Gulf International Bank – Saudi Arabia
(A Closed Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three-month and six-month periods ended
30 June 2026 (Unaudited)

GIB

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INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF GULF INTERNATIONAL BANK – SAUDI ARABIA (A CLOSED JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Gulf International Bank – Saudi Arabia (the "Bank") and its subsidiaries (collectively referred to as the "Group") as at 30 June 2026, and the related interim condensed consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and other explanatory notes (the "interim condensed consolidated financial information").

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim 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

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CERTIFIED PUBLIC ACCOUNTS
C.R.: 1010371622

4 Rabi Al Awwal 1448H
17 August 2026G

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION TOGETHER WITH INDEPENDENT AUDITORS' REVIEW REPORT TO THE SHAREHOLDERS

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT

	Notes	30.06.26 (Unaudited) SAR '000	31.12.25 (Audited) SAR '000	30.06.25 (Unaudited) SAR '000
ASSETS				
Cash and balances with Saudi Central Bank (SAMA)	4	**3,255,119**	8,257,097	4,906,944
Due from banks and other financial institutions, net	5	**2,528,060**	3,530,322	5,630,378
Investments, net	6	**17,435,997**	13,975,086	12,796,875
Positive fair value of derivatives	10	**166,756**	296,267	167,215
Loans and advances, net	7	**34,388,150**	36,442,373	34,686,329
Other assets		**1,008,068**	1,007,543	893,062
Property, equipment and software, net		**663,835**	460,762	455,137
Total assets		**59,445,985**	63,969,450	59,535,940
LIABILITIES AND EQUITY				
Liabilities				
Due to banks, SAMA and other financial institutions	8	**13,105,278**	9,236,447	11,384,023
Customers' deposits	9	**33,333,731**	41,469,595	37,331,499
Negative fair value of derivatives	10	**100,276**	292,386	162,771
Subordinated debt	11	**1,502,455**	1,502,789	1,503,395
Other liabilities		**1,364,592**	1,433,519	1,177,624
Total liabilities		**49,406,332**	53,934,736	51,559,312
Equity				
Equity attributable to the shareholders of the Bank				
Share capital	15	**7,500,000**	7,500,000	7,500,000
Statutory reserve		**174,479**	174,479	87,084
Fair value reserve		**(11,065)**	7,343	(8,307)
Retained earnings		**500,739**	477,392	397,851
Total equity attributable to the shareholders of the Bank		**8,164,153**	8,159,214	7,976,628
Additional Tier 1	16	**1,875,500**	1,875,500	-
Total equity		**10,039,653**	10,034,714	7,976,628
Total liabilities and equity		**59,445,985**	63,969,450	59,535,940

The interim condensed consolidated financial information was approved by the Board of Directors and signed on its behalf by:-

Abdulla Mohammed Al-Zamil	**Khaled Abbas**	**Mazen Faisal Azoony**
Chairman	Chief Executive Officer	Chief Financial Officer

The accompanying notes 1 to 21 form an integral part of these interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026

		Three-month ended		Six-month ended	
		30.06.26	30.06.25	**30.06.26**	30.06.25
		(Unaudited)		(Unaudited)	
	Notes	**SAR '000**	SAR '000	**SAR '000**	SAR '000
Special commission income		**782,117**	787,562	**1,566,268**	1,531,076
Special commission expense		**(489,526)**	(540,434)	**(989,573)**	(1,057,863)
Net special commission income		**292,591**	247,128	**576,695**	473,213
Fee and commission income		**84,533**	102,351	**175,515**	204,663
Fee and commission expense		**(14,084)**	(8,871)	**(23,550)**	(17,895)
Net fee and commission income		**70,449**	93,480	**151,965**	186,768
Exchange income, net		**23,243**	20,998	**39,256**	39,869
Gain on FVSI investments		**2,721**	9,036	**8,908**	22,015
Gain / (loss) on other financial instruments		**7,307**	(9,524)	**7,529**	(6,095)
Dividend income		**231**	226	**463**	452
Other operating income		**9,525**	10,566	**14,613**	16,555
Total operating income, net		**406,067**	371,910	**799,429**	732,777
Salaries and employee related expenses		**(154,741)**	(141,016)	**(307,189)**	(286,549)
Rent and premises related expenses		**(3,262)**	(4,023)	**(6,167)**	(6,578)
Depreciation and amortisation		**(18,474)**	(17,033)	**(38,570)**	(34,113)
Other general and administrative expenses		**(76,254)**	(68,410)	**(143,704)**	(122,337)
Operating expenses before expected credit losses		**(252,731)**	(230,482)	**(495,630)**	(449,577)
Expected credit (losses) / reversal on:					
Loans and advances	7	**(83,803)**	(69,094)	**(242,292)**	(99,816)
Financial contingencies and commitments	12	**5,420**	4,114	**46,550**	2,779
Investments and placements	5,6	**(459)**	(1,827)	**(1,122)**	(2,321)
Total expected credit losses		**(78,842)**	(66,807)	**(196,864)**	(99,358)
Total operating expenses, net		**(331,573)**	(297,289)	**(692,494)**	(548,935)
Income for the period before zakat		**74,494**	74,621	**106,935**	183,842
Zakat charge		**(15,151)**	(11,430)	**(21,348)**	(30,661)
Net income for the period		**59,343**	63,191	**85,587**	153,181
Earnings per share (expressed in SAR per share)					
Basic and diluted earnings per share	15	**0.08**	0.08	**0.11**	0.20

The accompanying notes 1 to 21 form an integral part of these interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026

	Three-month ended		Six-month ended	
	30.06.26	30.06.25	**30.06.26**	30.06.25
	(Unaudited)		(Unaudited)	
	SAR '000	SAR '000	**SAR '000**	SAR '000
Net income for the period	**59,343**	63,191	**85,587**	153,181
Other comprehensive income:				
Items that will not be reclassified to the interim condensed consolidated statement of income in subsequent periods:				
- Net changes in fair value of equity investments classified as fair value through other comprehensive income (FVOCI)	**(2,783)**	(3,919)	**(346)**	(3,032)
Items that are or may be reclassified to the interim condensed consolidated statement of income in subsequent periods:				
- Debt instruments at fair value through other comprehensive income:				
Net change in fair value (Note 6h)	**35,782**	5,796	**(29,530)**	6,741
Net change in expected credit losses (Note 6i)	**195**	(160)	**395**	(50)
- Effective portion of change in the fair value of cash flow hedge	**6,041**	(1,772)	**11,073**	(1,772)
Total other comprehensive income / (loss) for the period	**39,235**	(55)	**(18,408)**	1,887
Total comprehensive income for the period	**98,578**	63,136	**67,179**	155,068

 The accompanying notes 1 to 21 form an integral part of these interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR SIX-MONTH PERIOD ENDED 30 JUNE 2026
(AMOUNTS IN SAR'000)

	Share capital	Statutory reserve	Fair value reserve	Retained earnings	Equity attributable to the shareholders	Additional Tier 1	Total equity
Balance at 1 January 2026	**7,500,000**	**174,479**	**7,343**	**477,392**	**8,159,214**	**1,875,500**	**10,034,714**
Net income for the period	-	-	-	85,587	85,587	-	85,587
Other comprehensive loss for the period							
Equity investments classified as FVOCI	-	-	(346)	-	(346)	-	(346)
Debt securities classified as FVOCI	-	-	(29,530)	-	(29,530)	-	(29,530)
Expected credit losses on debt securities	-	-	395	-	395	-	395
Cash flow hedge	-	-	11,073	-	11,073	-	11,073
Total other comprehensive loss for the period	-	-	(18,408)	-	(18,408)	-	(18,408)
Total comprehensive income for the period	-	-	(18,408)	85,587	67,179	-	67,179
Dividend paid (Note 16)	-	-	-	(62,240)	(62,240)	-	(62,240)
Balance at 30 June 2026	**7,500,000**	**174,479**	**(11,065)**	**500,739**	**8,164,153**	**1,875,500**	**10,039,653**

