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# Investor Presentation

## FY 2024



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- **Riyad Bank Profile**





# Riyad Bank is the third largest bank in Saudi Arabia

## Our Mission:

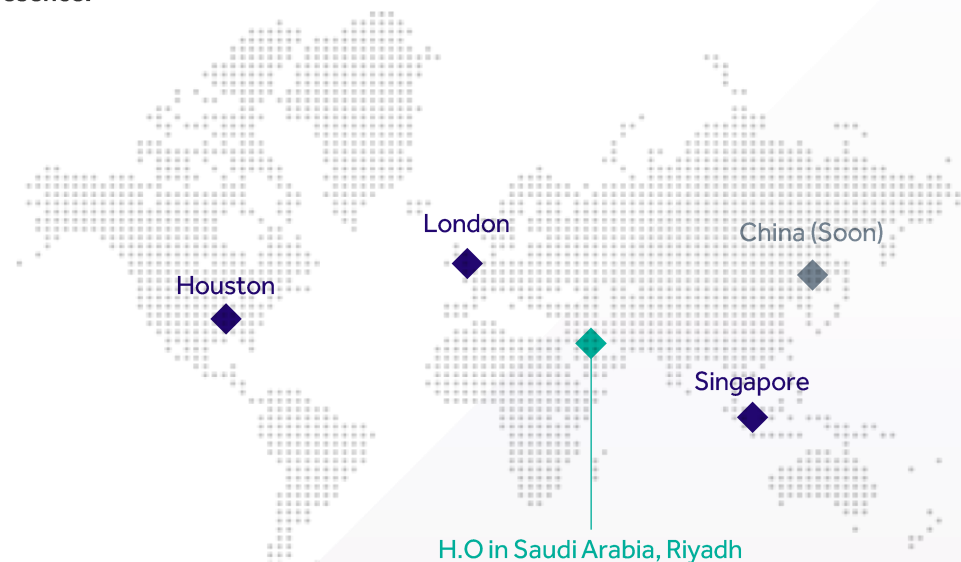
To be the most innovative & trusted financial solutions partner

## Our Employees:

Employees\* **7,588**

Female Employees\* **29%**

## Our Presence:



## FY 2024 Key Metrics

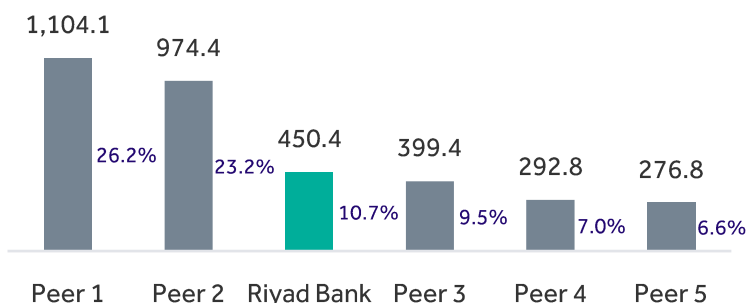
Assets	Operating Income	Cost to Income Ratio
SAR bn <b>450</b>	4Q: 4.7 FY: 17.3	<b>30.6%</b>
Loans, Net	Pre-Impairment Operating Income	Cost of Risk**
SAR bn <b>320</b>	4Q: 3.2 FY: 12.0	<b>0.53%</b>
Deposits	Net Income	T1 Capital
SAR bn <b>306</b>	4Q: 2.3 FY: 9.3	<b>16.4%</b>
SAMA LDR Ratio	LCR	NSFR
<b>84.3%</b>	<b>145.0%</b>	<b>107.0%</b>

Rating	LT	ST	Outlook	Branches (Licensed)
S&P Global Ratings	A-	A-2	<b>Positive</b>	<b>333</b>
Fitch Ratings	A-	F2	<b>Stable</b>	<b>1,796</b>
Moody's	A1	P-1	<b>Stable</b>	<b>254,260</b>
				<b>ATMs</b>
				<b>PoS</b>

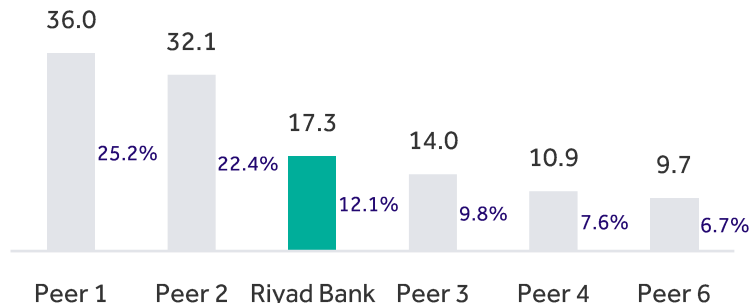


# Riyad Bank is consistently in the top 3 KSA banks across a range of metrics

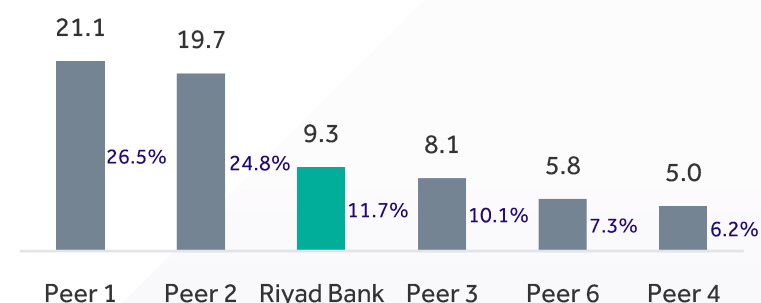
2024 Total Assets (SARbn) & Market Share (%)



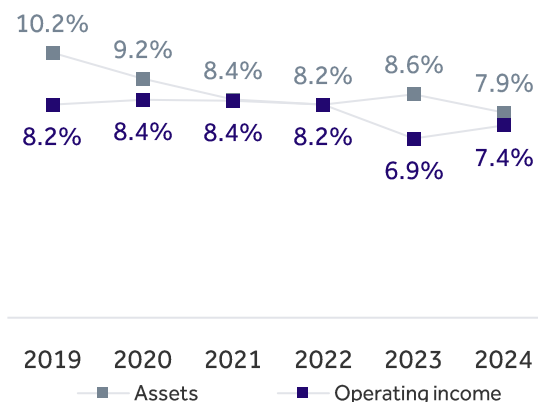
2024 Oper. Income (SARbn) & Market Share (%)



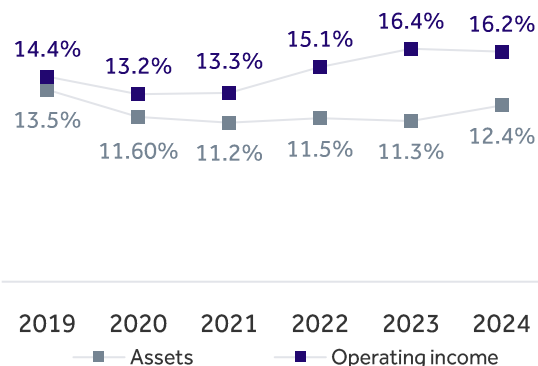
2024 Net Income (SARbn) & Market Share (%)



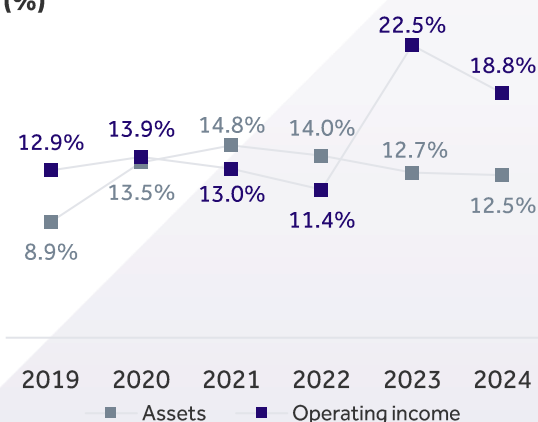
Retail Banking Market Share (%)



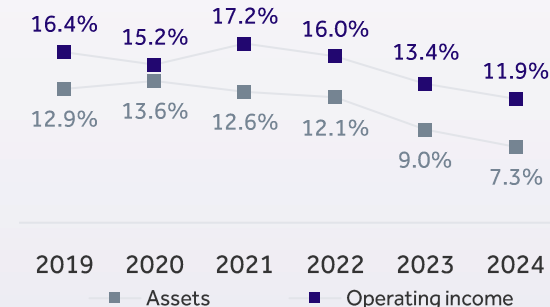
Corporate Banking Market Share (%)



Treasury & Investment Market Share (%)



IB & Brokerage Market Share (%)





