



# Banque Saudi Fransi

## Investor Presentation

3Q 2022

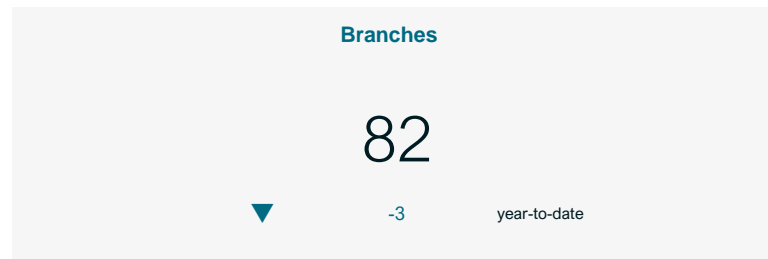
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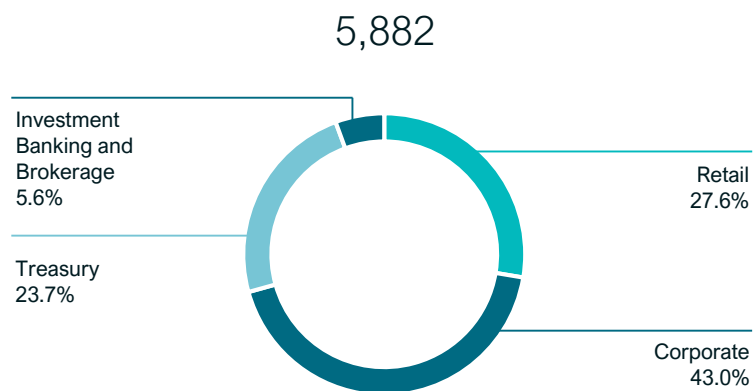
INVESTOR PRESENTATION 3Q 2022

## BSF Profile

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

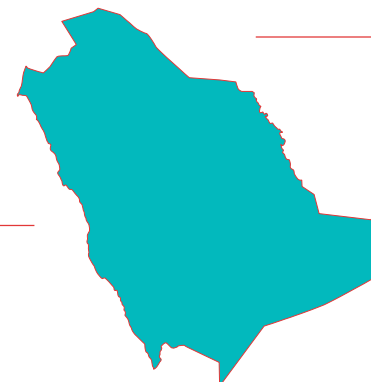


9M 22 Operating Income Diversity (SAR Mn)



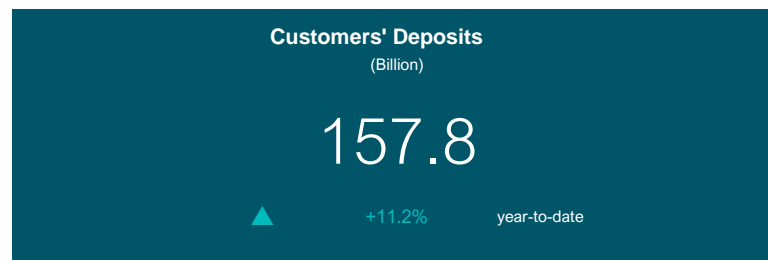
**Headquartered in Riyadh:**  
[82] branches across the Kingdom  
Domestically systemic bank

**Universal Bank model:**  
Corporate DNA (81% of our loan book)  
Full suite of conventional and Islamic products  
Growing Retail loan book  
Core focus on the Saudi market



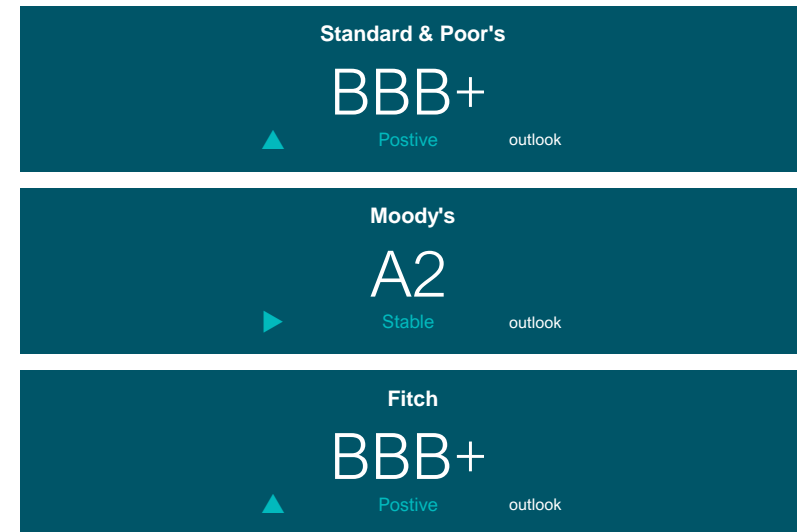
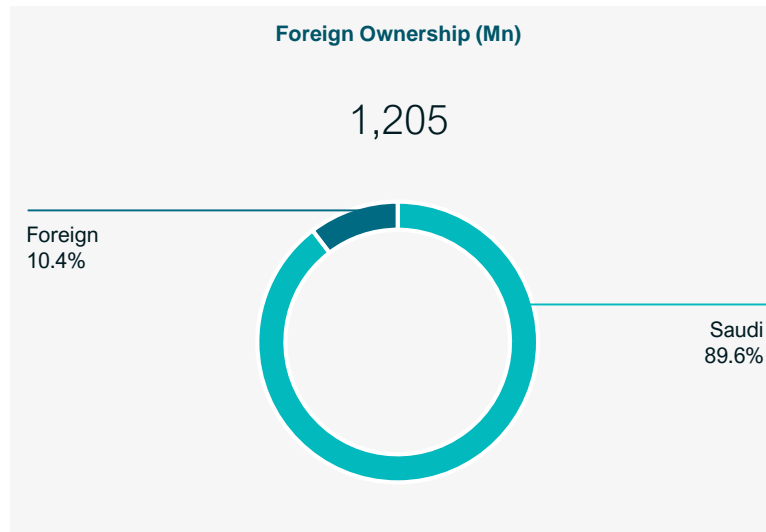
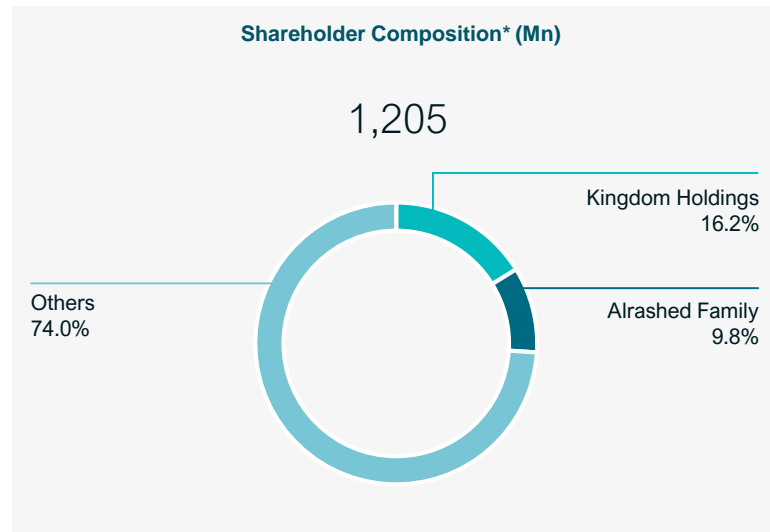
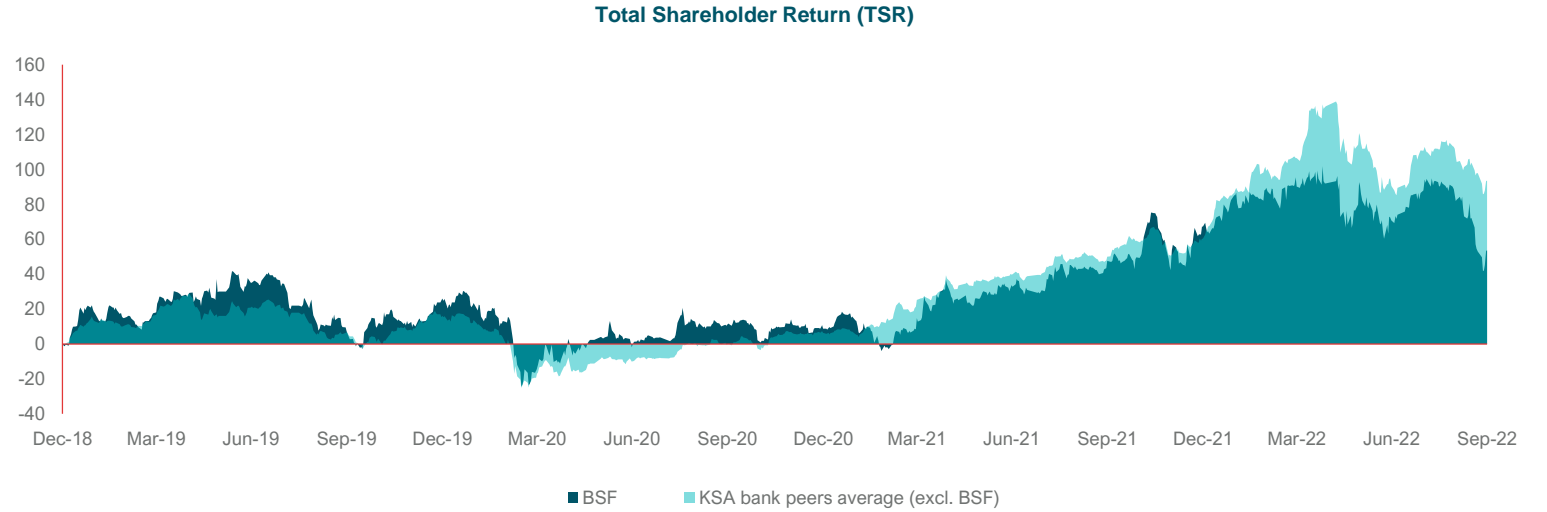
**Subsidiaries in KSA:**  
Saudi Fransi Capital  
Saudi Fransi Insurance Agency  
Saudi Fransi for Finance Leasing  
Sakan Real Estate Financing Company

**Joint ventures in KSA:**  
Insurance with Allianz



# Solid market parameters and credit ratings

Share Parameters	30 Sep 2022
<b>Closing price (SAR)</b>	<b>42.00</b>
52 weeks range (SAR)	38.3 - 57.2
Shares issued (million)	1,205
<b>Market capitalization (SARbn)</b>	<b>50.63</b>
Market capitalization to KSA bank sector	4.87%
Market cap to KSA stock market	0.47%
<b>Price to tangible book value</b>	<b>1.54x</b>
Price to earnings (FY 2021)	15.5x
Dividend yield (FY 2021)	3.6%



Sources: Tadawul, Capital IQ | \*Substantial shareholders, being persons with a shareholding of 5% or more

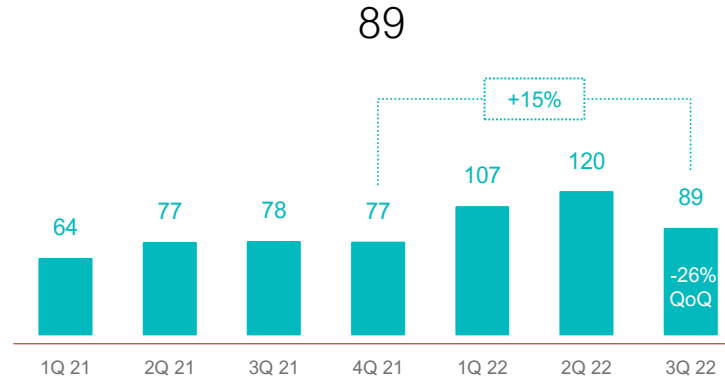
INVESTOR PRESENTATION 3Q 2022

# Operating Environment

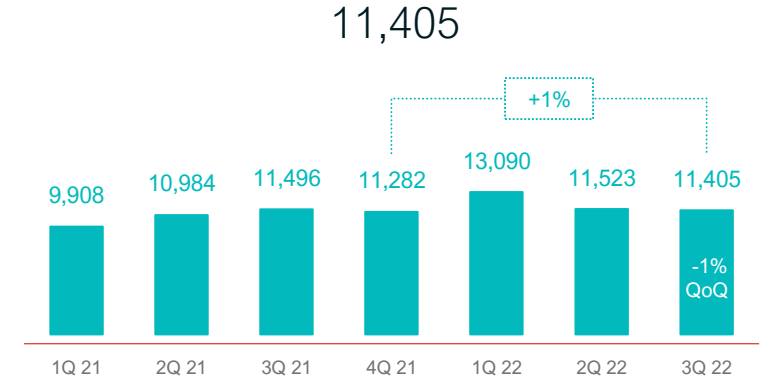
# 9M 2022 characterized by rising rate environment and higher oil prices

- Oil prices rose to USD 120/bl in 2Q 2022, following Ukraine-Russia disruption, but declined to USD 89/bl in 3Q 2022.
- Interbank rates increased in 9M 2022 from 5 hikes in the SAMA repo and reserve repo rates totaling 275bps.
- The Saudi Arabia purchasing managers index (PMI) improved 2.7 index points YTD to 56.6 in September 2022.
- The Saudi Arabian stock market (Tadawul) rose 1% YTD but declined 1% QoQ.

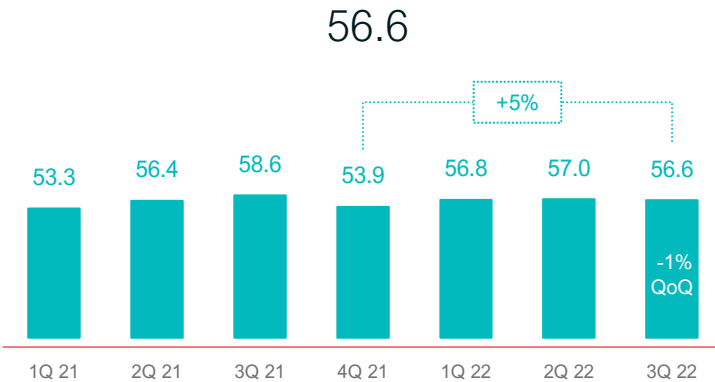
Brent Oil Price / Barrel (USD)



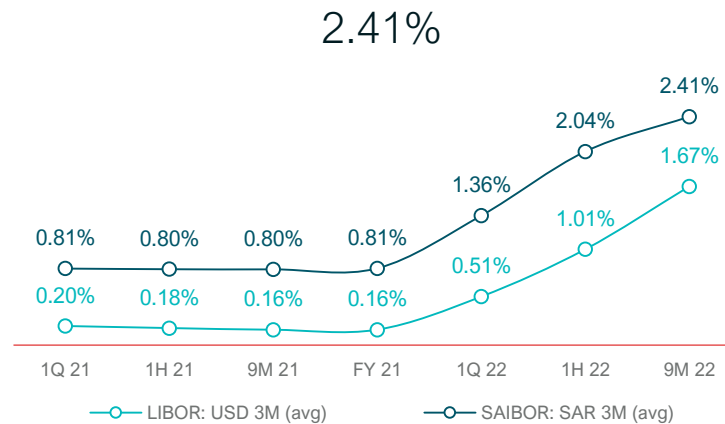
Tadawul Index



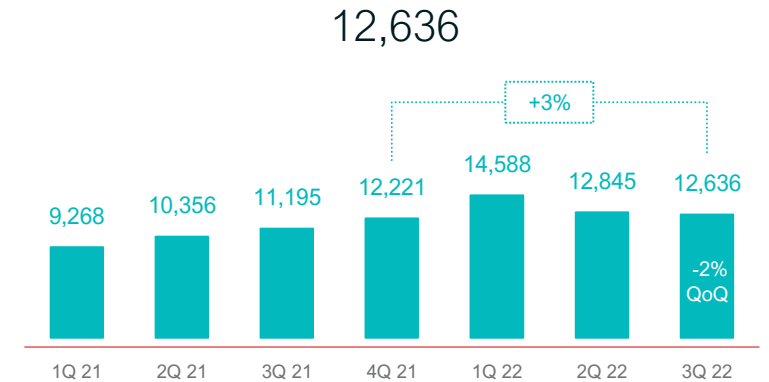
KSA PMI (non-oil private sector)



SAIBOR Trend (%)

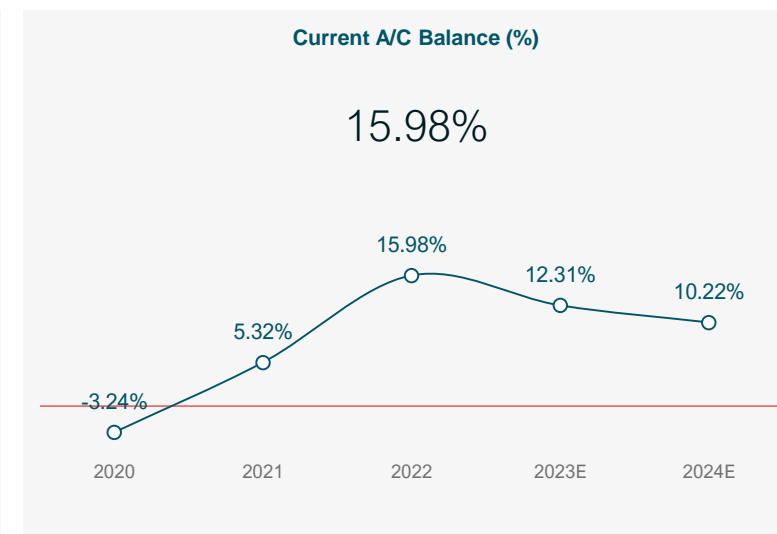
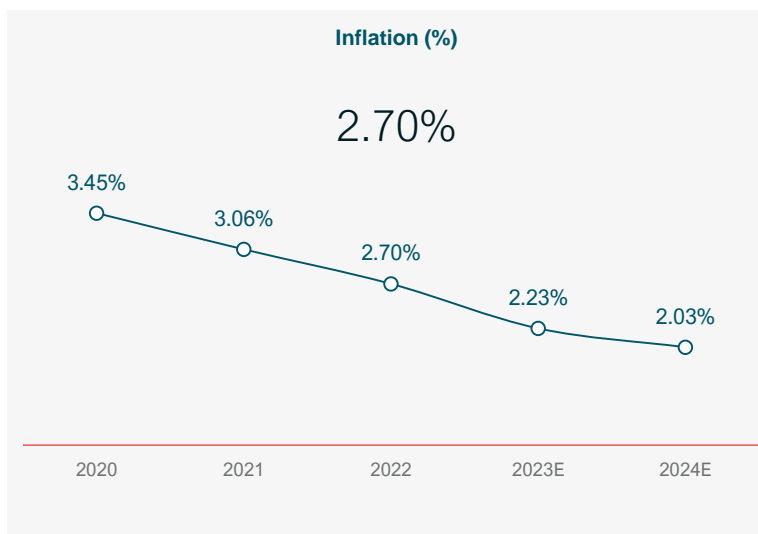
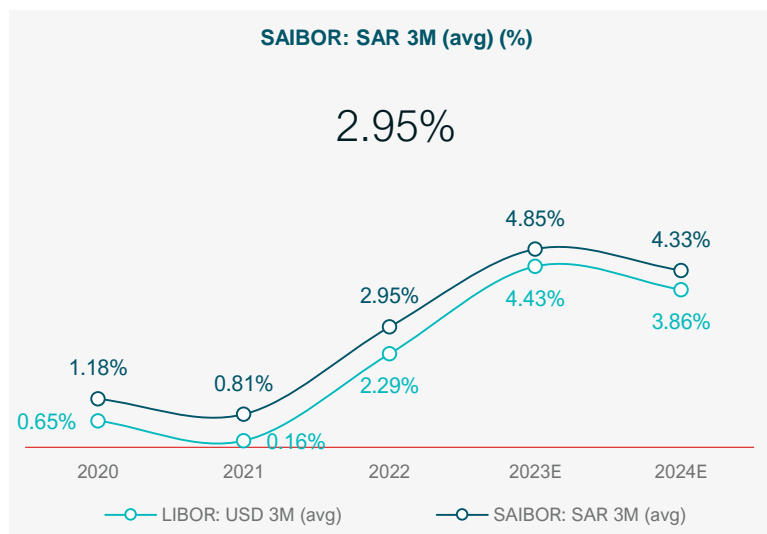
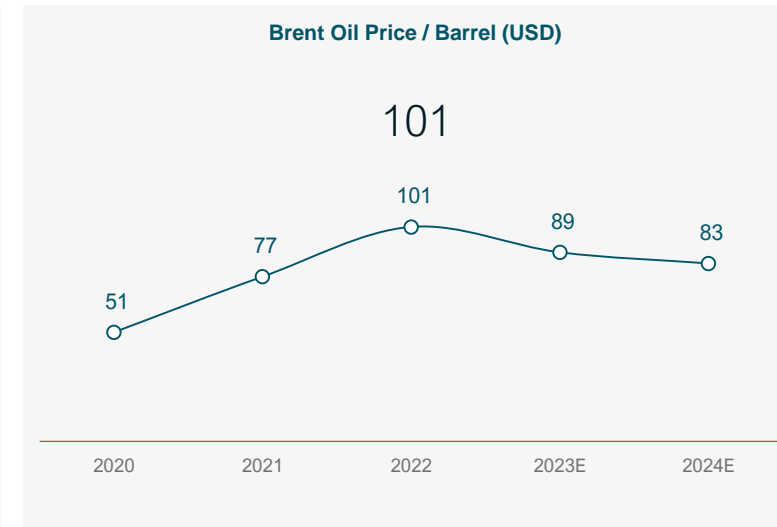
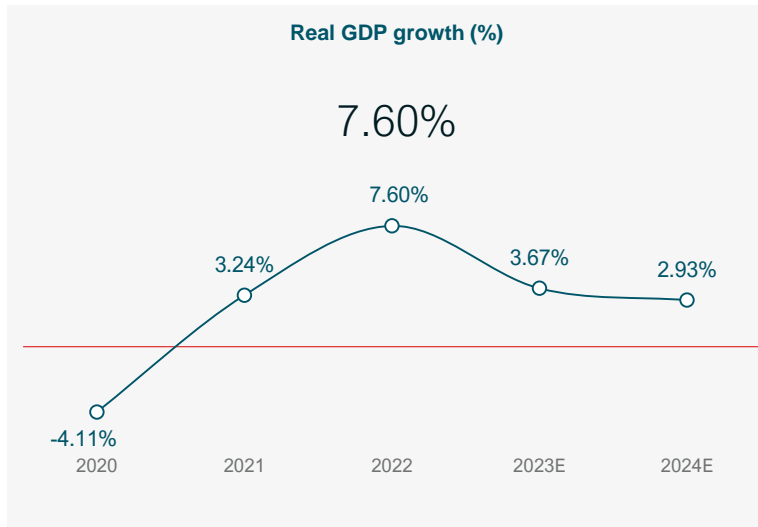


