

Saudi Awwal Bank

Interim Condensed Consolidated Financial Information

For the three-month
period ended
31 March 2026
(Unaudited)



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

To The shareholders of Saudi Awwal Bank (A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Saudi Awwal Bank (the "Bank") and its subsidiaries (collectively referred to as the "Group") as at 31 March 2026, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three month period then ended, and explanatory notes (collectively referred to as "the interim condensed consolidated financial information").

Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers

Mufaddal A. Ali
Certified Public Accountant
License number: 447

13 Thul-Qi'dah 1447H
(30 April 2026)



Ernst & Young Professional Services

Ahmed Ibrahim Reda
Certified Public Accountant
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Interim condensed consolidated statement of financial position

All amounts in thousands of Saudi Riyals unless otherwise stated

	Notes	As at 31 March 2026 (Unaudited)	As at 31 December 2025 (Audited)	As at 31 March 2025 (Restated)* (Unaudited)
ASSETS				
Cash and balances with Saudi Central Bank ("SAMA")	3	23,627,822	23,840,096	18,238,259
Due from banks and other financial institutions, net	4	7,430,241	2,878,181	3,893,764
Investments, net	5, 23	99,550,537	107,641,898	104,703,445
Positive fair value derivatives, net	9	2,674,766	2,405,729	2,182,049
Loans and advances, net	6	306,906,274	298,626,505	278,835,943
Investment in an associate	7	465,669	399,507	504,727
Property, equipment and right of use assets, net		3,576,317	3,586,736	4,021,614
Goodwill and other intangibles, net	8	11,181,760	11,219,326	10,719,510
Other assets		4,326,594	3,856,506	3,772,230
Total assets		459,739,980	454,454,484	426,871,541
LIABILITIES AND EQUITY				
Liabilities				
Due to banks		21,321,370	25,700,960	40,956,104
Customers' deposits	10	331,410,598	323,273,854	290,439,971
Negative fair value derivatives, net	9	2,390,024	2,273,572	2,090,282
Debt securities in issue and term loans	11	8,208,017	7,895,554	5,070,036
Other liabilities		15,399,246	15,972,005	15,405,777
Total liabilities		378,729,255	375,115,945	353,962,170
Equity				
Equity attributable to equity holders of the Bank				
Share capital		20,547,945	20,547,945	20,547,945
Share premium		8,524,882	8,524,882	8,524,882
Statutory reserve		20,547,945	20,547,945	20,547,945
Other reserves		(610,959)	(354,432)	(441,912)
Retained earnings	23	17,559,617	17,685,699	13,710,716
Proposed dividends	21	2,054,795	-	2,054,795
Total equity attributable to equity holders of the Bank		68,624,225	66,952,039	64,944,371
Additional Tier 1 Sukuk	13	12,386,500	12,386,500	7,965,000
Total equity		81,010,725	79,338,539	72,909,371
Total liabilities and equity		459,739,980	454,454,484	426,871,541

*Refer to note 23

The accompanying notes 1 to 24 form an integral part of this interim condensed consolidated financial information.



Lama Ghazzaoui
Chief Financial Officer



Tony Cripps
Chief Executive Officer & Managing Director

Interim condensed consolidated statement of income

For the three-month period ended 31 March 2026

All amounts in thousands of Saudi Riyals unless otherwise stated

	Notes	31 March 2026 (Unaudited)	31 March 2025 (Restated)* (Unaudited)
Special commission income	23	5,484,851	5,338,204
Special commission expense		(2,615,039)	(2,438,341)
Net special commission income		2,869,812	2,899,863
Fee and commission income	23	1,086,952	1,066,220
Fee and commission expense		(868,158)	(703,583)
Net fee and commission income		218,794	362,637
Exchange income, net		255,686	285,320
Gain from FVSI financial instruments, net		96,890	88,101
Dividend income		6,565	2,972
Gain on FVOCI debt instruments, net		212,384	-
Other operating income		8,228	5,687
Other operating expense		(56,601)	(24,820)
Net other operating expenses		(48,373)	(19,133)
Total operating income		3,611,758	3,619,760
Provision for expected credit losses, net	18 (a)	(166,497)	(141,666)
Operating expenses			
Salaries and employee related expenses		(594,676)	(579,535)
Rent and premises related expenses		(21,141)	(17,180)
Depreciation and amortization		(165,899)	(145,692)
General and administrative expenses		(319,015)	(328,540)
Total operating expenses		(1,100,731)	(1,070,947)
Income from operating activities		2,344,530	2,407,147
Share in earnings of an associate	7	66,162	41,377
Net income for the period before Zakat and income tax		2,410,692	2,448,524
Provision for income tax	14	(172,696)	(127,863)
Provision for Zakat	14	(151,835)	(185,374)
Net income for the period after Zakat and income tax		2,086,161	2,135,287
Basic and diluted earnings per share	15	0.94	0.98

*Refer to note 23

The accompanying notes 1 to 24 form an integral part of this interim condensed consolidated financial information.

Lama Ghazzaoui

Lama Ghazzaoui
Chief Financial Officer

Tony Cripps

Tony Cripps
Chief Executive Officer & Managing Director

Interim condensed consolidated statement of comprehensive income

For the three-month period ended 31 March 2026

All amounts in thousands of Saudi Riyals unless otherwise stated

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Net income for the period after Zakat and income tax	2,086,161	2,135,287
Other comprehensive (loss) / income for the period		
Items that will not be reclassified to interim condensed consolidated statement of income in subsequent periods		
Net changes in fair value of FVOCI equity instruments	(19,987)	(13,535)
Items that will be reclassified to interim condensed consolidated statement of income in subsequent periods		
Debt instrument at FVOCI:		
Net changes in fair value	(82,410)	1,450,247
Transfer to interim condensed consolidated statement of income, net	(164,386)	-
Cash flow hedges:		
Net changes in fair value	(6,041)	12,588
Total other comprehensive (loss) / income for the period	(272,824)	1,449,300
Total comprehensive income for the period	1,813,337	3,584,587

The accompanying notes 1 to 24 form an integral part of this interim condensed consolidated financial information.

Lama Ghazzaoui

Lama Ghazzaoui
Chief Financial Officer

Tony Cripps

Tony Cripps
Chief Executive Officer & Managing Director

Saudi Awwal Bank

Interim condensed consolidated statement of changes in equity

For the three-month period ended 31 March 2026

All amounts in thousands of Saudi Riyals unless otherwise stated

31 March 2026 (Unaudited)	Attributable to equity holders of the Bank								Additional Tier 1 Sukuk	Total equity
	Note	Share capital	Share premium	Statutory reserve	Other reserves	Retained earnings	Proposed dividends	Total		
Balance at the beginning of the period		20,547,945	8,524,882	20,547,945	(354,432)	17,685,699	-	66,952,039	12,386,500	79,338,539
Total comprehensive income / (loss) for the period										
Net income for the period after Zakat and income tax		-	-	-	-	2,086,161	-	2,086,161	-	2,086,161
Net changes in fair value of cash flow hedges		-	-	-	(6,041)	-	-	(6,041)	-	(6,041)
Net changes in fair value of FVOCI equity instruments		-	-	-	(19,987)	-	-	(19,987)	-	(19,987)
Net changes in fair value of FVOCI debt instruments		-	-	-	(82,410)	-	-	(82,410)	-	(82,410)
Transfer to interim condensed consolidated statement of income, net		-	-	-	(164,386)	-	-	(164,386)	-	(164,386)
		-	-	-	(272,824)	2,086,161	-	1,813,337	-	1,813,337
Employee share plan reserve net charge and shares vested		-	-	-	16,297	-	-	16,297	-	16,297
Additional Tier 1 Sukuk payments		-	-	-	-	(157,448)	-	(157,448)	-	(157,448)
2025 final dividend proposed, net of Zakat and income tax	21	-	-	-	-	(2,054,795)	2,054,795	-	-	-
Balance at the end of the period		20,547,945	8,524,882	20,547,945	(610,959)	17,559,617	2,054,795	68,624,225	12,386,500	81,010,725

31 March 2025 (Restated)* (Unaudited)	Attributable to equity holders of the Bank								Additional Tier 1 Sukuk	Total equity
	Note	Share capital	Share premium	Statutory reserve	Other reserves	Retained earnings	Proposed dividends	Total		
Balance at the beginning of the period		20,547,945	8,524,882	20,547,945	(2,818,768)	11,464,384	2,054,795	60,321,183	7,965,000	68,286,183
Effect of restatement	23	-	-	-	918,484	242,086	-	1,160,570	-	1,160,570
Balance at the beginning of the period (restated)		20,547,945	8,524,882	20,547,945	(1,900,284)	11,706,470	2,054,795	61,481,753	7,965,000	69,446,753
Total comprehensive income / (loss) for the period										
Net income for the period after Zakat and income tax		-	-	-	-	2,135,287	-	2,135,287	-	2,135,287
Net changes in fair value of cash flow hedges		-	-	-	12,588	-	-	12,588	-	12,588
Net changes in fair value of FVOCI equity instruments		-	-	-	(13,535)	-	-	(13,535)	-	(13,535)
Net changes in fair value of FVOCI debt instruments		-	-	-	1,450,247	-	-	1,450,247	-	1,450,247
		-	-	-	1,449,300	2,135,287	-	3,584,587	-	3,584,587
Employee share plan reserve net charge and shares vested		-	-	-	9,072	-	-	9,072	-	9,072
Additional Tier 1 Sukuk payments		-	-	-	-	(131,041)	-	(131,041)	-	(131,041)
Balance at the end of the period		20,547,945	8,524,882	20,547,945	(441,912)	13,710,716	2,054,795	64,944,371	7,965,000	72,909,371

*Refer note 23

The accompanying notes 1 to 24 form an integral part of this interim condensed consolidated financial information.

