

BSF 1Q 2024 Investor Presentation

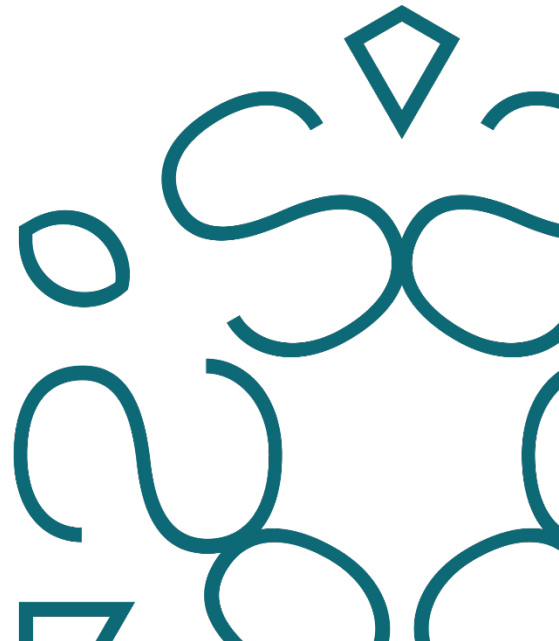


1Q 2024



Contents

03	BSF Profile
10	Operating Environment
13	Strategy
23	ESG Update
29	Financial Performance
53	Outlook & Guidance
56	Segmental Performance
62	Performance Track Record
65	Appendix



BSF Profile



Investor Presentation 1Q 2024



1.



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

Domestically systemic important bank ("D-SIB") with **total assets of SAR 268.4bn and market capitalization of SAR 45.9bn**
Universal Bank model with full range of conventional and Islamic products and services

2.



Dominant corporate banking franchise with deep institutional knowledge and relationships

One of Saudi Arabia's leading providers of banking services to **large corporates and micro, small and medium sized enterprises (MSMEs)**
5th largest bank in Saudi Arabia in the corporate segment with 10.2% market share

3.



Well capitalised balance sheet supporting BSF's growth ambitions

Robust capitalisation levels well-above regulatory requirements, supported by internal capital generation through strong profitability
19.0% total capital adequacy ratio which is comfortably above regulatory minimum

4.



Robust funding and liquidity profile

Attractive funding base with customers' deposits representing 77% of total liabilities – **Non-interest-bearing deposits constitute 47.6% of the total deposits**
SAMA loans to deposits ratio ("SAMA LTD") at 84% below regulatory levels - **Strong LCR and NSFR of 166% and 116%** respectively

5.



Clear strategy driven by targeted initiatives and ambitious aspirations

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

6.



Experienced management

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

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



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

Branches

82 ▶ +0% YOY

Employees

3,189 ▲ +4% YOY

Headquartered in Riyadh:

82 branches across the Kingdom
Domestically systemic bank

Subsidiaries in KSA:

BSF Capital
BSF Insurance Agency
JB
Sakan Real Estate Financing Company



Total Assets

268.4

SAR Billion

▲ +12% year-on-year

Customers' Deposits

174.8

SAR Billion

▲ +4% year-on-year

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

Joint ventures in KSA:

Insurance with Allianz

Corporate

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

Key products:

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

50% of Group Operating Income



Retail

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

Key products:

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

45% of Group Operating Income



Investment Banking and Brokerage

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

Key products:

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

5% of Group Operating Income



Treasury

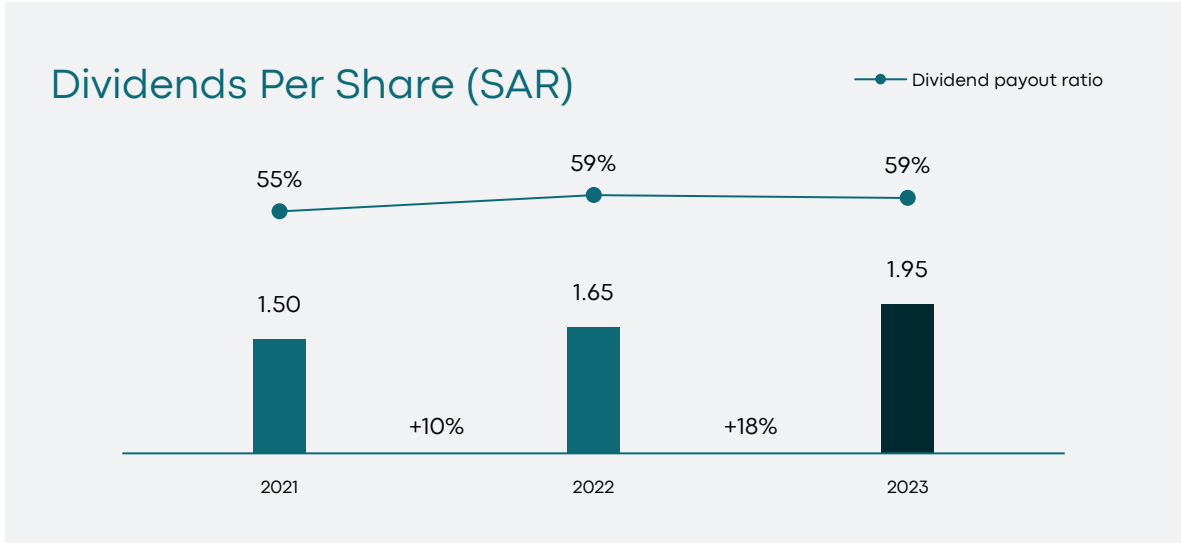
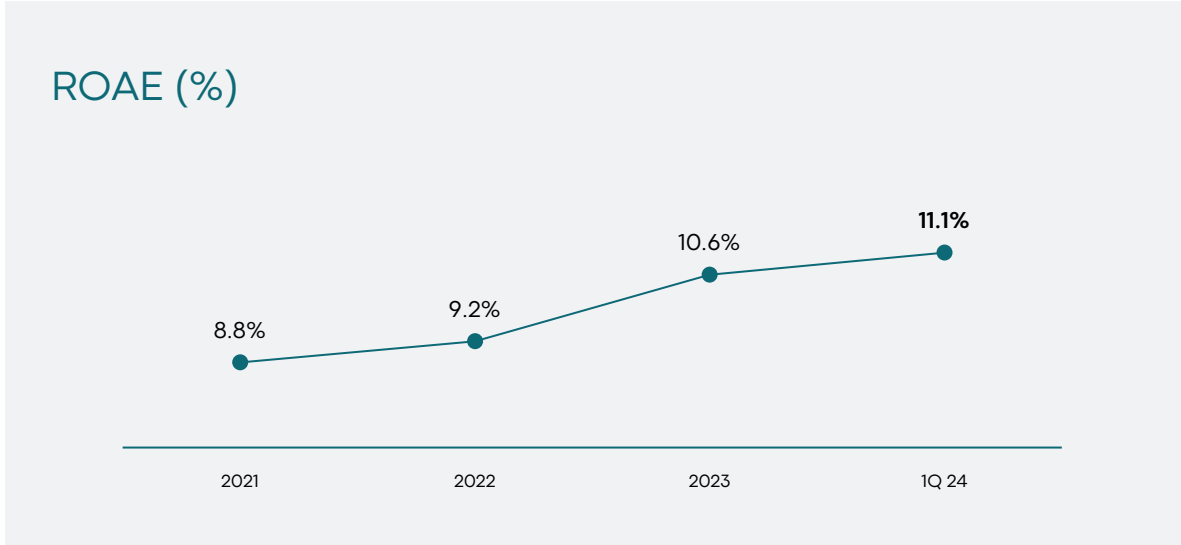
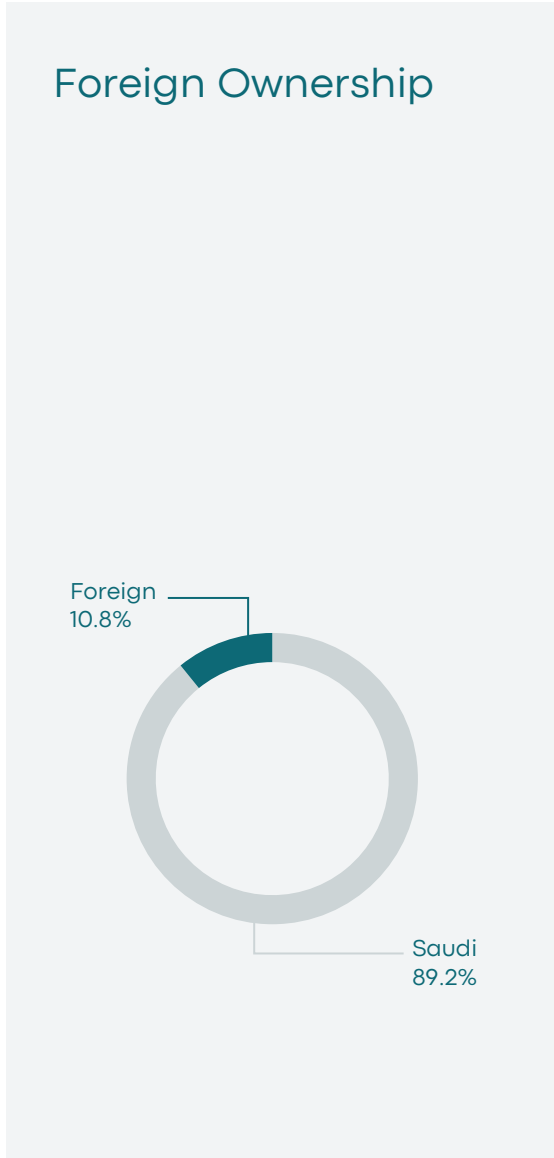
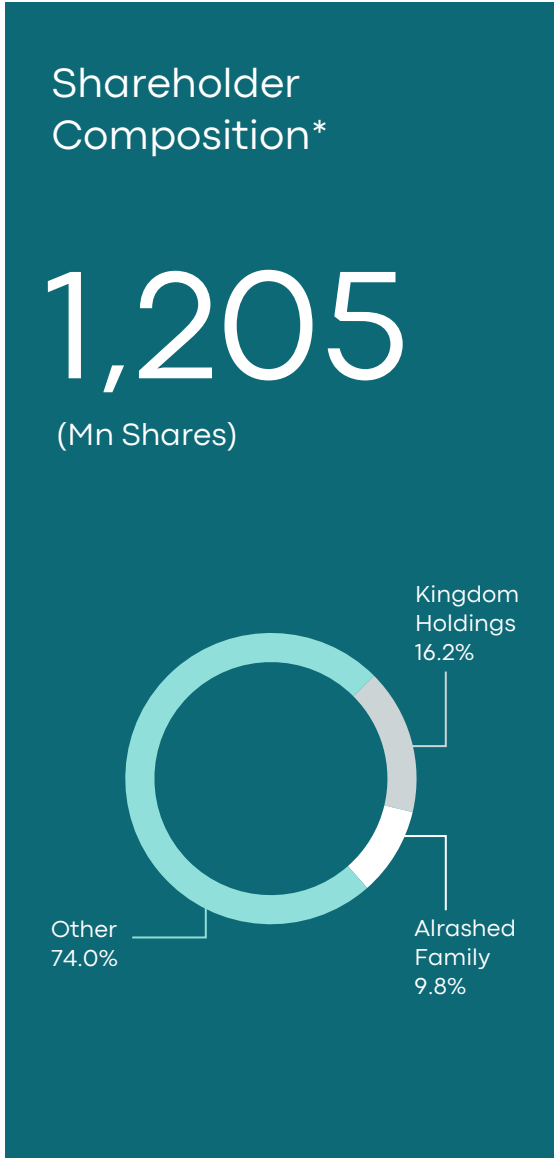
Diverse client services, market making, as well as managing the Bank's liquidity and risks.

Key products:

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

0.3% of Group Operating Income

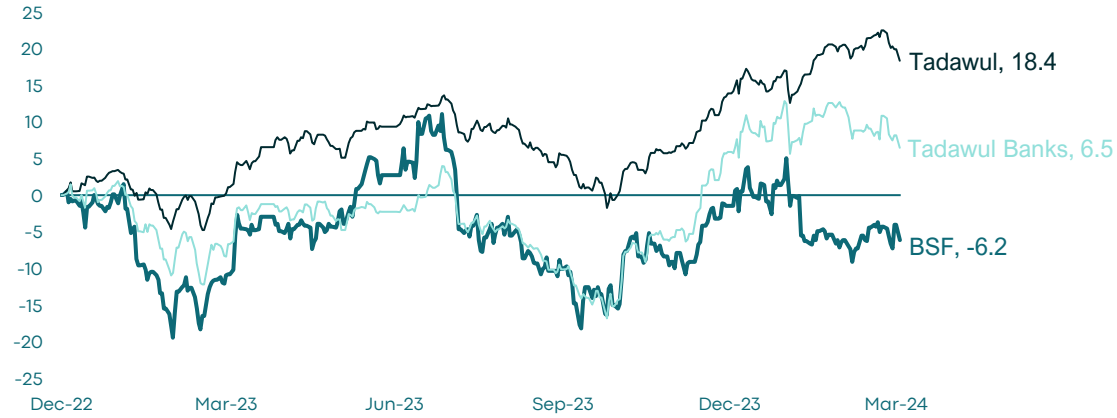




Solid market parameters and share price performance



Share Price Performance vs. Tadawul (%)



Market Capitalization (SAR Bn)

45.9

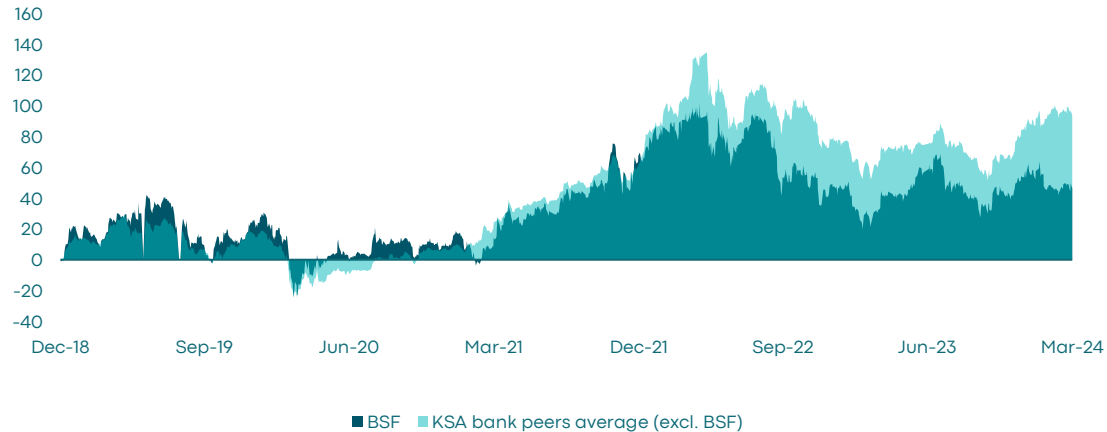
4.61% of KSA banking sector
0.42% of KSA stock market

BSF Share Price (SAR)

38.1

52 weeks range [33.2 - 45.7]

Total Shareholder Return (TSR)



Price to Tangible Book

1.24x

1Q 24

Price to Earnings Ratio

11.2x

LTM

Experienced and dynamic executive management team



Bader Alsalloum
Chief Executive Officer

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



Ramzy Darwish
Chief Financial Officer

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



Majed Alsadhan
Head of Wholesale Banking

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



Mohammed Abdulrahman Alsheikh
Head of Retail Banking

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



Mutasim Mufti
Chief Risk Officer

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



Zuhair Mardam
Chief Treasury and Investment Officer

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



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



Abdulmohsen Alrayes
Chief Audit Officer

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



Yasser Al-Anssari
Chief Compliance Officer

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



Operating Environment

Investor Presentation 1Q 2024

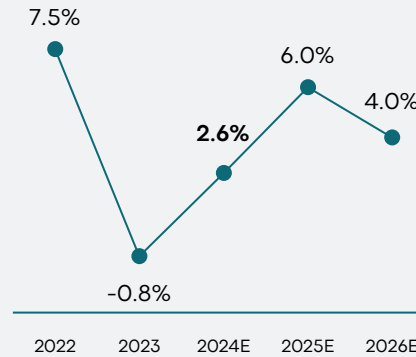
Saudi Arabia's real GDP growth is expected to improve at 2.6% in 2024



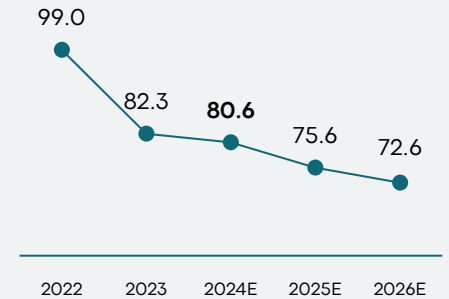
Economic Outlook

- Real GDP for Saudi Arabia is expected to increase by +2.6% in 2024 following 0.8% contraction in 2023 due to lower oil production.
- Interest rates are expected to remain stable during 1H 2024 with rate cuts of up to 50bps expected towards the year-end; SAIBOR forecast at 6.0% in 2024 compared with 5.9% in 2023.

Real GDP Growth (%)

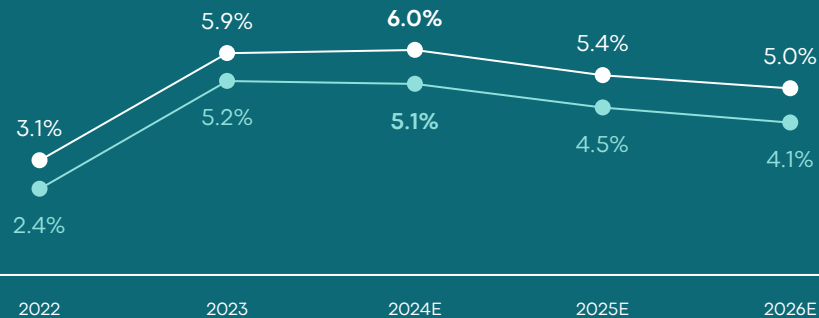


Brent Avg Oil Price / Barrel (USD)

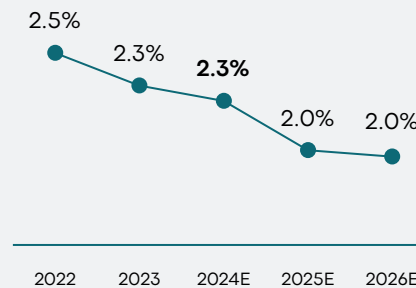


SAIBOR: SAR 3M (avg) (%)

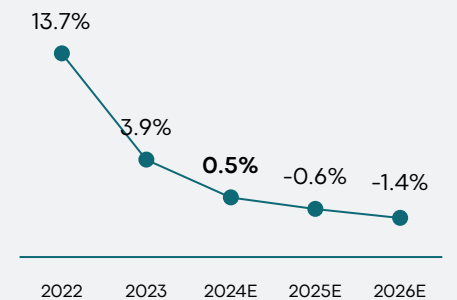
● SAIBOR: SAR 3M (avg)
● SOFR/LIBOR: USD 3M (avg)



Inflation (%)



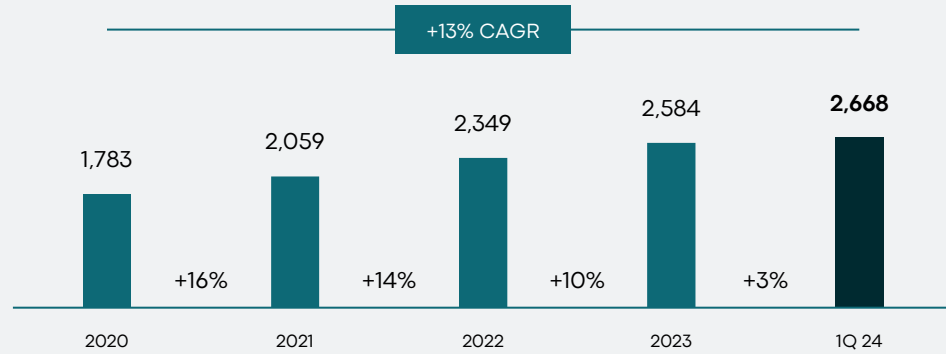
Current A/C Balance (USD)



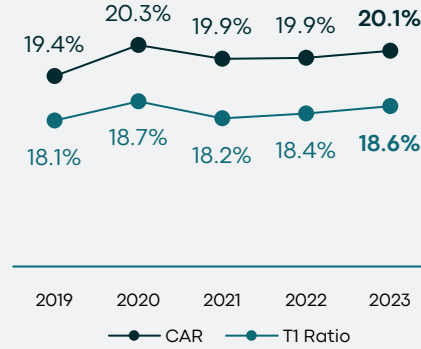
The Saudi banking sector is well positioned for both resiliency and growth



