

AL RAJHI BANKING AND INVESTMENT CORPORATION

(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)

As of and for the three-month period ended 31 March 2025



مصرف الراجحي
alrajhi bank



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KPMG Professional Services Company
(Professional Closed Joint Stock Company)
Paid-up capital SR 110,000,000
Commercial registration no. 1010425494

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Riyadh 11663
Kingdom of Saudi Arabia

Headquarters in Riyadh
kpmg.com/sa



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

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Independent auditors' review report **on the interim condensed consolidated financial information**

To the shareholders of
Al Rajhi Banking and Investment Corporation
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of **Al Rajhi Banking and Investment Corporation** (the "Bank") and its subsidiaries (collectively referred to as the "Group") as at 31 March 2025, 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 (the "interim condensed consolidated financial information"). Management is responsible for the preparation and presentation of the 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 the 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 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.

KPMG Professional Services Company

Ernst and Young Professional Services

Dr. Abdullah Hamad Al Fozan
Certified Public Accountant
License no. 348



Waleed G. Tawfiq
Certified Public Accountant
License no. 437



2 Thul-Qi'dah 1446H
(30 April 2025)

AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Financial Position
(ب.000)

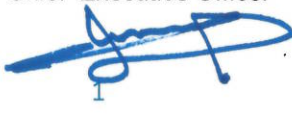
As at	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2024 (Unaudited)
Assets				
Cash and balances with Central Banks	4	65,077,059	53,244,710	43,171,472
Due from banks and other financial institutions, net	5	20,977,805	19,529,727	8,913,463
Investments, net	6	177,909,268	175,033,587	142,071,746
Positive fair value of Shariah compliant derivatives	7	1,629,949	1,905,903	1,089,958
Financing, net	8	722,785,437	693,409,723	608,989,943
Other assets, net		15,961,945	12,537,842	14,841,995
Investment in associate		1,063,742	1,034,262	967,907
Investment properties, net		1,348,662	1,358,638	1,365,649
Property, equipment, and right of use assets, net		13,570,906	13,894,302	13,056,990
Goodwill and other intangibles, net		1,672,038	1,435,512	1,522,860
Disposal group classified as held for sale	13	1,082,696	1,002,450	-
Total assets		1,023,079,507	974,386,656	835,991,983
Liabilities and equity				
Liabilities				
Due to banks, Saudi Central Bank and other financial institutions	9	202,231,368	173,434,597	82,835,542
Customers' deposits	10	629,229,142	628,238,501	603,978,150
Negative fair value of Shariah compliant derivatives	7	1,941,091	1,679,043	1,021,677
Sukuk issued	11	9,851,631	8,450,753	8,090,714
Other liabilities		44,977,650	38,598,155	31,794,199
Liabilities associated with disposal group classified as held for sale	13	764,471	846,376	-
Total liabilities		888,995,353	851,247,425	727,720,282
Equity				
Share capital		40,000,000	40,000,000	40,000,000
Statutory reserve		38,373,547	38,373,547	33,442,996
Other reserves	16	(399,130)	(311,814)	(441,833)
Retained earnings		27,058,800	21,417,282	16,502,147
Equity attributable to the Bank's shareholders		105,033,217	99,479,015	89,503,310
Equity sukuk	12	28,943,303	23,553,815	18,768,391
Equity attributable to the Bank's equity holders		133,976,520	123,032,830	108,271,701
Non-controlling interests		107,634	106,401	-
Total equity		134,084,154	123,139,231	108,271,701
Total liabilities and equity		1,023,079,507	974,386,656	835,991,983

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Income (Unaudited)
(฿'000)

		For the three-month period ended 31 March	
	Note	2025	2024
Income			
Gross financing and investment income		13,170,701	10,802,601
Gross financing and investment return		(6,073,584)	(5,155,730)
Net financing and investment income		7,097,117	5,646,871
Fee from banking services, income		2,920,541	2,470,243
Fee from banking services, expenses		(1,547,807)	(1,431,718)
Fee from banking services, net		1,372,734	1,038,525
Exchange income, net		328,993	294,708
Other operating income, net		401,310	249,010
Total operating income		9,200,154	7,229,114
Expenses			
Salaries and employees' related benefits		983,409	898,842
Depreciation and amortization		537,759	450,082
Other general and administrative expenses		567,039	544,822
Total operating expenses before credit impairment charge		2,088,207	1,893,746
Impairment charges for financing and other financial assets, net	8	524,886	421,209
Total operating expenses		2,613,093	2,314,955
Net income for the period before Zakat		6,587,061	4,914,159
Zakat Expense		(677,340)	(509,401)
Net income for the period		5,909,721	4,404,758
Net income for the period attributable to:			
Bank's shareholders		5,906,040	4,404,758
Non-controlling interests		3,681	-
Net income for the period		5,909,721	4,404,758
Basic and diluted earnings per share (฿)	14	1.41	1.05

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Comprehensive Income (Unaudited)
(฿'000)

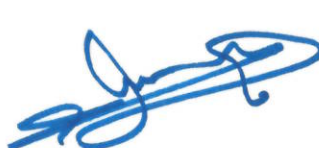
	For the three-month period ended 31 March	
	2025	2024
Net income for the period	5,909,721	4,404,758
Other comprehensive income:		
<i>Items that will not be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>		
- Net change in fair value of FVOCI equity investments	5,299	(7,124)
- Share in OCI from associate	12,345	4,851
<i>Items that may be reclassified to the interim condensed consolidated statement of income in subsequent periods:</i>		
- FVOCI instrument:		
- Net change in fair value of FVOCI sukuk and structured products investments	116,924	(209,746)
- Net amounts transferred to the interim condensed consolidated statement of income	(140,466)	-
- Exchange difference on translating foreign operations	(9,137)	(24,602)
- Cash flow hedge effective portion of change in the fair value	(74,729)	(71,496)
- Employees' share plan reserve	-	(37,110)
Total other comprehensive (loss) / income	(89,764)	(345,227)
Total comprehensive income for the period	5,819,957	4,059,531
Total comprehensive income for the period Attributable to:		
Bank's shareholders	5,818,724	4,059,531
Non-controlling interests	1,233	-
Total comprehensive income for the period	5,819,957	4,059,531

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
(س'000)

For the three-month period ended 31 March 2025


	Note	Share capital	Statutory reserve	Other reserves	Retained earnings	Total equity attributable to the Bank's shareholders	Equity sukuk	Total equity attributable to the Bank's equity holders	Non-controlling interests	Total equity
Balance at 31 December 2024		40,000,000	38,373,547	(311,814)	21,417,282	99,479,015	23,553,815	123,032,830	106,401	123,139,231
Net income for the period		-	-	-	5,906,040	5,906,040	-	5,906,040	3,681	5,909,721
Net change in fair value of FVOCI equity investments		-	-	5,299	-	5,299	-	5,299	-	5,299
Share in OCI from associate		-	-	12,345	-	12,345	-	12,345	-	12,345
Net change in fair value of FVOCI Sukuk and Structured products investments		-	-	116,924	-	116,924	-	116,924	-	116,924
Net amounts transferred to the interim condensed consolidated statement of income		-	-	(140,466)	-	(140,466)	-	(140,466)	-	(140,466)
Exchange difference on translation of foreign operations		-	-	(6,689)	-	(6,689)	-	(6,689)	(2,448)	(9,137)
Cash flow hedge effective portion of change in the fair value		-	-	(74,729)	-	(74,729)	-	(74,729)	-	(74,729)
Total other comprehensive loss recognized in -equity		-	-	(87,316)	-	(87,316)	-	(87,316)	(2,448)	(89,764)
Total comprehensive income for the period		-	-	(87,316)	5,906,040	5,818,724	-	5,818,724	1,233	5,819,957
Equity Sukuk issued	12	-	-	-	-	-	5,389,488	5,389,488	-	5,389,488
Equity Sukuk costs		-	-	-	(264,522)	(264,522)	-	(264,522)	-	(264,522)
Balance at 31 March 2025		40,000,000	38,373,547	(399,130)	27,058,800	105,033,217	28,943,303	133,976,520	107,634	134,084,154

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
(฿'000)