# Riyad Bank is a liquid stock with strong domestic ownership

## Market Capitalization

31 Dec 2024



0.4% YoY

SAR Billion

85.658

## 52-week Trading Range (SAR)

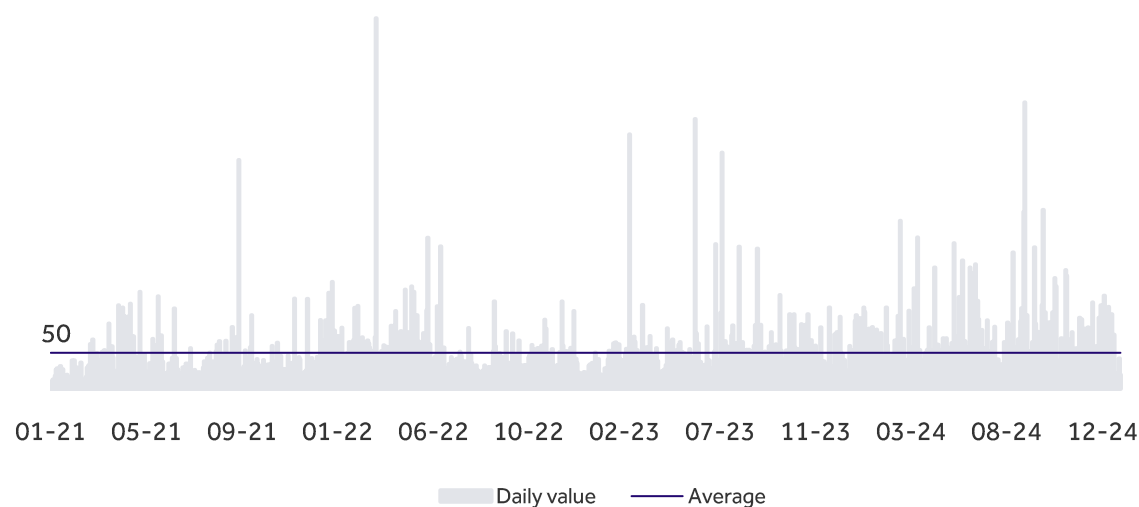
31 Dec 2024

24.24 – 31.25

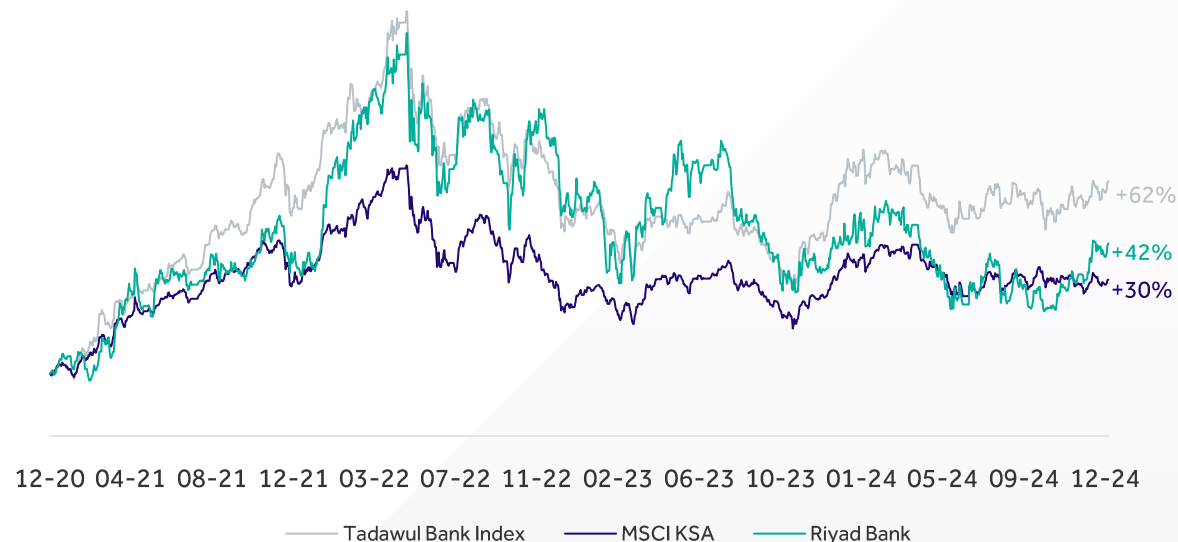
## Valuation Metrics



## Riyad Bank Daily Share Trading Value (SAR millions)



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



## Shareholder Origin (%)





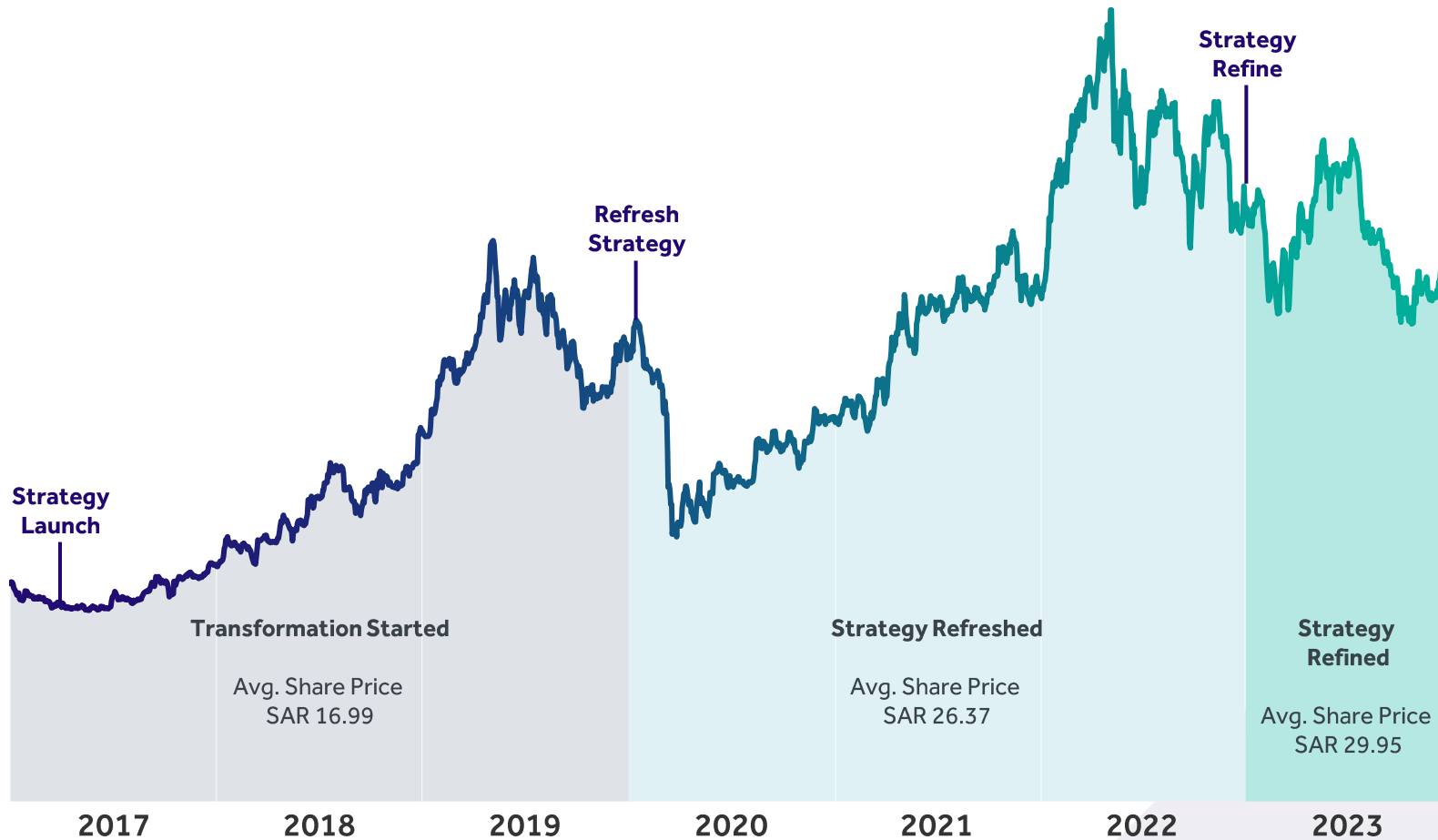
- **Strategy**





# 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

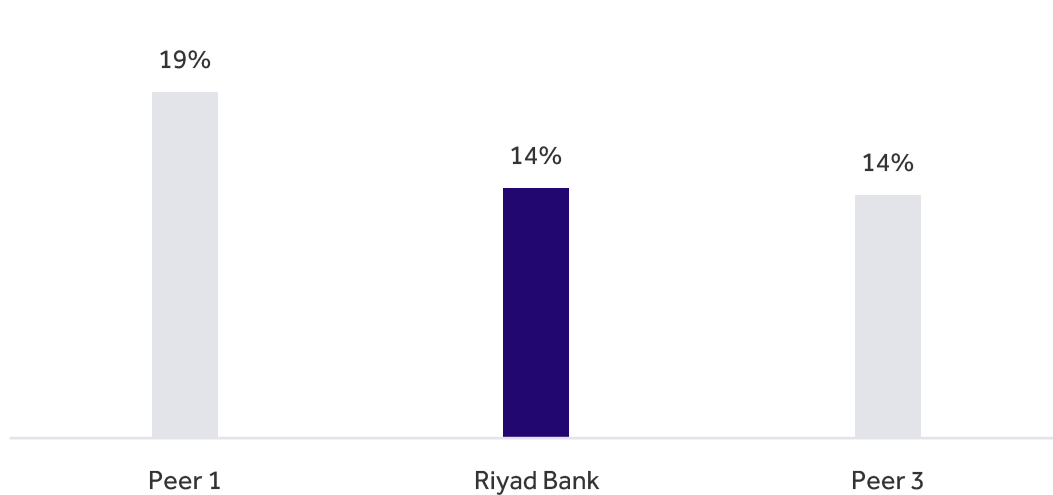
## Corporate Banking Market Share\*

Riyad Bank is #2  
in KSA Corporate Banking

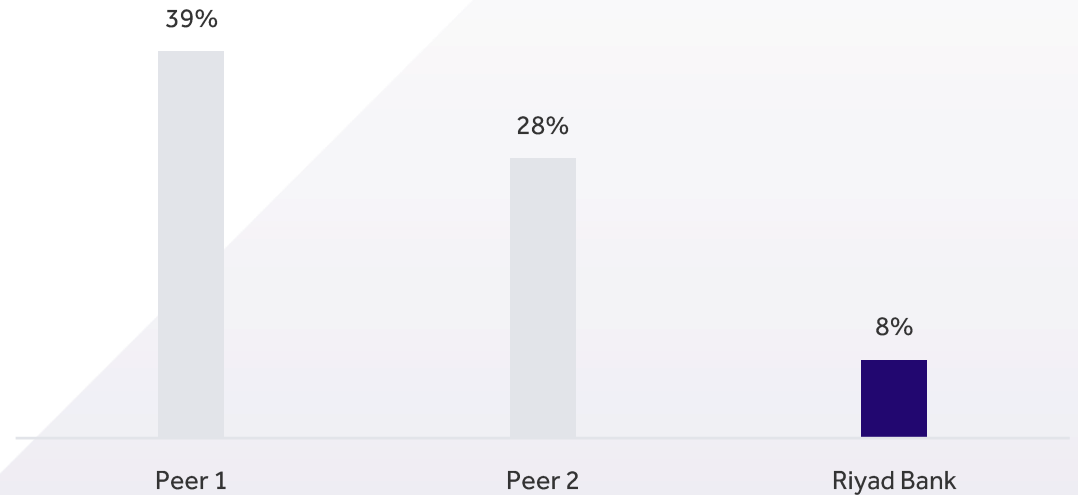
## Retail Banking Market Share\*

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



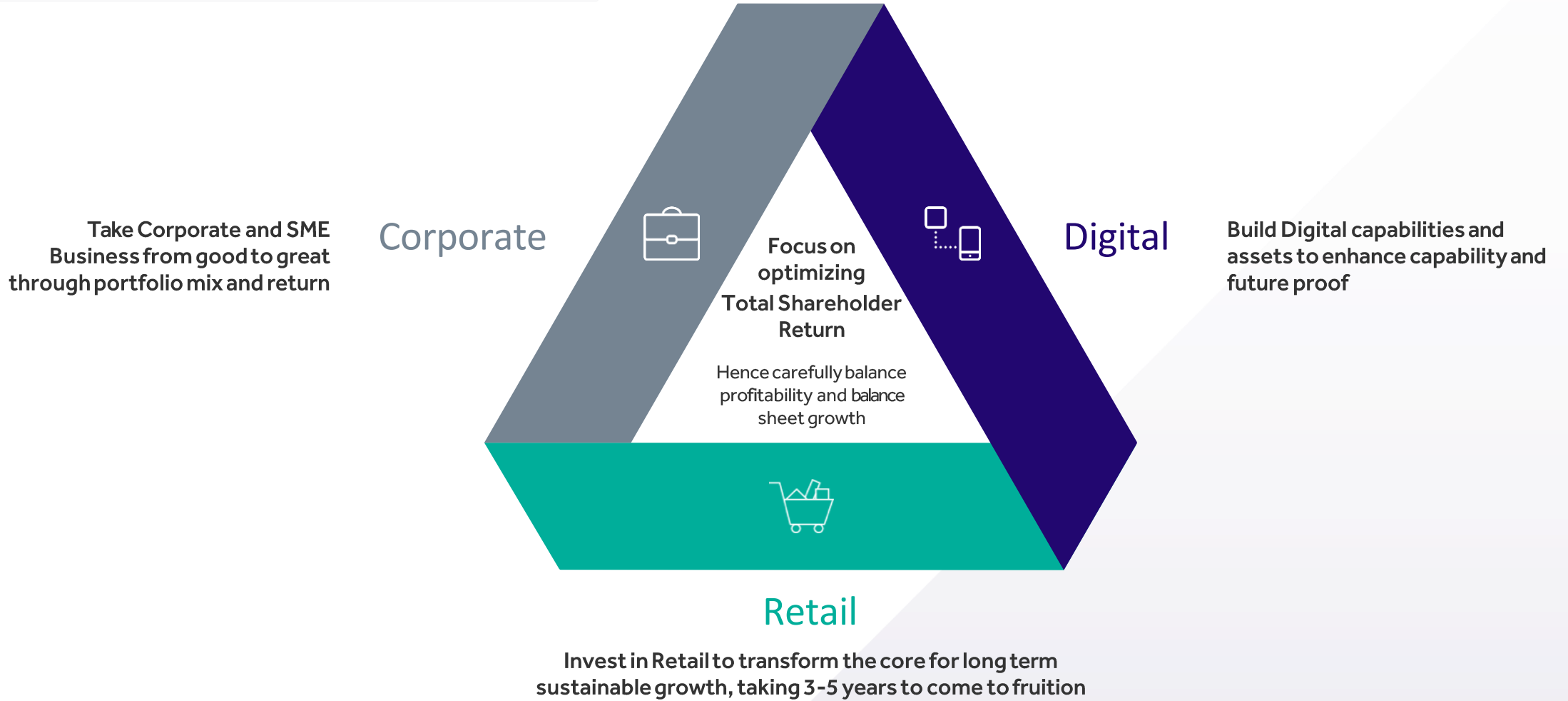


# Our ambition is to be the best Bank in KSA

Strategic Pillars	Most Profitable	Most Efficient	Bank of Choice	Most Innovative & Digitally Enabled
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 Growth	Cost Efficiency Operational Efficiency	Customer People ESG	Digital Innovation
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
<b>Segments</b> 	Broad meet-the-market segment propositions <hr/> Focus on banking needs only <hr/> Risk avoidance via policy exclusions	→ Custom propositions at <b>granular segments</b> <hr/> → Focus on customer <b>ecosystem</b> beyond banking <hr/> → <b>Active risk management</b> via analytics
<b>Products</b> 	Capital agnostic asset product growth <hr/> Standard pricing, matching the market <hr/> Focus on balance sheet growth mostly <hr/> Be a store of value via NIBs	→ Accelerate <b>high return</b> on capital portfolios <hr/> → <b>Customized</b> relationship/risk-based <b>pricing</b> <hr/> → Capture <b>transactions, FX, Fee, Payments</b> as well <hr/> → Create <b>wealth</b> for customers
<b>Channels</b> 	Branch first for sales and service	→ <b>Mobile/Digital first</b> 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



## Products



## Channels



### 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            |



# 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

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



# Digital strategic initiatives



## Initiative

## Description

- | Initiative                                | Description  |
|---|--|
| 1 <b>Serve Fintechs and other players</b> | Leverage open banking platforms to serve fintech infra/tech requirements; review existing fintech assets to monetize, etc.                 |
| 2 <b>Create new ventures</b>              | Identify, commercialize and scale up new Ventures  |
| 3 <b>Accelerate digital maturity</b>      | Accelerate bank's Digital Maturity through bank wide capability building and accelerating delivery and impact of major commercial mandates |
| 4 <b>Scale-up Center of Intelligence</b>  | 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><b>Sustainability Strategy</b></p> <p>Riyad Bank announced its sustainability strategy alongside a 3-year roadmap which is aligned with the Kingdom's Vision 2030 and its 2060 net zero commitment - the strategy includes ambitious goals for sustainable finance, emissions reduction, and community engagement.</p>	<p><b>Banking Sector collaboration</b></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><b>23 Tons</b></p> <p>of papers and plastic Recycled in the third quarter</p>	<p><b>Riyad Bank Green Project</b></p> <p>Signed an MOM with Environment Fund witnessed by His Excellency the Minister of Environment. This strategic partnership aims to advance research, encourage sustainable practices and boost environmental consciousness.</p>
<p>Riyad bank selected to join the Ministry of Economy and Planning's <b>KSA Sustainability Champions Program</b> 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><b>Bukra Nursery Milestone:</b></p> <p>Achieved 2024 target successfully by planting 370,000 trees in 2024 with an increase from 350,000 trees planted in 2023. Carbon Footprint reduction: 10,000 Tons annually.</p>	

## Social

<p><b>Strategic Partnership with the Misk Foundation</b></p> <p>Riyad Bank signed a strategic partnership with Mohammed bin Salman Foundation 'Misk' to support the entrepreneurial community to enhance capabilities of young entrepreneurs in Saudi Arabia with the following areas of partnership:</p> <ul style="list-style-type: none"> <li>Riyad bank will sponsor workshops within Misk's program and provide support for emerging entrepreneurs.</li> <li>Exclusive access to the outputs of Misk's entrepreneurs.</li> <li>Collaboration to nominate a selected group of beneficiaries from Misk's program.</li> <li>Strengthening the growth of startups through comprehensive support aimed at expanding their business.</li> </ul>	
<p><b>The Guidance on Social Responsibility (ISO 26000)</b></p> <p>Proud to announce that we have recently renewed ISO 26000 certification in social responsibility which we received on September 11th. This certification positions us as a leader in the market for sustainable and socially driven programs and activities.</p>	<p><b>SAR 2,831,337 mn</b></p> <p>Donation amount: Total 90,947 transaction through Riyad Bank channels. During the last quarter of 2024</p>
<p><b>National Social Responsibility Award</b></p> <p>At the 2024 Global CSR Forum, Riyad Bank was honored with the Social Responsibility Award for Companies (Silver Category) in its first edition.</p>	
<p><b>Riyad Bank proudly participated as a strategic partner in the first Global CSR Forum, held under the patronage of King Salman bin Abdulaziz Al Saud and organized by the Ministry of Human Resources and Social Development</b></p>	

## Governance

<p>Updated guidelines to meet the needs of persons with disabilities</p>	<p><b>Diversity</b></p> <p>First female board member</p>
<p><b>5</b></p> <p>Independent Board Directors</p>	<p>Cyber security ISO/IEC 27001:2013 (PCIDSS) Certification ISO business Continuity ISO22301:2019</p>
<p><b>5</b></p> <p>Board Subcommittees</p>	<p>ISO/DIS 37301:2020 Compliance</p>
<p><b>11</b></p> <p>New and Updated Adopted Governance Policies and Frameworks</p>	
<p><b>62</b></p> <p>New and Updated Adopted Governance Procedures</p>	



- **Operating Environment**





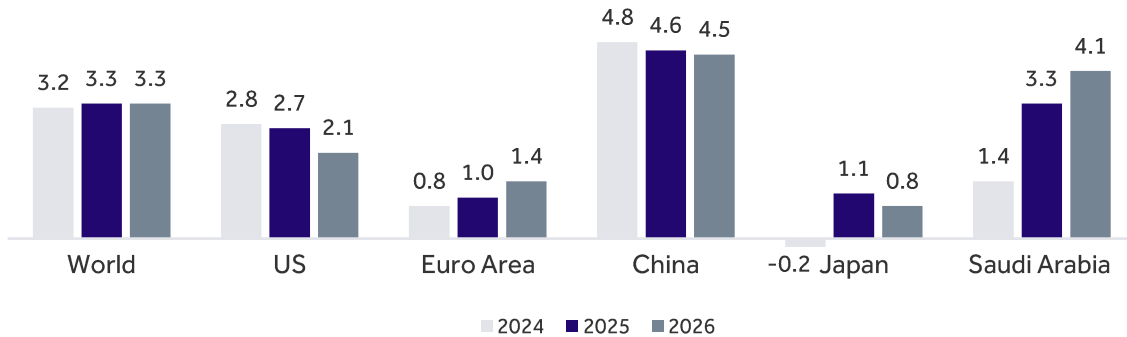
# Steady growth and diverging inflation dynamics in 2025 & 2026

Global growth is projected at 3.3% for 2025 & 2026, below the historical average of 3.7%. Projections remain steady due to central banks approach to ease cycle with greater caution, monitor economic activity, and labor market trends. World headline inflation is anticipated to ease, normalizing faster in advanced economies than emerging market.

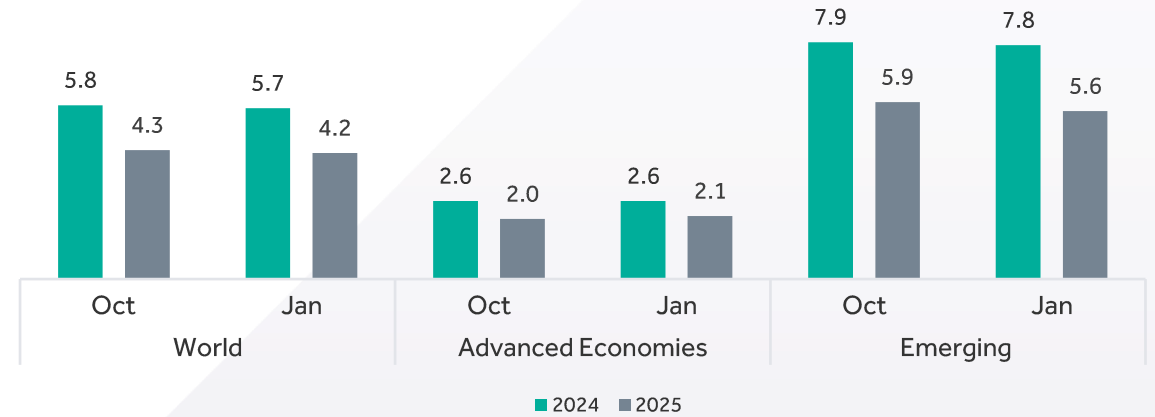
Momentum in U.S. remained robust, motivated by strong consumption. In China, the fiscal package announced in Nov-24 offsetting the negative effect on investment and property market.

The gradual cooling of labor market demand combined with expected decline in energy prices is projected to keep headline inflation to continue its descent toward central bank targets.

**Economic Outlook (%)**



**Inflation Expectations (%)**



**Global PMI** ▼  
Dec-24 -4.6% Sep-24

49.6 52.0

**Fed Funds (%)**  
Upper 25bps Lower

4.50 4.25

**USD Index** ▼  
Dec-24 -0.0% Sep-24

108.5 108.5

**3M SOFR (%)** ▼  
Dec-24 -29bps Sep-24

4.30 4.59

**10y Treasury Yield** ▲  
Dec-24 80bps Sep-24

4.6 3.8

**Brent Oil (\$/b)** ▲  
Sep-24 +3.9% Jun-24

74.6 71.8



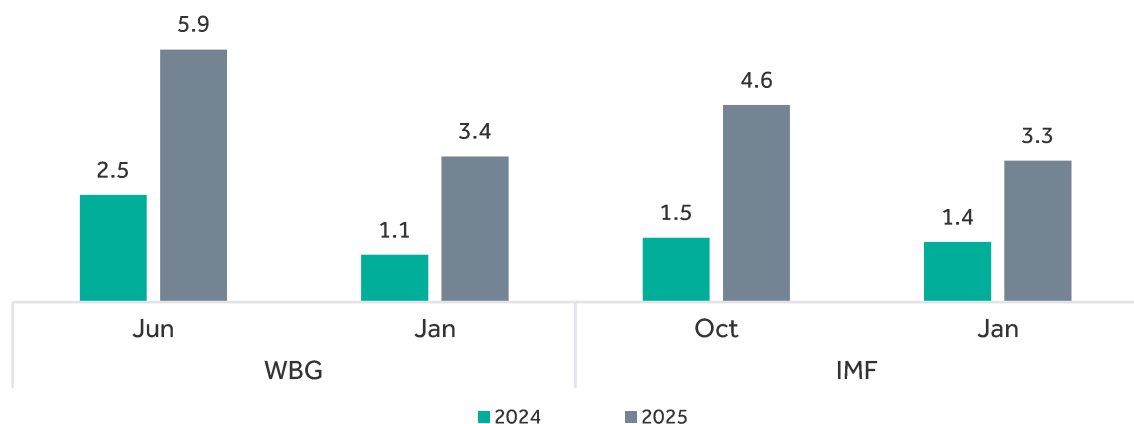
# Saudi economy surges as non-oil sector takes the lead

Saudi Arabia's economy grew 4.4% in Q4 2024, its highest growth in two years, primarily driven by a 4.6% rise in non-oil activities as the Kingdom accelerates Vision 2030 reforms to diversify away from oil dependency and ensure sustainable long-term growth.

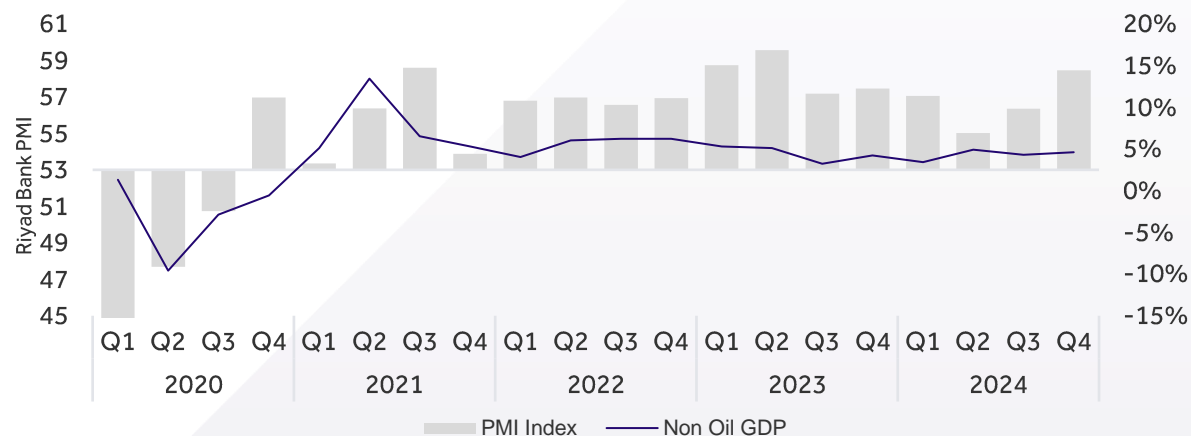
Total GDP grew by 1.3% in 2024, driven by a 4.3% rise in non-oil activities, while oil activities contracted by 4.5%, highlighting the impact of OPEC+ oil production adjustments.

Non-oil activities expanded by 4.6% in Q4 2024, reflecting strong government support, investment in infrastructure, and broader economic reforms aimed at reducing dependence on hydrocarbons.

Saudi Arabia Growth Expectations (%)



Non-oil Private GDP Growth



Real GDP Growth (%) ▲

Dec-24 160bps Sep-24

4.4

Riyad Bank PMI ▲

Dec-24 +3.7% Sep-24

2.8

58.4

Revenues (SAR Bn) ▼

2024 -3.7% 2025

1,230

1,184

Expenditures (SAR Bn) ▼

2024 -4.5% 2025

1,345

1,285

Debt / GDP ▲

2024 +60bps 2025

29.3%

29.9%

Fiscal Balance (SARbn) ▲

2024 +14Bn 2025

-115

-101



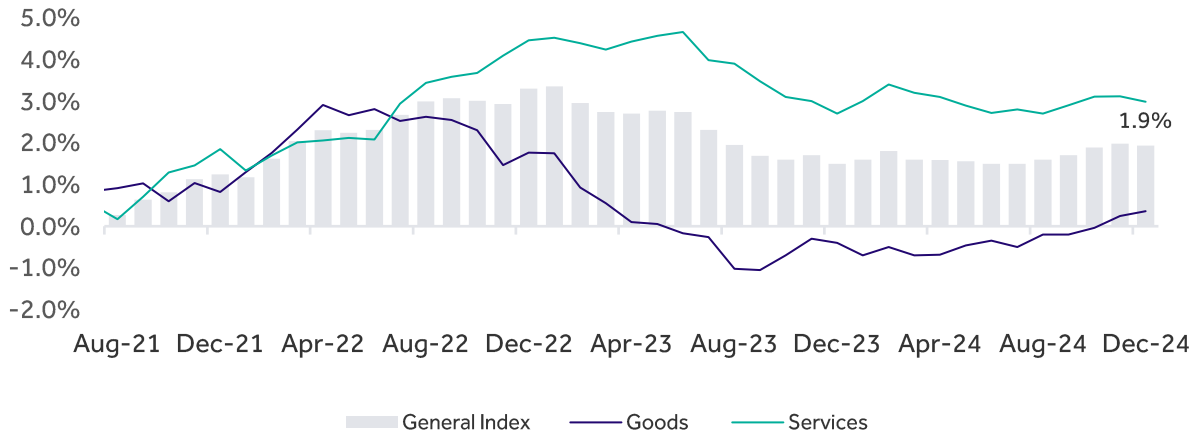
# Housing Costs Keep Propelling Inflation in 2024

Inflation reached 1.9% in December 2024, primarily driven by 8.9% rise in housing and utilities costs. Restaurants, hotels and personal goods increased by 0.9% and 2.2% respectively, reflecting strong domestic demand. In contrast, transport prices declined by 2.5% attributed to lower vehicle purchase costs.

