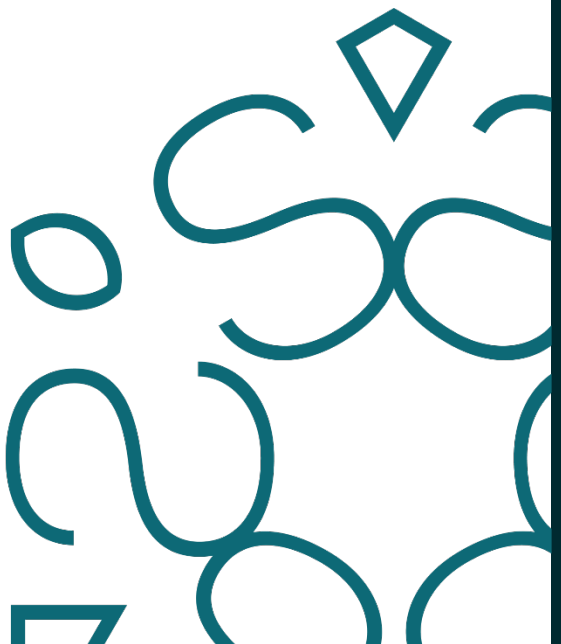
BSF 1H 2026 Investor Presentation

1H 2026



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BSF Profile

Investor Presentation 1H 2026



BSF presents a strong investment case underpinned by a clearly defined strategy

Consistent growth

- Positive **demographic tailwinds** from expatriate and Affluent segment growth and the coming Saudi wealth transfer
- Sustained focus on **core segments** and **scaling JB** and **Business banking** to expand market share
- Tailwind from **Vision 2030** for the **Corporate and Investment Bank**

Attractive returns

- Attractive **returns above cost of equity**
  - ROE 2025 **~12%**
  - ROE 2030F **>15%**
- Strong and **diversified balance sheet** supporting resilience of returns

Disciplined capital allocation

- Focus on **value accretive** growth
- **Solid capital position** with CAR >19%
- **Consistent return** to shareholders with a payout ratio of **~50%**

Building on our strengths

- **Traditional strength** in **corporate banking**
- Best in class **Affluent and Private Banking**
- Unique **digital consumer** finance proposition with **JB**

Committed to transparency and proactive investor relations

We are a leading banking group in Saudi Arabia with a strong focus on domestic operations

- BSF is the successor to Banque de l'Indochine (est. 1949)
- BSF was then established by Royal Decree No. M/23 as a Saudi Arabian joint stock company in 1977, in accordance with regulations requiring KSA National majority ownership.
- BSF was previously affiliated with CA-CIB, a wholly-owned subsidiary of Crédit Agricole S.A., which held a 31.1% interest in the Bank, which was fully divested by 2019.

Branches

78 ▼ -3% YOY

Employees

3,171 ▲ +3% YOY

Total Assets

328.0 Billion

▲ +9% year-on-year

Customers' Deposits

204.6 Billion

▲ +12% year-on-year

Headquartered in Riyadh:

78 branches across the Kingdom
Domestically systemic bank

Subsidiaries in KSA:

Saudi Fransi Capital (BSF Capital)
Saudi Fransi for Finance Leasing (JB)
Sakan Real Estate Financing



Universal Bank model:

Corporate DNA (~79% of our loan book)
Full suite of conventional and Islamic products
Growing Retail loan book
Core focus on the Saudi market

A diversified business model and a wide range of product capabilities

Corporate

One of the largest providers of corporate banking services in the Kingdom.

Key products:

- demand accounts
- deposits
- overdrafts
- loans and other credit facilities
- project finance
- cash management
- trade finance
- structured trade & commodity finance
- derivative products

45% of Group Operating Income



Retail

A wide network of branches, ATMs, digital platforms and mobile apps to deliver trusted services and outstanding experience to its customers.

Key products:

- demand accounts
- overdrafts
- loans
- saving accounts
- deposits
- credit and debit cards
- consumer loans
- forex products
- auto leasing

32% of Group Operating Income



Investment Banking and Brokerage

A leader in investment banking, wealth and asset management, and securities brokerage in the Kingdom of Saudi Arabia.

Key products:

- investment management services
- asset management activities related to dealing, managing, arranging, advising and custody of securities
- retail investments products
- corporate finance
- international and local shares brokerage services
- insurance

5% of Group Operating Income



Treasury

Diverse client services, market making, as well as managing the Bank`s liquidity and risks.

Key products:

- treasury services
- trading activities
- investment securities
- FX
- rates
- money market
- Bank`s funding operations
- derivative products

17% of Group Operating Income



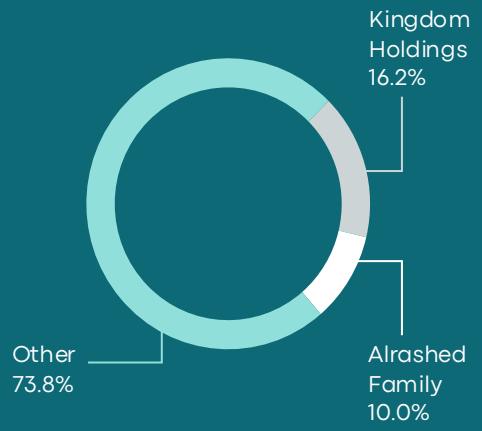
*Share of Group operating income is as of 1H 2026

Focus on consistent delivery of shareholder returns over the years

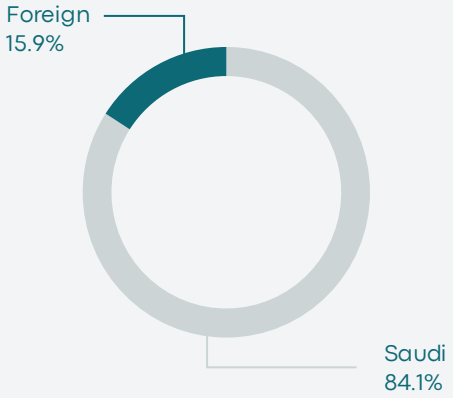
Shareholder Composition*

2,500

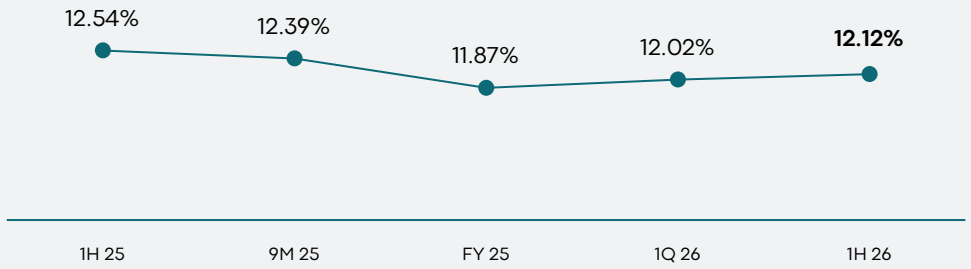
(Mn Shares)



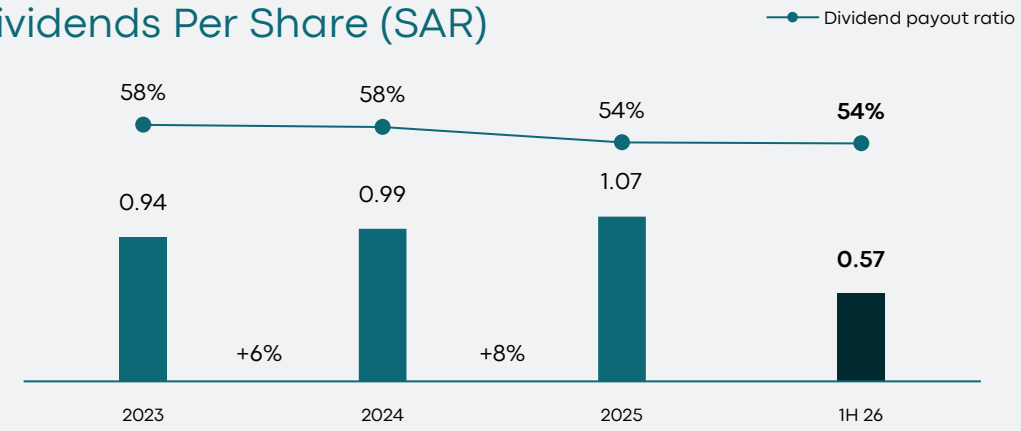
Foreign Ownership



ROAE (%)



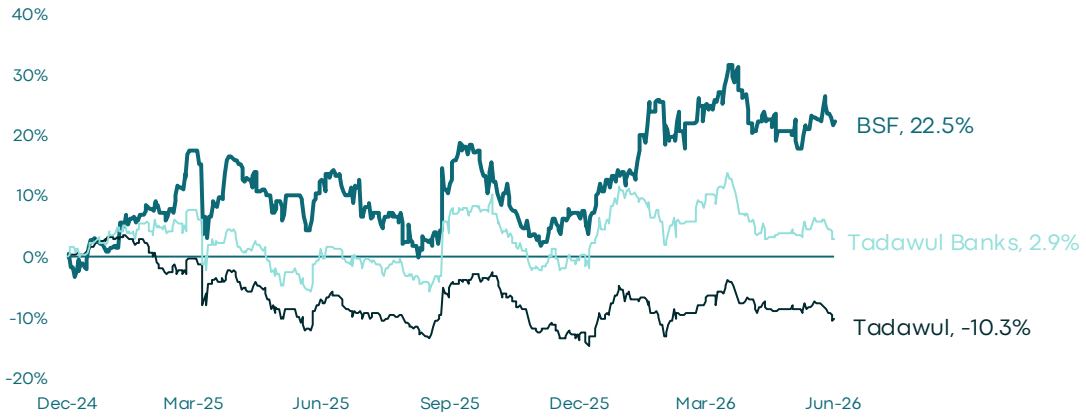
Dividends Per Share (SAR)



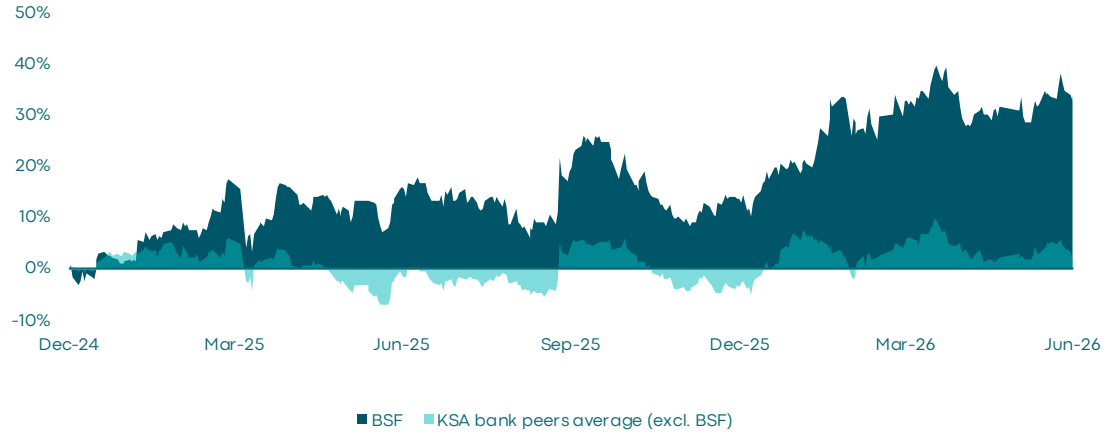
*Substantial shareholders, being persons with a shareholding of 5% or more.
Dividend payout ratio is calculated as Dividend per share divided by Earnings per share after Tier 1 costs.

BSF's share price has outperformed Tadawul Index

Share Price Performance vs. Tadawul (%)



Total Shareholder Return (TSR)



Market Capitalization (﷼ Bn)

48.5

4.83% of KSA banking sector

0.51% of KSA stock market

BSF Share Price (﷼)

19.4

52 weeks range [15.5 - 21.0]

Price to Tangible Book

1.12x

2Q 26

Price to Earnings Ratio (LTM)

9.7x

LTM

Market Data as of 30 June 2026, TSR is calculated using 31 December 2024 as the base date

Experienced and dynamic executive management team

Bader Alsalloom
Chief Executive Officer

- Joined BSF in Apr-21, appointed CEO in Sep-22
- Saudi Investment Bank: Deputy GM Corporate Banking 2 years
- SABB: Deputy GM Comm. Bnk; 15 years



Ramzy Darwish
Chief Strategy and Finance Officer

- BSF: appointed CFO Dec-22
- SNB: 17 years where positions included Head of Treasury, Head of Principal Strategies and Investment, and Head of ALM



Majed Alsadhan
Chief Wholesale Banking Officer

- BSF: appointed Head of WB Nov-22
- Previously over 4 years with BSF as head of Corporate Banking Central Region and Head of Corporate Banking
- Previously GIB, SABB and SAMBA



Mohammed Abdulrahman Alsheikh
Chief Personal Banking Officer

- BSF: appointed Jul-18
- Al Rajhi Bank: AGM Retail Banking in 2017
- ANB: 6 years
- SABB: 3 years



Mutasim Mufti
Chief Risk Officer

- BSF: appointed CRO Jan-21
- BSF: Regional Corporate Banking Group Head for 10 years, Deputy Corporate Banking Group Head for 4 years, Deputy Chief Risk Officer for 3 years



Zuhair Mardam
Chief Treasury and Investment Officer

- BSF: appointed CTIO Oct-22
- BSF: Head of Global Markets Group 3 years; 21 years with BSF



Mohammed AlModaimeegh
Chief Operations Officer

- BSF: appointed COO Sep-24
- BSF: Head of Operations, 2023
- SAIB: AGM Operations
- Other management positions, including COO JPMorgan Saudi Arabia



Majed Alghanemi
Chief Transformation Officer

- BSF: appointed CTO Mar-25
- HRSD: Vice Minister of Social Development
- SAB: Chief Operation Officer
- 25+ years of diverse leadership experiences (Banking, Government, Telecom, Defense and Healthcare)



Abdallah Alshaikh
Chief Legal, Governance, and ESG Officer, Corporate Secretary

- BSF: appointed in 2018
- 15+ years relevant experience
- SAMBA: Head of Legal & Corporate Secretary
- SAMA/CMA: legal positions



May Al-Hoshan
Chief Human Capital Officer

- BSF: appointed Aug-18
- Alawwal: Human Resources GM
- NCB Capital: Head of HR



Ibrahim F. Alsanebi
Chief Audit Executive

- BSF: appointed CAE Apr-24
- BSF: Head of Banking Audit (Operations, Credit and Retail audit); 7 years at BSF in total
- 15+ years of audit experience in Banking including BSF, ANB and Ernst & Young



Yasser Al-Anssari
Chief Compliance Officer

- BSF: appointed CCO in 2021
- GIB: Compliance Group Head
- Al Rajhi Bank: Global Chief of Compliance
- JPMorgan Chase Riyadh: Head of Compliance & AML



Operating Environment

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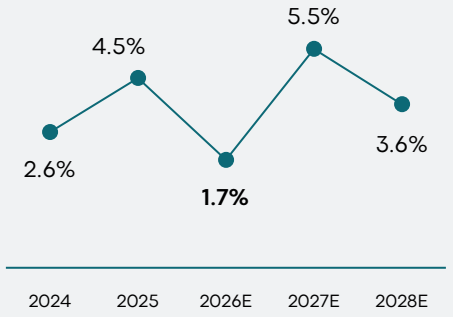


Saudi Arabia's real GDP growth projected at 1.7% in 2026, improving to 5.5% in 2027

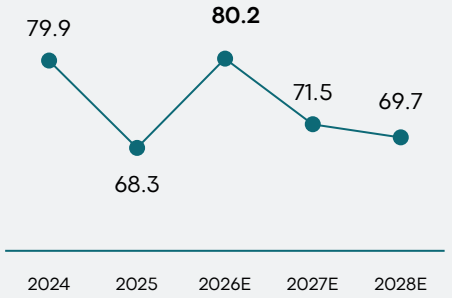
Economic Outlook

- Real GDP for Saudi Arabia is estimated to grow by 1.7% in 2026 and improve to 5.5% in 2027.
- Interest rates are expected to trend lower in 2026. The average 3M SAIBOR is forecasted at 4.9% for 2026, down from 5.3% in 2025.
- Average Brent oil prices expected to increase to USD 80.2 per barrel in 2026 amid uncertain geopolitical environment.
- Inflation is expected to increase to 2.3% in 2026 from 2.0% in 2025.
- Current account deficit is set to decline to 1.6% in 2026 from 3.0% in 2025.

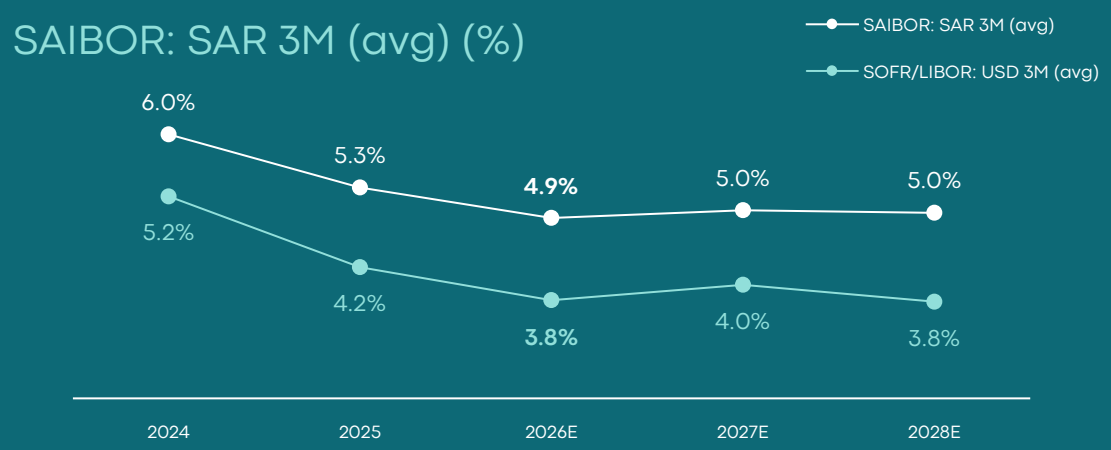
Real GDP Growth (%)



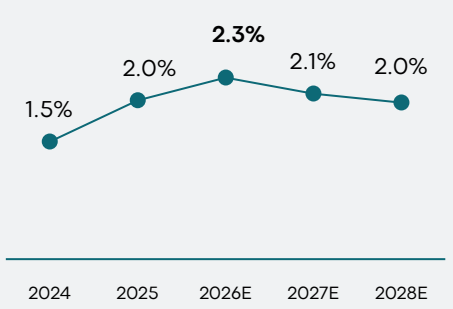
Brent Avg Oil Price / Barrel (USD)



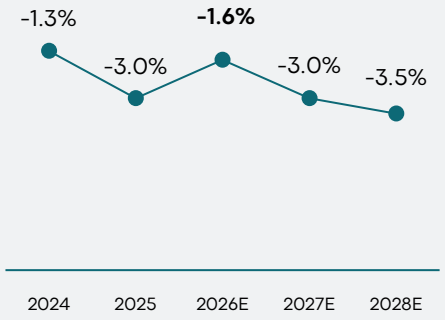
SAIBOR: SAR 3M (avg) (%)



Inflation (%)



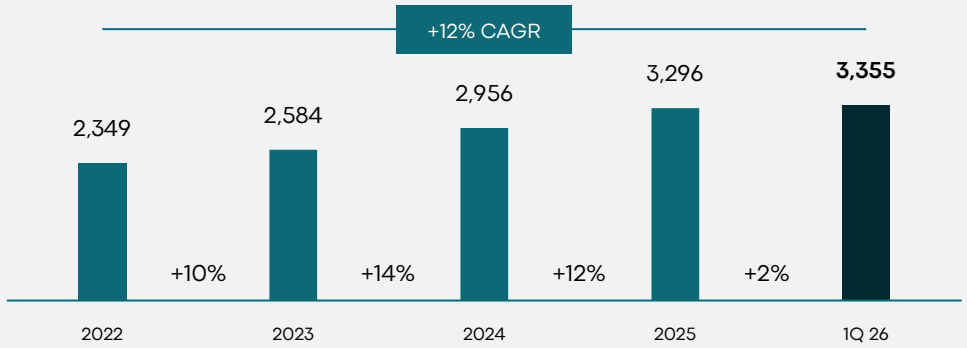
Current A/C Balance (USD)



