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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended 31 March 2024 (Unaudited)



# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TOGETHER WITH INDEPENDENT AUDITORS' REVIEW REPORT TO THE SHAREHOLERS

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#### **Ernst & Young Professional Services** (Professional LLC)

Head Office - Riyadh

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### INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF GULF INTERNATIONAL BANK - SAUDI ARABIA (A SAUDI 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 31 March 2024, and the related interim condensed consolidated statements of income and comprehensive income, changes in equity and cash flows for the three-months period then ended, and explanatory notes (collectively referred to as "the interim condensed consolidated financial statements"). Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements 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 these interim condensed consolidated financial statements 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 the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

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

#### Other regulatory matters

As required by the Saudi Central Bank ("SAMA"), certain capital adequacy information has been disclosed in note 17 to the accompanying interim condensed consolidated financial statements. As part of our review, we compared the information in note 17 to the relevant analysis prepared by the Bank for its submission to SAMA and found no material inconsistencies.

Ernst & Young Professional Services

Marwan S. AlAfaliq Certified Public Accountant

License no. 422

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15 Dhul Oidah 1445H 23 May 2024

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT

AS AT				
		31.03.24	31.12.23	31.03.23
	Mate	(Unaudited)	(Audited)	(Unaudited)
	Note	SAR '000	SAR '000	SAR '000
ASSETS				
Cash and balances with Saudi Central Bank (SAMA)	4	7,620,000	6,667,497	8,987,493
Due from banks and other financial institutions, net	5	1,954,911	2,365,409	3,675,943
Investments, net	6	9,636,102	9,105,539	8,180,098
Positive fair value of derivatives	10	297,881	316,414	365,485
Loans and edvances, net	7	27,131,506	27,299,961	24,112,564
Other assets		508,717	465,410	339,324
Furniture, fixtures and equipments, net		64,550	58,668	50,966
Right-of-use assets, net		226,767	233,276	184,327
Intangible assets, net		100,307	90,608	58,702
Total assets		47,540,741	46,602,782	45,954,902
LIABILITIES AND EQUITY				
Liabilities				
Due to banks and other financial institutions	8	4,740,909	3,856,211	5,839,846
Customers' deposits	9	32,074,692	32,105,619	31,200,518
Negative fair value of derivatives	10	220.388	250.613	284.217
Subordinated debt	11	1,504,013	1.504.072	201,217
Other liabilities	1 t	1,171,864	1,140,276	1,134,816
Lease liabilities		249,147	246.200	195,555
Total liabilities		39,961,013	39,102,991	38,654,952
Equity				
Share capital	15	7,500,000	7,500,000	7,500,000
Statutory reserve		1,753	1,753	1,753
Fair value reserve		(3,398)	(2,482)	17,966
Retained earnings / (accumulated losses)		81,373	520	(219,769)
Total equity		7,579,728	7,499,791	7,299,950
Total liabilities and equity		47,540,741	46,602,782	45,954,902

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

Abdulla Mohammed Ai-Zamil Chairman Kheled Abbas Chief Executive Officer Mazen Faisal Azoony Chief Financial Officer

Three-month

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

		periods ended	
		31.03.24	31.03.23
		(Unaudi	ted)
	Note	SAR '000	SAR '000
Special commission income		690,440	596,169
Special commission expense		(459,414)	(381,180)
Net special commission income		231,026	214,989
Fee and commission income		118,809	57,269
Fee and commission expense		(24,266)	(4,260)
Net fee and commission income		94,543	53,009
Exchange income, net		12,466	21,770
Gains on FVSI investments, net		28,725	8,715
(Loss) / gain on other financial instruments, net		(13,124)	1,714
Dividend income		388	3,000
Other operating income		21,623	3,880
Total operating income		375,647	307,077
Salaries and employee related expenses		(136,847)	(121,539)
Rent and premises related expenses		(4,116)	(2,345)
Depreciation and amortisation		(15,003)	(14,752)
Other general and administrative expenses		(81,782)	(61,397)
Total operating expenses before credit impairment provisions		(237,748)	(200,033)
Expected credit losses on:			
Loans and advances	7	(23,566)	(23,955)
Financial contingencies and commitments	12	(15,880)	(634)
Investments and placements	6	(268)	(333)
Total expected credit losses		(39,714)	(24,922)
Total operating expenses		(277,462)	(224,955)
Income for the period before zakat		98,185	82,122
Zakat charge		(17,332)	(15,745)
Net income for the period		80,853	66,377
Earnings per share (expressed in SAR per share)			
Basic and diluted earnings per share	15	0.11	0.09

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

	Three-month			
	periods o	ended		
	31.03.24	31.03.23		
	(Unaud	ited)		
	SAR '000	SAR '000		
Net income for the period	80,853	66,377		
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)	(1,731)	1,803		
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	588	-		
Net change in expected credit losses	227	-		
Total other comprehensive (loss) / income for the period	(916)	1,803		
Total comprehensive income for the period	79,937	68,180		

