



Banque Saudi Fransi

Investor Presentation

3Q 2021



Contents

BSF Profile

3

Operating Environment

6

Strategy

10

Financial Performance

16

Outlook & Guidance

31

Segmental Performance

33

Performance Track Record

39

Appendix

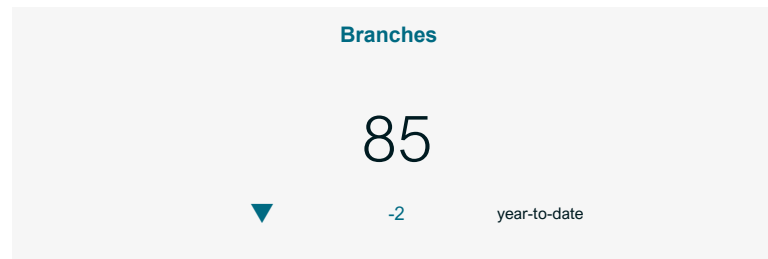
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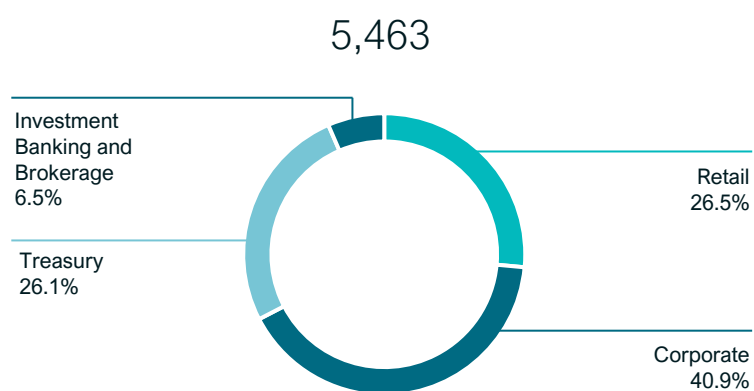
INVESTOR PRESENTATION 3Q 2021

BSF Profile

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

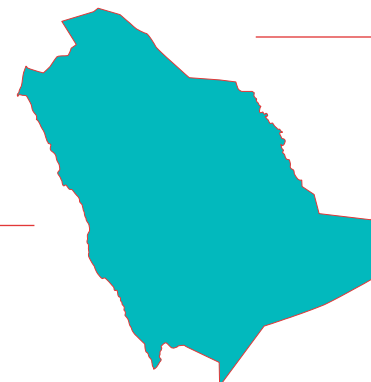


9M21 Operating Income Diversity (SAR Mn)



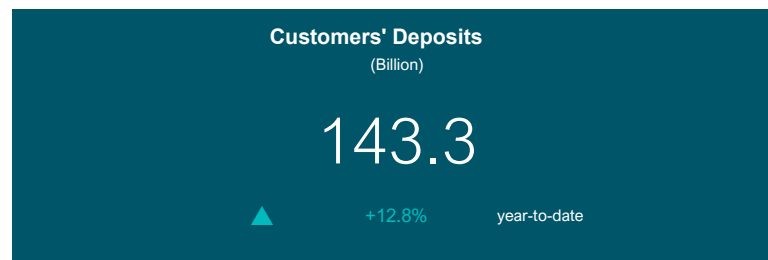
Headquartered in Riyadh:
85 branches across the Kingdom
Domestically systemic bank

Universal Bank model:
Corporate DNA (78% of our loan book)
Full suite of conventional and Islamic products
Growing Retail loan book
Core focus on the Saudi market



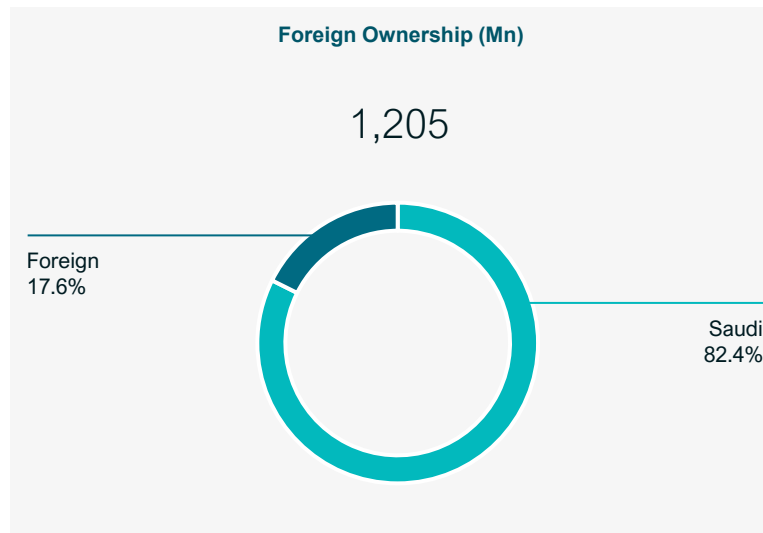
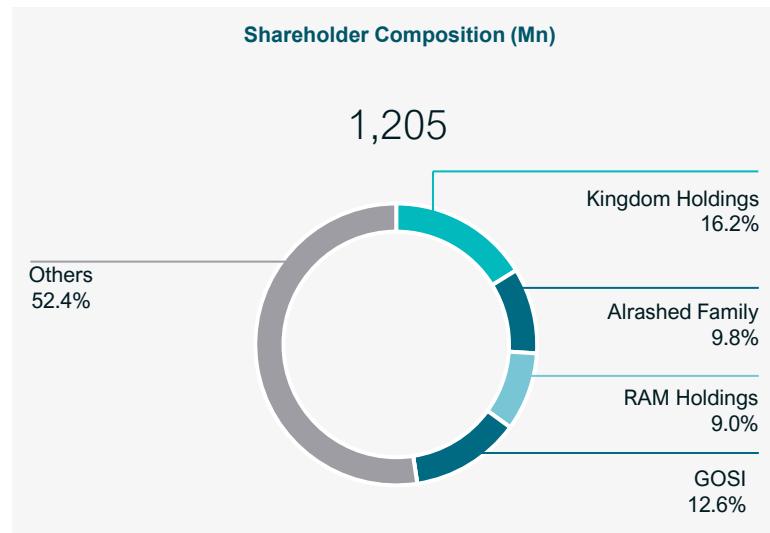
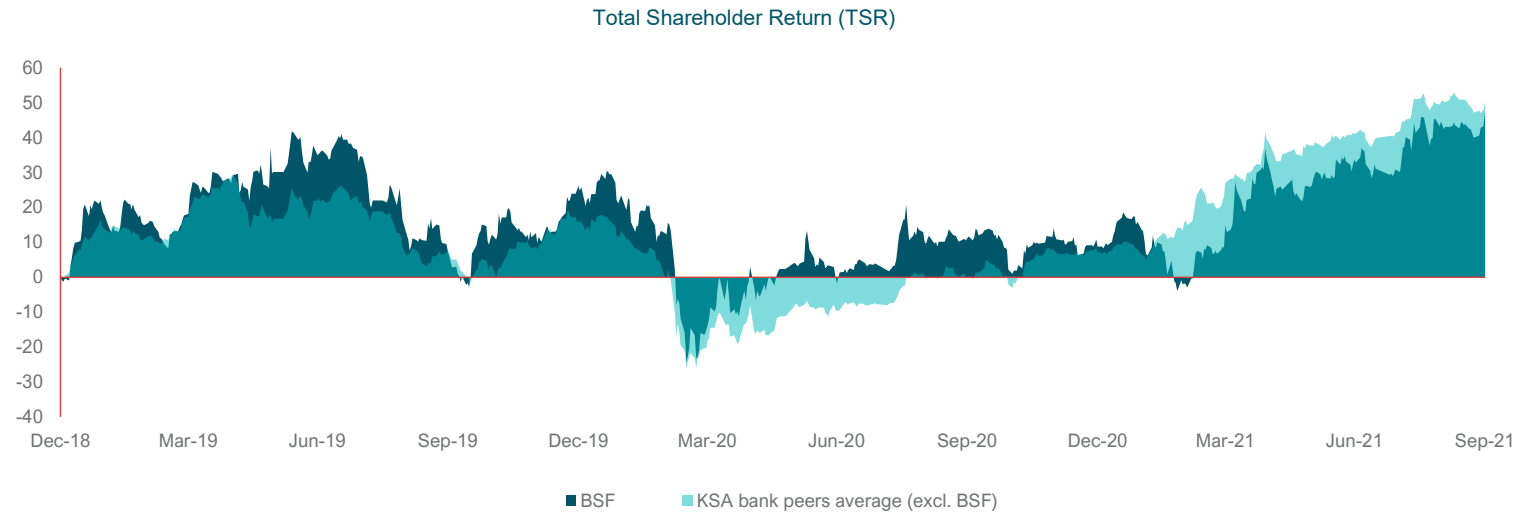
Subsidiaries in KSA:
Saudi Fransi Capital
Saudi Fransi Insurance Agency
Saudi Fransi for Finance Leasing
Sakan Real Estate Financing Company

Joint ventures in KSA:
Insurance with Allianz



Market parameters and credit ratings stable following Covid-19 disruption in 2020

Share Parameters	30 Sept 2021
Closing price (SAR)	41.70
52 weeks range (SAR)	27.8 - 41.7
Shares issued (million)	1,205
Market capitalization (SARbn)	50.26
Market capitalization to KSA bank sector	5.4%
Market cap to KSA stock market	0.5%
Price to tangible book value	1.47x
Price to earnings (FY 2020)	33.6x
Dividend yield (FY 2020)	1.0%



Standard & Poor's

BBB+

Stable outlook

Moody's

A1

Negative outlook

Fitch

BBB+

Stable outlook

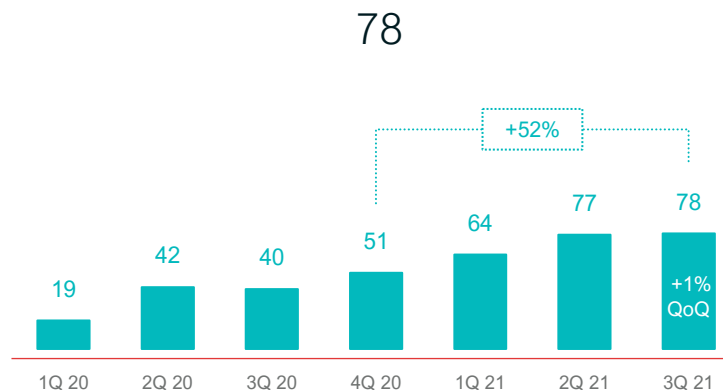
INVESTOR PRESENTATION 3Q 2021

Operating Environment

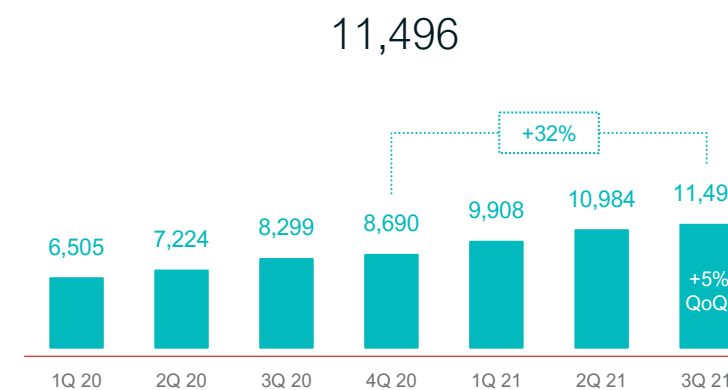
Financial markets and economic activity largely recovered following Covid-19 disruption during 2020

- Oil prices dropped sharply in 1Q 2020 as the Covid-19 pandemic spread, with a recovery to USD 78/bl by 3Q 2021.
- The Saudi Arabian stock market (Tadawul), in line with global equity markets dropped 22% in 1Q 2020 but recovered to 37% above 4Q 2019 levels by 3Q 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 58.6 by 2Q 2021.

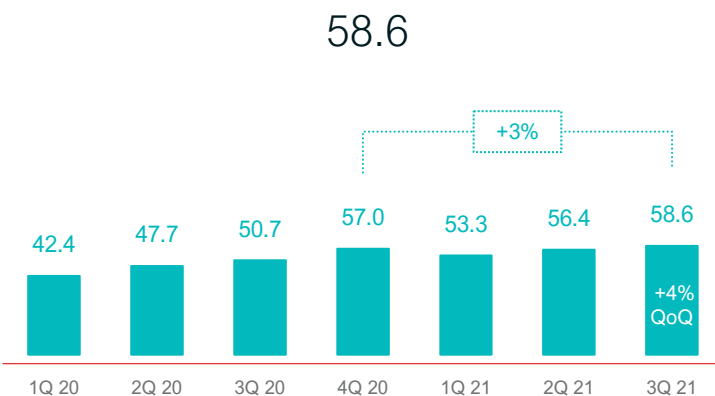
Brent Oil Price / Barrel (USD)



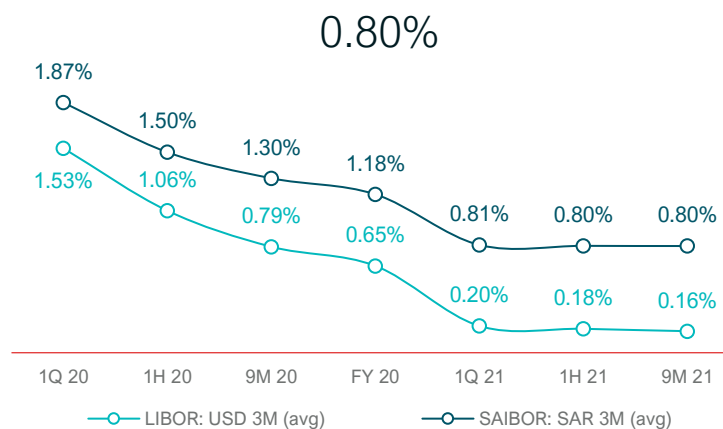
Tadawul Index



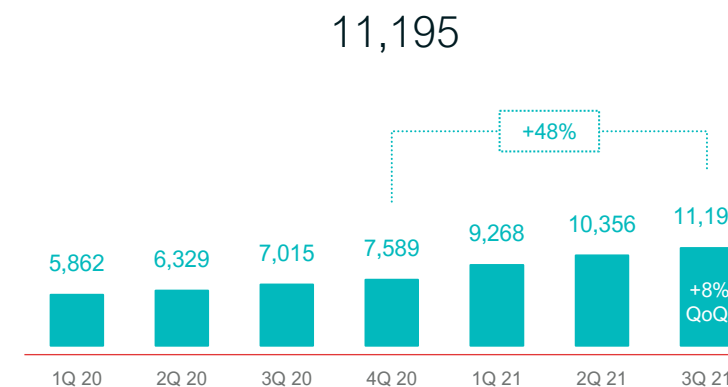
KSA PMI (non-oil private sector)



SAIBOR Trend (%)

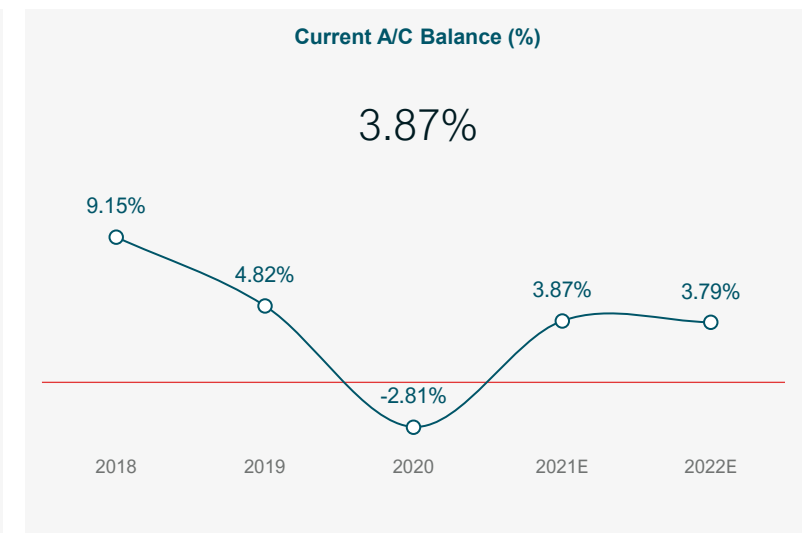
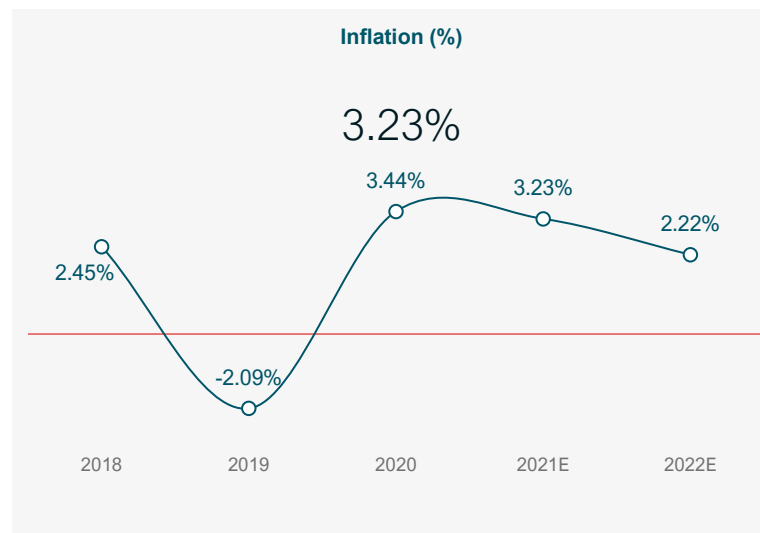
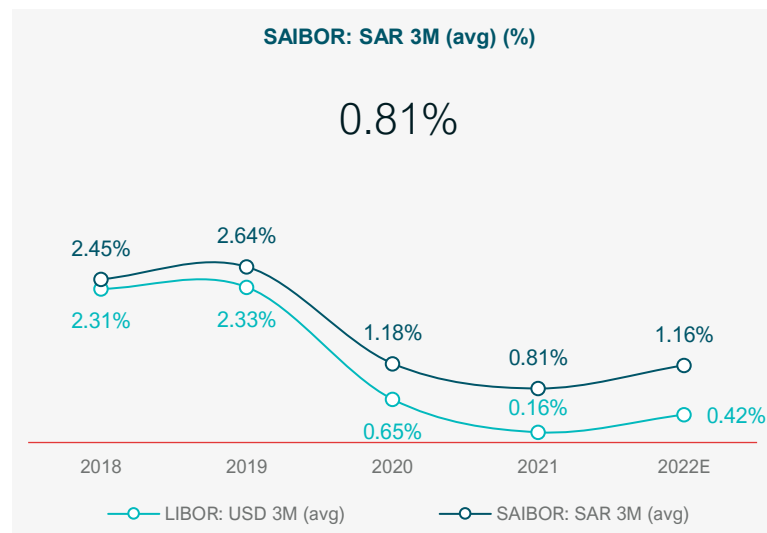
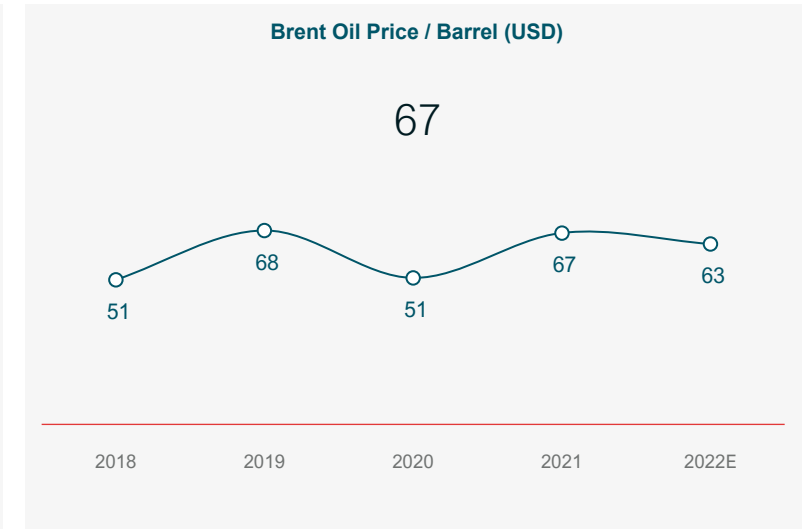
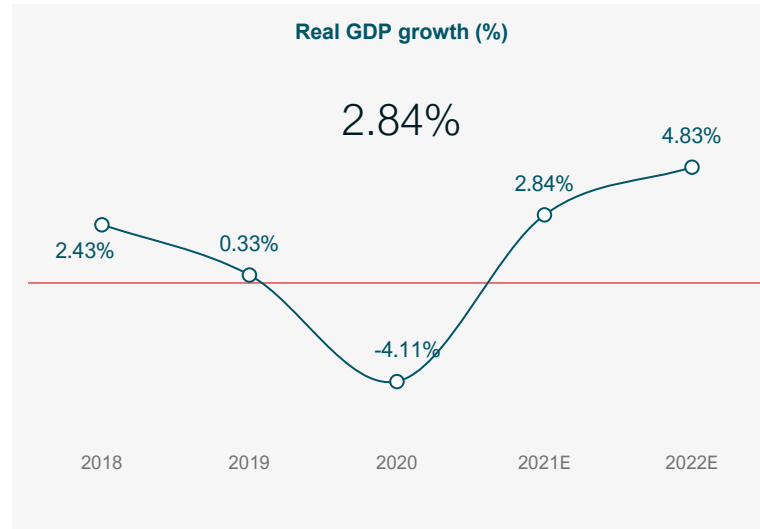


