



Banque Saudi Fransi

Investor Presentation

4Q 2021



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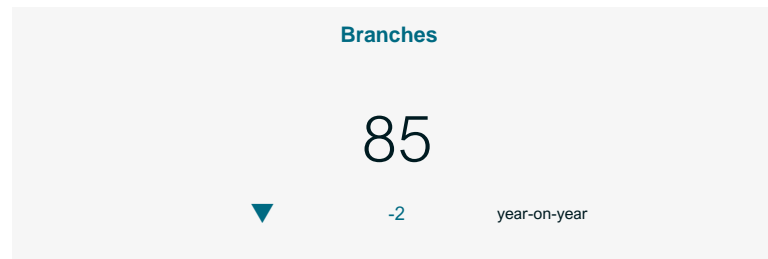
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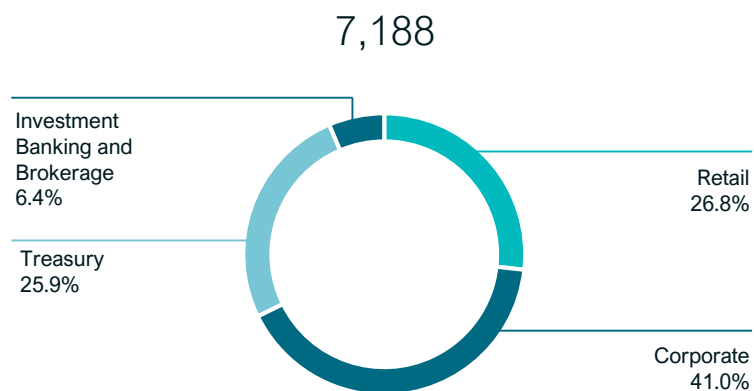
INVESTOR PRESENTATION 4Q 2021

BSF Profile

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

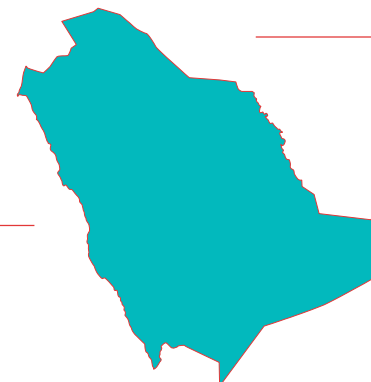


FY21 Operating Income Diversity (SAR Mn)



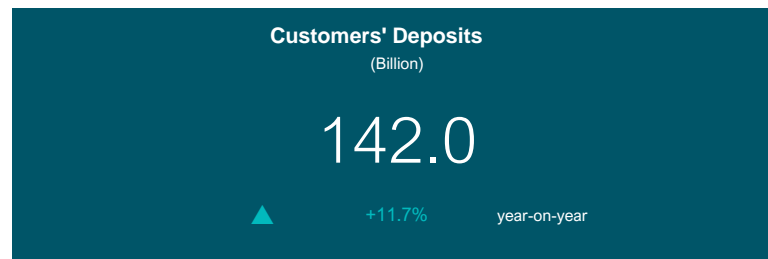
Headquartered in Riyadh:
85 branches across the Kingdom
Domestically systemic bank

Universal Bank model:
Corporate DNA (82% of our loan book)
Full suite of conventional and Islamic products
Growing Retail loan book
Core focus on the Saudi market



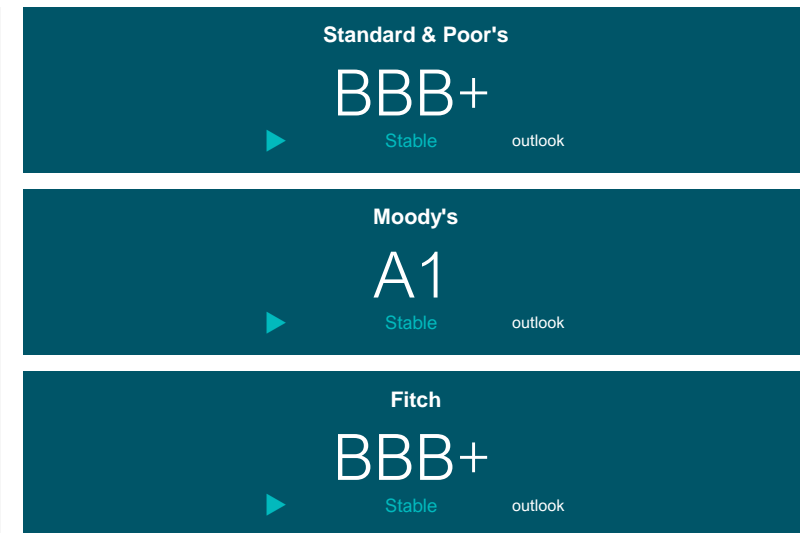
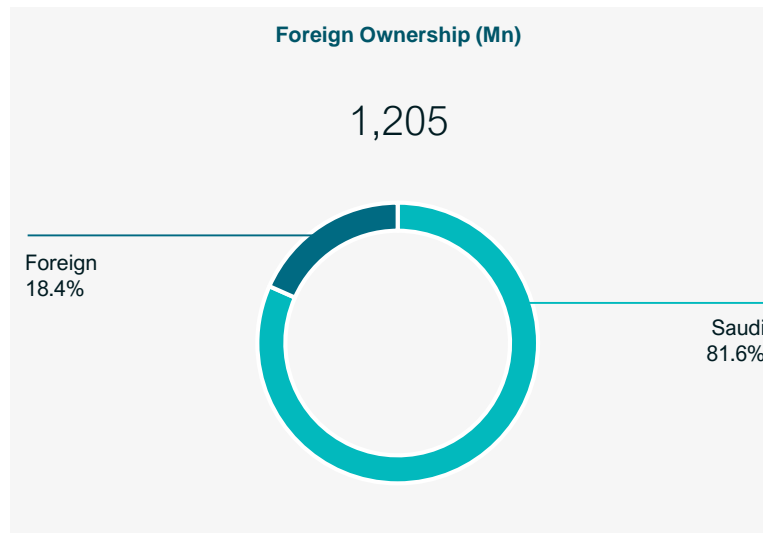
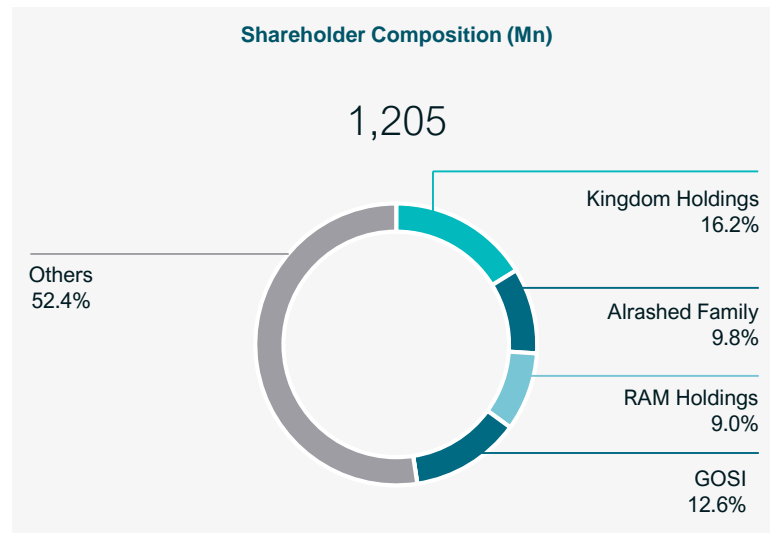
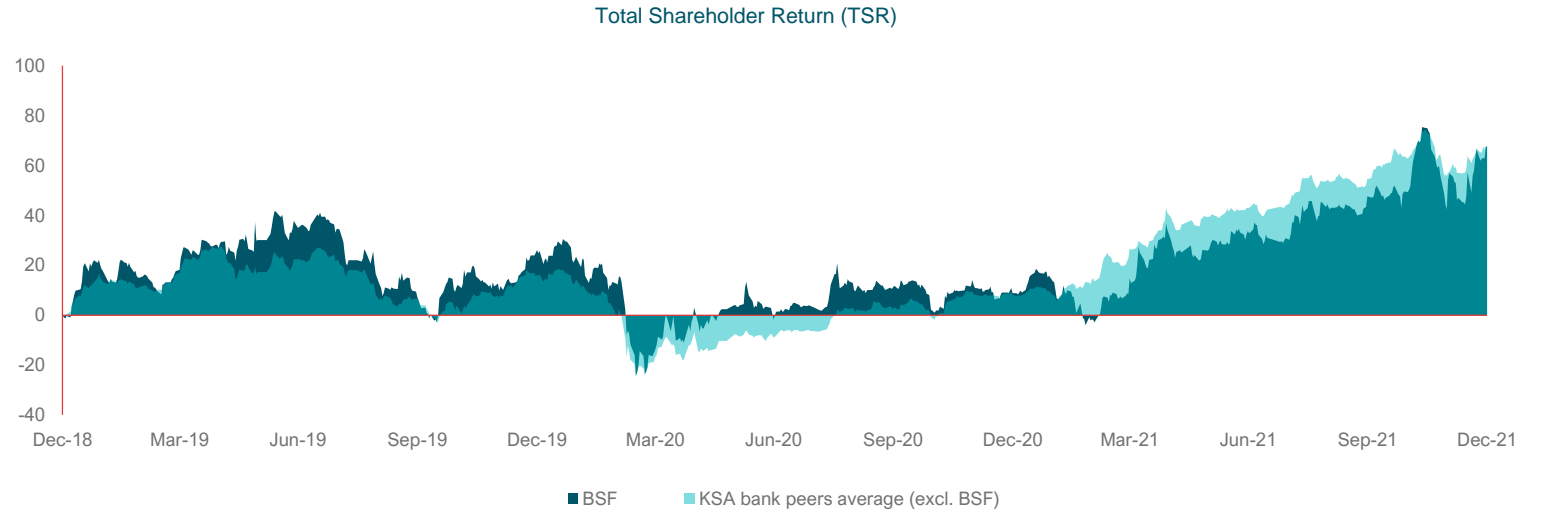
Subsidiaries in KSA:
Saudi Fransi Capital
Saudi Fransi Insurance Agency
Saudi Fransi for Finance Leasing
Sakan Real Estate Financing Company

Joint ventures in KSA:
Insurance with Allianz



Solid market parameters and stable credit ratings

Share Parameters	31 Dec 2021
Closing price (SAR)	47.25
52 weeks range (SAR)	27.8 - 49.9
Shares issued (million)	1,205
Market capitalization (SARbn)	56.95
Market capitalization to KSA bank sector	5.70%
Market cap to KSA stock market	0.57%
Price to tangible book value	1.64x
Price to earnings	17.5x
Dividend yield	5.7%



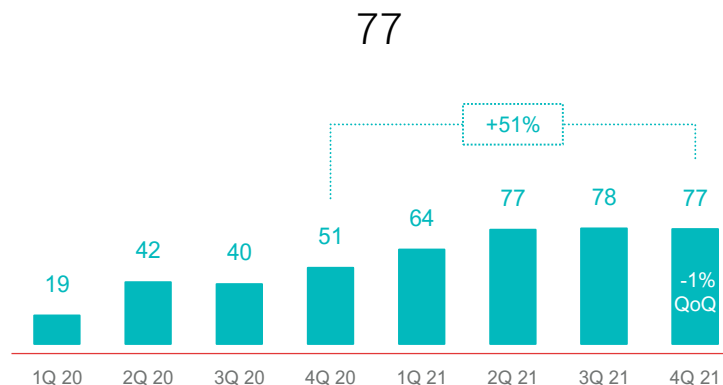
INVESTOR PRESENTATION 4Q 2021

Operating Environment

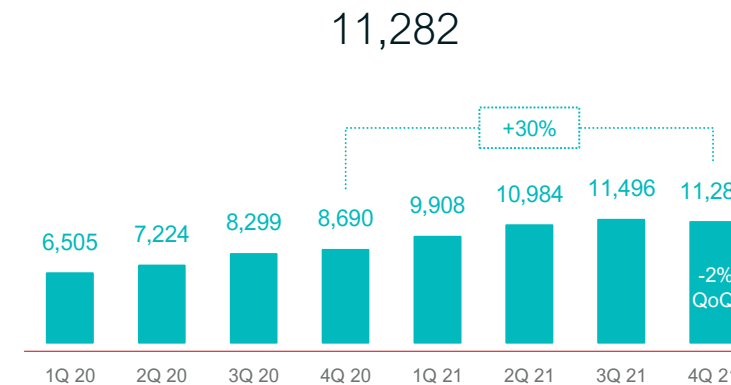
Financial markets and economic activity recovered following Covid-19 disruption during 2020

- Oil prices dropped sharply in 1Q 2020 as the Covid-19 pandemic spread, with a recovery to USD 77/bl by 4Q 2021.
- The Saudi Arabian stock market (Tadawul), in line with global equity markets dropped 22% in 1Q 2020 but recovered to 34% above 4Q 2019 levels by 4Q 2021.
- Interbank rates declined during 2020 in line with the Fed Rate cuts in early March and continue to remain at low levels.
- The Saudi Arabia purchasing managers index (PMI) dropped to 42.4 in March 2020, with a recovery to 53.9 by 4Q 2021.

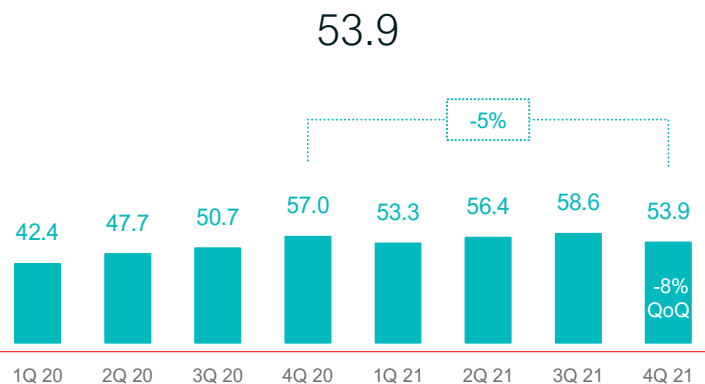
Brent Oil Price / Barrel (USD)



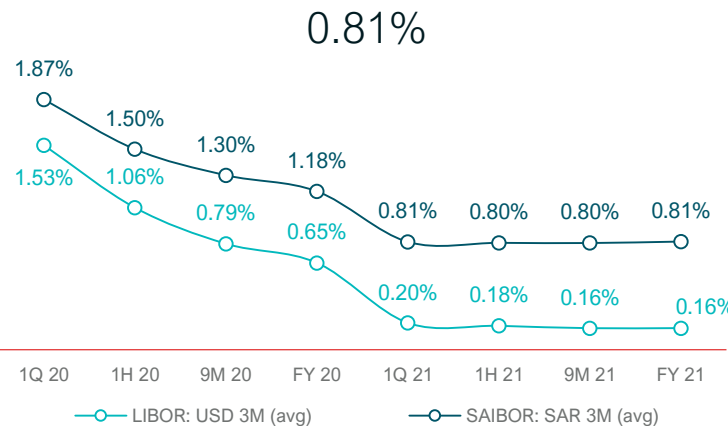
Tadawul Index



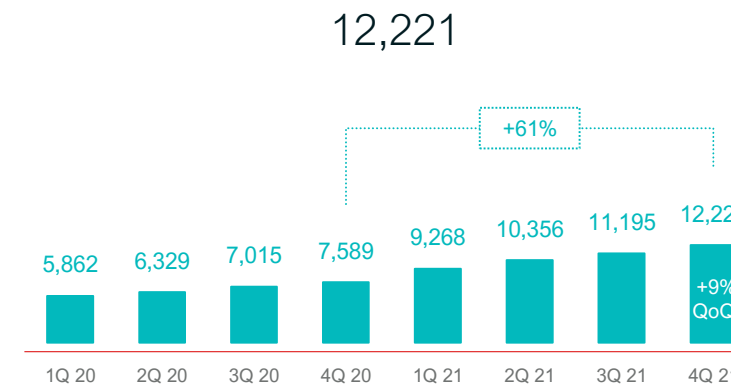
KSA PMI (non-oil private sector)



SAIBOR Trend (%)

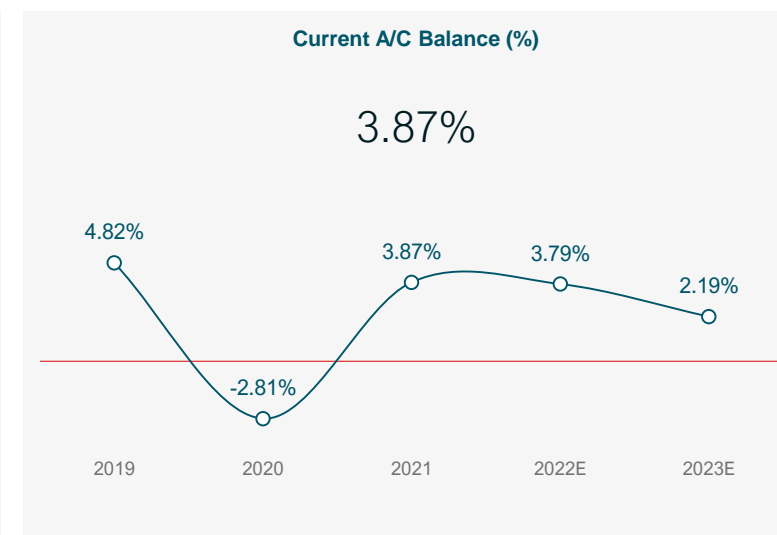
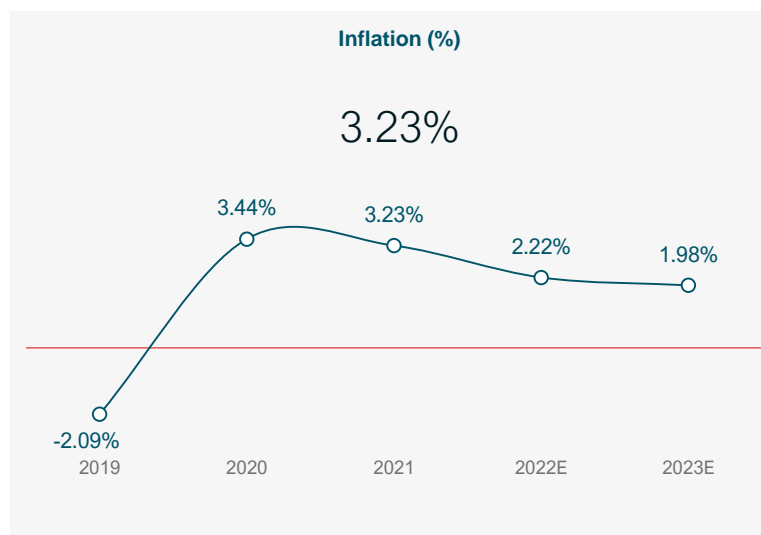
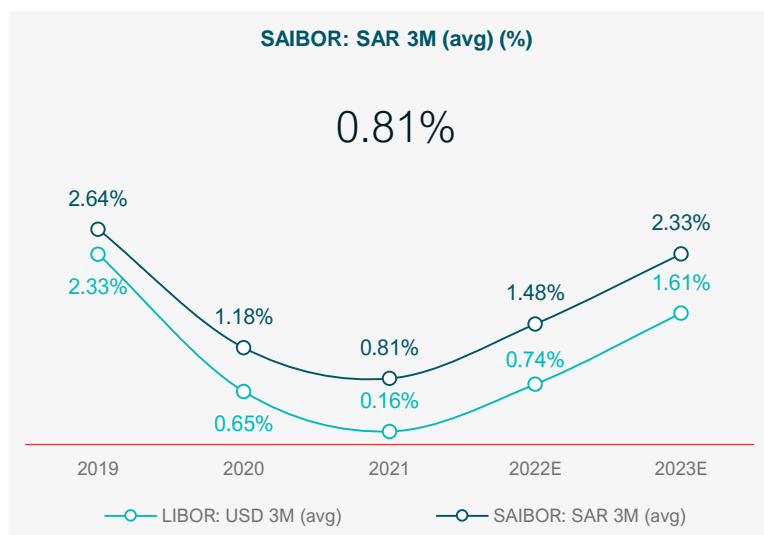
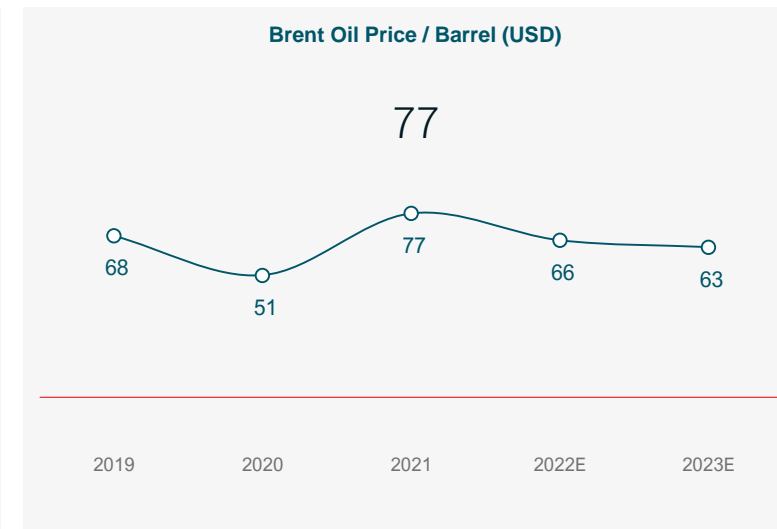
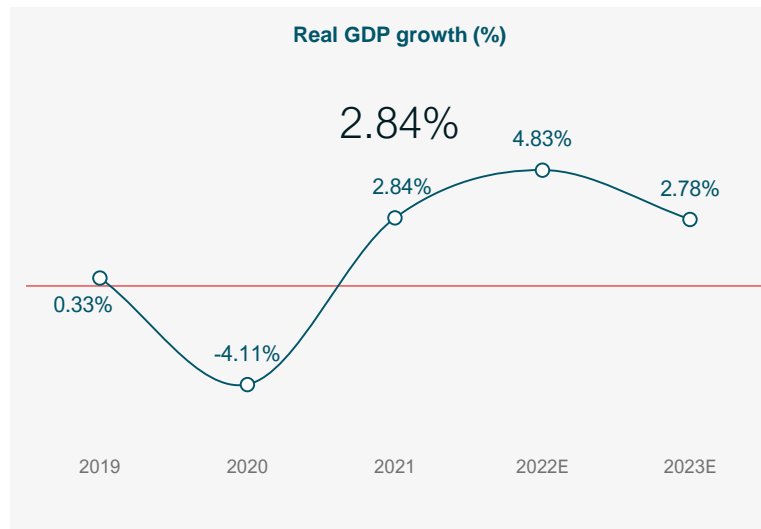


