

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

Bank Albilad is a full-fledged Islamic banking services provider



Head Office: **Riyadh**



No. of Employees: **+3,700**



No. of Branches: **112**

6th Largest Retail Network



No. of Enjaz Centers: **148**

2nd Largest Remittance Network

Key Highlights



5% cash dividend for 2022,
at SAR 0.50 per share after Zakat,

**Total Dividend
SAR500 million**

Bank Albilad is among

**the largest banks
in the Middle East**

in terms of market value
according to Forbes 2023 ranking
occupying 16th place

**Credit Rating
by Moody's:**

Long-term: **A3**
Short-term: **P-2**
Future outlook: **Positive**



Subsidiaries



Albilad Investment Company
Investment and Asset Management



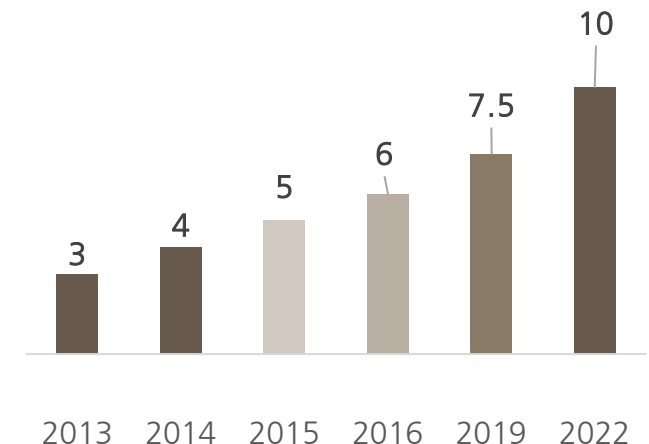
Albilad Real Estate Company Ltd.
Registration procedures for real estate
guarantees obtained by the bank from its
clients



Enjaz Payment Services Company
Fintech; Remittance Services; Major Electronic
Money Institution



Capital Increases (SAR Billions)



