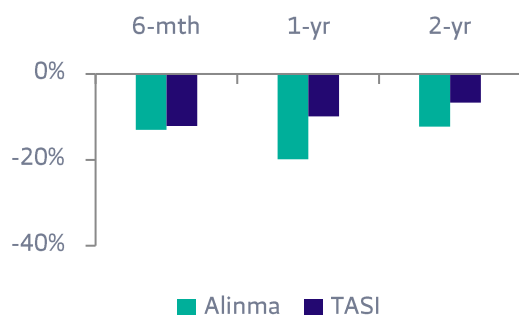


Market Data	
52-week high/low	SAR 33.20/24.52
Market Cap	SAR 69.900 mln
Shares Outstanding	2,500 mln
Free-float	89.83%
12-month ADTV	6,158,881
Bloomberg Code	ALINMA AB



## Continued Loan Momentum

July 31, 2025

Upside to Target Price 38.7%  
 Expected Dividend Yield 4.6%  
 Expected Total Return 43.3%

Rating Buy  
 Last Price SAR 25.96  
 12-mth target SAR 36.00

Alinma	2Q2025	2Q2024	Y/Y	1Q2025	Q/Q	RC Estimate
Net Fin. & Invest. Income	2,272	2,151	6%	2,283	(0%)	2,296
Total Operating Income	2,947	2,746	7%	2,814	5%	2,851
Net Income	1,573	1,417	11%	1,508	4%	1,508
Net Financing	218,596	189,912	15%	209,435	4%	217,812
Deposits	229,944	205,357	12%	218,839	5%	227,155

(All figures are in SAR mln)

- Alinma reported strong 2Q25 results, with loans growing by +15% Y/Y and +4% Q/Q to SAR 219, broadly in-line with our forecast of SAR 218 bln. Deposits also increased by +12% Y/Y and +5% Q/Q to SAR 230 bln. Alinma added SAR 9.2 bln to its financing portfolio, while deposits rose by SAR 11 bln during the quarter, resulting in a stable loan-to-deposit ratio (LDR) of 95% in 2Q2025.
- Net Financing and Investment Income rose +6% Y/Y but edged down slightly by -0.5% Q/Q to SAR 2.3 bln, mainly due to higher funding costs driven by growth in time deposits. Total Operating Income increased +7% Y/Y and +4% Q/Q, supported by a strong +27% Q/Q rise in non-funded income, particularly from fees and exchange income. Impairment charges declined -14% Y/Y but rose +24% Q/Q to SAR 281 mln, reflecting a more active lending profile.
- The bank reported a bottom-line of SAR 1.57 bln, reflecting up +11% Y/Y and +4% Q/Q, broadly in line with our estimate of SAR 1.51 bln. The sequential growth was supported by higher operating income, partly offset by softer net financing and investment income. Alinma declared a cash dividend of SAR 0.30 per share for the quarter.
- We believe Alinma remains well-positioned to sustain its growth trajectory, underpinned by strong momentum in project finance and increasing exposure to large-scale and mega projects. We reiterate our Buy rating and target price, supported by the bank's robust fundamentals and positive medium-to-long-term outlook.
- At the regulatory level, SAMA announced an increase in the Countercyclical Capital Buffer (CCyB) from 0% to 1% of Risk-weighted-assets (RWA), effective May 2026, as a preventive measure to strengthen financial stability amid ongoing credit growth. The 1% buffer-applicable to all banks operate on Saudi Arabia- aim to promote prudent risk management and ensures banks are well-positioned to support the economy through different cycles. This may impact credit growth going forward.

**Reem M. Alkhulayfi**  
 reem.alkhulayfi@riyadcapital.com  
 +966-11-486-5680

## ■ 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](mailto:research@riyadcapital.com)

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