



Earnings Presentation

1Q 2025

7 May 2025

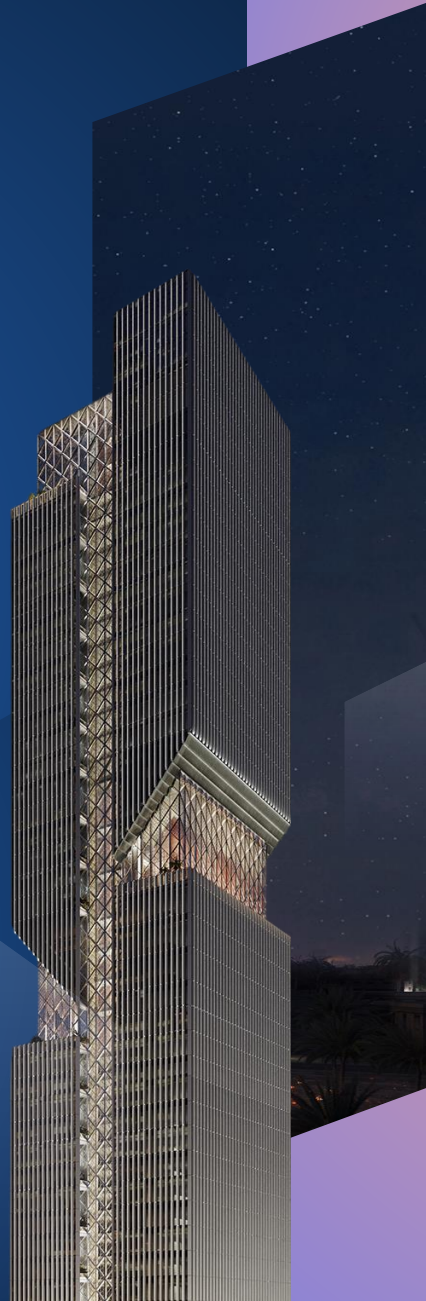
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Alinma Overview

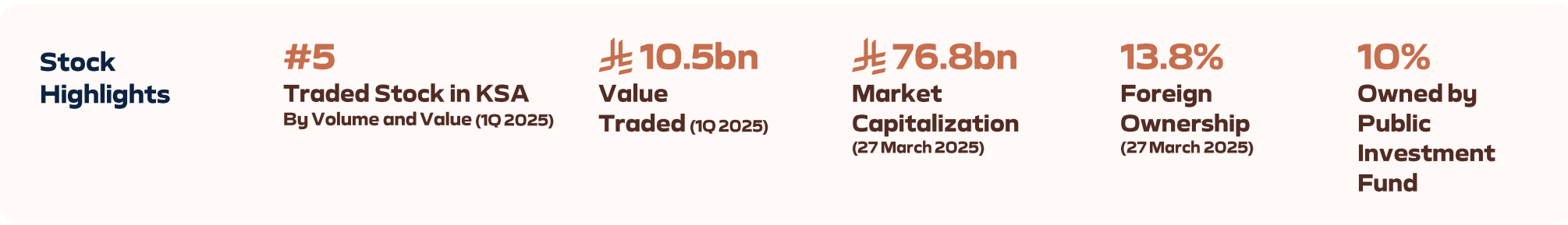
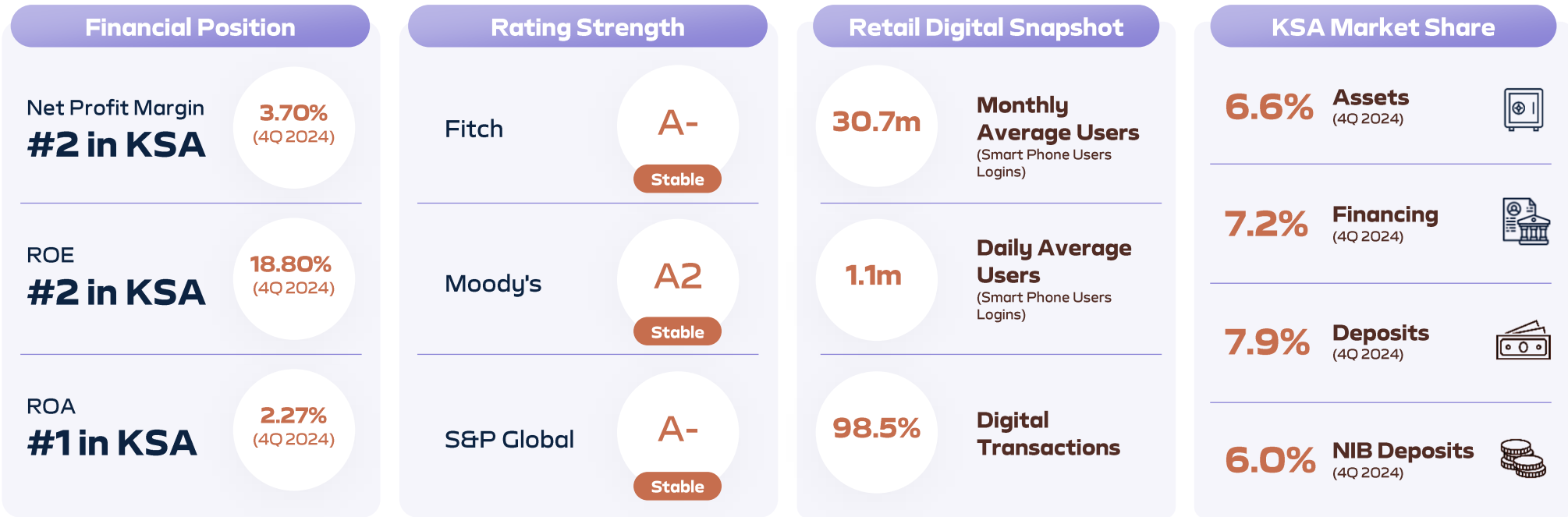
Q1 2025



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Alinma Overview

One Step Ahead



SOURCE: Bank Financial Statements, Tadawul

Financial Performance Highlights

Q1 2025



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Financial Performance Highlights

Operating income growth drove a 15% increase in net income for 1Q 2025, and a strong ROE of 18.0%



Balance Sheet

- 4% increase in financing YTD, driven primarily by strong growth in corporate financing, complemented by a robust expansion in retail financing.
- 4% growth in customers' deposits YTD driven by an increase in CASA by 8%

1Q 25 Financing

ﷲ Bn
209.4
+4%
YTD

1Q 25 Total Assets

ﷲ Bn
287.2
+4%
YTD

1Q 25 Customers' Deposits

ﷲ Bn
218.8
+4%
YTD

1Q 25 CASA Deposits

ﷲ Bn
117.9
+8%
YTD



Income Statement

- Operating income growth of 10% YoY driven by increase of 13% in funded income.
- Growth in operating income of 10% translated into increase of 15% in net income to reach ﷲ 1,508mn.

1Q 25 Operating Income

ﷲ Mn
2,814
+10%
YoY

1Q 25 Net Income

ﷲ Mn
1,508
+15%
YoY

1Q 25 CASA % of Total Deposits

53.9%
+2.2
PPTS YTD

1Q 25 Cost to Income Ratio

32.2%
-0.3
PPTS YoY



Credit Quality, Capital and Liquidity

- NPL and NPL coverage ratios at 1.27% and 156.4% respectively while cost of risk Improved by 16bps YoY to 0.43%.
- Capitalization and liquidity positions remained healthy and within regulatory limits.

