

Al Rajhi Bank Investor Presentation

4Q 2024

4Q 2024 Investor Presentation

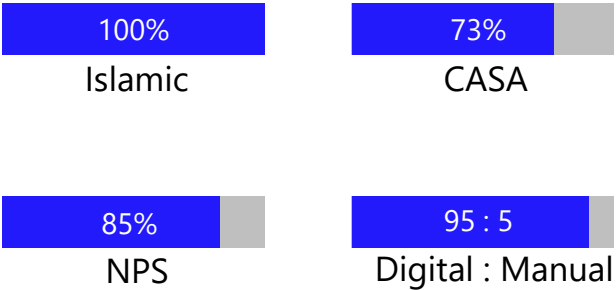
03	The World's Leading Islamic Bank
12	Harmonize the group Strategy
14	KSA Macro-Economic Environment
17	4Q 2024 Financial Highlights
29	IR Contact Information



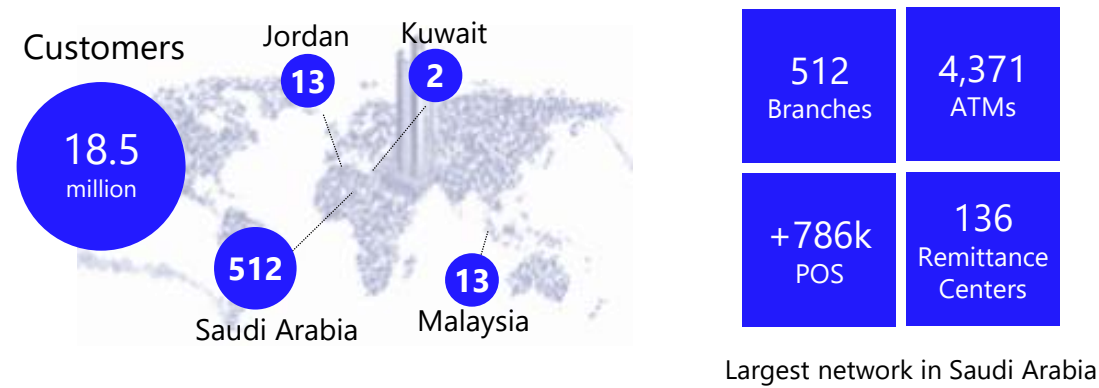
The World's Leading Islamic Bank



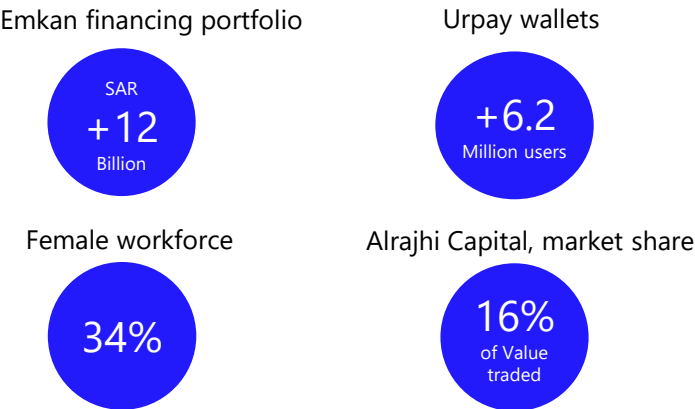
At a glance, 4Q 2024



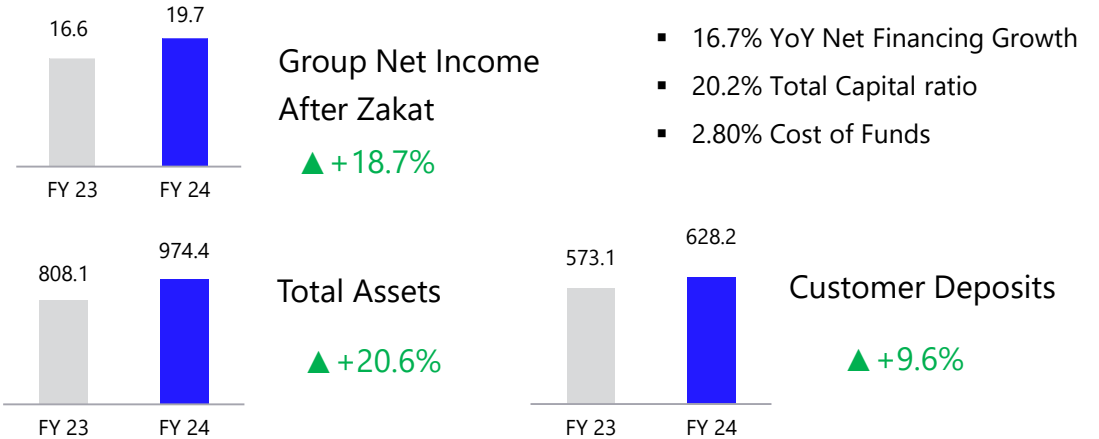
Presence & Branches, 4Q 2024



4Q 2024 Group Highlights



4Q 2024 Financial Highlights



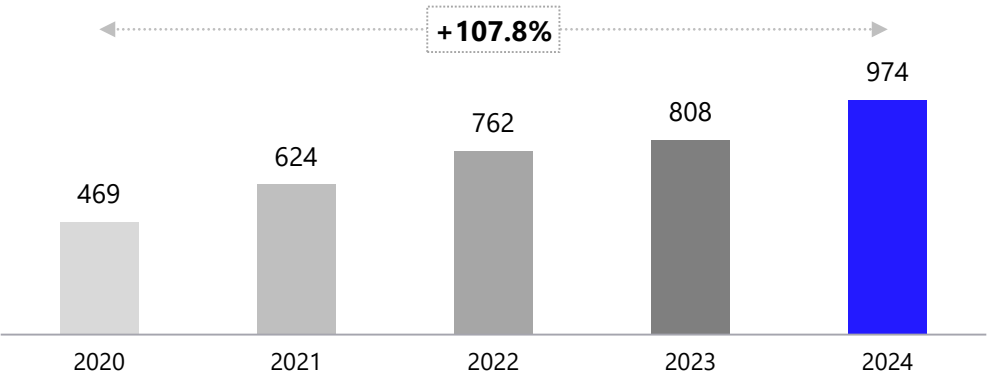
Top 10 Facts About Al Rajhi Bank

- 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
(73% Non-profit bearing deposits)
- 4 Bank capitalisation among the highest in GCC
(20.2% Total Capital ratio)
- 5 One of the highest NPS in KSA
(85 as on December 2024)
- 6 #1 Bank in KSA
(by number of customers)
- 7 #1 Distribution network in Middle East
(by # of Branches, POS, ATMs, Remittance Centres)
- 8 #1 Banking transactions in KSA
(1,032 Mn per month, average)
- 9 #1 Bank for remittances in Middle East
(by payment value)
- 10 #1 Bank brand in KSA
(Brand Power Score)

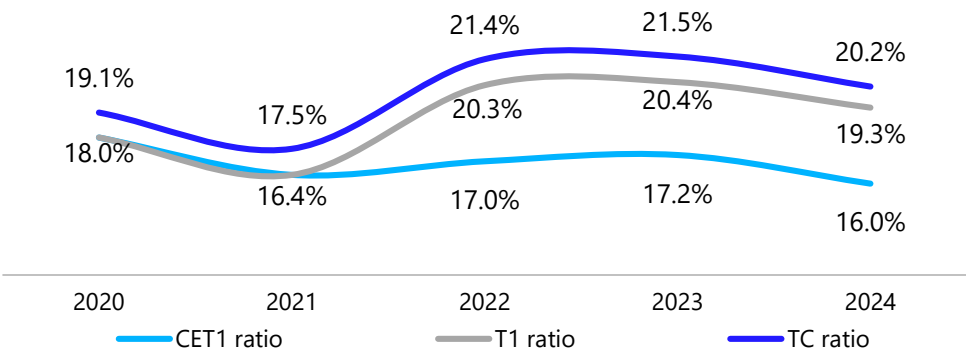


The World's Leading Islamic Bank | Robust balance sheet with 73% CASA deposits in 2024

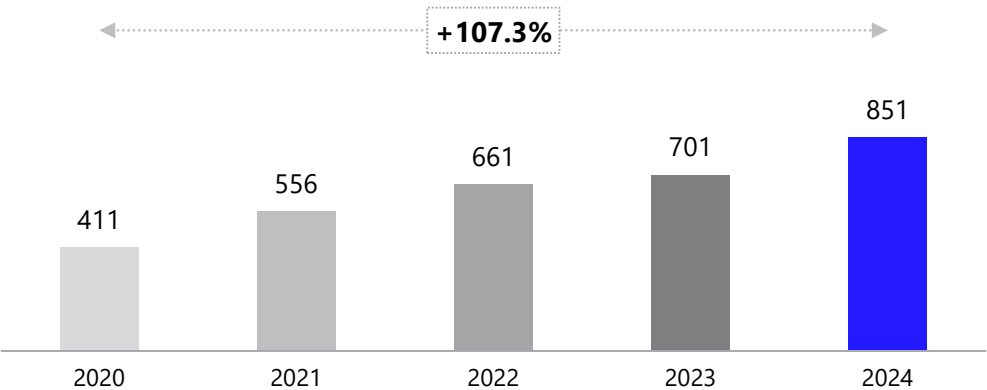
Total Assets (SARbn)



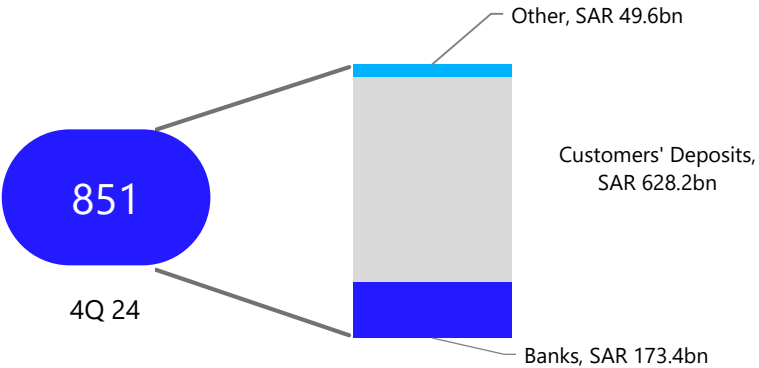
Capital Ratios (%)



Total Liabilities (SARbn)

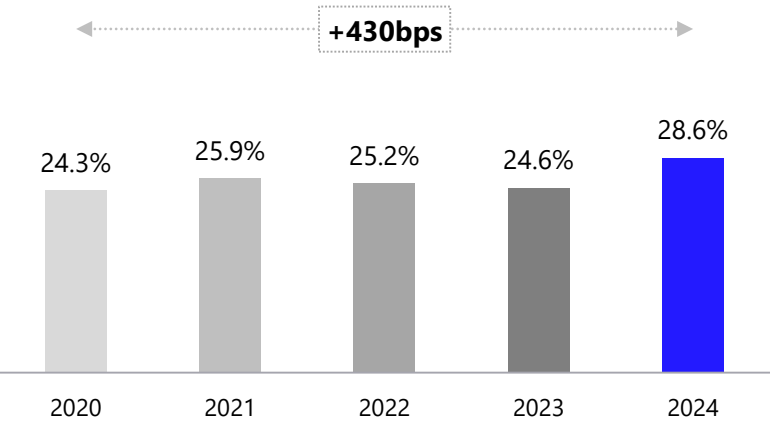


Total Liabilities Mix By Type (SARbn)



What sets Al Rajhi Bank Apart | ARB has the largest retail banking business in the Kingdom

