

**Distinct competitive advantage through our long-term strategic partnership with HSBC**

- We are the preferred choice bank for inbound and outbound multinational corporates and institutions, operating into or from the Kingdom
- We have internationally-tested best practices in core product groups
- We possess a focused Retail banking proposition with affluent Saudi nationals and expatriates
- We have a meaningful domestic franchise

The leading international bank in the Kingdom, through focus on:

- 1 Customer experience: best place to bank
- 2 People development: best place to work
- 3 Digital innovation: leading digital bank in the Kingdom
- 4 Maximizing our partnership with HSBC

## Our businesses

### Retail Banking and Wealth Management

Retail Banking and Wealth Management provides Shariah-compliant services and products to personal and private customers, through a range of market leading digital channels and a traditional branch network.

### Corporate and Institutional Banking

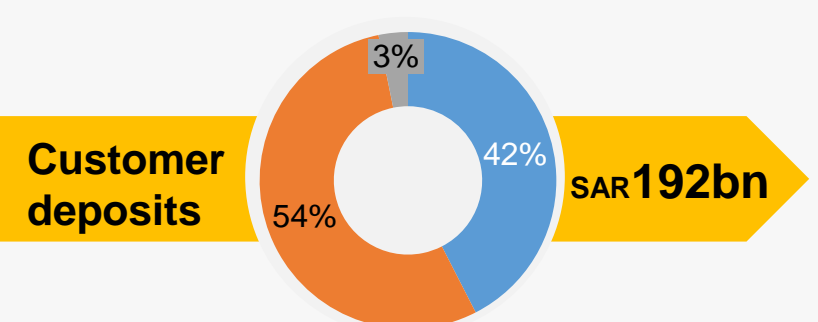
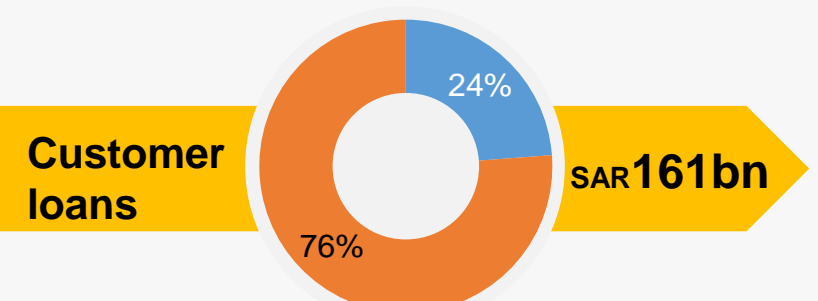
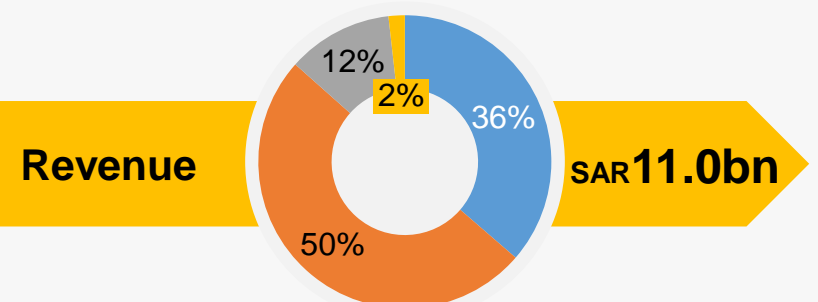
As one of the largest commercial banks in the Kingdom, we support a variety of clients from micro enterprises focused on the domestic market to large internationally focused enterprises.

### Treasury

We provide corporate, institutional, retail and private banking customers with access to capital markets, foreign currency and rates management solutions. In addition, we manage the liquidity and market risk of the bank, including the deployment of the bank's commercial surplus through its investment portfolio.

