



BANQUE SAUDI FRANSI

(A SAUDI JOINT STOCK COMPANY)

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED
SEPTEMBER 30, 2026**





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

Head Office
Financial Boulevard 3126, Al Aqeeq Dist. 6717, Riyadh 13519
KAFD 1.11 B, South Tower, 8th Floor
P.O. Box 2732, Riyadh 11461
Kingdom of Saudi Arabia

C.R. No. 1010383821
Unified No. 7000117205

Tel: +966 11 215 9898
+966 11 273 4740
Fax: +966 11 273 4730
ey.ksa@sa.ey.com
ey.com



Deloitte and Touche & Co.
Chartered Accountants
(Professional Simplified Joint Stock Company)

Paid-up capital ﷲ 5,000,000
Metro Boulevard – Al-Aqiq
King Abdullah Financial District
P.O. Box 213 - Riyadh 11411
Saudi Arabia
C.R No. 1010600030

Tel: +966 11 5089001
www.deloitte.com

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

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

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Banque Saudi Fransi (the "Bank") and its subsidiaries (collectively referred to as "the Group") as at 30 September 2026, and the related condensed interim consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2026, and the related condensed interim consolidated statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed interim consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim consolidated financial information based on our review.

Scope of review

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

Conclusion

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

Ernst & Young Professional Services

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



Deloitte and Touche & Co.
Chartered Accountants

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



14 Jumada Al - Ula 1448
25 October 2026

ﷲ '000	Notes	Sep 30, 2026 (Unaudited)	Dec 31, 2025 (Audited)	Sep 30, 2025 (Unaudited)
ASSETS				
Cash and balances with Saudi Central Bank	5	11,954,267	10,931,246	13,007,924
Due from banks and other financial institutions, net	6	8,534,754	3,816,772	9,734,083
Investments, net	7	73,012,633	68,681,703	65,819,720
Positive fair value of derivatives	11	7,263,508	4,464,099	4,558,379
Loans and advances, net	8	230,398,755	214,891,263	215,591,897
Investment in associate, net		9,695	9,695	9,695
Property, equipment and right of use assets, net		2,814,748	2,544,406	2,260,168
Other real estate, net		206,841	219,041	227,216
Other assets, net		4,447,776	3,447,561	3,736,453
Total assets		338,642,977	309,005,786	314,945,535
LIABILITIES AND EQUITY				
Liabilities				
Due to Saudi Central Bank	9	17,223,104	4,980,012	17,841,436
Due to banks and other financial institutions	10	15,035,767	7,904,600	11,627,708
Customers' deposits	12	203,227,352	195,219,089	185,868,055
Negative fair value of derivatives	11	7,446,923	4,251,687	4,406,536
Debt securities and term loans	13	36,486,625	38,876,945	36,115,900
Other liabilities		8,817,080	7,114,015	7,011,257
Total liabilities		288,236,851	258,346,348	262,870,892
Equity				
Share capital		25,000,000	25,000,000	25,000,000
Statutory reserve		9,527,945	9,527,945	8,189,590
General reserve		982,857	982,857	982,857
Other reserves		(709,786)	748,911	741,269
Retained earnings		7,965,096	5,388,140	6,925,680
Proposed dividend		-	1,294,696	-
Treasury shares		(297,486)	(220,611)	(202,253)
Equity attributable to the shareholders of the Bank		42,468,626	42,721,938	41,637,143
Tier I capital	16	7,937,500	7,937,500	10,437,500
Total equity		50,406,126	50,659,438	52,074,643
Total liabilities and equity		338,642,977	309,005,786	314,945,535

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

Ramzy Darwish



Chief Financial Officer

Bader AlSalloom



Chief Executive Officer

Mazin AlRomaih



Chairman of the Board

ﷲ '000	For the three month period ended		For the nine month period ended	
	Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Special commission income	4,660,639	4,517,331	13,670,100	13,037,591
Special commission expense	2,357,319	2,355,283	6,807,041	6,561,202
Net special commission income	2,303,320	2,162,048	6,863,059	6,476,389
Fee and commission income	452,729	410,690	1,292,040	1,269,321
Fee and commission expense	176,025	198,577	550,102	514,408
Net fee and commission income	276,704	212,113	741,938	754,913
Exchange income, net	144,299	121,243	375,787	370,648
Trading income, net	95,921	47,406	251,561	140,424
Dividend income	25,654	4,226	81,080	19,078
Gains on FVOCI / non-trading investments, net	15,935	49,857	105,313	117,988
Other operating income	68	2,212	283	36,232
Total operating income	2,861,901	2,599,105	8,419,021	7,915,672
Salaries and employee related expenses	502,620	461,268	1,497,664	1,407,677
Rent and premises related expenses	17,687	20,735	60,209	57,238
Depreciation and amortization	100,620	84,379	284,843	243,574
Other operating and general and administrative expenses	304,585	287,656	930,415	885,542
Total operating expenses before impairment charge	925,512	854,038	2,773,131	2,594,031
Impairment charge for expected credit losses on loans and advances, net	236,549	179,497	729,108	705,912
Impairment charge for investments, financial assets and others, net	34,332	57,122	54,861	46,167
Total operating expenses, net	1,196,393	1,090,657	3,557,100	3,346,110
Net income for the period before Zakat	1,665,508	1,508,448	4,861,921	4,569,562
Zakat for the period	156,735	155,521	485,341	475,678
Net income for the period	1,508,773	1,352,927	4,376,580	4,093,884
Basic and diluted earnings per share (ﷲ)	0.56	0.50	1.62	1.53

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

Ramzy Darwish



Chief Financial Officer

Bader AlSalloom



Chief Executive Officer

Mazin AlRomaih



Chairman of the Board

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ﷲ '000	For the three month period ended		For the nine month period ended	
	Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
Net income for the period	1,508,773	1,352,927	4,376,580	4,093,884
Other comprehensive income / (loss):				
Items that cannot be recycled back to condensed interim consolidated statement of income in subsequent periods				
<u>Movement in equity instruments at fair value through other comprehensive income</u>				
Net change in the fair value	(42,990)	(102,037)	33,034	29,478
Loss transferred to retained earnings	1,136	-	1,136	-
Items that can be recycled back to condensed interim consolidated statement of income in subsequent periods				
<u>Debt instruments at fair value through other comprehensive income</u>				
Net change in the fair value	(727,824)	400,607	(1,218,781)	952,723
Net change in ECL	2,984	2,116	2,328	1,490
Income transferred to condensed interim consolidated statement of income	(15,935)	(49,857)	(94,783)	(117,988)
<u>Cash flow hedge</u>				
Net change in the fair value	(167,631)	(42,043)	(434,152)	40,610
Loss transferred to condensed interim consolidated statement of income	53,736	161,689	252,521	436,896
Total other comprehensive (loss) / income for the period	(896,524)	370,475	(1,458,697)	1,343,209
Total comprehensive income for the period	612,249	1,723,402	2,917,883	5,437,093

