

Investor Presentation

3Q 2023

November 2023

مصرف الإنماء
alinma bank



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Table of Contents

1	Alinma Overview
2	Strategy Update
3	Historical Financial Performance
4	9M 2023 Financial Performance
5	Segmental Performance
6	Outlook & Guidance
7	Appendix

Alinma Overview

3Q 2023

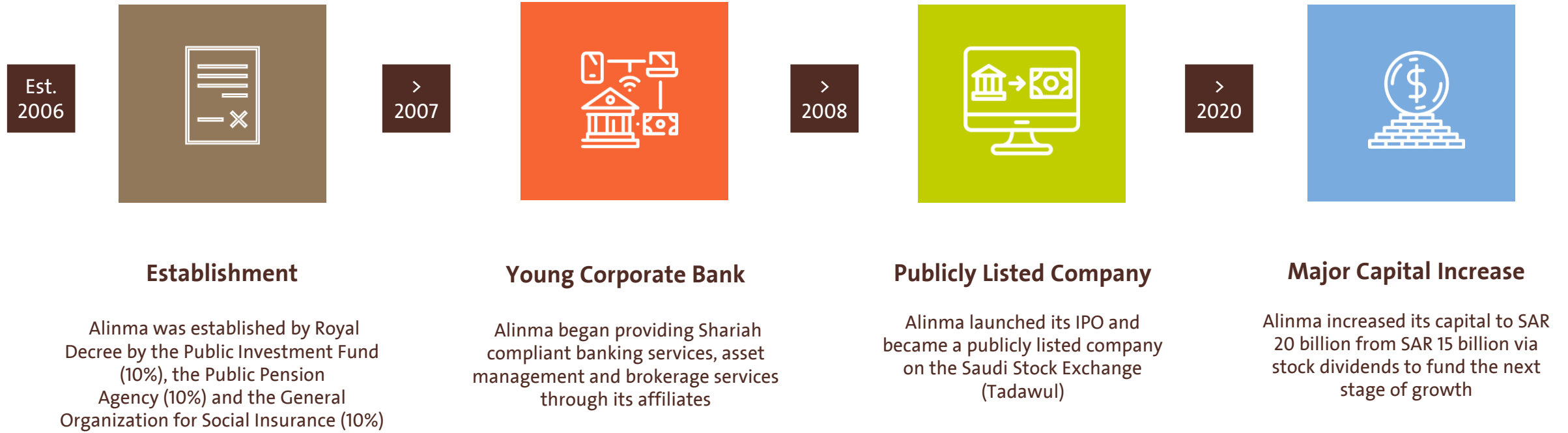
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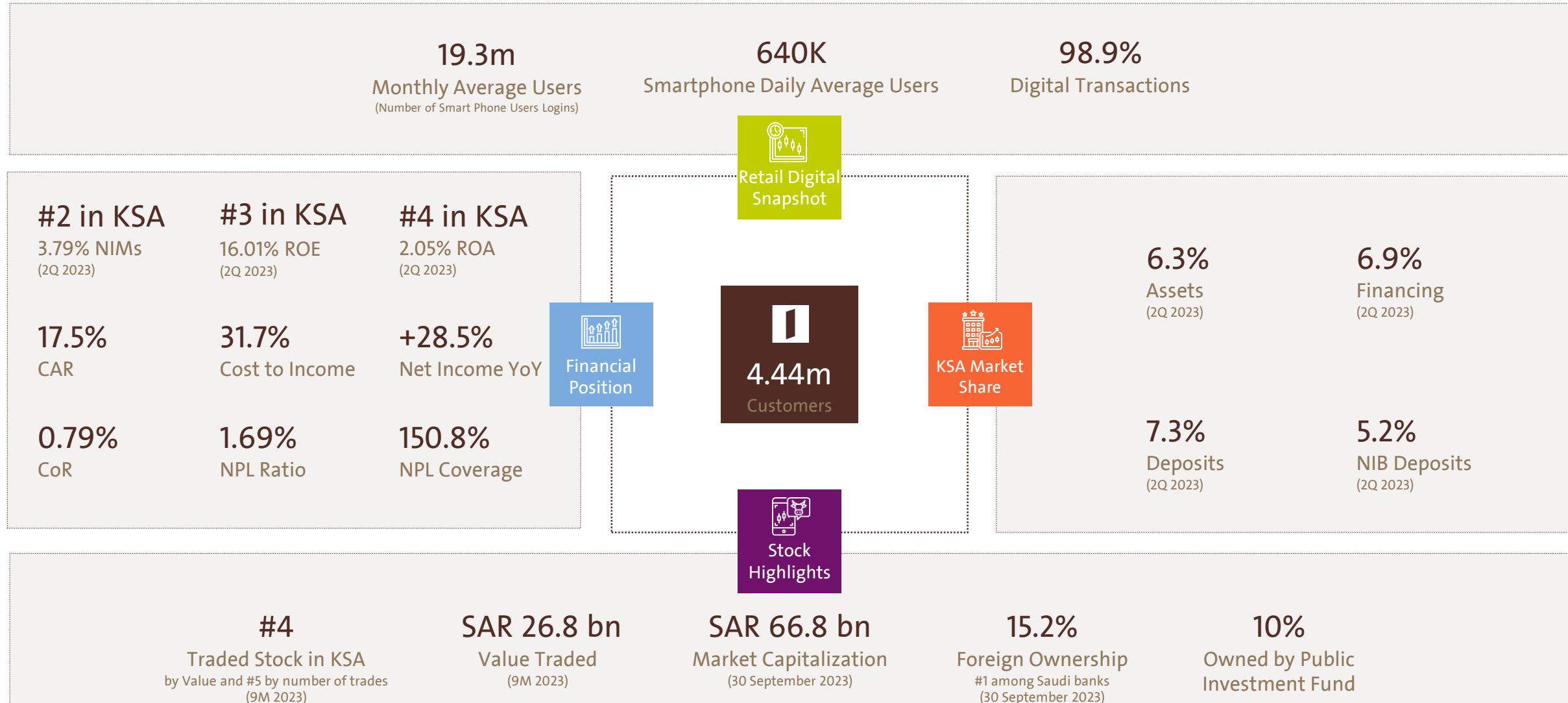
History

Alinma Bank was established in 2006 as full-fledged Islamic banking services provider.



Alinma Overview

Alinma is the youngest bank in KSA



Management Team

Alinma has built an experienced new management team poised to execute its strategy



Abdullah Ali Al Khalifa
Chief Executive Officer (CEO)



Saleh Abdullah Al Zumaie
Deputy CEO, Head of Retail
& Digital Banking



Jameel Naif Al Hamdan
Head of Corporate Banking



Abdullah Jamaan Al Zahrani
Head of Treasury



Meshary Abdulaziz Al Jubair
Chief Operating Officer (COO)



Mohammed Sultan Al Sehali
Chief Internal Audit Officer



Saud Aied Al Mufaddaly
Chief Compliance Officer (CCO)



Eyad Osama Al Othman
General Counsel & Board Secretary



Fahad Abdulaziz Al Mohaimeed
Head of Strategy & Business Excellence



Yaser Abdulaziz Al Marshde
Chief Sharia Officer (CSO)



Hisham Abdullah Al Turaigi
Chief Credit Officer (CCRO)



Abdullah Mohammed Al Salamah
Chief Human Capital Officer (CHCO)



Adel Saleh Abalkhail
Chief Financial Officer (CFO)



Meshal Hamad Al Rabiah
Chief Risk Officer (CRO)

Strategy Update

3Q 2023

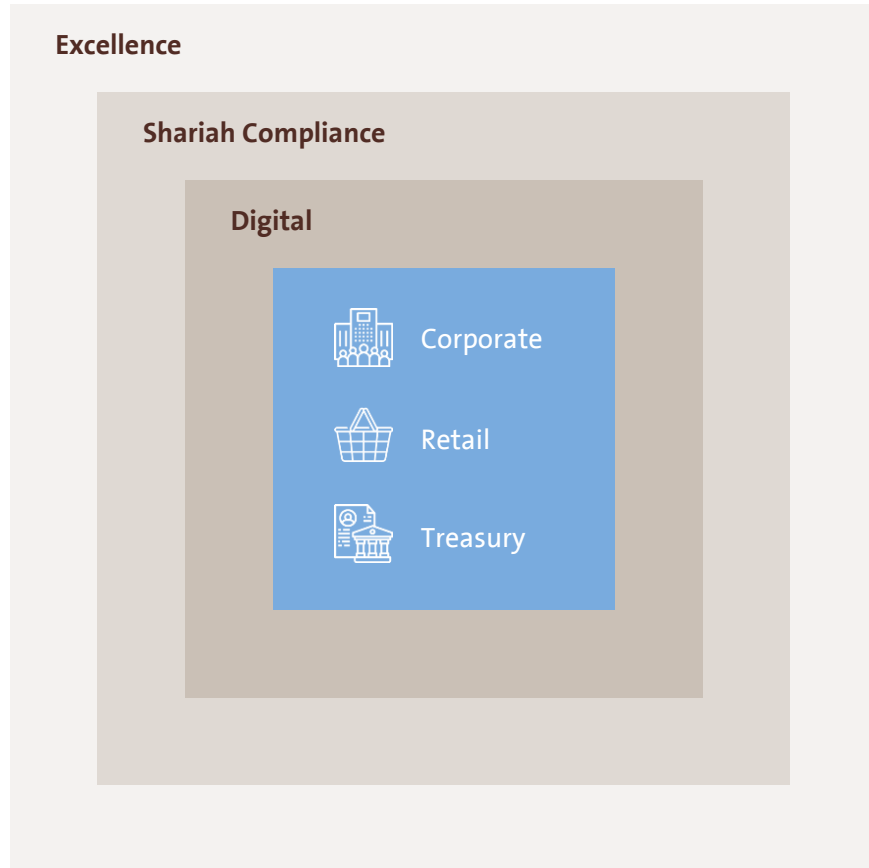
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Strategic Positioning

Alinma Bank's strategic positioning cascades down into each business strategy

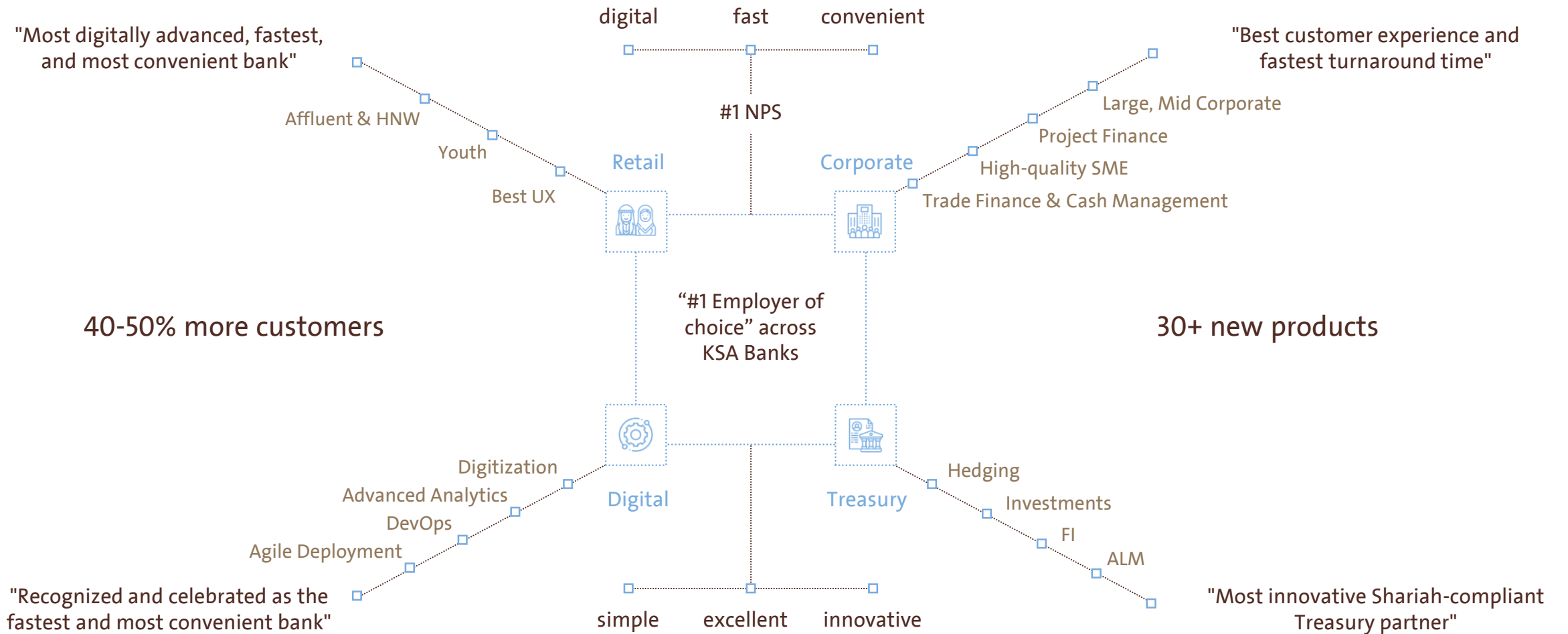


- Bank wide**
 - Be recognized and celebrated as the **fastest and most convenient bank in KSA**
 - Be the **#1 in Net Promoter Score (NPS)** across KSA Banks
 - Be the **#1 Employer of choice** across KSA Banks

- 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

Strategy Overview

Key success factors for Alinma Bank's strategic positioning



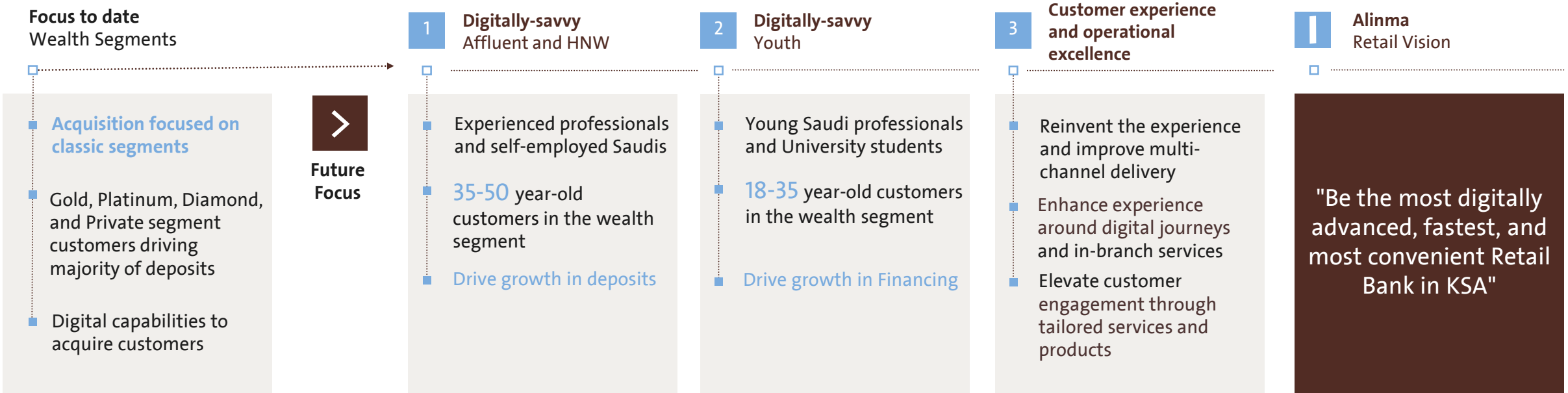
Strategy Progress Update

Driving changes across the businesses and bank-wide

	2021 - 2025 Strategic Ambitions	3Q 2023 Achievements	2023 Initiatives In-Progress
➤ Digital	Build digital factory and apply latest available technologies - Advanced Analytics (AA), AI and Big Data	<ul style="list-style-type: none"> ▪ Youth app is launched to limited number of customers ▪ Freelancer digital onboarding (account opening) ▪ Payroll digital onboarding (for Corporate customers) 	<ul style="list-style-type: none"> ▪ Driving Agile delivery of IT projects ▪ Digital team being expanded with requisite skills ▪ Continuously improving new digital app
➤ Fast	Improve processes and speed to market	<ul style="list-style-type: none"> ▪ 18 TCR machines Implemented reaching total of 84 ▪ Implemented digital execution for credit cards (40%) and personal loans (35%) 	<ul style="list-style-type: none"> ▪ Continue enhancement of digital journeys and app functionality, and increase cross-sell ▪ Continuous improvement in turn-around time for retail customers
➤ Convenient	Enhance customer convenience and experience	<ul style="list-style-type: none"> ▪ Launched Open Banking Services and obtained full KSA standard certification ▪ Merged 5 branches (25 YTD) 	<ul style="list-style-type: none"> ▪ Client relationship models for Private and Affluent customers being improved ▪ Enhance ecosystems programs for customer convenience
➤ Total	77 Initiatives	60 _{/77} Initiatives Completed 78%	17 _{/77} Initiatives In Progress 22%

