing balance as at June 30, 2025	**174,051,826**	**13,253,684**	**2,324,718**	**189,630,228**

	June 30, 2026 (Unaudited)			
Corporate Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2026	138,008,774	7,648,242	1,793,120	147,450,136
Transfers to stage 1	272,040	(272,040)	-	-
Transfers to stage 2	(2,569,871)	2,599,795	(29,924)	-
Transfers to stage 3	(17,720)	(90,454)	108,174	-
Net change for the period	8,274,835	(1,099,932)	68,829	7,243,732
Write-offs	-	-	(103,385)	(103,385)
Closing balance as at June 30, 2026	**143,968,058**	**8,785,611**	**1,836,814**	**154,590,483**

	December 31, 2025 (Audited)			
Corporate Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	117,129,774	8,667,073	1,960,779	127,757,626
Transfers to stage 1	1,765,547	(1,765,547)	-	-
Transfers to stage 2	(1,734,402)	1,759,583	(25,181)	-
Transfers to stage 3	(71,970)	(121,432)	193,402	-
Net change for the year	20,919,825	(891,435)	249,139	20,277,529
Write-offs	-	-	(585,019)	(585,019)
Closing balance as at December 31, 2025	**138,008,774**	**7,648,242**	**1,793,120**	**147,450,136**

	June 30, 2025 (Unaudited)			
Corporate Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	117,129,774	8,667,073	1,960,779	127,757,626
Transfers to stage 1	2,002,678	(2,002,678)	-	-
Transfers to stage 2	(1,944,692)	1,950,087	(5,395)	-
Transfers to stage 3	(49,426)	(464,166)	513,592	-
Net change for the period	13,110,603	967,196	(98,474)	13,979,325
Write-offs	-	-	(205,179)	(205,179)
Closing balance as at June 30, 2025	**130,248,937**	**9,117,512**	**2,165,323**	**141,531,772**

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	June 30, 2026 (Unaudited)			
Retail Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2026	45,839,156	5,008,742	144,766	50,992,664
Transfers to stage 1	761,068	(750,332)	(10,736)	-
Transfers to stage 2	(2,389,424)	2,406,440	(17,016)	-
Transfers to stage 3	(41,815)	(65,902)	107,717	-
Net change for the period	4,927,418	(1,291,750)	78,328	3,713,996
Write-offs	-	-	(127,660)	(127,660)
Closing balance as at June 30, 2026	**49,096,403**	**5,307,198**	**175,399**	**54,579,000**

	December 31, 2025 (Audited)			
Retail Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	41,056,242	3,585,869	163,821	44,805,932
Transfers to stage 1	766,983	(747,713)	(19,270)	-
Transfers to stage 2	(2,433,138)	2,456,318	(23,180)	-
Transfers to stage 3	(52,723)	(49,184)	101,907	-
Net change for the year	6,501,792	(236,548)	156,792	6,422,036
Write-offs	-	-	(235,304)	(235,304)
Closing balance as at December 31, 2025	**45,839,156**	**5,008,742**	**144,766**	**50,992,664**

	June 30, 2025 (Unaudited)			
Retail Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	41,056,242	3,585,869	163,821	44,805,932
Transfers to stage 1	784,146	(773,873)	(10,273)	-
Transfers to stage 2	(2,519,287)	2,540,525	(21,238)	-
Transfers to stage 3	(36,142)	(76,801)	112,943	-
Net change for the period	4,517,930	(1,139,548)	64,478	3,442,860
Write-offs	-	-	(150,336)	(150,336)
Closing balance as at June 30, 2025	**43,802,889**	**4,136,172**	**159,395**	**48,098,456**

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

June 30, 2026 (Unaudited)	Corporate Banking	Retail Banking	Total
Opening balance as at January 1	2,428,718	714,777	3,143,495
Net change for the period	348,235	127,272	475,507
Written-off against allowance	(103,385)	(127,660)	(231,045)
Closing balance as at June 30	**2,673,568**	**714,389**	**3,387,957**

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December 31, 2025 (Audited)	Corporate Banking	Retail Banking	Total
Opening balance as at January 1	2,400,863	668,034	3,068,897
Net change for the year	612,874	282,047	894,921
Written-off against allowance	(585,019)	(235,304)	(820,323)
Closing balance as at December 31	**2,428,718**	**714,777**	**3,143,495**

June 30, 2025 (Unaudited)	Corporate Banking	Retail Banking	Total
Opening balance as at January 1	2,400,863	668,034	3,068,897
Net change for the period	252,572	188,677	441,249
Written-off against allowance	(205,179)	(150,336)	(355,515)
Closing balance as at June 30	**2,448,256**	**706,375**	**3,154,631**

The net impairment charge for expected credit losses for the period ended June 30, 2026 amounted to ⃁ 394,138 thousand (December 31, 2025: ⃁ 715,230 thousand; June 30, 2025: ⃁ 369,817 thousand), The bad debts directly written-off to interim consolidated statement of income amounting to ⃁ 7,355 thousand (December 31, 2025: ⃁ 8,670 thousand; June 30, 2025: ⃁ 3,297 thousand) and net of recoveries and others amounting to ⃁ 88,724 thousand (December 31, 2025: ⃁ 188,361 thousand; June 30, 2025: ⃁ 74,729 thousand).