Market Share - Demand Deposits

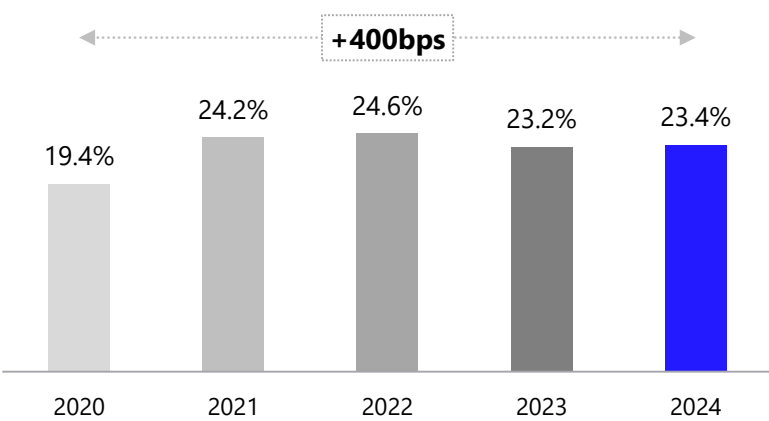


#1 in Saudi Arabia

18.5
Million
Customers

#1 in Saudi Arabia

Market Share - Deposits



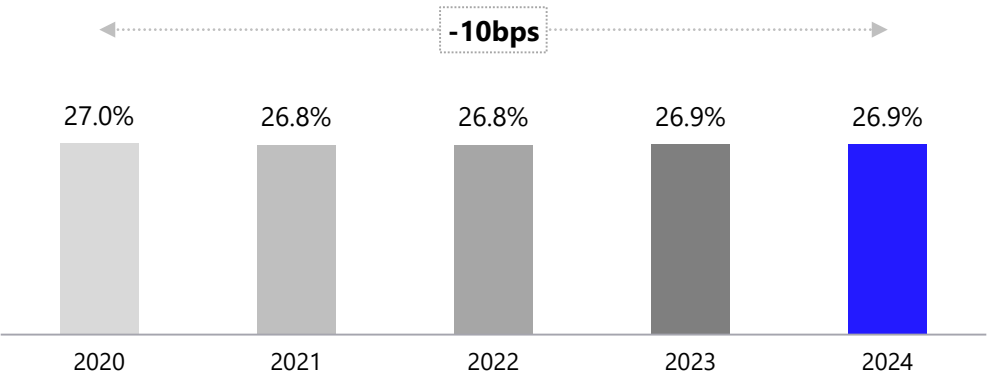
#1 in Saudi Arabia



Al Rajhi Bank's Leading Network | The Bank has the largest distribution network in Saudi Arabia

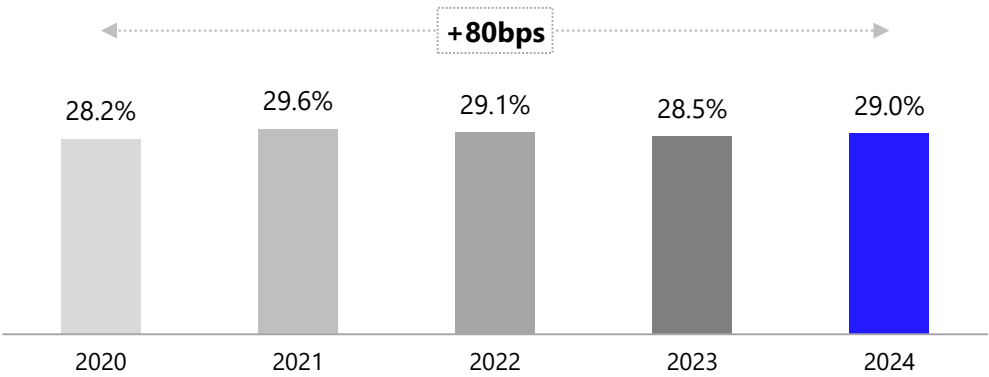
#1 in Branches

Market Share - Branches



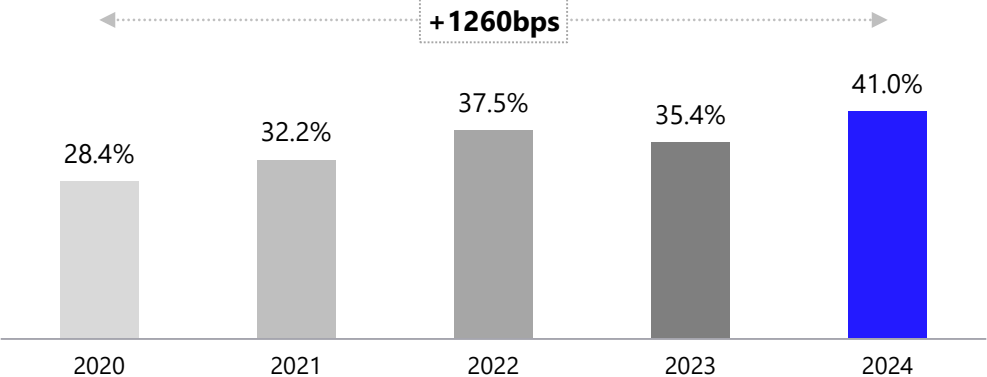
#1 in ATMs

Market Share - ATMs



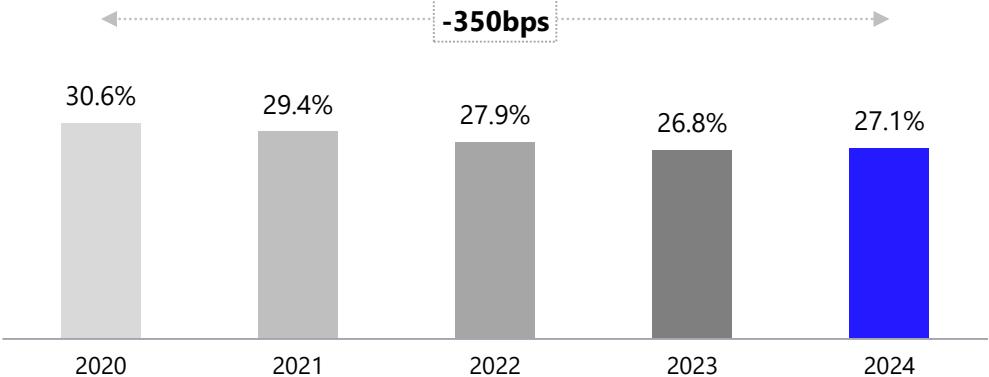
#1 in POS

Market Share - POS (Terminals)



#1 Remittance Centres

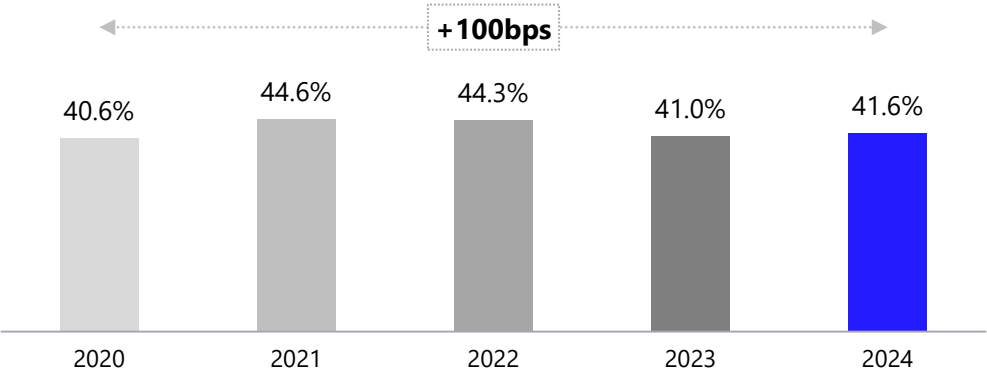
Market Share - Remittance Centers



Al Rajhi Bank has a unique franchise | We maintain a leading market share across key products

