

CORPORATE PROFILE

Navigating Growth: SAB Invest's Strategic Moves

Ali Almansour, Managing Director & CEO of SAB Invest, on the firm's sharp 2023 profit rise and its plans to expand with Saudi Arabia's investment boom.

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As investment markets around the world untighten their purse strings due to lowered inflation and new opportunities, Saudi Arabia is outpacing regional markets in spending and attracting foreign direct investment. In the fourth quarter of 2023, total foreign direct investment into the country stood at around \$19.3 billion, with inflows in the last quarter rising by 16.6% compared to the previous quarter. Additionally, Saudi Arabia's sovereign wealth fund Public Investment Fund swung to profit in the same year, in part due to high returns of around \$25 billion from investment activities. With the market abuzz with activity, the nation's top investment management entities such as SAB Invest are undergoing major transformations to provide their clients with successful links to opportunities. Ali Almansour, Managing Director and CEO of SAB Invest, remarks on the nation's fast rise as an international investment hub: "From 2019 to 2023, the total assets under management in Saudi Arabia grew by 75%, reaching a value of around \$230 billion, mostly linked to the Vision 2030 reforms. The diversification of sectors beyond petrochemicals and banking to include logistics, healthcare, insurance, pharmaceuticals and real estate has allowed us to build more diversified strategies." The investment leader pointed to major reforms such as the introduction of a qualified foreign investors program in 2015 and inclusion into international indices in 2019 as key drivers for the current upbeat market.



SAB Invest
Riyadh, Saudi Arabia

COMPANY AT A GLANCE

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|-----------------|-----------------|
| Founded | 2008 |
| 2023 net income | +180% (\$25.7m) |
| AUM growth 2023 | +73% (+\$3bn) |

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ALI ALMANSOUR · MD & CEO, SAB INVEST

Established in 2008, SAB Invest has grown significantly in the last few years following becoming the investment arm of Saudi Awwal Bank and the bank's fully owned subsidiary in 2022. The company's new five-year growth strategy launched in January 2023 has not only completely transformed the company's ethos but set it on a path of unprecedented growth. A crucial part of the 2027 blueprint is the creation of a real estate & alternatives segment, which is expected to launch products throughout 2024. "The energy since the launch of this strategy is evident. People now have a vision, new targets and new ambitions," said Almansour. "The increase in initial public offering activities – whether from government-owned or family-owned businesses – has created opportunities that local and foreign investors want to participate in."

Last year SAB Invest posted a 180% rise in net income to the tune of \$25.7 million. The company added \$3 billion to its assets under management in 2023, representing a growth of 73%. Additionally, the investment house saw its institutional and ultra-high net worth client base expand by 35% in the same year. "Given that our business has existed for decades, this kind of growth is extremely encouraging and a great base for our new strategy." In February 2024, the company was recognized as Asset Manager of the Year for 2023 at the Saudi Capital Market's annual award ceremony.

The CEO attributes the company's recent success to its heavy focus on building up and training its workforce to meet the oncoming demands of the market. In 2023, SAB Invest performed more than 345 training courses for its staff and launched its new Graduate Development Program. "We already had very good people working at the company, but we needed to attract more professionals to cover certain gaps. We are fortunate that the that highly regarded professionals in the industry whom we approached had agreed to join and lead our various businesses," said Almansour. "In investment management, we are essentially selling the talent of our professionals." Moving forward, the company intends to build on its strong performance in 2023 to launch new investment offering and further invests in its digital infrastructure. "We currently only serve around 4% of the Saudi Awwal Bank's client base, and there is significant room to expand within the franchise," said Almansour. "We have a long history in the market, having launched the first Saudi equity mutual fund in the early 1990s, which we still manage today. Our legacy and heritage in investing are strong, and we continue to innovate with new strategies and exposures to different asset classes."