1Q 25 NPL Ratio

1.27%
+21
BPS YTD

1Q 25 NPL Coverage Ratio

156.4%
-15.8
PPTS YTD

1Q 25 Net Profit Margin

3.63%
-6
BPS YoY

1Q 25 ROE

18.0%
+49
BPS YoY

Strategy Update

Q1 2025



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Strategic Positioning

Alinma's strategic positioning cascades down into each business strategy



Bank wide

1

Be recognized and celebrated as the fastest and most convenient bank in KSA



Be the #1 in Net Promoter Score (NPS) across KSA Banks



Be the #1 Employer of choice across KSA Banks

Segment wise



Be the most digitally advanced, fastest, and most convenient Retail bank in KSA



Be the Corporate bank with the best customer experience (increasingly integrated) and offer the fastest turnaround time in KSA



Be the most innovative Shariah compliant Treasury partner across KSA

Strategic Ambitions

Driving changes across the businesses and bank-wide



Bank-wide

- Build Digital Factory to scale customer experience and operational excellence across the bank
- Foster data-driven decision making with latest analytics capabilities
- Cultural transformation to attract and retain the best talent in KSA



Retail

- Build digitally-savvy affluent and HNW customer franchise
- Grow the digitally-savvy youth customer franchise
- Offer the best customer experience and operational excellence



Corporate

- Become core bank for large, mid-corporate and project finance customers across diversified sectors
- Develop high quality and growing SME proposition
- Grow Cash Management and Trade Finance business



Treasury

- Become core partner for corporate clients for their hedging and investment needs
- Grow FI customer franchise with dedicated coverage team
- Maintain and evolve high quality ALM function

Strategy Update

1Q 2025 Initiatives Completed to Date



Bank-wide 28/31

- Launched a new Digital Trade Finance Platform, and successfully migrated all trade customers
- Migrated corporate customers from corporate system to the new corporate digital platform
- Implemented fully automated, data-driven lifecycle management, enhancing activation, retention, and engagement through tailored experiences



Retail 19/22

- Implemented a modern, secure, and efficient new card management system
- Systems updated to cater for full digital real estate financing journey providing a seamless and efficient experience for customers
- Introduced persona and behavior-based segmentation
- Replaced 136 old ATMs to latest high-tech new ATMs



Corporate 16/21

- Automation of Supply Chain Finance
- +14% (YoY) growth in Corporate financing including SMEs
- +32% (YoY) growth in booked assets under Mid-Corporate banking segment
- +28% (YoY) growth in SMEs financing



Treasury 12/12

- Executed Interbank repo transactions of 1.65bn
- Exchange income grew by 19% YoY
- Expanded network of correspondent banks globally by 6 banks
- Multiple cash flow hedge transactions totaling 5bn



Progress to date

75/86



87%

Strategy Update

2025 Initiatives In-Progress



Bank-wide 3/31

- Expanding the digital factory for the transformation
- Leveraging Gen-AI to enhance risk management, predictive insights, and customer experience through accurate forecasting and proactive risk mitigation
- Drive employee engagement /organizational health initiatives across various functions



Retail 3/22

- Accelerating insurance products sales for retail customers
- Completing automating Customer Value Management (CVM) focusing on activation, engagement and retention
- Enhancing family account ecosystem
- Introduce Salary Advance product availed digitally



Corporate 5/21

- New products and offerings being created to drive liabilities growth
- Build Digital Trade Finance
- Continue to enhance customer value-added services



Treasury 0/12

- Enhance offering of structured deposit products
- Long-term funding through inter-bank and customers deposits
- Deepening collaboration with business units to continue improving cross-selling



Initiatives In-Progress

11/86

87% Complete

In-Progress

13%

Strategy Financial KPIs

Driving growth and sustainable progress



Retail

Revolving Credit Card portfolio, ١٠٠٠ Mn

704 1Q2024 +28% 932 1Q2025

Auto Lease portfolio, ١٠٠٠ Mn

1,891 1Q2024 +75% 3,315 1Q2025

Account opening (digital on-boarding)

84% 1Q2024 +11% 93% 1Q2025



Corporate

Project Finance portfolio, ١٠٠٠ Bn

63.1 1Q2024 +10% 69.6 1Q2025

SME portfolio, ١٠٠٠ Bn

7.8 1Q2024 +28% 9.9 1Q2025

Mid Corporate portfolio, ١٠٠٠ Bn

8.9 1Q2024 +32% 11.8 1Q2025



Treasury

Average yield on investment portfolio, bps

437 1Q2024 +17bps 454 1Q2025

Cost of Funding, bps

-328 1Q2024 +37bps -291 1Q2025

Exchange Income, Net ١٠٠٠ Mn

76.9 1Q2024 +19% 91.8 1Q2025

Q1 2025 Financial Performance



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Balance Sheet Trends

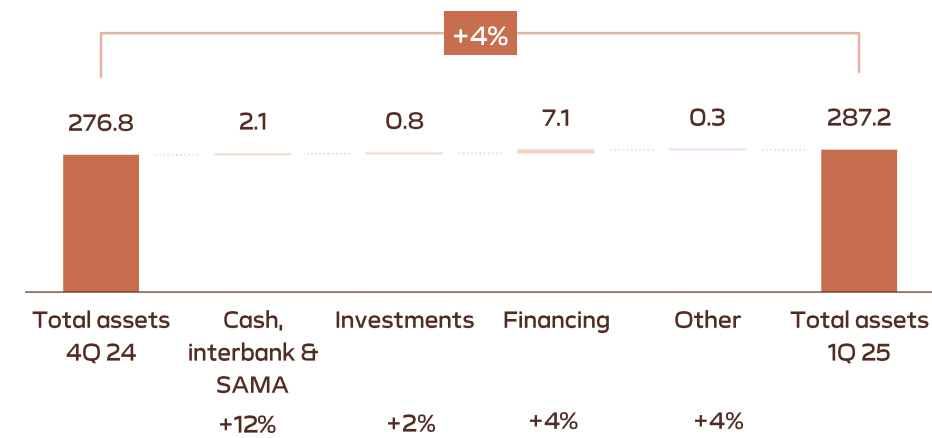
Balance sheet growth of 4% YTD driven by financing and investments

Management Commentary

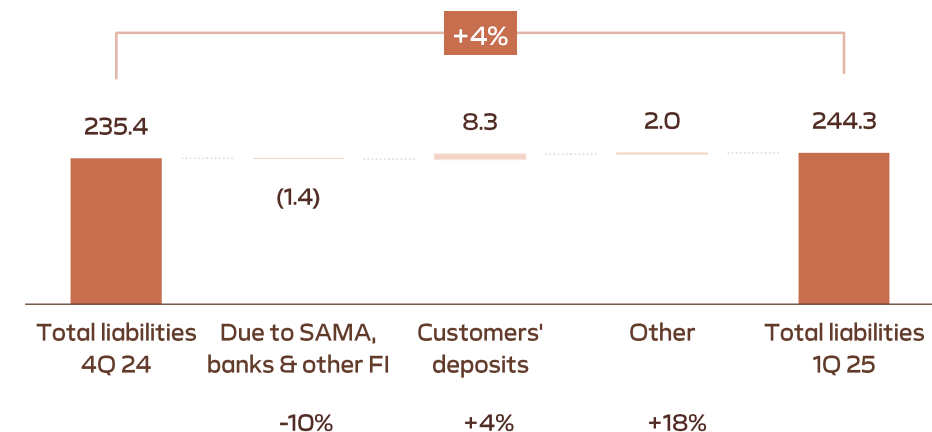
- Growth in total assets of 4% YTD mainly driven by 4% financing growth and 2% growth in investments.
- Total liabilities grew by 4% YTD mainly from a 4% increase in customers' deposits.