For the three-month period ended 31 March 2024		Share capital	Statutory reserve	Other reserves	Retained earnings	Total equity attributable to shareholders of the Bank	Sukuk	Total equity
	Note							
Balance at 31 December 2023		40,000,000	33,442,996	(96,606)	16,913,041	90,259,431	16,500,000	106,759,431
Net income for the period		-	-	-	4,404,758	4,404,758	-	4,404,758
Net change in fair value of FVOCI equity investments		-	-	(7,124)	-	(7,124)	-	(7,124)
Share in OCI from associate		-	-	4,851	-	4,851	-	4,851
Net change in fair value of FVOCI sukuk and structured products investments		-	-	(209,746)	-	(209,746)	-	(209,746)
Exchange difference on translation of foreign operations		-	-	(24,602)	-	(24,602)	-	(24,602)
Cash flow hedge Effective portion of change in the fair value		-	-	(71,496)	-	(71,496)	-	(71,496)
Employees' share plan reserve		-	-	(37,110)	-	(37,110)	-	(37,110)
Total other comprehensive loss recognized in equity		-	-	(345,227)	-	(345,227)	-	(345,227)
Total comprehensive income for the period		-	-	(345,227)	4,404,758	4,059,531	-	4,059,531
Equity Sukuk issued	12	-	-	-	-	-	2,268,391	2,268,391
Equity Sukuk costs		-	-	-	(215,652)	(215,652)	-	(215,652)
Dividend second half of the year 2023	19	-	-	-	(4,600,000)	(4,600,000)	-	(4,600,000)
Balance at 31 March 2024		40,000,000	33,442,996	(441,833)	16,502,147	89,503,310	18,768,391	108,271,701

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)
(฿'000)

For the three-month period ended 31 March	Note	2025	2024
Cash Flows from operating activities			
Net income before Zakat		6,587,061	4,914,159
Adjustments to reconcile net income before zakat to net cash from operating activities:			
Gain on investments held at fair value through statement of income (FVIS)		(64,912)	(39,073)
Depreciation on property, equipment and right of use assets, net		471,293	386,941
Depreciation on investment properties		9,976	5,441
Amortization of other intangibles assets		56,490	57,700
Gain on sale of property and equipment, net		2,429	(5,524)
Impairment charge for financing and other financial assets, net	8	524,886	421,209
Share in profit of an associate		(17,135)	(40,010)
Dividend income		(57,734)	(34,988)
Accretion/amortisation relating to Sukuk investments, net		(36,874)	(38,976)
Profit charge against lease obligations		6,081	6,733
Fair value adjustment for Shariah compliant derivatives		538,002	15,854
Rental income from investment properties		(24,315)	(27,735)
Employees' share plan reserve		-	(37,110)
(Increase) / decrease in operating assets			
Statutory deposit with SAMA and other central banks		(822,266)	(854,933)
Due from banks and other financial institutions		(10,490,213)	756,962
Financing, net		(29,900,600)	(15,206,346)
FVIS investments, net		140,471	(594,385)
Other assets, net		(3,424,103)	(3,149,732)
Disposal group classified as held for sale		(80,246)	-
Increase / (decrease) in operating liabilities			
Due to banks, Saudi Central Bank and other financial institutions		28,796,771	(14,411,347)
Customers' deposits		990,641	30,877,543
Other liabilities		5,668,301	1,185,354
Liabilities associated with disposal group classified as held for sale		(81,905)	-
Profit payment against lease obligations		(6,081)	(6,733)
Net cash generated (used in) / from operating activities before Zakat		(1,213,982)	4,181,004
Zakat paid		-	(864,843)
Net cash generated (used in) / from operating activities		(1,213,982)	3,316,161

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



AL RAJHI BANKING AND INVESTMENT CORPORATION (A SAUDI JOINT STOCK COMPANY)
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)

(S'000)

For the three-month period ended 31 March	Note	2025	2024
Cash flows from investing activities			
Purchase of property and equipment		(351,364)	(562,032)
Proceeds from disposal of property and equipment		271,147	5,745
Goodwill and Other intangibles assets		(293,016)	(69,992)
Purchase of FVOCI investments		(1,284,468)	(2,513,235)
Proceeds from maturities of investments recorded at amortized cost		2,462,182	582,267
Purchase of investments held at amortised cost		(4,173,824)	(6,373,949)
Purchase of investment properties		-	(5,023)
Dividend income received		57,734	34,988
Rental income from investment properties		24,315	27,735
Net cash used in investing activities		(3,287,294)	(8,873,496)
Cash flows from financing activities			
Equity Sukuk costs		(264,522)	(215,652)
Equity Sukuk issuance, net	12	5,389,488	2,268,391
Payments against lease obligation		(56,620)	(84,351)
Sukuk issued	11	1,400,878	4,301,597
Net cash generated from financing activities		6,469,224	6,269,985
Net increase in cash and cash equivalents		1,967,948	712,650
Cash and cash equivalents at the beginning of the period	17	24,100,411	12,435,642
Cash and cash equivalents at end of the period	17	26,068,359	13,148,292
Financing and investment income received during the period		13,255,418	11,127,877
Financing and investment return paid during the period		(5,708,382)	(4,662,309)
Supplemental Non-cash transactions:			
ROU assets		70,109	29,347
Lease Liability		33,854	39,952
Net change in fair value of FVOCI investments		(18,460)	(227,348)

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

Authorized Board Member



Chief Executive Officer



Chief Financial Officer



1 - General

Al Rajhi Banking and Investment Corporation, a Saudi Joint Stock Company, (the "Bank"), was formed and licensed pursuant to Royal Decree No. M/59 dated 3 Dhul Qadah 1407H (corresponding to 29 June 1987) and in accordance with Article 6 of the Council of Ministers' Resolution No. 245, dated 26 Shawal 1407H (corresponding to 23 June 1987).

The Bank operates under Commercial Registration No. 1010000096, Unified National No. 7000102744 and its Head Office is located at the following address:

Al Rajhi Bank
8467 King Fahd Road - Al Muruj Dist. Unit No 1
Riyadh 12263 - 2743 Kingdom of Saudi Arabia

The objectives of the Bank are to carry out banking and investment activities in accordance with its Articles of Association and By-laws, the Banking Control Law and the Council of Ministers Resolution referred to above. The Bank is engaged in banking and investment activities for its own account and on behalf of others inside and outside the Kingdom of Saudi Arabia ("KSA") through 548 branches (Dec 31, 2024: 550 branches and March 31, 2024: 538 branches) and subsidiaries. The Bank has established certain subsidiary companies (together with the Bank hereinafter referred to as the "Group") in which it owns all or the majority of their shares.

Shari'a Authority

As a commitment from the Bank for its activities to be in compliance with Islamic Shari'a legislations, since its inception, the Bank has established a Shari'a Authority to ascertain that the Bank's activities are subject to its approval and control. The Shari'a Authority has reviewed the Bank's activities and issued the required decisions thereon.

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

(a) Subsidiaries

Name of subsidiary	Functional Currency	Shareholding		
		2025	2024	
Al Rajhi Capital Company – KSA	ﷲ	100%	100%	A Saudi Closed Joint Stock Company authorized by the Capital Market Authority to carry on securities business in the activities of Dealing/brokerage, Managing assets, Advising, Arranging, and Custody.
Management and Development for Human Resources Company – KSA	ﷲ	100%	100%	A limited liability company registered in Kingdom of Saudi Arabia to provide recruitment services.
Al Rajhi Bank – Kuwait	KWD	100%	100%	A foreign branch registered with the Central Bank of Kuwait.
Al Rajhi Bank – Jordan	JOD	100%	100%	A foreign branch operating in Hashemite Kingdom of Jordan, providing all financial, banking, and investments services and importing and trading in precious metals and stones in accordance with Islamic Shari'a' rules and under the applicable banking law.

1 - General (Continued)

(a) Subsidiaries (Continued)

Name of subsidiaries	Functional Currency	Shareholding		
		2025	2024	
Tuder Real Estate Company – KSA	SAR	100%	100%	A limited liability company registered in Kingdom of Saudi Arabia to support the mortgage programs of the Bank through transferring and holding the title deeds of real estate properties under its name on behalf of the Bank, collection of revenue of certain properties sold by the Bank, provide real estate and engineering consulting services, provide documentation service to register the real estate properties and overseeing the evaluation of real estate properties.
Al Rajhi Corporation Limited – Malaysia	MYR	100%	100%	A licensed Islamic Bank under the Islamic Financial Services Act 2013, incorporated and domiciled in Malaysia.
Emkan Finance Company – KSA	SAR	100%	100%	A closed joint stock company registered in the Kingdom of Saudi Arabia providing micro consumer financing, finance lease and small and medium business financing.
Tawtheeq Company – KSA	SAR	100%	100%	A closed joint stock company registered in Kingdom of Saudi Arabia providing financial leasing contracts registration to organize contracts data and streamline litigation processes.
Al Rajhi Financial Markets Ltd –Cayman Islands	USD	100%	100%	A Limited Liability Company registered in the Cayman Islands with the objective of managing certain treasury related transactions on behalf of the Bank.
International Digital Solutions Co. (Neoleap) – KSA	SAR	100%	100%	A closed joint stock company owned by the Bank for the purpose of practicing technical work in financial services, digital payment systems, financial settlements and related services.
Ejada Systems Company Limited – KSA	SAR	90%	100%	A Saudi Closed Joint Stock Company owned by the Bank for the purpose of providing professional, scientific, technological activities, information communication services, and system analysis and senior management consultation services.
New Technology Company for Software Solutions (Neotek) – KSA	SAR	100%	100%	A limited company authorized by the Saudi Central Bank to operate in financial technology solutions and open banking services.
Drahim Holdings - Cayman Islands*	USD	65%	-	A holding company with the objective of offering Open Banking, investment, and financial technology services.

