

SAIB reports 11% net income growth to SAR 1,957 million in FY 2024

Strong balance sheet momentum with lending growth of 23% in FY 2024

Key financial metrics for FY 2024:

Loans +23% YoY SAR 99.5 bn ▲	Investments +25% YoY SAR 40.4 bn ▲	Deposits +13% YoY SAR 94.0 bn ▲
Operating Income +5% YoY SAR 4,178 mn ▲	Operating Expenses +5% YoY SAR 1,735 mn ▲	Net Income +11% YoY SAR 1,957 mn ▲
Tier 1 Ratio -0.3 ppts YoY 19.1% ▼	SAMA LTD Ratio +6.8 ppts YoY 83.3% ▲	Return on Equity +53 bps YoY 13.1% ▲

Key highlights of FY 2024

- ▷ Total assets at SAR 156.7 bn, up 21% YoY
- ▷ Loans and advances increased 23% YoY
- ▷ Investments (mainly debt securities) up 25% YoY
- ▷ Customer deposits up 13% YoY
- ▷ Net income rose 11% YoY
- ▷ Operating income up 5% YoY
- ▷ NIM contraction to 2.68% on higher funding costs
- ▷ Efficiency improving with CIR at 41.5%
- ▷ Healthy credit quality with cost of risk at 0.32% and lower NPL ratio at 1.04%
- ▷ Return on equity improved 53 bps YoY to 13.1%
- ▷ Solid capitalization with Tier 1 ratio of 19.1% and CAR of 19.7%
- ▷ Comfortable liquidity position with LCR of 164.7% and NSFR of 108.7%

Riyadh, 13 February 2025 – The Saudi Investment Bank has reported net income of SAR 1,957 million for FY 2024, a 11% year-on-year increase, supported by a 5% rise in total operating income. Operating income growth was driven by a 17% improvement in net fee and other income, mainly from higher investment-related income and growth in fees from banking services, and a 3% increase in net special commission income. Total assets expanded by 21% year-on-year, with loans and advances growing 23% and investments increasing 25%. SAIB's balance sheet expansion was primarily funded by 13% year-on-year growth in customer deposits, mainly from higher time deposits, as well as increased interbank funding and new Sukuk issuance in 4Q 2024.

Faisal Abdullah Al-Omran, Chief Executive Officer of Saudi Investment Bank, said:

“For the full year of 2024, SAIB has maintained its upward growth momentum, building on the strong performance witnessed in the previous quarters. Net income for the year increased 11% year-on-year, driven by strong fee income growth and a sustained increase in net special commission income, while maintaining a disciplined approach to expense control and risk management. This combination of factors led to a further enhancement of our return on equity, reaching 13.1%.

Our balance sheet growth remains robust, with a 23% increase in loans and a 13% increase in deposits for the year, reflecting significant market trust and customer support. SAIB continues to see improvement in its asset quality with low levels of non-performing loans of 1.04% and healthy provision coverage of 157% as of December 31, 2024. The Bank has further maintained strong capitalization and liquidity positions, with ample room to support continued growth in the future.

In November, SAIB successfully issued an additional Tier 1 sustainable sukuk, raising USD 750 million with an annual return rate of 6.37%, reflecting investor confidence in SAIB's financial health and strategic direction.

We are making considerable strides in executing Strategy 2027, with substantial advancements across our strategic initiatives aimed at elevating the customer journey and fortifying the bank's market position. Concurrently, the robust macroeconomic climate within Saudi Arabia continues to offer a conducive and supportive backdrop, propelling our aspirations for growth.”

Earnings Release



Performance Highlights

Income Statement

SAR Million	FY 2024	FY 2023	Δ	4Q 2024	4Q 2023	Δ
Net special commission income	3,537	3,417	+3%	906	815	+11%
Fee and other income	641	549	+17%	176	188	-6%
Total operating income	4,178	3,967	+5%	1,083	1,003	+8%
Operating expenses before impairments	(1,735)	(1,657)	+5%	(438)	(414)	+6%
Provisions for credit and other losses	(290)	(359)	-19%	(80)	(110)	-27%
Net Operating Income	2,154	1,951	+10%	565	478	+18%
Share in earnings of associates	116	77	+51%	33	22	+48%
Income before provisions for Zakat	2,270	2,028	+12%	597	500	+19%
Provisions for Zakat	(313)	(267)	+17%	(87)	(53)	+66%
Net Income attributed to equity holders	1,957	1,762	+11%	510	447	+14%
Earnings per share (SAR)	1.43	1.28	+12%	0.35	0.30	+15%
Net interest margin	2.68%	2.98%	-30bps	2.50%	2.69%	-19bps
Cost to income ratio	41.5%	41.8%	-0.3ppt	40.4%	41.3%	-0.9ppt
Cost of risk	0.32%	0.47%	-15bps	0.32%	0.54%	-21bps
Return on common equity	13.1%	12.5%	+53bps	13.3%	12.6%	+64bps

Net income for FY 2024 rose 11% year-on-year to SAR 1,957 million. Growth was driven by an increase in total operating income, further supported by improved cost of risk.

