

Earnings Presentation

1Q 2025

8 May 2025



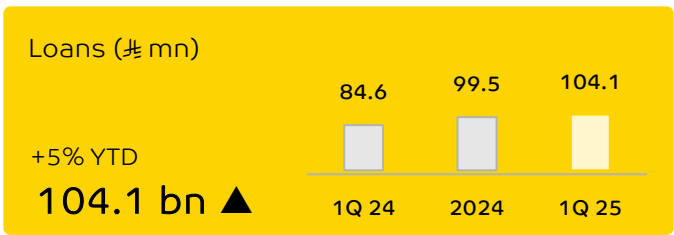
البنك السعودي للاستثمار
The Saudi Investment Bank

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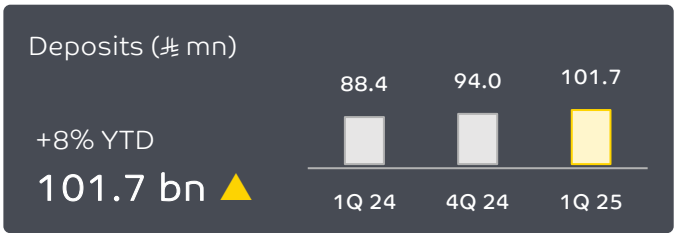
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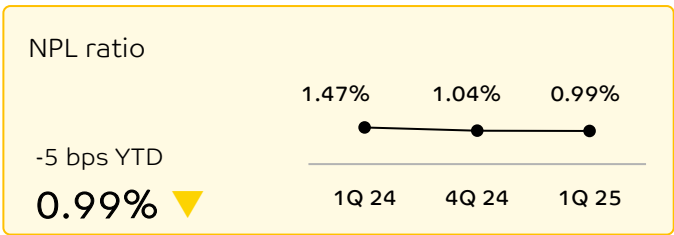
Growth momentum sustained in 1Q 2025 demonstrating solid progress



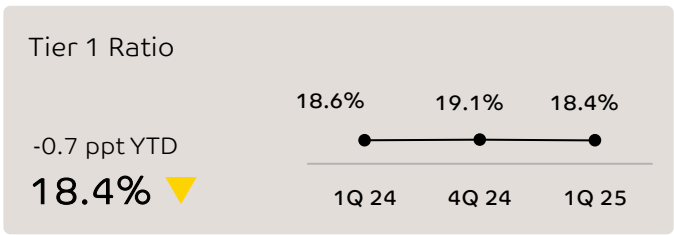
Solid balance sheet expansion, driven by 5%YTD increase in loans



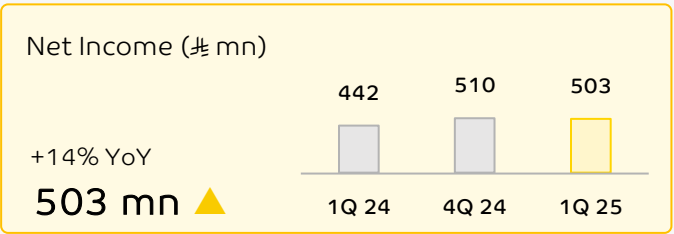
Customer deposits grew by 8% YTD due to 15% increase in IBDs and 5% decrease in NIBDs



High credit quality maintained with NPL ratio at 0.99%

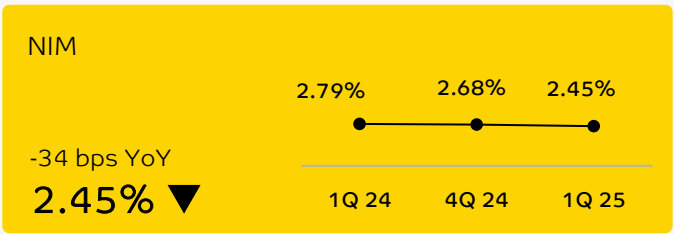


Strong capital ratios sustained through profit generation and the recent Sukuk issuance

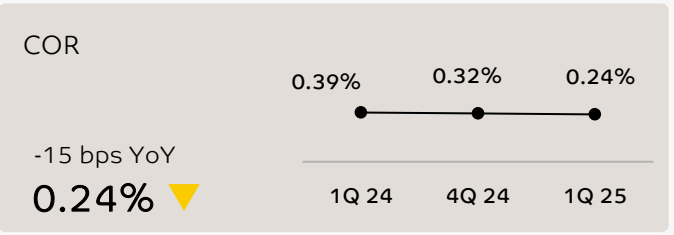


Net Income grew by 14% YoY to ﷲ 503 mn, driven by strong business performance.

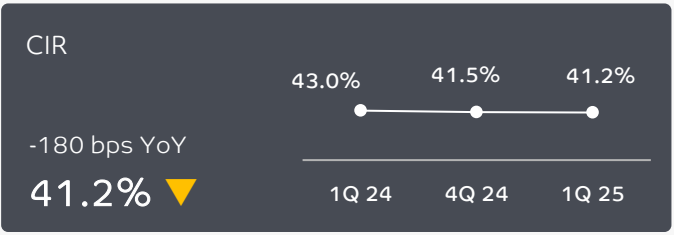
ROE increased 84 bps YoY to 13.0%



NIM contraction due to decrease in asset yield and shift in the deposit mix limiting COF improvement



