

# Bank Albilad

Investor Presentation

# Disclaimer

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## **Vision**

To be the preferred choice of innovative Islamic banking solutions

## **Mission**

To leverage digital transformation, network, and human capital to deliver the highest levels of customer experience and competitive value propositions in the best interests of our clients, employees, shareholders and the communities we serve

## **Our Values**

- Initiatives and Innovations
- Care and Partnership
- Trust and Accountability

# Quick Facts About Bank Albilad

Bank Albilad is a full-fledged Islamic banking services provider



**109 Branches**  
+ 7 Sales Centers (5<sup>th</sup> widest coverage in the Kingdom)



**Employees**  
+ 3,500 employees



**Capital**  
SAR 10 Billion



**152 Remittance Centers**  
2<sup>nd</sup> largest in the Kingdom

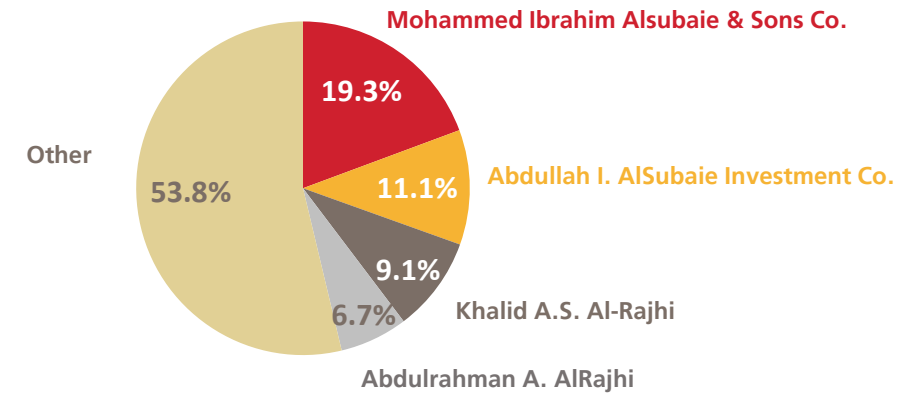


**ATMs**  
≈946

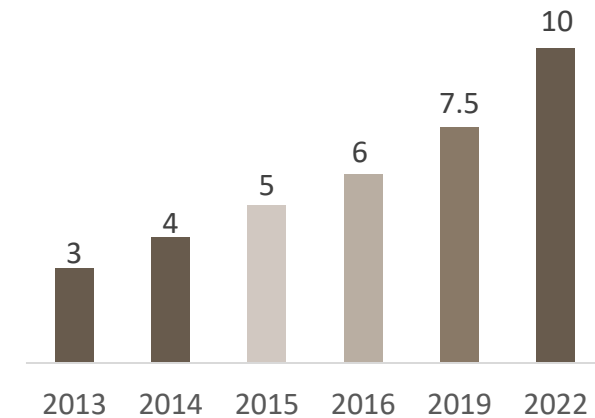


**A3**

## Major Stockholders



## Capital Increases (SAR Billions)



# Governance and Management

# Board of Directors



Mr.  
**Nasser Mohammed AlSubeaie**  
Chairman - Non Executive



Mr.  
**Adeb Mohammed Abanumai**  
Deputy Chairman - Independent



Mr.  
**Abdulaziz Mohammed Alonaizan**  
Executive



Mr.  
**Haytham Suliman AlSuhaimi**  
Non Executive



Mr.  
**Muadh Abdulrahman Alhusaini**  
Independent



Mr.  
**Haitham Mohammad Alfayez**  
Independent



Mr.  
**Mohammed Abdulrahman AL Rajhi**  
Non Executive



Mr.  
**Nasser Sulaiman AlNasser**  
Independent

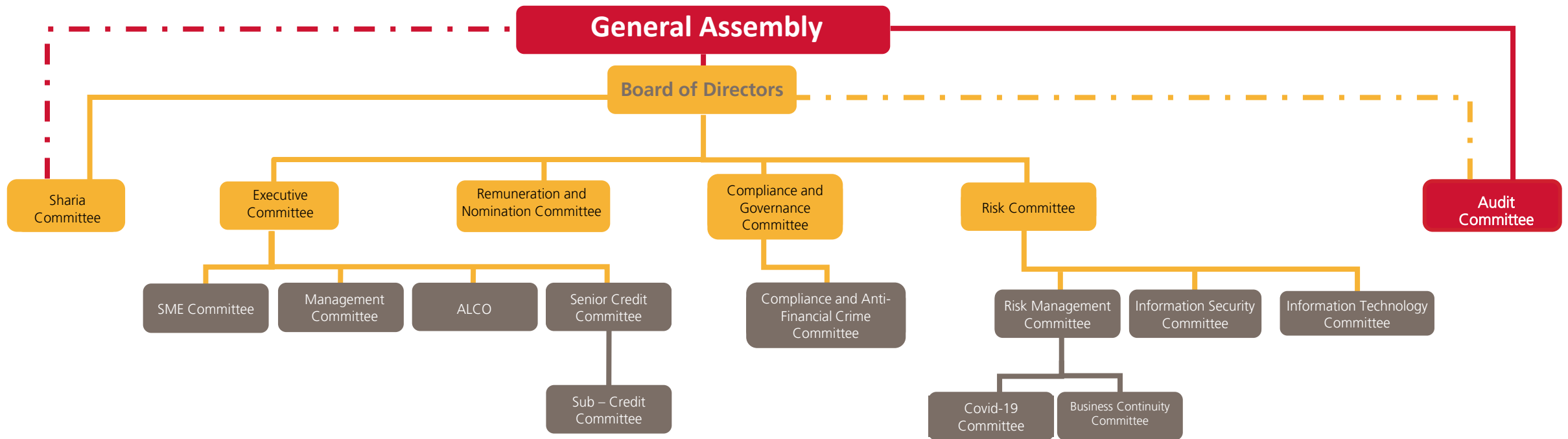


Mr.  
**Khalid Abdulrahman Al-rajhi**  
Non Executive



Dr.  
**Zeyad Othman Alhekail**  
Independent

