

# BSF 1H 2025 Investor Presentation

1H 2025





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# BSF Profile



Investor Presentation 1H 2025



# BSF has a solid investment profile and clearly articulated strategy



1.



## Leading banking group in Saudi Arabia with a strong focus on domestic operations

Domestic systemically important bank ("D-SIB") with **total assets of ₪ 301.5bn and market capitalization of ₪ 44.7bn**  
**Universal Bank model** with full range of conventional and Islamic products and services

2.



## Dominant corporate banking franchise with deep institutional knowledge and relationships

One of Saudi Arabia's leading providers of banking services to **large corporates and micro, small and medium sized enterprises (MSMEs)**  
5th largest bank in Saudi Arabia by total loans and advances, with the 9.3% market share in the corporate segment

3.



## Well capitalised balance sheet supporting BSF's growth ambitions

Robust capitalisation levels well-above regulatory requirements, supported by internal capital generation through strong profitability  
**20.9% total capital adequacy ratio which is comfortably above regulatory minimum**

4.



## Robust funding and liquidity profile

Attractive funding base with customers' deposits representing 73% of total liabilities – **Non-interest-bearing deposits constitute 47% of the total deposits**  
**SAMA loans to deposits ratio ("SAMA LTD") at 82.2% below regulatory levels - Strong LCR and NSFR of 168% and 116% each**

5.



## Clear strategy driven by targeted initiatives and ambitious aspirations

Refocused and simplified **strategy for an evolving external environment and an optimized internal structure**, built on BSF's core business strengths  
Driven by ambitious aspirations for **market position, profitability and customer experience**

6.



## Experienced management

Best-in-class Executive Management Team  
**Considerable and diverse experience in the banking industry** and strong skills in operating financial institutions in the local, regional and international markets

# We are a leading banking group in Saudi Arabia with a strong focus on domestic operations



- BSF is the successor to Banque de l'Indochine (est. 1949)
- BSF was then established by Royal Decree No. M/23 as a Saudi Arabian joint stock company in 1977, in accordance with regulations requiring KSA National majority ownership.
- BSF was previously affiliated with CA-CIB, a wholly-owned subsidiary of Cr dit Agricole S.A., which held a 31.1% interest in the Bank, which was fully divested by 2019.

## Branches

80 ▼ -2% YOY

## Employees

3,087 ▼ -3% YOY

## Total Assets

301.5

ؔ Billion

▲ +4% year-on-year

## Customers' Deposits

182.7

ؔ Billion

▼ -7% year-on-year

### Headquartered in Riyadh:

80 branches across the Kingdom  
Domestically systemic bank

### Subsidiaries in KSA:

BSF Capital  
BSF Insurance Agency  
JB  
Sakan Real Estate Financing Company



### Universal Bank model:

Corporate DNA (80% of our loan book)  
Full suite of conventional and Islamic products  
Growing Retail loan book  
Core focus on the Saudi market

### Joint ventures in KSA:

Insurance with Allianz

## Corporate

One of the largest providers of corporate banking services in the Kingdom

### Key products:

- demand accounts
- deposits
- overdrafts
- loans and other credit facilities
- project finance
- cash management
- trade finance
- structured trade & commodity finance
- derivative products

52% of Group Operating Income



## Retail

A wide network of branches, ATMs, digital platforms and mobile apps to deliver trusted services and outstanding experience to its customers

### Key products:

- demand accounts
- overdrafts
- loans
- saving accounts
- deposits
- credit and debit cards
- consumer loans
- forex products
- auto leasing

29% of Group Operating Income



## Investment Banking and Brokerage

A leader in investment banking, wealth and asset management, and securities brokerage in the Kingdom of Saudi Arabia

### Key products:

- investment management services
- asset management activities related to dealing, managing, arranging, advising and custody of securities
- retail investments products
- corporate finance
- international and local shares brokerage services
- insurance

6% of Group Operating Income



## Treasury

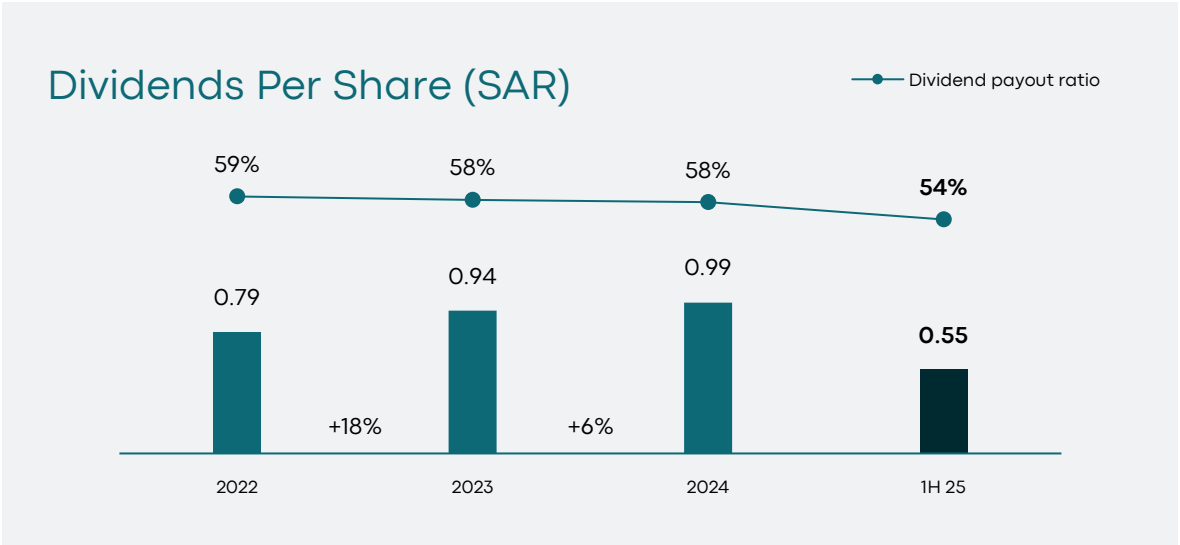
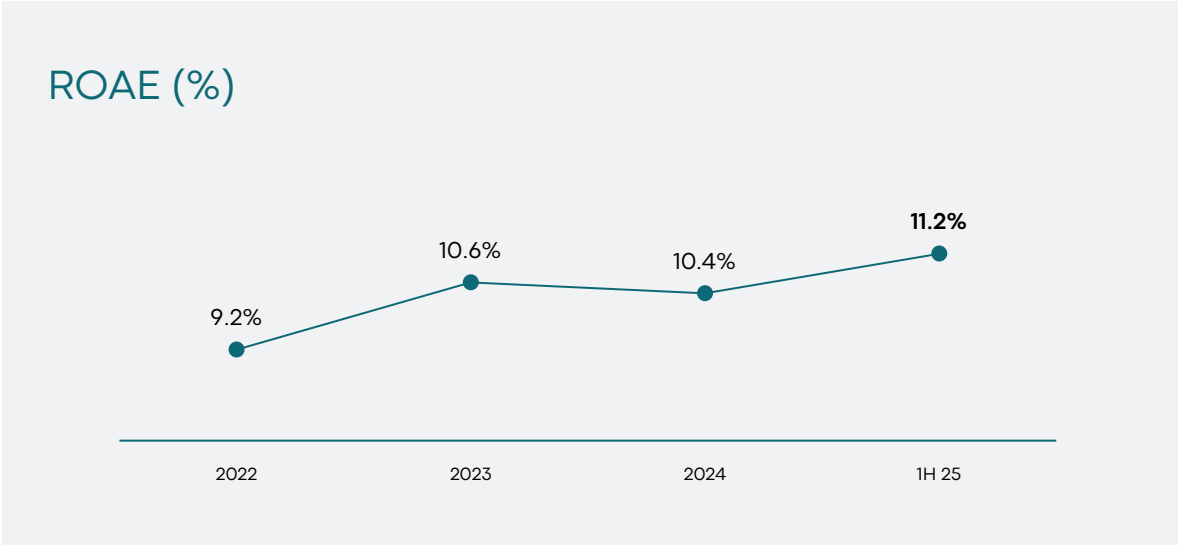
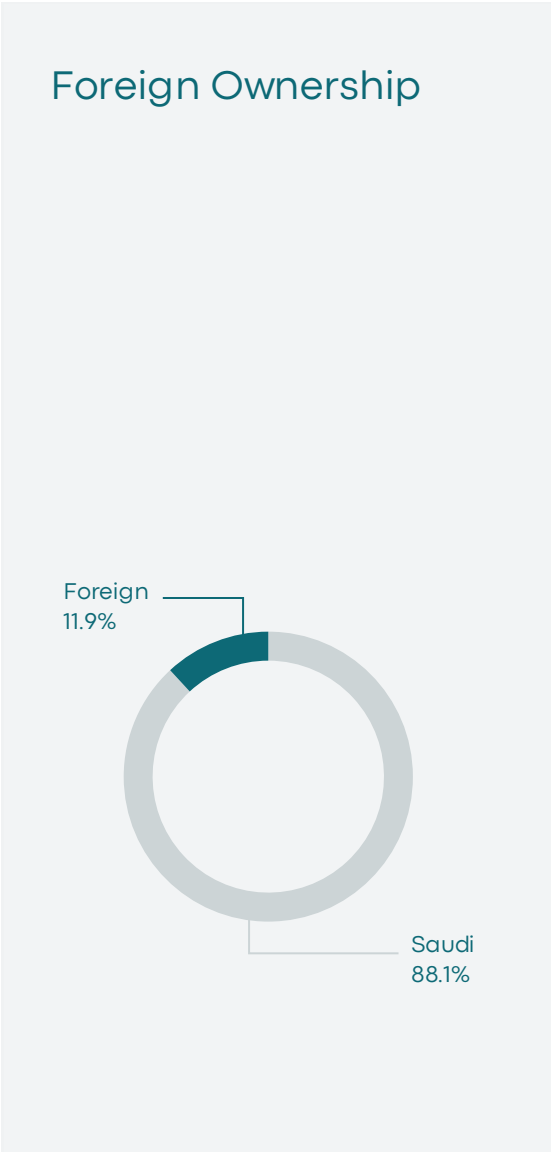
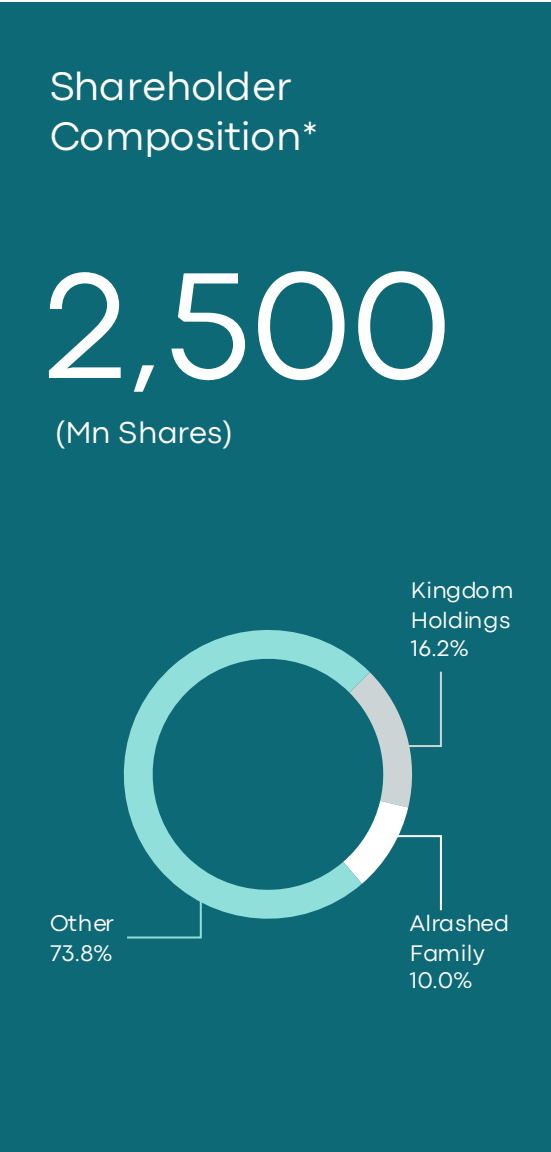
Diverse client services, market making, as well as managing the Bank's liquidity and risks.

### Key products:

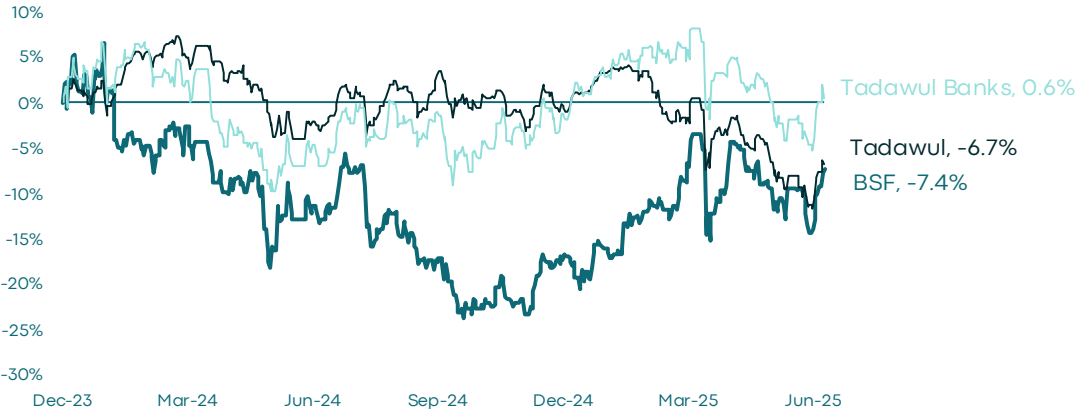
- treasury services
- trading activities
- investment securities
- FX
- rates
- money market
- Bank's funding operations
- derivative products

13% of Group Operating Income





Share Price Performance vs. Tadawul (%)



Market Capitalization  
(฿ Bn)

44.7

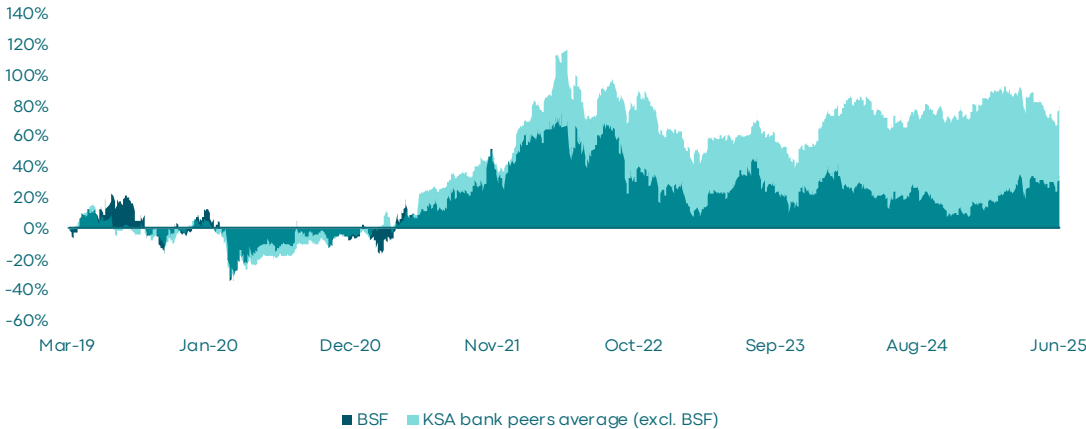
4.56% of KSA banking sector  
0.49% of KSA stock market

BSF Share Price  
(฿)

17.9

52 weeks range [14.6 - 18.9]

Total Shareholder Return (TSR)



Price to  
Tangible Book

1.09x

2Q 25

Price to Earnings  
Ratio (LTM)

9.6x

LTM



# Experienced and dynamic executive management team



**Bader Alsallloom**  
**Chief Executive Officer**

- BSF: appointed Apr-21
- Saudi Investment Bank: Deputy GM Corporate Banking 2 years
- SABB: Deputy GM Comm. Bnk; 15 years



**Ramzy Darwish**  
**Chief Strategy and Finance Officer**

- BSF: appointed CFO Dec-22
- SNB: 17 years where positions included Head of Treasury, Head of Principal Strategies and Investment, and Head of ALM



**Majed Alsadhan**  
**Chief Wholesale Banking Officer**

- BSF: appointed Head of WB Nov-22
- Previously over 4 years with BSF as head of Corporate Banking Central Region and Head of Corporate Banking
- Previously GIB, SABB and SAMBA



**Mohammed Abdulrahman Alsheikh**  
**Chief Personal Banking Officer**

- BSF: appointed Jul-18
- Al Rajhi Bank: AGM Retail Banking in 2017
- ANB: 6 years
- SABB: 3 years



**Mutasim Mufti**  
**Chief Risk Officer**

- BSF: appointed CRO Jan-21
- BSF: Regional Corporate Banking Group Head for 10 years, Deputy Corporate Banking Group Head for 4 years, Deputy Chief Risk Officer for 3 years



**Zuhair Mardam**  
**Chief Treasury and Investment Officer**

- BSF: appointed CTIO Oct-22
- BSF: Head of Global Markets Group 3 years; 18 years with BSF



**Mohammed AlModaimeegh**  
**Chief Operations Officer**

- BSF: appointed COO Sep-24
- BSF: Head of Operations, 2023
- SAIB: AGM Operations
- Other management positions, including COO JPMorgan Saudi Arabia



**Majed Alghanemi**  
**Chief Transformation Officer**

- BSF: appointed CTO Mar-25
- HRSD: Vice Minister of Social Development
- SAB: Chief Operation Officer
- 25+ years of diverse leadership experiences (Banking, Government, Telecom, Defense and Healthcare)



**Abdallah Alshaikh**  
**Chief Legal, Governance, and ESG Officer, Corporate Secretary**

- BSF: appointed in 2018
- 15 years relevant experience
- SAMBA: Head of Legal & Corporate Secretary
- SAMA/CMA: legal positions



**May Al-Hoshan**  
**Chief Human Capital Officer**

- BSF: appointed Aug-18
- Alawwal: Human Resources GM
- NCB Capital: Head of HR



**Ibrahim F. Alsanebi**  
**Chief Audit Executive**

- BSF: appointed CAE Apr-24
- BSF: Head of Banking Audit (Operations, Credit and Retail audit); 7 years at BSF in total
- 15+ years of audit experience in Banking including BSF, ANB and Ernst & Young



**Yasser Al-Anssari**  
**Chief Compliance Officer**

- BSF: appointed CCO in 2021
- GIB: Compliance Group Head
- Al Rajhi Bank: Global Chief of Compliance
- JPMorgan Chase Riyadh: Head of Compliance & AML



# Operating Environment

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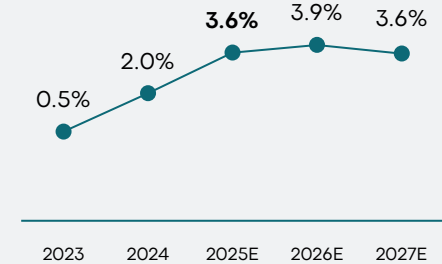
# Saudi Arabia's real GDP growth is estimated at 3.6% in 2025 and is expected to accelerate to 3.9% in 2026



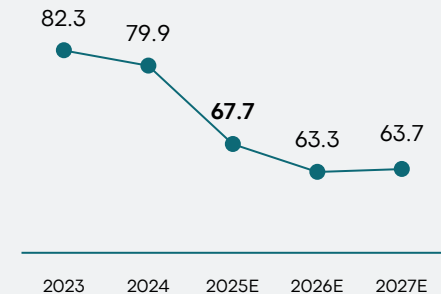
## Economic Outlook

- Real GDP for Saudi Arabia is estimated to grow by 3.6% in 2025, an increase of 1.6ppts from 2024. Growth is expected to accelerate to 3.9% in 2026.
- Interest rates are expected to trend lower in 2025. The average 3M SAIBOR is forecasted at 5.3% for 2025, down from 6.0% in 2024.