## 2019 key financials by business (pro forma)

■ Retail ■ CIB ■ Treasury ■ Other



#1

corporate bank  
(by corporate revenue)

#1

trade finance  
(c. 20% market share)

#4

retail bank  
(by retail assets)

#4

bank  
(by total assets)

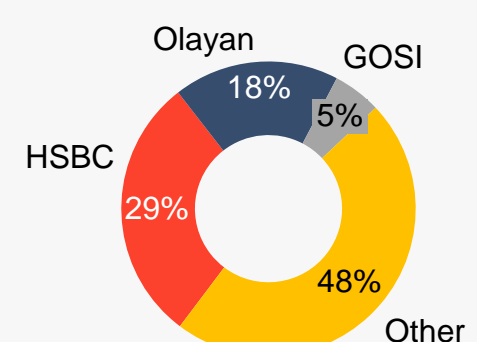
#4

bank  
(by customer deposits)

Global  
HSBC  
alliance



## Shareholder base



Source: Tadawul

**We bring a world of financial opportunities to an ambitious Kingdom**



## The Kingdom of Saudi Arabia at a glance<sup>1</sup>

The Kingdom of Saudi Arabia (KSA) is the largest country in the Arabian peninsula situated at the strategic crossroads of Europe, Asia and Africa



1. Credit ratings and population as of 31 December 2019; all other data as of December 2018. Source: IMF, Credit Rating Agencies, General Authority for Statistics, Trading economics

## Vision 2030

Vision 2030 is the blueprint for delivering the economic growth agenda for the Kingdom of Saudi Arabia.

