



1Q 2025 Earnings Presentation



May 2025

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1Q 2025 Financial Highlights

Q1'25 highlights: robust profitability combined with strong growth

₹ bln

Loans and advances 179.1 ▲ 13.4% YoY ▲ 5.6% QoQ	Earnings per share (EPS) 0.65 ▲ 4% YoY	Customers' deposits 195.6 ▲ 12.1% YoY ▲ 7.3% QoQ	Operating income 2.5 ▲ 9.6% YoY
Cost to income 31.7% ▲ +4 bps YoY	NIM 3.63% ▼ -13 bps YoY	NPL ratio 1.34% ▲ +1 bps YoY ▲ +14 bps QoQ	CET 1 ratio 16.6% ▼ -1.44 ppt YoY ▼ -0.56 ppt QoQ
Cost of risk 40 bps ▲ +2 bps YoY	ROAE 13.07% ▲ +58 bps YoY	LCR 133.6% ▼ -10.36 ppt YoY ▲ +1.70 ppt QoQ	CAR 19.8% ▼ -0.23 ppt YoY ▲ 0.83 ppt QoQ

- *Macro environment remains supportive as Saudi economy is boosted by expanding non-oil activities*
- *In Q1 anb delivered remarkable bottom-line results, capital returns and EPS further improved*
- *Strong loan growth in Q1 driven by corporate lending*
- *NIM is resilient supported by growth in assets and improved cost of fund*
- *Steady cost of risk underpins stable quality of loan book*
- *Capital utilization increased in line with strategy to capture attractive business opportunities*
- *Healthy balance sheet structure with conservative funding model and robust capital levels*
- *Well positioned to deliver on 2025 targets*

anb business today: optimal business mix delivers strong results

Total assets
₺ 264.7 bln

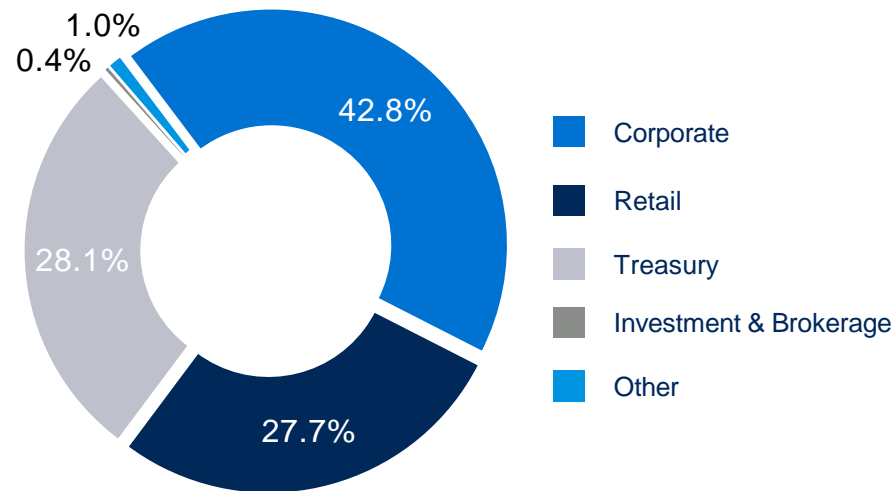
Loans
₺ 179.1 bln

Deposits
₺ 195.6 bln

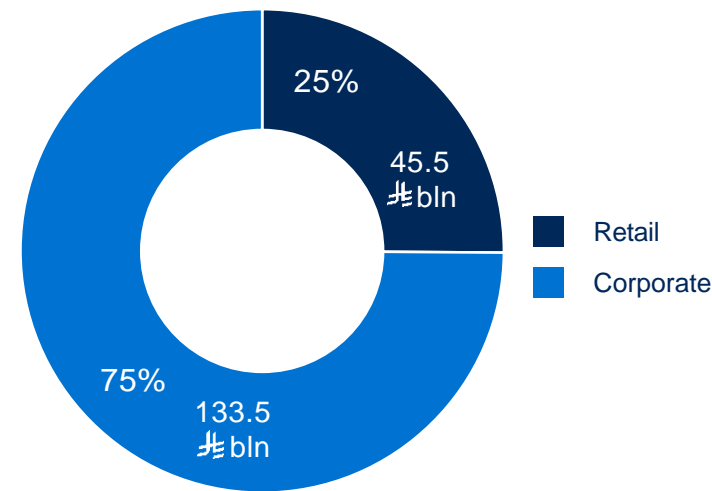
Operating income
₺ 2.5 bln Q1'25
₺ 2.3 bln Q1'24

Net income
₺ 1.304 bln Q1'25
₺ 1.236 bln Q1'24

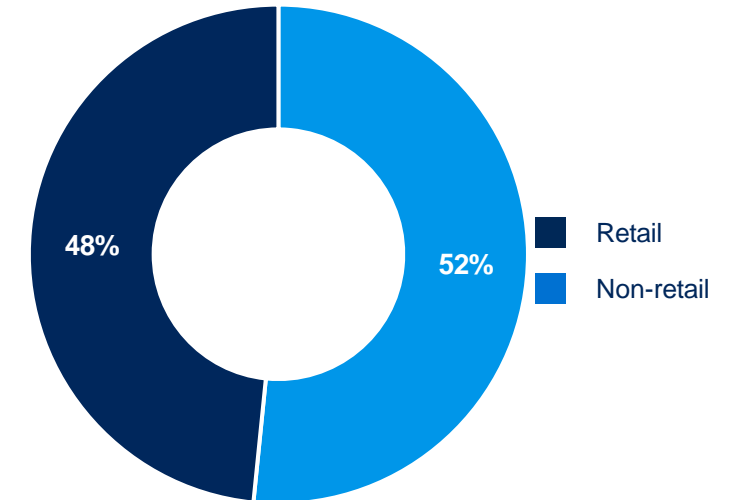
Assets mix by business line



Loans



Deposits



Leading banking franchise

Supporting customer loan growth

Strong core deposit base





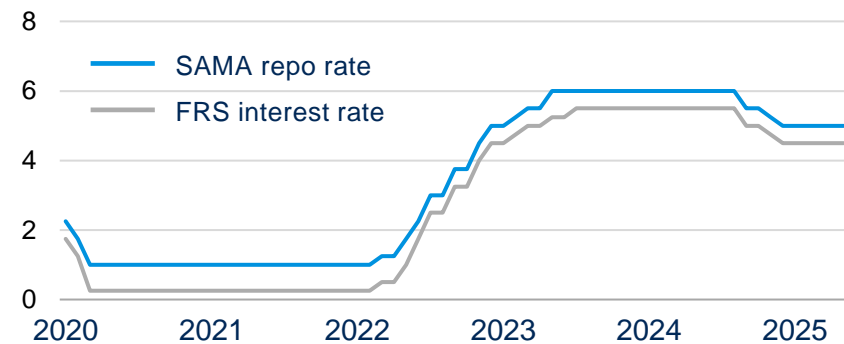
Overview of Strategy Execution and Operating Environment

Operating Backdrop: robust KSA economy underpins solid banking sector

SAMA & FRS rates

Source: www.global-rates.com

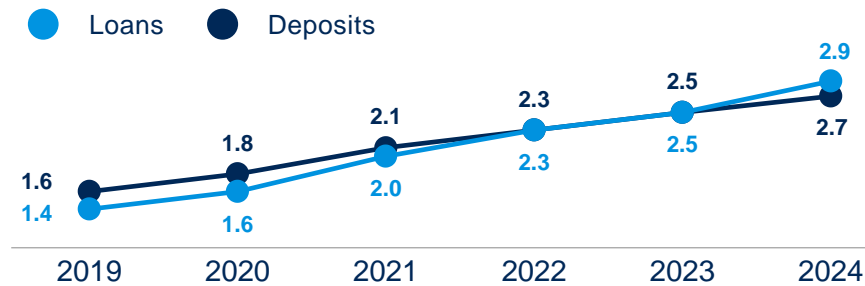
The Saudi Central Bank synchronizes its repo rate with the US Federal funds rate which makes macro-economical environment in the country stable and predictable



Deposits/loans portfolios of the top-10 Saudi banks (SAR tn)

Source: Bloomberg

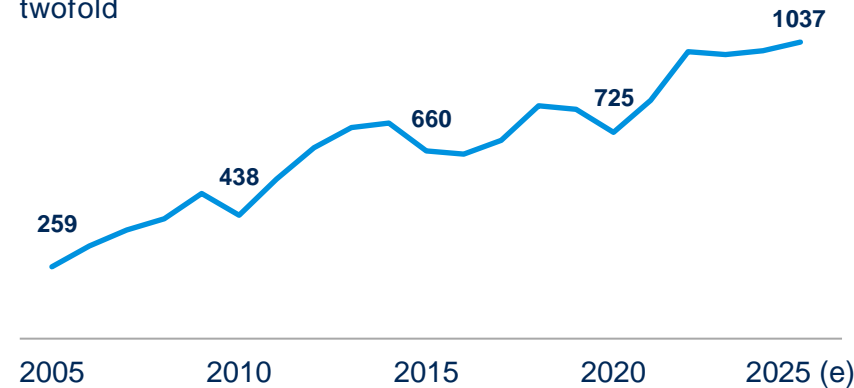
KSA banks' total deposits reached SAR 2.7 tn in 2024, marking a 8.4% increase as compared to 2023. It enables banks to fuel growing economy with abundant lending. Top-10 biggest banks account for more than 80% of loans and deposits volumes



KSA's normal GDP (USD bln)