ﷲ (mn)	1Q 2025	4Q 2024	Δ%	1Q 2024	Δ%
Cash, interbank & SAMA balances	20,478	18,360	+12%	13,563	+51%
Investments	49,457	48,625	+2%	45,338	+9%
Financing	209,435	202,308	+4%	180,702	+16%
Other assets	7,853	7,534	+4%	5,256	+49%
Total assets	287,222	276,827	+4%	244,859	+17%
Due to SAMA, banks & other FI	12,546	13,936	-10%	8,638	+45%
Customers' deposits	218,839	210,545	+4%	188,988	+16%
Other liabilities	12,886	10,905	+18%	7,885	+63%
Total liabilities	244,271	235,386	+4%	205,511	+19%
Share capital	25,000	25,000	0%	20,000	+25%
Retained earnings	3,796	3,188	+19%	2,469	+54%
Other reserves	5,405	4,503	+20%	8,128	-34%
Tier 1 sukuk	8,751	8,751	0%	8,751	0%
Total equity	42,952	41,442	+4%	39,348	+9%

Total Assets Movement YTD (ﷲ bn)



Total Liabilities Movement YTD (ﷲ bn)



P&L Trends

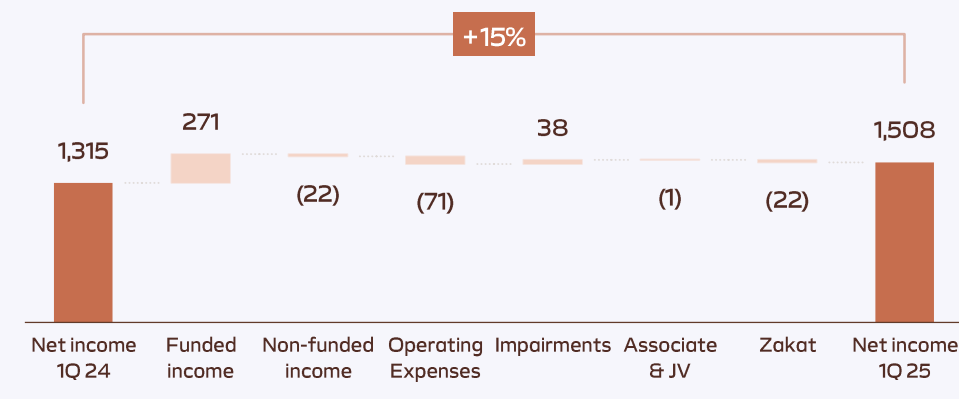
Net income for 1Q 2025 grew by 15% YoY supported by growth in operating income

Management Commentary

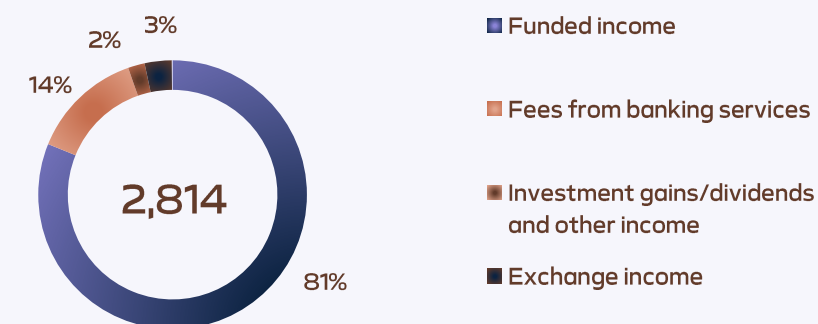
- Net income for 1Q 2025 grew 15% YoY to ﷲ 1,508mn from 10% operating income growth.
- 1Q 2025 funded income increased by 13% YoY, and the non-funded income decreased by 4% YoY.

ﷲ (mn)	1Q 2025	4Q 2024	Δ%	1Q 2024	Δ%
Funded income	2,283	2,266	+1%	2,012	+13%
Non-Funded income	531	549	-3%	553	-4%
Total operating income	2,814	2,815	0%	2,565	+10%
Operating Expenses	905	864	+5%	834	+9%
Net operating income before impairment charge	1,909	1,951	-2%	1,731	+10%
Impairments	226	249	-9%	264	-14%
Net operating income	1,682	1,702	-1%	1,467	+15%
Income before zakat & income tax	1,681	1,705	-1%	1,466	+15%
Zakat	173	176	-2%	151	+15%
Net income	1,508	1,529	-1%	1,315	+15%

Net Income Movement YoY (ﷲ mn)



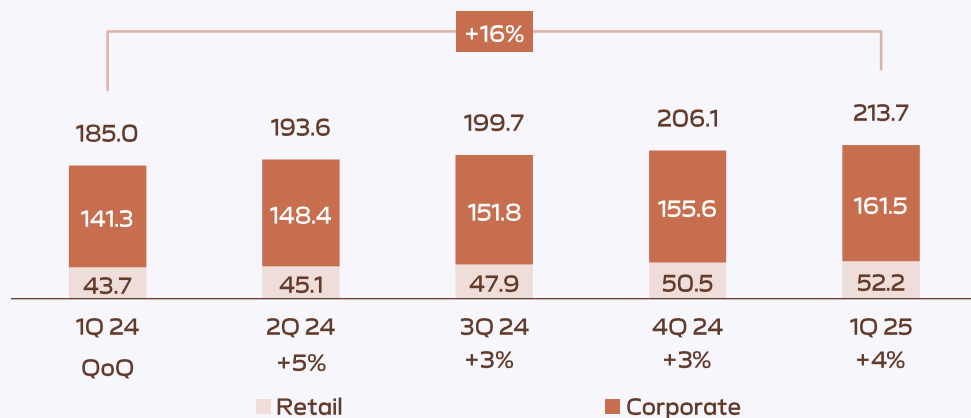
Operating Income Composition (ﷲ mn)



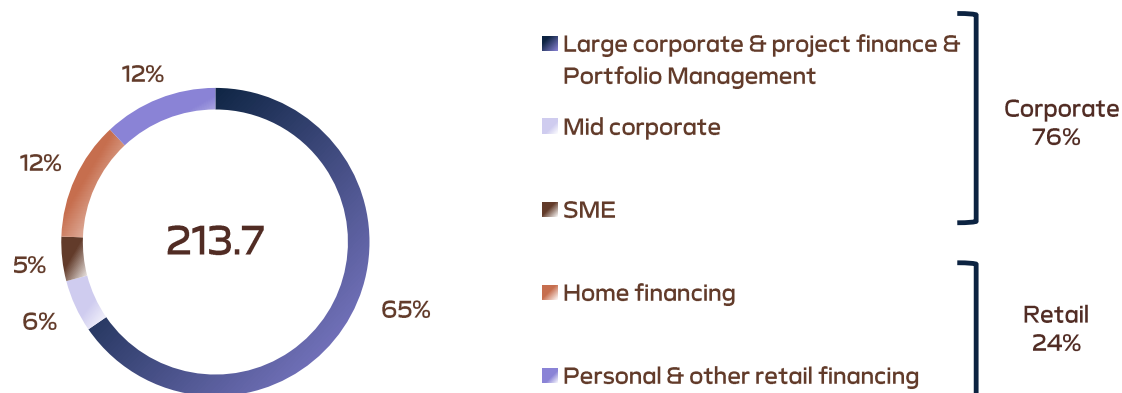
Financing

Gross financing growth of 4% YTD is driven by 3% increase in retail financing, and 4% in corporate financing