COR remains low at 24 bps

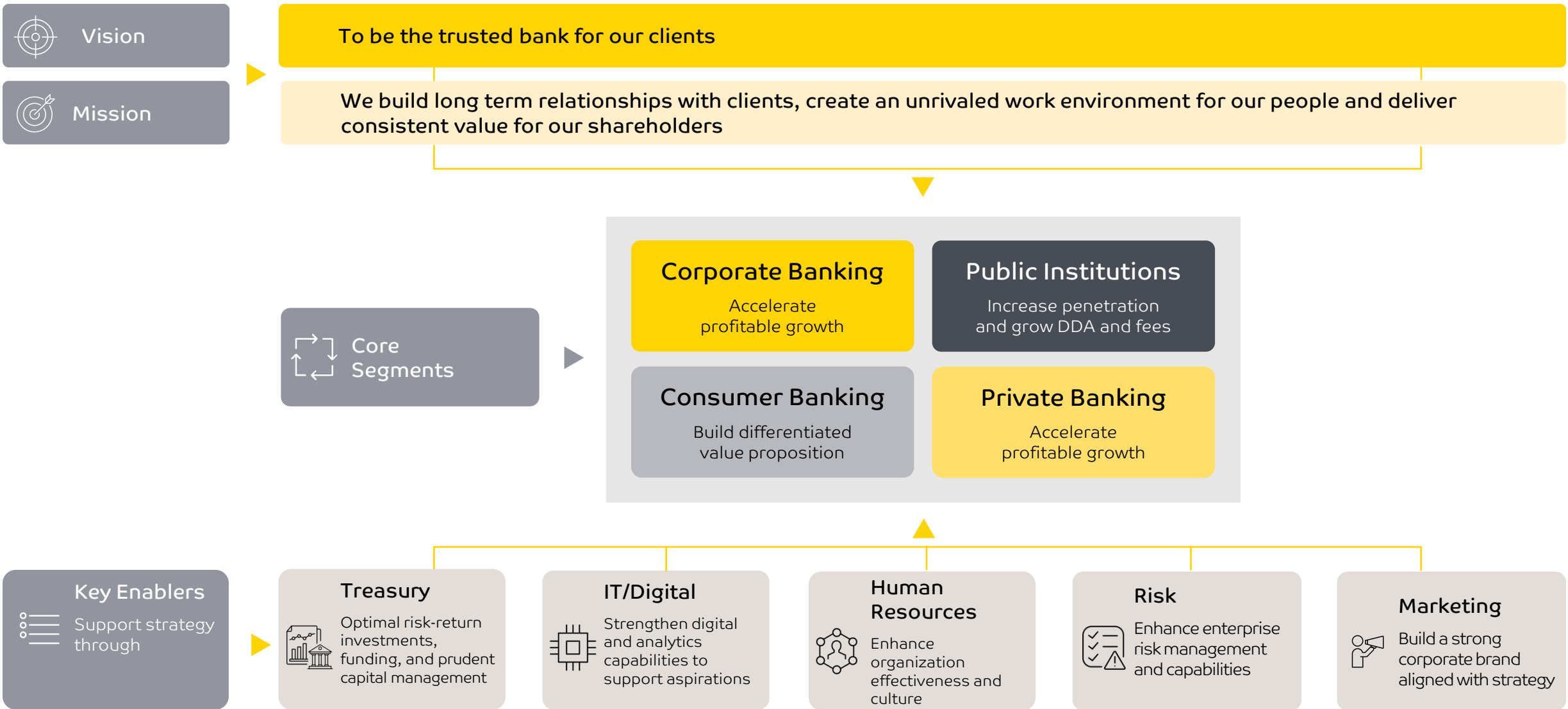


Cost discipline maintained, with CIR of 41.2%

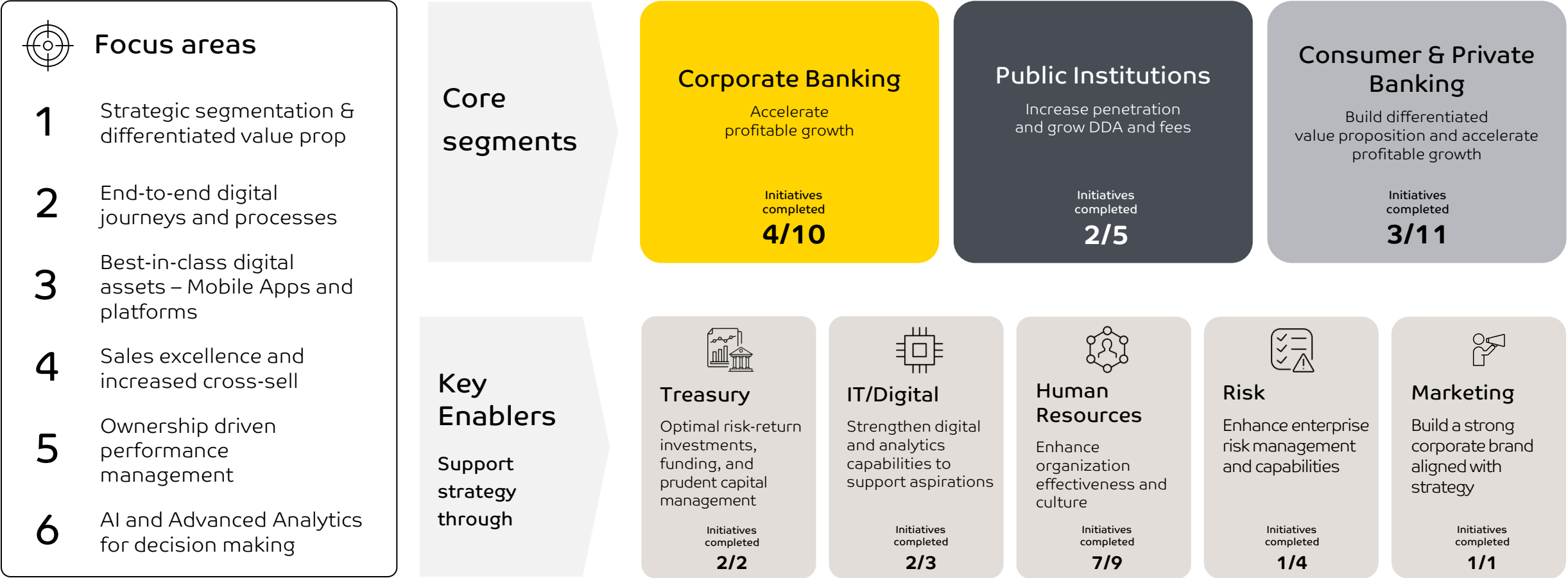
Strategy



As part of Strategy 2027, we have set a strategic vision for each function



Strategy 2027 is transforming the bank through 40+ initiatives across 9 businesses and functions



40+ Initiatives identified to transform the bank and deliver the transformation

Strategy 2027 has achieved many milestones to date...



Corporate Banking

- Enhanced corporate **client segmentation** and **coverage**
- Building **best-in-class CRM platform**: phase-1 deployed
- **Redesigned operating model** enabling **30-40%** improvement in RM business productivity
- Reimagined **account opening, maintenance and trade finance processes**



Consumer & Private Banking

- Redesigned retail segmentation
- Streamlined **account opening** and **KYC processes**
- Launched **new Mobile banking App**
- New products and service-model for Home Finance
- Planned **branch network optimization**
- Designed **new products to mobilize funds** and launched **Travel Account**



Public Institutions

- Building best-in-class CRM platform: phase-1 deployed
- Redesigned **operating model and org. structure** enabling improvement in RM effectiveness by 60%+
- Improved **sales effectiveness** through account planning, RM training and performance management
- Revamped **account opening journey**



Treasury

- Identified treasury product sell opportunities
- Implemented operating model for efficient collaboration between segments



IT/Digital

- Developed IT strategy with priorities for IT architecture, Enterprise Architecture and IT operating model
- Implemented data governance framework and data lake



Human Resources

- Implemented a new org. structure and remuneration
- Formulated new performance and talent management frameworks
- Created HR strategy and a roadmap of interventions
- Introduced new HR policies



Risk

- Revised the Risk Appetite Framework
- Developed risk scorecards and credit decision engine for key retail products
- Initiated development of new Credit Policy Guidelines and SAIB Lending and Monitoring Guidelines



Marketing

- Strengthened corporate brand in full alignment with our strategic priorities

Support functions

...and has set ambitious goals to achieve during the current year



Corporate Banking

- **Launch** revamped account opening, trade process and enhanced operating model
- **Complete IT development** and **deploy** a new CRM system
- Implement new fee structure and guidelines to **enhance fee income**



Consumer & Private Banking

- Launch **new segments** with **improved value proposition** and new products
- Enhance **lending product journeys**
- Optimize **branch footprint** and format to deliver the new value proposition
- **Introduce account planning, analytics based actions** to deepen customer relations



Public Institutions

- **Launch revamped** account opening journey
- **Complete IT development** and **deploy** a new CRM system
- Introduce **new products and capabilities** in collaboration with personal banking, cash management, etc.

Support functions

- Implement new employee **performance management framework**
- **Drive** interventions to improve **organizational health**
- **Launch SAIB Academy**
- Launch **the credit decisioning engine**
- Redesign the **risk operating model, governance structure, and reporting hierarchies**
- **Further strengthen cross-sell operating model** to explore additional opportunities
- **Launch business use cases leveraging AI, ML, and Advanced Analytics**

S60 Ventures Fund

managed by Alisthithmar Capital - a \$100 Million fund for promising fintech startups

A WELL CAPITALIZED, FINTECH-FOCUSED VC FUND WITH STRONG TIES ACROSS THE ECOSYSTEM



Mission

We want to empower visionary founders by providing capital, long-term strategic support



Vision

Our goal is to be the trusted first call for ambitious startups aiming to innovate & disrupt



Values

Rooted in principle capital, we prioritize trust and collaboration at every step of investment



Our Focus



Sectors

We focus on companies driving innovation in fintech and fintech-adjacent industries



Geography

We invest in companies across KSA, UAE, UK & Europe



Company Stages

We fund startups at all stages, from the very beginning (pre-seed) up to later rounds

Financial Performance

1Q 2025



SAIB is focused on delivering strong results across key performance indicators



		1Q 2025	DRIVERS
Balance Sheet	LOANS & ADVANCES	ﷲ104.1 _{bn} +5% YTD	Strong growth in Corporate (+5%) and Private Banking (+8%) loans
	DEPOSITS	ﷲ101.7 _{bn} +8% YTD	IBD growth (+15%) driven by corporate and retail customers, partially offset by NIBD decline (-5%); NIBD share reduced by 4.1 ppt to 29.6%
Profitability	NET INTEREST MARGIN	2.45% -34 bps YoY	NIM contraction due to decrease in asset yield and shift in the deposit mix limiting COF improvement
	COST TO INCOME RATIO	41.2% -180 bps YoY	Improved CIR is attributed to faster growth in operating income (+6%) compared to operating expenses (+1%)
	RETURN ON EQUITY	13.0% +84 bps YoY	ROE improvement as net income growth YoY of 14% to ﷲ503 mn exceeds growth in average common equity (+6% YoY)
Asset Quality	COST OF RISK	0.24% -15 bps YoY	COR remains low at 24 bps
	NPL RATIO	0.99% -5 bps YTD	NPL ratio remains modest in benign credit environment
	NPL COVERAGE RATIO	161.9% +5.2 ppt YTD	NPL coverage ratio remains at comfortable level
Capital & Liquidity	TIER 1 RATIO	18.4% -0.7 ppt YTD	Slight decrease in Tier 1 ratio mainly from payment of FY 2024 final dividend
	SAMA LTD RATIO	81.8% -1.5 ppt YTD	Decrease driven by strong deposits growth