The heart of the Arab and Islamic worlds

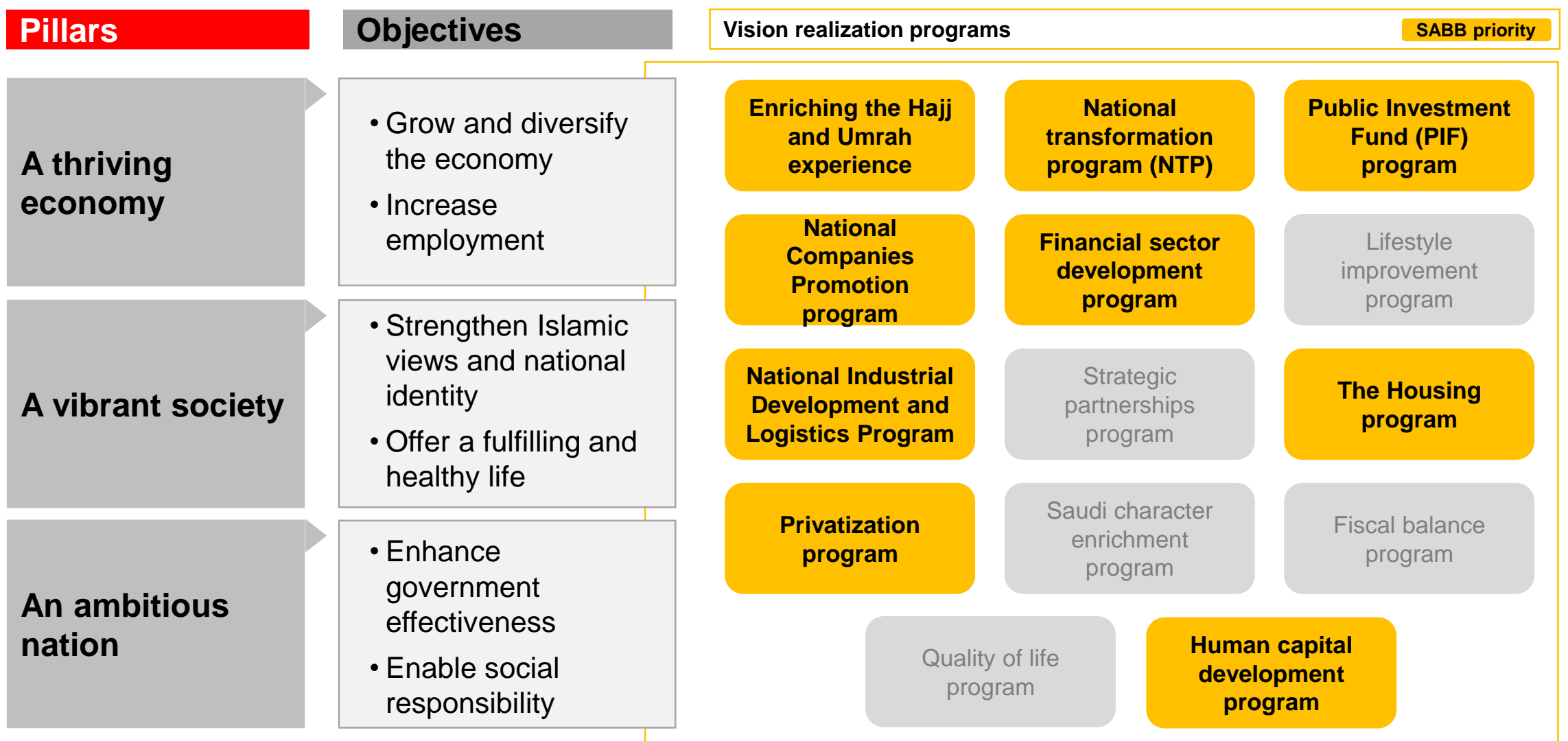
The investment powerhouse

The hub connecting three continents




### Key Vision target opportunities for SABB:

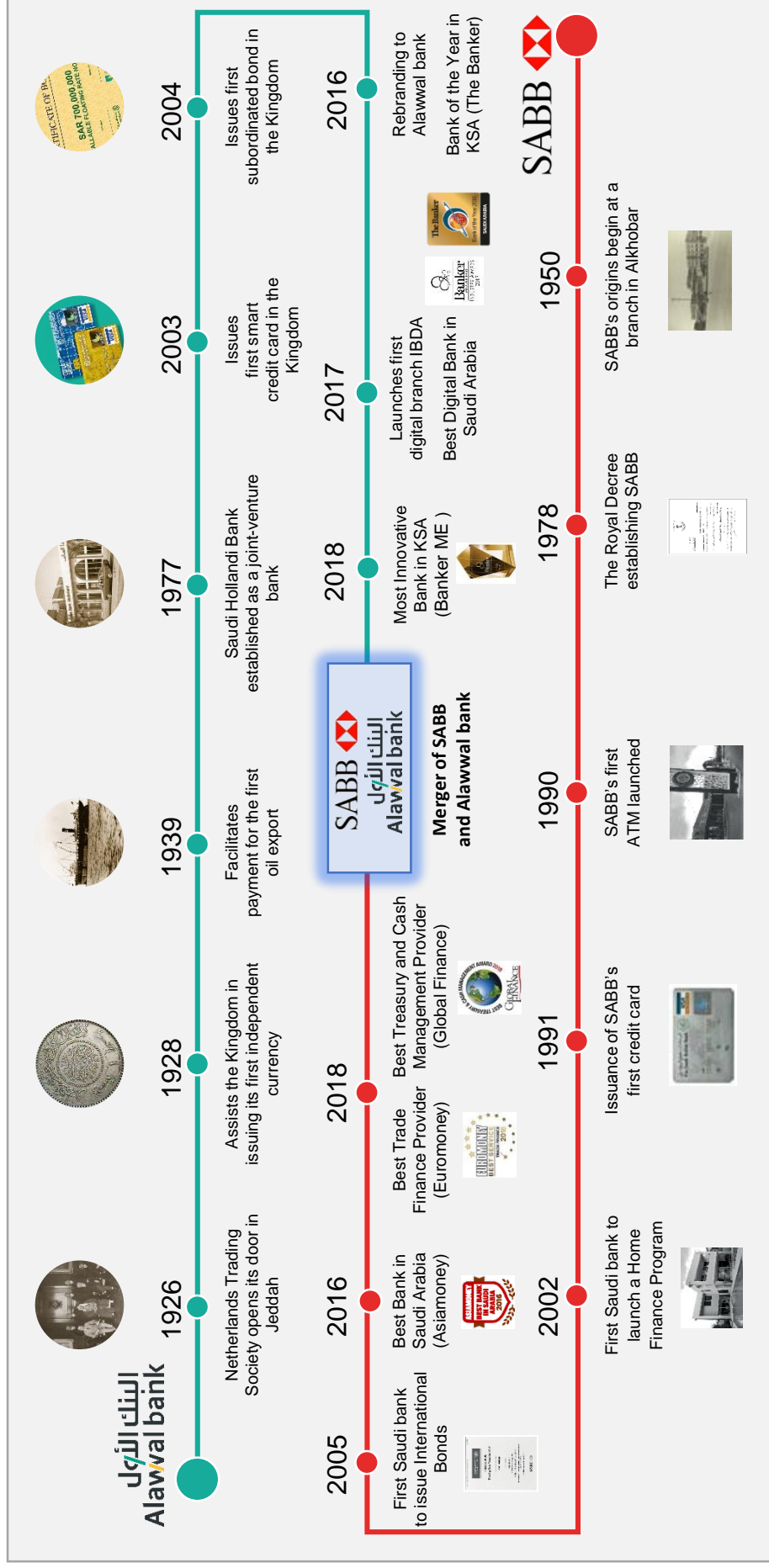
- Develop an advanced capital market
- Expand home ownership
- Grow international trade through non-oil exports
- Develop new commercial sectors
- Significant infrastructure build