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

	June 30, 2026 (Unaudited)			
Total loans and advances	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2026	1,132,688	831,569	1,179,238	3,143,495
Transfers to stage 1	41,308	(35,181)	(6,127)	-
Transfers to stage 2	(54,742)	94,535	(39,793)	-
Transfers to stage 3	(1,341)	(22,309)	23,650	-
Net charge for the period	(180,737)	253,129	403,115	475,507
Write-offs	-	-	(231,045)	(231,045)
Closing balance as at June 30, 2026	**937,176**	**1,121,743**	**1,329,038**	**3,387,957**

	December 31, 2025 (Audited)			
Total loans and advances	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	79,307	(68,103)	(11,204)	-
Transfers to stage 2	(57,625)	98,256	(40,631)	-
Transfers to stage 3	(14,642)	(10,371)	25,013	-
Net charge for the year	249,976	94,368	550,577	894,921
Write-offs	-	-	(820,323)	(820,323)
Closing balance as at December 31, 2025	**1,132,688**	**831,569**	**1,179,238**	**3,143,495**

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	June 30, 2025 (Unaudited)			
Total loans and advances	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	70,816	(64,066)	(6,750)	-
Transfers to stage 2	(50,303)	67,602	(17,299)	-
Transfers to stage 3	(14,233)	(198,176)	212,409	-
Net charge for the period	274,595	65,941	100,713	441,249
Write-offs	-	-	(355,515)	(355,515)
Closing balance as at June 30, 2025	**1,156,547**	**588,720**	**1,409,364**	**3,154,631**

	June 30, 2026 (Unaudited)			
Corporate Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2026	778,232	570,561	1,079,925	2,428,718
Transfers to stage 1	2,730	(2,730)	-	-
Transfers to stage 2	(30,459)	58,519	(28,060)	-
Transfers to stage 3	(284)	(13,838)	14,122	-
Net charge for the period	(145,732)	241,852	252,115	348,235
Write-offs	-	-	(103,385)	(103,385)
Closing balance as at June 30, 2026	**604,487**	**854,364**	**1,214,717**	**2,673,568**

	December 31, 2025 (Audited)			
Corporate Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	542,417	515,039	1,343,407	2,400,863
Transfers to stage 1	27,273	(27,273)	-	-
Transfers to stage 2	(16,503)	39,315	(22,812)	-
Transfers to stage 3	(13,720)	(2,827)	16,547	-
Net charge for the year	238,765	46,307	327,802	612,874
Write-offs	-	-	(585,019)	(585,019)
Closing balance as at December 31, 2025	**778,232**	**570,561**	**1,079,925**	**2,428,718**

	June 30, 2025 (Unaudited)			
Corporate Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	542,417	515,039	1,343,407	2,400,863
Transfers to stage 1	28,542	(28,542)	-	-
Transfers to stage 2	(13,949)	18,284	(4,335)	-
Transfers to stage 3	(13,551)	(189,160)	202,711	-
Net charge for the period	255,124	41,680	(44,232)	252,572
Write-offs	-	-	(205,179)	(205,179)
Closing balance as at June 30, 2025	**798,583**	**357,301**	**1,292,372**	**2,448,256**

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	June 30, 2026 (Unaudited)			
Retail Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2026	354,456	261,008	99,313	714,777
Transfers to stage 1	38,578	(32,451)	(6,127)	-
Transfers to stage 2	(24,283)	36,016	(11,733)	-
Transfers to stage 3	(1,057)	(8,471)	9,528	-
Net charge for the period	(35,005)	11,277	151,000	127,272
Write-offs	-	-	(127,660)	(127,660)
Closing balance as at June 30, 2026	**332,689**	**267,379**	**114,321**	**714,389**