1 - General (Continued)**(a) Subsidiaries (Continued)**

*During June 2024, the Group acquired 65% shareholding in "Drahim Holdings". The subsidiary is based in Cayman Island with the objective of offering open banking, investment and financial technology services. The Group has completed the Purchase Price Allocation exercise and consolidated the subsidiary in these Consolidated Financial statements. The Group completed the process and legal formalities of the acquisition of the shares in Drahim Holding Company for a cash consideration of S 83.4 million. As part of the acquisition, the Group has received Treasury Shares presenting 3.1% shareholding. The acquisition has been accounted for using the acquisition method under IFRS 3 – Business Combinations (the 'Standard')."

2 - Basis of preparation

The interim condensed consolidated financial information of the Group as at and for the period ended 31 March 2025 and 2024 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") that is 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 financial information do not include all the information and disclosures required in the annual consolidated financial information, and should be read in conjunction with the Group's annual financial information as at 31 December 2024.

The consolidated financial information of the Group as at and for the year ended 31 December 2024, were prepared in accordance with IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the SOCPA. The interim condensed consolidated financial information are expressed in Saudi Arabian Riyals (S) and amounts are rounded to the nearest thousand except where otherwise stated and the functional currency of the Group is Saudi Riyal.

The preparation of this interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities and income and expense. Actual results may differ from these estimates. In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the accounting policies and the key sources of estimation were consistent with those that were applied to the annual consolidated financial information as at and for the year ended December 31, 2024.

3 - Material accounting policies, estimates, assumptions, and impact of changes due to adoption of new standards**(a) Changes in accounting policies due to adoption of new standards, interpretations and amendments adopted by the Group**

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

3 - Material accounting policies, estimates, assumptions, and impact of changes due to adoption of new standards (Continued)

(a) Changes in accounting policies due to adoption of new standards, interpretations and amendments adopted by the Group(Continued)

The following amendment are effective from the annual periods beginning on or after 1 January 2025 and are adopted by the Group.

Standard, interpretation and amendments	Description	Effective date
Amendment to IFRS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January 2025

(b) Forthcoming new standards not yet effective

The following standards, or amendments are effective from the annual periods beginning on or after 1 January 2025 and are adopted by the Group.

Standard, interpretation and amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-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.	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 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.	1 January 2027

3 - Material accounting policies, estimates, assumptions, and impact of changes due to adoption of new standards (Continued)

(b) Forthcoming new standards not yet effective (Continued)

Standard, interpretation and amendments	Description	Effective date
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Not yet endorsed by SOCPA
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Not yet endorsed by SOCPA

(c) Accounting Policies and Estimates

The accounting policies, estimates and assumptions used in the preparation of this condensed interim (consolidated) financial information are consistent with those used in the preparation of the annual (consolidated) financial statements for the year ended December 31, 2024

4 - Cash and balances with Central Banks

Cash and balances with Saudi Central Bank ("SAMA") and other central banks comprise of the following:

	31 March 2025	31 December 2024	31 March 2024
Cash in hand	6,721,666	6,681,225	6,923,671
Statutory deposit	41,080,580	40,258,314	35,863,031
Balances with central banks (current accounts)	294,935	195,171	384,770
Mutajara with SAMA	16,979,878	6,110,000	-
Total	65,077,059	53,244,710	43,171,472

In accordance with the Banking Control Law and regulations issued by SAMA and other central banks, the Bank is required to maintain a statutory deposit with SAMA and other central banks at stipulated percentages of its customers' demand deposits, customers' time investments and other customers' accounts calculated at the end of each Gregorian month.

5 - Due from banks and other financial institutions, net

Due from banks and other financial institutions comprise the following:

	31 March 2025	31 December 2024	31 March 2024
Current accounts	2,071,880	1,639,015	2,324,486
Mutajara	18,907,640	17,892,806	6,591,993
Less: Allowance for expected credit losses	(1,715)	(2,094)	(3,016)
Total	20,977,805	19,529,727	8,913,463

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- Investments, net

(a) Investments comprise the following:

	31 March 2025	31 December 2024	31 March 2024
Investments held at amortized cost:			
Murabaha with Saudi Government and SAMA	15,014,931	15,022,361	19,785,640
Sukuk	122,071,400	120,971,297	94,021,541
Structured Products	2,789,820	2,200,651	2,930,229
Less: Impairment (Stage 1)	(44,384)	(47,774)	(59,249)
Total investments held at amortized cost	139,831,767	138,146,535	116,678,161
Investments held at FVIS:			
Mutual funds	2,910,713	2,931,542	2,581,096
Sukuk	399,855	276,612	68,404
Structured Products	4,573,556	4,764,874	1,389,330
Equity investments	272,235	258,890	146,728
Total FVIS investments	8,156,359	8,231,918	4,185,558
FVOCI investments:			
Sukuk	19,512,501	19,208,062	16,019,023
Structured Products	633,830	866,439	1,102,068
Equity investments*	9,778,326	8,584,420	4,088,678
Less: Impairment (Stage 1)	(3,515)	(3,787)	(1,742)
Total FVOCI investments	29,921,142	28,655,134	21,208,027
Investments, net	177,909,268	175,033,587	142,071,746

The Bank has consolidated two international mutual funds where the Bank owns 100% of the two funds equity. The investments of these funds are included in the above note and accounted for as fair value through income statement.

The Bank, under repurchase agreements, pledges with other banks sukuk securities that include government sukuk. The fair values of those sukuk pledged as collateral with financial institutions as at 31 March 2025 is S'94,730 million (31 March 2024: S'67,213 million) and the related balances of the repurchase agreements are S'60,405 million (31 March 2024: S'22,433 million).

*The Group holds S'8,012 million (31 March 2024: S'3,153 million) in investments in Tier I Sukuk out of the total equity investments.

All investments held at amortized cost are neither past due nor impaired as of 31 March 2025 and 2024, and are classified in stage 1. There were no movements in staging during year.

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Investments, net (Continued)

(b) The domestic and international allocation of the Group's investments are summarized as follows:

31 March 2025	Domestic	International	Total
Investments held at amortized cost:			
Fixed-rate Sukuk	102,530,587	14,338,308	116,868,895
Floating-rate Sukuk	20,217,436	-	20,217,436
Structured products	-	2,789,820	2,789,820
Less: Impairment (Stage 1)	(44,035)	(349)	(44,384)
Total investments held at amortized cost	122,703,988	17,127,779	139,831,767
Investments held as FVIS:			
Mutual funds	1,293,445	1,617,268	2,910,713
Fixed-rate Sukuk	288,248	-	288,248
Floating-rate Sukuk	18,000	93,607	111,607
Structured Products	-	4,573,556	4,573,556
Equity investments	267,455	4,780	272,235
Total FVIS investments	1,867,148	6,289,211	8,156,359
Investments held as FVOCI:			
Fixed-rate Sukuk	13,630,962	5,069,806	18,700,768
Floating-rate Sukuk	335,661	476,072	811,733
Structured Products	-	633,830	633,830
Equity investments	9,233,577	544,749	9,778,326
Less: Impairment (Stage 1)	-	(3,515)	(3,515)
Total FVOCI investments	23,200,200	6,720,942	29,921,142
Investments, net	147,771,336	30,137,932	177,909,268

31 December 2024	Domestic	International	Total
Investments held at amortized cost:			
Fixed-rate Sukuk	100,502,295	13,933,817	114,436,112
Floating-rate Sukuk	21,557,546	-	21,557,546
Structured products	-	2,200,651	2,200,651
Less: Impairment (Stage 1)	(47,415)	(359)	(47,774)
Total investments held at amortized cost	122,012,426	16,134,109	138,146,535
Investments held as FVIS:			
Mutual funds	1,295,328	1,636,214	2,931,542
Fixed-rate Sukuk	258,612	-	258,612
Floating-rate Sukuk	18,000	-	18,000
Structured Products	-	4,764,874	4,764,874
Equity investments	254,158	4,732	258,890
Total FVIS investments	1,826,098	6,405,820	8,231,918
Investments held as FVOCI:			
Fixed-rate Sukuk	13,378,920	5,010,893	18,389,813
Floating-rate Sukuk	339,949	478,300	818,249
Structured Products	-	866,439	866,439
Equity investments	8,041,617	542,803	8,584,420
Less: Impairment (Stage 1)	-	(3,787)	(3,787)
Total FVOCI investments	21,760,486	6,894,648	28,655,134
Investments, net	145,599,010	29,434,577	175,033,587