Lama Ghazzaoui
Chief Financial Officer

Lama Ghazzaoui

Tony Cripps
Chief Executive Officer & Managing Director

Tony Cripps



Interim condensed consolidated statement of cash flows

For the three-month period ended 31 March 2026

All amounts in thousands of Saudi Riyals unless otherwise stated

	Notes	31 March 2026 (Unaudited)	31 March 2025 (Restated)* (Unaudited)
OPERATING ACTIVITIES			
Net income for the period before Zakat and income tax		2,410,692	2,448,524
Adjustments to reconcile net income before Zakat and income tax to net cash from operating activities:			
Amortisation of premium on investments not held as FVSI investments, net		(50,118)	(98,682)
Depreciation and amortization		165,899	145,692
Special commission expense on debt securities in issue and term loans		112,006	85,301
Special commission expense on lease liabilities		3,028	2,682
Income transferred to interim condensed consolidated statement of income		(164,386)	-
Gain on FVOCI financial instruments		(47,998)	-
Share in earnings of an associate	7	(66,162)	(41,377)
Provision for expected credit losses, net	18 (a)	166,497	141,666
Employee share plan reserve		16,297	9,072
		2,545,755	2,692,878
Change in operating assets:			
Statutory deposit with SAMA		(461,025)	(192,506)
Due from banks and other financial institutions		-	40,368
Investments held as FVSI		14,985	(150,482)
Loans and advances		(8,372,271)	(19,616,930)
Positive fair value derivatives		(275,078)	461,747
Other assets		(480,480)	(704,159)
Change in operating liabilities:			
Due to banks		(4,379,590)	(40,877)
Customers' deposits		8,136,744	23,429,312
Negative fair value derivatives		116,452	(455,922)
Other liabilities		(939,668)	(344,514)
		(4,094,176)	5,118,915
Special commission paid on debt securities in issue and term loans		(159,115)	(193,324)
Net cash (used in) / generated from operating activities		(4,253,291)	4,925,591
INVESTING ACTIVITIES			
Proceeds from sale and maturity of investments not held as FVSI		10,478,280	665,435
Purchase of investments not held as FVSI		(2,402,291)	(4,110,039)
Purchase of property, equipment and intangibles, net		(117,914)	(138,787)
Net cash generated from / (used in) from investing activities		7,958,075	(3,583,391)
FINANCING ACTIVITIES			
Proceeds from issuance of debt securities		726,049	-
Repayment of debt securities in issue		(366,477)	-
Payment of lease liabilities		(28,458)	(21,703)
Additional Tier 1 Sukuk payments		(157,448)	(131,041)
Dividends paid		(69)	(1,321)
Net cash generated from / (used in) financing activities		173,597	(154,065)
Net change in cash and cash equivalents		3,878,381	1,188,135
Cash and cash equivalents at beginning of the period	16	9,527,251	5,491,697
Cash and cash equivalents at end of the period	16	13,405,632	6,679,832
Special commission income received	23	5,539,634	5,502,448
Special commission expenses paid		(2,683,510)	(2,431,128)
Supplemental non-cash information			
Net changes in fair value and transfers to interim condensed consolidated statement of income		(272,824)	1,449,300

*Refer note 23

The accompanying notes 1 to 24 form an integral part of this interim condensed consolidated financial information.

Lama Ghazzaoui
Chief Financial Officer



Tony Cripps
Chief Executive Officer & Managing Director



1. General and basis of preparation

Saudi Awwal Bank ('SAB') is a Saudi joint stock company incorporated in the Kingdom of Saudi Arabia and was established by a Royal Decree No. M/4 dated 12 Safar 1398H (21 January 1978). SAB formally commenced business on 26 Rajab 1398H (1 July 1978) by taking over of the operations of The British Bank of the Middle East in the Kingdom of Saudi Arabia. SAB operates under Commercial Registration No. 1010025779 and Unified No. 7000018668 dated 22 Dhul Qadah 1399H (13 October 1979) as a commercial bank through a network of 101 branches (31 December 2025: 100 branches) in the Kingdom of Saudi Arabia. The address of SAB's head office is as follows:

Saudi Awwal Bank
7383 King Fahad Branch Rd
2338 Al Yasmeen Dist.
13325
Riyadh
Kingdom of Saudi Arabia

The shareholders of the Saudi British Bank and Alawwal Bank ("AAB") approved the merger of the two banks at Extraordinary General Meetings held on 15 May 2019 pursuant to Articles 191-193 of the Companies Law issued under Royal Decree No. M3 dated 28/1/1437H (corresponding to 10/11/2015G) (the "Companies Law"), and Article 49 (a) (1) of the Merger and Acquisitions Regulations issued by the Capital Markets Authority of the Kingdom of Saudi Arabia (the "CMA").

Subsequent to the above merger, the Group has changed its commercial name from "The Saudi British Bank" to "Saudi Awwal Bank" effective from 11 June 2023.

The objectives of SAB are to provide a range of banking services. SAB also provides Shariah-compliant products, which are approved and supervised by an independent Shariah Committee established by SAB.

The details of the Group's subsidiaries and associate are as follows:

Name of subsidiaries / associate	Ownership %		Description
	2026	2025	
Arabian Real Estate Company Limited ("ARECO")	100%	100%	A limited liability company incorporated in the Kingdom of Saudi Arabia under the unified No. 7001750764 dated 12 Jumada I 1424H (12 July 2003). ARECO is engaged in real estate activities.
SAB Markets Limited	100%	100%	A limited liability company incorporated in the Cayman Islands under commercial registration No 323083 dated 21 Shaban 1438H (17 May 2017). SAB Markets is engaged in derivatives trading and repo activities.
Alawwal Invest Company ("SAB Invest")	100%	100%	A closed joint stock company incorporated in the Kingdom of Saudi Arabia under the unified No. 7001571335 dated 30 Thul-Hijjah 1428H (9 January 2008). Alawwal Invest was formed and licensed as a capital market institution in accordance with the CMA's Resolution No. 1 39 2007. SAB Invest's principal activity is to engage in security activities regulated by the CMA related to dealing, managing, arranging, advising, and taking custody of securities.
Alawwal Real Estate Company ("AREC")	100%	100%	A limited liability company incorporated in the Kingdom of Saudi Arabia under the unified No. 7001711535 dated 21 Jumada I 1429H (26 May 2008). AREC is engaged in real estate activities.
X-Tech fund	100%	100%	A private equity fund incorporated in the Kingdom of Saudi Arabia dated 12 Shawwal 1445H (21 April 2024) which is engaged in investing activities and managed by SAB Invest.
HSBC Saudi Arabia (Associate)	49%	49%	A closed joint stock company incorporated in the Kingdom of Saudi Arabia under the unified No. 7001507842 dated 27 Jumada II 1427H (23 July 2006). HSBC Saudi Arabia is an associate of the Group, formed and licensed as a capital market institution in accordance with the Resolution No. 37-05008 of the CMA dated 05 Thul-Hijjah 1426H corresponding to 05 January 2006. HSBC Saudi Arabia's principal activity is to engage in securities activities regulated by the CMA related to dealing, managing, arranging, advising, and taking custody of securities.

1.1. Basis of preparation

This interim condensed consolidated financial information of the Group as at and for the period ended 31 March 2026 has been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" 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 interim condensed consolidated information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with Group's annual consolidated financial statements as at 31 December 2025.

SAB presents its interim condensed consolidated statement of financial position in the order of liquidity.

This interim condensed consolidated financial information is expressed in Saudi Arabian Riyals (ﷲ) and is rounded off to the nearest thousands, except where otherwise indicated.