## SABB positioning<sup>1</sup>

Strong capital base to support large scale projects	Over 1m retail and 11k corporate customers <sup>2</sup>	#1 corporate bank (by corporate revenue)	9% mortgage market share	c.20% trade market share
Leader in cash management	Over 41k PoS terminals 15% market share	12% FX market share	49% shareholding in HSBC SA - the leading investment bank in the Kingdom	Global HSBC alliance 

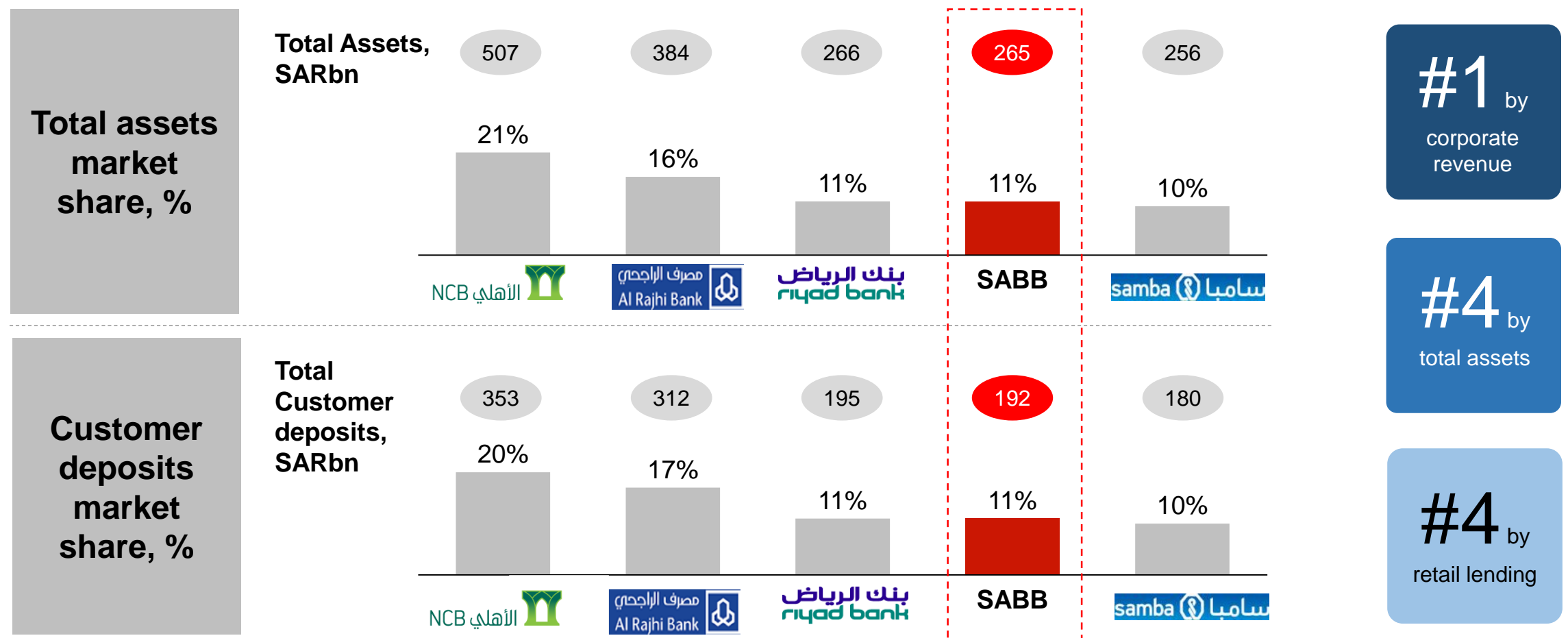
# SABB and Alawwal bank merger: A proud heritage and the foundation for an exciting bank for the future