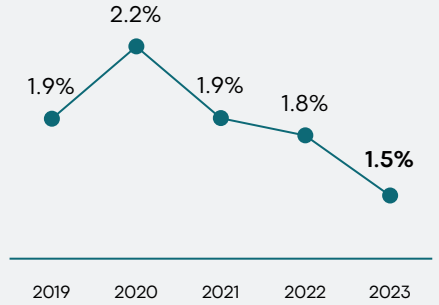
Bank Credit (SAR Bn)



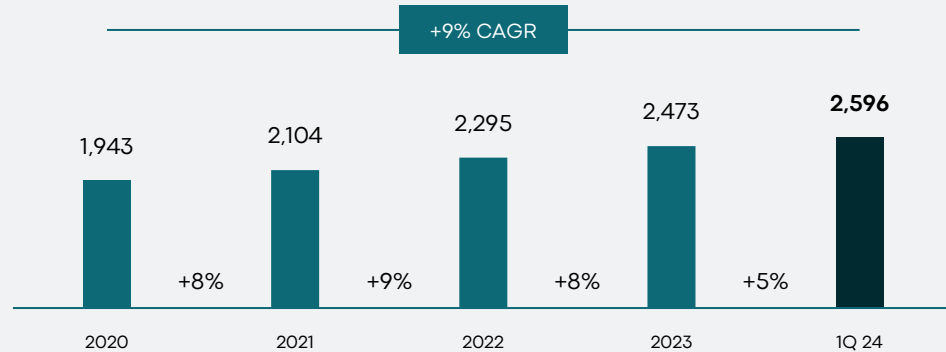
Capitalization (%)



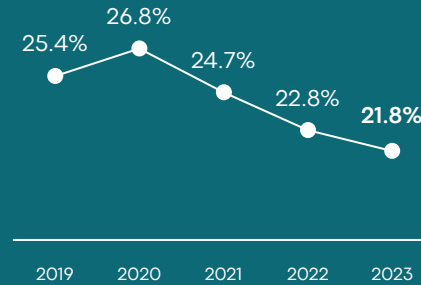
NPL Ratio (%)



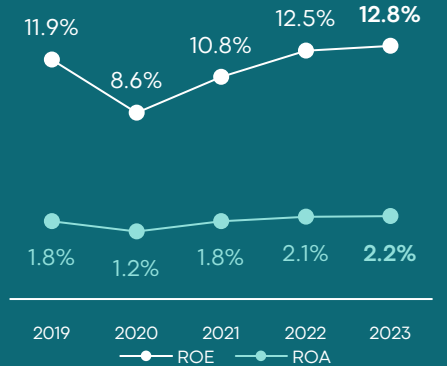
Bank Deposits (SAR Bn)



Liquid Assets to Total Assets (%)



Profitability (%)



Strategy

Investor Presentation 1Q 2024

In early 2023 we refocused and simplified our existing strategy to 10 vital initiatives for an evolving external environment and internal structure



1H 2024 Priority

Technology
Infrastructure
Upgrade

Rebranding

Wholesale Banking

Expand FIG & MNC
Coverage

Revamp GTS

Personal Banking

Scale Up in Affluent

Provide Superior Daily
Banking

Private Banking

Expand Product Suite

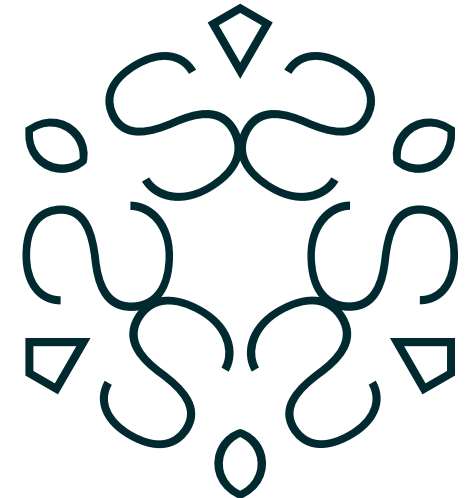
Experience Centric
Rewards

JB

Scale up financing and
leasing

BSF Capital




Leverage Opportunities
in Capital Markets



Our strategy is driven by ambitious aspirations for market position, profitability and customer experience









Strategic Goals

 <p>Position Be among the top players in our target segments (Top 3 Market Share)</p>	 <p>Profitability Focus on profitability and return on capital (ROE > COC)</p>	 <p>Customer Experience Continued commitment to leading CX (NPS #1)</p>
---	--	---

Strategic Pillars

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

Strategic Enablers

 <p>Risk</p>	 <p>Digital 2.0</p>	 <p>Technology</p>	 <p>Treasury</p>	 <p>Customer Experience & Brand</p>	 <p>Organizational Effectiveness & People</p>
---	--	---	---	--	--

Strategic Goals

Wholesale Banking

Solidify market position

Focused Initiatives

GTS revamp
Expand FIG&MNC coverage

Progress

Q1: 66%

Q4: 62%

78%

Key Highlights

Government lending
Tracker for MNC referrals
Three SCF products launched
Activate government agreements

Personal Banking

Leverage segmentation and synergies

Scale up affluent
Provide superior daily banking

46%

LOMBARD lending and Leads Management Dashboard
Pilot family banking for Elite Plus
Wholesale partnership with personal banking

Private Banking

Reinforce market leadership

Broaden product suite
Experience-centric rewards

86%

Key offerings with BSF Capital
Advisory development program proposal
Financing acquisition for exportation
VIP experience events

Strategy execution progressing well across the various business pillars

Strategic Goals

Focused Initiatives

Progress

Q1: 66%

Q4: 62%

Key Highlights

JB

Expand in new market segments

Digital acceleration
Product diversification
Brand repositioning

86%

New digital PL offerings
Strong momentum on PL product
Improved brand recognition:
successful marketing campaigns
Defined Credit Card proposition
JB Strategy refinement

BSF Capital

Seize existing opportunities and grow

Synergize wealth mgmt.
Broaden advisory
Attractive investment solutions

43%

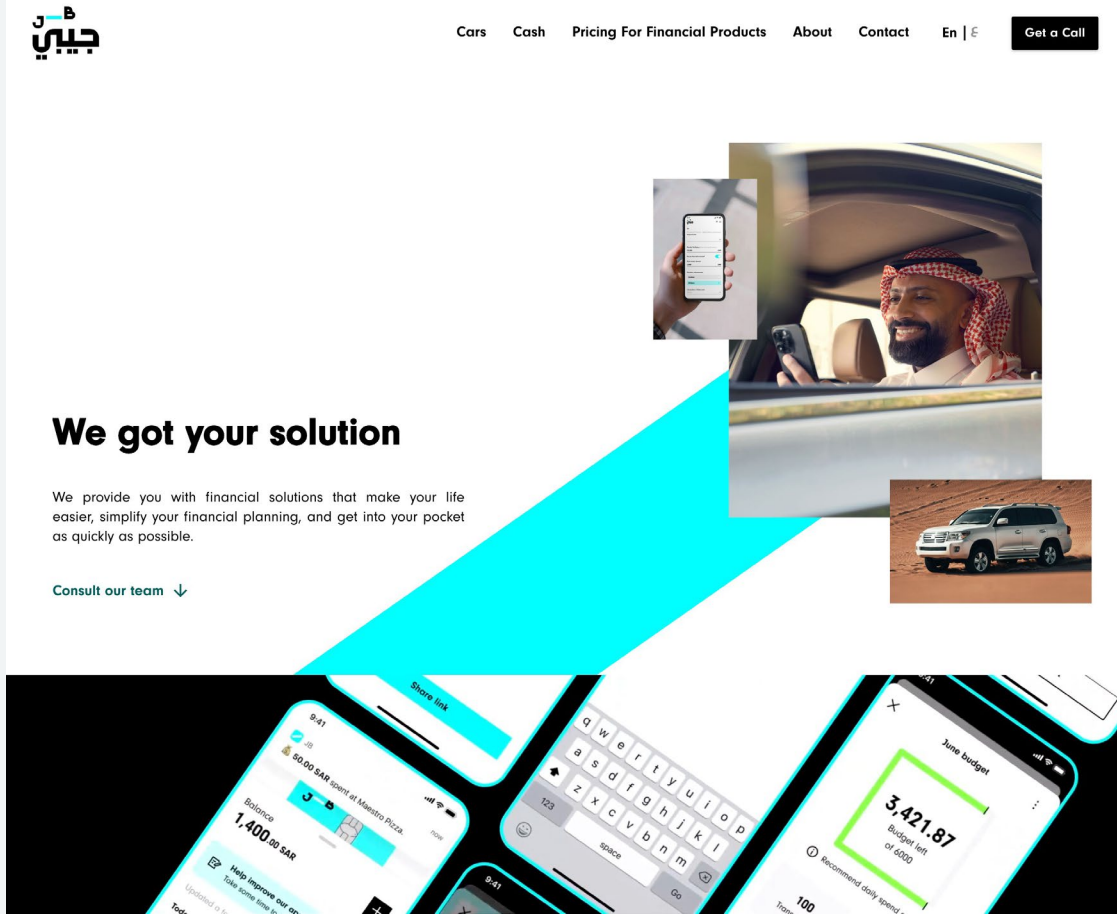
Identified SFC's WealthTech Partner
Onboarding & KYC redesign
Executive reports automation
Repositioning real estate advisory unit initiative
Optimistic pipeline in real estate funds



JB New Brand

JB, formerly known as SFL, has strategically pivoted to diversify its offerings, targeting distinct market segments.

This strategic realignment was underpinned by a robust marketing campaign in 4Q 2023.



Sur Multifamily Office

Introducing the Sur Multifamily Office, a strategic initiative by BSF

100% subsidiary of BSF to cater the needs of our BSF UHNWIs and HNWIs clientele.

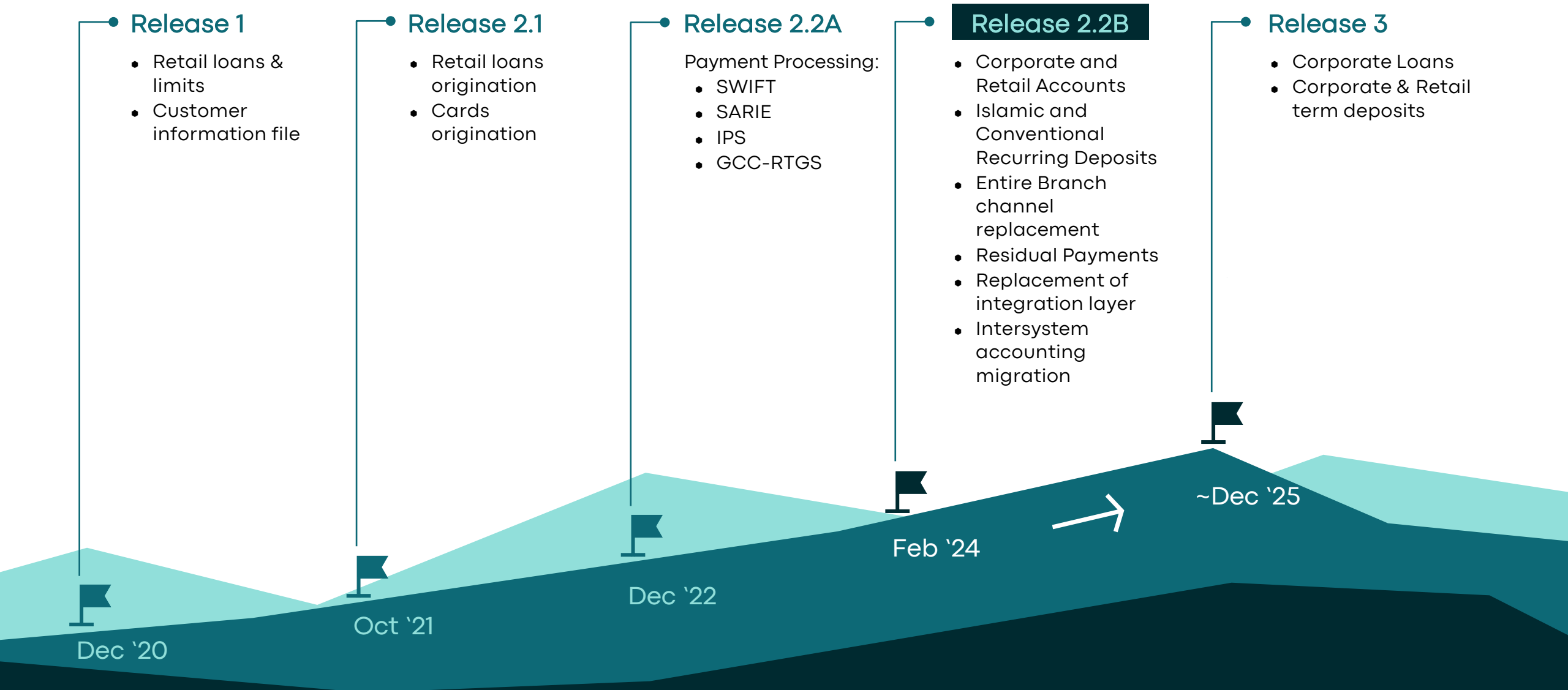


Good progress in the implementation of the four key strategic programs across the IT & Technology and rebranding priorities



	Description	Key Highlights	2024 Progress & Beyond
Technology Infrastructure Upgrade Integrated Corporate Portal	New corporate platform supporting trade & supply chain services, and expanded liquidity and cash management solutions and services	<ul style="list-style-type: none"> Phase I: design and development New branding adoption BSF specific client experience changes Phase I,II: anticipate some delays due to dependency on CBS stabilization 	<ul style="list-style-type: none"> Phase I Back End: Testing in progress Phase II: a functional specifications signed off, technical specification - in progress
Technology Infrastructure Upgrade Omnichannel	New high performance retail platform providing robust digital banking service and enhanced customer experiences and journeys	<ul style="list-style-type: none"> Development for public launch Migration testing, CBS regression testing Performance testing in progress Comms and marketing plan 	<ul style="list-style-type: none"> All features released for UAT, testing in progress Counter fraud framework controls Security defects fixing Go-to Market release in mid-May
Technology Infrastructure Upgrade Core Banking System	Bank-wide core banking system to enable best-in-class customer experience with leading operational efficiency	<ul style="list-style-type: none"> The largest and most complex Release 2: launched successfully Release 2 focus: corporate & retail digital channels, ATM,POS & eComm (debit/credit card) 	<ul style="list-style-type: none"> Branches, ATM, BSF Global Stronger change management effort HyperCare incident management Release 3 will launch in 2025
Rebranding	Recreating BSF brand identity to differentiate the bank, enhance our connection with clients and improve our market position	<ul style="list-style-type: none"> New brand is Go-live ready for digital streams, premises, collateral and branches New Card designs Go-to-market across billboards, digital channels, and event 	<ul style="list-style-type: none"> Physical collateral mass production and distribution New brand release across branches, premises and digital channels Go-Live launch on May 2nd, 2024 Continue to build brand value

BSF has now successfully deployed 4 releases in production, each more complex than the previous one



Enhanced offering & services

- Latest **innovations & products**
- Anticipating client needs with **advanced analytics**
- **Product bundling** with tailored value propositions & pricing
- Enhanced **automation & digitalization**
- **Faster** product development & **time-to-market**



Customer experience

- **Full digitalization** of products & services
- 24/7 **self-service** capabilities
- Best-in-class **turnaround time**



Benefits for IT

- **Simplified** application landscape
- Reduced **IT workload**
- **Faster integration** with new applications
- **Accelerated** application **development** lifecycle



Key enabler for BSF strategic ambition

Leading CX (NPS #1)

The advantages already realized

Future-proofing BSF tech landscape

30

systems decommissioned up to the current release of CBS

Improving & efficiency

80%+

increase in STP rate for SARIE transactions

Shorter customer journeys

1.5-2x

less time consuming processes for Credit Cards and Personal loans



Our heritage has instilled equitable values, trust and sophistication in our DNA.

The **BSF** acronym signals **the next generation of banking** as we reframe our positioning

Brand Strategy

Shared belief	We take pride in our impact on the Kingdom to achieve meaningful influence in the World
Active purpose	We help every generation make their mark to ensure everyone's sustainable prosperity
Value proposition	The companion at each stage of your journey to inspire more confident financial choices

Internal Branding Activities

 Branches 70+	 ATMs 300+	 Offices 6	 E-Channels ✓
--	---	---	--

Why is the Brand changing?

Strategic Enablement for Future Growth

- Competitive Advantage:** aiming for leadership and profitability in focused market segments
- Simplification and Digitization:** consistent master brand and data-driven connectivity.
- Cultural Acceleration:** enhancing talent retention and recruitment.

Response to External Changes

- Developments in KSA:** altering the economic landscape
- Banking Sector Evolution:** traditional operations are shifting.
- Client Expectations:** increasing customer expectations drive demand for innovation

Adaptation to New Norms

- Technological Advances:** 5G, AI, blockchain redefining the internet.
- New business models:** threats and opportunities from digital banks and fintech innovations.
- Workforce Evolution:** changing talent landscape redefining workplace culture.

ESG Update

Investor Presentation 1Q 2024



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



ESG is Part of BSF DNA

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



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

BSF's Recent ESG Highlights

Environmental	Social	Governance
17.9% reduction for Scope 1 and 2 emissions	Increase in female employee representation to 22.5%	Establishment of the ESG Governance Structure
Capital Markets deal of the year Awards for Red Sea Development Co. Green Financing	SAR 3.8 million in local communities investments to support various key community initiatives	Setting BSF's ESG Policy/ Framework
17.2% Reduction in total water consumption	More than 91% of FTEs are Saudi nationals	98%+ Meeting attendance rates for board of directors and all board committees

BSF will further advance its sustainable practices in the future by introducing ESG KPIs and implementing them through the Bank's overarching initiatives

We have identified and prioritized 15 sustainability-related material issues that have a substantial impact on our strategic objectives and are deemed crucial by our stakeholders

Such issues have been depicted in our materiality matrix, which is built upon a thorough materiality assessment. It is important to note that issues not classified as 'Most Important' do not imply they are insignificant or neglected by BSF. We remain committed to addressing all relevant sustainability-related material issues.

Key elements considered in BSF's materiality assessment:

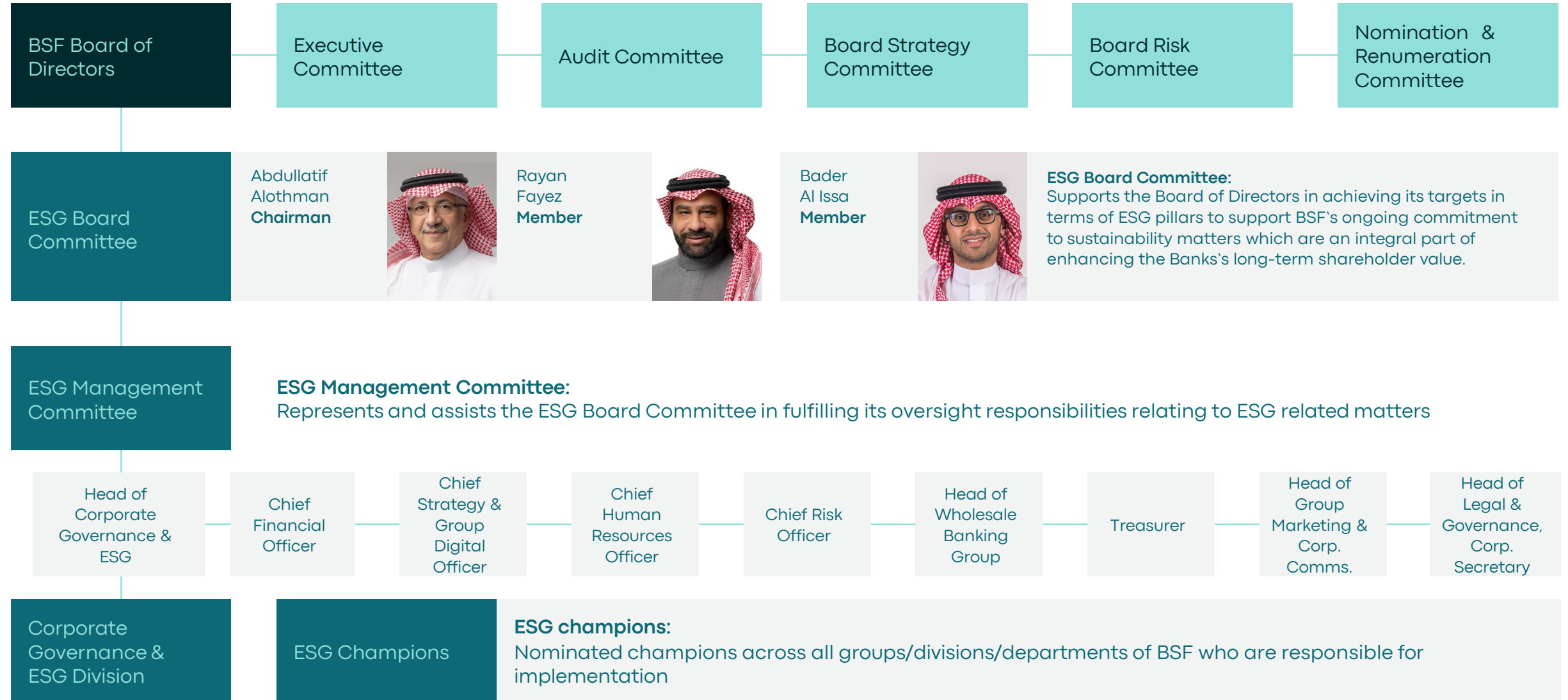
- Sustainability-related material issues identified by regional and international peers.
- Objectives of national and international sustainability-related ambitions: Vision 2030 and United Nations Sustainable Development Goals.
- Areas of importance identified by reputable sustainability reporting standards: SASB, Principles of Responsible Banking (PRB), and World Federation of Exchanges (WFE) ESG guidance.