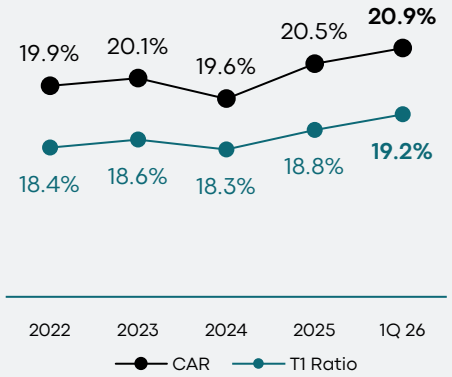
Sources: SAIBOR historical rates – SAMA | SAIBOR/SOFR forecasts – BSF Treasury | GDP, oil price, inflation & current A/C balance – IMF

The Saudi banking sector is well positioned for both resilience and growth

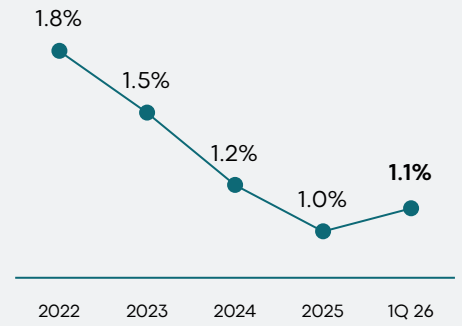
Bank Credit (SAR Bn)



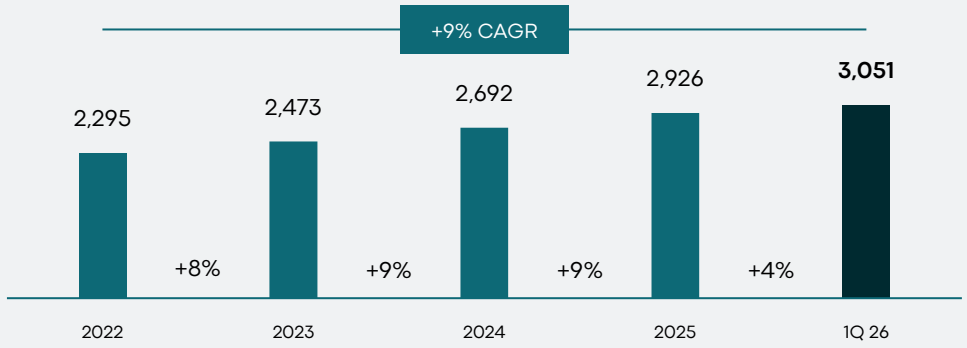
Capitalization (%)



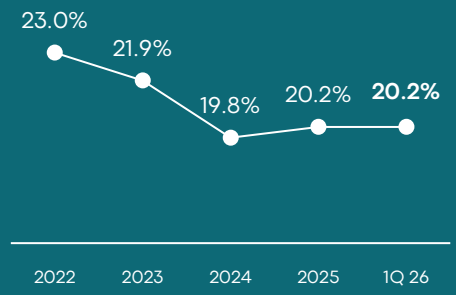
NPL Ratio (%)



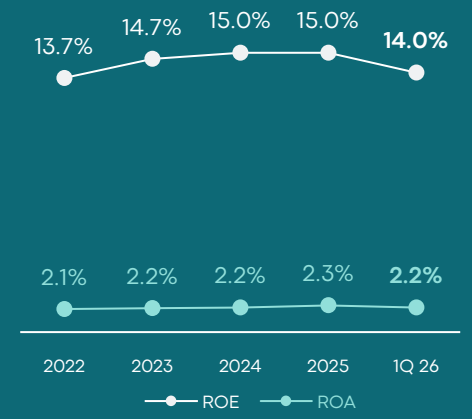
Bank Deposits (SAR Bn)



Liquid Assets to Total Assets (%)



Profitability (%)



Source: SAMA

Strategy

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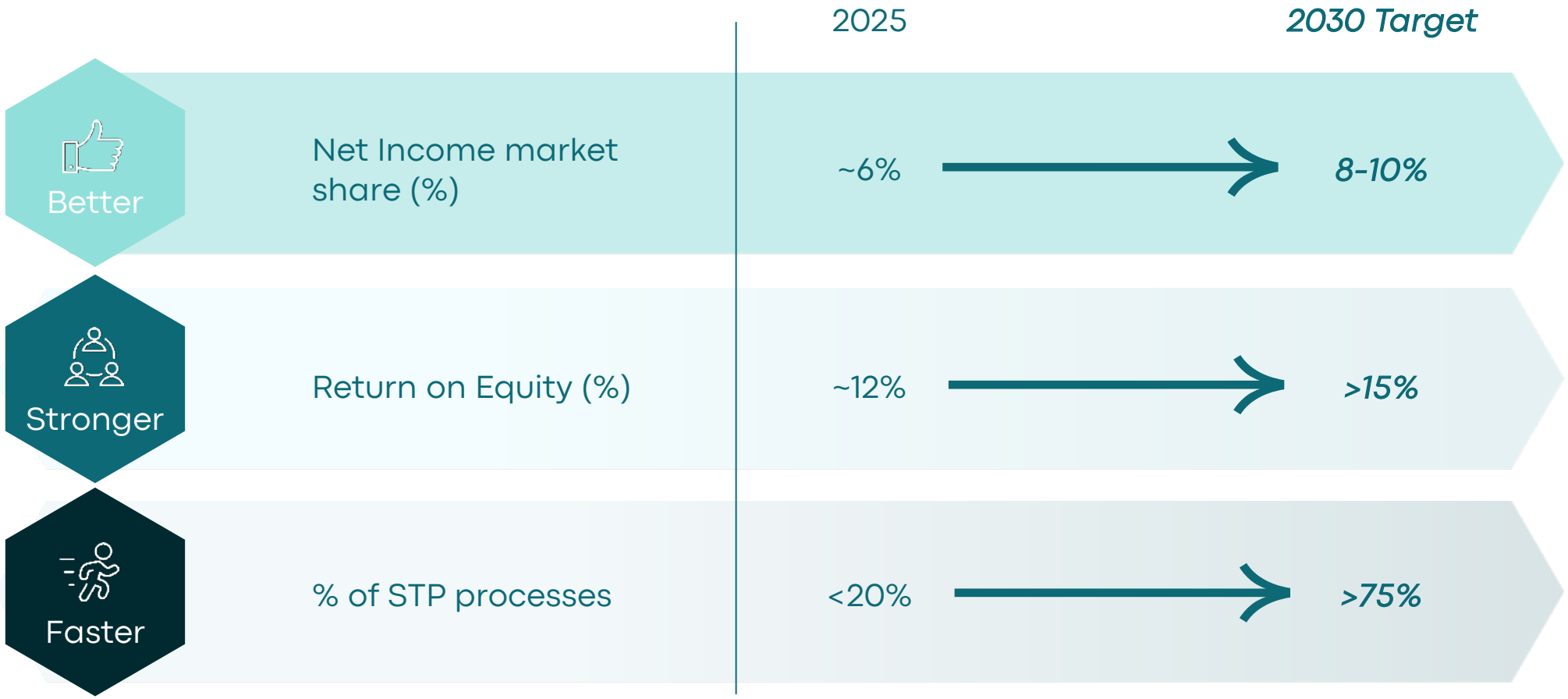
BSF

Strategy 2030 will build a Better, Stronger, Faster bank for customers, employees and shareholders

"We will be driven by a ***customer centric*** focus while enabling our ***employees*** and delivering value for ***our shareholders***"

	→ Customers Our customers` needs as our top priority	→ Employees Support our employees with the right tools...	→ Shareholders Deliver sustainable returns and drive long-term value
Better	Better, superior products and delivery	Better opportunities to excel and grow	Better performance and sustainable returns
Stronger	Stronger trust and dependability	Stronger culture and collaboration	Stronger balance sheet and market position
Faster	Faster, more reliable services	Faster decision-making and execution	Faster realization of strategic goals

What would a Better, Stronger, Faster bank look like in 2030?



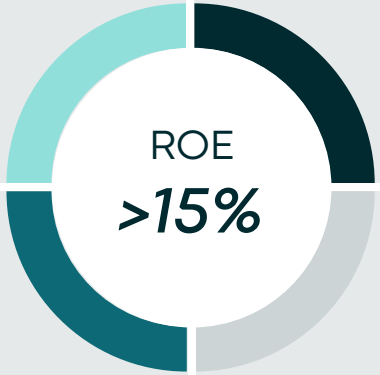
Our strategic priorities are expected to deliver ROE above 15% and ₪10bn net income by 2030

Intensified focus in RBG, TIG and BSFC

- Capture more share in ***RBG*** via better client segmentation and penetration
- Sales expansion in Treasury through ***WBG***
- Accelerate Wealth Management in ***BSFC***

Cross-sell acceleration

- Fee income acceleration through enhanced offerings and better client penetration



Capitalize on existing strength in Wholesale Banking

- Capturing growth by strengthening GTS, expanding Institutional Banking and enhancing relationship coverage value

Cost efficiency

- Tighter cost control, automation and positive jaws to lower the cost to income ratio

Financial Resilience

Maintaining optimized capital position with **CAR *>19%*** and robust liquidity position

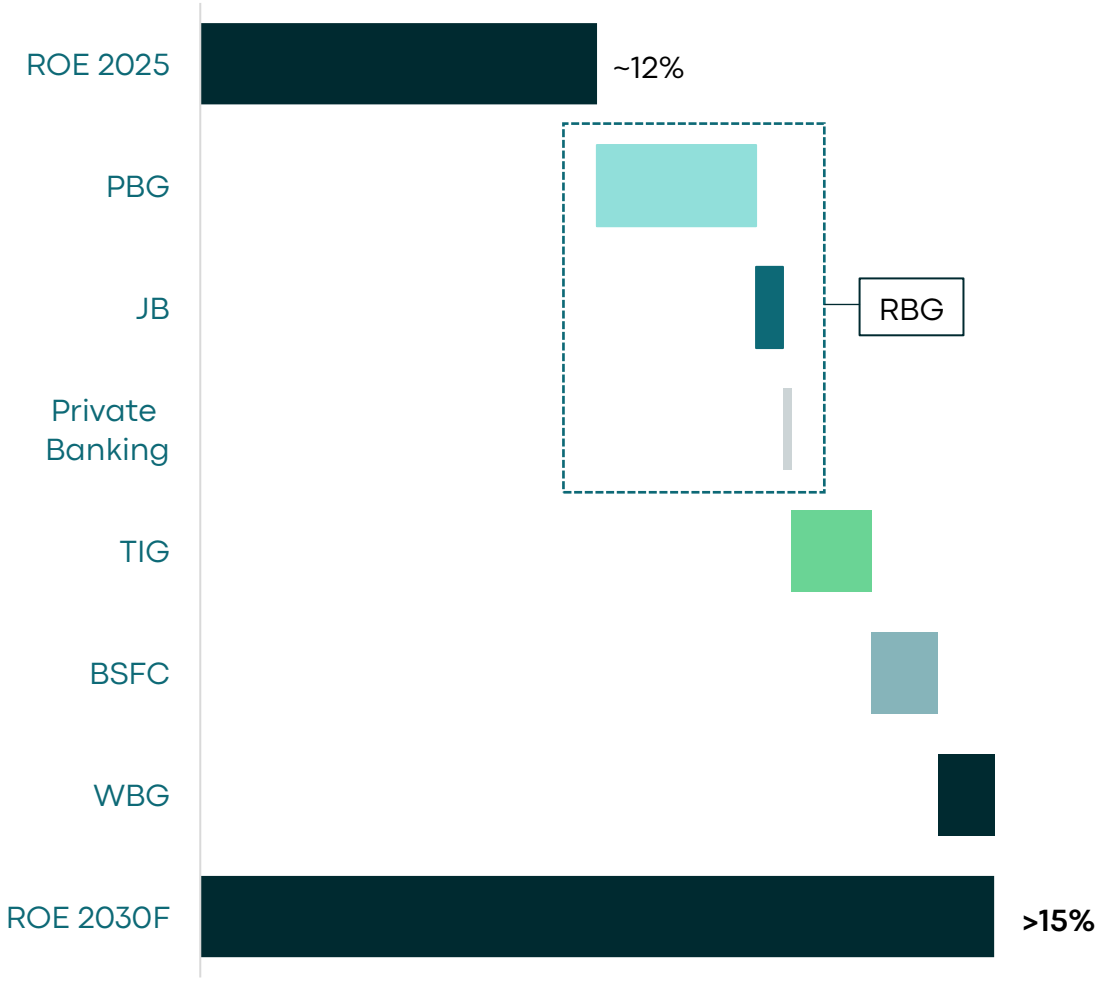
WBG refers to Wholesale Banking Group, RBG refers to Retail Banking Group, TIG refers to Treasury Investment Group and BSFC refers to BSF Capital

>50% of net income enhancement and 80% of ROE improvement driven by RBG, TIG and BSFC segments

Net income Movement (₦ Bn)



Return on Equity Movement (%)



WBG refers to Wholesale Banking Group, PBG refers to Personal Banking Group, RBG refers to Retail Banking Group, TIG refers to Treasury Investment Group and BSFC refers to BSF Capital

Strategy 2030 is built on core strengths to reinforce today and prepare for the future

Strengthen the core

"Strengthen and strategically reposition our core banking business to maximize value creation- Bringing the core businesses to full potential"

Wholesale Banking	Private Banking	Retail & Affluent	Treasury	BSF Capital
Strengthen Global Transaction Banking	Expand products and services	Differentiation in Affluent	Treasury sales expansion	Wealth Management acceleration
Expand Institutional Banking	Client acquisition and engagement	Revamping channels and increasing sales capacity	NIM enhancement	Upgrade brokerage ecosystem
Enhance relationship coverage value	Sales and performance acceleration	Product optimization and client acquisition	Technology and Digital Readiness	Scale Investment Banking franchise and PI portfolio

Group Wide- Support Functions and Initiatives

IT/ Digital Tech transformation continuation	Power of the Group Culture Group-wide cross-sell	Marketing CX and Mkt at heart
People Culture, Performance and Rewards, BSF organization of future	Operations Scalable operations	Corporate Governance ESG implementation
	Risk Excellence in risk	

Prepare for the future

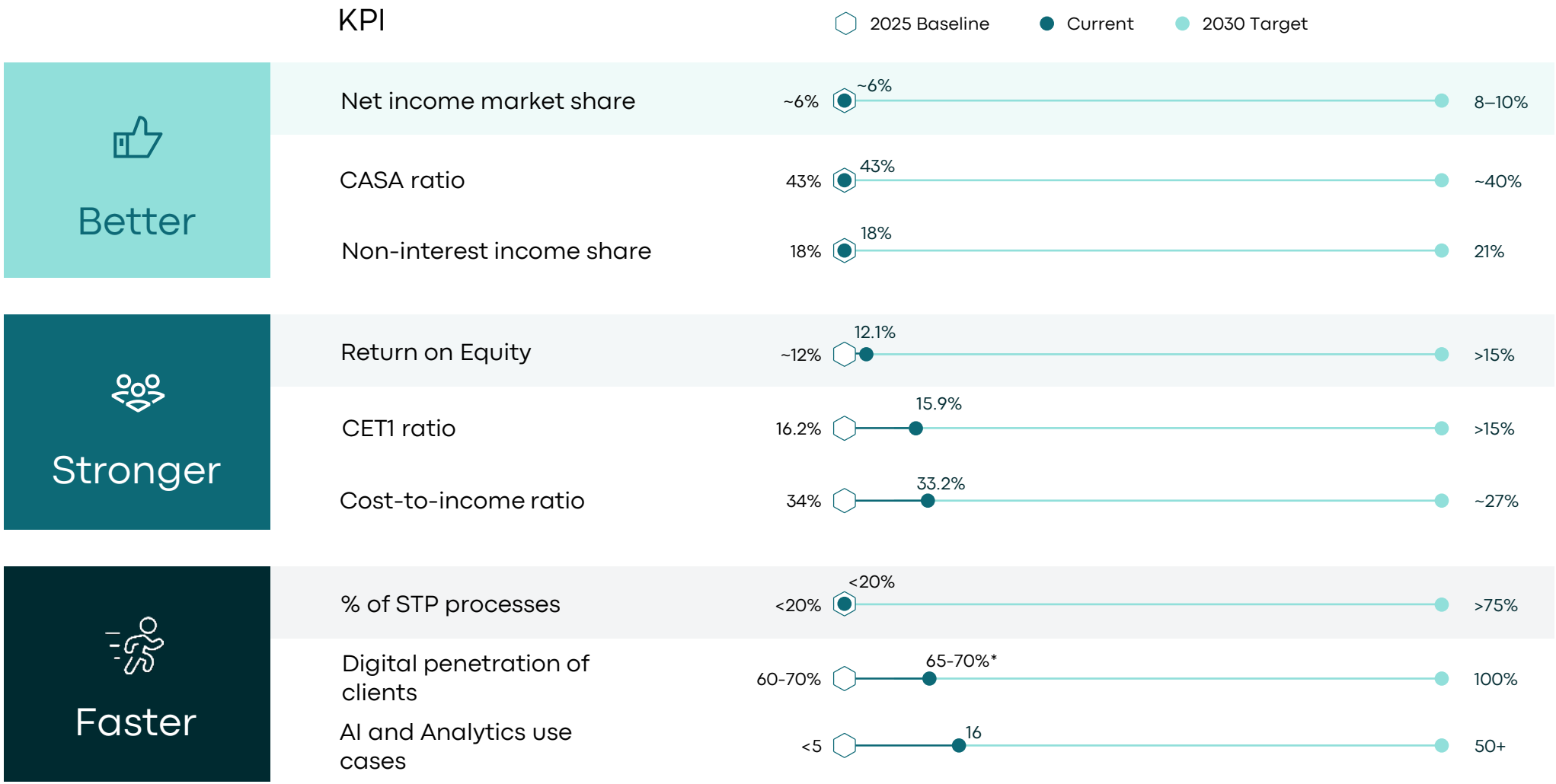
"Identifying future-proof opportunities in adjacent businesses, emerging technologies, and innovative business models"

JB	Business Banking
Accelerated distribution	Customer acquisition and CASA deposit gathering and lending
Digital-first agile organization	Expand into beyond banking offerings

Group Wide- Support Functions and Initiatives

AI & Data innovation	Open banking
Partnership and investment capabilities	BaaS/ Embedded finance
Capital optimization	

We are seeing balanced performance across the key strategic metrics



*Primarily from retail NTB customer acquisition through digital channels

ESG Update

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BSF

BSF has an integrated ESG governance framework linking strategic oversight with effective execution

BSF Board of Directors

Executive Committee

Audit Committee

Board Risk Committee

Nomination & Renumeration Committee

Board Strategy & ESG Committee

Talal Almaiman **Chairman**

Board Strategy & ESG Committee:
The Board Strategy & ESG Committee ensures having a strategic oversight to guide the long-term ESG direction, ensuring alignment with our business strategy, and overseeing the integration of environmental, social, and governance considerations into core operations.

Strategic Transformation Committee

Strategic Transformation Committee:
Strategic Transformation Committee aims to facilitate the Board Strategy & ESG Committee capacity to fulfill its ESG oversight responsibilities.

Chief Executive Officer

Chief Strategy & Finance Officer

Chief Wholesale Banking Group

Chief Personal Banking Group

Chief Human Resources Officer

Chief Transformation Officer

Chief legal & Governance Officer

Corporate Governance & ESG Division

ESG Champions

ESG champions:
Supports the achievement of departmental ESG performance targets, address relevant ESG matters, and facilitate collection and verification of ESG information for the Bank`s ESG reports.

We are focused on enhancing our materiality practices that have a substantial impact on our strategic objectives and are deemed crucial by our stakeholders

ESG Materiality Overview

- GRI-based materiality assessment validated by the Board and informed by stakeholder input and benchmarking.
- Identified 15 key ESG topics under 5 pillars and 21 KPIs with targets.
- Review conducted every three years.

