



Investor Presentation

9M 2023



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- **Riyad Bank Profile**





Riyad Bank is the third largest bank in Saudi Arabia

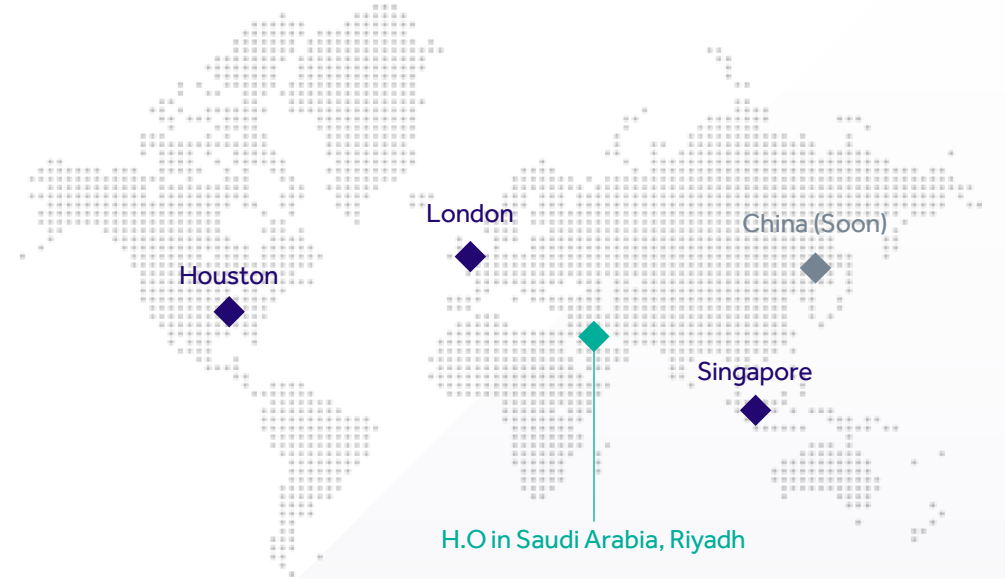
Our Mission:

To be the most innovative & trusted financial solutions partner

Our Employees:

Employees **7,259**
 Female Employees **31%**

Our Presence:



3Q 2023 Key Metrics

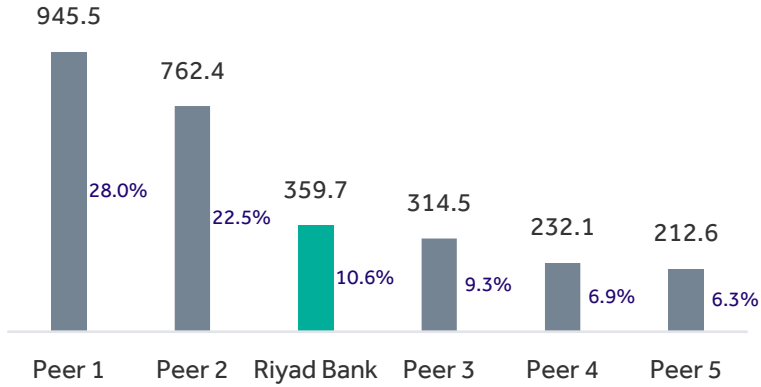
Assets		Operating Income		Cost to Income Ratio
SAR bn	377	SAR bn	3Q: 4.0 9M: 12.0	30.9%
Loans, Net		Pre-Impairment Operating Income		Cost of Risk*
SAR bn	267	SAR bn	3Q: 2.7 9M: 8.3	0.70%
Deposits		Net Income		T1 Capital
SAR bn	255	SAR bn	2.1	17.6%
SAMA LDR Ratio		LCR		NSFR
	82.0%		168.8%	113.5%

Rating	LT	ST	Outlook	Branches (Licensed)
S&P Global Ratings	A-	A-2	Stable	335
Fitch Ratings	A-	F2	Stable	**ATMs 2,214
Moody's	A2	P-1	Positive	**PoS 216,927

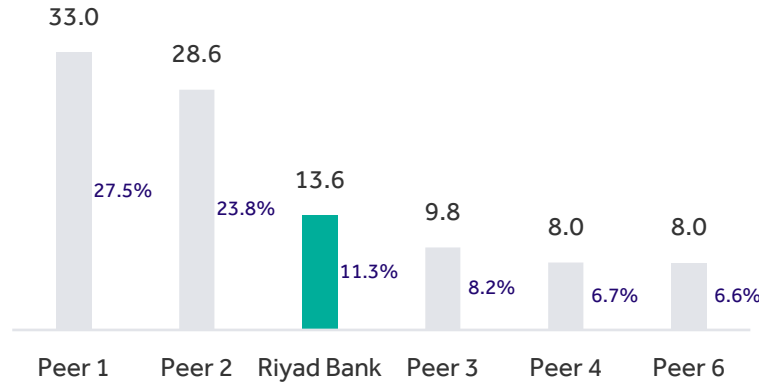


Riyad Bank is consistently in the top 3 KSA banks across a range of metrics

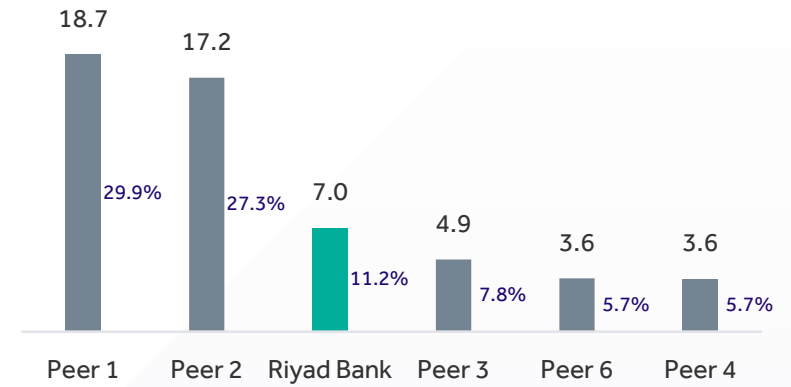
2022 Total Assets (SARbn) & Market Share (%)



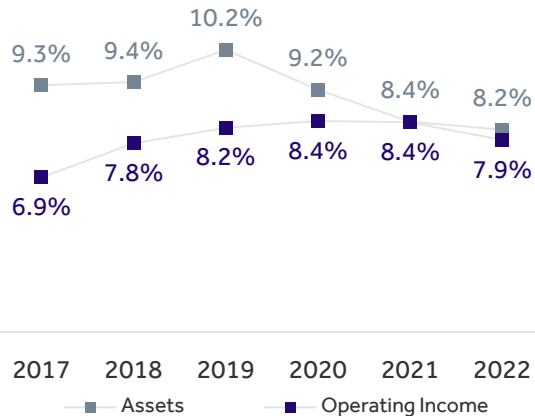
2022 Oper. Income (SARbn) & Market Share (%)



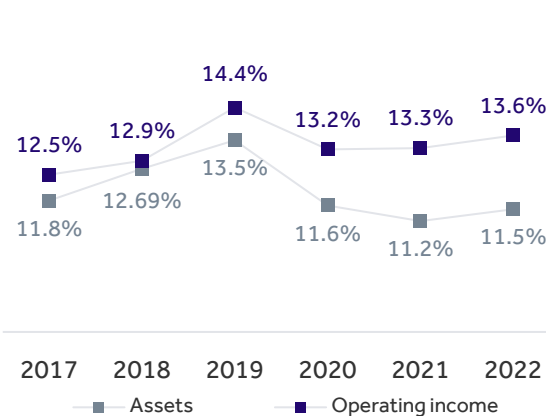
2022 Net Income (SARbn) & Market Share (%)



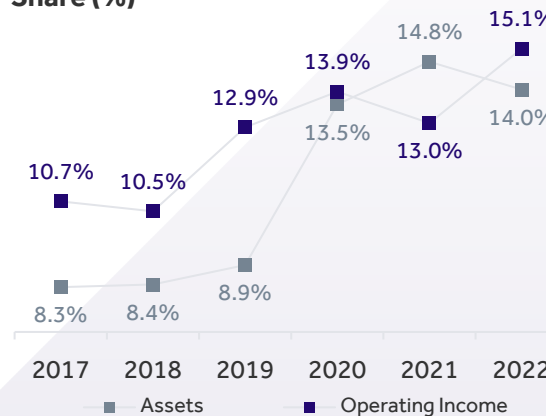
Retail Banking Market Share (%)



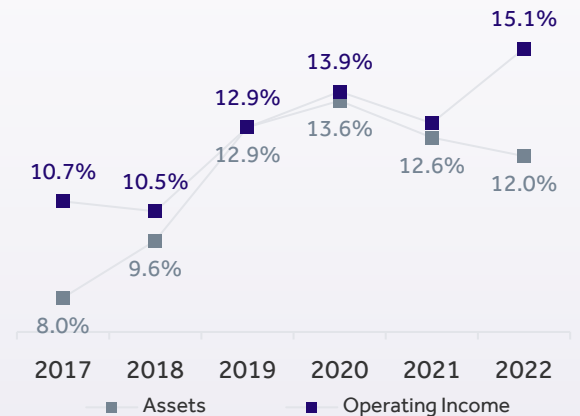
Corporate Banking Market Share (%)



Treasury & Investment Market Share (%)



IB & Brokerage Market Share (%)





Riyad Bank is a liquid stock with strong domestic ownership

Market Capitalization

30 Sep 2023

-12.7% YTD

SAR Billion

83.250

52-week Trading Range (SAR)

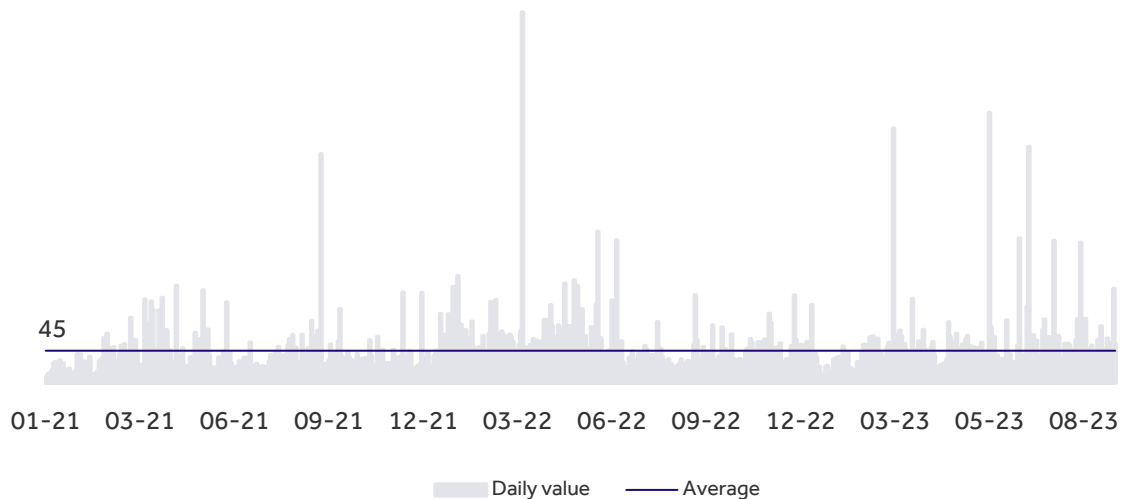
30 Sep 2023

25.60 – 37.45

Valuation Metrics



Riyad Bank Daily Share Trading Value (SAR millions)



Riyad Bank Share Price Performance (Indexed to 1 Jan 2021)



Shareholder Origin (%)





■ Strategy





We all know that Saudi Arabia and its Banking Landscape are transforming

Sustainability



- Core component of banking operations and strategy

Industry Evolution

- Customer expectations
- Growing competition (Fintechs/ M&A)
- Mortgage to Corporate shift with V2030

Macro Pressure

- Covid: digitization & work-life patterns
- Rising geopolitical disruptions
- "Higher for longer" rates environment
- Liquidity pressures / cost



To stay ahead, Riyad Bank is transforming too

Enabled through Digitalization

Innovation: Ecosystems, Fintech, Advanced Analytics

Efficiency: Straight-Through-Processing, Distribution

Next-gen operating model: Agile, IT Infrastructure

Corporate

Corporate bank of Choice in V2030 Infrastructure

Maintain SME leadership position

Retail

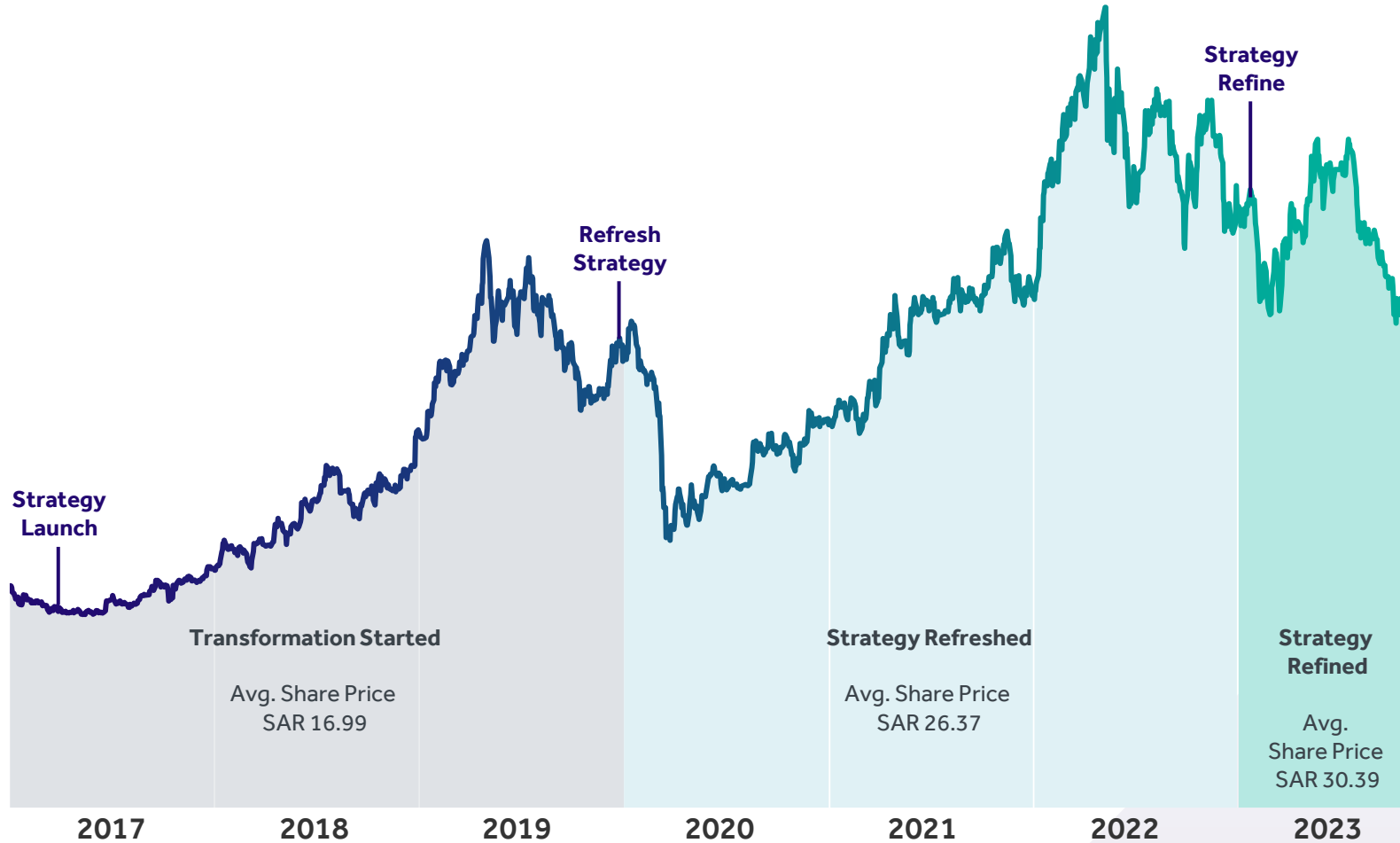
Restore natural market share in Retail

Private and affluent banking



We have already come a long way on this journey

Share Price (SAR)



Key Aspirations

- 2017: A bold new aspiration and strategy was developed to transform the bank and accelerate growth
- 2018: Balanced performance and health transformation to fix the basics
- 2019: Leapfrog competition through accelerated growth, disruptive business models
- 2020: Strategy was refined due to significant market disruptions
- 2021: Focus on innovation and digitization
- 2023: Become the best bank in KSA

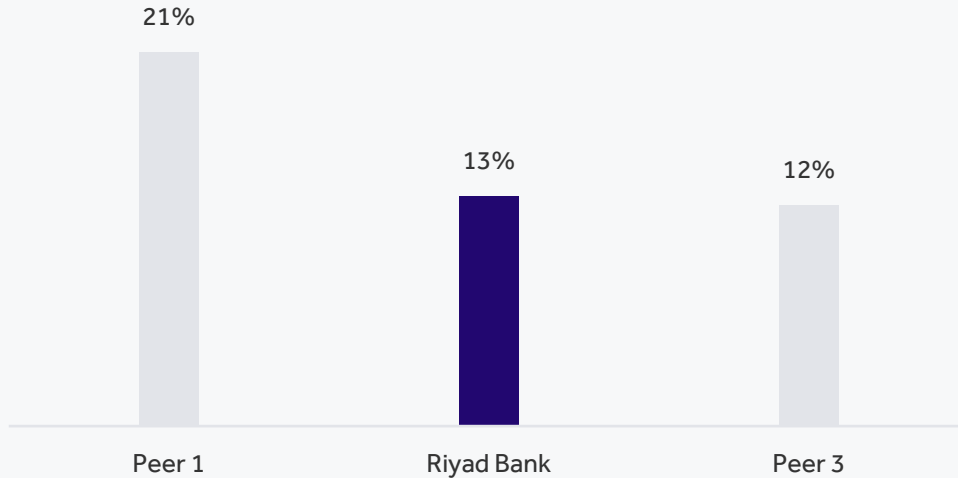


We build on our Corporate Banking DNA and continue to grow market share

Corporate Banking Market Share

Riyad Bank is #2
in KSA Corporate Banking

Top 3 Banks by Corporate Loans and Advances, net



Strategic Priorities

Vision 2030

Become the leading player in Vision 2030 projects, including Giga Projects and KSA's sustainability agenda

MSMEs

Achieve optimum involvement in growing MSME segment - expand and scale up external partnerships

Innovate

Expand capabilities across products & services

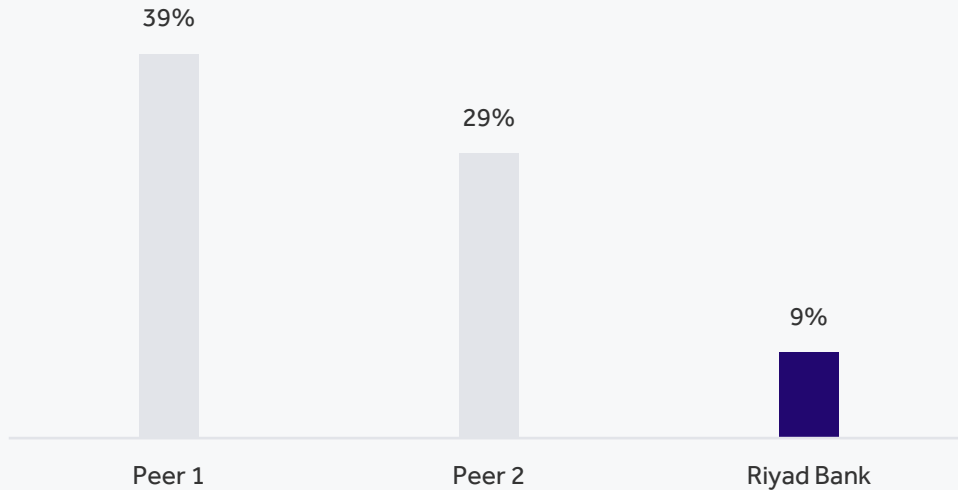


We aim to capture market share across key Retail markets

Retail Banking Market Share

Riyad Bank is #3
in KSA Retail Banking

Top 3 Banks by Retail Loans and Advances, net



Strategic Priorities

Mobile First

Consolidate market share with distinctive mobile-first products

Customer Acquisition

Prioritize customer acquisition and CASA growth to secure low-cost funds

Customer Experience

Optimize and modernize branch footprint to offer distinctive user experience



Riyad Bank aims to lead Saudi Arabia's digital banking evolution

Key Focus Areas

Innovation

Efficiency

Next-Gen Operating Model

Already launched

AI-enabled Relationship Manager Workbench

Digital Factory (JEEL) with end-to-end solutions

Front-to-back digitization

Optimized Procurement Platform

Agile Development for better time-to-market

Digital Innovation Centre

Center of Intelligence

Advanced features for "Token" kids apps

232 RPAs at work

Branch Format Optimization

Upgrade core banking system

Venture Builder Program

What's Next?