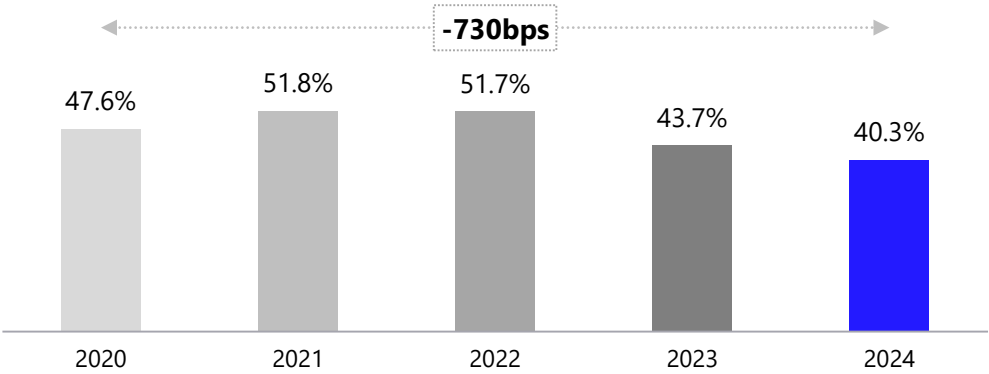
#1 in Personal Loans

Market Share - Personal Loans



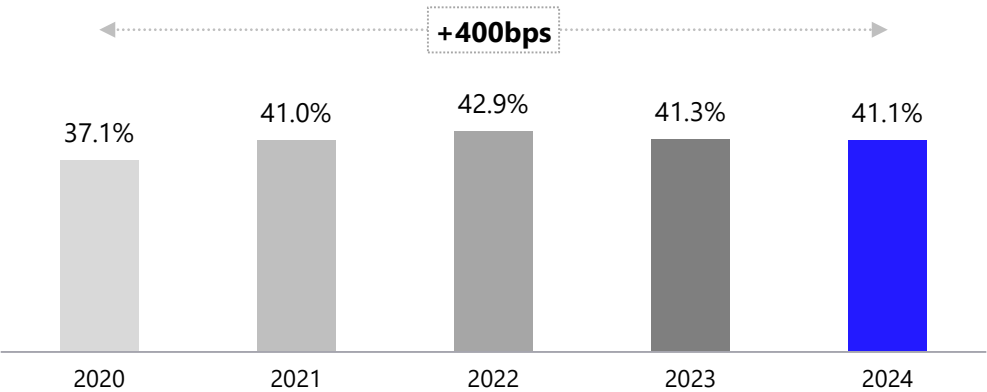
#1 in Auto Loans

Market Share - Auto Loans



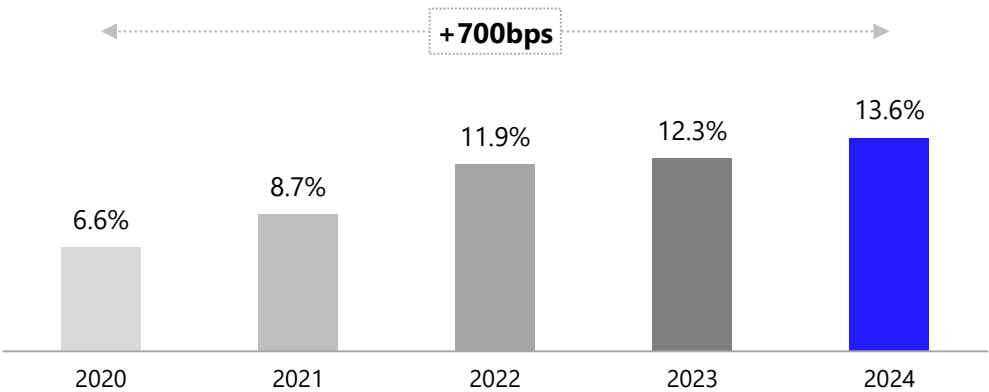
#1 in Mortgages

Market Share - Mortgages Loans



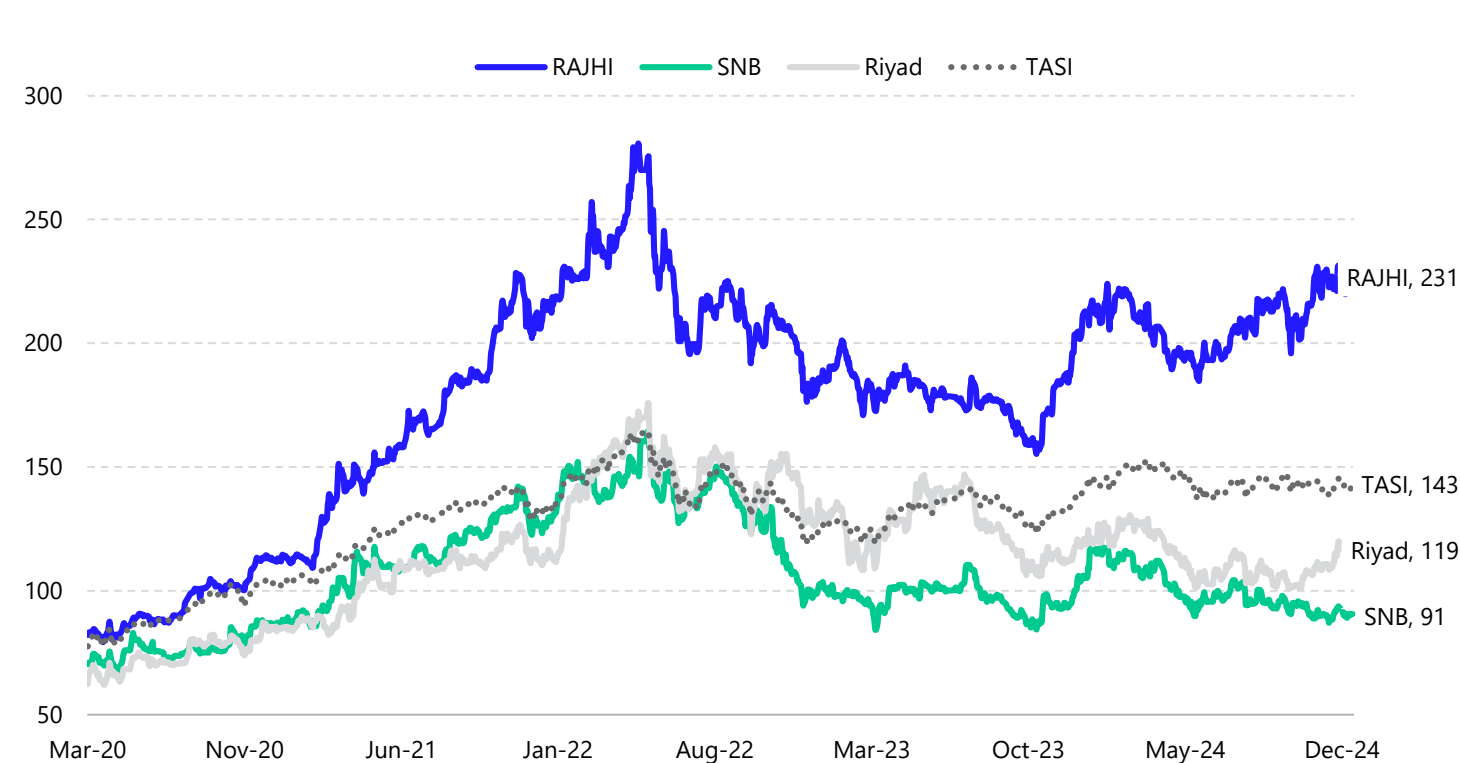
#3 in Corporate Loans

Market Share - Corporate Loans



Al Rajhi Bank Market Performance | ARB maintained its momentum and outperform its peer group

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



	Al Rajhi Bank	SNB	Riyadh Bank	Kuwait Finance House	First Abu Dhabi Bank	Qatar National Bank	Emirates NBD
Rebased to 100	231	91	119	147	92	84	165
As of 30 Sep 2024	94.6 SAR	33.4 SAR	28.6 SAR	0.746 KWD	13.74 AED	17.29 QAR	21.45 AED

31 Dec 2024

Key Metrics	
Closing Price	SAR 94.6
Market Cap	SAR 378 bn
Market Cap / % Industry	38.9%
Market Cap / % Tadawul	3.7%
Shares outstanding	4.0 bn
90D Volatility	19.9
Price / Earnings	21.6 x
Price / Book	4.0 x
Sources: Bloomberg; Tadawul; RAJHI Financials	

Ratings	
Moody's	Aa3
S&P	A-
Fitch	A-



ESG Highlights

	USD 4.6 bn Green syndicated loan		+200 Scholarships to Orphan students to join Universities	ISO/DIS 37301:2020 Compliance	
	Started using solar energy system in 61 branches to reduce utilities consumption	+39k Families have been benefited from the affordable housing solutions	+22k Employees across the group	ISO 22301:2019 Business Continuity Management	
SAR 974bn Total Assets	Around SAR 3bn of financing renewable energy projects	SAR 2.2bn Zakat	+77 Kidney transplants in 2024	282 Sharia Board Resolutions in 2024	12% growth in female employees in 2023
SAR 19.7bn Net Profit after Zakat	USD 2.0bn Sustainable Sukuk	SAR 3.7bn In salaries and benefits paid	12 Batches of Graduate Development Program since 2015	137 Policies & Frameworks	30% of female employees at the group level
0% Financing exposure in Tobacco, Alcohol & Gambling	95:5 Digital to Manual Ratio	SAR 39.1bn in financing for SMEs	+190k total training days since 2023	4 out of 11 Independent Board Directors	+100% growth in female customers since 2015
Financial Sustainability	Environmental	Social		Governance	Gender Diversity



Our strategy
“Harmonize the group”



“Harmonize the Group” | Highlights on our strategy performance



Business to Consumer

Leverage customer base via cross-sell



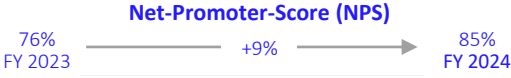
Enter new segments



Develop customer focused propositions



Maintain leadership in customer experience



Business to Business

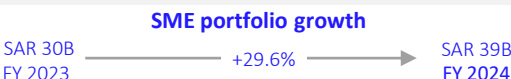
Become ‘main bank’ of large corporates



Develop Investment Banking business



Grow SME via tailored solutions

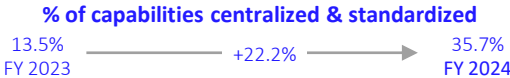


Ensure Al Rajhi Group’s a great place to work

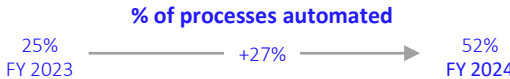


Support Businesses

Centralization and standardization



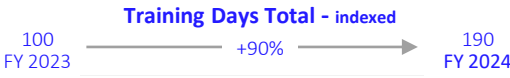
Increase automation and efficiency



Increase scale and agility via Cloud



Build successful careers across Al Rajhi Group



Digital & Data

Expand digital capabilities Group-wide



Customer-centric digital journeys Group-wide



Group-wide insights and real-time marketing



Leader in Financial Conduct and Sustainability



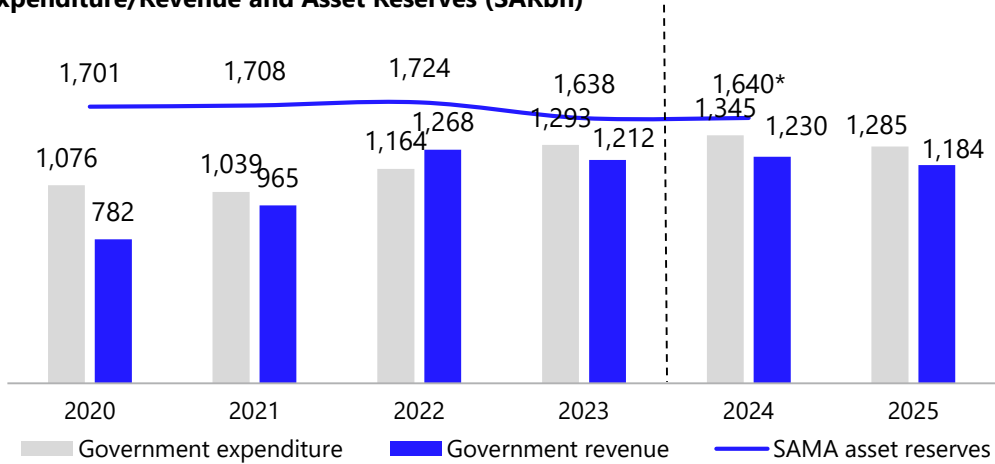
KSA's Macro–Economic Environment



Highlights

- Saudi GDP is expected to increase by 1.3% in 2024 driven by higher non-oil activities.
- Based on IMF forecasts, Saudi’s GDP is estimated to grow 3.3% for 2025 and 4.1% for 2026
- Unemployment rate reached 7.8% in 3Q 2024

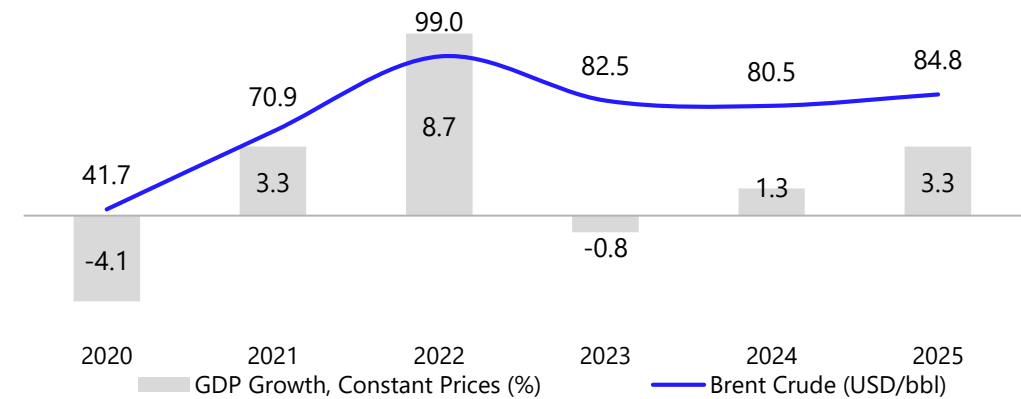
Expenditure/Revenue and Asset Reserves (SARbn)