Materiality Matrix



- 1 Governance, accountability, transparency and ethics
- 2 Financial and economic performance
- 3 Risk management
- 4 Responsible customer relations and satisfaction
- 5 Data privacy and security
- 6 Financial inclusion and accessibility
- 7 Digitalization
- 8 Employee engagement, wellbeing and satisfaction
- 9 Diversity and inclusion
- 10 Sustainable lending and investment
- 11 Talent attraction, retention and development
- 12 Community investment
- 13 Nationalization
- 14 Environmental management
- 15 Responsible procurement

BSF has implemented a comprehensive ESG governance and policy framework with Board oversight



Charting The Course Of Excellence: Our ESG journey from a strong foundations to future innovation

Established the ESG Policy Framework

Implemented the ESG Governance Model

Published the Inaugural 2020 ESG Report

Published the 2021 ESG Report

Published the 2022 ESG Report



BSF achieves remarkable progress in boosting ESG ratings



Sustainalytics

- ◆ **Leading all Saudi banks** with the ESG Risk Rating Score of 20.9



ESG Risk Rating Score by Sustainalytics

20.9

as of March 2024

▲ from 28.4 in 2023

S&P Global ESG Rating

- ◆ **The highest score among Saudi banks** in the S&P Global ESG Rating for the year 2023



S&P Global ESG Score

30.0

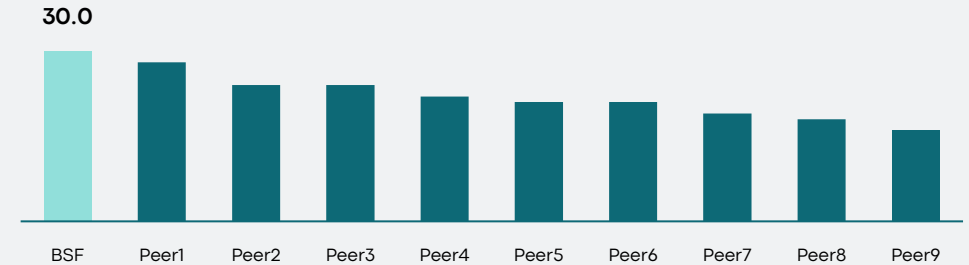
for the year 2023

▲ from 25 in 2022

ESG Risk Rating Score by Sustainalytics



S&P Global ESG Score



Financial Performance

Investor Presentation 1Q 2024

Balance Sheet

- Strong loan growth of 13% YoY, driven by 12% commercial and 13% consumer lending growth.
- Investment growth of 18% YoY to manage IR risk while capturing higher yields.
- Deposit growth of 4% YoY, from IBDs (+27%) partly offset by NIBDs (-13%).

Loans & Advances

185.4

SAR Billion

▲ +13% year-on-year

Investments

52.9

SAR Billion

▲ +18% year-on-year

Customers' Deposits

174.8

SAR Billion

▲ +4% year-on-year

Income Statement

- Modest top-line growth of 1% on 5% non-interest income growth, while NII was stable.
- NIM declined by 47bps YoY, but stable QoQ.
- Net income grew 7% as decrease in impairments is partly offset by rising expenses.

Operating Income

2,331

SAR Million

▶ +1% year-on-year

NIM

3.19%

▼ -47bps year-on-year

Net Income

1,150

SAR Million

▲ +7% year-on-year

Asset Quality

- Lower NPL ratio mainly from write-offs and improving coverage ratio.
- Decreased COR in the commercial book.

NPL Ratio

0.94%

▼ -166bps year-on-year

NPL Coverage

155.3%

▲ +32.4ppts year-on-year

Cost of Risk

0.60%

▼ -56bps year-on-year

Capital & Liquidity

- Capital, funding and liquidity remain strong and comfortably within regulatory limits.
- YoY decline in NIBD ratio from expected shift to IBDs, with a flat dynamic in the last quarter.

T1 Ratio

18.4%

▶ -1.4ppts year-on-year

LCR

166%

▼ -34ppts year-on-year

NIBD % of Total Deposits

47.6%

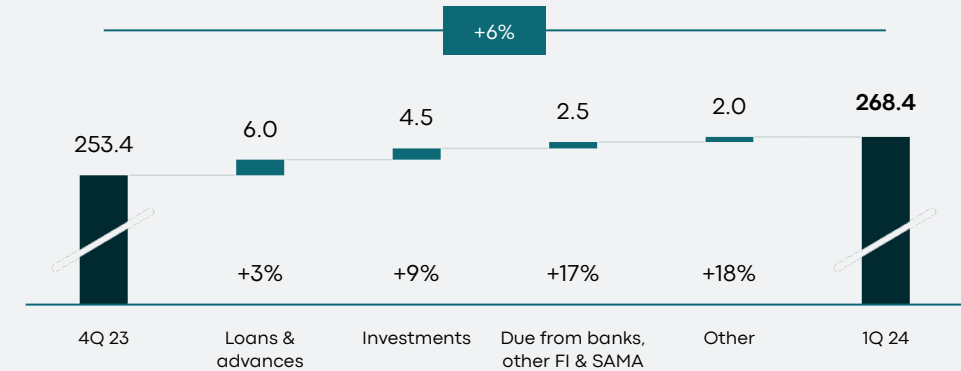
▼ -9.4ppts year-on-year

Balance Sheet

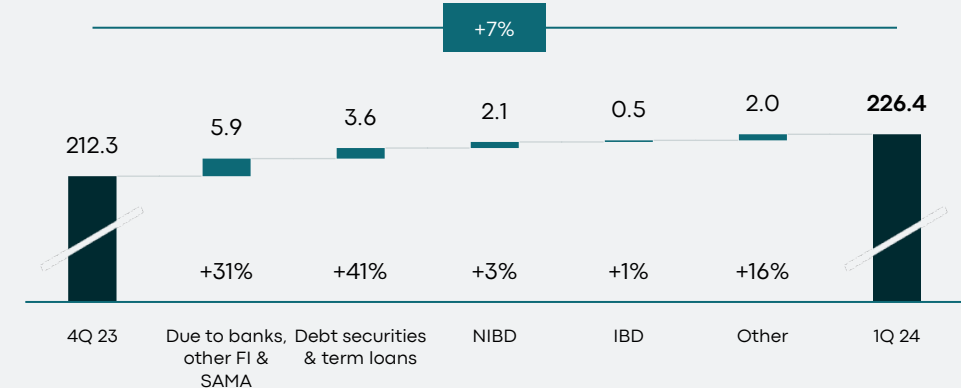
- Growth in total assets of 6% YTD, mainly driven by 3% loan growth, further aided by an increase in investments.
- The investment portfolio expanded by 9% YTD from high-quality liquid assets to capture higher yields, while managing interest rate risk.
- Liabilities grew by 7% during 1Q 2024 from a 31% increase in interbank, a 41% rise in debt securities, and a 2% deposit growth.
- Total equity increased 2% YTD due to retained earnings generation.

SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Investments	52,923	48,467	+9%	44,807	+18%
Loans & advances	185,408	179,391	+3%	164,779	+13%
Total assets	268,376	253,383	+6%	240,236	+12%
Customers' deposits	174,828	172,209	+2%	167,414	+4%
Total liabilities	226,448	212,262	+7%	200,300	+13%
Total equity	41,928	41,121	+2%	39,936	+5%

Total Assets Movement YTD (SAR Bn)



Total Liabilities Movement YTD (SAR Bn)

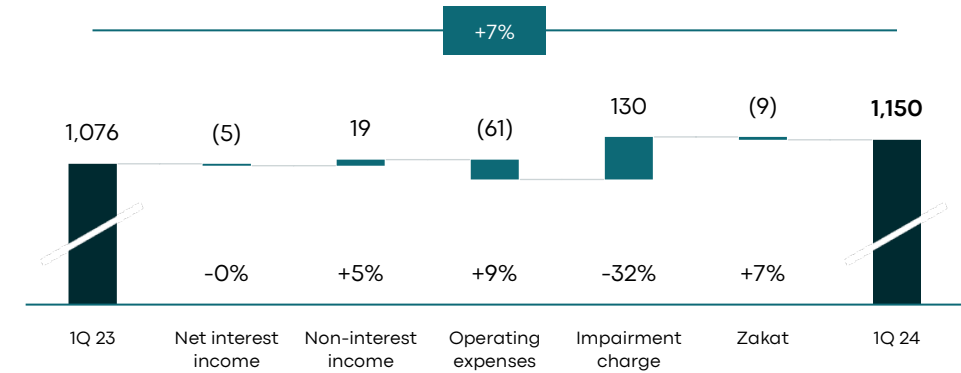


Net income grew 7% YoY from lower impairment charge, partially offset by higher costs

Income Statement

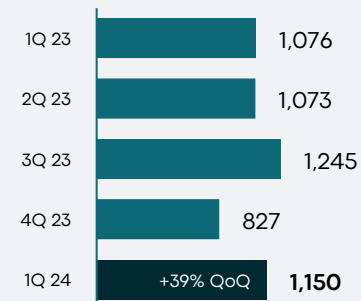
- Net income for 1Q 2024 grew 7% YoY to SAR 1,150mn from 32% decline in the impairment charge, partly offset by 9% growth in operating expenses.
- Total operating income grew 1% YoY, with net interest income remaining stable and a 5% increase in non-interest income.
- On a sequential basis, net income increased 39% QoQ from higher operating income and lower operating expenses and impairment charge.

Net Income Movement YoY (SAR Mn)

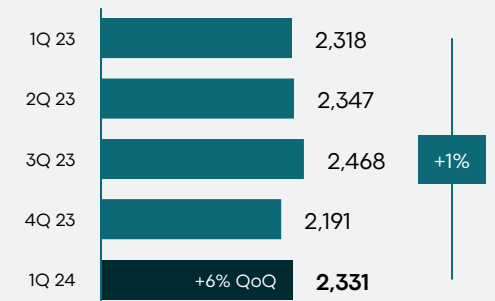


SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Net interest income	1,919	1,868	+3%	1,924	-0%
Non-interest income	413	323	+28%	394	+5%
Operating income	2,331	2,191	+6%	2,318	+1%
Operating expenses	(773)	(846)	-9%	(712)	+9%
Net operating income before impairment charge	1,558	1,345	+16%	1,606	-3%
Impairment charge	(276)	(413)	-33%	(406)	-32%
Net income before zakat	1,282	932	+38%	1,200	+7%
Zakat	(132)	(104)	+27%	(124)	+7%
Net income	1,150	827	+39%	1,076	+7%

Net Income



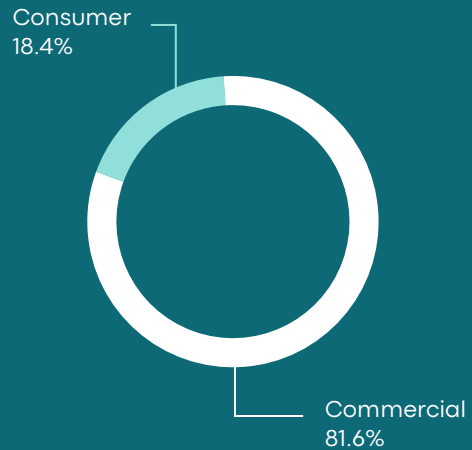
Operating Income



Loans & Advances Composition

185.4

(SAR Bn)

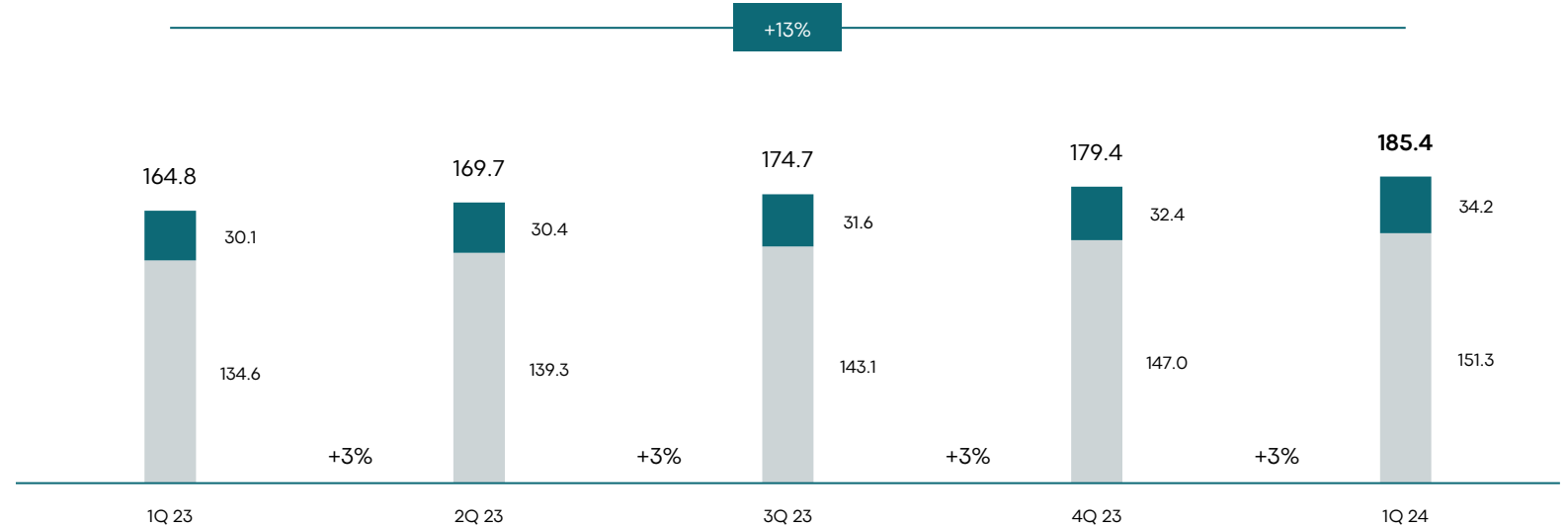


Loans & Advances (SAR Bn)

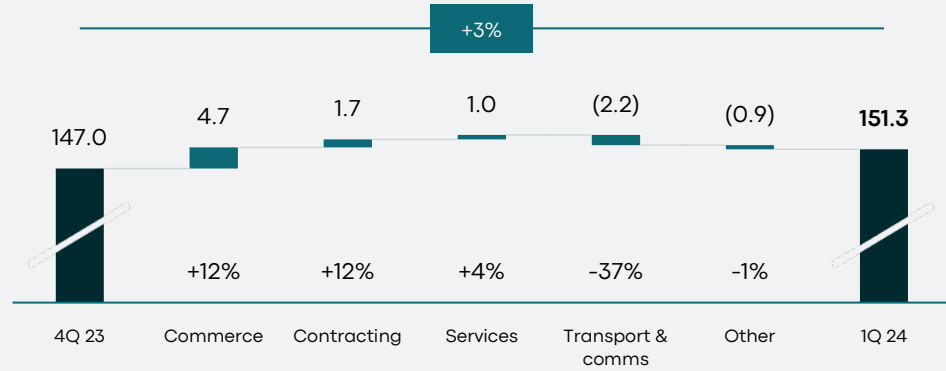
- Total loans & advances grew 3% during 1Q 2024 from both consumer and commercial lending growth.
- Commercial loans grew 3% during 1Q 2024, with notable increase in commerce sector.
- Consumer loans grew 5% YTD from growth in auto loans (+14%), personal loans (+6%), and mortgages (+3%).

■ Commercial

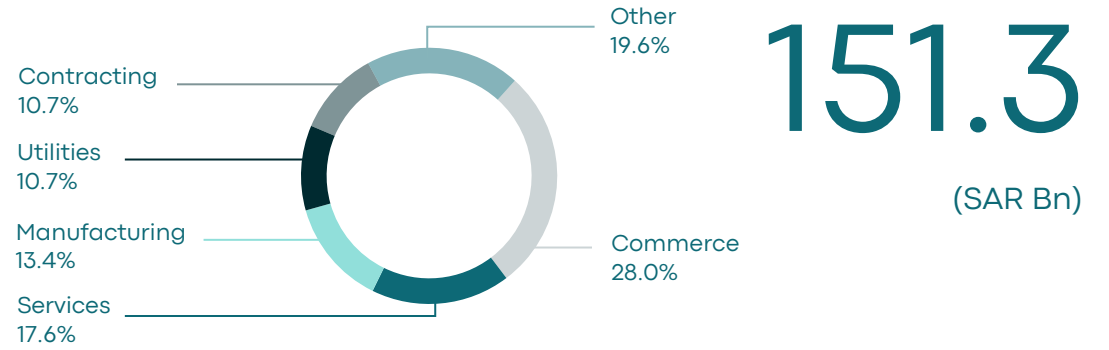
■ Consumer



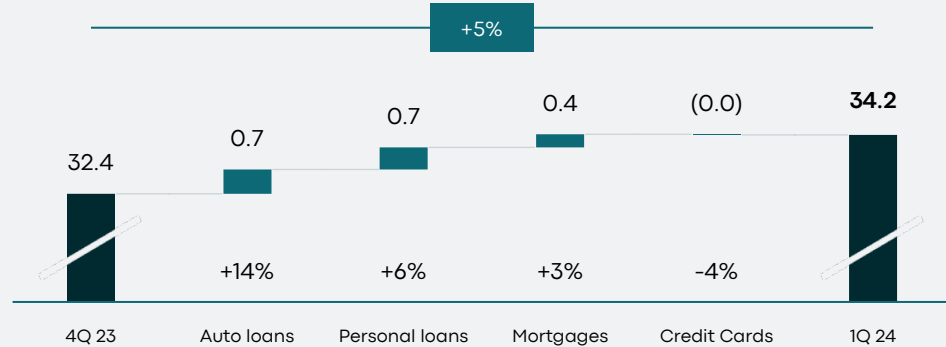
Commercial Loans Movement YTD (SAR Bn)



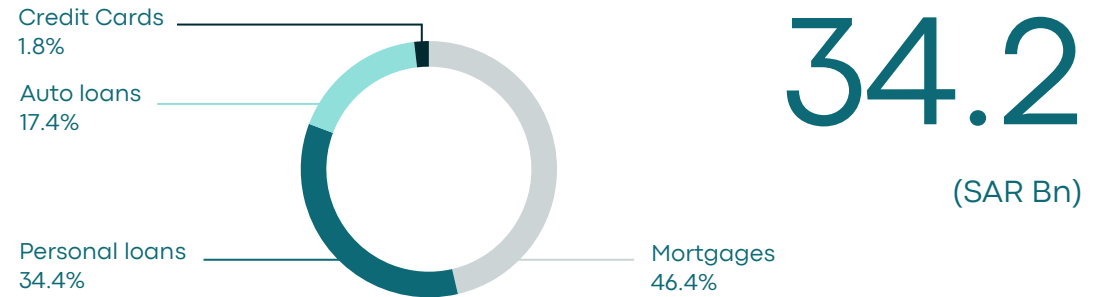
Commercial Loans Composition



Consumer Loans Movement YTD (SAR Bn)



Consumer Loans Composition

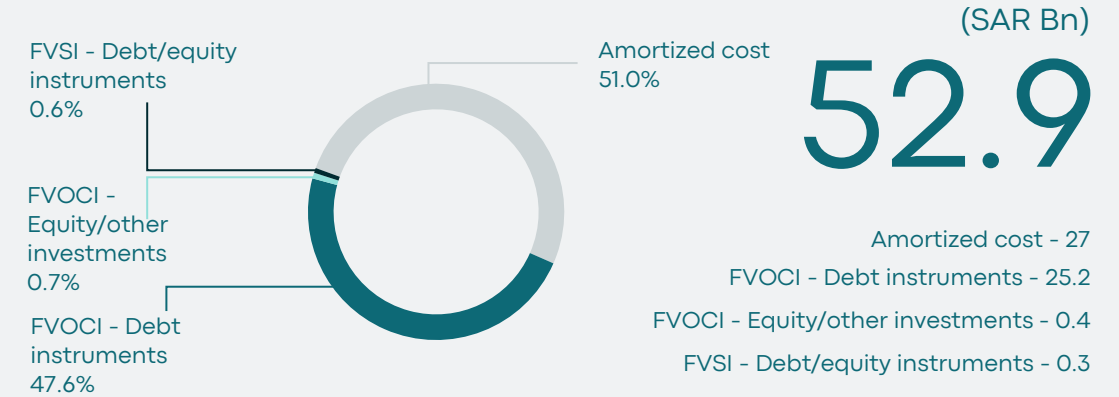


9% Increase in the investment portfolio in 1Q 2024

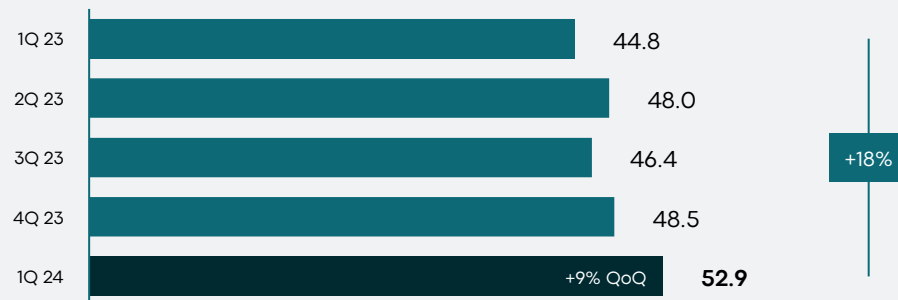
Investments

- Investments increased 9% YTD to manage interest rate risk while capturing higher yields.
- The investment portfolio is of high quality with a significant portion being Saudi Government and investment grade.