Source: IMF

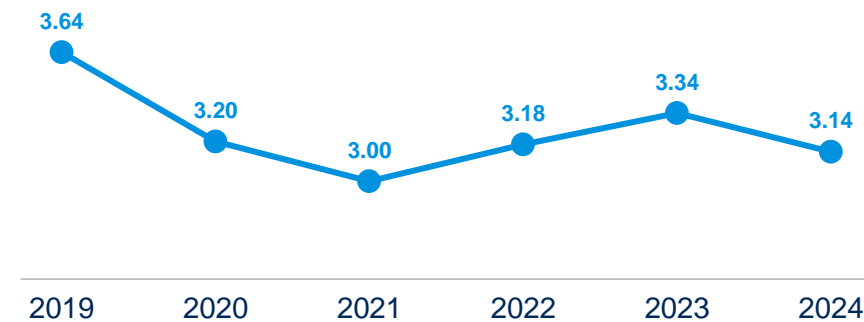
The GDP of Saudi Arabia grew more than 300% since 2004 and out-performed world's average growth rate twofold



NIM (%)

Source: Bloomberg

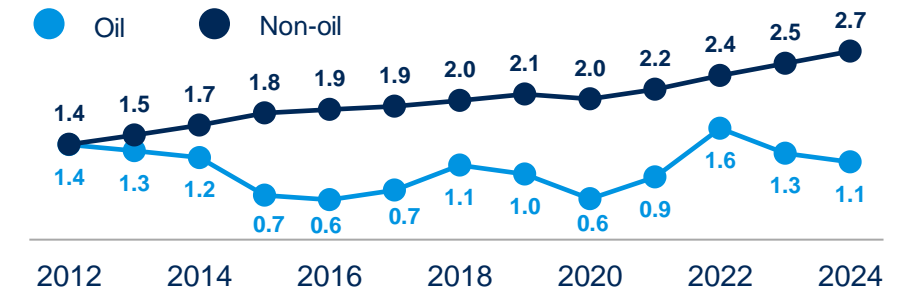
The aggregate net interest margin (NIM) remains robust at over 3%



KSA GDP at current price by institutional sectors (SAR tn)

Source: KSA General Authority for Statistics

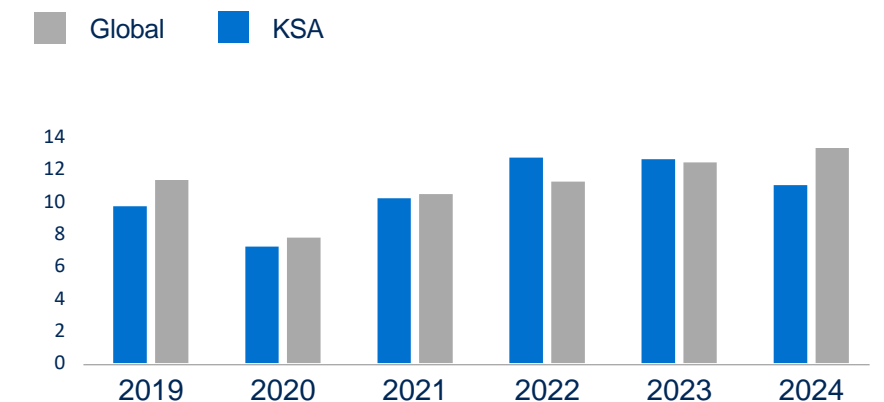
Saudi Arabia's non-oil sector of economy has been showing stable growth rates for a decade while oil-related industries are subjected to high volatility due to commodities price fluctuations.



Return on equity (%)

Source: McKinsey, Bloomberg

Saudi Arabia banks tend to outpace global average ROE of financial institutions.



Strategy achievements and initiatives

	Initiatives	Key achievements	Areas of focus moving forward
Corporate	<p>48%</p> <p>20 Completed</p> <p>25 In progress</p>	<ul style="list-style-type: none"> • Enhanced corporate profitability and improved portfolio risk profile • Achieved leading position in SME banking, especially with government-backed programs • Launched a digitized SME app and optimized SME onboarding 	<ul style="list-style-type: none"> • Strengthen our portfolio in strategic growth sectors • Expand structured finance, public-private partnership, and ESG-compliant portfolios • Tailor financial solutions for vision 2030 entities • Grow our customer base in key sectors, emerging cities, and innovative solutions for SMEs • Boost fintech enablement and digital transformation
Retail & Private	<p>57%</p> <p>30 Completed</p> <p>23 In progress</p>	<ul style="list-style-type: none"> • Expanded product offerings • Revamped retail apps • Optimized branch networks and introduced investment products for high net-worth individuals 	<ul style="list-style-type: none"> • Diversifying offerings in auto loans and credit cards • Enhancing deposit products and loyalty programs
Treasury	<p>50%</p> <p>2 Completed</p> <p>2 In progress</p>	<ul style="list-style-type: none"> • Diversified investments into higher-yielding assets • Upgraded treasury systems 	<ul style="list-style-type: none"> • Innovating in business lines • Expanding and diversifying treasury offerings
Investment & Brokerage	<p>65%</p> <p>11 Completed</p> <p>6 In progress</p>	<ul style="list-style-type: none"> • Completed high-profile investment banking transactions • Launched new real estate funds • Launched new brokerage app 	<ul style="list-style-type: none"> • Driving innovation in capital markets and asset management • Building a trusted presence in real estate and private equity

To ensure effective delivery of the strategy, we have reviewed and enhanced all other strategic initiatives

Key Strategic Enablers

- 
Marketing & CX
 Excellence in customer experience to strengthen Brand equity
- 
Human Capital
 KSA banking employer of choice
- 
Technology
 Optimize infrastructure to accelerate digitization
- 
Org. Effectiveness
 Drive organizational efficiency
- 
Risk
 Fostering a risk culture to elevate operations and enable business growth

Focus Areas

- | | | | |
|---|---|------------------------------|----------------------------------|
| > Brand and Marketing Strategic Direction | > Organizational Pivot (Business Driver vs Cost Center) | > Capability Development | > Customer Centricity |
| > Enhance employee experience and value proposition | > Competency and performance management framework modernization | > anb academy transformation | > Digitization of admin services |
| > Articulated Strategic Direction | > Organizational Transformation | > Capability Development | > Data and AI strategy |
| > Achieve Spending Efficiency Through ZBS | > Procurement Transformation and Capability Development | | |
| > Risk Transformation and Capability Development | > Cybersecurity readiness and resilience | | |

Digital Banking Achievements and Initiatives in Q1 2025

One of the fastest growing digital banks in KSA with exponential growth in digital banking and digital customer onboarding

Digital Banking Q1 YoY growth

New customer acquisition

43% ▲

Digital transaction

15% ▲

Product digital fulfillment

Auto lease

100%

Credit card activation

91%

Housing Loan

83%

Personal loan

51%



Product Launched in Q1

Robo Advisory

Robo Advisory is an automated platform challenging traditional advisors by tailoring investment strategies using advanced algorithms. This platform supports automated goal-based strategies and personalized portfolios based on user risk profiles



anb Business

anb Business is a one stop-shop offering payments and transactional solutions for wholesale banking customers. The service benefits businesses by circumventing manual interventions and automating daily banking activities



Upcoming Launches

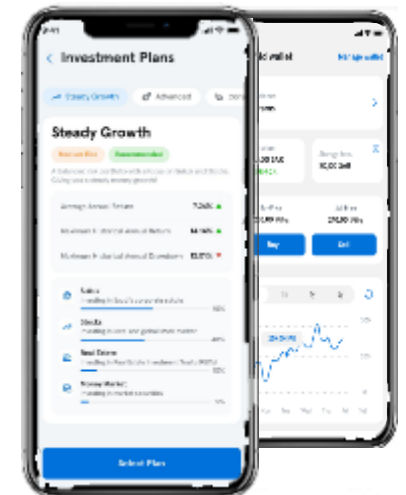
Retail Internet Banking Revamp

anb's Retail Internet Banking designed to cater to all segments of anb retail customers. RIB offers the convenience and flexibility of accessing customer accounts and managing their finances. It supports in easily managing accounts, view statements, pay bills, and transfer funds locally and internationally



Gold Wallet

Gold Wallet is one of the investment products in anb mobile. It allows anb retail customers the option to digitally invest in gold by opening a dedicated digital Gold Wallet through anb mobile application



anb Launched new ESG strategy with strong ambition to support business growth

VISION

We will lead in ESG by supporting KSA's Vision 2030, Net Zero 2060 goals, and KSA social advancement priorities, focusing on helping our clients transition to a sustainable future, while driving profitability through climate risk management and decarbonization of our portfolio