Next-gen Retail App transforming CX

Home-ownership Ecosystem

MSME platform

177 RPAs in progress





20 new branches

API Marketplace & Developer Portal

2 x Ventures ready to go to market



Our ambition is to be the best Bank in KSA

Strategic Pillars	Definition	Focus Area		
<p>Most Profitable</p> 	<p>Sustainable profit growth and returns to shareholders</p>	<p>Profitability</p>	<p>Growth</p>	
<p>Most Efficient</p> 	<p>Highest return on spend and operational excellence</p>	<p>Cost Efficiency</p>	<p>Operational Efficiency</p>	
<p>Bank of Choice</p> 	<p>Best bank for customer, employees and society</p>	<p>Customer</p>	<p>People</p>	<p>ESG</p>
<p>Most Innovative & Digitally Enabled</p> 	<p>Most innovative and digitally enabled bank</p>	<p>Digital</p>	<p>Innovation</p>	



- **Sustainability Update**





Embedding corporate responsibility and sustainability into the Bank's strategy

Environmental

<p>World Day to Combat Desertification we conduct a Seminar "ظاهرة التصحر أبعادها وتداعياتها" in collaboration with Environmental Green Horizons Society</p>	<p>750M The world's first sustainable AT1 Sukuk and the first Sukuk on the BSM</p>
<p>7.7Tons Recycling: First Quarter: Papers and plastic</p>	<p>Reduce With Us we launched "Reduce With Us" initiative in order to reduce environmental pollution and carbon emissions by recycling used devices.</p>
<p>Goal Initiative As part of our cherished partnership with Al-Hilal, we are excited to introduce an environmentally conscious initiative under Bukra program for the upcoming season. For every Goal fulfilled by Al-Hilal, we intend to plant 100 trees, هدف الهلال شجرة، لبركة We planted 1400 Trees. Save 10.9 Ton Carbon</p>	

Social

<p>Financial literacy we activated Token Awareness to increase kids' financial literacy and encourage them to save. for Al-Hilal Academy teams.</p>	<p>Purple Saturday Riyad Bank participated in the Purple Saturday initiative by offering a variety of promotions for PWDs. (Mortgage and Hassad offer's)</p>
<p>Hosting Non-profit Organizations As part of our commitment to the community by offering our facilities to conduct workshop for NGOs and to activate knowledge pillar, we hosted a conference in data-science.</p>	<p>!تعلمها معنا, we held a workshop in Saudi Sign Language, "Fundamentals of Sign Language," in order to foster social, cognitive, and cultural bonds among RB employees. 65 beneficiaries</p>
<p>ISO- Proud to announce that we have recently obtained the ISO 26000 certification in social responsibility</p>	<p>SAR 13.9mn Donation amount: Total 432,902 transactions</p>
<p>Riyad Talk – Social Sustainability Riyad Talk hosted a session titled "The future of social sustainability in the Kingdom" with Mrs. Dimah Al-Sheikh – the Executive Director of Misk Values</p>	

Governance

<p>Updated guidelines to meet the needs of persons with disabilities</p>	<p>Diversity First female board member</p>
<p>5 Independent Board Directors</p>	<p>Cyber security ISO/IEC 27001:2013 (PCIDSS) Certification ISO business Continuity ISO22301:2019</p>
<p>5 Board Subcommittees</p>	<p>ISO/DIS 37301:2020 Compliance</p>
<p>+15 New adopted governance policies and frameworks</p>	



- # Operating Environment





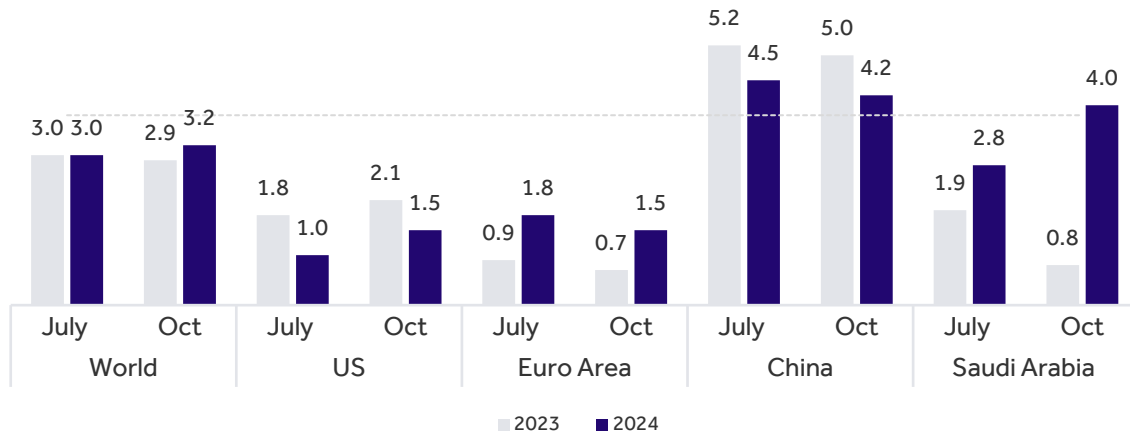
Global recovery is expected to slowly pick up in 2024

Global growth has bottomed out in 2023. The expectation in October that 2024 will grow at 3.2%. Prices have also responded to monetary tightening. However, it will be slower than anticipated in the coming years.

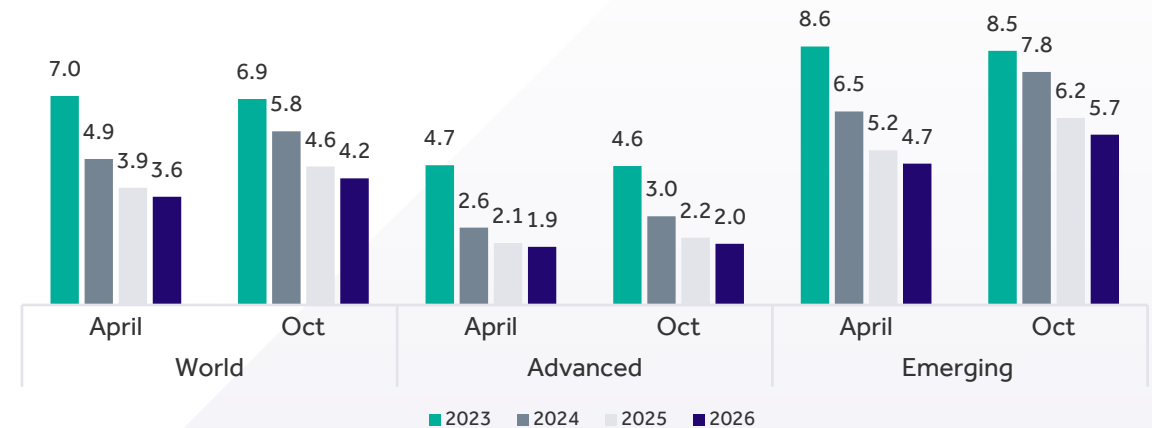
Global growth is still below the historical average of 3.8% with slight improvement next year.

Global Inflation expectations have shifted from April to Oct. Higher inflation rates may last longer than initially anticipated.

Economic Outlook (%)



Inflation Expectations (%)



Global PMI ▶
 Sep-23 +0.6% Jun-23

49.1 48.8

Fed Funds (%)
 Upper 25bps Lower

5.50 5.25

USD Index ▲
 Sep-23 +3.2% Jun-23

106.2 102.9

3M SOFR (%) ▶
 Sep-23 +25bps Jun-23

5.31 5.06

10y Treasury Yield ▲
 Sep-23 +70bps Jun-23

4.50 3.80

Brent Oil (\$/b) ▲
 Sep-23 +22.3% Jun-23

92.20 75.41

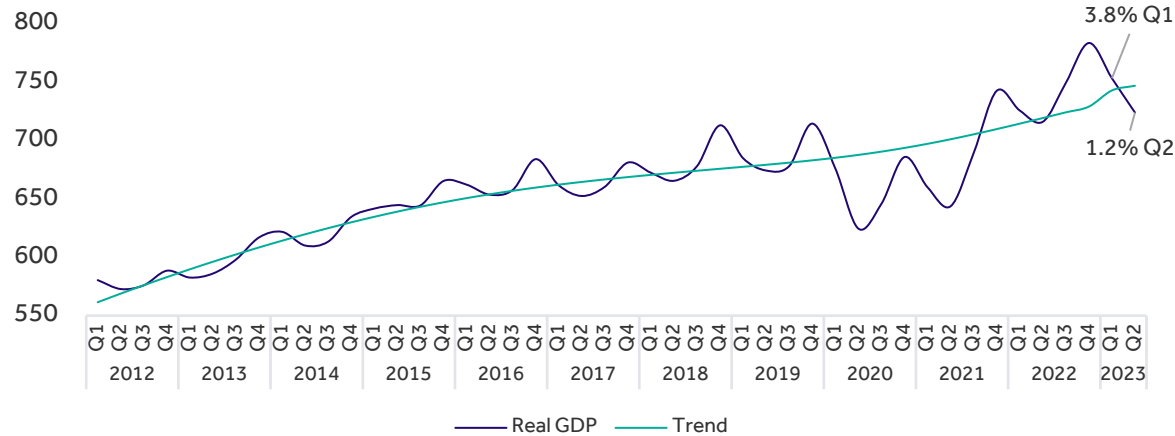


Saudi growth is lagging and driven by the private sector

The real economy grew by 1.2% YoY in the Second Quarter of 2023, driven by 6.1% increase in non-oil activities while oil activities declined by 4.3%.

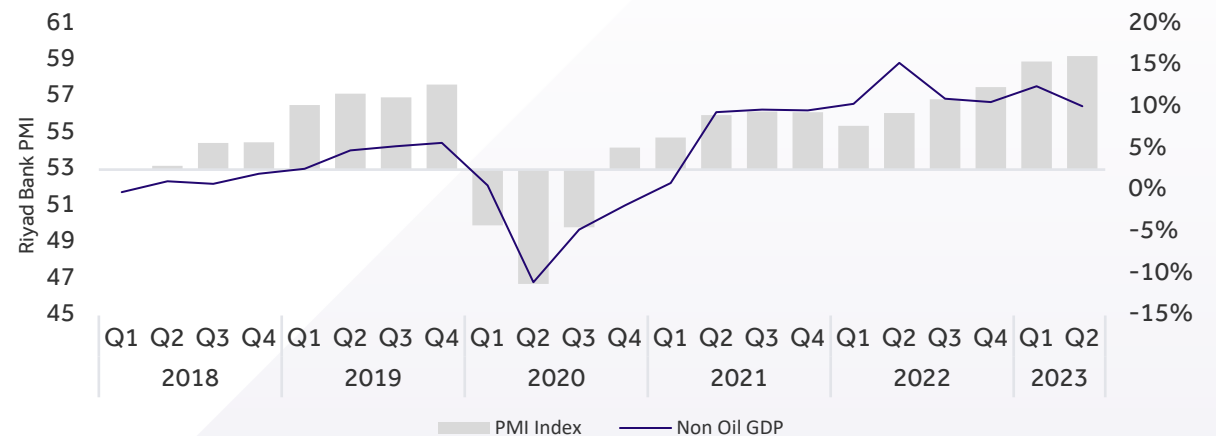
Real GDP is running below trend in Q2 pushing inflation pressures to ease.

Real GDP (SAR billions)



Real Non-oil Private GDP for Q2 expanded by 6.1% in line with Riyadh Bank PMI reading for the same period.

Non-oil Private GDP Growth



Real GDP Growth (%) ▼

2Q-23 -1000bps 2Q-22

1.2 11.2

Riyad Bank PMI ▼

Sep-23 -4.0% Jun-23

57.2 59.6

REPO Rate (%)

Repo RRepo

6.0 5.5

Money Supply (YoY) ▼

Sep-23 -1.1ppt Jun-23

8.0% 9.1%

Credit Growth (YoY) ▼

Sep-23 -0.37bps Jun-23

9.9% 10.2%

Fiscal Balance (SARbn) ▼

Sep-23 -30.5Bn Jun-23

-35.7 -5.2

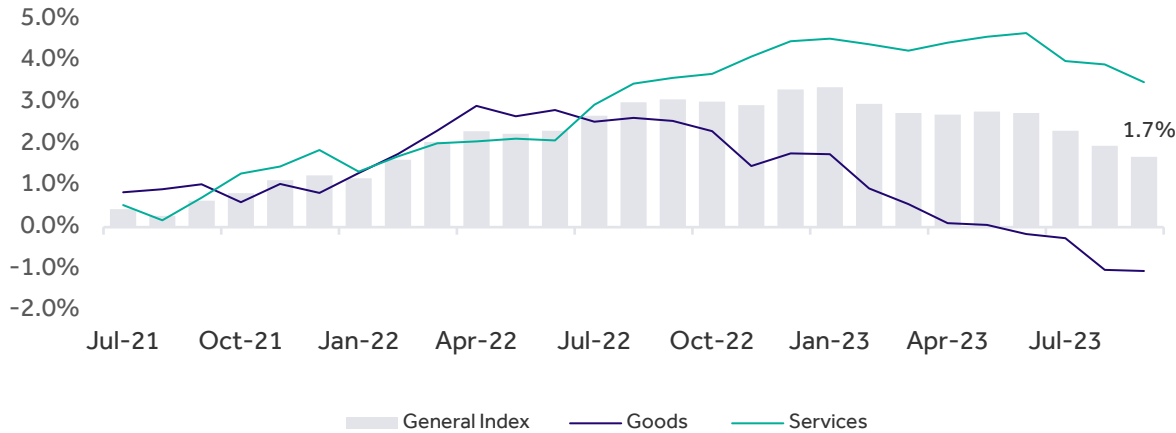


Moderate price pressures remain on strong demand

Inflation rate increased by 1.7% compared to the same month of previous year, driven by higher prices of housing, water, electricity, gas, and other fuels which rose by 8.1% from a year earlier.

CPI Inflation eased to 1.7% YoY in Sep from 2% in Aug, with rents and food prices continue to be the main driver.

CPI Inflation (%)



Riyad Bank PMI continued its expansion in Q3 to signal strong performance by the non-oil sector driven by the new orders.

Riyad Bank PMI & Components



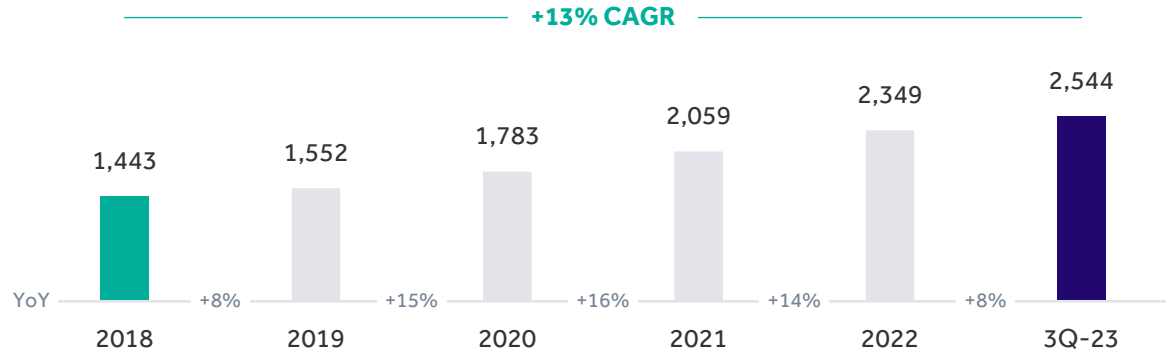
Real GDP Growth (%)	Riyad Bank PMI	REPO Rate (%)
2Q-23	Sep-23	Repo
-1000bps	-4.0%	5.5
2Q-22	Jun-23	RRepo
11.2	59.6	6.0
1.2	57.2	

Money Supply (YoY)	Credit Growth (YoY)	Fiscal Balance (SARbn)
Sep-23	Sep-23	Sep-23
-1.1ppt	-0.37bps	-30.5Bn
8.0%	9.9%	-35.7
9.1%	10.2%	-5.2
9.9%		

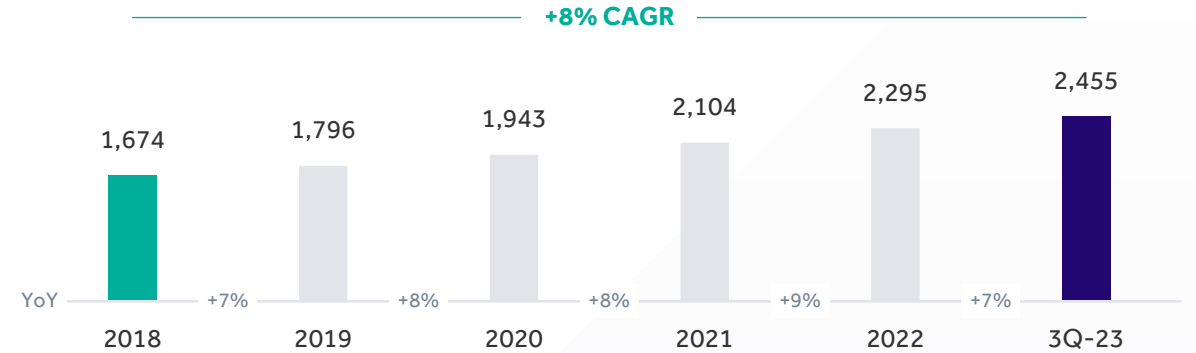


The Saudi banking sector is attractively positioned for growth

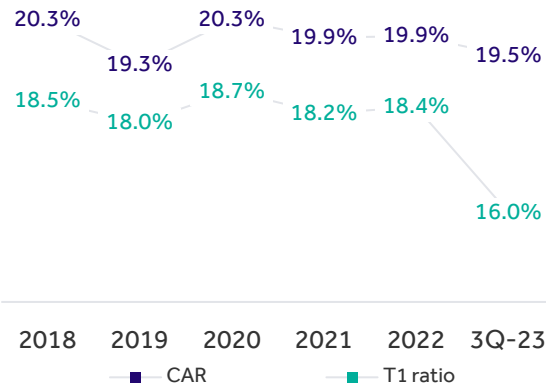
Bank Credit (SARbn)