1.2. Basis of consolidation

This interim condensed consolidated financial information comprises the interim financial information of SAB and its subsidiaries, as mentioned in note 1 (collectively referred to as "the Group"). The financial information of the subsidiaries is prepared for the same reporting period as that of SAB, using consistent accounting policies.

Subsidiaries are entities which are directly or indirectly controlled by SAB. SAB controls an entity ("the Investee") over which it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are consolidated from the date on which control is transferred to SAB and cease to be consolidated from the date on which the control is transferred from SAB. Intra-group transactions and balances have been eliminated in preparing this interim condensed consolidated financial information.

The Group acts as a Fund Manager to a number of investment funds. Determining whether the Group controls such an investment fund usually focuses on the assessment of the aggregate economic interests of the Group in the Fund (comprising any carried interests and expected management fees) and the investors' rights to remove the Fund Manager. As a result, the Group has concluded that it acts as an agent for the investors in all cases except as mentioned in note 1, and therefore has not consolidated these funds.

2. Material accounting policies, estimates, assumptions, and impact of changes due to adoption of new standards

The accounting policies, estimates, and assumptions used in the preparation of this interim condensed consolidated financial information is consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025 unless otherwise stated.

New standards, interpretations and amendments adopted by the Group

The following standards, interpretations or amendments are effective from the annual periods beginning on 1 January 2026 and are adopted by the Group, however, these do not have any significant impact on the interim condensed consolidated financial information for the period:

Accounting Standards, interpretations, amendments	Description
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	Under the amendments, certain financial assets including those with environmental, social governance (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 recognised and derecognised and to provide an exception for certain financial liabilities settled using an electronic payment system.
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.

New standards, interpretations and amendments issued but not yet effective

The International Accounting Standard Board (IASB) has issued the following accounting standards and / or amendments, which will become effective from periods beginning on or after 1 January 2027. The Group has opted not to early adopt these pronouncements and is in the process of assessing the impact on the interim condensed consolidated financial information of the Group.

Accounting Standards, interpretations, amendments	Description	Effective periods beginning on or after
IFRS 18 - Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. The group is in the process of enhancing its systems and allocating resources to align with the classification and disclosure requirements of IFRS 18, ensuring its readiness to apply IFRS 18 on effective date.	1 January 2027
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 recognised in full.	Effective date deferred indefinitely

3. Cash and balances with SAMA

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Cash in hand	2,095,128	2,003,426	2,386,101
Statutory deposit	17,655,165	17,194,140	15,356,662
Placements with SAMA	3,576,000	4,511,000	371,954
Other balances	301,529	131,530	123,542
Total	23,627,822	23,840,096	18,238,259

4. Due from banks and other financial institutions, net

a) Due from banks and other financial institutions are classified as follows:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Current accounts	4,659,419	2,881,295	3,282,941
Money market placements	2,773,556	-	612,366
Provision for expected credit losses	(2,734)	(3,114)	(1,543)
Total	7,430,241	2,878,181	3,893,764

b) Credit quality analysis

The following table sets out information about the credit quality of due from banks and other financial institutions, net:

	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Purchased credit impaired	Total
31 March 2026 (Unaudited)	7,430,241	-	-	-	7,430,241
31 December 2025 (Audited)	2,878,181	-	-	-	2,878,181
31 March 2025 (Unaudited)	3,893,764	-	-	-	3,893,764

Balances under due from banks and other financial institutions are held with investment grade financial institutions.

c) Movement in provision for expected credit losses

The following table shows reconciliations from the opening to the closing balance of the provision for expected credit losses against due from banks and other financial institutions:

	31 March 2026 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January 2026	3,114	-	-	3,114
Net change for the period	(380)	-	-	(380)
Balance as at 31 March 2026	2,734	-	-	2,734

	31 December 2025 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January 2025	829	-	-	829
Net change for the year	2,285	-	-	2,285
Balance as at 31 December 2025	3,114	-	-	3,114

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	31 March 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January 2025	829	-	-	829
Net change for the period	714	-	-	714
Balance as at 31 March 2025	1,543	-	-	1,543

5. Investments, net

Investment securities are classified as follows:

	Notes	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Restated) (Unaudited)
FVOCI – Debt		57,001,267	63,540,042	57,576,758
FVOCI – Equity	23	1,635,165	1,647,137	1,514,457
FVSI – Debt		738,431	709,664	554,292
FVSI – Equity	23	932,008	975,759	841,327
Held at amortised cost		39,251,130	40,775,951	44,224,751
Provision for expected credit losses for investments held at amortised cost		(7,464)	(6,655)	(8,140)
Total		99,550,537	107,641,898	104,703,445

The following table sets out information about the credit quality of debt instruments measured at amortised cost and FVOCI.

	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Purchased credit impaired	Total
31 March 2026 (Unaudited)					
Debt instruments at amortised cost, net	39,243,666	-	-	-	39,243,666
Debt instruments at FVOCI	57,001,267	-	-	-	57,001,267

	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Purchased credit impaired	Total
31 December 2025 (Audited)					
Debt instruments at amortised cost, net	40,769,296	-	-	-	40,769,296
Debt instruments at FVOCI	63,540,042	-	-	-	63,540,042

	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Purchased credit impaired	Total
31 March 2025 (Unaudited)					
Debt instruments at amortised cost, net	44,216,611	-	-	-	44,216,611
Debt instruments at FVOCI	57,576,758	-	-	-	57,576,758

An analysis of changes in provision for ECL of debt instruments measured at amortised cost:

	31 March 2026 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January 2026	6,655	-	-	6,655
Net re-measurement of loss allowance	809	-	-	809
Balance as at 31 March 2026	7,464	-	-	7,464

	31 December 2025 (Audited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January 2025	8,783	-	-	8,783
Net re-measurement of loss allowance	(2,128)	-	-	(2,128)
Balance as at 31 December 2025	6,655	-	-	6,655

	31 March 2025 (Unaudited)			
	12 month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at 1 January 2025	8,783	-	-	8,783
Net re-measurement of loss allowance	(643)	-	-	(643)
Balance as at 31 March 2025	8,140	-	-	8,140

Investment by type and composition of securities is as follows:

	31 March 2026 (Unaudited)					
	Domestic	International	Total	Quoted	Unquoted	Total
Fixed rate securities	71,503,463	10,015,811	81,519,274	79,531,128	1,988,146	81,519,274
Floating rate securities	15,449,089	-	15,449,089	13,116,714	2,332,375	15,449,089
Equities and mutual funds	2,248,599	333,575	2,582,174	1,120,495	1,461,679	2,582,174
Total	89,201,151	10,349,386	99,550,537	93,768,337	5,782,200	99,550,537

	31 December 2025 (Audited)					
	Domestic	International	Total	Quoted	Unquoted	Total
Fixed rate securities	78,889,484	9,720,264	88,609,748	85,882,974	2,726,774	88,609,748
Floating rate securities	16,409,254	-	16,409,254	13,879,580	2,529,674	16,409,254
Equities and mutual funds	2,235,917	386,979	2,622,896	1,179,572	1,443,324	2,622,896
Total	97,534,655	10,107,243	107,641,898	100,942,126	6,699,772	107,641,898

	31 March 2025 (Unaudited) (Restated)					
	Domestic	International	Total	Quoted	Unquoted	Total
Fixed rate securities	77,969,117	8,144,081	86,113,198	83,898,315	2,214,884	86,113,199
Floating rate securities	16,392,999	-	16,392,999	13,982,519	2,410,480	16,392,999
Equities and mutual funds	1,942,032	255,216	2,197,248	1,045,465	1,151,782	2,197,247
Total	96,304,148	8,399,297	104,703,445	98,926,299	5,777,146	104,703,445

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Assets pledged

Assets pledged as collateral with other financial institutions for security are as follows:

	31 March 2026 (Unaudited)		31 December 2025 (Audited)		31 March 2025 (Unaudited)	
	Assets	Related liabilities	Assets	Related liabilities	Assets	Related liabilities
Debt securities	7,350,866	6,551,523	8,527,894	8,312,154	17,776,755	18,930,254

6. Loans and advances, net

Loans and advances comprise of the following:

	31 March 2026 (Unaudited)						
	Corporate and institutional lending		Retail lending				
	Corporate & Institutional Banking	MSME	Home loan	Personal loan	Other retail lending	Credit cards	Total
12 month ECL	203,576,245	12,847,496	40,762,518	22,172,184	7,457,681	3,326,450	290,142,574
Lifetime ECL not credit impaired	12,543,796	315,501	2,007,150	747,715	736,353	170,418	16,520,933
Lifetime ECL credit impaired	3,157,227	436,890	626,186	151,436	3,239	63,599	4,438,577
Purchased or originated credit impaired	3,190,699	255,328	1,278	134,525	-	118	3,581,948
Total loans and advances, gross	222,467,967	13,855,215	43,397,132	23,205,860	8,197,273	3,560,585	314,684,032
Provision for expected credit losses	(6,464,112)	(249,589)	(295,799)	(492,345)	(53,805)	(222,108)	(7,777,758)
Balance as at 31 March 2026	216,003,855	13,605,626	43,101,333	22,713,515	8,143,468	3,338,477	306,906,274
Non-performing loans and advances	3,302,326	359,181	331,820	95,988	5,034	38,304	4,132,653