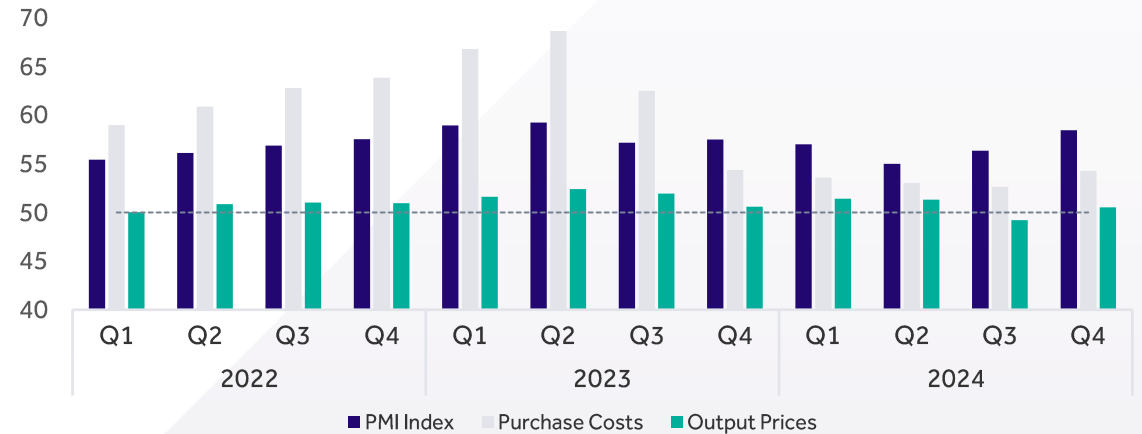
Services prices surged by 3.0%, the rise was attributed to housing costs. Goods prices saw a modest increase fueled by higher prices in restaurants, hotels, and personal goods.

Input prices in the non-oil private sector saw a modest rise, reflecting stronger demand pressures amid record-high new orders. Despite these pressures, inflation eased slightly suggesting that broader price stability was maintained.

CPI Inflation (%)



Riyad Bank PMI & Components



Real GDP Growth (%) ▲

Dec-24 160bps Sep-24

4.4

Riyad Bank PMI ▲

Dec-24 +3.7% Sep-24

2.8

Revenues (SAR Bn) ▼

2024 -3.7% 2025

1,230 1,184

Expenditures (SAR Bn) ▼

2024 -4.5% 2025

1,345 1,285

Debt / GDP ▲

2024 +60bps 2025

29.3% 29.9%

Fiscal Balance (SARbn) ▲

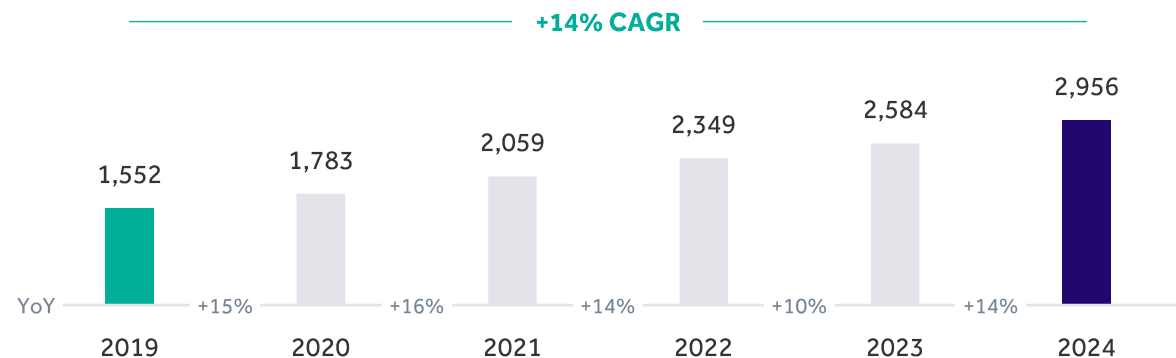
2024 +14Bn 2025

-115 -101

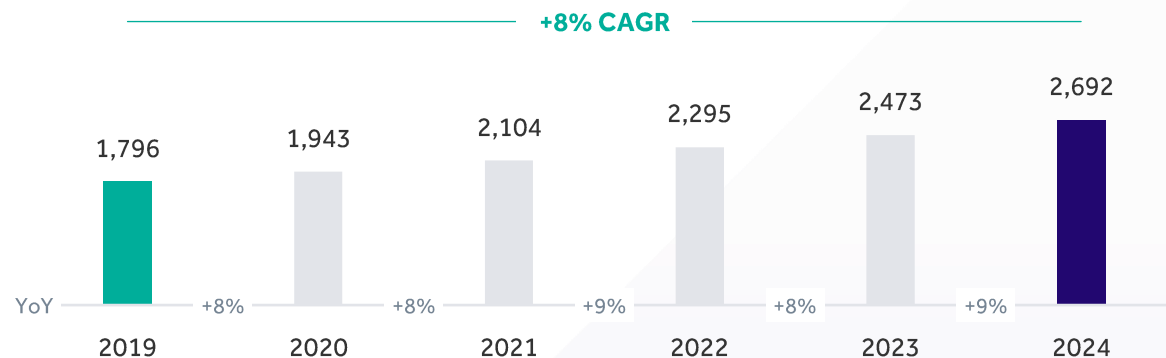


# The Saudi banking sector is attractively positioned for growth

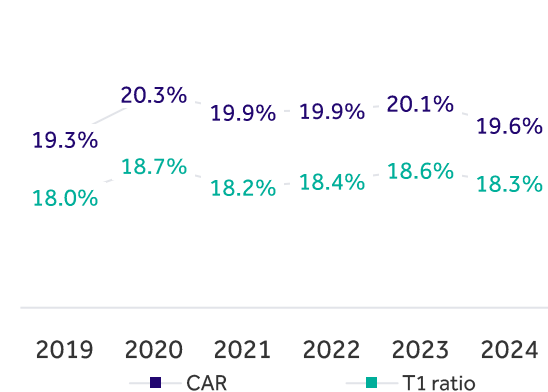
Bank Credit (SARbn)



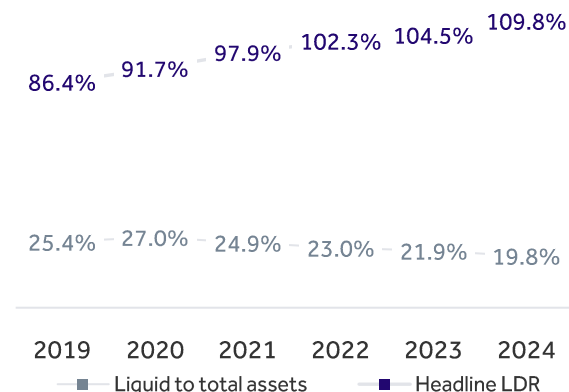
Bank Deposits (SARbn)



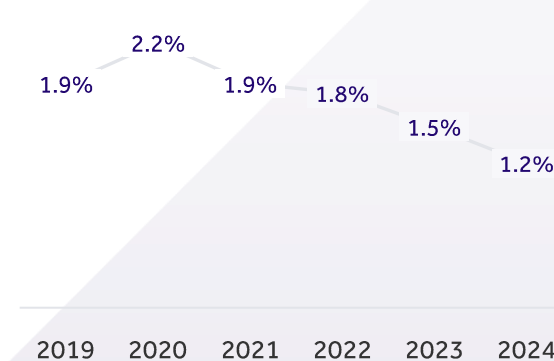
Capitalization (%)



Liquidity Metrics (%)



NPL Ratio (%)



Profitability (%)





- **Financial Performance**





# Balance sheet



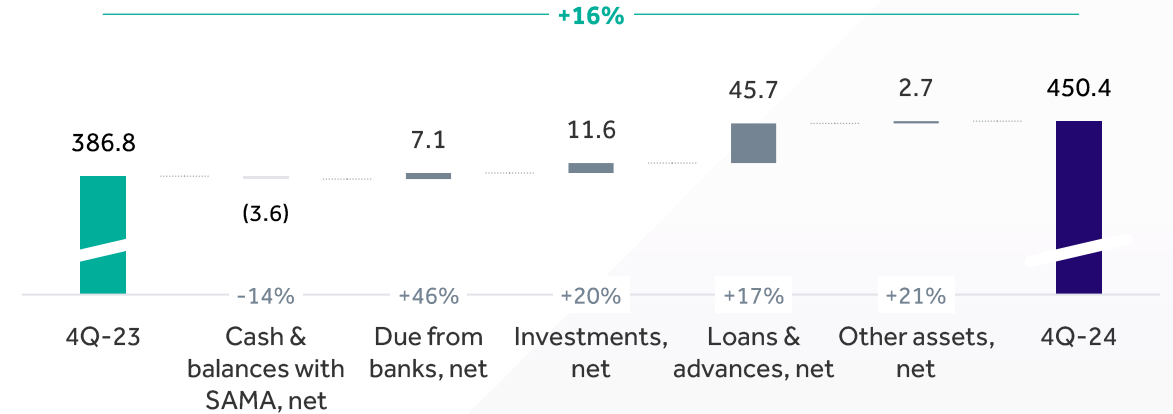


# Balance sheet expanded by 16% YoY driven by the expansion of loans and investments which was mainly funded by customer deposits

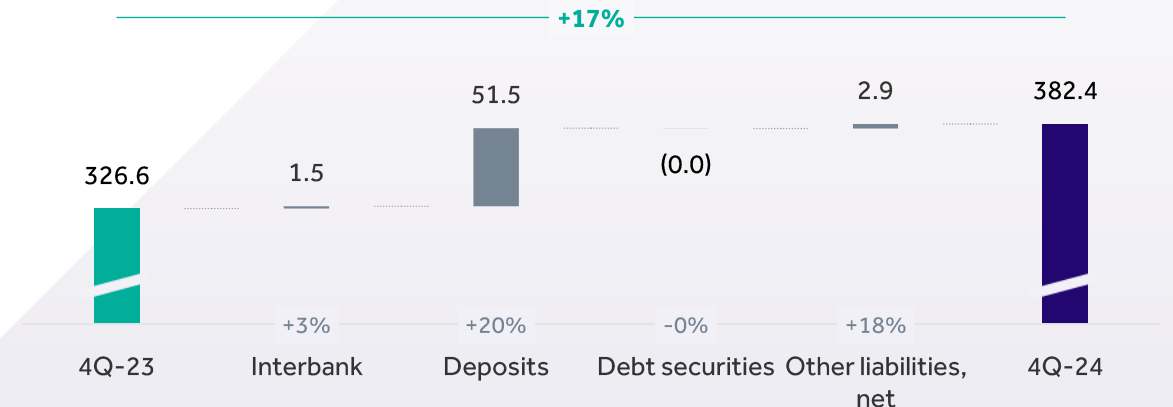
- ◆ Total assets amounted to SAR 450 bn as of 31 December 2024, up 16% YoY on the back of the 17% loans and advances growth, funded mainly by the 20% growth of customer deposits.
- ◆ On a quarterly basis, total assets increased by 4% driven by a notable growth of 5% in loans and investments and 12% growth in cash & balances with SAMA.

SAR (mn)	4Q-2024	3Q-2024	QoQ % Change	4Q-2023	YoY % Change
Cash & balances with SAMA, net	22,600	20,159	+12%	26,175	-14%
Due from banks, net	22,574	26,561	-15%	15,434	+46%
Investments, net	69,669	66,137	+5%	58,109	+20%
Loans & advances, net	320,089	305,408	+5%	274,398	+17%
Other assets, net	15,446	15,101	+2%	12,733	+21%
<b>Total assets</b>	<b>450,379</b>	<b>433,366</b>	<b>+4%</b>	<b>386,849</b>	<b>+16%</b>
Interbank	43,949	45,227	-3%	42,464	+3%
Deposits	306,423	293,575	+4%	254,908	+20%
Debt securities	13,324	13,210	+1%	13,373	-0%
Other liabilities, net	18,740	18,214	+3%	15,847	+18%
<b>Total liabilities</b>	<b>382,437</b>	<b>370,225</b>	<b>+3%</b>	<b>326,591</b>	<b>+17%</b>
Share capital	30,000	30,000	+0%	30,000	+0%
Reserves	15,196	13,085	+16%	12,418	+22%
Retained earnings	13,360	13,491	-1%	11,277	+18%
<b>Equity attributable to shareholders</b>	<b>58,556</b>	<b>56,577</b>	<b>+3%</b>	<b>53,696</b>	<b>+9%</b>
Tier 1 sukuk	9,386	6,564	+43%	6,563	+43%
<b>Total equity</b>	<b>67,942</b>	<b>63,140</b>	<b>+8%</b>	<b>60,258</b>	<b>+13%</b>

Total Assets Movement YoY (SARbn)



Total Liabilities Movement YoY (SARbn)

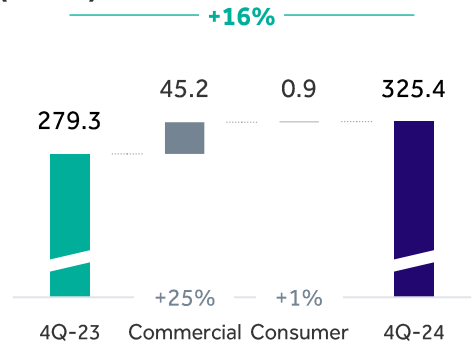




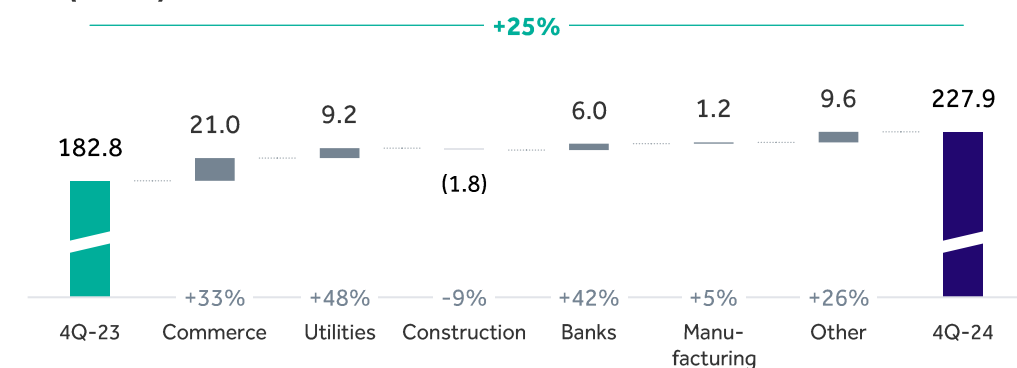
# Growth in the loan portfolio is coming mainly from the commercial book while consumer loans growth was primarily from mortgages and auto loans

**Gross Loan Movement YoY (SARbn)**

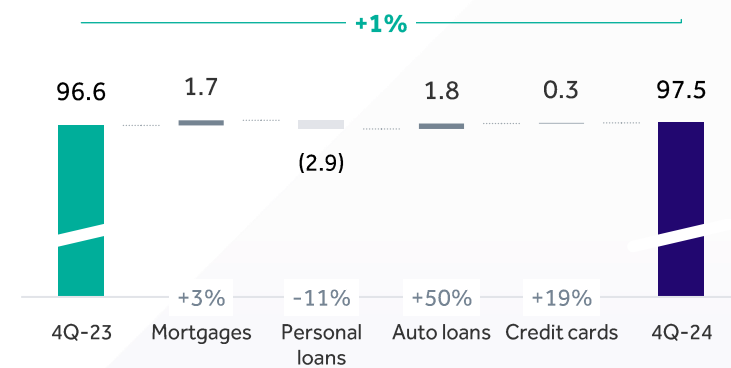
2024 Guidance  
Low Double Digit



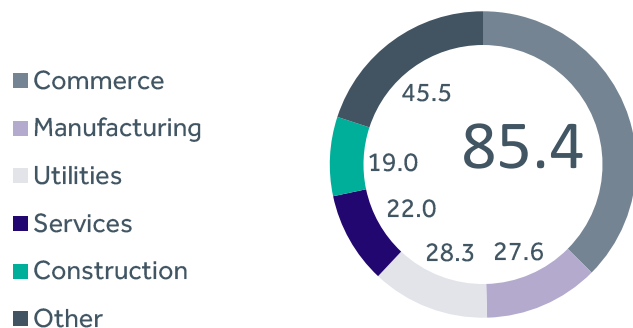
**Gross Commercial Loan Movement by Economic Sector Movement YoY (SARbn)**



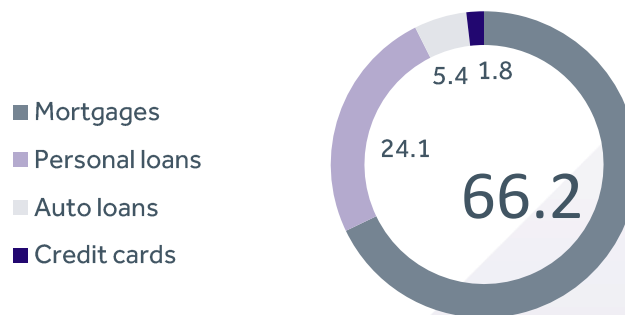
**Gross Consumer Loan Movement by Product Movement YoY (SARbn)**



**Gross Commercial Loans by Sector, 4Q-24 (SARbn)**



**Gross Consumer Loans by Product, 4Q-24 (SARbn)**

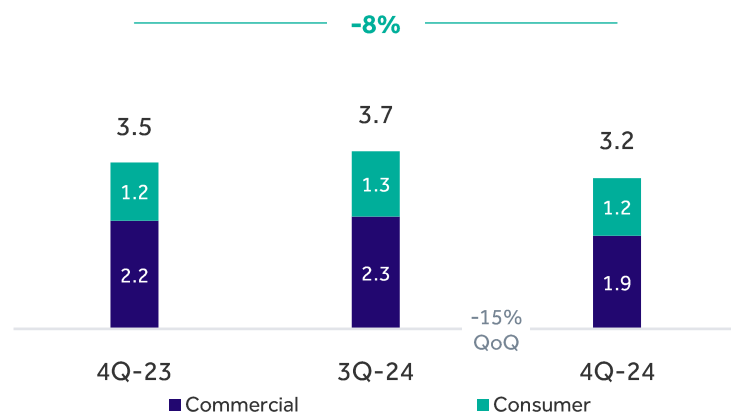


- ◆ Gross loans and advances grew by 16% YoY as of 31 December 2024 mainly from commercial loans.
- ◆ Commercial loans grew by 25% YoY as of 31 December 2024 with main driving sectors are commerce and utilities.
- ◆ Consumer loans increased by 1% YoY during 2024, driven mainly by a growth of 3% in mortgages and auto loans growth of 50% YoY.
- ◆ Credit cards hold minor shares in the consumer portfolio but is growing rapidly at 19%.

