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# **BANK ALJAZIRA**

**(A Saudi Joint Stock Company)**

**UNAUDITED INTERIM CONDENSED  
CONSOLIDATED FINANCIAL INFORMATION  
FOR THE THREE-MONTH ENDED 31 MARCH 2025**

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**Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information**

**To the Shareholders of Bank AlJazira  
(A Saudi Joint Stock Company)**

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Bank AlJazira (the "Bank") and its subsidiaries (collectively referred to as the "Group") as at 31 March 2025, and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended, and 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 International Accounting Standard 34, "*Interim Financial Reporting*" ('IAS 34') as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

**Scope of review**

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

**Conclusion**

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

**PricewaterhouseCoopers**

**Ernst & Young Professional Services**

Waleed A. Alhidiri  
Certified Public Accountant  
License No. 559

Hussain Saleh Asiri  
Certified Public Accountant  
License No. 414



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(8 May 2025G)

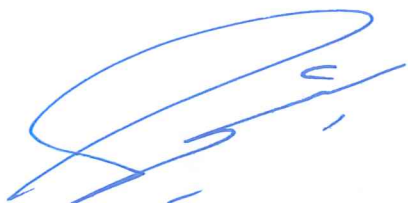


# Bank AlJazira

(A Saudi Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 March 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	31 March 2024 (Unaudited) SAR'000
	Notes			
<b>ASSETS</b>				
Cash and balances with Saudi Central Bank (SAMA)	15	6,071,950	6,118,369	7,183,360
Due from banks and other financial institutions, net		6,632,286	6,697,117	7,548,121
Investments, net	5	36,710,809	36,193,723	33,972,420
Positive fair value of Shari'ah compliant derivatives	9	121,180	151,737	187,629
Financing, net	6	100,571,324	96,912,496	84,116,257
Other assets		1,265,510	1,111,117	882,852
Investment in an associate	7	330,909	323,716	244,748
Other real estate, net		138,315	139,717	488,506
Property, equipment, intangibles and right of use assets, net		1,313,646	1,258,076	1,197,273
<b>Total assets</b>		<b>153,155,929</b>	<b>148,906,068</b>	<b>135,821,166</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
Due to banks, Saudi Central Bank and other financial institutions		20,245,868	19,309,333	17,995,649
Customers' deposits	8	109,644,328	108,186,514	97,267,737
Negative fair value of Shari'ah compliant derivatives	9	183,126	164,999	170,548
Subordinated Sukuk	10	2,041,062	2,005,918	2,043,767
Other liabilities		2,173,241	2,037,607	1,905,982
<b>Total liabilities</b>		<b>134,287,625</b>	<b>131,704,371</b>	<b>119,383,683</b>
<b>EQUITY</b>				
Share capital	11(a)	10,250,000	10,250,000	8,200,000
Treasury shares	11(c)	(83,190)	-	-
Statutory reserve		1,707,276	1,707,276	3,449,537
Other reserves	12	(702,745)	(1,093,466)	(1,122,851)
Retained earnings		2,821,963	2,462,887	2,035,797
<b>Equity attributable to shareholders of the Bank</b>		<b>13,993,304</b>	<b>13,326,697</b>	<b>12,562,483</b>
Tier 1 Sukuk	13	4,875,000	3,875,000	3,875,000
<b>Total equity</b>		<b>18,868,304</b>	<b>17,201,697</b>	<b>16,437,483</b>
<b>Total liabilities and equity</b>		<b>153,155,929</b>	<b>148,906,068</b>	<b>135,821,166</b>



Engr. Abdulmajeed Al-Sultan  
Chairman



Naif Al Abdulkareem  
CEO and Managing Director



Hani Noori  
Chief Financial Officer

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

# Bank AlJazira

(A Saudi Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

	Notes	For the three-month period ended	
		31 March 2025 SAR'000	31 March 2024 SAR'000
Income from investments and financing		2,081,782	1,840,938
Return on deposits and financial liabilities		(1,327,838)	(1,220,859)
		<u>753,944</u>	<u>620,079</u>
<b>Net financing and investment income</b>			
Fees from banking services - income		311,571	280,793
Fees from banking services - expense		(116,982)	(124,535)
Fees from banking services, net		<u>194,589</u>	<u>156,258</u>
Exchange income, net		68,456	48,896
Net (loss) /gain on fair value through statement of income (FVIS)			
financial instruments		(9,216)	13,865
Dividend income		69,600	45,233
Net loss on de-recognition of financial assets at fair value through other comprehensive income (FVOCI) – debt		(15)	(433)
Other operating income		<u>1,860</u>	<u>4,399</u>
<b>Total operating income</b>		<u>1,079,218</u>	<u>888,297</u>
Salaries and employee-related expenses		303,350	264,645
Rent and premises-related expenses		12,719	13,881
Depreciation and amortisation		41,833	46,658
Other general and administrative expenses		201,760	163,916
Other operating expenses		<u>6,013</u>	<u>2,742</u>
<b>Total operating expenses before impairment charge</b>		<u>565,675</u>	<u>491,842</u>
Impairment charge for financing and other financial assets, net	6 (b)	<u>102,953</u>	<u>55,378</u>
<b>Total operating expenses</b>		<u>668,628</u>	<u>547,220</u>
<b>Net operating income</b>		<u>410,590</u>	<u>341,077</u>
Share in net income of an associate		<u>1,347</u>	<u>6,186</u>
<b>Net income for the period before zakat and income tax</b>		<u>411,937</u>	<u>347,263</u>
<b>Zakat and income tax</b>			
Zakat		(47,953)	(44,371)
Income tax		<u>(2,989)</u>	<u>(2,451)</u>
<b>Net income for the period</b>		<u>360,995</u>	<u>300,441</u>
Basic and diluted earnings per share for the period (expressed in SAR per share) – (re-stated)	11(b)	<u>0.28</u>	<u>0.23</u>

Engr. Abdulmajeed Al-Sultan  
Chairman

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CEO and Managing Director

Hani Noori  
Chief Financial Officer

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# Bank AlJazira

(A Saudi Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

	<u>Notes</u>	<u>For the three-month period ended</u>	
		<u>31 March 2025</u>	<u>31 March 2024</u>
		<u>SAR'000</u>	<u>SAR'000</u>
Net income for the period		<u>360,995</u>	<u>300,441</u>
<b>Other comprehensive income / (loss):</b>			
<i>Items that will be reclassified to interim condensed consolidated statement of income in subsequent periods:</i>			
Cash flow hedges:			
- Effective portion of change in the fair value	12	(25,493)	47,878
- Net amount transferred to interim condensed consolidated statement of income	12	(6,879)	2,442
Net changes in fair value of investments classified as at FVOCI-debt	12	387,661	(317,751)
<i>Items that will not be reclassified to interim condensed consolidated statement of income in subsequent periods</i>			
Net changes in fair value of investments classified as at FVOCI-equity	12	27,871	(12,005)
Share in other comprehensive income of an associate	12	5,845	984
<b>Total other comprehensive income /(loss) for the period</b>		<u>389,005</u>	<u>(278,452)</u>
<b>Total comprehensive income for the period</b>		<u>750,000</u>	<u>21,989</u>

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Hani Noori  
Chief Financial Officer

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# Bank AlJazira

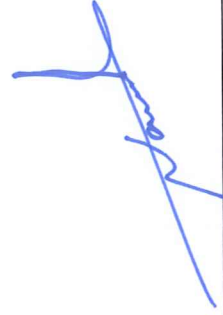
(A Saudi Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

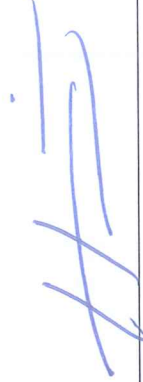
Notes	Share capital SAR'000	Treasury shares SAR'000	Statutory reserve SAR'000	Other reserves SAR'000	Retained earnings SAR'000	Total shareholders' equity SAR'000	Tier 1 Sukuk SAR'000	Total equity SAR'000
<b>Balance at 1 January 2025 (audited)</b>	10,250,000	-	1,707,276	(1,093,466)	2,462,887	13,326,697	3,875,000	17,201,697
Net income for the period	-	-	-	-	360,995	360,995	-	360,995
Other comprehensive income	-	-	-	389,005	-	389,005	-	389,005
Total comprehensive income for the period	-	-	-	389,005	360,995	750,000	-	750,000
Purchase of Treasury shares for employees share plan	-	(83,190)	-	-	-	(83,190)	-	(83,190)
Tier 1 sukuk issued	-	-	-	-	-	-	1,000,000	1,000,000
Tier 1 sukuk issuance cost	-	-	-	-	(1,919)	(1,919)	-	(1,919)
Employee share-based plan reserve	-	-	-	1,716	-	1,716	-	1,716
<b>Balance at 31 March 2025 (unaudited)</b>	<b>10,250,000</b>	<b>(83,190)</b>	<b>1,707,276</b>	<b>(702,745)</b>	<b>2,821,963</b>	<b>13,993,304</b>	<b>4,875,000</b>	<b>18,868,304</b>
<b>Balance at 1 January 2024 (audited)</b>	8,200,000	-	3,449,537	(844,399)	1,735,356	12,540,494	3,875,000	16,415,494
Net income for the period	-	-	-	-	300,441	300,441	-	300,441
Other comprehensive loss	-	-	-	(278,452)	-	(278,452)	-	(278,452)
Total comprehensive income for the period	-	-	-	(278,452)	300,441	21,989	-	21,989
<b>Balance at 31 March 2024 (unaudited)</b>	<b>8,200,000</b>	<b>-</b>	<b>3,449,537</b>	<b>(1,122,851)</b>	<b>2,035,797</b>	<b>12,562,483</b>	<b>3,875,000</b>	<b>16,437,483</b>