# Board Committee Structure and Reporting Lines





# Executive Management



**Abdulaziz Mohammed AlOnaizan**  
Chief Executive Officer



**Bashaar Yahya Alqunaibit**  
Senior EVP Business



**Saleh Suliman AlHabib**  
EVP Shared Services



**Abdullah Mohammed Alarifi**  
EVP Risk Management



**Hisham Ali AlAkil**  
EVP Finance



**Samer Mohammed Farhoud**  
EVP Treasury



**Jameel Nayef Alhamdan**  
EVP Corporate Banking



**Haitham Medainy AlMedainy**  
EVP Human Resources

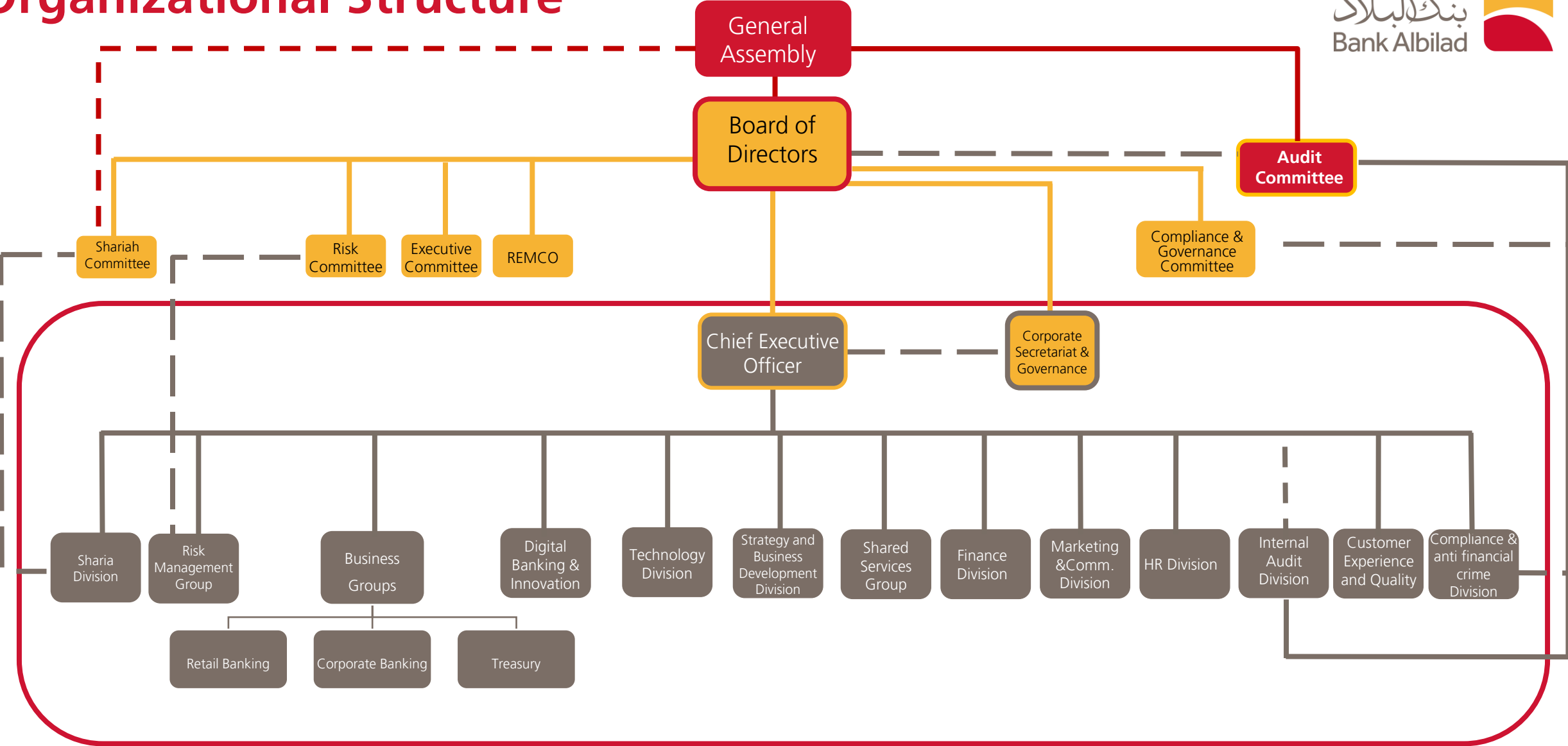


**Abdullah Saad AlRuweis**  
EVP Retail Banking



**Abulaziz Saleh AlGhufaili**  
Chief Technology Officer

# Organizational Structure



# Business Lines and Subsidiaries

# Business Lines

## Corporate Banking



### Focuses on:

- Financing corporates, institutional and public sector markets
- Financing small-and-medium enterprises
- **Financial Institutions, including:**  
Banks and non-banks financial institutions
- Payments solutions for trade

## Retail Banking



### Focuses on:

- Providing deposits – based services
- Saving, remittance and exchange services
- Personal and mortgage financing
- Credit cards

## Treasury



### Focuses on:

- Investing in capital markets
- Liquidity and foreign exchange
- Treasury services for branches and customers

## Actively exploring opportunities to contribute to the implementation of Vision 2030

### ○ Increase SME contribution to GDP from 20% to 35%

- Support small and medium enterprises in line with Kingdom's Vision 2030
- Contribute in the SMEs Loan Guarantee Program (KAFALAH).

### ○ Increase home ownership rate from 50% to at least 70%

Partnership with the Ministry of Housing and REDF for several home loan products

- 1 Investment Banking
- 2 Asset Management
- 3 Securities Services
- 4 Research and Advisory
- 5 Brokerage

