

Al Rajhi Bank Investor Presentation

3Q 2020 Investor Pack



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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

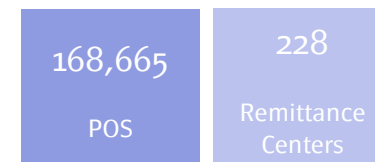
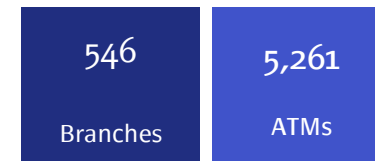
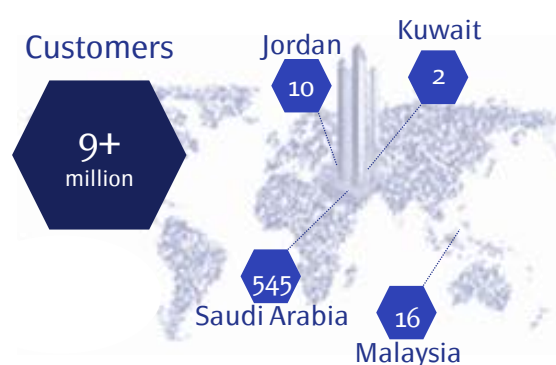


NPS Banking



Digital: Manual Ratio

Presence & Branches



Largest network in Saudi Arabia

FY2019 Strategic Highlights

Avg Transactions/mth



Digital Customers



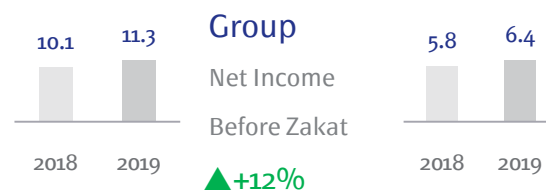
Training Days



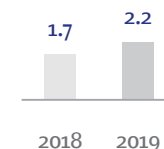
Volunteering Hrs



FY2019 Financial Highlights



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



Retail Banking

Net Income

▲ +11%

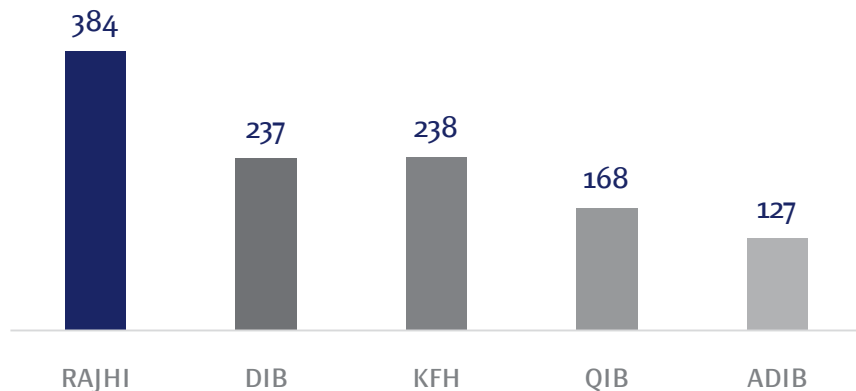
Corporate Banking

Net Income

▲ +28%

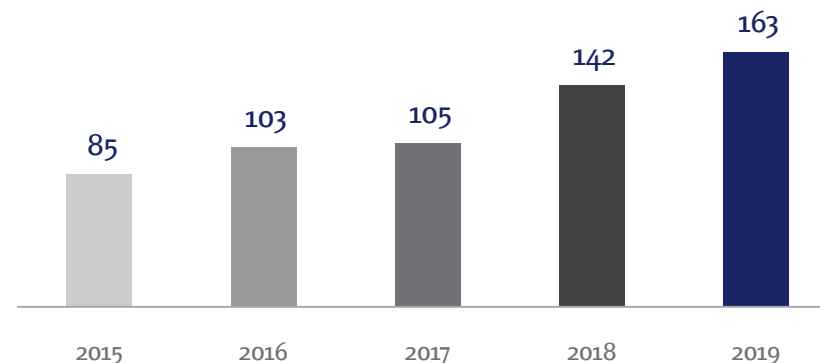
What makes us "The Blue Chip Islamic Bank"

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



Source: Bank Financial Statements 2019

Large and Growing Market Cap (in SAR bn)



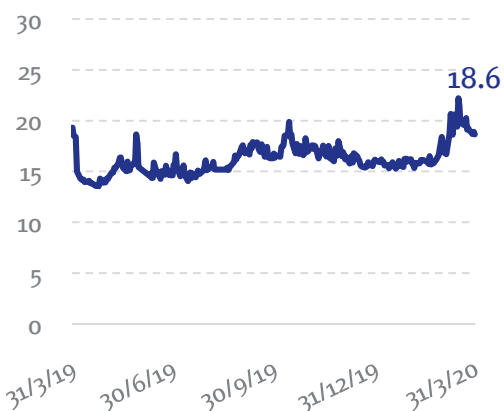
Source: Tadawul

Low Volatility (90D)



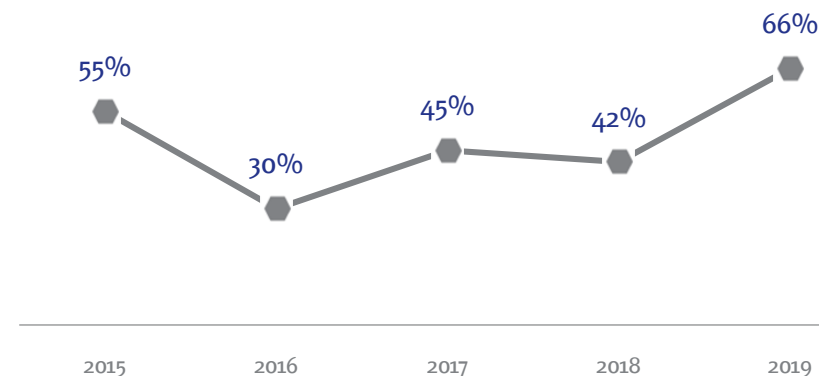
Source: Bloomberg

Low Bid / Ask Spread (bps)



Source: Bloomberg

High Stock Turnover Velocity (%)

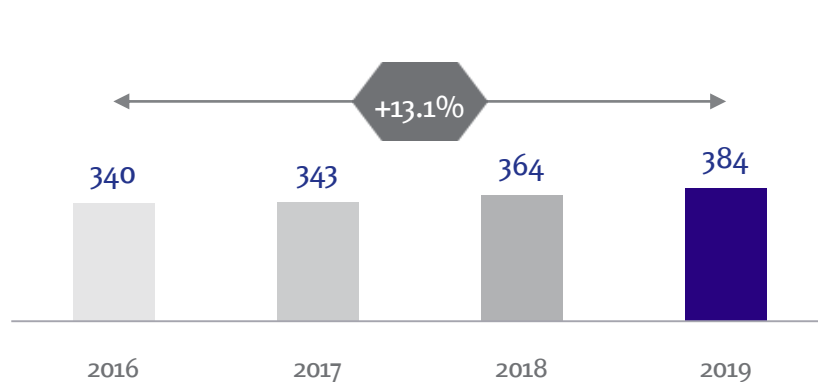


Source: Tadawul

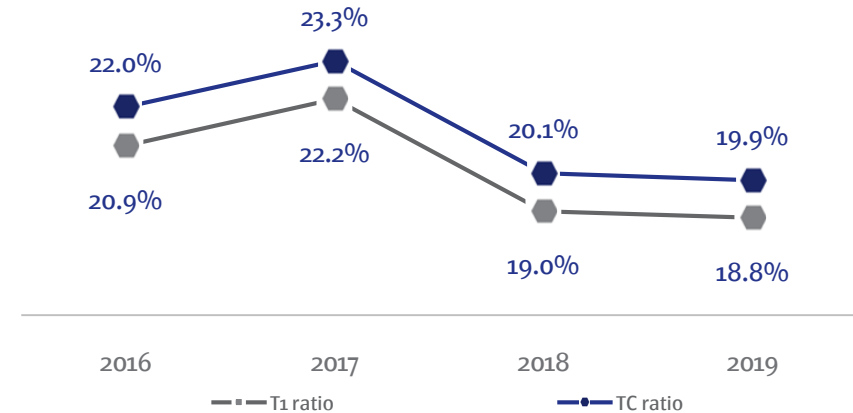
Al Rajhi Bank, The Blue Chip Islamic Bank

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

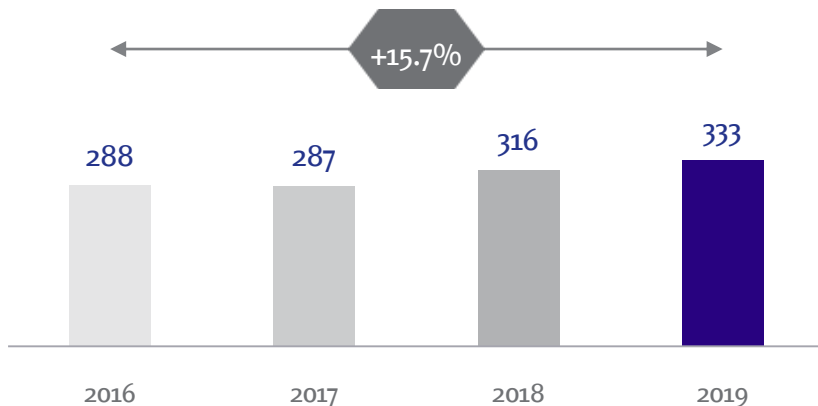
Total Assets (SARbn)



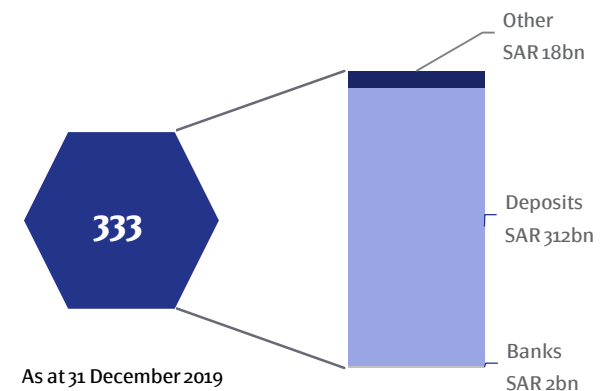
Capital Ratios (%)



Total Liabilities (SARbn)



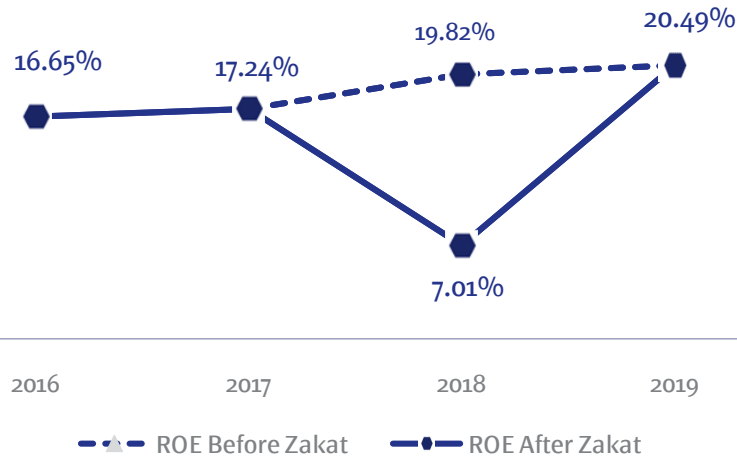
Total Liabilities Mix By Type (SARbn)



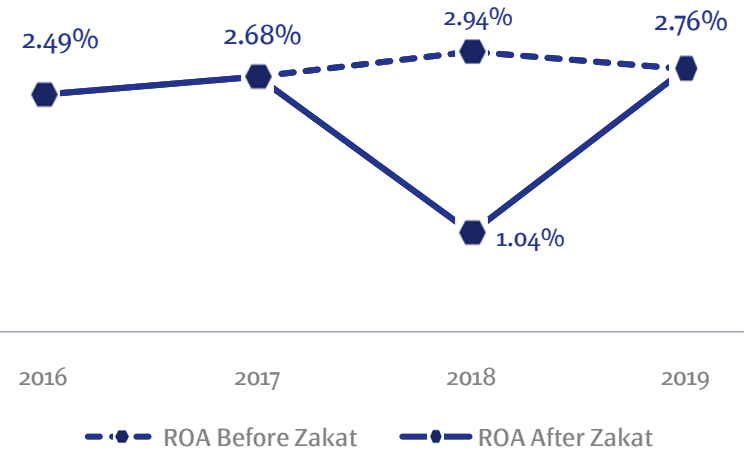
The Blue Chip Islamic Bank

Outstanding foundation and strong returns

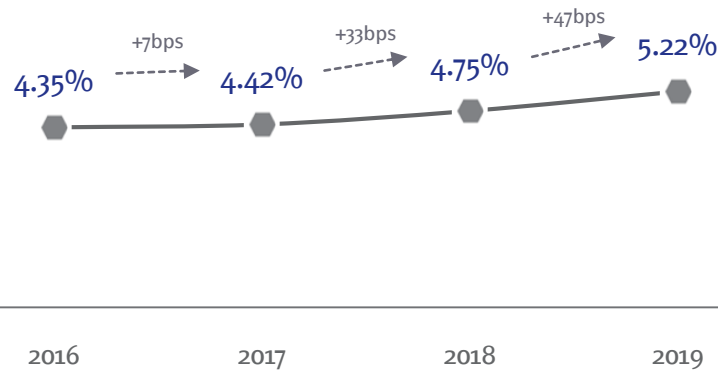
Return on Equity (%)



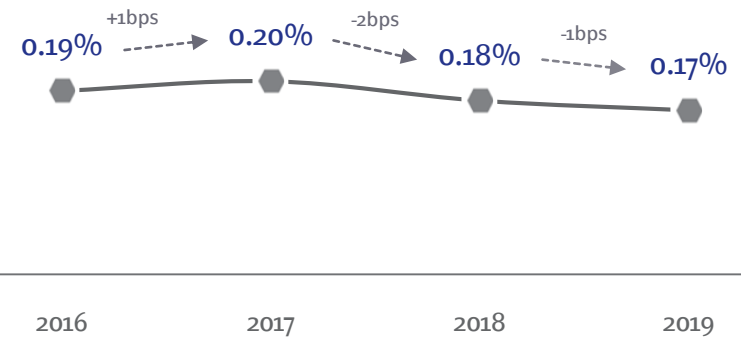
Return on Assets (%)



Net Profit Margin (%)



Cost of Funds (%)



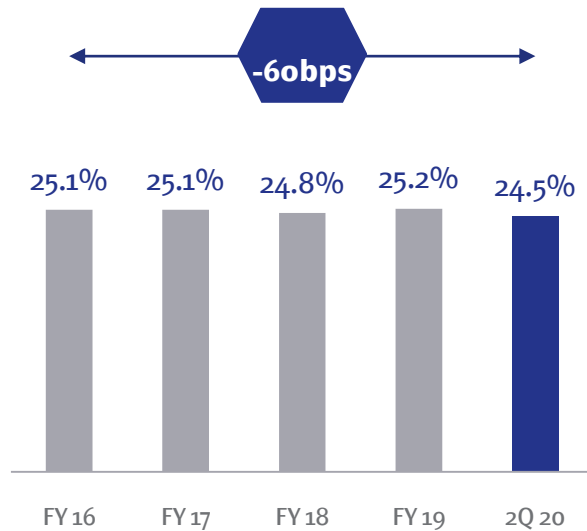
Top 10 Facts about Al Rajhi Bank

- 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**
(19.3% 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**
(325mn 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