Engr. Abdulmajeed Al-Sultan  
Chairman



Naif Al Abdulkareem  
CEO and Managing Director



Hani Noori  
Chief Financial Officer

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

# Bank AlJazira

(A Saudi Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

	<u>Notes</u>	For the three month period ended	
		31 March 2025	31 March 2024
		<u>SAR'000</u>	<u>SAR'000</u>
Net income for the period before zakat and income tax		411,937	347,263
<b>OPERATING ACTIVITIES</b>			
Adjustments to reconcile net income to net cash (used in) / generated from operating activities:			
Net loss / (gain) on FVIS financial instruments		3,499	(15,637)
Loss on investments held at amortised cost and FVOCI, net		15	433
Dividend income		(39,194)	(33,619)
Return on subordinated sukuk		35,144	39,420
Depreciation and amortization		41,833	46,658
Impairment charge for financing and other financial assets, net	6 (b)	102,953	55,378
Provision for end of service benefit obligations		11,469	12,358
Share in net income of an associate		(1,347)	(6,186)
Gain on disposal of property and equipment		(322)	-
		<u>565,987</u>	<u>446,068</u>
<b>Net changes in operating assets:</b>			
Statutory deposit with SAMA		147,363	103,853
Due from banks and other financial institutions maturing after ninety days from the date of acquisition		(1,250,921)	(1,372,490)
Investments held at FVIS		167,927	(64,777)
Positive fair value of Shari'ah compliant derivatives		30,557	34,879
Financing		(3,755,709)	(3,378,712)
Other real estate		1,402	10,480
Other assets		(154,393)	(163,403)
<b>Net changes in operating liabilities:</b>			
Due to banks, SAMA and other financial institutions		936,535	3,009,916
Customers' deposits		1,457,814	3,213,336
Negative fair value of Shari'ah compliant derivatives		18,127	23,487
Other liabilities		19,870	(30,990)
		<u>(1,815,441)</u>	<u>1,831,647</u>
End of service benefits paid		(5,615)	(9,697)
Zakat and income tax paid		-	(2,405)
<b>Net cash (used in) / generated from operating activities</b>		<u>(1,821,056)</u>	<u>1,819,545</u>
<b>INVESTING ACTIVITIES</b>			
Proceeds from sales and maturities of investments held at amortised cost and FVOCI		150,727	1,004,163
Purchase of investments held at amortised cost and FVOCI		(423,068)	(785,139)
Dividend received		39,194	33,619
Acquisition of property and equipment		(63,827)	(113,970)
Proceed from disposal of property and equipment		397	-
<b>Net cash (used in) / generated from investing activities</b>		<u>(296,577)</u>	<u>138,673</u>

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

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# Bank AlJazira

(A Saudi Joint Stock Company)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (continued)

		For the three month period ended	
	Notes	31 March 2025 <u>SAR'000</u>	31 March 2024 <u>SAR'000</u>
<b>FINANCING ACTIVITIES</b>			
Proceeds from issue of Tier 1 Sukuk	13	1,000,000	-
Purchase of treasury shares	11(c)	(83,190)	-
Payment of sukuk related transaction costs		(1,919)	(1,669)
Dividends paid		(266)	(84)
Payment for principal portion of lease liabilities		(11,679)	(26,109)
<b>Net cash generated from / (used in) financing activities</b>		<u>902,946</u>	<u>(27,862)</u>
Net change in cash and cash equivalents held		(1,214,687)	1,930,356
Cash and cash equivalents at the beginning of the period		<u>2,324,385</u>	<u>2,722,860</u>
<b>Cash and cash equivalents at the end of the period</b>	15	<u>1,109,698</u>	<u>4,653,216</u>
Income from investments and financing received during the period		<u>2,218,269</u>	<u>1,821,899</u>
Return on deposits and financial liabilities paid during the period		<u>1,185,142</u>	<u>1,046,679</u>
<b><u>Supplemental non-cash information</u></b>			
Right of use assets and Lease liabilities		<u>33,650</u>	<u>18,796</u>
Net changes in fair value of cash flow hedges and transfers to the interim condensed consolidated statement of income		<u>(32,372)</u>	<u>50,320</u>

Engr. Abdulmajeed Al-Sultan  
Chairman

Naif Al Abdulkareem  
CEO and Managing Director

Hani Noori  
Chief Financial Officer

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# Bank AlJazira

(A Saudi Joint Stock Company)

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

### 1. GENERAL

This interim condensed consolidated financial information includes the financial information of Bank AlJazira (the “Bank”) and its subsidiaries (collectively referred to as the “Group”). Bank AlJazira is a Saudi Joint Stock Company incorporated in the Kingdom of Saudi Arabia and formed pursuant to Royal Decree number 46/M dated 12 Jumad Al-Thani 1395H (21 June 1975). The Bank commenced its business on 16 Shawwal 1396H (9 October 1976) with the takeover of The National Bank of Pakistan’s branches in the Kingdom of Saudi Arabia under commercial registration number 4030010523 dated 29 Rajab 1396H (27 July 1976) issued in Jeddah. The Bank is regulated by the Saudi Central Bank (SAMA). The Bank operates through its 73 branches (31 December 2024: 73 branches and 31 March 2024: 75 branches) and 32 Fawri Remittance Centers (31 December 2024: 38 and 31 March 2024: 51 Fawri Remittance Centers) in the Kingdom of Saudi Arabia. The Bank’s Head Office is located at the following address:

Bank AlJazira  
7724 King Abdulaziz Road - Al-Shatea District  
Jeddah 23513 - 3551  
P.O. Box 6277, Jeddah 21442  
Kingdom of Saudi Arabia

The objective of the Bank is to provide a full range of Shari’ah compliant (non-interest based) banking products and services comprising of Murabaha, Istisna’a, Ijarah, Tawaraq, Musharaka, Wa’ad Fx and Sukuk which are approved and supervised by an independent Shari’ah Board established by the Bank. The Bank’s shares are listed on Saudi Exchange in the Kingdom of Saudi Arabia.

The details of the Bank’s subsidiaries are as follows:

	Country of incorporation	Nature of business	Ownership (direct and indirect) 31 March 2025	Ownership (direct and indirect) 31 December 2024	Ownership (direct and indirect) 31 March 2024
<b>Subsidiaries</b>					
AlJazira Capital Company	Kingdom of Saudi Arabia	Brokerage, margin financing and asset management	100%	100%	100%
Aman Development and Real Estate Investment Company	Kingdom of Saudi Arabia	Holding and managing real estate collaterals on behalf of the Bank	100%	100%	100%
Aman Insurance Agency Company (under liquidation – note (a) below)	Kingdom of Saudi Arabia	Acting as an agent for bancassurance activities on behalf of the Bank	100%	100%	100%
AlJazira Securities Limited	Cayman Islands	Carryout Shari’ah compliant derivative and capital market transactions	100%	100%	100%
BAJ Sukuk Tier 1 Limited	Cayman Islands	Trustee for issuance of Tier 1 capital certificates	100%	100%	100%

# Bank AlJazira

(A Saudi Joint Stock Company)

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 1. GENERAL (continued)

- a) During financial year 2021, Aman Insurance Agency Company (the Company) applied for its license renewal from Saudi Central Bank ("SAMA"), however, it was not renewed, as SAMA had issued rules governing bancassurance activities during May 2020 which require the banks to carry out Bancassurance business directly. This, as a result, restricted the ability of the Company to carry out business activities and therefore, management of the Company decided to initiate the winding up procedures which are in process as at 31 March 2025.
- b) The Group invests in structured entities with the objective to resell the investment in a short period after the establishment. Structured entities are consolidated when the relationship between the Group and the structured entity indicates that the Group has power over the relevant activities of the structured entity, is exposed to variable returns, and can use that power to affect the variable return exposure. In other cases, the Group may sponsor or have exposure to such an entity but not consolidate the entities.

As at 31 March 2025, the Group has a substantial ownership in these entities amounting to SAR 811.62 million (31 December 2024: SAR 1,072.68 million and 31 March 2024: SAR 1,156.47 million). For all these investments, the Group analyses whether and to what extent it controls the investee and any underlying entities. A material structured entity is consolidated into the Group's financial statements where the Group controls the structured entity, as per the determination above criteria. As at 31 March 2025, Group's investments in material structured entities do not meet the above criteria of control. Accordingly, such investments are recorded as fair value through statement of income (FVIS) into this interim condensed consolidated financial information.

The details of the Bank's associate are as follows:

Associate	Country of incorporation	Nature of business	Ownership (direct and indirect) 31 March 2025	Ownership (direct and indirect) 31 December 2024	Ownership (direct and indirect) 31 March 2024
AlJazira Takaful Ta'awuni Company	Kingdom of Saudi Arabia	Fully Shari'ah compliant protection and saving products	33.08%*	33.08%*	26.03%

\*This includes the Bank's standalone shareholding of 29.36% (31 March 2024: 22.31%) and AJC's shareholding of 3.72% (31 March 2024: 3.72%)

### 2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group as at and for the period ended 31 March 2025, 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").

# Bank AlJazira

(A Saudi Joint Stock Company)

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

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### 2. BASIS OF PREPARATION (continued)

This interim condensed consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024. The consolidated financial statements of the Group as at and for the year ended 31 December 2024, were prepared in accordance with the IFRS Accounting Standards ("IFRS") as issued by International Accounting Standards Board and endorsed in the Kingdom of Saudi Arabia and in compliance with other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

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 consolidated financial statements as at and for the year ended 31 December 2024, except for new policies adopted as disclosed in note 4(a) and amendments that are applicable from the period beginning 1 January 2025 as disclosed in note 4(b).

This interim condensed consolidated financial information is expressed in Saudi Arabian Riyals (SAR) and is rounded off to the nearest thousands except where otherwise stated and the functional currency of the Bank is Saudi Riyal.

### 3. BASIS OF CONSOLIDATION

This interim condensed consolidated financial information comprises the interim condensed financial information of Bank AlJazira and its subsidiaries as set out in Note 1. The financial information of the subsidiaries is prepared for the same reporting period as that of the Bank.

The interim condensed consolidated financial information has been prepared using uniform accounting policies and valuation methods for like transactions and other events in similar circumstances. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

#### a) Subsidiaries

Subsidiaries are entities which are controlled by the Bank. The Bank controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. To meet the definition of control, all of the following three criteria must be met:

- i. the Group has power over an entity;
- ii. the Group has exposure, or rights, to variable returns from its involvement with the entity; and
- iii. the Group has the ability to use its power over the entity to affect the amount of the entity's returns.



# Bank AlJazira

(A Saudi Joint Stock Company)

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

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### 3. BASIS OF CONSOLIDATION (continued)

The Group re-assesses whether or not it controls an investee in case facts and circumstances indicate that there are changes to one or more of the criteria of control.