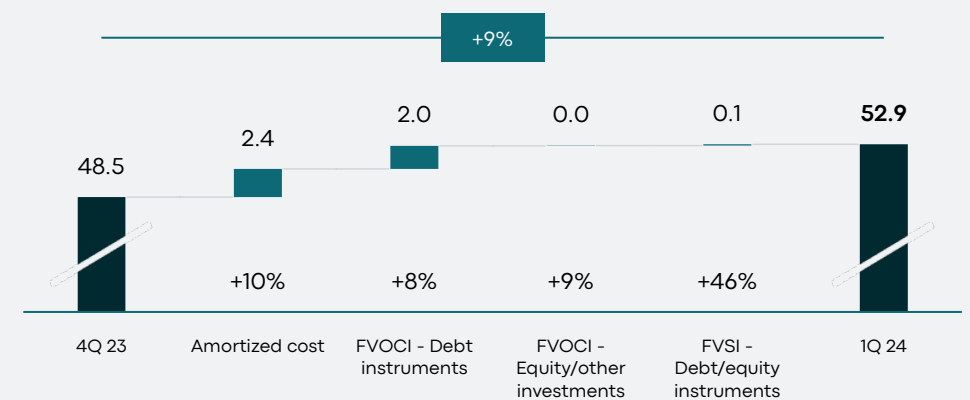
Investments Composition by Category

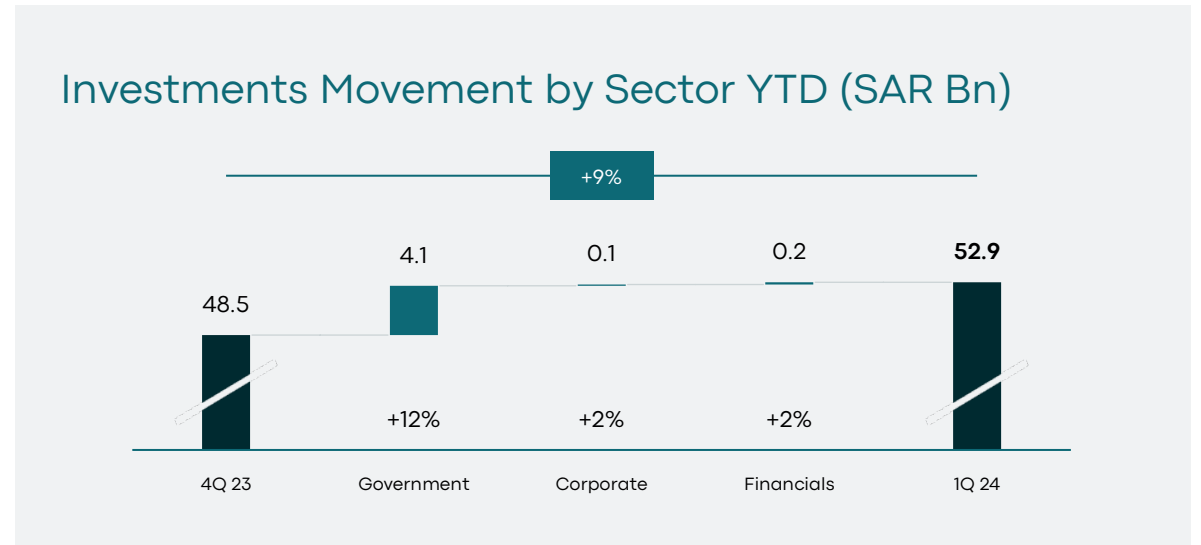
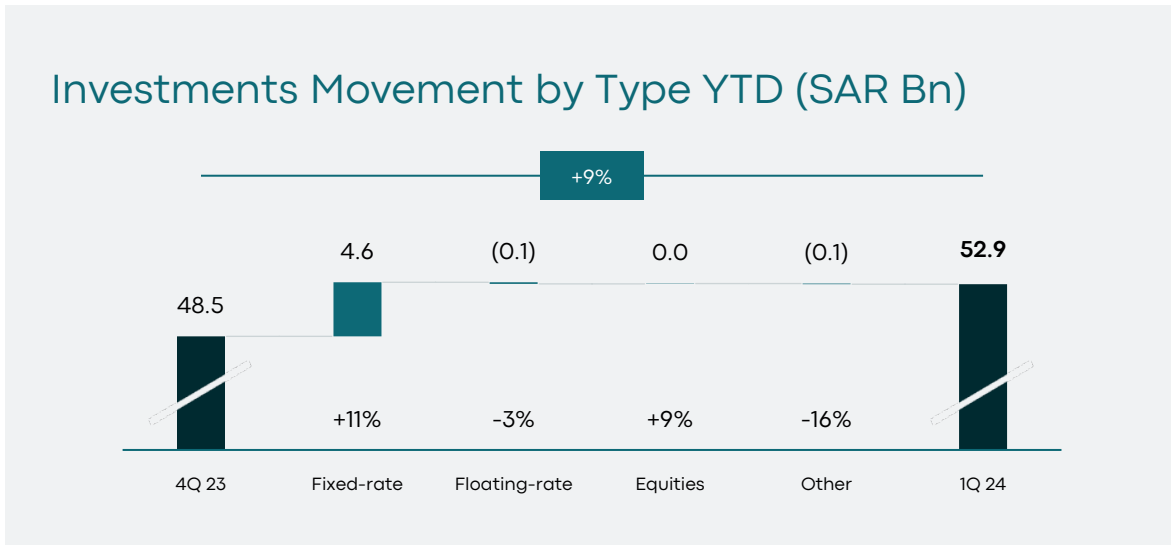
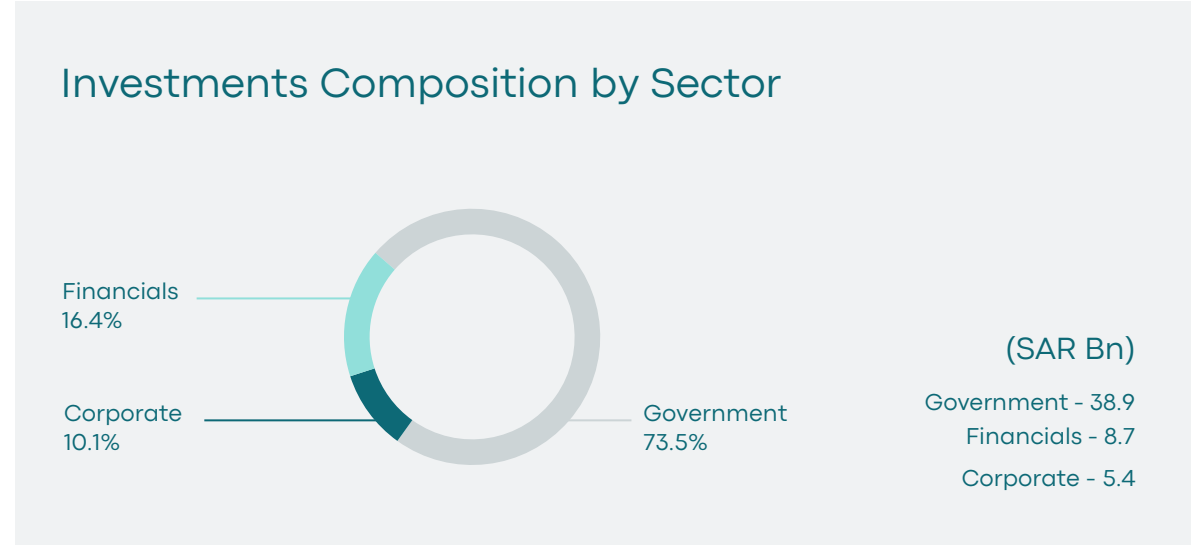
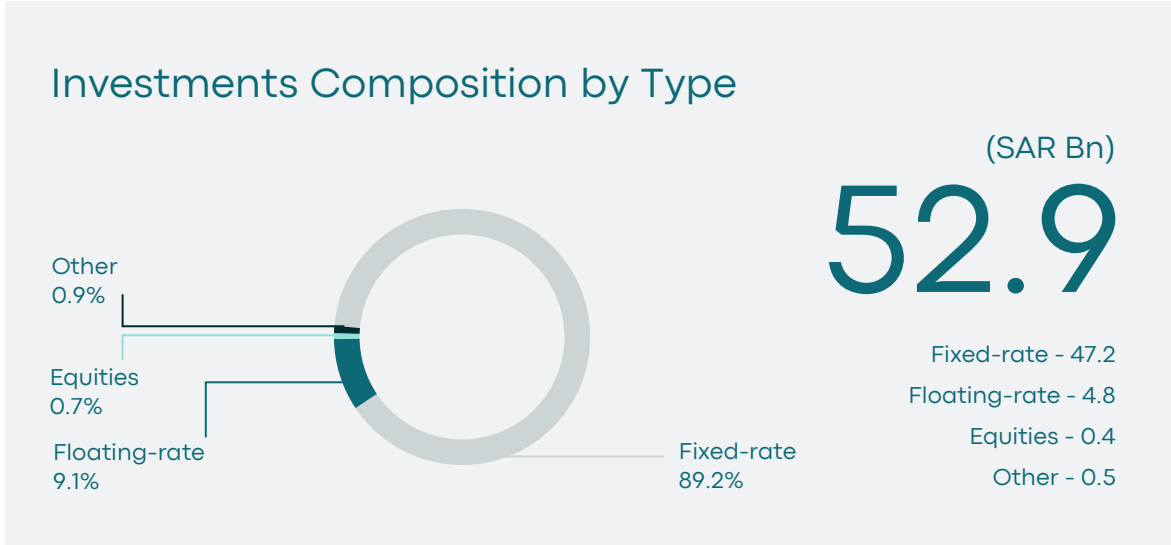


Investments (SAR Bn)



Investments Movement by Category YTD (SAR Bn)

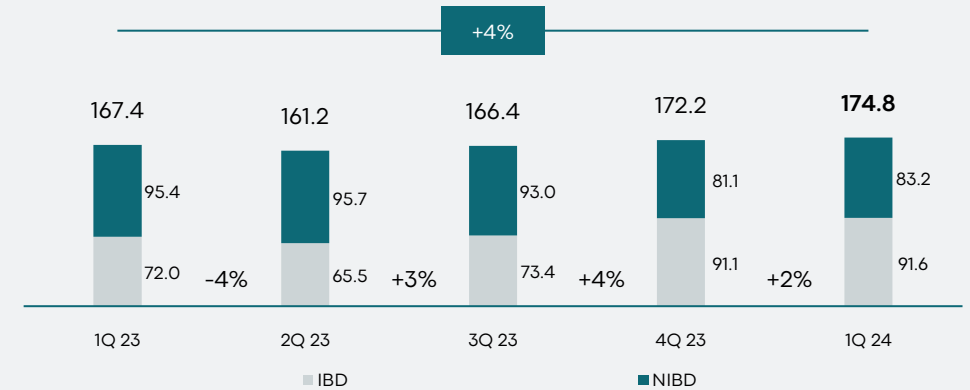




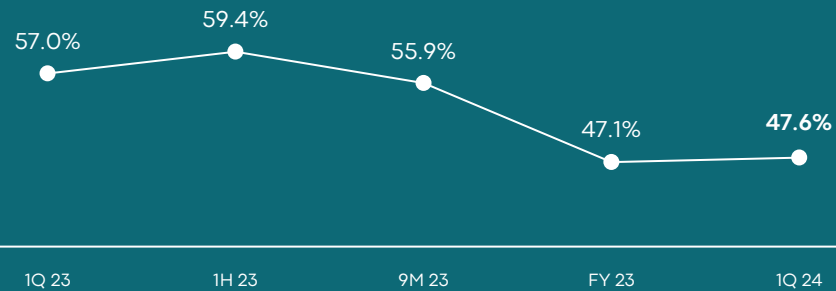
Customers' Deposits

- Deposits grew 2% during 1Q 2024 primarily from increased NIBDs.
- NIBD's increased 3% YTD and IBD's increased 1% YTD, mainly from Corporate deposits.
- As of 31 March 2024, 47.6% of deposits were non-interest bearing, with a relatively stable trend observed during the last quarter.

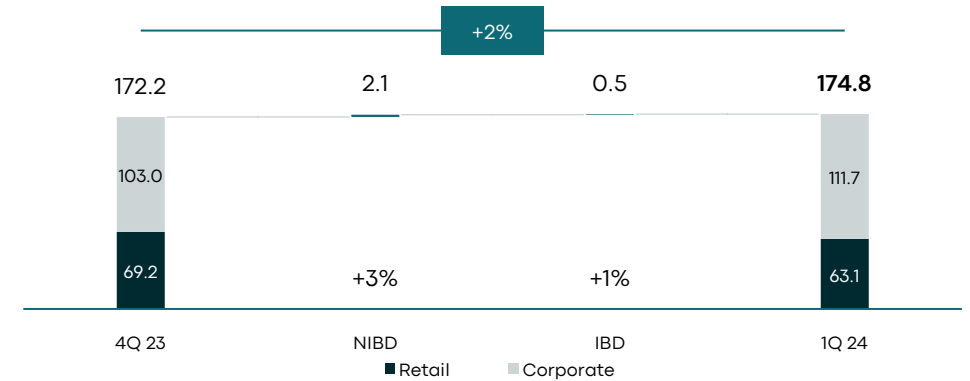
Customers' Deposits (SAR Bn)

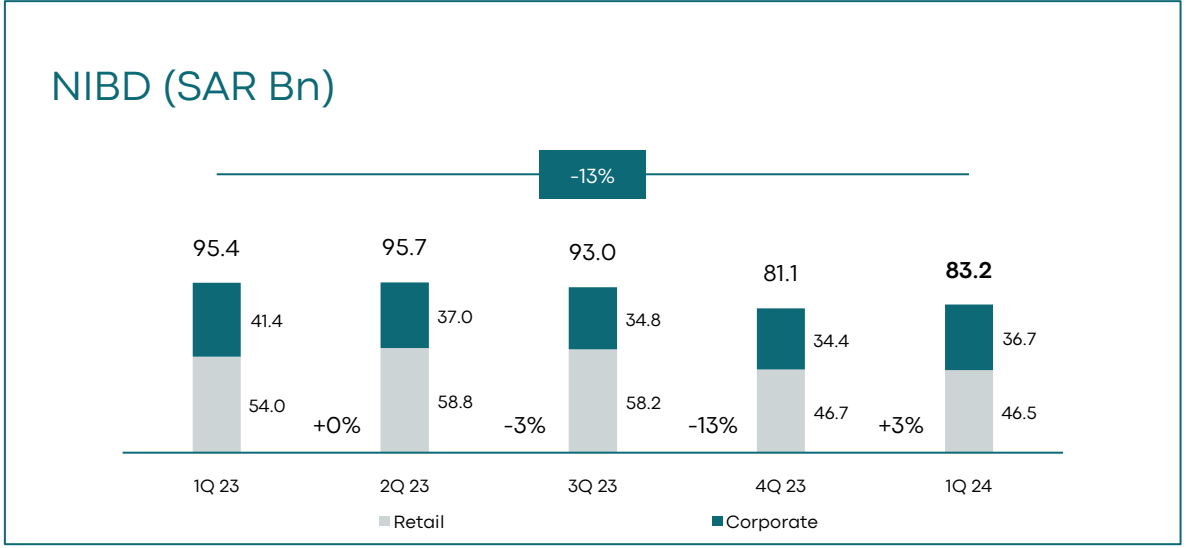
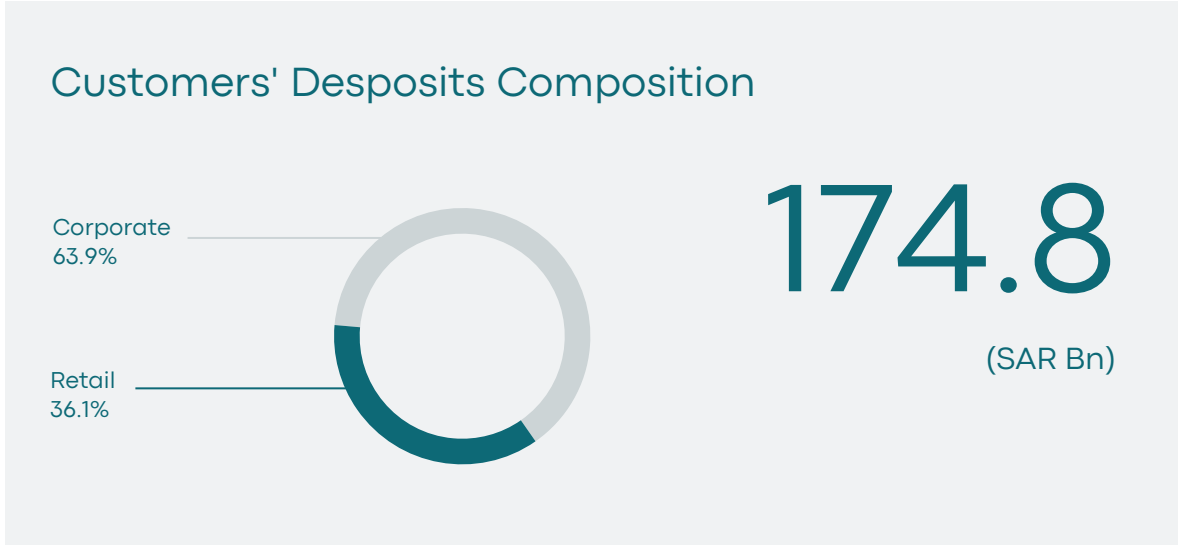
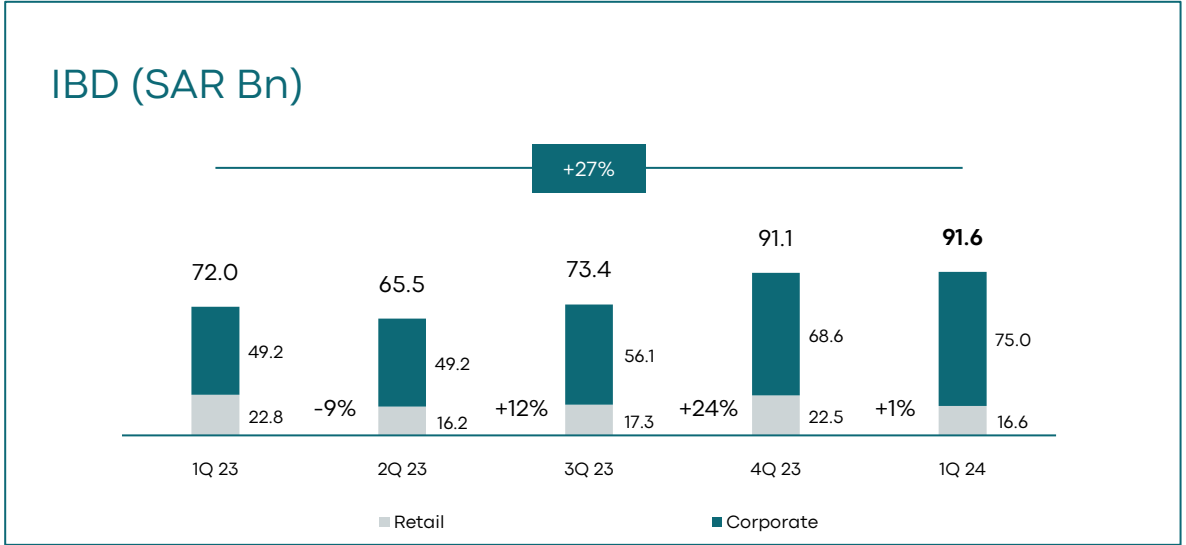
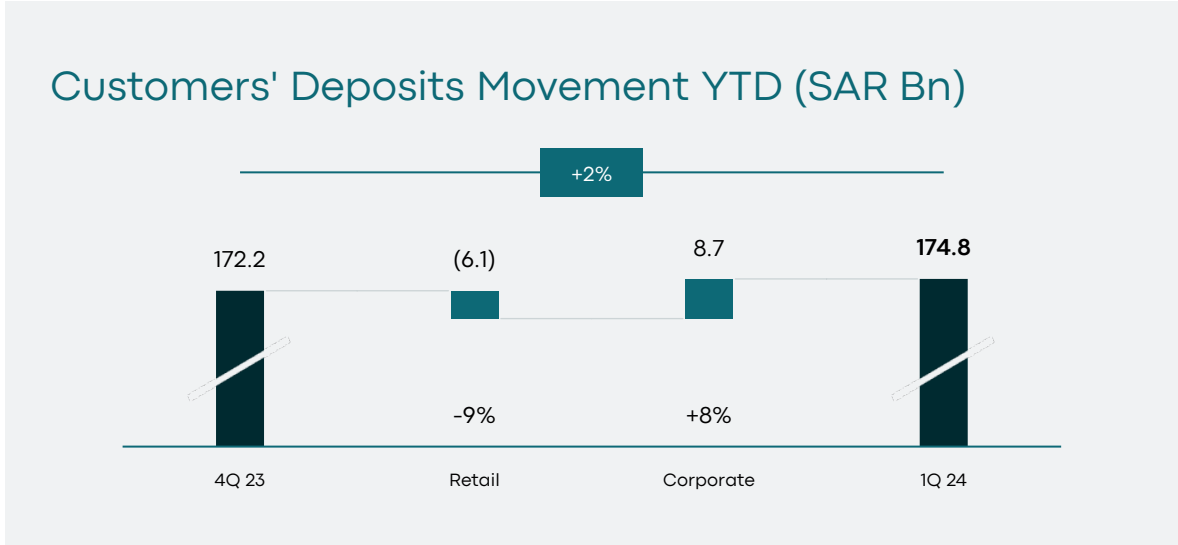