Source: MoF, SAMA

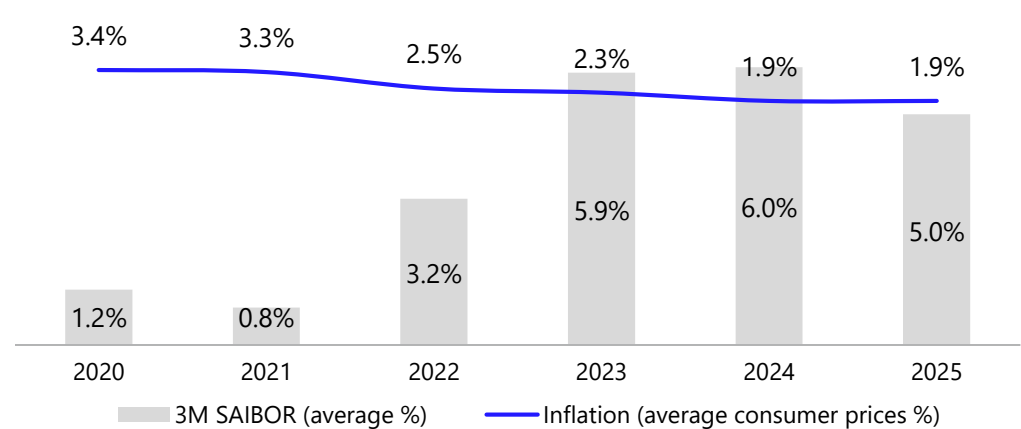
*December 2024 figure

GDP Growth/Brent Oil Price



Source: IMF, U.S. Energy Information

3M SAIBOR / Inflation



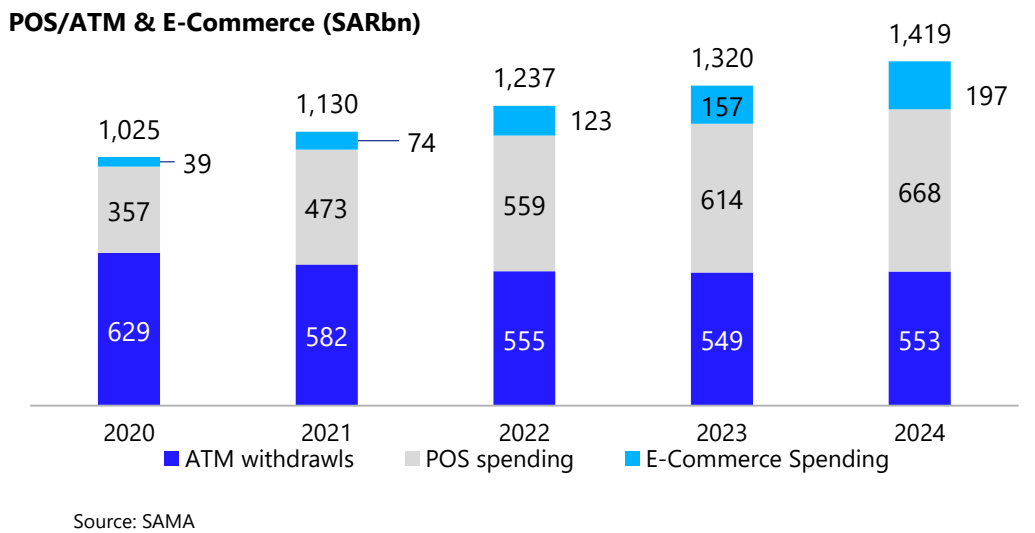
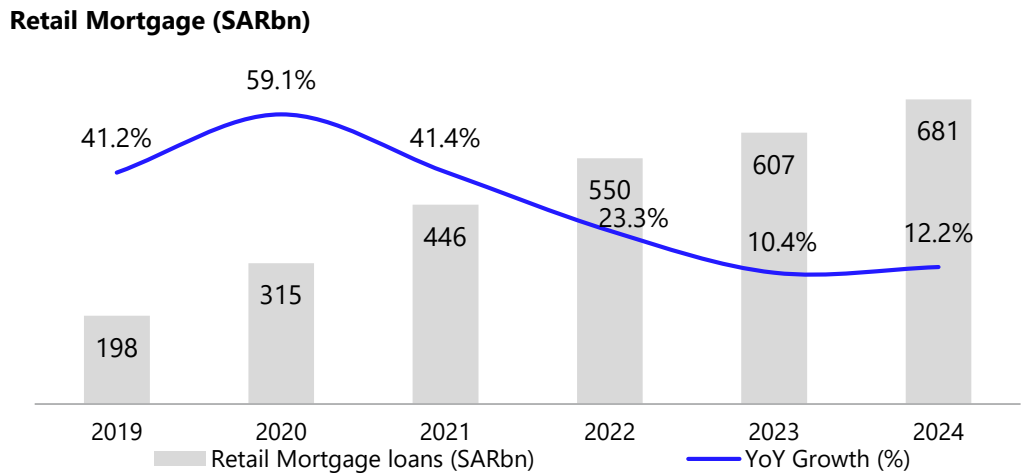
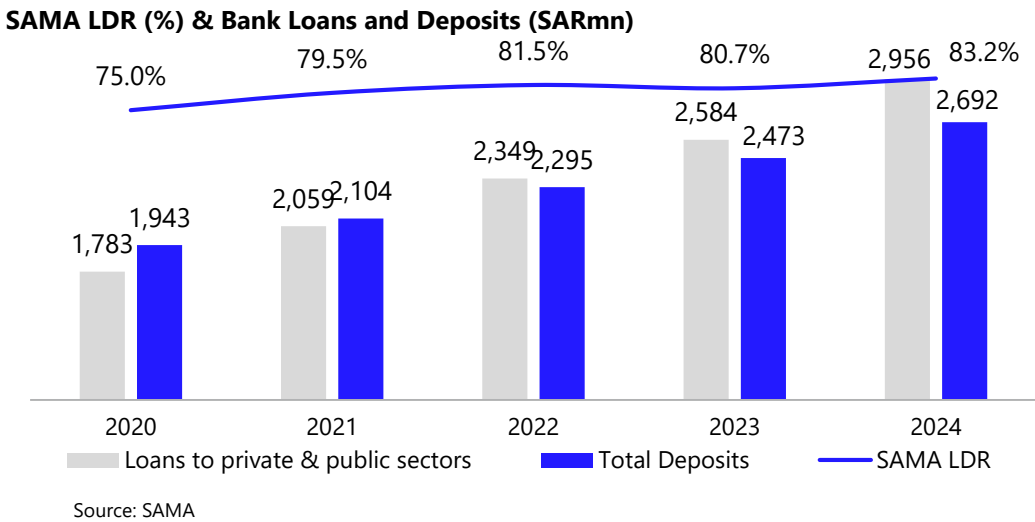
Source: SAMA, IMF, MoF



Banking Sector Highlights | Banking system deposits continue growing by end of 2024

Recent Developments


- Deposits have grown in the banking system by end of December 2024 align with loans growth.
- SRC benchmark rates increased to 7.3% in Dec 2024
- Consumer spending increased by 7.5% YoY in FY 2024 with continuous migration toward cashless payment methods



4Q 2024 Financial Highlights



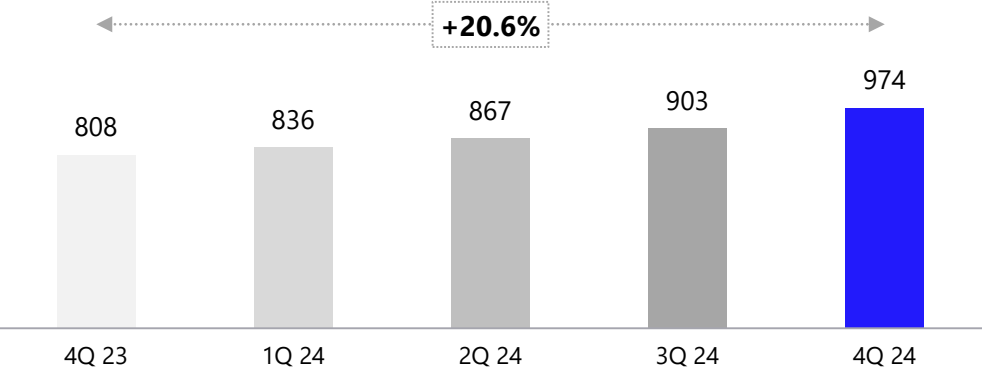
4Q 2024 Results Summary | Results are above expectations for the year 2024

20.6% YoY Balance Sheet Growth	16.7% YoY Growth in financing portfolio	21.4% Growth in liabilities	LDR below regulatory minima
	Net Financing 594.2bn FY 23 $\xrightarrow{+16.7\%}$ 693.4bn FY 24	Total Liabilities 701.3bn FY 23 $\xrightarrow{+21.4\%}$ 851.2bn FY 24	Loan to Deposit Ratio 82.9% FY 23  85.5% FY 24
18.7% higher net income YoY	16.8% growth in net yield income	15.2% higher Non yield income	16.4% higher operating income
	Net Yield income 21,269mn FY 23 $\xrightarrow{+16.8\%}$ 24,843mn FY 24	Non Yield Income 6,262mn FY 23 $\xrightarrow{+15.2\%}$ 7,212mn FY 24	Operating Income 27,531mn FY 23 $\xrightarrow{+16.4\%}$ 32,055mn FY 24
Stable credit quality	7 bps COR increase	5 bps Higher in NPL ratio	NPL coverage remained strong
	Cost of risk 0.25% FY 23  0.32% FY 24	NPL 0.71% FY 23  0.76% FY 24	NPL Coverage 203% FY 23  159% FY 24
Key Ratios	Operating efficiency remains solid	Strong capital position	Higher NPM
	Cost to income ratio 27.2% FY 23  24.9% FY 24	Total Capital Adequacy Ratio 21.5% FY 23  20.2% FY 24	NPM 2.99% FY 23  3.13% FY 24

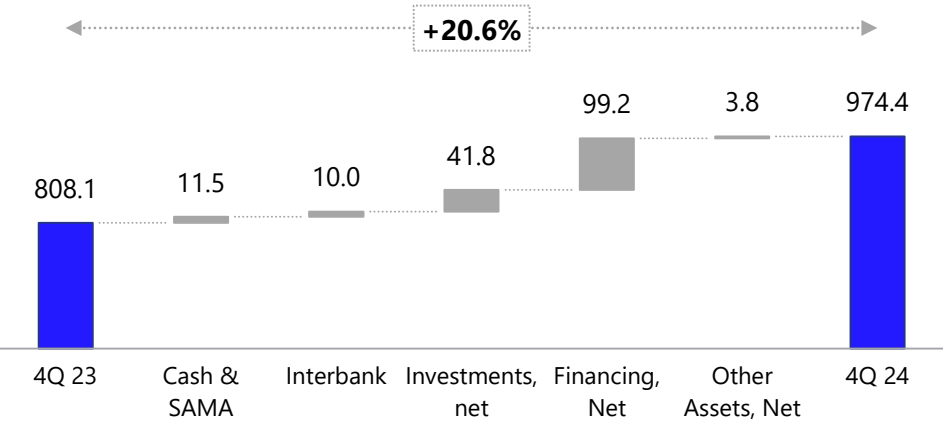


Balance Sheet Trends (1) | Balance sheet growth of 20.6% YoY driven by Financing and Investments

Total Assets (SARbn)



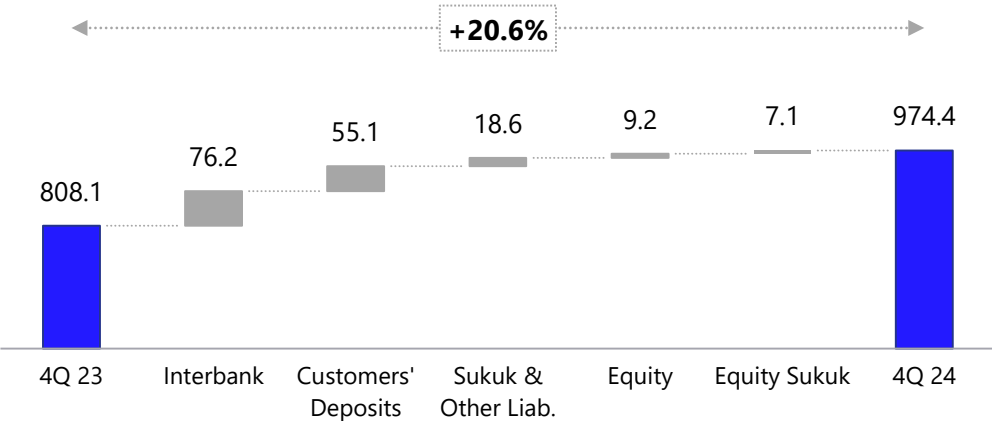
Movement in Assets (SARbn)