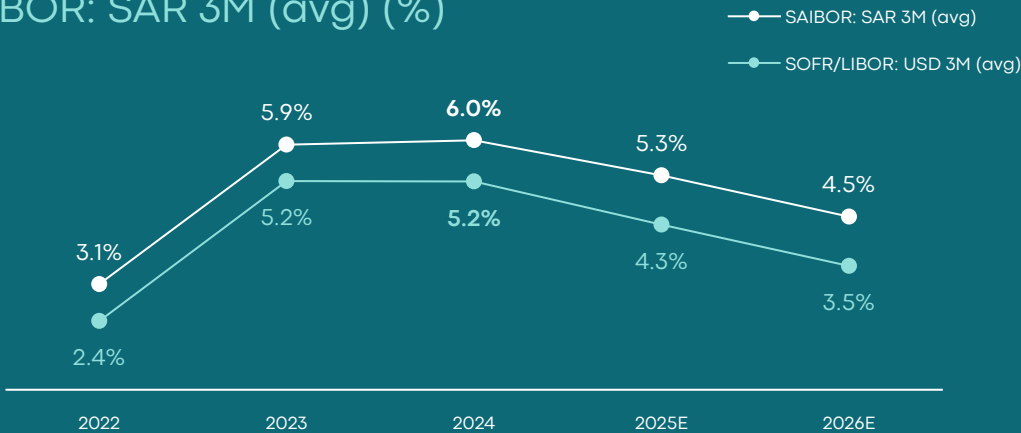
Real GDP Growth (%)



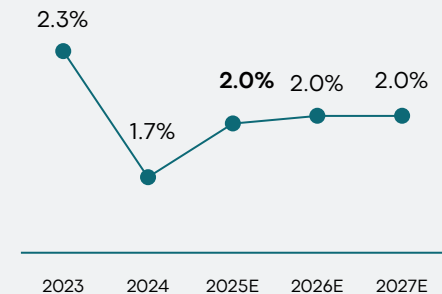
Brent Avg Oil Price / Barrel (USD)



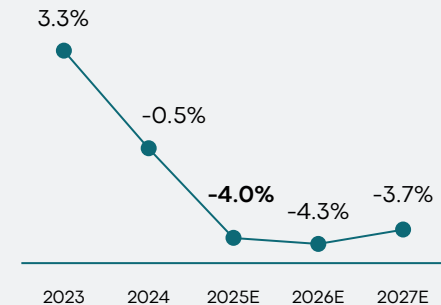
SAIBOR: SAR 3M (avg) (%)



Inflation (%)



Current A/C Balance (USD)

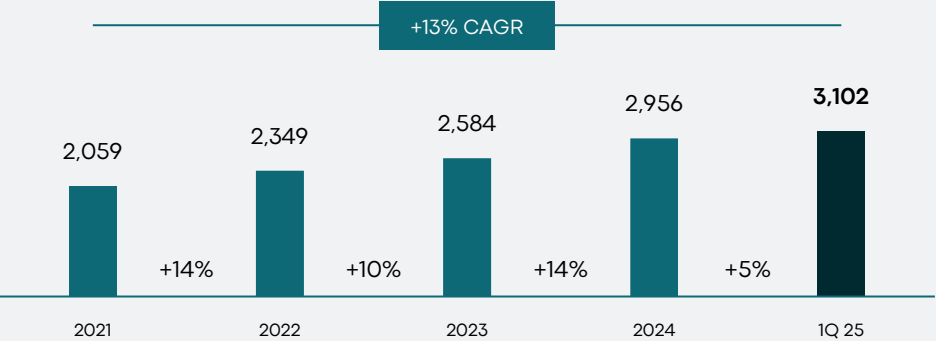




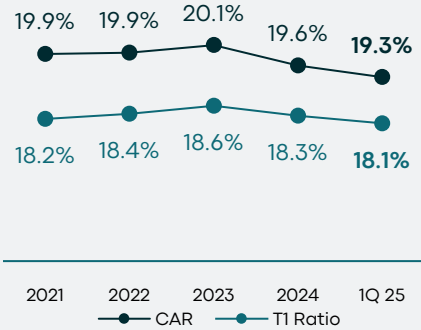
# The Saudi banking sector is well positioned for both resilience and growth



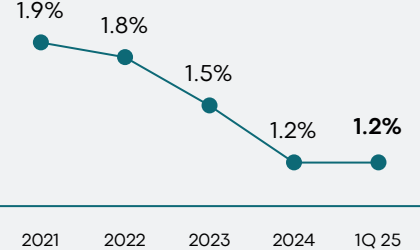
Bank Credit (ﷲ Bn)



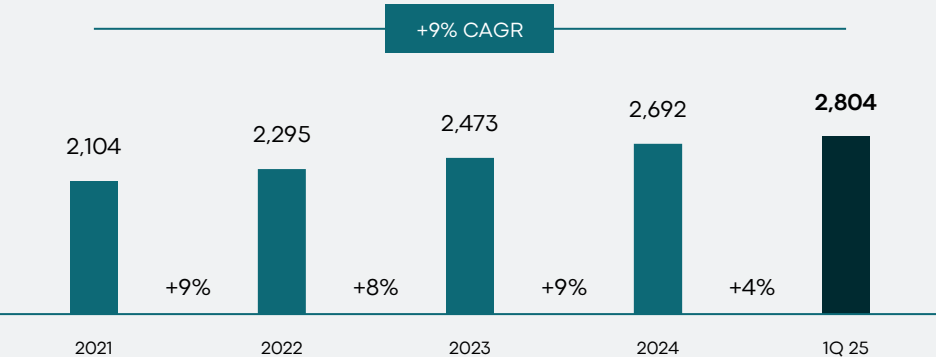
Capitalization (%)



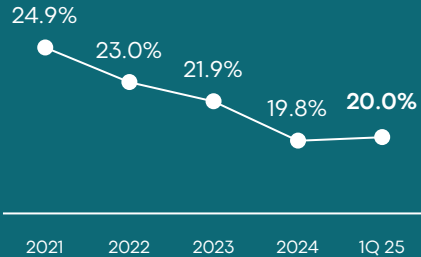
NPL Ratio (%)



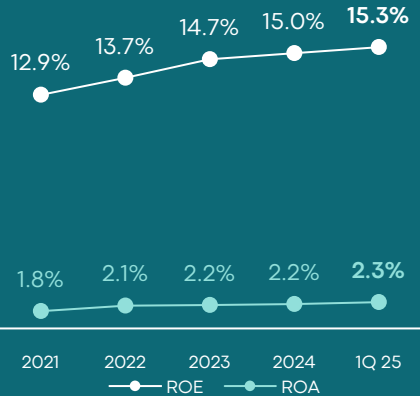
Bank Deposits (ﷲ Bn)



Liquid Assets to Total Assets (%)



Profitability (%)



# Strategy

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In 2025, we aim to sustain strong momentum and drive progress across our core businesses, with a focus on enhancing our offerings to deliver greater client value



#### 2025 Priority

Technology  
Infrastructure  
Modernization

Integrated Corporate  
Portal

Cost Optimization

Fee income boost

Branch Network  
Transformation

BSF 2030 Strategy

#### Wholesale Banking

Expand FIG &  
MNC Coverage

Boost Global  
Transactions Services

#### Personal Banking

Scale Up in Affluent

Provide Superior Daily  
Banking

#### Private Banking

Enhance Product and  
Value Propositions

Increase new customer  
acquisition

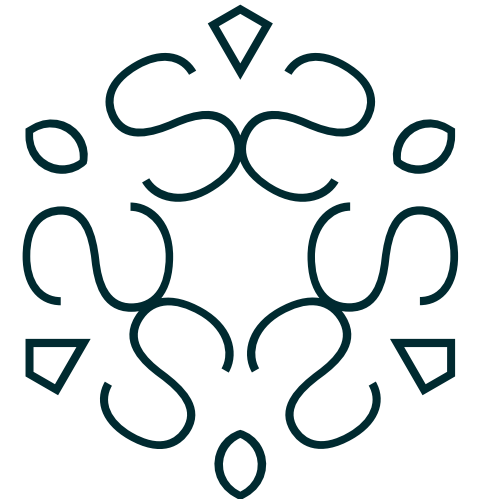
#### JB

Scale up financing and  
leasing

Enhance collaboration  
with Retail, Private and  
Wholesale banking


#### BSF Capital

Leverage Opportunities  
in Capital Markets






Strategic Goals




Position

Be among the top players in our target segments (Top 3 Market Share)



Profitability

Focus on profitability and return on capital (ROE > COC)




Customer Experience

Continued commitment to leading CX (NPS #1)


Strategic Pillars

Wholesale Banking	Personal Banking	Private Banking	JB	BSF Capital
Solidify market position	Leverage segmentation and synergies	Reinforce market leadership	Expand in new market segments	Seize existing opportunities and grow
Top 3 in Wholesale Banking by ROE	Top 2 in Affluent Banking by market share	#1 in Private Banking by market share	Top 2 in Financing & Leasing by market share	Top 3 in Investment Banking by Net Income


Strategic Enablers




Risk




Digital 2.0




Technology



Treasury



Customer Experience & Brand



Organizational Effectiveness & People

## Strategic Goals

## Focused Initiatives

## Progress

2Q25: 89%, 1Q25: 85%  
2Q24: 72%

## Key Highlights

### Wholesale Banking

Solidify market position

GTS revamp  
Expand FIG&MNC  
coverage

**95%** 1Q25:  
91%

Delivered strong growth in  
government accounts  
Activated high-impact strategic  
partnerships  
Accelerating global expansion  
of FI's footprint  
Maintained a sharp focus on  
fee-based growth

### Personal Banking

Leverage segmentation  
and synergies

Scale up affluent  
Provide superior daily  
banking

**81%** 1Q25:  
78%

Continued to enhance digital app  
features for an improved UX  
Executing Branch Transformation  
Gaining traction in Affluent, e.g,  
Credit Card & Sports Pro League  
partnership  
Solid momentum in Business  
Banking

### Private Banking

Reinforce market  
leadership

Broaden product suite  
Experience-centric  
rewards

**100%** 4Q24:  
100%

Launched a 3-year Private  
Banking program focused on  
introducing new products and  
services and accelerating sales

Strategic Goals

Focused Initiatives

Progress  
2Q25: 89%, 1Q25: 85%  
2Q24: 72%

Key Highlights

JB

Expand in new market segments

Digital acceleration  
Product diversification  
Brand repositioning

93%

1Q25:  
90%

Optimized mobile app services  
Modernized core systems  
Increased digital adoption in auto lease and personal finance  
Enhanced efficiency and margins

BSF Capital

Seize existing opportunities and grow

Synergize wealth mgmt.  
Broaden advisory  
Attractive investment solutions

77%

1Q25:  
70%

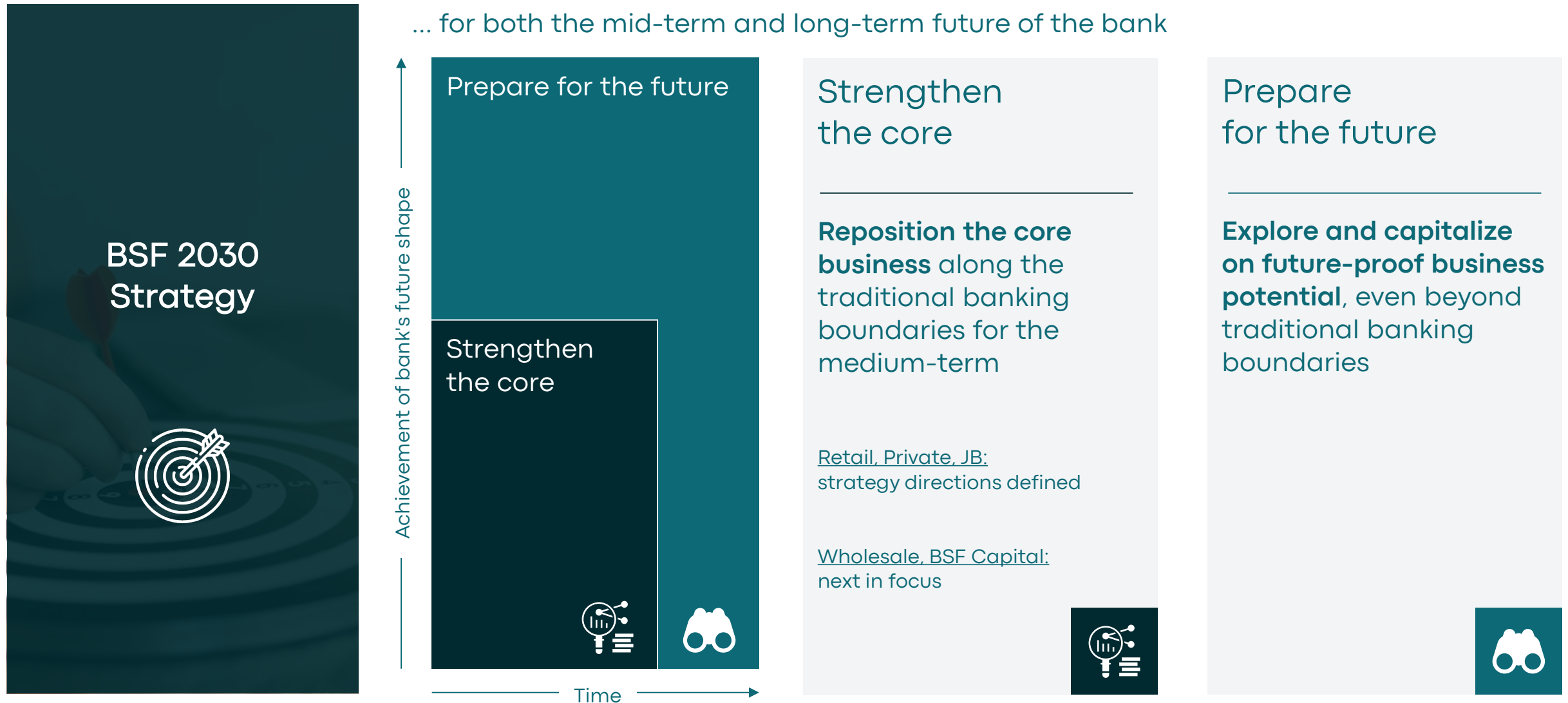
Capturing growing IPO opportunities  
Advancing key partnerships across Private and Wholesale Banking  
Sustaining strong momentum in real estate funds





# Good progress in the implementation of the three key strategic programs across the IT & Technology priorities

Technology Infrastructure Upgrade	Description	2025 Progress & Beyond
<b>Integrated Corporate Portal</b>	New corporate platform supporting trade & supply chain services, and expanded liquidity and cash management solutions and services	<ul style="list-style-type: none"><li>• Phase 1 (Trade Services): On track for 3Q 2025 launch</li><li>• Phase 2 (Trade Loans, Trade AI): Planned for 1Q 2026</li></ul>
<b>Omnichannel</b>	New high performance retail platform providing robust digital banking service and enhanced customer experiences and journeys	<ul style="list-style-type: none"><li>• Retail Digital App: Successfully launched in 1Q 2025</li><li>• Additional feature releases: Scheduled throughout 2025</li></ul>
<b>Core Banking System (Corporate) Release 3</b>	Bank-wide core banking system to enable best-in-class customer experience with leading operational efficiency	<ul style="list-style-type: none"><li>• CBS Retail Deposits – Drop 1: Targeted for 3Q 2025 deployment</li><li>• CBS Corporate Loans – Drop 2: Planned for 1Q 2026 launch</li></ul>





# ESG Update

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# ESG is woven into our strategic fabric, driving with our business objectives while nurturing our environment, society, and governance



## ESG is Part of BSF DNA

BSF's ESG Pillars are born from within BSF's corporate mission and values



Exemplifying the Highest Ethical and Governance Standards



Accelerating Sustainable Economic Growth



Creating a Thriving Workplace



Serving our Clients



Protecting our Communities

## BSF's Recent ESG Highlights

BSF developed a set of **ESG KPIs** associated with the five key pillars of our ESG framework.

BSF maintained its position in the **FTSE Russell Emerging ESG Index** (as of July 2025)

BSF received certificate off membership as a constituent company in the FTSE4Good Index Series – designed to identify companies that demonstrates strong ESG practices measured against globally recognized standards.

Leveraging our **strategic pillars** at BSF, we intertwine **core objectives** with **positive ESG impact**, guided by our **governance** strength, and our **environmental** and **community** initiatives



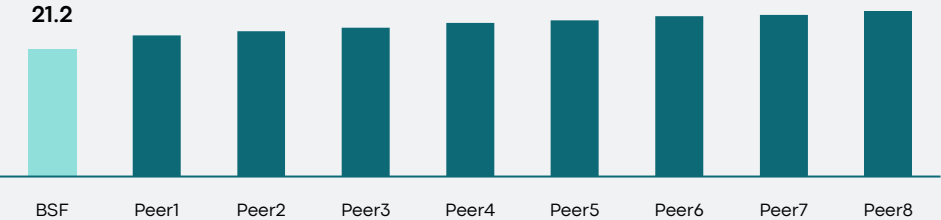
# BSF achieves remarkable progress in boosting ESG ratings



## ESG Ratings:



Leading all Saudi Banks in ESG Risk Rating Score  
by Sustainalytics



The highest S&P Global ESG Score among KSA banks





# Financial Performance

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# 20% net income growth YoY supported by the robust top line growth



## Balance Sheet

- Loan growth of 6% YoY, driven by both commercial (+4%) and consumer (+17%).
- Investments increased 13% YoY to manage IR risk while capturing higher yields.
- Deposit fell 7% YoY, from IBDs declining by -14%, partly offset by NIBDs growth of +2%.

### Loans & Advances

209.9

₹ Billion

▲ +6% year-on-year

### Investments

62.8

₹ Billion

▲ +13% year-on-year

### Customers' Deposits

182.7

₹ Billion

▼ -7% year-on-year

## Income Statement

- Operating income increased by 14% from 12% interest income growth and 23% non-interest income growth.
- NIM improved by 3bps YoY and 4bps QoQ.
- Net income grew 20%, driven by higher operating income, partly offset by rising expenses.

### Operating Income

5,317

₹ Million

▲ +14% year-on-year

### NIM

3.11%

▲ +3bps year-on-year

### Net Income

2,741

₹ Million

▲ +20% year-on-year

## Asset Quality

- Marginally higher NPL ratio, due to higher NPL in commercial portfolio. Coverage ratio remains robust.
- Improved COR in the consumer and commercial book.

NPL Ratio

0.97%

▲ +3bps year-on-year

NPL Coverage

183.1%

▲ +21.3ppts year-on-year

Cost of Risk

0.50%

▼ -10bps year-on-year

## Capital & Liquidity

- Capital, funding and liquidity remain strong and comfortably within regulatory limits.
- YoY increase in NIBD ratio from decreased IBD deposits.

