SAIB reports 3% net income growth to ⃁1,051 million in 1H 2026

Solid balance sheet momentum: lending growth of 5%, deposits growth of 11% in 1H 2026

Key financial metrics for 1H 2026:

Loans +5% YTD ⃁ 117.3 bn ▲	Investments +0% YTD ⃁ 47.3 bn ▲	Deposits +11% YTD ⃁ 121.6 bn ▲
Operating Income +2% YoY ⃁ 2,163 mn ▲	Operating Expenses -2% YoY ⃁ 855 mn ▼	Net Income +3% YoY ⃁ 1,051 mn ▲
Tier 1 Ratio +92 bps YTD 19.7% ▲	SAMA LTD Ratio -3.6 ppt YTD 76.6% ▼	Return on Equity -56 bps YoY 12.2% ▼

Key highlights of 1H 2026

- Total assets at ⃁184.0 bn, up 6% YTD
- Loans and advances increased by 5% YTD
- Investments (mainly debt securities) remained stable YTD
- Customer deposits up 11% YTD
- Net income rose 3% YoY
- Total operating income up 2% YoY, supported by fee and other income
- NIM contraction to 2.18% YoY on lower asset yields
- Cost to income ratio improved to 39.5%
- Healthy credit quality with cost of risk at 0.22% and lower NPL ratio at 0.91%
- Return on equity decreased 56 bps YoY to 12.2%
- Strengthened capitalization with Tier 1 ratio of 19.7% and CAR of 20.2%
- Comfortable liquidity position with LCR of 196.5% and NSFR of 111.5%

Riyadh, 10 August 2026 – The Saudi Investment Bank has reported net income of ⃁1,051 million for 1H 2026, a 3% year-on-year increase. Total operating income increased by 2% to ⃁2,163 million, driven by an 11% increase in fee and other income, reflecting stronger investment-related income, foreign exchange income and fee income from banking services. Net income growth was further supported by a 2% reduction in operating expenses. SAIB's balance sheet expanded by 6% year-to-date, driven by 5% lending growth and a 40% increase in cash and balances with SAMA and 139% increase in balances due from banks. This growth was funded primarily by 11% growth in customer deposits.

Faisal Abdullah Al-Omran, Chief Executive Officer of Saudi Investment Bank, said:

"SAIB delivered a solid first-half performance in 2026, demonstrating the resilience of its business model amid a highly challenging regional macro-economic backdrop and geopolitical uncertainty. The Bank reported net income of ⃁1,051 million, up 3% year-on-year, while return on equity stood at 12.2%, reflecting prudent balance sheet management, effective cost discipline and a sustained focus on profitable growth.

The Bank also continued to strengthen its balance sheet, with total assets up 6%, supported by growth across lending, balances with SAMA and interbank placements. This expansion was underpinned by an 11% increase in customer deposits, primarily driven by retail deposits. Asset quality remained a key area of strength, with the non-performing loan ratio standing at 0.91% and provision coverage improving to 201.8%. SAIB's well-established risk management framework continues to support one of the strongest asset quality profiles in the market. At the same time, robust capital and liquidity levels provide a solid platform for future growth.

Looking ahead, SAIB's management is confident that its refreshed strategy will continue to drive sustainable growth, and believes that the robust results in the first half of the year demonstrate our ability to create long-term value for shareholders and stakeholders, even in challenging circumstances."

Performance Highlights

Income Statement

⃁ Million	1H 2026	1H 2025	Δ	2Q 2026	2Q 2025	Δ
Net special commission income	**1,804**	1,796	+0.4%	899	905	-1%
Fee and other income	**359**	324	+11%	207	164	+26%
Total operating income	**2,163**	**2,120**	**+2%**	1,106	**1,070**	**+3%**
Operating expenses before impairments	**(855)**	(869)	-2%	(442)	(437)	+1%
Provisions for credit and other losses	**(128)**	(126)	+2%	(70)	(64)	+10%
Net Operating Income	**1,179**	**1,125**	**+5%**	593	**569**	**+4%**
Share in earnings of associates	**42**	56	-24%	24	27	-11%
Income before provisions for Zakat	**1,222**	**1,181**	**+3%**	618	**596**	**+4%**
Provisions for Zakat	**(171)**	(165)	+3%	(86)	(83)	+4%
Net Income attributed to equity holders	**1,051**	**1,016**	**+3%**	531	**512**	**+4%**