SAR (mn)

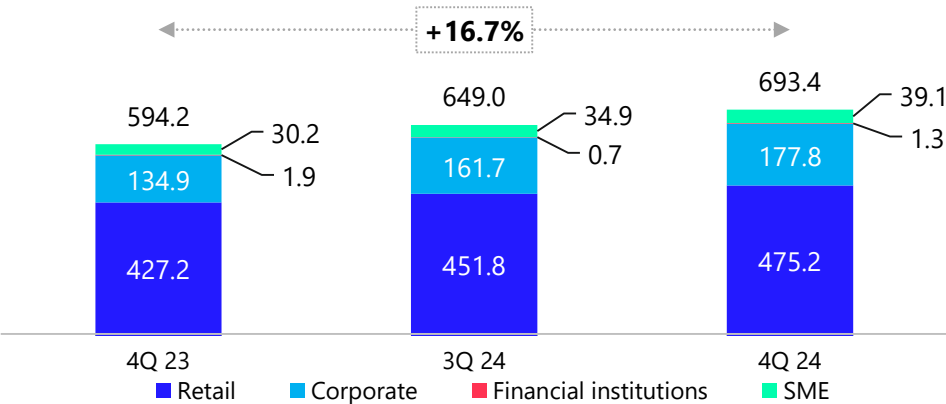
	4Q 24	3Q 24	QoQ	4Q 23	YoY
Cash & balances with SAMA	53,245	45,085	+18%	41,768	+27%
Due from banks & other FI	19,530	15,433	+27%	9,507	+105%
Investments, net	176,068	161,760	+9%	134,299	+31%
Financing, net	693,410	649,024	+7%	594,205	+17%
Other assets, net	32,135	31,269	+3%	28,321	+13%
Total assets	974,387	902,571	+8.0%	808,098	+21%
Due to banks & other FI	173,435	121,630	+43%	97,247	+78%
Customers' deposits	628,239	622,572	+1%	573,101	+10%
Sukuk issued	8,451	8,448	+0%	3,789	+123%
Other liabilities	41,124	32,041	+28%	27,202	+51%
Total liabilities	851,247	784,692	+8%	701,339	+21%
Total equity	123,033	117,778	+4%	106,759	+15%

Movement in Funding (SARbn)

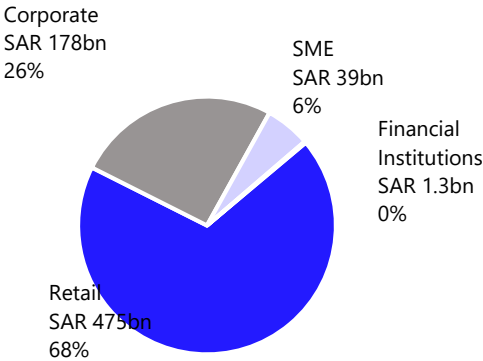


Balance Sheet Trends (2) | Financing growth is driven by Mortgage and Corporate

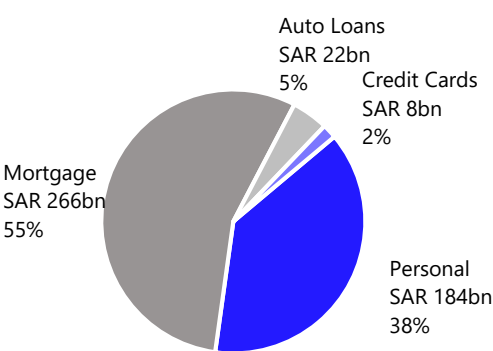
Financing, Net (SARbn)



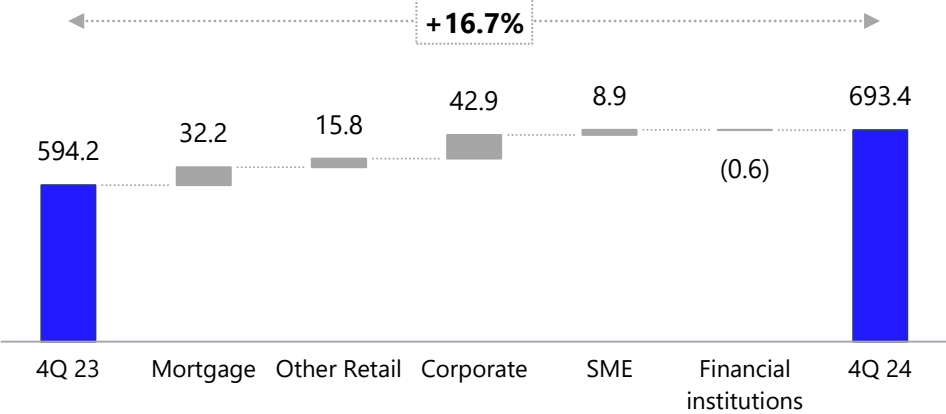
Financing, Net Mix By Segment (SARbn)



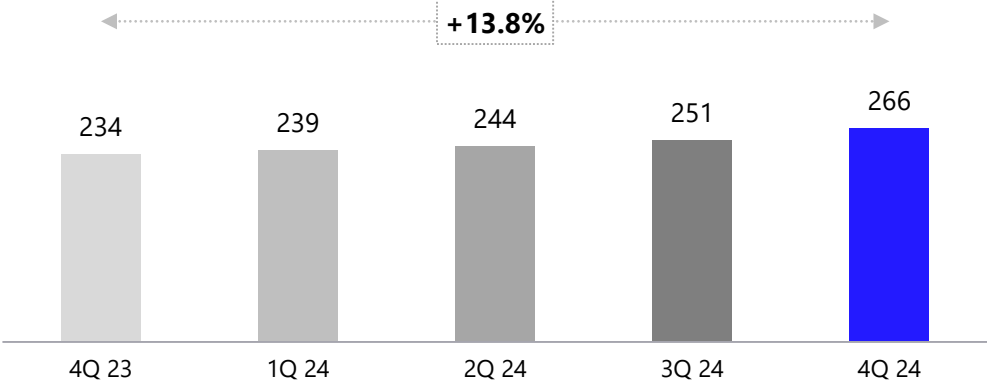
Retail Financing Mix By Segment (SARbn)



Movement in Financing (SARbn)

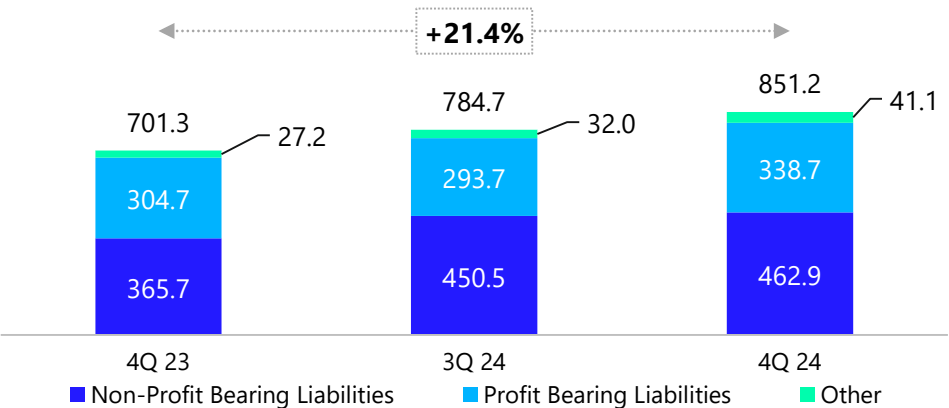


Mortgage Financing (SARbn)

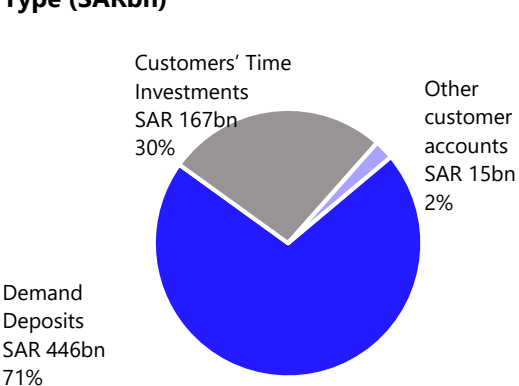


Balance Sheet Trends (3) | Balance sheet shows improving funding mix

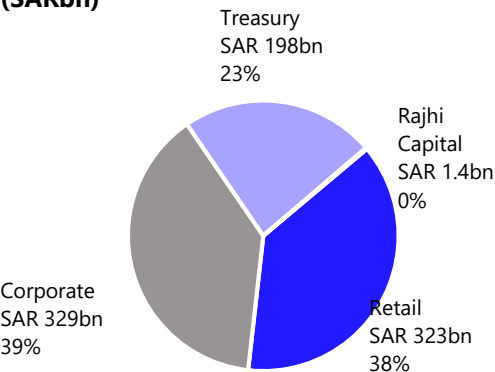
Total Liabilities (SARbn)



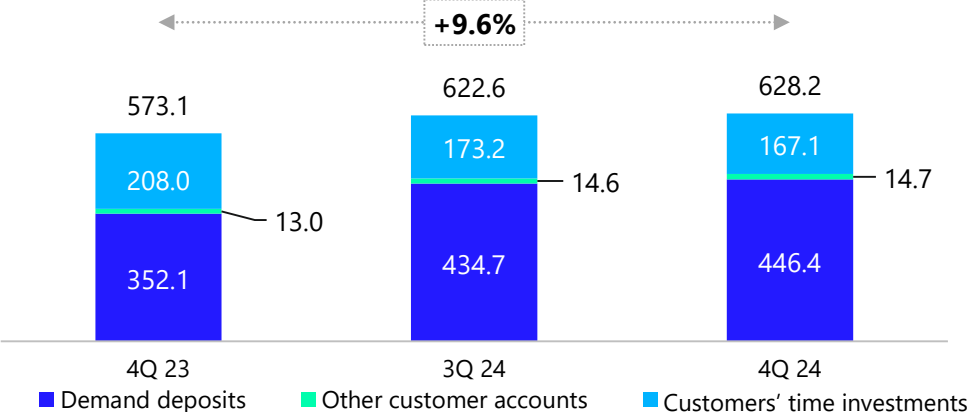
Total Customers' Deposits Mix By Type (SARbn)



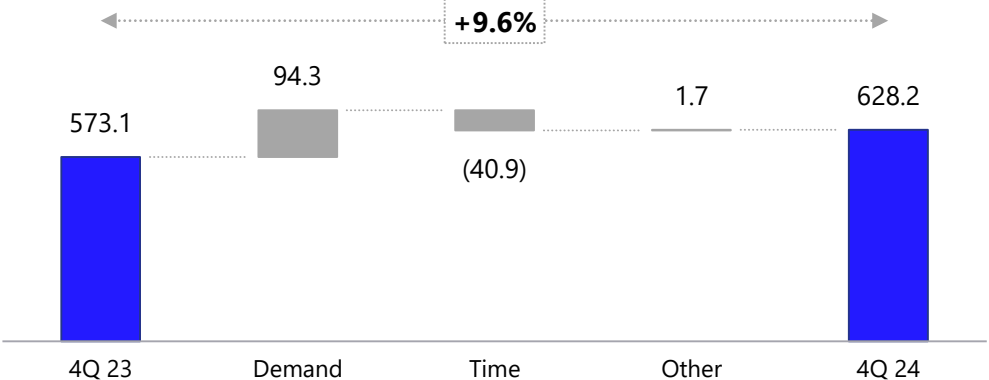
Total Liabilities Mix By Segment (SARbn)