Tadawul Banks Index



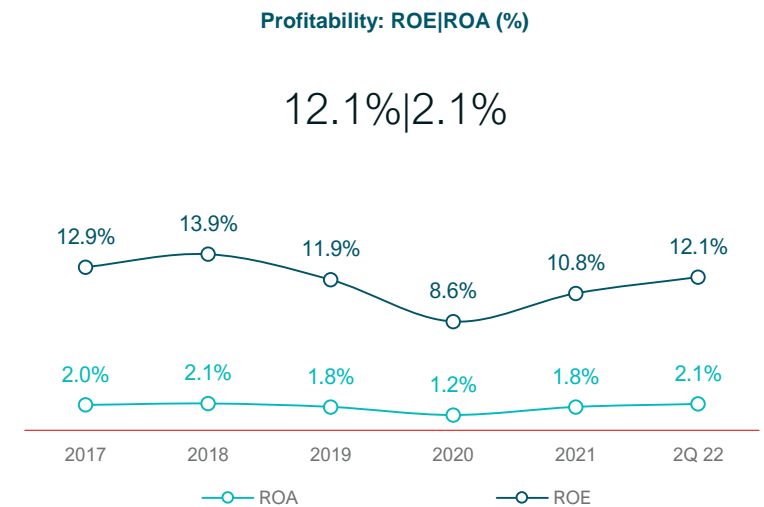
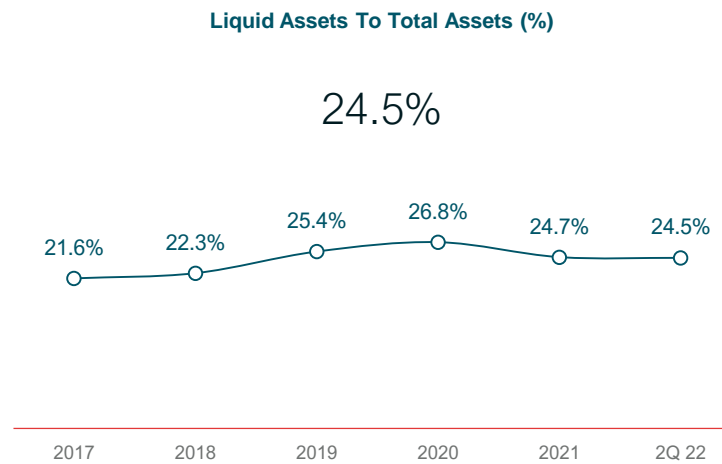
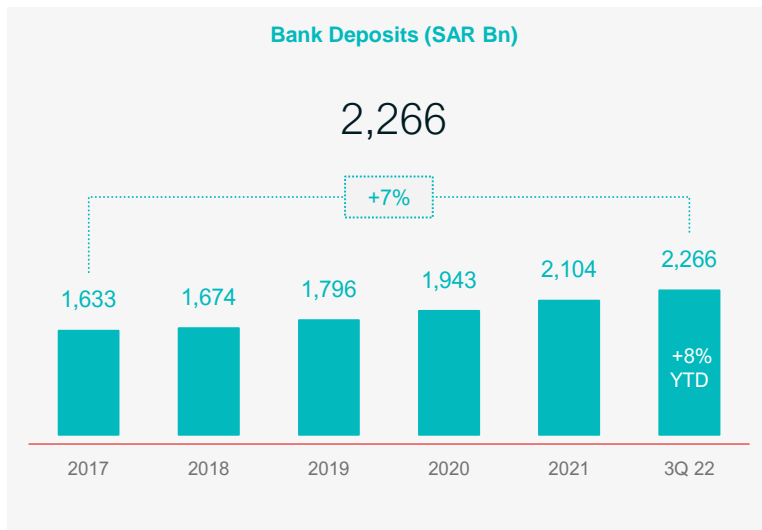
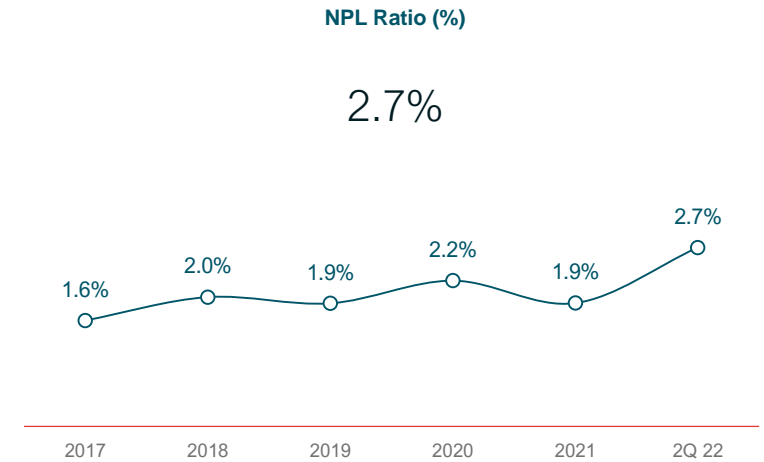
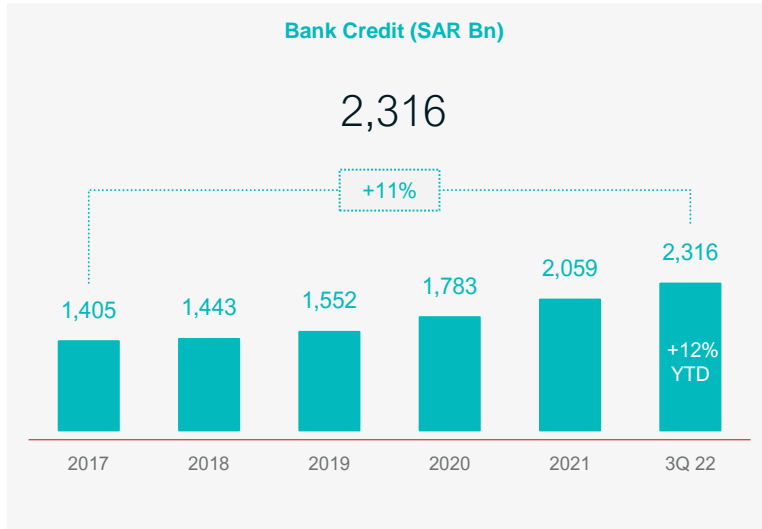
# GDP growth for Saudi Arabia is expected to reach +7.6% in 2022

- GDP growth for Saudi Arabia is expected to reach 7.6% in 2022 following a post-covid recovery of 3.2% growth in 2021.
- Interest rates are expected to continue to rise, with average 3M SAIBOR forecast at 3.00% in 2022 and 4.85% in 2023 compared with 0.81% in 2021.





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





INVESTOR PRESENTATION 3Q 2022

# Strategy

In 2018 we redefined our purpose to build a dynamic, energized and modern culture...

OUR MISSION

To become the most modern, innovative and experience focused bank in the region.

OUR VALUES

TRUE TO OURSELVES, ALWAYS

We are honest with one another, even at the risk of temporary disharmony. It is never personal.

US BEFORE ME

We put ideas before ego and leverage the expertise of others.

KEEP IT SIMPLE

We strive to make everything we do as simple as possible. We set our people up for success and then get out of their way. We own it.

WINNING IS FUN

We seek to be number one in the hearts and minds of our people, customers and shareholders. We have limitless ambition and the drive to win.

WE ARE BSF

Always putting the needs of our people, customers, shareholders and society ahead of our own personal agenda. We are a community that we defend and protect, always.

THINK BIG, ACT QUICK

We think long-term in our decisions, but we make them quickly and have a bias towards action.

# ...and set out to build a cohesive, best-in-class executive management team...

## Bader Alsalloum

### Chief Executive Officer [ & Head of Wholesale Banking ]

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



البنك  
السعودي  
الفرنسي  
Banque  
Saudi  
Fransi



## Sander Aardoom

### Deputy Chief Financial Officer

- Business Lease Group B.V.: CFO & Board member: 3 years
- ING: CFO of Transformation, Technology and Operations, CFO roles in Australia, Romania and Czech Republic: 18 years



## Mohammed Abdulrahman Alsheikh

### Head of Retail Banking

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



## Abdulmohsen Alrayes

### Chief Audit Officer

- BSF: appointed CAO Aug-17
- 34 years banking experience
- SABB: Head of Retail operations
- ANB: Head of Internal Audit



## Mutasim Mufti

### Acting Chief Risk Officer

- BSF: appointed Acting 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

### Treasurer & Chief Investment Officer

- BSF: appointed CIO Oct-22
- BSF: Head of Global Markets Group 3 years; 8 years with BSF



## Thamer M. Yousef

### Chief Operations Officer

- BSF: appointed COO Dec-18
- SABB: Head of Information Services
- SAMBA: 10 years



## Abdallah Alshaikh

### Head of Legal & Governance

- 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



## Michael Cunningham

### Chief Strategy & Group Digital Officer

- BSF: appointed in 2018
- CEO digital-only bank
- ADCB: EVP Group strategy
- Barclays: MD



## 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



...who implemented a comprehensive 5-year strategic plan called 'LEAP' to modernize and re-imagine the bank

2018  
Baseline

POSITIONED TO 'LEAP'

2023  
Aspiration

ASSET MARKET SHARE

8.3%

ROAA\*

1.7%

NPS\*\*

NA

STRATEGIC PILLARS



**Solidify** our leadership position in Corporate Banking



**Scale** up in Retail Banking



**Optimize** our leading position in Private Banking



**Reinforce** our strength in Global Markets

ASSET MARKET SHARE

10%

ROAA

2.3%

NPS

#1

STRATEGIC ENABLERS

A

Technology & IT platforms

C

Customer experience

E

Brand

G

Risk

B

Digitalization

D

Organizational effectiveness

F

People

H

Strategy

\*ROAA before zakat | \*\*NPS baseline not yet established in 2018

# We are clearly focused on delivering strategic outcomes

## STRATEGIC OUTCOMES

### Shareholder darling

**KPI #1**  
**Total shareholder return (TSR)**

Generate top-quartile total returns for our shareholders.

**KPI #2**  
**Return on average equity (ROAE)**

To increase ROAE, by focusing on growing our business where risk adjusted returns are maximized and capital is efficiently deployed.

### Resilience

**KPI #3**  
**Basic earnings per share (EPS)**

Deliver consistent bottom line income and returns for our shareholders, with no surprises.

**KPI #4**  
**Dividends per share (DPS)**

Distribute consistent dividends to our shareholders.

### Efficiency

**KPI #5**  
**Cost-to-income Ratio**

Improve operating efficiency by re-engineering our processes and focusing on digital.

### Best Customer Experience

**KPI #6**  
**Net Promoter Score (NPS)**

Continuous improvement in our customer experience.

### Best Place to work

**KPI #7**  
**Employee Net Promoter Score (ENPS)**

Continuous improvement in our employees' workplace experience and satisfaction.

# Positive trends in strategic outcomes during 2021

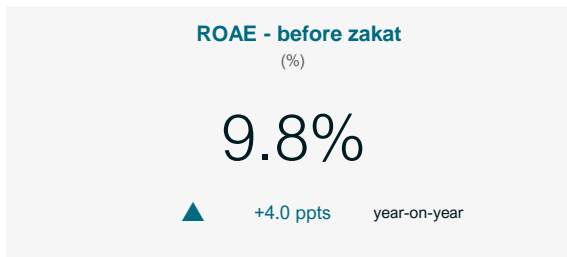
## STRATEGIC OUTCOMES

### Shareholder darling

**KPI #1**  
**Total shareholder return (TSR)**



**KPI #2**  
**Return on average equity (ROAE)**

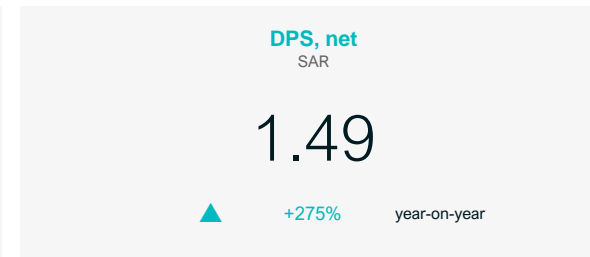


### Resilience

**KPI #3**  
**Basic earnings per share (EPS)**

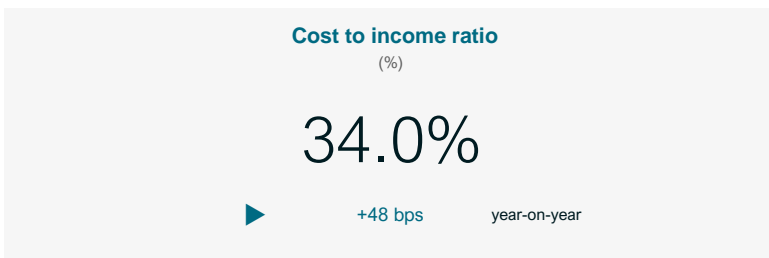


**KPI #4**  
**Dividends per share (DPS)**



### Efficiency

**KPI #5**  
**Cost-to-income Ratio**



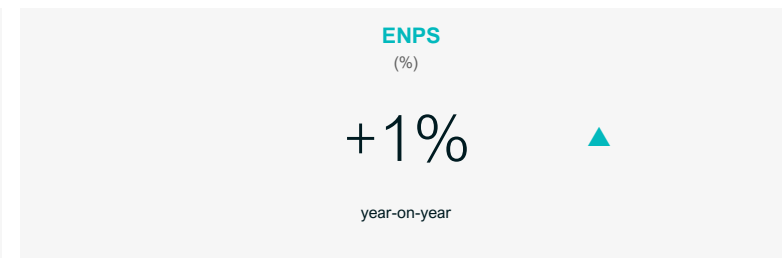
### Best Customer Experience

**KPI #6**  
**Net Promoter Score (NPS)**



### Best Place to work

**KPI #7**  
**Employee Net Promoter Score (ENPS)**



INVESTOR PRESENTATION 3Q 2022

# Financial Performance

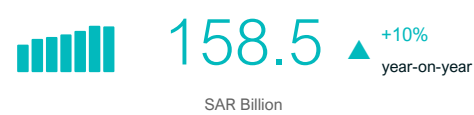


# Balanced asset and liability growth, coupled with improved profitability

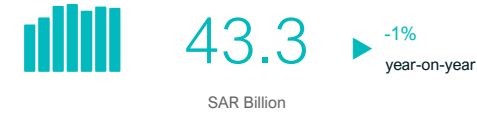
## BALANCE SHEET

- High quality loan growth of 10% YoY driven by 10% commercial and 9% consumer lending growth.
- Deposit growth of 10% YoY.

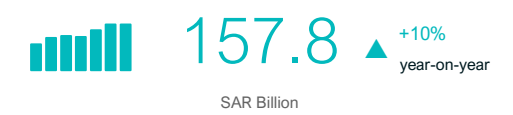
### Loans & Advances



### Investments



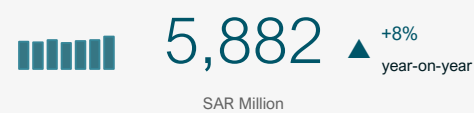
### Customers' Deposits



## INCOME STATEMENT

- 8% top-line growth from 10% NII growth, despite 5bps margin contraction.
- Net income grew 9% driven by income growth.

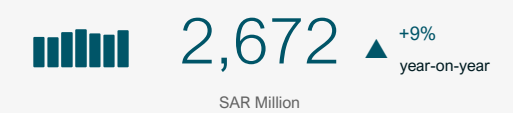
### Operating Income



### NIM



### Net Income



## ASSET QUALITY

- 19bps YoY rise in NPL ratio.
- Moderating NPL coverage ratio YoY.
- Trends impacted by isolated pockets of migration in the Commercial book; healthy underlying quality.

### NPL Ratio



### NPL Coverage Ratio



### Cost of risk



## CAPITAL & LIQUIDITY

- Capital & liquidity remain strong and comfortably within regulatory limits.
- Decline in T1 Ratio from RWA growth and MTM on investment securities.

### T1 Ratio



### LCR



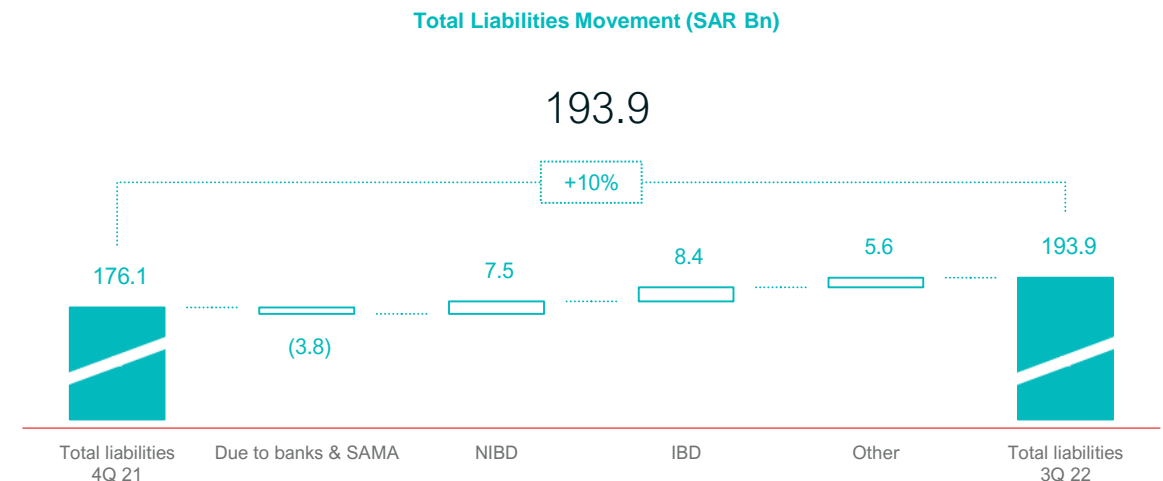
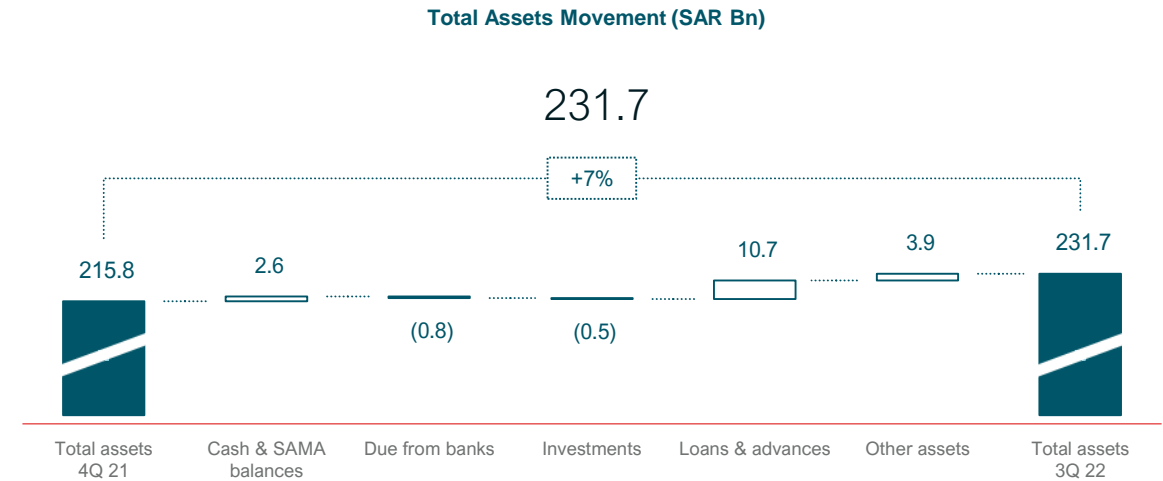
### NIBD % of Total Deposits



# Balance sheet growth driven by lending, with commensurate deposit growth

- Growth in total assets of 7% YTD, mainly driven by healthy 7% loan growth.
- Liabilities grew by 10% during 9M 2022 from 11% deposit growth.
- Total equity declined 5% YTD due to MTM on debt securities and cash flow hedges; this impact will gradually fade and be recycled to the income statement until maturity.
- Other assets and liabilities increased from changes in fair values of derivatives.