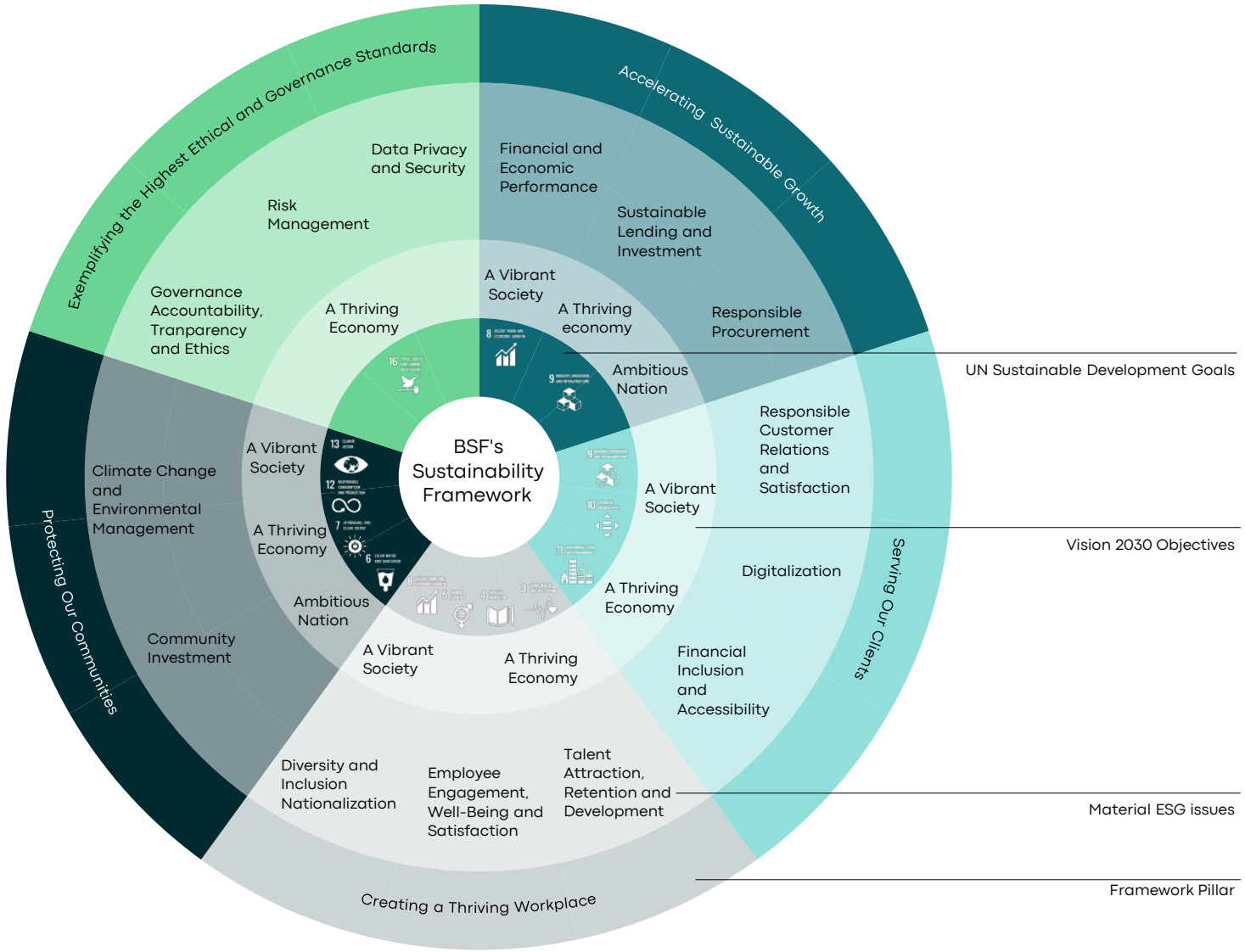
Materiality Matrix



- High significance
- Medium significance
- Low significance

1. Governance, Accountability, Transparency & Ethics
2. Financial & Economic Performance
3. Risk Management
4. Responsible, Customer Relations & Satisfaction
5. Data Privacy & Security
6. Financial Inclusion & Accessibility
7. Digitalization
8. Employee Engagement, Wellbeing & Satisfaction
9. Diversity & Inclusion
10. Sustainable Lending & Investment
11. Talent Attraction, Retention 7 Development
12. Community Investment
13. Nationalization
14. Climate Change & Environmental Management
15. Responsible Procurement

The Sustainability Framework defines BSF's ESG priorities across five core pillars



Five key activity pillars

- Accelerating Sustainable Economic Growth
- Serving Our Clients
- Creating a Thriving Workplace
- Protecting Our Communities
- Exemplifying the Highest Ethical and Governance Standards

Each pillar serves as an operational umbrella for strategically addressing the fifteen key material topics identified through our materiality assessment via thematically focused strategies, initiatives, and disclosure practices.

BSF has translated its ESG priorities into measurable KPIs with clear timelines

Pillars	Selected ESG KPIs			
	✓ Achieved as of FY25	→ On track		
Exemplifying the Highest Ethical and Governance Standards	Independent Board members = **1/3** **Annual** ✓	**Zero** material data security breaches **Annual** ✓	Embed climate & ESG risk into strategy and risk register **2028*** →	
Accelerating Sustainable Economic Growth	Sustainable finance mobilized: **SAR 10–15bn** **2030** →	Develop Responsible Procurement Program **2026** ✓		
Creating a Thriving Workplace	Employee satisfaction rate **> 70%** **2027** ✓	Female employees **25%** **2027** ✓	Youth employees **25%** **2027** →	Saudization rate **> 90%** **Annual** ✓
Serving Our Clients	Customer satisfaction **≥ 85%** **Annual** ✓	Responsible Marketing Position Statement disclosed **2025** ✓		
Protecting Our Communities	Decrease scope 1 emissions by **3%** **2026** ✓	Decrease scope 2 emissions by **3%** **2028** →		

*Subject to change/update based on regulatory directions.

Sustained improvement in ESG ratings reflects continued progress on ESG priorities

Year	Sustainalytics	MSCI	S&P
2022	30.8	BB	25
2023	27.8	BBB	30
2024	21.2	BBB	39
2025	15.5	BBB	42
2026	15.5 as of November 2025	A as of March 2026	42 as of December 2025

- BSF achieved an "A" MSCI ESG rating (up from BBB).
- For both S&P and Sustainalytics, BSF holds the best score amongst Saudi Banks for the 3rd year in a row.
- BSF is considered the first local bank classified as low ESG Risk in KSA from Sustainalytics.
- BSF is included in the FTSE Russell Emerging ESG Index and the FTSE4Good Index Series.

Source: Sustainalytics (www.sustainalytics.com); S&P Global (spglobal.com)

Financial Performance

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BSF

5% net income growth YoY supported by top-line growth

Balance Sheet

- Loan growth of 7% YoY, driven by both commercial (+5%) and consumer (+15%).
- Investments increased 17% YoY, capturing higher yields to manage interest rate risk.
- Deposits rose 12% YoY from 21% growth in IBDs and 2% growth in NIBDs.

Loans & Advances

224.2

Billion

▲ +7% year-on-year

Investments

74.2

Billion

▲ +17% year-on-year

Customers' Deposits

204.6

Billion

▲ +12% year-on-year

Income Statement

- Operating income rose by 5%, from 6% increase in net interest income.
- NIM declined 7bps YoY but improved 4bps QoQ to 3.04%.
- Net income up 5% YoY, from higher operating income, partly offset by higher operating expenses.

Operating Income

5,557

Million

▲ +5% year-on-year

NIM

3.04%

▼ -7bps year-on-year

Net Income

2,868

Million

▲ +5% year-on-year

Healthy asset quality and comfortable capital and liquidity levels

Asset Quality

- The NPL ratio was broadly stable YoY.
- Coverage ratio remains comfortable, with the decline reflecting the write-off of two corporate accounts.
- Improved overall COR driven by portfolio growth.

NPL Ratio

0.97%

▶ +1bps year-on-year

NPL Coverage

159.3%

▼ -23.8ppts year-on-year

Cost of Risk

0.44%

▼ -6bps year-on-year

Capital & Liquidity

- Capital, funding and liquidity remain strong and comfortably within regulatory limits.
- NIBD ratio declined 4ppts YoY from relatively stronger growth in IBD relative to NIBD deposits.

T1 Ratio

18.8%

▼ -1.4ppts year-on-year

LCR

169%

▶ +1ppts year-on-year

NIBD % of Total Deposits

43.0%

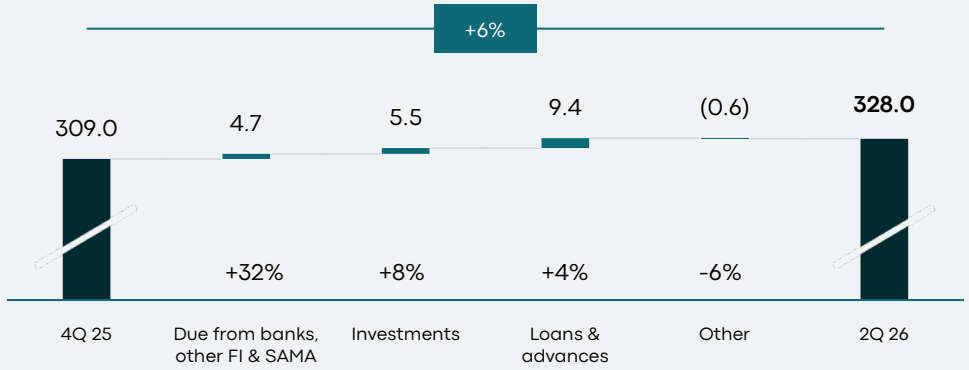
▼ -4.0ppts year-on-year

Balance sheet growth driven by loans, investments and interbank

Balance Sheet

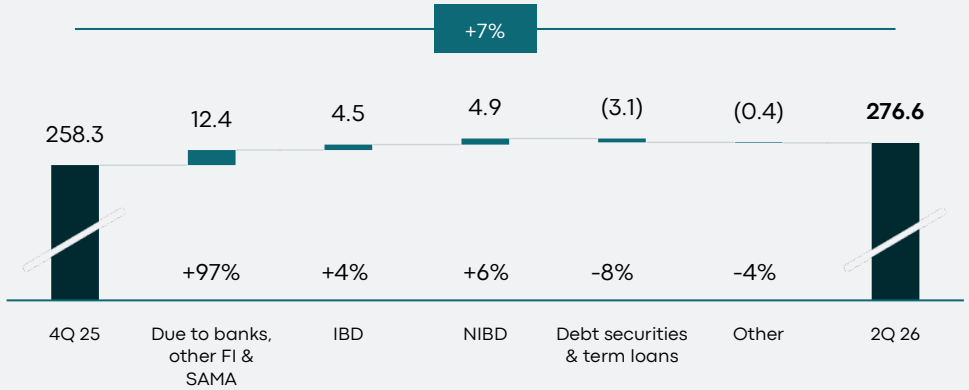
- Growth in total assets of 6% YTD, mainly driven by loans, further aided by an increase in investments and interbank placements.
- The investment portfolio expanded by 8% YTD, mainly from fixed-rate investments, with the majority being government securities.
- Liabilities rose 7% YTD driven by a 97% increase in due to banks, alongside a 5% rise in customer deposits.
- Total equity increased by 1% YTD from retained earnings generation.

Total Assets Movement YTD (৳ Bn)



৳ Mn	2Q 2026	1Q 2026	Δ%	4Q 2025	Δ%
Due from banks, other FI & SAMA	19,495	19,751	-1%	14,748	+32%
Investments	74,208	71,629	+4%	68,682	+8%
Loans & advances	224,241	221,929	+1%	214,891	+4%
Total assets	327,983	324,810	+1%	309,006	+6%
Due to banks, other FI & SAMA	25,319	24,250	+4%	12,885	+97%
Customers' deposits	204,588	199,583	+3%	195,219	+5%
Debt securities & term loans	35,758	38,184	-6%	38,877	-8%
Total liabilities	276,589	273,294	+1%	258,346	+7%
Total equity	**51,394**	**51,517**	**-0%**	**50,659**	**+1%**

Total Liabilities Movement YTD (৳ Bn)

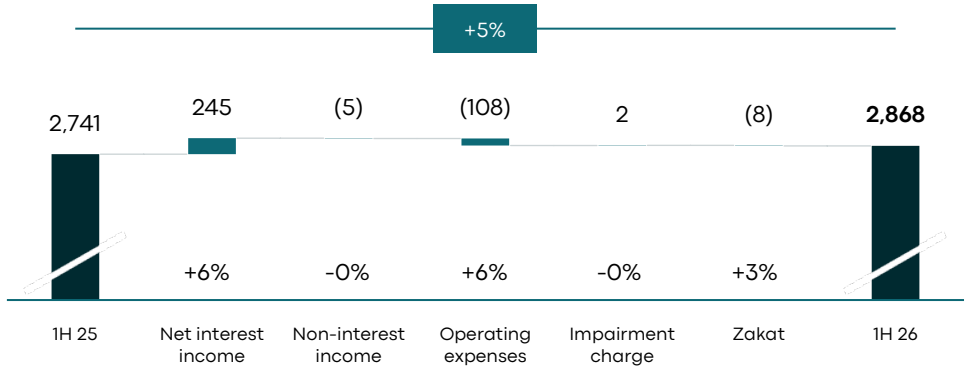


Net income grew 5% YoY from higher net interest income, partially offset by higher operating expenses

Income Statement

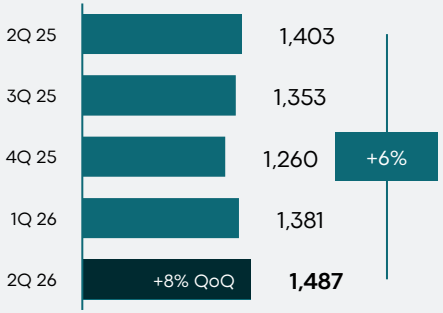
- Net income for 1H 2026 grew 5% YoY to ৳ 2,868mn from higher operating income, partially offset by higher operating expenses.
- Total operating income increased 5% YoY, driven by 6% growth in net interest income and steady non-interest income.
- Operating expenses increased 6% YoY to ৳ 1,848mn from higher employee costs and increased G&A and depreciation.
- The impairment charge remained stable YoY at ৳ 513mn.
- On a sequential basis, net income increased by 8% QoQ supported by top line expansion and stable operating expenses.

Net Income Movement YoY (৳ Mn)

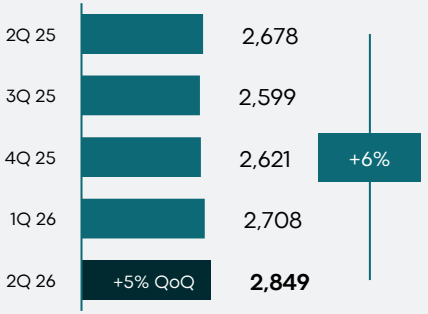


৳ Mn	1H 2026	1H 2025	Δ%	2Q 2026	2Q 2025	Δ%
Net interest income	4,560	4,314	+6%	2,343	2,196	+7%
Non-interest income	997	1,002	-0%	506	482	+5%
Operating income	5,557	5,317	+5%	2,849	2,678	+6%
Operating expenses	(1,848)	(1,740)	+6%	(925)	(873)	+6%
Pre-impairment operating income	3,710	3,577	+4%	1,924	1,805	+7%
Impairment charge	(513)	(515)	-0%	(267)	(236)	+13%
Net income before zakat	3,196	3,061	+4%	1,656	1,569	+6%
Zakat	(329)	(320)	+3%	(170)	(166)	+2%
Net income	**2,868**	**2,741**	**+5%**	**1,487**	**1,403**	**+6%**
ROAE	12.12%	12.54%	-42bps	12.17%	12.65%	-48bps

Net Income (৳ Mn)



Operating Income

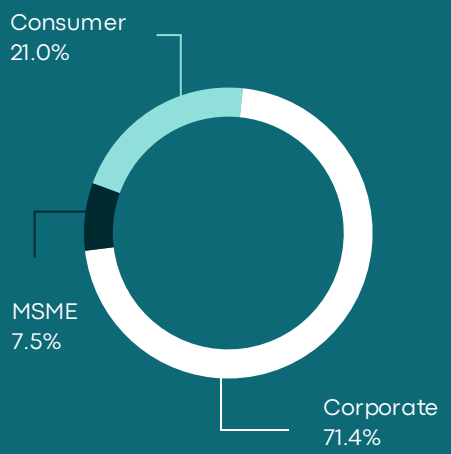


4% YTD loan growth from both commercial and consumer sectors

Loans & Advances Composition

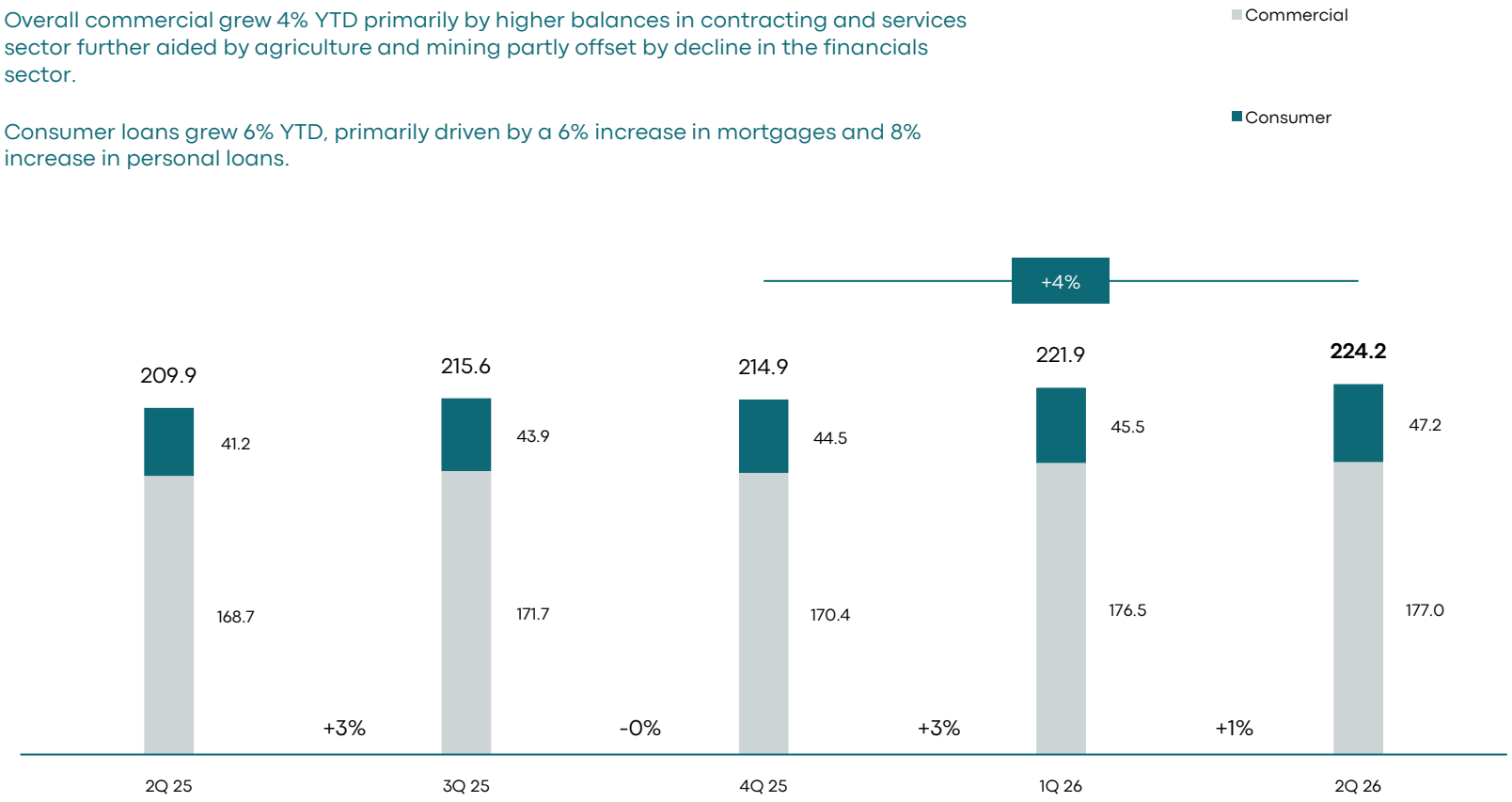
224.2

(৳ Bn)



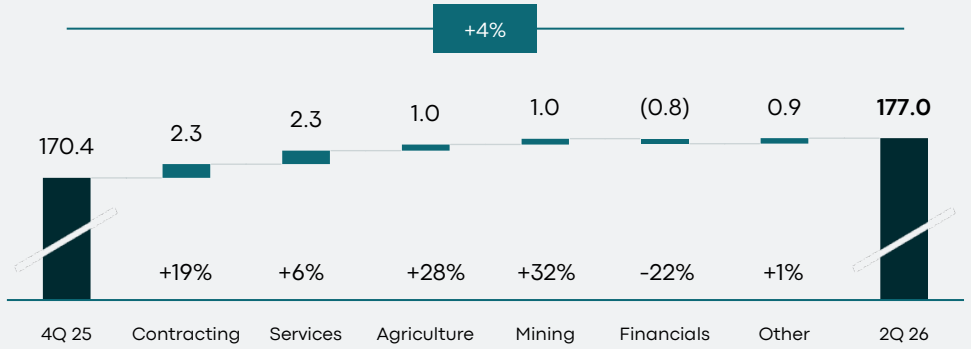
Loans & Advances (৳ Bn)

- Total loans and advances grew 7% YoY, driven by growth in both consumer and commercial lending. YTD growth was 4%, mainly driven by commercial loans and supported by growth in consumer loans.
- Overall commercial grew 4% YTD primarily by higher balances in contracting and services sector further aided by agriculture and mining partly offset by decline in the financials sector.
- Consumer loans grew 6% YTD, primarily driven by a 6% increase in mortgages and 8% increase in personal loans.