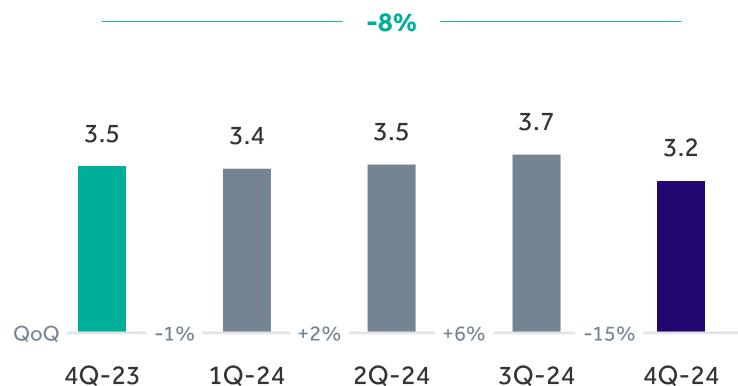


# NPL ratio demonstrate improvement YoY reaching to 0.98% as of the full year of 2024

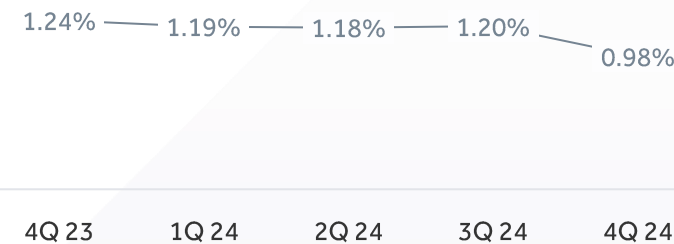
NPLs by Segment (SARbn)



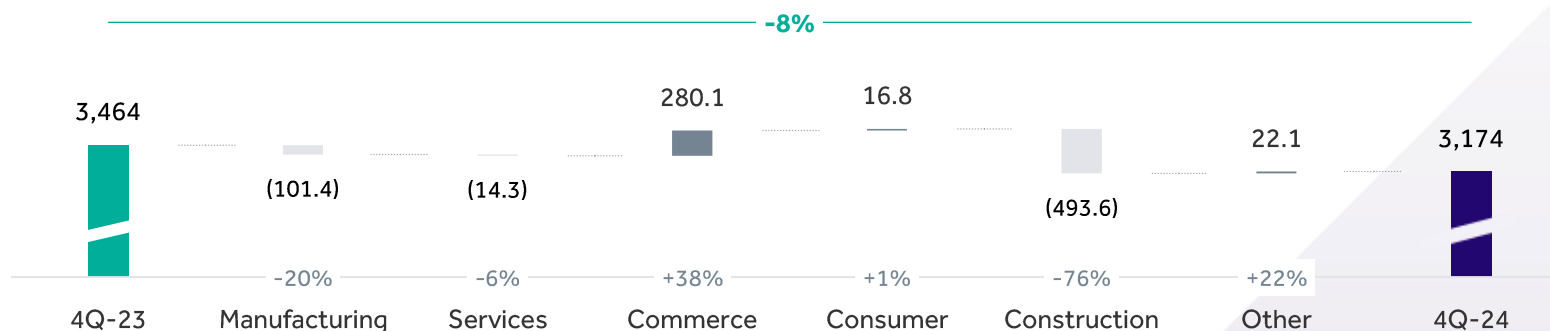
NPLs (SARbn)



NPL Ratio (%)



NPL Movement by Sector Movement YoY (SARmn)



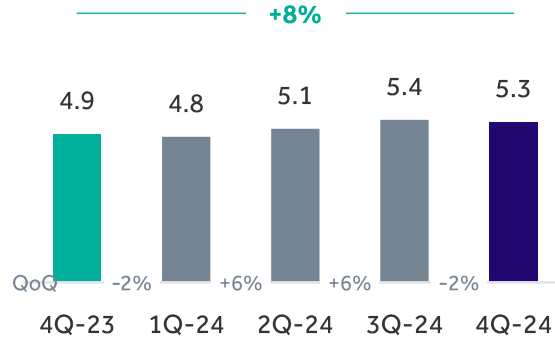
- ◆ NPL ratio improved by 26bps YoY during 2024 reaching to 0.98%.
- ◆ Improvement of the NPL ratio resulted from a 8% decrease in the amount of NPLs against a 16% increase in gross loans and advances.
- ◆ Decrease in NPLs was largely driven by corporate loans in sectors of manufacturing, services and construction which was partially offset by the increase in commerce and consumer.



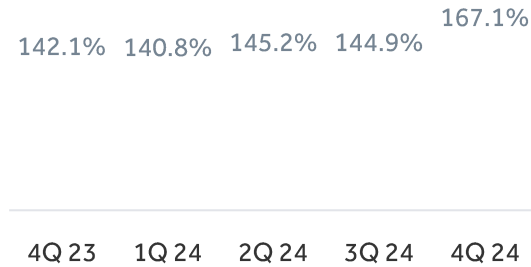
# NPL Coverage improved to 167.1% driven by the conservative provisioning to support asset quality

- ◆ NPL coverage ratio improved by 25% YoY to 167.1% in 2024 as a result of proactive conservative provisioning.
- ◆ The consumer NPL coverage ratio reached 120.1% as of 31 December 2024, improving by 29.2% YoY.
- ◆ The commercial NPL coverage ratio reached 197.8%, improving by 27.2% YoY.
- ◆ Stage 1 loans represents around 95% of total gross loans as of FY 2024.

Total Allowances (SARbn)



NPL Coverage Ratio (%)



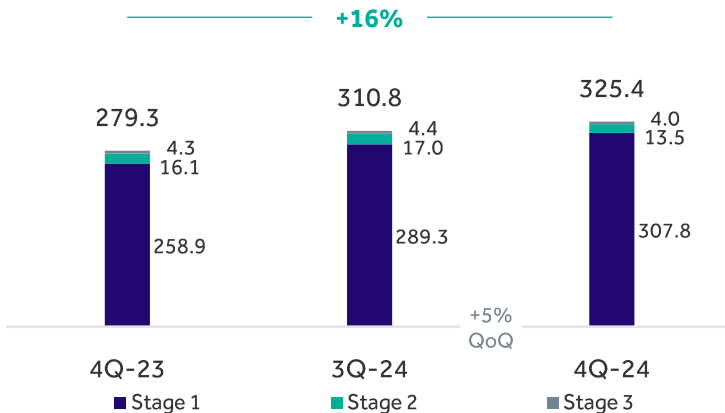
Consumer Coverage



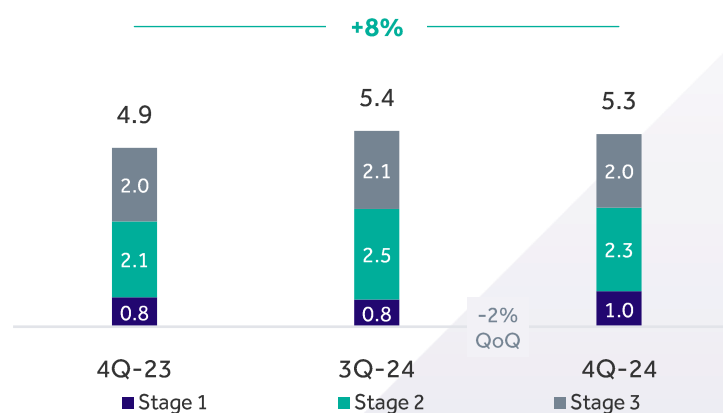
Commercial Coverage



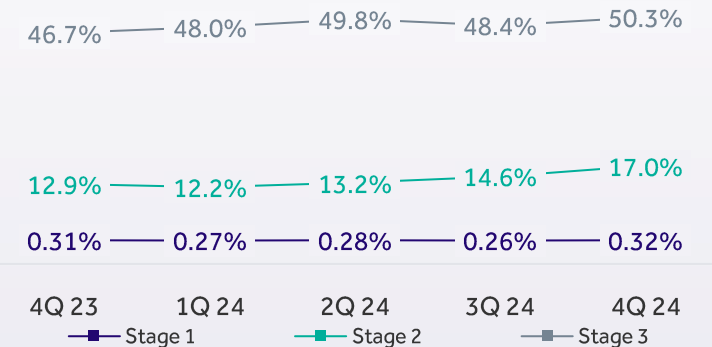
Gross Loans & Advances (SARbn)



ECL Allowances (SARbn)



Stage-wise ECL on Gross Loans (%)

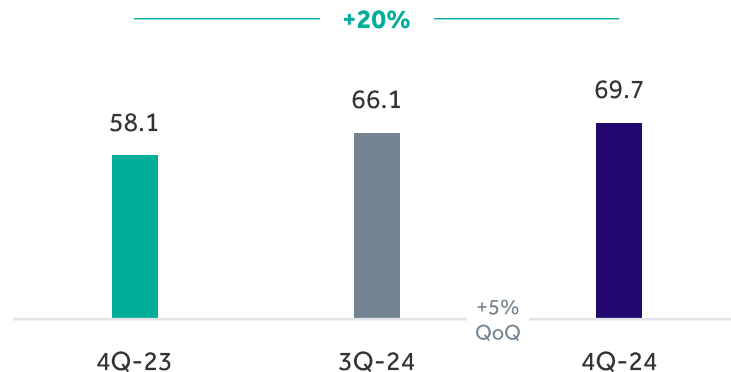




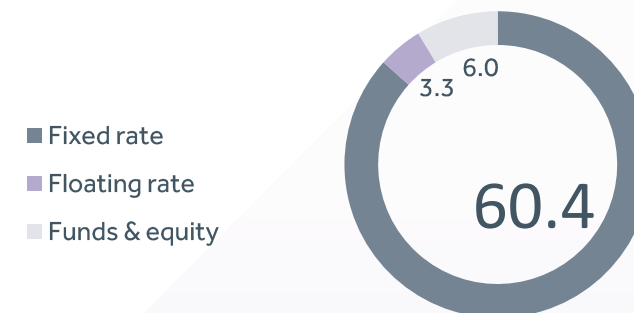
# Investments grew by 20% YoY mainly from high quality fixed rate securities as well as funds & equity

- ◆ Investment portfolio increased by 20% YoY reaching to SAR 69.7 bn as of 31 December 2024.
- ◆ Growth of investments during 2024 mainly comes from increasing in fixed rate securities as well as funds & equity.
- ◆ Investment portfolio has a stable structure with around 87% of the securities being fixed rate.
- ◆ Investment in governmental & quasi-governmental securities represents 64% of the investment portfolio.

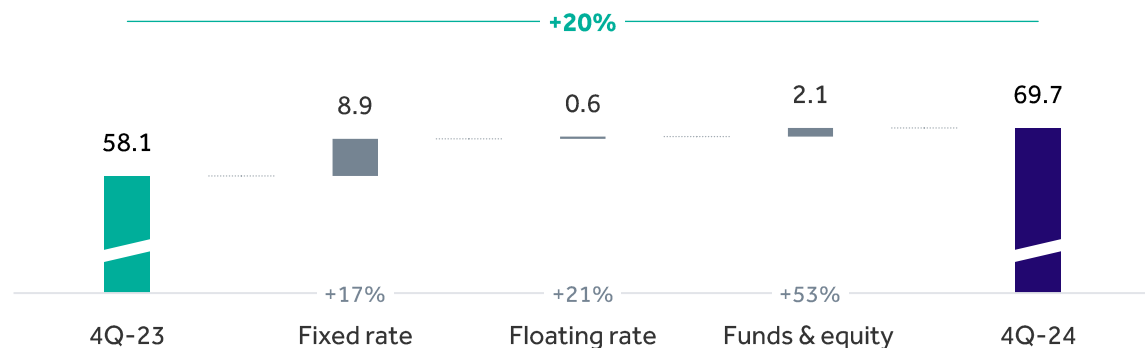
Investments, Net (SARbn)



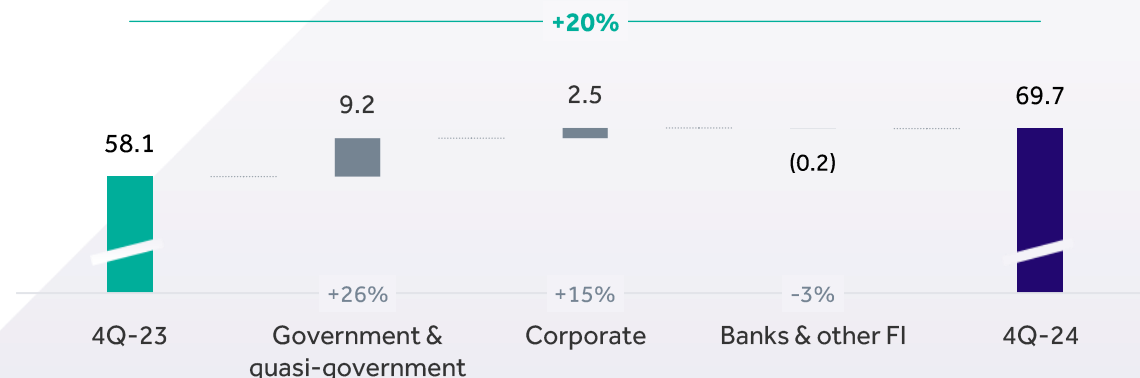
Net Investments Composition, 4Q-24 (SARbn)



Net Investments Movement YoY (SARbn)



Net Investments by Counterparty Movement YoY (SARbn)

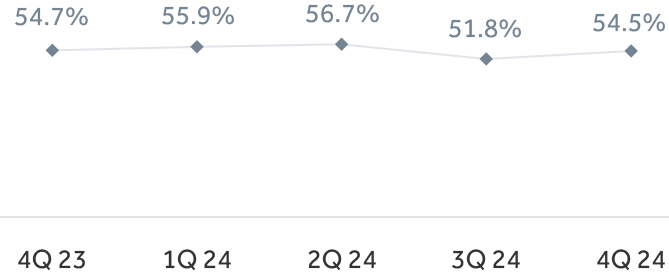




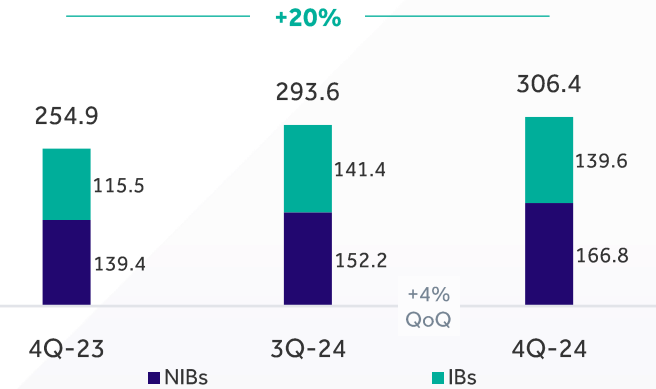
# Robust growth in NIBs and IBs drove the 20% YoY growth in customers' deposits

- Customer deposits amounted to SAR 306.4 bn as of 31 December 2024, an increase of 20% YoY.
- Interest bearing deposits increased rapidly by 21% YoY during 2024 driven by the high interest rate environment.
- NIBs share of total deposits marginally decreased to reach 54.5% as of 31 December 2024 although the robust growth of 20% YoY in NIBs.
- Customer deposits grew by 4% QoQ from a strong growth in NIBs.

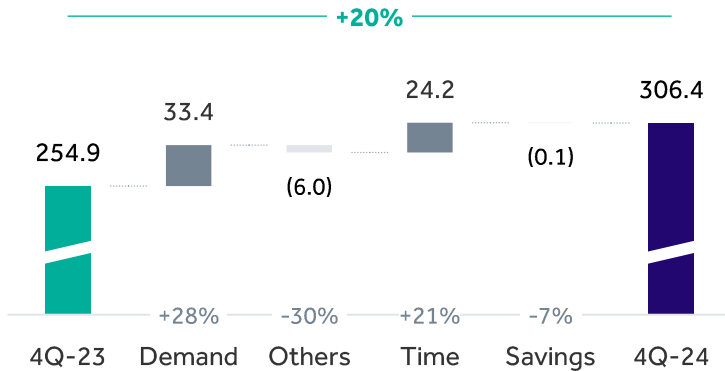
NIBs % of Total (%)



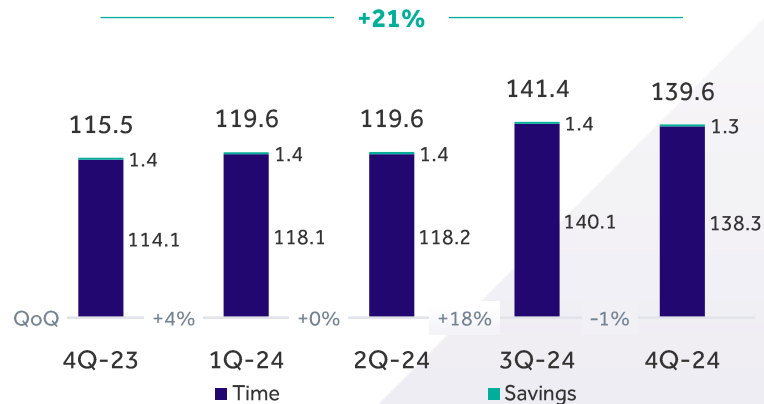
Total Customers' Deposits (SARbn)



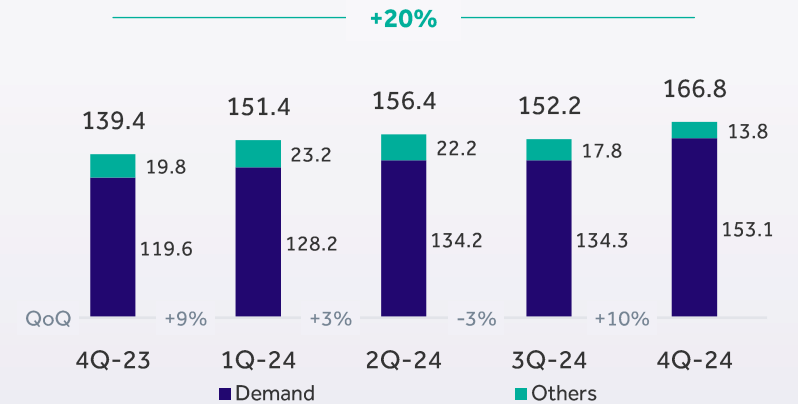
Total Customers' Deposits Movement YoY (SARbn)



Interest Bearing Deposits (SARbn)



Non Interest Bearing Deposits (SARbn)

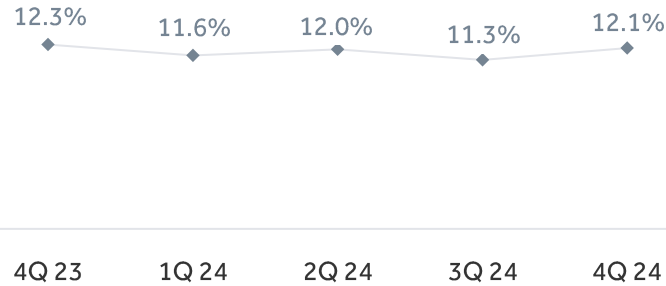




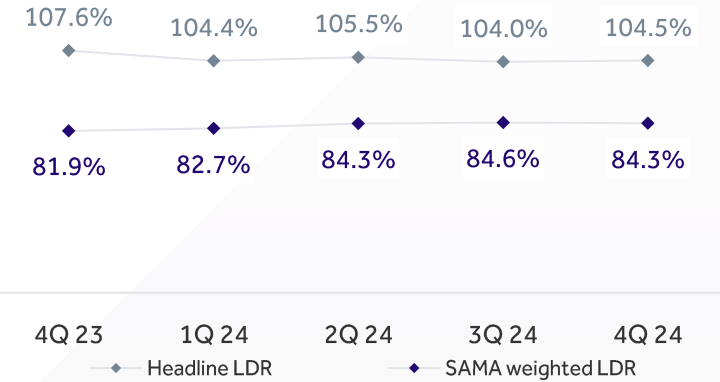
# Comfortable liquidity position with LCR and SAMA Weighted LDR within the regulatory requirements

- ◆ LCR and NSFR remain healthy and well above the regulatory requirement standing at 145.0% and 107.0%, respectively as of 31 December 2024.
- ◆ Basel III Leverage ratio stands comfortably at 12.0% in 2024.
- ◆ SAMA weighted LDR stand at 84.3% in 2024, remains comfortably below the regulatory requirement.