	December 31, 2025 (Audited)			
Retail Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	333,255	202,380	132,399	668,034
Transfers to stage 1	52,034	(40,830)	(11,204)	-
Transfers to stage 2	(41,122)	58,941	(17,819)	-
Transfers to stage 3	(922)	(7,544)	8,466	-
Net charge for the year	11,211	48,061	222,775	282,047
Write-offs	-	-	(235,304)	(235,304)
Closing balance as at December 31, 2025	**354,456**	**261,008**	**99,313**	**714,777**

	June 30, 2025 (Unaudited)			
Retail Banking	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2025	333,255	202,380	132,399	668,034
Transfers to stage 1	42,274	(35,524)	(6,750)	-
Transfers to stage 2	(36,354)	49,318	(12,964)	-
Transfers to stage 3	(682)	(9,016)	9,698	-
Net charge for the period	19,471	24,261	144,945	188,677
Write-offs	-	-	(150,336)	(150,336)
Closing balance as at June 30, 2025	**357,964**	**231,419**	**116,992**	**706,375**

7.5 Concentration for loans and advances, net is as follow:

7.5.1 Loans by customer type:

June 30, 2026 (Unaudited)	Retail	MSMEs *	Other corporate	Total
Performing loans and advances	54,449,299	34,004,975	118,774,879	207,229,153
Non-performing loans and advances	129,701	572,740	1,237,889	1,940,330
Total loans and advances	**54,579,000**	**34,577,715**	**120,012,768**	**209,169,483**
ECL allowance	(714,389)	(735,004)	(1,938,564)	(3,387,957)
Loans and advances, net	**53,864,611**	**33,842,711**	**118,074,204**	**205,781,526**

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December 31, 2025 (Audited)	Retail	MSMEs *	Other corporate	Total
Performing loans and advances	50,891,780	31,753,147	113,934,228	196,579,155
Non-performing loans and advances	100,884	529,150	1,233,611	1,863,645
Total loans and advances	**50,992,664**	**32,282,297**	**115,167,839**	**198,442,800**
ECL allowance	(714,777)	(709,883)	(1,718,835)	(3,143,495)
Loans and advances, net	**50,277,887**	**31,572,414**	**113,449,004**	**195,299,305**

June 30, 2025 (Unaudited)	Retail	MSMEs *	Other corporate	Total
Performing loans and advances	47,980,277	30,214,520	109,198,092	187,392,889
Non-performing loans and advances	118,179	572,662	1,546,498	2,237,339
Total loans and advances	**48,098,456**	**30,787,182**	**110,744,590**	**189,630,228**
ECL allowance	(706,375)	(593,204)	(1,855,052)	(3,154,631)
Loans and advances, net	**47,392,081**	**30,193,978**	**108,889,538**	**186,475,597**

* Micro, Small, and Medium Enterprises (MSMEs).

7.5.2 Retail loans by product type:

June 30, 2026 (Unaudited)	Credit card	Auto lease	Housing	Personal loans	Total
Performing loans and advances	1,454,625	2,165,835	28,847,518	21,981,321	54,449,299
Non-performing loans and advances	26,531	7,086	52,934	43,150	129,701
Total loans and advances	**1,481,156**	**2,172,921**	**28,900,452**	**22,024,471**	**54,579,000**
ECL allowance	(118,255)	(22,878)	(104,414)	(468,842)	(714,389)
Loans and advances, net	**1,362,901**	**2,150,043**	**28,796,038**	**21,555,629**	**53,864,611**

December 31, 2025 (Audited)	Credit card	Auto lease	Housing	Personal loans	Total
Performing loans and advances	1,411,904	1,955,452	27,431,216	20,093,208	50,891,780
Non-performing loans and advances	13,489	5,599	46,966	34,830	100,884
Total loans and advances	**1,425,393**	**1,961,051**	**27,478,182**	**20,128,038**	**50,992,664**
ECL allowance	(112,357)	(76,109)	(95,819)	(430,492)	(714,777)
Loans and advances, net	**1,313,036**	**1,884,942**	**27,382,363**	**19,697,546**	**50,277,887**

June 30, 2025 (Unaudited)	Credit card	Auto lease	Housing	Personal loans	Total
Performing loans and advances	1,274,987	1,712,457	25,736,840	19,255,993	47,980,277
Non-performing loans and advances	18,423	578	61,772	37,406	118,179
Total loans and advances	**1,293,410**	**1,713,035**	**25,798,612**	**19,293,399**	**48,098,456**
ECL allowance	(137,784)	(66,354)	(96,648)	(405,589)	(706,375)
Loans and advances, net	**1,155,626**	**1,646,681**	**25,701,964**	**18,887,810**	**47,392,081**