Retail

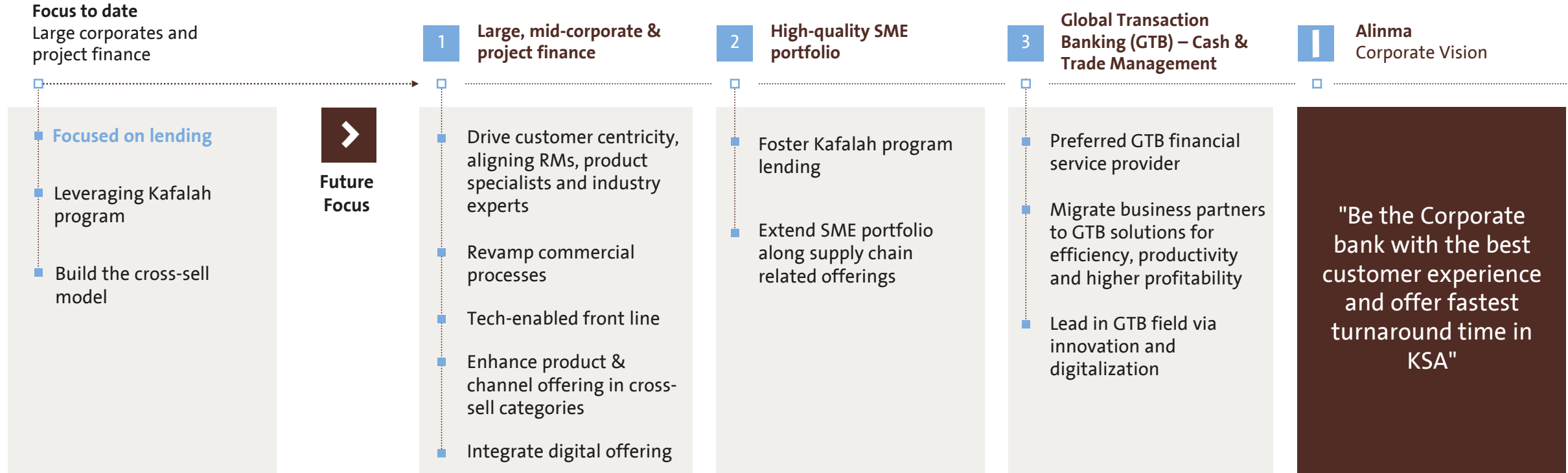
Focus on building two customer franchises



<p>Initiatives Completed to Date:</p> <p>15/18 initiatives completed</p> <p>83%</p>	<p>Key Achievements</p> <p>3Q 2023</p>	<p>Launch of New Tailored Products</p> <ul style="list-style-type: none"> 1 of 3 banks chosen for REDF Price subsidization program Launched expats lending 	<p>New Operating Models and Effective Processes</p> <ul style="list-style-type: none"> Automating the safety box journey Implemented digital execution for credit cards (40%) and personal loans (35%) 18 TCR machines Implemented in Q3 reaching total of 84 	<p>Distribution Expansion</p> <ul style="list-style-type: none"> 5 Merged branches (25 YTD) 1 New branch (Qassim University)
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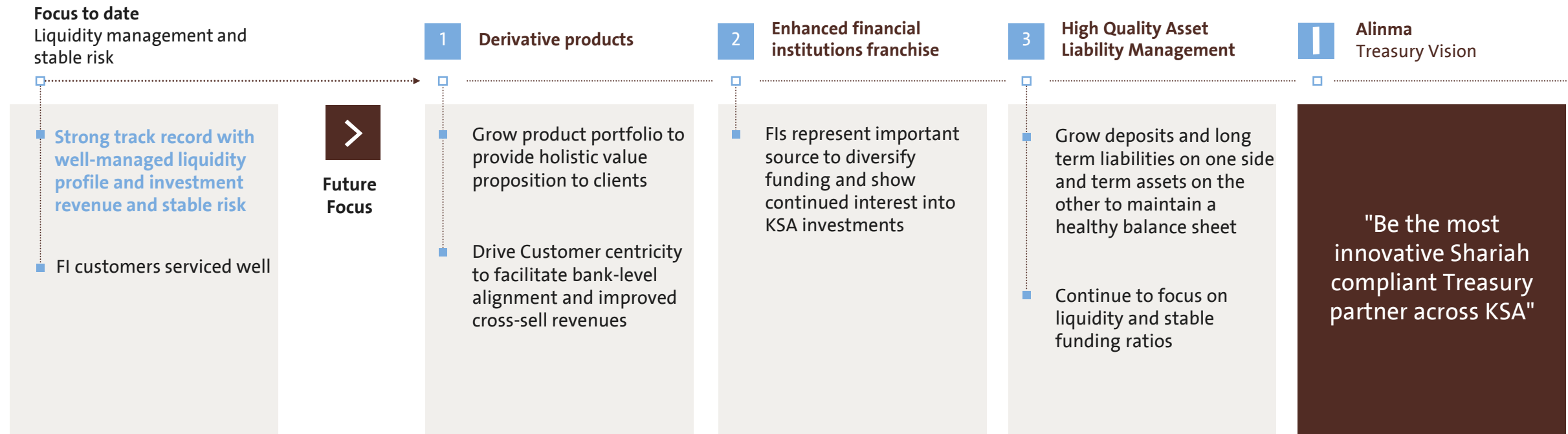
Corporate

Evolve the bank and diversify across sectors



Initiatives Completed to Date: 9/19 initiatives completed 47%	Key Achievements 3Q 2023	Expanded Mid-Corp Segment		Growth in SME Portfolio		Automation of Credit Approval (End-to-End Journey) Launched 1st phase covering program-based lending.
		+101% Growth in booked assets	+110% Growth in Non-funded assets (LG & LC)	+85% Program Based Lending	+20% Kafalah financing	

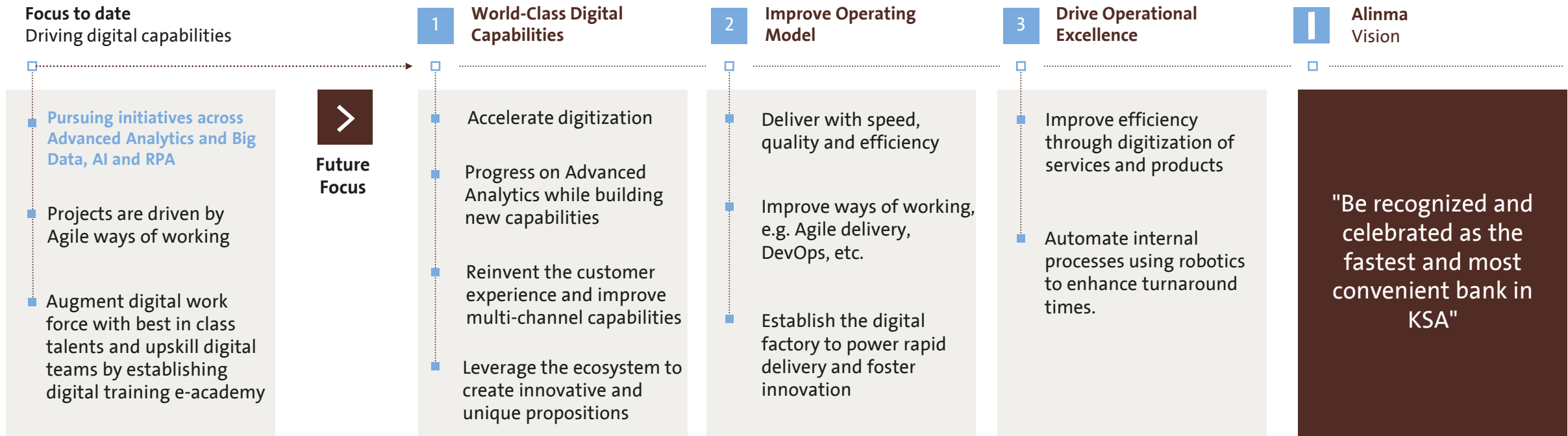
Become core partner for corporate clients and grow FI franchise



<p>Initiatives Completed to Date:</p> <p>12/12 initiatives completed</p> <p>100%</p>	<p>Key Achievements</p> <p>3Q 2023</p>	<p>Expansion of Products and Volumes</p> <p>✓</p> <p>Grow Structured Deposits and Flexi Forward</p> <p>+28bn FX business volumes</p> <p>+26.6bn PRS volumes</p>	<p>Increased FI Coverage</p> <p>+5 banks</p> <p>Correspondent FIs added globally</p>	<p>Investment Yield Enhancement</p> <p>Continue to enhance investment portfolio yield</p>	<p>New Products</p> <p>✓</p> <p>Collared PRS</p>
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Digital

Build Digital to scale customer experience and operational excellence across the bank

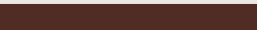



<p>Initiatives Completed to Date:</p> <p>14/17 initiatives completed</p> <p>82%</p>	<p>Key Achievements</p> <p>3Q 2023</p>	<p>New Models & Digital Factory Updates</p> <ul style="list-style-type: none"> Youth app is launched to limited number of customers and reached + 10K registered customers Launched Open Banking Services and obtained full KSA standard certification Freelancer digital onboarding (account opening) Payroll digital onboarding (for Corporate customers) 	<p>IT Projects Delivery</p> <p>52%</p> <p>IT Projects Delivered through Agile</p>	<p>Technology Improvements</p> <p>Implemented Dynatrace tool dashboard to monitor customer journeys performance</p>
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Human Capital

Fostering a great working environment and being the cultural transformation champions in the organization



Initiatives Completed to Date: 9/9 initiatives completed  100%	Key Achievements 3Q 2023	Increased Employee Engagement 3 Activities conducted to increase employees' engagement	 Conducted an Insight Day workshop for all bank's department heads	Increased Training & Key Placements +70% Of bank employees have been trained (YTD)	2 Leadership programs were conducted for middle management	+320 Employees obtained professional certificates (YTD)	Workforce YTD 95.5% 21% Saudization rate Female percentage of total workforce	

Historical Financial Performance

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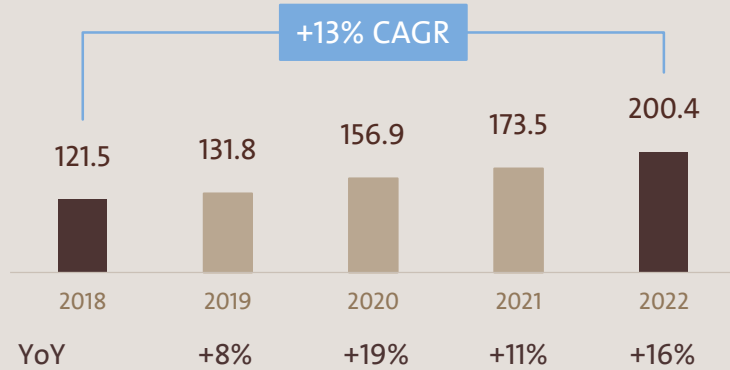


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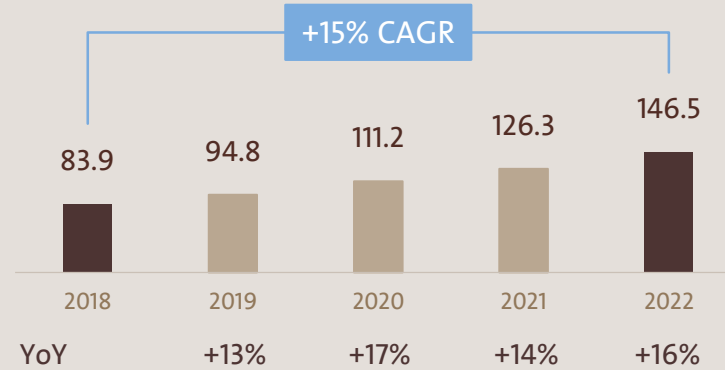
Balance Sheet Track Record

Solid history of strong balance sheet momentum...

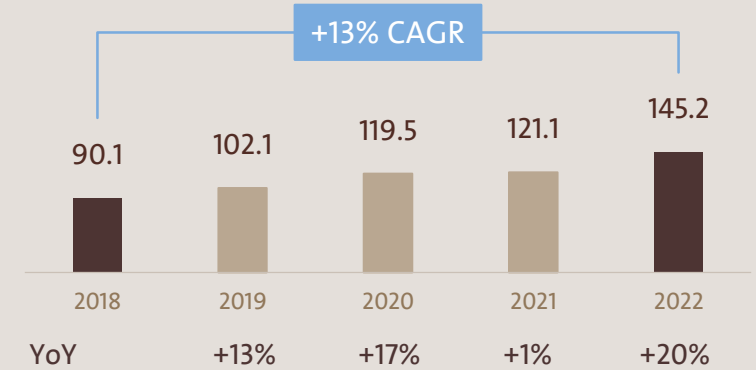
Total Assets (SARbn)



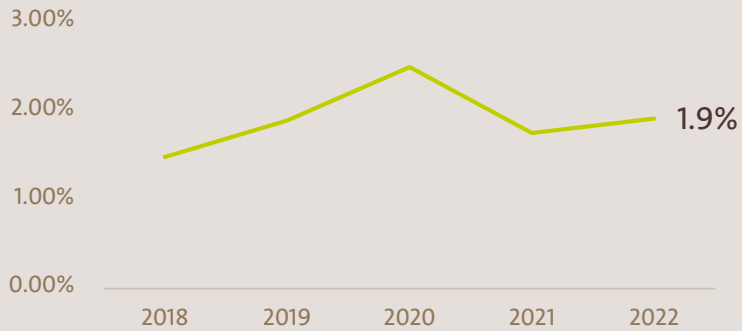
Financing (SARbn)



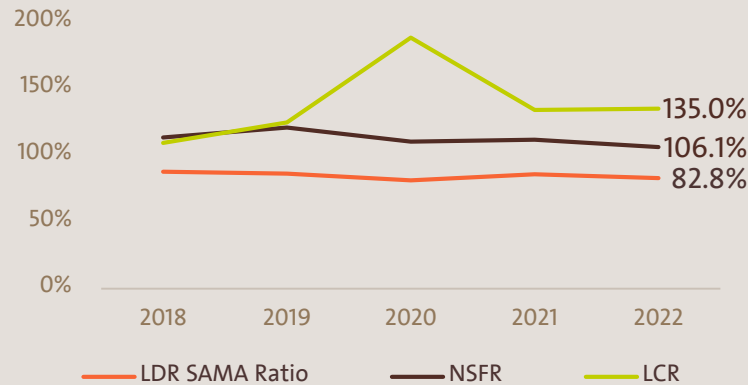
Customers' Deposits (SARbn)



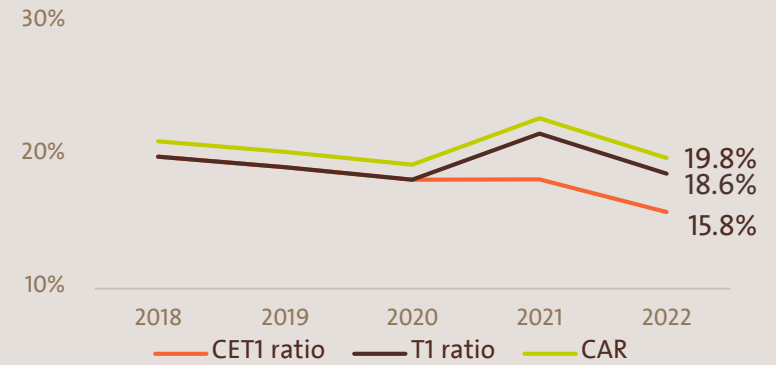
NPL Ratio (%)



Liquidity (%)



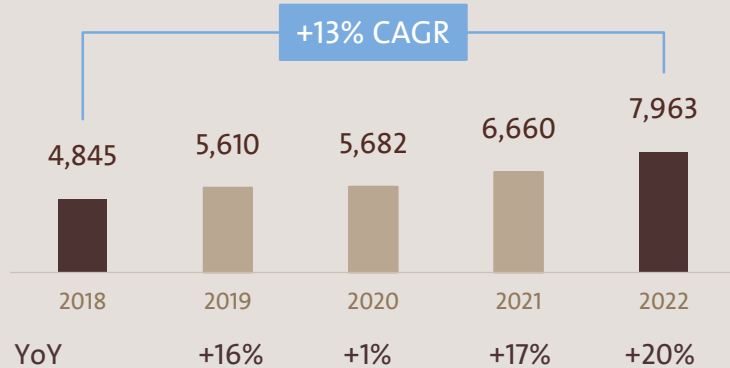
Capitalization (%)



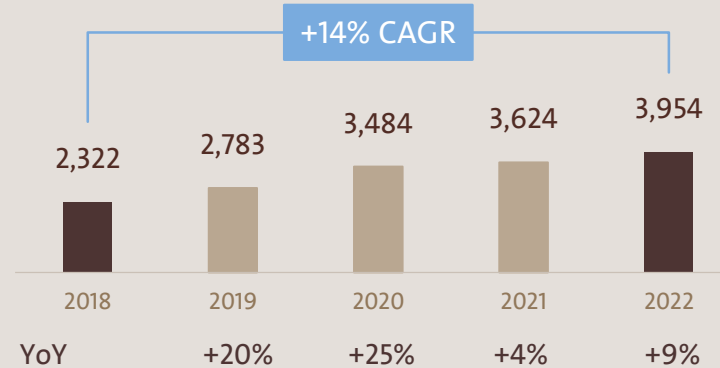
P&L Track Record

...translating to consistently strong top-line growth and solid profitability

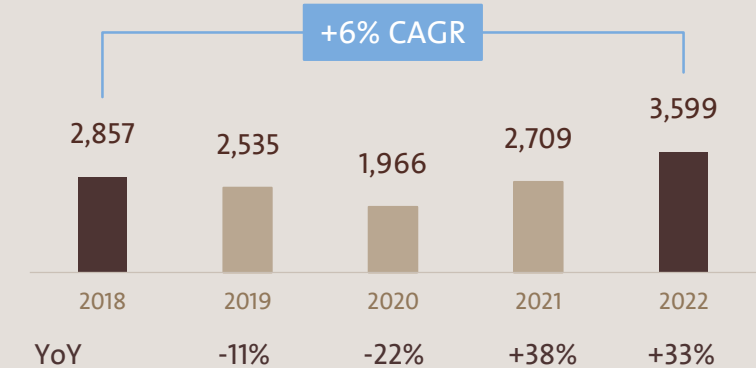
Total Operating Income (SARmn)