## SABB and Alawwal bank merger – legal completion 16 June 2019

### Top 5 Saudi Banks by total assets and total customer deposits

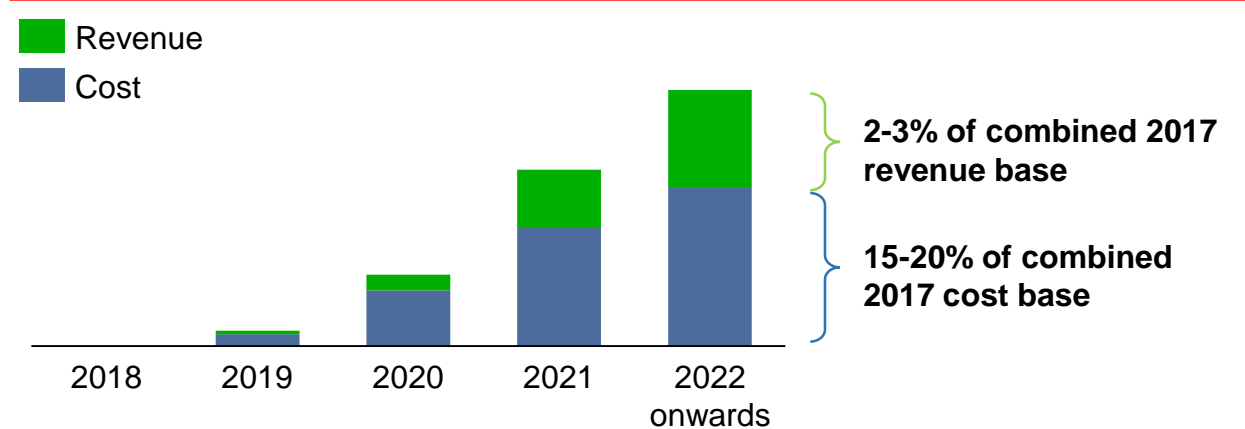
31 December 2019



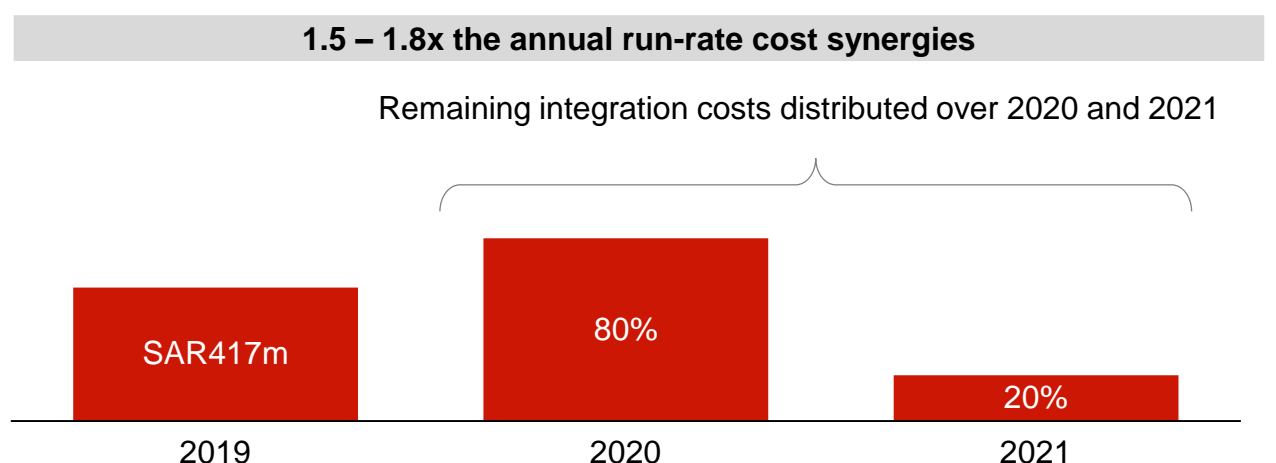
## Creates value from scale and unlocking synergies