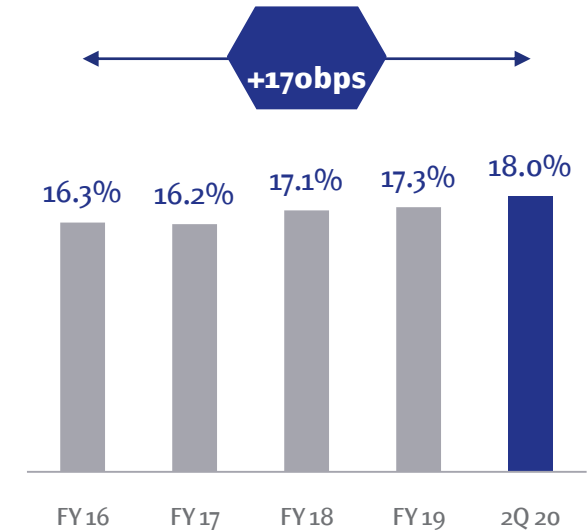


1 in Saudi Arabia

9+ Million
Customers

#1 in Saudi Arabia

Market Share - Deposits



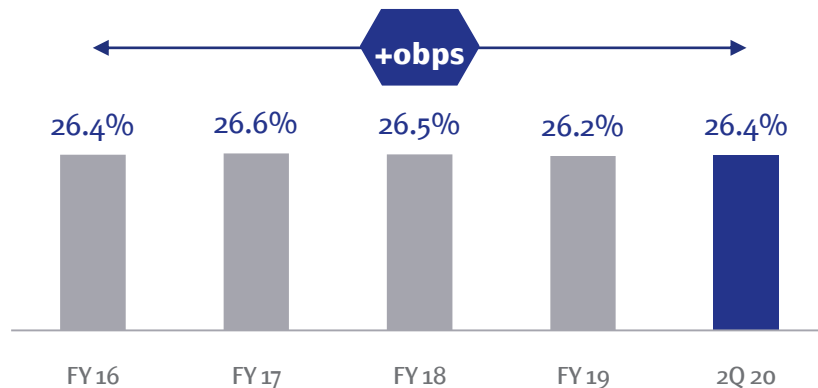
#2 in Saudi Arabia

Al Rajhi Bank's Leading Network

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

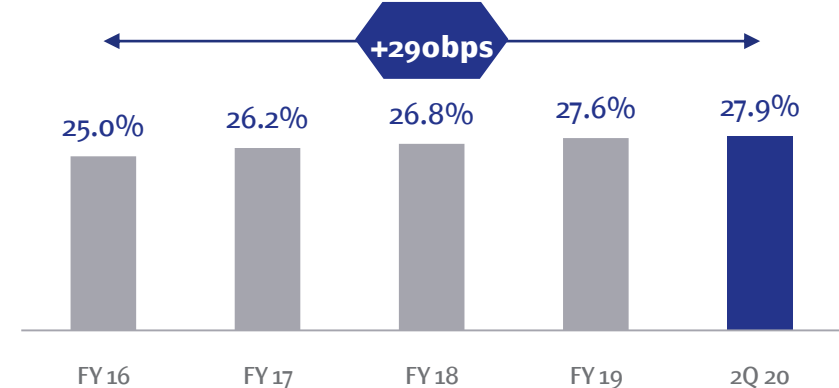
#1 in Branches

Market Share - Branches



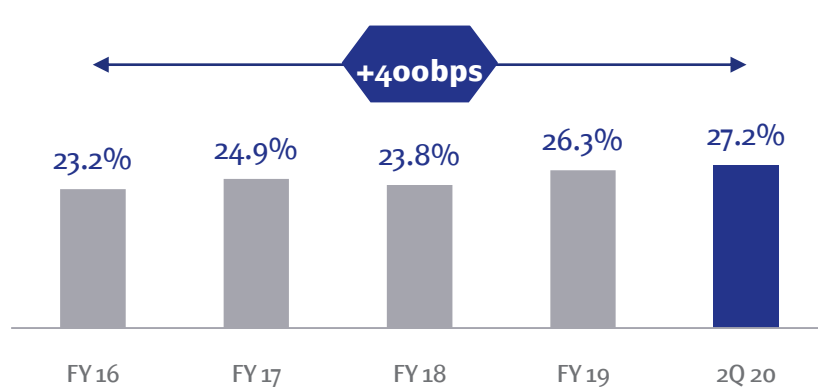
#1 in ATMs

Market Share - ATMs



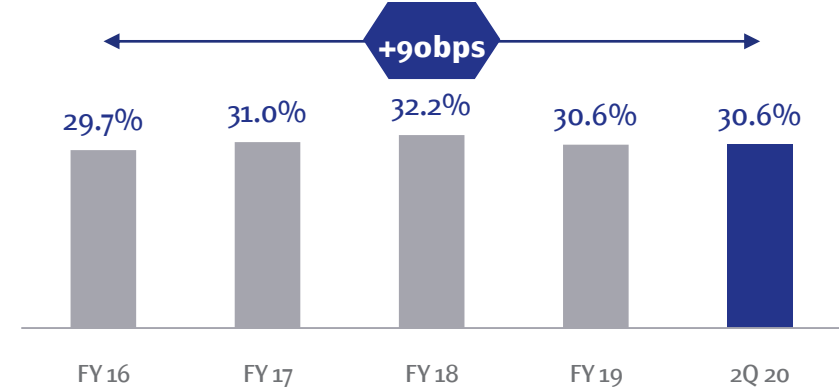
#1 in POS

Market Share - POS (Terminals)



#1 Remittance Centres

Market Share - Remittance Centers



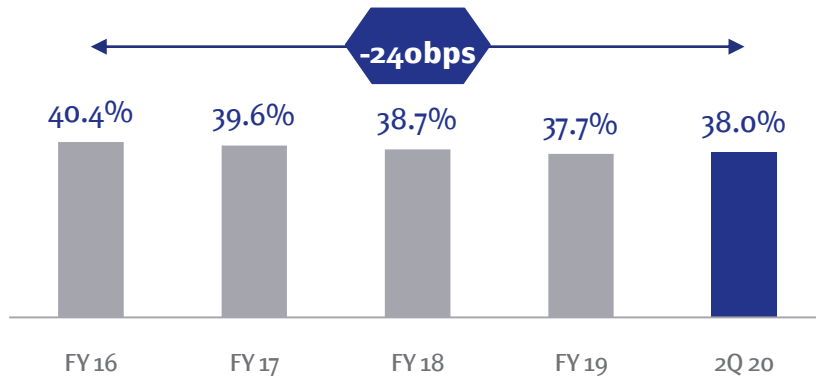
Source: SAMA

ARB has a unique franchise

We capture high market share across key products

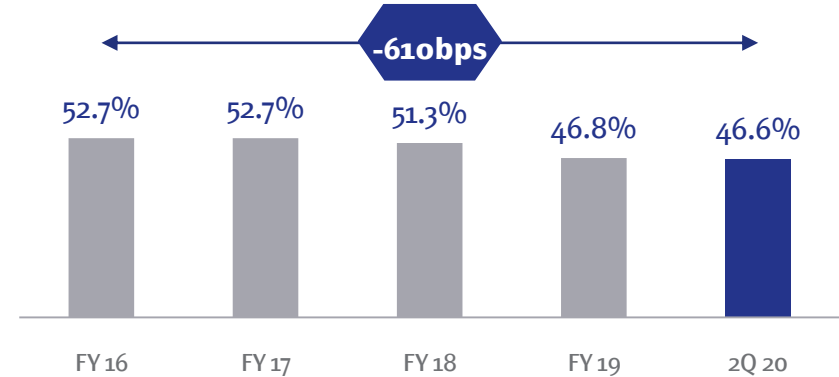
#1 in Personal Loans

Market Share - Personal Loans



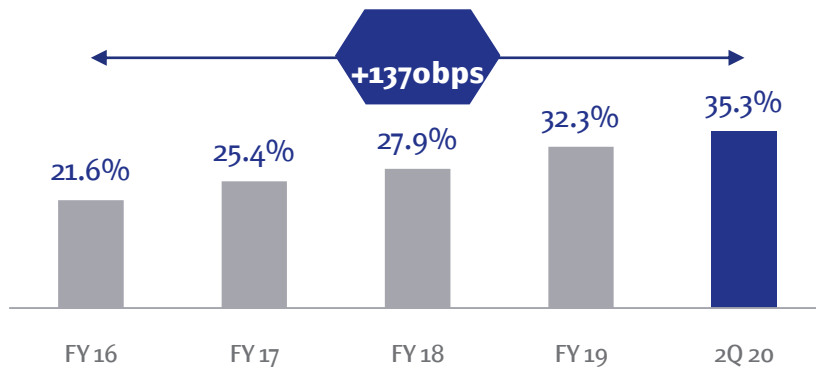
#1 in Auto Loans

Market Share - Auto Loans



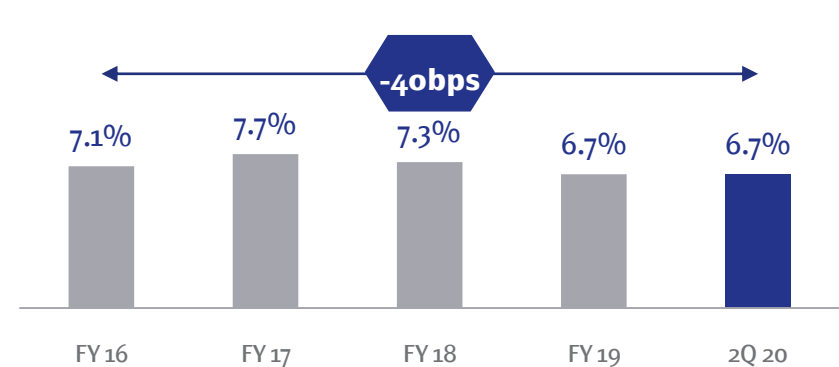
#1 in Mortgages

Market Share - Mortgages



Challenger Position in Corporate Loans

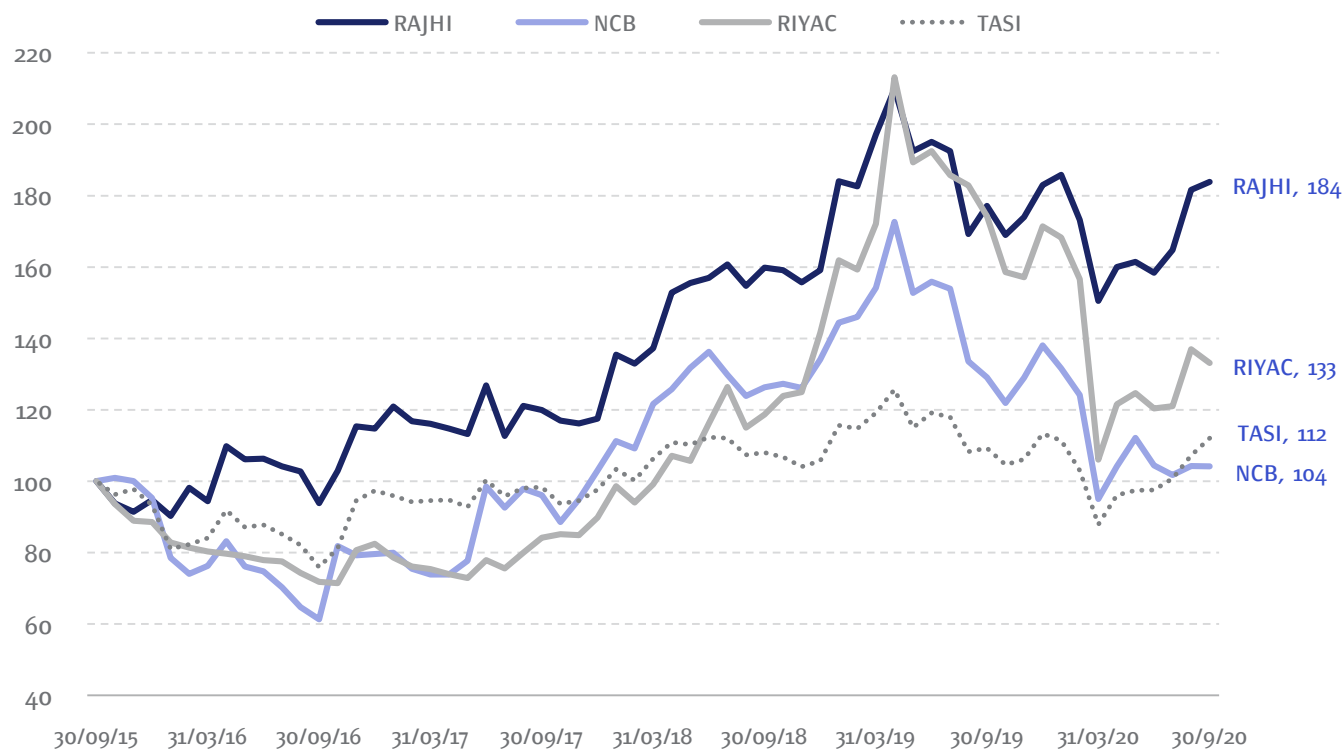
Market Share - Corporate Loans



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)



30 Sep 2020

Key Metrics

Closing Price	SAR 65.7
Market Cap	SAR 164.3 bn
Market Cap / % Industry	28.17%
Market Cap / % Tadawul	1.80%
Shares outstanding	2,500 bn
90D Volatility	36.5
Price / Earnings	16.77 x
Price / Book	3.16 x
Dividend Yield	5.19%
Return on Equity	19.16%
Return on Assets	2.48%
DPS (2019)	3 SAR

Sources: Bloomberg; Tadawul; RAJHI Financials

Ratings

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

	Al Rajhi Bank	NCB	Riyad Bank	Kuwait Finance House	Dubai Islamic Bank	Qatar Islamic Bank	Abu Dhabi Islamic Bank
Rebased to 100	184	104	133	170	79	144	97
As of 30 Jun 2020	65.7SAR	37.15SAR	18.64SAR	661KWD	4.32AED	16.5QAR	4.29AED

Source: Stock Exchanges

Market Performance

Market cap and liquidity ensures high index weighting

Highlights

- Highest weight in MSCI GCC Index (11.98%).
- Highest weight in the sector and second highest weight in TASI.
- Foreign ownership reached 9.65% at end of Q3.

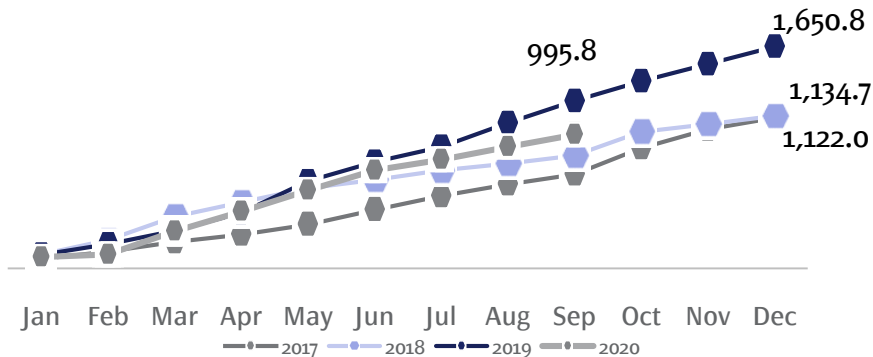
ARB has the highest weight in the MSCI GCC Index...

