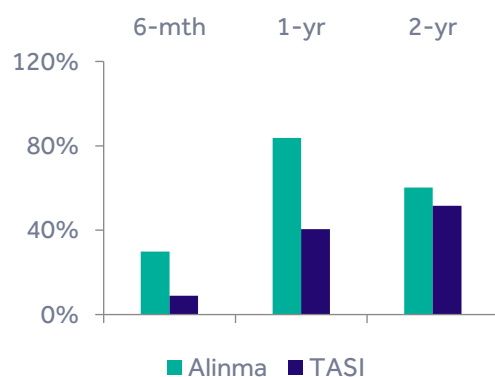


Market Data	
52-week high/low	SAR 30.30/16.12
Market Cap	SAR 58,200 mln
Shares Outstanding	2,000 mln
Free-float	99.89%
12-month ADTV	10,598,860
Bloomberg Code	ALINMA AB



Loans Grow Faster Than Deposits Q/Q

February 08, 2022

Upside to Target Price	(14.1%)	Rating	Neutral
Expected Dividend Yield	3.1%	Last Price	SAR 29.10
Expected Total Return	(11.0%)	12-mth target	SAR 25.00

Alinma Bank	4Q2021	4Q2020	Y/Y	3Q2021	Q/Q	RC Estimate
Net Financing Income	1,309	1,214	8%	1,393	(6%)	1,462
Total Operating Income	1,682	1,610	4%	1,724	(2%)	1,853
Net Income	619	394	57%	738	(16%)	617
Net Financing	126,271	111,196	14%	121,318	4%	125,073
Deposits	121,061	119,454	1%	116,652	4%	120,649

(All figures are in SAR mln)

- Alinma’s net financing grew at a higher pace compared to the previous two quarters, adding SAR 5.0 bln and ending the year 2021 at SAR 126.3 bln. Deposits resumed the uptrend after one quarter of decline by adding SAR 4.4 bln Q/Q to stand at SAR 121.1 bln for 2021.
- For 4Q2021, Net Financing Income increased by +8% Y/Y reaching SAR 1.3 bln. Operating income followed a similar trend to rise by +4% Y/Y to reach SAR 1.7 bln. Both Net Financing Income and Operating Income experienced a rise throughout the year to end the year at SAR 5.1 bln and SAR 6.7 bln, respectively.
- Despite the decrease in the provisions by -11% Y/Y to SAR 1.3 bln for full 2021, the total OpEx increased by +4% Y/Y, as the G&A and salaries expenses were higher. Yet, for 4Q2021 total OpEx reduced by -15% Y/Y, as we believe it’s mainly due to the drop in provisions by -52% Y/Y to SAR 304 mln.
- Bottom-line improved by +57% Y/Y to SAR 619 mln, in-line with our SAR 617 mln estimate but lower than market consensus of SAR 713 mln. Therefore, 2021 NI was up by +38% Y/Y to reach SAR 2.7 bln. We increase our target price to SAR 25.00 but maintain a Neutral rating.

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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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