**Mortgage and Real Estate assets management**

**Remittance Services, Major Electronic Money Institution**

# Branch Network and Customer Touchpoints

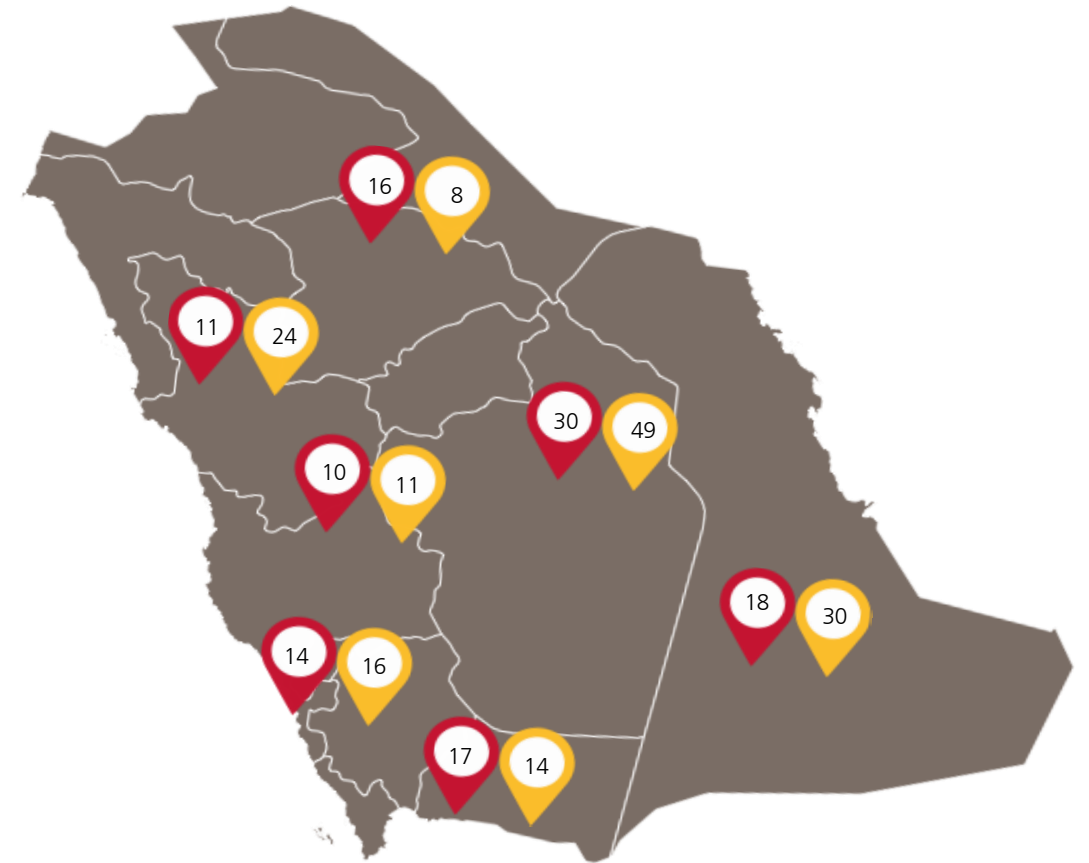
# Branch Network - Geographical Distribution

## Branch Network

Region	Total
Riyadh	30
Makkah & Taif	10
Eastern	18
Qassim	16
Southern	17
Jeddah	14
Madina/Yanbu/Tabuk	11
<b>Total</b>	<b>116</b>

## Enjaz Network

Region	Total
Riyadh	49
Makkah & Taif	11
Eastern	30
Qassim	8
Southern	14
Jeddah	16
Medina/Tabuk/Aljouf	24
<b>Total</b>	<b>152</b>



# Customer Touchpoints



## Branches, Enjaz & Sales Centers

**ANTICIPATE** ...our customers' needs, allowing them to gain maximum value from each contact with customer service.

## Internet Banking & Mobile Devices

**CONNECT**...with each customer, taking advantage of every opportunity to serve.



## Contact Center

**LISTEN AND RESPOND**...to our customers in a timely manner via the channel of their preference.



## Internet Social Media

**UNDERSTAND**... each customer's unique needs and find the right solutions to meet those needs.



## Other Channels





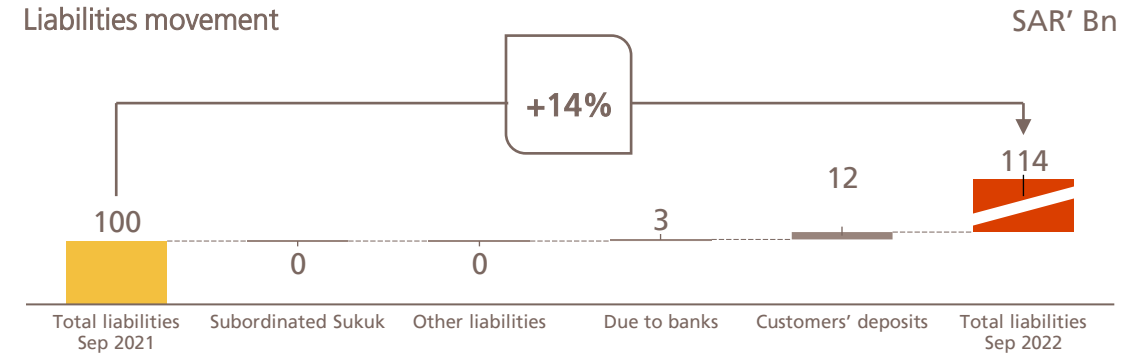
# Financial Performance

# Financial Position Highlights

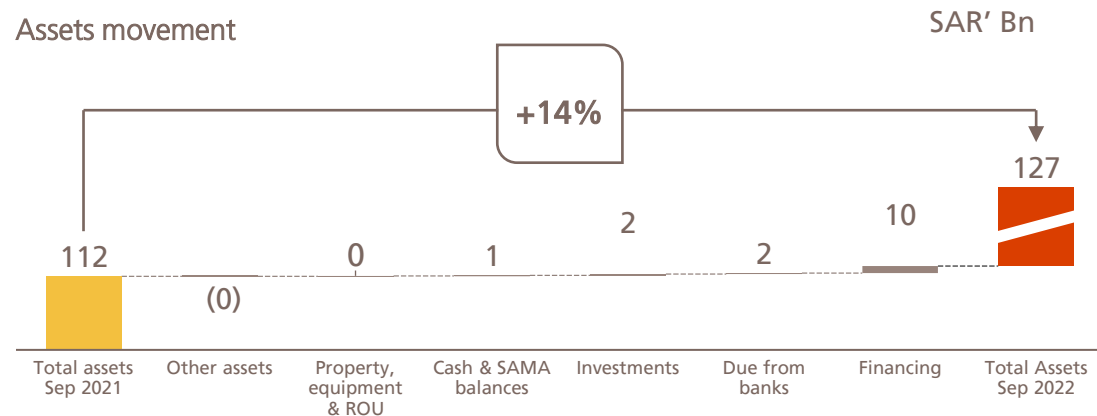
Financial position growth of 14% on assets side is mainly supported by Financing growth and on liabilities side it is mainly supported by Deposits