Earnings per share (⃁)	**0.70**	0.68	+4%	0.30	0.29	+5%
Net interest margin	**2.18%**	2.40%	-22bps	2.13%	2.35%	-22bps
Cost to income ratio	**39.5%**	41.0%	-146bps	40.0%	40.8%	-84bps
Cost of risk	**0.22%**	0.24%	-2bps	0.24%	0.24%	-0bps
Return on equity	**12.2%**	12.7%	-56bps	12.1%	12.7%	-64bps

Net income for 1H 2026 rose 3% year-on-year to ⃁1,051 million. Growth was driven by an increase in total operating income, supported by lower operating expenses. This improvement was partially offset by higher impairments, lower associate earnings and higher zakat.

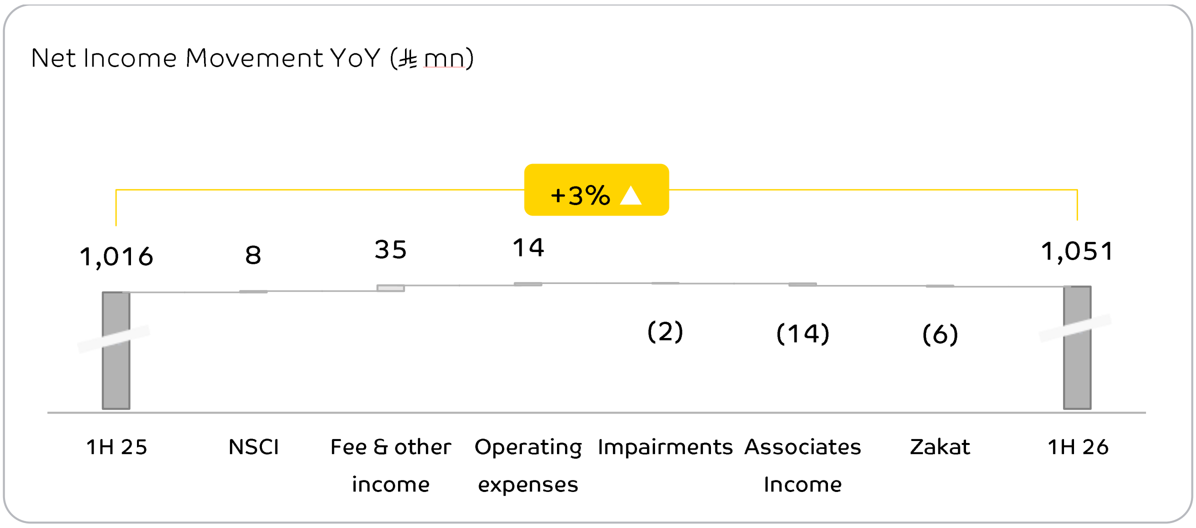
Total operating income for 1H 2026 reached ⃁2,163 million, representing a 2% year-on-year increase. Growth was supported by an 11% rise in fee and other income, driven mainly by higher investment gains, foreign exchange income and banking services income. Net special commission income remained broadly stable, as 10% growth in average earning assets offset a 22 basis point contraction in net interest margin to 2.18%.

Operating expenses decreased by 2% year-on-year to ⃁855 million, primarily driven by lower general and administrative expenses, partially offset by higher employee-related costs.

The **cost to income ratio** improved to 39.5% in 1H 2026 compared to 41.0% in 1H 2025, driven by positive operating leverage supported by disciplined cost management.

The **provisions for credit and other losses** amounted to ⃁128 million during 1H 2026 compared to ⃁126 million in 1H 2025, resulting in an improved cost of risk of 0.22% for 1H 2026.