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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 six months ended	
	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited)
ECL allowance charges for loans and advances, net	171,186	155,243	394,138	369,817
Other ECL allowance (reversal)/ charges, net	(8,740)	11,217	(20,887)	9,570
Charge of provisions for credit-related commitments and contingencies, net	17,199	49,686	(58,326)	42,122
Total	**179,645**	**216,146**	**314,925**	**421,509**

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Current accounts	74,730	112,621	83,884
Money market deposits	14,331,690	7,090,386	5,983,675
Deposits from SAMA	-	4,745,615	5,511,465
Total	**14,406,420**	**11,948,622**	**11,579,024**

10. Customers' deposits

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Demand	101,152,800	96,784,498	103,886,062
Time	110,943,609	106,261,549	91,612,936
Saving	725,457	606,115	540,962
Other	4,929,543	5,634,618	5,683,064
Total	**217,751,409**	**209,286,780**	**201,723,024**

Customers' deposits include Shariah based deposits amounting to ⃁ 186.0 billion (December 31, 2025: ⃁ 178.5 billion; June 30, 2025: ⃁ 156.0 billion).

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11. Derivative financial instruments

The table below sets out the positive and negative fair values of derivative financial instruments, together with their notional amounts. 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.

	June 30, 2026 (Unaudited)			December 31, 2025 (Audited)			June 30, 2025 (Unaudited)		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
Held for trading:									
Commission rate and cross currency swaps	1,310,399	1,201,787	48,313,067	1,289,147	1,176,907	49,276,156	1,285,210	1,204,968	42,346,713
Commission rate futures and options	3,698	4,322	11,003,660	2,153	1,839	1,823,019	4,298	3,809	7,051,747
Forward foreign exchange and commodity contracts	149,601	110,089	12,281,761	146,819	133,635	4,413,823	107,575	87,757	11,246,320
Currency and commodity options	1,273	984	226,399	458	429	107,601	104	51	180,268
Held as fair value hedges:									
Commission rate swaps	475,855	25,819	13,812,063	631,651	4,881	20,932,486	409,369	4,762	13,522,982
Held as cash flow hedges:									
Commission rate swaps	-	-	-	-	9,103	1,800,000	-	32,645	1,800,000
Total	**1,940,826**	**1,343,001**	**85,636,950**	**2,070,228**	**1,326,794**	**78,353,085**	**1,806,556**	**1,333,992**	**76,148,030**

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, 2025 annual consolidated financial statements.

12.2 Credit related commitments and contingencies

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Letters of credit	8,471,581	8,049,979	6,493,485
Letters of guarantee	36,566,457	35,494,079	34,712,441
Acceptances	1,562,681	2,259,696	2,091,086
Irrevocable commitments to extend credit	12,417,519	11,793,270	8,959,824
Other	9,750	9,750	9,750
Total	**59,027,988**	**57,606,774**	**52,266,586**

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13. Cash and cash equivalents

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

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited)
Cash and balances with Saudi Central Bank excluding statutory deposit (note 4)	2,063,604	2,128,861	3,336,104
Due from banks and other financial institutions maturing within ninety days of acquisition	1,918,277	2,338,847	4,200,846
Total	**3,981,881**	**4,467,708**	**7,536,950**

14. Zakat and Tax

Zakat attributable to the Group on Saudi shareholders for the period ended June 30, 2026 amounted to ⃁ 215.4 million (June 30, 2025: ⃁ 193.9 million). Income tax attributable to the Group on the current period's share of net income for the non-Saudi strategic shareholder is ⃁ 277.5 million (June 30, 2025: ⃁ 250.1 million), including the charge of deferred tax amounting to ⃁ 24.7 million (June 30, 2025: reversal of ⃁ 71.4 million).

The provision for Zakat and tax is estimated based on the respective interim condensed consolidated financial position as at June 30, 2026 and the results of the operations of the Group for the six-months then ended.

There are no significant changes in the Bank's Zakat and tax assessments to those mentioned in the Group's annual consolidated financial statements for the year ended December 31, 2025.

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.

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 period are consistent with the basis used for December 31, 2025. 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.