SAR' Mn	Sep-22	Sep-21	YoY	YoY%
Investments	19,050	17,343	1,707	10%
Financing	92,288	81,799	10,490	13%
<b>Total assets</b>	<b>127,020</b>	<b>111,606</b>	<b>15,414</b>	<b>14%</b>
Due to banks, SAMA and FI	10,435	7,923	2,511	32%
Customers' deposits	93,886	82,346	11,541	14%
<b>Total liabilities</b>	<b>113,985</b>	<b>99,739</b>	<b>14,247</b>	<b>14%</b>
<b>Total equity</b>	<b>13,035</b>	<b>11,868</b>	<b>1,167</b>	<b>10%</b>

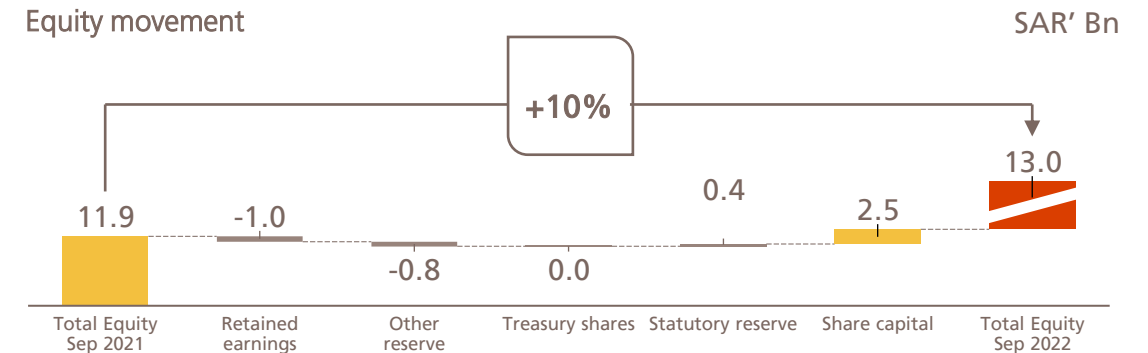
Liabilities movement



Assets movement

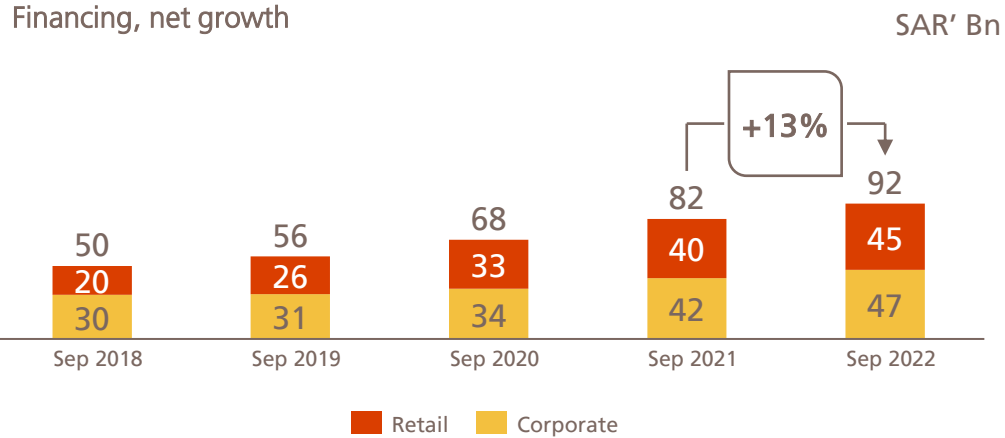


Equity movement

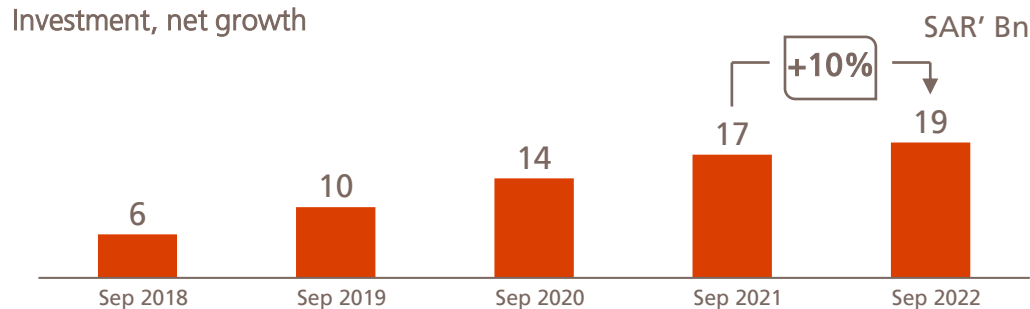


# Financial Position Highlights

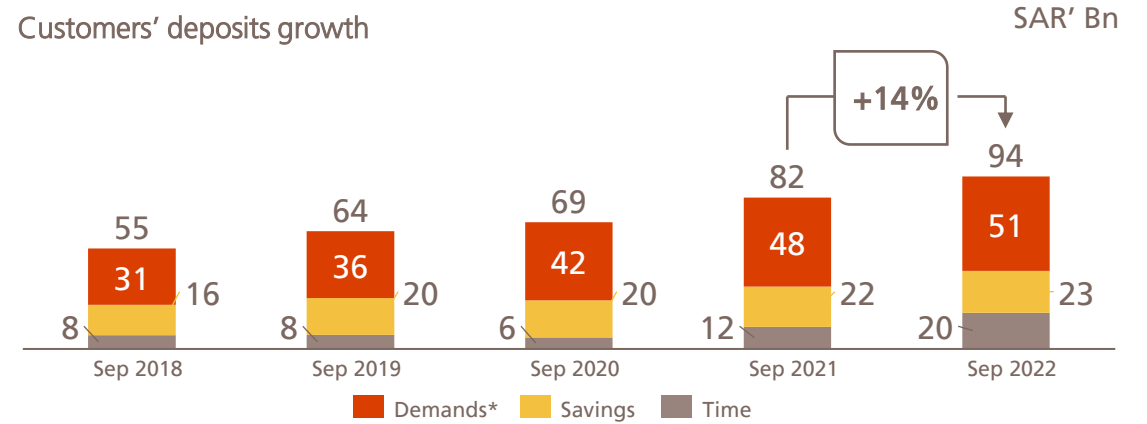
Healthy growth of Financing during 2022 is supported by increase in both Corporate and Retail financing