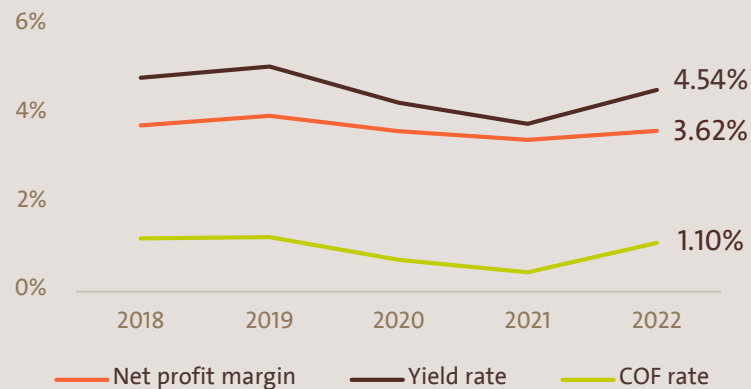
Total Operating Expenses (SARmn)



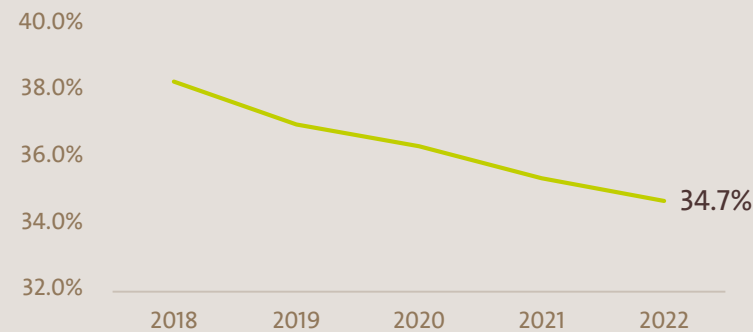
Net Income (SARmn)



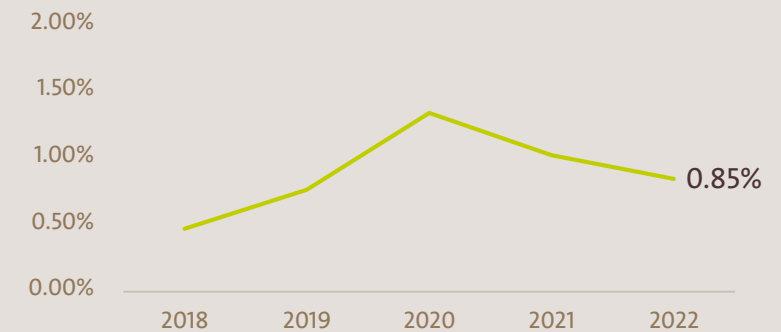
Net Profit Margin (%)



Cost To Income Ratio (%)



Cost of Risk (%)



9M 2023 Financial Performance

3Q 2023

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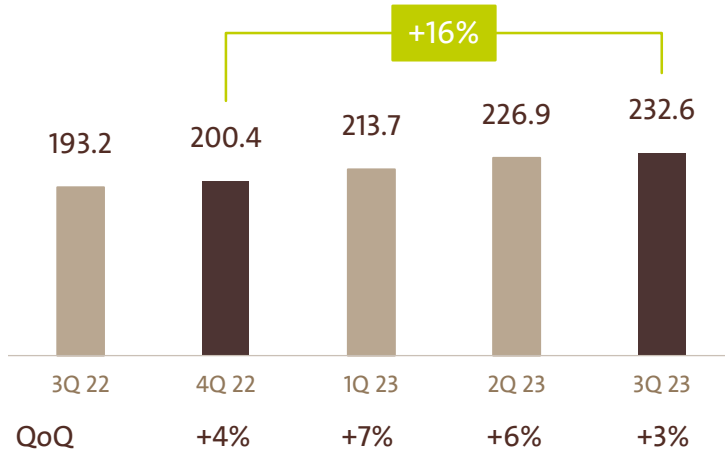


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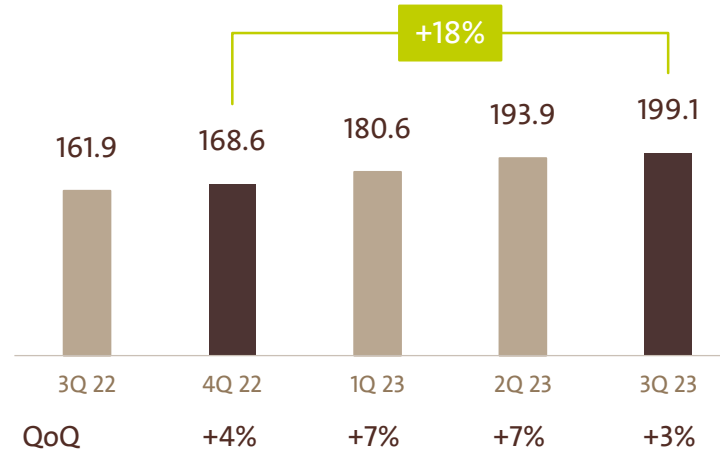
3Q 2023 Balance Sheet Highlights

Balance sheet growth from financing and investments growth funded mainly from customers' deposits

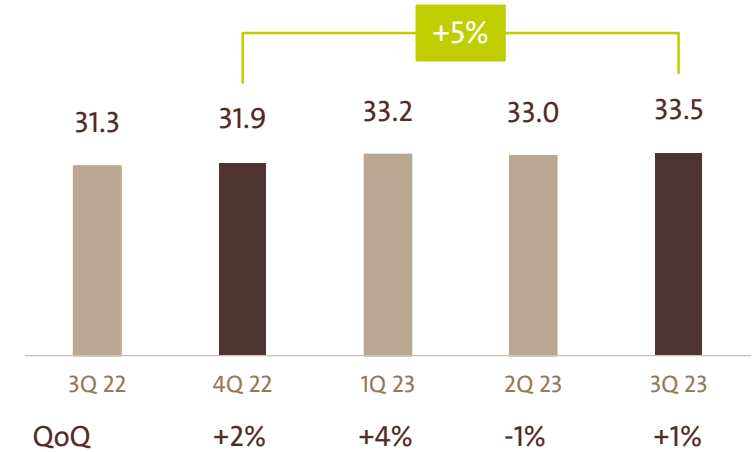
Total Assets (SARbn)



Total Liabilities (SARbn)



Total Equity (SARbn)



3Q 23 Financing

SARbn **169.1**
+15% YTD

3Q 23 Customers' Deposits

SARbn **180.2**
+24% YTD

3Q 23 CASA Deposits

SARbn **90.0**
+9% YTD

3Q 23 CASA % of Total Deposits

49.9%
-6.9ppts YTD

3Q 23 LDR SAMA Ratio

79.8%
-3.0ppts YTD

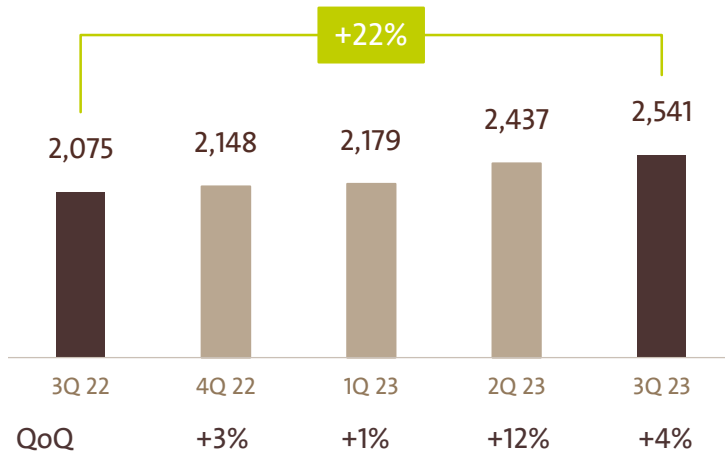
3Q 23 CAR

17.5%
-228bps YTD

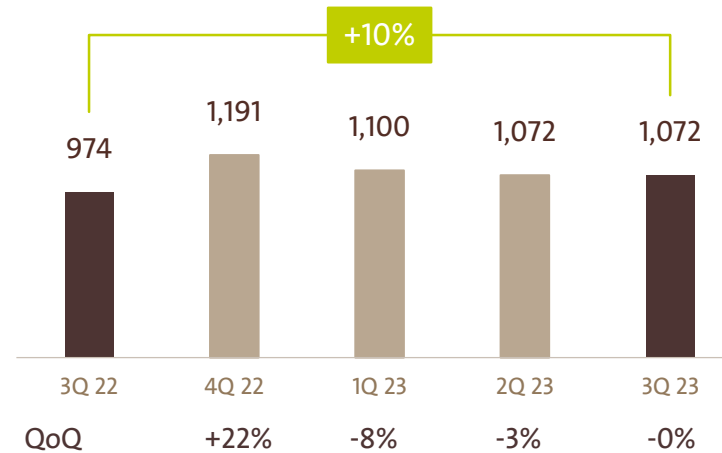
9M 2023 P&L Highlights

Net income for 9M 2023 grew by 28% YoY from 27% funded income growth

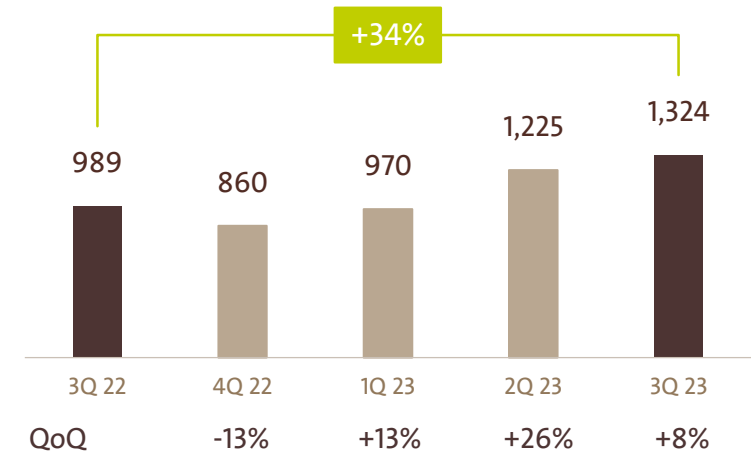
Total Operating Income (SARmn)



Total Operating Expenses (SARmn)



Net Income (SARmn)



9M 23 Funded Income

SARmn **5,600**

+27% YoY

9M 23 Non-Funded Income

SARmn **1,557**

+10% YoY

9M 23 Net Income

SARmn **3,519**

+28% YoY

9M 23 Net Profit Margin

3.81%

+22bps YoY

9M 23 Cost to Income Ratio

31.7%

-2.9ppts YoY

9M 23 ROE

17.0%

+292bps YoY

Balance Sheet Trends

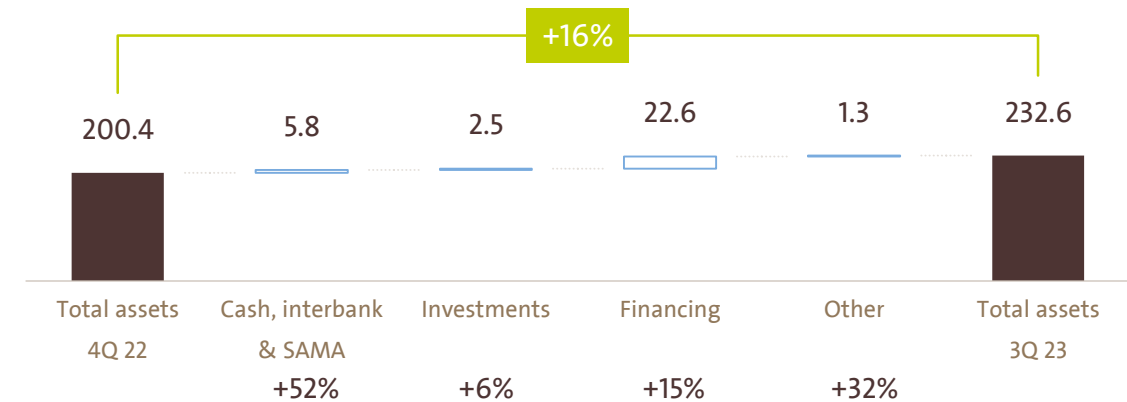
Balance sheet growth of 16% from increase in financing and investments

Management Commentary

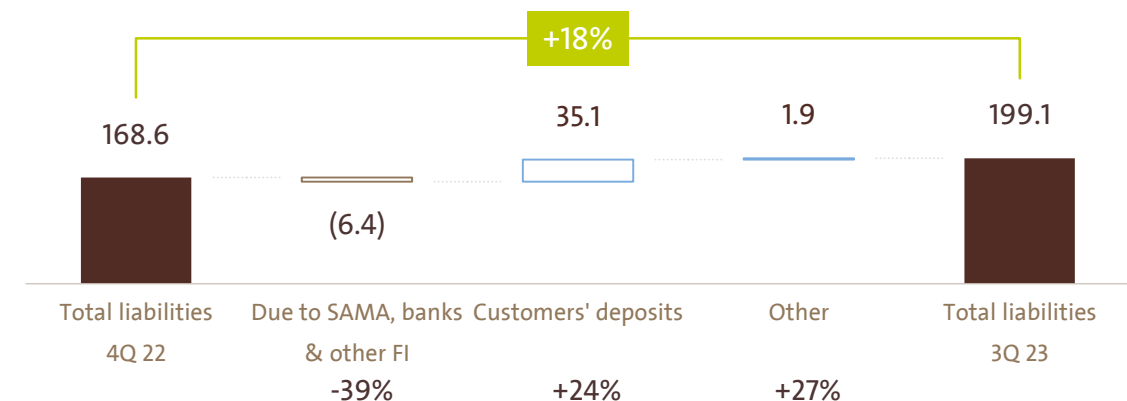
- Growth in total assets of 16% YTD mainly driven by 15% financing growth and 6% growth in investments and 52% growth in balances with SAMA and interbank.
- Total liabilities grew by 18% during 9M 2023 mainly from a 24% rise in customers' deposits.

SAR (mn)	3Q 2023	4Q 2022	Δ%	3Q 2022	Δ%
Cash, interbank & SAMA balances	16,957	11,178	+52%	10,935	+55%
Investments	40,970	38,518	+6%	38,266	+7%
Financing	169,063	146,492	+15%	139,987	+21%
Other assets	5,595	4,249	+32%	4,041	+38%
Total assets	232,585	200,436	+16%	193,229	+20%
Due to SAMA, banks & other FI	10,123	16,483	-39%	23,225	-56%
Customers' deposits	180,233	145,168	+24%	132,048	+36%
Other liabilities	8,769	6,908	+27%	6,654	+32%
Total liabilities	199,125	168,560	+18%	161,927	+23%
Share capital	20,000	20,000	+0%	20,000	+0%
Retained earnings	6,675	4,285	+56%	5,406	+23%
Other reserves	1,785	2,591	-31%	897	+99%
Tier 1 sukuk	5,000	5,000	+0%	5,000	+0%
Total equity	33,460	31,876	+5%	31,302	+7%

Total Assets Movement YTD (SARbn)



Total Liabilities Movement YTD (SARbn)



P&L Trends

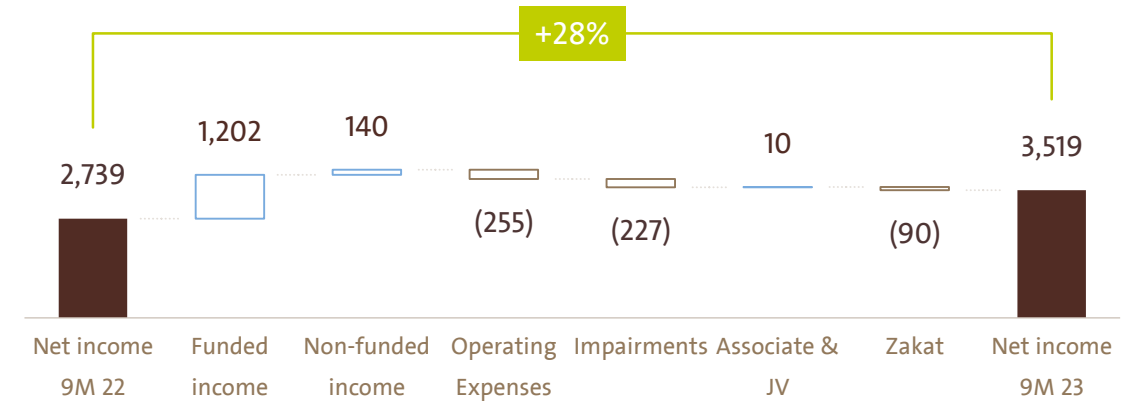
Net income for 9M 2023 grew by 28% YoY due to 23% income growth

Management Commentary

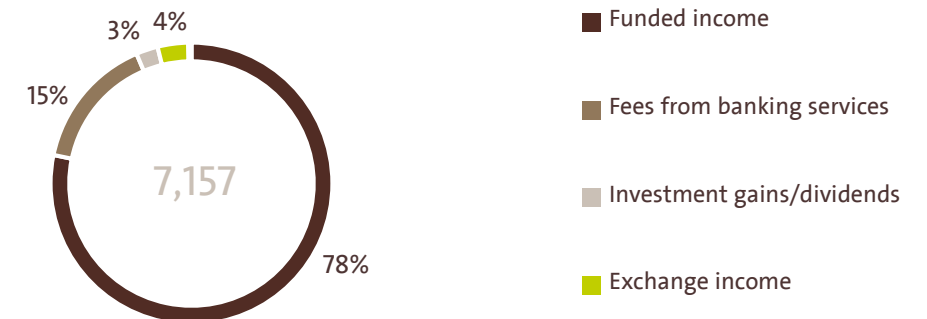
- Net income for 9M 2023 grew 28% YoY to SAR 3,519mn from 23% income growth. 12.6% higher operating expenses YoY.
- 3Q 2023 net income improved 34% YoY driven by 22% increase in income.