AMBITION, COMMITMENTS AND TARGETS



Power emissions reduction

20%+ intensity reduction of financed emission intensity in power by 2030



Aviation emissions reduction

20%+ intensity reduction of financed emission intensity in aviation by 2030



Net Zero Pathway

Publish decarbonization targets

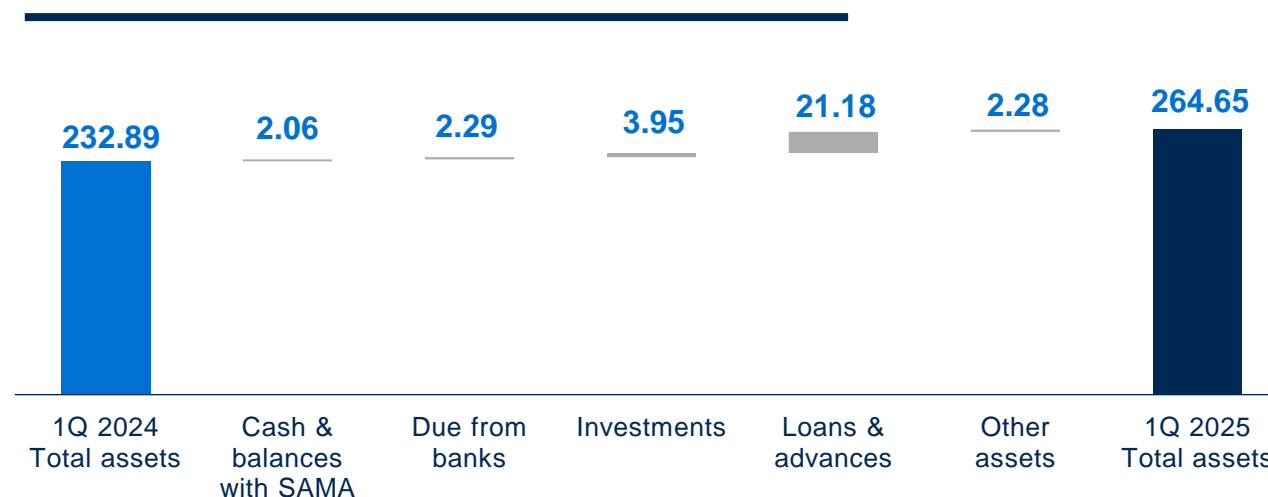
Financial Performance



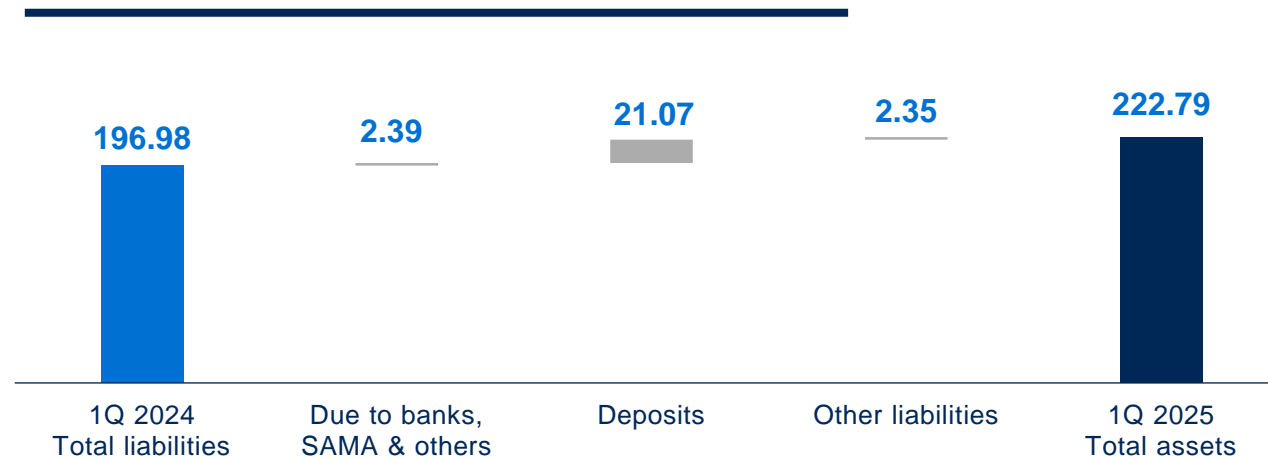
Balance sheet overview: loan growth supported by competitive deposits franchise

Consolidated Balance Sheet, ₺ mln	QoQ			YoY	
	Mar FY25	Dec FY24	Diff %	Mar FY24	Diff %
Cash and balances with SAMA	14,901	12,342	20.7%	12,837	16.1%
Due from banks and other financial institutions	7,062	3,853	83.3%	4,770	48.1%
Net Investments	52,311	52,345	-0.1%	48,363	8.2%
Net Loans and advances	179,057	169,495	5.6%	157,875	13.4%
Investment in associates	892	890	0.3%	949	-6.0%
Other assets	10,427	9,382	11.1%	8,092	28.9%
Total assets	264,651	248,307	6.6%	232,885	13.6%
Due to banks and other financial institutions	12,682	14,404	-12.0%	10,292	23.2%
Customers' deposits	195,619	182,230	7.3%	174,547	12.1%
Issued Sukuk	2,852	2,829	0.8%	2,852	0.0%
Other liabilities	11,637	10,695	8.8%	9,287	25.3%
Total liabilities	222,790	210,158	6.0%	196,978	13.1%
Share capital	20,000	20,000	0.0%	15,000	33.3%
Treasury shares	- 98	- 98	0.0%	-	-
Statutory reserve	11,890	11,890	0.0%	10,648	11.7%
Other reserves	334	111	201.4%	258	29.6%
Retained earnings	6,354	6,217	2.2%	9,973	-36.3%
Tier I Sukuk	3,350	-	-	-	-
Non-controlling interest	30	30	1.9%	29	5.1%
Total equity	41,861	38,149	9.7%	35,907	16.6%

Total assets movements (₺ bln)

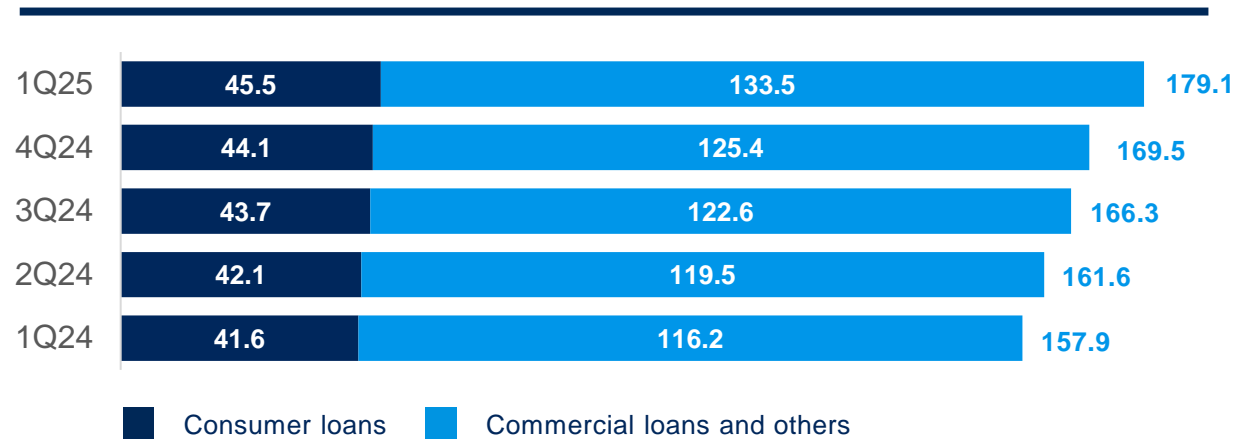


Total liabilities movements (₺ bln)

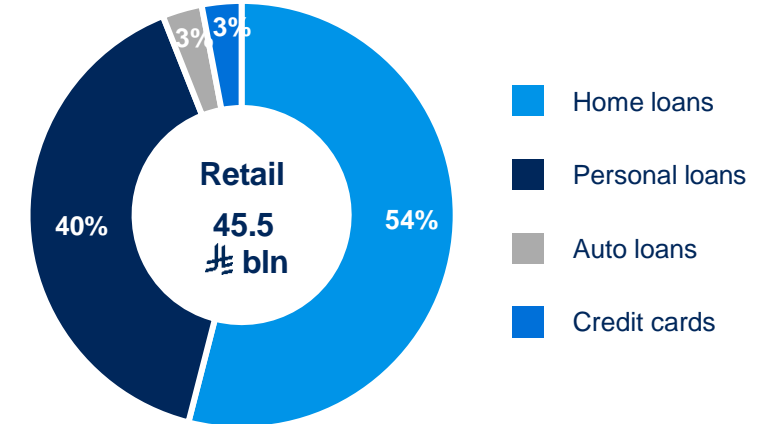
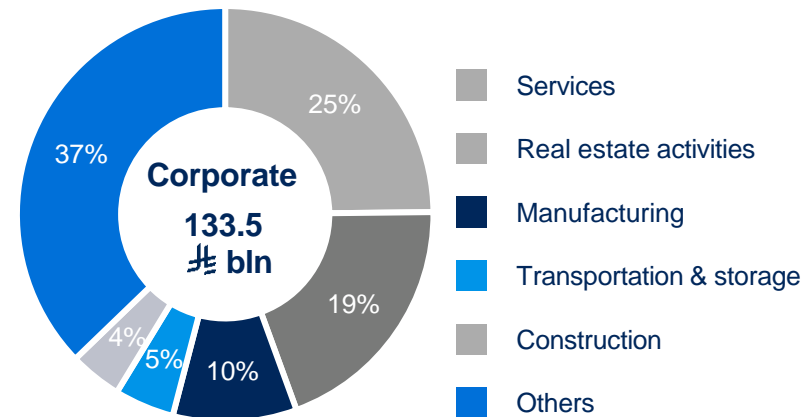
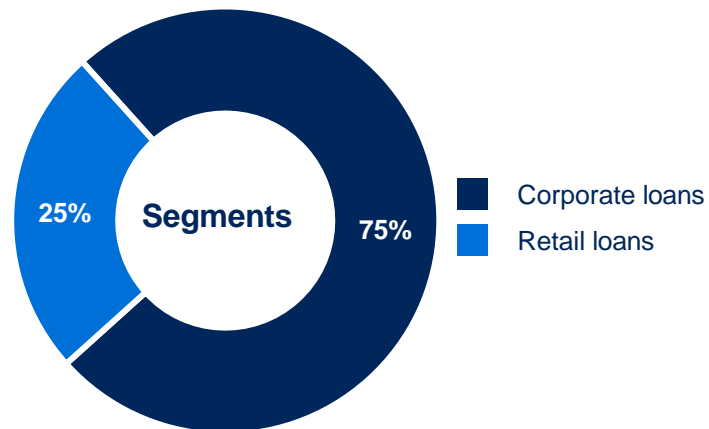