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

Ramzy Darwish



Chief Financial Officer

Bader AlSalloom



Chief Executive Officer

Mazin AlRomaih



Chairman of the Board

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

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١٠٠٠	Share capital	Statutory reserve	General reserve	Retained earnings	Other reserves			Proposed dividend	Treasury shares	Total equity attributable to the shareholders	Tier I capital	Total Equity
					FVOCI	Actuarial gain on defined benefit plans	Cash flow hedge					
For the nine month period ended Sep 30, 2026												
Balance at the beginning of the period	25,000,000	9,527,945	982,857	5,388,140	720,764	70,629	(42,482)	1,294,696	(220,611)	42,721,938	7,937,500	50,659,438
Net income for the period	-	-	-	4,376,580	-	-	-	-	-	4,376,580	-	4,376,580
Net change in the fair value	-	-	-	-	(1,183,419)	-	(434,152)	-	-	(1,617,571)	-	(1,617,571)
Loss on disposal of FVOCI investment - equity	-	-	-	-	1,136	-	-	-	-	1,136	-	1,136
Net amount transferred to condensed interim consolidated statement of income	-	-	-	-	(94,783)	-	252,521	-	-	157,738	-	157,738
Total comprehensive income for the period	-	-	-	4,376,580	(1,277,066)	-	(181,631)	-	-	2,917,883	-	2,917,883
Loss on disposal of FVOCI investment - equity	-	-	-	(1,136)	-	-	-	-	-	(1,136)	-	(1,136)
Tier I capital related cost	-	-	-	(377,695)	-	-	-	-	-	(377,695)	-	(377,695)
Final dividend paid for 2025	-	-	-	-	-	-	-	(1,294,696)	-	(1,294,696)	-	(1,294,696)
Interim dividend paid for 2026	-	-	-	(1,420,793)	-	-	-	-	-	(1,420,793)	-	(1,420,793)
Net change in treasury shares	-	-	-	-	-	-	-	-	(76,875)	(76,875)	-	(76,875)
Balance at the end of the period	25,000,000	9,527,945	982,857	7,965,096	(556,302)	70,629	(224,113)	-	(297,486)	42,468,626	7,937,500	50,406,126
For the nine month period ended Sep 30, 2025												
Balance at the beginning of the period	25,000,000	8,189,590	982,857	4,509,836	(550,817)	26,537	(608,556)	1,245,666	(188,111)	38,607,002	8,000,000	46,607,002
Impact on prior years adjustment	-	-	-	-	530,896	-	-	-	-	530,896	-	530,896
Restated balance as at January 01, 2025	25,000,000	8,189,590	982,857	4,509,836	(19,921)	26,537	(608,556)	1,245,666	(188,111)	39,137,898	8,000,000	47,137,898
Net income for the period	-	-	-	4,093,884	-	-	-	-	-	4,093,884	-	4,093,884
Net change in the fair value	-	-	-	-	983,691	-	40,610	-	-	1,024,301	-	1,024,301
Net amount transferred to condensed interim consolidated statement of income	-	-	-	-	(117,988)	-	436,896	-	-	318,908	-	318,908
Total comprehensive income for the period	-	-	-	4,093,884	865,703	-	477,506	-	-	5,437,093	-	5,437,093
Issuance of Tier 1 capital	-	-	-	-	-	-	-	-	-	-	2,437,500	2,437,500
Tier I capital related cost	-	-	-	(303,750)	-	-	-	-	-	(303,750)	-	(303,750)
Final dividend paid for 2024	-	-	-	-	-	-	-	(1,245,666)	-	(1,245,666)	-	(1,245,666)
Interim dividend for 2025	-	-	-	(1,374,290)	-	-	-	-	-	(1,374,290)	-	(1,374,290)
Net change in treasury shares	-	-	-	-	-	-	-	-	(14,142)	(14,142)	-	(14,142)
Balance at the end of the period	25,000,000	8,189,590	982,857	6,925,680	845,782	26,537	(131,050)	-	(202,253)	41,637,143	10,437,500	52,074,643

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

Ramzy Darwish

Bader AlSalloom

Mazin AlRomaih

Chief Financial Officer

Chief Executive Officer

Chairman of the Board

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

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SAR '000	Notes	For the nine month period ended	
		Sep 30, 2026	Sep 30, 2025
OPERATING ACTIVITIES			
Net income for the period before zakat		4,861,921	4,569,562
Adjustments to reconcile net income before zakat to net cash from / (used in) operating activities:			
Accretion of discounts on investments not held as FVSI, net		101,403	73,258
Gains on non-trading investment		(105,313)	(117,988)
Depreciation and amortization		284,843	243,574
Gains on disposal of property, equipment, net		(146)	(35,872)
Impairment charge for expected credit losses, net	8	942,505	1,033,575
Impairment charge for investments, financial assets and others, net		54,861	46,167
Long term incentive scheme provision		81,805	76,647
Operating income before changes in operating assets and liabilities		6,221,879	5,888,923
Net increase in operating assets:			
Statutory deposit with Saudi Central Bank		(508,426)	153,491
Due from banks and other financial institutions maturing after ninety days from the date of acquisition		(146,924)	(79,717)
Investments held as FVSI, trading		(877,643)	223,597
Loans and advances		(16,448,927)	(12,457,196)
Other assets		(3,593,539)	1,951,268
Net increase / (decrease) in operating liabilities:			
Due to Saudi Central Bank, banks and other financial institutions, net		19,398,094	(2,837,715)
Customers' deposits		7,984,119	749,876
Other liabilities		4,574,656	(1,361,788)
Zakat paid		16,603,289	(7,769,261)
Net cash generated from / (used in) operating activities		(617,511)	(524,117)
INVESTING ACTIVITIES		15,985,778	(8,293,378)
Proceeds from sales and maturities of investments not held as FVSI		15,743,542	9,977,872
Purchase of investments not held as FVSI, net		(20,469,985)	(14,233,264)
Purchases of property and equipment		(672,611)	(236,895)
Proceeds from sale of property and equipment		289	76,097
Net cash used in investing activities		(5,398,765)	(4,416,190)
FINANCING ACTIVITIES			
Issuance of debt securities and term loans		5,760,245	20,238,273
Repayment of debt securities and term loans		(7,526,415)	-
Dividend paid		(2,715,489)	(2,619,956)
Issuance of Tier I capital		-	2,437,500
Tier I capital related cost		(377,695)	(303,750)
Payment of lease liability		(108,302)	(71,753)
Purchase of Treasury Shares		(158,680)	(90,789)
Net cash (used in) / generated from financing activities		(5,126,336)	19,589,525
Increase in cash and cash equivalents		5,460,677	6,879,957
Cash and cash equivalents at the beginning of the period		2,657,098	3,029,528
Cash and cash equivalents at the end of the period	15	8,117,775	9,909,485
Special commission received during the period		13,487,360	12,730,286
Special commission paid during the period		6,554,170	6,328,048
Supplemental non-cash information			
RoU assets		83,934	57,986
Lease liability		28,721	21,941
Movement in other reserve and transfers to the condensed interim consolidated statement of income		(1,458,697)	1,343,209

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

Ramzy Darwish


Chief Financial Officer

Bader AlSalloom


Chief Executive Officer

Mazin AlRomaih


Chairman of the Board

1. General

Banque Saudi Fransi (the Bank) is a Saudi Joint Stock Company established by Royal Decree No. M/23 dated Jumada Al Thani 17, 1397H (corresponding to June 04, 1977). The Bank formally commenced its activities on Muharram 01, 1398H (corresponding to December 11, 1977), by taking over the branches of the Banque de l'Indochine et de Suez in the Kingdom of Saudi Arabia. The Bank operates under Commercial Registration Number 1010073368 dated Safar 04, 1410H (corresponding to September 05, 1989), Unified National Number 7000025333 and the Bank provides service through its 78 branches (September 30, 2025: 79 branches) in the Kingdom of Saudi Arabia, employing 3,221 people (September 30, 2025: 3,117 people).