NIBD % of Total Deposits (%)



Customers' Deposits Movement YTD (SAR Bn)





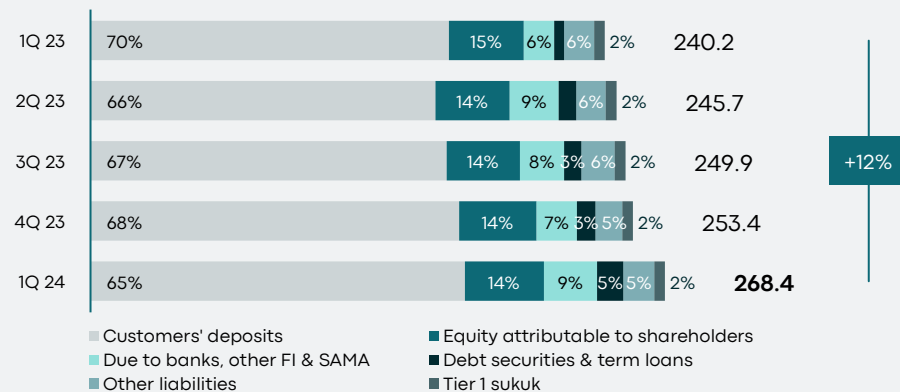
Funding Structure

- BSF's funding is largely comprised of customers' deposits which represented 77% of total liabilities and 65% of total liabilities and equity as of 31 March 2024.
- BSF has a proven track record of accessing other funding options including local and international debt capital markets.
- In 1Q 2024, BSF via BSF Sukuk Company Limited issued USD 700 million senior unsecured trust certificates, maturing in 2029 and issued USD 30 million of EMTN program, demonstrating its capability to access multiple funding sources.

Successful Track Record in Accessing Local and International Capital Markets

Issuance Date	Issuance Amount (Mn)	Type	Maturity/Call	Pricing
2010	USD 650	USD Senior Unsecured	March 2015	4.25%
2012	USD 750	USD Tier 2 Issuance	May 2017	2.95%
2012	SAR 1,900	SAR Senior Unsecured	December 2017	S+110bps
2014	SAR 2,000	SAR Tier 2 Issuance	June 2019	S+140bps
2020	SAR 5,000	SAR Tier 1 Issuance	PerpNC 2025	4.50%
2022	USD 700	USD Senior Unsecured	November 2027	5.50%
2023	USD 900	USD Senior Unsecured	May 2028	4.75%
2023	USD 100	USD Senior Unsecured	July 2027	5.47%
2023	USD 50	USD Senior Unsecured	November 2026	SOFR+115bps
2024	USD 700	USD Senior Unsecured	January 2029	5.00%
2024	USD 30	USD Senior Unsecured	February 2031	SOFR+155bps

Funding Structure Overview* (SAR Bn)



Strong credit ratings and stable maturity profile



Standard & Poor's

A-

▶ Stable outlook

Moody's

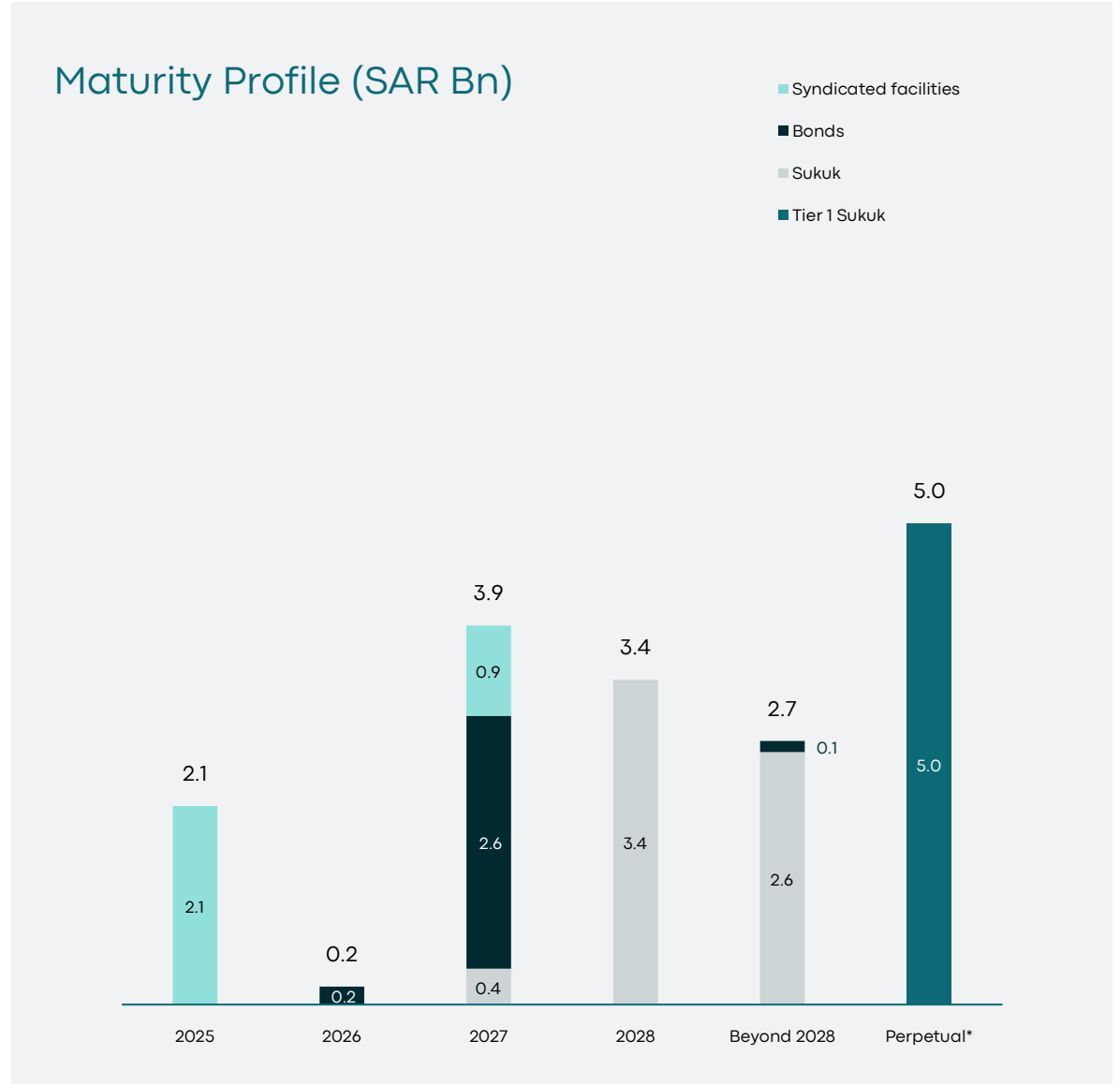
A2

▲ Positive outlook

Fitch

A-

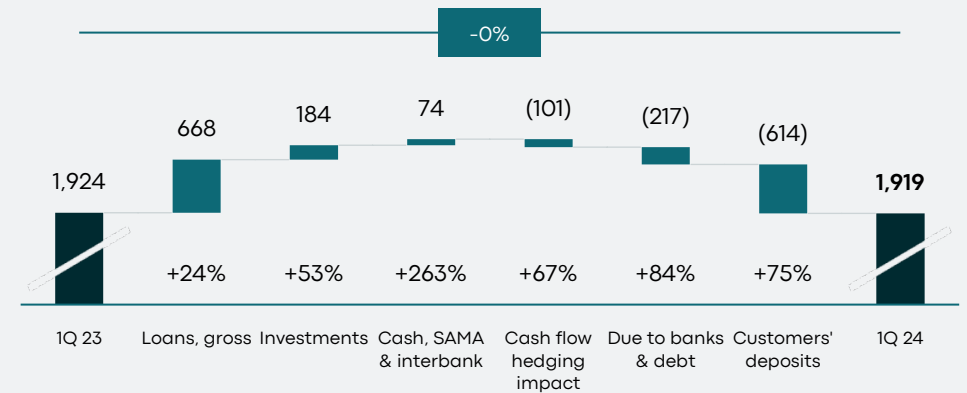
▶ Stable outlook



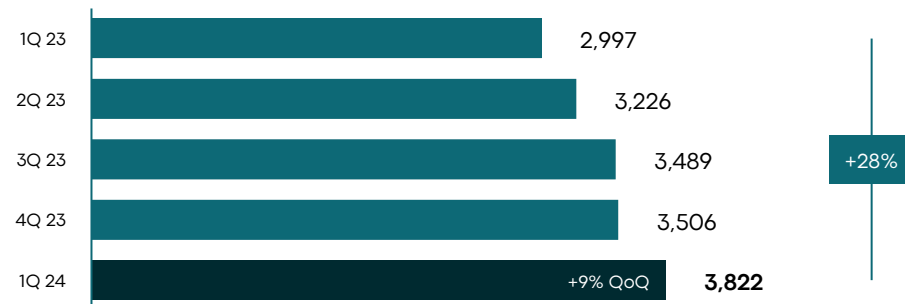
Net Interest Income

- NII for 1Q 2024 remained stable YoY at SAR 1,919mn, with 13% average earnings assets growth offset by the decline in margin.
- Interest income rose 28% YoY to SAR 3,822mn in 1Q 2024, while funding costs rose 77% to SAR 1,903mn.

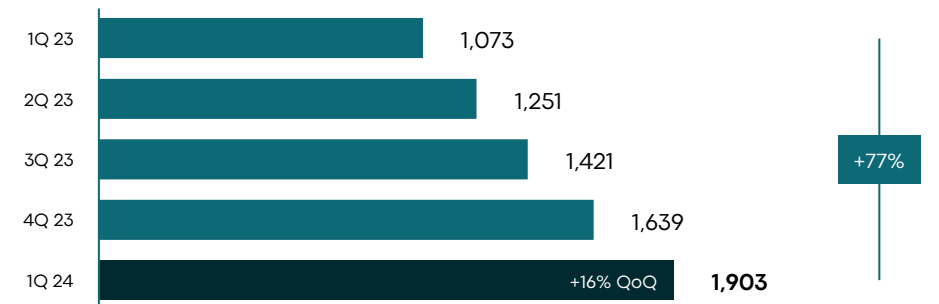
Net Interest Income Movement YoY (SAR Mn)



Interest Income (SAR Mn)



Interest Expense (SAR Mn)

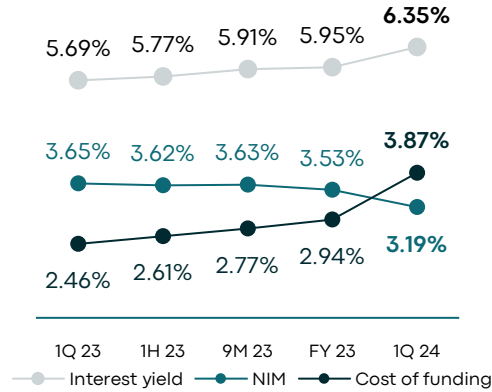


YoY margin decline with a more stable dynamic QoQ

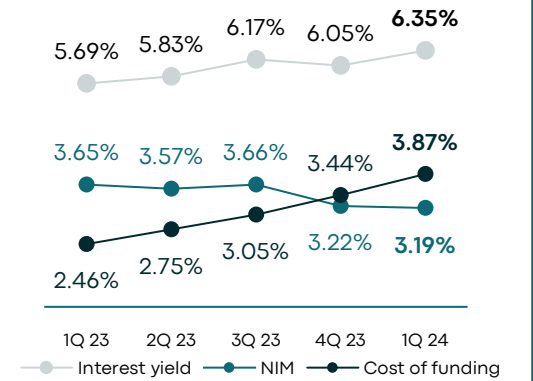
Net Interest Margin

- The NIM declined 47bps YoY to 3.19% due to increased costs on customers' deposits, partly offset by the higher loan yields.
- On a sequential basis, quarterly NIM was more stable, declining by only 4bps QoQ.
- Funding costs increased by 141bps YoY to 3.87% in 1Q 2024.

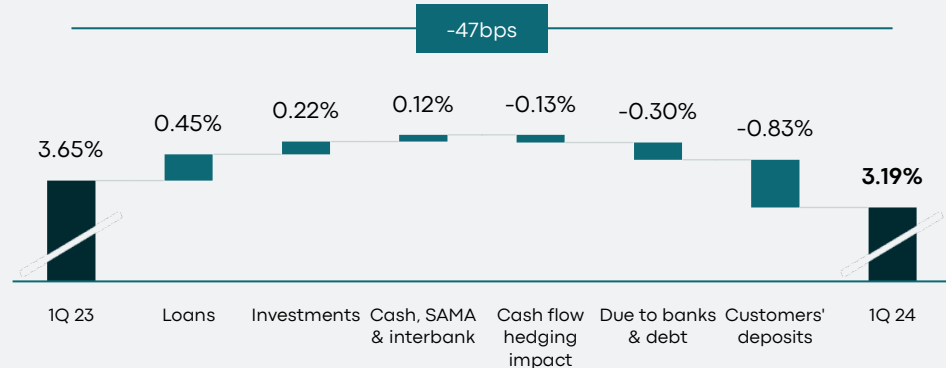
YTD NIM Trend



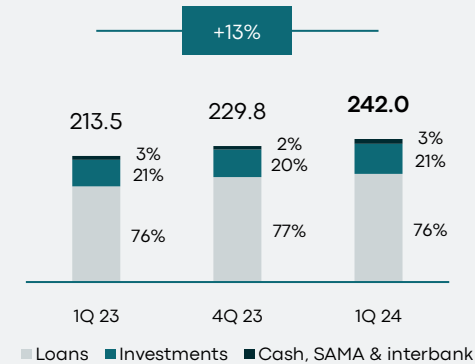
Quarterly NIM Trend



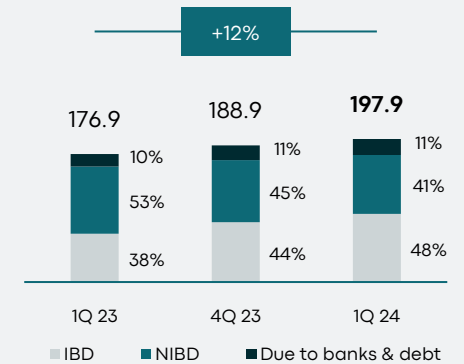
NIM Movement YoY (%)



Average Interest Earning Assets (SAR Bn)



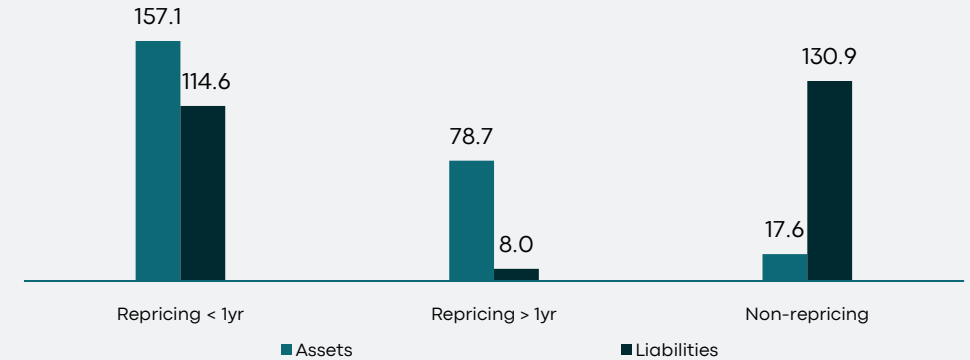
Average Interest Bearing Liabilities (SAR Bn)



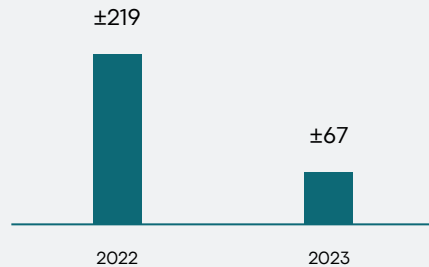
NIM Sensitivity

- As of 31 December 2023, BSF estimates a 1-year NIM sensitivity of a 100bps rates change at ± 3 bps; this would translate into a SAR ± 67 mn NII delta.
- The net open short-term IR position arising from on-balance sheet items reflects BSF's corporate DNA (excess of floating rate assets).
- BSF mitigates its IR risk exposure through a combination of on-and off-balance sheet instruments, incl. cash-flow hedges. The CFH outstanding position is driven by the evolution of BSF's balance sheet structure, IR risk appetite & structural market trends.
- In the current interest rate environment, the Bank has been closing some of its IR position as part of its interest rate risk management.

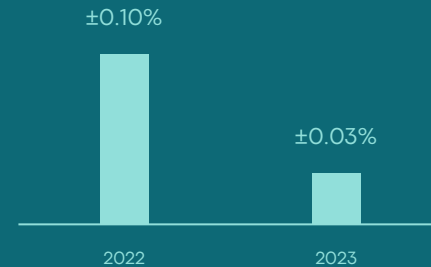
Balance Sheet Repricing Profile as at 31 December 2023 (SAR Bn)



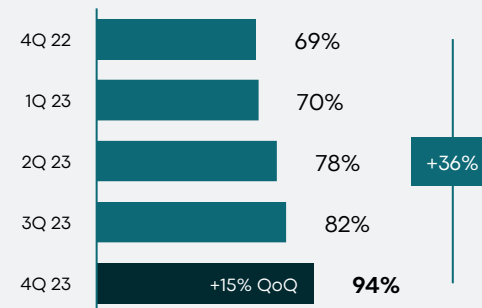
NII Impact of ± 100 bps Rate Change (SAR Mn)



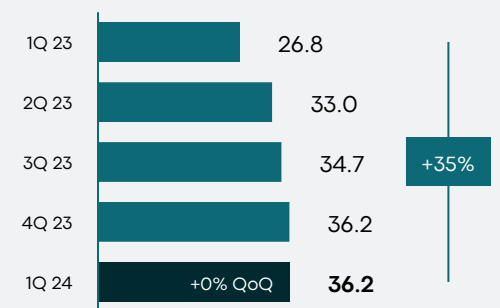
NIM Impact of ± 100 bps Rate Change (%)



Fixed Assets vs. Fixed Liabilities (%)



Cash Flow Hedges Swaps (SAR Bn)



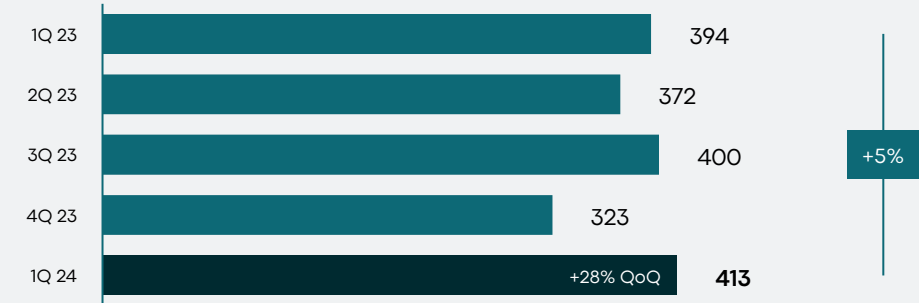
Non-interest income increased 5% YoY on improved trading income and banking fees



Non-Interest Income

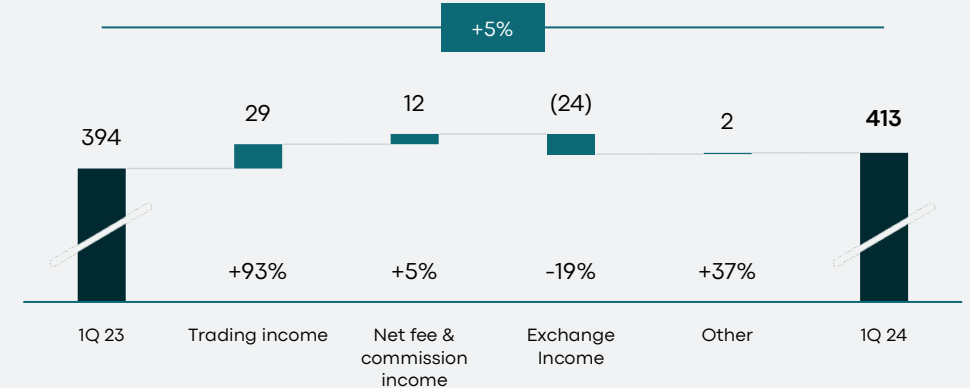
- Non-interest income for 1Q 2024 increased 5% YoY to SAR 413mn on improved trading income and net fee & commission income, partly offset by lower exchange income.
- Trading income increased 93% YoY to SAR 60mn.
- 1Q 2024 non-interest income increased by 28% QoQ partially attributable to a one-off credit valuation adjustment on a derivate position in 4Q 2023.