T1 Ratio

20.1%

▲ +2.7ppts year-on-year

LCR

168%

▼ -19ppts year-on-year

NIBD % of Total Deposits

47.0%

▲ +4.2ppts year-on-year

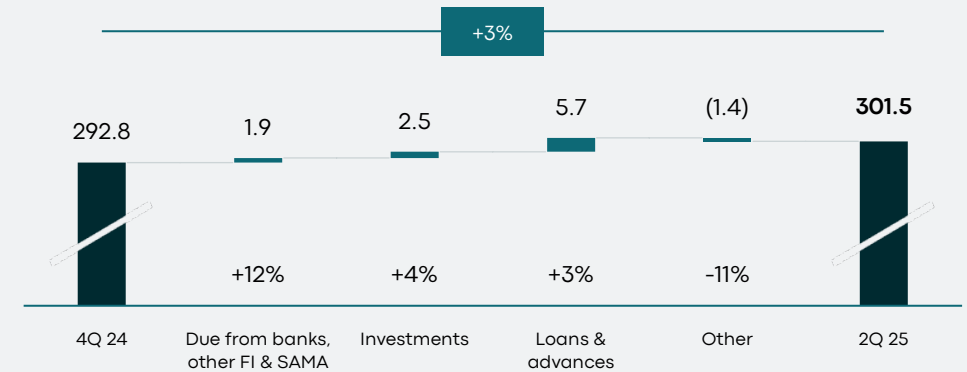


## Balance Sheet

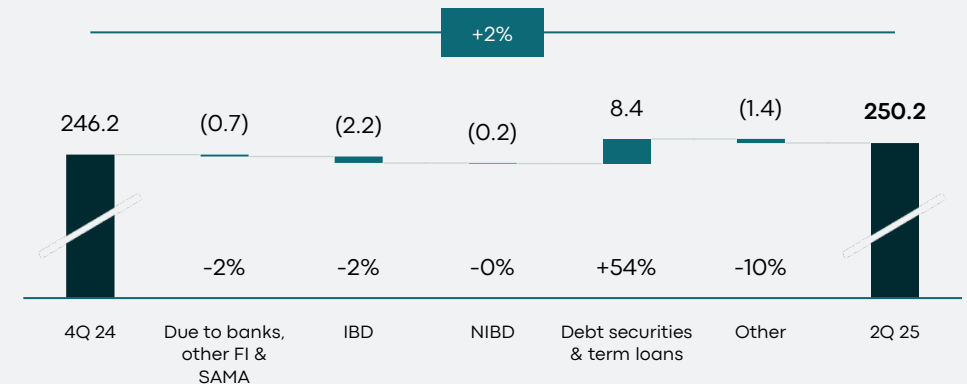
- Growth in total assets of 3% YTD, mainly driven by 3% loan growth, further aided by an increase in investments and interbank lending.
- The investment portfolio expanded by 4% YTD.
- Liabilities grew by 2% YTD led by 54% increase in debt securities and term loans.
- Total equity increased by 10% YTD from retained earnings generation and USD 650m Additional Tier 1 Capital issuance.

₹ Mn	2Q 2025	1Q 2025	Δ%	4Q 2024	Δ%
Investments	62,792	61,322	+2%	60,289	+4%
Loans & advances	209,881	208,978	+0%	204,168	+3%
<b>Total assets</b>	<b>301,490</b>	<b>302,988</b>	<b>-0%</b>	<b>292,776</b>	<b>+3%</b>
Customers' deposits	182,690	190,728	-4%	185,118	-1%
Debt securities & term loans	23,964	20,396	+17%	15,518	+54%
<b>Total liabilities</b>	<b>250,176</b>	<b>254,558</b>	<b>-2%</b>	<b>246,169</b>	<b>+2%</b>
<b>Total equity</b>	<b>51,314</b>	<b>48,430</b>	<b>+6%</b>	<b>46,607</b>	<b>+10%</b>

## Total Assets Movement YTD (₹ Bn)



## Total Liabilities Movement YTD (₹ Bn)

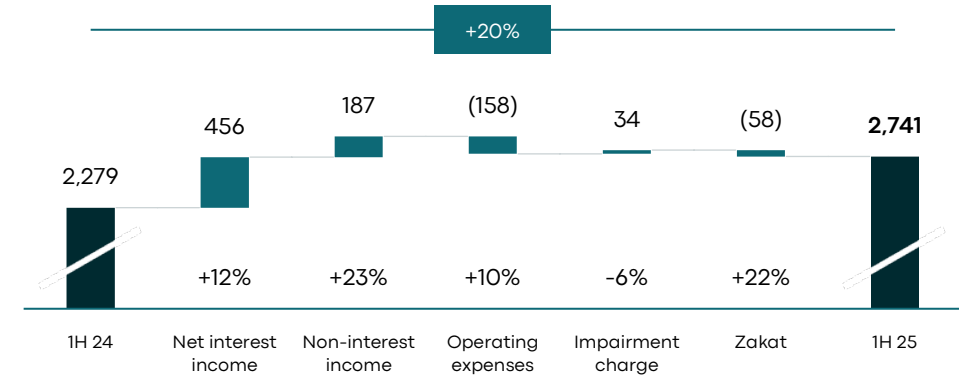


# Net income grew 20% YoY from higher operating income, lower cost of risk and positive jaws

## Income Statement

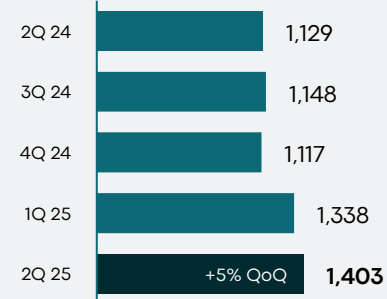
- Net income for 1H 2025 grew 20% YoY to ₺ 2,741mn, from higher operating income lower cost of risk and positive jaws
- Total operating income increased driven by a 12% growth in net interest income and a 23% increase in non-interest income.
- Impairments improved 6% YoY.
- Quarterly net income increased by 24% YoY and by 5% QoQ to ₺ 1,403mn.

## Net Income Movement YoY (₺ Mn)

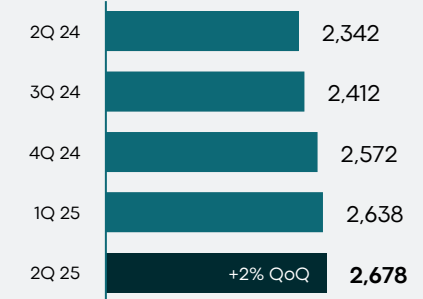


₺ Mn	1H 2025	1H 2024	Δ%	2Q 2025	2Q 2024	Δ%
Net interest income	4,314	3,858	+12%	2,196	1,940	+13%
Non-interest income	1,002	815	+23%	482	402	+20%
Operating income	5,317	4,674	+14%	2,678	2,342	+14%
Operating expenses	(1,740)	(1,582)	+10%	(873)	(809)	+8%
Pre-impairment operating income	3,577	3,091	+16%	1,805	1,533	+18%
Impairment charge	(515)	(550)	-6%	(236)	(274)	-14%
Net income before zakat	3,061	2,542	+20%	1,569	1,259	+25%
Zakat	(320)	(263)	+22%	(166)	(130)	+28%
<b>Net income</b>	<b>2,741</b>	<b>2,279</b>	<b>+20%</b>	<b>1,403</b>	<b>1,129</b>	<b>+24%</b>
ROAE	11.24%	10.88%	+36bps	11.25%	10.72%	+54bps

## Net Income



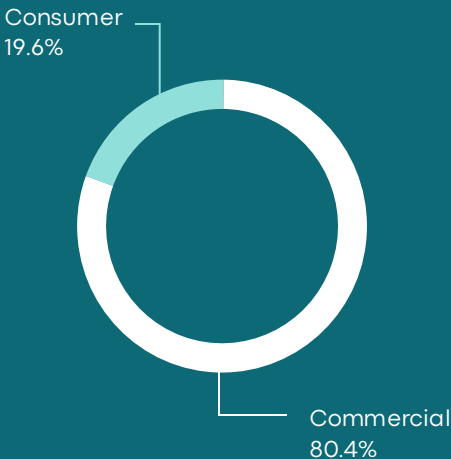
## Operating Income



Loans & Advances  
Composition

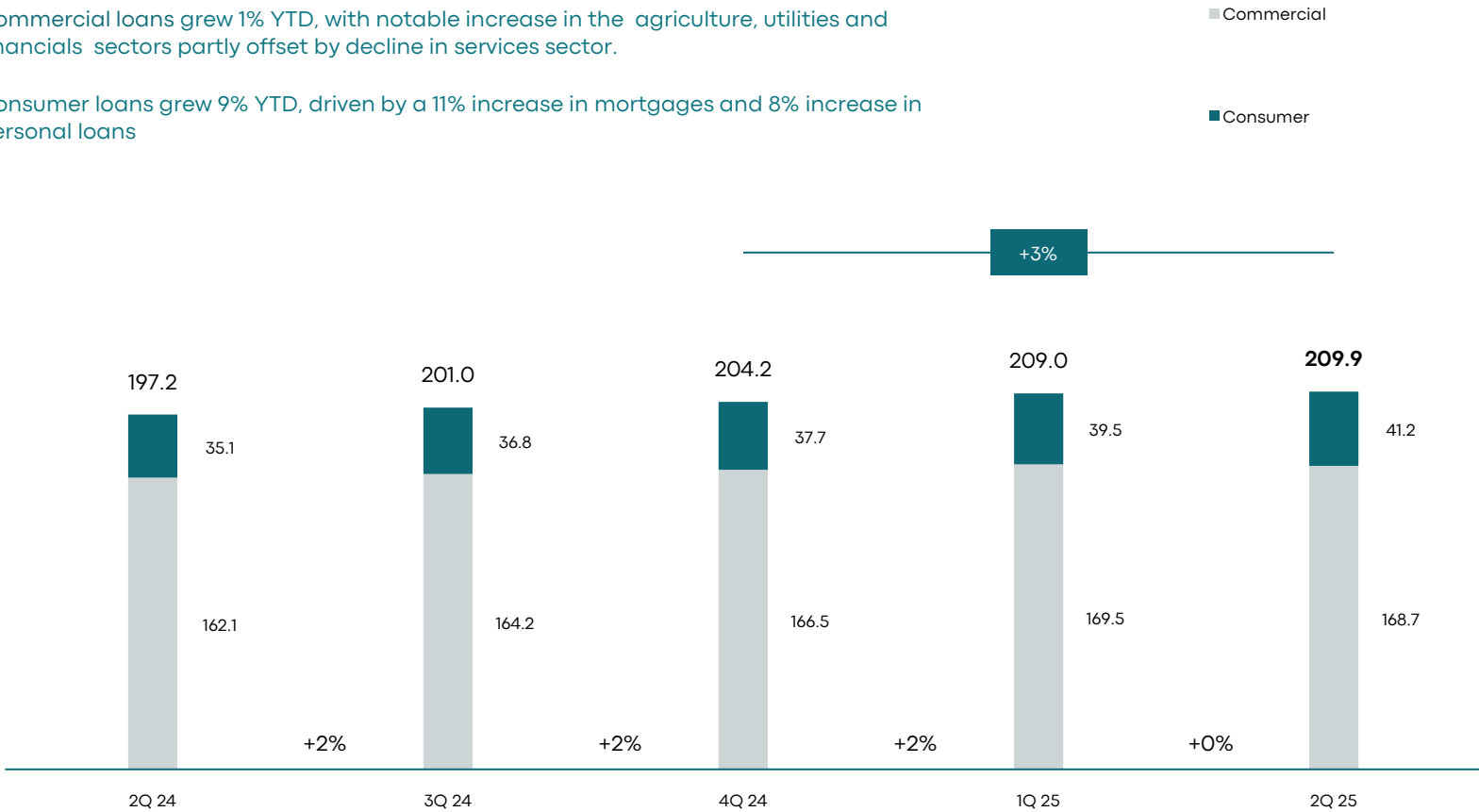
209.9

(₹ Bn)

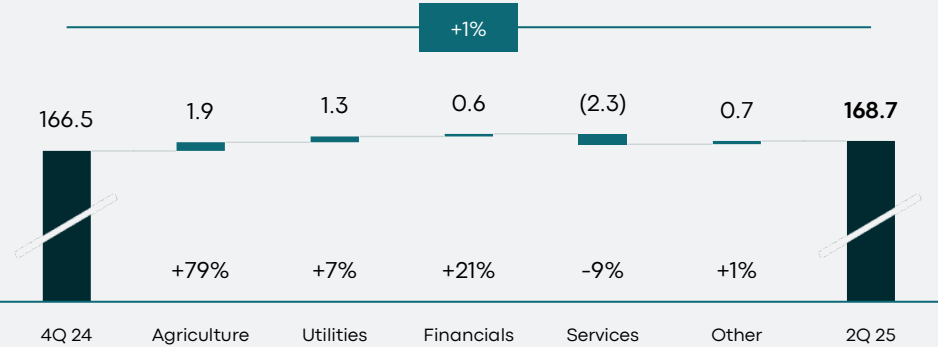


Loans & Advances (₹ Bn)

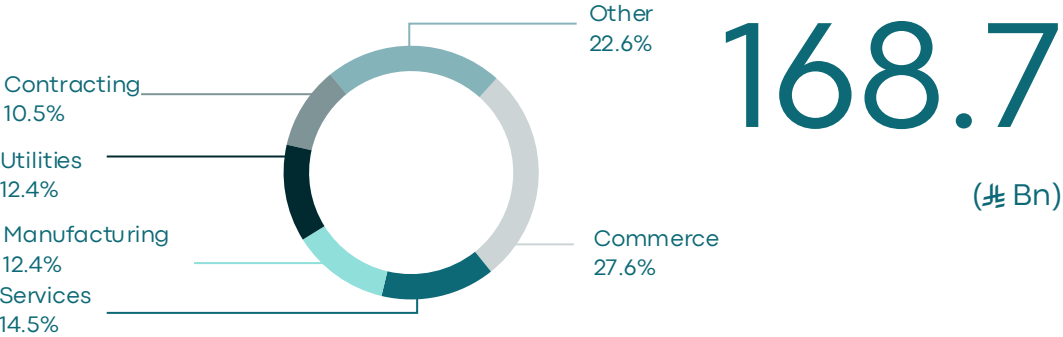
- Total loans and advances grew 6% YoY, driven by growth in both consumer and commercial lending. YTD growth was 3%, supported by increases in both commercial and consumer loans.
- Commercial loans grew 1% YTD, with notable increase in the agriculture, utilities and financials sectors partly offset by decline in services sector.
- Consumer loans grew 9% YTD, driven by a 11% increase in mortgages and 8% increase in personal loans



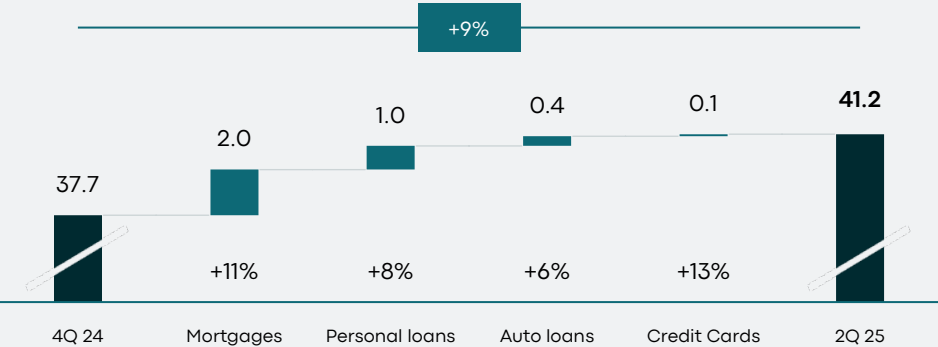
Commercial Loans Movement YTD (₹ Bn)



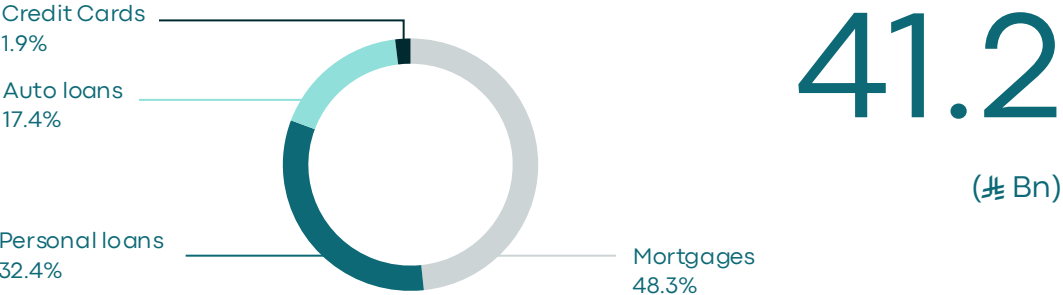
Commercial Loans Composition



Consumer Loans Movement YTD (₹ Bn)



Consumer Loans Composition

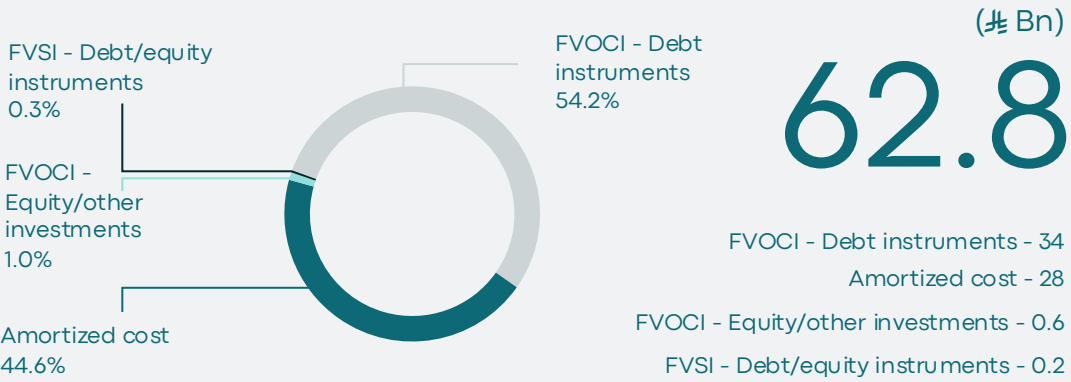




Investments

- Investments increased by 4% YTD.
- The investment portfolio is of high quality with a significant portion being Saudi Government and investment grade.

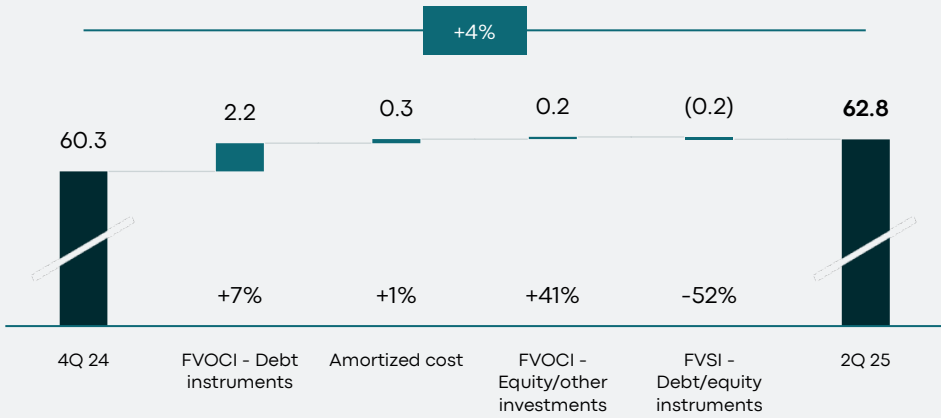
Investments Composition by Category



Investments (₹ Bn)



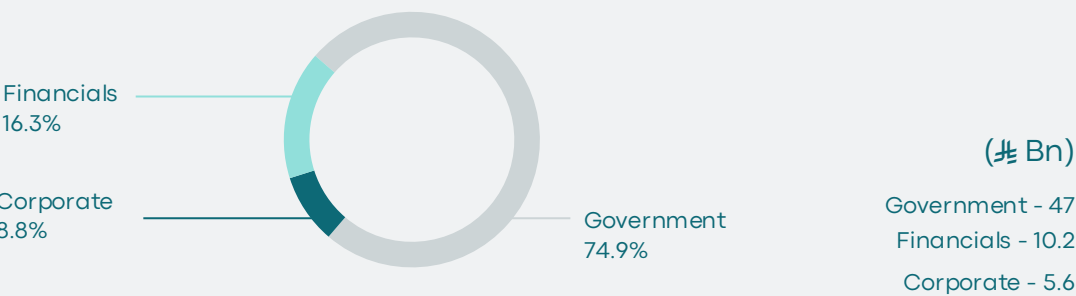
Investments Movement by Category YTD (₹ Bn)



