

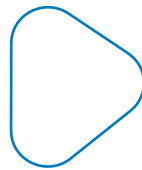


arab national bank

A Saudi joint stock company

Interim Condensed Consolidated Financial Statements

As at and for the period ended March 31, 2024





KPMG Professional Services

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Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

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INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders of Arab National Bank
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Arab National Bank ("the Bank") and its subsidiaries (collectively referred to as "the Group") as of March 31, 2024, and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended, and other explanatory notes (collectively referred to as "the interim condensed consolidated financial statements"). Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with the International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing 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 statements are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

Other Regulatory Matters

As required by the Saudi Central Bank ("SAMA"), certain capital adequacy information has been disclosed in note (19) to the accompanying interim condensed consolidated financial statements. As part of our review, we traced the information in note (19) to the relevant analysis prepared by the Bank for submission to SAMA and found no material inconsistencies.

KPMG Professional Services



Saleh Mohammed S. Mostafa
Certified Public Accountant
License No. 524



Deloitte and Touche & Co. Chartered Accountants



Mazen A. Al-Omari
Certified Public Accountant
License No. 480

Shawwal 26, 1445H
(May 5, 2024)

Interim consolidated statement of financial position as at

All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Assets				
Cash and balances with Saudi Central Bank	4	12,836,703	10,892,182	14,066,828
Due from banks and other financial institutions, net	5	4,769,713	2,477,949	4,753,813
Positive fair value of derivatives	11	2,035,050	1,801,891	2,405,786
Investments, net	6	47,623,901	46,675,830	41,788,256
Loans and advances, net	7	157,875,105	152,235,109	144,727,221
Investments in associates		948,581	949,403	982,685
Other real estate owned, net		1,028,220	1,028,220	1,268,150
Property, equipment and right of use assets, net		2,538,292	2,497,677	2,260,224
Other assets		2,490,864	2,125,049	1,789,481
Total assets		232,146,429	220,683,310	214,042,444
Liabilities and equity				
Liabilities				
Due to banks, Saudi Central Bank and other financial institutions	9	10,284,835	8,429,750	13,660,174
Negative fair value of derivatives	11	1,475,979	1,403,360	1,755,246
Customers' deposits	10	174,540,754	165,861,338	155,247,260
Issued Sukuk		2,852,256	2,828,863	2,852,524
Other liabilities		7,794,103	7,062,100	7,859,215
Total liabilities		196,947,927	185,585,411	181,374,419
Equity				
Share capital	16	15,000,000	15,000,000	15,000,000
Statutory reserve		10,648,000	10,648,000	9,630,000
Other reserves		257,985	436,656	127,312
Retained earnings	16	9,263,687	8,984,821	7,886,828
Total equity attributable to equity holders of the Bank		35,169,672	35,069,477	32,644,140
Non-controlling interest		28,830	28,422	23,885
Total equity		35,198,502	35,097,899	32,668,025
Total liabilities and equity		232,146,429	220,683,310	214,042,444

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.

Saad Al-Dughish
Chief Financial Officer

Obaid A. Al-Rasheed
Managing Director

Hesham Al-Jabr
Authorised Board Member

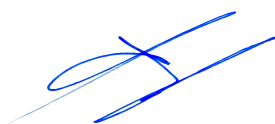
Interim consolidated statement of income

For the three-month periods ended March 31, 2024, and 2023

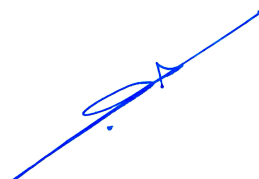
All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	2024	2023
Special commission income		3,487,282	2,857,130
Special commission expense		1,559,556	1,093,164
Special commission income, net		1,927,726	1,763,966
Fee and commission income		466,973	347,807
Fee and commission expense		262,932	228,058
Fee and commission income, net		204,041	119,749
Exchange income, net		68,676	85,429
Gain/ (loss) on FVSI financial instruments, net		19,020	(8,521)
Trading income, net		13,909	19,089
Dividend income		40,062	23,505
Gain on of non-trading instruments, net		3,407	155,878
Other operating income		32,600	21,394
Total operating income		2,309,441	2,180,489
Salaries and employee related expenses		417,837	367,609
Premises related expenses		12,827	11,764
Depreciation and amortisation		62,947	55,728
Other general and administrative expenses		236,460	224,078
Total operating expenses before impairment charges		730,071	659,179
Expected credit losses (ECL) and other impairment charges, net	8	161,673	248,145
Impairment charge on other real estate owned		-	50,000
Total operating expenses		891,744	957,324
Net operating income		1,417,697	1,223,165
Share in (loss)/ earnings of associates, net		(822)	10,057
Net income before Zakat and income tax		1,416,875	1,233,222
Zakat	14	88,400	74,785
Income tax	14	92,509	90,261
Net income		1,235,966	1,068,176
Attributable to:			
Equity holders of the Bank		1,235,558	1,067,584
Non-controlling interest		408	592
Net income		1,235,966	1,068,176
Basic and diluted earnings per share (expressed in SAR)	16	0.82	0.71

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



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Managing Director



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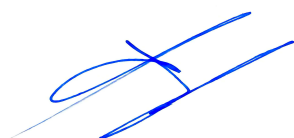
Interim consolidated statement of comprehensive income