Well-diversified portfolio in both commercial and consumer sectors

Commercial Loans Movement YTD (৳ Bn)



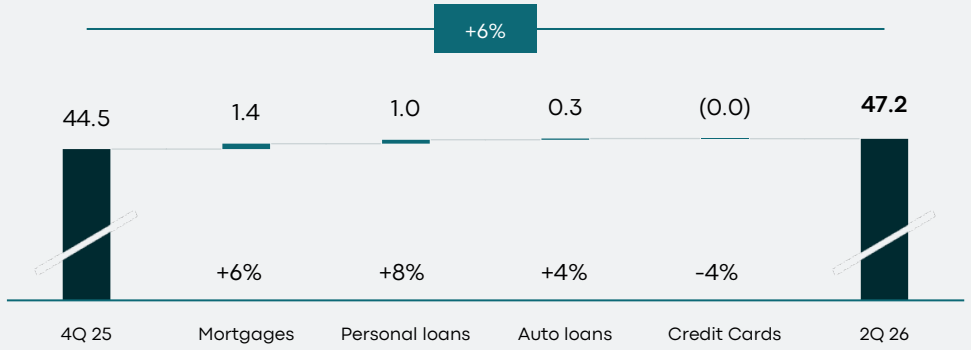
Commercial Loans Composition



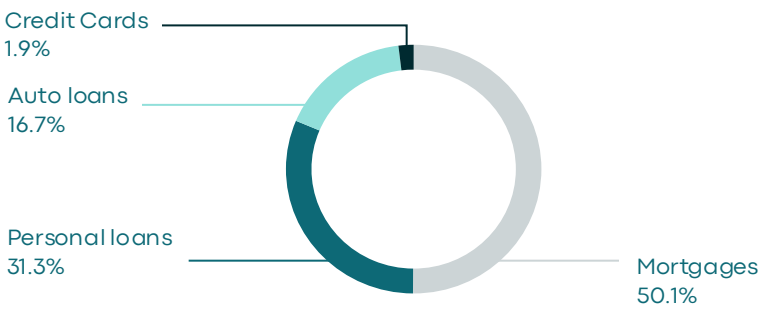
177.0

(৳ Bn)

Consumer Loans Movement YTD (৳ Bn)



Consumer Loans Composition



47.2

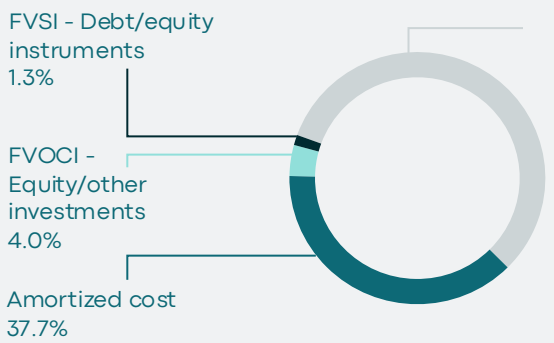
(৳ Bn)

Investment portfolio expanded 8% YTD

Investments

- Investments increased by 8% YTD mainly from fixed-rate debt securities.
- The investment portfolio is of high quality with a significant portion being Saudi Government and investment grade. 75% of the portfolio (﷼ 55.9 Bn) qualifies as HQLA.

Investments Composition by Category



(﷼ Bn)

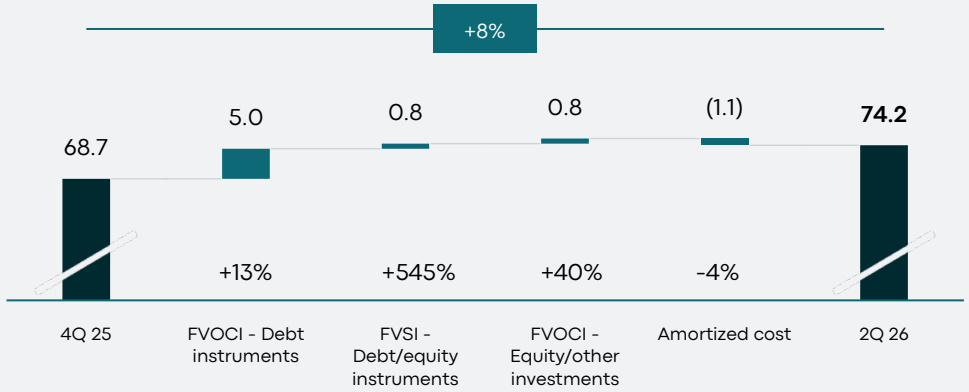
74.2

FVOCI - Debt instruments - 42.3
Amortized cost - 28
FVOCI - Equity/other investments - 3
FVSI - Debt/equity instruments - 1

Investments (﷼ Bn)



Investments Movement by Category YTD (﷼ Bn)

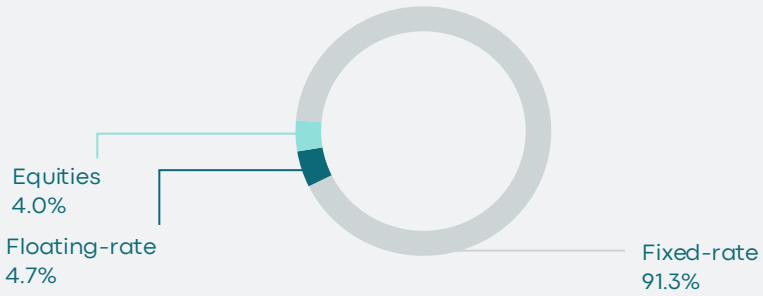


High-quality investment portfolio

Investments Composition by Type

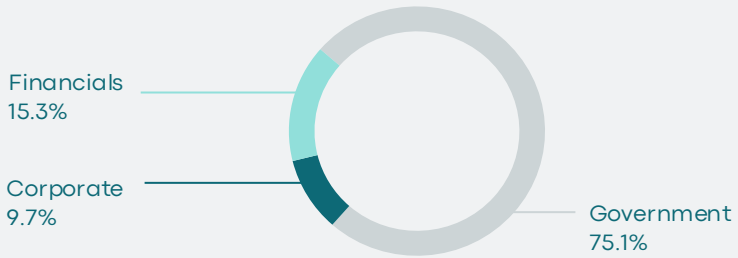
(₹ Bn)

74.2



Fixed-rate - 67.8
Floating-rate - 3.5
Equities - 3

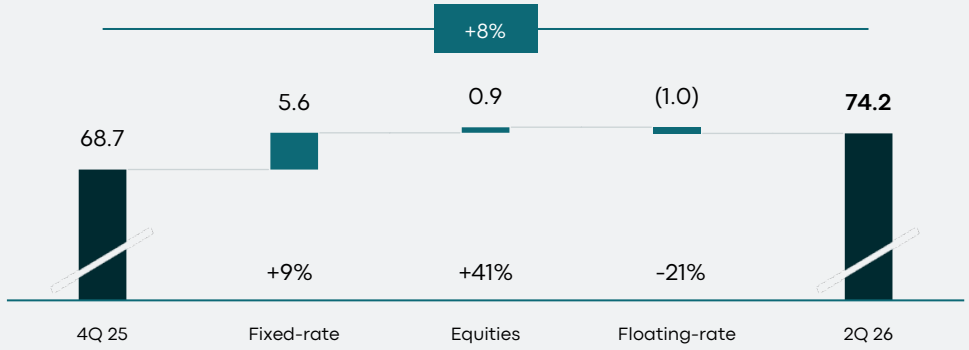
Investments Composition by Sector



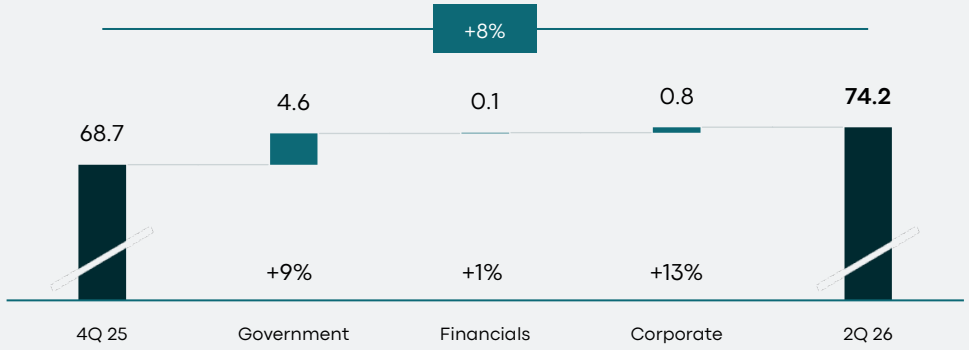
(₹ Bn)

Government - 55.7
Financials - 11.3
Corporate - 7.2

Investments Movement by Type YTD (₹ Bn)



Investments Movement by Sector YTD (₹ Bn)

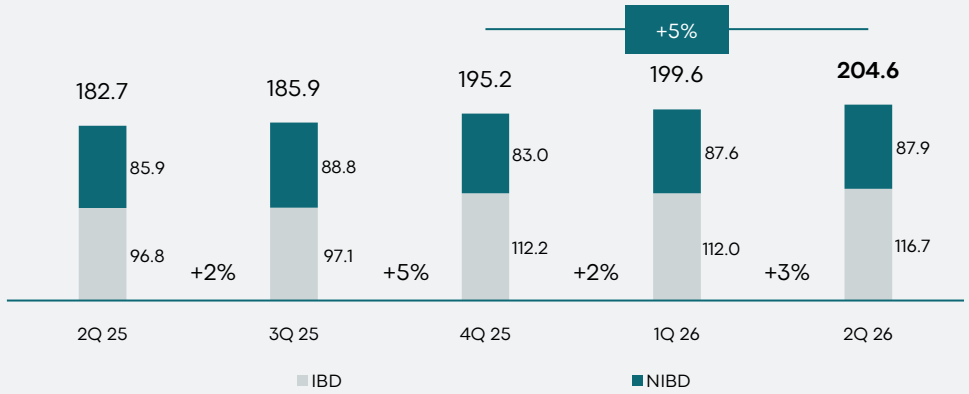


5% YTD increase in customer deposits

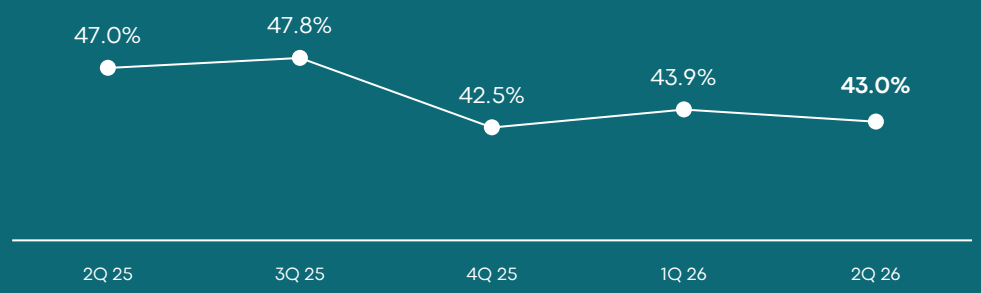
Customers` Deposits

- Deposits grew 5% YTD, driven by increase in both NIBD and IBD balances.
- IBDs grew 4% YTD, while NIBDs rose 6%.
- As of 30 June 2026, 43.0% of deposits were non-interest bearing, an increase of 45bps YTD.

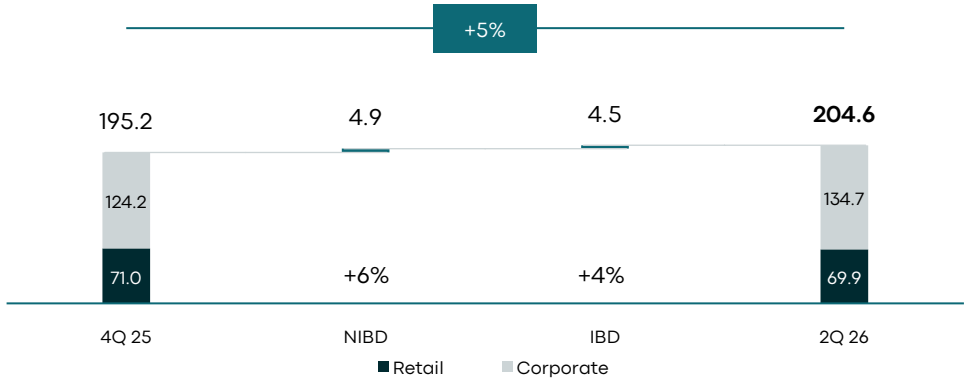
Customers' Deposits (৳ Bn)



NIBD ratio (%)



Customers' Deposits Movement YTD (৳ Bn)

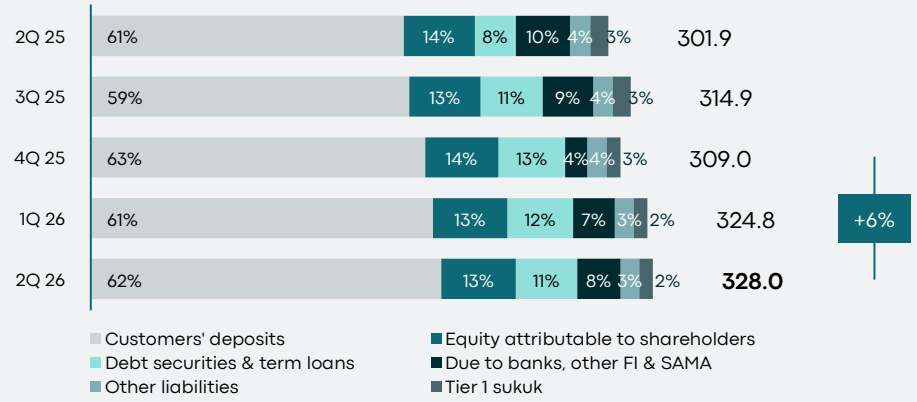


Efficient and diversified funding structure for balanced growth

Funding Structure

- BSF's funding is largely comprised of customers' deposits which represented 74% of total liabilities and 62% of total liabilities and equity as of 30 June 2026.
- BSF has a proven track record of accessing other funding options including local and international debt capital markets.
- Debt securities and term loans declined by 8% YTD, mainly due to maturities in certificates of deposit, partly offset by issuances of SGD 36 million and USD 10 million in bonds, and USD 651 million in certificates of deposit in 1H 2026.

Funding Structure Overview* (SAR Bn)



Successful Track Record Accessing Capital Markets

Issuance Date	Issuance Amount (Mn)	Type	Maturity/Call	Pricing
2022	USD 700	Bond	Nov 2027	5.50%
2023	USD 900	Sukuk	May 2028	4.75%
2023	USD 100	Sukuk	Jul 2027	5.47%
2023	USD 50	Bond	Nov 2026	SOFR+115bps
2024	USD 700	Sukuk	Jan 2029	5.00%
2024	USD 140	Bonds	May 2029-May 2031	Various
2024	USD 250	Term loan facility	Mar 2027	SOFR+90bps
2024	SAR 3,000	SAR Tier 1 Issuance	PerpNC 2029	6.00%
2024	USD 750	Term loan facility	Nov 2029	SOFR+100bps
2024	USD 15	Bond	Dec 2029	SOFR+130bps
2025	USD 750	Sukuk	Jan 2030	5.375%
2025	USD 190	Bonds	Feb 2027-Jun 2032	Various
2025	SAR 1,500	Bilateral Loan	Mar 2028	SIBOR 3m+45bps
2025	USD 650	Tier 1 issuance	PerpNC 2030	6.375%
2025	USD 1000	Bilateral Loan	Jul 2030	SOFR+0.95%
2025	USD 1000	Tier 2 notes	Sep 2030	5.76%
2025	USD 750	Term loan facility	Oct 2028	SOFR+65bps
2025	GBP 10	Certificate of Deposits	Jul 26	4.41%
2025	USD 813	Certificate of Deposits	Apr-Dec 26	4.12%-4.79%
2025	SAR 1000	Sukuk	Dec 2026	5.18%
2025	SAR 2,500	SAR Tier 1 Issuance	PerpNC 2030	6.375%
2026	USD 651	Certificate of Deposits	Sep 2026-Jun 2027	4.02%-4.81%
2026	SGD 36	Bond	Feb 2031	2.93%
2026	USD 10	Bond	May 2031	SOFR+ 125bps

* Corresponds to total liabilities and equity in BSF's IFRS financial statements.
The issuance table presents the details of the outstanding issuances.

Stable maturity profile backed by strong ratings

Credit Ratings

Standard & Poor's

A-

▶ Stable outlook

Moody's

A1

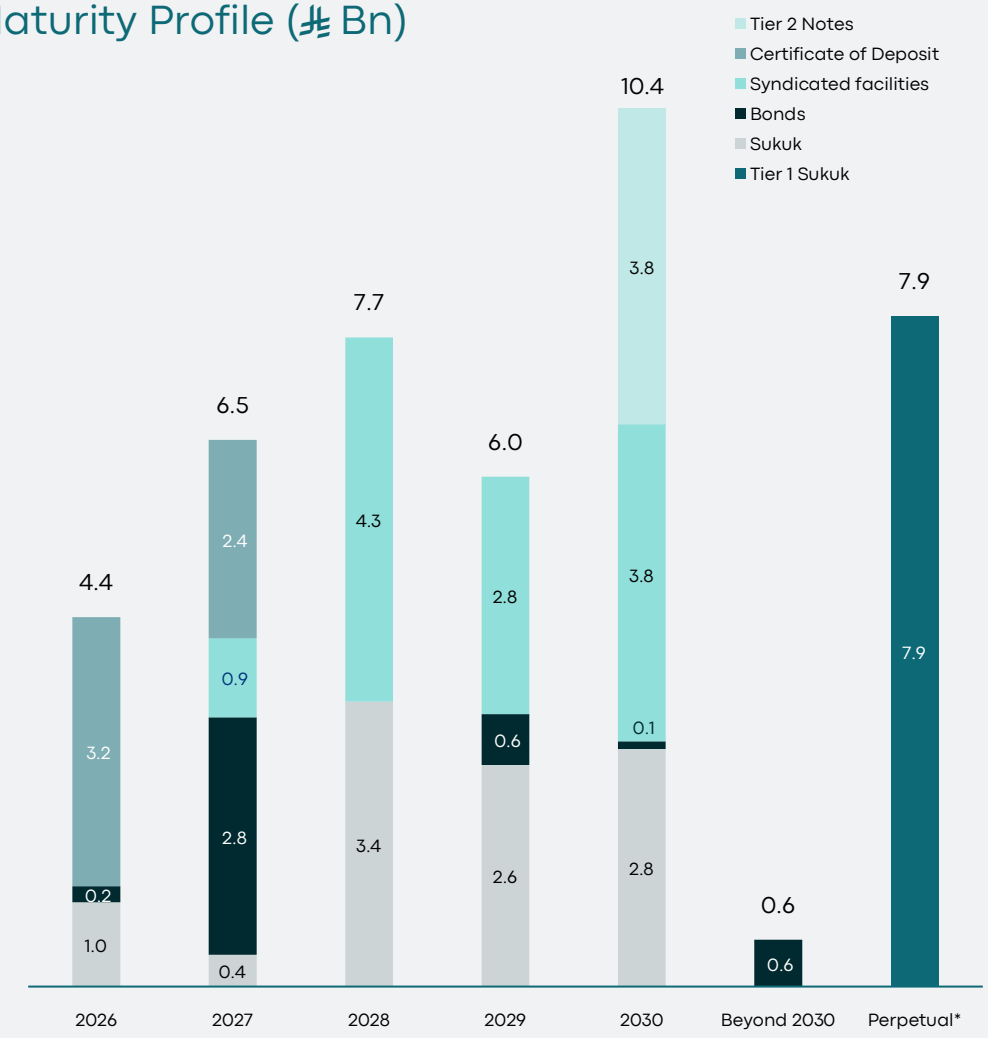
▶ Stable outlook

Fitch

A-

▶ Stable outlook

Maturity Profile (৳ Bn)



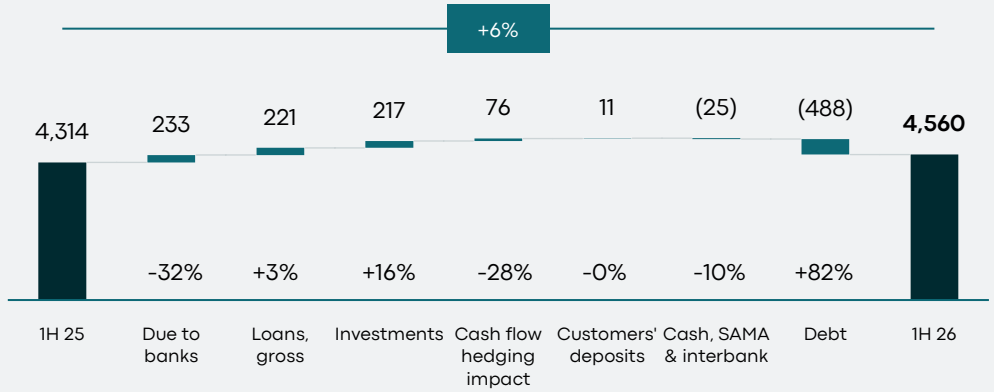
*The first call option date for ৳ 3bn Tier 1 Sukuk is September 5, 2029. The first call option date for USD 650mn Tier 1 Sukuk is November 7, 2030. The first call option date for ৳ 2.5bn Tier 1 Sukuk is November 13, 2030

6% YoY growth in NII driven by earning assets growth, partly offset by modest margin contraction

Net Interest Income

- NII for 1H 2026 increased by 6% YoY to ৳ 4,560mn, driven by 8% average earnings assets growth.
- Higher NII from due to banks, loans and advances, investments and cash flow hedging impact was partially offset by higher funding costs on debt securities.
- Both interest income and funding costs rose 6% YoY to ৳ 9,009mn and ৳ 4,450mn respectively in 1H 2026.
- On a sequential basis, interest income increased by 3% QoQ, while funding costs were up by 1% driving 6% QoQ improvement in NII.