	Share capital	Statutory reserve	Fair value reserve	Retained earnings	Equity attributable to the shareholders	Additional Tier 1	Total equity
Balance at 1 January 2025	7,500,000	87,084	(10,194)	244,670	7,821,560	-	7,821,560
Net income for the period	-	-	-	153,181	153,181	-	153,181
Other comprehensive income for the period							
Equity investments classified as FVOCI	-	-	(3,032)	-	(3,032)	-	(3,032)
Debt securities classified as FVOCI	-	-	6,741	-	6,741	-	6,741
Cash flow hedge	-	-	(1,772)	-	(1,772)	-	(1,772)
Expected credit losses on debt securities	-	-	(50)	-	(50)	-	(50)
Total other comprehensive income for the period	-	-	1,887	-	1,887	-	1,887
Total comprehensive income for the period	-	-	1,887	153,181	155,068	-	155,068
Balance at 30 June 2025	7,500,000	87,084	(8,307)	397,851	7,976,628	-	7,976,628

The accompanying notes 1 to 21 form an integral part of these interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	2026	2025
		(Unaudited)	
		SAR '000	SAR '000
OPERATING ACTIVITIES		106,935	183,842
Net income before zakat			
Adjustments to reconcile net income before zakat to net cash flow (used in) / generated from operating activities:			
Depreciation and amortisation		38,570	34,113
Expected credit losses on:			
Financial contingencies and commitments	12	(46,550)	(2,779)
Loans and advances	7	242,292	99,816
Investments and placements	5,6	1,122	2,321
Gain on investments held at FVSI		(8,908)	(22,015)
(Gain) / loss on other financial instruments, net		(7,529)	6,095
Operating income before changes in operating assets & liabilities		325,932	301,393
Net (increase) / decrease in operating assets:			
Statutory deposit with SAMA		17,333	(177,157)
Positive fair value of derivatives		129,511	106,623
Loans and advances		1,821,983	(3,015,631)
Other assets		(525)	(167,386)
Net increase / (decrease) in operating liabilities:			
Due to banks and other financial institutions		3,868,831	3,918,680
Negative fair value of derivatives		(192,110)	(25,570)
Customers' deposits		(8,135,864)	(1,697,390)
Other liabilities		(97,802)	(915,692)
Net cash used in operating activities		(2,262,711)	(1,672,130)
INVESTING ACTIVITIES			
Purchase of investments held at amortised cost		(1,654,350)	(1,604,739)
Purchase of investments held at FVOCI		(1,828,203)	(869,404)
Proceeds from investments held at FVSI		-	20,952
Purchase of property, equipment and software		(241,643)	(55,082)
Net cash used in investing activities		(3,724,196)	(2,508,273)

The accompanying notes 1 to 21 form an integral part of these interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) (continued)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	2026	2025
		(Unaudited)	
		SAR '000	SAR '000
Net change in cash and cash equivalents		**(5,986,907)**	(4,180,403)
Cash and cash equivalents at the beginning of the period		**10,002,123**	12,751,018
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	13	**4,015,216**	8,570,615
Special Commission received during the period		**1,531,257**	1,420,949
Special Commission paid during the period		**(1,026,419)**	(1,022,992)
Supplemental non-cash information			
Net changes in fair value of FVOCI investments		**(346)**	(3,032)

The accompanying notes 1 to 21 form an integral part of these interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(AMOUNTS IN SAR '000)

1. GENERAL

Gulf International Bank - Saudi Arabia (a Closed Joint Stock Company - incorporated in the Kingdom of Saudi Arabia) (the "Bank") was formed after conversion from a foreign branch in accordance with Ministerial resolution number 2007 dated 14 March 2018G, corresponding to 26 Jumada Al-Thani 1439H, and SAMA approval number 391000082125 dated 9 April 2018G, corresponding to 23 Rajab 1439H.

The Bank commenced its operations as a Closed Joint Stock Company on 3 April 2019G, corresponding to 27 Rajab 1440H. The Bank operates under Commercial registration number 2052001920 through its three locations in Riyadh, Jeddah and Dhahran. The address of the Bank's Head Office is as follows:

Gulf International Bank - Saudi Arabia
5515 Cooperative Council Road
Al Khuzama Area, unit No: 54, Al Khobar
Kingdom of Saudi Arabia

The Bank's activities comprise wholesale, commercial, and retail banking services. The Bank also provides to its customers Shariah-compliant products that are approved and supervised by an independent Shariah Board established by the Bank. The Bank is regulated by the Saudi Central Bank (SAMA).

These interim condensed consolidated financial information comprise the financial information of the Bank and its wholly owned subsidiaries (together referred to as "the Group").

	Ownership interest % held by the owners of the Bank		
Name of subsidiary	**30.06.26**	31.12.25	Country of incorporation
GIB Capital Company (a)	**100**	100	Kingdom of Saudi Arabia
Dar Enjaz Gulf Real Estate Company (b)	**100**	100	Kingdom of Saudi Arabia
GIB KSA Markets Limited (c)	**100**	100	Cayman Islands

a. GIB Capital Company - a limited liability company incorporated in Kingdom of Saudi Arabia under commercial registration no. 1010244294 provides financial advisory services in connection with equity placements, mergers, disposals and acquisitions, privatisations, debt capital market products and services, strategic debt advisory and asset management. GIB Capital's clients include institutional investors and high net worth ("HNW") individual and the functional currency of the Company is Saudi Arabian Riyal (SAR).

b. Dar Enjaz Gulf Real Estate Company incorporated in the Kingdom of Saudi Arabia under commercial registration no.1010326338, issued in Riyadh. The Subsidiary was formed with the approval of SAMA for the purpose of dealing, managing and holding real estate on behalf of the Bank and the functional currency of the Company is Saudi Arabian Riyal (SAR).

c. GIB KSA Markets Limited, a limited liability company incorporated in the Cayman Islands. The Company is engaged in derivatives trading and repo activities and the functional currency of the Company is the United States Dollar (USD).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(AMOUNTS IN SAR '000)

2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group as at and for the period ended 30 June 2026, has been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and professional Accountants (SOCPA). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended 31 December 2025. In addition, results for the six-month period ended 30 June 2026, are not necessarily indicative of actual results for the full financial year ending on 31 December 2026, and final results may differ.

The consolidated financial statements of the Group as at and for the year ended 31 December 2025, were prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA. The interim condensed consolidated financial information are expressed in Saudi Arabian Riyals (SAR) and amounts are rounded to the nearest thousand except where otherwise stated and the functional currency of the Group is Saudi Arabian Riyal except where otherwise stated in the notes to the interim condensed consolidated financial information.

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

In preparing this interim condensed consolidated financial information, significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation were consistent with those that were applied to the Group's annual consolidated financial information as at and for the year ended 31 December 2025, expect otherwise stated. Further, the financial risk management policies are consistent with those disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2025.

3. IMPACT OF CHANGES IN MATERIAL ACCOUNTING POLICIES DUE TO ADOPTION OF NEW STANDARDS

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 2025, except for the adoption of new standards effective as of 1 January 2026. 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 2026, but do not have a significant impact on the interim condensed consolidated financial information of the Group.