The **share in earnings of associates** decreased by 24% year-on-year to ⃁42 million. Zakat expense increased by 3% year-on-year.



Balance Sheet

⃁ Million	2Q 2026	4Q 2025	Δ	1Q 2026	Δ
Cash and balances with SAMA	**8,745**	6,235	+40%	10,193	-14%
Due from banks and financial Institutions, net	**3,867**	1,621	+139%	1,928	+101%
Investments, net	**47,333**	47,197	+0%	46,936	+1%
Loans and advances, net	**117,320**	112,070	+5%	115,608	+1%
Other assets, net	**6,756**	5,702	+18%	6,091	+11%
Total assets	**184,021**	172,825	+6%	180,755	+2%
Due to banks and other financial institutions, net	**32,465**	35,664	-9%	29,527	+10%
Customers' deposits	**121,559**	109,619	+11%	122,935	-1%
Term loans	**3,363**	2,790	+21%	3,358	+0%
Other liabilities	**1,800**	2,319	-22%	2,096	-14%
Total liabilities	**159,187**	150,392	+6%	157,915	+1%
Share capital	**12,500**	12,500	+0%	12,500	+0%
Retained earnings	**3,108**	2,603	+19%	3,105	+0%
Other reserves	**2,064**	2,018	+2%	1,923	+7%
Shareholders' equity	**17,672**	17,121	+3%	17,527	+1%
Tier 1 sukuk	**7,163**	5,313	+35%	5,313	+35%
Total equity	**24,834**	22,433	+11%	22,840	+9%

NPL Ratio	**0.91%**	0.95%	-4bps	0.94%	-3bps
NPL Coverage Ratio	**201.8%**	184.1%	+17.7ppt	194.1%	+7.8ppt
NIBD % of total	**20.5%**	25.4%	-490bps	21.7%	-115bps
CASA Ratio	**29.3%**	29.1%	+29bps	26.6%	+272bps
Tier 1 ratio	**19.7%**	18.8%	+92bps	18.3%	+134bps
Capital adequacy ratio	**20.2%**	19.3%	+92bps	18.9%	+133bps
Liquidity coverage ratio	**196.5%**	185.3%	+11.2ppt	190.8%	+5.7ppt
Net stable funding ratio	**111.5%**	112.0%	-0.5ppt	112.5%	-1.3ppt
Financing to customers' deposit ratio (SAMA)	**76.6%**	80.3%	-3.6ppt	76.7%	-0.0ppt

Total assets reached ⃁184.0 billion as of 30 June 2026, marking 6% year-to-date growth.

Loans and advances increased by 5% to ⃁117.3 billion. This growth reflected a 5% increase in corporate lending and 2% growth in retail lending, including private banking. SAIB continued to expand its participation in financing large infrastructure projects, while exposure to other key sectors such as building and construction, utilities, services and commerce also contributed to this growth.

The **investment portfolio** remained broadly stable, reaching ⃁47.3 billion. This was mainly driven by 6% increase in investments in banks and other financial institutions, offset by a 3% and 4% decrease in government and quasi-government investments and corporate investments respectively. As of 30 June 2026, the **high-grade investment portfolio** comprised 48% investment securities issued by government, and 40% by banks and other financial institutions.

Customer deposits expanded by 11% year-to-date to ⃁121.6 billion, reflecting a 18% increase in interest bearing deposits, which was partly offset by an 11% decrease in non-interest bearing deposits. The share of non-interest bearing deposits amounted to 20.5% as of 30 June 2026, while CASA ratio grew by 0.3ppt to 29.3%. Retail deposits were up 15% for the period, Treasury and Investment deposits grew by 18%, while corporate deposits decreased by 21%.

The non-performing loan ratio improved to 0.91% as of 30 June 2026, supported by a modest 1% decline in non-performing loans and continued growth in the lending portfolio. The bank's non-performing loan coverage ratio strengthened to an extremely comfortable level of 201.8% as of end-June 2026.