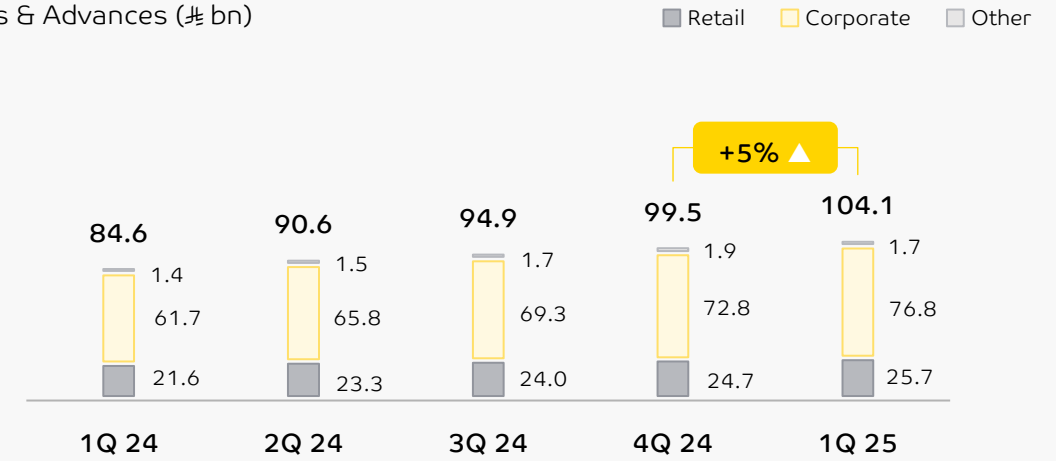
Balance sheet momentum from financing growth, funded largely by deposits

Total assets increased by 5% YTD as loans grew 5%, and supported by increased balances with SAMA (+17%) and bank placements (+59%)

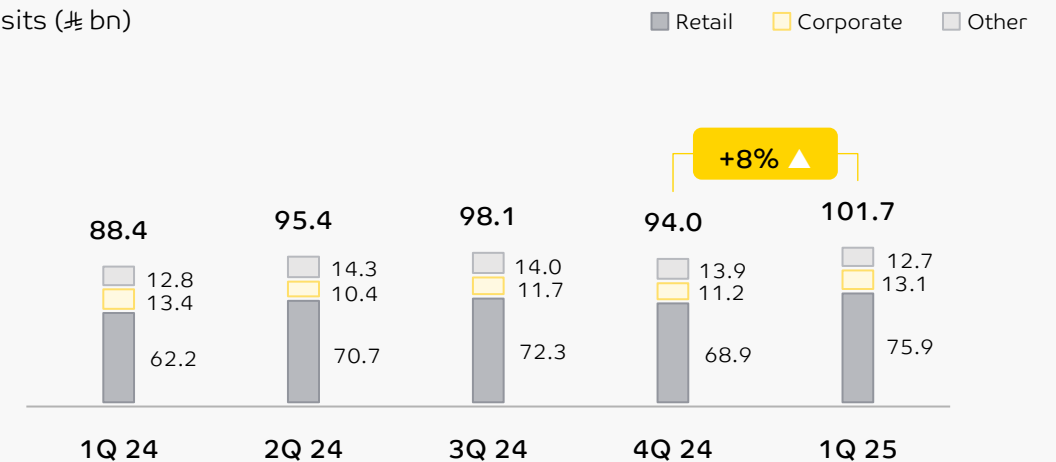
Total liabilities increased 5% YTD, driven by 8% growth in deposits

₹ Million	1Q 2025	4Q 2024	Δ	1Q 2024	Δ
Cash and balances with SAMA	11,591	9,919	+17%	9,946	+17%
Due from banks and financial Institutions, net	2,084	1,314	+59%	2,751	-24%
Investments, net	40,398	40,431	-0%	34,167	+18%
Loans and advances, net	104,135	99,466	+5%	84,623	+23%
Other assets, net	5,591	5,536	+1%	4,919	+14%
Total assets	163,799	156,667	+5%	136,405	+20%
Due to banks and other financial institutions, net	39,288	39,901	-2%	28,801	+36%
Customers' deposits	101,666	94,013	+8%	88,433	+15%
Other liabilities	2,002	2,024	-1%	1,890	+6%
Total liabilities	142,957	135,938	+5%	119,124	+20%
Share capital	12,500	12,500	+0%	10,000	+25%
Retained earnings	2,101	2,112	-1%	1,690	+24%
Other reserves	929	804	+16%	2,876	-68%
Shareholders' equity	15,530	15,416	+1%	14,566	+7%
Tier 1 sukuk	5,313	5,313	+0%	2,715	+96%
Total equity	20,843	20,729	+1%	17,281	+21%

Loans & Advances (₹ bn)



Deposits (₹ bn)



Loan growth momentum continues, driven by corporate and private banking lending



5% YTD growth in loans driven by 5% increase in corporate lending due to widespread growth across sectors and further expansion of private banking lending

Active participation in syndicated loan market for infrastructure projects, further supported by demand from other key sectors such as utilities, services, building & construction, commerce, manufacturing, etc.

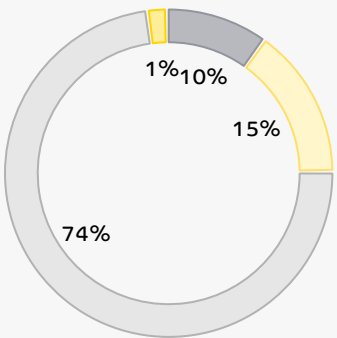
Retail lending grew 4% YTD supported by an increase of 8% in private banking lending

+5% Total Loans YTD ▲

+23% Total Loans YoY ▲

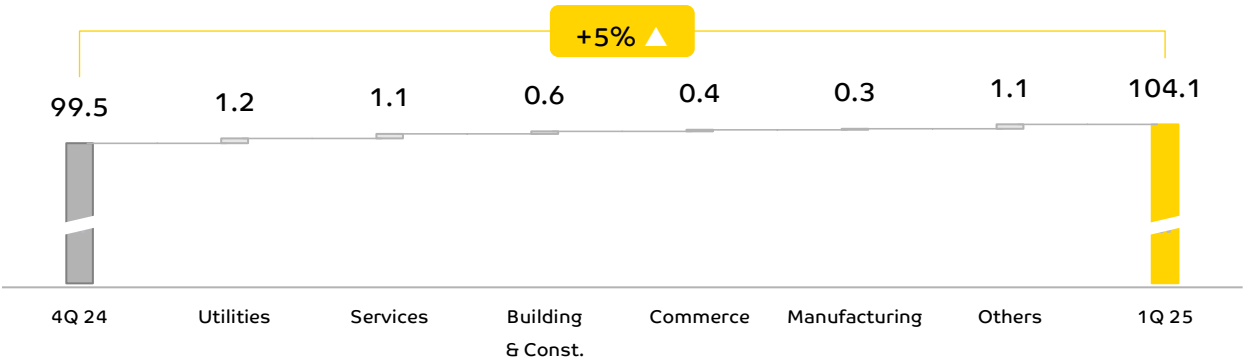
Loans & Advances by Segment (%)

- Retail
- Private Banking
- Corporate
- Others



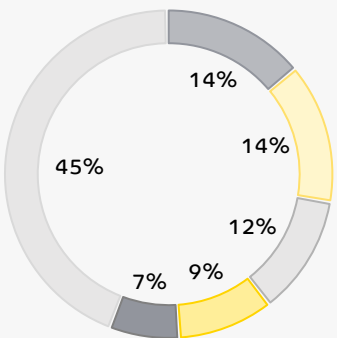
Loans & Advances, Net Movement YTD (₹ bn)

FY 2025 Guidance
Loan growth: >15%



Loans & Advances by Economic Activity (%)