Tadawul Banks Index

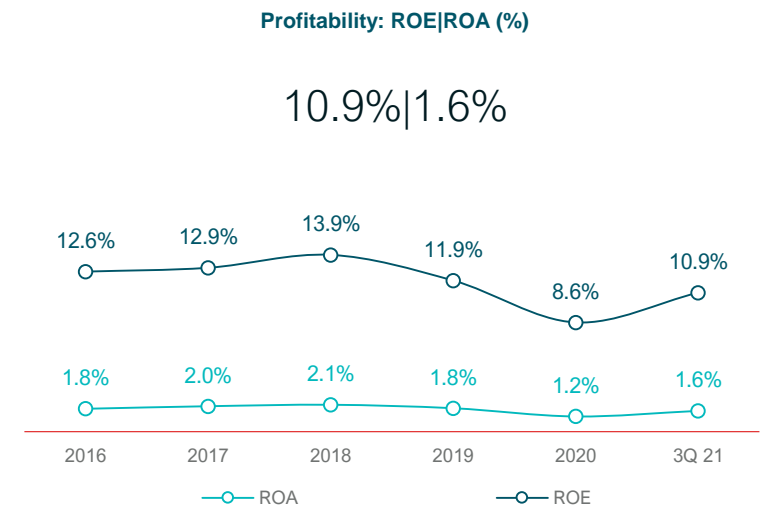
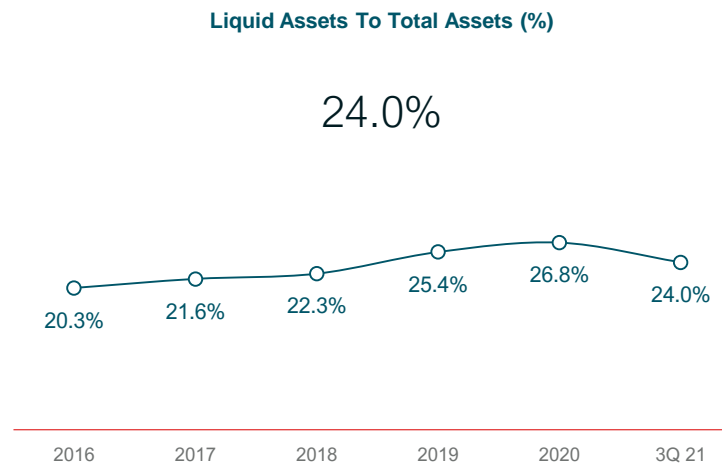
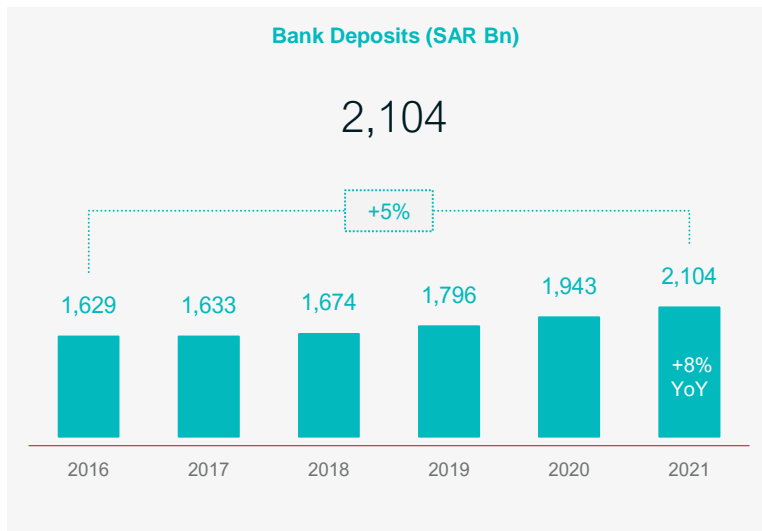
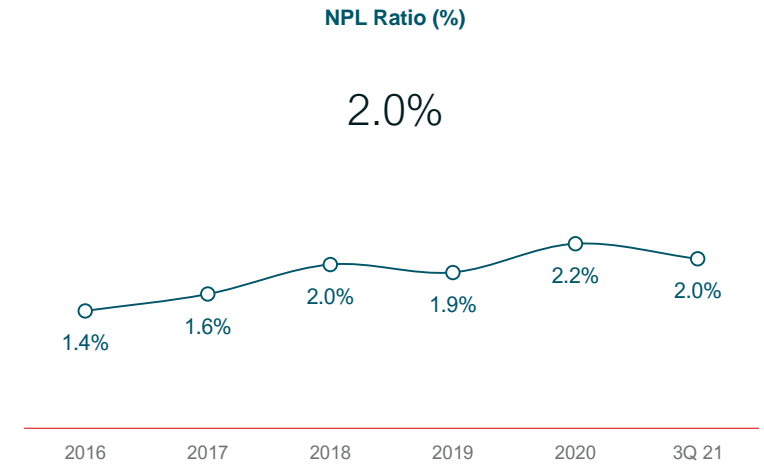
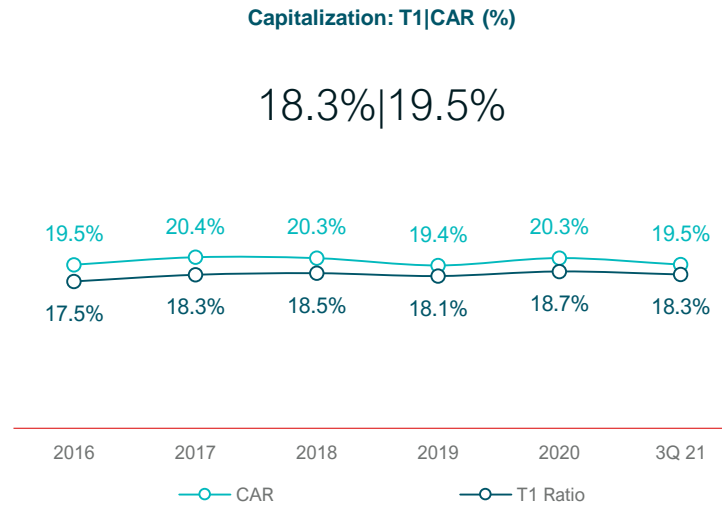
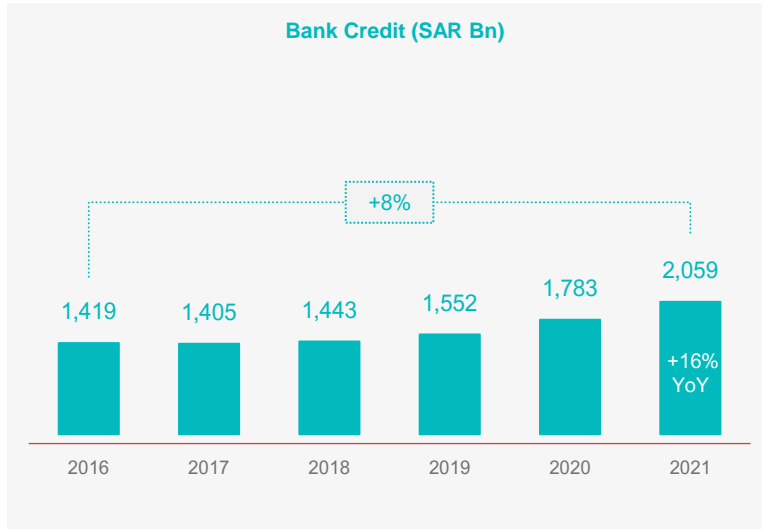


GDP for Saudi Arabia is expected to recover to +2.8% growth in 2021

- GDP for Saudi Arabia is expected to recover to positive 2.8% GDP growth in 2021 following a contraction of 4.1% in 2020 resulting from the Covid-19 spread, lock-down measures and lower oil prices.
- Interest rates are expected to rise, with average 3M SAIBOR forecast at 1.48% in 2022 compared with 0.81% in 2021.



The Saudi banking sector is well positioned for resiliency and growth





INVESTOR PRESENTATION 4Q 2021

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...

Rayan Mohammed Fayez

Managing Director & Chief Executive Officer

- BSF: CEO since Feb-18
- Savola Group: CEO 2 years
- J.P. Morgan: MD/KSA senior country officer



Mazen Azoony

Acting Chief Financial Officer

- BSF: appointed Jun-2021
- SNB: Over 22 years banking experience in finance.



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



Bader Alsalloom

Head of Institutional Banking

- Appointed Apr-21
- Saudi Investment Bank: Deputy GM Corporate Banking 2 years
- SABB: Deputy GM Commercial Banking; 15 years with SABB



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



Adel Mallawi

Chief Investment Officer

- BSF: appointed CIO Apr-19
- BSF: CFO 3 years
- BSF: Head of Global Markets Group 6 years; 26 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-Ansari

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 and income tax | ** 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)

TSR
(%)

53.9%

▲ +67.6% year-on-year

KPI #2
Return on average equity (ROAE)

ROAE - before zakat & income tax
(%)

9.8%

▲ +4.0 pts year-on-year

Resilience

KPI #3
Basic earnings per share (EPS)

EPS
SAR

2.70

▲ +118% year-on-year

KPI #4
Dividends per share (DPS)

DPS, net
SAR

1.49

▲ +275% year-on-year

Efficiency

KPI #5
Cost-to-income Ratio

Cost to income ratio
(%)

33.6%

▶ +28 bps year-on-year

Best Customer Experience

KPI #6
Net Promoter Score (NPS)

NPS
(%)

+1%

▲ year-on-year

Best Place to work

KPI #7
Employee Net Promoter Score (ENPS)

ENPS
(%)

+0%

▶ year-on-year



INVESTOR PRESENTATION 4Q 2021

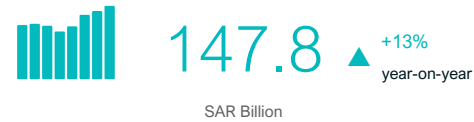
Financial Performance

Solid balance sheet growth and strong recovery in net income

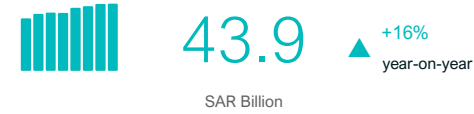
BALANCE SHEET

- High quality loan growth of 13% driven by 12% commercial loan growth and 28% growth in mortgages YoY.
- Strong growth in investments (16%) and solid NIB deposit growth (11%).

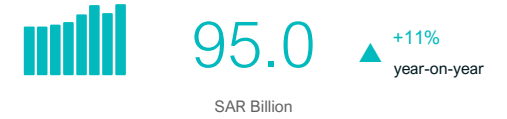
Loans & Advances



Investments



Non Interest Bearing Deposits



INCOME STATEMENT

- 2% top-line growth with moderate margin contraction and 1% NIR growth.
- Net income recovered due to lower provisions.

Operating Income



NIM



Net Income After Zakat & Tax



ASSET QUALITY

- Moderating NPL ratio.
- Stable NPL coverage ratio YoY.
- Lower cost of risk as Covid-19 impact stabilized.

NPL Ratio



NPL Coverage Ratio



Cost of risk



CAPITAL & LIQUIDITY

- Capital & liquidity remain strong and comfortably within regulatory limits.
- LCR declined 20ppts YoY from more efficient utilization of excess liquidity.

T1 Ratio



LCR



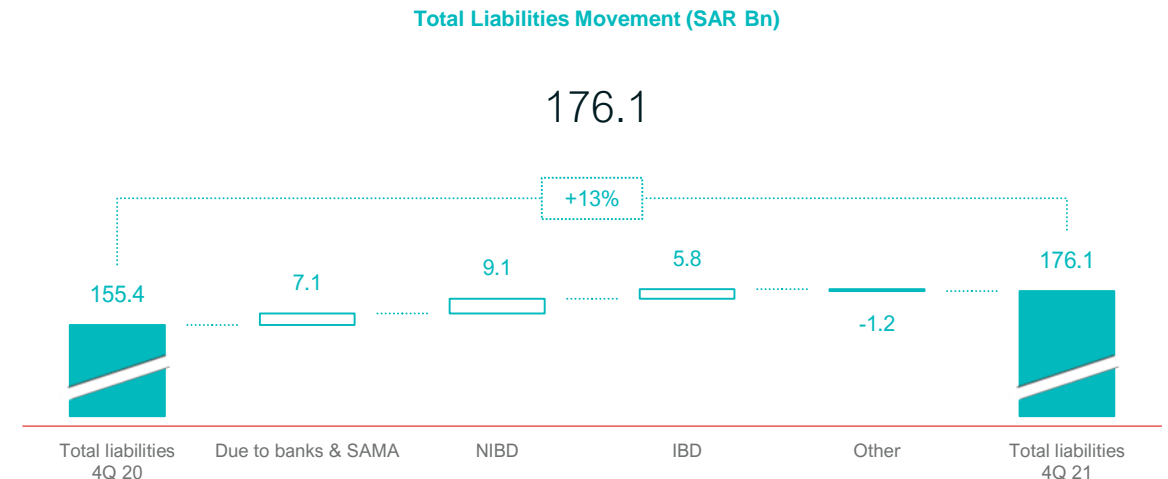
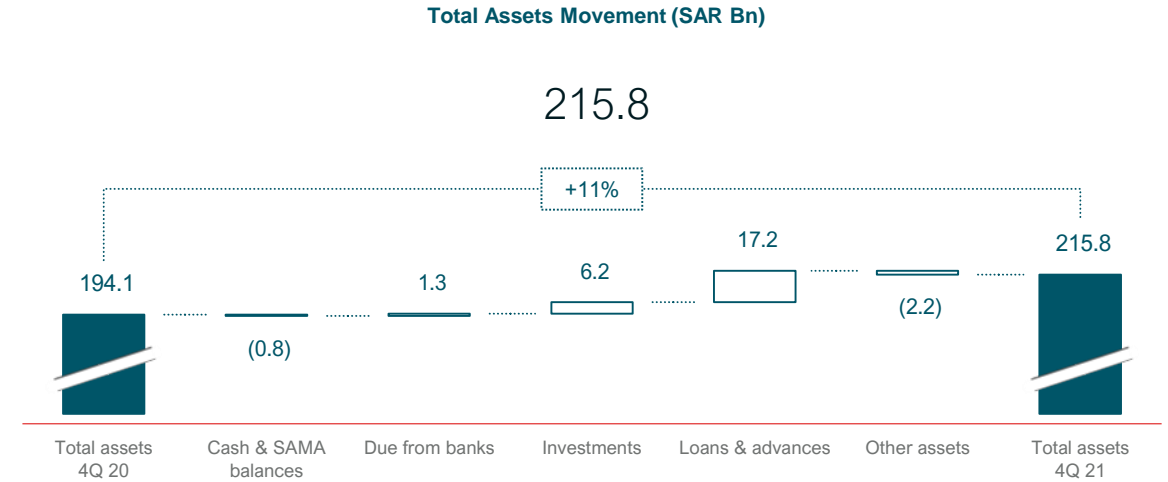
NIBD % of Total Deposits



Solid balance sheet growth from lending and investments

- Growth in total assets of 11% YoY driven by healthy 13% loan growth and strong growth of 16% in investments.
- Liabilities grew by 13% during 2021 YoY from 12% deposit growth.