Loan book: well diversified and focused on growth opportunities

Loans and advances (₹ bln)

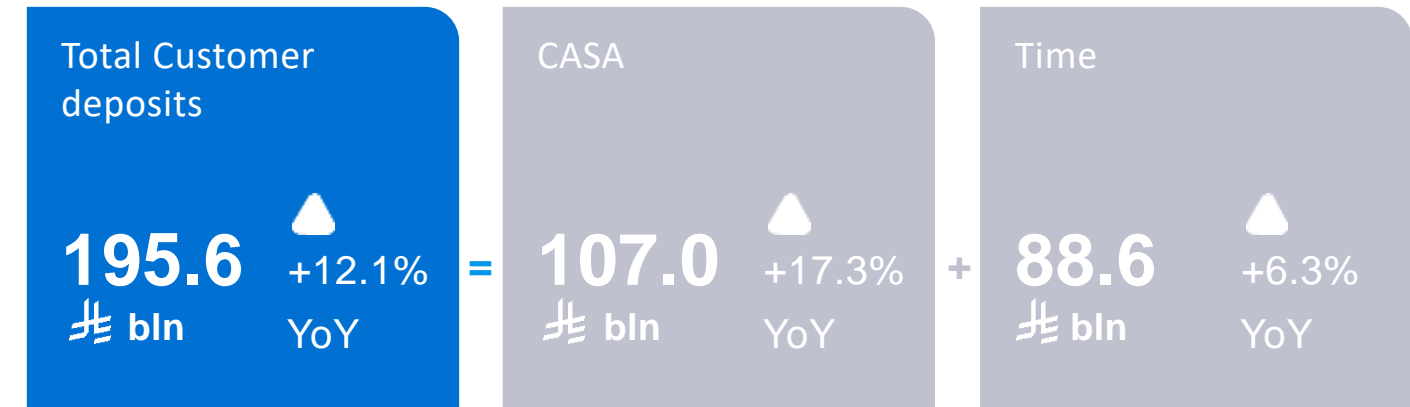
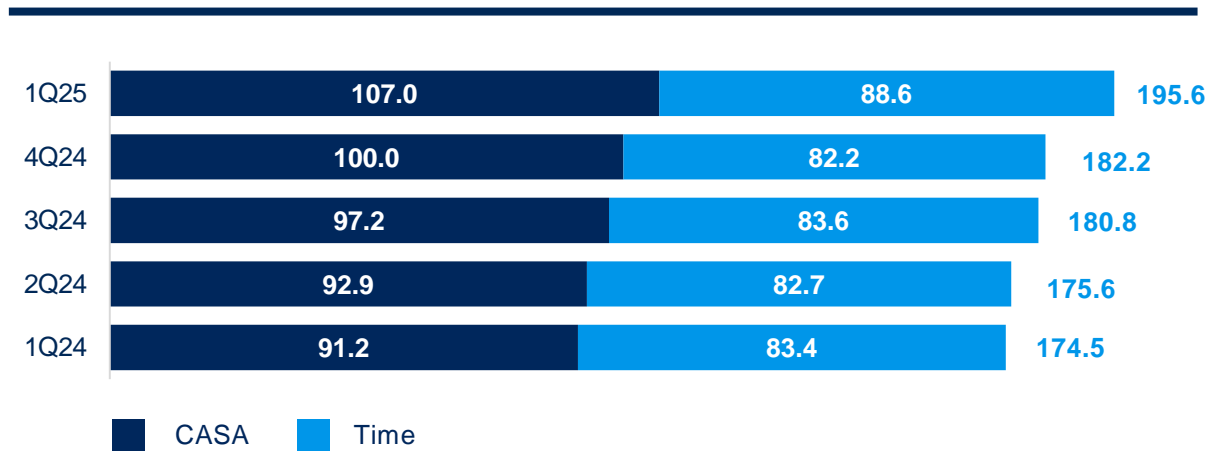


Loans breakup as of Q1'25 (%)

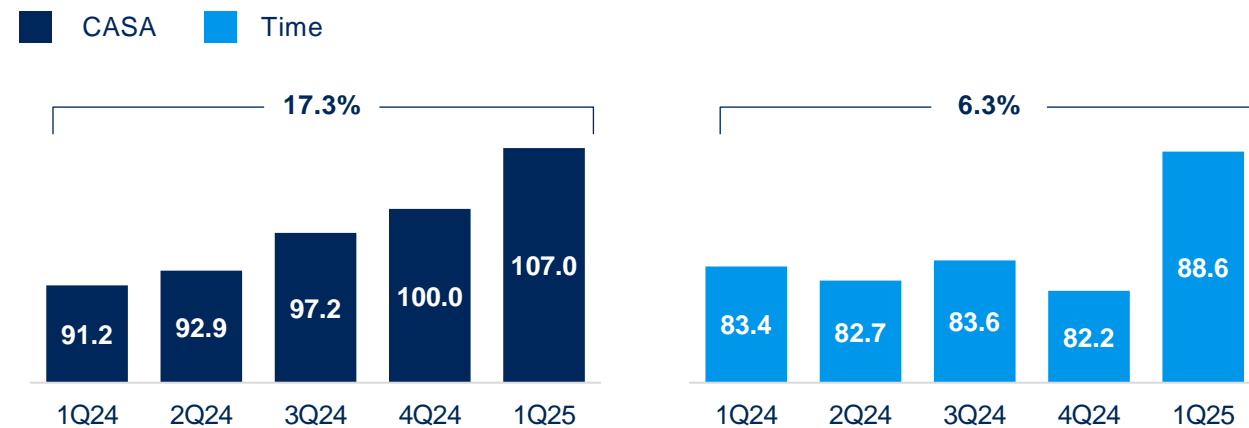


Balance sheet overview: excellent deposit taking capacity allows to fund growth while maintaining ample liquidity

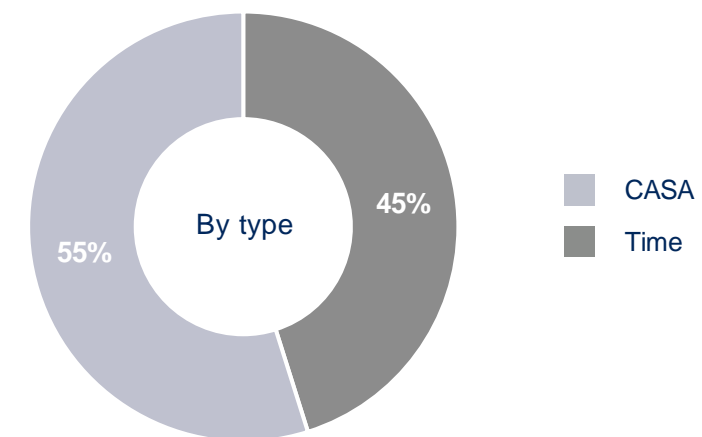
Customer deposits (₹ bln)



Customer deposits (₹ bln)

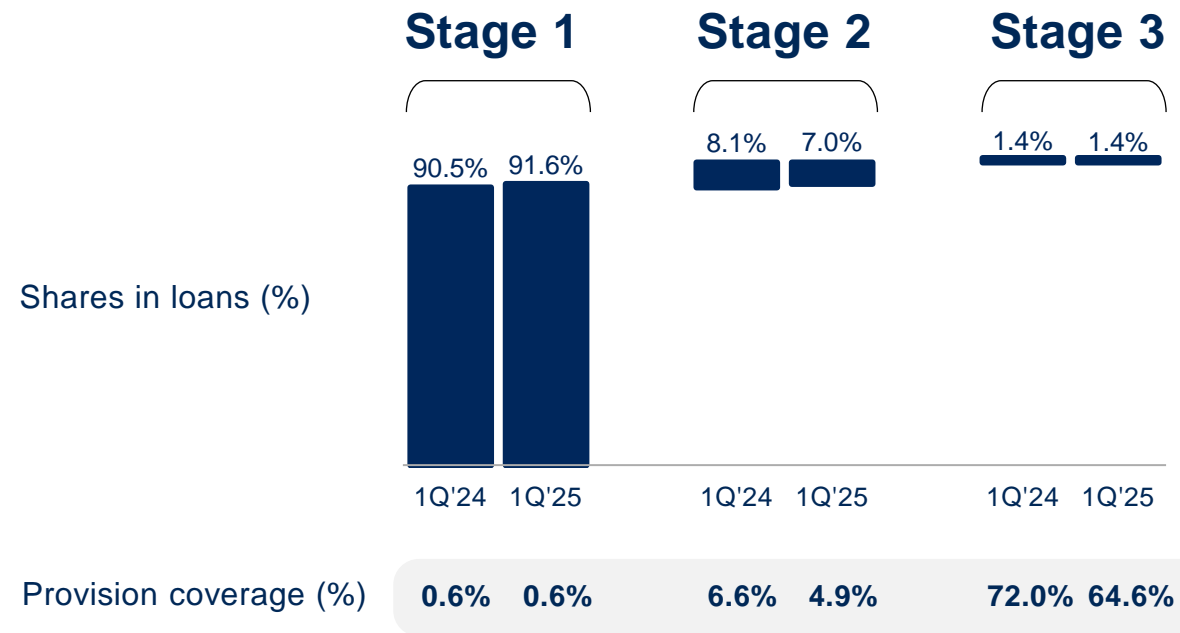


Deposits breakdown as of Q1'25 (%)

