

Al Rajhi Bank Investor Presentation

1Q 2020 Investor Pack



1	The World's Leading Islamic Bank	03
	Islamic Banking, Everywhere	04
	The Blue Chip Islamic Bank	05
	Top 10 Facts	08
	Market Shares	09
	Al Rajhi Bank Market Performance	12
	Awards and Values	14
	ESG Highlight	16
2	Saudi Arabia's Macro-Economic Environment	17
3	Al Rajhi Bank Strategy 2020	20
	Vision 2030	21
	Financial Sector Development Program	22
	Strategy Update	23

4	1Q 2020 Financial Results Overview	26
	Key Messages	27
	Progress Against Guidance	28
	Assets, Financing & Funding	29
	Net Income Trends	32
	Operating Income	30
	Expenses	34
	Asset Quality	35
	Capitalisation	38
5	Operating Results	40
	Retail Banking	41
	Corporate Banking	42
	Treasury	43
	Investment Services & Brokerage	44
6	Appendix, ESG Information & Disclaimer	45

Al Rajhi Bank

The World's Leading Islamic Bank

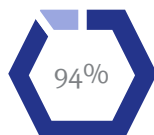
Al Rajhi Bank

Islamic Banking, Everywhere

At a glance



Islamic Banking



NPB Deposits
% of Total Deposits

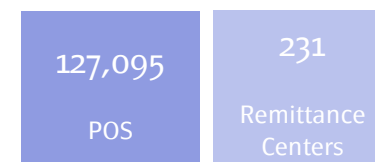
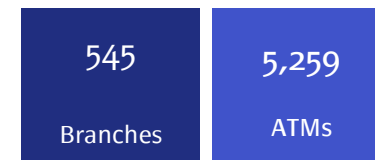
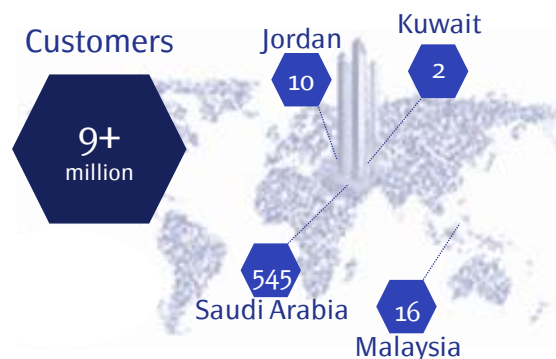


NPS Banking



Digital: Manual Ratio

Presence & Branches



Largest network in Saudi Arabia

FY2019 Strategic Highlights

Avg Transactions/mth



Digital Customers



Training Days



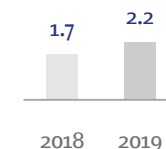
Volunteering Hrs



FY2019 Financial Highlights



- 6.4% Gross Financing Growth
- 19.9% CAR
- 0.17% Cost of Funds



Retail Banking

Net Income

▲ +11%

Corporate Banking

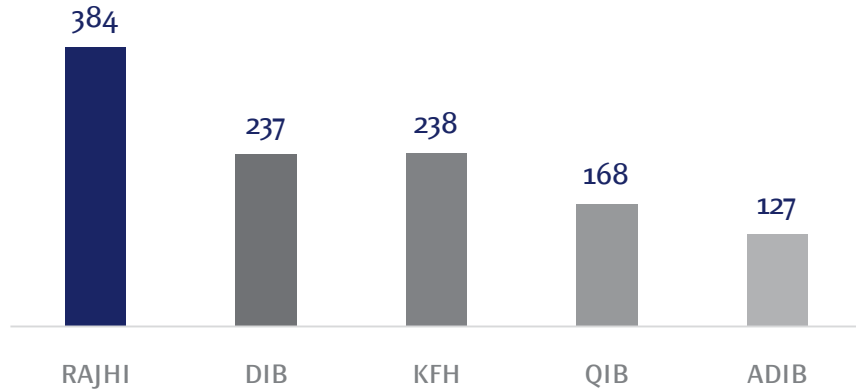
Net Income

▲ +28%

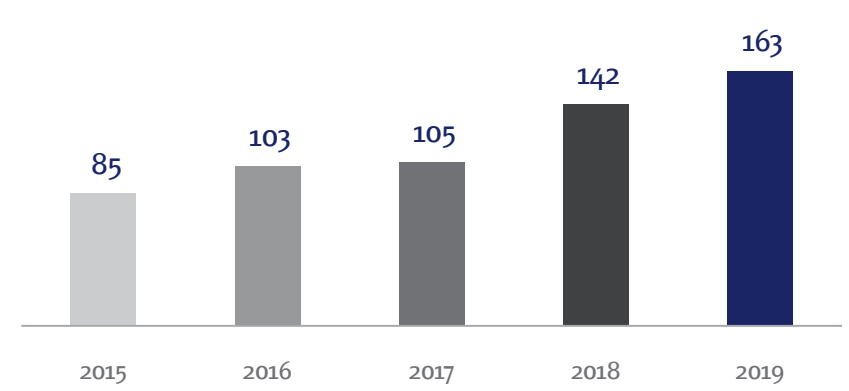
What makes us "The Blue Chip Islamic Bank"

Institutional Status - World's #1 Islamic Bank (by Assets; SAR bn)

Large and Growing Market Cap (in SAR bn)

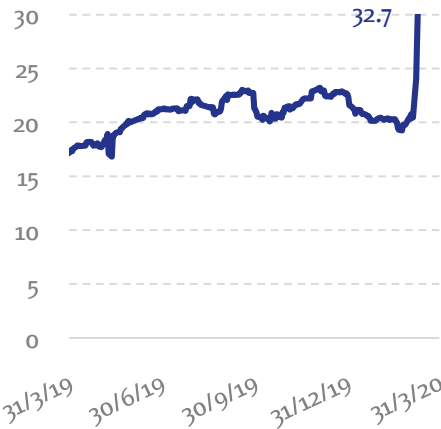


Source: Bank Financial Statements 2019



Source: Tadawul

Low Volatility (90D)



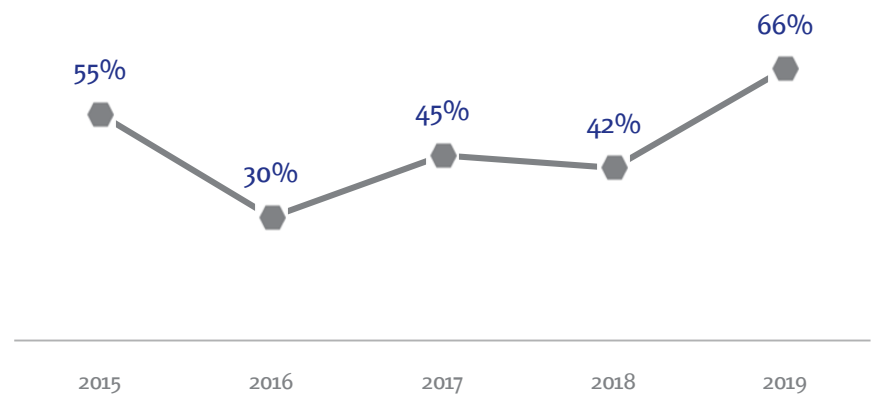
Source: Bloomberg

Low Bid / Ask Spread (bps)



Source: Bloomberg

High Stock Turnover Velocity (%)

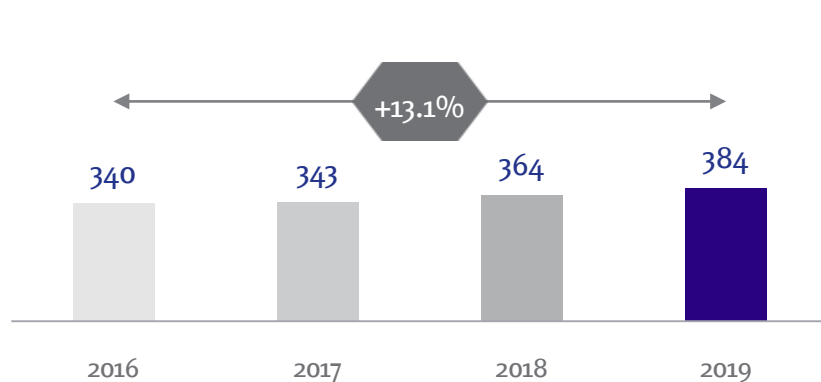


Source: Tadawul

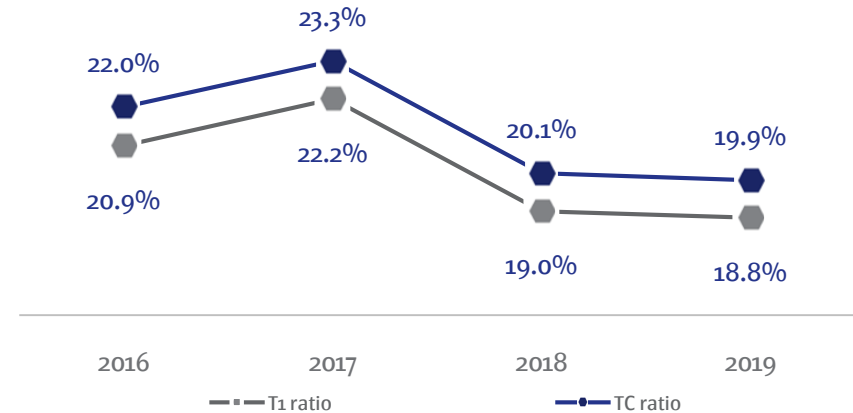
Al Rajhi Bank, The Blue Chip Islamic Bank

Robust balance sheet with 93% non-profit-bearing deposits at 2019

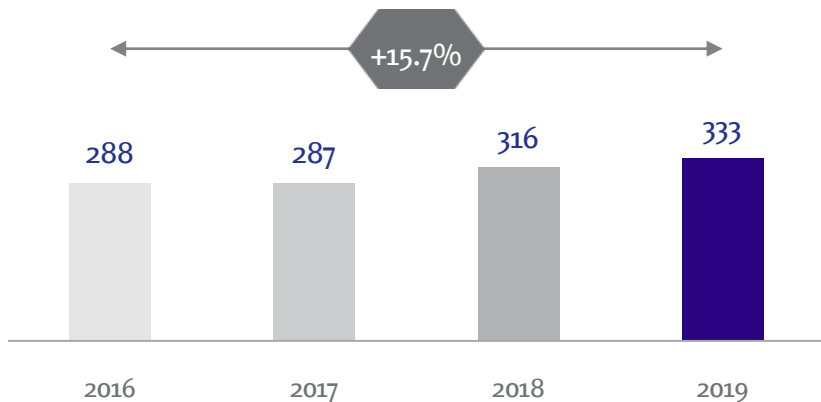
Total Assets (SARbn)



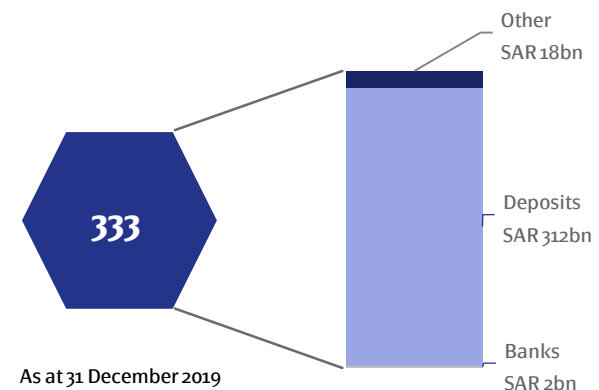
Capital Ratios (%)



Total Liabilities (SARbn)



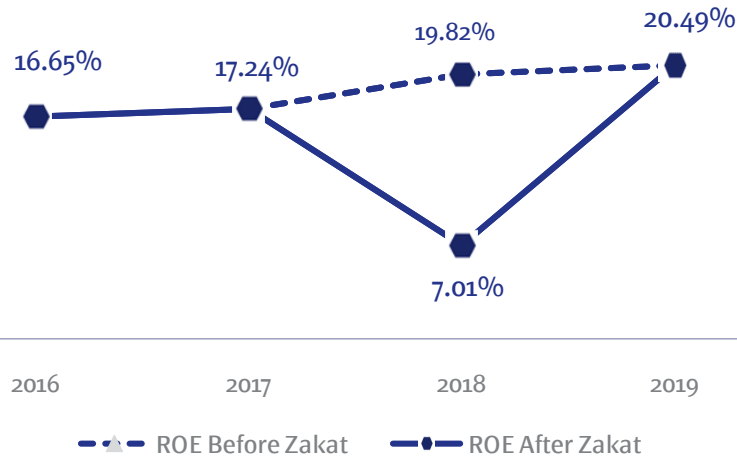
Total Liabilities Mix By Type (SARbn)



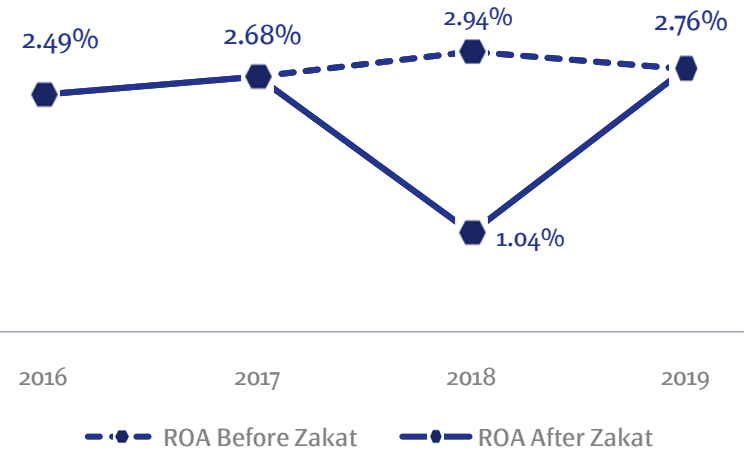
The Blue Chip Islamic Bank

Outstanding foundation and strong returns

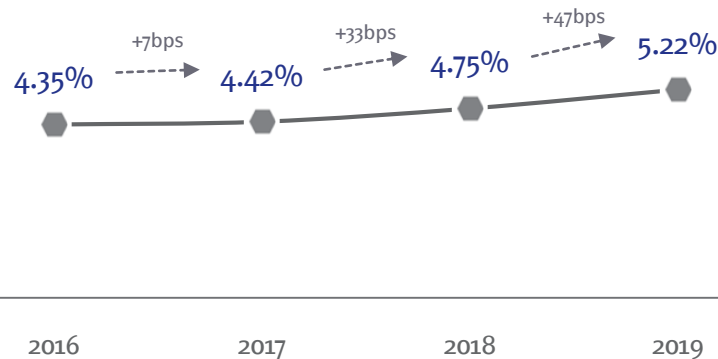
Return on Equity (%)



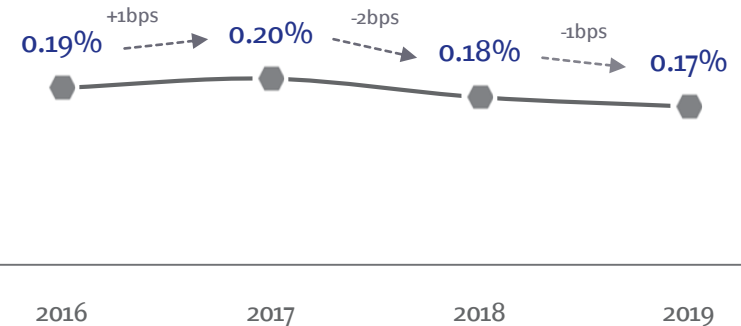
Return on Assets (%)



Net Profit Margin (%)



Cost of Funds (%)



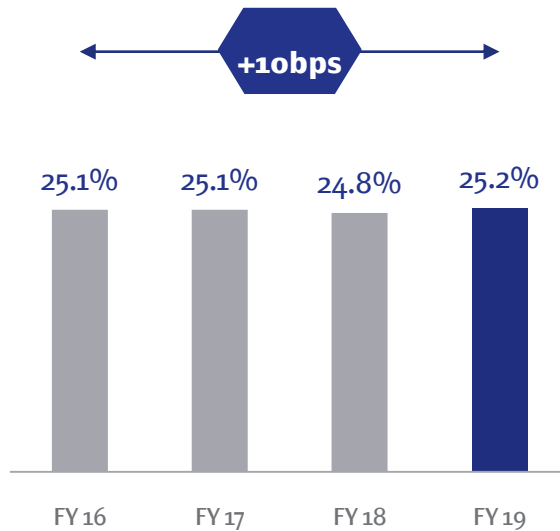
Top 10 Facts about Al Rajhi Bank

- 1 Largest Islamic Bank worldwide**
(by Assets & Market Cap)
- 2 #1 Retail Bank in Middle East**
(Retail Deposits & Income)
- 3 One of the highest NPB deposit ratios**
(94% Non -profit bearing deposits)
- 4 #1 Bank capitalisation in GCC**
(18.6% Total Capital ratio)
- 5 High NPS in KSA**
(maintained high score in KSA)
- 6 #1 Bank in KSA**
(by number of customers)
- 7 #1 Distribution network in Middle East**
(by # of Branches, POS, ATMs, Remittance Centers)
- 8 #1 Banking transactions in KSA**
(253mn per month, avg)
- 9 #1 Bank for remittances in Middle East**
(by payment value)
- 10 #1 Bank brand in KSA**
(Brand Power Score)

What sets Al Rajhi Bank apart

ARB has the largest retail banking business in the Middle East

Market Share - Current Accounts

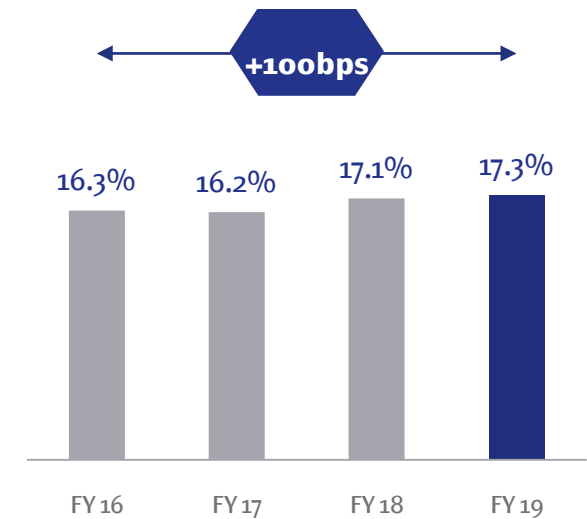


1 in Saudi Arabia

9+ Million
Customers

#1 in Saudi Arabia

Market Share - Deposits



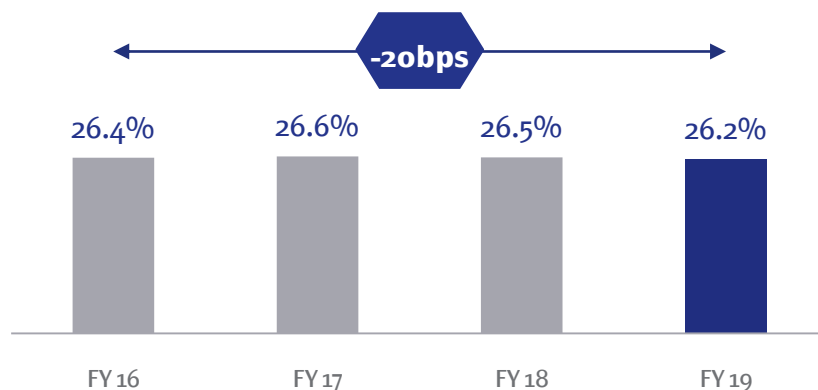
#2 in Saudi Arabia

Al Rajhi Bank's Leading Network

The Bank has a large distribution network in Saudi Arabia...