SAR (Mn)	4Q 2021	3Q 2021	Δ%	4Q 2020	Δ%
Cash & SAMA balances	9,795	9,635	+2%	10,548	-7%
Due from banks	5,324	5,389	-1%	4,027	+32%
Investments	43,858	43,587	+1%	37,679	+16%
Loans & advances	147,813	144,393	+2%	130,565	+13%
Other assets	9,012	10,331	-13%	11,255	-20%
Total assets	215,802	213,335	+1%	194,074	+11%
Due to banks & SAMA	23,854	20,043	+19%	16,792	+42%
Customers' deposits	141,950	143,322	-1%	127,112	+12%
Other liabilities	10,312	10,728	-4%	11,534	-11%
Total liabilities	176,116	174,093	+1%	155,438	+13%
Share capital	12,054	12,054	+0%	12,054	+0%
Retained earnings	8,399	8,482	-1%	7,433	+13%
Other	14,233	13,707	+4%	14,149	+1%
Tier 1 Sukuk	5,000	5,000	+0%	5,000	+0%
Total equity	39,686	39,242	+1%	38,636	+3%

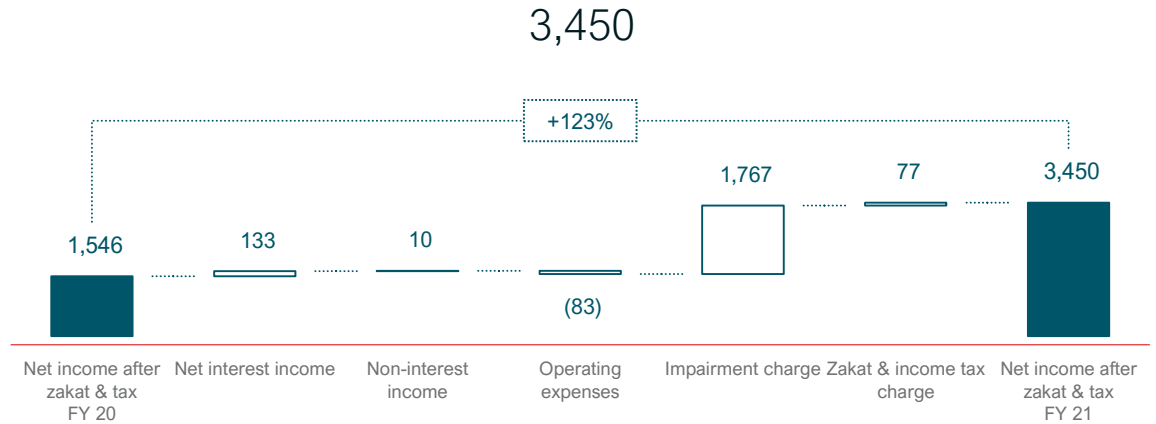


Net income improved 123% year-on-year due to lower provisions

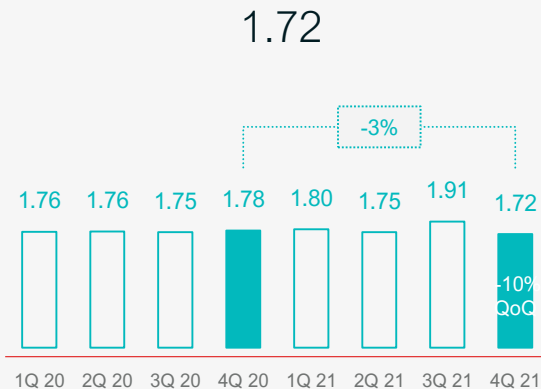
- Net income for 2021 grew 123% YoY to SAR 3,450mn from 2% income growth and a 66% decline in impairments, partly offset by a 4% increase in operating expenses.
- Similarly, 4Q 2021 net income improved by SAR 899mn YoY to SAR 993mn due to a 95% drop in impairments.

SAR (Mn)	4Q 2021	4Q 2020	Δ%	2021	2020	Δ%
Net interest income	1,332	1,281	+4%	5,373	5,240	+3%
Non-interest income	393	496	-21%	1,814	1,804	+1%
Operating income	1,725	1,777	-3%	7,188	7,045	+2%
Operating expenses	(620)	(672)	-8%	(2,447)	(2,364)	+4%
Impairment charge	(45)	(872)	-95%	(904)	(2,670)	-66%
Total operating expenses	666	1,544	-57%	3,350	5,034	-33%
Net income before zakat & tax	1,059	233	+354%	3,837	2,010	+91%
Zakat & income tax charge	(66)	(139)	-53%	(388)	(464)	-16%
Net income after zakat & tax	993	94	+957%	3,450	1,546	+123%

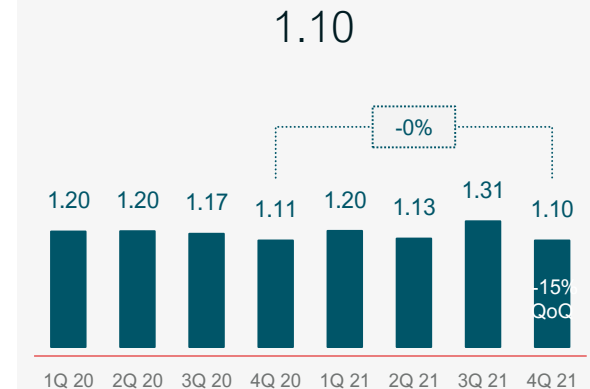
Net Income After Zakat & Tax Movement (SAR Mn)



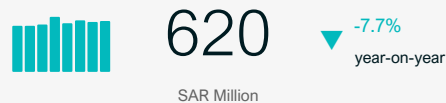
Operating Income (SAR Bn)



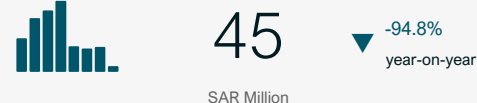
Net Operating Income Before Impairment Charge (SAR Bn)



Operating Expenses

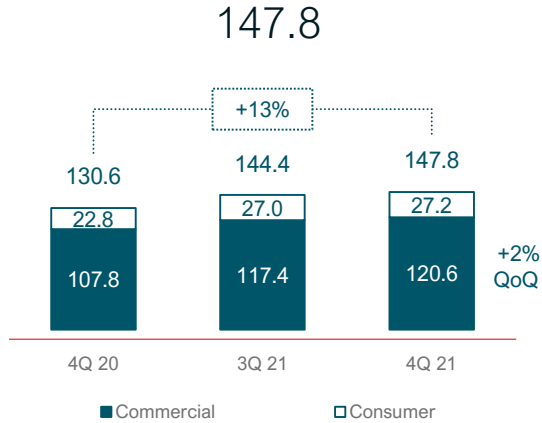


Impairment Charge

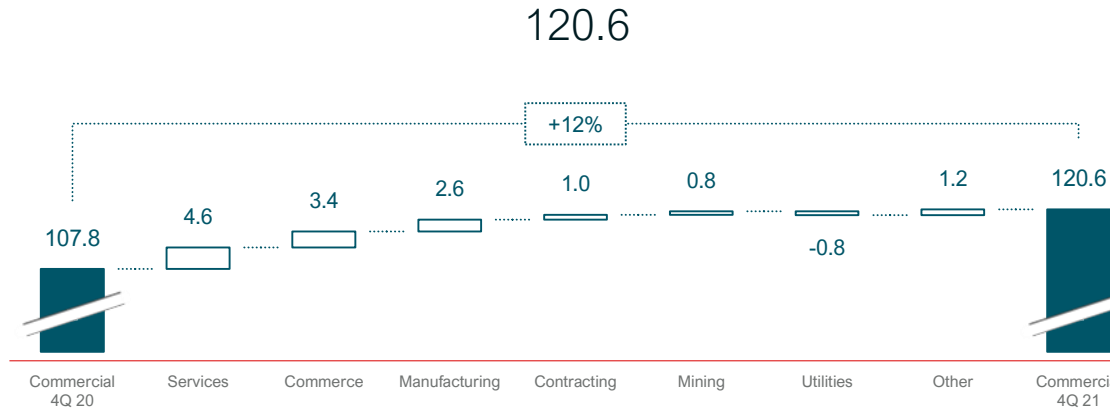


Healthy loan growth in 2021

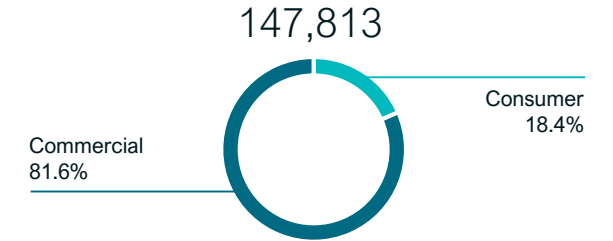
Total Loans & Advances (SAR Bn)



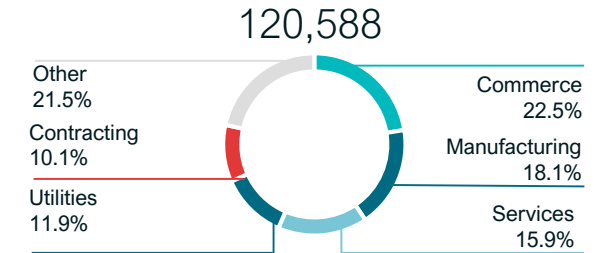
Commercial Loans Movement (SAR Bn)



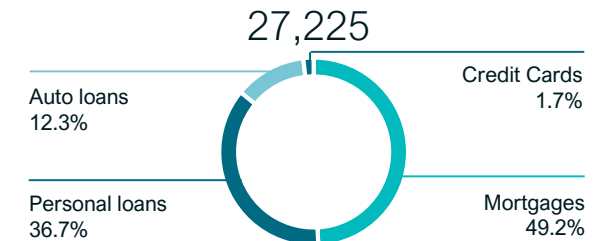
Loans & Advances Composition (SAR Mn)



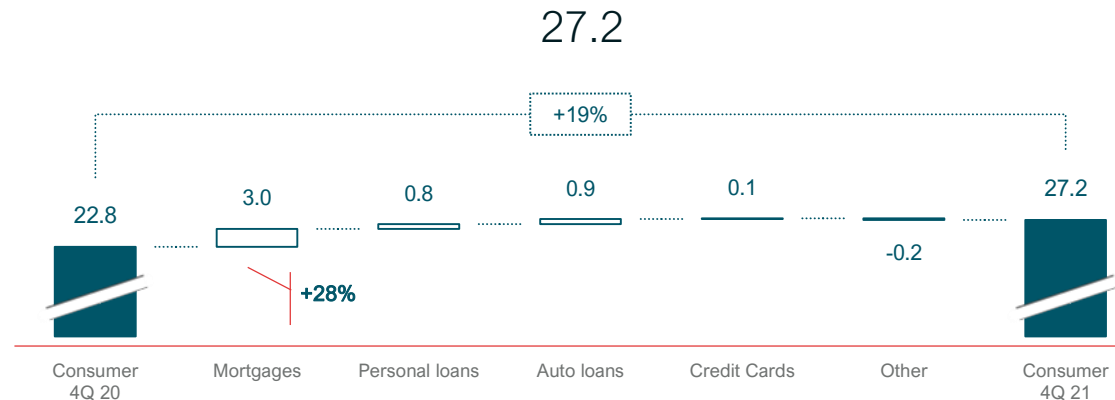
Commercial Loans Composition (SAR Mn)



Consumer Composition (SAR Mn)



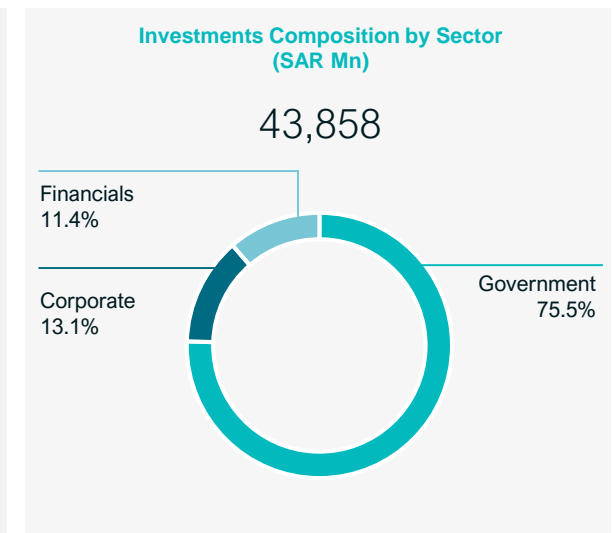
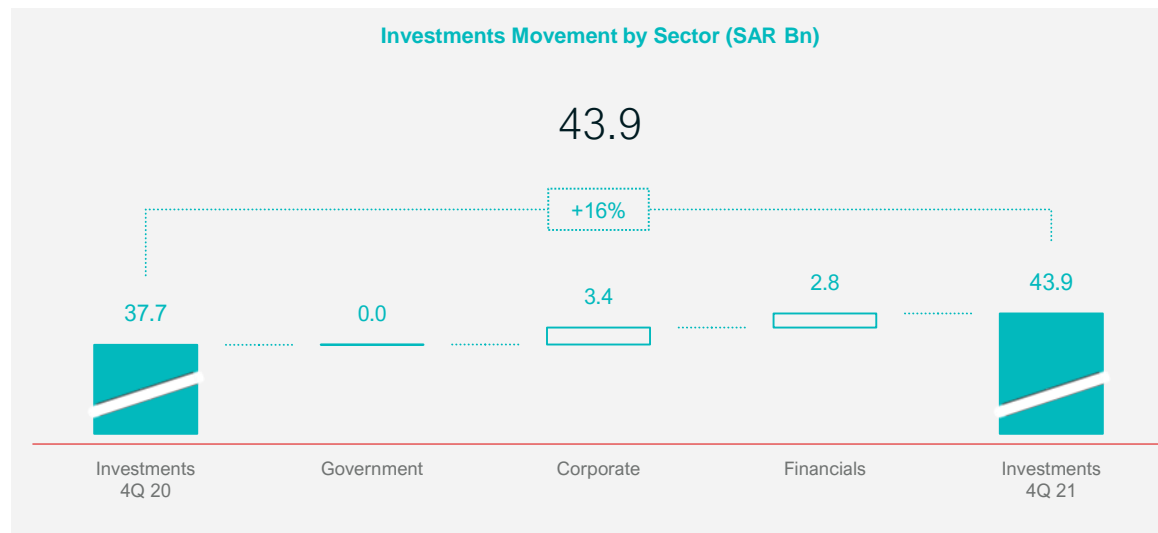
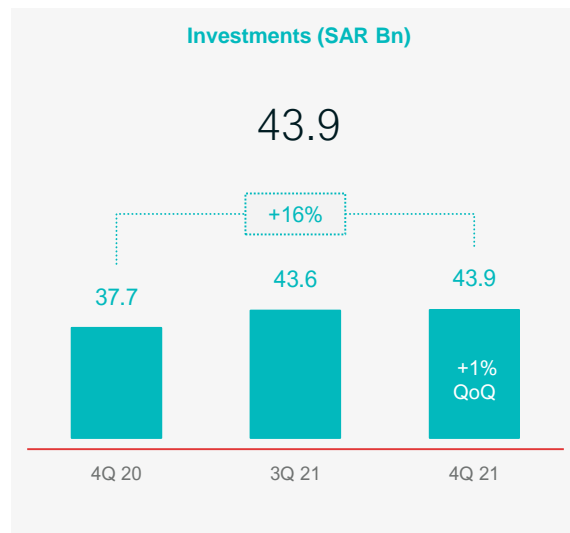
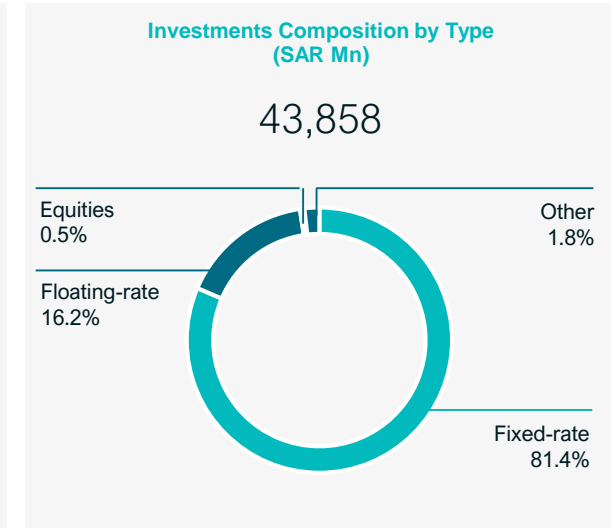
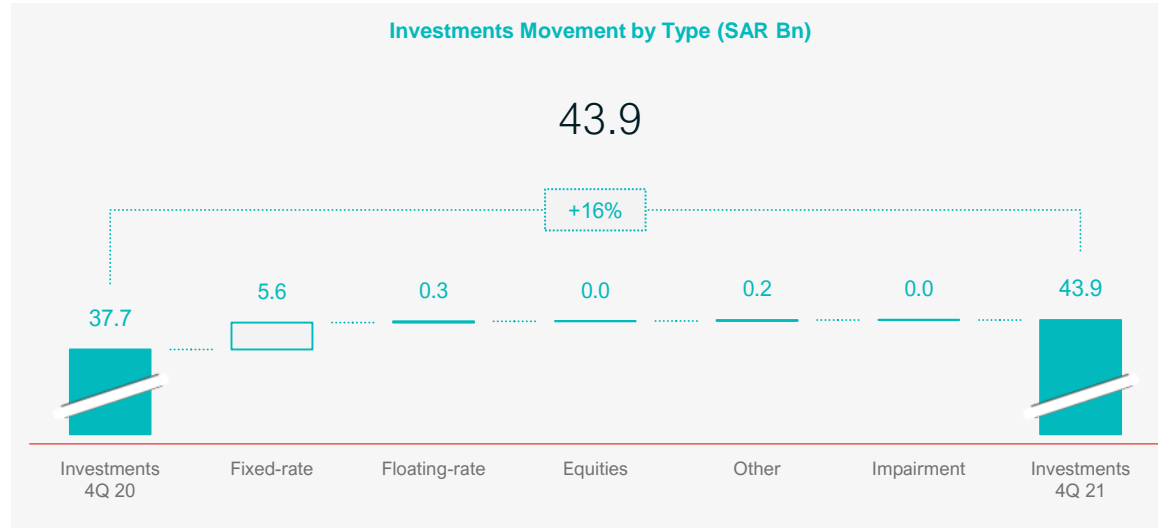
Consumer Loans Movement (SAR Bn)



- Total loans & advances grew 13% during 2021 from both consumer and commercial lending growth.
- Consumer loans grew 19% mainly from 28% YoY growth in mortgages.
- Commercial loans grew 12% during 2021.

Strong growth in investment portfolio from fixed rate bond holdings

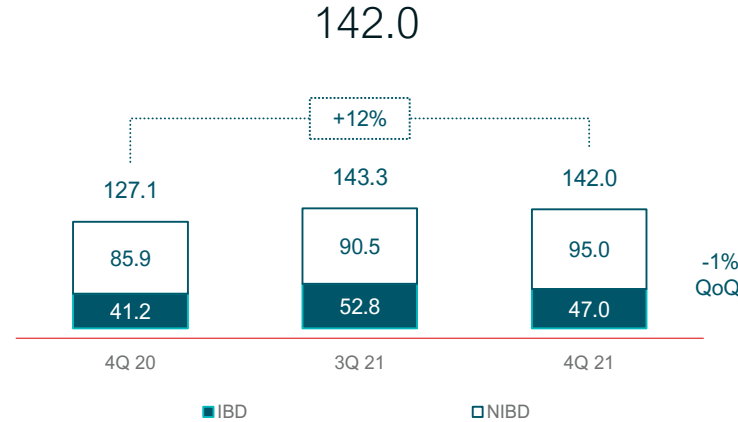
- Investments rose 16% during 2021 as the bank increased fixed rate bond holdings in the corporate and financial sectors.
- The investment portfolio remains of high quality with significant portion being Saudi Government and investment grade.



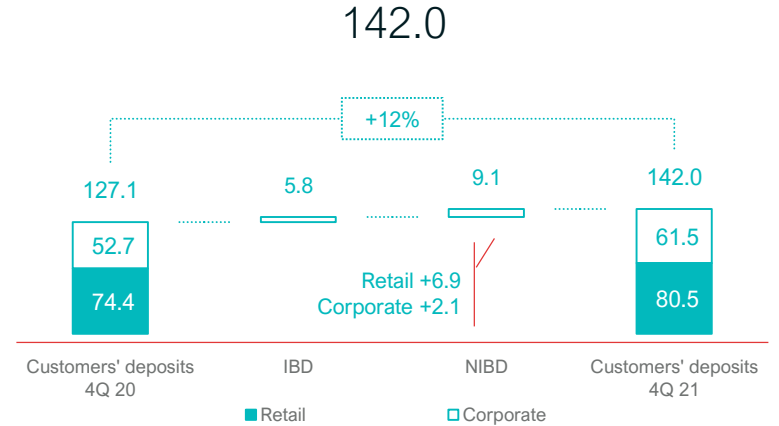
Strong 11% growth in NIBD deposits YoY

- Deposits grew 12% during 2021 from higher NIBDs and IBDs.
- NIBD's grew 11% YoY from growth in both Retail (+13%) and Corporate (+7%).
- IBD's increased 14% YoY, partly to counter the phasing out of SAMA liquidity support.
- The deposit mix remained broadly stable YoY with 67% of deposits being non-interest bearing.

