



# INVESTOR PRESENTATION

May 2024

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# 01

AT A GLANCE

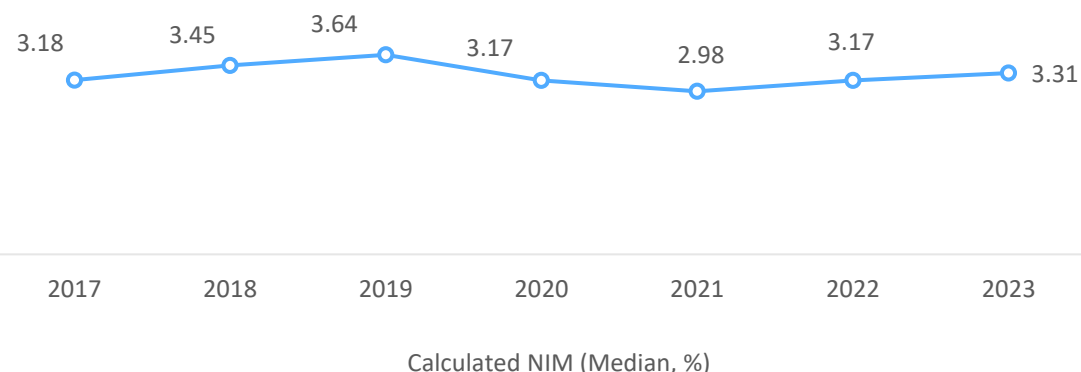
# KSA banking sector well-positioned to benefit from strong loan growth amid stable economic outlook<sup>1</sup>



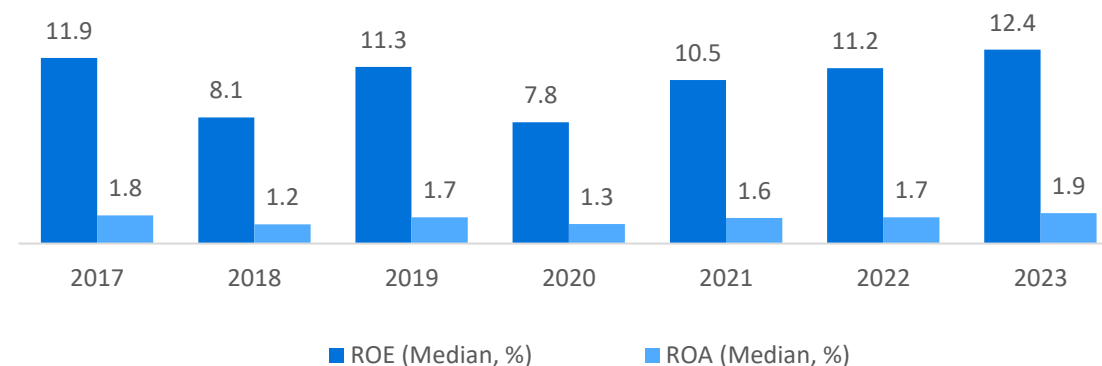
- KSA banks are increasingly turning to medium term borrowing to address the liquidity constraints resulting from high LDR and this is likely to affect NIM.
- However, the diversification of the non-oil sector positions the KSA well for a positive economic counterbalance
- Aggregate net interest margin (NIM) expanded by 14 bps to 3.31% in 2023

- RoE increased to the highest level of 12.4% (+120bps YoY) since the pandemic, driven by the growth in net income
- RoA gained 20 bps YoY and reached 1.9% percent for 2023

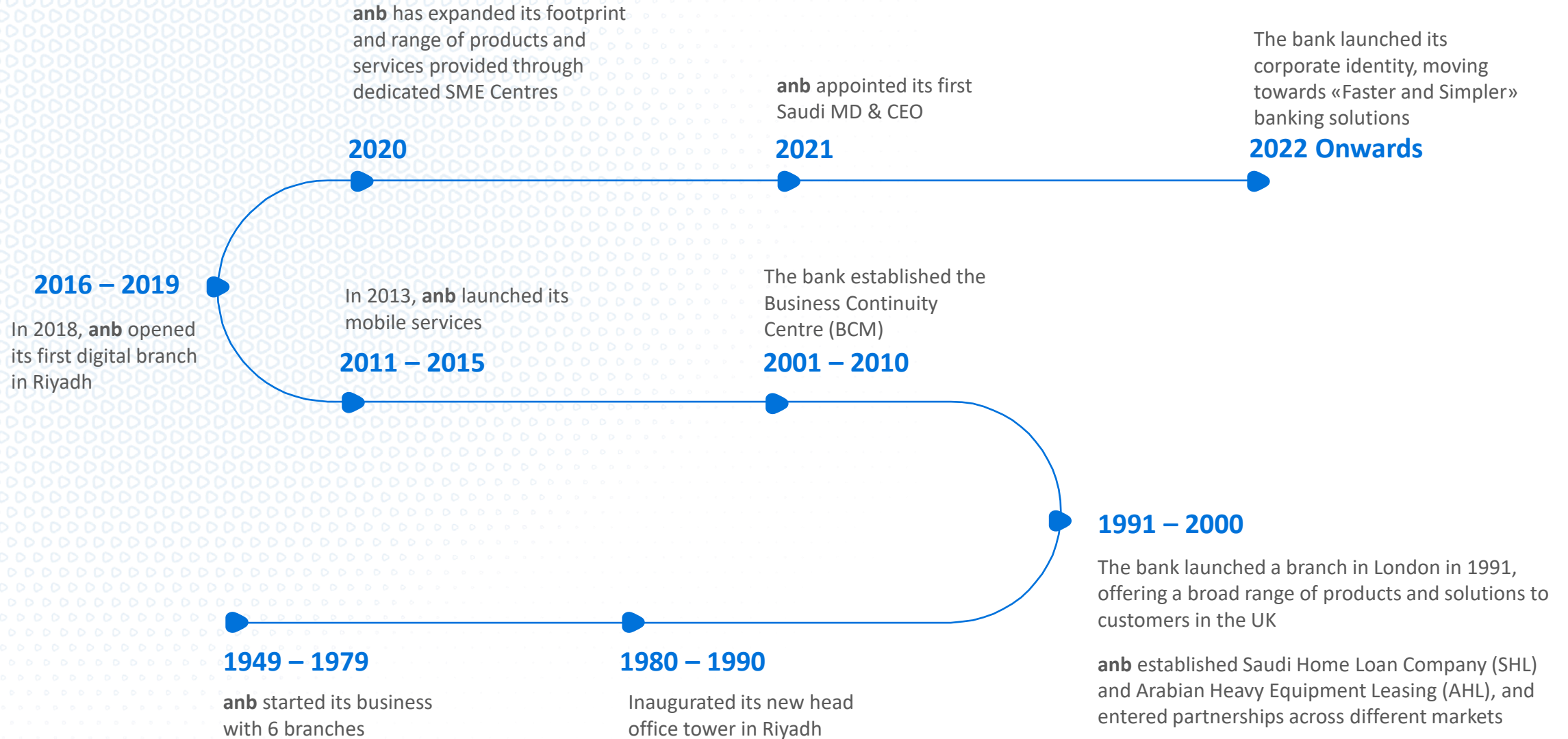
KSA Banks Net Interest Margin growth



KSA Banks' Profitability



# Long story of banking services to retail and corporate customers



# anb management team has a proven track record of banking experience



**Obaid  
Alrasheed**

Managing Director &  
Chief Executive Officer



**Saad  
Aldughish**

Chief  
Financial Officer



**Kamal  
Khodr**

Head of  
Risk Management



**Zeyad  
Abanmay**

Head of  
Treasury Group



**Aiedh  
Alzahrani**

Chief Operating  
Officer



**Louai  
Alzاهر**

Head of Wholesale  
Banking Group



**Khaled  
Alrashed**

Head of  
Retail Banking



**Bader  
Alotaibi**

Head of Human  
Resources Group



**Abdulrahman  
Ahmed**

Chief Strategy  
Transformation Officer



**Waleed  
Alomary**

Chief  
Internal Auditor



**Zuhair  
Alherbish**

Head of  
Legal Affairs Division



**Bader  
Alboqami**

Head of Marketing and  
Customer Experience



**Khalid  
Quadri**

Chief  
Credit Officer



**Waleed  
Alkhulayfi**

Chief  
Compliance Officer

# BoD comprised of 10 members, including 4 independent directors

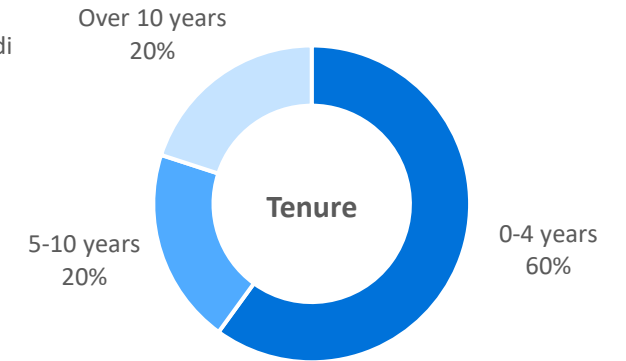
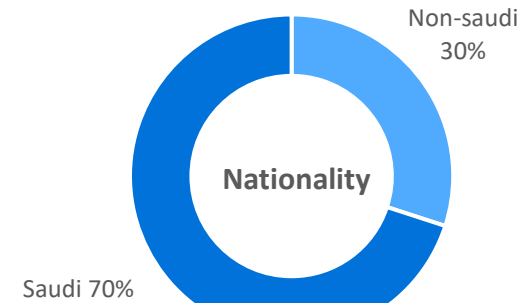
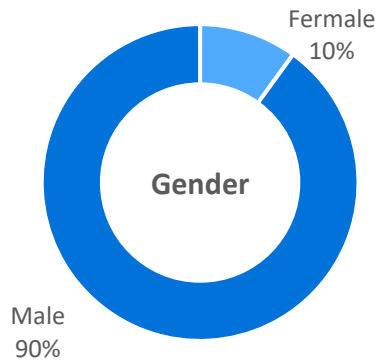


## Independent directors

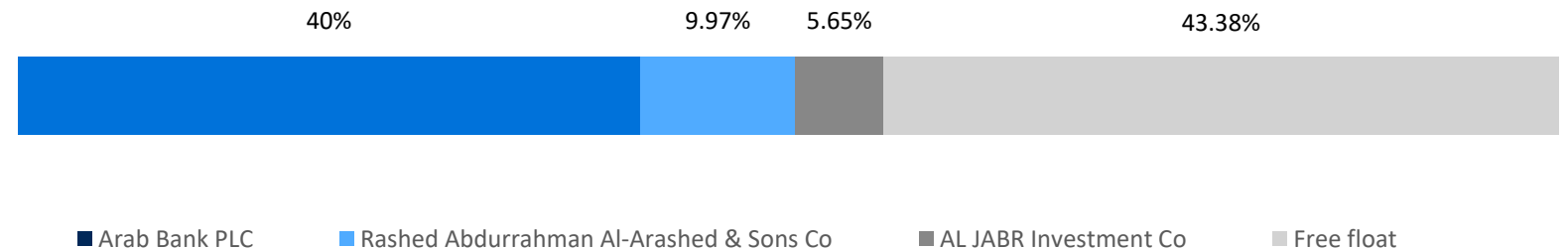
- **Mr. Abdulmohsen Ibrahim Al-Touq**  
Deputy Chairman
- **Dr. Mohammed Faraj Alkanani Al-Zahrani**
- **Mr. Thamer Mesfer Al-Wadai**
- **Mr. Osama Khalid Alatiki**

## Non-independent directors

- **Mr. Salah Rashid Alrasheed**  
Chairman (Non-executive)
- **Mr. Obaid Abdullah Alrasheed**  
Managing Director (Executive)
- **Mr. Hesham Abdullatif Al-Jabr**
- **Mr. Naim Rassem Al-Hussaini**
- **Ms. Randa Muhammad Al-Sadiq**
- **Mr. Mohammad Abdelfattah Alghanamah**



## Shareholder structure



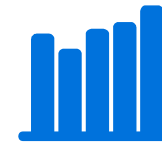
# Your exposure to the structural turnaround story in the KSA