#	Top 10 Constituents	Country	Float Adj Mkt Cap	Index Weight (%)	Sector
1	Al Rajhi Bank	KSA	41.60	11.98%	Financials
2	QATAR NATIONAL BANK	QAT	22.62	6.50%	Financials
3	SAUDI BASIC IND CORP	KSA	21.21	6.09%	Materials
4	SAUDI ARAMCO	KSA	21.06	6.05%	Energy
5	NATIONAL BANK OF KUWAIT	KW	18.47	5.31%	Financials
6	SAUDI TELECOM CO	KSA	16.06	4.61%	Comm srvc
7	NATIONAL COMM BANK	KSA	14.86	4.27%	Financials
8	KUWAIT FINANCE HOUSE	KW	9.10	2.62%	Financials
9	SAMBA FINANCIAL GROUP	KSA	8.61	2.47%	Financials
10	FIRST ABU DHABI BANK	UAE	8.35	2.40%	Financials
			181.94	52.28%	

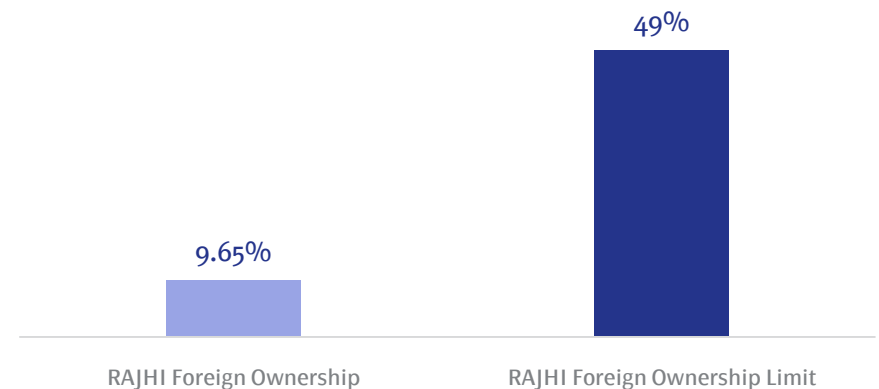
Source: MSCI Fact Sheet; 30 Sep 2020

ARB has consistently strong trading volumes...

Cumulative Monthly Trading Volumes (mn)



...and room for foreign ownership



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

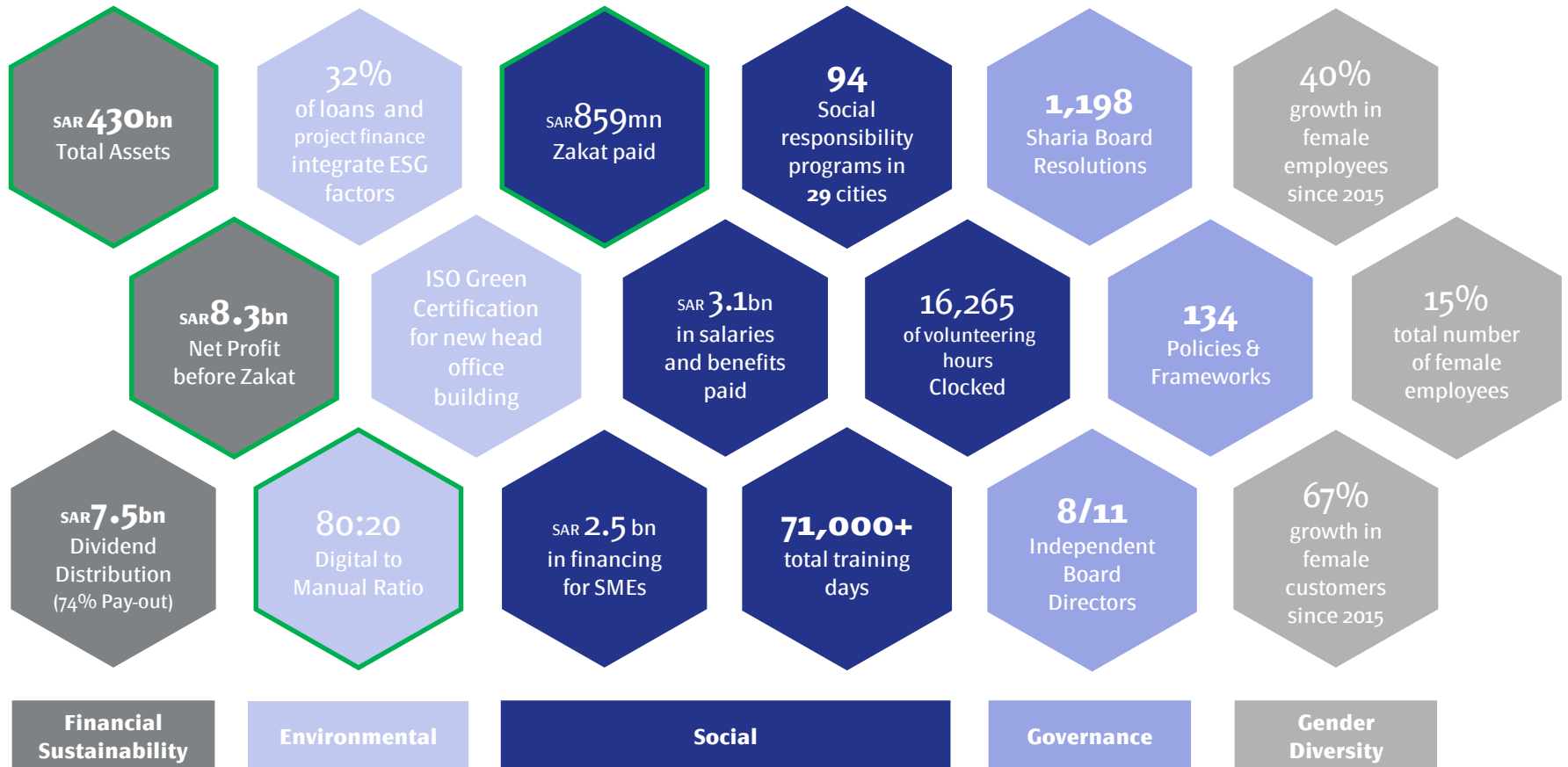
Defining, differentiating and reinforcing
excellence in people

Care for Society

Contributing towards a better tomorrow

ESG Highlights

As of FY 2019 unless stated otherwise

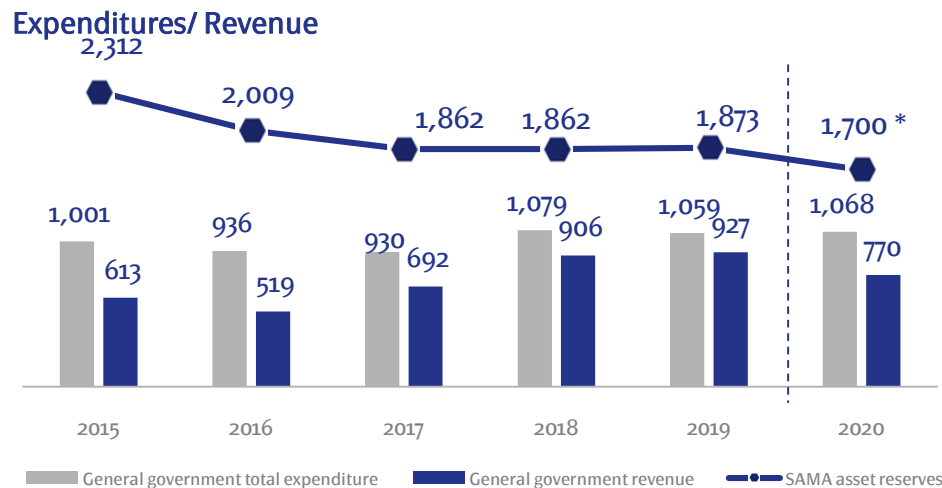


 gM 2020

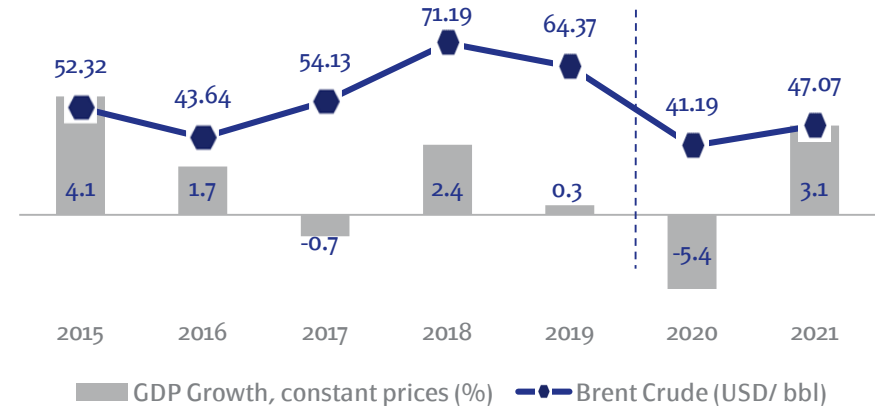
KSA's Macro-Economic Environment

KSA Economic Outlook

Covid-19 outbreak and low oil prices poses unprecedented environment

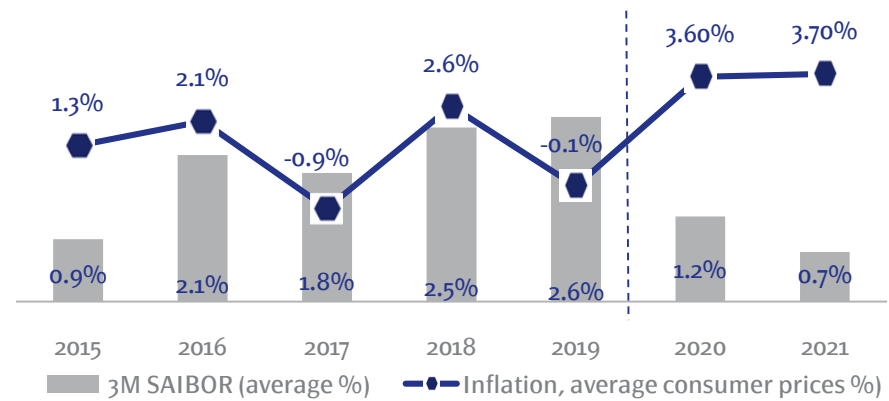


GDP Growth / Brent Oil Price



Source: IMF, U.S. Energy Information

3M SAIBOR / Inflation

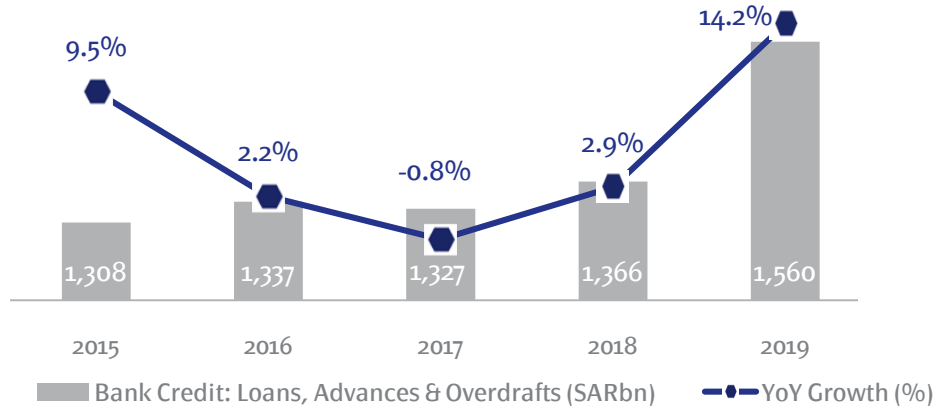


Source: SAMA, IMF

Macro Environment

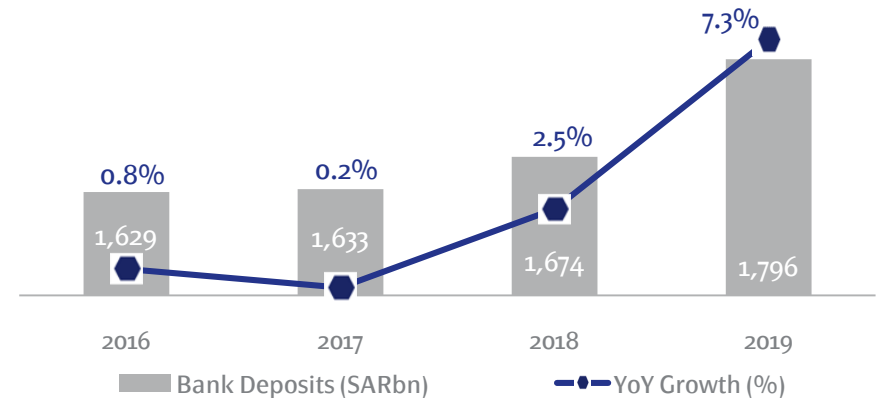
Supportive of Banking Sector

Moderate pickup in sector loan growth...



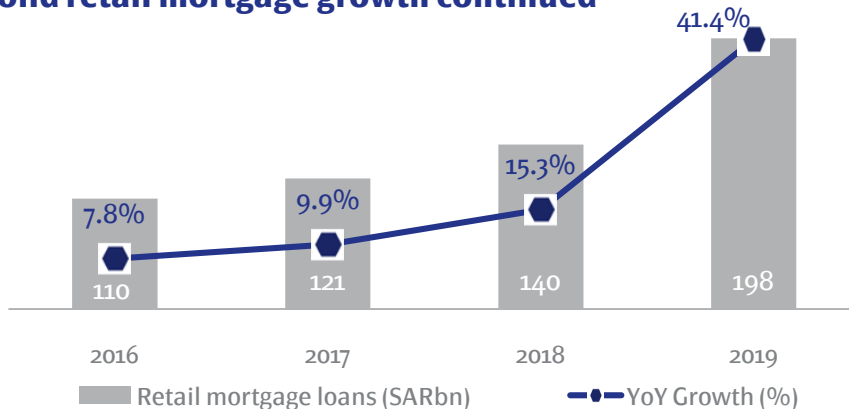
Source: SAMA

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



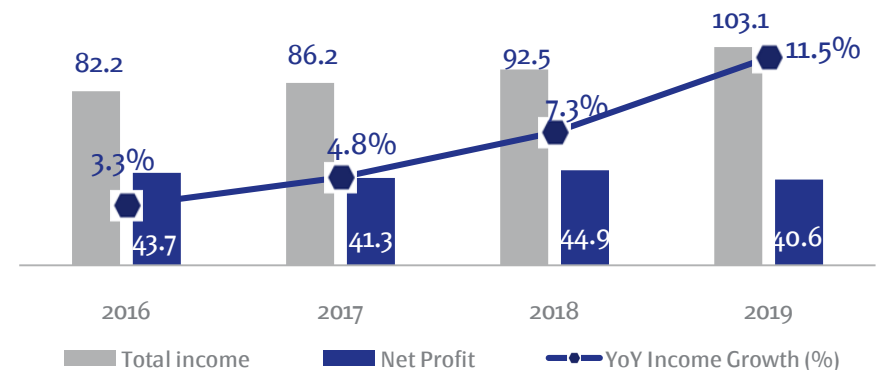
Source: SAMA

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

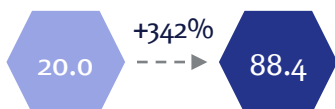
ABCDE 'Back to Basics' strategy delivered strong results in 3Q 2020



Accelerated Growth

+3% YoY operating income growth
+88% YoY growth in mortgages
+12% YoY growth in current accounts
-49bps YoY net profit margin drop to 4.72%

Mortgage Financing (SARbn)



2015 9M 2020

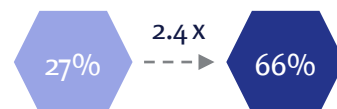
Exceed Industry



Become Employer of Choice

Al Rajhi Bank Academy
School of Banking
Graduate Program
36,164 training days delivered

Employee Engagement Index



2015 9M 2020

Higher Engagement



Customer Focus

15 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



2015 9M 2020

Most Recommended



Digital Leadership

169K POS
5K ATMs 32 ITMs
350 Self Service Kiosks
7.2mn active digital users

Digital : Manual Ratio



2015 9M 2020

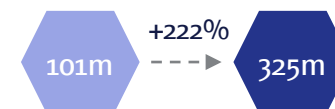
Best-In-Class



Execution Excellence

270 Bots
20K transactions per day
Migrated to Tier 4 Data Center
Further enhanced turnaround time

Transactions per month (Avg.)