	31 December 2025 (Audited)						
	Corporate and institutional lending		Retail lending				
	Corporate & Institutional Banking	MSME	Home loan	Personal loan	Other retail lending	Credit cards	Total
12 month ECL	191,679,662	12,773,495	39,793,103	21,402,414	7,912,678	3,573,679	277,135,031
Lifetime ECL not credit impaired	16,636,095	645,829	2,018,364	928,403	81,322	185,231	20,495,244
Lifetime ECL credit impaired	3,321,656	432,888	588,062	144,126	1,957	64,175	4,552,864
Purchased or originated credit impaired	3,293,359	215,689	1,254	136,130	-	63	3,646,495
Total loans and advances, gross	214,930,772	14,067,901	42,400,783	22,611,073	7,995,957	3,823,148	305,829,634
Provision for expected credit losses	(5,831,393)	(245,803)	(308,999)	(533,702)	(40,246)	(242,986)	(7,203,129)
Balance as at 31 December 2025	209,099,379	13,822,098	42,091,784	22,077,371	7,955,711	3,580,162	298,626,505
Non-performing loans and advances	3,215,295	432,394	313,334	85,750	5,012	36,925	4,088,710

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31 March 2025 (Unaudited)

	Corporate and institutional lending		Retail lending				
	Corporate & Institutional Banking	MSME	Home loan	Personal loan	Other retail lending	Credit cards	Total
12 month ECL	177,595,381	10,910,480	36,835,373	21,600,412	5,103,479	3,225,004	255,270,129
Lifetime ECL not credit impaired	18,074,423	556,102	1,569,880	623,220	1,058,684	121,073	22,003,382
Lifetime ECL credit impaired	3,247,028	393,525	531,685	58,470	139,863	66,129	4,436,700
Purchased or originated credit impaired	3,305,137	212,929	2,548	118,551	-	88	3,639,253
Total loans and advances, gross	202,221,969	12,073,036	38,939,486	22,400,653	6,302,026	3,412,294	285,349,464
Provision for expected credit losses	(5,148,523)	(288,987)	(271,201)	(529,804)	(40,894)	(234,112)	(6,513,521)
Balance as at 31 March 2025	197,073,446	11,784,049	38,668,285	21,870,849	6,261,132	3,178,182	278,835,943
Non-performing loans and advances	3,037,808	379,151	262,013	107,608	14,880	39,463	3,840,923

The comparative figures have been disaggregated to align with the current period's presentation. Other retail lending, previously presented as a single category, has been separated into Home Finance, Personal Finance and Other retail lending. Similarly, corporate and institutional banking previously presented as a single category, have been further disaggregated into Micro, Small and Medium Enterprises (MSME) exposures.

Lifetime ECL credit impaired includes non-performing loans and advances. It also includes exposures that are now performing but have yet to complete a period of 12 months of performance ('the curing period') to be eligible to be upgraded to a not-impaired category.

The financial assets recorded in each stage have the following characteristics:

- 12 month ECL not credit impaired (stage 1): without significant increase in credit risk on which a 12-month allowance (or lower if the tenor of the facility is less than 12 months) for ECL is recognised;
- Lifetime ECL not credit impaired (stage 2): a significant increase in credit risk has been experienced since initial recognition on which a lifetime ECL is recognised;
- Lifetime ECL credit impaired (stage 3): objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised; and
- Purchased or originated credit impaired ('POCI'): purchased or originated at a deep discount that reflects the expected lifetime credit losses at time of purchase or origination. A lifetime ECL is recognised if further credit losses are expected. POCI includes non-performing loans and advances acquired through the merger with Alawwal Bank (AAB) that were recorded at fair value as of acquisition date.

The following table shows reconciliations from the opening to the closing balance of the provision for credit losses against loans and advances:

31 March 2026 (Unaudited)	Non-credit impaired		Credit impaired		Total
	Stage 1	Stage 2	Stage 3	POCI	
Balance at 1 January 2026	875,645	2,721,389	2,275,943	1,330,152	7,203,129
Transfer to Stage 1	94,561	(86,549)	(8,012)	-	-
Transfer to Stage 2	(22,965)	52,260	(29,295)	-	-
Transfer to Stage 3	(2,337)	(38,918)	41,255	-	-
Net re-measurement of loss allowance	293,009	175,466	220,420	46,568	735,463
Write-offs	-	-	(160,834)	-	(160,834)
Balance as at 31 March 2026	1,237,913	2,823,648	2,339,477	1,376,720	7,777,758

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31 December 2025 (Audited)	Non-credit impaired		Credit impaired		Total
	Stage 1	Stage 2	Stage 3	POCI	
Balance at 1 January 2025	684,521	2,170,597	2,168,921	1,234,562	6,258,601
Transfer to Stage 1	56,338	(39,423)	(16,915)	-	-
Transfer to Stage 2	(22,064)	88,737	(66,673)	-	-
Transfer to Stage 3	(4,736)	(86,784)	91,520	-	-
Net re-measurement of loss allowance	161,586	588,262	557,487	95,590	1,402,925
Write-offs	-	-	(458,397)	-	(458,397)
Balance as at 31 December 2025	875,645	2,721,389	2,275,943	1,330,152	7,203,129

31 March 2025 (Unaudited)	Non-credit impaired		Credit impaired		Total
	Stage 1	Stage 2	Stage 3	POCI	
Balance at 1 January 2025	684,521	2,170,597	2,168,921	1,234,562	6,258,601
Transfer to Stage 1	18,629	(14,027)	(4,602)	-	-
Transfer to Stage 2	(21,449)	38,122	(16,673)	-	-
Transfer to Stage 3	(1,767)	(42,380)	44,147	-	-
Net re-measurement of loss allowance	46,723	182,665	271,267	1,444	502,099
Write-offs	-	-	(247,179)	-	(247,179)
Balance as at 31 March 2025	726,657	2,334,977	2,215,881	1,236,006	6,513,521

7. Investment in an associate

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
HSBC Saudi Arabia			
Balance at beginning of the period / year	399,507	463,350	463,350
Share in earnings	66,162	141,012	41,377
Dividend received	-	(204,855)	-
Balance at end of the period / year	465,669	399,507	504,727

The associate's financial information / statements:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Total assets	1,296,552	1,213,653	1,438,336
Total liabilities	389,566	450,139	413,417
Total equity	906,986	763,514	1,024,919
Total income	205,746	760,985	252,769
Total expenses	59,190	465,092	132,269
Net income	146,556	295,893	120,500

8. Goodwill and other intangibles, net

Intangibles are comprised of the following:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Amounts arising from acquisitions:			
Goodwill	8,778,091	8,778,091	8,778,091
Other intangibles	1,147,878	1,188,863	1,311,815
	9,925,969	9,966,954	10,089,906
Software	1,255,791	1,252,372	629,604
Total	11,181,760	11,219,326	10,719,510

Impairment testing of goodwill

The goodwill acquired through business combination is reviewed annually for impairment. However, at each reporting period, an assessment is made for indicators of impairment. If indicators exist, an impairment test is required. The impairment test compares the estimated recoverable amount of the Group's CGUs that carry goodwill, as determined through a Value-In-Use (VIU) model, with the carrying amount of net assets of each CGU. The goodwill has been allocated to the following cash-generating units:

- Wealth & personal banking
- Corporate and institutional banking
- Treasury

As at 31 March 2026, no impairment indicators were identified. Therefore, no impairment test was performed. The key assumptions, valuations and techniques used in assessing the impairment's indicators are applied consistently as those at year end 31 December 2025.

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9. Derivatives

The table below sets out the positive and negative fair values of derivative financial instruments 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, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of the Group's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, nor to market risk.