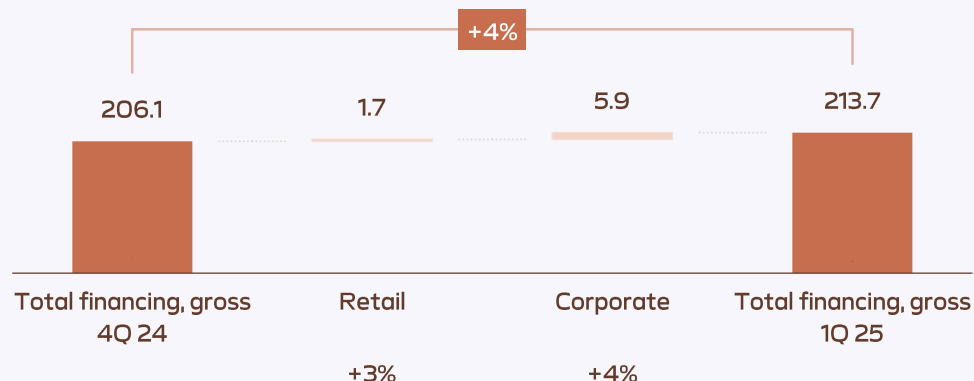
Financing, Gross (ﷲ bn)



Financing, Gross Composition (ﷲ bn)



Financing, Gross Movement YTD (ﷲ bn)



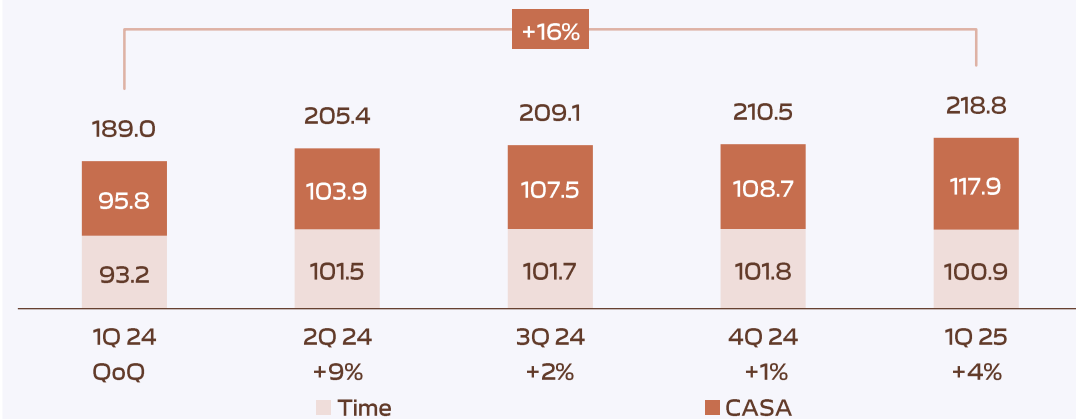
Management Commentary

- Retail financing saw a 3% increase YTD, driven primarily by a robust growth in auto financing, complemented by a healthy expansion in home financing.
- Corporate financing growth continued its momentum with a 4% increase YTD, driven by a 9% growth in mid-corporate, along with a 6% growth in SME financing YTD.
- Gross financing comprises of 76% corporate and 24% retail as of March 31st 2025.

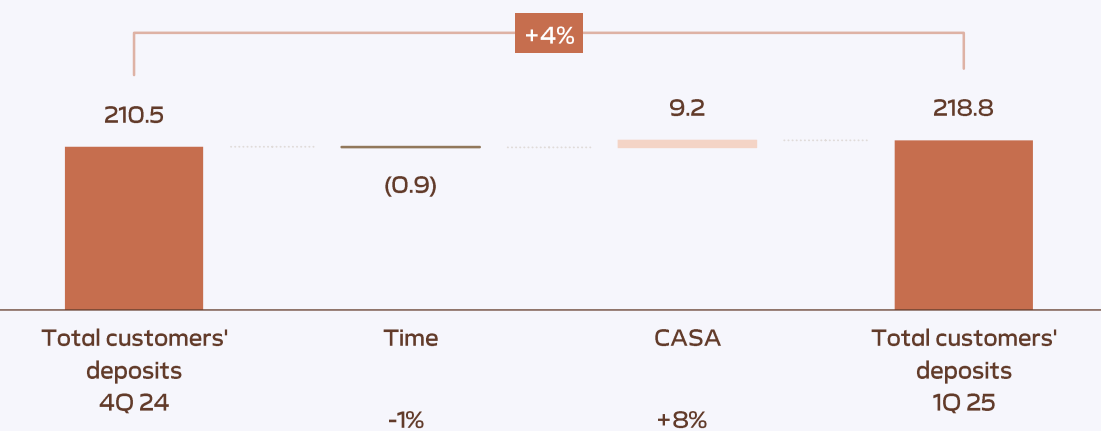
Deposits

Deposit growth of 4% driven by continuous healthy growth of CASA by 8%

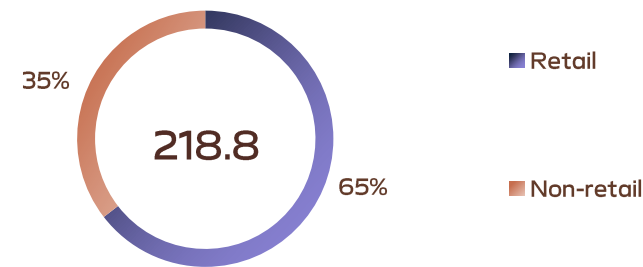
Customers' Deposits (AED bn)



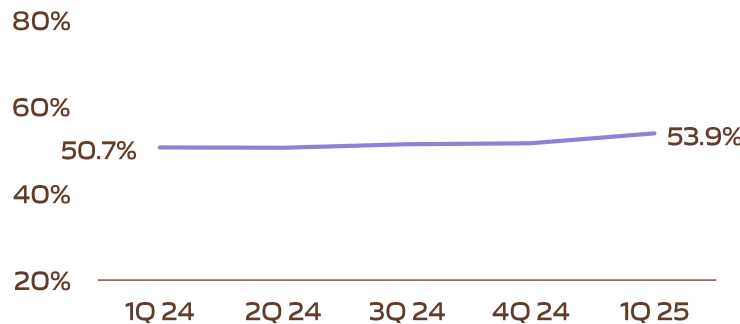
Customers' Deposits Movement YTD (AED bn)



Customers' Deposits Composition (AED bn)



CASA % of Total Deposits (%)



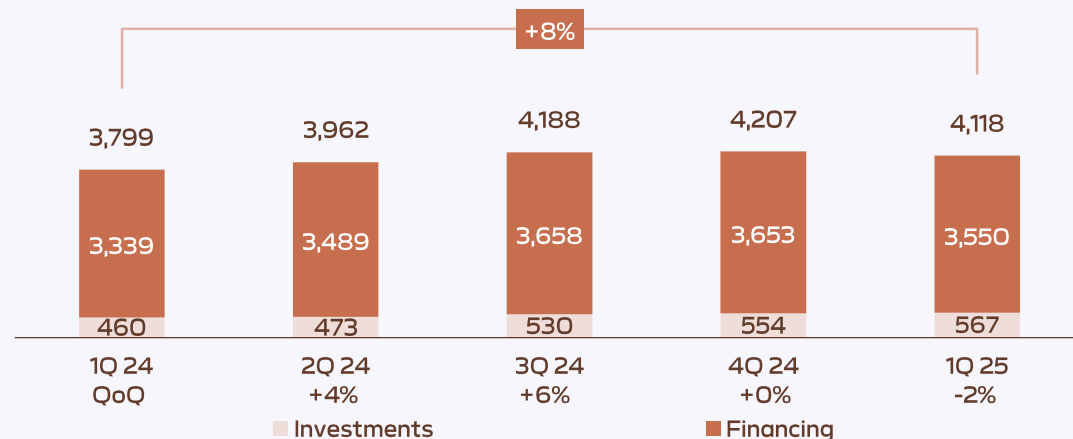
Management Commentary

- Deposits increased by 4% during YTD 1Q2025 driven by growth in CASA by 8%.
- CASA Deposit composition improved by 3.2 pts.
- Total deposits comprise of 65% retail and 35% non-retail deposits as of March 31st, 2025.