Tadawul Banks Index

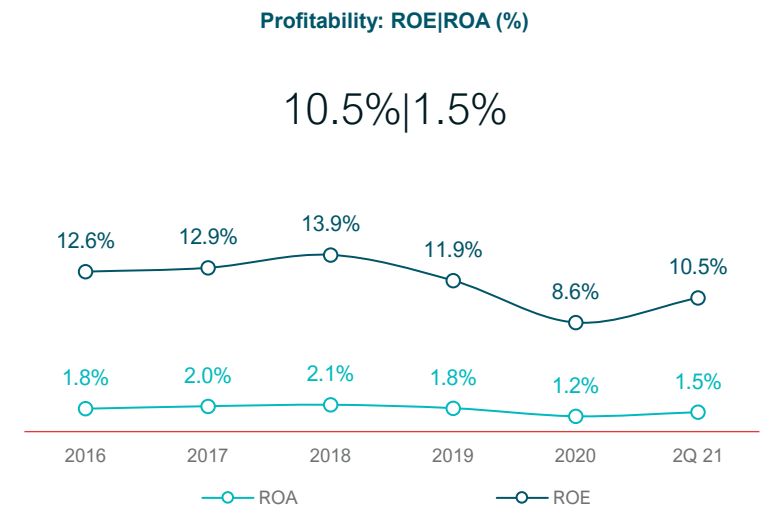
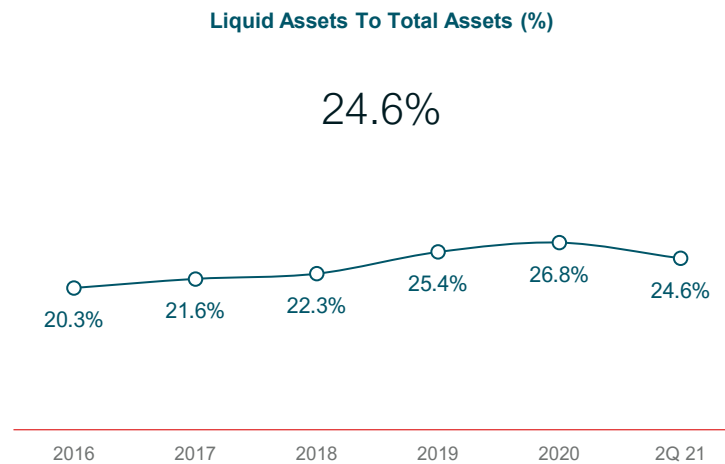
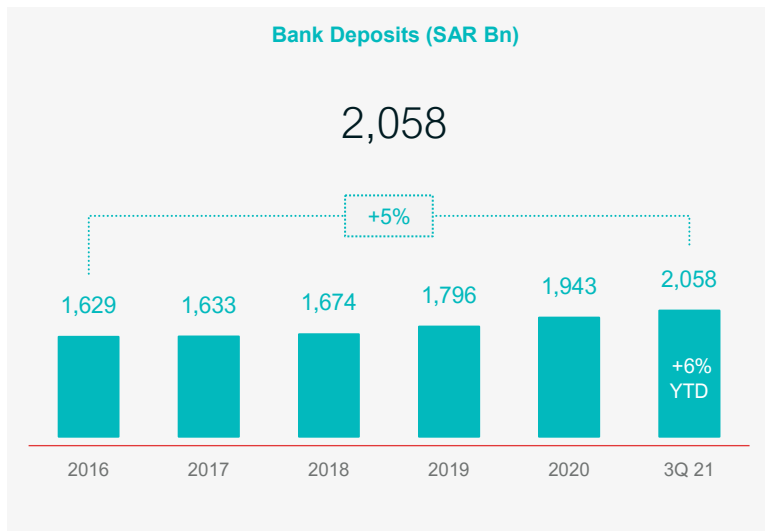
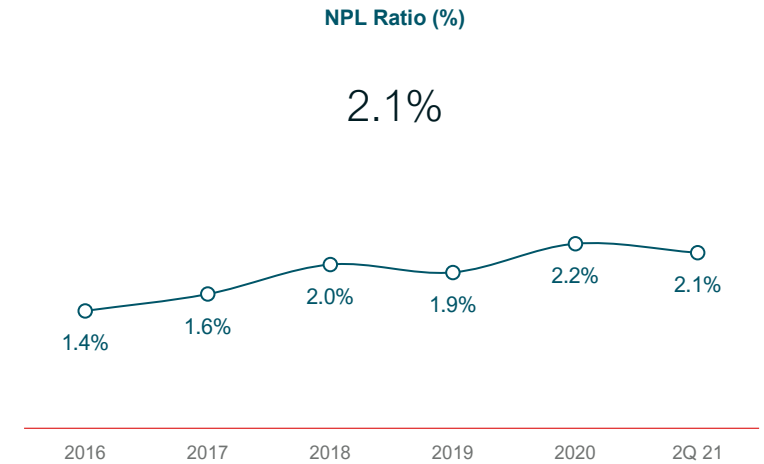
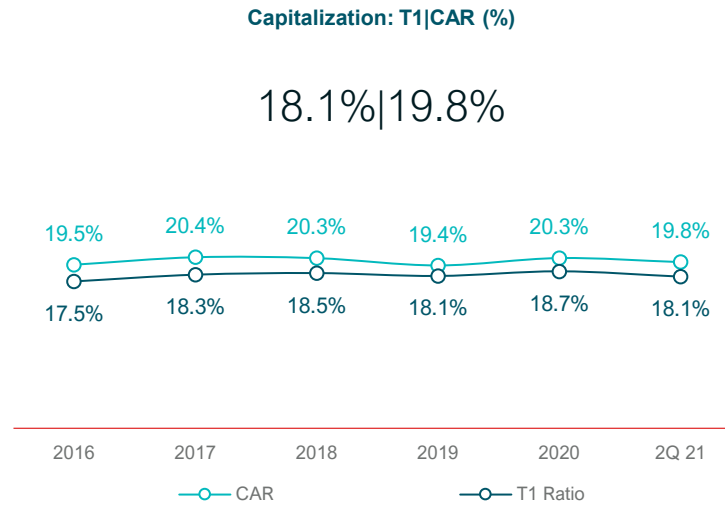
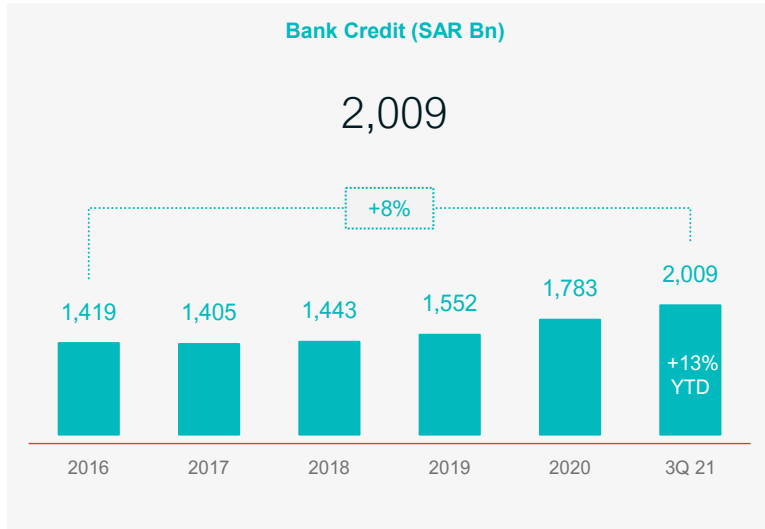


GDP for Saudi Arabia is expected to recover to +2.8% growth in 2021

- 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 remain at relatively low levels, albeit with some moderate rises expected in 2022.



The Saudi banking sector was well positioned to absorb the impact of Covid-19 in 2020





INVESTOR PRESENTATION 3Q 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

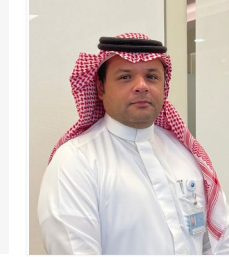
- BSF: appointed in 2018
- CEO digital-only bank
- ADCB: EVP Group strategy
- Barclays: MD



Yasser Al-Ansari

Chief Compliance Officer

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

Despite strong progress made on strategy implementation, 2020 saw declines in financial KPIs from an elevated risk cost

STRATEGIC OUTCOMES

Shareholder darling

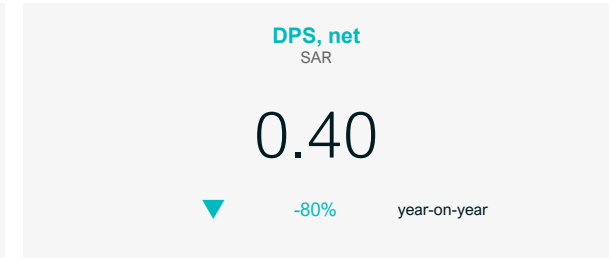
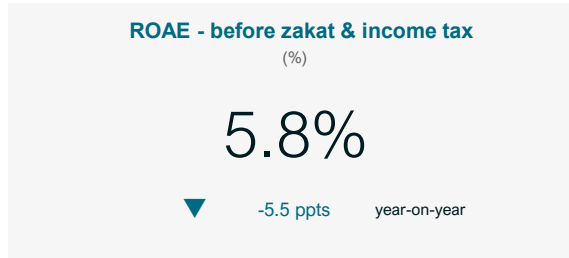
Resilience

KPI #1
Total shareholder return (TSR)

KPI #2
Return on average equity (ROAE)

KPI #3
Basic earnings per share (EPS)

KPI #4
Dividends per share (DPS)



Efficiency

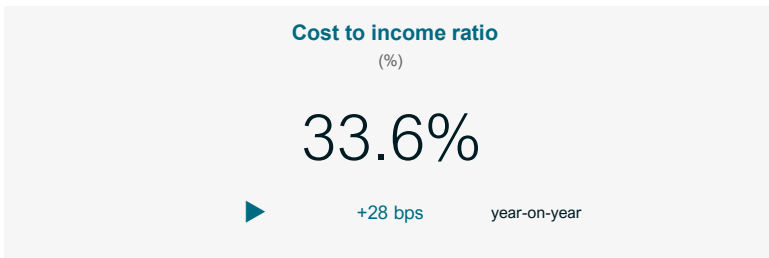
Best Customer Experience

Best Place to work

KPI #5
Cost-to-income Ratio

KPI #6
Net Promoter Score (NPS)

KPI #7
Employee Net Promoter Score (ENPS)



INVESTOR PRESENTATION 3Q 2021

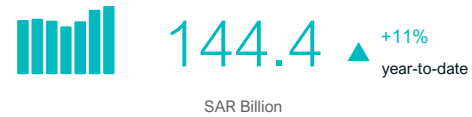
Financial Performance

Solid balance sheet growth and strong recovery in net income

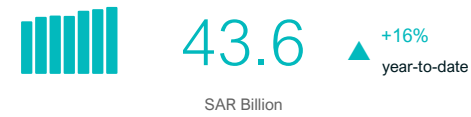
BALANCE SHEET

- High quality loan growth of 11% driven by 9% commercial loan growth and 26% growth in mortgages YTD.
- Strong growth in investments (16%) and solid NIB deposit growth (5%).

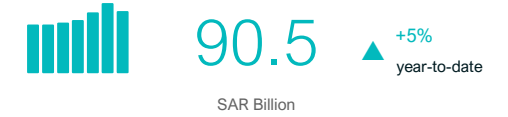
Loans & Advances



Investments



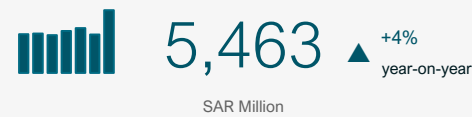
Non Interest Bearing Deposits



INCOME STATEMENT

- 4% top-line growth with moderate margin contraction and 9% NIR growth.
- Net income recovered due to lower provisions.

Operating Income



NIM



Net Income After Zakat & Tax



ASSET QUALITY

- Moderating NPL ratio.
- Improvement in NPL coverage ratio YoY and YTD.
- 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 23ppts YTD from more efficient utilization of excess liquidity.

T1 Ratio



LCR



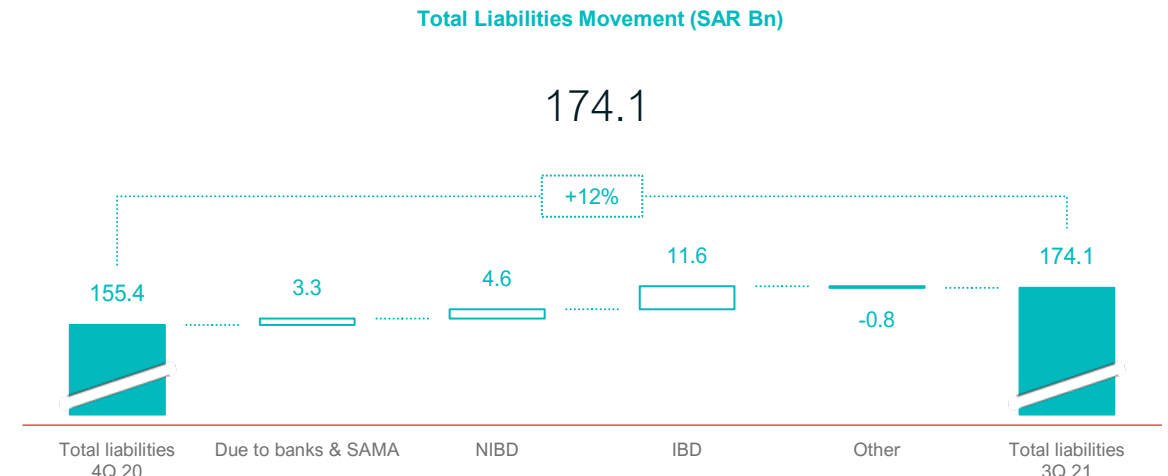
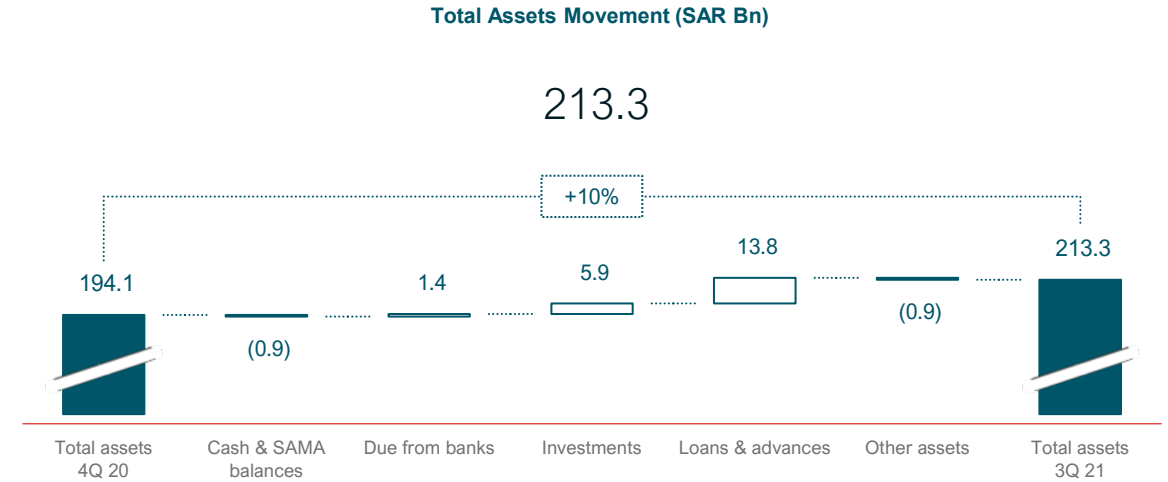
NIBD % of Total Deposits



Solid balance sheet growth from lending and investments

- Growth in total assets of 10% YTD driven by healthy 11% loan growth and strong growth of 16% in investments.
- Liabilities grew by 12% during 2021 YTD from 13% deposit growth.