Operating income for FY 2024 reached SAR 4,178 million, marking a 5% year-on-year increase. This solid top-line growth was largely attributed to a 17% year-on-year increase in fee and other income, which amounted to SAR 641 million in FY 2024. The key drivers of this growth were higher investment-related income and fees from banking services. Net special commission income grew by 3% compared to FY 2023, as 15% year-on-year growth in average earning assets was mostly offset by a 30 bps contraction in NIM to 2.68%.

Operating expenses increased by 5% year-on-year to SAR 1,735 million. This was mainly due to higher general & administration expenses, and employee-related costs as the bank continued to execute its digital transformation and strategic growth initiatives.

Earnings Release

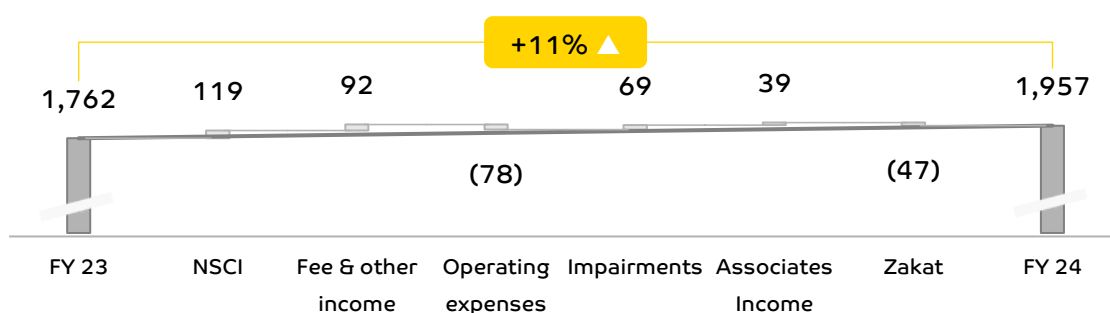


Cost to income ratio decreased to 41.5% in FY 2024 compared to 41.8% in FY 2023, driven by operating income growing slightly ahead of operating expenses.

The provisions for credit and other losses amounted to SAR 290 million during FY 2024 compared to provision costs of SAR 359 million in FY 2023. The cost of risk remained modest at 0.32% for the FY 2024.

The share in earnings of associates increased by 51% year-on-year to SAR 116 million, while provisions for zakat and taxes increased by 17% year-on-year.

Net Income Movement YoY (SARmn)



Earnings Release



Balance Sheet

SAR Million	4Q 2024	3Q 2024	Δ	4Q 2023	Δ
Cash and balances with SAMA	9,919	9,568	+4%	11,018	-10%
Due from banks and financial Institutions, net	1,314	1,271	+3%	1,473	-11%
Investments, net	40,431	40,284	+0%	32,301	+25%
Loans and advances, net	99,466	94,936	+5%	80,751	+23%
Other assets, net	5,536	5,191	+7%	4,441	+25%
Total assets	156,667	151,250	+4%	129,984	+21%
Due to banks and other financial institutions, net	39,901	33,280	+20%	27,289	+46%
Customers' deposits	94,013	98,094	-4%	83,233	+13%
Other liabilities	2,024	2,040	-1%	2,227	-9%
Total liabilities	135,938	133,415	+2%	112,749	+21%
Share capital	12,500	12,500	+0%	10,000	+25%
Retained earnings	2,112	2,163	-2%	1,711	+23%
Other reserves	804	672	+20%	2,809	-71%
Shareholders' equity	15,416	15,335	+1%	14,520	+6%
Tier 1 sukuk	5,313	2,500	+113%	2,715	+96%
Total equity	20,729	17,835	+16%	17,235	+20%
NPL Ratio	1.04%	1.41%	-0.37ppt	1.50%	-0.46ppt
NPL Coverage Ratio	156.7%	154.7%	+2.0ppt	155.2%	+1.5ppt
NIBD % of total	33.7%	32.3%	+1.4ppt	36.0%	-2.3ppt
Tier 1 ratio	19.1%	17.4%	+1.7ppt	19.4%	-0.3ppt
Capital adequacy ratio	19.7%	18.0%	-1.71ppt	20.1%	-0.4ppt
Liquidity coverage ratio	164.7%	168.0%	-3.4ppt	195.8%	-31.2ppt
Net stable funding ratio	108.7%	110.5%	-1.8ppt	113.1%	-4.4ppt
Financing to customers' deposit ratio (SAMA)	83.3%	79.1%	+4.2ppt	76.5%	-6.8ppt