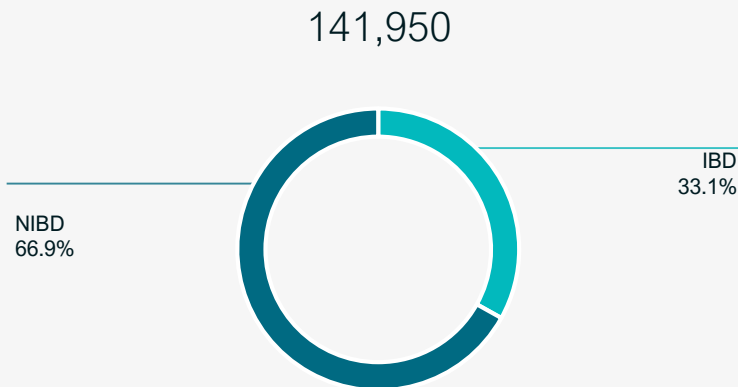
Customers' Deposits (SAR Bn)



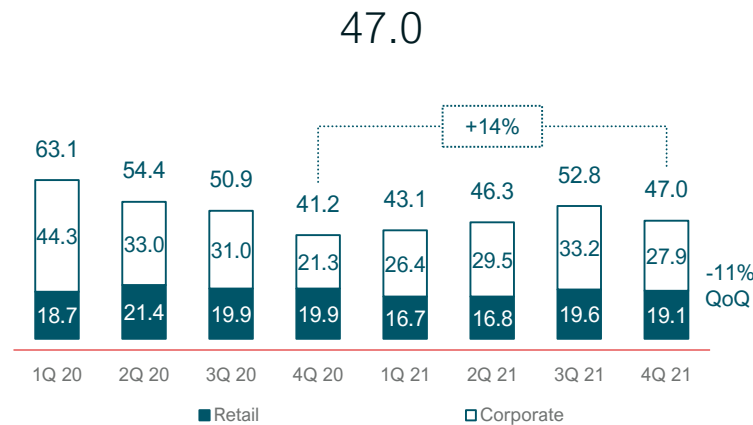
Customers' Deposits Movement (SAR Bn)



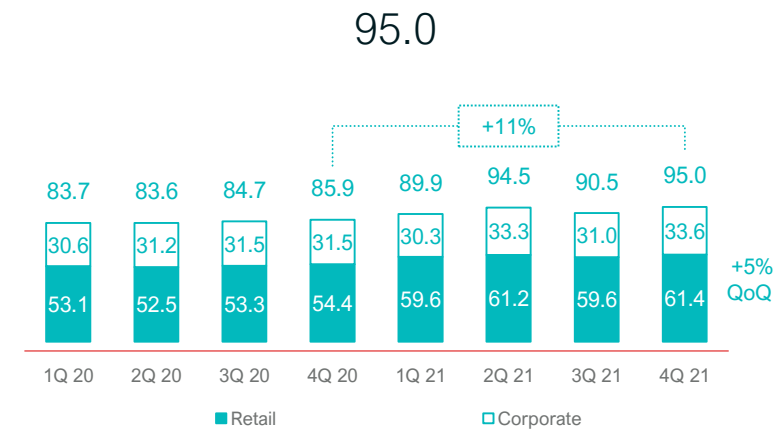
Customers' Deposits Composition (SAR Mn)



Interest Bearing Deposits (SAR Bn)

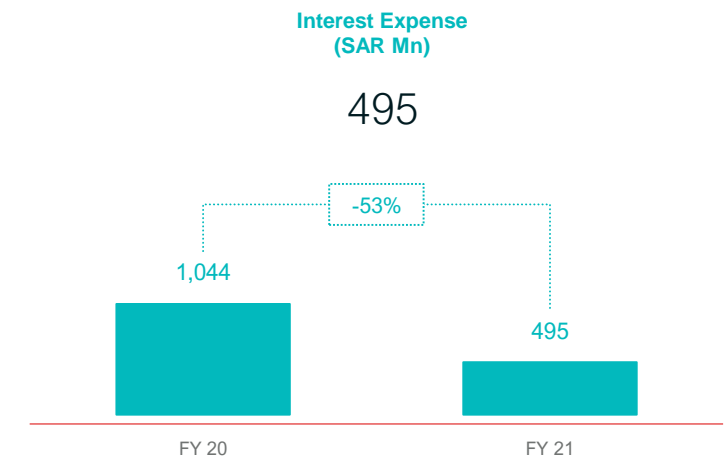
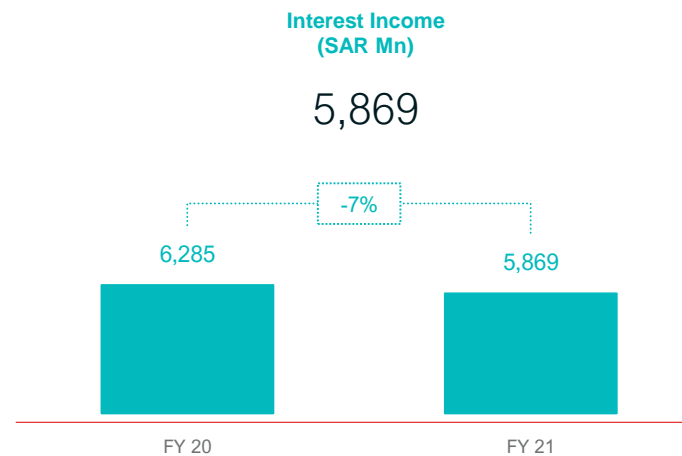
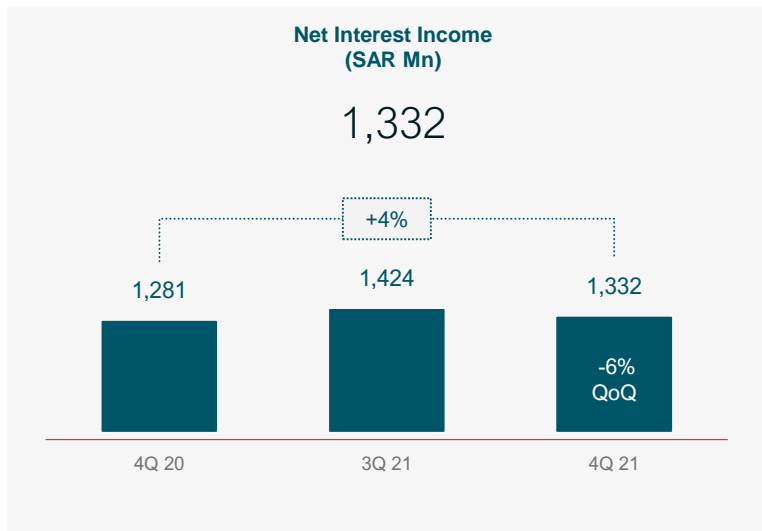
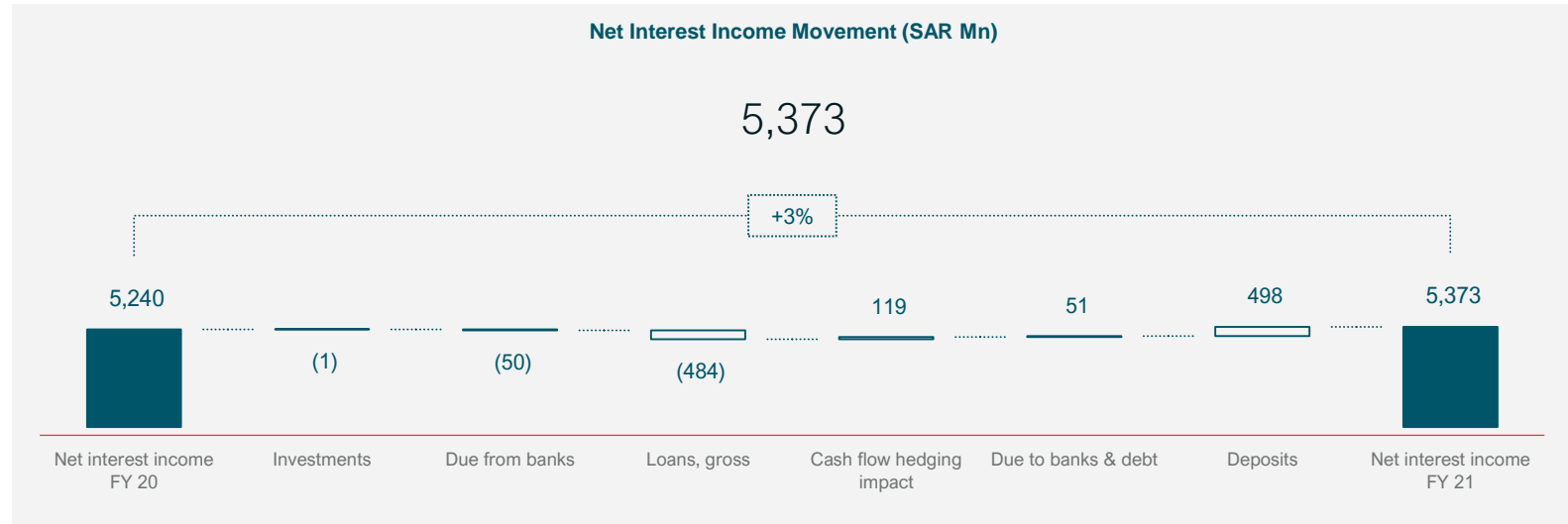


Non Interest Bearing Deposits (SAR Bn)



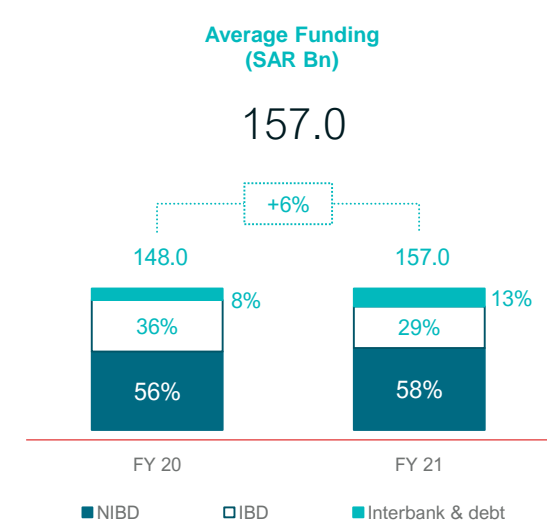
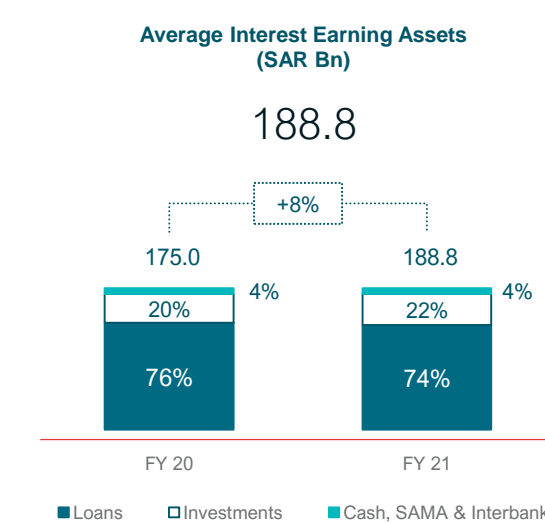
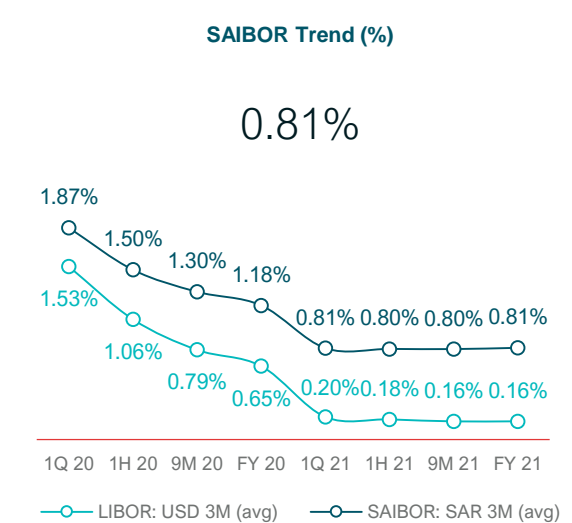
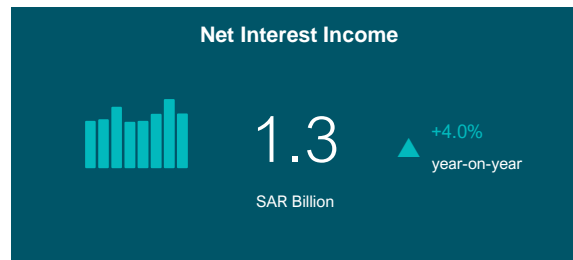
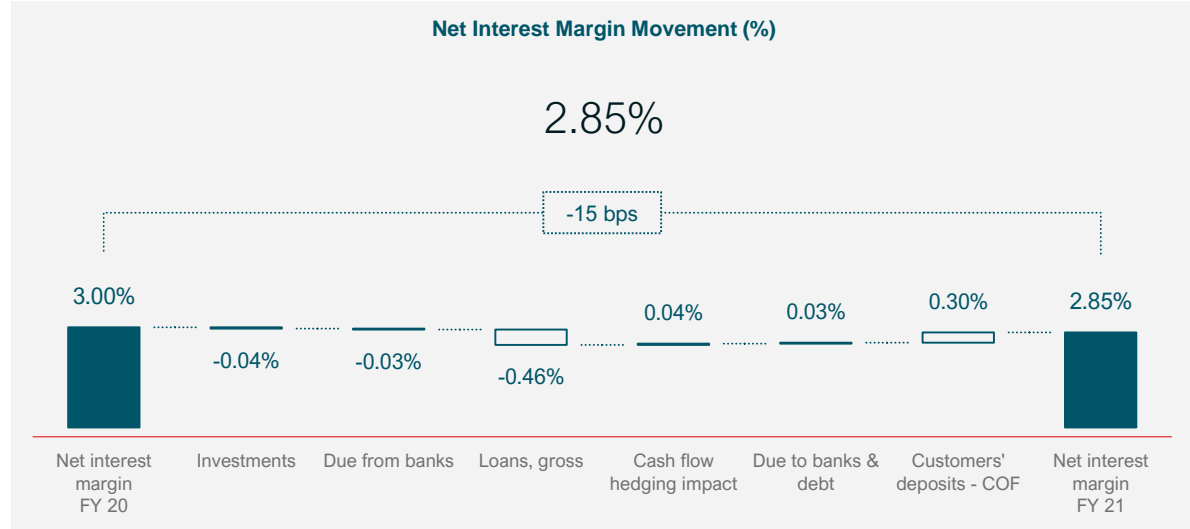
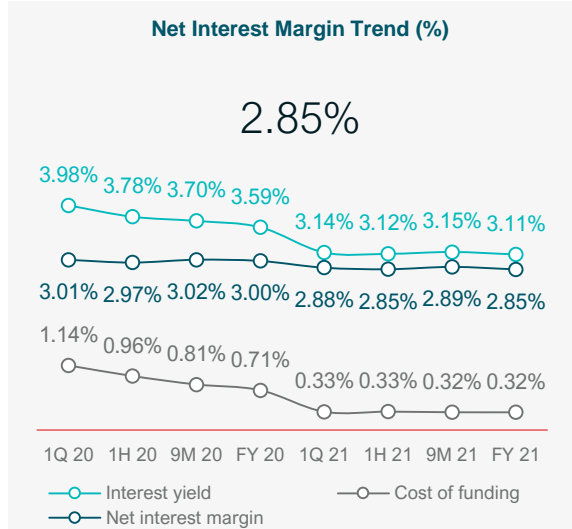
NII growth of 3% as earning assets growth partly offset by moderate margin contraction

- NII for 2021 grew 3% YoY to SAR 5,373mn as 11% growth in average earning assets was partly offset by a moderate 15bps margin contraction.
- Interest income declined 7% YoY to SAR 5,869mn in 2021, which was more than compensated for by a 53% improvement in funding costs to SAR 495mn.



Yield pressure from lower rates partly offset by improved funding costs

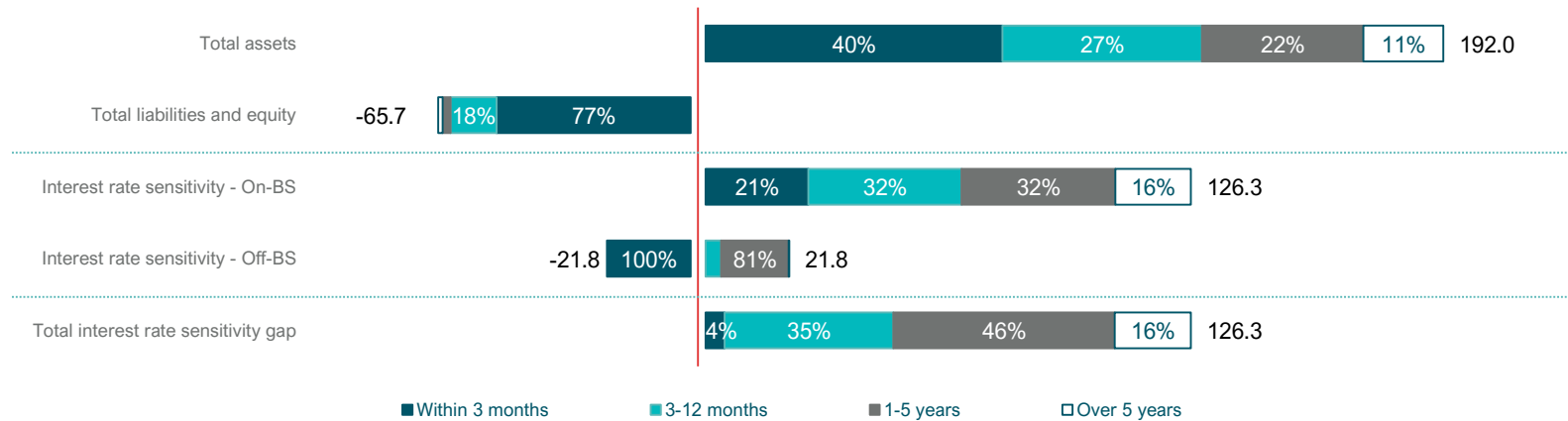
- The NIM decreased by 15bps YoY to 2.85% in 2021.
- The margin was supported by improved funding costs YoY, partly offsetting lower asset yields from the lower rate environment.
- Funding costs improved by 39bps YoY to 0.32% in 2021.



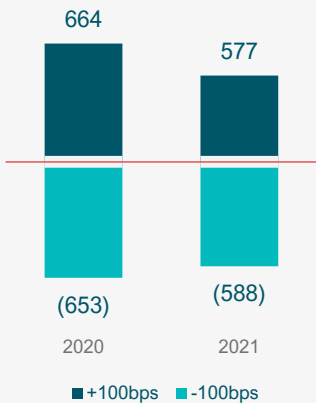
BSF is positively positioned for a rising rate environment

- BSF estimates one-year NIM sensitivity of 100bps rate rise at +30bps or +SAR 577mn in net interest income.
- This is based on the positive total interest rate sensitivity gap of SAR 48.9bn as at 31 December 2021 (i.e. 38.7% of SAR 126.3bn maturing or re-pricing within 12 months).
- Historically, the impact of the cash flow hedge swaps was greater when rates declined compared to when rates rose.
- The notional value of cash flow hedge swaps has declined over time to 14% of AIEA in 4Q 2021.