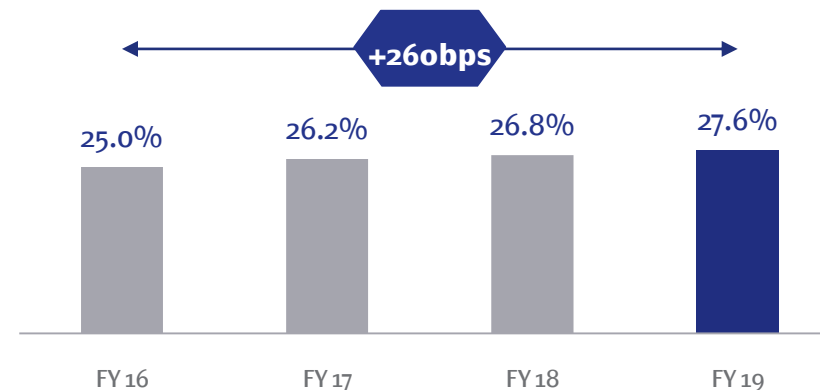
#1 in Branches

Market Share - Branches



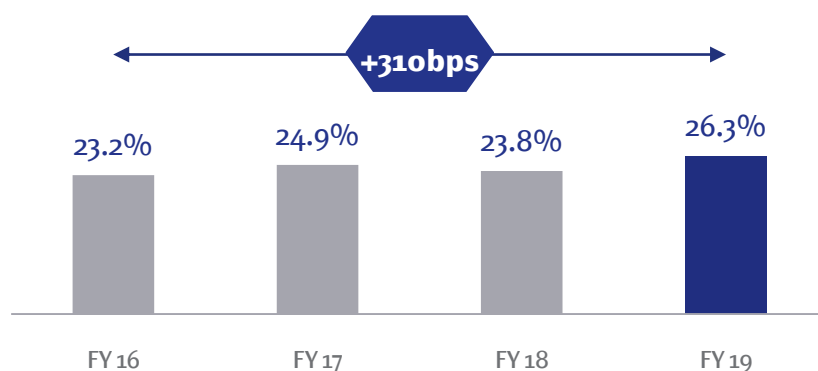
#1 in ATMs

Market Share - ATMs



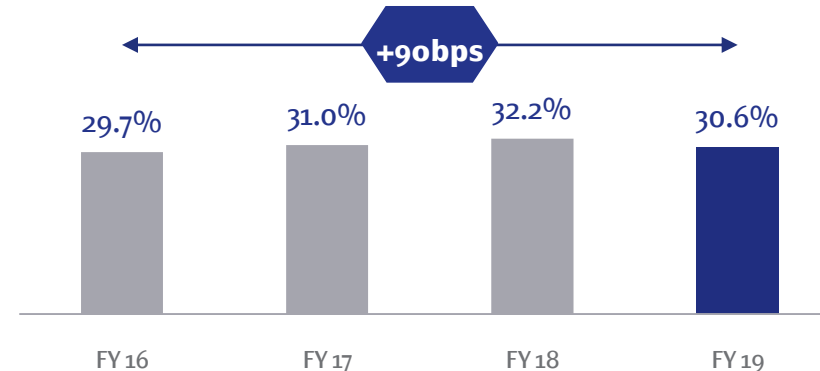
#1 in POS

Market Share - POS (Terminals)



#1 Remittance Centres

Market Share - Remittance Centers



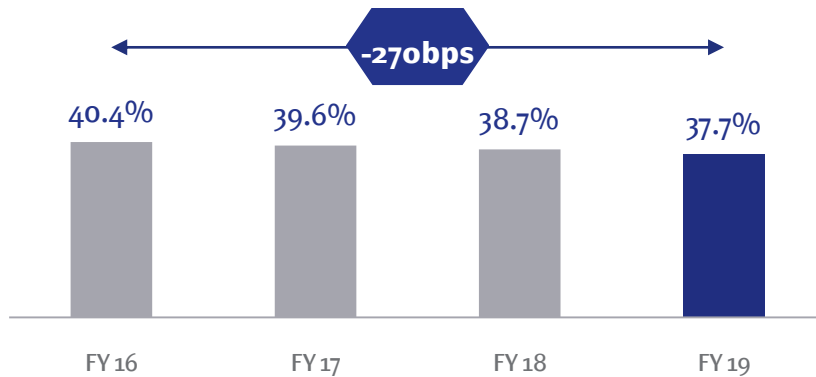
Source: SAMA

ARB has a unique franchise

We capture high market share across key products

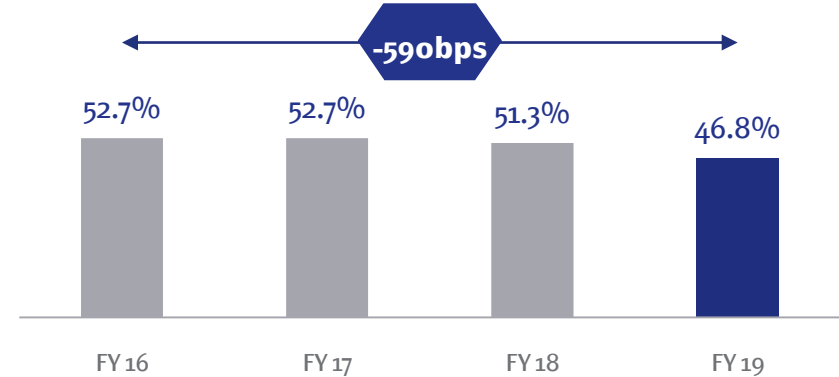
#1 in Personal Loans

Market Share - Personal Loans



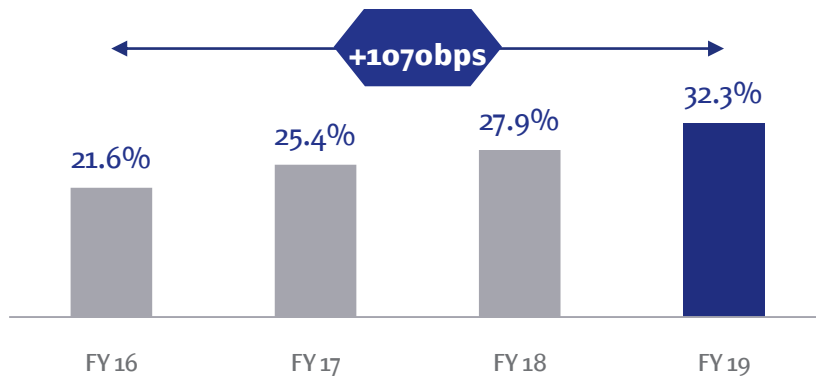
#1 in Auto Loans

Market Share - Auto Loans



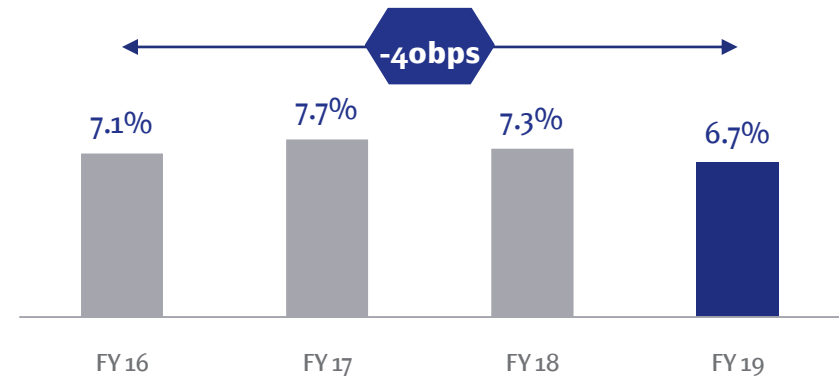
#1 in Mortgages

Market Share - Mortgages



Challenger Position in Corporate Loans

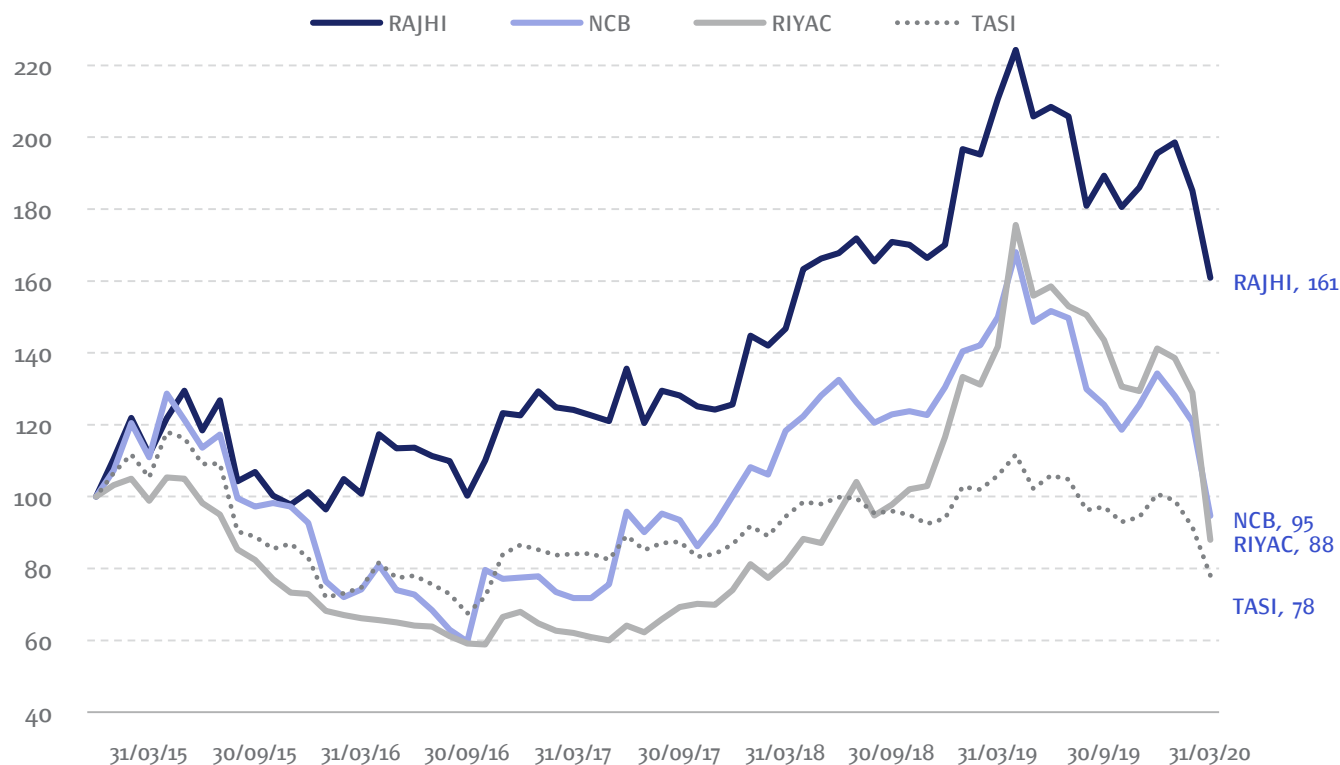
Market Share - Corporate Loans



ARB Market Performance

Al Rajhi Bank maintained its momentum and outperformed its peer group

Share Price Performance Top 3 KSA Banks (Monthly; Rebased to 100)



31 Mar 2020

Key Metrics

Closing Price	SAR 53.8
Market Cap	SAR 134.5 bn
Market Cap / % Industry	27.50%
Market Cap / % Tadawul	1.78%
Shares outstanding	2,500 bn
90D Volatility	32.7
Price / Earnings	12.62 x
Price / Book	2.73 x
Dividend Yield	5.24%
Return on Equity	18.36%
Return on Assets	2.49%
DPS (2019)	3 SAR

Sources: Bloomberg; Tadawul; RAJHI Financials

Ratings

Moody's	A1
S&P	A-
Fitch	A+

	Al Rajhi Bank	NCB	Riyad Bank	Kuwait Finance House	Dubai Islamic Bank	Qatar Islamic Bank	Abu Dhabi Islamic Bank
Rebased to 100	161	95	88	141	64	141	72
As of 31 Mar 2020	53.80 SAR	34.70 SAR	14.96 SAR	632 KWD	3.60 AED	14.36 QAR	3.99 AED

Source: Stock Exchanges

Market Performance

Market cap and liquidity ensures high index weighting

Highlights

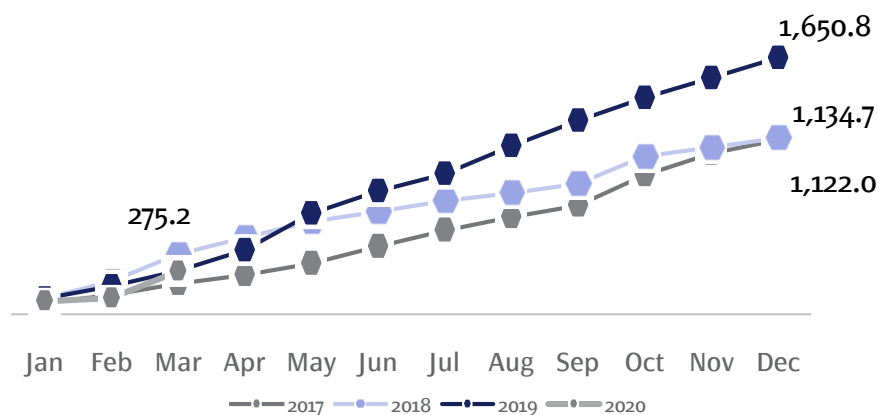
- Highest weight in MSCI GCC Index (11.82%) and (13.82%) in MSCI KSA Index.
- Most active stock in TASI by value of shares traded (9.99% of the market).
- Foreign ownership reached 10.15% at end of Q1.

ARB has the highest weight in the MSCI GCC Index...

#	Top 10 Constituents	Country	Float Adj Mkt Cap	Index Weight (%)	Sector
1	Al Rajhi Bank	KSA	30.43	11.82%	Financials
2	Qatar National Bank	QAT	20.88	8.11%	Financials
3	National Bank of Kuwait	KW	14.97	5.82%	Financials
4	SABIC	KSA	13.97	5.43%	Materials
5	National COMM Bank	KSA	11.08	4.31%	Financials
6	Saudi ARAMCO	KSA	9.63	3.74%	Energy
7	Saudi Telecom CO	KSA	9.32	3.62%	Comm srvc
8	Kuwait Finance House	KUW	7.75	3.01%	Financials
9	First Abu Dhabi Bank	UAE	7.17	2.79%	Financials
10	Emirates Telecom CO	UAE	6.64	2.58%	Comm srvc
			131.84	51.22%	

Source: MSCI Fact Sheet; 31 Mar 2020

ARB has consistently strong trading volumes...



And the highest weight in the MSCI KSA Index...