SAR (mn)	9M 2023	9M 2022	Δ%	3Q 2023	3Q 2022	Δ%
Funded income	5,600	4,399	+27%	2,006	1,674	+20%
Non-Funded income	1,557	1,417	+10%	535	402	+33%
Total operating income	7,157	5,815	+23%	2,541	2,075	+22%
Operating Expenses	2,270	2,015	+13%	766	710	+8%
Net operating income before impairment charge	4,887	3,800	+29%	1,775	1,366	+30%
Impairments	974	748	+30%	306	264	+16%
Net operating income	3,913	3,053	+28%	1,469	1,102	+33%
Income before zakat & income tax	3,923	3,054	+28%	1,476	1,103	+34%
Zakat	405	315	+28%	152	114	+34%
Net income	3,519	2,739	+28%	1,324	989	+34%

Net Income Movement YoY (SARmn)



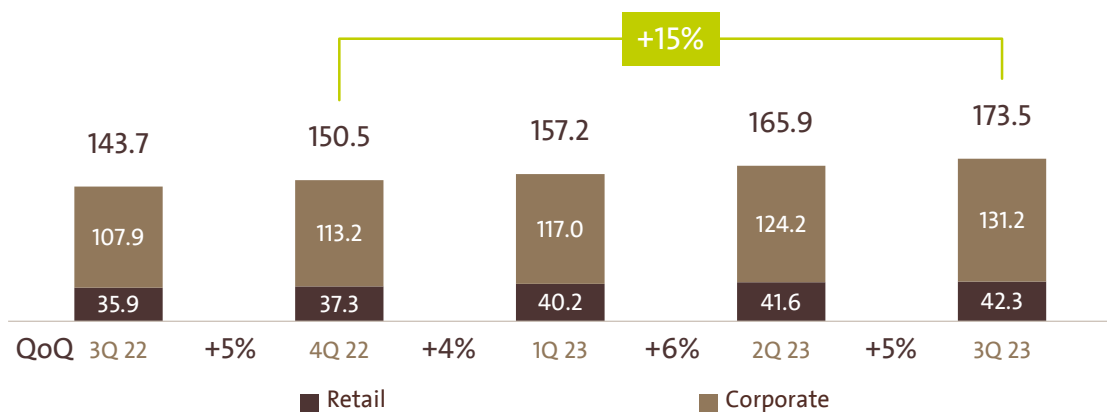
Operating Income Composition (SARmn)



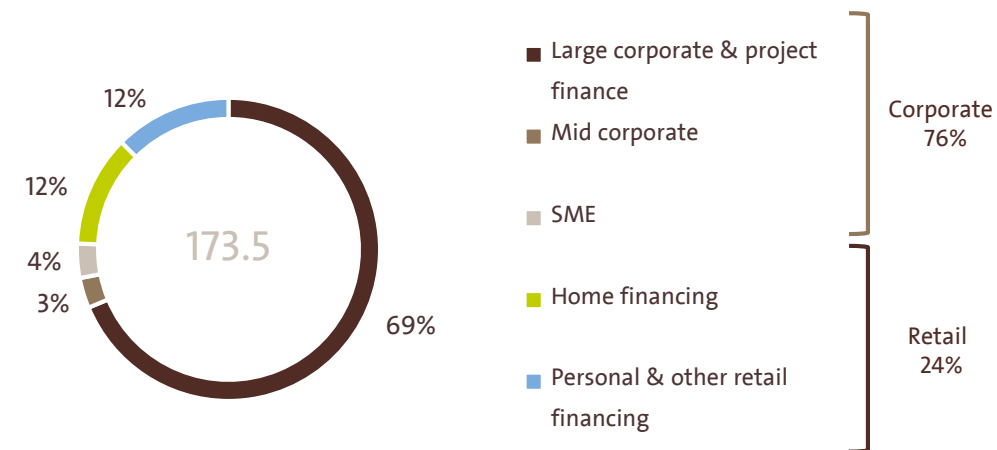
Financing

Increase in gross financing during 9M 2023 from 13% growth in retail financing, and 16% in corporate financing

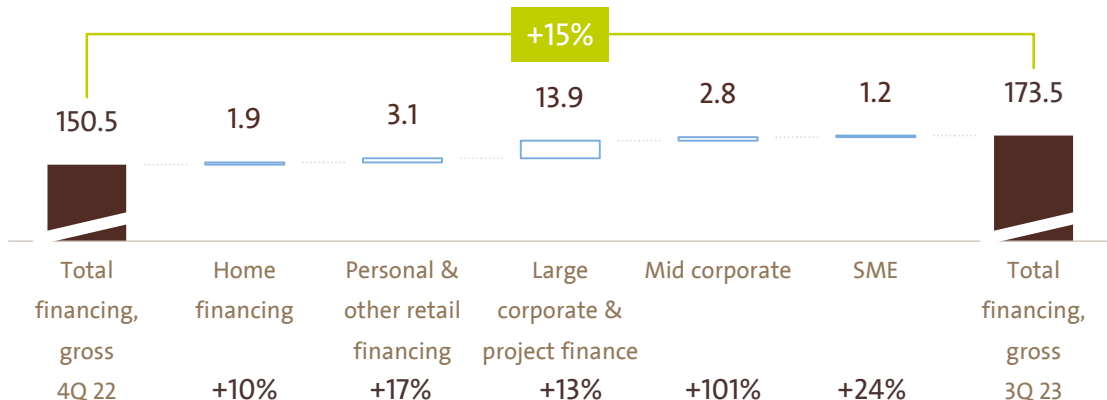
Financing, Gross (SARbn)



Financing, Gross Composition (SARbn)



Financing, Gross Movement YTD (SARbn)



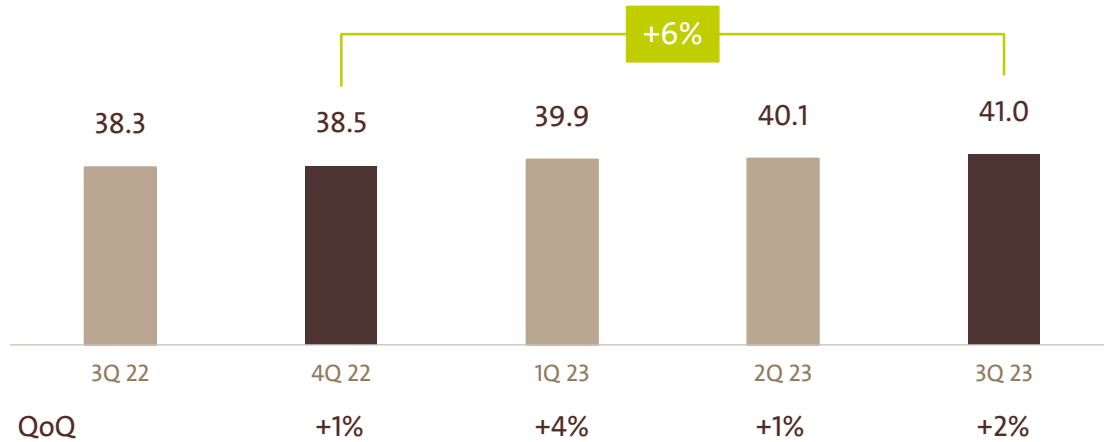
Management Commentary

- Gross financing grew 15% during 9M 2023.
- Retail financing grew 13% YTD from strong momentum in personal & other financing +17%.
- Total corporate financing grew 16% YTD, where mid-corporate rose 101%, and SME financing increased 24%.
- Gross financing comprises of 76% corporate and 24% retail as at 30 September 2023.

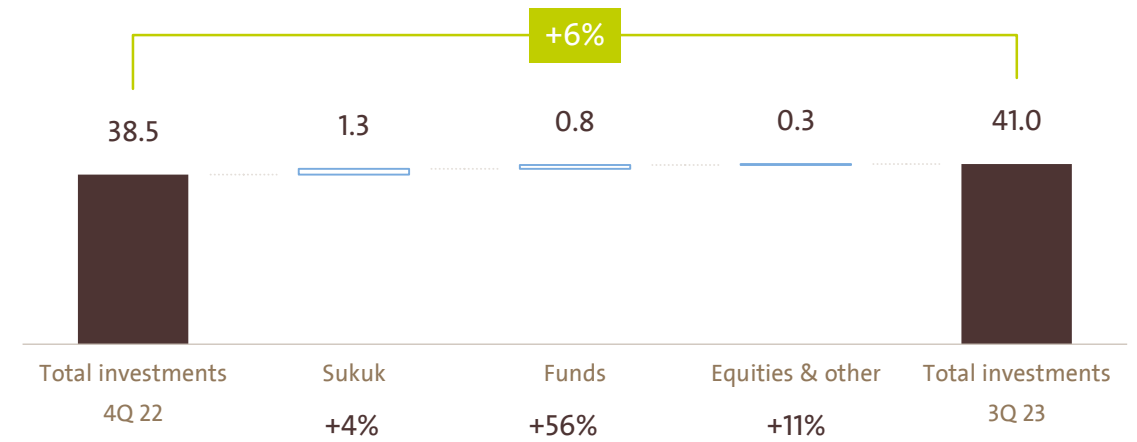
Investments

6% growth in investments YTD from additional investment grade securities

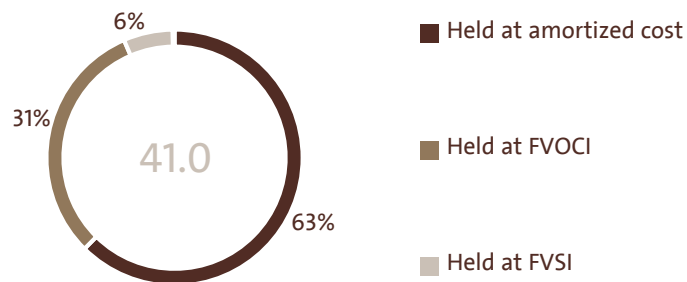
Investments (SARbn)



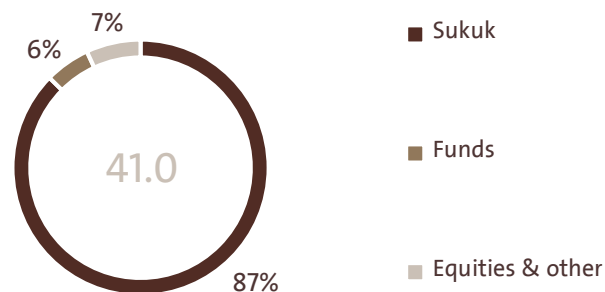
Investments Movement YTD (SARbn)



Investments Composition (SARbn)



Investments Composition (SARbn)



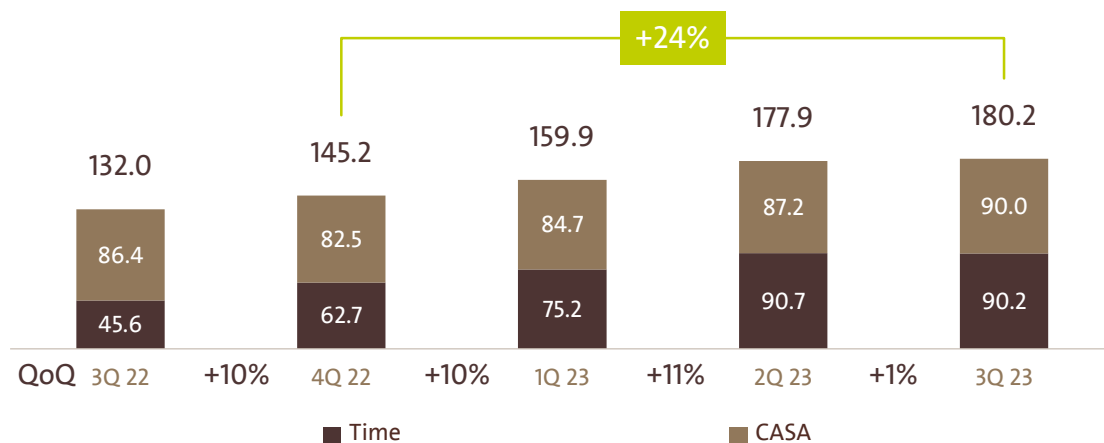
Management Commentary

- Investments growth of 6% during 9M 2023 was mainly attributed to 4% increase of investments in sukuk.
- The investment portfolio as at 30 September 2023 comprised of 87% sukuk investments, 6% funds and 7% equities & other investments.

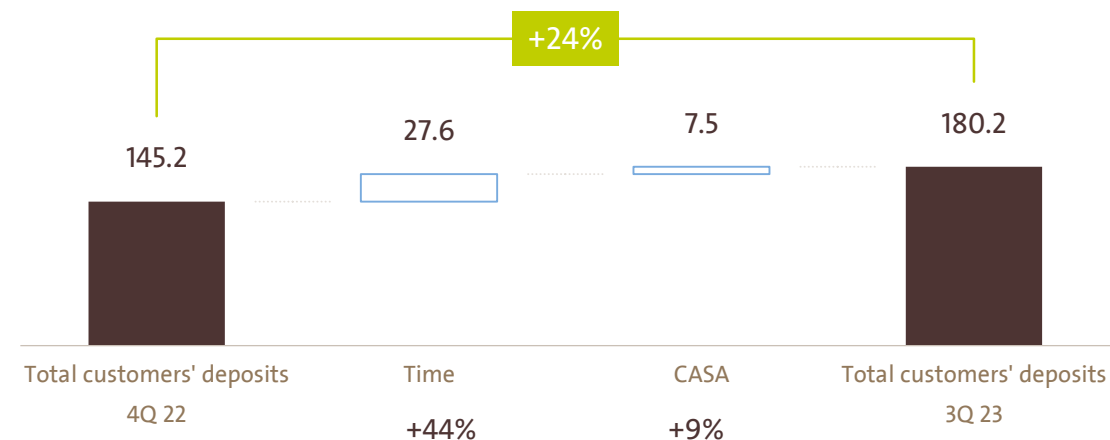
Deposits

Deposit growth of 24% driven by 9% CASA growth and 44% time deposits growth

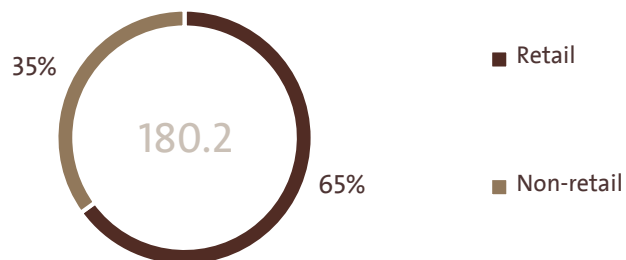
Customers' Deposits (SARbn)



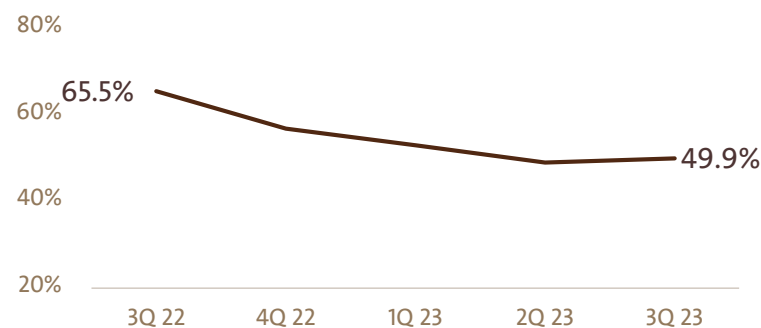
Customers' Deposits Movement YTD (SARbn)



Customers' Deposits Composition (SARbn)



CASA % of Total Deposits (%)



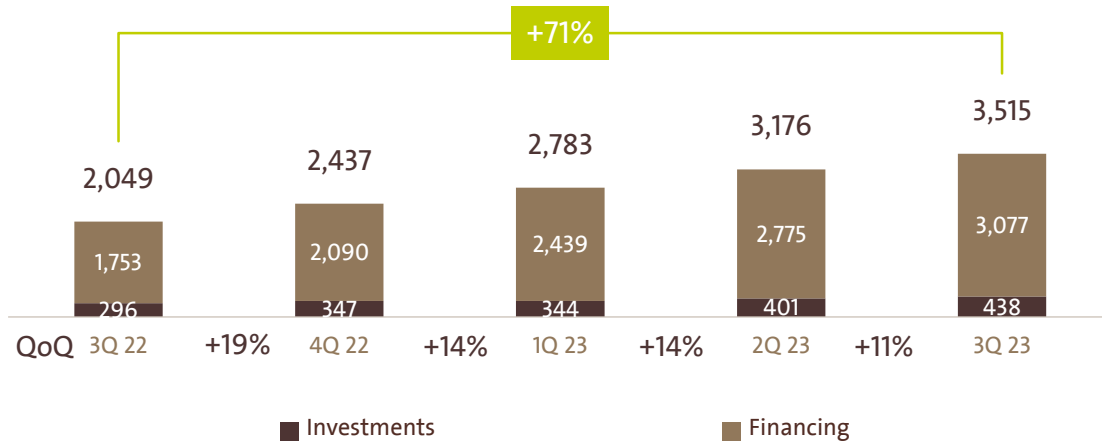
Management Commentary

- Deposits rose by 24% during 9M 2023 from growth in CASA and Time deposits of 9% and 44% respectively.
- CASA deposits account for 49.9% of total deposits as at 3Q 2023.
- Total deposits comprise of 65% retail and 35% non-retail deposits as at 30 September 2023.