Standards, interpretations, amendments	Description	Effective from periods beginning on or after
Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(AMOUNTS IN SAR '000)

3. IMPACT OF CHANGES IN MATERIAL ACCOUNTING POLICIES DUE TO ADOPTION OF NEW STANDARDS (continued)

Standards, interpretations, amendments	Description	Effective from periods beginning on or after
Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	1 January 2026
Annual improvements to IFRS	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2026 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026

Accounting standards issued but not yet effective

Standards, interpretations, amendments	Description	Effective from periods beginning on or after
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences. The Bank is currently assessing the detailed presentation and disclosure requirements of IFRS 18 and has initiated a gap assessment to evaluate the expected impact on the financial statements upon its effective date of 1 January 2027.	1 January 2027

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(AMOUNTS IN SAR '000)

3. IMPACT OF CHANGES IN MATERIAL ACCOUNTING POLICIES DUE TO ADOPTION OF NEW STANDARDS (continued)

Accounting standards issued but not yet effective (continued)

Standards, interpretations, amendments	Description	Effective from periods beginning on or after
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

IFRS 18 – Presentation and Disclosure in Financial Statements

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

The Bank has established an IFRS 18 implementation programme governed by competent senior team. The programme includes an assessment of the impact on financial statement presentation, disclosures, systems, data requirements and regulatory reporting.

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

Presentation of Statement of Income

IFRS 18 requires entities to classify income and expenses into specified categories within the statement of income, namely operating, investing, financing, income taxes and discontinued operations. It also introduces mandatory subtotal including Operating Profit and Profit for the year. Neither total profit for the period nor total equity is expected to change as a result of adopting IFRS 18. However, the Bank expects changes to the presentation and classification of certain income and expense items within the statement of income, including the introduction of IFRS-defined subtotals.

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

- Financing income arising from customer financing assets, investment securities and treasury activities supporting the Bank's specified main business activities is expected to be presented within the operating category.

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

3. IMPACT OF CHANGES IN MATERIAL ACCOUNTING POLICIES DUE TO ADOPTION OF NEW STANDARDS (continued)

Accounting standards issued but not yet effective (continued)

IFRS 18 – Presentation and Disclosure in Financial Statements (continued)
Presentation of Statement of Income (continued)

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

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

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

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

Management-defined Performance Measures

IFRS 18 introduces new disclosure requirements for Management-defined Performance Measures ("MPMs"), which are subtotals of income and expenses used in public communications to communicate management's view of an aspect of the Bank's financial performance. Such measures will be required to be disclosed within a single note to the financial statements together with explanations of their purpose and reconciliations to the most directly comparable IFRS-defined totals or subtotals.

The Bank is assessing whether measures communicated externally net operating income before impairment provision or other performance metrics, that meet the definition of Management-defined Performance Measures under IFRS 18 and may therefore require enhanced disclosures and reconciliations.

Aggregation and Disaggregation

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

Consequential Amendments

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
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4. CASH AND BALANCES WITH SAUDI CENTRAL BANK (SAMA)

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Money market placements with SAMA	1,231,000	6,461,000	2,682,000
Statutory deposits	1,767,963	1,785,296	1,966,707
Cash in hand	9,681	8,053	14,150
Current account	246,475	2,748	244,087
	3,255,119	8,257,097	4,906,944

5. DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS, NET

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Current accounts	661,571	975,795	775,043
Money market placements	1,866,492	2,554,535	4,855,341
Less: expected credit losses	(3)	(8)	(6)
	2,528,060	3,530,322	5,630,378

6. INVESTMENTS, NET

a) Investment securities are classified as follows:

	Note	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Investments held at amortised cost - gross	6f	13,703,868	12,049,518	11,151,439
Less: expected credit losses	6g	(5,099)	(4,367)	(5,101)
Investments held at amortised cost - net		13,698,769	12,045,151	11,146,338
Investments held at FVSI	6d	355,656	346,723	379,794
Investments held at FVOCI	6e	3,381,572	1,583,212	1,270,743
		17,435,997	13,975,086	12,796,875

b) The analysis of investments by counterparty is as follows:	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Government and quasi government	14,773,651	11,688,910	10,627,709
Corporate	1,881,923	1,508,842	1,316,235
Banks and other financial institutions	785,522	781,701	858,032
Less: expected credit losses	(5,099)	(4,367)	(5,101)
	17,435,997	13,975,086	12,796,875

c) The analysis of the composition of investments is as follows	31.06.26 (Unaudited)		
	Quoted	Unquoted	Total
Debt securities - fixed-rate securities	16,699,572	20,033	16,719,605
Debt securities - floating-rate securities	152,836	174,871	327,707
Less: expected credit losses	(4,767)	(332)	(5,099)
Equities	32,395	20,298	52,693
Mutual Funds	341,091	-	341,091
	17,221,127	214,870	17,435,997

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
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6. INVESTMENTS, NET (continued)

c) The analysis of the composition of investments is as follows (continued)

	31.12.25 (Audited)		
	Quoted	Unquoted	Total
Debt securities - fixed-rate securities	13,122,524	20,033	13,142,557
Debt securities - floating-rate securities	276,434	175,298	451,732
Less: expected credit losses	(4,253)	(114)	(4,367)
Equities	30,353	22,175	52,528
Mutual Funds	332,636	-	332,636
	13,757,694	217,392	13,975,086

	31.06.25 (Unaudited)		
	Quoted	Unquoted	Total
Debt securities - fixed-rate securities	12,121,422	-	12,121,422
Debt securities - floating-rate securities	199,839	75,212	275,051
Less: expected credit losses	(5,069)	(32)	(5,101)
Equities	34,317	9,107	43,424
Mutual Funds	362,079	-	362,079
	12,712,588	84,287	12,796,875

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

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Mutual funds	**341,091**	332,636	362,079
Equity investments	**14,565**	14,087	17,715
	355,656	346,723	379,794

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

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Debt investments (note 6h)	**3,343,444**	1,544,771	1,245,034
Equity investments	**38,128**	38,441	25,709
	3,381,572	1,583,212	1,270,743

f) The following table shows the movement of gross carrying amounts of the investments held at amortised cost:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Total**
Balance at 1 January 2026	**12,049,518**	**12,049,518**
Net change	**1,654,350**	**1,654,350**
Balance at 30 June 2026	**13,703,868**	**13,703,868**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	9,546,700	9,546,700
Net change	2,502,818	2,502,818
Balance at 31 December 2025	12,049,518	12,049,518

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FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
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6. INVESTMENTS, NET (continued)

f) The following table shows the movement of gross carrying amounts of the investments held at amortised cost: (continued)

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	9,546,700	9,546,700
Net change	1,604,739	1,604,739
Balance at 30 June 2025	11,151,439	11,151,439

g) The following table shows the movement of expected credit losses on investments held at amortised cost:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Total**
Balance at 1 January 2026	**4,367**	**4,367**
Net remeasurement of loss allowance	**732**	**732**
Balance at 30 June 2026	**5,099**	**5,099**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	2,722	2,722
Net remeasurement of loss allowance	1,645	1,645
Balance at 31 December 2025	4,367	4,367

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	2,722	2,722
Net remeasurement of loss allowance	2,379	2,379
Balance at 30 June 2025	5,101	5,101

h) The following table shows the movement of gross carrying amounts debt investments held at FVOCI:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Total**
Balance at 1 January 2026	**1,544,771**	**1,544,771**
Purchase	**1,828,203**	**1,828,203**
Change in fair value	**(29,530)**	**(29,530)**
Balance at 30 June 2026	**3,343,444**	**3,343,444**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	368,889	368,889
Purchase	1,153,918	1,153,918
Change in fair value	21,964	21,964
Balance at 31 December 2025	1,544,771	1,544,771