Cost synergies	Current guidance 15% - 20% of the combined cost base
Revenue synergies	2-3% of the combined revenue base
Integration costs	1.5 – 1.8x the annual run-rate cost synergies

### Expected profile of synergies



### Expected profile of integration costs





## Board and governance



Chairman:  
**Ms. Lubna  
Suliman Olayan**

Ms. Olayan was a member of the board of Alawwal since 2004, and served as its Deputy Chairman. With wide-ranging experience in investments and operating companies, Ms. Olayan served as CEO of Olayan Financing Company for over 35 years, and presently chairs its ExCom, in addition to chairing the board of Olayan Saudi Holding Company. Ms. Olayan has been a member of the board of Schlumberger since 2011, and in 2016 she joined the board of Ma'aden. Ms. Olayan also sits on various domestic and international advisory boards.



Vice Chairman:  
**Mr. Saad Bin A Muhsin  
Al-Fadhli**



**Mr. Mohammed Bin  
Omran Alomran**



**Mr. Khalid Bin Abdullah  
Al-Mulhelm**



**Mr. Ahmed Farid Al-  
Aulaqi**



**Mr. Stuart Gulliver**



**Mr. Samir Assaf**



**Mr. Stephen Moss**



**Ms. Maria Ramos**



**Mr. Martin Powell**



Managing Director:  
**Mr. David Dew**

## Senior management team



Managing Director:  
**Mr. David Dew**

Board member and Managing Director of SABB since 2010 representing HSBC Holdings. Mr. Dew holds a Masters in Economics from Cambridge University, UK. Mr. Dew has considerable management and financial experience gained during a career spanning 40 years with HSBC in a number of regions and countries.



**Mr. Majed Najm**  
Deputy Managing Director,  
Corporate and Institutional  
Banking



**Mr. Naif Alabdulkareem**  
Deputy Managing Director,  
Retail Banking and Wealth  
Management



**Mr. Mohammed  
Abdullatif Al-Shaikh**  
Deputy Managing  
Director, Treasury



**Mr. Faisal Jadu**  
Chief Human Resources  
Officer



**Mrs. Maha Al-Sudairi**  
Chief Compliance Officer



**Mr. Richard Hinchley**  
Chief Risk Officer



**Mr. Mathew Pearce**  
Chief Financial Officer

## Summary of 2019 Financial results

### Pro forma income statement by business (comparison vs. 2018)

By business, SAR million	Retail Banking	Corporate and Institutional Banking	Treasury	Other (including inter group eliminations)	SABB
Total operating income ('Revenue')	3,999 3%	5,525 3%	1,281 (20)%	198 >100%	11,003 1%
Operating expenses <sup>1</sup>	(2,157) (7)%	(1,291) (11)%	(232) (4)%	(633) >(100)%	(4,312) (24)%
Provision for expected credit losses <sup>2</sup>	(526) (53)%	(2,472) >(100)%	(27) >(100)%	5 >100%	(3,020) >(100)%
Share of earnings for a joint venture	- -%	- -%	- -%	133 80%	133 80%
Net income before Zakat and tax	1,316 (14)%	1,763 (43)%	1,022 (26)%	(297) >(100)%	3,804 (37)%

- 2019 includes SAR450m of merger-related expenses – these are considered temporary and will cease once the integration has completed
- Included one-off expected credit losses in respect of the acquired loan portfolio through the merger with Alawwal bank, and an increase in impairment charges for certain originated troubled corporate loan accounts, notably in the second quarter