Board of Directors



Mr.
Nasser Mohammed AlSubeaie
Chairman - Non Executive



Mr.
Adeeb 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

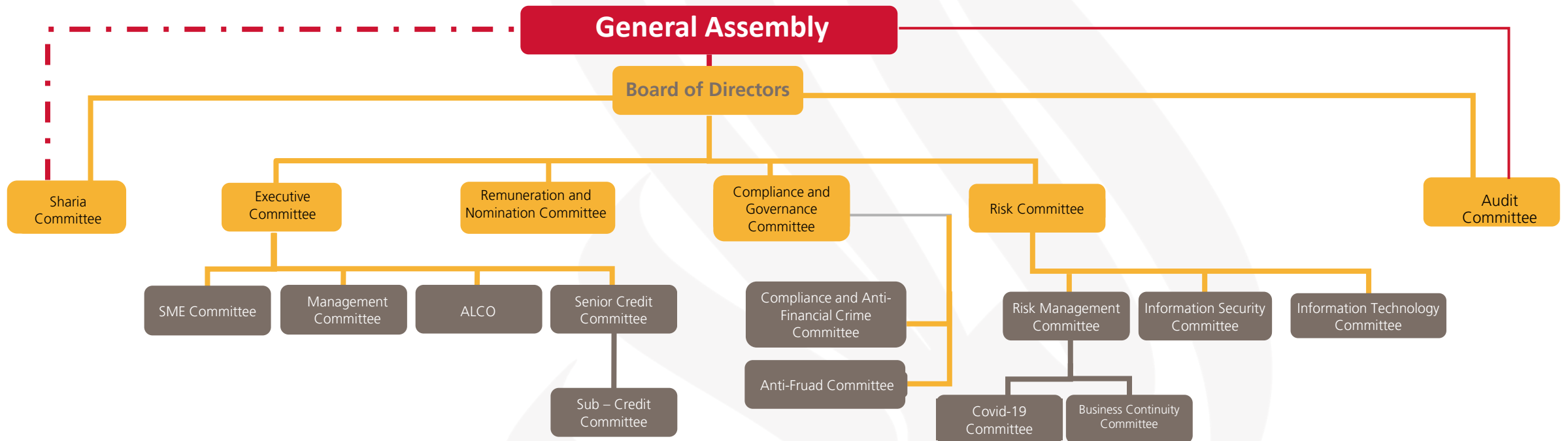


Mr.
Khalid Abdulrahman Al-rajhi
Non Executive



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



Saad Ibrahim Al Drees
EVP Corporate Banking



Haitham Medainy AlMedainy
EVP Human Resources

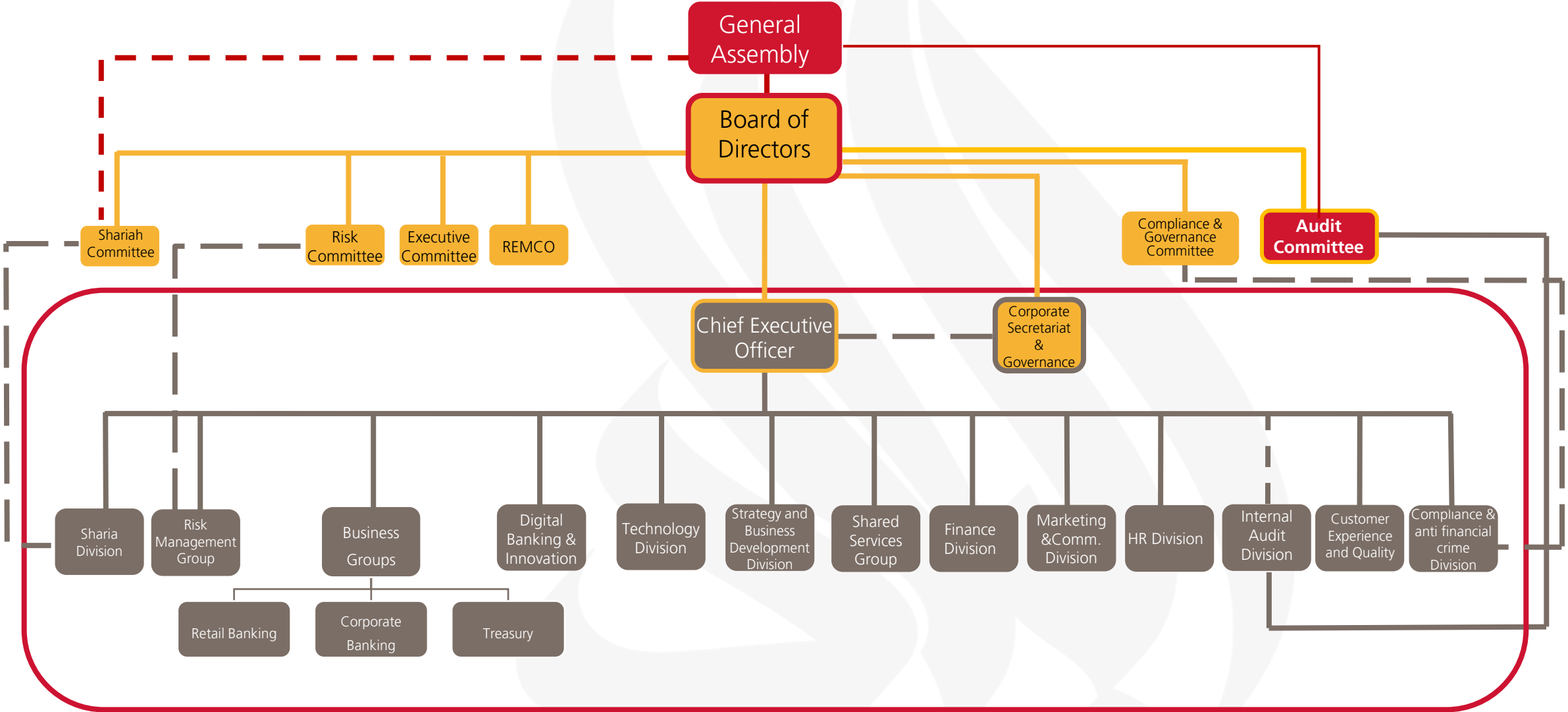


Abdullah Saad AlRuwaish
EVP Retail Banking



Abulaziz Saleh AlGhufaili
Chief Technology Officer

Organizational Structure



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

Subsidiaries

- 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



Financial Performance

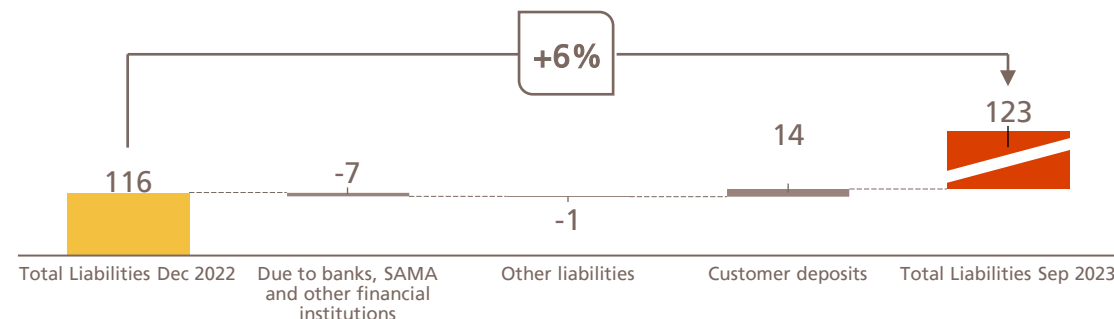
Financial Position Highlights

Strong growth in Financing, Investment and Deposits

SAR' Mn	September 2023	Dec 2022	change	%	September 2022	YoY	YoY%
Investments	21,584	20,600	984	5%	19,050	2,534	13%
Financing	101,602	91,179	10,423	11%	92,288	9,314	10%
Total assets	137,573	129,543	8,030	6%	127,020	10,553	8%
Due to banks, SAMA and FI	4,044	10,621	(6,577)	-62%	10,434	(6,390)	-61%
Customers' deposits	108,915	94,843	14,072	15%	93,886	15,029	16%
Total liabilities	122,960	116,144	6,816	6%	113,985	8,975	8%
Total equity	14,613	13,399	1,214	9%	13,035	1,578	12%