2015 9M 2020

Deliver

Macro environment impact

Focused in managing the current challenges & beyond

Key Challenges	COVID-19	RATE ENVIRONMENT	OIL PRICES	
Impact	Growth Forecast	Asset Quality	Liquidity	Profitability
Focus Areas to Mitigate Downside	<ol style="list-style-type: none"> Consumer lending, mainly Mortgage financing SMEs & Corporate structured products & stimulating Kafalah program Grow Credit Cards & Trade Finance market Share 	<ol style="list-style-type: none"> Core Portfolio is low risk, salary assigned Retail portfolio Small portfolio in MSME supported by Government Stimulus Packages Close monitoring and prudent provisioning measures 	<ol style="list-style-type: none"> Strict and prudent liquidity management, and monitoring Expand funding client base and product mix SAMA Continues to support Liquidity in USD & SAR 	<ol style="list-style-type: none"> Yield income focus through mix change Digital & Payments leadership Rationalizing our Opex & Capex spend
Management Delivery	16% Financing Growth	0.78% COR	79.9% LDR	-4.5% YoY Net Income
Long Term	Preparing for the " Next Normal "			

Financial Results

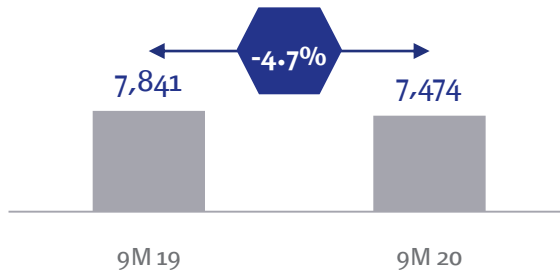
3Q 2020 Overview & Trends

Key Messages

Solid 3Q 2020 Performance

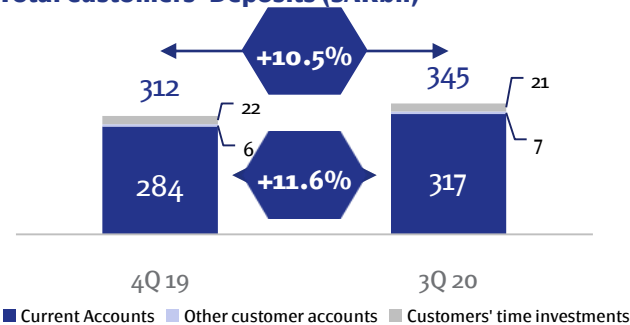
Net Income after Zakat down 4.7%

Net Income (SARmn)



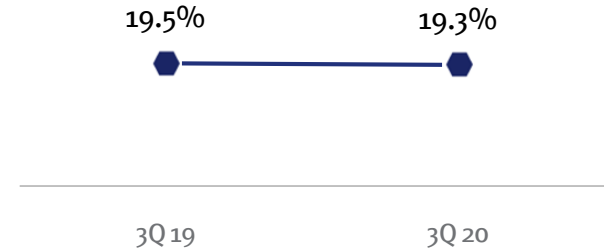
Deposits up 10.5%, Financing up by 16%

Total Customers' Deposits (SARbn)

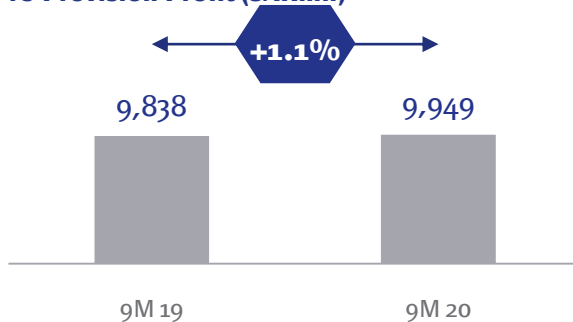


Liquidity remained healthy

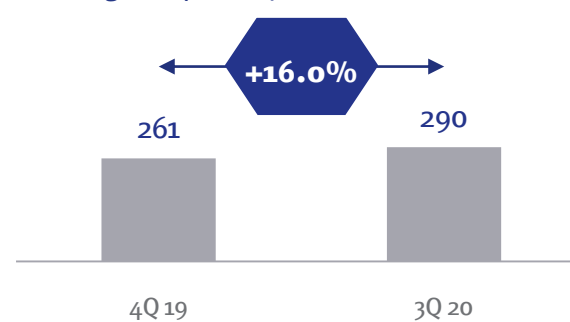
Capital Adequacy Ratio (%)



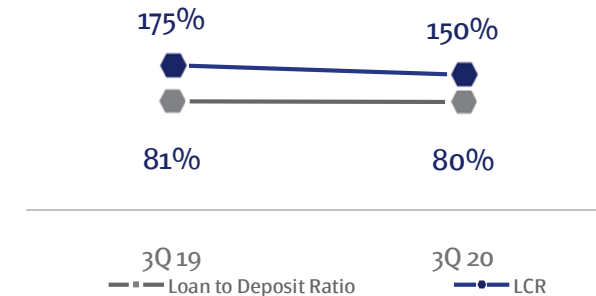
Pre-Provision Profit (SARmn)



Financing, Net (SARbn)



Liquidity Ratios (%)







- 4.7% Profit decline caused by higher operating expenses & provisions.
- Profit growth driven by improvement in the product mix

- 11% deposit growth from non-profit bearing deposits which now account for 94% of total deposits
- Net financing grew by 16% driven by Mortgage financing

- CAR decreased by 150 bps caused by dividends pay-out (2019) and change in RWA.
- Liquidity remains healthy

Progress against guidance and outlook

Revised guidance to reflect current macro environment

		FY 2019 Actual	FY 2020 Latest Guidance	3Q 2020 Actual	FY 2020 Revised Guidance	
	Financing, Net (SAR bn)	249.7	Low teens digit growth	289.7 (16%)	High teens digit growth	↑
	Net Profit Margin	5.22%	-55 bps to -35 bps	4.72% (-50 bps)	-55 bps to -35 bps	▬
	Cost to Income Ratio	32.8%	Below 33%	33.4%	Below 33%	▬
	Cost of Risk	0.71%	0.80% - 1.00%	0.78%	0.70% - 0.90%	↓
	CET1 Ratio	18.8%	17% - 19%	18.2%	17% - 19%	▬
	ROE after Zakat	20.49%	18% - 20%	19.16%	18% - 20%	▬
						▬

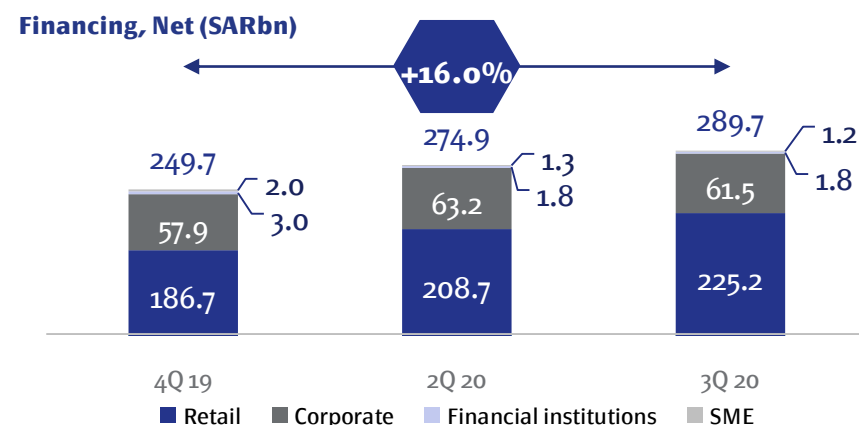
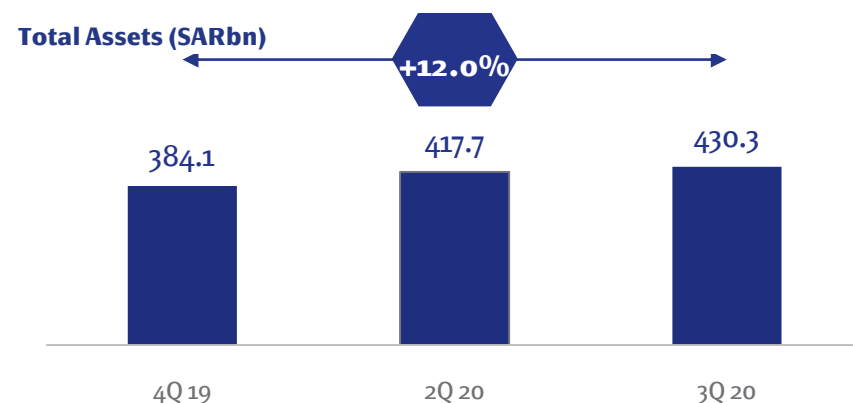
Balance Sheet Trends (1)

Healthy growth in total assets driven by growth in mortgage

Highlights

- Total Assets grew by (+12% YTD) driven by strong growth in financing & investment.
- Net financing grew by (+16% YTD) contributed by strong retail performance.
- Customers deposits growth of (+11% YTD) contributed by growth in demand deposits.

SAR (mn)	3Q 2020	2Q 2020	QoQ	4Q 2019	YTD
Cash and balances with SAMA	37,451	45,022	-17%	39,294	-5%
Due from banks and other FI	27,517	28,215	-2%	32,058	-14%
Investments, net	57,111	52,937	+8%	46,843	+22%
Financing, net	289,729	274,928	+5%	249,683	+16%
Other Assets	18,492	16,582	+12%	16,209	+14%
Total assets	430,300	417,684	+3%	384,087	+12%
Due to banks and other FI	11,294	10,325	+9%	2,220	+409%
Customers' deposits	345,322	334,665	+3%	312,406	+11%
Other liabilities	18,765	20,764	-10%	18,269	+3%
Total liabilities	375,381	365,754	+3%	332,895	+13%
Total shareholders' equity	54,919	51,930	+6%	51,192	+7%



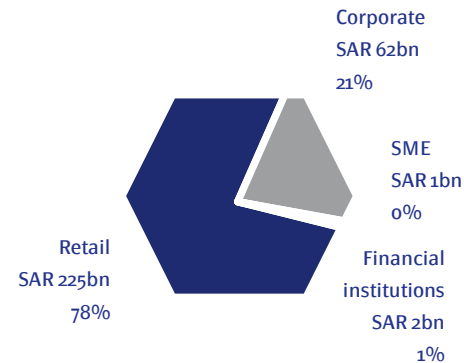
Balance Sheet Trends (2)

Strong financing growth, mortgage is the main driver

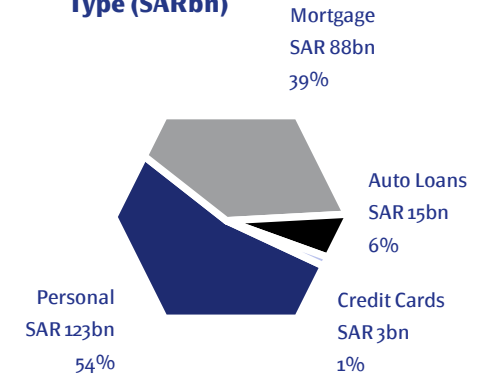
Highlights

- Retail financing growth of (+21% YTD) mainly driven by growth in mortgage financing (+61% YTD).
- Financing is dominated by retail (78%) followed by corporate (22%).
- Retail financing is primarily comprised of personal (54%) and mortgage financing (39%).

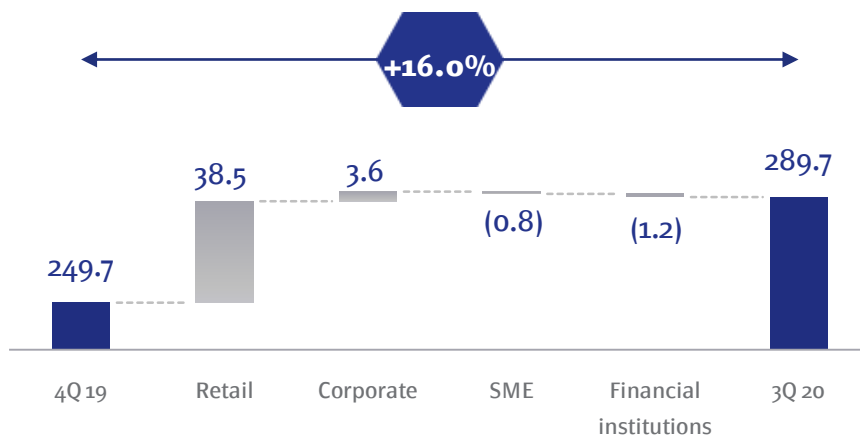
Financing, Net Mix By Segment (SARbn)



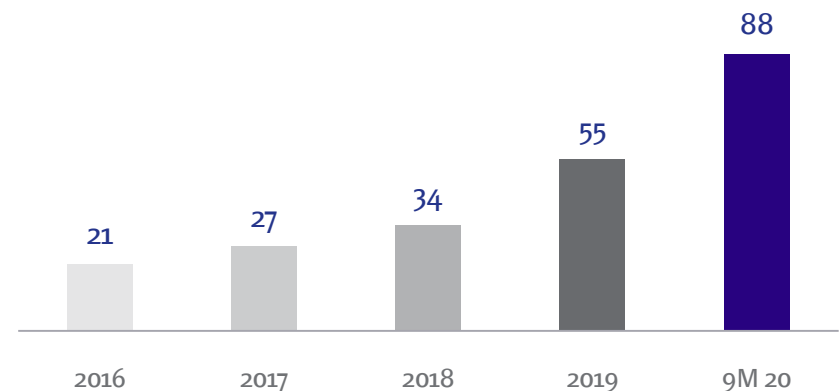
Retail Financing, Net Mix By Type (SARbn)



Financing, Net Drivers (SARbn)



Mortgage Financing (SARbn)



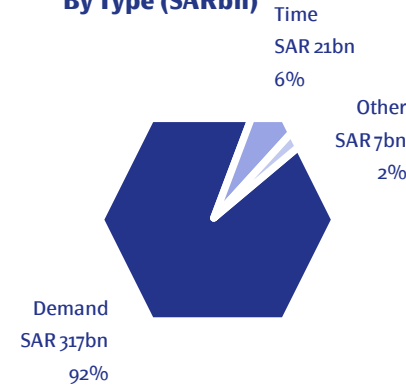
Balance Sheet Trends (3)

Continued growth in demand deposits

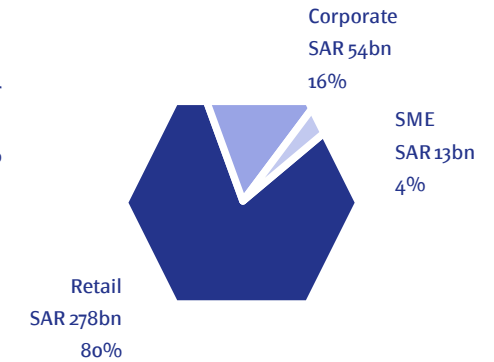
Highlights

- Customers deposits growth of (+11% YTD) contributed by growth in demand deposits.
- Strong stable funding with (92%) of liabilities sourced from customers' deposits.
- Current accounts grew by (+12% YTD) a (94%) non-profit bearing deposits.