**3.0%**  
4Q19 pro forma NIM

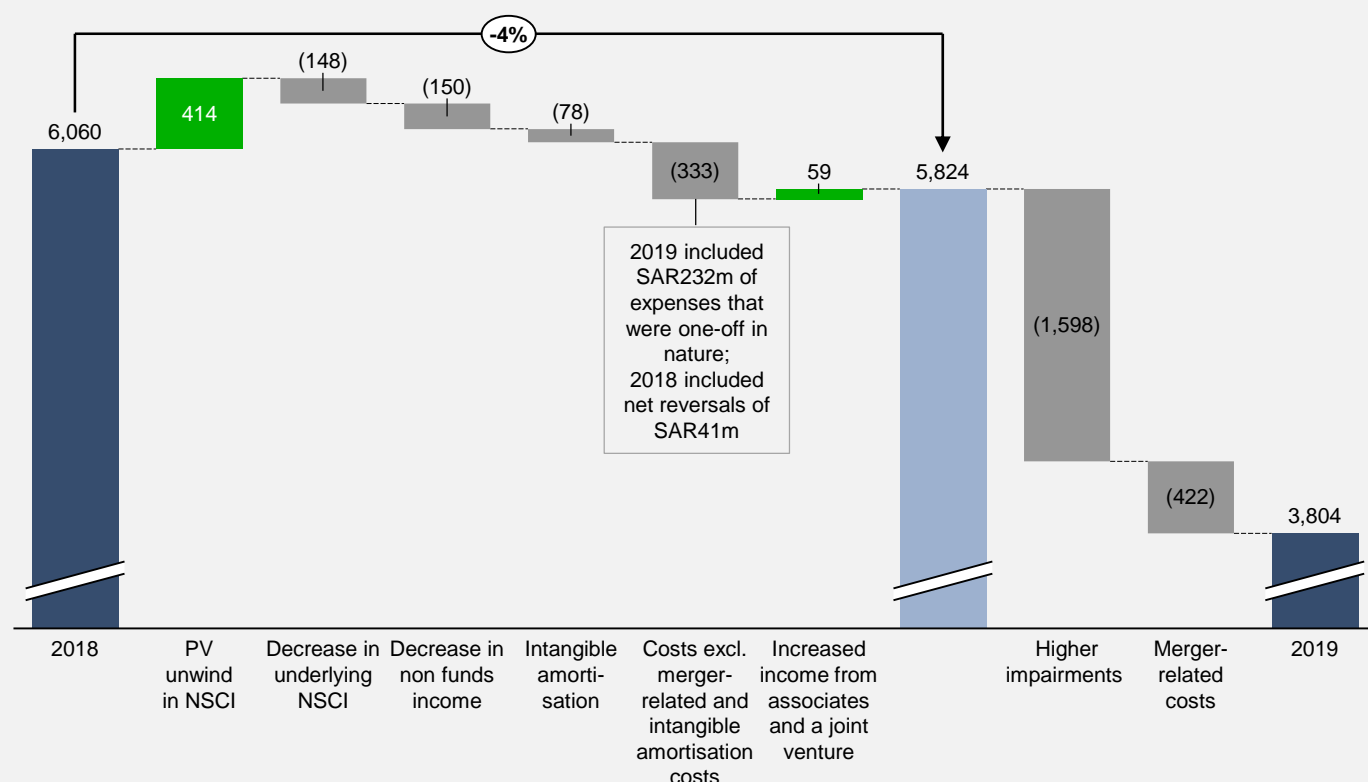
**18.2%**  
Core Tier 1 ratio

**219.5%**  
Liquidity coverage ratio

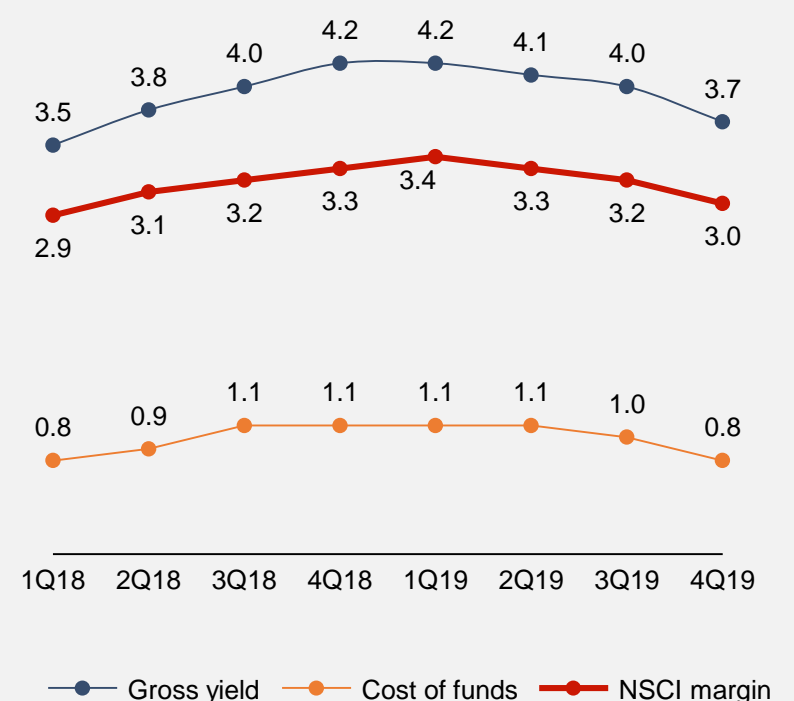
**143.2%**  
Net stable funding ratio