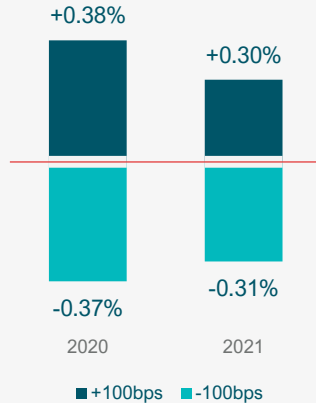
Exposure to Interest Rate Risk (SAR Bn)



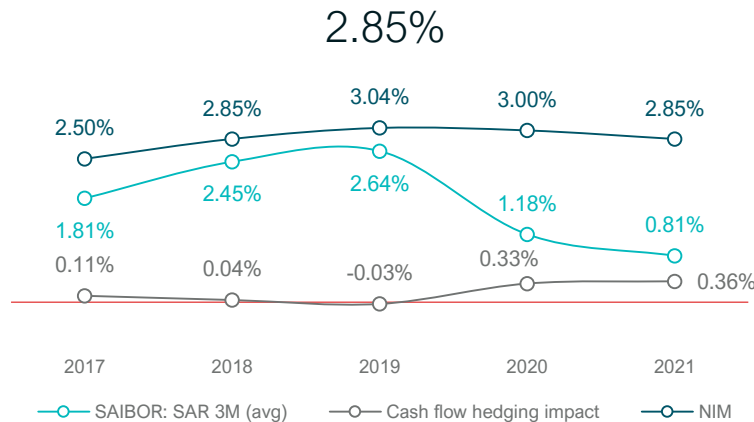
NII Impact of 100bps Rate Change (SARmn)



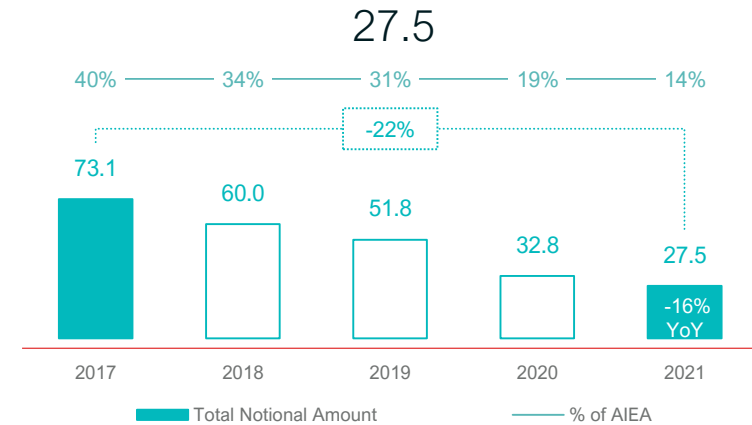
NIM Impact of 100bps Rate Change (%)



NIM, Rates and CFH Impact Trends (%)



Cash Flow Hedges Swaps (SAR Bn)



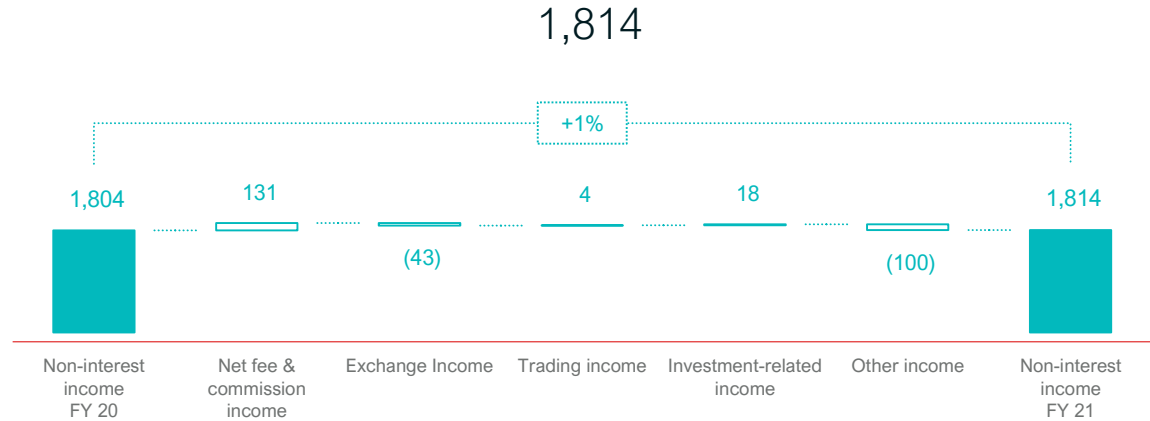
Note: Exposure to interest rate risk is shown in time buckets based on the earliest of first re-pricing date and contractual maturity; Interest rate sensitivity assumes 100bps parallel change in both SAR and USD rates

Non-interest income grew 1% from improved brokerage and lending, partly offset by lower exchange and other income

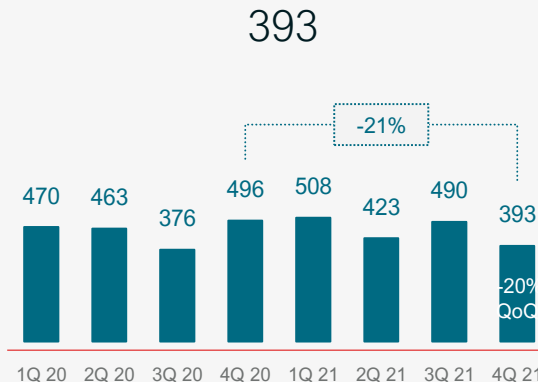
- Non-interest income for 2021 grew 1% YoY at SAR 1,814mn from improved net fee & commission income, partly offset by lower exchange and other income, the latter benefitting from one-off income of SAR 72mn in 2020.
- Net fee & commission income improved 12% YoY to SAR 1,213mn in 2021 from strong growth in brokerage income and higher lending fees, partly offset by lower net card fees.

SAR (Mn)	4Q 2021	4Q 2020	Δ%	2021	2020	Δ%
Fee & commission income	412	459	-10%	1,729	1,523	+13%
Fee & commission expenses	(125)	(134)	-7%	(515)	(441)	+17%
Net fee & commission income	287	324	-12%	1,213	1,082	+12%
Exchange Income	93	82	+13%	336	379	-11%
Trading income	(12)	61	-119%	172	168	+2%
Banking-related income	368	468	-21%	1,721	1,629	+6%
Investment-related income	6	4	+60%	29	12	+153%
Other income	19	24	-21%	64	164	-61%
Non-interest income	393	496	-21%	1,814	1,804	+1%

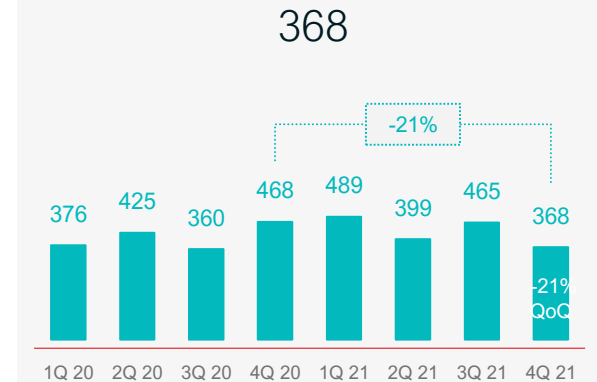
Non-Interest Income Movement (SAR Mn)



Non-Interest Income (SAR Mn)



Banking-Related Income (SAR Mn)



Lending Fees



72

SAR Million

-13.1%
year-on-year

Brokerage & Asset Management Income



80

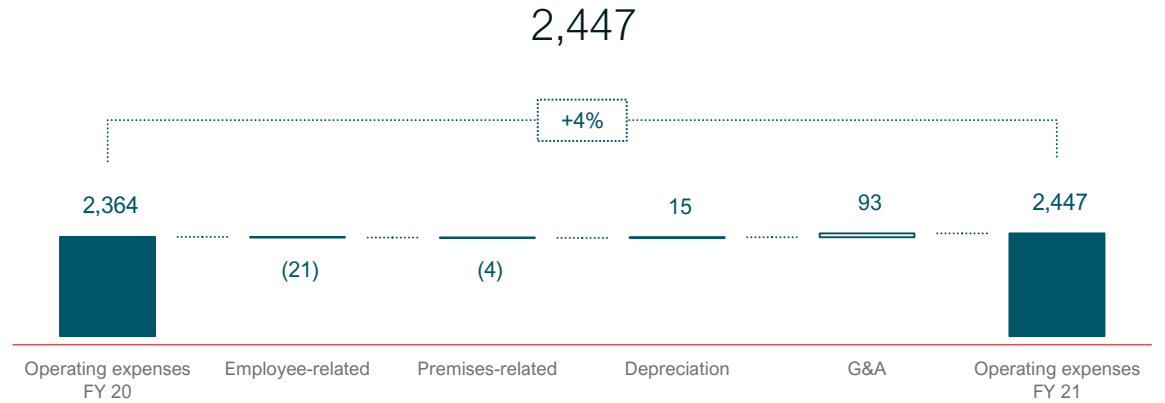
SAR Million

-23.4%
year-on-year

Higher operating expenses due increase in VAT rate

- Operating expenses increased 4% YoY to SAR 2,447mn in 2021 due to increased rate of VAT in Saudi Arabia from 5% to 15%.
- The cost to income ratio increased modestly to 34.0% in 2021 from 33.6% in 2020.
- Relative to the previous quarter, operating expenses rose 2%.

Operating Expenses Movement (SAR Mn)



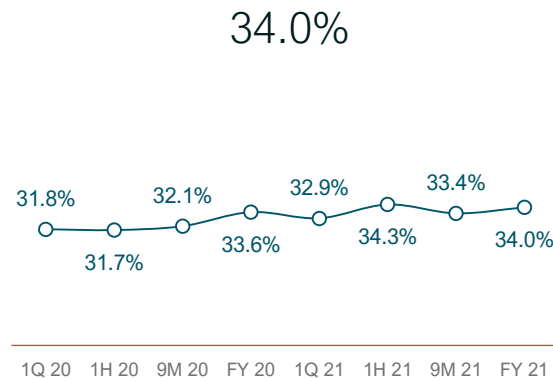
Employee-Related



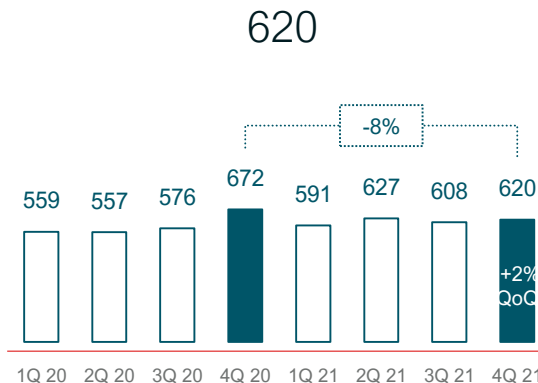
G&A



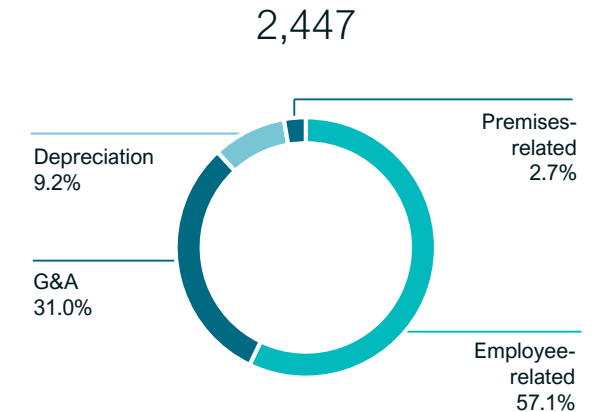
Cost To Income Ratio (%)



Operating Expenses (SAR Mn)

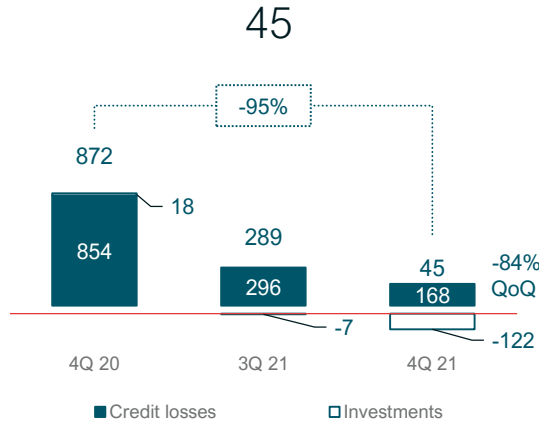


FY 21 Operating Expenses Composition (SAR Mn)

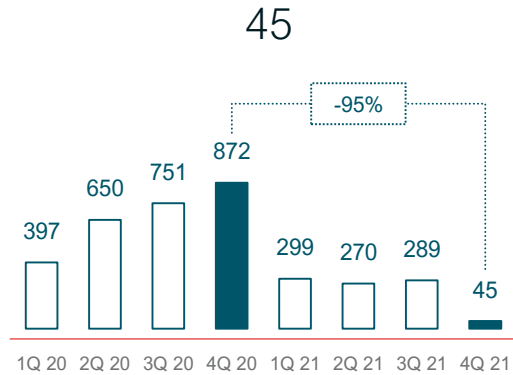


Moderation in impairment charge and cost of risk from peak in 4Q 2020

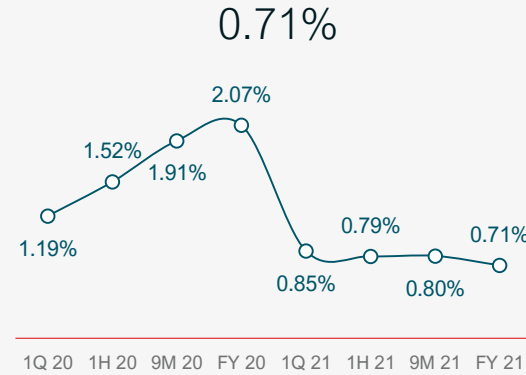
Impairment Charge (SAR Mn)



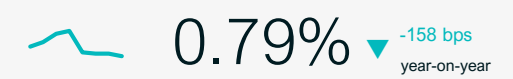
Impairment Charge (SAR Mn)



Cost of Credit Risk (%)



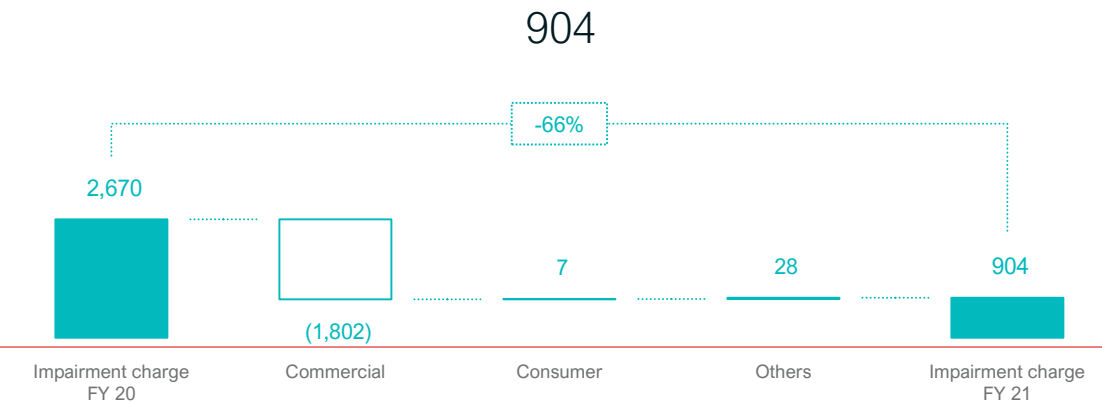
Commercial COR



Consumer COR



Impairment Charge Movement (SAR Mn)

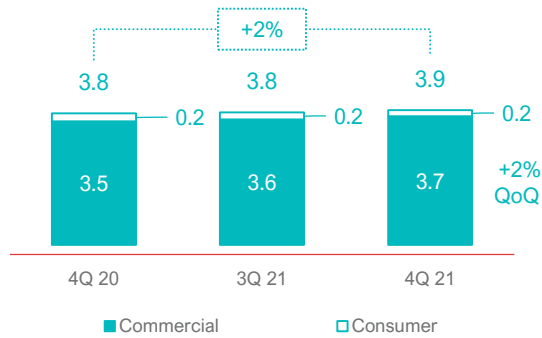


- The total impairment charge for 2021 moderated to SAR 904mn from SAR 2,670mn in 2020.
- The impairment charge in 2020 was elevated due to a reassessment of macroeconomic scenarios (based on more pessimistic forecasts owing to Covid-19), a conservative review of borrower risk ratings resulting in IFRS 9 Stage transitions, additional sector-based overlays and NPL coverage improvements.

NPL ratio moderated during 2021 and NPL coverage broadly stable YoY

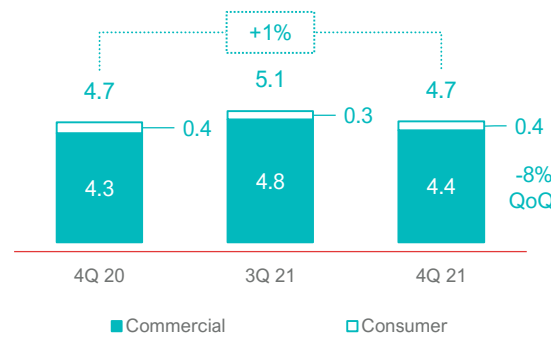
Non Performing Loans & Advances (SAR Bn)

3.9



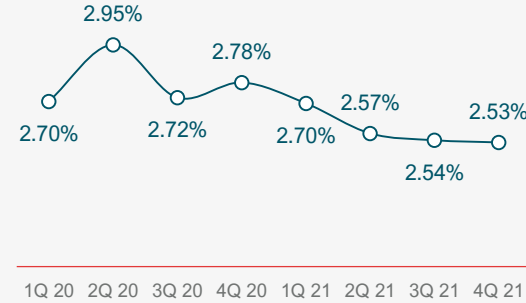
Allowance For Impairment (SAR Bn)

4.7



NPL Ratio (%)

2.53%



Commercial NPL Ratio (%)

2.9% ▼ -21 bps year-on-year



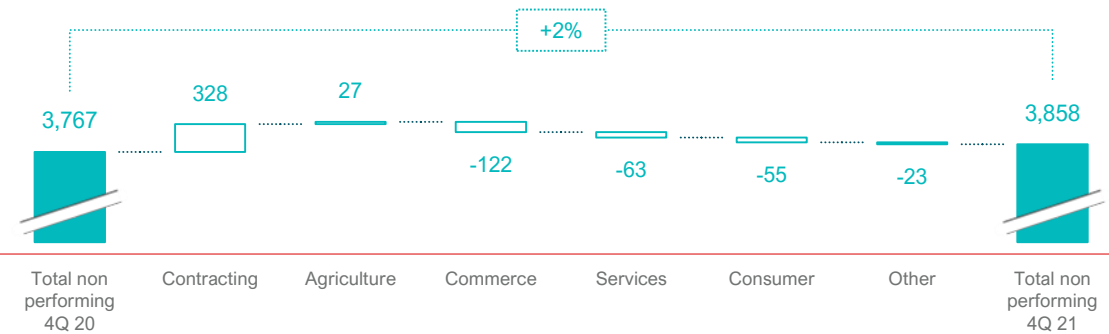
Consumer NPL Ratio (%)

0.6% ▼ -35 bps year-on-year



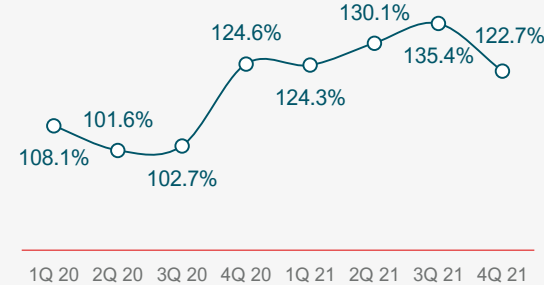
Total Non Performing Movement (SAR Mn)

3,858



NPL Coverage Ratio (%)

122.7%



Commercial NPL Coverage (%)

119% ▼ -2 pts year-on-year



Consumer NPL Coverage (%)

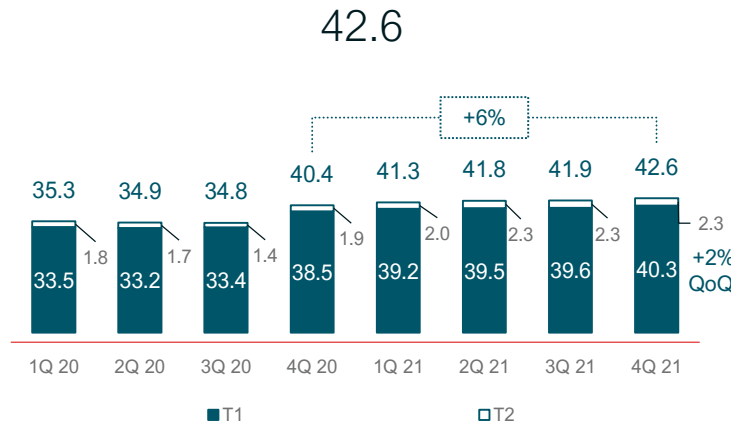
204% ▲ +21 pts year-on-year



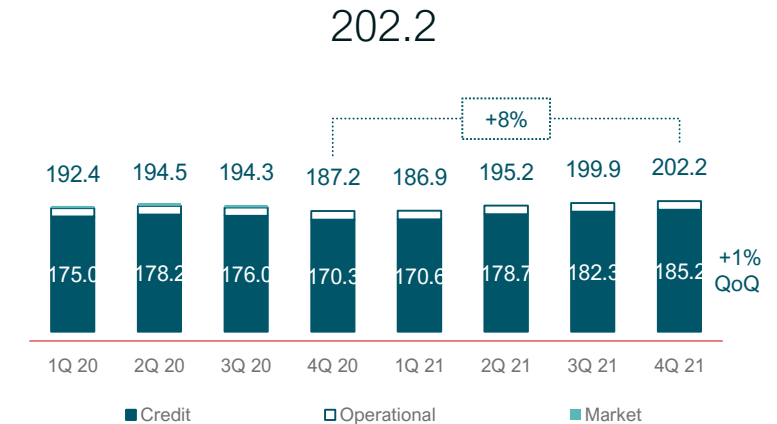
Capital ratios broadly stable during 2021

- Total capital increased by SAR 2.2bn (+6% YoY) during 2021 from net income generation, partly offset by dividend payments.
- RWAs increased 8% during 2021 to SAR 202.2bn.
- CAR was 21.09% and the Tier 1 ratio was 19.94% as at 31 December 2021, broadly stable from 4Q 2020.