#	Top 10 Constituents	Country	Float Adj Mkt Cap	Index Weight (%)	Sector
1	Al Rajhi Bank	KSA	18.66	13.82%	Financials
2	SABIC	KSA	14.96	11.08%	Materials
3	National COMM Bank	KSA	11.87	8.79%	Financials
4	Saudi ARAMCO	KSA	10.11	7.49%	Energy
5	Saudi Telecom CO	KSA	9.65	7.15%	Comm srvc
6	Samba Financial Group	KSA	6.08	4.50%	Financials
7	Riyad Bank	KSA	5.44	4.03%	Financials
8	Saudi British Bank	KSA	4.72	3.50%	Financials
9	Banque Saudi Fransi	KSA	4.47	3.31%	Financials
10	Saudi Arabian Mining Co	KSA	4.28	3.17%	Materials
			90.25	66.85%	

Source: MSCI Fact Sheet; 31 Mar 2020

Awards

Recent international recognition

Global Awards



Best Bank in Saudi Arabia
(3 consecutive years 2017, 2018, 2019)



Best Financial Institution in Saudi Arabia

The Banker

Largest Bank in the world in terms of Sharia Assets



Best Bank in Saudi Arabia
(2 consecutive years 2017 & 2018)

Regional Awards



- **Best Bank in GCC**
- **Fastest Growing Bank in KSA**
- **Most Innovative Bank in KSA**
- **Best Retail Bank in KSA**



- **Strongest Islamic Retail Bank in the World**
- **Strongest Islamic Retail Bank in the GCC**
- **Strongest Islamic Retail Bank in the MEA**



GCC Best Employer Brand Award



- **Most Improved Investor Relations Team – Blue-Chip (2018)**
- **Best Investor Relations in the Middle East (2019)**
- **Best Investor Relations in KSA (2019)**
- **Best CFO in the Middle East (2019)**
- **Best Investor Relations Professional (2019)**

Our Values



نعيش قيمنا
Living the Values

**Integrity &
Transparency**

Openness and highest standards of
corporate & personal ethics

**Passion to
Serve Our
Customers**

A strong commitment to anticipate and
address customer needs

**Solution
Oriented**

Helping our customers achieve their
objectives

Modesty

Humility in everything we do

Innovativeness

Nurturing imagination and fostering
creativity

Meritocracy

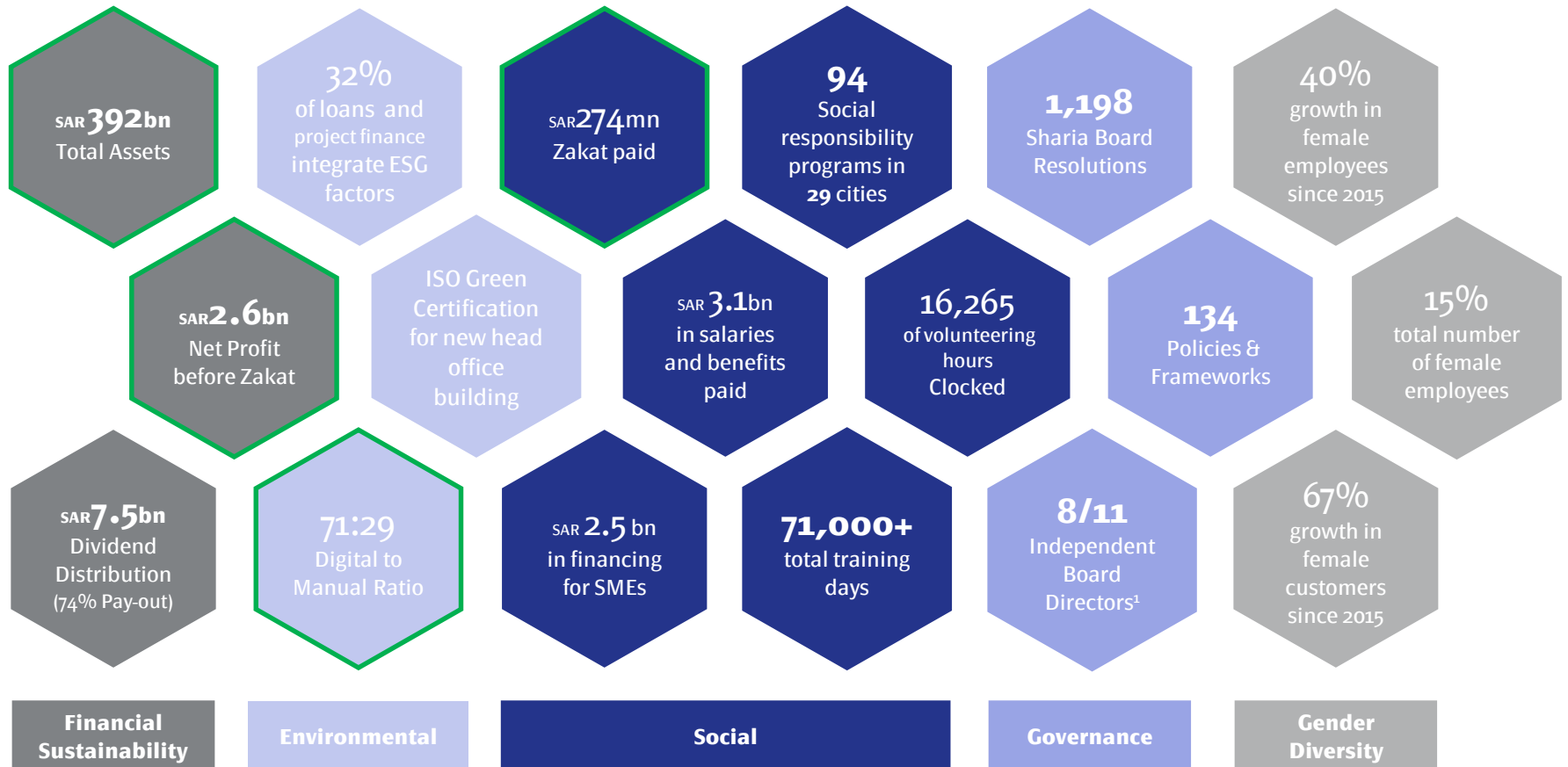
Defining, differentiating and reinforcing
excellence in people

Care for Society

Contributing towards a better tomorrow

ESG Highlights

As of FY 2019 unless stated otherwise



 1Q 2020

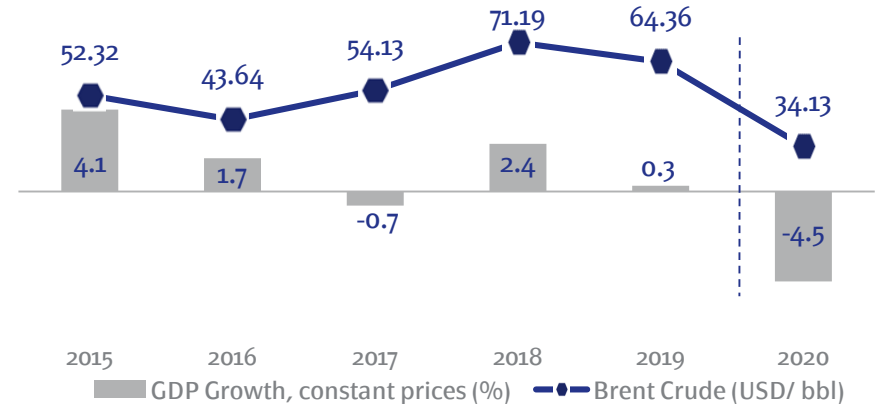
KSA's Macro-Economic Environment

KSA Economic Outlook

Covid-19 outbreak and low oil prices poses unprecedented environment

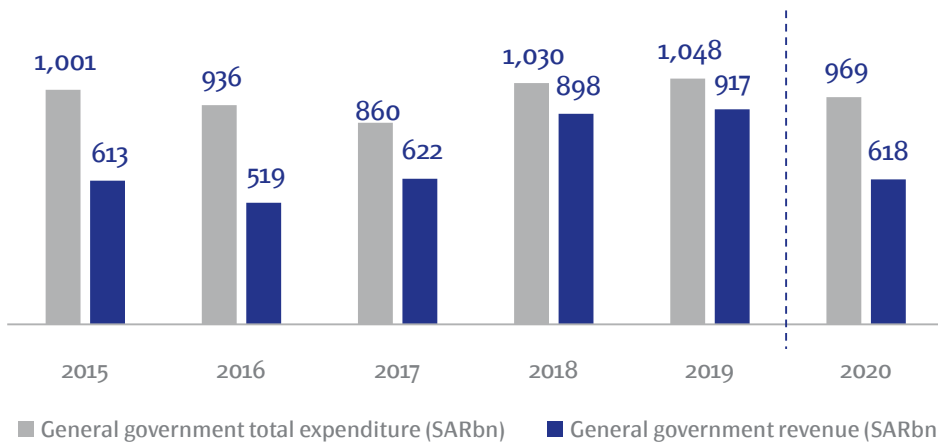


GDP Growth / Brent Oil Price

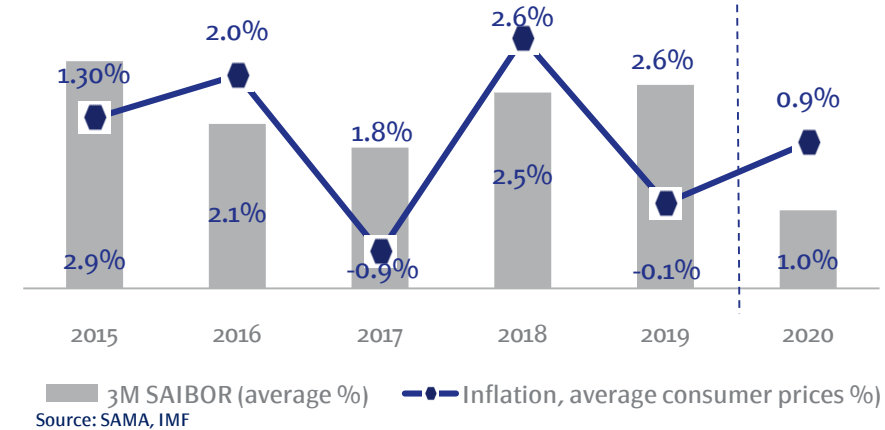


Source: IMF, U.S. Energy Information

Expenditures/ Revenue



3M SAIBOR / Inflation

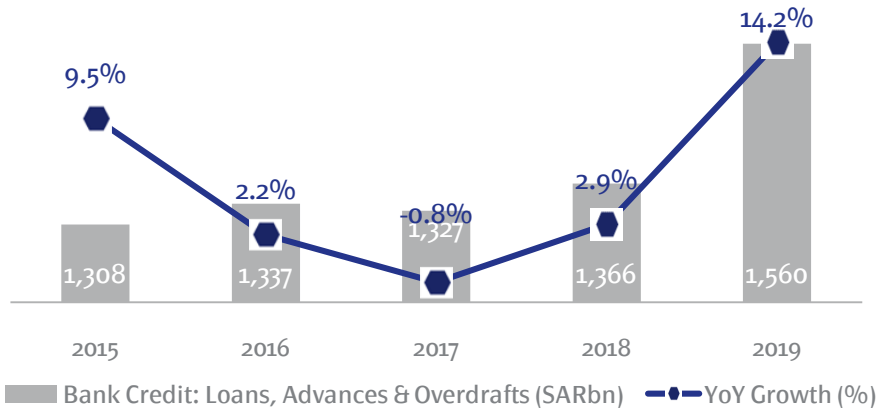


Source: SAMA, IMF

Macro Environment

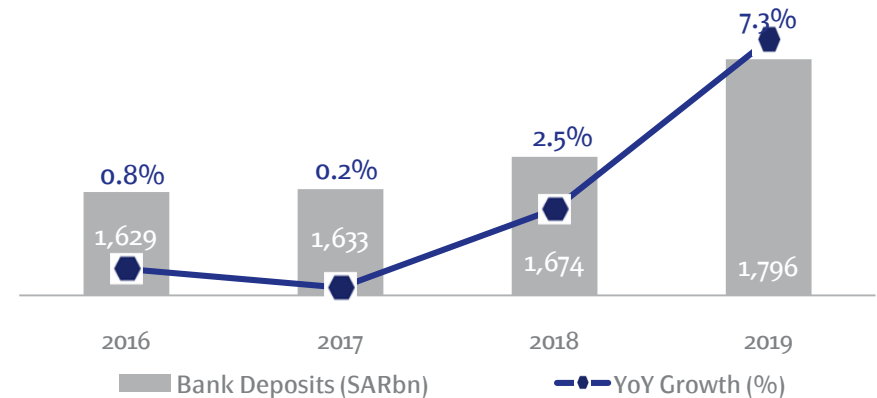
Supportive of Banking Sector

Moderate pickup in sector loan growth...



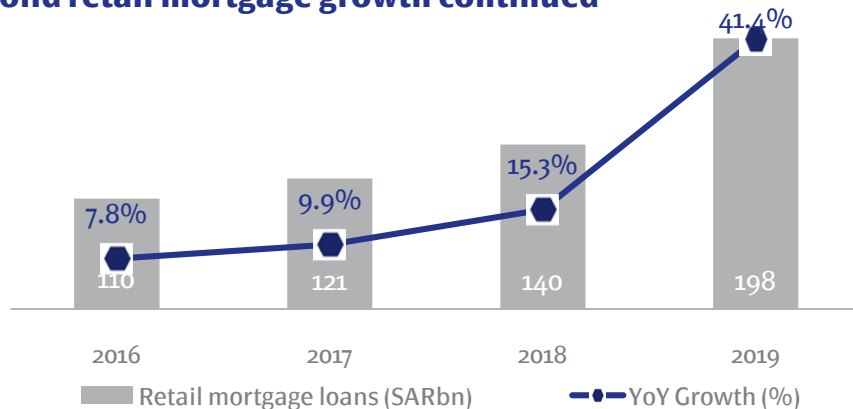
Source: SAMA

...and moderate pick up in bank deposits amid balance sheet optimisation in rising rate environment



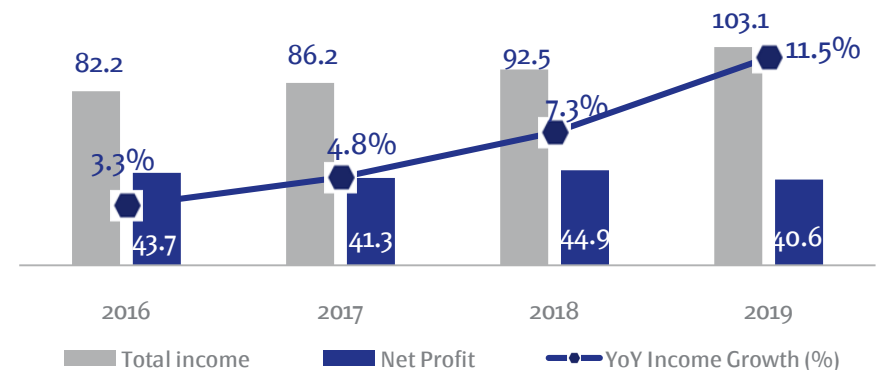
Source: SAMA

Solid retail mortgage growth continued



Source: SAMA

Which in combination drove top line growth



Source: Bloomberg

Al Rajhi Bank Strategy 2020

Saudi Arabia Vision 2030

Key objectives



A Vibrant Society

- Increase Umrah capacity from 8 to 30M
- Double the number of UNESCO World Heritage sites
- Have 3 Saudi cities in top 100 globally
- Increase household entertainment spending from 2.9% to 6%
- Increase ratio of individuals exercising from 13% to 40% of population
- Raise position from 26 to 10 in Social Capital Index
- Increase avg. life expect. from 74 to 80
- Increase home ownership from 47% to 60% (2015-20), 850k new housing units
- Increase RE financing contribution to non-oil GDP from 8% to 15% (2015-20)



A Thriving Economy

- Lower unemployment from 11.6% to 7%
- Increase SME contribution to GDP from 20% to 35%
- Increase women's participation in workforce from 22% to 30%
- Move from 19th largest economy to top 15 globally
- Increase oil & gas localization from 40% to 75%
- Increase PIF's assets from SAR 600B to SAR 7T
- Rise in Global Competitiveness Index from 25 to top 10
- Increase FDI from 3.8% to 5.7%
- Increase private sector contribution to GDP from 40% to 65%
- Rise in Logistics Performance Index from 49 to 25
- Raise non-oil exports from 16% of GDP to 50%



An Ambitious Nation

- Increase non-oil government revenue from SAR 163B to 1T
- Rise in Government Effectiveness Index from 80 to 20
- Rise in E-Government Survey Index from 36 to top 5
- Raise in household savings from 6% to 10% of total income
- Raise non-profit's contribution to GDP from 1% to 5%
- Rally 1M volunteers p.a. from 11K now

Financial Sector Development Program

Creating a thriving financial sector that serves as key enabler for Vision 2030 objectives

Enable financial institutions to support private sector growth

- Increase total GWP to non-oil GDP from 2.1% to 2.9%
- Increase # of Fintech players to 3
- Increase SME loans as % of bank loans from 2% to 5%
- Increase value of SME funding through PE/VC vehicles to SAR 23 Bn
- Increase life GWP per capita from SAR 33 to 40
- Increase coverage ratio of insurance schemes to 45% (health) & 75% (motor)
- Increase share of non-cash transactions from 18% to 28%
- Increase outstanding real estate mortgages from SAR 290 Bn to SAR 502 Bn

Ensure the formation of an advanced capital market

- Increase total market capitalization (shares and debt) as % of GDP from 78% to >=85%
- Increase assets under management as % of GDP from 12% to >=22%
- Align market concentration of top 10 companies by market cap from 57% to 55%
- Increase institutional investors' share of value traded from 18% to >=20%
- Increase foreign investor ownership of the equity market cap from 4% to >=15%
- Increase # of micro and small cap companies listed, as % of total number of companies listed from 34% to >= 40%
- Increase share of investment accounts opened through eKYC to 10%
- Align minimum free float of equity market cap, in % of total outstanding shares from 46% to >=45%

Promote and enable financial planning

- Increase total amount of savings held in savings products from SAR 315 Bn to SAR 400Bn
- Increase number of available types of savings products from 4 to 9
- Increase % of households savings on a regular basis from 19% to 29%
- Increase share of A/C opened through eKYC to 10%
- Increase household savings ratio as % of disposable income from 6.2% to 7.5%



*from 2016 to 2020

Strategy Update

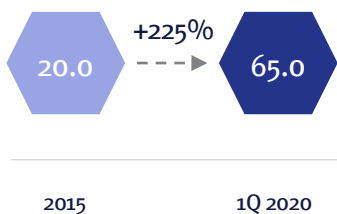
ABCDE 'Back to Basics' strategy delivered strong results in 1Q 2020



Accelerated Growth

+7% YoY operating income growth
+77% YoY growth in mortgages
+5% YoY growth in current accounts
-17bps YoY net profit margin drop to 5.00%

Mortgage Financing (SARbn)



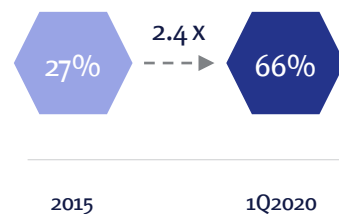
Exceed Industry



Become Employer of Choice

Al Rajhi Bank Academy
School of Banking
Graduate Program
17,278 training days delivered

Employee Engagement Index



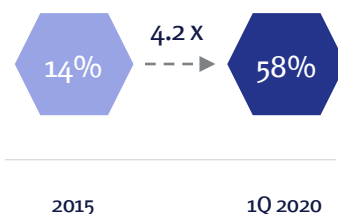
Higher Engagement



Customer Focus

3 new products launched to cater to customers' needs
Enhanced Distribution Network
Highest Rated Banking Mobile app
Maintain high Net Promoter Score in KSA

Net Promoter Score



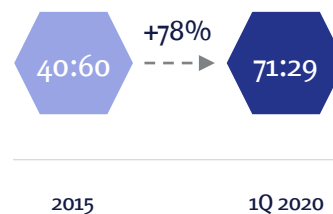
Most Recommended



Digital Leadership

127 K POS	
5K ATMs	31 ITMs
320 Self Service Kiosks	
5.9mn active digital users	

Digital : Manual Ratio



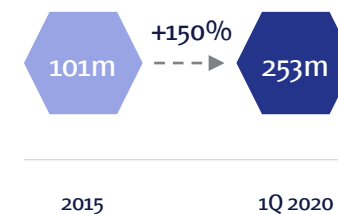
Best-In-Class



Execution Excellence

253 Bots
21.6K transactions per day
Migrating to Tier 4 Data Center
Further enhanced turnaround time

Transactions per month (Avg.)



