



Investor Presentation

1Q 2024



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- **Riyad Bank Profile**





Riyad Bank is the third largest bank in Saudi Arabia

Our Mission:

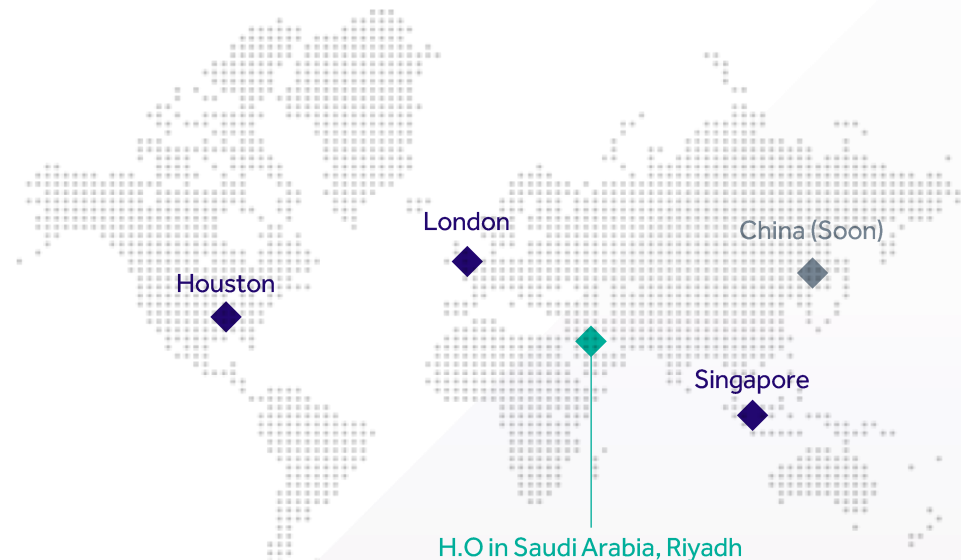
To be the most innovative & trusted financial solutions partner

Our Employees:

Employees* **7,887**

Female Employees* **29%**

Our Presence:



1Q 2024 Key Metrics

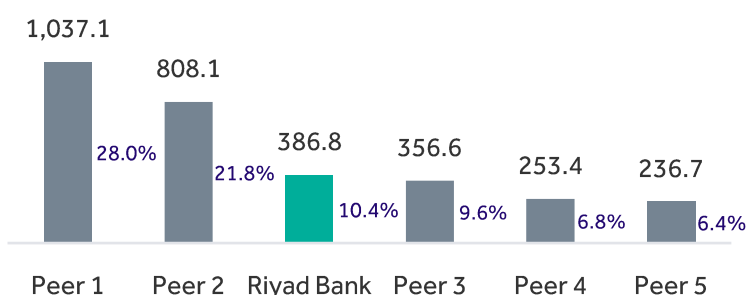
Assets		Operating Income		Cost to Income Ratio	
SAR bn	405	SAR bn	4.1	32.9%	
Loans, Net		Pre-Impairment Operating Income		Cost of Risk**	
SAR bn	283	SAR bn	1Q: 2.7	0.62%	
Deposits		Net Income		T1 Capital	
SAR bn	271	SAR bn	1Q: 2.1	16.5%	
SAMA LDR Ratio		LCR		NSFR	
82.7%		147.6%		109.6%	

Rating	LT	ST	Outlook	Branches (Licensed)
S&P Global Ratings	A-	A-2	Stable	335
Fitch Ratings	A-	F2	Stable	2,174
Moody's	A2	P-1	Positive	234,096
				ATMs
				PoS

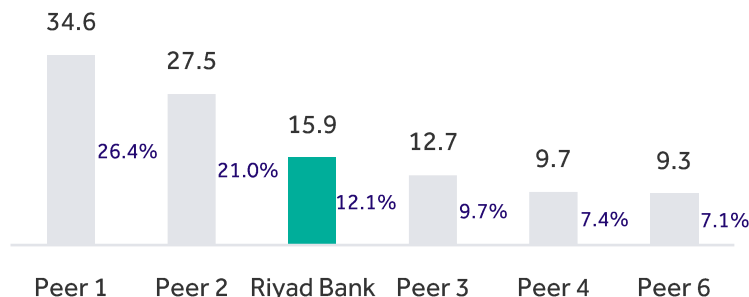


Riyad Bank is consistently in the top 3 KSA banks across a range of metrics

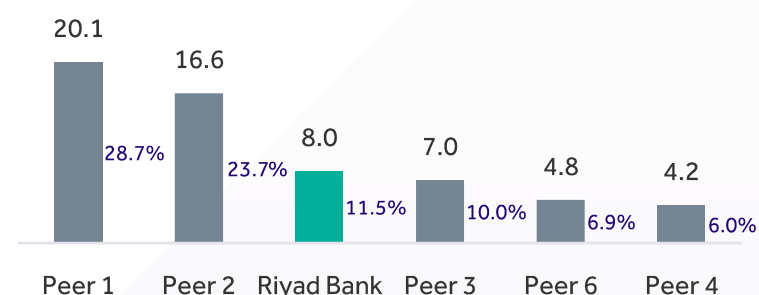
2023 Total Assets (SARbn) & Market Share (%)



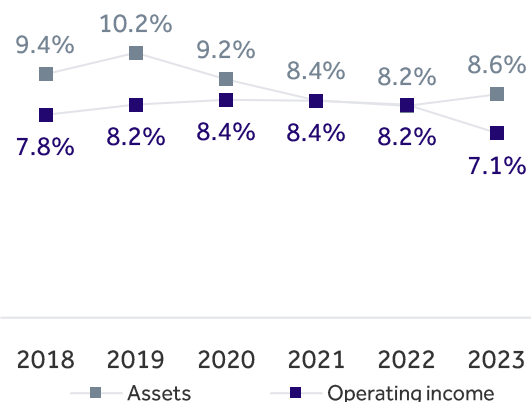
2023 Oper. Income (SARbn) & Market Share (%)



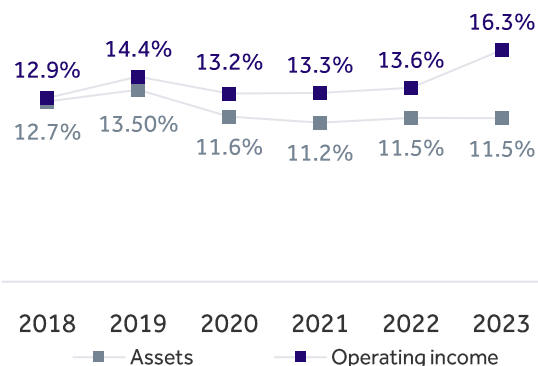
2023 Net Income (SARbn) & Market Share (%)



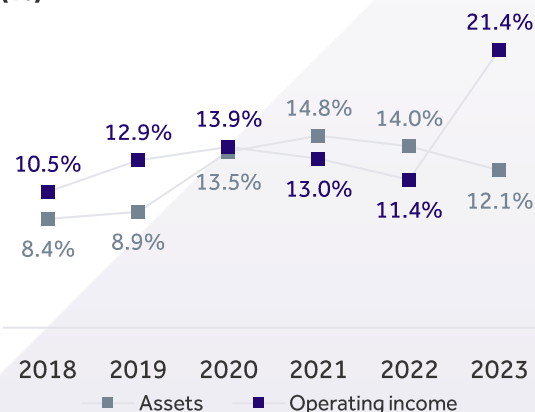
Retail Banking Market Share (%)



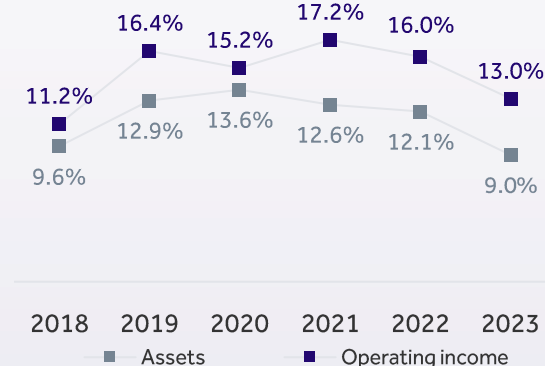
Corporate Banking Market Share (%)



Treasury & Investment Market Share (%)



IB & Brokerage Market Share (%)





Riyad Bank is a liquid stock with strong domestic ownership

Market Capitalization

31 Mar 2024

3.2% YTD

SAR Billion

88.053

52-week Trading Range (SAR)

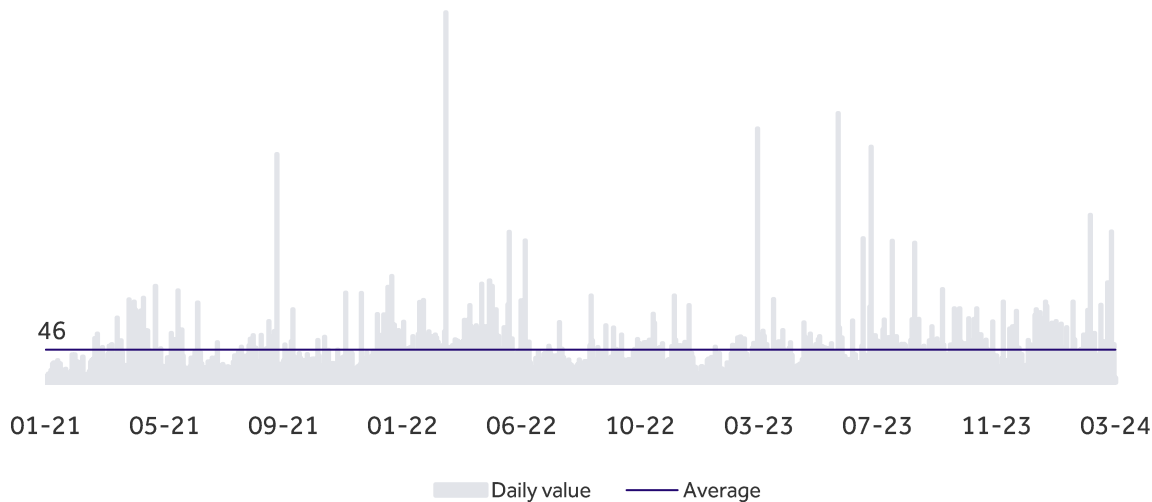
31 Mar 2024

25.45 – 35.25

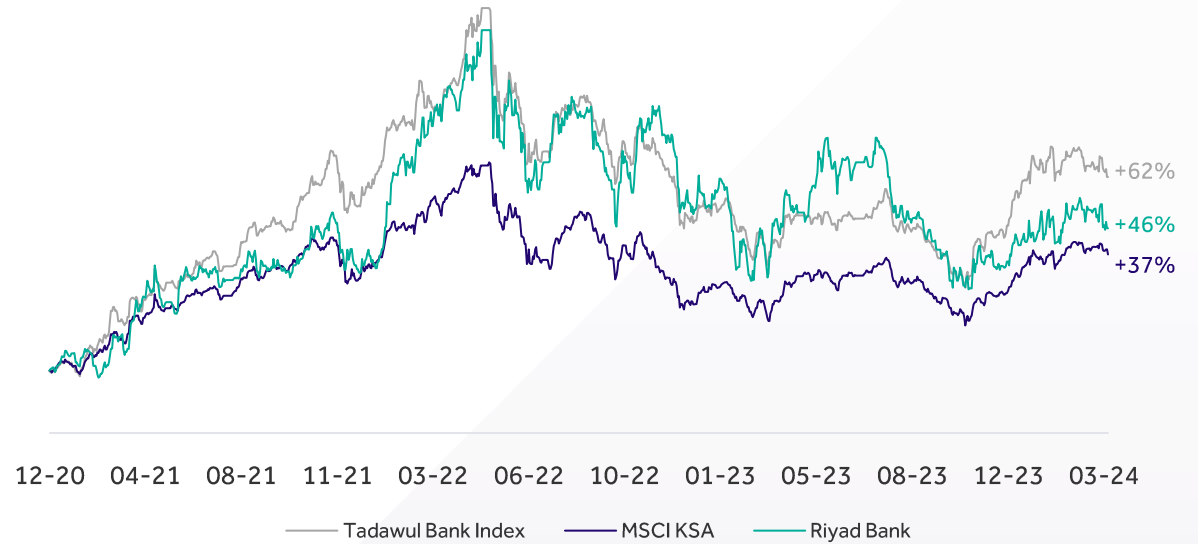
Valuation Metrics



Riyad Bank Daily Share Trading Value (SAR millions)



Riyad Bank Share Price Performance (Indexed to 31 Dec 2020)



Shareholder Origin (%)





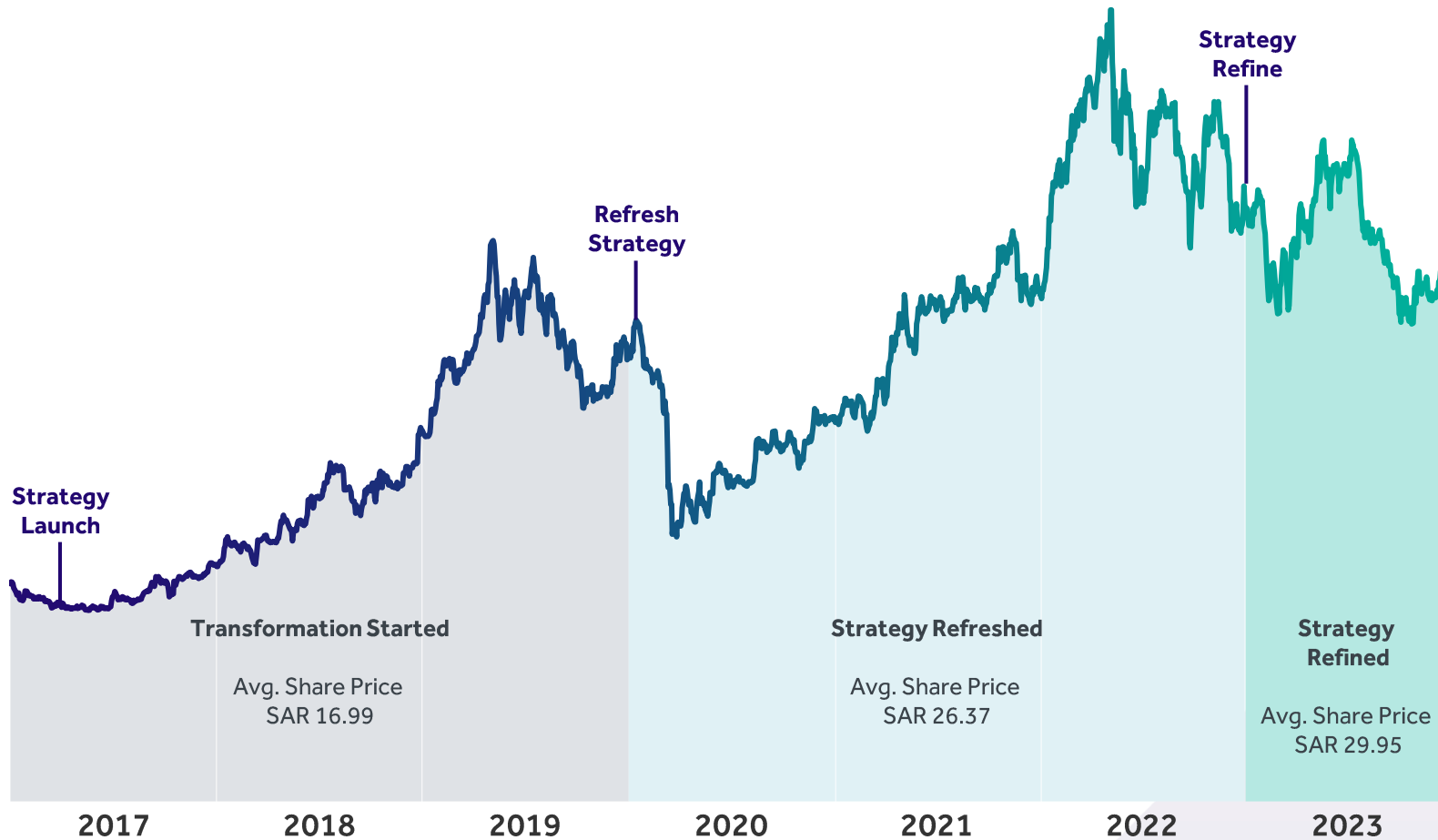
- **Strategy**





We have already come a long way on this journey

Share Price (SAR)



Key Strategic Milestones

- 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 refreshed due to significant market disruptions
- 2021 - 2022: Focus on innovation and digitization
- 2023: Strategy was refined to become the best bank in KSA by 2025