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

For the three-month period ended 31 March 2024 (Unaudited)	Share capital SAR '000	Statutory reserve SAR '000	Fair value reserve SAR '000	Retained earnings SAR '000	Total SAR '000
Balance at 1 January 2024	7,500,000	1,753	(2,482)	520	7,499,791
Net income for the period	-	-	-	80,853	80,853
Other comprehensive income:					
Net fair value changes:					
Equity investments classified as FVOCI	-	-	(1,731)	-	(1,731)
Debt securities classified as FVOCI	-	-	588	-	588
Expected credit losses on debt securities	-	-	227	-	227
Total comprehensive income for the period	-	-	(916)	80,853	79,937
Balance at 31 March 2024	7,500,000	1,753	(3,398)	81,373	7,579,728
For the three-month period ended 31 March 2023 (Unaudited)	Share capital SAR '000	Statutory reserve SAR '000	Fair value reserve SAR '000	Accumulated losses SAR '000	Total SAR '000
Balance at 1 January 2023	7,500,000	1,753	16,163	(286,146)	7,231,770
Net income for the period  Other comprehensive income:	-	-	-	66,377	66,377
Net fair value changes:  Equity investments classified as FVOCI			1,803	<u>-</u>	1,803
Total comprehensive income for the period	-	-	1,803	66,377	68,180
Balance at 31 March 2023	7,500,000	1,753	17,966	(219,769)	7,299,950

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

	2024	2023
	(Unaudited)	
	SAR '000	SAR '000
OPERATING ACTIVITIES  Net income before zakat  Adjustments to reconcile net income before zakat  to net cash flow (used in) / from operating activities:	98,185	82,122
Depreciation of right-of-use assets	6,156	5,213
Depreciation and amortisation	8,847	9,539
Interest expense on lease liabilities	3,298	2,732
Expected credit losses on:	3,290	2,732
Financial contingencies and commitments	15,880	634
Loans and advances	23,566	23,955
Investments held at amortised cost	25,300	333
Gain on investments held at FVSI	(28,725)	(8,715)
(Loss) / gain on other financial instruments, net	13,124	(1,714)
Operating income before changes in operating assets & liabilities	140,599	114,099
Net (increase) / decrease in operating assets: Statutory deposit with SAMA	18 193	(240 941)
Statutory deposit with SAMA	18,193	(240,941)
Due from banks and other financial institutions	(5) F 400	-
Positive fair value of derivatives	5,409	52,863
Loans and advances	128,989	654,218
Other assets	(43,307)	116,841
Net increase / (decrease) in operating liabilities:	004 600	1 051 004
Due to banks and other financial institutions	884,698	1,651,804
Negative fair value of derivatives	(30,225)	(47,342) 1,605,508
Customers' deposits Other liabilities	(30,927) 17,535	227,425
Net cash generated from operating activities	1,090,959	4,134,475
Net cash generated from operating activities	1,090,939	4,134,473
INVESTING ACTIVITIES		
Investments held at amortised cost, net	(420,877)	(1,377,511)
Purchase of investments held at FVOCI	(82,514)	<del>-</del>
Purchase of furniture, fixtures, equipments and intangible assets	(24,428)	(18,380)
Net cash used in investing activities	(527,819)	(1,395,891)

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) (continued) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

	Note	2024	2023
		(Unaudited)	
		SAR '000	SAR '000
FINANCING ACTIVITITY			
Payment of principal portion of lease liabilities		(2,947)	(917)
Cash used in a financing activity		(2,947)	(917)
Net change in cash and cash equivalents		560,193	2,737,667
Cash and cash equivalents at the beginning of the period		7,227,783	8,110,176
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		7,787,976	10,847,843
		· ·	
Special Commission received during the period		694,880	608,919
Special Commission paid during the period		475,553	330,709
Supplemental non-cash information			
Net changes in fair value of FVOCI investments		(916)	1,803

#### 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.

Following are the subsidiaries of the Bank (collectively referred to as "the Group").

	Ownership interest % held by the owners of the Bank			
Name of subsidiary 31.03.24 31.03.23 Country of incorpora				
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") individuals.
- **b.** 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.
- **c.** A limited liability company incorporated in the Cayman Islands. The Company is engaged in derivatives trading and repo activities.

#### 2. BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group as at and for the period ended 31 March 2024 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

The consolidated financial statements of the Group as at and for the year ended 31 December 2023, 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 statements 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 Bank is Saudi Arabian Riyal except where otherwise stated in the notes to the interim condensed consolidated financial statements. The Group presents its interim condensed consolidated statement of financial position in the order of liquidity.

The preparation of interim condensed consolidated financial statements requires management to make judgements, 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 these interim condensed consolidated financial statements, 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 consolidated financial statements as at and for the year ended 31 December 2023.

# 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 statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. 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 a material impact on the interim condensed consolidated financial statements of the Group.