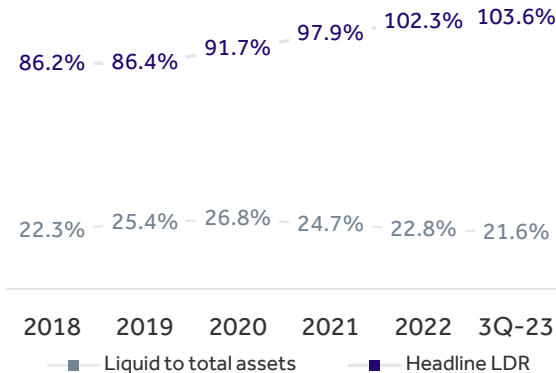
Bank Deposits (SARbn)



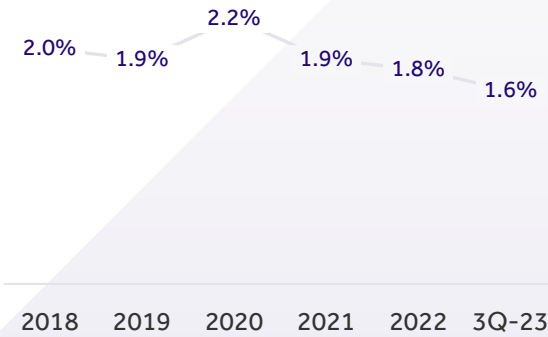
Capitalization (%)



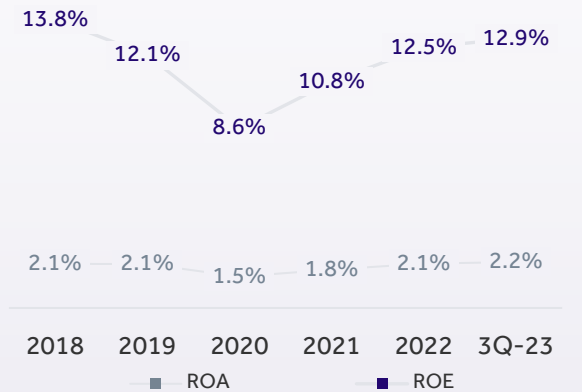
Liquidity Metrics (%)



NPL Ratio (%)



Profitability (%)





- **Financial Performance**





Balance sheet



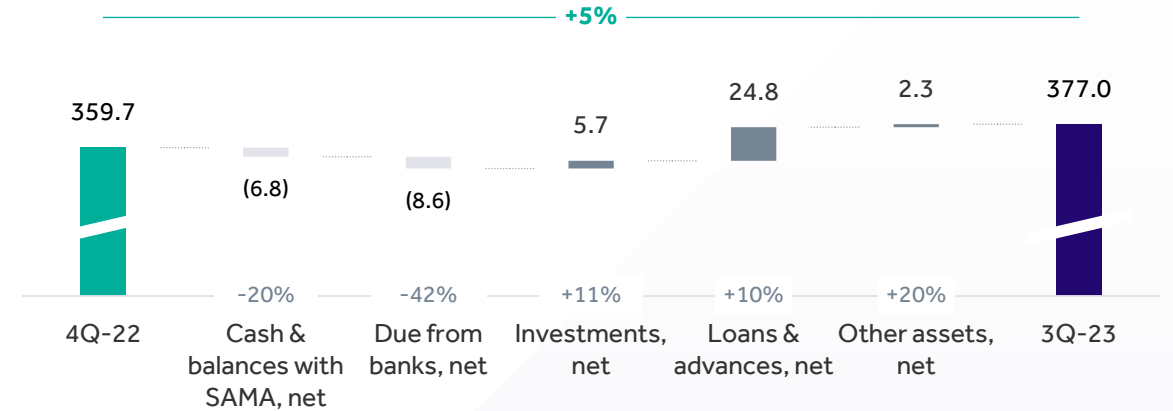


Total assets increased by 5% YTD driven by the expansion of the loan portfolio, funded by customer deposits

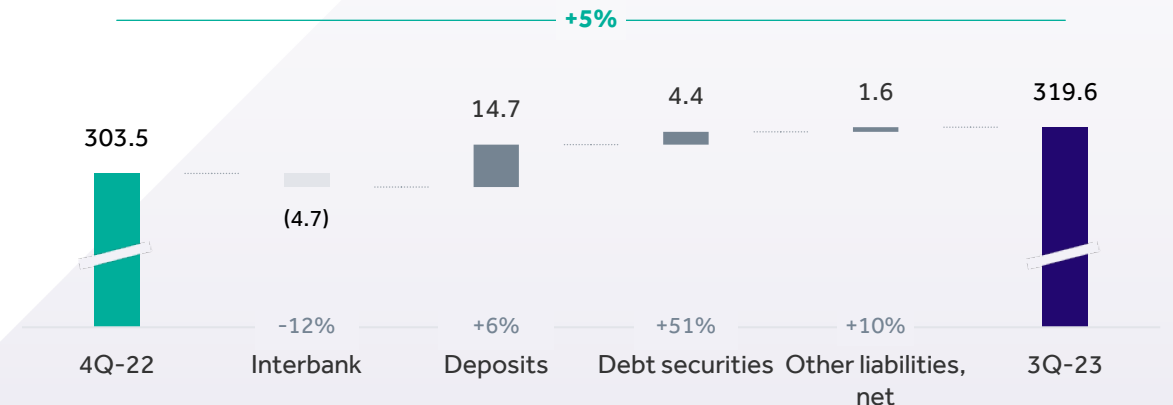
- ◆ Total assets amounted to SAR 377 bn as of 30 September 2023, up 5% YTD on the back of the 10% loans and advances growth, funded by the 6% growth of customer deposits.
- ◆ On a quarterly basis total assets decreased by 3% due to a reduction in cash, SAMA and interbank balances partially offset by loan growth.

SAR (mn)	3Q-2023	2Q-2023	QoQ % Change	3Q-2022	YoY % Change
Cash & balances with SAMA, net	26,609	37,221	-29%	23,782	+12%
Due from banks, net	12,004	22,092	-46%	20,202	-41%
Investments, net	57,882	56,388	+3%	53,246	+9%
Loans & advances, net	267,151	263,150	+2%	241,586	+11%
Other assets, net	13,365	10,385	+29%	9,065	+47%
Total assets	377,012	389,236	-3%	347,881	+8%
Interbank	34,048	34,129	-0%	38,347	-11%
Deposits	254,719	272,269	-6%	235,892	+8%
Debt securities	13,201	8,768	+51%	8,672	+52%
Other liabilities, net	17,599	16,378	+7%	15,375	+14%
Total liabilities	319,567	331,545	-4%	298,286	+7%
Share capital	30,000	30,000	+0%	30,000	+0%
Reserves	9,498	9,781	-3%	7,479	+27%
Retained earnings	11,384	11,347	+0%	9,297	+22%
Equity attributable to shareholders	50,881	51,128	-0%	46,776	+9%
Tier 1 sukuk	6,563	6,563	-0%	2,819	+133%
Total equity	57,444	57,691	-0%	49,595	+16%

Total Assets Movement YTD (SARbn)



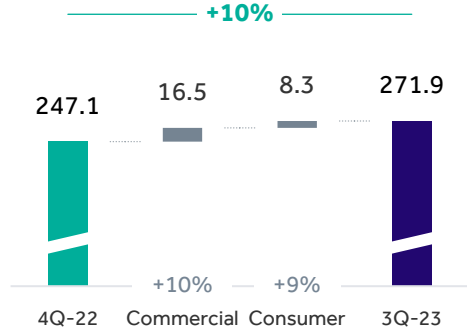
Total Liabilities Movement YTD (SARbn)



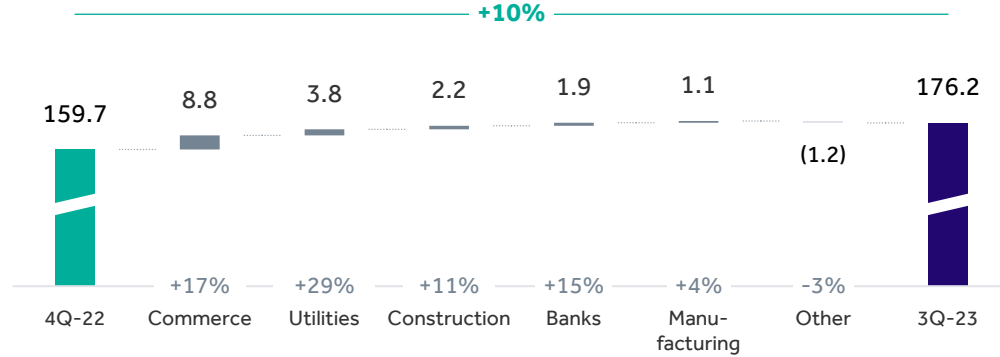


Loan book increases, with two thirds of the growth coming from commercial book and the remaining portion primarily from mortgages

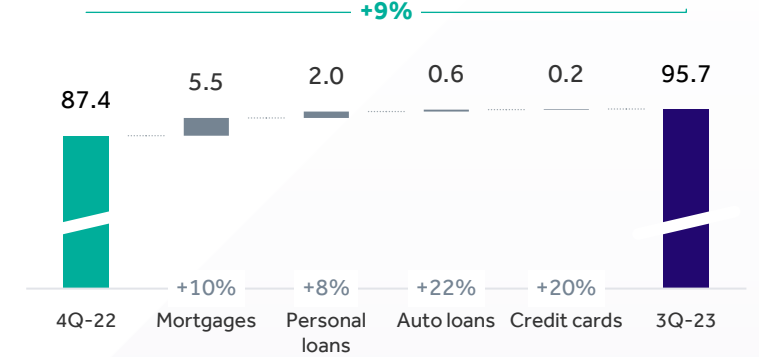
Gross Loan Movement YTD (SARbn)



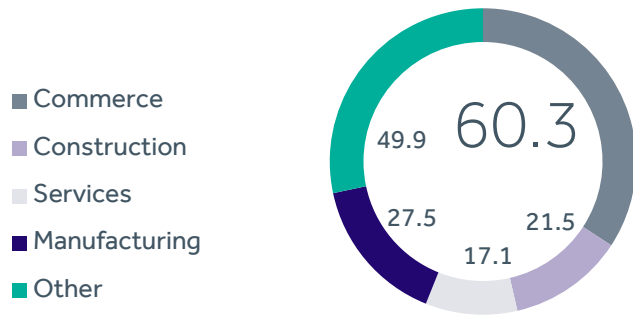
Gross Commercial Loan Movement by Economic Sector YTD (SARbn)



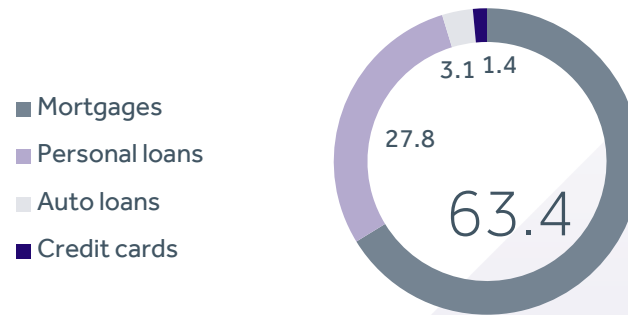
Gross Consumer Loan Movement by Product YTD (SARbn)



Gross Commercial Loans by Sector, 3Q-23 (SARbn)



Gross Consumer Loans by Product, 3Q-23 (SARbn)

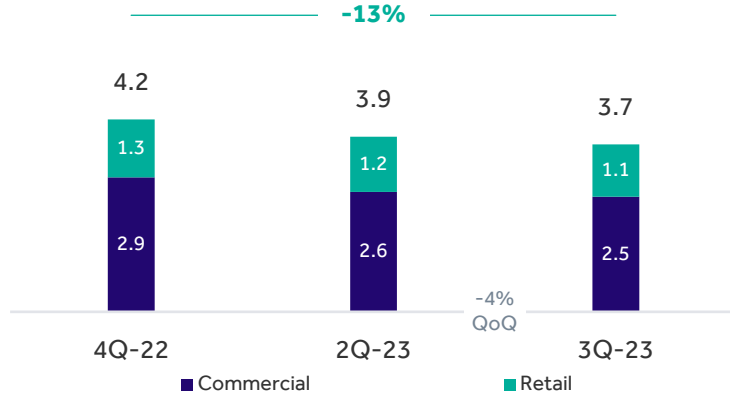


- ◆ Gross loans and advances grew by 10% YTD as of 30 September 2023 from both commercial and consumer loans.
- ◆ Commercial loans grew by 10% YTD during 9M 2023 with one-third of the growth coming from SME. Main driving sectors are commerce, utilities and construction.
- ◆ Consumer loans increased by 9% during 9M 2023, driven mainly by the mortgage growth (10% YTD).
- ◆ Auto loans and Credit cards hold minor shares in the consumer portfolio but are growing rapidly with above 20% growth.

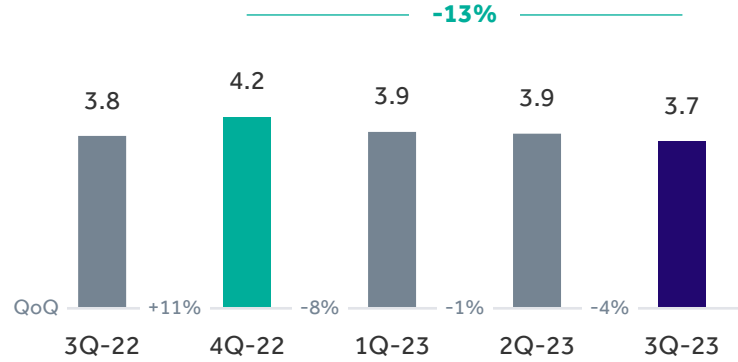


NPL Ratio of 1.36% shows improvement in both commercial and consumer loans in 3Q 23

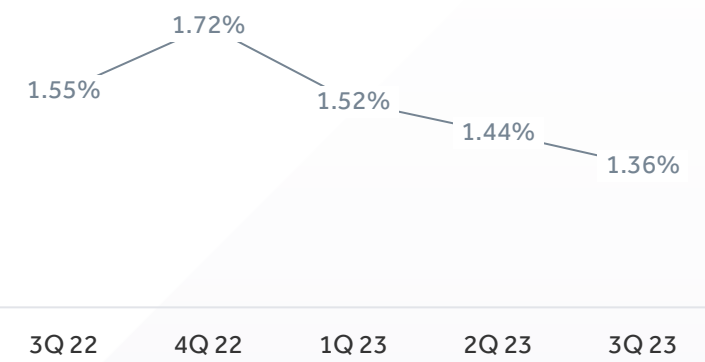
NPLs by Segment (SARbn)



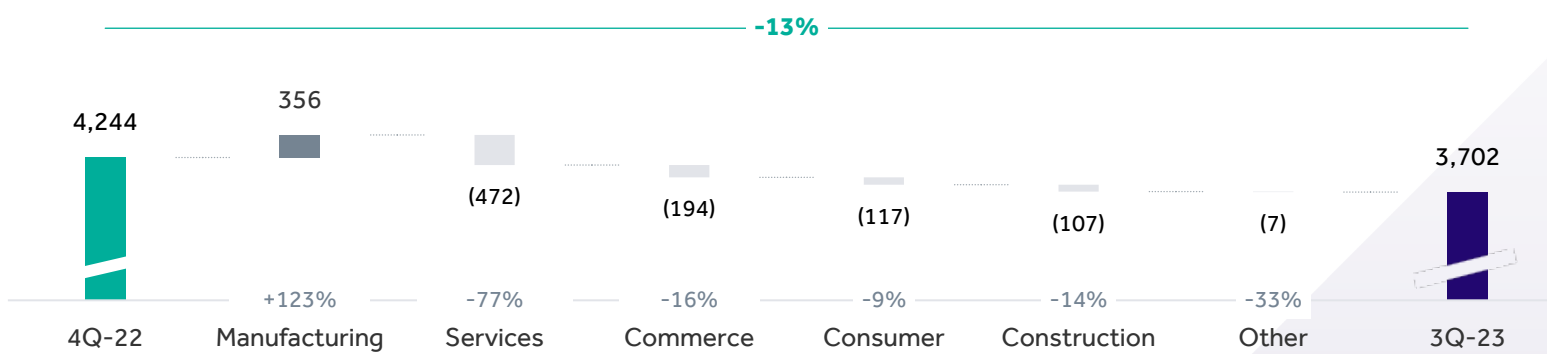
NPLs (SARbn)



NPL Ratio (%)



NPL Movement by Sector YTD (SARmn)



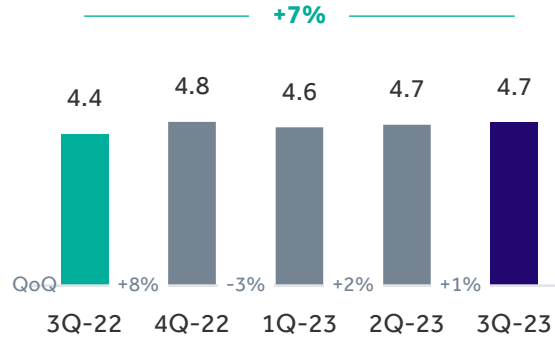
- ◆ NPL ratio improved by 36bps during 9 months of 2023 to 1.36%.
- ◆ Improvement of the NPL ratio resulted from a 13% decrease in the amount of NPLs and a 10% increase in gross loans and advances.
- ◆ Decrease in NPLs was largely driven by corporate loans in sectors of services and commerce which was partially offset by the increase in manufacturing.