We have become a Top-2 bank in corporate and a Top-3 in retail banking

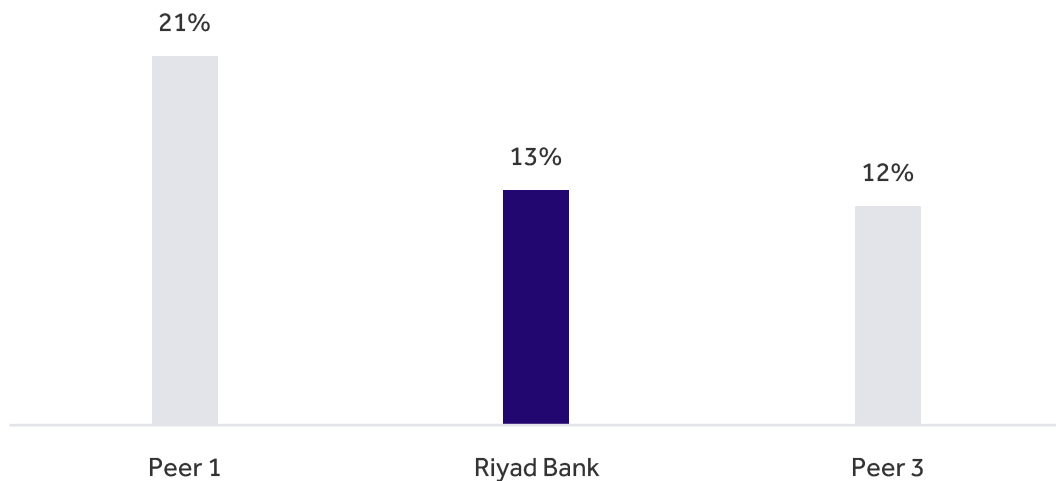
Corporate Banking Market Share*

Riyad Bank is #2
in KSA Corporate Banking

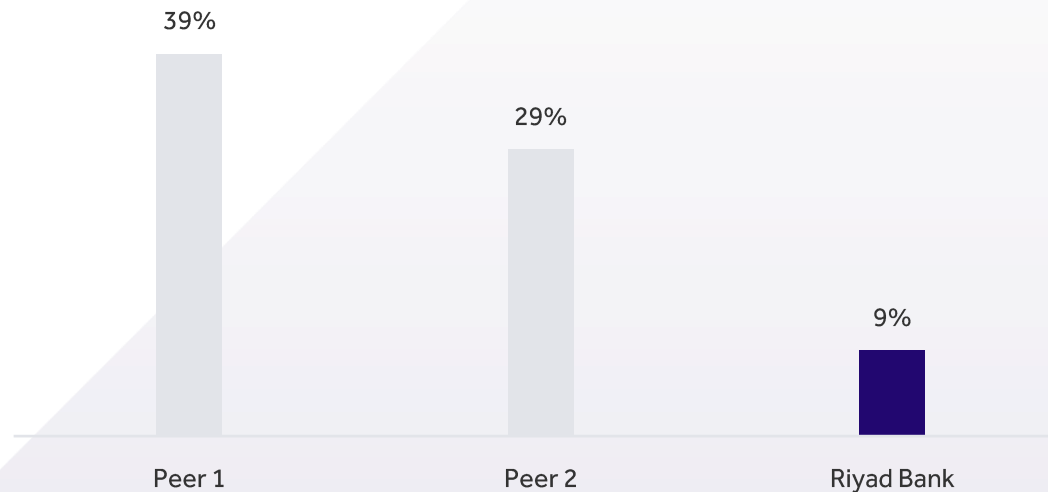
Retail Banking Market Share*

Riyad Bank is #3
in KSA Retail Banking

Top 3 Banks by Corporate Loans and Advances, net






Top 3 Banks by Retail Loans and Advances, net



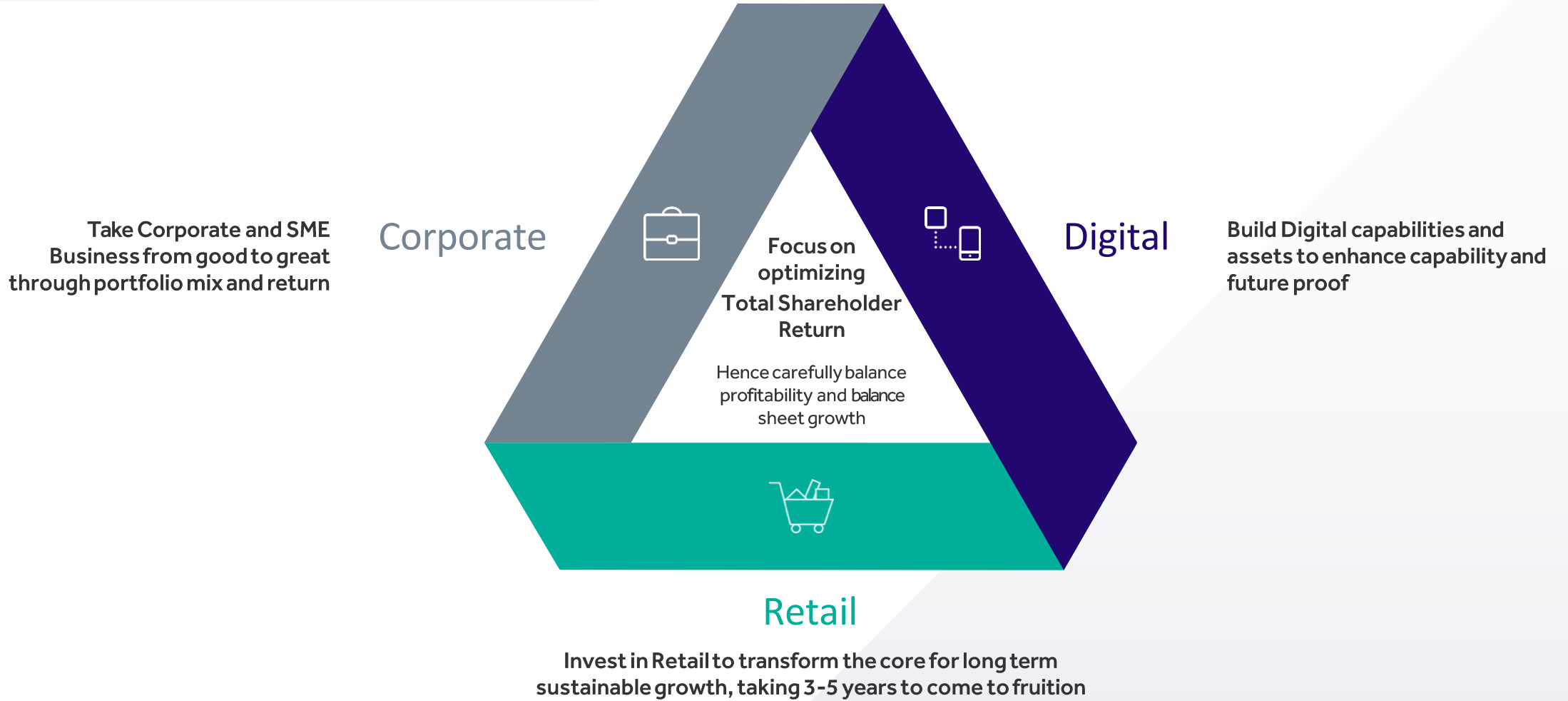


Our ambition is to be the best Bank in KSA

Strategic Pillars	<h2>Most Profitable</h2> 	<h2>Most Efficient</h2> 	<h2>Bank of Choice</h2> 	<h2>Most Innovative & Digitally Enabled</h2> 
Definition	Sustainable profit growth and returns to shareholders	Highest return on spend and operational excellence	Best bank for customer, employees and society	Most innovative and digitally enabled bank
Focus Area	Profitability	Cost Efficiency	Customer	Digital
	Growth	Operational Efficiency	People	Innovation
			ESG	
KPIs	ROE Profit growth Total Shareholders return	Cost to income Time to cash	NPS* People Index** Brand Value	Digital Maturity Index





Our aspiration and strategy is built on a few guiding principles



Drive change across our core Enablers to bring it in lock-step with business transformation



Our strategy is driven by key operating model shifts

	From	To
Segments 	Broad meet-the-market segment propositions Focus on banking needs only Risk avoidance via policy exclusions	→ Custom propositions at granular segments → Focus on customer ecosystem beyond banking → Active risk management via analytics
Products 	Capital agnostic asset product growth Standard pricing, matching the market Focus on balance sheet growth mostly Be a store of value via NIBs	→ Accelerate high return on capital portfolios → Customized relationship/risk-based pricing → Capture transactions, FX, Fee, Payments as well → Create wealth for customers
Channels 	Branch first for sales and service	→ Mobile/Digital first for sales and service



Clear KPIs have been set at the Division level as well

Mobile first bank with distinctive customized segment/product

Mortgage, Market share
Personal Loans, Market share
Cards, Market Share
Deposits, Market share



Retail

Most profitable Corp bank & core transaction partner for institutions

Large corporate assets, Market share
SME assets, Market share
Deposits, Market share



Corporate

Best Bank in KSA

Leading value creator through Fintechs & digital enablement

Digital maturity across front-end channels
Digital transactions
Digital sales



Innovation

Treasury



Distinctive bank wide enabler across liquidity & financial solutions

Accelerate Treasury sales via cross-sell activities
Expand hedging business
Increase FX market share



Retail strategic initiatives

Segments



Initiative

Description

- | Initiative | Description |
|--|---|
| 1 Disrupt Affluent Proposition | Upgrade value proposition including digital as one-stop shop |
| 2 Boost (U)HNWI Proposition | Upgrade value proposition including superior wealth solutions |
| 3 Disrupt Youth Proposition | Capture value and build long term loyalty |
| 4 Reinvigorate Customer Value Management | Leverage Advanced Analytics (churn, pricing, cross sell) |
| 5 Micro-segmented credit cards | Build distinctive proposition by microsegment |
| 6 Boost PL penetration | Leverage mobile for sales, simplify journey, pre-approvals |
| 7 Accelerate mortgage through digital | Scale up HBE and roll out new features |
| 8 Bank@work commercialization | Create GTB & Retail; develop digital tools |
| 9 Optimize physical channels | Optimize channels (branch/DSF), simplify & digitize |
| 10 RB Mobile platform reimagination | To enable value proposition & journey digitization |

Products



Channels





Corporate strategic initiatives

Segments

Products

Channels

Initiative

Description

- | Initiative | Description |
|--|---|
| 1 Scale up SMEs through digital | Scale up acquisition and penetration through digital; continue improve digital platform features |
| 2 Set up Strategic Client Council | Council to optimize strategic customers value (capitalize on gov. initiatives, comprehensive account plan development) |
| 3 Reimagine Global Transaction Banking | Reimagine GTB platform by enhancing digital channels, refining operating model, and GTB as a Service |
| 4 Scale up Digital RM Workbench | Scale up adoption to drive cross sell and return on capital across portfolio along with continuous testing and enhancements |



Treasury strategic initiatives

Products



Initiative	Description
1 Enhance collaboration with Retail Banking	To further expand FX business with Retail Banking
2 Improve cooperation with Corporate Banking	To boost Corporate Banking cross-selling through holistic offering
3 Expand Riyadh Bank's appetite for hedging business	To better capture all hedging opportunities and increase market share
4 Consolidate and enhance Treasury systems	Transform, modernize and unify the existing heterogeneous treasury systems across treasury front, middle and back offices



Digital strategic initiatives

Digital



Initiative

Description

- | | | |
|---|----------------------------------|--|
| 1 | Serve Fintechs and other players | Leverage open banking platforms to serve fintech infra/tech requirements; review existing fintech assets to monetize, etc. |
| 2 | Create new ventures | Identify, commercialize and scale up new Ventures |
| 3 | Accelerate digital maturity | Accelerate bank's Digital Maturity through bank wide capability building and accelerating delivery and impact of major commercial mandates |
| 4 | Scale-up Center of Intelligence | Build and scale up Center of Intelligence with agile working model with each business and extract value via Advanced Analytics |



- **Sustainability Update**





Embedding Sustainability into the Bank's strategy

Environmental

<p>Riyad Bank Green Project</p> <p>Signed an MOM with Saudi Green for Riyad Bank participation with 4 M trees by 2030 as a joint initiative in the National Greening Forum.</p>	<p>Banking Sector collaboration</p> <p>Riyad Bank is a leading member of the SAMA supervised 'Saudi Banks ESG Committee' . Established in Apr '23 and focused on building ESG best in the banking sector</p>
<p>14.4 Tons</p> <p>Recycling: First Quarter: Papers and plastic</p>	<p>Environment Fund</p> <p>Riyad Bank has signed an MOM with The Saudi Environment Fund to develop research and innovation and enhance community contribution.</p>
<p>Riyad bank selected to join the Ministry of Economy and Planning's KSA Sustainability Champions Program as one of the Kingdom's 19 top performing sustainability companies. Our commitment is to act as a catalyst for sustainability transformation within the banking sector.</p>	
<p>Goal Initiative</p> <p>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 لبكرة We planted 7,000 Trees. Saved 55 Ton s of Carbon</p>	

Social

<p>Forbes Middle East</p> <p>Riyad Bank featured in Forbes amongst the top 50 Saudi brands in CSR and achieved 3rd rank within the private sector category</p>	<p>CSR Refreshed Strategy</p> <p>On CSR National Day we announce our refreshed CSR strategy. This announcement highlights the Bank's ongoing commitment to social development and its strategic approach to CSR.</p>
<p>Signing an MOU with Jood Al-Eskan</p> <p>As part of our commitment to community welfare, we signed an MOU with Jood Al-Eskan that aims at promoting collaborative CSR initiatives, reflecting our dedication to social responsibility.</p>	<p>Ramadan Food Baskets</p> <p>Riyad Bank distributed 30,000 food baskets. This initiative involved active participation from the Bank's employees and their families.</p> <p>Food baskets were distributed to 239 registered and potential NGOs.</p>
<p>We activated the International Day of Education in collaboration with Classera with an interactive workshop to create an extra curriculum booklet</p> <p>300 Schools participate with total of 2760 Students</p>	<p>SAR 4,623,055 mn</p> <p>Donation amount: Total 123,966 transactions through Riyad Bank cannels.</p>

Governance

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



- **Operating Environment**





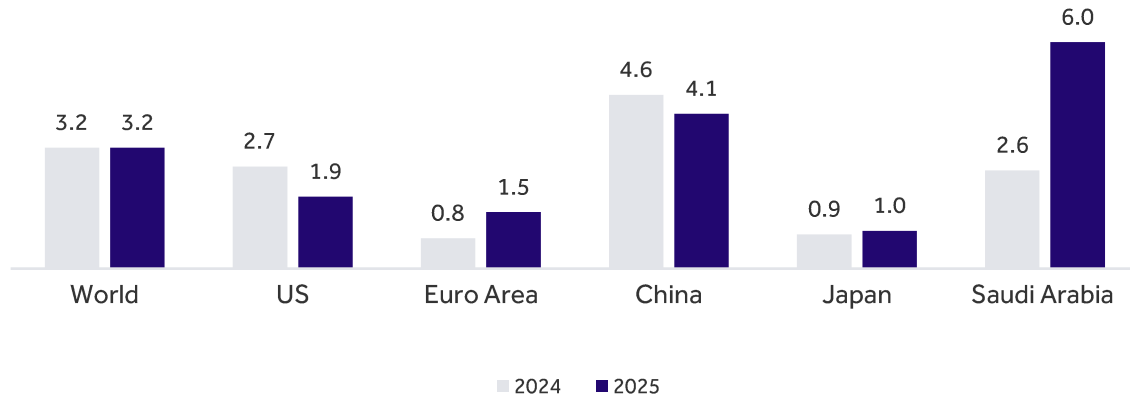
Sustaining Strength and Resilience in Diverging Economy

The global economy remains remarkably robust, with growth holding steady as inflation returns to target. Regardless of many uncertainty, the world avoided a recession in 2023, and major economies recovering to preserve price stability and growth.

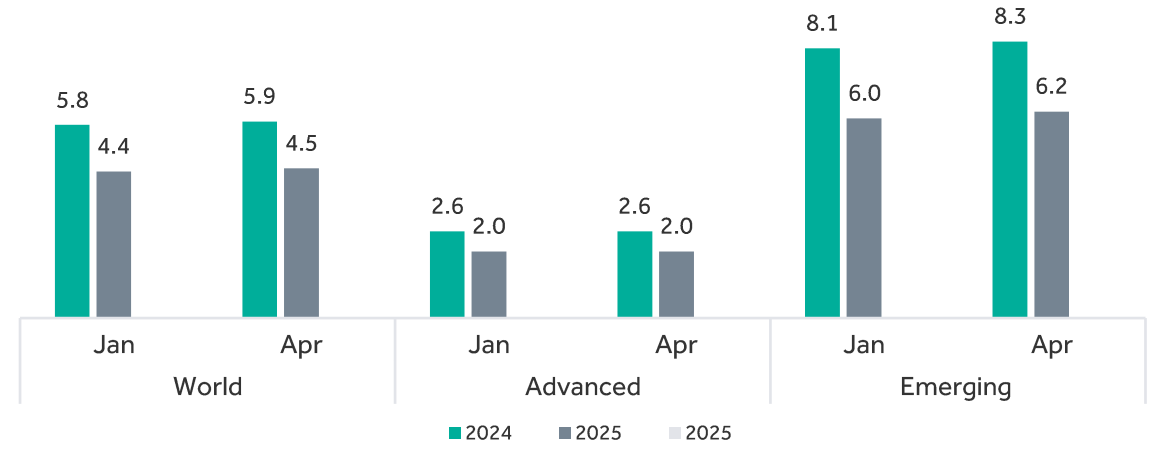
U.S. economy growth projected to reach 2.7% in 2024 with stronger than expected momentum projected to persist this year. Growth in China expected to remain positive due to boost in consumption and fiscal stimulus.

Advanced economies are expected to return sooner to rates near pre-pandemic average while emerging economies swinging between subdued inflation in China and elevated inflation in Turkey.

Economic Outlook (%)



Inflation Expectations (%)



Global PMI ▲
Mar-24 +2.5% Dec-23

52.3 51.0

Fed Funds (%)
Upper 25bps Lower

5.50 5.25

USD Index ▲
Mar-24 +3.2% Dec-23

104.5 101.3

3M SOFR (%) ▼
Mar-24 -3bps Dec-23

5.30 5.33

10y Treasury Yield ▲
Mar-24 32bps Dec-23

4.20 3.88

Brent Oil (\$/b) ▲
Mar-24 +13.6% Dec-23

87.48 77.04



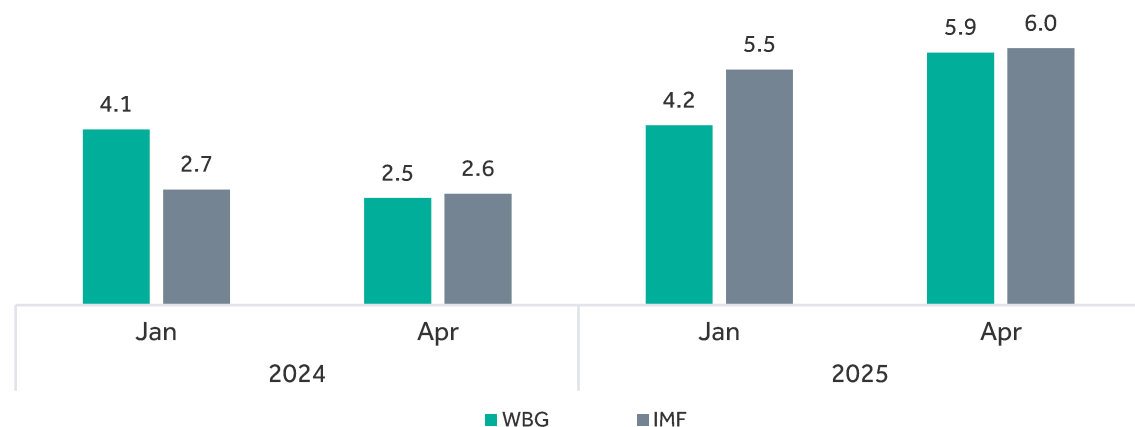
Fueling Growth with Saudi Economy Soaring in 2025

While global economic growth projected to continue at a steady pace of 3.2%, the IMF has revised its expectations for Saudi Arabia projecting a robust expansion of 6% by 2025. This represents an upward revision from 5.5% made earlier in the year.

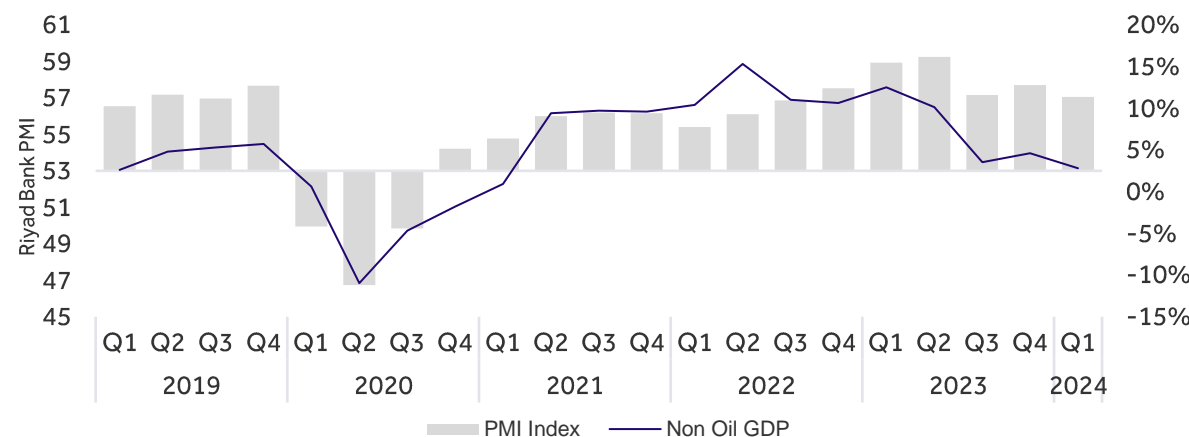
IMF and WBG raised Saudi economy growth projections in April due to positive expectation of oil market stability and supply level

PMI closed at 57.0 in March indicating a strength in operation conditions across the non-oil sector and high output level

Saudi Arabia Growth Expectations (%)



Non-oil Private GDP Growth



Real GDP Growth (%) ▼

Mar-24 -110bps Dec-23

-4.3

Riyad Bank PMI ▼

Mar-24 -0.9% Dec-23

57.0

REPO Rate (%)

Repo RRRepo

6.0

Money Supply (YoY) ▲

Mar-24 +70bps Dec-23

8.3%

Credit Growth (YoY) ▲

Mar-24 +70bps Dec-23

10.7%

Fiscal Balance (SARbn) ▲

2024 +3Bn 2023

-79.0

57.5

5.5

7.6%

10.0%

-82.0



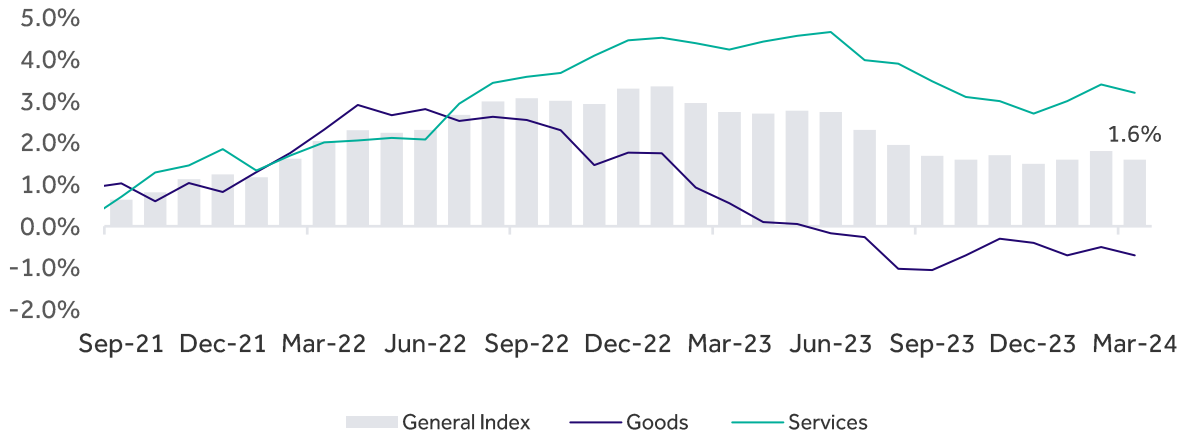
Saudi Inflation Equation: Steady and Sustainable

Inflation hiked 1.65% YoY in March 2024 with housing rents increased by 10.5%, this upsurge in rent prices contributed significantly to inflation. Conversely, transportation prices decreased 1.8% affected by 3.0% decline in vehicle purchase prices.