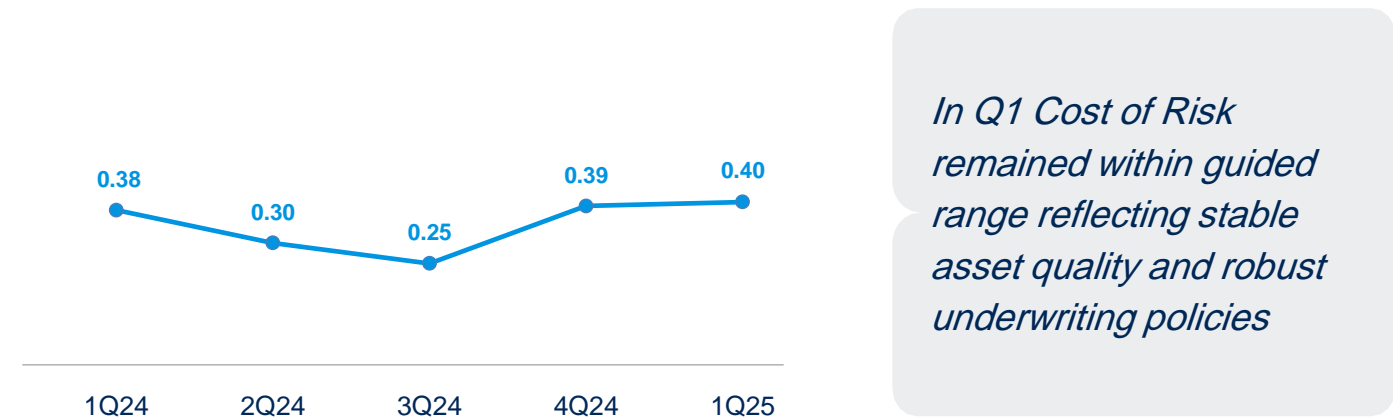


Balance sheet overview: stable risk metrics underpin solid loan quality

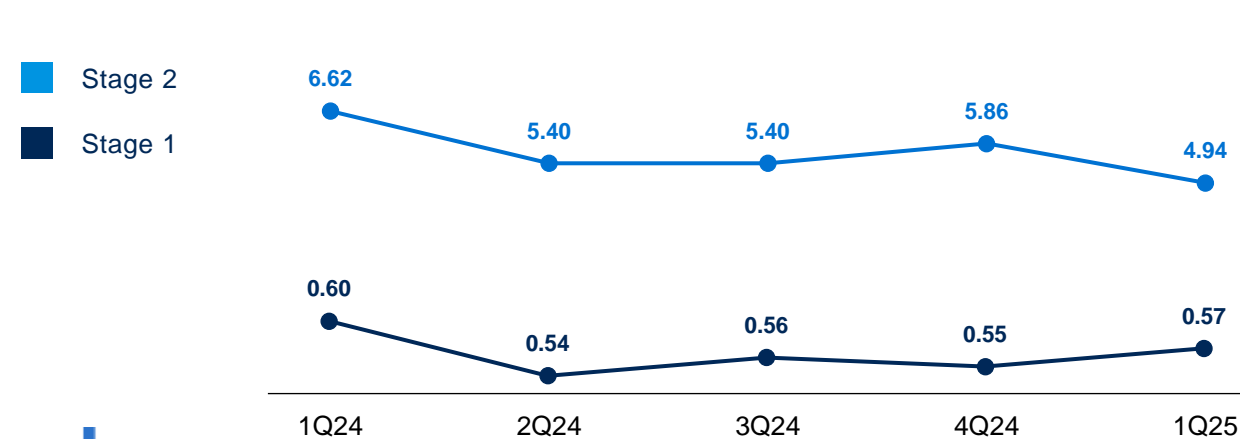
Loans and advances (%)



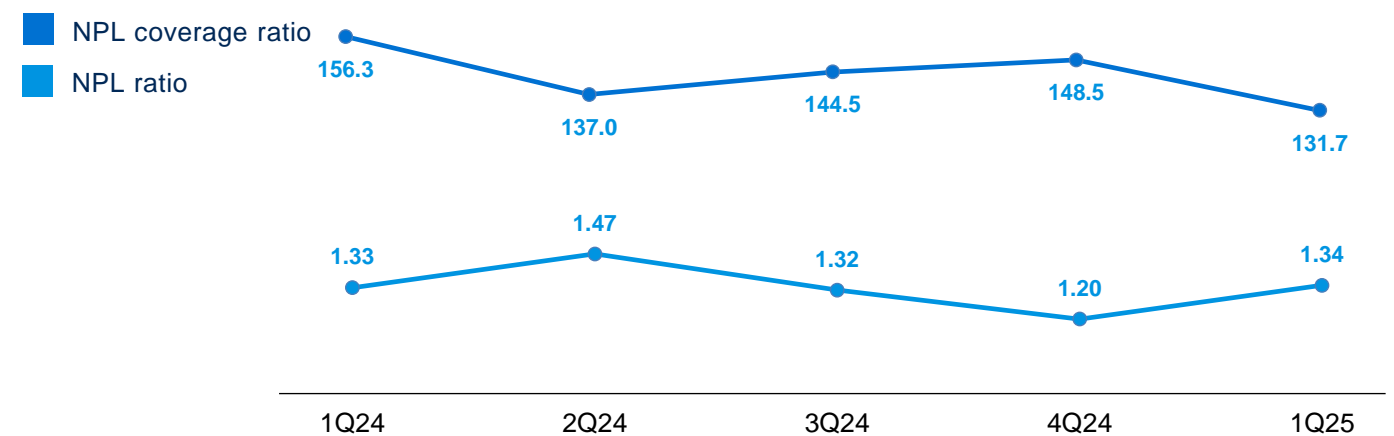
Cost of risk (%)



Stage-wise coverage (%)

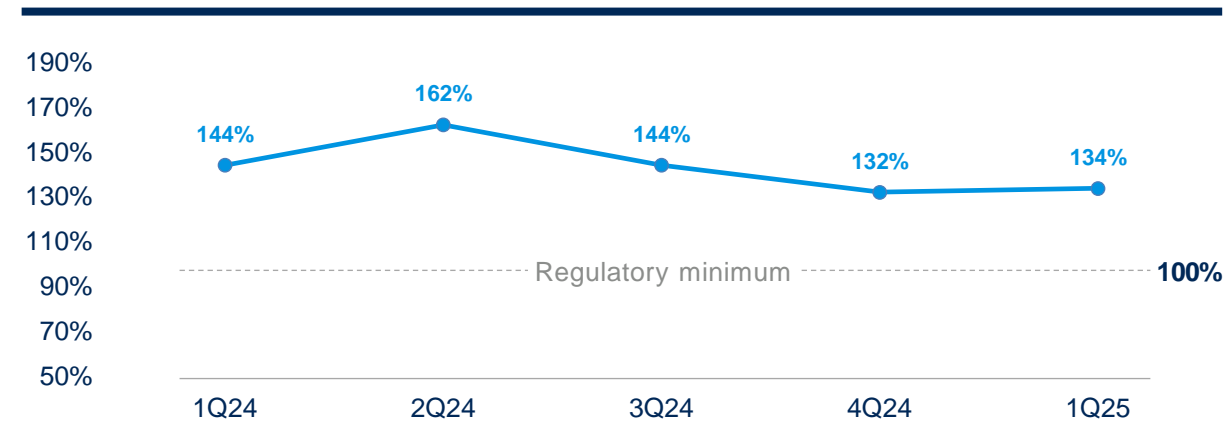


NPL coverage ratio and NPL ratio (%)



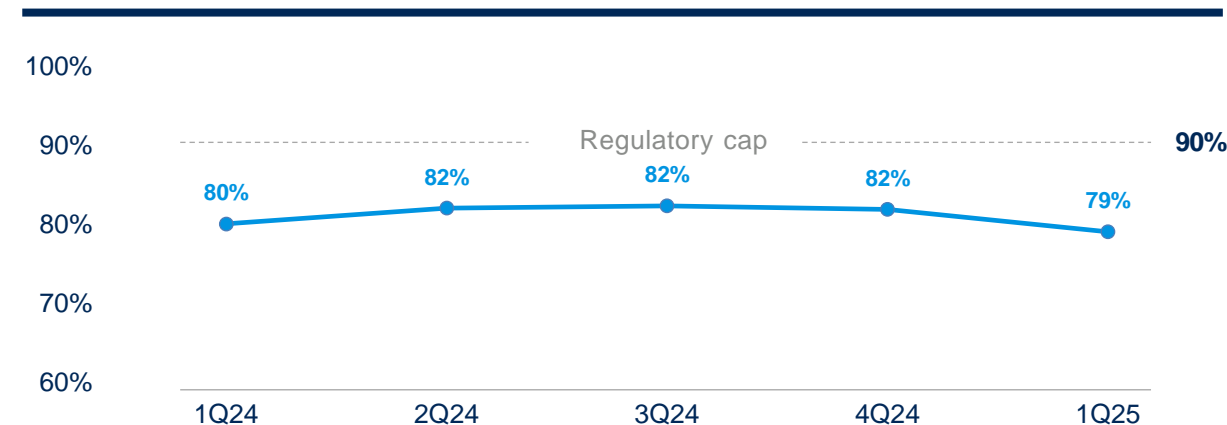
Liquidity: conservative funding profile

LCR (%)