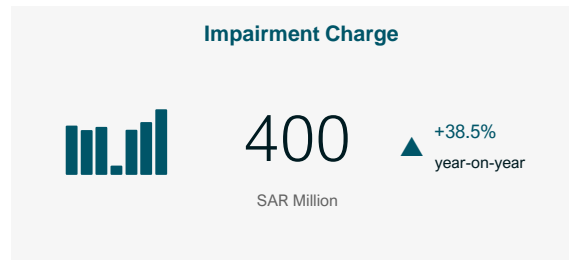
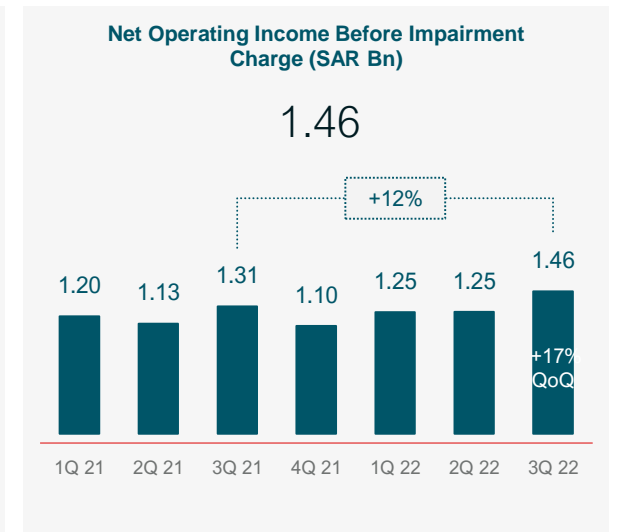
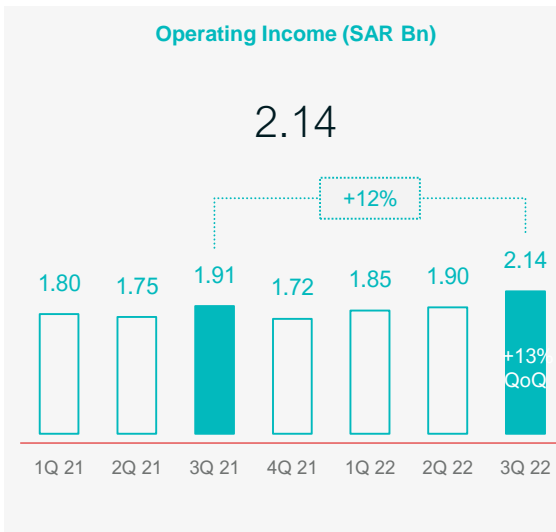
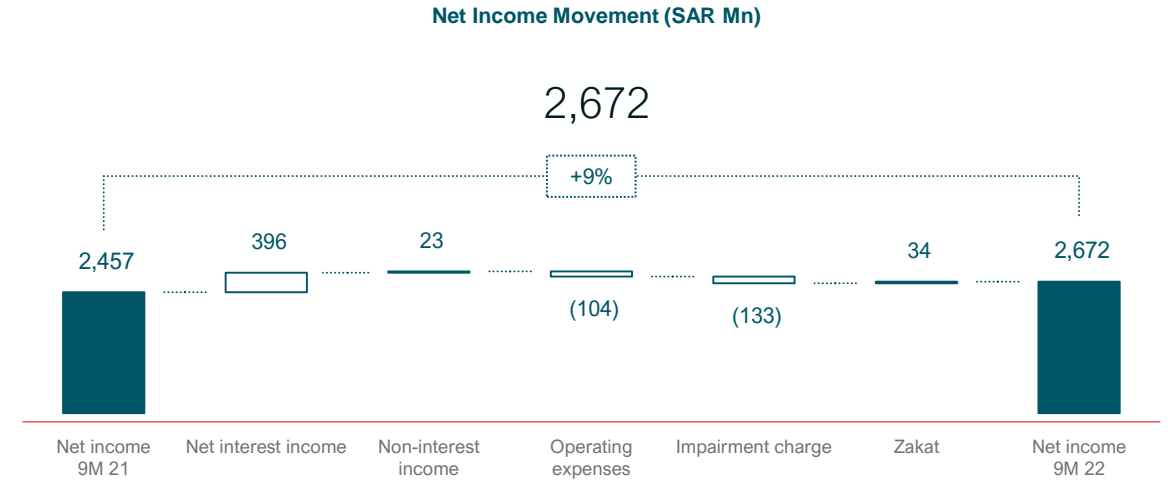
SAR (Mn)	3Q 2022	4Q 2021	Δ%	3Q 2021	Δ%
Cash & SAMA balances	12,428	9,795	+27%	9,635	+29%
Due from banks	4,507	5,324	-15%	5,389	-16%
Investments	43,341	43,858	-1%	43,587	-1%
Loans & advances	158,481	147,813	+7%	144,393	+10%
Other assets	12,901	9,012	+43%	10,331	+25%
<b>Total assets</b>	<b>231,659</b>	<b>215,802</b>	<b>+7%</b>	<b>213,335</b>	<b>+9%</b>
Due to banks & SAMA	20,094	23,854	-16%	20,043	+0%
Customers' deposits	157,821	141,950	+11%	143,322	+10%
Other liabilities	15,939	10,312	+55%	10,728	+49%
<b>Total liabilities</b>	<b>193,854</b>	<b>176,116</b>	<b>+10%</b>	<b>174,093</b>	<b>+11%</b>
Share capital	12,054	12,054	+0%	12,054	+0%
Retained earnings	10,001	8,399	+19%	8,482	+18%
Other	10,750	14,233	-24%	13,707	-22%
Tier 1 Sukuk	5,000	5,000	+0%	5,000	+0%
<b>Total equity</b>	<b>37,805</b>	<b>39,686</b>	<b>-5%</b>	<b>39,242</b>	<b>-4%</b>



# Net income grew 9% year-on-year from income growth

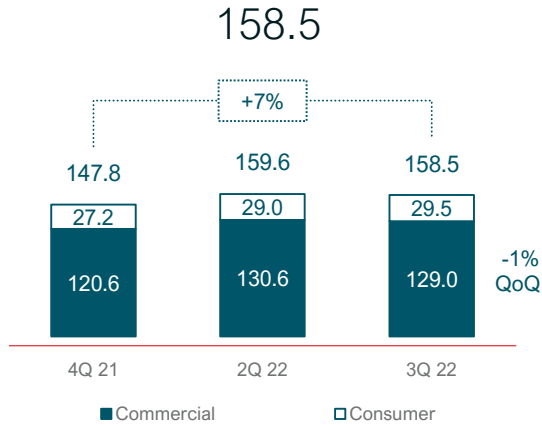
- Net income for 9M 2022 grew 9% YoY to SAR 2,672mn from 8% growth in operating income.
- Pre-impairment operating income for 3Q 2022 increased 12% YoY to a record SAR 1,457 million.
- Net income for 3Q 2022 grew by 6% YoY to SAR 961mn from 12% income growth and improved 15% QoQ on 13% income growth.

SAR (Mn)	9M 2022	9M 2021	Δ%	3Q 2022	3Q 2021	Δ%
Net interest income	4,437	4,041	+10%	1,646	1,424	+16%
Non-interest income	1,445	1,422	+2%	489	490	-0%
<b>Operating income</b>	<b>5,882</b>	<b>5,463</b>	<b>+8%</b>	<b>2,135</b>	<b>1,914</b>	<b>+12%</b>
Operating expenses	(1,930)	(1,827)	+6%	(678)	(608)	+11%
<b>Net operating income before impairments</b>	<b>3,952</b>	<b>3,636</b>	<b>+9%</b>	<b>1,457</b>	<b>1,306</b>	<b>+12%</b>
Impairment charge	(992)	(858)	+16%	(400)	(289)	+38%
<b>Net income before zakat</b>	<b>2,960</b>	<b>2,778</b>	<b>+7%</b>	<b>1,057</b>	<b>1,017</b>	<b>+4%</b>
Zakat	(288)	(322)	-11%	(96)	(110)	-12%
<b>Net income</b>	<b>2,672</b>	<b>2,457</b>	<b>+9%</b>	<b>961</b>	<b>907</b>	<b>+6%</b>

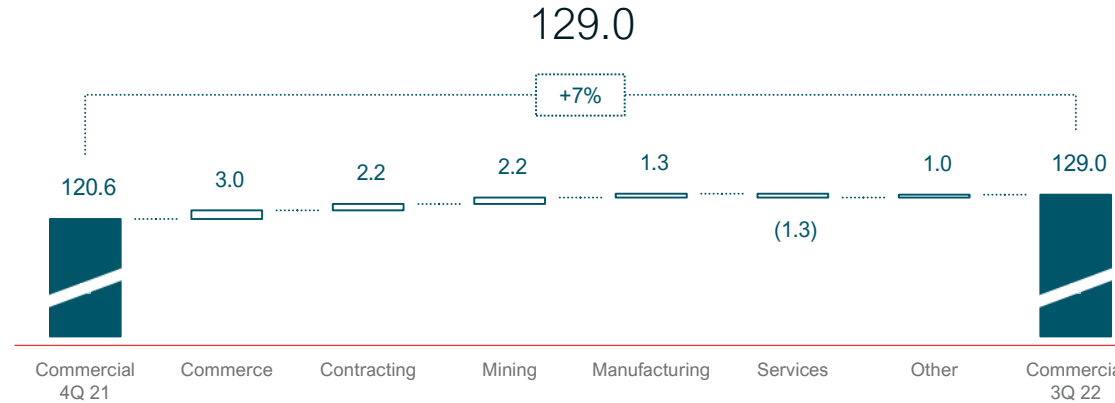


# Healthy loan growth for 9M 2022; 3Q 2022 impacted by repayments

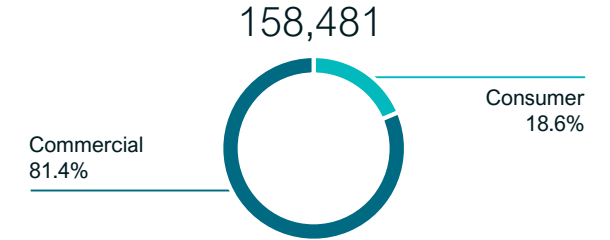
Total Loans & Advances (SAR Bn)



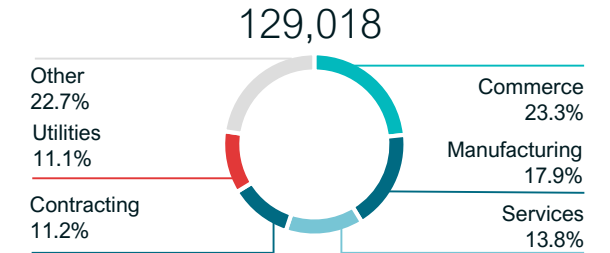
Commercial Loans Movement YTD (SAR Bn)



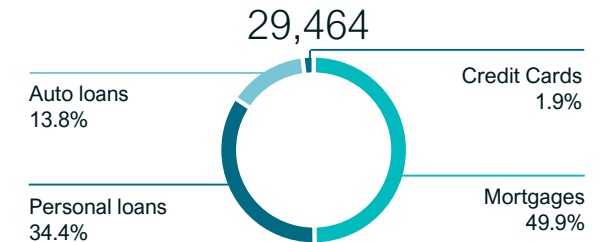
Loans & Advances Composition (SAR Mn)



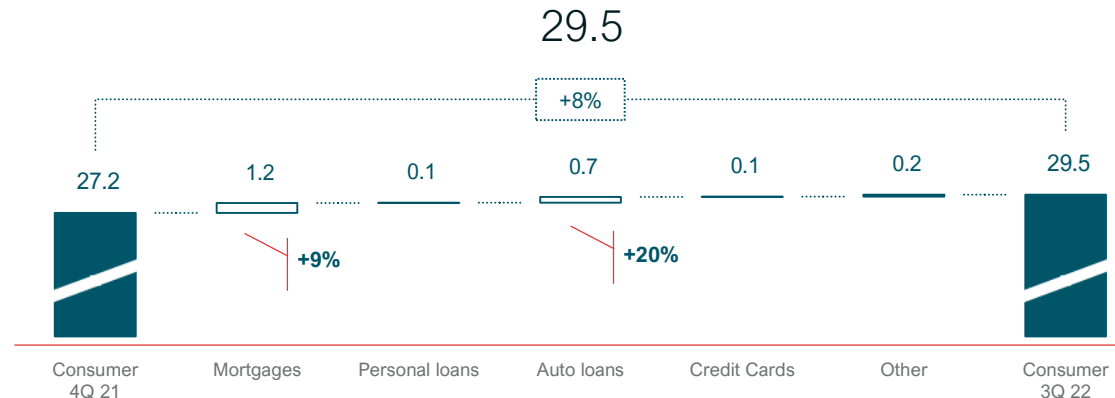
Commercial Loans Composition (SAR Mn)



Consumer Loans Composition (SAR Mn)



Consumer Loans Movement YTD (SAR Bn)

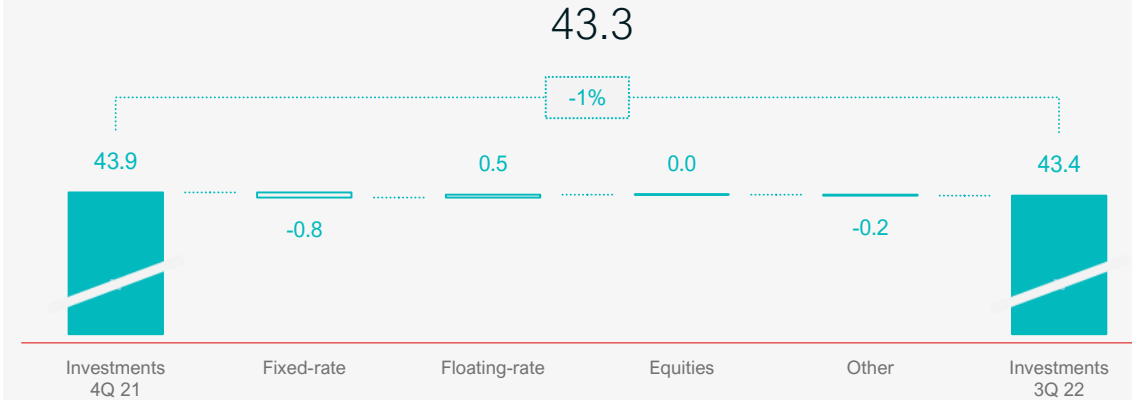


- Total loans & advances grew 7% during 9M 2022 from both consumer and commercial lending growth.
- Consumer loans grew 8% mainly from 9% growth in mortgages and 20% growth in auto loans.
- Commercial loans grew 7% during 9M 2022, which was broad-based across sectors, while the QoQ trend was impacted by repayments.

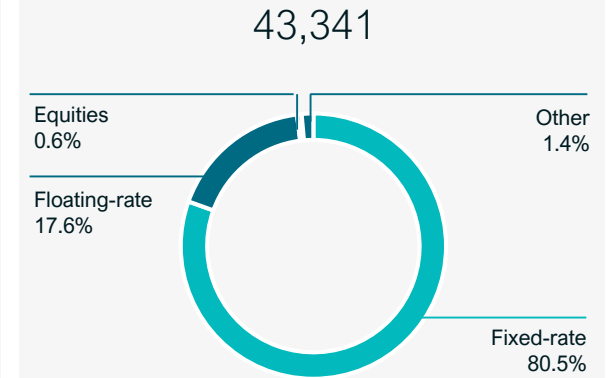
# Modest YTD decline investment portfolio

- Investments declined 1% during 9M 2022, reflecting gradual reinvestments in 2Q and 3Q 2022 following maturities in 1Q 2022.
- The investment portfolio is of high quality with a significant portion being Saudi Government and investment grade.

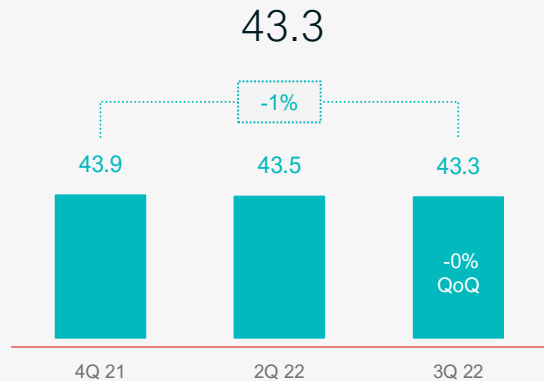
Investments Movement by Type (SAR Bn)



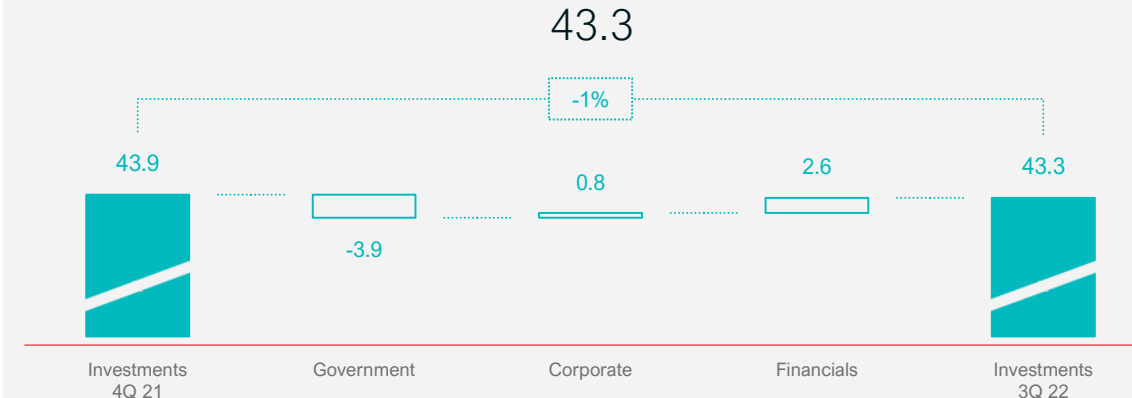
Investments Composition by Type (SAR Mn)



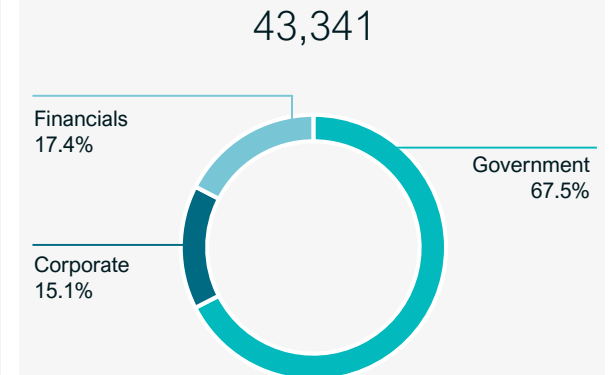
Investments (SAR Bn)



Investments Movement by Sector (SAR Bn)



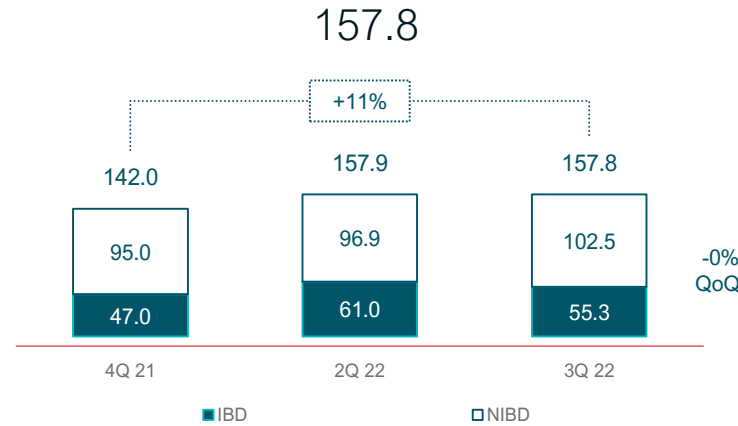
Investments Composition by Sector (SAR Mn)



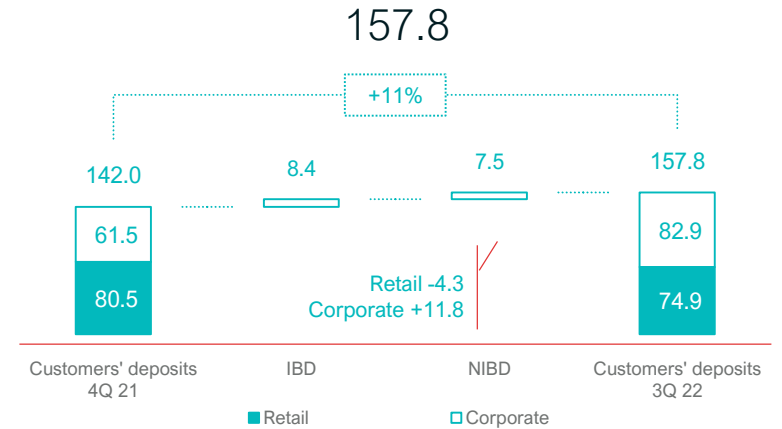
# Strong 11% growth in deposits YTD

- Deposits grew 11% during 9M 2022, from growth in both IBD and NIBD.
- IBD increased 18% YTD from 34% growth in high-quality Corporate deposits.
- NIBD's grew 8% YTD from 35% growth in Corporate deposits.
- Retail deposits declined 7% YTD.
- As at 30 September 2022, 64.9% of deposits were non-interest bearing.