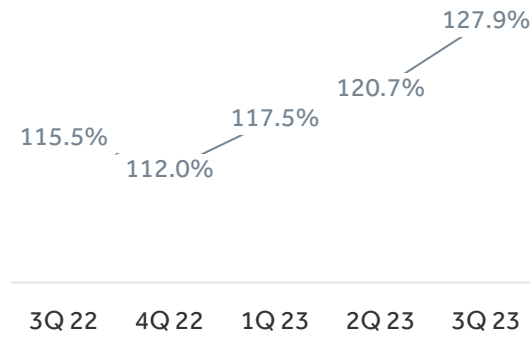
NPL Coverage improved to 127.9% driven by the conservative provisioning

- ◆ NPL coverage ratio improved by 15.9% to 127.9% as a result of proactive conservative provisioning during 9M 2023.
- ◆ The consumer NPL coverage ratio reached 97.6% as of 30 September 2023, improving by 17.8%.
- ◆ The commercial NPL coverage ratio reached 142.4%, improving by 15.9%.
- ◆ Stage 3 coverage declined by 6.9% YTD to 47.5%.

Total Allowances (SARbn)



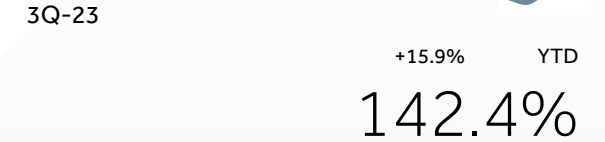
NPL Coverage Ratio (%)



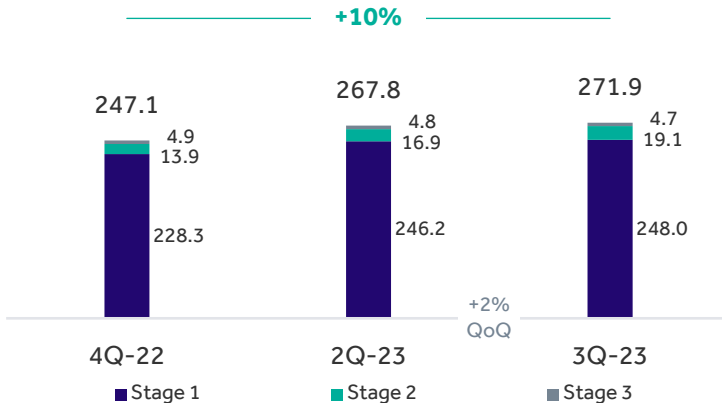
Consumer Coverage



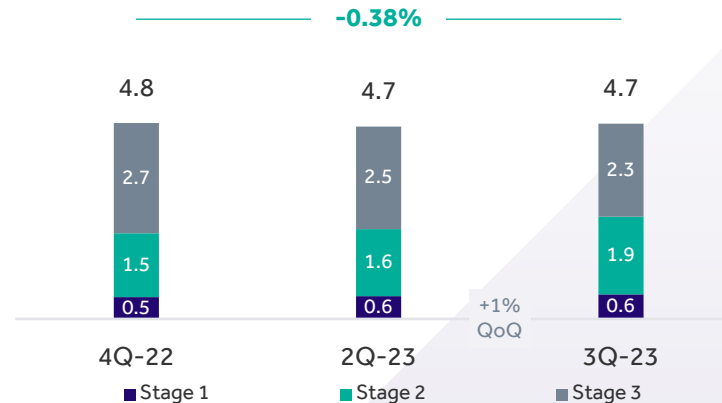
Commercial Coverage



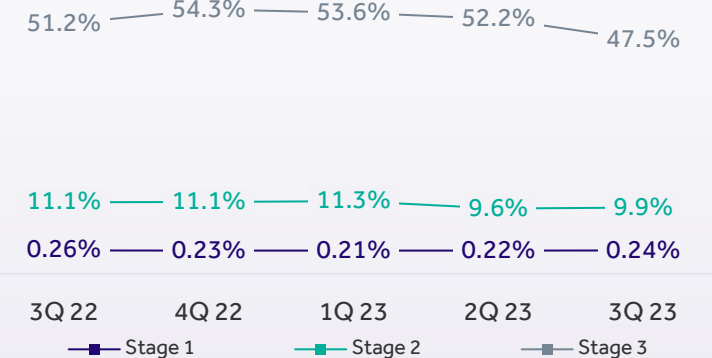
Gross Loans & Advances (SARbn)



ECL Allowances (SARbn)



Stage-wise ECL on Gross Loans (%)

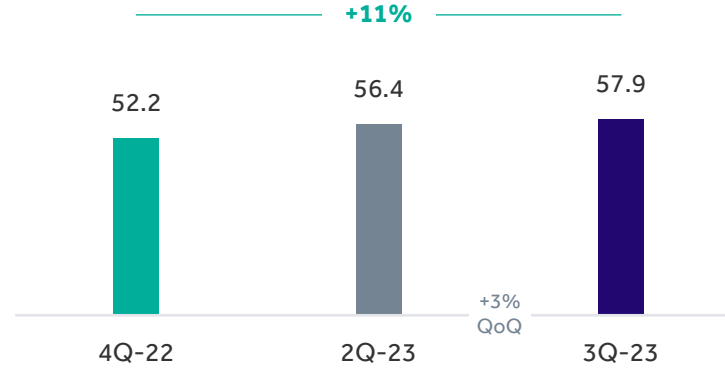




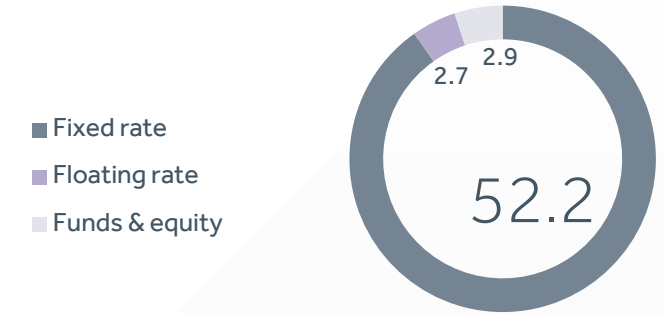
Investments grew by 11% YTD from fixed rate securities

- Investment portfolio increased by 11% to SAR 57.9 bn as of 30 September 2023.
- Growth of investments during 9 month of 2023 comes from increasing fixed rate securities by 12% YTD.
- Investment portfolio has a stable structure with more than 90% of the securities being fixed rate. Around 64% of the investment portfolio is represented by governmental & quasi-governmental securities.

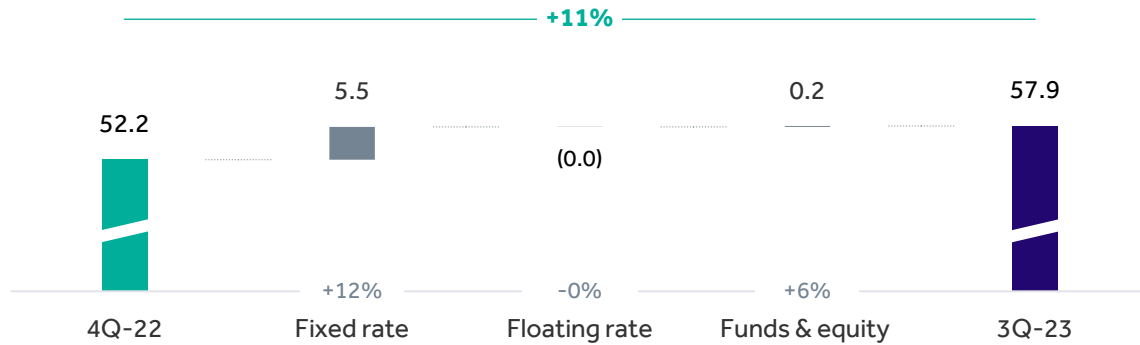
Investments, Net (SARbn)



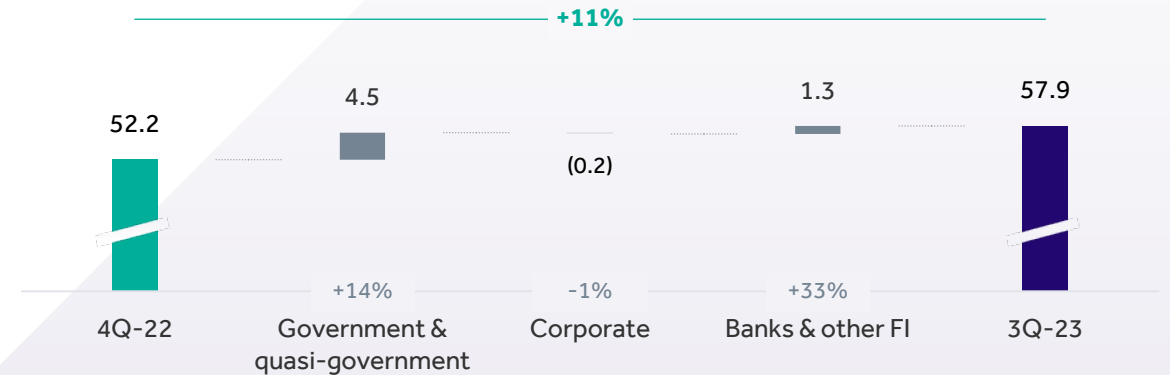
Net Investments Composition, 3Q-23 (SARbn)



Net Investments Movement YTD (SARbn)



Net Investments Movement by Counterparty YTD (SARbn)

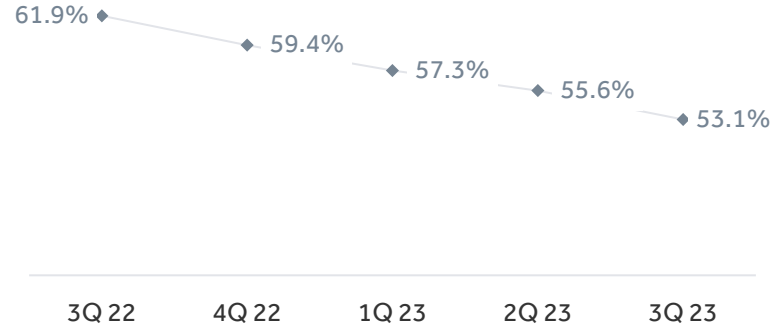




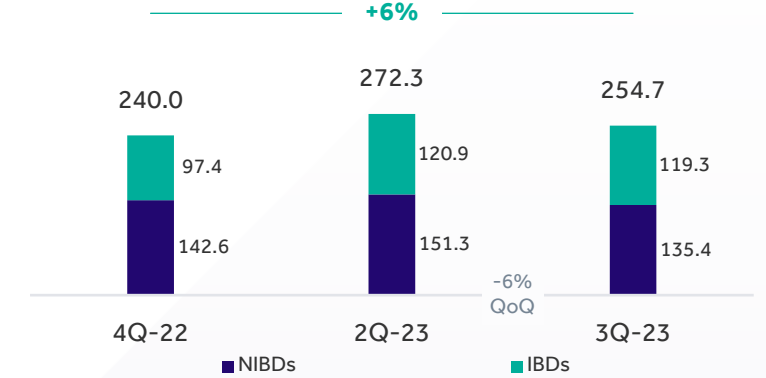
Customer deposits grew by 6% YTD from interest bearing deposits

- Customer deposits amounted to SAR 254.7 bn as of 30 September 2023, an increase of 6% YTD.
- Interest bearing deposits increased by 23% during 9 months of 2023 in the rising interest rate environment.
- Non interest bearing deposits, on the contrary, decreased by 5% YTD, which is reflected in the drop of the NIBD share in the total deposits reaching 53.1% as of 30 September 2023.
- Customer deposits decreased by -6% QoQ mainly from non interest bearing deposits due to the rates pressure as well as a decline of some large government-related transitory balances.

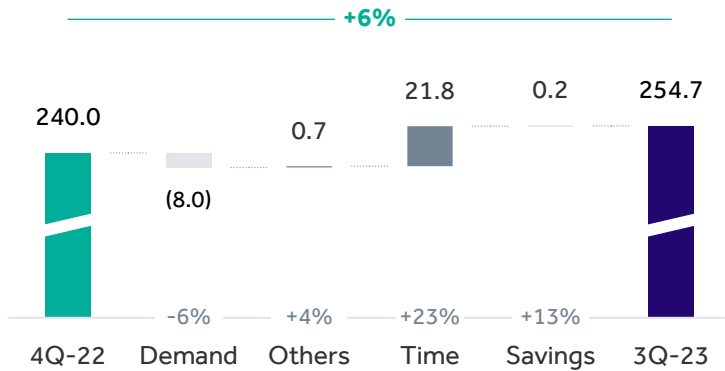
NIBD % of Total (%)



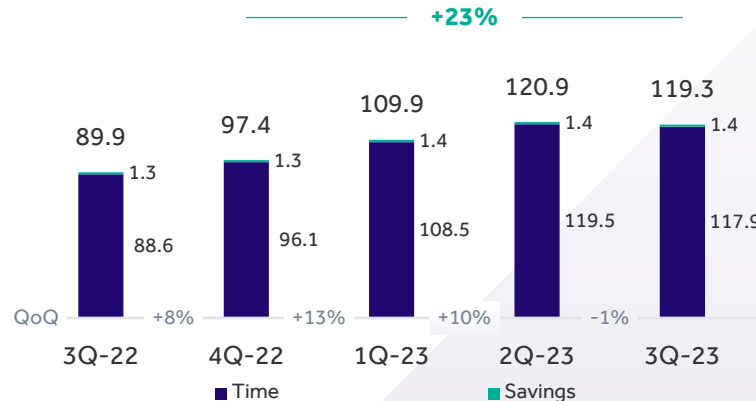
Total Customers' Deposits (SARbn)



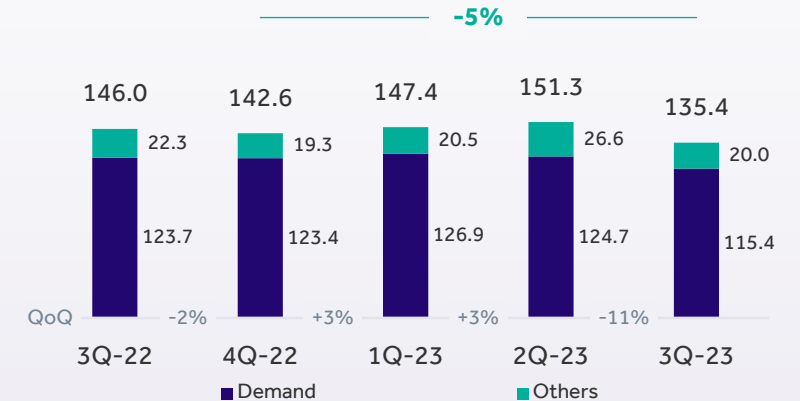
Total Customers' Deposits Movement YTD (SARbn)



Interest Bearing Deposits (SARbn)



Non Interest Bearing Deposits (SARbn)

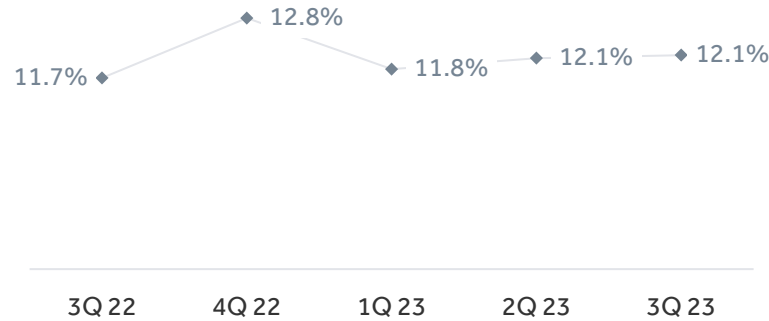




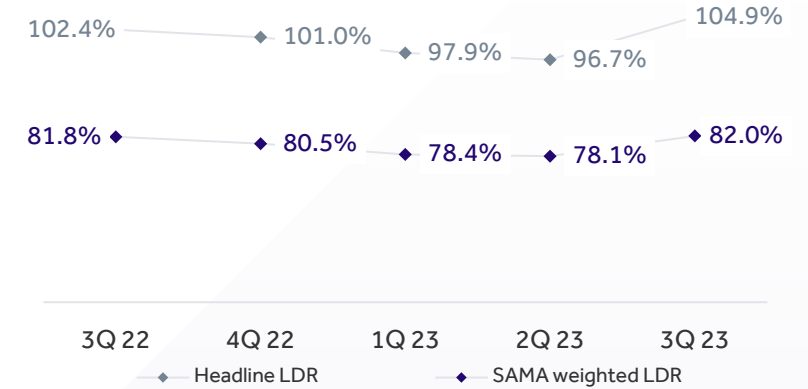
Comfortable liquidity position with LCR of 168.8% and SAMA Weighted LDR of 82.0%

- ◆ LCR and NSFR remain healthy and well above the regulatory requirement standing at 168.8% and 113.5%, respectively as of 30 September 2023.
- ◆ Basel III Leverage ratio stands comfortably at 12.1% in 3Q 2023.
- ◆ Although headline loans to deposits ratio reached to 104.9% in 3Q 2023, SAMA weighted LDR at 82.0% is comfortably below the regulatory requirement.