- Commerce
- Utilities
- Consumer
- Building & Const.
- Banks & FI
- Others



Investments have remained stable at ₪ 40.4 billion

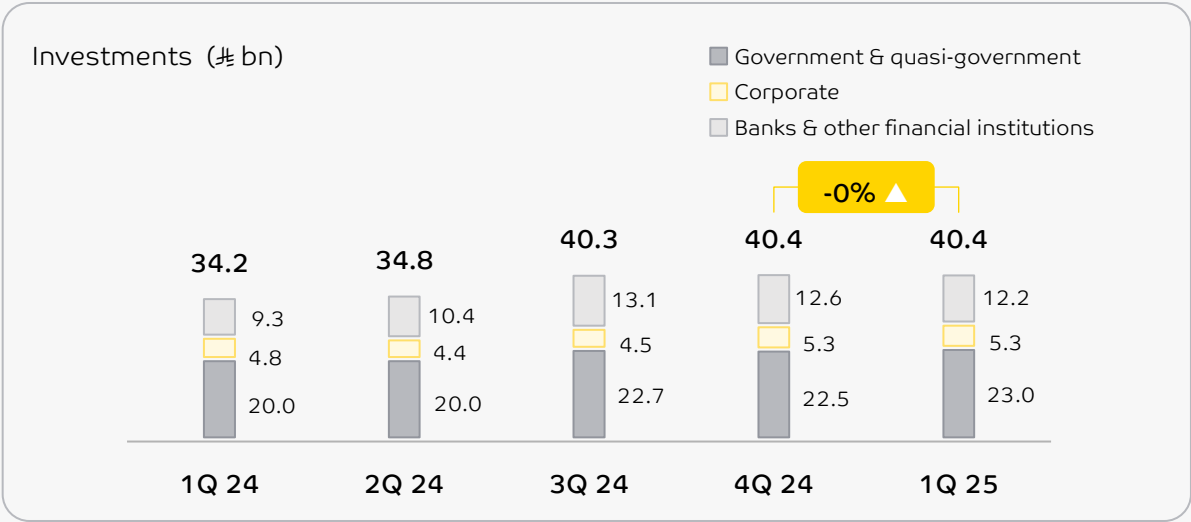
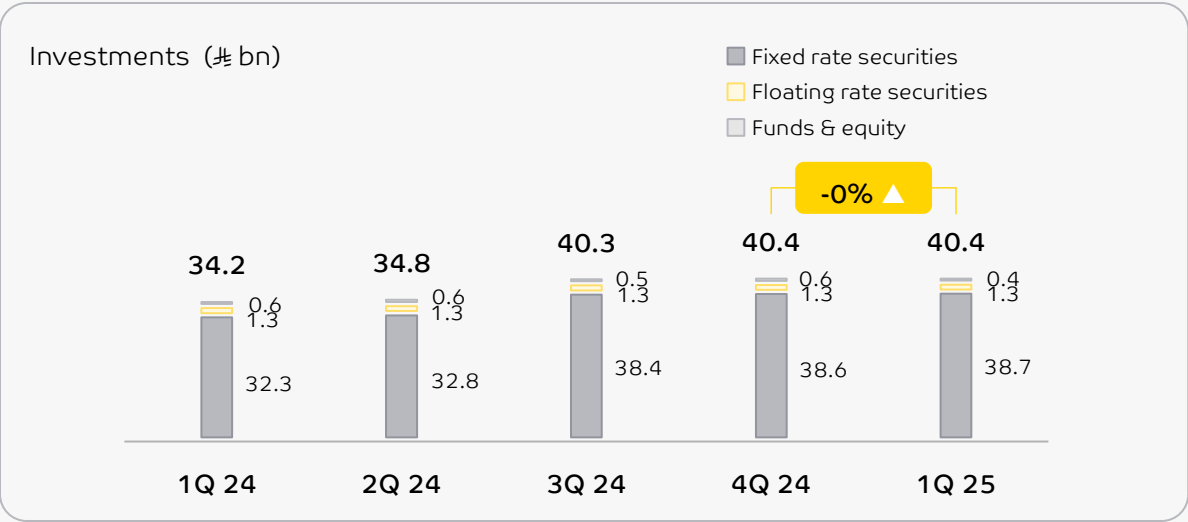
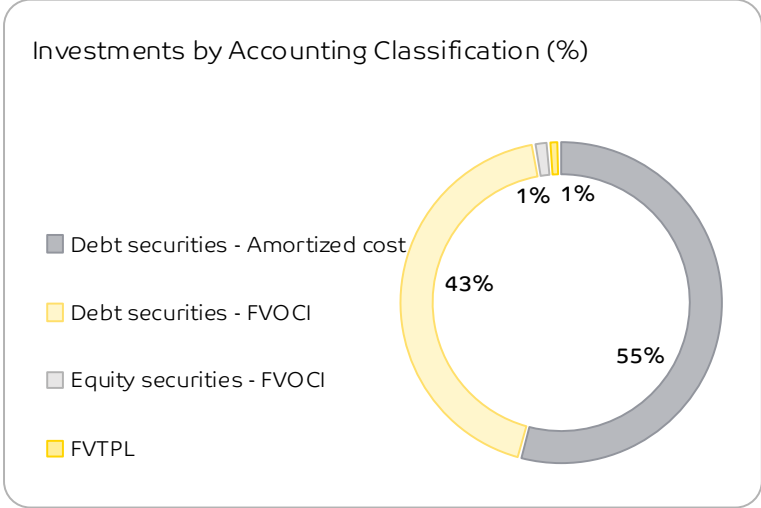
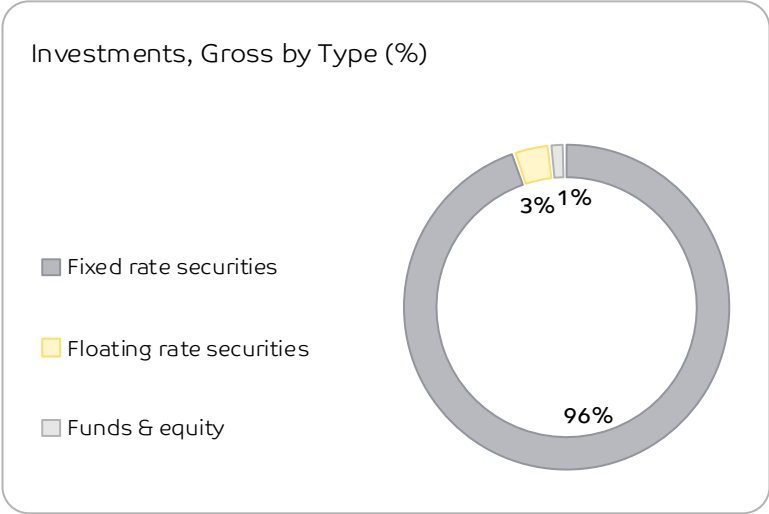


Investments have remained stable since the beginning of the year

96% of investments were **fixed rate debt securities**

55% of investments were accounted for **amortized cost** and **44%** at **fair value through other comprehensive income**

High-grade investment portfolio with 57% of investment securities issued by government, and 30% by banks and other financial institutions



Customer deposits increased 8% YTD driven by IBDs



Deposits grew 8% during 1Q 2025 due to increase in interest-bearing deposits

Corporate deposits increased by 16%, and Retail deposits by 10% YTD

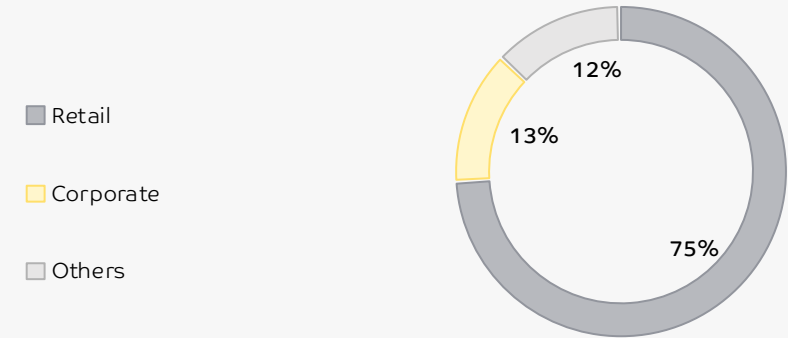
IBDs rose 15% YTD from inflows to time deposits amid prevailing interest rate and liquidity environment

NIBDs decreased by 5% YTD

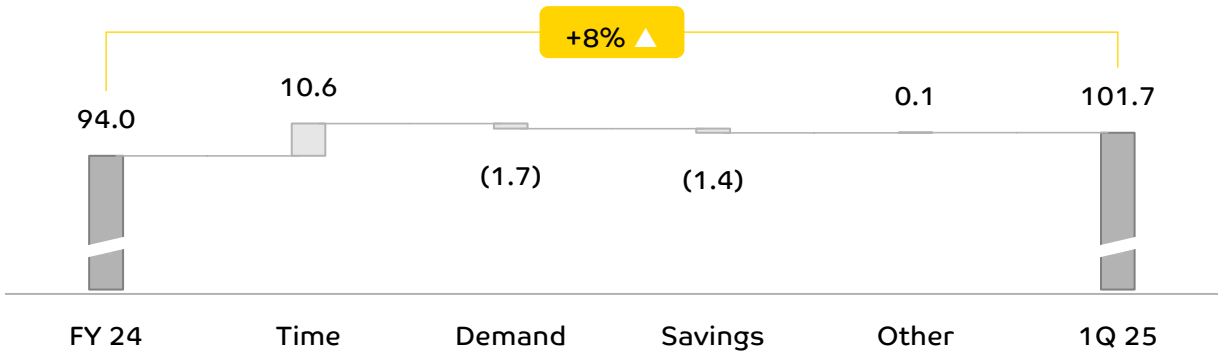
NIBD share decreased to 29.6%



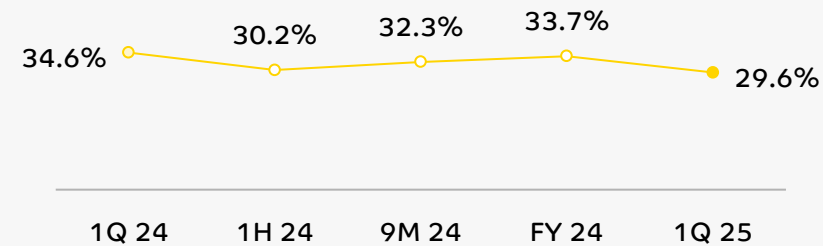
Deposits by Segment (%)



Deposits Movement YTD (₹ bn)



NIBD % of Total



14% growth in 1Q 2025 earnings driven by increased operating income and lower risk cost