Healthy growth of Investments during 2022 is mainly supported by Sukuk

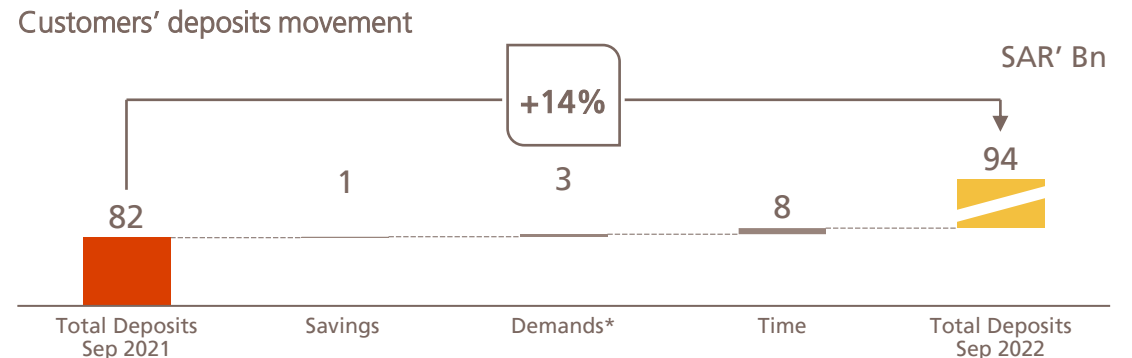


Healthy growth of Deposits during 2022 is supported by increase in Demand and Time deposits



\* Demand deposits include other deposits.

Customers' deposits up by 14% through Demand and Time deposits

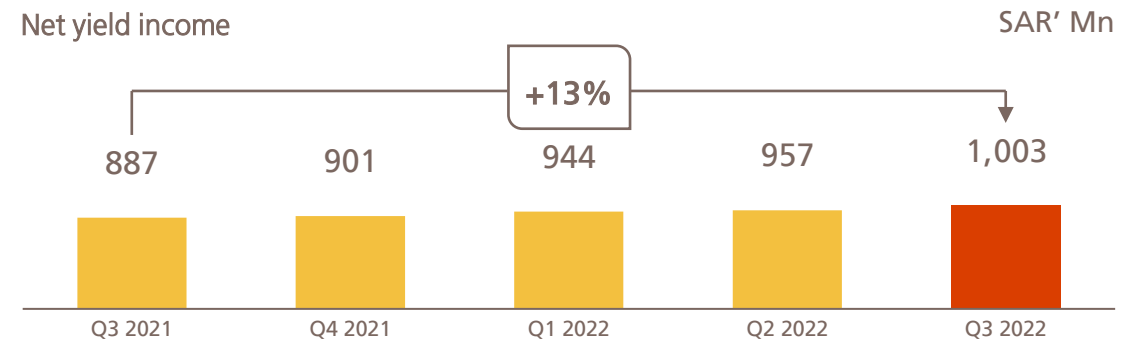
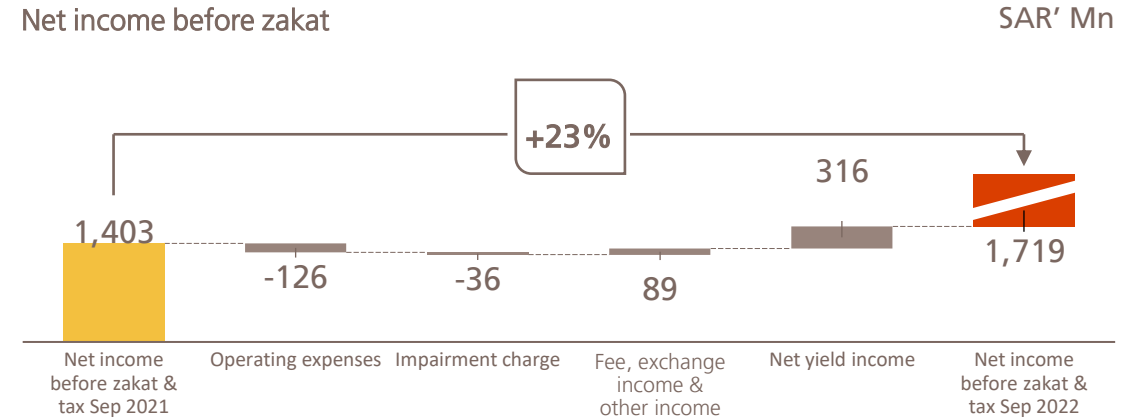


\* Demand deposits include other deposits.

# Statement of Income Highlights

Strong net income growth on YOY basis is mainly derived through Net Yield and financing growth

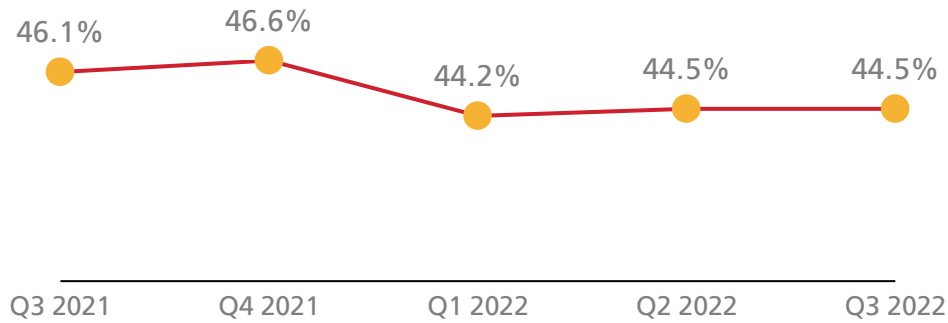
SAR' Mn	Sep 2022	Sep 2021	YoY	YoY%
Net yield income	2,904	2,588	316	12%
Fee and other income	938	849	89	10%
<b>Operating income</b>	<b>3,843</b>	<b>3,437</b>	<b>406</b>	<b>12%</b>
Operating expenses	1,712	1,586	126	8%
Impairment charge	412	448	(36)	-8%
<b>Total operating expenses</b>	<b>2,124</b>	<b>2,034</b>	<b>90</b>	<b>4%</b>
<b>Net income before zakat</b>	<b>1,719</b>	<b>1,403</b>	<b>316</b>	<b>23%</b>
Zakat charge	(177)	(145)	(33)	23%
<b>Net income after zakat</b>	<b>1,542</b>	<b>1,259</b>	<b>283</b>	<b>23%</b>



# Cost to Income

Improvement in cost to income ratio is mainly through growth in total operating income