**Supportive regional macro**  
and ongoing Vision 2030  
implementation



**Well-balanced**  
business mix



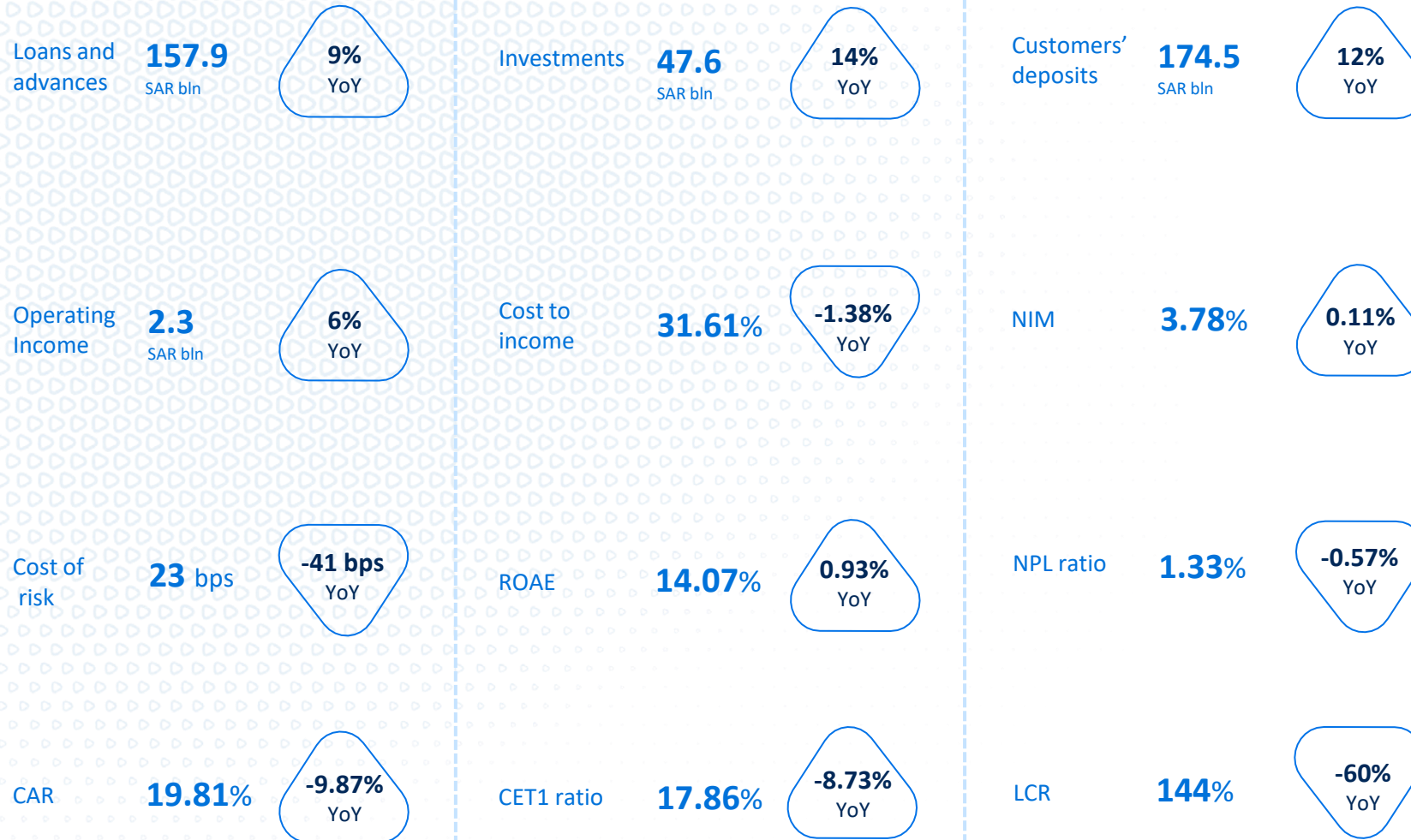
**Healthy profitability**  
driving lucrative dividend  
returns, supported  
by strong balance sheet



**Business digitalization**  
inside out in line with  
the bank's strategy



# 1Q2024 highlights: improvement across key metrics



## Balance sheet

- Loans and advances increased by 9% YoY
- Investments increased by 14% YoY
- Customers' deposits increased by 12% YoY

## Profitability

- Operating income grew to SAR 2.3 bln by 6% YoY against 2.2 bln for 3M2023
- Cost to income increased from 30.23% to 31.61% YoY
- Net interest margin trended up to 3.78% following the increase in operating income

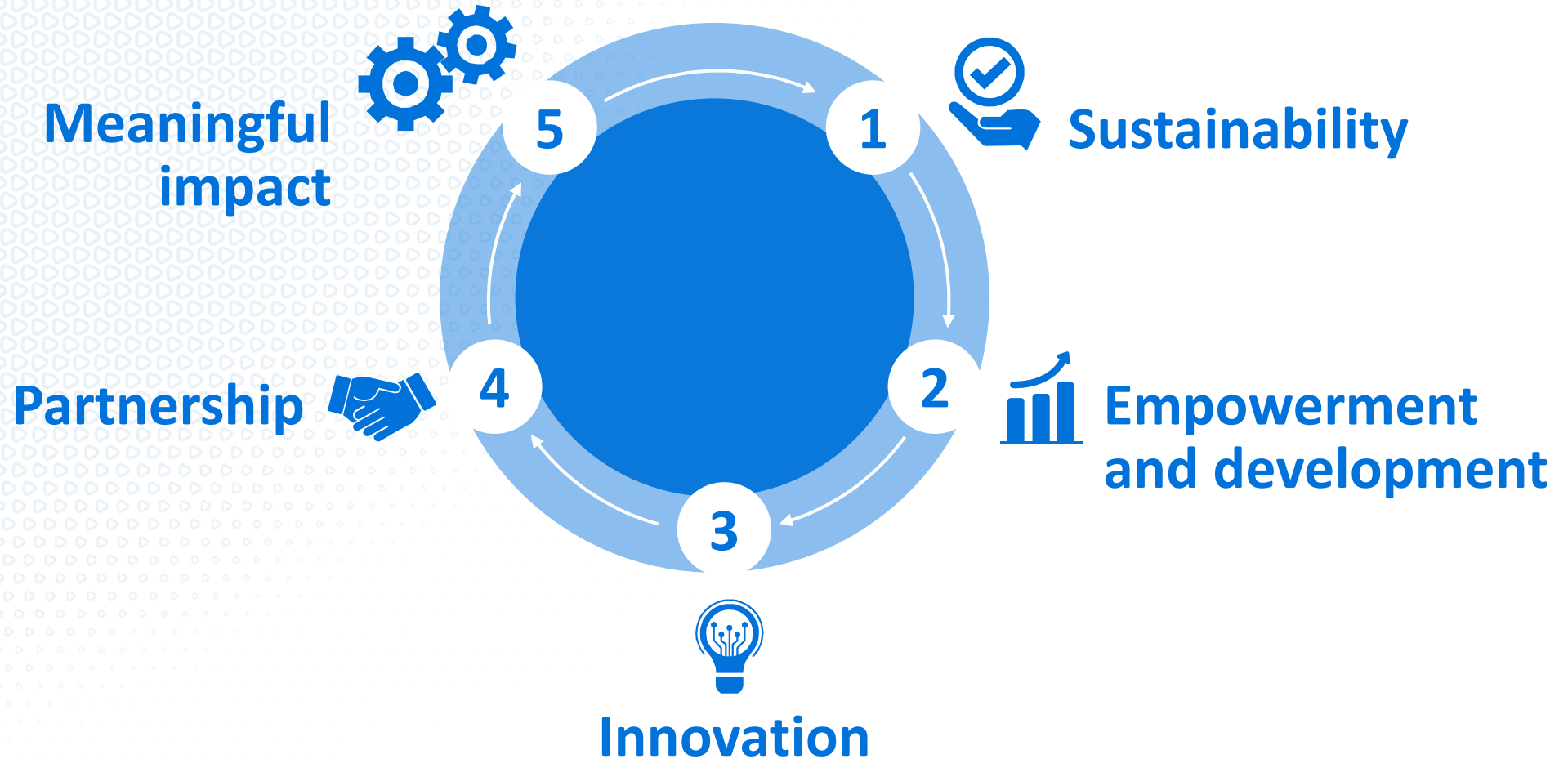
## Credit Quality

- Cost of risk in 2024 stood at 23 bps, down from 41 bps in 1Q 2023
- Return on average equity amounted to 14.07%, compared to 13.14% for 1Q 2023
- NPL ratio declined 0.57% YoY

## Capital & Liquidity

- CAR reduced by 9.87% YoY
- CET1 Ratio decreased to 17.86% against 19.57% in 1Q 2024
- LCR slightly decreased YoY by 60%

anb has set out several selection criteria  
for social and environmental initiatives aligned with its strategy





# 02

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**OPERATING  
ENVIRONMENT**

# Macro-trends to transform the KSA banking market.



## New opportunities arise, while competition intensifies



### Vision 2030 and Economic shifts

- Increase in private sector & SME activity and FDI contribution
- Increase of interest rates
- Steady GDP growth and stable inflation



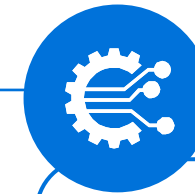
### Socio-demographic changes

- Change in the work force
- Sizeable and growing employed youth segment
- Sources of new wealth



### Customer evolution and bank digitalization

- Changing retail consumer behavior towards digital
- Digitalization of Corporate and Transaction Banking
- KSA banks digital transformation



### Regulatory framework, Fintech and competition

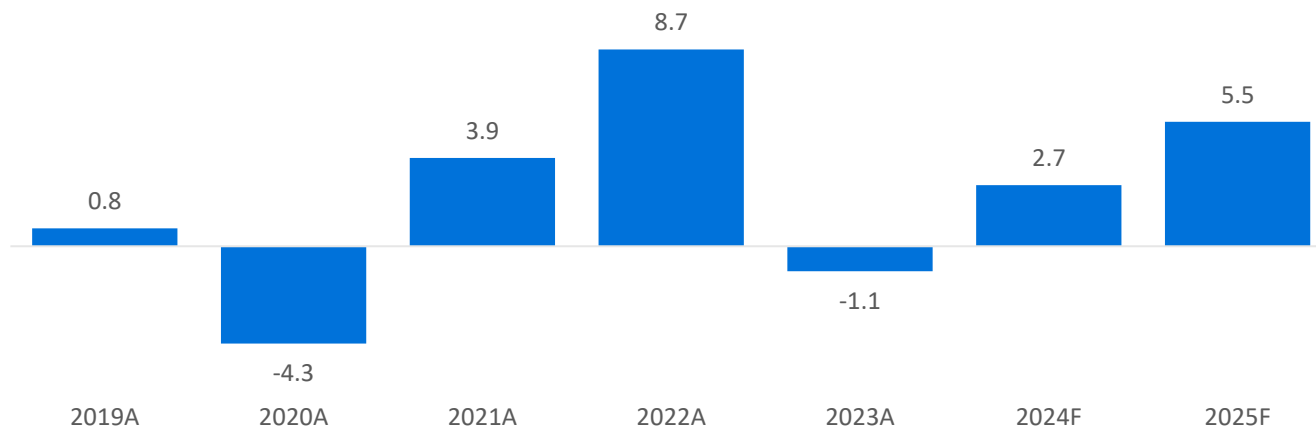
- New financial services players are entering the market
- Non-FS players are disrupting the market
- Ongoing consolidation of banking market

# KSA is the largest economy in the Middle East



- In its January-24 forecast, IMF expects KSA's 2024 GDP to grow by 2.7%, followed by a 5.5% increase in 2025
- Downward revision of KSA's 2024 GDP forecast, compared to an October estimate of 4.0%, mainly reflects temporarily lower oil production this year, including from unilateral cuts and cuts in line with an agreement through OPEC+, whereas non-oil growth is expected to remain robust

KSA GDP Growth Rate (%)