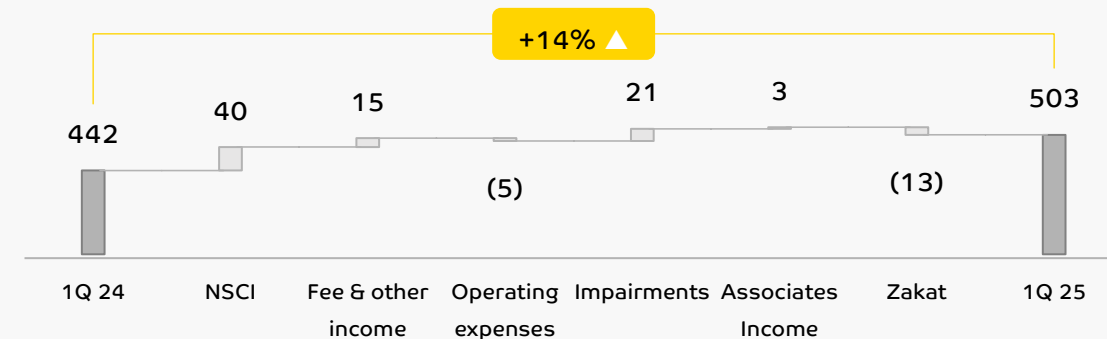


Net income increased 14% YoY in 1Q 2025 driven by 6% growth in operating income, further aided by a 25% decrease in impairment charges

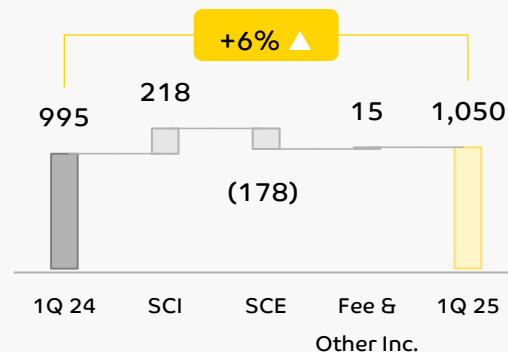
Return of Equity increased 84 bps YoY to 13.0% in 1Q 2025

SAR Million	1Q 2025	4Q 2024	Δ	1Q 2024	Δ
Net special commission income	891	896	-1%	850	+5%
Fee and other income	160	187	-14%	145	+10%
Total operating income	1,050	1,083	-3%	995	+6%
Operating expenses	(432)	(438)	-1%	(428)	+1%
Provisions for credit and other losses	(61)	(80)	-23%	(82)	-25%
Net Operating Income	556	565	-1%	485	+15%
Share in earnings of associates	29	33	-12%	26	+11%
Income before provisions for Zakat	585	597	-2%	511	+14%
Provisions for Zakat	(82)	(87)	-6%	(69)	+19%
Net Income attributed to equity holders	503	510	-1%	442	+14%
Earnings per share	0.39	0.35	+11%	0.34	+15%
Net interest margin	2.45%	2.47%	-2bps	2.79%	-34bps
Cost to Income Ratio	41.2%	40.4%	+0.8ppt	43.0%	-1.8ppt
Cost of Risk	0.24%	0.32%	-9bps	0.39%	-15bps
Return on common equity	13.0%	13.3%	-26bps	12.2%	+0.8ppt

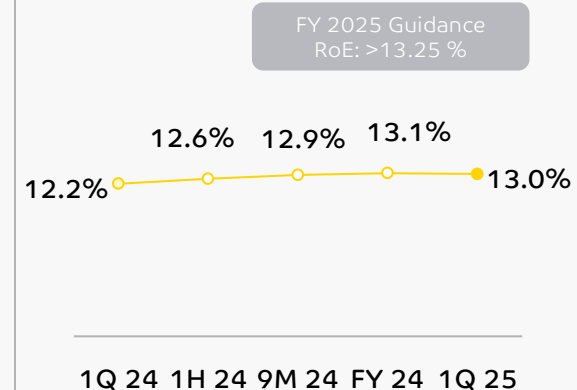
Net Income Movement YoY (₹ mn)



Total Operating Income Movement YoY (₹ mn)



RoE



NSCI grew 5% YoY as 20% growth in average earning assets was partly offset by a 34bps NIM contraction

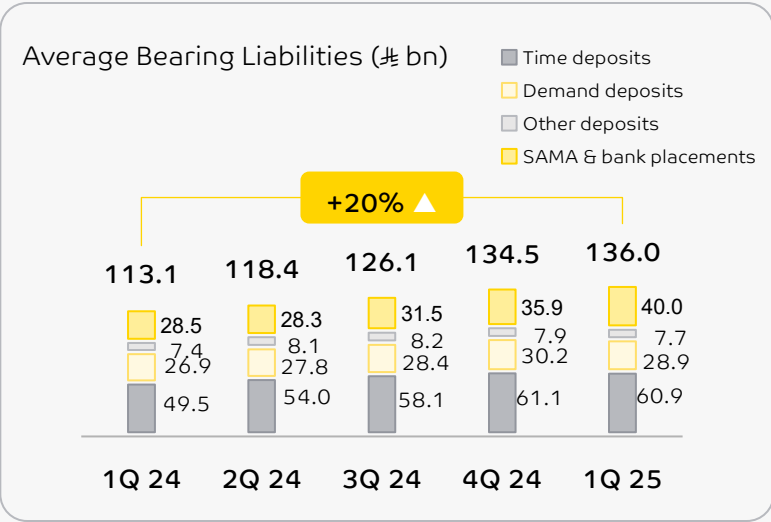
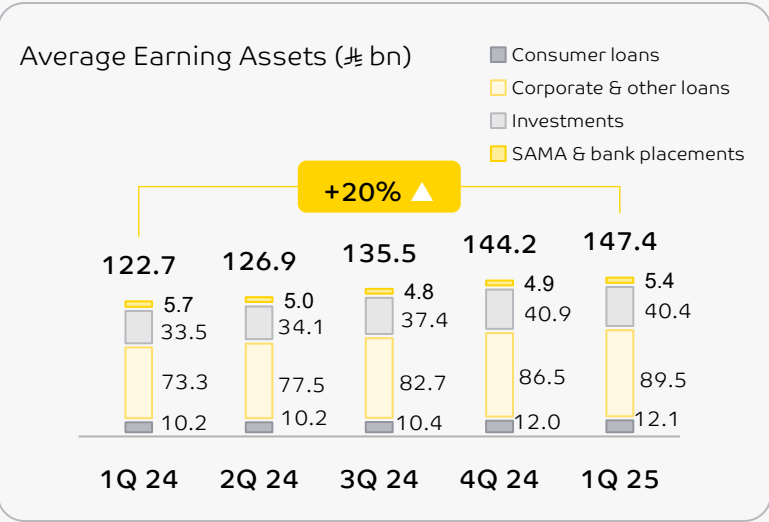
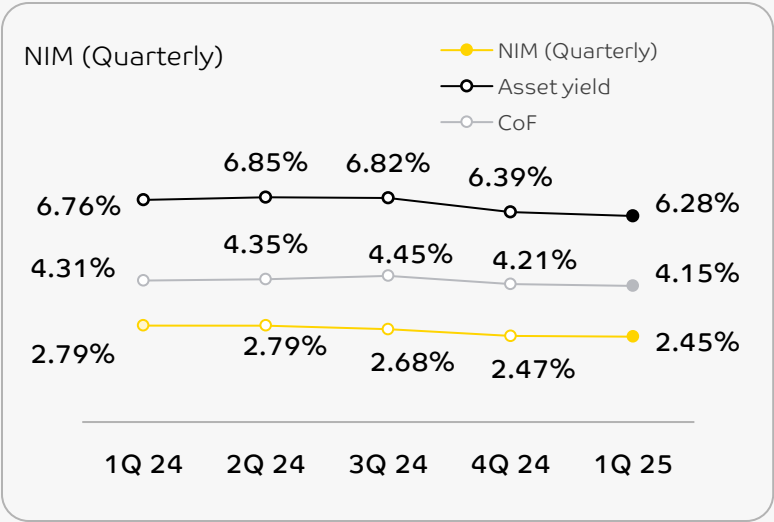
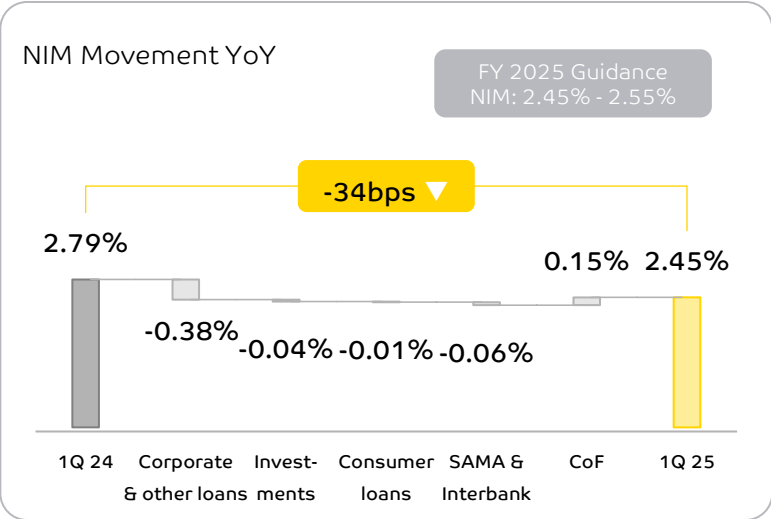
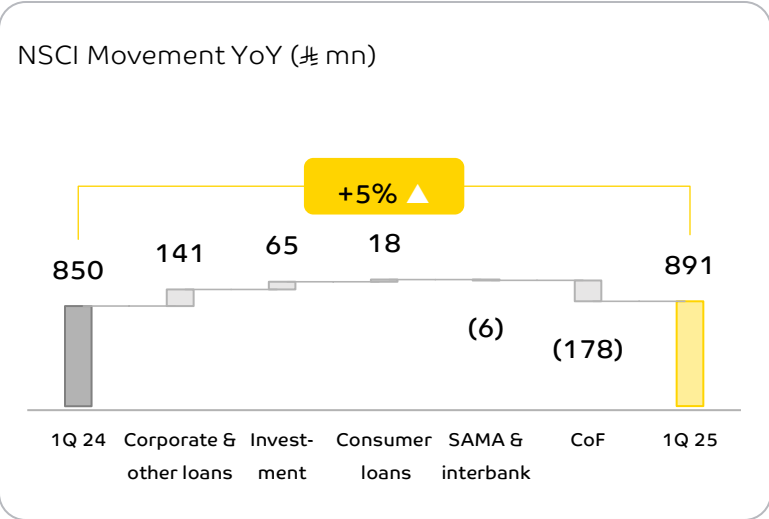