For the three-month periods ended March 31, 2024, and 2023

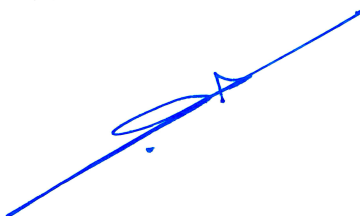
All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	2024	2023
Net income		1,235,966	1,068,176
Other comprehensive (loss)/ income:			
Items that will not be reclassified to interim consolidated statement of income in subsequent periods			
Equity instruments at FVOCI:			
- Net changes in fair value		(84,654)	28,457
Items that may be reclassified to interim consolidated statement of income in subsequent periods			
Debt instruments at FVOCI:			
- Net changes in fair value		(81,121)	18,580
- Net amounts transferred to consolidated statement of income		(3,407)	-
Cash flow hedges:			
- Effective portion of change in the fair value		(9,489)	21,771
Total other comprehensive (loss)/ income		(178,671)	68,808
Total comprehensive income		1,057,295	1,136,984
Attributable to:			
Equity holders of the Bank		1,056,887	1,136,392
Non-controlling interest		408	592
Total comprehensive income		1,057,295	1,136,984

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



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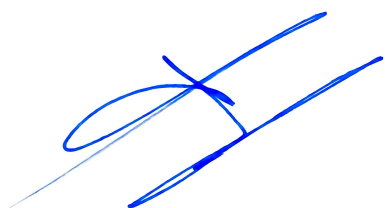
Interim consolidated statement of changes in equity

For the period ended March 31, 2024

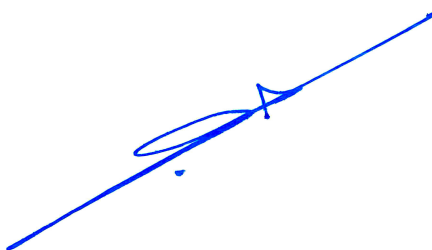
All amounts in thousands of Saudi Riyals unless stated otherwise

		Attributable to equity holders of the Bank								
		Other reserves								
2024	Note	Share capital	Statutory reserve	FVOCI instruments	Cash flow hedge reserve	Actuarial loss on defined benefit plan	Retained earnings	Total	Non-controlling interests	Total equity
Balance as at December 31, 2023		15,000,000	10,648,000	608,592	(85,674)	(86,262)	8,984,821	35,069,477	28,422	35,097,899
Net income		-	-	-	-	-	1,235,558	1,235,558	408	1,235,966
Changes in equity for the period:										
Net changes in fair values of FVOCI equity investments		-	-	(84,654)	-	-	-	(84,654)	-	(84,654)
Net changes in fair values of FVOCI debt instruments		-	-	(81,121)	-	-	-	(81,121)	-	(81,121)
Net changes in fair value of cash flow hedges		-	-	-	(9,489)	-	-	(9,489)	-	(9,489)
Net transfers to interim consolidated statement of income		-	-	(3,407)	-	-	-	(3,407)	-	(3,407)
Total comprehensive income		-	-	(169,182)	(9,489)	-	1,235,558	1,056,887	408	1,057,295
2023 final dividends	16.3.2	-	-	-	-	-	(956,692)	(956,692)	-	(956,692)
Balance as at March 31, 2024		15,000,000	10,648,000	439,410	(95,163)	(86,262)	9,263,687	35,169,672	28,830	35,198,502

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



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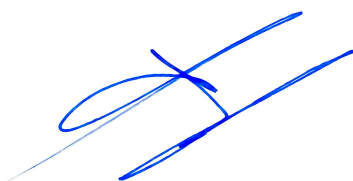
Interim consolidated statement of changes in equity

For the period ended March 31, 2023

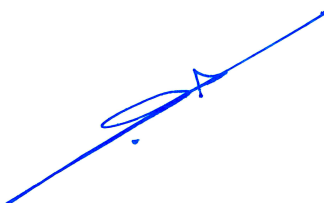
All amounts in thousands of Saudi Riyals unless stated otherwise

		Attributable to equity holders of the Bank										
2023	Note	Share capital	Statutory reserve	Other reserves			Retained earnings	Proposed dividends	Total	Non-controlling interests	Total equity	
				FVOCI instruments	Cash flow hedge reserve	Actuarial loss on defined benefit plan						
Balance as at December 31, 2022		15,000,000	9,630,000	303,579	(116,139)	(128,936)	6,819,244	826,616	32,334,364	23,293	32,357,657	
Net income		-	-	-	-	-	1,067,584	-	1,067,584	592	1,068,176	
Changes in equity for the period:		-	-	-	-	-	-	-	-	-	-	
Net changes in fair values of FVOCI equity investments		-	-	28,457	-	-	-	-	28,457	-	28,457	
Net changes in fair values of FVOCI debt instruments		-	-	18,580	-	-	-	-	18,580	-	18,580	
Net changes in fair value of cash flow hedges		-	-	-	21,771	-	-	-	21,771	-	21,771	
Total comprehensive income		-	-	47,037	21,771	-	1,067,584	-	1,136,392	592	1,136,984	
2022 final dividends	16.3.1	-	-	-	-	-	-	(826,616)	(826,616)	-	(826,616)	
Balance as at March 31, 2023		15,000,000	9,630,000	350,616	(94,368)	(128,936)	7,886,828	-	32,644,140	23,885	32,668,025	

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



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Chief Financial Officer



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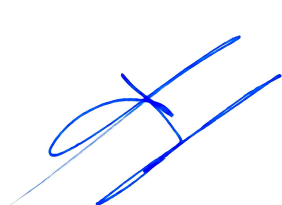
Interim consolidated statement of cash flow

For the three-month periods ended March 31, 2024, and 2023

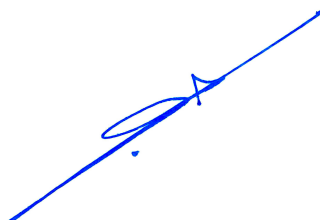
All amounts in thousands of Saudi Riyals unless stated otherwise