Net Interest Income Movement YoY (৳ Mn)



Interest Income (৳ Mn)



Interest Expense (৳ Mn)

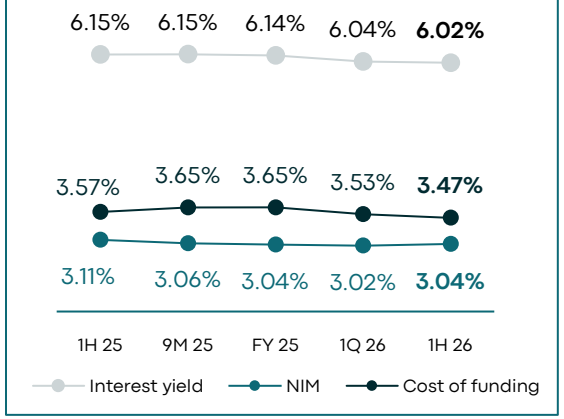


NIM declined 7bps YoY, but improved 4bps QoQ

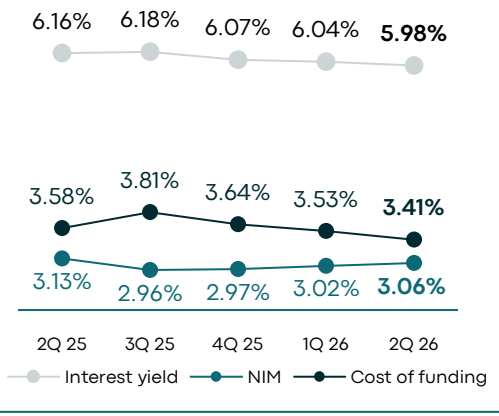
Net Interest Margin

- NIM moderated by 7bps YoY to 3.04% for 1H 2026, primarily reflecting a 13bps decline in asset yields, partly offset by a 9bps reduction in funding costs.
- On a sequential basis, the quarterly NIM increased by 4bps as easing funding costs (-13bps) outweighed pressure on asset yields (-6bps) as average 3M SAIBOR decreased by 10bps QoQ.

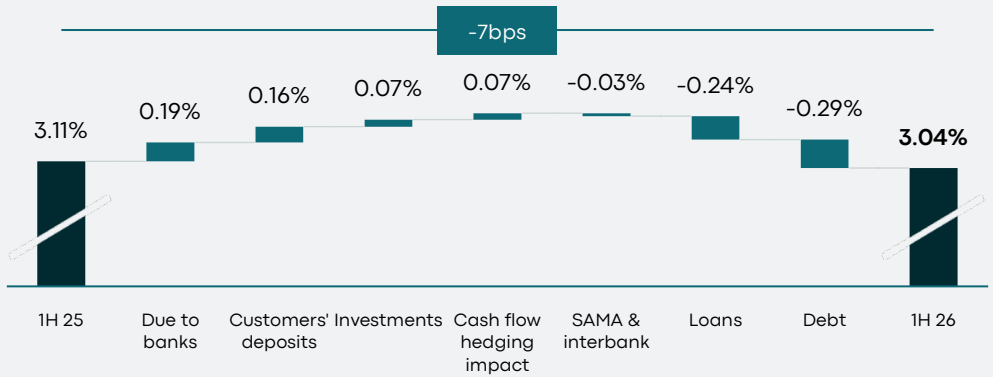
YTD NIM Trend



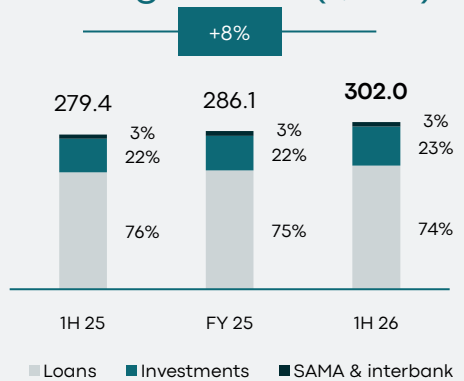
Quarterly NIM Trend



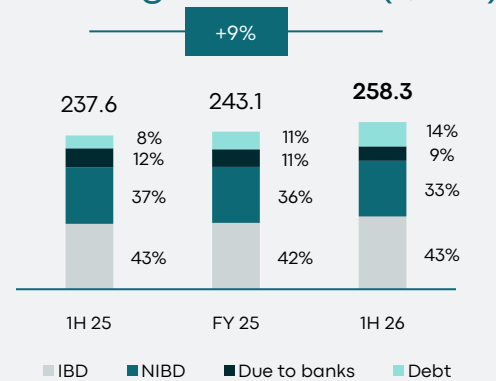
NIM Movement YoY (%)



Average Interest Earning Assets (৳ Bn)



Average Interest Bearing Liabilities (৳ Bn)

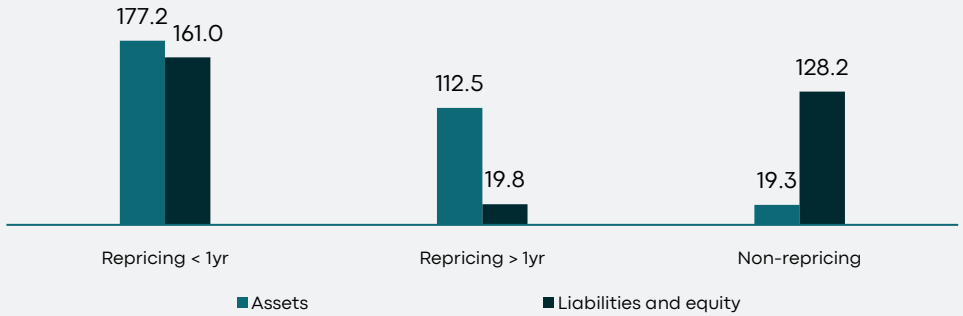


BSF has limited sensitivity to interest rate changes

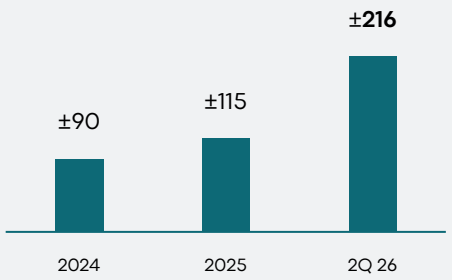
NIM Sensitivity

- As of 30 June 2026, BSF estimates a 1-year NIM sensitivity of a 100bps rates change at ±7bps; this would translate into a ₩ ±216mn NII delta.
- The net open short-term interest rate position arising from on-balance sheet items reflects BSF's corporate DNA (excess of floating rate assets).
- BSF mitigates its interest rate risk exposure through a combination of on-and off-balance sheet instruments, incl. cash-flow hedges. The CFH outstanding position is driven by the evolution of BSF's balance sheet structure, interest rate risk appetite and structural market trends.
- The notional amount of cash flow hedges decreased by 23% YTD due to growth in the retail loan book and fixed investment portfolio.

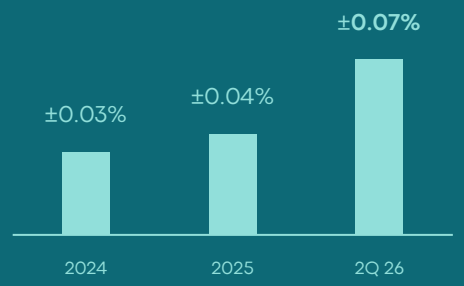
Balance Sheet Repricing Profile as at 31 December 2025 (₩ Bn)



NII Impact of ±100bps Rate Change (₩ Mn)



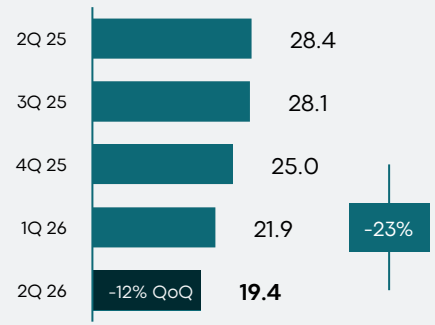
NIM Impact of ±100bps Rate Change (%)



Fixed Assets vs. Fixed Liabilities (%)



Cash Flow Hedges Swaps (₩ Bn)



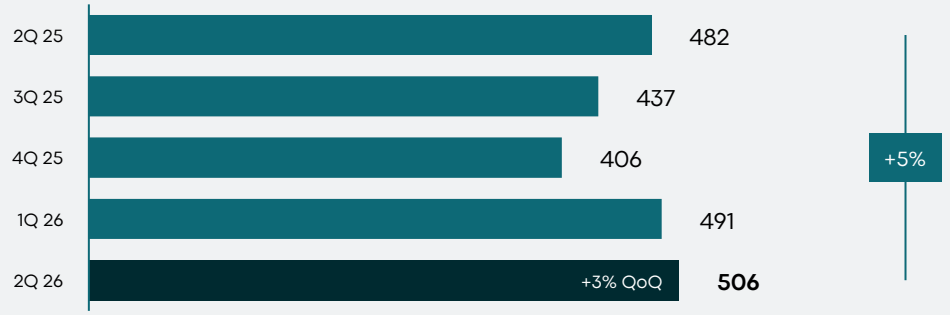
Note: Exposure to interest rate risk is shown in time buckets based on the earliest of first re-pricing date and contractual maturity; this analysis includes all contractual on-balance sheet positions (floating and fixed)

Non-interest income held steady YoY

Non-Interest Income

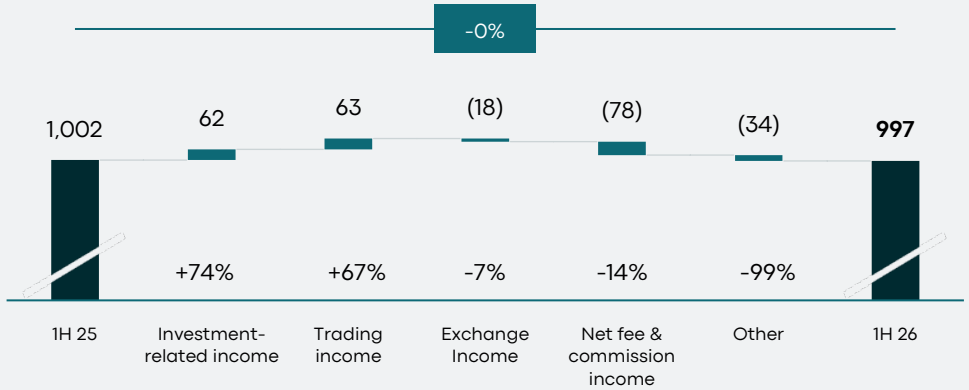
- Non-interest income for 1H 2026 remained broadly stable YoY at ₱997mn as lower fee and commission income and exchange income were offset by improved investment-related and trading income.
- Net fee & commission income fell 14% YoY to ₱465mn in 1H 2026.
- 2Q 2026 non-interest income increased 3% QoQ, driven by higher fee, exchange and trading income partly offset by lower investment-related income.

Non-interest Income (₱ Mn)



₱ Mn	1H 2026	1H 2025	Δ%	2Q 2026	2Q 2025	Δ%
Fee & commission income	839	859	-2%	432	433	-0%
Fee & commission expenses	(374)	(316)	+18%	(185)	(152)	+22%
Net fee & commission income	465	543	-14%	247	281	-12%
Exchange Income	231	249	-7%	124	128	-4%
Trading income	156	93	+67%	84	23	+258%
Banking-related income	852	885	-4%	455	432	+5%
Investment-related income	145	83	+74%	51	21	+143%
Other income	0	34	-99%	0	29	-100%
Non-interest income	**997**	**1,002**	**-0%**	**506**	**482**	**+5%**

Non-interest Income Movement YoY (₱ Mn)

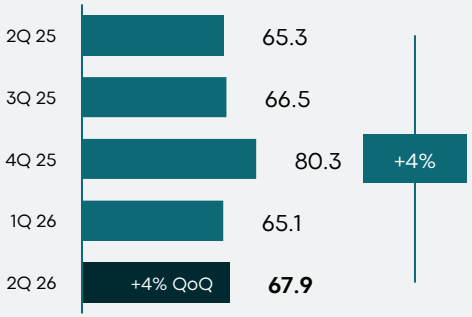


Fee & commission income decreased 14% YoY, led by higher card losses

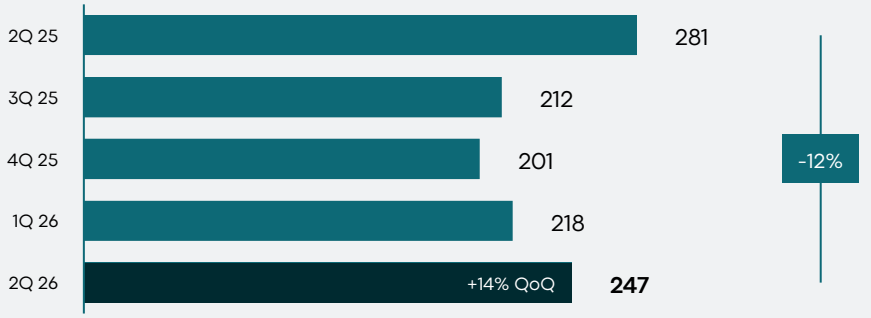
Fee & Commission Income

- Net fee & commission income fell 14% YoY to ৳ 465mn in 1H 2026 due to lower brokerage & asset management fees and lower trade finance fees amid the current geopolitical situation and higher losses in card fees due to ongoing campaign costs.

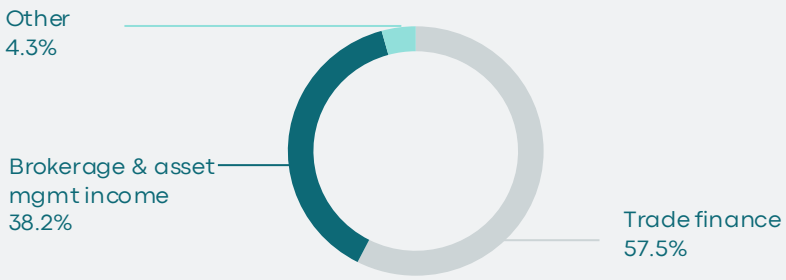
Non-funded Exposure* (৳ Bn)



Fee & Commission Income (৳ Mn)



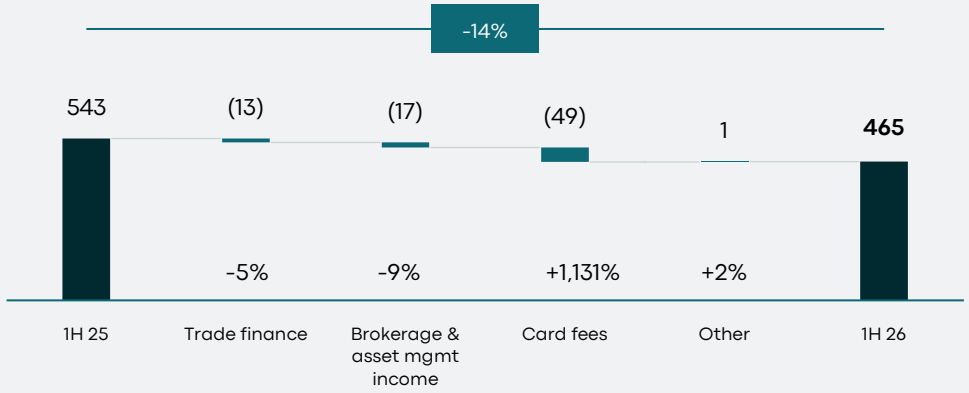
Fee & Commission Income Composition



465

(৳ Mn)

Fee & Commission Income Movement YoY (৳ Mn)



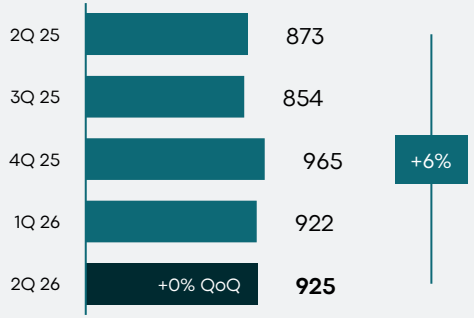
*Non-funded exposure includes letters of credit, letters of guarantee and acceptances

Operating expenses rose 6% YoY on higher employee expenses, G&A expenses and depreciation, but was stable QoQ

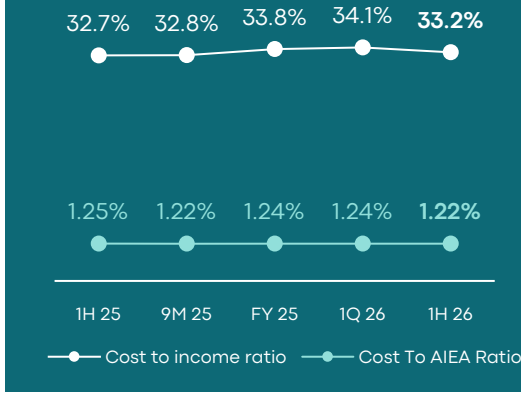
Operating Expenses

- Operating expenses increased 6% YoY to ৳1,848mn in 1H 2026 mainly reflecting higher employee costs from annual salary adjustments and modest headcount growth, as well as increased G&A expenses and depreciation following the rollout of transformation projects.
- Cost to income ratio increased by 52bps YoY to 33.2% in 1H 2026 from 32.7% in 1H 2025.
- At the same time, operating expenses as a percentage of average interest-earning assets (AIEA) decreased by 2bps YoY to 1.22% for 1H 2026, driven by an 8% expansion of AIEA relative to a 6% expense growth.
- On a sequential basis, operating expenses were broadly stable.