NSCI grew 5% YoY as 20% growth in average earning assets for 1Q 2025 and was partly offset by NIM contraction

The NIM declined by 34 bps YoY to 2.45% in 1Q 2025 due to lower asset yields and shift in deposit mix

Asset yield decreased by 49 bps YoY to 6.28% in 1Q 2025, while the cost of funding decreased by 17 bps YoY to 4.15%

On a sequential basis, the NIM declined slightly by 2 bps QoQ



Growth in fee and other income of 10% driven by foreign exchange income

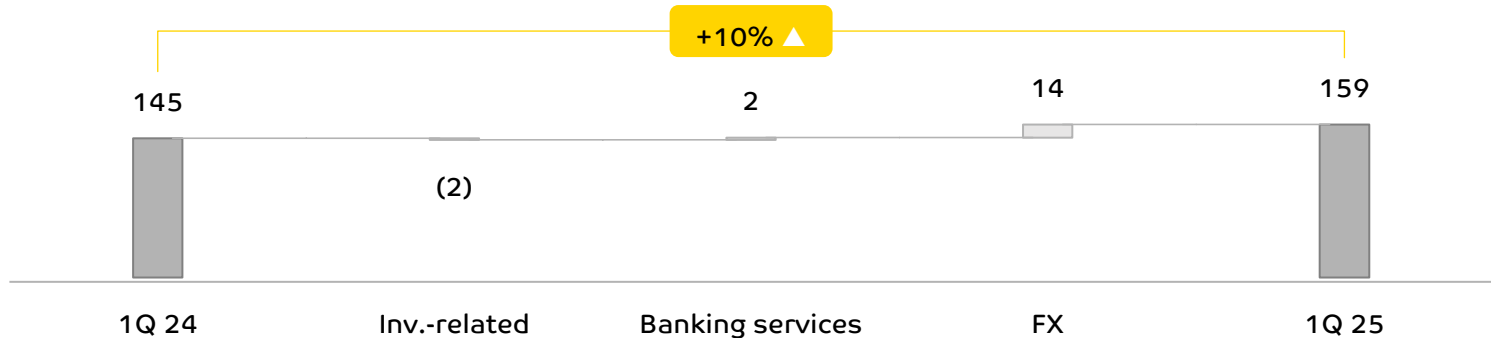


Fee & other income increased 10% YoY in 1Q 2025, mainly driven by Foreign exchange income

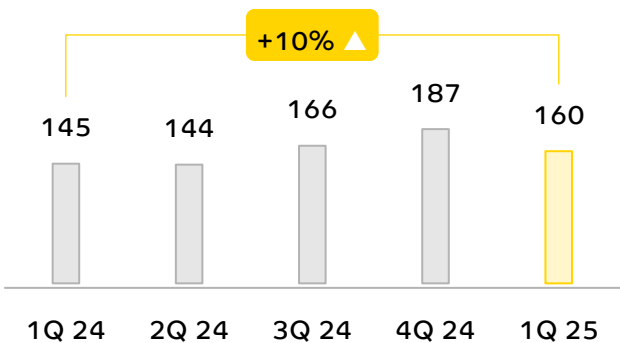
Foreign exchange income increased by 27% YoY in 1Q 2025

Fee income from banking services rose 3% YoY as growth in trade finance was partly offset by lower capital markets income

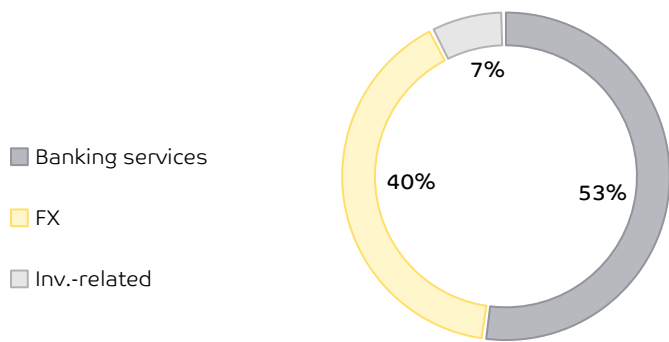
Fee & Other Income Movement YoY (₹ mn)



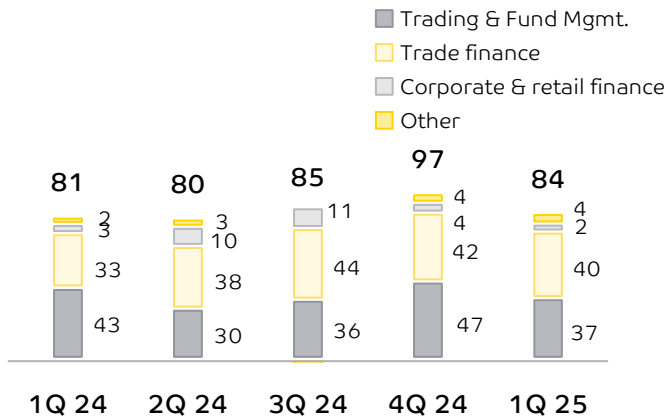
Fee And Other Income (₹ mn)



Fee & Other Income by Segment (%)
1Q 25



Fee Income From Banking Services (₹ mn)