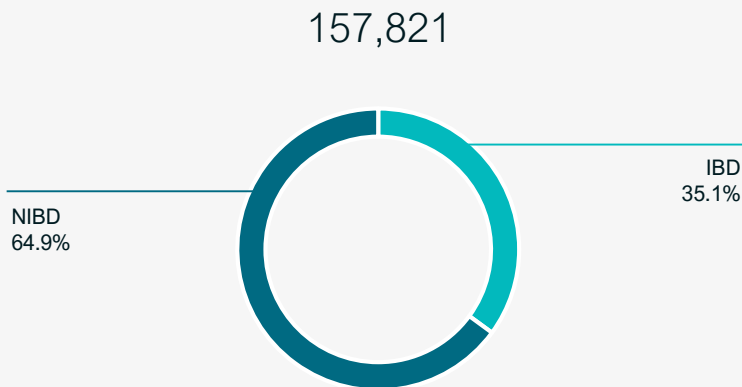
Customers' Deposits (SAR Bn)



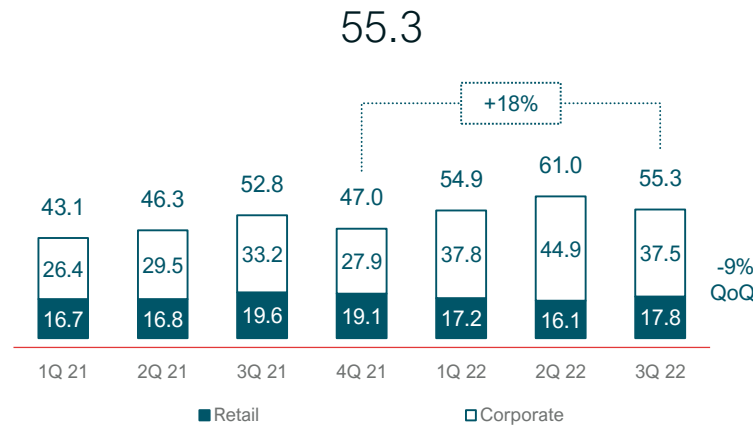
Customers' Deposits Movement (SAR Bn)



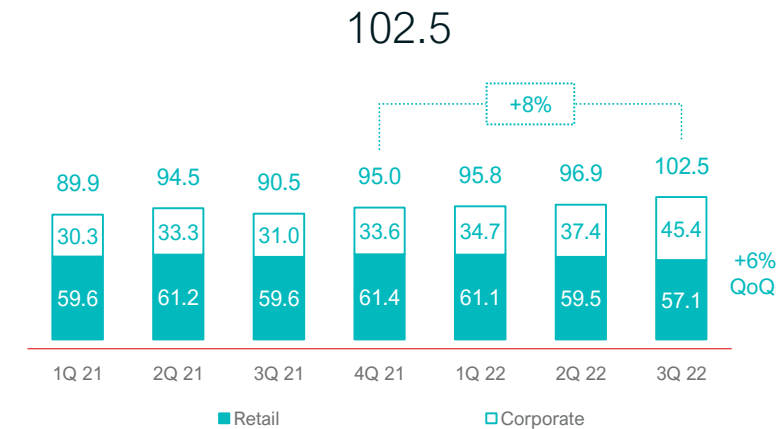
Customers' Deposits Composition (SAR Mn)



Interest Bearing Deposits (SAR Bn)



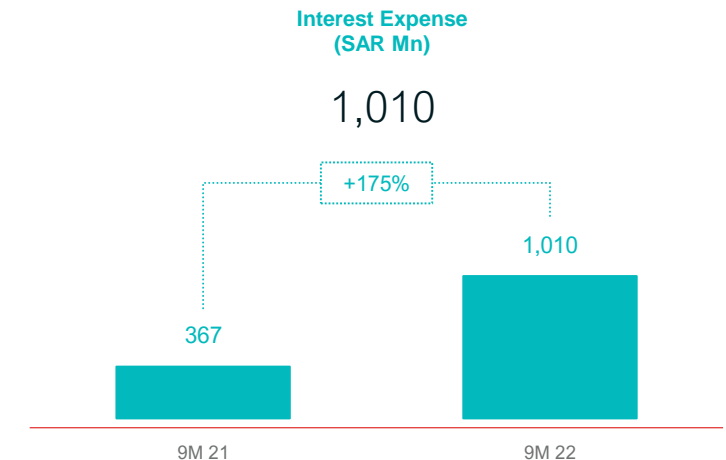
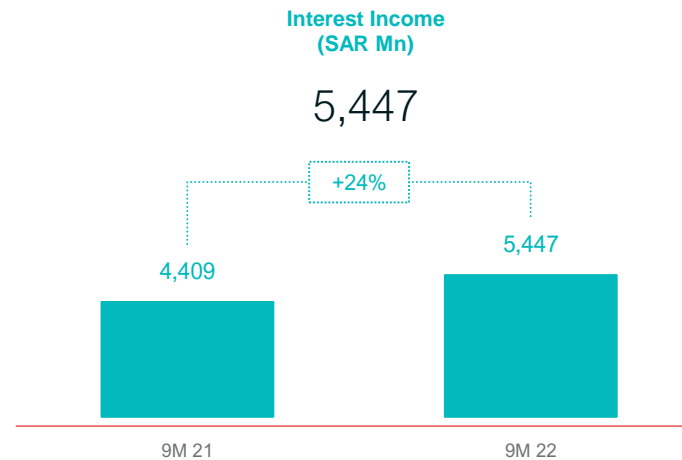
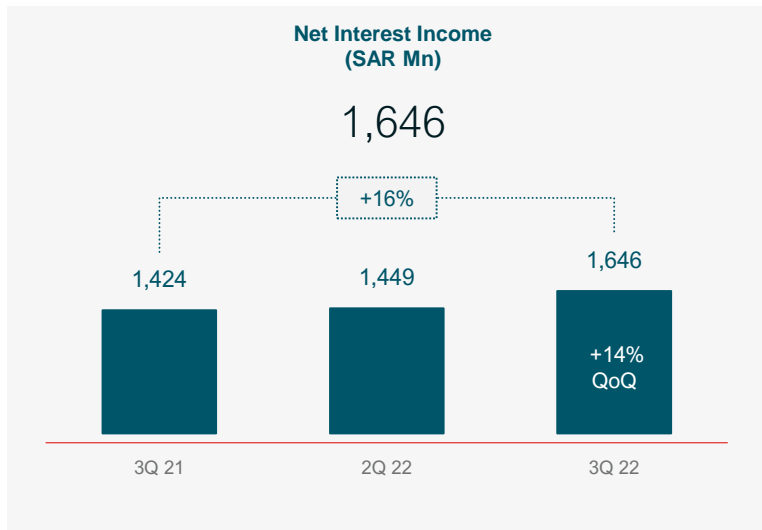
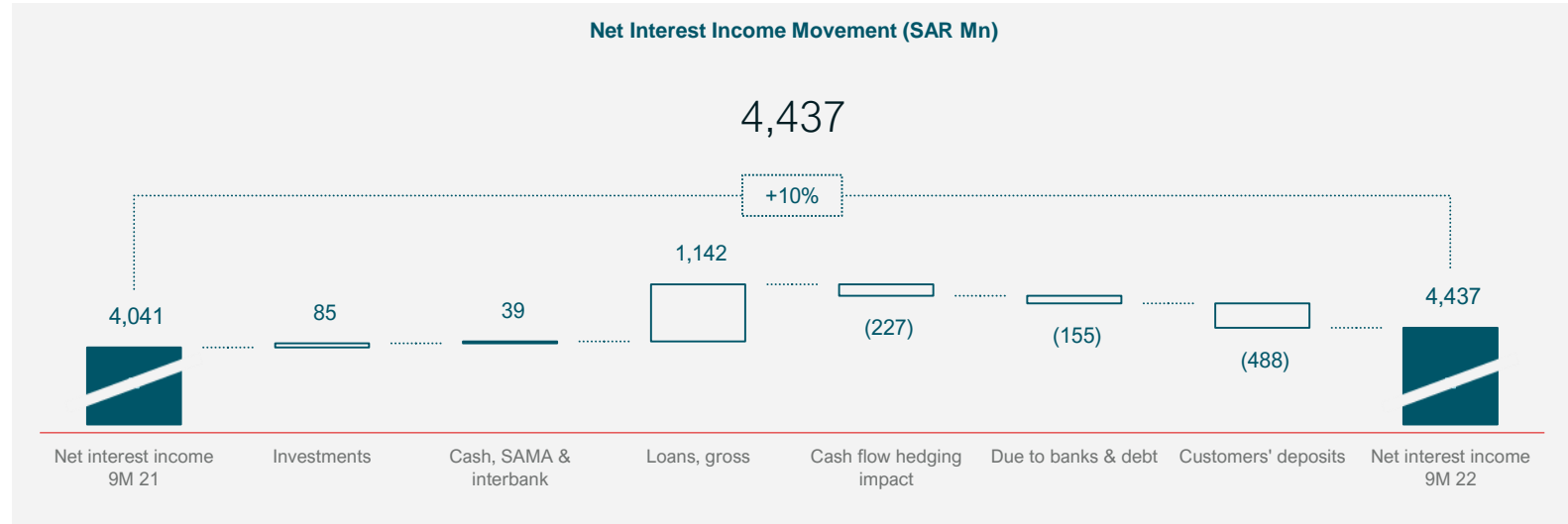
Non Interest Bearing Deposits (SAR Bn)



Note: Non-interest-bearing deposits are taken as the sum of Demand and Other deposits. Factually, some of these deposits are in fact interest-bearing, though their average cost is generally nominal.

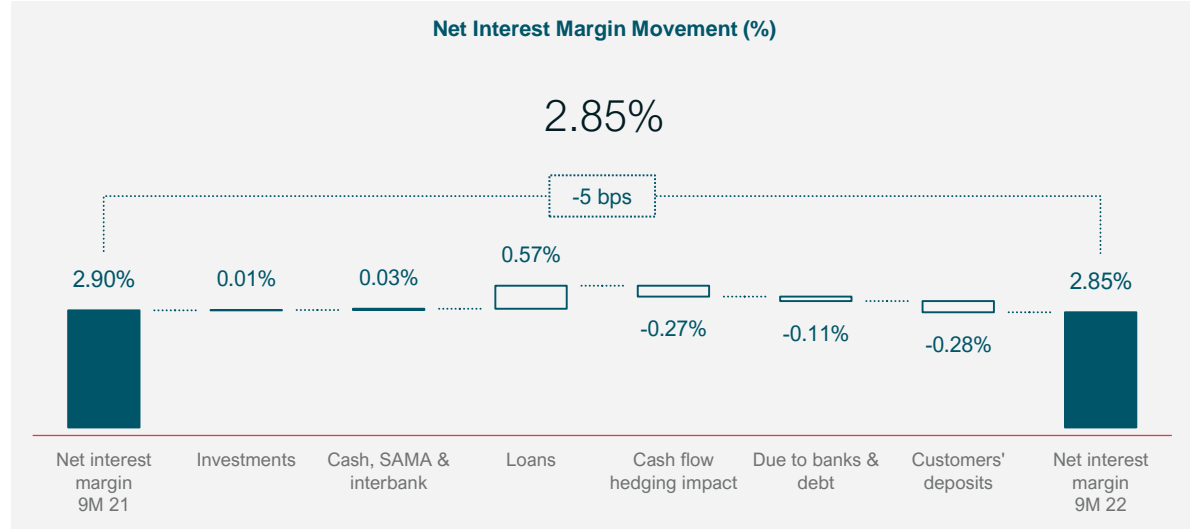
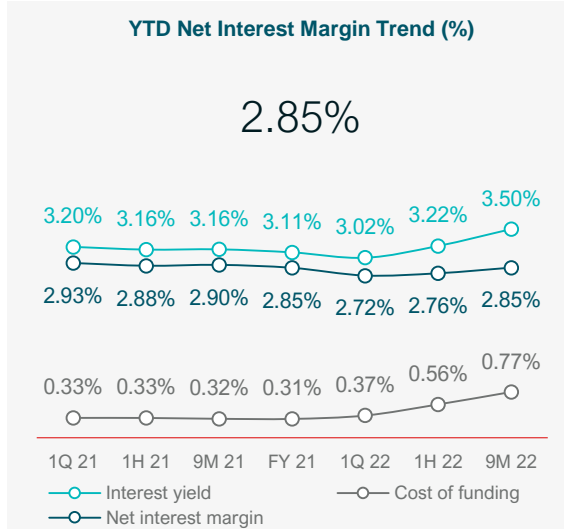
# NII growth of 10% as earning assets growth partly offset by modest margin contraction

- NII for 9M 2022 grew 10% YoY to SAR 4,437mn on 12% growth in (simple) average earning assets, partly offset by a 5bps margin contraction.
- Interest income rose 24% YoY to SAR 5,447mn in 9M 2022, while funding costs rose 175% to SAR 1,010mn.

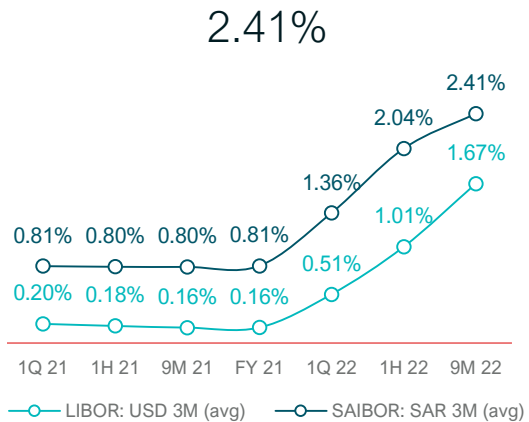


# Reduced cash flow hedging impact and higher funding costs drive modest YoY margin compression

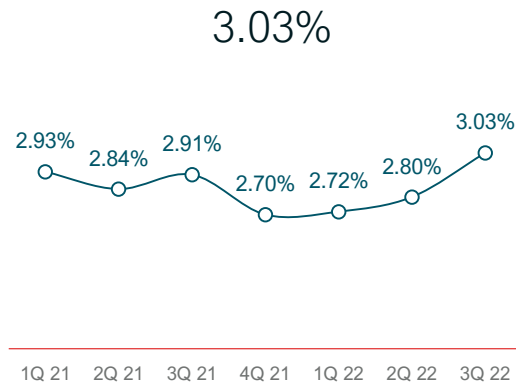
- The YTD NIM declined 5bps YoY as the cash flow hedging impact and higher funding costs more than offset improved loan yields.
- Nevertheless, the quarterly NIM improved from 270bps in 4Q 2022 to 303bps in 3Q 2022.
- Funding costs increased by 45bps YoY to 0.77% in 9M 2022.



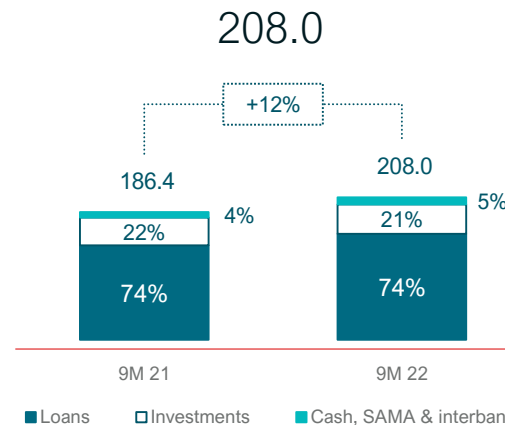
SAIBOR Trend (%)



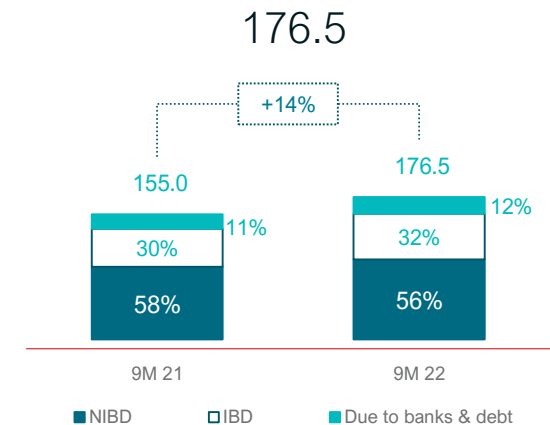
Quarterly Net Interest Margin Trend (%)



Average Interest Earning Assets (SAR Bn)



Average Interest Bearing Liabilities (SAR Bn)

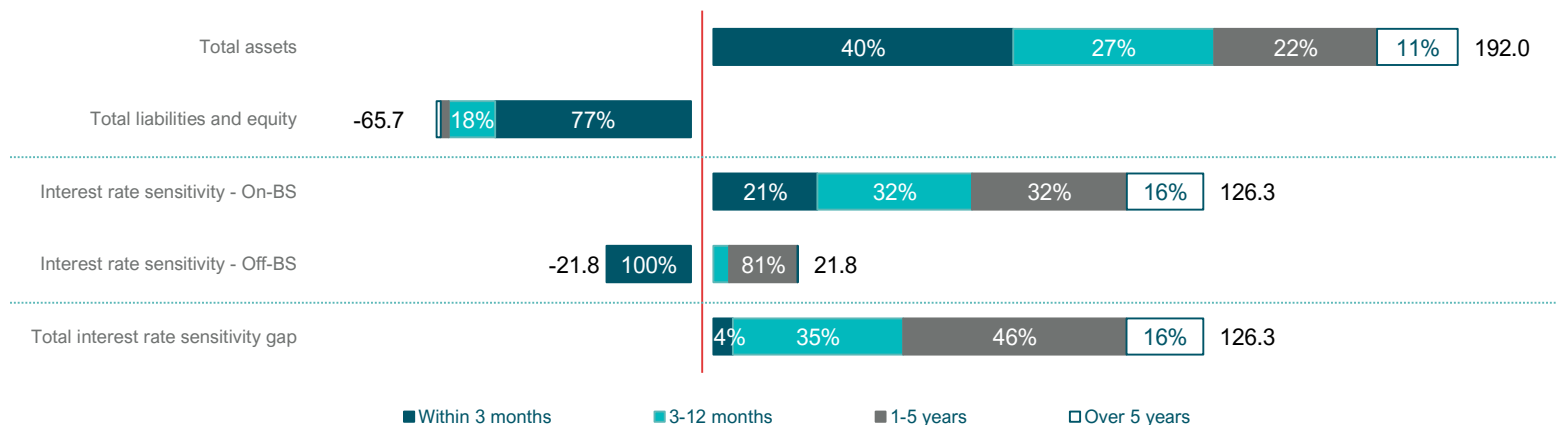




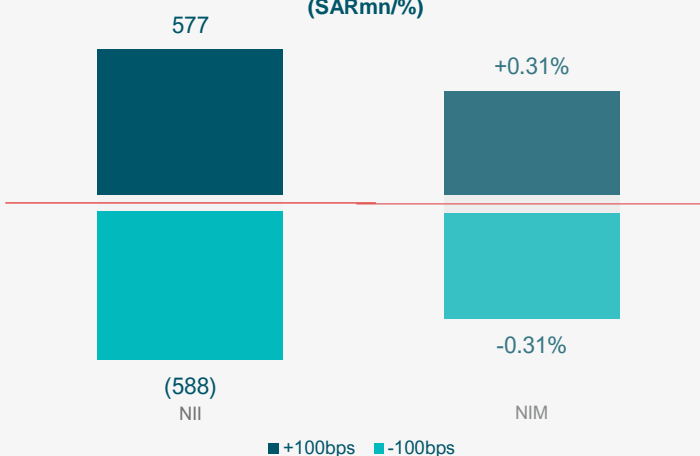
# BSF is positively positioned for a rising rate environment

- At the start of the year, BSF estimated a 1-year NIM sensitivity of a 100bps rates rise at 31bps; at a stable balance sheet structure this would translate into SAR 577m higher NII.
- This reflects the net long position in variable rate assets, reflecting lending concentration towards corporate.
- Of the 275bps rate hikes in 9M 2022, the first 4 of 200bps (Mar, May, Jun, Jul) have partly repriced to date.
- Traditionally BSF mitigated its interest rate risk exposure through cash-flow hedges; the size of the CFH portfolio is driven by the development of BSF's balance sheet structure, IRR appetite & structural market trends.

