

SAIB reports 9% net income growth to ₪1,016 million in 1H 2025

Strong balance sheet momentum with lending growth of 9% in 1H 2025

Key financial metrics for 1H 2025:

Loans

+9% YTD

₪ 108.4 bn ▲

Investments

+6% YTD

₪ 43.1 bn ▲

Deposits

+7% YTD

₪ 100.2 bn ▲

Operating Income

+5% YoY

₪ 2,120 mn ▲

Operating Expenses

+2% YoY

₪ 869 mn ▲

Net Income

+9% YoY

₪ 1,016 mn ▲

Tier 1 Ratio

-0.6 ppt YTD

18.5% ▼

SAMA LTD Ratio

+3.3 ppt YTD

86.6% ▲

Return on Equity

+41 bps YoY

13.1% ▲

Key highlights of 1H 2025

- ▷ Total assets at ₪167.3 bn, up 7% YTD
- ▷ Loans and advances increased by 9% YTD
- ▷ Investments (mainly debt securities) grew by 6% YTD
- ▷ Customer deposits up 7% YTD
- ▷ Net income rose 9% YoY
- ▷ Total operating income up 5% YoY
- ▷ NIM contraction to 2.40% on lower asset yield
- ▷ Cost to income ratio improved to 41.0%
- ▷ Healthy credit quality with cost of risk at 0.24% and lower NPL ratio at 0.96%
- ▷ Return on equity improved 41 bps YoY to 13.1%
- ▷ Solid capitalization with Tier 1 ratio of 18.5% and CAR of 19.1%
- ▷ Comfortable liquidity position with LCR of 212.0% and NSFR of 110.1%

Riyadh, 07 August 2025 – The Saudi Investment Bank has reported net income of SAR 1,016 million for 1H 2025, a 9% year-on-year increase, supported by 5% rise in total operating income. Operating income growth was driven by a 4% increase in net special commission income and 12% improvement in net fee and other income, mainly from higher foreign exchange income and fee income from banking services. Total assets expanded by 7% year-to-date, with loans and advances growing 9%. SAIB's balance sheet expansion was primarily funded by 7% year-to-date growth in customer deposits - mainly from higher time deposits – as well as increased interbank funding.

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

“During the first half of 2025, SAIB delivered another period of solid and sustainable growth, reflecting the resilience of its business model and the successful execution of our strategy. Net income increased by 9% year-on-year, driven by a 12% rise in fee-based and other non-interest income, alongside a 4% uplift in net special commission income. The Bank's continued emphasis on cost efficiency and sound risk management further supported a healthy return on equity of 13.1%.

SAIB's balance sheet continued to strengthen, with loans up 9% and customer deposits rising by 7%, indicating strong client trust and robust market presence. Asset quality remained stable, with the non-performing loan ratio at 0.96% and provision coverage at a solid 165.7% as of June 30, 2025. Capital and liquidity positions remain strong, positioning the Bank well to pursue future growth opportunities.

Looking ahead to the remainder of 2025, SAIB continues to advance its Strategy 2027 agenda, maintaining a strong focus on sustainable value creation, operational efficiency, and customer-first delivery. Our transformation is progressing ahead of schedule. We're on track to achieve the core milestones of Strategy 2027 by 2026, reflecting disciplined execution and organizational focus. Despite a more complex global economic environment driven by recent geopolitical and market developments, the Bank remains vigilant and prepared to respond effectively. With a disciplined and adaptive approach, SAIB is well-positioned to manage external challenges while pursuing long-term strategic objectives.”

Performance Highlights

Income Statement

ﷲ Million	1H 2025	1H 2024	Δ	2Q 2025	2Q 2024	Δ
Net special commission income	1,796	1,729	+4%	905	879	+3%
Fee and other income	324	288	+12%	164	144	+14%
Total operating income	2,120	2,018	+5%	1,070	1,023	+5%
Operating expenses before impairments	(869)	(850)	+2%	(437)	(423)	+3%
Provisions for credit and other losses	(126)	(144)	-13%	(64)	(62)	+4%
Net Operating Income	1,125	1,023	+10%	569	538	+6%
Share in earnings of associates	56	50	+11%	27	24	+11%
Income before provisions for Zakat	1,181	1,074	+10%	596	562	+6%
Provisions for Zakat	(165)	(145)	+14%	(83)	(76)	+10%
Net Income attributed to equity holders	1,016	929	+9%	512	486	+5%
Earnings per share (SAR)	0.68	0.68	+0%	0.29	0.34	-14%
Net interest margin	2.40%	2.79%	-39bps	2.35%	2.79%	-44bps
Cost to income ratio	41.0%	42.1%	-1.1ppt	40.8%	41.3%	-49bps
Cost of risk	0.24%	0.33%	-9bps	0.24%	0.28%	-4bps
Return on equity	13.1%	12.7%	+41bps	13.1%	13.2%	-17bps