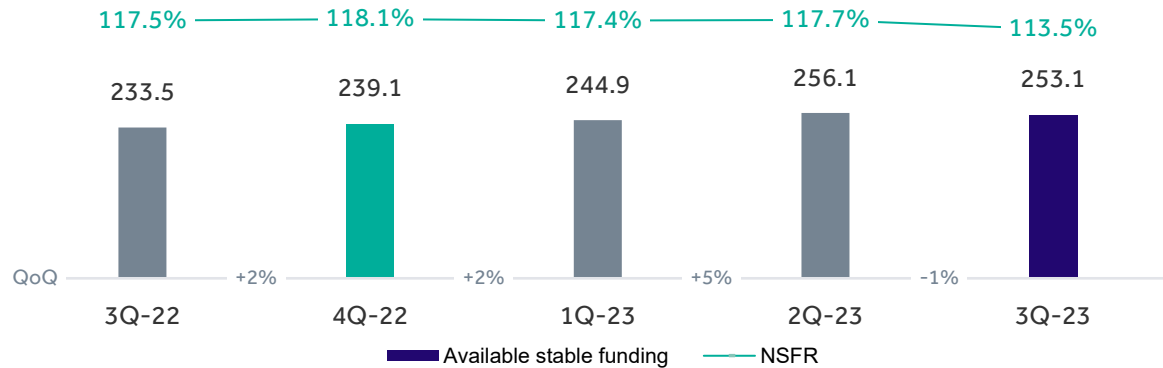
Basel III Leverage Ratio (%)



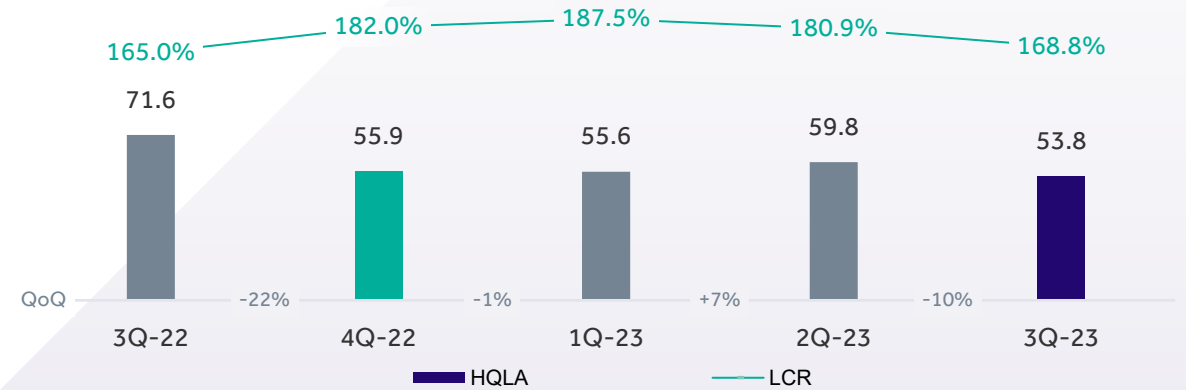
Loans to Deposits Ratios (%)



Available Stable Funding (SARbn, %)



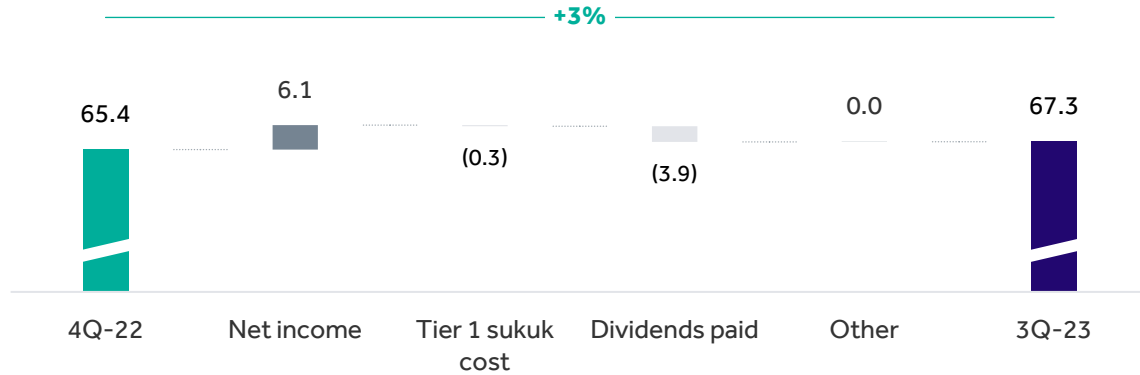
HQLA (SARbn, %)





Stable capitalization well above regulatory minima supporting further growth

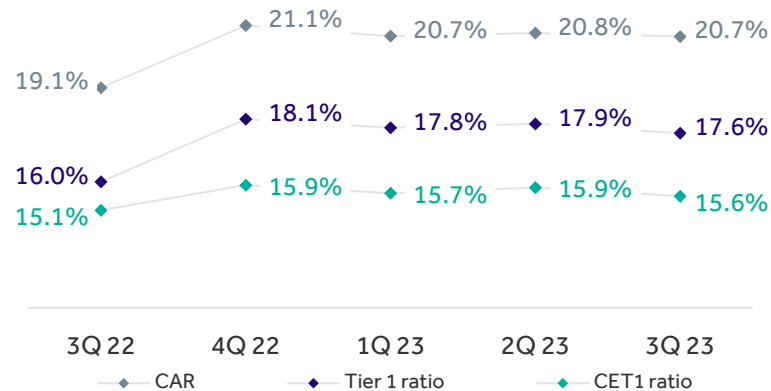
Total Regulatory Capital Movement YTD (SARbn)



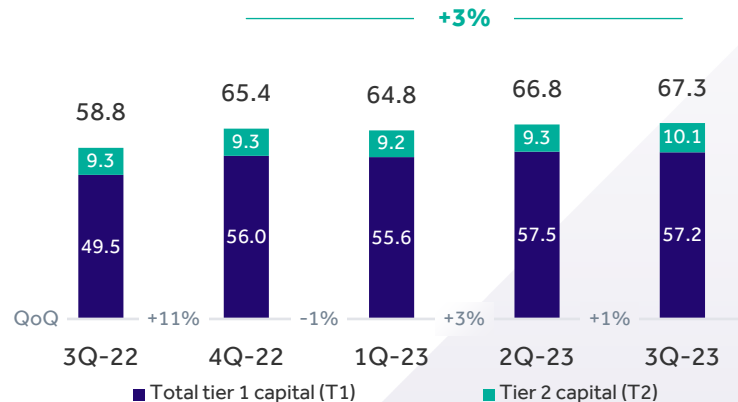
Risk Weighted Assets (SARbn)



Capital Ratios (%)



Total Capital (SARbn)



- ◆ All capital ratios remain solid and strong with CET1 ratio of 15.6% and Tier 1 ratio of 17.6% as of 3Q 2023.
- ◆ Total capital adequacy ratio stands at 20.7%.
- ◆ Total capital increased by 3% YTD during 9 month of 2023 to SAR 67.3 bn.
- ◆ Risk weighted assets increased by 5% YTD to SAR 325.1 bn.



■ Income statement

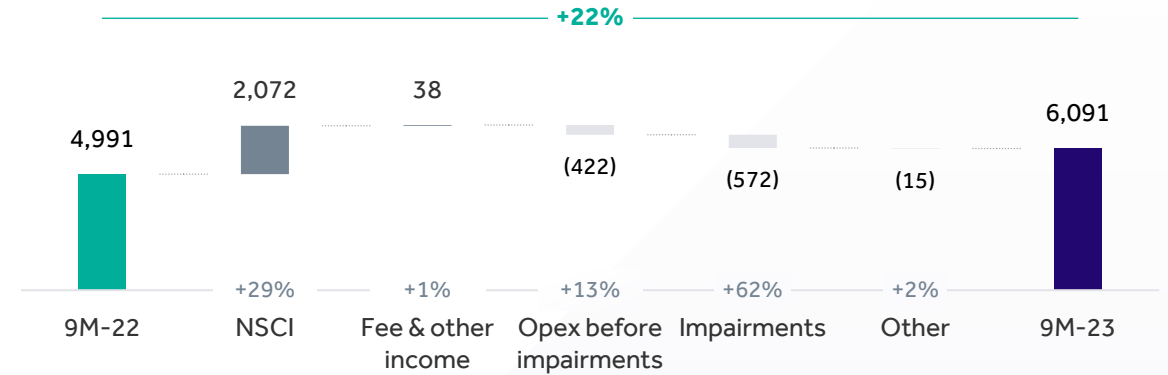




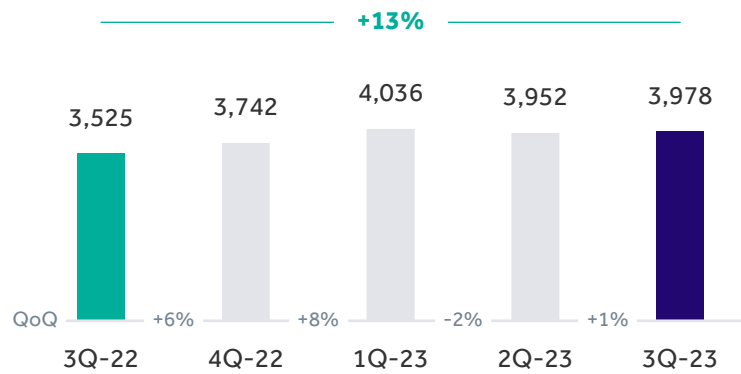
Net income reached SAR 6,091 million for 9M 2023, a growth of 22% from rising operating income, resulting in 18.0% ROAE before zakat

SAR (mn)	3Q-2023	3Q-2022	YoY % Change	9M-2023	9M-2022	YoY % Change
NSCI	3,075	2,672	+15%	9,272	7,201	+29%
Fee & other income	903	853	+6%	2,694	2,656	+1%
Total operating income	3,978	3,525	+13%	11,967	9,857	+21%
Expenses before impairments	(1,299)	(1,174)	+11%	(3,695)	(3,272)	+13%
Impairments	(353)	(308)	+14%	(1,489)	(917)	+62%
Net operating income	2,327	2,042	+14%	6,783	5,668	+20%
Associates	3	(3)	-235%	8	(75)	-111%
Net income before zakat & tax	2,330	2,040	+14%	6,792	5,593	+21%
Zakat	(241)	(212)	+14%	(700)	(602)	+16%
Net income	2,089	1,828	+14%	6,091	4,991	+22%
ROAE before zakat	18.3%	17.5%	+0.8%	18.0%	15.9%	+2.2%

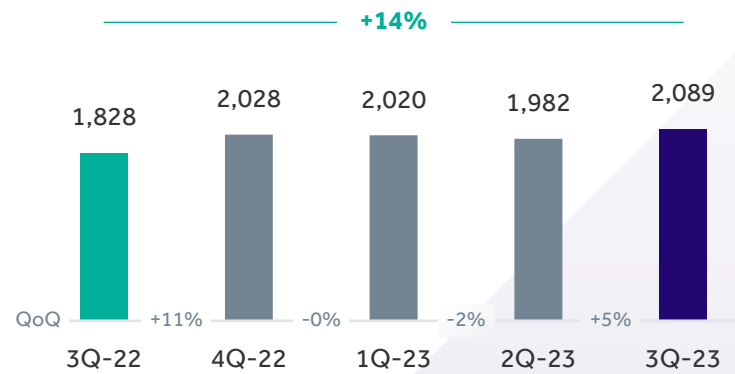
Net Income Movement YoY (SARmn)



Total Operating Income (SARmn)



Net Income (SARmn)



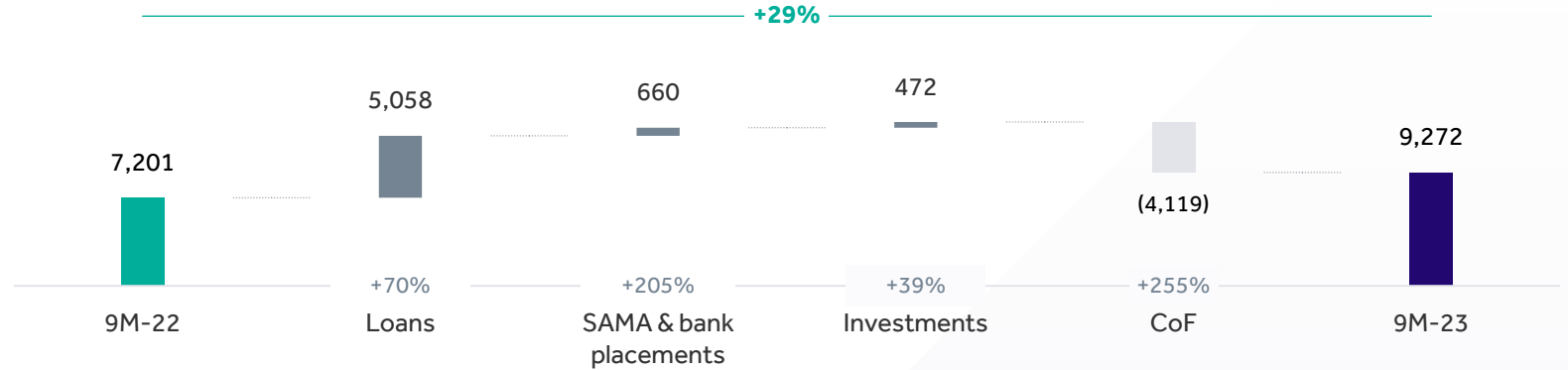
- ◆ Net income (after zakat) reached SAR 6,091 million for 9M 2023, an increase of 22% compared with corresponding period of last year.
- ◆ Quarterly net income amounted to SAR 2,089 million for 3Q 2023, an increase of +14% compared with 3Q 2022 and 5% compared to 2Q 2023.
- ◆ Net income growth comes mainly from rising operating income partially offset by the increase in expenses (+13%) as well as impairments (+62%) due to proactive provisioning.
- ◆ Total operating income amounted to SAR 11,967 million for 9M 2023, growing by +21% mainly due to an increase in net special commission income.



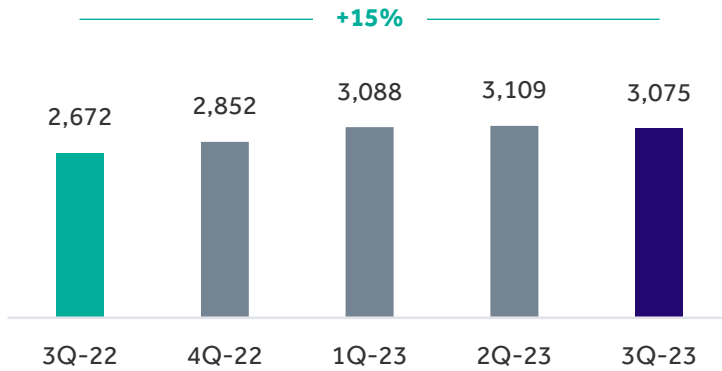
Net Special Commission Income grew by 29% YoY due to margin improvement and loan growth

- ◆ Net special commission income amounted to SAR 9,272 million for 9M 2023, an increase of +29% over the corresponding period in 2022, due to the increase in commission income partially offset by the rising commission expenses.
- ◆ Special commission income increased by 70% YoY in 9M 2023 driven by rates increase and loan book expansion.
- ◆ Special commission expenses increased 3.5x YoY in 9M 2023 in the rising funding rates environment.

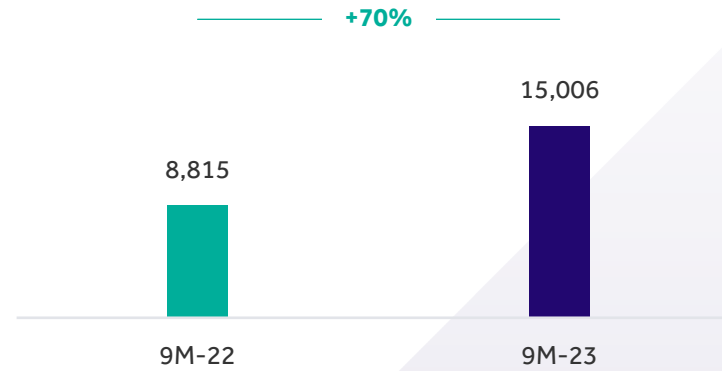
NSCI Movement YoY (SARmn)



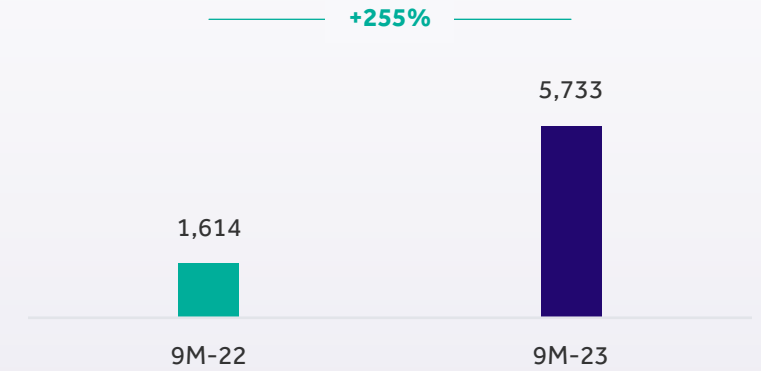
Quarterly NSCI (SARmn)



Special Commission Income (SARmn)



Special Commission Expense (SARmn)

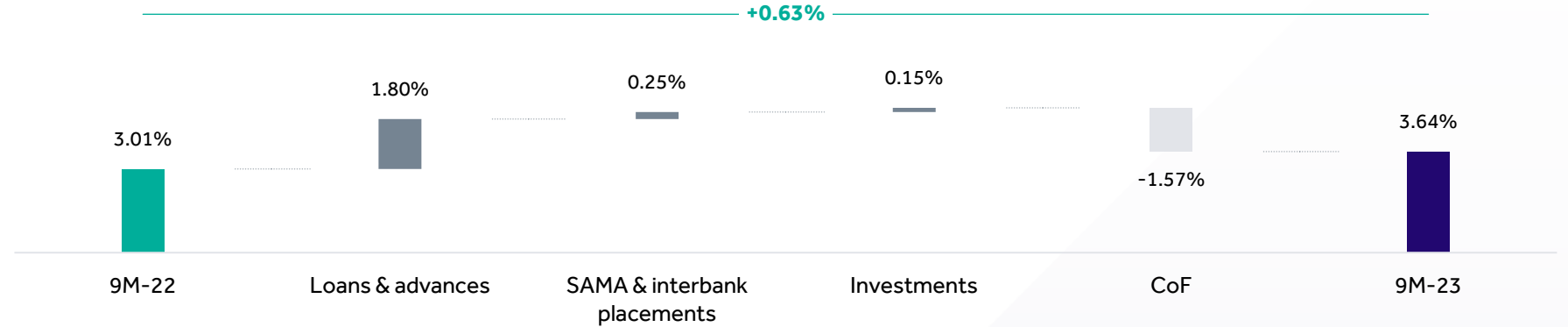




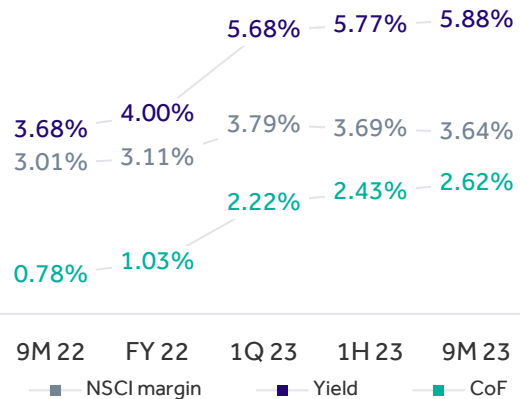
Improved margin from year-end as rising loan yields outpacing the increasing cost of funds

- ◆ Net special commission margin improved by 63bps to 3.64% for 9M 2023 mainly from the increasing loan yields, partially offset by the increasing cost of funds.
- ◆ Quarterly net special commission margin improved by 37bps to 3.53% for 3Q 2023, however declining from 2Q 2023 by 7bps due to increasing cost of funds as well as declining share of NIBDs.
- ◆ Average earning assets increased by 7% YoY to SAR 340.9 bn for the 9M 2023.

