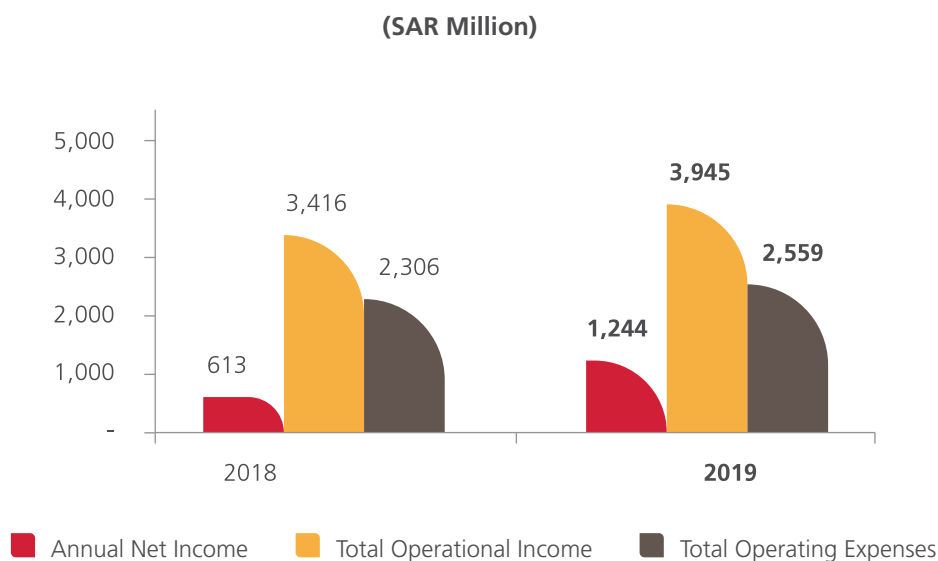


FINANCIAL REVIEW

The annual financial results of Bank Albilad ending in 31 December 2019 showcase continuous growth of profits as a result of increased Bank activity in key segments, where its Net Income before Zakat increased by 25% to SAR 1,387 million compared to SAR 1,110.5 million for the same period in 2018.

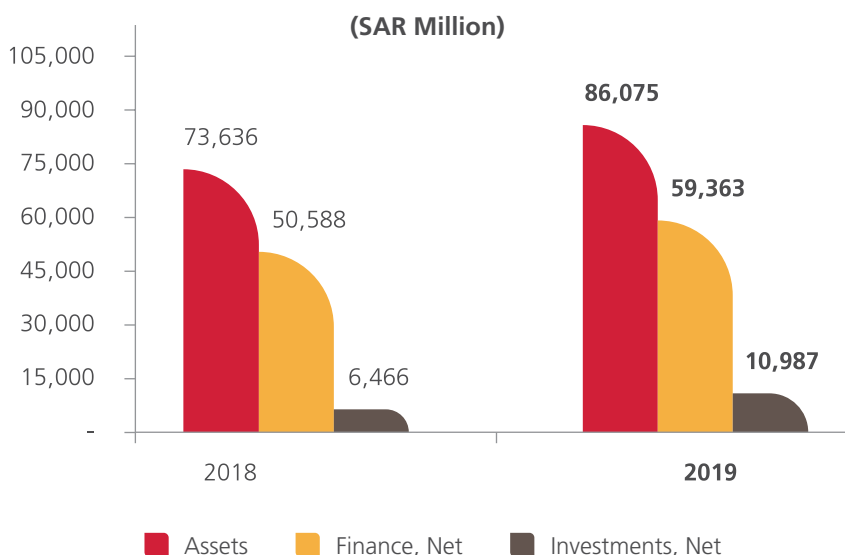
The Bank continued to achieve an increasing level of revenue which achieved an growth based on Total Operating Income of SAR 3,945 million which improved by 15%, resulting primarily from higher financing and investment revenues. On the other hand, the Total Operating Expenses increased by 11% to SAR 2,559 million as a result of the increase in consumption and other general and administrative expenses, as well as in the salaries and benefits of employees. The Bank achieved Net Profit, after Zakat deduction for the year, in 2019 amounting to SAR 1,243.7 million, compared to a Net Profit of SAR 612.7 million for the same period in 2018, an increase of 103%. In 2019, there were changes

made to the accounting policy for Zakat as the Bank has accounted for this on the income statement for 2019 and amended the financial statements for 2018 accordingly. As reported previously, Zakat was recorded in the list of changes in shareholders' equity. The adjusted income statement for the 2018 period also included its effect on the Bank in agreement with the General Authority of Zakat and Income on the settlement of Zakat claims for the previous fiscal years from 2006 to the end of the 2017 with the amount of SAR 393 million in addition to Zakat for 2018 at a value of SAR 105 million.



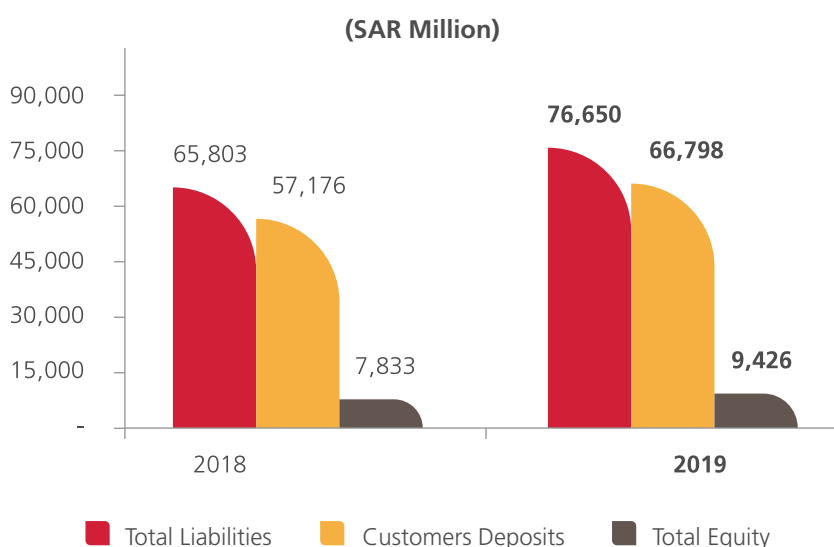
Regarding assets, Net Finance increased by 17% to SAR 59,363 million and investments grew by 70% to SAR 10,987 million compared to the same period in 2018, which led

to growth in the Bank's total assets by 17% to reach SAR 86,075 million.



In terms of liabilities, deposits increased by 17% to SAR 66,798 million compared to the same period in 2018. The Total Equity of SAR 9,426 million increased by SAR 1,593 million, an improvement of 20%, by the end of December

2019, compared to SAR 7,833 million at the end of December 2018, primarily due to the increase in the Bank's net income. The number of Ordinary Issued Shares reached 750 million shares.



The Capital Adequacy Ratio for the first pillar at the end of 2019 stood at 17.5%. After deducting Zakat, the bank achieved a Return on Average assets (ROA) of approximately 1.6%, while the Return on Average (ROA) shareholders' equity was 14.4%, and Earnings per Share (EPS) reached SAR 1.67 per share.

The Bank was able to achieve positive financial and operational results and growth during 2019, a result of exceeding goals set during the onset of 2019 and additional policies and business strategies implemented throughout the year.