## Standards, interpretations, amendments

amendments	Description	Effective from periods beginning on or after
Amendment to IFRS 16 - Leases on sale and leaseback	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.	
Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.	1 January 2024

Effective from periods

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024 (AMOUNTS IN SAR '000)

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

New standards, interpretations and amendments adopted by the Group (continued)

Standards, interpretations, amendments

	Description	beginning on or after	
Amendment to IAS 1 - Non-current	These amendments clarify how conditions with	1 January 2024	
liabilities with covenants	which an entity must comply within twelve months		
	after the reporting period affect the classification of		
	a liability. The amendments also aim to improve		
	information an entity provides related to liabilities		
	subject to these conditions.		
IFRS S1, 'General requirements for	This standard includes the core framework for the	1 January 2024 subject	
disclosure of sustainability-related	disclosure of material information about	to endorsement from	
financial information	sustainability-related risks and opportunities across	SOCPA	
	an entity's value chain.		
IFRS S2, 'Climate-related disclosures'	This is the first thematic standard issued that sets	1 January 2024 subject	
	out requirements for entities to disclose information	to endorsement from	
	about climate-related risks and opportunities.	SOCPA	

### Accounting standards issued but not yet effective

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

## 4. CASH AND BALANCES WITH SAUDI CENTRAL BANK (SAMA)

		31.03.24 (Unaudited)	31.12.23 (Audited)	31.03.23 (Unaudited)
	Money market placements with SAMA Statutory deposits	5,597,000 1,756,930	4,873,000 1,775,123	7,182,002 1,785,493
	Cash in hand	19,185	15,693	14,660
	Current account	246,885	3,681	5,338
		7,620,000	6,667,497	8,987,493
5.	DUE FROM BANKS AND OTHER FINANCIAL INSTITUTIONS, NI	ĒΤ		
		31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
	Current accounts	146,226	186,733	1,169,113
	Money market placements Less: expected credit losses	1,808,717	2,178,688 (12)	2,506,830
	Less. expected credit losses	(32) 1,954,911	2,365,409	3,675,943
6.	INVESTMENTS, NET			
	Investment securities are classified as follows:			
		31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
	Investments held at FVSI (6a)	311,369	282,806	210,130
	Investments held FVOCI (6b)	118,268	36,897	298,215
	Investments held at amortised cost - gross (6c)	9,209,083	8,788,433	7,673,321
	Less: expected credit losses (6h)	(2,618)	(2,597)	(1,568)
		9,636,102	9,105,539	8,180,098
	a) Investments held at fair value through statement of income (FV	SI)		
		31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
	Mutual funds	284,842	257,919	187,599
	Equity investments	26,527	24,887	22,531
	_quity in seamente	311,369	282,806	210,130
	b) Investments held at fair value through other comprehensive inc	ome (FVOCI)		
		31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
	Debt investments	83,102	-	_
	Equity investments	35,166	36,897	298,215
		118,268	36,897	298,215

## 6. INVESTMENTS, NET (continued)

### c) Investments held at amortised cost, net

31 March 2024 (Unaudited)  Debt securities - fixed-rate securities  Debt securities - floating-rate securities  Less: expected credit losses	Quoted	Unquoted	Total
	8,839,770	-	8,839,770
	292,674	76,639	369,313
	(2,532)	(86)	(2,618)
	9,129,912	76,553	9,206,465
31 December 2023 (Audited)  Debt securities - fixed-rate securities  Debt securities - floating-rate securities  Less: expected credit losses	Quoted 8,459,798 253,364 (2,464) 8,710,698	Unquoted - 75,271 (133) 75,138	Total 8,459,798 328,635 (2,597) 8,785,836
31 March 2023 (Unaudited) Debt securities - fixed-rate securities Debt securities - floating-rate securities Less: expected credit losses	Quoted	Unquoted	Total
	7,243,591	15,205	7,258,796
	338,031	76,494	414,525
	(1,239)	(329)	(1,568)
	7,580,383	91,370	7,671,753

**d)** The following table shows the reconciliation of gross carrying amounts from the opening to the closing balance of the investments held at amortised cost:

31 March 2024 (Unaudited)	Stage 1 (12-	
	month ECL)	Total
Balance at 1 January 2024	8,788,433	8,788,433
Net change	420,650	420,650
Balance at 31 March 2024	9,209,083	9,209,083
·		
31 December 2023 (Audited)	Stage 1 (12-	
	month ECL)	Total
Balance at 1 January 2023	6,294,222	6,294,222
Net change	2,494,211	2,494,211
Balance at 31 December 2023	8,788,433	8,788,433
• •		
31 March 2023 (Unaudited)	Ctogo 1 (12	
	Stage 1 (12- month ECL)	Total
Balance at 1 January 2023	6,294,222	6,294,222
Net change	1,379,099	1,379,099
Balance at 31 March 2023	7,673,321	7,673,321

### 6. INVESTMENTS, NET (continued)

**e)** The following table shows the reconciliation of expected credit losses on investments held at amortised cost from the opening to the closing balance:

31 March 2024 (Unaudited)	Stage 1 (12-	
	month ECL)	Total
Balance at 1 January 2024	2,597	2,597
Net remeasurement of loss allowance	21	21
Balance at 31 March 2024	2,618	2,618
31 December 2023 (Audited)		
	Stage 1 (12-	
	month ECL)	Total
Balance at 1 January 2023	1,235	1,235
Net remeasurement of loss allowance	1,362	1,362
Balance at 31 December 2023	2,597	2,597
31 March 2023 (Unaudited)	Stage 1 (12-	
	month ECL)	Total
Balance at 1 January 2023	1,235	1,235
Net remeasurement of loss allowance	333	333
Balance at 31 March 2023	1,568	1,568

f) The following table shows the reconciliation of gross carrying amounts from the opening to the closing balance of the debt investments held at FVOCI:

31 March 2024 (Unaudited)	Stage 1 (12- month ECL)	Total
Balance at 1 January 2024	-	-
New originated	82,514	82,514
Change in fair value	588	588
Balance at 31 March 2024	83,102	83,102

**g)** The following table shows the reconciliation of expected credit losses on debt investments held at FVOCI from the opening to the closing balance:

31 March 2024 (Unaudited)	Stage 1 (12- month ECL)	Total
Balance at 1 January 2024		-
Net remeasurement of loss allowance	227	227
Balance at 31 March 2024	227	227

### 6. INVESTMENTS, NET (continued)

#### h) The analysis of investments by counterparty is as follows:

	31.03.24	31.12.23	31.03.23		
	(Unaudited)	(Audited)	(Unaudited)		
Government and quasi government	7,926,258	7,713,842	6,865,386		
Corporate	686,087	690,885	649,880		
Banks and other financial institutions	1,026,375	703,409	666,400		
Less: expected credit losses	(2,618)	(2,597)	(1,568)		
	9,636,102	9,105,539	8,180,098		
i) Investments composition as per geography:		-			
., mreemene eempeemen de per geegraphy.		31.03.2024			
	Domestic	International	Total		
Investments held at amortised cost	8,535,811	670,654	9,206,465		
Investments held at FVIS	311,369	-	311,369		
Investments held at FVOCI	91,350	26,918	118,268		
	8,938,530	697,572	9,636,102		
		31.12.2023			
	Domestic	International	Total		
Investments held at amortised cost	8,349,979	435,857	8,785,836		
Investments held at FVIS	282,806	-	282,806		
Investments held at FVOCI	36,897		36,897		
	8,669,682	435,857	9,105,539		
		31.03.2023			
	Domestic	International	Total		
Investments held at amortised cost	7,254,787	416,966	7,671,753		
Investments held at FVIS	210,130	-	210,130		
Investments held at FVOCI	298,215	-	298,215		
	7,763,132	416,966	8,180,098		
j) Equity investments held at fair value through other comprehensive income (FVOCI)					
	31.03.24	31.12.23	31.03.23		
	(Unaudited)	(Audited)	(Unaudited)		
Equity investments	35,166	36,897	298,215		
The FVOCI designation was made on the basis that the investment	ents are expected	to be held for th	e long-term for		

strategic purposes. There were no disposals of investments during the period. The Following table shows the reconciliation from opening balances to the closing balances for level 3 fair value of FVOCI investments:

31.03.23
(Unaudited)
6,883
-
-
6,883
-

**k)** Total investments include Shariah based investments amounting to SAR 5.6 billion (31 December 2023:SAR 5.2 billion; 31 March 2023: SAR 4.8 billion).

### 7. LOANS AND ADVANCES

## a) Loans and advances are classified as follows:

31 March 2024 (Unaudited)	Commercial loans	Overdrafts	Retail loans	Total
Performing loans and advances	24,544,305	1,600,183	1,087,358	27,231,846
Non-performing loans and advances	564,867		20,364	585,231
Loans and advances, gross	25,109,172	1,600,183	1,107,722	27,817,077
Less: expected credit losses	(644,385)	(1,021)	(40,165)	(685,571)
Loans and advances, net	24,464,787	1,599,162	1,067,557	27,131,506
31 December 2023 (Audited)	Commercial loans	Overdrafts	Retail loans	Total
Performing loans and advances	24,699,210	1,525,814	1,156,880	27,381,904
Non-performing loans and advances	564,824	<u> </u>	26,472	591,296
Loans and advances, gross	25,264,034	1,525,814	1,183,352	27,973,200
Less: expected credit losses	(632,018)	(751)	(40,470)	(673,239)
Loans and advances, net	24,632,016	1,525,063	1,142,882	27,299,961
31 March 2023 (Unaudited)	Commercial loans	Overdrafts	Retail loans	Total
Performing loans and advances	21,922,065	842,834	1,321,281	24,086,180
Non-performing loans and advances	569,028	-	10,079	579,107
Loans and advances, gross	22,491,093	842,834	1,331,360	24,665,287
Less: expected credit losses	(523,948)	(727)	(28,048)	(552,723)
Loans and advances, net	21,967,145	842,107	1,303,312	24,112,564

Total loans and advances include Shariah based loans and advances amounting to SAR 15.99 billion (31 December 2023: SAR 16.6 billion; 31 March 2023: SAR 14.71 billion).