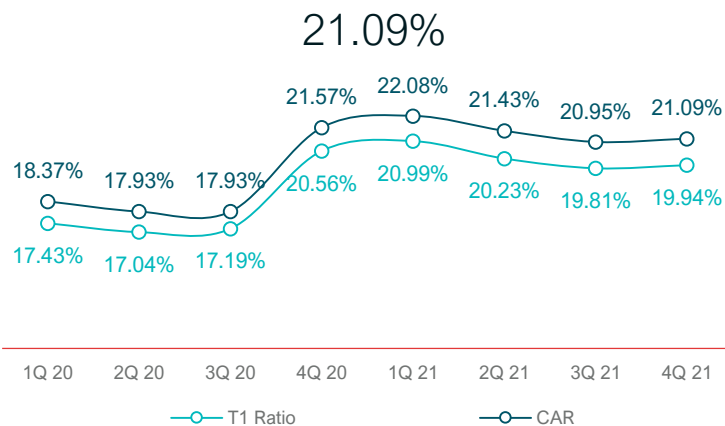
Total Capital (SAR Bn)



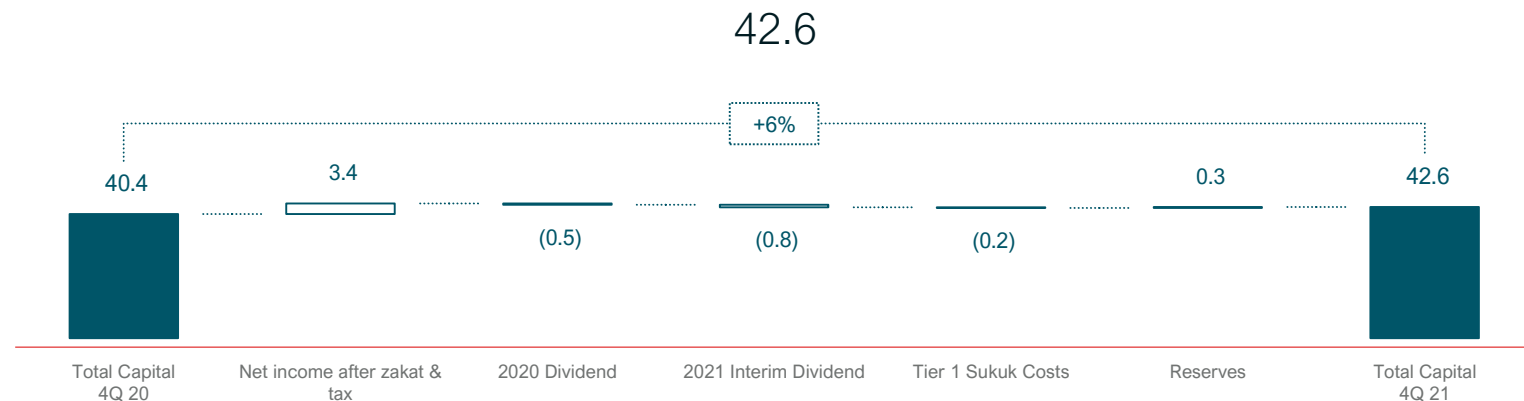
RWA (SAR Bn)



CAR (%)



Total Capital Movement (SAR Bn)

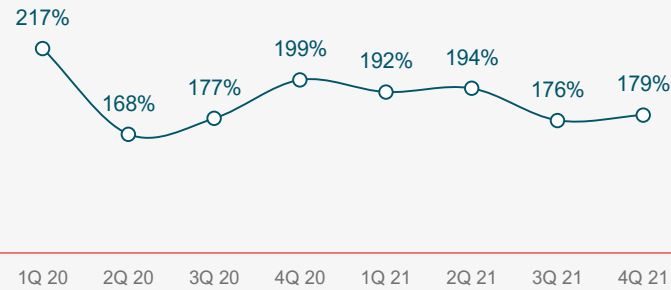


Liquidity remains strong and comfortably within regulatory limits

- NSFR was stable YoY at 118%.
- LCR declined by 20ppts during 2021 due to more efficient utilization of excess liquidity but remains at a comfortable level of 179%.
- The bank continues to manage the LTD ratio for optimum efficiency in cost of funding, while maintaining the SAMA regulatory ratio, which was 86.9% as at 31 December 2021, within required levels.

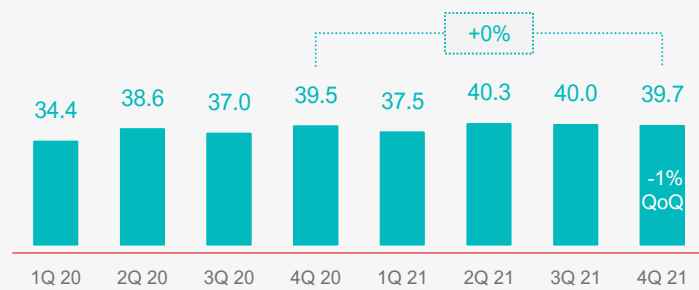
LCR Average (%)

179%



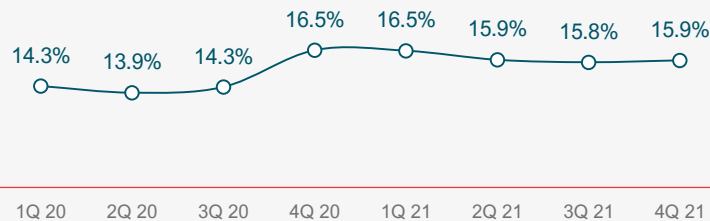
HQLA (SAR Bn)

39.7



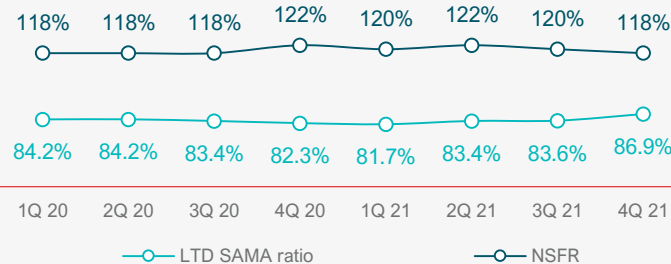
Leverage ratio (%)

15.9%



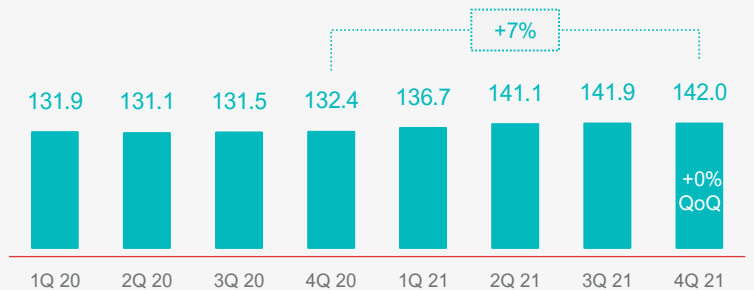
NSFR (%)

118%



Available Stable Funding (SAR Bn)

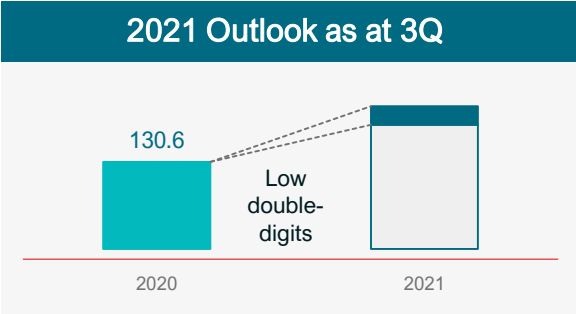
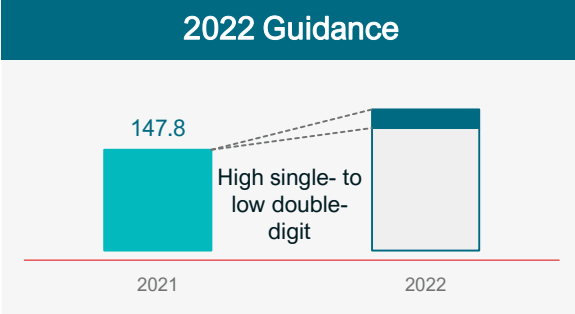
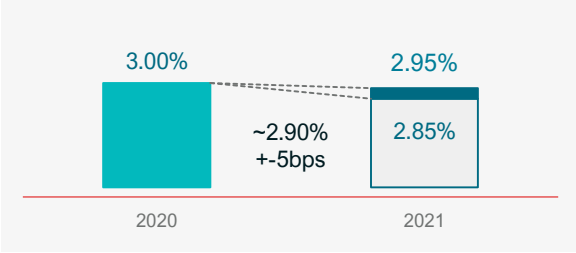
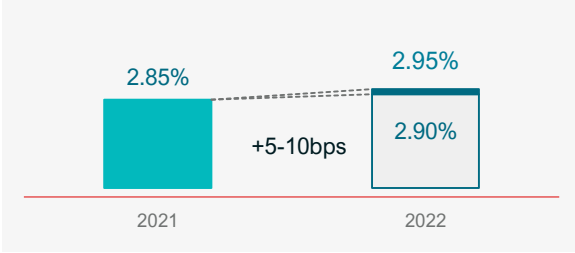
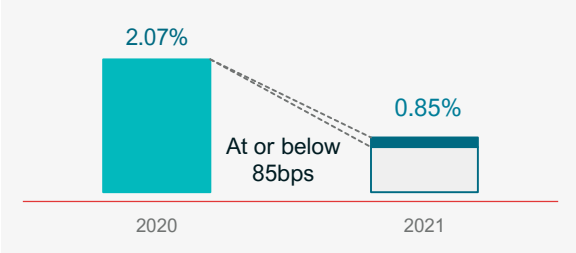
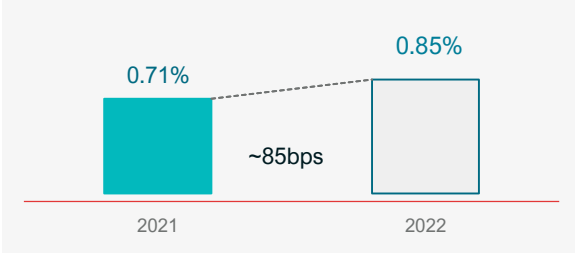
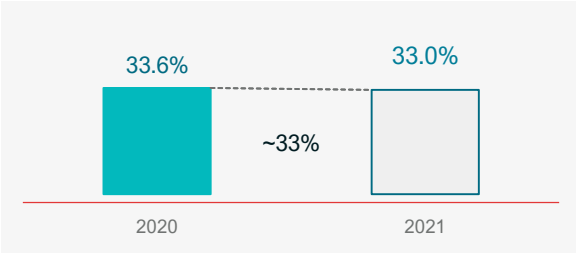
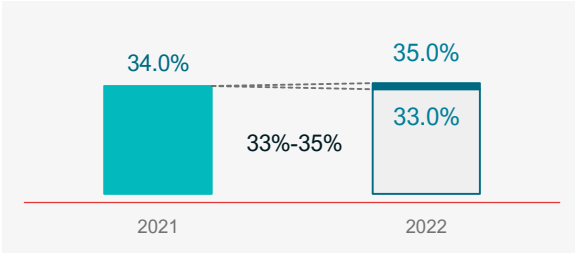
142.0



INVESTOR PRESENTATION 4Q 2021

Outlook and Guidance

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

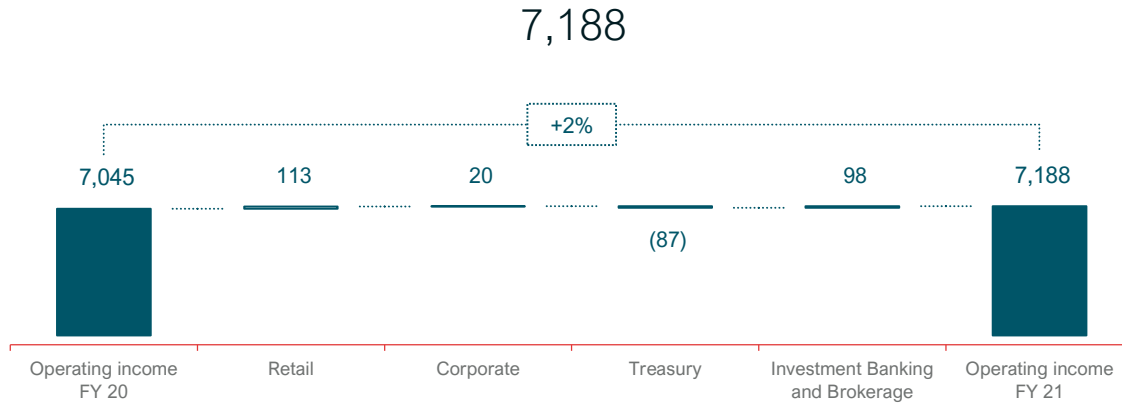
		2021 Outlook as at 3Q	2021 Outcome	2022 Guidance
LOANS & ADVANCES, NET NET INTEREST MARGIN COST OF RISK COST TO INCOME RATIO	<ul style="list-style-type: none"> 2021 growth of 13%. Balanced growth of consumer and commercial lending expected in 2022. 		<p>Loans & Advances SAR Billion</p> <p>147.8</p> <p>▲ +13.2% year-on-year</p>	
	<ul style="list-style-type: none"> NIM declined 15bps YoY. 2022 NIM expected to rise +5-10bps subject to timing of rate rises and end of Government support measures. 		<p>NIM (%)</p> <p>2.85%</p> <p>▼ -15 bps year-on-year</p>	
	<ul style="list-style-type: none"> Cost of risk moderated to 71bps in 2021. Cost of risk for 2022 expected be around 85bps. 		<p>Cost of risk (%)</p> <p>0.71%</p> <p>▼ -136 bps year-on-year</p>	
	<ul style="list-style-type: none"> 2021 CI-ratio was 34.0%. Expect CI-ratio at 33%-35% for 2022 on increased Capex. 		<p>Cost to income ratio (%)</p> <p>34.0%</p> <p>▲ +48 bps year-on-year</p>	

INVESTOR PRESENTATION 4Q 2021

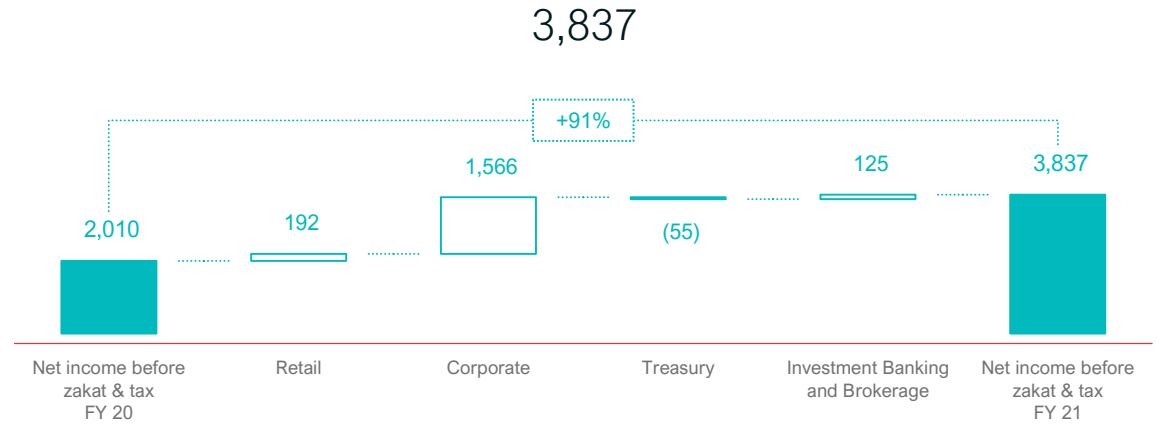
Segmental Performance

Healthy profit growth in all segments expect for Treasury

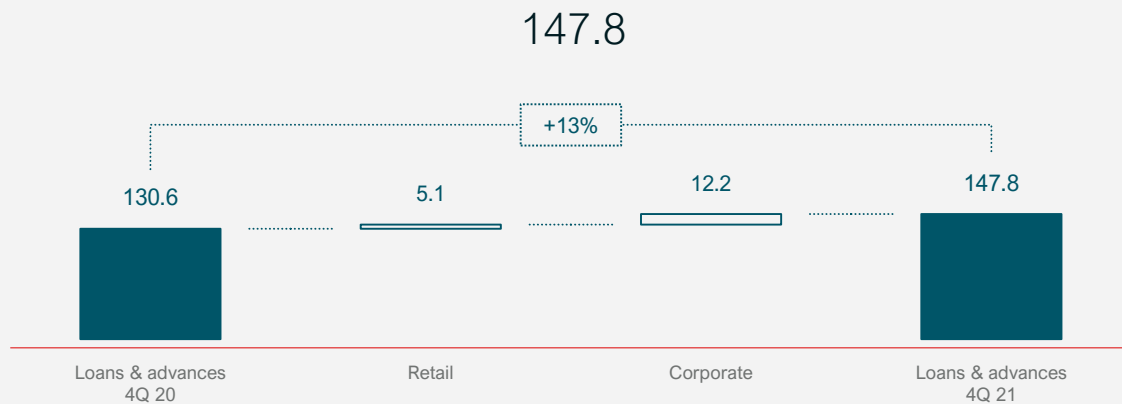
Operating Income Movement (SAR Mn)



Net Income Before Zakat & Tax Movement (SAR Mn)



Loans & Advances Movement (SAR Bn)