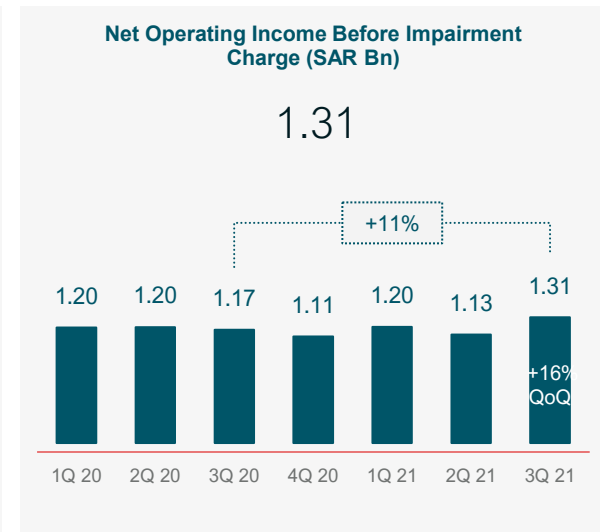
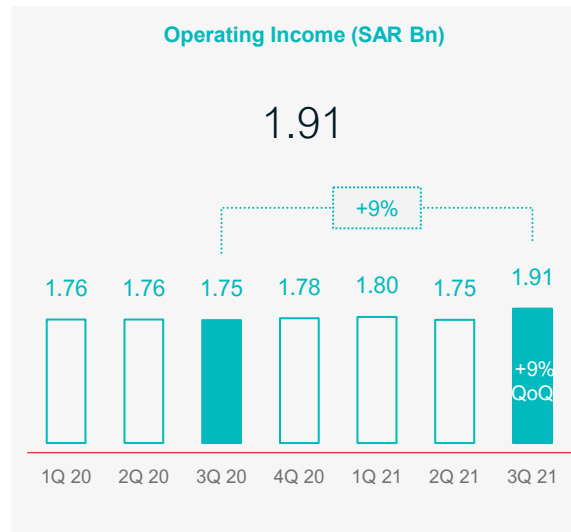
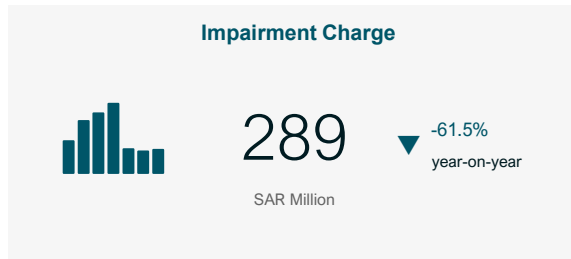
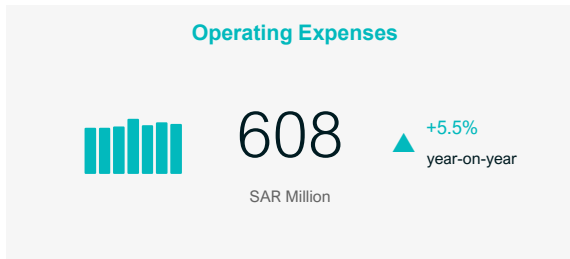
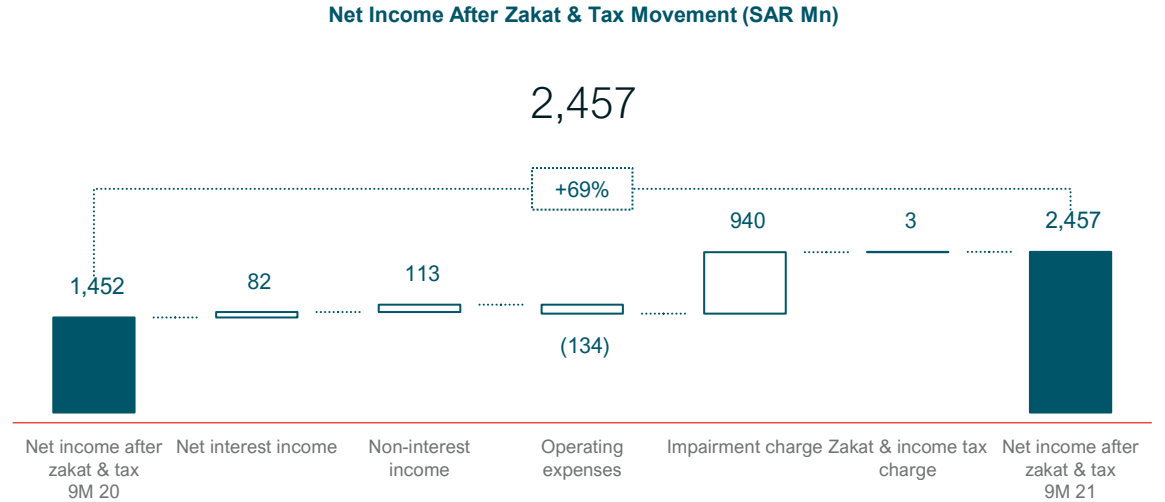
SAR (Mn)	3Q 2021	4Q 2020	Δ%	3Q 2020	Δ%
Cash & SAMA balances	9,635	10,548	-9%	9,478	+2%
Due from banks	5,389	4,027	+34%	3,719	+45%
Investments	43,587	37,679	+16%	37,901	+15%
Loans & advances	144,393	130,565	+11%	134,356	+7%
Other assets	10,331	11,255	-8%	11,992	-14%
Total assets	213,335	194,074	+10%	197,445	+8%
Due to banks	20,043	16,792	+19%	16,452	+22%
Customers' deposits	143,322	127,112	+13%	135,655	+6%
Other liabilities	10,728	11,534	-7%	11,656	-8%
Total liabilities	174,093	155,438	+12%	163,762	+6%
Share capital	12,054	12,054	+0%	12,054	+0%
Retained earnings	8,482	7,433	+14%	7,398	+15%
Other	13,707	14,149	-3%	14,231	-4%
Tier 1 sukuk	5,000	5,000	+0%	0	
Total equity	39,242	38,636	+2%	33,683	+17%



Net income improved 69% year-on-year due to lower provisions

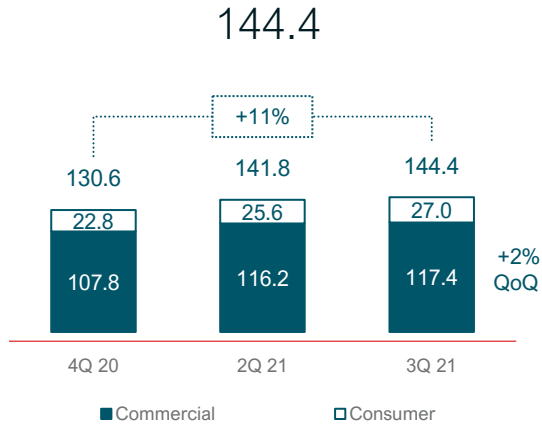
- Net income for 9M 2021 grew 69% YoY to SAR 2,457mn from 4% income growth and a 52% decline in impairments, partly offset by an 8% increase in operating expenses.
- Similarly, 3Q 2021 net income improved 172% YoY to SAR 907mn due to a 61% drop in impairments.

SAR (Mn)	3Q 2021	3Q 2020	Δ%	9M 2021	9M 2020	Δ%
Net interest income	1,424	1,375	+4%	4,041	3,959	+2%
Non-interest income	490	376	+31%	1,422	1,309	+9%
Operating income	1,914	1,751	+9%	5,463	5,268	+4%
Operating expenses	(608)	(576)	+6%	(1,827)	(1,692)	+8%
Impairment charge	(289)	(751)	-61%	(858)	(1,798)	-52%
Total operating expenses	897	1,327	-32%	2,685	3,491	-23%
Net income before zakat & tax	1,017	424	+140%	2,778	1,777	+56%
Zakat & income tax charge	(110)	(90)	+21%	(322)	(325)	-1%
Net income after zakat & tax	907	333	+172%	2,457	1,452	+69%

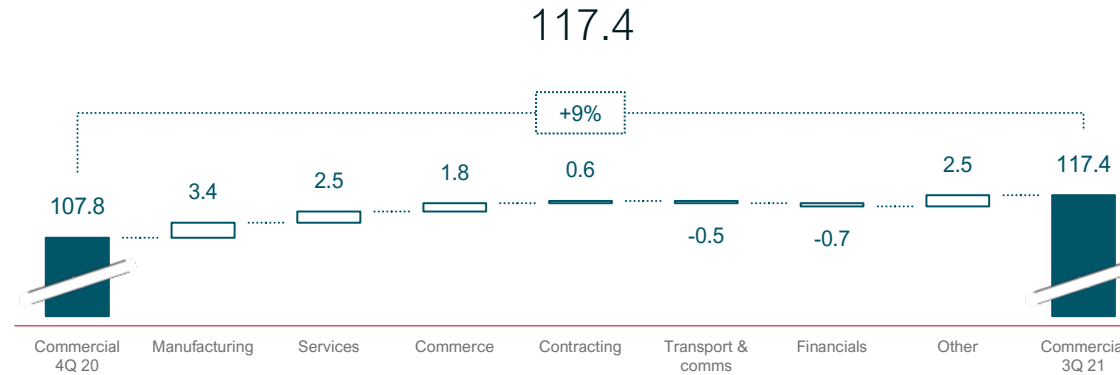


Healthy loan growth in 9M 2021

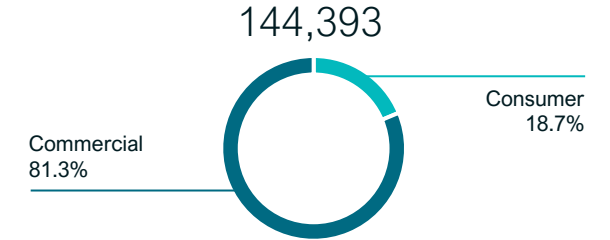
Total Loans & Advances (SAR Bn)



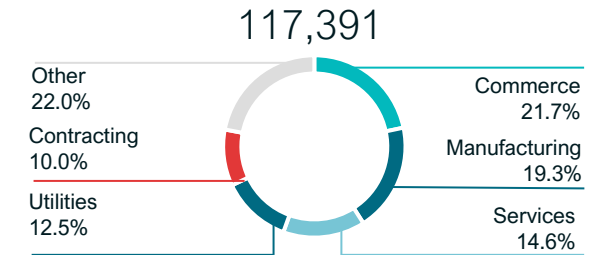
Commercial Loans Movement (SAR Bn)



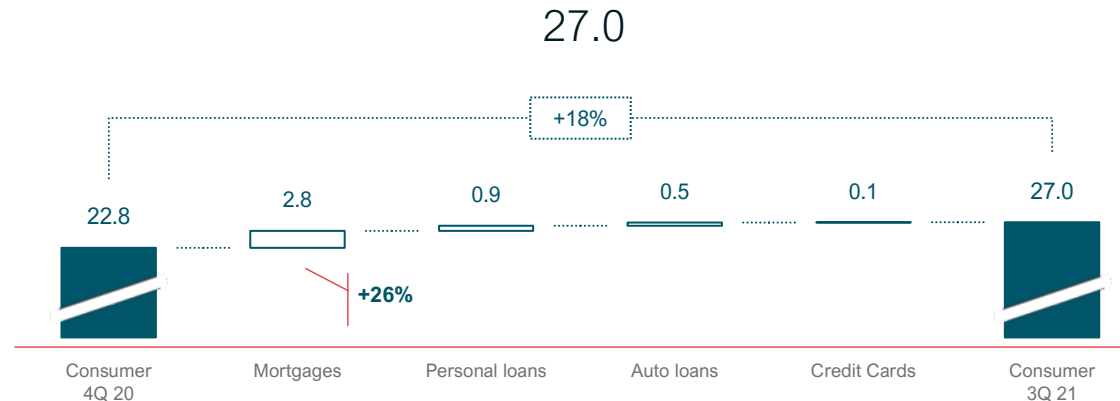
Loans & Advances Composition (SAR Mn)



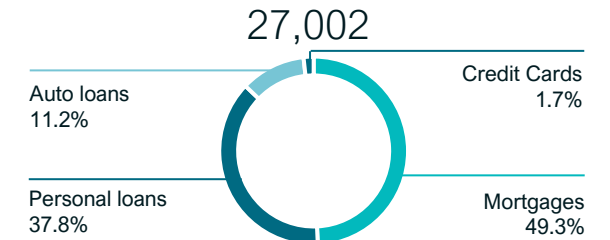
Commercial Loans Composition (SAR Mn)



Consumer Loans Movement (SAR Bn)



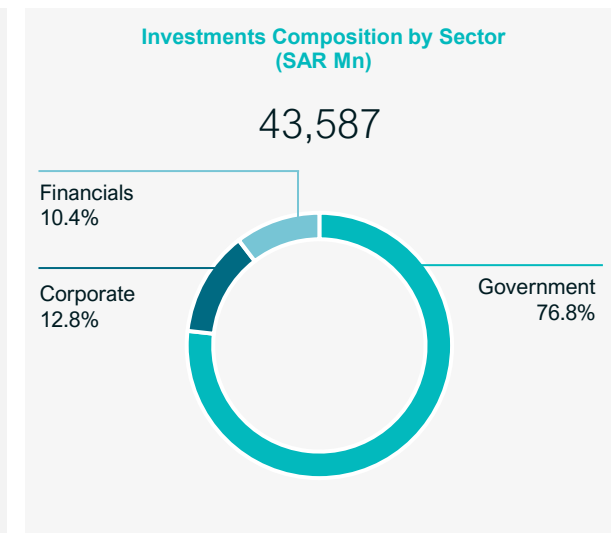
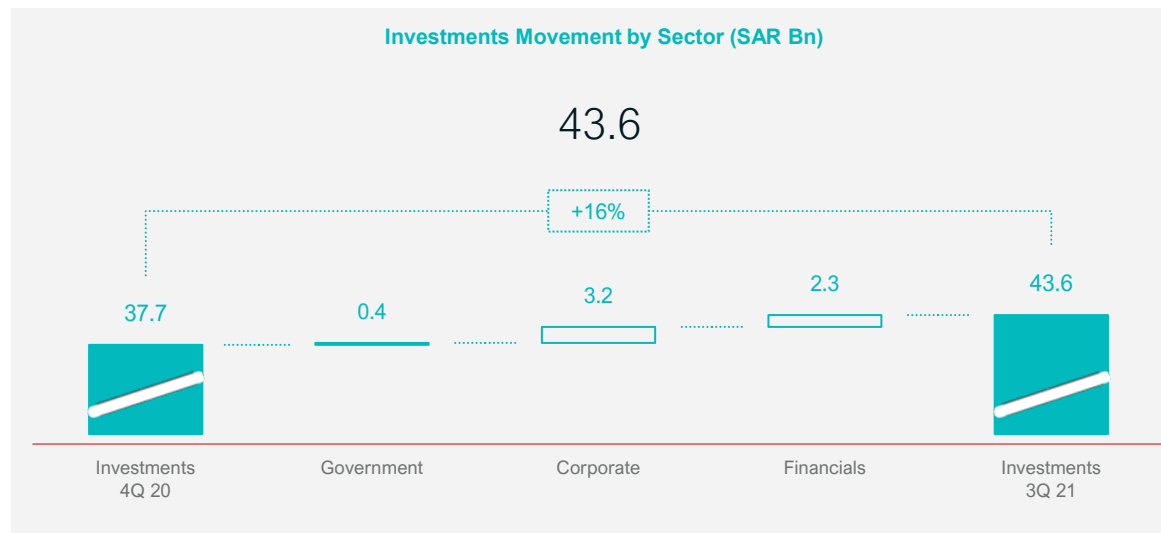
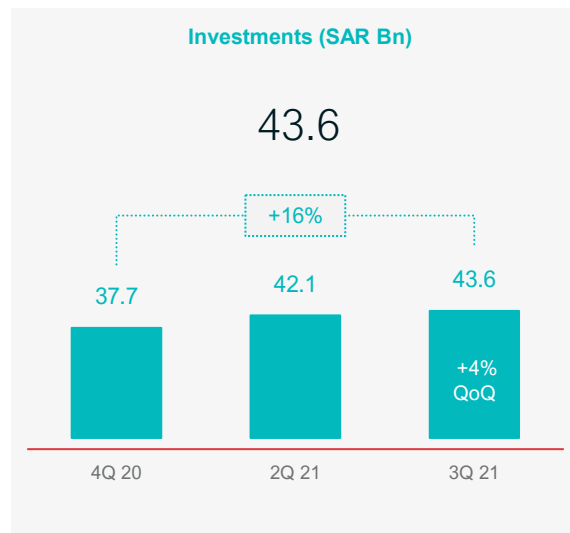
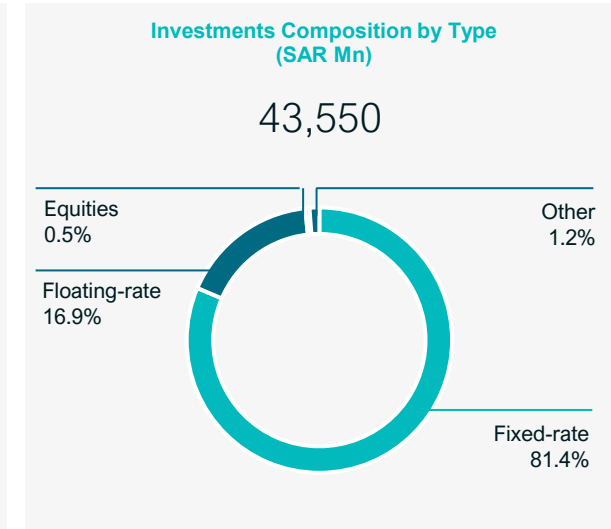
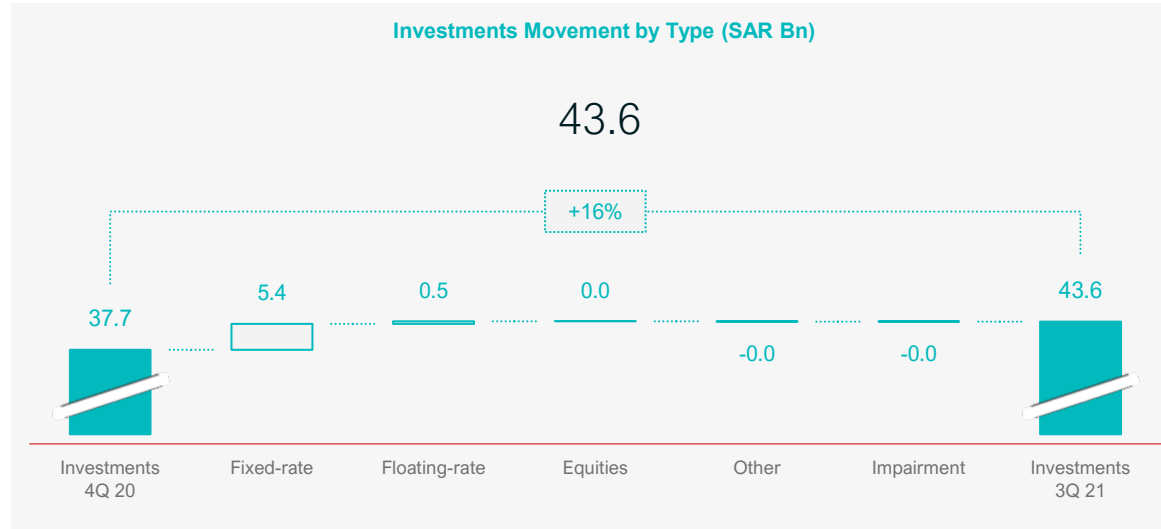
Consumer Composition (SAR Mn)



- Total loans & advances grew 11% during 9M 2021 from both consumer and commercial lending growth.
- Consumer loans grew 18% mainly from 26% YTD growth in mortgages.
- Commercial loans grew 9% during 9M 2021.