Deliver

Our Response to Covid-19

Actions taken to support stakeholders

Business Continuity

- Activate **Work from Home** for c.60% of our staff.
- Open c.50% of **branches network**.
- Upgrade **IT & Digital** Infrastructure.
- Enhance **Information security & fraud** systems.

Employee

- Expand employee **awareness programs**.
- Initiated **sanitizations** to our premises.
- Limit **physical meetings**.
- Protect employees **working in our offices**.

Customers

- Participate in the **government relief measures**
- Offer **payment deferral** for impacted customers.
- Waive all **digital & financing procession** fees.
- Provide **advice, support** to all customers.

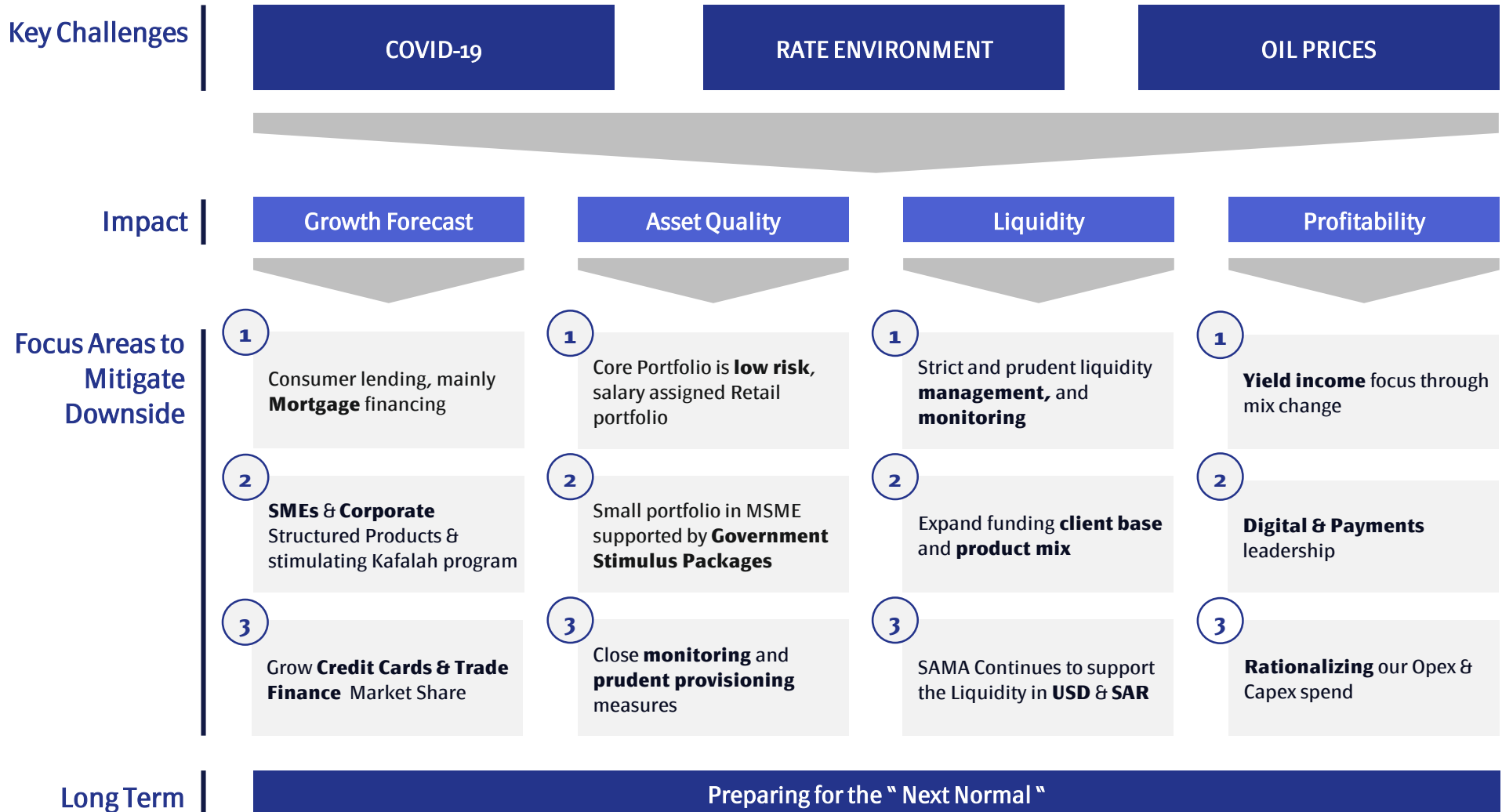
Community

- Donate SAR 25MM – **Health Endowment Fund**
- Donate SAR 15MM – **Community Fund**
- Donate SAR 9MM – **Food & Drug Charity**
- Conduct **virtual AGM**

We are reflecting our core values in supporting our customers, employees and community during the current challenging environment.

Macro environment impact

Focused in managing the current challenges & beyond



Financial Results

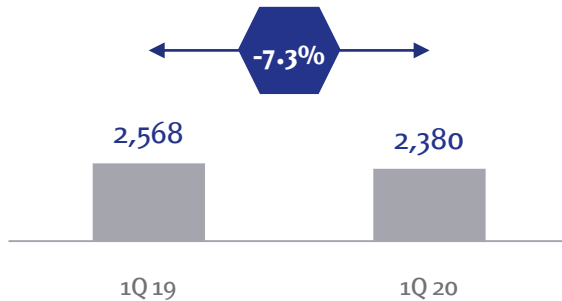
1Q 2020 Overview & Trends

Key Messages

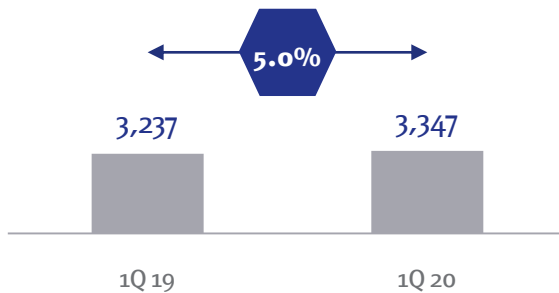
Solid 1Q 2020 Performance

Net Income after Zakat down 7.3%

Net Income (SARmn)

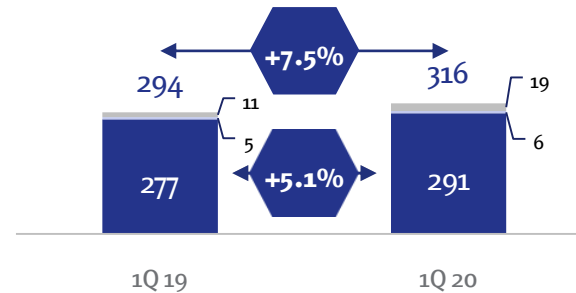


Pre-Provision Profit (SARmn)



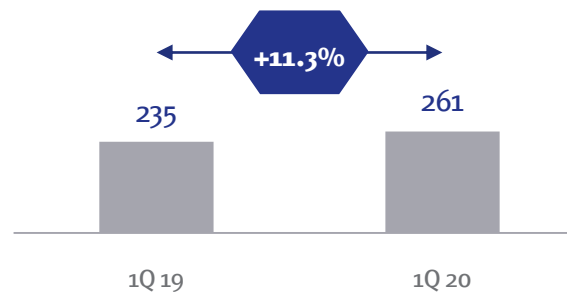
Deposits up 7.5%, Financing up by 11.3%

Total Customers' Deposits (SARbn)



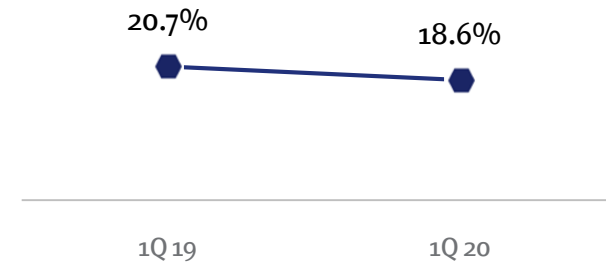
■ Current Accounts ■ Other customer accounts ■ Customers' time investments

Financing, Net (SARbn)

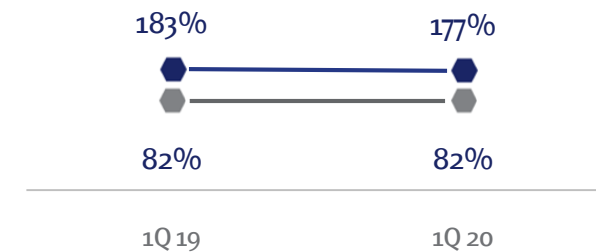


Liquidity remained healthy

Capital Adequacy Ratio (%)



Liquidity Ratios (%)



--- Loan to Deposit Ratio —●— LCR

- 7.3% Profit decline caused by higher operating expenses & provisions.
- Profit growth driven by improvement in the product mix

- 7.5% deposit growth from non-profit bearing deposits which now account for 94% of total deposits
- Net financing grew by 11.3% driven by Mortgage financing

- CAR decreased by 210 bps caused by dividends pay-out
- Liquidity remains healthy

Progress against guidance and outlook

Revised guidance to reflect current macro environment

		FY 2019 Actual	1Q 2020 Actual	FY 2020 Revised Guidance	
Balance Sheet	Financing, Net (SAR bn)	249.7	261.4	High single digit growth	↑
Profitability	Net Profit Margin	5.22%	5.00%	-45 bps to -25 bps	↓
	Cost to Income Ratio	32.8%	32.6%	Below 33%	↓
Asset Quality	Cost of Risk	0.71%	1.05%	0.80% - 1.00%	↓
Capital & Liquidity	CET1 Ratio	18.8%	17.6%	17% - 19%	↓
	ROE after Zakat	20.49%	18.36%	18%-20%	↓

Balance Sheet Trends (1)

Healthy growth in total assets

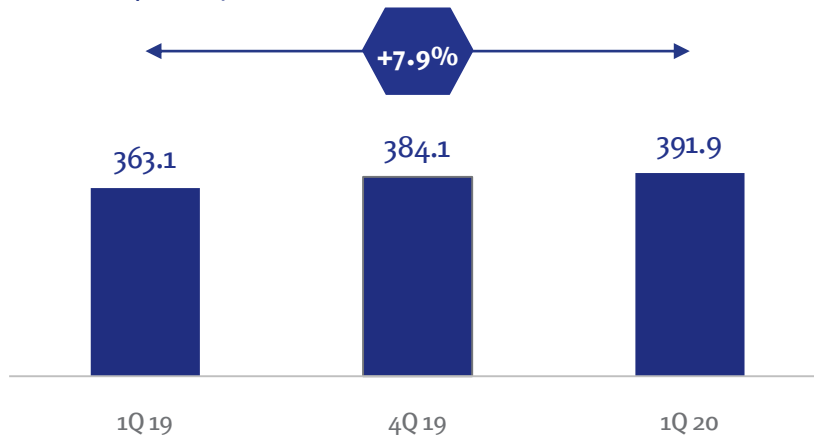
Highlights

- Total assets increased by (+8%) as an increase in financing (+11%), investments (+9%).
- Net financing grew by (+11%) contributed by strong retail performance.
- However it was offset by lower cash and balances with SAMA and other central banks (-7%).

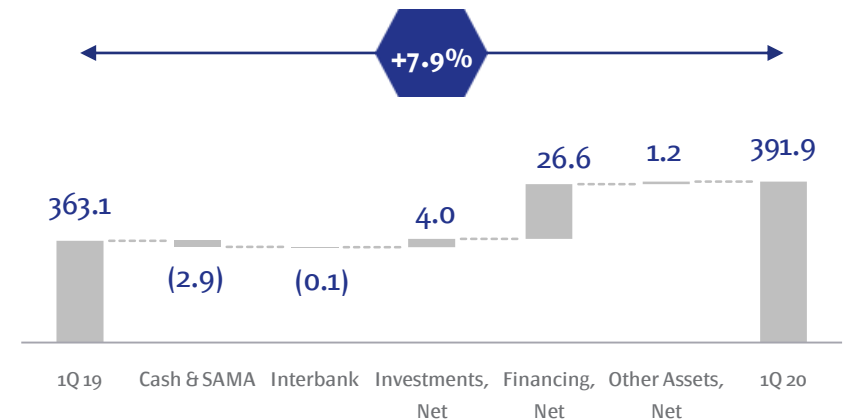
SAR (mn)

	1Q 2020	4Q 2019	QoQ	1Q 2019	YoY
Cash and balances with SAMA	36,293	39,294	-8%	39,203	-7%
Due from banks and other FI	28,014	32,058	-13%	28,076	0%
Investments, net	49,658	46,843	6%	45,612	9%
Financing, net	261,385	249,683	5%	234,826	11%
Other assets	16,552	16,209	2%	15,337	8%
Total assets	391,901	384,087	2%	363,054	8%
Due to banks and other FI	5,511	2,220	148%	2,558	115%
Customers' deposits	315,661	312,406	1%	293,504	8%
Other liabilities	21,143	18,269	16%	16,017	32%
Total liabilities	342,315	332,895	3%	312,080	10%
Total shareholders' equity	49,587	51,192	-3%	50,975	-3%

Total Assets (SARbn)



Asset Drivers By Type (SARbn)



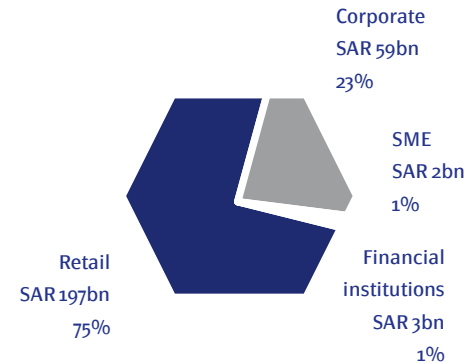
Balance Sheet Trends (2)

Strong financing growth, mortgage is the main driver

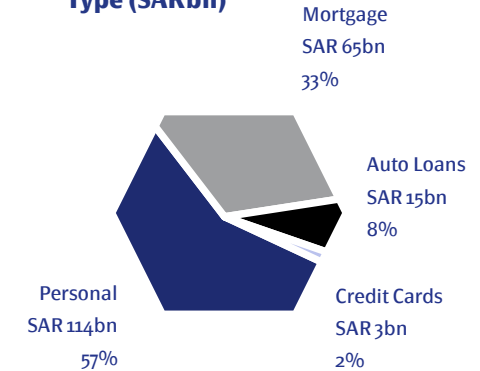
Highlights

- Retail financing growth of (+17%) mainly driven by growth in mortgage financing (+77%).
- Financing is dominated by retail (75%) followed by corporate (23%).
- Retail financing is primarily comprised of personal (57%) and mortgage financing (33%).