The Bank remained **well capitalized**, with the total capital adequacy ratio increasing to 20.2% as of 30 June 2026, from 19.3% at year-end 2025. The Tier 1 capital ratio rose to 19.7%, compared with 18.8% as of 31 December 2025. Total capital grew by 11% year-to-date, primarily reflecting the issuance of ⃁1.85 billion in Additional Tier 1 Sukuk in May 2026 and retained earnings generation. Risk-weighted assets increased by 6% over the same period, driven by increases across credit, operational and market risk weighted assets.

SAIB's **liquidity position** remained robust over the year, with the liquidity coverage ratio of 196.5%, a net stable funding ratio of 111.5%, a SAMA loan to deposit ratio of 76.6%, as well as a headline loan to deposit ratio of 96.5%.

Segmental Performance

Corporate

Corporate net income before zakat decreased by 26% year-on-year to ⃁430 million in 1H 2026, while operating income decreased by 16% year-on-year. This performance was primarily driven by a 20% decrease in net special commission income due to net interest margin contraction. Net fee and other income grew by 11%, supported by stronger banking-service fees, including a recovery in trade finance activity during the second quarter. Operating expenses increased by 8% year-on-year due to higher indirect operating expenses. while credit impairments decreased by 10% compared to 1H 2025.

Total assets increased by 6% year-to-date to ⃁90.8 billion as of end of 1H 2026, driven by the loan growth. Liabilities decreased by 21% year-to-date to ⃁12.1 billion, driven by lower deposits.

Income Statement (⃁ Million)	1H 2026	1H 2025	Δ	2Q 2025	2Q 2025	Δ
Net Special Commission Income	**602**	756	-20%	303	385	-21%
Fee & other income	**118**	106	+11%	59	52	+12%
Total operating income	**720**	862	-16%	362	438	-17%
Expenses	**203**	187	+8%	102	94	+8%
Impairments	**87**	97	-10%	51	41	+26%
Net income before zakat	**430**	578	-26%	209	303	-31%

Balance Sheet (⃁ Million)	2Q 2026	4Q 2025	Δ	1Q 2026	Δ
Total assets	**90,832**	85,614	+6%	88,657	+2%
Total liabilities	**12,144**	15,378	-21%	13,949	-13%

Retail

Retail net income before zakat decreased by 69% year-on-year to ⃁73 million in 1H 2026. Retail operating income declined 26% year-on-year to ⃁536 million due to net interest margin contraction. Fee and other income decreased by 42% year-on-year mainly from a decrease in net fee income from banking services. Operating expenses reduced by 6%, while the impairment charge increased to ⃁38 million from ⃁28 million in 1H 2025.

Total retail assets increased by 2% year-to-date to ⃁29.3 billion as of end of 1H 2026, while retail liabilities rose by 15% year-on-year to reach ⃁92.6 billion, reflecting growth in deposits.

Income Statement (⃁ Million)	**1H 2026**	1H 2025	Δ	2Q 2026	2Q 2025	Δ
Net Special Commission Income	**500**	658	-24%	244	326	-25%
Fee & other income	**35**	61	-42%	15	28	-46%
Total operating income	**536**	719	-26%	259	354	-27%
Expenses	**425**	452	-6%	223	227	-2%
Impairments	**38**	28	+35%	15	23	-32%
Net income before zakat	**73**	239	-69%	20	104	-81%

Balance Sheet (⃁ Million)	**2Q 2026**	4Q 2025	Δ	1Q 2026	Δ
Total assets	**29,338**	28,630	+2%	29,307	+0%
Total liabilities	**92,638**	80,536	+15%	94,041	-1%

Treasury and Investments

Treasury and Investments' net income before zakat increased by 111% year-on-year to ⃁606 million in 1H 2026. Operating income grew 82% year-on-year to ⃁730, driven by a 91% increase in net special commission income, largely reflecting increase in average investment portfolio by 9% and investment yield by 10 bps year-on-year. Fee and other income increased by 24% year-on-year, supported by higher investment gains. Treasury and Investments operating expenses decreased 4% year-on-year, while investment impairments were negligible. Income from associates decreased by 24% year-on-year.