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

#### b) Non-controlling interests

Non-controlling interests represent the portion of net income and net assets of subsidiaries not owned, directly or indirectly, by the Group in its subsidiaries and are presented separately in the interim condensed consolidated statement of income and within equity in the interim condensed consolidated statement of financial position, separately from the Bank's equity. Any losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### c) Transactions eliminated on consolidation

Balances between the Group entities, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the interim condensed consolidated financial information. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

#### d) Investment in an associate

Associates are entities over which the Group exercises significant influence. Investments in associates are initially recognized at cost and subsequently accounted for under the equity method of accounting and are carried in the interim condensed consolidated statement of financial position at the lower of the equity-accounted value or the recoverable amount.

Equity-accounted value represents the cost-plus post-acquisition changes in the Group's share of net assets of the associate (share of the results, reserves and accumulated gains/ (losses) based on the latest available financial information) less impairment, if any.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on its investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in 'share in net income / (loss) of an associate' in the interim condensed consolidated statement of income.

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

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### 3. BASIS OF CONSOLIDATION (continued)

#### d) Investment in an associate (continued)

The previously recognized impairment loss in respect of investment in associate can be reversed through the interim condensed consolidated statement of income, such that the carrying amount of the investment in the interim condensed consolidated statement of financial position remains at the lower of the equity-accounted (before allowance for impairment) or the recoverable amount.

Unrealized gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

### 4. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS

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

#### a) New accounting policies adopted by the Group:

##### Treasury shares

These are recorded at cost and presented as a deduction from the equity as adjusted for any transaction cost, dividends and gains or losses on sale of such shares. Subsequent to their acquisition, these are carried at the amount equal to consideration paid.

These stocks are acquired by the Bank with the approval of SAMA, primarily for discharging its obligation under its employee share-based payment plan.

##### Share based payments

The Bank offers its eligible employees an equity-settled share-based payment plan as approved by Saudi Central Bank. As per the plan, eligible employees of the Bank are offered stocks to be withheld out of their annual bonus payments.

The cost of the plan is measured by reference to the fair value at the date on which the stocks are granted. The cost of the plan is recognized over the period in which the service condition is fulfilled, ending on the date on which the relevant employees become fully entitled to the stocks ('the vesting date'). The cumulative expense recognized for the plan at each reporting date until the vesting date, reflects the extent to which the vesting period has expired and the Bank's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the condensed interim consolidated statement of income for the period represents the movement in cumulative expense recognized as at the beginning and end of that period.

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 4. MATERIAL ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS (continued)

#### b) New standards, interpretations and amendments adopted by the Group

Following standard, interpretation or amendment are effective from the current period and are adopted by the Group, however, these does not have any significant impact on the interim condensed consolidated financial information of the Group, unless otherwise stated below:

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

#### c) Accounting standards issued but not yet effective

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments and revisions which are not yet effective. The Group has opted not to early adopt these pronouncements and they do not have a significant impact on the interim condensed consolidated financial statements of the Group.

Standard, interpretation, amendments	Description	Effective date
<b>Accounting &amp; Financial reporting standards</b>		
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.  The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026.
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item.	1 January 2027



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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

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### 4. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND ASSUMPTIONS (continued)

#### c) Accounting standards issued but not yet effective (continued)

Standard, interpretation, amendments	Description	Effective date
IFRS 18, Presentation and Disclosure in Financial Statements (continued)	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.	
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
<b>Other Standards</b>		
IFRS S1, 'General requirements for disclosure of sustainability-related financial information	This standard includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain.	Not yet endorsed by SOCPA
IFRS S2, 'Climate- related disclosures'	This is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities.	Not yet endorsed by SOCPA

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 5. INVESTMENTS, NET

5.1 Investments are classified as follows:

	31 March 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	31 March 2024 (Unaudited) SAR'000
Held at FVIS	1,623,192	1,794,618	1,564,542
Held at FVOCI			
	13,816,340	13,317,085	12,364,899
Allowance for impairment	(2,417)	(1,847)	(1,838)
Held at FVOCI, net	13,813,923	13,315,238	12,363,061
Held at Amortised Cost	21,282,575	21,093,972	20,055,744
Allowance for impairment	(8,881)	(10,105)	(10,927)
Held at Amortized Cost, net	21,273,694	21,083,867	20,044,817
Total	36,710,809	36,193,723	33,972,420

5.2 The details of the Group's investments by type are summarized as follows:

	31 March 2025 (Unaudited) SAR'000		
	Domestic	International	Total
<b>i) FVIS</b>			
Mutual funds	253,834	1,312,564	1,566,398
Equities – quoted	25,337	-	25,337
Equities – unquoted	-	22,589	22,589
Convertible debt instrument	-	8,868	8,868
	279,171	1,344,021	1,623,192
<b>ii) FVOCI</b>			
Equities – unquoted	529,846	1,456	531,302
Fixed rate Sukuk – equities	2,269,237	209,119	2,478,356
Floating rate Sukuk – equities	700,000	-	700,000
Fixed rate Sukuks	9,821,802	-	9,821,802
Floating rate Sukuks	284,880	-	284,880
	13,605,765	210,575	13,816,340
Allowance for impairment	(2,417)	-	(2,417)
	13,603,348	210,575	13,813,923
<b>iii) Amortised cost</b>			
Fixed rate Sukuks	16,351,595	377,288	16,728,883
Floating rate Sukuks	3,442,913	-	3,442,913
Wakala floating rate notes	1,110,779	-	1,110,779
	20,905,287	377,288	21,282,575
Allowance for impairment	(8,514)	(367)	(8,881)
	20,896,773	376,921	21,273,694
Total	34,779,292	1,931,517	36,710,809

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 5. INVESTMENTS, NET (continued)

	31 December 2024 (Audited)		
	SAR'000		Total
	Domestic	International	
<b>i) FVIS</b>			
Mutual funds	166,845	1,581,302	1,748,147
Equities – quoted	17,264	-	17,264
Equities – unquoted	-	22,589	22,589
Convertible debt instrument	-	6,618	6,618
	184,109	1,610,509	1,794,618
<b>ii) FVOCI</b>			
Equities – unquoted	529,845	1,429	531,274
Fixed rate Sukuk – equities	2,093,206	206,172	2,299,378
Floating rate Sukuk – equities	700,000	-	700,000
Fixed rate Sukuks	9,496,067	-	9,496,067
Floating rate Sukuks	290,366	-	290,366
	13,109,484	207,601	13,317,085
Allowance for impairment	(1,847)	-	(1,847)
	13,107,637	207,601	13,315,238
<b>iii) Amortised cost</b>			
Fixed rate Sukuks	16,187,728	382,707	16,570,435
Floating rate Sukuks	3,412,116	-	3,412,116
Wakala floating rate notes	1,111,421	-	1,111,421
	20,711,265	382,707	21,093,972
Allowance for impairment	(9,733)	(372)	(10,105)
	20,701,532	382,335	21,083,867
	33,993,278	2,200,445	36,193,723
<b>Total</b>			

	31 March 2024 (Unaudited)		
	SAR'000		Total
	Domestic	International	
<b>i) FVIS</b>			
Mutual funds	134,880	1,383,937	1,518,817
Equities – quoted	25,238	-	25,238
Equities – unquoted	-	20,487	20,487
	160,118	1,404,424	1,564,542
<b>ii) FVOCI</b>			
Equities – unquoted	4,143	1,099	5,242
Fixed rate Sukuk – equities	2,002,740	200,175	2,202,915
Floating rate Sukuk - equities	500,000	-	500,000
Fixed rate Sukuks	9,371,639	-	9,371,639
Floating rate Sukuks	285,103	-	285,103
	12,163,625	201,274	12,364,899
Allowance for impairment	(1,838)	-	(1,838)
	12,161,787	201,274	12,363,061
<b>iii) Amortised cost</b>			
Fixed rate Sukuks	14,877,569	377,288	15,254,857
Floating rate Sukuks	1,278,408	-	1,278,408
Wakala floating rate notes	3,522,479	-	3,522,479
	19,678,456	377,288	20,055,744
Allowance for impairment	(10,584)	(343)	(10,927)
	19,667,872	376,945	20,044,817
<b>Total</b>			
	31,989,777	1,982,643	33,972,420



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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 6. FINANCING, NET

The financing is classified as at amortized cost as follows:

	SAR'000				
	<u>Credit cards</u>	<u>Consumer</u>	<u>Commercial</u>	<u>Others</u>	<u>Total</u>
<b>31 March 2025 (Unaudited)</b>					
Performing financing	739,088	35,463,271	65,002,492	310,464	101,515,315
Non-performing financing	40,499	231,502	1,201,739	10,440	1,484,180
<b>Gross financing</b>	<b>779,587</b>	<b>35,694,773</b>	<b>66,204,231</b>	<b>320,904</b>	<b>102,999,495</b>
Allowance for impairment	(60,907)	(236,708)	(2,125,338)	(5,218)	(2,428,171)
<b>Financing, net</b>	<b>718,680</b>	<b>35,458,065</b>	<b>64,078,893</b>	<b>315,686</b>	<b>100,571,324</b>

	SAR'000				
	<u>Credit cards</u>	<u>Consumer</u>	<u>Commercial</u>	<u>Others</u>	<u>Total</u>
<b>31 December 2024 (Audited)</b>					
Performing financing	787,212	34,211,203	62,952,157	288,854	98,239,426
Non-performing financing	50,724	231,581	910,885	8,887	1,202,077
<b>Gross financing</b>	<b>837,936</b>	<b>34,442,784</b>	<b>63,863,042</b>	<b>297,741</b>	<b>99,441,503</b>
Allowance for impairment	(71,896)	(239,431)	(2,213,105)	(4,575)	(2,529,007)
<b>Financing, net</b>	<b>766,040</b>	<b>34,203,353</b>	<b>61,649,937</b>	<b>293,166</b>	<b>96,912,496</b>

	SAR'000				
	<u>Credit cards</u>	<u>Consumer</u>	<u>Commercial</u>	<u>Others</u>	<u>Total</u>
<b>31 March 2024 (Unaudited)</b>					
Performing financing	756,520	29,920,133	54,076,595	296,273	85,049,521
Non-performing financing	54,591	297,892	993,410	11,842	1,357,735
<b>Gross financing</b>	<b>811,111</b>	<b>30,218,025</b>	<b>55,070,005</b>	<b>308,115</b>	<b>86,407,256</b>
Allowance for impairment	(74,559)	(225,345)	(1,985,327)	(5,768)	(2,290,999)
<b>Financing, net</b>	<b>736,552</b>	<b>29,992,680</b>	<b>53,084,678</b>	<b>302,347</b>	<b>84,116,257</b>

Financing, net represents Shari'ah compliant products in respect of Murabaha agreements, Ijarah, Istisnaat, Musharaka and Tawarruq.