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The Group's total consolidated assets and liabilities as at June 30, 2026 and 2025 and its total operating income, expenses and net income for the six-months then ended, by operating segments, are as follows:

June 30, 2026 (Unaudited)	Retail banking	Corporate banking	Treasury	Investment and brokerage services	Other	Total
Total assets	78,456,744	131,698,108	80,951,795	1,248,653	3,160,710	295,516,010
Investments in associates	-	-	-	296,638	615,482	912,120
Total liabilities	104,396,975	120,283,228	16,367,230	146,310	1,856,713	243,050,456
Operating income/ (expense) from external customers	1,019,543	3,782,795	573,528	256,299	(301,394)	5,330,771
Intersegment operating income/ (expense)	745,499	(1,468,067)	425,173	-	297,395	-
Total operating income/ (expense)	1,765,042	2,314,728	998,701	256,299	(3,999)	5,330,771
Of which:						
Net special commission income	1,748,605	1,690,668	435,040	121,618	281,932	4,277,863
ECL allowance charges/ (reversals) and other provisions, net	76,856	258,958	(20,889)	-	-	314,925
Depreciation and amortisation	120,142	7,017	4,518	2,802	(880)	133,599
Total operating expenses	1,212,457	746,175	77,005	97,887	(63,174)	2,070,350
Share in earnings of associates	-	-	-	6,915	11,779	18,694
Net income before Zakat and income tax	552,585	1,568,553	921,696	165,327	70,954	3,279,115

June 30, 2025 (Unaudited) - restated	Retail banking	Corporate banking	Treasury	Investment and brokerage services	Other	Total
Total assets	72,743,462	119,172,193	73,634,957	1,093,809	2,973,488	269,617,909
Investments in associates	-	-	-	285,712	611,383	897,095
Total liabilities	99,252,686	111,079,939	13,705,136	129,942	1,828,643	225,996,346
Operating income/ (expense) from external customers	1,135,004	3,472,946	489,791	304,907	(316,571)	5,086,077
Intersegment operating income/ (expense)	839,403	(1,330,625)	241,682	-	249,540	-
Total operating income/ (expense)	1,974,407	2,142,321	731,473	304,907	(67,031)	5,086,077
Of which:						
Net special commission income	1,864,860	1,558,009	314,813	126,245	246,100	4,110,027
ECL allowance charges and other provisions, net	200,250	208,689	9,570	3,000	-	421,509
Depreciation and amortisation	117,536	5,348	1,191	2,287	(880)	125,482
Total operating expenses	1,186,651	747,079	87,407	92,957	(90,421)	2,023,673
Share in earnings of associates	-	-	-	5,245	8,578	13,823
Net income before Zakat and income tax	787,756	1,395,242	644,066	217,195	31,968	3,076,227

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16. Debt securities in issue and Tier I Sukuk

On October 21, 2020 the Group issued a USD 750 million (equivalent to ⃁ 2,812 million) 10 years subordinated Tier II Sukuk callable in 5 years and carrying a special commission rate of 3.326%. The Group exercised the call option and fully redeemed the Sukuk in October 2025.

During the year ended December 31, 2025, the Group established a Certificate of Deposits programme, and the balance of ⃁ 461 million as of June 30, 2026 pertain to issuances made under this programme.

During the period ended June 30, 2026, the Group established a program for issuing Tier II subordinated sukuk amounting to USD 3,000 million (equivalent to ⃁11,250 million). As of June 30, 2026, the value of the Tier II subordinated sukuk is nil.

On January 13, 2025, the Bank announced its intention to issue a Saudi Riyal denominated additional Tier I Sukuk by way of private placement in the Kingdom of Saudi Arabia pursuant to its ⃁11,250 million additional Tier I Sukuk program. The necessary regulatory approvals on the program and offerings were obtained during the year. As at June 30, 2026, the value of issued Sukuk is ⃁6,455 million.

On August 28, 2025, the Bank announced its intention to issue a US Dollar denominated additional Tier I sustainable Sukuk by way of an offer to eligible investors in the Kingdom of Saudi Arabia and internationally pursuant to its additional Tier I sustainable Sukuk program. The necessary regulatory approvals on the program and offerings were obtained during the year. As at June 30, 2026, the value of the issued Sukuk is US Dollar 750 million (equivalent to ⃁2,812.5 million).

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

17.1 Share capital

As at June 30, 2026, the authorised, issued and fully paid share capital of the Bank consists of 2,000 million shares of ⃁10 each (December 31, 2025: 2,000 million shares and June 30, 2025: 2,000 million shares of ⃁10 each).

17.2 Dividends

17.2.1 On January 31, 2026, the Board of Directors approved to pay cash dividends of ⃁1,300 million for the second half of 2025 after deducting zakat. This final dividend resulted in a net payment of ⃁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 16, 2026.

17.2.2 On February 5, 2025, the Board of Directors approved to pay cash dividends of ⃁1,300 million from net income after deducting Zakat for the second half of 2024. This final dividend resulted in a net payment of ⃁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.

17.3 Basic and diluted earnings per share

Basic and diluted earnings per share for the periods ended June 30, 2026 and 2025 is calculated by dividing net income for the period attributable to equity holders by the weighted average number of outstanding shares as of June 30, 2026: 1,986 million shares (June 30, 2025: 1,994 million shares) after accounting for treasury shares and Tier I sukuk cost.