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

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

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

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

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

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

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

2. Basis of preparation

The condensed interim consolidated financial statements of the Group as at and for the period ended September 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 pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2025. In addition, results for the nine-month period ended September 30, 2026, are not necessarily indicative of actual results for the full financial year ending on December 31, 2026, and final results may differ.

The consolidated financial statements of the Group as at and for the year ended December 31, 2025, were prepared in accordance with IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the SOCPA. The condensed interim consolidated financial statements are expressed in Saudi Arabian Riyals (ﷲ) and amounts are rounded to the nearest thousand.

The preparation of these condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim consolidated financial statements, the significant judgments made by management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that applied to the annual consolidated financial statements as of and for the year ended December 31, 2025, except from those relating to the impact of the Geopolitical situation on ECL (expected credit losses), disclosed in note 24 of these condensed interim consolidated financial statements.

3. Basis of consolidation

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

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

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

Balances between the Bank and its subsidiaries, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the condensed interim consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

4. Material Accounting Policies and Estimates

The accounting policies, estimates, assumptions and methods of computation of balances and transactions, used in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2025, except for change in the estimated useful lives of certain intangible assets. During the period, the estimated total useful lives were revised as follows:

Property, equipment and right of use assets, net	Estimated useful life before change	Estimated useful life after change
Software program and automation project	3 to 12 years	3 to 25 years

The revision in useful lives were based on the operational efficiency review of these assets. The revision has been accounted for as a change in accounting estimate in accordance with the requirements of International Accounting Standard IAS 8 "Accounting policies, changes in accounting estimates and errors". The net effect of the changes is a decrease in depreciation and amortization expense, and the decrease is immaterial in both the current year and in future periods.

4.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2025, except for the adoption of new standards effective as of January 01, 2026. These do not have a significant impact on the condensed interim consolidated financial statements of the Group.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The impact of these new standards is currently being assessed.

Standard, interpretation, amendments	Description	Effective date
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.	01 January 2026
Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	01 January 2026

4. Material Accounting Policies and Estimates (continued)

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.	01 January 2026
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New standards issued but not yet effective

Standard, interpretation, amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
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. Further information on IFRS 18 is provided in note 4.2.	01 January 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.	01 January 2027

4.2 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 this interim condensed consolidated financial information.

The Bank has established a formal IFRS 18 implementation program overseen by senior management and the Audit Committee, supported by a cross-functional working group comprising representatives from Financial Reporting, Investor Relations, Finance Systems, Financial Planning and Performance Management, and Corporate Governance.

4. Material Accounting Policies and Estimates (continued)

The program includes assessments of financial statement presentation, management reporting, data and systems requirements and reporting implications.

The Bank has completed the initial impact assessment that the 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.

In line with IFRS 18 guidance to provide useful structured summary, the bank has to make judgements relating to how items are aggregated and disaggregated in the primary financial statements. The bank expects to aggregate items based on shared characteristics, and disaggregate items based on characteristics that are not shared and accordingly, there will be changes to the presentation of financial statements. Further, the bank is assessing the labelling of certain financial statement line items and may find more appropriate labelling for those that previously contained the word 'other'.

Presentation of Statement of Financial Position

Based on the aggregation and disaggregation assessment performed to date, the Bank expects certain changes to the presentation of line items in its consolidated statement of financial position to provide a more useful and structured summary of its assets, liabilities and equity.

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, Zakat and income taxes and discontinued operations. It also introduces mandatory subtotals including Operating Profit.

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 our assessment, the Bank has concluded that providing financing to customers constitutes a specified main business activity (SMBA). The Bank will continue to assess if investing in certain assets, including financial assets, might constitute an SMBA under IFRS 18, depending on facts and circumstances. 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 the main business activities and are therefore expected to be presented within operating category.
- 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 main business activities and are therefore expected to be presented within operating performance. The Bank continues to assess whether any derivatives relate to activities that may require presentation outside the operating category under IFRS 18.

4. Material Accounting Policies and Estimates (continued)

- The Bank has assessed line items previously labelled "other" and disaggregated items that are material. The remaining balances will be presented as other individually immaterial operating income and other individually immaterial operating expenses, to provide a more informative label in line with 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 financial statements together with explanations of their purpose and reconciliations to the most directly comparable IFRS-defined totals or subtotals.

The Bank has identified certain measures communicated externally, such as net operating income before impairment provision, non-interest income, and Net Income adjusted for Tier I Capital or other performance metrics that meet the definition of MPMs under IFRS 18 and may therefore require enhanced disclosures and reconciliations.

Aggregation and Disaggregation of Notes

IFRS 18 introduces enhanced requirements relating to the aggregation and disaggregation of information throughout the financial statements and accompanying notes. The Bank is currently assessing whether certain disclosures in the notes to the financial statements require further disaggregation to separately present items with different characteristics. In addition, certain descriptions within the notes are expected to be refined to provide greater clarity on the nature of the underlying balances and transactions and to align with the presentation and disclosure 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.

In the statement of cash flows, the indirect method will start from Net operating income instead of Net income for the year before zakat. The Bank is currently assessing the impact of these amendments, including potential changes to the presentation of operating cash flows and the classification of special commission, 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 initial assessment is complete, however 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.

5. Cash and balances with Saudi Central Bank

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Cash on hand	854,450	849,676	958,680
Current account	147,821	-	130,472
Statutory deposit	10,589,996	10,081,570	9,783,772
Money market placements	362,000	-	2,135,000
Total	11,954,267	10,931,246	13,007,924

6. Due from banks and other financial institutions, net

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Current accounts	3,409,656	1,807,728	2,404,814
Money market placements	5,125,738	2,009,660	7,330,482
	8,535,394	3,817,388	9,735,296
Less: impairment	(640)	(616)	(1,213)
Total	8,534,754	3,816,772	9,734,083

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	349	267	-	616
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net charge / (reversal) for the period	179	(155)	-	24
Balance at the end of the period	528	112	-	640

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance as at January 01, 2025	462	159	-	621
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net (reversal) / charge for the year	(113)	108	-	(5)
Balance at the end of the year	349	267	-	616

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For the nine month period ended September 30, 2026 and 2025

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

S'000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	462	159	-	621
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net charge for the period	393	199	-	592
Balance at the end of the period	855	358	-	1,213

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

S'000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance as at January 01	3,800,164	17,224	-	3,817,388
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net change for the period	4,731,935	(13,929)	-	4,718,006
Write-offs	-	-	-	-
Balance at the end of the period	8,532,099	3,295	-	8,535,394