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	368,889	368,889
Purchase	869,404	869,404
Change in fair value	6,741	6,741
Balance at 30 June 2025	1,245,034	1,245,034

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
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6. INVESTMENTS, NET (continued)

i) The following table shows the movement of expected credit losses on debt investments held at FVOCI:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Total**
Balance at 1 January 2026	**1,305**	**1,305**
Net remeasurement of loss allowance	**395**	**395**
Balance at 30 June 2026	**1,700**	**1,700**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	298	298
Net remeasurement of loss allowance	1,007	1,007
Balance at 31 December 2025	1,305	1,305

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Total
Balance at 1 January 2025	298	298
Net remeasurement of loss allowance	(50)	(50)
Balance at 30 June 2025	248	248

j) Investments composition as per geography:

	30.06.26 (Unaudited)		
	Domestic	**International**	**Total**
Investments held at amortised cost - debt securities	**12,351,457**	**1,347,312**	**13,698,769**
Investments held at FVIS - mutual funds and equity	**355,656**	**-**	**355,656**
Investments held at FVOCI - equity	**23,096**	**15,032**	**38,128**
Investments held at FVOCI - debt securities	**680,462**	**2,662,982**	**3,343,444**
	13,410,671	**4,025,326**	**17,435,997**

	31.12.25 (Audited)		
	Domestic	International	Total
Investments held at amortised cost - debt securities	11,056,060	989,091	12,045,151
Investments held at FVIS - mutual funds and equity	346,723	-	346,723
Investments held at FVOCI - equity	23,442	14,999	38,441
Investments held at FVOCI - debt securities	720,360	824,411	1,544,771
	12,146,585	1,828,501	13,975,086

	30.06.25 (Unaudited)		
	Domestic	International	Total
Investments held at amortised cost - debt securities	9,292,124	1,854,214	11,146,338
Investments held at FVIS - mutual funds and equity	375,488	4,306	379,794
Investments held at FVOCI - equity	25,709	-	25,709
Investments held at FVOCI - debt securities	187,471	1,057,563	1,245,034
	9,880,792	2,916,083	12,796,875

k) Movement of investments held at FVOCI - (level 3):

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Balance at period / year beginning	**22,175**	9,593	9,593
Purchase	**-**	14,999	-
Other changes	**(1,877)**	(2,417)	(486)
Balance at period / year end	**20,298**	22,175	9,107

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FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
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7. LOANS AND ADVANCES, NET

a) The analysis of loans and advances is as follows:

30 June 2026 (Unaudited)	Performing loans and advances	Non-performing loans and advances	Gross loans and advances	Less: allowance for expected credit losses	Loans and advances, net
Commercial:					
Corporate	27,191,782	555,547	27,747,329	(729,481)	27,017,848
Overdraft	1,583,937	-	1,583,937	(684)	1,583,253
Micro, Small and Medium "MSMEs"	4,474,815	168,617	4,643,432	(158,555)	4,484,877
	33,250,534	724,164	33,974,698	(888,720)	33,085,978
Retail:					
Personal Finance	521,319	9,330	530,649	(18,580)	512,069
Home Finance	647,393	3,806	651,199	(10,164)	641,035
Credit Card	163,114	5,209	168,323	(19,255)	149,068
	1,331,826	18,345	1,350,171	(47,999)	1,302,172
Total	34,582,360	742,509	35,324,869	(936,719)	34,388,150

31 December 2025 (Audited)	Performing loans and advances	Non-performing loans and advances	Gross loans and advances	Less: allowance for expected credit losses	Loans and advances, net
Commercial:					
Corporate	31,374,284	526,728	31,901,012	(514,083)	31,386,929
Overdraft	1,556,826	-	1,556,826	(1,266)	1,555,560
Micro, Small and Medium "MSMEs"	2,567,363	159,405	2,726,768	(154,603)	2,572,165
	35,498,473	686,133	36,184,606	(669,952)	35,514,654
Retail:					
Personal Finance	453,512	9,886	463,398	(19,245)	444,153
Home Finance	359,410	3,595	363,005	(2,206)	360,799
Credit Card	132,928	2,915	135,843	(13,076)	122,767
	945,850	16,396	962,246	(34,527)	927,719
Total	36,444,323	702,529	37,146,852	(704,479)	36,442,373

30 June 2025 (Unaudited)	Performing loans and advances	Non-performing loans and advances	Gross loans and advances	Less: allowance for expected credit losses	Loans and advances, net
Commercial:					
Corporate	29,025,776	548,194	29,573,970	(431,578)	29,142,392
Overdraft	1,752,623	-	1,752,623	(929)	1,751,694
Micro, Small and Medium "MSMEs"	2,919,202	147,488	3,066,690	(125,022)	2,941,668
	33,697,601	695,682	34,393,283	(557,529)	33,835,754
Retail:					
Personal Finance	439,347	11,100	450,447	(21,583)	428,864
Home Finance	309,832	2,077	311,909	(2,213)	309,696
Credit Card	114,410	3,391	117,801	(5,786)	112,015
	863,589	16,568	880,157	(29,582)	850,575
Total	34,561,190	712,250	35,273,440	(587,111)	34,686,329

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7. LOANS AND ADVANCES, NET (continued)

b) Reconciliation of gross carrying amount:

30 June 2026 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Commercial:				
Balance at 1 January 2026	32,370,909	3,127,564	686,133	36,184,606
				-
Transfers during the period				
Transfer to Stage 1	106,427	(106,427)	-	
Transfer to Stage 2	(3,129)	3,129	-	-
Transfer to Stage 3	(5,984)	(5,442)	11,426	-
	97,314	(108,740)	11,426	-
Written-off during the period	-	-	-	-
Net change during the period	(1,608,517)	(627,996)	26,605	(2,209,908)
Balance at 30 June 2026	30,859,706	2,390,828	724,164	33,974,698
Retail:				
Balance at 1 January 2026	896,134	49,716	16,396	962,246
Transfers during the period				
Transfer to Stage 1	6,732	(6,165)	(567)	-
Transfer to Stage 2	(23,952)	27,018	(3,066)	-
Transfer to Stage 3	(5,599)	(5,995)	11,594	-
	(22,819)	14,858	7,961	-
Written-off during the period	-	-	(10,052)	(10,052)
Net change during the period	396,315	(2,378)	4,040	397,977
Balance at 30 June 2026	1,269,630	62,196	18,345	1,350,171
Total				
Balance at 1 January 2026	33,267,043	3,177,280	702,529	37,146,852
Transfers during the period				
Transfer to Stage 1	113,159	(112,592)	(567)	-
Transfer to Stage 2	(27,081)	30,147	(3,066)	-
Transfer to Stage 3	(11,583)	(11,437)	23,020	-
	74,495	(93,882)	19,387	-
Written-off during the period	-	-	(10,052)	(10,052)
Net change during the period	(1,212,202)	(630,374)	30,645	(1,811,931)
Balance at 30 June 2026	32,129,336	2,453,024	742,509	35,324,869

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7. LOANS AND ADVANCES, NET (continued)

b) Reconciliation of gross carrying amount: (continued)