Net income for 1H 2025 rose 9% year-on-year to ﷲ1,016 million. Growth was driven by an increase in total operating income, further supported by an improved cost of risk.

Total Operating income for 1H 2025 reached ﷲ2,120 million, marking a 5% year-on-year increase. This solid top-line growth was attributed to 4% increase in net special commission income and a 12% year-on-year increase in fee and other income, mainly from higher foreign exchange income and income from banking services. Net special commission income growth was driven by a 21% year-on-year rise in average earning assets, partly offset by a 39 bps contraction in NIM to 2.40%.

Earnings Release



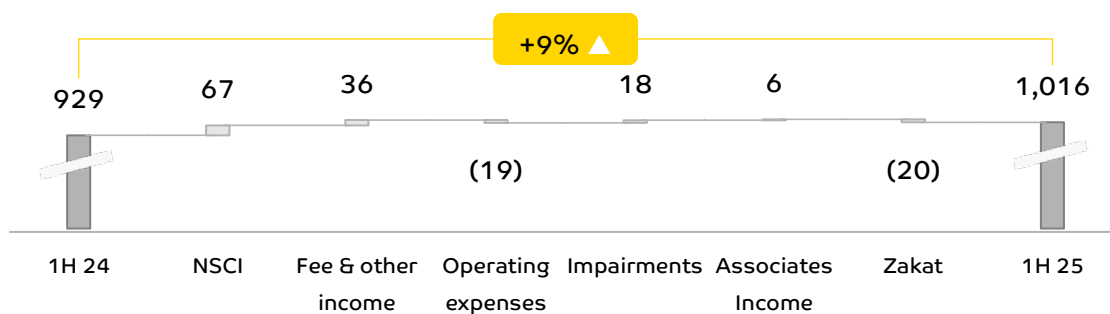
Operating expenses rose slightly by 2% year-on-year to ₪869 million, primarily driven by higher employee-related costs, and depreciation and amortization. This was partially offset by a decline in general and administrative expenses.

The **cost to income ratio** decreased to 41.0% in 1H 2025 compared to 42.1% in 1H 2024, driven by positive operating leverage.

The **provisions for credit and other losses** amounted to ₪126 million during 1H 2025 compared to ₪144 million in 1H 2024, resulting in an improved cost of risk of 0.24% for 1H 2025.

The **share in earnings of associates** increased by 11% year-on-year to ₪56 million, while provisions for zakat and taxes increased by 14% year-on-year.

Net Income Movement YoY (SARmn)



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Balance Sheet

ﷲ Million	2Q 2025	4Q 2024	Δ	1Q 2025	Δ
Cash and balances with SAMA	9,297	9,919	-6%	11,591	-20%
Due from banks and financial Institutions, net	1,067	1,314	-19%	2,084	-49%
Investments, net	43,055	40,431	+6%	40,398	+7%
Loans and advances, net	108,423	99,466	+9%	104,135	+4%
Other assets, net	5,451	5,536	-2%	5,591	-3%
Total assets	167,292	156,667	+7%	163,799	+2%
Due to banks and other financial institutions, net	44,043	39,901	+10%	39,288	+12%
Customers' deposits	100,236	94,013	+7%	101,666	-1%
Other liabilities	1,767	2,024	-13%	2,002	-12%
Total liabilities	146,046	135,938	+7%	142,957	+2%
Share capital	12,500	12,500	+0%	12,500	+0%
Retained earnings	2,462	2,112	+17%	2,101	+17%
Other reserves	971	804	+21%	929	+5%
Shareholders' equity	15,933	15,416	+3%	15,530	+3%
Tier 1 sukuk	5,313	5,313	+0%	5,313	+0%
Total equity	21,246	20,729	+2%	20,843	+2%
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NPL Ratio	0.96%	1.04%	-9bps	0.99%	-3bps
NPL Coverage Ratio	165.7%	156.7%	+9.1ppt	161.9%	+3.9ppt
NIBD % of total	29.4%	33.7%	-4.4ppt	29.6%	-0.3ppt
Tier 1 ratio	18.5%	19.1%	-0.6ppt	18.4%	+0.0ppt
Capital adequacy ratio	19.1%	19.7%	-0.6ppt	19.0%	+0.1ppt
Liquidity coverage ratio	212.0%	164.7%	+47.3ppt	193.3%	+18.7ppt
Net stable funding ratio	110.1%	108.7%	+1.4ppt	109.4%	+0.7ppt
Financing to customers' deposit ratio (SAMA)	86.6%	83.3%	+3.3ppt	81.8%	+4.8ppt