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 at a total cost of ⃁ 98 million. 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 by purchasing 10 million shares during the year ended December 31, 2025 at a total cost of ⃁218 million.

During the period ended June 30, 2026, a total of 1,223 thousand shares from the Employee Share Program were vested.

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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.

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

June 30, 2026 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Instruments at FVSI	2,644,944	22,731	331,294	2,290,919	2,644,944
Instruments at FVOCI	21,474,922	3,749,527	16,744,561	980,834	21,474,922
Positive fair value of derivatives	1,940,826	-	1,940,826	-	1,940,826
Financial assets not measured at fair value					
Instruments at amortised cost	40,576,827	-	37,589,324	-	37,589,324
Loans and advances	205,781,526	-	-	200,866,733	200,866,733

December 31, 2025 (Audited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Instruments at FVSI	2,182,687	23,250	83,034	2,076,403	2,182,687
Instruments at FVOCI	15,046,555	4,381,439	9,915,984	749,132	15,046,555
Positive fair value of derivatives	2,070,228	-	2,070,228	-	2,070,228
Financial assets not measured at fair value					
Instruments at amortised cost	42,782,689	-	39,677,803	-	39,677,803
Loans and advances	195,299,305	-	-	191,519,118	191,519,118

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June 30, 2025 (Unaudited) - restated	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Instruments at FVSI	1,196,142	24,762	-	1,171,380	1,196,142
Instruments at FVOCI	14,593,037	4,616,618	9,341,565	634,854	14,593,037
Positive fair value of derivatives	1,806,556	-	1,806,556	-	1,806,556
Financial assets not measured at fair value					
Instruments at amortised cost	39,158,851	-	42,129,077	-	42,129,077
Loans and advances	186,475,597	-	-	183,149,454	183,149,454

18.1.2 Financial Liabilities

June 30, 2026 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,343,001	-	1,343,001	-	1,343,001
Financial liabilities not measured at fair value					
Debt securities in issue	461,499	-	461,499	-	461,499

December 31, 2025 (Audited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,326,794	-	1,326,794	-	1,326,794
Financial liabilities not measured at fair value					
Debt securities in issue	451,962	-	451,962	-	451,962

June 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	1,333,992	-	1,333,992	-	1,333,992
Financial liabilities not measured at fair value					
Debt securities in issue	2,828,870	-	2,791,969	-	2,791,969

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 period ended June 30, 2026 and 2025.

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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:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited)	June 30, 2025 (Unaudited) - restated
Balance at the beginning of the period/ year	2,825,535	1,534,303	1,534,303
Change in fair value	409,599	260,773	25,049
Additions/ settlements during the period/ year	36,619	1,030,459	246,882
Balance at the end of the period/ year	**3,271,753**	**2,825,535**	**1,806,234**

18.2.3 Valuation technique and significant unobservable inputs

The Group uses various valuation techniques for determination of fair values for financial instruments classified under levels 2 and 3 of the fair value hierarchy. These techniques and the significant unobservable inputs used therein are analysed below.

The Group utilises fund managers' reports (and appropriate discounts or haircuts where required) for the determination of fair values of private equity funds. The fund manager deploys various techniques (such as discounted cashflow models and multiples method) for the valuation of underlying financial instruments classified under levels 2 and 3 of the respective fund's fair value hierarchy. Significant unobservable inputs embedded in the models used by the fund manager include risk adjusted discount rates, marketability and liquidity discounts and control premiums.

For the valuation of unquoted debt securities and derivative financial instruments, the Group obtains fair value estimates from reputable third party valuers, who use techniques such as discounted cash flows, option pricing models and other sophisticated models.

Loans and advances are classified as Level 3, the fair value of which is determined by discounting future cash flows using expected SAIBOR: Saudi Interbank Offered Rate.

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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.

	June 30, 2026 (Unaudited)	June 30, 2025 (Unaudited) - restated
Non-Saudi Major Shareholder and their Affiliates:		
Due from banks and other financial institutions	55,337	143,500
Investments	745,570	664,227
Commitments and contingencies	2,648,024	2,256,413
Board of directors, board committee members and other major shareholders:		
Loans and advances	12,405,926	9,389,109
Investments	1,030,131	545,377
Commitments and contingencies	2,403,007	2,339,499
Associates:		
Investments in associates	912,120	897,095
Loans and advances	2,203,775	1,807,587
Key management personnel of the bank:		
Loans and advances	96,757	90,594
Compensation paid to key management personnel*:		
Short-term employee benefits (Salaries and allowances)	33,197	30,576
Post-employment benefits (End of service indemnity and social security)	4,470	3,028