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- Investments, net (Continued)

(b) The domestic and international allocation of the Group's investments are summarized as follows (Continued):

31 March 2024	Domestic	International	Total
Investments held at amortized cost:			
Fixed-rate Sukuk	77,031,387	10,630,981	87,662,368
Floating-rate Sukuk	26,144,813	-	26,144,813
Structured products	-	2,930,229	2,930,229
Less: Impairment (Stage 1)	(57,688)	(1,561)	(59,249)
Total investments held at amortized cost	103,118,512	13,559,649	116,678,161
Investments held as FVIS:			
Mutual funds	1,449,973	1,131,123	2,581,096
Fixed-rate Sukuk	50,404	-	50,404
Floating-rate Sukuk	18,000	-	18,000
Structured Products	-	1,389,330	1,389,330
Equity investments	142,105	4,623	146,728
Total FVIS investments	1,660,482	2,525,076	4,185,558
Investments held as FVOCI:			
Fixed-rate Sukuk	10,271,785	4,270,165	14,541,950
Floating-rate Sukuk	1,093,705	383,368	1,477,073
Structured Products	-	1,102,068	1,102,068
Equity investments	4,025,049	63,629	4,088,678
Less: Impairment (Stage 1)	-	(1,742)	(1,742)
Total FVOCI investments	15,390,539	5,817,488	21,208,027
Investments, net	120,169,533	21,902,213	142,071,746

31 March 2025	Quoted	Unquoted	Total
Murabaha with Saudi Government and SAMA	-	15,014,931	15,014,931
Sukuk, net	122,275,722	19,660,135	141,935,857
Structured Products	2,380,910	5,616,296	7,997,206
Equity investments	4,864,692	5,185,869	10,050,561
Mutual Funds	418,640	2,492,073	2,910,713
Total	129,939,964	47,969,304	177,909,268

31 December 2024	Quoted	Unquoted	Total
Murabaha with Saudi Government and SAMA	-	15,022,361	15,022,361
Sukuk, net	120,156,851	20,247,559	140,404,410
Structured Products	2,618,781	5,213,183	7,831,964
Equity investments	4,868,308	3,975,002	8,843,310
Mutual Funds	421,181	2,510,361	2,931,542
Total	128,065,121	46,968,466	175,033,587

31 March 2024	Quoted	Unquoted	Total
Murabaha with Saudi Government and SAMA	-	19,785,640	19,785,640
Sukuk, net	93,683,177	16,364,800	110,047,977
Structured Products	1,102,068	4,319,559	5,421,627
Equity investments	2,440,472	1,794,934	4,235,406
Mutual Funds	184,318	2,396,778	2,581,096
Total	97,410,035	44,661,711	142,071,746

7

- Shariah compliant derivatives

The tables below summarise the positive and negative fair values of Shariah compliant derivatives, together with the notional amounts. The notional amounts, which provide an indication of the volumes of the transactions outstanding at the period-end, do not necessarily reflect the amounts of future cash flows involved. These notional amounts, therefore, are neither indicative of the Group's exposure to credit risk, which is generally limited to the positive fair value of the derivatives, nor market risk.

31 March 2025	Positive fair value	Negative fair value	Notional amount total
Held for trading:			
Profit rate swaps	1,610,065	(1,506,680)	52,507,430
Cross Currency Swaps	7,101	(436)	7,197,228
Foreign exchange forward contracts	7,493	(3,900)	5,023,962
FX Swaps	1,339	(33,472)	51,781,501
Total Held for trading	1,625,998	(1,544,488)	116,510,121
Held as cash flow hedge:			
Profit rate swaps	927	(60,402)	11,073,750
Cross Currency Swaps	3,024	-	376,797
Total Held as cash flow hedge	3,951	(60,402)	11,450,547
Held as fair value Hedge:			
Profit rate swaps	-	(336,201)	25,218,171
Total Held as fair value Hedge	-	(336,201)	25,218,171
Total Shariah compliant derivatives	1,629,949	(1,941,091)	153,178,839
31 December 2024	Positive fair value	Negative fair value	Notional amount total
Held for trading:			
Profit rate swaps	1,742,970	(1,630,279)	46,083,961
Foreign exchange forward contracts	15,818	(15,019)	2,088,861
FX Swaps	2,010	(4,383)	15,578,744
Total Held for trading	1,760,798	(1,649,681)	63,751,566
Held as cash flow hedge:			
Profit rate swaps	27,691	(9,413)	11,073,750
Total Held as cash flow hedge	27,691	(9,413)	11,073,750
Held as fair value Hedge:			
Profit rate swaps	117,414	(19,949)	25,218,171
Total Held as fair value Hedge	117,414	(19,949)	25,218,171
Total Shariah compliant derivatives	1,905,903	(1,679,043)	100,043,487
31 March 2024	Positive fair value	Negative fair value	Notional amount total
Held for trading:			
Profit rate swaps	1,047,122	(956,920)	36,342,724
Foreign exchange forward contracts	1,259	(879)	1,298,838
FX Swaps	874	(7,629)	14,852,731
Total Held for trading	1,049,255	(965,428)	52,494,293
Held as cash flow hedge:			
Profit rate swaps	-	(55,683)	4,000,000
Total Held as cash flow hedge	-	(55,683)	4,000,000
Held as fair value Hedge:			
Profit rate swaps	40,703	(566)	5,728,842
Total Held as fair value Hedge	40,703	(566)	5,728,842
Total Shariah compliant derivatives	1,089,958	(1,021,677)	62,223,135

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- Financing, net**(a) Net financing held at amortized cost:**

31 March 2025	Retail	Corporate	Total
Performing financing	488,143,067	237,490,376	725,633,443
Non-performing financing	1,401,768	4,003,421	5,405,189
Gross financing	489,544,835	241,493,797	731,038,632
Provision for financing impairment	(4,268,438)	(3,984,757)	(8,253,195)
Financing, net	485,276,397	237,509,040	722,785,437

31 December 2024	Retail	Corporate	Total
Performing financing	478,189,440	218,391,164	696,580,604
Non-performing financing	1,707,799	3,626,636	5,334,435
Gross financing	479,897,239	222,017,800	701,915,039
Provision for financing impairment	(4,682,061)	(3,823,255)	(8,505,316)
Financing, net	475,215,178	218,194,545	693,409,723

31 March 2024	Retail	Corporate	Total
Performing financing	436,082,570	176,468,628	612,551,198
Non-performing financing	1,875,457	2,854,406	4,729,863
Gross financing	437,958,027	179,323,034	617,281,061
Provision for financing impairment	(5,172,159)	(3,118,959)	(8,291,118)
Financing, net	432,785,868	176,204,075	608,989,943

(b) The movement in the allowance for impairment of financing is as follows:

	31 March 2025	31 March 2024
Balance at the beginning of the period	8,505,316	8,725,937
Provided for the period	1,102,770	747,889
Bad debt written off	(1,354,891)	(1,182,708)
Balance at the end of the period	8,253,195	8,291,118

(c) The allowance for impairment of financing, off balance sheet, other financial assets charged to the interim statement of income comprise of the following:

	31 March 2025	31 March 2024
Provided for the period for financing	1,102,770	747,889
Provided for the period for other financial assets & off balance sheet	15,081	14,078
Recovery of written off financing for the period	(592,965)	(340,758)
Allowance for financing impairment, net	524,886	421,209

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- Financing, net (Continued)

(d) The movement of financing by stages is as follows:

	Gross carrying amount as of 31 March 2025			Total
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for not credit impaired)	Stage 3 (lifetime ECL for credit impaired)	
Financing				
At 1 January 2025	679,911,124	14,115,126	7,888,789	701,915,039
Transfers:				
Transfer to 12-month ECL	3,676,225	(3,481,224)	(195,001)	-
Transfer to Lifetime ECL not credit impaired	(4,389,203)	4,512,560	(123,357)	-
Transfer to Lifetime ECL credit impaired	(198,993)	(1,345,563)	1,544,556	-
Write-offs	-	-	(1,354,891)	(1,354,891)
New business/ Other movements	30,406,215	(94,788)	167,057	30,478,484
At 31 March 2025	709,405,368	13,706,111	7,927,153	731,038,632

	Gross carrying amount as of 31 December 2024			Total
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for not credit impaired)	Stage 3 (lifetime ECL for credit impaired)	
Financing				
At 1 January 2024	581,556,627	13,917,065	7,457,051	602,930,743
Transfers:				
Transfer to 12-month ECL	6,378,866	(5,039,952)	(1,338,914)	-
Transfer to Lifetime ECL not credit impaired	(5,848,741)	6,145,648	(296,907)	-
Transfer to Lifetime ECL credit impaired	(2,209,266)	(1,782,603)	3,991,869	-
Write-offs	-	-	(4,526,452)	(4,526,452)
New business/ Other movements	100,033,638	874,968	2,602,142	103,510,748
At 31 December 2024	679,911,124	14,115,126	7,888,789	701,915,039