Total assets reached ₪167.3 billion as of 30 June 2025, marking 7% year-to-date growth.

Loans and advances continued to expand, increasing by 9% year-to-date to ₪108.4 billion. This growth was mainly driven by 12% increase in corporate lending, while retail lending, including private banking, also contributed with 2% 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, services, building & construction, commerce and manufacturing also supported this growth.

The **investment portfolio** grew by 6% since the beginning of the year and reached ₪43.1 billion.

Customer deposits expanded by 7% year-to-date to ₪100.2 billion, reflecting a 14% increase in interest bearing deposits, which was partly offset by 7% decrease in non-interest bearing deposits. The share of non-interest bearing deposits amounted to 29.4% as of 30 June 2025. Corporate deposits increased by 15%, Retail deposits were up 5% for the period, while Treasury and Investment deposits grew by 8%.

The non-performing loans ratio decreased to 0.96% as of 30 June 2025, as non-performing loans remained broadly stable at moderate levels relative to solid lending growth. Non-performing loan coverage stood at a healthy 165.7% as of end-June 2025.

The Bank remains **well capitalized** with the total capital adequacy ratio of 19.1% and Tier 1 ratio of 18.5% as of 30 June 2025, compared to 19.7% and 19.1% respectively as of 31 December 2024. Risk-weighted assets increased by 6% year-to-date, mainly due to growth in credit risk weighted assets, while total capital grew by 3% year-to-date.

SAIB's **liquidity position** remained robust with the liquidity coverage ratio of 212.0%, a net stable funding ratio of 110.1%, a SAMA loan to deposit ratio of 86.6%, as well as a headline loan to deposit ratio of 108.2% as of 30 June 2025.

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Segmental Performance

Corporate

Corporate net income before zakat grew 7% year-on-year to ₪582 million in 1H 2025. Corporate operating income increased by 8% year-on-year, mainly driven by 8% growth in net special commission income from strong loan growth. This was supported by an increase of 5% year-on-year in fee and other income. Operating expenses increased by 34% year-on-year due to higher indirect operating expenses, while credit impairments decreased by 18% compared to 1H 2024.

Total corporate assets increased by 12% year-to-date to ₪81.3 billion as of 1H 2025, driven by similar levels of loan growth. Corporate liabilities increased by 15% year-to-date to ₪12.9 billion, driven by deposit growth.

Income Statement (₪ Million)	1H 2025	1H 2024	Δ	2Q 2025	2Q 2024	Δ
Net Special Commission Income	760	701	+8%	386	372	+4%
Fee & other income	106	101	+5%	52	57	-8%
Total operating income	866	802	+8%	439	429	+2%
Expenses	187	140	+34%	94	57	+64%
Impairments	97	118	-18%	41	50	-19%
Net income before zakat	582	544	+7%	304	322	-5%

Balance Sheet (₪ Million)	2Q 2025	4Q 2024	Δ	1Q 2025	Δ
Total assets	81,281	72,823	+12%	76,788	+6%
Total liabilities	12,876	11,235	+15%	13,051	-1%

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Retail

Retail net income before zakat decreased by 10% year-on-year to ₪246 million in 1H 2025. Retail operating income declined 7% year-on-year to ₪726 million mainly due to margin pressure from higher cost of funds. Fee and other income decreased by 10% year-on-year mainly from lower fee income from banking services. Operating expenses improved by 7%, while the impairment charge increased by 11%.