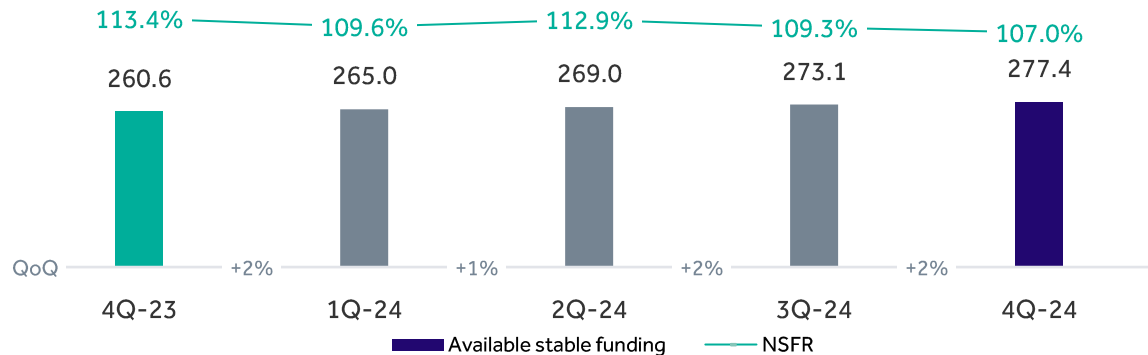
Basel III Leverage Ratio (%)



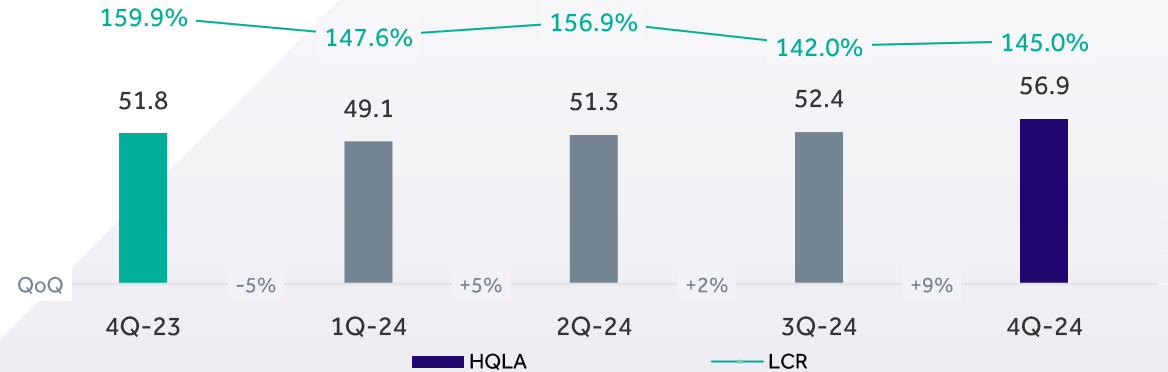
Loans to Deposits Ratios (%)



Available Stable Funding (SARbn,%)



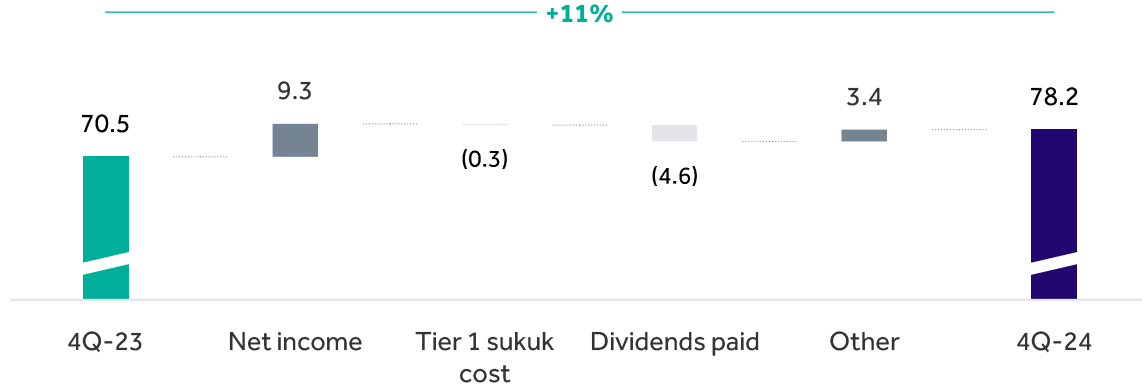
HQLA (SARbn,%)



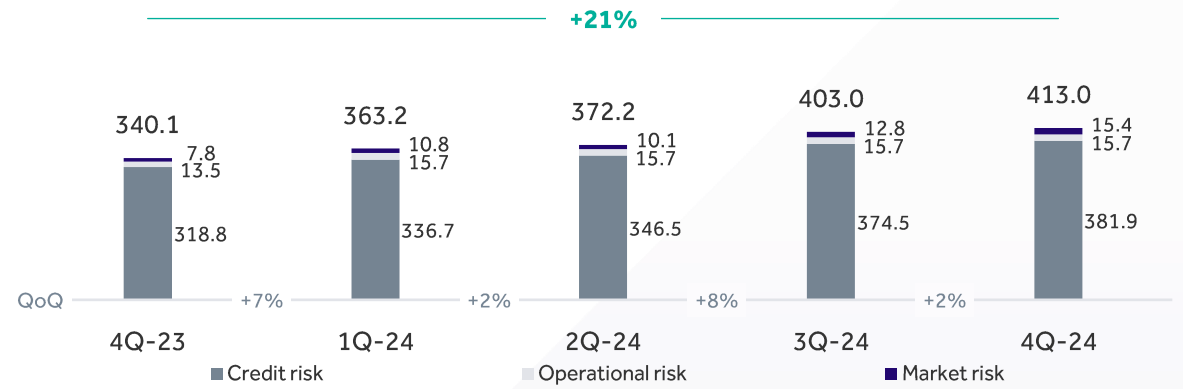


# Capitalization remains healthy and well above regulatory minima

Total Regulatory Capital Movement YTD (SARbn)

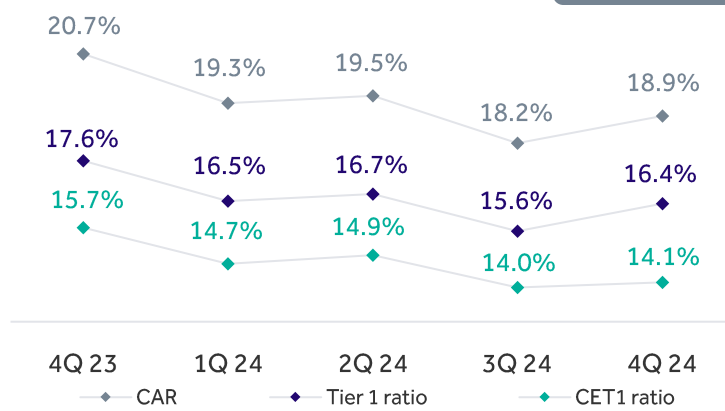


Risk Weighted Assets (SARbn)

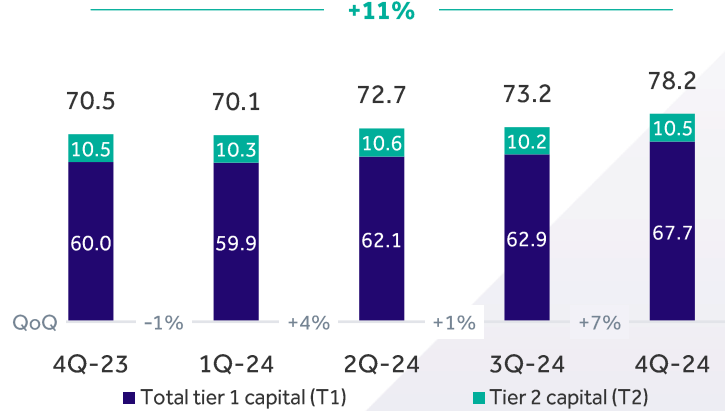


Capital Ratios (%)

2024 Guidance  
CET1 14% - 15%



Total Regulatory Capital (SARbn)



- ◆ All capital ratios remain healthy with CET1 ratio of 14.1% and Tier 1 ratio of 16.4% as of FY 2024.
- ◆ Total capital adequacy ratio stands at 18.9%.
- ◆ Total regulatory capital increased by 11% YoY in 2024 to reach SAR 78.2 bn.
- ◆ Risk weighted assets increased by 21% YoY to reach SAR 413.0 bn.



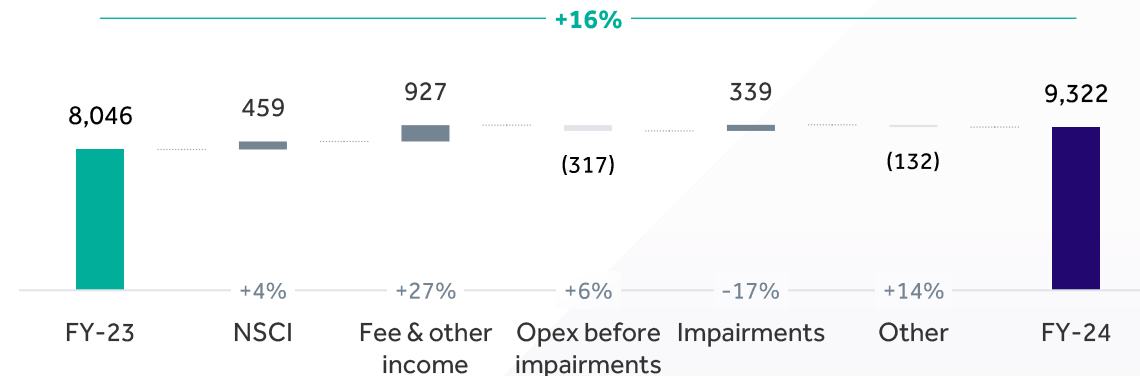
# Income statement



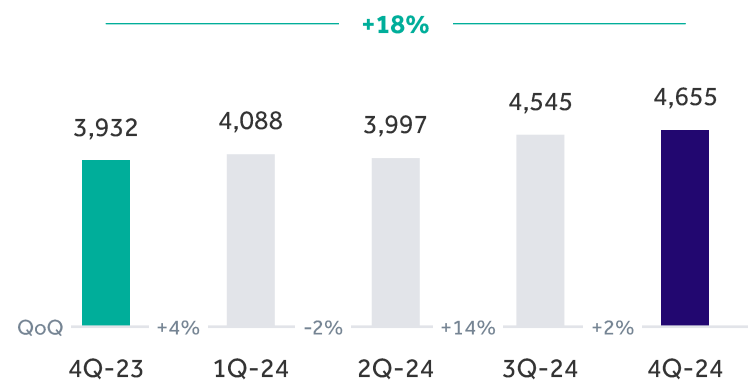
# Net income reached SAR 9,322 million in 2024, a growth of 16% supported by fee & other income, resulting in ROAE standing at 16.6%

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
NSCI	3,432	3,142	+9%	12,873	12,414	+4%
Fee & other income	1,222	790	+55%	4,411	3,485	+27%
<b>Total operating income</b>	<b>4,655</b>	<b>3,932</b>	<b>+18%</b>	<b>17,285</b>	<b>15,899</b>	<b>+9%</b>
Expenses before impairments	(1,408)	(1,274)	+11%	(5,286)	(4,969)	+6%
Impairments	(735)	(483)	+52%	(1,632)	(1,972)	-17%
<b>Net operating income</b>	<b>2,512</b>	<b>2,175</b>	<b>+15%</b>	<b>10,367</b>	<b>8,959</b>	<b>+16%</b>
Associates	8	4	+116%	30	12	+147%
<b>Net income before zakat</b>	<b>2,520</b>	<b>2,179</b>	<b>+16%</b>	<b>10,397</b>	<b>8,971</b>	<b>+16%</b>
Zakat	(263)	(225)	+17%	(1,075)	(925)	+16%
<b>Net income</b>	<b>2,257</b>	<b>1,955</b>	<b>+15%</b>	<b>9,322</b>	<b>8,046</b>	<b>+16%</b>
ROAE	15.7%	15.0%	+0.7%	16.6%	15.6%	+1.0%

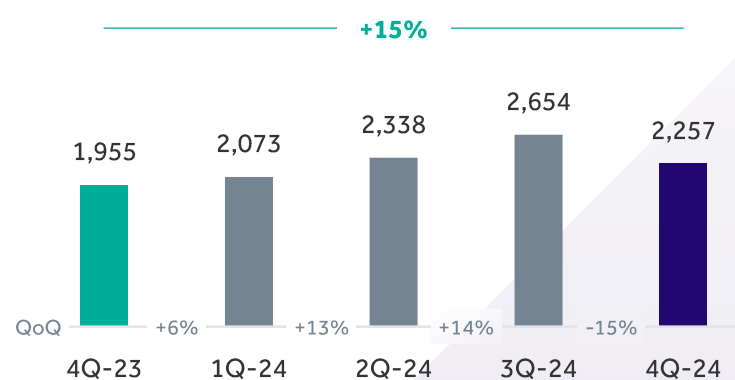
Net Income Movement YoY (SARmn)



Total Operating Income (SARmn)



Net Income (SARmn)



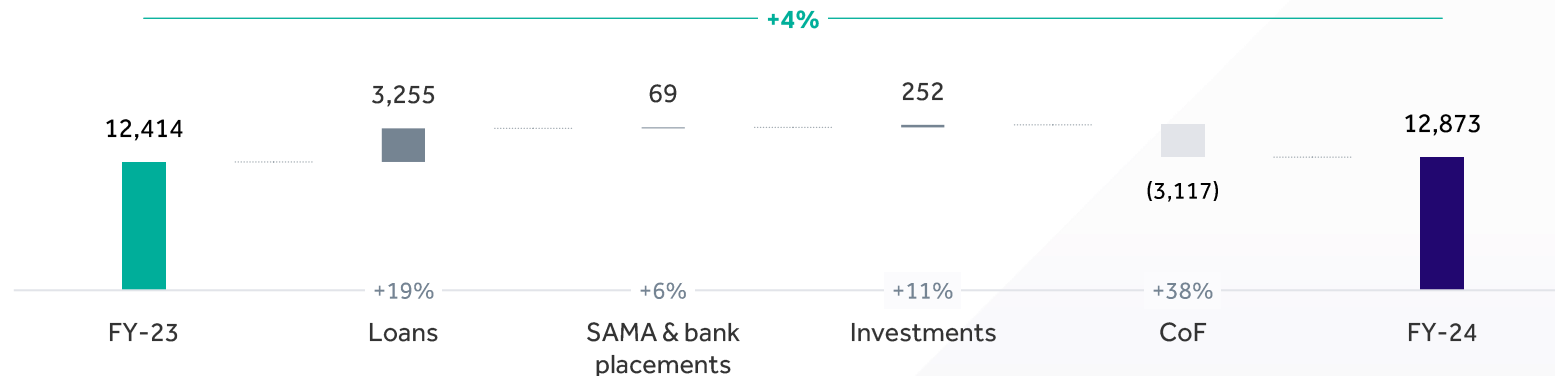
- ◆ Net income (after Zakat) reached SAR 9,322 million in 2024, an increase of 16% compared with corresponding period of last year.
- ◆ Net income growth comes mainly from a robust growth of 27% YoY in fee and other income coupled with 17% YoY decrease in impairment charges which was partially offset by an increase in expenses by 6% YoY.
- ◆ Total operating income amounted to SAR 17,285 million in 2024, growing by 9% due to an increase of 4% in NSCI coupled with 27% in fee and other income.



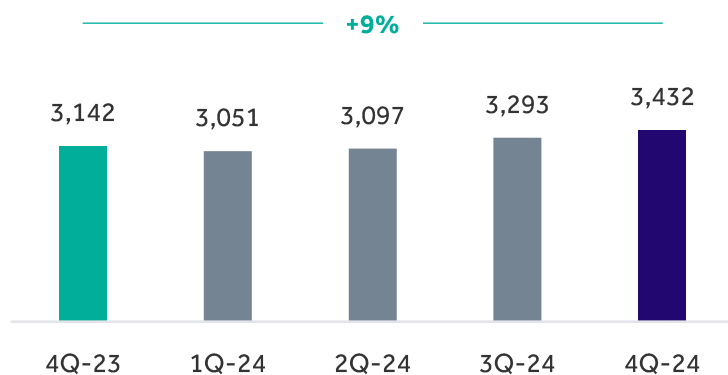
# NSCI witnessed a decent growth driven by volume growth, improved asset yield and cost of fund management

- ◆ Net special commission income amounted to SAR 12,873 million in 2024, a decent growth of 4% over the corresponding period in 2023, due to volume growth, improved asset yield and cost of fund management.
- ◆ Special commission income increased by 17% YoY in 2024 driven by high rates and loan book expansion.
- ◆ Special commission expenses increased by 38% YoY in 2024 due to the high interest rates environment.

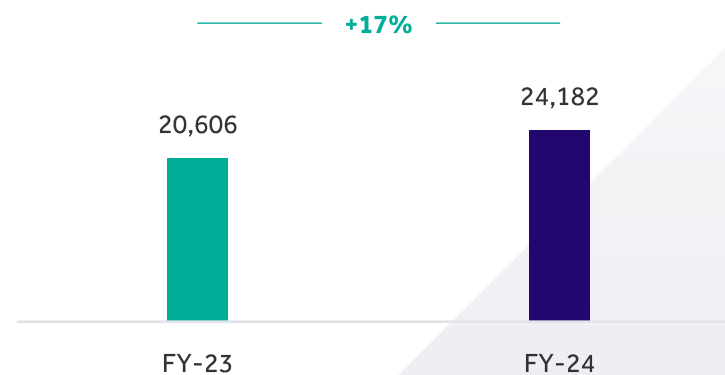
NSCI Movement YoY (SARmn)



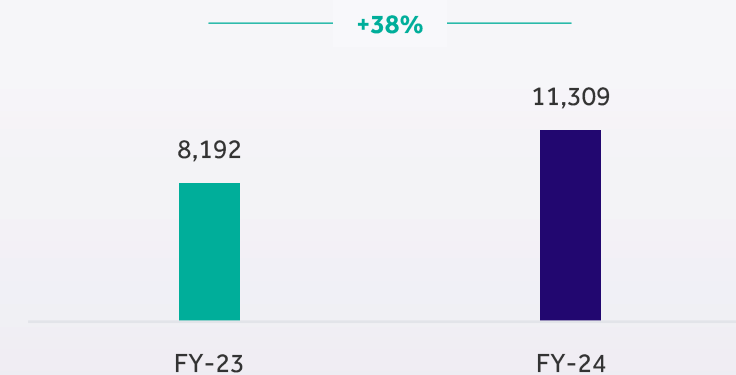
Quarterly NSCI (SARmn)



Special Commission Income (SARmn)



Special Commission Expense (SARmn)

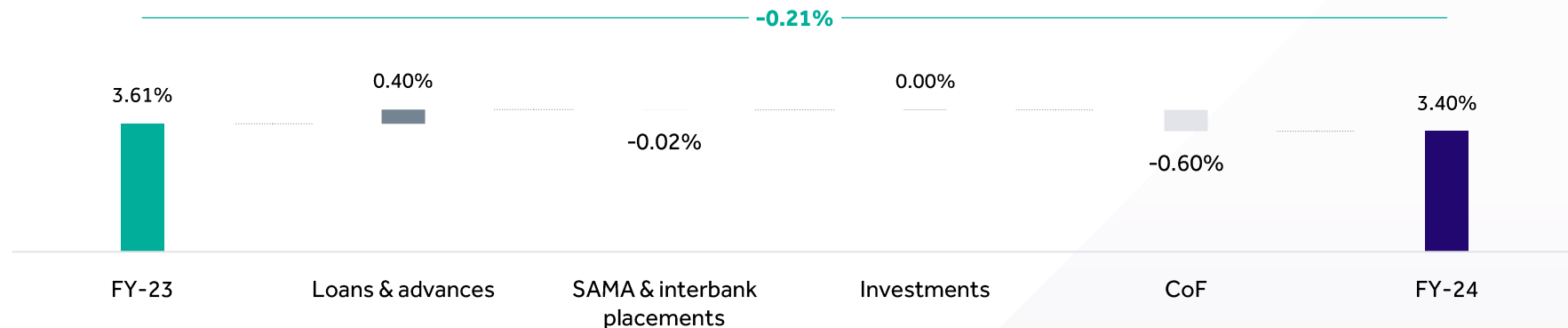




# NSCI margin stands at 3.40% for FY 2024, a reduction of 21 bps YoY mainly from higher funding cost

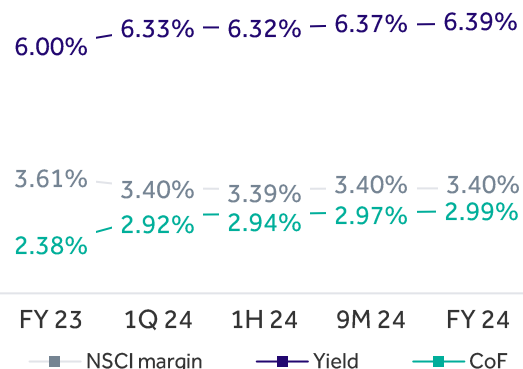
- Net special commission margin was lower by 21bps reaching to 3.40% YoY for FY 2024 mainly from increase in funding cost.
- Quarterly net special commission margin decreased by around 19bps YoY.
- Average earning assets increased by 10% YoY to reach SAR 378.5 bn for 2024.
- Average bearing liabilities increased by 11% YoY to reach SAR 328.4 bn for in 2024.