**64%**  
Demand as a % of total deposits

### 2019 pro forma net income vs. 2018

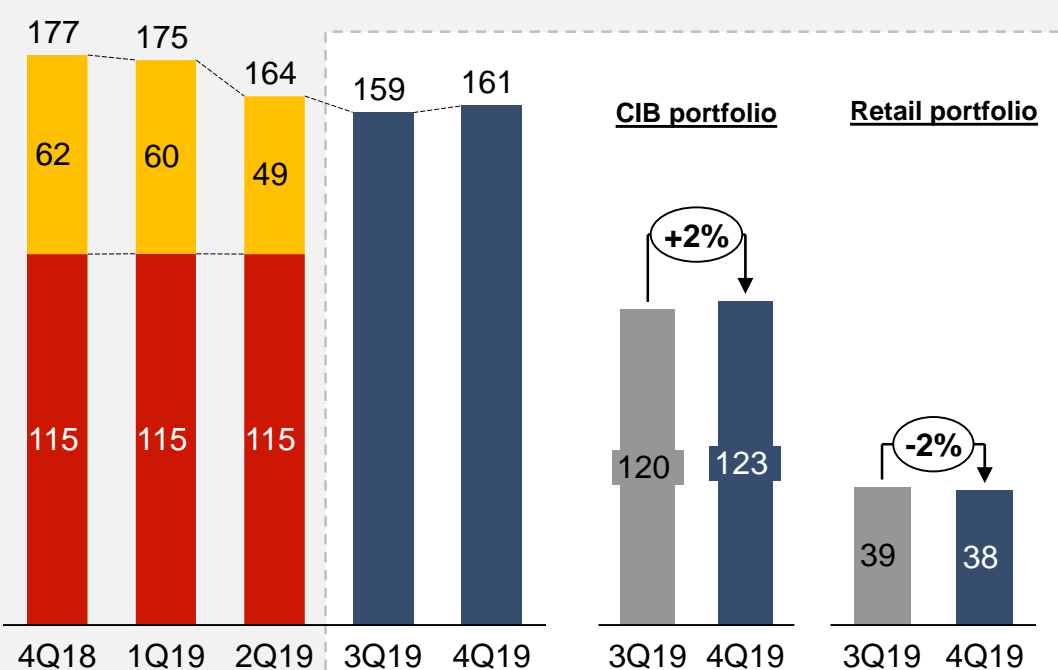


### Quarterly NIM trend



### Pro forma lending growth

■ AAB ■ SABB



### Reported impairment charge (SAR million) and % cost of risk