Strong growth in investment portfolio from fixed rate bond holdings across sectors

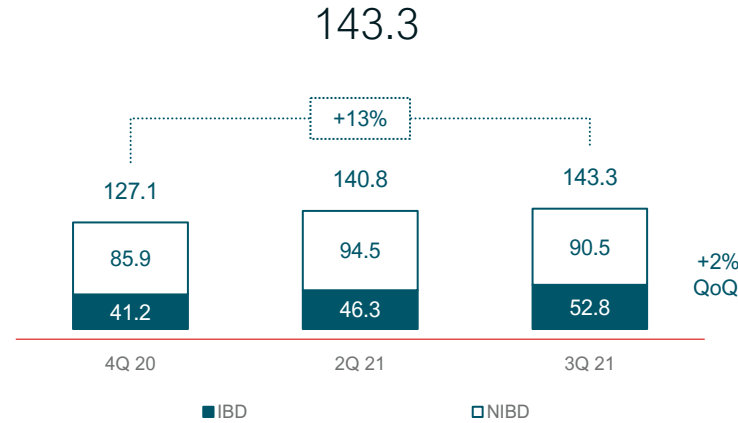
- Investments rose 16% during 9M 2021 as the bank increased fixed rate bond holdings across Saudi Government, corporate and financial sectors.
- The investment portfolio remains of high quality with significant portion being Saudi Government and investment grade.



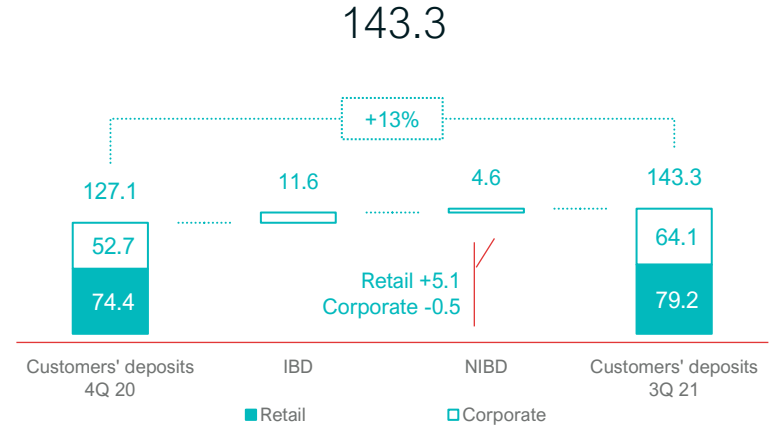
Growth in NIBD deposits YTD with temporary moderation in 3Q 2021

- Deposits grew 13% during 9M 2021 from higher NIBDs and IBDs.
- NIBD's grew 5% YTD but declined 4% QoQ from a temporary switch from current to time accounts for a few large corporate customers at the quarter-end, which subsequently normalized.
- IBD's increased 28% YTD and 14% QoQ partly from the temporary switch noted above and partly to counter the phasing out of SAMA liquidity support.
- Despite the higher YTD growth in IBD's, the deposit mix improved over the last 12 months, with an increase in NIBDs of SAR 5.8bn YoY, and funding costs declined.

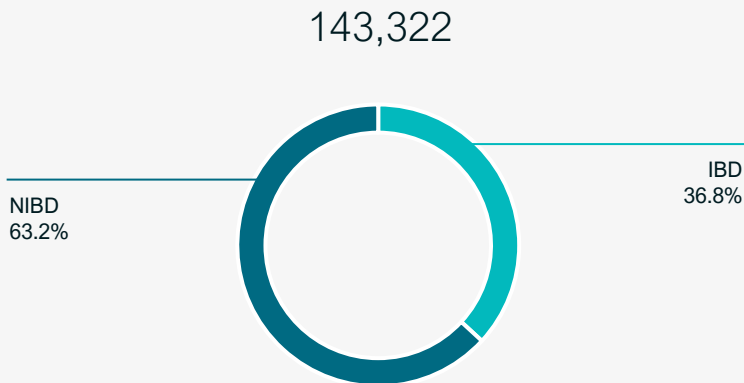
Customers' Deposits (SAR Bn)



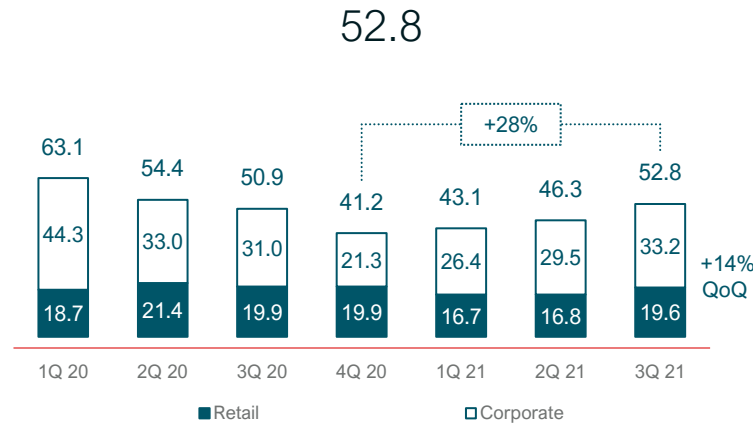
Customers' Deposits Movement (SAR Bn)



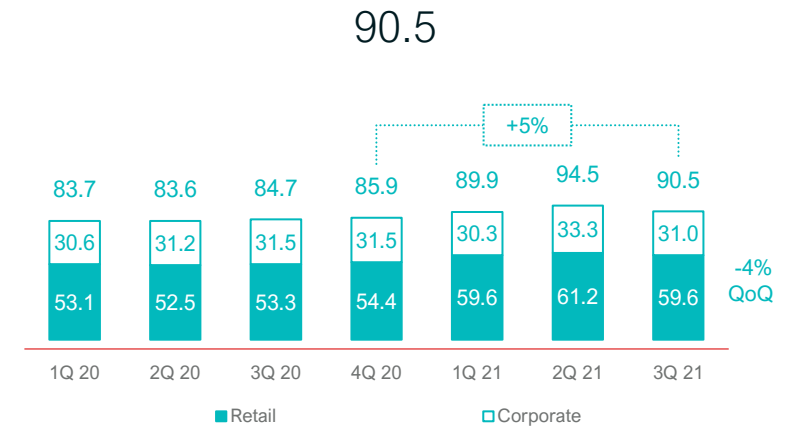
Customers' Deposits Composition (SAR Mn)



Interest Bearing Deposits (SAR Bn)

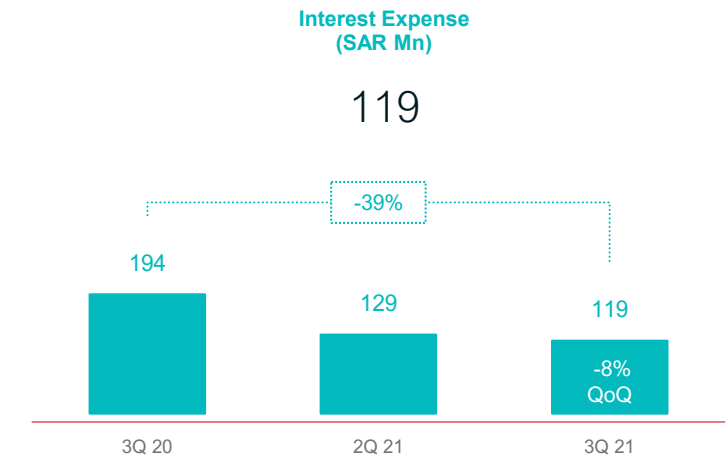
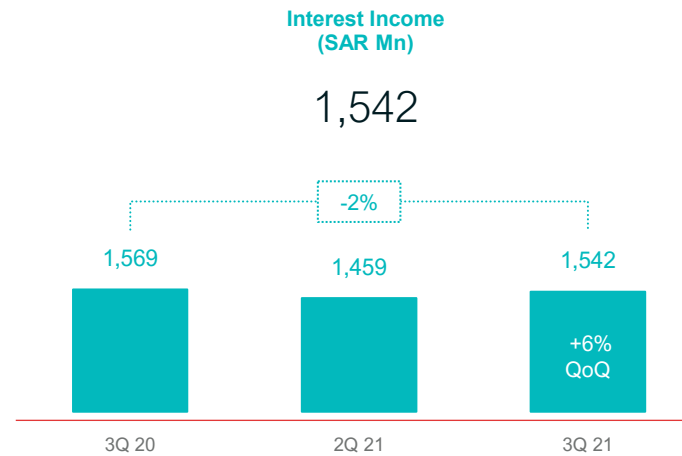
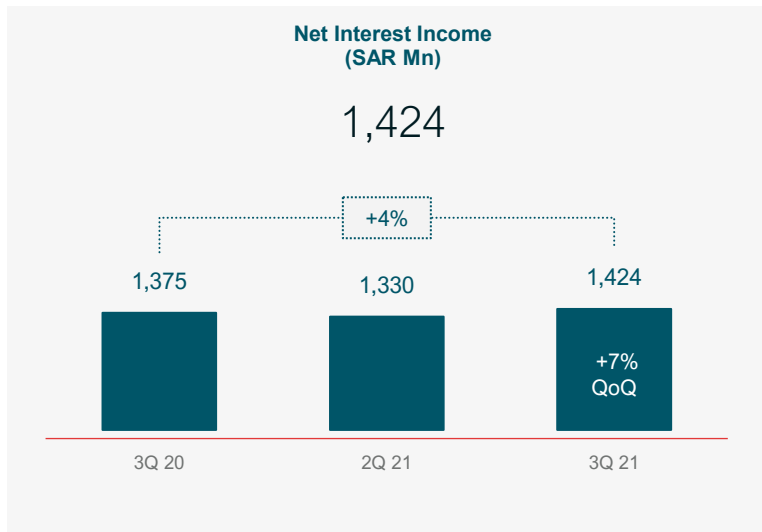
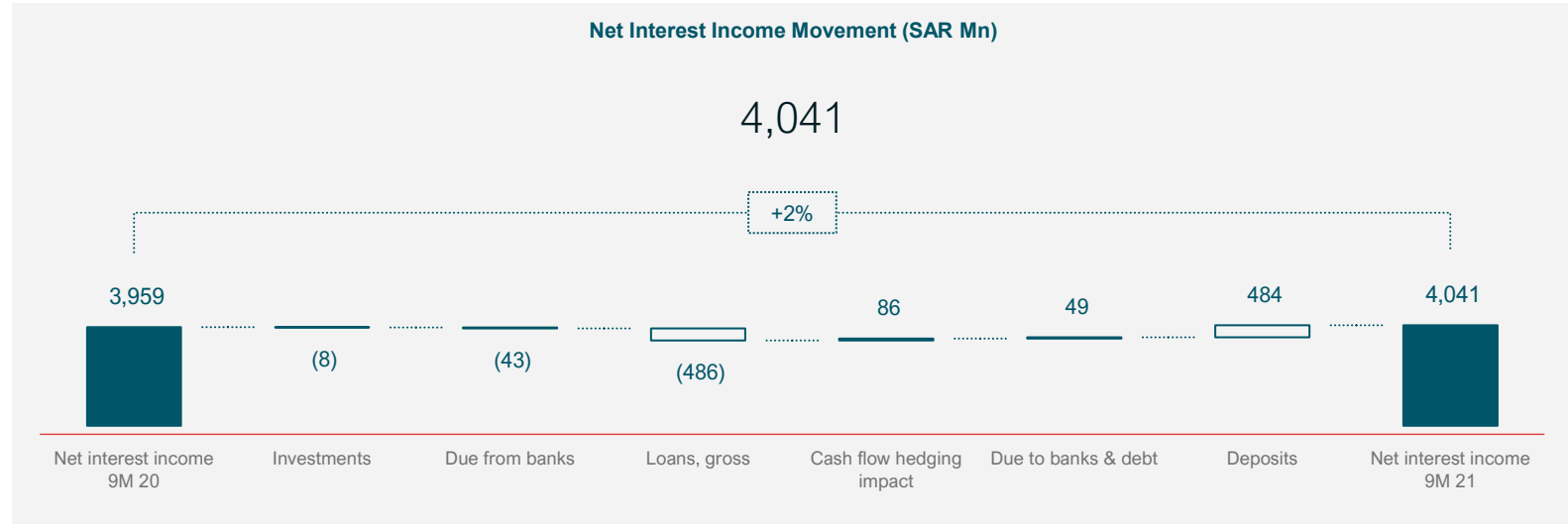


Non Interest Bearing Deposits (SAR Bn)



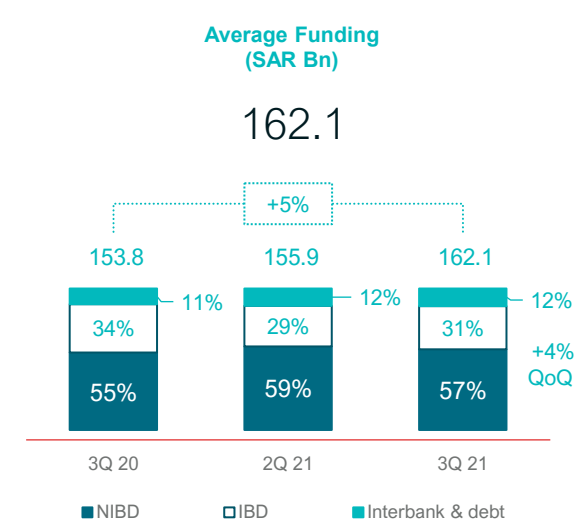
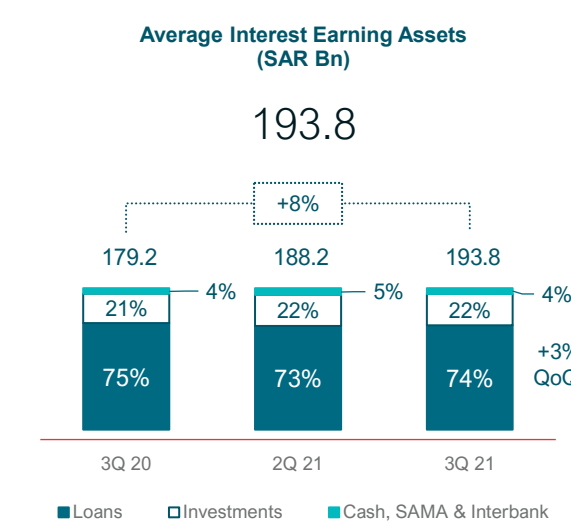
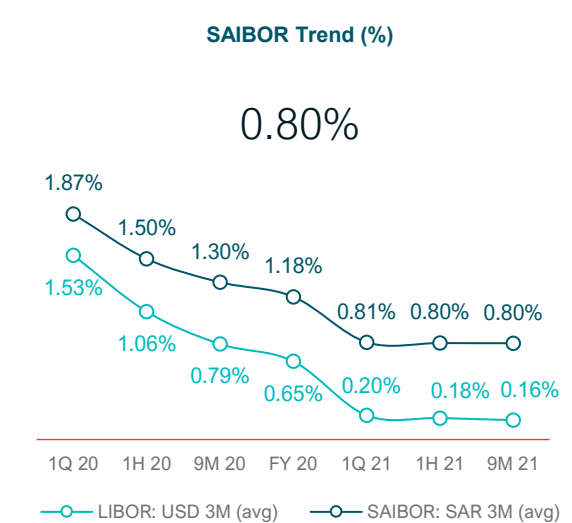
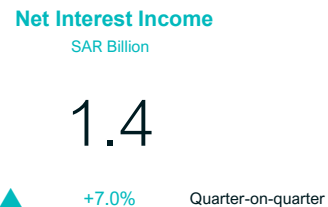
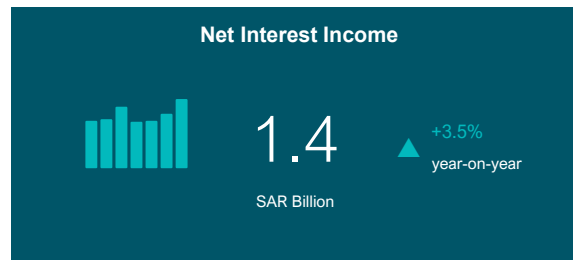
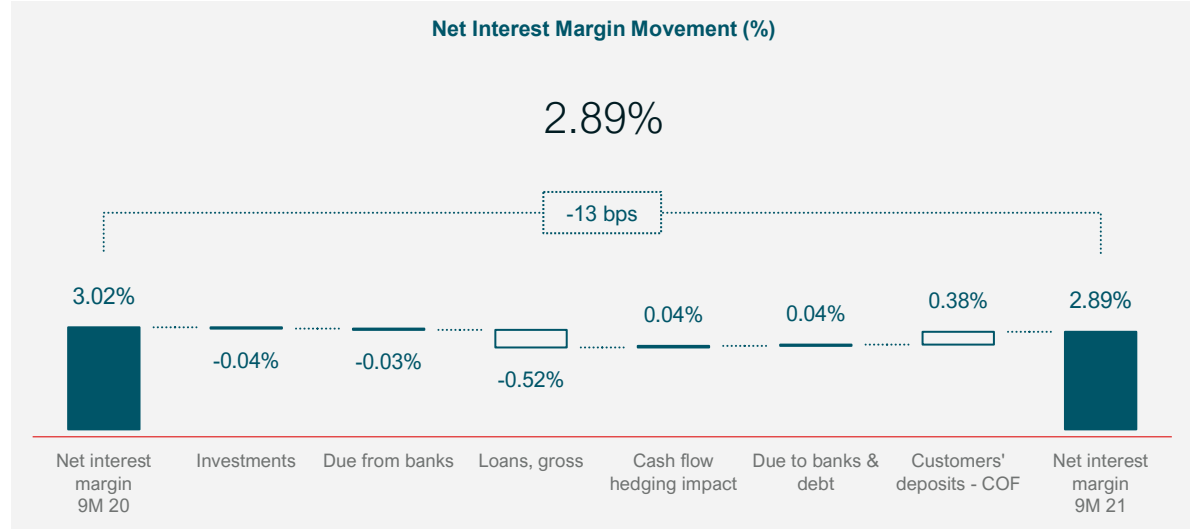
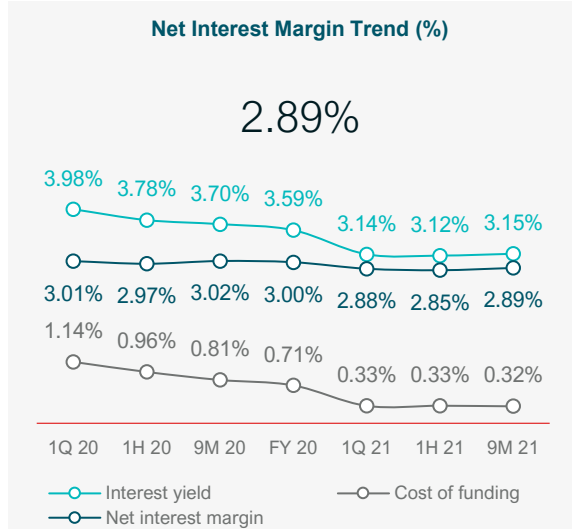
Moderate 2% NII growth as earning asset growth partly offset by moderate margin contraction

- NII for 9M 2021 grew 2% YoY to SAR 4,041mn as 8% growth in average earning assets was partly offset by a moderate 13bps margin contraction.
- Interest income declined 9% YoY to SAR 4,408mn in 9M 2021, which was more than compensated for by a 59% improvement in funding costs to SAR 367mn.