NSCI Margin Movement YoY (%)



2024 Guidance  
-10bps to -20bps

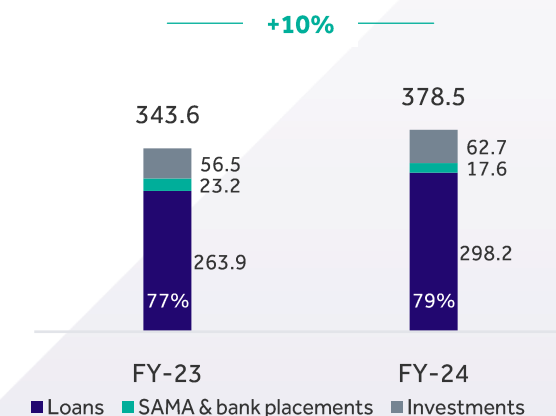
YTD NSCI margin (%)



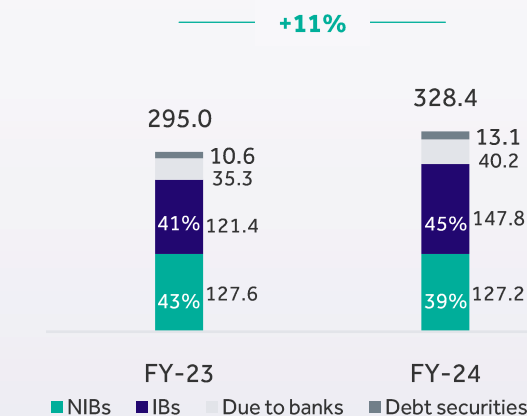
Quarterly NSCI Margin and SAIBOR Trend (%)



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 around 1 bps on the net special commission margin as of 31 December 2024.
- ◆ The impact of 25bps rate increase/decrease is assessed to be SAR +23.9 mn/-25.3mn on the net special commission income as of 31 December 2024.
- ◆ 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

-25.3 SAR mn

Impact of -25bp rate change on NSCI margin

▼ 25bps

-0.01%

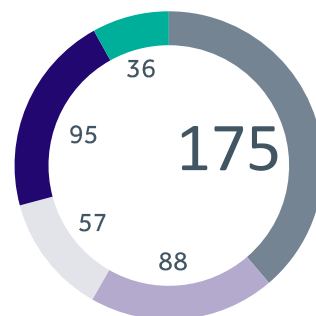
## Special commission rate risk exposure

By duration

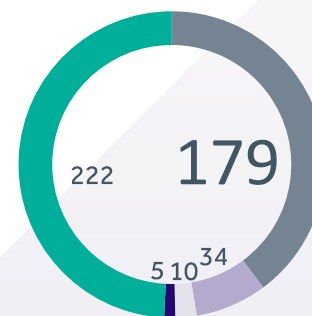
As at 31 December 2024

Assets (SARbn)

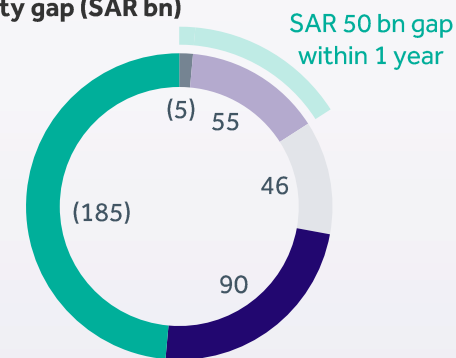
- Within 3 months
- 3-12 months
- 1-5 years
- Over 5 years
- Non-special commission bearing



Liabilities and Equity (SAR bn)



Total special commission rate sensitivity gap (SAR bn)

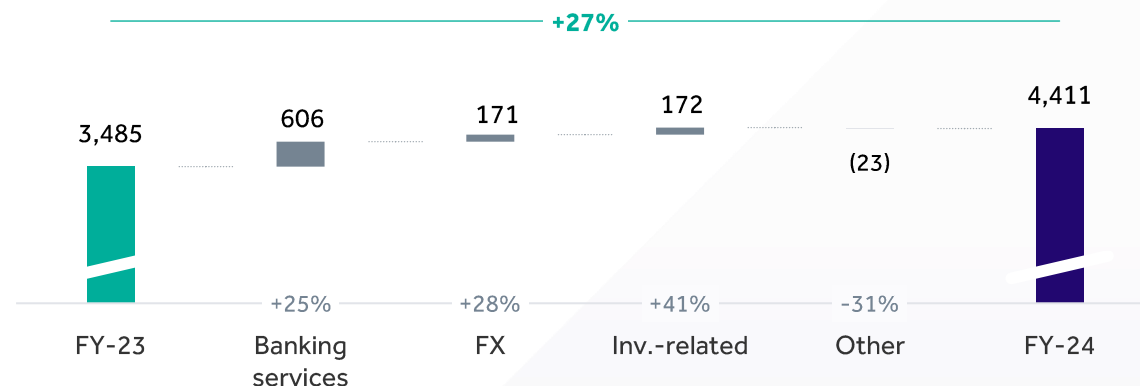




# Fee & other income grew by 27% YoY due to a strong growth in fees from banking services, FX income and investment related income

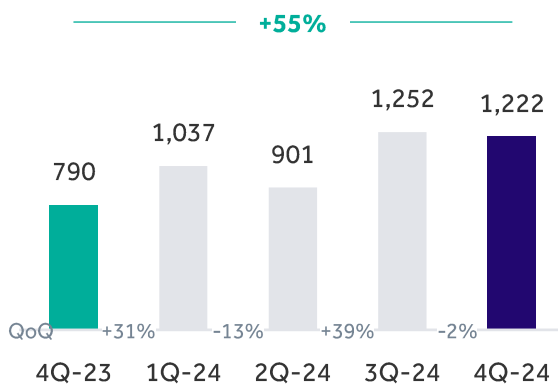
SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
Fee income from banking services	1,283	999	+28%	4,539	3,731	+22%
Fee expenses from banking services	(458)	(445)	+3%	(1,549)	(1,346)	+15%
<b>Banking services</b>	<b>825</b>	<b>554</b>	<b>+49%</b>	<b>2,991</b>	<b>2,385</b>	<b>+25%</b>
Exchange income, net	255	151	+69%	779	608	+28%
Investment-related income	133	67	+98%	590	417	+41%
Other operating income	9	18	-51%	51	75	-31%
<b>Fee and other income</b>	<b>1,222</b>	<b>790</b>	<b>+55%</b>	<b>4,411</b>	<b>3,485</b>	<b>+27%</b>

Fee & Other Income Movement YoY (SARmn)

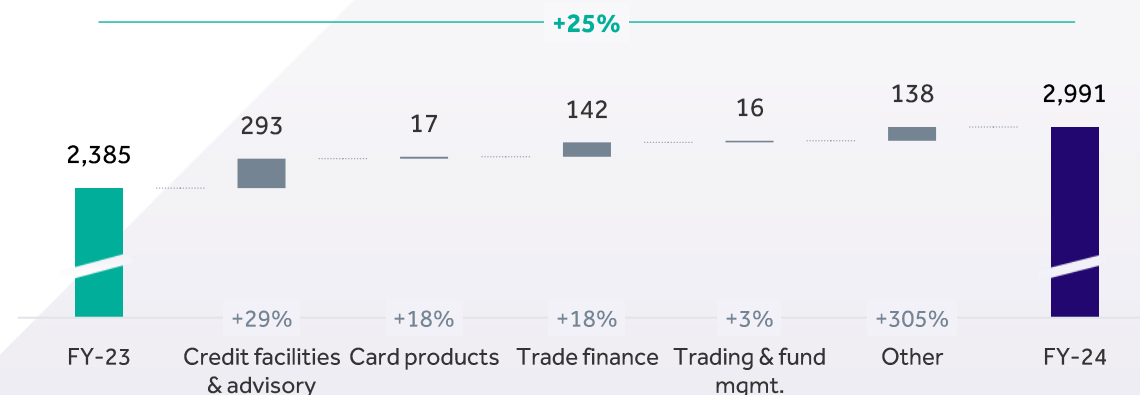


- ◆ Fee & other income grew by 27% YoY during 2024 driven by a robust growth in banking services, FX income and investment related income.
- ◆ Fee income from banking services increased by 25% YoY, mainly resulted from an increase of fees from credit facilities & advisory, trade finance.
- ◆ Quarterly fee & other income jumped by 55% YoY to reached SAR 1,222 million in 4Q24 compared with the SAR 790 million in the corresponding period of last year.

Quarterly Fee & Other Income (SARmn)



Fee Income from Banking Services Movement YoY (SARmn)

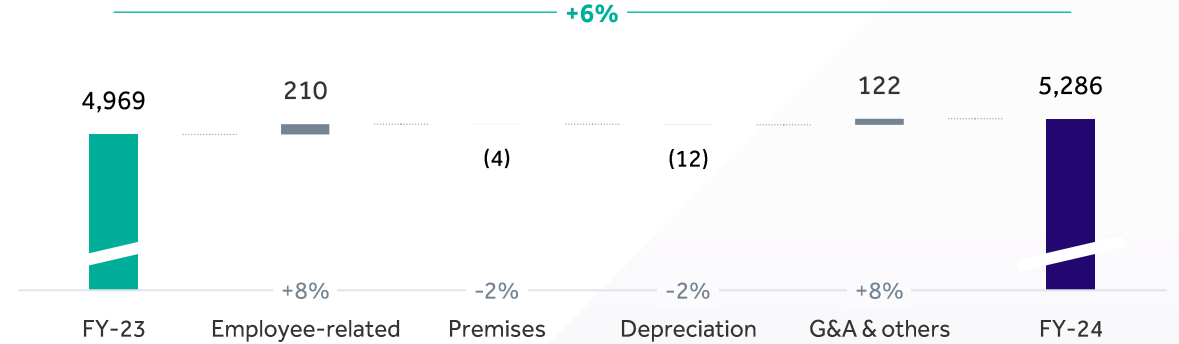




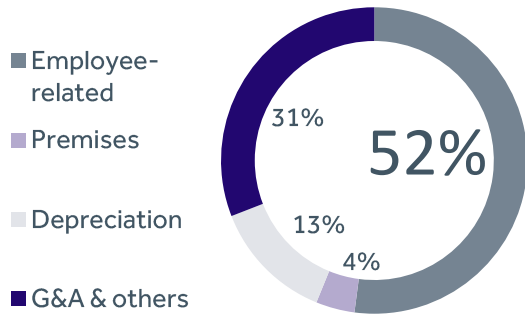
# Cost efficiency continues to improve despite ongoing investments in infrastructure, digital capabilities, and strategic initiatives

- Operating expenses before impairments increased by 6% to reach SAR 5,286 million during 2024 mainly from higher employee-related costs.
- Quarterly operating expenses before impairments increased by 11% YoY reaching to SAR 1,408.
- Cost to income ratio stands at 30.6% for FY 2024, an improvement of 70bps YoY.
- Cost to average earning assets ratio stands at 1.40% in 2024, 5bps lower than last year.

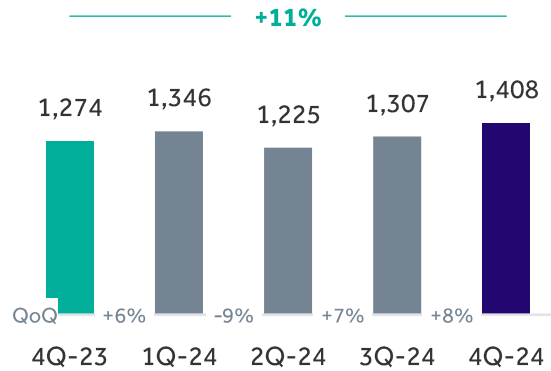
Expenses before Impairments Movement YoY (SARmn)



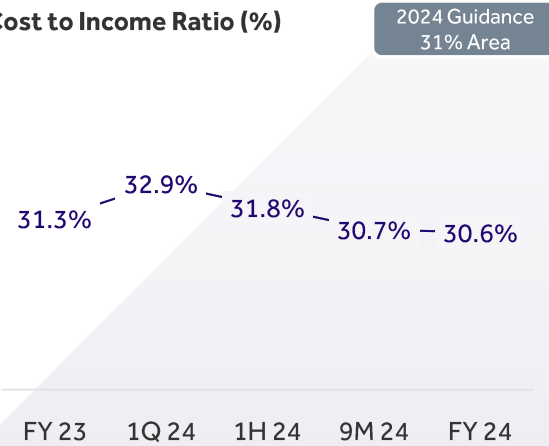
Expenses before Impairments Composition, FY-24 (%)



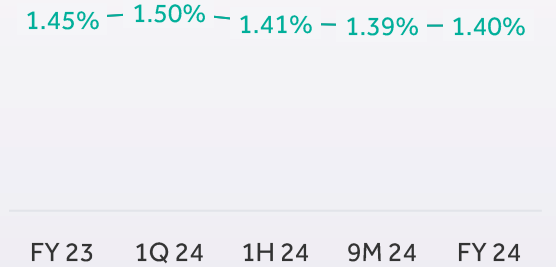
Expenses before Impairments (SARmn)



Cost to Income Ratio (%)



Cost to AIEA Ratio\* (%)

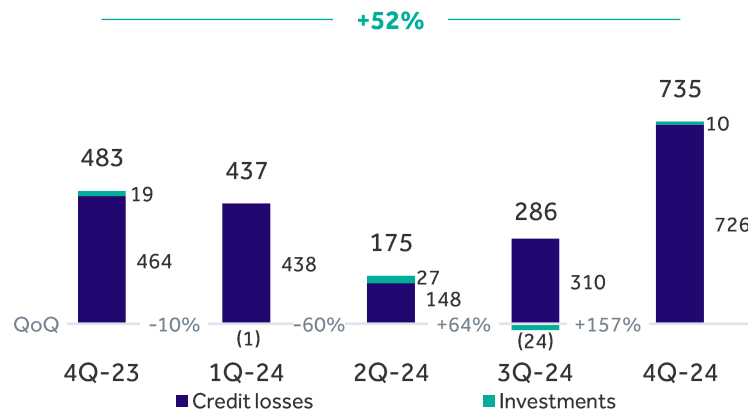




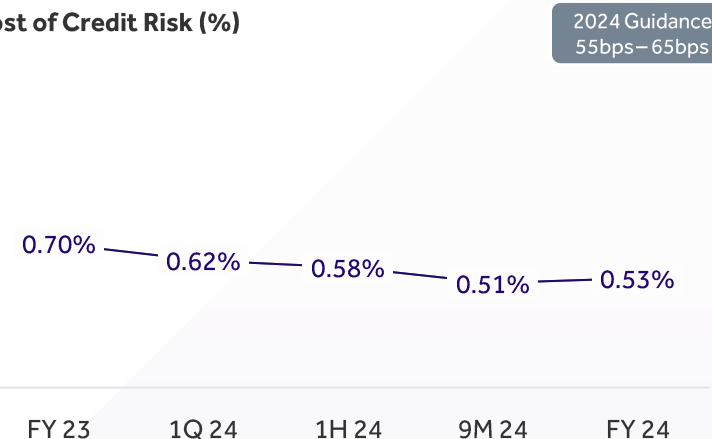
# Proactive risk management, higher recoveries and robust asset quality resulted in improved cost of credit risk

- ◆ Impairment charges dropped by 17% YoY to SAR 1,632mn in 2024 driven by strong recoveries and lower charges.
- ◆ Quarterly impairment charges increased by 52% YoY in 4Q24.
- ◆ Commercial impairment charges decreased by 41% YoY, whereas consumer impairment charges increased by 103% YoY.
- ◆ Cost of credit risk improved by 17bps YoY standing at 0.53% in 2024.

Impairments (SARmn)

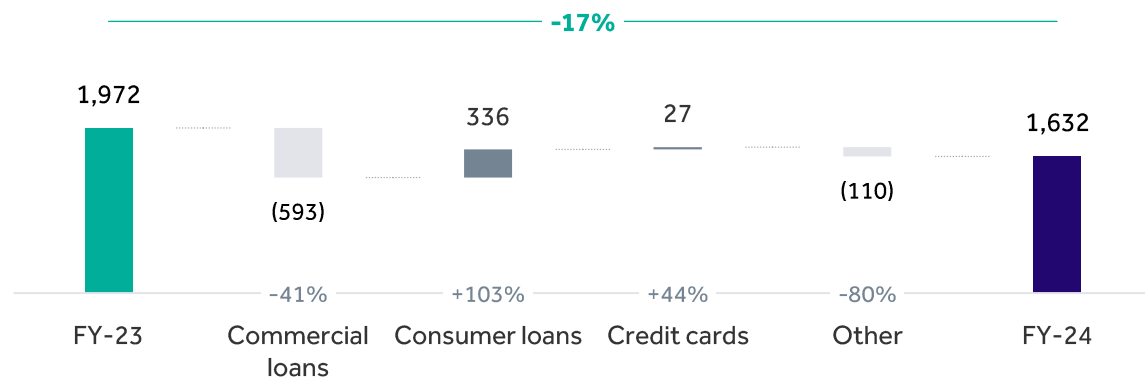


Cost of Credit Risk (%)

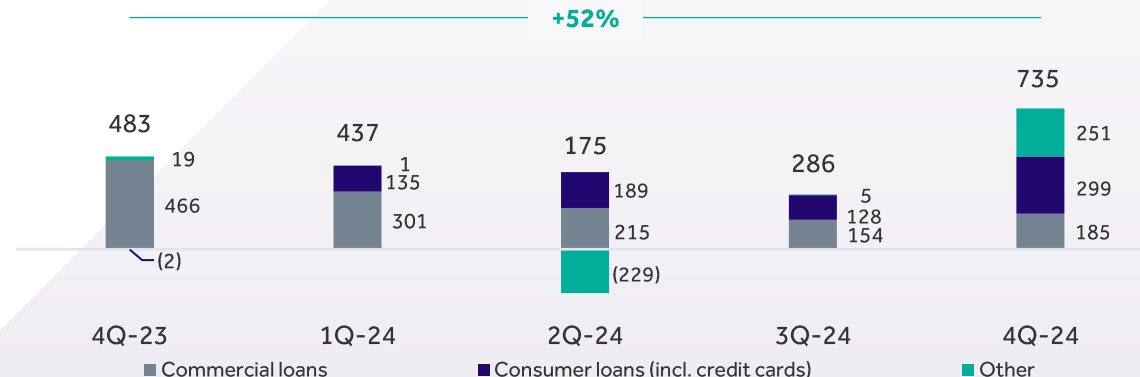


2024 Guidance  
55bps – 65bps

Impairments Movement YoY (SARmn)



Impairments by Source (SARmn)