8

- Financing, net (Continued)

(d) The movement of financing by stages is as follows: (Continued)

	Gross carrying amount as of 31 March 2024			Total
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for not credit impaired)	Stage 3 (lifetime ECL for credit impaired)	
Financing				
At 1 January 2024	581,556,627	13,917,065	7,457,051	602,930,743
Transfers:				
Transfer to 12-month ECL	4,727,432	(3,789,778)	(937,654)	-
Transfer to Lifetime ECL not credit impaired	(3,527,966)	3,707,440	(179,474)	-
Transfer to Lifetime ECL credit impaired	(699,755)	(1,407,885)	2,107,640	-
Write-offs	-	-	(1,182,708)	(1,182,708)
New business/ Other movements	15,612,730	462,591	(542,295)	15,533,026
At 31 March 2024	597,669,068	12,889,433	6,722,560	617,281,061

(e) The movement in ECL allowances for impairment of financing by stages is as follows:

	Credit loss allowance as of 31 March 2025			Total
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for not credit impaired)	Stage 3 (lifetime ECL for credit impaired)	
ECL allowances for impairment of financing				
At 1 January 2025	2,481,760	1,699,474	4,324,082	8,505,316
Transfers:				
Transfer to 12-month ECL	512,338	(416,641)	(95,697)	-
Transfer to Lifetime ECL not credit impaired	(115,319)	173,539	(58,220)	-
Transfer to Lifetime ECL credit impaired	(10,024)	(197,012)	207,036	-
Write-offs	-	-	(1,354,891)	(1,354,891)
Net Charge for the Period	(276,122)	194,590	1,184,302	1,102,770
At 31 March 2025	2,592,633	1,453,950	4,206,612	8,253,195

	Credit loss allowance as of 31 December 2024			Total
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for not credit impaired)	Stage 3 (lifetime ECL for credit impaired)	
ECL allowances for impairment of financing				
At 1 January 2024	2,523,903	1,695,065	4,506,969	8,725,937
Transfers:				
Transfer to 12-month ECL	1,286,101	(583,296)	(702,805)	-
Transfer to Lifetime ECL not credit impaired	(89,570)	248,804	(159,234)	-
Transfer to Lifetime ECL credit impaired	(299,232)	(221,208)	520,440	-
Write-offs	-	-	(4,526,452)	(4,526,452)
Net Charge for the Period	(939,442)	560,109	4,685,164	4,305,831
At 31 December 2024	2,481,760	1,699,474	4,324,082	8,505,316

8 - Financing, net (Continued)

(e) The movement in ECL allowances for impairment of financing by stages is as follows (Continued):

	Credit loss allowance as of 31 March 2024			
	Stage 1 (12-months ECL)	Stage 2 (lifetime ECL for not credit impaired)	Stage 3 (lifetime ECL for credit impaired)	Total
ECL allowances for impairment of financing				
At 1 January 2024	2,523,904	1,695,065	4,506,968	8,725,937
Transfers:				
Transfer to 12-month ECL	683,016	(207,112)	(475,904)	-
Transfer to Lifetime ECL not credit impaired	(95,346)	186,152	(90,806)	-
Transfer to Lifetime ECL credit impaired	(177,457)	(275,110)	452,567	-
Write-offs	-	-	(1,182,708)	(1,182,708)
Net Charge for the Period	(273,284)	305,356	715,817	747,889
At 31 March 2024	2,660,833	1,704,351	3,925,934	8,291,118

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

Due to banks and other financial institutions comprise the following:

	31 March 2025	31 December 2024	31 March 2024
Current accounts	1,537,574	1,791,827	1,325,811
Banks' time investments	200,693,794	171,642,770	81,509,731
Total	202,231,368	173,434,597	82,835,542

10 - Customers' deposits

Customers' deposits by type comprise the following:

	31 March 2025	31 December 2024	31 March 2024
Demand deposits and call accounts	421,647,658	446,437,107	393,295,773
Customers' time investments	195,215,798	167,091,393	196,076,636
Other customer accounts	12,365,686	14,710,001	14,605,741
Total	629,229,142	628,238,501	603,978,150

All Customers' time investments are subject to Murabaha contracts and therefore are non-interest.

11 - Sukuk issued

During February and March 2025, the Bank successfully issued U.S. dollar private Sukuk, amounting to USD 300 million (ﷲ1,125 million), and SGD dollar private sukuk, amounting to SGD 134 million (ﷲ 374 million), with maturities up to 2032.

During August 2024, the Bank successfully issued U.S. dollar private Sukuk, amounting to USD 95 million (ﷲ 355 million), with maturity in August 2025.

During March 2024, the Bank successfully issued U.S. dollar denominated senior unsecured sustainable Sukuk, amounting to USD 1 billion (ﷲ 3.75 billion) with 5-years maturity and a profit rate of 5.047% and redeemable prior to scheduled maturity date in certain cases. The Sukuk represents Al Rajhi Bank's second issuance in the USD international capital markets via a USD 4 billion Sukuk programme. The sustainable Sukuk is listed on the London Stock Exchange's International Securities Market and could be sold in light of applicable acts and regulations.

During February 2024, the Bank successfully issued U.S. dollar private Sukuk, amounting to USD 130 million (ﷲ 487.5 million), with maturity in Apr 2028.

11 - Sukuk issued (Continued)

During April 2023, the Bank successfully issued U.S. dollar denominated senior unsecured sustainable Sukuk, amounting to USD 1 billion (S'3.75 billion) with 5-years maturity and a profit rate of 4.75% and redeemable prior to scheduled maturity date in certain cases. The Sukuk represents Al Rajhi Bank's first issuance in the USD international capital markets via a USD 4 billion Sukuk programme that has a multi-issuance variability of one or more tranches of senior unsecured or tier 2 subordinated Sukuk. The sustainable Sukuk is listed on the London Stock Exchange's International Securities Market and could be sold in light of applicable acts and regulations.

The carrying values of above issued Sukuk include the accrued return for the period.

12 - Equity Sukuk

In March 2025, Emkan Finance Company completed issuance of S'2.03 billion in new perpetual Sukuk, the Sukuk has no fixed maturity, and is callable in one year after the date of issuance.

In January 2025, the Bank has issued its second international sustainable Tier I Sukuk denominated in USD totaling 1.5 billion (S'5.625 billion) by way of an offer to eligible investors in the Kingdom of Saudi Arabia and internationally. This Sukuk is perpetual securities with no fixed redemption dates, the Sukuk also has an undivided ownership interest of the Sukuk-holders in the Sukuk assets without any preference or priority among those Sukuk-holders. The entire units of such Sukuk are unsecured, conditional and subordinated obligation to the Bank and classified under equity. However, the Bank has the exclusive option to redeem or call all of the Sukuk on July 2030 or any periodic distribution date thereafter, subject to the terms and conditions stipulated in the Sukuk agreement. The Sukuk has been listed on the London Stock Exchange's International Securities Market. The Sukuk may be sold in reliance on Regulation S under the US Securities Act of 1933, as amended.

In October 2024, Emkan Finance Company completed second issuance for the second program by S'705 million in new perpetual Sukuk. The Sukuk has no fixed maturity, and callable in one year after the date of issuance.

In August 2024, Emkan Finance Company completed issuance of S'330 million in new perpetual Sukuk. The Sukuk has no fixed maturity, and callable in one year after the date of issuance.

In May 2024, the Bank has issued its first international sustainable Tier I Sukuk denominated in USD totaling 1 billion (S'3.75 billion) by way of an offer to eligible investors in the Kingdom of Saudi Arabia and internationally. This Sukuk is perpetual security with no fixed redemption dates, the Sukuk also has an undivided ownership interest of the Sukuk-holders in the Sukuk assets without any preference or priority among those Sukuk-holders. The entire units of such Sukuk are unsecured, conditional and subordinated obligation of the Bank and classified under equity. However, the Bank has the exclusive option to redeem or call all of the Sukuk on 16 May 2029 or any periodic distribution date thereafter, subject to the terms and conditions stipulated in the Sukuk agreement. The Sukuk will be listed on the London Stock Exchange's International Securities Market. The Sukuk may be sold in reliance on Regulation S under the US Securities Act of 1933, as amended.

In February 2024, Emkan Finance Company completed issuance of S'2.27 billion in new perpetual Sukuk. The Sukuk has no fixed maturity, and callable in one year after the date of issuance. In February 2025, Emkan Finance Company recalled Sukuk of S'2.27 billion.