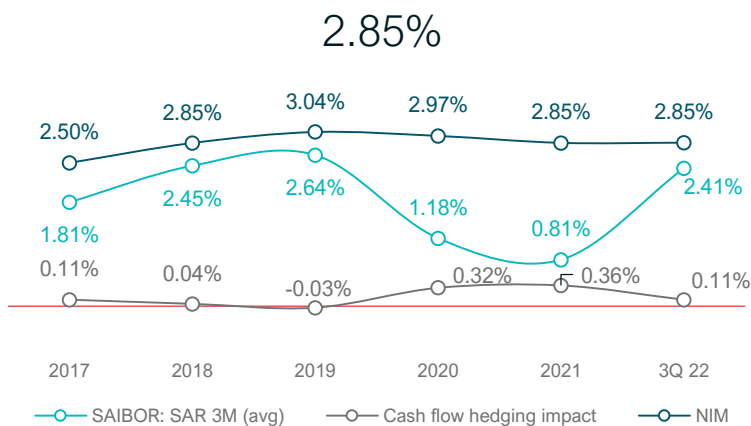
Exposure to Interest Rate Risk as at 31 December 2021 (SAR Bn)



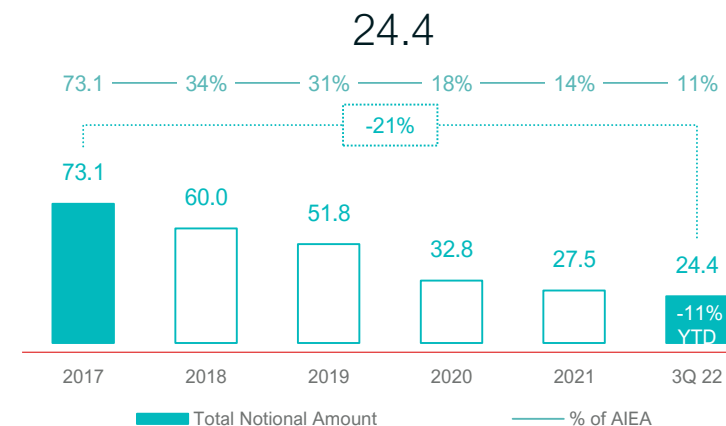
Impact of 100bps Rate Change as at 31 December 2021 (SARmn/%)



NIM, Rates and CFH Impact Trends (%)



Cash Flow Hedges Swaps (SAR Bn)



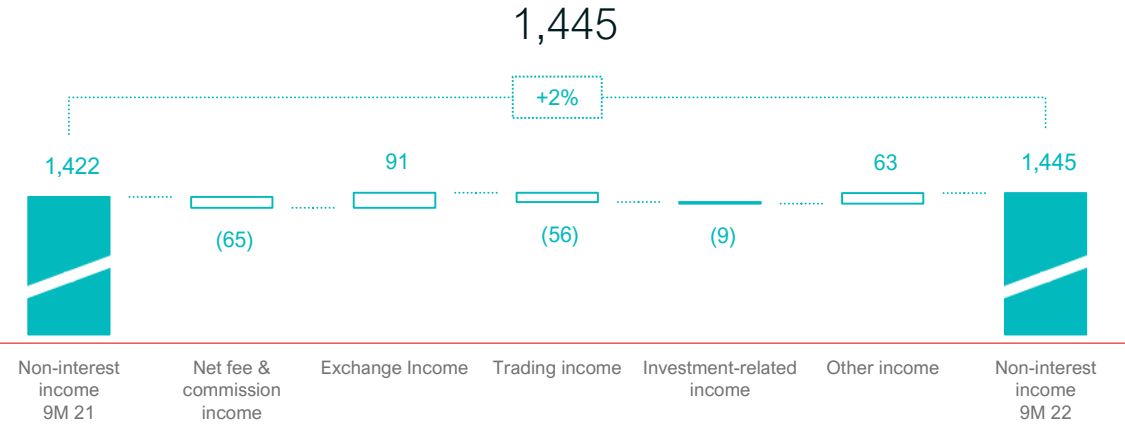
Note: Exposure to interest rate risk is shown in time buckets based on the earliest of first re-pricing date and contractual maturity; Interest rate sensitivity assumes 100bps parallel change in both SAR and USD rates.

# Non-interest income grew 2% YoY from higher exchange and other income

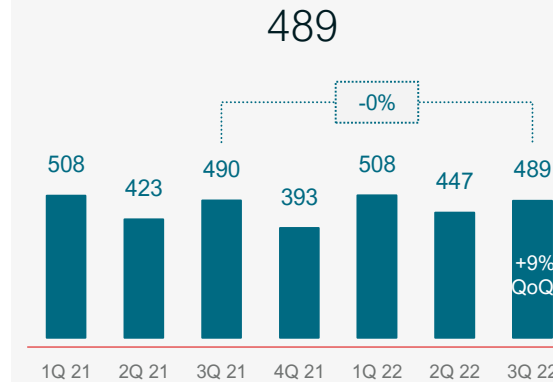
- Non-interest income for 9M 2022 grew 2% YoY to SAR 1,445mn as improved exchange and other income was partly offset by lower net fee & commission and trading income.
- Net fee & commission income dropped 7% YoY to SAR 862mn in 9M 2022 from lower market-driven brokerage and lending fee income, partly offset by higher trade finance and cards income.
- 3Q 2022 Non-interest income was stable YoY.

SAR (Mn)	9M 2022	9M 2021	Δ%	3Q 2022	3Q 2021	Δ%
Fee & commission income	1,257	1,317	-5%	409	410	-0%
Fee & commission expenses	(395)	(390)	+1%	(131)	(115)	+14%
<b>Net fee &amp; commission income</b>	<b>862</b>	<b>926</b>	<b>-7%</b>	<b>278</b>	<b>295</b>	<b>-6%</b>
Exchange Income	334	243	+37%	136	87	+57%
Trading income	127	184	-31%	20	84	-76%
<b>Banking-related income</b>	<b>1,323</b>	<b>1,353</b>	<b>-2%</b>	<b>433</b>	<b>465</b>	<b>-7%</b>
Investment-related income	14	23	-40%	4	8	-51%
Other income	108	45	+139%	52	17	+211%
<b>Non-interest income</b>	<b>1,445</b>	<b>1,422</b>	<b>+2%</b>	<b>489</b>	<b>490</b>	<b>-0%</b>

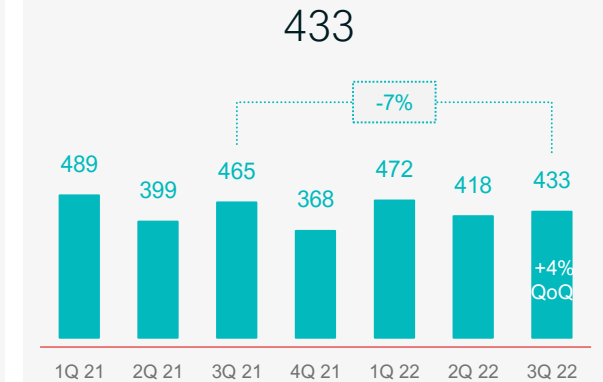
Non-Interest Income Movement (SAR Mn)



Non-Interest Income (SAR Mn)



Banking-Related Income (SAR Mn)



Lending Fees



78

SAR Million

+6.2%  
year-on-year

Brokerage & Asset Management Income



65

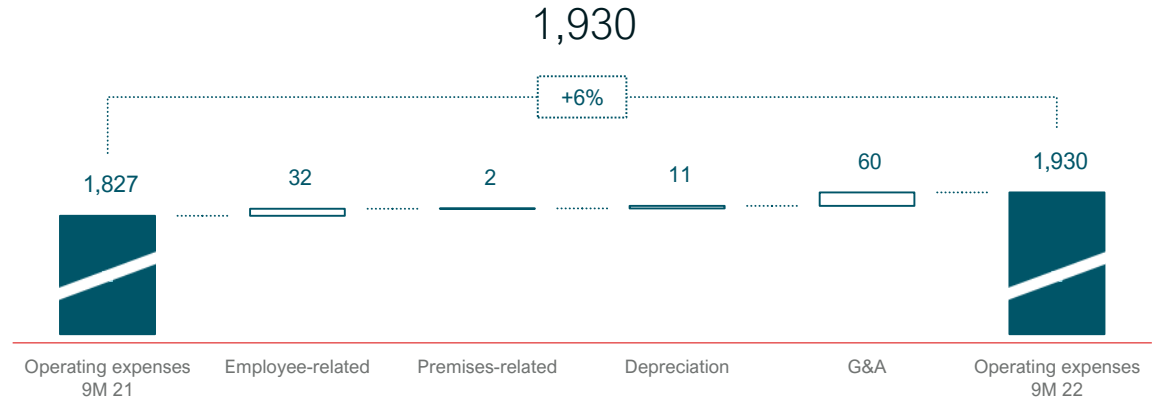
SAR Million

-28.2%  
year-on-year

# Operating expenses growth of 6% from higher employee-related and G&A expenses

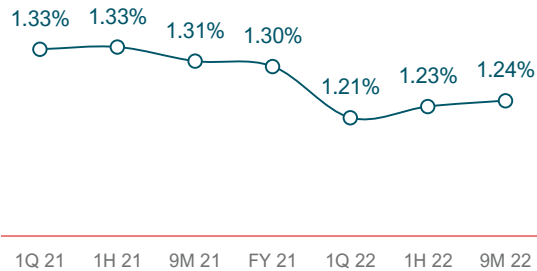
- Operating expenses increased 6% YoY to SAR 1,930mn in 9M 2022 due to:
  - higher general and administrative expenses from increased business activity, non-regular and seasonal expenses, and
  - increased employee-related costs from higher utilization of FTE budgets.
- The YTD cost to income ratio improved by 0.6ppts YoY to 32.8% in 9M 2022 from 33.4% in 9M 2021.
- Operating expenses as a percentage of average interest-earning assets (AIEA) improved 7bps YoY to 1.24% for 9M 2022.
- Operating expenses for 3Q 2022 increased 11% YoY from higher G&A and employee-related expenses.

Operating Expenses Movement (SAR Mn)



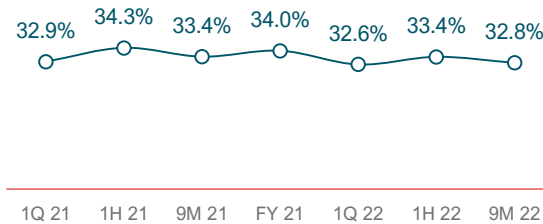
Cost To AIEA Ratio (%)

1.24%



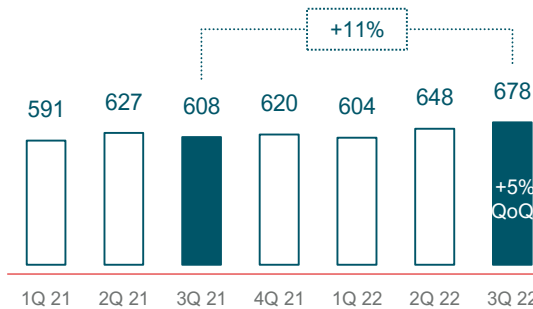
Cost To Income Ratio (%)

32.8%



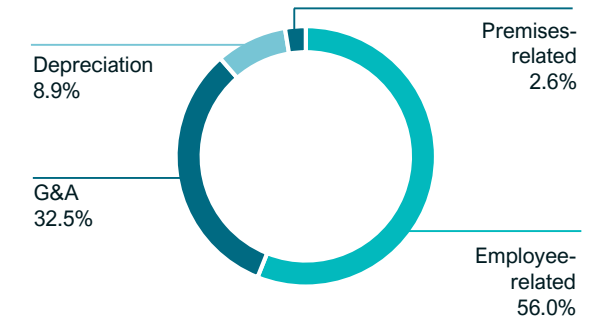
Operating Expenses (SAR Mn)

678

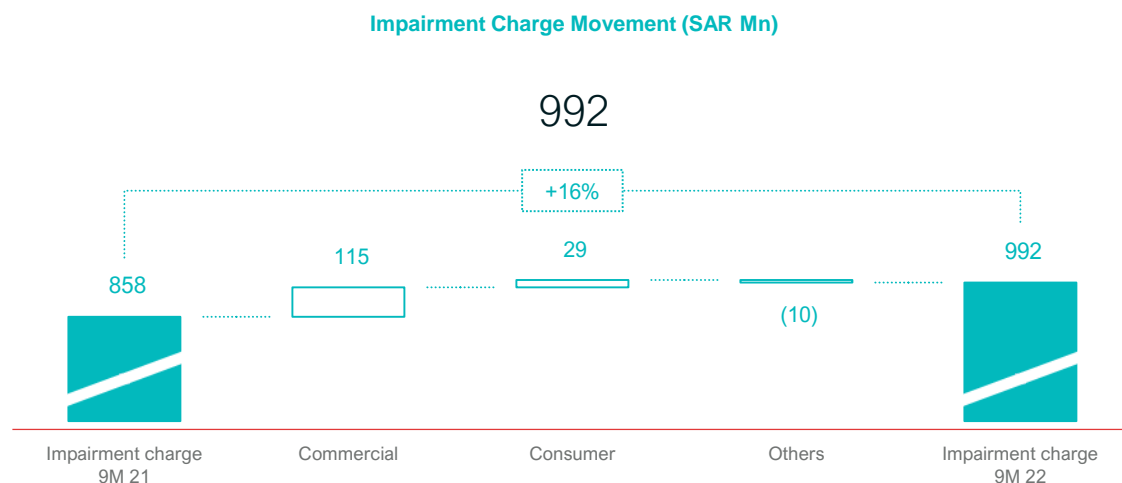
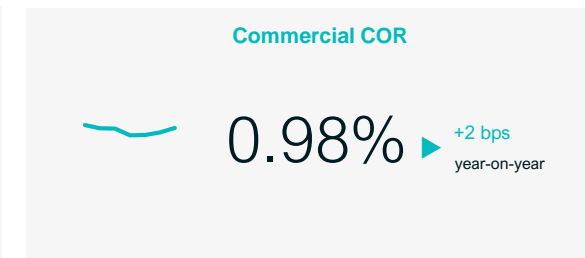
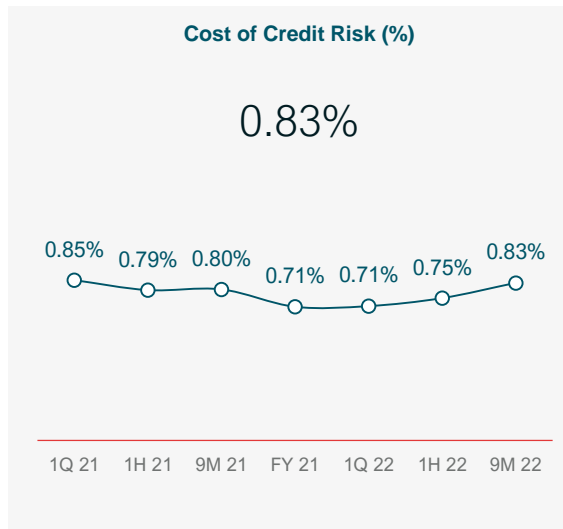
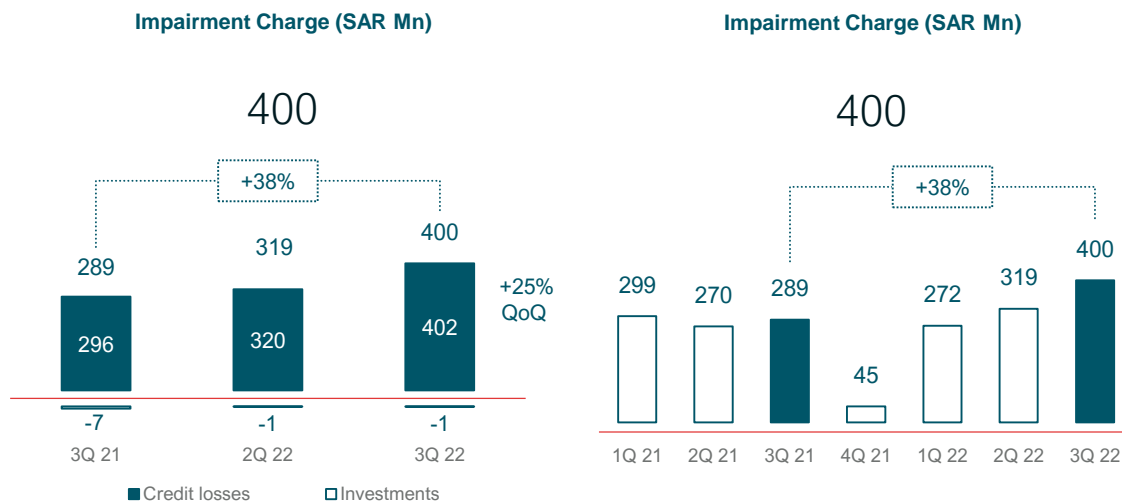


9M 22 Operating Expenses Composition (SAR Mn)

1,930

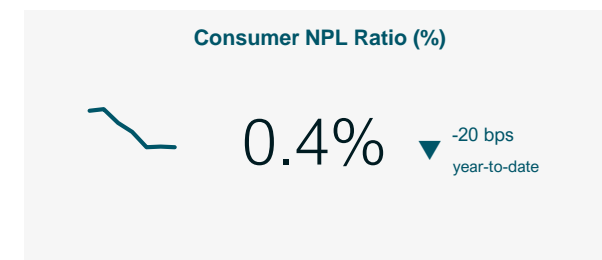
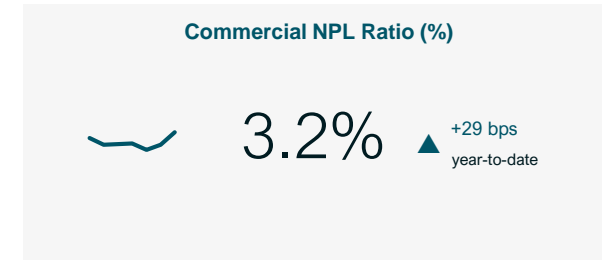
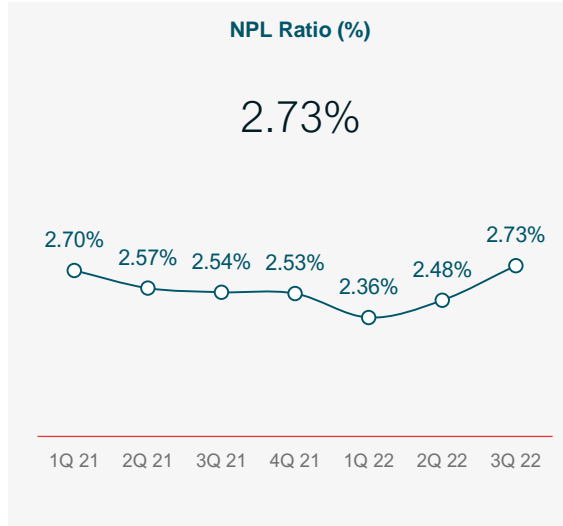
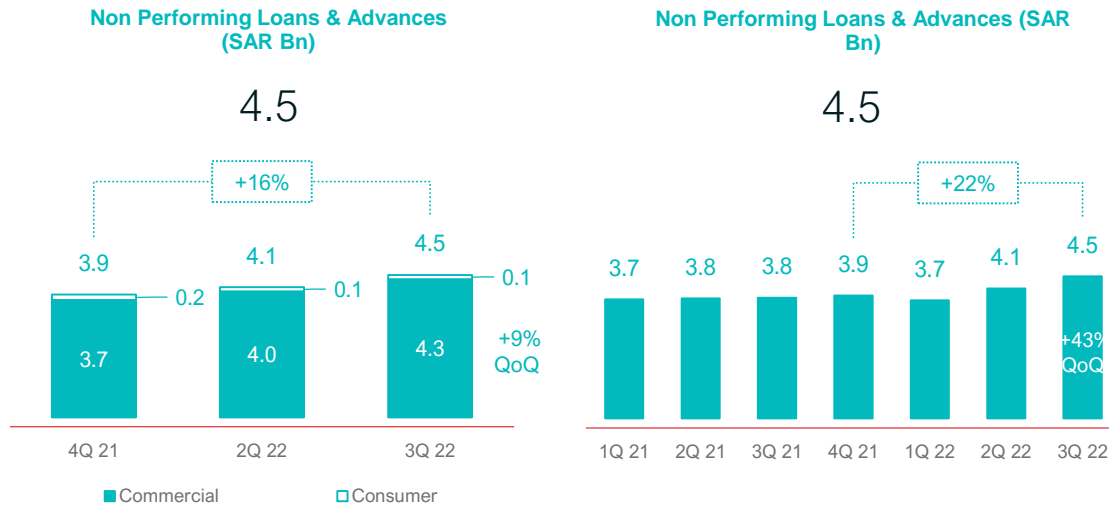


# Cost of risk trend increased modestly YoY to 83bps for 9M 2022

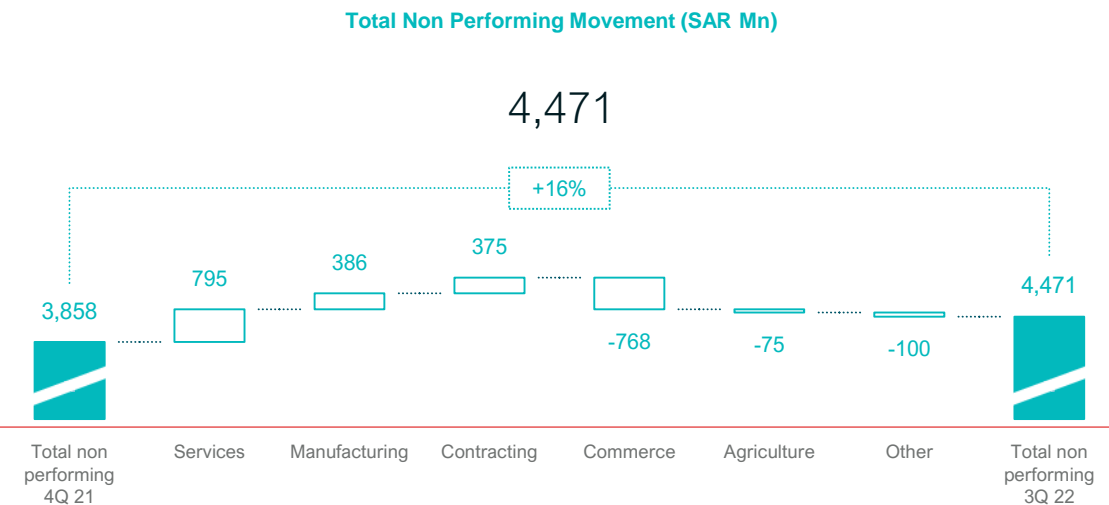


- The total impairment charge for 9M 2022 increased 16% YoY to SAR 992mn, mainly from higher Commercial impairments.
- Nevertheless, healthy loan growth resulted in a modest 3bps YoY increase in the YTD cost of risk to 83bps in 9M 2022.
- The cost of risk trend was impacted by isolated pockets of migration in the Commercial book, without which it improved YoY.