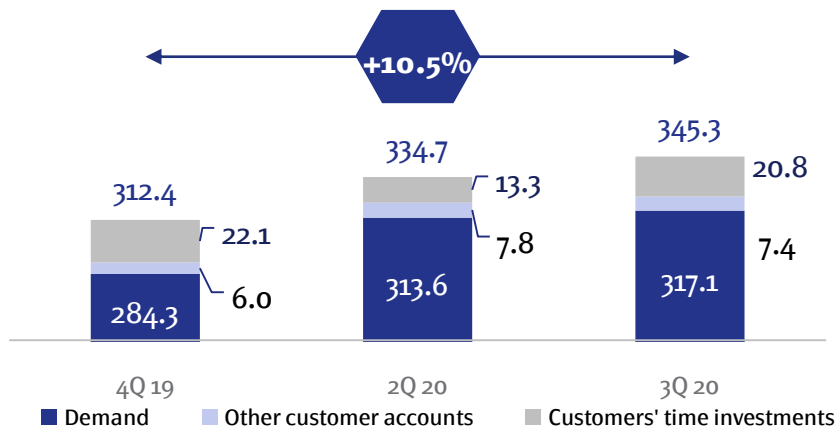
Total Customers' Deposits Mix
By Type (SARbn)



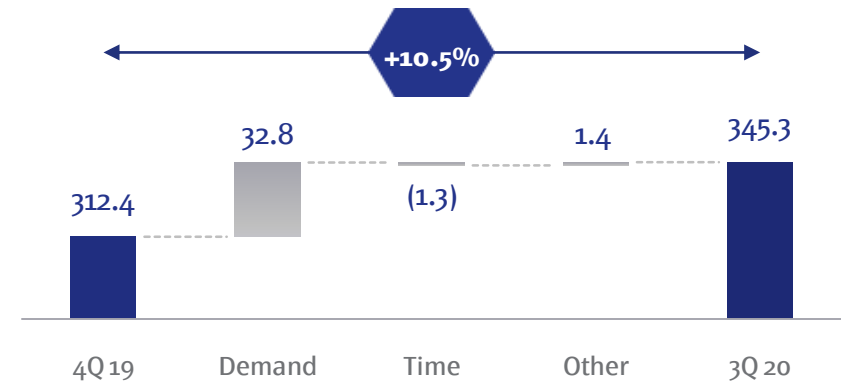
Total Customers' Deposits Mix
By Segment (SARbn)



Total Customers' Deposits (SARbn)



Total Customers' Deposits Drivers (SARbn)



Net Income Trends

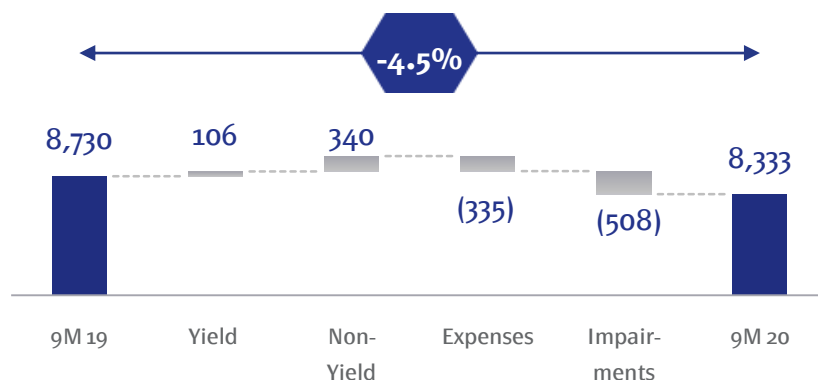
Resilient results despite unprecedented environment

Highlights

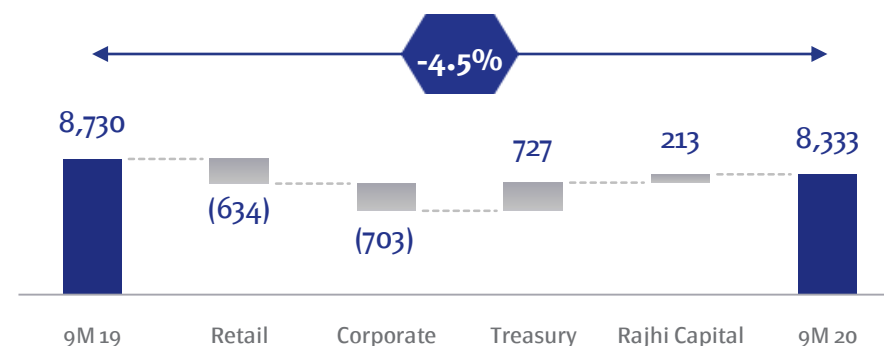
- Net Income before Zakat decreased by (-4.5% YoY) caused by higher operating expenses & provisions.
- Yield income growth of (+1% YoY), and non-yield income growth of (+15% YoY).
- On a segmental basis, Retail Banking declined by (-12% YoY) offset by growth in Treasury by (+37% YoY).

SAR (mn)	9M 2020	9M 2019	YoY	3Q 2020	3Q 2019	YoY
Net financing and investment income	12,275	12,168	+1%	4,196	4,164	+1%
Fee from banking services, net	1,796	1,531	+17%	649	536	+21%
Exchange Income, net	574	580	-1%	197	208	-5%
Other operating income, net	283	202	+40%	110	73	+51%
Fees and other income	2,653	2,313	+15%	956	818	+17%
Total operating income	14,927	14,481	+3%	5,152	4,981	+3%
Operating expenses	(4,978)	(4,644)	+7%	(1,724)	(1,596)	+8%
Impairment charge	(1,616)	(1,107)	+46%	(465)	(332)	+40%
Total operating expenses	(6,594)	(5,751)	+15%	(2,189)	(1,928)	+14%
Net income for the period before Zakat	8,333	8,730	-5%	2,963	3,053	-3%
Zakat	(859)	(890)	-3%	(306)	(314)	-3%
Net income for the period after Zakat	7,474	7,841	-5%	2,658	2,739	-3%

Net Income Before Zakat Growth Drivers By Type (SARmn)



Net Income Before Zakat Growth Drivers By Segment (SARmn)



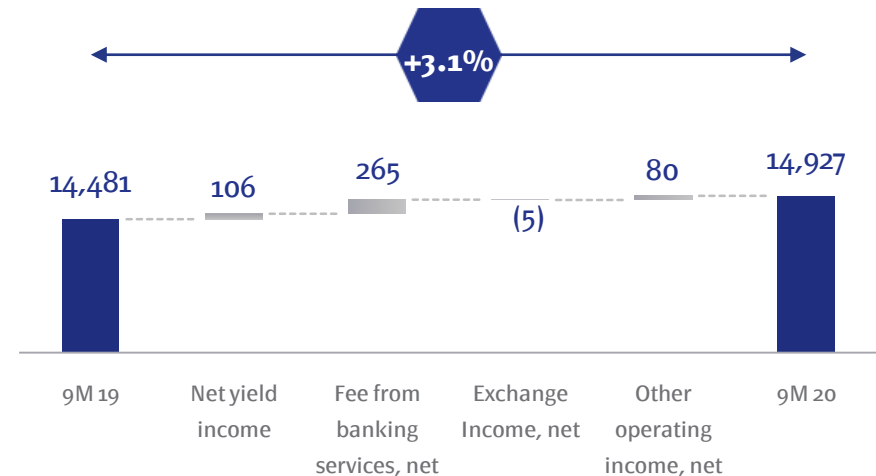
Operating Income Trends

Solid operating income growth, inline with our strategy

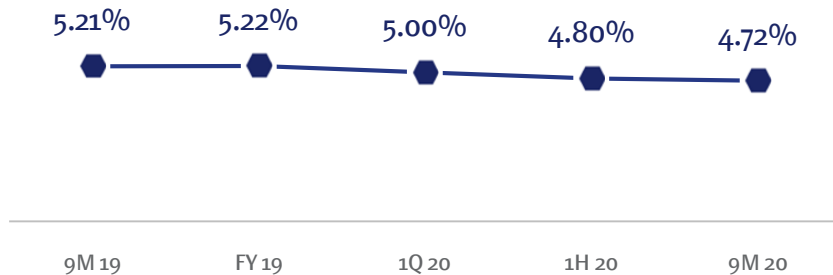
Highlights

- Solid growth of (+3% YoY) driven mainly by growth in fee income.
- Fee income growth of (+17% YoY) mainly from digital & payment and brokerage fees.
- Net profit margin contracted by (-49 bps YoY) reaching (4.72%).

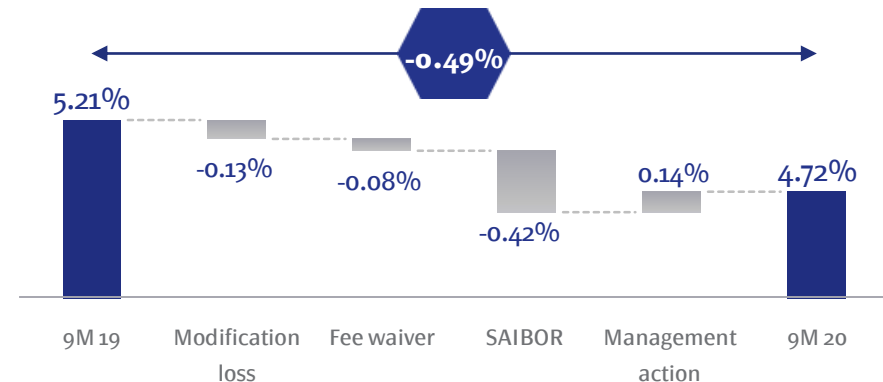
Total Operating Income Growth Drivers By Type (SARmn)



Net Profit Margin (%)



NIM drivers (%)



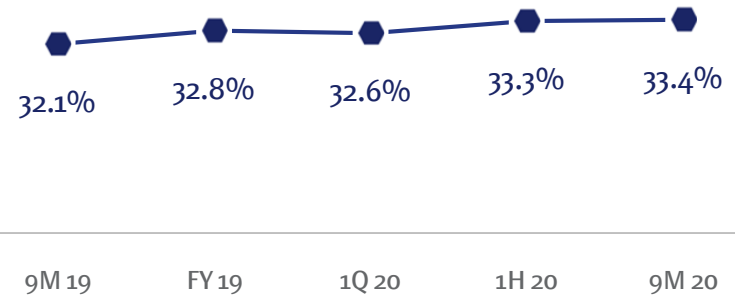
Expenses Trends

Upgrading IT & Digital platform, a long term investment

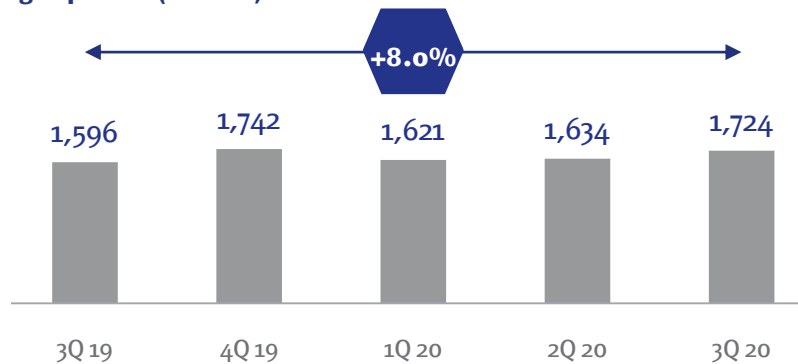
Highlights

- Cost to income ratio at (33.4%) a 130 bps increase YoY.
- Operating expenses grew by (+7.2% YoY).
- Higher IT cost primarily related to acceleration of digital and infrastructure spend to enhance resilience.

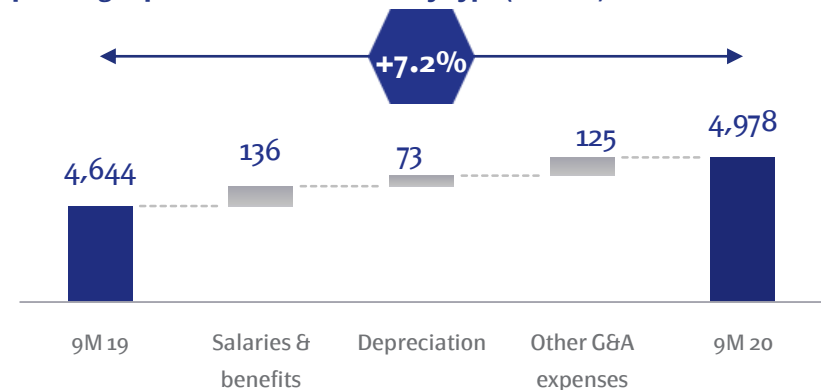
Cost To Income Ratio Trend (%)



Operating Expenses (SARmn)



Operating Expenses Growth Drivers By Type (SARmn)



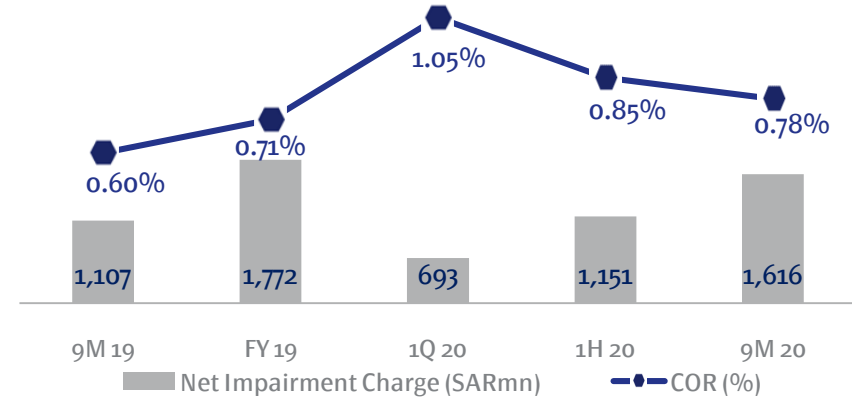
Asset Quality Trends (1)

Asset quality remains healthy and sound NPL coverage

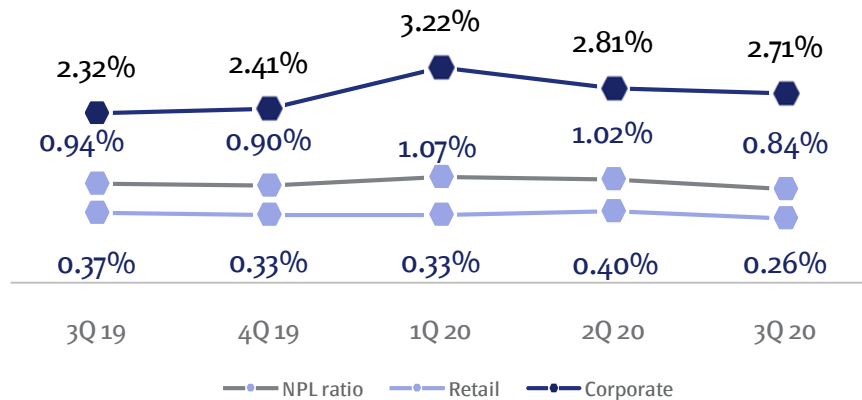
Highlights

- Net Provision increased by (+46% YoY).
- NPL ratio at (0.84%) caused by a healthier Retail NPL.
- Coverage ratio remains healthy (293%), well above industry average.