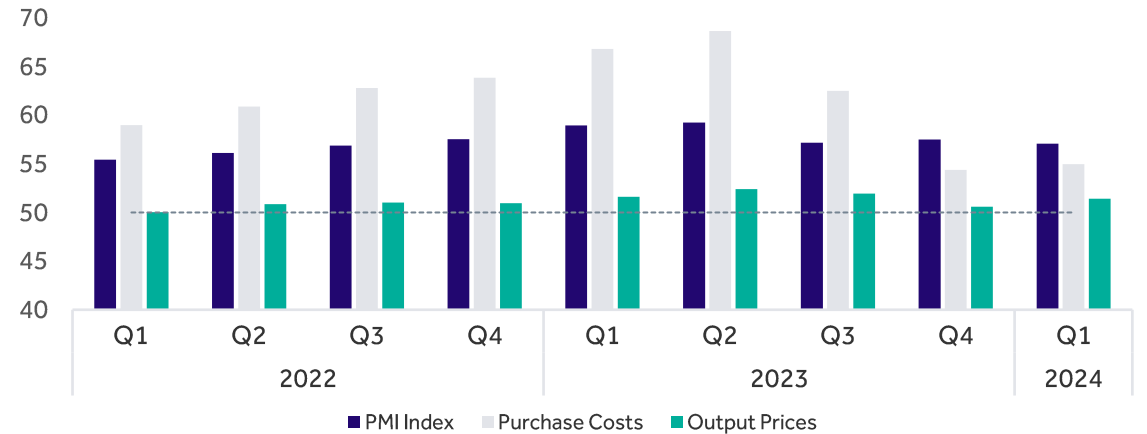
Positive inflation led mainly by high housing and utilities prices, whereas goods as clothing and household equipment set down inflation

Escalating demand for purchased inputs and finished goods highlight additional increase in prices at the end of Q1 2024

CPI Inflation (%)



Riyad Bank PMI & Components



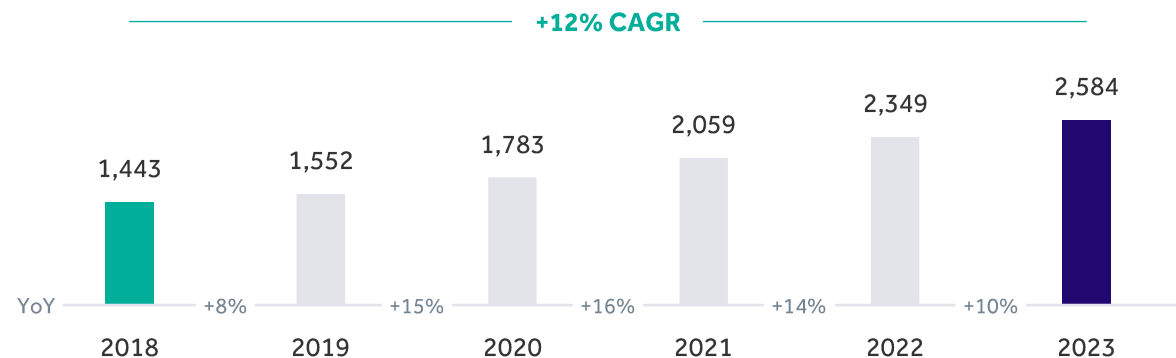
Real GDP Growth (%)	Riyad Bank PMI	REPO Rate (%)
Mar-24	Mar-24	Repo
-110bps	-0.9%	RRRepo
Dec-23	Dec-23	
-4.3	57.0	6.0
-3.2	57.5	5.5

Money Supply (YoY)	Credit Growth (YoY)	Fiscal Balance (SARbn)
Mar-24	Mar-24	2024
+70bps	+70bps	+3Bn
Dec-23	Dec-23	2023
8.3%	10.7%	-79.0
7.6%	10.0%	-82.0

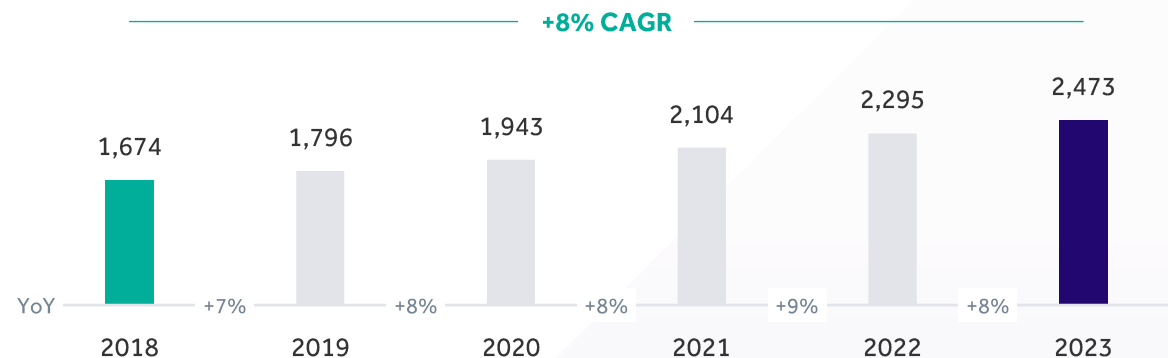


The Saudi banking sector is attractively positioned for growth

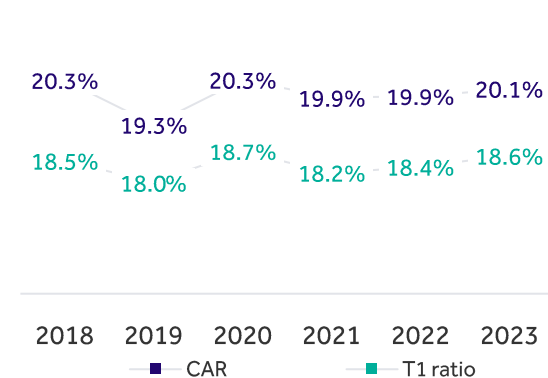
Bank Credit (SARbn)



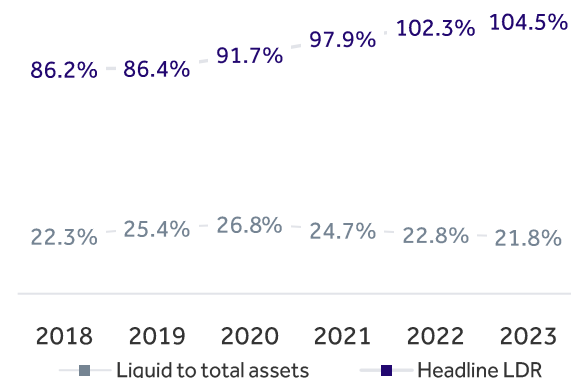
Bank Deposits (SARbn)



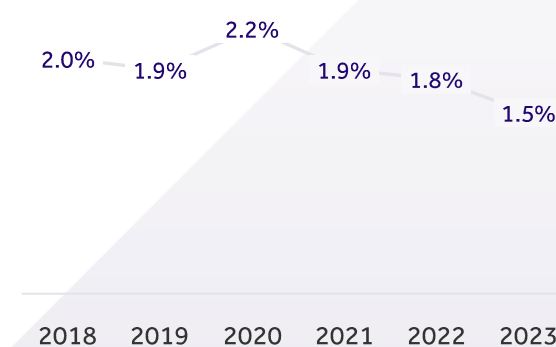
Capitalization (%)



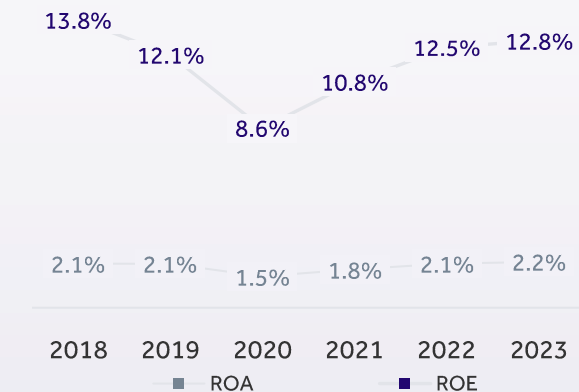
Liquidity Metrics (%)



NPL Ratio (%)



Profitability (%)





- **Financial Performance**





Balance sheet



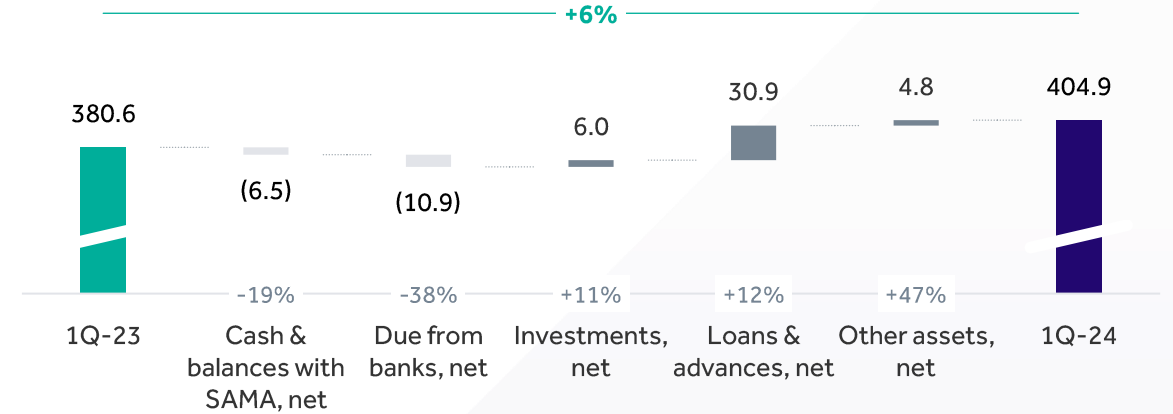


Total assets increased by 6% YoY driven by the expansion of the loan portfolio, funded mainly by customer deposits

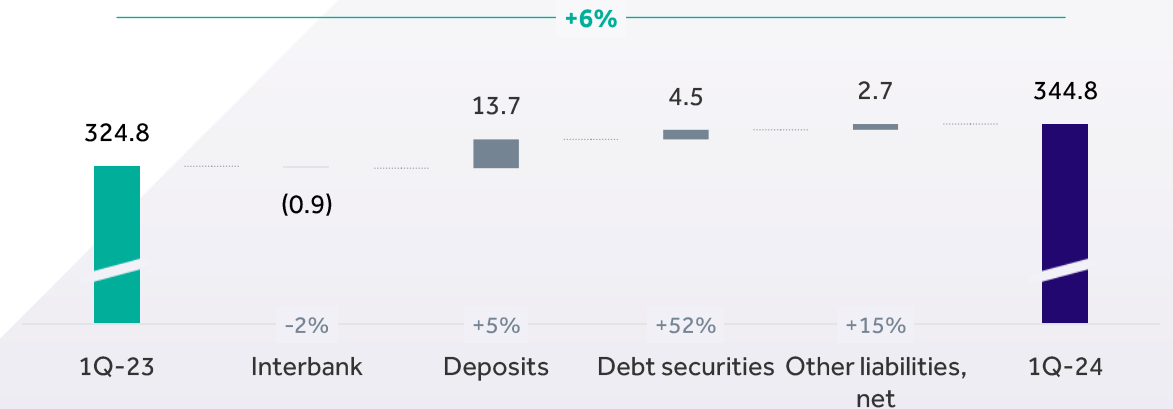
- ◆ Total assets amounted to SAR 405 bn as of 31 March 2024, up 6% YoY on the back of the 12% loans and advances growth, funded mainly by the 5% growth of customer deposits.
- ◆ On a quarterly basis total assets increased by 5% due to an increase in loans and advances, investment and Cash & balances with SAMA.

SAR (mn)	1Q-2024	4Q-2023	QoQ % Change	1Q-2023	YoY % Change
Cash & balances with SAMA, net	28,642	26,175	+9%	35,190	-19%
Due from banks, net	17,577	15,434	+14%	28,454	-38%
Investments, net	60,663	58,109	+4%	54,695	+11%
Loans & advances, net	282,854	274,398	+3%	251,983	+12%
Other assets, net	15,122	12,733	+19%	10,303	+47%
Total assets	404,859	386,849	+5%	380,625	+6%
Interbank	40,121	42,464	-6%	41,024	-2%
Deposits	270,948	254,908	+6%	257,277	+5%
Debt securities	13,199	13,373	-1%	8,673	+52%
Other liabilities, net	20,515	15,847	+29%	17,815	+15%
Total liabilities	344,782	326,591	+6%	324,790	+6%
Share capital	30,000	30,000	0%	30,000	0%
Reserves	12,516	12,418	+1%	9,856	+27%
Retained earnings	10,998	11,277	-2%	9,414	+17%
Equity attributable to shareholders	53,514	53,696	-0%	49,270	+9%
Tier 1 sukuk	6,563	6,563	+0%	6,565	-0%
Total equity	60,077	60,258	-0%	55,835	+8%

Total Assets Movement YoY (SARbn)



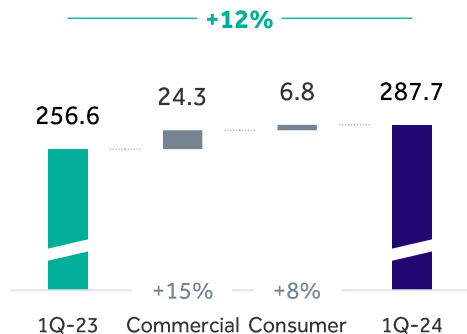
Total Liabilities Movement YoY (SARbn)



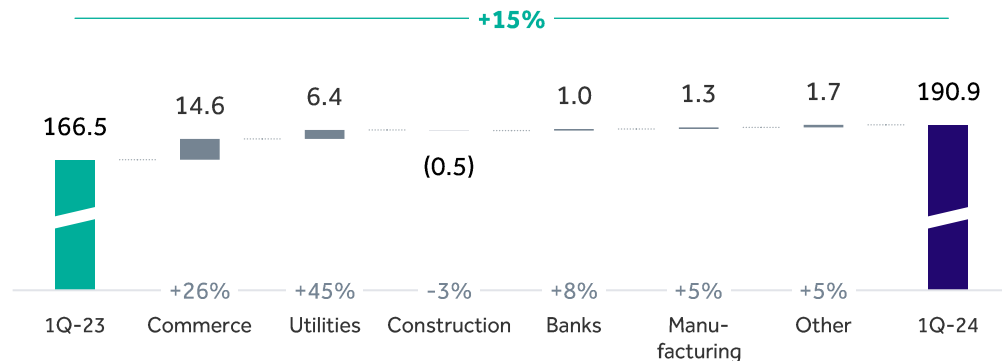


Two thirds of the growth in loans is coming from commercial book and the remaining portion primarily from mortgages

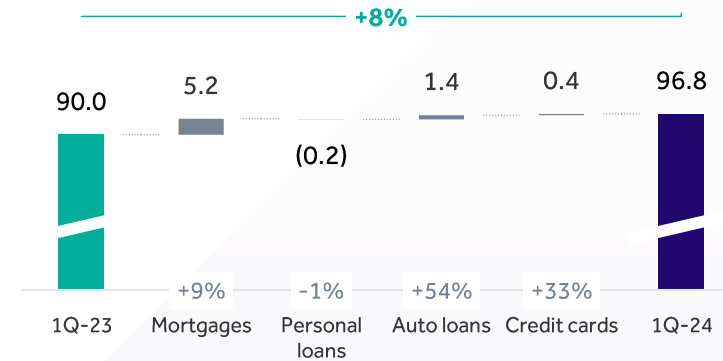
Gross Loan Movement YoY (SARbn)



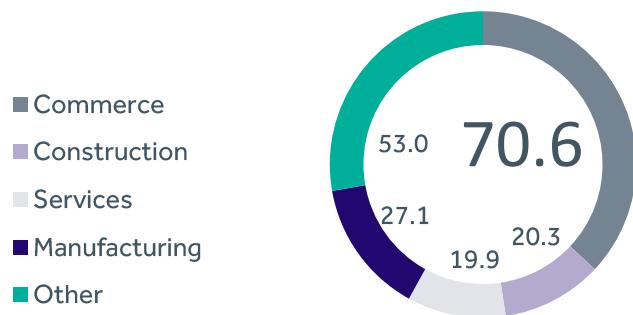
Gross Commercial Loan Movement by Economic Sector Movement YoY (SARbn)



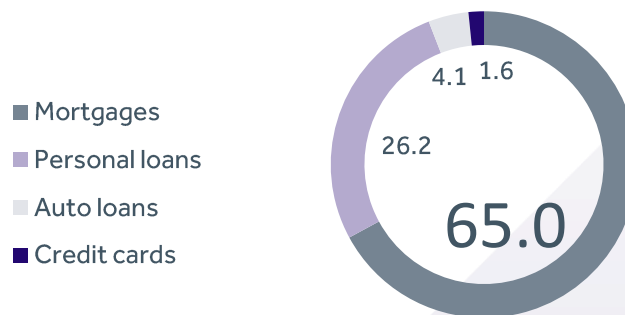
Gross Consumer Loan Movement by Product Movement YoY (SARbn)



Gross Commercial Loans by Sector, 1Q-24 (SARbn)



Gross Consumer Loans by Product, 1Q-24 (SARbn)

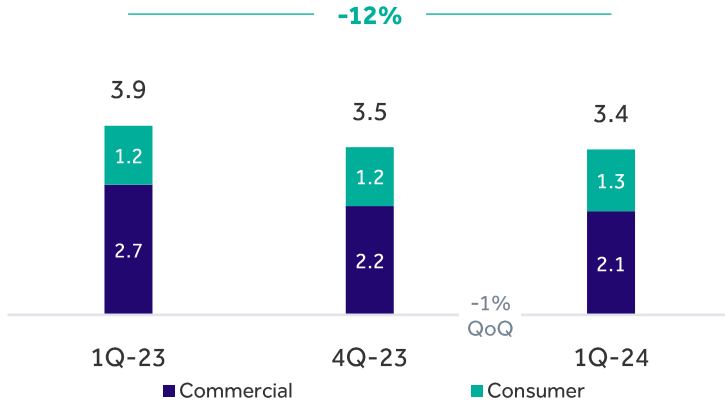


- ◆ Gross loans and advances grew by 12% YoY as of 31 March 2024 from both commercial and consumer loans.
- ◆ Commercial loans grew by 15% YoY as of 31 March 2024 with main driving sectors are commerce, manufacturing and utilities.
- ◆ Consumer loans increased by 8% YoY during 1Q 2024, driven mainly by the mortgage growth of 9% YoY.
- ◆ Auto loans and Credit cards hold minor shares in the consumer portfolio but are growing rapidly at 54% and 33%, respectively.