1. Source: IMF

GDP USD bln, 2023

1,069.4



509.2



398.4



255.0



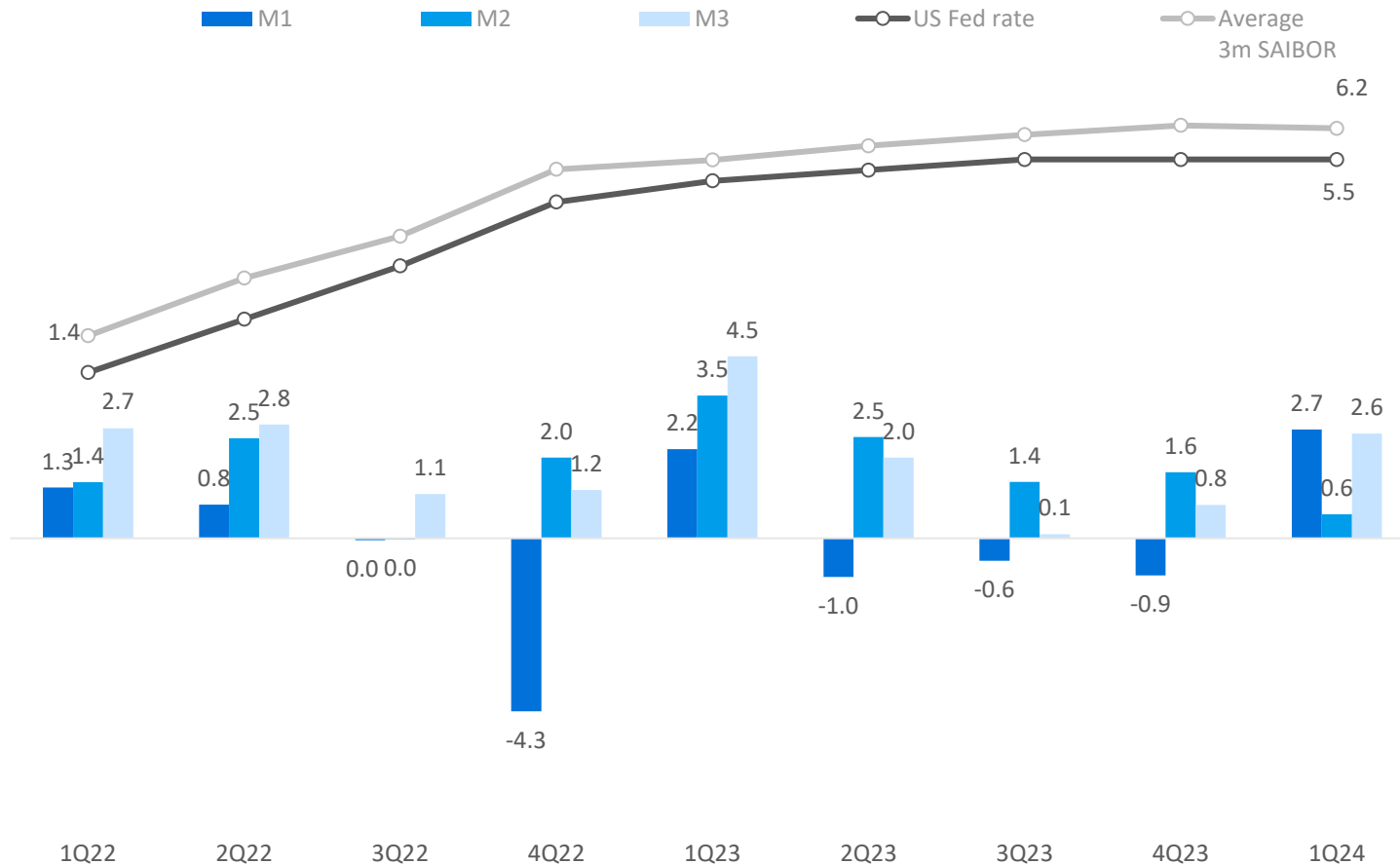
235.5



# KSA economy grows as it diversifies



KSA Money Supply (QoQ change) and Interest Rates (%)\*



- On 20 March 2024, the US Fed policymakers announced to hold in target fund rates to a range of 5.25-5.50%
- In line with the Fed hike, SAMA raised its repo and reverse repo rates
- Average 3M SAIBOR decrease to 6.2% in 1Q24 (vs. 6.3% in 4Q23)

- M1 money supply increased by 2.7% QoQ to SAR 1.57 trln, while M2 money supply grew by 0.6% QoQ to SAR 2.40 trln
- In 1Q24, M3 money supply increased by 2.6% QoQ to SAR 2.76 trln
- Saudi banks' total deposits reached SR2.54 trillion in February 2024, marking a 10.26 percent increase from the same month last year.

# Contributing to sustainable economic growth and delivering on the goals of Saudi Vision 2030



## Vision Realization Office

- **anb** established Vision Realization Office in March 2022.
- Vision Realization Office serves the public sector segment and addresses its banking requirements

## Small and Medium Enterprises (SMEs)

- **anb** introduced AI-enabled loan platform and expands the number and range of businesses it assists via key government schemes
- In 2022, **anb** signed new agreements with the Tourism Development Fund for co-financing SMEs, and an agreement with SME Bank to facilitate SMEs' financing, which will expand **anb's** client base in different sectors.

## Transaction Banking Solutions (TBS)

- TBS' recent successes have been in positioning **anb** as an enabler to the rapidly developing fintech segment in the KSA
- Supported by its digital platforms and embedded automation, TBS offers solutions in payments, receivable and liquidity management, account services, foreign exchange, card issuing, acquiring, escrow services that provide visibility, control and cash flow optimization

**anb** serviced transaction banking needs of 50% of fintechs licenced by SAMA or CMA in 2022

• 50%

50%

• other KSA banks



# 03

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## Strategy overview

# Strategy: key pillars & enablers



## VISION

One of the top banks in the KSA market

## PILLARS

 **Wholesale**

wholesale bank of choice

 **Retail**

Empower our clients through tailored value propositions

 **Private**

The trusted bank for High-Net-worth individuals

 **Treasury**

Diversify revenue streams & support growth

 **Capital**

The premier investment bank of Saudi Arabia

## Enablers



**Building** the regional digital champion



**Enhancing** excellence in customer experience to strengthen Brand equity



**Optimizing** infrastructure to accelerate digitization



**Becoming** KSA banking employer of choice



**Enhancing** organizational effectiveness and financial efficiency



**Enhancing risk management** to support our growth

# Since the launch of the strategy, we have had several significant achievements ...



Key pillars



## Wholesale Banking

- Enhancement of wholesale **profitability and portfolio quality**
- Maintained our position as a **leading SME banking** partner for Kafala and Monshaat
- Enhanced our **fintech enablement proposition**



## Retail

- Retail division **growth and expansion of product offerings**
- Increased **emphasis on affluent segment** growth
- Launched **revamped mobile app**
- **Rolled-out branch network revamp and optimization project**
- Enhanced **investment product suite** for our private segment
- **Enhanced sales organization** to grow our customer base



## Treasury

- **Diversified into higher yielding assets** with new investments
- **Upgraded Treasury infrastructure and systems**



## Capital

- Completed a number of **high-profile** investment banking transactions
- Launched new **real estate funds** and **private equity** business lines

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## Organizational Effectiveness

- Successfully launched anb **rebrand and corporate identity** to shift market perception
- **Optimized organizational structure** to improve synergies across groups

## Infrastructure and Digital

- Invested in our **digital capabilities** and **product offerings across various client segments**
- Launched CBS upgrade project to strengthen our infrastructure and resilience

Enablers

# ... with key strategic milestones planned for the upcoming period as part of our ambitious transformation



Key pillars



## Wholesale Banking

- Modernization and **digitization of corporate offerings**
- Develop **SME ecosystem and partnerships** including end-to-end digital services
- Expansion into **strategic sectors and Vision 2030 opportunities**
- Driving **healthy balance sheet growth through project finance**
- Expand **fintech enablement business to extend market lead and provide tailored solutions**



## Retail

- Optimization of retail **digital and physical channels to cater to our different client segments**
- Diversification of our **product offerings** to drive asset growth (specifically credit cards, auto loans, and micro-lending)
- Enhancing our deposit offerings to **enhance liabilities**
- Strengthen our position as a **generational wealth partner**



## Treasury

- Innovation in each business line to build **credentials**
- **Expansion and diversification** of investment banking and advisory offerings
- Enhancing the **investment options** provided to **anb** retail and private banking clients

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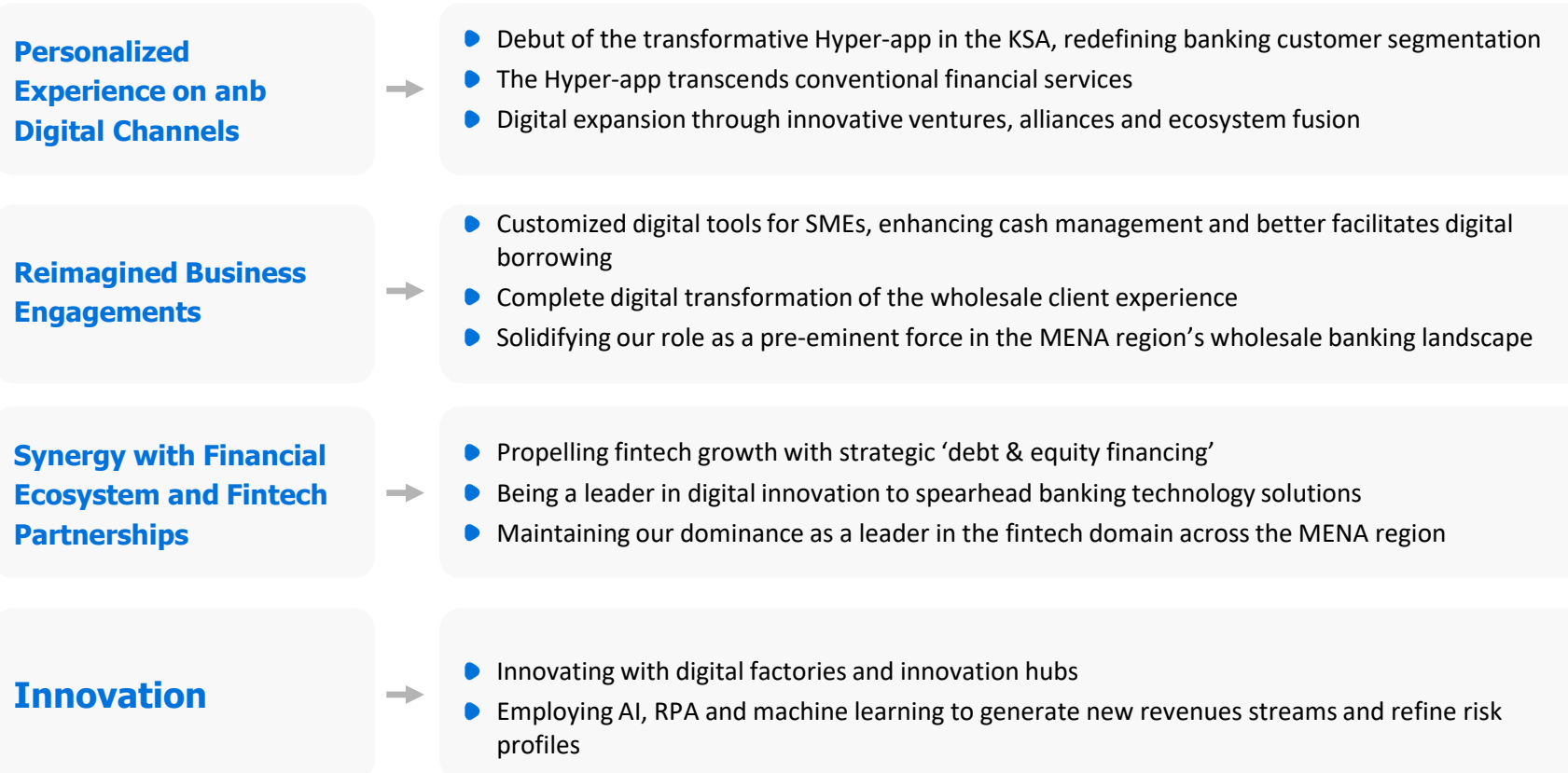
## Infrastructure and Digital

- Invest enhancing our **Data and AI infrastructure** to support business and operational use-cases