	Note	2024	2023
Operating activities			
Net income before zakat and income tax		1,416,875	1,233,222
Adjustments to reconcile net income to net cash from operating activities:			
Accretion/ amortisation relating to debt instruments		(34,858)	(20,528)
Special commission expense on issued Sukuk		23,386	23,386
Gain on non-trading investments, net		(3,407)	(155,878)
(Gain)/ loss on FVSI financial instruments, net		(19,020)	8,521
Dividend income		(40,062)	(23,505)
Depreciation and amortisation		62,947	55,728
Gain on disposal of property and equipment, net		(14,050)	(705)
Expected credit losses (ECL) and other impairment charges, net	8	161,673	248,145
Impairment charge on other real estate owned		-	50,000
Share in loss/ (earnings) of associates, net		822	(10,057)
Net (increase)/ decrease in operating assets:			
Statutory deposit with Saudi Central Bank		(50,616)	155,500
Investments held at FVSI		(120,127)	(8)
Positive fair value of derivatives		(233,159)	553,883
Loans and advances		(5,800,563)	(1,219,656)
Other assets		(345,924)	42,602
Net increase/ (decrease) in operating liabilities:			
Due to banks, Saudi Central Bank and other financial institutions		1,855,085	148,906
Negative fair value of derivatives		72,619	(408,995)
Customers' deposits		8,679,416	375,994
Other liabilities		514,614	110,295
Net cash from operating activities		6,125,651	1,166,850
Investing activities			
Proceeds from sale and maturities of investments not held as FVSI		810,858	1,000,000
Purchase of investments not held as FVSI		(1,760,722)	(1,621,500)
Dividends received		40,062	23,505
Dividends received from investment in associates		-	6,055
Proceeds from sale of property and equipment		31,647	4,137
Purchase of property and equipment		(85,332)	(73,377)
Net cash used in investing activities		(963,487)	(661,180)
Financing activities			
Dividends paid		(956,692)	-
Payment of lease liabilities		(19,231)	(12,043)
Net cash used in financing activities		(975,923)	(12,043)
Net increase in cash and cash equivalents		4,186,241	493,627
Cash and cash equivalents at the beginning of the period		4,549,290	10,409,597
Cash and cash equivalents at the end of the period	13	8,735,531	10,903,224
Special commission received		3,356,199	2,499,605
Special commission paid		(1,675,982)	(900,222)

The notes to the Interim Condensed Consolidated Financial Statements are an integral part of these statements.



Saad Al-Dughish
Chief Financial Officer



Obaid A. Al-Rasheed
Managing Director



Hesham Al-Jabr
Authorised Board Member

Notes to interim condensed consolidated financial statements

As at and for the periods ended March 31, 2024, and 2023

1. General

Arab National Bank (a Saudi Joint Stock Company, the "Bank") was formed pursuant to Royal Decree No. M/38 dated Rajab 18,1399H (corresponding to June 13, 1979). The Bank commenced business on February 2, 1980 by taking over the operations of Arab Bank Limited in the Kingdom of Saudi Arabia. The Bank operates under Commercial Registration No. 1010027912 dated Rabi Awal 1, 1400H (corresponding to January 19, 1980) through its 125 branches (March 31, 2023: 126 branches), 57 remittance centres (March 31, 2023: 75 remittance centres) in the Kingdom of Saudi Arabia and one branch in the United Kingdom. The address of the Bank's head office is as follows:

Arab National Bank
P.O. Box 56921
Riyadh 11564
Kingdom of Saudi Arabia

The objective of the Bank is to provide a full range of banking services. The Bank also provides its customers non-commission based banking products which are approved and supervised by an independent Shariah Board established by the Bank.

The interim condensed consolidated financial statements comprise the financial statements of the Bank and the following subsidiaries (collectively referred to as "the Group"):

1.1 ANB Capital

In accordance with the Capital Market Authority (CMA) directives, a wholly owned subsidiary and a Saudi closed joint stock company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 1010239908 issued on Shawwal 26, 1428H (corresponding to November 7, 2007), to takeover and manage the Bank's investment services and asset management activities consisting of dealing, managing, arranging, advising and custody of securities regulated by the CMA. The subsidiary commenced its operations effective Muharram 3, 1429H (corresponding to January 12, 2008). On Muharram 19, 1436H (corresponding to November 12, 2014), the subsidiary changed its legal structure from a limited liability company to a closed joint stock company.

The objective of the subsidiary was amended and approved by CMA Board of Commissioners on Muharram 28, 1437H (corresponding to November 10, 2015) through a resolution number S/1/6/14832/15 to include dealing as a principal activity.

The objective of the subsidiary was further amended on Sha'ban 26, 1437H (corresponding to June 2, 2016) to provide loans to the subsidiary's customers to trade in shares as per the Saudi Central Bank (SAMA) circular No. 371000014867 dated Safar 5, 1437H, and the CMA's circular No. S/6/16287/15 dated Rabi' Al-Awal 10, 1437H.

1.2 Arabian Heavy Equipment Leasing Company (AHEL)

An 87.5% owned subsidiary incorporated in the Kingdom of Saudi Arabia, as a Saudi closed joint stock company, under Commercial Registration no 1010267489 issued in Riyadh dated Jumada I 15, 1430H (corresponding to May 10, 2009). The Company is engaged in the leasing of heavy equipment and operates in compliance with Sharia's principles.

The Bank started consolidating the subsidiary's financial statements effective May 10, 2009, the date the subsidiary started its operations. On May 6, 2014 the Bank increased its ownership percentage in this subsidiary from 62.5% to reach 87.5%.