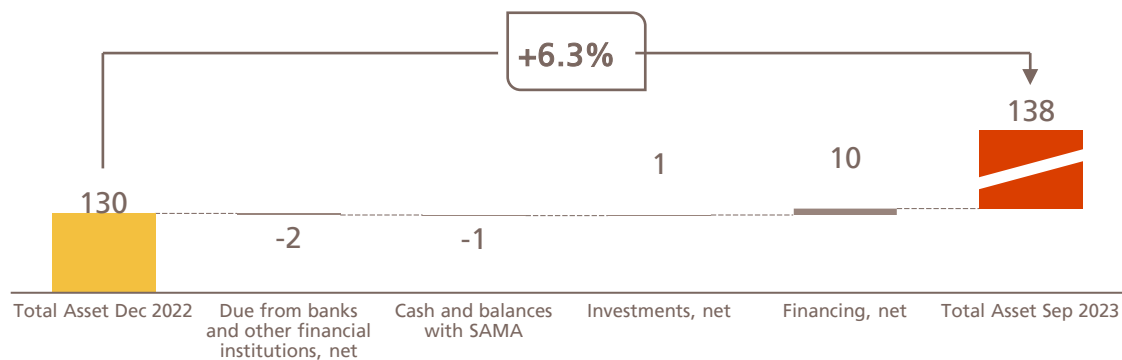
Liabilities movement

SAR' Bn



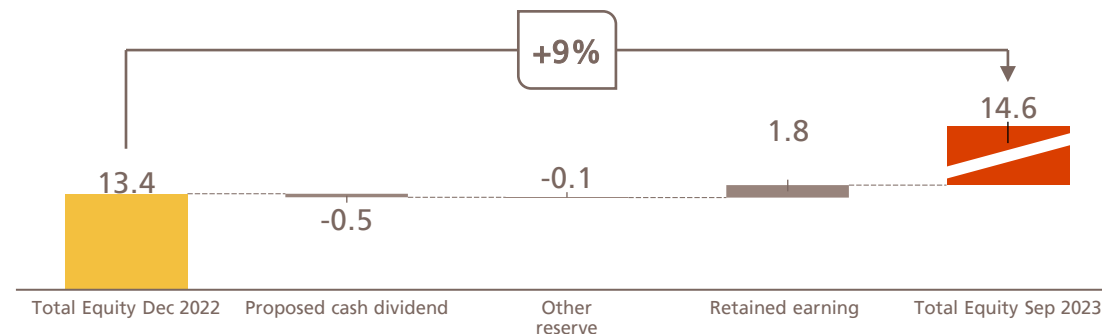
Assets movement

SAR' Bn



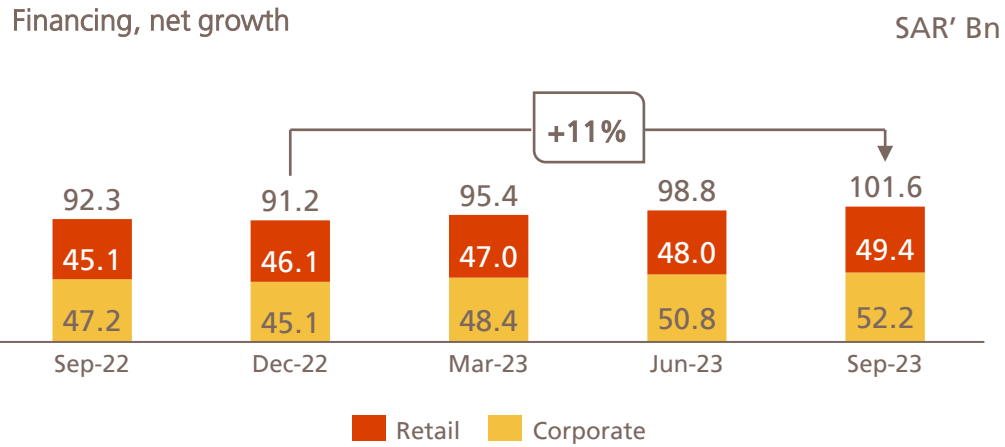
Equity movement

SAR' Bn

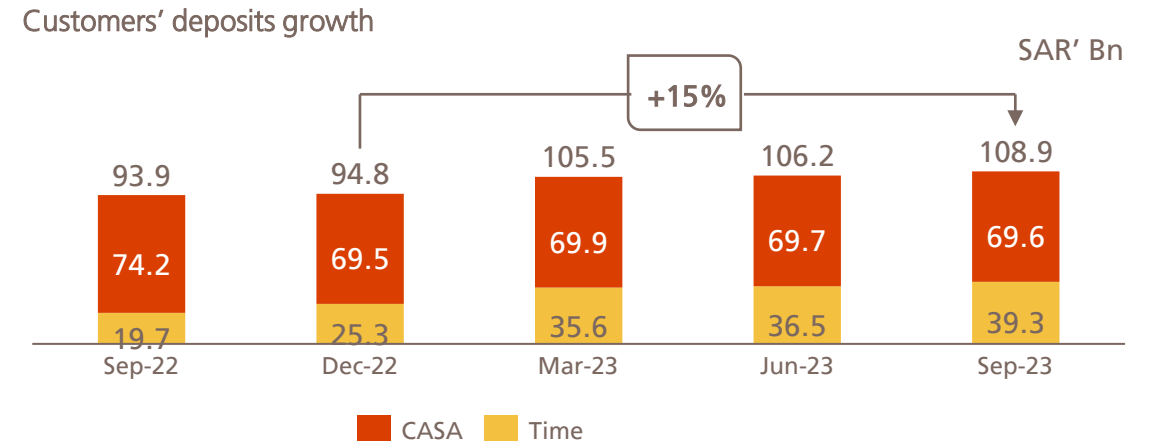


Financial Position Highlights

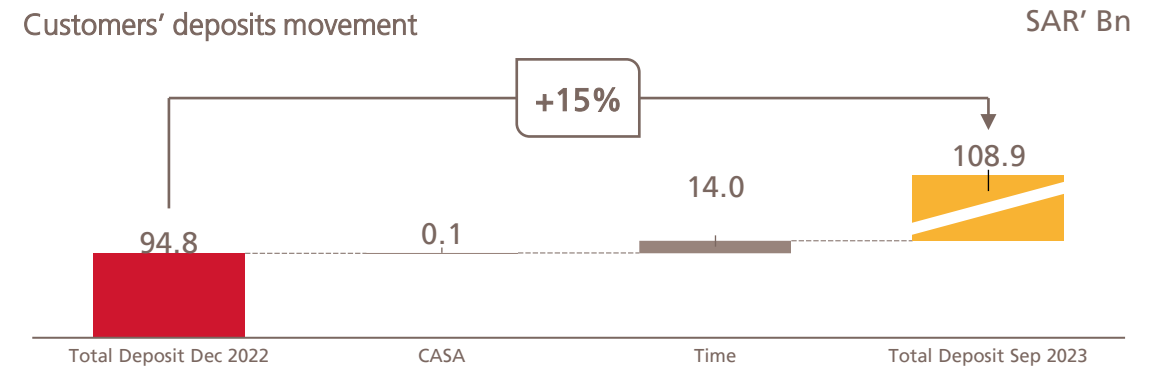
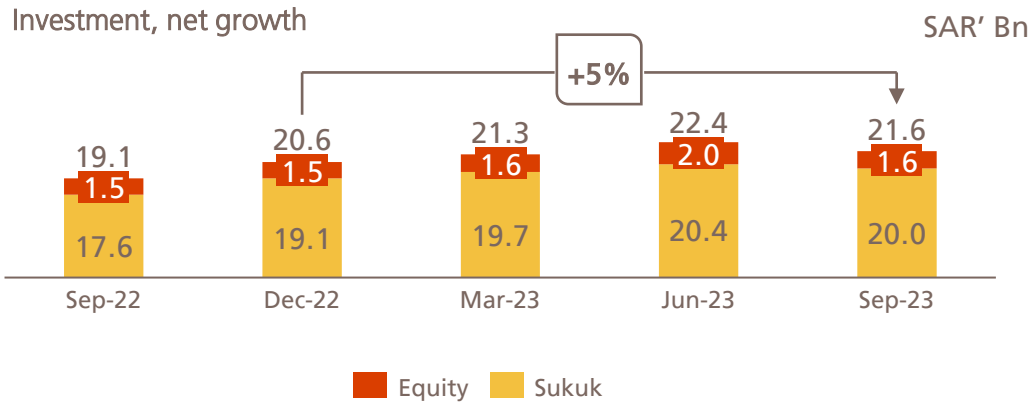
Healthy growth in Financing



Strong growth in total deposits driven by Time deposits



Investments growth driven by Sukuk

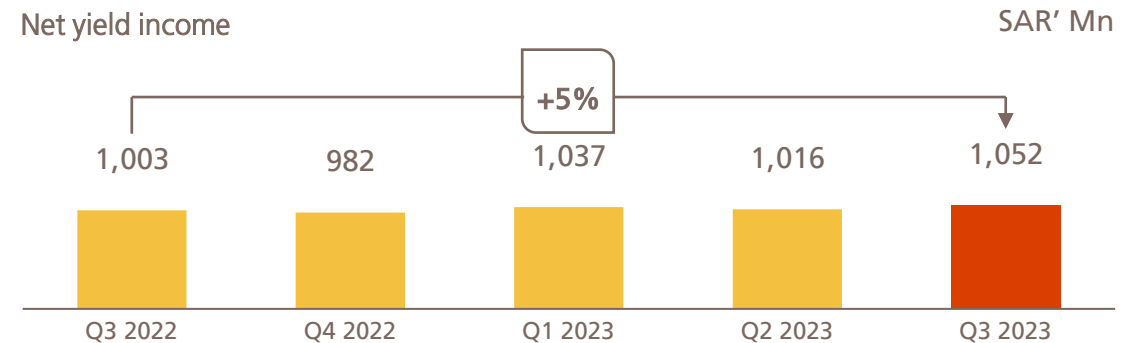
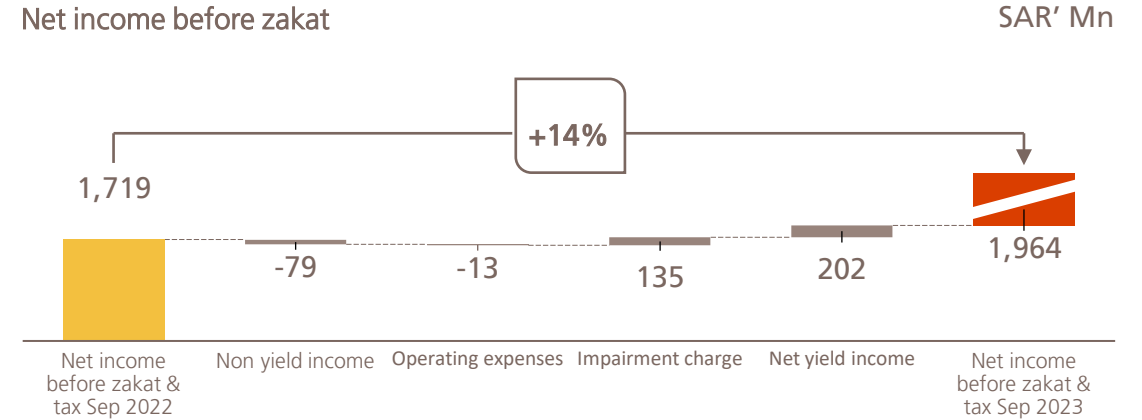


Statement of Income Highlights

Strong net income growth boosted by higher Net Yield Income

- Net Income improved by 14% Y-o-Y
- Operating Income increased by 3% Y-o-Y, exceeding SAR 3.9 Bn
- Net yield income grew 7 % Y-o-Y

SAR' Mn	September 2023	September 2022	YOY	YOY%
Net yield income	3,106	2,904	202	7%
Non yield income	860	939	(79)	-8%
Operating income	3,966	3,843	123	3%
Operating Expenses	1,725	1,712	13	1%
Impairment charge	277	412	(135)	-33%
Total Operating Expenses	2,002	2,124	(122)	-6%
Net income before zakat	1,964	1,719	245	14%
Zakat charge	202	177	25	14%
Net income after zakat	1,762	1,542	220	14%