Non-interest Income (SAR Mn)



SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Fee & commission income	365	408	-11%	355	+3%
Fee & commission expenses	(117)	(171)	-31%	(120)	-2%
Net fee & commission income	247	237	+4%	235	+5%
Exchange Income	100	118	-15%	124	-19%
Trading income	60	(38)	-258%	31	+93%
Banking-related income	407	318	+28%	390	+4%
Investment-related income	6	5	+15%	4	+48%
Other income	0	1	-71%	0	-53%
Non-interest income	413	323	+28%	394	+5%

Non-interest Income Movement YoY (SAR Mn)

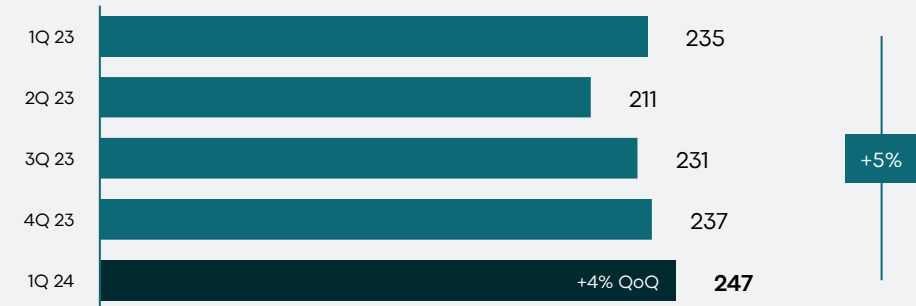


Fee & commission income increased 5% YoY, mainly from improved brokerage & asset management income

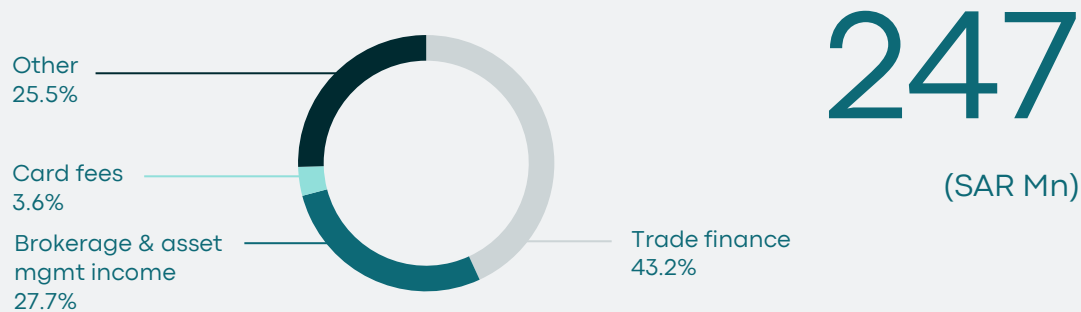
Fee & Commission Income

- Net fee & commission grew 5% to SAR 247mn in 1Q 2024 as higher brokerage & asset management income and trade finance and other fee income were partially offset by lower card fees.

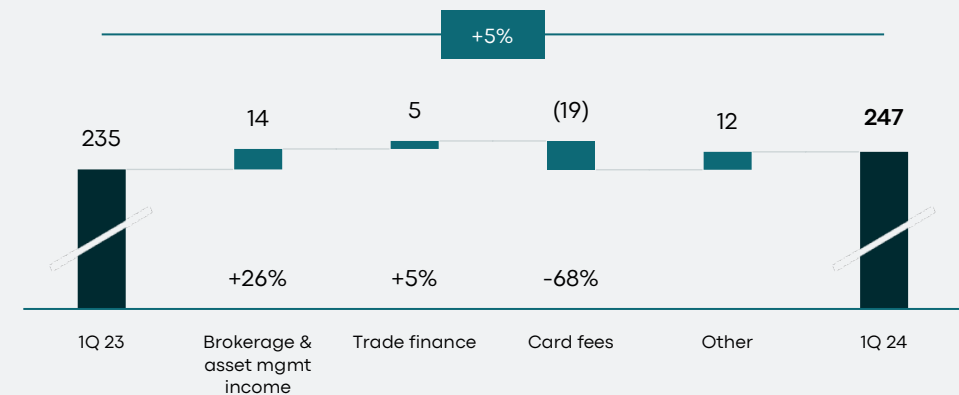
Fee & Commission Income (SAR Mn)



Fee & Commission Income Composition



Fee & Commission Income Movement YoY (SAR Mn)

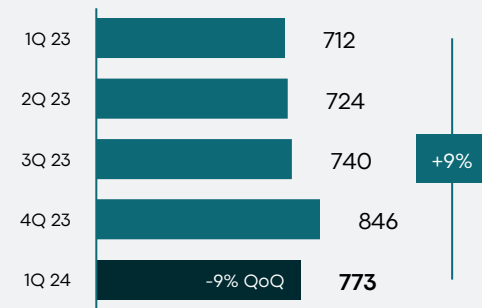


Operating expenses growth of 9% YoY mainly from higher employee-related expenses

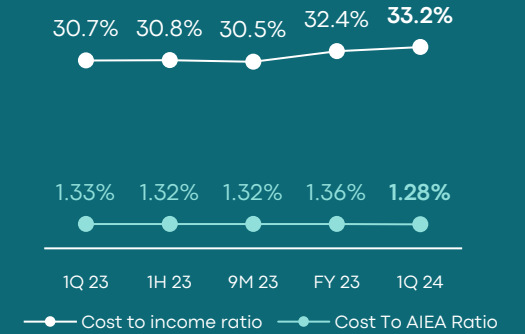
Operating Expenses

- Operating expenses increased 9% YoY to SAR 773mn in 1Q 2024 mainly due to increased employee-related costs.
- The YoY cost to income ratio increased by 2.5ppts YoY to 33.2% in 1Q 2024 from 30.7% in 1Q 2023.
- At the same time, operating expenses as a percentage of average interest-earning assets (AIEA) decreased 5bps YoY to 1.28% for 1Q 2024 due to faster expansion of AIEA (+13%) relative to expense growth (+9%).
- On a sequential basis, operating expenses decreased 9% QoQ, mainly due to one-offs and non-recurring transformation-related expenses in 4Q 2023.

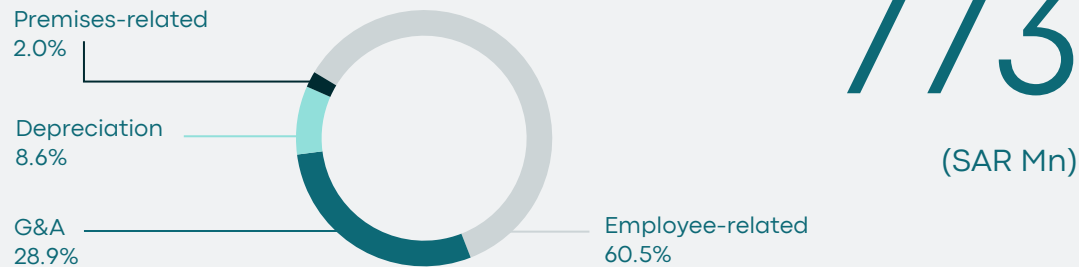
Operating Expenses (SAR Mn)



Cost Ratios (%)



Operating Expenses Composition



Operating Expenses Movement YoY (SAR Mn)



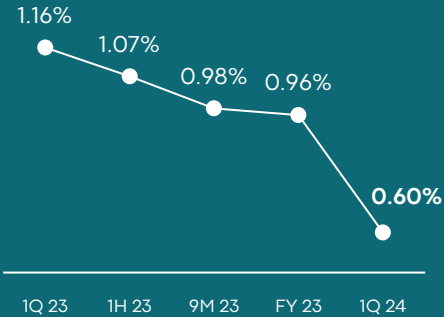
Cost of risk decreased by 56bps YoY to 0.60% for 1Q 2024 from lower commercial impairments



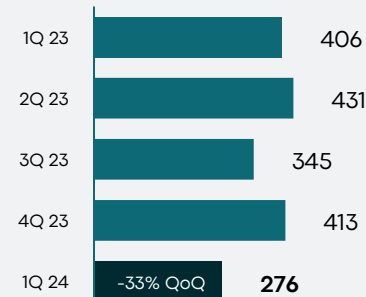
Impairment Charge

- The total impairment charge for 1Q 2024 decreased 32% YoY to SAR 276mn, mainly from lower commercial impairments, partly offset by higher consumer and investment & off-balance impairments.
- In combination with healthy loan growth, this resulted in a 56bps YoY improvement in cost of risk to 0.60% for 1Q 2024.

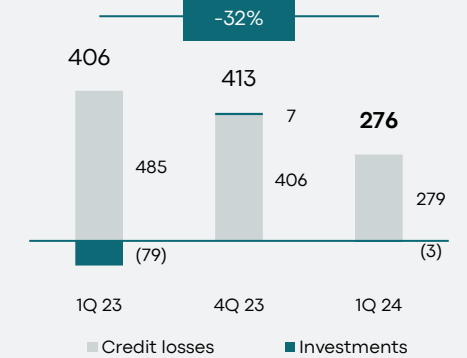
Cost of Credit Risk (%)



Impairment Charge (SAR Mn)



Impairment Charge (SAR Mn)



Commercial COR

0.54%

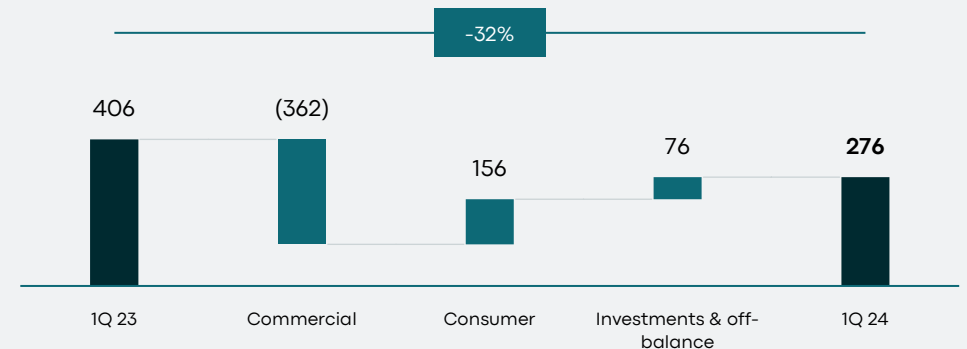
▼ -111bps year-on-year

Consumer COR

0.90%

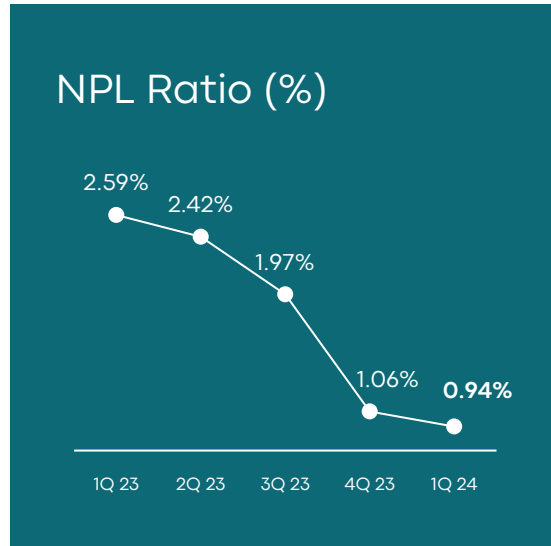
▲ +197bps year-on-year

Impairment Charge Movement YoY (SAR Mn)

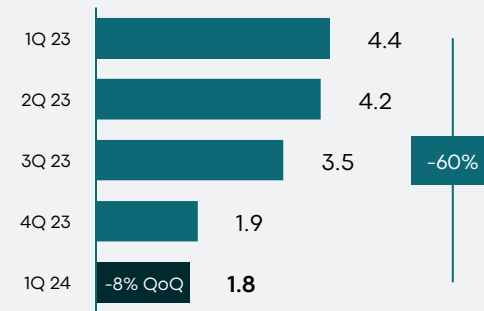


NPL Ratio

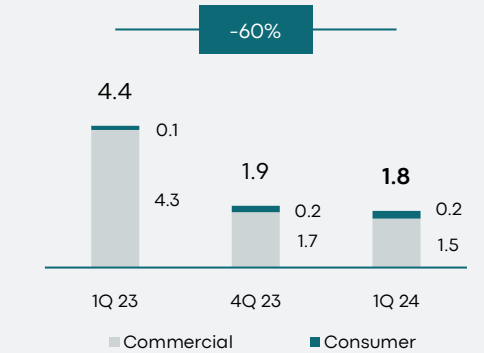
- The NPL ratio improved 12bps YTD to 0.94% as NPLs declined 8% on write-offs in the commercial book relative to 3% gross loan growth.



Non Performing Loans & Advances (SAR Bn)



Non Performing Loans & Advances (SAR Bn)



Commercial NPL Ratio

0.99%

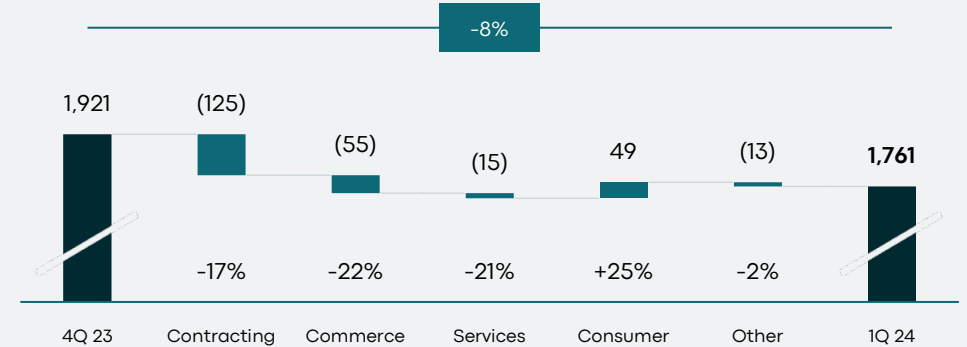
▶ -17bps year-to-date

Consumer NPL Ratio

0.70%

▶ +11bps year-to-date

Total Non Performing Movement YTD (SAR Mn)



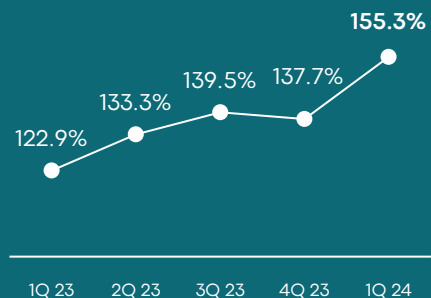
NPL coverage improved 17.7ppts YTD to 155.3%



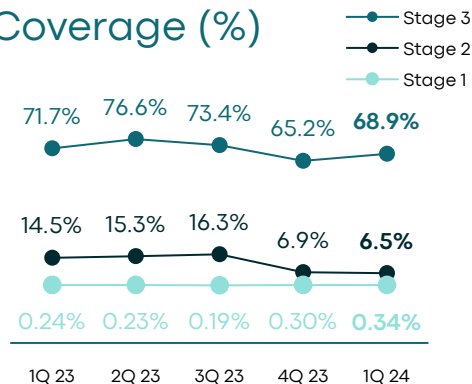
NPL Coverage

- The NPL coverage ratio improved by 17.7ppts YTD to 155.3%, attributed to enhancements in commercial coverage.
- Stage 3 coverage improved 3.7 ppts during 1Q 2024 to 68.9%, stage 2 coverage declined 0.4ppts to 6.5%, while stage 1 coverage was largely stable at 0.34%.

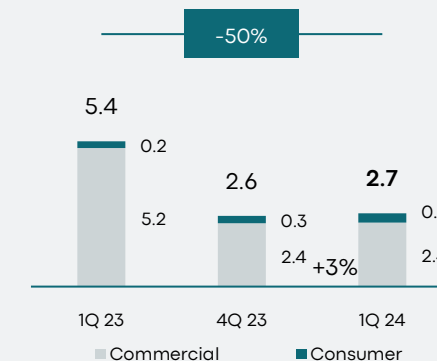
NPL Coverage Ratio (%)



Stage-Wise Provision Coverage (%)



Allowance for Impairment (SAR Bn)



Commercial NPL

157.5%

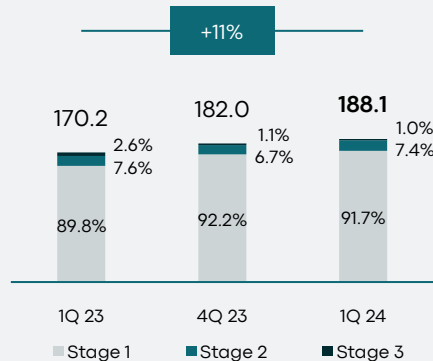
▲ +20.4ppts year-to-date

Consumer NPL Coverage

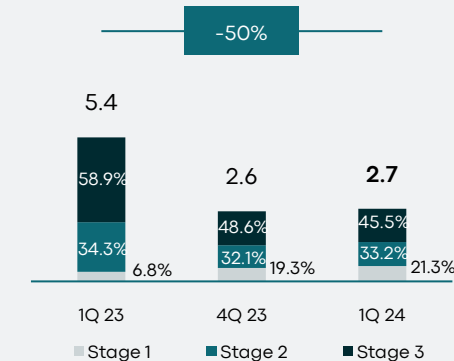
141.7%

▶ -0.7ppts year-to-date

Stage-Wise Gross Financing (SAR Bn)



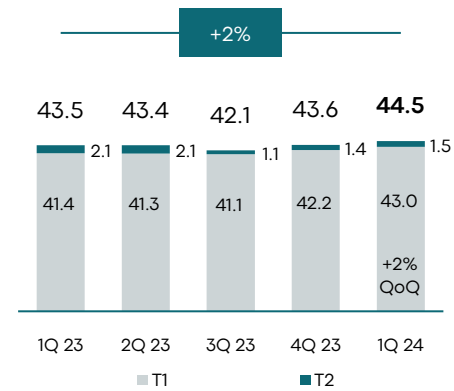
Stage-Wise ECL Allowances (SAR Bn)



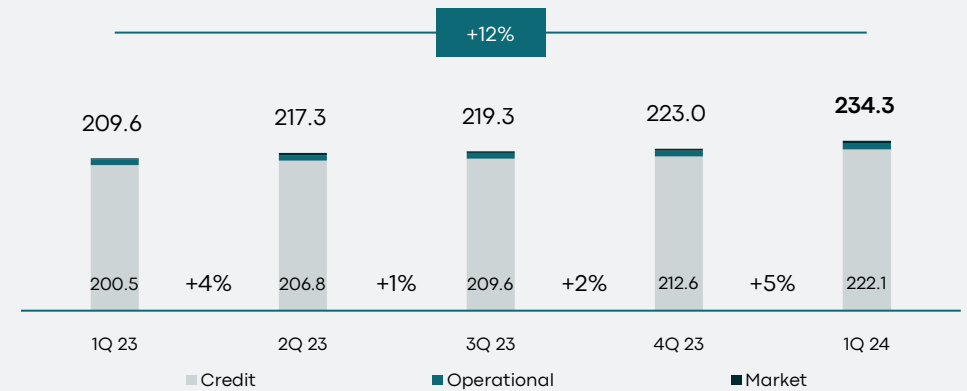
Capital

- Total capital (Tier 1 + Tier 2 regulatory capital) increased 2% YTD to SAR 44.5bn during 1Q 2024 mainly from net income generation.
- RWAs increased 5% YTD during 1Q 2024 to SAR 234.3bn from lending growth.
- CAR was 19.0% and the Tier 1 ratio was 18.4% as of 31 March 2024.