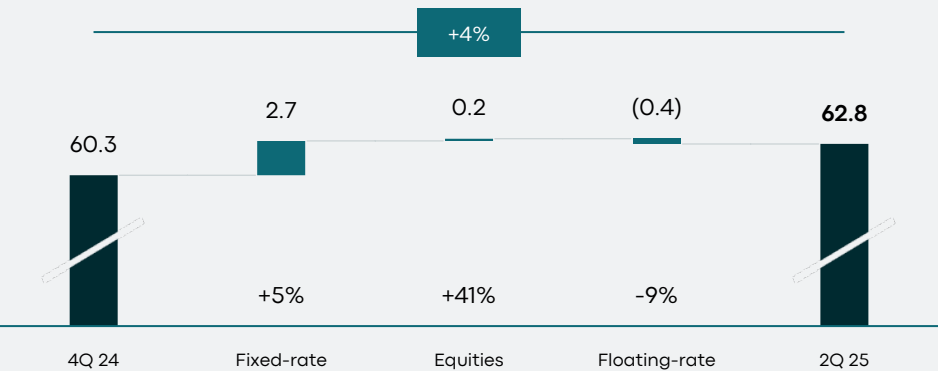
Investments Composition by Type



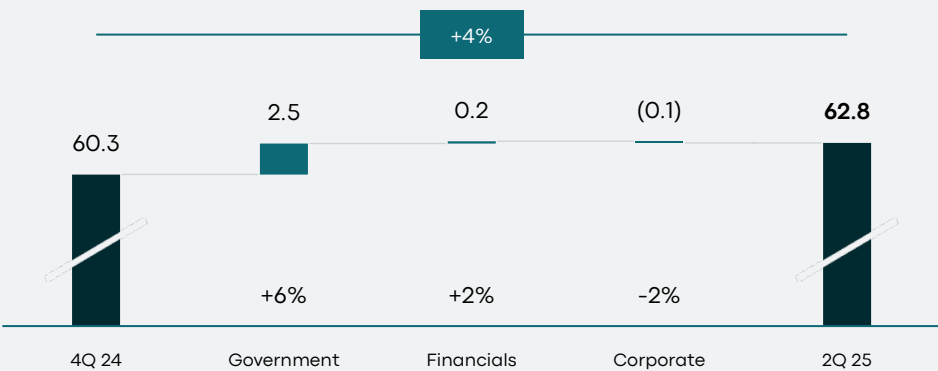
Investments Composition by Sector



Investments Movement by Type YTD (₹ Bn)



Investments Movement by Sector YTD (₹ Bn)



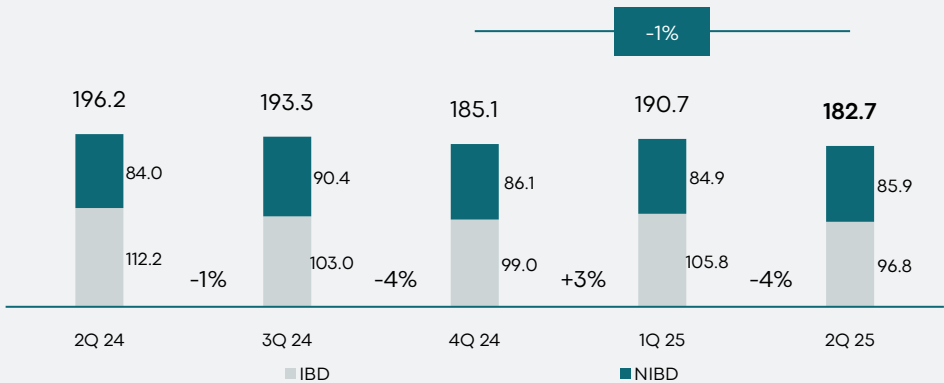
1% YTD fall in deposits, driven by decline in corporate, partially offset by the inflow of retail deposits



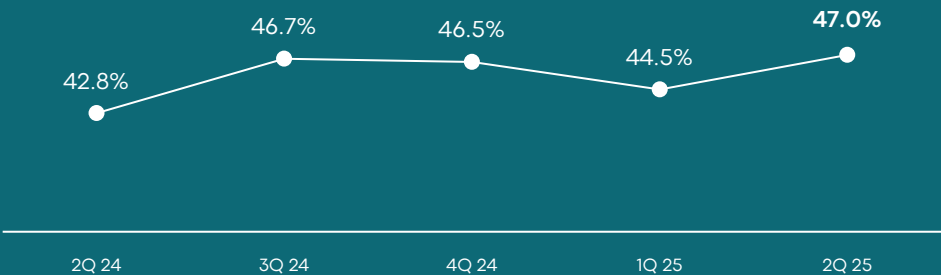
Customers' Deposits

- Deposits fell by 1% YTD, driven by decrease in IBDs.
- IBDs decreased by 2% YTD, due to lower corporate deposits, and NIBDs declined marginally as inflows from retail deposits were offset by a decline in corporate deposits.
- As of 30 June 2025, 47% of deposits were non-interest bearing, an increase of ~2.5ppts compared to the previous quarter.

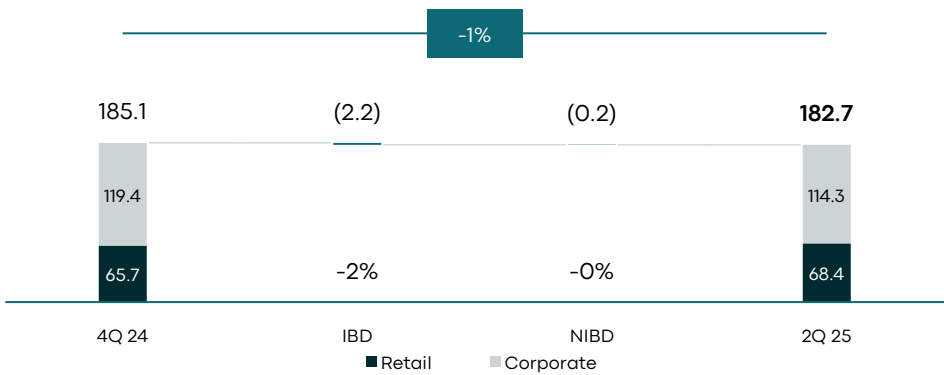
Customers' Deposits (₹ Bn)



NIBD % of Total Deposits (%)



Customers' Deposits Movement YTD (₹ Bn)



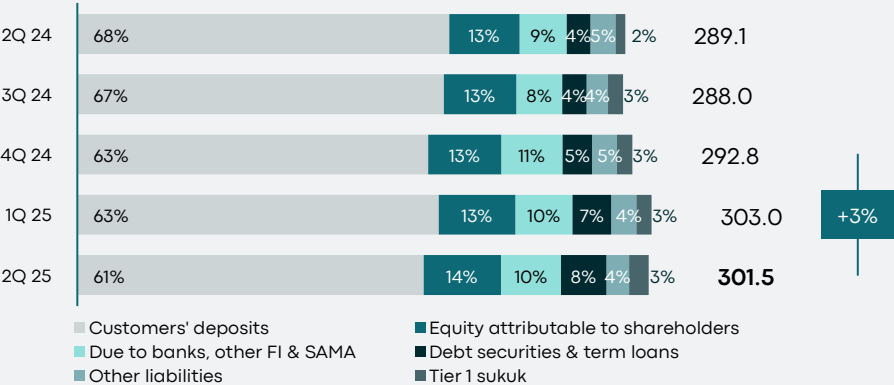
Funding Structure

- BSF's funding is largely comprised of customers' deposits which represented 73% of total liabilities and 61% of total liabilities and equity as of 30 June 2025.
- BSF has a proven track record of accessing other funding options including local and international debt capital markets.
- During the 1H 2025, the Bank issued debt securities totaling ~\$ 1792 million and a term loan of ₪ 1,500 million.

Successful Track Record in Accessing Local and International Capital Markets

Issuance Date`	Issuance Amount (Mn)	Type	Maturity/Call	Pricing
2020	SAR 5,000	SAR Tier 1 Issuance	PerpNC 2025	4.50%
2022	USD 700	Bond	Nov 2027	5.50%
2022	USD 500	Term loan facility	Dec 2025	SOFR+70bps
2023	USD 900	Sukuk	May 2028	4.75%
2023	USD 50	Term loan facility	Dec 2025	SOFR+70bps
2023	USD 100	Sukuk	Jul 2027	5.47%
2023	USD 50	Bond	Nov 2026	SOFR+115bps
2024	USD 700	Sukuk	Jan 2029	5.00%
2024	USD 140	Bond	May 2029-May 2031	Various
2024	USD 250	Term loan facility	Mar 2027	SOFR+90bps
2024	SAR 3,000	SAR Tier 1 Issuance	PerpNC 2029	6.00%
2024	USD 750	Bond	Nov 2029	SOFR+100bps
2024	USD 15	Term loan facility	Dec 2029	SOFR+130bps
2025	USD 750	Sukuk	Jan 2030	5.375%
2025	USD 95	Bond	Dec 2029-Mar 2032	Various
2025	SAR 1,500	Bilateral Loan	Mar 2028	SIBOR 3m+45bps
2025	USD 926.5	Certificate of Deposit	Aug 2025-Jun 2026	Fixed 4.5%-4.7%
2025	USD 20	Bond	Jun 2032	SOFR+150bps
2025	USD 650	Tier 1 issuance	PerpNC 2030	6.375%

Funding Structure Overview\* (₪ Bn)





Credit Ratings



Standard & Poor's

A-

► Stable outlook

Moody's

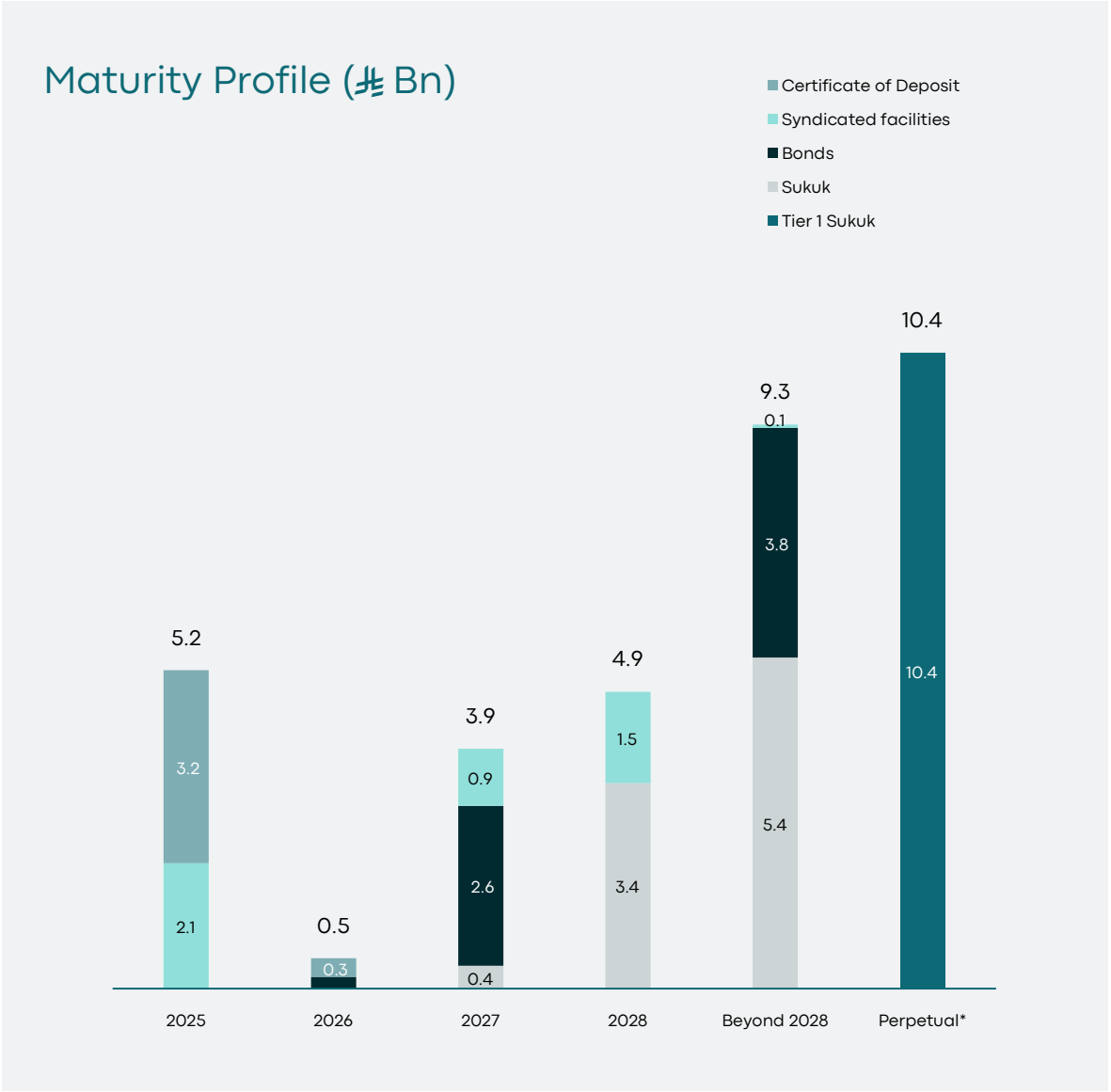
A1

► Stable outlook

Fitch

A-

► Stable outlook

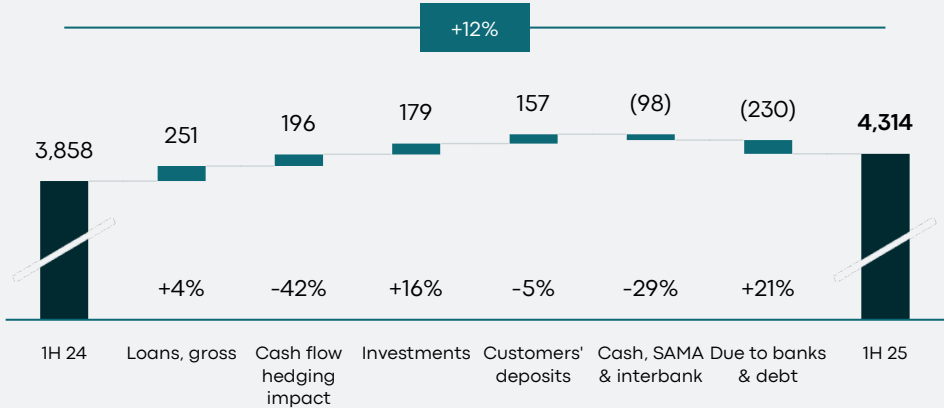


\*The first call option date for ₹ 5bn Tier 1 Sukuk is November 3, 2025. The first call option date for ₹ 3bn Tier 1 Sukuk is September 5, 2029 , The first call option date for \$ 650mn Tier 1 Sukuk is November 7, 2030

Net Interest Income

- NII for 1H 2025 increased by 12% YoY to ₪ 4,314mn, driven by 11% average earnings assets growth and modest margin expansion.
- Interest income rose 7% YoY to ₪ 8,520mn in 1H 2025, while funding costs rose by 2% to ₪ 4,206mn.
- On a sequential basis, funding costs increased by 2% QoQ, while interest income increased by 3%.

Net Interest Income Movement YoY (₪ Mn)



Interest Income (₪ Mn)



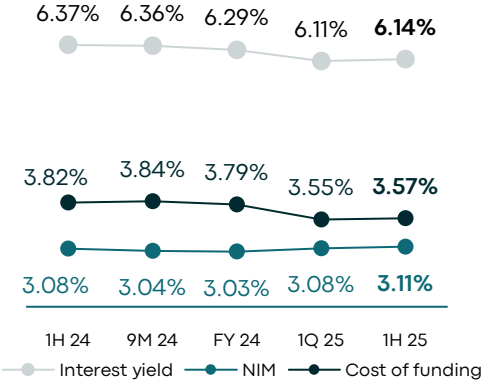
Interest Expense (₪ Mn)



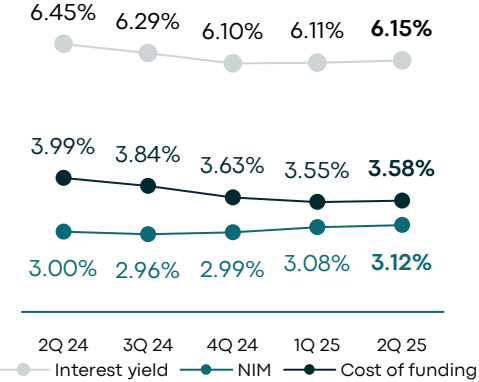
## Net Interest Margin

- The NIM expanded 3bps YoY to 3.11%, driven by a lower cost of funding, offset by lower interest yields following rate cuts, with the impact of hedging providing additional support.
- Interest yield declined by 23bps YoY to 6.14%, while funding costs decreased by 25bps YoY to 3.57% in 1H 2025
- On a sequential basis, quarterly NIM improved by 4bps.

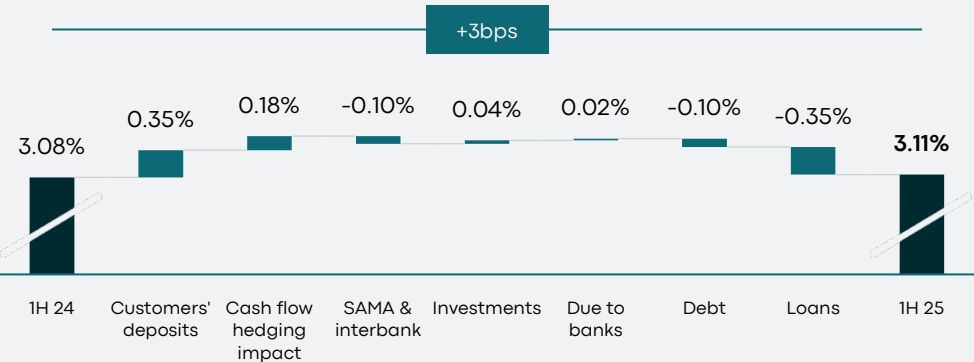
## YTD NIM Trend



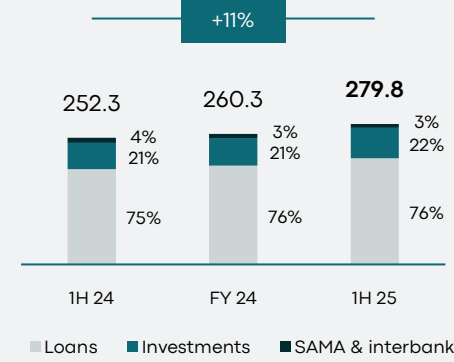
## Quarterly NIM Trend



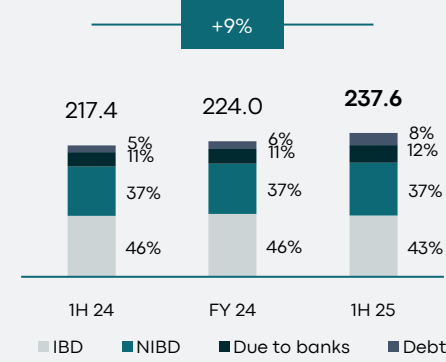
## NIM Movement YoY (%)



## Average Interest Earning Assets (₪ Bn)



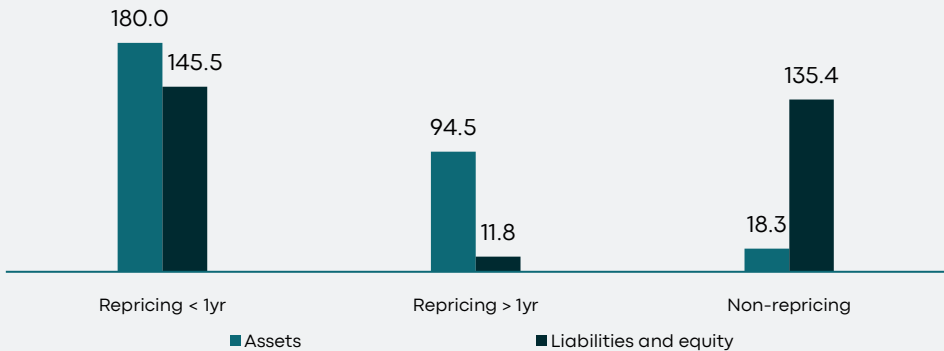
## Average Interest Bearing Liabilities (₪ Bn)



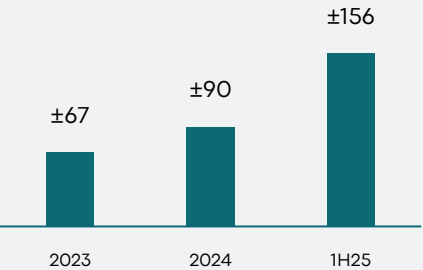
## NIM Sensitivity

- As of 30 June 2025, BSF estimates a 1-year NIM sensitivity of a 100bps rates change at  $\pm 5$ bps; this would translate into a  $\pm 156$ mn NII delta.
- The net open short-term IR position arising from on-balance sheet items reflects BSF's corporate DNA (excess of floating rate assets).
- BSF mitigates its IR risk exposure through a combination of on-and off-balance sheet instruments, incl. cash-flow hedges. The CFH outstanding position is driven by the evolution of BSF's balance sheet structure, IR risk appetite & structural market trends.
- The notional amount of cash flow hedges declined by 16% year-over-year, driven by an increase in fixed investments, which has resulted in a natural hedge to mitigate interest rate risk.