S'000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance as at January 01	5,012,801	3,630	-	5,016,431
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net change for the year	(1,212,637)	13,594	-	(1,199,043)
Write-offs	-	-	-	-
Balance at the end of the year	3,800,164	17,224	-	3,817,388

S'000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance as at January 01	5,012,801	3,630	-	5,016,431
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Net change for the period	4,713,892	4,973	-	4,718,865
Write-offs	-	-	-	-
Balance at the end of the period	9,726,693	8,603	-	9,735,296

7. Investments, net

a) Investment securities are classified as follows:

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited) Restated – note 23
Investments at amortized cost – gross	27,808,767	29,140,342	28,701,581
Less: impairment	(20,786)	(19,983)	(17,505)
Investments at amortized cost, net	27,787,981	29,120,359	28,684,076
Investments at FVOCI – Debt instruments	41,978,243	37,304,098	35,075,446
Investments at FVOCI – Equity/other investments	2,218,117	2,106,597	1,924,298
Total FVOCI	44,196,360	39,410,695	36,999,744
Investments at FVSI – Debt/equity instruments	1,028,292	150,649	135,900
Total	73,012,633	68,681,703	65,819,720

Gross Investments include Shariah based investments amounting to ﷲ 56,071 million (December 31, 2025: ﷲ 50,346 million; September 30, 2025: ﷲ 47,746 million).

Investments include ﷲ 20,822 million (Dec 31 2025: ﷲ 7,039 million, September 30, 2025: ﷲ 19,213 million), which have been pledged under repurchase agreements with other banks and customers.

b) Investments by type of Instruments:

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited) Restated - note 23
Bonds	15,131,390	17,092,011	16,165,203
Sukuk	54,002,468	48,352,504	46,912,995
Equities, Funds and Tier I instruments	2,382,982	2,111,449	1,926,066
Other	1,495,793	1,125,739	815,456
Total	73,012,633	68,681,703	65,819,720

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

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited) Restated - note 23
Government and quasi government	55,712,653	51,122,647	48,588,868
Corporate	6,692,864	6,357,728	6,290,946
Banks and other financial institutions	10,607,116	11,201,328	10,939,906
Total	73,012,633	68,681,703	65,819,720

7. Investments, net (continued)

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

Investments by type of securities

ﷲ '000	September 30, 2026 (Unaudited)			December 31, 2025 (Audited)			September 30, 2025 (Unaudited)		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Debt securities – fixed rate	657,903	205,524	863,427	145,797	-	145,797	134,133	-	134,133
Equities	164,865	-	164,865	4,852	-	4,852	1,767	-	1,767
Total	822,768	205,524	1,028,292	150,649	-	150,649	135,900	-	135,900

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

Investments by type of securities

ﷲ '000	September 30, 2026 (Unaudited)			December 31, 2025 (Audited)			September 30, 2025 (Unaudited) Restated – note 23		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Debt securities – fixed rate	31,373,047	7,191,689	38,564,736	24,700,913	9,018,697	33,719,610	22,229,092	9,198,945	31,428,037
Debt securities – floating rate	2,627,837	785,670	3,413,507	3,038,830	545,658	3,584,488	3,101,469	545,940	3,647,409
Equities, Tier I instruments and others	1,273,301	944,816	2,218,117	1,699,855	406,742	2,106,597	1,616,670	307,628	1,924,298
Total	35,274,185	8,922,175	44,196,360	29,439,598	9,971,097	39,410,695	26,947,231	10,052,513	36,999,744

f) Investments held at amortised cost

Investments by type of securities

ﷲ '000	September 30, 2026 (Unaudited)			December 31, 2025 (Audited)			September 30, 2025 (Unaudited)		
	Domestic	International	Total	Domestic	International	Total	Domestic	International	Total
Debt securities – fixed rate	27,560,006	-	27,560,006	28,282,283	-	28,282,283	27,849,503	-	27,849,503
Debt securities – floating rate	227,975	-	227,975	838,076	-	838,076	834,573	-	834,573
Total	27,787,981	-	27,787,981	29,120,359	-	29,120,359	28,684,076	-	28,684,076

7. Investments, net (continued)

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	52,161	-	-	52,161
Net charge for the period	3,045	-	-	3,045
Balance at the end of the period	55,206	-	-	55,206

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	44,582	-	-	44,582
Net charge for the year	7,579	-	-	7,579
Balance at the end of the year	52,161	-	-	52,161

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	44,582	-	-	44,582
Net charge for the period	1,981	-	-	1,981
Balance at the end of the period	46,563	-	-	46,563

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026 and 2025

7. Investments, net (continued)

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	66,444,440	-	-	66,444,440
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net change for the period	3,342,570	-	-	3,342,570
Write-offs	-	-	-	-
Balance at the end of the period	69,787,010	-	-	69,787,010

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	58,588,200	-	-	58,588,200
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net change for the year	7,856,240	-	-	7,856,240
Write-offs	-	-	-	-
Balance at the end of the year	66,444,440	-	-	66,444,440

ﷲ '000	September 30, 2025 (Unaudited) Restated – note 23			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	58,588,200	-	-	58,588,200
Transfer from 12-month ECL	-	-	-	-
Transfer from lifetime ECL not credit impaired	-	-	-	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net change for the period	5,188,827	-	-	5,188,827
Write-offs	-	-	-	-
Balance at the end of the period	63,777,027	-	-	63,777,027

8. Loans and advances, net

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

ﷲ '000	September 30, 2026 (Unaudited)			
	Overdraft & Commercial Loans	Credit Cards	Consumer Loans	Total
Performing loans and advances	181,611,502	1,019,176	49,215,027	231,845,705
Non-performing loans and advances	1,615,920	35,605	563,354	2,214,879
Total loans and advances	183,227,422	1,054,781	49,778,381	234,060,584
Allowance for impairment	(2,962,499)	(56,782)	(642,548)	(3,661,829)
Loans and advances held at amortised cost, net	180,264,923	997,999	49,135,833	230,398,755

ﷲ '000	December 31, 2025 (Audited)			
	Overdraft & Commercial Loans	Credit Cards	Consumer Loans	Total
Performing loans and advances	171,986,137	957,776	43,608,855	216,552,768
Non-performing loans and advances	1,724,240	37,999	356,884	2,119,123
Total loans and advances	173,710,377	995,775	43,965,739	218,671,891
Allowance for impairment	(3,302,389)	(53,919)	(424,320)	(3,780,628)
Loans and advances held at amortised cost, net	170,407,988	941,856	43,541,419	214,891,263

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

Gross Loans and advances include Shariah based loans and advances amounting to ﷲ 175,094 million (December 31, 2025: ﷲ 162,828 million; September 30, 2025: ﷲ 162,290 million).