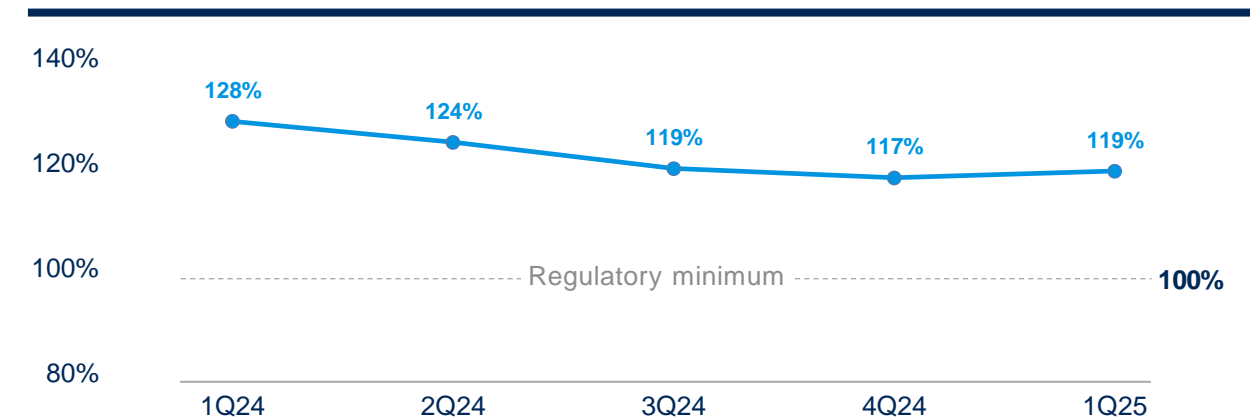


- *anb maintains comfortable liquidity position through healthy mix of retail and wholesale deposits and conservative funding profile*
- *liquidity ratios have comfortable cushions versus the SAMA's regulatory requirements*
- *stringent liquidity management ensures strong capacity to endure liquidity stress scenarios*

LDR (%)



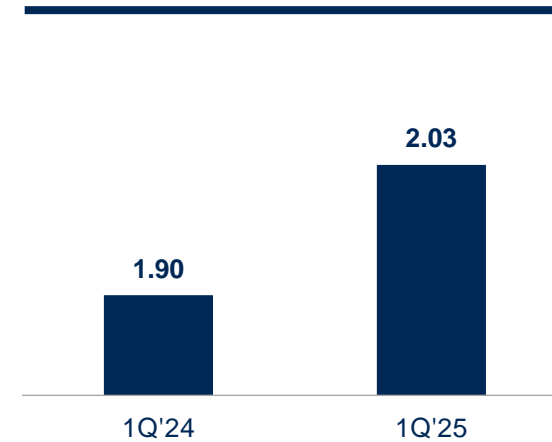
NSFR (%)



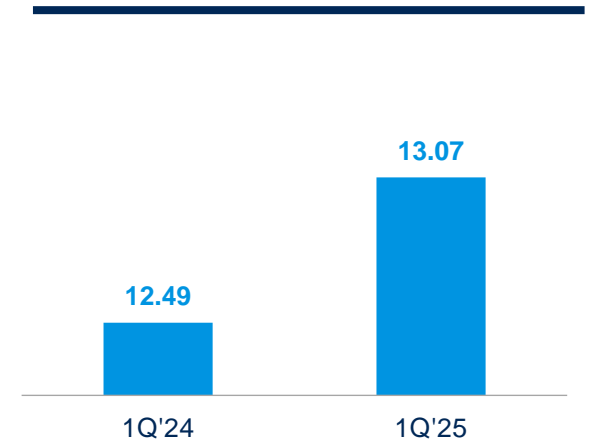
anb capitalization: capital levels remain robust while profitability metrics further improved

*Strong capital levels allowed for robust loan growth in Q1 in line with **anb's** strategy to capture attractive business opportunities as they arise*

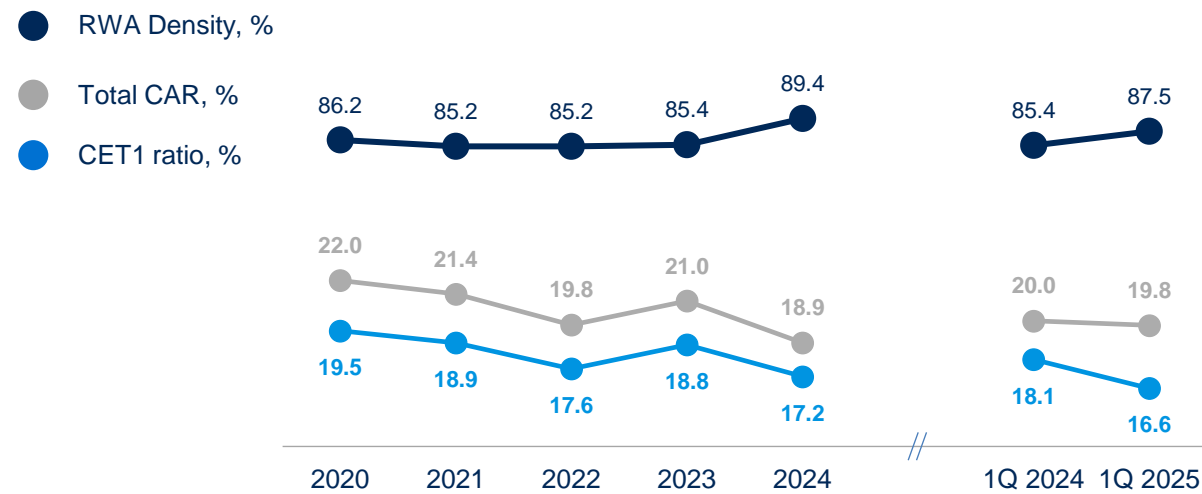
ROAA (%)



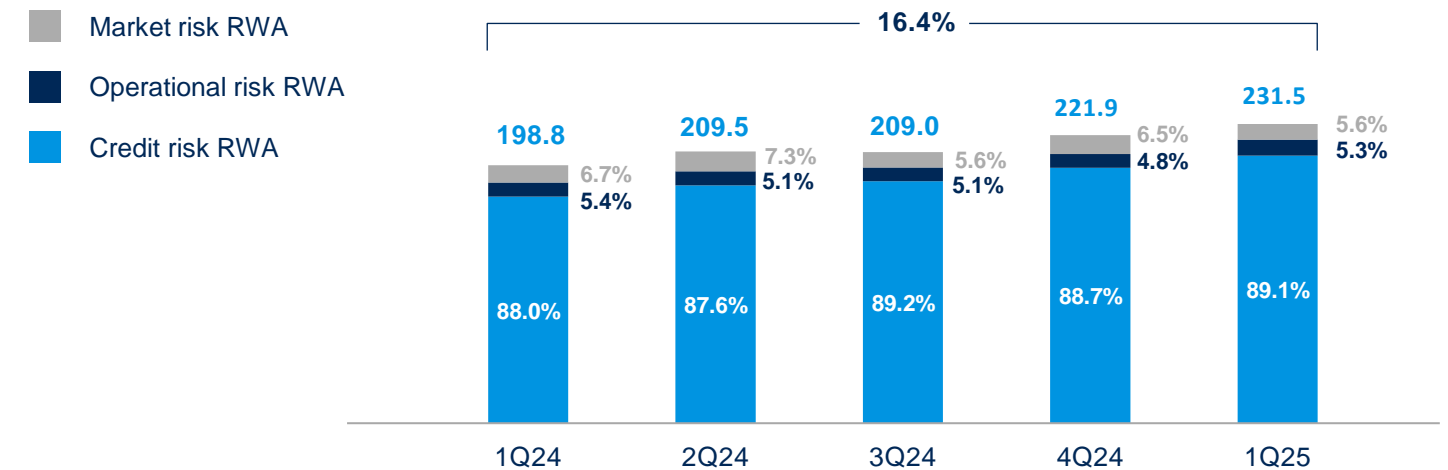
ROAE (%)



Capital return



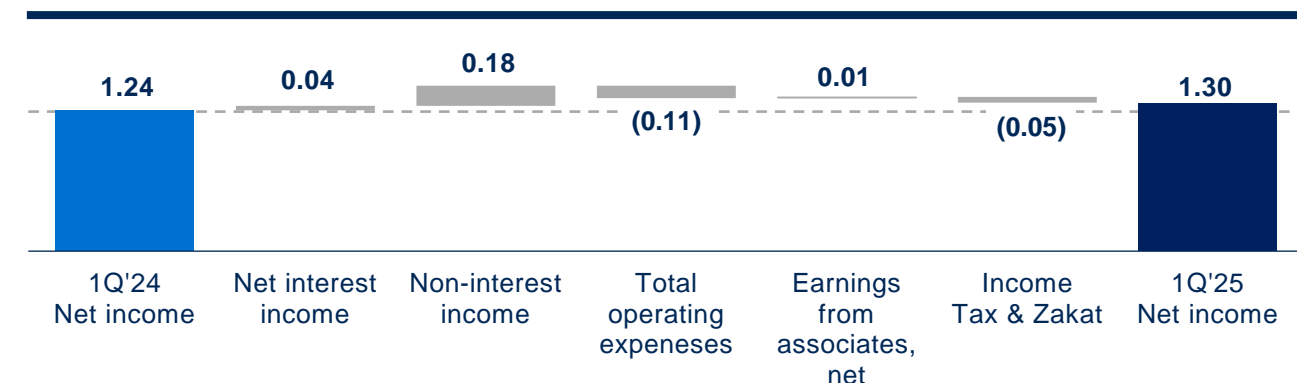
Risk Weighted Assets (€ bln)