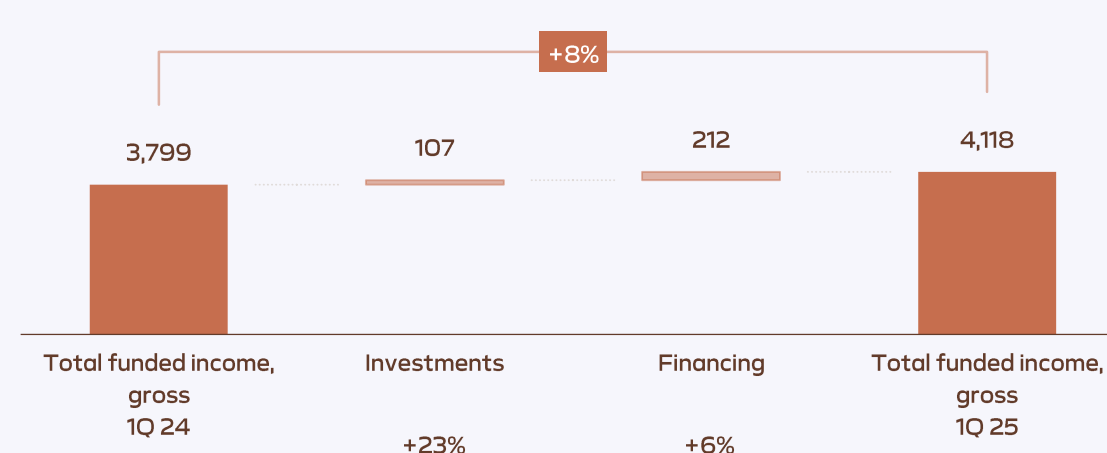
Income from Financing & Investments

Gross funded income continues a healthy growth driven by 23% growth in investment income and 6% growth in financing income

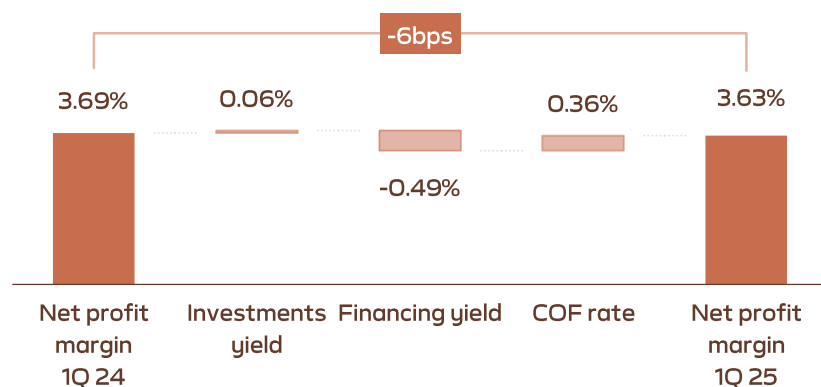
Funded Income, Gross (ﷲ mn)



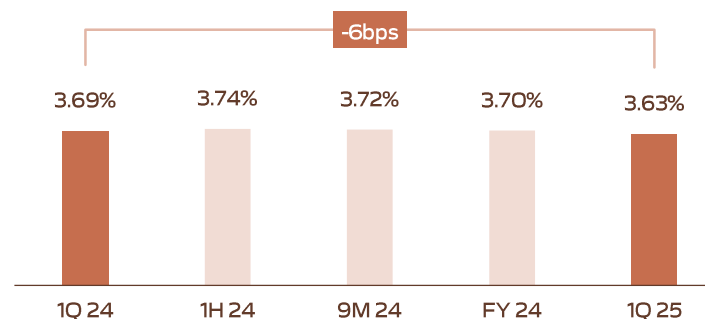
Funded Income, Gross Movement (ﷲ mn)



Net Profit Margin Movement YoY (%)



Net Profit Margin YTD (%)



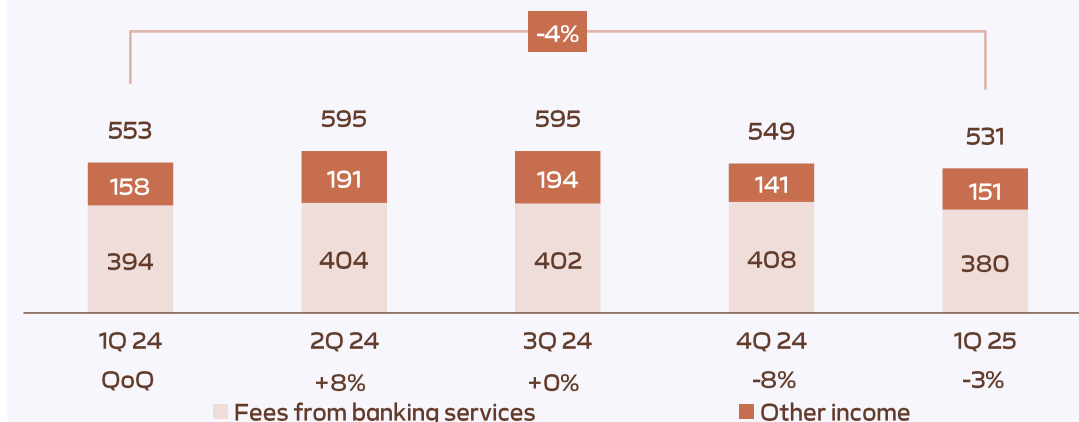
Management Commentary

- Gross funded income for 1Q 2025 increased by 8% YoY to ﷲ 4,118mn from a 23% increase in investment income and a 6% rise in financing income.
- Net profit margin decreased by 6bps YoY to 3.63% in 1Q 2025.