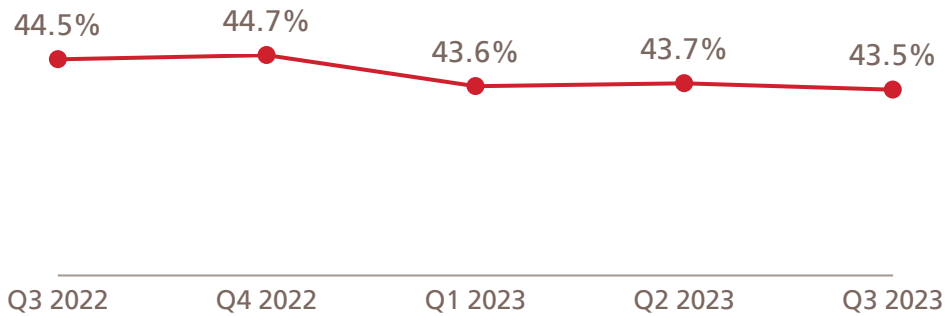


Cost to Income

Lower cost to income ratio achieved through higher total operating income and cost control

- Operating Income increased by 3% Y-o-Y, exceeding SAR 3.9 Bn
- Operating expenses increased 1% Y-o-Y
- Continuous focus on efficiency improved cost to income ratio by 1% Y-o-Y

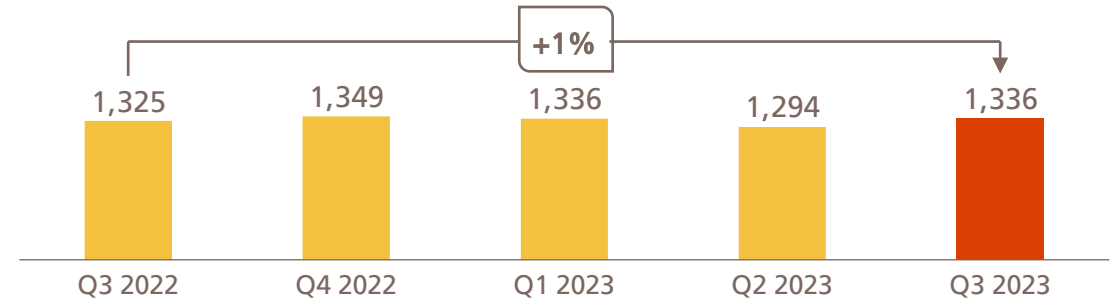
Cost to income ratio (%)*



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

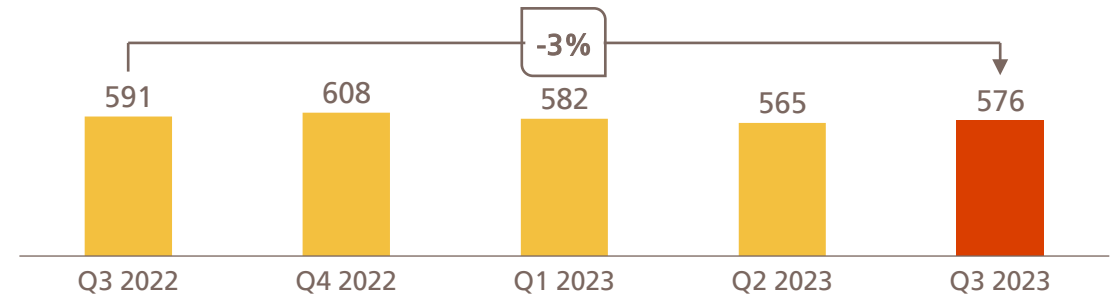
Operating income trend

SAR' Mn



Operating expenses trend

SAR' Mn



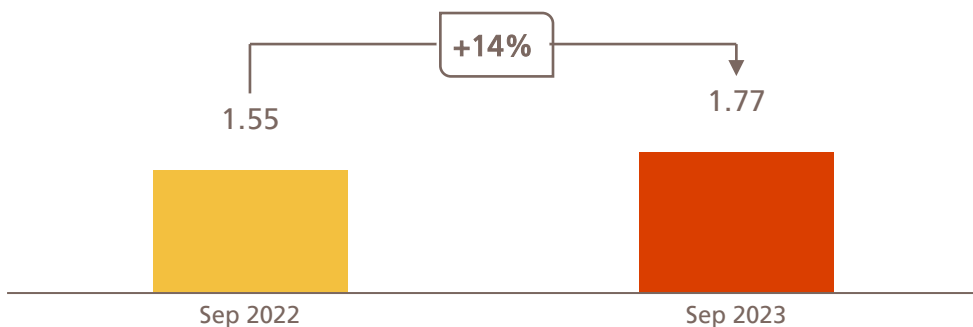
Return Indicators

Strong and stable return indicators

- SAR 0.22 growth in earning per share YoY.
- Steady ROAA and ROAE at 1.76%,16.77% respectively.