Enablers

## Forging a Spectacular Digital Bank: Pioneering Financial Innovation and Exquisite Customer Experiences

### anb's trailblazing Digital Strategy for 2024 and beyond:



### Key achievements in Digital Banking

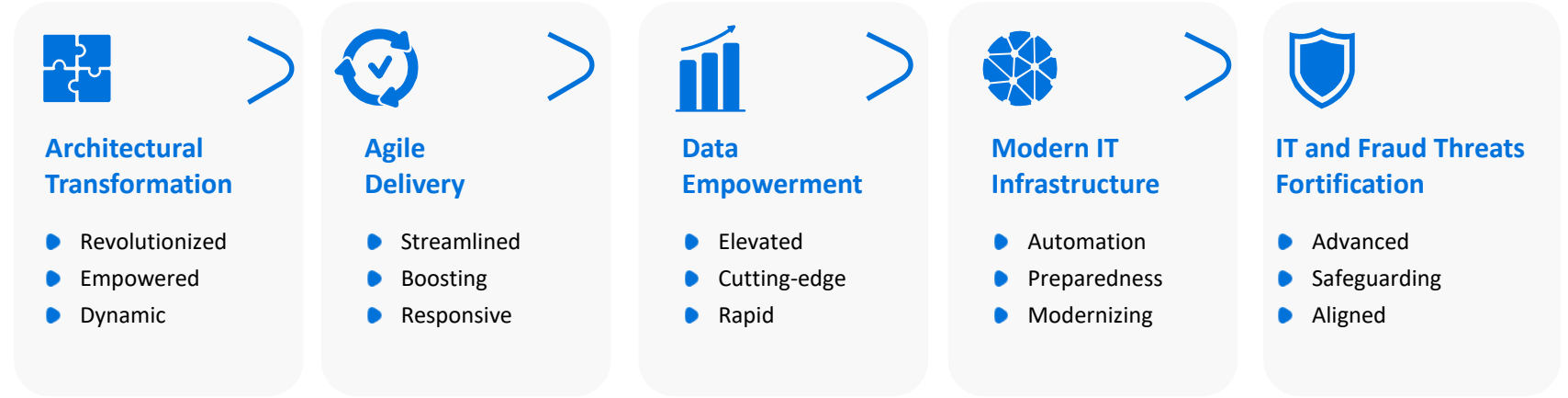
- **Seamless integration of digital channels:** mobile banking, online banking, and self-service kiosks for enhanced accessibility and consistent customer journey
- **Expansion of Digital Product Portfolio** with comprehensive digital solutions covering retail, wholesale, and anb capital, including account opening, savings, investments, financing, online payments, and insurance
- **Establishment of anb Connect**, an open banking platform fostering partnerships with financial companies and fintechs through API interfaces
- **Launch of Cashee**, a financial education platform tailored for children and young customers to promote financial literacy and savings habits

# anb Digital Banking: Our Vision and Technical Capabilities



**Our Vision of 'Financial Excellence'**

- Redefining digital customer journeys for retail and wholesale banking
- Delivering advanced wholesale banking solutions and leading the fintech ecosystem's growth and digital transformation in MENA region
- Enhancing IT efficiency with full automation for faster, error-free banking operations
- Utilizing data, AI and machine learning for enhanced banking experience



Digital Customer Acquisition  
**86%**

Digital Transactions  
**99%**

Digital Products Sales Growth  
**8% YoY**

# Digital initiatives launched in Q12024



1

Cashee



Cashee is a financial education and mobile banking platform tailored for children and teenagers. Cashee offers a complimentary prepaid Visa card and a mobile app to youth aged 6 to 18.

2

Market Place



Additional revenue stream for digital sales offering different e-vouchers, gift cards through anb mobile app. The solution contributes to cross-sell, recommendation of related products and services, potentially increasing sales of core products, and customer satisfaction.

3

SME App



SME app manages multiple functionalities for business customers like accounts payable and receivables, cash management, payments and transfers, payroll service, beneficiary management and account management.

4

Digital Prepaid Card



Anb digital card can be issued through anb electronic channels. This card is linked to a current account for POS, Online, and ATM transactions.

5

Chatbot



Chatbot is an AI-based conversational bot that acts as a virtual assistant to provide real-time support to bank customers. Customers can interact with these bots in place of a human, and customer support representative.

6

Auto Lease for Staff



Auto Leasing allows staff to lease the car of their choice through shariah-compliant programs with easy and flexible installment plans.

# Overview of Key ESG achievements and initiatives








## ENVIRONMENTAL

-  Treasury investments in green bonds worth **150Mn USD**
-  Bookrunner on PIF's green bond issue worth **11.35Bn SAR (~3Bn USD)**
-  Fully digitalized personal loan application and 83% digitalized individual account opening processes
-  Program partner to Wave, a national initiative dedicated to ocean regeneration
-  Green initiatives to make efficient premises, such as solar panel installation, box recycling, and green space expansion



## SOCIAL

-  Leading SME bank to support Vision 2030 programs, such as Monshaat, Kafalah, REDF<sup>1</sup>, SME bank<sup>2</sup>
  - Best partner award (Monshaat portal, 2022)
  - Best bank award for supporting female entrepreneurs (Kafalah, 2022)
  - Recognition as prominent SME financing bank in the Kafalah program (SME bank, 2023)
-  Partnership with REDF to support housing for low-income segments; total home loans worth 1.6Bn SAR given to 3,000+ customers in 2023
-  Partnership with SDB<sup>3</sup> to develop products to improve saving habits of consumers
-  Higher auto lease and personal loan disbursements to support female financial independence
-  Female workforce participation rate increased to **23%** from 13%; Saudization stands at **96%**
-  CSR spend of **6Mn+ SAR** on education, healthcare, and other philanthropic initiatives in 2022



## GOVERNANCE

-  Regulatory adherence to SAMA<sup>4</sup>, CMA<sup>5</sup> and international bank governance policies
-  Financial/ compliance/ legal frameworks and ISO<sup>6</sup> certifications:
  - Anti-corruption and fraud framework
  - Data privacy framework
  - Financial crime and Anti-money laundering framework
  - Information, cybersecurity and privacy protection standard
  - Customer satisfaction standards (quality management)
-  Establishment of ESG Management committee, with defined stakeholders and meeting cadence
-  Collaboration with regulatory ESG Advisory Committee and its four workstreams

 Activities ongoing in business lines (wholesale, retail, treasury and capital)

 Activities ongoing in support lines (HR, CSR, premises and governance)

# anb is completing the first phase of its ESG ambition-setting journey, and will develop a comprehensive strategy and KPIs by end of 2024



## Build ESG foundations

- Establish the anb's ESG vision and ambition
- Reflect on learnings from global best practices and stakeholder expectations
- Assess internal readiness for ESG and develop required training materials
- Discuss KPIs and KPTs for tracking the target ESG vision
- Review risks and mitigation opportunities, leveraging best practices
- Align with regulatory and national initiatives

## Design a comprehensive ESG strategy

- Develop key strategic pillars of ESG-centric value proposition
- Develop a Sustainable Finance Framework in line with the bank's strategic goals and regulations
- Build in-depth strategic ESG initiatives, KPIs/ KPTs
- Design a target operating model for effective ESG strategy execution
- Document the implementation roadmap, indicating initiatives sequence and dependencies
- Sustain collaboration with regulators and key stakeholders

## Lead the ESG implementation

- Prepare and publish the ESG/ sustainability report
- Design a portfolio of ESG products in line with the target vision
- Steer the implementation of ESG initiatives and circumvent challenges
- Launch an ESG change management program and foster an ESG-focused culture
- Run non-deal roadshows, elevating the bank's ESG brand among stakeholders
- Ensure ESG-focused regulatory alignment



04

FINANCIAL  
PERFORMANCE

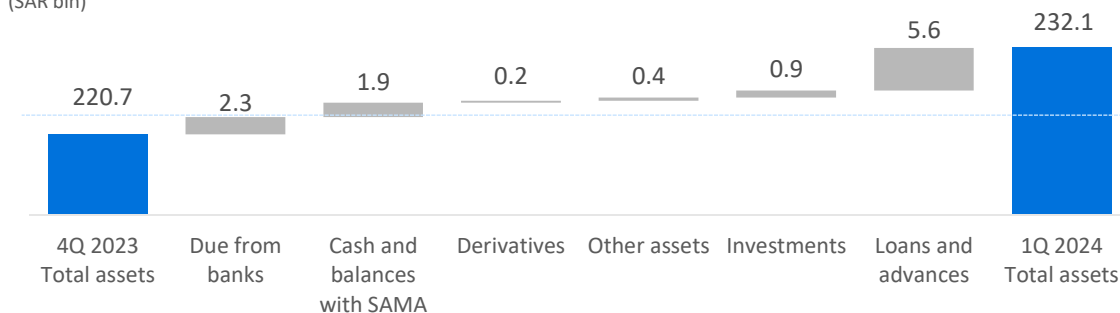
# anb balance sheet overview



| SAR mln,  | 1Q 2024        | 4Q 2023        | Diff %    | 1Q 2023        | Diff %    |
|---|----------------|----------------|-----------|----------------|-----------|
| Cash and balances with SAMA                         | 12,837         | 10,892         | 18%       | 14,067         | -9%       |
| Due from banks and other financial institutions     | 4,770          | 2,478          | 92%       | 4,754          | 0%        |
| Positive fair value of derivatives                  | 2,036          | 1,802          | 13%       | 2,406          | -15%      |
| Investments   | 47,624         | 46,676         | 2%        | 41,788         | 14%       |
| Loans and advances                                  | 157,875        | 152,235        | 4%        | 144,727        | 9%        |
| Other assets  | 7,006          | 6,600          | 4%        | 6,301          | 11%       |
| <b>Total assets</b>                                 | <b>232,146</b> | <b>220,683</b> | <b>4%</b> | <b>214,042</b> | <b>8%</b> |
| Due to banks, SAMA and other financial institutions | 10,285         | 8,430          | -38%      | 13,660         | -25%      |
| Negative fair value of derivatives                  | 1,476          | 1,403          | -35%      | 1,755          | -16%      |
| Customers' deposits                                 | 174,541        | 165,861        | 7%        | 155,247        | 12%       |
| Issued Sukuk  | 2,852          | 2,829          | 0%        | 2,853          | 0%        |
| Other liabilities                                   | 7,062          | 7,062          | 2%        | 7,859          | -1%       |
| <b>Total liabilities</b>                            | <b>196,948</b> | <b>185,585</b> | <b>3%</b> | <b>181,374</b> | <b>9%</b> |
| Share capital                                       | 15,000         | 15,000         | 0%        | 15,000         | 0%        |
| Statutory reserve                                   | 10,648         | 10,648         | 0%        | 9,630          | 11%       |
| Other reserves                                      | 258            | 437            | -41%      | 127            | 103%      |
| Retained earnings                                   | 4,264          | 8,985          | -53%      | 7,887          | -46%      |
| Proposed issuance of bonus shares                   | 5,000          | 0              | 100%      | 0              | 100%      |
| <b>Total equity</b>                                 | <b>35,170</b>  | <b>35,069</b>  | <b>0%</b> | <b>32,644</b>  | <b>8%</b> |

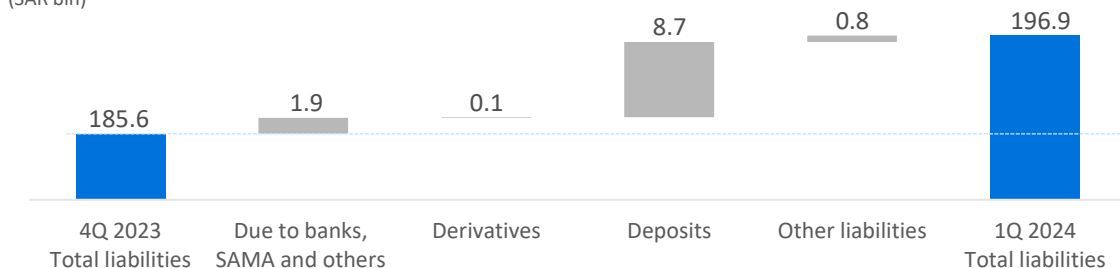
## Total Assets Movements

(SAR bln)



## Total Liabilities Movements

(SAR bln)