1.3 Al-Manzil Al-Mubarak Real Estate Financing Ltd.

A wholly owned Saudi limited liability company, registered in the Kingdom of Saudi Arabia under the commercial registration no. 1010199647 issued in Riyadh dated Jumada I 18, 1425H (corresponding to July 6, 2004). The subsidiary is engaged in the purchase of lands and real estates and invest them through sale or rent in favor of the company, maintenance and management of owners and others' assets as guarantee, sale and purchase of real estates for financing purposes as per SAMA approval No. 361000109161 dated 10/8/1436H.

1.4 ANB Global Markets Limited

The Bank established on Jumada I 3, 1438H (corresponding to January 31, 2017) ANB Global Markets Limited, as a limited liability company registered in the Cayman Islands. The Bank has 100% ownership in the investee. The objective of ANB Global Markets Limited is trading in derivatives and Repo activities on behalf of the Bank.

2. Basis of preparation

The interim condensed consolidated financial statements of the Group as at and for the three months period ended March 31, 2024 have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting (IAS 34), as endorsed in the Kingdom of Saudi Arabia and other standards and announcements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

These interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023.

These interim condensed consolidated financial statements are expressed in Saudi Arabian Riyals (SAR) and are rounded off to the nearest thousand, except where indicated otherwise.

Notes to interim condensed consolidated financial statements

As at and for the periods ended March 31, 2024, and 2023

The preparation of interim condensed consolidated financial statements 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.

The new Regulations for Companies issued through Royal Decree M/132 on Dhul Hijjah 1, 1443H (corresponding to June 30, 2022) (hereinafter referred as "the Law") came into force on Jumada II 26, 1444H (corresponding to January 19, 2023).

For certain provisions of the Law, full compliance is expected not later than two years from Jumada II 26, 1444H (corresponding to January 19, 2023).

On March 26, 2024, the Extra Ordinary General Assembly of the Bank has approved the amendments to the Bank's By-laws to comply with the new Law. The regulatory procedures to update the Bank's By-Laws were completed during the subsequent period.

3. Accounting policies and estimates

3.1 Changes in accounting policies

3.1.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed interim 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 2023, except for the adoption of new standards effective as of 1 January 2024.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2024, but do not have a significant impact on the interim condensed consolidated financial information of the Group.

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

finance arrangements are not sufficiently visible, hindering investors' analysis. Effective date is January 1, 2024.

- Amendment to IAS 1 - Non-current liabilities with covenants: These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. Effective date is January 1, 2024.

3.1.2 Accounting standards issued but still subject to the endorsement by SOCPA

- 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. Effective date is January 1, 2024 subject to the endorsement by SOCPA, thus not yet adopted by the Bank.
- 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. Effective date is January 1, 2024 subject to the endorsement by SOCPA, thus not yet adopted by the Bank.

3.1.3 Accounting standards issued but not yet effective

- 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. Effective date is January 1, 2025.
- Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations, and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full. Effective date deferred indefinitely.

3.2 The accounting policies, estimates and assumptions used in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards effective from January 1, 2024 as disclosed in notes 3.1 and 3.1.2 above.

Notes to interim condensed consolidated financial statements

As at and for the periods ended March 31, 2024, and 2023

All amounts in thousands of Saudi Riyals unless stated otherwise

4. Cash and balances with Saudi Central Bank

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Cash in hand	1,243,749	1,042,122	1,279,606
Cash held in custody with others	655,557	667,541	561,923
Statutory deposit	8,873,766	8,823,150	7,920,897
Reverse repo with SAMA*	2,062,000	358,000	4,304,402
Current account	1,631	1,369	-
Total	12,836,703	10,892,182	14,066,828

* Reverse repo with SAMA represents money market placements.

5. Due from banks and other financial institutions, net

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Current accounts	1,437,581	488,831	838,135
Money market placements	3,335,013	1,991,427	3,919,158
ECL allowance	(2,881)	(2,309)	(3,480)
Total	4,769,713	2,477,949	4,753,813

6. Investments, net

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Investments at amortised cost	37,503,609	36,946,218	36,260,401
Equity investments at FVOCI	2,526,916	2,611,581	2,477,543
Debt investments at FVOCI	6,817,565	6,481,654	2,461,978
Investments at FVSI	787,894	648,747	610,298
ECL allowance	(12,083)	(12,370)	(21,964)
Total	47,623,901	46,675,830	41,788,256

Dividend income recognised from equity investment at FVOCI in the interim consolidated statement of income amounted to SAR 31,975 thousand for the three months period ended March 31, 2024 (March 31, 2023: SAR 15,485 thousand).

7. Loans and advances, net

7.1 Loans and advances held at amortised cost comprise of the following:

March 31, 2024 (Unaudited)	Overdrafts	Credit cards	Consumer loans	Commercial loans and others	Total
Performing loans and advances	4,236,129	1,001,792	41,109,569	112,736,184	159,083,674
Non-performing loans and advances	17,250	20,601	98,877	2,008,310	2,145,038
Total loans and advances	4,253,379	1,022,393	41,208,446	114,744,494	161,228,712
ECL allowance	(89,305)	(97,913)	(487,541)	(2,678,848)	(3,353,607)
Loans and advances, net	4,164,074	924,480	40,720,905	112,065,646	157,875,105

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December 31, 2023 (Audited)	Overdrafts	Credit cards	Consumer loans	Commercial loans and others	Total
Performing loans and advances	3,696,654	988,993	39,790,378	108,786,407	153,262,432
Non-performing loans and advances	15,221	23,365	93,505	2,169,747	2,301,838
Total loans and advances	3,711,875	1,012,358	39,883,883	110,956,154	155,564,270
ECL allowance	(121,528)	(89,313)	(478,570)	(2,639,750)	(3,329,161)
Loans and advances, net	3,590,347	923,045	39,405,313	108,316,404	152,235,109