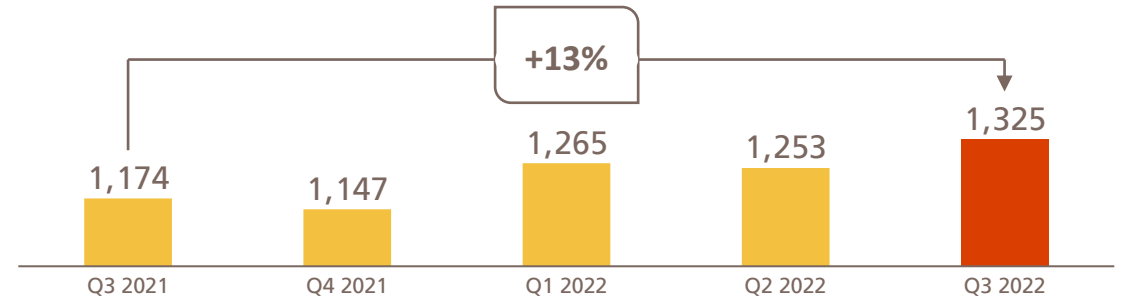
Cost to income ratio (%)\*



\* cost to income ratio has been calculated based on YTD income and expenses.

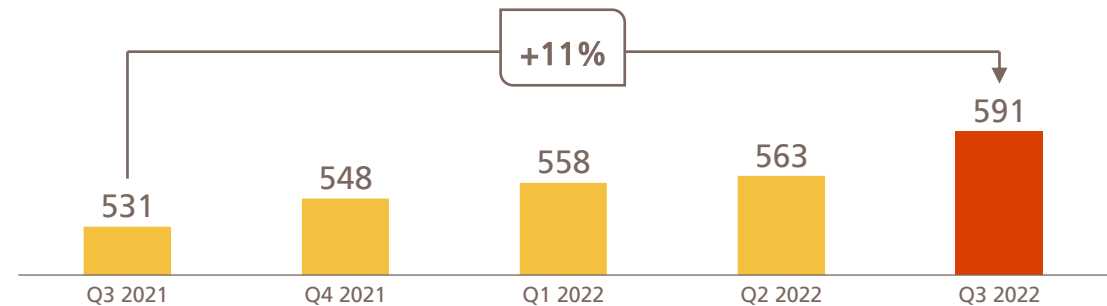
Operating income trend

SAR' Mn



Operating expenses trend before provision

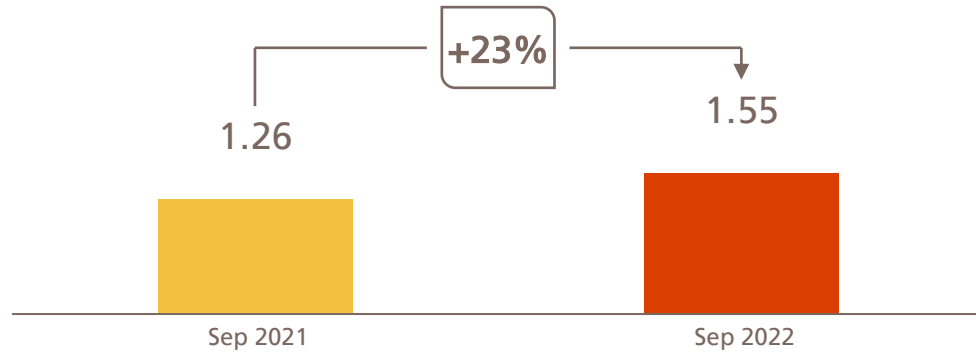
SAR' Mn



# Return Indicators

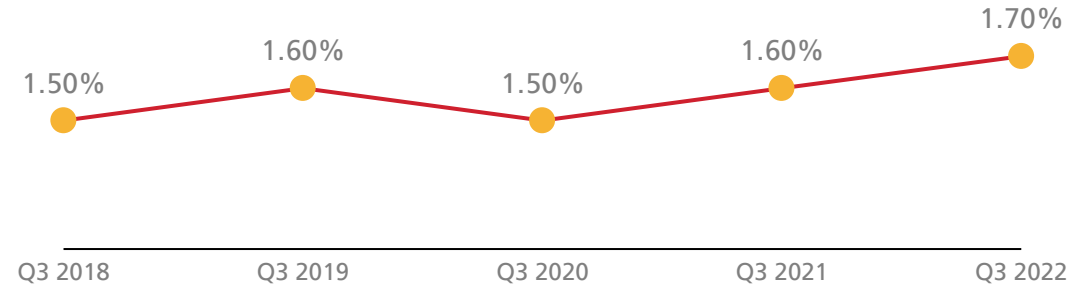
Strong and stable return indicators

Earnings per share\* SAR



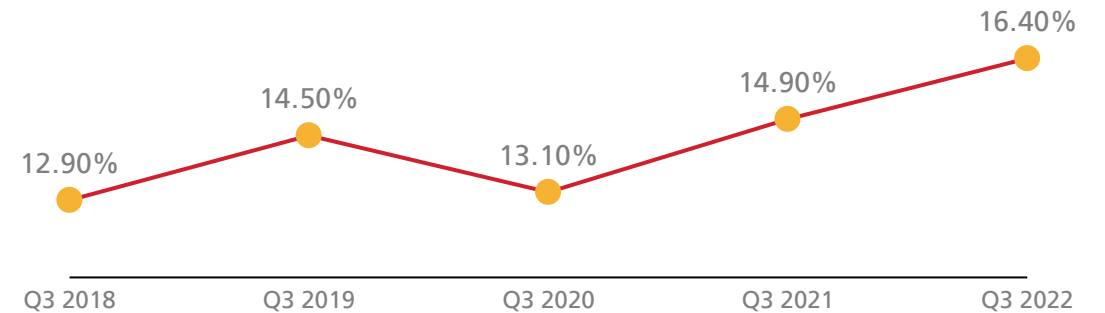
\* EPS has been calculated by dividing the net income by the diluted shares of 996 million shares.

Return on average assets (%)\*



\* ROAA has been calculated based on net income after zakat.