Yield pressure from lower rates partly offset by improved balance sheet mix and improved funding costs

- The NIM decreased by 13bps YoY to 2.89% in 9M 2021.
- The margin was supported by improved balance sheet mix and funding costs YoY, partly offsetting lower asset yields from the lower rate environment.
- Funding costs improved by 49bps YoY to 0.32% in 9M 2021.

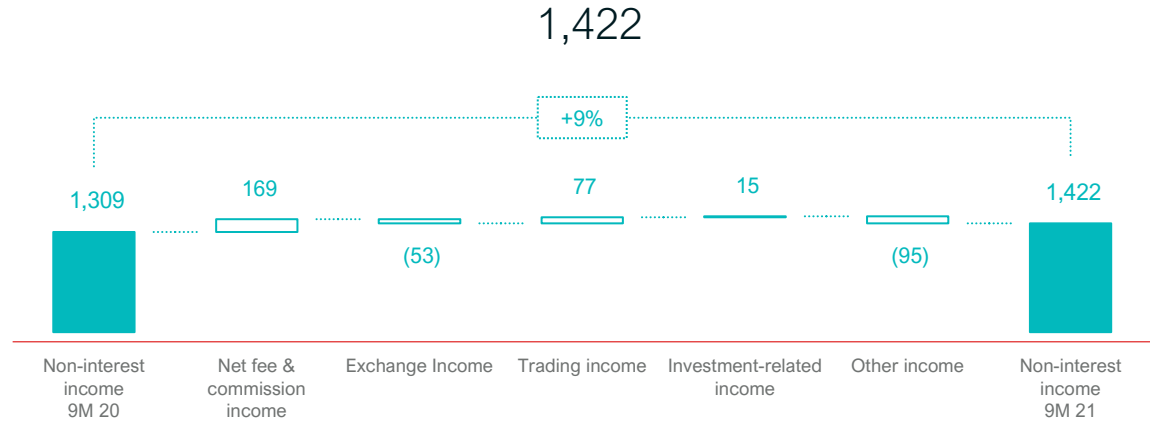


Non-interest income grew 9% from improved brokerage, lending and trading income, partly offset by lower exchange and other income

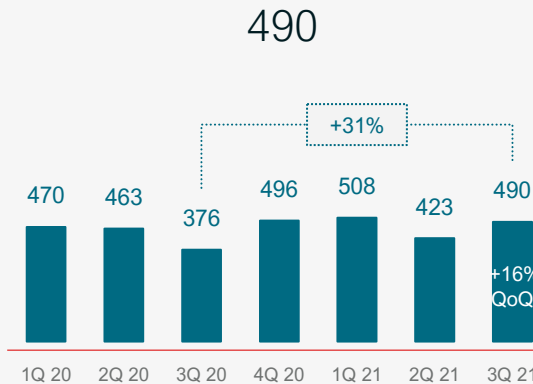
- Non-interest income for 9M 2021 grew 9% YoY at SAR 1,422mn from improved net fee & commission and trading income, partly offset by lower exchange and other income, the latter benefitting from one-off income of SAR 72mn in 9M 2020.
- Net fee & commission income improved 22% YoY to SAR 926mn in 9M 2021 from strong growth in brokerage income and higher lending fees, partly offset by lower net card fees.

SAR (Mn)	3Q 2021	3Q 2020	Δ%	9M 2021	9M 2020	Δ%
Fee & commission income	410	361	+14%	1,317	1,064	+24%
Fee & commission expenses	(115)	(111)	+3%	(390)	(307)	+27%
Net fee & commission income	295	250	+18%	926	758	+22%
Exchange Income	87	85	+2%	243	297	-18%
Trading income	84	26	+226%	184	106	+72%
Banking-related income	465	360	+29%	1,353	1,161	+17%
Investment-related income	8	0	+2760%	23	8	+196%
Other income	17	15	+11%	45	140	-68%
Non-interest income	490	376	+31%	1,422	1,309	+9%

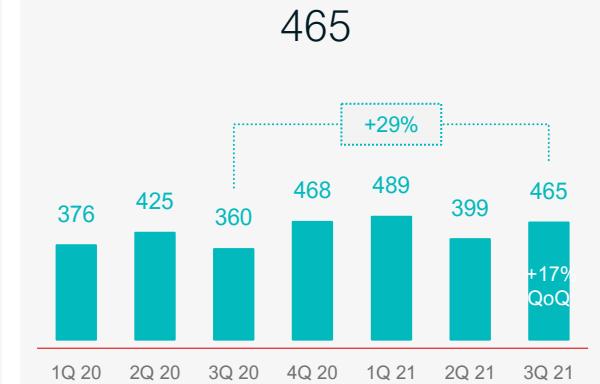
Non-Interest Income Movement (SAR Mn)



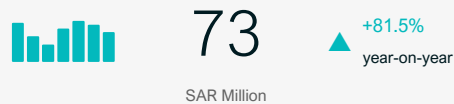
Non-Interest Income (SAR Mn)



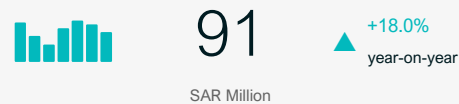
Banking-Related Income (SAR Mn)



Lending Fees



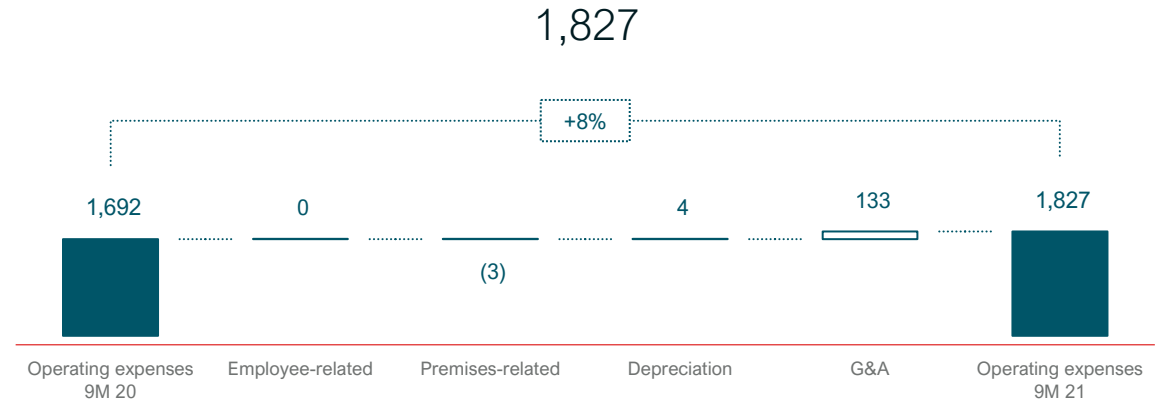
Brokerage & Asset Management Income



Higher operating expenses due increase in VAT rate

- Operating expenses increased 8% YoY to SAR 1,827mn in 9M 2021 due to increased rate of VAT in Saudi Arabia from 5% to 15%.
- The cost to income ratio increased modestly to 33.4% in 9M 2021 from 32.1% in 9M 2020.
- Relative to the previous quarter, operating expenses declined 3% due to VAT input expenses in the previous quarter.

Operating Expenses Movement (SAR Mn)



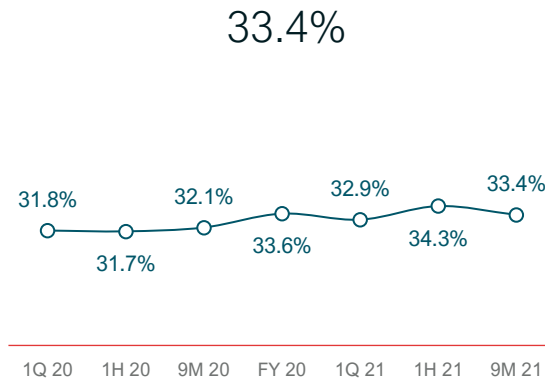
Employee-Related



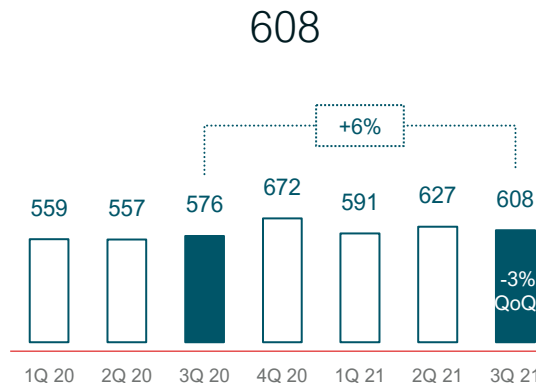
G&A



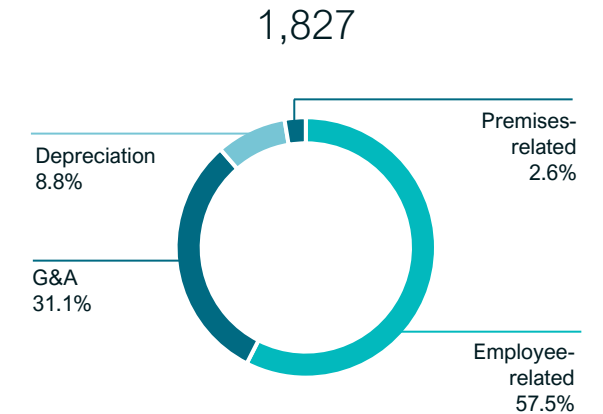
Cost To Income Ratio (%)



Operating Expenses (SAR Mn)

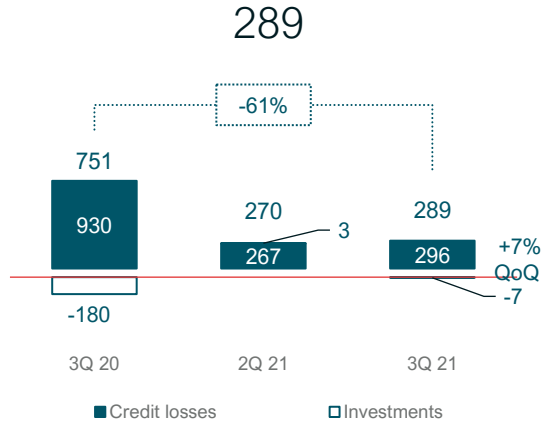


9M 21 Operating Expenses Composition (SAR Mn)

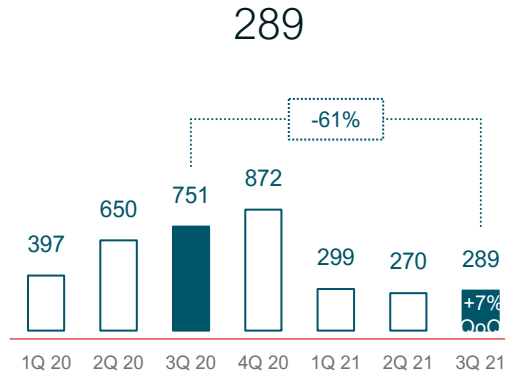


Moderation in impairment charge and cost of risk from peak in 4Q 2020

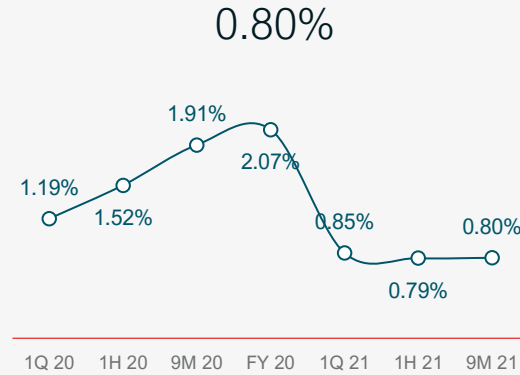
Impairment Charge (SAR Mn)



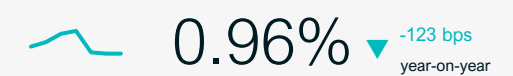
Impairment Charge (SAR Mn)



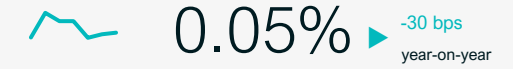
Cost of Credit Risk (%)



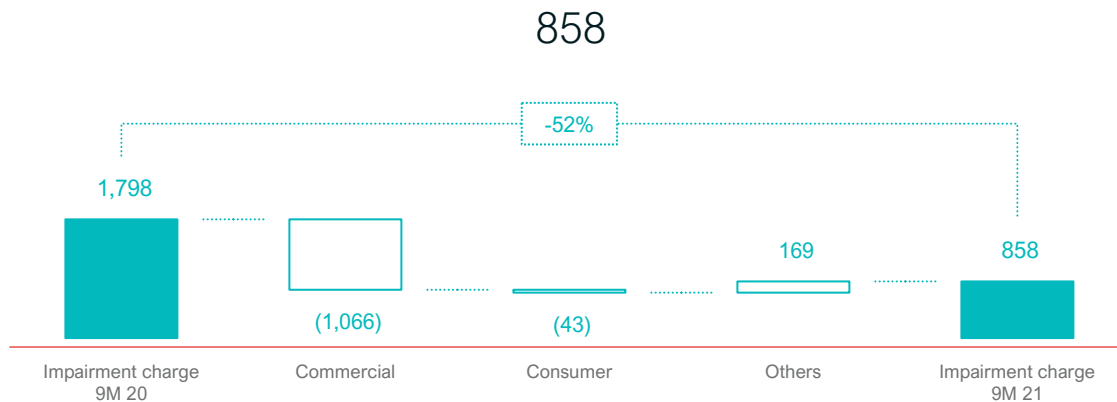
Commercial COR



Consumer COR



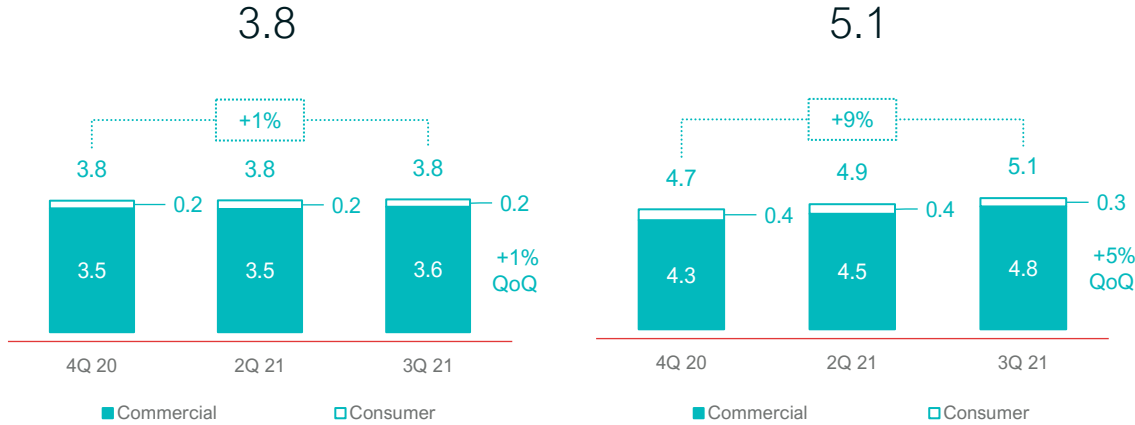
Impairment Charge Movement (SAR Mn)



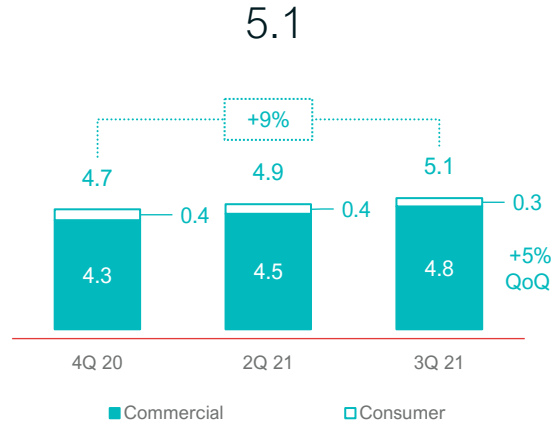
- The total impairment charge for 9M 2021 moderated to SAR 858mn from SAR 1,798mn in 9M 2020.
- The impairment charge in 2020 was elevated due to a reassessment of macroeconomic scenarios (based on more pessimistic forecasts owing to Covid-19), a conservative review of borrower risk ratings resulting in IFRS 9 Stage transitions, additional sector-based overlays and NPL coverage improvements.
- As at 30 September 2021, sector-based overlays included in ECL allowances totaled SAR 223mn.