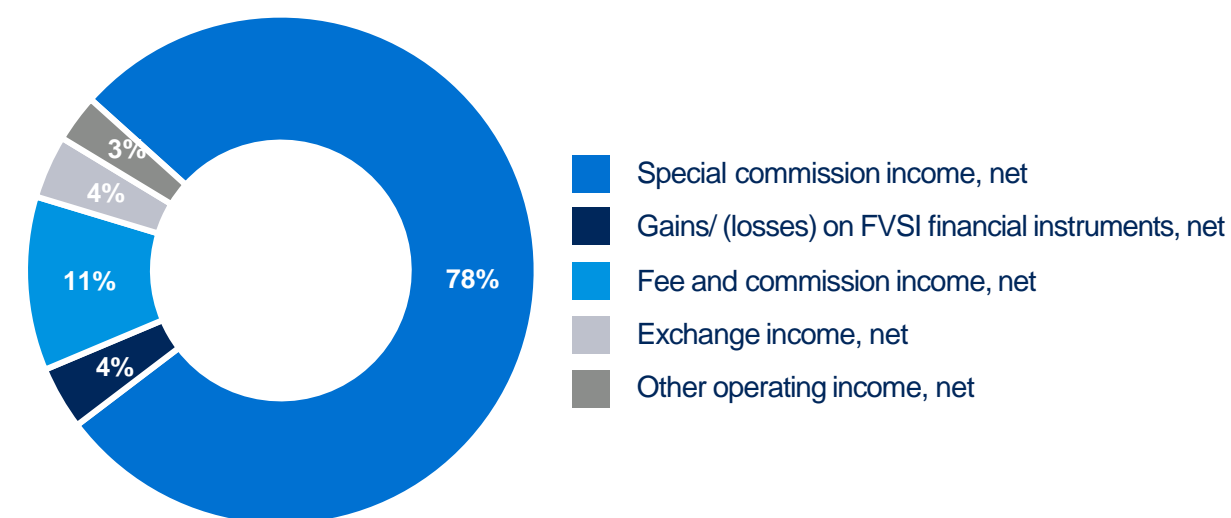
anb P&L overview: EPS continues to grow on the backdrop of strong results

Consolidated Income Statement, ₺ mln	QTD			YTD		
	Mar FY25	Dec FY24	QoQ	Mar FY25	Mar FY24	YoY
Special commission income	3,569	3,639	-1.9%	3,569	3,487	2.3%
Special commission expense	1,601	1,606	-0.3%	1,601	1,560	2.6%
Net special commission income	1,968	2,033	-3.2%	1,968	1,928	2.1%
Fee and commission income	613	447	37.2%	613	467	31.2%
Fee and commission expense	332	342	-3.0%	332	263	26.2%
Fee and commission income, net	281	105	168.3%	281	204	37.7%
Exchange income, net	92	99	-7.2%	92	69	34.6%
Gains/ (losses) on FVSI, net	113	157	-28%	113	19	494%
Other revenue	75	52	45.6%	76	90	-15.4%
Total operating income	2,531	2,446	3.4%	2,531	2,309	9.6%
Salaries and employee related expenses	461	521	-11.4%	461	418	10.4%
Depreciation and amortisation	67	63	5.8%	67	63	6.0%
Other expenses	273	288	-5.2%	273	249	9.4%
Operating expenses prior ECL	801	872	-8.1%	801	730	9.7%
ECL charges, net	205	152	35.1%	205	162	27.0%
Impairment charge on other real estate	0	119	-100.0%	0	0	0.0%
Total operating expenses	1,006	1,143	-12.0%	1,006	892	12.8%
Earnings from associates, net	6	132	-95.4%	6	-1	637.0%
Net Income before zakat and income tax	1,530	1,435	6.6%	1,530	1,417	8.0%
Zakat and income tax	226	178	27.1%	226	181	24.9%
Net income after zakat and tax*	1,304	1,257	3.7%	1,304	1,236	5.5%
EPS	0.65	0.63	4%	0.65	0.62	6%

Net income movements (₺ bln)



Operating income structure 1Q25 (%)



anb P&L overview: investing in quality and human capital balanced by disciplined costs control

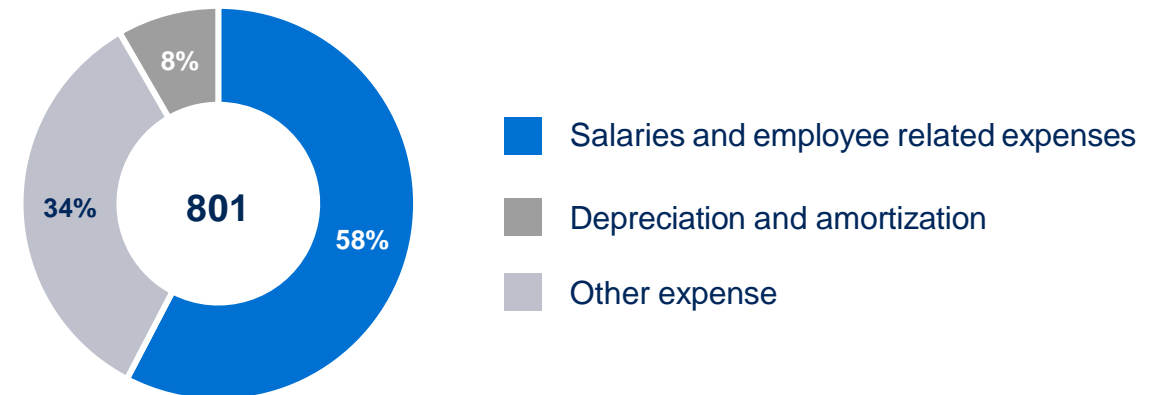
Cost to income
1Q'25

31.7%

+4 bps YoY

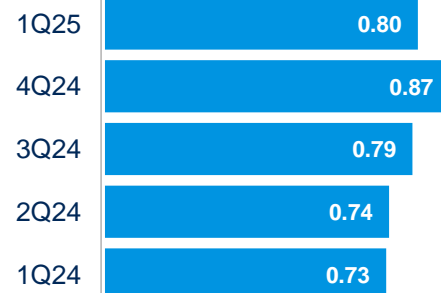
9.7% yoy OPEX growth was driven primarily by staff costs on the backdrop on continued investments into human capital and strengthening business and control capabilities to ensure best-in-class customer experience and digital security

Operating expenses for 1Q'25 breakdown (₹ mln)

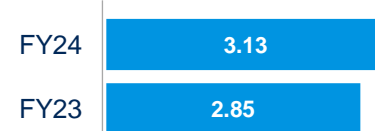


OPEX before impairment (₹ bln)

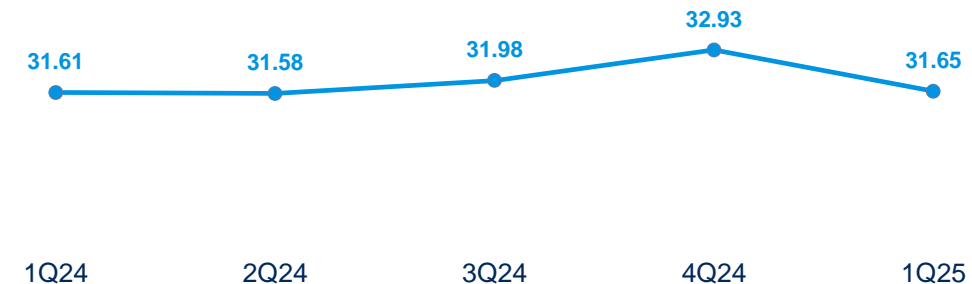
QTD



YTD

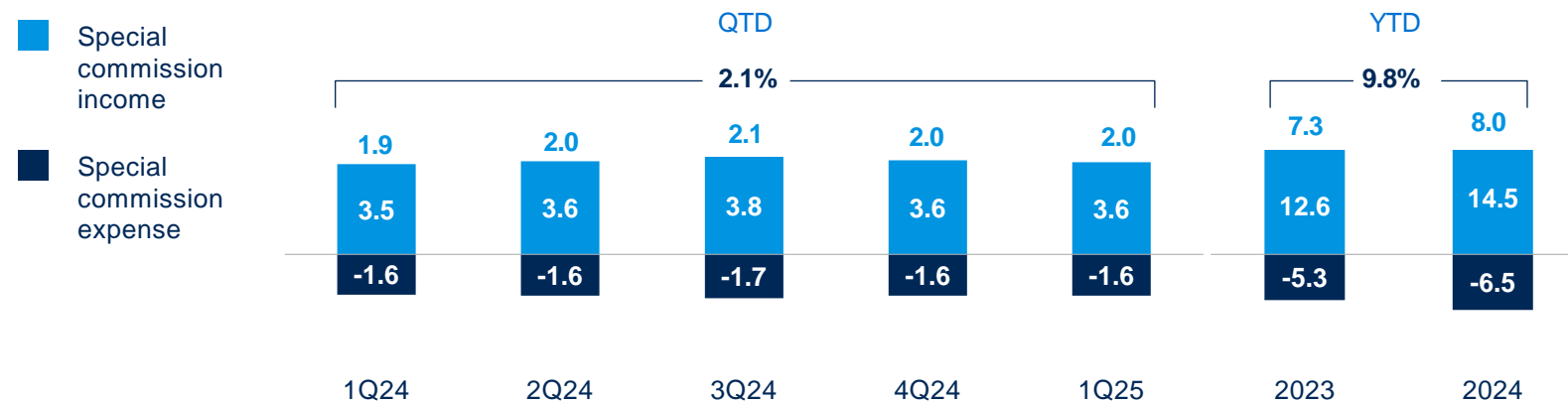


Cost to income, (QTD %)



anb P&L overview: strong NIM drives growth on net special commission income

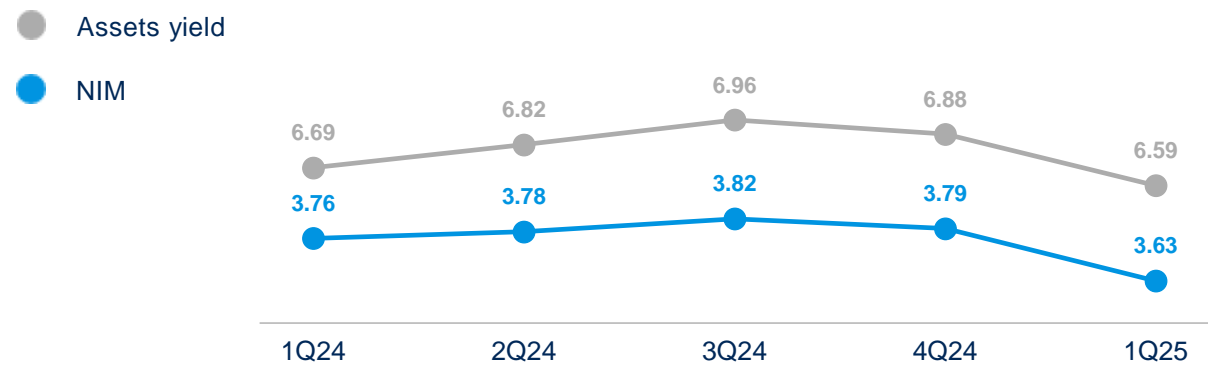
Special commission income, net (in \$ bln)