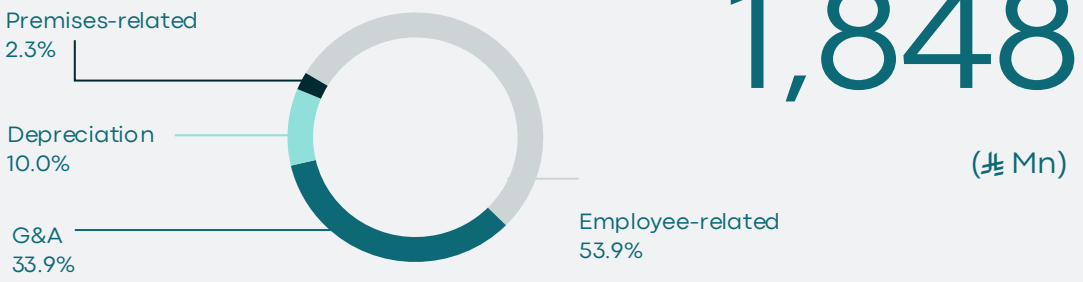
Operating Expenses (৳ Mn)



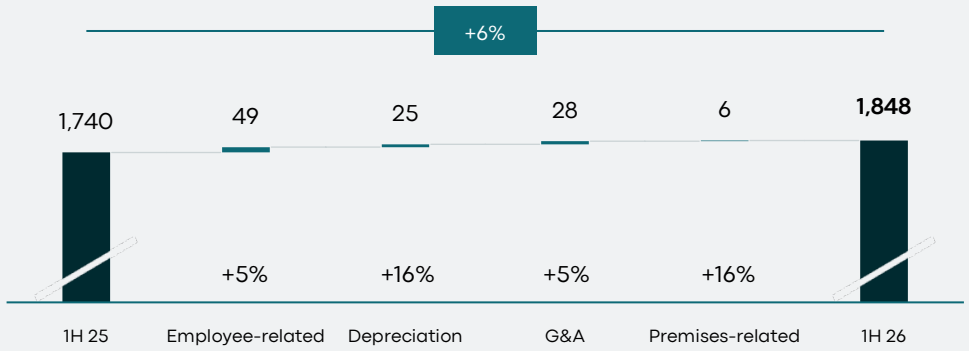
Cost Ratios (%)



Operating Expenses Composition



Operating Expenses Movement YoY (৳ Mn)

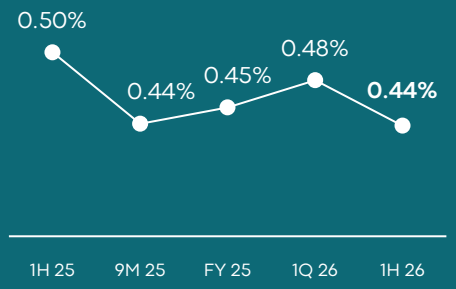


Cost of risk decreased by 6bps YoY to 0.44% driven by overall portfolio growth

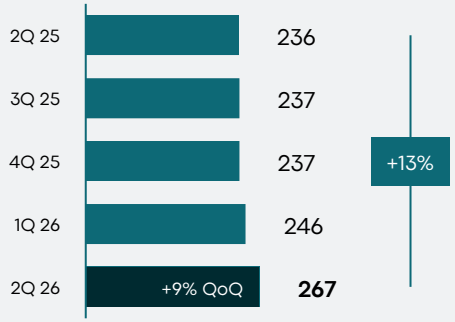
Impairment Charge

- The total impairment charge for 1H 2026 was steady YoY at ৳ 513mn. In combination with healthy loan growth, this resulted in a 6bps YoY improvement in cost of risk to 0.44% for 1H 2026.
- On a sequential basis, impairment charges rose 9%, driven by a ৳ 39mn charge in investments and other exposures. Credit loss impairments fell 14% QoQ, supported by recoveries from previously written-off accounts.

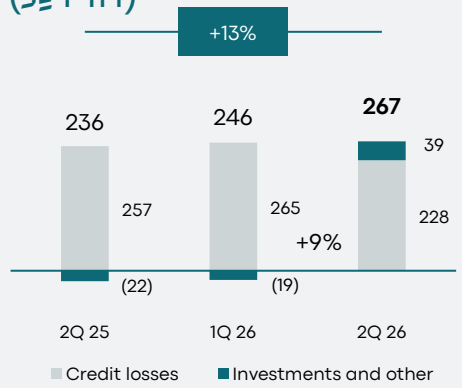
Cost of Credit Risk (%)



Impairment Charge (৳ Mn)



Impairment Charge (৳ Mn)



Commercial COR

0.27%

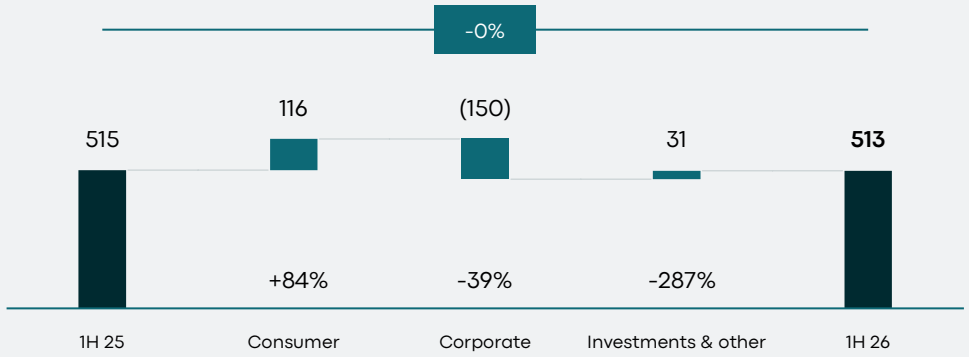
▼ -19bps year-on-year

Consumer COR

1.10%

▲ +41bps year-on-year

Impairment Charge Movement YoY (৳ Mn)

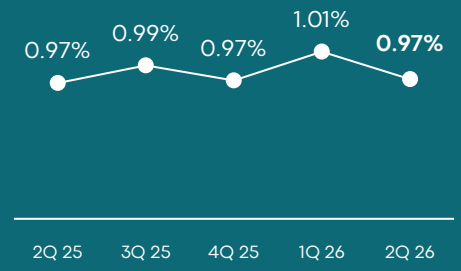


Asset quality remains strong with stable NPL ratio YTD

NPL Ratio

- The NPL ratio improved to 0.97% in 2Q 2026 from 1.01% in 1Q 2026 and remained stable YTD. During the quarter, the single-name watchlist exposure migrated to NPL, however, this was more than offset by the write-off of two corporate accounts, resulting in a modest QoQ decline in NPL balances.

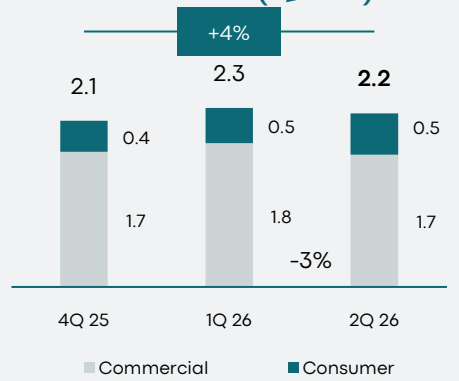
NPL Ratio (%)



Non Performing Loans & Advances (৳ Bn)



Non Performing Loans & Advances (৳ Bn)



Commercial NPL Ratio

0.94%

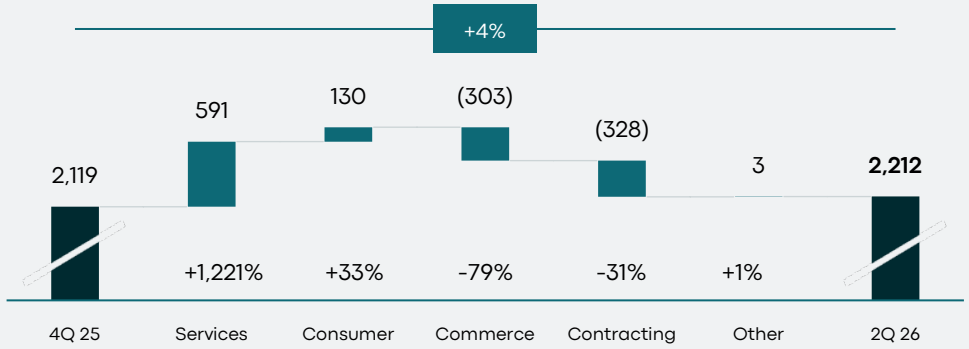
▼ -6bps year-to-date

Consumer NPL Ratio

1.10%

▲ +22bps year-to-date

Total Non Performing Movement by Sector YTD (৳ Bn)

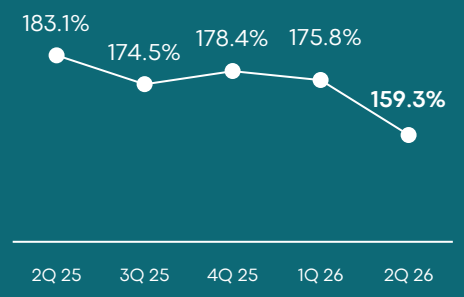


NPL coverage robust at 159.3%

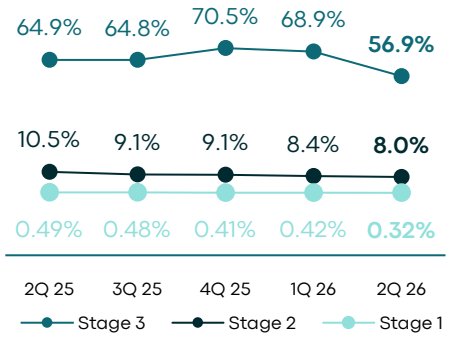
NPL Coverage

- The NPL coverage ratio decreased by 19ppts YTD to 159.3%, as the newly downgraded NPLs carry lower reserve levels than the two fully covered accounts that were written off.
- Stage 3 coverage decreased by 13.6ppts YTD to 56.9% due to the same factors, while Stage 2 coverage decreased by 110bps to 8.0% and Stage 1 coverage narrowed marginally.

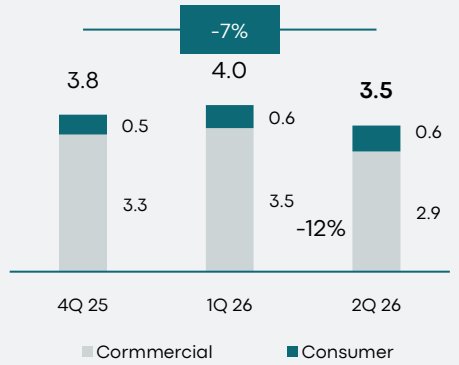
NPL Coverage Ratio (%)



Stage-Wise Provision Coverage (%)



Allowance for Impairment (₦ Bn)



Commercial NPL Coverage

171.6%

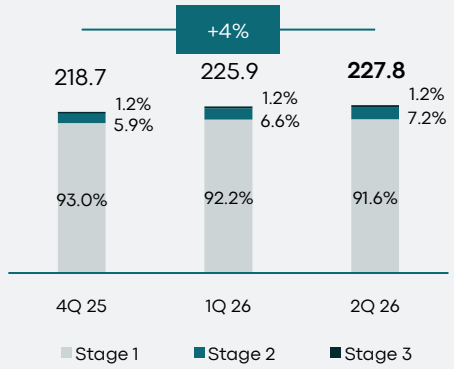
▼ -20.0ppts year-to-date

Consumer NPL Coverage Ratio

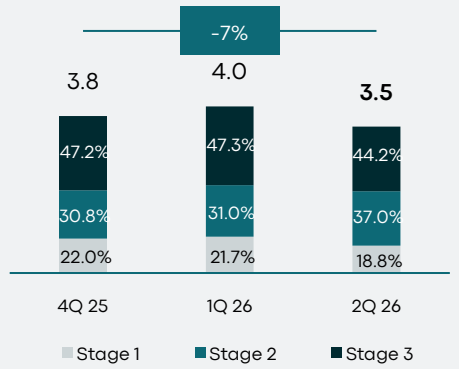
120.1%

▶ -1.0ppts year-to-date

Stage-Wise Gross Financing (₦ Bn)



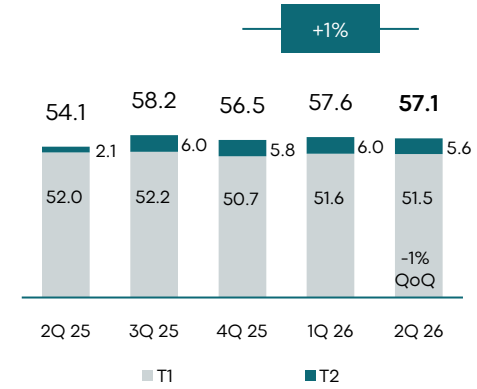
Stage-Wise ECL Allowances (₦ Bn)



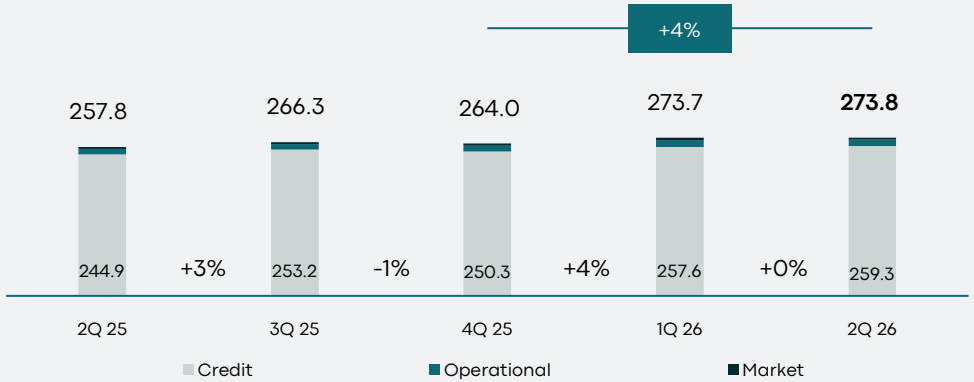
Healthy capital levels maintained

- Total capital (Tier 1 + Tier 2 regulatory capital) increased marginally YTD to ৳ 57.1bn during 1H 2026 from net income, partially offset by dividends paid and OCI.
- RWAs increased by 4% YTD to ৳ 273.8bn.
- CAR stood at 20.8%, Tier 1 ratio at 18.8% and CET1 ratio at 15.9% as of 30 June 2026.

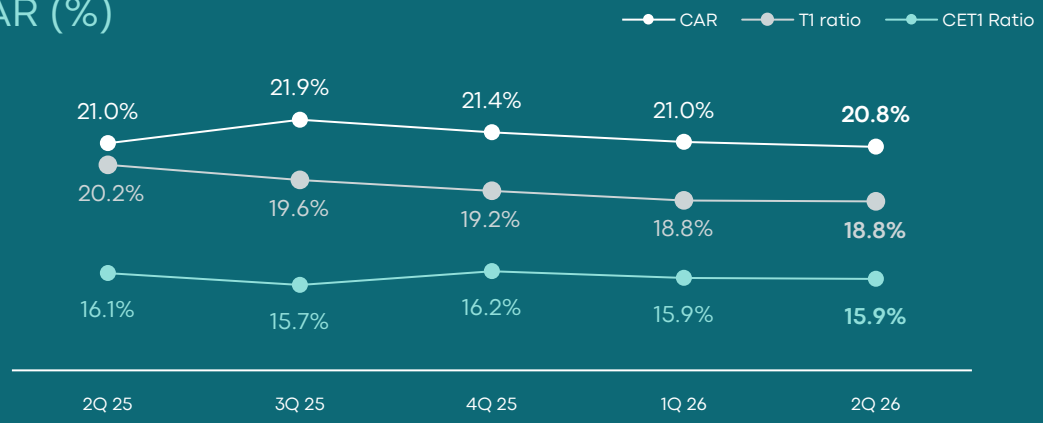
Total Capital (৳ Bn)



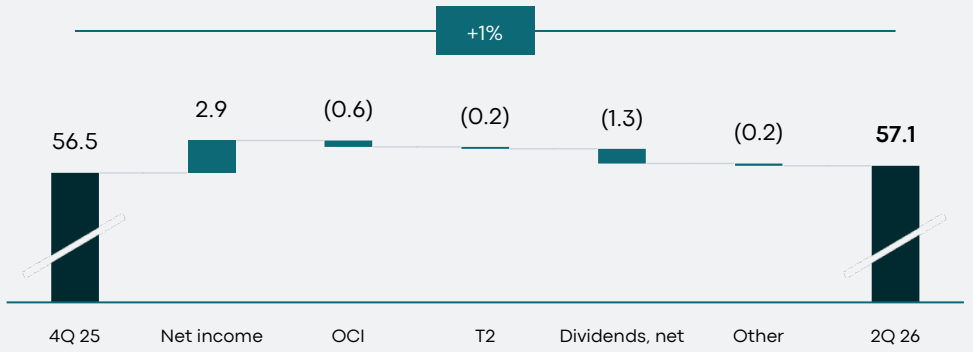
RWA (৳ Bn)



CAR (%)



Total Capital Movement YTD (৳ Bn)

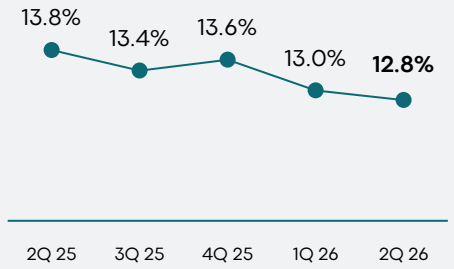


Liquidity remains strong and comfortably within regulatory limits

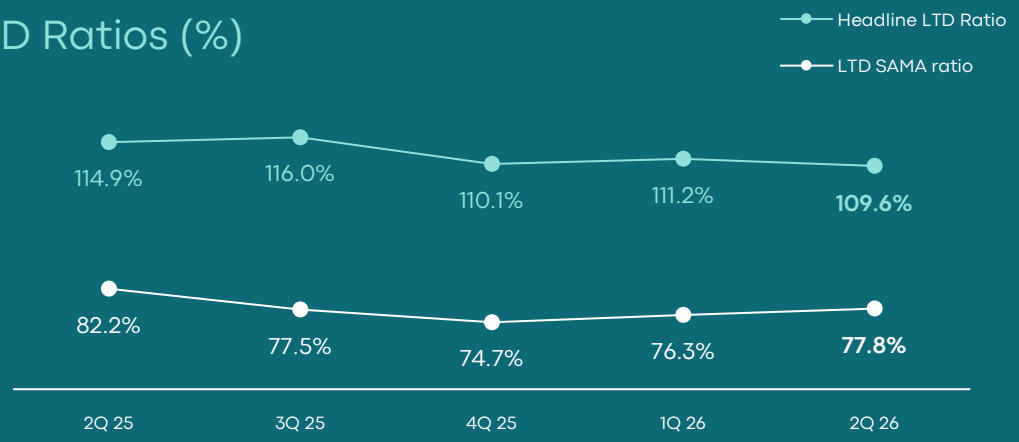
Liquidity

- LCR declined by 24.8ppts YTD to 168.9% during 1H 2026.
- NSFR moderated by 1ppts YTD to 125% as of 30 June 2026.
- The SAMA regulatory LTD ratio increased 3.1ppts YTD to 77.8% as of 30 June 2026, while the headline ratio stood at 109.6%.