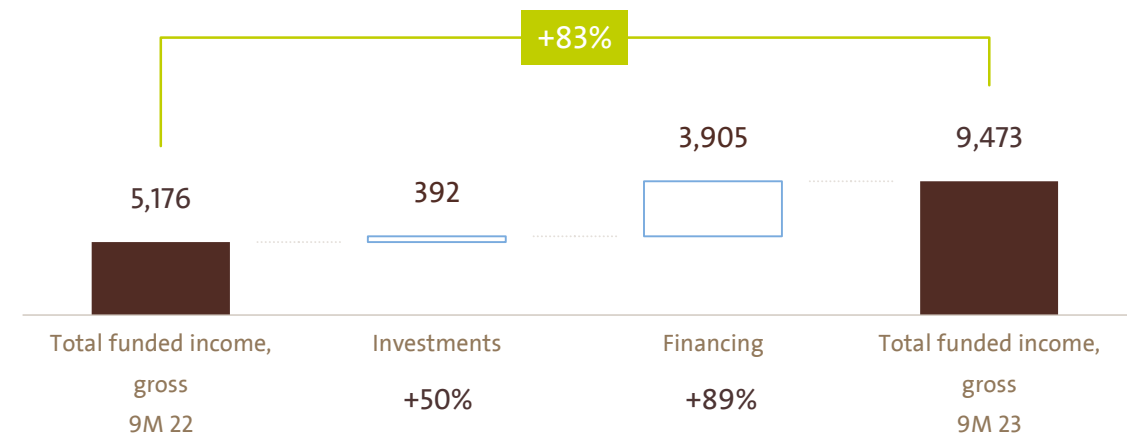
Income from Financing & Investments

Gross funded income grew 83% from 50% growth in investment income and 89% growth in financing income

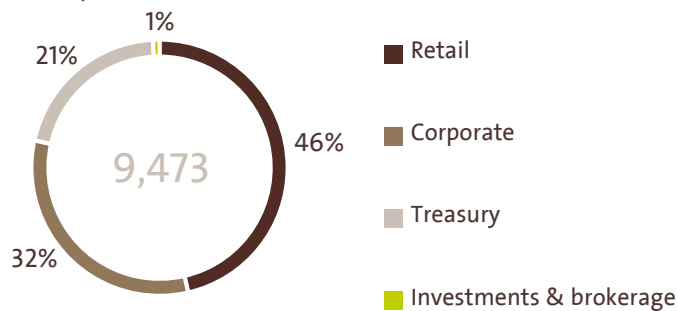
Funded Income, Gross (SARmn)



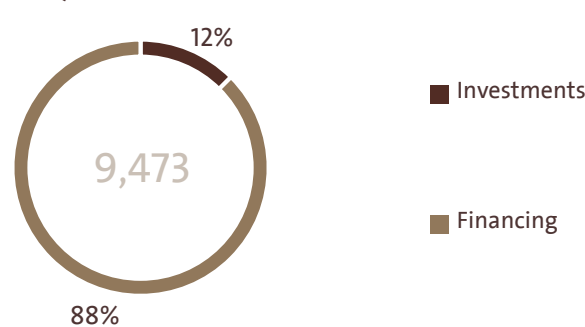
Funded Income, Gross Movement (SARmn)



Funded Income, Gross Composition (SARmn)



Funded Income, Gross Composition (SARmn)



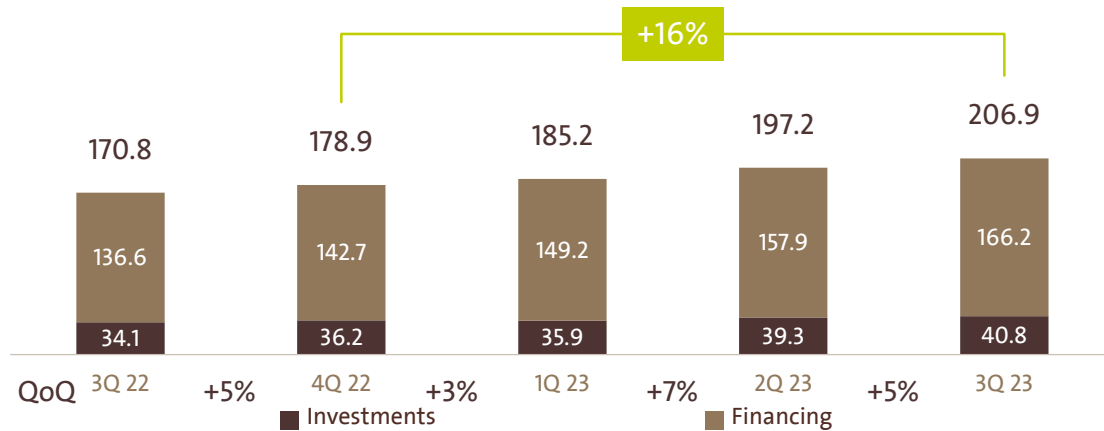
Management Commentary

- Gross funded income for 9M 2023 increased by 83% YoY to SAR 9,473mn from a 50% increase in funded investment income and a 89% rise in financing income.
- The expansion in gross funded income and net profit margin is largely reflective of the rising benchmark rates.

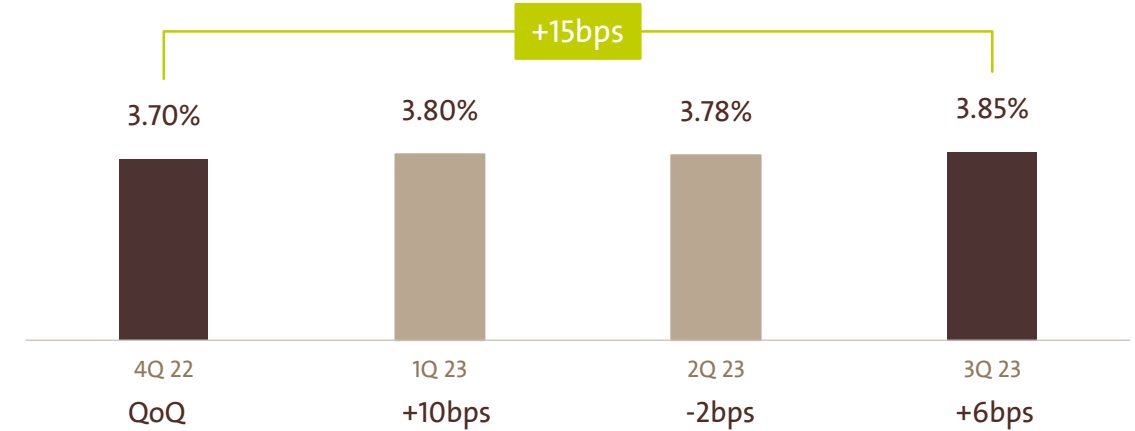
Net Profit Margin

Average balance of investments and financing grew 16%; while net profit margin saw an increase of 22bps YoY

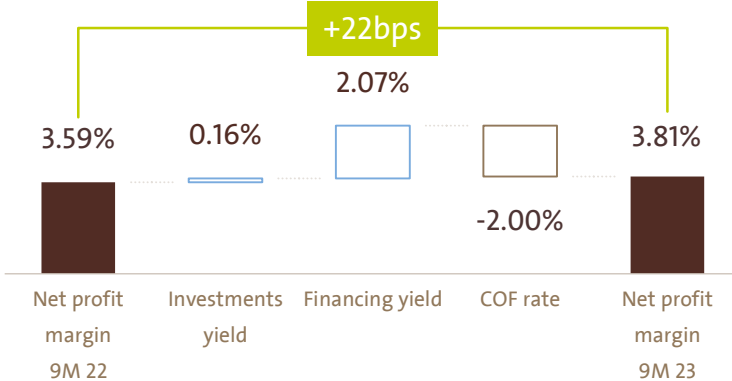
Average Balance of Investments & Financing (SARbn)



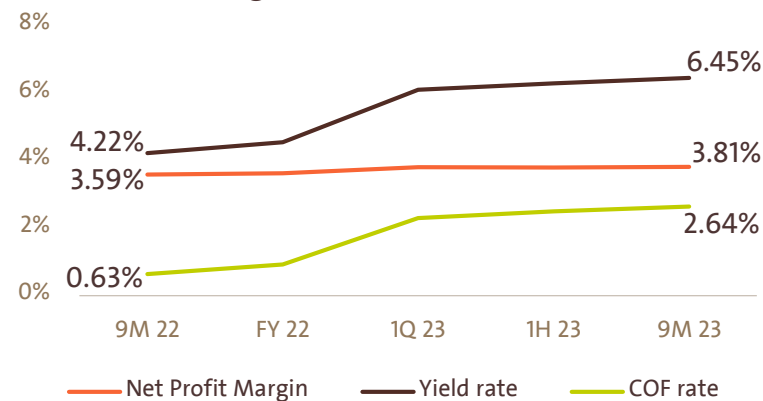
Net Profit Margin QTR (%)



Net Profit Margin Movement YoY (%)



Net Profit Margin YTD (%)



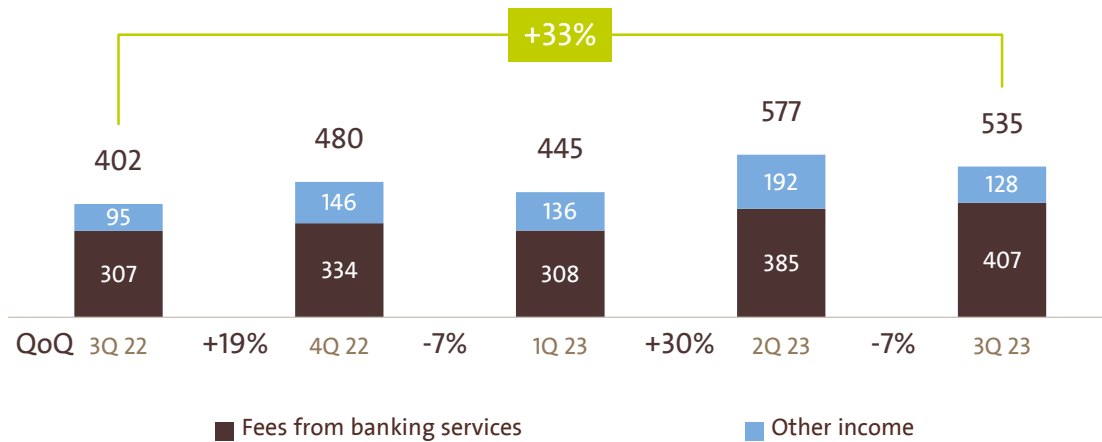
Management Commentary

- Average balance of investments and financing grew 16% YTD.
- Net profit margin increased by 22bps YoY to 3.81% in 9M 2023.
- The QTR net profit margin increased by 6bps QoQ to 3.85%.

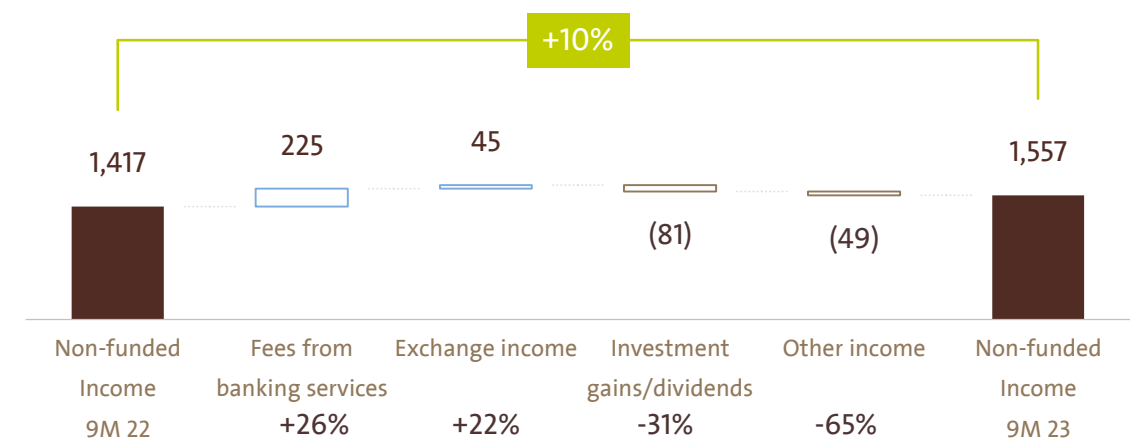
Fee and Other Income

Non-funded income for 9M 2023 increased by 10% YoY

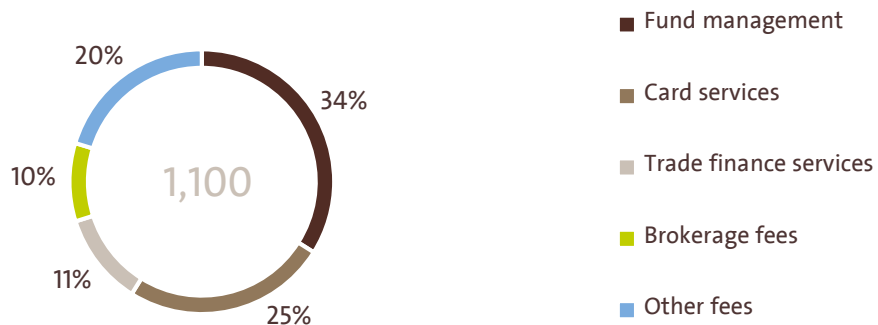
Non-Funded Income (SARmn)



Non-Funded Income Movement YoY (SARmn)



Fees from Banking Services Composition (SARmn)



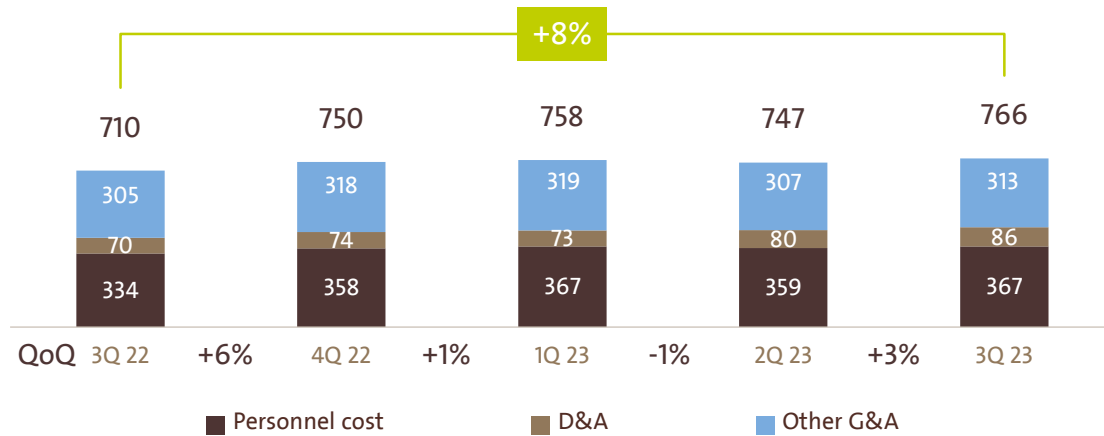
Management Commentary

- Non-funded income for 9M 2023 increased 10% YoY to SAR 1,557mn from improved fees from banking services and exchange income.
- Fund management fees comprise the majority of fees from banking services at 34%, while card services fees account for 25%, other fees for 20% and trade finance services and brokerage fees represent 11% and 10% respectively.

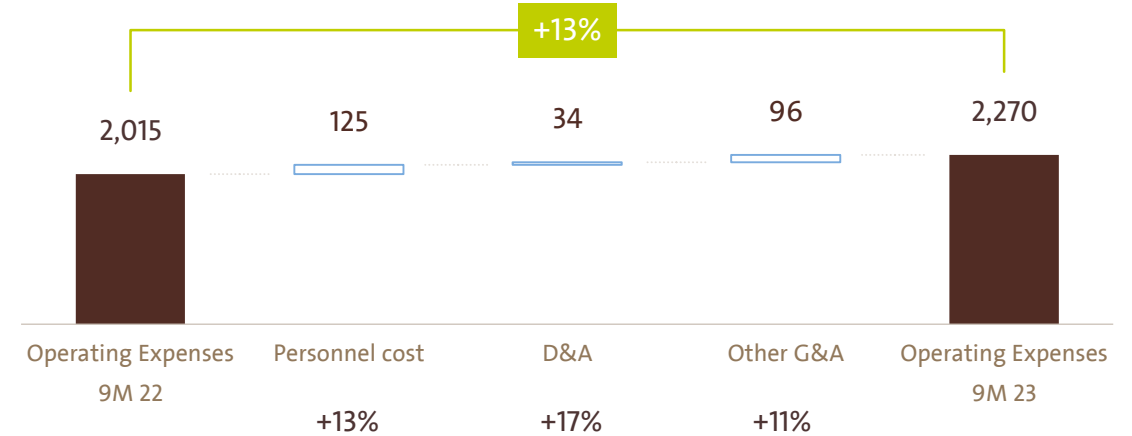
Operating Expenses

9M 2023 saw 13% growth in operating expenses YoY mainly from higher employee and G&A costs

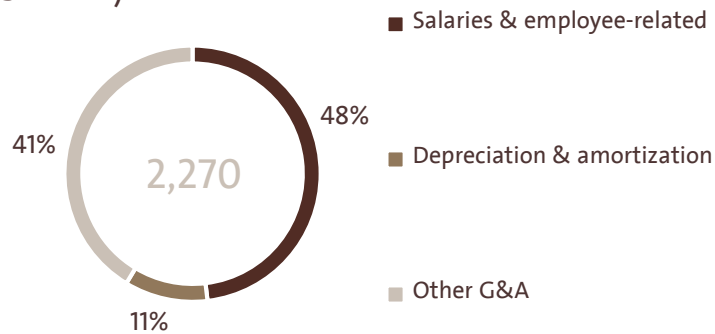
Operating Expenses (SARmn)



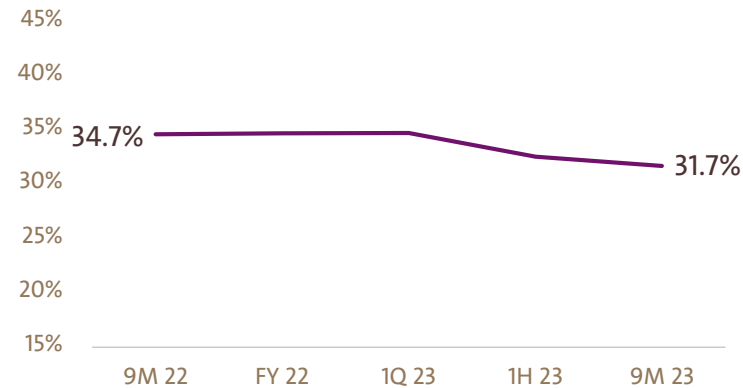
Operating Expenses Movement YoY (SARmn)



Operating Expenses Composition (SARmn)



Cost to Income Ratio (%)



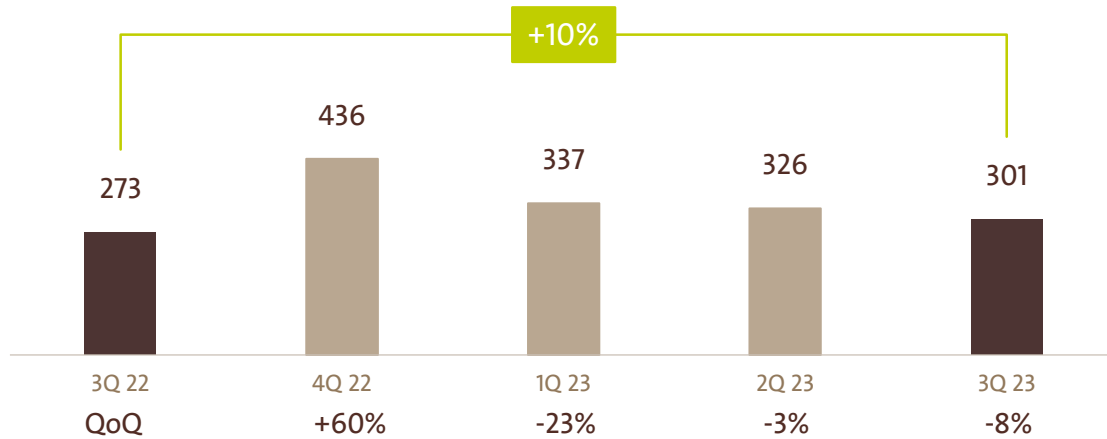
Management Commentary

- Operating expenses increased 13% YoY to SAR 2,270mn for 9M 2023 mainly due to higher salaries, software maintenance expenses, POS terminal deployments, higher SMS communication, and marketing costs.
- +10.4ppts positive Jaws contributed to a 3ppts decrease in the cost to income ratio from 34.7% to 31.7%.