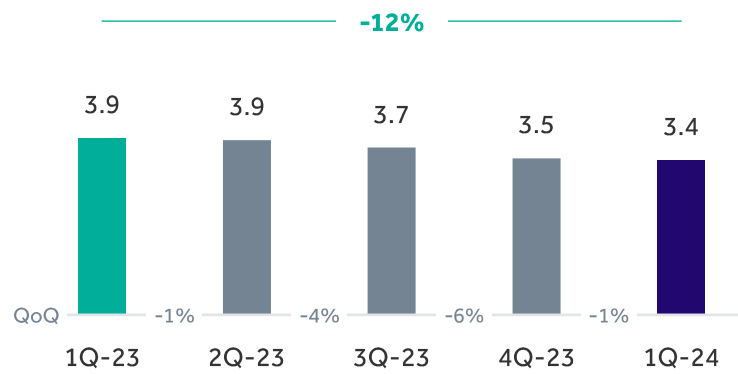


NPL Ratio demonstrates continuous improvement reaching to 1.19% as of 1Q 2024

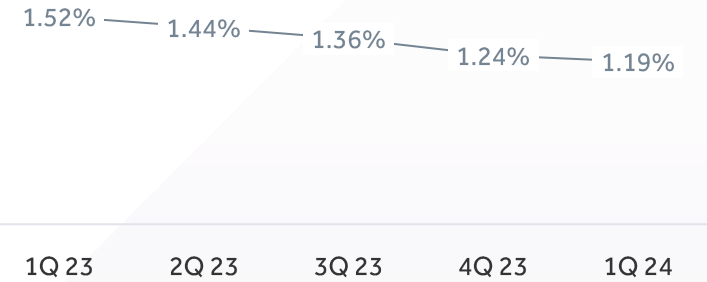
NPLs by Segment (SARbn)



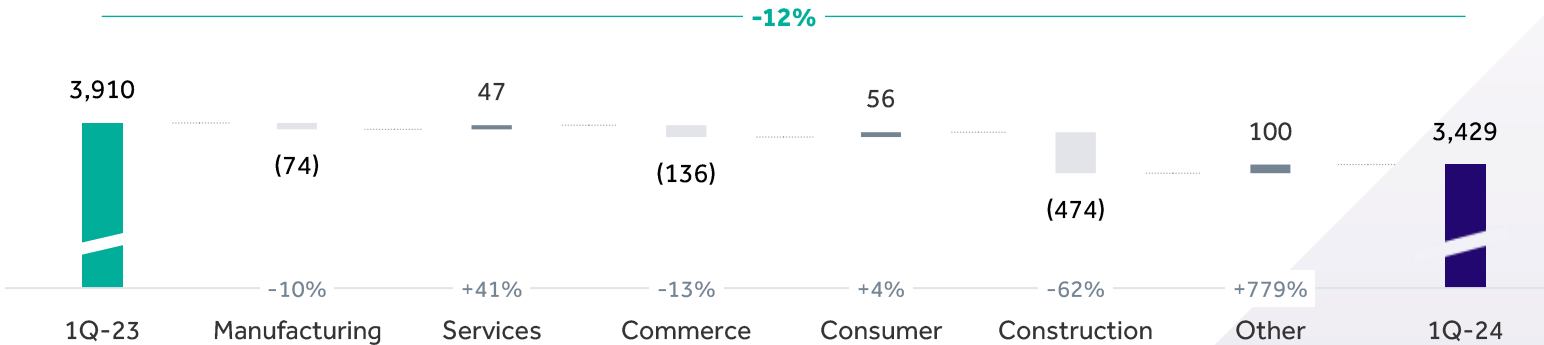
NPLs (SARbn)



NPL Ratio (%)



NPL Movement by Sector Movement YoY (SARmn)



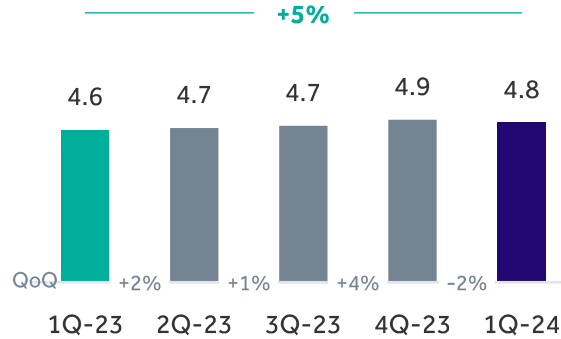
- ◆ NPL ratio improved by 33bps YoY during 1Q 2024 to 1.19%.
- ◆ Improvement of the NPL ratio resulted from a 12% decrease in the amount of NPLs and a 12% increase in gross loans and advances.
- ◆ Decrease in NPLs was largely driven by corporate loans in sectors of commerce and construction which was partially offset by the increase in services and consumer.



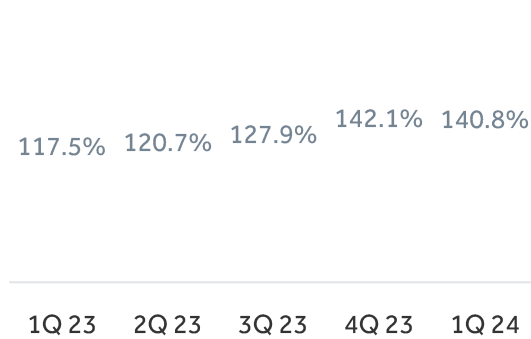
NPL Coverage improved to 141% driven by the conservative provisioning to support asset quality

- ◆ NPL coverage ratio improved by 23% YoY to 141% in 1Q 2024 as a result of proactive conservative provisioning.
- ◆ The consumer NPL coverage ratio reached 89.2% as of 31 March 2024, improving by 3.3% YoY.
- ◆ The commercial NPL coverage ratio reached 173%, improving by 40% YoY.
- ◆ Stage 1 loans represents around 93% of total gross loans as of 1Q 2024.

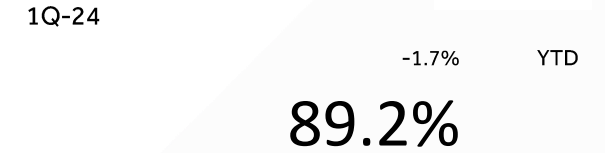
Total Allowances (SARbn)



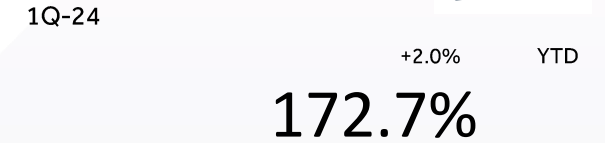
NPL Coverage Ratio (%)



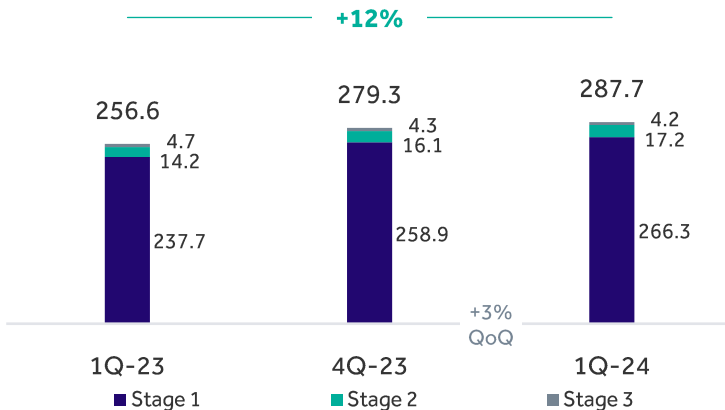
Consumer Coverage



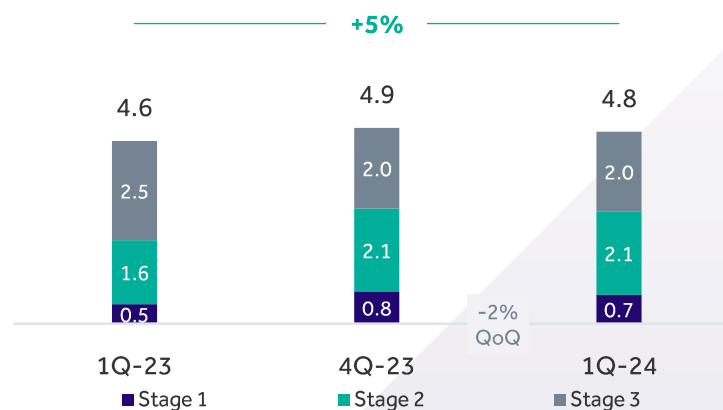
Commercial Coverage



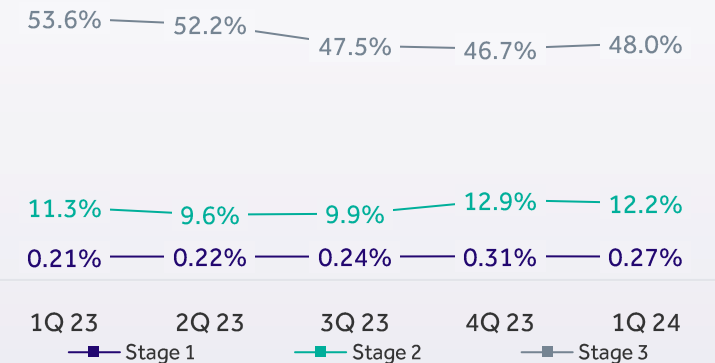
Gross Loans & Advances (SARbn)



ECL Allowances (SARbn)



Stage-wise ECL on Gross Loans (%)

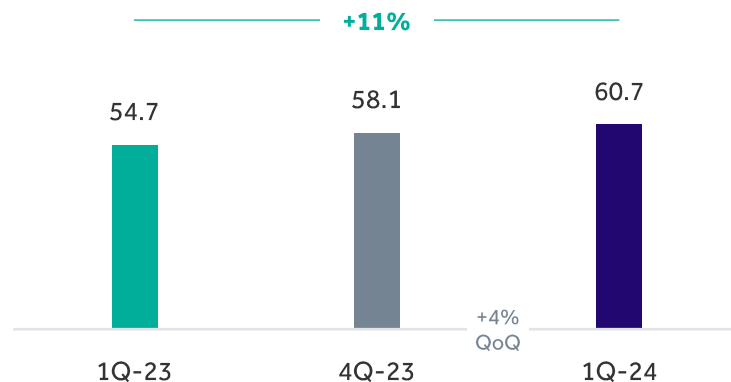




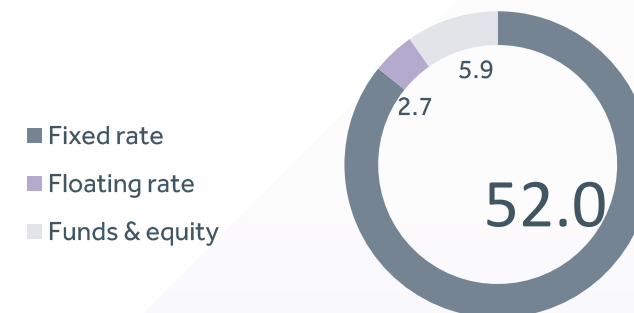
Investments grew by 11% YoY mainly from high quality fixed rate securities

- Investment portfolio increased by 11% YoY to SAR 60.7 bn as of 31 March 2024.
- Growth of investments during 1Q 2024 comes from increasing fixed rate securities as well as funds & equity.
- Investment portfolio has a stable structure with around 86% of the securities being fixed rate.
- Investment in governmental & quasi-governmental securities represents 60% of the investment portfolio.

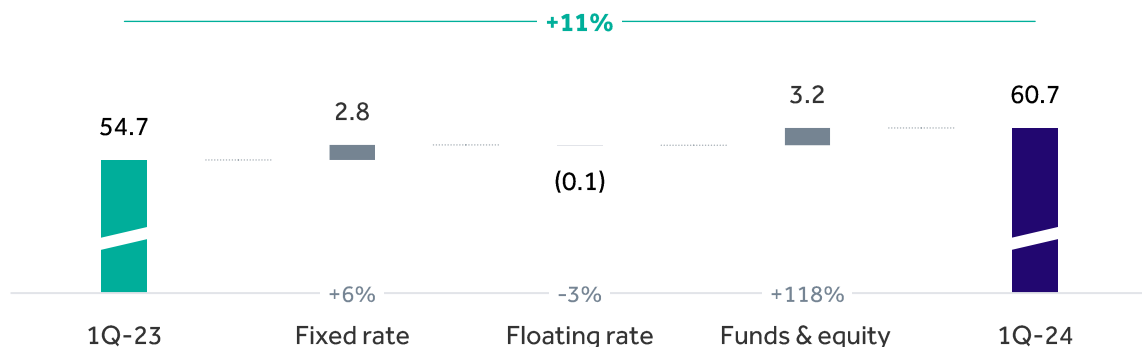
Investments, Net (SARbn)



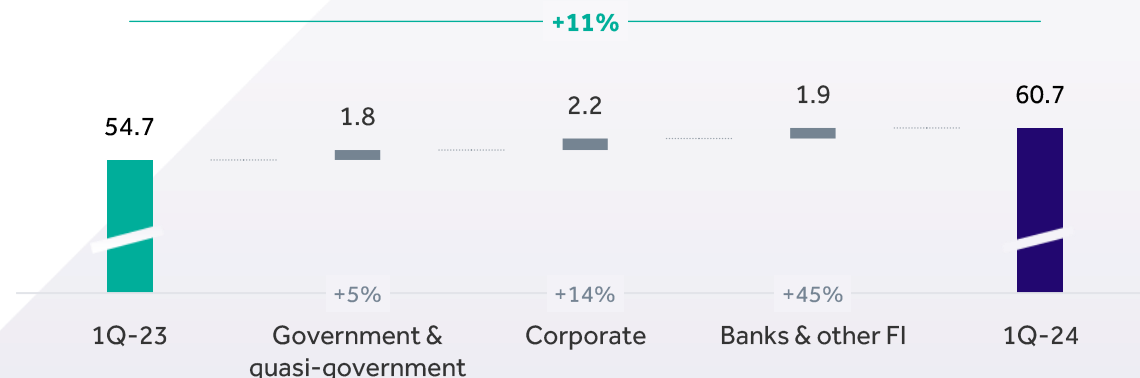
Net Investments Composition, 1Q-24 (SARbn)



Net Investments Movement YoY (SARbn)



Net Investments by Counterparty Movement YoY (SARbn)





Growth in both IBs and NIBs drove the 5% YoY growth in customer deposits

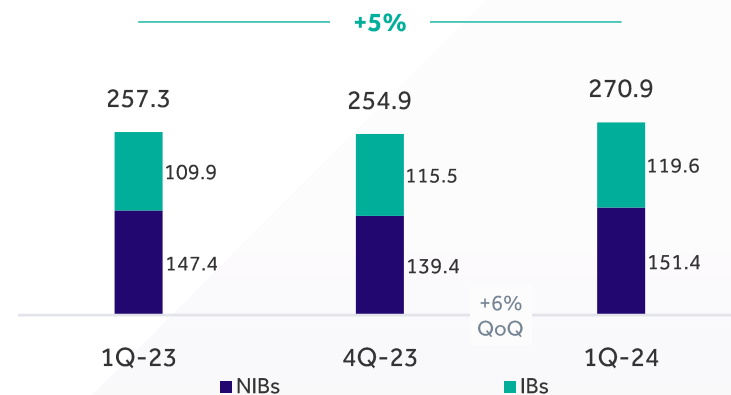
- Customer deposits amounted to SAR 270.9 bn as of 31 March 2024, an increase of 5% YoY.
- Interest bearing deposits increased by 9% YoY during 1Q 2024 driven by the high interest rate environment.
- NIBs share of total deposits increased to reach 55.9% as of 31 March 2024 driven by 3% YoY growth of NIBs.
- Customer deposits grew by 6% QoQ mainly from a growth in both NIBs & IBs.

NIBs % of Total (%)

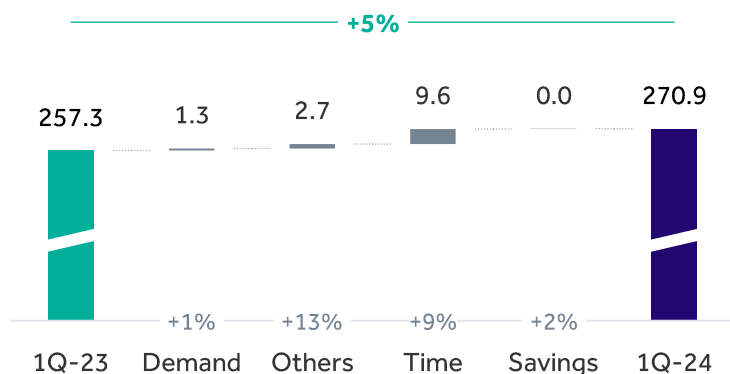
◆ 57.3% ◆ 55.6% ◆ 53.1% ◆ 54.7% ◆ 55.9%

1Q 23 2Q 23 3Q 23 4Q 23 1Q 24

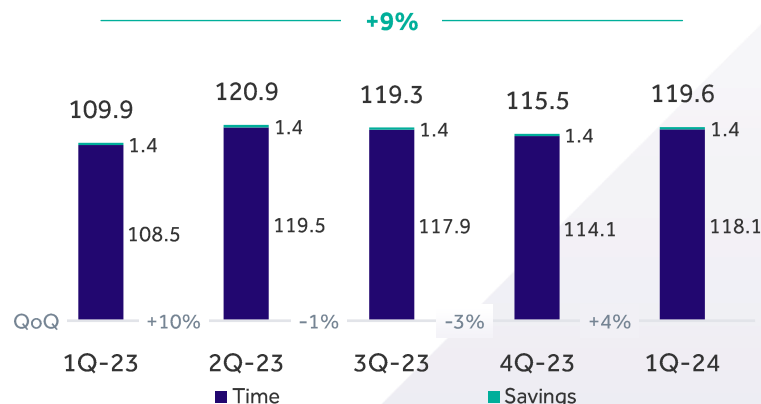
Total Customers' Deposits (SARbn)



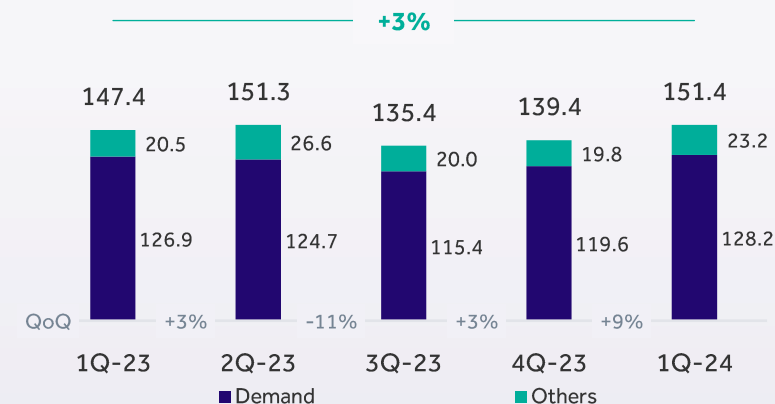
Total Customers' Deposits Movement YoY (SARbn)



Interest Bearing Deposits (SARbn)



Non Interest Bearing Deposits (SARbn)

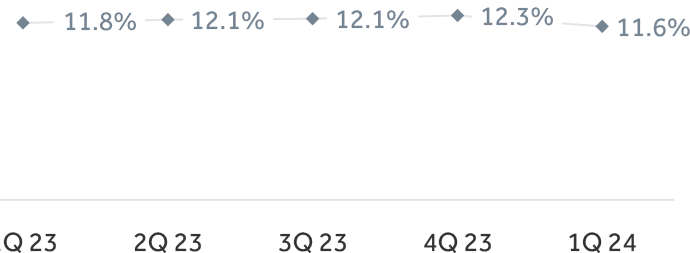




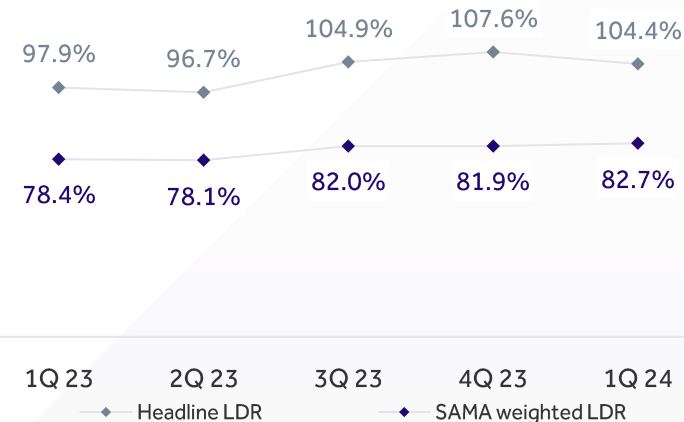
Comfortable liquidity position with LCR of 147.6% and SAMA Weighted LDR of 82.7%

- ◆ LCR and NSFR remain healthy and well above the regulatory requirement standing at 147.6% and 109.6%, respectively as of 31 March 2024.
- ◆ Basel III Leverage ratio stands comfortably at 11.6% in 1Q 2024.
- ◆ Headline loans to deposits ratio improved to 104.4% in 1Q 2024, whereas SAMA weighted LDR slightly increased to 82.7% and remains comfortably below the regulatory requirement.