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 6. FINANCING, NET (continued)

a) Movement in allowance for impairment is as follows:

	<b>31 March 2025 (Unaudited) SAR'000</b>	<b>31 December 2024 (Audited) SAR'000</b>	<b>31 March 2024 (Unaudited) SAR'000</b>
Balance at the beginning of the period / year	<b>2,529,007</b>	2,792,532	2,792,532
Impairment charge for financing	<b>140,680</b>	526,381	88,103
Bad debts written off	<b>(213,081)</b>	(585,505)	(559,252)
(Reversal) / (recoveries) of amounts previously provided	<b>(28,435)</b>	(204,401)	(30,384)
Balance at the end of the period / year	<b><u>2,428,171</u></b>	<u>2,529,007</u>	<u>2,290,999</u>

b) Net impairment charge for financing and other financial assets for the period in the interim condensed consolidated statement of income comprised of:

	<b>31 March 2025 (Unaudited) SAR'000</b>	<b>31 March 2024 (Unaudited) SAR'000</b>
Impairment charge for financing	<b>140,680</b>	88,103
(Reversal) / (recoveries) of amounts previously provided	<b>(28,435)</b>	(30,384)
(Recoveries) from debts previously written off	<b>(15,364)</b>	(14,364)
Net impairment charge / (reversal) for ECL in respect of due from banks and other financial institutions	<b>122</b>	(21)
Net (reversal) / impairment charge for ECL in respect of investments	<b>(654)</b>	1,071
Net impairment charge for ECL in respect of non-funded financing and credit related commitments	<b>6,604</b>	10,973
Impairment charge for financing and other financial assets, net	<b><u>102,953</u></b>	<u>55,378</u>

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 6. FINANCING, NET (continued)

- c) The following table explains changes in gross carrying amount of the financing to help explain their significance to the changes in the loss allowance.

	31 March 2025 (Unaudited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
<b>Gross carrying amount as at 1 January 2025</b>	<b>93,437,785</b>	<b>2,571,824</b>	<b>3,431,894</b>	<b>99,441,503</b>
Transfer to 12-month ECL	113,830	(107,877)	(5,953)	-
Transfer to lifetime ECL not credit – Impaired	(221,507)	224,963	(3,456)	-
Transfer to lifetime ECL credit impaired	(40,691)	(107,852)	148,543	-
New financial assets originated	8,490,728	10,982	25	8,501,735
Financial assets that have been derecognized	(2,326,497)	(82,561)	(92,560)	(2,501,618)
Changes in financing income accrual	(81,985)	-	-	(81,985)
Other movements	(1,999,643)	(30,090)	(117,326)	(2,147,059)
Write-offs	-	-	(213,081)	(213,081)
<b>Gross carrying amount as at 31 March 2025</b>	<b>97,372,020</b>	<b>2,479,389</b>	<b>3,148,086</b>	<b>102,999,495</b>
	31 December 2024 (Audited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
Gross carrying amount as at 1 January 2024	76,337,327	3,332,655	3,903,451	83,573,433
Transfer to 12-month ECL	889,925	(796,507)	(93,418)	-
Transfer to lifetime ECL not credit – Impaired	(779,324)	834,861	(55,537)	-
Transfer to lifetime ECL credit impaired	(46,661)	(673,580)	720,241	-
New financial assets originated	22,900,247	187,320	16,506	23,104,073
Financial assets that have been derecognized	(8,412,339)	(167,211)	(388,475)	(8,968,025)
Changes in financing income accrual	234,669	-	-	234,669
Other movements	2,313,941	(145,714)	(85,369)	2,082,858
Write-offs	-	-	(585,505)	(585,505)
Gross carrying amount as at 31 December 2024	93,437,785	2,571,824	3,431,894	99,441,503

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 6. FINANCING, NET (continued)

	31 March 2024 (Unaudited)			Total
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	
	(SAR'000)			
Gross carrying amount as at 1 January 2024	76,337,327	3,332,655	3,903,451	83,573,433
Transfer to 12-month ECL	385,687	(370,145)	(15,542)	-
Transfer to lifetime ECL not credit – Impaired	(185,012)	188,173	(3,161)	-
Transfer to lifetime ECL credit impaired	(22,635)	(22,120)	44,755	-
New financial assets originated	4,342,672	25,098	1,698	4,369,468
Financial assets that have been derecognized	(2,662,401)	(39,013)	(24,158)	(2,725,572)
Changes in financing income accrual	16,061	-	-	16,061
Other movements	1,897,317	(109,778)	(54,421)	1,733,118
Write-offs	-	-	(559,252)	(559,252)
Gross carrying amount as at 31 March 2024	<u>80,109,016</u>	<u>3,004,870</u>	<u>3,293,370</u>	<u>86,407,256</u>

Other movements mainly represent changes in exposures for customers where there has been no change in the stage during the period.

d) An analysis of changes in ECL for financing is, as follows:

	31 March 2025 (Unaudited)			Total
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	
	(SAR'000)			
ECL as at 1 January 2025	317,382	282,012	1,929,613	2,529,007
Transfer to 12-month ECL	3,787	(1,138)	(2,649)	-
Transfer to lifetime ECL not credit – impaired	(910)	1,335	(425)	-
Transfer to lifetime ECL credit impaired	(189)	(5,861)	6,050	-
Net re-measurement of loss allowance	(7,727)	7,625	96,766	96,664
New financial assets originated	40,308	124	15	40,447
Financial assets that have been derecognized	(7,994)	(871)	(16,001)	(24,866)
Write-offs	-	-	(213,081)	(213,081)
ECL as at 31 March 2025	<u>344,657</u>	<u>283,226</u>	<u>1,800,288</u>	<u>2,428,171</u>



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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 6. FINANCING, NET (continued)

	31 December 2024 (Audited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
ECL as at 1 January 2024	256,078	250,907	2,285,547	2,792,532
Transfer to 12-month ECL	56,291	(41,764)	(14,527)	-
Transfer to lifetime ECL not credit – impaired	(2,119)	8,446	(6,327)	-
Transfer to lifetime ECL credit impaired	(372)	(33,317)	33,689	-
Net re-measurement of loss allowance	(57,563)	99,797	283,921	326,155
New financial assets originated	93,837	2,012	7,982	103,831
Financial assets that have been derecognized	(28,770)	(4,069)	(75,167)	(108,006)
Write-offs	-	-	(585,505)	(585,505)
ECL as at 31 December 2024	<u>317,382</u>	<u>282,012</u>	<u>1,929,613</u>	<u>2,529,007</u>
	31 March 2024 (Unaudited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
ECL as at 1 January 2024	256,078	250,907	2,285,547	2,792,532
Transfer to 12-month ECL	11,259	(4,551)	(6,708)	-
Transfer to lifetime ECL not credit – impaired	(762)	2,162	(1,400)	-
Transfer to lifetime ECL credit impaired	(117)	(416)	533	-
Net re-measurement of loss allowance	(36,851)	44,079	35,426	42,654
New financial assets originated	26,471	335	852	27,658
Financial assets that have been derecognized	(6,358)	(305)	(5,930)	(12,593)
Write-offs	-	-	(559,252)	(559,252)
ECL as at 31 March 2024	<u>249,720</u>	<u>292,211</u>	<u>1,749,068</u>	<u>2,290,999</u>

# Bank AlJazira

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 7. INVESTMENT IN AN ASSOCIATE

Investment in an associate represents the investment made by the Group in AlJazira Takaful Ta'awuni Company ("ATT"). The Group effectively holds 33.08% (31 December 2024: 33.08% and 31 March 2024: 26.03%) shareholding in ATT.

The share of total comprehensive income in an associate represents the Group's share in the total comprehensive income of ATT and was based on the latest available financial information of ATT for the period ended 31 December 2024. ATT is listed with Saudi Stock Exchange (Tadawul) and the market value of the investment in ATT as of 31 March 2025 was SAR 329.21 million (31 December 2024: SAR 359.34 million and 31 March 2024: SAR 318.82 million) based on Saudi Stock Exchange (Tadawul) market price.

### 8. CUSTOMERS' DEPOSITS

	<b>31 March 2025 (Unaudited) SAR'000</b>	<b>31 December 2024 (Audited) SAR'000</b>	<b>31 March 2024 (Unaudited) SAR'000</b>
Demand	<b>34,462,078</b>	34,564,643	36,264,221
Saving and call deposits	<b>11,085,411</b>	11,114,104	2,355,269
Customers' time investments	<b>61,089,853</b>	60,193,863	56,129,369
Other	<b>3,006,986</b>	2,313,904	2,518,878
Total	<b>109,644,328</b>	108,186,514	97,267,737

Customers' time investments comprise deposits received on Shari'ah Compliant (non-commission based) Murabaha and Wakala products.

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

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### 9. SHARIAH COMPLIANT DERIVATIVES

#### 9.1 Nature/type of derivatives held

In the ordinary course of business, the Group utilizes the following Shari'ah compliant derivative financial instruments for both trading and strategic hedging purposes:

##### a) Swaps

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

##### b) Options (Wa'ad Fx)

Foreign exchange options are transactions, whereby a client, in consideration for the payment of a fee agrees to enter into one or a series of trades in which one party (promisor) gives a commitment as a unilateral undertaking, to a second party (promisee).

An option can be a unilateral promise or combination of promises. The Group enters into the option depending on the client's risk profile, whereby the client may promise to buy, sell or buy and sell a currency with or without conditions for hedging its exposure.

#### 9.2 Purpose of derivatives

##### a) Held for trading purposes

Most of the Group's derivative trading activities relate to sales, positioning and arbitrage. Sales activities involve offering products to customers in order, to enable them to transfer, modify or reduce current and future risks. Positioning involves managing market risk positions with the expectation of profiting from favourable movements in prices, rates or indices. Arbitrage involves identifying, with the expectation of profiting from, price differentials between markets or products.