Financing, Net Mix By Segment (SARbn)



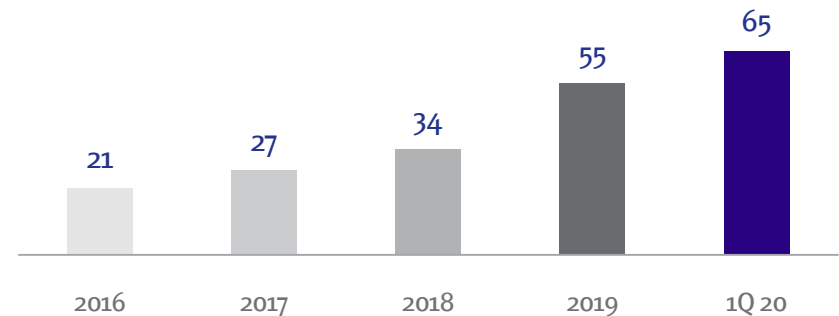
Retail Financing, Net Mix By Type (SARbn)



Financing, Net Drivers (SARbn)



Mortgage Financing (SARbn)



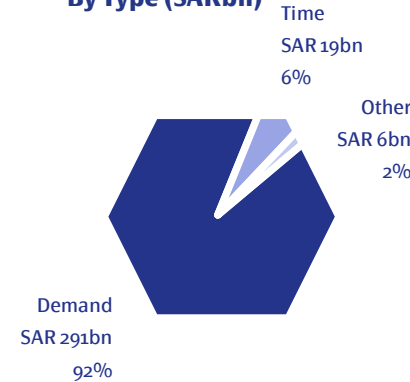
Balance Sheet Trends (3)

Continued growth in non-profit bearing deposits

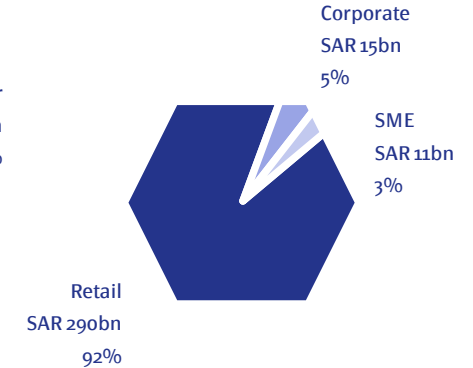
Highlights

- Customers deposits growth of (+8%) contributed by growth in demand deposits.
- Strong stable funding with 92% of liabilities sourced from customers' deposits.
- Current accounts grew by (+5%) a (94%) non-profit bearing deposits.

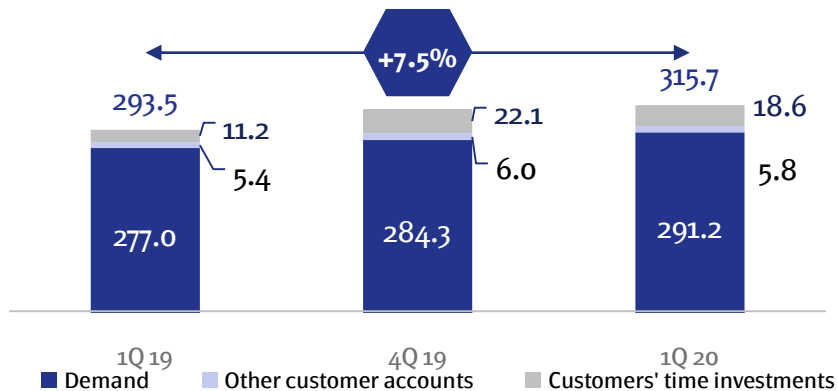
Total Customers' Deposits Mix
By Type (SARbn)



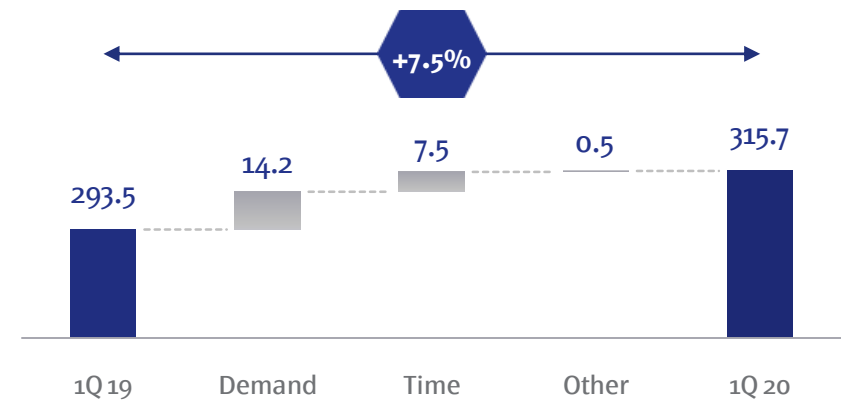
Total Customers' Deposits Mix
By Segment (SARbn)



Total Customers' Deposits (SARbn)



Total Customers' Deposits Drivers (SARbn)



Net Income Trends

Resilient results despite unprecedented environment

Highlights

- Net income decreased by (-7%) caused by higher operating expenses & provisions.
- Yield income growth of (+4%), and non-yield income growth of (+23%).
- On a segmental basis, Retail Banking growth of (+31%).

SAR (mn)

Net financing and investment income

Fee from banking services, net

Exchange Income, net

Other operating income, net

Fees and other income

Total operating income

Operating expenses

Total impairment charge

Total operating expenses

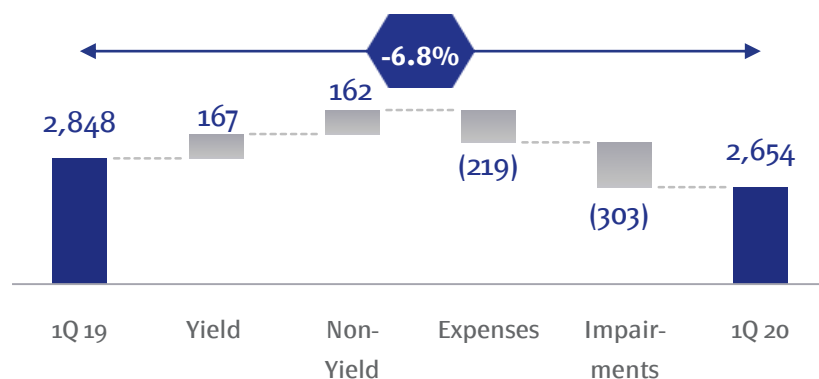
Net income for the period before Zakat

Zakat

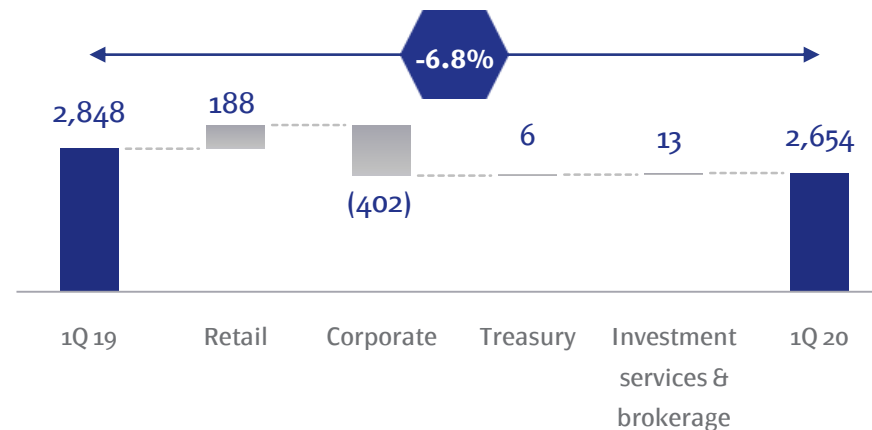
Net income for the period after Zakat

	1Q 2020	4Q 2019	QoQ	1Q 2019	YoY
Net financing and investment income	4,110	4,259	-3%	3,944	4%
Fee from banking services, net	618	456	35%	473	31%
Exchange Income, net	207	194	7%	174	19%
Other operating income, net	32	93	-66%	49	-34%
Fees and other income	857	744	15%	695	23%
Total operating income	4,968	5,003	-1%	4,639	7%
Operating expenses	(1,621)	(1,908)	-15%	(1,402)	16%
Total impairment charge	(693)	(665)	4%	(389)	78%
Total operating expenses	(2,314)	(2,573)	-10%	(1,791)	29%
Net income for the period before Zakat	2,654	2,431	9%	2,848	-7%
Zakat	(274)	(278)	-2%	(280)	-2%
Net income for the period after Zakat	2,380	2,152	11%	2,568	-7%

Net Income Before Zakat Growth Drivers By Type (SARmn)



Net Income Before Zakat Growth Drivers By Segment (SARmn)



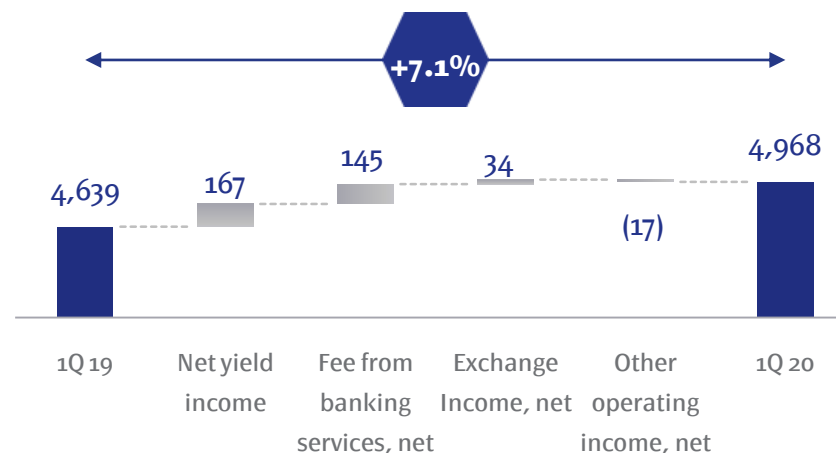
Operating Income Trends

Solid operating income growth, inline with our strategy

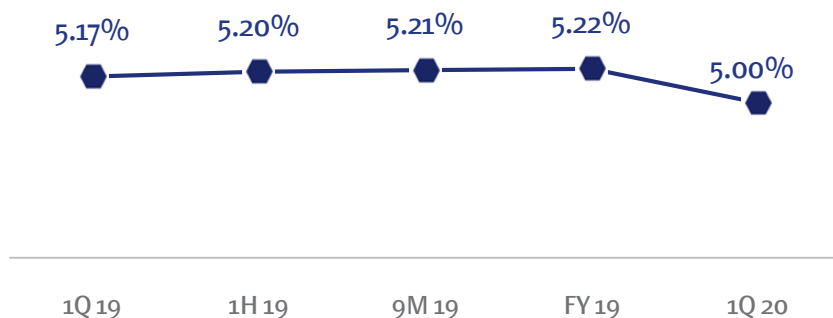
Highlights

- Solid growth of (+7%) driven by yield income & fees.
- Fee income growth of (+31%) mainly from digital & payment.
- Net profit margin decreased by (-17bps) YoY reaching (5.00%).

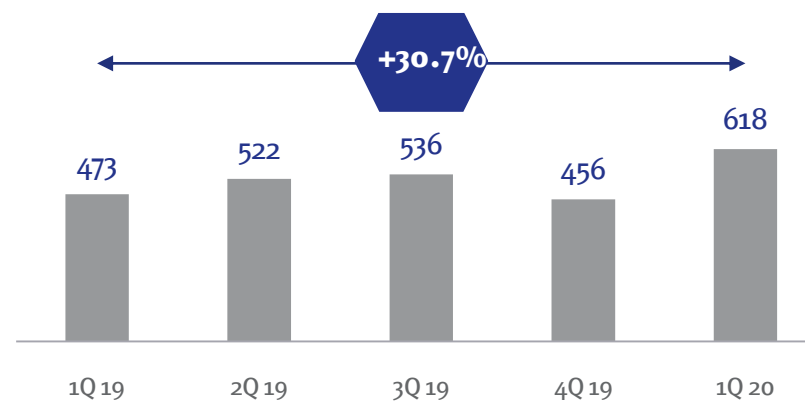
Total Operating Income Growth Drivers By Type (SARmn)



Net Profit Margin (%)



Fee From Banking Services, Net (SARmn)



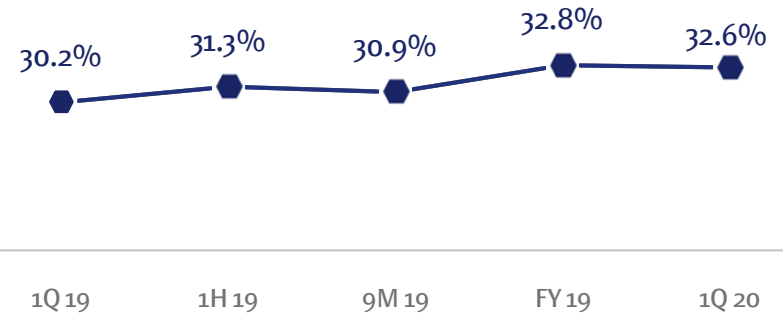
Expenses Trends

Upgrading IT & Digital platform, a long term investment

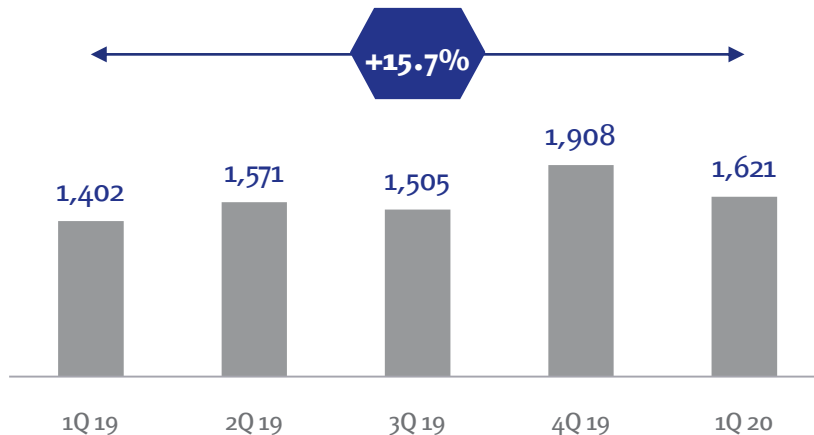
Highlights

- Cost to income ratio at (32.6%) a 320 bps increase YoY.
- Operating expenses grew by (+15.7%).
- Higher IT related expenses primarily due to digital infrastructure and upgrading.

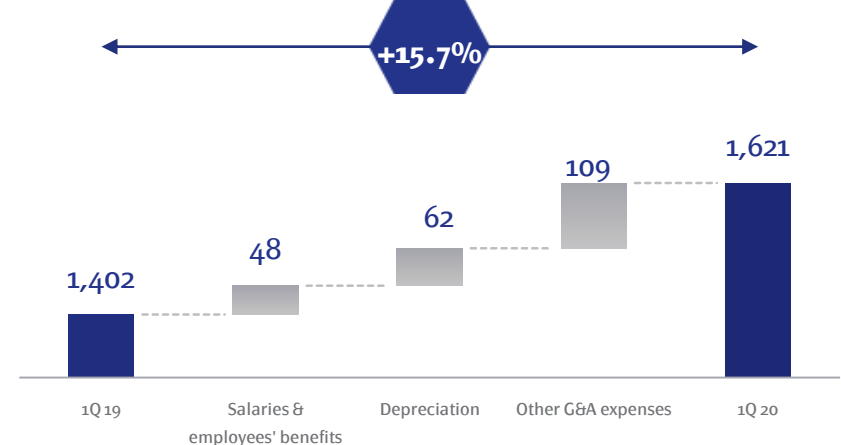
Cost to income (%)



Operating Expenses (SARmn)



Operating Expenses Growth Drivers By Type (SARmn)



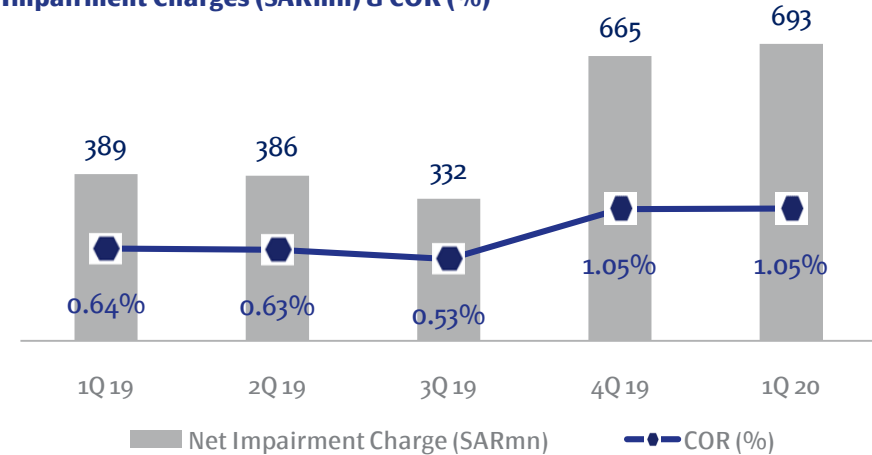
Asset Quality Trends (1)

Asset quality remains healthy, despite an increase in corporate NPL

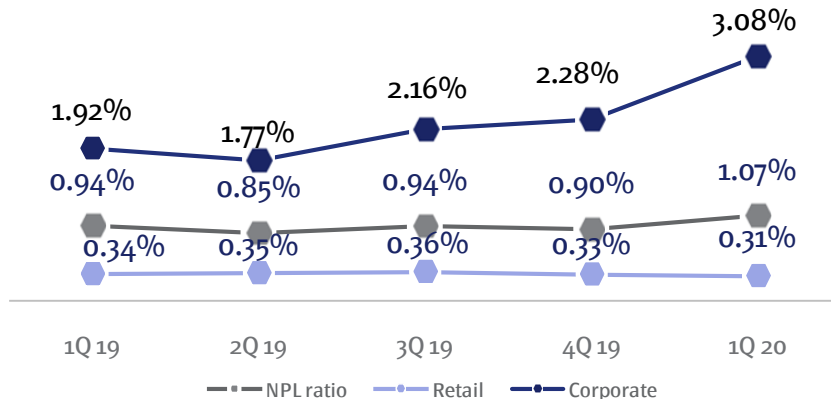
Highlights

- Provision increased by (+78%).
- NPL ratio at (1.07%) with an increase in Corporate NPL ratio.
- Coverage ratio remains healthy (253%), above industry average.