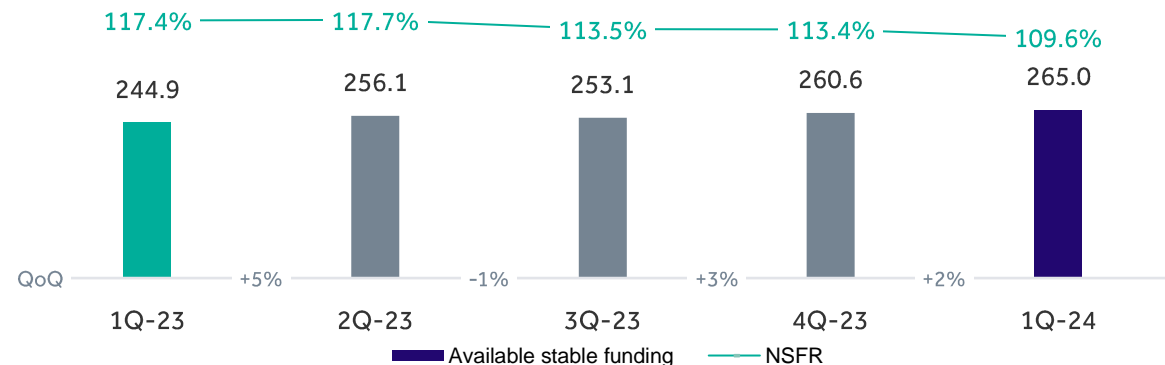
Basel III Leverage Ratio (%)



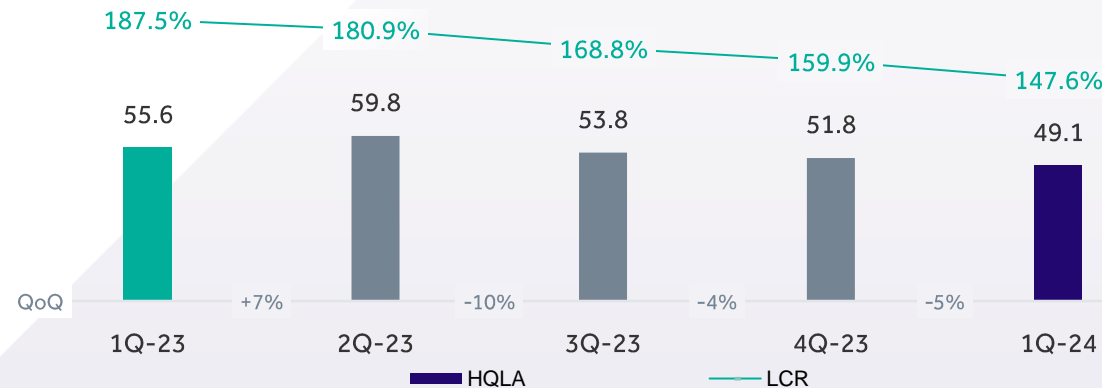
Loans to Deposits Ratios (%)



Available Stable Funding (SARbn,%)



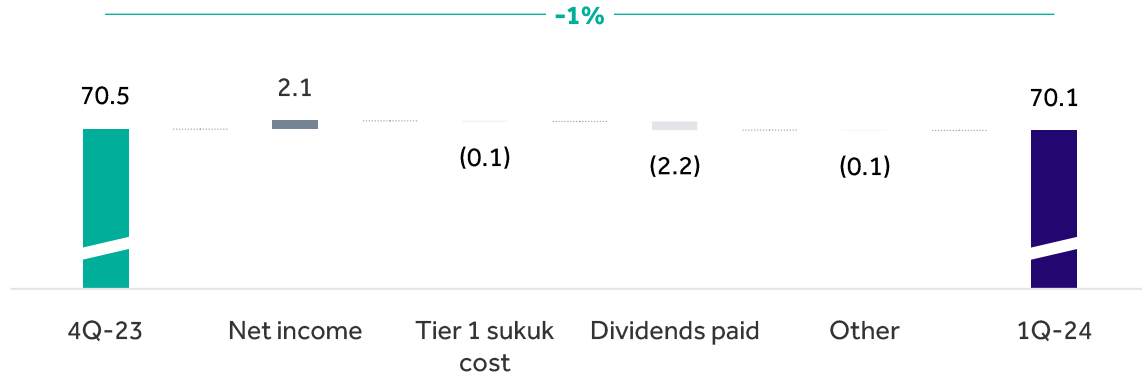
HQLA (SARbn,%)



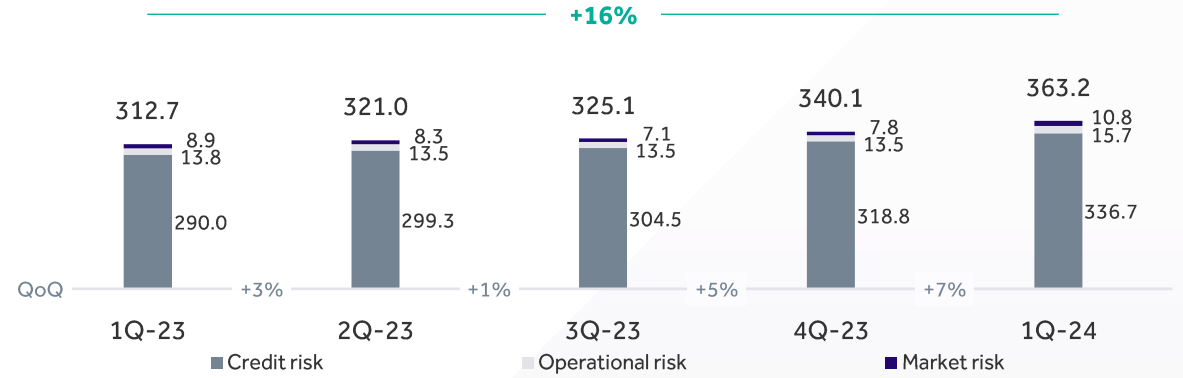


Stable capitalization well above regulatory minima supporting further growth

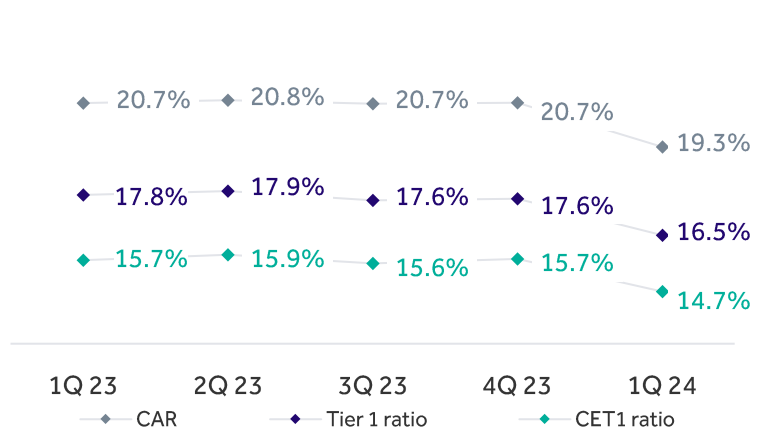
Total Regulatory Capital Movement YTD (SARbn)



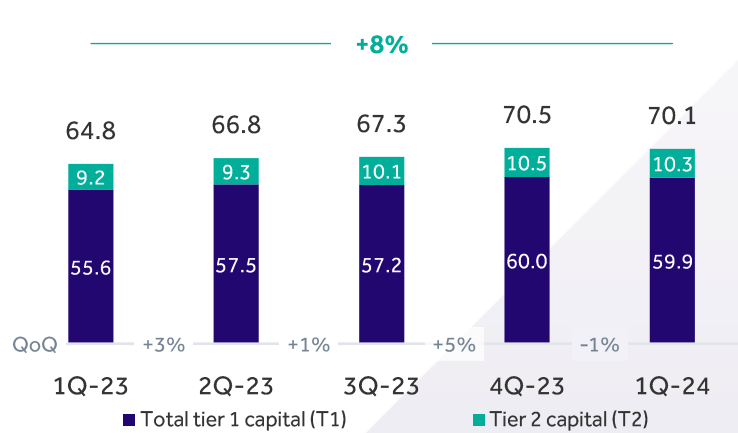
Risk Weighted Assets (SARbn)



Capital Ratios (%)



Total Regulatory Capital (SARbn)



- ◆ All capital ratios remain solid and strong with CET1 ratio of 14.7% and Tier 1 ratio of 16.5% as of 1Q 2024.
- ◆ Total capital adequacy ratio stands at 19.3%.
- ◆ Total regulatory capital increased by 8% YoY during 1Q 2024 to SAR 70.1 bn.
- ◆ Risk weighted assets increased by 16% YoY to SAR 363.2 bn.



Income statement

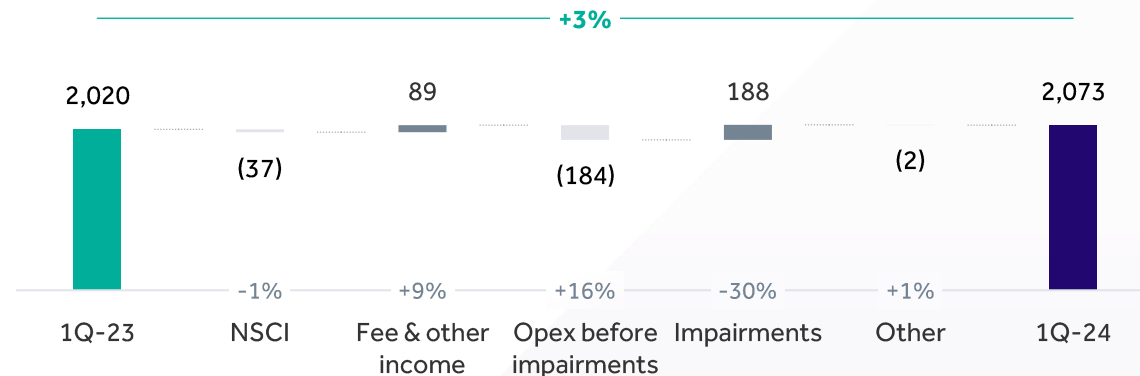




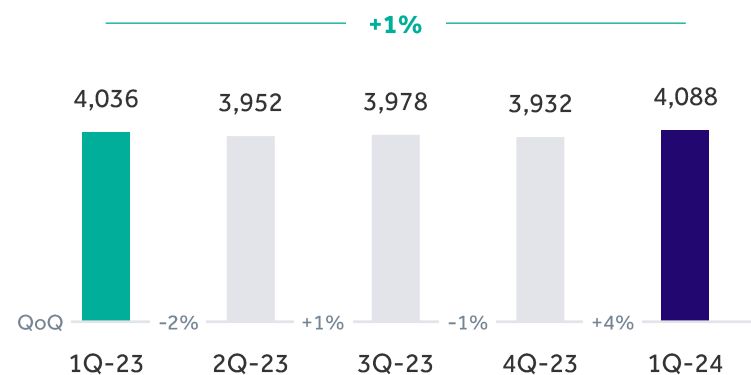
Net income reached SAR 2,073 million for 1Q 2024, a growth of 3% supported by fee & other income, resulting in ROAE after Zakat standing at 15.5%

SAR (mn)	1Q-2024	1Q-2023	YoY % Change
NSCI	3,051	3,088	-1%
Fee & other income	1,037	948	+9%
Total operating income	4,088	4,036	+1%
Expenses before impairments	(1,346)	(1,162)	+16%
Impairments	(437)	(624)	-30%
Net operating income	2,305	2,250	+2%
Associates	6	1	+401%
Net income before zakat	2,311	2,252	+3%
Zakat	(238)	(232)	+3%
Net income	2,073	2,020	+3%
ROAE	15.5%	16.3%	-0.9%

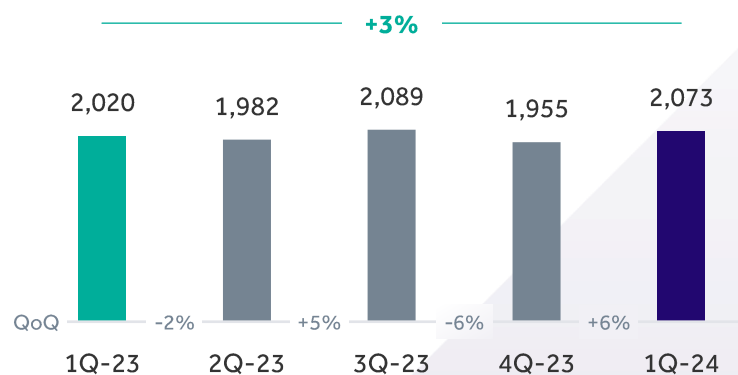
Net Income Movement YoY (SARmn)



Total Operating Income (SARmn)



Net Income (SARmn)



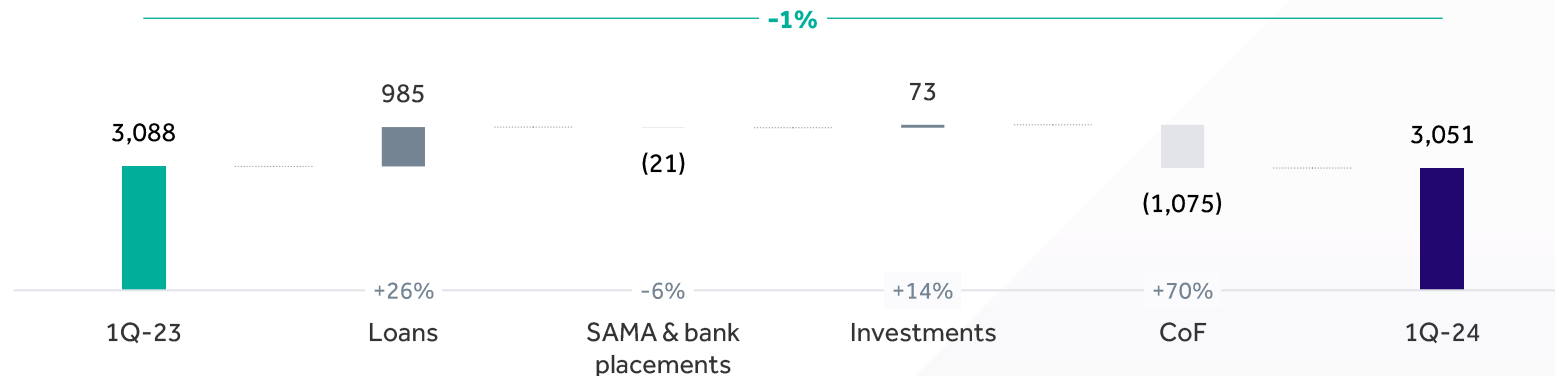
- ◆ Net income (after Zakat) reached SAR 2,073 million for 1Q 2024, an increase of 3% compared with corresponding period of last year.
- ◆ Net income growth comes mainly from rising in fee and other income coupled with 54% YoY decrease in impairment charges which was partially offset by the increase in expenses by 16% YoY.
- ◆ Total operating income amounted to SAR 4,088 million for 1Q 2024, growing by 1% mainly due to an increase in fee and other income.



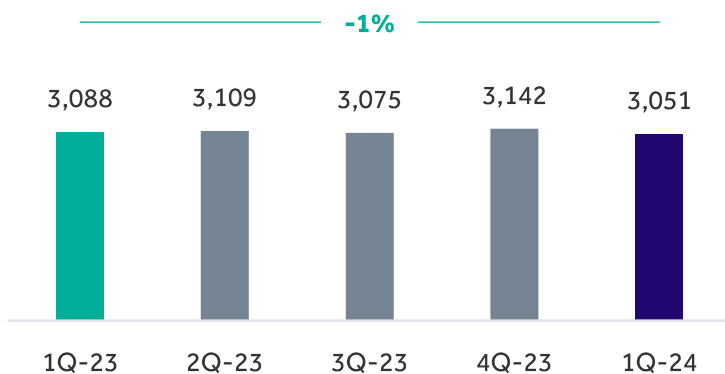
Slight drop in NSCI from shifting deposit mix and higher funding cost

- ◆ Net special commission income amounted to SAR 3,051 million for 1Q 2024, a slight decrease of 1% over the corresponding period in 2023, due to the increase in funding cost.
- ◆ Special commission income increased by 22% YoY in 1Q 2024 driven by rates increase and loan book expansion.
- ◆ Special commission expenses increased 70% YoY in 1Q 2024 due to the high interest rates environment.