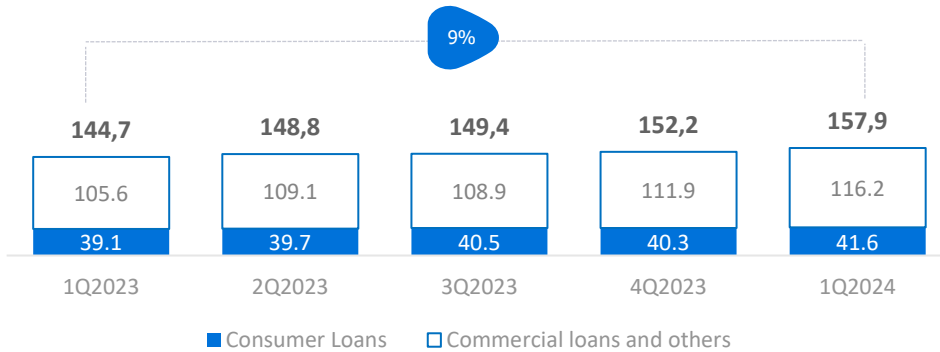


- Loans and advances increased by 9% YoY, mainly driven by growth in retail by 6% and corporate by 10%
- Investments posted a YoY increase of 14%
- Customer deposits gained 12% YoY, reflecting growth in both CASA and time deposits

# anb balance sheet overview: KSA-focused loan portfolio well diversified across business segments and economic sectors



## Loans and Advances



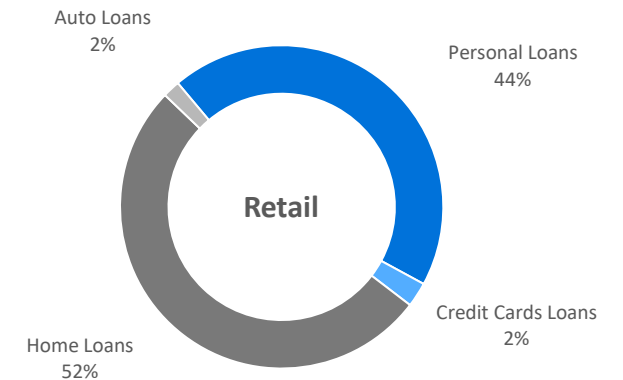
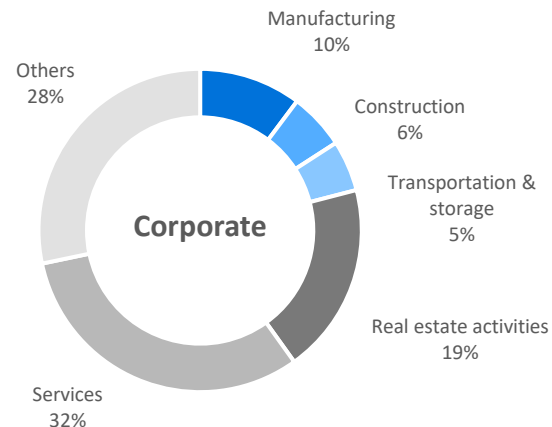
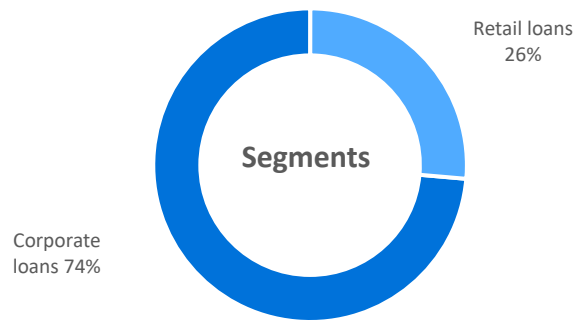
**157.9**

(SAR bln)

**+9% YoY**

- Loans and advances portfolio increased by 9% YoY
- Retail grew by 6%, driven by mortgages growth by 9,5% and auto leas by 166% YoY
- Corporate loans grew by 10% YoY

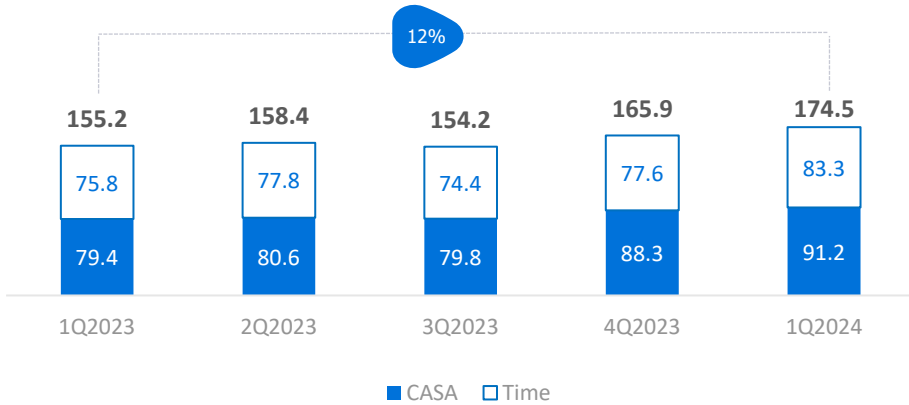
## Loans breakup as of 1Q2024



# anb balance sheet overview: solid growth in customer deposit base with healthy CASA to time deposits mix



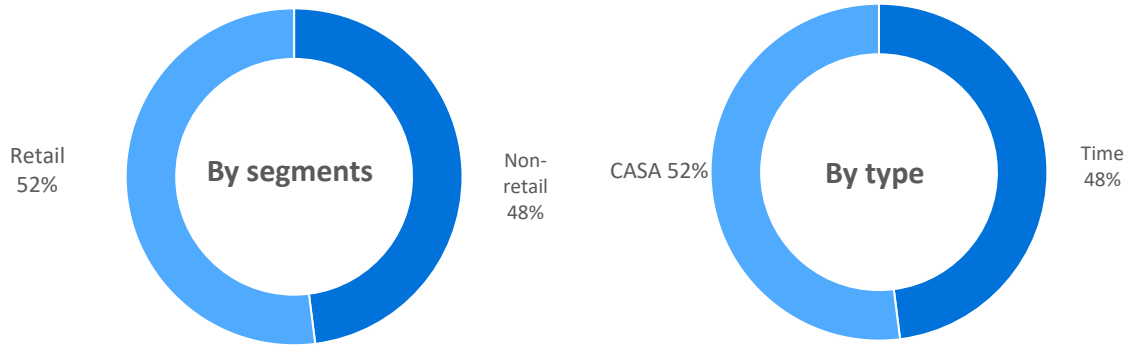
## Customer Deposits



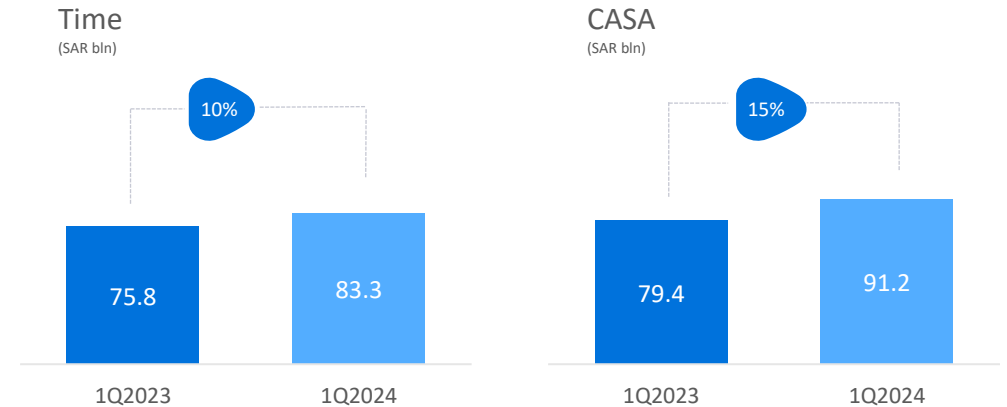
**174.5**  
(SAR bln)  
**+12% YoY**

- Customer deposits grew 12% YoY, reflecting SAR 7.5 bln growth in time deposits and SAR 11.8 bln increase in CASA deposits
- Total deposits 52% retail, 48% non-retail
- CASA represents 52% of total deposits.
- Time deposits represents 48% of total deposits.

## Deposits breakdown as of 1Q2024



## Deposits dynamics

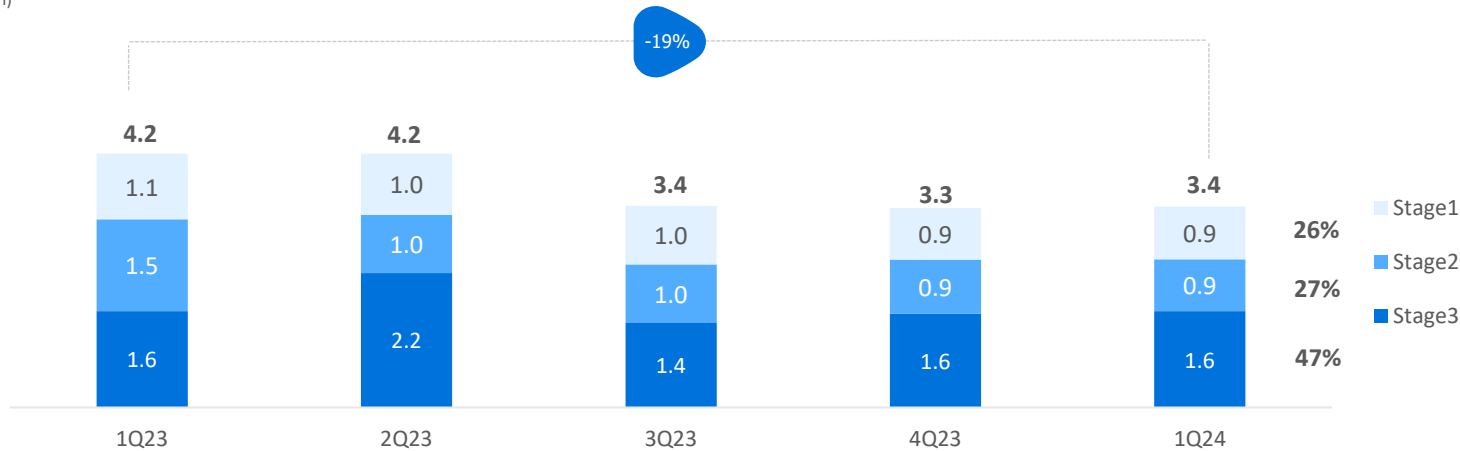


# anb balance sheet overview: NPL Coverage



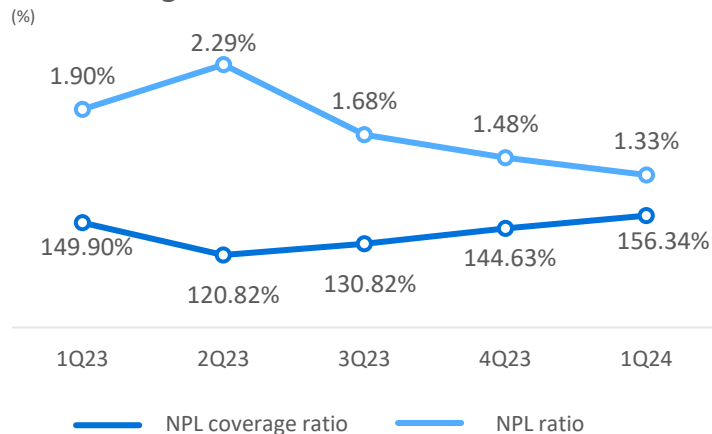
## ECL stage-wise for loans and advances

(SAR bln)

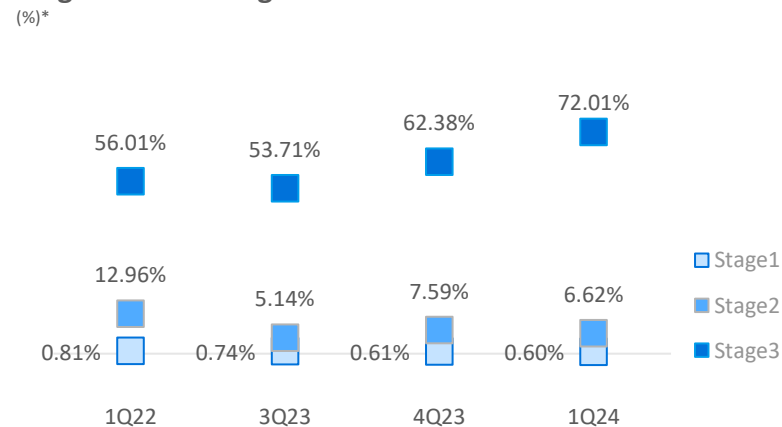


- anb maintains a robust risk management with an NPL coverage ratio resiliently at 156.34%
- On the other hand, anb succeeded to optimize provisioning of loan portfolio by 19% YoY due to high quality of its portfolio