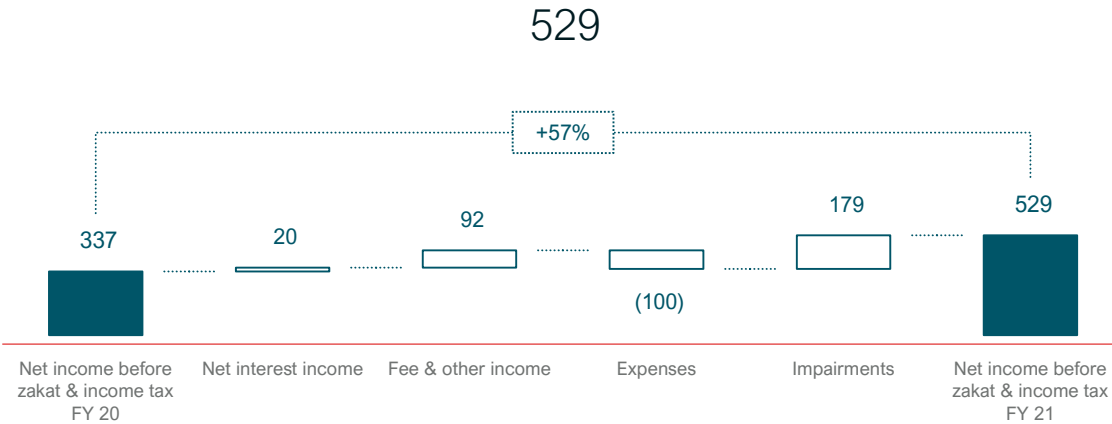


Customers' Deposits Movement (SAR Bn)

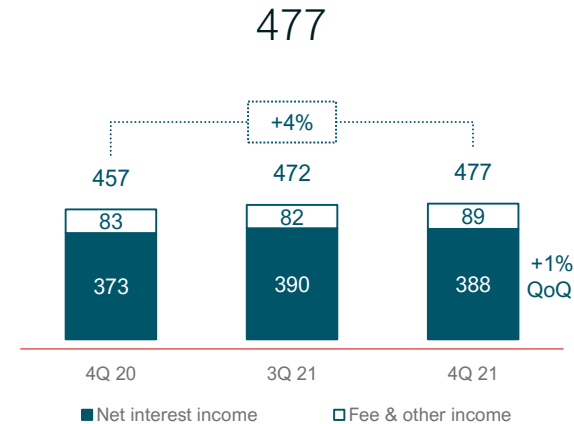


Growth in profits driven by higher income and lower impairments

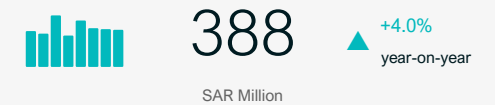
Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



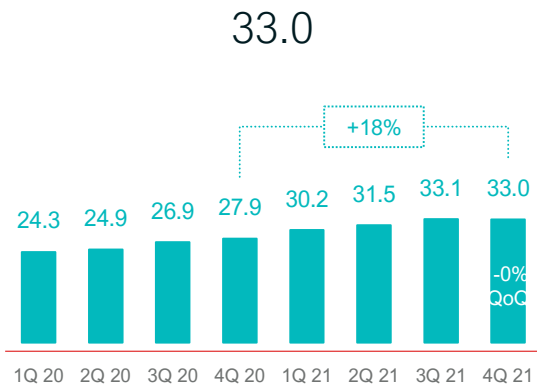
Net Interest Income



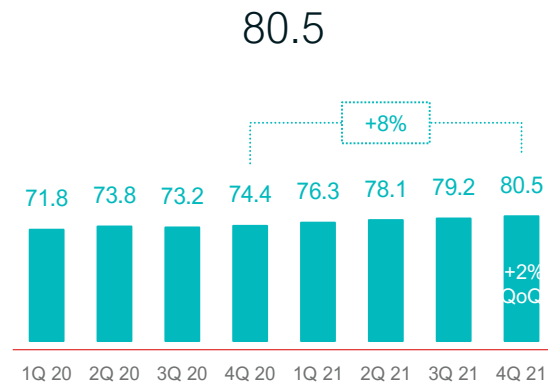
Fee & other income



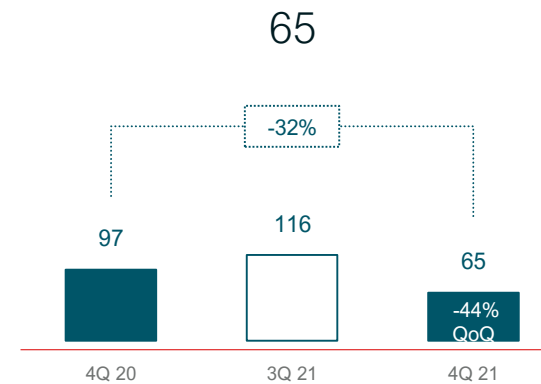
Retail Loans (SAR Bn)



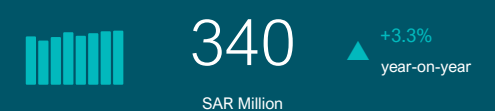
Retail Deposits (SAR Bn)



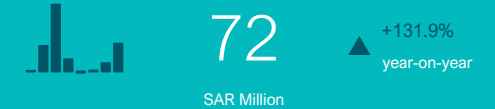
Net Income Before Zakat & Income Tax (SAR Mn)



Expenses

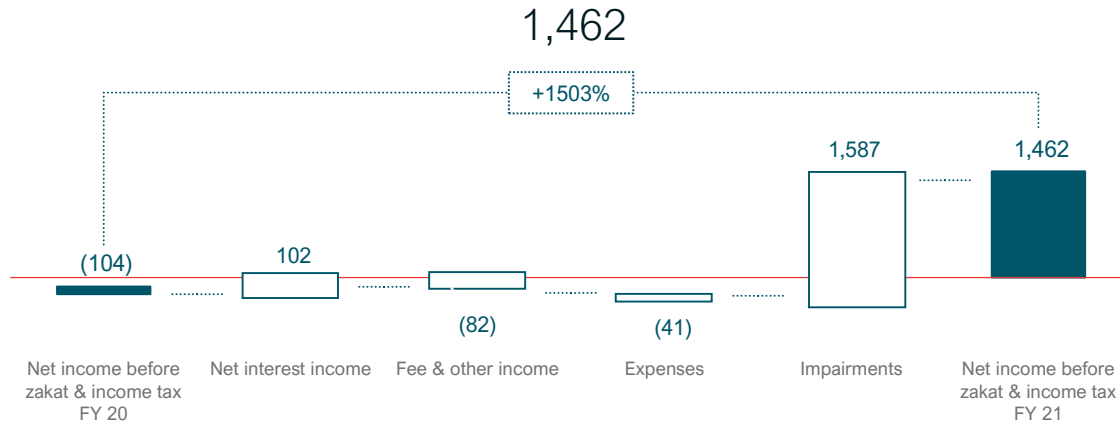


Impairments

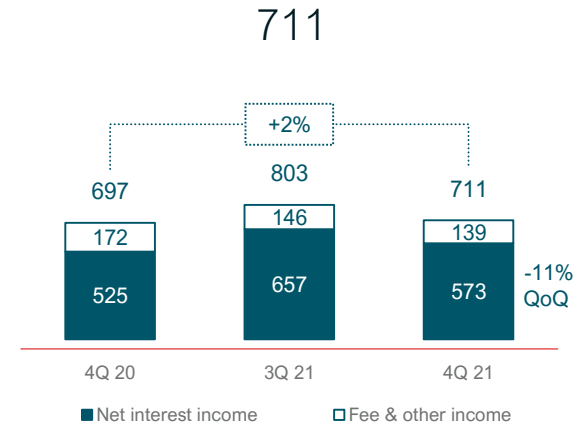


Lower impairments drive improvement in Corporate profitability

Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



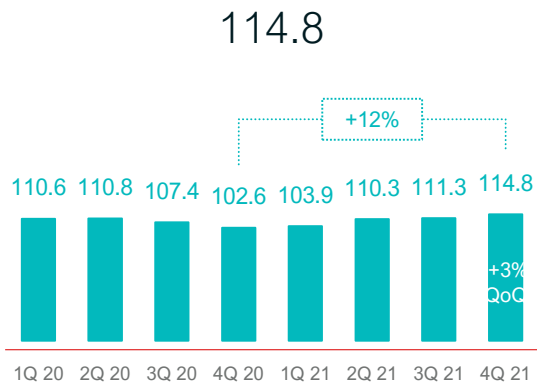
Net Interest Income



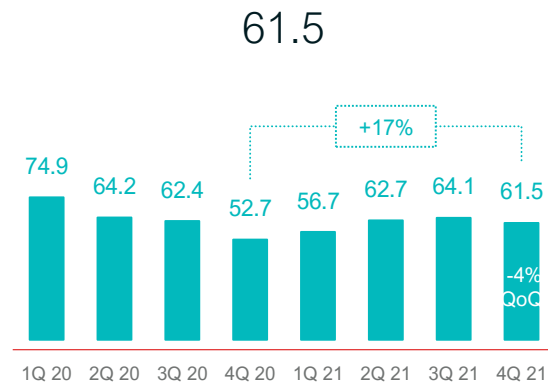
Fee & other income



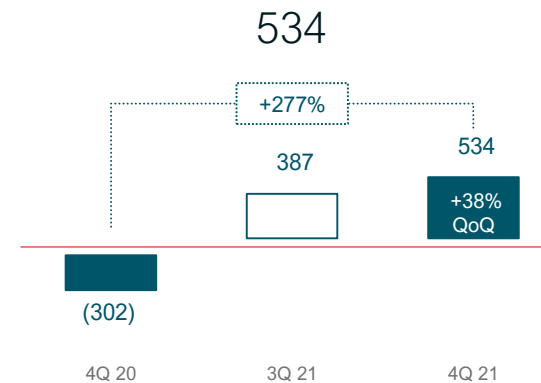
Corporate Loans (SAR Bn)



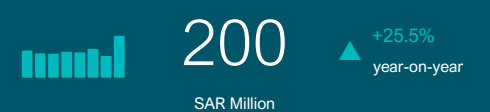
Corporate Deposits (SAR Bn)



Net Income Before Zakat & Income Tax (SAR Mn)



Expenses

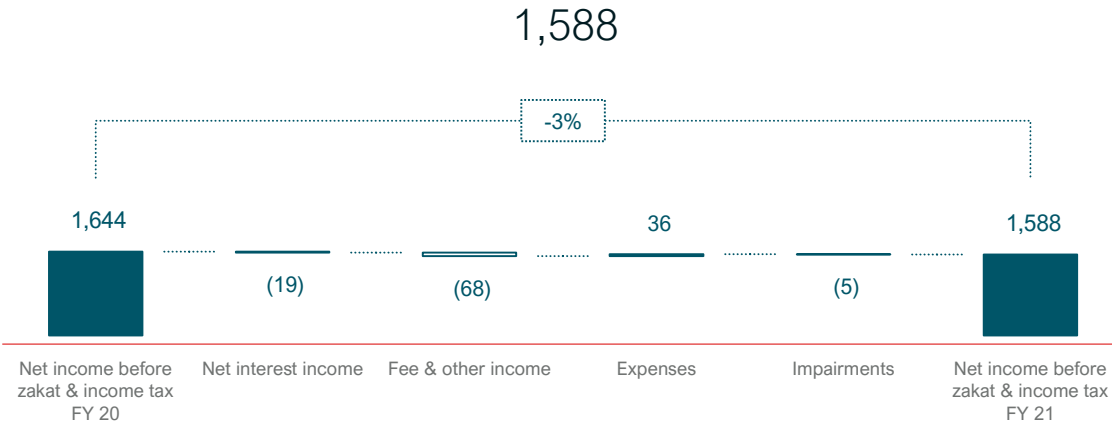


Impairments

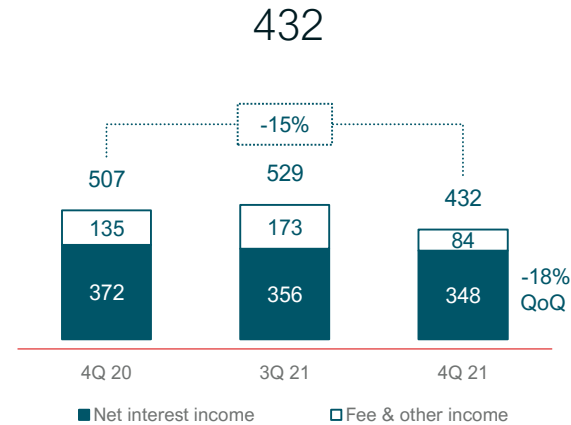


Decline in profit driven by lower fee and other income and higher expenses

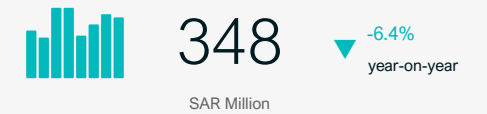
Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



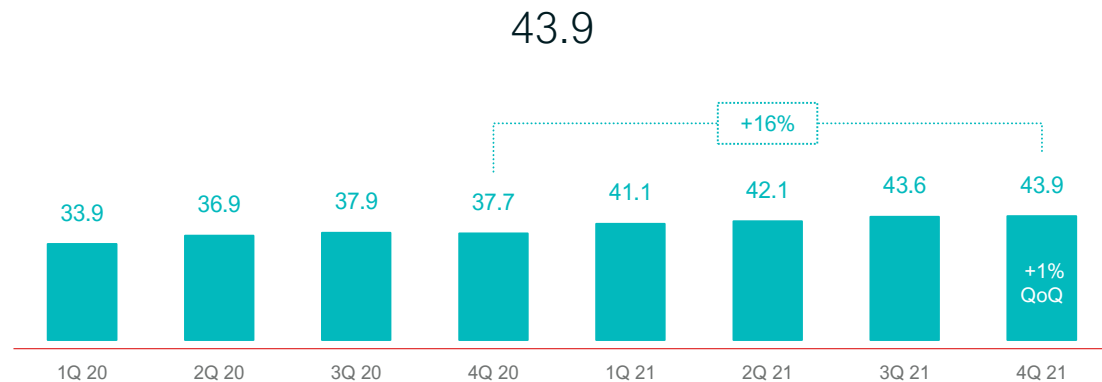
Net Interest Income



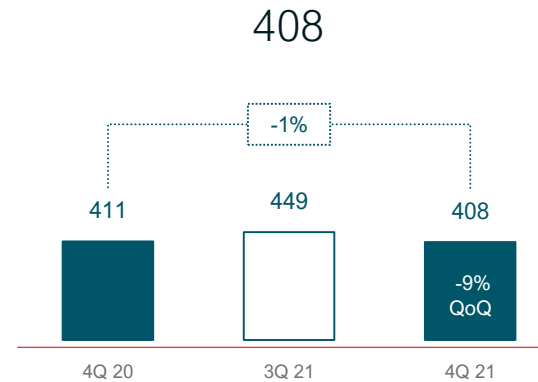
Fee & other income



Investments (SAR Bn)



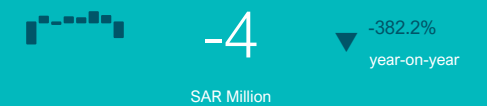
Net Income Before Zakat & Income Tax (SAR Mn)



Expenses

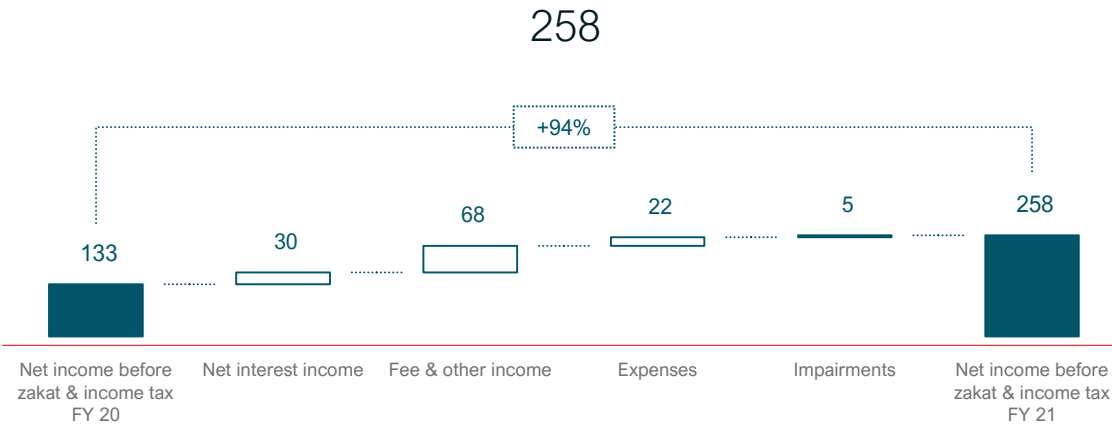


Impairments

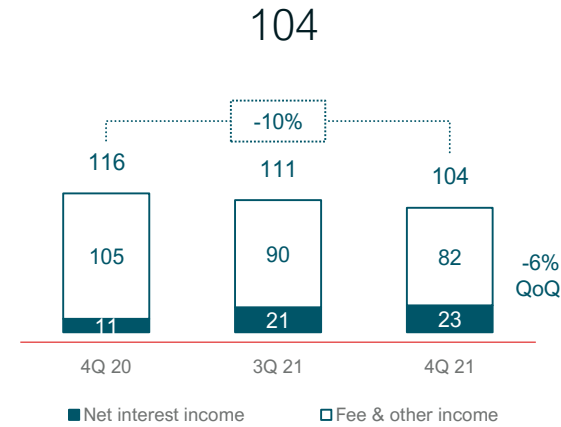


Profitability improvement from higher brokerage & asset management income

Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



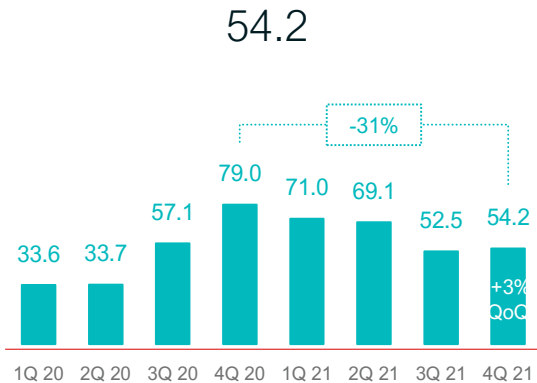
Net Interest Income



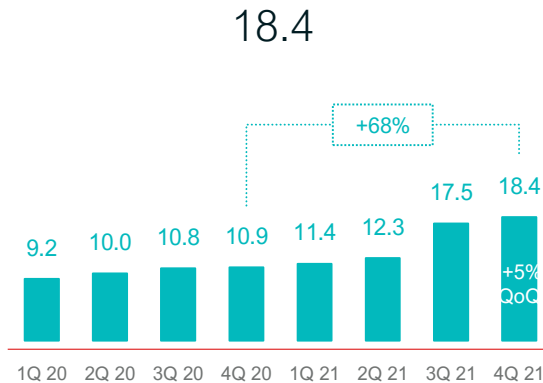
Fee & other income



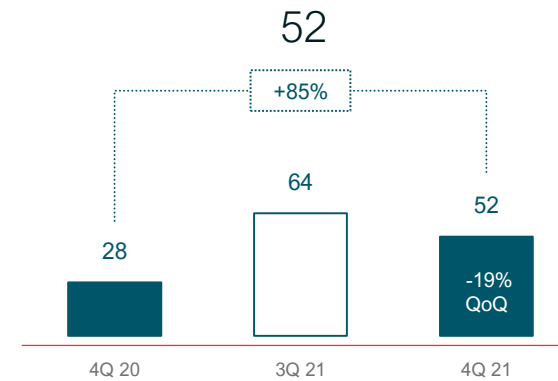
Brokerage Trading Value (Bn)



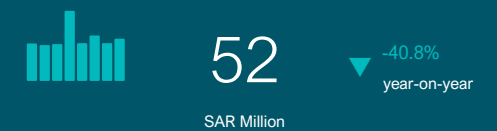
Assets Under Management (SAR Bn)