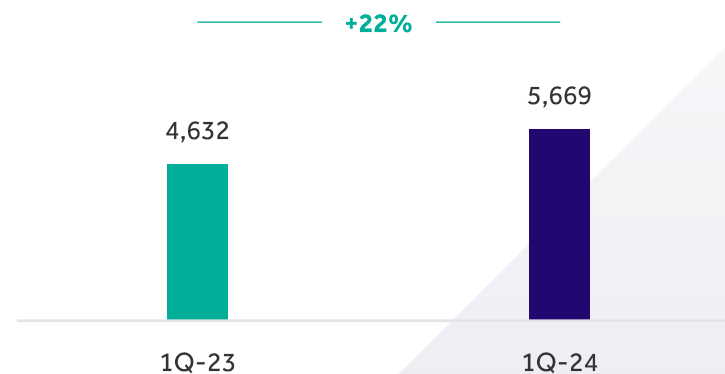
NSCI Movement YoY (SARmn)



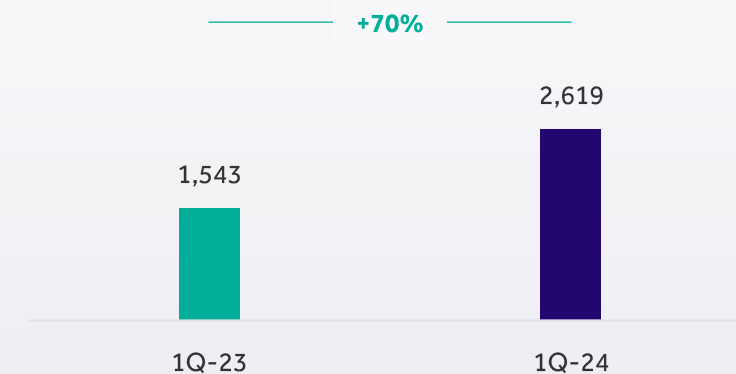
Quarterly NSCI (SARmn)



Special Commission Income (SARmn)



Special Commission Expense (SARmn)

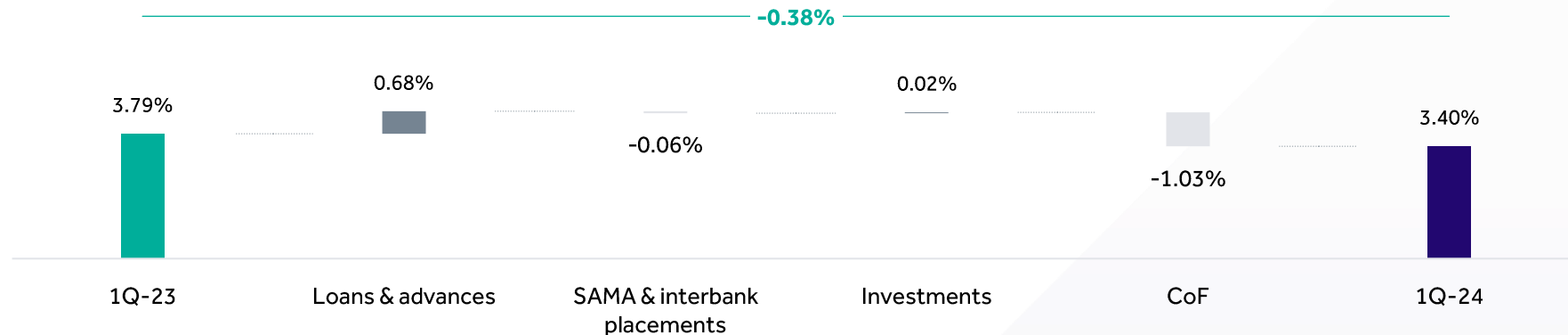




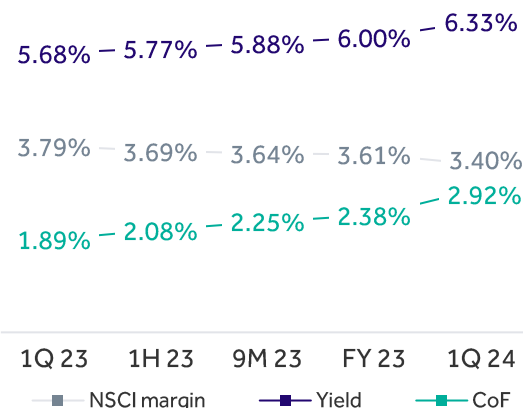
NSCI margin stands at 3.40% for 1Q 2024, a decrease of 38 bps YoY mainly from higher funding cost

- ◆ Net special commission margin dropped by 38bps to 3.40% YoY for 1Q 2024 mainly from the increasing in cost of funds.
- ◆ Quarterly net special commission margin dropped by around 15bps QoQ.
- ◆ Average earning assets increased by 9% YoY to SAR 359.5 bn for 1Q 2024.
- ◆ Average bearing liabilities increased by 11% YoY to 311.1 bn for 1Q 2024

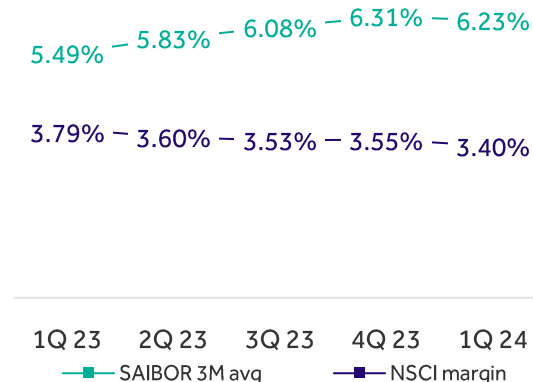
NSCI Margin Movement YoY (%)



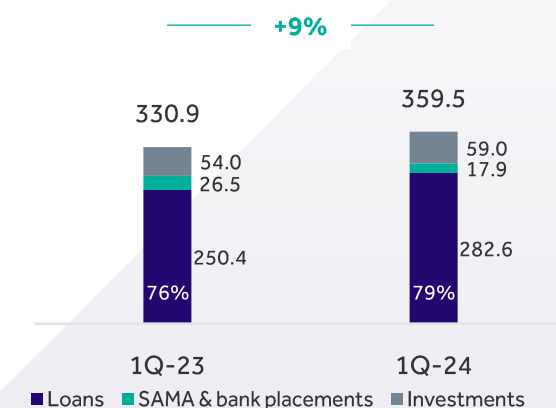
YTD NSCI margin (%)



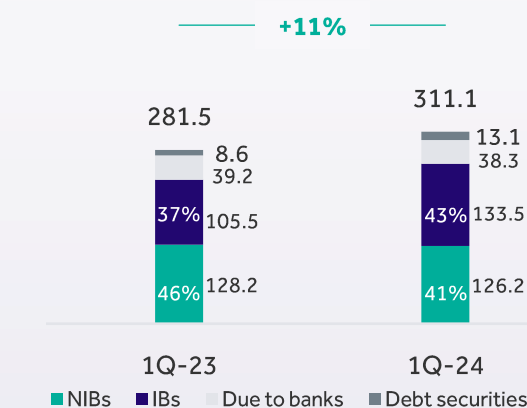
Quarterly NSCI Margin and SAIBOR Trend (%)



Average Earning Assets (SARbn)



Average Bearing Liabilities (SARbn)





Neutral 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 muted on the net special commission margin as of 31 December 2023.
- ◆ The impact of 25bps rate increase/decrease is assessed to be SAR +5.8 mn/-7.7mn on the net special commission income as of 31 December 2023.
- ◆ 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

+5.8 SAR mn

Impact of +25bp rate change on NSCI margin

▲ 25bps

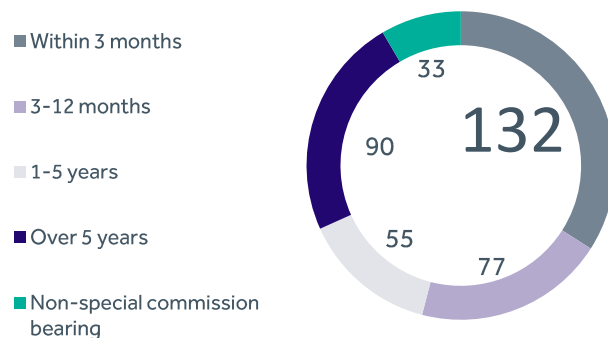
+0.00%

Special commission rate risk exposure

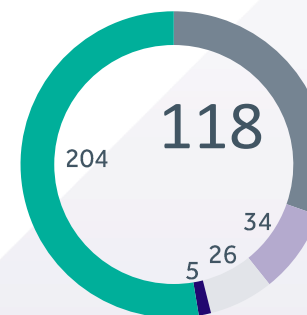
By duration

4Q-23

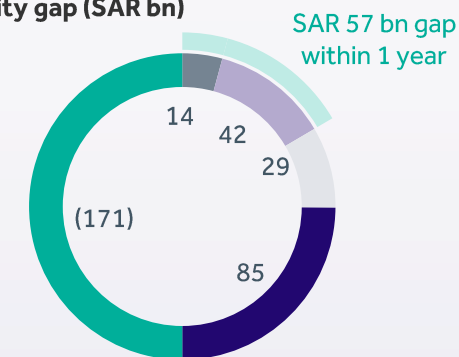
Assets (SARbn)



Liabilities and Equity (SAR bn)



Total special commission rate sensitivity gap (SAR bn)

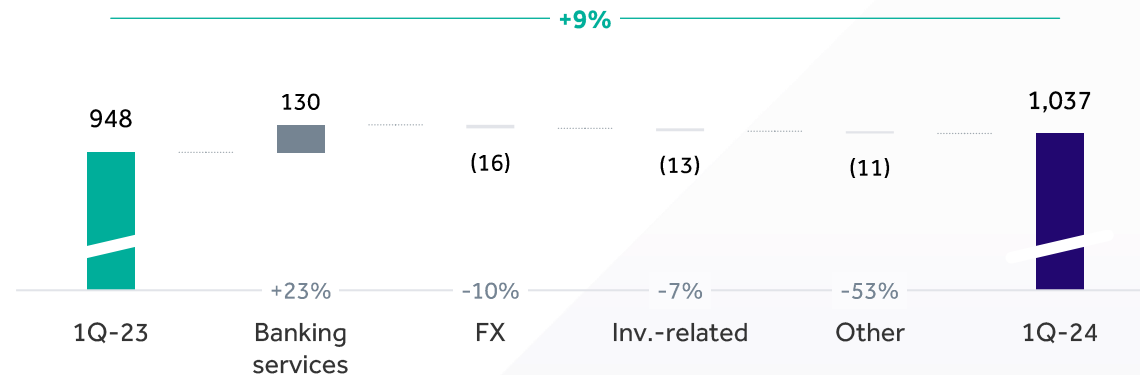




Fee & other income witnessed a strong growth driven by higher fees from banking services

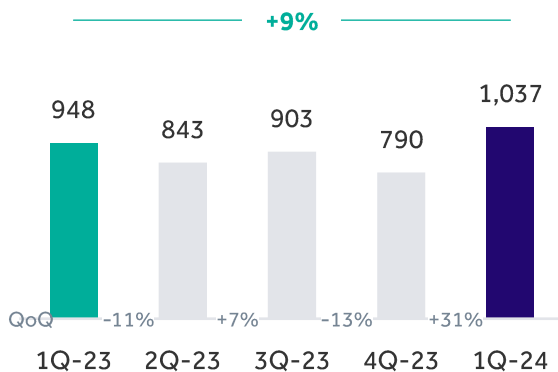
SAR (mn)	1Q-2024	1Q-2023	YoY % Change
Fee income from banking services	1,066	837	+27%
Fee expenses from banking services	(363)	(264)	+38%
Banking services	703	574	+23%
Exchange income, net	155	171	-10%
Investment-related income	169	182	-7%
Other operating income	10	21	-53%
Fee and other income	1,037	948	+9%

Fee & Other Income Movement YoY (SARmn)

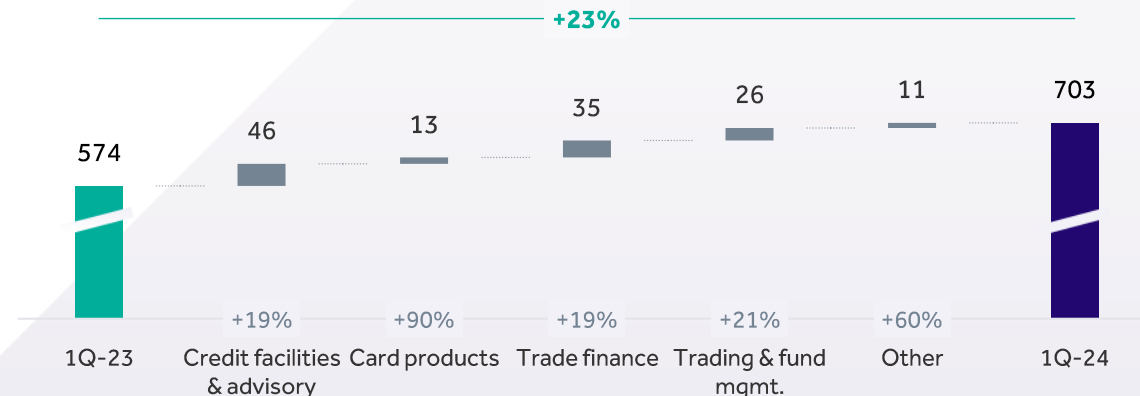


- ♦ Fee & other income increased by 9% YoY during 1Q 2024 mainly driven by banking services.
- ♦ Fee income from banking services increased by 23% YoY with increase of fees from credit facilities, advisory, and trade finance, and trading & fund management.
- ♦ Quarterly fee & other income jumped by 31% QoQ to reached SAR 1,037 million in 1Q 2024 compared with the SAR 790 million in the previous quarter.

Quarterly Fee & Other Income (SARmn)



Fee Income from Banking Services Movement YoY (SARmn)

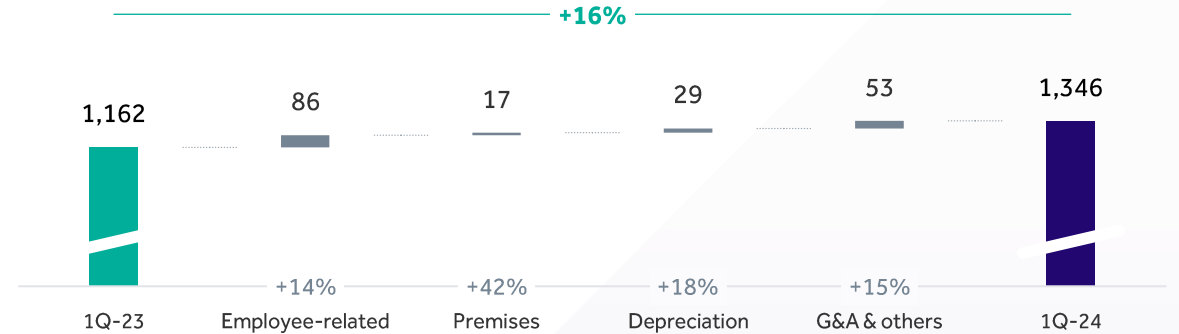




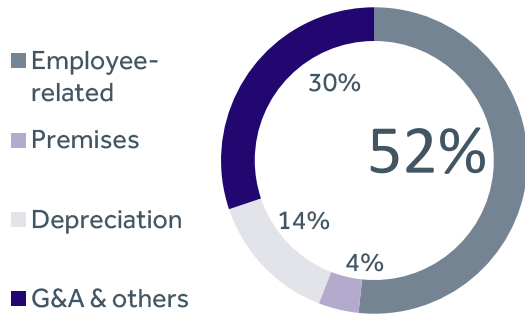
Ongoing investments in infrastructure, digital capabilities, and strategic initiatives resulted in a higher cost to income ratio

- Operating expenses before impairments increased by 16% to SAR 1,346 million during 1Q 2024 from higher employee-related costs as well as depreciation and other costs.
- Quarterly operating expenses before impairments increased by 6% in comparison to 4Q 2023.
- As a result, cost to income ratio increased to 32.9% for 1Q 2024.
- Cost to average earning assets ratio increased by 10bps YoY to 1.50% during 1Q 2024.

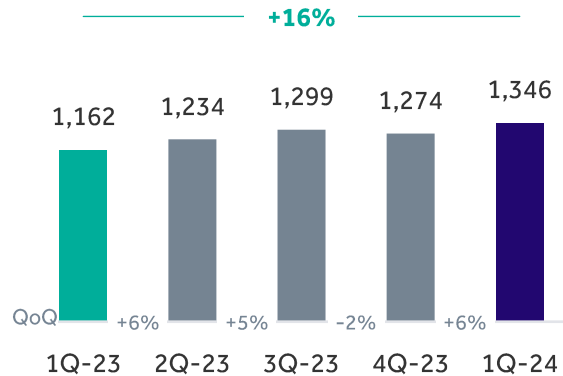
Expenses before Impairments Movement YoY (SARmn)



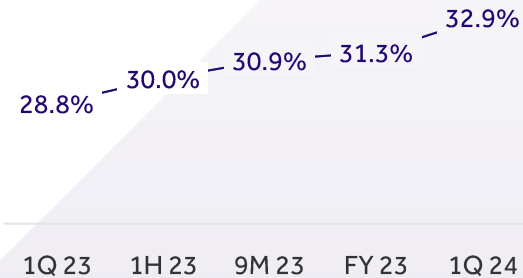
Expenses before Impairments Composition, 1Q-24 (%)



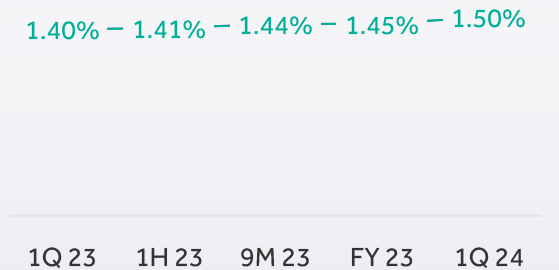
Expenses before Impairments (SARmn)



Cost to Income Ratio (%)



Cost to AIEA Ratio* (%)

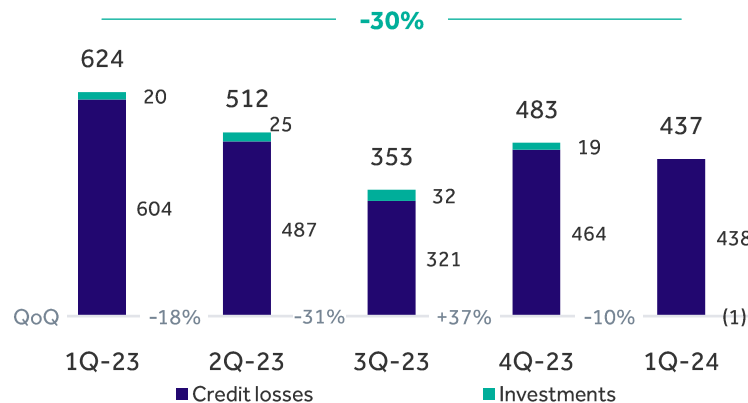




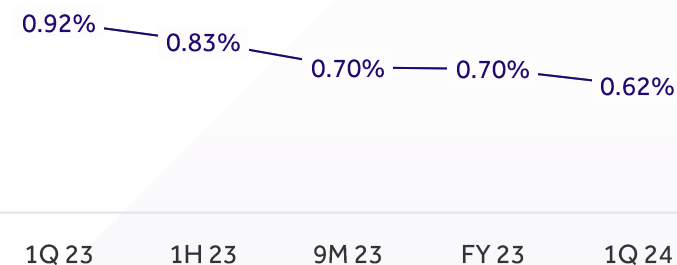
Cost of risk improved from proactive risk management and better asset quality

- ◆ Impairment charges dropped by 30% YoY to SAR 437mn for 1Q 2024 driven by lower charges and strong recoveries.
- ◆ Quarterly impairment charges decreased by 10% QoQ in 1Q 2024.
- ◆ Commercial impairment charges decreased by 25% YoY, as well as consumer impairment charges decreased by 35% YoY.
- ◆ Cost of risk improved by 31bps YoY to 0.62% for 1Q 2024.