	31 March 2026 (Unaudited)			31 December 2025 (Audited)			31 March 2025 (Unaudited)		
	Positive fair Value	Negative fair value	Notional	Positive fair value	Negative fair value	Notional	Positive fair value	Negative fair value	Notional
Derivatives held for trading:									
Special commission rate swaps	1,516,503	(1,259,071)	129,658,139	1,561,418	(1,321,329)	128,634,808	1,847,498	(1,660,074)	111,427,013
Special commission rate options	204,260	(210,715)	7,781,842	204,190	(213,364)	8,091,300	214,124	(225,604)	9,064,741
Forward foreign exchange contracts	87,100	(65,878)	83,896,329	33,630	(31,728)	10,170,236	48,904	(41,881)	11,434,643
Currency swaps	364,760	(362,968)	29,973,248	182,904	(180,326)	28,849,453	14,002	(12,194)	6,529,611
Commodity swaps	404,578	(403,307)	683,738	414,213	(413,753)	364,232	44,165	(34,881)	384,486
Equity forward	26,323	-	341,448	-	(5,435)	362,994	-	-	-
Derivatives held as fair value hedges:									
Special commission rate swaps	69,507	(74,164)	19,066,250	3,271	(97,263)	4,378,750	6,419	(101,207)	4,378,750
Derivatives held as cash flow hedges:									
Special commission rate swaps	1,735	(12,576)	3,185,000	6,103	(7,921)	4,285,000	6,937	(14,441)	4,285,000
Currency swaps	-	(1,345)	562,500	-	(2,453)	562,500	-	-	-
Total	2,674,766	(2,390,024)	275,148,494	2,405,729	(2,273,572)	185,699,273	2,182,049	(2,090,282)	147,504,244
The following table sets out information about fair value netting:									
Fair values of netting arrangements	526,343	(580,223)		497,860	(346,354)		466,633	(187,461)	
Cash collateral, net	(68,322)	1,440,643		(102,457)	740,395		(79,921)	467,790	
Fair values after netting	458,021	860,420		395,403	394,041		386,712	280,329	

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The amounts relating to items designated as hedged items are as follows:

	Carrying amount		Accumulated amount of fair value hedge adjustments on the hedge item included in the carrying amount of the hedge item		Line item in the consolidated statement of financial position in which hedge item is included	Change in value used for calculating hedge ineffectiveness	Accumulated amount of fair value adjustments remaining in the statement of financial position for any hedge items that have ceased to be adjusted for hedging gains and losses
	Assets	Liabilities	Assets	Liabilities			
31 March 2026 (Unaudited)							
Held as fair value hedges:							
Government Bonds/Sukuk	17,438,526	-	50,799	-	Investment at FVOCI and Amortised cost	(45,904)	(69,066)
Total	17,438,526	-	50,799	-		(45,904)	(69,066)

31 December 2025 (Audited)

Held as fair value hedges:							
Government Bonds/Sukuk	4,129,638	-	96,701	-	Investment at FVOCI and Amortised cost	118,802	(127,477)
Total	4,129,638	-	96,701	-		118,802	(127,477)

31 March 2025 (Unaudited)

Held as fair value hedges:							
Government Bonds/Sukuk	4,103,737	-	85,783	-	Investment at FVOCI and Amortised cost	107,883	(179,868)
Total	4,103,737	-	85,783	-		107,883	(179,868)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness are as follows:

	Positive fair value	Negative fair value	Notional amount Total	Change in fair value used for calculating hedge ineffectiveness	Changes in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness recognised in statement of income	Amount reclassified from the hedge reserve to statement of income
31 March 2026 (Unaudited)							
Held as cash flow hedges:							
Special Commission rate swaps	1,735	(12,576)	3,185,000	(7,149)	(7,149)	-	-
Currency swaps	-	(1,345)	562,500	1,108	1,108	-	-
Total	1,735	(13,921)	3,747,500	(6,041)	(6,041)	-	-
31 December 2025 (Audited)							
Held as cash flow hedges:							
Special Commission rate swaps	6,103	(7,921)	4,285,000	27,810	27,810	-	-
Currency swaps	-	(2,453)	562,500	(2,453)	(2,453)	-	-
Total	6,103	(10,374)	4,847,500	25,357	25,357	-	-
31 March 2025 (Unaudited)							
Held as cash flow hedges:							
Special Commission rate swaps	6,937	(14,441)	4,285,000	(3,277)	(3,277)	-	-
Currency swaps	-	-	-	-	-	-	-
Total	6,937	(14,441)	4,285,000	(3,277)	(3,277)	-	-

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The amounts relating to items designated as hedged items are as follows:

	Line item in the statement of financial position in which hedge item is included	Changes in value used for calculating hedge ineffectiveness	Cash flow hedge reserve	Balance remaining in cash flow hedge reserve for hedge relationships for which hedge accounting is no longer applied
31 March 2026 (Unaudited)				
Held as cash flow hedges:				
Government Bonds/Sukuk	Investment at FVOCI/AC	6,041	(11,486)	-
Total		6,041	(11,486)	-
31 December 2025 (Audited)				
Held as cash flow hedges:				
Government Bonds/Sukuk	Investment at FVOCI/AC	(25,357)	(5,445)	-
Total		(25,357)	(5,445)	-
31 March 2025 (Unaudited)				
Held as cash flow hedges:				
Government Bonds/Sukuk	Investment at FVOCI/AC	3,277	(630)	-
Total		3,277	(630)	-

In the table below, the Group sets out the accumulated fair value adjustments arising from the corresponding continuing hedge relationships, irrespective of whether or not there has been a change in hedge designation during the year.

	Carrying Amount of Hedged Items		Accumulated amount of fair value adjustments on the hedged items	
	Assets	Liabilities	Assets	Liabilities
31 March 2026 (Unaudited)				
Micro fair value hedges				
Fixed rate FVOCI debt instruments	14,313,476	-	57,592	-
Fixed rate Held at amortised cost debt instruments	3,125,050	-	(6,793)	-
Total	17,438,526	-	50,799	-
31 December 2025 (Audited)				
Micro fair value hedges				
Fixed rate FVOCI debt instruments	4,128,746	-	96,652	-
Fixed rate Held at amortised cost debt instruments	892	-	49	-
Total	4,129,638	-	96,701	-
31 March 2025 (Unaudited)				
Micro fair value hedges				
Fixed rate FVOCI debt instruments	4,102,844	-	85,751	-
Fixed rate Held at amortised cost debt instruments	893	-	32	-
Total	4,103,737	-	85,783	-

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The below table sets out the outcome of the Group's hedging strategy, in particular, to changes in the fair value of the hedged items and hedging instruments in the current period and the comparative period, used as the basis for recognising ineffectiveness:

		31 March 2026 (Unaudited)			31 December 2025 (Audited)			31 March 2025 (Unaudited)		
Hedged Items	Hedging Instruments	Gains / (Losses) attributable to hedged risk		Hedge Ineffectiveness	Gains / (Losses) attributable to hedged risk		Hedge Ineffectiveness	Gains / (Losses) attributable to hedged risk		Hedge Ineffectiveness
		Hedged Items	Hedging Instruments		Hedged Items	Hedging Instruments		Hedged Items	Hedging Instruments	
Micro fair value hedge relationship hedging assets										
Fixed rate FVOCI debt instruments	Special commission rate swaps	(39,061)	54,332	15,271	69,599	(55,983)	13,616	58,698	(52,875)	5,823
Fixed rate Held at amortised cost debt instruments	Special commission rate swaps	(6,843)	3,865	(2,978)	49,203	(49,477)	(274)	49,185	(49,477)	(292)
Total		(45,904)	58,197	12,293	118,802	(105,460)	13,342	107,883	(102,352)	5,531

The following table shows the maturity and interest rate risk profiles of the Group's hedging instruments used in its cash flow hedges. As the Group applies one-to-one hedging ratios, the below table effectively shows the outcome of the cash flow hedges:

	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
31 March 2026 (Unaudited)						
Micro cash flow hedges						
Commission rate swaps						
Notional principal	140,000	430,000	930,000	1,685,000	-	3,185,000
Average fixed rate	5.02%	5.01%	5.04%	4.62%	-	-
Micro cash flow hedges						
Currency swaps						
Notional principal	-	-	-	562,500	-	562,500
Average fixed rate	-	-	-	2.33%	-	-
Average USD/SAR rate	-	-	-	3.75	-	-
31 December 2025 (Audited)						
Micro cash flow hedges						
Commission rate swaps						
Notional principal	-	-	-	4,285,000	-	4,285,000
Average fixed rate	-	-	-	4.85%	-	-
Micro cash flow hedges						
Currency swaps						
Notional principal	-	-	-	562,500	-	562,500
Average fixed rate	-	-	-	2.33%	-	-
Average USD/SAR rate	-	-	-	3.75	-	-
31 March 2025 (Unaudited)						
Micro cash flow hedges						
Commission rate swaps						
Notional principal	-	-	-	4,285,000	-	4,285,000
Average fixed rate	-	-	-	4.84%	-	-
Micro cash flow hedges						
Currency swaps						
Notional principal	-	-	-	-	-	-
Average fixed rate	-	-	-	-	-	-
Average USD/SAR rate	-	-	-	-	-	-

10. Customers' deposits

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Demand	143,517,872	138,258,973	133,549,176
Time	183,195,159	179,981,969	152,394,638
Savings	2,863,754	3,288,144	2,709,512
Margin and others	1,833,813	1,744,768	1,786,645
Total	331,410,598	323,273,854	290,439,971

11. Debt securities in issue and term loans

During the year ended 2025, SAB obtained the necessary approvals from SAMA for exercising its call option on its ﷲ 5 billion Tier 2. The Sukuk was redeemed at face value (100% of issue price) at the end of 5 years from issuance.