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For the nine month period ended September 30, 2026 and 2025

8. Loans and advances, net (continued)

The below table shows the loans and advances break up by product categories:

ﷲ '000	September 30, 2026 (Unaudited)						
	Overdraft & Commercial Loans		Consumer Loans				Total
	Corporate	Micro, small and medium enterprises	Personal	Mortgage	Credit Cards	Auto Lease	
Performing loans and advances	163,490,963	18,120,539	15,775,735	25,330,355	1,019,176	8,108,937	231,845,705
Non-performing loans and advances	1,253,847	362,073	405,547	115,543	35,605	42,264	2,214,879
Total loans and advances	164,744,810	18,482,612	16,181,282	25,445,898	1,054,781	8,151,201	234,060,584
Allowance for impairment	(2,400,499)	(562,000)	(434,010)	(102,648)	(56,782)	(105,890)	(3,661,829)
Loans and advances held at amortised cost, net	162,344,311	17,920,612	15,747,272	25,343,250	997,999	8,045,311	230,398,755

ﷲ '000	December 31, 2025 (Audited)						
	Overdraft & Commercial Loans		Consumer Loans				Total
	Corporate	Micro, small and medium enterprises	Personal	Mortgage	Credit Cards	Auto Lease	
Performing loans and advances	157,551,212	14,434,925	13,782,391	22,223,709	957,776	7,602,755	216,552,768
Non-performing loans and advances	1,391,674	332,566	265,699	70,606	37,999	20,579	2,119,123
Total loans and advances	158,942,886	14,767,491	14,048,090	22,294,315	995,775	7,623,334	218,671,891
Allowance for impairment	(2,900,282)	(402,107)	(303,270)	(58,848)	(53,919)	(62,202)	(3,780,628)
Loans and advances held at amortised cost, net	156,042,604	14,365,384	13,744,820	22,235,467	941,856	7,561,132	214,891,263

ﷲ '000	September 30, 2025 (Unaudited)						
	Overdraft & Commercial Loans		Consumer Loans				Total
	Corporate	Micro, small and medium enterprises	Personal	Mortgage	Credit Cards	Auto Lease	
Performing loans and advances	158,989,722	14,140,748	13,996,281	21,522,018	949,893	7,612,418	217,211,080
Non-performing loans and advances	1,514,297	331,903	204,316	61,910	39,241	21,546	2,173,213
Total loans and advances	160,504,019	14,472,651	14,200,597	21,583,928	989,134	7,633,964	219,384,293
Allowance for impairment	(2,884,869)	(440,247)	(282,311)	(70,444)	(51,655)	(62,870)	(3,792,396)
Loans and advances held at amortised cost, net	157,619,150	14,032,404	13,918,286	21,513,484	937,479	7,571,094	215,591,897

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2026 and 2025

8. Loans and advances, net (continued)

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

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Opening loss allowance as at January 01	3,780,628	3,514,792	3,514,792
Charge for the period / year, net	942,505	1,381,343	1,033,575
Bad debts written off against provision	(1,061,304)	(1,115,507)	(755,971)
Balance at the end of the period / year	3,661,829	3,780,628	3,792,396

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	831,282	1,163,096	1,786,250	3,780,628
Transfer from 12-month ECL	(53,137)	49,721	3,416	-
Transfer from lifetime ECL not credit impaired	13,977	(164,915)	150,938	-
Transfer from Lifetime ECL credit impaired	26,821	18,356	(45,177)	-
Net (reversal) / charge for the period	(112,568)	207,001	848,072	942,505
Write-offs	-	-	(1,061,304)	(1,061,304)
Balance at the end of the period	706,375	1,273,259	1,682,195	3,661,829

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	945,871	1,247,200	1,321,721	3,514,792
Transfer from 12-month ECL	(26,900)	22,619	4,281	-
Transfer from lifetime ECL not credit impaired	38,608	(303,783)	265,175	-
Transfer from Lifetime ECL credit impaired	13,556	14,990	(28,546)	-
Net (reversal) / charge for the year	(139,853)	182,070	1,339,126	1,381,343
Write-offs	-	-	(1,115,507)	(1,115,507)
Balance at the end of the year	831,282	1,163,096	1,786,250	3,780,628

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	945,871	1,247,200	1,321,721	3,514,792
Transfer from 12-month ECL	(23,296)	19,892	3,404	-
Transfer from lifetime ECL not credit impaired	40,644	(306,544)	265,900	-
Transfer from Lifetime ECL credit impaired	15,006	4,052	(19,058)	-
Net charge for the period	10,396	170,467	852,712	1,033,575
Write-offs	-	-	(755,971)	(755,971)
Balance at the end of the period	988,621	1,135,067	1,668,708	3,792,396

8. Loans and advances, net (continued)

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Overdraft & commercial loans	166,121,968	15,077,258	2,028,196	183,227,422
Credit Card	967,399	39,631	47,751	1,054,781
Consumer	48,187,992	787,960	802,429	49,778,381
Balance at the end of the period	215,277,359	15,904,849	2,878,376	234,060,584

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Overdraft & commercial loans	159,530,402	12,218,918	1,961,057	173,710,377
Credit Card	911,348	32,670	51,757	995,775
Consumer	42,882,590	562,298	520,851	43,965,739
Balance at the end of the year	203,324,340	12,813,886	2,533,665	218,671,891

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Overdraft & commercial loans	161,018,025	11,869,384	2,089,261	174,976,670
Credit Card	906,999	36,569	45,566	989,134
Consumer	42,475,826	500,968	441,695	43,418,489
Balance at the end of the period	204,400,850	12,406,921	2,576,522	219,384,293

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	203,324,340	12,813,886	2,533,665	218,671,891
Transfer from 12-month ECL	(7,257,655)	6,718,272	539,383	-
Transfer from lifetime ECL not credit impaired	371,661	(1,058,228)	686,567	-
Transfer from Lifetime ECL credit impaired	74,477	58,094	(132,571)	-
Net change for the period	18,764,536	(2,627,175)	312,636	16,449,997
Write-offs	-	-	(1,061,304)	(1,061,304)
Balance at the end of the period	215,277,359	15,904,849	2,878,376	234,060,584

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For the nine month period ended September 30, 2026 and 2025

8. Loans and advances, net (continued)

S'000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	193,863,171	11,731,130	2,088,766	207,683,067
Transfer from 12-month ECL	(4,495,163)	4,041,660	453,503	-
Transfer from lifetime ECL not credit impaired	1,560,149	(2,513,552)	953,403	-
Transfer from Lifetime ECL credit impaired	31,633	30,522	(62,155)	-
Net change for the year	12,364,550	(475,874)	215,655	12,104,331
Write-offs	-	-	(1,115,507)	(1,115,507)
Balance at the end of the year	203,324,340	12,813,886	2,533,665	218,671,891

S'000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	193,863,171	11,731,130	2,088,766	207,683,067
Transfer from 12-month ECL	(2,981,579)	2,683,218	298,361	-
Transfer from lifetime ECL not credit impaired	1,568,740	(2,514,320)	945,580	-
Transfer from Lifetime ECL credit impaired	25,845	5,891	(31,736)	-
Net change for the period	11,924,673	501,002	31,522	12,457,197
Write-offs	-	-	(755,971)	(755,971)
Balance at the end of the period	204,400,850	12,406,921	2,576,522	219,384,293

vi) Loans and advances include finance lease receivables (Ijarah products), which are analyzed as follows:

S'000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Gross receivable from finance leases			
Less than 1 year	5,199,430	2,904,157	5,744,220
1 to 3 years	7,270,336	5,560,003	8,024,601
3 to 5 years	4,252,483	6,460,431	1,167,539
More than 5 years	3,161,406	1,974,666	2,493,147
Unearned future finance income on finance lease	(3,146,754)	(1,759,619)	(2,577,405)
Net receivable from finance leases	16,736,901	15,139,638	14,852,102
Allowance for impairment	(124,485)	(75,849)	(80,174)
Total	16,612,416	15,063,789	14,771,928

8. Loans and advances, net (continued)

vii) The following table shows the stage wise ECL allowance for finance lease receivables:

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Ijarah ECL allowance	65,199	9,096	50,190	124,485

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Ijarah ECL allowance	37,394	7,946	30,509	75,849

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Ijarah ECL allowance	53,236	6,318	20,620	80,174

viii) The following table shows the stage wise gross carrying value of finance lease receivables:

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Ijarah exposure	16,320,213	299,331	117,357	16,736,901

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Ijarah exposure	14,951,709	135,335	52,594	15,139,638

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Ijarah exposure	14,659,442	149,028	43,632	14,852,102

9. Due to Saudi Central Bank

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Current accounts	-	9,136	-
Repos	11,952,322	995,625	11,956,788
Deposits	5,270,782	3,975,251	5,884,648
Total	17,223,104	4,980,012	17,841,436

10. Due to banks and other financial institutions

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Current accounts	390,690	460,851	309,596
Money market placements	5,818,497	1,494,628	4,133,104
Repos	8,826,580	5,949,121	7,185,008
Total	15,035,767	7,904,600	11,627,708

11. Derivatives

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

a) Swaps

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

b) Forwards and futures

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

c) Forward rate agreements

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

d) Options

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

Held for trading purposes

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

11. Derivatives (continued)

Held for hedging purposes

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

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

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

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

Cash flow hedges

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

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

S'000	September 30, 2026 (Unaudited)			December 31, 2025 (Audited)			September 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 swaps	6,815,314	6,709,238	293,641,074	3,698,131	3,873,087	279,446,119	3,905,983	3,991,859	273,156,464
Commission rate futures and options	106,340	108,370	13,734,045	41,241	41,241	6,662,882	45,906	45,906	7,078,882
Forward foreign exchange contracts & currency swaps	125,669	58,240	29,181,800	31,537	101,121	16,566,414	22,062	59,342	16,156,649
Currency options	8,129	8,129	702,238	2,366	2,366	1,561,932	3,575	3,575	3,815,936
Others	16,750	16,859	1,284,663	86,721	86,722	2,637,379	41,231	41,231	2,830,007
Held as fair value hedges:									
Commission rate swaps	9,199	446,639	16,610,250	174,069	52,046	18,610,250	162,998	112,657	18,543,750
Held as cash flow hedges:									
Commission rate swaps	152,386	64,089	17,678,500	404,156	92,025	25,013,000	361,088	148,263	28,101,500
Foreign currency swap	29,721	35,359	24,252,397	25,878	3,079	29,058,273	15,536	3,703	24,645,475
Total	7,263,508	7,446,923	397,084,967	4,464,099	4,251,687	379,556,249	4,558,379	4,406,536	374,328,663

12. Customers' deposits

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Demand	78,367,311	79,122,868	83,940,793
Saving	869,685	864,568	865,958
Time	118,536,196	111,338,983	96,217,034
Other	5,454,160	3,892,670	4,844,270
Total	203,227,352	195,219,089	185,868,055

Time deposits include Shariah based deposits amounting to ﷲ 66,457 million (December 31, 2025: ﷲ 56,800 million; September 30, 2025: ﷲ 47,589 million).

13. Debt securities and term loans

Debt securities and term loans comprises:

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Debt securities and term loans	29,787,262	30,249,673	28,073,795
Certificate of deposit	6,699,363	8,627,272	8,042,105
Total	36,486,625	38,876,945	36,115,900

Movement of the debt securities and term loans during the year is as follows:

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Balance at the beginning of the year	38,876,945	15,518,054	15,518,054
Debt securities and term loans issued	5,760,245	30,210,205	20,238,273
Debt securities and term loans payment	(7,526,415)	(7,295,687)	-
Other adjustments	(624,150)	444,373	359,573
Balance at the end of the period / year	36,486,625	38,876,945	36,115,900

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

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

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

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14. Commitments and contingencies

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

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Letters of credit	11,065,338	10,398,581	10,610,865
Letters of guarantee	57,316,054	53,410,664	52,733,911
Acceptances	2,768,700	3,411,607	3,156,145
Irrevocable commitments to extend credit	14,876,758	13,080,754	13,186,217
Total	86,026,850	80,301,606	79,687,138

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

ﷲ '000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	48,245	32,735	147,735	228,715
Transfer from 12-month ECL	(1,643)	1,127	516	-
Transfer from lifetime ECL not credit impaired	2,550	(2,550)	-	-
Net (reversal) / charge for the period	(3,494)	43,515	11,785	51,806
Write-offs	-	-	-	-
Balance at the end of the period	45,658	74,827	160,036	280,521

ﷲ '000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	50,011	23,836	147,863	221,710
Transfer from 12-month ECL	(4,190)	3,949	241	-
Transfer from lifetime ECL not credit impaired	5,131	(5,548)	417	-
Transfer from lifetime ECL credit impaired	-	-	-	-
Net (reversal) / charge for the year	(2,707)	10,498	(786)	7,005
Write-offs	-	-	-	-
Balance as the end of the year	48,245	32,735	147,735	228,715

ﷲ '000	September 30, 2025 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	50,011	23,836	147,863	221,710
Transfer from 12-month ECL	(517)	513	4	-
Transfer from lifetime ECL not credit impaired	5,133	(6,517)	1,384	-
Net (reversal) / charge for the period	(7,834)	51,991	(627)	43,530
Write-offs	-	-	-	-
Balance at the end of the period	46,793	69,823	148,624	265,240

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For the nine month period ended September 30, 2026 and 2025

14. Commitments and contingencies (continued)

ii) The following table shows the stage wise movement for commitments and contingencies:

S'000	September 30, 2026 (Unaudited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	75,399,426	3,841,763	1,060,417	80,301,606
Transfer from 12-month ECL	(1,521,434)	1,348,240	173,194	-
Transfer from lifetime ECL not credit impaired	354,831	(357,798)	2,967	-
Transfer from Lifetime ECL credit impaired	26	2,155	(2,181)	-
Net change for the period	5,163,308	845,081	(283,145)	5,725,244
Write-offs	-	-	-	-
Balance at the end of the period	79,396,157	5,679,441	951,252	86,026,850

S'000	December 31, 2025 (Audited)			
	12 month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Balance at January 01	76,702,102	4,202,611	979,834	81,884,547
Transfer from 12-month ECL	(2,536,140)	2,337,022	199,118	-
Transfer from lifetime ECL not credit impaired	1,146,678	(1,320,977)	174,299	-
Transfer from Lifetime ECL credit impaired	9,441	3,021	(12,462)	-
Net change for the year	77,345	(1,379,914)	(280,372)	(1,582,941)
Write-offs	-	-	-	-
Balance at the end of the year	75,399,426	3,841,763	1,060,417	80,301,606

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

The Group is subject to legal proceedings in the ordinary course of business. There was no material change in the status of legal proceedings filed against the Bank as disclosed at December 31, 2025.