NPL ratio moderated during 9M 2021 and NPL coverage improved 32.6ppts YoY

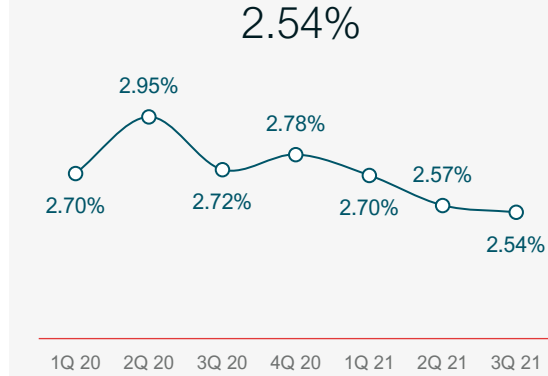
Non Performing Loans & Advances (SAR Bn)



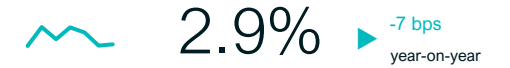
Allowance For Impairment (SAR Bn)



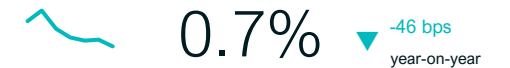
NPL Ratio (%)



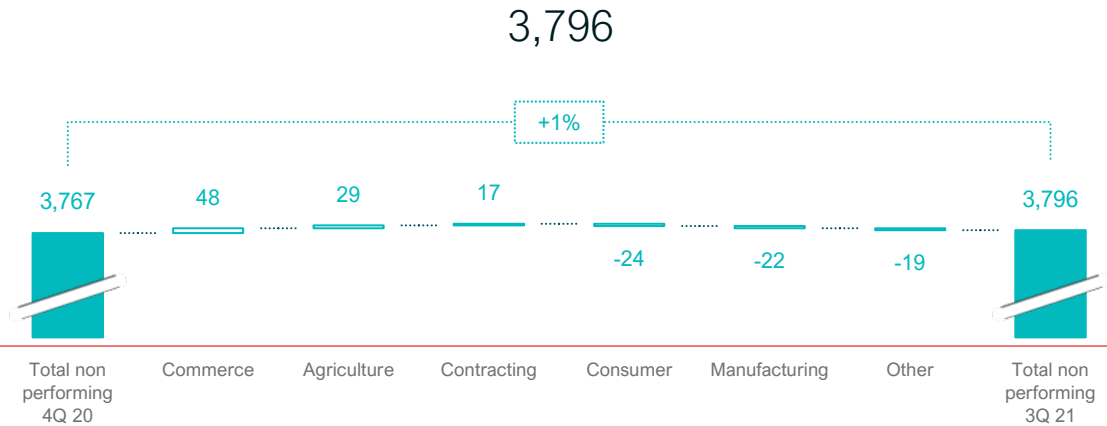
Commercial NPL Ratio (%)



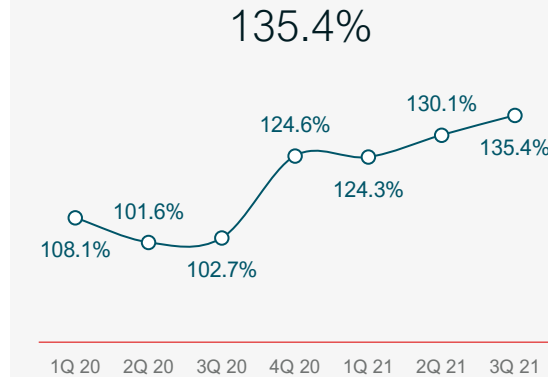
Consumer NPL Ratio (%)



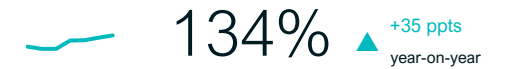
Total Non Performing Movement (SAR Mn)



NPL Coverage Ratio (%)



Commercial NPL Coverage (%)



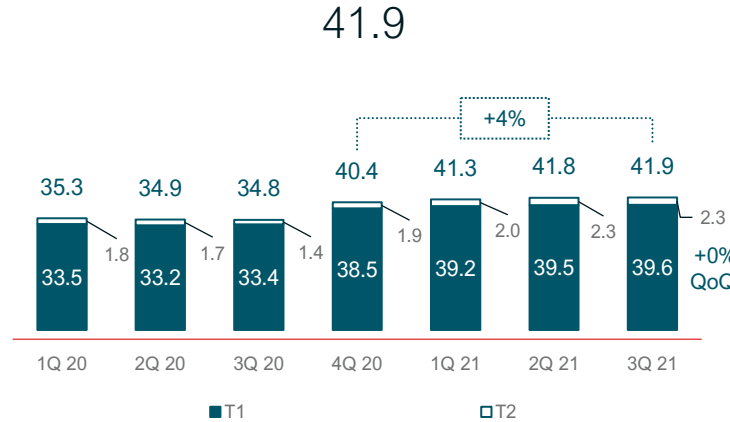
Consumer NPL Coverage (%)



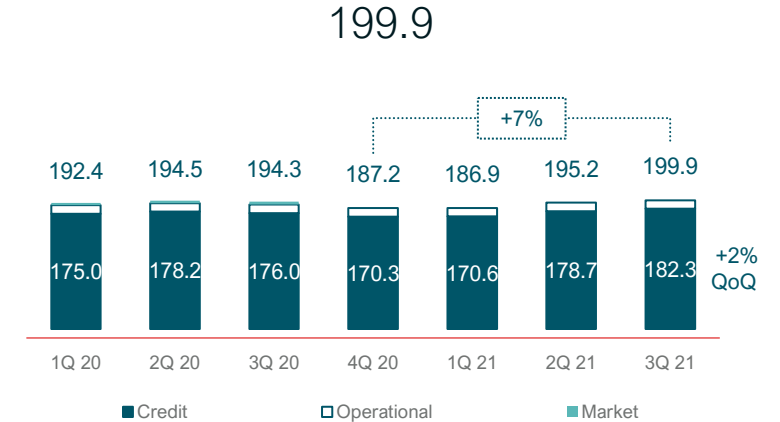
Capital ratios broadly stable during 9M 2021

- Total capital increased by SAR 1.5bn (+4% YTD) during 9M 2021 from net income generation, partly offset by dividend payments.
- RWAs increased 7% during 9M 2021 to SAR 199.9bn.
- CAR was 20.95% and the Tier 1 ratio was 19.81% as at 30 September 2021, broadly stable from 4Q 2020.

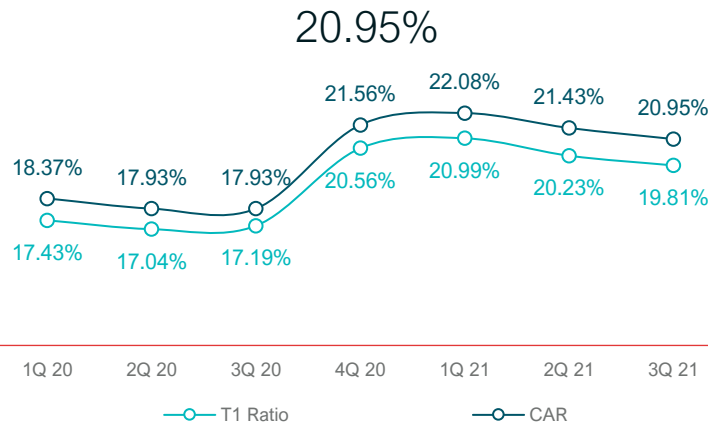
Total Capital (SAR Bn)



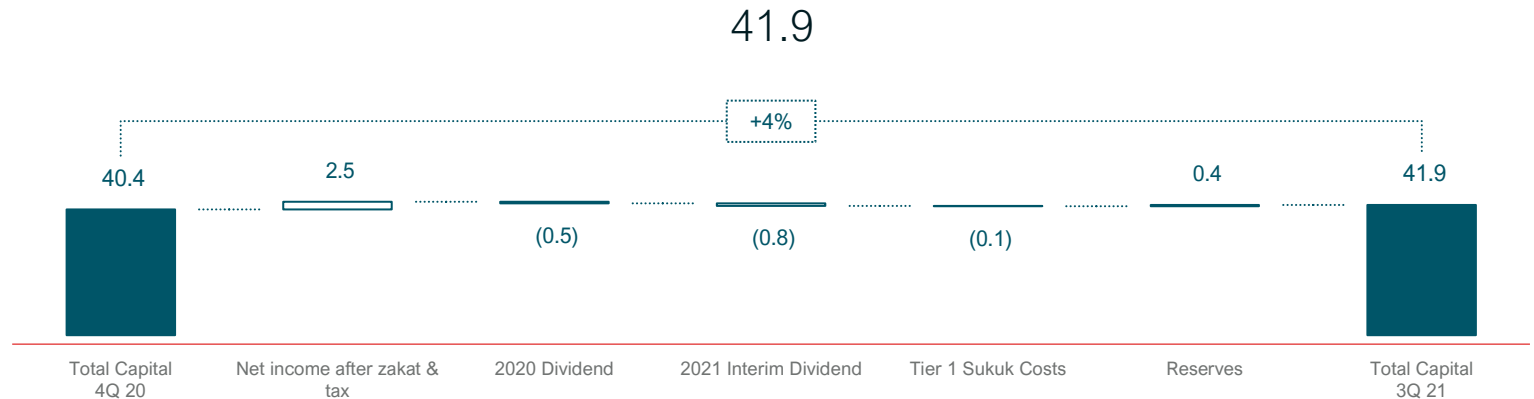
RWA (SAR Bn)



CAR (%)



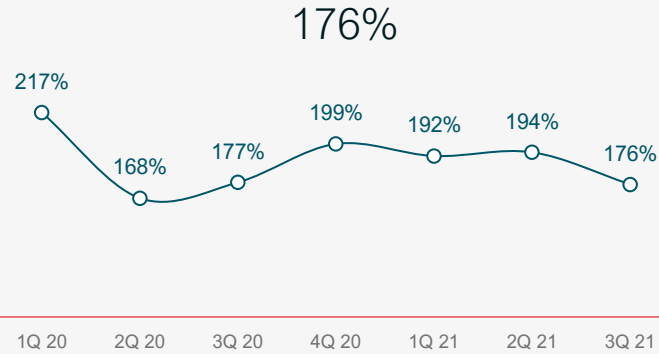
Total Capital Movement (SAR Bn)



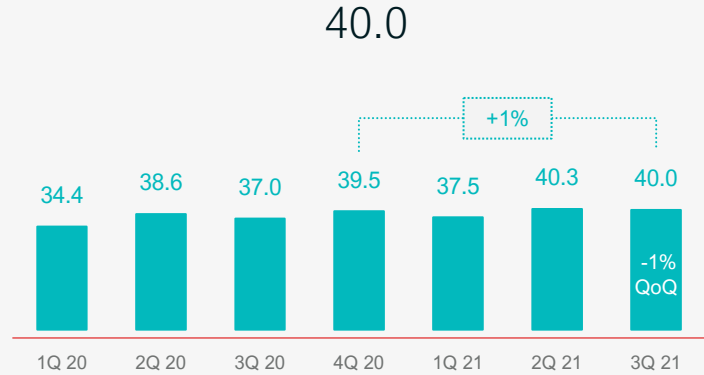
Liquidity remains strong and comfortably within regulatory limits

- NSFR was stable YTD at 129%.
- LCR declined by 23ppts during 9M 2021 due to more efficient utilization of excess liquidity but remains at a comfortable level of 176%.
- The bank continues to manage the LTD ratio for optimum efficiency in cost of funding, while maintaining the SAMA regulatory ratio, which was 83.6% as at 30 September 2021, within required levels.

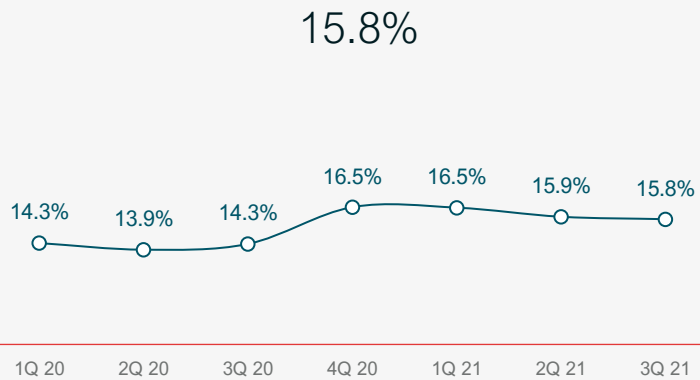
LCR Average (%)



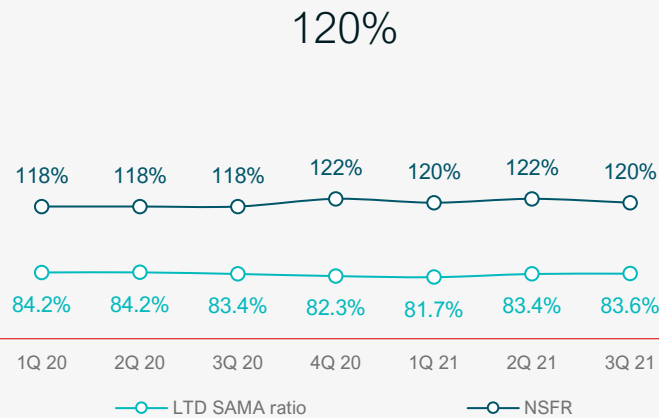
HQLA (SAR Bn)



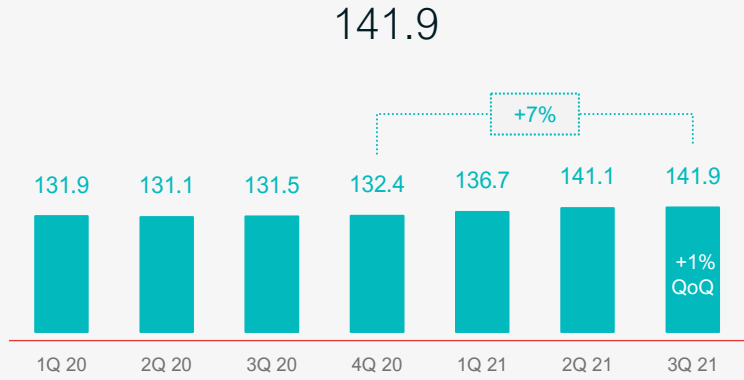
Leverage ratio (%)



NSFR (%)



Available Stable Funding (SAR Bn)



INVESTOR PRESENTATION 3Q 2021

Outlook and Guidance

Loan growth guidance raised and cost of risk outlook more certain

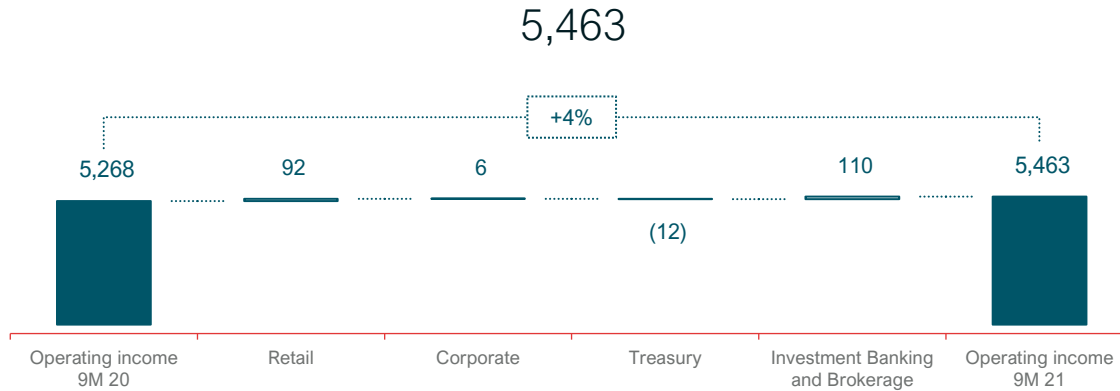
	2021 Outlook as at 2Q	3Q 2021 Outcome	Current 2021 Outlook
LOANS & ADVANCES, NET <ul style="list-style-type: none"> 9M 2021 growth of 11%. Continued mortgage and corporate growth expected in Q4 2021. 	<p>2020: 130.6 2021: Mid to high single-digit</p>	<p>Loans & Advances SAR Billion</p> <p>144.4</p> <p>▲ +10.6% year-to-date</p>	<p>2020: 130.6 2021: Low double-digits</p>
NET INTEREST MARGIN <ul style="list-style-type: none"> NIM declined 11bps YTD. Broadly stable NIM expected in 2021 at ~2.9% +-5bps. 	<p>2020: 3.00% 2021: 2.85% (~2.90% +-5bps)</p>	<p>NIM (%)</p> <p>2.89%</p> <p>▼ -11 bps year-to-date</p>	<p>Unchanged</p> <p>2020: 3.00% 2021: 2.85% (~2.90% +-5bps)</p>
COST OF RISK <ul style="list-style-type: none"> Cost of risk moderated to 80bps in 9M 2021. Cost of risk for 2021 expected at or below 85bps. 	<p>2020: 2.07% 2021: 1.00% (At or below 100bps)</p>	<p>Cost of risk (%)</p> <p>0.80%</p> <p>▼ -127 bps year-to-date</p>	<p>2020: 2.07% 2021: 0.85% (At or below 85bps)</p>
COST TO INCOME RATIO <ul style="list-style-type: none"> The bank is managing the cost base for optimum efficiency, while continuing to invest in critical IT and digital capabilities. Expect CI-ratio at ~33% for 2021. 	<p>2020: 33.6% 2021: 33.0% (~33%)</p>	<p>Cost to income ratio (%)</p> <p>33.4%</p> <p>▼ -12 bps year-to-date</p>	<p>Unchanged</p> <p>2020: 33.6% 2021: 33.0% (~33%)</p>

INVESTOR PRESENTATION 3Q 2021

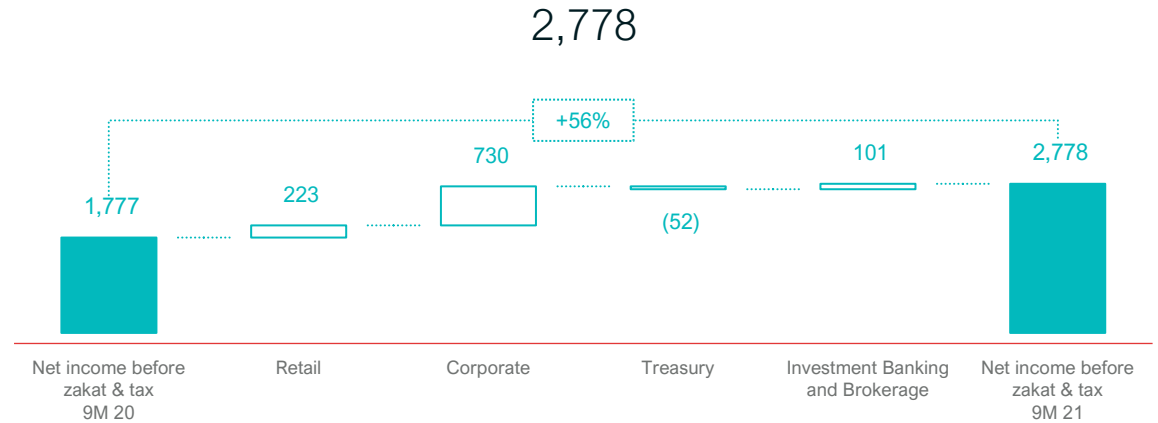
Segmental Performance

Healthy profit growth in all segments expect for Treasury

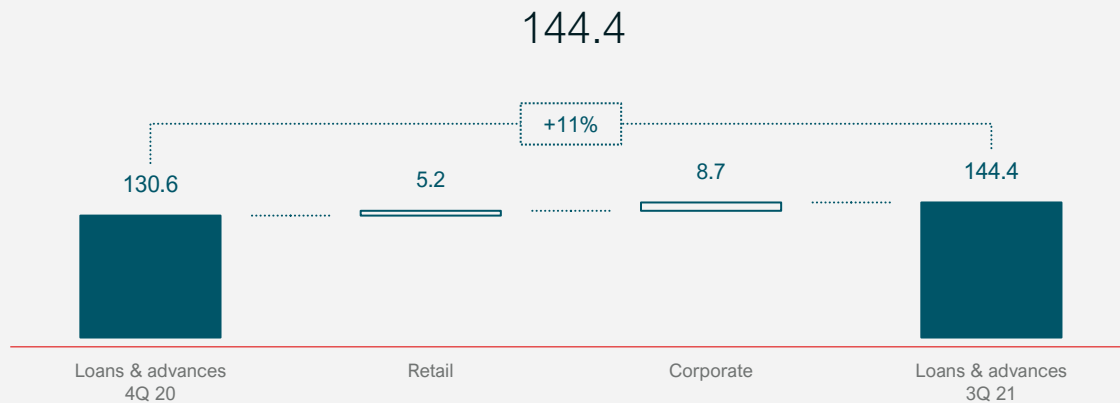
Operating Income Movement (SAR Mn)



Net Income Before Zakat & Tax Movement (SAR Mn)



Loans & Advances Movement (SAR Bn)