March 31, 2023 (Unaudited)	Overdrafts	Credit cards	Consumer loans	Commercial loans and others	Total
Performing loans and advances	3,269,902	781,858	38,693,337	103,390,916	146,136,013
Non-performing loans and advances	26,495	13,387	77,886	2,705,619	2,823,387
Total loans and advances	3,296,397	795,245	38,771,223	106,096,535	148,959,400
ECL allowance	(219,988)	(65,026)	(380,903)	(3,566,262)	(4,232,179)
Loans and advances, net	3,076,409	730,219	38,390,320	102,530,273	144,727,221

7.2 The following table further explains changes in gross carrying amount:

	March 31, 2024 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2024	138,660,682	14,531,404	2,372,184	155,564,270
Transfers to stage 1	860,133	(850,083)	(10,050)	-
Transfers to stage 2	(2,386,510)	2,403,956	(17,446)	-
Transfers to stage 3	(23,960)	(139,085)	163,045	-
Net change for the year	8,785,930	(2,842,500)	(140,935)	5,802,495
Write-offs	-	-	(138,053)	(138,053)
Closing balance as at March 31, 2024	145,896,275	13,103,692	2,228,745	161,228,712

	December 31, 2023 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2023	133,134,295	11,885,608	2,728,724	147,748,627
Transfers to stage 1	3,025,099	(2,971,344)	(53,755)	-
Transfers to stage 2	(4,599,398)	4,861,586	(262,188)	-
Transfers to stage 3	(185,714)	(482,745)	668,459	-
Net change for the year	7,286,400	1,238,299	763,437	9,288,136
Write-offs	-	-	(1,472,493)	(1,472,493)
Closing balance as at December 31, 2023	138,660,682	14,531,404	2,372,184	155,564,270

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	March 31, 2023 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2023	133,134,295	11,885,608	2,728,724	147,748,627
Transfers to stage 1	840,232	(835,455)	(4,777)	-
Transfers to stage 2	(1,542,650)	1,553,299	(10,649)	-
Transfers to stage 3	(17,057)	(177,216)	194,273	-
Net change for the year	1,839,134	(593,617)	(11,414)	1,234,103
Write-offs	-	-	(23,330)	(23,330)
Closing balance as at March 31, 2023	134,253,954	11,832,619	2,872,827	148,959,400

7.3 The movement in the expected credit losses of loans and advances is as follows:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Balance at the beginning of the period/ year	3,329,161	3,919,808	3,919,808
Charge for the period/ year, net	162,499	881,846	335,701
Bad debts written off against impairment allowance	(138,053)	(1,472,493)	(23,330)
Balance at the end of the period/ year	3,353,607	3,329,161	4,232,179

The net impairment charge for expected credit losses for the period ended March 31, 2024 amounted to SAR 116,460 thousand (December 31, 2023: SAR 721,405 thousand; March 31, 2023: SAR 303,490 thousand), The bad debts directly written-off to interim consolidated statement of income amounting to SAR 2,533 thousand (December 31, 2023: SAR 19,372 thousand; March 31, 2023: SAR 2,480 thousand) and net of recoveries and others amounting to SAR 48,572 thousand (December 31, 2023: SAR 179,813 thousand; March 31, 2023: SAR 34,691 thousand).

7.4 An analysis of changes in the ECL allowance as follows:

	March 31, 2024 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2024	860,756	901,604	1,566,801	3,329,161
Transfers to stage 1	23,459	(17,703)	(5,756)	-
Transfers to stage 2	(15,362)	23,574	(8,212)	-
Transfers to stage 3	(88)	(8,989)	9,077	-
Net charge for the year	12,649	(31,233)	181,083	162,499
Write-offs	-	-	(138,053)	(138,053)
Closing balance as at March 31, 2024	881,414	867,253	1,604,940	3,353,607

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	December 31, 2023 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2023	1,012,772	1,348,817	1,558,219	3,919,808
Transfers to stage 1	191,950	(175,377)	(16,573)	-
Transfers to stage 2	(48,657)	121,470	(72,813)	-
Transfers to stage 3	(3,047)	(25,764)	28,811	-
Net charge for the year	(292,262)	(367,542)	1,541,650	881,846
Write-offs	-	-	(1,472,493)	(1,472,493)
Closing balance as at December 31, 2023	860,756	901,604	1,566,801	3,329,161

	March 31, 2023 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
Opening balance as at January 1, 2023	1,012,772	1,348,817	1,558,219	3,919,808
Transfers to stage 1	19,494	(16,364)	(3,130)	-
Transfers to stage 2	(13,926)	21,101	(7,175)	-
Transfers to stage 3	(186)	(14,434)	14,620	-
Net charge for the year	71,994	193,807	69,900	335,701
Write-offs	-	-	(23,330)	(23,330)
Closing balance as at March 31, 2023	1,090,148	1,532,927	1,609,104	4,232,179

8. Expected credit losses (ECL) and other impairment charges, net

Expected credit losses charge for the three months periods ended as reflected in the interim consolidated statement of income are detailed as follows:

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
ECL allowance charges for loans and advances, net	116,460	303,490
Other ECL allowance charges, net	1,105	4,316
Charge/ (reversal) of provisions for credit-related commitments and contingencies, net	44,108	(59,661)
Total	161,673	248,145

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

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Current accounts	68,917	175,963	74,854
Money market deposits	2,113,075	1,539,024	2,133,210
Repo with SAMA	1,527,247	96,000	3,359,913
Deposits from SAMA	6,575,596	6,618,763	8,092,197
Total	10,284,835	8,429,750	13,660,174

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10. Customers' deposits

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Demand	84,896,665	82,453,283	73,960,818
Time	83,347,981	77,569,880	75,816,517
Saving	392,522	367,976	338,817
Other	5,903,586	5,470,199	5,131,108
Total	174,540,754	165,861,338	155,247,260

11. Derivative financial instruments

The table below sets out the positive and negative fair values of derivative financial instruments, together with their notional amounts, analysed by their term to maturity. The notional amounts provide an indication of the volumes of transactions outstanding at the end of the period. It does 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 derivatives, nor to market risk.