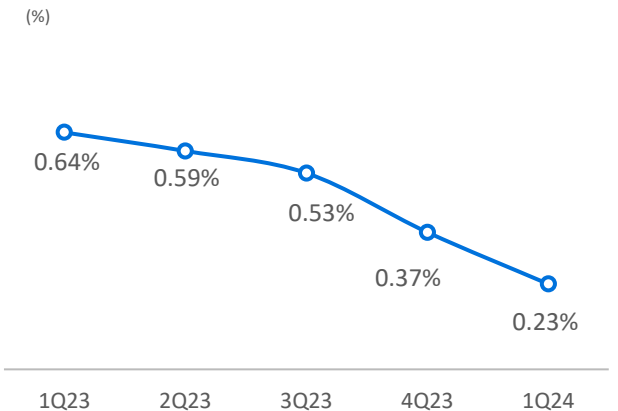
## NPL Coverage Ratio and NPL ratio



## Stage-wise Coverage



## Cost of Risk



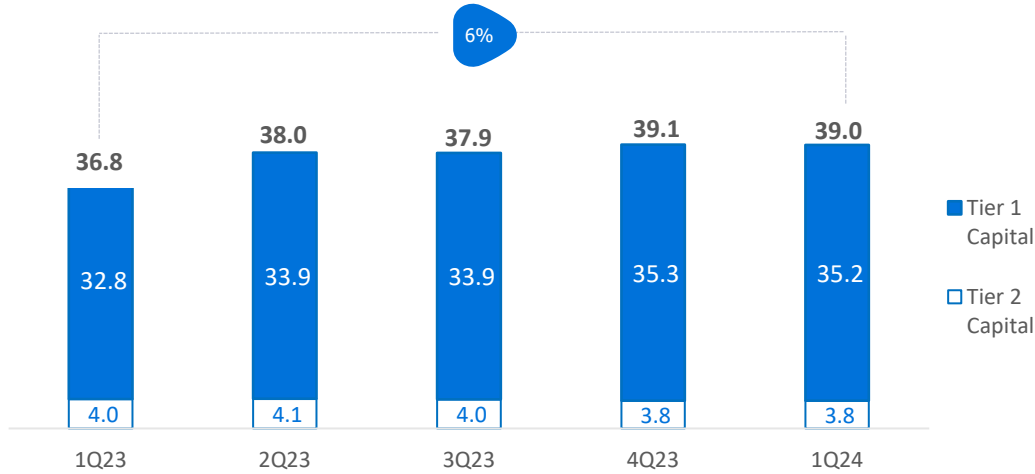
\*ANB started publishing this note in 3q2023

# anb Capitalization



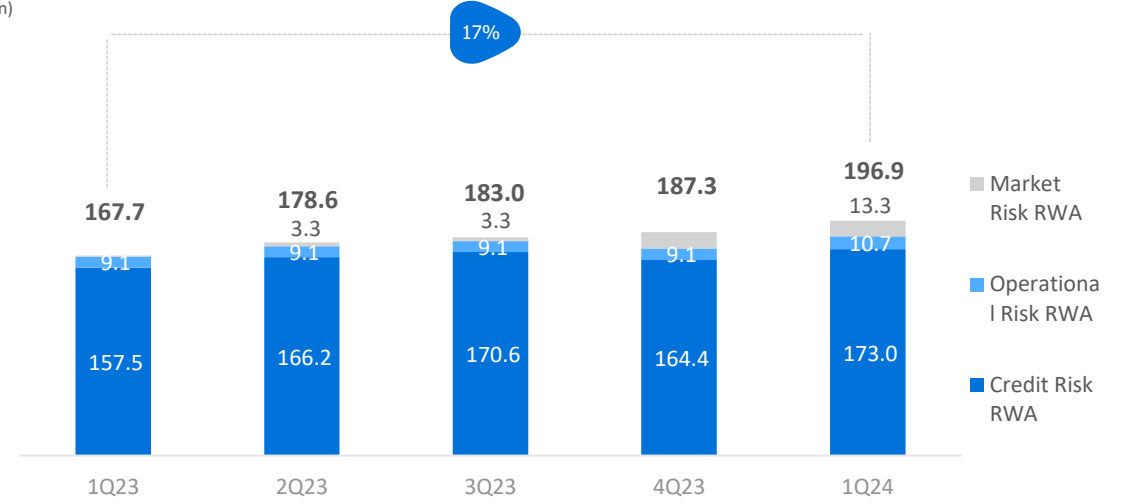
## Tier I & Tier II Capital

(SAR bln)



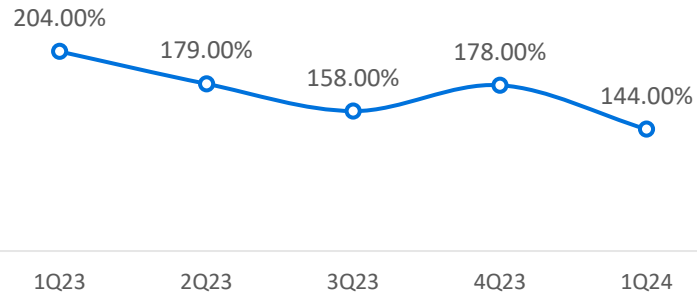
## Risk Weighted Assets

(SAR bln)



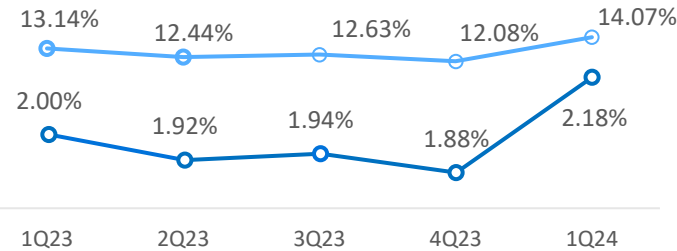
## LCR

(%)



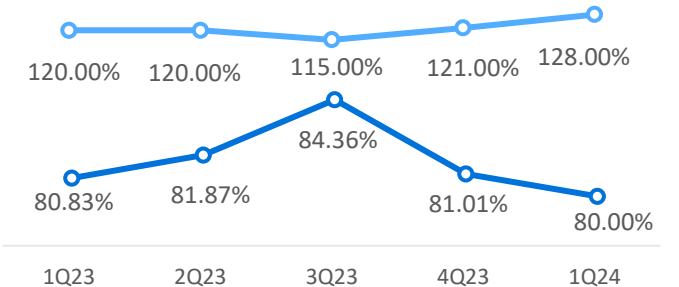
## ROAE & ROAA

(%)



## NSFR & Weighted LDR

(%)



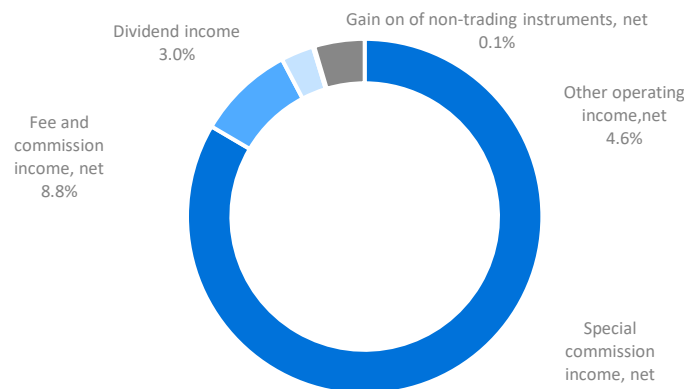
# anb P&L overview: top-line YoY growth contributed to strong net profit



| SAR mln,  | 1Q 2024      | 1Q 2023      | Diff       | 4Q 2023      | Diff       |
|---|--------------|--------------|------------|--------------|------------|
| <b>Net interest income</b>                                  | <b>1,928</b> | <b>1,764</b> | <b>9%</b>  | <b>1,834</b> | <b>5%</b>  |
| Special commission income                                   | 3,487        | 2,857        | 22%        | 3,363        | 4%         |
| Special commission expense                                  | 1,560        | 1,093        | 43%        | 1,529        | 2%         |
| Fee and commission income, net                              | 204          | 120          | 70%        | 122          | 68%        |
| Exchange income, net  | 69           | 85           | -20%       | 85           | -19%       |
| Gains on non-trading instruments, net                       | 3            | 156          | 100%       | 1            | 311%       |
| Other operating income, net                                 | 106          | 55.467       | 91%        | 55           | 93%        |
| <b>Total operating income</b>                               | <b>2,310</b> | <b>2,180</b> | <b>6%</b>  | <b>2,097</b> | <b>10%</b> |
| Salaries and employee related expenses                      | 418          | 368          | 14%        | 416          | 0%         |
| Depreciation and amortisation                               | 63           | 56           | 13%        | 59           | 7%         |
| Other expenses  | 249          | 236          | 6%         | 317          | -21%       |
|   | <b>730</b>   | <b>659</b>   | <b>11%</b> | <b>792</b>   | <b>-8%</b> |
| <b>Total operating expenses before impairment</b>           |              |              |            |              |            |
| Allowance charges of ECL and other provisions, net          | 162          | 248          | -35%       | -90          | -280%      |
| Impairment charges on other real estate owned               | 0            | 50           | -100%      | 272          | -100%      |
| <b>Total operating expenses</b>                             | <b>891</b>   | <b>957</b>   | <b>-7%</b> | <b>974</b>   | <b>-8%</b> |
| Earnings from associates, net                               | -1           | 10           | -110%      | -17          | -94%       |
| <b>Net Income before Zakat and Tax</b>                      | <b>1,417</b> | <b>1,233</b> | <b>15%</b> | <b>1,103</b> | <b>29%</b> |
| Zakat and tax   | 181          | 165          | 10%        | 163          | 11%        |
| <b>Net after Zakat and Tax (equity holders of the Bank)</b> | <b>1,236</b> | <b>1,068</b> | <b>16%</b> | <b>941</b>   | <b>31%</b> |
| EPS   | 0.82         | 0.71         | 0.11       | 0.63         | 0.19       |

- Total operating income grew by 6% YoY mainly due to 9% growth in NII
- Operating expenses increased 11% YoY mostly due to G&A-related expense growth
- Impairment charge decreased by 46% YoY

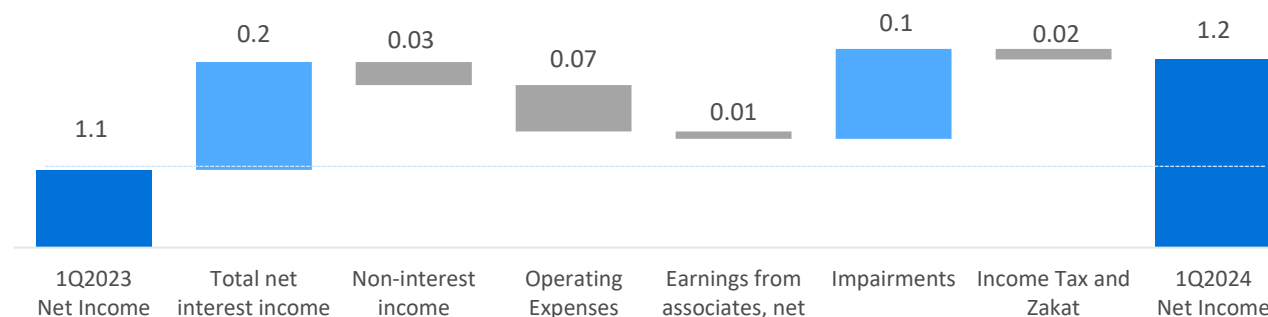
## Operating Income Structure



- Fees and commission income increased YoY by 70%, mainly due to growth in credit facilities and trade finance fees
- Gains on non-trading instruments decreased YoY due to hedging gain from a one-off sale of hedged Saudi Gov Sukuk