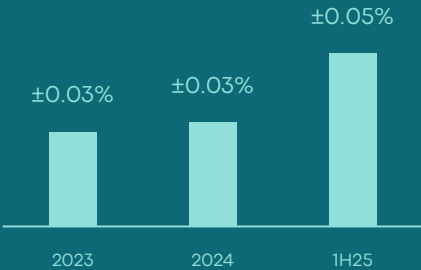
## Balance Sheet Repricing Profile as at 31 December 2024 (SAR Bn)



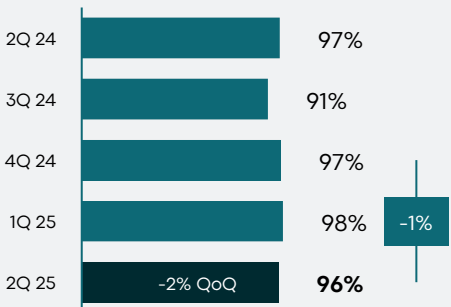
## NII Impact of $\pm 100$ bps Rate Change ( $\pm$ Mn)



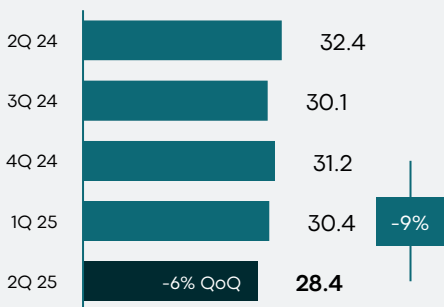
## NIM Impact of $\pm 100$ bps Rate Change (%)



## Fixed Assets vs. Fixed Liabilities (%)



## Cash Flow Hedges Swaps ( $\pm$ Bn)



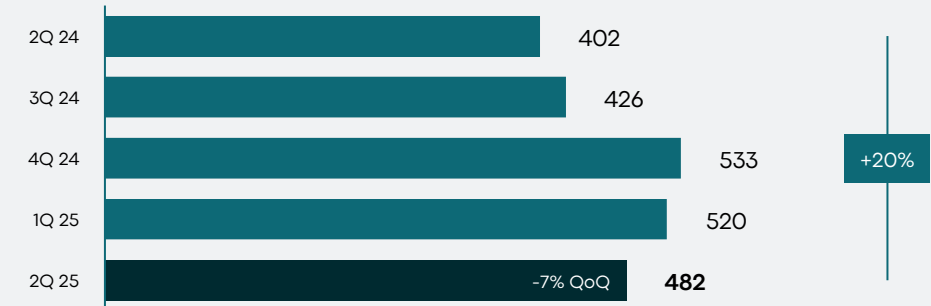


# Non-interest income increased 23% YoY on higher investment and exchange income

## Non-Interest Income

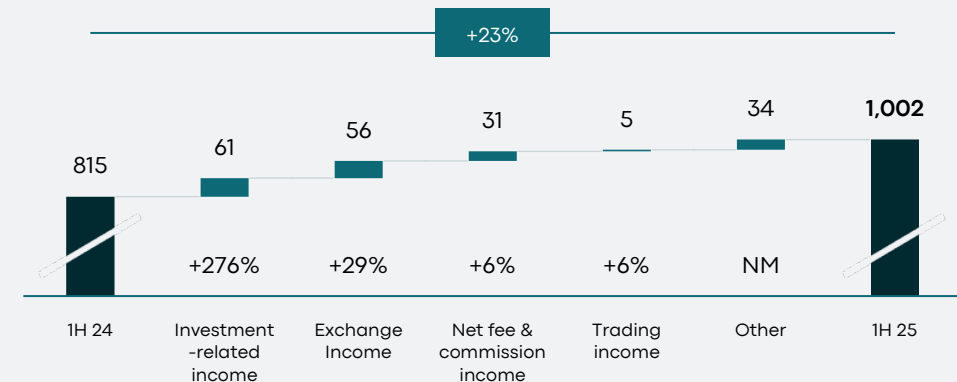
- Non-interest income for 1H 2025 increased 23% YoY to ₹1,002mn on higher investment-related income, exchange and other income, as well as improved net fee & commission income.
- 2Q 2025 non-interest income decreased 7% QoQ, driven by lower trading and investment related income, partly offset by higher net fee and commission income.

## Non-interest Income (₹ Mn)



₹ Mn	1H 2025	1H 2024	Δ%	2Q 2025	2Q 2024	Δ%
Fee & commission income	859	823	+4%	433	458	-5%
Fee & commission expenses	(316)	(311)	+2%	(152)	(194)	-21%
Net fee & commission income	543	512	+6%	281	264	+6%
Exchange Income	249	193	+29%	128	93	+38%
Trading income	93	88	+6%	23	28	-18%
Banking-related income	885	793	+12%	432	386	+12%
Investment-related income	83	22	+276%	21	16	+28%
Other income	34	0	NA	29	0	NA
<b>Non-interest income</b>	<b>1,002</b>	<b>815</b>	<b>+23%</b>	<b>482</b>	<b>402</b>	<b>+20%</b>

## Non-interest Income Movement YoY (₹ Mn)



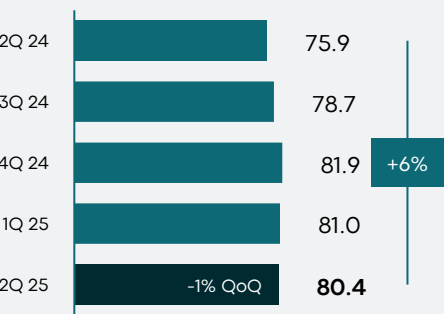
# Fee & commission income increased 6% YoY, mainly from improved trade finance and brokerage & asset management income



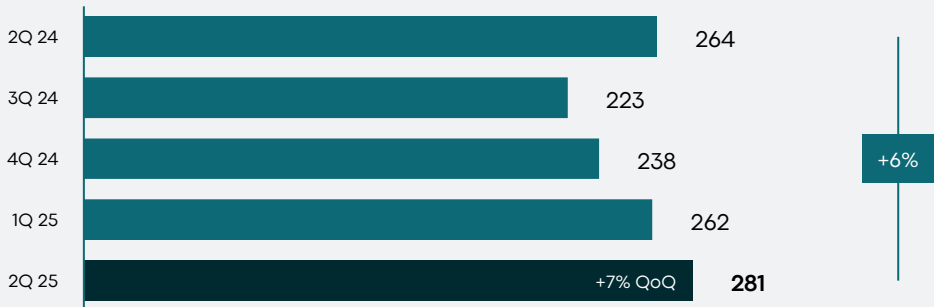
## Fee & Commission Income

- Net fee & commission income grew 6% YoY to ₪ 543mn in 1H 2025 due to higher brokerage & asset management income, trade finance and card fees, partially offset by other fees.
- A 6% YoY increase in non-funded exposure positively impacted fee and other income.

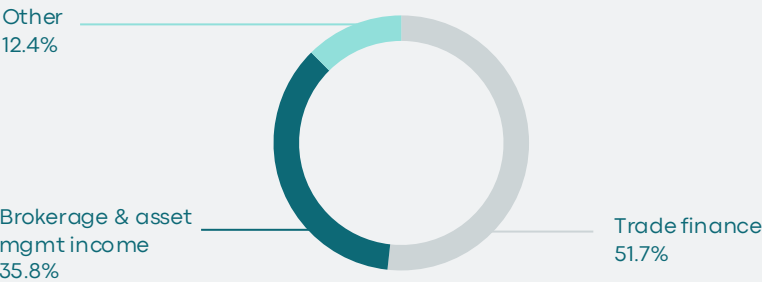
## Non-funded Exposure\* (₪ Bn)



## Fee & Commission Income (₪ Mn)

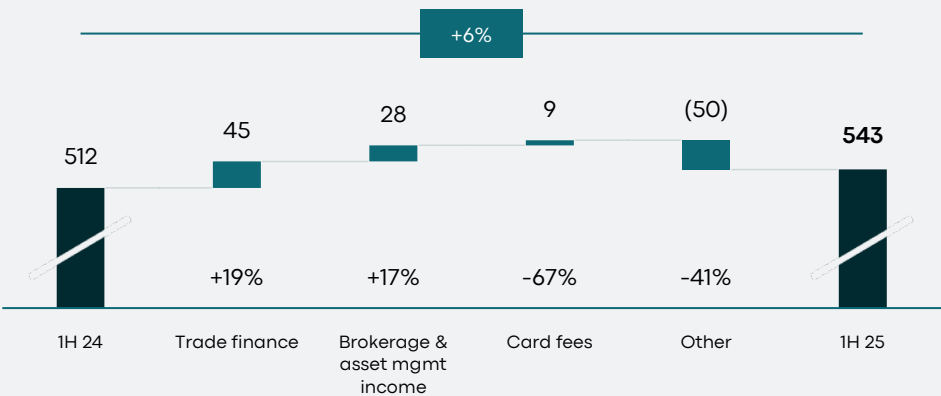


## Fee & Commission Income Composition



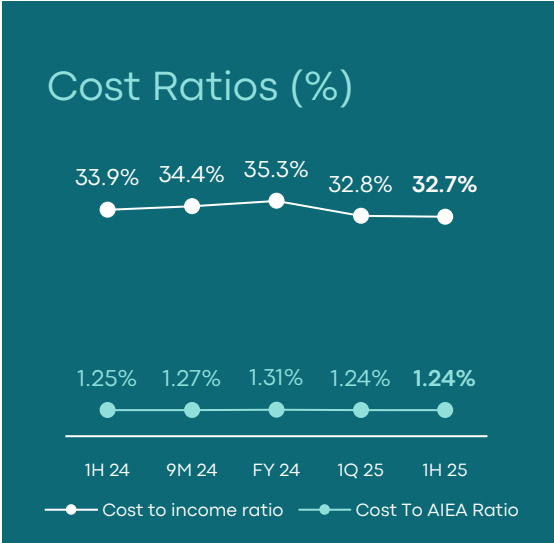
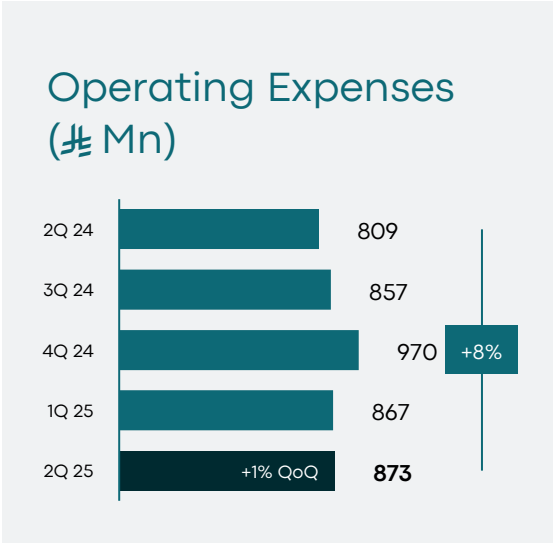
543  
(₪ Mn)

## Fee & Commission Income Movement YoY (₪ Mn)

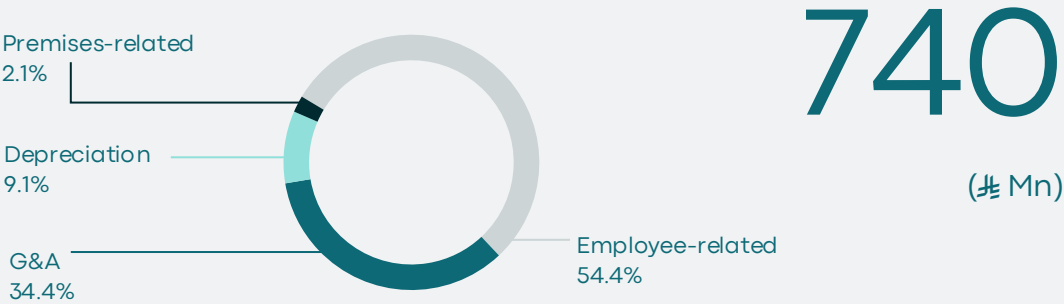


### Operating Expenses

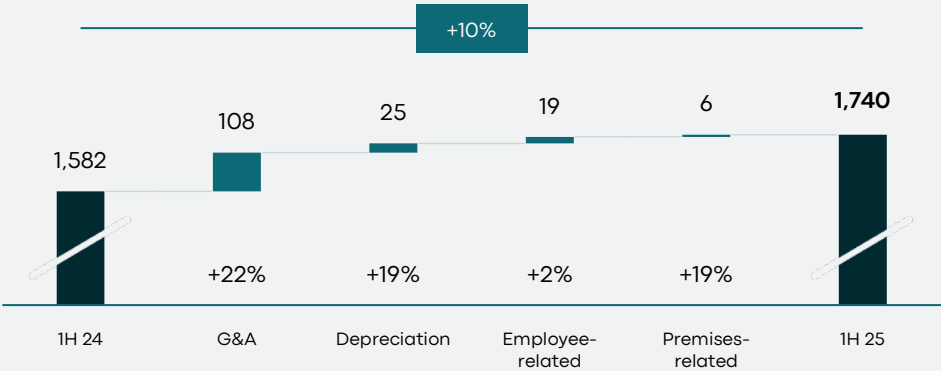
- Operating expenses increased 10% YoY to ₹1,740mn in 1H 2025 mainly due to increased general and administrative expenses.
- Cost to income ratio decreased by 1.1 ppts YoY to 32.7% in 1H 2025 from 33.9% in 1H 2024.
- At the same time, operating expenses as a percentage of average interest-earning assets (AIEA) decreased only marginally by 1bps YoY to 1.24% for 1H 2025, driven by an 11% expansion of AIEA relative to a 10% expense growth.
- On a sequential basis, operating expenses increased by 1% QoQ due to increased depreciation.



### Operating Expenses Composition



### Operating Expenses Movement YoY (₹ Mn)



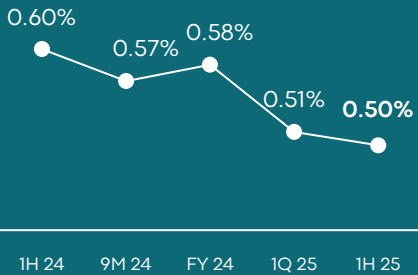
Cost of risk decreased by 10bps YoY to 0.50% for 1H 2025, driven by lower commercial charges and overall portfolio growth

BSF

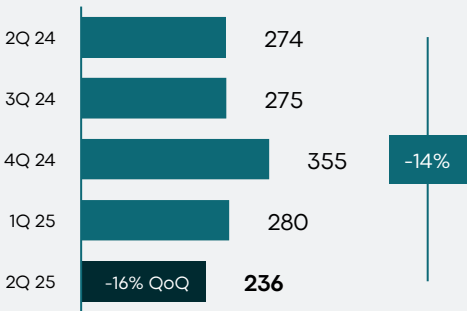
Impairment Charge

- The total impairment charge for 1H 2025 decreased by 6% YoY to ₹ 515mn, from lower commercial impairments, partly offset by minor increase in consumer impairments and investments & other impairments. In combination with healthy loan growth, this resulted in a 10bps YoY improvement in cost of risk to 0.50% for 1H 2025.
- On a sequential basis, impairments declined by 16%, driven by commercial charge and investments & other impairments decline.

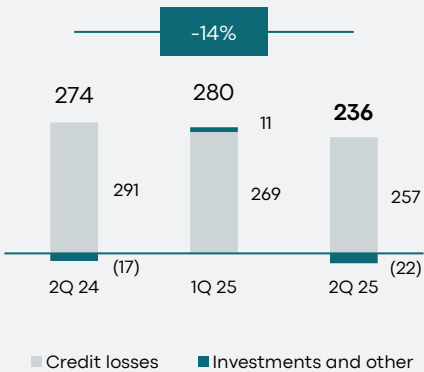
Cost of Credit Risk (%)



Impairment Charge (₹ Mn)



Impairment Charge (₹ Mn)



Commercial  
COR

0.45%

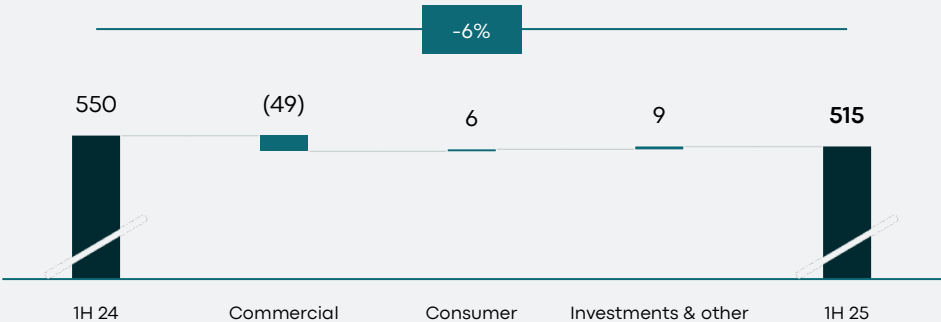
▼ -11bps year-on-year

Consumer  
COR

0.69%

▼ -8bps year-on-year

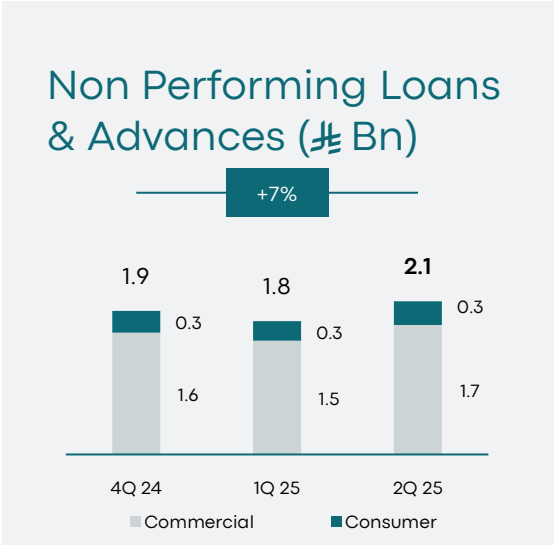
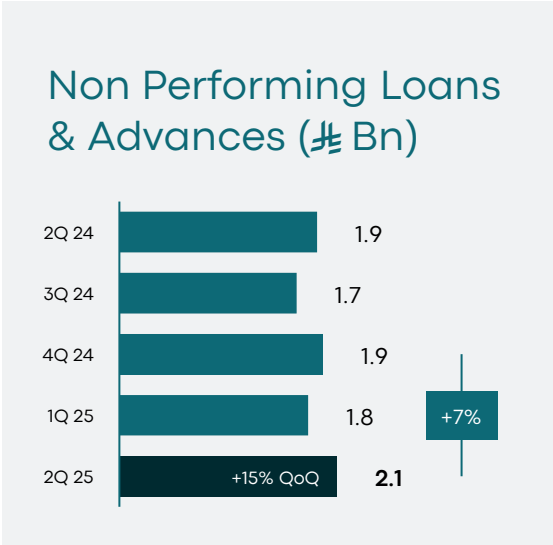
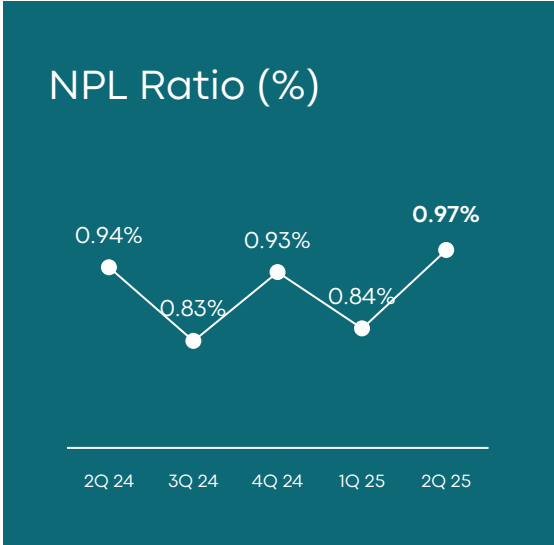
Impairment Charge Movement YoY (₹ Mn)





NPL Ratio

● The NPL ratio increased 3bps YTD to 0.97% as NPLs increased by 7% relative to 3% gross loan growth.