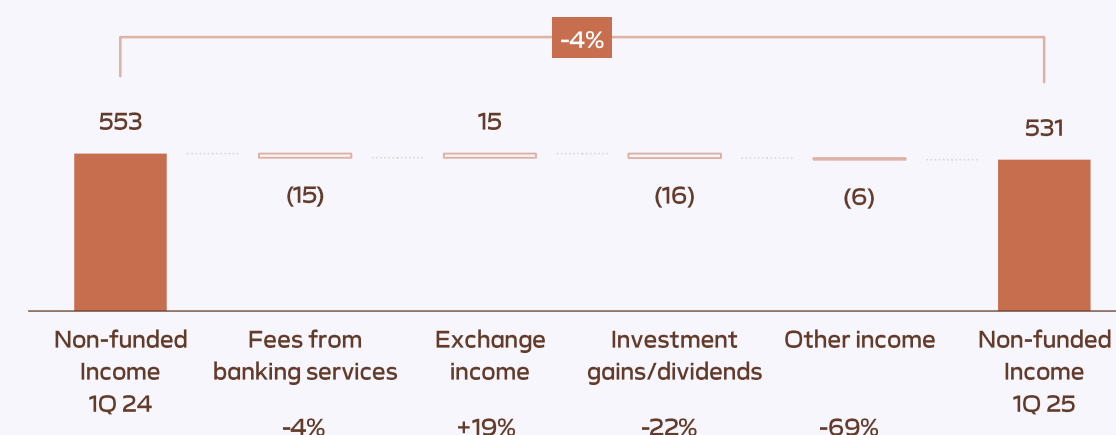
Fee and Other Income

Non-funded income for 1Q 2025 decreased by 4% YoY

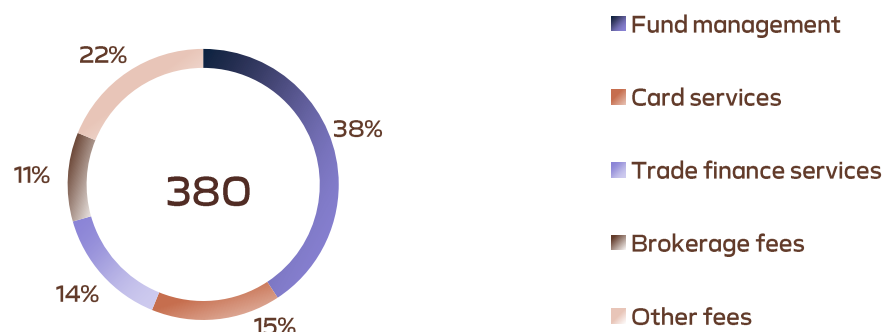
Non-Funded Income (ﷲ mn)



Non-Funded Income Movement YoY (ﷲ mn)



Fees from Banking Services Composition (ﷲ mn)

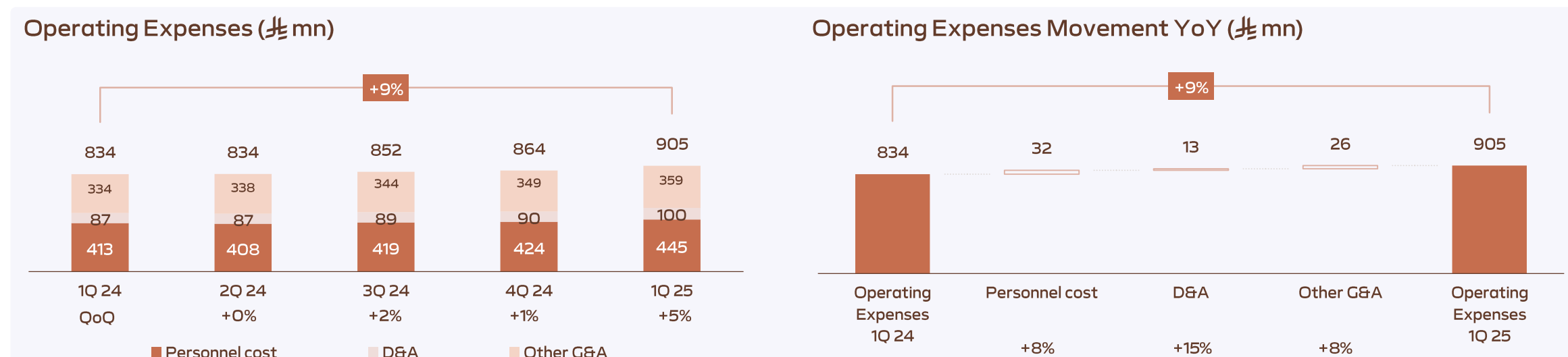


Management Commentary

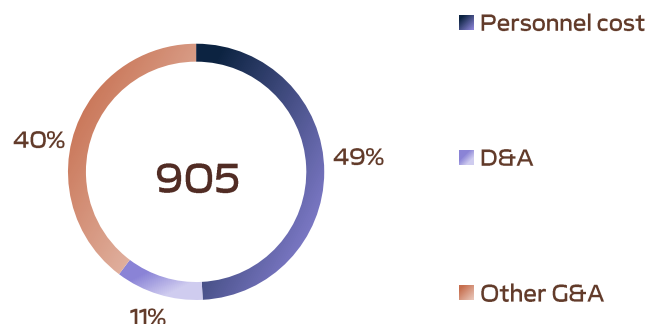
- Non-funded income for 1Q 2025 decreased 4% YoY to ﷲ 531mn from decline in fees from banking services and investment gains/dividends offset by a 19% increase in exchange income.
- Fund management fees comprise the majority of fees from banking services at 38%, while card services fees account for 15%, other fees for 22% and trade finance services and brokerage fees represent 14% and 11% respectively.

Operating Expenses

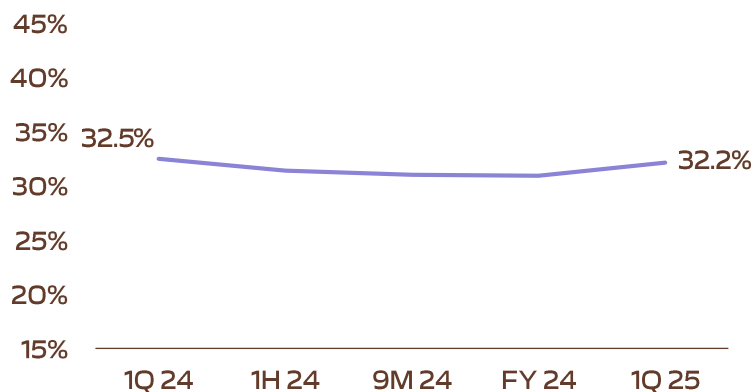
Operating expenses grew at a rate of 9% YoY, driven by higher employee and G&A costs



Operating Expenses Composition (ﷲ mn)



Cost to Income Ratio (%)



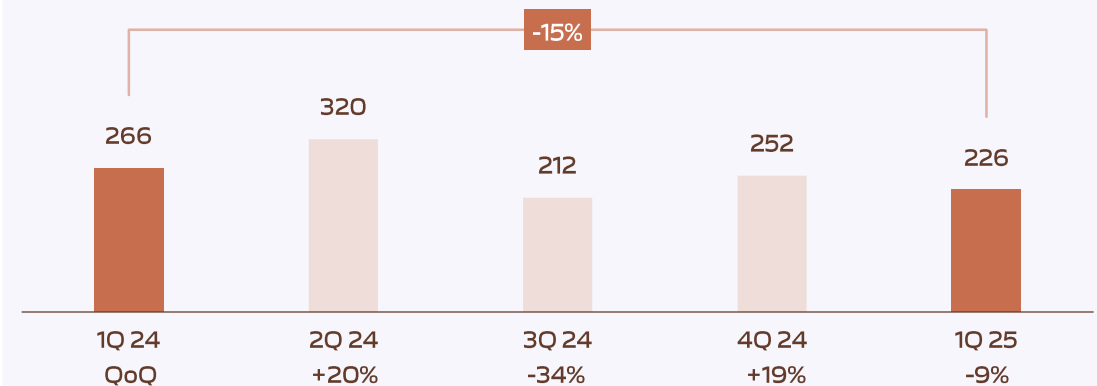
Management Commentary

- Operating expense growth stabilized at 9% YoY, reaching 905mn for 1Q 2025.
- Personnel cost comprise the majority of operating expenses at 49%, while other G&A account for 40%, and D&A represent 11%.
- +1.2ppts positive Jaws contributed to a 3bps decrease in the cost to income ratio YoY from 32.5% to 32.2%.