The segment's total assets rose by 9% year-to-date on higher interbank placements. Liabilities remained stable year-to-date, with 18% growth in deposits more than offset by reduced interbank funding.

Income Statement (⃁ Million)	**1H 2026**	1H 2025	Δ	2Q 2026	2Q 2025	Δ
Net Special Commission Income	**661**	346	+91%	332	175	+89%
Fee & other income	**69**	56	+24%	45	26	+74%
Total operating income	**730**	402	+82%	376	201	+87%
Expenses	**163**	170	-4%	85	86	-1%
Impairments	**3**	1	+406%	4	1	+324%
Share in earnings of associates	**42**	56	-24%	24	27	-11%
Net income before zakat	**606**	287	+111%	312	141	+120%

Balance Sheet (⃁ Million)	**2Q 2026**	4Q 2025	Δ	1Q 2026	Δ
Total assets	**62,688**	57,539	+9%	61,661	+2%
Total liabilities	**54,323**	54,405	-0%	49,837	+9%

Asset Management and Brokerage

Asset Management and Brokerage net income before zakat grew by 47% year-on-year to ⃁113 million in 1H 2026. Net special commission income grew 12% year-on-year from higher income on margin accounts. Fee and other income increased by 36%, driven primarily by continued growth in fund management fees. The strong performance of the segment reflects the Bank's continued focus on growing fee-based income as part of its strategy to support ROE and diversify its revenue base.

Asset Management and Brokerage total assets increased by 12% year-to-date while liabilities grew by 13% to ⃁82 million.

Income Statement (⃁ Million)	**1H 2026**	1H 2025	Δ	2Q 2026	2Q 2025	Δ
Net Special Commission Income	**41**	36	+12%	20	19	+9%
Fee & other income	**136**	101	+36%	**89**	58	+53%
Total operating income	**177**	137	+29%	**109**	77	+42%
Expenses	**64**	60	+7%	32	30	+8%
Impairments	**0**	0	+169%	0	0	+169%
Net income before zakat	**113**	77	+47%	**77**	47	+63%

Balance Sheet (⃁ Million)	**2Q 2026**	4Q 2025	Δ	1Q 2026	Δ
Total assets	**1,163**	1,042	+12%	1,131	+3%
Total liabilities	**82**	72	+13%	89	-7%

Outlook

The Saudi banking sector continues to be supported by the Kingdom's long-term transformation under Vision 2030, ongoing investment activity and the continued development of the non-oil economy. Although recent regional geopolitical tensions, trade and logistics disruptions, and softer near-term non-oil indicators have created a more challenging operating backdrop, SAIB believes the fundamental drivers of financing demand across its target sectors remain firmly in place.

The Bank remains well positioned to capture these opportunities through continued growth in corporate and private banking, supported by disciplined lending and selective balance sheet deployment. SAIB will also continue to develop its retail offering and expand fee-based businesses, including asset management and brokerage, supporting greater revenue diversification and improved returns.

Despite a challenging macroeconomic and geopolitical environment, SAIB continues to make steady progress in implementing Strategy 2027 and the additional initiatives introduced as part of its strategic refresh. These initiatives, covering product development, digital capabilities, data and analytics, customer experience and sales effectiveness, remain on track. The Bank's strong fundamentals and financial resilience provide sufficient capacity to sustain this momentum and support continued delivery of its strategic priorities through 2026 and 2027.

Looking ahead, SAIB will continue to prioritise digital transformation, operational excellence and disciplined risk management, while maintaining a strong balance sheet and capital flexibility. In the current environment, the Bank remains focused on prudent execution, robust risk management, active monitoring of macroeconomic and geopolitical developments, and continued support for its clients.

Additional Information

SAIB's 1H 2026 financial statements, earnings release, earnings presentation and financial data supplement are available on the SAIB Investor Relations website at:

https://www.saib.com.sa/en/investor-relations

For further information, visit: https://www.saib.com.sa/en

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