Commercial  
NPL Ratio

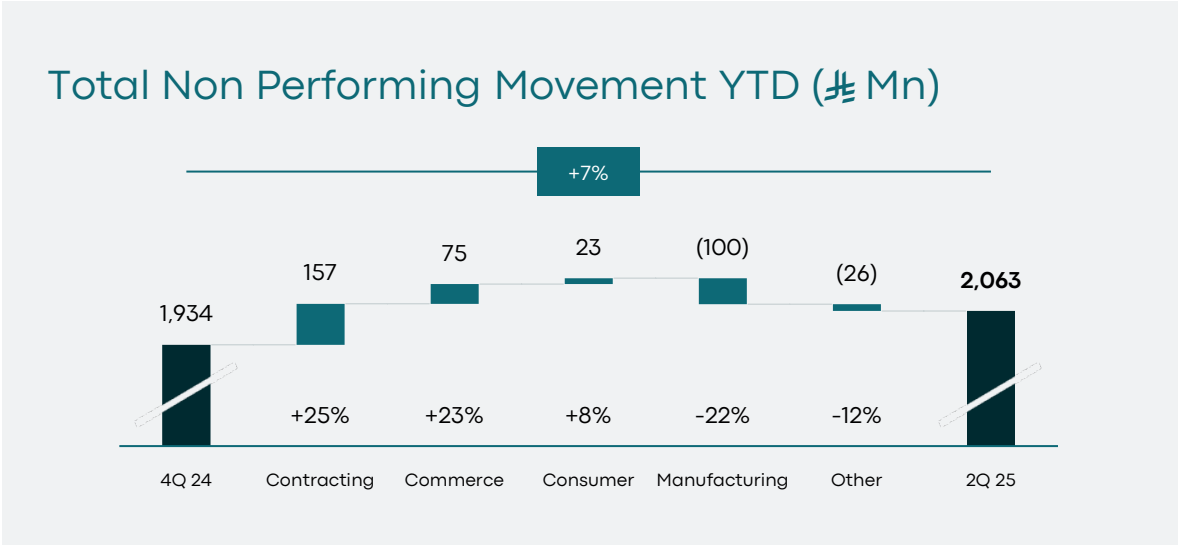
1.01%

▲ +5bps year-to-date

Consumer  
NPL Ratio

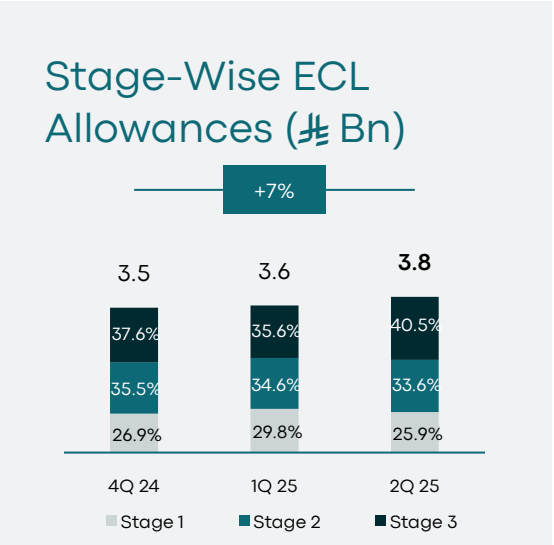
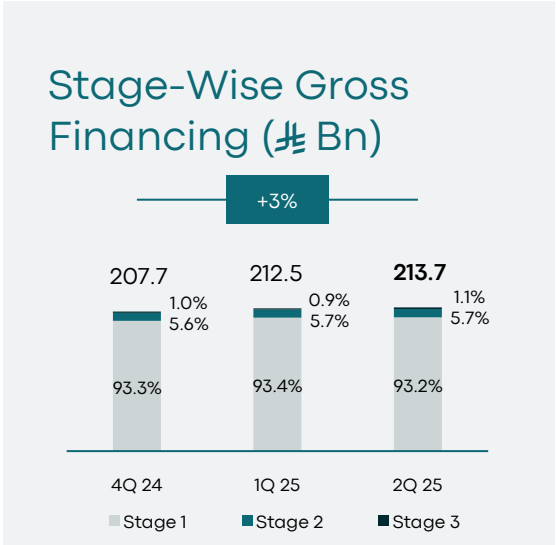
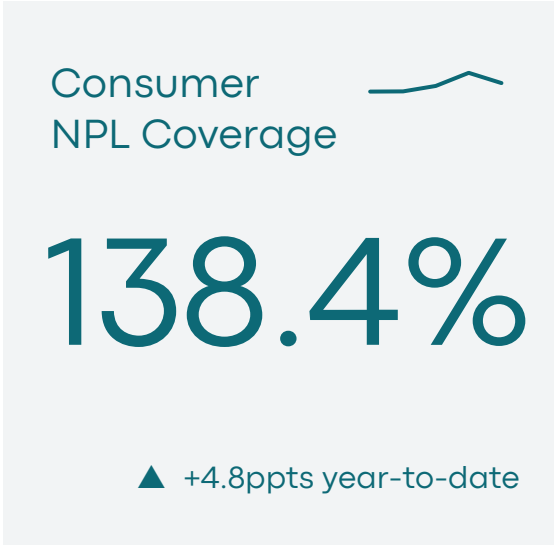
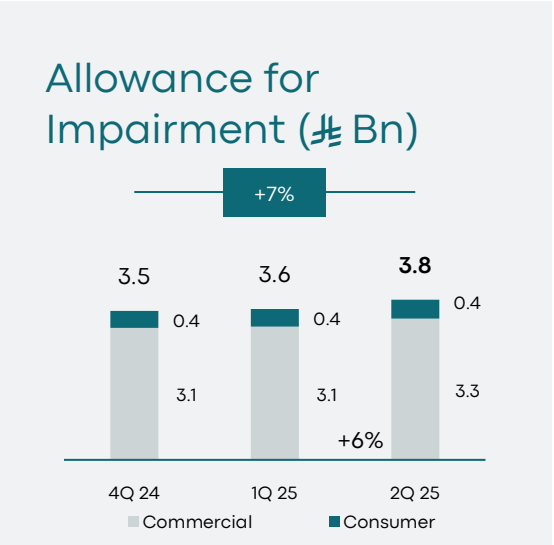
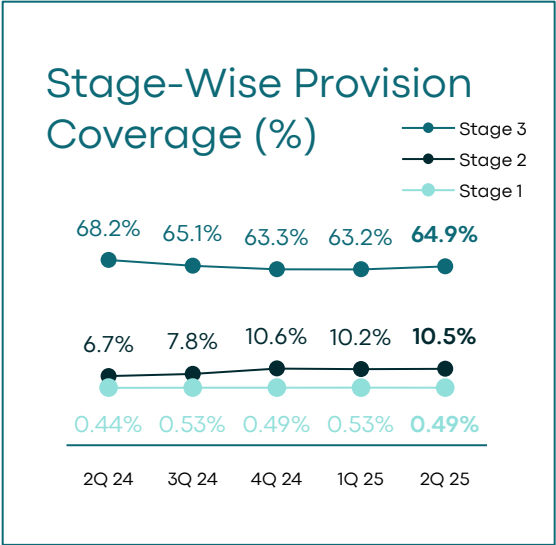
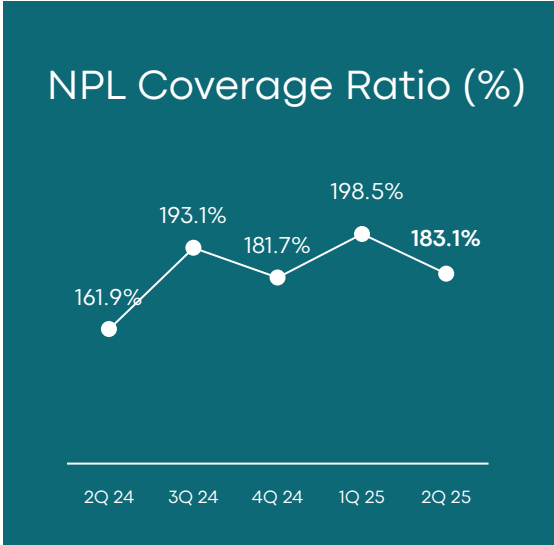
0.77%

► -1bps year-to-date

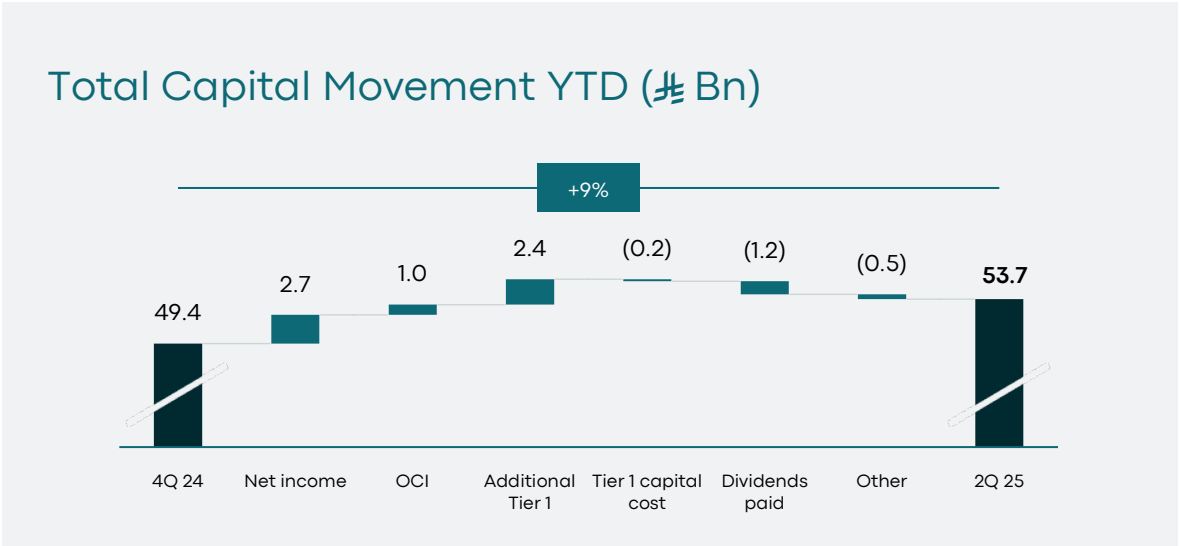
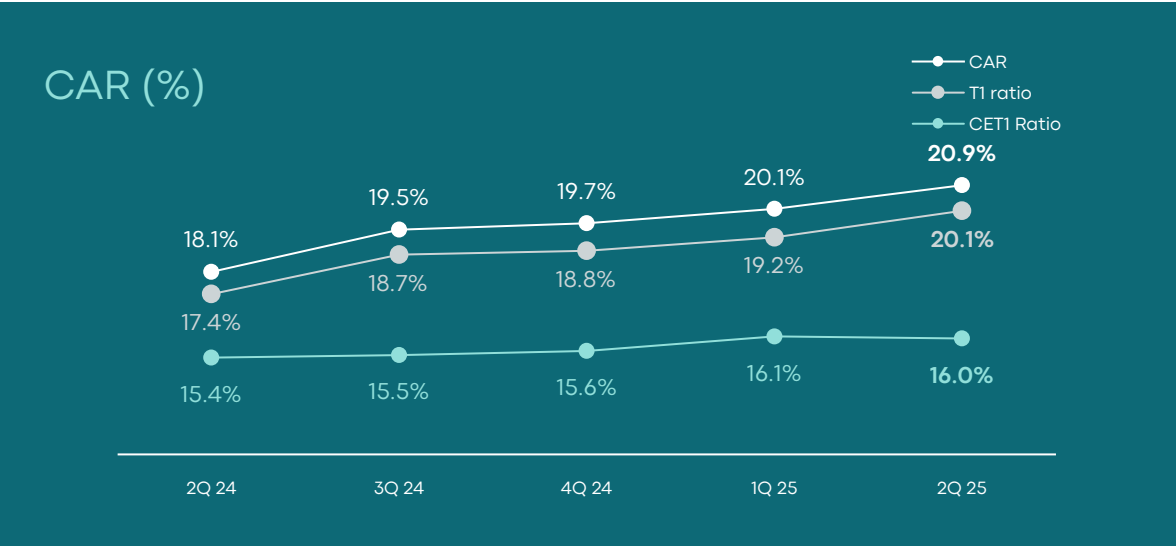
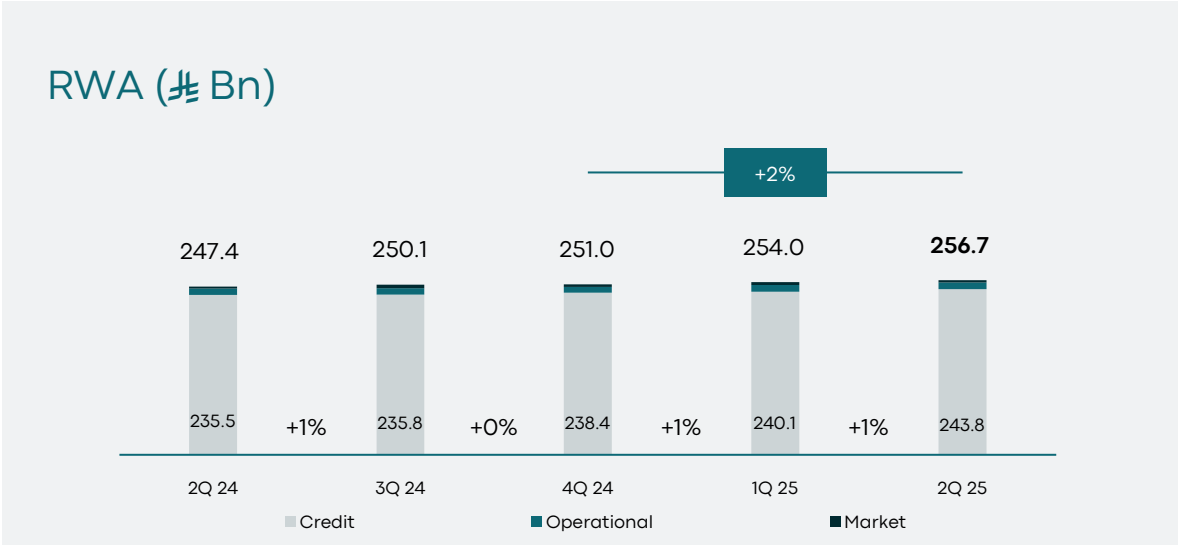
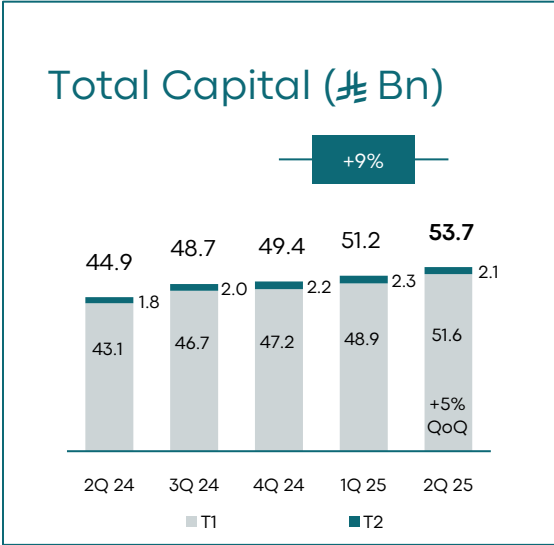


NPL Coverage

- The NPL coverage ratio improved by 1.4ppts YTD to 183.1%, attributed to enhancements mainly in consumer coverage.
- Stage 3 coverage experienced an increase of 1.6ppts YTD to 64.9%, stage 2 coverage decreased by 15bps to 10.5%, while stage 1 coverage remained stable.



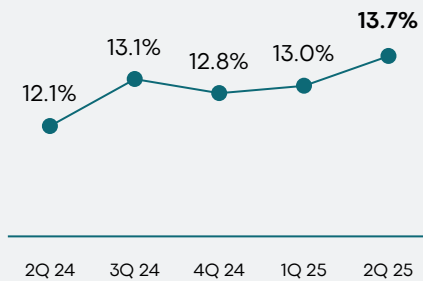
- Total capital (Tier 1 + Tier 2 regulatory capital) increased 9% YTD to ₪ 53.7bn during 1H 2025 from AT1 issuance of USD 650m, net income and OCI, partially offset by the dividends paid.
- RWAs increased by 2% YTD to ₪ 256.7bn.
- CAR was at 20.9% and the Tier 1 ratio at 20.1% as of 30 June 2025, boosted by AT1 issuance.



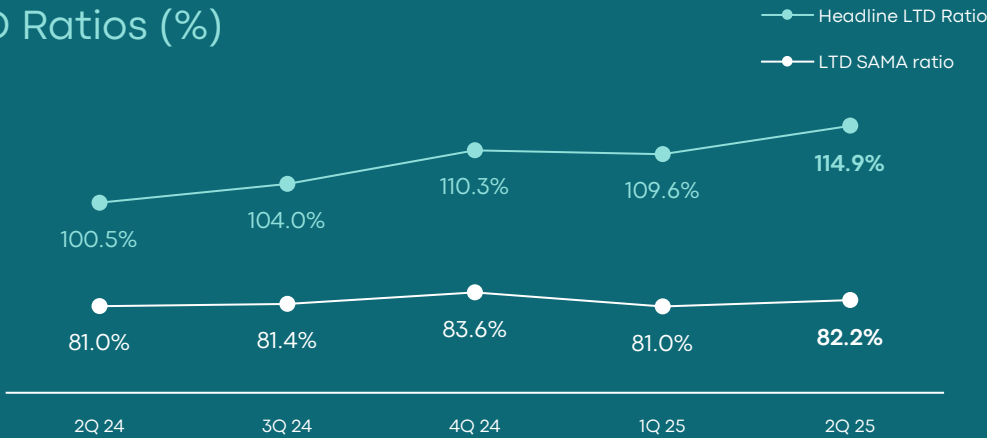
Liquidity

- LCR increased by 5.8 ppts YTD to 168% during 1H 2025.
- NSFR rose by 2ppts YTD to 116% as of 30 June 2025.
- The SAMA regulatory LTD ratio decreased 1.4 ppts YTD to 82.2% as of 30 June 2025, while the headline ratio stood at 114.9%.