During 2025, SAB issued USD 1.25 billion (equivalent to ﷲ 4.688 billion) Tier 2 Notes, under the Group's Medium-Term Note Programme (the 'International Programme'). The Notes are unsecured and due in 2035, with SAB having an option to repay the Tier 2 Notes after 5 years, subject to prior approval of SAMA and terms and conditions of the International Programme. The Notes carry special commission expense rate of 5.95% (fixed rate) payable semi-annually.

In addition, SAB issued certificate of deposits (CDs) under its CDs programme and entered into an arrangement of bilateral borrowings (term loans).

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Debt securities in issue (Tier 2 Notes)	4,683,962	4,751,472	5,070,036
Certificate of deposits	2,581,796	2,201,495	-
Term loans	942,259	942,587	-
Total	8,208,017	7,895,554	5,070,036

Below is the movement of debt securities in issue:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Balance at beginning of the period / year	4,751,472	5,178,059	5,178,059
Debt securities issued	-	4,687,500	-
Repayment of debt securities in issue	-	(5,000,000)	-
Other movements	(67,510)	(114,087)	(108,023)
Balance at the end of the period / year	4,683,962	4,751,472	5,070,036

12. Commitments and contingencies

a) Legal proceedings

There are no material outstanding legal matters against the Group.

b) Credit related commitments and contingencies

Credit related commitments and contingencies are as follows:

31 March 2026 (Unaudited)	Stage 1	Stage 2	Stage 3	POCI	Total
Letters of credit	17,539,890	43,018	51,714	54,123	17,688,745
Letters of guarantee	145,037,338	1,516,109	2,064,445	963,737	149,581,629
Acceptances	3,257,804	10,722	792	1,157	3,270,475
Irrevocable commitments to extend credit	51,299,289	754,761	630,633	17,314	52,701,997
Total	217,134,321	2,324,610	2,747,584	1,036,331	223,242,846

31 December 2025 (Audited)	Stage 1	Stage 2	Stage 3	POCI	Total
Letters of credit	17,069,977	831,764	30,401	54,123	17,986,265
Letters of guarantee	138,404,047	3,083,219	2,155,258	963,737	144,606,261
Acceptances	3,367,466	123,081	292	1,157	3,491,996
Irrevocable commitments to extend credit	40,115,254	459,544	596,274	216,964	41,388,036
Total	198,956,744	4,497,608	2,782,225	1,235,981	207,472,558

31 March 2025 (Unaudited)	Stage 1	Stage 2	Stage 3	POCI	Total
Letters of credit	17,203,419	1,047,965	32,873	131,085	18,415,342
Letters of guarantee	122,865,163	4,962,387	1,313,217	1,145,839	130,286,606
Acceptances	4,550,821	262,557	6,535	7,389	4,827,302
Irrevocable commitments to extend credit	20,875,612	554,347	-	149,295	21,579,254
Total	165,495,015	6,827,256	1,352,625	1,433,608	175,108,504

The following table shows reconciliations from the opening to the closing balance of the provision for expected credit losses on loan commitments and financial guarantee contracts:

31 March 2026 (Unaudited)	Stage 1	Stage 2	Stage 3	POCI	Total
Balance as at 1 January 2026	106,272	107,940	814,930	65,521	1,094,663
Transfer to stage 1	21,665	(21,665)	-	-	-
Transfer to stage 2	(24)	24	-	-	-
Transfer to stage 3	(2)	(1,023)	1,025	-	-
Net re-measurement of loss allowance	119,053	823	(41,607)	-	78,269
Balance as at 31 March 2026	246,964	86,099	774,348	65,521	1,172,932

31 December 2025 (Audited)	Stage 1	Stage 2	Stage 3	POCI	Total
Balance as at 1 January 2025	74,421	308,898	685,107	69,496	1,137,922
Transfer to stage 1	13,605	(13,603)	(2)	-	-
Transfer to stage 2	(1,083)	1,083	-	-	-
Transfer to stage 3	(137)	(170,332)	170,469	-	-
Net charge for the year	19,466	(18,106)	(40,644)	(3,975)	(43,259)
Balance as at 31 December 2025	106,272	107,940	814,930	65,521	1,094,663

31 March 2025 (Unaudited)	Stage 1	Stage 2	Stage 3	POCI	Total
Balance as at 1 January 2025	74,421	308,898	685,107	69,496	1,137,922
Transfer to stage 1	5,591	(5,591)	-	-	-
Transfer to stage 2	(89)	89	-	-	-
Transfer to stage 3	(63)	(4,685)	4,748	-	-
Net re-measurement of loss allowance	30,334	(17,701)	1,987	-	14,620
Balance as at 31 March 2025	110,194	281,010	691,842	69,496	1,152,542

13. Additional Tier 1 Sukuk

The Group has issued Additional Tier 1 Capital Sukuk by way of private placement as follows:

Issuance date	Amount (in ٠ billions)	Issuance Currency	Fixed / Floating	Coupon rate	Coupon Payment frequency
31 October 2023	4.00	SAR	Floating	3 months SAIBOR + 125 bps	Quarterly
12 December 2024	3.65	SAR	Fixed	6.07%	Quarterly
12 December 2024	0.35	SAR	Floating	3 months SAIBOR + 134 bps	Quarterly
21 May 2025	2.44	USD	Fixed	6.50%	Semi-annually
24 July 2025	2.00	SAR	Fixed	6.30%	Quarterly

The issuances were approved by the regulatory authorities and Board of Directors of the Group. These Sukuk are perpetual securities in respect of which there is no fixed redemption dates and represents an undivided ownership interest of the Sukuk-holders in the Sukuk assets. The applicable profit rate on the Sukuk is payable on each periodic distribution date, except in the event of a non-payment or non-payment election by the Group, whereby the Group may at its sole discretion (subject to certain terms and conditions) elect not to make any distributions. Such non-payment elections are not considered to be events of default.

14. Zakat and income tax

The Zakat base computed in accordance with the formula specified in the Zakat Regulations is also subject to thresholds for minimum and maximum liability. In addition, SAB is subject to pay corporate income tax to reflect the portion of the shareholder base that is non-Saudi. Corporate income tax is calculated at a rate of 20%, applied to the share of taxable income of the non-Saudi shareholders.

As of 31 March 2026, SAB has filed its Zakat and income tax return up to 2024. Income tax assessments from 2016 to 2018 have not been received by the Group. The assessment of Zakat and Income tax for 2019 up to 2023 are closed and settled. The assessment of 2024 are still under Zakat, Tax, and Customs Authority's (ZATCA) review.

15. Basic and diluted earnings per share

Basic and diluted earnings per share for the periods ended 31 March 2026 and 31 March 2025 are calculated by dividing the net income after Zakat and income tax (adjusted by profit paid on additional Tier 1 Sukuk), by the weighted average number of shares 2,054,794,522 (March 2025: 2,054,794,522) outstanding during the periods.

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Net income after Zakat and income tax	2,086,161	2,135,287
Additional Tier 1 Sukuk payments	(157,448)	(131,041)
Net income after Zakat and income tax (adjusted by Additional Tier 1 Sukuk payments)	1,928,713	2,004,246
Weighted average number of ordinary shares*	2,054,795	2,054,795
Basic and diluted earnings per share	0.94	0.98

* The impact of treasury shares is immaterial

16. Cash and cash equivalents

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

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Unaudited)
Cash and balances with SAMA excluding the statutory deposit (note 3)	5,972,657	6,645,956	2,881,597
Due from banks and other financial institutions with an original maturity of three month or less from date of the acquisition	7,432,975	2,881,295	3,798,235
Total	13,405,632	9,527,251	6,679,832

17. Operating segments

The Group's primary business is conducted in the Kingdom of Saudi Arabia. Transactions between the operating segments are on normal commercial terms and conditions. Segment assets and liabilities comprise operating assets and liabilities, being the majority of the balance. The Group's reportable segments are as follows:

- **Wealth & Personal Banking** – Wealth and Personal Banking offers a variety of wealth and consumer lending products. Having a mix of domestic and international customers, WPB aims to be the Bank of choice for wealth and internationally-minded customers.
- **Corporate and Institutional Banking** – The Corporate and Institutional Banking provides tailored solutions to a wide range of customer segments including Global Corporates and Institutional Banking, Multinational Corporates, Large and Commercial Banking Corporates, and Small and Medium Enterprises. CIB offers a wide range of products that includes core banking, liquidity management, trade-finance and treasury services.
- **Treasury** – The Treasury business provides Corporate, Institutional, Wealth and Private banking clients with access to treasury and capital markets products across multiple asset classes, including foreign exchange, interest rate, and commodities hedging solutions. In addition, Treasury manages the liquidity and market risk of the Bank, including deployment of its commercial surplus through its investment portfolio.
- **Capital Markets** – The Capital Markets segment brings together the margin lending, brokerage, and asset management business and are managed by our wholly-owned subsidiary SAB Invest.
- **Others** – Includes activities of the Group's investment in its associate, HSBC Saudi Arabia and equity investments. It also includes elimination of inter-group income and expense items.