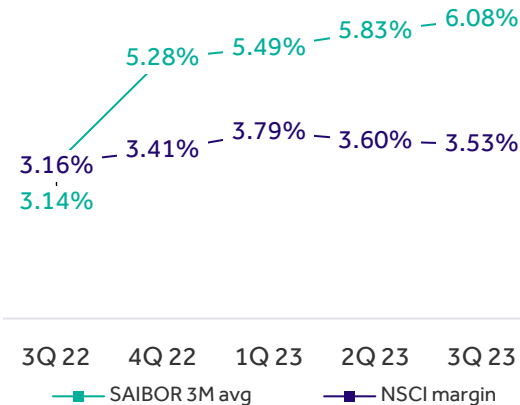
NSCI Margin Movement YoY (%)



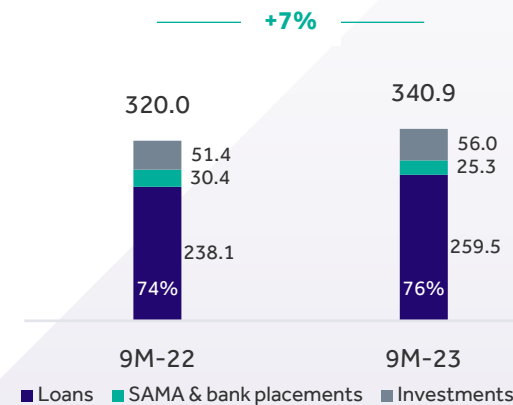
YTD NSCI margin (%)



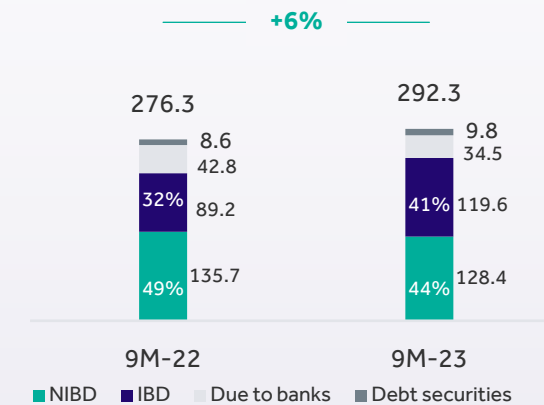
Quarterly NSCI Margin and SAIBOR Trend (%)



Average Earning Assets (SARbn)



Average Bearing Liabilities (SARbn)





Resilient sensitivity to the interest rate changes

- ◆ The Group assess sensitivity to a possible change in special commission rates, with other variables held constant and assuming a constant balance sheet mix.
- ◆ The impact of 25bps rate increase/decrease is assessed to be +/-3bps on the net special commission margin as of 31 December 2022.
- ◆ The impact of 25bps rate increase/decrease is assessed to be SAR +83.3 mn/-89.7mn on the net special commission income as of 31 December 2022.
- ◆ The Group monitors positions daily and uses hedging strategies to ensure maintenance of positions within the established gap limits.

Impact of +25bp rate change on NSCI

▲ 25bps

+83.3 SAR mn

Impact of +25bp rate change on NSCI margin

▲ 25bps

+0.03%

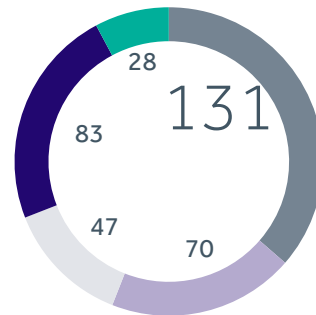
Special commission rate risk exposure

By duration

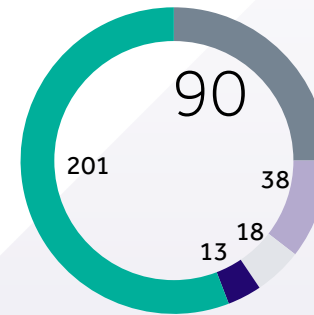
4Q-22

Assets (SARbn)

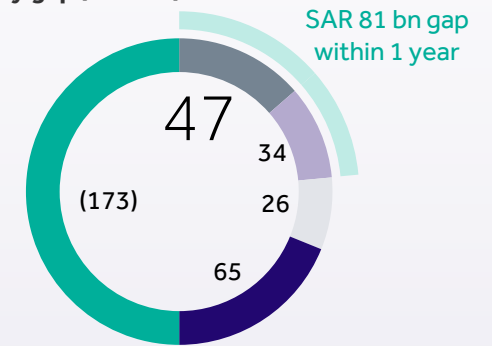
- Within 3 months
- 3-12 months
- 1-5 years
- Over 5 years
- Non-special commission bearing



Liabilities and Equity (SAR bn)



Total special commission rate sensitivity gap (SAR bn)

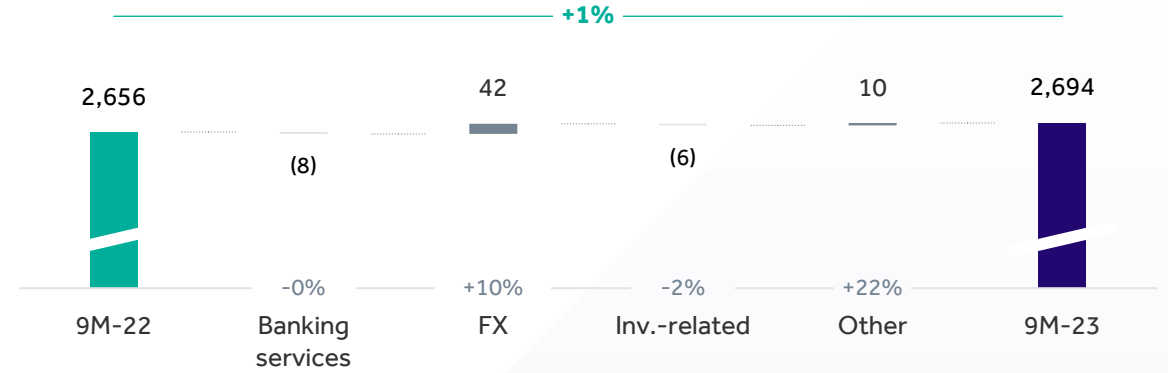




Fee & other income for 9M 2023 grew 1% YoY

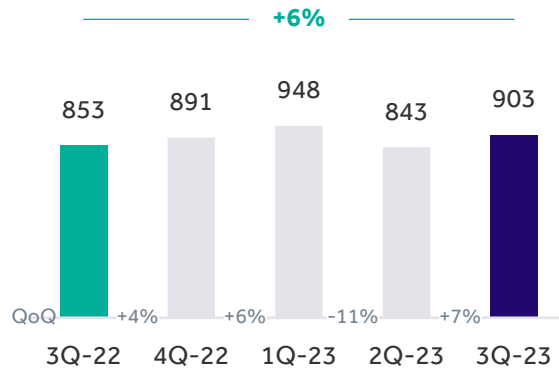
SAR (mn)	3Q-2023	3Q-2022	YoY % Change	9M-2023	9M-2022	YoY % Change
Fee income from banking services	969	860	+13%	2,732	2,640	+3%
Fee expenses from banking services	(322)	(268)	+20%	(902)	(802)	+12%
Fee income from banking services, net	647	592	+9%	1,830	1,838	-0%
Exchange income, net	152	168	-9%	458	415	+10%
Investment-related income	75	56	+35%	350	356	-2%
Other operating income	29	37	-22%	57	47	+22%
Fee & other income	903	853	+6%	2,694	2,656	+1%

Fee & Other Income Movement YoY (SARmn)

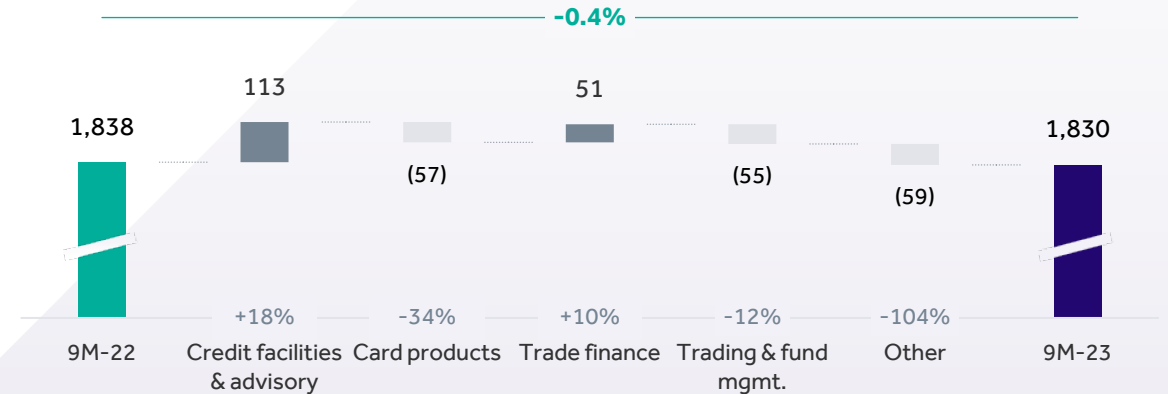


- Fee & other income increased by 1% YoY during 9M 2023 mainly driven by FX income growth, partially offset by minor decrease in investment-related income (-2%).
- Fee income from banking services remained stable YoY with increase of fees from credit facilities, advisory, card products and trade finance, offset by a decrease in trading and fund management and other fees.
- Fee & other income grew by 7% QoQ in 3Q 2023 driven by banking fees as well as FX income growth.

Quarterly Fee & Other Income (SARmn)



Fee Income from Banking Services Movement YoY (SARmn)

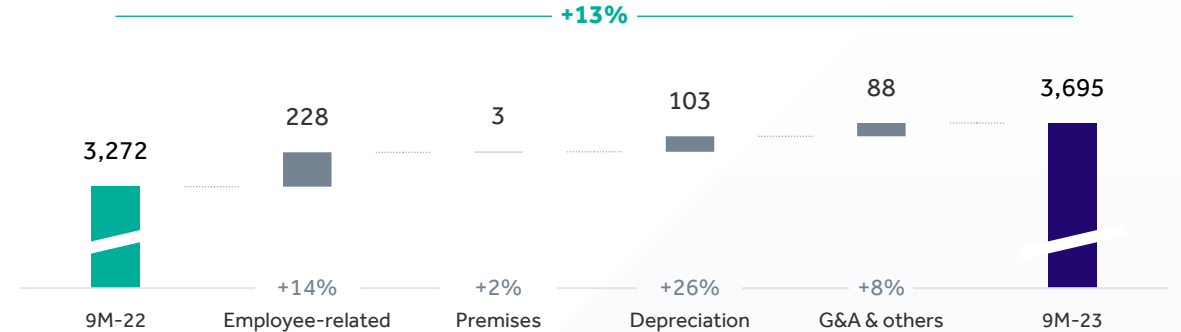




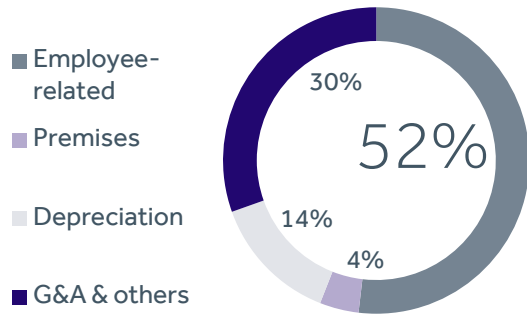
Retaining cost efficiency despite ongoing investments in infrastructure, digital capabilities, and strategic initiatives.

- Operating expenses before impairments increased by 13% to SAR 3,695 million during 9M 2023 from higher employee-related costs as well as depreciation and other costs.
- Quarterly operating expenses before impairments increased by 11% YoY in 3Q 2023 and by 5% in comparison to 2Q 2023.
- Cost efficiency improved YoY with cost to income ratio standing at 30.9% for 9M 2023.
- Cost to average earning assets ratio increased by 8bps to 1.44% during 9M 2023.

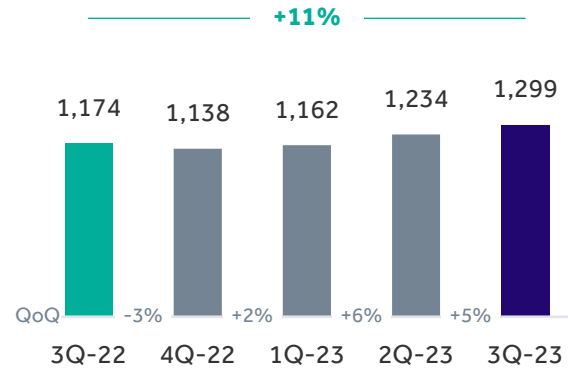
Expenses before Impairments Movement YoY (SARmn)



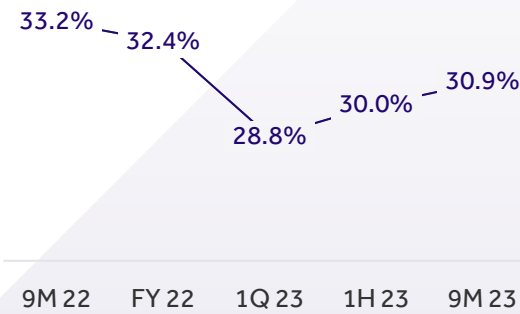
Expenses before Impairments Composition, 9M-23 (%)



Expenses before Impairments (SARmn)



Cost to Income Ratio (%)



Cost to AIEA Ratio* (%)

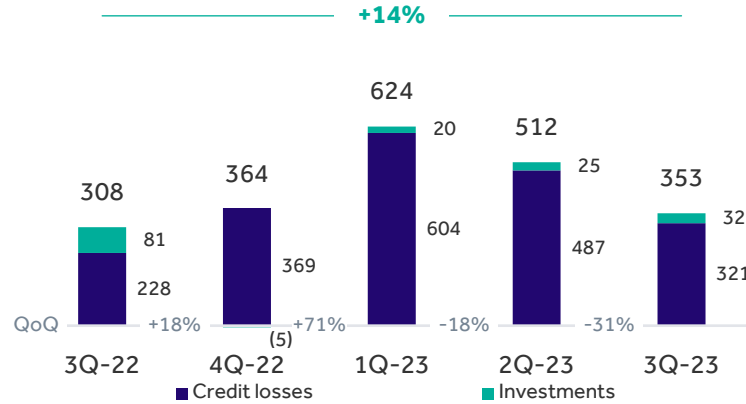




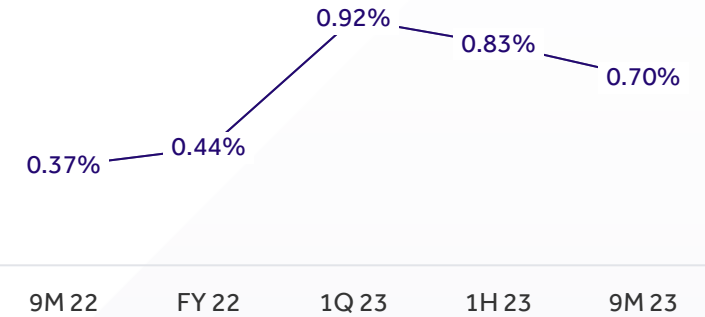
Rising impairment charges on the back of strengthening asset quality

- ◆ Impairment charges increased by 62% YoY to SAR 1,489 mn for 9M 2023 from mainly commercial charges growth in the first half of 2023.
- ◆ Quarterly impairment charges increased by 14% YoY in 3Q 2023, decreasing QoQ by 31% in comparison to 2Q 2023.
- ◆ Commercial impairment charges increased by 108% YoY, consumer impairment charges grew by 139%, which was partially offset by the decrease in impairment charges for investments.
- ◆ Cost of risk increased by 33bps to 0.7% for 9M 2023, however decreasing quarter-over-quarter in comparison to 2Q 2023.

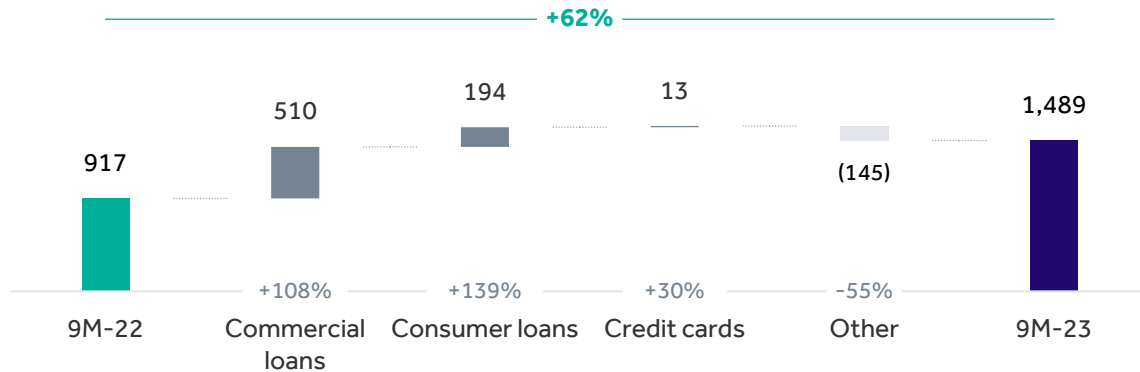
Impairments (SARmn)



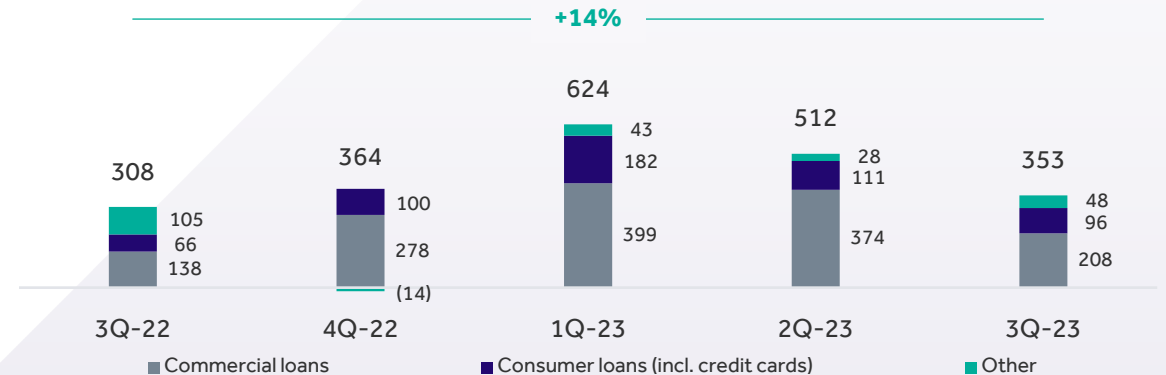
Cost of Risk* (%)



Impairments Movement YoY (SARmn)



Impairments by Source (SARmn)