15. Cash and cash equivalents

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

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Cash and balances with Saudi Central Bank excluding statutory deposit (note 5)	1,364,271	849,676	3,224,152
Due from banks and other financial institutions maturing within three months from the date of acquisition	6,753,504	1,807,422	6,685,333
Total	8,117,775	2,657,098	9,909,485

16. Tier I capital

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

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

During Q4 2025 the Bank exercised the call option on its existing Tier I Sukuk (the "Sukuk") which was issued in 2020, amounting to ﷲ 5 billion.

During Q4 2025, the Bank through a Shariah compliant arrangement issued Tier I Sukuk (the "Sukuk"), amounting to ﷲ 2.5 billion under its ﷲ 8 billion Tier I Sukuk Programme established in Q1 2024. The issuance was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6.4% per annum from date of issue up to 2030 and is subjected to reset every 5 years.

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

17. Zakat

The Bank filed its 2025 Zakat return under the new Zakat Regulations issued by Ministerial Decree No. 2215 and obtained the corresponding Zakat certificate. ZATCA has finalized the review of the Zakat returns up to the year 2024.

Zakat for the period ended September 30, 2026 amounted to approximately ﷲ 485 million (September 30, 2025: ﷲ 476 million). The provision of Zakat is estimated based on the results of operations of the Bank for the nine months period ended and the consolidated financial position at September 30, 2026.

As of the reporting date, Pillar Two legislation (OECD – global minimum tax framework) has been enacted in certain jurisdictions in which the Group operates; however there is no impact from top-up taxes for the current reporting period in line with Undertaxed Profit Rule (UTPR) relief. From the reporting and regulatory perspective, BSF filed the GloBE Information Return ("GIR") in compliance with the regulations.

The Group will continue to monitor developments in the local and international tax reforms for Pillar Two income taxes.

18. Fair values of financial assets and liabilities

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

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

Valuation models

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

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

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

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

Valuation Framework

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

Determination of fair value and fair value hierarchy

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

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

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

Level 3: Valuation techniques for which any significant input is not based on observable market data.

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For the nine month period ended September 30, 2026 and 2025

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

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

ﷲ '000	Carrying Value	Level 1	Level 2	Level 3	Total
<u>September 30, 2026 (Unaudited)</u>					
Financial assets					
Derivative financial instruments positive fair value	7,263,508	-	7,263,508	-	7,263,508
Financial investments designated at FVSI	1,028,292	879,880	148,412	-	1,028,292
Financial investments at FVOCI	44,196,360	42,324,122	982,819	889,419	44,196,360
Total	52,488,160	43,204,002	8,394,739	889,419	52,488,160
Financial Liabilities					
Derivative financial instruments negative fair value	7,446,923	-	7,446,923	-	7,446,923
Total	7,446,923	-	7,446,923	-	7,446,923

ﷲ '000	Carrying Value	Level 1	Level 2	Level 3	Total
<u>December 31, 2025 (Audited)</u>					
Financial assets					
Derivative financial instruments positive fair value	4,464,099	-	4,464,099	-	4,464,099
Financial investments designated at FVSI	150,649	150,649	-	-	150,649
Financial investments at FVOCI	39,410,695	35,313,307	2,931,531	1,165,857	39,410,695
Total	44,025,443	35,463,956	7,395,630	1,165,857	44,025,443
Financial Liabilities					
Derivative financial instruments negative fair value	4,251,687	-	4,251,687	-	4,251,687
Total	4,251,687	-	4,251,687	-	4,251,687

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

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

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

The fair values of investments held at amortized cost are ~~ﷲ~~ 26,561 million (December 31, 2025: ~~ﷲ~~ 28,175 million and September 30, 2025: ~~ﷲ~~ 27,236 million) against carrying value of ~~ﷲ~~ 27,788 million (December 31, 2025: ~~ﷲ~~ 29,120 million and September 30, 2025: ~~ﷲ~~ 28,684 million). The fair values of commission bearing customers' deposits, debt securities, due from and due to banks and other financial institutions which are carried at amortized cost, are not significantly different from the carrying values included in the condensed interim consolidated financial statements, since the current market commission rates for similar financial instruments are not significantly different from the contracted rates, and due to the short duration of due from and due to banks and other financial institutions. An active market for these instruments is not available and the Bank intends to realize the carrying value of these financial instruments through settlement with the counter party at the time of their respective maturities.

The estimated fair values of investments held at amortized cost are based on quoted market prices when available or pricing models when used in the case of certain fixed rate bonds. Consequently, differences can arise between carrying values and fair value estimates. The fair values of derivatives are based on the quoted market prices when available or by using the appropriate valuation technique. The Bank uses the discounted cash flow method using current yield curve to arrive at the fair value of loans and advances after adjusting internal credit spread which is ~~ﷲ~~ 229,474 (December 31, 2025: ~~ﷲ~~ 216,738 million and September 30, 2025: ~~ﷲ~~ 216,850 million). The carrying values of those loans and advances are ~~ﷲ~~ 230,399 million (December 31, 2025: ~~ﷲ~~ 214,891 million and September 30, 2025: ~~ﷲ~~ 215,592 million).

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

~~ﷲ~~ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Balance at the beginning of the period / year	1,165,857	830,575	830,575
Additions during the period / year	38,279	189,458	92,672
Disposal during the period / year	-	-	-
Transfer to level 2	(359,699)	-	-
Change in value	44,982	145,824	39,962
Balance at the end of period / year	889,419	1,165,857	963,209

19. Segment information

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

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

19. Segment information (continued)

The Bank is organised into the following main operating segments:

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

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

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

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

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

ﷲ '000	Retail banking	Corporate banking	Treasury	Investment banking & brokerage	Total
<u>September 30, 2026 (Unaudited)</u>					
Total assets	69,009,166	163,620,174	102,336,133	3,677,504	338,642,977
Loans and advances, net	67,036,695	161,657,697	-	1,704,363	230,398,755
Total liabilities	71,643,840	138,734,568	76,566,449	1,291,994	288,236,851
Customers' deposits	68,528,390	134,698,962	-	-	203,227,352
Total operating income	2,717,468	3,759,826	1,485,431	456,296	8,419,021
Total operating expenses before impairment charge	1,546,066	669,030	309,210	248,825	2,773,131
Impairment charges for financial assets & others, net	392,290	385,246	6,636	(203)	783,969
Net income for the period before zakat	779,112	2,705,550	1,169,585	207,674	4,861,921
Net special commission income	2,709,367	3,282,698	743,135	127,859	6,863,059
Fee and commission income, net	(1,499)	478,953	(7,400)	271,884	741,938
Exchange income, net	9,448	(1,826)	368,165	-	375,787
Trading income, net	-	-	250,048	1,513	251,561
Inter-segment revenue	465,080	(1,230,266)	765,186	-	-
Depreciation and amortization	182,855	65,172	24,291	12,525	284,843

ﷲ '000	Retail banking	Corporate banking	Treasury	Investment banking & brokerage	Total
<u>December 31, 2025 (Audited)</u>					
Total assets	61,446,604	154,717,337	89,433,642	3,408,203	309,005,786
Loans and advances, net	59,854,171	153,249,174	-	1,787,918	214,891,263
Total liabilities	73,055,525	125,994,054	57,691,267	1,605,502	258,346,348
Customers' deposits	71,023,505	124,195,584	-	-	195,219,089

19. Segment information (continued)

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

20. Share capital and Earnings per share

The authorised, issued and fully paid share capital of the Bank consists of 2,500 million shares of ﷲ 10 each (December 31, 2025: 2,500 million shares of ﷲ 10 each and September 30, 2025: 2,500 million shares of ﷲ 10 each).