### b) Reconciliation of gross carrying amounts:

31 March 2024 (Unaudited)	Stage 1 (12- month ECL)	Stage 2 (lifetime ECL for increase in SICR but not impaired)	Stage 3 (lifetime ECL credit- impaired)	Total
Balance at 1 January 2024	26,362,295	1,019,609	591,296	27,973,200
Transfers during the period				
Transfer to Stage 1	3,674	(3,674)	-	-
Transfer to Stage 2	(136,120)	138,031	(1,911)	-
Transfer to Stage 3	(3,242)	(11,742)	14,984	-
	(135,688)	122,615	13,073	-
Written-off during the period	-	-	(11,255)	(11,255)
Net change during the period	(63,609)	(73,376)	(7,883)	(144,868)
Balance at 31 March 2024	26,162,998	1,068,848	585,231	27,817,077

## 7. LOANS AND ADVANCES (continued)

b) Reconcil	iation of g	oss carrying	amounts:	(continued)
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) Recon	ciliation of gross carrying amounts: (co	ontinued)			
			Stage 2		
			(lifetime ECL for		
31 Dec	cember 2023 (Audited)		increase in	Stage 3	
	,	Stage 1 (12-	SICR but not	(lifetime ECL	
		month ECL)	impaired)	credit-impaired)	Total
Balanc	e at 1 January 2023	23,858,497	941,342	631,500	25,431,339
	fers during the year	, ,	,	•	. ,
	er to Stage 1	440,602	(440,602)	-	-
	er to Stage 2	(735,244)	735,244	-	-
	er to Stage 3	(4,019)	(46,421)	50,440	-
	•	(298,661)	248,221	50,440	-
Writter	n-off during the year	-	-	(135,915)	(135,915)
Net cha	ange during the year	2,802,459	(169,954)	45,271	2,677,776
Balanc	ce at 31 December 2023	26,362,295	1,019,609	591,296	27,973,200
			Stage 2		
			(lifetime ECL for		
31 Mar	rch 2023 (Unaudited)		increase in	Stage 3	
		Stage 1 (12-	SICR but not	(lifetime ECL	
		month ECL)	impaired)	credit-impaired)	Total
	ce at 1 January 2023	23,858,497	941,342	631,500	25,431,339
	fers during the period				
	er to Stage 1	331	(331)	-	-
	er to Stage 2	(217,360)	217,360	-	-
Transfe	er to Stage 3	-	(45,264)	45,264	-
		(217,029)	171,765	45,264	<b>-</b>
	n-off during the period	<del>-</del>	<del>-</del>	(111,834)	(111,834)
	ange during the period	(780,427)	112,032	14,177	(654,218)
Balanc	e at 31 March 2023	22,861,041	1,225,139	579,107	24,665,287
) Recon	ciliation of expected credit losses:				
			Stage 2		
31 Mai	rch 2024 (Unaudited)		(lifetime ECL for	Stage 3	

## c)

		Stage 2		
21 March 2024 (Unovidited)		(lifetime ECL for	Stage 3	
31 March 2024 (Unaudited)		increase in	(lifetime ECL	
	Stage 1 (12-	SICR but not	credit-	
	month ECL)	impaired)	impaired)	Total
Balance at 1 January 2024	91,406	173,492	408,341	673,239
Transfers during the period				
Transfer to Stage 1	88	(88)	-	-
Transfer to Stage 2	(557)	613	(56)	-
Transfer to Stage 3	(2,151)	(7,691)	9,842	-
	(2,620)	(7,166)	9,786	-
Net change during the period				
Corporate	3,892	7,884	881	12,657
Retail	1,129	7,621	2,159	10,909
	5,021	15,505	3,040	23,566
Written-off during the period				
Corporate	-	-	-	-
Retail		-	(11,234)	(11,234)
		-	(11,234)	(11,234)
Balance at 31 March 2024	93,807	<u> 181,831</u> _	409,933	685,571

## 7. LOANS AND ADVANCES (continued)

c) Reconciliation of expected credit losses: (continued)

			Stage 2 (lifetime ECL for		
	31 December 2023 (Audited)		increase in	Stage 3	
	or becomber 2020 (Addited)	Stage 1 (12-	SICR but not	(lifetime ECL	
		month ECL)	impaired)	credit-impaired)	Total
	Balance at 1 January 2023	76,354	148,430	415,818	640,602
	Transfers during the year				
	Transfer to Stage 1	13,134	(13,134)	-	-
	Transfer to Stage 2	(2,795)	2,795	-	-
	Transfer to Stage 3	(59)	(29,818)	29,877	-
		10,280	(40,157)	29,877	-
	Net change during the year	000	05.004	F0 700 T	100.000
	Corporate	980	65,864	59,788	126,632
	Retail	3,792 4,772	(645) 65,219	38,770 98,558	41,917 168,549
	Written-off during the year	4,772	05,219	30,330	100,549
	Corporate	-	-	(107,530)	(107,530)
	Retail	-	-	(28,382)	(28,382)
	'	-	-	(135,912)	(135,912)
	Balance at 31 December 2023	91,406	173,492	408,341	673,239
			Stage 2		
			(lifetime ECL for	0. 0	
	31 March 2023 (Unaudited)	04 1 /10	increase in	Stage 3	
		Stage 1 (12-	SICR but not	(lifetime ECL	Tatal
	Balance at 1 January 2023	month ECL) 76,354	impaired) 148,430	credit-impaired) 415,818	Total 640,602
	Transfers during the period	70,354	140,430	413,010	040,002
	Transfer to Stage 1		-		-
	Transfer to Stage 2	(45)	45	-	-
	Transfer to Stage 3	-	(29,817)	29,817	-
	•	(45)	(29,772)	29,817	-
	Net change during the period	(2.22-)	1		
	Corporate	(2,925)	655	20,821	18,551
	Retail	(1,250)	303 958	6,351	5,404
	Written-off during the period	(4,175)	936	27,172	23,955
	Corporate		- 1	(107,530)	(107,530)
	Retail	-	-	(4,304)	(4,304)
	'	-	-	(111,834)	(111,834)
	Balance at 31 March 2023	72,134	119,616	360,973	552,723
d)	Expected credit losses charge for the period /	year:			
			31.03.24	31.12.23	31.03.23
		<del>-</del>	(Unaudited)	(Audited)	(Unaudited)
	Corporate		12,657	126,632	18,551
	Retail	<del>-</del>	10,909	41,917	5,404
	Total	=	23,566	168,549	23,955