In January 2022, the Bank through a Shariah compliant arrangement, (the "arrangement"), issued Tier I Sukuk (the "Sukuk"), of S'6.5 billion. The Sukuk is perpetual security in respect of which there are no fixed redemption dates, the Sukuk also represent an undivided ownership interest of the Sukuk-holders in the Sukuk assets without any preference or priority among themselves, with each unit of the Sukuk constituting an unsecured, conditional and subordinated obligation of the Bank and classified under equity. However, the Bank has the exclusive option to redeem or call all of the Sukuk on 23 January 2027 or any periodic distribution date thereafter, subject to the terms and conditions stipulated in the Sukuk agreement.

12 - Equity Sukuk (Continued)

In addition to the Tier I Sukuk mentioned above, and during November 2022, the Bank has completed the issuance of an additional Tier I sukuk programme of S 10 billion in a -denominated Tier I sukuk by way of a public offering in Saudi Arabia. These Sukuk is perpetual security with no fixed redemption dates, the Sukuk also has an undivided ownership interest of the Sukuk-holders in the Sukuk assets without any preference or priority among those Sukuk-holders. The entire units of such Sukuk are unsecured, conditional and subordinated obligation of the Bank and classified under equity. However, the Bank has the exclusive option to redeem or call all of the Sukuk on 16 November 2027 or any periodic distribution date thereafter, subject to the terms and conditions stipulated in the Sukuk agreement.

The applicable profit rate on the Sukuks is payable on each periodic quarterly 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.

13 - Disposal group classified as held for sale

The Board of Directors has approved a plan to lose control over Ejada Systems Limited Company ("Ejada"), a wholly owned subsidiary then, through a sequenced series of arrangements. The subsidiary meets the criteria to be classified as held for sale for the following reasons:

- Ejada is available for immediate sale and can be sold in its current condition;
- There is an active program that includes private placements and an IPO, where the sale plan is expected to be completed within one year from the date of initial classification; and
- The Group is committed to follow all steps required for the sale arrangements to be executed in line with the approved plan.

The Group has classified and presented the assets and liabilities of Ejada (the "disposal group") as "held for sale" in the Group's interim condensed statement of financial position in accordance with IFRS 5, "Non-Current Assets Held for Sale and Discontinued Operations". As the business of Ejada does not meet the definition of discontinued operations under IFRS 5, the results for the period have not been classified as discontinued / discontinuing operations in the consolidated statement of comprehensive income.

As at 31 March 2025, the disposal group was stated at carrying value, which is lower than the fair value less costs to sell. The classification as "held for sale" did not have a significant impact on any of the Group's classes of assets and liabilities, in addition there were no significant cumulative income or expenses recognised in other comprehensive income relating to the disposal group during the period.

14 - Earnings per share

Basic and diluted earnings per share is calculated by dividing net income adjusted for Tier I Sukuk costs by weighted average number of the issued and outstanding shares as below:

	31 March 2025	31 March 2024
Net income for the period attributable to the Bank's shareholders	5,906,040	4,404,758
Less: Tier I Sukuk Costs	(264,522)	(215,652)
Net income after Tier I Sukuk payments	5,641,518	4,189,106
Number of outstanding shares	4,000,000	4,000,000
Basic and diluted earning per share (in S)	1.41	1.05

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- Commitments and contingencies**(a) Commitments and contingencies comprise the following:**

	31 March 2025	31 December 2024	31 March 2024
Letters of credit	9,775,970	9,290,199	9,286,459
Acceptances	2,395,506	2,572,021	1,039,162
Letters of guarantee	32,449,944	31,169,562	24,846,532
Irrevocable commitments to extend credit	22,080,895	19,897,404	11,462,101
Total	66,702,315	62,929,186	46,634,254

(b) Legal proceedings

As at 31 March 2025, there were certain legal proceedings outstanding against the Group in the normal course of business including those relating to the extension of credit facilities. Such proceedings are being reviewed by the concerned parties.

Provisions have been made for some of these legal cases based on the assessment of the Group's legal counsel.

The Bank was named as one of many defendants in certain lawsuits initiated in the US commencing in 2002. The Bank was successful in defending the claims, all of which were finally dismissed by the relevant courts. With respect to new lawsuits commencing in 2016, however, the most recent dismissal was reversed by the court of appeals to permit limited jurisdictional discovery, which commenced in 2021. The Bank's management believes that the claims will be defended successfully, although note that there are inherent uncertainties in litigation.

(c) Commitments and contingencies that may result in credit exposure

The table below shows the gross carrying amount and ECL allowance of the financing commitments and financial guarantees.

31 March 2025	Letters of Credit	Acceptances	Letters of guarantee	Irrevocable commitments to extend credit	Total
Gross carrying amount					
Stage 1 - (12-months ECL)	9,724,404	2,361,043	31,220,787	21,885,910	65,192,144
Stage 2 - (lifetime ECL not credit impaired)	43,842	19,354	849,836	194,490	1,107,522
Stage 3 - (lifetime ECL for credit impaired)	7,724	15,109	379,321	495	402,649
Total outstanding balance at end of the period	9,775,970	2,395,506	32,449,944	22,080,895	66,702,315

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- Commitments and contingencies (Continued)

(c) Commitments and contingencies that may result in credit exposure:
(Continued)

31 March 2025	Letters of Credit	Acceptances	Letters of guarantee	Irrevocable commitments to extend credit	Total
Credit loss allowance of the financing commitments and financial guarantees					
Stage 1 - (12-months ECL)	49,240	1,779	45,279	2,809	99,107
Stage 2 - (lifetime ECL not credit impaired)	217	112	12,797	158	13,284
Stage 3 - (lifetime ECL for credit impaired)	808	11,436	150,178	88	162,510
Total	50,265	13,327	208,254	3,055	274,901

31 December 2024	Letters of Credit	Acceptances	Letters of guarantee	Irrevocable commitments to extend credit	Total
Gross carrying amount					
Stage 1 - (12-months ECL)	9,246,996	2,508,802	29,924,495	19,700,609	61,380,902
Stage 2 - (lifetime ECL not credit impaired)	41,013	54,793	879,231	190,067	1,165,104
Stage 3 - (lifetime ECL for credit impaired)	2,190	8,426	365,836	6,728	383,180
Total outstanding balance at end of the year	9,290,199	2,572,021	31,169,562	19,897,404	62,929,186

31 December 2024	Letters of Credit	Acceptances	Letters of guarantee	Irrevocable commitments to extend credit	Total
Credit loss allowance of the financing commitments and financial guarantees					
Stage 1 - (12-months ECL)	46,744	1,923	35,496	5,170	89,333
Stage 2 - (lifetime ECL not credit impaired)	237	923	15,823	86	17,069
Stage 3 - (lifetime ECL for credit impaired)	218	8,078	141,035	47	149,378
Total	47,199	10,924	192,354	5,303	255,780

31 March 2024	Letters of Credit	Acceptances	Letters of guarantee	Irrevocable commitments to extend credit	Total
Gross carrying amount					
Stage 1 - (12-months ECL)	9,274,210	1,027,256	23,403,776	11,343,075	45,048,317
Stage 2 - (lifetime ECL not credit impaired)	11,866	816	1,101,778	117,207	1,231,667
Stage 3 - (lifetime ECL for credit impaired)	383	11,090	340,978	1,819	354,270
Total outstanding balance at end of the period	9,286,459	1,039,162	24,846,532	11,462,101	46,634,254

15 - Commitments and contingencies (Continued)

(c) Commitments and contingencies that may result in credit exposure:
(Continued)

31 March 2024	Letters of Credit	Acceptances	Letters of guarantee	Irrevocable commitments to extend credit	Total
Credit loss allowance of the financing commitments and financial guarantees					
Stage 1 - (12-months ECL)	62,660	2,525	26,824	2,054	94,063
Stage 2 - (lifetime ECL not credit impaired)	256	3	40,895	47	41,201
Stage 3 - (lifetime ECL for credit impaired)	69	11,090	133,517	20	144,696
Total	62,985	13,618	201,236	2,121	279,960

16 - Other reserves

Other reserves include FVOCI investments reserve, foreign currency translation reserve, employees' end of service benefits reserve, share in FVOCI from associate, cash flow hedge reserve and fair value hedge reserve.