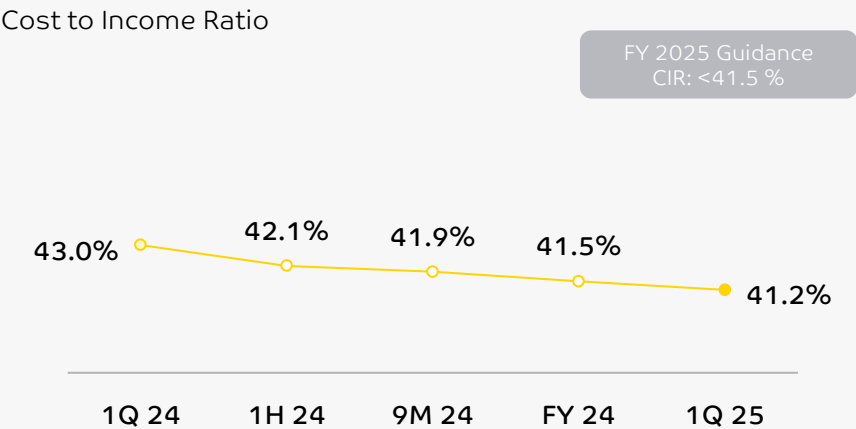
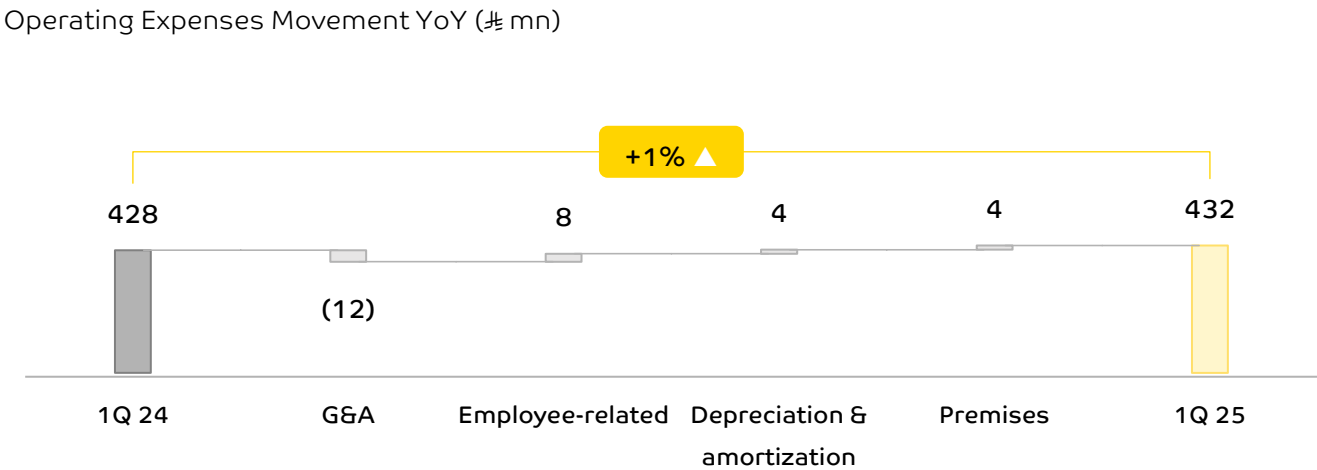
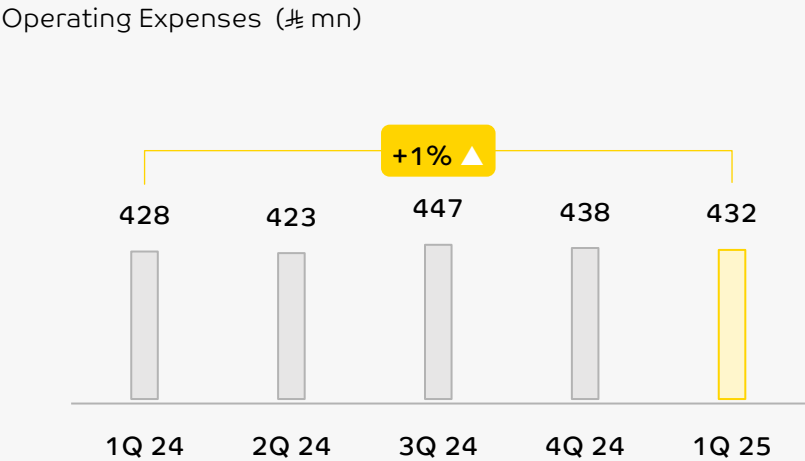
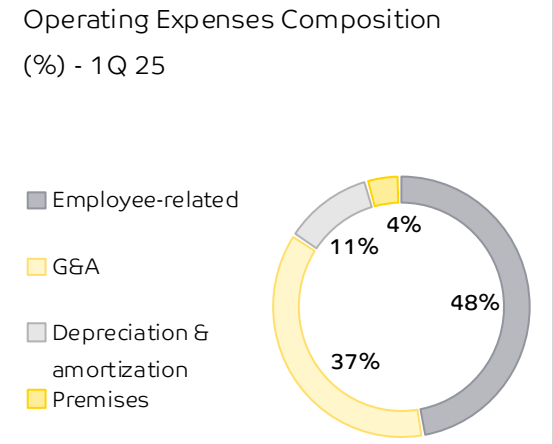


Marginal increase in operating expenses improving the cost to income ratio



Operating expenses increased 1% YoY in 1Q 2025 driven by higher employee-related costs, rent and premises-related expenses, and depreciation & amortization expenses, while general & administrative expenses declined

Cost to income ratio (CIR) improved to 41.2% in 1Q 2025 compared to 43.0% in 1Q 2024 from positive jaws



Credit quality remained stable with COR and NPL ratio at low levels



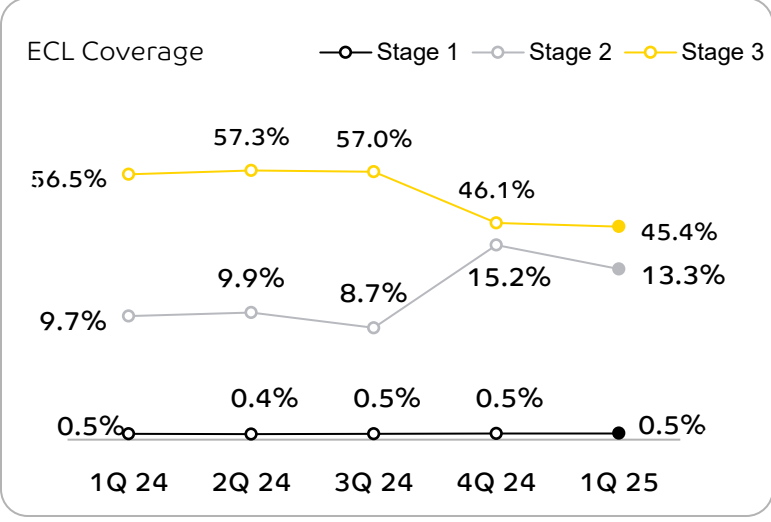
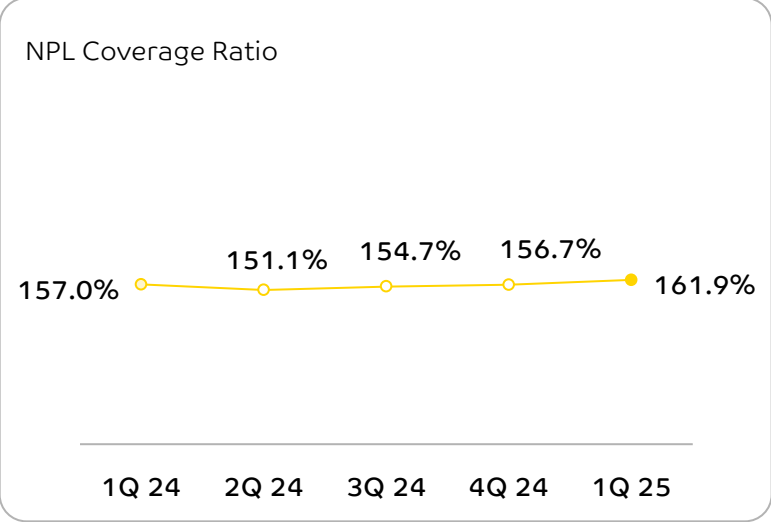
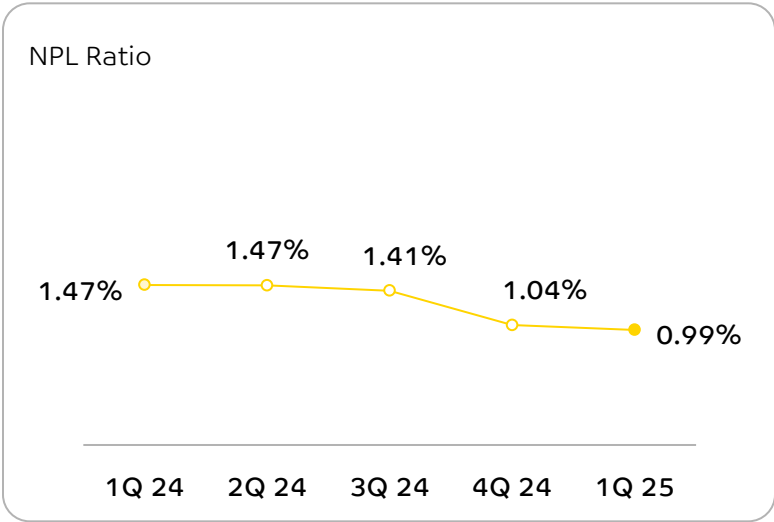
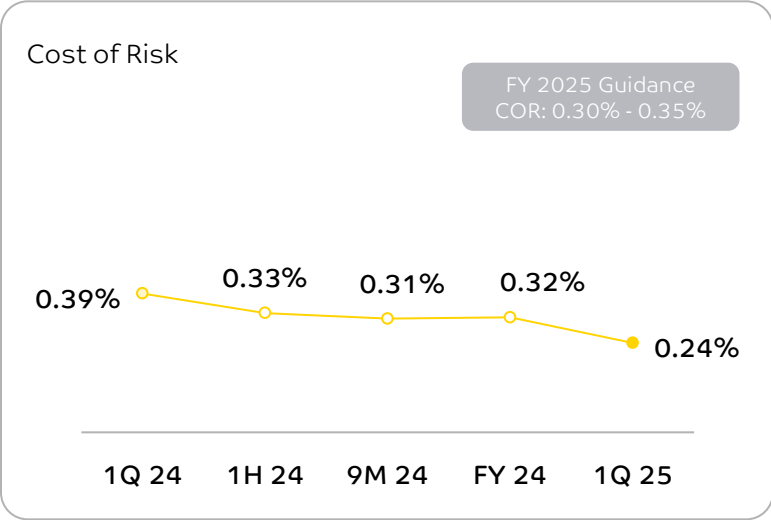
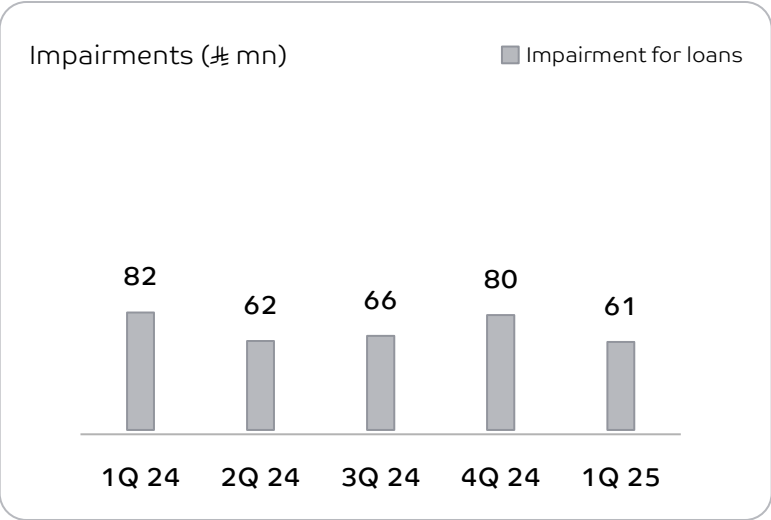
Total impairments of 61 mn for 1Q 2025, decreasing 25% YoY from 82 mn in 1Q 2024