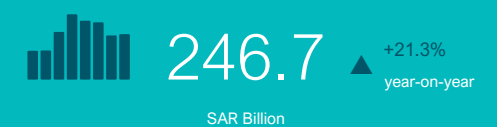
Net Income Before Zakat & Income Tax (SAR Mn)



Expenses



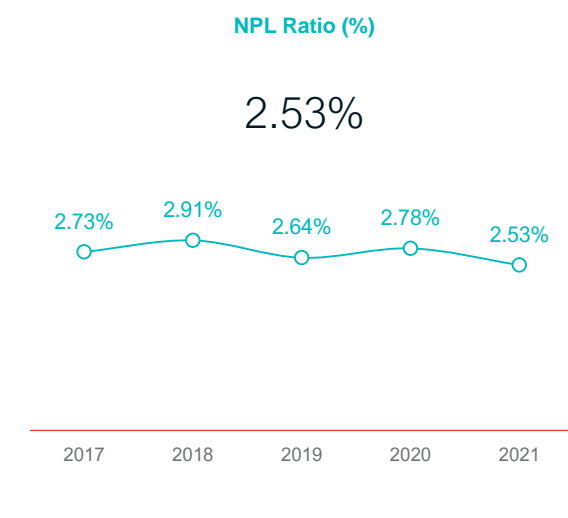
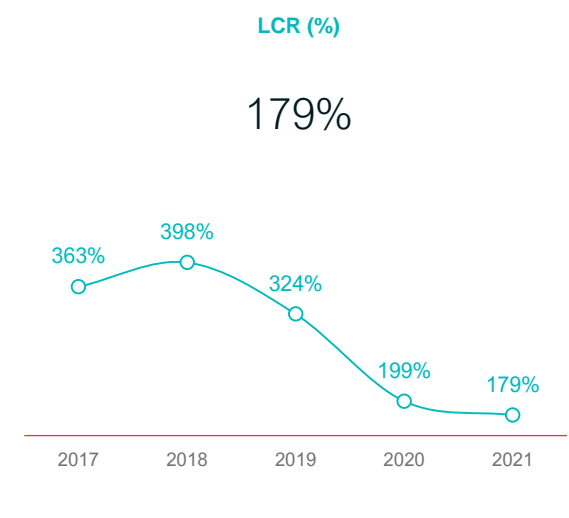
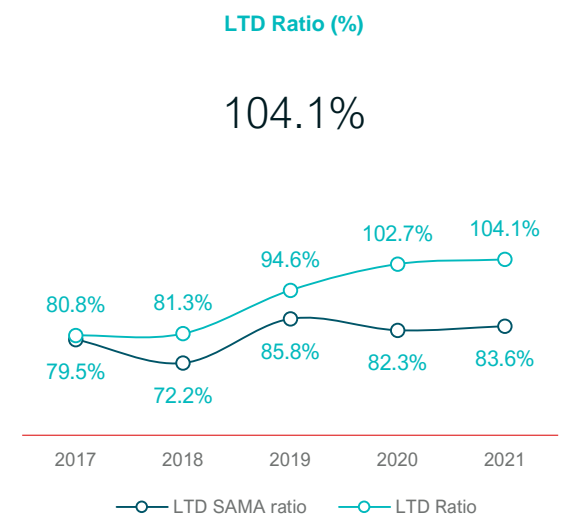
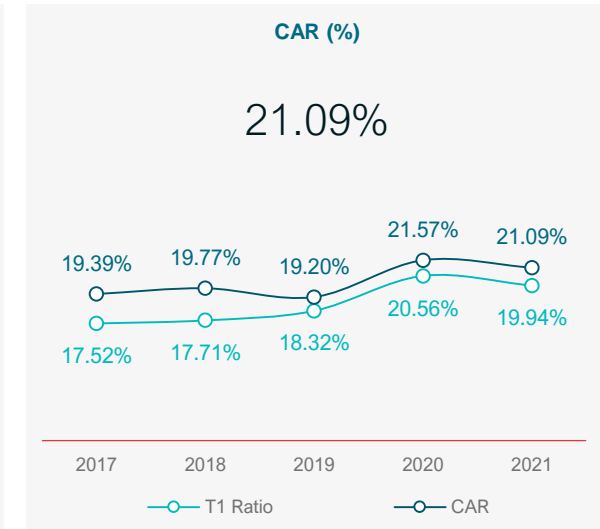
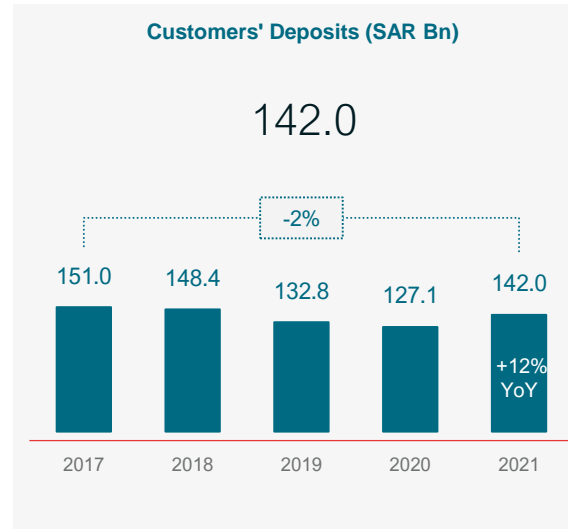
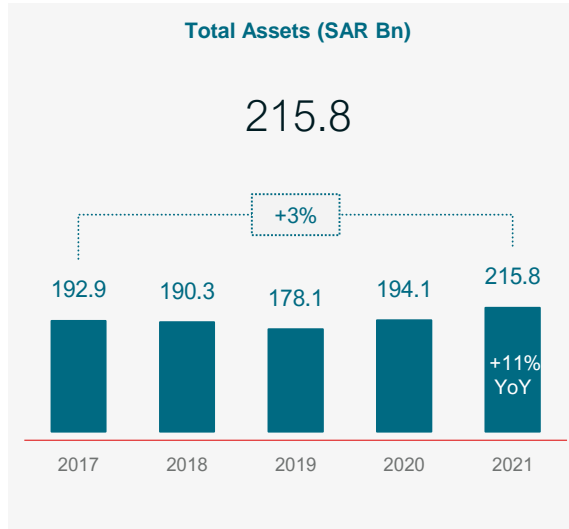
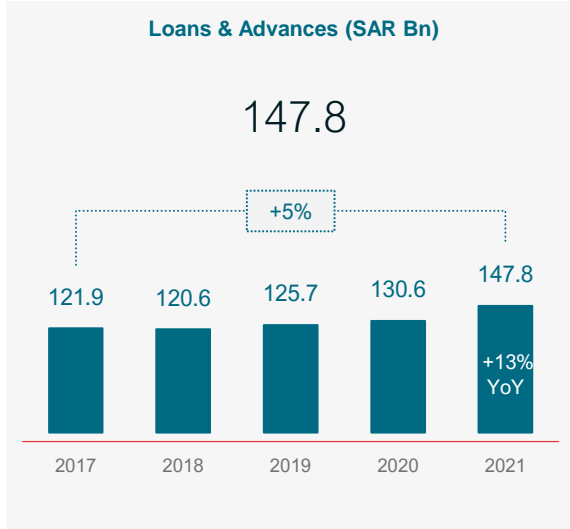
Brokerage Trading Value (FY 20)



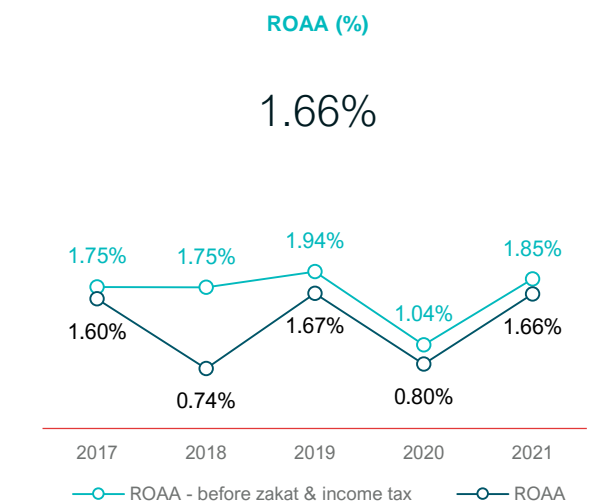
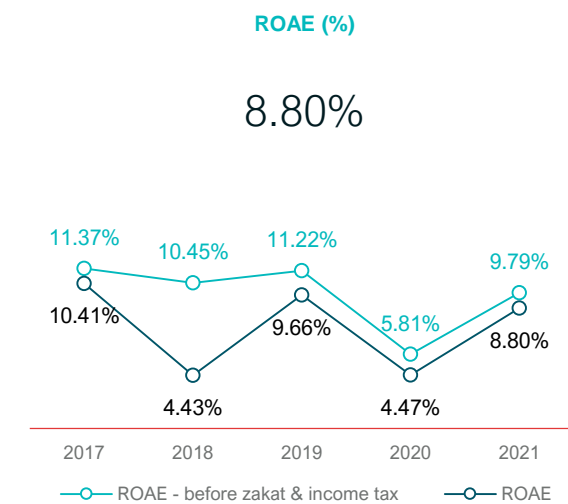
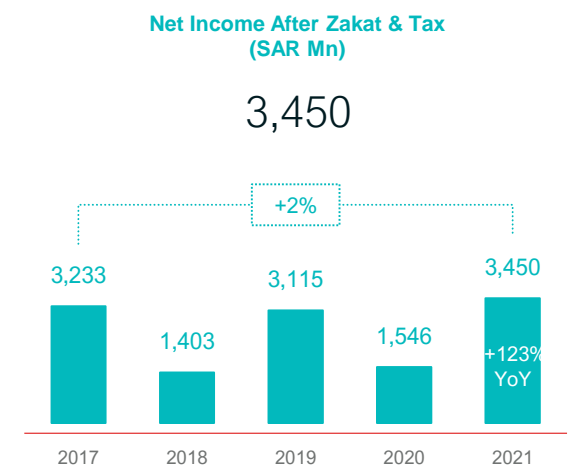
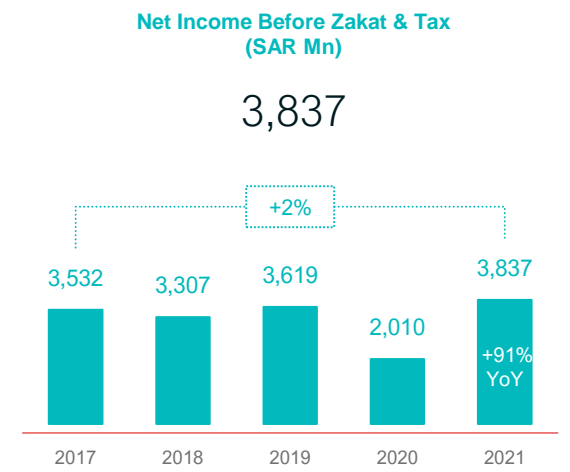
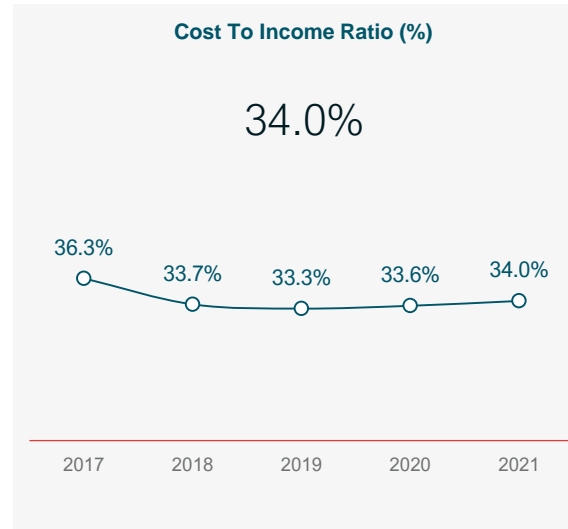
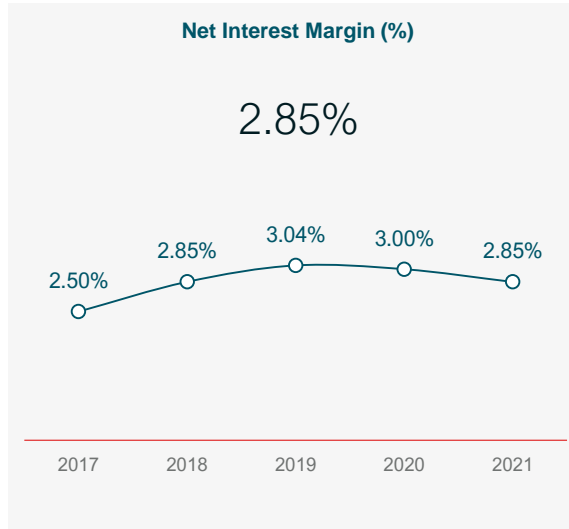
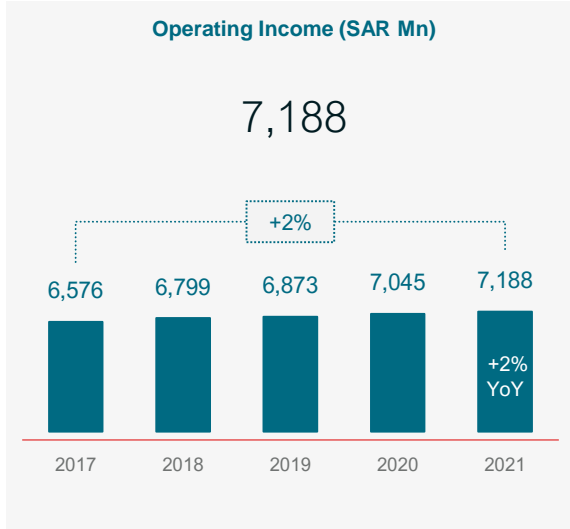
INVESTOR PRESENTATION 4Q 2021

Performance Track Record

Balance Sheet Metrics



Income Statement Metrics



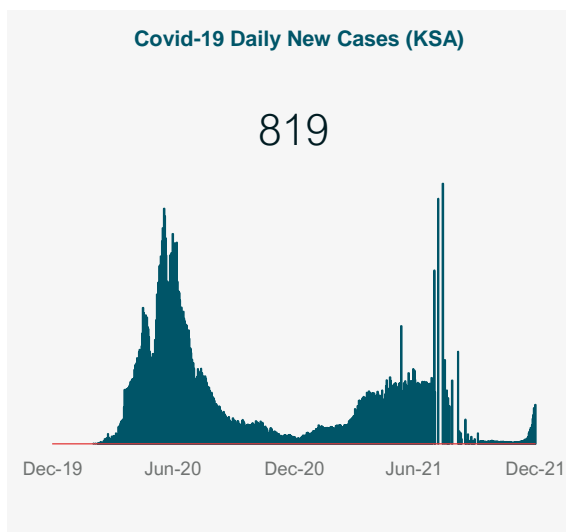
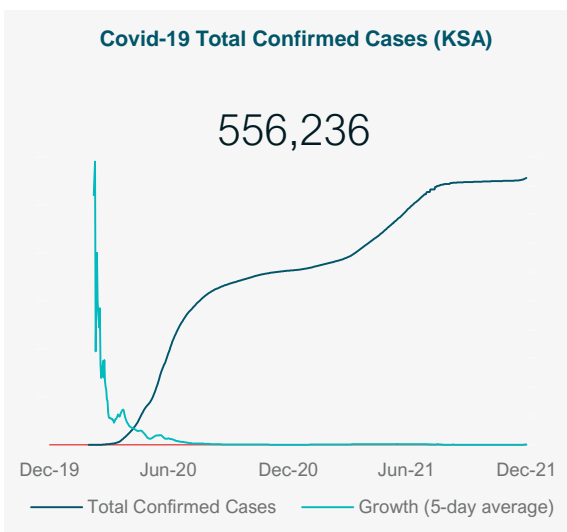
INVESTOR PRESENTATION 4Q 2021

Appendix

Saudi Arabia responded strongly to contain the pandemic and support the economy

Social measures and local cases

- The KSA government acted decisively and quickly to suspend to curtail, inter alia, domestic and international aviation, attendance for schools and universities, sporting activities and entertainment venues, non-critical employee attendance in government and private sectors, Umrah, prayers at mosques, and suspension of Hajj season, and inter-province transportation.
- Enforced partial or full curfews and lockdowns with varying degrees, depending on city and/or neighborhood,
- The Government has now ended the lockdowns and has begun taking phased measures to normalize international travel and resume Umrah pilgrimages.



Support and stimulus programs

SAMA Programs	Other Measures
<p>Private Sector Financing Support SAR 100 billion</p> <ul style="list-style-type: none"> ▪ SAR 30bn Deferred Payments ▪ SAR 13.2bn Funding for Lending ▪ SAR 6bn Loan Guarantees ▪ SAR 0.8bn Supporting Fees of POS and E-Commerce ▪ SAR 50bn Banking Liquidity Injection 	<ul style="list-style-type: none"> ▪ Social Development Bank: SAR 12bn SME and low-income family support ▪ Ministry of Interior: Free extension of Iqama and visas ▪ Ministry of Municipal and Rural Affairs: delayed service fee payments for 1,400 economic entities ▪ Ministry of Commerce: Delayed license renewal fees for 116k entities ▪ Saudi Customs: postponed customs collections
Ministry of Finance Programs	
<p>Economic Support SAR 150 billion+</p> <ul style="list-style-type: none"> ▪ Increase Debt to GDP limit to 50% and Repo rate cut to 1.0% ▪ SAR 117bn Private Sector Payments ▪ SAR 47bn Health Sector Allocations ▪ SAR 43bn deferrals & exemptions of levies, fees and taxes ▪ Increase in VAT from 5% to 15% from 1 July 	<ul style="list-style-type: none"> ▪ General Authority of Zakat and Tax: Delayed declarations and payments of VAT ▪ Saudi Financial Support Services: cover 60% of private sector salaries SAR 9bn

BSF's response to Covid-19 was effective and executed against a robust plan

Putting the safety of our people first

- Initiated and expanded flexible and remote working arrangements, 50% of staff working remotely in June (from 70% at height of crisis)
- Reduced number of branches operational to less than 30% (currently 100% operational)
- Provided infection protection for our teams
- Implemented social distancing measures and shift-based attendance
- Issued regular, transparent communications to reassure our teams and align with all current Government policies and advice

Supporting communities

- Donated SAR 12mn to the Health Endowment Fund
- Donated SAR 7.2mn to the Social Charity Fund
- BSF employee participation in ministry of housing initiatives through JOOD and donated SAR 240k
- Deferred mortgage and personal loans payments for private and government health sector workers

Supporting customers

- Waived payments on mortgages and personal loans for 3 months
- Refund of all currency transaction fees
- Waived refinancing and facility cancellation fees for 6 months
- Waived POS and e-commerce fees for SMEs
- Waived cost of financing guarantees under KAFALA program
- Loans for SMEs to support business continuity
- Deferred entities' commitments to banks and financing companies for 6 months

Ensure business continuity

- Reviewed and renewed business continuity plans
- Daily liquidity, risk & continuity management meetings and daily status reports to SAMA.
- Evaluated liquidity & stress tests
- Assessed other financial & operational risks, and potential liabilities including cyber threats
- Verified and considered supply chain options
- Monitored domestic support from the Government & requirements from SAMA.
- Reviewed terms/conditions on loans & contracts

Digital enablement

- Published guidelines clarifying and encouraging usage of digital banking channels from home
- Waived money transfer fees (local & international) for digital services for 6 months
- Increased limits of purchasing through MADA to SAR 300
- Enabled digital query resolution
- Enabled digital credit cards issuance via digital channels
- Digital channel availability average > 99.9%
- ATM availability average > 99.8%

Re-evaluate our strategy

- Determined how the crisis affects our 5-year strategy (identify initiatives to either pause, scale down, maintain or accelerate)
- Executed revised strategies & continue to monitor the situation
- Making decisions and take actions during the crisis with recovery in mind
- Reset business assumptions for 2020 and beyond

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