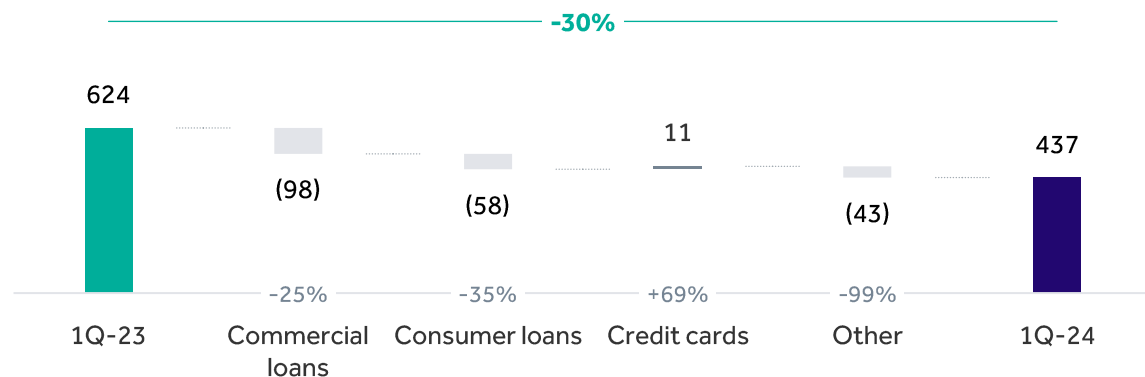
Impairments (SARmn)



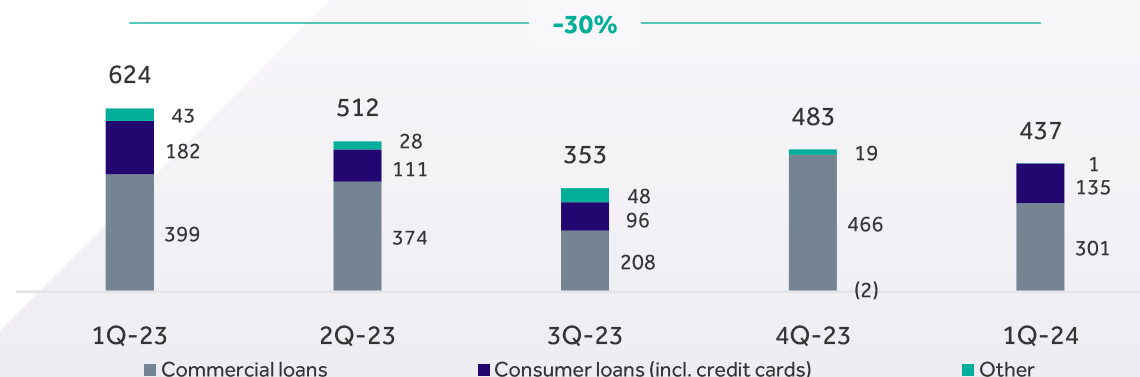
Cost of Risk* (%)



Impairments Movement YoY (SARmn)



Impairments by Source (SARmn)





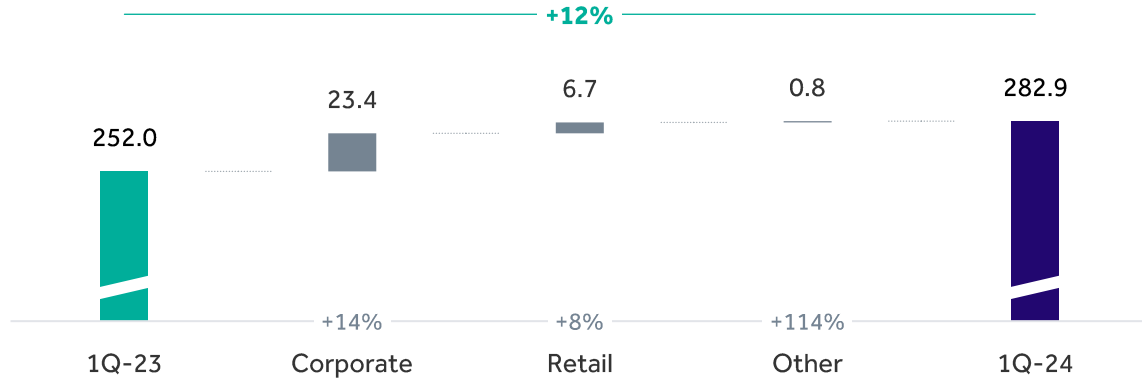
Segment Performance



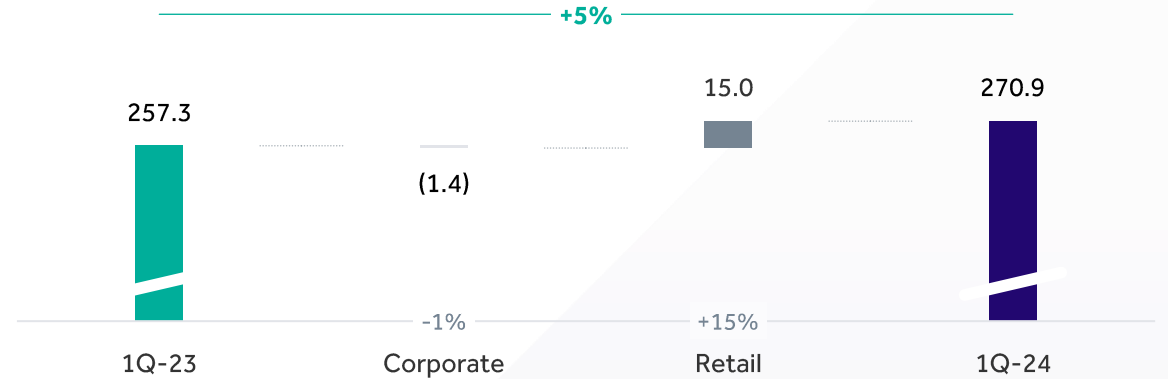


Corporate and Riyadh Capital were the main drivers for the growth in net income for the period

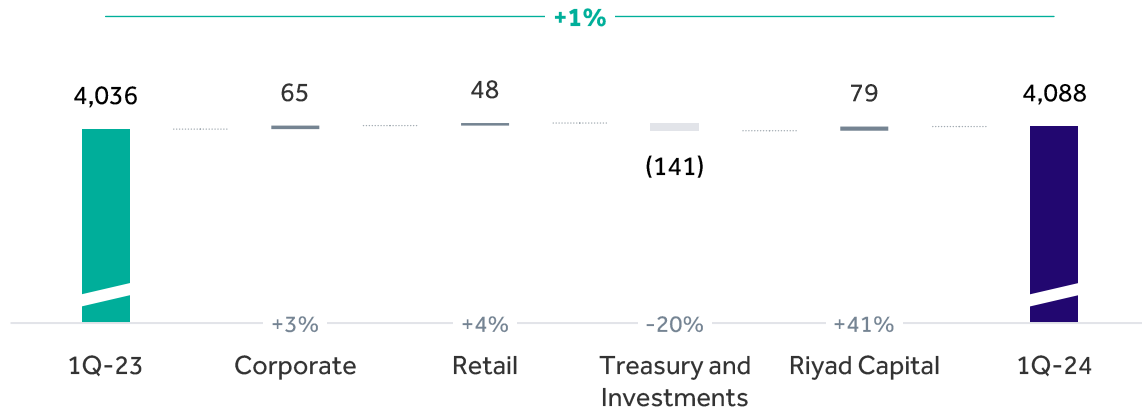
Net Loans & Advances Movement YoY (SARbn)



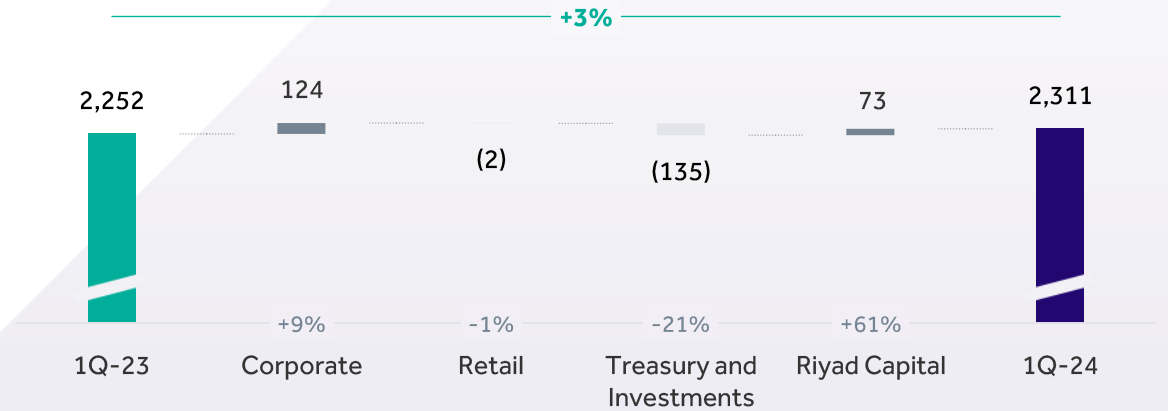
Deposits Movement YoY (SARbn)



Total Operating Income Movement YoY (SARmn)



Net Income before Zakat Movement YoY (SARmn)





Corporate segment accounts for 52% of total operating income translating into 62% share in net income before Zakat

Segment	Operating Income 1Q-24	Expenses* 1Q-24	Impairments 1Q-24	Net Income** 1Q-24
Corporate 	+3% YoY SAR Million 2,123	+17% YoY SAR Million 381	-28% YoY SAR Million 302	+9% YoY SAR Million 1,441
Retail 	+4% YoY SAR Million 1,139	+14% YoY SAR Million 820	-27% YoY SAR Million 135	-1% YoY SAR Million 184
Treasury and Investments 	-20% YoY SAR Million 554	+46% YoY SAR Million 65	-100% YoY SAR Million 0	-21% YoY SAR Million 494
Riyad Capital 	+41% YoY SAR Million 272	+8% YoY SAR Million 79	+156% YoY SAR Billion 66.5	+61% YoY SAR Million 193

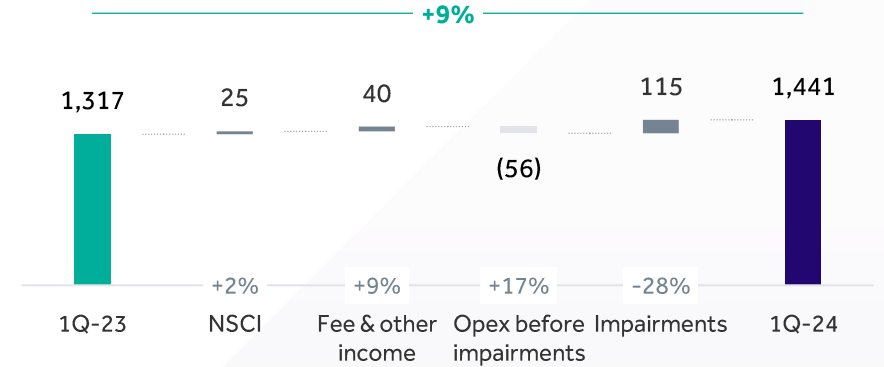


Corporate profitability sustained by the growth in fee and other income, partly offset by the increase in operating expenses

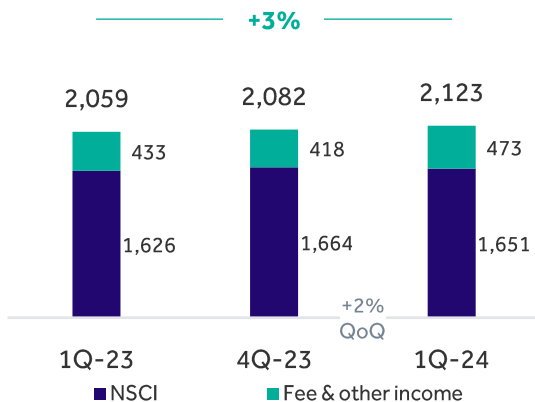
- Net income before zakat of the Corporate segment increased by 9% YoY to SAR 1,441mn for 1Q 2024 mainly due to higher fee and other income and lower provisions, partly offset by the increase in and operating expenses.
- Fee and other income grew by 9% YoY for 1Q 2024 to SAR 473mn driving total operating income increased by 3% YoY to SAR 2,123mn.

SAR (mn)	1Q-2024	1Q-2023	YoY % Change
NSCI	1,651	1,626	+2%
Fee & other income	473	433	+9%
Total operating income	2,123	2,059	+3%
Opex before impairments	(381)	(325)	+17%
Impairments	(302)	(417)	-28%
Net income before zakat	1,441	1,317	+9%

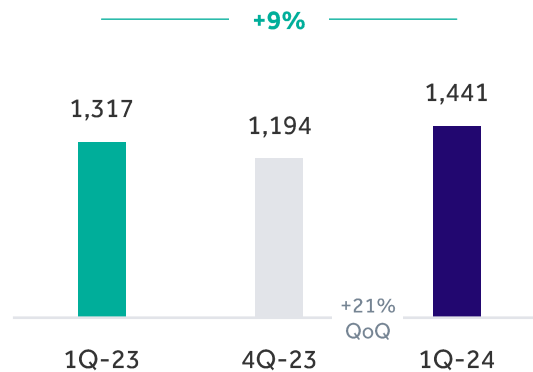
Net Income Before Zakat Movement YoY (SARmn)



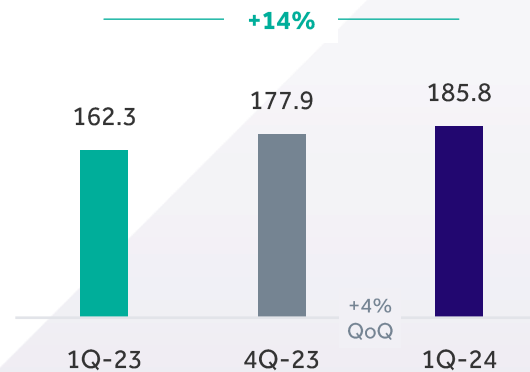
Total Operating Income (SARmn)



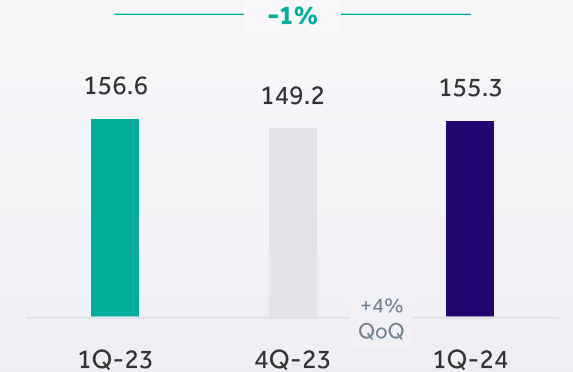
Net Income Before Zakat (SARmn)



Loans & Advances, Net (SARbn)



Deposits (SARbn)



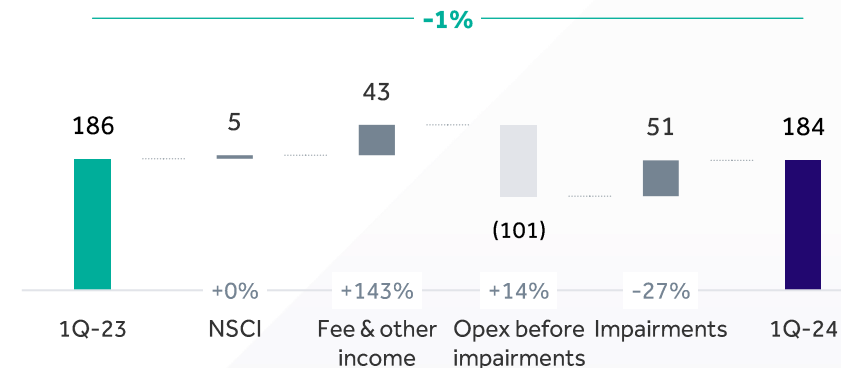


Retail net income declined by 1% YoY, mainly impacted by higher operating expenses

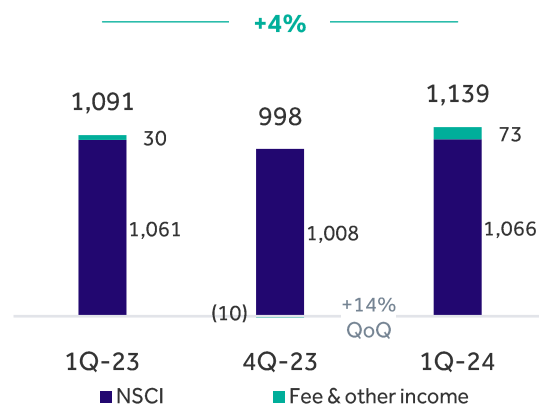
- Net income before zakat of the Retail segment declined by 1% to SAR 184mn for 1Q 2024 mainly due to increase in operating expenses.
- Fee and other income for 1Q 2024 jumped by 143% YoY to SAR 73mn, mainly due to higher fee from banking services.
- Total operating income increased by 4% YoY for 1Q 2024 to reach SAR 1,139mn.

SAR (mn)	1Q-2024	1Q-2023	YoY % Change
NSCI	1,066	1,061	+0%
Fee & other income	73	30	+143%
Total operating income	1,139	1,091	+4%
Opex before impairments	(820)	(719)	+14%
Impairments	(135)	(185)	-27%
Net income before zakat	184	186	-1%

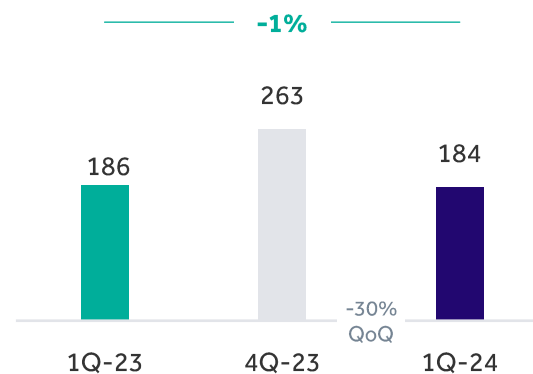
Net Income Before Zakat Movement YoY (SARmn)



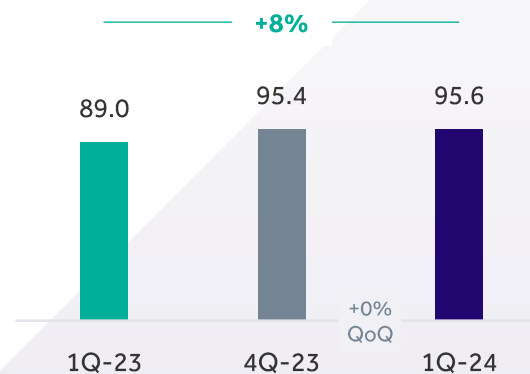
Total Operating Income (SARmn)



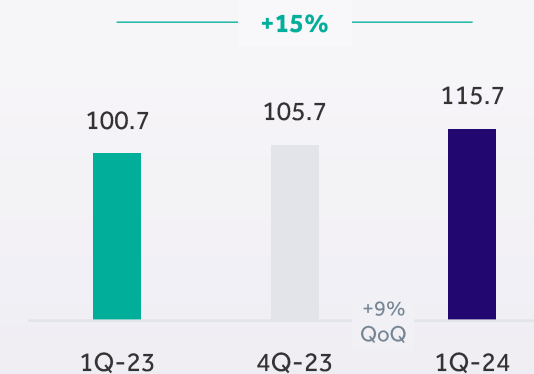
Net Income Before Zakat (SARmn)



Loans & Advances, Net (SARbn)



Deposits (SARbn)



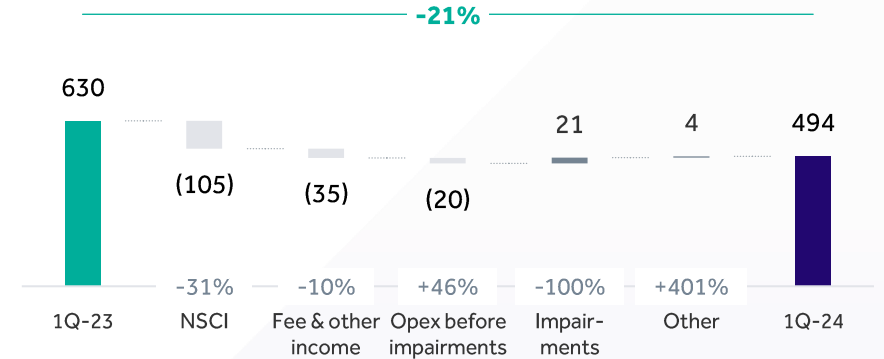


Treasury and Investments net income before Zakat declined by 40% YoY due to lower net special commission income

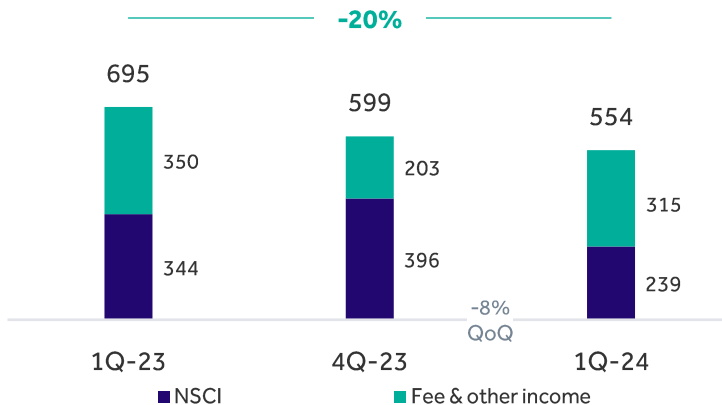
- Net income before zakat of the Treasury and Investments segment declined by 21% YoY to SAR 494mn for 1Q 2024 due to decrease in net special commission income.
- Net special commission income for 1Q 2024 decreased by 31% YoY to SAR 239mn.