Cost of risk decreased 15 bps YoY to 0.24% in 1Q 2025

NPL ratio decreased by 5 bps YTD to 0.99% aided by stable non-performing loans relative to the growing loan portfolio

NPL coverage ratio at 161.9% as of 1Q 2025, increased by 5.2 ppt YTD

Stage 3 ECL coverage decreased modestly to 45.4% while **Stage 2 ECL Coverage** decreased to 13.3%



Solid liquidity, funding and capital position with adequate buffers



LCR increased by 28.6 ppt during 1Q 2025 to 193.3%, while NSFR increased 0.7 ppt to 109.4%

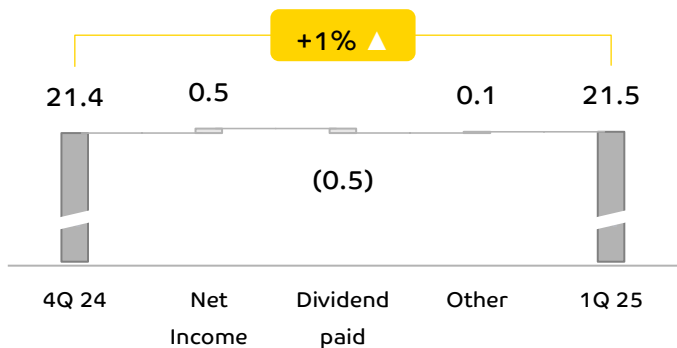
As of the end 1Q 2025, the SAMA regulatory LTD ratio was comfortably within required levels at 81.8%

Total capital (Tier 1 + Tier 2 regulatory capital) increased by 1% due to net income, which was partially offset by dividend payment

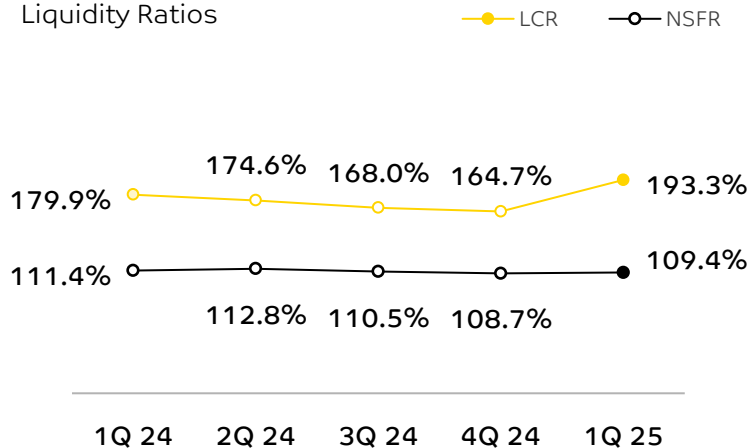
RWAs increased by 4% YTD

CAR was 19.0% and the Tier 1 ratio stood at 18.4%

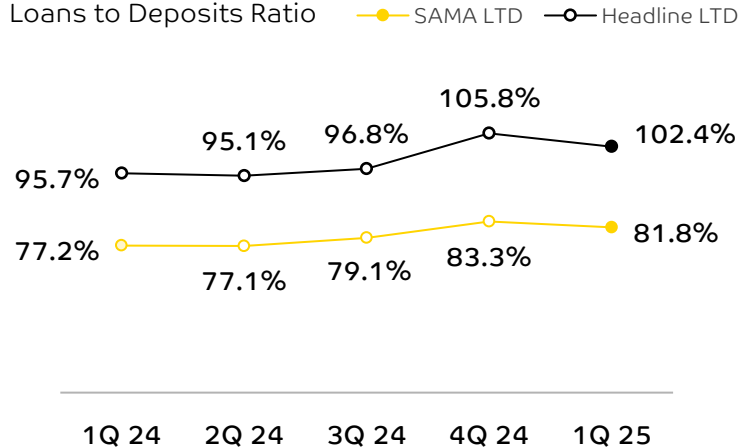
Total Regulatory Capital Movement (ﷲ bn)



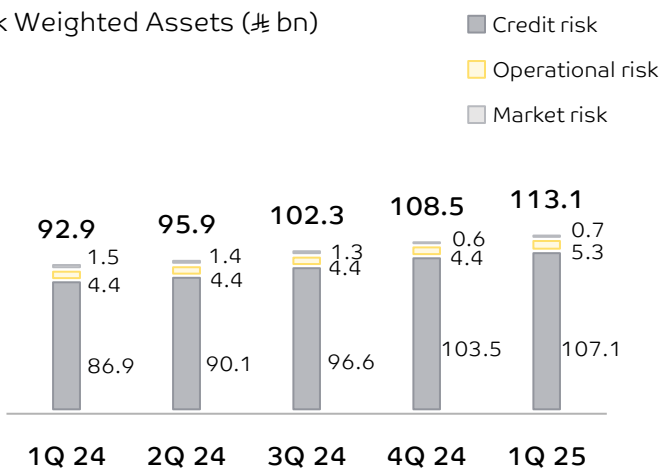
Liquidity Ratios



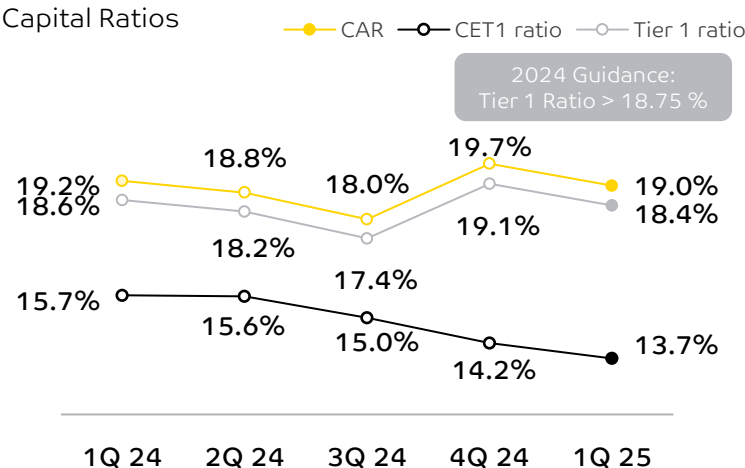
Loans to Deposits Ratio



Risk Weighted Assets (ﷲ bn)



Capital Ratios



Guidance



1Q 2025 financial results were in line with expectations and FY guidance is unchanged



		2024 Actual	1Q 2025 Actual	2025 Guidance	Guidance revisions
Balance Sheet	LOANS & ADVANCES	+23% YoY	+5% YTD	>15.0%	Guidance unchanged
Profitability	NET INTEREST MARGIN	2.68% -30 bps YoY	2.45% -34 bps YoY	2.45% - 2.55%	Guidance unchanged
	COST TO INCOME RATIO	41.5% -26 bps YoY	41.2% -1.8 ppt YoY	<41.5%	Guidance unchanged
	RETURN ON EQUITY (ROE)	13.1% +53 bps YoY	13.0% +84 bps YoY	>13.25%	Guidance unchanged
Asset Quality	COST OF RISK	0.32% -15 bps YoY	0.24% -15 bps YoY	0.30% - 0.35%	Guidance unchanged
Capital	TIER 1 RATIO	19.09% -0.3 ppt YoY	18.4% -0.7 ppt YoY	>18.75%	Guidance unchanged

FOCUSED ON DELIVERING STRONG RESULTS ACROSS KEY PERFORMANCE INDICATORS

Q&A



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