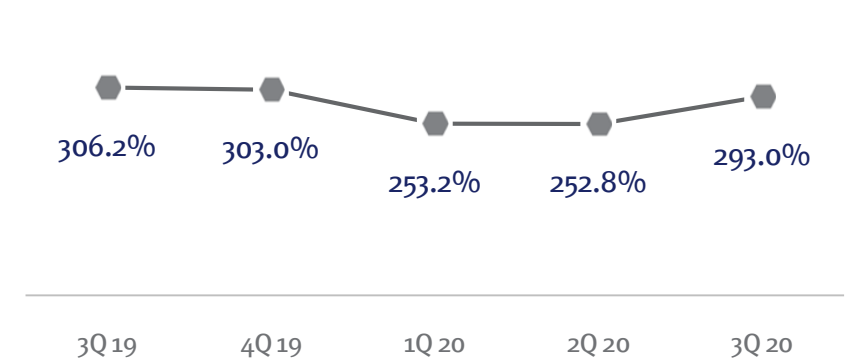
Impairment Charges (SARmn) & COR (%)



NPL Ratio Trend (%)



NPL Coverage Trend (%)



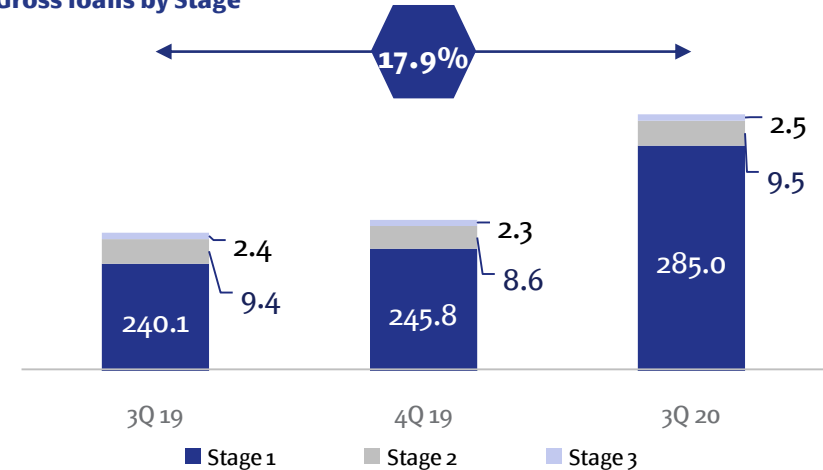
Asset Quality Trends (2)

Healthy stage coverage and prudent risk management

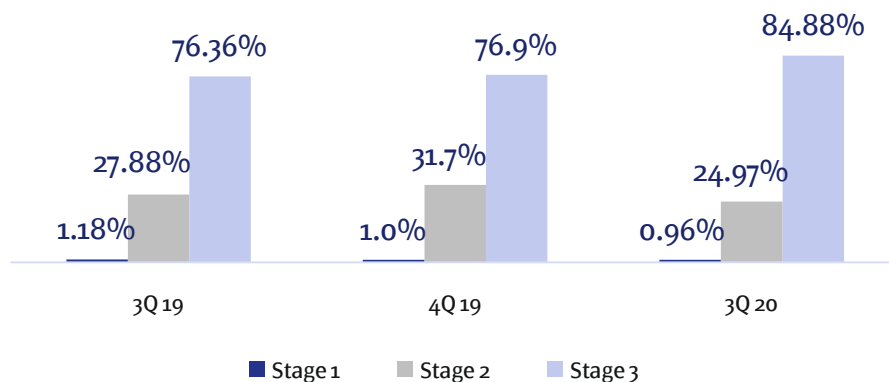
Highlights

- 96% of the portfolio is stage 1, above industry coverage across all the stages.
- Gross charge of SAR 2,523mn has been taken including SAR 295mn of COVID-19 overlay.
- Further assessments of SICR and ECL are has been performed, will review it regularly inline with the current environment.

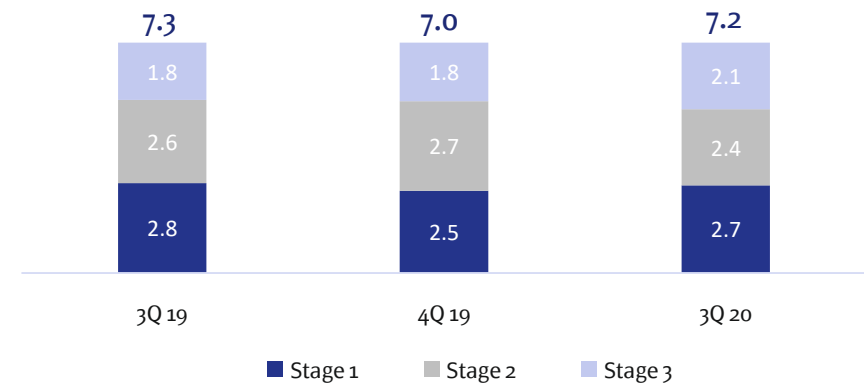
Gross loans by Stage



ECL Coverage (%)



ECL Allowance (SARmn)



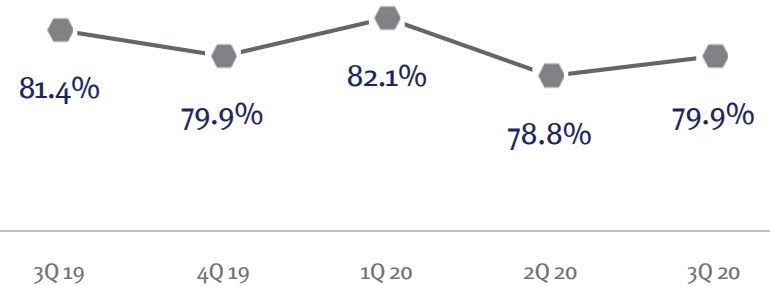
Liquidity Trends

Liquidity remain comfortably within regulatory requirements

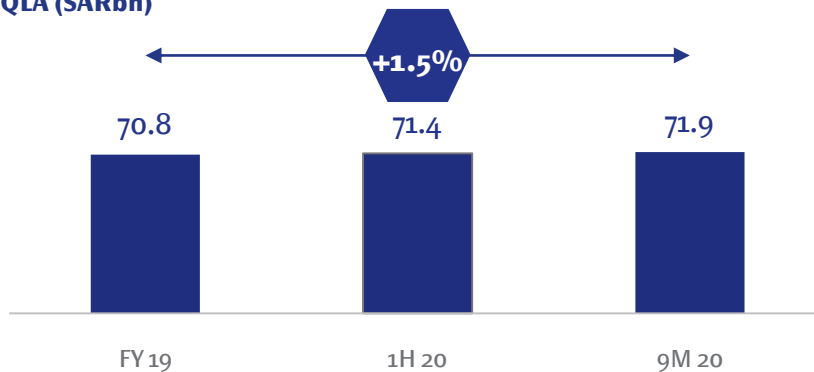
Highlights

- LDR remains stable at (79.9%).
- Liquidity remains healthy, LCR at (150%) and NSFR at (124%).
- HQLA increased by (+1.5% YTD).

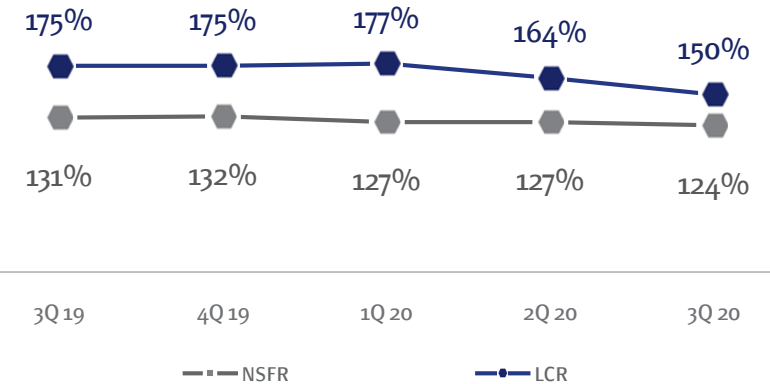
Loan to deposit Ratios (%)



HQLA (SARbn)



Liquidity Ratios (%)



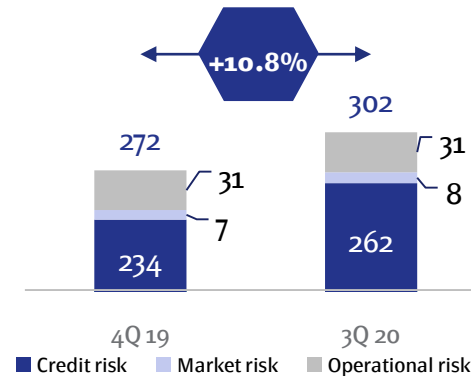
Capitalisation Trends

Capital position well above regulatory minima

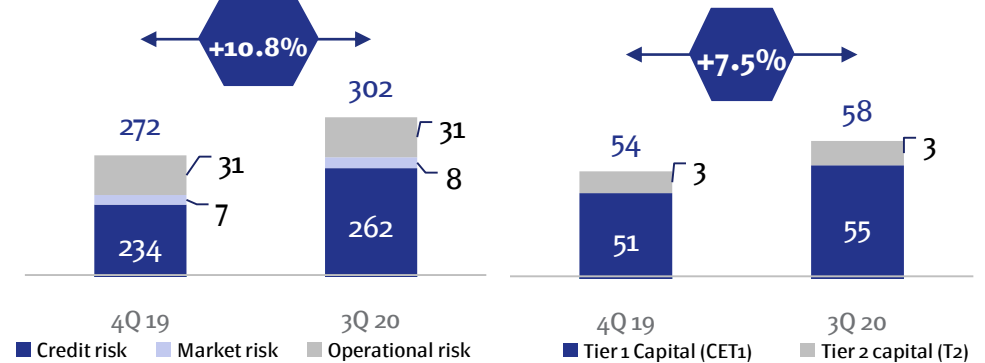
Highlights

- Total Capital increased by (+7.5% YTD).
- Risk weighted assets increased by (+10.8% YTD) mainly driven by growth in credit risk.
- Improved CAR at (19.3%), and CET1 at (18.2%) driven by growth in total capital.

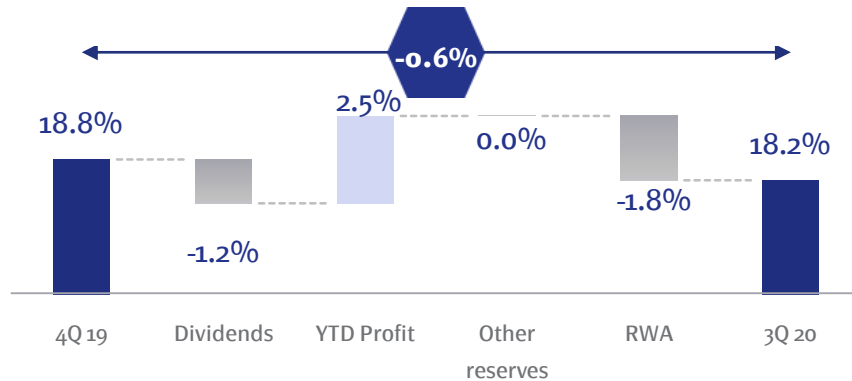
RWA (SARbn)



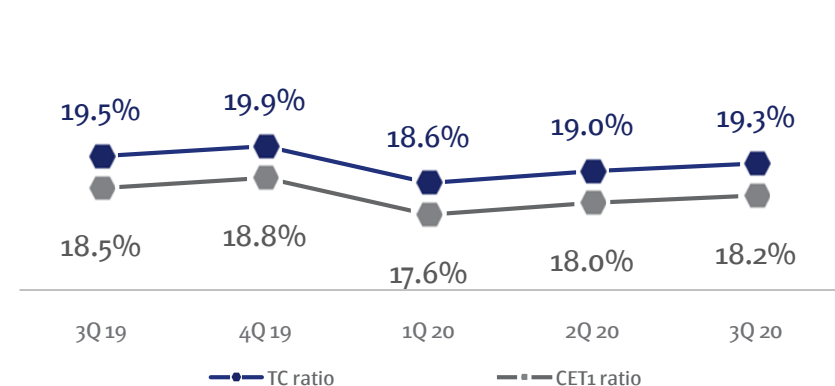
Total Capital (SARbn)



CET1 Movment (%)



Capital Ratios (%)



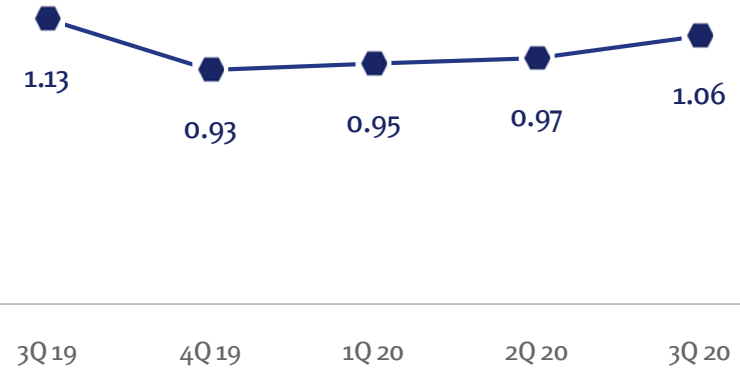
Return Metrics

Returns remain well above industry average

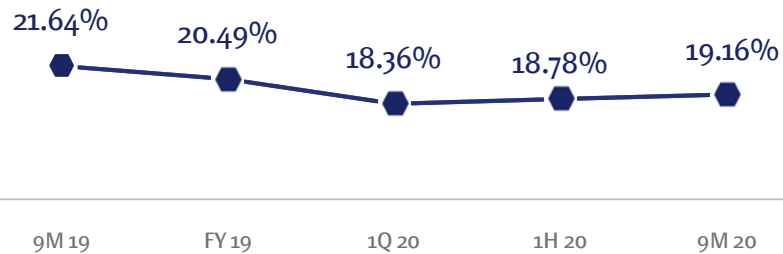
Highlights

- Stable growth in EPS of (SAR 1.06).
- Market-leading ROE at (19.16%), well above peers.
- Solid ROA at (2.48%) given the growth in total assets.