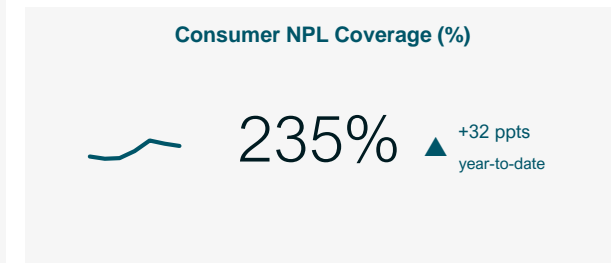
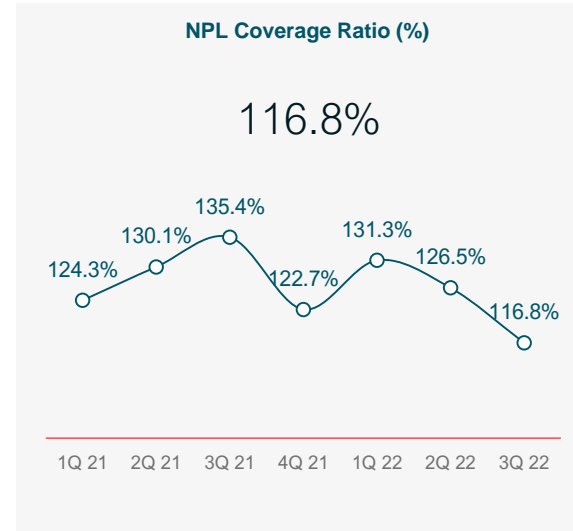
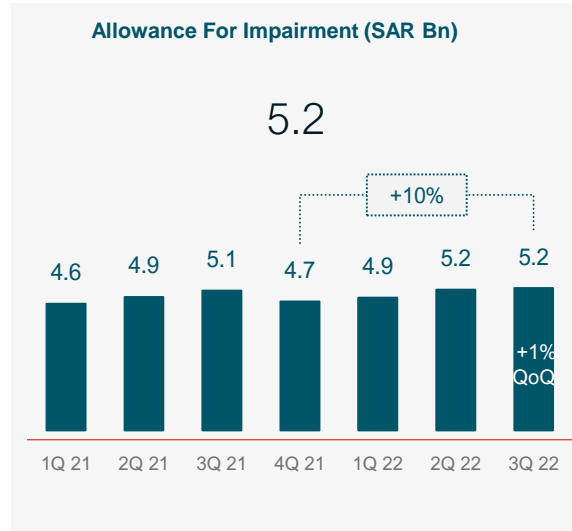
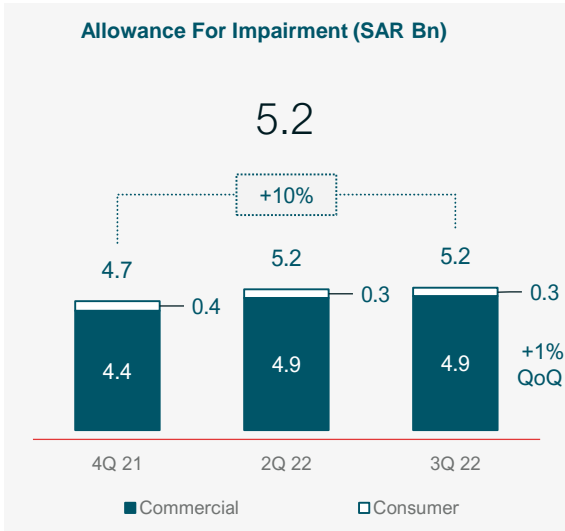
# NPL ratio trend impacted by isolated pockets of Commercial book migration; underlying credit quality healthy



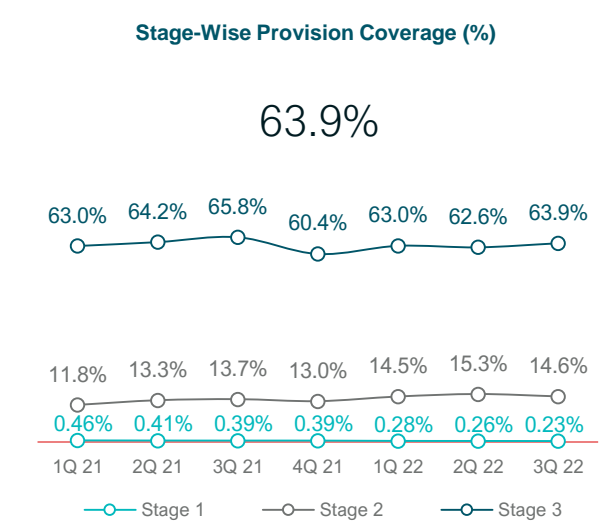
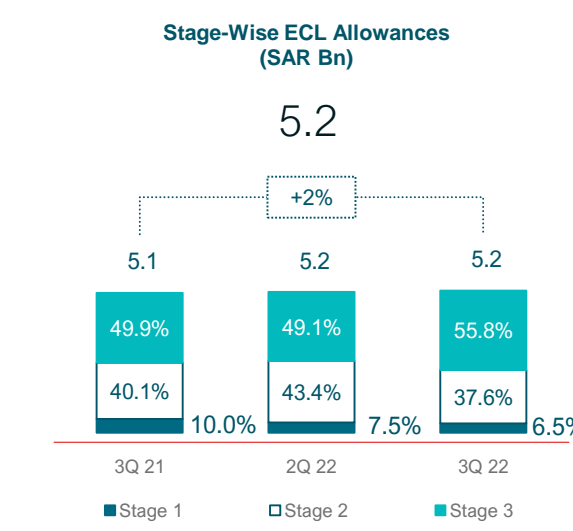
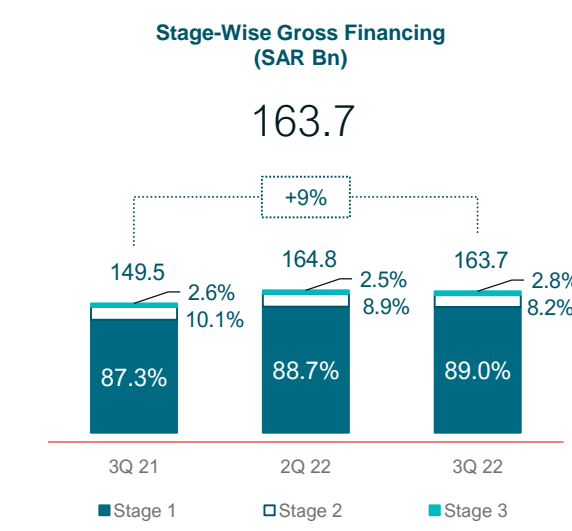
- The NPL ratio rose by 20bps during 9M 2022 due to a 16% rise in NPLs on 7% loan growth.
- The NPL ratio trend was impacted by isolated pockets of migration in the Commercial book, without which it improved YTD.



# NPL coverage declined 5.9ppts YTD to 116.8% due to isolated pockets of Commercial book migration; underlying coverage improved

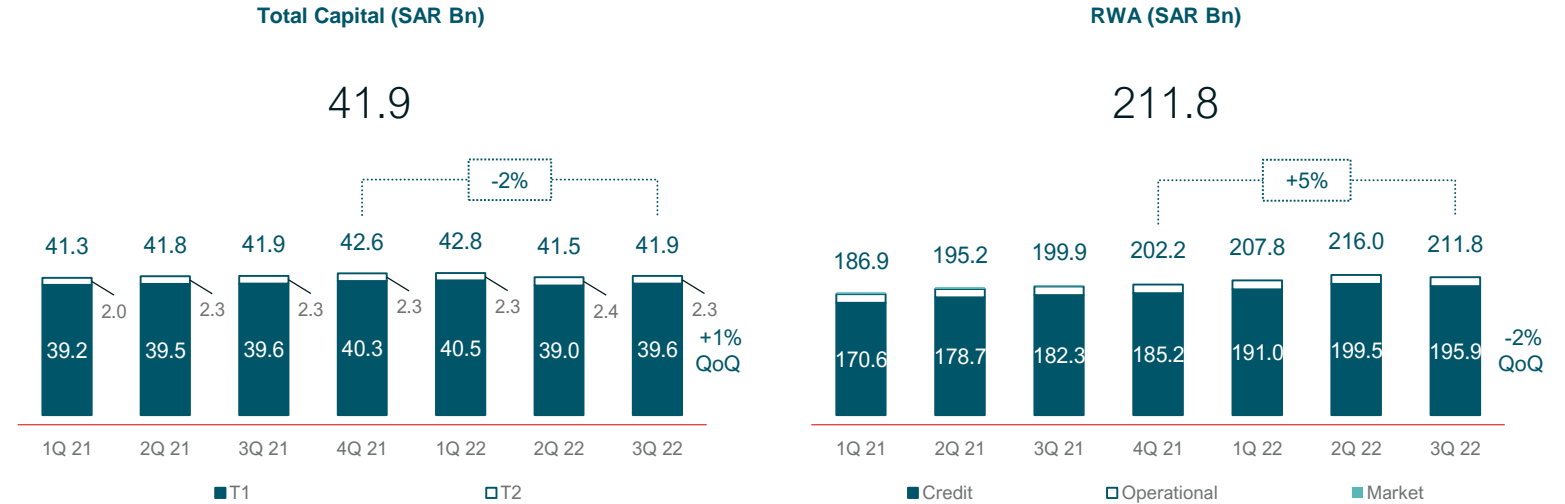


- NPL coverage declined 5.9ppts YTD to 116.8% as at 30 September 2022 due to stage-migration of isolated pockets of Commercial exposure, without which coverage improved YTD.
- Stage 2 and stage 3 coverage improved 1.6ppts and 3.5ppts respectively during 9M 2022, while stage 1 coverage declined.

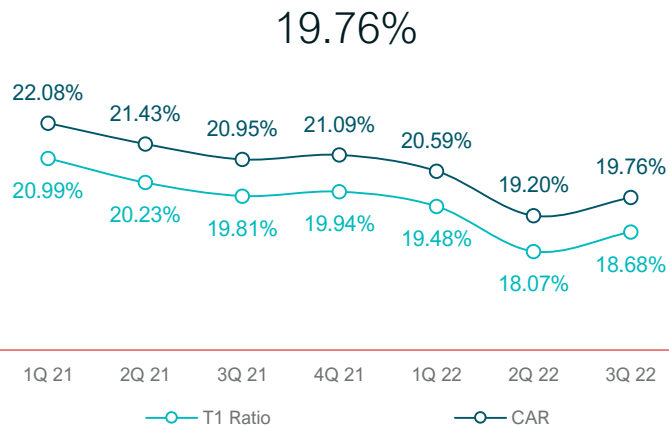


# Capital ratios declined during 9M 2022 from RWA growth, dividends and negative MTM

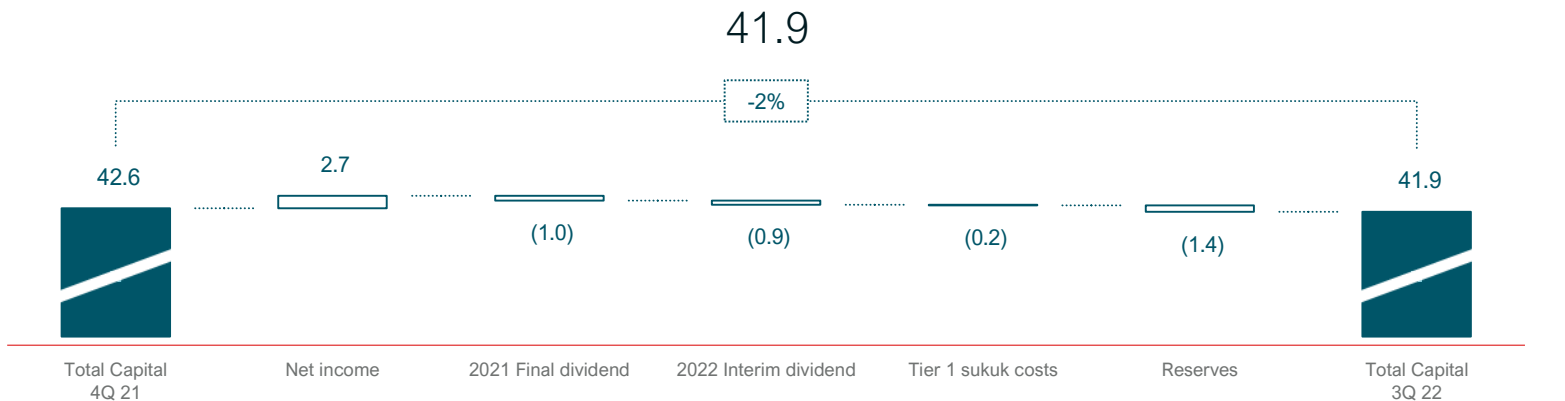
- Total capital declined 2% to SAR 41.9bn during 9M 2022 as net income generation was more than offset by dividends and negative MTM on investment securities.
- RWAs increased 5% during 9M 2022 to SAR 211.8bn.
- CAR was 19.76% and the Tier 1 ratio was 18.68% as at 30 September 2022.



CAR (%)



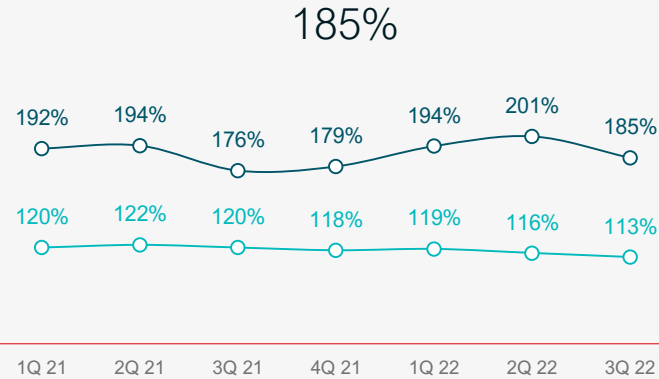
Total Capital Movement (SAR Bn)



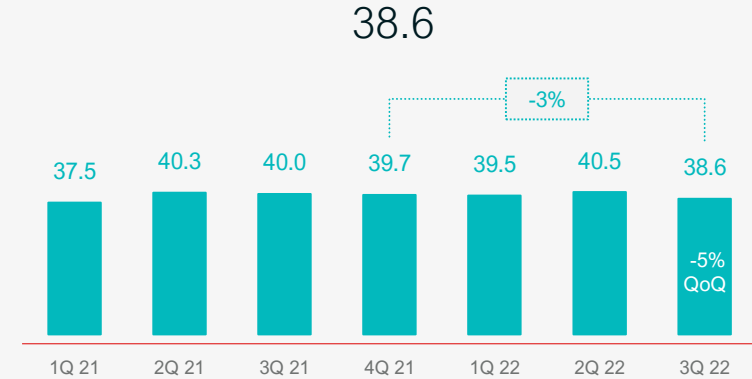
# Liquidity remains strong and comfortably within regulatory limits

- LCR improved by 6.3ppts during 9M 2022 to 185%.
- NSFR was 113% as at 30 September 2022.
- The bank continues to manage the LTD ratio for optimum efficiency in cost of funding, while maintaining the SAMA regulatory ratio, which was 83.4% as at 30 September 2022, within required levels.

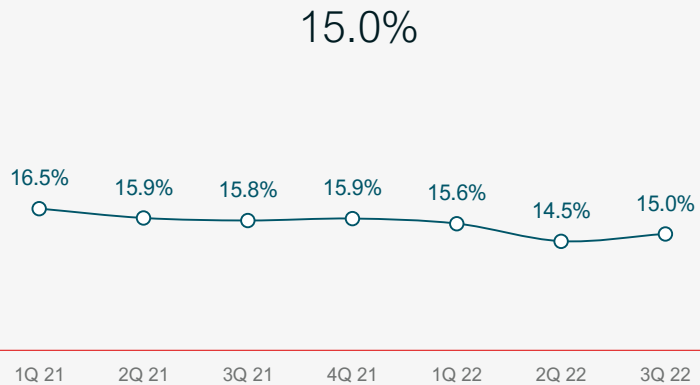
LCR & NSFR (%)



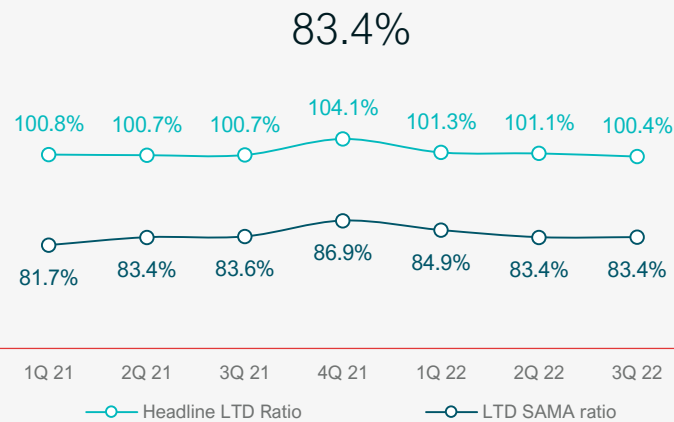
HQLA (SAR Bn)



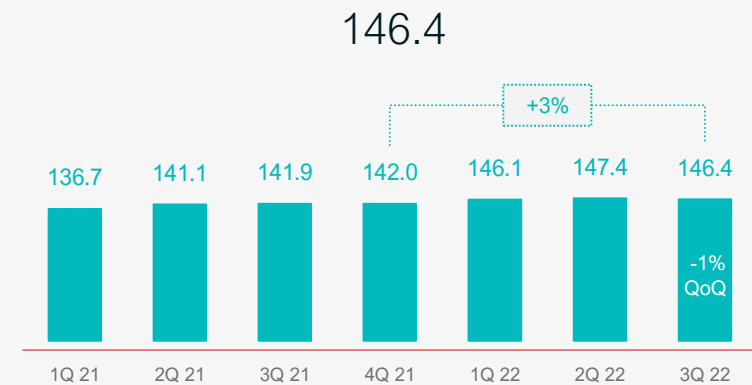
Leverage ratio (%)



LTD Ratios (%)



Available Stable Funding (SAR Bn)

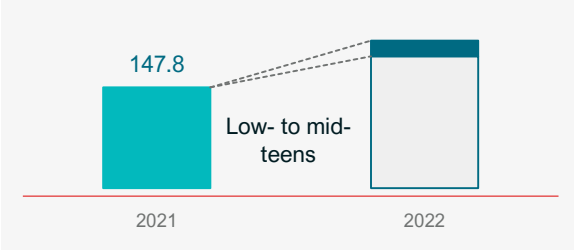
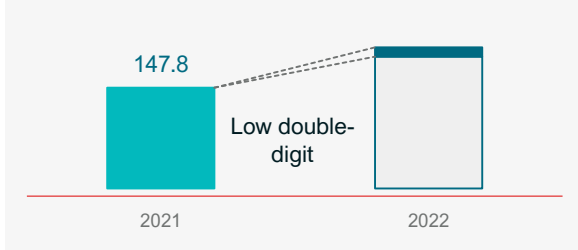
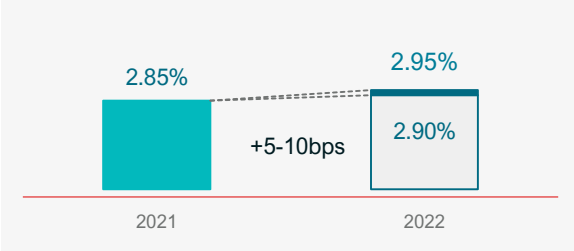
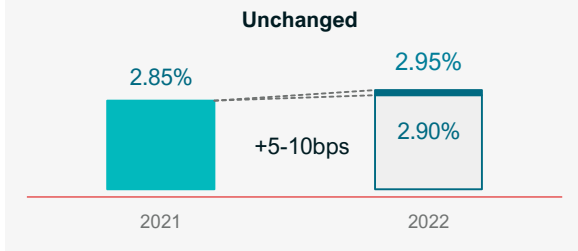
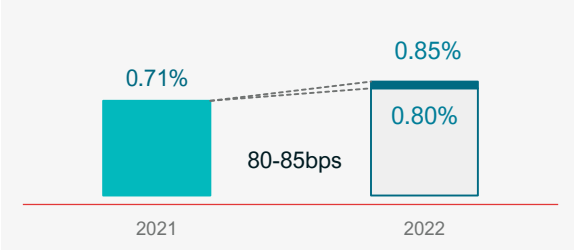
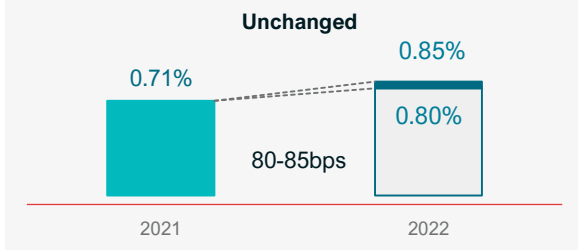
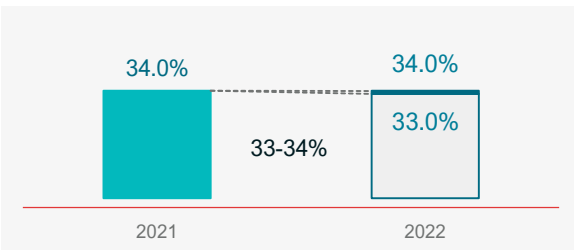
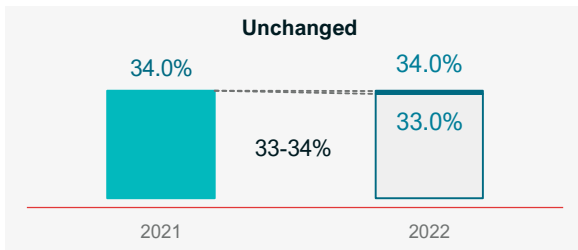