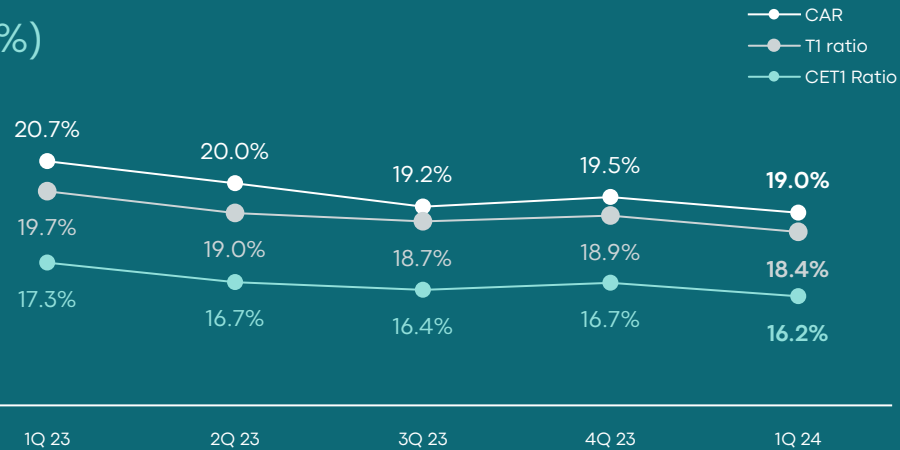
Total Capital (SAR Bn)



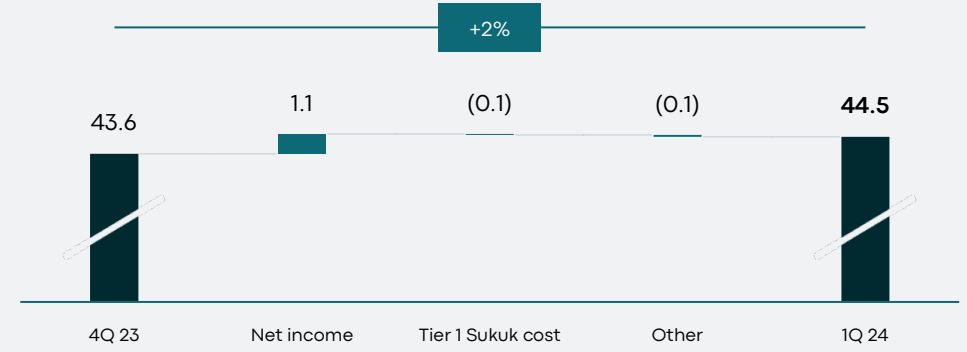
RWA (SAR Bn)



CAR (%)



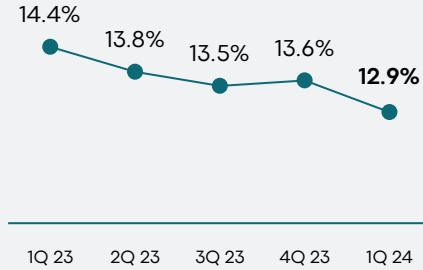
Total Capital Movement YTD (SAR Bn)



Liquidity

- LCR moderated 30ppts to 166% during 1Q 2024.
- NSFR was broadly stable YTD at 116% as of 31 March 2024.
- The SAMA regulatory LTD ratio was within required levels at 84.0% as of 31 March 2024, while the headline ratio increased to 106.1%.

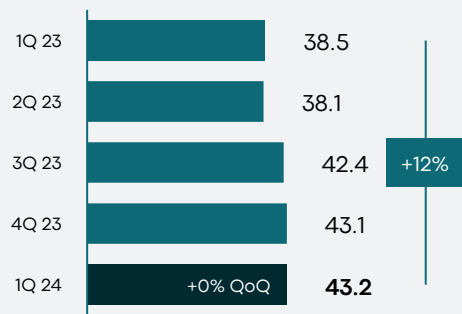
Leverage Ratio (%)



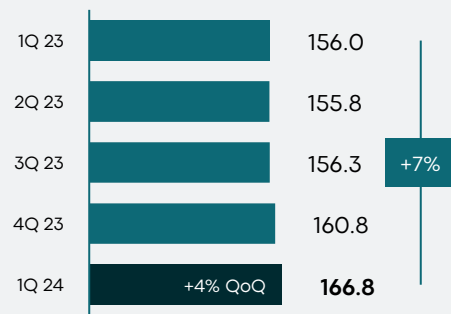
LTD Ratios (%)



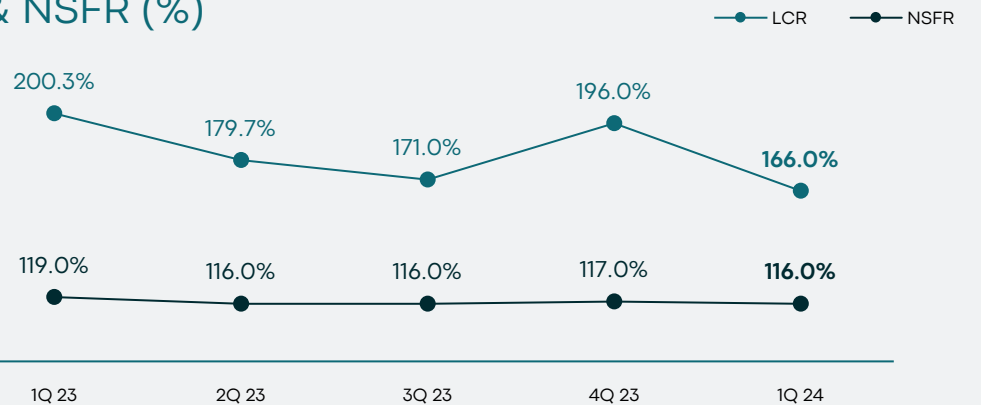
HQLA (SAR Bn)



Available Stable Funding (SAR Bn)



LCR & NSFR (%)

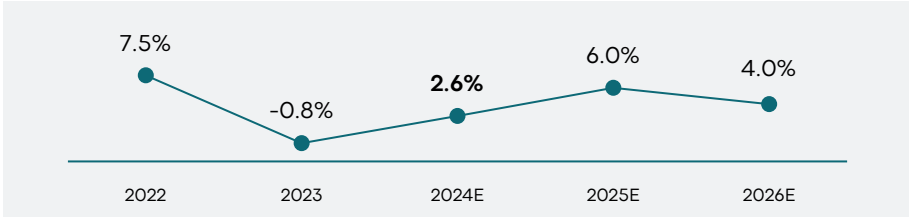
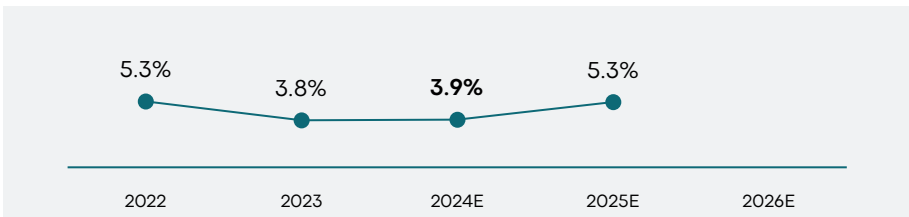
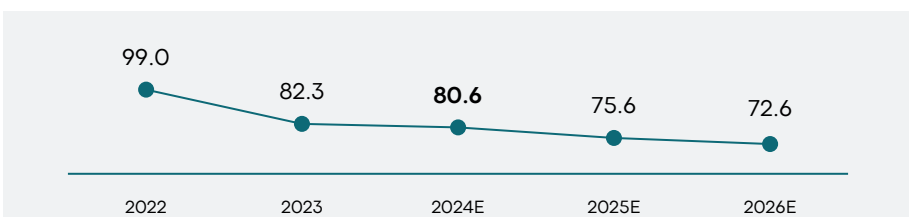
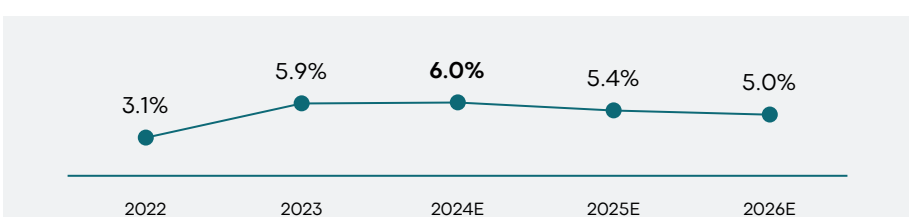


Outlook & Guidance

Investor Presentation 1Q 2024

Saudi Arabia's real GDP and non-oil GDP growth are expected to improve, while anticipating a higher-for-longer interest rate environment



Metric	2023 Outcome	2024 Outlook	Trend
Saudi Arabia Real GDP Growth	-0.8%	+2.6%	Real GDP Growth trend: 
Saudi Arabia Non-oil GDP Growth	+3.8%	+3.9%	Non-oil GDP Growth trend: 
Oil prices (Brent/Barrel)	82.3 USD	USD 80.6	Brent Avg Oil Prices / Barrel (USD): 
Interest rates	5.9% SAIBOR 3m avg	50bps rate cuts towards year-end	SAIBOR SAR 3M avg (%): 

BSF is optimistic about the outlook for 2024

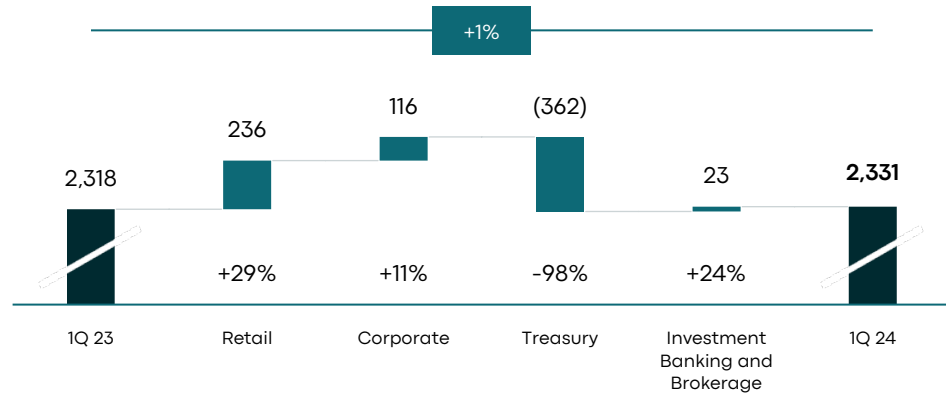


Metric	1Q 2024 Outcome	2024 Guidance	Revision	2024 Guidance Drivers
Loans & Advances Growth	+3.4% ▲ YTD SAR Bn 185.4	Low double-digit	unchanged	Continued robust corporate activity and credit appetite driven by macroeconomic growth supported by V2030 projects.
Net Interest Margin	3.19% ▼ -47 bps YOY	3.10 - 3.30%	unchanged	Broadly stable margins from 4Q 2023 run rate of 3.22% supported by more stable rate environment and deposit mix.
Cost of Risk	60bps ▼ -56 bps YOY	60-70bps	unchanged	Normalizing cost of risk in relatively benign credit environment and absence of provisioning for isolated legacy exposures.
Cost to Income Ratio	33.2% ▲ +2.4 pts YOY	<32%	unchanged	Positive jaws from solid income growth and efficiency improvements driving lower expected cost to income ratio.
Return on Equity	11.1% ▲ +13 bps YOY	11-13%	unchanged	Improving returns expected from financing expansion, stable margins and improving operational and risk costs.
Core Equity Tier 1 Ratio	16.2% ▼ -44 bps YTD	17-18%	unchanged	Steadily improving capitalization ratios from capital accretive profitability.

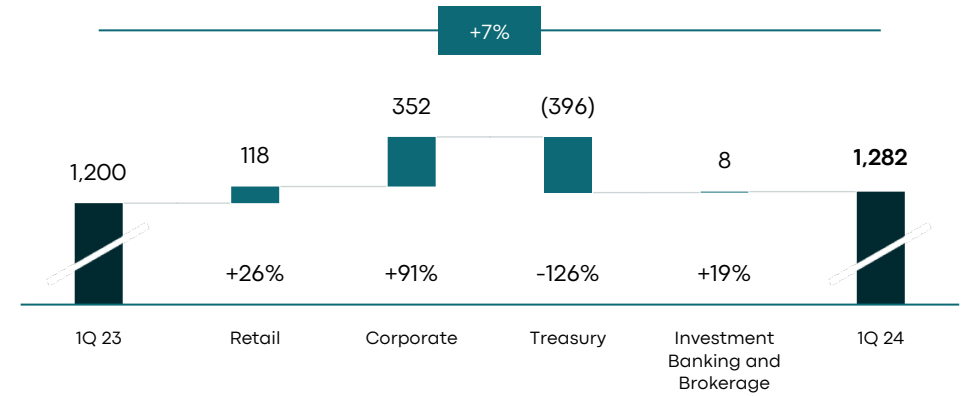
Segmental Performance

Investor Presentation 1Q 2024

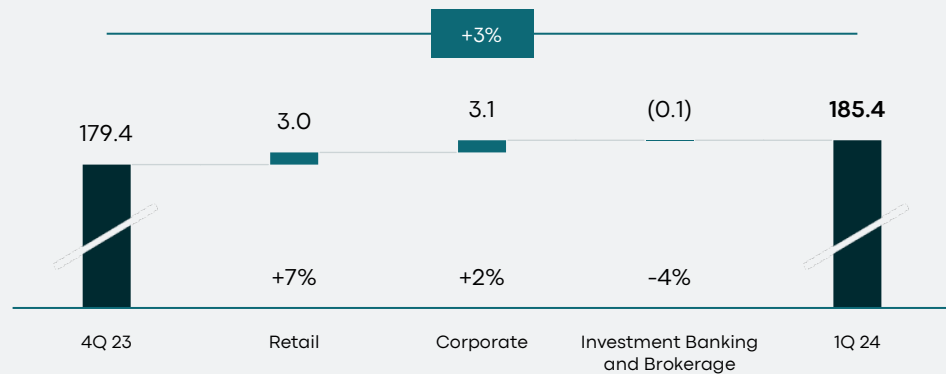
Operating Income Movement YoY (SAR Mn)



Net Income Before Zakat Movement YoY (SAR Mn)



Loans & Advances Movement YTD (SAR Bn)

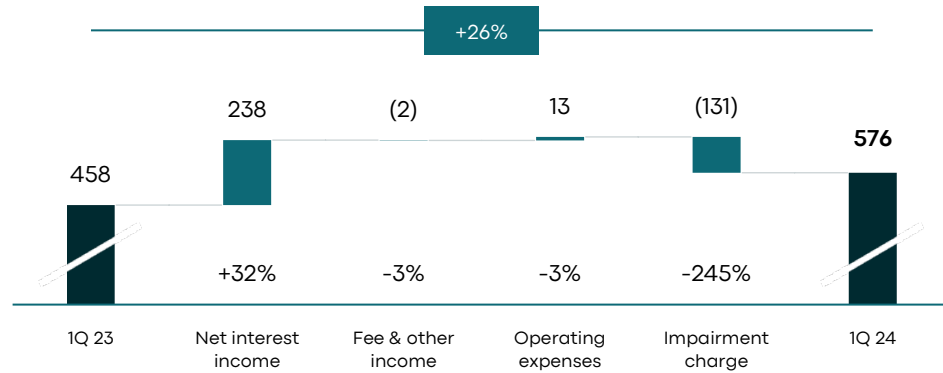


Customers' Deposits Movement YTD (SAR Bn)

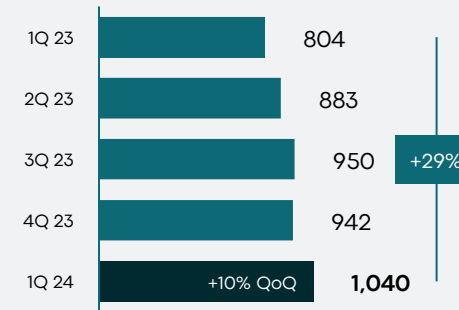


Retail Segment: Higher profits YoY due to higher net interest income from NIM expansion and loan growth

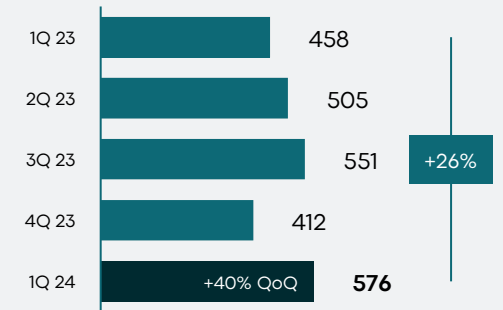
Net Income Before Zakat Movement YoY (SAR Mn)



Total Operating Income (SAR Mn)

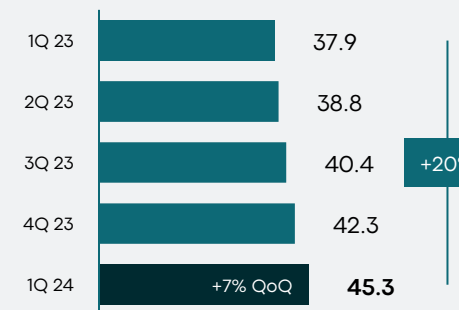


Net Income Before Zakat (SAR Mn)

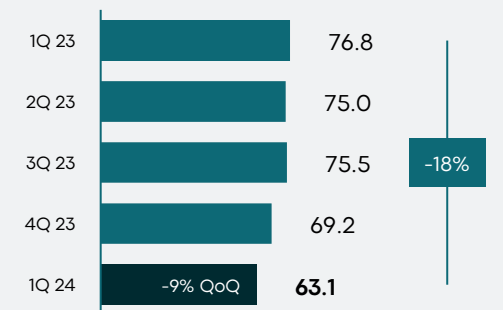


SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Net interest income	978	893	+10%	740	+32%
Fee & other income	62	49	+27%	64	-3%
Total operating income	1,040	942	+10%	804	+29%
Operating expenses	(387)	(478)	-19%	(400)	-3%
Pre-impairment operating income	654	464	+41%	404	+62%
Impairment charge	(78)	(52)	+50%	54	-245%
Net income before zakat	576	412	+40%	458	+26%

Retail Loans (SAR Bn)

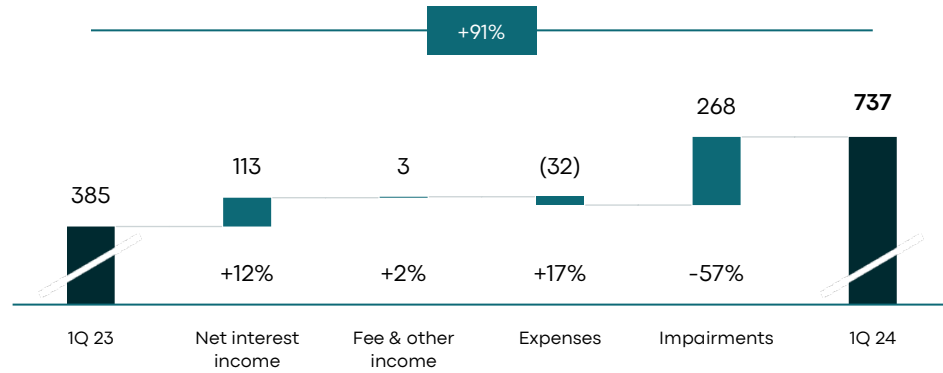


Retail Deposits (SAR Bn)

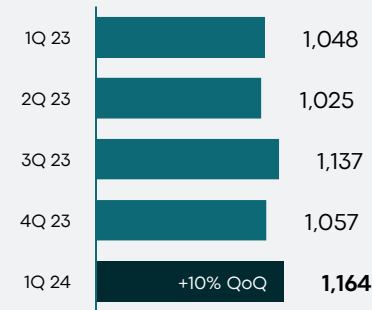


Corporate Segment: Increased profitability from net interest income growth supported by decreased impairments

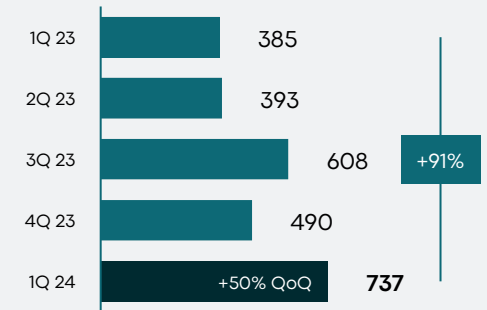
Net Income Before Zakat Movement YoY (SAR Mn)



Total Operating Income (SAR Mn)

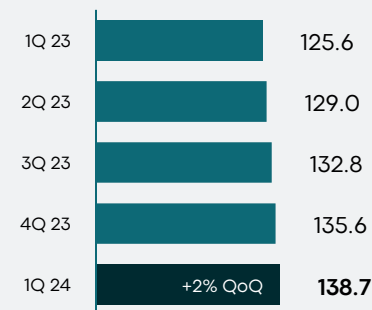


Net Income Before Zakat (SAR Mn)