Total Customers' Deposits (SARbn)

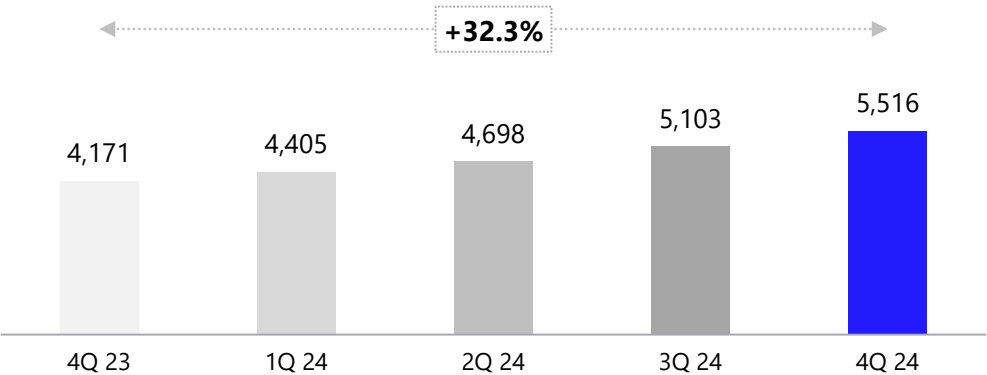


Movement in Total Customers' Deposits (SARbn)

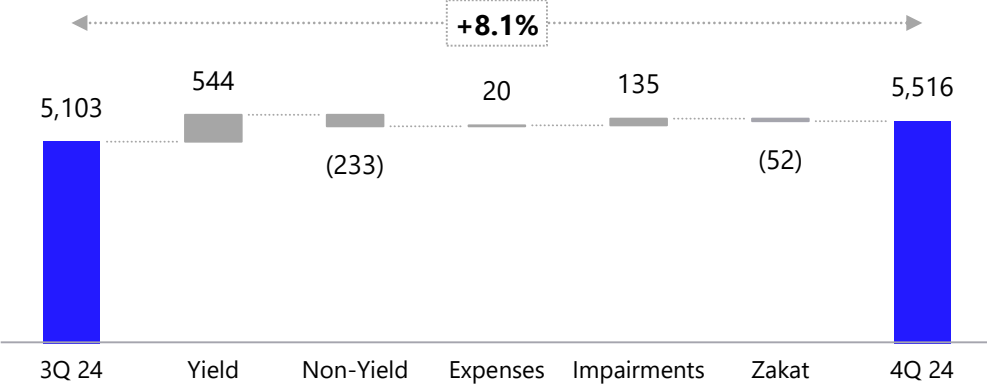


Net Income Trends | highest-ever annual net income with a 19% growth YoY

Net Income For The Period After Zakat (SARmn)



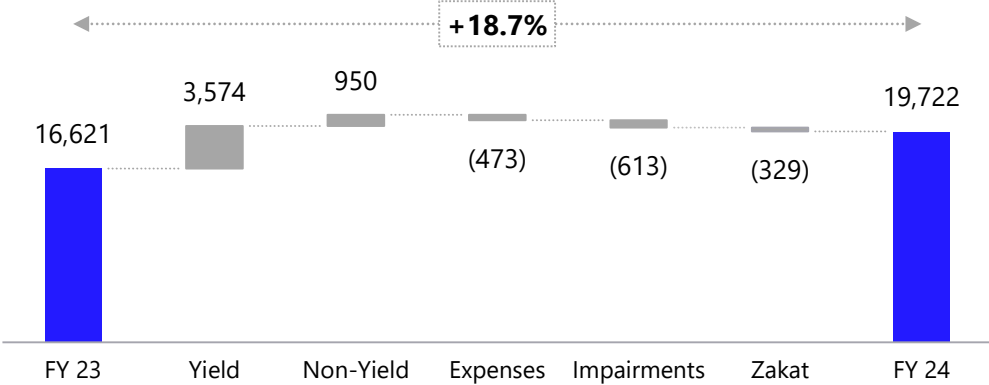
Net Income After Zakat Growth Drivers By Type (SARmn)



SAR (mn)

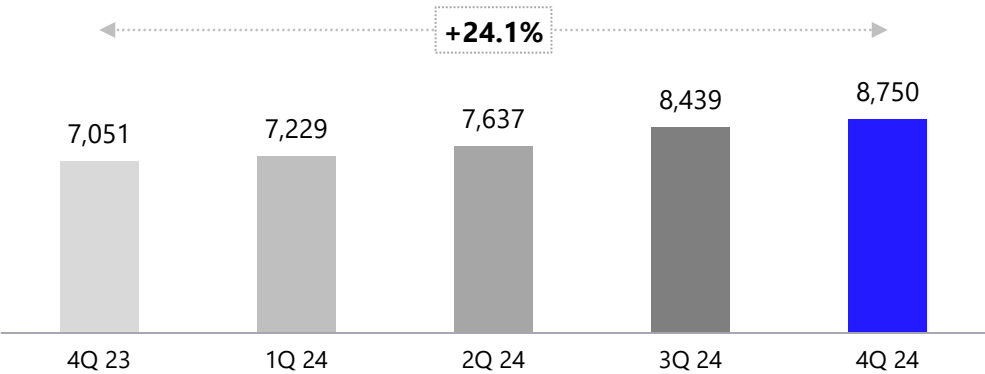
	FY 24	FY 23	YoY	4Q 24	4Q 23	YoY
Net financing & investment income	24,843	21,269	+17%	6,941	5,550	+25%
Fee from banking services, net	4,693	4,226	+11%	1,288	988	+30%
Exchange Income, net	1,293	1,246	+4%	337	322	+5%
Other operating income, net	1,227	790	+55%	183	192	-4%
Fees and other income	7,212	6,262	+15%	1,809	1,501	+20%
Total operating income	32,055	27,531	+16%	8,750	7,051	+24%
Operating expenses	-7,971	-7,498	+6%	-2,050	-1,998	+3%
Pre-provision profit	24,085	20,033	+20%	6,700	5,053	+33%
Total impairment charge	-2,117	-1,504	+41%	-553	-406	+36%
Net income for the period before Zakat	21,968	18,529	+19%	6,147	4,647	+32%
Zakat	-2,237	-1,908	+17%	-626	-477	+31%
Non-controlling interests	9	0	-	5	0	-
Net income for the period after Zakat	19,722	16,621	+19%	5,516	4,171	+32%

Net Income After Zakat Growth Drivers By Type (SARmn)

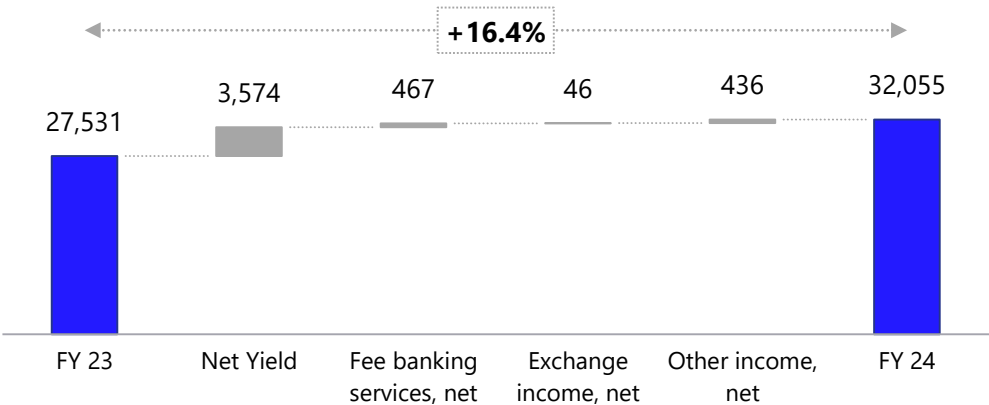


Operating Income Trends | Higher operating income driven by net yield and fee income growth

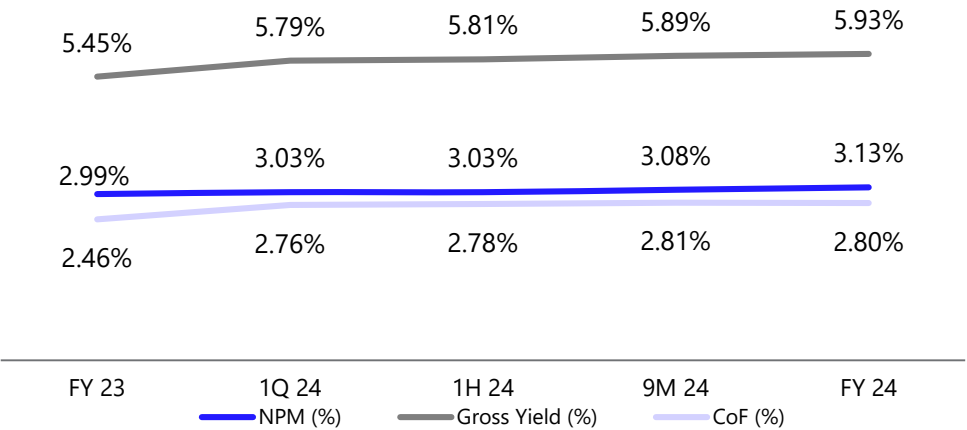
Total Operating Income (SARmn)



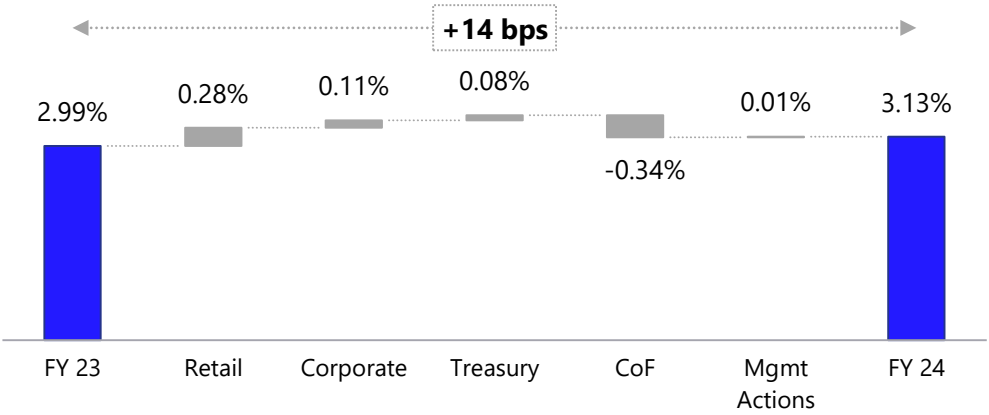
Total Operating Income Growth Drivers By Type (SARmn)



Net Profit Margin (%)