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Commercial:				
Balance at 1 January 2025	28,212,810	2,823,318	527,462	31,563,590
Transfers during the year				
Transfer to Stage 1	190,611	(190,611)	-	-
Transfer to Stage 2	(1,791,907)	1,791,907	-	-
Transfer to Stage 3	-	(469,106)	469,106	-
	(1,601,296)	1,132,190	469,106	-
Written-off during the year	-	-	(247,938)	(247,938)
Net change during the year	5,759,395	(827,944)	(62,497)	4,868,954
Balance at 31 December 2025	32,370,909	3,127,564	686,133	36,184,606
Retail:				
Balance at 1 January 2025	915,801	26,417	14,729	956,947
Transfers during the year				
Transfer to Stage 1	17,977	(15,324)	(2,653)	-
Transfer to Stage 2	(23,594)	25,623	(2,029)	-
Transfer to Stage 3	(9,486)	(1,827)	11,313	-
	(15,103)	8,472	6,631	-
Written-off during the year	-	-	(27,092)	(27,092)
Net change during the year	(4,564)	14,827	22,128	32,391
Balance at 31 December 2025	896,134	49,716	16,396	962,246
Total				
Balance at 1 January 2025	29,128,611	2,849,735	542,191	32,520,537
Transfers during the year				
Transfer to Stage 1	208,588	(205,935)	(2,653)	-
Transfer to Stage 2	(1,815,501)	1,817,530	(2,029)	-
Transfer to Stage 3	(9,486)	(470,933)	480,419	-
	(1,616,399)	1,140,662	475,737	-
Written-off during the year	-	-	(275,030)	(275,030)
Net change during the year	5,754,831	(813,117)	(40,369)	4,901,345
Balance at 31 December 2025	33,267,043	3,177,280	702,529	37,146,852

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7. LOANS AND ADVANCES, NET (continued)

b) Reconciliation of gross carrying amount: (continued)

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Commercial:				
Balance at 1 January 2025	28,212,810	2,823,318	527,462	31,563,590
Transfers during the period				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(1,053,369)	1,053,369	-	-
Transfer to Stage 3	-	(471,010)	471,010	-
	(1,053,369)	582,359	471,010	-
Written-off during the period	-	-	(247,938)	(247,938)
Net change during the period	3,609,379	(476,896)	(54,852)	3,077,631
Balance at 30 June 2025	30,768,820	2,928,781	695,682	34,393,283
Retail:				
Balance at 1 January 2025	915,801	26,417	14,729	956,947
Transfers during the period				
Transfer to Stage 1	12,758	(12,524)	(234)	-
Transfer to Stage 2	(21,464)	27,053	(5,589)	-
Transfer to Stage 3	(5,974)	(8,200)	14,174	-
	(14,680)	6,329	8,351	-
Written-off during the period	-	-	(14,790)	(14,790)
Net change during the period	(91,595)	21,317	8,278	(62,000)
Balance at 30 June 2025	809,526	54,063	16,568	880,157
Total:				
Balance at 1 January 2025	29,128,611	2,849,735	542,191	32,520,537
Transfers during the period				
Transfer to Stage 1	12,758	(12,524)	(234)	-
Transfer to Stage 2	(1,074,833)	1,080,422	(5,589)	-
Transfer to Stage 3	(5,974)	(479,210)	485,184	-
	(1,068,049)	588,688	479,361	-
Written-off during the period	-	-	(262,728)	(262,728)
Net change during the period	3,517,784	(455,579)	(46,574)	3,015,631
Balance at 30 June 2025	31,578,346	2,982,844	712,250	35,273,440

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7. LOANS AND ADVANCES, NET (continued)

c) Reconciliation of expected credit losses:

30 June 2026 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Commercial:				
Balance at 1 January 2026	41,156	146,523	482,273	669,952
Transfers during the period				
Transfer to Stage 1	116	(116)	-	-
Transfer to Stage 2	(3)	3	-	-
Transfer to Stage 3	(8)	(21)	29	-
	105	(134)	29	-
Written-off during the period	-	-	-	-
Charge during the period	868	47,521	170,379	218,768
Balance at 30 June 2026	42,129	193,910	652,681	888,720
Retail:				
Balance at 1 January 2026	20,551	2,482	11,494	34,527
Transfers during the period				
Transfer to Stage 1	815	(471)	(344)	-
Transfer to Stage 2	(755)	2,732	(1,977)	-
Transfer to Stage 3	(219)	(930)	1,149	-
	(159)	1,331	(1,172)	-
Written-off during the period	-	-	(10,052)	(10,052)
Charge during the period	4,034	5,766	13,724	23,524
Balance at 30 June 2026	24,426	9,579	13,994	47,999
Total:				
Balance at 1 January 2026	61,707	149,005	493,767	704,479
Transfers during the period				
Transfer to Stage 1	931	(587)	(344)	-
Transfer to Stage 2	(758)	2,735	(1,977)	-
Transfer to Stage 3	(227)	(951)	1,178	-
	(54)	1,197	(1,143)	-
Written-off during the period	-	-	(10,052)	(10,052)
Charge during the period	4,902	53,287	184,103	242,292
Balance at 30 June 2026	66,555	203,489	666,675	936,719

During the period, Management applied a post-model adjustment overlay of SAR 37.5 million to reflect the risks not fully captured by the ECL models. The adjustments primarily relate to receipt of a formal request for a standstill arrangement along with the rollover of existing past due obligations. Management believes that this adjustment provides a more representative estimate of expected credit losses as of reporting date.

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7. LOANS AND ADVANCES, NET (continued)

c) Reconciliation of expected credit losses: (continued)

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Commercial:				
Balance at 1 January 2025	40,535	293,872	382,409	716,816
Transfers during the year				
Transfer to Stage 1	5,053	(5,053)	-	-
Transfer to Stage 2	(4,560)	4,560	-	-
Transfer to Stage 3	-	(153,493)	153,493	-
	493	(153,986)	153,493	-
Written-off during the year	-	-	(247,938)	(247,938)
Charge during the year	128	6,637	194,309	201,074
Balance at 31 December 2025	41,156	146,523	482,273	669,952
Retail:				
Balance at 1 January 2025	15,328	3,721	14,158	33,207
Transfers during the year				
Transfer to Stage 1	2,259	(625)	(1,634)	-
Transfer to Stage 2	(363)	1,615	(1,252)	-
Transfer to Stage 3	(130)	(474)	604	-
	1,766	516	(2,282)	-
Written-off during the year	-	-	(27,092)	(27,092)
Charge during the year	3,457	(1,755)	26,710	28,412
Balance at 31 December 2025	20,551	2,482	11,494	34,527
Total				
Balance at 1 January 2025	55,863	297,593	396,567	750,023
Transfers during the year				
Transfer to Stage 1	7,312	(5,678)	(1,634)	-
Transfer to Stage 2	(4,923)	6,175	(1,252)	-
Transfer to Stage 3	(130)	(153,967)	154,097	-
	2,259	(153,470)	151,211	
Written-off during the year	-	-	(275,030)	(275,030)
Charge during the year	3,585	4,882	221,019	229,486
Balance at 31 December 2025	61,707	149,005	493,767	704,479

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7. LOANS AND ADVANCES, NET (continued)

c) Reconciliation of expected credit losses: (continued)