Earnings Release



Total assets reached SAR 156.7 billion as of 31 December 2024, marking 21% year-on-year growth.

Loans and advances continued to expand, increasing by 23% year-on-year to SAR 99.5 billion. This growth was mainly driven by a 25% increase in corporate lending, while retail lending, including private banking, also contributed with 16% growth. The Bank continued to benefit from increased participation in the syndicated loan market for large infrastructure projects, while exposure to other key sectors such as utilities, consumer, building & construction, commerce and manufacturing also supported this growth.

The **investment portfolio** increased by 25% year-on-year to reach SAR 40.4 billion. The Bank made new investments to capitalize on the higher interest rate environment, further strengthening its financial position.

Customer deposits expanded by 13% year-on-year to SAR 94.0 billion, reflecting a 17% increase in interest bearing deposits and a 6% increase in non-interest bearing deposits. The share of non-interest bearing deposits amounted to 33.7% as of December 2024. Corporate deposits increased by 41%, Retail deposits were up 17% for the period, while Treasury and Investment deposits were lower by 16%.

The **non-performing loans ratio** stood at 1.04% as of 31 December 2024, as non-performing loans remained at moderate levels compared to growth in gross lending. Non-performing loan coverage stood at a healthy 156.7% as of end December 2024.

The Bank remains **well capitalized** with the total capital adequacy ratio of 19.7% and Tier 1 ratio of 19.1% as of 31 December 2024, compared to 20.1% and 19.4% respectively as of 31 December 2023. Risk-weighted assets increased by 20% year-on-year, due to growth in credit risk weighted assets, while total capital grew by 18% year-on-year.

In November 2024, SAIB completed a USD 750 mn additional Tier 1 sustainable sukuk offering with an annual return of 6.37% under its USD 1,500 mn Tier I Sukuk Program.

SAIB's **liquidity position** remained robust with the liquidity coverage ratio of 164.7%, a net stable funding ratio of 108.7%, a SAMA loan to deposit ratio of 83.3%, as well as a headline loan to deposit ratio of 105.8% as of 31 December 2024.

Earnings Release



Segmental Performance

Corporate

Corporate net income before zakat grew 13% year-on-year to SAR 1,033 million in FY 2024. Corporate operating income increased by 9% year-on-year on 6% growth in net special commission income due to strong loan growth. This was supported by an increase of 24% year-on-year in fee and other income. Operating expenses increased by 5% year-on-year, while credit impairments remained stable compared to FY 2023.

Total corporate assets increased by 25% year-on-year to SAR 72.8 billion as of 4Q 2024, driven by similar levels of loan growth. Corporate liabilities increased by 41% year-on-year to SAR 11.2 billion, largely driven by deposit growth.

Income Statement (SAR Million)	FY 2024	FY 2023	Δ	4Q 2024	4Q 2023	Δ
Net Special Commission Income	1,347	1,265	+6%	329	346	-5%
Fee & other income	245	198	+24%	60	49	+22%
Total operating income	1,592	1,463	+9%	389	396	-2%
Expenses	282	269	+5%	68	66	+5%
Impairments	276	277	-0%	82	66	+23%
Other income (expenses)	0	0	-	0	0	-
Net income before zakat	1,033	917	+13%	238	264	-10%

Balance Sheet (SAR Million)	4Q 2024	3Q 2024	Δ	4Q 2023	Δ
Total assets	72,823	69,319	+5%	58,045	+25%
Total liabilities	11,235	11,732	-4%	7,953	+41%

Earnings Release



Retail

Retail net income before zakat increased by 4% year-on-year to SAR 548 million in FY 2024. Retail operating income slightly increased year-on-year to SAR 1,557 million. Operating expenses increased 5%, driven by spending on digital transformation and various strategic growth initiatives, and impairment charges improved by 89%.

Total retail assets increased by 16% year-on-year to SAR 26.2 billion as of 4Q 2024, while retail liabilities were higher by 17% year-on-year to reach SAR 68.9 billion, reflecting growth in deposits.