	31 March 2025	31 December 2024	31 March 2024
FVOCI investments	(307,463)	(289,220)	(212,131)
Foreign currency translation	(195,560)	(188,871)	(268,028)
Re-measurement of employees' end of service benefits	102,946	102,946	45,465
Share in OCI from associate	57,398	45,053	48,544
Cash flow hedge effective portion in the fair value	(56,451)	18,278	(55,683)
Total	(399,130)	(311,814)	(441,833)

17 - Cash and cash equivalents

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

	31 March 2025	31 December 2024	31 March 2024
Cash in hand	6,721,666	6,681,225	6,923,671
Due from banks and other financial institutions maturing within 90 days from the date of purchase	2,071,880	11,114,015	5,839,851
Balances with SAMA and other central banks (current accounts)	294,935	195,171	384,770
Mutajara with SAMA	16,979,878	6,110,000	-
Cash and cash equivalents	26,068,359	24,100,411	13,148,292

- Operating segments

The Group identifies operating segments on the basis of internal reports about the activities of the Group that are regularly reviewed by the chief operating decision maker, principally the Chief Executive Officer, in order to allocate resources to the segments and to assess its performance.

Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the Board is measured in a manner consistent with that in the consolidated statement of income. Segment assets and liabilities comprise operating assets and liabilities, which represents the majority of the Bank's assets and liabilities.

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

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

Retail segment:	Includes individual customers' deposits, credit facilities, customer debit current accounts (overdrafts), fees from banking services and remittance business, payment services.
Corporate segment:	Incorporates deposits of VIP, corporate customers' deposits, credit facilities, and debit current accounts (overdrafts).
Treasury segment:	Includes treasury services, Murabaha with SAMA and international Mutajara portfolio.
Investment services, brokerage and other segments:	Includes investments of individuals and corporates in mutual funds, local and international share trading services, investment portfolios and others.

The Group's total assets and liabilities as at 31 March 2025 and 2024 together with the total operating income and expenses, and income before zakat for the three-month periods then ended, for each business segment, are analyzed as follows:

31 March 2025	Retail segment	Corporate segment	Treasury segment	Investment services, brokerage and other segments	Total
Total Assets	518,516,080	237,650,206	256,946,933	9,966,288	1,023,079,507
Total Liabilities	346,041,765	312,106,857	229,492,244	1,354,487	888,995,353
Financing and investment income from external customers	6,777,000	4,012,285	2,327,947	53,469	13,170,701
Inter-segment operating income /(expense)	(2,582,030)	616,962	1,965,068	-	-
Gross financing and investment income	4,194,970	4,629,247	4,293,015	53,469	13,170,701
Gross financing and investment return	(576,347)	(2,817,078)	(2,680,159)	-	(6,073,584)
Net financing and investment income	3,618,623	1,812,169	1,612,856	53,469	7,097,117
Fee from banking services, net	710,196	294,976	85,077	282,485	1,372,734
Exchange income, net	165,845	79,212	83,936	-	328,993
Other operating income, net	55,823	4,374	199,073	142,040	401,310
Total operating income	4,550,487	2,190,731	1,980,942	477,994	9,200,154
Depreciation and amortization	(414,885)	(96,024)	(12,939)	(13,911)	(537,759)
Impairment charge for financing and other financial assets, net	(438,441)	(91,472)	5,027	-	(524,886)
Other operating expenses	(1,192,543)	(237,958)	(117,549)	(2,398)	(1,550,448)
Total operating expenses	(2,045,869)	(425,454)	(125,461)	(16,309)	(2,613,093)
Income before Zakat	2,504,618	1,765,277	1,855,481	461,685	6,587,061

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- Operating segments (Continued)

31 March 2024	Retail segment	Corporate segment	Treasury segment	Investment services, brokerage and other segments	Total
Total Assets	464,944,972	175,549,510	188,297,573	7,199,928	835,991,983
Total Liabilities	308,963,435	296,200,839	121,073,682	1,482,326	727,720,282
Financing and investment income from external customers	5,962,986	3,107,075	1,682,068	50,472	10,802,601
Inter-segment operating income / (expense)	(1,755,258)	1,776,653	(21,395)	-	-
Gross financing and investment income	4,207,728	4,883,728	1,660,673	50,472	10,802,601
Gross financing and investment return	(367,389)	(3,021,844)	(1,766,497)	-	(5,155,730)
Net financing and investment income	3,840,339	1,861,884	(105,824)	50,472	5,646,871
Fee from banking services, net	533,309	208,509	58,179	238,528	1,038,525
Exchange income, net	128,771	80,227	85,710	-	294,708
Other operating income, net	70,094	2,343	109,078	67,495	249,010
Total operating income	4,572,513	2,152,963	147,143	356,495	7,229,114
Depreciation and amortization	(363,488)	(70,092)	(11,163)	(5,339)	(450,082)
Impairment charge for financing and other financial assets, net	(241,441)	(198,621)	18,853	-	(421,209)
Other operating expenses	(1,200,501)	(183,730)	(49,159)	(10,274)	(1,443,664)
Total operating expenses	(1,805,430)	(452,443)	(41,469)	(15,613)	(2,314,955)
Income before Zakat	2,767,083	1,700,520	105,674	340,882	4,914,159

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- 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 takes place either:

- In the accessible principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous accessible market for the asset or liability.

The fair values of on-balance sheet financial instruments are not significantly different from their carrying amounts included in the interim condensed consolidated financial information.

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 (unadjusted) in active markets for the same or identical instrument that an entity can access at the measurement date.

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

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

- Fair values of financial assets and liabilities (Continued)

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, for financial instruments measured at fair value and financial instruments not measured at fair value:

31 March 2025	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets measured at fair value:					
FVIS Investments – Mutual funds	2,910,713	412,992	500,059	1,997,662	2,910,713
FVIS Sukuk	399,855	19,986	379,869	-	399,855
FVIS Structured Products	4,573,556	1,747,080	2,748,014	78,462	4,573,556
FVIS - Equity investments	272,235	257,235	15,000	-	272,235
FVOCI Sukuk	19,512,501	11,560,906	7,951,595	-	19,512,501
FVOCI Structure Products	633,830	633,830	-	-	633,830
FVOCI - Equity investments	9,778,326	5,462,875	4,291,015	24,436	9,778,326
Positive fair value Shariah compliant derivatives	1,629,949	-	1,629,949	-	1,629,949
Financial assets not measured at fair value:					
Due from banks and other financial institutions	20,977,805	-	-	21,093,521	21,093,521
Investments held at amortized cost:					
Murabaha with Saudi Government and SAMA	15,014,931	-	15,062,713	-	15,062,713
Sukuk	122,071,400	13,911,752	103,246,423	-	117,158,175
Structured Products	2,789,820	-	2,808,402	-	2,808,402
Financing, net	722,785,437	-	-	707,971,319	707,971,319
Total	923,350,358	34,006,656	138,633,039	731,165,400	903,805,095
Financial liabilities					
Financial liabilities measured at fair value:					
Negative fair value Shariah compliant derivatives	1,940,874	-	1,940,874	-	1,940,874
Financial liabilities not measured at fair value:					
Due to banks and other financial institutions	202,231,368	-	-	201,482,829	201,482,829
Customers' deposits	629,229,142	-	-	631,888,869	631,888,869
Total	833,401,384	-	1,940,874	833,371,698	835,312,572

- Fair values of financial assets and liabilities (Continued)

31 December 2024	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets measured at fair value:					
FVIS Investments – Mutual funds	2,931,542	421,181	500,059	2,010,302	2,931,542
FVIS Sukuk	276,612	-	276,612	-	276,612
FVIS Structured Products	4,764,874	1,752,342	2,714,905	297,627	4,764,874
FVIS - Equity investments	258,890	243,890	15,000	-	258,890
FVOCI Sukuk	19,208,062	12,357,889	6,850,173	-	19,208,062
FVOCI Structure Products	866,439	866,439	-	-	866,439
FVOCI - Equity investments	8,584,420	4,624,418	3,935,580	24,422	8,584,420
Positive fair value Shariah compliant derivatives	1,905,903	-	1,905,903	-	1,905,903
Financial assets not measured at fair value:					
Due from banks and other financial institutions	19,529,727	-	-	19,651,276	19,651,276
Investments held at amortized cost:					
Murabaha with Saudi Government and SAMA	15,022,361	-	15,087,088	-	15,087,088
Sukuk	120,971,297	15,504,002	97,654,620	-	113,158,622
Structured Products	2,200,651	-	2,168,270	-	2,168,270
Financing, net	693,409,723	-	-	684,663,049	684,663,049
Total	889,930,501	35,770,161	131,108,210	706,646,676	873,525,047
Financial liabilities					
Financial liabilities measured at fair value:					
Negative fair value Shariah compliant derivatives	1,679,043	-	1,679,043	-	1,679,043
Financial liabilities not measured at fair value:					
Due to banks, Saudi Central Bank and other financial institutions	173,434,597	-	-	172,880,208	172,880,208
Customers' deposits	628,238,501	-	-	632,493,461	632,493,461
Total	803,352,141	-	1,679,043	805,373,669	807,052,712
31 March 2024	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets measured at fair value:					
FVIS Investments – Mutual funds	2,581,096	194,269	588,710	1,798,117	2,581,096
FVIS Sukuk	68,404	-	68,404	-	68,404
FVIS Structured Products	1,389,330	1,389,330	-	-	1,389,330
FVIS - Equity investments	146,728	146,422	306	-	146,728
FVOCI Sukuk	16,019,023	11,049,304	4,969,719	-	16,019,023
FVOCI Structure Products	1,102,068	1,102,068	-	-	1,102,068
FVOCI - Equity investments	4,088,678	1,923,496	2,140,842	24,340	4,088,678
Positive fair value Shariah compliant derivatives	1,089,958	-	1,089,958	-	1,089,958
Financial assets not measured at fair value:					
Due from banks and other financial institutions	8,913,463	-	-	9,036,223	9,036,223
Investments held at amortized cost:					
Murabaha with Saudi Government and SAMA	19,785,640	-	20,198,974	-	20,198,974
Sukuk	94,021,541	12,183,309	73,842,289	-	86,025,598
Structured Products	2,930,229	2,930,229	-	-	2,930,229
Financing, net	608,989,943	-	-	601,880,739	601,880,739
Total	761,126,101	30,918,427	102,899,202	612,739,419	746,557,048
Financial liabilities					
Financial liabilities measured at fair value:					
Negative fair value Shariah compliant derivatives	1,021,677	-	1,021,677	-	1,021,677
Financial liabilities not measured at fair value:					
Due to banks and other financial institutions	82,835,542	-	-	82,676,967	82,676,967
Customers' deposits	603,978,150	-	-	607,240,065	607,240,065
Total	687,835,369	-	1,021,677	689,917,032	690,938,709