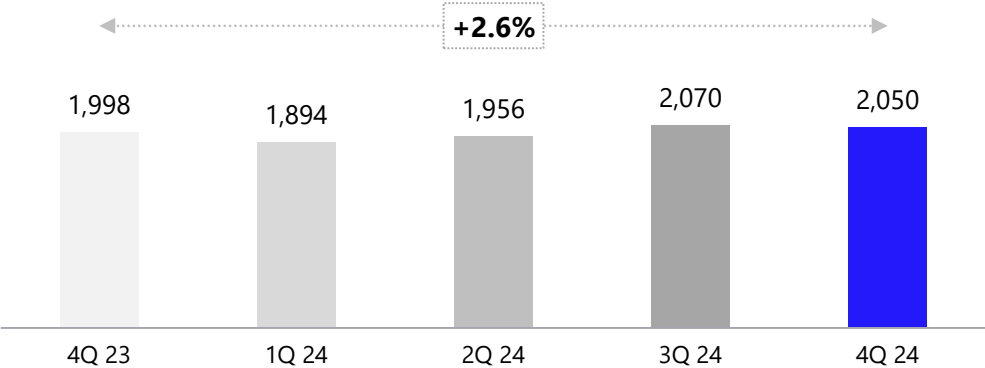


NPM Drivers (%)

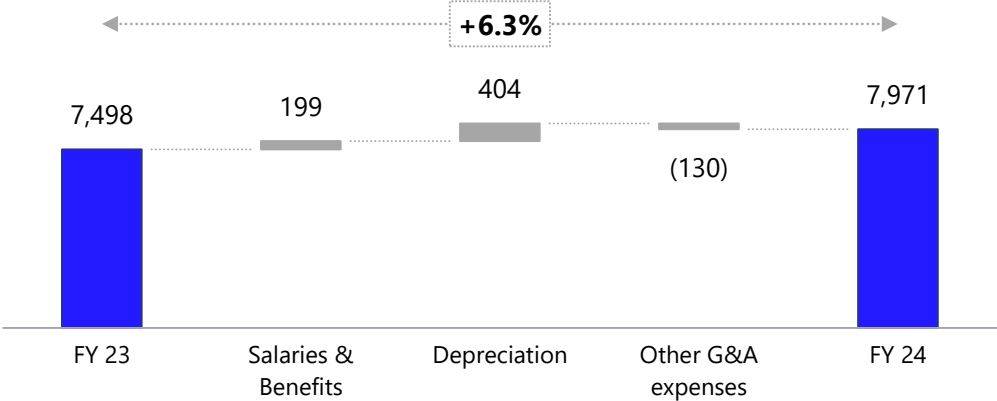


Expenses Trends | Cost efficiencies remains solid

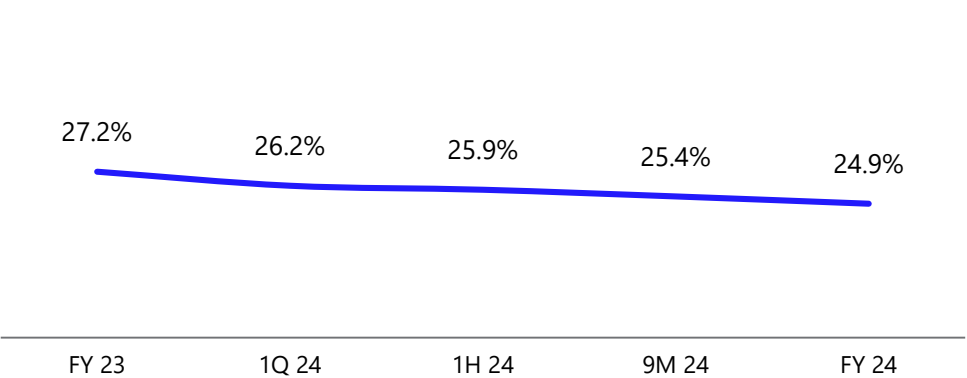
Operating Expenses (SARmn)



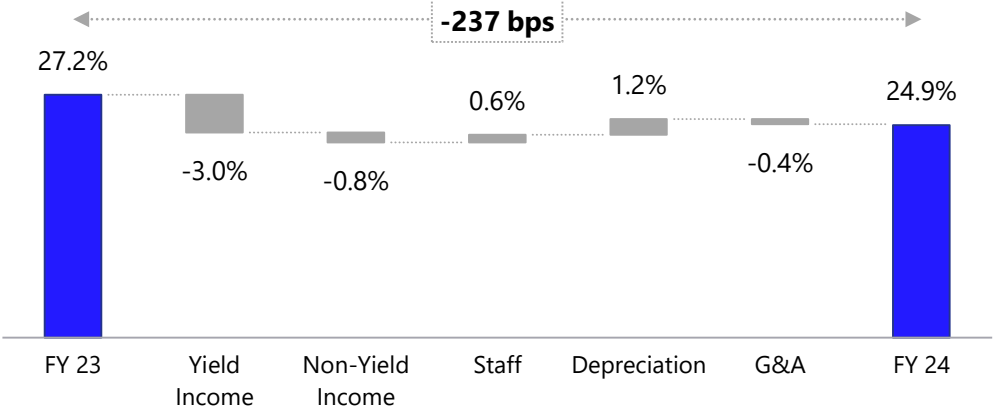
Operating Expenses Growth Drivers By Type (SARmn)



Cost To Income Ratio (%)

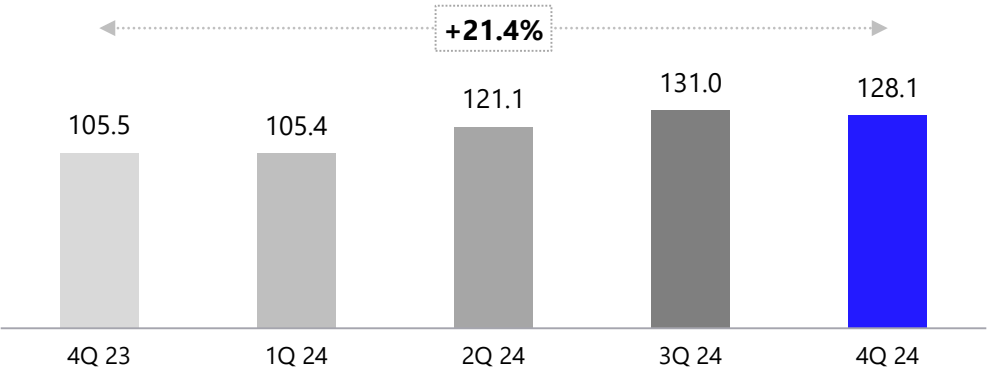


Cost to Income Ratio Drivers (%)

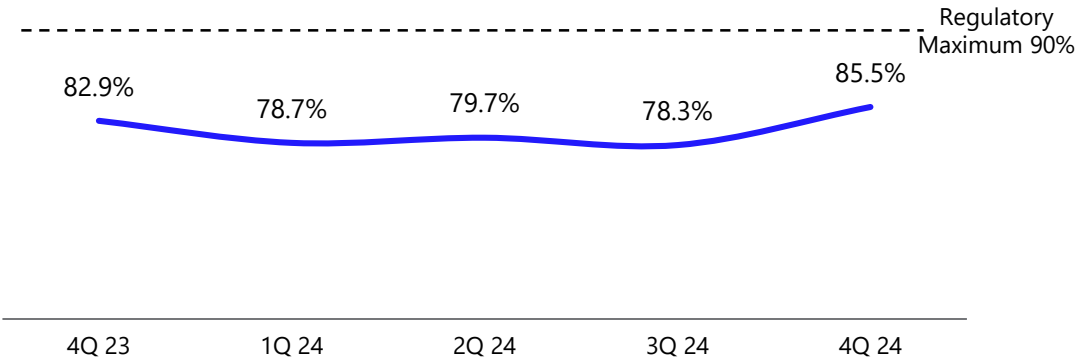


Liquidity Trends | Liquidity remains comfortably within regulatory requirements

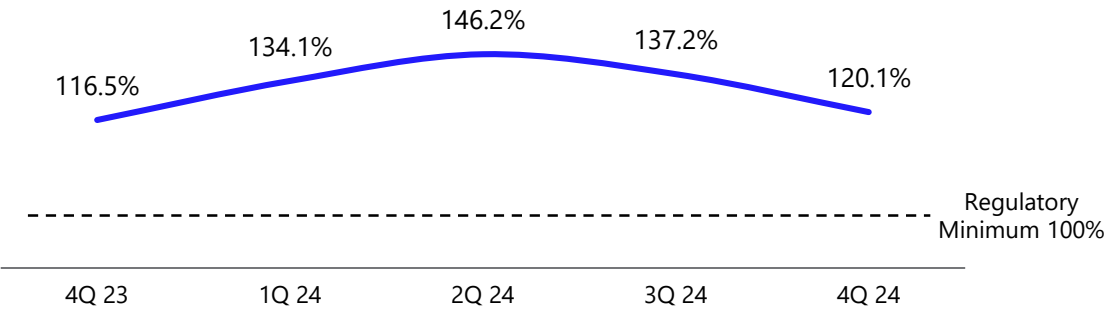
HQLA (SARbn)



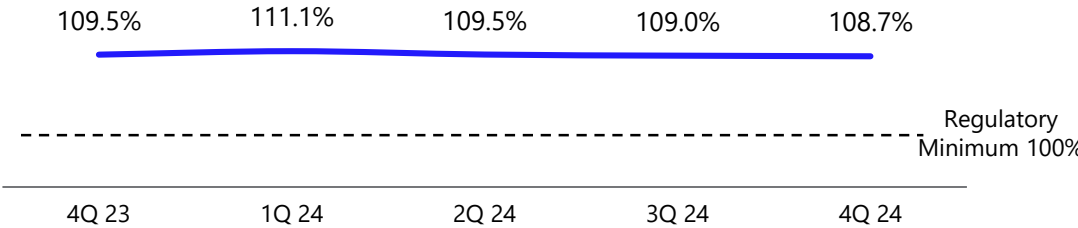
Loan to Deposits Ratio (SAMA) (%)



LCR (%)

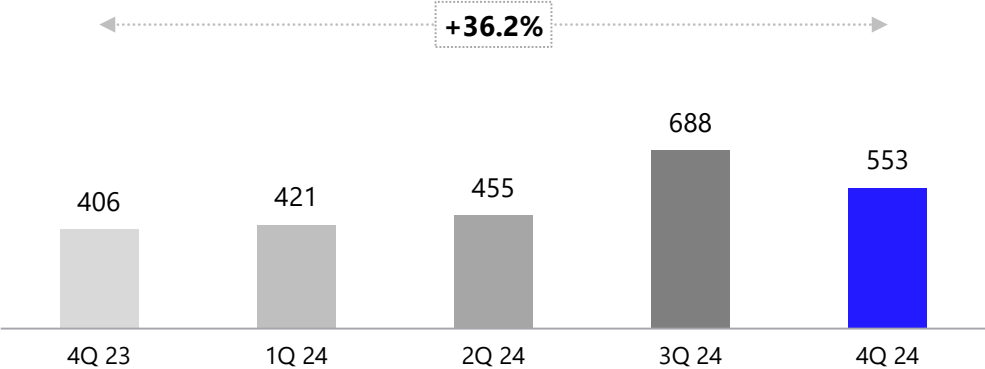


NSFR (%)

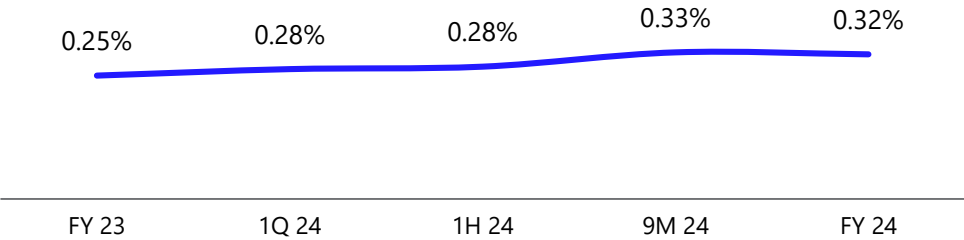


Net Impairment & Assets quality | Higher gross charge due to Financing portfolio growth

