Aljazira Bank H1 2026 Preliminary Earnings Release

Aljazira Bank Delivers Strong Financial Performance Continuing to Grow Business: Net Income in H1 2026 Rises by 14% YoY to ⃁848 Million While Total Assets Grow by 15% YoY to ⃁181 Billion

Riyadh, 21 July 2026

H1 2026 Financial Results highlights:

- Net income increased by 14% YoY to ⃁848 million with return on tangible equity at 8.6%. In Q2 2026 net income increased by 9% QoQ and amounted to ⃁443 million.
- Total operating income increased by 9% YoY to ⃁2,368 million. Fee and other income comprised 30% of total operating income.
- Net margin was 2.06% in H1 2026. Net financing and investment income grew by 10% YoY to ⃁1,661 million.
- Operating expenses increased by 8% YoY thus ensuring positive operating jaws while cost-to-income ratio decreased by 48 bps YoY to 51.78%.
- Cost of risk declined to 30 bps in H1 2026, down by 8 bps YoY, reflecting good asset quality.
- Net financing increased to ⃁121 billion as of H1 2026, up 17% YoY and 6% QoQ driven by both corporate and retail segments. Total assets grew to ⃁181.2 billion, up 15% YoY and 5% QoQ.
- Total equity grew by 21% YoY to ⃁23.4 billion supported by retained earnings in addition to the successful ⃁1,464 million Tier 1 Sukuk issuance.

Commenting on the H1 2026 results, Mr. Naif A. Abdulkareem, CEO and Managing Director of Aljazira Bank, stated:

"Aljazira Bank is delighted to present a strong set of results for H1 2026, achieved through a combination of continued growth momentum – particularly in the financing portfolio, rigorous cost discipline, a strong focus on increasing non-funded revenues, and sound asset quality.

We are relentlessly improving our operational systems and customer service, strengthening digital capabilities, and becoming a more agile and sophisticated organization. Coupled with recent successful rebranding, this allows Aljazira Bank to continue acquiring new customers and deepening existing relationships – scaling up our successful business model through growth in the financing book, a strong inflow of customer deposits, and an enhanced funding structure.

In H1 2026, we further reinforced our capital base through a Tier 1 Sukuk issuance. This robust capital position allows the Bank to pursue attractive business opportunities in a strong, vibrant and resilient Saudi market.

We remain well on track to deliver on our full year guidance in 2026 and to achieve our strategic aim of becoming the bank of choice for affluent individuals, corporates, and institutions. Aljazira Bank remains fully committed to delivering sustainable long-term shareholder value."

Strong financial results come as the Bank continues to scale up its business franchise while focusing on excellence in client service and profound strategic transformation

Aljazira Bank delivered a solid financial performance in H1 2026 with net income increasing by 14% YoY to ⃁848 million. Net income before Zakat and Tax reached ⃁975 million, up 15% YoY, while return on tangible equity stood at 8.6%. In Q2 2026 net income amounted to ⃁443 million, up 9% sequentially.

Total operating income increased by 9% YoY to ⃁2,368 million, driven by 10% increase in net financing and investment income and 6% growth in fee and other income. Fee and other income comprised 30% of total operating income, underpinning the diversity of the Bank's revenue mix and its strategic focus on growing non-interest revenues. Operating expenses increased by 8% YoY, lower than the growth in total operating income thus delivering positive operating jaws. Cost-to-income ratio reduced to 51.78%, down 48 bps YoY. Net impairment charge decreased by 14% YoY supported by higher write-off recoveries. Cost of risk was 30 bps, down by 8 bps YoY.

The Bank's business mix is well diversified, with all segments strongly contributing to operating and net income.

The balance sheet continued to expand with total assets increasing by 15% YoY and by 5% QoQ to ⃁181.2 billion. Net financing grew by 17% YoY and by 6% QoQ to ⃁121 billion in Q2 2026 while net investments increased by 9% YoY and by 2% QoQ to ⃁41 billion in Q2 2026. The dynamic growth of net financing reflects the Bank's strong origination capabilities and strategic focus on commercial lending and affluent customer base. Asset growth was supported by robust increase in customers' deposits which grew by 16% YoY and by 7% QoQ to ⃁133 billion in Q2 2026.

Total equity increased by 21% YoY to ⃁23.4 billion, supported by retained earnings, in addition to successful issuance of Tier 1 Sukuk, further strengthening the Bank's capital position.

Income Statement Summary

for the period ending 30 June 2026

⃁ Mn	1H 2026	1H 2025	YoY % Change	2Q 2026	1Q 2026	QoQ % Change
Net financing & investment income	1,661	1,516	+10%	842	819	+3%
Fee & other income	707	665	+6%	374	333	+12%
Total operating income	2,368	2,181	+9%	1,216	1,152	+6%
Total operating expenses before impairment charge	(1,226)	(1,140)	+8%	(618)	(608)	+2%
Impairment charge, net	(171)	(200)	-14%	(97)	(74)	+30%
Net operating income	971	841	+15%	501	470	+7%
Share in net income of an associate	4	7	-38%	2	2	+49%
Net income for the period before Zakat & income tax	975	848	+15%	503	472	+7%
Zakat & income tax	(127)	(105)	+21%	(60)	(67)	-9%
Net income for the period	848	743	+14%	443	405	+9%

Key financial ratios

for the period ending 30 June 2026

	1H 2026	1H 2025	YoY % Change	2Q 2026	1Q 2026	QoQ % Change
Net margin	2.06%	2.17%	-11 bps	2.02%	2.10%	-7 bps
Cost-to-Income	51.78%	52.26%	-48 bps	50.85%	52.75%	-190 bps
Cost of risk	0.30%	0.38%	-8 bps	0.41%	0.20%	+21 bps
Return on tangible equity	8.59%	9.21%	-63 bps	9.00%	8.36%	+64 bps

Balance Sheet Summary

as of 30 June 2026

⃁ Mn	2Q 2026	1Q 2026	QoQ % Change	2Q 2025	YoY % Change
Cash & Interbank	15,888	14,438	+10%	13,540	+17%
Investments, net	40,964	40,232	+2%	37,594	+9%
Financing, net	120,962	114,266	+6%	103,702	+17%
Other assets, net	3,370	4,178	-19%	2,949	+14%
Total assets	**181,184**	**173,114**	**+5%**	**157,785**	**+15%**
Due to banks & other FI	20,144	21,068	-4%	19,899	+1%
Customers' deposits	132,738	123,958	+7%	114,155	+16%
Subordinated Sukuk	2,008	2,042	-2%	2,006	+0%
Other liabilities, net	2,895	3,041	-5%	2,422	+20%
Total liabilities	**157,784**	**150,110**	**+5%**	**138,482**	**+14%**
Equity attributable to shareholders of the Bank	**15,186**	**14,790**	**+3%**	**14,429**	**+5%**
Tier 1 sukuk	8,214	8,214	0%	4,875	+68%
Total equity	**23,400**	**23,004**	**+2%**	**19,304**	**+21%**

Additional Information

Contact our Investor Relations Team:
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The full financial statements, earnings release, investor and earnings presentations will be made available on our website at:
https://ir.aljazirabank.com.sa/