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- Fair values of financial assets and liabilities (Continued)
Valuation technique and significant unobservable inputs

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

Item	Technique applied	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVSI mutual funds investments categorized as Level 2.	Based on the latest reported net assets value (NAV) as at the date of statement of consolidated financial position.	None	Not applicable
FVIS mutual funds investments categorized as level 3.	Based on the latest reported net assets value (NAV) as at the date of statement of consolidated financial position.	None	Not applicable
FVOCI Sukuk investments categorized as level 2.	<p>The Bank seeks an active market inputs include quoted prices for similar Sukuk bonds, yield curves, credit spreads, and benchmark profit rates. When direct price discovery is limited, valuation techniques such as discounted cash flow models are employed, incorporating market-based risk-free rates and issuer-specific credit spreads to approximate fair value.</p> <p>The use of Level 2 inputs enhances valuation reliability while acknowledging that Sukuk pricing may be influenced by factors such as market liquidity, trading frequency, and prevailing credit conditions.</p>	None	Not applicable
FVIS structured products investments categorized as level 2.	For structured investments with embedded optionality classified under Level 2 fair value measurement, valuation relies on observable active market inputs, including profit rate curves, credit spreads, and implied volatilities. Market-calibrated models, are used to estimate fair value, provided key inputs remain directly observable. Adjustments for liquidity, counterparty credit risk, and bid-ask spreads ensure valuations reflect prevailing market conditions while maintaining classification within Level 2.	None	Not applicable
Derivatives categorized as Level 2 are comprised of over the counter profit rate swaps, cross currency swaps, and forward foreign exchange contracts.	These instruments are fair valued using the Group's proprietary valuation models that are based on discounted cash flow techniques. The data inputs on 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.	None	Not applicable

- Fair values of financial assets and liabilities (Continued)

Valuation technique and significant unobservable inputs(Continued)

Item	Technique applied	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Held at amortized cost Due from banks and other financial institutions categorized as level 3.	Based on cost-based spread techniques using yield curve and deal inputs.	Additional buffer is added to account for any potential model discrepancy or any stressed market conditions.	Not applicable
Held at amortized cost Murabaha with Saudi Government and SAMA categorized as level 2.	Based on simple discounted cash flow techniques that use referenced observable inputs, such as profit rates and yield curves.	None	Not applicable
Held at amortized cost Sukuk categorized as level 2.	The Bank seeks an active market inputs include quoted prices for similar Sukuk bonds, yield curves, credit spreads, and benchmark profit rates. When direct price discovery is limited, valuation techniques such as discounted cash flow models are employed, incorporating market-based risk-free rates and issuer-specific credit spreads to approximate fair value. The use of Level 2 inputs enhances valuation reliability while acknowledging that Sukuk pricing may be influenced by factors such as market liquidity, trading frequency, and prevailing credit conditions.	None	Not applicable
Held at amortized cost Financing categorized as level 3.	Discounted cash flow techniques that rely on referenced but unobservable inputs, including new business (discount) rates, portfolio rates, and assumptions about prepayment behavior.	New business (discount) rates, portfolio rates, and assumptions about prepayment behavior.	The relationship between inputs and fair value is inverse or direct , depending on the input: <ul style="list-style-type: none"> • Discount Rates: Higher new business rates than portfolio rates decrease the fair value of the financing book, as future cash flows are discounted more steeply. Conversely, lower discount rates increase fair value. • Prepayment Rates: Higher prepayment rates shorten the portfolio's duration, leading to earlier cash flow realization. If the portfolio rate exceeds the discount rate, prepayments reduce fair value as the lender loses higher-yielding cash flows. Conversely, if the discount rate exceeds the portfolio rate, prepayments increase fair value since the lender can reinvest at a higher yield.

20 - Dividends

On 28 January 2025, the Bank's Board of Directors recommended a distribution of cash dividends to the shareholders for the second half of 2024, amounting to S 5,840 million (S 1.46 per share) after deduction of Zakat. The proposed final dividends for the second half of the financial year 2024 was approved by the Annual General Assembly in its meeting held on 13 April 2025. These dividends were paid on 24 April 2025.

The Board of Directors has decided on 04 August 2024, distribution of cash dividends to shareholders for the first half of 2024, amounting to S 5,000 million, being S 1.25 per share after deduction of Zakat. The Bank has obtained no-objection from the Saudi Central Bank on the Board of Directors' decision to distribute cash dividends to shareholders for the first half of 2024. These dividends were paid on 26 August 2024.

The Board of Directors proposed on 24 January 2024, distribution of final dividends to shareholders for the for the second half of the financial year 2023, amounting to S 4,600 million, being S 1.15 per share after deduction of Zakat. The proposed final dividends for the second half of the financial year 2023 was approved by the Annual General Assembly in its meeting held on 24 March 2024. These dividends were paid on 3 April 2024.

21 - Capital adequacy

In line with SAMA and the internationally agreed timeline set by the Basel Committee on Banking Supervision (BCBS), the global standard-setter for the prudential regulation of banks, the Group started reporting Capital Adequacy Ratios (CAR) as per Basel III: Finalizing post-crisis reforms regulations issued by SAMA through its Circular Number 44047144 effectively from January 1, 2023.

The following table summarizes the Group's Pillar-I Risk Weighted Assets, Tier I and Tier II Capital and Capital Adequacy Ratios:

	31 March 2025	31 December 2024	31 March 2024
Credit risk weighted assets	573,779,916	553,958,302	493,817,136
Operational risk weighted assets	56,178,602	47,008,909	47,008,909
Market risk weighted assets	21,183,382	10,471,553	8,214,841
Total Pillar I - risk weighted assets	651,141,900	611,438,764	549,040,886
Tier I capital	128,972,474	117,952,821	105,272,618
Tier II capital	5,394,991	5,636,168	5,645,626
Total tier I & II capital	134,367,465	123,588,989	110,918,244
Capital Adequacy Ratio %			
Tier I ratio	19.81%	19.29%	19.17%
Tier I & II ratio	20.64%	20.21%	20.20%

22 - Related party transactions

In the ordinary course of business, the Group transacts business with related parties. The related party transactions are governed by limits set by the Banking Control Law and the regulations issued by SAMA. The nature and balances resulting from such transactions as at and for the period ended 31 March are as follows:

	31 March 2025	31 March 2024
Related parties		
Members of the Board of Directors		
Financing	227,356	233,056
Companies and establishments guaranteed by members of the Board of Directors		
Financing	4,893,961	5,902,396
Contingent liabilities (*)	2,079,396	1,404,849
Associate		
Contributions payable	72,924	69,110
Receivable against claims	312,663	524,369
Bank balances	486,655	528,808

(*) = off balance sheet items.

The amounts of compensations recorded in favor of or paid to the Board of Directors and the executive management personnel during the periods ended 31 March are as follows:

	31 March 2025	31 March 2024
Provision for employees' end of service benefits	886	632

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

23 - Comparative Figures

Certain prior period figures have been reclassified to conform to the current period's presentation.

24 - Approval of the Board of Directors

The interim condensed consolidated financial information were approved by the Board of Directors on 30 Shawwal 1446 H (corresponding to 28 April 2025).