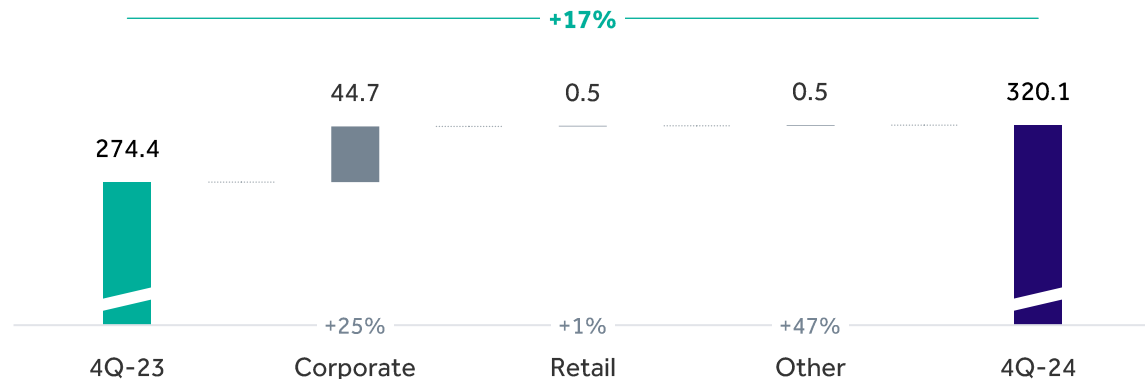
# Segment Performance



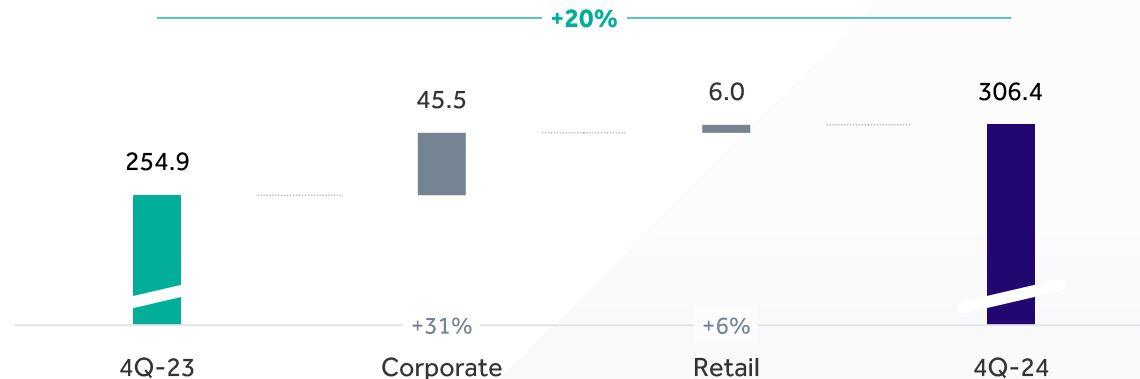


# Corporate and Retail segments were the main drivers for the growth in net income for the period

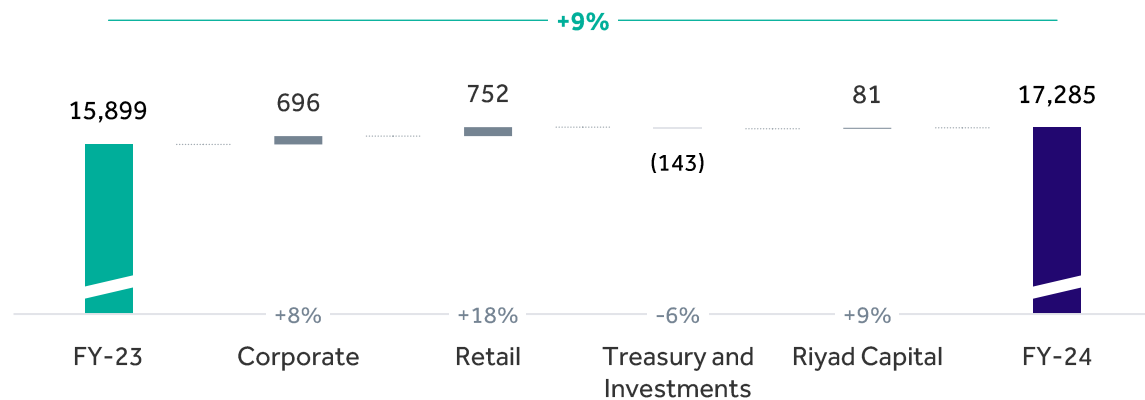
Net Loans & Advances Movement YoY (SARbn)



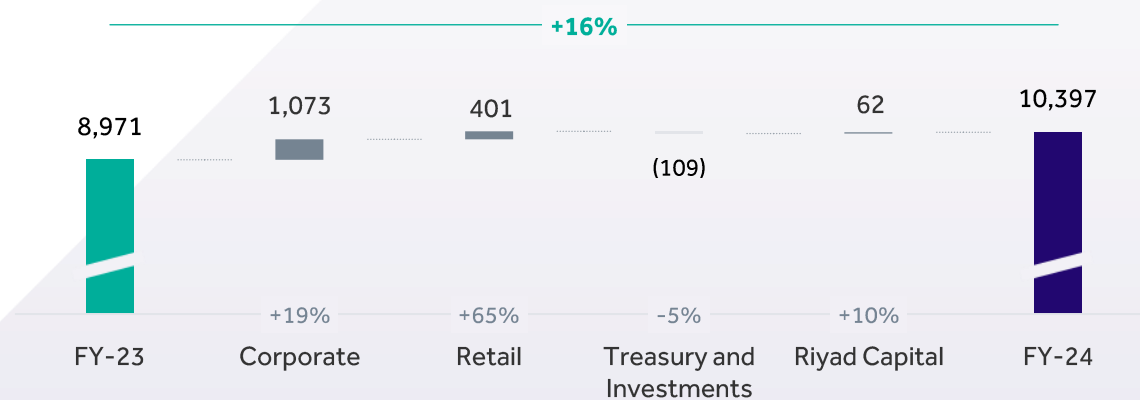
Deposits Movement YoY (SARbn)



Total Operating Income Movement YoY (SARmn)



Net Income before Zakat Movement YoY (SARmn)





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

<p><b>Corporate</b></p>	<p><b>Operating Income</b> FY-24</p> <p>+8% YoY</p> <p>SAR Million <b>9,121</b></p>	<p><b>Expenses*</b> FY-24</p> <p>+17% YoY</p> <p>SAR Million <b>1,610</b></p>	<p><b>Impairments</b> FY-24</p> <p>-41% YoY</p> <p>SAR Million <b>869</b></p>	<p><b>Net Income**</b> FY-24</p> <p>+19% YoY</p> <p>SAR Million <b>6,641</b></p>
<p><b>Retail</b></p>	<p><b>Operating Income</b> FY-24</p> <p>+18% YoY</p> <p>SAR Million <b>4,839</b></p>	<p><b>Expenses</b> FY-24</p> <p>-0% YoY</p> <p>SAR Million <b>3,072</b></p>	<p><b>Impairments</b> FY-24</p> <p>+91% YoY</p> <p>SAR Million <b>752</b></p>	<p><b>Net Income</b> FY-24</p> <p>+65% YoY</p> <p>SAR Million <b>1,016</b></p>
<p><b>Treasury and Investments</b></p>	<p><b>Operating Income</b> FY-24</p> <p>-6% YoY</p> <p>SAR Million <b>2,338</b></p>	<p><b>Expenses</b> FY-24</p> <p>+33% YoY</p> <p>SAR Million <b>278</b></p>	<p><b>Impairments</b> FY-24</p> <p>-88% YoY</p> <p>SAR Million <b>11</b></p>	<p><b>Net Income</b> FY-24</p> <p>-5% YoY</p> <p>SAR Million <b>2,079</b></p>
<p><b>Riyad Capital</b></p>	<p><b>Operating Income</b> FY-24</p> <p>+9% YoY</p> <p>SAR Million <b>987</b></p>	<p><b>Expenses</b> FY-24</p> <p>+6% YoY</p> <p>SAR Million <b>326</b></p>	<p><b>Brokerage Value Traded</b> FY-24</p> <p>+31% YoY</p> <p>SAR Billion <b>196.9</b></p>	<p><b>Net Income</b> FY-24</p> <p>+10% YoY</p> <p>SAR Million <b>661</b></p>

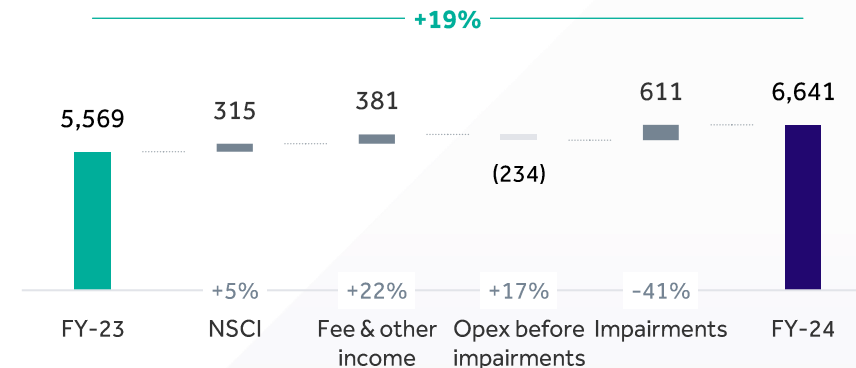


# Strong growth in fee and other income, coupled with lower provisions bolstered corporate profitability despite the rising in operating expenses

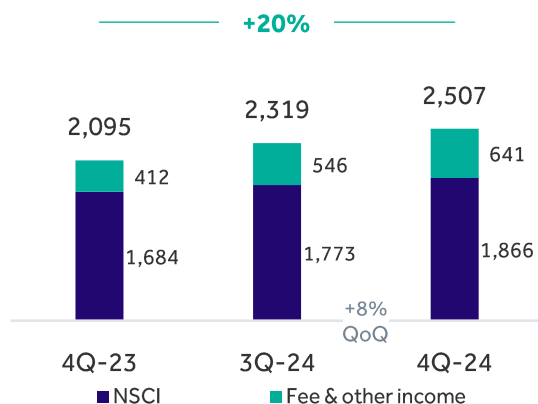
- Net income before zakat of the Corporate segment increased by 19% YoY to reach SAR 6,641mn in 2024 mainly due to higher fee & other income coupled with lower provisions, partly offset by the increase in operating expenses.
- Fee and other income grew by 22% YoY in 2024 reaching to SAR 2,135mn driving total operating income to increase by 8% YoY to reach SAR 9,121mn.

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
NSCI	1,866	1,684	+11%	6,985	6,671	+5%
Fee & other income	641	412	+56%	2,135	1,754	+22%
<b>Total operating income</b>	<b>2,507</b>	<b>2,095</b>	<b>+20%</b>	<b>9,121</b>	<b>8,425</b>	<b>+8%</b>
Opex before impairments	(425)	(391)	+9%	(1,610)	(1,376)	+17%
Impairments	(427)	(465)	-8%	(869)	(1,481)	-41%
<b>Net income before zakat</b>	<b>1,655</b>	<b>1,239</b>	<b>+34%</b>	<b>6,641</b>	<b>5,569</b>	<b>+19%</b>

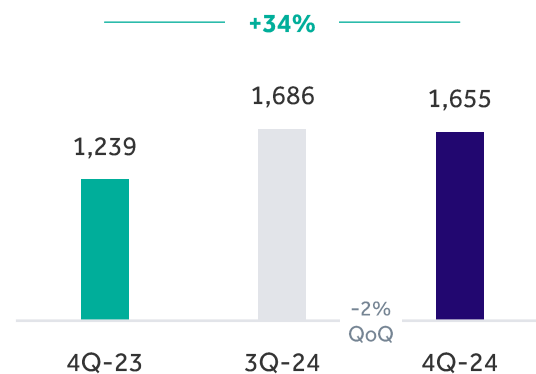
Net Income Before Zakat Movement YoY (SARmn)



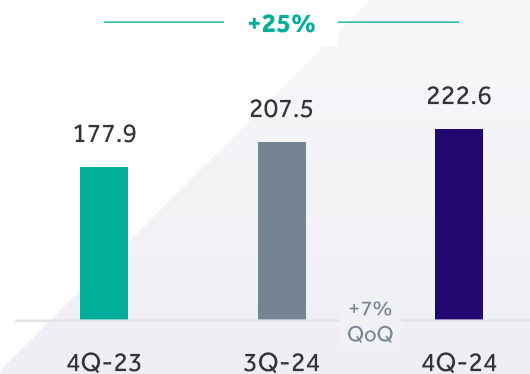
Total Operating Income (SARmn)



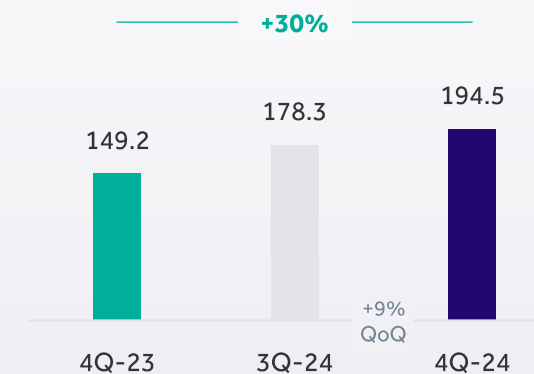
Net Income Before Zakat (SARmn)



Loans & Advances, Net (SARbn)



Deposits (SARbn)



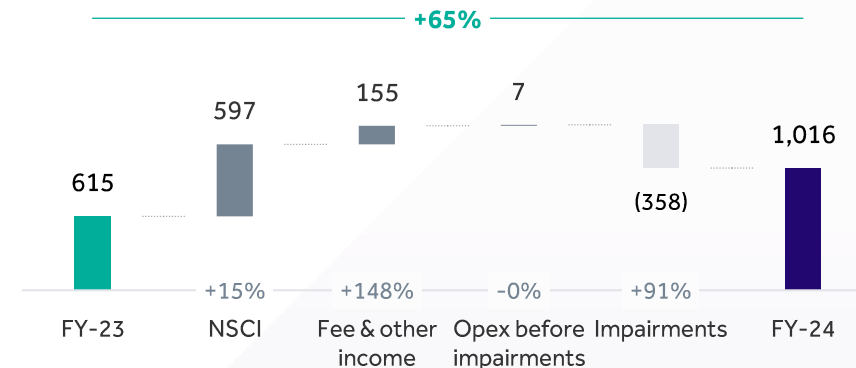


# Retail net income jumped by 65% YoY, mainly due to a robust growth in fee and other income, which was partly offset by the increase in provisions

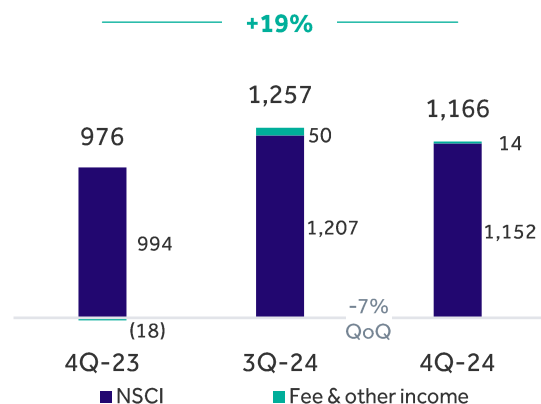
- Net income before zakat of the Retail segment jumped by 65% YoY to reach SAR 1,016mn in 2024 mainly due to increase in fee & other income.
- Fee and other income for FY 2024 jumped by 148% YoY reaching to SAR 260mn, mainly due to higher fee from banking services.
- Total operating income increased by 18% YoY during 2024 reaching to SAR 4,839mn.

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
NSCI	1,152	994	+16%	4,579	3,982	+15%
Fee & other income	14	(18)	+178%	260	105	+148%
<b>Total operating income</b>	<b>1,166</b>	<b>976</b>	<b>+19%</b>	<b>4,839</b>	<b>4,087</b>	<b>+18%</b>
Opex before impairments	(813)	(751)	+8%	(3,072)	(3,078)	-0%
Impairments	(300)	1	-301%	(752)	(394)	+91%
<b>Net income before zakat</b>	<b>54</b>	<b>226</b>	<b>-76%</b>	<b>1,016</b>	<b>615</b>	<b>+65%</b>

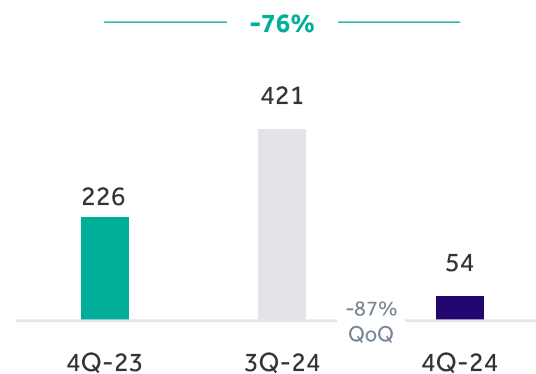
### Net Income Before Zakat Movement YoY (SARmn)



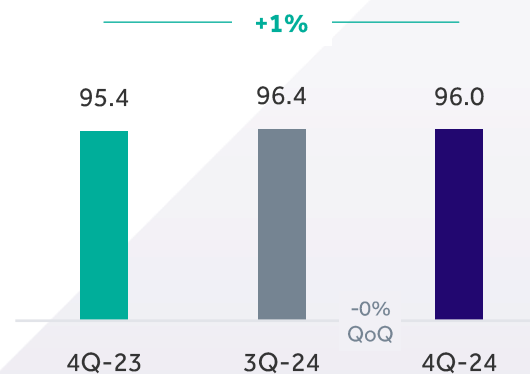
### Total Operating Income (SARmn)



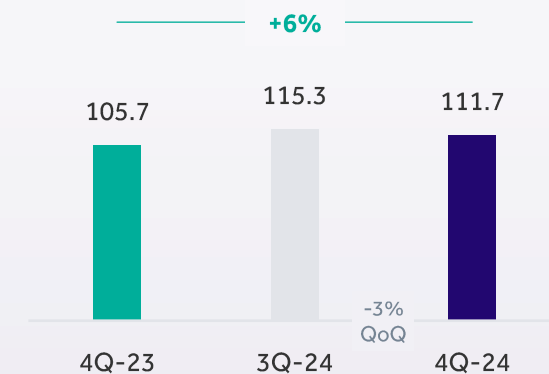
### Net Income Before Zakat (SARmn)



### Loans & Advances, Net (SARbn)



### Deposits (SARbn)



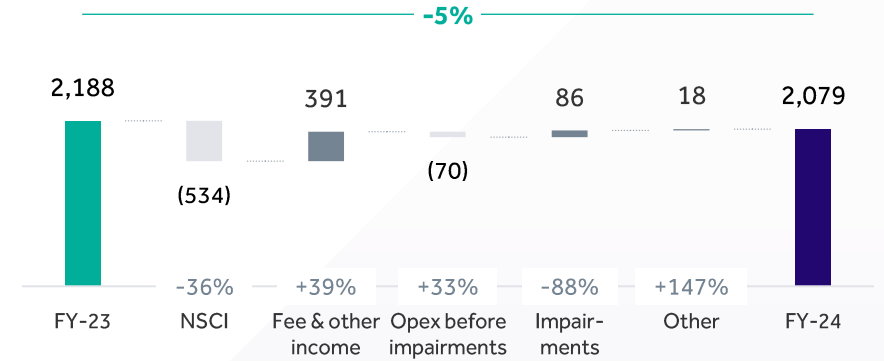


# Treasury and Investments net income before Zakat declined by 5% YoY due to lower operating income, coupled with higher expenses

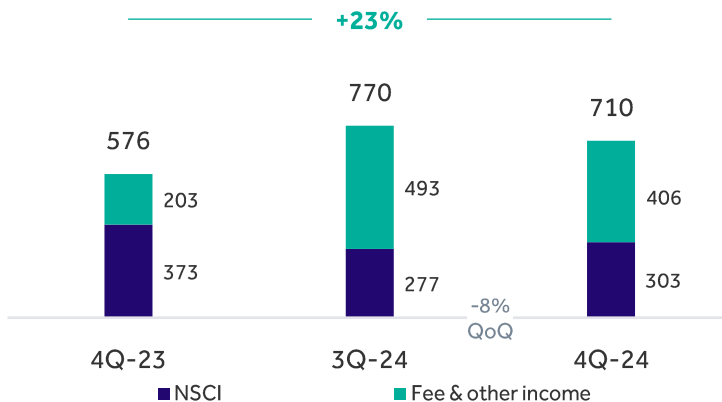
- Net income before zakat of the Treasury and Investments segment declined by 5% YoY to reach SAR 2,079mn in 2024 due to decrease in operating income coupled with higher expenses.
- Operating income for FY 2024 decreased by 6% YoY reaching to SAR 2,338mn.