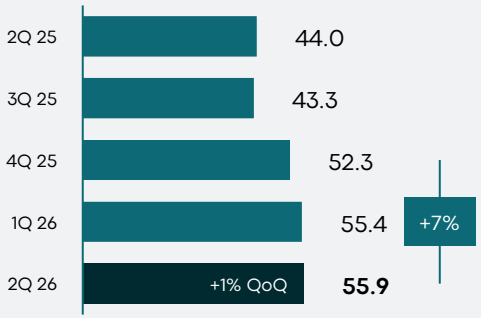
Leverage Ratio (%)



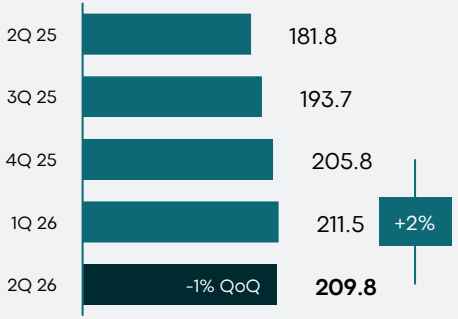
LTD Ratios (%)



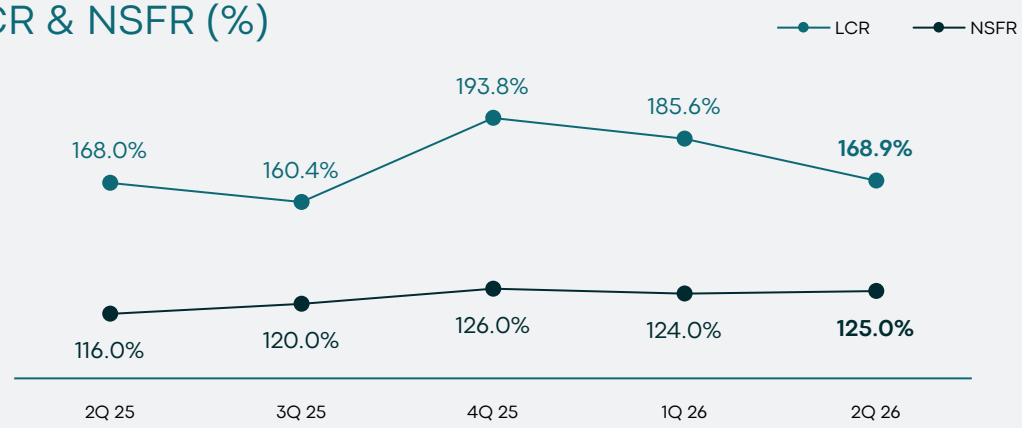
HQLA (৳ Bn)



Available Stable Funding (৳ Bn)



LCR & NSFR (%)

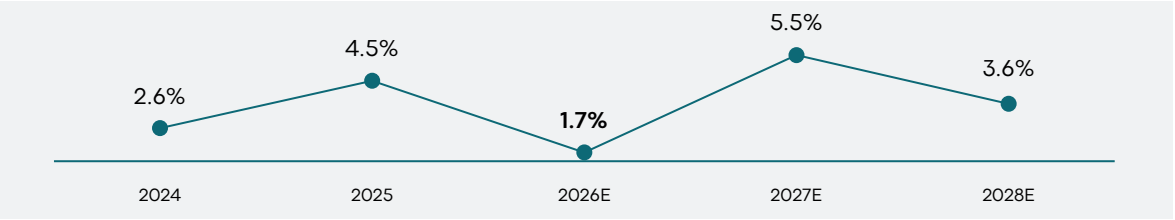
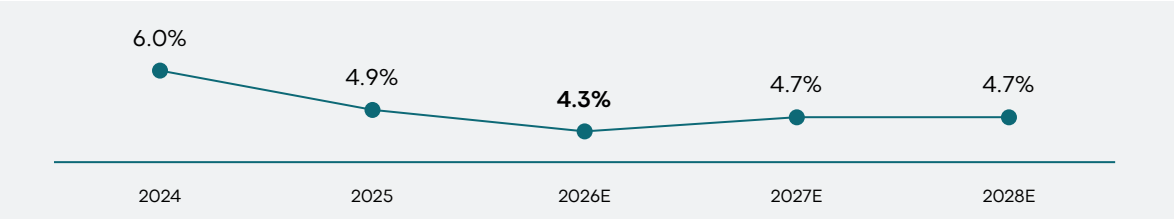
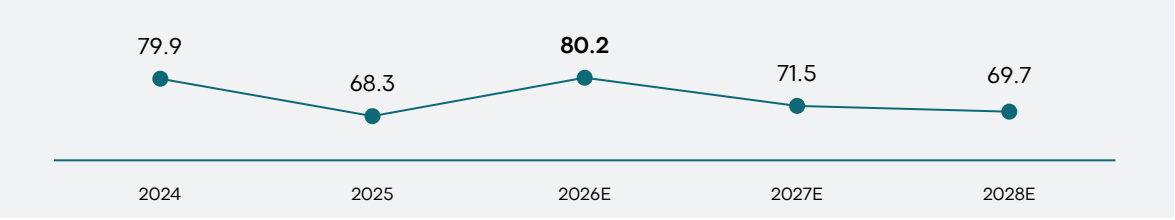
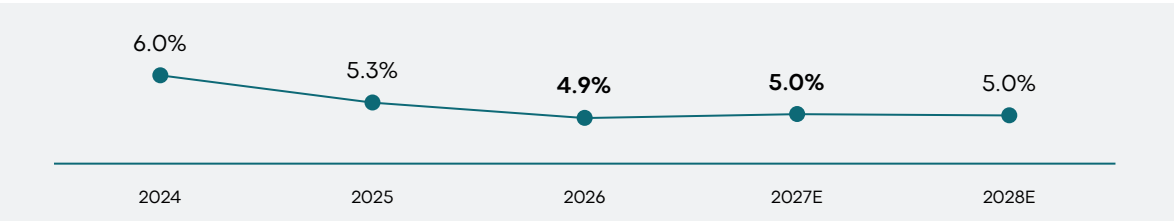


Outlook & Guidance

Investor Presentation 1H 2026



Saudi Arabia's macro outlook remains resilient despite geopolitical uncertainty supported by higher oil prices and stable interest rates

Metric	2025	2026 Outlook	Trend
Saudi Arabia Real GDP Growth	+4.5%	+1.7%	
Saudi Arabia Non-oil GDP Growth	+4.9%	+4.3%	
Oil prices (Brent/Barrel, USD)	68.3	80.2	
Interest rates (SAIBOR 3m avg)	5.3%	4.9%	

Sources: SAIBOR historical rates – SAMA | SAIBOR/SOFR forecasts – BSF Treasury | GDP, oil price – IMF

Positive outlook for the year ahead, supported by sustained loan growth, resilient margins, and efficiency gains driving profitability

Metric	1H 2026 Outcome	2026 Guidance	1H 2026 Revision	Guidance Drivers
Loans & Advances Growth	+4.4% YTD Bn 224.2	High single digit	unchanged	The guidance reflects stronger volumes in both commercial and consumer portfolios, with JB driving growth in consumer lending.
Net Interest Margin	3.04% ▼ -7 bps YOY	~3.00%	unchanged	Impact from lower NIBD ratio to be partly offset by increased spread from repricing of corporate loans and growth in JB.
Cost of Risk	44bps ▼ -6 bps YOY	45-50bps	narrowed from 45-55bps	Cost of risk outlook refined to reflect a more measured normalization of the commercial book, alongside growth in JB and prudent forecasting of recoveries.
Cost to Income Ratio	33.2% ▲ +0.5 ppts YOY	<33%	unchanged	Cost to income ratio to move towards the guided range aided by positive operating leverage.
Return on Equity	12.1% ▼ -42 bps YOY	12-13%	unchanged	ROE guidance is supported by higher net interest income, increased fee generation, and disciplined operating and risk cost containment.
Core Equity Tier 1 Ratio	15.9% ▼ -29 bps YTD	>15%	unchanged	Capital ratios are expected to remain stable through retained earnings, balancing growth-related capital consumption.

Segmental Performance

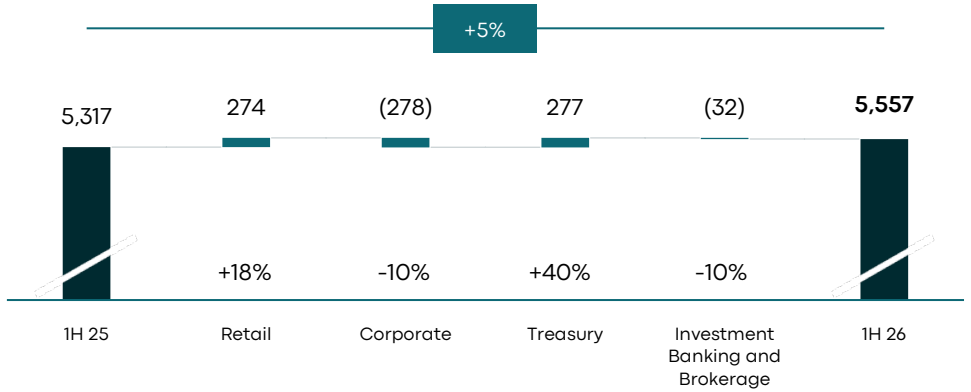
Investor Presentation 1H 2026



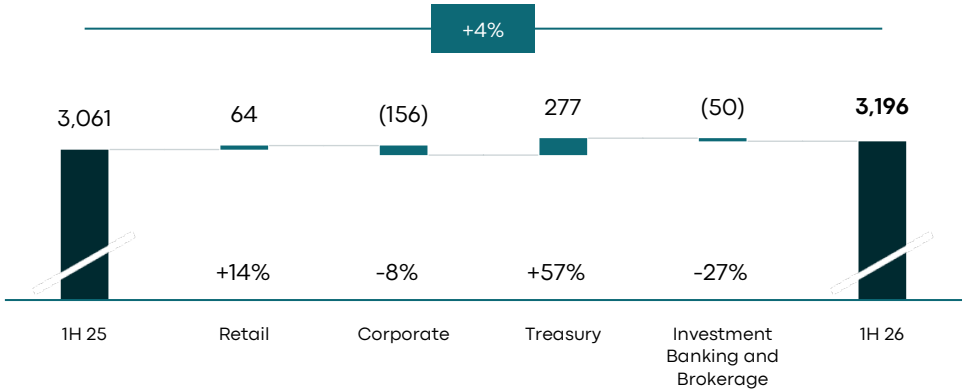
BSF

Profitability driven by net income growth in Treasury and Retail, partly offset by Corporate due to a change in FTP and Investment Banking & Brokerage

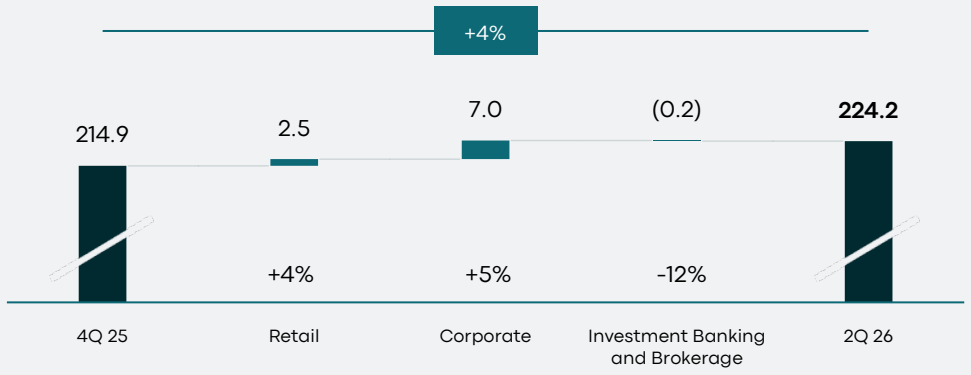
Operating Income Movement YoY (৳ Mn)



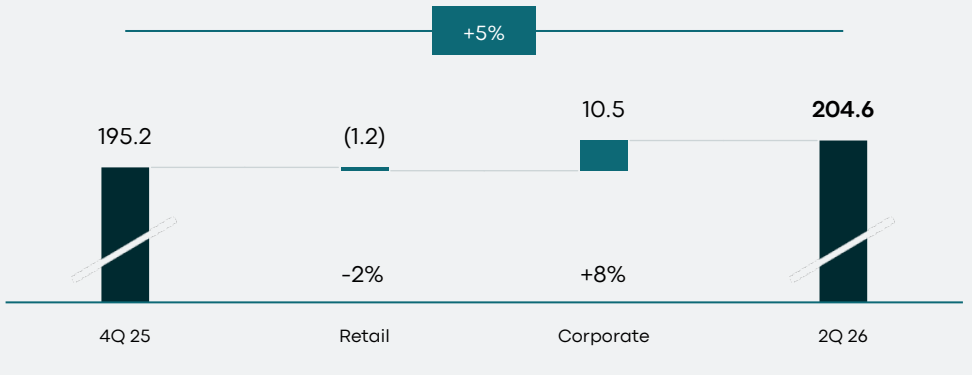
Net Income Before Zakat Movement YoY (৳ Mn)



Loans & Advances Movement YTD (৳ Bn)

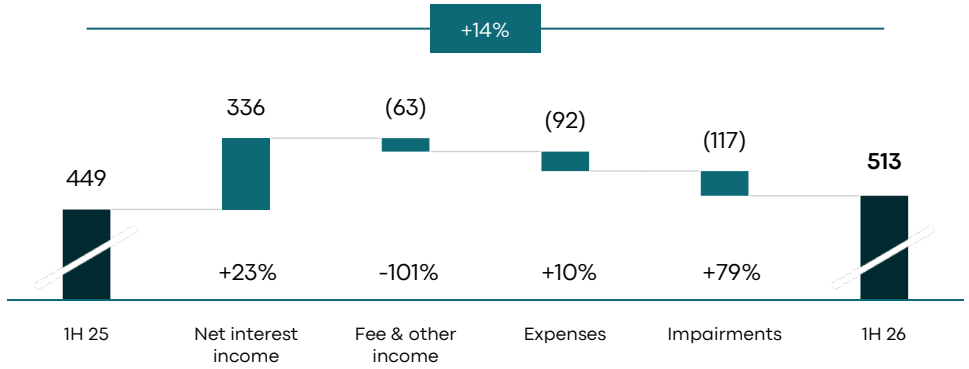


Customers' Deposits Movement YTD (৳ Bn)

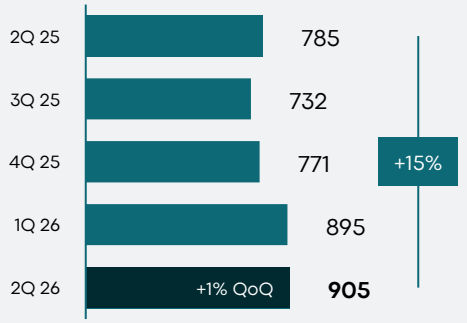


Retail Segment: Net income grew 14% YoY, driven by higher net interest income from loan growth and positive impact from change in FTP, with offset in Corporate

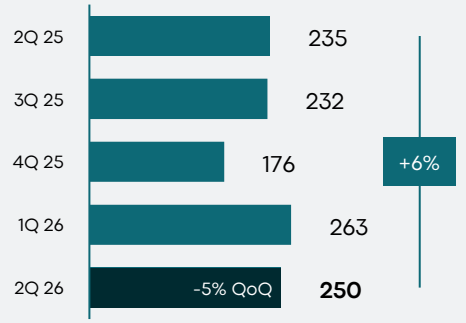
Net Income Before Zakat Movement YoY (৳ Mn)



Total Operating Income (৳ Mn)

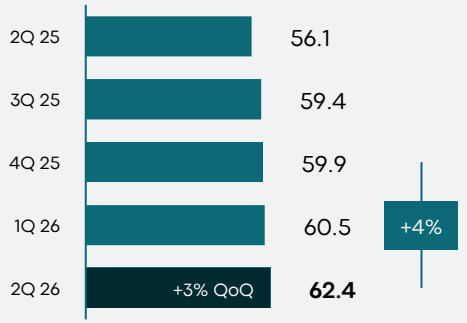


Net Income Before Zakat (৳ Mn)

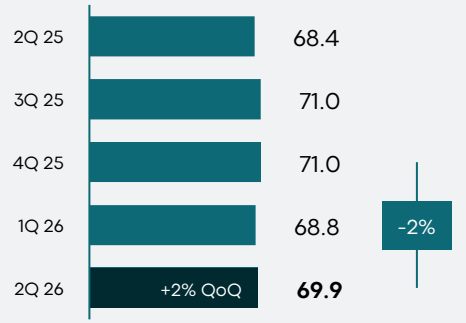


৳ Mn	1H 2026	1H 2025	Δ%	2Q 2026	2Q 2025	Δ%
Net interest income	1,800	1,464	+23%	908	739	+23%
Fee & other income	(1)	62	-101%	(3)	47	-107%
Total operating income	1,799	1,526	+18%	905	785	+15%
Expenses	(1,022)	(930)	+10%	(507)	(457)	+11%
Pre-impairment operating income	777	596	+30%	397	328	+21%
Impairments	(264)	(147)	+79%	(147)	(92)	+59%
Net income before zakat	**513**	**449**	**+14%**	**250**	**235**	**+6%**

Retail Loans (৳ Bn)

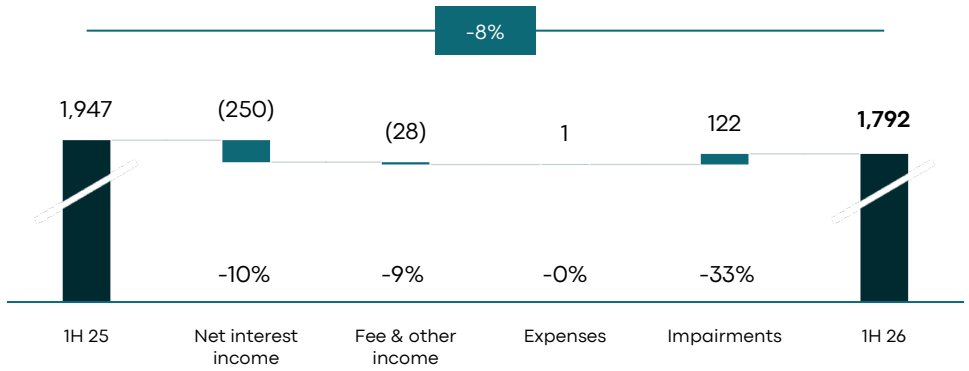


Retail Deposits (৳ Bn)

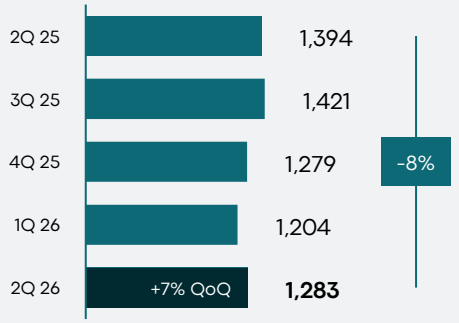


Corporate Segment: 8% YoY profit decline from lower net interest income due to FTP impact, while interest received on loans increased, partly offset by lower impairments

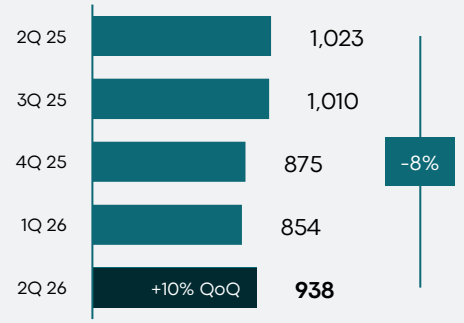
Net Income Before Zakat Movement YoY (৳ Mn)



Total Operating Income (৳ Mn)

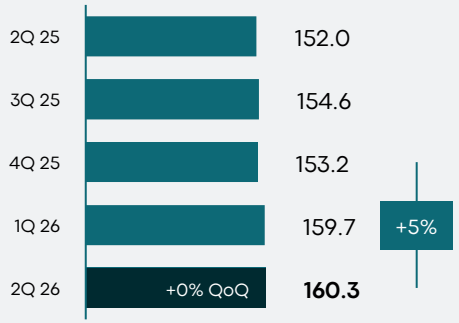


Net Income Before Zakat (৳ Mn)

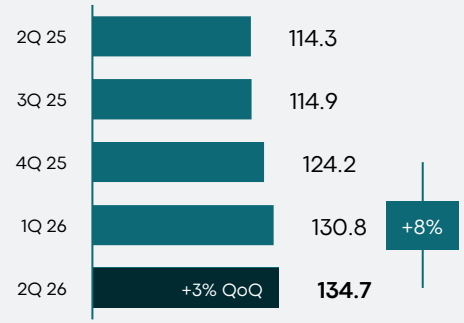


৳ Mn	1H 2026	1H 2025	Δ%	2Q 2026	2Q 2025	Δ%
Net interest income	2,187	2,437	-10%	1,129	1,230	-8%
Fee & other income	300	328	-9%	154	165	-6%
Total operating income	2,487	2,765	-10%	1,283	1,394	-8%
Expenses	(448)	(449)	-0%	(229)	(231)	-1%
Pre-impairment operating income	2,038	2,316	-12%	1,054	1,163	-9%
Impairments	(247)	(368)	-33%	(116)	(140)	-17%
Net income before zakat	**1,792**	**1,947**	**-8%**	**938**	**1,023**	**-8%**

Corporate Loans (৳ Bn)