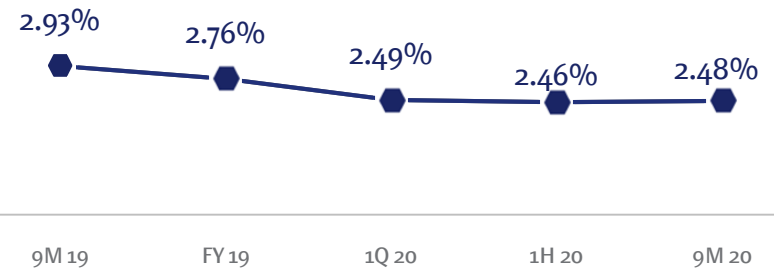
Earnings Per Share (SAR)



Return on Equity (%)



Return on Assets (%)



Operating Results

3Q 2020 Business Performance

Retail Banking

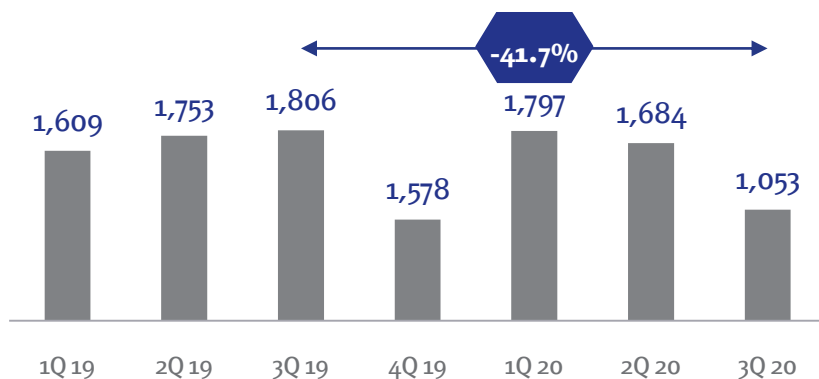
Strong growth in total assets driven by growth in mortgage financing

Highlights

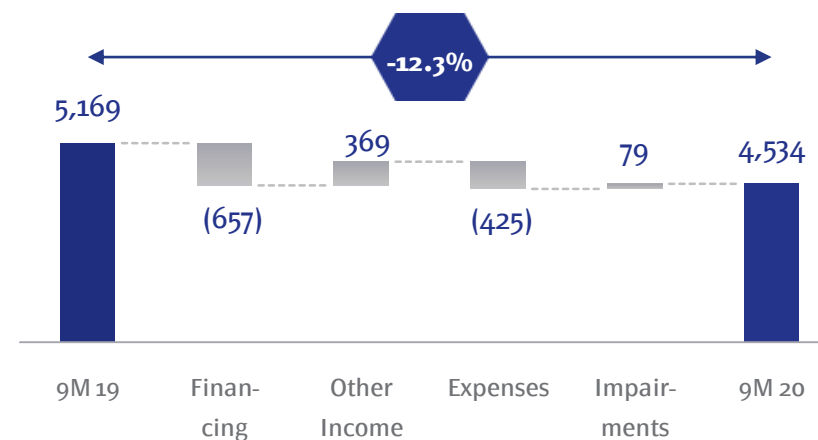
- Retail Banking net income decreased by (-12.3% YoY).
- Total operating income decreased by (-2.9% YoY).
- Continued growth in assets (+25% YoY) and liabilities decreased by (-1% YoY).

SAR (mn)	9M 2020	9M 2019	YoY	3Q 2020	3Q 2019	YoY
Net financing and investment income	8,476	9,133	-7.2%	2,592	3,161	-18.0%
Fee and other income	1,330	961	+38.5%	405	339	+19.4%
Total operating income	9,806	10,094	-2.9%	2,997	3,500	-14.4%
Operating expenses	4,375	3,950	+10.8%	1,581	1,415	+11.7%
Total impairment charge	896	975	-8.1%	363	279	+30.0%
Net income for the period	4,534	5,169	-12.3%	1,053	1,806	-41.7%
Total assets	246,752	197,606	+24.9%	246,752	197,606	+24.9%
Total liabilities	284,148	287,101	-1.0%	284,148	287,101	-1.0%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



Corporate Banking

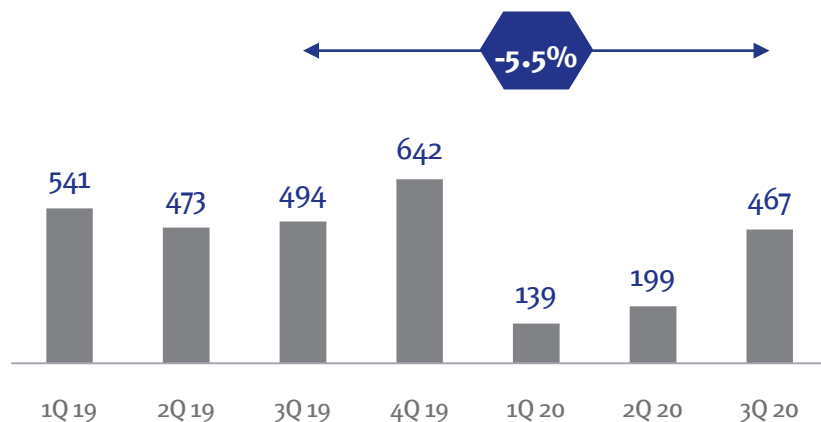
High impairment charge drives net income to decrease

Highlights

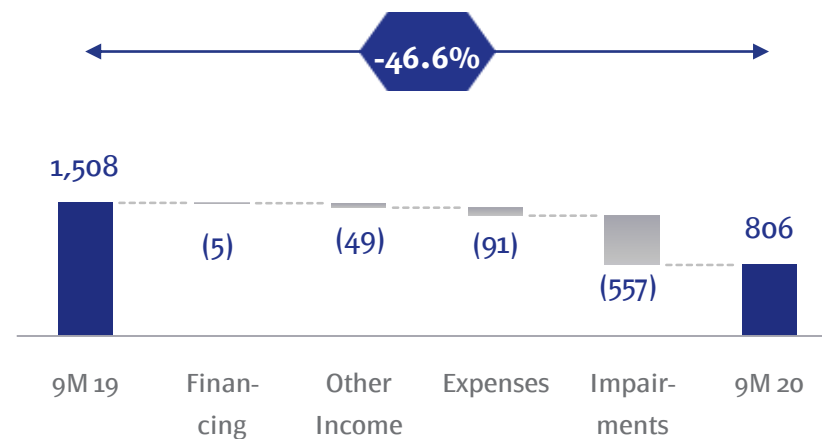
- Corporate Banking net income decreased by (-47% YoY) as a result of higher impairment charge .
- Total operating income decreased by (-3% YoY).
- Financing activities decreased by (-0.3% YoY) and fees decreased by (-14% YoY).

SAR (mn)	9M 2020	9M 2019	YoY	3Q 2020	3Q 2019	YoY
Net financing and investment income	1,521	1,526	-0.3%	607	514	+18.0%
Fee and other income	309	358	-13.6%	134	113	+18.3%
Total operating income	1,830	1,884	-2.9%	741	627	+18.1%
Operating expenses	335	244	+37.4%	185	77	+140.0%
Total impairment charge	690	133	+420.4%	88	56	+158.4%
Net income for the period	806	1,508	-46.6%	467	494	-5.5%
Total assets	63,954	64,265	-0.5%	63,954	64,265	-0.5%
Total liabilities	75,543	23,164	+226.1%	75,543	23,164	+226.1%

Net Income (SARmn)



Net Income Growth Drivers By Type (SARmn)



Treasury

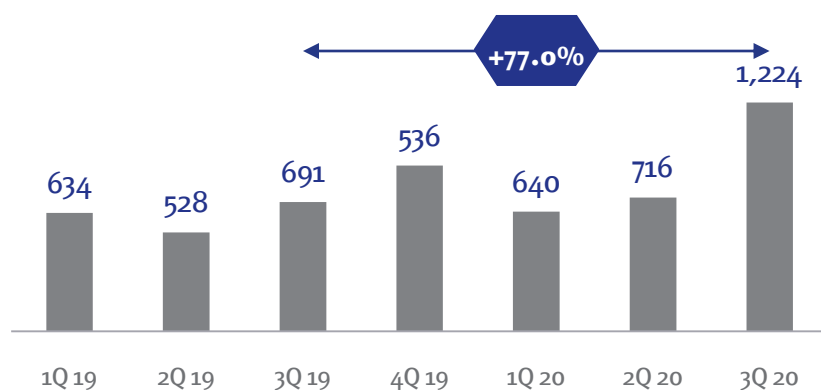
Excellent profit growth from growth in investment income

Highlights

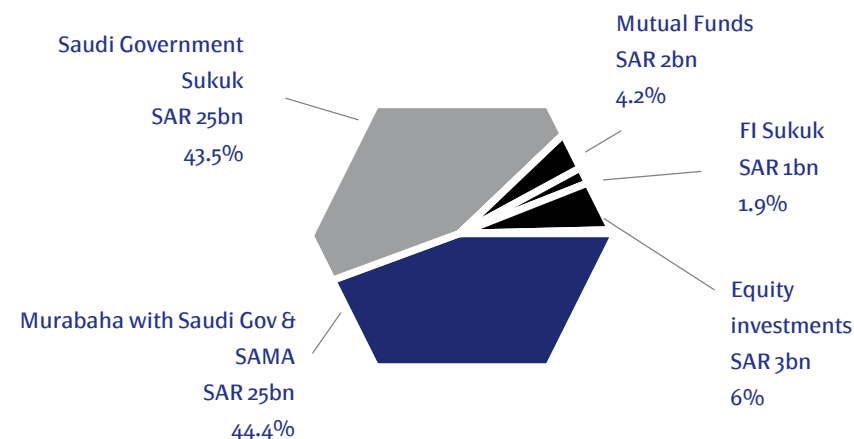
- Total operating income growth of (+26% YoY) driven by growth in investment income.
- Treasury net income rose (+39% YoY) as a result of lower expenses and inverse impairment.
- Growth in assets (+13%) and liabilities (+78%).

SAR (mn)	9M 2020	9M 2019	YoY	3Q 2020	3Q 2019	YoY
Net financing and investment income	2,243	1,493	+50.2%	987	483	+104.5%
Fee and other income	522	698	-25.2%	169	273	-38.1%
Total operating income	2,765	2,191	+26.2%	1,156	756	+52.9%
Operating expenses	156	339	-54.0%	(82)	67	-221.9%
Total impairment charge	29	(1)	-4544.7%	14	(3)	-602.5%
Net income for the period	2,580	1,853	+39.2%	1,224	691	+77.0%
Total assets	116,204	102,816	+13.0%	116,204	102,816	+13.0%
Total liabilities	15,527	8,715	+78.2%	15,527	8,715	+78.2%

Net Income (SARmn)



Investments, Net Mix By Asset (SARbn)



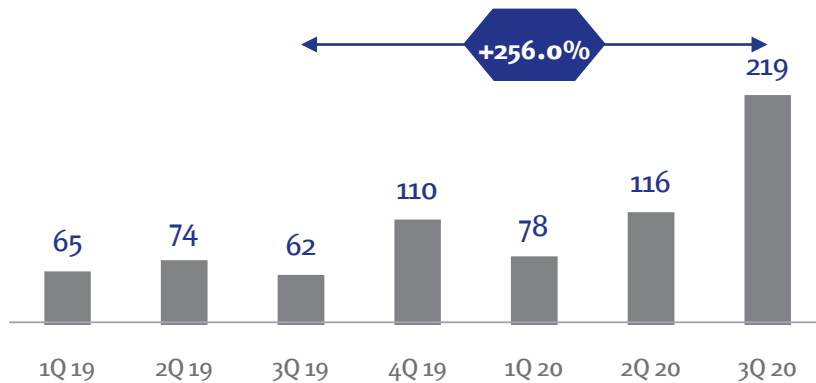
Outstanding growth driven by higher operating income

Highlights

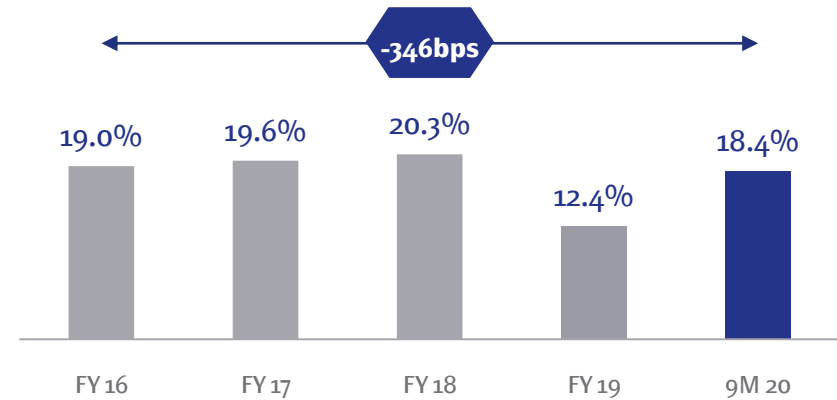
- Net income for Rajhi Capital increased by (+106% YoY) driven by (+69% YoY) operating income growth.
- Total operating income growth driven by excellent growth of (+120% YoY) in Investment income and (+66% YoY) fee income.
- ARC market share increased by 600 bps YTD.

SAR (mn)	9M 2020	9M 2019	YoY	3Q 2020	3Q 2019	YoY
Net financing and investment income	35	16	+120.3%	11	6	+89.6%
Fee and other income	491	296	+66.0%	248	92	+168.8%
Total operating income	526	312	+68.7%	259	98	+164%
Operating expenses	112	111	+1.0%	39	36	+8.3%
Total impairment charge	0	0		0	0	
Net income for the period	414	201	+106.2%	219	62	+256%
Total assets	3,391	3,184	+6.5%	3,391	3,184	+6.5%
Total liabilities	163	124	+31.8%	163	124	+31.8%

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 modern, geometric design.