9.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024 (AMOUNTS IN SAR '000)

#### 8. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	31.03.24	31.12.23	31.03.23
	(Unaudited)	(Audited)	(Unaudited)
Current accounts	128,495	125,388	79,581
	·	•	
Money market deposits	4,612,414	3,730,823	5,760,265
	4,740,909	3,856,211	5,839,846
CUSTOMERS' DEPOSITS			
	31.03.24	31.12.23	31.03.23
	(Unaudited)	(Audited)	(Unaudited)
Demand	19,543,502	18,810,969	18,588,795
Time	11,754,740	12,560,360	12,088,971
Saving	309,732	426,532	265,688
Margin	466,718	307,758	257,064
-	32,074,692	32,105,619	31,200,518

Customers' deposits include Shariah based deposits amounting to SAR 12.9 billion (31 December 2023: SAR 13.3 billion; 31 March 2023: SAR 13.4 billion).

### 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 positive fair value of the derivatives, nor market risk.

31 March 2024 (Unaudited)	Positive fair value	Negative fair value	Notional amount
Held for trading Commission rate swaps Commission rate futures and currency options Forward foreign exchange contracts Others	119,807	(113,520)	4,799,715
	101,290	(101,291)	12,360,092
	5,881	(5,199)	600,094
	51	(51)	60,010
Held as fair value hedge Commission rate swaps - investments Commission rate swaps - loans	46,476	(327)	930,158
	24,376	-	710,427
	297,881	(220,388)	19,460,496

### 10. DERIVATIVES AND FOREIGN EXCHANGE INSTRUMENTS (continued)

31 December 2023 (Audited)	Positive fair value	Negative fair value	Notional amount
Held for trading Commission rate swaps Commission rate futures and currency options Forward foreign exchange contracts Others	104,874	(98,294)	4,963,381
	121,012	(121,012)	13,590,469
	6,672	(5,700)	614,661
	24,147	(23,967)	361,406
Held as fair value hedge Commission rate swaps - investments Commission rate swaps - loans	34,074	(1,640)	686,256
	25,635	-	748,949
	316,414	(250,613)	20,965,122
31 March 2023 (Unaudited)  Held for trading Commission rate swaps Commission rate futures and currency options Forward foreign exchange contracts Others	Positive	Negative	Notional
	fair value	fair value	amount
	143,036	(139,776)	10,019,318
	133,017	(133,017)	7,993,461
	2,564	(923)	100,526
	9,651	(9,146)	1,458,513
Held as fair value hedge Commission rate swaps - loans and investments Commission rate swaps - deposits	71,465	(86)	1,312,682
	5,752	(1,269)	1,525,737
	365,485	(284,217)	22,410,237

#### 11. SUBORDINATED DEBT

During the year ended 31 December 2023, the bank began issuing its Tier II sukuk (non-convertible and unlisted) worth SAR 3 billion. An amount of SAR 1.5 billion was issued and subscribed on December 19, 2023. The issuance of the Sukuk is under the Bank's Sukuk issuance programme ("the Programme") and matures in 2033, with the Bank having the option to redeem the Sukuk after 5 years, subject to SAMA's prior approval and the conditions of the Programme being met. The Bank's Sukuk programme is in line with the Bank's strategic objectives to promote growth and actively contribute to the achievement of the national economic goals set out in the Kingdom's Vision 2030. The structure of the Sukuk was approved by the Bank's Shari'ah Committee and the Regulatory Authority. The Sukuk is unsecured and was offered through a private placement in the Kingdom of Saudi Arabia. The effective special commission rate is the three-month SAIBOR plus a margin of 120 basis points and is payable quarterly. The sukuk are denominated in Saudi Arabian riyals.

#### 12. CONTINGENCIES AND COMMITMENTS

### a) Legal proceedings

As at 31 March 2024, there were no significant legal proceedings outstanding against the Group which requires 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:

	31.03.24	31.12.23	31.03.23
	(Unaudited)	(Audited)	(Unaudited)
Letters of guarantee Irrevocable commitments to extend credit Letters of credit Acceptances	14,004,417	13,168,075	11,334,413
	5,915,258	6,001,766	4,686,187
	2,554,068	2,479,367	2,554,595
	2,082,646	1,553,982	1,395,430
	24,556,389	23,203,190	19,970,625