* 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 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. 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:

	June 30, 2026 (Unaudited)	December 31, 2025 (Audited) - restated	June 30, 2025 (Unaudited) - restated
Credit Risk RWA	237,602,968	227,747,430	216,317,424
Operational Risk RWA	8,883,908	7,774,176	7,774,176
Market Risk RWA	10,795,016	13,667,159	13,628,657
Total Pillar I RWA	**257,281,892**	**249,188,765**	**237,720,257**
Tier I Capital	52,435,655	49,482,510	43,590,669
Tier II Capital	1,095,980	1,305,945	4,213,842
Total Tier I & II Capital	**53,531,635**	**50,788,455**	**47,804,511**
Capital Adequacy Ratio %			
CET I	16.78%	16.74%	16.93%
Tier I ratio %	20.38%	19.86%	18.34%
Tier I + Tier II ratio %	20.81%	20.38%	20.11%

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 period ended June 30, 2025, the Group corrected the classification of some of its investments from "Debt investments at FVOCI" and "Investments at amortised cost" to "Equity investments at FVOCI". These adjustments are considered as correction as per IAS 8 (Accounting policies, Changes and Accounting Estimates and Error) and are material to the interim consolidated financial statements and accordingly the disclosure note 6 to the interim consolidated financial statements, interim consolidated statement of financial position, interim consolidated statement of comprehensive income and interim consolidated statement of income have been restated.

21.3 During the period ended June 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 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.

21.4 During the period ended June 30, 2025, the Group corrected its calculation of deferred tax. These adjustments are considered as correction as per IAS 8 (Accounting policies, Changes and Accounting Estimates and Error) and are material to the interim consolidated financial statements and accordingly the interim consolidated statement of financial position and interim consolidated statement of changes in equity have been restated.

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

	Note	As previously presented	Restatement	Restated
Interim consolidated statement of financial position:				
As of June 30, 2025				
Investments, net	21.3	54,313,176	634,854	54,948,030
Other liabilities	21.4	8,459,611	71,825	8,531,436
Retained earnings	21.4	7,629,093	(71,825)	7,557,268
Other reserves	21.3	333,911	634,854	968,765
Interim consolidated statement of income:				
For the three-months periods ended June 30, 2025				
Special commission income	21.2	3,901,121	(18,336)	3,882,785
Dividend income	21.2	100,890	18,336	119,226
For the six-months periods ended June 30, 2025				
Special commission income	21.2	7,469,870	(33,478)	7,436,392
Dividend income	21.2	136,073	33,478	169,551
Interim consolidated statement of comprehensive income:				
For the three-months period ended June 30, 2025				
Equity instruments at FVOCI: Net changes in fair value	21.2 – 21.3	(102,316)	19,821	(82,495)
Debt instruments at FVOCI: Net changes in fair value	21.2	88,083	(4,635)	83,448
For the six-months period ended June 30, 2025				
Equity instruments at FVOCI: Net changes in fair value	21.2 – 21.3	10,247	43,410	53,657
Debt instruments at FVOCI: Net changes in fair value	21.2	180,114	(13,038)	167,076

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22. Impact of geo-political situation on expected credit losses ("ECL")

The geopolitical situation in the MiddleEast has deteriorated significantly since 28 February 2026. The situation has remained highly volatile and has impacted several countries in the Middle East including Kingdom of Saudi Arabia, causing disruption to some business and economic activities.

The Bank continues to evaluate and closely monitor the current situation to assess any impact geopolitical situation may have had on its business and financial performance, through conducting stress-testing scenarios, as appropriate, on expected movements of oil prices and its impact on key credit, liquidity, operational, solvency and performance indicators in addition to other risk management practices. The steps taken by management also includes commencing review of credit exposures at a more granular level with particular focus on specific economic sectors, and collateral protection, where required.

The impact of such uncertain economic environment is judgmental, and the Bank will continue to reassess its position and the related impact on a regular basis as more reliable data becomes available and accordingly determine if any adjustment in the ECL is required in subsequent reporting periods.

23. Initial assessment of the expected impact of the initial application of IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 "*Presentation and Disclosure in Financial Statements", as endorsed in Kingdom of Saudi Arabia (IFRS 18)* will replace IAS 1 '*Presentation of Financial Statements" as endorsed in the Kingdom of Saudi Arabia,* for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted. The Bank has not early adopted IFRS 18 in preparing these interim condensed consolidated financial statements.

The Bank has established a formal IFRS 18 implementation program including assessments of financial statement presentation, management reporting, data and systems requirements and reporting implications.