	March 31, 2024 (Unaudited)			December 31, 2023 (Audited)			March 31, 2023 (Unaudited)		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
Held for trading:									
Commission rate and cross currency swaps	1,398,341	1,359,196	35,508,318	1,337,280	1,271,818	35,159,175	994,738	957,556	32,703,093
Commission rate futures and options	19,579	18,303	2,634,900	18,693	17,261	1,149,841	672,879	670,645	8,481,073
Forward foreign exchange and commodity contracts	29,374	2,971	4,351,941	38,558	17,691	2,337,030	53,195	31,328	4,907,853
Currency and commodity options	134	346	221,181	20	95	88,696	92	1,060	331,492
Held as fair value hedges:									
Commission rate swaps	587,622	-	8,166,452	407,340	10,821	8,137,552	684,882	289	8,952,686
Held as cash flow hedges:									
Commission rate swaps	-	95,163	1,800,000	-	85,674	1,800,000	-	94,368	1,800,000
Total	2,035,050	1,475,979	52,682,792	1,801,891	1,403,360	48,672,294	2,405,786	1,755,246	57,176,197

12. Commitments and contingencies

12.1 Legal proceedings

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 in December 31, 2023 annual consolidated financial statements.

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12.2 Credit related commitments and contingencies

The Group's credit related commitments and contingencies are as follows:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Letters of credit	6,248,850	5,532,713	4,614,510
Letters of guarantee	26,881,334	25,049,118	18,927,936
Acceptances	1,483,073	1,567,174	1,188,895
Irrevocable commitments to extend credit	5,316,040	5,835,479	4,417,271
Other	9,750	9,750	13,500
Total	39,939,047	37,994,234	29,162,112

13. Cash and cash equivalents

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

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Cash and balances with Saudi Central Bank excluding statutory deposit (note 4)	3,962,937	2,069,032	6,145,931
Due from banks and other financial institutions maturing within ninety days of acquisition	4,772,594	2,480,258	4,757,293
Total	8,735,531	4,549,290	10,903,224

14. Zakat and income tax

Zakat attributable to the Group on Saudi shareholders for the period ended March 31, 2024 amounted to SAR 88.4 million (March 31, 2023: SAR 74.8 million). Income tax attributable to the Group on the current period's share of net income for the non-Saudi strategic shareholder is SAR 92.5 million (March 31, 2023: SAR 90.3 million), net of reversal of deferred tax amounting to SAR 19.8 million (March 31, 2023: SAR 8.5 million).

The provision for zakat and income tax is estimated based on the respective interim condensed consolidated financial position as at March 31, 2024 and the results of the operations of the Group for the three months then ended.

There are no significant changes in the Bank's zakat and income tax assessments to those mentioned in the Group's annual consolidated financial statements for the year ended December 31, 2023.

15. Operating segments

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief executive officer in order to allocate resources to the segments and to assess its performance.

For management purposes, the Group is organised into the following major operating segments:

Retail banking

Deposit, credit and investment products for individuals.

Corporate banking

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

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Treasury

Manages the Bank's trading and investment portfolios and the Bank's funding, liquidity, currency and commission rate risks.

Investment and brokerage services

Investment management services, asset management activities related to dealing, managing, arranging, advising and custody of securities.

Other

Includes income on capital and unallocated costs and assets and liabilities of Head Office and other supporting departments.

Transactions between operating segments are reported as recorded in the Group's transfer pricing system. The basis for determining intersegment operating income/ (expense) for the current year are consistent with the basis used for December 31, 2023. Segment assets and liabilities comprise mainly operating assets and liabilities.

The Group's primary business is conducted in the Kingdom of Saudi Arabia with one international branch in London. The total assets, liabilities, commitments and results of operations of this branch are, however, not material to the Group's overall interim condensed consolidated financial statements.

The Group's total consolidated assets and liabilities as at March 31, 2024 and 2023 and its total operating income, expenses and net income for the three months then ended, by operating segments, are as follows:

March 31, 2024 (Unaudited)	Retail banking	Corporate banking	Treasury	Investment and brokerage services	Other	Total
Total assets	66,621,895	97,266,980	65,146,144	625,493	2,485,917	232,146,429
Investments in associates	-	-	-	324,032	624,549	948,581
Total liabilities	88,418,623	90,483,022	15,669,282	130,979	2,246,021	196,947,927
Operating income/ (expense) from external customers	585,404	1,734,329	9,958	116,507	(136,757)	2,309,441
Intersegment operating income/ (expense)	528,461	(794,867)	129,779	-	136,627	-
Total operating income	1,113,865	939,462	139,737	116,507	(130)	2,309,441
Of which:						
Net special commission income	1,060,167	719,206	(8,357)	60,246	96,464	1,927,726
ECL allowance charges and other provisions, net	49,987	110,580	1,106	-	-	161,673
Depreciation and amortisation	53,093	2,726	10	1,226	5,892	62,947
Total operating expenses	549,625	288,066	36,884	35,982	(18,813)	891,744
Share in losses of associates	-	-	-	(4,457)	3,635	(822)
Net income before Zakat and income tax	564,240	651,396	102,853	76,068	22,318	1,416,875