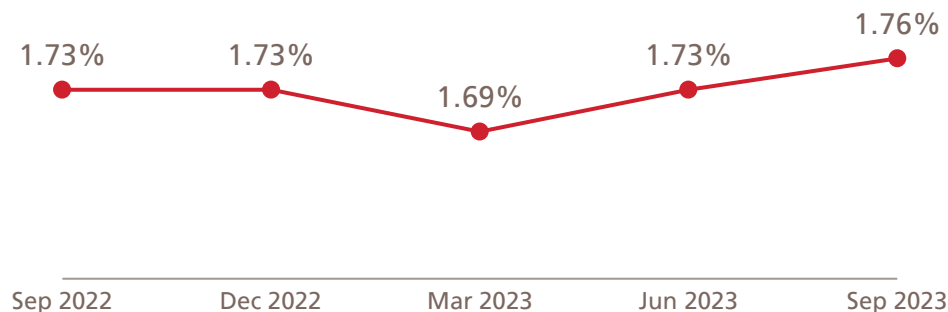
Earnings per share*

SAR



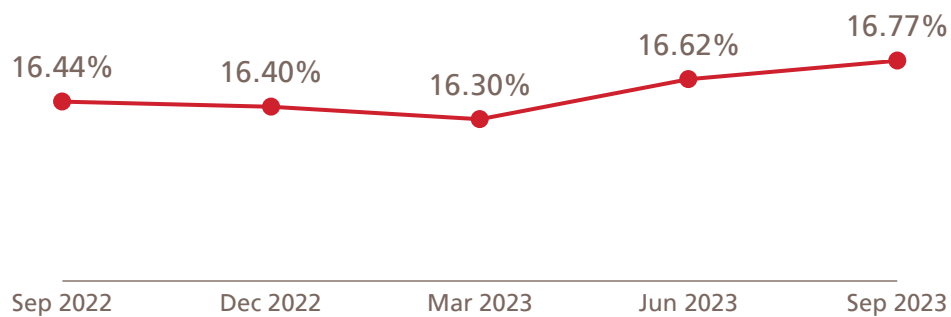
* EPS has been calculated by dividing the net income by the diluted shares of 996 million shares.

Return on average assets (%)*



* ROAA has ben calculated based on net income after zakat.

Return on average equity (%)*

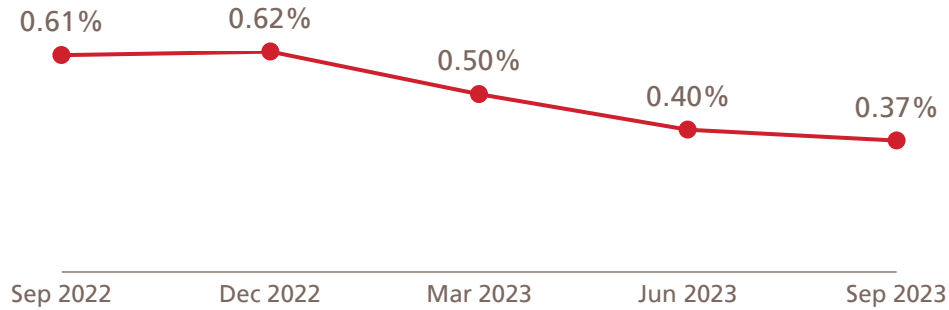


* ROAE has ben calculated based on net income after zakat.

Asset Quality

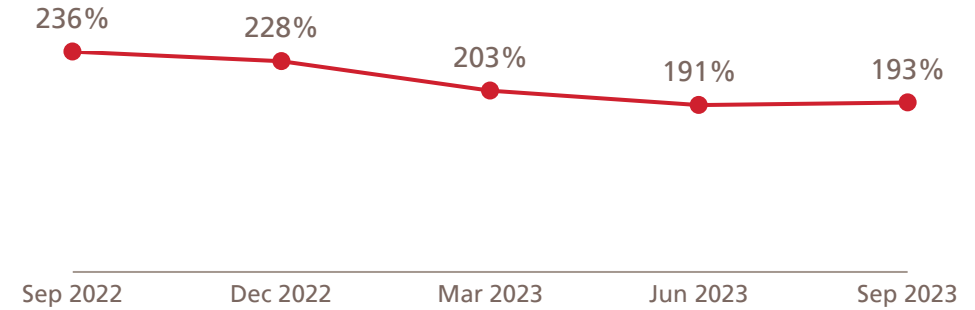
Cost of risk ratio improved

Cost of risk (%)



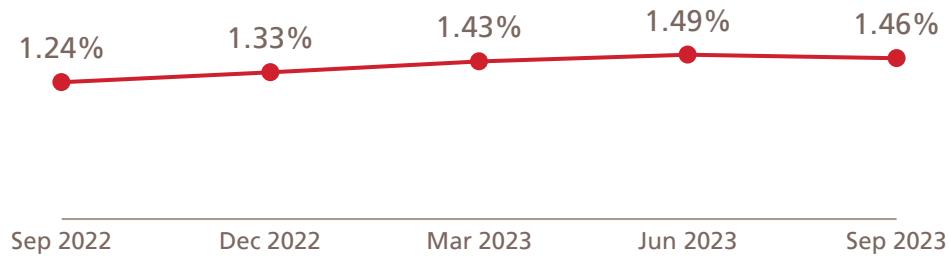
NPL coverage ratio remains healthy

NPL coverage ratio (%)



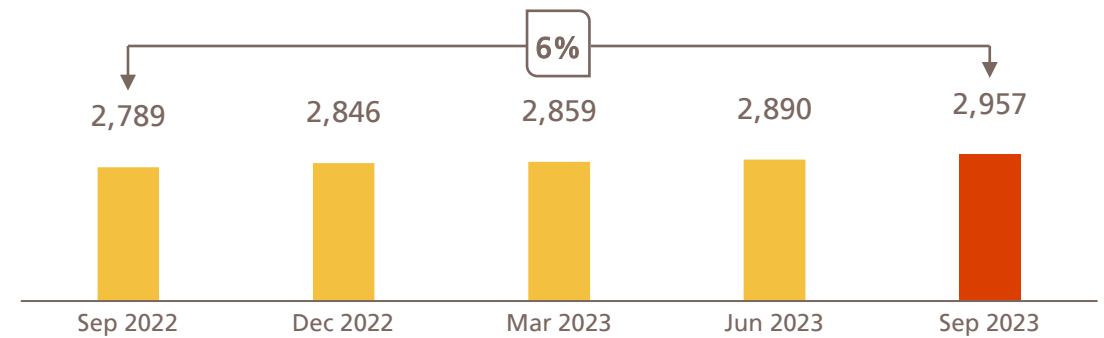
NPL ratio remains at acceptable level

NPL ratio (%)