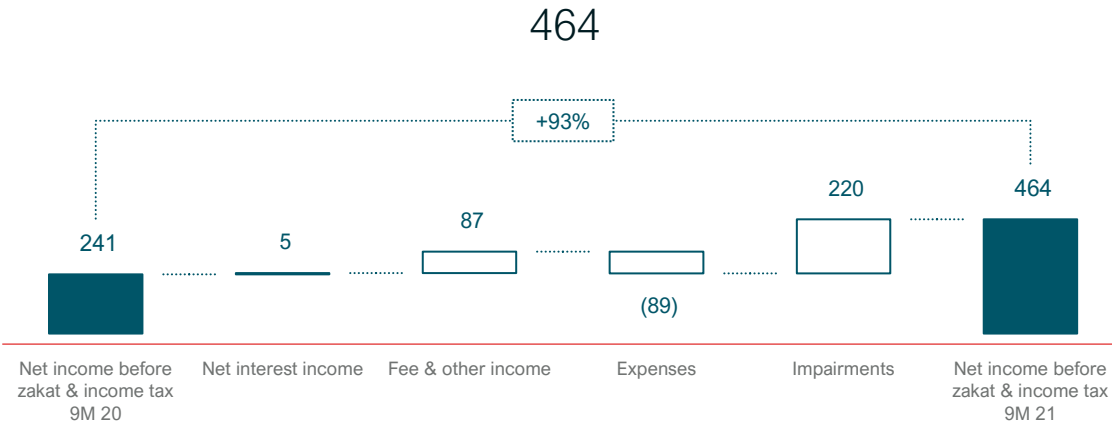


Customers' Deposits Movement (SAR Bn)

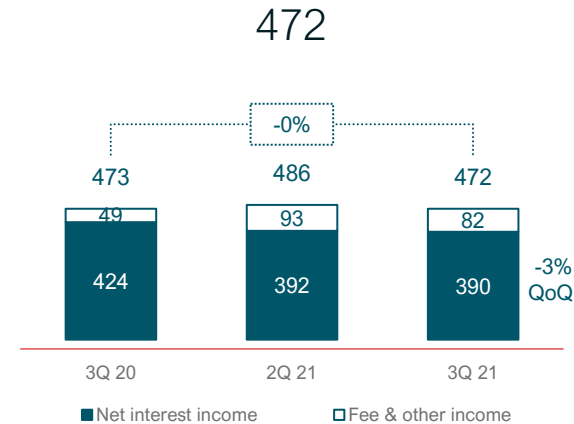


Growth in profits driven by higher income and lower impairments

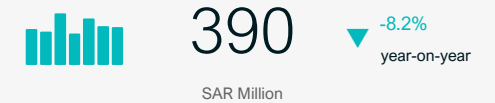
Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



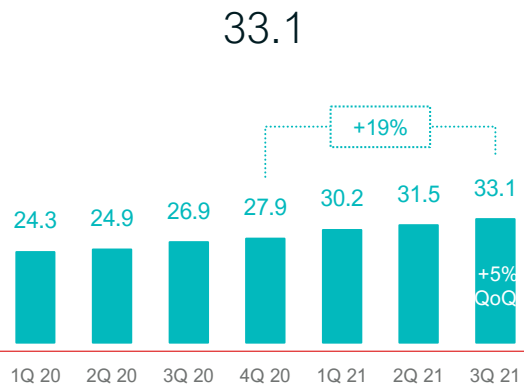
Net Interest Income



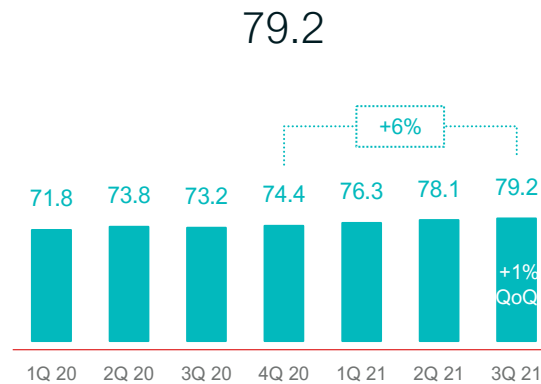
Fee & other income



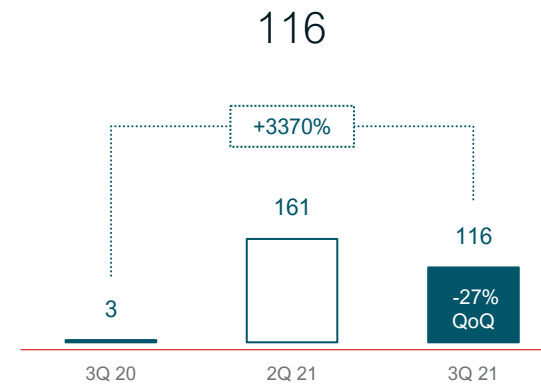
Retail Loans (SAR Bn)



Retail Deposits (SAR Bn)



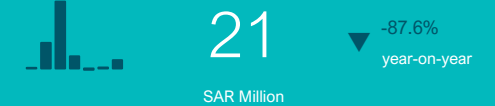
Net Income Before Zakat & Income Tax (SAR Mn)



Expenses

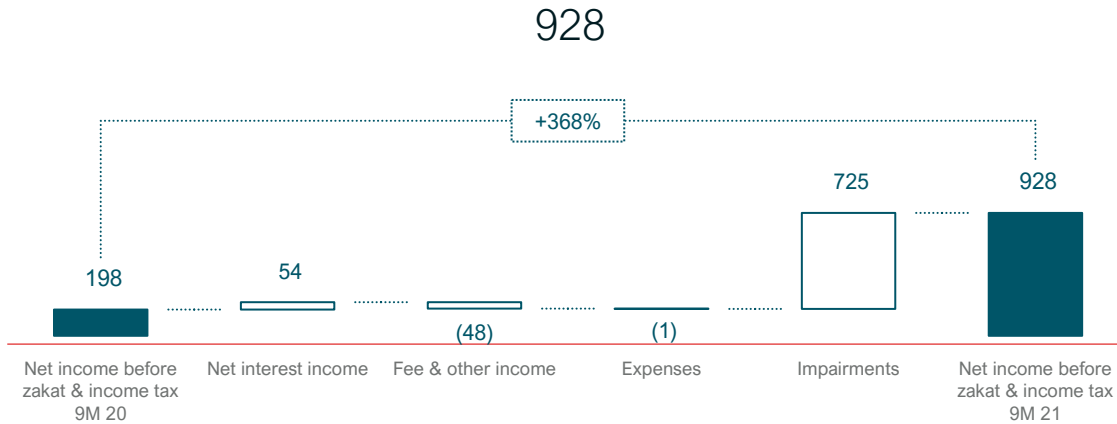


Impairments

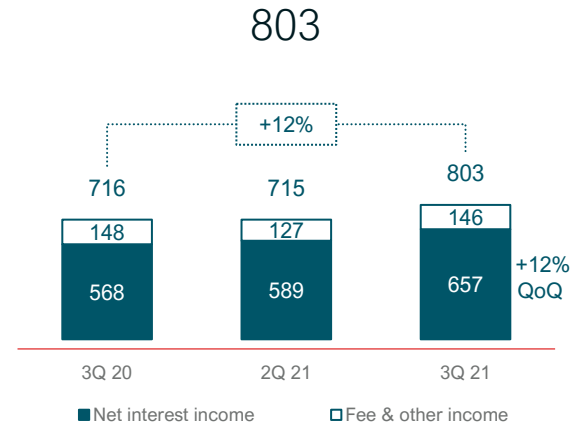


Lower impairments drive improvement in Corporate profitability

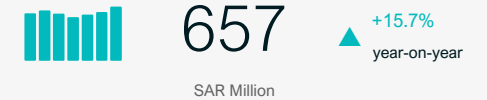
Net Income Before Zakat & Income Tax Movement (SAR Mn)



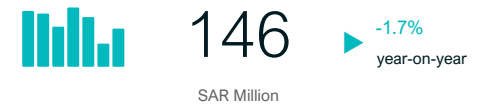
Total Operating Income (SAR Mn)



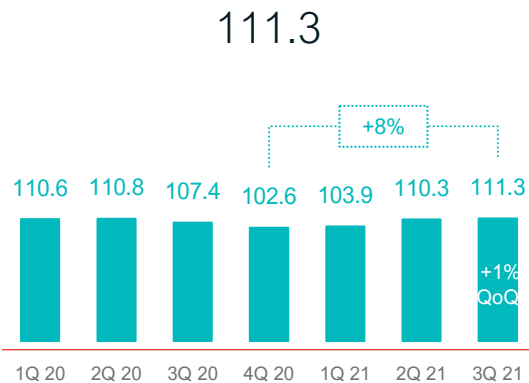
Net Interest Income



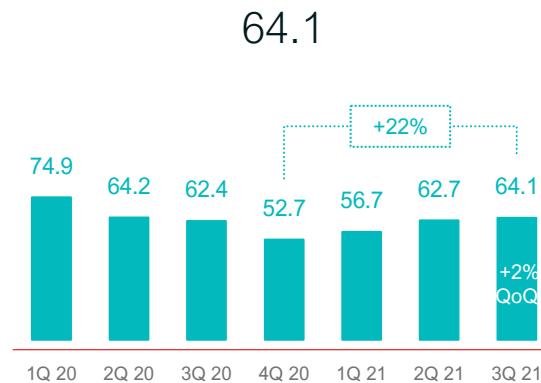
Fee & other income



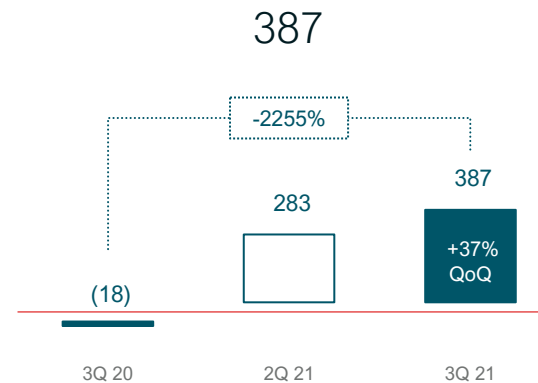
Corporate Loans (SAR Bn)



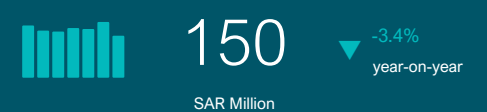
Corporate Deposits (SAR Bn)



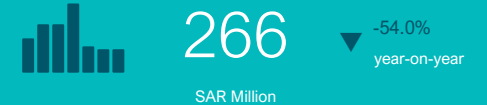
Net Income Before Zakat & Income Tax (SAR Mn)



Expenses

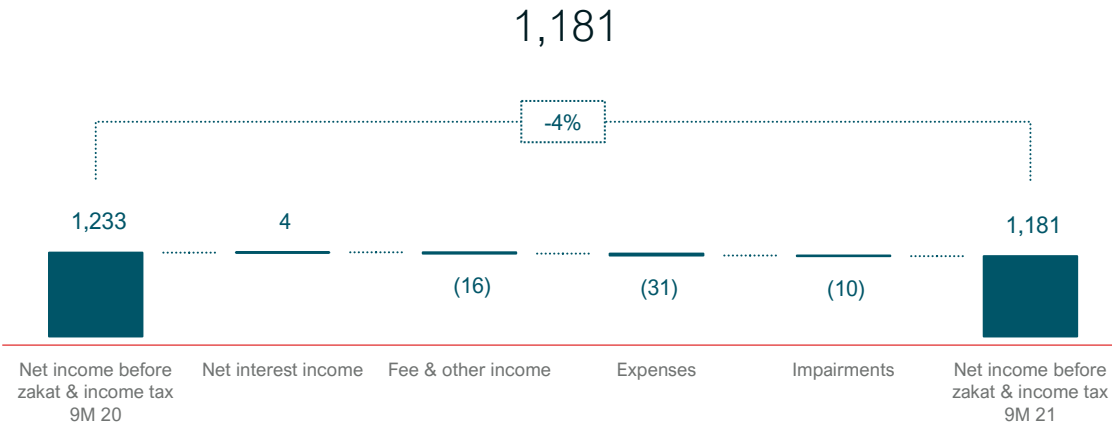


Impairments

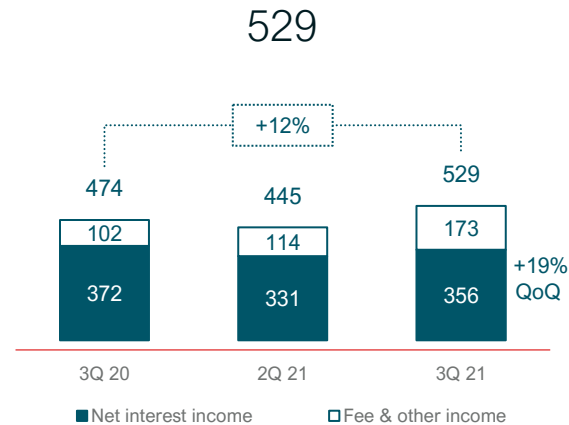


Decline in profit driven by lower fee and other income and higher expenses

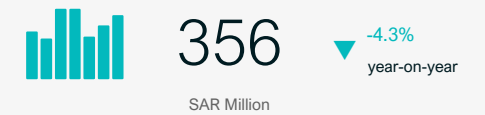
Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



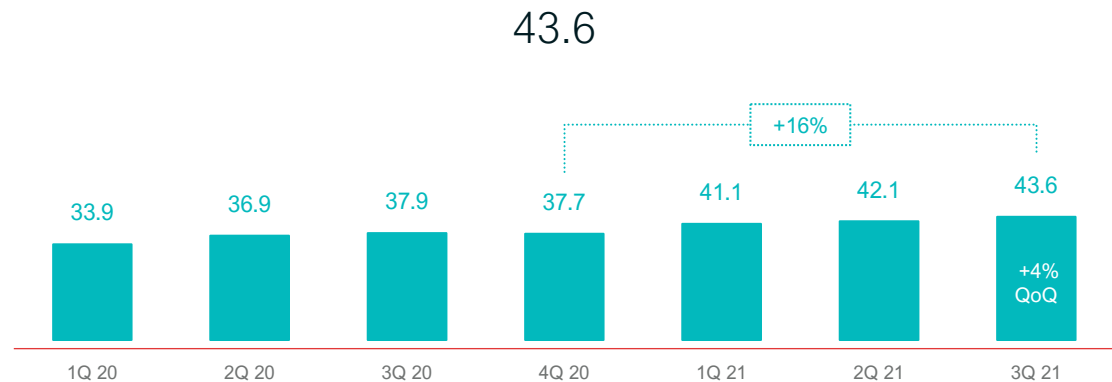
Net Interest Income



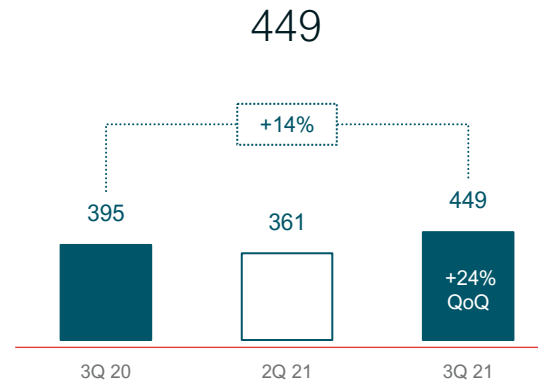
Fee & other income



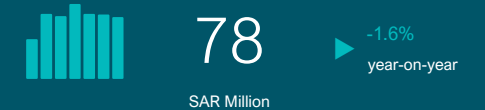
Investments (SAR Bn)



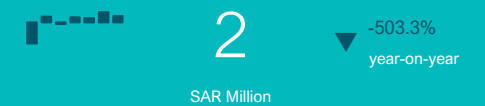
Net Income Before Zakat & Income Tax (SAR Mn)



Expenses

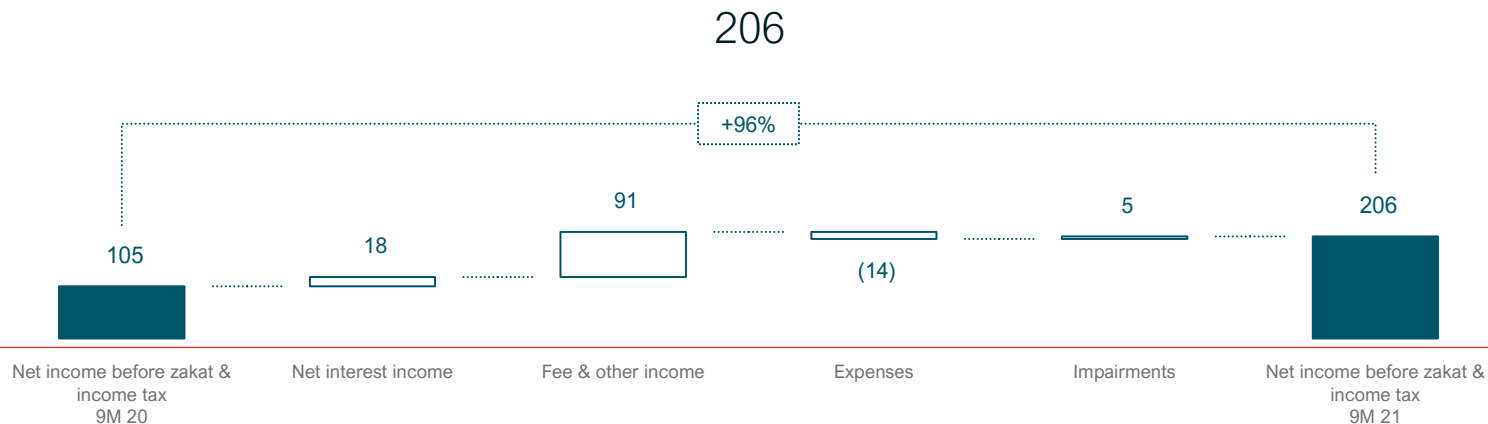


Impairments

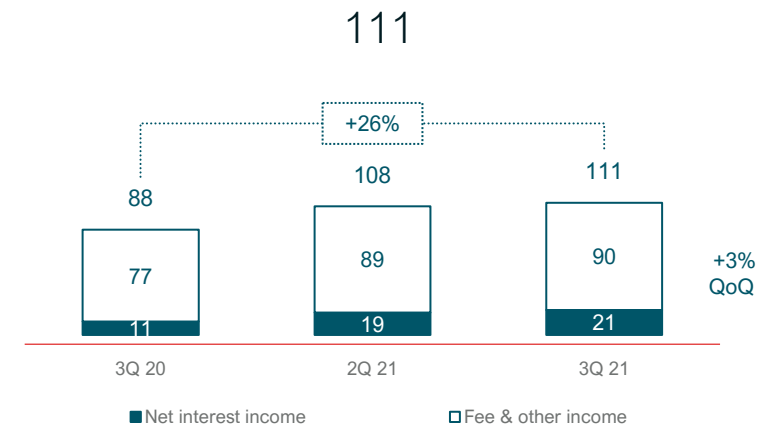


Profitability improvement from higher brokerage & asset management income

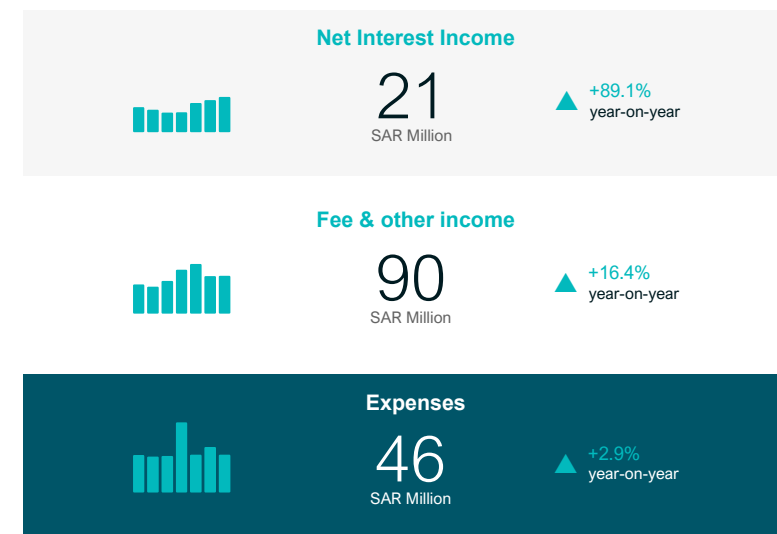
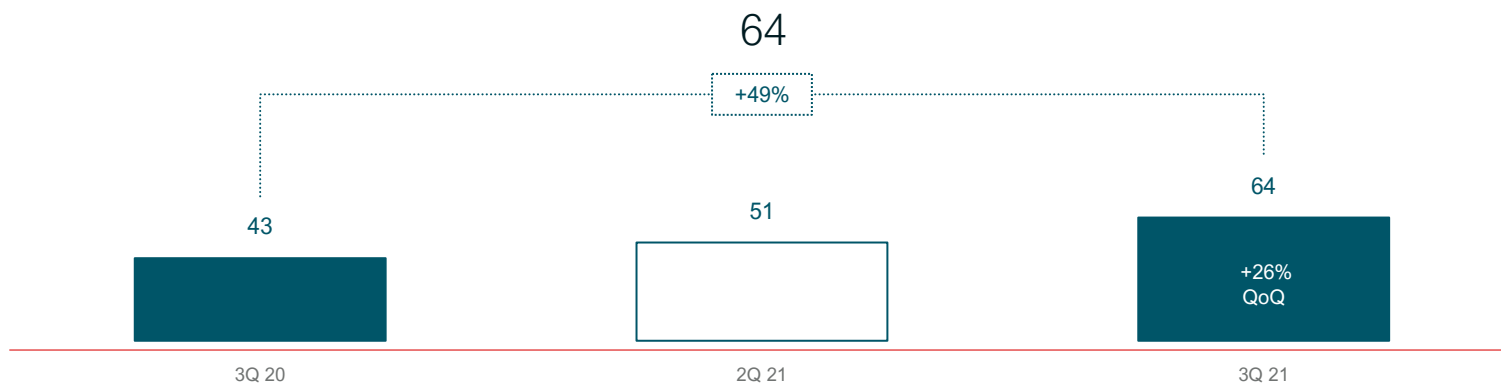
Net Income Before Zakat & Income Tax Movement (SAR Mn)