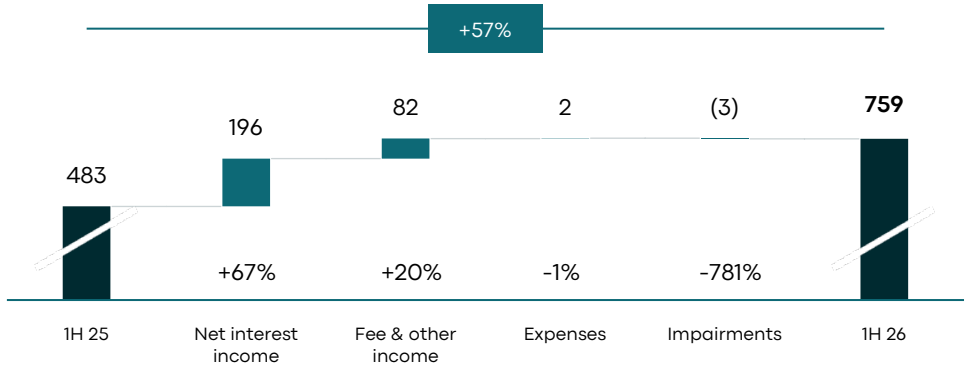


Corporate Deposits (৳ Bn)

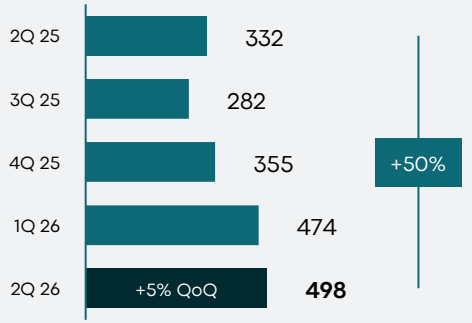


Treasury Segment: Net income growth driven by investment portfolio expansion at higher yields, positive impact from change in FTP and stronger fee and other income

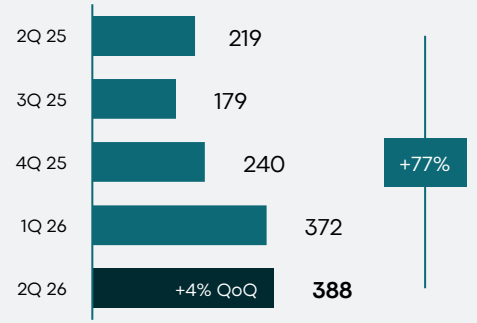
Net Income Before Zakat Movement YoY (৳ Mn)



Total Operating Income (৳ Mn)

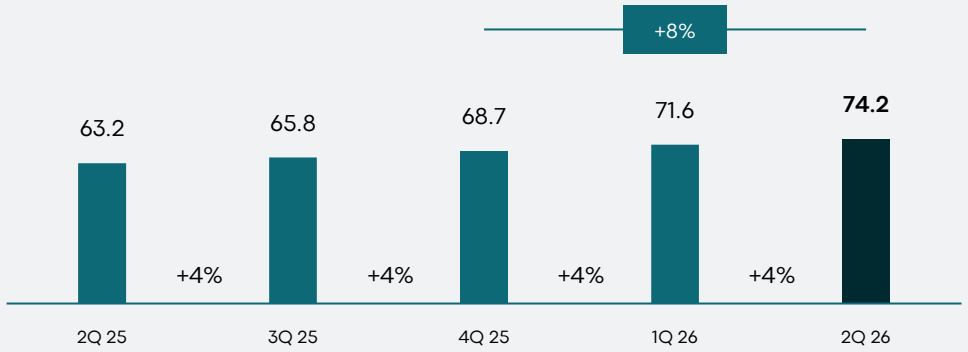


Net Income Before Zakat (৳ Mn)



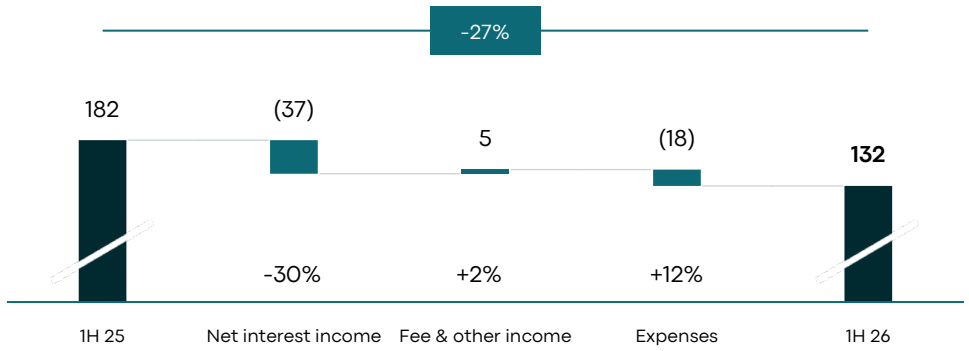
৳ Mn	1H 2026	1H 2025	Δ%	2Q 2026	2Q 2025	Δ%
Net interest income	489	293	+67%	263	164	+60%
Fee & other income	483	402	+20%	235	168	+40%
Total operating income	972	695	+40%	498	332	+50%
Expenses	(210)	(212)	-1%	(107)	(109)	-2%
Pre-impairment operating income	762	482	+58%	391	223	+76%
Impairments	(2)	0	-781%	(4)	(4)	+3%
Net income before zakat	**759**	**483**	**+57%**	**388**	**219**	**+77%**

Investments (৳ Bn)

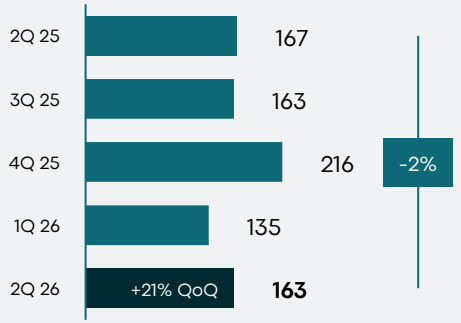


Investment Banking and Brokerage Segment: YoY profitability declined mainly from lower net interest income and higher expenses

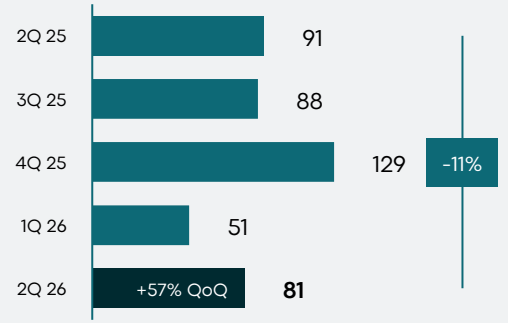
Net Income Before Zakat Movement YoY (﷼ Mn)



Total Operating Income (﷼ Mn)

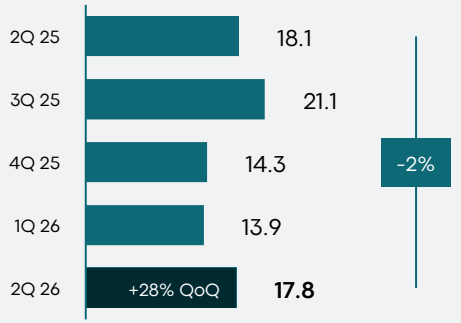


Net Income Before Zakat (﷼ Mn)

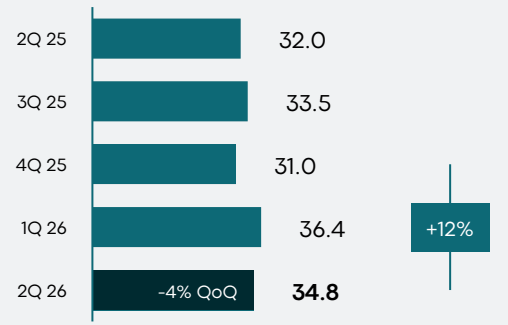


﷼ Mn	1H 2026	1H 2025	Δ%	2Q 2026	2Q 2025	Δ%
Net interest income	84	120	-30%	44	63	-31%
Fee & other income	215	210	2%	120	103	+16%
Total operating income	299	331	-10%	163	167	-2%
Expenses	(167)	(149)	12%	(83)	(76)	+9%
Pre-impairment operating income	132	182	-28%	81	91	-11%
Net income before zakat	**132**	**182**	**-27%**	**81**	**91**	**-11%**

Brokerage Trading Value (﷼ Bn)



Assets Under Management (﷼ Bn)



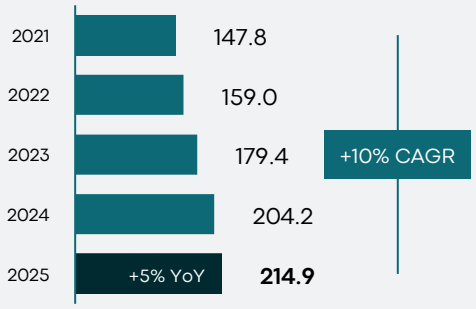
Performance Track Record

Investor Presentation 1H 2026

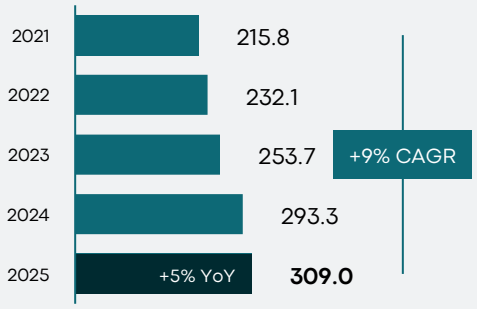


Balance Sheet Metrics

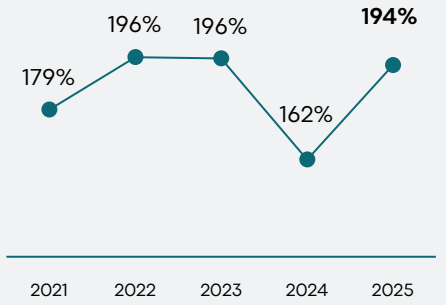
Loans & Advances (৳ Bn)



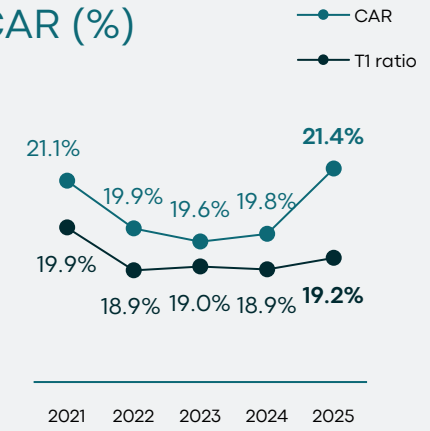
Total Assets (৳ Bn)



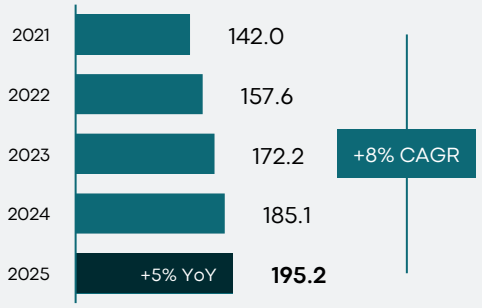
LCR (%)



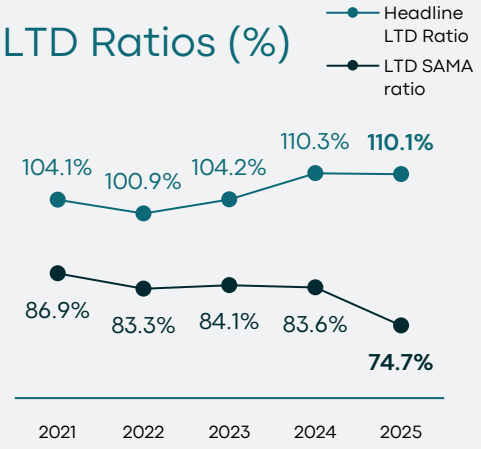
CAR (%)



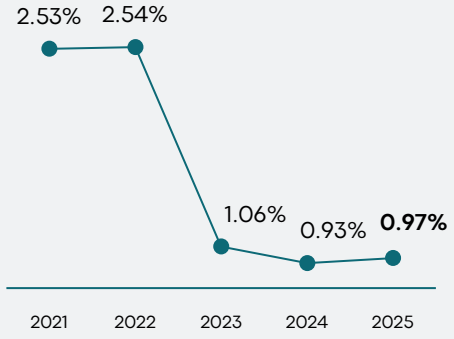
Customers' Deposits (৳ Bn)



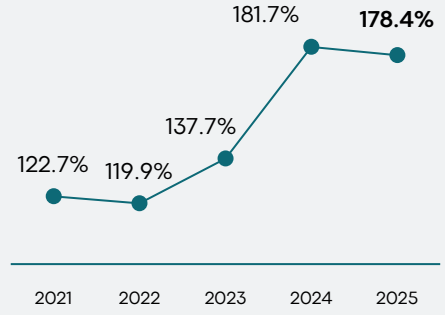
LTD Ratios (%)



NPL Ratio (%)

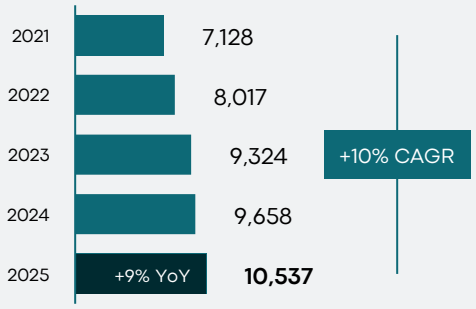


NPL Coverage Ratio (%)

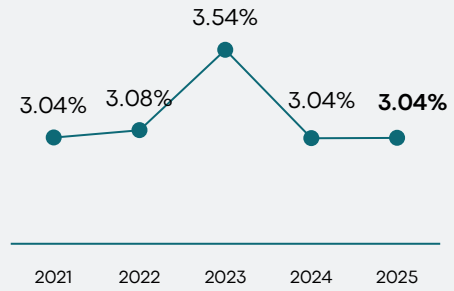


Income Statement Metrics

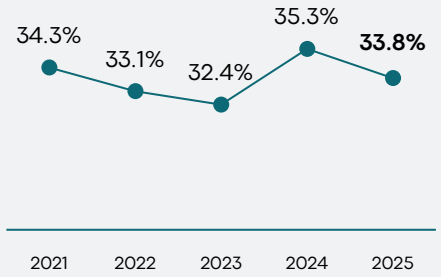
Total Operating Income (₮ Mn)



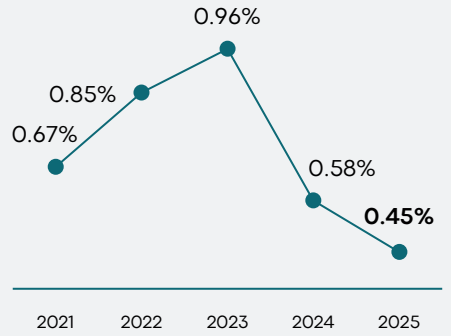
NIM (%)



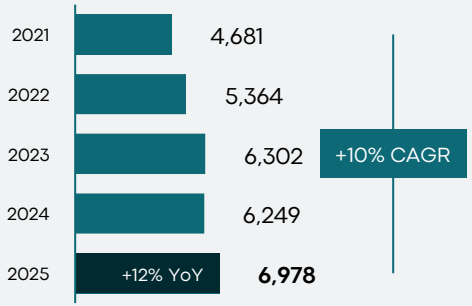
Cost to Income Ratio (%)



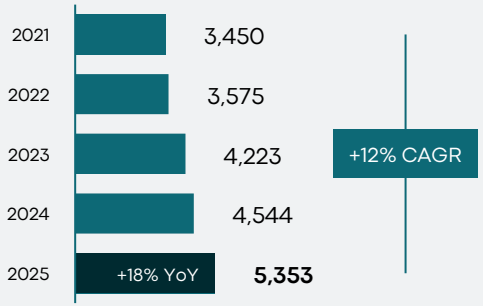
Cost of Risk (%)



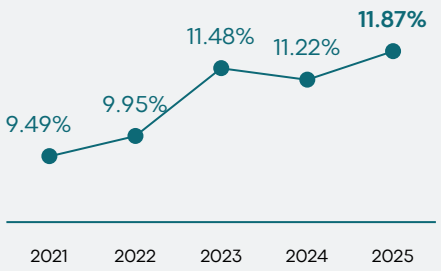
Net Operating Income Before Impairments



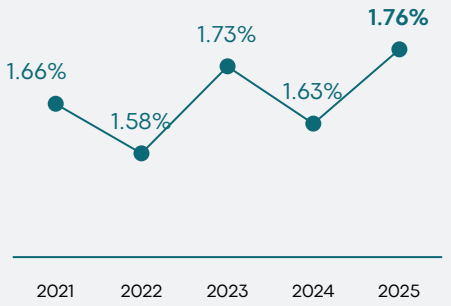
Net Income (₮ Mn)



ROAE (%)

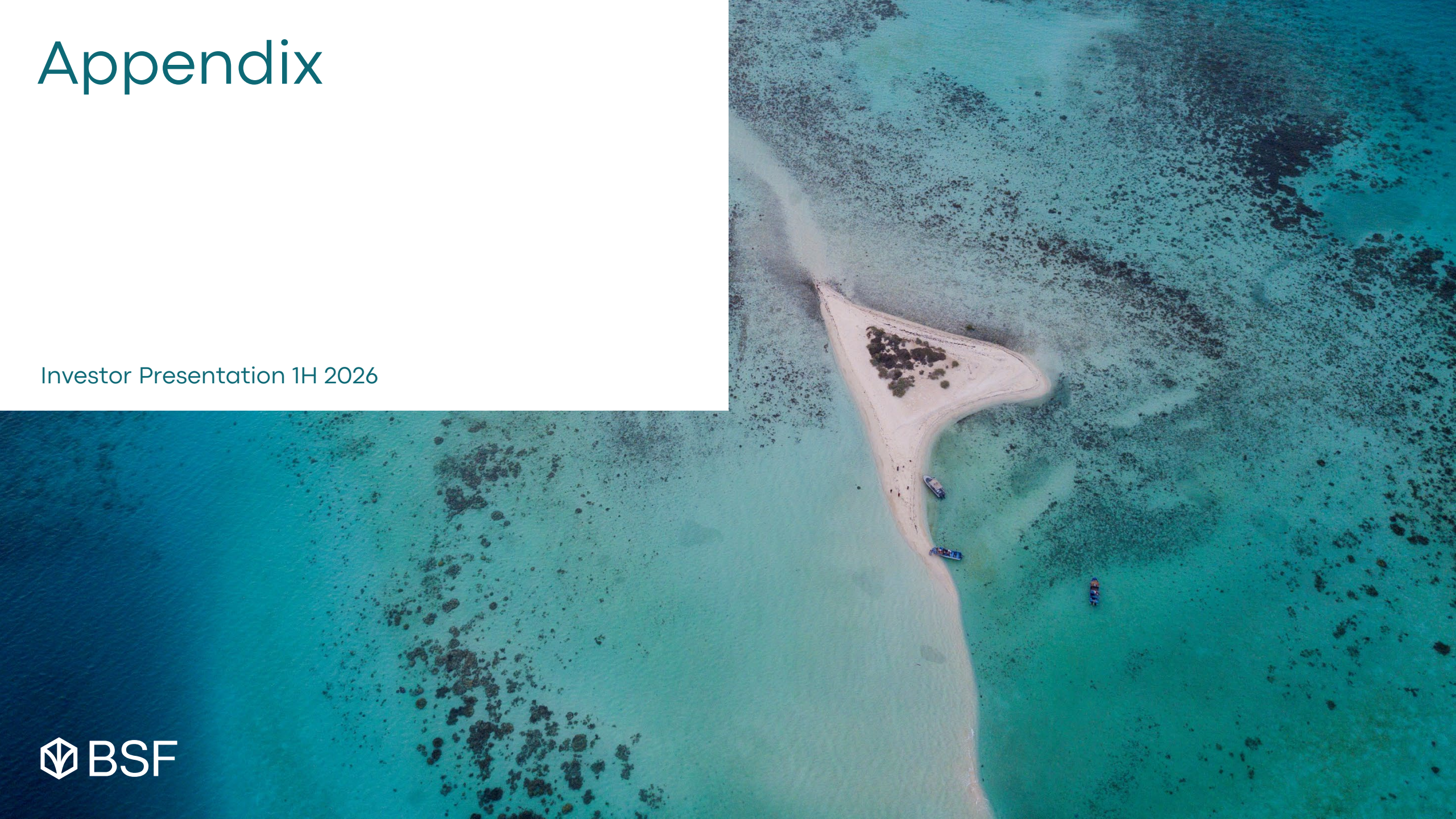


ROAA (%)



Appendix

Investor Presentation 1H 2026



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