ECL allowance*

SAR' Mn



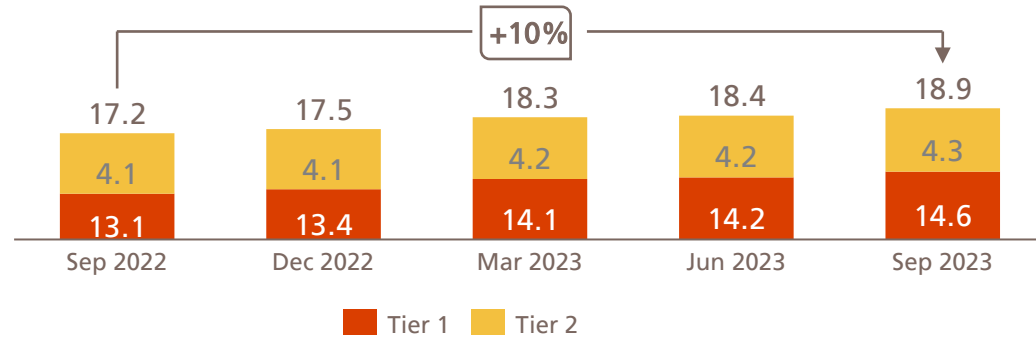
* Represent the ECL allowance balance against financing exposure.

Capital Adequacy and Liquidity

Capital and Liquidity ratios maintained well above regulatory requirements

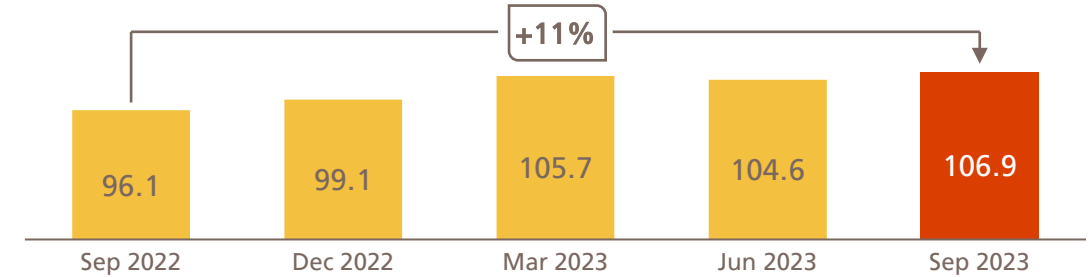
Total capital

SAR' Bn

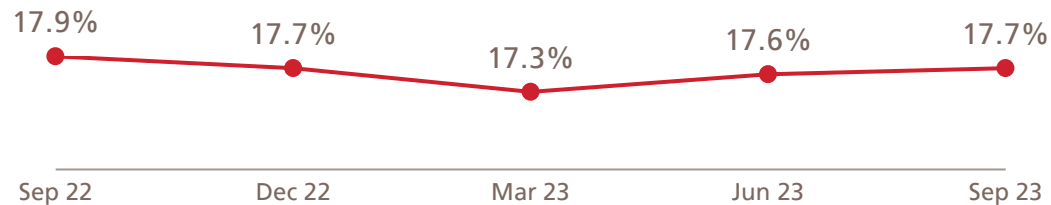


Risk-weighted assets

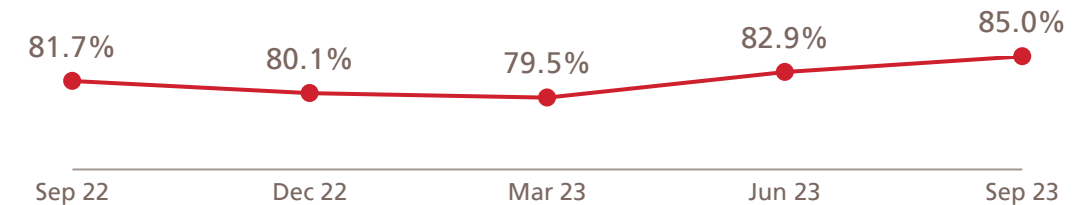
SAR' Bn



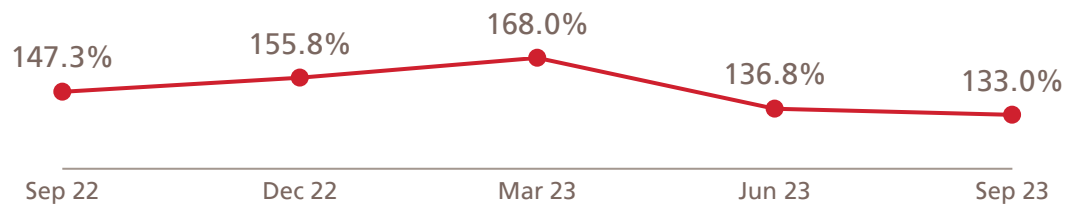
CAR (%)



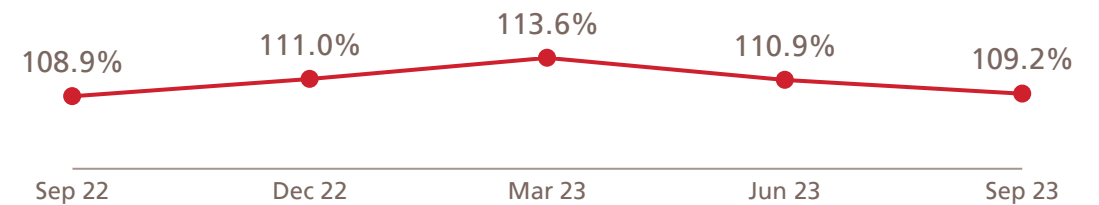
LDR (%)