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March 31, 2023 (Unaudited)	Retail banking	Corporate banking	Treasury	Investment and brokerage services	Other	Total
Total assets	58,558,959	91,881,859	61,433,457	590,553	1,577,616	214,042,444
Investments in associates	-	-	-	347,868	634,817	982,685
Total liabilities	77,823,546	81,712,372	19,244,970	140,087	2,453,444	181,374,419
Operating income/ (expense) from external customers	460,191	1,512,530	172,320	72,600	(37,152)	2,180,489
Intersegment operating income/ (expense)	444,720	(621,125)	71,783	-	104,622	-
Total operating income	904,911	891,405	244,103	72,600	67,470	2,180,489
Of which:						
Net special commission income	921,092	739,100	(18,432)	38,834	83,372	1,763,966
ECL allowance charges and other provisions, net	60,890	182,938	4,317	-	-	248,145
Impairment charge on other real estate owned	-	50,000	-	-	-	50,000
Depreciation and amortisation	40,431	8,088	176	1,181	5,852	55,728
Total operating expenses	457,391	378,173	44,374	29,829	47,557	957,324
Share in earnings of associates	-	-	-	7,230	2,827	10,057
Net income before Zakat and income tax	447,520	513,232	199,729	50,001	22,740	1,233,222

16. Share capital, dividends, basic and diluted earnings per share and treasury shares

16.1 Share capital

As at March 31, 2024, the authorised, issued and fully paid share capital of the Bank consists of 1,500 million shares of SAR 10 each (December 31, 2023 and March 31, 2023: 1,500 million shares of SAR 10 each).

16.2 Proposed issuance of bonus shares

On February 07, 2024, the Board of Directors recommended to the Extraordinary General Assembly of the Bank to increase the capital by SAR 5 billion through capitalization from the retained earnings by way of granting one share for every three shares. The proposed grant is conditional on obtaining the approval of the official authorities and the extraordinary general assembly on the increase in the capital and the number of shares granted.

16.3 Dividends

16.3.1 In December 20, 2022, the Board of Directors recommended to pay cash dividends of SAR 900 million from net income after deducting zakat for the second half of 2022. This proposed final dividend resulted in a net payment of SAR 0.60 per share to Saudi shareholders. Upon distribution, the income tax liability of the non-Saudi strategic shareholder for the related period was deducted from their share of the dividend. This cash dividend distribution was approved by the Ordinary General Assembly in the meeting held on March 28, 2023.

16.3.2 On February 6, 2024, the Board of Directors approved to pay cash dividends of SAR 1,050 million from net income after deducting zakat for the second half of 2023. This final dividend resulted in a net payment of SAR 0.70 per share to Saudi shareholders. Upon distribution, the income tax liability of the non-Saudi strategic shareholder for the current and prior period was deducted from their share of the dividend. This cash dividend was distributed on February 25, 2024.

16.4 Basic and diluted earnings per share

Basic and diluted earnings per share for the periods ended March 31, 2024 and 2023 are calculated by dividing the net income for the period attributable to the equity holders of the Bank by 1,500 million shares. The diluted earnings per share is the same as the basic earnings per share.

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16.5 Proposed buy-back of treasury shares

On March 26, 2024, the Board of Directors recommended to buy-back a number of the Bank's shares with a maximum of 5 million shares to allocate them to Employee Stock Incentive Plan. This is subject to the approval by Extra-ordinary General Assembly meeting in accordance with applicable regulations.

17. Fair values of assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in either:

- The accessible principal market for the asset or liability; or
- The absence of a principal market, in the most advantageous accessible market for the asset or liability.
- The fair values of on-consolidated statement of financial position for assets and liabilities are not significantly different from their carrying amounts included in the interim consolidated financial statements.

For determination of fair value and fair value hierarchy, the Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities:

Level 1: quoted prices in active markets for the same instrument (i.e., without modification or repacking);

Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3: valuation techniques for which any significant inputs are not based on observable market data.

17.1 Carrying amounts and fair value

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

17.1.1 Financial assets

March 31, 2024 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Investments at FVSI	787,894	25,123	-	762,771	787,894
Investments at FVOCI	9,344,481	2,526,916	6,817,565	-	9,344,481
Positive fair value of derivatives	2,035,050	-	2,035,050	-	2,035,050
Financial assets not measured at fair value					
Investments at amortised cost	37,491,526	-	33,835,624	-	33,835,624
Loans and advances	157,875,105	-	-	154,817,642	154,817,642

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December 31, 2023 (Audited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Investments at FVSI	648,747	22,460	-	626,287	648,747
Investments at FVOCI	9,093,235	2,611,581	6,481,654	-	9,093,235
Positive fair value of derivatives	1,801,891	-	1,801,891	-	1,801,891
Financial assets not measured at fair value					
Investments at amortised cost	36,933,848	-	34,315,718	-	34,315,718
Loans and advances	152,235,109	-	-	150,135,004	150,135,004

March 31, 2023 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Investments at FVSI	610,298	-	-	610,298	610,298
Investments at FVOCI	4,939,521	2,477,543	2,461,978	-	4,939,521
Positive fair value of derivatives	2,405,786	-	2,405,786	-	2,405,786
Financial assets not measured at fair value					
Investments at amortised cost	36,238,437	-	36,685,293	-	36,685,293
Loans and advances	144,727,221	-	-	142,397,882	142,397,882

17.1.2 Financial Liabilities

March 31, 2024 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,475,979	-	1,475,979	-	1,475,979
Financial liabilities not measured at fair value					
Issued Sukuk	2,852,256	-	2,697,159	-	2,697,159

December 31, 2023 (Audited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,403,360	-	1,403,360	-	1,403,360
Financial liabilities not measured at fair value					
Issued Sukuk	2,828,863	-	2,694,431	-	2,694,431

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March 31, 2023 (Unaudited)	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial liabilities measured at fair value					
Negative fair value of derivatives	1,755,246	-	1,755,246	-	1,755,246
Financial liabilities not measured at fair value					
Issued Sukuk	2,852,524	-	2,642,203	-	2,642,203

17.2 Measurement of fair values

17.2.1 Transfer between levels of the fair value hierarchy

There have been no transfers between levels of the fair value hierarchy during the three months period ended March 31, 2024 and 2023.