Return on average equity (%)\*

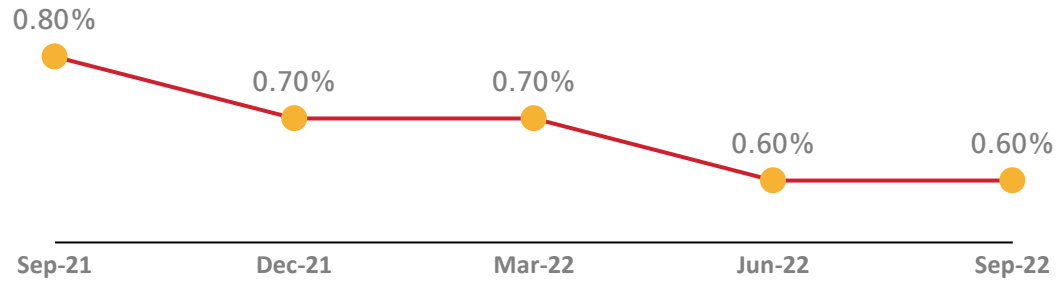


\* ROAE has been calculated based on net income after zakat.

# Asset Quality

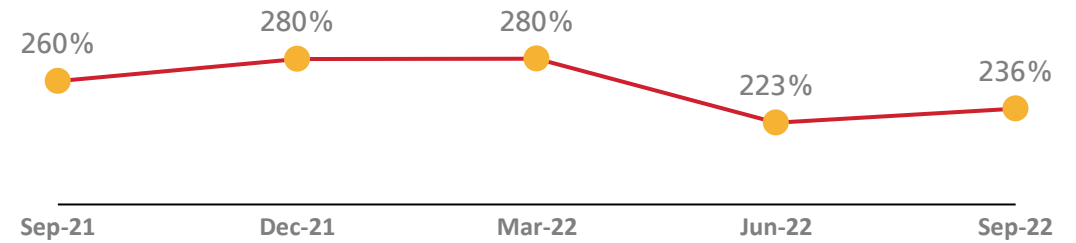
Cost of risk ratio improved as a result of financing growth

Cost of risk (%) - YTD



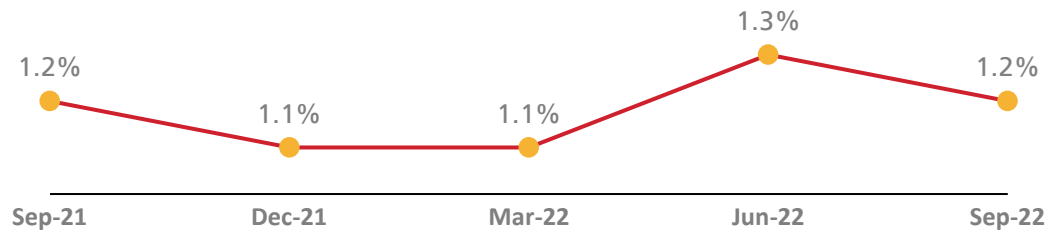
NPL coverage ratio remains healthy throughout the period

NPL coverage ratio (%)

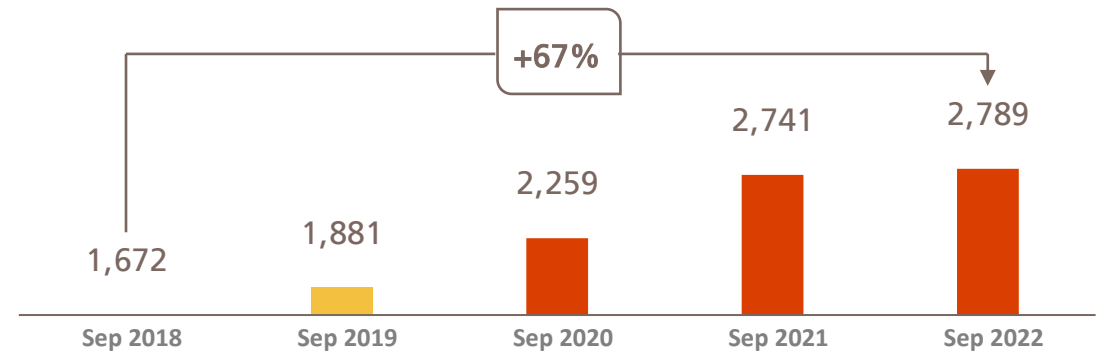


NPL ratio remains at acceptable level throughout the period

NPL ratio (%)



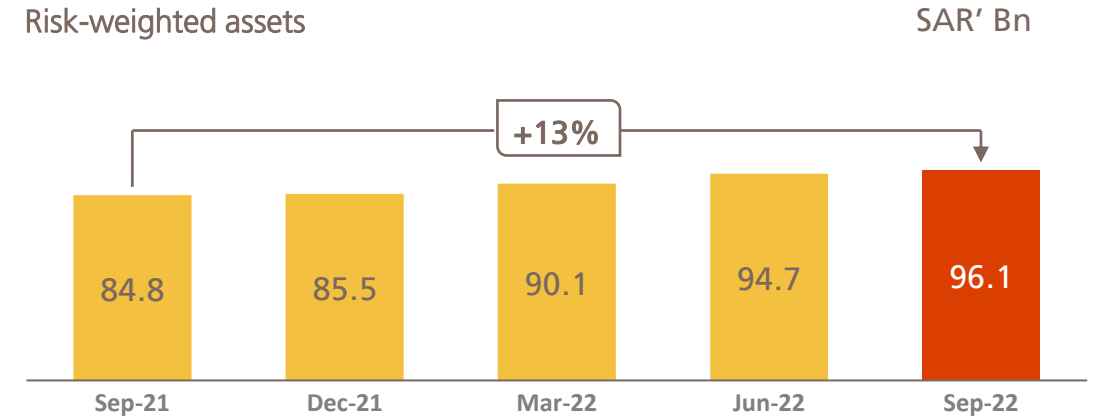
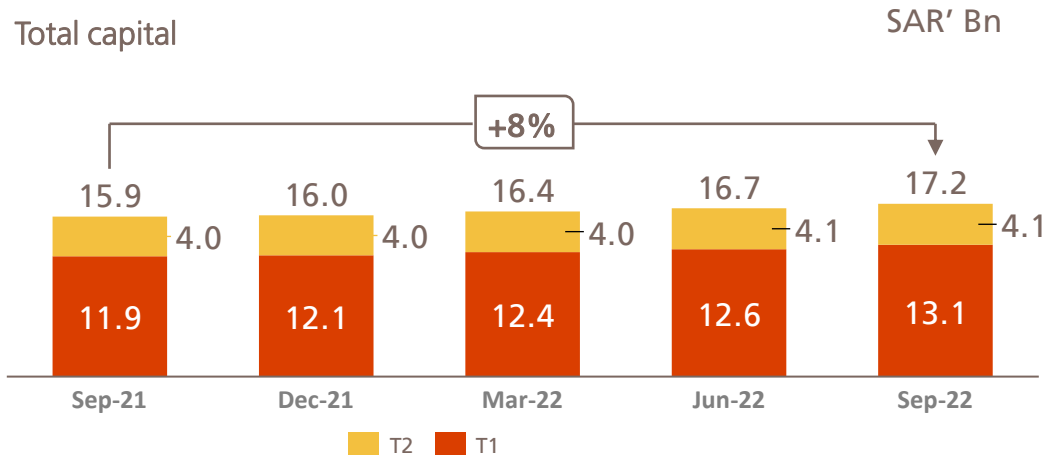
ECL allowance\*