#### ii) Reconciliation of exposure of financial contingencies and commitments:

31 March 2024 (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 2024  Transfers during the period	21,569,460	1,319,808	313,922	23,203,190
Transfer to Stage 1 Transfer to Stage 2 Transfer to Stage 3	- (49,469) -	- 49,469 -	- - -	
	(49,469)	49,469	-	-
Net change during the period	1,353,199	-	-	1,353,199
Balance at 31 March 2024	22,873,190	1,369,277	313,922	24,556,389
31 December 2023 (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 2023  Transfers during the year	15,507,553	1,444,009	355,014	17,306,576
Transfer to Stage 1	282,027	(282,027)	-	-
Transfer to Stage 2 Transfer to Stage 3	(86,556)	86,556	-	-
Transier to otage o	195,471	(195,471)	-	-
Net change during the year	5,866,436	71,270	(41,092)	5,896,614
Balance at 31 December 2023	21,569,460	1,319,808	313,922	23,203,190

### 12. CONTINGENCIES AND COMMITMENTS (continued)

## b) Credit related contingencies and commitments (continued)

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

31 March 2023 (Unaudited)		Stage 2 (lifetime CL but not creditime impaired)	ECL credit- impaired)	Total
Balance at 1 January 2023 Transfers during the period	15,507,553	1,444,009	355,014	17,306,576
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(21,466)	21,466	-	-
Transfer to Stage 3	-	-	-	-
	(21,466)	21,466	-	-
Net change during the period	3,039,790	(343,576)	(32,165)	2,664,049
Balance at 31 March 2023	18,525,877	1,121,899	322,849	19,970,625

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

	Stage 1 (12-	Stage 2 (lifetime ECL but not	Stage 3 (lifetime ECL credit-	
31 March 2024 (Unaudited)	month ECL)	credit- impaired)	impaired)	Total
Balance at 1 January 2024	14,563	14,030	133,611	162,204
Transfers during the period				
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(266)	266	-	-
Transfer to Stage 3	- (266)	- 266	-	-
Net change during the period	(266) 2,789	266 (114)	- 13,205	- 15,880
Balance at 31 March 2024	17,086	14,182	146,816	178,084
Balanco at o i Marcin 202 i	17,000	11,102	110,010	170,001
		Stage 2 (lifetime	Stage 3 (lifetime	
	• •	ECL but not credit-	ECL credit-	
31 December 2023 (Audited)	month ECL)	impaired)	impaired)	Total
Balance at 1 January 2023	12,056	12,286	116,995	141,337
Transfers during the year				
Transfer to Stage 1	1,984	(1,984)	-	-
Transfer to Stage 2	(370)	370	-	-
Transfer to Stage 3	-	-	-	-
N I	1,614	(1,614)	-	-
Net change during the year	893	3,358	16,616	20,867
Balance at 31 December 2023	14,563	14,030	133,611	162,204

### 12. CONTINGENCIES AND COMMITMENTS (continued)

- b) Credit related contingencies and commitments (continued)
  - iv) Reconciliation of expected credit losses on financial contingencies and commitments (continued)

31 March 2023 (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 2023  Transfers during the period	12,056	12,286	116,995	141,337
Transfer to Stage 1 Transfer to Stage 2 Transfer to Stage 3	- (11) -	- 11	- - -	- - -
·	(11)	11	- (014)	-
Net change during the period	3,704	(2,156)	(914)	634
Balance at 31 March 2023	15,749	10,141	116,081	141,971
. CASH AND CASH EQUIVALENTS		31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
Cash and balances with  Saudi Central Bank (SAMA) excluding sta  Due from banks and other financial institution		5,863,070	4,892,374	7,202,000
original maturities of three-months or less		1,924,906	2,335,409	3,645,843
-		7,787,976	7,227,783	10,847,843

#### 14. ZAKAT

13.

#### Gulf International Bank - Saudi Arabia

The Bank has filed its zakat declaration with the Zakat, Tax and Customs Authority ("ZATCA") for the period from 3rd April 2019 to 31 December 2019 and for the years 2020 to 2023. The assessments have been finalised by ZATCA for the period / year 2019 and 2020, without any additional liability, however, no assessment has been raised by the ZATCA for the year 31 December 2021 to 2023.

#### **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 2023.

#### 15. SHARE CAPITAL AND EARNINGS PER SHARE

The authorised, issued and fully paid share capital at 31 March 2024, 31 December 2023 and 31 March 2023 comprised 750 million shares of SAR 10 each. Basic and diluted earnings per share for the period/ year ended 31 March 2024, 31 December 2023 and 31 March 2023 is calculated on a weighted average basis by dividing the net income for the year by 750 million shares. 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.

	2024	2023
Gulf International Bank BSC Public Investment Fund	50% 50%	50% 50%

#### 16. 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 31 March 2024 (Unaudited)	Carrying value	Level 1	Level 2	Level 3	Total		
Financial assets measured at fair value:							
Investments held at FVOCI Debt securities Equity securities Investments held at FVSI Positive fair value of derivatives	83,102 35,166 311,369 297,881	83,102 24,834 26,527 -	- - 284,842 297,881	- 10,332 - -	83,102 35,166 311,369 297,881		
Financial assets not measured at fair value: Investments at amortised cost, net Loans and advances, net	9,206,465 27,131,506	8,893,650 -	- -	74,971 26,511,086	8,968,621 26,511,086		