SAR (mn)	1Q-2024	1Q-2023	YoY % Change
NSCI	239	344	-31%
Fee & other income	315	350	-10%
Total operating income	554	695	-20%
Opex before impairments	(65)	(45)	+46%
Impairments	(0)	(22)	-100%
Associates	6	1	+401%
Net income before zakat	494	630	-21%

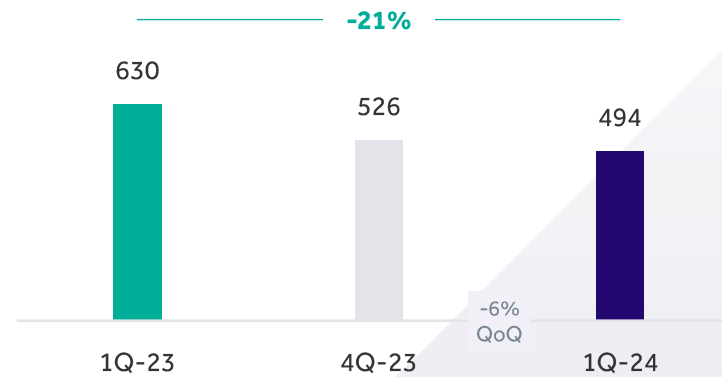
Net Income Before Zakat Movement YoY (SARmn)



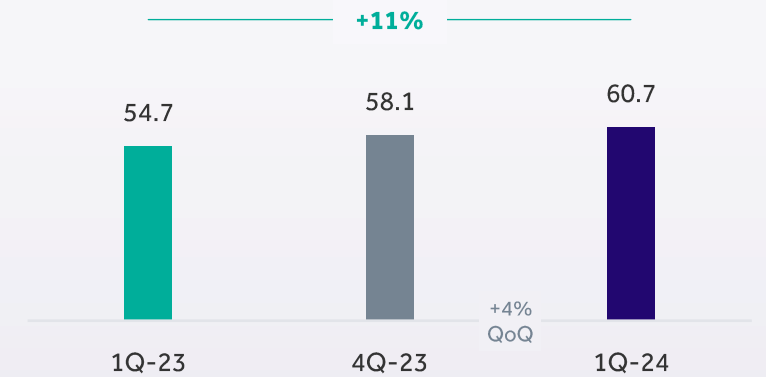
Total Operating Income (SARmn)



Net Income Before Zakat (SARmn)



Investments, Net (SARbn)



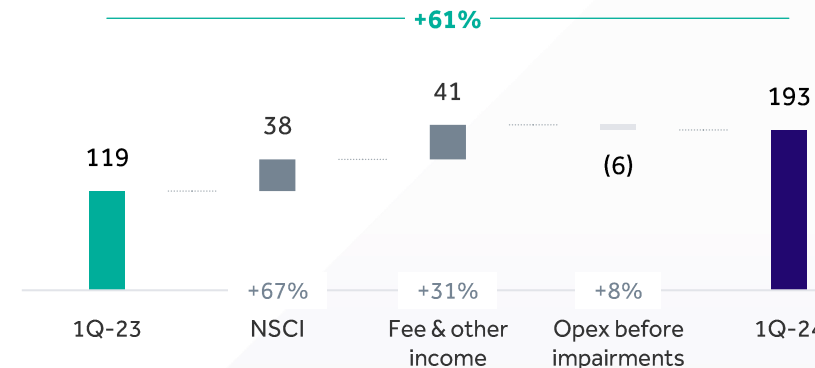


Strong growth in fee & other income as well as NSCI resulted in 61% increase in net income before zakat for Riyad Capital

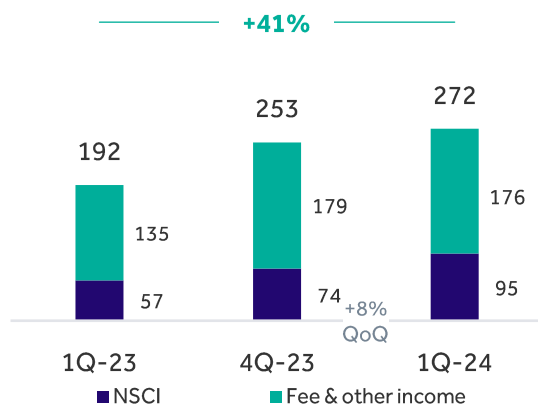
- ◆ Net income before zakat of Riyad Capital increased by 61% to SAR 193mn for 1Q 2024, mainly due to higher NSCI and fee & other income.
- ◆ Net special commission income for 1Q 2024 increased by 67% YoY to SAR 95mn compared to SAR 57mn for the same period last year.

SAR (mn)	1Q-2024	1Q-2023	YoY % Change
NSCI	95	57	+67%
Fee & other income	176	135	+31%
Total operating income	272	192	+41%
Opex before impairments	(79)	(73)	+8%
Net income before zakat	193	119	+61%

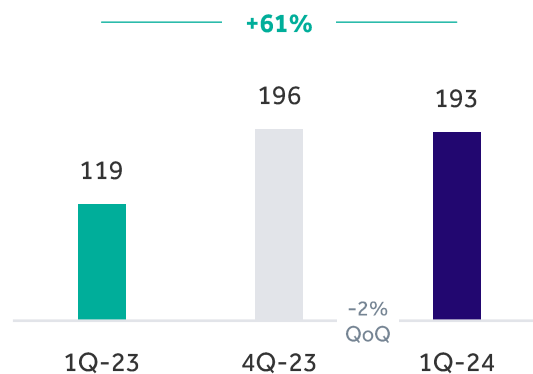
Net Income Before Zakat Movement YoY (SARmn)



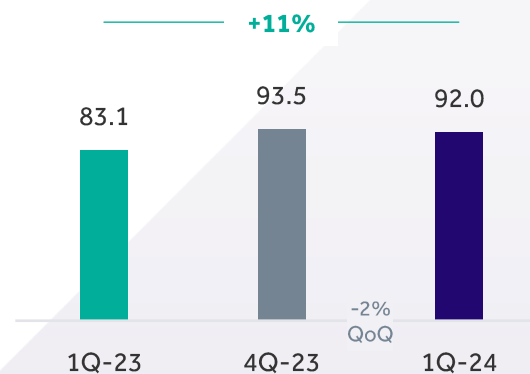
Total Operating Income (SARmn)



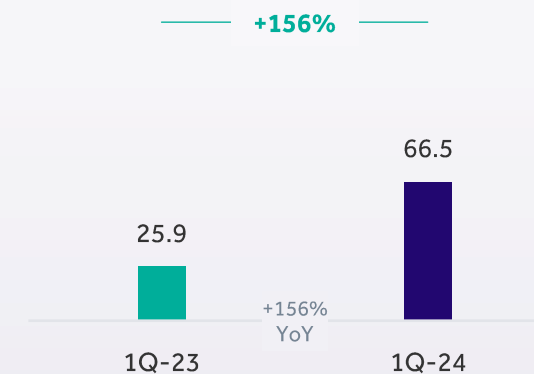
Net Income Before Zakat (SARmn)



Total AUM (SARbn)



Brokerage Value Traded (SARbn)





Outlook & Guidance



With all KPIs within expectations



Guidance Metric	FY 2023	Previous Guidance	1Q 2024	Revised Guidance	Drivers
Loans, Net	SAR 274 bn (13% YoY)	High Single to Low Double Digit	SAR 283 bn (+12% YoY)	High Single to Low Double Digit	Healthy credit demand mainly coming from corporate and SMEs driven by positive economic activities
NSCI Margin	3.61%	-10bps to -15bps	3.40% (-21bps YTD)	-10bps to -20bps	Assets repricing along with balance sheet optimization and cost of fund management will improve margins to land within guidance
Cost to Income	31.3%	Below 32%	32.9%	Below 32%	Investments will continue in digitization, systems and people to achieve our strategic aspirations
Cost of Credit Risk	0.70%	65bps - 75bps	0.62%	65bps - 75bps	Proactive risk management to support asset quality and improve coverage
CET1	15.7%	Above 15%	14.7%	Above 15%	Strong capitalization and efficient capital management supported by internal capital generation
ROAE after Zakat	15.6%	Above 15%	15.5%	Above 15%	Maintain healthy ROAE driven by top line growth and efficiencies



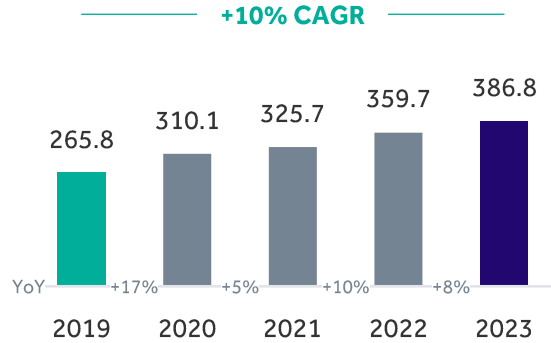
Historical Performance



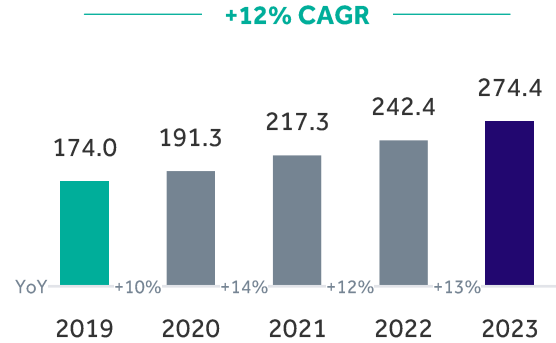


Balance sheet 5-year Summary

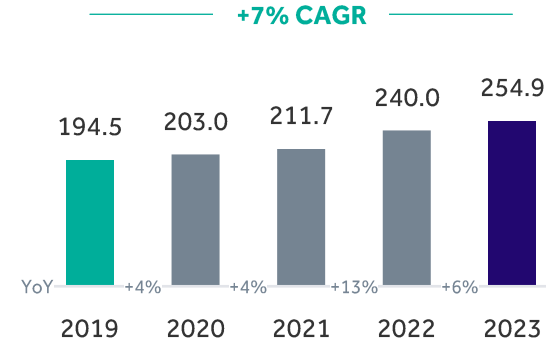
Total Assets (SARbn)



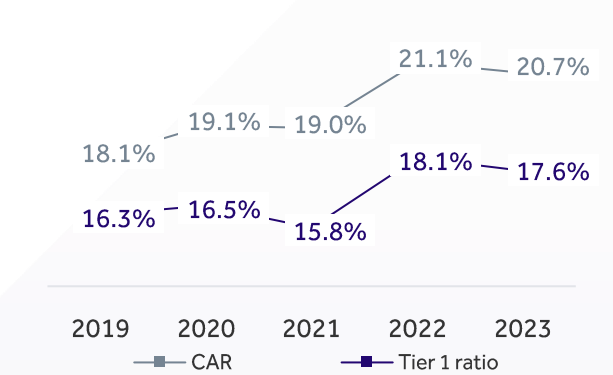
Loans & Advances, Net (SARbn)



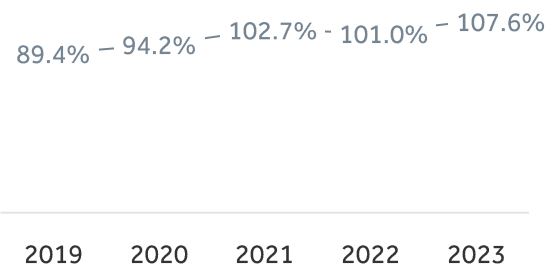
Deposits (SARbn)



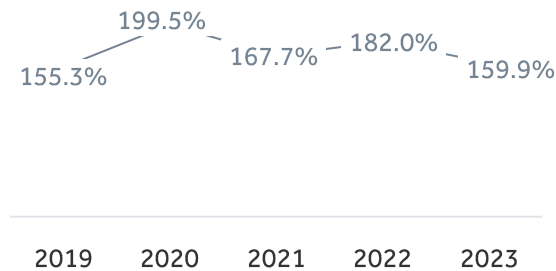
Capital Ratios (%)



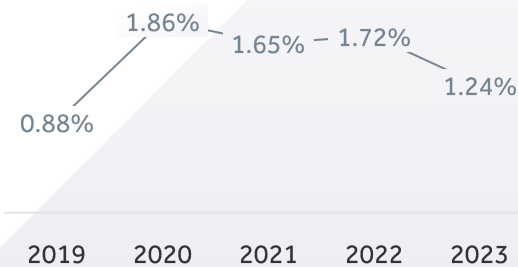
Headline LDR (%)



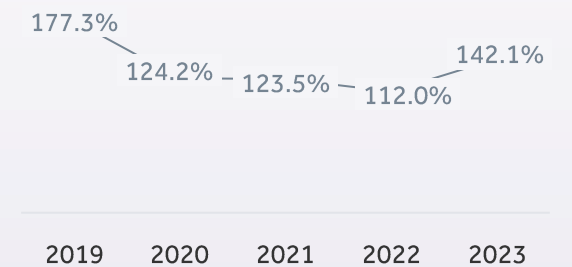
LCR (%)



NPL Ratio (%)



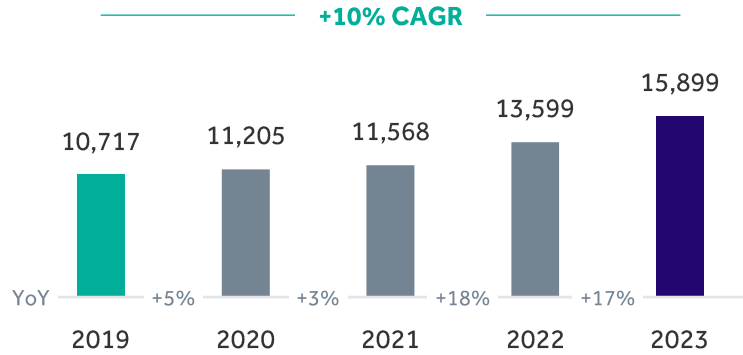
NPL Coverage Ratio (%)



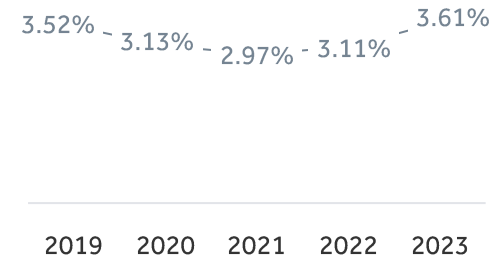


Income Statement 5-year Summary

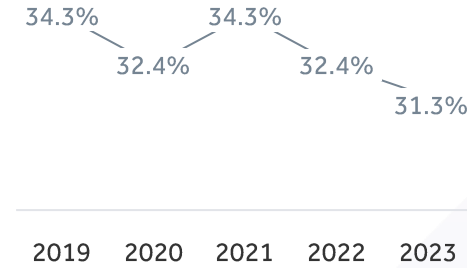
Total Operating Income (SARmn)



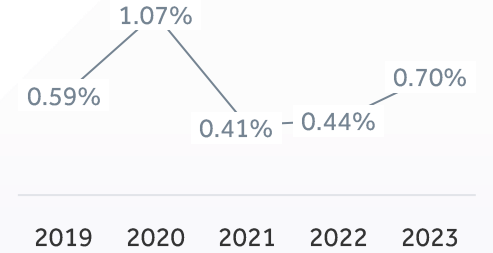
NSCI Margin (%)



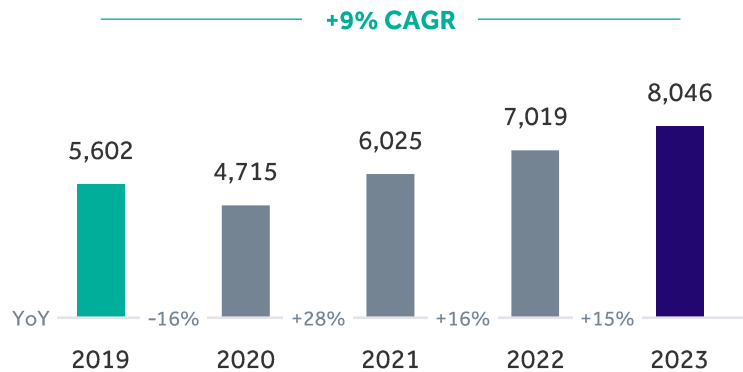
Cost to Income Ratio (%)



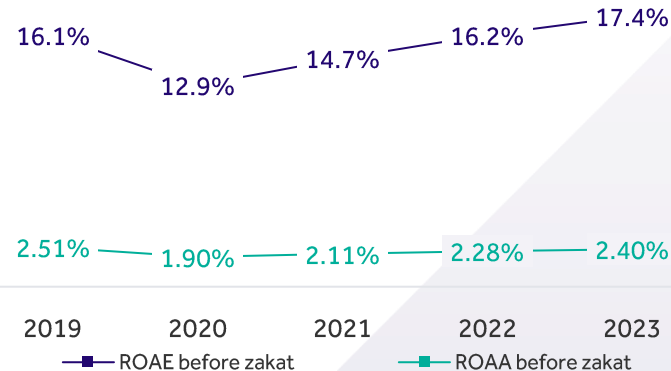
Cost of Risk* (%)



Net Income (SARmn)



ROAE, ROAA Before Zakat (%)



ROAE, ROAA (%)





- **Appendix**





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Visit our website for more information and to access our disclosures

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1Q 2024 Financials



2023 Annual Report

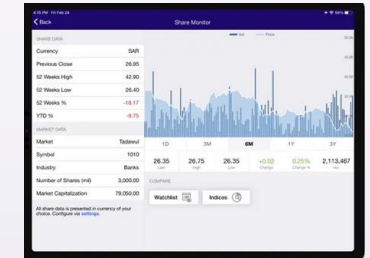


ESG 2022 Report

Riyad Bank Head Office ([Link](#))



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