Notes to the Interim Condensed Consolidated Financial Information

For the three-month period ended 31 March 2026

All amounts in thousands of Saudi Riyals unless otherwise stated

Transactions between the operating segments are reported as per the Group's transfer pricing policy. The Group's total assets and liabilities as at 31 March 2026 and 31 March 2025, its total operating income and expenses, and the results for the periods then ended, by operating segment, are as follows:

31 March 2026 (Unaudited)	Wealth and Personal Banking	Corporate and Institutional Banking	Treasury	Capital markets	Others	Total
Total assets	85,775,504	233,773,766	134,891,976	2,717,706	2,581,028	459,739,980
Loans and advances, net	75,645,675	229,609,481	-	1,651,118	-	306,906,274
Investments, net	-	-	96,876,221	729,305	1,945,011	99,550,537
Investment in an associate	-	-	-	-	465,669	465,669
Total liabilities	94,883,150	203,561,367	80,076,129	211,013	(2,404)	378,729,255
Operating income / (expense) from external sources	706,607	2,267,681	556,075	92,809	(11,414)	3,611,758
Inter-segment operating income / (expense)	281,151	(326,618)	45,467	-	-	-
Total operating income / (expense), of which:	987,758	1,941,063	601,542	92,809	(11,414)	3,611,758
Net special commission income	957,579	1,673,208	207,645	31,380	-	2,869,812
Net fees and commission (expense) / income	(38,725)	206,756	(2,382)	53,145	-	218,794
Reversals / (provision) for expected credit losses, net	37,387	(208,220)	4,273	63	-	(166,497)
Total operating expenses	(504,116)	(440,634)	(85,007)	(70,550)	(424)	(1,100,731)
Share in earnings of an associate	-	-	-	-	66,162	66,162
Net income for the period before Zakat and income tax	521,029	1,292,209	520,808	22,322	54,324	2,410,692

31 March 2025 (Restated) (Unaudited)	Notes	Wealth and Personal Banking	Corporate and Institutional Banking	Treasury	Capital markets	Others	Total
Total assets		78,747,045	213,358,966	129,598,801	2,714,312	2,452,417	426,871,541
Loans and advances, net		68,404,622	208,857,495	-	1,573,826	-	278,835,943
Investments, net	23	-	-	102,276,484	670,418	1,756,543	104,703,445
Investment in an associate		-	-	-	-	504,727	504,727
Total liabilities		96,530,833	169,986,789	87,217,719	179,343	47,486	353,962,170
Operating income from external sources		712,805	2,503,152	299,569	104,234	-	3,619,760
Inter-segment operating income / (expense)		444,714	(522,306)	77,592	-	-	-
Total operating income, of which:		1,157,519	1,980,846	377,161	104,234	-	3,619,760
Net special commission income	23	994,654	1,681,402	188,005	35,802	-	2,899,863
Net fees and commission income / (expense)	23	72,018	226,859	(2,323)	66,083	-	362,637
Provision for expected credit losses, net		(53,249)	(87,873)	(544)	-	-	(141,666)
Total operating (expenses) / income		(491,809)	(438,066)	(75,863)	(72,335)	7,126	(1,070,947)
Share in earnings of an associate		-	-	-	-	41,377	41,377
Net income for the period before Zakat and income tax		612,461	1,454,907	300,754	31,899	48,503	2,448,524

18. Financial risk management

Credit risk

The Group follows SAMA Rules on Credit Risk Management whereby the Board of Directors has ultimate responsibility for the effective management of risk and approves the risk appetite. The Board has constituted a Board Risk Committee (BRC) for the ongoing monitoring, assessment and management of the risk environment and the effectiveness of the risk management framework. Day-to-day responsibility for risk management is delegated to senior managers with individual accountability for decision making.

Credit risk is the risk of financial loss if a customer or counterparty fails to meet an obligation under a contract. Credit risk arises principally from direct lending, trade finance and leasing activities, but also from other products such as guarantees and derivatives.

The Group continues to assess the impact of economic developments on specific customers, customer segments or portfolios. As credit conditions change, the Group takes mitigating actions, including the revision of risk appetites or limits and tenors, as appropriate. In addition, the Group continues to manage credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. Credit approval authorities are delegated by the Board to the Managing Director together with the authority to sub-delegate them. The Credit Risk function is responsible for the key policies and processes for managing credit risk, which include formulating credit policies and risk rating frameworks, guiding the Group's appetite for credit risk exposures, undertaking independent reviews and objective assessment of credit risk, and monitoring performance and management of portfolios.

Concentrations of credit risk arise when a number of counterparties have comparable economic characteristics, or such counterparties are engaged in similar business activities, or operate in the same geographical areas or industry sectors so that their collective ability to meet contractual obligations is uniformly affected by changes in economic, political, or other conditions. The Group uses a number of controls and measures to minimize undue concentration of exposure in the portfolios. These include portfolio and counterparty limits, approval and review controls, and stress testing.

a. Provision for expected credit losses, net

The following table shows the provision for expected credit losses for due from banks and other financial institutions, investments, loans and advances and off balance sheet exposures:

	Notes	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Net provision for expected credit losses:			
Due from banks and other financial institutions	4	380	(714)
Investments	5	3,894	171
Loans and advances	6	(735,463)	(502,099)
Loan commitments and financial guarantees	12	(78,269)	(14,620)
Recoveries net of (write-offs)		642,961	375,596
Net charge for the period		(166,497)	(141,666)

b. Collateral

The Group in the ordinary course of lending activities holds collaterals as security to mitigate credit risk in the loans and advances. These collaterals mostly include time, demand, and other cash deposits, financial guarantees, local and international equities, real estate and other fixed assets. The collateral is held mainly against commercial and consumer loans and are managed against relevant exposures at their net realizable values. For financial assets that are credit impaired at the reporting period, quantitative information about the collateral held as security is needed to the extent that such collateral mitigates credit risk.

19. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or the most advantageous) market between market participants at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Consequently, differences can arise between the carrying values and fair value estimates.

Determination of fair value and fair value hierarchy:

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

- **Level 1:** quoted prices in active markets for the same instrument;
- **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.

31 March 2026 (Unaudited)	Carrying value		Fair value		
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Derivative financial instruments	2,674,766	-	2,674,766	-	2,674,766
Investments held as FVSI – Debt	738,431	-	738,431	-	738,431
Investments held as FVSI – Equity	932,008	485,045	446,963	-	932,008
Investments held as FVOCI – Debt	57,001,267	-	57,001,267	-	57,001,267
Investments held as FVOCI – Equity	1,635,165	188,487	-	1,446,678	1,635,165
Financial assets not measured at fair value:					
Due from banks and other financial institutions	7,430,241	-	7,430,241	-	7,430,241
Investments held at amortised cost	39,243,666	-	37,169,411	-	37,169,411
Loans and advances	306,906,274	-	-	302,851,112	302,851,112
Financial liabilities measured at fair value:					
Derivative financial instruments	2,390,024	-	2,390,024	-	2,390,024
Financial liabilities not measured at fair value:					
Due to banks	21,321,370	-	21,321,370	-	21,321,370
Customers’ deposits	331,410,598	-	331,308,455	-	331,308,455
Debt securities in issue and term loans	8,208,017	-	8,208,017	-	8,208,017

31 December 2025 (Audited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Derivative financial instruments	2,405,729	-	2,405,729	-	2,405,729
Investments held as FVSI – Debt	709,664	-	709,664	-	709,664
Investments held as FVSI – Equity	975,759	534,966	440,793	-	975,759
Investments held as FVOCI – Debt	63,540,042	-	63,540,042	-	63,540,042
Investments held as FVOCI – Equity	1,647,137	203,813	-	1,443,324	1,647,137
Financial assets not measured at fair value					
Due from banks and other financial institutions	2,878,181	-	2,878,181	-	2,878,181
Investments held at amortised cost	40,769,296	-	38,354,981	-	38,354,981
Loans and advances	298,626,505	-	-	294,233,231	294,233,231
Financial liabilities measured at fair value					
Derivative financial instruments	2,273,572	-	2,273,572	-	2,273,572
Financial liabilities not measured at fair value					
Due to banks	25,700,960	-	25,700,960	-	25,700,960
Customers' deposits	323,273,854	-	323,151,525	-	323,151,525
Debt securities in issue and term loans	7,895,554	-	7,895,554	-	7,895,554

The Group 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. The difference between the transaction price and the model value is commonly referred to as 'day one profit or loss'. It is either amortised over the life of the transaction or deferred until the instrument's fair value can be determined using market observable data or realized through disposal. Subsequent changes in fair value are recognized immediately in the consolidated statement of income without reversal of deferred day one profits and losses.