## Net Income Movements

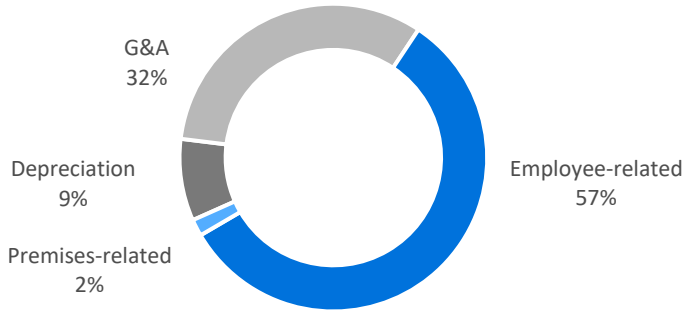
(SAR bln)



# anb P&L overview: OPEX rose by 9% YoY, in line with NII growth for the same period



## Operating expenses breakdown



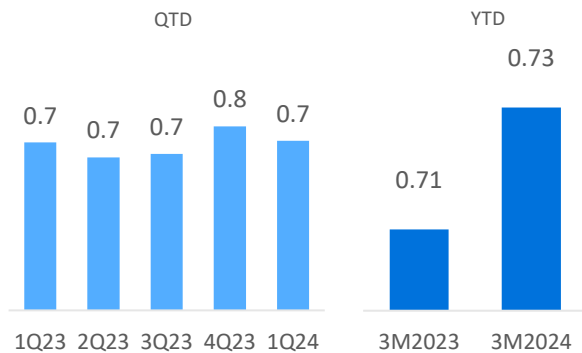
## Cost to Income

**31.61%**  
1.38%  
YoY

- Cost to income increased by 1.38% YoY reaching to 31.61%
- OPEX added 11% YoY to SAR 0.7 bln for 1Q2024
- The structure of operating expenses had low volatility due the period

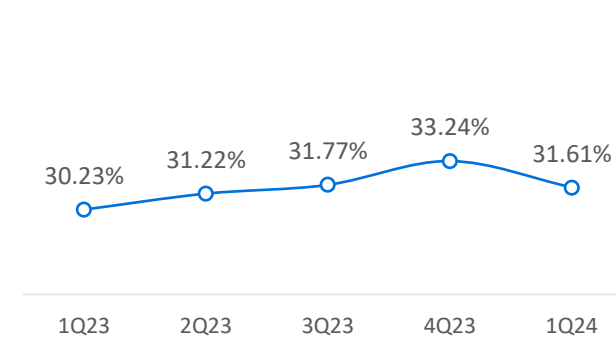
## OPEX before impairment

(SAR bln)



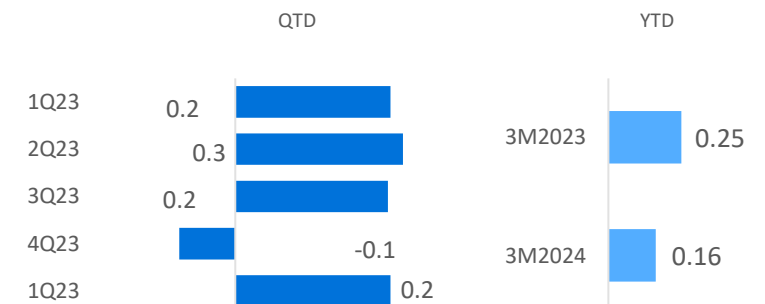
## Cost to income

(%)



## Impairment charge for ECL

(SAR bln)

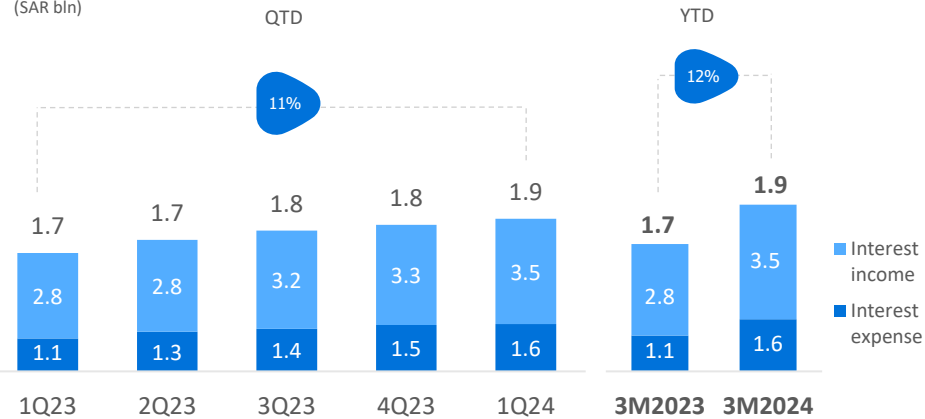


# anb P&L overview: continued increase in yields driven by rising benchmark rates fueled net interest income



## Net interest income

(SAR bln)



## NIM

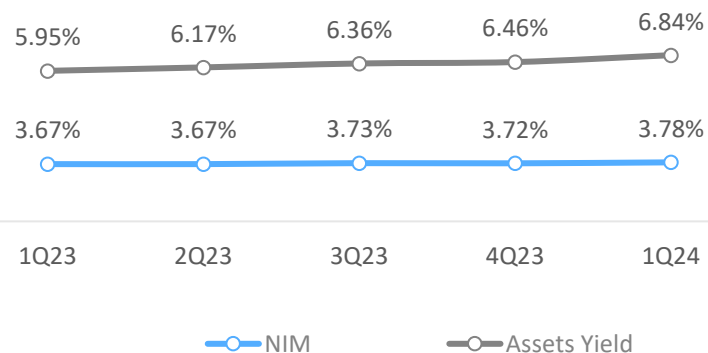
**3.78%**

+11 bps YoY

- NIM gained 11 bps to 3.78% following an increase in operating income on the back of rising rates
- Assets yield added 89 bps, while cost of funds rose by 78 bps

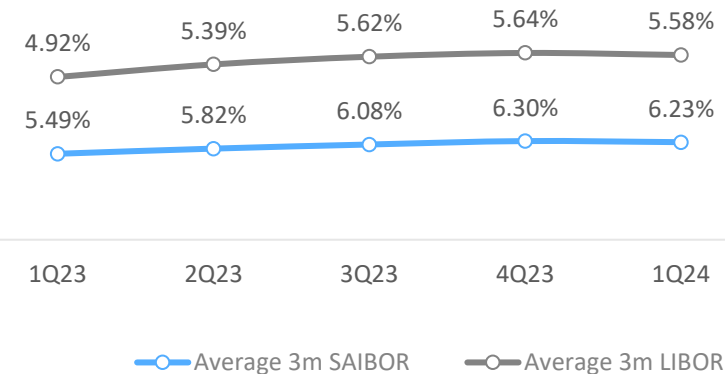
## NIM and assets yield

(%)



## Market benchmarks

(%)



# anb returns value to shareholders, while its capital remains strong



## Per Share Data

|                           | 2023  | 2022  | 2021  |
|---------------------------|-------|-------|-------|
| EPS (SAR)                 | 2.71  | 2.05  | 1.45  |
| EPS Before XO Items       | 2.61  | 2.02  | 1.34  |
| Book Value (BV)           | 23.40 | 21.51 | 20.73 |
| Dividends Per Share (SAR) | 1.35  | 1.10  | 0.80  |
| Price/book                | 1.08  | 1.49  | 1.10  |
| P/E                       | 9.32  | 15.66 | 15.77 |

## Aggregate Return

ca. 6.8  
(SAR / share)

MOODY'S  
**A2/P-1**  
Outlook: Positive

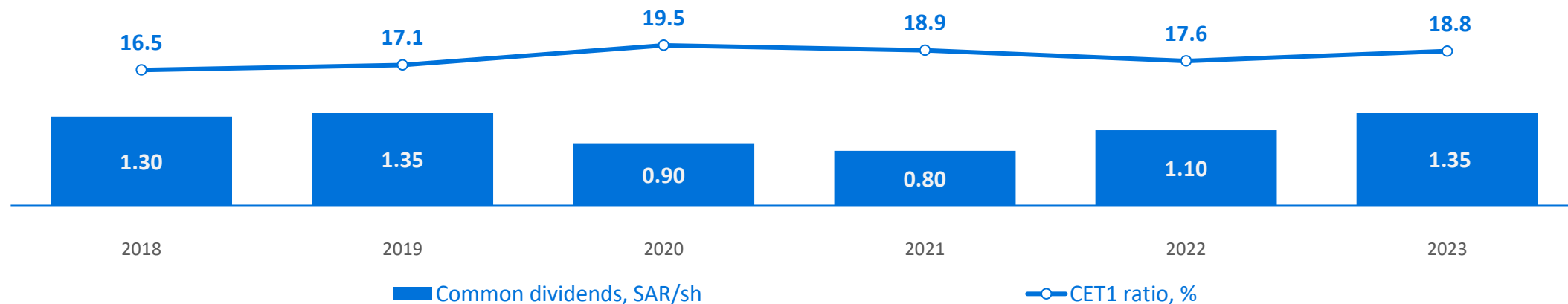
S&P Global  
Ratings  
**A2/A-2**  
Outlook: Stable

Fitch Ratings  
**A-/F2**  
Outlook: Stable

## Credit Ratings

- We expect ANB to maintain its solid deposit-funded profile, a credit strength, supported by a well-established and defensible domestic franchise.
- We expect asset-quality risks to be subdued for the next 12-18 months supported by the resilient operating environment for banks
- The stable outlook reflects anb's strong capitalization, balanced by below average, although improving, asset quality indicators
- We view the Saudi banking sector as well capitalized with strong earnings capacity through economic cycles
- anb's 'A-' long-term IDRs are driven by potential support from the Saudi Arabian authorities, as reflected by its Government Support Rating (GSR) of 'a -'.
- anb's risk profile considers its sound underwriting standards and increasing focus on lower-risk retail mortgages as well as high concentration risks.

## Capital return





# 05

## GUIDANCE

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# 1Q2024 highlights: improvement across key metrics



| Metric                | 3M2024 |            | Guidance    | Revision  |
|-----------------------|--------|------------|-------------|-----------|
| Loans & advances, net | 157.9  | 9% YoY     | Mid Teens   | UNCHANGED |
| NIM                   | 3.78%  | 0.11% YoY  | -5 to 5 bps | UNCHANGED |
| Cost to income        | 31.61% | 1.38% YoY  | Below 32%   | UNCHANGED |
| ROAE                  | 14.07% | 0.93% YoY  | Above 13%   | UNCHANGED |
| Cost of Risk          | 23bps  | -53bps YoY | 50 – 60 bps | UNCHANGED |
| CET1 Ratio            | 17.86% | -8.73% YoY | Above 19%   | UNCHANGED |



# 06

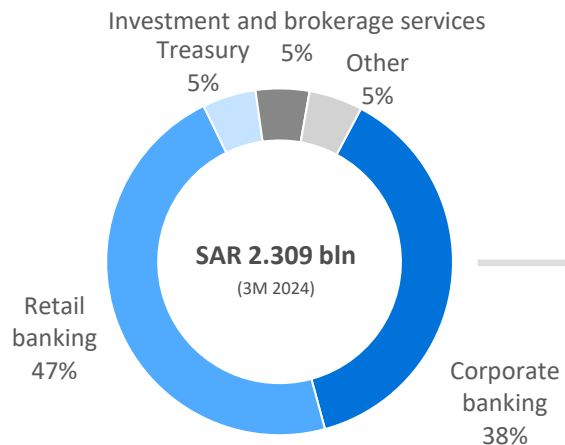
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SEGMENTS