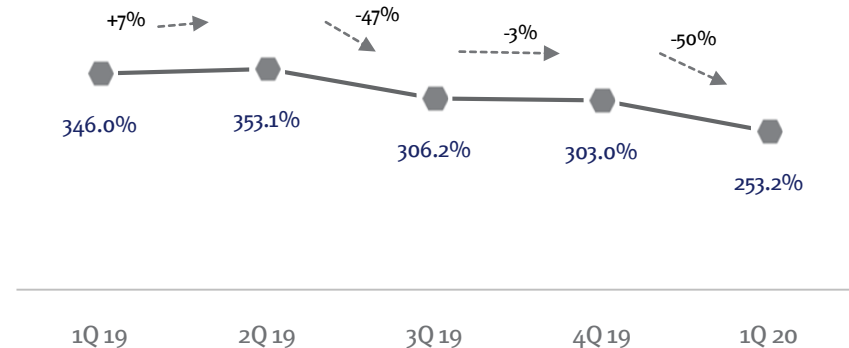
Impairment Charges (SARmn) & COR (%)



NPL Ratio Trends (%)



NPL Coverage Trend (%)



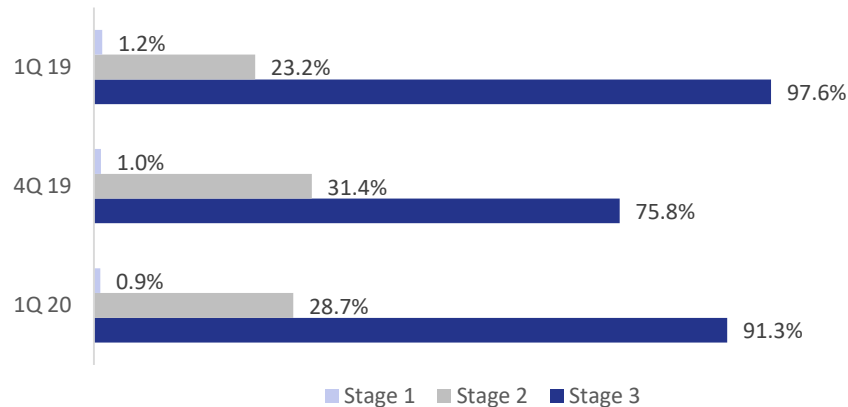
Asset Quality Trends (2)

Healthy stage coverage & prudent risk management

Highlights

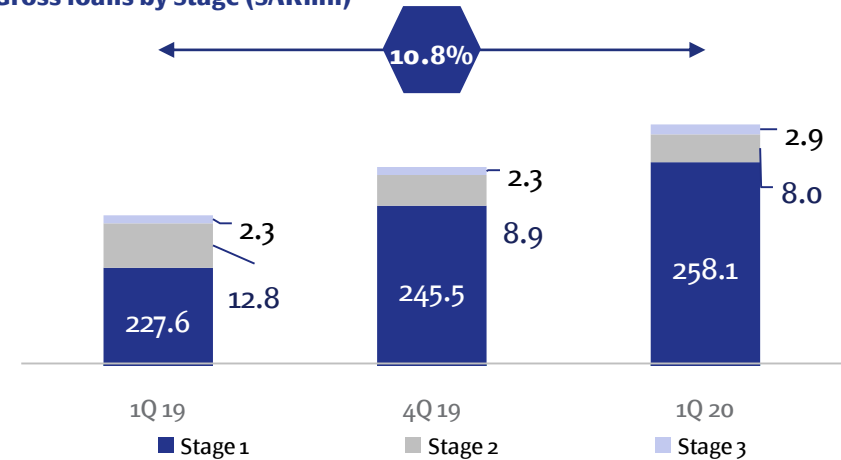
- 96% of the portfolio is stage 1, above industry coverage across all the stages.
- Gross charge of SAR 939 has been taken in Q1 including SAR 313mm of management overlay.
- Further assessments of SICR and ECL are being performed regularly inline with the current environment.

ECL Coverage (%)

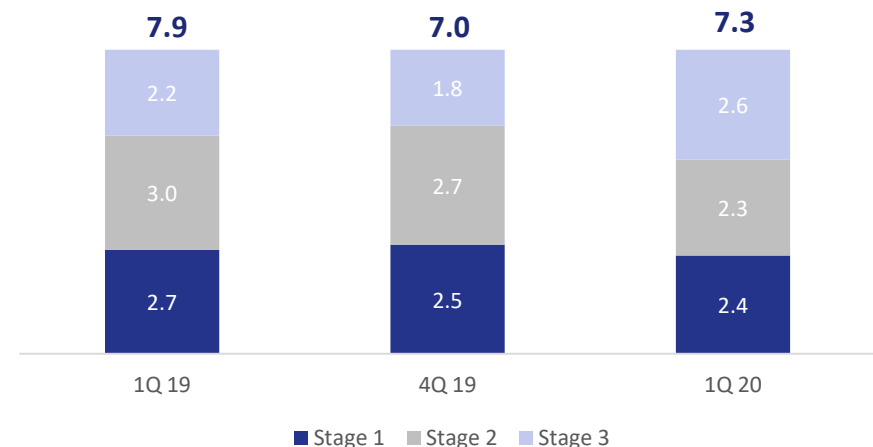


All the figures exclude the off-balance sheet exposures and provisions

Gross loans by Stage (SARmn)



ECL Allowance (SARmn)



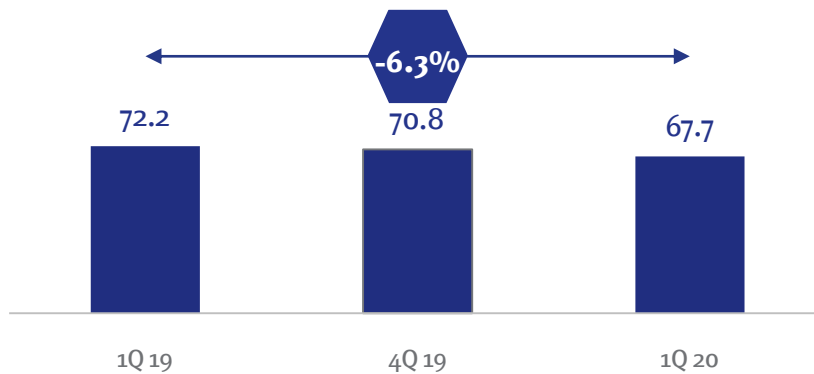
Liquidity Trends

Liquidity remain comfortably within regulatory requirements

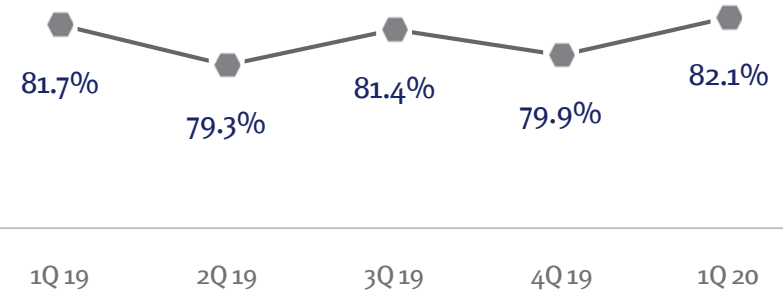
Highlights

- LDR remains stable at (82%) driven by increase in financing.
- Liquidity remains healthy, LCR at (177%) and NSFR at (127%).
- HQLA decreased by (-6%) during Q1 2020.

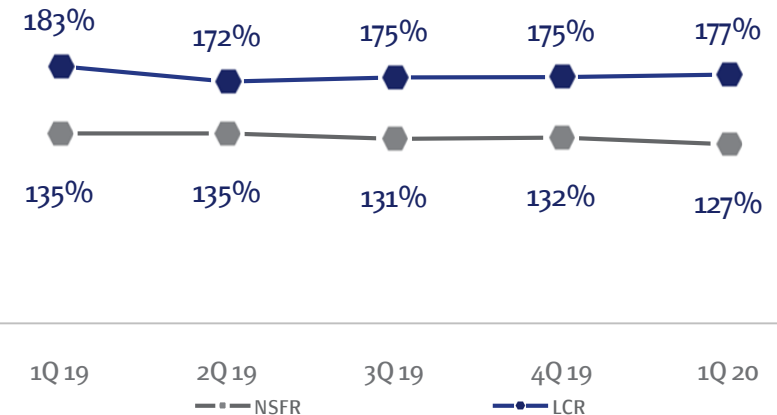
HQLA (SARbn)



Loan to deposit Ratios (%)



Liquidity Ratios (%)



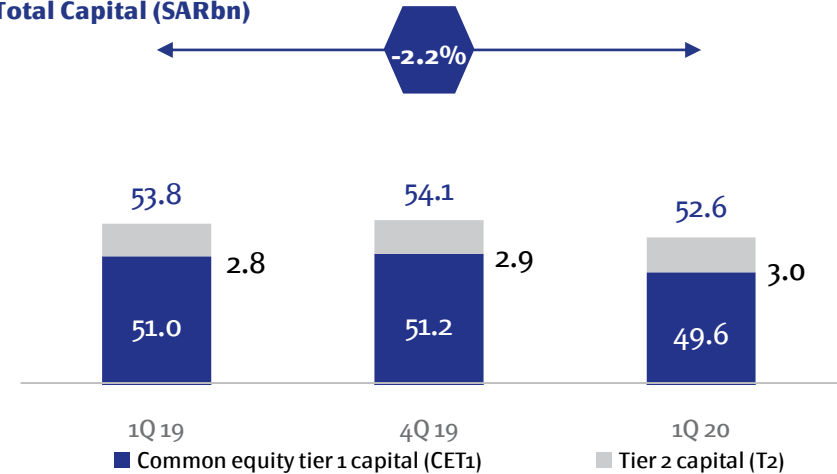
Capitalisation Trends

Capital position well above regulatory minima

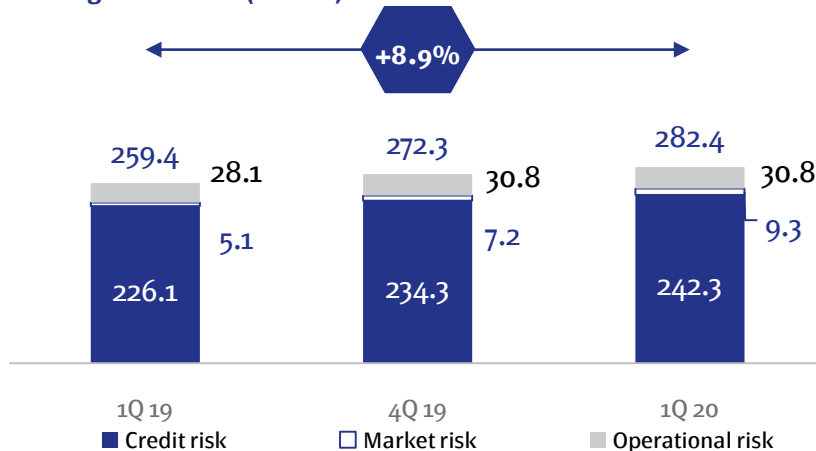
Highlights

- Total Capital decreased by (2.2%) due to 2019 dividends payout.
- Lower CAR at (18.6%), and CET1 at (17.6%) driven by growth in financing.
- Risk weighted assets increased by (+8.9%) mainly driven by credit risk.

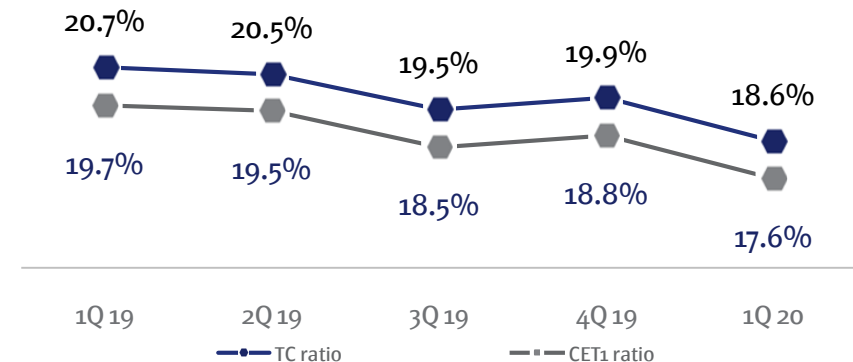
Total Capital (SARbn)



Risk Weighted Assets (SARbn)



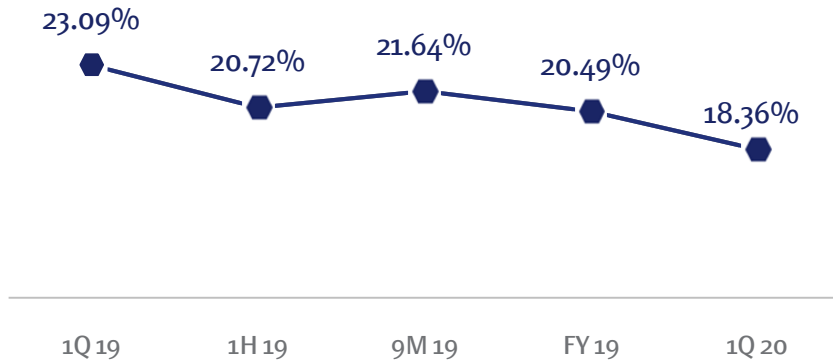
Capital Ratios (%)



Return Metrics

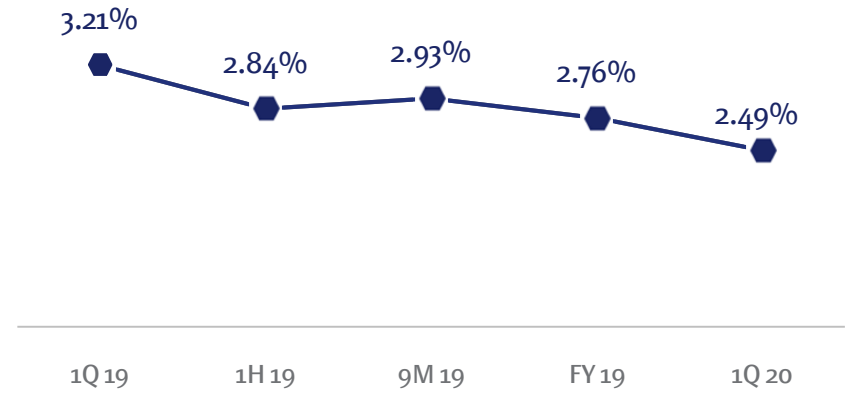
Returns remain well above industry average

Return on Equity (%)



A market-leading ROE

Return on Assets (%)



Stable ROA

Operating Results

1Q 2020 Performance

Retail Banking

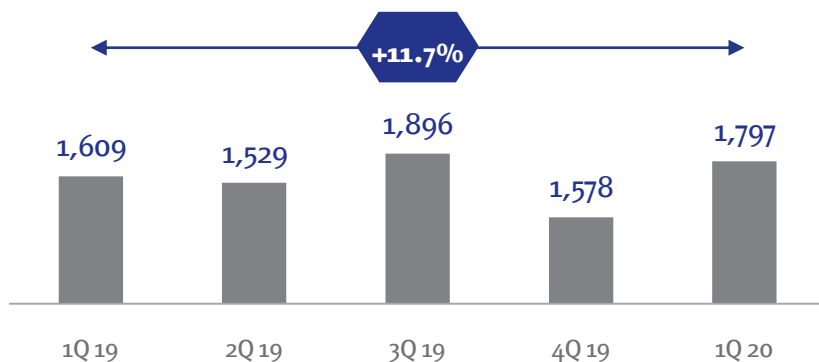
Strong growth in net profit driven by higher fee income

Highlights

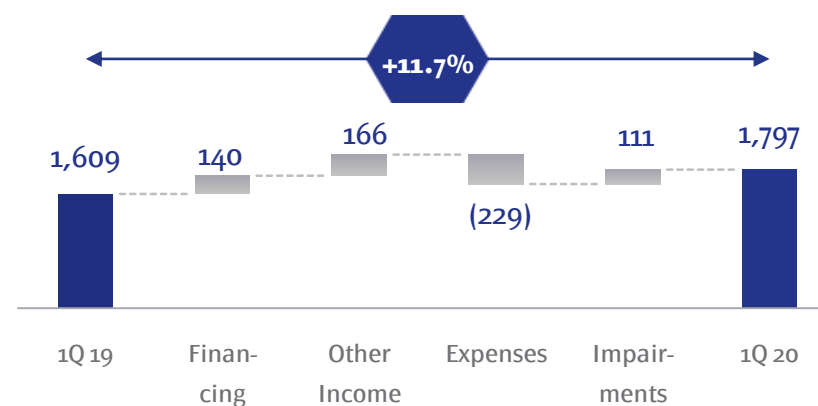
- Retail Banking net income increased by (+12%), reflecting strong operating income performance.
- Total operating income grew (+10%) mainly from Fees & other income, driven by better product mix in financing portfolio,
- Continued growth in assets (+16%) and liabilities (+6.0% mainly from non-profit bearing deposit growth).