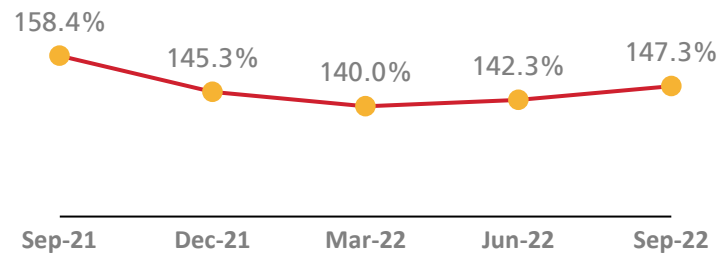
\* Represent the ECL allowance balance against financing exposure.

# Capital Adequacy and Liquidity

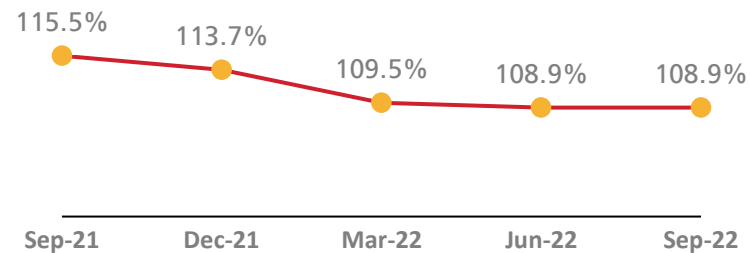
Capitalization and Liquidity well-maintained



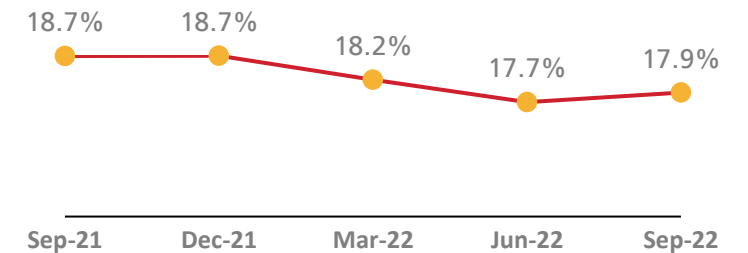
## LCR (%)



## NSFR (%)



## CAR (%)
































# Corporate Social Responsibility Initiatives

Program & Initiative

73

 Financial and savings awareness curriculum initiative	 Environment sustainability & food security research chair	 Fathkuroni App.	 Supporting the government social fund	 Supporting the government Health Endowment Fund	 Support the establishment of the Excellence Autism Center	 Supporting patients in needs	 Scholarship Programs	 Support Tarahum Society	 Support of Medicine supply in Makkah	 Pilgrim Services	 Supporting the treatment of Rheumatism
 Providing bank forms in Braille language for people with Visual Impairment	 Awareness videos for people with disability	 Wheelchairs for disability sport athletes	 Supporting the development of AlSabalah district	 Alignment of ATM pathways to suit people with disability	 ATMs Adaptation for Visual Impairment	 The Marathon for people with disability initiative	 Alwasiyah .App	 Albilad Ramadan basket	 Ajyal food conservation campaign	 Provide winter clothing for students in Northern region	 Grand Mosque Pilgrims Service Project
 Support Al Ta'akhi Society for the elderly	 Supporting afforestation initiatives and seminars	 Entertainments for the Sons of Martyrs	 Printing and publishing Sharia Banking Standard book	 Annual Participation in the Earth Hour	 Depth on us Initiative to clean Jeddah's Sea front underwater	 Social & Medical Equipment for the blind	 Medical Equipment for Mua'afa Program	 Medical Equipment for Mua'afa Program	 Leading women crafts training	 Establishing Society (Ensan) Portal	 Educational campaign for real estate financing
 Support Ibn Ghunaim research chair at Al Imam university	 Eid give aways for the injured in the South Frontier	 Martyrs Tournament	 Entertainment Activity for Orphans	 Blood Donation	 Al-Suda Park environmental and awareness campaign	 Traffic Awareness campaign	 Support Cancer Patients	 Organizing visits for academics interested in Islamic Banking	 Islamic Banking Dictionary	 Disabled Accessible Branch	 Sponsoring the printing and publishing of the Sharia Standards Studies of Islamic economy.
 Support Masajeduna Society with cars	 Water recycling project for mosques afforestation	 Solar energy at AlBilad head office	 Establishing Snoezelen room at Jizan Autism center	 E-Commerce research chairs	 Financial awareness and culture initiative Savings (Ministerial Track)	 Risk Program Initiative Finance in cooperation with the University King Faisal	 Savings initiative in the dorm	 Restoration initiative Homes	 Collaborate with the center Financial knowledge Affiliated to the Ministry of Finance	 Association support Thank you for the food bank	 Donate participation On the Ihsan platform
 Support and development of a center unit Digestive at Al Rass Hospital	 University Student Funding Initiative King Khaled for Postgraduate Studies In easy installments and 0% profit margin	 Afforestation initiative Wadi Al-Qurainah	 savings initiative Lifestyle	 King Salman Oasis Support Initiative	 & The Development Empowerment Initiative with the Restoration Charity Association	 Sponsoring a Walking Marathon in Rabigh	 Al Khobar Corniche Afforestation Initiative	 Sponsorship of Al Baraha Festival in Qatif	 Sponsorship of Princess Noura Award for Women's Excellence	 Marathon Initiative for Down Syndrome	 Sponsorship of International Day Activities for multiple sclerosis
 Support Mubadarat program For physical therapy clinics with the Association of Children with Disabilities											

# Investor Relations Department

## Investor Relations Contact

For shareholders inquiries

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[Investor Relations Webpage](#)