Total retail assets increased by 2% year-to-date to ₪26.6 billion as of 1H 2025, while retail liabilities were higher by 5% year-to-date to reach ₪72.3 billion, reflecting growth in deposits.

Income Statement (₪ Million)	1H 2025	1H 2024	Δ	2Q 2025	2Q 2024	Δ
Net Special Commission Income	666	717	-7%	328	360	-9%
Fee & other income	60	67	-10%	28	30	-9%
Total operating income	726	784	-7%	356	390	-9%
Expenses	453	485	-7%	228	258	-12%
Impairments	28	25	+11%	23	12	+87%
Net income before zakat	246	274	-10%	105	120	-12%

Balance Sheet (₪ Million)	2Q 2025	4Q 2024	Δ	1Q 2025	Δ
Total assets	26,630	26,230	+2%	27,553	-3%
Total liabilities	72,261	68,874	+5%	75,944	-5%

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Treasury and Investments

Treasury and Investments net income before zakat increased by 17% year-on-year to ₪391 million in 1H 2025. Operating income grew 11% year-on-year to ₪505 million due to a 15% increase in net special commission income mainly from additional debt instruments purchased, and a 4% increase in fee and other income largely due to higher exchange income. Treasury and Investments operating expenses remained stable year-on-year, while investment impairments were negligible and income from associates grew 11% year-on-year.

The segment's total assets rose by 3% year-to-date on higher interbank placements. Liabilities rose by 10% year-to-date, with deposits rising by 8%.

Income Statement (₪ Million)	1H 2025	1H 2024	Δ	2Q 2025	2Q 2024	Δ
Net Special Commission Income	350	305	+15%	177	143	+23%
Fee & other income	155	148	+4%	74	82	-10%
Total operating income	505	453	+11%	251	225	+11%
Expenses	170	169	+0%	85	80	+7%
Impairments	1	1	+16%	1	(0)	-301%
Share in earnings of associates	56	50	+11%	27	24	+11%
Net income before zakat	391	334	+17%	192	170	+12%

Balance Sheet (₪ Million)	2Q 2025	4Q 2024	Δ	1Q 2025	Δ
Total assets	54,799	53,373	+3%	55,160	-1%
Total liabilities	58,580	53,420	+10%	51,448	+14%

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Asset Management and Brokerage

Asset Management and Brokerage net income before zakat grew by 30% year-on-year to ₪77 million in 1H 2025. Net special commission income grew 11% year-on-year from higher income on margin accounts. Fee and other income increased by 20%, driven primarily by higher fees from investment management services.

Asset Management and Brokerage total assets increased by 8% year-to-date while liabilities grew by 53%.

Income Statement (₪ Million)	1H 2025	1H 2024	Δ	2Q 2025	2Q 2024	Δ
Net Special Commission Income	36	33	+11%	19	17	+12%
Fee & other income	101	83	+20%	57	34	+67%
Total operating income	137	116	+18%	76	51	+49%
Expenses	60	57	+6%	30	28	+7%
Impairments	0	0	-	0	0	-
Net income before zakat	77	59	+30%	46	23	+100%

Balance Sheet (₪ Million)	2Q 2025	4Q 2024	Δ	1Q 2025	Δ
Total assets	1,012	936	+8%	863	+17%
Total liabilities	103	67	+53%	72	+42%

Outlook

Saudi Arabia's ongoing economic transformation under Vision 2030 continues to create a supportive environment for banking sector growth. Significant public investment in infrastructure and mega-projects is driving strong credit demand, particularly from corporates. SAIB is well-positioned to benefit from this trend by expanding its corporate lending portfolio and financing large-scale projects.

At the same time, rising consumer activity and increasing affluence are boosting demand in retail banking. SAIB is focused on growing its presence in this segment, with a particular emphasis on private banking to serve the expanding high-net-worth client base.

While the domestic outlook remains positive, SAIB is mindful of external headwinds, including rising geopolitical tensions and potential impacts from recent U.S. tariff actions, which could increase global market volatility.

Overall, SAIB's strategic focus on both corporate and retail growth opportunities, coupled with its disciplined execution and prudent risk management, is expected to support sustained earnings growth and value creation over the medium term.

Earnings Release



Additional Information

SAIB's 1H 2025 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>

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