SAR (mn)	1Q 2020	4Q 2019	QoQ %	1Q 2019	YoY %
Net financing and investment income	2,975	3,193	-7%	2,834	+5.0%
Fee and other income	495	304	+63%	330	+50.2%
Total operating income	3,470	3,497	-1%	3,164	+9.7%
Operating expenses	1,400	1,666	-16%	1,171	+19.5%
Total impairment charge	273	738	-63%	384	-28.8%
Net income for the period	1,797	1,092	+65%	1,609	+11.7%
Total assets	221,170	208,946	+6%	190,733	+16.0%
Total liabilities	295,290	289,628	+2%	278,944	+5.9%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



Corporate Banking

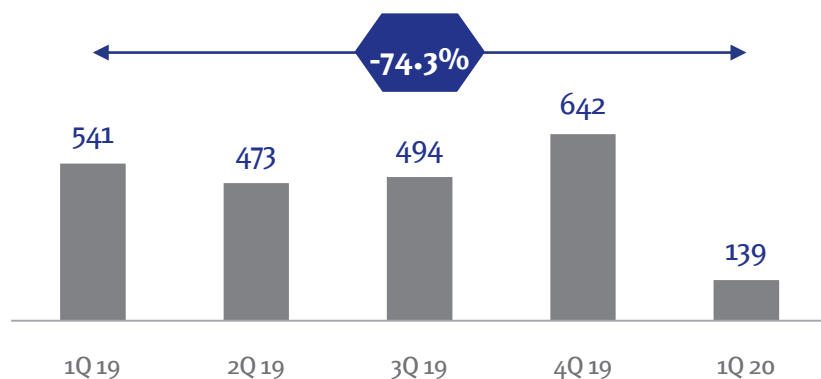
High impairment charge drives net income to decrease

Highlights

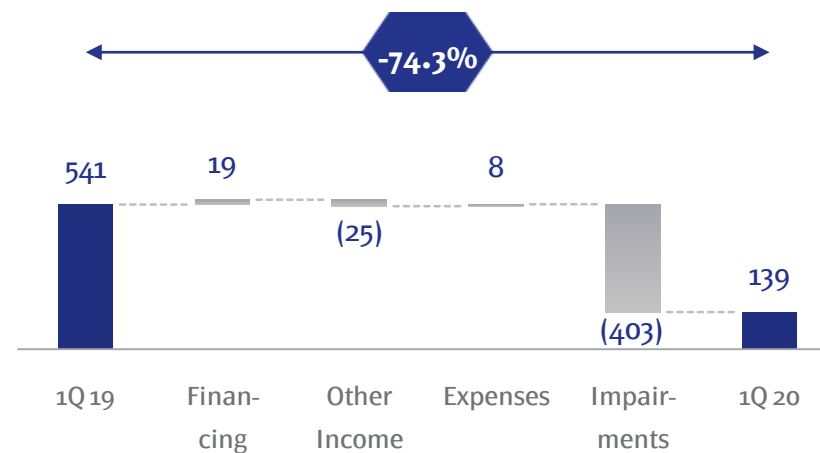
- Corporate Banking net income decreased by (74%) as a result of higher impairment charge.
- Total operating income decreased by (1%).
- Financing activities increased by (+4%) while fees decreased by (21%).

SAR (mn)	1Q 2020	4Q 2019	QoQ %	1Q 2019	YoY %
Net financing and investment income	535	558	-4%	516	+3.6%
Fee and other income	97	89	+9%	122	-20.5%
Total operating income	632	647	-2%	638	-1.0%
Operating expenses	75	76	-2%	83	-9.7%
Total impairment charge	418	(71)	687%	15	+2748.0%
Net income for the period	139	642	-78%	541	-74.3%
Total assets	59,218	59,407	-0%	64,683	-8.4%
Total liabilities	33,108	34,753	-5%	22,413	+47.7%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



Treasury

steady profit growth from increased fee income

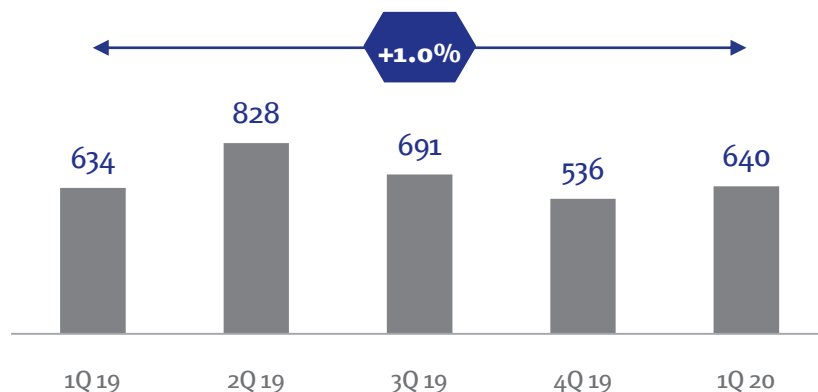


Highlights

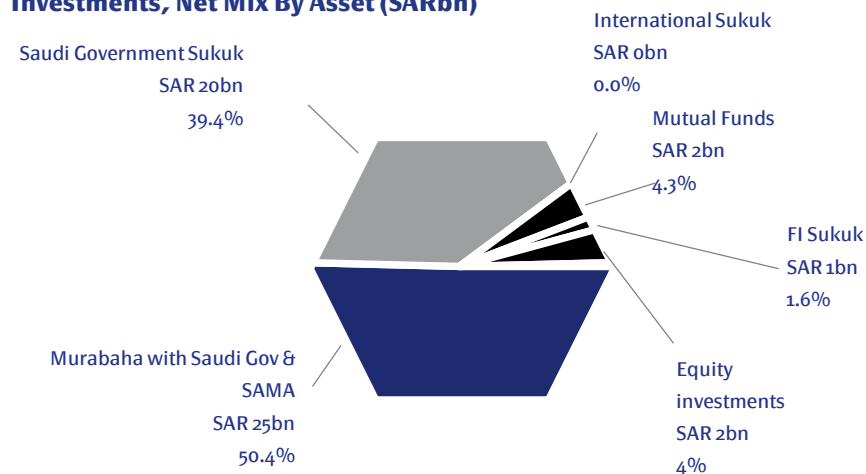
- Treasury net income rose (+1%) driven by inverse impairment charge of 2 mln, and (+2%) total operating income growth.
- growth in assets (+4%) and liabilities (+30%).
- Tahweel Alrajhi (remittances) market share reached 30.6%.

SAR (mn)	1Q 2020	4Q 2019	QoQ %	1Q 2019	YoY %
Net financing and investment income	589	500	+18%	588	+0.0%
Fee and other income	162	208	-22%	146	+11.3%
Total operating income	751	707	+6%	734	+2.3%
Operating expenses	109	124	-12%	109	-0.4%
Total impairment charge	2	(2)	194%	(9)	118.8%
Net income for the period	640	586	+9%	634	+1.0%
Total assets	108,294	112,969	-4%	104,672	+3.5%
Total liabilities	13,795	8,376	+65%	10,612	+30.0%

Net Income (SARmn)



Investments, Net Mix By Asset (SARbn)



Investment Services & Brokerage

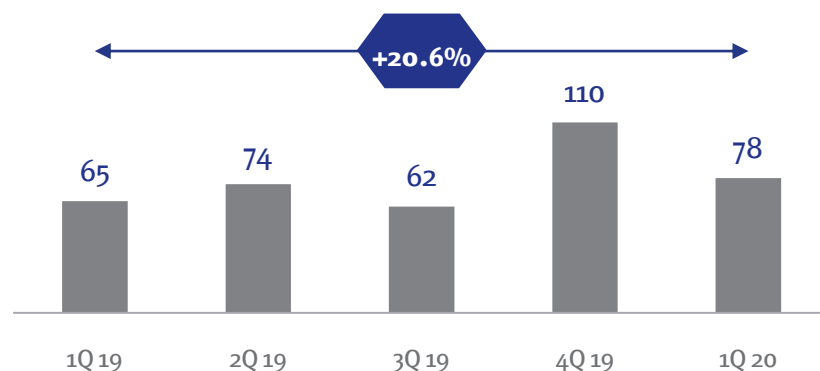
Healthy growth driven by higher operating income

Highlights

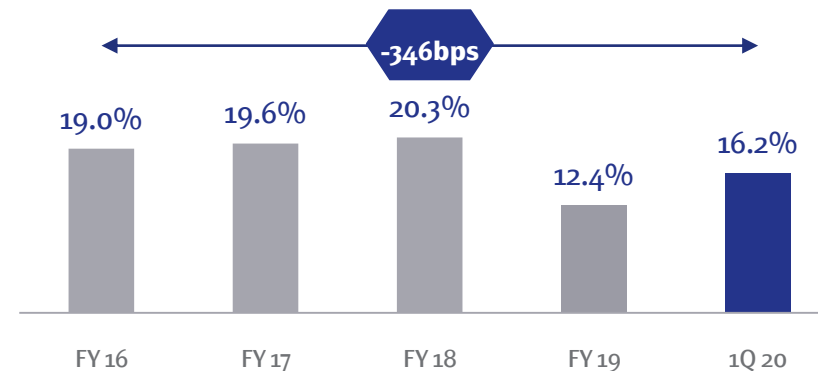
- Net income for Investment Services & Brokerage increased by (+21%) principally from (+12%) operating income growth.
- Total operating income growth driven by excellent growth of (+155%) in Investment income.
- ARC market share increased by (101 bps) YoY from (15.1%).

SAR (mn)	1Q 2020	4Q 2019	QoQ %	1Q 2019	YoY %
Net financing and investment income	12	9	+41%	5	+155.4%
Fee and other income	103	143	-28%	98	+5.2%
Total operating income	115	152	-24%	102	+12.2%
Operating expenses	37	41	-11%	38	-2.0%
Total impairment charge	0	0		0	
Net income for the period	78	110	-29%	65	+20.6%
Total assets	3,219	2,765	+16%	2,966	+8.5%
Total liabilities	121	137	-12%	111	+9.7%

Net Income (SARmn)



Market Share - Al Rajhi Capital Brokerage (Value traded)



An abstract graphic on the left side of the page, composed of various shades of blue. It features a central vertical column with horizontal lines, flanked by larger, angular shapes that resemble architectural elements or stylized letters. The overall effect is a complex, layered geometric composition.

Appendix

Additional Information

Board of Directors

Members



Chairman
Abdullah bin Sulaiman Al Rajhi
Non-Executive



Salah bin Ali AbalKhail
Non-Executive



Vice Chairman
Alaa bin Shakib Al Jabiri
Independent



Bader bin Mohammed Al Rajhi
Non-Executive



Khaled bin Abdulrahman Al Qoaz
Non-Executive



Abdulaziz bin Khaled Al Ghefaily
Non-Executive



Ibrahim F. Al-Ghofaily
Independent



Ameen F. Al Shiddi
Non-Executive



Hamza O. Khushaim
Non-Executive



Raed A. Al-Tamimi
Independent



Abdulatif A. Alseif
Independent

Management Team

International expertise combined with deep roots in Saudi Arabia



Chief Executive Officer
Waleed Al-Mogbel
Banking experience: 22 years



Chief Financial Officer
Abdulrahman Al Fadda
Banking experience: 22 years



Chief Operating Officer
Robin Jones
Banking experience: 30 years



Chief Risk Officer
Abdulaziz Alresais
Banking experience: 19 years



Chief Compliance Officer
Abdullah Sulaiman Alnami
Banking experience: 25 years



Chief Human Resources Officer
Ahmed Alsudais
Banking experience: 17 years



General Manager Retail
Saleh Alzumaie
Banking experience: 29 years



General Manager Corporate
Hossam Al Basrawi
Banking experience: 23 years



Chief Marketing & UX Officer
Turki Aldhfayan
Banking experience: 12 years



General Manager Sharia
Saleh Al-Haidan
Banking experience: 34 years



Chief Internal Audit Officer
Abdulaziz Alshushan
Banking experience: 19 years



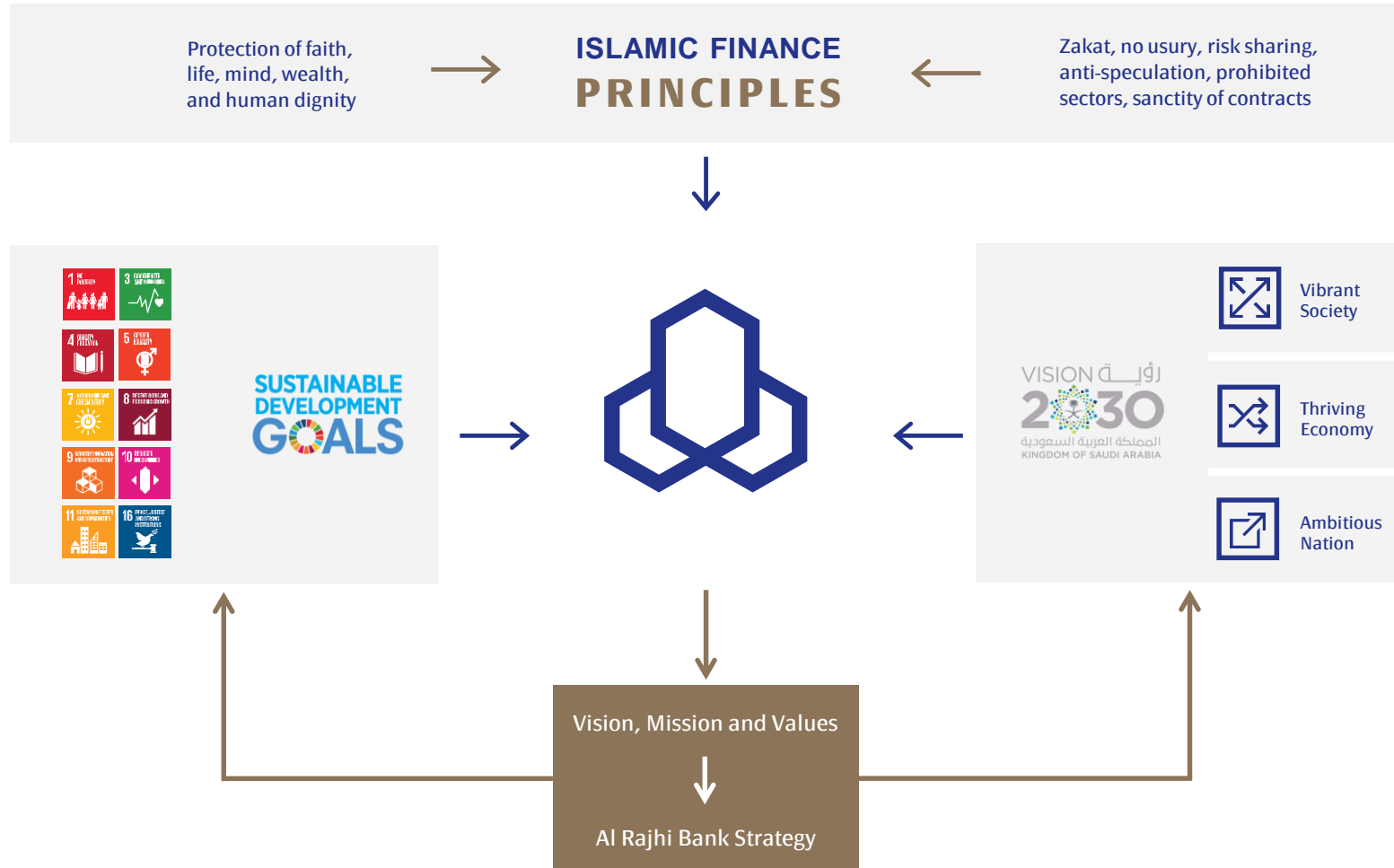
Chief Governance & Legal Officer
Omar Almudarra
Banking experience: 20 years

Al Rajhi Bank ESG Investor Presentation

FY 2019

ESG is part of Al Rajhi Bank's DNA

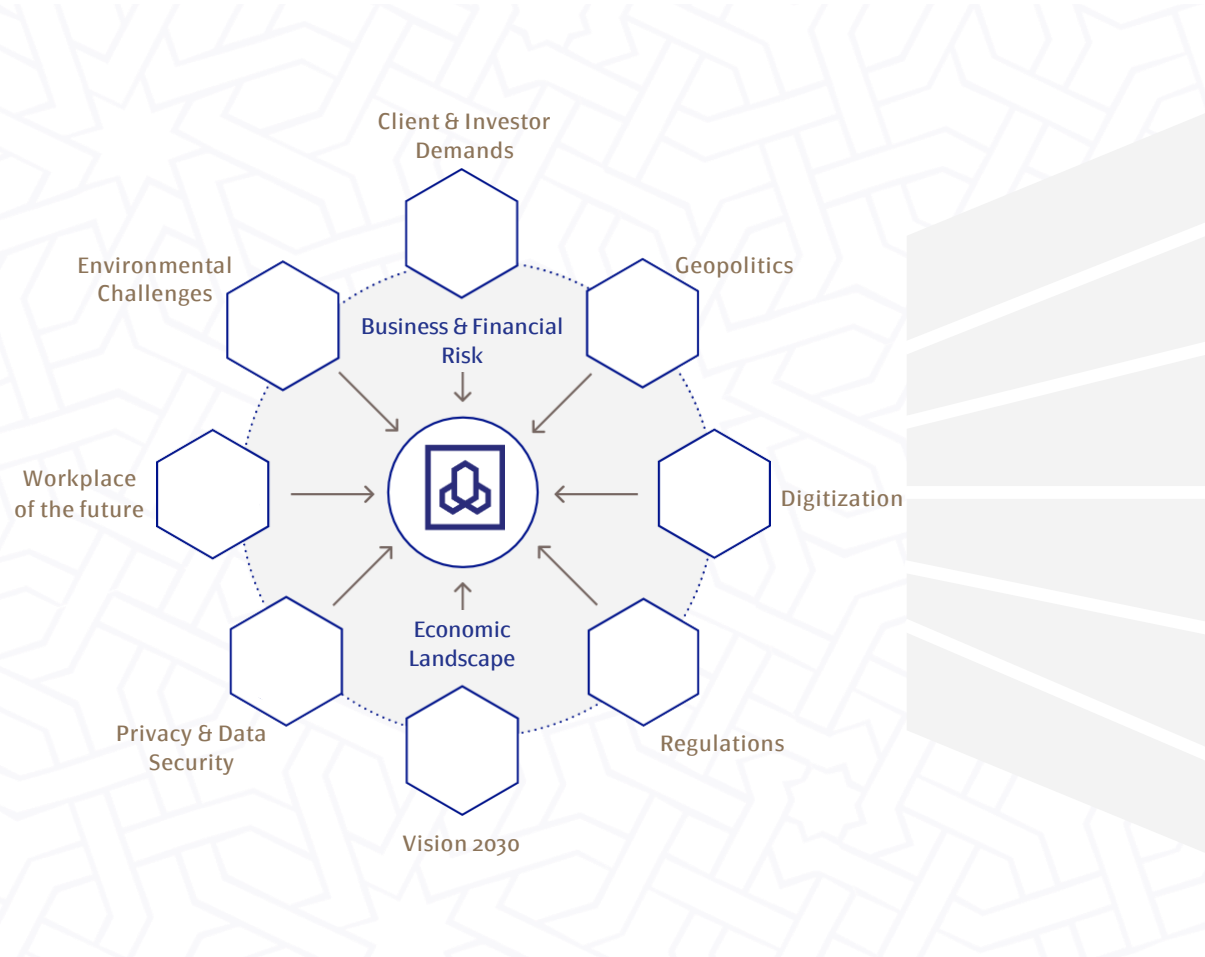
Ethical values are central to Islamic Finance, UN SDGs and KSA Vision 2030