The Bank is currently assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements. Based on the assessment performed to date, the expected impacts pertain to the presentation, aggregation, disaggregation and disclosure of information within the consolidated financial statements.

Presentation of Statement of Income

IFRS 18 requires entities to classify income and expenses into specified categories within the statement of income, namely operating, investing, financing, income taxes and discontinued operations. It also introduces mandatory subtotal including *Operating Profit* and *Profit for the year.*

Neither total profit for the period nor total equity is expected to change as a result of adopting IFRS 18. However, the Bank expects changes to the presentation and classification of certain income and expense items within the statement of income, including the introduction of IFRS defined subtotals.

Based on its preliminary assessment, the Bank has concluded that providing financing to customers and investing in financial assets as part of its banking activities constitute specified main business activities for the purposes of IFRS 18. Based on this, the Bank expects the following impacts on the consolidated financial statements:

- Financing income arising from customer financing assets, investment securities and treasury activities supporting the Bank's specified main business activities is expected to be presented within the operating category.
- Funding costs relating to customer deposits, debt securities issued and other financing liabilities that support the Bank's specified main business activities are expected to be presented within the operating category.
- Foreign exchange differences are expected to be classified in the same category as the underlying assets and liabilities giving rise to those differences. Based on the Bank's current assessment, the majority of foreign exchange differences arise from financing, treasury and investment activities that support the Bank's core banking operations and are therefore expected to be presented within operating category. The Bank continues to assess whether any foreign exchange differences relate to activities that may require presentation outside the operating category under IFRS 18.

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- Gains and losses arising from derivatives designated in hedging relationships are expected to be presented in the same category as the underlying hedged exposures. Based on the Bank's current assessment, the majority of derivatives are associated with customer financing, treasury and funding activities that support the Bank's core banking operations and are therefore expected to be presented within operating category. The Bank continues to assess whether any derivatives relate to activities that may require presentation outside the operating category under IFRS 18.

The share of profit or loss from associates accounted for using the equity method will be presented within the investing category and outside operating profit as required by IFRS 18.

Certain expenses arising from liabilities or other obligations that are not directly linked to the Bank's specified main business activities, i-e. interest charge on lease liabilities and the interest cost of employee benefit obligations are currently being assessed and would be presented within the financing category in accordance with IFRS 18.

In addition, IFRS 18 may require changes to certain line-item descriptions, subtotals and disclosures currently presented in the statement of income. The assessment remains subject to completion of the Bank's implementation activities and any future interpretative or regulatory developments.

Management-defined Performance Measures

IFRS 18 introduces new disclosure requirements for Management-defined Performance Measures ("MPMs"), which are subtotals of income and expenses used in public communications to communicate management's view of an aspect of the Bank's financial performance. Such measures will be required to be disclosed within a single note to the consolidated financial statements together with explanations of their purpose and reconciliations to the most directly comparable IFRS-defined totals or subtotals.
The Bank is assessing whether measures communicated externally, net operating income before impairment provision or other performance metrics that meet the definition of Management-defined Performance Measures under IFRS 18 and may therefore require enhanced disclosures and reconciliations.

Principles of Aggregation and Disaggregation

IFRS 18 introduces enhanced requirements relating to the aggregation and disaggregation of information throughout the financial statements and accompanying notes. These requirements are intended to improve transparency by ensuring that material information is presented separately and dissimilar items are not obscured through aggregation. The Bank is currently assessing whether additional disaggregation may be required for other assets, other liabilities, other operating income, other general and administrative expenses, other operating expenses. The Bank also expects certain line-item descriptions currently used within the consolidated financial statements to be refined to enhance clarity and consistency with the objectives of IFRS 18.

Consequential Amendments

IFRS 18 introduces consequential amendments to other IFRS, including IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. The Bank is currently assessing the impact of these amendments, including potential changes to the presentation of operating cash flows and the classification of interest, dividends and other cash flow items. The Bank is also evaluating requirements relating to comparative information and retrospective application upon adoption of IFRS 18. The Bank's assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress, industry practice evolves and additional guidance from regulators and standard setters become available.

24. Subsequent event

On July 19, 2026, the Board of Directors approved to pay cash dividends of ⃁ 1,300 million for the first half of 2026 after deducting zakat. This interim dividend will result in a net payment of ⃁ 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 (if any) will be deducted from their share of the dividend. This interim dividend will be distributed on August 4, 2026.

25. Board of Directors’ approval

The interim condensed consolidated financial statements were approved by the Board on Safar 5, 1448 (corresponding to July 19, 2026).