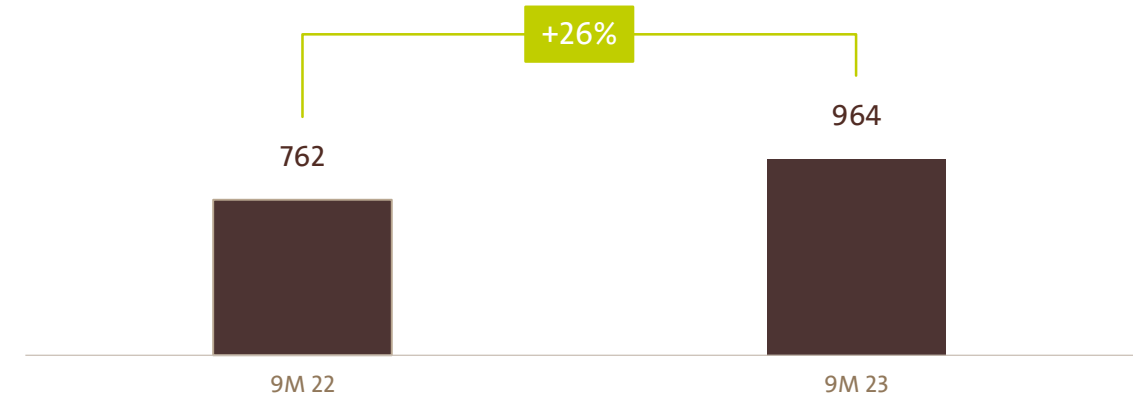
Impairments for Financing

Cost of risk for 9M 2023 increased by 5bps from 26% higher credit impairment charges YoY

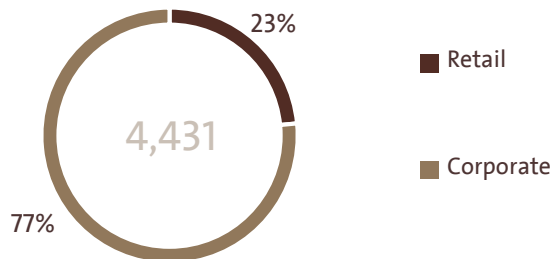
Impairments for Financing (SARmn)



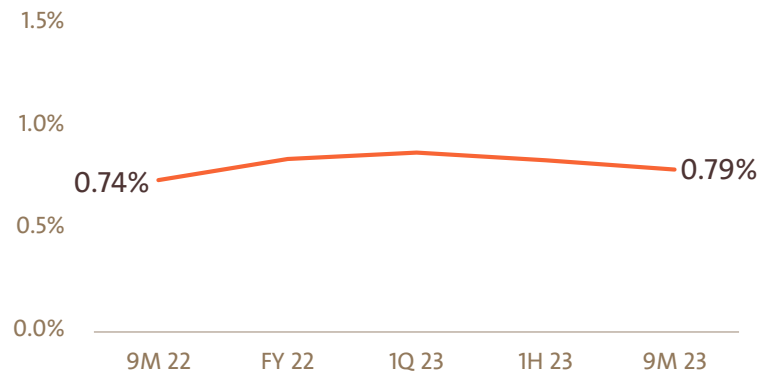
Impairments for Financing (SARmn)



Impairments Allowance Composition (SARmn)



Cost of Risk (%)



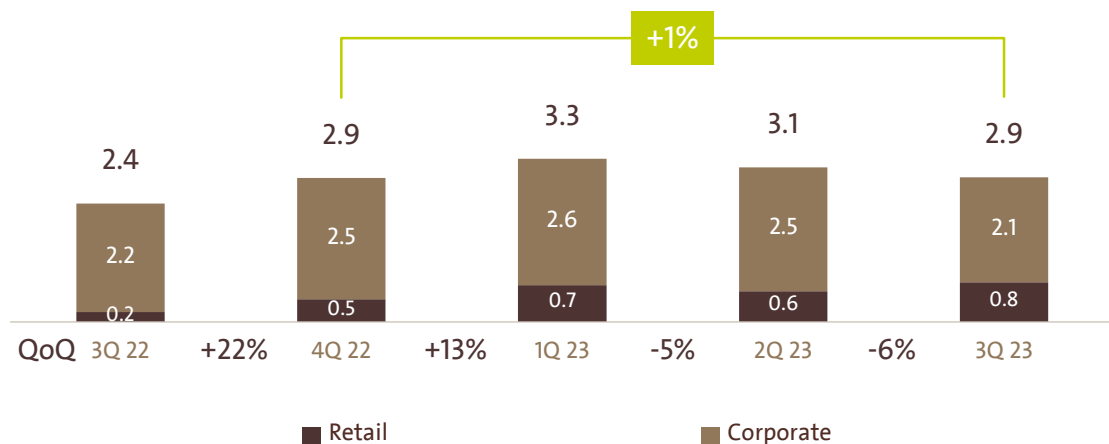
Management Commentary

- 9M 2023 impairment charge for financing increased by 26% YoY to SAR 964mn.
- Cost of risk for 9M 2023 increased by 5bps YoY to 0.79%.
- 77% of impairment allowance in 9M 2023 pertains to corporate and 23% is for retail financing.

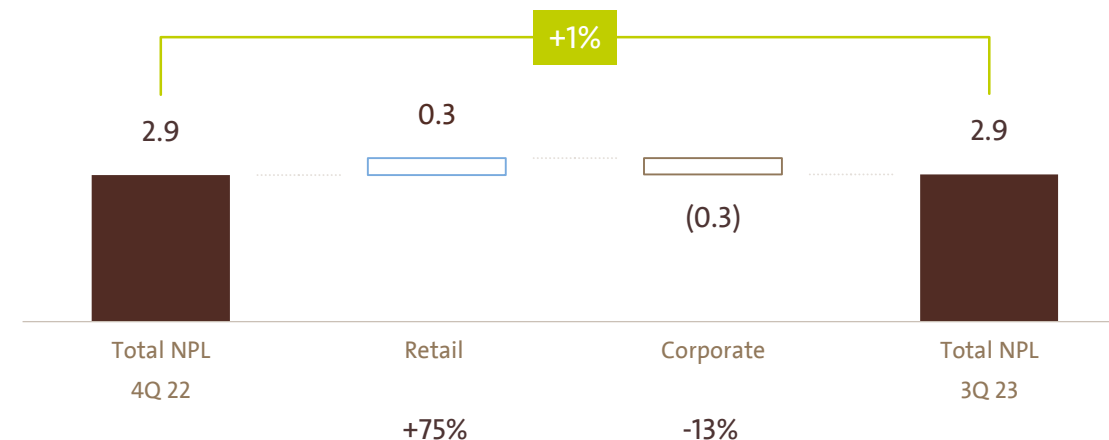
Non-Performing Loans

NPL ratio increased YoY

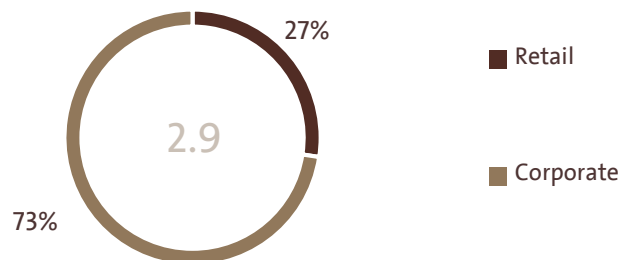
Non-Performing Loans, Gross (SARbn)



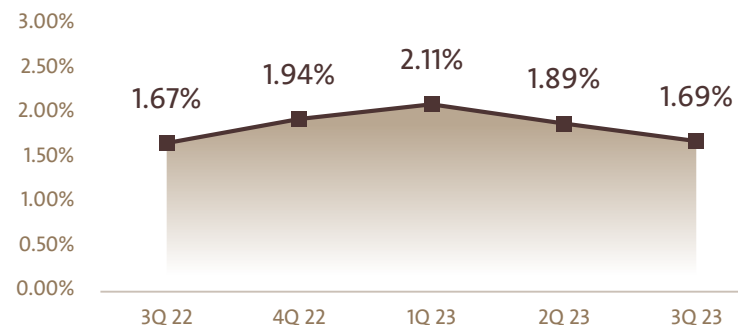
NPL, Gross Movement YTD (SARbn)



NPL Composition (SARbn)



NPL Ratio (%)



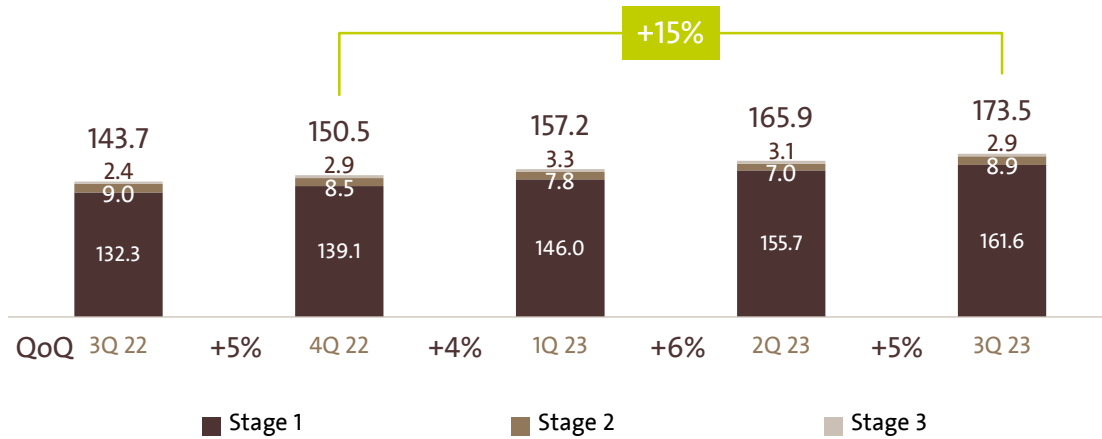
Management Commentary

- NPL ratio increased by 2bps YoY and decreased 20bps QoQ to 1.69% in 3Q 2023.
- Retail financing, which account for the smaller proportion of NPLs, increased by 75%, while corporate NPLs decreased by 13% YTD.
- The NPL ratio for retail stood at 1.9% while corporate stood at 1.6% as at 3Q 2023.

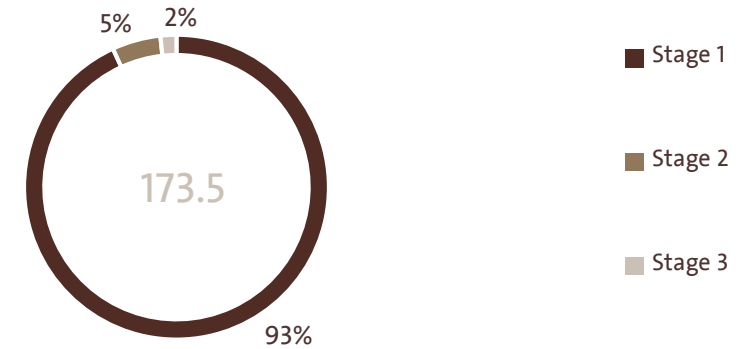
NPL Coverage

NPL coverage decreased YoY

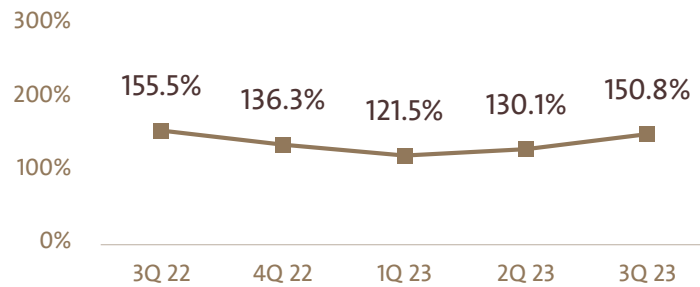
Stage-Wise Financing, Gross (SARbn)



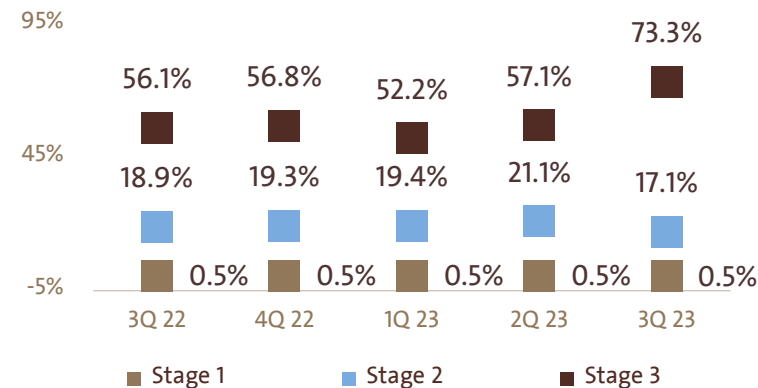
Stage-Wise Financing, Gross Composition (SARbn)



NPL Coverage Ratio (%)



Stage-Wise Coverage (%)



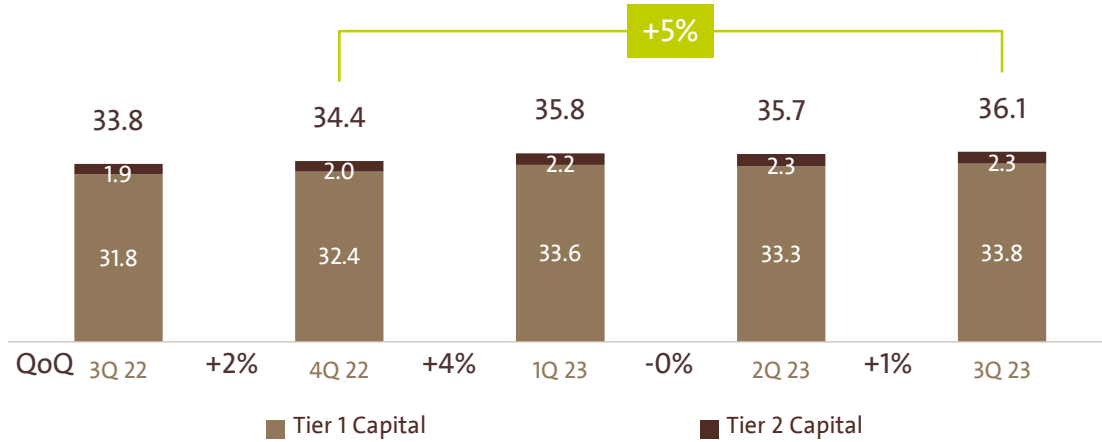
Management Commentary

- NPL coverage decreased by 4.7ppts YoY to 150.8%.
- Stage 1 coverage remained stable YoY at 0.5%. Stage 2 coverage decreased, while the stage 3 coverage increased due to movement of stage 2 accounts with higher coverage to stage 3.