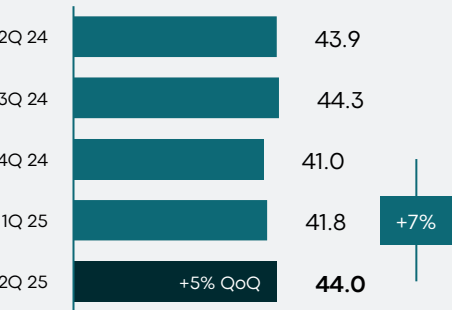
Leverage Ratio (%)



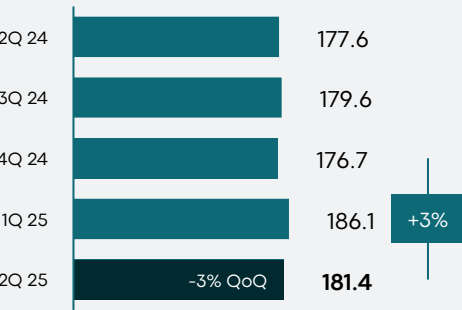
LTD Ratios (%)



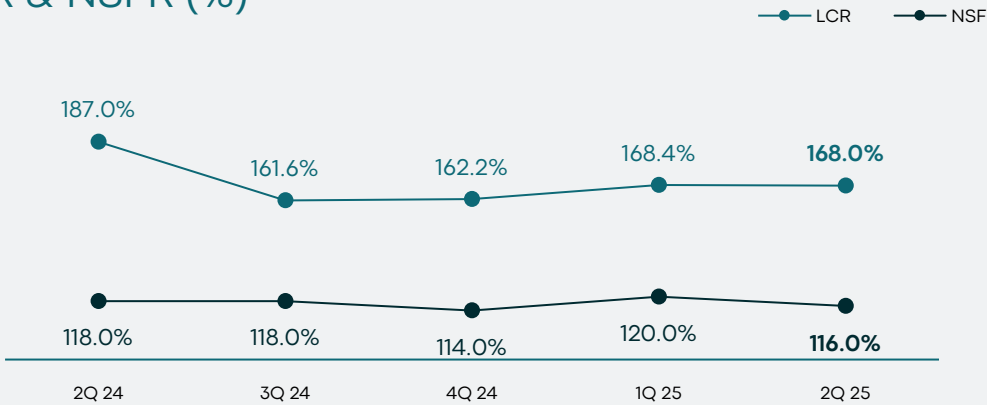
HQLA (﷼ Bn)



Available Stable Funding (﷼ Bn)



LCR & NSFR (%)



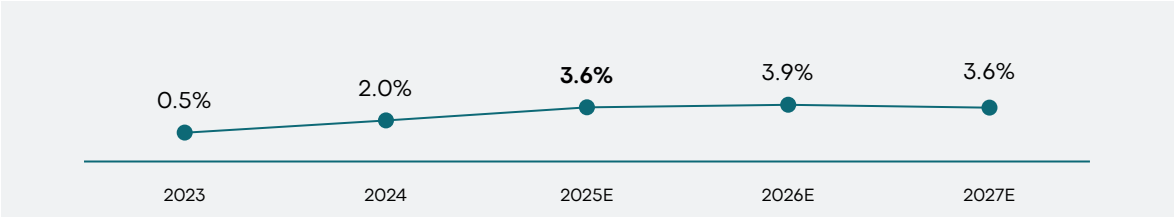
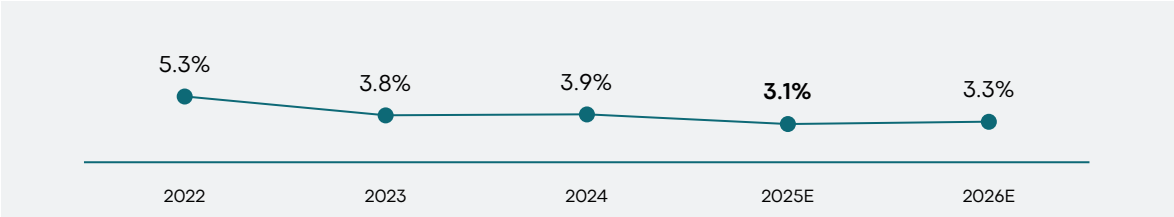
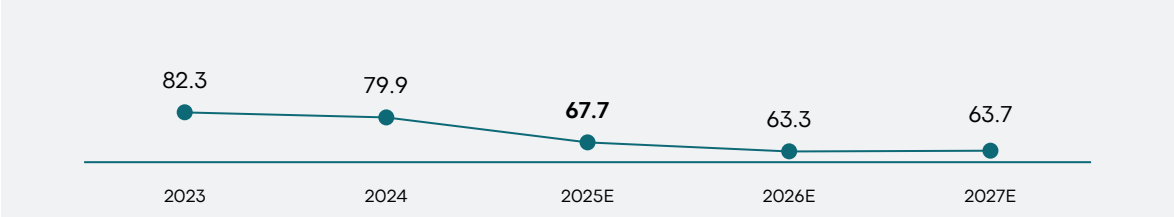
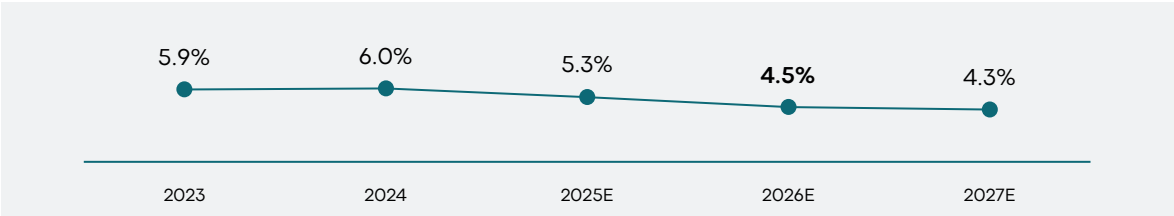


# Outlook & Guidance

Investor Presentation 1H 2025

# Saudi Arabia's real GDP is expected to improve, alongside expectations of a gradual decline in interest rates



Metric	2024 Outcome	2025 Outlook	Trend
Saudi Arabia Real GDP Growth	+2.0%	+3.6%	
Saudi Arabia Non-oil GDP Growth	+3.9%	+3.1%	
Oil prices (Brent/Barrel, USD)	79.9	USD 67.7	
Interest rates (SAIBOR 3m avg)	6.0%	75bps rate cuts	

# Loan growth outlook was revised in line with pipeline, while margin and efficiency drivers continue to support profitability



Metric	1H 2025 Outcome	2025 Guidance	Guidance Drivers
Loans & Advances Growth	<b>+2.8%</b> YTD ₹ Bn 209.9	High single digits	The guidance was revised to reflect a conservative view after modest first-half growth and some expected pickup in the second half, in line with the current pipeline.
Net Interest Margin	<b>3.11%</b> ▲ +3 bps YOY	3.05 – 3.15%	NIM expected to be driven by volume growth in NIBDs and lending. Declining rates may impact asset yields, but funding costs and CFH are expected to provide an offsetting benefit.
Cost of Risk	<b>50bps</b> ▼ -10 bps YOY	50-60bps	Cost of risk expected to remain stable at higher balance sheet levels, supported by a resilient credit environment.
Cost to Income Ratio	<b>32.7%</b> ▼ -1.1 ppts YOY	<33%	Guidance reflects disciplined cost management, with a focus on containing staff-related expenses, while other G&A costs include investments in marketing, locations, and business volume expansion.
Return on Equity	<b>11.2%</b> ▲ +36 bps YOY	11-12%	ROE guidance is supported by higher net interest income, increased fee generation, and disciplined operating and risk cost containment.
Core Equity Tier 1 Ratio	<b>16.0%</b> ▲ +40 bps YTD	>15%	Capital ratios are expected to remain stable through retained earnings, balancing growth-related capital consumption.



# Segmental Performance

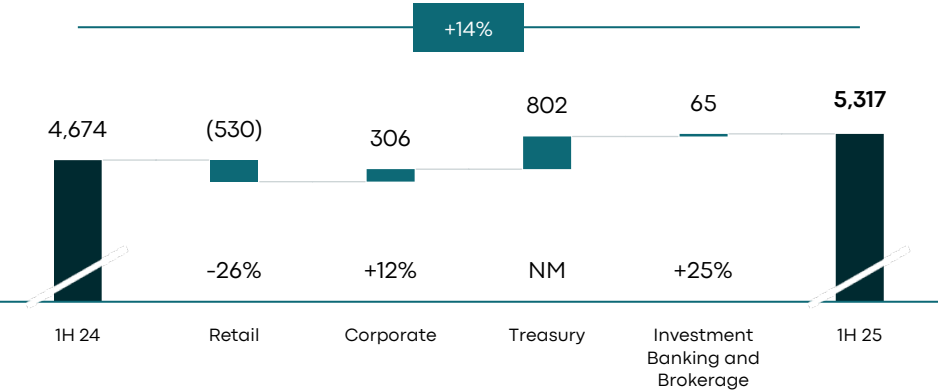
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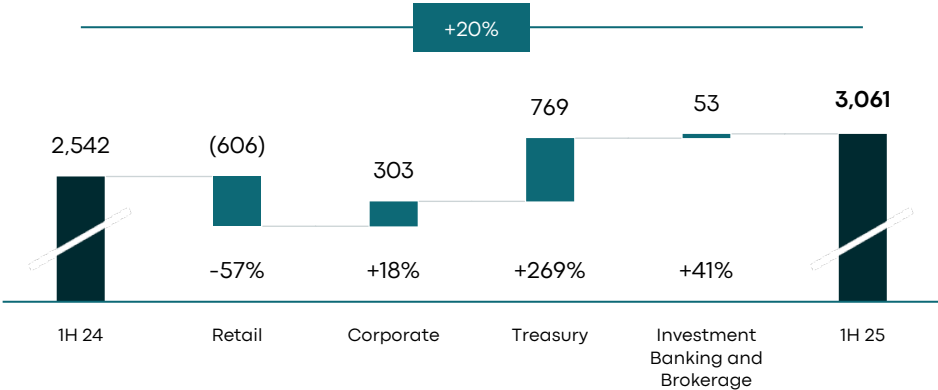
Profitability driven by growth in Treasury and Corporate partly offset by lower Retail net income



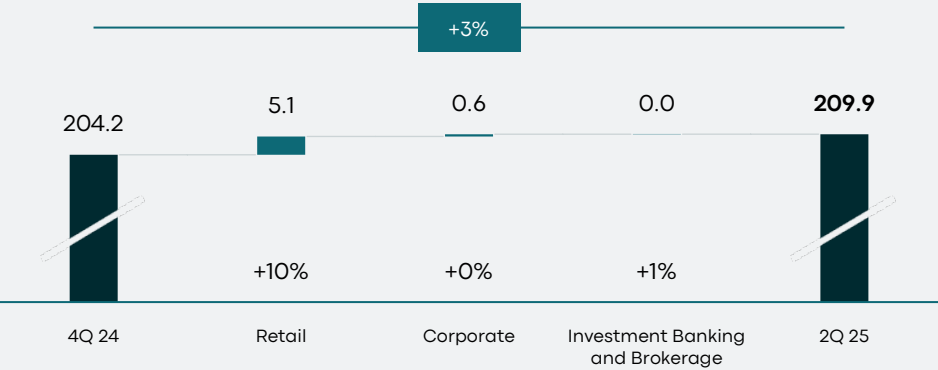
Operating Income Movement YoY (₹ Mn)



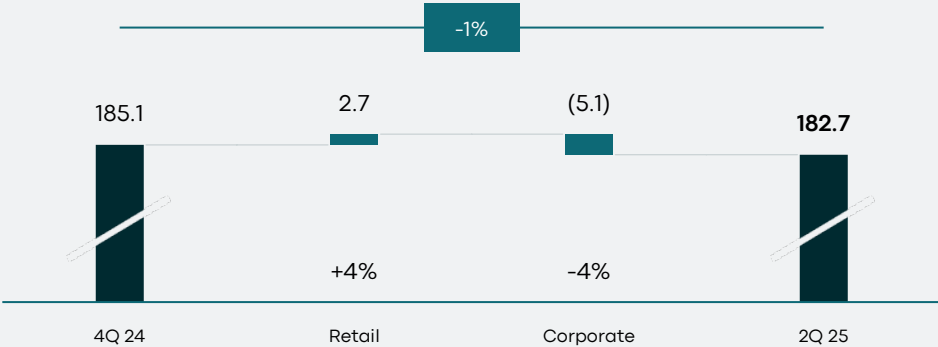
Net Income Before Zakat Movement YoY (₹ Mn)



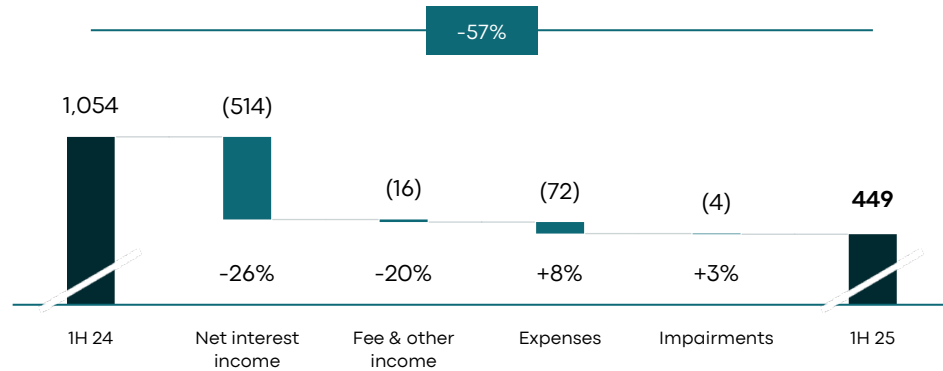
Loans & Advances Movement YTD (₹ Bn)



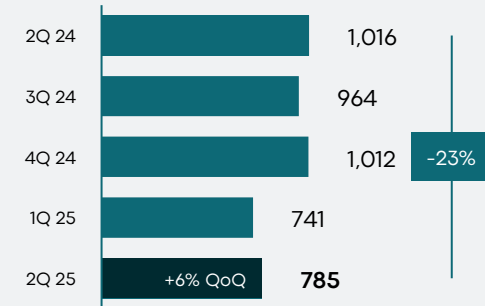
Customers' Deposits Movement YTD (₹ Bn)



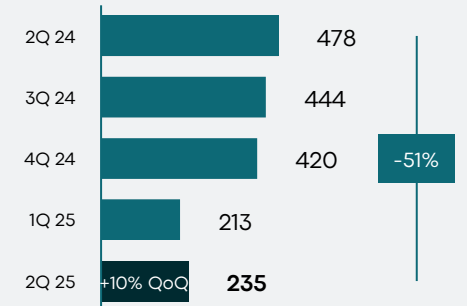
## Net Income Before Zakat Movement YoY (₹ Mn)



## Total Operating Income (₹ Mn)

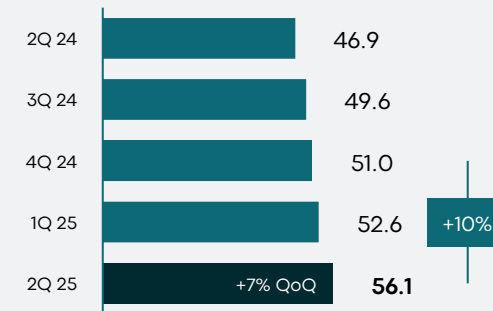


## Net Income Before Zakat (₹ Mn)

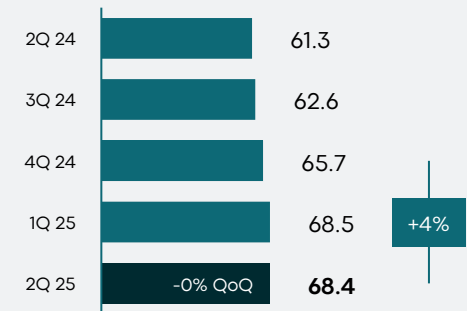


₹ Mn	1H 2025	1H 2024	Δ%	2Q 2025	2Q 2024	Δ%
Net interest income	1,464	1,978	-26%	745	1,000	-26%
Fee & other income	62	78	-20%	41	16	+162%
Total operating income	1,526	2,056	-26%	785	1,016	-23%
Expenses	(930)	(858)	+8%	(457)	(472)	-3%
Pre-impairment operating income	596	1,198	-50%	328	544	-40%
Impairments	(147)	(143)	+3%	(92)	(65)	+41%
Net income before zakat	449	1,054	-57%	235	478	-51%

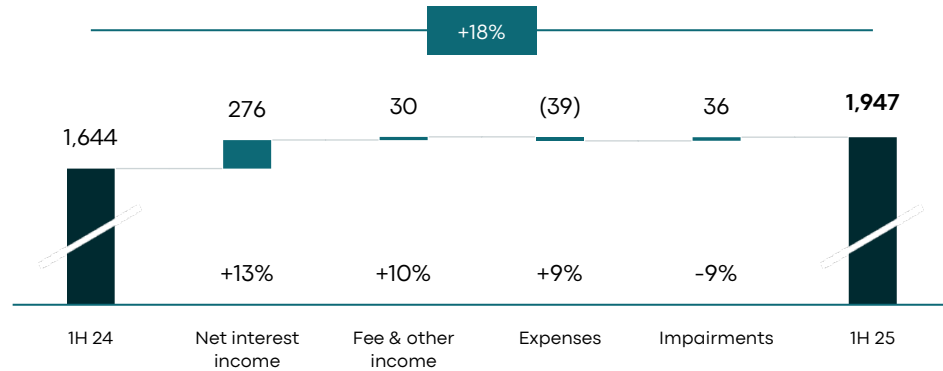
## Retail Loans (₹ Bn)



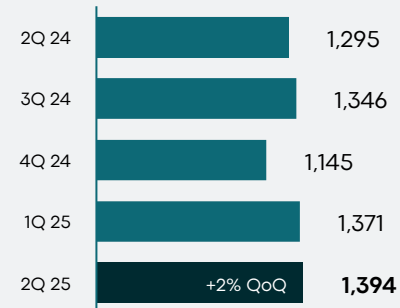
## Retail Deposits (₹ Bn)



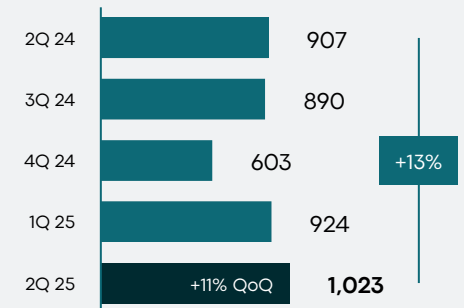
## Net Income Before Zakat Movement YoY (₹ Mn)



## Total Operating Income (₹ Mn)

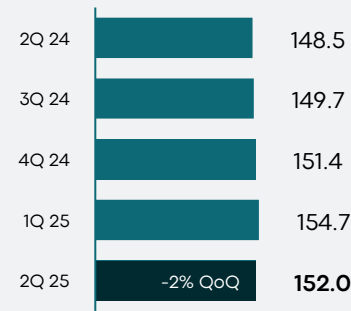


## Net Income Before Zakat (₹ Mn)

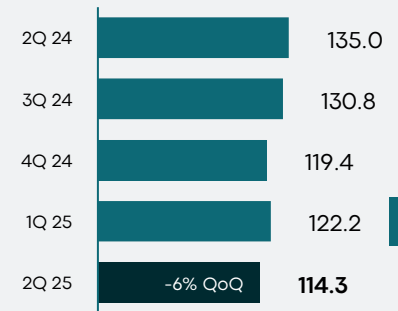


₹ Mn	1H 2025	1H 2024	Δ%	2Q 2025	2Q 2024	Δ%
Net interest income	2,437	2,161	+13%	1,230	1,127	+9%
Fee & other income	328	298	+10%	165	168	-2%
Total operating income	2,765	2,459	+12%	1,394	1,295	+8%
Expenses	(449)	(410)	+9%	(231)	(185)	+25%
Pre-impairment operating income	2,316	2,048	+13%	1,163	1,110	+5%
Impairments	(368)	(404)	-9%	(140)	(202)	-31%
<b>Net income before zakat</b>	<b>1,947</b>	<b>1,644</b>	<b>+18%</b>	<b>1,023</b>	<b>907</b>	<b>+13%</b>

## Corporate Loans (₹ Bn)



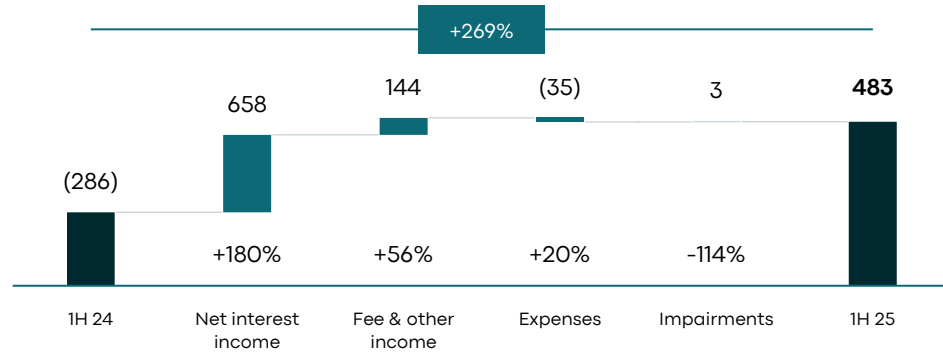
## Corporate Deposits (₹ Bn)