### 16. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

_		Fair value			
At 31 December 2023 (Audited)	Carrying value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value:					
Equity investments held at FVOCI	36,897	26,565	-	10,332	36,897
Investments held at FVSI	282,806	24,887	257,919	-	282,806
Positive fair value of derivatives	316,414	-	316,414	-	316,414
Financial assets not measured at fair value:					
Investments at amortised cost, net	8,785,836	8,413,545	-	74,971	8,488,516
Loans and advances, net	27,299,961	-	-	26,710,214	26,710,214
	Carrying		Fair va	alue	
At 31 March 2023 (Unaudited)	value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value: Equity investments held at FVOCI Investments held at FVSI Positive fair value of derivatives	298,215 210,130 365,485	291,332 22,531 -	- 187,599 365,485	6,883 - -	298,215 210,130 365,485
Financial assets not measured at fair value: Investments at amortised cost, net	7,671,753	7,480,497	-	86,555	7,567,052
Loans and advances, net	24,112,564	-	-	24,947,881	24,947,881
-	Corning		Fair va	alue	
At 31 March 2024 (Unaudited)	Carrying value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value: Negative fair value of derivatives	220,388	-	220,388	-	220,388
Financial liabilities not measured at fair value: Customers' deposits	32,074,692	-	-	32,127,811	32,127,811

### 16. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

		Fair value			
At 31 December 2023 (Audited)	Carrying value	Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value: Negative fair value of derivatives	250,613	-	250,613	-	250,613
Financial liabilities not measured at fair value: Customers' deposits	32,105,619	-	-	32,528,178	32,528,178
			Fair va	alue	
At 31 March 2023 (Unaudited)	Carrying value	Level 1	Fair va	Level 3	Total
At 31 March 2023 (Unaudited)  Financial liabilities measured at fair value:  Negative fair value of derivatives		Level 1			Total 284,217

Cash and balances with Saudi Central bank (SAMA), due from banks, due to banks and other financial assets and liabilities are assumed to have fair values that reasonably approximate their corresponding carrying values 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, debt securities at FVOCI 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

FVIS investments classified as level 1 are based on quoted prices.

FVIS 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.

There were no transfers between the levels during the three months period ended 31 March 2024.

# 16. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued) Loans and advances, customer deposits and subordinated debt

The fair values (level 3) of loans, customer deposits on a floating interest rate basis are principally estimated at book value. The fair values (level 3) of impaired loans are estimated at the recoverable amount, measured as the present value of expected future cash flows discounted based on the Group's weighted average discount rate. The fair values of fixed rate / variable loans, customer deposits are estimated on a discounted cash flow basis utilising discount rates equal to prevailing market rates of interest in the respective currencies for loans and deposits of similar residual maturity and credit quality.

#### 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. The fair values of all other on-balance sheet assets and liabilities approximate their respective book values due to their short-term nature.

#### 17. 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 Group 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 amounts 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.

	31.03.24	31.12.23	31.03.23
	(Unaudited)	(Audited)	(Unaudited)
Risk Weighted Assets (RWA)			
Credit risk RWA	41,115,490	40,200,319	35,999,671
Operational risk RWA	1,591,323	1,217,537	1,217,537
Market risk RWA	2,932,801	2,784,820	2,034,802
Total Pillar-I RWA	45,639,614	44,202,676	39,252,010
Tier I capital	7,479,421	7,409,183	7,241,248
Tier II capital	1,809,556	1,796,088	219,208
Total Tier I & II Capital	9,288,977	9,205,271	7,460,456
Capital adequacy ratios %			
Tier I ratio	16.39%	16.76%	18.45%
Tier I + Tier II ratio	20.35%	20.83%	19.01%

#### 18. 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:

		31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
	Gulf International Bank BSC, its subsidiaries and branches:			
	Due from banks and other financial institutions	40,877	72,082	35,342
	Due to banks and other financial institutions	431,458	123,725	297,014
	Other assets	63,128	51,741	93,768
	Other liabilities	100,103	141,647	221,620
	Public Investment Fund and its affiliates			
	Loans and advances	3,637,501	3,423,462	1,369,878
	Customers' deposits	9,881,759	8,266,172	10,924,519
	Investments	691,401	452,700	439,479
(ii)	Off-balance sheet balances are as follows:	31.03.24	31.12.23	31.03.23
		(Unaudited)	(Audited)	(Unaudited)
	Gulf International Bank BSC, its subsidiaries and branches:			
	Derivatives	7,540,926	9,873,330	13,692,609
	Contingencies and commitments	1,703,924	1,621,904	1,479,570
	Public Investment Fund and its affiliates			
	Derivatives	920,096	1,038,698	988,519
	Contingencies and commitments	1,279,432	1,318,608	1,422,807

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

	31.03.24	31.12.23	31.03.23
_	(Unaudited)	(Audited)	(Unaudited)
Gulf International Bank BSC, its subsidiaries and branches:			
Special commission income	12,216	9,380	12,116
Special commission expense	2,521	13,093	4,193
Fees and commission income and expense, net	262	955	832
Public Investment Fund and its affiliates			
Special commission income	72,311	147,823	23,132
Special commission expense	104,131	488,050	129,267
Fees and commission income and expense, net	4,905	36,606	6,671

#### 19. COMPARATIVES FIGURES

Certain other comparative amounts have been reclassified to confirm with the current period presentation.

#### 20. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors on 29 April 2024G (corresponding to 20 Shawwal 1445H).