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Commercial:				
Balance at 1 January 2025	40,535	293,872	382,409	716,816
Transfers during the period				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(2,060)	2,060	-	-
Transfer to Stage 3	-	(153,505)	153,505	-
	(2,060)	(151,445)	153,505	-
Written-off during the period	-	-	(247,938)	(247,938)
Charge during the period	6,419	3,260	78,972	88,651
Balance at 30 June 2025	44,894	145,687	366,948	557,529
Retail:				
Balance at 1 January 2025	15,328	3,721	14,158	33,207
Transfers during the period				
Transfer to Stage 1	589	(441)	(148)	-
Transfer to Stage 2	(321)	3,731	(3,410)	-
Transfer to Stage 3	(91)	(846)	937	-
	177	2,444	(2,621)	-
Written-off during the period	-	-	(14,790)	(14,790)
Charge during the period	(289)	(3,588)	15,042	11,165
Balance at 30 June 2025	15,216	2,577	11,789	29,582
Total				
Balance at 1 January 2025	55,863	297,593	396,567	750,023
Transfers during the period				
Transfer to Stage 1	589	(441)	(148)	-
Transfer to Stage 2	(2,381)	5,791	(3,410)	-
Transfer to Stage 3	(91)	(154,351)	154,442	-
	(1,883)	(149,001)	150,884	
Written-off during the period	-	-	(262,728)	(262,728)
Charge during the period	6,130	(328)	94,014	99,816
Balance at 30 June 2025	60,110	148,264	378,737	587,111

The comparative figures for loans and advances have been reclassified to provide more granular disclosure and to align with the current period presentation. Retail loans and advances, previously presented as a single category, have been disaggregated into Personal Finance, Home Finance, and Credit Cards. Additionally, commercial financing has been further disaggregated into Corporate, Overdrafts, and Micro, Small, and Medium Enterprises (MSMEs).

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7. LOANS AND ADVANCES, NET (continued)

d) Summary of gross carrying amount, expected credit losses and net carrying amount:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Stage 2 (lifetime ECL but not credit-impaired)**	**Stage 3 (lifetime ECL credit-impaired)**	**Purchased credit impaired**	**Total**
Exposure:					
Commercial	**30,859,706**	**2,390,828**	**724,164**	**-**	**33,974,698**
Retail	**1,269,630**	**62,196**	**18,345**	**-**	**1,350,171**
Gross carrying amount	**32,129,336**	**2,453,024**	**742,509**	**-**	**35,324,869**
Expected credit losses:					
Commercial	**42,129**	**193,910**	**652,681**	**-**	**888,720**
Retail	**24,426**	**9,579**	**13,994**	**-**	**47,999**
Total expected credit losses:	**66,555**	**203,489**	**666,675**	**-**	**936,719**
Net carrying Amount	**32,062,781**	**2,249,535**	**75,834**	**-**	**34,388,150**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Purchased credit impaired	Total
Exposure:					
Commercial	32,370,909	3,127,564	686,133	-	36,184,606
Retail	896,134	49,716	16,396	-	962,246
Gross carrying amount	33,267,043	3,177,280	702,529	-	37,146,852
Expected credit losses:					
Commercial	41,156	146,523	482,273	-	669,952
Retail	20,551	2,482	11,494	-	34,527
Total expected credit losses:	61,707	149,005	493,767	-	704,479
Net carrying Amount	33,205,336	3,028,275	208,762	-	36,442,373

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Purchased credit impaired	Total
Exposure:					
Commercial	30,768,820	2,928,781	695,682	-	34,393,283
Retail	809,526	54,063	16,568	-	880,157
Gross carrying amount	31,578,346	2,982,844	712,250	-	35,273,440
Expected credit losses:					
Commercial	44,894	145,687	366,948	-	557,529
Retail	15,216	2,577	11,789	-	29,582
Total expected credit losses:	60,110	148,264	378,737	-	587,111
Net carrying Amount	31,518,236	2,834,580	333,513	-	34,686,329

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8. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Money market deposits	**7,110,270**	6,037,461	7,750,364
Repos	**5,932,116**	2,974,861	3,459,696
Current accounts	**62,892**	224,125	173,963
	13,105,278	9,236,447	11,384,023

9. CUSTOMERS' DEPOSITS

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Demand	**15,602,550**	19,535,294	19,335,373
Time	**16,668,156**	20,271,854	17,404,651
Saving	**718,001**	668,652	338,266
Margin	**345,024**	993,795	253,209
	33,333,731	41,469,595	37,331,499

10. DERIVATIVES AND FOREIGN EXCHANGE INSTRUMENTS

The tables below summarise the positive and negative fair values of derivative financial instruments, 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 fair value of the derivatives, nor market risk.

30 June 2026 (Unaudited)	**Positive fair value**	**Negative fair value**	**Notional amount**
Held for trading			
Commission rate swaps	**12,728**	**(8,257)**	**5,013,074**
Commission rate futures and currency options	**55,582**	**(55,581)**	**12,247,317**
Forward foreign exchange contracts	**2,445**	**(1,549)**	**1,057,214**
Others	**19,007**	**(19,007)**	**1,221,574**
Held as fair value hedge			
Commission rate swaps - investments	**54,630**	**(15,882)**	**3,697,768**
Commission rate swaps - loans	**11,426**	**-**	**458,054**
Held as cash flow hedge:			
Commission rate swaps - Deposits	**10,938**	**-**	**1,099,792**
	166,756	**(100,276)**	**24,794,793**

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10. DERIVATIVES AND FOREIGN EXCHANGE INSTRUMENTS (continued)

31 December 2025 (Audited)

	Positive fair value	Negative fair value	Notional amount
Held for trading			
Commission rate swaps	46,375	(41,250)	5,250,487
Futures and currency options	50,473	(50,472)	17,124,311
Forward foreign exchange contracts	446	(1,973)	1,878,407
Others	163,552	(163,151)	1,853,857
Held as fair value hedges			
Commission rate swaps - investments	28,186	(34,607)	2,876,078
Commission rate swaps - loans	6,438	-	508,538
Held as cash flow hedge:			
Commission rate swaps - Deposits	797	(933)	1,099,435
	296,267	(292,386)	30,591,113

30 June 2025 (Unaudited)	Positive fair value	Negative fair value	Notional amount
Held for trading			
Commission rate swaps	55,843	(52,636)	4,453,907
Commission rate futures and currency options	41,243	(41,242)	13,075,134
Forward foreign exchange contracts	4,123	(3,167)	2,540,481
Others	28,606	(28,775)	742,020
Held as fair value hedge			
Commission rate swaps - investments	27,806	(35,179)	2,291,477
Commission rate swaps - loans	9,594	-	548,278
Held as cash flow hedge:			
Commission rate swaps - Deposits	-	(1,772)	839,575
	167,215	(162,771)	24,490,872

11. SUBORDINATED DEBT

During the year ended 31 December 2023, the Bank initiated the issuance of SAR 3 billion Tier II Sukuk (non-convertible and unlisted), of which SAR 1.5 billion was subscribed on 19 December 2023; the Sukuk issuance is undertaken under the Bank's Sukuk Issuance Programme (the "Programme") and is due in 2033, with an option for the Bank to redeem the Sukuk after five years, subject to prior approval of the Saudi Central Bank (SAMA) and in accordance with the terms and conditions of the Programme. The Bank's Sukuk Programme is aligned with its strategic objectives to support growth and to contribute towards the achievement of national economic objectives under the Kingdom's Vision 2030, and the structure of the Sukuk has been approved by the Bank's Shari'ah Committee. The Sukuk is unsecured and was issued by way of private placement in the Kingdom of Saudi Arabia, carrying an effective special commission income at a rate of three-month SAIBOR plus a margin of 120 basis points, payable semi-annually, and is denominated in Saudi Arabian Riyals.