Income Statement (SAR Million)	FY 2024	FY 2023	Δ	4Q 2024	4Q 2023	Δ
Net Special Commission Income	1,437	1,431	+0%	349	415	-16%
Fee & other income	120	136	-12%	25	30	-16%
Total operating income	1,557	1,567	-1%	373	445	-16%
Expenses	999	956	+5%	259	242	+7%
Impairments	9	82	-89%	(2)	45	-104%
Other income (expenses)	0	0	-	0	0	-
Net income before zakat	548	529	+4%	116	158	-26%

Balance Sheet (SAR Million)	4Q 2024	3Q 2024	Δ	4Q 2023	Δ
Total assets	26,230	25,457	+3%	22,664	+16%
Total liabilities	68,874	72,347	-5%	58,963	+17%

Earnings Release



Treasury and Investments

Treasury and Investments net income before zakat increased by 21% year-on-year to SAR 867 million in FY 2024. Operating income grew 13% year-on-year to SAR 1,090 million due to a 5% increase in net special commission income and a 35% increase in fee and other income largely due to higher unrealized gains on financial instruments. Treasury and Investments operating expenses grew by 4% year-on-year, while investment impairments were negligible and income from associates grew 51% year-on-year.

The segment's total assets rose by 17% year-on-year on higher investment securities and interbank placements. Liabilities grew by 23% year-on-year, while deposits contracted by 16%.

Income Statement (SAR Million)	FY 2024	FY 2023	Δ	4Q 2024	4Q 2023	Δ
Net Special Commission Income	746	707	+5%	228	54	+320%
Fee & other income	344	254	+35%	97	116	-16%
Total operating income	1,090	961	+13%	325	170	+91%
Expenses	334	323	+4%	78	77	+2%
Impairments	4	(1)	-878%	0	(1)	-122%
Associates	116	77	+51%	33	22	+48%
Net income before zakat	867	716	+21%	280	117	+140%

Balance Sheet (SAR Million)	4Q 2024	3Q 2024	Δ	4Q 2023	Δ
Total assets	53,373	51,999	+3%	45,774	+17%
Total liabilities	53,420	47,236	+13%	43,607	+23%

Earnings Release



Asset Management and Brokerage

Asset Management and Brokerage net income before zakat expanded by 23% year-on-year to SAR 116 million in FY 2024. Net special commission income grew 19% year-on-year from higher income on margin accounts. Fee and other income grew by 14%, reflecting healthy stock market trading volumes and capital markets activity.

Asset Management and Brokerage total assets expanded by 17% year-on-year while liabilities grew by 9%.

Income Statement (SAR Million)	FY 2024	FY 2023	Δ	4Q 2024	4Q 2023	Δ
Net Special Commission Income	68	57	+19%	18	15	+19%
Fee & other income	167	146	+14%	43	29	+50%
Total operating income	234	203	+16%	61	44	+39%
Expenses	118	108	+9%	32	30	+4%
Impairments	0	0	-	0	0	-
Net income before zakat	116	94	+23%	29	13	+118%

Balance Sheet (SAR Million)	4Q 2024	3Q 2024	Δ	4Q 2023	Δ
Total assets	936	903	+4%	798	+17%
Total liabilities	67	71	-6%	62	+9%

Outlook

As Saudi Arabia continues to navigate its path towards a transformative economic landscape, the outlook for 2025 is markedly optimistic. The Kingdom's concerted efforts to bolster the non-oil sector, a cornerstone of its Vision 2030 blueprint, are yielding tangible results, projecting a future of dynamic and sustained economic expansion.

SAIB remains committed to providing top-tier financial services, aligning its operations with the economic objectives of Saudi Arabia. The Kingdom's substantial investments in mega-projects and infrastructure enhancements are creating a surge in credit demand. This shift resonates with SAIB's strategic emphasis on financing for corporations and large-scale projects. Moreover, the expansion into retail banking, particularly through an increased focus on private banking services, is supported by the ongoing growth in the retail industry, driven by higher consumer spending. The strategic measures taken by SAIB, which are in harmony with emerging growth opportunities, are expected to propel the bank's earnings in the future.

Earnings Release



Additional Information

SAIB's 4Q 2024 financial statements, earnings release, earnings presentation and financial data supplement are available on the SAIB Investor Relations website at:

<https://www.saib.com.sa/en/investor-relations>

For further information, visit: <https://www.saib.com.sa/en>

For investor and media enquiries, please contact: ir@saib.com.sa