##### b) Held for hedging purposes

The Group uses Shari'ah compliant derivatives for hedging purposes in order to reduce its exposure to profit rate risk and foreign exchange risk.

The Group has adopted a comprehensive system for the measurement and management of risk. Part of the risk management process involves managing the Group's exposure to fluctuations in foreign exchange and profit rates to reduce its exposure to currency and profit rate risks to acceptable levels as determined by the Board of Directors within the guidelines issued by Saudi Central Bank.

As part of its financial asset and liability management, the Group uses Shari'ah compliant derivatives for hedging purposes in order to adjust its own exposure to currency and profit rate risk. This is generally achieved by hedging specific transactions.

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 9. SHARIAH COMPLIANT DERIVATIVES (continued)

#### 9.2 Purpose of derivatives (continued)

##### b) Held for hedging purposes (continued)

###### Cash flow hedges

The Group is exposed to variability in future cash flows on non-trading assets and liabilities which bear profit at a variable rate. The Group uses profit rate swaps as cash flow hedges of these profit rate risks.

The gains /(losses) on cash flow hedges reclassified to the interim condensed consolidated statement of income during the period are as follows:

	<b>31 March 2025 (Unaudited) SAR'000</b>	<b>31 March 2024 (Unaudited) SAR'000</b>
Income from investments and financing	<b>12,695</b>	1,511
Return on deposits and financial liabilities	<b>(5,816)</b>	(3,953)
Net gains / (losses) on cash flow hedges reclassified to the interim condensed consolidated statement of income	<b>6,879</b>	(2,442)

The cash flow hedges of profit rate swap were highly effective in offsetting the variability of return on investments, deposits and other financial liabilities.

Fair value loss on cash flow hedges amounting to SAR 25.49 million (31 March 2024: gain of SAR 47.88 million) included in the interim condensed consolidated statement of comprehensive income comprised of net unrealized loss of SAR 50.70 million (31 March 2024: net unrealized loss of SAR 49.95 million) and net realized gain of SAR 25.21 million (31 March 2024: net realized gain of SAR 97.82 million) on terminated hedge relationships.

During the current and prior periods, the Group sold certain of its profit rate swaps used for cash flows hedges. However, the gain / (loss) would continue to be classified in interim condensed consolidated statement of comprehensive income as the related hedge items are still outstanding. In accordance with the IFRS requirements, the gain / (loss) will be reclassified to interim condensed consolidated statement of income in the period when the cash flows pertaining to hedged items will affect the interim condensed consolidated statement of income i.e. when profit receipts / payments impact the interim condensed consolidated statement of income which is over the remaining maturity of financial instrument / hedge items.

#### 9.3 Details of shar'iah compliant derivatives

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

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### 9. SHARIAH COMPLIANT DERIVATIVES (continued)

31 March 2025 (Unaudited) SAR'000			
	Positive fair value	Negative fair value	Notional amount
<b>Held for trading:</b>			
Options	14,651	14,651	1,188,833
Profit rate swaps	67,908	59,213	5,650,086
Cross currency profit rate swaps	18,927	24,344	1,875,000
Currency swaps	337	1,174	3,900,000
Currency forwards (Wa'ad)	2	2	6,006
<b>Total</b>	<b>101,825</b>	<b>99,384</b>	<b>12,619,925</b>
<b>Held as cash flow hedge:</b>			
Profit rate swaps	19,355	83,742	3,875,000
<b>Total</b>	<b>121,180</b>	<b>183,126</b>	<b>16,494,925</b>
31 December 2024 (Audited) SAR'000			
	Positive fair value	Negative fair value	Notional amount
<b>Held for trading:</b>			
Options	19,636	19,636	1,188,832
Profit rate swaps	73,630	65,104	5,650,087
Cross currency profit rate swaps	411	2,020	1,875,000
Currency swaps	1,175	3,516	3,168,750
Currency forwards (Wa'ad)	199	149	82,529
<b>Total</b>	<b>95,051</b>	<b>90,425</b>	<b>11,965,198</b>
<b>Held as cash flow hedge:</b>			
Profit rate swaps	56,686	74,574	5,137,500
<b>Total</b>	<b>151,737</b>	<b>164,999</b>	<b>17,102,698</b>
31 March 2024 (Unaudited) SAR'000			
	Positive fair value	Negative fair value	Notional amount
<b>Held for trading:</b>			
Options	34,471	34,471	1,174,611
Profit rate swaps	73,422	71,051	5,106,871
Cross currency profit rate swaps	18,927	31,818	1,875,000
Currency swaps	1,552	1,388	3,399,434
Currency forwards (Wa'ad)	39	58	278,339
<b>Total</b>	<b>128,411</b>	<b>138,786</b>	<b>11,834,255</b>
<b>Held as cash flow hedge:</b>			
Profit rate swaps	59,218	31,762	3,300,000
<b>Total</b>	<b>187,629</b>	<b>170,548</b>	<b>15,134,255</b>

Held for trading profit rate swaps (positive fair value / negative fair value) include accrued receivable amounting to SAR 35.86 million (31 December 2024: SAR 8.40 million and 31 March 2024: SAR 31.15 million) and accrued payable amounting to SAR 37.89 million (31 December 2024: SAR 8.40 million and 31 March 2024: SAR 33.14 million). Held as cash flow hedge profit rate swaps (positive fair value / negative fair value) include accrued receivable amounting to SAR 19.06 million (31 December 2024: SAR 35.26 million and 31 March 2024: SAR 25.59 million) and accrued payable amounting to SAR 16.19 million (31 December 2024: SAR 36.59 million and 31 March 2024: SAR 20.86 million).

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 10. SUBORDINATED SUKUK

On 8 December 2021, the Bank issued 2,000 Subordinated Sukuk Certificates (Sukuk) of SAR 1 million each, with a profit distribution rate based on 6 month Saudi Inter-Bank Offered Rate (SIBOR), reset semi-annually in advance, plus a margin of 155 basis point per annum and payable semi-annually in arrears on 8 December and 8 June each year until 8 December 2031, on which date the Sukuk will expire. The Bank has a call option which can be exercised on or after 8 December 2026 on meeting certain conditions and as per the terms mentioned in the related offering circular. The Sukuk may also be called upon occurrence of certain other conditions as per the terms specified in the offering circular. These Sukuk are registered with Saudi Exchange (Tadawul).

### 11. SHARE CAPITAL AND EARNINGS PER SHARE

#### a) Share Capital:

The authorized, issued and fully paid share capital of the Bank consists of 1,025 million shares of SAR 10 each (31 December 2024: 1,025 million shares of SAR 10 each and 31 March 2024: 820 million shares of SAR 10 each). The Board of Directors had proposed a bonus issue of 1 bonus shares for every 4 shares held by the shareholders which has been approved in the shareholders' Extra Ordinary General Assembly Meeting held on April 28, 2025 subsequent to the date of the condensed interim consolidated financial information. Consequently, the Bank's updated paid-up share capital will be 1,281.25 million shares of SAR 10 each. This changes will be incorporated into the Group's condensed interim consolidated financial information in the subsequent quarter.

#### b) Earnings per share

Basic earnings per share for the current and prior period is calculated by dividing the net income for the period attributable to common equity holders of the Bank (adjusted for Tier 1 sukuk related costs) by the weighted average number of ordinary shares outstanding.

The weighted average number of shares have been retrospectively adjusted to reflect the impact of the bonus share issuance approved after the reporting period.

Additionally, in the comparative period, the Board of Directors proposed a bonus issue of one share for every four shares held, which was approved by the shareholders in the Extraordinary General Assembly held on April 24, 2024. As this approval occurred before the financial statements were authorised for issue, the impact of the bonus shares was included in the calculation of the weighted average number of shares in accordance with IAS 33.

	<b>For the three month period ended</b>	
	<b>31 March</b>	<b>31 March</b>
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b><u>SAR'000</u></b>	<b><u>SAR'000</u></b>
<b>Net income for the period attributable to ordinary shareholders (adjusted for Tier 1 sukuk related costs)</b>		
For basic and diluted earnings per share	<b><u>360,995</u></b>	<b><u>300,441</u></b>



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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 11. SHARE CAPITAL AND EARNINGS PER SHARE (continued)

	31 March 2025 (Unaudited) Shares	31 March 2024 (Unaudited) Shares Restated
<b>Weighted-average number of ordinary shares</b>		
For basic and diluted earnings per share	1,025,000,000	820,000,000
Effect of bonus shares issue in 2024 approved by shareholders	-	205,000,000
Effect of bonus shares issue in 2025 approved by shareholders	256,250,000	256,250,000
Effect of Treasury shares	(3,294,721)	-
	<u>1,277,955,279</u>	<u>1,281,250,000</u>
		Restated
Basic and diluted earnings per share (in SAR)	<u>0.28</u>	<u>0.23</u>

The calculations of basic and diluted earnings per share are same for the Bank.

#### c) Treasury Shares

The Extraordinary General Assembly Meeting held on 11 December 2024, approved the Employee Share Plan for which 4.5 million shares were to be purchased as treasury shares for allocating them to the Employee Share Plan. The Bank has completed the purchase of these shares during the period ended 31 March 2025.

