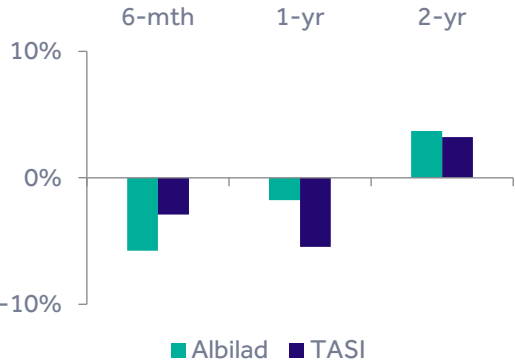


Market Data	
52-week high/low	SAR 33.88 / 26.42
Market Cap	SAR 43,350 mln
Shares Outstanding	1,500 mln
Free-float	61.1%
12-month ADTV	1,336,352
Bloomberg Code	ALBI AB



■ Profitability Intact Despite Soft Quarter

May 01, 2025

Upside to Target Price

15.8%

Rating

Buy

Expected Dividend Yield

2.1%

Last Price

SAR 28.90

Expected Total Return

17.9%

12-mth target

SAR 33.00

Albilad Bank	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Net Fin. & Invest Income	1,162	1,045	11%	1,144	2%	1,187
Total Operating Income	1,464	1,341	9%	1,477	(1%)	1,579
Net Income	700	643	9%	790	(11%)	758
Net Financing	112,427	103,306	9%	109,304	3%	111,490
Deposits	124,018	113,741	9%	121,776	2%	124,212

(All figures are in SAR mln)

- Net financing increased by +9% Y/Y and posted a moderate +3% Q/Q growth, reaching SAR 112 bln, in line with our estimate of SAR 111 bln. Deposits grew by +9% Y/Y, and +2% Q/Q to SAR 124 bln, matching our estimates. Consequently, the SAR 2.2 bln increase in deposits was outpaced by the SAR 3.1 bln increase in net financing Q/Q, resulting in higher loan-to-deposit ratio (LDR) at 91% versus 88% in 4Q2024.
- Net financing and investment income demonstrated robust +11% Y/Y growth. On sequential basis, it increased +2% Q/Q to SAR 1.16 bln, in line with expectations of SAR 1.18 bln. Non-funded income grew +2% Y/Y, but declined -9% Q/Q to SAR 302 mln.
- Total operating income declined by -1% Q/Q, mainly due to the lower net fee and commission income as well as net exchange income. However, NSCI, dividend income, net gain on FVSI instruments and other operating income all showed improvement. Operating expenses increased +15% Q/Q, mainly driven by a spike in the impairment charges this quarter following a significant reversal in the previous quarter.
- Albilad recorded a bottom-line of SAR 700 mln, reflecting +9% Y/Y growth, though down -11% Q/Q, primarily due to higher net impairment charge and weaker non-funded income, despite a modest growth in NSCI.
- We expect the bank to benefit from declining interest rates, as its retail-heavy loan portfolio positions it to experience enhanced margin growth. Given strong fundamentals and the favorable impact of a declining rate environment, we are maintaining our target price at SAR 33.00 and upgrading our recommendation to Buy, following the recent pullback in the stock price.

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■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors
For any feedback on our reports, please contact research@riyadcapital.com

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