17.2.2 Reconciliation of Level 3 fair values

The following table shows the movement of Level 3 fair values for the period/ year:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Balance at the beginning of the period/ year	626,287	618,811	618,811
Total unrealized gains/ (losses) charged to the consolidated statement of income	19,020	30,735	(8,521)
Additions/ (settlements) during the period/ year	117,464	(23,259)	8
Balance at the end of the period/ year	762,771	626,287	610,298

17.2.3 Valuation technique and significant unobservable inputs

The table in next page shows the valuation techniques used in measuring level 2 and Level 3 fair values at March 31, 2024 and 2023, as well as the significant unobservable inputs used.

Notes to interim condensed consolidated financial statements

As at and for the periods ended March 31, 2024, and 2023

All amounts in thousands of Saudi Riyals unless stated otherwise

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
FVSI investments classified as Level 3	Fair value is determined based on the investee fund's most recent reported net assets value	These inputs include risk-adjusted discount rates, marketability and liquidity discounts and control premiums	The higher the discount rate, the lower is the valuation; vice versa
FVOCI investments classified as Level 2 include plain vanilla bonds for which market quotes are not available	Fair valued using simple discounted cash flow techniques that use observable market data inputs for yield curves and credit spreads	None	Not applicable
Derivatives classified as Level 2 are comprised of over the counter special commission rate swaps, cross currency swaps, special commission rate futures and options, forward foreign exchange contracts, currency and commodity options and other derivative financial instruments	These instruments are fair valued using the Group's proprietary valuation models that are based on discounted cash flow techniques. The data inputs on these models are based on observable market parameters relevant to the markets in which they are traded and are sourced from widely used market data service providers	None	Not applicable
Financial assets and liabilities that are disclosed at fair value and classified as Level 2 include investments held at amortised cost	These instruments are fair valued using simple discounted cash flow techniques that use observable market data inputs for yield curves and credit spreads	Additional buffer is added to account for any potential model discrepancy or any stressed market conditions	Not applicable
Financial assets and liabilities that are disclosed at fair value and classified as Level 3 include loans and advances and debt issuances	These instruments are fair valued using simple discounted cash flow techniques that use observable market data inputs for yield curves and credit spreads	Additional buffer is added to the credit spreads to account for any potential model discrepancy or any stressed market conditions	The higher the credit spread, the lower is the valuation; vice versa
Other real estate asset	Earning Before Tax, Depreciation and Amortization (EBITDA) margins has been forecasted based on market and similar products offerings, taking into account the expected growth rate, room occupancy rate, rate per room, discount rate, yield, construction cost and other costs	<ul style="list-style-type: none"> EBITDA forecast Discount rate and yield rate Room occupancy rate Rent per room 	<ul style="list-style-type: none"> EBITDA has been forecasted as higher or (lower) The discount rate or yield were lower or (higher) The occupancy rate were higher or (lower) The rent per room were higher or (lower)

Certain unobservable inputs were applied for the above valuation and the impact of the sensitivity is not material.

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All amounts in thousands of Saudi Riyals unless stated otherwise

18. Related party transactions

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

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Board of directors, board committee members and other major shareholders:		
Loans and advances	8,075,224	6,373,267
Commitments and contingencies	2,143,879	2,427,769
Subsidiaries and associates:		
Investments in associates	948,580	982,684
Loans and advances	6,481,515	6,200,447
Commitments and contingencies	101,664	147,762
Key management personnel of the bank:		
Loans and advances	72,116	57,410

19. Capital adequacy

The Group's objectives when managing capital is 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. During the period, the Group fully complied with regulatory capital requirements.

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 consolidated statement of financial position assets, commitments and notional amounts of derivatives at a weighted amount to reflect their relative risk.

The Group's Pillar I consolidated Risk Weighted Assets (RWA), total capital and related ratios are as follows:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2023 (Unaudited)
Credit Risk RWA	172,992,637	164,441,230	157,499,804
Operational Risk RWA	10,684,489	9,113,477	9,116,218
Market Risk RWA	13,263,115	13,724,205	1,112,177
Total Pillar I RWA	196,940,241	187,278,912	167,728,199
Tier I Capital	35,169,672	35,253,240	32,827,901
Tier II Capital	3,843,615	3,816,425	4,042,026
Total Tier I & II Capital	39,013,287	39,069,665	36,869,927
Capital Adequacy Ratio %			
CETI	17.86%	18.82%	19.57%
Tier I ratio %	17.86%	18.82%	19.57%
Tier I + Tier II ratio %	19.81%	20.86%	21.98%

The Group maintains an actively managed capital base to cover risks inherent in the business. The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee on Banking Supervision as adopted by SAMA in supervising the Bank.

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All amounts in thousands of Saudi Riyals unless stated otherwise

20. Comparative figures

Certain prior period figures have been reclassified to conform with current period presentation, which are not material in nature to the interim condensed consolidated financial statements.

21. Board of Directors' approval

The interim condensed consolidated financial statements were approved by the Board on Shawwal 16, 1445 (corresponding to April 25, 2024).