### 12. OTHER RESERVES

<u>31 March 2025</u> <u>(Unaudited)</u>	Cash flow hedges <u>SAR' 000</u>	Fair value reserve – FVOCI debt <u>SAR' 000</u>	Fair value reserve – FVOCI equity <u>SAR' 000</u>	Actuarial Gains <u>SAR' 000</u>	Employees share- based plan reserve <u>SAR' 000</u>	Share in OCI of associate <u>SAR' 000</u>	Total <u>SAR' 000</u>
Balance at beginning of the period	38,319	(1,187,941)	13,648	31,691	-	10,817	(1,093,466)
Net change in fair value	(25,493)	387,661	27,871	-	-	5,845	395,884
Transfer to interim condensed consolidated statement of income (note 9.2(b))	(6,879)	-	-	-	-	-	(6,879)
Employee share based plan reserve					1,716	-	1,716
Net movement during the period	<u>(32,372)</u>	<u>387,661</u>	<u>27,871</u>	<u>-</u>	<u>1,716</u>	<u>5,845</u>	<u>390,721</u>
Balance at end of the period	<u>5,947</u>	<u>(800,280)</u>	<u>41,519</u>	<u>31,691</u>	<u>1,716</u>	<u>16,662</u>	<u>(702,745)</u>

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 12. OTHER RESERVES (continued)

<u>31 December 2024</u> <u>(Audited)</u>	Cash flow hedges <u>SAR' 000</u>	Fair value reserve – FVOCI debt <u>SAR' 000</u>	Fair value reserve – FVOCI equity <u>SAR' 000</u>	Actuarial gains <u>SAR' 000</u>	Share in OCI of associate <u>SAR' 000</u>	Total <u>SAR' 000</u>
Balance at beginning of the year	31,290	(859,574)	(75,324)	49,376	9,833	(844,399)
Net change in fair value	17,178	(328,367)	89,115	-	984	(221,090)
Transfers to retained earnings on disposal	-	-	(143)	-	-	(143)
Transfer to consolidated statement of income	(10,149)	-	-	-	-	(10,149)
Actuarial gains on employee benefit obligation	-	-	-	(17,685)	-	(17,685)
Net movement during the year	<u>7,029</u>	<u>(328,367)</u>	<u>88,972</u>	<u>(17,685)</u>	<u>984</u>	<u>(249,067)</u>
Balance at end of the year	<u>38,319</u>	<u>(1,187,941)</u>	<u>13,648</u>	<u>31,691</u>	<u>10,817</u>	<u>(1,093,466)</u>

<u>31 March 2024</u> <u>(Unaudited)</u>	Cash flow hedges <u>SAR' 000</u>	Fair value reserve – FVOCI debt <u>SAR' 000</u>	Fair value reserve – FVOCI equity <u>SAR' 000</u>	Actuarial gains <u>SAR' 000</u>	Share in OCI of associate <u>SAR' 000</u>	Total <u>SAR' 000</u>
Balance at beginning of the period	31,290	(859,574)	(75,324)	49,376	9,833	(844,399)
Net change in fair value	47,878	(317,751)	(12,005)	-	984	(280,894)
Transfer to interim condensed consolidated statement of income (note 9.2(b))	2,442	-	-	-	-	2,442
Net movement during the period	<u>50,320</u>	<u>(317,751)</u>	<u>(12,005)</u>	<u>-</u>	<u>984</u>	<u>(278,452)</u>
Balance at end of the period	<u>81,610</u>	<u>(1,177,325)</u>	<u>(87,329)</u>	<u>49,376</u>	<u>10,817</u>	<u>(1,122,851)</u>

# Bank AlJazira

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

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### 13. TIER 1 SUKUK

During the current quarter, the Bank completed the issuance of an SAR-denominated additional Tier 1 sukuk of SAR 1 billion (which is part of additional Tier 1 Capital Sukuk Programme of SAR 5 billion) by way of a private placement in Saudi Arabia. This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6.3% per annum from date of issue up to January 2030 and is subject to reset every 5 years.

As part of the additional Tier 1 Capital Sukuk Programme of SAR 5 billion, the Bank had also completed during year 2023, the issuance of an SAR-denominated additional Tier 1 sukuk of SAR 2 by way of a private placement in Saudi Arabia. This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 6% per annum from date of issue up to June 2028 and is subject to reset every 5 years.

Additionally, during the year 2021, the Bank issued cross border Tier 1 Sukuk (the “Sukuk”) through a Shari’ah compliant arrangement (“the arrangement”) amounting to SAR 1.875 billion (denominated in US Dollars). This arrangement was approved by the regulatory authorities and the Board of Directors of the Bank. The applicable profit rate is 3.95% per annum from date of issue up to June 2026 and is subject to reset every 5 years.

These Sukuks are perpetual securities in respect of which there is no fixed redemption dates and represents an undivided ownership interest of the Sukuk-holders in the Sukuk assets, with each Sakk constituting an unsecured, conditional and subordinated obligation of the Bank classified under equity. However, the Bank shall have the exclusive right to redeem or call the Sukuks in a specific period of time, subject to the terms and conditions stipulated in the Sukuk agreement.

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

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 14. COMMITMENTS AND CONTINGENCIES

a) The Group is subject to legal proceedings in the ordinary course of business. There was no material change in the status of legal proceedings as disclosed at 31 December 2024.

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

	31 March 2025 (Unaudited) SAR'000	31 December 2024 (Audited) SAR'000	31 March 2024 (Unaudited) SAR'000
Letters of credit	2,880,649	2,880,118	3,088,008
Letters of guarantee	15,181,307	12,223,553	11,646,869
Acceptances	2,081,922	1,108,259	799,397
Irrevocable commitments to extend credit	1,975,724	2,092,329	773,375
<b>Total</b>	<b>22,119,602</b>	<b>18,304,259</b>	<b>16,307,649</b>
Allowance for impairment [b(ii)]	(357,856)	(351,252)	(340,784)
<b>Net exposure</b>	<b>21,761,746</b>	<b>17,953,007</b>	<b>15,966,865</b>

- b)(i) The following table explains changes in gross carrying amount of the credit related commitments and contingencies to help explain their significance to the changes in the credit loss allowance for the same portfolio.

	31 March 2025 (Unaudited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
Gross carrying amount as at 1 January 2025	17,283,933	486,381	533,945	18,304,259
Transfer to 12-month ECL	5,590	(4,314)	(1,276)	-
Transfer to lifetime ECL not credit – impaired	(391,289)	391,289	-	-
Transfer to lifetime ECL credit – impaired	-	-	-	-
New financial assets originated	711,855	187,005	-	898,860
Financial assets derecognised during the period	(105,629)	(1,411)	(12,158)	(119,198)
Other movements	1,800,237	1,235,444	-	3,035,681
<b>Gross carrying amount as at 31 March 2025</b>	<b>19,304,697</b>	<b>2,294,394</b>	<b>520,511</b>	<b>22,119,602</b>
	31 December 2024 (Audited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
Gross carrying amount as at 1 January 2024	13,187,483	48,116	519,682	13,755,281
Transfer to 12-month ECL	46,078	(44,772)	(1,306)	-
Transfer to lifetime ECL not credit – impaired	(127,236)	127,236	-	-
Transfer to lifetime ECL credit – impaired	(28,475)	(1,178)	29,653	-
New financial assets originated	5,148,474	5,000	-	5,153,474
Financial assets derecognised during the year	(1,008,259)	(685)	(14,078)	(1,023,022)
Other movements	65,868	352,664	(6)	418,526
<b>Gross carrying amount as at 31 December 2024</b>	<b>17,283,933</b>	<b>486,381</b>	<b>533,945</b>	<b>18,304,259</b>

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### 14. COMMITMENTS AND CONTINGENCIES (continued)

	31 March 2024 (Unaudited)			
	12 month	Life time ECL	Lifetime ECL	Total
	ECL	not credit	credit	
		impaired	impaired	
	(SAR'000)			
Gross carrying amount as at 1 January 2024	13,187,483	48,116	519,682	13,755,281
Transfer to 12-month ECL	767	(750)	(17)	-
Transfer to lifetime ECL not credit – impaired	(2,926)	2,926	-	-
Transfer to lifetime ECL credit – impaired	(26,991)	-	26,991	-
New financial assets originated	867,482	43,836	-	911,318
Financial assets derecognised during the period	(460,449)	-	-	(460,449)
Other movements	2,080,188	2,881	18,430	2,101,499
Gross carrying amount as at 31 March 2024	<u>15,645,554</u>	<u>97,009</u>	<u>565,086</u>	<u>16,307,649</u>

Other movements mainly represent changes in exposures for customers where there has been no change in the stage during the period.

- b)(ii) An analysis of changes in allowance for ECL for credit related commitments and contingencies is as follows:

	31 March 2025 (Unaudited)			
	12 month	Life time	Lifetime	Total
	ECL	ECL not	ECL credit	
		credit	impaired	
		impaired	impaired	
	(SAR'000)			
<b>ECL as at 1 January 2025</b>	<b>52,487</b>	<b>2,059</b>	<b>296,706</b>	<b>351,252</b>
Transfer to 12-month ECL	666	(28)	(638)	-
Transfer to lifetime ECL not credit – Impaired	(945)	945	-	-
Transfer to lifetime ECL credit – impaired	-	-	-	-
Net re-measurement of loss allowance	(1,065)	13,284	1,517	13,736
New financial assets originated	2,250	3,126	-	5,376
Financial assets that have been derecognized	(344)	(6)	(12,158)	(12,508)
<b>ECL as at 31 March 2025</b>	<b><u>53,049</u></b>	<b><u>19,380</u></b>	<b><u>285,427</u></b>	<b><u>357,856</u></b>

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 14. COMMITMENTS AND CONTINGENCIES (continued)

	31 December 2024 (Audited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
ECL as at 1 January 2024	44,753	301	284,757	329,811
Transfer to 12-month ECL	270	(232)	(38)	-
Transfer to lifetime ECL not credit – impaired	(344)	344	-	-
Transfer to lifetime ECL credit – impaired	(196)	(6)	202	-
Net re-measurement of loss allowance	(5,102)	1,640	19,889	16,427
New financial assets originated	15,270	38	-	15,308
Financial assets that have been derecognized	(2,164)	(26)	(8,104)	(10,294)
ECL as at 31 December 2024	<u>52,487</u>	<u>2,059</u>	<u>296,706</u>	<u>351,252</u>
	31 March 2024 (Unaudited)			
	12 month ECL	Life time ECL not credit impaired	Lifetime ECL credit impaired	Total
	(SAR'000)			
ECL as at 1 January 2024	44,753	301	284,757	329,811
Transfer to 12-month ECL	5	(5)	-	-
Transfer to lifetime ECL not credit – impaired	(12)	12	-	-
Transfer to lifetime ECL credit – impaired	(188)	-	188	-
Net re-measurement of loss allowance	1,966	(31)	6,071	8,006
New financial assets originated	3,551	17	-	3,568
Financial assets that have been derecognized	(601)	-	-	(601)
ECL as at 31 March 2024	<u>49,474</u>	<u>294</u>	<u>291,016</u>	<u>340,784</u>

- c) During year 2024, the Bank received a Zakat assessment for the year 2019 with an additional Zakat amount of SAR 79.7 million. The Bank has already submitted its objection to the imposition of the additional Zakat to the General Secretariat of Tax Committees (GSTC) and is confident that the outcome will be in its favor.

As of 31 March 2025, the Bank has filed its Zakat and Income Tax returns with the Zakat, Tax, and Customs Authority (ZATCA) and has paid zakat and income tax for the years up to and including 2023. Zakat and income tax assessments have been finalized till FY 2018.