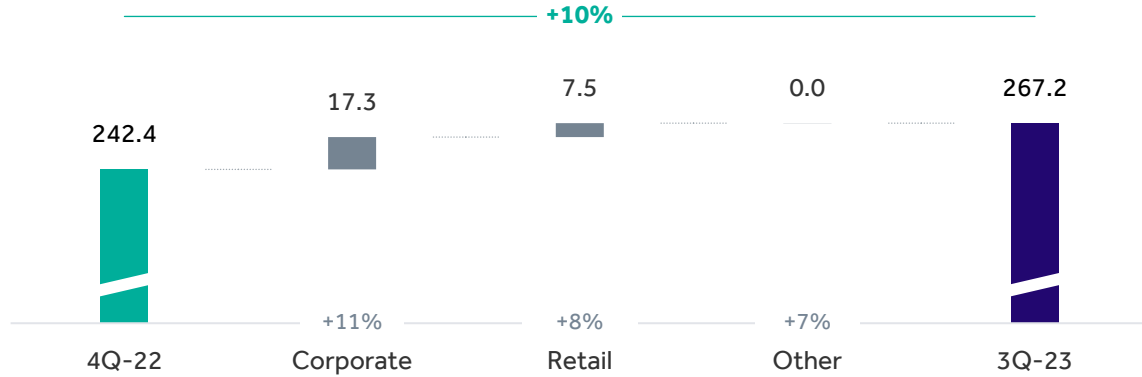
■ Segment Performance



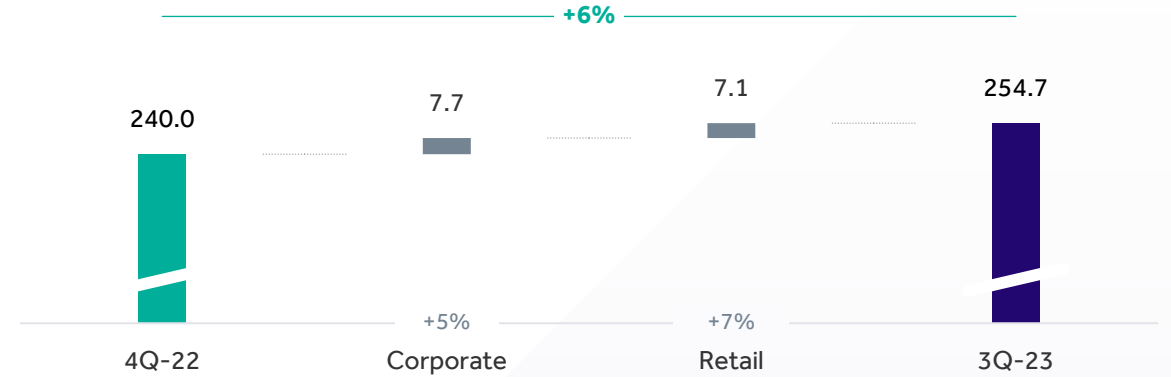


Rising net income driven mainly by Corporate segment and Treasury and Investments, partly offset by Retail and Riyadh Capital

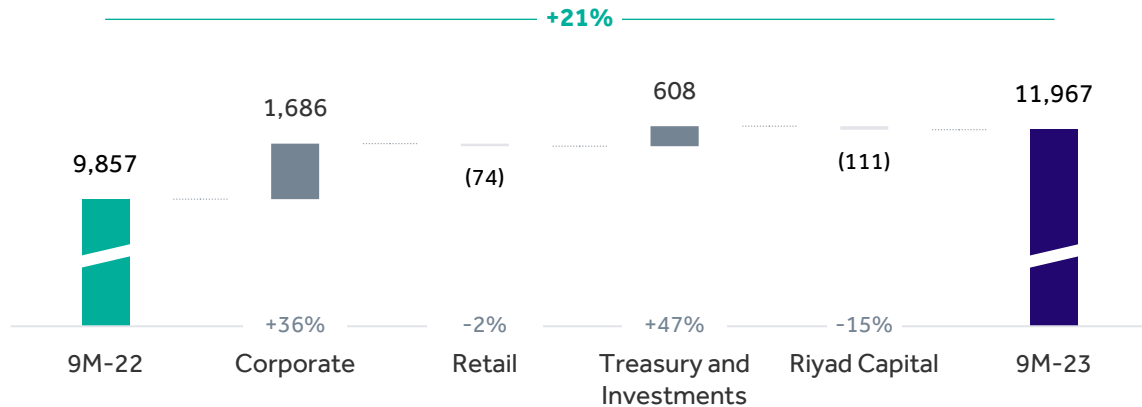
Net Loans & Advances Movement YTD (SARbn)



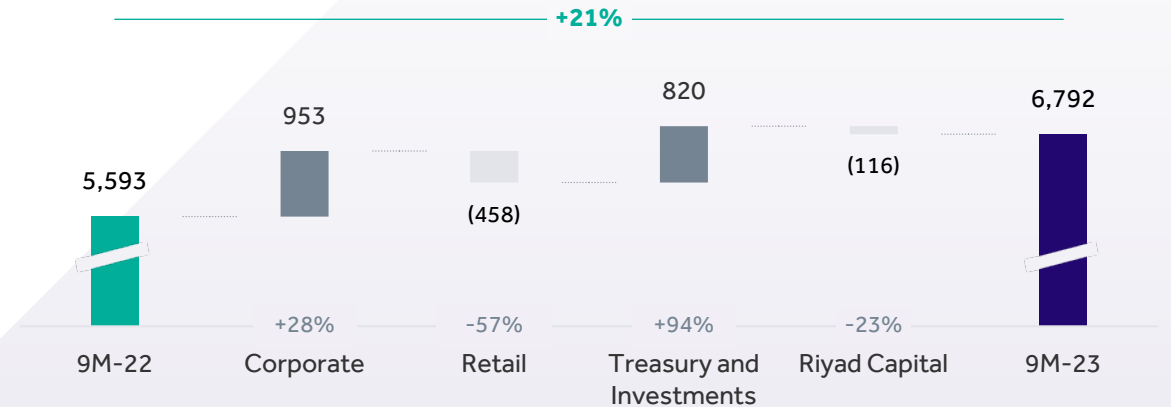
Deposits Movement YTD (SARbn)



Total Operating Income Movement YoY (SARmn)



Net Income before Zakat Movement YoY (SARmn)





Corporate segment accounts for 53% of total operating income translating into 64% share in net income before zakat.

Segment	Operating Income	Expenses*	Impairments	Net Income**
Corporate 	Operating Income 9M-23 +36% YoY SAR Million 6,310	Expenses* 9M-23 +25% YoY SAR Million 929	Impairments 9M-23 +118% YoY SAR Million 1,016	Net Income** 9M-23 +28% YoY SAR Million 4,366
Retail 	Operating Income 9M-23 -2% YoY SAR Million 3,123	Expenses 9M-23 +8% YoY SAR Million 2,378	Impairments 9M-23 +102% YoY SAR Million 395	Net Income 9M-23 -57% YoY SAR Million 351
Treasury and Investments 	Operating Income 9M-23 +47% YoY SAR Million 1,911	Expenses 9M-23 +47% YoY SAR Million 153	Impairments 9M-23 -69% YoY SAR Million 78	Net Income 9M-23 +94% YoY SAR Million 1,688
Riyad Capital 	Operating Income 9M-23 -15% YoY SAR Million 622	Expenses 9M-23 +3% YoY SAR Million 235	Brokerage Value Traded 9M-23 -30% YoY SAR Billion 105.9	Net Income 9M-23 -23% YoY SAR Million 386

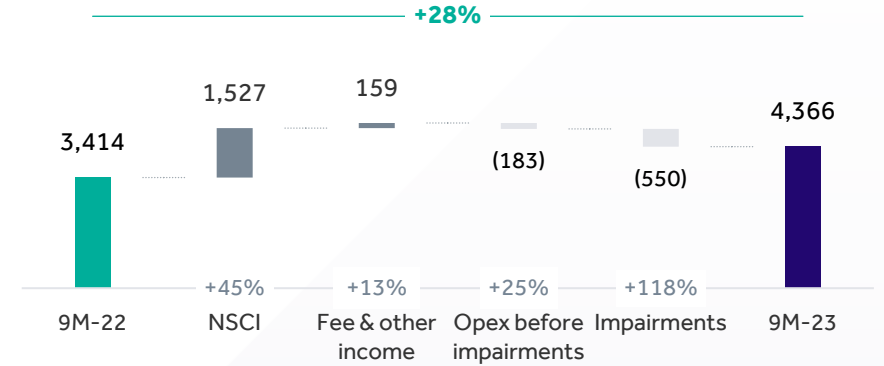


Corporate profitability sustained by the growth in net special commission income, partly offset by the increase in provisioning and expenses

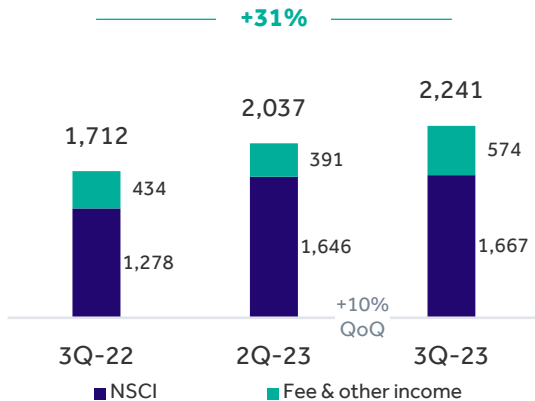
- Net income before zakat of the Corporate segment increased by 28% to SAR 4,366 mn for 9M 2023 mainly due to higher net special commission income, partly offset by the increase in provisioning and operating expenses.
- Total operating income grew by 36% YoY for 9M 2023 and by 31% for 3Q 2023, demonstrating growth in both NSCI and Fee & other income.

SAR (mn)	3Q-2023	3Q-2022	YoY % Change	9M-2023	9M-2022	YoY % Change
NSCI	1,667	1,278	+30%	4,944	3,418	+45%
Fee & other income	574	434	+32%	1,366	1,207	+13%
Total operating income	2,241	1,712	+31%	6,310	4,624	+36%
Operating expenses before impairments	(343)	(261)	+31%	(929)	(745)	+25%
Impairments	(226)	(154)	+47%	(1,016)	(466)	+118%
Net income before zakat	1,672	1,296	+29%	4,366	3,414	+28%

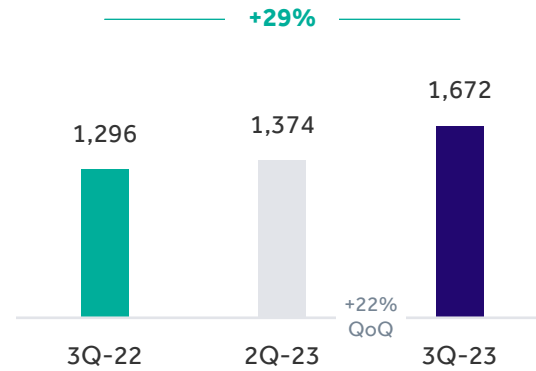
Net Income Before Zakat Movement YoY (SARmn)



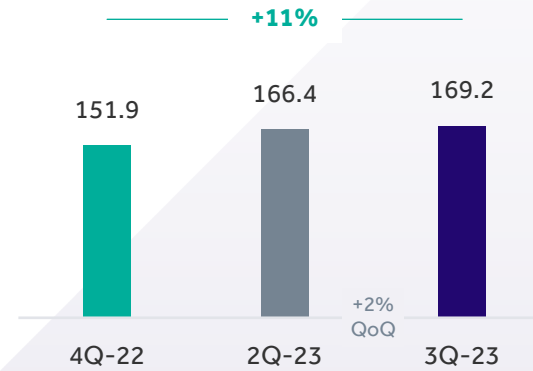
Total Operating Income (SARmn)



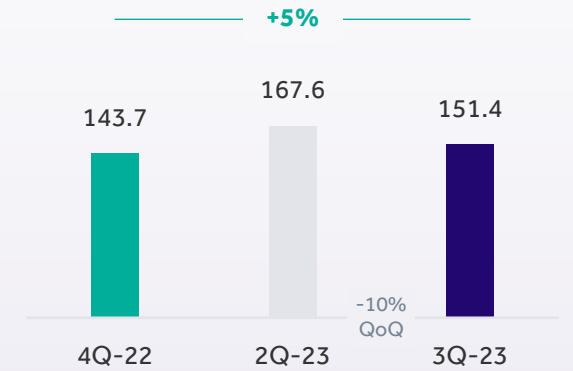
Net Income Before Zakat (SARmn)



Loans & Advances, Net (SARbn)



Deposits (SARbn)



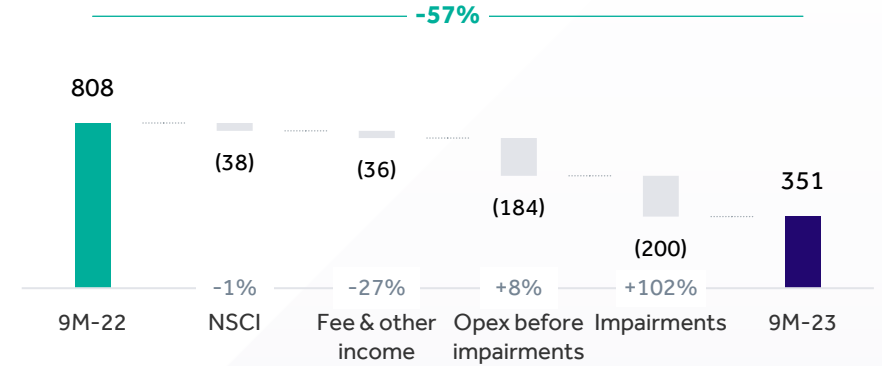


Retail net income declined 57% YoY from higher impairments and operating expenses

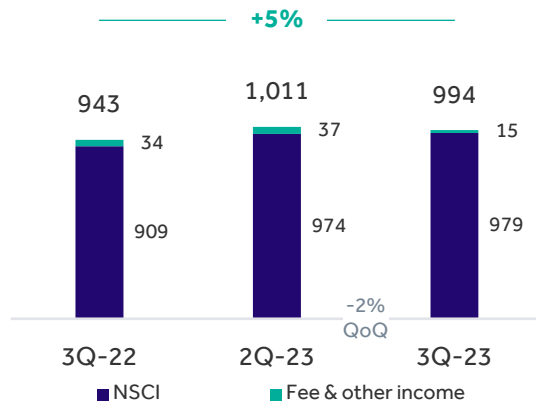
- Net income before zakat of the Retail segment declined by 57% to SAR 351 mn for 9M 2023 mainly due to increase in provisioning and operating expenses on the back of the improving provision coverage and investments in infrastructure and digital capabilities.
- Total operating income declined by 2% YoY for 9M 2023, while increasing by 5% for 3Q 2023.

SAR (mn)	3Q-2023	3Q-2022	YoY % Change	9M-2023	9M-2022	YoY % Change
NSCI	979	909	+8%	3,024	3,062	-1%
Fee & other income	15	34	-56%	99	135	-27%
Total operating income	994	943	+5%	3,123	3,197	-2%
Operating expenses before impairments	(836)	(789)	+6%	(2,378)	(2,194)	+8%
Impairments	(94)	(75)	+25%	(395)	(195)	+102%
Net income before zakat	65	79	-18%	351	808	-57%

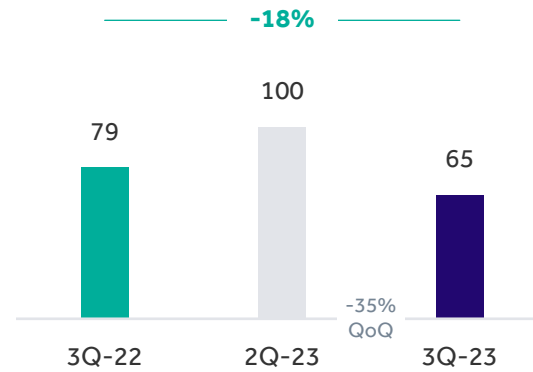
Net Income Before Zakat Movement YoY (SARmn)



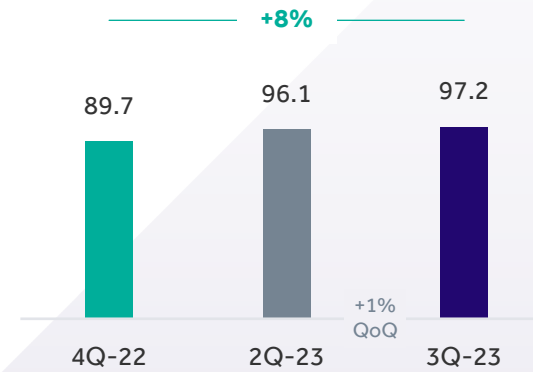
Total Operating Income (SARmn)



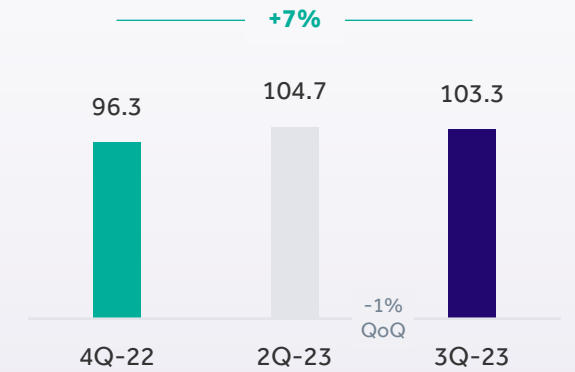
Net Income Before Zakat (SARmn)



Loans & Advances, Net (SARbn)



Deposits (SARbn)



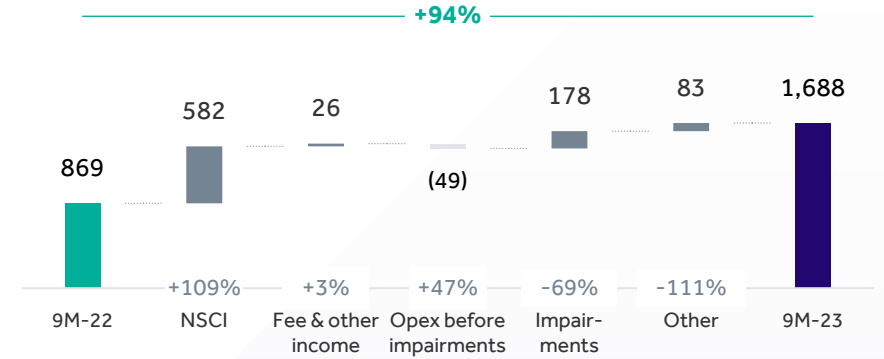


Treasury and Investments net income before zakat almost doubled YoY due to higher net special commission income

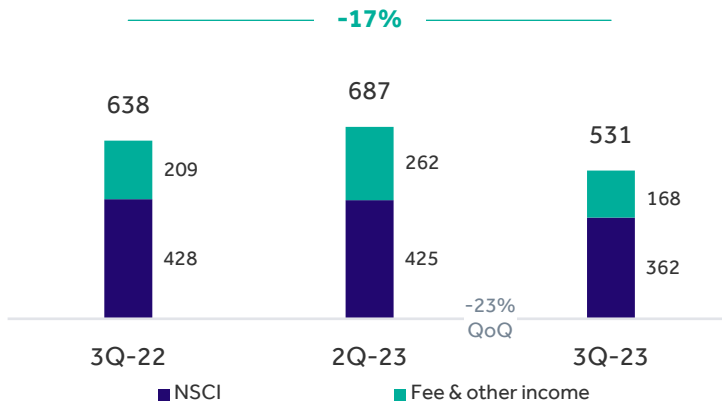
- Net income before zakat of the Treasury and Investments segment increased by 94% to SAR 1,688 mn for 9M 2023 due to increase in net special commission income as well as lower impairments.
- Total operating income increased by 47% YoY for 9M 2023, while declining by 17% for 3Q 2023.
- Net special commission income increased by 109% YoY for 9M 2023 on the back of the increasing investments portfolio by 11% and rising rates environment.