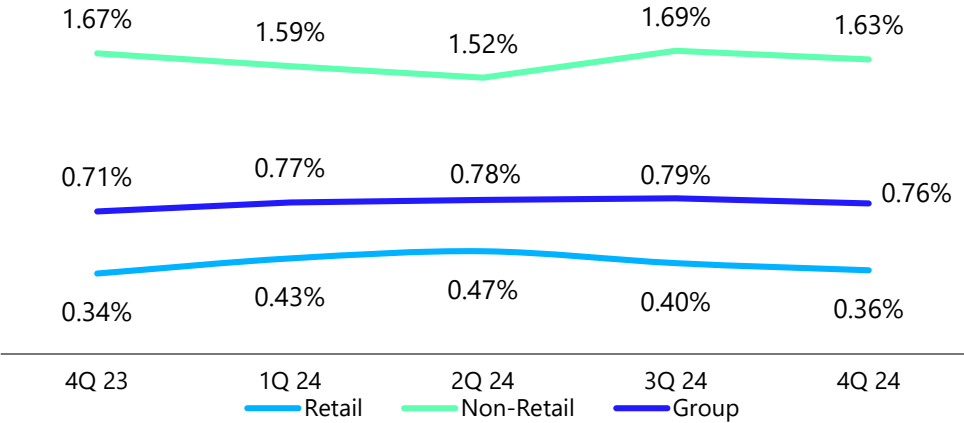
Net Impairment Charges (SARmn)



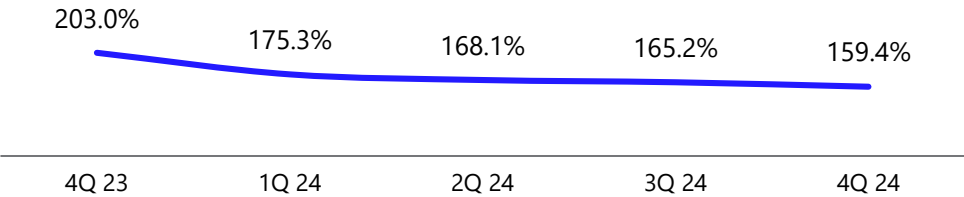
Cost of Risk (%)



NPL Ratio (%)

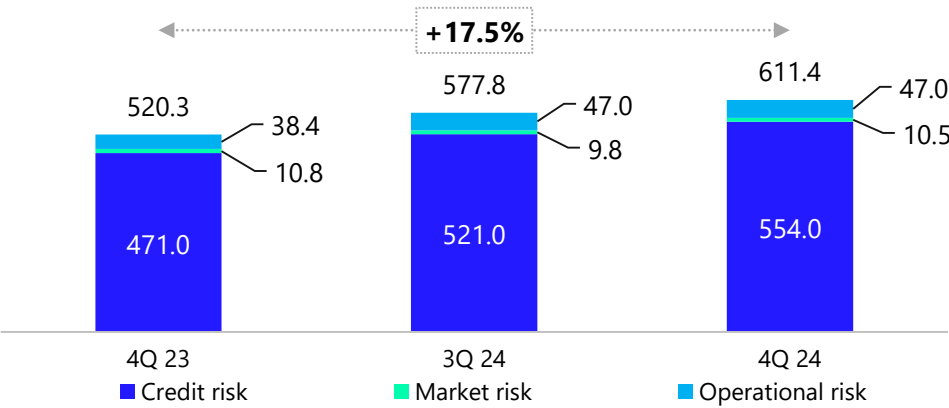


NPL coverage ratio (%)

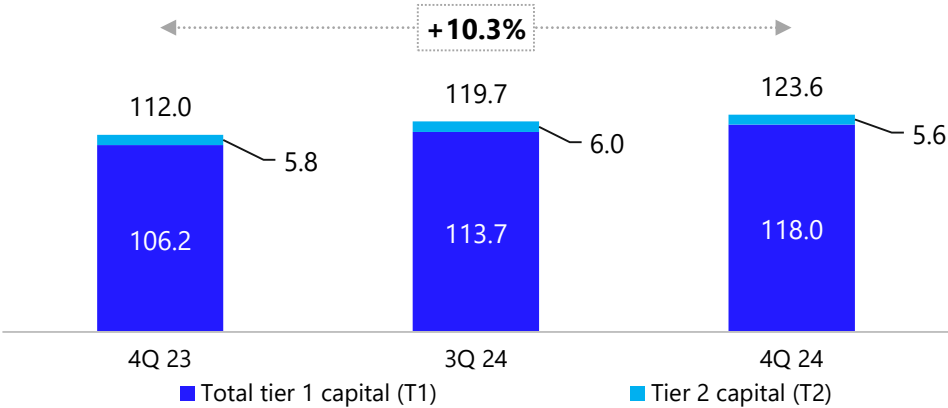


Capitalization Trends | Capital position well above regulatory minima

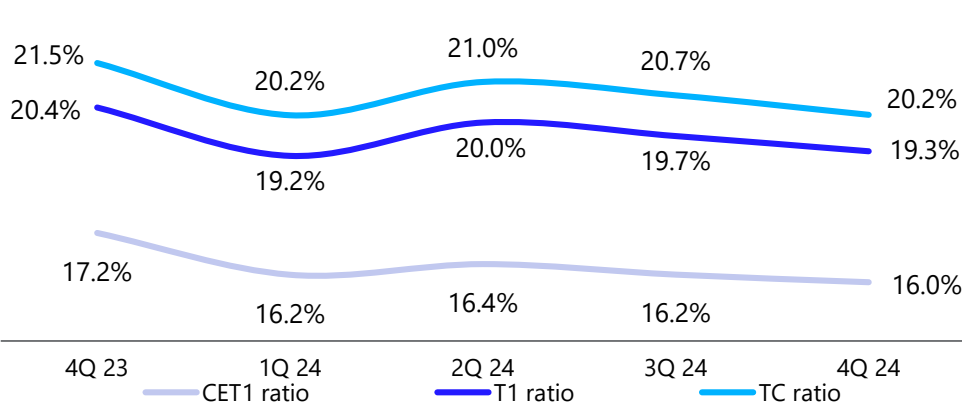
RWA (SARbn)



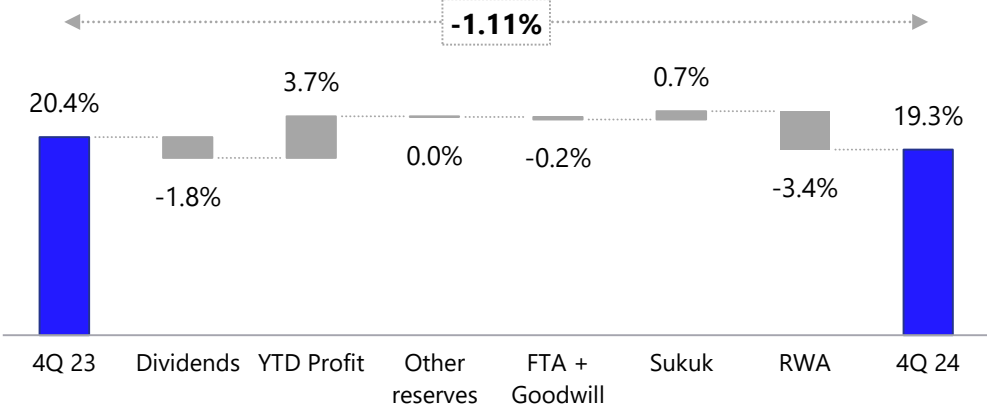
Total Capital (SARbn)



Capital Ratios (%)

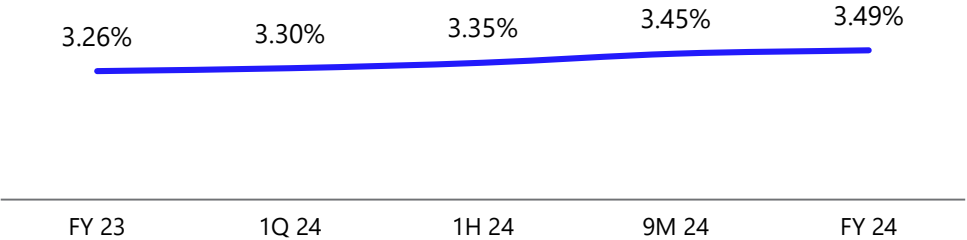


Tier 1 Drivers (%)

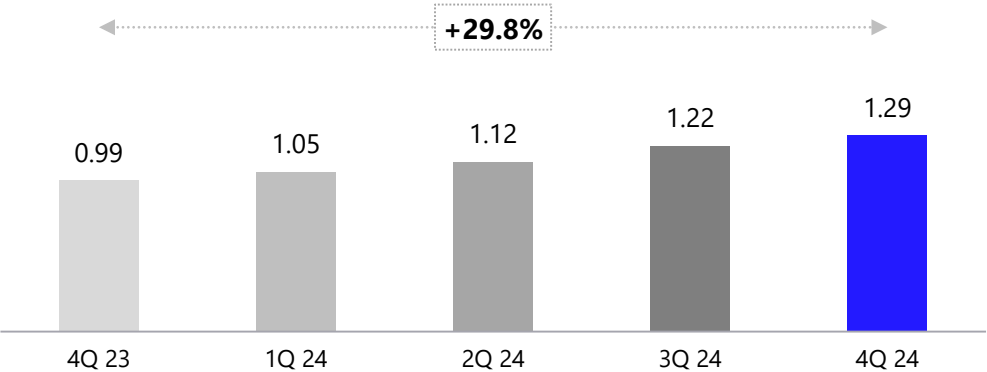


Return Metrics | Al Rajhi Bank's returns remain industry-leading

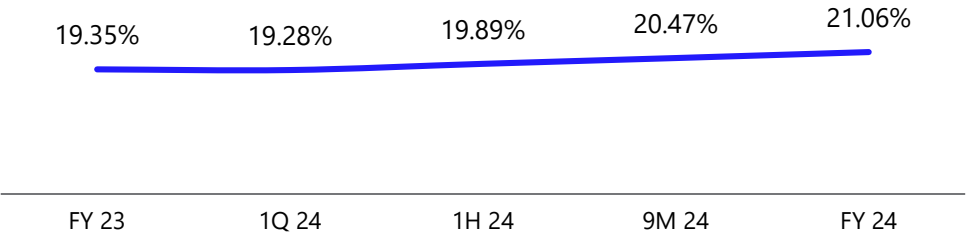
Return on RWA (%)



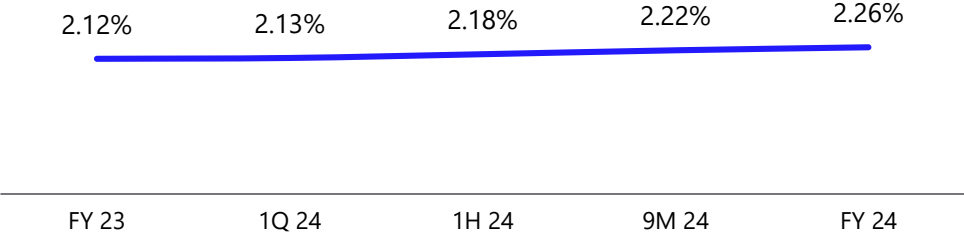
Earnings per Share (SAR)



Return on Equity (%)



Return on Assets (%)



IR Contact Information



Additional Information | Contact investor relations for more information

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