Valuation techniques include net present value and discounted cash flow models, and 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 premiums used in estimating discount rates, bond and equity prices and foreign currency exchange rates.

Derivatives classified as Level 2 comprise Over the Counter (OTC) special commission rate swaps, currency swaps, special commission rate options, forward foreign exchange contracts, currency options and other derivative financial instruments. These derivatives are fair valued using the Group's proprietary valuation models that are based on discounted cash flow techniques. The data inputs to these models are based on observable market parameters relevant to the markets in which they are traded and are sourced from widely used market data service providers.

FVOCI equity investments include investments in local listed shares carried at market price listed on the local stock exchange.

FVOCI investments classified as Level 2 include bonds and sukuks for which market quotes are not available. These are fair valued using simple discounted cash flow techniques that use observable market data inputs for yield curves and credit spreads.

FVOCI investments classified as Level 3 represents private equity investments and valued at their respective fair value. The movement in Level 3 financial instruments during the period relates to fair value and capital repayment movements only.

Fair values of listed investments are determined using mid marked prices. Fair values of unlisted investments are determined using valuation techniques that incorporate the prices and future earning streams of equivalent quoted securities.

Loans and advances are classified as Level 3, the fair value of which is determined by discounting future cash flows using risk adjusted expected SAIBOR rates.

The fair values of due from and due to banks which are carried at amortised cost, are not significantly different from the carrying values included in the consolidated financial information, since these are short dated and the current market special commission rates for similar financial instruments are not significantly different from the contracted rates.

The fair values of demand deposits are approximated by their carrying value. For deposits with longer-term maturities, fair values are estimated using discounted cash flows, applying current rates offered for deposits of similar remaining maturities.

Debt securities in issue and term loans contain fixed instruments and floating rate instruments are floating rate instruments that re-price within a year (every 3 months) and accordingly, the fair value of this portfolio approximates the carrying value. The fair value of the remaining portfolio is not significantly different from its carrying value.

There were no transfers between the levels of fair value hierarchies during the period. The values obtained from valuation models may be different from the transaction price of financial instruments on transaction date.

Reconciliation of Level 3 fair values

The following table shows reconciliation from the opening balances to the closing balances for Level 3 fair values for Investment held at FVOCI – equity.

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Opening balance	1,443,324	1,136,187
Net change in fair value (unrealized)	3,354	307,137
Closing balance	1,446,678	1,443,324

20. Capital adequacy

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

Capital adequacy and the use of regulatory capital are monitored regularly by management. SAMA requires holding a minimum level of regulatory capital and maintaining a ratio of total regulatory capital to the risk weighted assets at or above Basel prescribed minimum.

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

The following table summarises the Group's Pillar-1 Risk Weighted Assets, Tier 1 and Tier 2 capital and capital adequacy ratios:

	31 March 2026 (Unaudited)	31 December 2025 (Audited)	31 March 2025 (Restated) (Unaudited)
Risk Weighted Assets (RWA)			
Credit Risk RWA	376,363,194	359,687,719	326,526,892
Operational Risk RWA	16,390,131	14,221,244	14,221,244
Market Risk RWA	1,813,898	1,734,293	4,361,502
Total Pillar 1 RWA	394,567,223	375,643,256	345,109,638
Common Equity Tier 1 (CET1) Capital	57,442,465	55,732,713	54,224,861
Additional Tier I Capital (Note 13)	12,386,500	12,386,500	7,965,000
Core capital (Tier 1)	69,828,965	68,119,213	62,189,861
Supplementary capital (Tier 2)	6,193,738	5,695,047	5,857,628
Core and supplementary capital (Tier 1 and Tier 2)	76,022,703	73,814,260	68,047,489
Capital Adequacy Ratio %			
Common Equity Tier 1 Capital (CET1)	14.56%	14.84%	15.71%
Core capital (Tier 1)	17.70%	18.13%	18.02%
Core and supplementary capital (Tier 1 and Tier 2 ratios)	19.27%	19.65%	19.72%

The Group uses the Standardised approach of SAMA's Basel Framework to calculate the Risk-Weighted Assets and required regulatory capital for Pillar 1 (including Credit Risk, Market Risk and Operational Risk). The management are responsible for ensuring that minimum required Regulatory Capital calculated is compliant with SAMA's Basel Framework requirements. Quarterly prudential returns are submitted to SAMA showing the Capital Adequacy Ratio.

21. Proposed dividends

The Board of Directors has proposed on 5 Ramdan 1447H (Corresponding 22 February 2026) a net dividend of ﷲ 2,055 million for the second half of year 2025, resulting in ﷲ 1.00 per share for Saudi shareholder's net of Zakat. The income tax of the foreign shareholders will be deducted from their share of the dividends.

22. Geopolitical impact on expected credit losses

The geopolitical situation in the MiddleEast has intensified since 28 February 2026. While a temporary ceasefire was reached in early April 2026, the situation continues to evolve and has had secondary impacts in several countries in the Middle East including Kingdom of Saudi Arabia, causing disruption to some business and economic activities. This has brought about uncertainties in the economic environment and outlook.

The Bank is closely monitoring the situation and potential implications for the financing portfolio. In considering ECL estimates as at 31 March 2026, the Bank performed targeted sector level assessments for its financing portfolio potentially exposed to trade and supply chain disruptions, incorporating both qualitative and quantitative indicators when evaluating for SICR. This has resulted in an overall increase in ECL in isolation of other factors. In addition, given the elevated uncertainty, the Bank reassessed the weightages assigned to the forward looking macroeconomic scenarios used in the ECL model resulting in no change in the current circumstances.

The situation remains fluid, and management will continue to adopt a proactive approach towards monitoring and stress testing of its financing portfolio.

23. Comparative figures

During the year ended 31 December 2025, the Bank corrected the valuation of its interest in an equity investment that is classified as investments at fair value through other comprehensive income (FVOCI) which was historically valued at net asset value instead of fair value. The impact of the change in valuation method from net asset value to fair value has resulted in an increase in carrying value of ₪ 918 million as of 1 January 2025.

During the year ended 31 December 2025, Management has identified an equity investment held by the Bank that was not recorded in prior years. This has resulted in an understatement of investments at "fair value through statement of income (FVSI)" and the corresponding net gains. Upon identification, management classified this investment at FVSI in accordance with IFRS 9, at the amount of ₪ 242 million as of 1 January 2025.

These adjustments are considered as a correction of errors as per IAS 8 (Accounting policies, Changes in Accounting Estimates and Errors) and are material to the interim condensed consolidated financial information and accordingly the interim condensed consolidated statement of financial position and interim condensed consolidated statement of changes in equity have been restated. The impact of these equity investments on the interim condensed consolidated statement of income and interim condensed consolidated statement of other comprehensive income for the period ended 31 March 2025 was insignificant and accordingly, comparatives have not been restated.

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

	As previously presented	Restatement	Restated
As at 1 January 2025			
Interim condensed consolidated statement of financial position			
Investments, net	103,542,875	1,160,570	104,703,445
Interim condensed consolidated statement of financial position and interim condensed consolidated statement of changes in equity			
Retained earnings	13,468,630	242,086	13,710,716
Other reserves	(1,360,396)	918,484	(441,912)

Further, the Bank has reclassified corporate management fee previously recorded in fee and commission income to special commission income amounting to ₪ 61.5 million, net in accordance with the requirement of IFRS 9 (Financial Instruments) in the interim condensed consolidated statement of income. Accordingly, the reclassification has been reflected in interim condensed consolidated statement of cashflow and note 17 to the Interim condensed consolidated financial information.

24. Board of Directors' approval

This interim condensed consolidated financial information was approved and authorized for issue by the Board of Directors of the Group on 5 Dhul al-Qi'dah 1447H (Corresponding to 22 April 2026).