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
NSCI	303	373	-19%	949	1,483	-36%
Fee & other income	406	203	+100%	1,388	998	+39%
<b>Total operating income</b>	<b>710</b>	<b>576</b>	<b>+23%</b>	<b>2,338</b>	<b>2,481</b>	<b>-6%</b>
Opex before impairments	(87)	(61)	+43%	(278)	(208)	+33%
Impairments	(9)	(19)	-53%	(11)	(97)	-88%
Associates	8	4	+116%	30	12	+147%
<b>Net income before zakat</b>	<b>622</b>	<b>501</b>	<b>+24%</b>	<b>2,079</b>	<b>2,188</b>	<b>-5%</b>

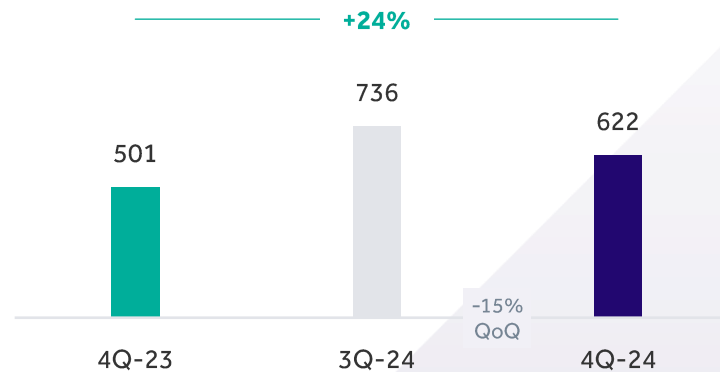
Net Income Before Zakat Movement YoY (SARmn)



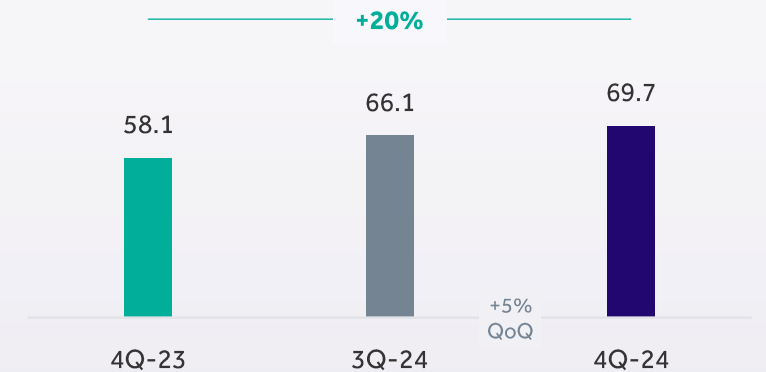
Total Operating Income (SARmn)



Net Income Before Zakat (SARmn)



Investments, Net (SARbn)



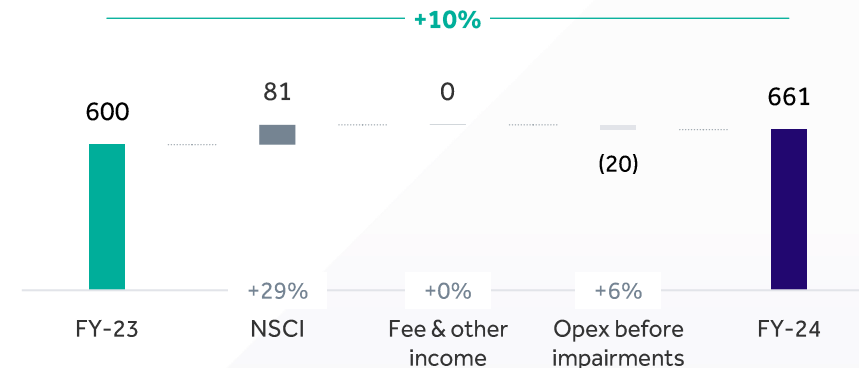


# Strong growth of 29% in NSCI resulted in 10% increase in net income before zakat for Riyadh Capital

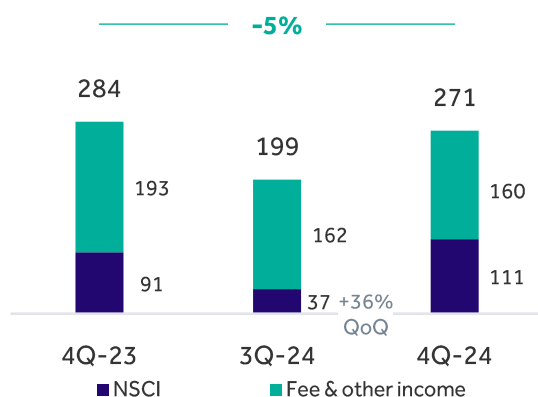
- Net income before zakat of Riyadh Capital increased by 10% YoY to reach SAR 661mn in 2024, due to higher NSCI which was partly offset by higher expenses.
- Net special commission income for FY 2024 increased by 29% YoY reaching to SAR 360mn compared to SAR 278mn for the corresponding period last year.

SAR (mn)	4Q-2024	4Q-2023	YoY % Change	FY-2024	FY-2023	YoY % Change
NSCI	111	91	+22%	360	278	+29%
Fee & other income	160	193	-17%	627	627	+0%
<b>Total operating income</b>	<b>271</b>	<b>284</b>	<b>-5%</b>	<b>987</b>	<b>906</b>	<b>+9%</b>
Opex before impairments	(83)	(71)	+16%	(326)	(306)	+6%
<b>Net income before zakat</b>	<b>189</b>	<b>213</b>	<b>-11%</b>	<b>661</b>	<b>600</b>	<b>+10%</b>

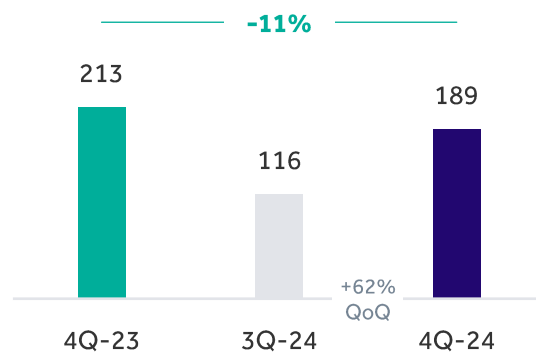
Net Income Before Zakat Movement YoY (SARmn)



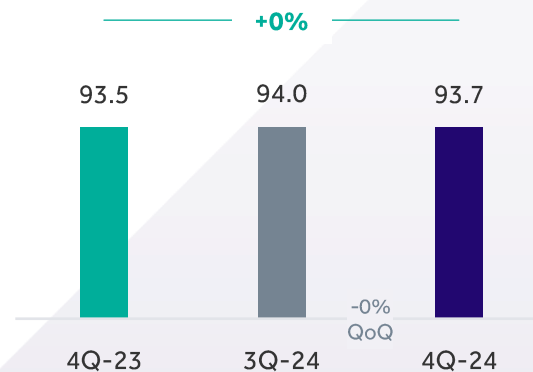
Total Operating Income (SARmn)



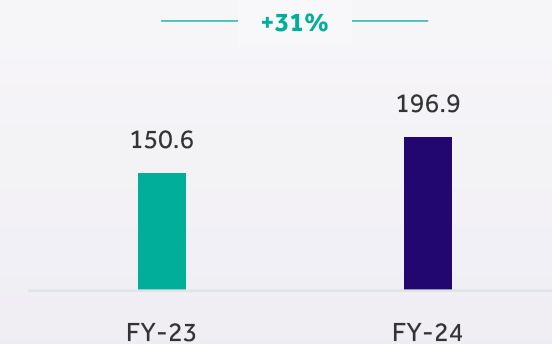
Net Income Before Zakat (SARmn)



Total AUM (SARbn)



Brokerage Value Traded (SARbn)





# Outlook & Guidance





# The momentum in strategic execution fuels an optimistic outlook for 2025

		FY 2024 Actual	FY 2025 Guidance	Drivers
Balance Sheet	Loans, Net	<b>SAR 320 bn</b> <i>(17% YoY)</i>	Low Double Digit	Strong credit demand expected to continue from corporate and SMEs driven by positive economic outlook while retail will be driven by mortgages
	Net Special Commission Income	<b>SAR 12.8 bn</b> <i>(3.7% YoY)</i>	Mid Single Digit	Asset mix and volume growth will compensate pressure on margins from higher cost of funding
Profitability	Cost to Income	<b>30.6%</b>	Below 30.5%	Cost discipline will continue despite ongoing investments in digital, our people and systems to achieve strategic aspirations
	Return on Equity	<b>16.6%</b>	Above 17%	Improved ROAE driven by top line growth, efficiencies and normalized cost of risk
Asset Quality	Cost of Credit Risk	<b>53bps</b>	30bps – 40bps	Strong financial position and resilient credit environment will support cost of risk normalization
Capital	Tier 1 Capital Ratio	<b>16.4%</b>	Above 16%	Healthy capitalization driven by efficient capital management and internal capital generation



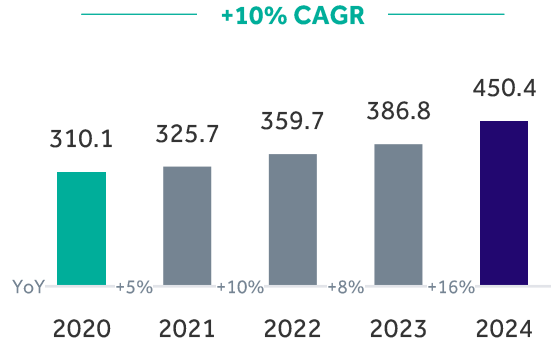
# Historical Performance



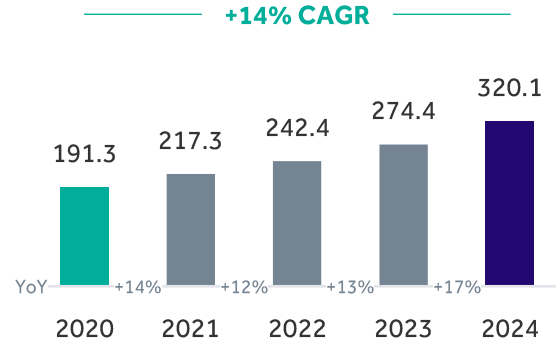


# Balance sheet 5-year Summary

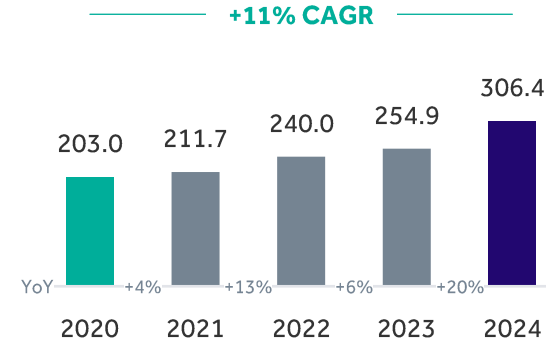
**Total Assets (SARbn)**



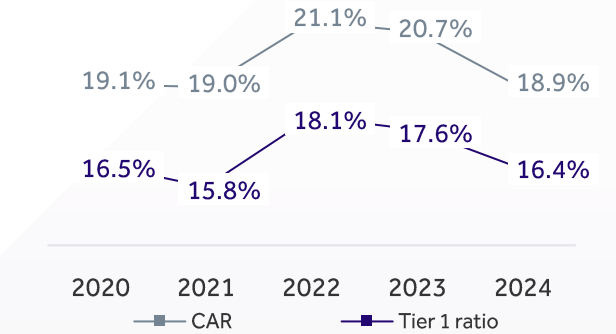
**Loans & Advances, Net (SARbn)**



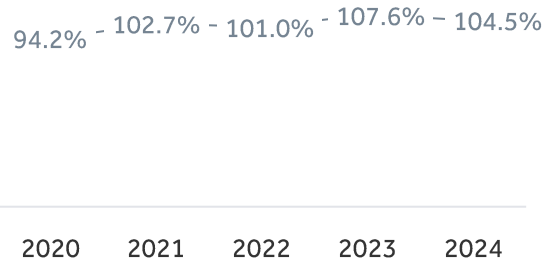
**Deposits (SARbn)**



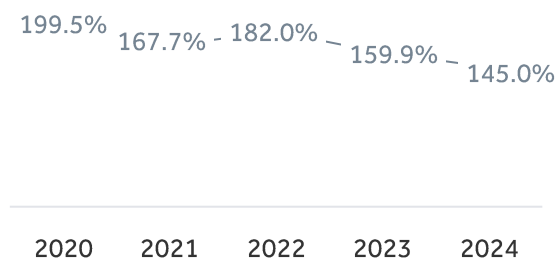
**Capital Ratios (%)**



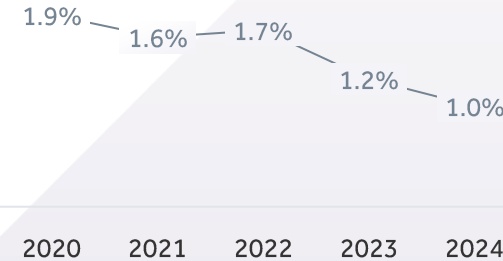
**Headline LDR (%)**



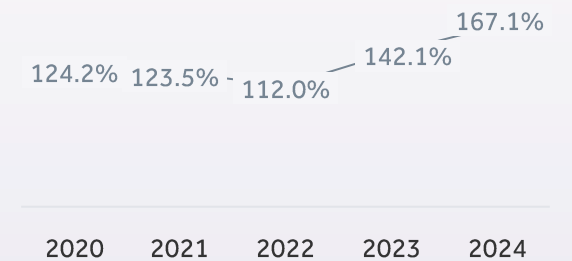
**LCR (%)**



**NPL Ratio (%)**



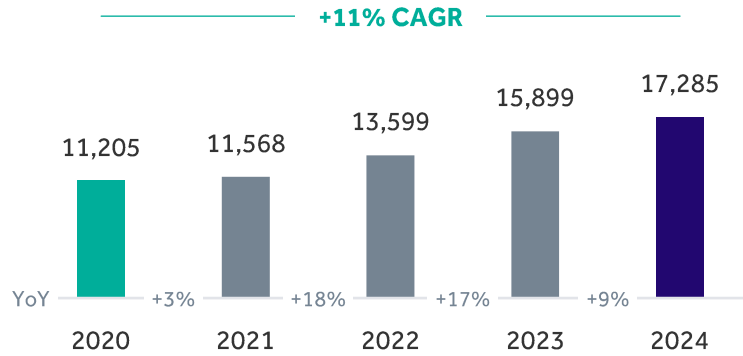
**NPL Coverage Ratio (%)**



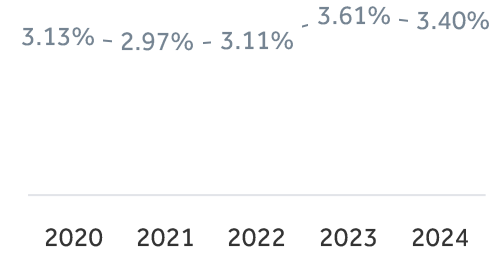


# Income Statement 5-year Summary

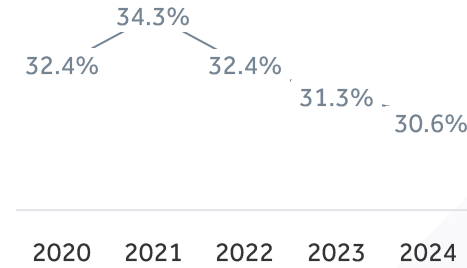
**Total Operating Income (SARmn)**



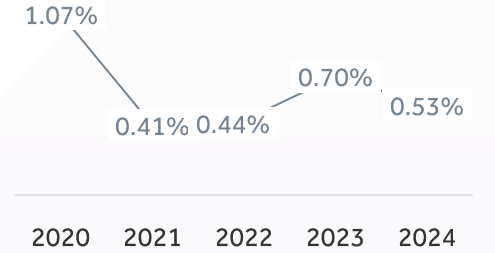
**NSCI Margin (%)**



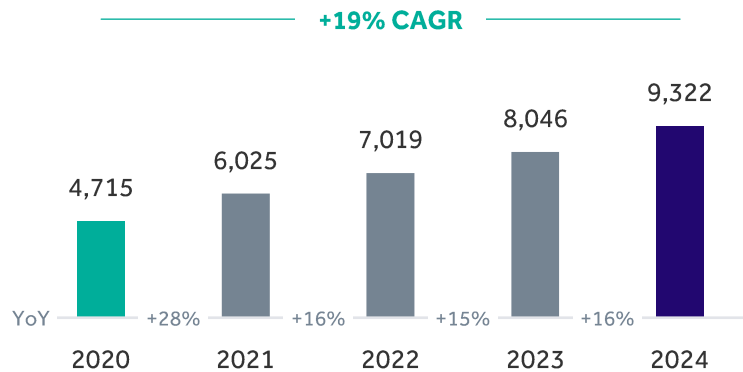
**Cost to Income Ratio (%)**



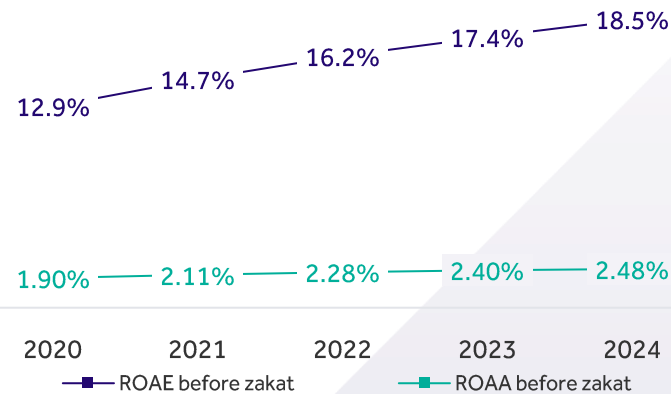
**Cost of Credit Risk (%)**



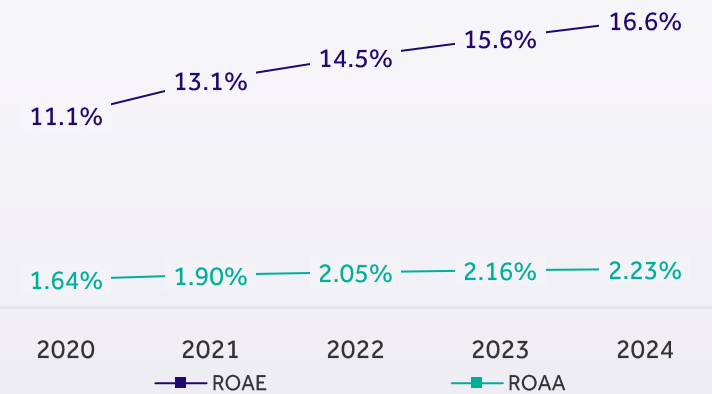
**Net Income (SARmn)**



**ROAE, ROAA Before Zakat (%)**



**ROAE, ROAA (%)**





- **Appendix**





# Contact the investor relations for more information

## Investor Relations Contact

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Riyadh 11416  
Kingdom of Saudi Arabia

## Riyad Bank Head Office

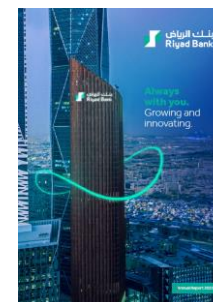


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[2023 Annual Report](#)



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