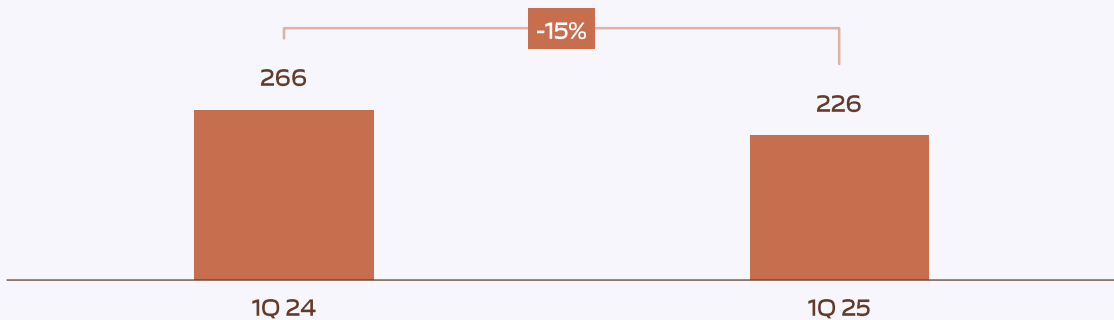
Impairments for Financing

Cost of risk for 1Q 2025 improved by 16bps to 0.43%

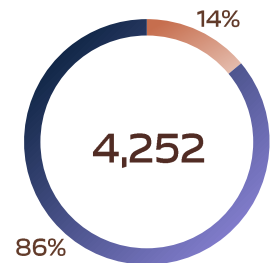
Impairments for Financing (ﷲ mn)



Impairments for Financing (ﷲ mn)

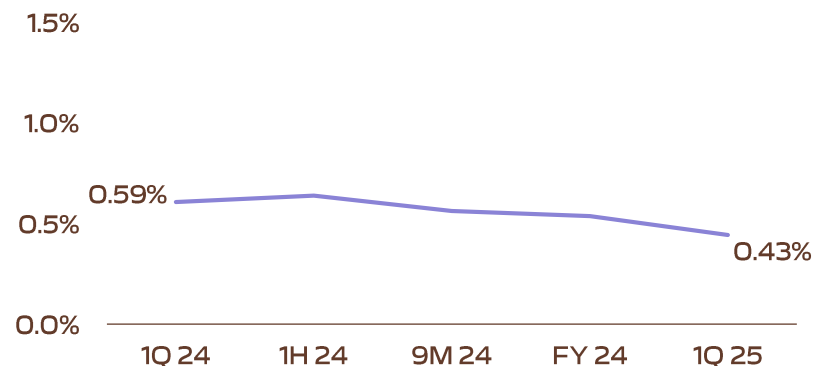


Impairments Allowance Composition (ﷲ mn)



■ Retail
■ Corporate

Cost of Risk (%)



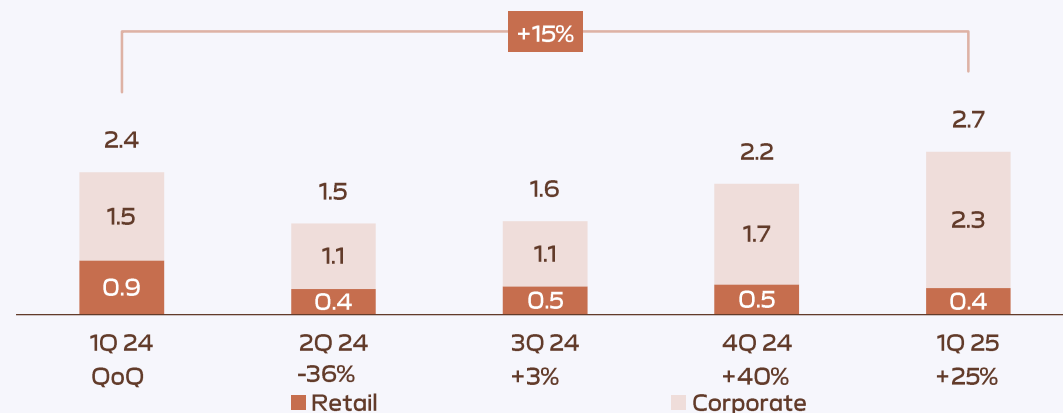
Management Commentary

- 1Q 2025 impairment charge for financing decreased by 15% YoY to ﷲ 226mn.
- Cost of risk for 1Q 2025 improved by 16bps YoY to 0.43%.
- 86% of impairment allowance in 1Q 2025 pertains to corporate and 14% is for retail financing.

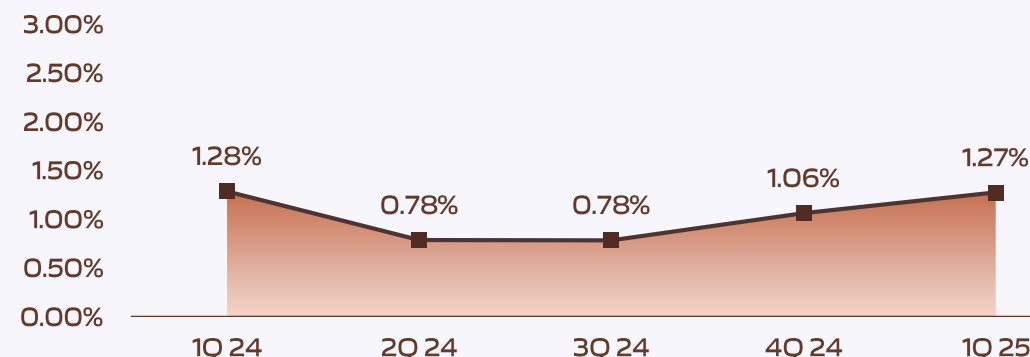
NPL & NPL Coverage

NPL ratio and NPL coverage remain at healthy levels

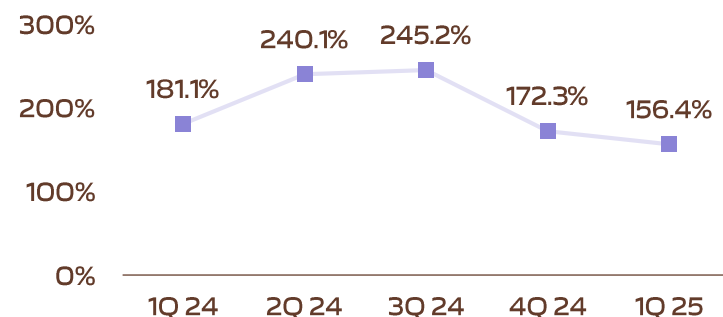
Non-Performing Loans, Gross (﷼ bn)



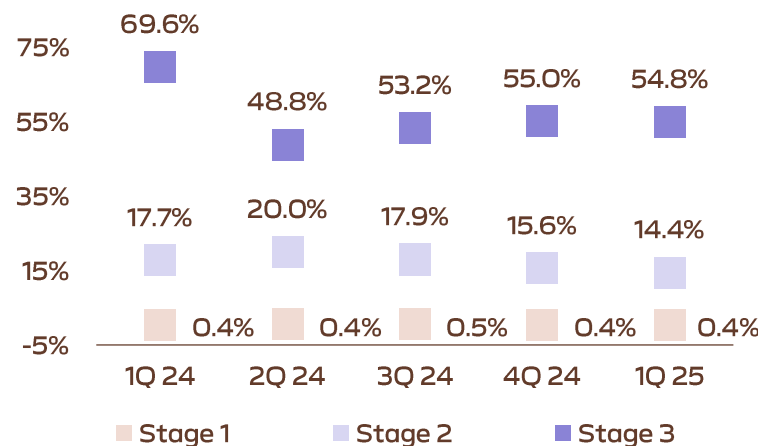
NPL Ratio (%)



NPL Coverage Ratio (%)



Stage-Wise Coverage (%)