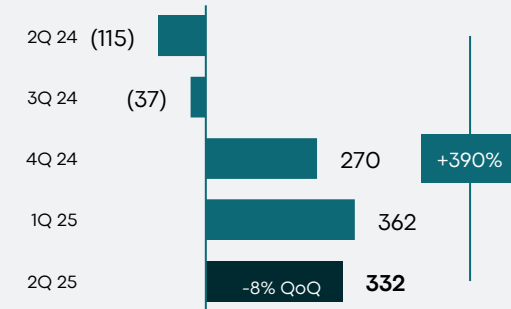
# Treasury Segment: Net income growth led by turnaround in NII and increased fee & other income



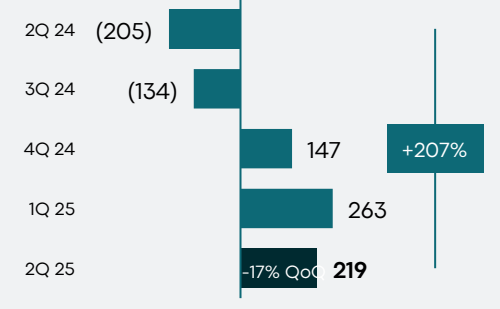
## Net Income Before Zakat Movement YoY (₹ Mn)



## Total Operating Income (₹ Mn)

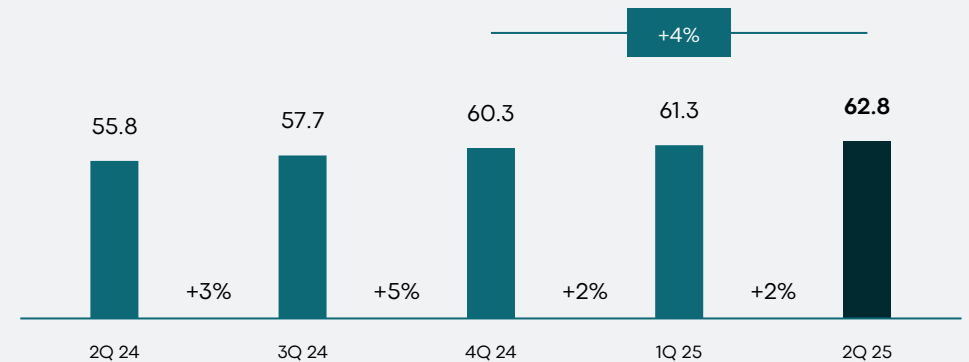


## Net Income Before Zakat (₹ Mn)



₹ Mn	1H 2025	1H 2024	Δ%	2Q 2025	2Q 2024	Δ%
Net interest income	293	(365)	+180%	159	(228)	+170%
Fee & other income	402	258	+56%	174	113	+53%
Total operating income	695	(107)	+750%	332	(115)	+390%
Expenses	(212)	(177)	+20%	(109)	(84)	+30%
Pre-impairment operating income	482	(284)	+270%	223	(198)	+212%
Impairments	0	(2)	+114%	(4)	(6)	-44%
Net income before zakat	483	(286)	+269%	219	(205)	+207%

## Investments (₹ Bn)

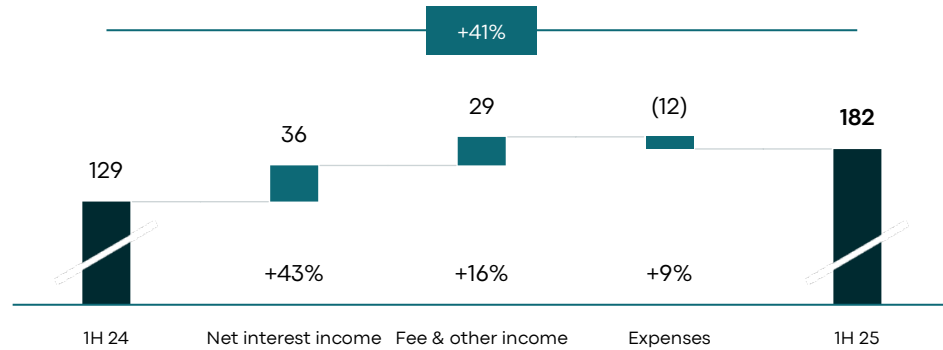




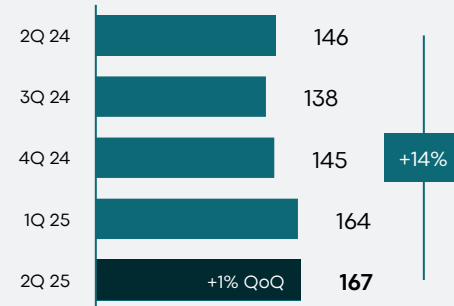
# Investment Banking and Brokerage Segment: YoY profitability improved supported by higher interest income and fee & other income



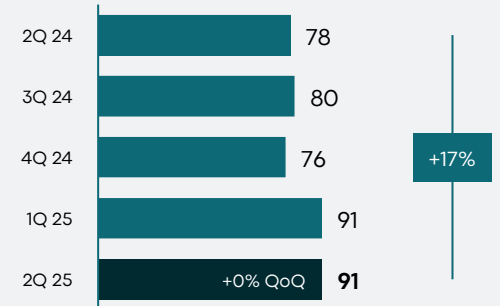
## Net Income Before Zakat Movement YoY (₺ Mn)



## Total Operating Income (₺ Mn)

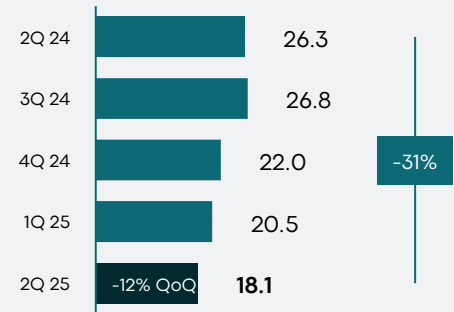


## Net Income Before Zakat (₺ Mn)

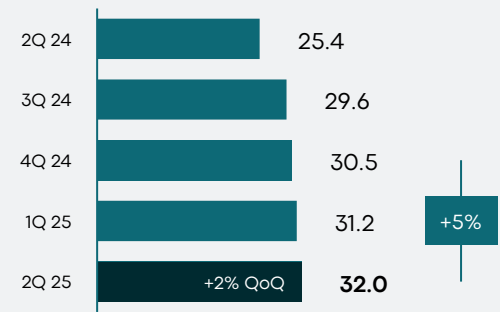


₺ Mn	1H 2025	1H 2024	Δ%	2Q 2025	2Q 2024	Δ%
Net interest income	120	84	+43%	63	41	+54%
Fee & other income	210	182	+16%	103	105	-2%
Total operating income	331	266	+25%	167	146	+14%
Expenses	(149)	(136)	+9%	(76)	(68)	+11%
Pre-impairment operating income	182	129	+41%	91	78	+17%
Net income before zakat	182	129	+41%	91	78	+17%

## Brokerage Trading Volume (₺ Bn)



## Assets Under Management (₺ Bn)



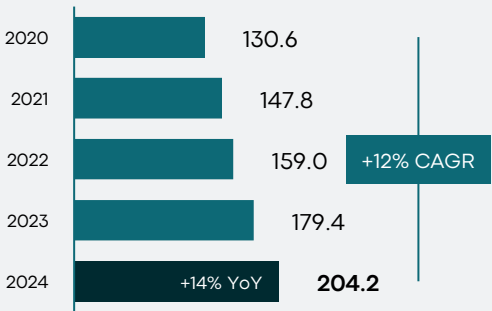
# Performance Track Record



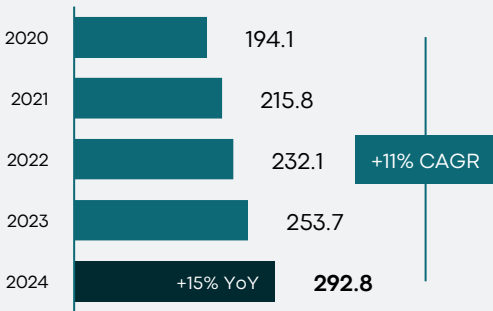
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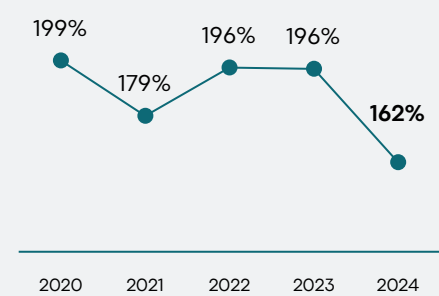
Loans & Advances  
(SAR Bn)



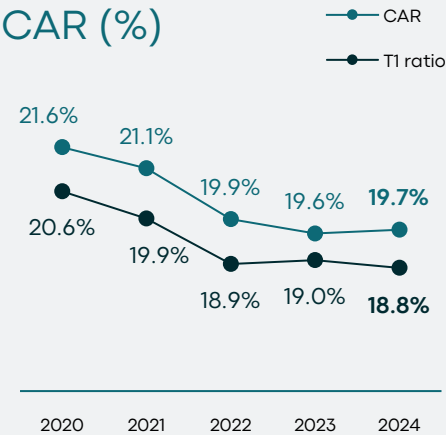
Total Assets  
(SAR Bn)



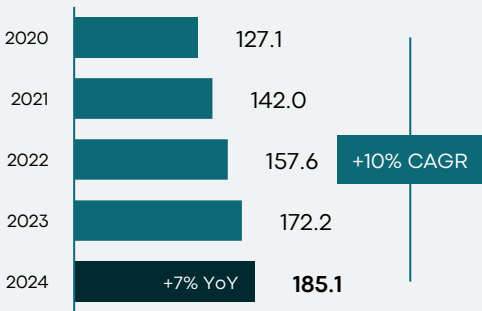
LCR (%)



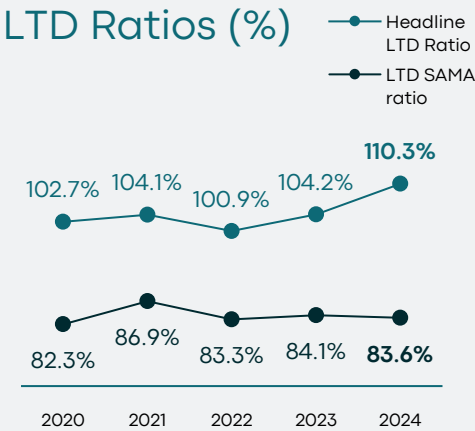
CAR (%)



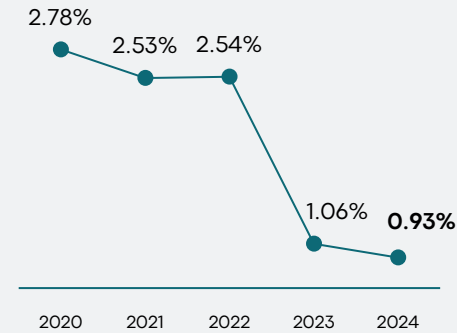
Customers' Deposits  
(SAR Bn)



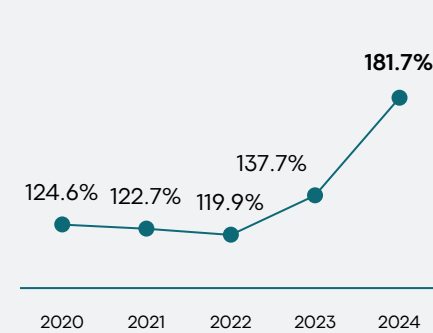
LTD Ratios (%)



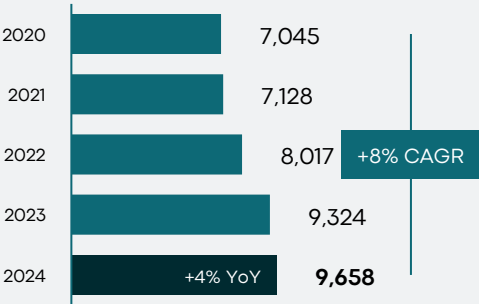
NPL Ratio (%)



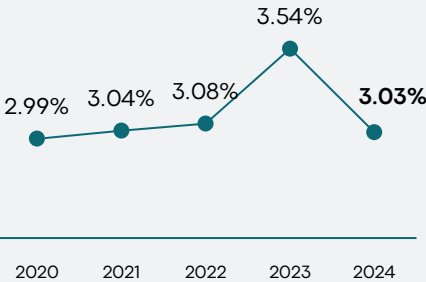
NPL Coverage Ratio (%)



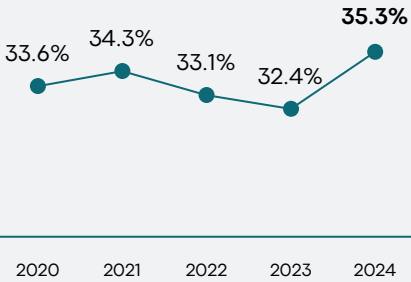
## Total Operating Income (SAR Mn)



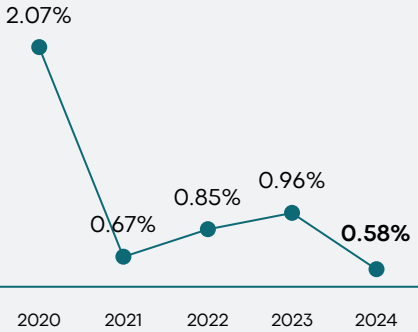
## NIM (%)



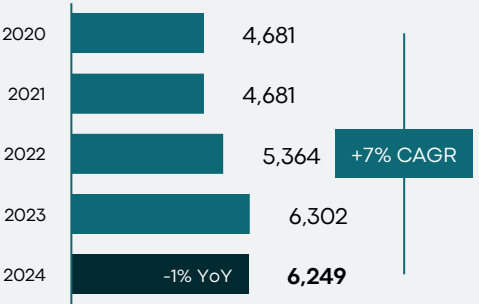
## Cost to Income Ratio (%)



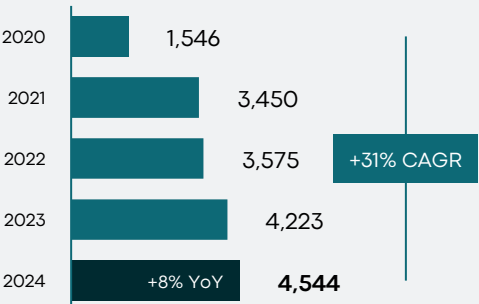
## Cost of Risk (%)



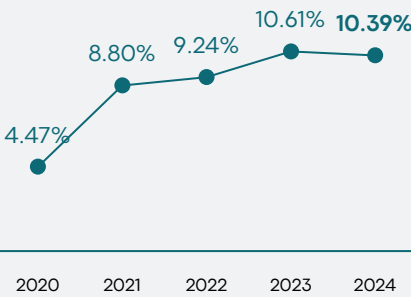
## Net Operating Income Before Impairments



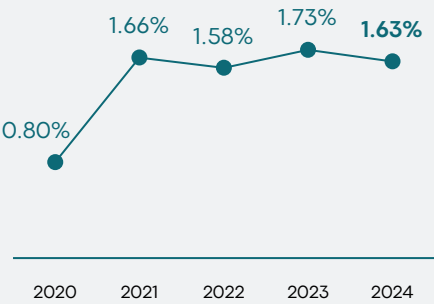
## Net Income (SAR Mn)



## ROAE (%)



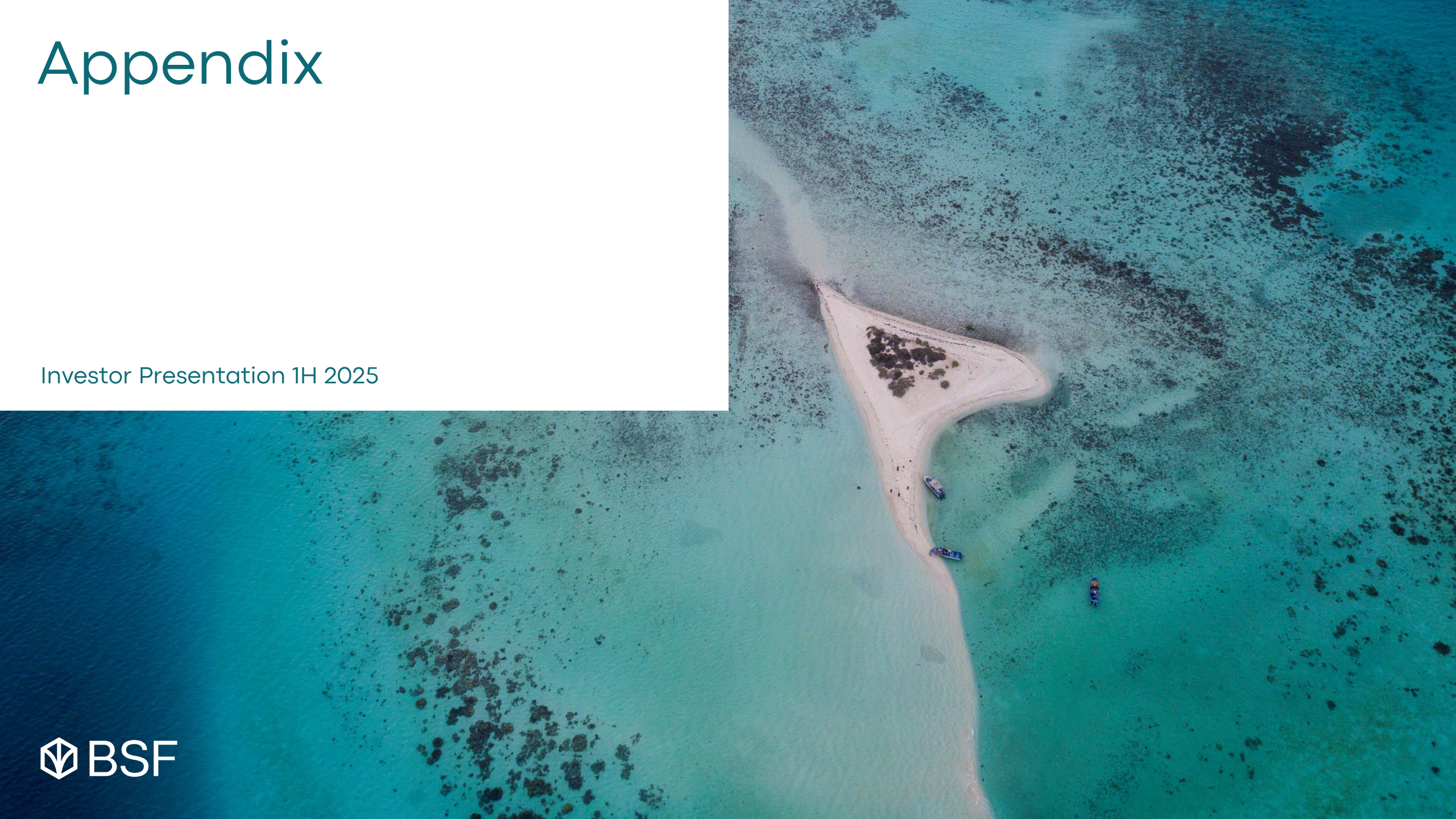
## ROAA (%)





# Appendix

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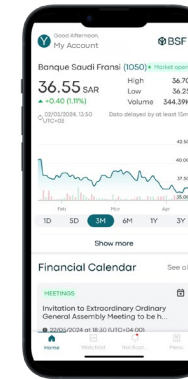
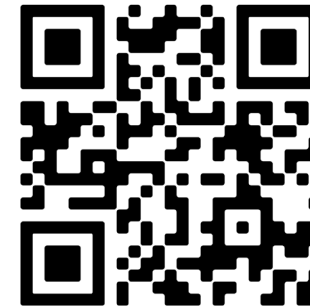
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