Basic and diluted earnings per share for the periods ended September 30, 2026 and 2025 are calculated on a weighted average basis by dividing the net income adjusted for Tier I capital costs for the period by 2,500 million shares after excluding treasury shares consisting of 27.7 million shares as of September 30, 2026 (December 31, 2025: 24.4 million shares and September 30, 2025: 22.4 million shares).

The final net dividend of ﷲ 0.52 net per share for the year 2025 has been approved by the shareholders at the General Assembly Meeting held on May 19, 2026.

The Board of Directors of the Bank approved on July 20, 2026 to distribute interim cash dividend of ﷲ 1,421 million, being ﷲ 0.57 per share for the six months period ended June 30, 2026 (2025: ﷲ 1,374 million at ﷲ 0.55 per share).

21. Related party balances

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

21. Related party balances (continued)

The balances as at September 30, 2026, December 31, 2025 and September 30, 2025 resulting from such transactions included in the consolidated financial statements are as follows:

ﷲ'000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Associates			
Investments	9,695	9,695	9,695
Due to banks and other financial institutions	519,686	472,013	9,020
Directors, senior management, shariah members and their affiliates (key management personal)			
Loans and advances	10,679,894	9,283,040	8,216,665
Investments	712,685	683,203	817,508
Due from banks and other financial institutions	187,500	-	-
Other assets	176,923	20,906	29,035
Customers' deposits	8,585,821	8,604,702	9,868,547
Other liabilities	2,186	11,712	3,101
Derivatives at fair value, net	(98,141)	(15,968)	(25,013)
Commitments and contingencies	2,076,515	2,499,640	2,328,037
Major shareholders' and their affiliates			
Loans and advances	1,437,871	411,774	600,067
Customers' deposits	120,297	227,833	337,435
Other liabilities	9	-	-
Derivatives at fair value, net	171	(24)	(39)
Commitments and contingencies	12,500	24,203	24,203

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

ﷲ'000	September 30, 2026 (Unaudited)	September 30, 2025 (Unaudited)
Special commission income		
-Directors, senior management, shariah members and their affiliates (key management personal)	503,652	458,621
-Major shareholders' and their affiliates	34,580	61,736
Total Special commission income	538,232	520,357
Special commission expense		
-Directors, senior management, shariah members and their affiliates (key management personal)	183,170	209,131
-Major shareholders' and their affiliates	904	3,462
-Associates	13,628	211
Total Special commission expense	197,702	212,804
Fees, commission income and others, net	78,423	93,480
Directors' fees	16,280	16,229
Other general and administrative expenses	17,584	22,927

22. Capital Adequacy

The Bank's objectives when managing capital are, to comply with the capital requirements set by SAMA; to safeguard the Bank's ability to continue as a going concern; and to maintain a strong capital base. Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management.

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

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

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

ﷲ '000	September 30, 2026 (Unaudited)	December 31, 2025 (Audited)	September 30, 2025 (Unaudited)
Credit Risk RWA	265,171,136	250,307,927	253,248,414
Operational Risk RWA	11,288,047	9,647,584	9,647,584
Market Risk RWA	3,448,823	4,043,730	3,367,362
Total RWA	279,908,006	263,999,241	266,263,360
Common Equity Tier I Capital	42,692,739	42,764,420	41,768,193
Additional Tier I Capital	7,937,500	7,937,500	10,437,500
Tier I Capital	50,630,239	50,701,920	52,205,693
Tier II Capital	5,885,219	5,751,527	6,001,310
Total Tier I & II Capital	56,515,458	56,453,447	58,207,003
Capital Adequacy Ratio %			
Common Equity Tier I ratio	15.25%	16.20%	15.69%
Tier I ratio	18.09%	19.21%	19.61%
Tier I + Tier II ratio	20.19%	21.38%	21.86%

23. Restatement

During the period ended September 30, 2025, the Bank corrected the classification of some of its investments from "Investments at FVOCI – Debt instruments" to "Investments at FVOCI – Equity/other investments" amounting ﷲ 843 million. These adjustments are considered as correction as per IAS 8 (Accounting policies, Changes and Accounting Estimates and Error) and accordingly the disclosure note (7) to the consolidated financial statements has been restated.

The impact of correcting classification of these equity investments, on the consolidated statement of income and consolidated statement of other comprehensive income, for the period ended September 30, 2025, was insignificant and accordingly, these have not been restated.

In addition, during the year ended December 31, 2025, the Bank corrected valuation of its interest in equity investments that are classified as investments at Fair Value through Other Comprehensive Income (FVOCI) which were historically valued at cost. These adjustments were considered as correction as per IAS 8 (Accounting policies, Changes and Accounting Estimates and Error) and were material to the consolidated financial statements and accordingly the consolidated statement of changes in equity was restated.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**For the nine month period ended September 30, 2026 and 2025****24. Impact of geopolitical situation on expected credit losses ("ECL")**

The geopolitical situation in the MiddleEast has deteriorated significantly since 28 February 2026 and remained elevated during the third quarter of 2026, with continued uncertainty surrounding the Strait of Hormuz and disruptions to regional maritime trade and energy transportation. During September 2026, further security incidents affecting commercial shipping were reported, while diplomatic efforts continued to seek arrangements to restore safe and unrestricted maritime navigation. These developments indicate that geopolitical and supply-chain risks remained relevant throughout the third quarter, requiring continued assessment of their potential impact on the Bank.

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 included the review of credit exposures at a more granular level with particular focus on specific economic sectors, and collateral protection, where required.

The prevailing geopolitical situation, has brought about additional uncertainties in the economic environment which require the Bank to revise certain inputs and assumptions used for the determination of expected credit losses ("ECL"). To cater for the additional uncertainty, management has used expert credit judgement to estimate ECL by considering reasonable and supportable information not already included in the quantitative models. The impact of uncertain economic environment continues to be difficult to assess for the purpose of ECL estimation and cannot be fully incorporated into the ECL model calculations, thereby necessitating overlays to be recorded. These overlays have been based on analysis performed by the Bank considering the potential impact of the prevailing economic environment.

Subsequent to the period ended 30 September 2026, the volatility of the ongoing geopolitical situation in Kingdom of Saudi Arabia has escalated significantly and creates a heightened level of credit risk, liquidity risk and operational risk. However, the potential financial impact of such situation is uncertain as the situation is still evolving, and therefore 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.

25. Board of Directors Approval

The condensed interim consolidated financial statements were authorised for issue by the Board of Directors on October 18, 2026 corresponding to Jumada Al-Awwal 07, 1448H.