Developments impacting Al Rajhi Bank's operating environment

Major factors integrated into our approach to ESG and our value creation model

Major Factors



'ABCDE' Strategy



Accelerate growth
Improve portfolios in key customer segments



Become Employer of choice
Create a performance-driven culture where the customer comes first



Customer focus
Provide greater convenience and security in customer offering



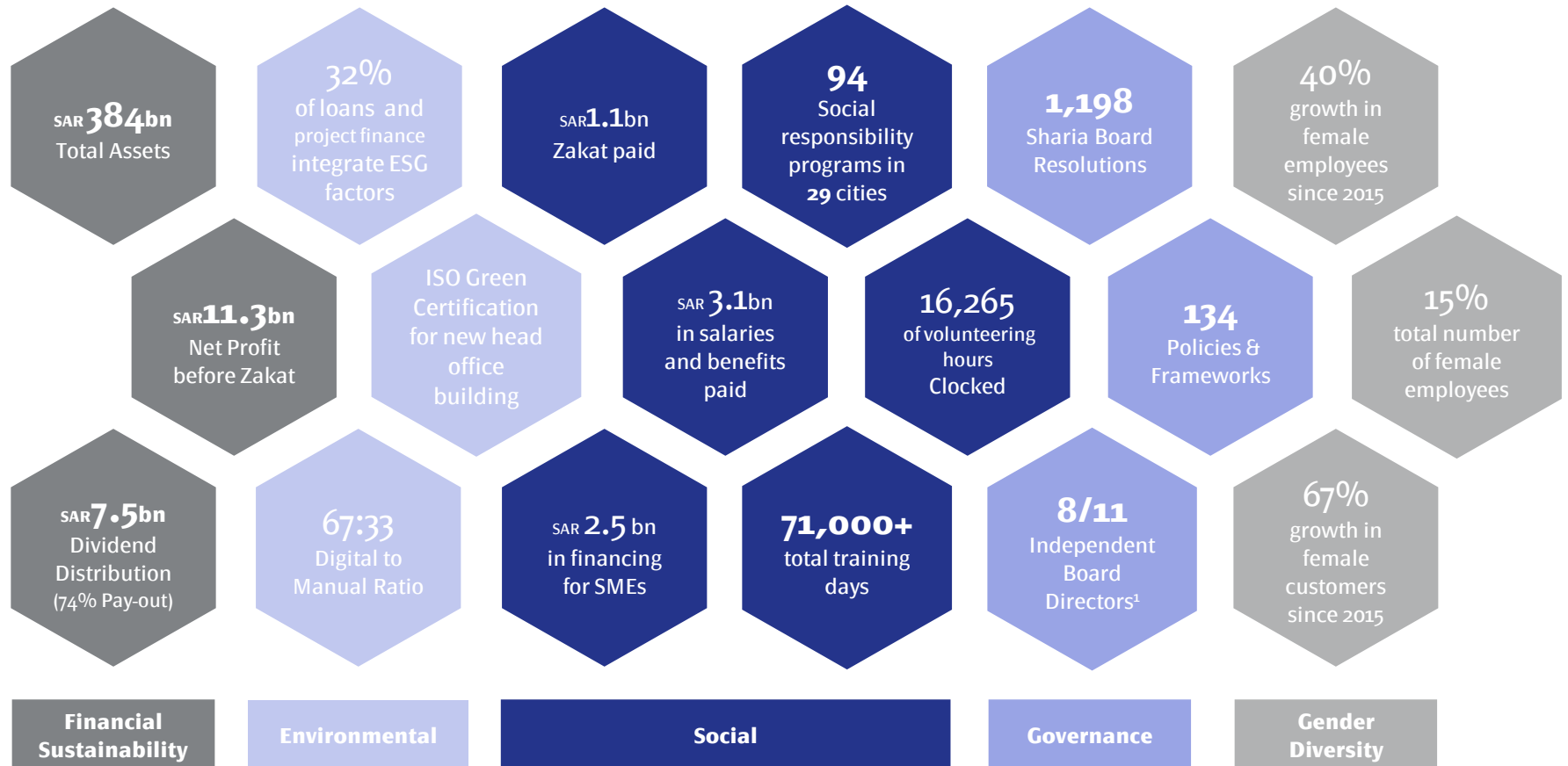
Digital leadership
Expand digital channels and migrate customers to self-service banking



Execution excellence
Explore and execute measures to improve operations

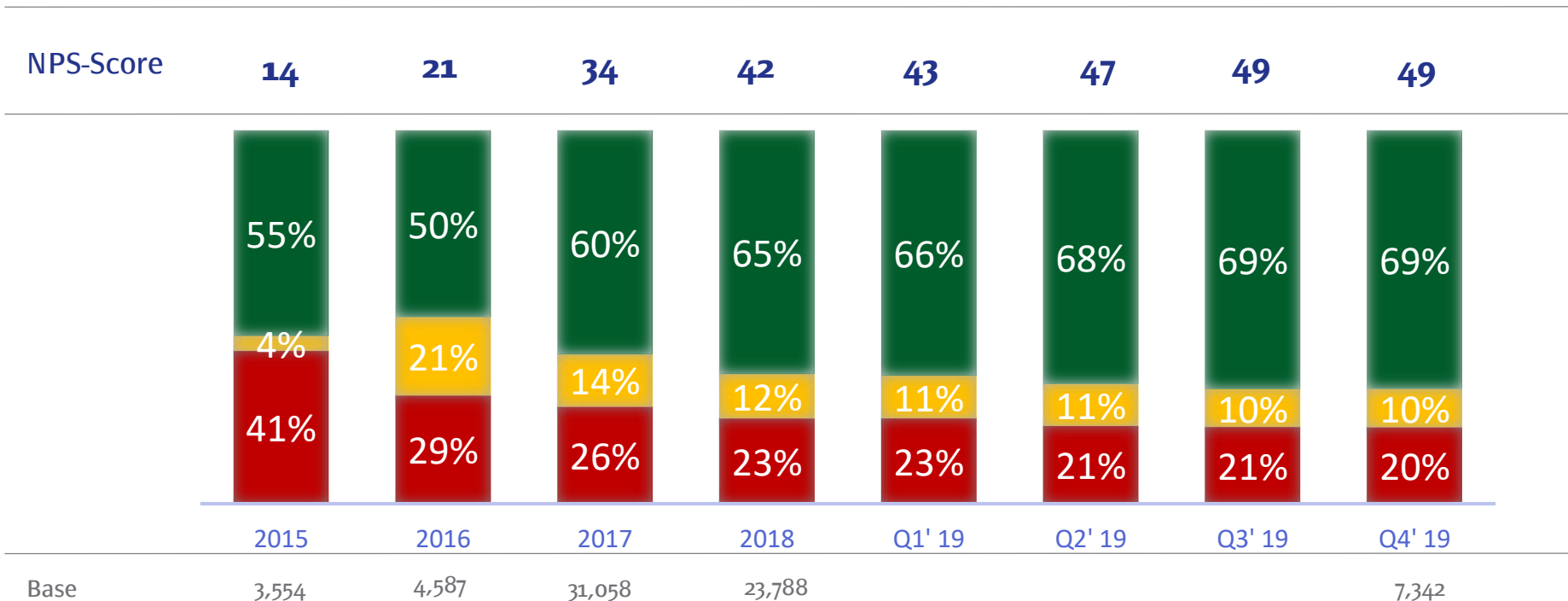
ESG Highlights

As of 2019



Placing customer relationships at the heart of ARB

We achieved our target of becoming the most recommended bank in KSA



We ask customers:

Based on your experience with your main bank, how likely are you to recommend it to a friend, relative or colleague, on a scale from 0 to 10?

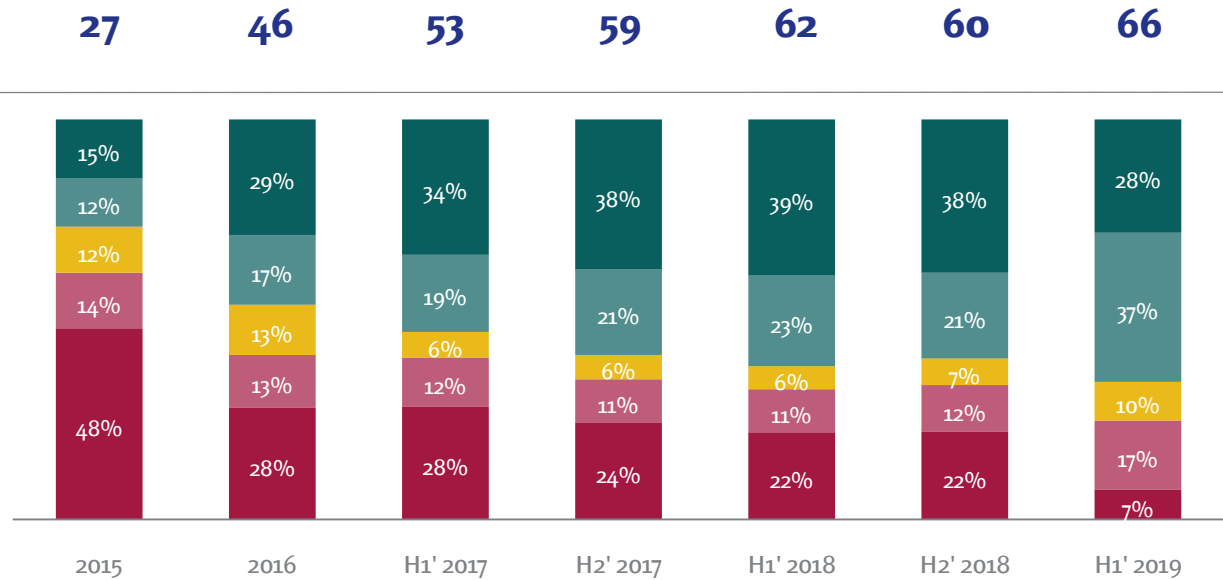


Ensuring ARB staff are proud, valued and energized

The ARB employee engagement index (EEI) score is at its peak



EEI Score = Highly Engaged + Engaged



Base 3,934 4,398 3,003 3,435 2,598 2,407 2,723

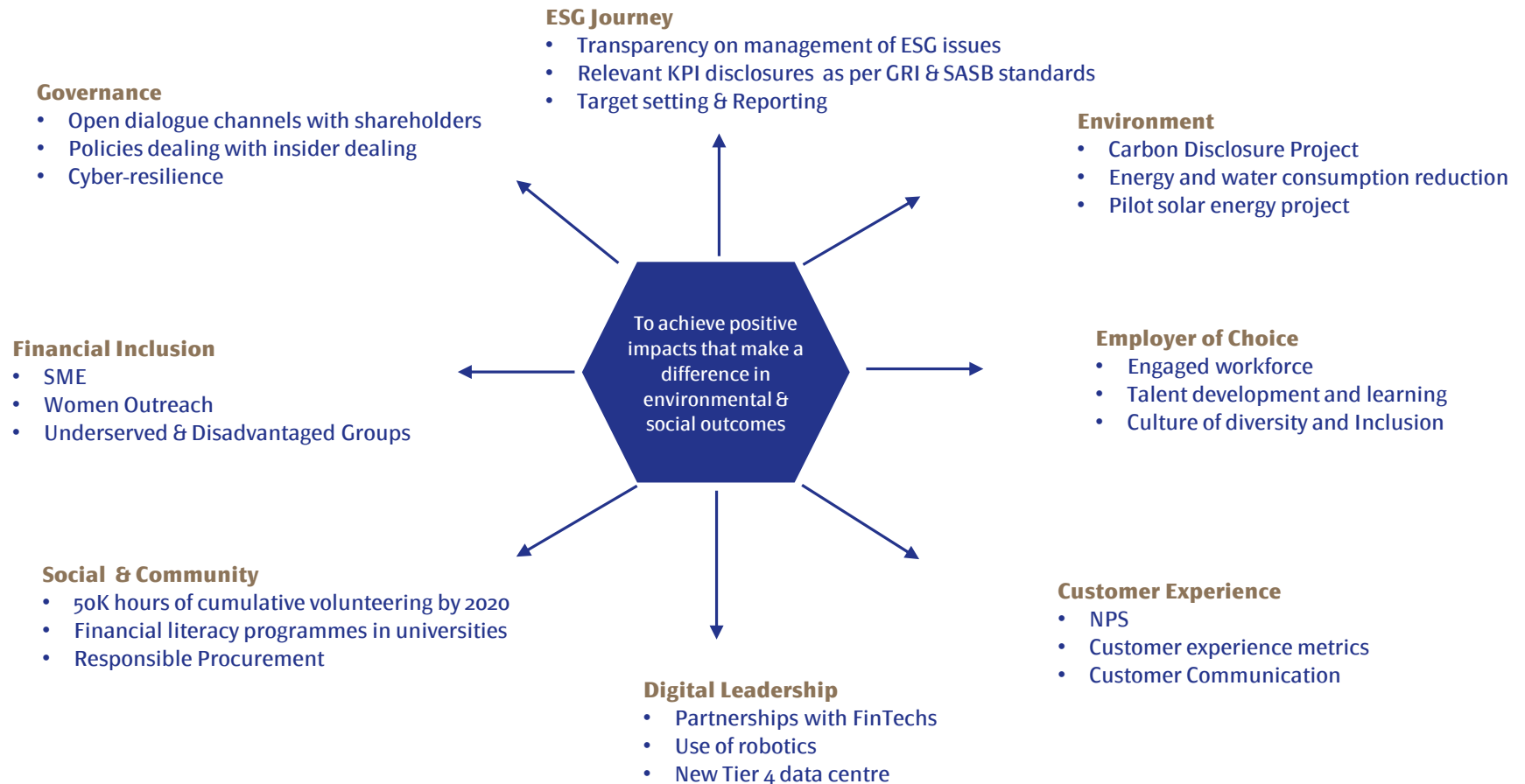
We ask employees three equal-weighted questions to calculate the Employee Engagement Index score:

1. I am proud to work for Al Rajhi Bank
2. I feel valued
3. I am energized by work I do



Conclusion and the way forward

We believe our future success is interlinked with the well-being of our stakeholders and the world around us.



Additional Information

Contact investor relations for more information

Mr. Amr M. Sager

Head of Investor Relations

Tel: +966 (11) 828 3536

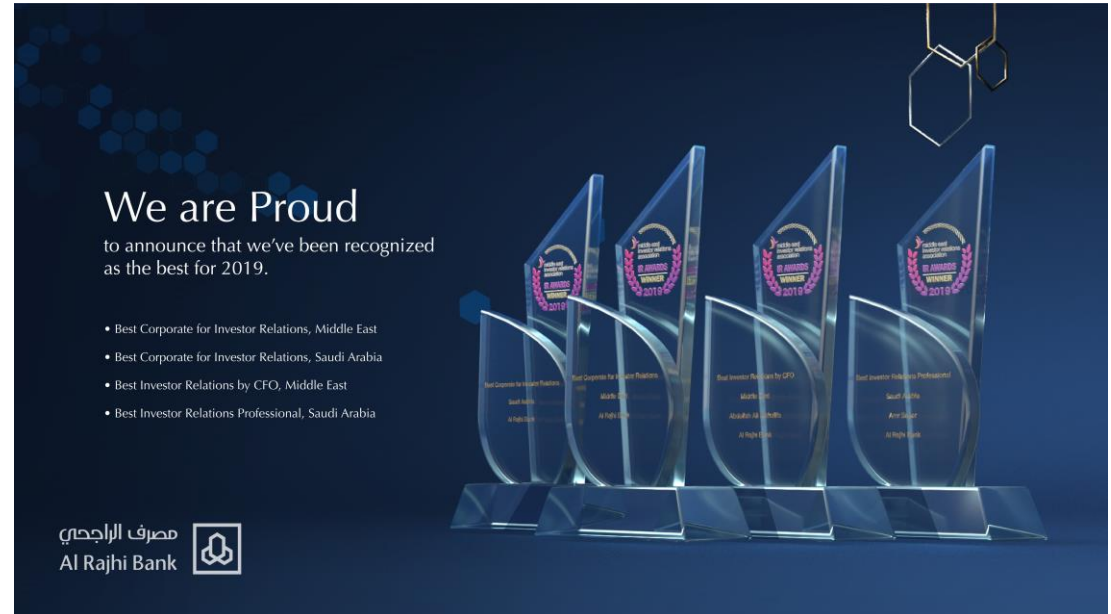
Email: sagera@alrajhibank.com.sa

Mr. Faisal F. Altimyat

Investor Relations Specialist

Tel: +966 (11) 828 1457

Email: altimyatff@alrajhibank.com.sa



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