Total Operating Income (SAR Mn)



Net Income Before Zakat & Income Tax (SAR Mn)

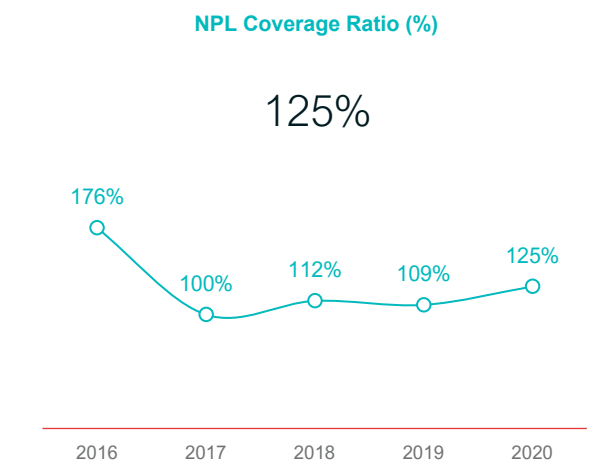
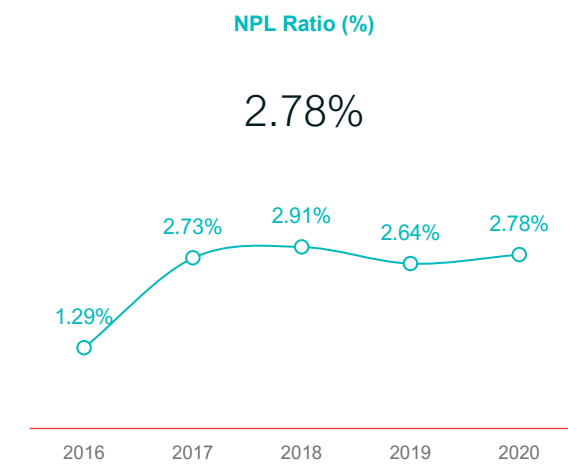
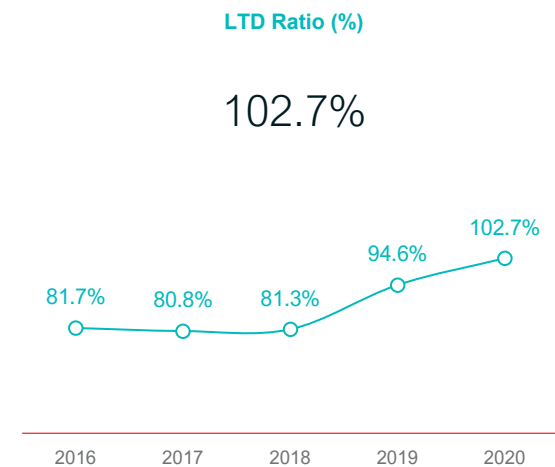
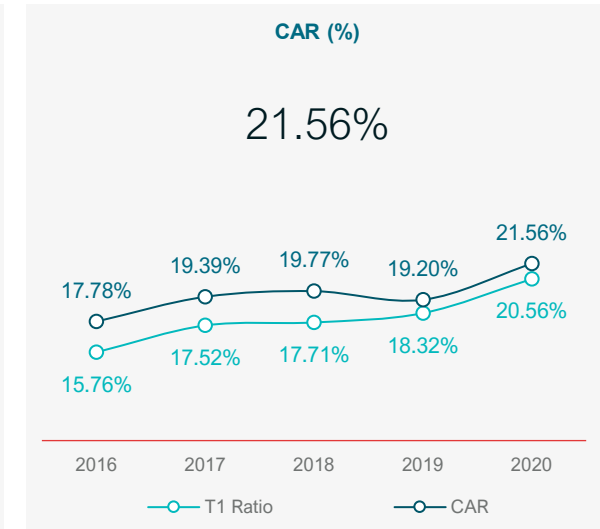
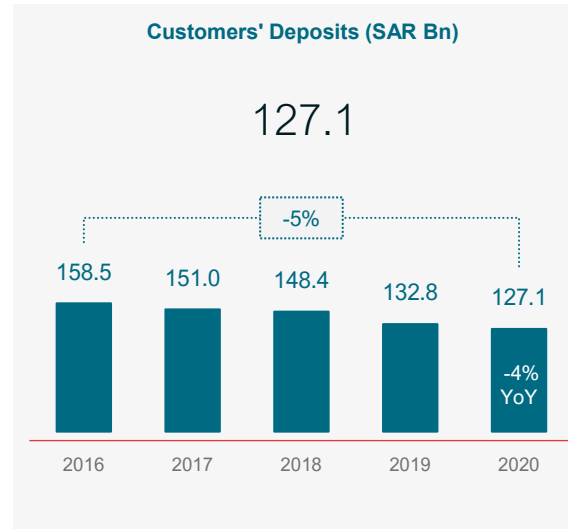
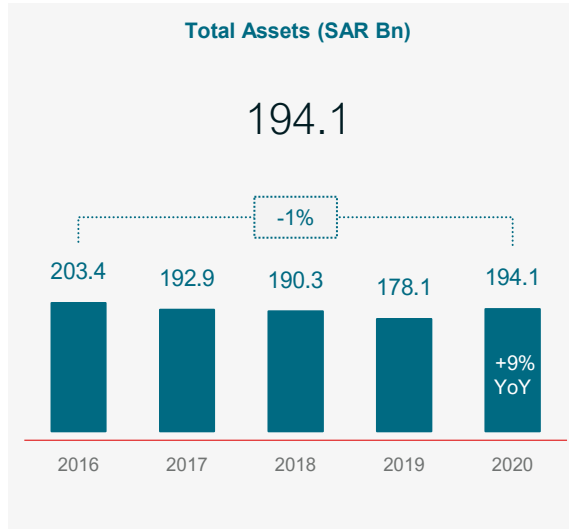
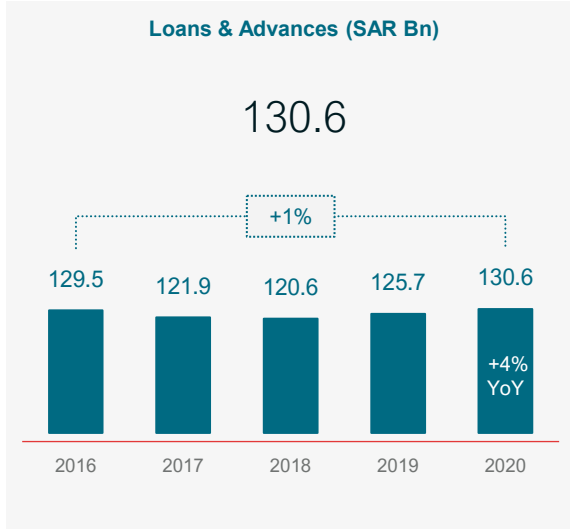




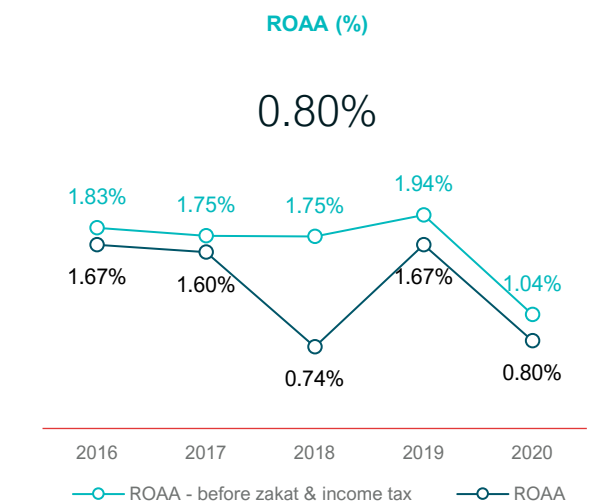
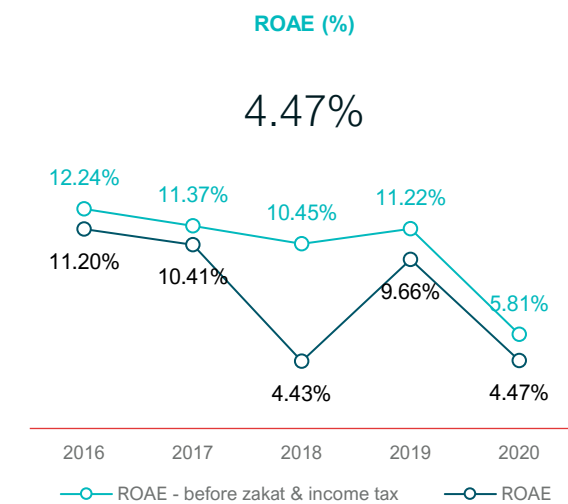
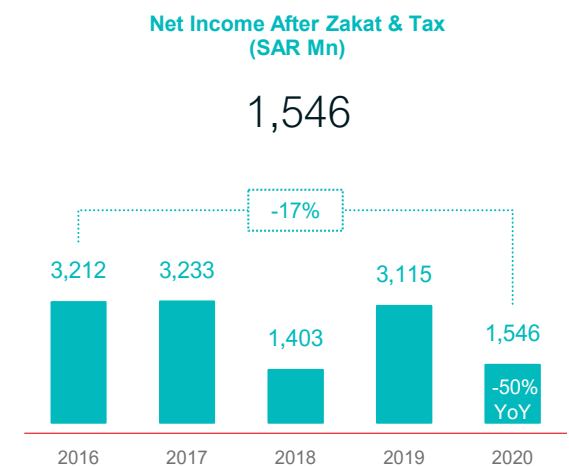
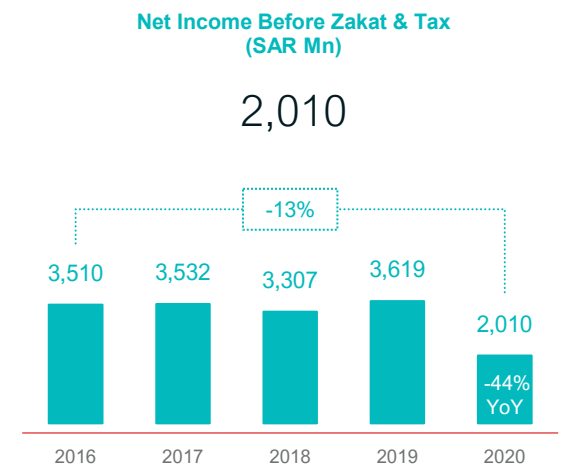
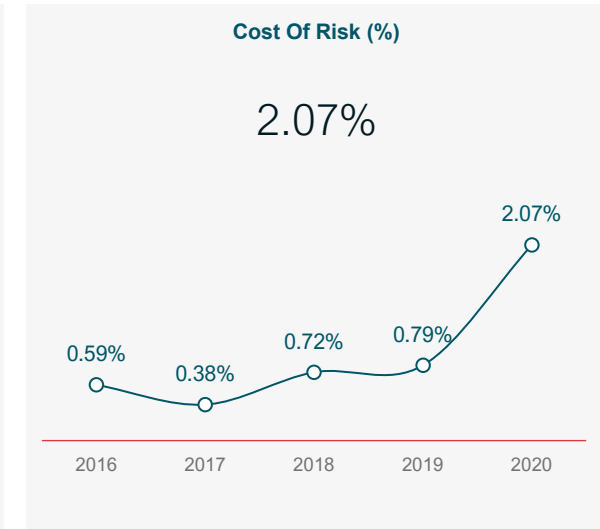
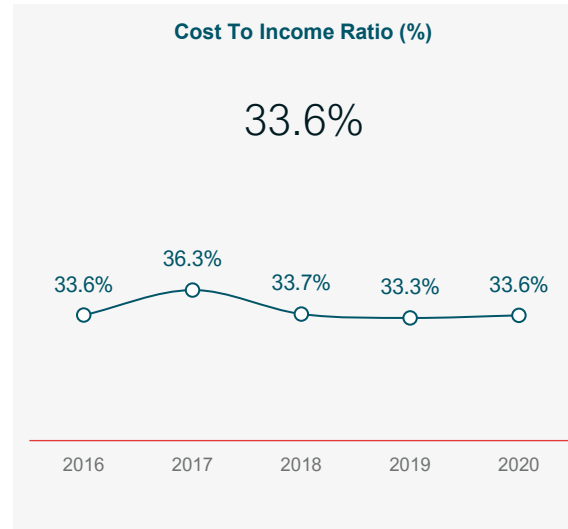
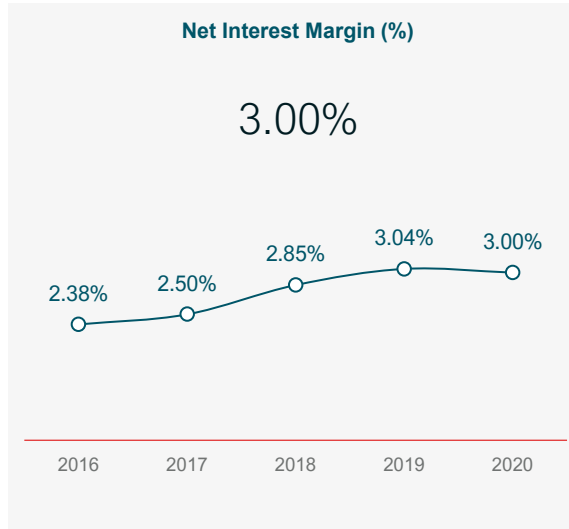
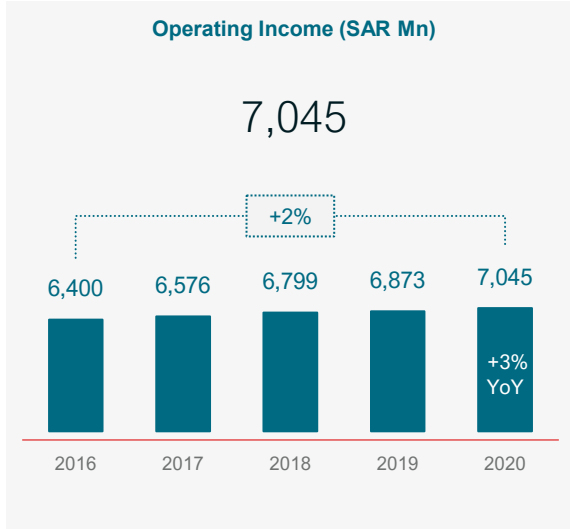
INVESTOR PRESENTATION 3Q 2021

Performance Track Record

Balance Sheet Metrics



Income Statement Metrics



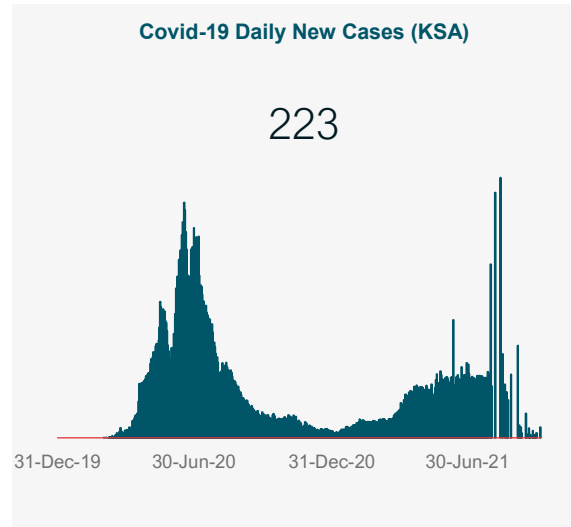
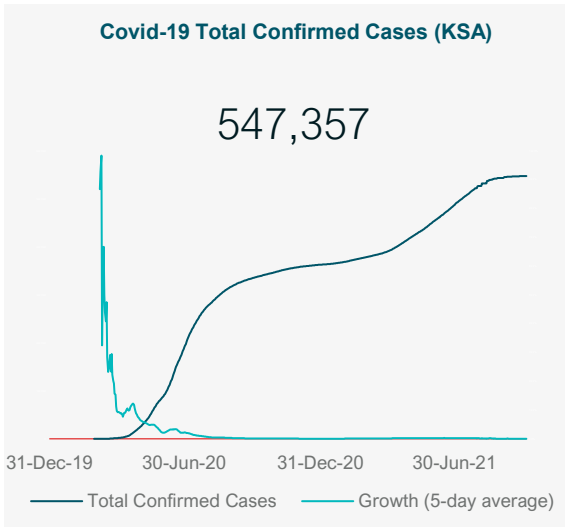
INVESTOR PRESENTATION 3Q 2021

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
<p>Ministry of Finance Programs</p> <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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