SAR (mn)	3Q-2023	3Q-2022	YoY % Change	9M-2023	9M-2022	YoY % Change
NSCI	362	428	-15%	1,117	535	+109%
Fee & other income	168	209	-20%	795	768	+3%
Total operating income	531	638	-17%	1,911	1,303	+47%
Operating expenses before impairments	(36)	(37)	-4%	(153)	(104)	+47%
Impairments	(32)	(80)	-59%	(78)	(256)	-69%
Other income (expenses)	3	(3)	-235%	8	(75)	-111%
Net income before zakat	466	519	-10%	1,688	869	+94%

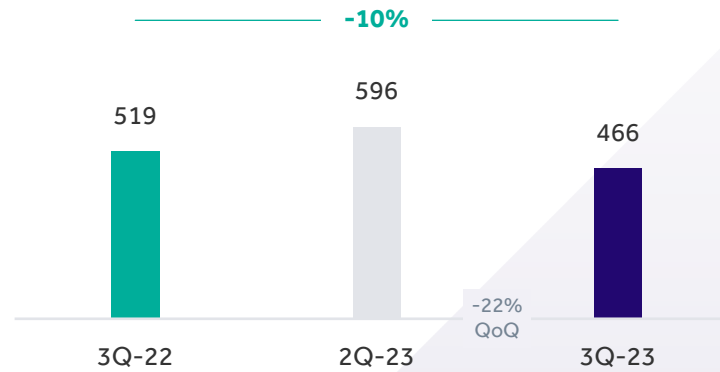
Net Income Before Zakat Movement YoY (SARmn)



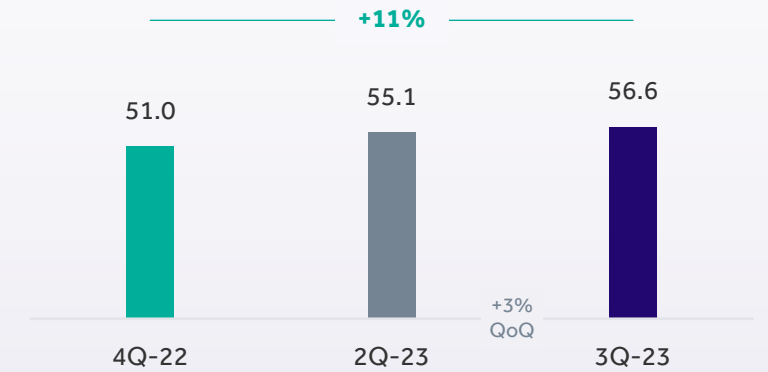
Total Operating Income (SARmn)



Net Income Before Zakat (SARmn)



Investments, Net (SARbn)



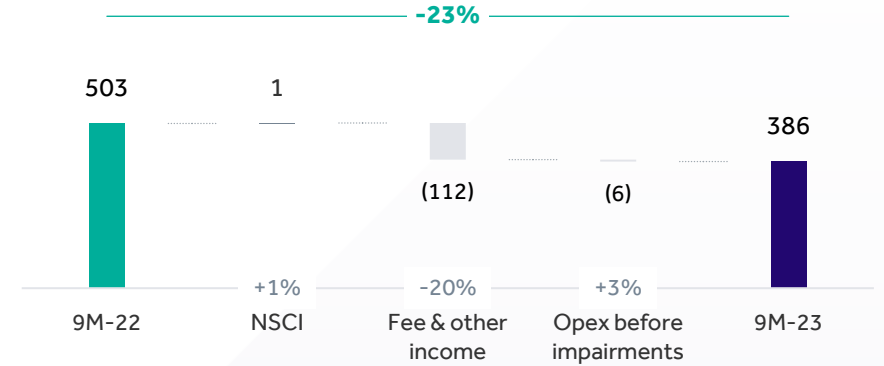


Riyad Capital net income declined by 23% YoY impacted by slow brokerage activity and interest rate environment

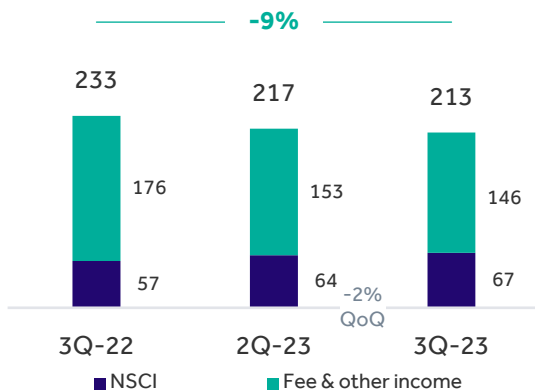
- Net income before zakat of Riyad Capital declined by 23% to SAR 386 mn for 9M 2023 mainly due to decreasing fees impacted by the environment.
- Total operating income declined by 15% YoY for 9M 2023, and by 9% for 3Q 2023.
- Operating expenses remained broadly stable increasing by 3% YoY for 9M 2023.

SAR (mn)	3Q-2023	3Q-2022	YoY % Change	9M-2023	9M-2022	YoY % Change
NSCI	67	57	+17%	188	186	+1%
Fee & other income	146	176	-17%	434	546	-20%
Total operating income	213	233	-9%	622	732	-15%
Operating expenses before impairments	(85)	(87)	-3%	(235)	(229)	+3%
Net income before zakat	128	145	-12%	386	503	-23%

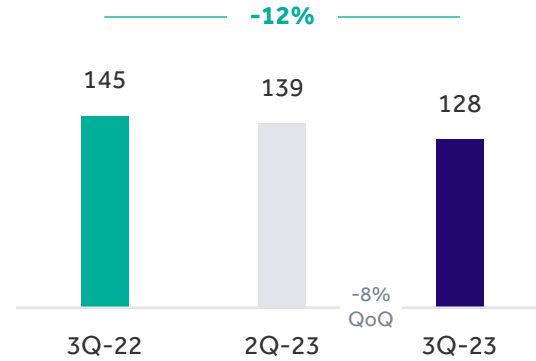
Net Income Before Zakat Movement YoY (SARmn)



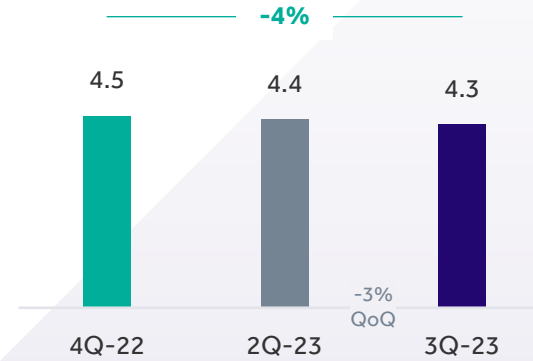
Total Operating Income (SARmn)



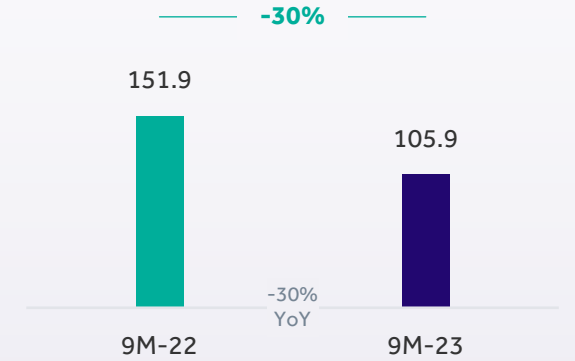
Net Income Before Zakat (SARmn)



Total Assets (SARbn)



Brokerage Value Traded (SARbn)





Outlook & Guidance



With all KPIs within guidance



Guidance Metric	FY 2022	Previous Guidance	9M 2023	Current Guidance
Loans, Net	SAR 242 bn (12% YoY)	High Single to Low Double Digit	SAR 267 bn (+11% YoY)	High Single to Low Double Digit ▶
NSCI Margin	3.11%	+40bps - +60bps	3.64% (+0.53% YTD)	+40bps - +60bps ▶
Cost to Income	32.4%	Below 31%	30.9%	Below 31% ▶
Cost of Credit Risk	0.44%	70bps - 90bps	0.70%	70bps - 90bps ▶
CET1	15.9%	Above 15%	15.6%	Above 15% ▶
ROAE before Zakat	16.2%	Above 17%*	18.0%	Above 17%* ▶



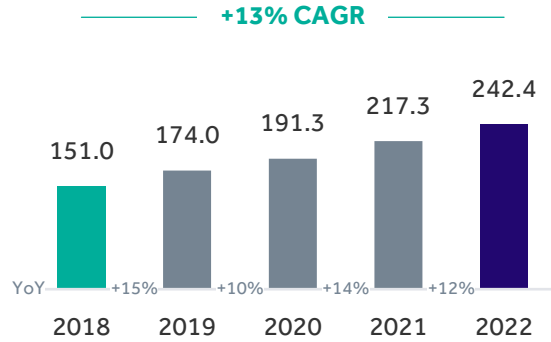
■ Historical Performance

■

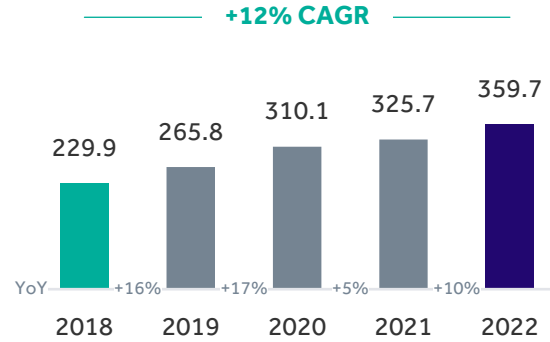


Balance sheet 5-year Summary

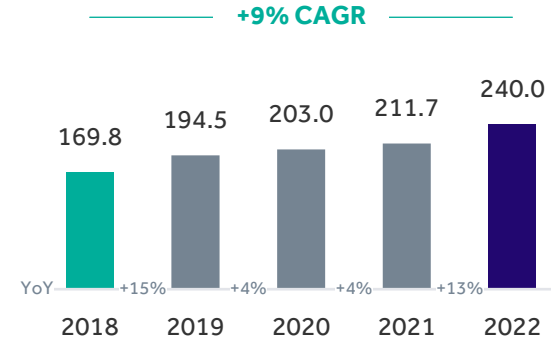
Loans & Advances, Net (SARbn)



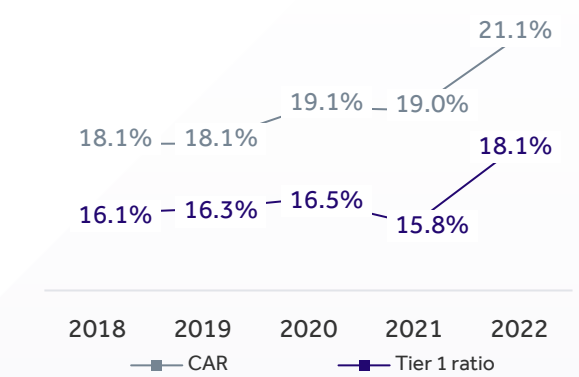
Total Assets (SARbn)



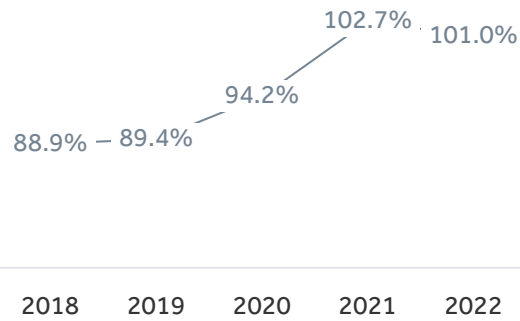
Deposits (SARbn)



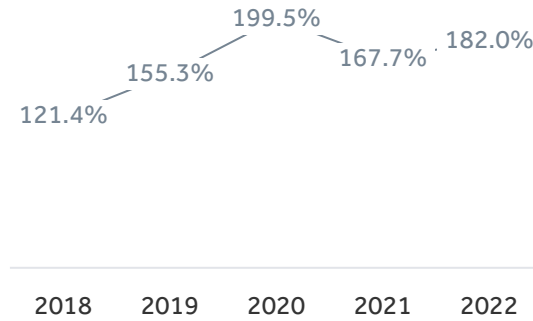
Capital Ratios (%)



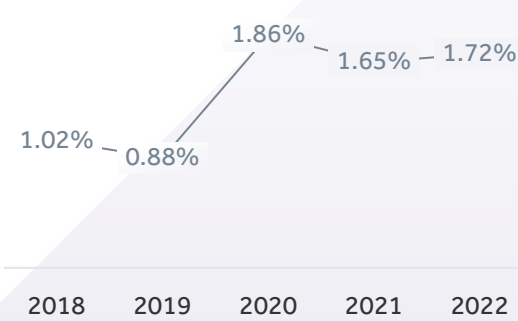
Headline LDR (%)



LCR (%)



NPL Ratio (%)



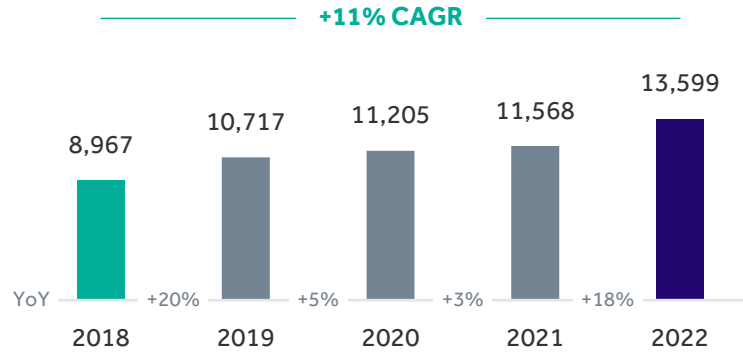
NPL Coverage Ratio (%)



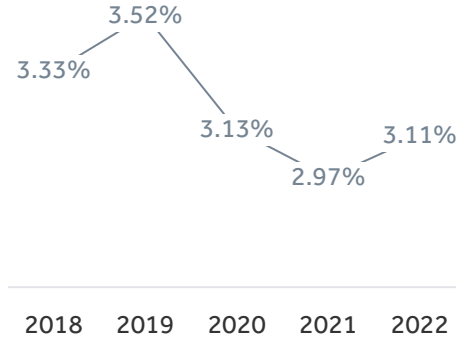


Income Statement 5-year Summary

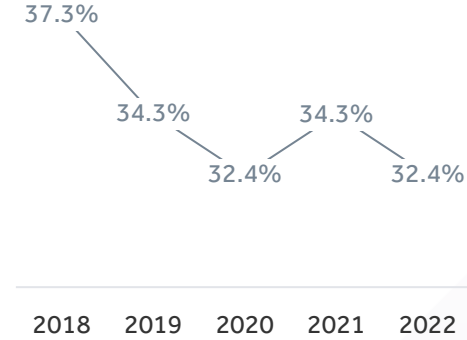
Total Operating Income (SARmn)



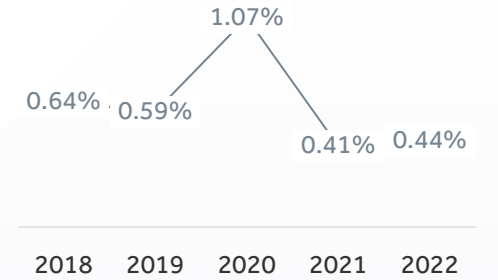
NSCI Margin (%)



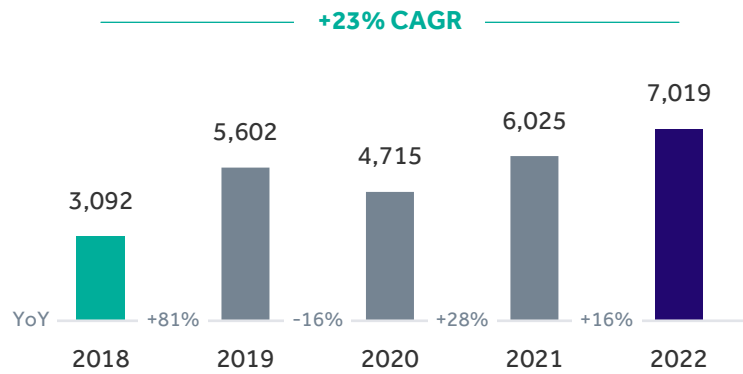
Cost to Income Ratio (%)



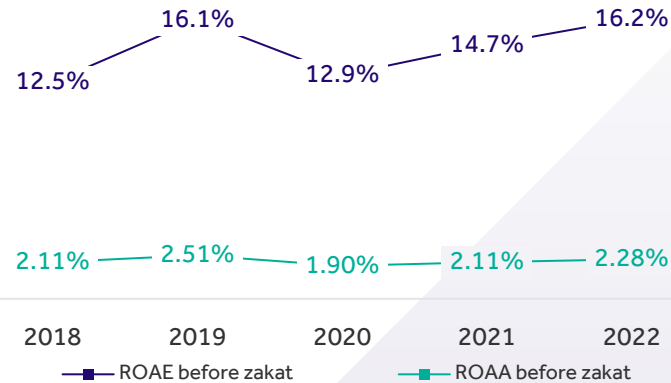
Cost of Risk* (%)



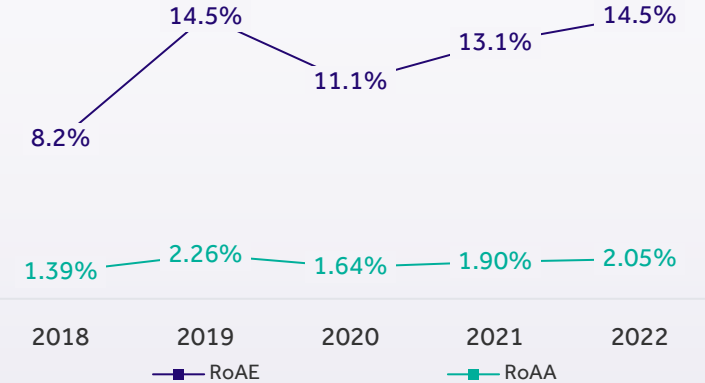
Net Income (SARmn)



ROAE, ROAA Before Zakat (%)



ROAE, ROAA (%)





- **Appendix**





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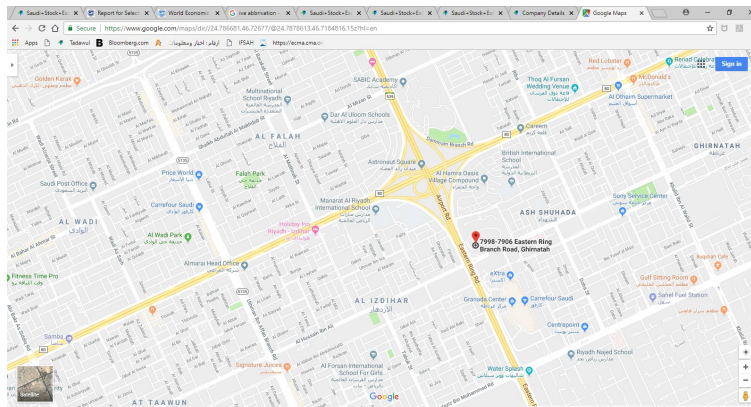


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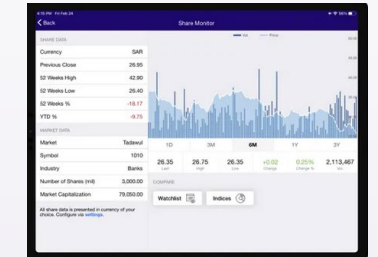


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