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



Abdulfatif 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



GM - Digital & Payments
Saleh Alzumaie
Banking experience: 29 years



GM - Corporate
Hossam Al Basrawi
Banking experience: 23 years



GM - Treasury
Abdulrahman Alajaji
Banking experience: 15 years



GM - Sharia
Saleh Al-Haidan
Banking experience: 34 years



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

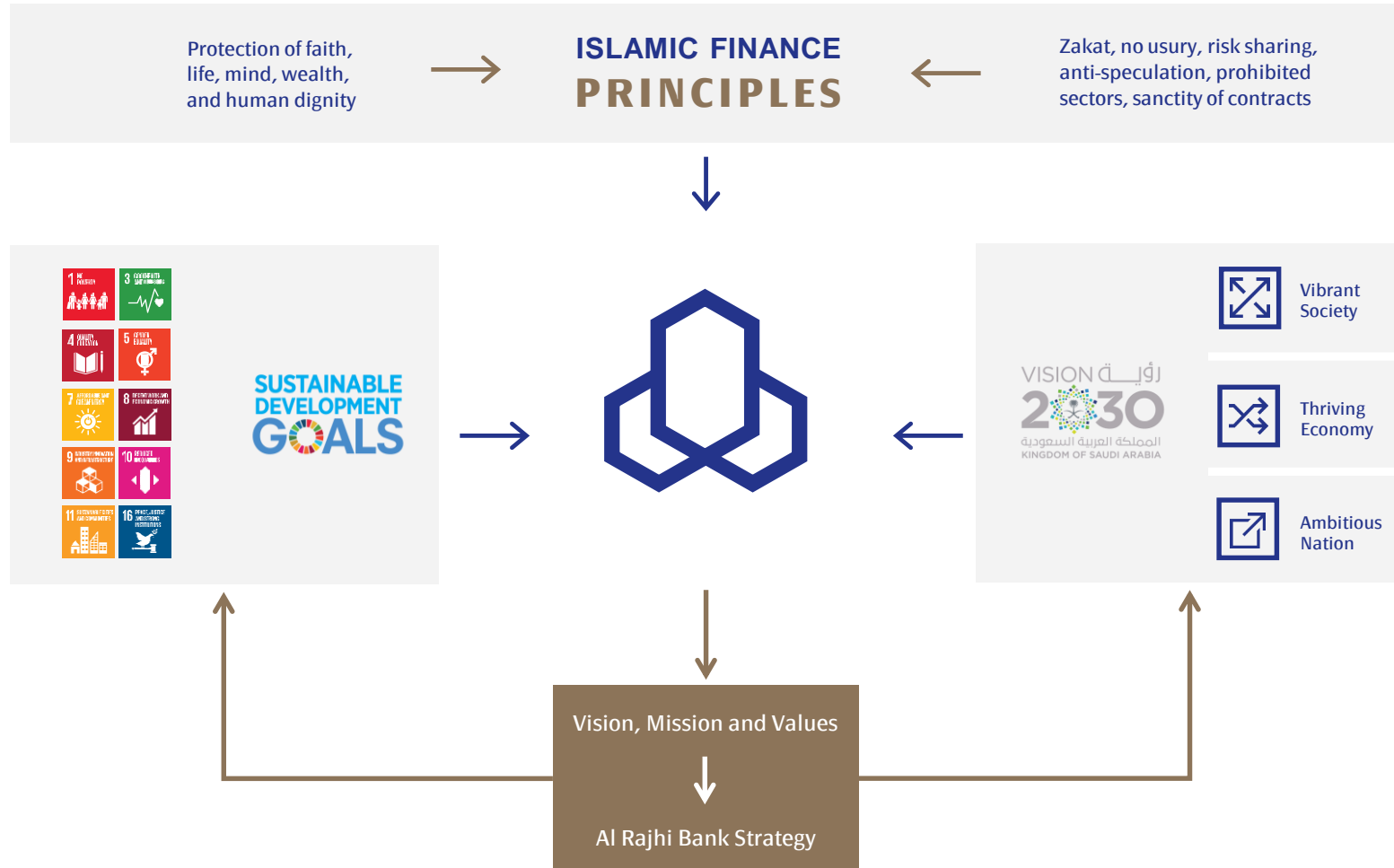


Chief Governance & Legal Officer
Omar Almudarra
Banking experience: 20 years

Al Rajhi Bank ESG Investor Presentation

ESG is part of Al Rajhi Bank's DNA

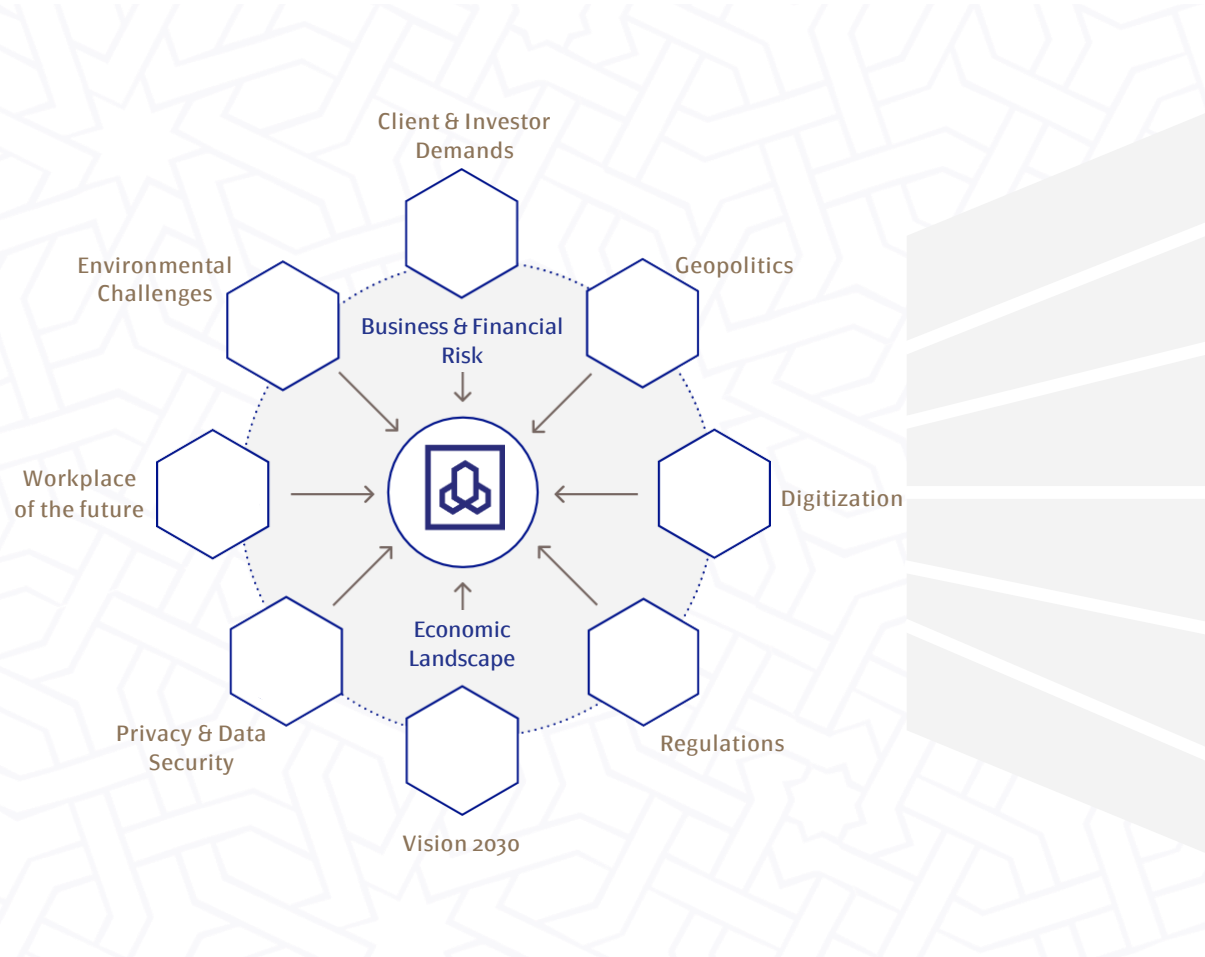
Ethical values are central to Islamic Finance, UN SDGs and KSA Vision 2030



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



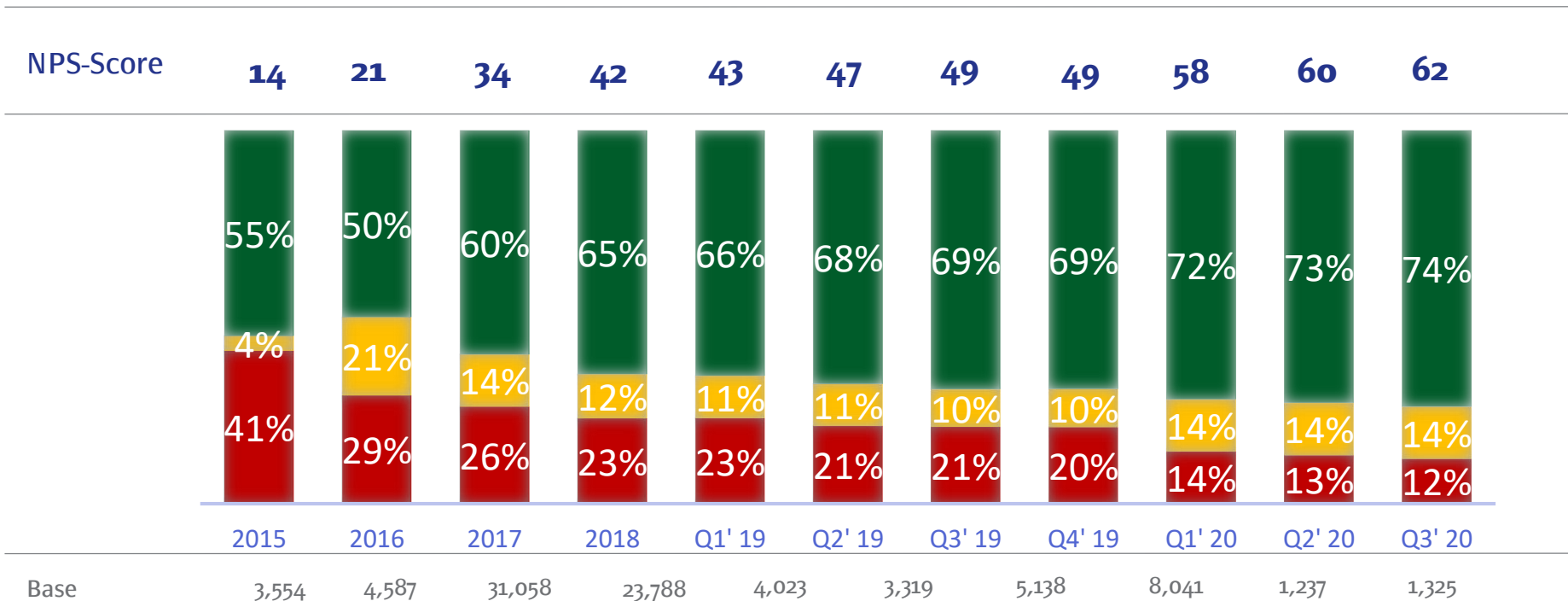
Digital leadership
Expand digital channels and migrate customers to self-service banking



Execution excellence
Explore and execute measures to improve operations

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?

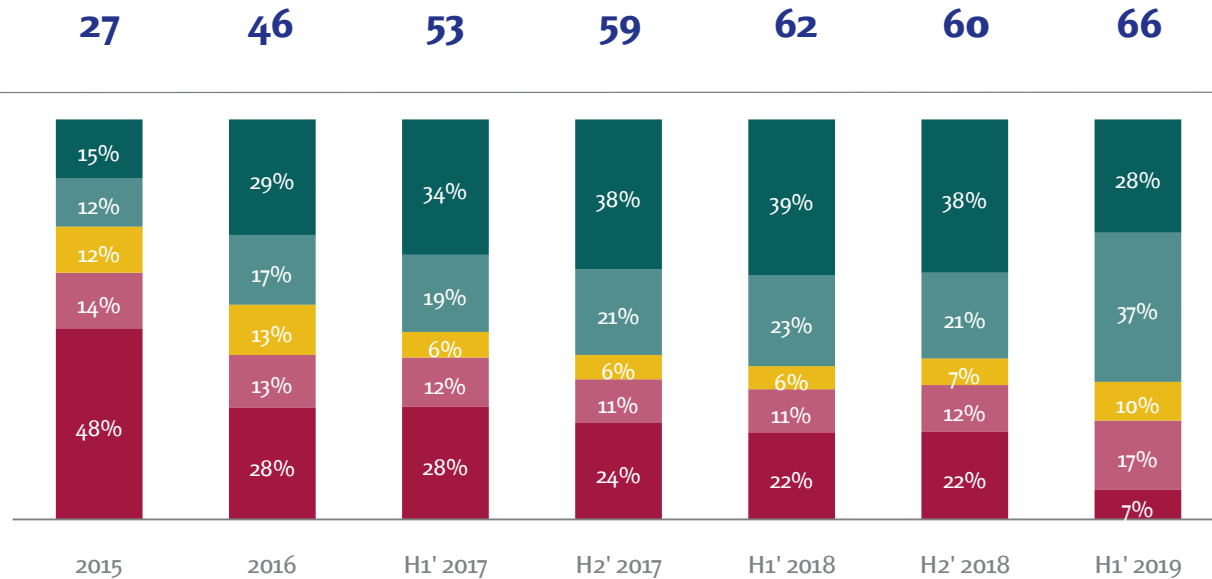


Ensuring ARB staff are proud, valued and energized

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

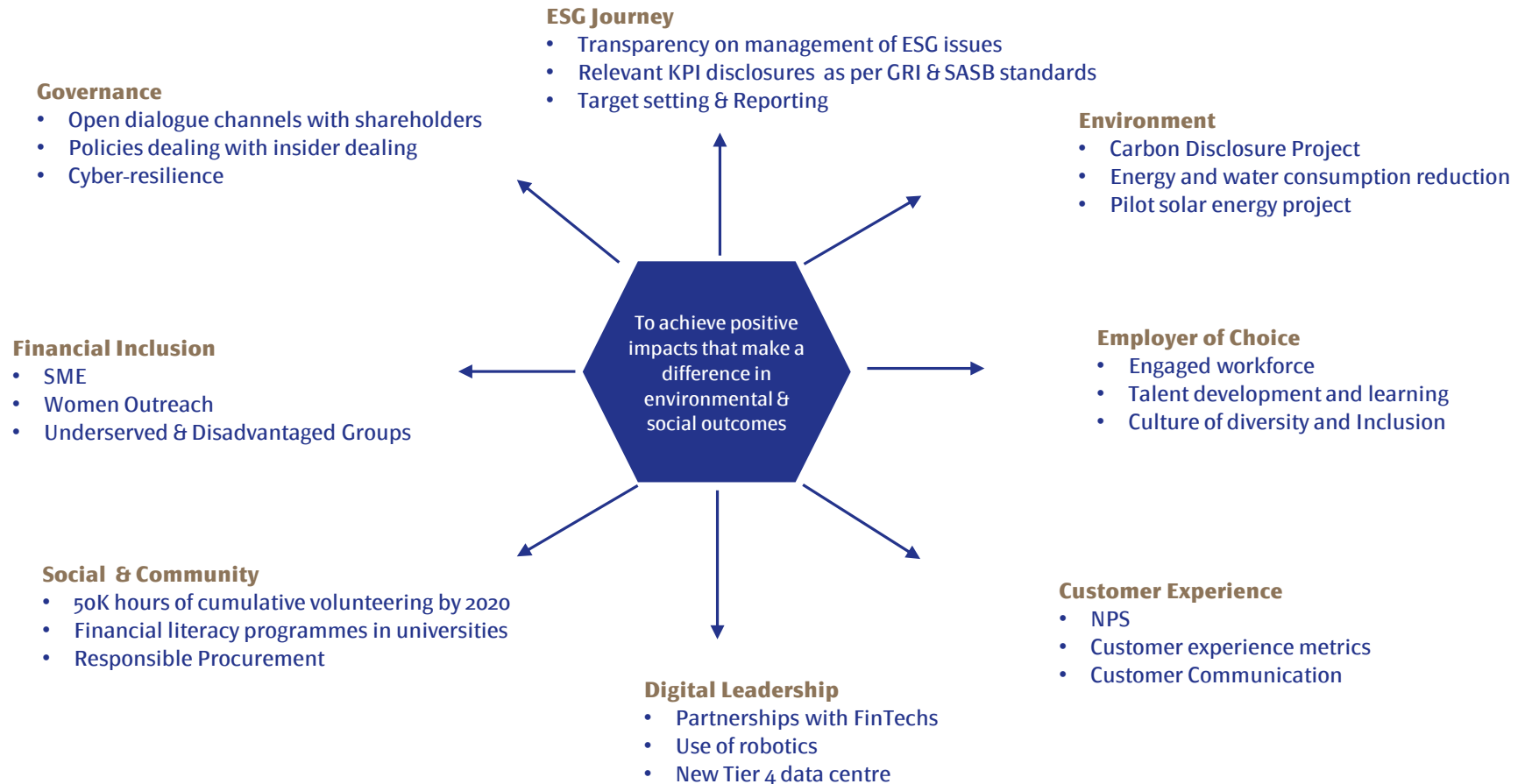
We ask employees three equal-weighted questions to calculate the Employee Engagement Index score:

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.



Additional Information

Contact investor relations for more information

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Visit our website ([here](#)) for more Investor disclosures:

- Financial Statements
- Investor Presentation
- Factsheet
- Data Supplement

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