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12. CONTINGENCIES AND COMMITMENTS

a) Legal proceedings

As at 30 June 2026, 31 December 2025 and 30 June 2025, there were no significant legal proceedings outstanding against the Group which require a disclosure or provision. The Group is subject to legal proceedings in the ordinary course of business.

b) Credit related contingencies and commitments

i) The breakdown of credit related contingencies and commitment is as follows:

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Letters of guarantee	**15,260,206**	16,547,456	15,463,161
Irrevocable commitments to extend credit	**2,771,528**	2,457,772	3,456,688
Letters of credit	**2,739,808**	2,543,442	3,099,477
Acceptances	**1,266,151**	1,698,916	2,020,466
	22,037,693	23,247,586	24,039,792

ii) Reconciliation of exposure of financial contingencies and commitments:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Stage 2 (lifetime ECL but not credit- impaired)**	**Stage 3 (lifetime ECL credit-impaired)**	**Total**
Balance at 1 January 2026	**21,636,847**	**1,335,714**	**275,025**	**23,247,586**
Transfers during the period				
Transfer to Stage 1	**32,259**	**(32,259)**	**-**	**-**
Transfer to Stage 2	**-**	**-**	**-**	**-**
Transfer to Stage 3	**-**	**-**	**-**	**-**
	32,259	**(32,259)**	**-**	**-**
Net change during the period	**(677,560)**	**(478,159)**	**(54,174)**	**(1,209,893)**
Balance at 30 June 2026	**20,991,546**	**825,296**	**220,851**	**22,037,693**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Balance at 1 January 2025	21,936,211	1,489,956	284,983	23,711,150
Transfers during the year				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(689,286)	689,286	-	-
Transfer to Stage 3	-	(36,811)	36,811	-
	(689,286)	652,475	36,811	-
Net change during the year	389,922	(806,717)	(46,769)	(463,564)
Balance at 31 December 2025	21,636,847	1,335,714	275,025	23,247,586

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12. CONTINGENCIES AND COMMITMENTS (continued)

b) Credit related contingencies and commitments (continued)

ii) Reconciliation of exposure of financial contingencies and commitments: (continued)

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Balance at 1 January 2025	21,936,211	1,489,956	284,983	23,711,150
Transfers during the period				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(248,450)	248,450	-	-
Transfer to Stage 3	-	(36,811)	36,811	-
	(248,450)	211,639	36,811	-
Net change during the period	143,357	194,153	(8,868)	328,642
Balance at 30 June 2025	21,831,118	1,895,748	312,926	24,039,792

iii) Reconciliation of expected credit losses on financial contingencies and commitments:

30 June 2026 (Unaudited)	**Stage 1 (12-month ECL)**	**Stage 2 (lifetime ECL but not credit- impaired)**	**Stage 3 (lifetime ECL credit-impaired)**	**Total**
Balance at 1 January 2026	**18,030**	**9,261**	**93,006**	**120,297**
Transfers during the period				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
	-	-	-	-
Net change during the period	**(2,259)**	**(5,205)**	**(39,086)**	**(46,550)**
Balance at 30 June 2026	**15,771**	**4,056**	**53,920**	**73,747**

31 December 2025 (Audited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Balance at 1 January 2025	18,431	9,548	150,062	178,041
Transfers during the year				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(340)	340	-	-
Transfer to Stage 3	-	(1,332)	1,332	-
	(340)	(992)	1,332	-
Net change during the year	(61)	705	(58,388)	(57,744)
Balance at 31 December 2025	18,030	9,261	93,006	120,297

30 June 2025 (Unaudited)	Stage 1 (12-month ECL)	Stage 2 (lifetime ECL but not credit-impaired)	Stage 3 (lifetime ECL credit-impaired)	Total
Balance at 1 January 2025	18,431	9,548	150,062	178,041
Transfers during the period				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(75)	75	-	-
Transfer to Stage 3	-	(1,332)	1,332	-
	(75)	(1,257)	1,332	-
Net change during the period	(3,642)	2,193	(1,330)	(2,779)
Balance at 30 June 2025	14,714	10,484	150,064	175,262

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13. CASH AND CASH EQUIVALENTS

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Cash and balances with Saudi Central Bank (SAMA) excluding statutory deposit	**1,487,156**	6,471,801	2,940,237
Due from banks and other financial institutions with original maturities of three-months or less	**2,528,060**	3,530,322	5,630,378
	4,015,216	10,002,123	8,570,615

14. ZAKAT

Gulf International Bank - Saudi Arabia

The Bank has filed its zakat declarations with the Zakat, Tax and Customs Authority ("ZATCA") for the period from 3 April 2019 to 31 December 2019, and for the years 2020 to 2025. ZATCA has finalized the assessments for the period/year 2019 and 2020 without any additional liability. However, no assessments have been issued by ZATCA for the years ended 31 December 2021 to 2025.

GIB Capital Company

In 2016, the Company obtained an approval from ZATCA for an exemption to pay zakat. Accordingly, the Company has not considered zakat for the years from 2016 to 2025.

15. SHARE CAPITAL AND EARNINGS PER SHARE

The authorised, issued and fully paid share capital at 30 June 2026, 31 December 2025 and 30 June 2025 comprised 750 million shares of SAR 10 each. Gulf International Bank BSC is the parent, Public Investment Fund is the Ultimate parent and Government of Saudi Arabia is the Ultimate Controlling Party of the Group. Basic and diluted earnings per share for the periods / year ended 30 June 2026, 31 December 2025 and 30 June 2025 is calculated on a weighted average basis by dividing the net income for the periods / year by 750 million shares.

	30.06.26	31.12.25
Gulf International Bank BSC	**50%**	50%
Public Investment Fund	**50%**	50%

16. ADDITIONAL TIER 1 CAPITAL

During the year ended 31 December 2025, the Bank established a USD 1.5 billion Additional Tier 1 Capital Note Programme, under which USD 500 million of unsecured and subordinated Additional Tier 1 perpetual capital notes were issued following approvals from the regulatory authority and the Bank's Board of Directors; these notes are perpetual securities with no fixed redemption or maturity date and are classified as equity, with distributions payable on each distribution date unless the Bank, at its sole discretion and subject to applicable regulatory requirements and the approval of the Saudi Central Bank (SAMA), elects not to make such distributions, with any such non-payment not constituting an event of default and the unpaid amounts being non-cumulative, and the notes are callable at the Bank's option on specified dates subject to SAMA approval and are subject to permanent write-down upon the occurrence of a non-viability event as determined by SAMA. During the period ended 30 June 2026,The Bank Paid SAR 62.2 million in dividends to the holders of the Additional Tier 1 Capital Notes.

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17. 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 between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction takes place either:

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

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 (unadjusted) market prices in active markets for identical assets or liabilities.

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.