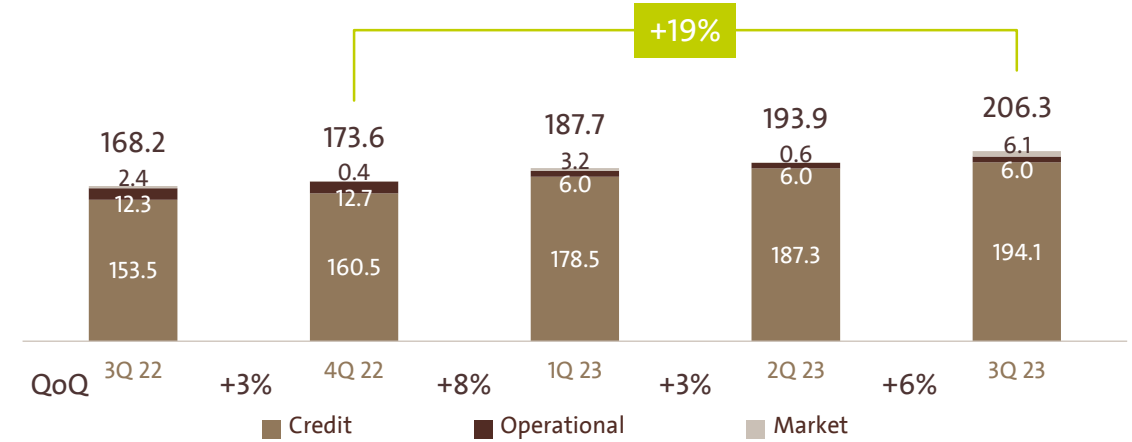
Capitalization

Capital grew 5% YTD while ROE saw an increase of 3ppts YoY

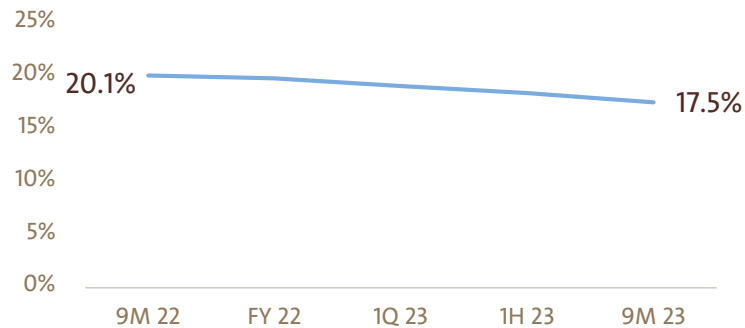
Total Capital (SARbn)



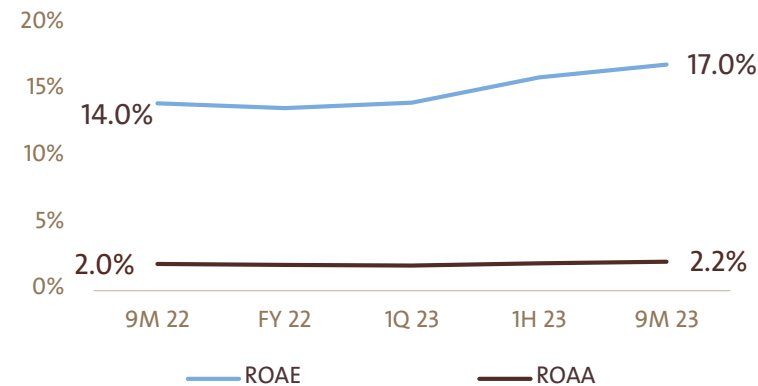
Risk Weighted Assets (SARbn)



Capitalization (%)



Profitability (%)



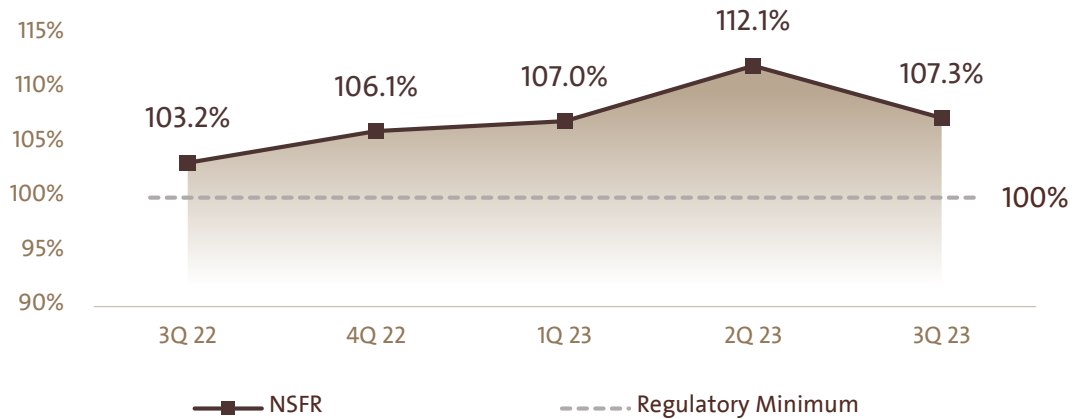
Management Commentary

- Total Capital grew 5% to SAR 36.1bn YTD while Risk Weighted Assets grew 19% YTD.
- CAR has declined 2.6ppts YoY to 17.5% due to increase in credit risk weighted assets.
- ROE saw an increase of 3ppts and ROA increased 200bps YoY.

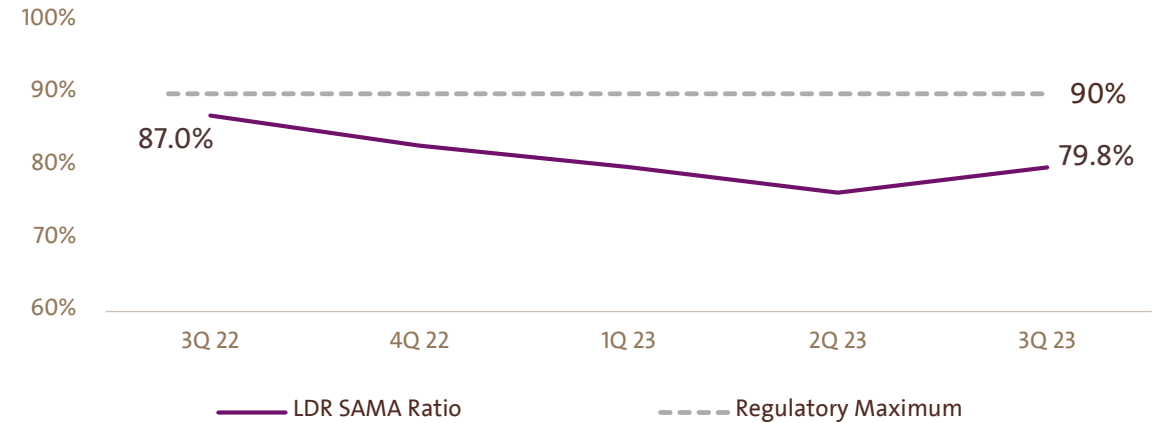
Liquidity

Alinma's liquidity position is healthy and comfortably within regulatory limits

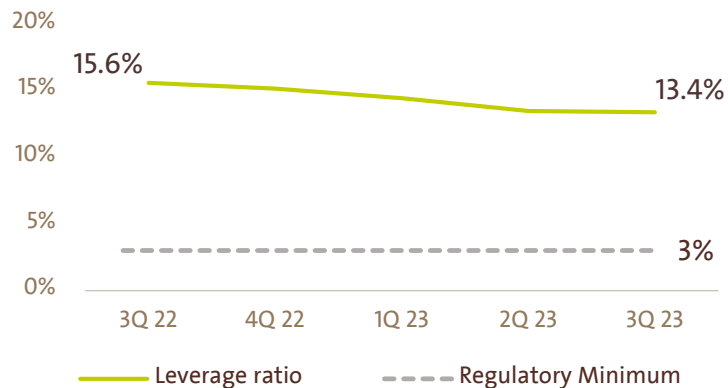
NSFR (%)



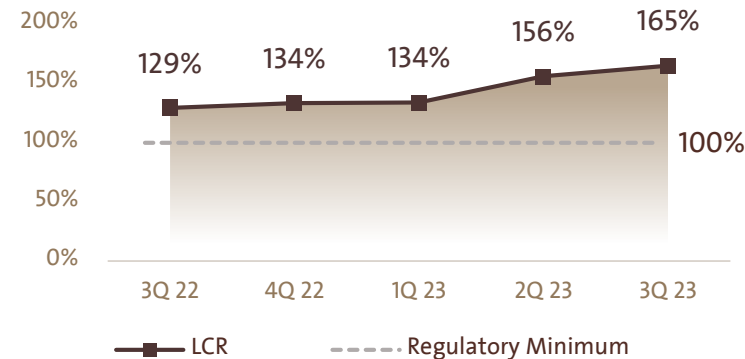
LDR SAMA Ratio (%)



Leverage Ratio (%)



LCR (%)



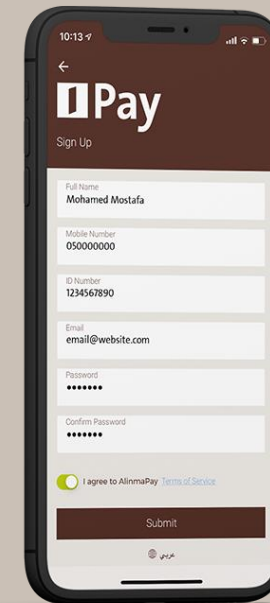
Management Commentary

- NSFR improved 4.1ppts YoY to reach 107.3%.
- LDR ratio decreased 7.2ppts YoY to 79.8%.
- The leverage ratio decreased 219bps YoY to 13.4%.
- 3Q 2023 LCR increased 36ppts YoY to 165%.

Segmental Performance

3Q 2023

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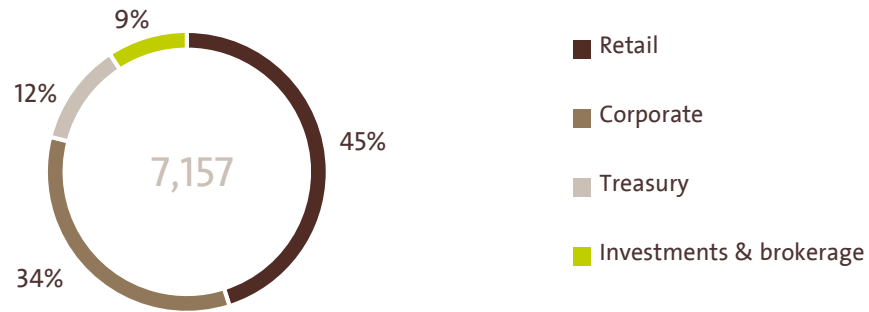


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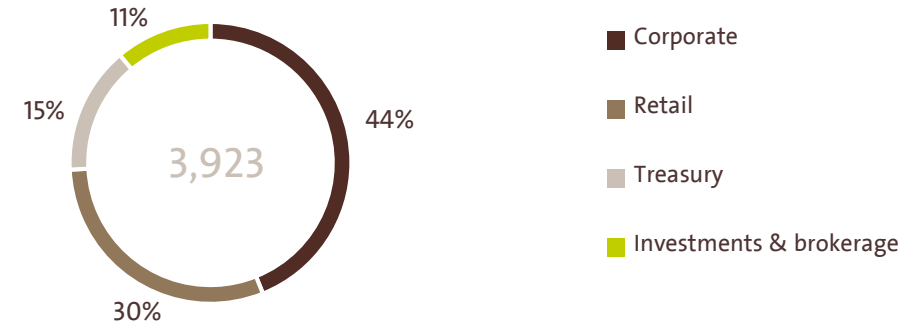
Segmental Performance Highlights

Retail and corporate comprise the majority of segmental income

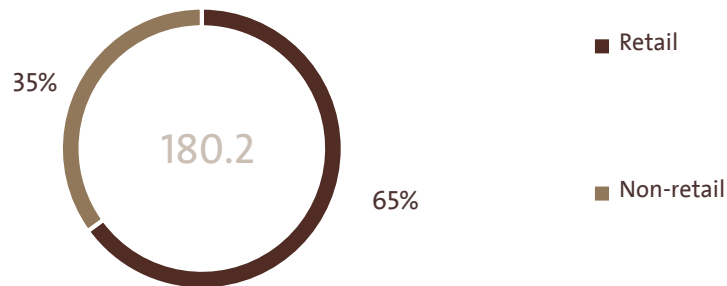
Operating Income Composition (SARmn)



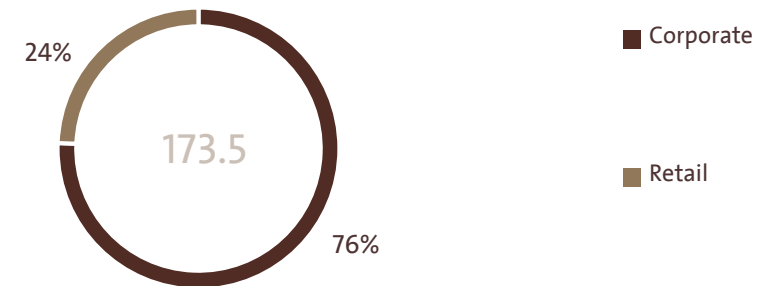
Net Profit Before Zakat Composition (SARmn)



Customers' Deposits Composition (SARbn)



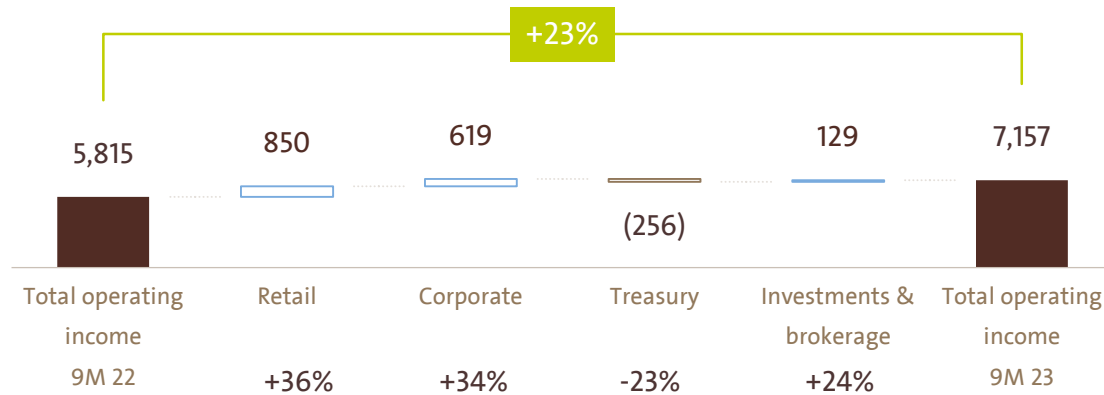
Financing, Gross Composition (SARbn)



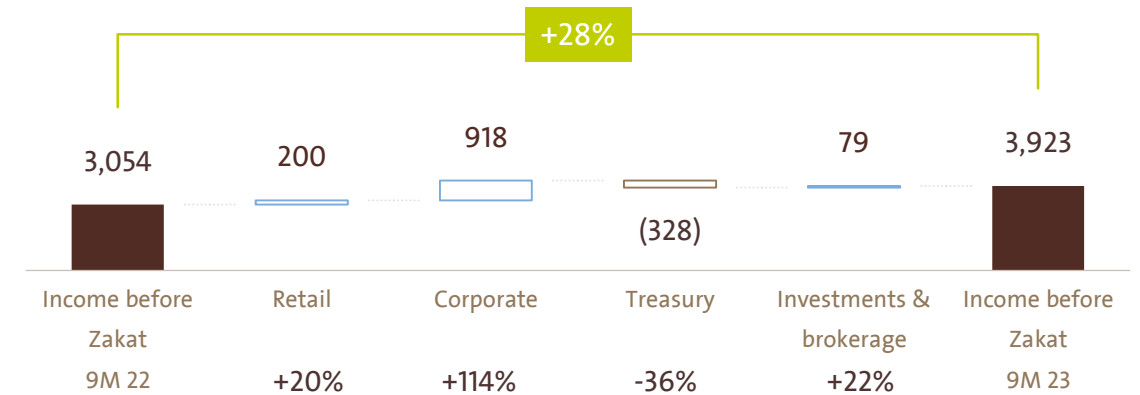
Segmental Performance Highlights

Retail and Corporate reported growth in operating income YoY

Operating Income Movement YoY (SARmn)



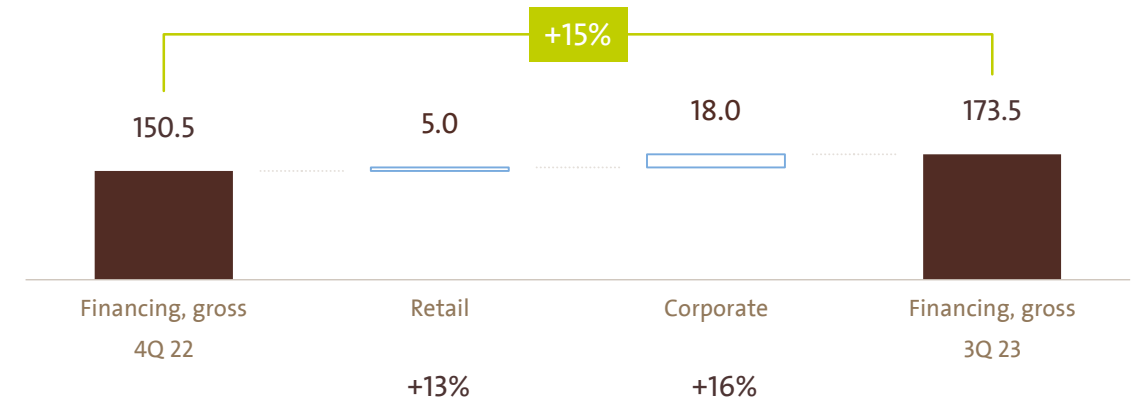
Net Income Before Zakat Movement YoY (SARmn)



Customers' Deposits Movement YTD (SARbn)



Financing, Gross Movement YTD (SARbn)