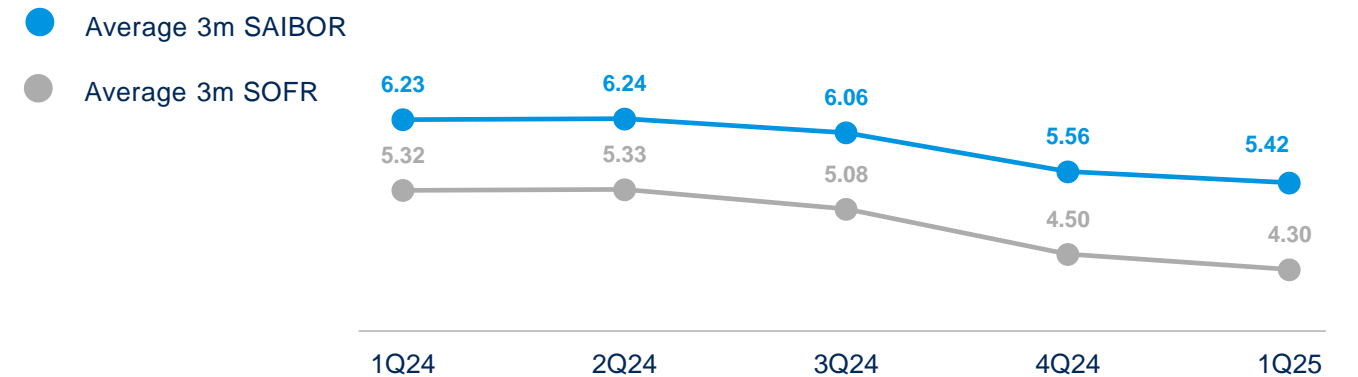
NIM
3.63%
1Q'25
 -13 bps YoY

NIM is resilient as the interest rates begin to decline, supported by growth in assets and improved cost of fund

NIM and assets yield (QTD, %)

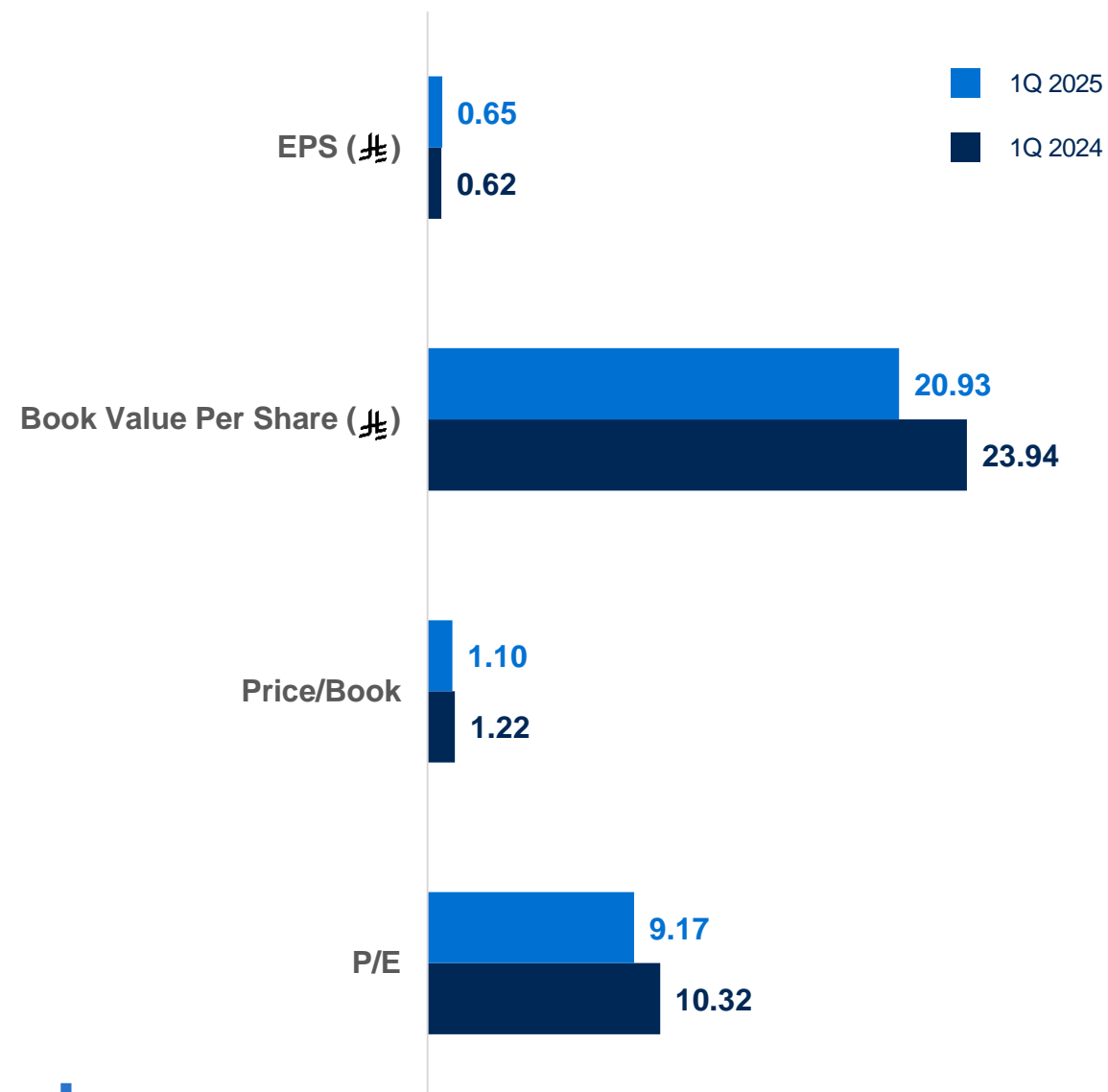


Market benchmarks (%)



anb is committed to deliver attractive returns to shareholders

Per share data

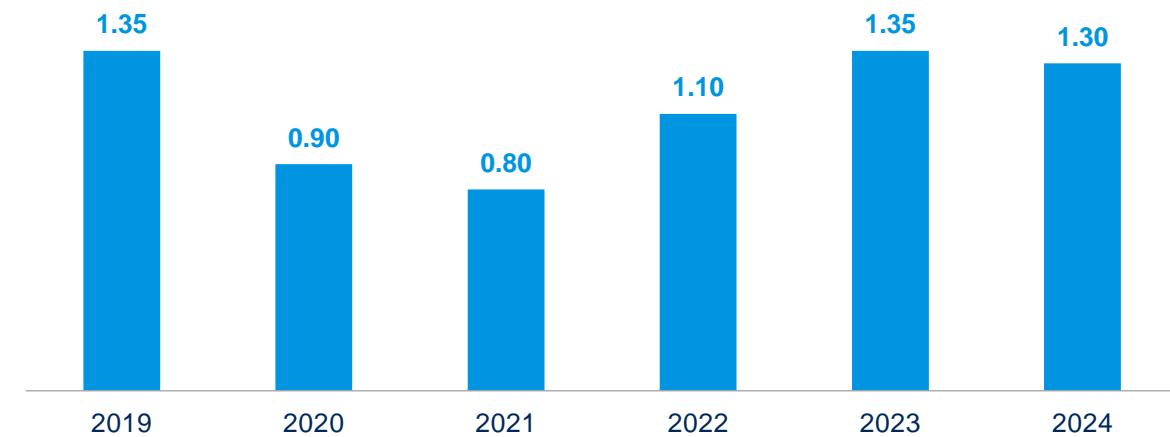


Aggregate return
ca. 6.8
(₺ / share)

Dividend payout ratio
52.3%
in FY 2024
LTM

- *anb maintains strong capital levels essential for business growth*
- *Prioritizing returns to shareholders through dividends distribution*

Common dividends (₺ per share)





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Guidance

anb



Guidance: on track to deliver on 2025 targets

	Metric	1Q 2025	2025G
Balance sheet	Loans & Advances growth YoY	13.4%	Mid-teens
	NIM growth YoY	-13 bps	-5 to 5 bps
Profitability	Cost to Income Ratio	31.7%	Below 32%
	Costs growth YoY	9.7%	Single-digit
	ROAE	13.07%	Above 13%
Asset quality	Cost of risk	40 bps	40 – 50 bps
Capital	Total CAR	19.8%	Above 18%

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

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[2024 Annual report](#)



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