INVESTOR PRESENTATION 3Q 2022

# Outlook and Guidance

# Healthy outlook for 2022 on expected solid loan growth and NIM expansion

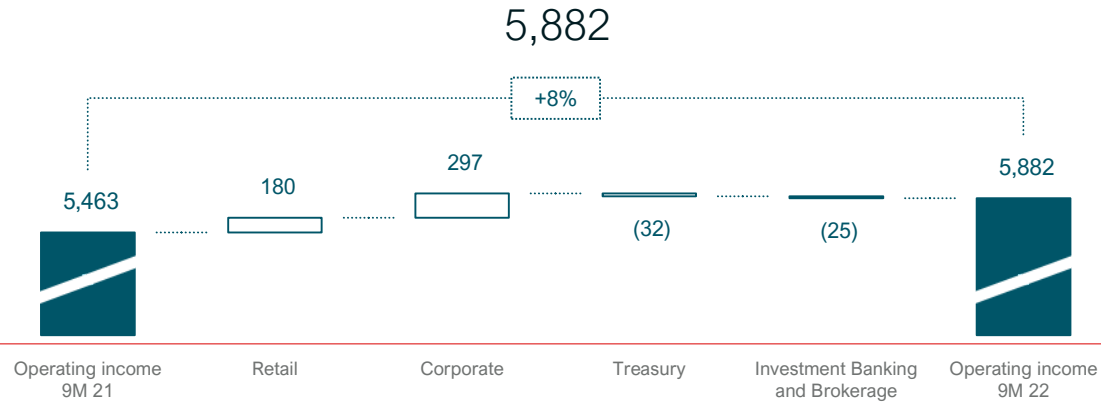
	Previous 2022 Guidance	9M 2022 Outcome	Revised 2022 Guidance
<b>LOANS &amp; ADVANCES, NET</b> <ul style="list-style-type: none"> <li>3Q 2022 growth of 10% YoY.</li> <li>Balanced growth of consumer and commercial lending expected in 2022.</li> </ul>		<p><b>Loans &amp; Advances</b> SAR Billion</p> <p>158.5</p> <p>+9.8% year-on-year</p>	
<b>NET INTEREST MARGIN</b> <ul style="list-style-type: none"> <li>NIM was stable YTD.</li> <li>2022 NIM expected to rise +5-10bps</li> </ul>		<p><b>NIM</b> (%)</p> <p>2.85%</p> <p>+0 bps year-to-date</p>	<p><b>Unchanged</b></p> 
<b>COST OF RISK</b> <ul style="list-style-type: none"> <li>Cost of risk of 83bps in 9M 2022.</li> <li>Cost of risk for 2022 expected be in 80-85bps range.</li> </ul>		<p><b>Cost of risk</b> (%)</p> <p>0.83%</p> <p>+13 bps year-to-date</p>	<p><b>Unchanged</b></p> 
<b>COST TO INCOME RATIO</b> <ul style="list-style-type: none"> <li>9M 2022 CI-ratio was 32.8%.</li> <li>Expect CI-ratio between 33-34% for 2022.</li> </ul>		<p><b>Cost to income ratio</b> (%)</p> <p>32.8%</p> <p>-122 bps year-to-date</p>	<p><b>Unchanged</b></p> 

INVESTOR PRESENTATION 3Q 2022

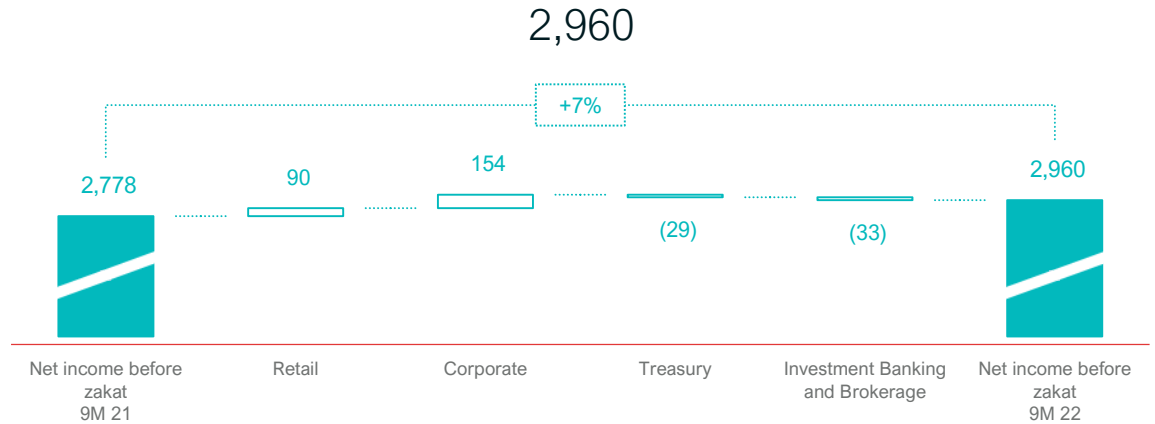
# Segmental Performance

# Profitability boosted by growth in Retail and Corporate

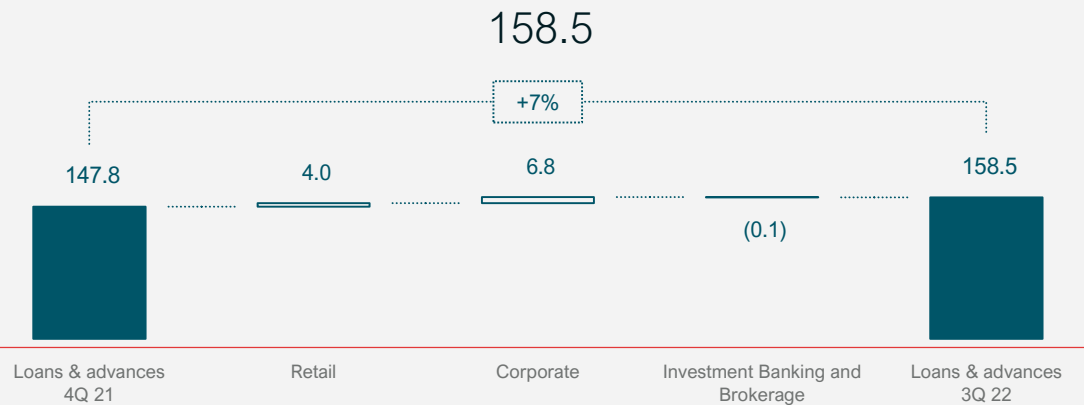
Operating Income Movement (SAR Mn)



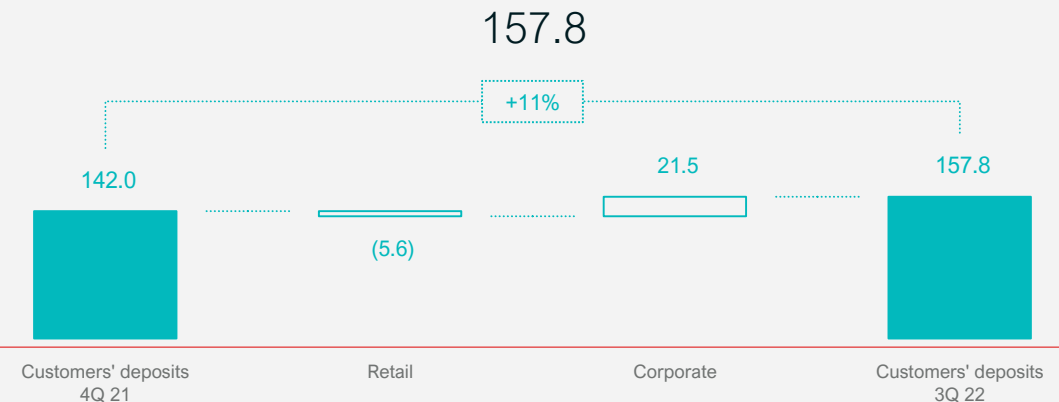
Net Income Before Zakat Movement (SAR Mn)



Loans & Advances Movement (SAR Bn)

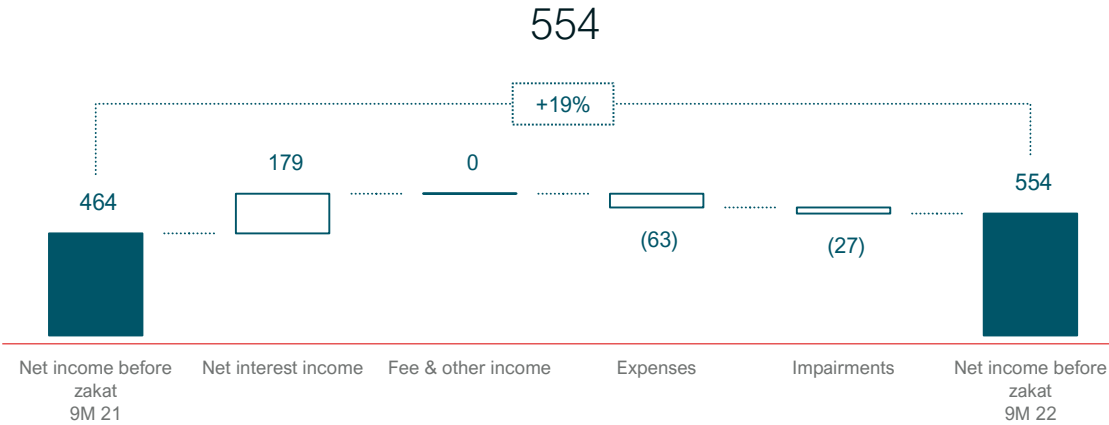


Customers' Deposits Movement (SAR Bn)

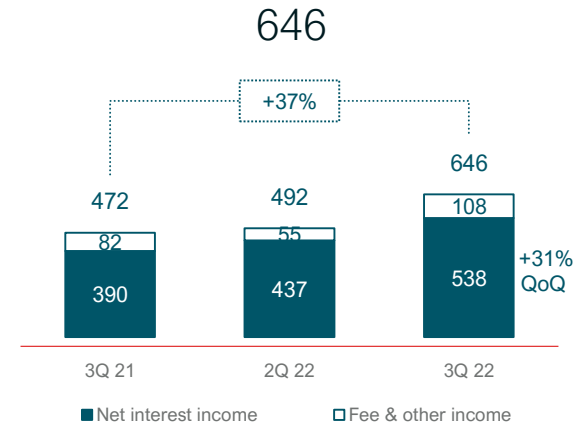


# Higher profits YoY from higher net interest income

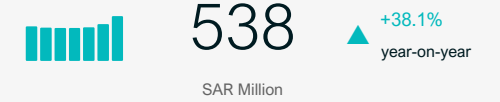
Net Income Before Zakat Movement (SAR Mn)



Total Operating Income (SAR Mn)



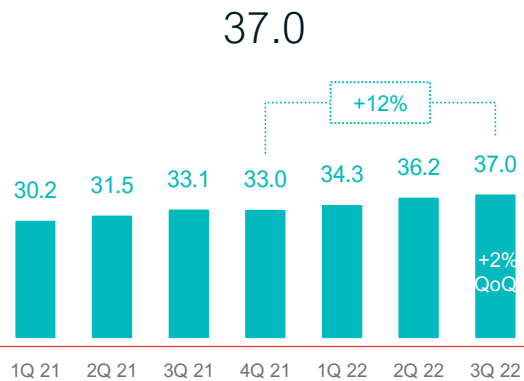
Net Interest Income



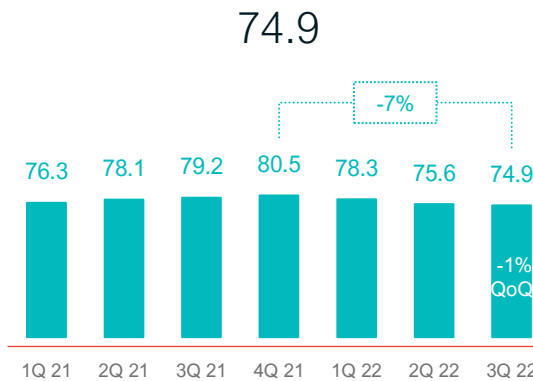
Fee & other income



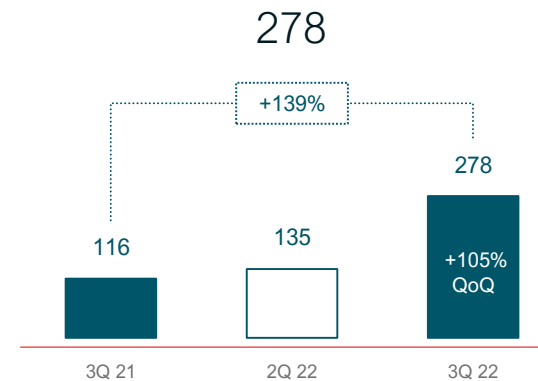
Retail Loans (SAR Bn)



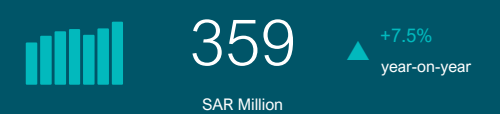
Retail Deposits (SAR Bn)



Net Income Before Zakat (SAR Mn)



Expenses

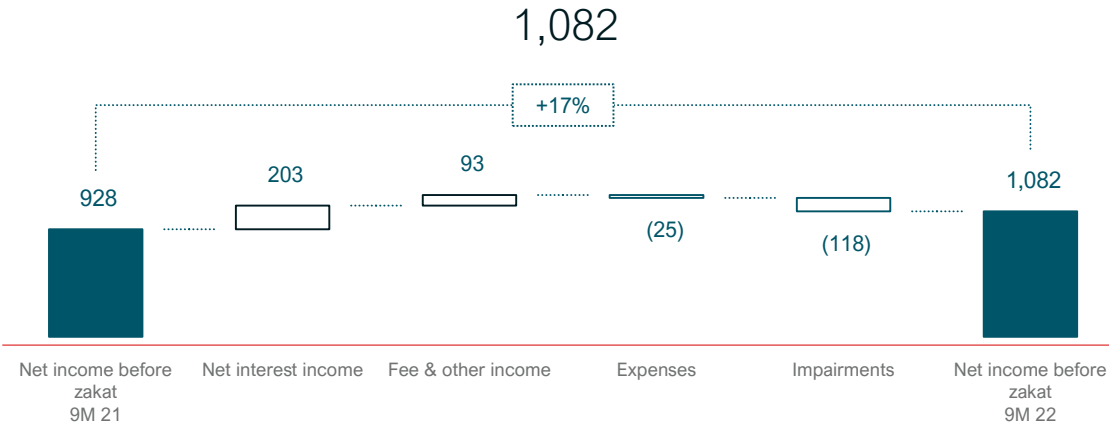


Impairments

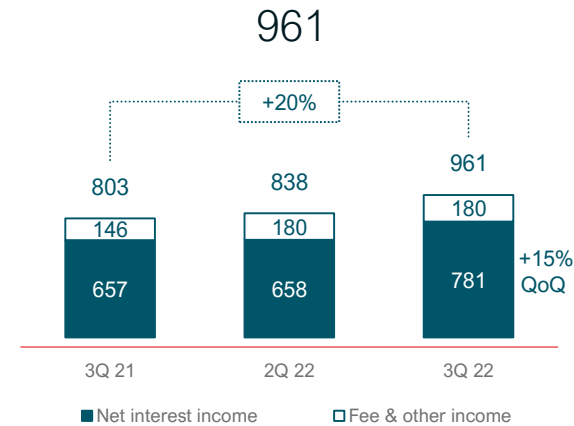


# Higher operating income drives growth in Corporate profitability

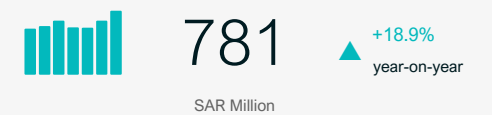
Net Income Before Zakat Movement (SAR Mn)



Total Operating Income (SAR Mn)



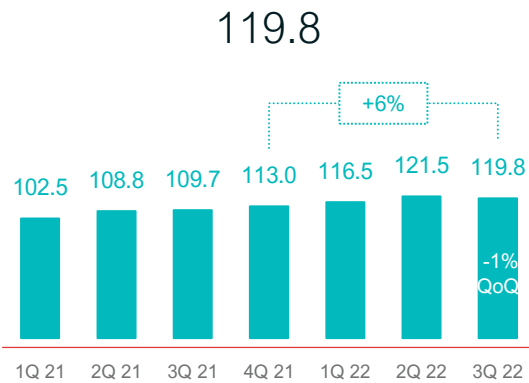
Net Interest Income



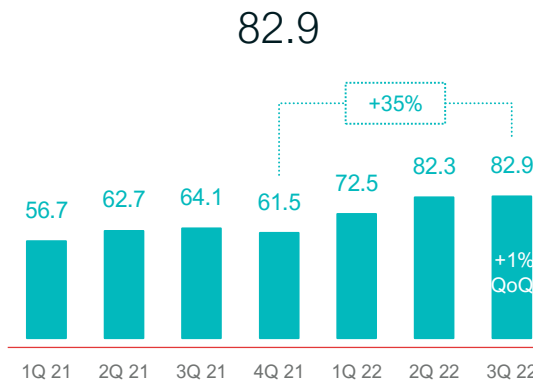
Fee & other income



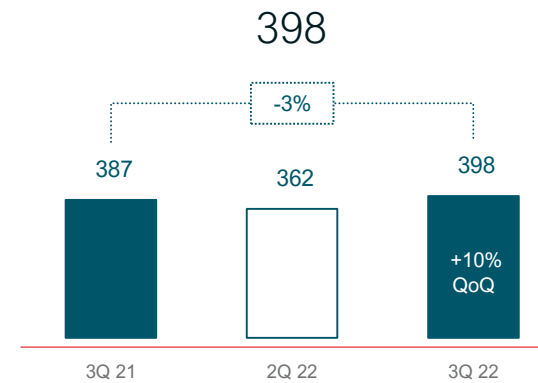
Corporate Loans (SAR Bn)



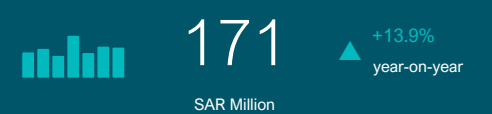
Corporate Deposits (SAR Bn)



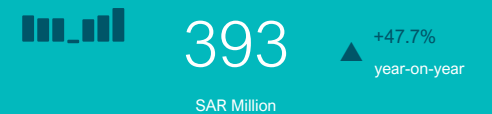
Net Income Before Zakat (SAR Mn)



Expenses

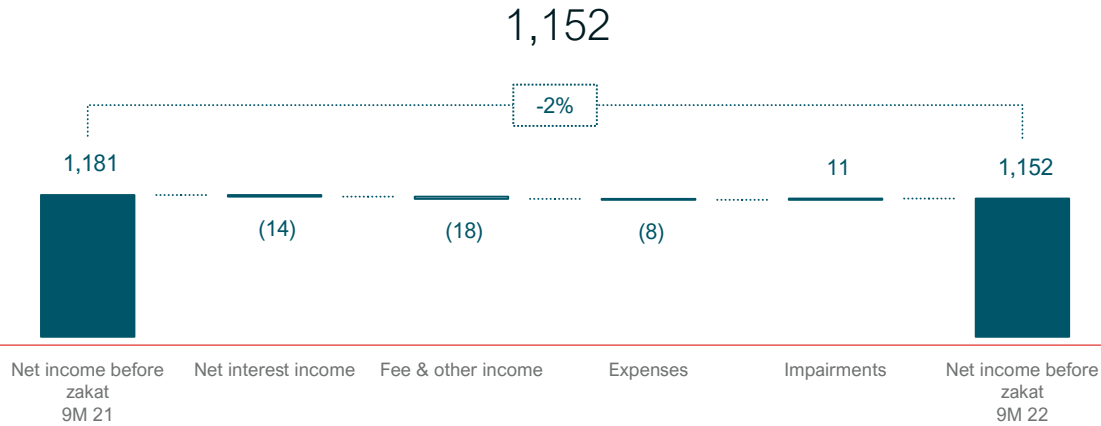


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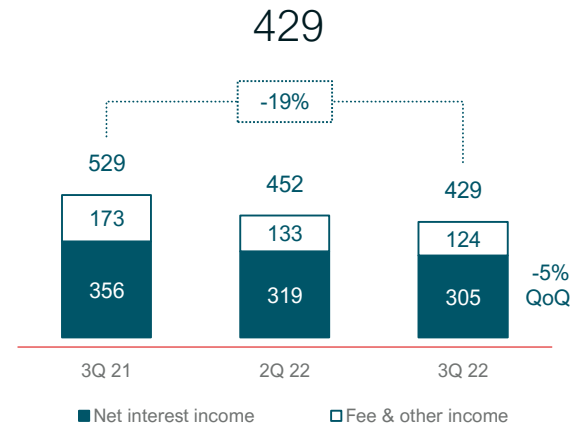


# Net income declined 2% YoY from higher funding costs and investment income

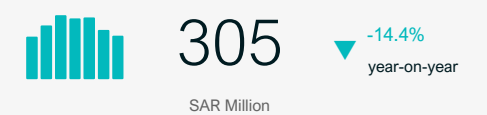
Net Income Before Zakat Movement (SAR Mn)



Total Operating Income (SAR Mn)