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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 15. CASH AND CASH EQUIVALENTS

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

	<b>31 March 2025 (Unaudited) SAR'000</b>	31 December 2024 (Audited) SAR'000	31 March 2024 (Unaudited) SAR'000
Cash and balances with SAMA, excluding statutory deposit	<b>789,858</b>	688,914	2,614,079
Due from banks and other financial institutions with an original maturity of 90 days or less from the date of acquisition	<b>319,840</b>	1,635,471	2,039,137
<b>Total</b>	<b>1,109,698</b>	2,324,385	4,653,216

The reconciliation of cash and cash equivalents to cash and balances with Saudi Central Bank is as follows:

	<b>31 March 2025 (Unaudited) SAR'000</b>	31 December 2024 (Audited) SAR'000	31 March 2024 (Unaudited) SAR'000
Cash and cash equivalents as per statement of cash flows	<b>1,109,698</b>	2,324,385	4,653,216
Statutory deposit	<b>5,282,092</b>	5,429,455	4,569,281
Due from banks and other financial institutions with original maturity of 90 days or less from the date of acquisition	<b>(319,840)</b>	(1,635,471)	(2,039,137)
Cash and balances with SAMA	<b>6,071,950</b>	6,118,369	7,183,360

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 15. CASH AND CASH EQUIVALENTS (continued)

15.1 Below is a reconciliation of liabilities arising from financing activities:

31 March 2025 (Unaudited)	Subordinated Sukuk	Dividend Payable	lease liabilities against right of use assets
	(SAR' 000)		
<b>Balances as at 1 January 2025</b>	<b>2,005,918</b>	<b>62,934</b>	<b>177,821</b>
<b>Changes from financing cash flows</b>			
Payment of leased liability - principal	-	-	(11,679)
Dividend paid	-	(266)	-
<b>Other changes</b>			
Increase due to additions	-	-	33,650
Payment of leased liability - profit	-	-	7,770
Financing cost	34,709	-	(7,770)
Amortisation of transaction cost	435	-	-
Other adjustments	-	-	-
<b>Balances as at 31 March 2025</b>	<b>2,041,062</b>	<b>62,668</b>	<b>199,792</b>

31 March 2024 (Unaudited)	Subordinated Sukuk	Dividend Payable	lease liabilities against right of use assets
	(SAR' 000)		
<b>Balances as at 1 January 2024</b>	<b>2,004,346</b>	<b>66,610</b>	<b>197,373</b>
<b>Changes from financing cash flows</b>			
Payment of leased liability - principal	-	-	(26,109)
Dividend paid	-	(84)	-
<b>Other changes</b>			
Increase due to additions	-	-	18,796
Payment of leased liability - profit	-	-	(2,805)
Financing cost	38,985	-	2,805
Amortisation of transaction cost	435	-	-
Other adjustments	1	-	-
<b>Balances as at 31 March 2024</b>	<b>2,043,767</b>	<b>66,526</b>	<b>190,060</b>

### 16. OPERATING SEGMENTS

The operating segments have been identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Chief Executive Officer) in order to allocate resources to the segments and to assess their performance.

All of the Group's operations are based in the Kingdom of Saudi Arabia.

Transactions between the operating segments are on normal commercial terms and conditions. The revenue from external parties reported to the chief operating decision maker is measured in a manner consistent with that in the interim condensed consolidated statement of income. Segment assets and liabilities comprise operating assets and liabilities.

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 16. OPERATING SEGMENTS (continued)

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

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

#### **Personal banking**

Deposit, credit and investment products for individuals.

#### **Corporate banking**

Financing, deposits and other credit products for corporate, small to medium sized businesses and institutional customers.

#### **Treasury**

Treasury includes money market, foreign exchange, trading and treasury services.

#### **Brokerage and asset management**

Group provides shares brokerage services to customers (this segment includes the activities of the Bank's subsidiary AlJazira Capital Company).

#### **Others**

Others include investment in associate, inter segment income and expense eliminations and gain on sale of other real estate.

The Group's total assets and liabilities at 31 March 2025 and 31 March 2024, its total operating income and expenses, and its net income for the three month periods then ended, by operating segment, are as follows:

(SAR'000)	<b>Personal banking</b>	<b>Corporate banking</b>	<b>Treasury</b>	<b>Brokerage and asset management</b>	<b>Others</b>	<b>Total</b>
<b>31 March 2025 (Unaudited)</b>						
Total assets	47,200,554	51,928,469	49,398,594	4,297,484	330,828	153,155,929
Total liabilities	46,147,352	51,693,683	34,035,507	2,411,164	(81)	134,287,625
Inter - segment income / (loss)	63,769	(34,860)	(28,909)	-	-	-
<b>Total operating income</b>	<b>573,274</b>	<b>333,227</b>	<b>119,030</b>	<b>145,047</b>	<b>(91,360)</b>	<b>1,079,218</b>
Of which:						
- Net financing and investment income / (loss)	455,832	256,896	8,014	33,203	(1)	753,944
- Fees from banking services, net	66,710	57,117	45	87,030	(16,313)	194,589
- Net gain/ (loss) on FVIS financial instruments	-	-	1,547	(6,955)	(3,808)	(9,216)
<b>Total operating expenses</b>	<b>(399,447)</b>	<b>(162,779)</b>	<b>(42,061)</b>	<b>(64,577)</b>	<b>236</b>	<b>(668,628)</b>
Of which:						
- Impairment charge for financing and other financial assets, net	(16,339)	(87,074)	460	-	-	(102,953)
- Depreciation and amortization	(31,837)	(3,722)	(2,712)	(3,563)	1	(41,833)
Share in net income of an associate	-	-	-	192	1,155	1,347
Net income / (loss) before zakat and income tax	173,827	170,448	76,969	80,662	(89,969)	411,937

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 16. OPERATING SEGMENTS (continued)

(SAR'000)	<u>Personal banking</u>	<u>Corporate banking</u>	<u>Treasury</u>	<u>Brokerage and asset management</u>	<u>Others</u>	<u>Total</u>
<b>31 December 2024 (Audited)</b>						
Total assets	44,685,961	50,552,799	49,404,697	3,938,976	323,635	148,906,068
Total liabilities	43,727,176	52,491,559	33,279,798	2,205,919	(81)	131,704,371
(SAR'000)	<u>Personal banking</u>	<u>Corporate banking</u>	<u>Treasury</u>	<u>Brokerage and asset management</u>	<u>Others</u>	<u>Total</u>
<b>31 March 2024 (Unaudited)</b>						
Total assets	38,852,594	44,033,078	49,074,283	3,616,544	244,667	135,821,166
Total liabilities	49,829,141	45,405,403	22,190,932	1,958,288	(81)	119,383,683
Inter - segment income / (loss)	12,776	(566)	(10,422)	-	(1,788)	-
<b>Total operating income</b>	497,148	248,556	108,673	116,796	(82,876)	888,297
Of which:						
- Net financing and investment income / (loss)	403,712	187,461	19,696	17,691	(8,481)	620,079
- Fees from banking services, net	52,001	45,193	1	74,796	(15,732)	156,258
- Net gain/ (loss) on FVIS financial instruments	-	-	3,655	14,797	(4,587)	13,865
<b>Total operating expenses</b>	(357,329)	(97,161)	(37,077)	(55,925)	272	(547,220)
Of which:						
- Impairment charge for financing and other financial assets, net	(20,648)	(33,680)	(1,050)	-	-	(55,378)
- Depreciation and amortization	(36,597)	(4,285)	(3,576)	(2,200)	-	(46,658)
Share in net income of an associate	-	-	-	884	5,302	6,186
Net income / (loss) before zakat and income tax	139,819	151,395	71,596	61,755	(77,302)	347,263

### 17. FAIR VALUES 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:

- in the accessible principal market for the asset or liability, or
- in the absence of a principal market, in the most advantages accessible market for the asset or liability

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

#### 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 includes 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 categorization (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.

- a) The following table presents the Group's financial assets and liabilities that are measured at fair values:

		<b>31 March 2025 (Unaudited)</b>			
		<b>Fair value (SAR'000)</b>			
	<b>Carrying Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b><u>Financial assets measured at fair value:</u></b>					
FVIS - Mutual funds	1,566,398	-	1,566,398	-	1,566,398
FVIS – Equities	47,926	25,337	-	22,589	47,926
FVIS–Convertible debt instrument	8,868	-	-	8,868	8,868
FVOCI – Equities	531,302	-	-	531,302	531,302
FVOCI – Sukuk – equity	3,178,356	-	3,178,356	-	3,178,356
FVOCI – Sukuk – debt	10,104,265	-	10,104,265	-	10,104,265
Shari'ah compliant derivatives	121,180	-	121,180	-	121,180
<b>Total</b>	<b>15,558,295</b>	<b>25,337</b>	<b>14,970,199</b>	<b>562,759</b>	<b>15,558,295</b>
<b><u>Financial liabilities measured at fair value:</u></b>					
Shari'ah compliant derivatives	183,126	-	183,126	-	183,126

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

		31 December 2024 (Audited)			
		Fair value (SAR'000)			
	Carrying Value	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value:</u>					
FVIS - Mutual funds	1,748,147	-	1,748,147	-	1,748,147
FVIS – Equities	39,853	17,264	-	22,589	39,853
FVIS–Convertible debt instrument	6,618	-	-	6,618	6,618
FVOCI – Equities	531,274	-	-	531,274	531,274
FVOCI – Sukuk – equity	2,999,378	-	2,999,378	-	2,999,378
FVOCI – Sukuk – debt	9,784,586	-	9,784,586	-	9,784,586
Shari’ah compliant derivatives	151,737	-	151,737	-	151,737
Total	15,261,593	17,264	14,683,848	560,481	15,261,593
<u>Financial liabilities measured at fair value:</u>					
Shari’ah compliant derivatives	164,999	-	164,999	-	164,999

	31 March 2024 (Unaudited)				
	Fair value (SAR'000)				
	Carrying Value	Level 1	Level 2	Level 3	Total
<u>Financial assets measured at fair value:</u>					
FVIS - Mutual funds	1,518,817		1,518,817	-	1,518,817
FVIS – Equities	45,725	25,238		20,487	45,725
FVOCI – Sukuk – equity	2,702,915	-	2,702,915	-	2,702,915
FVOCI – Sukuk – debt	9,654,904	-	9,654,904	-	9,654,904
Shari’ah compliant derivatives	187,629	-	187,629	-	187,629
<b>Total</b>	14,109,990	25,238	14,064,265	20,487	14,109,990
<u>Financial liabilities measured at fair value:</u>					
Shari’ah compliant derivatives	170,548	-	170,548	-	170,548

Fair value of quoted investments is based on price quoted on the reporting date. Level 2 trading and hedging derivatives comprise foreign exchange, options and profit rate swaps. These foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market. Profit rate swaps and options are fair valued using forward profit rates extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

There were no changes in valuation techniques during the period.