# Driving execution and growth across various business segments



## Operating income by Business Segment

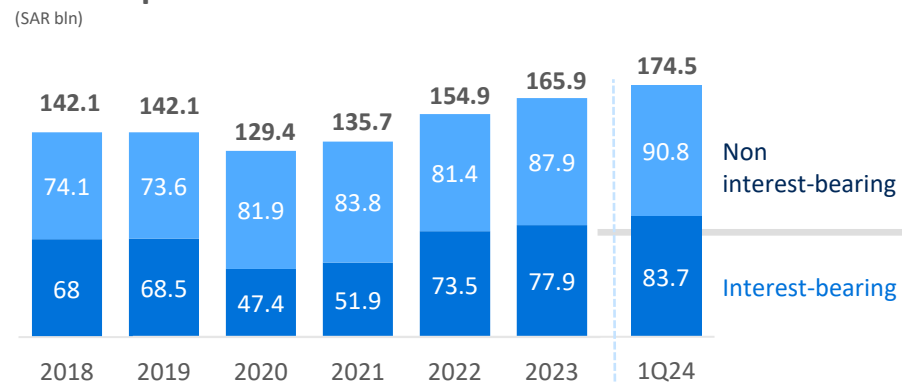


## Net income by Business Segment

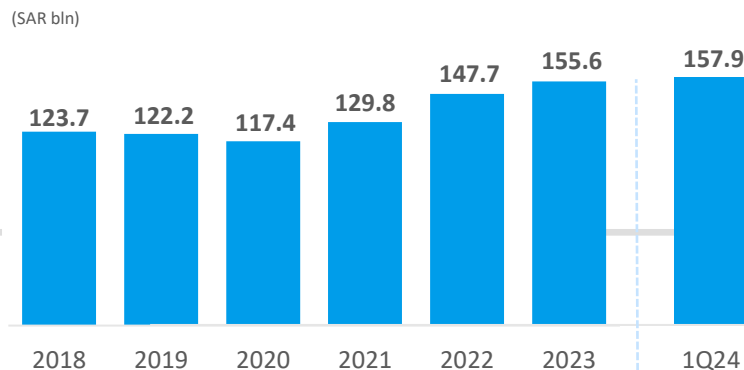


- Strong digital enrollment and usage
- Continued investment in digital
- Focused expense management in tough operating environment

## Total Deposits



## Total Loans



- Deposits continued to grow and loan portfolio expanded through different interest rate environments

# Retail segment – easy, efficient, totally digital

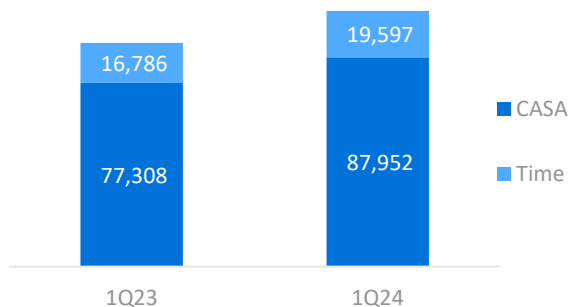


| SAR mln,  | 1Q 2024      | 1Q 2023    | Diff %     | 4Q 2023      | Diff %     |
|---|--------------|------------|------------|--------------|------------|
| Operating income/ (expense) from external customers | 547          | 460        | 19%        | 502          | 9%         |
| Intersegment operating income/(expense)             | 528          | 445        | 19%        | 607          | -13%       |
| <b>Total operating income</b>                       | <b>1,075</b> | <b>905</b> | <b>19%</b> | <b>1,109</b> | <b>-3%</b> |
| Total operating expenses                            | 550          | 457        | 20%        | 668          | -18%       |
| <b>Net income before Zakat</b>                      | <b>526</b>   | <b>448</b> | <b>17%</b> | <b>442</b>   | <b>19%</b> |

- Net income grew more than 15% YoY mainly from growth in NII
- Operating expenses increased 20% YoY, while impairment charges increased 24%
- Net loans continued to sequentially grow in 2024

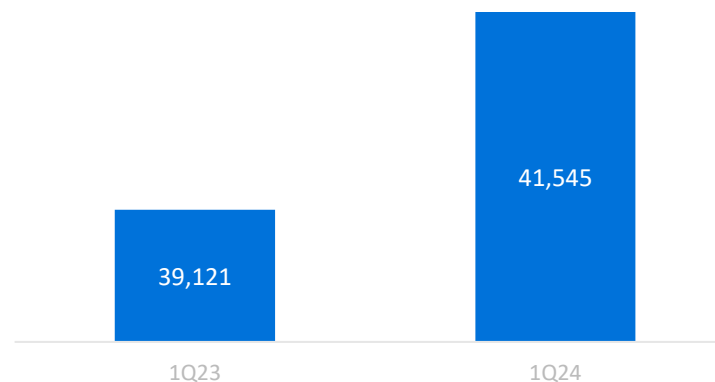
## Total Deposits

(SAR mln)



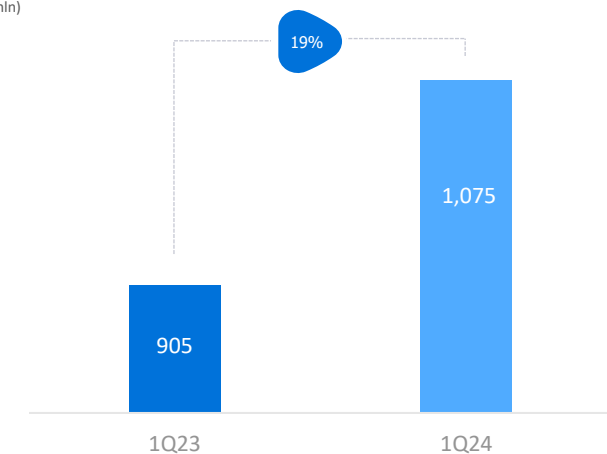
## Net Loans

(SAR mln)



## Total operating income

(SAR mln)



# Corporate segment – a blend of world-class corporate banking solutions and market-leading expertise

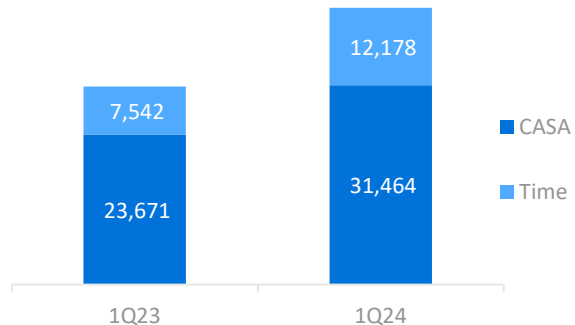


| SAR mln,  | 1Q 2024    | 1Q 2023    | Diff %      | 4Q 2023    | Diff %      |
|---|------------|------------|-------------|------------|-------------|
| Operating income/ (expense) from external customers | 1,667      | 1,513      | 10%         | 1,532      | 9%          |
| Intersegment operating income/(expense)             | -795       | -621       | 28%         | -770       | -3%         |
| <b>Total operating income</b>                       | <b>872</b> | <b>891</b> | <b>-2%</b>  | <b>763</b> | <b>14%</b>  |
| Total operating expenses                            | 610        | 378        | 61%         | 301        | 103%        |
| <b>Net income before Zakat</b>                      | <b>262</b> | <b>513</b> | <b>-49%</b> | <b>461</b> | <b>-43%</b> |

- Net income decreased 49% YoY mainly from growth in operating expenses, and reduction in fees
- Net loans continued to sequentially grow in 1Q24

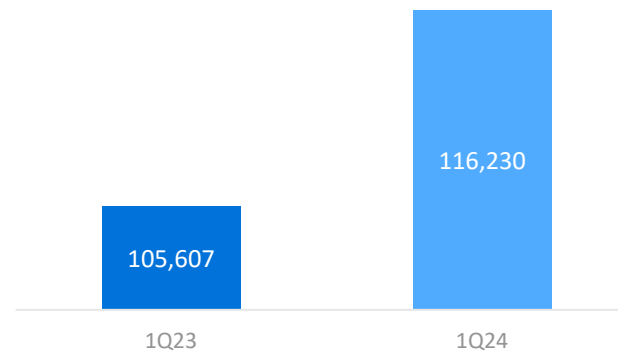
## Total Deposits

(SAR mln)



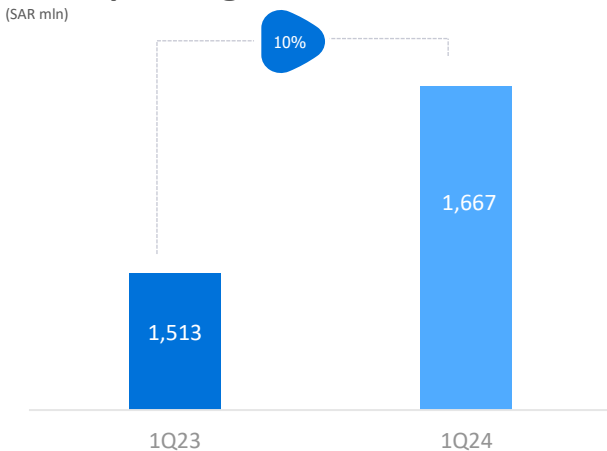
## Net Loans

(SAR mln)



## Total operating income

(SAR mln)



# Treasury segment– an array of sophisticated products bolstered by global financial markets expertise

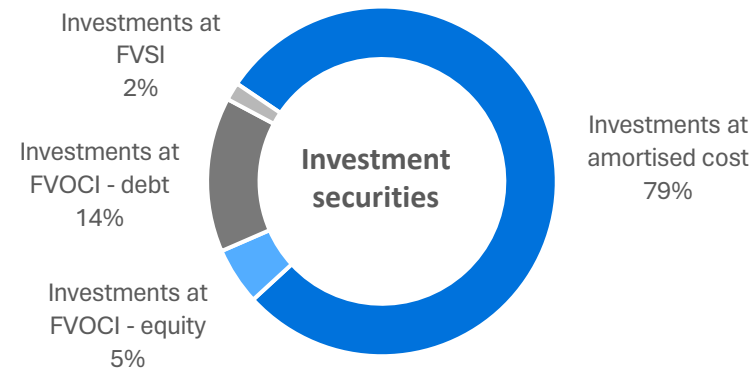
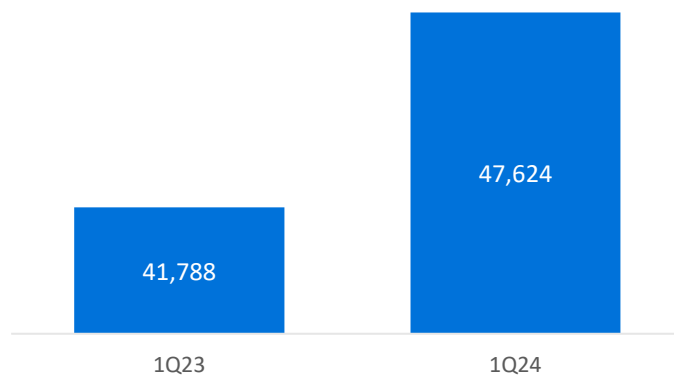


| SAR mln,  | 1Q 2024    | 1Q 2023    | Diff %      | 4Q 2023    | Diff %      |
|---|------------|------------|-------------|------------|-------------|
| Operating income/ (expense) from external customers | -3         | 172        | -102%       | -1         | -2.9x       |
| Intersegment operating income/(expense)             | 130        | 72         | -81%        | 24         | 4.5x        |
| <b>Total operating income</b>                       | <b>127</b> | <b>244</b> | <b>-48%</b> | <b>23</b>  | <b>4.6x</b> |
| Total operating expenses                            | 37         | 44         | -17%        | 42         | -11%        |
| <b>Net income before Zakat</b>                      | <b>90</b>  | <b>200</b> | <b>-55%</b> | <b>-20</b> | <b>5.6x</b> |

- Net investments increased YoY BY 14%
- Solid growth in Fees and commission by 70% YoY

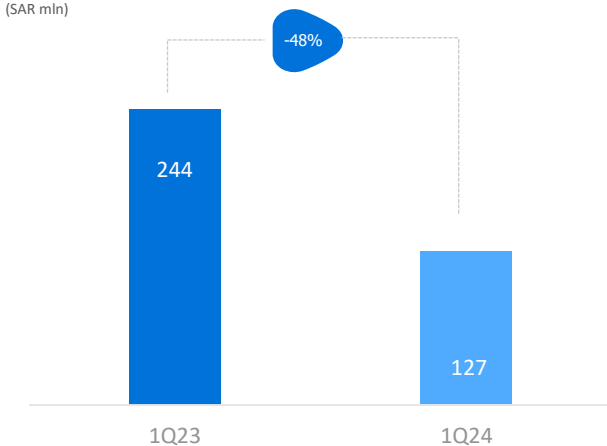
## Net investments

(SAR mln)



## Total operating income

(SAR mln)



Thank You



# Please contact the Investor Relations team for additional information or download **anb's** IR App

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