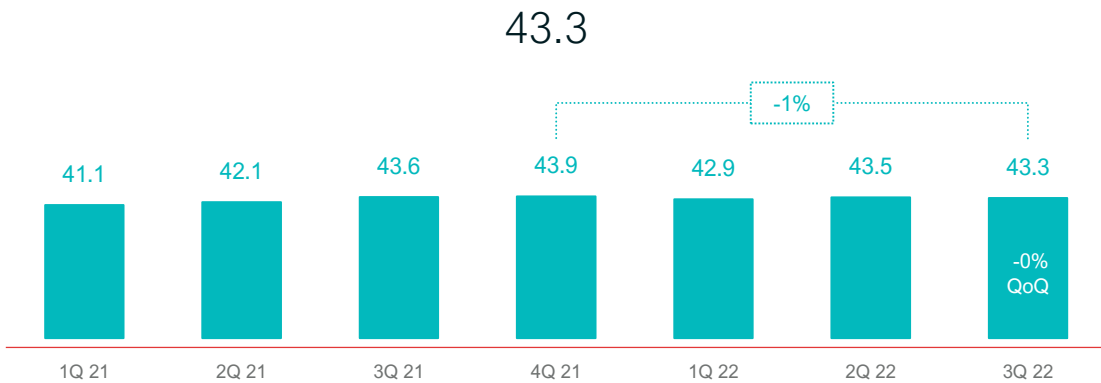
Net Interest Income



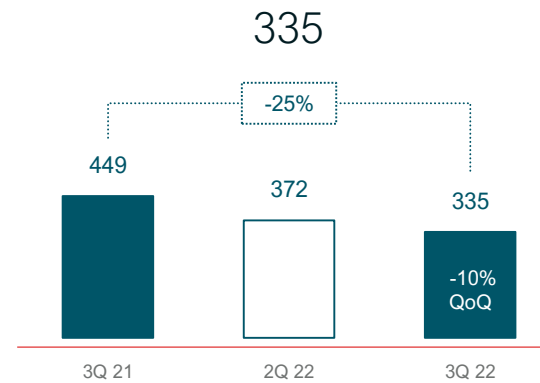
Fee & other income



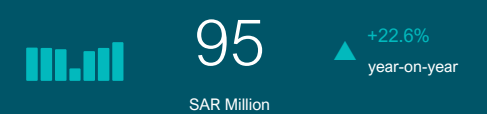
Investments (SAR Bn)



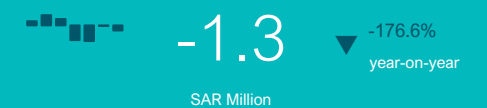
Net Income Before Zakat (SAR Mn)



Expenses

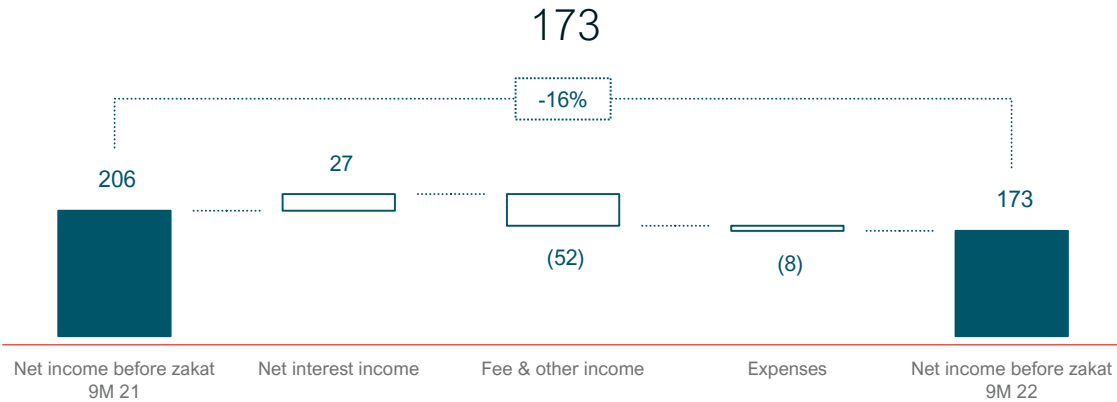


Impairments

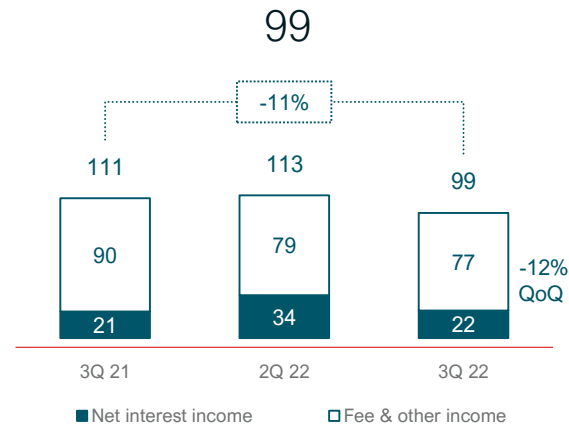


# Profitability decline due to lower brokerage fees

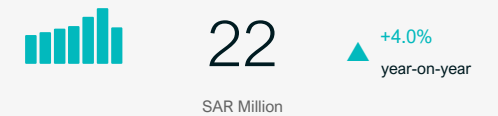
Net Income Before Zakat Movement (SAR Mn)



Total Operating Income (SAR Mn)



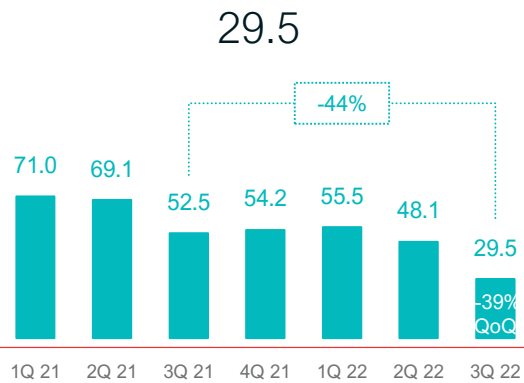
Net Interest Income



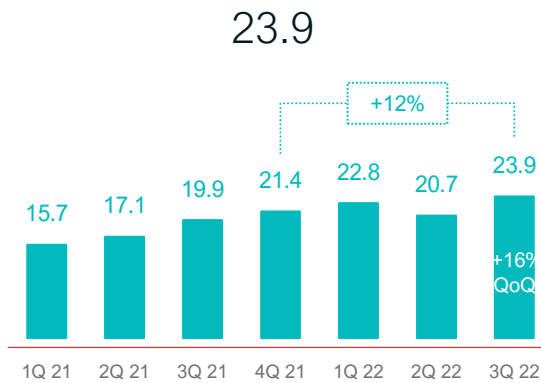
Fee & other income



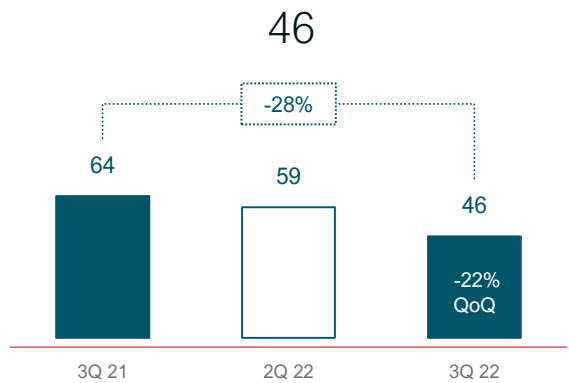
Brokerage Trading Value (Bn)



Assets Under Management (SAR Bn)



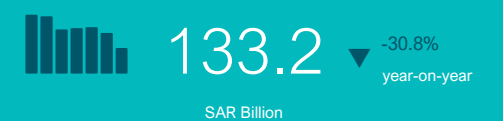
Net Income Before Zakat (SAR Mn)



Expenses



Brokerage Trading Value (9M 21)

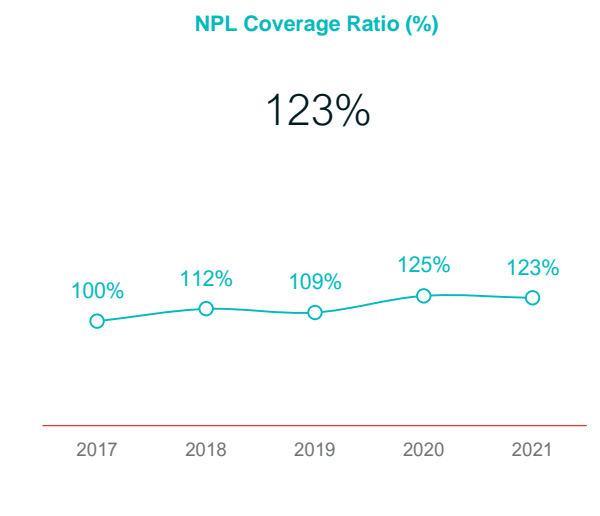
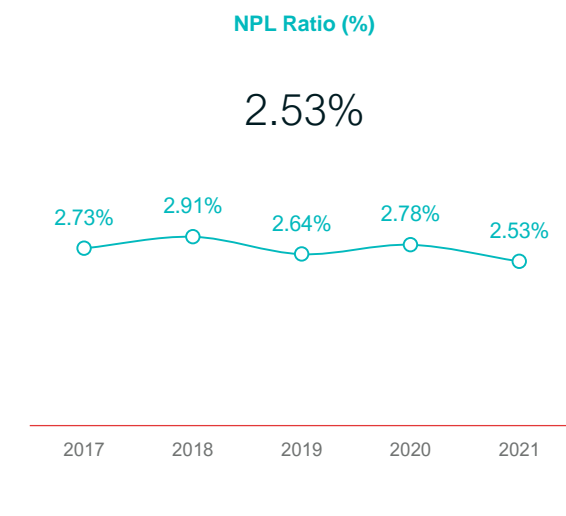
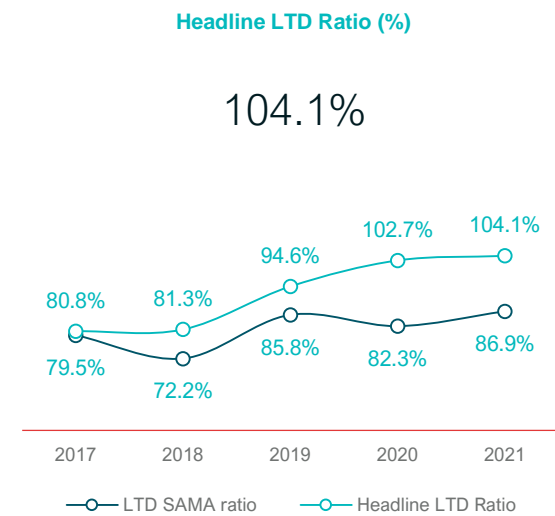
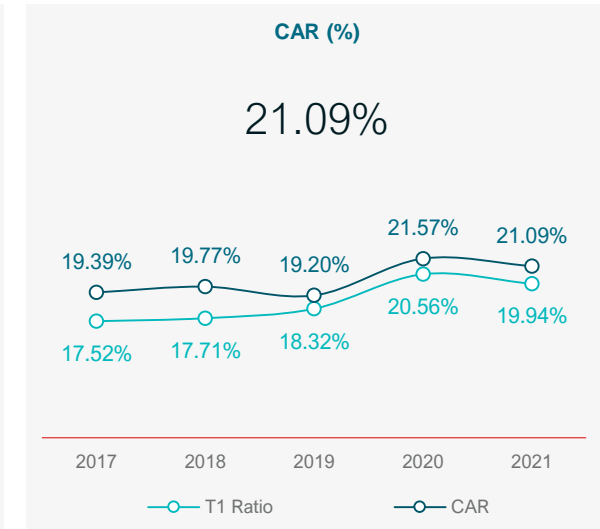
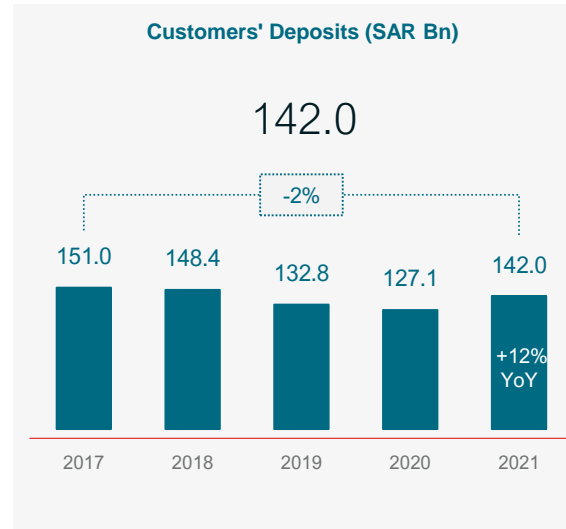
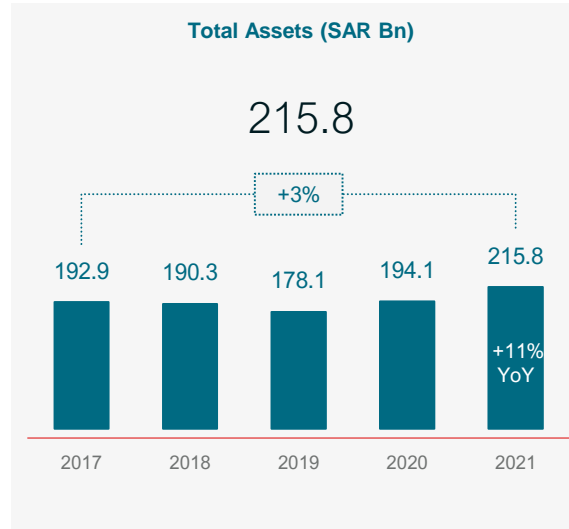
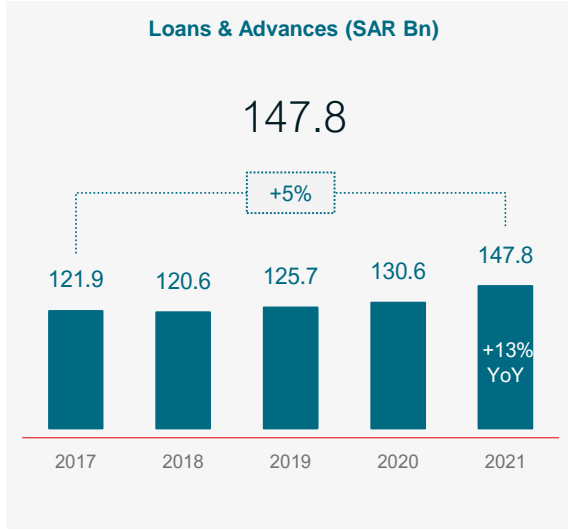




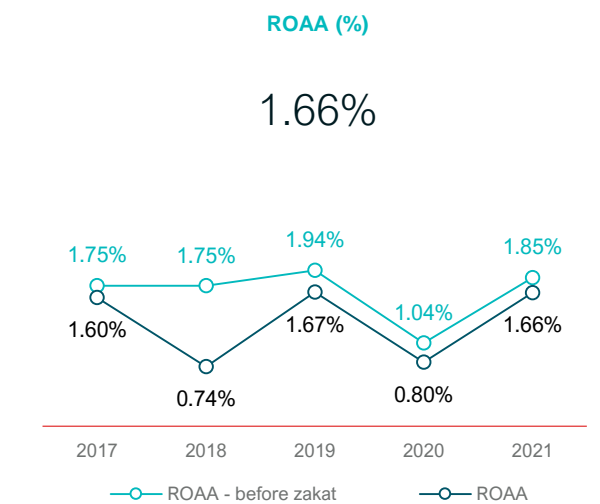
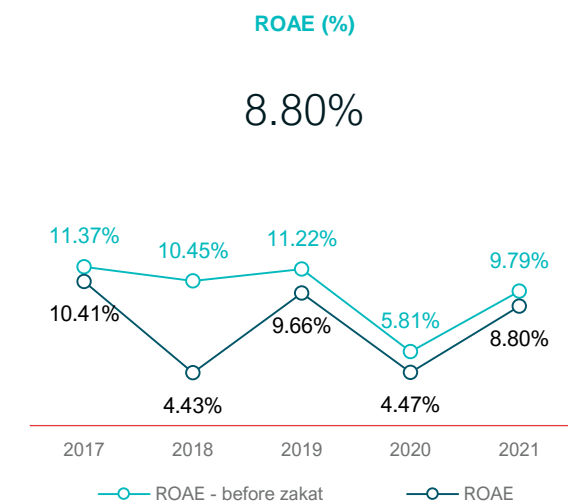
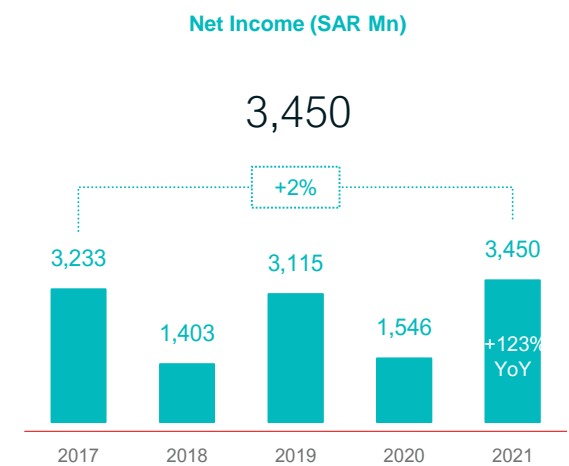
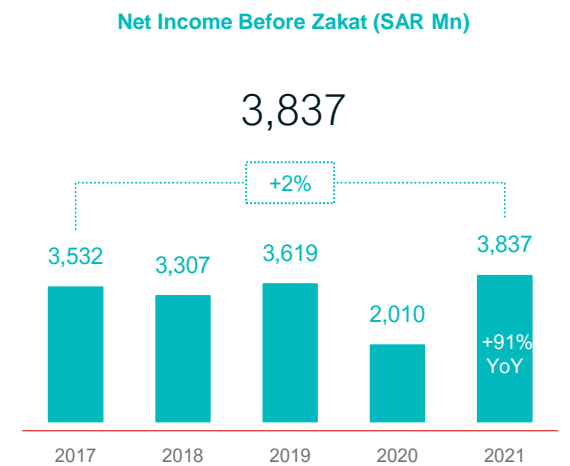
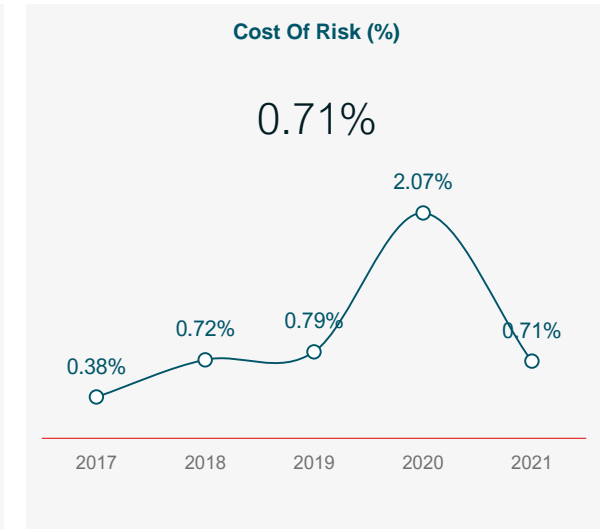
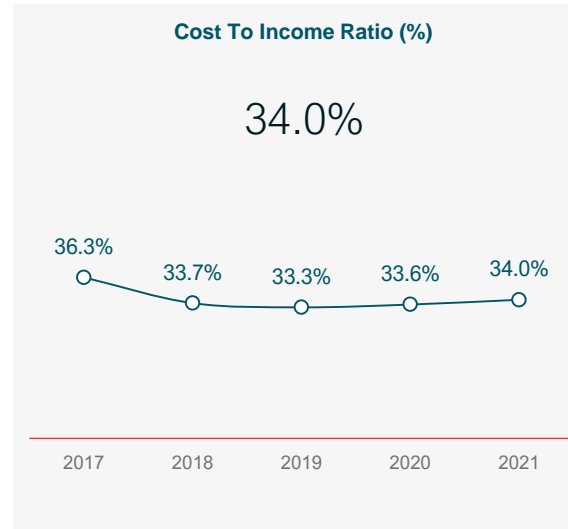
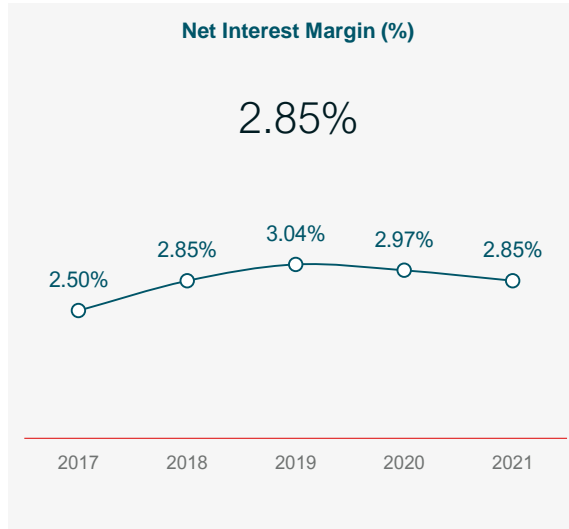
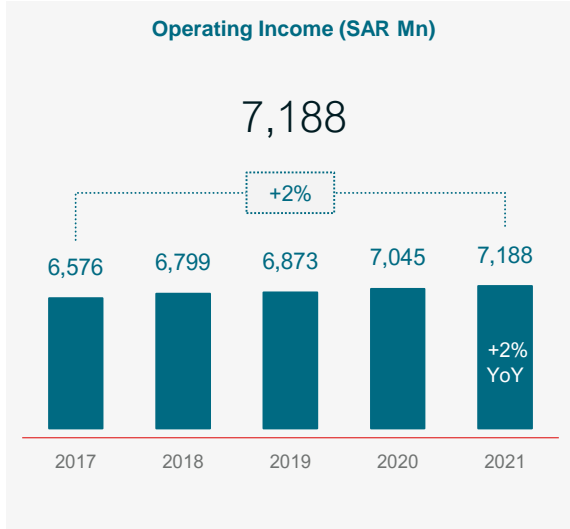
INVESTOR PRESENTATION 3Q 2022

# Performance Track Record

# Balance Sheet Metrics



# Income Statement Metrics



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