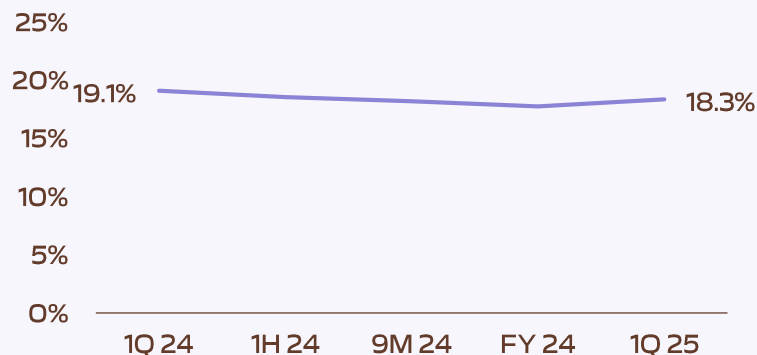
Management Commentary

- NPL ratio decreased by 1bp YoY to 1.27% in 1Q 2025.
- NPL coverage decreased by 24.7ppts YoY to 156.4%.
- Non-Performing Loans increased by ﷼ 0.5bn from 4Q 2024 due to new migrations to Stage 3 during the quarter.

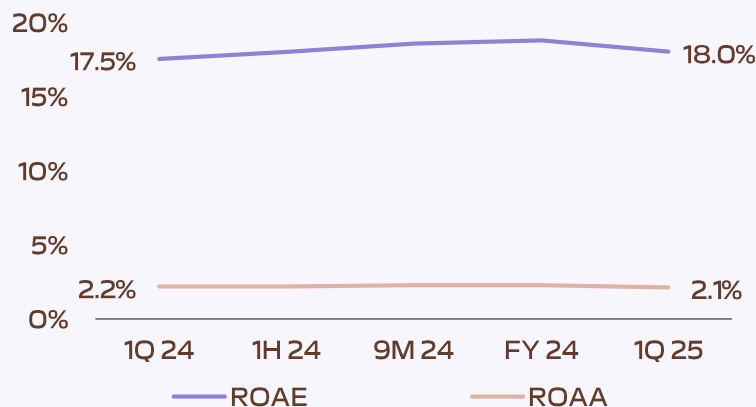
Capitalization & Liquidity

Capital and liquidity ratios remained healthy. ROE increased 49bps YoY

Capitalization (%)



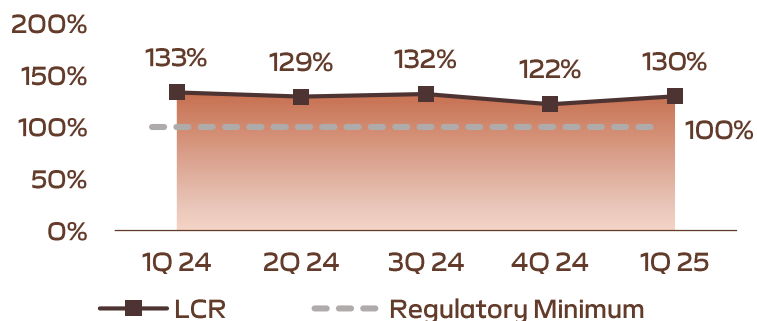
Profitability (%)



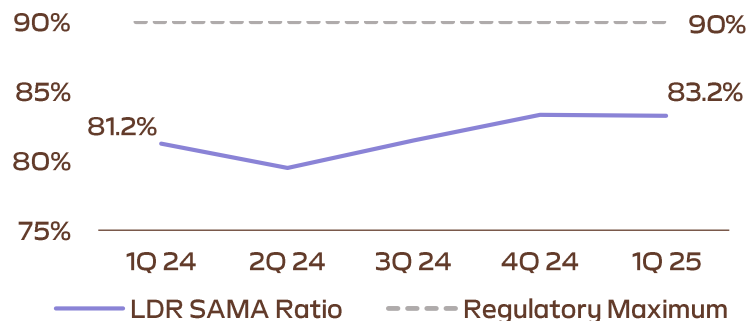
Management Commentary

- CAR decreased by 74bps YoY to 18.3%.
- LCR decreased by 3ppts YoY to 130%.
- LDR ratio increased by 2ppts YoY to 83.2%.
- NSFR decreased by 40bps YoY to 108.1%.

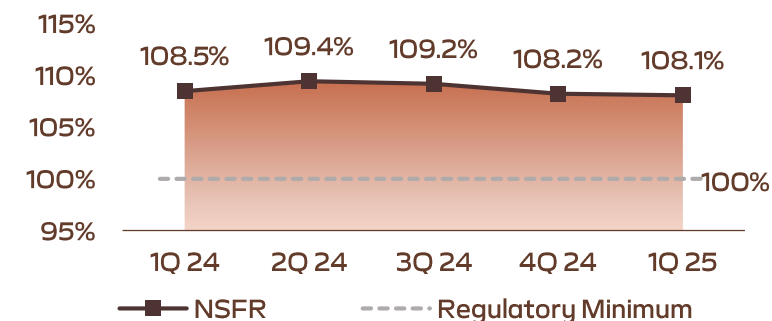
LCR (%)



LDR SAMA Ratio (%)



NSFR (%)



Outlook & Guidance





Q1 2025



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Guidance

Acceleration of strategic execution drives a promising outlook for 2025.

		1Q 2025A	2025G	Drivers
 Balance Sheet	Financing Growth	+15.9% YoY	Mid teens	Solid Mid-Corp, SME & Retail growth from strategic initiatives; continuing the growth in corporate financing
	Net Profit Margin	3.63% -6bps YoY	-10bps to Obps (Revised from -5bps to 5bps)	Declining rates, combined with anticipated slightly higher CoF, will be offset by continued growth in CASA, guide for flat to lower Net Profit Margin.
 Profitability	Cost to Income Ratio	32.2%	Below 30.5% (Revised from below 30%)	Growth in income, digitization & process optimization driving efficiencies
	Return on Equity	18.0%	Above 19%	Improving top line and efficiency driving improving ROE
 Asset Quality	Cost of Risk	0.43%	40-50bps (Revised from 45-55bps)	Cautiously expecting stable credit quality and NPL coverage
 Capital	CAR Pillar 1 (T I + T II)	18.3%	18%-19%	Improving top line with efficiencies in equity management

Q&A

Q1 2025



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Appendix

Q1 2025



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Our ESG in progress

Our Values

Towards passion

We're collaborative

We're transparent

We're innovative



Environment

Launch sustainable finance products

Progress 2024

1

Status

On track

2025 Target

Launch 3 products

Increase percentage of sustainable corporate financing

Progress 2024

14.84%

Status

Achieved

2025 Target

20% increase from baseline

Reduce total scope 1 and 2 greenhouse gases (GHG)

Progress 2024

25,383

Status

Achieved

2025 Target

20% reduction from baseline



Social

Improve NPS across KSA banks

Progress 2024

2nd

Status

On track

2025 Target

1st

Increase percentage of female employees

Progress 2024

22.4%

Status

On track

2025 Target

23%

To be employer of choice amongst KSA banks

Progress 2024

2nd

Status

On track

2025 Target

1st



Governance

Create and update key policies/Framework/statements to incorporate ESG

Progress 2024

5

Status

Achieved

2025 Target

5 policies

Promote gender diversity within the Board of Directors

Progress 2024

In process

Status

Achieved

2025 Target

1

Increase ESG ratings scores (MSCI)

Progress 2024

BBB

Status

Achieved

2025 Target

A

Increase ESG ratings score (ESG Invest)

Progress 2024

70

Status

Achieved & increased target

2025 Target

73

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