There were no transfers between levels 1 and 2 during the year. New investments acquired during the year are classified under the relevant levels. Level 3 includes investment in unquoted equities which have been valued using a valuation model.



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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

- b) Following table represent fair values of financial assets and liabilities which are carried at amortised cost. There are no financial assets and liabilities where fair value is measurable as level 1 and level 3 fair value.

		31 March 2025 (Unaudited) (SAR'000)	
		Amortised cost	Fair value Level 2
<b><u>Financial assets:</u></b>			
Due from banks and other financial institutions, net		6,632,286	6,650,075
Investment held at amortised cost, net		21,273,694	20,772,994
Financing, net		100,571,324	101,510,440
<b>Total</b>		<b>128,477,304</b>	<b>128,933,509</b>
<b><u>Financial liabilities:</u></b>			
Due to banks, SAMA and other financial institutions		20,245,868	21,745,170
Customers' deposits		109,644,328	110,358,835
Subordinated Sukuk		2,041,062	2,041,062
<b>Total</b>		<b>131,931,258</b>	<b>134,145,067</b>
		31 December 2024 (Audited) (SAR'000)	
		Amortised cost	Fair value Level 2
<b><u>Financial assets:</u></b>			
Due from banks and other financial institutions, net		6,697,117	6,706,393
Investment held at amortised cost, net		21,083,867	20,131,588
Financing, net		96,912,496	97,309,690
<b>Total</b>		<b>124,693,480</b>	<b>124,147,671</b>
<b><u>Financial liabilities:</u></b>			
Due to banks, SAMA and other financial institutions		19,309,333	20,816,924
Customers' deposits		108,186,514	108,874,632
Subordinated Sukuk		2,005,918	2,005,918
<b>Total</b>		<b>129,501,765</b>	<b>131,697,474</b>

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

	31 March 2024 (Unaudited) (SAR'000)	
	Amortised cost	Fair value Level 2
<b><u>Financial assets:</u></b>		
Due from banks and other financial institutions, net	7,548,121	7,542,481
Investment held at amortised cost, net	20,044,817	19,201,175
Financing, net	84,116,257	84,380,854
<b>Total</b>	<b>111,709,195</b>	<b>111,124,510</b>
<b><u>Financial liabilities:</u></b>		
Due to banks, SAMA and other financial institutions	17,995,649	18,458,758
Customers' deposits	97,267,737	97,256,111
Subordinated Sukuk	2,043,767	2,043,767
<b>Total</b>	<b>117,307,153</b>	<b>117,758,636</b>

The fair value of the cash and balances with Saudi Central Bank, other assets and other liabilities approximate to their carrying amount. The fair values of level 2 financial instruments are estimated as at 31 March 2025 at the current applicable yield curve taking into account the counterparty risks and applicable market rate.

#### Valuation technique and significant unobservable inputs

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

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 17. FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Type	Accounting Classification	Valuation Technique	Significant unobservable Inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund units	FVIS	Fair valued using the net asset value determined by the fund manager. The fund manager deploys various techniques for the valuation of underlying assets classified under level 2 of the respective fund's fair value hierarchy	Not applicable	Not applicable
Equities	FVIS	Includes investment in unquoted equities which have been valued using a valuation model.	Risk Free Rate, Asset Volatility	Valuation is highly sensitive to changes in the asset volatility
Equities	FVOCI	Includes investment in unquoted equities which have been valued using a valuation model.	Not applicable	Not applicable
Investment held at FVOCI – Sukuks (debt & equity)	FVOCI	Fair valued using the broker quoted prices or estimating present value by discounting cash flows using adjusted discount rate.	Not applicable	Not applicable
Forward exchange contracts (Wa'ad) and Profit rate swaps	FVIS	<b>Forward exchange contracts (Wa'ad):</b> Fair valued using discounted Notional techniques that use observable market data inputs for Foreign Exchange (FX) and yield curves <b>Profit rate swaps:</b> The fair value is determined by discounting the future cash flows using observable market data inputs for yield curves.	Not applicable	Not applicable
Due from banks and other financial institutions, Financing, Due to banks and other financial institutions, Customer Deposits	Amortised Cost	<b>Market Data:</b> Used observable market data inputs for yield curves. <b>Fair value technique:</b> The fair value is determined by discounting the future cash flows. A discounted cash flow is the product of: <ul style="list-style-type: none"> <li>The anticipated nominal magnitude and sign of a cash flow.</li> <li>The accumulated discount over the amount of time remaining until the anticipated time of the cash flow, at a rate of discount.</li> </ul> The fair value is determined only for the Customers' time investments.	Not applicable	Not applicable
Investment held at amortised cost - net	Amortised Cost	Fair valued using the quoted prices, where available or estimating present value by discounting cash flows using adjusted discount rate.	Not applicable	Not applicable

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 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 on a periodic basis by the Bank's management. SAMA requires holding the minimum level of the regulatory capital and maintaining a ratio of total eligible capital to the risk-weighted assets at or above the agreed minimum percentage.

The Group monitors the adequacy of its capital using ratios established by SAMA. These ratios measure capital adequacy by comparing the Group's eligible capital with its interim condensed consolidated 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 (RWA), Regulatory Capital and Capital Adequacy Ratios as per as per Basel III final reform issued by SAMA (circular number 44047144) effective from January 01, 2023

	<b>31 March 2025 (Unaudited)</b>	31 December 2024 (Audited)	31 March 2024 (Unaudited)
	<b><u>SAR'000</u></b>	<b><u>SAR'000</u></b>	<b><u>SAR'000</u></b>
Credit Risk	<b>112,056,313</b>	103,418,920	96,151,554
Market Risk	<b>1,515,492</b>	1,468,837	2,069,924
Operational Risk	<b>5,394,426</b>	4,860,836	4,860,836
<b>Total Pillar-I RWA</b>	<b><u>118,966,231</u></b>	<u>109,748,593</u>	<u>103,082,314</u>
Common Equity Tier 1 (CET 1) Capital	<b>13,987,358</b>	13,288,378	12,480,873
Additional Tier 1 (AT1) Capital	<b>4,875,000</b>	3,875,000	3,875,000
Tier I Capital	<b>18,862,358</b>	17,163,378	16,355,873
Tier II Capital	<b>2,644,639</b>	2,616,245	2,537,288
<b>Total Tier I and II Capital</b>	<b><u>21,506,997</u></b>	<u>19,779,623</u>	<u>18,893,161</u>
Capital Adequacy Ratio (%)			
Common Equity Tier I Ratio	<b>11.76%</b>	12.11%	12.11%
Tier I ratio	<b>15.86%</b>	15.64%	15.87%
Total Tier I and II Capital	<b>18.08%</b>	18.02%	18.33%

### 19. RELATED PARTY BALANCES AND TRANSACTIONS

In the ordinary course of its activities, the Group transacts business with related parties. The related party transactions are governed by the limits set by the Banking Control Law and regulations issued by Saudi Central Bank (SAMA).

The balances as at March 31 resulting from such transactions are as follows:

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## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 19. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

	31 March 2025 (Unaudited) <u>SAR' 000</u>	31 March 2024 (Unaudited) <u>SAR' 000</u>
<b>Subsidiary companies</b>		
Investments	500,980	501,480
Customer deposits	2,046,003	5,897
Due from banks and other financial institutions	2,272,599	1,801,682
Due to banks and other financial institutions	293,881	293,711
Receivables and other assets	276,576	285,179
Payables and liabilities	53,934	103,024
Commitments and contingencies	74	30,191
Notional values of outstanding shari'ah compliant contracts	3,175,436	3,597,082
Outstanding Sukuk liability	1,875,000	1,875,000
<b>Associate and affiliate entities with significant influence</b>		
Investments	330,909	244,748
Customer deposits	311,809	211,662
Contingencies and commitments	7,280	7,280
Sukuk liability	150,000	150,000
<b>Directors, key management personnel, other major shareholders and their affiliates</b>		
Financing	2,491,276	301,525
Customers' deposits	232,455	151,139
Contingencies and commitments	21,337	27,739
Other major shareholders represent shareholdings of more than 5% of the Bank's issued share capital.		
<b>Mutual Funds under subsidiary's management</b>		
Investments	717,266	1,432,596
Customers' deposits	153,005	130,159

# Bank AlJazira

(A Saudi Joint Stock Company)

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025 (CONTINUED)

### 19. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

Material income, expenses and other transactions with related parties are as follows:

	Period ended 31 March 2025 <u>SAR' 000</u>	Period ended 31 March 2024 <u>SAR'000</u>
Income from investments and financing	102,464	80,726
Return on deposits and financial liabilities	73,414	72,750
Fees income	191	1
Fee expense	3,086	1,872
Insurance premium	6,785	57,962
Claims received	4,006	6,222
Directors' remuneration	4,792	2,718
Income under shared service agreements	288	287
Operating expenses	83	-
Reimbursement of building related expense	731	751
Rent expense for branches	334	316

The total amount of compensation paid to directors and key management personnel during the period is as follows:

	Period ended 31 March 2025 <u>SAR' 000</u>	Period ended 31 March 2024 <u>SAR'000</u>
Short-term employee benefits	32,735	32,190
Termination benefits	577	529

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

### 20. COMPARATIVE FIGURES

Certain prior period amounts have been rearranged or reclassified, wherever necessary, so as to align with the current period's presentation. However, there was no impact of such reclassifications on the interim condensed consolidated statement of income and interim condensed consolidated statement of changes in equity.

### 21. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The condensed interim consolidated financial information was authorized for issue by the Board of Directors of the Bank on 30 April 2025 (corresponding to Dhu'l-Qi'dah 2, 1446H).