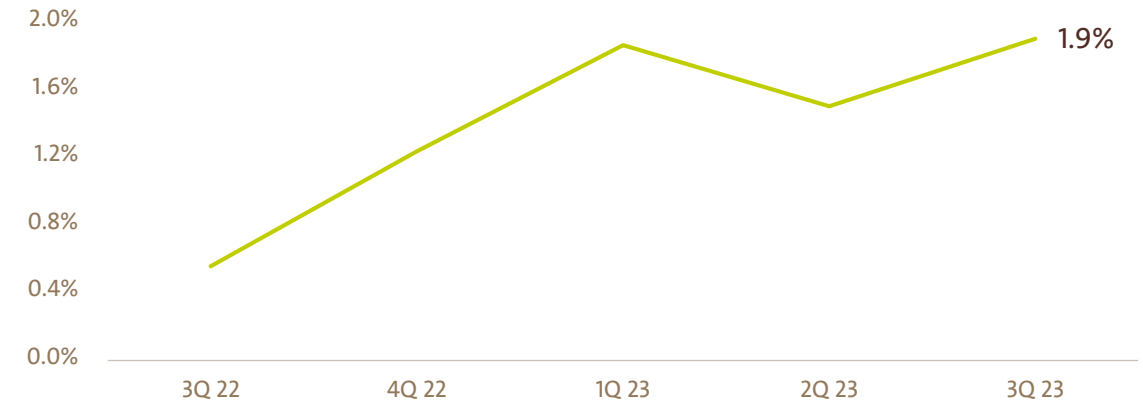


Segmental Performance - Retail

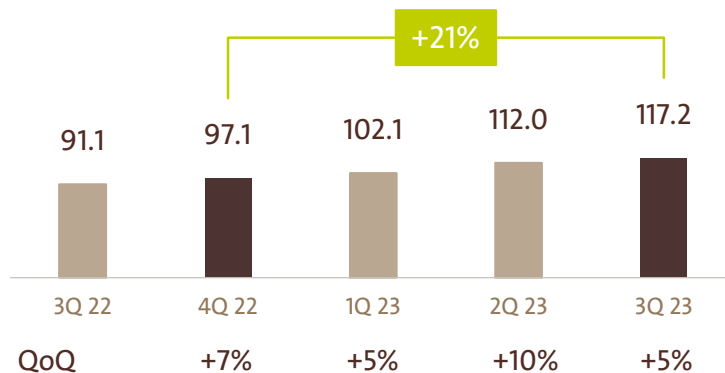
Strong financing and deposit growth driving operating income growth of 36% YoY

SAR (mn)	9M 2023	9M 2022	Δ%	3Q 2023	3Q 2022	Δ%
Income from investments and financing, net	2,889	2,023	+43%	1,058	801	+32%
Fees from services & other income	339	355	-5%	192	202	-5%
Total operating income	3,227	2,377	+36%	1,250	1,003	+25%
Total operating expenses	1,272	1,263	+1%	497	539	-8%
Total charges/(reversals) for impairments	766	125	+513%	185	81	+129%
Income for the period before zakat	1,189	989	+20%	568	383	+48%

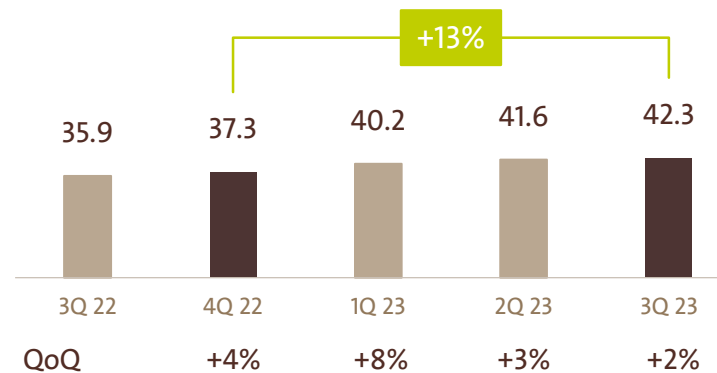
Retail NPL (%)



Retail Deposits (SARbn)



Retail Financing (SARbn)



Management Commentary

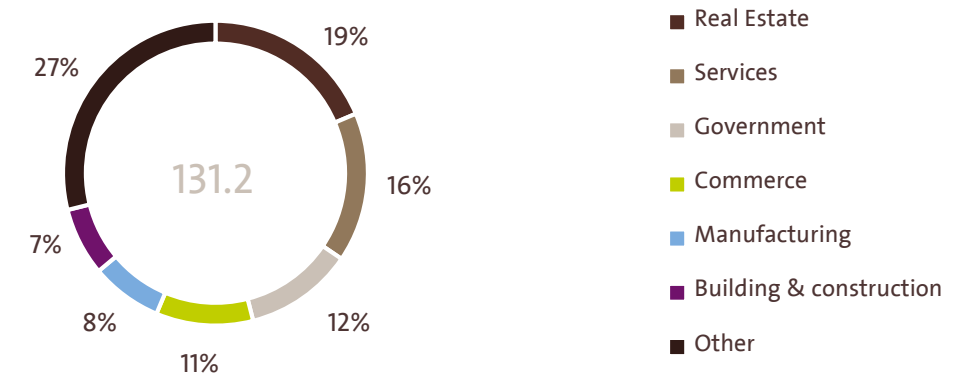
- Retail operating income rose by 36% YoY to SAR 3,227mn from 43% increase in funded income.
- Retail net income rose by 20% YoY due to a significant increase in funded income.
- Retail deposits increased 21% while financing increased by 13% during 9M 2023.
- The retail NPL ratio increased during 9M 2023 to 1.9%.

Segmental Performance - Corporate

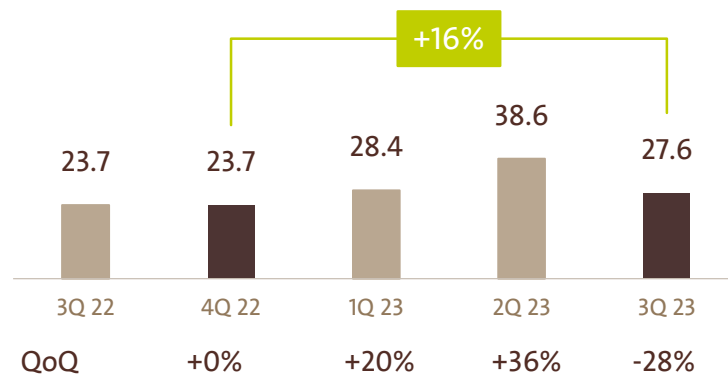
Strong income growth and lower impairments translate to significant net income growth YoY

SAR (mn)	9M 2023	9M 2022	Δ%	3Q 2023	3Q 2022	Δ%
Income from investments and financing, net	2,163	1,641	+32%	761	621	+22%
Fees from services & other income	265	168	+58%	30	(3)	+1116%
Total operating income	2,427	1,808	+34%	791	618	+28%
Total operating expenses	496	368	+35%	99	50	+99%
Total charges/(reversals) for impairments	208	635	-67%	121	192	-37%
Income for the period before zakat	1,724	805	+114%	571	377	+51%

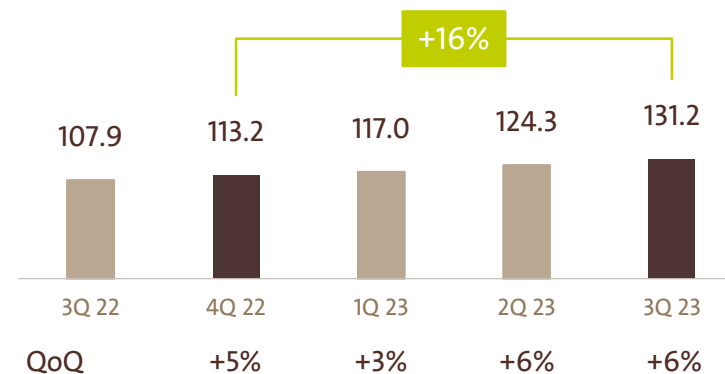
Financing, Gross Composition (SARbn)



Corporate Deposits (SARbn)



Corporate Financing (SARbn)



Management Commentary

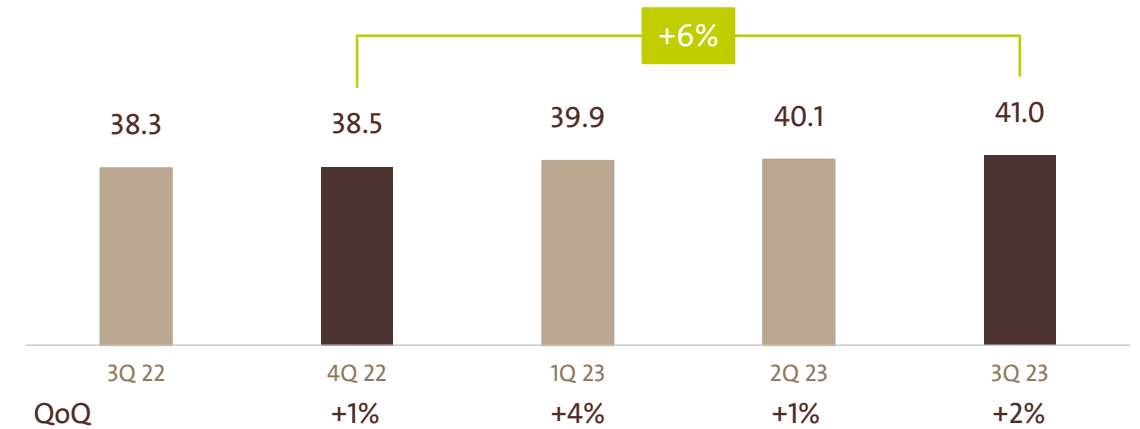
- Corporate operating income increased by 34% YoY mainly from an increase of 32% in funded income.
- This income growth, together with lower impairments, translated to 114% net income growth despite a 35% rise in operating costs.
- Corporate financing rose by 16% during 9M 2023 while corporate deposits increased 16%.
- The corporate NPL ratio decreased 55bps YoY to 1.6%.

Segmental Performance - Treasury

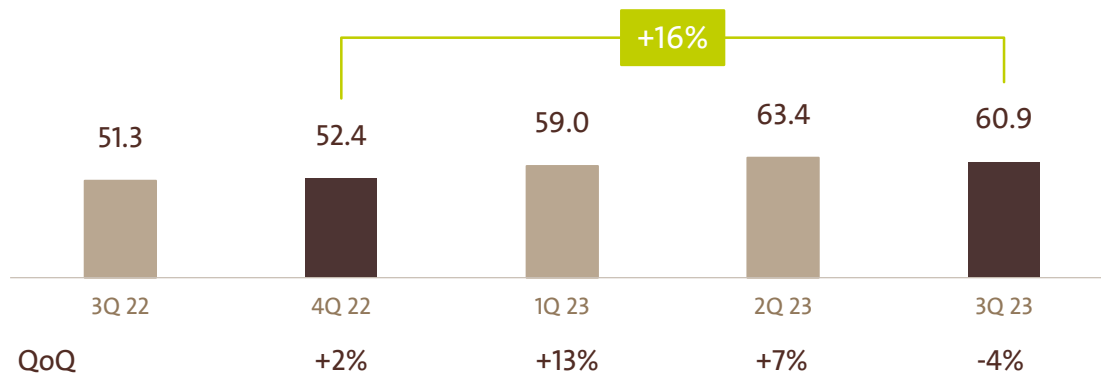
Income and net income decreased YoY

SAR (mn)	9M 2023	9M 2022	Δ%	3Q 2023	3Q 2022	Δ%
Income from investments and financing, net	471	667	-29%	163	229	-29%
Investment-related income	179	261	+31%	46	19	-139%
Fees from services & other income	193	172	+12%	70	42	+68%
Total operating income	843	1,100	-23%	279	290	-4%
Total operating expenses	278	188	+47%	90	50	+80%
Total charges/(reversals) for impairments	2	10	+81%	(0)	9	-102%
Net operating income	564	901	-37%	188	231	-19%
Share of loss from an associate and joint venture	11	1	+854%	7	1	+592%
Income before Zakat	574	902	-36%	196	232	-16%

Investments (SARbn)



Treasury Assets (SARbn)



Management Commentary

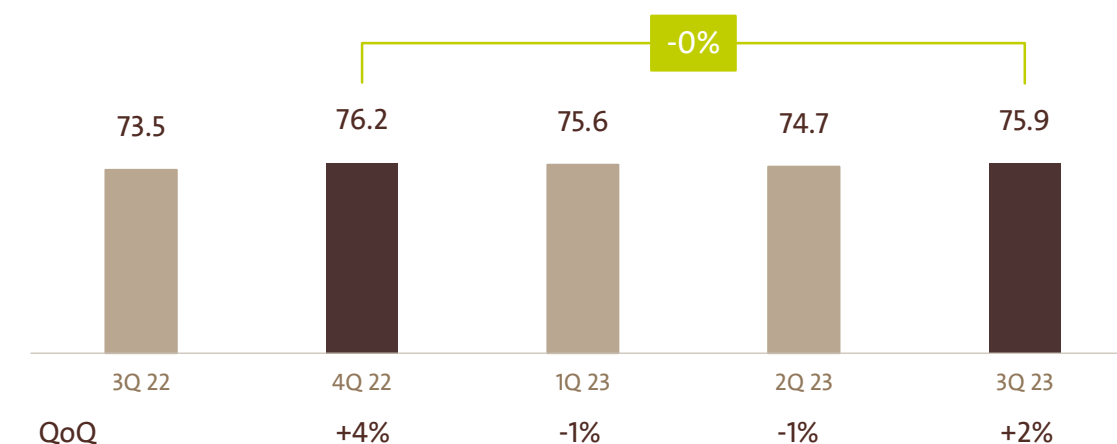
- Treasury operating income fell by 23% YoY to SAR 843mn in 9M 2023 due to decrease in income from investment by 29%.
- Treasury assets rose by 16% during 9M 2023 to SAR 60.9bn, driven by 6% growth in the investment portfolio to SAR 41bn.

Segmental Performance – Investments & Brokerage

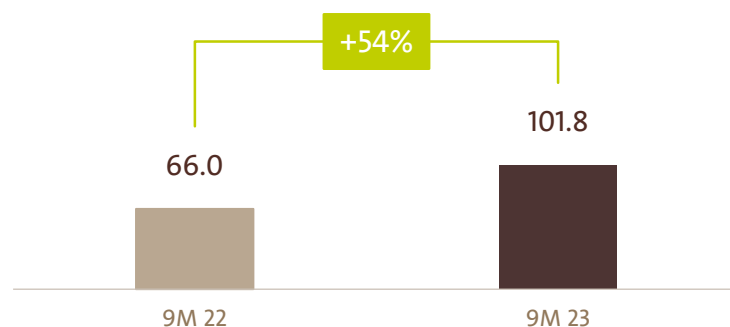
Modest operating income growth in 9M 2023

SAR (mn)	9M 2023	9M 2022	Δ%	3Q 2023	3Q 2022	Δ%
Income from investments and financing, net	78	68	+14%	24	22	+8%
Fees from services & other income	582	462	+26%	197	142	+39%
Total operating income	659	530	+24%	222	164	+35%
Total operating expenses	224	195	+15%	79	70	+12%
Income before Zakat	436	357	+22%	142	110	+29%

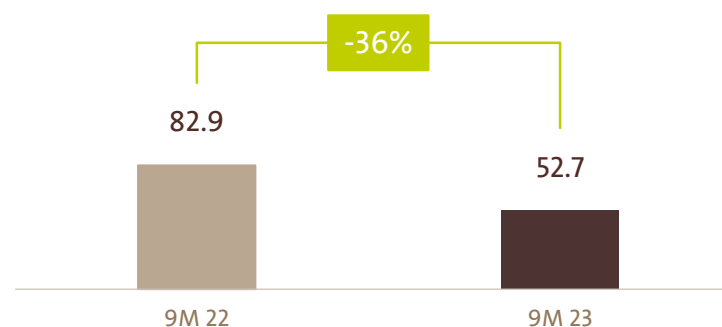
Assets Under Management (SARbn)



Brokerage Trading Income (SARmn)



Brokerage Trading Values (SARbn)



Management Commentary

- Investment and brokerage (I&B) operating income rose by 24% YoY to SAR 659mn from 26% increase in non-funded income.
- I&B net income increased 22% YoY.
- Brokerage trading income for 9M 2023 increased by 54% while brokerage trading values decreased 36% YoY, and AUM decreased by 0.4% YoY.

Outlook & Guidance

3Q 2023



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Guidance

Acceleration of strategic execution drives a promising outlook for 2023.

		3Q 2023A	Drivers	2023G
Balance Sheet	Financing Growth	+15% YTD	Strong Mid-Corp, SME & Retail growth from strategic initiatives; pick up in corporate financing	High teens
	Net Profit Margin	3.81% +22bps YoY	Rising rates and funding mix supportive of improving margin	+20bps to +30bps (Revised from +30bps to +40bps)
Profitability	Cost to Income Ratio	31.7%	Growth in income, digitization & process optimization driving efficiencies, partly offset by strategic investments	Below 32%
	Return on Equity	17.0%	Improving NPM, efficiency and COR driving improving ROE	Above 17%
Asset Quality	Cost of Risk	0.79%	Cautiously expecting stable credit quality and NPL coverage, leading to COR moderation	65-75bps
Capital	CAR Pillar 1	17.5%	Increasing RWAs from strong expected financing growth	17%-18%
Return on Equity Target for 2025 above 18%				

Appendix

3Q 2023

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Alinma Bank released its 2022 ESG Investor Presentation



The first step for the Alinma journey to complete disclosure and reporting for all material factors to give investors and other stakeholders the complete picture on sustainability credentials and progress.

It has been prepared using a Materiality Matrix methodology which identifies the Environmental, Social and Governance elements of our business that carry the most importance for both the bank and for its stakeholders.

To view the Presentation, please visit: ir.alinma.com

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