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

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

		Fair value			
At 30 June 2026 (Unaudited)	**Carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value:					
Investments held at FVOCI					
Debt securities	3,343,444	3,343,444	-	-	3,343,444
Equity securities	38,128	17,830	-	20,298	38,128
Investments held at FVSI	355,656	14,565	341,091	-	355,656
Positive fair value of derivatives	166,756	-	166,756	-	166,756
Financial assets not measured at fair value:					
Investments at amortised cost, net	13,703,868	4,160,847	9,258,394	-	13,419,241

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17. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

At 31 December 2025 (Audited)	Carrying value	Fair value Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Investments held at FVOCI					
Debt securities	1,544,771	1,544,771	-	-	1,544,771
Equity securities	38,441	16,266	-	22,175	38,441
Investments held at FVSI	346,723	14,087	332,636	-	346,723
Positive fair value of derivatives	296,267	-	296,267	-	296,267
Financial assets not measured at fair value:					
Investments at amortised cost, net	12,045,151	3,170,829	8,599,338	-	11,770,167

At 30 June 2025 (Unaudited)	Carrying value	Fair value Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Investments held at FVOCI					
Debt securities	1,245,034	1,245,034	-	-	1,245,034
Equity securities	25,709	16,602	-	9,107	25,709
Investments held at FVSI	379,794	17,715	362,079	-	379,794
Positive fair value of derivatives	162,771	-	162,771	-	162,771
Financial assets not measured at fair value:					
Investments at amortised cost, net	11,146,338	10,770,579	-	75,000	10,845,579

At 30 June 2026 (Unaudited)	**Carrying value**	**Fair value Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities measured at fair value:					
Negative fair value of derivatives	**100,276**	**-**	**100,276**	**-**	**100,276**

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17. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

		Fair value			
At 31 December 2025 (Audited)	Carrying value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value:					
Negative fair value of derivatives	292,386	-	292,386	-	292,386

		Fair value			
At 30 June 2025 (Unaudited)	Carrying value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value:					
Negative fair value of derivatives	162,771	-	162,771	-	162,771

Cash and balances with Saudi Central bank (SAMA), Due from banks and other financial institutions, Loans and advances, Due to banks, SAMA and other financial institutions, Customers' deposits and Subordinated debt and other financial assets and liabilities are assumed to have fair values that reasonably approximate their corresponding carrying values primarily due to their short-term nature.

The Group's financial instruments are accounted for under the historical cost method with the exception of trading securities, equity investment securities and derivative financial instruments, which are accounted for at fair value. The fair value represents 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. Differences therefore can arise between book values under the historical cost method and fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Generally accepted methods of determining fair value include reference to quoted prices (level 1 measurement) or to the pricing prevailing for similar financial instruments (level 2 measurement) and the use of unobservable inputs in estimation techniques such as discounted cash flow analysis (level 3 measurement).

Investment held at FVSI
FVSI investments classified as level 1 are based on quoted prices.

FVSI investments classified as level 2 include mutual funds, the fair value of which is determined based on the latest reported net assets value (NAV) at fair market value as at the date of statement of interim consolidated financial position.

Investment held at FVOCI (Equity securities)
The fair values of equity investment at FVOCI are based on quoted prices (level 1) or valuation techniques (level 3).

Investment held at amortised cost / FVOCI (Debt securities)
The fair value of debt securities mentioned in level 1 is computed based on market quotes. The market quotes of the debt securities and similar instruments are readily available.

All other debt securities in Level 3 valued based on other valuation techniques comprise discounted cash flow techniques or other valuation methodologies such as broker quotes.

There were no transfers between the levels during the six months period ended 30 June 2026.

Other on-balance sheet items
The fair values of foreign exchange and derivative financial instruments are based on market prices, discounted cash flow techniques or option pricing models as appropriate.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(AMOUNTS IN SAR '000)

18. 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 the minimum level of the regulatory capital of and maintaining a ratio of total regulatory capital to the risk-weighted asset at or above Basel prescribed minimum.

The Bank monitors the adequacy of its capital using ratios established by SAMA. These ratios measure capital adequacy by comparing the Bank's eligible capital with its statement of financial position assets, commitments and notional amount of derivatives at a weighted amount to reflect their relative risk. The following table summarizes the Group's Pillar-I Risk Weighted Assets, Tier I and Tier II Capital and Capital Adequacy Ratios.

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Risk Weighted Assets (RWA)			
Credit risk RWA	**49,448,682**	51,864,581	51,482,043
Operational risk RWA	**2,176,581**	1,925,713	3,658,574
Market risk RWA	**3,356,292**	3,274,935	1,925,713
Total Pillar-I RWA	**54,981,555**	57,065,229	57,066,330
Tier I capital	**10,039,653**	10,034,714	7,976,628
Tier II capital	**1,794,973**	1,742,378	1,738,679
Total Tier I & II Capital	**11,834,626**	11,777,092	9,715,307
Capital adequacy ratios %			
Tier I ratio	**18.26%**	17.58%	13.98%
Tier I + Tier II ratio	**21.52%**	20.64%	17.02%

19. IMPACT OF GEO-POLITICAL SITUATION ON EXPECTED CREDIT LOSSES ("ECL")

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

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

The prevailing geopolitical situation, has brought about additional uncertainties in the economic environment which require the Bank to revise certain inputs and assumptions used for the determination of expected credit losses ("ECL").

To cater for additional uncertainties in the prevailing macroeconomic and geopolitical environment, the Bank has applied revised probability weightings to macroeconomic scenarios used in the measurement of Expected Credit Losses (ECL) during the period ended 30 June 2026. The scenario weightings were updated to 40% for the Base Case, 55% for the Downside (Negative) scenario, and 5% for the Upside (Positive) scenario, compared to 50%, 45%, and 5%, respectively, as at 31 December 2025. This revision reflects Management's updated assessment of forward-looking information, with increased emphasis on downside risks. In addition, as part of its regular ECL model refresh, the Bank updated the macroeconomic variables (MEVs) used in the ECL models, incorporating the latest available regional economic data to ensure that the forward-looking assumptions remain current and relevant. The revised scenario weightings and updated MEVs have been incorporated into the ECL measurement for the period ended 30 June 2026 and will continue to be reviewed periodically in light of evolving macroeconomic and geopolitical conditions.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (continued)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
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20. RELATED PARTY TRANSACTIONS

In the ordinary course of its activities, the Group transacts business with related parties. Related party transactions are governed by limits set by the Banking Control Law and regulations issued by SAMA. The Group uses the exemptions in respect of related parties' disclosures for government-related entities in IAS 24 "Related Party Disclosures". Transactions with related parties which are considered individually significant are included below.

(i) The balances resulting from such transactions included in the interim condensed consolidated financial position are as follows:

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Gulf International Bank BSC, its subsidiaries and branches:			
Due from banks and other financial institutions	**22,216**	26,994	9,982
Due to banks and other financial institutions	**2,804,388**	963,174	99,789
Other assets	**307,019**	233,723	241,711
Other liabilities	**70,033**	50,136	66,715
Public Investment Fund and its affiliates			
Loans and advances	**8,824,633**	8,267,691	6,714,503
Customers' deposits	**9,069,907**	13,767,872	9,302,966
Investments	**2,848,317**	2,016,553	1,603,397

(ii) Off-balance sheet balances are as follows:

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Gulf International Bank BSC, its subsidiaries and branches:			
Derivatives	**9,116,538**	9,948,685	9,244,984
Contingencies and commitments	**1,583,093**	2,087,013	1,642,726
Public Investment Fund and its affiliates			
Derivatives	**860,947**	888,212	1,105,422
Contingencies and commitments	**3,078,519**	3,111,538	558,744

(iii) Income and expenses pertaining to transactions with related parties included in the interim condensed consolidated financial statements are as follows:

	30.06.26 (Unaudited)	31.12.25 (Audited)	30.06.25 (Unaudited)
Gulf International Bank BSC, its subsidiaries and branches:			
Special commission income	**2,213**	24,074	12,389
Special commission expense	**22,051**	19,885	4,944
Fees and commission income, net	**873**	2,339	770
Cost recharged to, net	**52,838**	119,666	56,006
Public Investment Fund and its affiliates			
Special commission income	**316,049**	556,491	214,635
Special commission expense	**151,046**	405,373	216,801
Fees and commission income, net	**16,467**	31,678	12,468

21. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The interim condensed consolidated financial information was approved by the Board of Directors on 2 August 2026G, (corresponding to 18 Safar 1448H).