LCR (%)



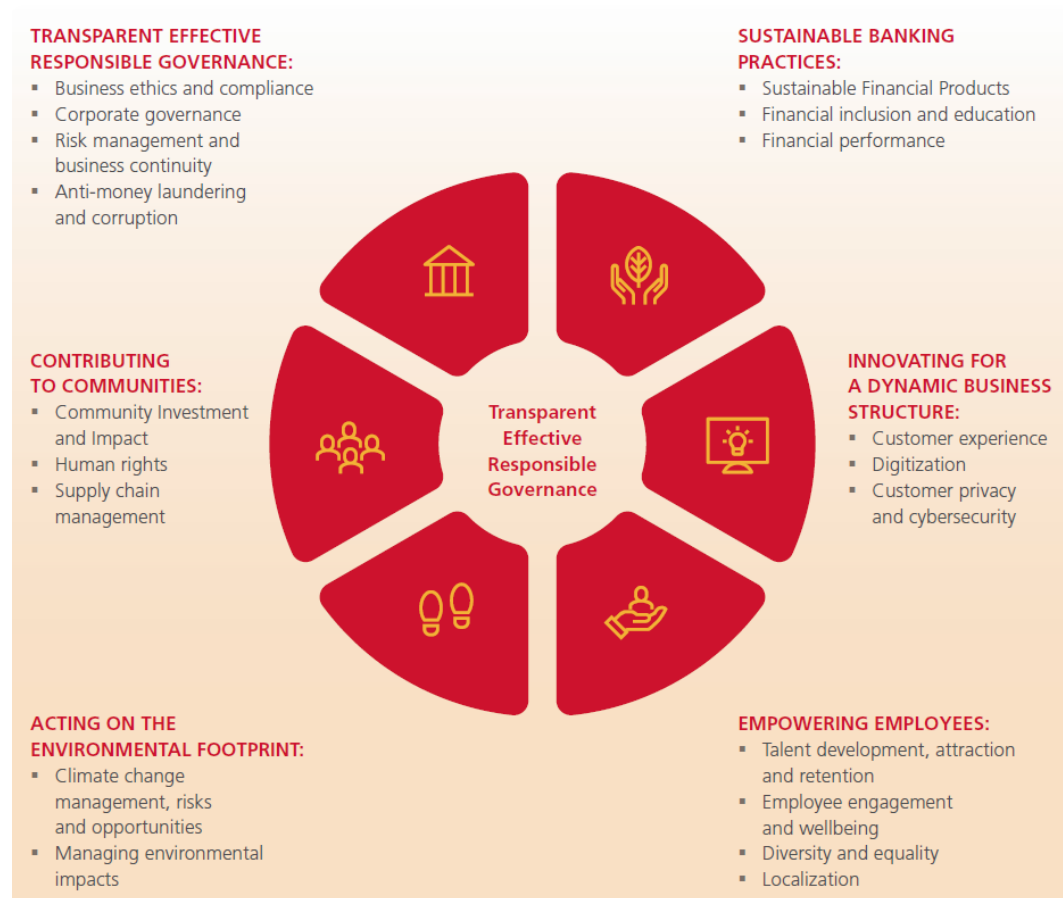
NSFR (%)



Appendix

Bank Albilad's Sustainability Framework

Bank Albilad is in the process of formalizing its approach to promoting sustainable development throughout the Kingdom and beyond. Below is the Bank's sustainability framework, which defines what sustainability means for the Bank and highlights the material ESG issues the Bank is committed to addressing:



[Link to ESG Report](#)

Summary of Bank Albilad's sustainability performance

Below are highlights of the Banks sustainability performance from each of the Bank's sustainability framework pillars:

Transparent effective responsible governance

- Bank Albilad received the Excellence Award in the Corporate Governance Index (CGI)
- 100% attendance for all Board meetings
- Zero fines for non-compliance with environmental laws and/or regulations

Sustainable banking practices

- Multiple program help support SMEs
- Provide financing to renewable energy projects in KSA
- Net income has increased year-on-year since 2018

Acting on the environmental footprint

- Environmentally friendly branch launched; adhering to LEED & Mostadam standards
- 2,536 kg of materials recycled by employees
- Solar energy system installed at Head office

Innovating for a dynamic business structure

- Significant promotion of digital services; 94% of customers were digitally active in 2021
- Increase from 58% to 71% in customer satisfaction
- 100% of customer complaints resolved

Empowering employees

- All employees receive a performance review
- 54% increase in staff training post-COVID-19
- Multiple benefits offered to all employees
- 92.5% of total workforce comprised of Saudi nationals

Contributing to communities


















































































- 800 employee volunteers
- An average of SAR 14 million invested annually into local communities
- 95% of total procurement expenditure from local suppliers

Latest ESG ratings:



Program & Initiative

79

											
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	Alvrsiyah .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 Snoozelen 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 Khalid 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 Mubadharat program for physical therapy clinics with the Association of Children with Disabilities	A partnership with the Rheumatology Association to support joint replacement surgeries for rheumatic patients	Albilad Volunteer Campaign for environmental awareness (Ravdat Umm Al Shuqqoq)	Bank Albilad donated 10 million riyals to the Jood Charitable Housing Platform	Enjaz Ramadan basket	Lifestyle Savings Initiative (phase three)	Waste recycling initiative in Albilad Tower					

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Enjaz App



Albilad Tadawul