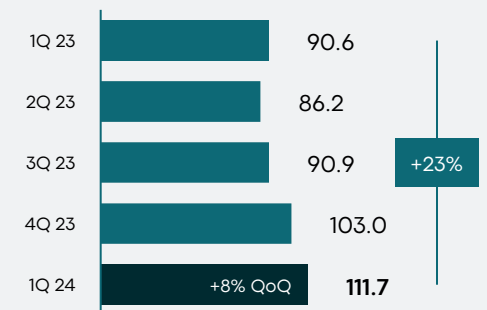


SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Net interest income	1,034	939	+10%	921	+12%
Fee & other income	129	118	+9%	126	+2%
Total operating income	1,164	1,057	+10%	1,048	+11%
Operating expenses	(225)	(203)	+11%	(193)	+17%
Pre-impairment operating income	939	855	+10%	855	+10%
Impairment charge	(202)	(365)	-45%	(470)	-57%
Net income before zakat	737	490	+50%	385	+91%

Corporate Loans (SAR Bn)

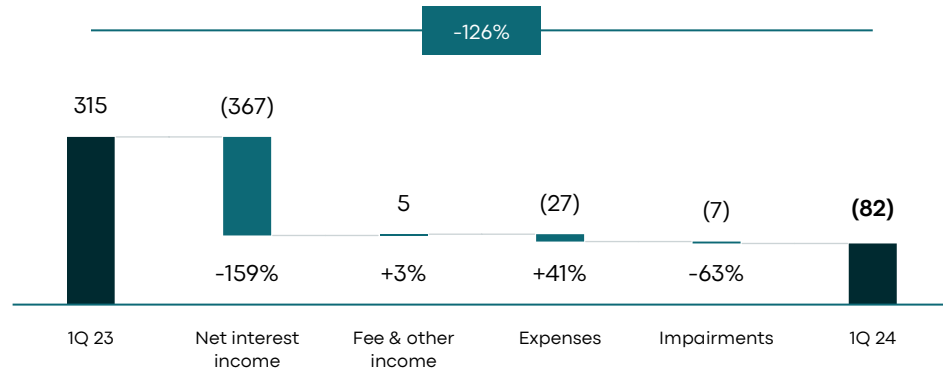


Corporate Deposits (SAR Bn)

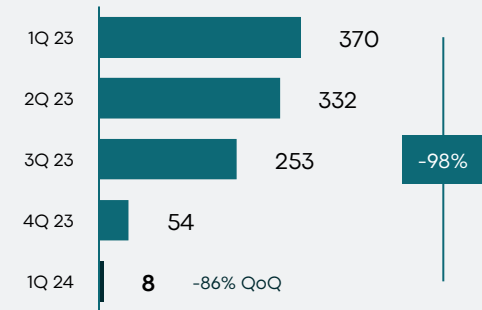


Treasury Segment: Net income declined due to higher funding costs

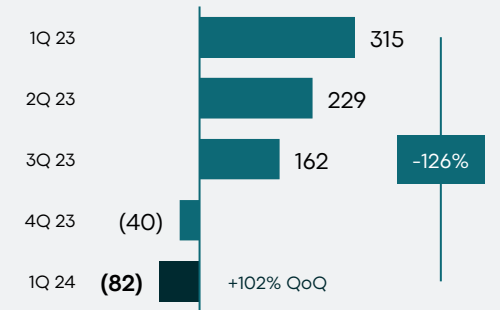
Net Income Before Zakat Movement YoY (SAR Mn)



Total Operating Income (SAR Mn)

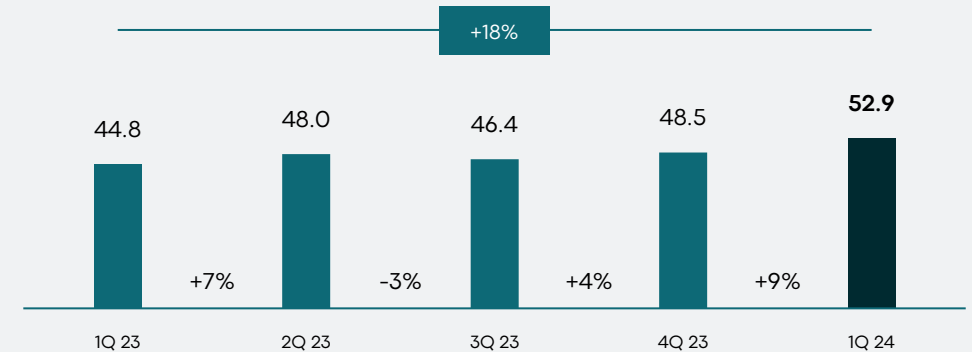


Net Income Before Zakat (SAR Mn)



SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Net interest income	(137)	(6)	+2245%	230	-159%
Fee & other income	145	60	+141%	140	+3%
Total operating income	8	54	-86%	370	-98%
Operating expenses	(93)	(98)	-5%	(66)	+41%
Pre-impairment operating income	(85)	(44)	+96%	304	-128%
Impairment charge	4	3	+24%	11	-63%
Net income before zakat	(82)	(40)	+102%	315	-126%

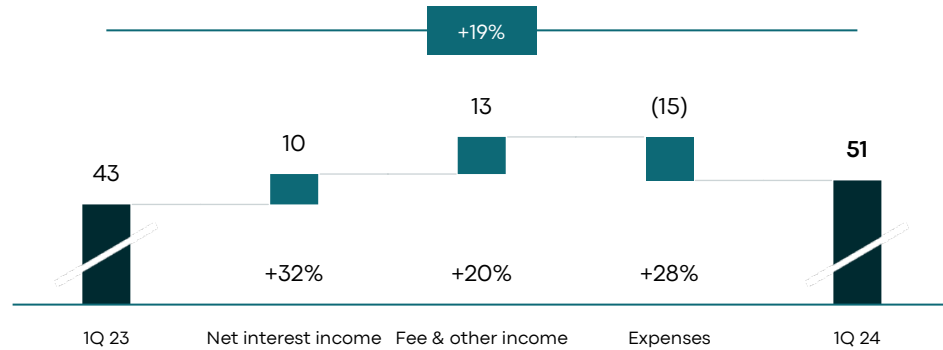
Investments (SAR Bn)



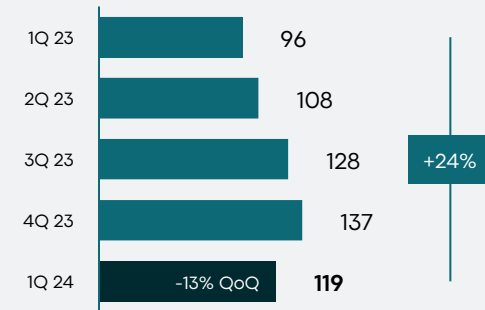
Investment Banking and Brokerage Segment: Modest profitability improvement YoY as higher NII and fees were partly offset by higher expenses



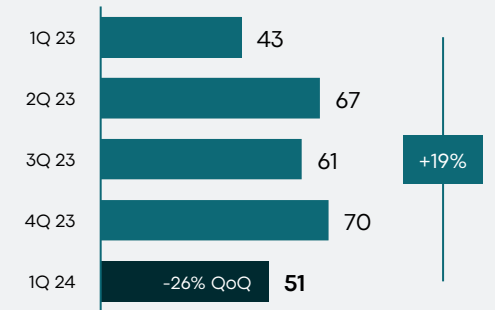
Net Income Before Zakat Movement YoY (SAR Mn)



Total Operating Income (SAR Mn)

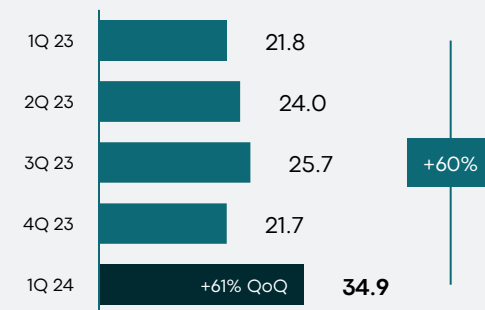


Net Income Before Zakat (SAR Mn)

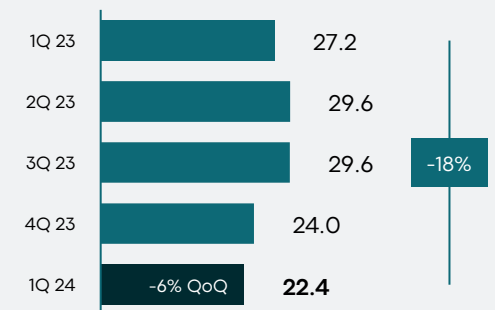


SAR Mn	1Q 2024	4Q 2023	Δ%	1Q 2023	Δ%
Net interest income	43	41	+4%	33	+32%
Fee & other income	76	96	-20%	64	+20%
Total operating income	119	137	-13%	96	+24%
Operating expenses	(68)	(68)	+1%	(53)	+28%
Pre-impairment operating income	51	70	-26%	43	+19%
Impairment charge	0	0	-	0	-
Net income before zakat	51	70	-26%	43	+19%

Brokerage Trading Volume (SAR Bn)



Assets Under Management (SAR Bn)



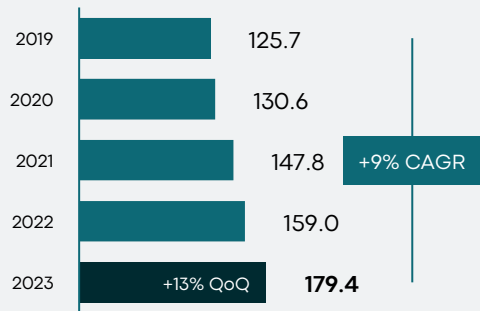
Performance Track Record



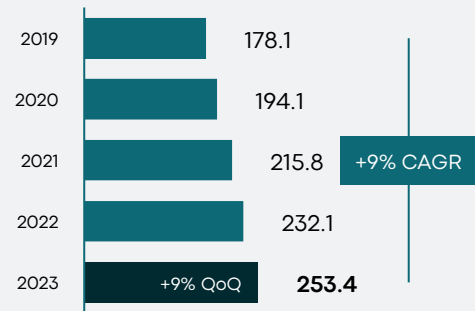
Investor Presentation 1Q 2024



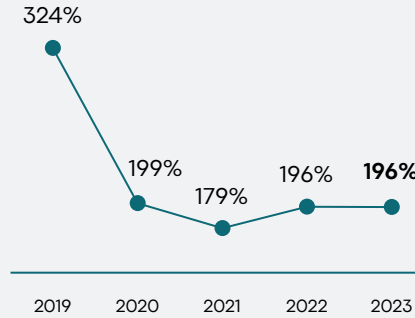
Loans & Advances (SAR Bn)



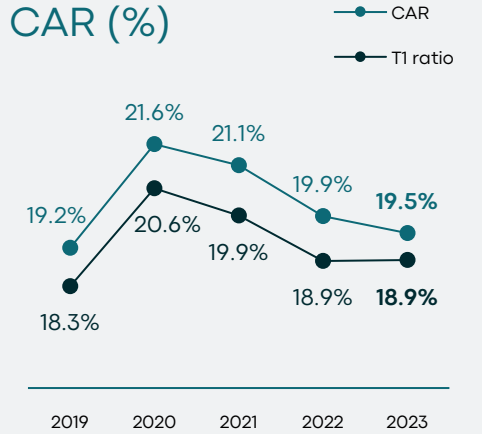
Total Assets (SAR Bn)



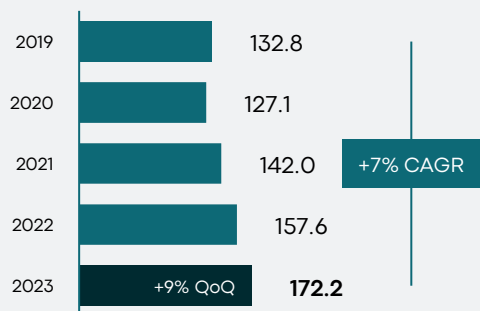
LCR (%)



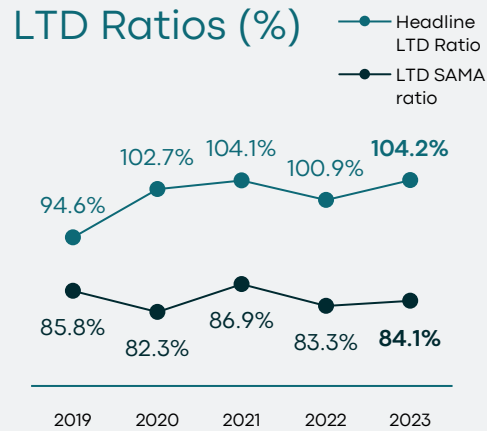
CAR (%)



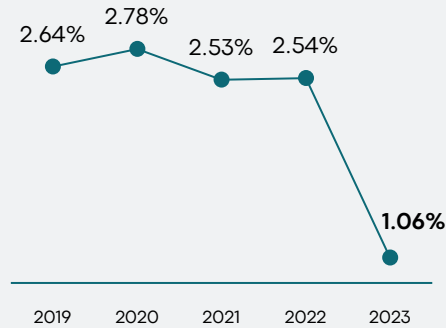
Customers' Deposits (SAR Bn)



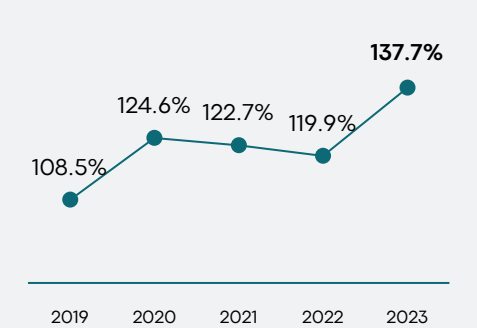
LTD Ratios (%)



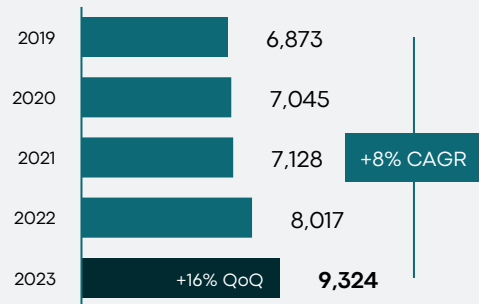
NPL Ratio (%)



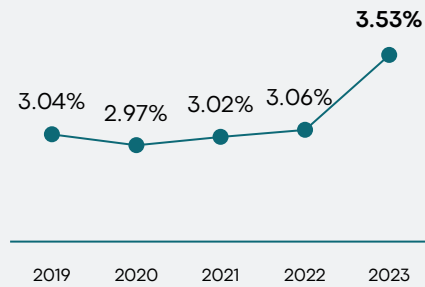
NPL Coverage Ratio (%)



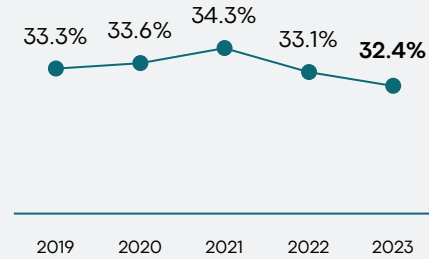
Total Operating Income (SAR Mn)



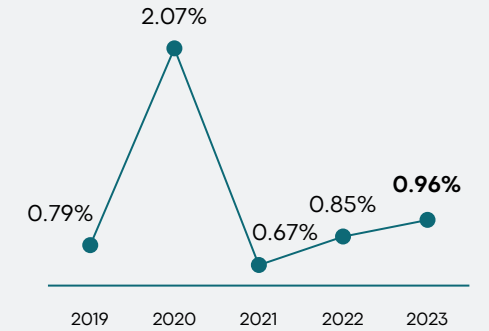
NIM (%)



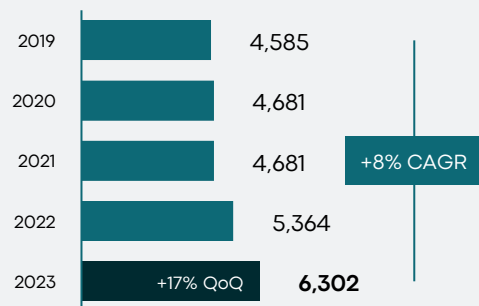
Cost to Income Ratio (%)



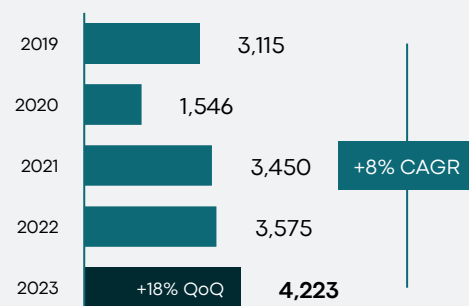
Cost of Risk (%)



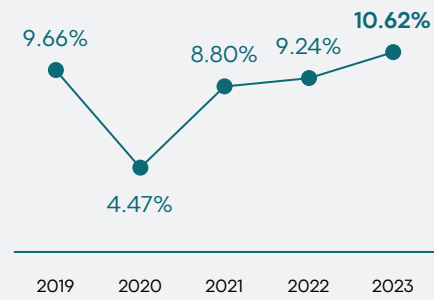
Net Operating Income Before Impairments



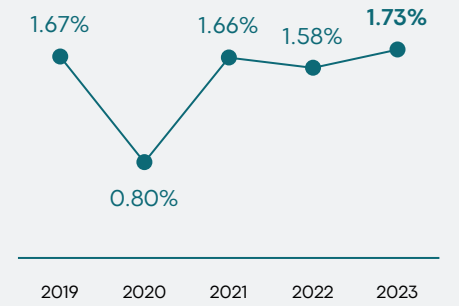
Net Income (SAR Mn)



ROAE (%)



ROAA (%)



Appendix

Investor Presentation 1Q 2024



Please contact the Investor Relations team for additional information or download BSF's IR App



For more information, please contact us at:

BSF
P.O. Box 56006, Riyadh 11554
Kingdom of Saudi Arabia
IR@bsf.sa

Access our IR website:

[BSF IR Website](#)

Find our financial disclosures:

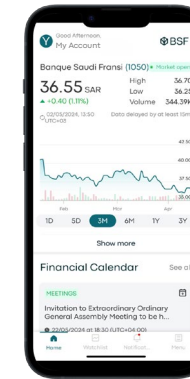
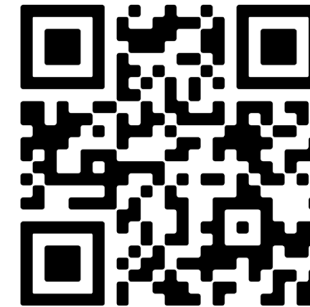
[Financial Disclosures](#)

BSF Investor Relations Contact:

Yasminah Abbas
Head of Investor Relations

E: YAbbas@bsf.sa
T: +966 11 289 1406
M: +966 50 418 7484

BSF Investor Relations App:



This presentation is being provided to you for general information purposes. The information contained in the presentation has been obtained from sources believed by BSF to be up to date, correct and reliable, but BSF does not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy reasonableness or completeness of the information and opinions.

The information provided does not constitute or form part of any legal advice or legal opinion. No advisory, fiduciary or other relationship is created between BSF and you or any person accessing or otherwise using any information of the presentation provided, nor does it constitute an offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, securities nor should it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto. **It is not a recommendation by BSF to purchase securities.** Before using the information provided, you should seek your own independent advice in relation to any investment, financial, legal, Shariah, tax, accounting or regulatory issues discussed **and the presentation should not be construed as constituting tax, investment or legal advice.** Analyses and opinions contained herein may be based on assumptions that if altered can change the analyses or opinions expressed. Nothing contained herein shall constitute any representation or warranty as to future performance of any financial instrument, credit, currency, rate or other market or economic measure. Furthermore, past performance is not necessarily indicative of future results. BSF and its affiliates, and any of its directors, officers, suppliers, agents and employees disclaim liability and will not be liable for any loss, damages, actions or course of actions arising out of or in connection with using of, or reliance on, this presentation.

Any opinion, estimate or projection in this presentation constitutes an opinion, estimate or projection as of the date of this presentation, and there can be no assurance that future results will be consistent with any such opinion, estimate or projection. There is no obligation to update, modify or amend this communication or to otherwise notify the Recipient if information, opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate. The information in this presentation is subject to change without notice, it may be incomplete or condensed, and it may not contain all material information concerning BSF.

This document has been furnished to you solely for your information. It is not intended for distribution to the press or other media and may not be reproduced or redistributed by mail, facsimile, electronic or computer transmission or by any other means to any other person. By accepting this document you agree to be bound by the limitations set out in this disclaimer.

The distribution of this document in other jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

You understand the in order to be eligible to view the Information, you must be a “sophisticated investor” within the meaning of the Offers of Securities Regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia **and should have (alone or with a financial advisor) the expertise to evaluate the performance of securities under changing conditions. The costs of such an evaluation will be of your account.**